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HOUSE OF REPRESENTATIVES—*Friday, November 4, 1977*

The House met at 10 o'clock a.m.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Behold, God is my salvation, I will trust and not be afraid.—Isaiah 12: 2.

Almighty God, who art from everlasting to everlasting, come anew into our hearts as we wait upon You that we may love You more fully, serve You more fervently, and govern our country more faithfully. In the midst of perplexing problems and persistent pressures keep Your presence alive within us, as we labor give us strength to walk the high way rather than the low, courage to choose the right rather than the wrong, and faith to be faithful in our endeavors to lift the level of the life of our people to the higher realm where dwells peace and justice, good will, and joy.

O Lord, support us all the day long
Of this troublous life,
Until the shadows lengthen,
And the evening comes,
And the busy world is hushed,
And the fever of life is over,
And our work is done.

Then, of Thy great mercy,
Grant us a safe lodging
And a holy rest,
And peace at last;
Through Jesus Christ, our Lord.

Amen.

CALL OF THE HOUSE

Mr. ROUSSELOT. Mr. Speaker, under clause 1, rule I, of the rules of the House, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. BRADEMAS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 741]

Akaka	Buchanan	D'Amours
Ammerman	Burke, Calif.	Delaney
Andrews, N. Dak.	Burke, Fla.	Dellums
Archer	Burton, John	Derrick
Armstrong	Burton, Phillip	Devine
Ashbrook	Butler	Diggs
Badillo	Chappell	Dodd
Barnard	Chisholm	Drinan
Bedell	Cleveland	Edgar
Beilenson	Collins, Tex.	Edwards, Calif.
Bevill	Conable	Edwards, Okla.
Boggs	Conyers	Eilberg
Boland	Corcoran	Erlenborn
Bolling	Corman	Fish
Brinkley	Cotter	Ford, Mich.
Brown, Mich.	Crane	Fountain
	Cunningham	Frenzel
Frey	Long, La.	Rogers
Fuqua	Long, Md.	Roncalio
Gammage	McClory	Rosenthal
Gaydos	McCormack	Rostenkowski
Gibbons	McDade	Ruppe
Ginn	McKinney	Russo
Glickman	Madigan	Santini
Goldwater	Marks	Sarasin
Goodling	Marlenee	Scheuer
Gudger	Martin	Sebelius
Guyer	Mathis	Shipley
Hagedorn	Meeds	Sisk
Hall	Metcalfe	Snyder
Hannaford	Michel	Spellman
Harkin	Mikulski	Stangeland
Harrington	Mikva	Stokes
Harsha	Milford	Taylor
Heckler	Mitchell, Md.	Teague
Hefner	Moss	Thompson
Hightower	Mottl	Tucker
Hillis	Murphy, N.Y.	Udall
Holland	Murphy, Pa.	Ullman
Hollenbeck	Myers, Michael	Vander Jagt
Holt	Nedzi	Walgren
Horton	Nichols	Walsh
Huckaby	Nix	Wampler
Hughes	Nolan	Watkins
Jenrette	Pattison	Whalen
Jones, Okla.	Pepper	White
Jones, Tenn.	Pursell	Whitehurst
Jordan	Quayle	Whitley
Kelly	Quie	Whitten
Ketchum	Quillen	Wiggins
Koch	Railsback	Wilson, Tex.
Krueger	Reuss	Wolff
LaFalce	Rhodes	Wydler
Latta	Richmond	Wylie
Leggett	Rinaldo	Yatron
Lehman	Risenhoover	Young, Alaska
Lent	Roberts	Young, Tex.
Lloyd, Calif.	Roe	

The SPEAKER. On this rollcall 262 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Is there objection to the approval of the Journal?

Ms. HOLTZMAN. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

The question is on the approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Ms. HOLTZMAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 284, nays 14, answered "present" 1, not voting 135, as follows:

[Roll No. 742]

YEAS—284

Abdnor	Eckhardt	Lujan
Addabbo	Edgar	Luken
Alexander	Edwards, Ala.	Lundine
Allen	Edwards, Calif.	McCloskey
Ambro	Emery	McDonald
Anderson, Calif.	English	McEwen
	Ertel	McFall
Anderson, Ill.	Evans, Colo.	McHugh
Andrews, N.C.	Evans, Del.	McKay
Annunzio	Evans, Ga.	Maguire
Applegate	Evans, Ind.	Mahon
Archer	Fary	Mann
Ashley	Fascell	Markey
Badham	Fenwick	Marks
Bafalis	Findley	Marriott
Baldus	Fish	Martin
Baucus	Fisher	Mattox
Bauman	Fithian	Mazzoli
Beard, R.I.	Flippo	Meyner
Beard, Tenn.	Flood	Mikulski
Beilenson	Florio	Miller, Calif.
Benjamin	Flowers	Miller, Ohio
Bennett	Flynt	Mineta
Biaggi	Foley	Minish
Bingham	Ford, Tenn.	Mitchell, N.Y.
Blanchard	Fowler	Moakley
Blouin	Fraser	Moffett
Bonior	Gephardt	Mollohan
Bonker	Giaimo	Montgomery
Bowen	Gibbons	Moore
Brademas	Gilman	Moorhead, Calif.
Breaux	Goldwater	
Brodhead	Gonzalez	Moorhead, Pa.
Brooks	Gore	Murphy, Ill.
Broomfield	Gradison	Murphy, N.Y.
Brown, Calif.	Grassley	Murtha
Brown, Ohio	Gudger	Myers, John
Broyhill	Hamilton	Myers, Michael
Burgener	Hammer-schmidt	Natcher
Burke, Mass.		Neal
Burleson, Tex.	Hanley	Nedzi
Burlison, Mo.	Hansen	Nowak
Byron	Harris	O'Brien
Caputo	Harsha	Oakar
Carney	Hawkins	Oberstar
Carr	Heckler	Obey
Carter	Heftel	Ottinger
Cavanaugh	Holtzman	Panetta
Cederberg	Howard	Patten
Chappell	Hubbard	Patterson
Clausen Don H.	Hughes	Pattison
	Hyde	Pease
Clawson, Del	Ichord	Perkins
Clay	Ireland	Pettis
Cochran	Jeffords	Pickle
Cohen	Jenkins	Pike
Coleman	Johnson, Calif.	Poage
Collins, Ill.	Johnson, Colo.	Pressler
Conte	Jones, N.C.	Preyer
Corman	Kasten	Price
Cornell	Kastenmeier	Rahall
Cornwell	Kazen	Rangel
Daniel, Dan	Kelly	Regula
Daniel, R. W.	Kemp	Reuss
Danielson	Keys	Robinson
Davis	Kildee	Rodino
de la Garza	Kindness	Roncalio
Dellums	Kostmayer	Rooney
Dent	Krebs	Rose
Derwinski	LaFalce	Rosenthal
Dickinson	Lagomarsino	Rousselot
Dicks	Le Fante	Roybal
Dingell	Leach	Rudd
Dodd	Lederer	Runnels
Dornan	Leggett	Ruppe
Downey	Lehman	Ryan
Drinan	Levitas	Satterfield
Duncan, Oreg.	Livingston	Sawyer
Duncan, Tenn.	Lloyd, Tenn.	Scheuer
Early	Lott	Schroeder

Schulze	Stanton	Volkmer
Seiberling	Stark	Waggonner
Sharp	Steed	Walgren
Shuster	Steers	Waxman
Sikes	Stockman	Weaver
Simon	Stratton	Weiss
Skelton	Studds	Wiggins
Skubitz	Stump	Wilson, C. H.
Slack	Symms	Winn
Smith, Iowa	Thone	Wirth
Smith, Nebr.	Thornton	Wright
Solarz	Trible	Yates
Spellman	Tsongas	Young, Fla.
Spence	Van Deerlin	Young, Mo.
St Germain	Vanik	Zablocki
Staggers	Vento	Zeferetti

NAYS—14

Aspin	Glickman	Traxler
AuCoin	Jacobs	Treen
Brown, Mich.	Myers, Gary	Walker
Coughlin	Pritchard	Wilson, Bob
Forsythe	Steiger	

ANSWERED "PRESENT"—1

Breckinridge

NOT VOTING—135

Akaka	Guyer	Pursell
Ammerman	Hagedorn	Quayle
Andrews, N. Dak.	Hall	Quie
	Hannaford	Quillen
Armstrong	Harkin	Railsback
Ashbrook	Harrington	Rhodes
Badillo	Hefner	Richmond
Barnard	Hightower	Rinaldo
Bedell	Hillis	Risenhoover
Bevill	Holland	Roberts
Boggs	Hollenbeck	Roe
Boland	Holt	Rogers
Bolling	Horton	Rostenkowski
Brinkley	Huckaby	Russo
Buchanan	Jenrette	Santini
Burke, Calif.	Jones, Okla.	Sarasin
Burke, Fla.	Jones, Tenn.	Sebelius
Burton, John	Jordan	Shipley
Burton, Phillip	Ketchum	Sisk
Butler	Koch	Snyder
Chisholm	Krueger	Stangeland
Cleveland	Latta	Stokes
Collins, Tex.	Lent	Taylor
Conable	Lloyd, Calif.	Teague
Conyers	Long, La.	Thompson
Corcoran	Long, Md.	Tucker
Cotter	McClory	Udall
Crane	McCormack	Ullman
Cunningham	McDade	Vander Jagt
D'Amours	McKinney	Walsh
Delaney	Madigan	Wampler
Derrick	Marlenee	Watkins
Devine	Mathis	Whalen
Diggs	Meeds	White
Edwards, Okla.	Metcalfe	Whitehurst
Eilberg	Michel	Whitley
Erlenborn	Mikva	Whitten
Ford, Mich.	Milford	Wilson, Tex.
Fountain	Mitchell, Md.	Wolff
Frenzel	Moss	Wydler
Frey	Mottl	Wylie
Fuqua	Murphy, Pa.	Yatron
Gammage	Nichols	Young, Alaska
Gaydos	Nix	Young, Tex.
Ginn	Nolan	
Goodling	Pepper	

So the Journal was approved.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H.R. 8992. An act to amend title 3 of the United States Code to change the name of the Executive Protective Service;

H.R. 9704. An act to amend the Federal Crop Insurance Act, and for other purposes;

H.R. 9836. An act to authorize the Architect of the Capitol to furnish chilled water to the Folger Shakespeare Library; and

H.J. Res. 611. Joint resolution to extend the authority of the Federal Reserve banks to buy and sell certain obligations.

H.R. 2719. An act to authorize the Secretary of the Interior to contract with the Middle Rio Grande Conservancy District of New Mexico for the payment of operation and maintenance charges on certain Pueblo Indian lands; and

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 9378. An act to amend title IV of the Employee Retirement Income Security Act of 1974 to postpone, for two years, the date on which the corporation first begins paying benefits under terminated multiemployer plans.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 661. An act to restore Federal recognition of certain Indian tribes, and for other purposes.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 661. An act to restore Federal recognition of certain Indian tribes, and for other purposes.

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate to a bill of the Senate of the following title:

H.R. 7345. An act to amend title 38 of the United States Code to increase the rates of disability and death pension and to increase the rates of dependency and indemnity compensation for parents, and for other purposes.

VIOLENCE IN LABOR DISPUTES

(Mr. BENNETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BENNETT. Mr. Speaker, I have today introduced legislation to make it a crime to engage in acts of violence or threats of violence in any labor dispute and conspiracies to these ends; and to provide not only criminal penalties but also recovery of loss for personal or property damage or injury. The unbridled gangsterism sometimes erupting in such disputes has long been a sore on the American scene. The full powers of the Government should be harnessed to put a stop to this. Not only management and the general public are entitled to such protection but it is also in the interest of labor unions themselves because such actions build a hatred in the general public against labor unions, thus diminishing the thrust of legitimate requests for improving employee conditions in our country. I sincerely hope that the appropriate committees of Congress will address this matter promptly, as enactment in this field is long overdue.

LABELING OF CONTAINERS OF PRESCRIPTION DRUGS

(Mr. CARTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CARTER. Mr. Speaker, I am today introducing legislation to effect the following:

In cases of medical emergency, it is often important for attending medical personnel to know the name, strength and contents of any drugs a patient is taking. Therefore, this draft legislation would amend the Federal Food, Drug, and Cosmestic Act to require that the label of drug containers, as dispensed to the patient, would carry the established or trade name, together with the quantity and the strength of the drug dispensed.

Occasions do arise, however, when for medical or emotional reasons, it is in the best interests of the patient that the physician assure that this information not be made known to the patient (or, indirectly, to the patient's family or associates).

This bill requires certain information to be provided on the containers of drugs, but allows the physician to waive this requirement in appropriate instances.

CROWN OF ST. STEPHEN

(Mr. DERWINSKI asked and was given permission to address the House for 1 minute to revise and extend his remarks.)

Mr. DERWINSKI. Mr. Speaker, it is my understanding that the news story claiming that the administration has decided to return to the Communist government of Hungary the Crown of St. Stephen is accurate. It is my hope, however, that there is still the possibility the Carter administration will back off of this position and continue to hold the Crown of St. Stephen in safekeeping.

Two months ago I wrote to the chairman of the Subcommittee on Europe and the Middle East of the House International Relations Committee asking that hearings be held and that the executive branch explain and justify its position before the subcommittee. Unfortunately, this decision was made without a congressional hearing, without consultation with Members of Congress who have expressed an interest through legislative activity, and certainly without taking into account the strong views of Hungarian-Americans.

It must be emphasized that the Crown of St. Stephen is a 1,000-year-old symbol of freedom of the Hungarian people. Turning this national treasure back to the Communists is a disgrace. The people of Hungary, like others behind the Iron Curtain, do not enjoy any real freedom under their present government. I will support whatever steps might be available to the Congress at this time, but I believe the proper course of action is to conduct full-scale congressional hearings to review the legal and historic basis for our safekeeping of the Crown and to provide an opportunity for Hun-

garian-American groups to make their case for its retention by the United States.

CROWN OF ST. STEPHEN

(Mr. LAGOMARSINO asked and was given permission to address the House for 1 additional minute.)

Mr. LAGOMARSINO. Mr. Speaker, I was equally shocked as the gentlewoman from Ohio (Ms. OAKAR) to read in this morning's press that the State Department had determined to give back the Crown of St. Stephen to the Communist government of Hungary. I was shocked; I was disappointed; and I was surprised. I was surprised, of course, that the decision was made now and not after the Congress went out of session. That would have been what we should have expected.

Frankly, the Hungarians view the return of the Crown to the present Government of Hungary as a betrayal of high principles, and this is an opinion that I share. While the State Department spokesmen have sought to stress that the crown is being returned to the people of Hungary, I can point out to the Members that thousands of Hungarian people will not be present to receive it, those who fled their country in 1956, the courageous Hungarian Freedom Fighters, and who would be living there now but for the repressive government that took power in 1948.

Mr. Speaker, I would urge my colleagues to make their feelings known to the State Department and to the President that we do not approve of this move and hope that the administration will change its decision.

CROWN OF ST. STEPHEN

(Mr. KEMP asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KEMP. Mr. Speaker, I am appalled at the administration's decision to give the Hungarian Crown of St. Stephen to the Communist government now in control of Hungary. The crown is the symbol of Hungarian nationhood, of Hungarian freedom and independence, and of Hungarian Christianity. This action would be an outrage, a sacrilege and we must protest.

According to this morning's Washington Post, two State Department officials who wished to remain anonymous have placed the decision directly in President Carter's hands. I had hoped that this poor advice by certain foreign policy advisors to the President would be summarily rejected by a President committed to the cause of human rights.

Now I see that I was mistaken. President Carter plans to give the precious Crown of St. Stephen—which was given to King Stefan I, Hungary's first Christian monarch, by Pope Sylvester II in 1001 A.D. to the totalitarian and atheistic rulers of Hungary today. This act is to abandon, symbolically, the struggles and the hopes of the Hungarian people, and the thousands of Hungarians who fled their homelands in 1956, leaving friends, relations, and belongings behind in their quest for freedom from political and religious persecution at the hands of the Communists.

I have stood on behalf of Hungarian Freedom Fighters on numerous occasions, to awaken the world to the persecutions and deprivation of human rights that exists in communist Hungary and behind the Iron Curtain.

It is for this reason that I join with Representative OAKAR today to register loudly and clearly my opposition to such a blatant abandonment of human rights and to call upon my colleagues in the Congress to join in cosponsoring and voting for Representative OAKAR's legislation to prohibit any transference of the Hungarian Crown of St. Stephen without congressional approval. Any person sincerely concerned about human rights in Eastern Europe, and indeed the world, must reject the administration's decision, and reaffirm the wishes of the late Cardinal Mindszenty and the Hungarian people to preserve and protect this cherished and priceless relic until the day when the people of Hungary are free. As a recipient of the Cardinal Mindszenty Freedom Medal, I want to remind this House that the Cardinal literally gave his life for Hungarian freedom and independence and he emphatically asked this Nation to keep the Crown in the Free World. In his memory and for the sake of Hungarian freedom let us keep the faith with our pledge to keep alive this symbol of Hungarian Christianity and freedom.

CROWN OF ST. STEPHEN

(Mr. GILMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GILMAN. Mr. Speaker, I join the gentlewoman from Ohio (Ms. OAKAR) and my colleagues in opposing the administration's decision to return the holy Crown of St. Stephen to the present government of Hungary. I express my deep disappointment, both in the action taken and the manner in which the administration has handled this issue, without proper consultation with the Congress.

My reasons for opposing the return of the holy Crown to Hungary lie in the deep-seated religious and natural significance that the Crown has for the people of Hungary. To them, the Crown has as much significance as the Bill of Rights and the Constitution has to our Nation. Given to King Stephen of Hungary in the year 1001 by Pope Sylvester II, the Crown was an expression of the Pope's gratitude for his having converted himself and his nation, to Christianity.

Since that event of nearly 1,000 years ago, the Crown has, to the Hungarian people, evolved into a sacred symbol, not only of Hungarian nationhood, but also of the independence and legitimacy of their Government. We will honor its heritage, and those brave Hungarians who entrusted it to us at the end of World War II, by returning it only to a Government of Hungary that is independent and is endowed with the legitimacy conferred by the consent of the people.

The present government which is the heir of that which joined the Soviet Union in brutality, crushing the valiant fight for freedom in 1956, has neither of these qualities.

TEXTILE IMPORTS

(Mr. FOUNTAIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. FOUNTAIN. Mr. Speaker, textile and apparel imports from overseas have lately been rising sharply and I am greatly concerned about this problem. Overall, these imports are now at a level seven or eight times higher than they were two decades ago. In some areas of the textile and apparel industries—women's wool sweaters, for example—more are imported than are produced domestically.

Employment in the domestic apparel industry, for instance, dropped several percentage points in a recent 10-year period. If imports keep going up at the present rate, further reductions in textile and apparel employment are a real possibility, through layoffs or plant closings—not to mention cutbacks in the number of new plants opened.

Of course, the loss of jobs creates a further drain on every local economy since the unemployed have fewer dollars to spend, and many must be supported at least partially by the taxpayers while they are out of work.

As a nation and as a world power, it is essential that we have good trade relations with other countries. International commerce gives us a chance to sell many of our products abroad, and also lets us purchase some of the things we need. However, we should seek trade agreements which will hold imports at reasonable levels in an effort to protect American jobs and our economy, without damaging our own export program.

We ought to keep in mind that over 20,000 domestic textile companies and apparel manufacturers need to be able to compete freely on the open market here at home, without the added burden of too high levels of imports. Otherwise, low-wage foreign countries will be able to control prices here by organizing themselves into cartels, thus being able to call the shots.

The informal House Textile Committee, of which I am a member, works toward the development of more responsible textile trade policies and supports the preservation of the American textile, fiber, and apparel industries—along with the 2.5 million jobs these industries provide our people.

Our committee believes that we ought to have healthy and viable domestic textile and apparel industries, and one good way to further these goals is to maintain customs duties and taxes on these imports at their current levels. Perhaps, in this manner, we can discourage some increases in imports.

The United States now has trade negotiators abroad discussing possible changes in the multifiber arrangements which govern much of our foreign trade. Hopefully, they will try to bring our fiber imports down—more into line with the level of our production here.

In support of the Textile Committee's work, I have cosponsored a House resolution which calls upon our negotiators to exclude textile and apparel products from the list of imported goods on which the customs duties may be lowered. Maybe steel should be treated similarly.

If the textile fibers, fabrics, and apparel which we now import were produced at home, around 400,000 more Americans could be put to work—in fairly short order.

We cannot close our eyes to the fact that we have to buy and sell abroad. We cannot prohibit imports, but we can seek a better balance.

At any rate, I hope we can take the necessary steps to see to it that we do not lose any more textile jobs to foreign countries.

IN SUPPORT OF ADMINISTRATION'S ACTION IN RETURNING CROWN OF ST. STEPHEN

(Mr. WEISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEISS. Mr. Speaker, as the only Member of the House who was born in Hungary and who attended grade school there through the fifth grade, I find it rather reassuring that the Hungarian people still feel such a strong tie to their history and tradition and especially to Christianity and Catholicism that they are eager in their desire for the return of the crown of St. Stephen. I think the President is exactly right in planning its return and rather than being critical of him, I believe we ought to support him.

HUNGARIAN CROWN OF ST. STEPHEN'S

(Mr. ROUSSELOT asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ROUSSELOT. Mr. Speaker, I wish to associate myself with the efforts of the gentleman from Illinois (Mr. DERWINSKI). He has led the fight to keep the Hungarian Crown of St. Stephen in this country and since the 93d Congress, I have joined him in cosponsoring legislation to prohibit the President from returning the crown without the express approval of Congress. I wish to compliment him for all his efforts in this regard.

The Crown of St. Stephen has a deep meaning to the Hungarian people. It symbolizes Hungary as a Christian nation and was a gift from one of the early popes. Near the end of World War II, the crown came into American possession when the Russians approached Budapest. The Hungarian Royal Guard, fearing the safety of the crown, removed it from Hungary along with other relics of the Hungarian royalty. During 1945, officials of the Royal Guard showed General Patton's 3d Army troops where the crown and other objects were located and they have remained in our possession ever since.

It makes little sense now, just as it has made little sense over the past 30 years, to return this symbol of Hungary's religious, cultural, and national heritage to the oppressive Communist government there.

The administration's acknowledgment in this morning's Washington Post that it is returning the crown to the Communists is but another example of our selective human rights policy. In an effort to improve our international relations we are turning our backs on the oppression that has become a way of life for thousands of Hungarians.

The gentlewoman from Ohio (Ms. OAKAR) will move to bring to the floor of the House legislation which will prevent the transfer of the crown without congressional approval. I support that initiative and I would hope that no move will be made to object to the consideration of such a critically important measure.

RETURN OF CROWN OF ST. STEPHEN SEEN AS SACRILEGE

(Mr. DORNAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN. Mr. Speaker, I join in the sentiments of the majority of the speakers in the well this morning who have spoken about protecting the crown of St. Stephen from sacrilege. I am appalled at the remarks made just prior to my remarks by the gentleman from New York (Mr. WEISS), speaking, as he claimed to do, for all of the Hungarian people. Absurd; he speaks for a miniscule percent.

I have been in Hungary twice. I met there with students in cafes or in private, with workers, and I have been invited to the homes of all sorts of Hungarian citizens. And I can assure my colleagues that the overwhelming majority of Hungarian Americans or Hungarian exile residents still tolerating the suppression of one-party Communist rule in their homeland, particularly those who practice any Christian faith, do not want this nearly 1,000-year-old Christian symbol, this sacred artifact, placed in the hands of the murderers who killed 50,000 human beings only 21 years ago, some of torture, and suppressed freedom fighters' cries for political and religious liberty and freedom for their noble nation.

We cannot dismiss lightly the tragic and serious symbolic gesture of our Government deceitfully approving the atheistic butchery of 1956 in Budapest by giving the suppressors, the tyrants who did the killings, this sacred crown of St. Stephen. "Sacrilege" is not a strong enough word for this awful affront by our State Department to Hungarian freedom fighters throughout the world. I met Cardinal Mindszenty in Los Angeles in the last year of his courageous life. He pleaded then and throughout his final tour across America, with all lovers of liberty not to desecrate the beloved crown of his people by turning it over to those who had tried to break him with torture. Let us give unanimous support to the gentlelady from Ohio (Ms. OAKAR).

A PLEA FOR THE RETURN OF HUNGARY'S NATIONAL SYMBOL

(Mr. STUDDS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEISS. Mr. Speaker, will the gentleman yield?

Mr. STUDDS. I yield to the gentleman from New York.

Mr. WEISS. I appreciate and thank the gentleman from yielding. Mr. Speaker, I rise again only because the gentleman from California (Mr. DORNAN) has had occasion just a moment ago to ascribe some unsavory things to me in the statement he made. Mr. Speaker, I consider those statements both inappropriate and improper.

Mr. Speaker, it seems to me that for us to take this kind of position toward the Hungarian people in their desire to have their national symbol returned would be the same as if the United States at a time of crisis had entrusted the original of the Declaration of Independence to another country which then refused to return it because they did not like our form of government. I do not understand the reasoning of the gentleman from California (Mr. DORNAN).

Mr. STUDDS. Mr. Speaker, were we to deny the return of this symbol of Hungary's national treasure, we might as well demand the treasure of every nation in the world, because we have immigrants in this country from all the nations of the world.

REQUEST FOR CONSIDERATION OF H.R. 7983, RETAINING CUSTODY OF HUNGARIAN CROWN OF ST. STEPHEN AND OTHER RELICS OF THE HUNGARIAN ROYALTY

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that the Committee on International Relations be discharged from further consideration of the bill (H.R. 7983) to require that the Hungarian Crown of St. Stephen and other relics of the Hungarian royalty remain in the custody of the U.S. Government and that they not be transported out of the United States, unless the Congress provides otherwise by legislation, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

Mr. ZABLOCKI. Mr. Speaker, under my reservation of objection, I yield to the gentlewoman from Ohio (Ms. OAKAR).

Ms. OAKAR. Mr. Speaker, I thank the gentleman for yielding.

I fully agree with those Members who are both for returning the Crown of St.

Stephen and against returning the Crown of St. Stephen to the Hungarian Government that there is a need for a dialog.

This dialog has not taken place. We have not had hearings in this Congress, and many American people feel very, very strongly about this matter.

Mr. Speaker, I have a letter from the State Department with respect to this issue. Many of us met with officials and we brought with us people who were vitally interested in this issue.

Mr. Speaker, the letter to me dated April 5, 1977, says the following: "There are no present plans to return the Crown to Hungary."

What is the significance of this crown? I would like to try to put it in some kind of perspective.

The crown was given to King Stephen in the year 1001 as a symbol of Christianity and also as a symbol of nationalism and personal freedom. The coat of arms for the country of Hungary—and I have a pendant which I am wearing today—always had, as part of it, the Crown of St. Stephen at the top.

When the Communist Government of Hungary took over in the 1940's, they stripped the Crown of St. Stephen from the coat of arms because they did not respect that coat of arms since it symbolized two things that they do not stand for. Number one, it symbolized Christianity and religious freedom. There is not that freedom in atheistic, communistic Hungary today. Number two, the coat of arms with the Crown of St. Stephen also included the symbol of political freedom, and there is not that freedom today.

Mr. Speaker, we must tell the people who fought in Hungary in 1956 to retain their freedom, those Hungarian-Americans who came to this country because they could not experience freedom in their own country, that we do respect that symbol of religious freedom and nationalism which this coat of arms symbolizes. It is true that it is like the Bill of Rights and the Statue of Liberty. And those of us who enjoy freedom know that countries with Communist governments today do not have that freedom.

The people who are of Hungarian-American ancestry and who share the ancestry of the unfortunate captive nations will never believe that a Communist country will ever guarantee their personal religious freedom and personal freedom of political views.

Mr. Speaker, that is why I feel that the minimum this Congress should do and the minimum the President should do is to have an open dialog on this issue.

The President, in my judgment—and I supported him to a "T"—came to the turning point in his election during the debate with President Ford when President Ford said that "Eastern European countries were not under Soviet domination." Then candidate Carter responded by saying, "You tell the people in those Eastern European countries that they are free. They are not free, and they will never be free until communism is removed."

We talk very strongly about human rights. We have to do more than be rhetorical about that kind of language, and that is why I requested of the chairman the allowance of hearing this bill now, because it is imminent. The President has said he wants to return it. I think the timing is unfortunate. The State Department knows we are going out of session now, and it is very important to bring this up. I think they have not only misled me in written documents from them, but they have misled the various federations that came and met with the National Security Council and the State Department on this very, very vital issue.

Mr. ZABLOCKI. Further reserving the right to object, Mr. Speaker, I wish to advise the Members of the House that 2 years ago there was a joint resolution introduced to return the Crown of St. Stephen to Hungary. Therefore, I think that it is fair to say that there is a genuine difference of opinion on this issue. I would, therefore, urge the gentlewoman to withdraw her unanimous consent request to have her bill, H.R. 7983, considered at this time because we would be constrained to object. I will, however, assure the gentlewoman that the subcommittee chairman will hold hearings and will give every opportunity to her and others who are interested in this issue to meet with the subcommittee. State Department representatives will also be called to testify on this issue.

Mr. KAZEN. Mr. Speaker, under the gentleman's reservation, will the gentleman yield?

Mr. ZABLOCKI. I yield to the gentleman from Texas.

Mr. KAZEN. I thank the gentleman for yielding. What assurance can the gentleman give the House that the crown will not be returned in the interim while his committee is debating this thing?

Mr. ZABLOCKI. There is no assurance that the gentleman from Wisconsin can give to the House on what the President will or will not do.

Mr. KAZEN. If the gentleman will yield further, let us take, then, the only avenue that this House has on grabbing hold of this thing before it leaves us.

Mr. ZABLOCKI. I am sure the gentleman understands that this is a matter of emotional sensitivity. There are, indeed, Hungarian people in this country and in Hungary on both sides of the issue. There are those who want the crown to stay here, and there are those who want the crown to be returned. We have have had temporary custody of the crown since 1944. There is no legal justification for the United States to keep the crown, and I would urge that the gentlewoman withdraw her unanimous consent request.

Ms. OAKAR. Mr. Speaker, will the gentleman yield?

Mr. ZABLOCKI. Further reserving the right to object, I yield to the gentlewoman from Ohio.

Ms. OAKAR. I thank the gentleman for yielding.

Mr. Speaker, I want to assure the chairman and this House that I would never ask for this unanimous consent request if, in fact, late last night I had not received a telephone call from the Department of State that indicated that because of a leak to the New York Times, they felt it immediately important to tell people about it. I feel very strongly that those who are for keeping the crown and those who are against keeping the crown in this country should have their say-so. The President has always indicated that he wants open dialog with the American people. I really feel that that is important, and I think the best way to do it is in the committee where we can have full hearings on both sides of the issue. However, I would ask the Chairman this: Will he be willing to immediately write a letter to the President asking him to wait until we have hearings on this issue before he returns the crown? If he will do that, then I will withdraw the request I have.

Mr. ZABLOCKI. Further reserving the right to object, I must advise the gentlewoman that as a general rule it has not been my policy to write letters to the President or to the Secretary of State or to the Secretary of the Treasury, or to other Cabinet members, except under unusual circumstances. This has not been my policy. I also believe that in this instance there are certain other ramifications. Let me just point out to the gentlewoman that our relations with Hungary have been improving. Furthermore, Hungary has one of the finest records with respect to political and economic liberalization of any Eastern European country. I also understand that their human rights record is one of the best in Eastern Europe. Of course, we are not completely satisfied with the situation in Hungary, but let us make some gesture which could encourage the evolution to more political and economic freedom in Hungary and to better relations between our two countries. Such a gesture may also encourage greater divergence from the Soviet Union.

Now, to answer the gentleman's question: I would not write a letter requesting that the return of the crown be withheld until some action is taken by the Congress. We are probably today in the last session before the House will be in recess for perhaps 6 weeks, or at least 4 weeks, and although we would be prepared to hold hearings next week on the issue, I do not think we should send a letter to the President requesting him to withhold the crown, when he has already made a decision to return it.

Ms. OAKAR. If the gentleman will yield further.

Mr. ZABLOCKI. Further reserving the right to object. I yield to the gentlewoman.

Ms. OAKAR. Mr. Speaker, if I might ask the chairman—and I really am grateful for this dialog; I think it is unfortunate it is late in coming, but I am grateful for it—does he believe that the responsibility of the decision of sending something that is so symbolic to so many people to a Communist government should be at least shared in dialog with the American people? Does he think that the President, who is elected just as we are elected, has the responsibility to be open about this?

And what bothers me, Mr. Speaker, is this letter that says specifically: "There

are no present plans to return the Crown to Hungary." And this is written by John Armitage, the Deputy Assistant Secretary of the State Department for European Affairs.

How will we explain to those individuals who are asking about this? I have gotten thousands of letters from people who really feel strongly about this issue, who have had to sustain their rights by fighting in a situation which they did not want to engage themselves in, but how can we explain that this piece of paper means nothing and all the other meetings we have had with the President's advisors really do not mean anything, that the President has changed his mind and now he is acting? I believe that is unfortunate.

I have always believed the dialog is an answer, as much on the neutron bomb as on this issue, and we have not had that kind of dialog. Maybe if the President would be in a position of explaining his position, there would not be so much misunderstanding among the American people.

I respect the gentleman from New York extremely. He knows that we usually feel the same way on many issues. But also I can tell him there are millions of people who were born in Hungary who feel the opposite of his viewpoint.

So I would plead with the chairman at least to express that indication to the President and his advisers. I think that is important. Otherwise I cannot withdraw my unanimous-consent request.

Mr. ZABLOCKI. Mr. Speaker, further reserving the right to object, I wish to commend the gentlewoman for her sincerity and her efforts in this regard. It is my understanding that since that letter was written, the Hungarian Government has given assurances as to how the crown will be received and that it will be promptly placed on public display and made available to the Hungarian people. Furthermore the people of Hungary are expecting that we will act and that the crown will be returned.

So, Mr. Speaker, if the gentlewoman will not withdraw her unanimous-consent request in order for the European Subcommittee to explore both sides of this issue, the gentleman from Wisconsin, as chairman of the International Relations Committee is constrained to object.

Ms. OAKAR. I cannot withdraw my request.

The SPEAKER pro tempore (Mr. GIAIMO). Is there objection to the request of the gentlewoman from Ohio?

Mr. ZABLOCKI. Regretfully, I object.

Mr. FRENZEL. Mr. Speaker, President Carter's decision to return the Crown of St. Stephen to the people of Hungary is an act of great courage and fundamental morality.

The crown is an important religious, historical, and political symbol to the Hungarian people. It was given to U.S. forces near the end of World War II so that it would not be captured by the Russians.

Since then we have kept it. During the cold war we did not want the Communist regime to use it as a symbol of its legitimacy. After détente, we held it pending settlement of previous debts.

The cold war is over. The debts have been settled. The people of Hungary are going to have their current government for a long time.

By East European standards and by world standards that government is a responsible one. It is as easy to leave Hungary as the United States, and it is considerably easier to get in. Hungary has a nonrepressive regime even though admittedly it is hardly a democracy.

But one thing seems certain. Religious freedom has been restored in Hungary. Cardinal Mindszenty is dead. The church and the present cardinal seem to be reconciled with the government, and the people have accepted that reconciliation. Billy Graham has just returned from a trip to Hungary. There were huge crowds, and he noted no repression. There is a Jewish seminary in Hungary for training rabbis for other less fortunate East European nations. The time has long passed when we could rail the atheistic, repressive regime in Hungary.

But, all that history aside, the key issue here was one of morality. The crown does not belong to us. There is no reason for us to keep it. The President should be congratulated for his courageous decision to return it to its rightful owners.

Mr. WEISS. Mr. Speaker, I support the President's decision to return the crown of St. Stephen to Hungary. As the only Member of the House who was born in Hungary and who attended grade school there through the fifth grade, I find it rather reassuring that the Hungarian people still feel such strong ties to their history and tradition, especially to Christianity and Catholicism, that they are eager to have the crown returned. It is an important symbol to many Hungarians because they trace their country's nationhood and conversion to Christianity to the year 1000 when Pope Sylvester II sent the crown to Stephen, Hungary's first king. As long as the crown was safe, according to the common belief of many Hungarians, so was Hungary.

To oppose returning the crown would be similar to entrusting the original copy of the Declaration of Independence to a foreign country for safekeeping only to have that country refuse to return it because it did not like our form of government.

I am further in favor of its return because it is a serious attempt by the United States to improve our relations with Hungary. It is a gesture that will be welcomed not only by the Hungarian people, but by the Hungarian Government as well.

Mr. ZABLOCKI. Mr. Speaker, since the gentlewoman will not withdraw, I have been asked by several other Members to object, and so I object.

The SPEAKER pro tempore. Objection is heard.

LEGISLATIVE PLAN FOR REMAINDER OF THE DAY

(Mr. ANDERSON of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANDERSON of Illinois. Mr. Speaker, I take this time for the benefit of the convenience of the Members on both sides and in order to inquire of the distinguished majority whip if he can tell us about the program that is planned for the balance of the day.

Mr. BRADEMAS. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Indiana.

Mr. BRADEMAS. Mr. Speaker, I would propose after the gentleman from Illinois has yielded back his time, to ask unanimous consent that the House go into recess subject to the call of the Chair but in no event later than 12:30 today.

We are waiting, I may say to the gentleman from Illinois, on whatever action the other body undertakes with respect to the appropriations for the Departments of Labor and HEW.

Mr. ANDERSON of Illinois. In other words, the recess would continue until 12:30. At that time we would come back into the Chamber and dispose at that time of any pending bills?

Mr. BRADEMAS. If the gentleman would yield further, I would ask unanimous consent that we recess subject to the call of the Chair but in no event beyond 12:30 p.m.

Mr. ANDERSON of Illinois. Mr. Speaker, would the gentleman enlighten us whether or not the gentleman could contemplate further recesses after that time in the event we have heard from the body on this resolution to which the gentleman referred?

Mr. BRADEMAS. Mr. Speaker, if the gentleman will yield further, I would have to say to the gentleman from Illinois that the gentleman from Indiana is not in a position to give an answer on that. The gentleman would have to consult the Speaker.

Mr. ANDERSON of Illinois. Mr. Speaker, it has been the custom to adjourn not later than 3 o'clock on Fridays. Would we follow that custom today?

Mr. BRADEMAS. Mr. Speaker, if the gentleman will yield further, that is the custom; but, of course, on this as in every other matter, we shall follow the will of the House.

Mr. Speaker, will the gentleman yield further?

Mr. ANDERSON of Illinois. I yield to the gentleman.

RECESS

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent that the House recess subject to the call of the Chair, but in no event later than 12:30 o'clock p.m.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, previously on November 2 the House entered into an order requested by the majority leader, the gentleman from Texas (Mr. WRIGHT), which is now a standing order of the House, that when the House adjourns to-

day, it adjourns to meet on Tuesdays and Fridays for the balance of the session, unless otherwise ordered by the House. That means if we adjourn now at this moment, we would reconvene at noon Tuesday. The situation in which we find ourselves is that the other body has been presented with a continuing resolution which will adequately take care of the District of Columbia and the Labor-HEW appropriations. It is my understanding that a Member of the other body may offer an amendment to undo the Hyde amendment which a majority of the House supported last evening and on eight previous occasions.

The only reason I can see to recess now is to await an amendment on the continuing resolution to that effect; so any delay would undo what the House did last night and inconvenience those Members planning to leave.

It seems to me the other body could accept the resolution without amendment. It is only for less than 30 days and during that time attempts could be made to reach a resolution; but there is no reason in my view to delay by recess in order to undo the Hyde amendment.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. I yield to the distinguished Speaker.

Mr. O'NEILL. Mr. Speaker, I have already talked to the majority leader. I know the people on the gentleman's side have talked with the members of the committee over in the Senate.

As a courtesy to the leadership of the Senate on both sides of the aisle. I ask that the gentleman not object. If the gentleman objects, we will have to take up some business. We have two railroad bills we can take up, but we thought we could hold them until the 29th. If when we return there is no action by the Senate by 12:30 o'clock, we will come back. The leadership will not question the House, but would be willing to follow the will and the desire of the Members at that time.

I would hope that the gentleman would withhold the objection and we would go into recess.

Mr. BAUMAN. Mr. Speaker, further reserving the right to object. there really can be no reason for the House to stay in session unless the intention is to undo what the House did last night.

Mr. O'NEILL. Mr. Speaker, if the gentleman will yield further again, I am sure the gentleman appreciates the payrolls that are involved, the programs that are involved.

Would there be a possibility of a further compromise? I do not know. I do know that, as I say, the Members of the other side have been in touch with the committee. I really do not know what will happen, but as a courtesy, I say as a courtesy we notified them that this House could take definite action by 12:30.

Mr. BAUMAN. Mr. Speaker, further reserving the right to object, the next legislative step we face is that the other body may well act to undo the Hyde amendment by amending the continuing resolution and they could then adjourn. We would then be placed in the same position that the other body finds itself now.

Mr. O'NEILL. Mr. Speaker, if the gentleman will yield further, if the Senate did that, we might not accept their amendment and it would be back in their corner.

Mr. BAUMAN. Unfortunately, the granting of the request now pending would allow the Speaker to have the right to recess the House without any time limit today.

Mr. O'NEILL. Subject to the call of the Chair, but no later than 12:30.

Mr. BAUMAN. Does that request extend beyond 12:30?

Mr. O'NEILL. It says 12:30.

Mr. BAUMAN. The Chair has no power to recess beyond 12:30?

Mr. O'NEILL. We would come back in session and do whatever is the action of the House.

Mr. BAUMAN. And a further request would be necessary to allow a recess?

Mr. O'NEILL. The gentleman is correct.

Mr. BAUMAN. Mr. Speaker, under that understanding, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. The House will stand in recess subject to the call of the Chair.

Accordingly (at 11 o'clock and 10 minutes a.m.), the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 12 o'clock and 30 minutes p.m.

CALL OF THE HOUSE

Mr. BRADEMAS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 743]

Akaka	Cochran	Gibbons
Andrews, N. Dak.	Collins, Ill.	Gilman
	Collins, Tex.	Ginn
Archer	Conable	Goodling
Armstrong	Conyers	Guyer
Ashbrook	Corcoran	Hagedorn
AuCoin	Cotter	Hall
Badham	Coughlin	Hannaford
Badillo	Crane	Harkin
Barnard	Cunningham	Harrington
Baucus	D'Amours	Harsha
Bedell	Delaney	Hefner
Bellenson	Derrick	Hightower
Bevill	Devine	Hillis
Boggs	Diggs	Holland
Boland	Dingell	Holt
Bolling	Drinan	Horton
Breaux	Edwards, Calif.	Howard
Brinkley	Edwards, Okla.	Huckaby
Burke, Calif.	Eilberg	Ichord
Burke, Fla.	Erlenborn	Jenkins
Burton, John	Findley	Jones, Okla.
Burton, Phillip	Florio	Jones, Tenn.
Butler	Fraser	Jordan
Carter	Frey	Kastenmeier
Cederberg	Fuqua	Ketchum
Chappell	Gammage	Koch
Chisholm	Gaydos	Krueger
Cleveland	Gephardt	Latta
Lent	Pursell	Steed
Lloyd, Calif.	Quayle	Stokes
Long, La.	Quie	Taylor
Long, Md.	Quillen	Thompson
Lundine	Railsback	Udall
McClory	Rhodes	Ullman
McCloskey	Richmond	Vander Jagt
McCormack	Risenhoover	Walsh
McDonald	Roberts	Wampler
Madigan	Roe	Watkins
Mathis	Roncalio	Whalen
Meeds	Rosenthal	White
Metcalfe	Rostenkowski	Whitehurst
Michel	Russo	Whitley
Mikva	Ryan	Whitten
Milford	Santini	Wiggins
Mitchell, Md.	Sarasin	Wilson, Bob
Moffett	Sawyer	Wilson, Tex.
Moss	Scheuer	Wolff
Mottl	Schulze	Wright
Nichols	Sebelius	Wydler
Nix	Shipley	Wylie
Nolan	Shuster	Yatron
O'Brien	Sisk	
Pepper	Snyder	

The SPEAKER. On this rollcall 275 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 8777. An act to amend the Appalachian Regional Development Act of 1965 to permit an extension of the period of assistance for child development programs while a study is conducted on methods of phasing out Federal assistance to these programs.

The message also announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 8175. An act to amend the Veterans' Administration Physician and Dentist Pay Comparability Act of 1975, approved October 22, 1975, as amended, in order to extend certain provisions thereof, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 5263) entitled "An act to suspend until the close of June 30, 1980, the duty on certain bicycle parts," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. LONG, Mr. TALMADGE, Mr. RIBICOFF, Mr. GRAVEL, Mr. BENTSEN, Mr. HATHAWAY, Mr. MATSUNAGA, Mr. MOYNIHAN, Mr. CURTIS, Mr. HANSEN, Mr. DOLE, Mr. PACKWOOD, and Mr. LAXALT to be the conferees on the part of the Senate.

REQUEST TO CONCUR IN SENATE AMENDMENTS ON H.R. 9378, EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974 AMENDMENTS

Mr. DENT. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 9378) to amend title IV of the Employee Retirement Income Security Act of 1974 to postpone, for 2

years, the date on which the corporation first begins paying benefits under terminated multiemployer plans, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 8, strike out "subsection" and insert "subsections".

Page 3, line 2, strike out "July 1, 1978." and insert "July 1, 1978.".

Page 3, after line 2, insert:

"(e) Notwithstanding any provision of title IV of this Act to the contrary, the annual insurance premium payable to the Pension Benefit Guaranty Corporation for coverage of basic benefits guaranteed under section 4022 of this Act by plans that are not multiemployer plans shall be $2.60 for each participant in the plan. This subsection shall be effective for plan years beginning on or after January 1, 1978, and the premium prescribed by this subsection shall be deemed to be the rate imposed by title IV of this Act for non-multiemployer plans until the rate schedule for such plans is revised pursuant to the procedure set out in section 4006 of this Act.".

Mr. DENT. Mr. Speaker, I ask unanimous consent that the Senate amendments be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER. Is there objection to the first request of the gentleman from Pennsylvania?

Mr. STEIGER. Mr. Speaker, reserving the right to object, I take this time in order to yield to the gentleman from Pennsylvania (Mr. DENT) and give him whatever time he might require to explain to the House what is involved in this matter.

Mr. DENT. Mr. Speaker, will the gentleman yield?

Mr. STEIGER. I yield to the gentleman from Pennsylvania.

Mr. DENT. Mr. Speaker, in this matter there was a little difference between the House and the Senate on the basis of the amount of increase that was required to insure that there would be funds in the insuring fund when the multiemployer plans became part of the insuring fund.

We thought that $2.25 would do it, but a great number of Members, including the ranking minority member of the subcommittee, the gentleman from Illinois (Mr. ERLENBORN), who is not on the floor at the moment, held out for $2.60 on the basis of their computations as to what was going on before with the single employer plans. It was felt that we might be endangering many pensions if we did not go to $2.25 or $2.60.

It was decided that $2.25 would at least stall things off long enough so that we might come back and amend this later, if necessary.

However, the important thing is that it was the unanimous opinion of the insuring fund, the Senate of the United States, and the minority party on the other side, as well as many on our side, that the figure ought to be $2.60. We must at this time, though, make a decision based on our best judgment.

The employers have agreed to this, and so has the administration. If we do not pass this, the multiemployer plans are triggered in to the benefit of the insuring corporation, which means that we may lose hundreds of thousands of persons covered under the multiemployer plan because they do not have the sufficiency of reserves and because the time was too short and the amount was too small to build up the surplus needed.

Mr. STEIGER. Mr. Speaker, further reserving the right to object, may I inquire of the gentleman from Pennsylvania (Mr. DENT) as to whether or not the action of the other body has been cleared with the chairman of the Committee on Ways and Means or with the chairman of the task force, the gentleman from Florida (Mr. GIBBONS)?

Mr. DENT. Not that I know of.

Mr. STEIGER. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

ANNOUNCEMENT BY SUBCOMMITTEE CHAIRMAN ON H.R. 9378, EMPLOYEE RETIREMENT INCOME SECURITY ACT AMENDMENTS

(Mr. DENT asked and was given permission to address the House for 1 minute to revise and extend his remarks.)

Mr. DENT. Mr. Speaker, I wish to announce to the Members that the objection raised by the gentleman from Wisconsin may very well put this important matter off indefinitely, unless we can take it up later this month. So if final action on H.R. 9378 is not taken and this falls by the wayside, I cannot take further responsibility.

MINORITY MEMBER'S VIEWS ON ACTION ON H.R. 9378, EMPLOYEE RETIREMENT INCOME SECURITY ACT AMENDMENTS

(Mr. BUCHANAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BUCHANAN. Mr. Speaker, I wish to say on this matter that was just disposed of that the members on the minority side of the Committee on Education and Labor support the $2.60 figure which the gentleman from Pennsylvania (Mr. DENT) was trying to secure today, and that the large employers, who are the only ones who would be significantly affected by this increase in insurance rates, wrote us a letter saying they have no objection. The small employers could not be materially affected by this action.

Unless the figure goes to this rate, as the ranking minority member of the subcommittee involved, the gentleman from Illinois (Mr. ERLENBORN), has always maintained, we will have trouble protecting the integrity of the fund which guarantees retirement programs throughout the United States.

Mr. Speaker, I think it is highly regrettable that this side of the aisle should raise an objection on a matter that is being resolved in a manner which has been supported by the minority members of the Education and Labor Committee. I hope we can yet take this action which is needed in order to protect pension funds all over the United States.

VETERANS' ADMINISTRATION PHYSICIAN AND DENTIST COMPARABILITY EXTENSION

Mr. SATTERFIELD. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 8175) to amend the Veterans' Administration Physician and Dentist Pay Comparability Act of 1975, approved October 22, 1975, as amended, in order to extend certain provisions thereof, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Strike out all after the enacting clause and insert:

That this Act may be cited as the "Veterans' Administration Physician and Dentist Pay Comparability Amendments of 1977".

SEC. 2. Section 6(a)(2) of the Veterans' Administration Physician and Dentist Pay Comparability Act of 1975 (Public Law 94–123; 89 Stat. 669), as amended, is amended by striking out "September 30, 1977" and inserting in lieu thereof "September 30, 1978".

SEC. 3. (a) Section 4118 of title 38, United States Code, is amended by—

(1) amending subsection (a)(1) by—

(A) striking out "he" and inserting in lieu thereof "the Administrator";

(B) striking out "of," after "duration" and inserting in lieu thereof a comma and "of"; and

(C) striking out "number of years" and "specified" and inserting in lieu thereof "period";

(2) striking out in subsection (a)(3) "pursuant to" and inserting in lieu thereof "in accordance with", and inserting at the end thereof the following new sentence: "Not later than one year after making any such recruitment and retention determination and each year thereafter, the Chief Medical Director shall make a redetermination in accordance with such regulations, and, in the event any such determination was made more than one year prior to the date of enactment of this sentence, the Chief Medical Director shall make such redetermination not later than ninety days after such enactment date.";

(3) inserting at the end of subsection (e)(1) the following new sentences: "Any physician or dentist who entered into an agreement under this section and has not failed to refund any amount which such physician or dentist became obligated to refund under any such agreement shall be eligible to enter into a subsequent agreement under this section. Notwithstanding the provisions of the preceding two sentences, no agreement entered into under this section shall extend beyond September 30, 1981, and any agreement entered into under this section after September 30, 1980, may be for a period of less than one year if the expiration date thereof is September 30, 1981."; and

(4) amending subsection (e)(2)(A) by—

(A) inserting a comma and "or such lesser period of service as provided for in the final sentence of paragraph (1) of this subsection," after "service"; and

(B) striking out "the Chief Medical Director, pursuant to the regulations prescribed under this section, determines" and inserting in lieu thereof "the Chief Medical Direc-

tor determines, in accordance with regulations prescribed under subsection (a) of this section".

(b) Prior to the execution after April 30, 1978, of any written agreement entered into with a physician or dentist under section 4118 of title 38, United States Code (as amended by subsection (a) of this section), (1) the Chief Medical Director of the Veterans' Administration shall reevaluate, in view of the executive level pay increase made pursuant to section 225 of the Federal Salary Act of 1967, effective February 27, 1977, with respect to the Veterans' Administration, the need for special-pay agreements, as authorized in such section 4118, in order to recruit and retain highly qualified physicians or dentists in each category of positions in the Department of Medicine and Surgery, and report to Congress not later than April 30, 1978, on the results of such reevaluation with respect to each such category; and (2) notwithstanding such section 4118, the Administrator of Veterans' Affairs, upon the recommendation of the Chief Medical Director and based upon such reevaluations, may promulgate a regulation reducing the amount of primary special pay for any such category to the extent the Administrator finds such primary special pay is not necessary to recruit and retain highly qualified physicians or dentists in such category. If a determination is made to reduce the amount of such primary special pay for any such category, the regulation promulgating the reduction shall be published in the Federal Register not less than thirty days prior to its effective date.

(c) The Administrator, not later than thirty days after the date of enactment of this Act, may enter into, under section 4118 of title 38, United States Code (as amended by subsection (a) of this section), with any otherwise eligible physician or dentist who was appointed to a position in the Department of Medicine and Surgery in the Veterans' Administration during the period beginning on October 1, 1977, and ending on the date of enactment of this Act, a special-pay agreement providing for the payment of special pay to such physician or dentist retroactive to the date such physician or dentist was appointed to such position.

SEC. 4. (a)(1) Section 4105 of title 38, United States Code, is amended by inserting at the end thereof the following new subsection:

"(c) Notwithstanding any other provision of law, no person may be appointed under section 4104(1) of this title after the effective date of this subsection to serve in the Department of Medicine and Surgery in any direct patient-care capacity unless the Chief Medical Director determines, in accordance with regulations which the Administrator shall prescribe, that such person possesses such basic proficiency in spoken and written English as will permit such degree of communication with patients and other health-care personnel as will enable such person to carry out such person's health-care responsibilities satisfactorily.".

(2) Section 4114 of title 38, United States Code, is amended by inserting at the end thereof the following new subsection:

"(f) No person may be appointed under this section after the effective date of this subsection to an occupatonal category described in section 4104(1) of this title or in subsection (b) of this section unless such person meets the requirements established in section 4105(c) of this title and regulations prescribed thereunder.".

(3) Notwithstanding any other provision of law, with respect to persons other than those described in subsection (c) of section 4105 and subsection (f) of section 4114 of title 38, United States Code (as added by paragraphs (1) and (2) of this subsection), who are appointed after the date of enactment of this Act in the Department of Medicine and Surgery in the Veterans' Administration in any direct patient-care capacity, and with respect to persons described in such subsections who are appointed after such enactment date and prior to January 1, 1978, the Administrator of Veterans' Affairs, upon the recommendation of the Chief Medical Director, shall take appropriate steps to provide reasonable assurance that such persons possess such basic proficiency in spoken and written English as will permit such degree of communication with patients and other health-care personnel as will enable such persons to carry out their health-care responsibilities satisfactorily.

(4) The amendments made by paragraphs (1) and (2) of this subsection shall be effective on January 1, 1978.

(b) Not later than April 1, 1978, the Administrator of Veterans' Affairs shall submit to the Committees on Veterans' Affairs of the House of Representatives and the Senate a report (1) describing activities undertaken and the persons affected in order to carry out subsection (c) of section 4105 and subsection (f) of section 4114 of title 38, United States Code (as added by paragraphs (1) and (2) of subsection (a) of this section), and subsections (a)(3) and (c) of this section, and (2) providing—

(A) a description of the extent to which there are persons employed by the Veterans' Administration, on or prior to the date of enactment of this Act, in any direct patient-care capacity in the Department of Medicine and Surgery, who do not possess such basic proficiency in spoken and written English as produces the degree of communication with patients and other health-care personnel as is necessary to enable such persons to carry out their health-care responsibilities satisfactorily;

(B) data describing the characteristics and categories of positions of any such persons; and

(C) if, in the opinion of the Administrator, the description and data being provided pursuant to subclauses (A) and (B) of clause (2) of this subsection indicate that there is a problem with respect to the satisfactory performance of such health-care responsibilities arising from such lack of proficiency, a plan to promote the achievement of such proficiency as will enable the persons involved to carry out their health-care responsibilities satisfactorily as well as to deal with any need which the Administrator believes will exist to promote such proficiency on the part of persons appointed after such enactment date who the Administrator has reason to believe do not, in fact, possess such proficiency, including (i) the cost of implementing such plan in each of the succeeding five fiscal years, and (ii) the time periods in which such proficiency on the part of such persons (broken down by appropriate categories and characteristics) can be expected to be achieved.

(c) Section 5001 of title 38, United States Code, is amended by inserting at the end thereof the following new subsection:

"(h) When the Administrator determines, in accordance with regulations which the Administrator shall prescribe, that a Veterans' Administration facility serves a substantial number of veterans with limited English-speaking ability, the Administrator shall establish and implement procedures, upon the recommendation of the Chief Medical Director, to insure the identification of sufficient numbers of individuals on such facility's staff who are fluent in both the language most appropriate to such veterans and in English and whose responsibilities shall include providing guidance to such veterans and to appropriate Veterans' Administration staff members with respect to cultural sensitivities and bridging linguistic and cultural differences.".

SEC. 5. (a)(1) The salary schedule under the heading "SECTION 4103 SCHEDULE" in section 4107 of title 38, United States Code, is amended by striking out "$36,338 minimum to $46,026 maximum" after "Director of Podiatric Service," and inserting in lieu thereof "$39,629 minimum to $50,197 maximum.".

(2) The salary schedule under the heading "CLINICAL PODIATRIST AND OPTOMETRIST SCHEDULE" in section 4107 of title 38, United States Code, is amended to read as follows:

"Chief grade, $33,789 minimum to $43,923 maximum.

"Senior grade, $28,725 minimum to $37,347 maximum.

"Intermediate grade, $24,308 minimum to $31,598 maximum.

"Full grade, $20,442 minimum to $26,571 maximum.

"Associate grade, $17,056 minimum to $22,177 maximum.".

(3) The amendments made by paragraphs (1) and (2) of this subsection shall be effective retroactive to the period beginning on October 21, 1976, and ending on October 8, 1977. Notwithstanding any other provision of law, the Administrator of Veterans' Affairs shall establish retroactively for such period intermediate rates of basic pay between the minimum and maximum pay ranges prescribed in the salary schedule under the heading "SECTION 4103 SCHEDULE" for the Director of Podiatric Service and in the "CLINICAL PODIATRIST AND OPTOMETRIST SCHEDULE" in section 4107 of title 38, United States Code.

(b) Notwithstanding any other provision of law, each person employed in the Department of Medicine and Surgery in the Veterans' Administration as a podiatrist or optometrist shall be converted from employment under part III of title 5, United States Code, to full-time employment under section 4104(1), or temporary full-time employment or part-time employment under section 4114(a)(1)(A), of title 38, United States Code, and each such conversion (including application of the applicable rates of basic pay provided for in the amendments made by subsection (a) of this section) shall be effective retroactive to October 21, 1976, or the most recent date of appointment in the Department of Medicine and Surgery of the employee concerned under such part III, whichever is the later.

Amend the title so as to read: "An Act to amend the Veterans' Administration Physician and Dentist Pay Comparability Act of 1975, as amended, in order to extend the authority to enter into special-pay agreements with physicians and dentists; to amend title 38 of the United States Code to modify certain provisions relating to special-pay agreements; and for other purposes.".

Mr. SATTERFIELD (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendments be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

Mr. HAMMERSCHMIDT. Mr. Speaker, reserving the right to object, and I do not plan to object, I take this time so that the distinguished chairman of the subcommittee, the gentleman from Virginia (Mr. SATTERFIELD) can explain to the House what action the Senate has taken and what we are accepting.

Mr. SATTERFIELD. Mr. Speaker, if the gentleman will yield, on September 12, 1977, by a vote of 397 to 1, the House passed H.R. 8175 to extend the Veterans'

Administration's authority to provide special pay and special incentive pay for physicians and dentists employed by the department of medicine and surgery of the Veterans' Administration. That extension was for a 1-year period beginning October 1, 1977, and ending September 30, 1978. It also provided that no new contract or extension of a current contract could be entered into with physicians and dentists for the purpose of this special pay which would extend beyond September 30, 1981.

The Senate amendments to the bill include those basic provisions. The Senate amendments to the bill would require that the chief medical director reevaluate the need for special pay agreements not later than April 30, 1978, and at least once each 12 months thereafter. They also provide that the VA may promulgate regulations to reduce the amount of primary special pay for any category of physicians and dentists to the extent it is determined it is not necessary to recruit and retain such personnel. This provision was added in light of the executive level pay increase effective February 27, 1977. The Senate amendments also provide for the payment of the appropriate special pay and special incentive pay retroactive to October 1, 1977, for those employees whose contract has expired since that date or for new appointees who would otherwise be eligible to receive such special pay.

The Senate also amended sections 4105 and 4114 of title 38, U.S.C. so as to require that any individuals appointed to direct patient care positions within the department of medicine and surgery possess proficiency in basic spoken and written English in order to permit effective communication with patients and other health care personnel in carrying out the performance of their duties. It would also require the administrator of veterans' affairs to provide reasonable assurances that all other personnel appointed in the department of medicine and surgery in a direct patient care capacity possess basic proficiency in spoken and written English and that the administrator issue regulations to identify and require a sufficient number of employees in Veterans' Administration health care facilities to be bilingual where a substantial number of veterans served within such facility have no or limited English-speaking ability.

Another provision added by the Senate would update the salary schedule for optometrists and podiatrists in sections 4103 and 4107 of title 38 to a level comparable to that pay prescribed for physicians and dentists. This provision, Mr. Speaker, is to correct an apparent oversight which occurred with the passage of Public Law 94–581 on October 21, 1976. It is needed now, because the President issued an executive order on October 1 which adjusted upward the salary schedule set out in these sections of title 38. Public Law 94–581 as signed by the President on October 21, 1976, did not contain this increase but contained instead the salary levels in effect immediately prior thereto. This provision merely updates and adjusts this salary schedule making it retroactive to October 21, 1976, so as to reflect the existing level.

Mr. Speaker, I hope there will be no objection to approving H.R. 8175 as amended by the Senate.

(Mr. SATTERFIELD asked and was given permission to revise and extend his remarks and include extraneous matter.)

Mr. HAMMERSCHMIDT. Further reserving the right to object, Mr. Speaker, I thank the gentleman from Virginia for his explanation. As the ranking member of the Subcommittee on Medical Facilities and Benefits, I am well aware of the gentleman's conscientious work as chairman of that subcommittee.

Mr. Speaker, I support the unanimous consent request. This measure, as it passed the House of Representatives on September 12 contained a simple 1 year extension of the existing authority granted to the Veterans Administration to enter into contracts with physicians and dentists for special incentive pay.

The Senate amendment preserves this basic thrust and adds provisions that eliminate an unforeseen inequity and authorizes special pay for podiatrists and optometrists in the Veterans Administration that is commensurate with the special pay of other physicians. The amendments will also eliminate an impediment to quality care in the Veterans Administration hospitals by requiring a basic proficiency in spoken and written English by foreign born physicians and other personnel employed in the Veterans Administration hospital system.

These Senate amendments are needed and I support them.

When the Congress initially approved the administrator's authority to enter into such contractual agreements in 1975, the bill was enacted as a stop gap measure to enable the Veterans Administration to compete with the military and community facilities in recruiting and retaining physicians and dentists. We anticipated a report and legislative recommendations for a permanent solution to this problem from the Office of Management and Budget. We have finally received the report, but legislative recommendations, according to the Office of Management and Budget, will not be forthcoming until January when the President's fiscal year 1979 Budget is unveiled.

The administrator's authority, contained in the requested extension, permits him to pay physicians up to $13,500 per annum and dentists up to $6,750 per annum, in incentive pay depending upon their tenure and qualifications. Testimony received by the subcommittee reveals that the incentive pay bill has been of considerable assistance in recruiting physicians and dentists. As the cost of living continues to spiral, however, the ability to retain highly qualified professional personnel in VA's department of medicine and surgery lessens.

The legislation before us today must be replaced by a permanent solution that will permit the Veterans Administration not only to recruit but to retain on a career basis a highly qualified cadre of physicians and dentists.

I intend to introduce a measure on this subject that I hope will receive consideration along with OMB's recommendations early next year. Meanwhile, Mr. Speaker, I urge the gentleman's request be approved.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the first request of the gentleman from Virginia?

There was no objection.

A motion to reconsider was laid on the table.

CONCURRENT REFERRAL OF H.R. 7308, H.R. 5632, AND H.R. 5794 TO PERMANENT SELECT COMMITTEE ON INTELLIGENCE

Mr. RODINO. Mr. Speaker, I ask unanimous consent that the following bills, H.R. 7308, H.R. 5632, H.R. 5794 all of which concern national foreign intelligence electronic surveillance be concurrently referred to the Permanent Select Committee on Intelligence.

Mr. Speaker, all of these bills, upon introduction, were referred to the Committee on Judiciary which has jurisdiction over all electronic surveillance legislation.

At the time of the introduction, the Permanent Select Committee on Intelligence was not in being.

That committee has since been created, its members have been appointed and it is now in operation.

The Permanent Select Committee on Intelligence shares jurisdiction in the area of foreign intelligence surveillance with the Judiciary Committee and would have received a referral of these bills when they were introduced had it then been in being.

The Committee on Judiciary has no objection to this referral since in any case the Permanent Select Committee on Intelligence can request sequential referral of any bill concerning foreign intelligence electronic surveillance reported out by the Committee on Judiciary.

Mr. Speaker, at this point I would like to yield to the distinguished gentleman from Illinois, the honorable MORGAN MURPHY, chairman of the Subcommittee on Legislation of the Permanent Select Committee on Intelligence.

Mr. MURPHY of Illinois. Mr. Speaker, the permanent Select Committee on Intelligence recently had referred to it H.R. 9745 which was introduced by Mr. MCCLORY of Illinois.

H.R. 9745 concerns itself with foreign intelligence electronic surveillance and has been referred to both the Committee on the Judiciary and the permanent select Committee on Intelligence.

The committee, and particularly the Subcommittee on Legislation, which I chair, wishes to begin consideration of foreign intelligence electronic surveillance in the near future and accordingly wishes to receive concurrent referral of the other foreign intelligence electronic surveillance bills now before the Committee on the Judiciary.

Mr. Speaker, there is no question that the Permanent Select Committee on In-

telligence has jurisdiction in this matter, but rather, owing to the chronology of its creation, when in fact it will receive the referral of these bills.

I wholeheartedly support the motion of the distinguished gentleman from New Jersey.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

FURTHER LEGISLATIVE PROGRAM

(Mr. ANDERSON of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANDERSON of Illinois. Mr. Speaker, I note the presence on the floor of the distinguished majority leader. I wonder if at this time he can inform the Members of the House as to what the program would be for the balance of the day.

Mr. WRIGHT. If the gentleman would yield, the House is trying to act in a responsible manner. We are determined not to engage in a mutual game of Russian roulette, with the programs for health and for education and for the welfare of the American people held hostage. So the responsible thing for us to do is to continue our presence awaiting the action of the other body on the bill which holds up our adjournment.

It would be my purpose to ask unanimous consent that we might recess. If that unanimous consent were not granted, then we would continue in the conduct of such other business as might be transacted, awaiting the action of the other body.

Mr. ANDERSON of Illinois. I understand that the committee in the other body that has jurisdiction of the continuing resolution has not yet reported on that resolution and that, moreover, there is some question, inasmuch as the other body is engaged in debating the social security amendments, as to whether or not that matter could even be considered today on the floor of the other body. It would seem to me, therefore, that it is less than a satisfactory position in which we find ourselves if we are simply to wait around for an indefinite period, particularly on a Friday afternoon. I would hope that the gentleman could provide us with some more definite assurances than he has just given.

Mr. WRIGHT. Will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman.

Mr. WRIGHT. While I have no credentials to speak authoritatively for the other body, I am advised that that committee now is in session and is in the process of consideration of the legislation we sent them, the continuing resolution on the Departments of Labor, Health, Education, and Welfare, and the District of Columbia, and that upon concluding their deliberations—which they anticipate would consume not more than 1 hour—the matter would be reported to the floor of the other body.

Mr. ANDERSON of Illinois. I wonder at this point if I could pose a hypothetical question to the distinguished majority leader. Under the resolution previously passed, when we adjourn today, it is my understanding that we would meet hereafter only in pro forma session until at least the 28th of November. If some action were taken by the other body with respect to the continuing resolution, and if it were amended in some form, when would that matter be brought back before this body, and what notice would be afforded Members that other than routine action was going to be taken at one of these forthcoming pro forma sessions? I am assuming that we will adopt a motion to adjourn.

Mr. WRIGHT. If the gentleman will yield further, it is the present purpose of the leadership to give this problem every opportunity to resolve itself in a responsible way, which is to say that we think the thing for us to do is to stay here and see what the other body does, obviously.

Obviously there is no profit to be gained by any one of us in having an argument as to who is at fault: Was it the fault of the Senate? Was it the fault of the House? The public would be left a bit cold with that kind of argument. If it was the fault of the Congress of the United States, then the lawmaking branch would be subject to ridicule—perhaps rightful ridicule now. Therefore it seems reasonable to us to stay to give them an opportunity to work.

If the other body should follow the course suggested by the gentleman from Illinois, and if we were not able to resolve that matter this evening, then of course it would devolve upon the Congress to come back next Tuesday or very soon to avoid the kind of cataclysmic result that would ensue throughout the Nation not only to public employees but also to schools and older Americans and job training programs and job programs and all the gamut of programs that are encompassed in that $61 billion of vital public services.

So obviously no Member of this Congress would want to walk off into a vacation or into any other kind of activity while leaving those services untended and those people without the services that the Federal Government has vouchsafed to them, until that is passed, so of course we would have to come back and resolve the issue if it were humanly possible to do it.

Mr. ANDERSON of Illinois. Before I yield back the balance of my time, Mr. Speaker, I just want to venture the opinion that instead of just sitting here this afternoon we might help the other body arrive at a prompt solution of this issue by simply adjourning—and I speak as one who voted to recede and concur on the one amendment that is now dividing the two Houses. Therefore I am in a minority as far as this Chamber is concerned.

I think we have spoken definitively in this Chamber on this issue, not once or twice or thrice, but many times more than that, and it seems to me instead of just sitting here all this time we might accelerate the process and bring about a proper and prompt solution by simply adjourning.

Mr. WRIGHT. If the gentleman would yield further, in response to that suggestion, it might become an alternative for an option at a given time. If it were exercised precipitately, without having given the other body ample, full, and sufficient opportunity to behave in a responsible way, then the blame quite clearly would be upon the House, and I do not think any of us want to assume that responsibility. So let us give them an opportunity, and if it appears impossible or unlikely that the matter can be resolved, then we can consider these other options.

I think the distinguished Speaker would like to respond.

Mr. ANDERSON of Illinois. I yield to the Speaker.

Mr. O'NEILL. Mr. Speaker, I am sure the gentleman is aware that when we passed the motion that we would meet on Tuesdays and Fridays, it did not include a requirement for pro forma sessions without legislative business, but it had been the intent that the meetings on Tuesdays and Fridays would be pro forma.

The Senate is meeting now and I understand they will have action by 1:30. I would like to wait and see what that action is and see what the Senate does itself.

As the majority leader said, we just cannot walk away from the HEW employees and the Head Start programs and all the other Health, Education, and Welfare programs of this Nation, and we would have to be called back Tuesday in the event we have not settled this today. But the interesting fact is that on Tuesday so many Members have made plans, and there are elections all over this country for mayors and Governors and councilors and things of that nature.

I think it augurs well for us to await the action of the Senate for a reasonable time and see if we can have that.

Mr. ANDERSON of Illinois. Can the distinguished Speaker give us some indication of what he considers a reasonable time?

Mr. O'NEILL. I do not want to be in the position of saying to them that we are sending an ultimatum to the Senate and that they must act with haste and with speed and in a manner in which we would be trying to determine what they will do. I think if we do that, we are acting in the wrong way.

I would just say, let us be expedient about this. I am sure we can informally discuss what is a reasonable time without sending threats to the Senate.

Mr. ANDERSON of Illinois. I thank the Speaker.

RECESS

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that the House may stand in recess until 2 o'clock.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. BAUMAN. Reserving the right to object, Mr. Speaker, the only reason that the House is delaying, the only reason that can exist for a delay, is so that another vote can be taken on the Hyde amendment. Let us all face that. I think we all know that. It seems to me whether you are for or against the Hyde amendment, we have now voted on it nine times, as recently as last evening. More than 135 Members failed to answer the last rollcall. It would be a tremendous disservice to this House, to Members of both parties to have the majority leadership force an issue of this magnitude and this national importance to a vote with that many Members of the House missing, when they were informed, many of them before they left yesterday, that there would be no business today.

Now, I share the concern expressed by the majority leader for the programs involved, but the majority leader knows well that if no amendment is adopted to the continuing resolution, the other body could pass it this afternoon and those programs will be protected to the end of this month during which time the issues can be addressed. In the interim, possibly compromise can be reached; but we are now being held hostage to the other body.

I would expect the majority leader to speak for this body. I do not think the blame rests upon us. The other body has known our position since 8 o'clock or shortly thereafter last night. They met at 9 o'clock this morning. They have done nothing regarding this matter for the better part of 5 hours on the floor of the other body and they only met in the Appropriations Committee a half hour ago. It seems to me under those circumstances we have no obligation to sit here. The suggestion of the gentleman from Illinois to adjourn now would bring about a far quicker solution to this problem than staying here all afternoon, when many Members will have to leave and the issue would be decided with a bare majority.

Mr. EDWARDS of Alabama. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Alabama.

Mr. EDWARDS of Alabama. Mr. Speaker, I am concerned that we would do something in haste that we might regret. We have been in conference on the supplemental appropriations. It is only since noon that the Senate Appropriations Committee even had an opportunity to sit down and discuss the continuing resolution. There are those on the Senate Appropriations Committee who are arguing, in effect, to do away with the Hyde amendment in the continuing resolution. There are others in leadership positions in that committee that are arguing just as strongly to adopt the continuing resolution as it left the House and send it on to the President. I think with that debate in the Senate Appropriations Committe and with those in that committee who are trying very hard to accept the House position, that it will be wise for us to play it just a little cool and hope they can do the work and send the continuing resolution on to the President.

Mr. BAUMAN. Does the gentleman agree it would be highly unfair for us to act on this major issue with perhaps 150 or 170 Members of the House gone?

Mr. EDWARDS of Alabama. What I am saying to the gentleman, it is my great hope that we will not have that issue before us. I think that is one of the things we have to face at this time.

I wholeheartedly agree with the gentleman. It would be most unwise to take up this highly controversial issue with only some 230 or 240 Members in the House. It is my hope that we will not come to that point.

Mr. BAUMAN. Mr. Speaker, further reserving the right to object, the Speaker himself said an hour ago when we had a similar discussion that if the Hyde amendment came back undone in the continuing resolution, then the gentleman from Massachusetts would not accept it himself.

Mr. EDWARDS of Alabama. Mr. Speaker, will the gentleman yield further?

Mr. BAUMAN. I yield.

Mr. EDWARDS of Alabama. The reason I want to stay here is that we are in a delicate game now with the Senate and walking off at this point is not going to serve our purpose insofar as the Senate Appropriations Committee is concerned. I think if we sit here indicating that we are willing to wind this thing up in an orderly manner, we will have served our purpose.

Mr. BAUMAN. Mr. Speaker, further reserving the right to object, to be perfectly frank, it is the understanding of the gentleman from Maryland throughout the morning that discussions have been had with the principal Member of the other body opposed to the Hyde amendment, and even those who have stood with him have tried to dissuade him from offering this amendment and he has yet to say what his intentions are.

If that is accommodation to this body, I cannot see it. Obviously, a decision has to be made, and it seems to me that we would far better serve the interests of the majority of this House, which has voted nine times on this issue, to adjourn and let the other body take whatever course it wishes.

Mr. EDWARDS of Alabama. What the gentleman says is correct. The gentleman in the other body the gentleman from Maryland is referring to has made it very clear that he wants to try to obliterate the Hyde amendment as far as the continuing resolution is concerned. I was involved in that same discussion the gentleman refers to.

What I am saying to the gentleman is, there are others in the other body who are trying desperately to create the votes to bring the issue to a conclusion by simply accepting the continuing resolution. The gentleman from Massachusetts has said that he will go to the Senate floor with it, but what I am saying is that I do not think this is any time for us to cut and run when we have got a chance to resolve this thing in a proper way.

Mr. BAUMAN. I may point out to the gentleman that it is not a question of cutting and running. One hundred and thirty-five Members, relying upon the the guarantees of the leadership, have left already, and more Members must leave. By the time the gentlemen in the other body resolve this issue, there may not be a quorum in the House for all we know, and this may be academic.

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. I yield to the distinguished majority leader.

Mr. WRIGHT. The gentleman from Maryland, of course, makes a good point, but all we are asking for is a little patience. The gentleman has hypothecated a situation which we hope can be avoided. We are afraid it will not be avoided if we were to follow the gentleman's suggestion and just precipitously adjourn. That undoubtedly would be taken by the other body as a threat. It might back them into the corner where they would be more prone to do the very thing which the gentleman hopes they will not do. Just give us a little time.

Mr. BAUMAN. Neither the gentleman from Maryland nor the gentleman from Texas can hypothecate what the other body will do. They will do as they will. We in this body are being held hostage on an issue on which, repeatedly, a majority have expressed their view. There is only one reason for this delay and that is to defeat the Hyde amendment. I think the leadership of the House owes it to us to protect our interests. It is this Member's view that the best way that can be done is to adjourn, and thus, when we come back under the order the gentleman from Texas himself obtained, we can deal with this situation.

The SPEAKER pro tempore (Mr. BRADEMAS). Is there objection to the request of the gentleman from Texas?

Mr. BAUMAN. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

MOTION OFFERED BY MR. BAUMAN

Mr. BAUMAN. Mr. Speaker, I offer a privileged motion.

The Clerk read as follows:

Mr. BAUMAN moves that the House do now adjourn.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Maryland.

The question was taken; and on a division (demanded by Mr. BAUMAN) there were—ayes 21; noes 124.

So the motion was rejected.

Mr. WRIGHT. Mr. Speaker, in view of the feeling of the House and its willingness to be patient for yet a little while, I wonder if I might prevail upon my friend not to object if I were to renew my unanimous-consent request.

Mr. BAUMAN. The gentleman from Maryland is able to read the will of the House. What is the gentleman's request?

Mr. WRIGHT. Mr. Speaker, I would like to renew the unanimous-consent request that the House may stand in recess until 2 o'clock.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Accordingly (at 1 o'clock and 20 minutes p.m.), the House stood in recess until 2 o'clock p.m.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 2 o'clock p.m.

CALL OF THE HOUSE

Mr. WRIGHT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 744]

Akaka	Findley	Moss
Andrews, N. Dak.	Fish	Mottl
Annunzio	Fithian	Nichols
Archer	Flowers	Nix
Armstrong	Foley	Nolan
Ashbrook	Ford, Tenn.	O'Brien
Badham	Fraser	Patterson
Badillo	Frey	Pease
Barnard	Fuqua	Pepper
Baucus	Gammage	Pursell
Bedell	Gaydos	Quayle
Bevill	Gephardt	Quie
Biaggi	Ginn	Quillen
Bingham	Goldwater	Railsback
Boggs	Goodling	Rangel
Boland	Guyer	Rhodes
Bolling	Hagedorn	Richmond
Breckinridge	Hall	Risenhoover
Brinkley	Hannaford	Roberts
Broomfield	Harkin	Roe
Burke, Calif.	Harrington	Rogers
Burke, Fla.	Harsha	Rostenkowski
Burton, John	Hefner	Russo
Burton, Phillip	Hightower	Ryan
Butler	Hillis	Sarasin
Byron	Holland	Sawyer
Carter	Holt	Scheuer
Cederberg	Horton	Schulze
Chappell	Howard	Sebelius
Chisholm	Huckaby	Shipley
Clay	Ichord	Shuster
Cleveland	Jenkins	Skubitz
Cochran	Johnson, Colo.	Snyder
Collins, Ill.	Jones, N.C.	Solarz
Collins, Tex.	Jones, Okla.	Steed
Conable	Jones, Tenn.	Stokes
Conyers	Jordan	Taylor
Corcoran	Ketchum	Thompson
Corman	Koch	Udall
Cornwell	Krueger	Ullman
Cotter	Latta	Vander Jagt
Crane	Leggett	Walsh
Cunningham	Lent	Wampler
D'Amours	Lloyd, Calif.	Watkins
Davis	Long, La.	Whalen
Delaney	Long, Md.	White
Derrick	McClory	Whitehurst
Devine	McCormack	Whitley
Dicks	McHugh	Whitten
Diggs	Madigan	Wiggins
Dingell	Mathis	Wilson, Bob
Duncan, Oreg.	Meeds	Wilson, C. H.
Eckhardt	Metcalfe	Wilson, Tex.
Edwards, Okla.	Michel	Wolff
Eilberg	Mikva	Wydler
Erlenborn	Milford	Wylie
Evans, Ga.	Mitchell, Md.	Yatron
	Moffett	Young, Alaska

The SPEAKER pro tempore (Mr. WRIGHT). On this rollcall 261 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

DESIGNATING THIRD THURSDAY IN DECEMBER AS NATIONAL DAY OF PRAYER FOR 1977

The SPEAKER pro tempore. The Chair is prepared to recognize the gentleman from Florida (Mr. LEHMAN).

Mr. LEHMAN. Mr. Speaker, I call up the Senate joint resolution (S.J. Res. 81) to express the sense of the Congress that, in the light of history, the third Thursday in December 1977, would be a most appropriate day for designation as the "National Day of Prayer for the Year 1977," and respectfully to request that the President, under the provisions of Public Law 82–324, issue a proclamation designating such date as a "National Day of Prayer for the Year 1977," and ask unanimous consent for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, and I am sure I will not object, I wonder if the gentleman from Florida would consider moving the date up to today?

Incidentally, the minority fully supports this resolution.

Mr. LEHMAN. Mr. Speaker, if the gentleman will yield, I will say to the gentleman from California I think we should have had it last night.

Mr. ROUSSELOT. Mr. Speaker, I would be glad to yield to my distinguished colleague, the gentleman from Alabama, a famous minister.

Mr. BUCHANAN. Mr. Speaker, I note this resolution was brought to the floor by a LEHMAN. I am sure it is also approved by the clergy.

In all seriousness, however, it is highly appropriate that a nation which is the fruit of a Judeo-Christian heritage, which has upon its currency and coinage "In God We Trust," and which salutes its flag with the phrase "one Nation under God" should set aside a national day of prayer. I urge the passage of this resolution.

Mr. LEHMAN. Mr. Speaker, I have no further request for time.

Mr. ROUSSELOT. Mr. Speaker, I yield to my distinguished colleague, the gentleman from Illinois (Mr. DERWINSKI).

Mr. DERWINSKI. Mr. Speaker, I think it only proper that the gentleman from Florida lecture us at some length on his devotion to prayer and the reasons for his leadership in this field.

Mr. LEHMAN. I thank the gentleman from Illinois.

I think the purpose of this resolution in all seriousness is just a formality and the President himself has already set the date, and the only thing we can do in this resolution is to confirm that, so I have no choice at this time as chairman of the subcommittee except to repeat my request for unanimous consent and then we can get on to more relevant business we are trying to handle today.

Mr. DERWINSKI. Mr. Speaker, I just want the record to show that the minority fully supports the majority in this approach to prayer.

I am happy to join in support of this joint resolution which designates Thursday, December 15, as the "National Day of Prayer for the Year 1977." The date for this highly commendable and worthwhile observance—the third Thursday in December—coincides with the 200th anniversary of the first proclaimed day of Thanksgiving by the Continental Congress.

The action of the Continental Congress was its response to the great victory our young country won over the British at Saratoga. As a matter of fact, the Battle of Saratoga was called the turning point of the Revolution.

As the result of the action of the Continental Congress a congressionally sponsored Thanksgiving was observed in this country.

I can think of no better way to commemorate America's first Thanksgiving with a day which will remind the Nation and its citizens to offer thanks through prayer.

This resolution has the support of the heads of 12 major religious bodies in the United States. I know it will receive an overwhelming endorsement from this body.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida.

There was no objection.

The Clerk read the Senate joint resolution as follows:

S. J. RES. 81

Whereas the President is authorized under a provision of Federal law to proclaim a National Day of Thanksgiving on the fourth Thursday of November (Public Law 77–379), and

Whereas the President is authorized under a provision of Federal law to proclaim a National Day of Prayer on a day other than a Sunday (Public Law 82–234), and

Whereas the third Thursday of December in the year 1977 marks the two hundreth anniversary of the first proclaimed Day of Thanksgiving by the Continental Congress, and

Whereas such a proclamation on this date has the support of the leaders and presidents of twelve national religious bodies in the United States, and

Whereas such date is already historic, patriotic, and sacred in the life of our country: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That it is the sense of the Congress that, in the light of history, December 15, 1977 (such date being the third Thursday in December, 1977) would be a most appropriate day for designation as the "National Day of Prayer for the Year 1977", and the President is hereby respectfully requested, under Public Law 82–324, to issue a proclamation designating such date as a "National Day of Prayer for the Year 1977", and calling upon the people of the United States and interested groups and organizations to observe that day with appropriate ceremonies and activities.

GENERAL LEAVE

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FURTHER LEGISLATION PROGRAM

(Mr. ANDERSON of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANDERSON of Illinois. Mr. Speaker, it is very nice to be back once again here in the Chamber. We have, as far as I know, dispatched the only business that I heard was going to be before us.

I do have some curiosity, however, as to what the majority leader or the distinguished Speaker has in mind for us for the balance of the afternoon. We are about 35 minutes away from the time at which, as I said this morning, we are accustomed to adjourn, this being a Friday.

I think, rather than keep us here for an indefinite period of time, we should have some indication from the majority side of the aisle as to why we are here.

I am pleased to yield to the distinguished Speaker.

Mr. O'NEILL. Mr. Speaker, there have been conversations between the leadership of the Senate and the House. We have at the present time a couple of our own Members talking to the acting chairman of the Appropriations Committee, who has handled this resolution.

We have talked to the chief sponsor of the amendment in the other body. I have given that gentleman the facts as they are at the present time. The facts at the present time are that unless the Senate accepts the resolution that we sent over, if they were to pass the Brooke amendment, as the committee just voted 11 to 10, it would come back here under normal proceedings. Unanimous consent would be required to act on the Senate amendment or to send it to conference and have conferees named.

I would imagine at that particular time an objection would come forward, so then we would ask for the Committee on Rules to act on Tuesday next. We would ask the Committee on Rules to be in Washington to have a meeting. Under the normal procedure then it will be brought up on Friday next. We are trying to avoid that.

We have made our colleagues aware of what the parliamentary situation is. As I see it, unless we can suspend all rules, which I do not think we can do, the most we can do is ask unanimous consent. Any vote on this, unless the Senate would accept the position of the House, would be next Friday.

All the Members of the Senate are concerned with this issue and are now apprised of the situation in the House and what the position of the House has been. I have dispatched our colleague, Representative DICKS, who has talked with the chairman of the committee in the other body, to tell the gentleman the parliamentary situation.

We are waiting for our emissaries to return and tell us what the situation is and when that information is received, a motion will be on the floor.

Mr. ANDERSON of Illinois. Mr. Speaker, how much longer are we going to wait? Are the intentions of the Speaker to call another recess in an hour or so?

Mr. O'NEILL. I would hope if anyone wants to make 1-minute speeches, we would be able to take them, or if anybody has special orders, they would take them; but I would hope the House would be a little at ease until the gentlemen return from talking to Senator MAGNUSON.

Mr. ANDERSON of Illinois. Mr. Speaker, I am always glad to listen to my colleagues making speeches or taking special orders. I would hope if we are going to wait for a message from the other body, we could recess to an hour certain and by that time, if nothing happens, we can adjourn.

CALL OF THE HOUSE

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

The SPEAKER pro tempore. Without objection, a call of the House is ordered.

Mr. BAUMAN. Mr. Speaker, I object.

The SPEAKER pro tempore. The question is, shall there be a call of the House?

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

So a call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 745]

Akaka	Fraser	Nix
Andrews, N. Dak.	Frey	O'Brien
Annunzio	Fuqua	Pepper
Archer	Gammage	Perkins
Armstrong	Gaydos	Pike
Ashbrook	Gephardt	Pursell
Badham	Gilman	Quayle
Badillo	Ginn	Quie
Barnard	Goodling	Quillen
Baucus	Guyer	Railsback
Beard, Tenn.	Hagedorn	Rhodes
Bedell	Hall	Richmond
Bevill	Hannaford	Risenhoover
Biaggi	Harkin	Roberts
Bingham	Harrington	Roe
Boggs	Harsha	Rogers
Boland	Heckler	Rosenthal
Bolling	Hefner	Rostenkowski
Brinkley	Hightower	Russo
Broomfield	Hillis	Ryan
Burke, Calif.	Holland	Sarasin
Burke, Fla.	Holt	Sawyer
Burton, John	Horton	Scheuer
Burton, Phillip	Howard	Schulze
Butler	Huckaby	Sebelius
Carter	Ichord	Shipley
Cederberg	Jenkins	Shuster
Chappell	Jones, N.C.	Snyder
Chisholm	Jones, Okla.	Solarz
Cleveland	Jones, Tenn.	Steed
Cochran	Jordan	Stokes
Collins, Ill.	Ketchum	Taylor
Collins, Tex.	Koch	Thompson
Conable	Krueger	Udall
Corcoran	LaFalce	Ullman
Corman	Latta	Vander Jagt
Cotter	Lent	Vento
Coughlin	Long, La.	Walsh
Crane	Long, Md.	Wampler
Cunningham	McClory	Watkins
D'Amours	McCloskey	Waxman
Delaney	McCormack	Whalen
Derrick	Madigan	White
Devine	Mathis	Whitehurst
Diggs	Meeds	Whitley
Dingell	Metcalfe	Whitten
Duncan, Oreg.	Michel	Wiggins
Eckhardt	Mikva	Wilson, Bob
Edwards, Okla.	Milford	Wilson, C. H.
Eilberg	Mitchell, Md.	Wilson, Tex.
Erlenborn	Moffett	Wolff
Fascell	Moss	Wydler
Findley	Mottl	Wylie
Ford, Tenn.	Murphy, N.Y.	Yatron
	Nichols	Young, Alaska

The SPEAKER pro tempore. (Mr WRIGHT). On this rollcall 270 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

REQUEST FOR PERMISSION FOR COMMITTEE ON RULES TO HAVE UNTIL MIDNIGHT, TUESDAY, NOVEMBER 8, 1977, TO FILE REPORT

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight, Tuesday, November 8, 1977, to file a report.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, what is the nature of the report?

Mr. BRADEMAS. If the gentleman will yield, the report, presumably, would run to the subject matter which has been the substance of our colloquy during most of the day.

Mr. BAUMAN. Mr. Speaker, further reserving the right to object, the gentleman from Maryland is not familiar with that. What is that issue?

Mr. BRADEMAS. If the gentleman will yield further, the question of the difference between the House and the Senate action on the Federal restrictions with respect to abortion.

Mr. BAUMAN. Further reserving the right to object, Mr. Speaker, if permission were not granted, then the House would have to be in session Wednesday and Thursday?

Mr. BRADEMAS. Not necessarily.

Mr. BAUMAN. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

CONFERENCE REPORT ON S. 1585, PROHIBITING SEXUAL EXPLOITATION OF CHILDREN

Mr. CONYERS submitted the following conference report and statement on the Senate bill (S. 1585) prohibiting to amend title 18, United States Code, to make unlawful the use of minors engaged in sexually explicit conduct for the purpose of promoting any film, photograph, negative, slide, book, magazine, or other print or visual medium, or live performance, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 95-811)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1585) to amend title 18, United States Code, to make unlawful the use of minors engaged in sexually explicit conduct for the purpose of promoting any film, photograph, negative, slide, book, magazine, or other print or visual medium, or live performance, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment to the text of the bill insert the following:

That this Act may be cited as the "Protection of Children Against Sexual Exploitation Act of 1977".

SEC. 2. (a) Title 18, United States Code, is amended by inserting immediately after chapter 109 the following:

"Chapter 110—SEXUAL EXPLOITATION OF CHILDREN

"Sec.
"2251. Sexual exploitation of children.
"2252. Certain activities relating to material involving the sexual exploitation of minors.
"2253. Definitions for chapter.

"§ 2251. Sexual exploitation of children

"(a) Any person who employs, uses, persuades, induces, entices, or coerces any minor to engage in, or who have a minor assist any other person to engage in, any sexually explicit conduct for the purpose of producing any visual or print medium depicting such conduct, shall be punished as provided under subsection (c), if such person knows or has reason to know that such visual or print medium will be transported in interstate or foreign commerce or mailed, or if such visual or print medium has actually been transported in interstate or foreign commerce or mailed.

"(b) Any parent, legal guardian, or person having custody or control of a minor who knowingly permits such minor to engage in, or to assist any other person to engage in, sexually explicit conduct for the purpose of producing any visual or print medium depicting such conduct shall be punished as provided under subsection (c) of this section, if such parent, legal guardian, or person knows or has reason to know that such visual or print medium will be transported in interstate or foreign commerce or mailed or if such visual or print medium has actually been transported in interstate or foreign commerce or mailed.

"(c) Any person who violates this section shall be fined not more than $10,000, or imprisoned not more than 10 years, or both, but, if such person has a prior conviction under this section, such person shall be fined not more than $15,000, or imprisoned not less than two years nor more than 15 years, or both.

"§ 2252. Certain activities relating to material involving the sexual exploitation of minors

"(a) Any person who—

"(1) knowingly transports or ships in interstate or foreign commerce or mails, for the purpose of sale or distribution for sale, any obscene visual or print medium, if—

"(A) the producing of such visual or print medium involves the use of a minor engaging in sexually explicit conduct; and

"(B) such visual or print medium depicts such conduct; or

"(2) knowingly receives for the purpose of sale or distribution for sale, or knowingly sells or distributes for sale, any obscene visual or print medium that has been transported or shipped in interstate or foreign commerce or mailed, if—

"(A) the producing of such visual or print medium involves the use of a minor engaging in sexually explicit conduct; and

"(B) such visual or print medium depicts such conduct;

shall be punished as provided in subsection (b) of this section.

"(b) Any person who violates this section shall be fined not more than $10,000, or imprisoned not more than 10 years, or both, but, if such person has a prior conviction under this section, such person shall be fined not more than $15,000, or imprisoned not less than two years nor more than 15 years, or both.

"§ 2253. Definitions for chapter

"For the purposes of this chapter, the term—

"(1) 'minor' means any person under the age of sixteen years;

"(2) 'sexually explicit conduct' means actual or simulated—

"(A) sexual intercourse, including genital-genital, oral-genital, anal-genital, or oral-anal, whether between persons of the same or opposite sex;

"(B) bestiality;

"(C) masturbation;

"(D) sado-masochistic abuse (for the purpose of sexual stimulation); or

"(E) lewd exhibition of the genitals or pubic area of any person;

"(3) 'producing' means producing, directing, manufacturing, issuing, publishing, or advertising, for pecuniary profit; and

"(4) 'visual or print medium' means any film, photograph, negative, slide, book, magazine, or other visual or print medium.".

(b) The table of chapters for title 18, United States Code, and for part I of title 18, United States Code, are each amended by inserting immediately after the item relating to chapter 109 the following:

"110 Sexual exploitation of children..2251".

SEC. 3. (a) Section 2423 of title 18, United States Code, is amended to read as follows:

"§ 2423. Transportation of minors

"(a) Any person who transports, finances in whole or part the transportation of, or otherwise causes or facilitates the movement of, any minor in interstate or foreign commerce, or within the District of Columbia or any territory or other possession of the United States, with the intent—

"(1) that such minor engage in prostitution; or

"(2) that such minor engage in prohibited sexual conduct, if such person so transporting, financing, causing, or facilitating movement knows or has reason to know that such prohibited sexual conduct will be commercially exploited by any person;

shall be fined not more than $10,000 or imprisoned not more than ten years, or both.

"(b) As used in this section—

"(1) the term 'minor' means a person under the age of eighteen years;

"(2) the term "prohibited sexual conduct' means—

"(A) sexual intercourse, including genital-genital, oral-genital, anal-genital, or oral-anal, whether between persons of the same or opposite sex;

"(B) bestiality;

"(C) masturbation;

"(D) sado-masochistic abuse (for the purpose of sexual stimulation); or

"(E) lewd exhibition of the genitals or pubic area of any person; and

"(3) the term 'commercial exploitation' means having as a direct or indirect goal monetary or other material gain.".

(b) The table of sections for chapter 117 of title 18, United States Code, is amended by striking out the item relating to section 2423 and inserting in lieu thereof the following:

"2423. Transportation of minors.".

SEC. 4. If any provision of this Act or the application thereof to any person or circumstances is held invalid, the remainder of the Act and the application of the provision to other persons not similarly situated or to other circumstances shall not be affected thereby.

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title of the bill and agree to the same.

JOHN CONYERS,
ELIZABETH HOLTZMAN,
LAMAR GUDGER,
HAROLD VOLKMER,
ALLEN E. ERTEL,
DALE E. KILDEE,
JOHN ASHBROOK,
TOM RAILSBACK,
PETER W. RODINO, JR.,
Managers on the Part of the House.

JOHN CULVER,
EDWARD M. KENNEDY,
BIRCH BAYH,
DENNIS DECONCINI,
CHARLES MCC. MATHIAS,
MALCOLM WALLOP,
STROM THURMOND,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the Senate and House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1585) to amend title 18, United States Code, to make unlawful the use of minors engaged in sexually explicit conduct for the purpose of promoting any film, photograph, negative, slide, book, magazine, or other print or visual medium, or live performance, and for other purposes, submit the following joint statement to the Senate and the House in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report: The House amendment to the text struck out all of the Senate bill after the enacting clause and inserted a substitute text. The Senate receded from its disagreement to the amendment of the House with an amendment which is a substitute for the Senate bill and the House amendment. The House amendment to the title changed the title to reflect the changes to the Senate bill by the House amendment to the text, and the Senate receded from its disagreement to the House amendment to the title.

The principal differences between the Senate bill, the House amendment and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

The "long titles" differ as between the House and Senate versions. The Conference substitute adopts the House provision.

The Senate bill has a "short title." The House amendment does not. The Conference substitute adopts the Senate provision.

The Senate bill has a "Findings" section. The House amendment does not. The Conference substitute adopts the House version.

The Senate bill contains an express requirement in proposed section 2251(a) that the crime be committed "knowingly." The House amendment does not. The Conference substitute accepts the House provision with the intent that it is not a necessary element of a prosecution that the defendant knew the actual age of the child.

The House amendment prohibits the transportation of visual or printed matter actually transported in interstate or foreign commerce or mailed, whether or not the accused knew or had reason to know of such transporting or mailing. The Senate bill does not. The Conference substitute accepts the House provision.

The Senate bill contains an amendment offered by Senator Bayh to prohibit certain activities relating to "live performances." The House amendment contains no comparable provision. The Conference substitute omits the Senate provision in light of the fact that the Conference substitute contains amendments to Title 18 U.S.C. 2423 which would prohibit the interstate transportation of any minor for the purpose of engaging in prohibited sexual conduct as defined in that section, if the conduct will be commercially exploited. The Conferees believe that in most cases these provisions would cover the sexually explicit conduct of minors during live performances as drafted in the Bayh amendment.

Both the Senate bill and the House amendment contained an express "knowingly" requirement relating to the liability of any parent, legal guardian, or person under proposed Section 2251(b). It is the intent of the Conference Committee that such parent, legal guardian or person have control over the actions of the child when permitting the child to engage in sexually explicit conduct. The proposed criminal act is not passive but is to be an expression of knowledge and control. This contrasts with the decision of the Conference Committee to omit the "knowingly" requirement in the first subsection of proposed Section 2251 as was discussed previously.

The Senate bill and the House amendment contained identical definitions that were placed in different sections. In the Conference substitute the definitions are unified for all sections of the new Chapter 110 and placed at the end of the Chapter. It is the intent of the Conference Committee that the definition of "print and visual medium" be interpreted broadly, i.e. "film" may include but not be limited to electronic visual images or videotapes. It is also the intent of the conferees that the definition of "sexually explicit conduct" be interpreted so as to apply only to conduct that is sexual in nature. For example the term bestiality as used in this definition would only apply to sexual bestiality.

The Senate and House versions differ in their penalty provisions as follows:

(a) The Senate bill provides—

(1) for production, a $10,000 fine, or a two year minimum and a 10 year maximum imprisonment, or both, for the first offense; and for subsequent offenses, a $15,000 fine, or a 5 year minimum and 15 year maximum, or both; (ii) for transportation etc., a $10,000 fine, or a one year minimum and a ten year maximum imprisonment, or both, for the first offense. For subsequent offenses, a $15,000 fine, or a 2 year minimum and a 15 year maximum, or both; (iii) for the "Mann Act," a $10,000 fine or 10 years imprisonment, or both, the same as existing in law.

(b) The House amendment provides a $10,000 fine or 10 years imprisonment, or both, throughout.

The Conference Committee agrees that any person who violates proposed Sections 2251 or 2252 of Title 18 dealing with production and transportation will be fined not more than $10,000 or imprisoned not more than 10 years, or both, but, if such person has a prior conviction under these sections such person shall be fined not more than $15,000 or imprisoned not less than 2 years nor more than 15 years, or both. A minimum sentence has been agreed to therefore for the second conviction.

The Senate bill contains a section on the prohibition of transportation, sale or distribution for sale of material depicting sexual exploitation of minors. The House amendment does not. The Conference substitute adopts the Senate provision with the modification that the visual or printed matter must be obscene and with the requirement that the production of the matter involved the use of a child engaging in sexually explicit conduct. It is the intent of the Conference Committee that if a minor has engaged in this sexually explicit conduct and there was a production of material using any printed or visual medium depicting such conduct that persons who knowingly transport, ship, or mail for the purpose of sale or distribution, or knowingly thereafter receive for sale or distribution, or knowingly thereafter sell or distribute for sale any such material are liable whether or not they have contact with the minor or the original production of the material.

Both the Senate bill and the House amendment contain amendments to Section 2423 of Title 18, United States Code. Although each version differs somewhat in form, the substantive provisions are very similar with two exceptions: (a) The House amendment does not include "simulated" sexual conduct within its prohibition. (b) The House amendment requires that there be some commercial exploitation of the prohibited sexual conduct. The Senate bill does not. The Conference substitute adopts the House provisions.

The Senate bill amends existing Federal obscenity law to increase the penalties of each violation that involves the sexual exploitation of a minor. The House amendment does not. The Conference substitute accepted the House provision because a version of Section 2252 (relating to transportation and distribution of explicit material) was agreed to with an obscenity standard.

The Senate bill contains a "severability" section. The House amendment does not. The Conference Committee accepts the Senate provision.

JOHN CONYERS,
ELIZABETH HOLTZMAN,
LAMAR GUDGER,
HAROLD VOLKMER,
ALLEN E. ERTEL,
DALE E. KILDEE,
JOHN ASHBROOK,
TOM RAILSBACK,
PETER W. RODINO, Jr.,
Managers on the Part of the House.

JOHN CULVER,
EDWARD M. KENNEDY,
BIRCH BAYH,
DENNIS DECONCINI,
CHARLES MCC. MATHIAS,
MALCOLM WALLOP,
STROM THURMOND,
Managers on the Part of the Senate.

RESIGNATION AS MEMBER AND APPOINTMENT AS MEMBER OF SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

The SPEAKER laid before the House the following resignation as member of Select Committee on Narcotics Abuse and Control:

HOUSE OF REPRESENTATIVES,
Washington, D.C., October 18, 1977.

Hon. THOMAS P. O'NEILL,
Speaker,
House of Representatives.

DEAR MR. SPEAKER: Following my appointment as Chairman of the Select Committee on Population, I hereby resign from the Select Committee on Narcotics.

With every warm best wish,
Yours,

JAMES H. SCHEUER.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

The SPEAKER. Pursuant to the provisions of House Resolution 77, 95th Congress, the Chair appoints the gentleman from New York (Mr. ZEFERETTI) as a member of the Select Committee on Narcotics Abuse and Control to fill the existing vacancy thereon.

PROPOSAL FOR A 5-MINUTE RECESS OF THE HOUSE

(Mr. ANDERSON of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANDERSON of Illinois. Mr. Speaker, during the recess that ended recently, I have had an opportunity to visit personally the floor of the other Chamber and to learn something of the negotiations that are going on over there with respect to the way in which the continuing resolution for the Departments of Labor, and Health, Education, and Welfare should be handled.

I think that it would save the time of the Members of this body if we could have a 5-minute recess merely to discuss these matters among ourselves.

RECESS

Mr. ANDERSON of Illinois. Mr. Speaker, I ask unanimous consent that the House stand in recess for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, we have recessed now three times. The Speaker has made it clear that under the rules there is absolutely no way in which this matter could be considered today. It is even doubtful that it could be considered next week.

What is the purpose of continuing to recess and recess and recess, since there is nothing that could be done today? Will the gentleman from Illinois inform me as to what might be accomplished by this?

Mr. ANDERSON of Illinois. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. Mr. Speaker, it is very difficult for me to say, frankly. I want to be just as candid with the gentleman from Maryland (Mr. BAUMAN) as I can be.

I have reason to believe that if certain Members would have 4 or 5 minutes to visit together, perhaps we could then come back and adjourn this House until next Tuesday.

Mr. BAUMAN. I think that could be done now.

Mr. ANDERSON of Illinois. Mr. Speaker, the gentleman may possibly be correct. I see some advantages in pursuing the course that I have suggested, and that would not delay us for more than 5 minutes.

Mr. BAUMAN. Mr. Speaker, we have special orders scheduled, and we have other matters that can be taken care of in the interim.

Mr. Speaker, I withdraw my reservation of objection.

Mr. ANDERSON of Illinois. Mr. Speaker, I renew my unanimous-consent request that the House stand in recess for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER. The Chair declares the House in recess for a period of 5 minutes.

Accordingly (at 2 o'clock and 51 minutes p.m.) the House stood in recess for approximately 5 minutes.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. WRIGHT) at 2 o'clock and 58 minutes p.m.

Mr. MURPHY of New York. Mr. Speaker, will the gentleman yield?

Mr. MURTHA. I yield to the gentleman from New York.

Mr. MURPHY of New York. I thank the gentleman for yielding.

I am happy that my colleague, the gentleman from Pennsylvania, yielded on this issue which affects the districts of each Member of the House. My colleague, the gentleman from West Virginia, addressed the House not too long ago on the problems caused by a broken dam that virtually wiped out the economy of an entire region in West Virginia, and we all, of course, recall the Johnstown flood. The cities and counties of America are continually faced with the problems of floods and hurricanes. I can recall when Providence, R.I., was under 14 feet of water in 1956, and the problems that were created in that city.

In our own city of New York we had severe hurricane problems and flooding that wiped out approximately 2,000 businesses. It was only the Small Business Administration that could respond in that type of emergency with disaster loans. That disaster loan program was rapidly and effectively implemented for individual small business people, as well as private homeowners. And then, of course, the forgiveness provision in the Small Business Administration program is probably the greatest example of the great heart that the American Government has toward its citizens when they have problems. But we do not have to go solely to flood problems. We can just look at the tremendous impact of a major power failure in the lower part of Manhattan; we can recall the massive problems encountered when the entire lower part of New York City was blacked out in a telephone system failure, and the many businesses that were impacted because their entire business depended on telephone communication. If they had been deprived of communication, in 2 or 3 weeks their businesses would have failed. Once again, the Small Business Administration came to the rescue of those urban people.

Mr. YOUNG of Florida. Mr. Speaker, will the gentleman yield?

Mr. MURTHA. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. I thank the gentleman for yielding.

I just want to report the deal has been made, so you may now terminate your speeches.

FURTHER LEGISLATIVE PROGRAM

(Mr. WRIGHT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WRIGHT. The purpose, Mr. Speaker, for my seeking recognition is to announce to the House the program. There appears no purpose to be served by our remaining in session further today. There will be a session on Tuesday, and there will be a session on Friday.

We think it unlikely that there will be a vote on Tuesday. It is possible there may be a vote on Friday, depending on the action in the other body. If there should be any legislative business of any type, all Members will be notified by telegram in advance.

Mr. ANDERSON of Illinois. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. Of course I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. I understood the gentleman from Texas to suggest a minute ago that there was a possibility of a vote next Tuesday and a possibility of a vote next Friday. However, I think as a result of the conversation in which the gentleman and I just participated, he should be able to assure interested Members of the House—and I am sure that includes all of us—that those votes would not include the matters in controversy that have kept us here for some time this afternoon.

Mr. WRIGHT. Most assuredly that would be true with respect to next Tuesday. The question as to whether the House would have a vote on a substitute before it on Friday of next week would depend upon action in the other body, and there is no way to forecast that.

Mr. ANDERSON of Illinois. Would not the gentleman from Texas, if he will yield further, agree as a result of our consultations with the distinguished senior Senator from the State of Massachusetts, that there is every likelihood that the other body is going to adopt the continuing resolution for the Departments of Labor and HEW in the form in which it passed this House without the so-called Brooke amendment?

Mr. WRIGHT. If the gentleman will permit me, I ardently and earnestly hope that will be the case. I am simply trying to allow Members to understand the probability of a situation without being surprised, if worse should come to worse, and we did come back and have a vote on Friday. There is that outside possibility about which all of us should be aware. I want Members to understand that in the event a vote would be required on legislation, all Members will be notified by telegram.

Mr. ANDERSON of Illinois. I thank the gentleman from Texas.

Mr. WRIGHT. It is improbable that any vote would occur on Tuesday and we hope unlikely that one will occur on Friday, but the possibility remains.

INQUIRY ABOUT POSSIBLE VOTES NEXT FRIDAY

(Mr. YOUNG of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. YOUNG of Florida. Mr. Speaker, I take this time in order to discuss a matter with the distinguished majority leader.

I inquire of the distinguished majority leader as to his other comments about votes that might occur next Friday on other than the Brooke amendment or the Hyde amendment. Is there that possibility?

Mr. WRIGHT. Responding to the gentleman, if there is no necessity for a vote responding to the Hyde or Brooke amendments, or some modification thereof, I can see no need for any vote on Friday next.

Mr. YOUNG of Florida. I thank the gentleman from Texas.

AUTHORIZING SPEAKER TO SIGN ENROLLED BILLS DULY PASSED AND TRULY ENROLLED NOTWITHSTANDING ADJOURNMENT

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that notwithstanding adjournment of the House from November 4 to November 8, 1977, that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 7074. An act to provide improved authority for the administration of certain National Forest System lands in Oregon.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 9794) entitled "An act to bring the governing international fishery agreement with Mexico within the purview of the Fishery Conservation Zone Transition Act," disagreed to by the House.

HUD NOT RECEPTIVE TO EFFORT OF CONGRESS TO ADDRESS PROBLEMS BESETTING MULTIFAMILY HOUSING PROGRAMS

(Mr. HANLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HANLEY. Mr. Speaker, there is a saying among the natives of Paris that if one sits long enough at a cafe on the Rue De Le Paix, the whole world will walk by. Often one can have the feeling in the course of our legislative efforts in this body that one has been sitting too long in the same spot because the passersby begin to look familiar. A rising sense of Deja Vu occurs when again and again the same issues, the same topics, the same priorities of concern come before us in subcommittee and full committee deliberations and emerge again in debate and colloquy before the whole House; but, for all the

attention they get, no solution is ever effected.

Our colleagues may recall that during the consideration of H.R. 6655 there was discussion of the Hanley amendment (agreed to by the full Banking and Finance Committee) which would have required the payment of expanded operating subsidies by HUD to all section 236 assisted housing projects in the country. There was an unsuccessful attempt at that time to strike that provision from the House bill. Meanwhile, the Senate considered and passed a far less comprehensive approach to the same issue and decided on what became known as the "Chafee amendment" after its Senate sponsor. In any case, the attitude of HUD was not receptive nor hospitable to any effort of the Congress to explore and address the growing problems which were besetting the multifamily housing programs of this country.

It was evident from the limited data available to the sponsors of this effort to help the tenants and operators of the assisted 236 housing projects that the brink was almost overcapped by a flood of defaulted projects which were likely for foreclosure and HUD takeover. The exposure of risk which was to be levied upon the taxpayers was estimated at over $1 billion.

But the danger signals and red flags of warning were not imaginary nor were they any secret from those who listened to the professionals in the housing management field. They were no secret to anyone who sought out the opinions and comments of the tenants of the housing projects in every corner of the country. They were not hidden under some basket, nor were they so complex as to defy examination and resolution.

The observable facts were that the projects were physically in decline and disrepair; that fixed income elderly and poor tenants were paying in excess of 30 percent of their incomes on rent; that the cash flow for many projects was below the cost of debt service and operating costs; that no one at HUD was doing anything near enough to deal with the short-term crises nor the longer term problems of the multifamily disaster which was impending.

The central fact was that HUD would not implement the one program which offered some relief to hard-pressed tenants and project managers—the provisions of the 1974 Housing Act which permitted the supplemental payment by HUD of such cost increases as were due to rises in taxes and utility costs. HUD was so adamant in its position that the tenant organizations and management firms took HUD to court—so far successfully—to compel its compliance with the intent of Congress and the spirit of the law.

Back on the legislative front, the same HUD officials who were fighting the tenants and owners in the courts forced the logic of delay and promise of early action onto the House-Senate conference table. With an assurance that a study was in progress and a course of remedial action imminent, HUD succeeded in gutting the heart from the section 236 subsidy effort.

Well, Mr. Speaker, we now have seen the followup which HUD had promised. During hearings on the subject of troubled subsidized housing projects held in the Senate in October, the reasons for HUD's prior reluctance to embrace the simple remedy of increased subsidy for 236 projects became obvious. Conditions were worse than anyone would have expected or even contemplated.

In prepared remarks before the Senate Banking Committee, Assistant Secretary Lawrence B. Simons painted a bleak picture of the present structure and performance capacities of the multifamily housing administration nationwide. Much of what he said confirmed the premises of the actions taken earlier this year by those who supported the subsidy effort and belied the deferral of affirmative action by the Congress in the final version of H.R. 6655.

But, incredibly, even at this time and in recognition of the catastrophe which inaction might allow—there was no concrete proposal to the Congress on what it should do to reverse the decay and abandonment of the assisted housing program. In light of the severity of the HUD-authenticated situation, it is an unexpected shock to have remedies delayed again until next year.

One can only speculate at this point as to the damage done to the low- and middle-income families who are forced to wait yet again another year for some relief from rent increases, for some hope that their buildings will be secure and clean and livable.

It is no consolation to the managers and owners of these projects that the long legislative process must be exhausted next year before they have some aid in paying this year's repair and maintenance costs.

It is little solace to State and local governments who sponsored federally assisted housing in their communities and now face the burden of locally paid supplemental assistance to have confirmed their suspicion that they are on their own for such farsighted and socially conscious actions.

And it is no credit to the Congress that it has allowed HUD to postpone positive action on this distressful situation for another year.

But perhaps it is too easy to be swept away with enthusiasm for one remedy which could have helped so many, even if it did not help all. The limited aid offered in the 1977 act will help many projects which are in financial trouble, even if many which warrant aid are not dealt with. Let us be thankful for every step forward.

It may be helpful at this point, Mr. Speaker, to review some high points of Assistant Secretary Simons' remarks of October 17 before the Senate Banking Committee. Based on an extensive study by a special task force on multifamily property utilization dated August 1977, the Secretary's comments were most reminiscent of the overview which stimulated the legislative effort on 236 subsidies—

On a national basis, multifamily subsidized projects account for roughly 40 percent of the total volume of 14,000 FHA projects with insurance in force. At the same time, they account for about half of the 2,600 projects now in financial difficulty. Specifically, we have identified 1,366 projects, in three stages of distress:

204 projects in the HUD-owned acquired property inventory;

950 projects in which the mortgage has been assigned to HUD or the project is in the process of foreclosure; and

212 projects in serious default, posing potential insurance claims.

An estimated 154,724 families live in these projects which were originally insured under Sec. 236 and 221(d)(3).

Our Task Force has concluded that if present trends continue unchecked, HUD's inventory of troubled projects could rise to more than 3,000 projects, that is 342,000 units by 1982. This would be the equivalent of roughly two years of new construction of government assisted apartment units. According to our findings, HUD could easily find itself the owner of 1,286 of these projects—an estimated 150,000 units.

Losses to the insurance fund alone would be in excess of $3 billion—HUD could end up owning substantially all subsidized projects in the central neighborhoods of Boston and—other metropolitan areas.

This is the basic point of departure of the Secretary, Mr. Speaker, that the Federal Government could find itself holding the bag for almost every central city assisted project in the country at a potential risk of $3 billion.

That recognition goes far beyond what was anticipated by those of us who tried to deal with just the section 236 project problem, but it is symptomatic of the problems within HUD and within the housing industry which have caused this difficulty. Problems of management, supervision, inflation, and physical structure decine are endemic with the whole HUD program. As the Secretary outlines in the program analysis just completed, it is a sad table of ineptitude, inefficiency, confusion, and chaos. Both central office and onsite management faults were cataloged in detail by the task force—even to the point that lack of office personnel and secretaries for program officials was cited as a contributing factor for the faulty performance of the organization.

As shaky as the private sector might be, the admission that HUD handling of the assigned properties is such that poor management becomes worse "once HUD becomes the owner and selects the management" is a new low in bureaucratic performance. It is no confidence builder to be told that HUD was able to realize only 7 cents on the dollar for acquired properties recently sold in the Boston area.

Mr. Speaker, a ray of hope has emerged from this calamity in the making. The House Subcommittee on Housing and Community Development has set up a task force of its own to explore this subject and related topics so that we can be more and better informed about the intricacies and convolutions of the subsidized housing industry. Under the leadership of our colleague, Representative JERRY PATTERSON of California, this group will meet early in the second session to begin its work. The helpful criticism and advice of every House Mem-

ber will be welcome as this most important issue gets another deserved and badly needed consideration.

LEGISLATIVE BLACKMAIL AGAINST THE RIGHT TO LIFE

Mr. BAUMAN. Mr. Speaker, I personally feel that the events that have occurred today in the House have been most unfortunate for this body as an institution and particularly unfortunate for the millions of people in this country who believe in the right to life. There can be no reason to keep this House in session today, as the leadership for the majority party has done, except to accommodate those in Congress who seek abortion on demand, the same Members who have held this House hostage for almost 4 months long, unbending and unwilling to compromise in any substantial way, despite all the verbiage that has been offered.

I think it would have been a tremendous disservice to the absent Members of this House had a vote been forced. So for 4 hours today we have been dragged through knotholes because of legislative blackmail. Even at the last moment I am informed attempts were made to arrange deals to prevent the majority of this House from working its will on the right to life issue.

I do not think anyone can take great pride in what has happened here today. The House has a right to depend on the leaders of both parties when it takes a stand, not once, but eight times, expecting that they will stand up for us and not instead seek to destroy the majority position of the House. The majority position remains for the right to life. I am most disturbed that we have not had the complete support of the leadership throughout these deliberations for the position that the House has taken. I say that with all due courtesy to the Speaker. It was only when some of those engaged in this blackmail realized the parliamentary situation that it was made clear to those who have refused to see in the past that they have no chance of forcing this House to back down or to use the fact of the absence of a great many Members to their advantage. I am pleased at the outcome, but not terribly proud of the events that have occurred.

Mr. Speaker, I yield back the balance of my time.

HEALTH CARE PROVIDERS SUPPORT H.R. 7711

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. PRITCHARD) is recognized for 10 minutes.

Mr. PRITCHARD. Mr. Speaker, in yesterday's CONGRESSIONAL RECORD Congressman WHALEN discusses an apparent conflict between the Internal Revenue Service and the Bureau of Health Insurance. It seems that the Department of Health, Education, and Welfare is providing support to those hospitals that wish to consider self-insurance for all or part of their malpractice and professional liability risk. But the Federal tax laws work to discourage self-insurance.

As one of the authors of the Product Liability Insurance Tax Equity Act, H.R. 7711, I am an advocate of the self-insurance option. While this is not a cure-all for professional liability problems, it does offer definite benefits in many situations and, in my opinion, ought to be available to those who chose to use it. Our legislation would remove the tax law barriers that now prevent many hospitals from taking advantage of the potential savings offered by full or partial self-insurance.

There can be little doubt that in many cases self-insurance does offer the chance to save substantial amounts of money. And this certainly is an important consideration today, as we debate what we can do about the rapidly escalating costs of health care in America.

This past summer the sponsors of the Product Liability Insurance Tax Equity Act—PLITE, for short—received this telegram from Donald Hebert, president of the Louisiana Hospital Association:

The Louisiana Hospital Association and the Louisiana Hospital Association Trust Fund appreciate and strongly support H.R. 7711. Through our insurance trust we are saving or lowering the cost of hospital care by approximately $2 million per year.

In CHUCK WHALEN's statement, I note that there is also a letter of support from the Federation of American Hospitals. That organization represents over 1,000 investor-owned hospitals across the country.

The important thing to remember now is that any costs, or any savings, in health care are passed on to the consumers. Increasingly, health care costs are borne not only by hospital patients and their insurance companies, but also by the Federal Government, which operates the medicare and medicaid programs of health care financing.

A management consultant in Ohio, who specializes in medical economics, wrote to the sponsors of PLITE:

I would like to congratulate you on the introduction of H.R. 7711, "The Product Liability Tax Equity Act".

There have been numerous attempts to lessen the impact on the medical profession as well as other professions on the skyrocketing costs of malpractice and liability insurance.

As you so well point out, these costs are rapidly passed on to the consumer. I feel your bill could well be one of the most progressive approaches to the problem. In fact, it is one we have talked of in many meetings with our medical clients, but it has generally come up as an infeasible avenue to pursue because of the current tax laws.

Another letter, this one from a physician, raises another important point. He notes that a good self-insurance plan can help to foster better relations between patients and the health care provider. Here is the text of the letter we received from a doctor in Colorado:

This is a letter in support of your bill to establish product and liability insurance trust fund.

In our office we use a system of record management which involves the patient with a great deal of knowledge of the medical problems.

As a result, our likelihood of insurance, we feel, is markedly diminished and so do our insurors in this region.

I feel that your bill would be a strong step in the direction of bringing responsibility where it should lay at the point of the doctor and the patient, in developing a preventative approach to the chronic problem of malpractice.

Mr. Speaker, at this point in the RECORD I wish to insert the complete texts of four other letters that were sent to the authors of PLITE. These letters further document the potential savings to be realized from self-insurance for malpractice and professional liability and they underscore the need to change the Federal tax code as we propose to do in our legislation. The letters follow:

ALL RISK CORPORATION OF FLORIDA,
Winter Park, Fla., August 8, 1977.

Subject: H.R. 7711

CONGRESSMAN CHARLES W. WHALEN,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN WHALEN: I am the service agent for the Florida Hospital Trust Fund. The Florida Hospital Trust Fund is a group of hospitals in Florida which have formed a self-insurance trust fund for self-insuring Hospital Professional Liability and Patient Injury losses.

Currently we have a serious problem regarding the Internal Revenue Service rulings as respects other similar organizations.

It appears, we are advised, that the Internal Revenue Service will declare that we are either a partnership or a mutual insurance company and will be forced to pay income taxes on those monies that we are, in fact, holding as reserves to pay losses. Under this group, any money not distributed for losses would be redistributed to the membership. Our membership of 32 hospitals is comprised of all public or nonprofit hospitals except one for profit hospital.

We are a recognized item of allowable Medicare expense and to tax an organization such as ours severely restricts our ability to accumulate reserves for payment of losses and would, of course, increase our cost to Medicare.

I very strongly support H.R. 7711 to give tax exempt status to funds established by individual hospitals or a group of hospitals or other professionals for payment of Professional Liability losses.

In addition to the 32 hospitals in Florida we have a very similar trust fund in the State of Louisiana which is comprised of 44 hospitals. Those 44 hospitals are almost entirely public or nonprofit hospitals.

Please let me know what I can do to gain support for your bill.

Sincerely,

ROBERT B. ATKINS.

ORMOND BEACH HOSPITAL,
Ormond Beach, Fla., August 17, 1977.

Subject: H.R. 7711.

CONGRESSMAN CHARLES W. WHALEN,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN WHALEN: I would like to endorse the position taken by Mr. Robert Atkins in his letter of August 8 concerning the bill you have presented to give tax exempt status to funds established by hospitals.

Our hospital is one of the thirty-two hospitals in the Florida Hospital Trust Fund, and we have been able to reduce our premiums as much as $40,000 annually due to participation in this fund. This savings, of

course, is passed onto the patients, and we would like to continue to be able to offer such savings to our patients.

We appreciate your assistance in this matter, and if we can support your bill in any other way, please advise us.

Sincerely yours,

STEPHEN K. WILSON,
Administrator.

DESOTO GENERAL HOSPITAL,
Mansfield, La., August 15, 1977.

RE HR 7711
Hon. CHARLES W. WHALEN,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN WHALEN: I am writing you to express my very strong support for HR 7711 which would give tax exempt status to self insurance trust funds established by individual hospitals, groups of hospitals or other professionals for payment of professional liability losses.

This institution joined the Louisiana Hospital Association Trust Fund in 1977 resulting in a savings to the institution and our patients of approximately $20,000.00 or more than $1.50 per patient day. An industry which has faced a growing crisis in the cost and availability of medical liability insurance coverage as well as increased pressures for effective cost containment measures needs the constructive cooperation and assistance of the federal government.

As a small hospital serving a rural community in Northwest Louisiana, I strongly encourage and request your support of HR 7711.

Sincerely,
CHRIS W. BARNETTE, *Administrator.*

JACKSON HOSPITAL,
Marianna, Fla., August 24, 1977.

Congressman CHARLES W. WHALEN,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN WHALEN: Your proposed provisions for H.R. 7711 would be most helpful to hospitals who are trying to restrain the rise in health care costs through reduced insurance premiums.

As past chairman of the Board of the Florida Hospital Trust Fund, I have first hand knowledge of the savings that self insurance plans can affect.

I support your position and hope that they will become law so that we can continue to keep health care cost as low as possible.

Sincerely yours,
C. ELWIN O'STEEN, *Administrator.*

LATVIAN INDEPENDENCE DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, 59 years ago, on November 18, 1918, the modern Republic of Latvia was established as a free and independent nation and these courageous people proclaimed to the world their right as a nation to stand proudly among free countries.

On Sunday, November 13, a commemorative program in observance of Latvian Independence Day will be held at Mather High School, 5835 North Lincoln Avenue, by the United Latvian Associations of Chicago which is ably headed by Ilmars Bergmanis, chairman. The main address will be delivered by John Riekstins, president of the American Latvian Association in the United States. The other officers of the United Latvian Associations of Chicago include: Aleksandrs Osis, vice-chairman and treasurer; Aleksandrs Kandrovics, director of cultural and social activities; John Veitmanis, secretary; Arvids Barda, committee member; Ruta Eichenfelds, committee member; Inara Bundza, committee member; Juris Valainis, radio committee; Viktors Viksnins, Bureau of Information for Anti-Communism; and Janis Vilcins, Sr., American-Latvian Association in United States.

Latvia had enjoyed her independence for only 22 years when, in 1940, the Soviet Union invaded and occupied Latvia, Lithuania, and Estonia and forcibly annexed these Baltic States into the Soviet Union.

Today, only old maps of Europe show Latvia as a distinct entity, but the newer ones display her territory as part of the Soviet Union. However, the U.S. Government and other great Western powers have steadfastly maintained a policy of nonrecognition of the forcible annexation of Latvia. All Americans must continue to encourage the heroic Latvian people in the continuing struggle for freedom and speak out against the Soviet policies of Russification and their brutal attempts to absorb the Baltic States and destroy them as national and cultural entities.

The determined spirit of the Latvian people is still unbroken and it was for this reason that I have cosponsored a concurrent resolution asking the President and Secretary of State to urge that the United Nations request the Soviet Union to withdraw all Russian and nonnative troops, agents, colonists, and controls from the Republics of Latvia, Lithuania, and Estonia, and to permit the return of all Baltic exiles from Siberia and from prisons and labor camps in the Soviet Union.

Mr. Speaker, the text of the resolution follows:

Whereas the United States, since its inception, has been committed to the principle of self-determination;

Whereas this essential moral principle is also affirmed in the Charter of the United Nations;

Whereas the Union of Soviet Socialist Republics is, according to its constitution, a voluntary federation of autonomous republics;

Whereas the three Baltic Republics (the Republic of Lithuania, the Republic of Latvia, and the Republic of Estonia) did not become member republics of the Union of Soviet Socialist Republics voluntarily, but rather were occupied militarily by the Russian Armed Forces in the early days of World War II and subsequently incorporated by force into the Union of Soviet Socialist Republics and have since been governed by the governments approved by, and subservient to, the government of the Union of Soviet Socialist Republics;

Whereas the ethnic makeup of the Baltic peoples (the Lithuanians, Latvians, and Estonians) is distinctly foreign in language, culture, common traditions, and religion from that of the Russian people;

Whereas, by deportation and dispersion of the native populations of the Baltic States to Siberia and by a massive colonization effort in which Russian colonists replace the displaced native peoples, the Soviet Union threatens complete elimination of the Baltic peoples as a culturally, geographically, and politically distinct and ethnically homogeneous population;

Whereas, despite such treatment, the spirit of the citizens of the Baltic States is not broken and the desire of the citizens of the Baltic States for national independence remains unabated;

Whereas the United States has consistently refused to recognize the unlawful Soviet occupation of the Baltic States and has continued to maintain diplomatic relations with representatives of the independent Republics of Lithuania, Latvia, and Estonia; and

Whereas the United Nations and the United States delegation to the United Nations have consistently upheld the right of self-determination of the people of those countries in Asia and Africa that are, or have been, under foreign imperialist rule: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that—

(1) the President and the Secretary of State should take all necessary steps to bring the Baltic States question before the United Nations and to urge that the United Nations request the Soviet Union—

(A) to withdraw all Russian and other non-native troops, agents, colonists, and controls from the Republics of Lithuania, Latvia, and Estonia, and

(B) to return all Baltic exiles from Siberia and from prisons and labor camps in the Soviet Union;

(2) until the Baltic States become independent, the Secretary of State should, through such channels as the United States Inormation Agency and other information agencies of the United States Government, do his utmost to bring the matter of the Baltic States to the attention of all nations by means of special radio programs and publications;

(3) the United States should not agree to the recognition, by any international conference, of the Soviet Union's unlawful annexation of Lithuania, Latvia, and Estonia, and it should remain the policy of the United States not to recognize in any way the annexation of the Baltic States by the Soviet Union;

(4) the President should require that all government map publishers, and should request that all private map publishers, show, on all maps of Europe, the Republics of Lithuania, Latvia, and Estonia as independent states, with a footnote explaining that the military occupation and forced incorporation into the Soviet Union of Lithuania, Latvia, and Estonia has never been recognized by the United States;

(5) the right of self-determination should be returned to the peoples of Lithuania, Latvia, and Estonia through free elections conducted under the auspices of the United Nations after Soviet withdrawal from the Baltic States; and

(6) the right of self-determination should be made a prime political objective of the United Nations and should be accorded through free elections under the auspices of the United Nations to all peoples now involuntarily subjugated to Soviet communism.

Mr. Speaker, I was glad to join with 39 other Members of Congress earlier this year in writing to Soviet General Secretary Brezhnev in urging the release of the Latvian patriot Gunars Rode, and a copy of that letter follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., May 16, 1977.

Hon. LEONID BREZHNEV,
General Secretary of C.T.S.U., The Kremlin,
Moscow, Russia.

DEAR MR. SECRETARY: We the undersigned Members of Congress, are writing to express our concern for Gunars Rode, a Latvian sen-

tenced to 15 years in prison in 1962 for "nationalism and anti-Soviet agitation" because of his membership and participation in an informal student group known as the Baltic Federation, which we understand did nothing more than meet to discuss problems of cultural autonomy and human rights for Estonians, Latvians, and Lithuanians. Mr. Rode, whose sentence expires on May 20 of this year, was not permitted until last summer to see the 1962 court decision accusing him of "having poisoned drinking water, having gathered arms for an armed uprising, and of an intention to start a nuclear explosion or even war that would threaten all of Eastern Europe," charges which appear to have no basis in fact.

It has come to our attention that the Soviet Government may bring new charges against Mr. Rode which would result in another prison term after the current one expires on May 20, because of his persistent assertion of his innocence. When it was reportedly suggested by Soviet authorities in early 1976, for example, that he appeal for clemency, Mr. Rode refused on principle, because to request clemency would be to admit guilt to crimes he never committed.

Because Mr. Rode is gravely ill, he may not survive another prison term; therefore, we appeal to you on humanitarian grounds to release him when his term ends this month. This would indicate that the Soviet Union takes seriously the human-rights provisions of the Helsinki Accord.

Sincerely,

FRANK ANNUNZIO,
Member of Congress.

The Latvian Information Bulletin reports that Gunars Rode was indeed released and two articles on this subject from the October 1977 Bulletin follow:

LATVIAN POLITICAL PRISONER, GUNARS RODE, RELEASED

The June 22 issue of Laiks reported that on May 13—two days prior to the completion of his sentence—Gunars Rode was permitted to leave the infamous "house on the corner" in Riga, the K.G.B.'s favored place of restraint where he had spent the last weeks of his confinement. The two days' grace extended to Rode was not an act of benevolence on the part of the Soviet authorities. Rather it was to ensure against the potentially embarrassing spectacle of Latvian people greeting the political prisoner with floral bouquets.

Gunars Rode's removal from Vladimir Prison had taken place in utmost secrecy some weeks before, thus preventing the dissidents in Moscow from learning of his fate. This would also explain why news of his release did not reach the West sooner.

Upon reaching Riga, the K.G.B. felt obliged to nourish their emaciated captive before release, and he was given extra food rations. When Rode noticed this, he immediately began sharing his food with the other prisoners. For this insolence Rode was placed in solitary confinement until the day of his release, May 13.

Rode has been forbidden to leave Riga for one year and has been placed under a curfew of 10 p.m.–6 a.m. at his official residence.

GUNARS RODE REQUESTS LEONID BREZHNEV TO RELIEVE HIM OF HIS ENFORCED SOVIET CITIZENSHIP

Gunars Rode has requested friends to convey his heartfelt gratitude to the 40 Members of the U.S. Congress who made representations on his behalf, as well as to all the Latvian organizations and individuals in the Free world, who supported him throughout his ordeal. Clandestine meetings of Rode's friends are now taking place near his home—particularly at night—in order to observe any changes in Rode's present situation.

Rode has now gone a step further in his struggle against the Soviet regime. In a written request to Leonid Brezhnev, he has asked to be relieved of his Soviet citizenship, something which "was forced upon him against his will and with which he has nothing in common."

Mr. Speaker, the Latvian people know by bitter experience that civil rights and elemental freedoms are the concern of all mankind, and I urge the support of my colleagues for the Baltic States resolution. On this occasion I extend my greetings to the Americans of Latvian descent in my own 11th Congressional District, the city of Chicago, and all over this Nation who are participating in the 59th anniversary celebration of Latvian independence.

TRUTH AND THE TUBE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, almost exactly 9½ years ago, CBS Television broadcasted one of its most famous and telling news reports entitled, "Hunger In America."

The program began with the incredibly shocking picture of a dying infant in a San Antonio hospital who the reporter solemnly intoned was dying of hunger. The truth was that although the baby was, in fact, dying, the cause was not malnutrition. Indeed, the child's parents were supremely healthy, although afflicted by an enormous tragedy. When I learned the truth about this, I requested CBS to rectify the story, since it was demonstrably untrue. The response I got indicated that CBS did not feel any need to correct the record regardless of facts.

The most important thing to the network was the symbolic message conveyed by the picture, notwithstanding the fact that the picture, while true in itself, did not depict a case of American hunger. Beyond this incredible misrepresentation, the news show conveyed nothing of what was being done in San Antonio to combat poverty and hunger and deprivation. Instead, the picture conveyed a local government that was uncaring and callous, even brutal, though this did not square with the facts either about the attitude of local government or its actions. The truth was that the city of San Antonio, at the time of the broadcast, was doing more than any other municipality in Texas to combat hunger and deprivation. This inconvenient truth, however, was of no interest to CBS.

The president of CBS News could safely tell me to get lost, but now, at last, an ex-CBS correspondent, Daniel Schorr, has written a book that shows how his network really operated. While CBS conveyed itself to me as a paragon of news virtue and truth seeking, and self-righteousness, (notwithstanding truth) the reality was that the network was more than willing to distort truths inconvenient to itself and friends.

Richard Salant could and did brush me off, even after I demonstrated that his organization was wrong. However, he would never have dreamed doing the same to his boss and Richard Nixon's friend, Bill Paley, who was CBS chairman. Thus, when in 1972 Salant wanted to run a two-part summary on the Watergate episode, he was called on the carpet by Paley and as a result cut part II of the program in half. But Paley, according to Schorr, was still unsatisfied with the result that network handling of news having to do with Richard Nixon and Watergate, was considerably altered and softened. In short, Daniel Schorr shows clearly that CBS news was very much subject to political pressure that affected its ability to handle news in a straightforward and truthful way.

Likewise, the "Hunger in America" story showed that CBS was willing and able to depict the truth as its producers wanted it, not necessarily restricting themselves to the truth if that did not square with their preconceptions.

What is revealed by Mr. Schorr is this:

As professionals strive to capture the world in a few exciting words and pictures, there emerges a new semblance of the truth, a kind of allegory of events.

This explains precisely what happened when CBS sought to portray my city. It was important to compress the story into a few exciting words and pictures. The reality was considerably more complex and it is the heart of the problem for television news that what is exciting does not necessarily capture a complex truth or even portray simple reality.

Of late, the news media have prided themselves upon a willingness to correct the record. This, however, does not prevent them from willingly carrying untrue or distorted stories, for it is a competitive business. And sadly enough for all of us what the newspapers at last are claiming to do—improve their accuracy—television has yet to even attempt, preferring instead to rise in a state of righteous indignation whenever challenged.

Far fewer people will read Mr. Schorr's revealing book than saw the exciting and untrue opening sequences of "Hunger In America." That is altogether sad, for more people need to realize that video images are perhaps long on melodrama and short on accuracy. Moreover, the dedication of networks to report the truth is clearly drawn into question by the revelation that corporate politics and corporate power may count for more at CBS than anyone has ever admitted before.

HASIDIC FEAT: SIMPLE AS ALEPH, BETH, GIMEL

The SPEAKER pro tempore. Under a previous order of the House. the gentleman from Illinois (Mr. ROSTENKOWSKI) is recognized for 5 minutes.

Mr. ROSTENKOWSKI. Mr. Speaker, Webster defines a humanitarian as a person who promotes human welfare. I can think of no one who better fits this definition than my good friend, Ed Piszek of Philadelphia.

Ed, throughout his lifetime, has given himself unselfishly to a variety of human causes. No cause has been unworthy of

his attention. On Wednesday, at a ceremony in Philadelphia's Independence Hall, the Polish Government returned hundreds of rare and priceless books to representatives of the Lubavitch Hasidic movement. This humanitarian gesture would never have taken place had it not been for the intercession and the dogged persistence of Ed Piszek. Ed Piszek has made a career out of persistence.

Mr. Speaker, the following article speaks for itself and I comment it to my colleagues.

[From the New York Times, Nov. 3, 1977]

HASIDIC FEAT: SIMPLE AS ALEPH, BETH, GIMEL

(By Israel Shenker)

PHILALELPHIA, November 2.—This was not one of your garden variety historic events at Independence Hall, such as a meeting of the Continental Congress or the signing of the Declaration of Independence.

Today, some bearded Hasidic Jews met here with representatives of Poland's Communist-atheist Government in the presence of a Roman Catholic Cardinal and a consul general from Israel, with which Poland does not have diplomatic relations. The ceremony was made possible through negotiations conducted by a manufacturer of non-kosher frozen seafood.

It was as simple as aleph, beth, gimel.

When the Polish Government turned over crates filled with 130 handwritten books and 240 rare printed books, Rabbi Abraham Shemtov, local representative of the Lubavitch Hasidic movement, was the first to open a volume. He declared it to be in the handwriting of the third and sixth Lubavitcher Rabbis. After looking at the text a moment, he lowered his head and, his red beard quivering, kissed the open page.

"Pardon me for getting emotional," he said.

These were all works lost in the flight of the sixth Lubavitch Rabbi from the Nazis, in 1940. He came to America with only part of his library. "The missing books were all thought to be lost, burned, destroyed," Rabbi Shemtov said.

But the Lubavitchers discovered them in a Warsaw library and tried unsuccessfully to persuade the Polish authorities to restore them to their rightful owner, Menachem Mendel, Schneerson, the seventh Lubavitch Rabbi and son-in-law of the sixth, who died in 1950.

About three years ago, Rabbi Shemtov went to Edward J. Piszek, the founder-president of Mrs. Paul's Kitchens, the seafood company, and asked him to help. Mr. Piszek, a patron of the arts who is a trustee of the New York Public Library, has nurtured good relations with Poland. Some years ago he donated medical equipment to Warsaw and, as he said, "helped put tuberculosis to bed in Poland."

"They knew I was a friend of theirs," he said, "and I told them they could do something that would be good for both sides. Here I am, a Christian American of Polish descent who put himself on the line for something his Jewish brothers believe in. The Lubavitchers are like Jesuits—these are their records, and they mean a lot to them."

Rabbi Shemtov went to Warsaw twice to identify the Yiddish and Hebrew handwriting of successive Lubavitch leaders, and Mr. Piszek used all his charm. "There were times," Mr. Piszek recalled, as he stood here today with Rabbi Shemtov, "when the rabbi called me every day and said, 'Where are the books?' "

"Correction," the rabbi said. "Three times a day."

The first public sign that anything was going on came earlier this week in quarter-page advertisements in The New York Times, The Washington Post, The Chicago Tribune, The Los Angeles Times and two Philadelphia dailies. The text began:

"We thank the Polish authorities and our friends in Poland for their efforts. . . ." It was signed "Philadelphia Friends of Lubavitch."

In his brief address to the small group gathered here, John Cardinal Krol, who is of Polish descent, spoke of the Polish Government's dedication to the eradication of religion. He acknowledged that Poland's attitude to Jews had been "not without blemish, not without shameful violation and repression of rights, not without sorrow and not free of bloodshed."

He also cited instances when Polish Governments had extended protection to Jews, and he hailed "the very noble 1,000-year-history of the Polish and Jewish peoples."

James A. Michener, author of "The Source," also spoke, and praised the Polish Government for having "the wisdom and generosity to set these books free."

From Philadelphia, the books will go to the movement's headquarters in Brooklyn, geographically distant from the former seat in the Byelorussian village of Lubavitch but hardly removed in tradition and ritual.

The Lubavitchers, now in many countries, go back to a group of believers who attached themselves to a disciple of Hasidism's founder, the Baal Shem Tov (Master of the God Name), an 18th century mystic who taught that a simple man who prayed sincerely was better than a Talmudic scholar whose heart was cold.

ALTERNATE VIEW ON TREATIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. LEGGETT) is recognized for 5 minutes.

Mr. LEGGETT. Mr. Speaker, over the next several months the House and Senate will be evaluating the multithousand-word treaties offered to the Congress by the President for ratification.

For an alternative view that might be of interest to my colleagues, I append hereto a corrected copy of my statement before the Senate Foreign Relations Committee on October 5:

REMARKS OF THE HONORABLE ROBERT L. LEGGETT BEFORE THE SENATE FOREIGN RELATIONS COMMITTEE

Mr. LEGGETT. Thank you very much, Mr. Chairman and former colleague. I am glad to see you as Acting Chairman, sitting in that chair making auspicious judgments for the country and the world.

I will state generally that I have been Chairman of the Panama Canal Subcommittee, perhaps while you were in the House. Now I am Chairman of the Fisheries and Wildlife Conservation and the Environment Subcommittee. I am also Chairman of the National Defense Task Force of the Budget Committee and ranking Democrat on the Research and Development and Investigations Subcommittees of the Armed Services Committee. So I have some knowledge about the actual mechanics of Panama and the requirements of the United States in national defense.

I think we have nothing to apologize for in the way we acquired the canal and operated it over the years. We have given free passage to Colombia and Panama; we have always charged ourselves and have never discriminated against anybody. I think we have kept the rates reasonable and have been very promotive of the interests of Panama over the years. On the other hand, you might state that while we have built up the jobs in the Canal Zone to the point where well over fifty percent of the jobs are held by Panamanians—though not the higher jobs—we have done pretty well in that regard. We have some things down there that obviously we are not too proud of; basically, it's the separateness that was nurtured—a situation which we are now trying to change.

Apartheid was really alive and well in the isthmus. We have had separate schools, separate jobs, separate jails, separate housing and separate cities, separate clubs and miscellaneous kinds of things. The Army has responded to that. They have completed the Francis report. While I was Chairman of the committee we tried to turn the thing upside down and shake it. I think we are now integrating schools, integrating some of the housing, and we are promoting job opportunity.

It was the view of many of us years ago that we could not develop a treaty that could be ratified in the United States Senate and also ratified by the people of Panama. That still is pretty much my view. I don't support ratification of this particular document. The reasons for that position are really numerous. I could attribute it to NEPA's failure to comply or one of the other things, but I think basically we have given up too much.

I have spent five or six hours reading the treaty document, and I think you have to know the Panama Canal area in order to understand the document. It reads nominally like we have been involved in a war with Panama; that we lost and they dictated the terms. Virtually every single provision that we have in this document reads like we were making a concession.

During the time I have been conversant with Canal affairs, I have tried to serve as a catalyst for new thinking and needed change in U.S. operations of the Panama Canal and Canal Zone. For example, I pushed for an end to the vestiges of discrimination which have been badges of colonialism for the U.S. in Panama. I supported the first necessary tolls increases. Finally, the knowledge that I gained convinced me of the need for serious negotiations between the U.S. and Panama respecting Canal matters.

I supported the treaty negotiations and opposed the Snyder amendments, went down to Panama with Secretary Kissinger when the eight points were signed. I indicated to him at the time I did not see how the treaty could be ratified in the Senate that would be in our interest that fully carried out all of those eight points to the letter. They carried them out in the treaty documents I read and then some.

I also stated that I was supportive of negotiations but should there be nogotiated a treaty arrangment with Panama that did not adequately protect legitimate U.S. interests, I would come before the Senate Foreign Relations Committee and so indicate.

In my judgment the proposed treaties do not adequately protect U.S. interests. They do not provide the United States with adequate power to restrain Panama's desire to use the Canal to promote its own economic ends. They do not contain in any depth provisions to protect U.S. security interests. They do not provide for a continuing U.S. role in the Canal's management, and they are especially irritating in that they really foreclose without necessity the opportunity for the U.S. to have a presence after the year 2000. These are some of the problems with the two treaties and their implementing documents.

I call your attention to the documents which purport to transfer immediately everything to Panama and we get back revocable licenses, revocable licenses for defense that are reviewed every two years, revocable licenses to interrelate with the Panama railroad, revocable licenses to operate the Canal and do all the expensive things that cost money. It is all very intangible when it comes to U.S. rights but

very specific when it comes to the rights of Panama. We give them all of the terminal facilities, we give them the passenger facilities, we give them a right in an area where we have been charging five million dollars, they can convert the port area into 25 or 30 million by doing a little excessive promoting by the folks at the terminal. In addition to that of course we give them a rather generous settlement.

The toll levels and structure of the Panama Canal are the financial mechanisms by which that waterway either lives or dies. The attractive rates under which the Canal has operated for more than 60 years have benefited the shipping industry, Canal employees, Panama's economy, and consumers worldwide. Back to the question of control, this is not a contingent transfer to Panama, it is absolute. They have had 50 leaders of Panama over the past 75 years and if they get a new government that has a new view of interpretation of these Treaty Documents we will have forfeited our interests in the Panama Canal by these transfer documents.

We have revocable rights and those rights can just get worse, they can't get better. It seems to me we ought to develop a document with Panama that can be much fairer, that perhaps might be an equal partnership that might last indefinitely, that would give us the right to interrelate with them and maintain a proper and fair toll structure because I think the toll structure is the nuts and bolts of the deal. We are not going to send a brigade of people down there. We have a brigade down there now. We hardly ever use them. If we pull out of there lock, stock and barrel we are not going to put a division of men back into Panama. What it comes down to is that we have to develop methods and methodology of operating the Canal such that we avoid confrontation.

I think this document promotes confrontation. Never have I seen such a large treaty document presented to the United States Senate. It will require daily implementation by some 10,000 people that we have in the Panama Canal Zone, military and others. We subject our military unnecessarily to the laws of the Republic of Panama. We have a 30-month transition period but we can only expect problems after that period of time expires. We are to agree to provisions that say that nobody in the Republic of Panama can question the spirit of the treaties. That means if you say one single thing in the Republic of Panama against the interests of the Republic of Panama, whether you are American military or an employee of the Commission or in the control of the Commission or otherwise, you are subject to be imprisoned in a Panamanian jail. They provide in detail in the document the rights of your family to come and visit you, bring you food, water, miscellaneous kinds of things, but that I do not believe is in the interest of the United States.

That is why I say the document really smacks of confrontation.

Consumers and producers in the United States have in the aggregate a larger interest in and have especially benefitted by the Canal's toll rates because one-third of all the ports of origin and destination in connection with Canal transits are U.S. ports.

In that regard we know there are some 15,000 transits yearly, that 5,000 transits are to and from American ports, albeit not in American ship bottoms. We know the capacity of the current Canal could escalate to 25,000. This Canal is not used up by any stretch of the imagination. It is more commercially valuable today than it ever was. We have a two-ocean Navy, so we don't need to have ships transit through there every day of the week. It is a very important isthmus and it is important to the United States.

There is every indication that reasonable tolls essential to the Canal will end under the proposed Panama Canal Treaty. This appears certain as a result of several factors: the reprehensible indexing provision in Article XIII for royalties; the policy likely to emerge from repeated reference made by many Panamanian officials to the need for increases in tolls in the hundreds of percents; the Panamanian Government's desperate need for cash flow; and the comparative uneconomical structure of the new Panama Canal Commission.

I will handle these four factors in reverse order.

Because the present Panama Canal operation involves hundreds of separate special operations, and because it produces for itself many of the items it uses, the Canal enterprise has certain similarities to the U.S. multinational corporation—that is, the pricing policies will allow it to value the products it produces at a cost lower than that of the outside competitive market. If the proposed treaties are ratified and the Panama Canal Commission loses many of those ancillary services the Canal Company now runs, you will find an increase in the cost of some of the individual items to be purchased for the Canal.

There is a very strong Buy-Panama provision in the Canal treaty. When you give the Canal to the Republic of Panama virtually lock, stock and barrel, that gives a tremendous bargaining power to the Republic of Panama to interpret virtually every single action down there in the interests of Panama. We have a joint commission on tolls. We have a joint commission that deals with the military rights and training programs. What I conceive from this is that Panama being a dictatorial government on the spot, being able to dictate who is going to serve on all these commissions, being an alter ego of the dictator, they will aggressively impose their will. They have all these provisions in the documents to give them the right to substitute man for man the members on the Commissions to suit their fancy.

All we need is one 'good samaritan' on the Commission representing the U.S. and automatically the Commission might well revert to a five-to-four posture in favor of Panama. I do believe that we have so much confusion in this inordinately long treaty where we even take inventory of the lathes, machines, and the miscellaneous kinds of activities that will be temporarily in the hands of the United States, where we have to run all this material over to the Republic of Panama lien-free by the year 2000, even though we may not have control during this period of time.

I think we might consider seriously that if we want to give up the Canal, we just give it to them outright and don't get involved in the charade where we indicate that we have protected the vital interests of the United States. We haven't protected the defense interests of the U.S. when we give the Republic of Panama the right to reevaluate every base every two years.

As far as the money that we give them, the 30 cents/per ton amounts to about $45 million annually. We give in addition to that a $10 million fixed fee. In addition we give them $10 million in fees if it is available, and you can imagine whether or not that is going to be available with the Panamanians perhaps dominating. In addition they will be paid $10 million for services and that fee will be reevaluated every two years. In addition, they obtain the services to all the ports which we have held down to $5 million and which they can convert to $25 million. Panama will thus receive an income of $100 million a year at the outset which will only escalate upwards as the years progress.

The Panamanians have indicated they have an insatiable desire for fees out of this Canal. We know that though this canal is vitally important to the United States that it will be very, very difficult to restrain Panama on fees. We are not going to send an aircraft carrier down there if they raise the fees ten cents beyond what the shipping companies can pay. If they continue to escalate that, ten cents on ten cents on ten cents, believe me they can close that canal. They can make it cost ineffective for Americans to use the canal and we can create a problem, where today we have none.

My colleague who preceded me said we have to pass the litmus test of fairness. That is nonsense. We have passed the acid test of fairness to the world many times. We have rebuilt Europe. We have given up the Bonin Islands and Okinawa and the Philippines, we have attempted to develop all of South America with the Alliance of so-called progress which turned out to be neither. So, the idea that the U.S. needs to prove its colors is ridiculous. What I anticipate under this treaty is a few five-four decisions against Panama and they will be right back in the United Nations or the O.A.S. claiming that we are ripping them off again. They will be there in the name of liberty and human rights and all the other kinds of things that appear to be a little bit anachronistic in this overall environment.

The U.S. has never tried to cut a fat hog in this Canal. We have always tried to run it with fairness albeit with some problems of race which we are now trying to get rid of.

In answer to the prospect of tolls increases, it has been said that the Panama Canal can withstand the initial tolls increase of 40 percent as well as subsequent increases that will be necessary under the proposed treaty. I do not agree with this. In the short run of a year or so you may not lose much traffic tonnage, but the long-range effect of the initial increase could be a loss of up to 50 million tons from the initial increase. That kind of loss will mean sooner or later we will be subsidizing the Canal because we must have it in good working condition for our naval vessels in the future even if much of the commercial traffic has been diverted.

The way this document is drafted, we must hire Panamanians for all of the new jobs. I suspect we have to give them an opportunity to escalate in the system but if they have to hire exclusively Panamanians when they are available to do the work we will be hiring almost exclusively Panamanians from here on out. We have a provision that people that are hired from the States must revolve in a five-year period of time. You are not going to be able to get people to go down there that will agree to revolve in a five-year period of time.

Under the terms of Article III of the Treaty it is clear that the Government of Panama will determine which Panamanians will sit on the Commission. We have already talked about that problem. I do want to talk about the other issues. On pages 8 and 9, I mention everybody in Panama is not for this treaty. We have talked to lots of people down there. I have not been down there recently myself but there are lots of groups that do not support the existing document. Colombia and the other adjacent countries should not support the document because this does not guarantee to them what they have had in the past, free passage. This gives Panama discretion to determine whether Colombia will have free passage and when they won't.

We are looking down the nose at confrontation between Panama and the former owner, Colombia.

Senator SARBANES. Did you assert that Colombia did not support the Treaty?

Mr. LEGGETT. What I asserted was that it is not in the interest of Colombia to support

the Treaty because they have guaranteed free passage under the existing operations by the United States. In the treaty document it says that Colombia may be given special consideration as far as tolls go by the Republic of Panama at a later time.

Senator SARBANES. That is your view. You are not asserting what you understood to be the view of the Colombian Government?

Mr. LEGGETT. No, I am not.

Irrespective of the other issues raised by the proposed Panama Canal treaties, there is one issue which must not be ignored in the deliberations on these agreements. This issue concerns the National Environmental Policy Act's requirement for an environmental impact statement for all "proposals for legislation and other major Federal action significantly affecting the quality of the human environment."

We have had this exact issue down there before the Courts in Panama on whether or not we could use funds in the Darien Gap area on the isthmus of Panama to further the construction of the Pan-American highway. That went to the District of Columbia court. They determined that they failed to comply with NEPA and they threw out the contemplated action by the government in building the highway.

The very fact that the Administration and treaty proponents have cited the need for a new treaty relationship in order to improve the operating environment for the Canal is reason enough to reference the importance of a good impact statement. I see the environmental impact statement raising both a hazard and an opportunity in the context of the deliberations of the Committee.

As you know, the purpose of an environmental impact statement is to ensure that the effects of major Federal actions on the human environment are considered in the formulation of policy for such actions. Unfortunately, all evidence indicates that the effects of the treaties on the human environment were given no formal consideration under NEPA by the Administration in the negotiation of the proposed Canal treaties. Surely the negotiators for the U.S. and Panama must have been constantly aware of the political ramifications of their decision, but in no event were the environmental ramifications of the treaties formally considered at the appropriate time.

According to the governing laws and regulations, a draft environmental impact statement should have been prepared when negotiations were reinitiated with Panama in 1971 or 1973. A final environmental impact statement should have been prepared and filed with the Council on Environmental Quality 30 days before the signing of the treaties on September 7. Neither of these requirements were fulfilled. It is clear that the Executive Branch has been acting in violation of NEPA and NEPA-inspired regulation to this point in time.

The Department of State's attention to these requirements may be improving, however. The deadline for comments on the draft impact statement issued a week before the treaty ceremonies has been extended. Hopefully, a final adequate impact statement will be available in the future.

I stress the need for an adequate final environmental impact statement because it is possible that the courts, should they find the requirements for environmental consideration lacking, might enjoin implementation of the treaties or their effectuation upon ratification. It would be unfair to Panama and its people as well as the people of our own country to debate or pass upon a treaty which would possibly be laid aside by the courts. It would be insensitive and destructive of good relations to raise expectations and then have them dashed.

I urge the Committee to exhort the Department of State to prepare the best impact statement possible. I believe that the only adequate statement would be one that properly addresses all aspects of the treaties, including employment conditions, water quality and pollution considerations, sea-level Canal effects, the inspection of transiting vessels, and so on. If the Department of State knew the Senate would not consider the proposed treaties until a proper assessment has been completed, that would increase their attention to the task.

The environmental impact statement in connection with the treaties need not take on the hue of just an onerous obligation because the courts could be involved. It can be one of the most useful tools available to the Committee on Foreign Relations to assess the real impact of a new treaty on the Isthmus. Detractors of the treaties have said that the presentation of the agreements has been rife with hypocrisy and deceit.

Since an adequate statement must be credible and take into account all relevant input, the impact statement requirement can stand as one test of the sincerity of the presentation. If those groups which are knowledgeable of the situation on the Isthmus will contribute their most puissant observations and if the Department of State makes a good-faith effort to write a responsible impact statement, then the Committee and the Senate will have available to it a body of knowledge which only months of hearings could have otherwise accummulated.

I have a number of documents which will be provided to the Committee in due course. I will be pleased to respond to any questions you have.

(The statement of Representative Leggett follows:)

Senator SARBANES. Thank you very much. I have just a couple of questions back on pages 8 and 9. Could you elaborate on the statement at the bottom of page—and the beginning of page–, the agreements will cause a worsening of the work situation for Panamanian employees.

Mr. LEGGETT. You know, what happens down there is that we have a provision that says that everybody who is working down there now is grandfathered in for their benefits. But then we create really intolerable working conditions because we say if you say one thing against the Republic of Panama you can be picked up and zapped in the can. That is on military sites or otherwise. We provide you can stay down there but what happens to the housing?

Senator SARBANES. Whom are we talking about now? Which employees?

Mr. LEGGETT. I am talking about everybody. I am talking about military personnel, employees who are there, families and otherwise.

Senator SARBANES. You mean Americans?

Mr. LEGGETT. Yes.

Senator SARBANES. Let me ask you this question. At the bottom of page 8 you state, "I know that Panamanian employees in the Canal Zone"—do you mean Americans or Panamanians?

Mr. LEGGETT. The fact of the matter is that the Panamanians that work in the Canal Zone are in very large part black. They are West Africans. About half of them live in the Panama Canal Zone. It is estimated that 3600 Panamanians will be laid off when commercial activities expire in the Canal Zone. So, clearly they are worse off. Right now they and their families receive considerable U.S. benefits. We have made attempts to grandfather in a number of those benefits to some of those folks but very frankly the Panamanians that are the West African group that live in the Zone, a lot of folks we relate to, very frankly trust the United States very much more than they trust Panama to look after their welfare in future years.

Senator SARBANES. I just want to be certain I understand this point. You say that Panamanians will lose their jobs because of the agreement?

Mr. LEGGETT. Some Panamanians will lose their jobs in commercial activities that are down there. They may have the right to be rehired but they will be rehired perhaps at a considerably different wage program than they are currently under. We have some 3600 Panamanians today or more who are involved in commercial activities in the Isthmus of Panama.

Senator SARBANES. Do you expect those activities to cease?

Mr. LEGGETT. All those activities summarily cease on the execution of the exchange of ratification documents and we substitute a whole new set of vendors wherever they might come from with new rates of pay and compensation. These people might be working for any number of entities.

Senator SARBANES. Will the activities cease? As I understand it, there are some commercial activities which will no longer be carried on by the new Panamanian Canal Commission. Is that correct?

Mr. LEGGETT. Yes.

Senator SARBANES. But those activities will continue under different auspices?

Mr. LEGGETT. That is right, under different rates of pay.

Senator SARBANES. The concern is not that they will lose their job but the terms of employment will change.

Mr. LEGGETT. They will lose their jobs for all intents and purposes subject to the right of the possibility of being rehired under a totally different atmosphere.

Senator SARBANES. There is still going to be a job there? There is still an activity to be done and there will be a job there, is that correct?

Mr. LEGGETT. There will probably be a job there and undoubtedly they will be looking for people but the dictator might well determine that he would like to get more Castillians in there than he would black Panamanians.

Senator SARBANES. In the next paragraph is the group that you refer to there in Panama, is it your view that they are opposed to these treaties?

Mr. LEGGETT. In the next sentence I say, "In addition to some of the Canal employees who may not like the treaties there is a group in Panama who consider the absence of civil liberties and human rights to be pre-eminent at this time." You have heard from some of those. They have been before the Committee. They might be referred to as part of the oligarchy but they are probably more than oligarchy. If they have any sense whatsoever, they would speak out and express themselves in favor of continuity of relationship with the United States rather than subject themselves to the caprice of the local dictator.

Senator SARBANES. Given their concern about the absence of civil liberties and human rights, is it your view that this group is opposed to the ratification?

Mr. LEGGETT. That is right. I haven't described exactly the group, it would not be fair to them, but there are substantial numbers of people who are concerned that, like Mr. Frazer said, would like the Republic of Panama to be democratic again. I would like it to be democratic again. What we are doing by this agreement, we are ensconcing Mr. Torrijos in power for the rest of his natural life or maybe they will have an overthrow, I don't know. It depends on how many ambassador's cars they burn. But they have had a tremenous tension there for a change of government and I do think that we have a government there today which frankly is not friendly.

One of the reasons it is not friendly is not because of the fact that the Panamanian people are not friendly. You have a controlled press. I have taken for the last six years daily abstracts from the Panamanian press. They are figuratively murdering us. They only let their people hear and see what they want them to hear. They have built them up to this fever pitch where they are ready to ex-

plode. I think that is the kind of thing that we should not necessarily support. It is one thing to reach a confrontation and then compromise and the parties go their separate ways.

We are not going our separate ways. We are reaching a compromise and we are going back and living with them. It is going to be bloody to do that.

Senator SARBANES. If the treaties were rejected what forces in Panama would be strengthened by that action on the part of the United States?

Mr. LEGGETT. If the treaties were rejected the charade I see would be that there probably would be a period where they refused to negotiate as they did when they refused the last treaty in 1967. Then we would inevitably negotiate again. I believe that we have negotiated the old treaties a number of times and we have changed our posture many, many times, both in fact and otherwise. If we turn down the treaties, it well could be that Torrijos might be turned out of office. It might well be that you would get a group temporarily harder to deal with than Torrijos.

Senator SARBANES. Temporarily what?

Mr. LEGGETT. For a temporary period of time, you might get a group that is harder to deal with than is Torrijos. With respect to the Treaties, I do think that when you set up a system that requires double guards at every military gate, which this agreement does, and requires inventory of all the material and requires licensing to do virtually everything and have advisory commissions which are on the spot which are going to be dominated very much by the Panamanians, you are buying trouble. As a result my frank view, and it is the view of other people who are very knowledgeable about Panama, is that if you want to give the Canal away, bite the bullet and give it away. Give it to them lock, stock and barrel. Don't get into this lockstep kind of masochistic effort where we have to give it to them, interrelate with them on a daily basis, emasculate our management, emasculate our work force, emasculate our training programs, and pay them very large amounts of money in addition.

We will be giving them large amounts of money which they will undoubtedly put into arms. The area is not armed today.

The capacity for Torrijos to effect a large military action against the Canal today is nonexistent.

We are putting ourselves in a prejudiced position because of an altruistic endeavor to be in more harmony with dictators in South America and I just don't think that is in our interest.

Senator SARBANES. Thank you very much, Mr. Leggett. We appreciate your appearance.

Mr. LEGGETT. Thank you.

PROVIDING DISASTER RELIEF IS NOT ENOUGH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kentucky (Mr. PERKINS) is recognized for 5 minutes.

Mr. PERKINS. Mr. Speaker, 7 months ago today, on April 4, 1977, the people of the Big Sandy valleys in Kentucky, West Virginia, and Virginia suffered what many will always consider their darkest hour.

Devastating floods swirled through the narrow valleys, inundating and destroying homes, businesses, schools, churches, roads, bridges, and other public facilities.

The savings of a lifetime were destroyed in a matter of a few hours. Landmarks of peoples lives were wiped away. Disruption, dislocation, and inconvenience were in full sway for many weeks afterward. For some, the situation will never get back to normal.

I remind the House of that bleak situation, Mr. Speaker, simply to preface a more startling reminder: Today, 7 months later, the Congress still has not acted to solve the long-range problem of flooding in the Big Sandy valleys.

Almost immediately after the relief and rehabilitation work got under way to provide emergency food and shelter to the hundreds of families in the area, I and other area Members of Congress got together to draft legislation authorizing construction of the necessary flood works.

We realized that it is simply not enough to provide disaster relief. We have to provide protection against those recurrent floods, and to arrange for programs that will reduce those tremendously high flood crests.

Working with Senators HUDDLESTON and FORD of my own State, and Senators BYRD and RANDOLPH of West Virginia, and others, we drafted language authorizing the Corps of Engineers to design and construct at full Federal expense, flood control measures including levees, floodwalls, cutoffs, reservoirs, and other appurtenant facilities, and to provide modifications to existing flood protection structures throughout that long-suffering valley, both in the Tug and Levisa basins. Senator RANDOLPH, in his capacity as chairman of the Senate Committee on Public Works, was instrumental in getting this language included as section 119 in S. 1529 Water Resources Projects Act.

We took this course, Mr. Speaker, because the House Committee on Public Works and Transportation did not intend to bring out a water resources bill until next year. We did receive assurance from the chairman and Members of the House committee that section 119 of the Senate bill would certainly receive sympathetic consideration by House conferees when the two bodies met on S. 1529 and H.R. 5885 the river basin monetary authorization bill.

Unfortunately, these bills became entangled in controversy over navigation facility user charges, and S. 1529 was shelved.

After that development, efforts were made to have S. 2281, the Senate river basin monetary authorization bill, amended on the floor to include section 119 and other noncontroversial items from S. 1529. But that measure was brought to the Senate floor yesterday under a no-amendment rule, so consequently section 119 has yet to be acted upon—7 months after the event that made its passage so vital to the people of my area.

I understand that Senator RANDOLPH has given assurances that new water resources authorization legislation will be taken up in the Senate by January 26—the first week of the second session of the 95th Congress.

I sincerely hope that the House will be able to act upon the matter before the next supplemental appropriations bill is brought up next spring.

My own measure, H.R. 7420, containing language identical to section 119, is currently pending in the House Committee on Public Works and Transportation. If the House does not move with an omnibus water resources bill early in the next session, I hope the committee will see its way clear to report out H.R. 7420.

It is impossible for us to reckon up the costs of that April 4 flood in terms of anguish and suffering. The monetary costs of rehabilitation alone are staggering.

As of last August, more than $12.5 million was estimated as the cost of individual and family grants to those seriously affected by the flood. The Small Business Administration estimated that it will be making loans totaling $47 million for some restorations and about $12 million for businesses adversely affected. It is estimated that $1.2 million will be paid out in disaster unemployment benefits to about 6,300 persons and that emergency conservation measures through the Soil Conservation Service will be undertaken in 9 counties on approximately 200 projects. More than $2.3 million will be paid to school systems in the flood area for damage and loss to school facilities through the Federal impact aid legislation.

Now we are approaching the winter season. Every week that comes brings with it the threat of new floods which will inflict more suffering, more damage, more costs.

Mr. Speaker, it is long past time that we act to correct the root cause of this suffering.

LIBRARY OF CONGRESS REORGANIZATION

Mr. NEDZI. Mr. Speaker, in the past several weeks, I have, in my capacity as chairman of the Joint Committee on the Library, received numerous inquiries about the proposed reorganization of the Library of Congress. Particular concern has been expressed about the impact of reorganization on the Law Library.

I want to take this opportunity to address some of the questions which have been raised, and to provide my colleagues with information which should assist in understanding the reorganization process and responding to constituent inquiries.

First, let me emphasize that no final plan for the reorganization has been prepared. I have been in continuing personal contact with the Librarian of Congress, Dr. Daniel J. Boorstin, and have been assured by him that no final proposal has been formulated.

In addition, some of the letters most recently received have implied that there has been an attempt to by-pass the Congress and quietly implement a reorganization proposal.

On the contrary, for the past 2 years, the Librarian's Task Force on Goals, Organization and Planning has openly undertaken a review of the organization of the Library with the goal of improving its effectiveness and efficiency. The review has been conducted in consultation with numerous outside organizations, and in August of this year a working draft of a reorganization proposal was published in the Library of Congress Bul-

letin to stimulate discussion and facilitate improvements.

This process of reappraisal and revision is continuing, and when a finished product is available, the Joint Committee on the Library will receive the proposal and conduct a hearing to assure that the full committee is in accord with any reorganization.

I can assure you that those segments of any reorganization plan dealing with the Law Library of Congress will receive the Joint Committee on the Library's thorough review and my continuing personal attention.

APPRECIATION TO HOUSE LEADERSHIP

(Mr. WEISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEISS. Mr. Speaker, I simply want to state my appreciation for the role that the leadership of this House played in trying to accommodate both the House and the other body in arriving at a situation where employees of the U.S. Government working in the Department of Health, Education, and Welfare, as well as those who are recipients or beneficiaries of that program would continue to be served by those programs.

With respect to the statement made by the gentleman from Maryland as to the negative role of the leadership, it is totally inappropriate and out of place. I would state if there was any lack of give, it was not on the part of those who want to offer the right of choice to those who seek to have abortions paid for by the Federal Government.

The ungiving was, in fact, on the part of those who call themselves right-to-life advocates, who absolutely refused in every instance to provide any kind of compromise whatsoever.

Ms. HOLTZMAN. Mr. Speaker, will the gentleman yield?

Mr. WEISS. I yield to my colleague from New York.

Ms. HOLTZMAN. Mr. Speaker, I would like to say to the gentleman that I find it very interesting that the gentleman from Maryland is so concerned about the passage of this bill, when he himself voted against the conference report. I think his record makes itself very clear.

Mr. WEISS. I thank the gentlewoman.

FEDERAL FINANCIAL ASSISTANCE TO ESTABLISH OCCUPATIONAL ALCOHOLISM PROGRAMS

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, yesterday I introduced a bill to provide Federal assistance to employers, labor organizations, and other groups, to establish and operate occupational alcoholism programs. This bill is identical to the bill introduced in the Senate on March 23, 1977, by Senator WILLIAM HATHAWAY, chairman of the Senate Subcommittee on Alcoholism and Drug Abuse.

This bill authorizes the Secretary of the Department of Health, Education, and Welfare, in conjunction with the National Institute on Alcoholism, to make grants for up to one-half the cost of occupational alcoholism programs. Funds will be allotted to each State on the basis of the relative labor force population of the State. To fund the program, the bill authorizes the appropriation of an amount equal to 2.5 percent of the total Federal alcohol taxes collected on beer, wine, and liquor, for fiscal years 1979 through 1982.

Hearings in the Senate have found that alcohol consumption directly results in one of the three largest health problems in America; the others are heart disease and cancer. When you consider such factors as alcohol-related deaths in auto accidents, other kinds of accidents, and lost productivity to the American economy, alcoholism may very well be the largest of these three.

Federal support for research, diagnosis, treatment, and rehabilitation for alcoholism lags far behind funds for the other two major health areas. During fiscal year 1976, for example, the Federal Government spent $762,647,000 on cancer research alone, and $370,347,000 on heart and lung diseases. In contrast, the fight against alcoholism, with over 9 million victims, received a total of $150 million to cover research and rehabilitation, prevention, and several other functions.

Alcoholism is a serious health problem, but it is both preventable and treatable. Given the generally recognized effectiveness of occupational alcoholism programs and the considerable moneys already spent in treatment of alcoholics, I think it is imperative to begin a major new effort in the occupational setting.

According to Jerry Rooney of the Westchester Council on Alcoholism (WCA) in my district, Westchester County, N.Y., of the 300,000 employed people, at any time approximately 15,000 or 5 percent of the total working population would be considered alcoholic. The National Council on Alcoholism (NCA) estimates that nationally 5.3 percent of the work force, over 5 million people are currently alcoholics. Another 10 percent are estimated to have serious drinking problems.

This represents an almost incalculable cost to American industry—in absenteeism, accidents, reduced productivity, faulty decisions, and personnel turnover. Nationally, dollar estimates range from $15 to $25 billion, not including intangible loss in personnel and company investment in training an employee. The economic loss in the seven-county Hudson Valley region is estimated by WCA at $75 million and in Westchester County, $50 million. The NCA estimates the average annual per employee cost at $3,000 and this seems to be a conservative estimate.

Occupational alcoholism programs are generally recognized today as being among the most effective treatment programs. Many organizations with successful rehabilitation programs for problem drinking employees have documented substantial savings. Also the success rate for rehabilitation of problem drinking employees is very high.

Federal funding is needed because only larger companies really have the ready resources to start up such programs. Additional incentive is needed to involve small companies. Of the 17,000 businesses in Westchester County, 60 have over 500 people; small business employs the vast majority of the people. Ninety-seven percent of employees nationwide work for small businesses. We have neglected these small employers who cannot afford rehabilitation programs.

Since every indication is that we are in desperate need of more and better treatment of our Nation's alcoholics in general, and occupational programs in particular, I think that congressional adoption of this program would be a major breakthrough for alcoholism diagnosis, treatment, and rehabilitation in America. I urge my colleagues to support this bill and work toward its swift enactment

The text of the bill follows:

H.R. —

A bill to provide Federal financial assistance to employers, labor organizations, or consortiums thereof, or other groups or individuals, to establish and operate occupational alcoholism programs for the diagnosis and treatment of alcohol abuse and alcoholism in employed persons, including managerial personnel, and their dependents, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Occupational Alcoholism Prevention and Treatment Act of 1977".

STATEMENT OF FINDINGS

SEC. 2. (a) The Congress hereby finds and declares that—

(1) significant numbers of working Americans currently suffer from alcohol abuse and alcoholism, generating an incalculable social and economic cost for themselves and their families, and for American industry as a result of absenteeism, accidents, reduced productivity, increased need for health care, faculty decisions, personnel turnover, and other effects;

(2) occupational alcoholism programs have demonstrated their effectiveness in diagnosing and treating alcohol abuse and alcoholism in employed individuals and managerial personnel, including the identification of such problems at an earlier stage than they are generally diagnosed outside the occupational setting; and

(3) while certain large employers and labor organizations have underwritten their own occupational alcoholism programs because of the demonstrated cost effectiveness of such programs, economies of scale for most employers and labor organizations will prevent the establishment and operation of such programs unless the Federal Government provides incentives and technical assistance to such employers and organizations for that purpose.

(b) It is the purpose of this Act to authorize grants to employers, labor organizations, consortiums of employers and labor organizations, and public or private nonprofit agencies and organizations, to pay up to half of the cost of establishing and operating occupational alcoholism prevention and treatment programs.

SEC. 3. (a) The Secretary of Health, Education, and Welfare (hereinafter referred to as the "Secretary"), acting through the National Institute on Alcohol Abuse and Alcoholism (hereinafter referred to as the "Institute"), shall make grants to employers, labor organizations, consortiums of employers or labor organizations or both, and to

public or private nonprofit agencies organizations, to pay no more than 50 per centum of the cost of establishing and operating occupational alcoholism programs.

(b)(1) For the purpose of making such grants, there are hereby authorized to be appropriated for fiscal years 1979, 1980, 1981, and 1982 not to exceed 2.5 per centum of those amounts determined by the Secretary of the Treasury to be equivalent to the taxes received in the Treasury under section 5001(a)(1), section 5041(a), and section 5051(a) of the Internal Revenue Code (relating to the rate of tax on alcohol) in the most recent fiscal year for which such information is available.

(2) The program authorized by this Act shall not qualify as one of the exceptions provided in section 401(d) of the Congressional Budget and Impoundment Control Act of 1974.

(3) Sums appropriated pursuant to this Act shall be available until expended.

ALLOTMENTS TO STATES

SEC. 4. (a)(1) From the sums appropriated pursuant to this Act, the Secretary shall allot not more than 1 per centum among Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective needs.

(2) From 90 per centum of the remainder of such sums the Secretary shall allot to each State an amount which bears the same ratio to such 90 per centum as the labor force population of the States bears to the labor force population of all States.

(3) The remainder of the sums appropriated pursuant to this Act shall be available to the Secretary for administration of this Act, including the evaluation of, and research into, the effectiveness of occupational alcoholism programs, and the training of occupational alcoholism program personnel.

(b)(1) The amount by which any allotment to a State for a fiscal year under subsection (a) exceeds the amount which the Commissioner determines will be required for such fiscal year for applications approved under section 5 within such State shall be available for reallotment to other States in proportion to the original allotments to such States under subsection (a) for that year, to the extent necessary to fund approved applications in such other States.

(2) In order to afford ample opportunity for all eligible applicants in a State to submit applications for assistance under this title, the Secretary shall not fix a date for reallotment, pursuant to this subsection, of any portion of any allotment to a State for a fiscal year which date is earlier than ninety days prior to the end of such fiscal year.

(3) In any year in which funds appropriated pursuant to this Act are determined by the Secretary to exceed the amount required to fund all approved applications for occupational alcoholism programs, the remainder of such funds may be expended by the Secretary, acting through the Institute, to provide treatment and prevention services to other currently underserved populations, such as racial and ethnic minorities, native Americans, youth, female alcoholics, and individuals in geographic areas where such services are not otherwise adequately available.

(c) For the purpose of this Act the term "State" shall include the Commonwealth of Puerto Rico and the District of Columbia.

(d) The labor force population of a State and of all States shall be determined by the Secretary on the basis of the most recent satisfactory data available to him from the Bureau of Labor Statistics of the Department of Labor.

SEC. 5. (a)(1) Sums allotted to each State under this Act shall be used by the Secretary to make grants to approved applicants in the State, including employers, labor organizations, consortiums of employers or labor organizations or both, and public or private nonprofit agencies or organizations which enter into cooperative agreements with such employers, labor organizations or consortiums, to establish and operate occupational alcoholism treatment programs.

(2) For the purpose of this Act, "occupational alcoholism programs" shall be defined as programs operated primarily for the diagnosis or treatment, or both, of alcohol abuse and alcoholism in employed persons, including managerial personnel, and their dependents. Such program may include, but shall not be limited to, intervention, diagnosis, counseling, referral, treatment, prevention, and rehabilitation.

(b) Any individual or organization which desires to receive funds pursuant to this Act shall submit an annual application for such funds, for approval by the Secretary, which shall include a description of the program to be carried out, and which shall include assurances of—

(1) the availability of funds, from non-Federal sources, to pay at least 50 per centum of the cost of the program;

(2) the professional capability to carry out the program described in the application; and

(3) the need for such a program, including the lack of adequate services currently available to the population intended to be served.

(c)(1) All applicants approved by the Secretary shall be eligible to receive grants from the Secretary out of the sums alloted to the State in which the applicant's program is located, or in the case of applications affecting individuals residing in two or more contiguous States, out of the allotments of more than one State, at the discretion of the Secretary.

(2) If the sums allotted to a State for any fiscal year are not sufficient to fund all the approved applications in that State, the Secretary may, in his discretion, prorate the allotted sums among all approved applicants, or fund only a portion of the approved applications, pursuant to criteria which he shall publish.

GENERAL LEAVE

Mr. CORNWELL. Mr. Speaker, I ask unanimous consent that all Members be permitted 5 legislative days in which to extend their remarks and to include therein extraneous material on the discussion today relative to the Hungarian Crown of St. Stephen.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. LONG of Louisiana (at the request of Mr. WRIGHT) for today on account of official business.

Mr. AKAKA (at the request of Mr. WRIGHT) for today, on account of official business.

Mr. FOUNTAIN (at the request of Mr. WRIGHT) for November 2, 1977, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MARTIN) to revise and extend their remarks and include extraneous material:)

Mr. FRENZEL, for 15 minutes, today.
Mr. KEMP, for 5 minutes, today.
Mr. BAUMAN, for 60 minutes, today.
Mr. ROUSSELOT, for 60 minutes, today.

(The following Members (at the request of Mr. CORNWELL) to revise and extend their remarks and include extraneous material:)

Mr. ROSENTHAL for 5 minutes, today.
Mr. BRADEMAS, for 5 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. GONZALEZ, for 5 minutes, today.
Mr. DODD, for 10 minutes, today.
Mr. ROSTENKOWSKI, for 5 minutes, today.
Mr. LEGGETT, for 5 minutes, today.
Mr. PERKINS, for 5 minutes, today.
Mr. NEDZI, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. FRENZEL, to revise and extend his remarks and include extraneous matter during discussion today about the Crown of St. Stephen.

(The following Members (at the request of Mr. MARTIN) and to include extraneous matter:)

Mr. ROUSSELOT in five instances.
Mr. HAMMERSCHMIDT.
Mr. KEMP in three instances.
Mr. SYMMS in two instances.
Mr. KASTEN.
Mr. CONTE.
Mr. RUPPE.
Mr. TREEN.
Mr. DORNAN in two instances.
Mr. GILMAN in two instances.
Mr. DERWINSKI in two instances.
Mr. FINDLEY.
Mr. LAGOMARSINO.
Mr. BUCHANAN.
Mr. HANSEN in five instances.

(The following Members (at the request of Mr. CORNWELL) and to include extraneous material:)

Mr. PREYER.
Mr. ANDERSON of California in three instances.
Mr. GONZALEZ in three instances.
Mr. SIMON.
Mrs. SCHROEDER.
Mr. PEPPER in two instances.
Mr. ROSENTHAL.
Mr. FRASER.
Mr. BENJAMIN.
Mr. BAUCUS in three instances.
Mr. TEAGUE.
Mr. DODD.
Mr. FORD of Tennessee in six instances.
Mr. GORE.
Mr. NEDZI.
Mr. LONG of Louisiana.
Mr. DANIELSON.
Mr. PATTISON of New York.
Mr. BYRON.
Mr. APPLEGATE.
Mr. LUKEN.
Mr. BOWEN.
Mr. WOLFF.

Mr. RYAN.
Mr. LEVITAS.
Mr. PANETTA.
Mr. SMITH of Iowa in two instances.
Mr. WEISS.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following title:

S. 106. An act to provide for furthering the conservation, protection, and enhancement of the Nation's soil, water, and related resources for sustained use, and for other purposes;

S. 1184. An act to extend the provisions of the Fishermen's Protective Act of 1967, relating to the reimbursement of seized commercial fishermen, until October 1, 1978;

S. 1269. An act for the relief of Camilla A. Hester; and

S. 2281. An act authorizing an increase in the monetary authorization for nine comprehensive river basin plans.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. THOMPSON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 2501. An act to eliminate a conflict between the official cadastral survey and a private survey of the so-called Wold Tract within the Medicine Bow National Forest, State of Wyoming;

H.R. 8346. An act to amend the Urban Mass Transportation Act of 1964 to revise the program of Federal operating assistance provided under section 17 of such Act;

H.R. 8499. An act to amend the Alaska Claims Settlement Act;

H.R. 8992. An act to amend title 3 of the United States Code to change the name of the Executive Protective Service;

H.R. 9704. An act to amend the Federal Crop Insurance Act, and for other purposes;

H.R. 9836. An act to authorize the Architect of the Capitol to furnish chilled water to the Folger Shakespeare Library; and

H.J. Res. 611. Joint resolution to extend the authority of the Federal Reserve banks to buy and sell certain obligations.

ADJOURNMENT

Mr. CORNWELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 15 minutes p.m.), under its previous order, the House adjourned until Tuesday, November 8, 1977, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2649. A letter from the Acting Comptroller General of the United States, transmitting a report on the Department of the Air Force's program to build a test facility (TRESTLE) (PSAD–77–159, November 4, 1977); to the Committee on Armed Services.

2650. A letter from the Deputy Assistant Secretary of Defense (Military Personnel Policy), transmitting a supplement to the consolidated defense related employment report for fiscal year 1976, pursuant to section 410(d) of Public Law 91–121; to the Committee on Armed Services.

2651. A letter from the Administrator of General Services, transmitting the stockpile report for the first half of fiscal year 1977, pursuant to section 4 of the Strategic and Critical Materials Stock Piling Act; to the Committee on Armed Services.

2652. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report on loan, guarantee and insurance transactions supported by Eximbank during September 1977, to Communist countries; to the Committee on Banking, Finance and Urban Affairs.

2653. A letter from the Acting Comptroller General of the United States, transmitting a report on problems associated with the use of Government specifications in purchasing common commercial items (PSAD–77–171, November 3, 1977); to the Committee on Government Operations.

2654. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting reports concerning visa petitions approved according certain beneficiaries third and sixth preference classification, pursuant to section 204 (d) of the Immigration and Nationality Act, as amended (79 Stat. 915); to the Committee on the Judiciary.

2655. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in cases in which the authority contained in section 212(d)(3) of the Immigration and Nationality Act was exercised in behalf of certain aliens, pursuant to section 212(d)(6) of the act (66 Stat. 182); to the Committee on the Judiciary.

2656. A letter from the Secretary of Labor, transmitting his annual report on the administration of the Employee Retirement Income Security Act of 1974, covering calendar year 1976, pursuant to section 513(b) of the act; jointly, to the Committees on Education and Labor, and Ways and Means.

2657. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to authorize an appropriation to reimburse certain expenditures for social services provided by the States prior to October 1, 1975, under titles I, IV, VI, X, XIV, and XVI of the Social Security Act; jointly, to the Committees on the Judiciary, and Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CONYERS: Committee of conference. Conference report on S. 1585 (Rept. No. 95–811). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASPIN (for himself, Mr. AKAKA, Mr. AUCOIN, Mr. BEARD of Tennessee, Mr. BEVILL, Mr. BOLAND, Mr. BONIOR, Mr. BRODHEAD, Mrs. BURKE of California, Mr. CORRADA, Mr. EDWARDS of California, Mrs. FENWICK, Mr. FLOOD, Mr. FRENZEL, Mr. HYDE, Mr. JACOBS, and Mr. KASTENMEIER):

H.R. 10032. A bill to amend the Communications Act of 1934 to prohibit making unsolicited commercial telephone calls to persons who have indicated they do not wish to receive such calls; to the Committee on Interstate and Foreign Commerce.

By Mr. ASPIN (for himself, Mr. KILDEE, Mr. KOSTMAYER, Mr. LAFALCE, Mr. LEACH, Mr. LEHMAN, Mr. MATHIS, Mr. MAZZOLI, Mr. MCKAY, Mr. MCKINNEY, Mr. NOLAN, Mr. OBERSTAR, Mr. PRICE, Mr. REUSS, Mr. STOCKMAN, Mr. STUMP, and Mr. TSONGAS):

H.R. 10033. A bill to amend the Communications Act of 1934 to prohibit making unsolicited commercial telephone calls to persons who have indicated they do not wish to receive such calls; to the Committee on Interstate and Foreign Commerce.

By Mr. BENNETT:

H.R. 10034. A bill to prohibit any act or threat of violence in a labor dispute and any conspiracy to accomplish such act or threat and to impose criminal and civil penalties therefor; to the Committee on the Judiciary.

H.R. 10035. A bill to amend section 1951, title 18, United States Code, Act of July 3, 1946; to the Committee on the Judiciary.

By Mr. BENNETT (for himself, Mr. BEDELL, Mr. WHITEHURST, Mrs. HOLT, Mrs. LLOYD of Tennessee, Mr. MCDONALD, Mr. DAVIS, Mr. MOLLOHAN, Mr. KAZEN, Mr. OBERSTAR, Mr. ROE, and Mr. ROSE):

H.R. 10036. A bill to amend title 5, United States Code, to permit military service performed by an individual after 1956 to be credited under the civil service retirement program, even though such individual is eligible for social security benefits, but requiring the civil service annuity to be offset by the amount of his social security benefit that is attributable to his military service; to the Committee on Post Office and Civil Service.

By Mr. BRECKINRIDGE:

H.R. 10037. A bill to amend the Federal Fire Prevention and Control Act of 1974 to establish an Office of Fire Investigation within the National Fire Prevention and Control Administration; to the Committee on Science and Technology.

By Mr. BURGENER:

H.R. 10038. A bill to amend title XVIII of the Social Security Act to eliminate certain restrictions and limitations imposed for the receipt of home health services, to redesignate such services as "home care services", to broaden the items and services included within such term "home care services", and otherwise to expand, improve, and make more accessible home care services to those in need thereof; and to amend title XIX to include home care services (as defined in title XVIII) among the services which must be covered under an approved State plan for medical assistance under title XIX; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. CARNEY:

H.R. 10039. A bill to promote steel trade negotiations under the Trade Act of 1974; to the Committee on Ways and Means.

By Mr. CARTER:

H.R. 10040. A bill to amend the Public Health Service Act to provide for training in preventive medicine; to the Committee on Interstate and Foreign Commerce.

H.R. 10041. A bill to amend the Federal Food, Drug and Cosmetic Act, as amended, to require that the label of drug containers, as dispensed to the patient, bear the established or trade name, the quantity and strength of the drug dispensed; to the Committee on Interstate and Foreign Commerce.

By Mr. DE LA GARZA:

H.R. 10042. A bill to amend title 5, United States Code, to provide that certain employees of the Immigration and Naturalization Service shall not be subject to mandatory retirement until such time as they reach 65 years of age; to the Committee on Post Office and Civil Service.

By Mr. DENT (for himself, Mr. MURTHA, Mr. ZEFERETTI, Mr. LEDERER, Mr. MOLLOHAN, Mr. APPLEGATE, and Mr. SLACK):

H.R. 10043. A bill to amend the Fair Labor Standards Act of 1938 to establish procedures to relieve domestic industries and workers injured by increased imports from low-wage areas; to the Committee on Education and Labor.

By Mr. FINDLEY:

H.R. 10044. A bill to amend title 23 of the United States Code to establish a rural bridge replacement and reconstruction program for bridges on roads which are not on the Federal-aid system; to the Committee on Public Works and Transportation.

By Mr. FORD of Michigan (for himself and Mr. WHITEHURST):

H.R. 10045. A bill to amend title I of the Higher Education Act of 1965 to establish a system of grants for urban universities; to the Committee on Education and Labor.

By Ms. HOLTZMAN (for herself, Mr. FISH, and Mr. MATTOX):

H.R. 10046. A bill to amend the Immigration and Nationality Act to exclude from admission into and to deport from the United States all aliens who persecuted others on the basis of religion, race, or national origin under the direction of the Nazi government of Germany; to the Committee on the Judiciary.

By Mr. JEFFORDS (for himself, Mr. RUPPE, and Mr. CEDERBERG):

H.R. 10047. A bill to require a refund value for certain beverage containers, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. KASTEN:

H.R. 10048. A bill to amend title 18 of the United States Code relating to domestic crime control and prevention; to the Committee on the Judiciary.

By Mr. KASTEN (for himself, Mr. MARRIOTT, and Mr. GILMAN):

H.R. 10049. A bill to amend the National Housing Act to provide for the insurance of graduated payment mortgages, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. KASTENMEIER (for himself and Mr. JACOBS):

H.R. 10050. A bill to abolish diversity of citizenship as a basis of jurisdiction of Federal district courts, to abolish the amount in controversy requirement in Federal question cases, and for other purposes; to the Committee on the Judiciary.

By Mr. KELLY:

H.R. 10051. A bill to amend the National Flood Insurance Act of 1968 for the purpose of permitting communities to waive, under certain conditions, land use and management requirements issued in accordance with such act; to the Committee on Banking, Finance and Urban Affairs.

By Mr. LEVITAS (for himself, Mr. BROYHILL, Mr. BREAUX, and Mr. MARRIOTT):

H.R. 10052. A bill amending title 5 of the United States Code to improve agency rulemaking by expanding the opportunities for public participation, by creating procedures for congressional review of agency rules, and by expanding judicial review, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. McFALL (for himself, Mr. SISK, Mr. MOSS, Mr. JOHNSON of California, Mr. KREBS, Mr. PANETTA, Mr. SARASIN, Mr. BURGENER, Mr. DON H. CLAUSEN, and Mr. LEGGETT):

H.R. 10053. A bill to amend the Farm Labor Contractor Registration Act of 1963, as amended, and for other purposes; to the Committee on Education and Labor.

By Mr. MARLENEE:

H.R. 10054. A bill for the relief of certain former members of the Army who participated in the dengue fever experiments in the Philippine Islands; to the Committee on the Judiciary.

By Mr. MILLER of California:

H.R. 10055. A bill to amend certain provisions of the Controlled Substances Act relating to marihuana; to the Committee on Interstate and Foreign Commerce.

By Mr. MOAKLEY:

H.R. 10056. A bill to amend title 5, United States Code, to revise the pay structure for Federal air traffic controllers and operations personnel; to the Committee on Post Office and Civil Service.

By Mr. PATTISON of New York:

H.R. 10057. A bill to provide for the preservation, interpretation, development and use of cultural, historic, natural and architectural urban resources through a system of national cultural parks, to establish a demonstration program to encourage the preservation and management of such resources, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. PREYER (for himself, Mr. HAMILTON, Mr. UDALL, Mr. ANDERSON of Illinois, Mr. ROSE, Mr. NOLAN, Ms. SCHROEDER, Mr. PRITCHARD, Mr. JONES of North Carolina, Mr. MAZZOLI, Mr. ZABLOCKI, Mr. HANLEY, Mr. LEHMAN, Mr. PATTISON of New York, Mr. NEAL, Mr. DOWNEY, Mr. MINETA, Mr. EVANS of Colorado, and Mr. DEVINE):

H.R. 10058. A bill to provide for affording equal educational opportunities for students in the Nation's elementary and secondary schools; to the Committee on Education and Labor.

By Mr. ROE (for himself, Mrs. BURKE of California, Mr. JOHN L. BURTON, Mr. CORMAN, Mr. DOWNEY, Mr. DRINAN, Mr. GILMAN, Mr. MAZZOLI, Mr. METCALFE, Mr. MOFFETT, and Mr. STARK):

H.R. 10059. A bill to provide for accelerated research and development in the care and treatment of autistic children, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SISK (for himself, Mr. MOSS, and Mr. ROSE):

H.R. 10060. A bill to amend title 10, United States Code, to allow female members of the Armed Forces to serve in all duty assignments for which they volunteer and are otherwise qualified; to the Committee on Armed Services.

By Mrs. SPELLMAN:

H.R. 10061. A bill to provide that legislation appropriating funds for payment of pay to Federal employees shall be enacted separately from other legislation; to the Committee on Rules.

By Mr. STAGGERS:

H.R. 10062. A bill to amend title V of the Public Health Service Act to provide for cancer research awards; to the Committee on Interstate and Foreign Commerce.

By Mr. STEERS (for himself, Mr. MOAKLEY, Mr. GOLDWATER, Mrs. HOLT, Mr. LAGOMARSINO, Mr. EILBERG, Mr. HARRINGTON, Mr. HUGHES, Mrs. SPELLMAN, Mr. VENTO, Mr. DOWNEY, and Mr. LENT):

H.R. 10063. A bill to amend the Consumer Product Safety Act to provide that electrical wiring systems shall be considered to be consumer products for purposes of such act; to the Committee on Interstate and Foreign Commerce.

By Mr. DERWINSKI (for himself, Mr. FLOOD, Mr. GILMAN, Mr. LEDERER, and Mr. MURPHY of New York):

H.J. Res. 655. Joint resolution to authorize the construction and maintenance of a monument to General Draza Mihailovich in the District of Columbia, in recognition of the role he played in saving the lives of approximately 500 U.S. airmen in Yugoslavia during World War II; to the Committee on House Administration.

By Mr. DORNAN (for himself, Mr. LAGOMARSINO, Mr. BOWEN, Mr. MURPHY of Illinois, Mr. ANNUNZIO, Mr. FRENZEL, Mr. WYLIE, Mr. LEDERER, Mr. FARY, Mr. PATTEN, Mr. TREEN, Mr. FITHIAN, Mr. LAFALCE, Mr. HYDE, and Mr. EILBERG):

H.J. Res. 656. Joint resolution requesting the President to designate November 19, 1977, as National Family Day; to the Committee on Post Office and Civil Service.

By Mr. EVANS of Georgia:

H.J. Res. 657. Joint resolution authorizing the President to proclaim the second full week in October 1978, as National Legal Secretaries' Court Observance Week; to the Committee on Post Office and Civil Service.

By Mr. DORNAN (for himself, Mr. LAGOMARSINO, Mr. CRANE, Mr. DODD, Mr. GRASSLEY, Mr. COUGHLIN, Mr. ANNUNZIO, and Mr. KETCHUM):

H. Con. Res. 406. Concurrent resolution expressing the sense of the House with respect to the Baltic States; to the Committee on International Relations.

By Mr. RODINO (for himself, Mr. BURKE of Florida, Mr. CARR, Mr. COUGHLIN, Mr. DORNAN, Mr. EDWARDS of California, Mr. FRENZEL, Mr. GILMAN, Ms. HOLTZMAN, Mr. KOCH, Mr. LAFALCE, Mr. LENT, Mr. LUNDINE, Mr. MAZZOLI, Mr. MCDONALD, Mr. MCHUGH, Mr. OTTINGER, Mr. PANETTA, Mr. PRICE, Mr. RICHMOND, Mr. SCHEUER, Mr. SOLARZ, Mrs. SPELLMAN, Mr. STEERS, and Mr. STRATTON):

H. Con. Res. 407. Concurrent resolution relating to the detention of Mykola Rudenko and Oleksa Tykhy; to the Committee on International Relations.

By Mr. RODINO (for himself, Mr. WAXMAN, and Mr. WEISS):

H. Con. Res. 408. Concurrent resolution. A bill relating to the detention of Mykola Rudenko and Oleksa Tykhy; to the Committee on International Relations.

By Mr. ABDNOR (for himself, Mr. SAWYER, and Mr. BAUCUS):

H. Res. 910. Resolution expressing the sense of the House with respect to a reorganization of the Department of Housing and Urban Development; to the Committee on Banking, Finance and Urban Affairs.

By Mrs. FENWICK:

H. Res. 911. Resolution providing that the House beauty and barber shops be privately operated on a self-sustaining basis; to the Committee on House Administration.

By Mr. McDONALD (for himself, Mr. ANDREWS of North Dakota, Mr. GAYDOS, Mr. FOUNTAIN, Mr. FUQUA, Mr. JENRETTE, Mr. LIVINGSTON, Mr. GARY A. MYERS, Mr. RISENHOOVER, Mr. STRATTON, Mr. YATRON, Mr. ZEFERETTI, Mr. WHITTEN, Mr. CAPUTO, Mr. MANN, Mr. HAMMERSCHMIDT, Mr. MCEWEN, and Mr. PRESSLER):

H. Res. 912. Resolution to amend the Rules of the House of Representatives to establish the Committee on Internal Security, and for other purposes; to the Committee on Rules.

By Mr. STEERS (for himself, Mr. LUNDINE, Mr. SEIBERLING, Mr. SIMON, Ms. MEYNER, Mr. ROSENTHAL, Mr.

CARR, MS. KEYS, Mr. REUSS, Mr. BADILLO, Mr. WALKER, Mrs. FENWICK, Mr. HARRINGTON, Mr. EDWARDS of Oklahoma, Mr. BEDELL, Mr. BENJAMIN, and Mr. BAUCUS):

H. Res. 913. Resolution expressing the sense of the House of Representatives with respect to continuation of U.S. Government support for American investment in and trade with South Africa; jointly, to the Committees on Banking, Finance and Urban Affairs, and International Relations.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

324. By the SPEAKER: Petition of the 23d Annual Session of the North Atlantic Assembly, Brussels, Belgium, relative to military and foreign policy issues; jointly to the Committees on Armed Services, and International Relations.

325. Also, petition of Kenneth C. Schoenecke, Westminster, Colo., relative to redress of grievances; jointly, to the Committees on International Relations, and Ways and Means.

SENATE—*Friday, November 4, 1977*

(Legislative day of Tuesday, November 1, 1977)

The Senate met at 8:55 a.m., on the expiration of the recess, and was called to order by the Honorable RICHARD STONE, a Senator from the State of Florida.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty God, who hast given us this good land for our heritage; we humbly beseech Thee that we may always prove ourselves a people mindful of Thy favor and glad to do Thy will. Endue with the spirit of wisdom those to whom in Thy name we entrust the authority of government, that there may be justice and peace at home, and that, through obedience to Thy law, we may show forth Thy praise among the nations of the Earth. In the time of prosperity, fill our hearts with thankfulness, and in the day of trouble suffer not our trust in Thee to fail; all of which we ask through Jesus Christ our Lord, Amen.—Adapted from *Common Prayer*.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., November 4, 1977.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable RICHARD STONE, a Senator from the State of Florida, to perform the duties of the Chair.

JAMES O. EASTLAND,
President pro tempore.

Mr. STONE thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF LEADERSHIP

The ACTING PRESIDENT pro tempore. The Senator from West Virginia.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Thursday, November 3, 1977, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. ROBERT C. BYRD. Mr. President, I believe there are two special orders for this morning, are there not?

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. ROBERT C. BYRD. Has the order been entered for the resumption of the unfinished business immediately upon the disposition of those two orders?

The ACTING PRESIDENT pro tempore. The Senator is correct; the order has been entered.

Mr. ROBERT C. BYRD. I thank the Chair.

Mr. GOLDWATER. Mr. President, will the Senator yield for a question?

Mr. ROBERT C. BYRD. Yes.

Mr. GOLDWATER. Could the majority leader tell me what time the vote will occur on the Danforth amendment?

H.R. 9346

Mr. ROBERT C. BYRD. At 9:45 a.m. the Senate will begin 10 minutes of debate on that amendment. At 9:55, Mr. NELSON will be recognized to make a motion to table the amendment. If the motion to table fails, then the vote on the Danforth amendment will occur immediately after the vote on the motion to lay on the table.

Mr. GOLDWATER. I thank the Senator, because I would like to offer my amendment immediately after the disposition of the Danforth amendment.

The ACTING PRESIDENT pro tempore. The Senator from Tennessee.

S. 897

Mr. BAKER. Mr. President, I have no need for my time this morning, except to say to the majority leader that I believe we can probably work out an agreement on time on the nuclear proliferation bill. Is my understanding correct that it is the majority leader's view that we can then put over that measure until January?

Mr. ROBERT C. BYRD. Mr. President, in response to the distinguished minority leader, it would be desirable if a time agreement could be entered into on the nuclear nonproliferation measure. Both the distinguished minority leader and I have been striving to nail down such an agreement for several days. We have encountered many difficulties. I had hoped to take up this legislation and dispose of it before the recess, but certainly we would not be able to do that if we did not have an agreement on it. Does the distinguished minority leader know whether or not the securing of a time agreement hinges on the timing of the consideration of the measure?

Mr. BAKER. Mr. President, I thank the majority leader for his reply. In answer to his question, I do not know what the circumstances may be today. As he pointed out, we have been on again and off again with this matter for about a week. I know that I support trying to schedule it and to obtain a reasonable time limitation on it, as I believe he does. But we have run into an extraordinary range of problems, both in terms of time limitation and in terms of time to consider the measure. The last report I had, one from some Members on this side, was that even if we could not schedule it for this week, which appears unlikely now since this is Friday, then we should probably go ahead and try to get a time limitation even if we agreed that it was going to be put over until January.

What I am saying is that this is not conditional, but I think it would be a good idea to get the time limitation anyway even if we had to confront the probability later today that the matter will have to go over until January.

Mr. ROBERT C. BYRD. Mr. President, I believe the distinguished minority leader has spoken wisely.

UNANIMOUS-CONSENT AGREEMENT—CALENDAR ORDER NO. 432, S. 897

Mr. ROBERT C. BYRD. Mr. President, I propound the unanimous-consent agreement which the minority leader and I have discussed, which would be as follows:

I ask unanimous consent that at such time as the nuclear nonproliferation bill (S. 897) is made the business before the Senate, there be a 2-hour time limitation on the bill to be equally divided between Mr. RIBICOFF and Mr. PERCY; that there be a time limitation of 1 hour on each of two amendments by Mr. CHURCH on behalf of the Energy Committee; that there be 1 hour on an amendment by Mr. MCCLURE, and one-half hour on any other amendment; that there be a time limitation of 20 minutes on any debatable motion, appeal, or point of order, and that the agreement be in the usual form.

Mr. BAKER. Mr. President, reserving the right to object and I shall not object, I am advised now that we have not completed our clearances on our side. Since it is only 3 minutes after 9 this morning, I have not been able to reach all of the offices I need to reach.

I wonder if the majority leader would agree to two things, in addition, to be incorporated in this request.

The first is that either he or I could vitiate this order at any time during the session of the Senate today.

Mr. ROBERT C. BYRD. Yes.

Mr. BAKER. The second is that it could be supplemented by an agreement on the allocation of and the jurisdiction of the conferees.

Mr. ROBERT C. BYRD. I do not know that we can condition it upon the latter. Of course, any Senator may object to the unanimous-consent request sent to the Chair by the manager of the bill when the Chair names the list of conferees. The list can be amended by the Senate. I doubt that it could be conditioned upon that.

Mr. BAKER. Mr. President, I think that probably, and this is certainly no reflection on the majority leader who has tried very hard indeed to get this matter moved, that would sharply diminish the chances that a unanimous-consent agreement would be permitted to stand for the remainder of the day. I think it is good to go ahead with it, though, and if the majority leader would amend the request so that it could be vitiated by either of us during the course of the day, then we will make our respective inquiries and see whether or not it survives.

Mr. ROBERT C. BYRD. Mr. President, I so amend the request.

The ACTING PRESIDENT pro tempore. Is there objection?

Without objection, it is so ordered.

TIME-LIMITATION AGREEMENT ON AN AMENDMENT TO H.R. 9346

Mr. BAKER. Mr. President, I might also advise the distinguished majority leader that it is my understanding that the distinguished Senator from Arizona is willing to accept a time limitation on the amendment he intends to offer to the social security bill early in the consideration of that measure today, 1 hour on his amendment to be equally divided. I wonder if he can give us some further information on that point.

Mr. GOLDWATER. Unless Senator DOLE would wish otherwise, 1 hour is all I could see. It is a subject which is well understood. It is part of the bill from the House. There are 42 cosponsors. It would not take me long to explain it. I would say 1 hour, with the reservation that maybe Senator DOLE might want it to be longer.

Mr. ROBERT C. BYRD. Mr. President, I make that request subject to the approval of both Mr. DOLE and Mr. NELSON. I do not believe there will be any objection on the part of Mr. NELSON.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

Mr. BAKER. Mr. President, I thank the majority leader for his indulgence on these matters this morning. I have no further requirement for my time under the standing order and I yield it back.

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished minority leader. Of course, we do hope we will be able to complete action on this legislation today.

I also thank the distinguished Senator from Wisconsin for waiting so patiently this morning.

SPECIAL ORDER

The ACTING PRESIDENT pro tempore. Under the previous order of the Senate, the Senator from Wisconsin is recognized for not to exceed 15 minutes.

CHAIRMAN OF THE FEDERAL RESERVE BOARD

Mr. PROXMIRE. Mr. President, at the end of January, which is only a few weeks away, the President of the United States will be confronted with the problem of naming a new Chairman of the Federal Reserve Board. There has been a great deal of discussion as to whether the present, current Chairman, Dr. Arthur Burns, should be renamed. There is a campaign, and a strong campaign, to force President Carter to reappoint Chairman Arthur Burns.

In my view, that campaign is based primarily upon unreasoning support among the Nation's businessmen and not on the most vulnerable losing record of any top official in the Federal Government. Let us make no mistake about it, Dr. Burns is an eminent economist. He is an able man. I have known him very well in the 7 years he served as Chairman of the Federal Reserve Board. I knew him, of course, when he was Chairman of the Council of Economic Advisers. He is a man of great ability and distinction. He is perhaps as able a witness as I have ever had before a committee which I chaired. He understands economics thoroughly from a practical as well as a theoretical standpoint. I have agreed with some of his policies.

In the past few months, for example, I believe that Dr. Burns' policies have been about right. They have been criticized by both the moderates as being too loose and by those who feel that we need a more flexible and expansive monetary policy as being too tight. I think under the circumstances, regardless of who would be Chairman of the Federal Reserve Board, it would not be much different if we had a practical approach.

But let us judge the full 7-year Burns term by the cold, clear logic of results. On that basis, the Burns' term has not been a ringing success. It would be unfair to charge Burns or the Federal Reserve with the recession and stagnation of the seventies, but there also is not any question but that it must bear and share a responsibility. The Fed is the Nation's money manager. It stands right at the throttle of our economy.

Mr. President, I think it was about 3 or 4 months ago when the U.S. News & World Report made a survey of outstanding members of Government, business, the academic area, and the media as to who was the most powerful man in America, not just in Government but anywhere, and who was second, third, and fourth. Of course, the most powerful man was the President of the United States. That goes with the job. The second most powerful man was Arthur Burns. To a considerable extent that goes with the job, too. While he is the second most powerful man in our Nation, I think he is in some ways the most powerful man with respect to our economy. More than any other agency of Government, the Federal Reserve helps determine two key elements in our economic life. Its policies have a profound effect on the level of prices, and the Fed directly influences industry. So I think the best way to judge the performance of the Federal Reserve Board is by taking a look at what has happened to interest rates and what has happened to prices while Dr. Burns has been Chairman.

If we cannot hold the Fed fully responsible for the high levels of unemployment and slow growth that have characterized the years in which Mr. Burns has been Chairman of the Federal Reserve Board, we can demand to know why the Fed has had such a feeble record in controlling inflation.

Mr. President, I recently surveyed the record of the men who have served as Chairman of the Federal Reserve Board in the 64 years of its existence. I found that with the sole exception of the First World War, when the country had the combination of an all-out war and no price controls, the inflation performance of this country in the 7 years of Mr. Burns' leadership has been the most inflationary of any Fed Chairman in our history.

Just think of that: In World War I, we had an all-out war. Our economy had to act in a way that stretched our resources and, in many cases, exhausted our resources. Unemployment went down to a very, very low level. There was no price control. And of course, we developed the worst inflation we have had in this century.

On the other hand, the inflation we have had with Dr. Arthur Burns since 1970, when the Vietnam war was coming to a close and when we developed this energy disruption, has been almost as bad as or worse than in any other period.

Compare it, for example, with Marriner Eccles' period. He was chairman of the Board from 1934 to 1948. That was a period that began when we had 20 percent unemployment, and ended when we had 4 percent unemployment. It was a period in which we had an allout World War II, a period in which we were spending 50 percent of our gross national product for war materials—obviously, enormously inflationary. We had a deficit of over $50 billion and a gross national product that was only $150 billion.

We also terminated our price and wage controls in 1946. In spite of that, by 1948, in the whole sweep, inflation was less—in fact, the inflation under Dr. Burns is 50 percent more than it was during that period of recovery from our worst depression into a period of prosperity and through our greatest war. I submit that the terrific inflation we have suffered, at least in part, is the responsibility of Dr. Burns.

How about the record with respect to interest rates? Here the Fed has supreme authority. Even bankers agree the country functions far better when the level of interest rates is low. The

less interest people have to pay on the money they borrow, the easier it is to buy cars or homes, and the easier it is for business to get the capital they need to buy equipment and build plants. Low interest rates are not the only element necessary for a growing, prospering economy, but they certainly help.

And here—with interest rates—the Federal Reserve Board has the overwhelming responsibility. After all, the Fed controls the supply of money. Interest is the price of money. It is not unfair to hold Chairman Arthur Burns and the Fed accountable for the level of interest rates, particularly since Mr. Burns has been in his position for 7 years.

What has been the interest rate result of Mr. Burns' leadership? Under Mr. Burns, we have suffered the highest rates of interest in our history. Home mortgage rates today are at near record levels. And there is every indication that the monetary policies the Fed has been following in recent years under Mr. Burns will drive interest rates even higher.

There is clear, objective evidence that the business community expects interest rates to go higher. This is in the fact that long-term rates are higher and substantially higher than short term rates.

What that means, of course, is that the business community expects that in the future, interest rates are going to go up and go up sharply.

In housing, the interest rates on mortgages now exceed 9 percent. Mr. President, that is, in my view, one of the most depressing and unfortunate statistics in our economy. Housing has done more to stimulate our economy in periods of recovery than any other kind of economic activity. When we have 9 percent mortgage rates, it means two things: It means we cannot get a real housing boom in the housing we need; housing has recovered, but not adequately. It also means that a very large proportion of our people cannot afford to buy a home.

A Harvard-MIT study showed that two-thirds of our people today cannot afford to buy a new home and more than half cannot even afford a used home.

That interest rate is not solely the responsibility of the Federal Reserve Board, but they are primarily responsible.

It is clear that no one man, no one agency—not even the Federal Government as a whole—can be held responsible for all of the inflation, or the high level of interest rates we suffer. But there is no denying that the Federal Reserve Board for the last 7 years has had a central responsibility for inflation and for the level of interest rates and in both respects it has failed dismally.

If a general loses battle after battle, you do not demand he be reappointed in order to maintain confidence. If a corporation loses money year after year, the stockholders do not demand he be reappointed to maintain their confidence.

The Presiding Officer at the present time is the distinguished Senator from Florida. I know he is familiar with the situation in Tampa, with the Tampa Bay Buccaneers. Tampa, Fla., has a football team, the Tampa Bay Buccaneers. They have lost more than 20 games in a row, and yet their coach a fine, lovable gentleman, named John McKay, remains head coach. That is the owner's privilege. But if the owner should replace McKay, I doubt if there would be any question as to why it was done.

It was done, because he just has not won any football games. Maybe he will in a few years. Maybe Tampa Bay can take time. He has not had 7 years as Dr. Burns has had; he has had only 2. If he cannot produce in 7 years, I would be willing to wager that the owners would get a new coach.

The Fed, under Arthur Burns, has been the Tampa Bay of the Federal Government. If President Carter decides to replace this lovable gentleman, all he has to do is refer to the record, I think the country will understand.

Mr. President, I should like to conclude by pointing out, as I say, that it is not fair to hold the Fed completely responsible even for interest rates, but they do have a major responsibility. It is certainly not fair to hold them responsible for inflation and unemployment entirely. Again, they have a responsibility. What concerns me is that the Fed has not really studied these problems in a systematic way. They have not made the kind of formal review necessary of how well its policies are doing.

I discussed this with the staff of the Federal Reserve Board. They tell me they cannot recall a time when the Open Market Committee or the Chairman or the Board of Governors has asked the staff to compare their policies with the results their policies have been getting. They have not looked at the game films. They have not found out what is wrong with their policies and why their policies have not been successful. You might expect that if their policies worked, if we were enjoying a situation in which the situation had moderated and in which we were recovering and unemployment was low.

Just an hour ago, I saw the statistics on unemployment. They still remain at 7 percent. The wholesale price index out now is the highest in 6 months and foreshadows an increase in inflation at the consumer level shortly.

Mr. President, I might point out that there are strong feelings on the part of many people that Dr. Burns should be reappointed to reassert confidence in our business community. But I think we should recognize that there are other people who would be extremely able and competent to do the kind of job in the Federal Reserve that could reassure the country and give us the kind of economic policies that can enable us to proceed.

I might mention my own colleague from Milwaukee, HENRY REUSS, chairman of the House Banking Committee, a man whose understanding of monetary policy and international economics is unparalleled in the Congress. He has served over 20 years in the House with great distinction and he would be well qualified.

Dr. Roosa, who served as Under Secretary of the Treasury for some years in the Johnson administration, is recognized throughout the world as an eminent economist, a man who thoroughly understands the problems of our economy and the world economy.

Paul Volcker, president of the New York Federal Reserve Board, is another able man who could serve very well; or Dr. Andrew Brimmer, who has served on the Federal Reserve Board with considerable distinction and has spoken out over the years and demonstrated his knowledge and analytical ability.

Arthur Okun, who served as Chairman of the Council of Economic Advisers, is another brilliant economist.

Dr. Tobin of Yale, as sharp and bright a monetary economist as we have in this country, testified before our committee a number of times and is widely recognized for his brilliance.

Dr. Walter Heller, as articulate an economist as I have ever seen, Chairman of the Council of Economic Advisers under President Kennedy, He did more to enlighten the Kennedy administration and the country on modern economic policy than any man who has served in that capacity.

We had a great Vice Governor of the Federal Reserve Board in Governor Robertson, a man of great ability and distinction who could serve in that capacity.

As a matter of fact, it might rankle some of my liberal friends, but I think consideration might even be given to bringing back William McChesney Martin. He has the confidence of the business community. He served with great distinction for a number of years under both parties. He is a man, if reappointed, and he could be since he has been out of office now for some time, would, I am sure, bring to that office not only great experience but the confidence of the business community.

So, Mr. President, there are a number of people who could serve in that capacity.

I do hope the strong campaign to reappoint Arthur Burns does not put the President in a position of feeling he has no alternatives. He has many alternatives. And, on the basis of the record, if he retires this fine, loveable, distinguished economist, I think Dr. Burns will have earned the rest and the country will have an opportunity for a more constructive and effective economic policy.

Mr. President, I ask unanimous consent to have printed in the RECORD a paper entitled "Increase in the Consumer Price Index Under Each New Chairman of the Federal Reserve System."

There being no objection, the paper was ordered to be printed in the RECORD, as follows:

INCREASE IN THE CONSUMER PRICE INDEX UNDER EACH NEW CHAIRMAN OF THE FEDERAL RESERVE SYSTEM[1]

[1967—100]

Chairman (years in office)	Percent increase	Annual rate of change (percent)
Charles Hamlin (August 1914–August 1916)	8.6	4.2
W. P. G. Harding (August 1916–August 1922)	53.5	7.4
Daniel Cressenger (May 1923–September 1927)	3.6	.7
Roy A. Young (October 1927–August 1930)	−3.8	−1.3
Eugene Meyer (September 1930–May 1933)	−18.2	−9.6

NEW CHAIRMAN OF THE FEDERAL RESERVE SYSTEM [1]—Con.

[1967—100]

Chairman (years in office)	Percent increase	Annua rate of change (percent)
Eugene Black (May 1933-August 1934)	−2.0	−1.0
Marriner Eccles (November 1934-January 1948)	66.8	4.0
Thomas McCabe (April 1948-March 1951)	7.8	2.5
William McC. Martin, Jr. (April 1951-January 1970)	52.3	2.2
Arthur F. Burns (February 1970-September 1977)	62.4	6.5

[1] Percent changes in all 3 tables are based upon annual averages. Because terms in office do not normally correspond with calendar years the change in prices is based upon those years for which the individual could most influence the rate of inflation. For example, Hamlin entered office in August 1914 and left office in August 1916. He therefore had little opportunity to affect price changes in 1914 but he could have affected price changes in 1916. Therefore, the change in prices "credited" to him was based on the price changes in 1915 and 1916.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum, and I yield the floor.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDMENT TO SENATE CONCURRENT RESOLUTION 60

NO. 1662

(Purpose: to denounce repressive measures by the People's Republic of China.)

Mr. GOLDWATER. Mr. President, I am sending to the desk an amendment which I propose to offer to Senate Concurrent Resolution 60, should it ever be brought to a vote.

Senate Concurrent Resolution 60 is a resolution relating to South Africa. In other words, giving the approval of the Senate to what the President has done.

The essence of my amendment is to be inserted in the preamble and it will say:

Whereas the People's Republic of China has eliminated the open practice of religion among the most populated territory of the world, stamped out freedom of the press, barred free labor trade unions, denied freedom of assembly, curbed freedom of travel, extinguished an independent free judiciary, detained millions of political prisoners in so-called labor reform camps, executed millions of persons because of their political beliefs, and otherwise cruelly suppressed the entire spectrum of human rights, and

I am offering this, Mr. President, because I do not think it is right for this country to be critical, as we have been, and probably rightly so, I think it expresses the feelings of many Americans of apartheid as practiced in South Africa. But I maintain it is really none of our business. If that is the way they want to run their Government, that is their problem, not ours. We have enough problems here without going around the world looking for other places to criticize.

But if we are going to denounce that type of government, then I see no reason why we should in the same or maybe the next breath entertain the idea we might extend diplomatic relations to the most barbaric government, probably, in the history of the world.

I might mention, we could add Cuba on this resolution. We could add the Soviet Union. We could add many countries in this world that practice abuses against human rights far greater than those practiced in South Africa, practiced by the whites against the coloreds and the blacks.

People think of South Africa as being populated first by blacks. This is true if we think of one tribe, the Hottentots, but the other members of nine total tribes came after the white men came.

Again, I do not particularly condone that type of government, but it is their problem. If our country is going to inject itself into the solving of the governmental and human relations of this whole world, then I want to be fair about it, and I want to see us include the People's Republic of China as No. 1. Then we can go to work on the rest of them.

Mr. President, I ask unanimous consent that the amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows :

AMDT. NO. 1652

On page 2, line 4, immediately after "South Africa" insert "and the Government of the People's Republic of China."

On page 3, line 6, immediately after "South Africa" insert "and the People's Republic of China."

In the preamble, immediately after the third whereas clause, insert the following:

"Whereas the People's Republic of China has eliminated the open practice of religion among the most populated territory of the world, stamped out freedom of the press, barred free labor trade unions, denied freedom of assembly, curbed freedom of travel, extinguished an independent free judiciary, detained millions of political prisoners in so-called labor reform camps, executed millions of persons because of their political beliefs, and otherwise cruelly suppressed the entire spectrum of human rights, and".

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Kansas (Mr. DOLE) is recognized for not to exceed 15 minutes.

HUMAN RIGHTS IN CAMBODIA—SENATE RESOLUTION 323

Mr. DOLE. Mr. President, I call the Senate's attention to what is perhaps the most brutal and inhumane situation existing in the world today. It is the plight of the Cambodian people, under the rule of the Communist Party. At a time when this Congress and this administration are focusing increasing attention upon human rights violations around the world, it is indefensible to ignore what has been taking place within Cambodia, or the Democratic Kampu Chea, as it is called by the Communist regime.

In recent days, both the President and some Members of this body have been highly critical of rights violations carried out by the Government of South Africa. As much as recent incidents in South Africa may concern us, they are greatly overshadowed by the gross brutality that has been a hallmark of the Communist Cambodian regime ever since it came to power 2½ years ago. Yet, our own Government has failed to register the horror and condemnation that the Cambodian situation so well deserves.

DOLE AMENDMENT

For that reason, I am today proposing that the U.S. Senate place itself clearly and directly on record as denouncing the regime of the Democratic Kampu Chea. Furthermore, we should urge the President to take effective measures to register the deep concern of the American people about the gross violations of human rights in Cambodia, just as it has been proposed with respect to South Africa in Senate Concurrent Resolution 60, which was reported by the Senate Foreign Relations Committee earlier this week.

Mr. President, I ask unanimous consent that the full text of my resolution be printed in the RECORD at this point.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

S. RES. 323

Whereas, the moral intent of United States foreign policy is comprised, in part, of efforts to advance international human rights observance; and

Whereas, there have been numerous credible accounts by refugees from Cambodia telling of countless executions and other barbaric brutalities by the Government of "Democratic Kampuchea," confirmed in part by Kampuchean leaders themselves; and

Whereas, such repressive measures represent serious violations of the basic rights of the Cambodian people, and deserve the condemnation of all those who cherish the cause of freedom and justice; and

Whereas, the United States holds such actions to be unacceptable: Now, therefore be it

Resolved, That the United States Senate—

(1) strongly denounces the continuing disregard for basic human rights, including atrocities and killings, of the Cambodian people by the Government of Democratic Kampuchea; and

(2) calls upon the President to take effective measures to register the deep concern of the American people about the violation of human rights in that country; and

(3) calls upon the President to cooperate with other nations, through appropriate international forums such as the United Nations, in an effort to bring the flagrant violations of internationally recognized human rights in Cambodia to an end.

SEC. 2. The Secretary of the Senate is directed to transmit a copy of this resolution to the President.

SECRECY AND SLAUGHTER

Mr. DOLE. Mr. President, the Communist government of Cambodia is, indeed, a recognized deviant within the international community. Widespread executions and subhuman living standards have shocked all but the most insensitive governments of the world. The Cambodian reign of terror harkens back to mankind's most primitive and uncivilized condition, and the Cambodian

regime is commonly considered the cruelest since that of Nazi Germany.

There are no precise statistics on the number of Cambodians who have died under the Communist tyranny, but estimates range from a quarter of a million, to well over one million. There is ample basis for expecting the actual toll to be closer to the higher figure.

Contact with the outside world has been practically nonexistent. Only nine governments maintain official relations with the Kampuchean government, and only four of these maintain embassies within the country. Until the Cambodian delegation's official visit to Peking last month, it was not even clear who handled the reigns of power in the government.

Mr. President, despite the extraordinary secrecy and slaughter which characterize the Cambodian regime, there has been no international denunciation of the regime. There has been no official condemnation by the United States, other than a resolution passed by the House of Representatives on September 27 of this year. And, oddly enough, there have been no outraged students protesting on campuses and no demonstrations at the United Nations against the brutality by the Communists. Yet, it was not so long ago that demonstrators were protesting American bombing of Cambodia. I recall well that many Members of the Senate spoke loudly and eloquently against that action. Where, then, is the justified indignation that is needed today?

THE BACKGROUND OF BRUTALITY

At the same time that hordes of North Vietnamese were invading South Vietnam, the Communist Khmer Rouge were consolidating their bloody grip on the people of Cambodia. Phnom Penh, the capital of Cambodia, was captured by the Khmer Rouge on April 17, 1975, following the collapse of the democratic government. In an effort without parallel in modern history, the Communist regime immediately forced the mass evacuation of 4 million city residents into the countryside. It has been estimated that as many as 400,000 of the evacuees perished during the forced marches to rural living areas. None were spared the hardships of the evacuation, including hospital patients and the elderly. Those who collapsed from sickness, exhaustion, or hunger during the march were immediately shot or left to die along the way.

According to Cambodia's Communist rulers, the evacuation of the country's cities in 1975 was necessary to break up "enemy spy organizations" and to revolutionize the social order into a system of rural communes.

The mass relocations were followed by forced labor in agricultural collectives, and a system of "class-leveling" that involved the liquidation of elements of wealth, status, and academia from the old order. According to reports from refugees, large numbers of intellectuals, businessmen, and former government officials were summarily executed. A widespread effort was undertaken to accomplish a complete break with past traditions, customs, and with family and friends.

MALNUTRITION AND DISEASE

Perhaps those who survived were the more unfortunate. For the past 2 years, Cambodia has been wracked by chronic food shortages that have led to malnutrition and disease among much of the Cambodian population. The exhaustive impact of forced labor for long periods has had its toll; the Cambodian deputy prime minister admitted in May of 1977 that "thousands have died in the rice fields" of Cambodia. Despite the mine fields and armed patrols that guard Cambodia's borders, more than 25,000 refugees have managed to flee to Thailand since 1975, and some 60,000 have fled to Vietnam within the past year.

FOCUS ATTENTION ON REPRESSION

Mr. President, there are some encouraging signs that increasing attention may be directed to this deplorable situation. In September of this year, the House of Representatives passed a resolution of condemnation, similar to the one I am proposing today. Although the matter of human rights violations is not—and should never become—a partisan issue, the Republican National Committee did adopt a resolution at its meeting in New Orleans on September 30, calling upon President Carter to instruct the U.S. Ambassador to the United Nations to introduce a resolution censuring the brutality of the Cambodian Government.

Mr. President, I ask unanimous consent that the Republican National Committee resolution be printed in the RECORD at this point.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION CONCERNING HUMAN RIGHTS

Whereas, President Carter has attempted to build much of his foreign policy around the center issue of human rights; and

Whereas, The choice of governments targeted for criticism by the President and his appointees has been highly selective, to the exclusion of even more repugnant examples of human misery and carnage currently being visited by certain governments upon their own people; and,

Whereas, Such selectivity—by ignoring the most obviously outrageous examples of human rights violation in the world today—does positive damage to the credibility of the United States and to that of the office of the Presidency;

Now therefore be it resolved, That the Republican National Committee calls upon President Carter to instruct his United Nations Ambassador, Mr. Andrew Young, to introduce two resolutions of censure into the UN General Assembly;

(1) Against Mr. Idi Amin, President for Life of Uganda, who in recent years has brutally butchered all political enemies, either real or imagined; and

(2) Against the communist government of Cambodia, which during the past twenty-nine months since it first seized power in April of 1975, has systematically reduced its population—through forced evacuation of the cities, and outright wholesale liquidations—by roughly two million people out of a total of approximately seven million.

Be it further *resolved*, That the Carter Administration has not seen fit to draw the attention of the American people to the dimensions of the Cambodian tragedy in particular, the Republican Party itself shall undertake that task as one demonstration of its own commitment to the cause of human rights.

LETTER FROM A REFUGEE

Mr. DOLE. Mr. President, in August of this year, I received a letter from a brigadier general in the former Cambodian Republic's Army, who was in the United States at the time of the coup in 1975, and who is now residing in the State of Kansas.

The general expressed his deep concern about the plight of his countrymen and, at his request, I contacted the U.S. Representative to the United Nations Human Rights Commission concerning the matter. The response I received from Edward Mezvinsky, our representative to the Commission, indicated that he does intend to raise the question of Cambodia before the meeting of the United Nation's Commission on Human Rights in Geneva next February. His letter also indicates what little leverage the United States has over the situation in Cambodia at this time.

Mr. President, I ask unanimous consent that the text of the general's letter, and that of Mr. Mezvinsky's response, be printed in the RECORD at this point.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

LEAVENWORTH, *August 22, 1977.*

Hon. BOB DOLE,
U.S. Senate, Kansas,
Senate Office Building,
Washington, D.C.

DEAR SENATOR DOLE: The purpose of this letter, suggested by State Senator Ed Reilly of Leavenworth, is to request your assistance in bringing to the attention of the people of the United States and the United Nations the plight of the people in my homeland: Khmer Republic of Cambodia.

I am Brigadier General of the Army of the Khmer Republic. I arrived in the United States in April 1974 to attend the 1974–75 regular course at the Command and General Staff College at Fort Leavenworth, Kansas. Before the course ended in the Spring of 1975 my country had been taken over by the communist-Khmer Rouge. I was fortunate that my wife and four children had come with me to the U.S. and that later my wife's grandmother was able to be evacuated and come to the United States. But this is my personal good fortune and does not reduce my concern for the rest of the people in my country who could not escape the communist takeover.

I have several sources of information concerning the terrible conditions inside the boundaries of my country. First and most important, the lives of between one and two million of my people have been taken by the communist regime in the past two years. The dead probably include many of my wife's, and my close friends and relatives, including officers and men who served with me for many years before I came to the United States. Your President and his Administration have pledged to fight for Civil and Human Rights. I can think of no more serious violation of Human Rights than for the communists to take the lives of a people who only wish to be free.

But those lives are already lost and cannot be restored. The next most important concern is the fate of the five million lives of those who remain under communist domination. Friends of mine who have escaped recently have reported to me of starvation, disease, and many kinds of oppression, including torture. There is a serious lack of food and medicine—items that the Inter-

national Red Cross has supplied to millions of people all over the world for many years, even during wartime. But the people of my country are receiving nothing—except hunger, sickness, and mistreatment.

I am sure that you are aware of the Khmer Rouge raids across the Cambodian border into Thailand. This not only endangers the Thai government but it also threatens the safety of many thousands of my people who have sought sanctuary within Thailand. Many thousands of Cambodians, including officers and men of my former Army Division, have formed Resistance groups on or near the borders between Cambodia, Thailand and Vietnam. They will not give up easily because they love their country as I do. And yet their power to continue resisting depends on many things of which they are short: weapons, ammunitions, food, and other important supplies to include medicine. They can do little now but hide in the countryside and wait for help from outside. With some indication of help, I know that these Resistance groups would grow by many more thousands of fighting men who wish to return to their homes and would give their lives to let their families and country be free again. I am one of those.

Surely there must be some agency in the United States or in the United Nations which could enter Cambodia to inspect the present conditions and convince the Khmer Rouge to at least permit aid to be sent in, under International supervision, for the sick and starving whom the communists have not or will not care for. Surely there is some way to aid Resistance groups, as the Allies did for the French Resistance during World War II. The government of Thailand is sympathetic with free Cambodians and yet, nearly surrounded by communist governments, it is reluctant to take action even against raids across its border, except for diplomatic protests.

I implore you, Senator Dole, to bring this situation to the attention of the United States Government and to the United Nations if possible. I am aware that your Government's present policy is to take a "soft line" with the communist government—thus the visit of President Nixon previously and now Secretary of State Vance to communist China. But, please, try to find some way to help my people, or to help me to help them. This letter is the only way I know of that I can try to help them now, but with outside assistance I could do much more.

I have much more information, but not nearly enough, about conditions inside Cambodia. I receive correspondence from former government officials, and members of the former military Staff who escaped before execution, from all over the world. They all ask for the same thing, I am asking: assistance for my people, humanitarian treatment for our families, relatives, and countrymen. Therefore, I am writing this letter, not only for myself but for all friends as well. Should you wish more information about this situation, please let me know.

Thank you for your help.

U.S. MISSION
TO THE UNITED NATIONS,
October 26, 1977.

Hon. ROBERT DOLE,
U.S. Senator, U.S. Senate, Washington, D.C.

DEAR SENATOR DOLE: I am sorry for the delay, but unfortunately your letter was just brought to my attention.

I read Brigadier General Un Kauv's letter with great concern. Mr. Kauv's statement as well as other recent disclosures about conditions inside Cambodia have been shocking. It appears that a monstrous regime has an entire nation locked in the grip of a perpetual "reign of terror" in the name of "social progress". The reported number of lives that have been given to create this "utopian" state boggles the imagination of civilized people.

Unfortunately, Mr. Kauv's suggestion that some agency should enter Cambodia to inspect internal conditions seems impossible at this time. As you know, the current regime has isolated itself almost completely from the rest of the world. There are fewer than a dozen embassies in Phnom Penh. Until the recent surfacing of Pol Pot in Peking, we in the West had little idea who was actually running the country. Even here in New York the Cambodians avoid contact with members of other delegations. I fear this secretive "concentration camp" mentality precludes any possibility of observer missions gaining access to Cambodia in the near future. This also means that humanitarian assistance to those being oppressed is impossible barring military intervention.

The United States does not have relations with Cambodia. U.S. legislation prohibits aid to Cambodia and export and foreign assets controls in effect for Cambodia restrict any unlicensed transactions between Cambodia and individuals or companies under U.S. jurisdiction. In the present circumstances, we have almost no influence with the Cambodian government. We have taken the position that we would support a responsible investigation into the situation in Cambodia.

What the United States has been doing is to provide assistance for those Cambodians who have fled their country. Over 6000 Cambodian refugees have come to the United States for resettlement. We have contributed more than $18 million to the United Nations High Commissioner for Refugees for the relief of Cambodian, Lao and Vietnamese refugees.

Furthermore, I believe that the events in Cambodia must be widely publicized. I have consulted with other State Department officials as to what course of action should be taken by the United States Government. I will raise the question of Cambodia before the February meeting of the United Nations Commission on Human Rights in Geneva. I am also exploring what can be done about this matter at the current General Assembly. As long as the regime holds the people of Cambodia in its bloody grip be assured that I will voice U.S. concern.

Sincerely,

EDWARD MEZVINSKY,
U.S. Representative to the United Nations Human Rights Commission.

SENATE ACTION NEEDED

Mr. DOLE. Mr. President, despite our limited ability to help relieve the repressive situation in Cambodia so long as the Communist regime avoids contact with the Western World, the U.S. Senate should not remain silent. Earlier this year, I submitted an amendment to the International Monetary Organization authorization bill to insure that no U.S. contributions to international financial institutions could be used to prop up the brutal Communist regime in Cambodia, as well as those in Laos and Vietnam. That amendment passed the Senate by a vote of 58 to 32 on June 14, but was later watered down considerably in conference.

At this time, I want to reassert my efforts and express my conviction that, if we are to condemn the South African Government and others for human rights violations, then we should do no less with respect to the Communist regime in Cambodia.

I urge the Senate Foreign Relations Committee to act promptly on this resolution. Hearings on the Cambodian repression should be conducted, and I hope my resolution can be reported early in the 2d session of the 95th Congress, so that the full Senate may have a chance to express its extreme indignation—indeed, its horror—at what is taking place within Cambodia.

Mr. President, there are 24 American servicemen and 9 American civilians missing in Cambodia. The Woodcock Commission's efforts to discuss this matter with the Cambodians was rejected. So there is another reason why we should move very quickly and express our indignation at the horror we witness in Cambodia.

Mr. President, this resolution I am submitting is cosponsored by Senator MCCLURE, Senator GARN, Senator CASE, Senator HAYAKAWA, Senator HELMS, Senator GOLDWATER, and Senator GRIFFIN.

The ACTING PRESIDENT pro tempore. The resolution will be received and appropriately referred.

The resolution (S. Res. 323) was referred to the Committee on Foreign Relations.

SOCIAL SECURITY FINANCING AMENDMENTS OF 1977

The ACTING PRESIDENT pro tempore. The hour of 9:45 having arrived, the Senate will proceed to the unfinished business which the clerk will state.

The assistant legislative clerk read as follows:

A bill (H.R. 9346) to amend the Social Security Act and the Internal Revenue Code of 1954, to strengthen the financing of the social security system, and so forth, and for other purposes.

The Senate resumed the consideration of the bill.

AMENDMENT NO. 1615

The ACTING PRESIDENT pro tempore. The Senator from Missouri.

Mr. DANFORTH. Mr. President, I yield myself 3 minutes.

The ACTING PRESIDENT pro tempore. The Senator from Missouri is recognized for 3 minutes.

Mr. DANFORTH. Mr. President, the basic point, the only point of this amendment is to cushion the blow of programed increases in social security tax liability for State and local government and for not-for-profit organizations.

This amendment will not provide a windfall to anyone. No employer by virtue of this amendment will be paying less social security taxes in 1979 than today; no employer under this amendment will be paying less social security taxes in 1980 than in 1979.

The problem is that, by virtue of the bill that is now before us in whatever form it eventually comes out and by virtue of increases in social security tax liability already programed in the law, State and local governments and not-for-profit organizations are going to experience a tremendous increase in social security tax liability over the next decade and beyond.

As a matter of fact, if we do absolutely nothing, if we do not adopt this amendment under the bill before us with the

increases already programed in the law, State and local governments and nonprofit organizations will experience a 227-percent increase in social security tax liability by the year 1987.

That is just too much. Even under this amendment, if adopted, the increase in social security tax liability for this group of employers will be 197 percent. So we are just talking about a little cushion from that tremendous blow.

My point is simply that the American people rely on State government, local government, the United Way, the Salvation Army, the Boy Scouts, and so on, to deliver meaningful services in their community, and to the extent that we deal a substantial economic blow to this class of employers we are going to make it difficult if not impossible for them to provide the services for the American people that the people of our country demand and need.

I reserve the remainder of my time.

The ACTING PRESIDENT pro tempore. The Senator from Wisconsin.

Mr. NELSON. Mr. President, this proposal, or the essence of it, was discussed on a previous day, so I shall attempt to avoid being repetitious about all that was said. I will only comment on the major points.

The essence of this proposal is that for the first time general fund moneys will be used for the purpose of supporting the social security system.

That may or may not be a good idea, depending upon one's viewpoint. There are those who believe there ought to be a direct infusion of general fund moneys into the social security system, and there are those who strongly argue against it; both of them have defensible arguments from their own standpoints.

This proposal, however, would have the effect of refunding from the general fund 10 percent of all social security taxes paid by all States and all municipalities, public and private colleges, and other charitable institutions. The cost of this amendment starts at about a billion dollars a year, and during the period between now and 1987, the total cost will be $14 billion. In 1987, the cost will be a little more than $2 billion a year. By the year 1990, there will be a $20 billion infusion of general fund money into the social security system, which is nothing more than a revenue-sharing concept.

Even if one does believe that general fund moneys should be infused into the social security system directly, the question is whether this is the way to do it. The general fund of the United States is supported by exactly the same taxpayers who pay the social security for the States, the municipalities, and the public colleges. So taxpayers who are paying money into the general fund will support the States, municipalities, and other nonprofit organizations who will receive a reduction in their social security tax payments.

If I were to support, at this stage, the concept of using general fund moneys, it would not be my view that this is the best way to do it. In any case, I am not prepared to support the concept at this time. The general fund money that goes back to the municipalities, running at a level of $2 billion a year by 1987, does not increase the benefits of a single retiree in this country. It is a revenue sharing plan so far as the municipalities and States are concerned.

We now have a general revenue sharing plan which is sending $6 billion a year in general revenues back to the municipalities and the States. Do we want to add to that general revenue sharing plan at this time, in this social security bill?

The Finance Committee proposal pending before the Senate authorizes all eligible employers—the States, municipalities, charitable organizations, and private colleges—to get a refund to 50 percent of the excess that they pay on the employee's base over what the employee pays. That authorization will phase out in 25 years as the base of the employee rises——

The ACTING PRESIDENT pro tempore. The Senator's 5 minutes have expired.

Mr. NELSON [continuing]. And equals that of the employer. So I think it is a mistake to use general fund moneys at this time for this purpose.

Mr. President, how much time does the Senator from Missouri have?

The ACTING PRESIDENT pro tempore. Two minutes.

Mr. NELSON. I believe it was understood that we would delay the rollcall for 5 or 10 minutes from the time set by the unanimous consent agreement yesterday. Was that correct?

Mr. DANFORTH. I think there was supposed to be, at 5 minutes to 10, a vote on the motion to table.

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. NELSON. As I recall, Senator MOYNIHAN had asked whether we could extend that time until 10 o'clock or something, and he discussed that request with the Senator from Missouri, did he not?

Mr. DANFORTH. Mr. President, reserving the right to object, I would like to clear this with the minority leader. It is my understanding—you want to do what?

Mr. NELSON. If the Senator will recall, Senator MOYNIHAN asked for a 5- or 10-minute delay in the vote, and I believe he discussed it with the Senator from Missouri yesterday.

Mr. DANFORTH. Yes. Further reserving the right to object, I did discuss that, his request, with Senator CRANSTON and Senator ROBERT C. BYRD, and they told me that they wanted to go ahead with the vote at 5 minutes until 10. It is immaterial to me, but that was their statement yesterday.

Mr. NELSON. Before the minority leader came in, we were discussing that we have a unanimous-consent agreement to vote at 5 minutes to 10. Senator MOYNIHAN had delayed taking up his proposal to set aside the Danforth proposal, and discovered that, in going to New York and catching his plane back, he would need to have another 5 minutes. I wonder if the minority leader would agree to that.

Mr. BAKER. Mr. President, I have no objection to that. There will be no objection on this side if it is satisfactory to the Senator from Missouri. Until what time is that?

Mr. NELSON. Five after 10.

Mr. BAKER. Make it 5 after 10.

Mr. DANFORTH. That is satisfactory to me. However, I do not think it is satisfactory to the majority leader.

Mr. BAKER. The distinguished Senator from West Virginia, the majority leader, has constructed a pretty precise schedule of voting. If it is suitable to him, it is certainly suitable to me.

Mr. DANFORTH. Mr. President, may I now be recognized for 2 minutes?

The ACTING PRESIDENT pro tempore. The time of the Senator from Missouri has expired pursuant to the previous order.

UP AMENDMENT NO. 1050

Mr. DANFORTH. Mr. President, I ask unanimous consent that I may now send to the desk my amendment with certain modifications, which have been checked with the staff of the Senator from Wisconsin, and that the amendment as presently sent to the desk might be the one to be voted on.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. NELSON. May I ask, what is the request?

The ACTING PRESIDENT pro tempore. There is a unanimous-consent request propounded by the Senator from Missouri to modify his amendment.

Mr. DANFORTH. It is technical corrections, and it has been cleared with the Senator's staff.

Mr. NELSON. I understand. Does anyone object?

The ACTING PRESIDENT pro tempore. Is there objection to the modification of the amendment? The Chair hearing none, the amendment will be so modified.

The amendment as modified is as follows:

Strike out section 106 and insert in lieu thereof the following:

REDUCTION IN TAX FOR CERTAIN PUBLIC AND NONPROFIT EMPLOYERS

SEC. 106. (a) Section 218 (e) of the Social Security Act is amended—

(1) by inserting ", subject to the provisions of paragraphs (3), (4), and (5)," after "will pay" in paragraph (1)(A) thereof; and

(2) by adding at the end thereof the following new paragraphs:

"(3) For purposes of paragraph (1)(A) in determining the amount of taxes which would be imposed—

"(A) for calendar year 1979, the rates of tax under such section 3111 and the contribution and benefit base (as determined under section 230) which would have applied for calendar year 1979 under the law in effect immediately before the enactment of the Social Security Amendments of 1977 shall be applied; and

"(B) for calendar years 1980 and thereafter, the amount determined under paragraph (1)(A) as the taxes which would be imposed by such section 3111 (without regard to the provisions of this paragraph) with respect to such employees shall (except as otherwise provided in paragraph (5)) be reduced by 10 percent.

"(4) Each agreement under this section shall provide that any State whose payments under the agreement are reduced by reason of paragraph (3) or paragraph (5) shall agree to pay (and any such reduction shall

be made on the condition that such State pay) to any political subdivision thereof a percentage of the aggregate amount of such reduction which percentage shall be equal to the percentage of the amount paid by such State under paragraph (1)(A) for which such State was reimbursed by such political subdivision.

"(5) The amount of the taxes which would be imposed by such section 3111 for a calendar year (taking into account the provision of paragraph (3)) shall not be less than the lesser of

"(A) the amount determined under paragraph (1)(A) as the taxes which would be imposed by such section 3111 for such calendar year (without regard to the provisions of paragraph (3)); or

"(B) the amount determined for calendar year 1979 under paragraph (1)(A) as the taxes which would be imposed by such section 3111 for calendar year 1979 (after application of the provisions of subparagraph (A) of paragraph (3))."

(b) Section 3111 of the Internal Revenue Code of 1954 (relating to rate of tax on employers) is amended by adding at the end thereof the following new subsections:

"(c) Certain Nonprofit Employers.—Notwithstanding any other provision of this section, in the case of an organization described in section 501(c)(3) which is exempt from tax under section 501(a) and with respect to which the taxes imposed by this section are paid, the amount of the taxes imposed by this section with respect to employees (other than employees who are primarily employed in connection with one or more unrelated trade or businesses (within the meaning of section 513) of such organization) shall—

"(1) during calendar year 1979, be equal to the amount which would be determined if the rates of tax under section 3111 and the contribution and benefit base (as determined under section 230 of the Social Security Act) which would have applied during calendar year 1979 under the law in effect immediately before the enactment of the Social Security Amendments of 1977; and

"(2) for the calendar years 1980 and thereafter, be equal to 90 percent of the amount determined under this section (without regard to the provisions of this subsection).".

(d) Notwithstanding anything herein to the contrary where the amount of taxes imposed under subsection (c)(2) above is less than the amount of taxes paid under subsection (c)(1) above, an organization described in section 501(c)(3) which is exempt from tax under section 501(a) shall pay the lesser of (1) the amount of taxes which would be imposed under this section (without regard to the provisions of subsection (d)(2)).

Mr. NELSON. I ask unanimous consent that the agreement reached yesterday for the Senator from Wisconsin to have the floor to make a motion to table be postponed for 7 minutes, until 5 minutes after 10.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. BAKER. Mr. President, reserving the right to object, and I will not, I understand the majority leader has now indicated he has no objection. Is that correct?

Mr. NELSON. Yes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DANFORTH. Mr. President, I ask unanimous consent that the remaining 7 minutes be divided as follows: I would like my 2 minutes originally agreed to, and then that the remaining 5 minutes be equally divided.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The Senator from Missouri is recognized for 2 minutes.

Mr. DANFORTH. Mr. President, I would simply like to respond to the comments of the Senator from Wisconsin that his amendment does not call for any disbursement from the general fund to the social security trust fund. My original amendment did, but in order to satisfy the Budget Committee, I transformed this amendment to a simple rate reduction for this group of employers.

If successful with this amendment, I will then move into phase 2, which will be an amendment which would authorize a transfer from the general fund to the social security trust fund in an amount equal to the revenue loss as a result of the amendment which is currently pending. However, this amendment does not cause any draw on the general fund at all.

The Senator from Wisconsin (Mr. NELSON) is correct in saying that he also has a version of a proposal to provide some relief for State and local governments and not-for-profit employers. I have carefully considered his version. I think it is inadequate for at least three reasons.

One reason is that it would benefit only those employers who have fairly high-salaried personnel, which would be professional not-for-profit organizations such as, for example, foundations like the Rockefeller Foundation and the Ford Foundation.

They would have a very substantial windfall as a result of the proposal which is now in the bill. However, the Salvation Army in Washington, D.C., would only receive $7.67 back in 1979 under Senator NELSON's proposal.

I think the amendment which is now before us, if we really want to do something to cushion the blow for this group of employers, is the one which is fairest and most equitable and treats all alike, and which gives the greatest relief to that group of employers that really can stand the relief. They are the community-based organizations, such as the Girl Scouts, Boy Scouts, Salvation Army, local school districts, and the like, which do not have the extremely high level of salaries which would be benefited by the proposal of Senator NELSON. I reserve the remainder of my time.

Mr. NELSON. Mr. President, first of all what could be said about the proposal has now been said. I did not mean to imply that this proposal encompassed the Senator's general fund proposal. But it is my understanding that if the Senator prevailed, he would seek to fund the liability in the social security trust fund out of the general fund.

In principle, it is the same as the Senator's original proposal—to give eligible employers refundable tax credit of 10 percent for their total social security liabilities from the general fund.

I would make just one other point I have neglected to make in the past. That is that 30 percent of all the municipalities and States in this country are not covered by social security. So this general fund revenue-sharing program will only be giving back to those States and municipalities which are under social security, 10 percent of what they paid; but, those States and those municipalities which have their own pension plan for their employees will get nothing back. So this refund discriminates against a substantial number of municipalities, State governments, as well as others who are not covered by social security.

Mr. President, this amendment will cost $2 billion a year by 1987; the cost starts out at $1 billion a year in 1979. General fund moneys have to be paid by levying taxes on the same taxpayers who are paying the taxes for social security in the States and municipalities anyway. It is a reshuffling of funds and a dip into the general fund without having any hearings as to whether this is what we ought do and, if it is, whether this is the best way to do it.

The ACTING PRESIDENT pro tempore. The Senator's time has expired. The Senator from Missouri has 1 minute remaining.

Mr. DANFORTH. Mr. President, unless Senator RIBICOFF, who is a cosponsor, has something to add, I yield back the remainder of my time.

Mr. NELSON. Has all time been used up?

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. NELSON. Mr. President, I move to table the amendment and I ask for the yeas and nays.

The ACTING PRESIDENT pro tempore. The yeas and nays have been ordered on the motion to table by unanimous consent.

The question is on agreeing to the motion to table the amendment of the Senator from Missouri. The yeas and nays have been ordered and the clerk will call the roll.

(Mr. ZORINSKY assumed the chair.)

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Arkansas (Mr. BUMPERS), the Senator from Mississippi (Mr. EASTLAND), the Senator from Colorado (Mr. HASKELL), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Hawaii (Mr. MATSUNAGA), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from New York (Mr. MOYNIHAN), and the Senator from Tennessee (Mr. SASSER) are necessarily absent.

I also announce that the Senator from Maine (Mr. MUSKIE) is absent because of illness.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY) would vote "no."

Mr. STEVENS. I announce that the Senator from California (Mr. HAYAKAWA), the Senator from Kansas (Mr. PEARSON), the Senator from New Mexico (Mr. SCHMITT), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I also announce that the Senator from Virginia (Mr. SCOTT) is absent on official business.

The result was announced—yeas 34, nays 51, as follows:

[Rollcall Vote No. 616 Leg.]

YEAS—34

Bellmon	Culver	Melcher
Bentsen	Glenn	Metcalf
Biden	Gravel	Metzenbaum
Burdick	Hart	Morgan
Byrd, Harry F., Jr.	Hathaway	Nelson
	Inouye	Nunn
Byrd, Robert C.	Jackson	Proxmire
Cannon	Johnston	Randolph
Chiles	Long	Sparkman
Church	Magnuson	Stennis
Clark	McClure	Talmadge
Cranston	McIntyre	

NAYS—51

Abourezk	Garn	Pell
Allen	Goldwater	Percy
Anderson	Griffin	Ribicoff
Baker	Hansen	Riegle
Bartlett	Hatch	Roth
Bayh	Hatfield	Sarbanes
Brooke	Heinz	Schweiker
Case	Helms	Stafford
Chafee	Hollings	Stevens
Curtis	Javits	Stevenson
Danforth	Kennedy	Stone
DeConcini	Laxalt	Thurmond
Dole	Leahy	Tower
Domenici	Lugar	Wallop
Durkin	Mathias	Williams
Eagleton	McGovern	Young
Ford	Packwood	Zorinsky

NOT VOTING—15

Bumpers	Humphrey	Pearson
Eastland	Matsunaga	Sasser
Haskell	McClellan	Schmitt
Hayakawa	Moynihan	Scott
Huddleston	Muskie	Weicker

So the motion to lay on the table amendment No. 1615 was rejected.

Mr. DANFORTH addressed the Chair.

The PRESIDING OFFICER. The question recurs on the amendment of the Senator from Missouri.

Mr. DANFORTH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DANFORTH. Have the yeas and nays been ordered on the amendment?

The PRESIDING OFFICER. They have been ordered.

Mr. DANFORTH. Mr. President, I ask unanimous consent that the order for the yeas and nays be vitiated and we proceed——

Mr. HATFIELD. I object.

The PRESIDING OFFICER. Objection is heard.

The clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Arkansas (Mr. BUMPERS), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Hawaii (Mr. MATSUNAGA), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from New York (Mr. MOYNIHAN), the Senator from Tennessee (Mr. SASSER), and the Senator from Montana (Mr. MELCHER) are necessarily absent.

I also announce that the Senator from Maine (Mr. MUSKIE) is absent because of illness.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY), would vote "yea".

Mr. STEVENS. I announce that the Senator from California (Mr. HAYAKAWA), the Senator from Kansas (Mr. PEARSON), the Senator from New Mexico (Mr. SCHMITT), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I also announce that the Senator from Virginia (Mr. SCOTT) is absent on official business.

The result was announced—yeas 57, nays 28, as follows:

[Rollcall Vote No. 617 Leg.]

YEAS—57

Abourezk	Garn	Pell
Allen	Goldwater	Percy
Anderson	Griffin	Randolph
Baker	Hansen	Ribicoff
Bartlett	Hatch	Riegle
Bayh	Hatfield	Roth
Brooke	Heinz	Sarbanes
Case	Helms	Schweiker
Chafee	Hollings	Sparkman
Clark	Javits	Stafford
Curtis	Kennedy	Stennis
Danforth	Laxalt	Stevens
DeConcini	Leahy	Stevenson
Dole	Long	Stone
Domenici	Lugar	Thurmond
Durkin	Mathias	Tower
Eagleton	McGovern	Wallop
Eastland	McIntyre	Williams
Ford	Packwood	Zorinsky

NAYS—28

Bellmon	Culver	Metzenbaum
Bentsen	Glenn	Morgan
Biden	Gravel	Nelson
Burdick	Hart	Nunn
Byrd, Harry F., Jr.	Haskell	Proxmire
	Hathaway	Talmadge
Byrd, Robert C.	Inouye	Young
Cannon	Jackson	
Chiles	Magnuson	
Church	McClure	
Cranston	Metcalf	

NOT VOTING—15

Bumpers	Matsunaga	Pearson
Hayakawa	McClellan	Sasser
Huddleston	Melcher	Schmitt
Humphrey	Moynihan	Scott
Johnston	Muskie	Weicker

So amendment No. 1050 was agreed to.

Mr. DANFORTH. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LONG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ENERGY TAX BILL

Mr. LONG. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 5263.

The PRESIDING OFFICER (Mr. ZORINSKY) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H.R. 5263) to suspend until the close of June 30, 1980, the duty on certain bicycle parts, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. LONG. I move that the Senate insist upon its amendment and agree to the request of the House for a conference on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. LONG, Mr. TALMADGE, Mr. RIBICOFF, Mr. GRAVEL, Mr. BENTSEN, Mr. HATHAWAY, Mr. MATSUNAGA, Mr. MOYNIHAN, Mr. CURTIS, Mr. HANSEN, Mr. DOLE, Mr. PACKWOOD, and Mr. LAXALT conferees on the part of the Senate.

VA PHYSICIAN AND DENTIST PAY COMPARABILITY ACT AMENDMENT

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. ROBERT C. BYRD. Mr. President, is a vote imminent?

The PRESIDING OFFICER. It is.

Mr. ROBERT C. BYRD. On what question?

The PRESIDING OFFICER. The clerk will state the bill by title.

The legislative clerk read as follows:

A bill (H.R. 8175) to amend the Veterans' Administration Physician and Dentist Pay Comparability Act of 1975, approved October 22, 1975, as amended, in order to extend certain provisions thereof, and for other purposes.

The Senate resumed the consideration of the bill.

AMENDMENT NO. 1621

(FORMERLY UP AMENDMENT NO. 1048)

The PRESIDING OFFICER. The pending question is on agreeing to the amendment of the Senator from Maryland (Mr. MATHIAS).

Mr. MATHIAS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to proceed for not to exceed 3 minutes before the vote occurs.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. May we have order in the Senate?

The PRESIDING OFFICER. Senators will please take their seats and maintain order in the Senate.

Mr. ROBERT C. BYRD. Mr. President, the vote will occur within 3 minutes. I would not take the floor at this time but for the fact that I think attention should be called to a very significant matter.

A NEW MILESTONE IS REACHED IN SENATE HISTORY

Mr. ROBERT C. BYRD. Mr. President, the Senate is the beneficiary of numerous traditions, records, and treasures from the past. Our customs and memories unites the Members in this generation with the hundreds of distinguished persons who have been Senators in prior decades. Moreover, the milestones that are reached today will serve to enhance our continuity with the future.

Such a milestone will be attained this Sunday, November 6. On that day, the two distinguished Senators from Mississippi, JAMES O. EASTLAND and JOHN C. STENNIS, will set a new record. They will have served together as a team representing one State, longer than any other pair of Senators in American history. Their record of 30 years and 1 day will surpass the previous mark established by Senator JOHN MCCLELLAN and former

Senator J. William Fulbright, of Arkansas.

It is appropriate that we recognize this event, not just because of the longevity it represents. Senator EASTLAND and Senator STENNIS are two of the most respected and capable Members in this Chamber.

Senator EASTLAND is not only the President pro tempore of the Senate. He is the chairman of the Judiciary Committee and the ranking majority member of the Agriculture, Nutrition, and Forestry Committee. In the nearly three-and-a-half decades that he has served in the Senate, Senator EASTLAND has placed in his debt not only the people of Mississippi, but millions of other American citizens, as well. He has shared his wisdom and experience selflessly with scores of his colleagues over the years, and the lives and careers of all of us are richer and fuller for the contributions he has rendered to us.

Senator STENNIS is the chairman of the Armed Services Committee. In that capacity, he has labored tirelessly to insure the military strength and security of America and the whole Western World. As the ranking majority member of the Appropriations Committee, he has dedicated himself especially to the support of programs to improve the quality of life of rural and laboring men and women throughout this Nation. His personal courage and charm have won for him a warm and lasting place in the hearts of all his colleagues and friends.

The State of Mississippi can be justly proud of the mark and reputation that these two distinguished men have made in the Senate, and I congratulate on behalf of the Senate the citizens of that State on their wisdom in continuing to reelect and support these exceptional gentlemen over the years.

But I, on behalf of the Senate, particularly congratulate our friends and colleagues, Senator EASTLAND and Senator STENNIS, on reaching this memorable point in their outstanding careers. As Lord Chesterfield said more than 200 years ago, their accomplishments add luster to their names. And I look forward to their extending the precedents of their record even further in the years ahead.

I am pleased that President Carter has also taken note of the milestone about to be reached by our two distinguished colleagues. In a letter to me today, the President had this to say:

I am pleased to join today in honoring Senator James O. Eastland and Senator John Stennis who have served together longer than any other Senators from the same state in the history of the Republic. It is a tribute to them and to the good judgment of the people of Mississippi that Senators Eastland and Stennis have been regularly returned to the Senate throughout the 30 years that have brought such important changes to our nation.

Their support in the Presidential campaign and their help and guidance in developing my Administration's programs and policies have been particularly gratifying to me.

I congratulate these two distinguished senior leaders on the milestone they will reach on Sunday, and I wish them many more years of dedicated service to their state, their country and the United States Senate.

Sincerely,

JIMMY CARTER.

[Standing applause.]

SEVERAL SENATORS. Speech! Speech!

Mr. BAKER. Mr. President, will the majority leader yield to me a minute?

Mr. ROBERT C. BYRD. Yes.

Mr. President, I ask unanimous consent that we proceed for an additional 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr ROBERT C. BYRD. Mr. President, I yield to the Senator from Tennessee.

Mr. BAKER. Mr. President, I shall take only a moment.

I rise, I am sure, on behalf of every Member of the Senate on this side of the aisle, to join the majority leader in extending our congratulations to two distinguished public servants, our colleagues from Mississippi.

It is in the nature of our system for the two parties to be divided in times of confrontation across the aisle, and the historic debates which have taken place over the years have been significant, lively, and important to the formulation of policy for the Republic. But seldom, if ever, has this body been as honored as it is by the presence of these two distinguished Senators, their contributions to the quality of that debate, and their care and concern for the traditions of the Senate.

Although we may disagree as to party allegiance and even on issues, we do not disagree on our respect for these two fine public servants.

[Applause.]

Mr. CURTIS. Mr. President, will the Senator yield briefly to me?

Mr. ROBERT C. BYRD. I yield.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. CURTIS. Mr. President, these two gentlemen deserve special mention for many reasons.

All of us can remember how Senator STENNIS, taking his place there, probably spent 5 or 6 weeks in passing a bill relating to the defense of our country and never lost his patience and was the perfect gentleman in his conduct that prevailed throughout the time.

Senator EASTLAND has a distinction that is only shared by one other Senator. Senator EASTLAND has presided over the confirmation of every Justice of the Supreme Court of the United States, including the Chief Justice. He and my now retired colleague, Senator Hruska, have that distinction. Altogether they have handled the confirmation of something over 500 Federal judges. No other Senator has the distinction of having handled the confirmation of the entire Supreme Court.

As a matter of fact, I think when they retire there will be a temptation on the part of law firms to want to hire them.

Mr. ROBERT C. BYRD. Mr. President, I ask for 1 minute more.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I yield it to the Senator from South Carolina.

Mr. THURMOND. Mr. President, I wish to be associated with the laudatory remarks made about the distinguished Senators from the State of Mississippi. I happen to be the ranking minority member of the Committee on the Judiciary, of which Senator EASTLAND is chairman, and the senior member of the Armed Services Committee, of which Senator STENNIS is chairman.

These gentlemen are true representatives of what is best in the United States. They have both served ably, they have served patriotically, they love their country, and we are proud of them. It has been an honor for me to serve with these two distinguished gentlemen, and it has been an honor, I am sure, for the U.S. Senate to have men of this caliber, this capacity, and this courage to serve in this great body.

SEVERAL SENATORS. Speech! Speech!

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. EASTLAND. Mr. President, I appreciate the very kind and flattering words that have been said. I did not realize until yesterday that we had served so long in the Senate. It has been an experience we have all enjoyed every day, and I am very grateful to my colleagues.

[Applause, Senators rising.]

VA PHYSICIAN AND DENTIST PAY COMPARABILITY ACT AMENDMENT

The Senate continued with the consideration of H.R. 8175.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Maryland. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Arkansas (Mr. BUMPERS), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Tennessee (Mr. SASSER), the Senator from Mississippi (Mr. STENNIS), and the Senator from Illinois (Mr. STEVENSON) are necessarily absent.

I also announce that the Senator from Maine (Mr. MUSKIE) is absent because of illness.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY) would vote "No."

Mr. STEVENS. I announce that the Senator from California (Mr. HAYAKAWA), the Senator from Kansas (Mr. PEARSON), the Senator from New Mexico (Mr. SCHMITT), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I also announce that the Senator from Virginia (Mr. SCOTT) is absent on official business.

The result was announced—yeas 37, nays 48, as follows:

[Rollcall Vote No. 618 Leg.]

YEAS—37

Baker	Goldwater	Packwood
Bartlett	Hansen	Pell
Bellmon	Hatch	Roth
Biden	Hatfield	Sarbanes
Brooke	Hathaway	Schweiker
Case	Heinz	Sparkman
Chafee	Javits	Stafford
Danforth	Kennedy	Stevens
Dole	Laxalt	Tower
Domenici	Lugar	Wallop
Eastland	Mathias	Young
Ford	McClure	
Garn	Metzenbaum	

NAYS—48

Allen	Eagleton	Metcalf
Anderson	Glenn	Morgan
Bayh	Gravel	Moynihan
Bentsen	Griffin	Nelson
Burdick	Hart	Nunn
Byrd, Harry F., Jr.	Haskell	Percy
Byrd, Robert C.	Helms	Proxmire
Cannon	Hollings	Randolph
Chiles	Inouye	Ribicoff
Church	Jackson	Riegle
Clark	Johnston	Stone
Cranston	Leahy	Talmadge
Culver	Long	Thurmond
Curtis	Magnuson	Williams
DeConcini	Matsunaga	Zorinsky
Durkin	McIntyre	
	Melcher	

NOT VOTING—15

Abourezk	McClellan	Schmitt
Bumpers	McGovern	Scott
Hayakawa	Muskie	Stennis
Huddleston	Pearson	Stevenson
Humphrey	Sasser	Weicker

So the amendment (No. 1621) was rejected.

Mr. CRANSTON. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. THURMOND. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CRANSTON. Mr. President, I would like to summarize the provisions of the compromise agreement worked out with the Committee on Veterans' Affairs of the other body. The compromise agreement contained in the pending amendment as a substitute for the House-passed text of H.R. 8175 generally follows and incorporates the provisions of title II of H.R. 5027 as passed by the Senate on September 9, except for two provisions deleted which I will discuss later.

SUMMARY OF COMPROMISE AGREEMENT ON H.R. 8175

The compromise agreement on H.R. 8175 would have a short title, the Veterans' Administration Physician and Dentist Pay Comparability Amendments of 1977, and its substantive provisions would do the following:

First. Extend until September 30, 1978, the VA's authority to enter into special-pay agreements—section 2—and provide for the retroactive payment—back to the date of appointment—of special pay to otherwise eligible physicians and dentists who are hired between October 1, 1977, and the date of enactment and who sign such agreements within 30 days after the date of enactment—section 3(c).

Second. Provide that an eligible physician or dentist who has previously entered into one or more special-pay agreements may enter into a new special-pay agreement if he or she is not in default of any payback requirements arising out of a failure to complete the first year of service under a prior agreement—section 3(a)(3) amending section 4118(e)(1) of title 38, United States Code).

Third. Provide that no special-pay agreements may extend beyond September 30, 1981—as did the House-passed H.R. 8701—and provide that an agreement entered into after September 30, 1980, may be for a period of less than 1 year as long as it is for the maximum period possible, that is, until September 30, 1981—section 3(a)(3), amending section 4118(e)(1) of title 38.

Fourth. Require the VA's Chief Medical Director to make annual redeterminations whether significant recruitment and retention problems exist as to any category of physicians and dentists with respect to which the Chief Medical Director has determined that no such problems exist—under present law, VA physicians and dentists are generally eligible to enter into special-pay agreements except for those who are included in categories of positions as to which significant recruitment and retention problems have been determined not to exist—section 3(a)(2), amending section 4118(a)(3) of title 38.

Fifth. Require the Chief Medical Director, prior to the execution of any new special-pay agreements after April 30, 1978, to reevaluate, in view of the executive level pay raise effective in the VA on February 27, 1977, the need for special-pay agreements in order to recruit and retain highly qualified physicians or dentists in each category of positions in the Department of Medicine and Surgery and to report to Congress not later than April 30, 1978, on the results of such reevaluation; and provide that the Administrator, upon the recommendation of the Chief Medical Director based upon such reevaluation, may promulgate a regulation—to become effective 30 days after it is published in the Federal Register—reducing for new special-pay agreements the amount of primary special pay for any category of positions to the extent the Administrator finds primary special pay is not necessary to recruit and retain physicians or dentists in that category—section 3(b).

Sixth. Prohibit, after January 1, 1978, the permanent or temporary appointment, in any position having direct patient-care responsibilities, of any physician, dentist, podiatrist, nurse, physician assistant, expanded-function dental auxiliary, resident, or intern who does not possess the basic proficiency in spoken and written English that he or she needs to perform those responsibilities satisfactorily—section 4(a)(1) and (2), adding new subsection (c) to section 4105 and new subsection (f) to section 4114 of title 38.

Seventh. Require the Administrator of Veterans' Affairs, upon the recommendation of the Chief Medical Director, to take appropriate steps to provide reasonable assurance (a) that persons, other than those described in the sixth item, just discussed, appointed after the date of enactment to positions having direct patient-care responsibilities have the basic proficiency in spoken and written English that they need to perform those responsibilities satisfactorily and (b) that persons listed in the sixth item, who are appointed after the date of enactment but before January 1, 1978, also have such proficiency—section 4(a)(3).

Eighth. Require the Administrator to submit to the congressional Committees on Veterans' Affairs by April 1, 1978, a report on certain language-proficiency-related matters in the health-care area. The report must describe the activities undertaken and the persons affected in carrying out subsections (a) and (c) of section 4 of the bill—the sixth, seventh, and ninth items in this summary—and must provide a description of the extent to which there are VA employees with direct patient-care responsibilities who do not have the basic proficiency in English which they should have in order to carry out their health-care responsibilities satisfactorily, and data describing the characteristics and categories of persons lacking that proficiency; in addition, if, in the administrator's opinion, the information being provided in the report indicates the existence of an English proficiency-related problem in the provision of health-care services, the report must include a plan to promote the achievement of the necessary level or levels of proficiency in English, including estimates of the cost of implementing that plan during the next 5 fiscal years and of the time periods in which the employees involved—broken down by appropriate categories and characteristics—could be expected to achieve the level or levels of proficiency that they need to perform their health-care responsibilities satisfactorily—section 4(b).

Ninth. Require, where a VA health-care facility serves a substantial number of veterans with limited English-speaking ability, that the administrator implement procedures to insure identification of sufficient bilingual staff in such a facility to bridge linguistic and cultural differences and to provide guidance to veterans and staff with respect to cultural sensitivities—section 4(c), adding new subsection (h) to section 5001 of title 38.

Tenth. For the period beginning October 21, 1976—the date of enactment of Public Law 94-581—and ending October 8, 1977—the day before the effective date of the President's most recent order adjusting the basic pay schedule for the VA's Department of Medicine and Surgery employees paid under title 38—revise (a) the basic pay schedule for the Director of Podiatric Service in section 4107 of title 38 to provide a salary range of $39,629 minimum to $50,197 maximum and (b) the clinical podiatrist and optometrist schedule in section 4107 to conform to the appropriate levels of basic pay in the physician and dentist schedule for the period October 21, 1976 through October 8, 1977; require the conversion of all podiatrists and optometrists in the Department of Medicine and Surgery from employment under title 5, United States Code, to employment in the Department's own personnel system under title 38; and provide that such conversions—including payment at the appropriate 1976-1977 levels of basic pay—

shall be effective retroactively to October 21, 1976, or the date the employee received an appointment in D.M. & S., whichever is the later—section 5.

Mr. President, as I indicated earlier, two provisions of the Senate-passed version of title II of H.R. 5027 are not included in the compromise agreement. First, title II contained a provision that would have authorized the payment of up to the full amount of special pay—up to $13,500—to VA hospital Chiefs of Staff who are full-time employees if the VA, by regulation, were to prohibit its Chiefs of Staff who are full-time employees from receiving any additional remuneration from an affiliated medical school. In addition to encouragement of full-time status, this provision was aimed at avoiding conflict-of-interest situations in which a Chief of Staff, the top-level physician hospital official, receives pay from the affiliated school with which he or she is called upon to deal on behalf of the VA on numerous professional and management issues. Although the House Committee shares our concern regarding the conflict-of-interest problems which this provision sought to remedy, it did not believe that it had had a sufficient opportunity to assess the full ramifications of this provision. Therefore, that committee chose not to accept this provision.

The second provision not included would have authorized the chief medical director, for purposes of helping to overcome problem in the recruitment and retention of full-time physicians and dentists, to make exceptions for certain categories of positions from the mandatory special-pay reduction required by section 4118(d)(1) of title 38, under which there is deducted from the special pay for eligible physicians an amount equal to the 1975 cost-of-living increase, which became effective at the same time as the pay law. As to how this deduction came about, it appears that the cost-of-living increase was deducted from the special-pay allowance to an eligible physician or dentist because Public Law 94–123 also revised the "physician and dentist schedule" in section 4107 of title 38 to codify the 5-percent comparability pay increase which became effective in October 1975. The maximum amount which would have been available under the Senate provision which was deleted would have been approximately $1,800 per year, a figure which the House Committee regarded as generally inadequate for this provision to serve as a useful recruitment and retention tool. That committee also believed that it needed more information regarding completion of such a provision and its impact.

ENGLISH-LANGUAGE PROFICIENCY

Mr. President, the English-language-proficiency provisions of the compromise agreement fully vindicate the thrust of the Senate measure; and I expect substantial progress to be made in the VA in overcoming the serious language barriers that too often exist between health-care staff and the veteran patients.

Mr. President, I would like to comment specifically on the provisions which require, with respect to certain health-care personnel appointed on or after January 1, 1978, that such personnel have the basic proficiency in spoken and written English which they need to carry out their direct patient-care responsibilities satisfactorily.

The committee recognizes that major efforts are being made by the Veterans' Administration to reduce that agency's reliance on foreign medical graduates, and urges that these efforts should be vigorously continued.

One of the major difficulties posed by the employment of foreign medical graduates is their inability to communicate effectively in English to the extent necessary to provide quality health care to the veteran patient.

The foreign medical graduates already in the Veterans' Administration Department of Medicine and Surgery—approximately 36 percent of full-time physicians and 24 percent of part-time physicians—represent a substantial proportion of the staff; and, although there is not a language barrier in every case, the committee believes that language barriers between VA staff lacking adequate English-language capability and VA patients and other staff exists to a troublesome degree and can seriously interfere with essential communications between health-care staff and patients. Imposing the English-language proficiency requirement on new appointees beginning January 1 of next year is one way of helping to overcome this problem.

Not every prospective appointee would have to pass a test. It would seem reasonable for VA regulations to assume, unless there is evidence to the contrary, for example, that persons educated for their first 12 years in this country, possess the requisite proficiency. In order to implement these provisions, the VA clearly will have to adopt standards by which it will gauge the English-language capabilities of certain prospective appointees. I would expect that the VA may choose to accept, at least initially, successful completion of the English-language proficiency test which is part of the examination provided by the Educational Committee for Foreign Medical Graduates—as that examination was modified in January 1974—as well as of the visa qualifying examination which, under Public Law 94–484, the Health Professions Educational Assistance Act of 1976, must be passed by newly immigrating foreign physicians. In the cases of certain physicians and other health-care personnel who have not passed either of those examinations, the VA should be able to administer, or arrange for the administration of, the English-proficiency test included in those examinations.

It is my understanding that an individual who has passed the English-language proficiency part of those tests is very likely to have adequate capability in reading and writing the English language and in understanding spoken English, but that that examination does not directly measure the individual's ability to express himself or herself adequately in spoken English. Therefore, I believe that the VA must address itself to the question of how to assess adequately and fairly the capabilities of prospective appointees to express themselves orally in English.

In this regard, I am confident that other government agencies, such as the Foreign Service Institute, with great experience and expertise in this area will be able and willing to provide valuable assistance to the VA. Certain tests, although not perfect, already exist to provide a starting point for determining such speaking proficiency.

Mr. President, I appreciate the fact that it may not be possible for the VA, immediately upon enactment of this measure or within the next several months, to find or develop a fully adequate instrument by which to test the English-language proficiency of its new health-care personnel. This legislation is not intended to impose upon the VA any absolute requirement that it immediately go beyond the current state of the art in the language-testing field. However, it is expected that the VA will proceed with diligence and expeditiousness—characteristics which, regrettably, have not characterized prior activities of the Department of Medicine and Surgery in this field—in consultation with those persons and agencies with expertise in this field and, within a reasonable period of time, identify or develop an effective and fair means of accurately assessing the spoken-English proficiency of its new health-care personnel who have direct patient-care responsibilities.

Moreover, Mr. President, the committee stresses that it believes the same diligence and expeditiousness are in order with respect to the development of methods for testing, and, in certain instances for personnel hired before January 1, 1978, training VA health-care workers in terms of identifying persons across the country who are qualified to test and train in English-language proficiency. There are tens of thousands of Americans around the country who have taught English overseas and there are numerous persons and experts at colleges and universities and in adult secondary education programs with considerable skill and sensitivity in this field.

Finally, the committee stresses that the period until January 1, 1978, provided at VA request to prepare to apply appointment standards for new appointees, must not be seen as an "open season" for laxity in making new appointments. Rather, the committee intends to provide greater flexibility during this gearing-up period, but only in the context of the provision in the compromise agreement that reasonable steps must be taken over this next 2 months to assure that new appointees possess the requisite communications capabilities.

Such new appointees should be explicitly advised in writing and verbally that such proficiency is a condition of their appointment and that, if there is any deficiency in this area, they will be expected to work assiduously to overcome it as quickly as possible.

Mr. President, the committee plans to monitor closely the VA's performance in this extremely important area.

CONCLUSION

Mr. President, the VA's special-pay authority expired on September 30 of this year; and I believe that it is extremely important to the VA's ability to provide quality health care services to this Nation's disabled veterans that this authority be extended, as is provided for in this measure. The compromise agreement, as I indicated earlier, contains provision for the retroactive payment of special pay to those eligible physicians and dentists who are appointed during the period October 1 through the date of enactment of this measure. Therefore, I do not believe that the VA has experienced any significant recruitment and retention difficulties up to this point. However, further delay in enactment could begin to jeopardize seriously the VA's continuing capability to provide quality care. Thus, I urge support for the agreement in the substitute amendment.

In closing, I would like to express my gratitude to the chairman of the Subcommittee on Medical Facilities and Benefits of the House Committee on Veterans' Affairs (Mr. SATTERFIELD) and the chairman of that committee (Mr. ROBERTS), as well as its ranking minority member (Mr. HAMMERSCHMIDT), for their fine cooperation and excellent contributions in fashioning this compromise agreement. I am also very grateful to my distinguished colleagues, the ranking minority member of the Senate Committee on Veterans' Affairs, the Senator from Vermont (Mr. STAFFORD), and the ranking minority member of the Subcommittee on Health and Readjustment, the Senator from South Carolina (Mr. THURMOND), for their outstanding contributions and cooperation in fashioning this agreement. In addition, I would like to congratulate the several members of the House committee staff who, with diligence and great expertise, worked very hard in the development of this measure—Mack Fleming, Ralph Casteel, and John Holden, as well as the members of our committee staff—Ed Scott, Jon Steinberg, Ellen Miyasato, Louise Ringwalt, Garner Shriver, Gary Crawford, and Harold Carter.

Mr. CRANSTON. Third reading, Mr. President.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on agreeing to Mr. CRANSTON'S amendment No. 1620 in the nature of a substitute.

The amendment was agreed to.

The PRESIDING OFFICER (Mr. MELCHER). The question is on the engrossment of the committee amendment and third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

So the bill (H.R. 8175), as amended, was passed.

Mr. CRANSTON. Mr. President, I move that the title be amended.

The PRESIDING OFFICER. The question is on agreeing to amendment of the title.

The title was amended so as to read:

"An Act to amend the Veterans' Administration Act of 1975, as amended, in order to extend the authority to enter into special-pay agreements with physicians and dentists; to amend title 38 of the United States Code to modify certain provisions relating to special-pay agreements; and for other purposes."

Mr. CRANSTON. Mr. President, I ask unanimous consent that H.R. 8175 be printed as passed by the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, I ask unanimous consent that Jon Steinberg and Harold Gross may have the privilege of the floor during consideration of H.R. 9346.

The PRESIDING OFFICER. Without objection, it is so ordered.

SOCIAL SECURITY FINANCING AMENDMENTS OF 1977

The PRESIDING OFFICER. The Senate will now resume consideration of the unfinished business.

The Senate continued with consideration of H.R. 9346.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. GOLDWATER. Mr. President, may I have the attention of the majority leader?

Has there been a time limit agreed to on this amendment?

The PRESIDING OFFICER (Mr. RIEGLE). The Chair advises the Senator that there has been a 1-hour time limit placed on his amendment subject to the approval of the Senator from Wisconsin and the Senator from Kansas.

Mr. NELSON. I wonder if it is agreeable to make it an hour and a half? We may yield some back. That would be divided equally. There were four or five I had not talked to who said they want to talk to it briefly. The Senator from Arizona knows what "briefly" means around here. Why not agree on an hour and a half, if there is time left, we can yield it back.

Mr. CHURCH. Will the Senator yield for a question?

Mr. NELSON. Yes.

Mr. CHURCH. Is this a unanimous-consent request being propounded?

Mr. NELSON. There is already an agreement, I understand, to limit it to 1 hour. I am asking to make it an hour and a half.

Mr. CHURCH. May I ask if that hour and a half request accommodates amendments to the amendment being offered by the Senator from Arizona?

Mr. NELSON. The majority leader tells me it does not. I have not seen the agreement.

Mr. CHURCH. Does the unanimous-consent agreement prohibit an amendment in the nature of a substitute?

Mr. ROBERT C. BYRD. It would not prohibit an amendment. At the close of the hour, the Senator could offer an amendment.

Mr. CHURCH. I place the Senate on notice that I shall have an amendment in the nature of a substitute to offer. I want to preserve my right to do so.

I ask that the same amount of time be given to the amendment in the nature of a substitute, which I shall offer, as has been given to the Senator from Arizona for the debate on his amendment.

Mr. NELSON. That would be a total of 3 hours.

Mr. GOLDWATER. Will the Senator yield at that point?

Mr. CHURCH. One hour is sufficient for me, equally divided.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. Reserving the right to object, Mr. President. The Senator from Kansas wants to make certain he understands what the agreement is or would be if it is approved. Can anybody advise me? There would be an hour on the Goldwater amendment.

Mr. NELSON. An hour and a half.

Mr. DOLE. With an up or down vote?

Mr. NELSON. I am not going to——

Mr. CHURCH. At the expiration of that hour and a half, or such time as is actually consumed, it is my intention to offer an amendment in the nature of a substitute, for which I would like to have an hour's time for debate.

The PRESIDING OFFICER. Is there objection?

The Chair hears no objection. Without objection, it is so ordered.

The question occurs on the amendment of the Senator from New York.

Mr. GOLDWATER. Mr. President, who has the floor?

The PRESIDING OFFICER. The Chair is advised that the Senator from Arizona has the floor, but the business before the Senate at the moment is the amendment of the Senator from New York.

Mr. GOLDWATER. Will the Chair say that again?

The PRESIDING OFFICER. The Chair advises that the pending question is the amendment of the Senator from New York. That is the business at the moment.

Mr. GOLDWATER. Before I yield the floor for that purpose, I ask unanimous consent that Bruce Thompson and John Mervin of Senator ROTH'S staff and Terry Emerson of my staff be accorded the privileges of the floor during the debate on this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GOLDWATER. Also, I ask unanimous consent that, at the expiration of the business of the Senator from New York, I be recognized to offer my amendment.

The PRESIDING OFFICER. Is there objection? Is there any objection to the amendment being in order at this time?

Mr. NELSON. What is the request? Do I understand that the pending amendment is the amendment of the junior Senator from New York?

The PRESIDING OFFICER. That is correct.

Mr. NELSON. And what is the request?

The PRESIDING OFFICER. The Senator from Arizona has asked unanimous consent that his amendment be in order at this time.

Mr. GOLDWATER. No, following that of the Senator from New York.

I ask further unanimous consent that, following my amendment, an amendment

of Senator ROTH occur. He was so kind as to give up his place to me.

Mr. DECONCINI. Reserving the right to object, what was the second unanimous-consent request?

Mr. GOLDWATER. I asked unanimous consent that Senator ROTH be recognized following the disposition of my amendment, because he was so kind as to yield his place to me.

I recognize that my colleague from Arizona has a little problem of departure and if the Chair has no objection and he wants to say a few words about this before he leaves, I do not think anybody would object.

Mr. DECONCINI. If it please the Chair, I have an amendment I had hoped to offer after the senior Senator from Arizona offered his amendment and the Senator from Idaho offered his substitute, so I shall have to object to the unanimous consent for Senator ROTH to be considered next.

The PRESIDING OFFICER. Objection is heard.

Does the Senator from Arizona want to restate his unanimous-consent request without the provision for the Roth amendment?

Mr. GOLDWATER. No, I shall not make that request. It is perfectly all right with Senator ROTH that Senator DECONCINI follow me, and he will take his place in line.

A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GOLDWATER. What is the business now.

The PRESIDING OFFICER. The Senate is not in order. Let us have order in the Chamber. Several questions have been raised and before responding, I think it is important that we have order in the Senate.

The pending order of business is the amendment of the Senator from New York.

Mr. GOLDWATER. Is there a time limit on that?

The PRESIDING OFFICER. There is no time limit.

Is there objection to the amendment of the Senator—does the Senator from Arizona wish to have the Chair put his unanimous-consent request forward?

Mr. GOLDWATER. Yes.

The PRESIDING OFFICER. Perhaps I ought to restate it. I am not sure everyone here understands.

Mr. GOLDWATER. I thought the Chair had ruled on it. I had merely asked unanimous consent that I be recognized following the disposition of the amendment of the junior Senator from New York.

The PRESIDING OFFICER. That part has been agreed to.

Mr. GOLDWATER. There was objection raised to the other part.

The PRESIDING OFFICER. Does the Senator wish, then, to amend his unanimous-consent request so that the Senator from Arizona (Mr. DECONCINI) might proceed following the disposition of his amendment, and, following that, Mr. ROTH of Delaware?

Mr. GOLDWATER. I thought that had been handled by the objection raised by Senator DECONCINI. I think we generally understand what is going to take place.

I ask unanimous consent that Senator DECONCINI be recognized following the completion of my amendment.

Mr. DECONCINI. Following the completion of the amendment of the senior Senator from Arizona and the substitute by the Senator from Idaho.

Mr. CURTIS. Reserving the right to object, I shall not object.

How long does that take us into the day?

The PRESIDING OFFICER. Is there objection, then, to the unanimous-consent request?

Mr. THURMOND. Reserving the right to object, Mr. President, I understood that I was to follow the Goldwater amendment with my amendment. I was willing to give way to the distinguished Senator from Arizona if he is catching a plane; otherwise, I shall be forced to object unless I can follow him. I think there is a chance that my amendment, if I am assured of a hearing, can go off in about 10 minutes.

The PRESIDING OFFICER. Is there objection then to the request of the Senator from South Carolina to follow with his amendment?

Mr. THURMOND. Unless my amendment can follow the distinguished Senator from Arizona.

Mr. ROTH. I will object unless mine follows.

The PRESIDING OFFICER. The Chair will put the unanimous-consent request, restate it for the benefit of the Members here, and that is that following the disposition of the amendment of the Senator from New York, the senior Senator from Arizona will present his amendment, that will be disposed of along with the substitute by the Senator from Idaho, that to be followed by the amendment of the junior Senator from Arizona, that to be followed by the Senator from South Carolina, that to be followed by the Senator from Delaware (Mr. ROTH), and that is the request.

Is there objection to it?

Mr. CURTIS. Reserving the right to object, Mr. President.

The PRESIDING OFFICER. The Senator from Nebraska reserves the right to object.

Mr. CURTIS. On how many of these amendments is there time fixed?

The PRESIDING OFFICER. The Chair would advise that on only two of those amendments have there been time agreements reached. The one of the senior Senator from Arizona, which is an hour and a half, and the one of the Senator from Idaho, which is an hour. The rest are without time limits.

Mr. CHURCH. Reserving the right to object——

Mr. CURTIS. I do not want to bring problems for anybody. I am inclinded to think when this involves four or five different amendments that perhaps the leadership ought to meet with those people and try to work out something, rather than just doing as we are. But that would call for withdrawing the unanimous-consent request.

I had hoped that sometime, by 2:45, I could have a vote on my second amendment dealing with financing social security.

That is the reason before I consent to this I want to know how much time they are going to take.

Mr. GOLDWATER. If the Senator will yield, I think if he would allow the junior Senator from New York to proceed, and he says he is only going to go for 10 minutes, and then allow us to take up ours, I can assure the Senator we will not use 1½ hours and I do not believe the Senator from Idaho will use an hour. So if we will get this show on the road, I think the Senator can have his vote at 2:45.

Mr. CURTIS. Will the Senator withdraw his request and let us proceed with the Moynihan amendment and then restate it?

Mr. GOLDWATER. What is that?

Mr. CURTIS. Would the Senator withdraw his request?

Mr. GOLDWATER. No. I have been around here too long.

The PRESIDING OFFICER. The matter then is before the Senate. Is there objection?

The Chair hears no objection. Without objection, it is so ordered.

The Senator from New York.

UP AMENDMENT NO. 1051

(REPLACEMENT FOR AMENDMENT NO. 1618)

Mr. MOYNIHAN. Mr. President, I thank the Chair and my colleagues for making this intervention possible. I shall be as brief as I can.

Mr. President, the administration, on whose behalf I am offering this amendment, has made some technical corrections in the draft which I submitted last evening.

Accordingly, I ask unanimous consent that the revised amendment I am now sending to the desk be substituted for the one I offered yesterday.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will state the modification of the amendment of the Senator from New York.

The assistant legislative clerk read as follows:

The Senator from New York (Mr. MOYNIHAN) proposes an unprinted amendment numbered 1051.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike out section 305 and substitute in lieu thereof, the following:

SECTION 1. (a) Section 402(a)(7) of the Social Security Act is amended by striking out "any" before "expenses" and by inserting before the semicolon at the end thereof the following: "which, for expenses other than for the care of a dependent child, shall be based on a percentage of not less than 15 percent nor more than 25 percent of the total of such earned income for such month, which percentage shall be established subject to methods and standards prescribed by the Secretary to assure that the percentage is related to actual work expenses, and which for expenses for the care of a dependent child shall provide an amount equal to any such expenses, subject to such reasonable limits as the State shall prescribe pursuant to meth-

ods and standards prescribed by the Secretary, to assure that the limits allow an amount which fairly recognizes the actual child care expense incurred;"

(b) Section 402(a)(8)(A)(ii) of such Act is amended by striking out "the first $30 of the total of such earned income for such month plus one-third of the remainder of such income for such month" and inserting instead "the first $30 of the total of such earned income for such month plus an amount equal to any expenses which are for the care of a dependent child plus an amount equal to other expenses reasonably attributable to the earning of any such income (as established pursuant to clause (7)) plus one-third of the remainder of such income after deducting $30, plus the amount equal to any expenses which are for the care of a dependent child plus the amount established by the State for other expenses reasonably attributable to the earning of such income (as established pursuant to clause (7)).

(c) The amendments made by this section shall be effective with respect to payments under section 403 of the Social Security Act for amounts expended during calendar months after December 1977.

Mr. MOYNIHAN. Mr. President, this amendment is, in a way, a substitute to a provision in the committee bill which is now before us. It has to do with the technical issue of what is known in the language of social welfare as the earned income disregard.

In 1967, Mr. President, the Congress, in an effort to provide AFDC mothers with an incentive to work, adopted the so-called 30 and one-third formula whereby the recipients were enabled to disregard the first $30 of their earnings, plus a third of the subsequent earnings thereafter, plus actual work expenses, taxes and child care costs.

We have now had a decade of experience with this, Mr. President. But we do not seem to have any information about what have been the consequences.

Dr. Blanche Bernstein, who until recently was a deputy commissioner of social services in New York State, testified in July that it is "at least doubtful" the 30 and one-third has ever been a significant incentive to work.

The proportion of AFDC mothers in New York City, for example, who are employed, has remained stable at about 6 percent for years and the numbers that leave the welfare rolls because they obtained jobs have remained low, at about 4 percent.

I note that the percentage of welfare recipients, with jobs in New York City is about 6 percent, a figure well below the national ratio of working mothers.

Miss Bernstein writes that the "main effect" of this arrangement has been "to create a permanent class of welfare recipients for it is unlikely that most of the women who come on to the AFDC program will ever command jobs which will pay salaries substantially above the average for all wage earners."

I have spoken to the Commissioner of Social Security, Mr. Cardwell, who agrees that there is no information on the subject excepting this: We do not know that the present arrangements have made it possible to continue receiving welfare and associated benefits, such as medicaid, well into an income range where no one was indigent.

Miss Bernstein estimates that under certain circumstances persons can earn up to $29,000 a year under this formula and still receive some marginal welfare benefits, as well as retaining their entitlement to medicaid, which is not marginal at all.

There is now a general agreement that it should be changed.

The Senate Finance Committee has twice before adopted the formula which is in the present bill, which provides for a scaling down of the disregard, such that this hypothetical person with a $29,000 income is no longer eligible for it.

The difficulty with the Finance Committee's proposal is that it cuts off too much. It reduces the marginal rate of income retained, to almost nothing, and possibly, in some circumstances, to a negative rate, such that to earn $1 costs $1.05. The mathematics of these particular income formulas are discouraging and sometimes bewildering.

But because this is so and because the sole purpose of the disregard has been to encourage work, the administration proposes a substitute formula.

It works to the same objectives as does the committee measure. As much as consistency can be obtained in this world, in which one measure invariably defeats or subverts another, the administration formula does so.

Mr. President, there is no wisdom in this matter; worse, there is not even much information. The Department of Health, Education, and Welfare allows that it does not know anything about the effects of this provision one way or the other.

On the face of it, the present arrangements provide benefits to persons whom no one ever anticipated would receive them. Such is the inexorable mathematics of marginal rates of taxation, and it is the dilemma which faces all programs of this kind.

The committee bill is estimated by the committee to reduce the total cost of the AFDC program by $230 million. The administration measure would reduce it by $119 million.

I submit that there is a choice here between the amount of money to be saved; but also, I think that a reasonable person, looking at the effects of the committee measure on marginal rates of earnings, would have to agree that it has destroyed any incentive to additional earnings, and it was to create such incentives that the original formulas were adopted .

That, Mr. President, is as much as I would like to present formally, and I would be happy to answer any questions.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. MOYNIHAN. I yield.

Mr. JAVITS. Mr. President, I support the Senator, and I shall vote for his substitute. So few of the AFDC mothers—and that is what it really comes down to—are at work. From my own experience in one of the biggest centers of that—to wit, New York City—I deeply feel it is because of lack of incentive. The rearrangement which the Senator has in mind, I believe—and I agree with him—would reduce the disincentive to work that the committee bill contains and yet maintain its provisions for simplification of administration and tightening of abuses in the area of work-related expenses.

Senator Moynihan's amendment would require States to put a cap on work-related expenses between 15 and 25 percent of gross income. This would prevent abuse of the work-expense deduction I have been in this Chamber for many years when the argument has been made about the AFDC mothers who travel to work in gold-plated Cadillacs. Aside from the administrative efficiency of a percentage, which is very great—and if there is any place where we should cut redtape, it is here—the thing that appeals to me is the fact that it can be an answer to the idea that people who are on welfare are riding to work and otherwise carrying on in some kind of luxurious style. I have heard more of that thrown at this program than anything else I know of.

I think that the Senator, by his provision, which is the administration provision, will help very materially in cleaning up that situation.

Mr. MOYNIHAN. I thank my senior colleague.

Mr. President, reserving the right to reply, I now have concluded my formal statement on the matter. I see that my distinguished associate in the Finance Committee, the revered Senator from Nebraska, has risen, and I accordingly accede.

Mr. CURTIS. I thank my distinguished colleague. He is such a charming gentleman that he starts out with considerable advantage. He can garner a number of votes beyond the merits of the proposition he is advancing. So it is with considerable timidity that I rise to oppose his amendment.

Here is the situation: There is a provision in the bill, and the estimate is that if it stays there, it will save $230 million in welfare costs. If the substitute of the distinguished Senator from New York is adopted, the savings will drop down to about $119 million annually.

It comes about in this manner. Congress wants to do something to encourage welfare mothers to work, so that they can break out of welfare and get a job. What Congress has done is this: It has said that certain earnings shall be disregarded and will not be counted against the recipient. The mother can earn that much money and still draw AFDC benefits.

The controversy is not over working or not, incentive or not. It is how much incentive, and what is the formula? The formula in the law for a disregard of earnings that do not count against the welfare recipient have proved that it needs to be rewritten and tightened up. That is the reason why the Senate Committee on Finance put it in this bill. The provision in the bill now has passed the Senate twice. It has been approved by the Committee on Finance three times. If it prevails, we save $230 million a year. If the substitute or the alternative of the

distinguished Senator from New York is adopted, it will save a lesser amount.

What is the practical effect of the two? If the committee version prevails, the top limit that anyone could earn, under any circumstances, and still be on AFDC rolls, for a family of four, would be $11,000 a year or a little more. If the amendment of the distinguished Senator from New York prevails, it will be possible in some cases for an AFDC recipient to have earnings as much as a little over $16,000 a year and still be on welfare.

Therefore, I believe that the Senate should reaffirm what it has passed on two other occasions and leave the committee language in there, for the greater saving. If it prevails, it still will be possible, under certain circumstances, the way the formula works, for an AFDC recipient to have outside earnings of as much as $11,000, and I think that is appropriate.

I do not think we should jeopardize the welfare program and cause the public scorn to focus on it and be critical of Congress because we permit a disregard of earnings for an AFDC recipient which can run as high as $16,000 for a family of four.

Therefore, I oppose the amendment, and I am ready to vote.

Mr. MOYNIHAN. Mr. President, I will respond very briefly.

First, I thank the Senator from Nebraska.

The one thing the Committee on Finance can say is that we have agreed on these numbers. The Senator is entirely correct.

The present arrangement permits earning up to the $29,000 level. The committee's measure would put a ceiling in effect of about $11,000. The administration proposed about $16,000.

The point I wish to make, and I shall not try the patience of this body to lecture on the marginal rates of taxation in the measure, is that this is an incentive program. Yet for a mother earning less than the minimum wage, earning about $85 a week, under the committee measure for each additional dollar she would earn she would retain only 13 cents.

The administration measure is scarcely more adept at its avowed social purpose. At the $330 a month level, the marginal rate of taxation is 77 percent, leaving 23 percent for each dollar earned.

There does not seem to be any way out of this arithmetical dilemma. What its consequences are, few know. But with the incongruity of the present arrangements agreed upon, the Senate faces a choice between scaling down the disregard to levels which the adminstration feels and which I feel will defeat the purpose of the program, and the amendment we offer by way of a substitute which is a measure that is considerable but yet not, as we would think, extreme.

I should now like to elaborate somewhat on my earlier remarks, which I intentionally kept brief so that the Senate could move expeditiously to the many matters before it today.

My amendment, fully supported by, and introduced at the behest of, the Carter administration, would modify slightly the Finance Committee bill with respect to the "earned income disregard." This is the element of the AFDC program that prescribes how much in the way of private earnings a welfare recipient is permitted to retain without losing welfare benefits.

It is a complicated formula and therefore all proposed revisions in its are equally complex.

As background, I shall quote from testimony offered before the House Committee on Government Operations in July 1977, by Dr. Blanche Bernstein, a widely recognized authority on welfare and, until recently, deputy commissioner for income maintenance of the New York State Department of Social Services:

> In its efforts to provide AFDC mothers with an incentive to work, the Congress in 1967 adopted the income disregard of $30 plus a third of remaining monthly income as well as actual work expenses, taxes, and child care costs. As a result it is possible for an AFDC mother with three children to remain on welfare, albeit with a small cash grant, until her income reaches $29,000 per year, and as long as she is on welfare she remains eligible for medicaid for herself and her children.
>
> It is at least doubtful that 30 and a third has ever been a significant incentive to work—the percentage of AFDC mothers in New York City who are employed has remained stable, at about six percent, for years, and the numbers who leave the welfare rolls because they obtained jobs has remained low—fewer than four percent. Its main effect has been to create a permanent class of welfare recipients, for it is unlikely that most of the women who come on to the AFDC program will ever command jobs which will pay salaries substantially above the average for all wage earners. Further, it creates a serious inequity between those who never were on welfare and those who were, to the great disadvantage of the former.
>
> The Administration has submitted a proposal to the Congress to substitute a standard deduction of between 15 and 25 percent of gross income in place of itemized expenses, plus child care costs, plus 30 and one third of remaining income after the standard deduction and child care costs. This is a substantial improvement over the present system but in my view it does not go far enough. It does reduce the cut-off point for a mother with three children from a maximum of $29,000 to a maximum of about $13,800 assuming a 20 percent standard deduction and child care expenses of $200 per month.

I would add two comments to Dr. Bernstein's reflections. First, with respect to the estimate that the proportion of AFDC mothers in New York City who are employed has remained relatively constant at about 6 percent for some years, I would contrast the fact that, nationwide, some 15,461,000 women with children under the age of 18 were working in March 1977, and that this comprises approximately 50.7 percent of all women with minor children.

As for the "incentive effect" of the present income disregard, I inquired of Mr. Bruce Cardwell, the Commissioner of Social Security, whether the Department of Health, Education, and Welfare has available any research findings on this point. He stated that, to his knowledge, no definitive information is available.

One would think this a matter susceptible to disciplined social science inquiry, but evidently the necessary research has not been done. We are, therefore, forced to make judgments based on impressions and suppositions. Yet it is not an unimportant issue. For if the earned income disregard is too generous, then persons with rather high incomes will remain eligible for welfare benefits. But if it is too stern, it seems likely that we will erode the economic rationale for welfare recipients to go to work. For if the "marginal tax rate" on earnings is too high, one does not improve one's financial situation as a consequence of working.

Practically everyone agrees that the earned income disregard in the present law is wasteful. In New York, as Dr. Bernstein has shown, it is possible, albeit not likely, for a welfare recipient to earn up to $29,000 a year before the last dollar of that recipient's benefits would vanish. And while the cash payment at those higher income levels would be small, the family receiving it would also retain full eligibility for medicaid.

We would agree that it is a mistake for the welfare program to subsidize the middle class at the expense of the indigent and the working poor. The earned income disregard must be tightened. The administration wants this to be done; indeed, that is one of the notable elements of the President's long-range welfare reform plan. The Committee on Finance also wants this to be done. The question is how much.

In my view, and that of the Secretary of Health, Education, and Welfare, the committee approach is somewhat too severe. It saves additional money, to be sure, but it does so by reducing benefits so much that whatever impetus to work may result from the present disregard would be eroded.

My amendment, which is the earned income disregard proposed by Secretary Califano last May, save for a few technical corrections, would allow a more adequate income for many of our neediest citizens.

This last is not an unimportant point. Welfare recipients bear a particularly heavy burden when the economy is in an inflationary period. Their income includes scant margin for fluctuations in the prices of essential goods and services. Surely we would not wish to modify the earned income disregard in such a way as to aggravate the hardship of a mother trying, with scant help from anyone else, to rear several small, fatherless children.

The present law allows the recipient to "disregard": First, the first $30 of his or her monthly earnings; second, one-third of all remaining earnings; third, the total amount of child care costs; and fourth, the total amount of other work-related expenses. Let us consider its effect on a typical, if necessarily hypothetical family. Since the average AFDC family in the United States, as of July 1977, contained 3.1 persons, and since the AFDC benefit guarantee level for a family of three with no other income was $261 in the median state during that same month, it is instructive to examine the impact of the

earned income disregard on such a family. Let us assume that the head of the family has earnings of $125 a week, or $500 per month, has $150 in child care expenses, and $100 in other work expenses.

Under present law, a recipient in those circumstances would be entitled to a disregard of $447, which means her monthly AFDC benefit would be reduced to $208. Her gross monthly income would then total $708, or an annual rate of $8,496.

The Committee on Finance has proposed—and the Senate has twice previously agreed—to change this formula quite drastically. Under the new formula contained in this bill, an AFDC recipient would be allowed to disregard the first $60 of monthly earnings, a limited amount of child care costs, no additional work-related expenses, one-third of the next $300 in earnings, and 20 percent of any amount earned above that level. Under the example I gave, that formula would yield a disregard of $307, assuming the entire actual amount of child care expenses was allowed, and would thus shrink the monthly benefit to $68. The gross monthly income would then be $568 for an annual rate of $6,816.

In an attempt to find a satisfactory middle ground, the administration amendment which I have offered would disregard the first $30 in monthly benefits; would disregard actual child care expenses under a limit prescribed by the Secretary; would allow 15 to 25 percent of total earnings—the actual rate to be determined by the State, under regulations prescribed by the Secretary—for other work-related expenses; and to allow a further disregard of one third of all earnings in excess of the basic, child-care and work-expense disregards. Under my example, assuming that the entire $150 in child care expenses was allowed, and assuming further that the State determined 20 percent to be the appropriate work allowance, the recipient would receive a total disregard of $353. This would leave a monthly benefit of $114, a gross monthly income of $614, and an annual income of $7,368.

I believe this is a reasonable approach. It would save an amount estimated by the Committee on Finance to be $119 million per annum, as compared with present law.

The final point I would wish to make concerns the "marginal tax rates" implicit in these two alternative formulas. According to administration calculations, if the Finance Committee bill were adopted, an AFDC recipient with earnings between $334 and $360 per month would have a marginal tax rate of 87 percent. Those earning above $360 monthly would face a marginal rate of 96 percent. Those whose earnings brought them into the range where they would be paying Federal income taxes could actually find themselves with a marginal rate in excess of 100 percent, meaning that for each additional dollar they earned they would lose more than $1 in net income.

Under the provisions of my amendment, the marginal tax rate for an AFDC recipient earning more than $333 monthly—and assuming that the State chose 20 percent as the work expense allowance—would be 77 percent. This is still high, but not absurdly so.

In sum, I regard this amendment to be a reasonable compromise between the present law, which clearly needs to be changed, and the committee bill, which I believe is somewhat too severe in this regard. I urge the adoption of my amendment.

Mr. CRANSTON. Mr. President, while I am voting for the Moynihan amendment today, I do so reluctantly and because I believe it to be less harsh in its application to AFDC recipients in California. I am concerned, however, that this amendment to the present law, governing the earned income of certain AFDC recipients, is at best an imperfect and probably an excessive solution to the problem of excessive amounts of work-related expenses that have been claimed by some AFDC recipients. The present law contains no statutory cap on the amounts of these expenses which may be deducted by AFDC recipients who incur extra costs when they take full or part-time jobs in an attempt to supplement their family's income. As a result there may have been excessive deductions in some cases; however, I do not want to solve that problem by also reducing the incentive of persons to find those extra jobs which necessarily include legitimate extra costs.

In addition I believe that this provision should be more appropriately considered as part of the administration's welfare reform proposals rather than being prejudged at this time. I hope that the conferees will carefully evaluate the full impact and appropriateness of including this provision as part of their final conference product.

Mr. MOYNIHAN. Mr. President, I have no further comments to make.

I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New York. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Arkansas (Mr. BUMPERS), the Senator from Alaska (Mr. GRAVEL), the Senator from Maine (Mr. HATHAWAY), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Arkansas (Mr. MCCLELLAN), and the Senator from Tennessee (Mr. SASSER) are necessarily absent.

I also announce that the Senator from Maine (Mr. MUSKIE) is absent because of illness.

Mr. STEVENS. I announce that the Senator from Utah (Mr. HATCH), the Senator from California (Mr. HAYAKAWA), the Senator from Nevada (Mr. LAXALT), the Senator from Kansas (Mr. PEARSON), the Senator from New Mexico (Mr. SCHMITT), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I also announce that the Senator from Virginia (Mr. SCOTT) is absent on official business.

The result was announced—yeas 42, nays 43, as follows:

[Rollcall Vote No. 619 Leg.]

YEAS—42

Abourezk	Haskell	Metzenbaum
Anderson	Heinz	Moynihan
Bayh	Inouye	Nelson
Biden	Jackson	Pell
Brooke	Javits	Proxmire
Burdick	Kennedy	Randolph
Case	Leahy	Ribicoff
Chafee	Lugar	Riegle
Clark	Magnuson	Sarbanes
Cranston	Mathias	Sparkman
Danforth	Matsunaga	Stafford
DeConcini	McGovern	Stevenson
Eagleton	Melcher	Stone
Hart	Metcalf	Williams

NAYS—43

Allen	Durkin	Morgan
Baker	Eastland	Nunn
Bartlett	Ford	Packwood
Bellmon	Garn	Percy
Bentsen	Glenn	Roth
Byrd, Harry F., Jr.	Goldwater	Schweiker
	Griffin	Stennis
Byrd, Robert C.	Hansen	Stevens
Cannon	Hatfield	Talmadge
Chiles	Helms	Thurmond
Church	Hollings	Tower
Culver	Johnston	Wallop
Curtis	Long	Young
Dole	McClure	Zorinsky
Domenici	McIntyre	

NOT VOTING—15

Bumpers	Huddleston	Pearson
Gravel	Humphrey	Sasser
Hatch	Laxalt	Schmitt
Hathaway	McClellan	Scott
Hayakawa	Muskie	Weicker

So Mr. MOYNIHAN's amendment (UP amendment No. 1051) was rejected.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. CURTIS. I move to lay that motion on the table.

Mr. LONG. Point of order, Mr. President.

Several Senators addressed the Chair.

The PRESIDING OFFICER (Mr. MELCHER). The Senator from Nebraska.

Mr. CURTIS. A point of order, Mr. President. A motion to reconsider must be made from the prevailing side.

The PRESIDING OFFICER. The Senator is correct. The motion must be made by a Senator who voted on the prevailing side or by a Senator who has not voted. The motion by the Senator from New York is not in order.

Mr. CURTIS. Mr. President, what is the pending business?

The PRESIDING OFFICER. The Senator from Arizona is recognized to offer an amendment.

UP AMENDMENT NO. 1052

(Purpose: Relating to repeal of earnings test for individuals age 65 and over.)

Mr. GOLDWATER. Mr. President, I send an amendment to the desk and ask for its immediate consideration. This amendment is offered for myself and 17 other Senators.

The PRESIDING OFFICER. The amendment will be stated.

Mr. CURTIS. Mr. President, may we have order so we can hear the Senator from Arizona?

The PRESIDING OFFICER. May we have order, please?

The Senate will have to be in order so we can have the clerk state the amendment.

The amendment will be stated.

The legislative clerk read as follows:

The Senator from Arizona (Mr. GOLDWATER), for himself, Mr. DOLE, Mr. DECONCINI, Mr. BAYH, Mr. STONE, Mr. STEVENS, Mr. THURMOND, Mr. HATFIELD, Mr. HELMS, Mr. BAKER, Mr. LAXALT, Mr. BARTLETT, Mr. DOMENICI, Mr. LUGAR, Mr. ALLEN, Mr. ROTH, Mr. PACKWOOD, Mr. RANDOLPH, and Mr. MORGAN, proposes an unprinted amendment numbered 1052.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that the further reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike out section 121 of the Act (together with the caption thereto) and insert in lieu thereof the following:

LIBERALIZATION AND EVENTUAL REPEAL OF EARNINGS TEST FOR INDIVIDUALS AGE 65 AND OVER

SEC. 121. (a) Section 203(f)(8)(A) of the Social Security Act is amended by striking out "a new exempt amount which shall be effective (unless such new exempt amount is prevented from becoming effective by subparagraph (C) of this paragraph) with respect to any individual's taxable year which ends after the calendar year" and inserting in lieu thereof "the new exempt amounts (separately stated for individuals described in subparagraph (D) and for other individuals) which are to be applicable (unless prevented from becoming effective by subparagraph (C)) with respect to taxable years ending in (or with the close of) the calendar year after the calendar year".

(b)(1) Section 203(f)(8)(B) of such Act is amended by striking out "The exempt amount for each month of a particular taxable year shall be" in the matter preceding clause (i) and inserting in lieu thereof "Except as otherwise provided in subparagraph (D), the exempt amount which is applicable to individuals described in such subparagraph and the exempt amount which is applicable to other individuals, for each month of a particular taxable year, shall each be".

(2) Section 203(f)(8)(B)(i) of such Act is amended by striking out "the exempt amount" and inserting in lieu thereof "the corresponding exempt amount".

(3) The last sentence of section 203(f)(8)(B) of such Act is amended by striking out "the exempt amount" and inserting in lieu thereof "an exempt amount".

(c)(1) Section 203(f)(8) of such Act is further amended by adding at the end thereof the following new subparagraph:

"(D) Notwithstanding any other provision of this subsection, the exempt amount which is applicable to an individual who has attained age 65 before the close of the taxable year involved—

"(i) shall be $333.33⅓ for each month of any taxable year ending after 1977 and before 1979,

"(ii) shall be $375 for each month of any taxable year ending after 1978 and before 1980,

"(iii) shall be $416.66⅔ for each month of any taxable year ending after 1979 and before 1981, and

"(iv) shall be $458.33⅓ for each month of any taxable year ending after 1980 and before 1982.".

(2) No notification with respect to an increased exempt amount for individuals described in section 203(f)(8)(D) of the Social Security Act (as added by paragraph (1) of this subsection) shall be required under the last sentence of section 203(f)(8)(B) of such Act in 1977, 1978, 1979, or 1980; and section 203(f)(8)(C) of such Act shall not prevent the new exempt amount determined and published under section 203(f)(8)(A) in 1977 from becoming effective to the extent that such new exempt amount applies to individuals other than those described in section 203(f)(8)(D) of such Act (as so added).

(d) Subsections (f)(1), (f)(3), (f)(4)(B), and (h)(1)(A) of section 203 of such Act are each amended by striking out "$200 or the exempt amount" and inserting in lieu thereof "the applicable exempt amount".

(e) Subject to subsection (f), the amendments made by the preceding provisions of this section shall apply with respect to taxable years ending after December 1977.

(f) Effective with respect to taxable years ending after December 31, 1981—

(1) subsections (d)(1), (f)(1)(B), and (j) of section 203 of the Social Security Act, and subsection (c)(1) of such section 203 (as amended by section 411(i) of this Act), are each amended by striking out "seventy-two" and inserting in lieu thereof "sixty-five";

(2) the last sentence of section 203(c) of such Act (as so amended) is amended by striking out "nor shall any deduction" and all that follows and inserting in lieu thereof "nor shall any deduction be made under this subsection from any widow's or widower's insurance benefit if the widow, surviving divorced wife, widower, or surviving divorced husband involved became entitled to such benefit prior to attaining age 60.";

(3) clause (D) of section 203(f)(1) of such Act is amended to read as follows: "(D) for which such individual is entitled to widow's or widower's insurance benefits if she or he became so entitled prior to attaining age 60, or";

(4) section 203(f)(3) of such Act is amended by striking out "age 72" and inserting in lieu thereof "age 65";

(5) section 203(f)(5)(D) of such Act is repealed;

(6) section 203(h)(1)(A) of such Act is amended by striking out "the age of 72" and "age 72" and inserting in lieu thereof in each instance "age 65";

(7) the heading of section 203(j) of such Act is amended by striking out "Seventy-two" and inserting in lieu thereof "Sixty-five";

(8) subsections (f)(1), (f)(3), (f)(4)(B), and (h)(1)(A) of section 203 of such Act (as amended by section 501(d) of this Act) are each further amended by striking out "the applicable exempt amount" and inserting in lieu thereof "the exempt amount";

(9) the amendments made by subsections (a), (b), and (c)(1) of this section shall cease to be effective; and the provisions of section 203 of such Act (as otherwise amended by the provisions of this Act) shall read as they would if such subsections (a), (b), and (c)(1) had not been enacted.

In the matter proposed to be added to sections 3101 and 3111 of the Internal Revenue Code of 1954 by sections 103(a)(1) and 103(b)(1) of the bill:

In paragraph (3) strike out "5.085" and insert in lieu thereof "5.05";

In paragraph (4) strike out "5.35" and insert in lieu thereof "5.40";

In paragraph (5) strike out "5.65" and insert in lieu thereof "5.70";

In paragraph (6) strike out "6.10" and insert in lieu thereof "6.15";

In paragraph (7) strike out "6.70" and insert in lieu thereof "6.75"; and

In paragraph (8) strike out "7.30" and insert in lieu thereof "7.35".

In the matter proposed to be added to section 1401 of the Internal Revenue Code of 1954 by section 103(c) of the bill:

In paragraph (4) strike out "8.00" and insert in lieu thereof "8.10";

In paragraph (5) strike out "8.50" and insert in lieu thereof "8.55";

In paragraph (6) strike out "9.15" and insert in lieu thereof "9.25";

In paragraph (7) strike out "10.05" and insert in lieu thereof "10.10"; and

In paragraph (8) strike out "10.95" and insert in lieu thereof "11.05".

Mr. DECONCINI. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. GOLDWATER. I yield for that purpose.

Mr. DECONCINI. Mr. President, I ask unanimous consent that Jerry Bonham, of my staff, be granted the privileges of the floor during the consideration of the pending legislation and any votes thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Time on this amendment is limited to 1 hour, to be equally divided. Who yields time?

Mr. GOLDWATER. I yield myself such time as I may require.

Mr NELSON. Mr. President, will the Senator yield?

Mr. GOLDWATER. I will yield on the Senator's time.

Mr. NELSON. Mr. President, this is a very important amendment. I believe the Members who are in the Chamber should have the chance to hear the Senator from Arizona and those in opposition. I would ask that the Chair require that there be order in the Senate Chamber and that those who are continuing to converse be requested to leave the Chamber.

The PRESIDING OFFICER. The Senator is correct. I would hope the Senators will listen to Senator GOLDWATER, and I would hope the staff members, officers and employees in the Senate will do likewise if they want to remain in the Chamber.

The Senator from Arizona.

Mr. GOLDWATER. I thank you, Mr. President, and I thank the Senator from Wisconsin.

Mr. President, before briefly explaining this amendment, I would observe that on S. 146, which is my amendment offered to the bill, I have 34 cosponsors. Senator BAYH has introduced a bill, S. 1455, which does the same thing. He has Senator HUDDLESTON as a cosponsor. We have a total now of 43 Senators who are, to some extent, committed publicly to the repeal of the ceiling.

Mr. President, the amendment would repeal the earnings ceiling on social security benefits for all persons aged 65

and over effective January 1982. The amendment is identical to the Ketchum amendment which passed the House of Representatives last week by the convincing vote of 268 to 149. Both that amendment and ours will phase out the earnings ceiling for older persons over a period of 4 years, from 1978 to 1982. The ceiling, Mr. President, will become $4,000 in 1978, $4,500 in 1979, $5,000 in 1980, $5,500 in 1981, and then be removed entirely for persons 65 and over beginning in 1982.

Mr. President, it is my feeling, and obviously the feeling of a majority of the people in this body and the other body, that the earnings test is an outrageous discrimination against more than 11 million citizens in the age group of 65 to 72.

Mr. President, if persons this age wish to continue working, they must pay a tax of 50 percent. They lose $1 of benefits for every $2 of earnings on all income earned over $3,000 until their benefits are withheld entirely.

Mr. President, let me observe at this point what we are really dealing with. We are not dealing with the funds of the general fund. We are not really dealing with the subject of money. We are dealing, in my opinion, with the subject of morality.

These are people who have paid their money into social security and their employers have matched that money, and that has been paid into social security. This is their money. I repeat: This is their money. It is not the money of the Federal Government. I do not think it is morally right for the Federal Government to say to anyone to whom it owes money, "we are not going to pay you this money unless you meet certain criteria that we set."

That is the basis of my argument, Mr. President. I do not get down into the arithmetic of the thing, although we will and we can. I am just getting down to the question of whether it is morally right for us to tell any person over 65 or any recipient of social security that that person cannot earn more than $3,000 a year without being penalized $2 for every dollar earned.

By the time they reach 65, they will have paid taxes into the system over a normal working lifetime, and their employers have paid taxes on their behalf. I believe workers are entitled to receive benefits at age 65 whether they continue working or not. Their benefits have matured by then.

I know someone will raise the objection that repeal will be too expensive, but the cost estimates never take account of the additional revenue that will result from repeal of the earnings test. Based on studies made by independent economists, I am convinced that elimination of the earnings ceiling will generate at least $1 billion in added revenues. This would offset much of the difference between our amendment and the amendment that has already been approved in the Finance Committee bill. These additional revenues will come from 2 million or more of the persons who are now staying home in order to draw their full benefits, but who will return to work after the earnings test is repealed and resume paying social security and income taxes. Since they are already drawing the full benefits, they will not cost the system one dime, but they will produce new revenues for the Government by returning to work.

The same thing can be said of the half-million or more people who have been employed but had no benefits withheld because they have deliberately kept their earnings under the ceiling so that they could collect the full amount of their social security checks. Again, these persons are already drawing benefits and they would not add any new costs to the system. But by working for higher wages, they would pay additional taxes and boost the national product.

Not only has the Government never estimated the additional taxes that will be paid by the millions upon millions of persons who will rejoin the labor force or work for higher earnings, once the income test is repealed, but it has never calculated the increased output of goods and services that will be added to the national economy by repeal of the income test. So the cost arguments used against repeal do not hold up when one looks at all of the facts.

Mr. President, our amendment is endorsed by the American Association of Retired Persons and the National Retired Teachers Association. These organizations report that they have never received so much mail on any subject as they have on this one. Mr. President, I hope that there will be an overwhelming vote for the amendment.

I ask unanimous consent to have printed in the RECORD at this point a copy of the letter I have received from the associations and a table showing the new revenues that will be raised by repeal of the earnings limit. This table has never been refuted by contrary data.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXHIBIT 1

NATIONAL RETIRED TEACHERS ASSOCIATION, AMERICAN ASSOCIATION OF RETIRED PERSONS,

November 1, 1977.

Hon. BARRY GOLDWATER,
U.S. Senate,
Washington, D.C.

DEAR SENATOR GOLDWATER: On behalf of our millions of retired mmebers, we strongly urge your support of efforts to repeal the social security earnings limitation. Over the years there has been no subject about which these Associations have received more mail and on the basis of thousands of communications from our members, there is no provision of social security law that is more unpopular.

Supporters of the test argue first that elimination is costly and secondly, that the distribution of benefits favors persons at higher income levels. We would like to take this opportunity to point out that on the basis of existing economic evidence, neither of these two arguments is obvious even within the narrow context within which they are offered. Secondly, from a broader social viewpoint, both may be simply wrong.

According to the Social Security Administration repeal of the earnings limitation for persons over 65 would cost the social security system, or more accurately the taxpayer, 2.9 billion dollars. It should be clear, however, that to have a provision in the social security system which causes people to limit their work effort, itself imposes a significant cost on taxpayers. Potentially productive people who could be supplementing their income thru their own efforts and contributing to national output are instead forced to remain idle. If only 1 million older people re-enter the labor market on a part-time basis, even earning at the minimum wage the increase in gross national product that will occur exceeds the 2.9 billion estimated cost of repeal. It should also be clear that additional workers are also additional taxpayers. Estimates of the gain in income tax receipts and social security tax receipts exceed 1 billion dollars a year. It appears quite lkely that the cost to taxpayers of continuing the earnings limitation is greater than the cost of repeal.

It is also argued that repeal of the limitation would primarily benefit the relatively higher income elderly and not older persons of low income. It should be noted that the working elderly are of higher income than their non-working counterparts solely by virtue of the fact that they work, not because they are wealthy that compared to younger workers, even the working elderly are of relatively low income and that the earnings limitation is the only "means" test in the entire social security system. More importantly, however, there is a large group of hidden beneficiaries who are of relativly low income that the supporters of the earnings limitation choose to ignore. Studies by the Social Security Administration and university economists have clearly documented the fact that large numbers of low income workers deliberately hold their earnings down and drop out of the labor force rather than bear the incredibly high 70 percent tax rate the earnings limitation imposes. Since these people do not actually have their social security benefits reduced, they are not counted as potential beneficiaries when in fact repeal of the test will permit large numbers of low income people to earn additional income to supplement and improve their standard of living.

In summary, we urge your support of repeal of the earnings limitation because it will in fact benefit large numbers of low income elderly people and because the limitation now imposes a substantial cost on taxpayers thru the loss of gross national product and tax revenues. Finally, we urge your support because we believe it to be simply wrong to tell people they cannot work as much as they choose to, to support themselves. Repeal of the limitation is supported by the public, and needed by the elderly and we urge you to do all you can to see that it becomes a reality.

Sincerely,

PETER W. HUGHES,
Legislative Counsel.

EXHIBIT 2.—INCREASED REVENUES RESULTING FROM REPEAL OF EARNINGS LIMIT AT AGE 65

	Total persons returning to work [1] (thousands)	Mean earnings [2]	Revenues (millions) OASDI [3]	Income tax [4]	Total
A. Revenues from beneficiaries presently nonworking who already receive all their benefits and who will decide to return to work:					
High estimate:					
Total	2,000		$1,014.8	$207.0	$1,221.8
Males	1,200	$6,070	736.0	180.0	916.0
Females	800	3,040	278.8	27.0	305.8
Low estimate:					
Total	1,500		784.4	155.0	939.4
Males	900	6,070	575.3	135.0	710.3
Females	600	3,040	209.1	20.0	229.1

	Total persons increasing earnings [1] (thousands)	Mean earnings over $3,000 [2]	Revenues (millions) OASDI [3]	Income tax [4]	Total
B. Revenues from beneficiaries presently employed who already receive all their benefits and who will increase their earnings above exempt amount:					
High estimate:					
Total	500		$77.4	$14.7	$92.1
Males	300	$3,070	76.7	12.0	88.7
Females	200	40	.7	2.7	3.4
Low estimate:					
Total	300		58.0	11.0	69.0
Males	180	3,070	57.5	9.0	66.5
Females	120	40	.5	2.0	2.5
C. Total revenues gained by repeal of earnings limit at age 65:					
High estimate (billions)					1.3
Low estimate (billions)					1.0

[1] The analysis takes account of the fact that the labor force participation rate of men is greater than that of women in the age group 65–71. See U.S. Department of Commerce, Bureau of Census, "Current Population Reports—Consumer Income," series P–60, No. 105, June 1977, table 49, at pp. 216–219.

[2] Source: Unpublished working paper, U.S. Department of Commerce, Bureau of Census (June 1977). For purposes of computing OASDI and income taxes, this analysis assumes the potential earnings of workers will fall within the same range as the actual range of earnings, from wages or salaries only, of persons 65 or older who were employed in 1975, as reported in such working paper.

[3] The analysis includes the combined amount of OASDI taxes currently imposed both on employees and employers (5.85 percent plus 5.85 percent) and takes account of the fact that such taxes apply only to income up to $16,500.

[4] Beginning with the 1977 tax year, taxpayers must use a new "tax table income" feature which incorporates a flat "standard" deduction and other new concepts, in order to determine their tax liability. Although the IRS has not yet published the new tax tables, the analysis projects a conservative estimate of the likely tax revenues based upon the provisions of H.R. 3477, Public Law 95–30, and assumes that earnings will fall within the same range proportionally as the incomes from wages or salaries only of persons 65 or older, as reported by the U.S. Bureau of Census for 1975.

This underestimates tax revenues since the total income of such employed older persons actually was much greater than their earnings from wages or salaries alone, causing their incomes to be pushed into higher tax brackets than those used for computations in this analysis.

Mr. GOLDWATER. Mr. President, let me really get down to what I call the nitty-gritty of this whole thing. Take myself for example. When I choose to retire, if I want to, I can collect social security benefits in the full amount. I am one of those fortunate people who worked as the head of a corporation, who has made investments, who owns real estate. I am not a wealthy man, but I am not a poor man. Yet I can live off of my dividends, my retirement from the U.S. Senate, my retirement from my corporation, my income from investments; I can receive all the money that I can and not one dime will be deducted from my social security.

Now, what is right about that? I ask the administration, that was elected, to a large extent, on the argument that they were going to do something for the people, for human rights: What is right about this massive discrimination that allows a fellow like myself to retire and collect full social security benefits, and yet say to the man or woman who was not as fortunate as I have been in life, who did not work for a company that had retirement plans, that he or she has to live on social security alone?

Mr. President, you can do it, but you are not living even off the skinny end of the hog when you do it. I know. My State probably has a larger percentage of retired people than any other State except Florida. I listen to their troubles, and their troubles are based on the fact that they cannot live under social security alone. Many of these people are still very skilled craftsmen. Many of them can use their hands and are able to work. All they ask—all they ask—is the right to do what I have the right to do, earn some money after they retire. I am not penalized; they are.

That is all this amendment of mine is about, when you really get down to it. It does not matter to me whether it might cost social security $1 billion, whether it might, as I believe, bring in another billion and a half dollars to the system and to Internal Revenue. That does not matter to me. This, to me, is a matter of fairness. It is shocking to me that the administration is using all the muscle they can get together to defeat this amendment on the floor, even though the House has overwhelmingly passed it and even though millions of Americans want this.

Now, we have correspondence on our desk from the Secretary of Health, Education, and Welfare, that is so filled with inaccuracies that, knowing Mr. Califano as I do, I am convinced that he not only did not write the letter, he has never even seen it. Let me try to talk about some of the arguments they put forth.

First of all, they say the amendment is a rich man's amendment. According to the consumer income series issued by the Census Bureau in June this year, there were only 173,000 persons of age 65 and over whose total money income in 1975 was $20,000 or more. This is only 6 percent of all older workers and even less of all older persons. Ninety-four percent made below $20,000.

Remember, this is total income. This amount includes rental income, pensions, dividends, and other income not subject to the earnings ceiling. Actual wages subject to the ceiling average about $4,500—hardly a rich person's income.

Even if we look at total family income, which includes the combined incomes of three or four or five family members, the Census Bureau report shows that only 11 percent of all families headed by older workers had combined incomes of $20,000 or more—11 percent of those people retired. So the statistics being used against the amendment, Mr. President, are all wrong. This is nothing new to this body.

It is nothing new to this Senator.

I introduced an amendment to this effect through the last three Congresses. I have never been allowed to testify on it at hearings devoted just to the earnings test. I have never been given the courtesy of that. I have heard nothing but arguments against it.

Then we decided to take the bull by the horns and introduce it as an amendment and see what would happen.

I want to further point out that even older persons with higher incomes are entitled to their benefits. They have paid the maximum payroll taxes and have an earned right to receive their social security checks just the same as other workers do.

Mr. President, those are my basic, primary arguments on this.

As noted, it is not, to me, a question of how many dollars we are talking about because the social security system already is in rather bad shape, but that does not make any difference to the person who paid his money in.

Yes, he would like to know how bad the shape is and where the money went, but we have not been able to tell him.

But that does not alter the fact that we owe that person the money he has paid in.

Mr. STONE. Mr. President, I rise in support of Senator GOLDWATER's amendment and would like to commend him for his leadership on this very important issue.

It has been said that the true test of a society is the way in which it treats its senior citizens. The earnings test, which is currently a part of the Social Security Act, has caused great physical and mental harm to older Americans. This

amendment would dispense with this unfair practice.

Under present law, the social security recipient who is between 65 and 72 years of age is denied $1 in social security payments for every $2 earned over $3,000 a year. This means that a social security beneficiary who receives the average $206.58 monthly payment loses all social security benefits if he or she earns $7,717 in a year.

This provision forces many senior citizens, who are able and willing to work, to retire or limit drastically their earnings in order to receive social security benefits. This is a terrible injustice to American working men and women who have been led to believe that social security benefits will be paid to them as a matter of right when they reach a certain age. This right is earned by years and years of payroll deductions and matching payments by employers.

In view of the continuing rise in the cost of living, we must recognize that social security alone does not provide enough money for many people to live on. We should remove the legal barrier for those who can help provide for themselves. Can we afford to waste the specialized skills of our senior citizens by discouraging them from working? Do we wish to force our senior citizens to live unproductive lives when they have further energy and ambition? I do not think so.

Congress originally intended social security to be a supplemental security program. People were encouraged to add to their social security protection through private pension plans, savings, and continued employment. At present, however, the law nearly forces people to fall into the ranks of the indigent in order to receive benefits. This bill would reaffirm Congress original intent.

Mr. GOLDWATER. Mr. President, I am going to reserve the remainder of my time.

Mr. THURMOND. Will the Senator yield 5 minutes to me?

Mr. GOLDWATER. The Senator from Texas asked me to yield first, and I will yield to him.

Mr. BENTSEN. Not on the Senator's time, because I am speaking on the other side and I do not want to impose on the Senator's time.

So I ask the manager of the bill to yield time to me, if he will.

Mr. NELSON. I am sorry, I was discussing something with the Senator from Missouri.

Mr. BENTSEN. Will the manager yield me 10 minutes?

Mr. NELSON. I yield the Senator from Texas 10 minutes.

The PRESIDING OFFICER. The Senator from Texas.

Mr. BENTSEN. Let me say, when I first came to the Senate I certainly supported the viewpoint of the Senator from Arizona and thought we ought to take the limitation off entirely. But I do think we are into some economic constraints that now require us to put some limitations on how far up we can go in raising this limitation on earnings.

The amendment that has been put in the Finance Committee bill is my amendment. That amendment would increase the current limitation of $3,000 to $4,500 in 1978, and to $6,000 in 1979. After that, it would increase by inflation to try to take care of it.

But one of the things that the amendment of the Senator from Arizona does not do, and that the House bill did not do, is take care of the disabled and take care of the dependents.

We would have a very substantial number of people who would still have the same constraints that we have under the present law. We would have 6 million people that would be limited to $3,300 in earnings. Six million people, dependents and survivors, that would still be under the current legislation.

My amendment takes care of that. We provide that they will come under the $4,500 in 1978, go to $6,000 in 1979.

Let me give some examples as to how far we could go in the earnings under my limitation on earnings.

At the $12,000 earning level, a couple would have benefits before reduction of $9,209. The amount that would be withheld would be $3,000. They would get $6,209.

Now, that plus their earnings of $12,000 would mean that couple get a maximum of $18,209.

Those are the kind of earnings and benefits they could have under the Bentsen amendment to the Finance Committee's report.

I think it is unfair and unrealistic to talk about forcing people to retire at 65. I believe we ought to encourage them to continue to be as active and productive as possible, and every year I get a little more enthusiastic about that position.

Sixty-five was chosen as a mandatory retirement age in the 1880's when average life expectancy was far less than it is today.

Senator CHURCH, with his committee and the studies he has made and the proposals he has made, has been one who has laid it on the line in helping people to be active and continue to be productive for several years.

As I stated, I have been on record as to eliminating that earnings limitation as Senator DOLE and Senator GOLDWATER propose it. But I changed that position because we are talking now about $1 billion addition in cost. We are talking about a 0.06 addition to the cost, the increase we have already made for the employees and the employers. It is burdensome enough as it is, and that transfer of income is going to be made from people generally of moderate incomes to those generally who are having rather substantial incomes after retirement.

Our work force currently numbers about 92 million people. Out of that number, some 88 million pay the taxes that support nearly 22 million social security beneficiaries, people over 65, widows and their dependents, and the disabled.

Our best information suggested only about 15 percent of those over 65 continue to work. Perhaps 1.3 million of those who work past the age of 65 earn more than the current exemption of $3,000. When we realize that it is $6,000, then we are talking about 650,000 people, that is how many are benefiting, 650,000 people, if we go above the $6,000 limitation that I put on it in the Finance Committee.

But I will say who we are taking it away from, we are putting additional constraints on 6 million dependents and survivors who will still be under the $3,300 limitation.

Mr. NELSON. Will the Senator yield?

Mr. BENTSEN. I am delighted to.

Mr. NELSON. The Senator is making a very good point. Not only does the amendment deprive potential beneficiaries who are at a lower retirement income than those who are benefiting, but paying for that increased cost is the worker who is earning the average wage of $10,000 a year. That worker is going to have to make up the extra cost of $1 billion a year in order to provide full retirement benefits for somebody else who is working at $20,000, $30,000, or $40,000. Doctors, lawyers, engineers, and those people are going to be permitted to draw the maximum social security retirement, which is $890 a month, or $8,400 a year rounded off.

Average wage earners are going to pay the cost of that extra billion dollars when, ironically, they themselves are working at a wage level so low they will never be affected by the removal of the earnings limitation.

I think that is the real outrage of the amendment because, as the Senator knows, those who are now working are supporting those who are presently retired.

Those working are supporting those retired. Doctors, lawyers, engineers, professors, who are permitted to work until age 70, make $25,000, $30,000, $40,000, or $150,000 a year. They contribute not a penny to this increased cost because when they were contributing to social security the retirement earnings limit was $3,000.

Under the amendment, a $10,000 a year worker is being asked to contribute payroll taxes so that a $100,000 a year income lawyer, doctor, or engineer can draw $8,400 tax free in retirement. That is an outrage.

Mr. BENTSEN. If we are talking about that kind of tax-free return—say, $8,400—that would be the equivalent of a municipal bond that we would be granting to them here today, if we voted for that, of $140,000.

Mr. NELSON. That is like giving wealthy older persons a $150,000 municipal bond, earning around 5.5 percent, so that they can draw the income from it.

Mr. BENTSEN. It is a little early for Christmas. We are just facing up to Thanksgiving. We should not be talking about Christmas this early in the year. We are talking about giving them, in effect, a $130,000 municipal bond, the equivalency of that, if we give them that kind of return.

We are talking about people being cared for rather well in this situation.

I made the point earlier that the maximum benefits paid to a couple, the benefit before the reduction, was $292. If only $3,000 of that were withheld, with their $12,000 earning, they would be up to $18,209.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BENTSEN. May I have an additional 3 minutes?

Mr. NELSON. I yield the Senator 5 additional minutes.

Mr. BENTSEN. Mr. President, I want to encourage people to continue to work past 65, and I want to encourage the widows and the teenagers to work and still get social security. But when we consider taxing 88 million people to try to get additional money to 650,000 people over 65 whose earnings exceed even the present retirement test level, I think we should think carefully about such a policy.

I believe that we should employ the limited resources available to us to provide incentives to people with lower incomes, lower social security benefits, to work past the age of 65.

The Senator from Arizona states that this will be recompensed to the Treasury because people will earn more money and pay more taxes. But the problem is that they do not pay it back into the social security fund.

So what do we have to do? We have to raise it on the people who are working today, to be able to say actuarially that the social security fund is solvent and to say to the elderly people of this country that their savings will not turn to dust; that those savings are going to be there, waiting for them, as they retire.

Mr. President, I believe that what we have done in the committee is an equitable proposal and is fair to the taxpayers. It has been endorsed by the National Council of Senior Citizens; by the Secretary of Health, Education, and Welfare, Mr. Califano; by President Carter.

The Senate has been debating the question of earnings limitations ever since 1935. The original Social Security Act stipulated that a person could not receive benefits and earnings in any one month. Then, in 1939, we liberalized that retirement test, so that a person earning $14.99 per month still could collect benefits. The law was revised 12 more times, and in 1972 we adopted the current provisions increasing the earnings limitation by the cost of living on an annual basis.

Remember, what I am talking about here is that the Bentsen amendment raises it almost double by 1979.

At no time during the 42-year consideration of this issue has Congress agreed to remove the earnings limitation entirely, and for good reason.

So I urge my colleagues to continue their traditional support for an earnings limitation; but I also urge that this figure be revised so as to provide additional incentives to people over 65 to remain in the work force, so as to allow these people to earn a more decent and productive retirement.

Mr. President, I yield back the remainder of my time to the manager of the bill.

The PRESIDING OFFICER. Who yields time?

Mr. GOLDWATER. I yield the Senator from Kansas whatever time he requires.

Mr. DOLE. Mr. President, I thank the distinguished Senator from Arizona for yielding.

I have listened carefully to the Senator from Texas. As one who supported his amendment in the Finance Committee, I certainly do not have any quarrel with the Bentsen amendment.

When we start tossing around figures of 6 million, or 3 million, or 2 million, I think it is well to suggest that we do not cover early retirees, age 62 to 65.

The Senator from Texas said that the disabled are not covered under our amendment. The fact is, the disabled are not subject to any limitation. If they start earning a lot of money, there may be a determination on whether or not they are totally disabled.

We do not cover minor children, and I understand that minor children make up about 3 million of the 6 million to which the Senator from Texas was alluding.

We get down to the question of whether or not we want our senior citizens, who have been paying social security tax for 40 years, to have the right to earn more money when they reach 65. That is all the Goldwater-Dole amendment does.

We have an opportunity, under the Goldwater amendment to raise the limit. The limit would be $4,000 in 1978, $4,500 in 1979, $5,000 in 1980, $5,500 in 1981 and then unlimited.

There is going to be an offer by the distinguished Senator from Idaho to gut the Goldwater amendment. He is going to take 5 years of benefits away from senior citizens.

I hope the Grey Panthers are listening as well as the National Association of Retired Teachers and the American Association of Retired Persons, when we see these efforts to cripple the Goldwater amendment, which has been in some form sponsored by some 40 Senators.

I hope that when we vote, we will look at the facts. There has been talk about the great cost of this amendment. The amendment in the committee bill, to 1987, costs $24.8 billion. The Goldwater amendment, for the same period, costs $24.9 billion—$100 million more. That is all for the next 10 years. So we are not talking about billions and billions of dollars in extra cost.

As the distinguished Senator from Arizona pointed out, these are going to be taxpayers, who will pay tax back to the Government.

Mr. President, I ask unanimous consent to have printed in the RECORD the facts and figures on the social security retirement test.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SOCIAL SECURITY RETIREMENT TEST

Calendar year	Goldwater-Dole amendment			Senate Finance Committee bill
	Present law	Under 65	65 and over	
1978	$3,240	(1)	$4,000	$4,500
1979	3,480	(1)	4,500	6,000
1980	3,720	(1)	5,000	6,480
1981	3,960	(1)	5,500	6,960
1982	4,200	(1)	(2)	7,440
1983	4,440	(1)	(2)	7,920
1984	4,680	(1)	(2)	8,400
1985	4,920	(1)	(2)	8,880

	Short-range costs (billions)	
	Goldwater-Dole amendment	Senate Finance Committee bill
1978	$0.3	$0.8
1979	.5	2.0
1980	.6	2.4
1981	.6	2.5
1982	3.4	2.6
1983	3.7	2.7
1984	3.8	2.8
1985	3.9	2.9
1986	4.0	3.0
1987	4.1	3.1
Total	24.9	24.8

* Excludes effect of elimination of monthly measure.
[1] Same as present law.
[2] No limit.

Note: Long-range (75 yr.) costs—House bill: 0.23 percent of payroll. Senate Finance Committee bill; 0.17 percent of payroll.

Mr. DOLE. Mr. President, if we look at the long-range 75-year costs, the House bill would be 0.23 percent of payroll; the Senate Finance Committee bill would be 0.17 percent of payroll.

I believe that once the amendment is understood, it will be accepted. As the Senator from Arizona pointed out, the earnings limitation is arbitrary.

We would tell the American working men and women who have worked for 40 years and paid into the system for 40 years:

After you have paid in for 40 years, you have to meet a means test. If you make over a certain amount, you have to pay back some of your social security.

Right now, 23 percent of all the money under the social security component goes for welfare programs for which people do not get back any benefits.

We are talking about a class of Americans who have worked all their lives and reached 65; and come 1982, Senator GOLDWATER and 40 other Senators say there should not be any earnings limitation.

If you own a bank, if you own stock, if you have investment income, you could have a million dollars a year in income and at age 65 still receive your social security. No one quarrels about that. But the argument is that this is not an income transfer program. This is a retirement program.

Why should people who have paid all their lives, who have reached 65, who still want to work, or still want to teach, or who still want to practice a profession, man or woman, be discriminated against? That is really what the amendment is all about.

So I suggest we address the problems. The earnings limitation now is about 50 percent of the poverty level; that is how low it is. The limitation deprives the economy and the work force of people who want to work. It is not enough to stand on the floor of the Senate and say that we think people should have that right. They will not have that right unless we give them that right.

That is precisely what happened in the House of Representatives. By a vote of 269 to 148, a margin of 121 votes, an amendment almost identical to the amendment offered today by the Senator from Arizona was agreed to and agreed to over the objection of the leadership; and agreed to over the objections of the distinguished chairman of the House Committee on Ways and Means—because Republicans and Democrats alike in the House understood the needs of a special class of people.

If the Senator wants to talk about figures, this amendment effects about 21 million people not just the 1.8 million referred to in some of the material made available.

The Senate recently added new protection against age discrimination in employment. I suggest that action is rather useless unless we back it up with some action and demonstrate to those of that age category that they are not the forgotten Americans. They do not have to go into the back somewhere and stay hidden from view. They are productive Americans. They have great potential. We need their assistance.

It seems to me that by having some arbitrary means test, some demeaning test, some limiting test on American senior citizens, we are saying:

You are second-class. We don't care whether you paid for 30 years, 40 years, or 45 years. You are second-class citizens.

You cannot go out and earn money because you do not meet the test that is imposed. I think we deprive our senior citizens of independence. We cause them to rely on Government. It just seems to me that it is time to take some action.

Mr. CURTIS. Mr. President, will the Senator yield to me for a unanimous-consent request?

Mr. DOLE. I yield to the distinguished Senator from Nebraska for a unanimous-consent request.

Mr. CURTIS. Mr. President, I ask unanimous consent that, in the order of amendments to be called up, following the amendment offered by Senator DeCONCINI, the Senator from Nebraska, now speaking, be recognized for an amendment and the amendment of Senator THURMOND, who holds that place, follow Senator ROTH.

Mr. GOLDWATER. Mr. President, reserving the right to object, let me get it straight. It was my understanding that following the disposition of this business the Senator from South Carolina would be recognized, then Senator ROTH would follow him.

Mr. CURTIS. The Senator from South Carolina has agreed to yield to me and change places.

Mr. CHURCH. Mr. President, reserving the right to object.

Mr. CURTIS. It does not disturb the Senator's amendment.

Mr. CHURCH. I want to just add to the unanimous-consent request that following disposition of all of the amendments for which the Senator has made the request my amendment and another amendment with which the Senator is familiar relating to adjustments in benefits in inflationary years on a 6-month basis rather than an annual basis might follow in sequence.

Mr. CURTIS. Yes. My amendment, then ROTH, then THURMOND, and then CHURCH.

Mr. RIBICOFF. Mr. President, reserving the right to object, am I correct that the amendment that Senator THURMOND was going to offer was the amendment that there was going to be a short colloquy on between Senator THURMOND and myself? If that is the case, I would hope that the order would not be changed, because it will only take 2 minutes, and I may have to leave, I say to the Senator from South Carolina, before he can present it under these circumstances and I would not be able to engage in the colloquy with him, and I think he would like that.

Mr. THURMOND. Mr. President, we can take the 2 minutes right now if there is no objection. All it will take is 2 minutes. I ask unanimous consent that we bring up this amendment and take not over 3 minutes at the outside.

Mr. GOLDWATER. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The Senator from Arizona reserves the right to object.

Mr. CURTIS. Mr. President, I withdraw the request.

Mr. GOLDWATER. I would suggest they take time off the bill. I do not anticipate using all of my time. I do not want to be caught in the position where my amendment is out of order.

Mr. THURMOND. I ask unanimous consent that the time come off the bill.

The PRESIDING OFFICER. There is no time on the bill.

Mr. ALLEN. Mr. President, reserving the right to object to this request, and I shall not object.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. ALLEN. I ask unanimous consent that amendment No. 1619 be considered after the amendments that already have priority or are disposed of.

The PRESIDING OFFICER. Is there objection?

Mr. CURTIS. Mr. President, reserving the right to object, I add to my request. I thought it would clarify things but it is taking a little different turn now.

Mr. DOLE. Is this coming out of my time?

Mr. CURTIS. I ask unanimous consent it not be charged to his time.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Nebraska.

Mr. CURTIS. Mr. President, I ask unanimous consent that the order of amendments when we finish the pending one be any substitute offered by Senator DeCONCINI, Senator ROTH, Senator CURTIS, Senator CHURCH, and then Senator ALLEN.

Mr. ALLEN. That is all right. I just want to get on the list.

The PRESIDING OFFICER. Without objection, it is so ordered. But the Chair points out that the Senator from South Carolina is not on that list.

Mr. CURTIS. He is disposing of it now.

Mr. RIBICOFF. I thought the Senator from South Carolina wanted to handle the matter in 2 minutes and was going to ask for it now, and I ask unanimous consent he may be able to proceed without taking any time from the Senator from Kansas.

Mr. DOLE. The Senator from Kansas certainly agrees to that.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from South Carolina.

UP AMENDMENT NO. 1053

(Purpose: To permit military service performed after 1956 to be credited under the civil service retirement program if the civil service annuity is offset by social security benefits received for the same service.)

Mr. THURMOND. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from South Carolina (Mr. THURMOND) proposes unprinted amendment No. 1053.

Mr. THURMOND. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place insert the following new section:

SEC. . (a) Section 8332(j) of title 5, United States Code, is amended to read as follows:

"(j)(1) Notwithstanding any other provision of this section, the period of an individual's service as a volunteer under part A of title VIII of the Eonomic Opportunity Act of 1964, and the period of an individual's service as a volunteer or volunteer leader under chapter 34 of title 22, shall be excluded in determining the aggregate period of service on which an annuity payable under this subchapter to the individual or to his widow or child is based, if the individual, widow, or child is entitled, or would on proper application be entitled, at the time of that determination, to monthly old-age or survivors benefits under section 402 of title 42 based on the individual's wages and self-employment income. If the service as a volunteer under part A of title VIII of the Economic Opportunity Act of 1964 or as a volunteer or volunteer leader under chapter 34 of title 22 is not excluded by the preceding sentence, but on becoming 62 years of age, the individual or widow becomes entitled, or would on proper application be entitled, to the described benefits, the Civil Service Commission shall redetermine the aggregate period of service on which the annuity is based, effective as of the first day of the month in which he or she becomes 62 years of age, so as to exclude that service. For the purpose of this subsection, the period of an individual's service as a volunteer or volunteer leader under chapter 34 of title 22 is the period between enrollment as a volunteer or volunteer leader and termina-

tion of that service by the President or by death or resignation, and the period of an individual's service as a volunteer under part A of title VIII of the Eeconomic Opportunity Act of 1964 is the period between enrollment as a volunteer and termination of that service by the Director of the Office of Economic Opportunity or by death or resignation.

"(2) Notwithstanding any other provision of this section, under regulations prescribed by the Civil Service Commission with the concurrence of the Secretary of Health, Education, and Welfare, in any case where an individual performed military service (except military service covered by military leave with pay from a civilian position) after December 1956, and he (or his widow or child) is or becomes entitled, or would on proper application be entitled, to monthly benefits under section 402 of title 42 based on his wages and self-employment income, the Civil Service Commission shall exclude from the annuity payable to him (or his widow or child) under this subchapter an amount equal to that portion of the monthly benefit (to which he or his widow or child is entitled under section 402 of title 42) which is attributable to his military service.

"(3) The Secretary of Health, Education, and Welfare, on request of the Civil Service Commission, shall inform the Civil Service Commission whether or not the individual, widow, or child described in this subsection is entitled at any named time to the described benefits.".

(b)(1) Except as provided in paragraph (2), the amendment made by subsection (a) shall apply only in the case of annuities to which individuals become entitled on or after the date of the enactment of this Act.

(2)(A) Upon the written request to the United States Civil Service Commission (filed in such form and manner and containing such information as the Civil Service Commission shall by regulation prescribe) by any individual receiving an annuity before the date of the enactment of this Act to have the amendment made by subsection (a) apply to such annuity—

(i) the provisions of section 8332(j) of title 5, United States Code, as amended by subsection (a), shall apply to such annuity, and

(ii) the Civil Service Commission shall recompute such annuity by redetermining the aggregate period of service on which the annuity is based so as to include military service excluded under such section 8332(j) as in effect on the day before such date of enactment.

(B) Any annuity which is recomputed under subparagraph (A) shall be effective with respect to payments of such annuity for months after the month in which this Act is enacted and no payment of any such annuity for any month prior to such month shall be considered erroneous by reason of this paragraph.

(C) The Civil Service Commission shall take such actions as may be necessary to notify individuals receiving an annuity before the date of the enactment of this Act of the provisions of this section.

Mr. THURMOND. Mr. President, it is disappointing to note that the new social security bill fails to deal with a problem caused by the current social security law, known as Catch-62. It is the enforced loss of sizable amounts of retirement income beginning at age 62 for veterans who combine their military and civil service time for retirement from Federal Government.

The term Catch-22 came into our language after World War II. It describes a situation from which there is no escape. In 1956, Congress, in passing a modification to the social security law to include the uniformed services, inadvertently created what has come to be known as Catch-62. I am proposing an amendment to correct this injustice.

Mr. President, Catch-62 applies only to veterans, and not just military retirees, who later retire from being employed by the Federal Government. Like other Federal employees, veterans can elect retirement at 55 and count all service to the United States for retirement, but at age 62 they lose credit for their military service after 1956.

These veterans find themselves caught between two different Government retirement systems. Their problem stems from being forced to contribute to social security after 1956, while in military service at relatively low pay, but being prevented from earning social security credits while in Federal employment at higher wages.

Mr. President, the social security bill before us fails to address this problem. Although a corrective amendment was germane to the House bill, the House Rules Committee restricted amendment actions. Testimony by experts in the House Ways and Means Subcommittee supported corrective action. Correction of this inequity is long overdue. Although the executive branch of the Government has not developed detailed costs of this measure, previous reports indicate that costs would be nominal.

Mr. President, I am confident that my distinguished colleagues would like to go on record in supporting this amendment to remove a grossly unjust provision of the law which singles out a certain group of veterans to penalize, because they paid to the social security program. I am strongly in favor of the social security program being put on a solvent basis, but I am not in favor of a certain group of veterans being penalized to help the social security program from going bankrupt.

My amendment would remedy this inequity by providing that a veteran face no loss of income when he reaches age 62. Under my amendment, the veteran would receive a social security check, but his civil service annuity would be decreased (or offset) by the amount of social security received. This is not a double-dip. The retiree would receive the same amount of compensation as he did prior to his 62d birthday—no increase or decrease.

The following organizations support an amendment to correct an inequity in the social security law which discriminates against veterans who work for the Government:

The National Association for Uniformed Services (NAUS),

The American Federation of Government Employees (AFGE),

The American Association for Retired Persons—the National Retired Teachers Association (AARP-NRTA),

The Fleet Reserve Association (FRA),

The Retired Officers Association (TROA),

The Air Force Sergeants Association (AFSA),

The Diplomatic and Consular Officers Retired (DACOR),

The Disabled American Veterans (DAV),

The National Association of Rural Letter Carriers (NARLC),

The Marine Corps League.

It has been reported to me that the Department of Defense supports this measure.

In the House of Representatives, Congressman CHARLES E. BENNETT has introduced similar legislation. His bill, H.R. 767, has considerable support in the House.

It is my understanding that the Honorable THOMAS P. O'NEILL, the Speaker of the House, has committed his support when H.R. 767 is reported favorably by committee to the House.

Mr. President, I strongly urge unanimous approval of this amendment.

Mr. RIBICOFF. Mr. President, the amendment which the Senator offers is not related directly to social security. Instead, it is an amendment to title V of the United States Code which is properly in the jurisdiction of the Committee on Governmental Affairs. Earlier this year the Senator introduced a bill, S. 245, which would accomplish the same purpose as his amendment. I am told by the junior Senator from Tennessee (Mr. SASSER), who is necessarily away today, that he would hold hearings on the Senator's bill in the course of studying other retirement-related legislation.

The amendment which the Senator offers would credit an individual's years of military service after 1956 toward civil service retirement rather than social security retirement. Under current law, time spent by Federal employees in the military service before or during their Federal employment is generally creditable service under the civil service retirement system. Employees make no contribution to the retirement fund to cover their military service time even though the same amount of retirement credit is granted for years in the military as for years of civilian employment during which contributions are made.

Since January 1, 1957, military members have been required to make social security contributions from their pay. If a civil service retiree become eligible for social security benefits his civil service annuity is recomputed and his military service after December 31, 1956, is excluded from the annuity computation. The law, in effect, requires that military service performed after 1956 be credited to social security when a retiree is eligible for benefits under both programs.

I am concerned because of the lack of information available as to the number of Federal employees who would potentially be affected by this amendment. The estimates which we have from the National Association for Uniformed Services is anywhere up to 112,000 Federal workers. These individuals would be able to credit their years of military service toward civil service retirement without having made the required contributory payment to the retirement fund. Therefore, we have no information available with which to judge the potential effects on the unfunded liability of the civil

service retirement fund. They could be substantial.

I know the Senator shares my concern that we should have these facts before we take action. I want to emphasize that I, too, am concerned that Federal employees who have served in the military receive equitable retirement benefits. For this reason, if the Senator is willing, I would ask the Senator from Tennessee to hold early hearings on his bill in the next session. Hopefully, the hearings will produce a body of testimony to support the Senator from South Carolina's proposal.

Mr. THURMOND. Mr. President, in view of the statement and assurances by the able and distinguished Senator from Connecticut, I will withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

UP AMENDMENT NO. 1052

Mr. DOLE. Mr. President, the charge is going to made time after time, and I can hardly wait for the Senator from Wisconsin to make it because he does it so eloquently, that this is a rich man's amendment. That is one way to divide some on the Senate floor. According to the Consumers Income Series issued by the Census Bureau this year there are only 173,000 persons 65 years and over whose total money income in 1975 was $20,000 or more. This is only 6 percent of all older workers who earn income. Ninety-four percent made below $20,000. This is total income. That includes rental income, dividends, interest, pensions, and other income not subject to the ceiling. Actually wages subject to the ceiling average about $4,500, hardly a rich person's income.

If we look at the total family income, which includes the combined incomes of three or four family members, the Census Bureau report shows only 11 percent of all families headed by older workers had combined incomes of $20,000 or more for all families who had earned income. So statistics which may be used against this amendment are not correct.

Let me also point out that Members of Congress are not subject to the social security system. The President of the United States is not subject to the social security system. The Vice President is not subject to the social security system. Members of the Cabinet are not subject to the social security system. So we pass in judgment and make the policy although Congress is not even part of the system. We do not understand all the complexities and all the down sides of the system. We do not have any earnings limitation. The Senator from Kansas may offer an amendment later on today which would put Members of Congress and members of the Cabinet into this system. I make the point now to underscore the fact that 40 some Senators have cosponsored this principle. I would only repeat those for the RECORD who have either cosponsored Senator GOLDWATER'S measure or have in the past introduced or cosponsored similar legislation.

The list of distinguished Senators includes myself and Senators SCHMITT, ALLEN, DANFORTH, HELMS, HANSEN, CASE, JAVITS, DECONCINI, HARRY F. BYRD, JR., HATFIELD, JOHNSTON, STEVENS, THURMOND, CANNON, PELL, MAGNUSON, STONE, BARTLETT, YOUNG, MORGAN, LAXALT, DOMENICI, NUNN, RIBICOFF, STAFFORD, LEAHY, ABOUREZK, WEICKER, GARN, INOUYE, CHAFEE, LUGAR, HUDDLESTON, BAKER, ROTH, PACKWOOD, and BAYH.

So that is a fairly representative group—Republicans, Democrats, conservatives, and liberals—to indicate that there is rather widespread support for what Senator GOLDWATER seeks to do today.

So, Mr. President, I would hope that when the time comes when there is an effort to gut the Goldwater amendment by the Senator from Idaho, we can successfully lay that effort on the table.

I yield back the remainder of my time.

Mr. MOYNIHAN. Mr. President, will the Senator from Wisconsin yield me 10 minutes on the bill?

Mr. NELSON. I yield the Senator from New York 10 minutes.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, we have just completed action on a welfare measure which is part of the bill before us, and has to do with the amounts of earnings which welfare recipients, in the main mothers, are able to keep as an incentive to work before they begin losing benefits, and until they have finally lost their benefits altogether.

It was agreed that the present arrangements are too generous, and the Senate moved to restrict them. In that context I offered an amendment which would have enabled the so-called earned income disregard to continue in effect until a medium range of earnings.

The distinguished Senator from Nebraska pointed out on this floor, and I agreed with him, that the proposal as made would make it possible, under certain hypothetical settings, for a welfare recipient to earn up to $16,000 and still receive welfare benefits.

This, I think, was a point made—I conceded the fact because it is a fact, but I found great difficulty explaining how such a fact could be to Members on the Senate floor, and indeed my amendment failed.

I have a moment now to suggest, however, a curious harmony, a curious symmetry; because once again we are talking about a situation in which the pensions we might make available under this bill would be available to persons whose income is in that range.

As we know, we are talking in this case, about persons whose average income would exceed the $6,000 limit which Senator BENTSEN has proposed. We are talking about a class of persons whose income is $17,000 on the average—curiously close to the hypothetical welfare family whose income might be $16,000. So we have moved from the subject of welfare for the poor to the subject of welfare for the rich. That is a term I do not often use. I find that the formulation is rather too easy and is, perhaps, too frequently used. But since the thought is conceivable, welfare for the rich as a reality appears to be before us now in a very explicit form.

We just defeated, Mr. President, a measure involving the earnings disregard, on the ground that welfare benefits should not continue to the level of $16,000 of income. But let us remember what the welfare payment to a mother earning $16,000 would be. The last benefit on the declining scale would be $1. It is, however, a dollar, and there were many who found that an inappropriate arrangement, and my amendment lost.

The next amendment would provide benefits to a group of persons of comparable income. We are not in the least appalled that they might get, not a dollar of welfare, but, being of an age over 65, we are proposing, on an average, to give such persons $8,400.

We just reeled back in horror at the thought of a welfare mother receiving $1 if her income is $16,000; and we now move, right on top of that, to give $8,400 to other persons whose incomes average $17,000.

Mr. President, there is a disharmony between these acts. There is a symmetry of circumstance, and I would argue that if it seems so unworthy to provide such largess to the welfare recipients, how could it not be equally inappropriate to do so for persons who, by definition, are not in any financial difficulty?

I would like, Mr. President, to make two points here. The question is, are people automatically entitled to receive back the contributions they make to the social security fund? If, Mr. President, this is an insurance system, it insures against loss of income, and it is inherent in most insurance propositions that the most fortunate do not ever have to claim benefits. Yet in social security, persons who never lose their incomes to a level below that which we can consider the minimum have had, since 1935, total claim on the insurance that they have paid for by contributions to the social security trust fund.

But a second point, and perhaps a most important one, is to be clear—maybe this is an inopportune thing to say, and I ask the Senator from Wisconsin to forgive my bringing the subject up, but surely no one is under any illusion as to the origin of the benefits we are adopting. The decision we have made to go to a system whereby employers pay a very much larger share than employees we have justified ourselves on the ground that employers can deduct it from income taxes, and in a very real sense there may be a very large decline in the income tax revenues of the Federal Government from the graduated income tax under those circumstances. One of two things will happen: There will be less money available for other programs, or taxes will have to be increased to replace that which has been lost owing to contributions to the trust fund.

Mr. President, it does not stretch reason or fact to say that these increased benefits are going to be paid out of income taxes that may be greatly reduced as a result of the impact of this measure on the American political economy.

If you were to ask the political economists, "What will be the single place

most affected by this decision?" they would say, "Internal revenues of the United States." We are proposing, in a 5-year period, to take $23 billion, in effect, out of the income tax system and transfer it to a very small group of persons who are comparatively well off.

It is an extraordinary measure. A Senate which reeled back in some alarm that a welfare family might receive a dollar—one dollar—goes on with much enthusiasm to provide the well-to-do older persons in this country with an extraordinary transfer of wealth from the working population at middle-income levels to this retired, but still active, older population of high-income levels.

Mr. President, I do not know how we are going to explain this if we do it. I can think of persons right now in New York City who would be very distressed if they were to hear me making this speech.

I can tell you who would benefit from this measure in my city. Take the five most senior partners in the 50 largest, most prosperous Wall Street law firms. There is $8,400 more per year in it for every one of them, tax free. They are not very much interested in this legislation. But they would benefit.

Find me a 65-year-old partner in Cadwallader, Frisbie, Humphrey, and Splink, and here we come, $8,400 tax free. If that is not welfare for the rich, Mr. President, I want a more convincing illustration of the proposition.

I have sometimes disdained those people who claimed that such things went on because I thought their imaginations were perhaps incorrect in the matter. I must say I rise in tribute to life imitating rhetorical art.

Thank you, Mr. President.

The PRESIDING OFFICER. Who yields time?

Mr. GOLDWATER. I yield to the Senator from South Carolina, Mr. President.

Mr. THURMOND. Mr. President, I join the distinguished Senators from Arizona and Kansas and other Senators in their effort to phase out the present restrictions on outside earnings by social security recipients over the age of 65.

Mr. President, there is no question as to the impact of this limitation. Many older persons are being pressured into not working for fear of losing their benefits. As a result an untold amount of valuable skills acquired through many years of hard, honest work are totally lost to our country.

Such a limitation is in direct contradiction of a fact widely accepted by the Federal Government, gerontologists, and others concerned with the health of the elderly. That fact is that the hiring and retention of older workers in all aspects of the economy is very "good medicine" for the elderly. It should be encouraged in every way possible, and removing this limitation is one way to accomplish this objective.

Mr. President, in my opinion, this aspect of the social security system is extremely inequitable. Investment income is not recognized when determining whether an individual's social security shall be reduced. This allows a wealthy man who received thousands of dollars a year in interest income to collect his full social security benefits. However, the average man who never had the time, much less the money, to enter the world of investments, and who might need to continue working in order to insure the economic survival of himself or his family, cannot work without being subject to this penalty. This is simply not right.

Still, it is argued by opponents of this amendment that repeal of the limitation would primarily benefit the relatively higher income elderly, and not older persons of low income. We must recognize that the working elderly are of higher income than their nonworking counterparts solely by virture of the fact that they work. Compared to younger workers, even the working elderly are of relatively low income. More importantly, there is a large group of hidden beneficiaries that the supporters of the earnings limitation choose to ignore. It is a well documented fact that large numbers of low income elderly deliberately hold their earnings down and drop out of the work force rather than bear the incredibly high tax rate the earnings limitation imposes. Since these people are not currently having their social security benefits reduced, they are not counted as potential beneficiaries when in fact repeal of the test will permit these people to earn additional income to supplement and improve their standard of living.

It is said that removal of the earnings limitation will be too costly. In my opinion, this begs the question. The people who receive social security are the same citizens who have worked hard all their lives for their salaries. They have not been on the welfare rolls. These people are the backbone of America—they are the men and women who believe in America and have quietly and loyally contributed their fair share to the social security program all their lives. To deny them the fruits of their labors now, when they need it most, is not only illogical, but unjust.

Mr. President, let us remove this obstacle which stands in the way of thousands of our senior citizens who want to work. Work produces income and income produces tax revenue. Work contributes to the good health of our senior citizens who have many valuable skills to contribute to this country. Removal of the earnings limitation is an equitable and reasonable step.

Mr. President, I urge my colleagues to carefully consider this measure, and to join me and others in this effort to bring meaningful reform to the social security system.

Mr. GOLDWATER. Mr. President, I think the time situation is about 20 minutes on each side.

The PRESIDING OFFICER (Mr. ALLEN). The Senator is correct.

Mr. GOLDWATER. Mr. President, I yield myself 5 minutes.

Mr. President, I have not heard anything said in opposition to my amendment which I feel is the least bit convincing. To answer a probable charge the Senator from Texas made, that if we lift the earnings limitation those people who are 65 who care to go to work will be freeloaders, no, that is not correct. They will have to pay social security taxes just as the younger people, and their employers will have to pay their part of social security. We are not doing anything to upset the applecart. As the Senator from Kansas pointed out, over a 10-year period there is probably $100 million difference involved in about a $24 billion to $25 billion figure.

Mr. President, I get back to my argument. This is a moral argument. The average social security benefit for a retired worker is $230 per month. The average for a couple, both receiving benefits, is $400 a month.

Is anybody going to stand up and say this is a living income? I can tell my colleagues on this floor who may not be aware of it—though I imagine they are—that many, many social security recipients are receiving food stamps. Do they want to? No, they have to, in order to live. Giving these people the chance and the right to work, the chance to use the skills they have acquired during a lifetime, will not cost anybody any money. It is going to relieve the people of the difficulty of trying to live on social security money alone and allow them to raise their heads as they have done all their lives in paying this money.

This is not money that we are giving them, Mr. President. This is money that they have paid into the kitty. Where that kitty is does not seem to make any difference, but this is money that is owed the American worker. I repeat what I have said earlier: I do not think we have the moral or even the constitutional right to say, "Yes, we owe you this money but we are not going to pay it to you."

If the U.S. Government is going to take that attitude, I do not think they are going to have the respect of the American people too long.

Mr. President, I will just remind my colleagues we have recently completed an action on age discrimination that encourages people to work until the age of 70. If the earnings ceiling is not repealed, we will penalize these persons who remain in the labor force until age 70 by depriving them of their social security checks.

We are talking about what is fair and what is right, and what is moral. My whole argument is based upon these elements. I have not heard a single argument raised against that argument.

Mr. NELSON. Mr. President, I think we have heard about every argument on each side of this issue. What I will say briefly will be repetitious for emphasis.

I point out that the reference was made by Senator BENTSEN earlier that the National Council of Senior Citizens is deeply concerned about the retirement problem in this country.

It is their full-time concern. It was, until recently, headed by Nelson Cruikshank, and there is no more distinguished gentleman in this field. They made a statement in March on this question in a pamphlet on the retirement test in social security. Here is what this group, representing a large number of retired people, had to say. Obviously, I

need not suggest that they are not against retirees. That is whom they represent. From that pamphlet I quote just one brief paragraph:

It would appear evident that the elimination of the retirement test in the social security program is neither practicable nor desirable, since it would help a relatively small number who are least in need and deprive a very large number, including those most in need, of the benefit of possible improvements in the program.

There is simply no doubt about that. If we eliminate the retirement test entirely, the cost is $4 billion a year when it is totally eliminated. That compares with a cost of $3 billion a year under the $6,000 retirement earnings limitation that the Committee on Finance has sent to the floor in its bill. When average wages rise, so will the $6,000 earnings limitations under the committee bill.

That extra $1 billion should, in my judgment, be used to help those who are in the lower retirement and average retirement levels.

Now, the statement is repeatedly made that those people who have retired earned this income; that those who are over the retirement limitation level earned their pension, and, therefore, should receive it. As Senator MOYNIHAN has pointed out, this is not an annuity program; it is an insurance program.

Of course, it can be converted. That is what is about to happen here if the amendment prevails. Under an ordinary insurance program in which you buy your own annuity, if the owner of the annuity dies, that money goes to the estate—whether it is a first cousin, second cousin, whatever relative may be left. Here, if there is no beneficiary of that retiree who dies, the money remains in the fund. If there is no dependent, it is not taken out of the fund and put into an estate that ultimately goes to first and second cousins; because that was not the purpose of this social insurance program.

If we want to convert it to an annuity program, we can. But those who have been saying social security taxes are horrendous would face a payroll tax increase much more substantial than we already have if we approve this amendment.

It was not the intent of the designers nor was it the purpose of the social security law to have an annuity program. Every Congress since 1935 has recognized this.

The liberalization in the committee bill is quite dramatic—a doubling by next year, from $3,000 to $6,000, which will be tied to the increase in average wages. By 1987, the retirement test will be about $10,000.

We must recognize that this is not an annuity program, that it is an insurance program. Its purpose is to help replace lost income when people quit working. There are 650,000 people in America who are over 65 and who are earning enough income so that they will lose some or all of their retirement benefits. Under the committee bill, you can earn $22,000 before you lose all of your retirement benefits under the $6,000 limitation if you are married and receiving maximum benefits. And $22,000 is better than twice the average income of the worker who is supporting the system.

That doctor, that lawyer, that engineer, that professor, that professional man, that manager of his little plant or that manager of some little industry, who is now 65, never contributed a single penny to the cost of lifting totally the retirement earnings income limitation. His contribution was based upon a cost in that fund of supporting a $3,000 limitation, not no limitation at all. Now, since he did not contribute to the cost of that limitation, we should not now provide that we will lift it and leave it to somebody else to pay the bill.

I want to see the Member of Congress who is prepared to stand up in a public forum in any city or any community in this country and say, "Yes, that lawyer of that distinguished law firm, Mr. Jones, who is 67 years old and making $150,000 a year practicing law, we have lifted the limit for him. He was not entitled to any social security retirement under the current law; but we lifted the earnings limit so we are going to give him $8,400, tax free on top of his $150,000. You fellows and women, working down in that plant getting $10,000 a year, are going to pay for it."

What kind of income transfer is it that takes from the poor and gives to the rich?

Mr. MOYNIHAN. Will the Senator yield?

Mr. NELSON. Yes.

Mr. MOYNIHAN. I rise to support the Senator's proposition and say, with respect to the average citizen who might want to ask this question of one of his legislators, that he need not make it a generalized question like: Did you give all this money to some rich people? It is not hard to know who these people are. He need simply inquire of any lawyer, what are the five largest law firms in town, and get the names of every partner who is over 65. He will know what man in Kansas City, or what man in New York City got the $8,400.

It need not be an anonymous transfer of funds from uncertain origins to vague and confused destinations. You can know by name. Find a rich, successful, active lawyer over 65, and this bill gives him $8,400 a year, tax free.

We shall find an extraordinary correlation, I suggest, between those Senators who will have just voted not to allow a welfare working mother to get $1 and those who went to the very next amendment and voted that the most successful lawyers in town be given an income of $130,000 in tax-free municipal bonds.

Mr. NELSON. I suggest to the Senator that maybe the answer is there is a distinction between the worthy and the unworthy in this society and that the richer you are, the more worthy you are.

Mr. LONG. Will the Senator yield at that point?

Mr. NELSON. I yield.

Mr. LONG. Let me ask the Senator, in view of the fact that we still have a 70-percent tax bracket—and I think that is too high, but that is where it stands—for a man making $150,000, assuming his dear wife was called to meet her reward ahead of him, and he is in a 70-percent tax bracket, how much would he have to make?

Mr. MOYNIHAN. To get the $8,400?

Mr. LONG. To get the $8,400, yes. Can the Senator tell me, he has staff assistants to help him, would the Senator say how much that fellow has to make?

Mr. NELSON. Around $30,000—$28,000 to be exact.

Mr. LONG. So what would be done——

Mr. NELSON. That is at the top of the bracket.

Mr. LONG. Say he is a senior partner in the law firm. He would have to win himself a big case, or maybe do something to make the law firm make some dollars. How much would he have to increase his income to net $8,400?

Mr. MOYNIHAN. $28,000.

Mr. LONG. He would have to increase his income by $28,000 to get what this amendment would give him. He would get $8,400, tax free.

Let me ask, at the time this fellow found himself in the social security program, did the program promise him this equivalent of $28,000 a year income?

Was that a promise that was in the program when he became part of it?

Mr. NELSON. No.

Mr. LONG. So this is what we call a windfall benefit. It could be compared to the double dip some people got that we are eliminating in this bill.

When we enacted social security, nobody promised anything like that, but someone came along with an amendment that always causes people to say, "Why did we do that, why on God's green earth would Congress do something like that?"

Nobody promised this fellow $28,000 and suddenly, one day, somebody got up and said, "Well, I think everybody ought to get it."

This reminds me somewhat of the amendment that my dear friend, the late Winston Prouty, offered here one time. He came up with the idea that anybody who was not getting a pension ought to get one. He came up with the "shoot-the-moon" amendment, as I called it, that anybody not getting a pension ought to get one.

It looked as though it would carry until I began to explain that his amendment would cost a trillion dollars. He said it could not possibly be a trillion dollars, and I said that was a minimal figure, a trillion dollars.

Under that amendment, Mao Tse-tung would get the pension, Charles de Gaulle, Nikita Khrushchev, people we do not know exist in darkest Africa, or in Asia, would get the pension, people we never heard of would get the pension. For all we knew, some Eskimo at the North Pole would get it if he found out it was offered in the United States, because the amendment failed to require that people be citizens of the United States to get the pension. Just anybody who was not getting a pension from this Government would get one. Anybody.

Fortunately, that was one little correction that, thank the merciful Lord, somebody brought to our attention.

If the Senator from Louisiana had not been here to direct attention to that fact, this Nation would be beneath the Atlantic Ocean now, the Atlantic and Pacific would have met. We would have been completely destroyed because the amendment promised pensions to everybody on God's green Earth automatically, even if he had not put a nickel into it.

But at least we have this much explanation for how that happened. That was done because nobody had thought about the matter. They just had not thought the amendment out that carefully.

But here we are today and say, "Why in the world did they give old Ben Brown, who was already making $150,000, the equivalent of $28,000 of additional income that nobody promised him?"

He did not ask for it, did not vote for it.

Like some people that got the Prouty pension thought you were a fool to do it. Why would you want to do something like that?

I know if we send them the money, they will not insult us by sending it back. But at the same time, they wonder why we would do something like this.

Here is an enormously wealthy person trying to figure out how to leave some money to his children or his grandchildren, spending more time on that problem than anything else, and somebody wants a way to give him the equivalent of $28,000 additional income, $8,400 tax-free.

It just absolutely makes one wonder. One would wonder when we have all this munificence to bestow on somebody, all this largesse, why did we not think about this poor old soul that was not getting much to hold hide and hair together—why not increase his pension a little, rather than give it to that lawyer?

How many lawyers is the Senator aware of who are senior partners in the firm, the guy whose name appears first on the door, how many of those people does the Senator know who have petitioned him to do this for them, is he aware of any?

Mr. NELSON. No, but if they think of it, they will.

Mr. LONG. Well, I do not know. I have not had one call. I would be willing to consider voting for this if one of my friends who is a senior partner in one of the firms could call and say, "Well, I've been discriminated against, treated badly, I think I ought to have this."

But I am not aware of anybody that expects it.

Of course, I must say that sometimes the best politics is not to give somebody something he has a right to, or a right to expect, because people like that do not appreciate it as much.

If we find something to give somebody who has no right to expect it, makes no sense whatever, sometimes those people are more grateful than the people that actually had a right to expect something.

Mr. DOLE. Will the Senator yield?

Mr. NELSON. On the time of the Senator from Kansas.

Mr. GOLDWATER. I will yield.

Mr. DOLE. I want to remind the distinguished chairman it was only in the last couple of weeks the Senate passed $40 billion of energy credits to many who did not deserve it. Many people who are rich will get the tax credits under the big energy bill we passed.

We are talking about people who have worked all their life. There is quite a difference. It is just depending who has the——

Mr. NELSON. Mr. President, how much time does the Senator from Wisconsin have?

The PRESIDING OFFICER. The Senator from Wisconsin has 6 minutes, and the Senator from Arizona has 14 minutes.

Mr. LONG. Mr. President, we did in the energy bill give some tax credits to some people.

Mr. NELSON. Is this response on the time of the Senator from Kansas?

Mr. LONG. Let me just say this and I will be through.

Yes, in that energy bill we did give some tax credits to some people who might not be expecting it. But we feel if they do something that the law says they should do, they will get this.

Look, what is the head of the law firm going to do that we should encourage him to do? Will he retire and let somebody move up the ladder? No, we give him the money to stay there and deny the other man the opportunity to move up and become head of the law firm.

Mr. NELSON. I thank the Senator.

Mr. President, how much time does the Senator from Wisconsin have?

The PRESIDING OFFICER. The Senator has 6 minutes.

Mr. NELSON. I thank the Senator from Louisiana.

I might point out in fairness to the late Senator Prouty, after the Senator's explanation that it would cost over a trillion dollars and benefit Mr. de Gaulle and Khrushchev and Mao Tse-tung, he did amend it. So it only applied to everybody in America.

Mr. LONG. That is right.

Mr. NELSON. Mr. President, I think we should take note again of the fact that the Senate passed an Age Discrimination Act which protects workers until age 70. The House also passed a similar bill. It is now in conference.

Now, imagine the situation, for example, at the University of Wisconsin—a great and distinguished university—with professors making $30,000, $35,000, and $40,000 and working fulltime. These professors would be drawing $35,000, and we would give them $8,400 on top of that. The bill would not be paid by them, but by the worker who is averaging $10,000 a year, and who will never earn enough to retire on that social security maximum of $8,400 a year in any event.

The purpose of social security is not to supplement the full-time income of doctors, lawyers, professors, engineers, and owners of plants. That never was the purpose. It would be nice if you could give everybody $25,000 a year; but if you are to offer such a benefit, let us come in with the tax to pay for it. If you have a referendum on that, you will not get many votes.

I have watched the Senate's action with dismay for the last 2 days. I have listened to all the conservatives, all the people who are careful with the public's money, vote yesterday for a pension bill for veterans, and place it on this bill—nongermane—without hearings, with no notion of what the cost is, except that it starts at $200 million; and when the 14 million World War II people become eligible, its cost goes to billions.

I looked at the rollcall. I could not believe it. I voted "no." But there were only 20 "no" votes in all, including all those defenders of the budget, all those fiscal conservatives, are on that rollcall. Then we come along and take $2 billion a year, when it is in full bloom, out of the general fund, for Senator DANFORTH'S amendment to assist State and local governments and other nonprofit organizations.

Look at the rollcall. All the conservatives who talk the most about fiscal conservation, voted to approve the Danforth amendment. Why? Because the general fund is some kind of amorphous, vague fund, someplace that nobody has to put money in, I suppose.

I am carrying those two rollcalls along with me in Wisconsin; and when my constituents talk about me as a big spender, I am going to read the roll of those people who are known nationwide and supported by all the conservative organizations as fiscally responsible.

We have seen more politics of joy here in the last couple of days, the joy being to give away a lot of money and take it out of the deficit. Do Senators believe there is a lot of money in the deficit? That you can just keep raising the deficit? It is endless. It is worse than the politics of joy. It is the politics of uninhibited, euphoric exhilaration. That is what we are involved in now.

There is no end to it. But I want to see the same fiscal conservatives, who make a career out of it, defend what we have been doing yesterday and today as late as a couple of hours ago. Will they vote to have another billion dollars transferred for those older persons who are better off, by any standard, than anybody else covered by social security.

Mr. GOLDWATER. Mr. President, I yield myself 2 minutes.

It has been a very entertaining 20 minutes, although I have not heard anything said that would cause anybody to seriously consider voting against the amendment.

My friend from Wisconsin and my friend from Louisiana have been talking about 4 percent of the social security recipients. What about the other 96 percent? That is where we conservatives argue with you liberals. We want the money to be distributed in a proper way, not worrying all the time about the rich people, not worrying all the time about 4 percent. What about the 96 percent who we say cannot earn a living, only because we owe the money to them?

I think the Senator has made the best argument for the bankrupt condition of the social security fund that I have heard yet, far better arguments than I made in 1964, when I recall our wonderful friend the Vice President tearing up his social security card. That was GOLD-

WATER—and, by golly, I think in your hearts you know I was right. (Laughter.)

Mr. NELSON. All I point out is that this amendment would benefit only 650,000 people out of 22 million who are over age 65. Mr. President, 650,000. They are the ones who are in the best position now.

I think it would be nice if everybody could receive all this social security money whether they work or not. But it changes the fundamental purpose of the social security system, and it lays the cost of doing it upon those who are averaging $10,000 a year.

The PRESIDING OFFICER. The time of the Senator from Wisconsin has expired.

The Senator from Arizona has 12 minutes.

Mr. GOLDWATER. I yield 3 minutes to the Senator from Kansas.

Mr. DOLE. Mr. President, I underscore what the distinguished Senator from Arizona said. I think the argument was predictable. You get up and cite some horrible example, and we are supposed to focus on it instead of the problem and the issue.

EARNING LIMIT IS ARBITRARY

What the amendment does is to remove one of the most onerous provisions of the social security law as it applies to individuals who are now retired. The present earnings test of $3,000 is unfair. It is set at a completely arbitrary limit. Presently less than 50 percent of the official poverty level. The penalty is also arbitrary because it applies only to earned income and ignores income from investments.

ECONOMIC SENSE

There is a compelling economic argument for repealing the earnings limitation. The earnings test deprives our economy of the skills and productive capacity of millions of older citizens who are capable and willing to work. Many of the individuals do not work for no other reason than to avoid having their social security checks reduced. Not only do we lose their skills and output, but the Government also loses the taxes they would pay on those earnings.

Congress recently acted to give senior citizens new protection against age discrimination in employment. This legislation, now in conference, is but a useless gesture, unless we repeal the earnings limitation. It makes no sense to the Senator from Kansas to penalize a person for working.

HOUSE ACTION

The House recognized the problem caused by the earnings limitation by approving by a vote of 208 to 149 a phaseout repeal for persons aged 65 to 72. A proposal in the Finance Committee similar to the House version failed by a 9 to 9 vote. The committee bill has a provision to increase the ceiling from the existing $3,000 in 1977 to $4,500 in 1978 to $6,000 in 1979.

While I support that action, it does not go far enough for our senior citizens. Therefore I support the removal of the limitation for workers over age 65.

The Senator has been talking about income transfers. Social Security is not an income transfer program; it is a retirement program. Many have tried to make it an income transfer program over the years and nearly succeeded.

About 23 percent of the social security component now goes for welfare programs. The Senator from Arizona is addressing those persons under the system who reach 65, who have paid into the system. and who want to work.

It is good for everybody in Congress to stand up and talk about the social security system, because we are not in it. We may have a chance to be in it later today; but, as of now, we are not in the system.

It reminds me of the debate we had on the floor when the ethics bill was being considered, and we talked about earned income versus investment income. Rich Senators could clip their coupons and others could not do anything. It is much like the predicament we have now.

If you have investment income, as the lawyer would have who we paraded around here for 20 minutes, or the rich professor, or the rich banker, they will work out some arrangement. He will receive stocks or bonds instead of earnings, and then qualify for social security, you can have $50,000 or $500,000, $1 million, or $10 million, in investment income at age 65 and still get your social security benefit.

It is only those who want to work, those who want to earn the money. who are denied the right to receive their social security benefit, without having it reduced.

The poverty level is about $6,000. The distinguished Senator from Texas wants to go a little above the poverty level. We do not think that is quite enough.

If you lived in this country and worked and worked, and raised your family, and paid your taxes, and reached 65, you still have some productive years left. Why should you not work? Why should you be denied the benefits for which you paid?

We are going to have an amendment submitted in a few moments that will eliminate about 8 million people out of the 12 million, in an effort to gut the Goldwater-Dole amendment, the Senator from Idaho wants to deprive 8 million senior citizens of the right to work.

We have a tax in this amendment. The rate in our amendment is no higher than that in the Bentsen amendment.

If Senators look at the charts, they will see that we did not dream up those figures. They came from the Social Security Administration. The rates are the same. Where is all this additional cost over the committee amendment? It has not been demonstrated.

No one here is opposing the committee amendment, but they are opposing the Goldwater-Dole amendment because it provides a little more flexibility.

If we go to the year 2011 and later, the tax on the Goldwater-Dole amendment would be 9.20, percent and with the committee amendment it is 9.20 percent. So where are the billions of dollars? Where is the added cost? There is no added cost. In fact, it will be found that the Goldwater-Dole amendment is less in the early years than the committee amendment. If someone can demonstrate all these added billions of dollars, let us take a look at it. It is not there.

I do not know where all these people over 65 are who are making all this money. We can find a lawyer or a banker. I did not hear from any lawyers or bankers. I heard from the American Association of Retired Persons. Perhaps a lawyer belongs to that association. I do not know. They are middle-income Americans. I heard from the National Association of Retired Teachers Association. I do not think teachers are overpaid. Maybe, they are not paid enough. They support this legislation. They sent the information. They do not represent rich bankers and rich lawyers. They represent teachers and professors.

If someone can demonstrate that all these retired people in America, members of that association, are overpaid or receive too many benefits, that is fine.

It seems to me that what is being said, in effect, is: "If you are over 65, you are second-rate. You are not needed any longer. You have to have an earnings test. You can't make over the poverty level." You almost have to die in order to qualify. That is what we will hear in a few moments.

There are some 40 cosponsors of the Goldwater amendment, and I say beware of efforts to compromise. The House voted 268 to 149 for a similar amendment.

It seems to this Senator the time has come to approve this legislation. I see Senator Bayh in the Chamber. He is a strong supporter of this amendment and we are pleased to have his support.

I yield back the remainder of my time.

Mr. President, I ask unanimous consent to have printed in the RECORD two articles that deal with this subject.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

INCREASE IN RATE SCHEDULE

Calendar year	Goldwater-Dole employees and employers, each		Total	Committee amendment
	OASDI	HI		
1977	4.95	0.90	5.85	5.85
1978	5.05	1.00	6.05	6.05
1979–80	5.05	1.05	6.10	6.135
1981–84	5.40	1.25	6.65	6.60
1985	5.70	1.35	7.05	7.00
1986–89	5.70	1.40	7.10	7.05
1990–94	6.15	1.40	7.55	7.50
1995–2000	6.75	1.40	8.15	8.00
2001–10	7.35	1.40	8.75	8.70
2011 and later	7.80	1.40	9.20	9.20
Self-employed persons:				
1977	7.00	0.90	7.90	7.90
1978	7.10	1.00	8.10	8.10
1979–80	7.05	1.05	8.10	8.10
1981–84	8.10	1.25	9.35	9.25
1985	8.55	1.35	9.90	9.85
1986–89	8.55	1.40	9.95	9.90
1990–94	9.25	1.40	10.65	10.55
1995–2000	10.10	1.40	11.50	11.45
2001–10	11.05	1.40	12.45	12.35
2011 and later	11.70	1.40	13.10	13.10

THE EFFECTS OF THE 1966 RETIREMENT TEST CHANGES ON THE EARNINGS OF WORKERS AGED 65–72

Program changes incorporated in the 1965 social security amendments provide a rare recent opportunity to examine the impact of changes in the retirement test on retired workers' earnings. The level of exempt earn-

ings—the amount a worker may earn without losing any benefits—was increased in 1966 for the first time since 1955. The provision under which $1 in benefits is withheld for each $2 of earnings above the exempt amount was also extended to a much wider range of earnings, affecting many more persons than before. As a consequence, the provision for withholding $1 in benefits for $1 in earnings above the $1-for-$2 range affected a new group of relatively high-earning workers.

The provisions of the retirement test in 1965 allowed the beneficiary to earn up to $1,200 annually and still receive full benefits. If he earned between $1,200 and $1,700, $1 of benefits was withheld for every $2 of earnings within this range, and if his earnings exceeded $1,700, $1 of benefits was withheld for each $1 of earnings until all benefits were withheld. Benefits were payable for any month in which total wages were $100 or less and in which the beneficiary did not perform any substantial services in self-employment. Full benefits were payable at age 72, regardless of earnings.

The amended test in 1966 provided for annual exempt earnings of $1,500. The $1-for-$2 benefit withholding area began at $1,501 and extended to $2,700, beyond which the $1-for-$1 provision was effective. This marked the first change in these provisions since 1961. At the same time the monthly test was increased to $125, while other provisions were unchanged.[1]

To determine the effects of these retirement test changes on the earnings of retired workers, earnings data for workers in the 65–72[2] age group were obtained from a 1-percent sample of workers' summary earnings records as of September 1968. The effects of changes in the test could then be noted by comparing the earnings distributions for the two years.

The conclusions of the study are:

A fairly large number of workers responded to the higher annual exempt amount by increasing their annual earnings or earnings plans from about $1,200 to about $1,500 a year.

Most of the workers who were affected by extension of the $1-for-$2 and $1-for-$1 provisions did not alter their earnings level.

Extension of the $1-for-$2 and $1-for-$1 provisions for benefit withholding to higher earnings amounts apparently had the effect of inducing some men to reduce their earnings.

HOW THE RETIREMENT TEST INFLUENCES EARNINGS

Under a retirement test of the type used since 1961, the disposable income of beneficiaries is increased by the after-tax amount of earnings up to the annual exempt amount. However, earnings in the $1-for-$2 benefit withholding area are only partially reflected in disposable income because an additional $2 in earnings results in a $1 loss of benefits. The effect of the benefit withholding is to reduce the beneficiary's marginal rate of pay in the $1-for-$2 area by one-half, and the increment to his disposable income by more than one-half if the earnings are taxed.

When the beneficiary's total earnings are in the $1-for-$1 area, each dollar above the $1-for-$2 limit is offset by a dollar of withheld benefits. Since the worker's earnings are usually subject to OASDHI and possibly to personal income taxes, he usually has less disposable income than would have been the case had he been able to limit his earnings to the upper limit of the $1-for-$2 range. In a range above that amount, the beneficiary finds himself working at a zero marginal pay rate and a negative marginal increase in disposable income: in this range, the more he has earned above the $1-for-$2 limit the less disposable income he has. The negative marginal increase in disposable income corrects itself when all benefits are withheld, and disposable income again increases by the after-tax amount of additional earnings. However, because the total amount of taxes payable increases with earnings there is a range of earnings above the point where all benefits are withheld that yields a total disposable income smaller than the disposable income that would be available if earnings were held to an amount equal to the $1-for-$2 upper limit. This, of course, increases the area of earnings where a worker might be encouraged to reduce his earnings in order to maximize his income.

The monthly test alters the general picture given above by allowing benefits to be paid for months in which earnings do not exceed the specified amount or no substantial self-employment services are performed. It is possible with the monthly test to have annual earnings in the $1-for-$1 area without reducing one's disposable income from what it would have been at the $1-for-$2 limit. In order to achieve this result the earnings must be concentrated in a few months. Such a situation typically occurs in the first year of retirement, when the beneficiary works at his regular job for part of the year and then retires. It is probable that the primary effect of the monthly test is to pay benefits to these newly retired workers or to workers who could not receive any benefits under the annual test but happen to have months with low earnings. The monthly test would seem to have little effect on the earnings of most workers because of the complexities involved in using it to maximize income.

It is clearly in a beneficiary's interest to avoid earning in the $1-for-$1 area and just above it. He may not, however, have control over the amount of his work. The choice facing him may be a job paying a certain amount or no job at all. If the beneficiary feels that he needs more income than his benefits alone will provide him, he will take the job, regardless of his preference for more or less income than the job provides.

Paradoxically, even a pay raise for the beneficiary can place him in a less desirable position. This can happen, for example, if his income is raised enough to put him in the $1-for-$1 area when he was previously in the $1-for-$2 area. His total disposable income may or may not have been increased by the raise. If he was earning in the $1-for-$1 area before the pay increase and continued to have total earnings in that area afterwards, his disposable income would actually have been reduced by receiving the raise.

A study based on the 1963 earnings distribution of workers who were entitled to retirement benefits and subject to the retirement test found that a large group of workers were earning close to the annual exempt amount, and that the number of workers with earnings immediately above that amount was much smaller.[3] The $1-for-$2 and $1-for-$1 provisions had little impact on those beneficiaries whose earnings exceeded the exempt amount. It would have been logical to find far fewer workers earning in the $1-for-$1 range, where disposable income declines, but actually there was no sudden drop in numbers where the $1-for-$2 provision left off and the $1-for-$1 provision commenced in the earnings distribution. Perhaps this reflects, as previously mentioned, that beneficiaries lack control over their total earnings.

THE 1965-66 EXPERIENCE

The 1965 and 1966 number and percentage distributions of workers aged 65-72, by sex and amount of taxable earnings, appear in table 1. The number of workers has been adjusted to the level reported in the 1967 Social Security Bulletin, Annual Statistical Supplement. In order to achieve a greater degree of comparability between the data for 1965 and 1966, all workers who fell into the 65-72 age group were included. This procedure avoids the uncertainties about comparability that can occur over time when entitlement, current payment, insured status, or receipt of benefits is used as a criterion for inclusion in the sample. The small number of uninsured workers in the sample should not affect any major conclusions to be drawn from the data.

When compared with those for 1965, the 1966 distributions exhibited substantial changes in the earnings intervals around the new and old annual exempt amounts. The percentage of men with earnings in the $1,300-1,599 interval, in which the $1,500 exempt amount is located, nearly tripled to 11 percent in 1966 from 4 percent in 1965, an increase of 135,000 workers in absolute terms. The percentage of woman in that interval increased from 5 percent to 13 percent, representing a 70,000-worker increase. On the other hand, the interval in which the old exempt amount of $1,200 is located lost a substantial number of workers. The percentage of men earning $1,000-1,299 declined from 14 percent to 9 percent, an 89,000-worker drop. The percentage of women earning $1,000-1,299 declined from 17 percent to 11 percent, a 44,000-worker decrease. Aside from these two intervals, no other comparably narrow interval experienced a change of more than 19,000 workers for either men or women.

The expected change in the number and percentage of workers in the $1,000-1,299 and $1,300-1,599 intervals that would be brought about by normal year-to-year increases in earnings would be quite different from what actually occurred. It appears from other data that both intervals would have shown an essentially unchanged number of workers and stationary or slightly declining percentages. Hence, almost no part of the observed 1965–66 changes in the two intervals can be attributed to the higher general earnings level in 1966.

The sharp drop in 1966 in the number of workers earning close to $1,200, when coupled with the increase in the number of workers earning about $1,500, is consistent with a large group of workers increasing their earnings (or, in the case of the newly retired workers, their earnings plans) from about $1,200 a year to about $1,500 a year, keeping up with the increase in the annual exempt amount. There were no other changes in the earnings distributions that quantitatively approached the changes associated with the exempt amount in 1965, indicative of the primary role of the annual exempt amount in helping to determine a beneficiary's earnings.

Although the upper limit of the $1-of-$2 benefit withholding range was extended from $1,700 in 1965 to $2,700 in 1966, there was relatively little change in the earnings distribution between $1,600 and $3,000 in earnings. The 28,000-worker increase in population in the $1,600–1,999 interval can probably be explained by the closeness of the exempt amount to that interval—a spillover of workers trying to achieve $1,500 in earnings but earning more. The small changes in the $2,000–2,999 interval populations by sex were made smaller in total because they were partially offsetting. The number of men in the $2,000–2,999 interval increased by 18,000. The percentage increased as well, which was counter to the change expected from rising

[1] The present test, effective in 1968, has a $1,680 exempt amount, $1-for-$2 withholding between $1,680 and $2,880., and $1-for-$1 withholding above $2,880. The monthly test is $140.

[2] Seventy-two rather than 71 was chosen as the upper age limit because beneficiaries are subject to the test during that part of the calendar year preceding their 72d birth date.

[3] See Kenneth G. Sander, "The Retirement Test: Its Effect on Older Workers Earnings," Social Security Bulletin, June 1968. See also House Document No. 91-40, 91st Congress, 1st Session, "The Retirement Test Under Social Security," January 1969.

earnings. There was a decline of 6,000 women in the interval, in line with the expected effect due to higher earnings levels.

The 1966 results also indicate that most workers could not or did not effectively differentiate between the $1-or-$2 and $1-for-$1 provisions in determining their earnings levels. The majority of affected workers did not avoid the $1-for-$1 area: 205,000 workers earned $3,000–3,999 in 1965 compared with 192,000 workers in that interval in 1966. In addition, there was no sudden drop in interval populations above the upper limit of the $1-for-$2 range, as there was above the exempt amount. In fact, there were actually more women earning $3,000–3,499 than there were earning $2,000–2,499 in 1966.

EARNINGS REDUCTIONS ATTRIBUTABLE TO CHANGES IN RETIREMENT TEST

Retirement test liberalizations are often supported on the basis that they provide improved work incentives for retired workers. Increasing the exempt amount of earnings should encourage additional work and, as has been shown, a number of beneficiaries do increase their earnings up to the higher exempt amount. What tends to be overlooked, though, is that liberalizations of the present form of the test can generate work disincentives. For example, it is highly unlikely that many workers who found themselves earning in the $1-for-$1 or $1-for-$2 range after the test was changed and did not like it could increase their earnings in order to improve their position. They might well, however, reduce their earnings to the neighborhood of the exempt amount as another method of bettering their position.

Another way that retirement test liberalizations could reduce the earnings of some workers would be through affording workers the chance to increase their leisure time with little or no reduction in disposable income. This opportunity could even affect workers earning amounts above the $1-for-$1 tradeoff area. For example, a worker may have been eligible for a $1,500-a-year retirement benefit in 1965, but instead chose to earn $4,000 and forego any benefits. Assuming he paid no income taxes, and ignoring work expenses, his take-home pay after social security taxes was $3,855. This was $966.63 more than the $2,888.37 he could have received by earning $1,700 and taking partial benefits of $1,250, the combination of benefits and earnings which would have maximized his disposable income.

After the retirement test liberalizations and the social security tax increase in 1966, however, he could have had an income of $3,486.60 by earning $2,700 and receiving $900 in benefits, compared with a $3,832 disposable income from earnings of $4,000. He would have gained only $345.40 in disposable income from the $1,300 of earnings above $2,700, and even less after allowing for work-connected expenses. Assuming he was paid at the rate of $2 an hour, worked a 40-hour week, and had control over his work schedule, he could have gained almost 4 months of leisure by foregoing at most $345.40 in disposable income. It may well have been attractive enough for him to reduce his earnings and "buy" the leisure time at its much reduced price in foregone income.

It is not possible to say how many workers actually reduced their earnings or earnings plans between 1965 and 1966 because of the retirement test liberalizations, but there is evidence that some workers did cut back. The percentage of men earning $3,000 or more fell from 44 percent to 42 percent. This decline occurred in the face of a rise in the earnings level which, other things being equal, would have raised the percentage to above 44 percent in 1966. Some idea as to the number of men who may have reduced their earnings or earnings plans in 1966 can be derived by calculating the number of additional workers needed to bring the percentage earnings over $3,000 to the 1965 level. This procedure yields an estimate of around 30,000 men who presumably had lower earnings. If a one percentage point increase were assumed in 1966 to allow for increased earnings levels, the number of men who presumably reduced their earnings would go to almost 50,000.

By contrast, the percentage of women earning $3,000 or more increased by one percentage point between 1965 and 1966, or what one would have expected as a result of rising earnings levels. A possible explanation for the different results between men and women in the over $3,000 earnings interval is that women do not have as much control as men over the amount of their earnings. There was evidence of this also in the $2,000–2,999 interval, where the distribution for men went counter to the underlying trend for that interval, showing increases in numbers and percentages, while the women's distribution showed the expected drop due to increasing earnings levels.

One reason for the probable greater control over earnings on the part of men can be traced to the fact that one-fourth of the men 65 or over who work have self-employment income. Only one in 10 of the women 65 or over who work have self-employment income. The self-employed could presumably regulate their earnings better than wage and salary workers.

EARNINGS OF WORKERS AGED 73 AND OVER

The 1965 and 1966 earnings distributions for men and women aged 73 and over are shown in table 2. These workers were not subject to the retirement test, and the distributions clearly show it. As one would expect with the older group, workers were concentrated in the lower earnings intervals, and the number of workers declined relatively smoothly from one higher earnings interval to another. No abnormally large groups of workers were to be found in the earnings intervals where the annual exempt amounts were located. The distributions showed no unusual changes between 1965 and 1966.

There were relatively more men aged 73 and over than men aged 65–72 earning $1,600–3,999 in 1966. This is a good indication of what some of the men who earn around the annual exempt amount increase their earnings to when freed of the constraints of the retirement test. For woman, the relatively higher populations were in the $1,600–2,999 interval, indicating less of an increase in earnings when the retirement test is removed. This would be consistent with the women's lower earnings level.

TABLE 1.—NUMBER AND PERCENTAGE DISTRIBUTION OF WORKERS AGED 65 TO 72 WITH TAXABLE EARNINGS, BY SEX AND TAXABLE EARNINGS
[Numbers in thousands]

	Total				Men				Women			
	Number		Percentage distribution		Number		Percentage distribution		Number		Percentage distribution	
Earnings interval	1965	1966	1965	1966	1965	1966	1965	1966	1965	1966	1965	1966
Total	2,610	2,708	100.0	100.0	1,749	1,715	100.0	100.0	861	893	100.0	.000
$1 to 499	435	427	16.7	15.8	240	245	13.7	13.5	195	182	22.6	20.4
$500 to $999	405	382	15.5	14.1	248	230	14.2	12.7	157	152	18.2	17.0
$1,000 to $1,299	391	258	15.0	9.5	246	157	14.1	8.7	145	101	16.8	11.3
$1,300 to $1,599	108	313	4.1	11.6	66	201	3.8	11.1	42	112	4.9	12.6
$1,600 to $1,999	96	124	3.7	4.6	61	80	3.5	4.4	35	44	4.1	4.9
$2,000 to $2,499	99	107	3.8	4.0	58	69	3.3	3.8	41	38	4.8	4.3
$2,500 to $2,999	101	105	3.9	3.9	58	65	3.3	3.6	43	40	5.0	4.5
$3,000 to $3,499	99	100	3.8	3.7	61	60	3.5	3.3	38	40	4.4	4.5
$3,500 to $3,999	106	92	4.1	3.4	73	59	4.2	3.3	33	33	3.8	3.7
$4,000 to $4,499	92	90	3.5	3.3	63	59	3.6	3.3	29	31	3.4	3.5
$4,500 or more	676	709	25.9	26.2	573	590	32.8	32.5	103	119	12.0	13.3

TABLE 1.—NUMBER AND PERCENTAGE DISTRIBUTION OF WORKERS AGED 73 AND OVER WITH TAXABLE EARNINGS, BY SEX AND TAXABLE EARNINGS
[Numbers in thousands]

	Total				Men				Women			
	Number		Percentage distribution		Number		Percentage distribution		Number		Percentage distribution	
Earnings interval	1965	1966	1965	1966	1965	1966	1965	1966	1965	1966	1965	1966
Total	779	802	100.0	100.0	561	575	100.0	100.0	218	227	100.0	100.0
$1–$499	151	160	19.4	10.9	95	102	16.9	17.7	56	58	25.8	25.6
$500–$999	145	137	18.6	17.1	98	94	17.5	16.3	47	43	21.7	18.9
$1,000–$1,299	88	80	11.3	10.0	62	52	11.1	9.0	26	28	12.0	12.3
$1,300–$1,599	50	56	6.4	7.0	37	41	6.6	7.1	13	15	6.0	6.6
$1,600–$1,999	55	56	7.1	7.0	39	40	7.0	6.9	16	16	7.4	7.0
$2,000–$2,499	48	53	6.2	6.6	33	38	5.9	6.6	15	15	6.9	6.6
$2,500–$2,999	38	42	4.9	5.2	29	30	5.2	5.2	9	12	4.1	5.3
$3,000–$3,499	30	31	3.9	3.9	21	22	3.7	3.8	9	9	4.1	4.0
$3,500–$3,999	24	27	3.1	3.4	19	20	3.4	3.5	5	7	2.3	3.1
$4,000–$4,999	21	23	2.7	2.9	16	17	2.9	3.0	5	6	2.3	2.6
$4,500 or more	128	138	16.5	17.2	112	120	20.0	20.8	16	18	7.4	7.9

Retired-Worker Beneficiaries Affected by the Annual Earnings Test in 1971

(By Barbara A. Lingg*)

(Every year some older persons entitled to retired-worker benefits lose some or all of their benefits because of the annual earnings test. This article discusses those affected in 1971—who they were, how much they earned, how much they lost in monthly cash benefits, and the effect of family status on benefit amounts. In that year, among those aged 62–71, relatively fewer women than men lost benefits as a result of earnings from work because relatively fewer women worked and those who did had lower earnings.)

Retired workers under age 72 who are entitled to monthly cash benefits under the social security program are affected by the earnings test provision of the law if they have income from employment or self-employment in excess of specific monthly and yearly exempt amounts. The effect of the earnings limitation in 1971 is studied here. In that year no benefits were withheld if annual earnings were $1,680 or less, $1 in benefits was withheld for every $2 in earnings from $1,681 to $2,880, and $1 in benefits was withheld for each $1 in earnings above $2,880. Benefits were payable, however, for any month in which the entitled individual earned $140 or less or did not render substantial services in self-employment.[1]

The 1.5 million retired-worker beneficiaries aged 62–71 who were affected by the earnings test in 1971 lost $2.2 billion in benefits. Men outnumbered women, but they also had higher earnings than women. For some individuals, earnings were not optimal in relation to their monthly benefit amount. The data (except for table 2) have been derived on a 100-percent basis from the Social Security Administration's master beneficiary record that contains detailed benefit data for all beneficiaries.[2]

In assessing the effect of the earnings test, it should be remembered that the number of beneficiaries actually receiving benefit payments would undoubtedly be larger if it were not for the limitation on earnings. Persons not claiming their benefits for this reason should be counted among those affected by the test. Most persons aged 65 or older do file for benefits. Some of them, however, file solely to become eligible for hospital benefits under Medicare and have their cash benefits postponed since they want to continue in their employment. Among those aged 62–64 who have not applied for reduced benefits are undoubtedly some who do not do so because they realize that the earnings test means limited earnings or loss of some or all of their benefits. They therefore decide to wait at least until they can file for full benefits.

This article focuses on the data for retired-worker beneficiaries on the rolls who lost some or all of their benefits because of earnings in 1971. The entitled spouses and/or children or retired-worker beneficiaries are also subject to the earnings test if they work, but the available earnings-test data for 1971 is limited to earnings of the retired worker.

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[1] The 1972 amendments to the Social Security Act modified the provision that required withholding of $1 in benefits for each $1 in earnings beyond $2,880. Beginning with 1973, for each $2 in earnings above the exempt amount only $1 of benefits was to be withheld regardless of total earnings. Legislation enacted in 1972 and 1973 provides for automatic increases in the exempt amount to reflect increases in general earnings levels. For 1975 the exempt amounts were raised to $210 per month and $2,520 per year.

[2] For a discussion of the effects of the annual earnings test in 1963, see Kenneth G. Sander, "The Retirement Test: Its Effect on Older Workers' Earnings," Social Security Bulletin, June 1968. For a history of the earnings test provisions and a discussion of possible changes and their potential effects, see U.S. Congress, Committee on Ways and Means, The Retirement Test Under Social Security, House Document No. 91–40, January 9, 1969.

Effects of Earnings Test on Benefits

The withholding provisions underlying the earnings test limit the monetary gain that retired-worker beneficiaries can receive from work. In 1971, from the point at which the earnings exceeded $2,880 to the point at which they were high enough to offset the payment of all benefits each $1 in earnings offset $1 in benefits and, therefore, there was no net gain. From that point on, however, each $1 of earnings was an addition to the individual's income, since there were no more benefits to offset (table 1). Excess earnings of the retired-worker beneficiary are charged against the total family benefit payable on his earnings record. Thus, if a retired worker has an entitled spouse and/or children, their benefits are withheld along with those of the worker until all of the excess earnings are taken into account. In the following example the effects of the 1971 earnings test are shown for a retired-worker beneficiary with total family benefits of $3,000 and varying earned income.

1. For earnings up to $2,880, with taxes on earnings disregarded, the individual would have been ahead financially by working, by a maximum of $2,280.

2. For earnings of $2,881–5,280, the monetary advantage the retired worker beneficiary could gain from employment would have remained at $2,280 regardless of the amount earned, since each additional $1 of earnings would have offset $1 in benefits. In terms of actual income, he probably would have netted far less than $2,280 because of deductions for both income and social security taxes. (Social security benefits are not subject to either tax.) Thus, the net income from gross earnings of $5,280 would probably be less than the net income from gross earnings of $2,880, since the tax-free benefits would be replaced dollar-for-dollar by taxable earnings and the taxes on earnings of $5,280 would be considerably larger than the taxes on earnings of $2,880. In addition, the worker probably would have incurred such work-related expenses as transportation, clothing, etc.

TABLE 1.—EXAMPLES OF NET RECEIPTS BY RETIRED-WORKER BENEFICIARIES FROM BENEFITS AND EARNINGS FOR SPECIFIED ANNUAL BENEFIT AND EARNINGS LEVELS, 1971

Earnings in year	Amount of benefits		Amount received from—		Economic advantage of working (in dollars)
	Withheld	Payable	Earnings and benefits	Benefits	
Benefit amount ($1,500 for year, $125 monthly):					
$1,680	0	$1,500	$3,180	$1,500	$1,680
$2,281	$300	1,200	3,481	1,500	1,981
$2,881	600	900	3,781	1,500	2,281
$3,481	1,200	300	3,781	1,500	2,281
$4,081	1,500	0	4,081	1,500	2,581
$4,681	1,500	0	4,681	1,500	3,181
$5,281	1,500	0	5,281	1,500	3,781
$5,881	1,500	0	5,881	1,500	4,381
$6,481	1,500	0	6,181	1,500	4,981
$7,081	1,500	0	7,081	1,500	5,581
Benefit amount ($3,000 for year, $250 monthly):					
$1,680	0	3,000	4,680	3,000	1,680
$2,281	300	2,700	4,981	3,000	1,981
$2,881	600	2,400	5,281	3,000	2,281
$3,481	1,200	1,800	5,281	3,000	2,281
$4,081	1,800	1,200	5,281	3,000	2,281
$4,681	2,400	600	5,281	3,000	2,281
$5,281	3,000	0	5,281	3,000	2,281
$5,881	3,000	0	5,881	3,000	2,881
$6,481	3,000	0	6,481	3,000	3,481
$7,081	3,000	0	7,081	3,000	4,081

3. The retired-worker beneficiary would have been $1 ahead for each $1 earned beyond $5,280, since all benefits would have been already offset. In order for his work to result in a net financial gain, however, he would have had to earn enough in excess of $5,280 to compensate for all taxes and work-related expenses incurred.

Since no monetary advantage would be gained from earnings over $2,880, unless they exceeded the point at which all of the benefits were offset, those with higher yearly benefit amounts would have to earn considerably more than those with lower yearly benefits to realize a financial advantage. Consequently, it would be to the advantage of many retired-worker beneficiaries to restrict their earnings to $2,880 or less, unless the earnings were fairly large.

Age and Sex

About 1.5 million retired-worker beneficiaries, roughly one-fifth of all retired workers aged 62–71, lost some or all of their 1971 benefits because they worked. About 70 percent of the group were men and 30 percent were women, compared with 58 percent and 42 percent, respectively, for the total retired-worker beneficiary population aged 62–71. Relatively fewer women lost benefits because relatively fewer women worked; moreover, relatively more of those who did work had earnings below the exempt amount. The smaller percentage of working women is in line with the generally lower labor-force participation rate of women—in 1971, 43 percent for all women and 9 percent for women aged 65 and over. The corresponding rates for men were 79 percent and 25 percent.[3] The lower earnings level among women workers is corroborated by data from the Continuous Work History Sample of the Social Security Administration. Less than $1,800 in earnings were shown for about two-fifths of the women in covered employment in 1971, but only one-fifth of the men had earnings that low. Among workers aged 65 and over, 58 percent of the women but only 45 percent of the men had earnings below $1,800 (table 2).

[3] Bureau of the Census, *Statistical Abstract of the United States: 1972* (93d edition), 1972, page 217.

TABLE 2.—WORKERS WITH TAXABLE EARNINGS: NUMBER AND PERCENTAGE DISTRIBUTION FOR ALL WORKERS AND FOR THOSE AGED 65 AND OVER, BY AMOUNT OF EARNINGS, 1971

Amount of earnings	Men		Women	
	Total	Aged 65 and over	Total	Aged 65 and over
Total number	57,200,000	2,440,000	35,700,000	1,280,000
Total percent	100	100	100	100
Less than $1,800	20	45	38	58
$1,800 to $2,999	8	11	13	12
$3,000 to $4,199	7	7	13	7
$4,200 to $5,399	7	6	12	7
$5,400 to $6,599	8	6	9	5
$6,600 to $7,799	8	4	6	4
$7,800 or more	41	21	8	7

Source: Data from the continuous work history sample for 1971. See the technical note for sampling variability calculations, p. 31.

Among those aged 62–71, the proportion of persons aged 65–71 who were affected by the earnings test was somewhat higher than the proportion of persons aged 65–71 in the total retired-worker beneficiary population aged 62–71 (table 3). This higher proportion may reflect the large number of individuals mentioned earlier who came onto the social security rolls at age 65 to be eligible for Medicare, even though their earnings offset all benefits that would otherwise be payable to them. Employed persons aged 62–64 would have little incentive to file for benefits unless their earnings were low enough to permit payment of some benefits or there were months in which they earned less than $140 or did not render substantial services in self-employment.

Information about the amount of income from work in 1971 was available for most retired-worker beneficiaries either from their annual report of earnings or their earnings record. All retired workers who received some benefits in 1971 and who earned more than $1,680 during the year were required to file an annual report of earnings indicating: (1) amount of earnings; (2) type of employment performed (wage and salary, self-employment, or a combination of the two); and (3) number of months in which they did not earn more than $140 or render substantial services in self-employment.

For persons who were not required to the annual reports because their benefits for 1971 were completely offset, earnings information was obtained from reports by employers and the self-employed and entered in the individual's earnings record for about 90 percent of the cases. For the remainder, earnings information was not available either because the reporting by employers or the self-employed was too late to be included in the tabulations, the individuals worked in employment not covered by the social security program—those in the Federal civil service, for example—or because of errors in processing the data. Earnings information was not available for about 10 percent of the men and 8 percent of the women.

TABLE 3.—NUMBER AND PERCENTAGE DISTRIBUTION OF RETIRED-WORKER BENEFICIARIES ON THE ROLLS AND OF THOSE AFFECTED BY EARNINGS TEST, BY SEX AND AGE GROUP, 1971

Sex and age	Retired-worker beneficiaries				Percent on rolls who are affected by earnings test
	On the rolls at end of year		Affected by earnings test		
	Number	Percentage distribution	Number	Percentage distribution	
Total	7,999,072	100.0	1,528,399	100.0	19.1
Men	4,622,723	57.8	1,067,949	69.9	23.1
Women	3,376,349	42.2	460,450	30.1	13.6

Sex and age	Retired-worker beneficiaries				Percent on rolls who are affected by earnings test
	On the rolls at end of year		Affected by earnings test		
	Number	Percentage distribution	Number	Percentage distribution	
Men	4,622,723	100.0	1,067,949	100.0	23.1
62 to 64	659,903	14.3	109,238	10.2	16.6
65 to 71	3,962,820	85.7	958,711	89.2	24.2
Women	3,376,349	100.0	460,450	100.0	13.6
62 to 64	712,030	21.1	74,712	16.2	10.5
65 to 71	2,664,319	78.9	385,738	83.8	14.5

An analysis of earnings of retired-worker beneficiaries indicates that relatively more men (57 percent) than women (37 percent) had earnings of $5,281 or more. On the other hand, relatively more women (40 percent) than men (24 percent) had earnings of $1,681–4,080 (table 4). These differences in the earnings levels of working men and women beneficiaries reflect earnings differences between men and women in the general population. Among all workers with taxable earnings in 1971, 57 percent of the men but only 23 percent of the women had earnings of $5,400 or more. For workers aged 65 or older, the corresponding proportions were 31 percent and 16 percent.

Relatively more men and women aged 65–71 had earnings in the higher ranges than men and women aged 62–64. Among those aged 65–71, for example, 60 percent of the men and 40 percent of the women had earnings exceeding $5,280, compared with 33 percent of the men and 23 percent of the women aged 62–64. These differences could be expected since many persons aged 62–64 with fairly high earnings would not have filed for benefits.

In all, retired-worker beneficiaries affected by the earnings test lost $2.2 billion in social security benefits—about 71 percent of the $3.1 billion that would have been payable to them and their entitled dependents if there had been no deductions due to earnings. Men lost $1.65 billion (72 percent of their benefits) and women lost $0.5 billion (68 percent). For both men and women the proportion of benefits withheld was substantially higher for those aged 65–71 than for those aged 62–64. Among men, the proportion of benefits withheld was about 74 percent for those aged 65–71 but only 52 percent for those aged 62–64. Among women, the corresponding proportions were 71 percent and 49 percent. These differences may reflect in part the higher earnings of workers aged 65–71.

ABLE 4.—NUMBER OF RETIRED-WORKER BENEFICIARIES AFFECTED BY EARNINGS TEST IN 1971, PERCENTAGE DISTRIBUTION BY AMOUNT OF EARNINGS, AND AVERAGE BENEFIT AMOUNT WITHHELD AND BEFORE WITHHOLDING, BY SEX, AGE, AND PRIMARY INSURANCE AMOUNT

Sex, age, and primary insurance amount	Retired-worker beneficiaries affected		Percentage distribution, by amount of earnings						Average benefit amount—		Ratio of benefits withheld to amount before withholding
	Number	Percent of total	Total	Earnings unknown	$1,681–2,880	$2,881–4,080	$4,081–5,280	$5,281 or more	Withheld	Before withholding	
MEN											
Total	1,067,949	100.0	100.0	9.7	14.9	8.7	9.7	57.0	$1,545	$2,150	0.719
Under $100	26,080	2.4	100.0	32.4	22.9	11.4	7.6	25.7	541	791	.684
$100 to $209.90	295,759	27.7	100.0	16.7	28.1	15.7	15.6	23.9	984	1,616	.609
$210 or more	746,110	69.9	100.0	6.2	9.4	5.8	7.4	71.2	1,809	2,409	.751
Aged 62 to 64, total	109,238	100.0	100.0	7.1	32.6	17.1	10.3	32.9	862	1,644	.524
Under $100	3,897	3.6	100.0	14.3	56.1	14.7	5.2	9.7	340	705	.482
100 to $209.90	49,885	45.7	100.0	8.9	44.4	22.6	10.9	13.2	643	1,367	.470
210 or more	55,456	50.7	100.0	4.9	20.2	12.3	10.2	52.4	1,096	1,960	.559
Aged 65 to 71, total	958,711	100.0	100.0	10.1	12.9	7.7	9.6	59.7	1,623	2,207	.735

Sex, age, and primary insurance amount	Retired-worker beneficiaries affected		Percentage distribution, by amount of earnings						Average benefit amount—		Ratio of benefits withheld to amount before withholding
	Number	Percent of total	Total	Earnings unknown	$1,681–2,880	$2,881–4,080	$4,081–5,280	$5,281 or more	Withheld	Before withholding	
Under $100	22,183	2.3	100.0	35.6	17.0	10.8	8.1	28.5	$577	$806	.716
$100 to $209.90	245,874	25.6	100.0	18.3	24.8	14.3	16.5	26.1	1,086	1,666	.652
$210 or more	690,654	72.1	100.0	6.3	8.5	5.3	7.2	72.7	1,860	2,445	.761
WOMEN											
Total	460,450	100.0	100.0	8.0	25.3	14.5	15.0	37.2	1,148	1,683	.682
Under $100	23,330	5.1	100.0	24.0	44.5	11.3	5.6	14.6	452	801	.564
$100 to $209.90	241,280	52.4	100.0	9.4	37.3	21.6	19.1	12.6	833	1,416	.588
$210 or more	195,840	42.5	100.0	4.4	8.2	6.2	11.1	70.1	1,619	2,116	.765
Age 62 to 64, total	74,712	100.0	100.0	6.1	46.8	17.1	7.0	23.0	594	1,203	.494
Under $100	7,709	10.3	100.0	10.0	70.3	10.7	2.7	6.3	268	665	.403
$100 to $209.90	46,756	62.6	100.0	5.4	57.4	22.2	7.6	7.4	485	1,117	.434
$210 or more	20,247	27.1	100.0	6.0	13.3	7.8	7.7	65.2	969	1,609	.602
Aged 65 to 71, total	385,738	100.0	100.0	8.4	21.1	14.0	16.6	39.9	1,255	1,776	.707
Under $100	15,621	4.1	100.0	30.9	31.8	11.6	7.0	18.7	543	868	.626
$100 to $209.90	194,524	50.4	100.0	10.3	32.5	21.4	21.9	13.9	916	1,488	.616
$210 or more	175,593	45.5	100.0	4.3	7.6	5.9	11.5	70.7	1,694	2,175	.779

EARNINGS AND PRIMARY INSURANCE AMOUNT

The primary insurance amount (PIA) is related to average monthly earnings on which a person's social security taxes are paid. It serves as the basis for computing all social security cash benefit amounts. The full PIA is payable to a retired worker who becomes entitled to benefits at age 65. If the worker becomes entitled before age 65, the PIA is actuarially reduced. Since the PIA in a limited way reflects a person's average monthly earnings before entitlement to benefits, one might expect that those with high PIA's would be in a better position than those with low PIA's to have high earnings if they engage in work activities after entitlement to benefits. As table 4 data indicate, a substantially higher proportion of retired workers with PIA's of $210 or more had earnings exceeding $5,280 than those with lower PIA's, irrespective of age and sex. Interestingly, although the proportion of women with high earnings was generally much lower than the proportion of men with high earnings, the earnings patterns of men and women were virtually identical at the highest PIA level.

BENEFICIARY FAMILY STATUS AND MONTHLY BENEFIT AMOUNT

About 80 percent of the retired-worker beneficiaries who were affected by the earnings test in 1971 are classified as "worker-only" beneficiary families (table 5). Family classifications of the beneficiary data are based on the aggregation of persons entitled to benefits on the worker's earnings record. The term "worker-only" family therefore means that no spouses and/or children are entitled to benefits on the worker's earnings record. It does not necessarily mean that the worker is not married. The worker actually may be married to another beneficiary who is entitled to benefits on his or her own earnings record, or to a person who does not meet the requirements for entitlement—a woman too young, for example, to become entitled to wife's benefits.

TABLE 5.—NUMBER AND PERCENTAGE DISTRIBUTION OF RETIRED WORKER BENEFICIARIES AFFECTED BY THE EARNINGS TEST IN 1971, AMOUNT OF BENEFITS WITHHELD AND BEFORE WITHHOLDING, BY AGE GROUP, SEX, TYPE OF EMPLOYMENT, AND BY TYPE OF BENEFICIARY FAMILY

Sex, type of employment and type of beneficiary family	Retired-worker beneficiaries affected						Amount of benefits (in thousands)					
	Total		Aged 62–64		Aged 65–71		Total		Aged 62–64		Aged 65–71	
	Number	Percentage distribution	Number	Percentage distribution	Number	Percentage distribution	Withheld	Before withholding	Withheld	Before withholding	Withheld	Before withholding
Total	1,528,399	100.0	183,950	12.0	1,344,449	88.0	$2,178,837	$3,070,339	$138,505	$269,518	$2,040,332	$2,800,820
Men	1,067,949	69.9	109,238	7.1	958,711	62.8	1,650,272	2,295,576	94,158	179,621	1,556,114	2,415,954
Women	460,450	30.1	74,712	4.9	385,738	25.2	528,565	774,763	41,347	89,897	484,218	681,896
Men	1,067,949	100.0	109,238	100.0	958,711	100.0	1,650,272	2,295,576	94,158	179,621	1,556,114	2,115,954
Wage and salary	558,105	52.3	75,192	68.8	483,213	50.4	670,398	1,145,597	58,783	123,252	614,585	1,022,345
Self-employed	72,251	6.8	13,816	12.6	58,435	6.1	73,501	159,411	8,859	21,178	64,615	138,232
Wage and salary and self-employed	21,988	2.0	4,438	4.1	17,550	1.8	21,816	46,489	3,036	6,831	18,780	39,658
Type unknown	415,305	38.9	15,792	14.5	399,513	41.7	884,585	944,679	23,480	28,360	864,105	915,719
Women	460,450	100.0	74,712	100.0	385,738	100.0	528,565	774,763	41,317	89,897	484,248	681,866
Wage and salary	316,313	68.7	66,527	89.0	249,786	64.8	287,133	506,270	38,449	80,724	248,713	425,549
Self-employed	11,000	2.4	2,355	3.2	8,736	2.3	8,666	18,108	1,064	2,567	7,602	15,511
Wage and salary and self-employed	3,655	.8	770	1.0	2,885	.7	3,256	6,198	465	924	2,794	5,274
Type unknown	129,391	28.1	5,060	6.8	124,331	32.2	229,510	244,187	4,399	5,685	225,111	238,502
All beneficiary families	1,528,399	100.0	183,950	100.0	1,344,449	100.0	2,178,837	3,070,339	138,505	269,548	2,040,332	2,880,820
Worker only	1,223,330	80.0	146,782	79.8	1,076,518	80.1	1,603,620	2,183,389	93,326	188,268	1,510,293	1,995,421
Men	766,636	50.0	73,451	39.9	693,185	51.6	1,079,777	1,417,096	50,125	100,763	1,029,652	1,316,303
Women	456,624	30.0	73,331	39.9	383,363	28.5	523,813	766,323	43,201	87,505	480,641	678,818
Worker and spouse	240,793	15.8	22,590	12.3	218,203	16.2	469,269	702,801	30,429	48,096	438,810	654,708
Worker and children	27,725	1.8	5,995	3.2	21,730	1.6	40,942	71,235	5,530	12,386	35,383	58,848
Worker, spouse, and children	36,551	2.4	8,583	4.7	27,968	2.1	65,037	112,912	9,221	20,769	55,817	92,443

About 4 percent of the retired-worker beneficiaries affected by the earnings test in 1971 had dependent children entitled to benefits on their wage records. The percentage of beneficiary families with dependent children was somewhat higher among those beneficiaries aged 62–64 than among those aged 65–71. Relatively more of the older group than of the younger had spouses entitled to benefits. Because women retired-worker beneficiaries comprised less than 1 percent of the "worker and spouse" and "worker, spouse, and children" beneficiary families, data for such families that include dependents are not shown separately by sex of the retired-worker beneficiary. Comparisons are made only between families with dependents and those with a man as the only beneficiary.

In general, beneficiary families with dependents lost a lower proportion of their benefits than the men in the worker-only families (table 6). A partial explanation is the fact that the former tend to receive larger monthly amounts, because the family benefit includes amounts to which dependents are entitled.[4] It would therefore take fewer benefit months to offset amounts to be withheld due to earnings and benefits would be payable for more months during the year.

[4] Family benefits are subject to a maximum amount that is related to the worker's PIA. If the family benefit amount exceeds this maximum, the benefits to the dependents are reduced. The earnings test is applied against the amount the family actually receives. Thus, if a family receives the maximum, it will apply against that amount not against the amount the dependents would have received before reduction for the family maximum.

TABLE 6.—NUMBER OF RETIRED-WORKER BENEFICIARIES AFFECTED BY EARNINGS TEST IN 1971, PERCENTAGE DISTRIBUTION BY AMOUNT OF EARNINGS, AND AVERAGE BENEFIT AMOUNT WITHHELD AND BEFORE WITHHOLDING, BY TYPE OF BENEFICIARY FAMILY AND MONTHLY BENEFIT AMOUNT

Type of beneficiary family and monthly benefit amount	Retired-worker beneficiaries affected		Percentage distribution, by amount of earnings					Average benefit amount—		Ratio of benefits withheld to amount before withholding
	Number	Percent of total	Total	Earnings unknown	$1,681 to $2,880	$2,881 to $4,080	$4,081 to $5,280	$5,281 or more	Withheld	Before withholding	
Worker only, men	766,636	100.0	100.0	9.0	13.9	8.6	10.3	58.2	$1,409	$1,848	0.762
Under $100.00	23,870	3.1	100.0	30.0	26.2	12.4	8.0	23.4	502	732	.686
$100.00 to $149.90	72,816	9.5	100.0	22.0	34.9	16.8	11.3	15.0	675	1,139	.593
$150.00 to $199.90	139,186	18.2	100.0	13.3	24.2	15.4	18.5	28.6	1,000	1,556	.648
$200.00 to $249.90	261,419	34.1	100.0	7.2	12.7	8.0	12.4	59.7	1,426	1,931	.738
$250.00 or more	269,345	35.1	100.0	3.0	3.1	3.0	3.9	87.0	1,877	2,210	.849
Worker only, women	456,694	100.0	100.0	8.0	25.2	14.5	15.1	37.2	1,147	1,678	.684
Under $100.00	24,743	5.4	100.0	18.6	52.0	12.6	4.9	11.9	385	733	.525
$100.00 to $149.90	86,064	18.8	100.0	11.2	55.4	19.8	7.5	6.1	513	1,147	.447
$150.00 to $199.90	138,167	30.3	100.0	9.0	27.3	23.5	24.4	15.5	974	1,553	.627
$200.00 to $249.90	127,239	27.9	100.0	5.2	11.1	8.6	18.1	57.0	1,444	1,926	.750
$250.00 or more	80,181	17.6	100.0	3.7	3.6	3.3	5.3	84.1	1,887	2,359	.800
Worker and spouse	240,793	100.0	100.0	10.9	16.7	8.2	7.7	56.5	1,949	2,919	.668
Under $150.00	5,342	2.2	100.0	26.6	30.7	8.1	13.7	20.9	633	1,100	.575
$150.00 to $199.90	11,711	4.9	100.0	19.3	40.6	15.9	10.3	13.9	766	1,635	.485
$200.00 to $249.90	23,419	9.7	100.0	16.2	33.8	15.0	12.0	23.0	1,064	2,100	.507
$250.00 to $299.90	39,228	16.3	100.0	12.3	23.2	10.8	10.2	43.5	1,527	2,578	.592
$300.00 to $349.90	48,562	20.2	100.0	11.0	20.6	8.8	8.8	50.8	1,754	2,930	.599
$350.00 or more	112,531	46.7	100.0	7.6	6.1	4.6	5.2	76.5	2,550	3,423	.745
Worker and children	27,725	100.0	100.0	12.9	21.4	12.2	10.3	43.1	1,476	2,569	.575
Under $150.00	1,341	4.8	100.0	23.1	38.9	15.9	5.6	16.5	538	1,061	.507
$150.00 to $199.90	2,328	8.4	100.0	17.9	42.0	20.2	9.3	10.6	672	1,527	.440
$200.00 to $249.90	3,224	11.6	100.0	15.3	36.4	20.3	12.6	15.4	908	1,973	.460
$250.00 to $299.90	4,156	15.0	100.0	13.8	28.0	16.8	14.3	27.1	1,205	2,382	.506
$300.00 to $349.90	5,369	19.4	100.0	11.6	20.3	11.4	12.9	43.8	1,506	2,750	.548
$350.00 or more	11,307	40.8	100.0	10.5	8.9	6.6	7.7	66.3	2,000	3,116	.642
Worker, spouse, and children	36,551	100.0	100.0	16.4	19.3	12.6	10.2	41.5	1,778	3,089	.576
Under $150.00	1,627	4.5	100.0	27.8	32.3	17.1	7.8	15.0	580	1,078	.538
$150.00 to $199.90	2,932	8.0	100.0	23.5	34.8	19.7	10.8	11.2	762	1,534	.497
$200.00 to $249.90	3,691	10.1	100.0	19.9	29.7	22.3	13.0	15.1	964	1,959	.492
$250.00 to $299.90	3,123	8.6	100.0	19.7	24.1	19.9	15.7	20.6	1,221	2,393	.510
$300.00 to $349.90	3,417	9.3	100.0	17.4	22.1	15.5	15.8	29.2	1,465	2,843	.515
$350.00 or more	21,761	59.5	100.0	13.3	13.3	8.2	8.2	56.9	2,274	3,779	.602

Among beneficiary families affected by the earnings test, more than three-fourths of those with dependents but only 35 percent of the male worker-only families received monthly benefits of $250 or more. Families with dependents therefore tended to have more benefits against which earnings could be offset and thus possibly could retain some benefits, though the same amount of earnings offset all the benefits payable to "worker-only" families. Lower earnings among beneficiary families with dependents also help to account for proportionately smaller losses of benefits. The data indicate that among beneficiary families with the highest monthly benefit amounts, the proportion of retired-worker beneficiaries earning $5,281 or more was somewhat lower among families with children than among male "worker-only" families.

It does not always prove financially advantageous to work since earnings beyond $2,880 do not contribute to the net income of the beneficiary family unless earnings exceed the point at which all benefits are offset. A worker entitled to benefits for all months of 1971 at the monthly rate of $250 would not, for example, gain anything from earnings from $2,881 to $5,280. He would have to earn much more than $5,280 to benefit financially from earnings beyond $2,880. Yet the data indicate that many beneficiary families with a monthly benefit amount of $250 or more earned $2,881–$5,280. The proportion of beneficiary families with earnings in this range was particularly high for retired-worker beneficiary families with dependent children—about 31 percent of the "worker and children" families with monthly benefits of $250–$299 and about 14 percent of those with monthly benefits of $350. Among "worker, spouse, and children" families, the corresponding proportions were 36 percent and 16 percent. On the other hand, less than 10 percent of "worker-only" families with monthly benefits of $250 or more had earnings within this range. As pointed out earlier, families with higher monthly benefits would have had to earn considerably more than those with low monthly benefits to realize a financial advantage from annual earnings above $2,880.

Some retired-worker beneficiaries had earnings within the nonoptimal range—for several possible reasons. First, some of them could not control the conditions of their employment and may have had to earn more than $2,880 in order to earn anything at all. The need to supplement the retirement income may have prompted them to continue to work, even if earnings beyond $2,880 did not provide an additional financial advantage. The need for additional income was probably greater for those with dependent children and, with taxes disregarded, earnings beyond $2,880 created at least $2,280 of additional income. Some individuals may not have been aware of the optimal amount of earnings in relation to their benefits and worked beyond that point (even if they had some control over how much they could earn). Finally, some individuals may have derived something other than financial satisfaction from their work. Such considerations as status, associations with others, and the opportunities for accomplishment and self-expression provided by their work may have outweighed financial motives.

TABLE 7.—NUMBER OF RETIRED-WORKER BENEFICIARIES AFFECTED BY EARNINGS TEST IN 1971, PERCENTAGE DISTRIBUTION BY AMOUNT OF EARNINGS, AND AVERAGE BENEFIT AMOUNT WITHHELD AND BEFORE WITHHOLDING, BY TYPE OF EMPLOYMENT AND SEX

Type of employment and sex	Number	Percentage distribution, by amount of earnings					Average benefit amount—		Ratio of benefits withheld to amount before withholding
		Total	Earnings unknown	$1,681 to $2,880	$2,881 to $4,080	$4,081 to $5,280	$5,281 or more	Withheld	Before withholding	
Total	1,528,309	100.0	9.2	18.0	10.5	11.3	51.0	$1,426	$2,009	0.710
Wage and salary	874,718	100.0	6.8	26.7	14.5	12.0	40.0	1,095	1,888	.580
Men	558,405	100.0	7.3	22.5	12.3	11.5	46.4	1,201	2,052	.585
Women	316,313	100.0	5.9	34.2	18.2	12.9	28.8	908	1,601	.567
Self-employed	83,342	100.0	6.5	35.0	17.4	10.7	30.4	986	2,130	.463
Men	72,251	100.0	6.8	33.5	17.1	10.7	31.9	1,017	2,206	.461
Women	11,091	100.0	4.2	44.4	19.3	10.9	21.2	781	1,633	.478
Wage and salary and self-employed	25,643	100.0	6.4	28.5	17.6	12.7	34.8	978	2,055	.476
Men	21,988	100.0	6.7	28.0	17.4	12.5	35.4	992	2,114	.469
Women	3,655	100.0	4.8	31.7	18.7	13.5	31.2	891	1,696	.525
Type unknown	544,696	100.0	13.7	.9	2.6	10.2	72.6	2,045	2,182	.937
Men	415,305	100.0	13.7	.7	1.9	6.9	76.8	2,130	2,273	.937
Women	129,391	100.0	13.8	1.6	4.9	20.6	59.1	1,774	1,887	.940

Among persons whose earnings were high enough to be affected by the earnings test, the type of employment (either wage and salary, self-employment, or a combination of the two) was obtained for about 60 percent of the men and 70 percent of the women from the annual reports they were required to file. Relatively more men than women were self-employed or had a combination of wage and salary employment and self-employment.

Type of employment was unknown for a substantial number of workers—mainly those who were not required to file annual reports because their earnings were high enough to offset all benefits payable for the year. While type of employment was not available for this group, the amount of earnings was available for most of them from their earnings records. At least 77 percent of these men and 59 percent of the women had earnings above $5,280. Among those whose type of employment was known, relatively fewer men and women had earnings above $5,280 (table 7). Entitled workers whose type of employment was not known lost about 94 percent of their benefits to earnings.

The proportion of entitled workers with earnings of $1,681–2,880 was higher among those with earnings from self-employment than among those with earnings from salaries and wages only or from both salaries and wages and self-employment. The self-employed probably had more control over the amount of time that they worked or over their level of earnings than those who had worked for an employer. It is difficult to draw conclusions about the relationship of earnings to type of employment, because of the large number of workers whose type of employment was unknown.

MONTHS OF ENTITLEMENT AND NONWORK

Tables 8 and 9 show information on the number of months workers were entitled in 1971 (either 12 months or less than 12 months) and the number of months in which they did not earn over $140 or did not render substantial services in self-employment (nonwork months). Both for months of entitlement in 1971 and for nonwork months the pattern did not differ much among men and women but did differ for the two age groups. The proportion of retired-worker beneficiaries entitled for all months of 1971 was higher among those aged 65–71 than among those aged 62–64. More of the younger group may have become entitled during the year, but more of the older group may have been on the rolls for some time. The proportion of those who had one or more nonwork months was higher for the group aged 62–64 than for those aged 65–71. Since those under age 65 would have little incentive to file for benefits unless they could actually receive some payment, the fact that there were months for which payment could be made (regardless of total annual earnings) might have prompted some people in this age group to come on the rolls.

One would expect that persons with earnings from self-employment would have more nonwork months than persons with earnings from wages and salaries or a combination of the two types of employment since the self-employed may have greater control over their work time. The data indicate, however, that among those whose type of employment was known, relatively more of those with a combination of wage and salary and self-employment had some nonwork months than did those who had either wage and salary employment or self-employment. As expected, all persons whose types of employment was unknown had zero nonwork months—these were individuals who did not file annual reports because no benefits were payable to them for the year.

TABLE 8.—NUMBER OF RETIRED-WORKER BENEFICIARIES AFFECTED BY EARNINGS TEST IN 1961, NUMBER OF MONTHS OF ENTITLEMENT AND NUMBER OF NONWORK MONTHS, BY SEX, AGE GROUP, AND TYPE OF EMPLOYMENT

Sex, age, and type of employment	Length of entitlement: Entitled for 12 months — Number	Entitled for 12 months — Percentage distribution, by number of nonwork months: Total	0	1 to 6	7 to 11	Entitled for less than 12 months — Number	Percentage distribution, by number of nonwork months: Total	0	1 to 6	7 to 11
Men	797,405	100	60.7	22.9	16.4	270,544	100	57.9	31.3	10.8
62 to 64	63,574	100	42.2	31.0	26.8	45,664	100	38.3	51.2	10.5
65 to 71	733,831	100	62.3	22.2	15.5	224,880	100	61.9	27.3	10.8
Wage and salary	406,016	100	36.4	37.8	25.8	152,389	100	33.3	49.6	17.1
Self-employed	59,529	100	27.7	38.6	33.7	12,722	100	36.8	47.9	15.3
Wage and salary and self-employed	16,579	100	27.1	39.4	33.5	5,409	100	22.9	57.5	19.6
Type unknown	315,281	100	100.0	0	0	100,024	100	100.0	0	0
Women	354,618	100	60.7	23.2	16.1	105,832	100	52.7	37.8	9.5
62 to 64	44,983	100	46.2	30.8	23.1	29,729	100	32.2	60.5	7.3
65 to 71	309,635	100	62.8	22.1	15.1	76,103	100	60.6	29.0	10.4
Wage and salary	242,794	100	45.5	32.3	22.2	73,519	100	34.2	52.6	13.2
Self-employed	8,958	100	42.9	29.7	27.4	2,133	100	43.5	43.8	12.7
Wage and salary and self-employed	2,989	100	35.5	37.3	27.2	666	100	23.5	62.1	14.3
Type unknown	99,877	100	100.0	0	0	29,514	100	100.0	0	0

The proportion of retired-worker beneficiaries with earnings exceeding $5,280 was higher among those whose entitlement during 1971 was less than 12 months than among those who were entitled for the entire year (table 9). Possibly some of those who were entitled for less than a full year were working at fairly high wages until they retired; others might have been working full time and came onto the rolls solely to file for Medicare. Relatively more of those who were entitled for all months of 1971 may have been working at fairly low wages to supplement their retirement income.[5]

Retired-worker beneficiaries with 7–11 nonwork months had substantially lower earnings than those with from 0 to 6 nonwork months, as expected, since the former had fewer months in which to accumulate substantial total earnings. The earnings level for those with 1–6 nonwork months did not differ substantially from the earnings level for those with zero nonwork months. Those with 1–6 nonwork months, however, lost a much lower proportion of the total benefits payable to them. Among men entitled for less than 12 months, for example, those with zero nonwork months lost about 90 percent of the benefits payable, but those with 1–6 nonwork months lost only about 57 percent of their benefits. Obviously, those with some nonwork months were able to receive benefits for these months.

[5] The earnings-test provisions are the same, regardless of the number of months of entitlement in the year. Thus, if a worker entitled for less than a full year earned more than $1,680 he would be subject to the earnings test (even if some of that amount had been earned before he became entitled to benefits). For a discussion of the effect of the earnings test on persons with part-year entitlement, see Barbara A. Lingg. *Social Security Bulletin*, January 1975, pp. 28–34.

TABLE 9.—NUMBER OF RETIRED-WORKER BENEFICIARIES AFFECTED BY EARNINGS TEST IN 1971, PERCENTAGE DISTRIBUTION BY AMOUNT OF EARNINGS, AND AVERAGE BENEFIT AMOUNT WITHHELD AND BEFORE WITHHOLDING, BY SEX, MONTHS OF ENTITLEMENT, AND NUMBER OF NONWORK MONTHS

Sex and number of nonwork months	Number	Percent of total	Percentage distribution, by amount of earnings: Total	Amount of earnings unknown	$1,681 to $2,880	$2,881 to $4,080	$4,081 to $5,280	$5,281 or more	Average benefit amount—: Withheld	Before withholding	Ratio of benefits withheld to amount before withholding
MEN	Entitled 12 months										
Total	797,405	100.0	100.0	10.3	17.7	9.1	9.3	53.6	$1,771	$2,476	0.715
0 nonwork months	484,063	60.7	100.0	12.4	12.5	6.7	6.4	62.0	2,087	2,469	.845
1 to 6 nonwork months	182,909	22.0	100.0	9.3	13.2	9.4	16.3	51.8	1,594	2,501	.637

TABLE 9.—NUMBER OF RETIRED-WORKER BENEFICIARIES AFFECTED BY EARNINGS TEST IN 1971, PERCENTAGE DISTRIBUTION BY AMOUNT OF EARNINGS, AND AVERAGE BENEFIT AMOUNT WITHHELD AND BEFORE WITHHOLDING, BY SEX, MONTHS OF ENTITLEMENT, AND NUMBER OF NONWORK MONTHS

Sex and number of nonwork months	Number	Percent of total	Percentage distribution, by amount of earnings						Average benefit amount—		Ratio of benefist withheld to amount before withholding
			Total	Amount of earnings unknown	$1,681 to $2,880	$2,881 to $4,080	$4,081 to $5,280	$5,281 or more	Withheld	Before withholding	
7 to 11 nonwork months	130,433	16.4	100.0	3.7	43.9	17.4	10.3	24.7	$847	$2,464	.344
					Entitled less than 12 months						
Total	270,544	100.0	100.0	8.2	6.4	7.5	10.7	67.2	880	1,188	.741
0 nonwork months	156,644	57.9	100.0	12.5	5.0	5.1	8.0	69.4	1,048	1,164	.900
1 to 6 nonwork months	84,786	31.3	100.0	2.4	6.3	9.9	14.4	67.0	665	1,159	.574
7 to 11 nonwork months	29,114	10.8	100.0	1.7	14.0	13.8	15.2	55.3	599	1,399	.428
WOMEN					Entitled 12 months						
Total	354,618	100.0	100.0	8.6	28.7	14.7	14.2	33.8	1,272	1,895	.671
0 nonwork months	215,381	60.7	100.0	9.8	25.6	16.5	13.3	34.8	1,424	1,905	.746
1 to 6 nonwork months	82,066	23.2	100.0	9.7	15.9	12.8	18.5	43.1	1,307	1,965	.665
7 to 11 nonwork months	57,171	16.1	100.0	2.5	59.1	11.1	10.9	16.4	651	1,759	.370
					Entitled less than 12 months						
Total	105,832	100.0	100.0	6.1	13.7	13.8	18.7	47.7	732	970	.755
0 nonwork months	55,742	52.7	100.0	9.4	13.5	11.4	18.0	47.7	850	973	.874
1 to 6 nonwork months	40,034	37.8	100.0	2.4	11.8	16.1	17.9	51.8	603	951	.634
7 to 11 nonwork months	10,056	9.5	100.0	2.2	22.5	14.6	19.2	41.5	584	1,025	.570

Differences in earnings between those with zero or 1–6 nonwork months and between those with 7–11 nonwork months were greater among those entitled for all months of 1971 than among those entitled for less than 12 months. Among men entitled for all months of 1971, for example, the proportion with earnings exceeding $5,280 was about 52 percent for those with 1–6 nonwork months and 25 percent for those with 7–11 nonwork months. Among men entitled for less than 12 months, the proportions were 67 percent and 55 percent, respectively. It is likely that many of those with less than 12 months of entitlement in 1971 were new entrants to the social security rolls and may have had fairly high earnings before retirement but several nonwork months after retirement. On the other hand, many of those with 12 full months of entitlement in 1971 were not new entrants; they may have been working at lower wages to supplement their retirement benefits and the 7–11 nonwork months would hold down their total earnings considerably.

TECHNICAL NOTE [6]

All data, except those presented in table 2, were derived on a 100-percent basis from the Social Security Administration's master beneficiary record. Sampling variability calculations for the data in table 2 (derived from the 1971 Continuous Work History Sample) are shown in table I.

Since the estimates (in percentages) are based on sample data, they are subject to sampling variability, which can be measured by the standard error. The chances are about 68 out of 100 that the differences due to sampling variability between a sample estimate and the figure that would have been obtained from a compilation of all records is less than the standard error. The chances are 95 out of 100 that the difference is less than twice the standard error and about 99 out of 100 that it is less than 2½ times the standard error. Table I (expressed in percentage points) shows the standard error for percentages of persons with a particular characteristic. Linear interpolation may be used for estimated percentages and base figures not shown here.

TABLE I.—APPROXIMATIONS OF STANDARD ERRORS OF ESTIMATED PERCENTAGES

Base of percentages (in thousands)	2 or 98	5 or 95	10 or 90	20 or 80	35 or 65	50
All workers:						
25,000	(1)	(1)	0.10	0.10	0.10	0.10
50,000	(1)	(1)	(1)	.10	.10	.10
75,000	(1)	(1)	(1)	.10	.10	.10
Workers aged 65 and over:						
750	0.20	0.30	.40	.50	.60	.60
1,000	.10	.20	.30	.40	.50	.50
2,500	.10	.10	.20	.30	.30	.30

[1] Less than 0.1 percent.

Mr. GOLDWATER. Mr. President, what is the time situation?

The PRESIDING OFFICER. The Senator from Arizona has 7 minutes.

Mr. GOLDWATER. Mr. President, if my friend from Wisconsin is willing, I am perfectly willing to yield back.

Mr. BAYH. Mr. President, will the Senator yield me just a moment?

Mr. GOLDWATER. I have 7 minutes. How much does the Senator need?

Mr. BAYH. A couple minutes will be fine.

I say to my friend from Arizona, I put a rather lengthy statement in the RECORD when I knew I was going to have to be downstairs in the Appropriations Committee trying to resolve this controversy we are having with the House on the HEW appropriations bill.

I have supported this proposition for a long period of time, and I hope that the Senate will sustain our position.

Mr. GOLDWATER. Mr. President, unless there are other Senators who wish to speak in favor, I gladly yield back the remainder of our time so we may allow the Senator from Idaho to get out his long knife and see what can be done.

Mr. NELSON. I want to see that as soon as possible.

Do Senators want any time yielded to them?

Mr. President, I yield back the remainder of my time.

Mr. GOLDWATER. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back.

ADDITIONAL STATEMENTS SUBMITTED

Mr. BAYH. Mr. President, I rise in support of the amendment submitted on behalf of Senator GOLDWATER, myself, and several of our colleagues. This amendment is very similar to legislation which I introduced earlier in this Congress. It would take the beneficial reforms made by the Finance Committee in the area of outside earning limitation one step further by eliminating this restriction altogether by the year 1982.

It is stating the obvious to say that inflation has had a particularly disastrous impact on our Nation's older citizens.

During this past year, I am sure nearly every Member of this body has spoken at some length regarding this subject. It is now time to take action to ease the burden on older Americans. One step we can take in this regard is to alter the present earning limitation for recipients of social security.

Mr. President, the central fact about social security is that it does not provide enough income for retired persons to live decently. Even with the increased level of benefits that went into effect in June, the soaring cost of living has left many social security recipients striving just to get by. Those who have no other income than their social security check live—strictly speaking—in poverty. Nearly 25 percent of the population over 65 falls into this category according to the Census Bureau. As of March of this year, this represents 3.5 million persons. In all too many cases, the only solution

[6] The contributions of Robert H. Finch and Beatrice K. Matsui, Division of OASDI Statistics, to the sampling variability calculations are acknowledged. For details on the sample design see *Earnings Distributions in the United States, 1968*, Office of Research and Statistics, 1973, pp. 316–18.

for many of these elderly citizens is welfare. And yet, despite these facts, existing law makes it impossible for many older Americans to raise their standard of living to a comfortable level.

The present law now permits an individual to earn up to $3,000 a year without any reduction in his or her social security benefits. Above that dollar amount, however, he or she must sacrifice a dollar in benefits for every $2 earned. This means that a single person between the age of 65 and 72 who is able and willing to hold down even a modestly paying job must give up every cent of the social security benefits to which a lifetime of work and as much as 35 years of paying into the trust fund entitles him or her.

The Senate Finance Committee has taken an important step toward easing this burden on our older citizens. Under the provisions of the Finance Committee bill, the earnings limitation is raised to $4,500 in 1978 and to $6,000 in 1979. Our amendment, similar to one offered in the House by Representative KETCHUM, would remove any monetary limitation on outside earnings whatsoever by the year 1982.

The total repeal of the outside earnings limitation would benefit some 4 million older workers. This includes 2 million workers whose benefits have been actually denied or reduced as a result of the earnings test. Additionally it is estimated that another 2 million older workers who now are out of the work force would return upon the repeal of the earnings limitation.

There are two concerns which have been raised regarding this amendment. The first is its cost. It would not cost several billion dollars as many have projected. According to the Social Security Administration, the cost of eliminating the restriction entirely would be only $1 billion more than the changes already made by the Finance Committee provisions. It has been estimated that this represents less than a one-tenth of 1 percent payroll tax increase on employers and employees.

The second concern is that this amendment benefits only the very wealthy. According to figures just released by the Census Bureau for 1975, only 6 percent of all workers 65 years of age or older had incomes of more than $20,000 from any source of income. This same report showed that only 11 percent of all families headed by a person over the age of 65—even families with more than one wage earner—had a combined family income of over $20,000.

Even for those few older Americans whose income may be in excess of the $20,000 figure, I feel that these citizens are entitled to collect the social security benefits they had earned over a lifetime of hard work.

This latter fact, Mr. President, leads me to an observation concerning the basic philosophical character of our social security system. At the insistence of President Franklin Roosevelt, the system was designed as a contributory insurance plan instead of simply—as some of his advisers urged—an old-age benefit paid out of general revenues. Mr. Roosevelt's point, which he made very explicit, was that if people paid insurance premiums into a special fund out of their own earnings, no future generation of politicians could ever take it away from them by labeling it a Government handout.

In other words, because of the way the system was consciously designed by one of our greatest Presidents, social security benefits today are a matter of earned right, not Federal largess. It, therefore, seems to me not only mistaken but improper for anyone to try to claim that benefits are and ought to be conditional upon an agreement not to be gainfully employed. Social security was not designed to include a means test. Its benefits are not predicated upon how much private income one might have. One does not have to plead poverty in order to qualify for a monthly social security check. For those who have paid into the system over these many years, the benefit is a matter of right.

Mr. President, that is the philosophy underlying the social security system. It is clear that an earnings limitation, which so weakens the automatic, rightful character of benefit payments, is inconsistent with that philosophy.

Furthermore, the earnings limitation penalizes only those social security recipients who earn wages or are self-employed. Pensions, no matter how large, are not counted in the limitation. Nor is interest and dividend income. The retired corporation executive can enjoy a pension of $50,000 a year and have investment income double that amount and still not lose one penny of social security. But the cabinetmaker or electrician who wants to continue his life's work and be paid for it may have to give up his entire social security check.

That is not fair. It is not sensible. It is not necessary.

Certainly, Mr. President, I do not begrudge the corporation executive the social security payment to which his own contributions entitle him. But I deeply resent the discrimination practiced against working people by a system that penalizes them for the fruits of their own labor. I urge my colleagues to approve this amendment.

Mr. CRANSTON. Mr. President, I have long worked to raise the law's present $3,000 limit on the amount of income people can earn without a reduction of their social security benefits.

Now I am highly gratified that the Senate is about to approve a committee bill which will raise that limit from $3,000 to $6,000, and provide for automatic future increases in that $6,000 limit by increases in the cost of living. These features will allow our present social security beneficiaries to undertake other work and to earn up to $6,000 without a reduction in their social security checks. This is the content, of course, of the action we have just taken to reduce from 72 to 70 the age at which our social security beneficiaries may have unlimited outside earned income without any reduction in their benefits.

Removing the earnings limitation entirely would make a radical change in the character of the social security program. It would convert the social security program from a retirement program to an annuity program. The social security program has always been designed to the needs of our older Americans who have retired from the work force. Lifting the earnings limitation would actually benefit only a very small group of recipients with earned income in excess of the $6,000 provided in the committee bill. Even so, this amendment would add billions of dollars of extra new costs to the severely strained social security system. These costs would have to be made up with added taxes from employers and employees. I believe the committee bill represents a major increase in taxes—an increase which the American people are willing to support. I think it is unwise at this time to add to the major payroll tax increase already provided in this bill.

Mr. LAXALT. Mr. President, I strongly support the amendment offered by the Senator from Arizona. I voted for it in the Finance Committee where it lost by a tie vote and I urge my colleagues to support it now.

To me, the earnings limitation on social security is unfair. It is inequitable. It dampens work incentives. And, it imposes an oppressively high marginal tax rate on those least able to pay. I would prefer to see the earnings limitation abolished outright. But, short of that, I am delighted to support a measure which would phase it out by 1982.

Earlier this year, I introduced S. 1020, a bill which would have the same effect as the Goldwater amendment but which would eliminate the earnings limitation by reducing the age limit 1 year at a time from its present level of 72 down to 65 in 1984, by which time the test would be abolished entirely.

INEQUITY

Mr. President, it is all too easy to argue that virtues of frugality and the need for individuals to make their own provisions for retirement as a theoretical justification for penalizing those who must work to make ends meet because they simply cannot make it on their meager social security allowances. But, that argument ignores the suffering which these individuals must endure because of the retirement test, while others, with substantial investments and alternative pension incomes, utilize social security benefits for pin money.

As a member of the Finance Committee and one who has devoted considerable attention to social security questions, I simply cannot accept the argument that those who must work to live should be penalized, but those who have ample income from other sources may continue to receive full social security

payments. I understand the problem with applying a means test to investment income and I have no intention of going that route. Accordingly, it seems to me that the only practical means for resolving this inequity is to remove the penalty on wage earnings.

WORK INCENTIVES

Personally, I believe that any citizen who wishes to make a productive contribution should be encouraged to do so. As the ranking Republican on the Social Security Subcommittee of the Finance Committee, I recognize the need for a comprehensive look at the financial status of the social security trust funds and, although I support a different fiscal approach from that which the committee ultimately adopted, I am pleased to see the financial status of the trust funds guaranteed by the committee bill. However, within the context of an overall strengthening, I feel we also need to do away with the inequitable and counterproductive retirement test.

Mr. President, as you know, the Senate has recently affirmed the premise that the contributions which the elderly bring to our society by virtue of their diligence and experience should not be arbitrarily discouraged. In H.R. 5383, the Age Discrimination Amendments of 1977, the Senate voted overwhelmingly to increase the mandatory retirement age from 65 to 70. In that vote the Senate made clear that the elderly should be judged on their ability and competence and that their contributions to the work force are to be encouraged rather than discouraged. It seems to me that an abolition of the earnings limitation would be a further reaffirmation of the Senate's faith in the positive contributions of the elderly.

OPPRESSIVE TAX RATE

Mr. President, the economic status of our elderly is a serious national problem. Many who have paid taxes and have contributed to our society all their working lives now find themselves dependent on cash and inkind public income transfer programs. While no stigma should be attached to these programs, those elderly who are able and willing to work should be encouraged to do so. And, most emphatically, those who have to work to make ends meet should not be subject to punitive tax rates by an unfair earnings limitations test.

It has come to my attention that an elderly person earning $4,000 in 1975 would have been subject to a marginal tax rate on $1,480 earned over the social security earnings limitations ceiling of approximately 70 percent. This is equal to the highest rate in the Internal Revenue tax table and one which many tax reform advocates have proposed reducing on the basis of the fact that it is exorbitant. Surely, such a level which has been found excessive for high income individuals should not be imposed on those among our elderly who are seeking only to make ends meet. In my judgment, a government policy which imposes such punitive penalties on a most vulnerable sector of our society is indefensible.

Mr. President, I am pleased to cosponsor the proposal of the Senator from Arizona. I know he has worked long and hard to eliminate the earnings limitation and he deserves the thanks of all of us for his efforts. I certainly will vote with him and I urge all of my colleagues to do likewise.

Mr. JAVITS. Mr. President, for many years I have advocated the phased elimination of the social security earnings limitation. It has long been my belief that older Americans who must work to support themselves should be able to do so without losing their social security benefits. The grave financial situation of the social security system, however, make this phasing question a decisive one.

Secretary Califano has stated that the Goldwater amendment which would remove the earnings limitation altogether would benefit a "privileged minority—1.3 million of the Nation's 22 million retirees." The Secretary has observed that if the retirement test were eliminated, more than half of the new benefits would go to people earning more than $10,000 a year. I realize that some have taken issue with Secretary Califano's analysis, but I feel that it raises sufficient doubts about the effect of the Goldwater amendment that the Congress cannot go all the way at this time in eliminating the earnings limitation.

The administration has also pointed out that the Goldwater amendment will cost approximately $23 billion in the years from 1982–87. Even though this amount may be offset somewhat by increased social security taxes (as well as income taxes) resulting from the continued employment of Americans past age 65, the cost is still sufficiently large to deter us from moving to eliminate the whole earnings limitation at this time. The basic thrust of the social security bill under consideration is to restore the system's financial soundness, and we should not include an amendment which will interfere with this objective. It appears to me that the price tag for the Goldwater amendment as matters stand now is too high.

Consequently, Mr. Chairman, I will support the position of the Finance Committee as modified by the Church substitute, which is to raise the present $3,000 earnings limitation to $4,500 in 1978 and to $6,000 in 1979. After 1979, the $6,000 level would increase automatically as wage levels rise. I will also support the Church amendment which will reduce the upper effective age for the earnings limitation from age 72 to age 70. This amendment will permit people 70 years of age and older to earn more than $6,000 in 1979 (if the committee bill is passed) without incurring a reduction in social security benefits. I believe this approach will help low income people who must work beyond age 65 without paying unreduced benefits to high income individuals who do not need such benefits.

AMENDMENT NO. 1054

(Purpose: Relating to repeal of earnings limitation for workers age 70 and over.)

Mr. CHURCH. Mr. President, I send an amendment to the desk in the nature of a substitute.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Idaho (Mr. CHURCH) proposes unprinted amendment No. 1054 in the nature of a substitute to unprinted amendment No. 1052.

Mr. CHURCH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In lieu of the language proposed to be inserted by the Goldwater amendment (UP–1052) insert the following:

REPEAL OF EARNINGS LIMITATION FOR INDIVIDUALS AGE 70 AND OVER

SEC. . (a) Subsections (c)(1), (d)(1), (f)(1), and (j) of section 203 of the Social Security Act are each amended by striking out "seventy-two" and inserting in lieu thereof "seventy".

(b) Subsection (f)(3) of section 203 of such Act is amended by striking out "age 72" and inserting in lieu thereof "age 70".

(c) Subsection (h)(1)(A) of section 203 of such Act is amended by striking out "the age of 72" and "age 72" and inserting in lieu thereof in each instance "age 70".

(d) The heading of subsection (j) of section 203 of such Act is amended by striking out "Seventy-two" and inserting in lieu thereof "Seventy".

(e) The amendments made by this section shall apply only with respect to taxable years ending after December 31, 1981.

In the matter proposed to be added to sections 3101 and 3111 of the Internal Revenue Code of 1954 by sections 103(a)(1) and 103(b)(1) of the bill:

In paragraph (4) strike out "5.35" and insert in lieu thereof "5.40"; except for calendar year 1981 it shall remain at 5.35;

In paragraph (5) strike out "5.65" and insert in lieu thereof "5.70";

In paragraph (6) strike out "6.10" and insert in lieu thereof "6.15";

In the matter proposed to be added to section 1401 of the Internal Revenue Code of 1954 by section 103(1) of the bill:

In paragraph (5) strike out "8.50" and insert in lieu thereof "8.55"; except for 1981 it shall remain at 8.50;

In paragraph (6) strike out "9.15' and insert in lieu thereof "9.25";

Mr. CHURCH. Mr. President, I shall explain the amendment, and yield myself such time as I may require.

Before proceeding, I first ask unanimous consent that Mr. Ronald Davis be accorded the privilege of the floor to provide technical assistance during the consideration of my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CURTIS. I ask unanimous consent that Mr. Robert Myers, an actuary consultant on the Committee on Finance, be accorded the privilege of the floor during consideration of this measure and vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAYH. Mr. President, will the Senator yield 30 seconds for a unanimous consent?

Mr. CHURCH. I yield.

Mr. BAYH. I make a similar request for Barbara Dixon, of my staff, during debate and consideration of this bill, amendments thereto, and votes thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHURCH. Mr. President, it is unnecessary for me to speak at length.

In offering the amendment that has already been characterized as one intended to gut the Goldwater amendment, I feel like a man alone on the beach watching an approaching tidal wave, because I fully understand the tidal wave appeal of the amendment offered by the distinguished Senator from Arizona.

But I think that if the Members of the Senate had an opportunity to analyze his amendment carefully, if they had been present during the debate to hear the arguments of the Senator from Texas (Mr. BENTSEN), the manager of the bill (Mr. NELSON), the able junior Senator from New York, and the distinguished chairman of the Finance Committee, the vote would be different.

There is no doubt who the beneficiaries of the Goldwater-Dole amendment will be. They will be the well-to-do, those who need the benefits the least. The beneficiaries of this amendment will be the doctors, the lawyers, the engineers, the architects, the business executives, and the Wall Street financiers, those professional people who tend to continue to work after the age of 65. They work because they like their professions. They are engaged actively in them. And they are lucrative professions, to be sure. These people are not complaining about being denied social security. They do not expect to get it, while they continue to work. It will come as a complete surprise to them if this amendment is agreed to and all at once they are presented with this largesse from the social security fund which they neither asked for nor need. This is a largesse, as it has been explained by the manager of the bill, which they have not paid for through their contributions to social security, but which will be paid for by ordinary working people through their future payroll taxes.

Mr. President, it has also been pointed out that the effect of the Goldwater amendment will be to transform, in a single stroke, a retirement program into an annuity. That was not the purpose of social security when it was first adopted. It was to be, and to this moment has continued to be, a retirement program. The reason the retirement test was included in social security was to provide a method for determining whether or not a person was retired. If we transform social security into an annuity program, then it is irresponsible to say that it will not cost anything. The truth is that it will constitute a tremendous new burden upon a fund that was never intended to be an annuity fund in the first place.

You cannot, with a single stroke, convert social security from a retirement system to an annuity system and say, in the same breath, that it will not cost anything. You cannot put the working rich into this system, and pay them $8,400 a year, out of a fund into which they have made no commensurate contribution, and then say it will cost next to nothing.

The costs are heavy, and I will include in the RECORD from the Office of the Actuary of Social Security itself the difference between the costs of the Goldwater amendment and the amendment I have offered and will now explain.

Mr. KENNEDY. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. CHURCH. Mr. President, I am happy to yield to the Senator from Massachusetts for a unanimous-consent request.

Mr. KENNEDY. I ask unanimous consent that Mr. Parker and Mr. Urwitz, of my office, be accorded the privilege of the floor during consideration of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHURCH. Mr. President, I listened with some amusement to the argument of the Senator from Kansas when he said he was not really interested in these wealthy people by allowing them to draw out benefits from social security, once they become 65, regardless of what their income may be and regardless of whether or not they continue to work. No, he said his concern was with the great mass of older people who will benefit from the Goldwater amendment.

I am also interested in the more typical beneficiary, that working man or woman, on a very modest retirement income, who has to do some work in order to augment his or her retirement. We want to eliminate the need for anybody on social security to be overly restricted in what they may earn, after retirement.

Mr. President, I have not only been aware of the problem imposed by a limitation too severe, but I fully sympathize. I cannot remember a time when I have not voted in favor of increasing the retirement test, in an effort to catch up with the rising cost of living.

I agree that, despite past efforts to liberalize the retirement test, the present amount is too restrictive. The $3,000-a-year limitation now does impose too severe a limitation upon the right of people on limited retirement incomes to earn extra money for the purpose of augmenting their retirement.

But, Mr. President, the committee bill takes care of those people. The ones who need it are being provided for. Next year, the retirement test jumps from a projected $3,240 of permissible earned income to $4,500, before social security retirement benefits are reduced. In 1979, the retirement test jumps all the way to $6,000 that can be earned before the first dollar in social security benefits is lost. My amendment would not change these figures in the Finance Committee bill.

Furthermore, Mr. President, I agree that, at some point, at an appropriate age level, the retirement test should no longer apply. Under present law the retirement test no longer applies at the age of 72. Then an aged individual can receive his or her social security benefits whether or not that person retires. Otherwise, some persons may work all their lives and never receive social security benefits, even though they paid the social security tax.

My amendment would reduce the age to 70. I think 70 is the appropriate age level because it conforms with an action taken by Congress within the past few weeks to extend the mandatory retirement age from 65 to 70.

Now, those Senators who participated in that debate will remember one of the reasons advanced for extending the mandatory retirement age in this country from 65 to 70 was that this would provide an incentive for older people to continue to work which, in turn, could ease the heavy burden on the social security fund.

Well, I submit, Mr. President, that we are acting in a completely inconsistent way if after raising the mandatory retirement age to 70, on the strength of the argument that this would ease the burden on the social security fund by permitting people who wanted to continue to work to do so, we turn around and adopt the Goldwater amendment which has just the opposite effect by allowing them to receive social security anyway, whether or not they retire.

Thus, the whole incentive is eliminated in a single stroke, and the one action of Congress would be in contradiction with the other. So, Mr. President, the first argument I would make for my amendment is that 70 is the logical age at which social security retirement benefits should be paid, whether or not the person chooses to continue to work. At that point, we could logically say that since we have established, by law, the age of 70 as the mandatory retirement age for all Americans, then social security beneficiaries may receive their benefits whether or not they continue to work, regardless of their income, and without the earnings limitations imposed by a retirement test.

The second reason I would advance in support of my amendment is that it is simply too costly to adopt the Goldwater amendment.

Mr. President, we have asked the Office of the Actuary for the Social Security Administration to provide a comparison of the costs between the Goldwater amendment, which would eliminate the retirement test at the age of 65, and my amendment which would eliminate that test at the age of 70. Since both amendments take effect beginning in the year 1982, here is the comparison: In that year, 1982, the added costs to the social security system imposed by the Goldwater amendment would be $2.4 billion as compared to $0.4 billion for my amendment.

In 1983, the cost of the Goldwater amendment, the added cost, would be $2.5 billion as compared to $0.4 billion.

In 1984, the cost would be $2.5 billion as compared to $0.4 billion; in 1985, $2.6 billion as compared to $0.4 billion; in

1986, $2.7 billion as compared to $0.4 billion; and in 1987, $2.7 billion as compared to $0.4 billion.

So, in each of these years, following the time my amendment would take effect, the Goldwater amendment would cost about $2 billion a year more than the amendment I am offering. These figures are given to us by the Office of the Actuary of the Social Security System.

I ask unanimous consent that a table of the comparative costs of the two amendments be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Cost over committee bill for lowering retirement test exempt age from 72 to 65, or 70, beginning in 1982.

[In billions]

Calendar year	65	70
1982	$2.4	$0.4
1983	2.5	.4
1984	2.5	.4
1985	2.6	.4
1986	2.7	.4
1987	2.7	.4
Total	15.4	----

Mr. DOLE. Mr. President, will the Senator yield at that point?

Mr. CHURCH. Yes, I will be happy to yield.

Mr. DOLE. Just to clarify what the Senator put in the RECORD, is this over and above the committee amendment, being the additional cost?

Mr. CHURCH. Yes. These figures are over and above the cost of the committee bill, comparing the cost of the amendments.

Mr. DOLE. The Senator from Kansas points out that we have different figures that would indicate another conclusion, so it just depends on whose figures are being used.

Mr. CHURCH. I can only say we have gone through the Social Security System for these figures, and I think they are the most accurate we can get.

Mr. DOLE. And the Social Security Administrator is not under the system.

The PRESIDING OFFICER. Who yields time?

Mr. CHURCH. Mr. President, for these reasons I hope very much that this substitute amendment will be adopted. In combination with the committee bill, it does justice. All those who need the relief will receive it. We will not create a completely unjustified bonanza for the richest people in the country, who neither need it nor want it, and we will reduce the age at which the retirement test will be totally abolished to an age that conforms with the mandatory retirement age that has just been established by Congress, and thus bring the two systems into conformity.

Mr. President, I am willing to proceed to a vote on my amendment at any time that the opponents of the amendment are willing to yield back the remainder of their time.

I must say this, however: I heard the Senator from Kansas say earlier that there may be a motion to table my amendment. I just want him to know that if he moves to table this amendment, then it will be my purpose to move to table the Goldwater amendment, in the event that my amendment fails.

Mr. GOLDWATER. Mr. President, we fully expect that. We have been apprised, and in the interests of time, we have no further use for our time and are prepared to yield it back.

Mr. DOLE. Mr. President, may I have one moment, before the Senator from Arizona yields back his time and makes his motion to table?

Mr. GOLDWATER. Yes.

Mr. DOLE. I just want to point out, as the Senator from Arizona has and the Senator from Kansas tried to do, that the argument is predictable. We understand the Committee on Aging coming to the floor and trying to knock out the effect of the Goldwater-Dole amendment on 8.1 million senior citizens, who are supposedly wealthy and do not need nor want it.

But I ask the Senator, who are they? Doctors and lawyers, perhaps? But what about the teachers, the barbers, the small farmers? I do not think we are going to be stampeded on this floor by glib statistics that do not show anything. I think we will keep in mind the 8.1 million Americans the Senator from Idaho is trying to exclude from the benefits under the amendment of the Senator from Arizona.

Mr. NELSON. Mr. President, I would say to the distinguished Senator from Arizona and the distinguished Senator from Kansas that I wanted to move to table, and I have moved to table, without success in some instances, every other amendment, because Senators said they wanted a straight up or down vote.

I wonder if we could have a straight up or down vote on the Church amendment also, without the Senator making a motion to lay on the table.

Mr. DOLE. Why do we not just have a motion to table each of them? Then we would have other options.

Mr. NELSON. That was the option the Senator from Wisconsin gave up at the request of the Senator from Arizona and the Senator from Kansas.

Mr. DOLE. That was to obtain a time limitation, which we were eager to do, and wanted to accommodate the Senator.

Mr. NELSON. Except that I have no objection to voting on the merits of both amendments. I think that would be the most direct and efficient way to proceed.

Mr. DOLE. I do not quarrel with the Senator's motives in trying to substitute his amendment for the Goldwater-Dole amendment. Therefore, I would think we would want to table his amendment and come back to the merits of what we thought we came to debate, anyway.

Mr. CHURCH. If we are going to have tabling motions, I think tabling motions should apply to both cases.

Mr. GOLDWATER. Mr. President, has all remaining time been yielded back?

Mr. NELSON. I just wish to say my agreement was that I would not move to table, but I would hope the amendment would be tabled if the motion is made, because I am against the amendment.

Mr. GOLDWATER. Mr. President, I move to lay on the table the amendment to my amendment offered by the Senator from Idaho.

The PRESIDING OFFICER (Mr. PELL). Has all remaining time been yielded back on the substitute?

Mr. CHURCH. I yield back the remainder of my time, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. All remaining time having been yielded back, the question is on agreeing to the motion to lay on the table the substitute amendment offered by the Senator from Idaho (Mr. CHURCH). The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Arizona (Mr. DECONCINI), the Senator from Maine (Mr. HATHAWAY), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Arkansas (Mr. MCCLELLAN), and the Senator from Tennessee (Mr. SASSER) are necessarily absent.

I also announce that the Senator from Maine (Mr. MUSKIE) is absent because of illness.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY) and the Senator from Tennessee (Mr. SASSER) would each vote "nay."

Mr. STEVENS. I announce that the Senator from Utah (Mr. HATCH), the Senator from California (Mr. HAYAKAWA), the Senator from Kansas (Mr. PEARSON), the Senator from New Mexico (Mr. SCHMITT), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I also announce that the Senator from Virginia (Mr. SCOTT) is absent on official business.

The result was announced—yeas 33, nays 53, as follows:

[Rollcall Vote No. 620 Leg.]

YEAS—33

Allen	Griffin	Randolph
Baker	Hansen	Roth
Bartlett	Hatfield	Sparkman
Bayh	Helms	Stafford
Chafee	Laxalt	Stevens
Curtis	Lugar	Stone
Danforth	McClure	Talmadge
Dole	Morgan	Thurmond
Domenici	Packwood	Tower
Garn	Pell	Wallop
Goldwater	Percy	Young

NAYS—53

Anderson	Eagleton	Matsunaga
Bellmon	Eastland	McGovern
Bentsen	Ford	McIntyre
Biden	Glenn	Melcher
Brooke	Gravel	Metcalf
Bumpers	Hart	Metzenbaum
Burdick	Haskell	Moynihan
Byrd, Harry F., Jr.	Heinz	Nelson
Byrd, Robert C.	Hollings	Nunn
Cannon	Inouye	Proxmire
Case	Jackson	Ribicoff
Chiles	Javits	Riegle
Church	Johnston	Sarbanes
Clark	Kennedy	Schweiker
Cranston	Leahy	Stennis
Culver	Long	Stevenson
Durkin	Magnuson	Williams
	Mathias	Zorinsky

NOT VOTING—14

Abourezk	Huddleston	Sasser
DeConcini	Humphrey	Schmitt
Hatch	McClellan	Scott
Hathaway	Muskie	Weicker
Hayakawa	Pearson	

So the motion to lay on the table was rejected.

FISHERY AGREEMENT WITH MEXICO

Mr. STEVENS. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 9794.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the House disagree to the amendment of the Senate to the bill (H.R. 9794) entitled "An Act to bring the governing international fishery agreement with Mexico within the purview of the Fishery Conservation Zone Transition Act."

Mr. STEVENS. Mr. President, these are the amendments for the NOAA reorganization to the Mexican GIFA bill. I move that the Senate insist on its amendment.

The motion was agreed to.

Mr. NELSON. Mr. President, I yield briefly to the Senator from Oregon (Mr. HATFIELD) for not to exceed 2 minutes.

NATIONAL FOREST SYSTEM LANDS IN OREGON

Mr. HATFIELD. I thank the Senator from Wisconsin.

Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 7074.

The PRESIDING OFFICER laid before the Senate H.R. 7074 an act to provide improved authority for the administration of certain National Forest System lands in Oregon, which was read twice by its title.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

Mr. HATFIELD. Mr. President, prior to Senate action on H.R. 7074, there are several points I would like to make for the purpose of clarification. The conclusions have been affirmed by the entire Oregon delegation.

Mr. President, in the last few days a question has arisen about the burden of proof in any arbitration proceedings that might result from the passage of this legislation.

Mr. President, I think it inadvisable to include rigid rules with respect to the procedure to be used by an arbitration board should it ever be called into being. It may be that by requiring the contentions of the parties and the decision of the board to be in writing that we have already gone too far in that direction, though I believe not, and that a record as required is desirable.

But arbitration was included in this bill as a compromise to assure the city of Portland what the authors considered to be its legitimate and proper interest in the quality and the quantity of the water, without invading the responsibility which the Federal Government owes to all Americans to manage the national forests in the national interest. It is a substitute for court action. It is informal: one has the expertise of a special tribunal as opposed to a judge trained only in the law. It is intended to save time, expense, and trouble, as opposed to the costly, prolonged and technical procedures of the court. It is not so much an adversary proceeding as a mutual effort to get at the facts. For that reason the board has power to secure and consider evidence on its own motion.

If we get into questions of burden of proof then we must go further and define the quantum of evidence necessary to sustain it, thence to formal rules of evidence, and the simple and informal process is no more.

In most arbitration proceedings the arbitrators simply get the facts and decide the issues without even mentioning burden of proof. It has been said that: "To insist that the complaining party carries the burden of proof is manifestly absurd. Neither side has a burden of proof or disproof, but both have an obligation to cooperate in an effort to give the arbitrator as much guidance as possible."

It is the intent of this bill that the arbitration board should have flexibility on a case-by-case basis to speak or not in terms of burden of proof, and, if that would be helpful to a decision, whether to assign that burden to one party or the other. I believe that both parties can be expected to produce all of the evidence available and then the Board can make a factual decision on a scientific basis.

A second issue involves decisions of the Arbitration Board. Any decision of the Arbitration Board created by this bill would have to conform to law. I would say further to the Senator that the Board is primarily to determine facts, that is the effect or significance of the delineated actions of the Secretary on water quality. There is no intent, and no language in the bill, that would suggest that the Board's decision could in any way be contrary to Federal law.

Finally, Mr. President, during consideration of this bill in the House, a question was raised as to the meaning of section 3(e) of the bill. I would like to reaffirm, as Congressman DUNCAN has, that it is a restatement or codification of case law traditionally applicable to cases of the type referred to against a governmental agency or official. I do not believe it expands or restricts existing law.

Mr. President, I should like to point out that this bill involves a compromise and credit for it and should be shared by several parties. Congressman ROBERT DUNCAN of Oregon has done an excellent job in moving this bill through the House and in bringing the Oregon delegation together in support of this approach. Mayor Neil Goldschmidt of Portland and the Portland City Council have devoted many hours to the Bull Run issue and are to be congratulated for an excellent job. I also wish to thank Senator LEE METCALF for chairing hearings on this legislation and for his leadership in resolving this issue.

To summarize: This bill has had but one major purpose, in my opinion, to protect the quality and quantity of Portland and surrounding communities source of water—to put in place a mechanism to quickly resolve any disputes involving degradation of water quality.

The bill was considered, ordered to a third reading, read the third time, and passed.

Mr. HATFIELD. I move to reconsider the vote by which the bill was passed.

Mr. BARTLETT. I move to lay the motion on the table.

The motion to lay on the table was agreed to.

SOCIAL SECURITY FINANCING AMENDMENTS OF 1977

Mr. NELSON. Mr. President, I move to reconsider the vote by which the motion to lay on the table was rejected.

Mr. CHURCH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD and Mr. DOLE addressed the Chair.

Mr. NELSON. Mr. President, may I make an inquiry?

All time has expired and we now proceed to a vote on the Church amendment?

The PRESIDING OFFICER. That is correct.

Mr. DOLE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Wisconsin has the floor.

Mr. NELSON. I yield to the Senator from Kansas for a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his parliamentary inquiry.

Mr. DOLE. Is the pending business the Church amendment upon which all time has been yielded back? Is that correct?

The PRESIDING OFFICER. The Senator is correct.

The question is on agreeing to the Church amendment.

Mr. DOLE. A further parliamentary inquiry: If the Church amendment is adopted, then the vote would come—the Church amendment is an amendment to the Goldwater amendment. Is that correct?

Mr. CHURCH. Yes, it is a substitute.

The PRESIDING OFFICER. The second vote, if it did pass, would be on the Goldwater amendment as amended.

Mr. DOLE. I wonder if the Senator from Kansas will be able to proceed for 2 minutes on the Church amendment. Maybe we could avoid a rollcall vote.

Mr. NELSON. I ask unanimous consent that each side be allowed 2 minutes to speak on the Church substitute.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

UP AMENDMENT NO. 1054

Mr. DOLE. Mr. President, since there are Senators here who were not present before, I think many Senators were persuaded by what they have heard down in the well about the Church amendment costing 20 percent of the Goldwater

amendment. What they were not told in the well—and that is not an accurate statement, either—is that we just knocked out 8 million senior citizens.

Those who voted "no" just took care of 8 million senior citizens who have no right to work any more. Their earning limitation is going to be the same under the committee amendment as modified by the Church amendment.

There are about 23 million people over age 65 and 12 million between 65 and 72. What Senator CHURCH does is cut it off at 70. We have just eliminated about 8.1 million Americans as far as earning limitation. I do not think that was explained. There was a great deal of intensive lobbying going on by both sides to Senators who came into the floor. It seems to the Senator from Kansas that if the Senators knew they were denying benefits to 8 million people, they may not have voted the way they voted. I do not suggest that that be changed at this point, but I do suggest that perhaps the facts were not available at the time.

Mr. NELSON. Mr. President, I should like to respond to that. We do not eliminate 8 million people at all.

The Committee on Finance sets an income limit of $6,000. That limitation affects only 65,000 people who today are over age 65, out of the 22 million who are over age 65 right now.

That is all it does. The Finance Committee supports the Church amendment.

The PRESIDING OFFICER. Is all time yielded back?

All time is yielded back.

The yeas and nays have not been ordered on this.

Mr. CLARK. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. CRANSTON. I announce that the Senator from Arizona (Mr. DECONCINI), the Senator from Maine (Mr. HATHAWAY), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Arkansas (Mr. MCCLELLAN), and the Senator from Tennessee (Mr. SASSER) are necessarily absent.

I also announce that the Senator from Maine (Mr. MUSKIE) is absent because of illness.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY), and the Senator from Tennessee (Mr. SASSER) would each vote "yea."

Mr. STEVENS. I announce that the Senator from Utah (Mr. HATCH), the Senator from California (Mr. HAYAKAWA), the Senator from Kansas (Mr. PEARSON), the Senator from New Mexico (Mr. SCHMITT), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I also announce that the Senator from Virginia (Mr. SCOTT) is absent on official business.

The result was announced—yeas 59, nays 28, as follows:

[Rollcall Vote No. 621 Leg.]

YEAS—59

Abourezk	Curtis	Matsunaga
Anderson	Durkin	McGovern
Bayh	Eagleton	McIntyre
Bellmon	Ford	Melcher
Bentsen	Glenn	Metcalf
Biden	Gravel	Metzenbaum
Brooke	Hart	Moynihan
Bumpers	Haskell	Nelson
Burdick	Hatfield	Nunn
Byrd, Harry F., Jr.	Heinz	Proxmire
	Hollings	Ribicoff
Byrd, Robert C.	Inouye	Riegle
Cannon	Jackson	Roth
Case	Javits	Sarbanes
Chafee	Johnston	Schweiker
Chiles	Kennedy	Sparkman
Church	Leahy	Stafford
Clark	Long	Stevenson
Cranston	Magnuson	Williams
Culver	Mathias	Zorinsky

NAYS—28

Allen	Hansen	Stennis
Baker	Helms	Stevens
Bartlett	Laxalt	Stone
Danforth	Lugar	Talmadge
Dole	McClure	Thurmond
Domenici	Morgan	Tower
Eastland	Packwood	Wallop
Garn	Pell	Young
Goldwater	Percy	
Griffin	Randolph	

NOT VOTING—13

DeConcini	Humphrey	Schmitt
Hatch	McClellan	Scott
Hathaway	Muskie	Weicker
Hayakawa	Pearson	
Huddleston	Sasser	

So unprinted amendment No. 1054 was agreed to.

Mr. CHURCH. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment by the Senator from Arizona, as amended.

Mr. HELMS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, the question is——

UP AMENDMENT NO. 1052, AS AMENDED

The PRESIDING OFFICER. The question is on agreeing to the amendment by the Senator from Arizona (Mr. GOLDWATER), as amended.

Mr. ROBERT C. BYRD. As amended by the Church amendment. I thank the Chair.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Arizona (Mr. DECONCINI), the Senator from Maine (Mr. HATHAWAY), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Tennessee (Mr. SASSER) are necessarily absent.

I also announce that the Senator from Maine (Mr. MUSKIE) is absent because of illness.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY), and the Senator from Tennessee (Mr. SASSER) would each vote "yea."

Mr. STEVENS. I announce that the Senator from Massachusetts (Mr. BROOKE), the Senator from Arizona (Mr GOLDWATER), the Senator from Utah (Mr. HATCH), the Senator from California (Mr. HAYAKAWA), the Senator from Kansas (Mr. PEARSON), the Senator from New Mexico (Mr. SCHMITT), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I also announce that the Senator from Virginia (Mr. SCOTT) is absent on official business.

On this vote, the Senator from New Mexico (Mr. SCHMITT) is paired with the Senator from Arizona (Mr. GOLDWATER). If present and voting, the Senator from New Mexico would vote "yea" and the Senator from Arizona would vote "nay."

The result was announced—yeas 79, nays 4, as follows:

[Rollcall Vote No. 622 Leg.]

YEAS—79

Abourezk	Eagleton	Melcher
Allen	Ford	Metcalf
Anderson	Garn	Morgan
Baker	Glenn	Moynihan
Bartlett	Gravel	Nelson
Bayh	Griffin	Nunn
Bellmon	Hansen	Packwood
Bentsen	Hart	Pell
Biden	Haskell	Percy
Bumpers	Hatfield	Proxmire
Burdick	Heinz	Randolph
Byrd, Harry F., Jr.	Helms	Riegle
	Hollings	Roth
Byrd, Robert C.	Inouye	Sarbanes
Cannon	Jackson	Schweiker
Case	Javits	Sparkman
Chafee	Kennedy	Stafford
Chiles	Laxalt	Stevens
Church	Leahy	Stevenson
Clark	Long	Stone
Cranston	Lugar	Thurmond
Culver	Magnuson	Tower
Curtis	Mathias	Wallop
Danforth	Matsunaga	Williams
Dole	McClure	Young
Domenici	McGovern	Zorinsky
Durkin	McIntyre	

NAYS—4

Eastland	Stennis	Talmadge
Metzenbaum		

NOT VOTING—17

Brooke	Huddleston	Ribicoff
DeConcini	Humphrey	Sasser
Goldwater	Johnston	Schmitt
Hatch	McClellan	Scott
Hathaway	Muskie	Weicker
Hayakawa	Pearson	

So Mr. GOLDWATER'S UP amendment (No. 1052), as amended, was agreed to.

Mr. CHURCH. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. NELSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. NELSON and Mr. CULVER addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. CHURCH. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. NELSON. I yield.

Mr. CHURCH. Mr. President, the distinguished senior Senator from West Vir-

ginia (Mr. RANDOLPH) has asked that his name be added as a cosponsor to my amendment, and I ask unanimous consent that that be done.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NELSON. It is my understanding that we would move to Senator CURTIS' amendment next, and we will agree upon a time limitation, if there is no objection, which will be short.

The PRESIDING OFFICER. Under the previous agreement, we are supposed to move to the amendment of the junior Senator from Arizona (Mr. DECONCINI).

Mr. CURTIS. Mr. President, will the Senator yield to me?

Mr. NELSON. Yes.

Mr. CURTIS. I have had conversations with the distinguished Senator from Indiana (Mr. BAYH), who is going to call up the DeConcini amendment, and also with Senator ROTH, both of whom were listed ahead of the Curtis amendment.

The request has been cleared with the distinguished Senator from Indiana and with the distinguished Senator from Delaware that I may move ahead and present my amendment as the next amendment, with protection to those two gentlemen that they follow in that order, and I am willing to agree to a 10-minute limitation, 5 minutes on each side.

Mr. NELSON. Is that in the unanimous-consent request?

Mr. CURTIS. And that there will be a rollcall.

Yes.

Mr. NELSON. That is agreeable with me.

Mr. CURTIS. I ask unanimous consent that notwithstanding the previous order the Curtis amendment will be in order next, with a limitation of 10 minutes debate, 5 minutes on each side, and that it be followed by the DeConcini amendment to be offered by Senator BAYH, and followed by the amendment of the distinguished Senator from Delaware (Mr. ROTH).

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, and I personally will not object, and I hope there will be no objection, will the Senator limit his request at this moment to that of calling up his amendment. Let me be sure the 10-minute limitation can be cleared with a Senator.

Mr. CURTIS. My problem is this: These two gentlemen are yielding to me for this purpose as part of the package deal.

I withdraw it momentarily.

Mr. CULVER addressed the Chair.

Mr. NELSON. Mr. President, I yield to the Senator from Iowa for 2 minutes.

SEXUAL EXPLOITATION OF CHILDREN—CONFERENCE REPORT

Mr. CULVER. Mr. President, I submit a report of the committee of conference on S. 1585 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1585) to amend title 18, United States Code, to make unlawful the use of minors engaged in sexually explicit conduct for the purpose of promoting any film, photograph, negative, slide, book, magazine, or other print or visual medium, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of today.)

Mr. CULVER. Mr. President, I am pleased to bring before the Senate the conference report on S. 1585, the Protection of Children Against Sexual Exploitation Act of 1977. This report was unanimously approved by the members of the conference committee, and I strongly urge the Senate to adopt it in order to protect our Nation's young people from two of the most insidious forms of child abuse.

Specifically, S. 1585 would greatly increase the ability of the Federal Government to combat the increasing use of children in pornographic materials and juvenile prostitution. I am confident that it will prove to be effective in cracking down on this type of vicious exploitation of innocent children.

As reported by the conference committee, S. 1585 would make three related changes in title 18 of the United States Code. First it would add a new section 2251 that would make it a Federal crime to cause any child under the age of 16 to engage in sexually explicit conduct for the purpose of producing materials that are to be mailed or transported in interstate commerce. It also adds a companion section that prohibits the sale or distribution of any obscene materials that depict children engaging in sexually explicit conduct if such materials have been mailed or transported in interstate commerce. Finally, it amends section 2423 of title 18 to prohibit the interstate transportation of both males and females under 18 years of age for the purpose of engaging in prostitution or other sexually explicit conduct for commercial purposes.

In short, Mr. President, S. 1585 is designed to go as far as the Federal Government can go in eliminating child pornography and child prostitution. It is a tough bill that provides for 10 years in prison and $10,000 in fines for first offenders, and minimum penalties of 2 years in prison and maximum penalties of 15 years in prison and $15,000 fines for repeat offenders. It is also a comprehensive bill that deals with the production, sale and distribution of child pornography and with juvenile prostitution. Finally, it is the bill that the Department of Justice and other Federal authorities have told us they need to go after the pornographers and the child-abusers that seek to profit off our young.

Mr. President, the presentation of S. 1585 today on the Senate floor is the result of intensive hearings and investigations conducted by the Judiciary Committee and its Juvenile Delinquency Subcommittee. Our subcommittee heard not only from the official sources and the experts but also from those who have had first-hand experience with child pornography and prostitution. We heard from local officeholders and prosecutors, from undercover and newspaper investigators and from police officers who had conducted one of the few successful arrests of a child pornography production ring in the Nation. We also heard testimony from two convicted child pornographers, and a 17-year-old boy who had sold himself on the streets for over 2 years as a prostitute and as an actor in pornographic movies. In addition, we received extensive testimony from the Department of Justice and from leading constitutional scholars. Finally, Mr. President, I wish to note that we have received thousands of letters from parents, church groups and others who were disgusted by these outrageous abuses of our young.

It truly has been a saddening experience to conduct these hearings and investigations. Through them, however, we have learned a great deal about the sexual abuse of children through pornography and prostitution. It is a big business involving millions of dollars in profits. Moreover it is often a highly organized industry that relies heavily on the use of the mails and other instrumentalities of interstate and foreign commerce. And unfortunately we found that all too often existing Federal laws do not adequately protect children from such abuses, a situation that we intend to correct through the provisions of S. 1585.

Perhaps most distressing, however, we found that it is a business that preys on runaway and alienated youth, on children that are unloved and unwanted and struggling to survive on their own. They often are picked up at bus stations, hamburger stands, or amusement parks where for a little money, or a gift, or even for some attention they are persuaded to submit to a variety of sexual acts. Such encounters cannot help but have a deep psychological impact on these youngsters and jeopardize their chance of developing normal affectionate relationships in the future.

While S. 1585 meets an urgent national need in imposing strict criminal sanctions on two vicious forms of child abuse—child pornography and prostitution—we must bear in mind that these offenses are just two aspects or symptoms of a larger context of social problems that confront the Nation. Broken homes, runaway children, emotional illness, alcohol and drug problems, and widespread child abuse are all parts of the social pattern in which child pornography and prostitution thrive. The Subcommittee to Investigate Juvenile Delinquency has long been concerned with the entire range of these problems that are so destructive of our young and that further the drift of abused, neglected, and mixed-up children who have not committed crimes into later hard core criminality. We must continue to press for long range as well as short range solutions to these specific problems and for means to strengthen the institutions—the family, the community, the

school, and the church—on which the future of the Nation so surely depends.

Mr. President, it has been a very saddening experience to investigate the abuses of child pornography and child prostitution. If there has been one bright spot, however, it has been the support that we have received from our colleagues. In particular, I would like to cite the distinguished contributions from the senior Senator from Maryland, Senator MATHIAS. As the coauthor of S. 1585 and the ranking minority member of the Subcommittee To Investigate Juvenile Delinquency, he has devoted a great deal of time and effort to the development and passage of this bill.

I also wish to express my appreciation to the senior Senator from Delaware, Senator ROTH, for his outstanding contributions. As the author of the first bill to deal with child pornography, he should be commended for bringing this problem to the attention of the Senate and the Nation and for taking the lead in efforts to prohibit this outrageous form of child abuse.

Due to this widespread support S. 1585 was reported unanimously by the Committee on the Judiciary and ultimately cosponsored by 57 Senators. It passed the Senate by a vote of 85 to 1 on October 10, 1977. Shortly thereafter, the House passed a similar but different bill by an equally overwhelming margin. Thus, the two bills were sent to a House-Senate conference committee to reconcile a number of differences.

This same spirit of cooperation soon manifested itself in the deliberations of the conference committee. Although there were sincere differences of opinion between the two Houses, all of the conferees were seeking to produce the strongest possible bill.

As chairman of the Senate conferees, I am pleased to report that the conferees agreed to report a bill that is very similar to the bill passed by the Senate on October 10. The details of these agreements are set forth in the conference report and the joint explanatory statement of the managers. I would like to comment briefly, however, on three of these agreements.

First, in its debate on S. 1585 on October 10, the Senate adopted an amendment offered by Senator BAYH concerning the use of minors engaging in sexually explicit conduct in live performances. This provision was accepted in part by the conference. Under the provisions of the conference substitute, it will be a Federal crime to transport children across State lines to engage in commercialized, live, sexually explicit performances.

The Senate bill also contained a provision that was added in committee by Senator DECONCINI that imposed minimum penalties for both first and second offenders and increased maximum penalties for second offenders. On this question the conferees agreed to a compromise that eliminates the minimum for first offenders but provides for both minimum and increased maximum penalties for repeat offenders.

Finally, the Senate bill had four sections dealing with the sale and distribution of materials depicting minors engaging in sexually explicit conduct. Three of these sections proscribed the sale and distribution of such materials if they were obscene by amending the existing obscenity laws to impose more severe penalties if the obscene materials depicted minors engaging in sexually explicit conduct. The fourth provision, the amendment offered by Senator ROTH, prohibited the sale and distribution of any materials that depicted minors engaging in sexually explicit conduct.

The legislation passed by the House did not contain any comparable provisions on sale and distribution and a majority of the House conferees opposed the inclusion of any such provisions in the conference substitute on the grounds that the penalties under the existing obscenity statutes were sufficient, and the provisions of the Roth amendment raised severe first amendment questions.

After protracted debate and several disagreeing votes between the Senate and House conferees, the House conferees offered compromises on the Bayh and DeConcini amendments and offered to accept a provision on sale and distribution combining the four Senate sections on sale and distribution into one by inserting the word "obscene" in the Roth amendment.

The question of possible first amendment problems with the Roth amendment was thoroughly debated in the Senate on October 10. It was the decision of the Senate that despite these constitutional questions, the provisions of the Roth amendment should be included in the bill. Because of this vote in the Senate, the Senate conferees initially rejected this package of compromises. But finally after several hours of discussion, the House conferees decided to make significant concessions on the DeConcini amendment and a majority of the Senate conferees agreed to the total package of compromises.

Mr. President, as chairman of the Senate conferees and a coauthor of the original legislation, I strongly urge the Senate to adopt the conference report for the following reasons:

It represents a fair compromise between the provisions of the separate bills passed by each House.

It is probably the best compromise we could achieve even if we returned to conference. A majority of the House conferees were adamant in not accepting any version of the Roth amendment without the insertion of the word "obscene."

The insertion of the word "obscene" does have advantages—

It eliminates serious questions as to the constitutionality of the Roth amendment. Convictions obtained under this provision will not be struck down on appeal because of conflict with the first amendment.

It eliminates the possibility that the Justice Department might decide as a matter of policy not to prosecute under the Roth provision because of their doubts that "the proposed legislation would withstand constitutional challenge."

It allows the Supreme Court, if it subsequently adopts a less stringent standard for obscenity in general or for obscenity in materials that depict children, to automatically read these new standards into the provisions of the conference substitute.

Finally and most importantly, it will not make any significant difference in the desired application of the Roth amendment. Practically all of the materials that we would seek to proscribe are obscene under the current Miller standards. I know of no case of child pornography that was brought to the attention of the subcommittee that would not be prohibited under S. 1585 as reported by the conference committee.

In short, Mr. President, S. 1585, as reported by the conference committee, is a good, strong, comprehensive bill that represents a fair and just compromise between the legislation passed by the Senate and the House. In addition it is the bill that will give Federal law enforcement personnel and Federal prosecutors the tools they asked for to mount an effective attack on child pornography and child prostitution.

Therefore, I urge all of my colleagues to support the unanimous conference report on S. 1585 so that we may begin to combat this exploitation of our young people.

Mr. President, I ask unanimous consent that the text of S. 1585, as reported by the conference committee, be included in the RECORD at the conclusion of my remarks.

There being no objection, the text was ordered to be printed in the RECORD, as follows:

That this Act may be cited as the "Protection of Children Against Sexual Exploitation Act of 1977".

Sec. 2. (a) Title 18, United States Code, is amended by inserting immediately after chapter 109 the following:

"Chapter 110—SEXUAL EXPLOITATION OF CHILDREN

"Sec.
"2251. Sexual exploitation of children.
"2252. Certain activities relating to material involving the sexual exploitation of minors.
"2253. Defintions for chapter.

"§ 2251. Sexual exploitation of children

"(a) Any person who employs, uses, persuades, induces, entices, or coerces any minor to engage in, or who has a minor assist any other person to engage in, any sexually explicit conduct for the purpose of producing any visual or print medium depicting such conduct, shall be punished as provided under subsection (c) of this section, if such person knows or has reason to know that such visual or print medium will be transported in interstate or foreign commerce or mailed, or if such visual or print medium has actually been transported in interstate or foreign commerce or mailed.

"(b) Any parent, legal guardian, or person having custody or control of a minor who knowingly permits such minor to engage in, or to assist any other person to engage in, sexually explicit conduct for the purpose of producing any visual or print medium depicting such conduct shall be punished as provided under subsection (c) of this section, if such parent, legal guardian, or person knows or has reason to know that such visual or print medium will be transported in interstate or foreign comerce or mailed or

if such visual or print medium has actually been transported in interstate or foreign commerce or mailed.

"(c) Any person who violates this section shall be fined not more than $10,000, or imprisoned not more than 10 years, or both, but, if such person has a prior conviction under this section, such person shall be fined not more than $15,000, or imprisoned not less than two years nor more than 15 years, or both.

"§ 2252. Certain activities relating to material involving the sexual exploitation of minors

"(a) Any person who—

"(1) knowingly transports or ships in interstate or foreign commerce or mails, for the purpose of sale or distribution for sale, any obscene visual or print medium, if—

"(A) the producing of such visual or print medium involves the use of a minor engaging in sexually explicit conduct; and

"(B) such visual or print medium depicits such conduct; or

"(2) knowingly receives for the purpose of sale or distribution for sale, or knowingly sells or distributes for sale, any obscene visual or print medium that has been transported or shipped in interstate commerce or foreign commerce or mailed, if—

"(A) the producing of such visual or print medium involves the use of a minor engaging in sexually explicit conduct; and

"(B) such visual or print medium depicits such conduct;

shall be punished as provided in subsection (b) of this section.

"(b) Any person who violates this section shall be fined not more than $10,000, or imprisoned not more than 10 years, or both, but, if such person has a prior conviction under this section, such person shall be fined not more than $15,000, or imprisoned not less than two years nor more than 15 years, or both.

"§ 2253. Definitions for chapter

"For the purposes of this chapter, the term—

"(1) 'minor' means any person under the age of sixteen years;

"(2) 'sexually explicit conduct' means actual or simulated—

"(A) sexual intercourse, including genital-genital, oral-genital, anal-genital, or oral-anal, whether between persons of the same or opposite sex;

"(B) bestiality;

"(C) masturbation;

"(D) sado-masochistic abuse (for the purpose of sexual stimulation); or

"(E) lewd exhibition of the genitals or pubic area of any person;

"(3) 'producing' means producing, directing, manufacturing, issuing, publishing, or advertising, for pecuniary profit; and

"(4) 'visual or print medium' means any film, photograph, negative, slide, book, magazine, or other visual or print medium.".

(b) The table of chapters for title 18, United States Code, and for part I of title 18, United States Code, are each amended by inserting immediately after the item relating to chapter 109 the following:

"110. Sexual exploitation of children_ 2251".

SEC. 3. (a) Section 2423 of title 8, United States Code, is amended to read as follows:

"§ 2423. Transportation of minors

"(a) Any person who transports, finances in whole or part the transportation of, or otherwise causes or facilitates the movement of, any minor in interstate or foreign commerce, or within the District of Columbia or any territory or other possession of the United States, with the intent—

"(1) that such minor engage in prostitution; or

"(2) that such minor engage in prohibited sexual conduct, if such person so transporting, financing, causing, or facilitating movement knows or has reason to know that such prohibited sexual conduct will be commercially exploited by any person;

shall be fined not more than $10,000 or imprisoned not more than ten years, or both.

"(b) As used in this section—

"(1) the term 'minor' means a person under the age of eighteen years;

"(2) the term 'prohibited sexual conduct' means—

"(A) sexual intercourse, including genital-genital, oral-genital, anal-genital, or oral-anal, whether between persons of the same or opposite sex;

"(B) bestiality;

"(C) masturbation;

"(D) sado-masochistic abuse (for the purpose of sexual stimulation); or

"(E) lewd exhibition of the genitals or pubic area of any person; and

"(3) the term 'commercial exploitation' means having as a direct or indirect goal monetary or other material gain.".

(b) The table of sections for chapter 117 of title 18, United States Code, is amended by striking out the item relating to section 2423 and inserting in lieu thereof the following:

"2423. Transportation of minors.".

SEC. 4. If any provision of this Act or the application thereof to any person or circumstances is held invalid, the remainder of the Act and the application of the provision to other persons not similarly situated or to other circumstances shall not be affected thereby.

Mr. CULVER. Mr. President, we have successfully reached a unanimous agreement in the conference on this measure. It has been cleared on both sides of the aisle.

I move the adoption of the conference report.

Mr. MATHIAS. Mr. Speaker, I am pleased to be able to speak today to urge adoption of the conference report on S. 1585, a bill prohibiting the sexual exploitation of children. The report comes to the Senate after its unanimous adoption by the conference committee earlier this week.

S. 1585 is designed to provide Federal prosecutors with effective statutory tools to combat two pernicious forms of child abuse which have only recently come to public attention: the widespread, growing use of children in the production of pornographic magazines and movies, and the escalating number of juveniles engaging in prostitution.

When such practices began to come to light earlier this year, sparked by a series of articles in the Chicago Tribune and by CBS News, the Subcommittee To Investigate Juvenile Delinquency began looking into efforts at the Federal level to deal with the problem. As the subcommittee became more involved in its investigation, we learned of gaps in our Federal laws permitting persons using children in pornography and prostitution rings to go about their sordid business, often without fear that the Federal laws would intervene.

In response to the findings of the Subcommittee based on extensive hearings, quick action was taken to report S. 1585. The full Senate considered the measure in early October, followed soon by House action. We now come to this body with an agreement from the conference committee—an agreement very favorable to the position taken by the Senate upon adoption of the legislation last month.

As the coauthor of S. 1585, with the Senator from Iowa, Mr. CULVER, I am convinced that adoption of the conference report by the Senate today will put us well on the road to stamping out child pornography and juvenile prostitution in America.

The conference report contains a slightly modified version of the so-called Roth amendment that was overwhelmingly adopted during Senate consideration of S. 1585. The modification, incorporating the Supreme Court test for obscenity as laid down in *Miller* v. *California*, 413 U.S. 445 (1973), guarantees in my opinion, the constitutionality of the legislation.

During hearings on S. 1585, the subcommittee heard the opinions of numerous experts who testified that virtually all of the materials that are normally considered to be child pornography are obscene under the current standards. The standards would require that the material "taken as whole" would appeal to the prurient interest of "the average person, applying contemporary community standards" and "lacks serious literary, artistic, political, or scientific value." *Miller* v. *California*, 413 U.S. at 24. This standard results in a ban aimed at conduct as opposed to a constitutionally infirm ban aimed at speech. It is the heart of the constitutional issue surrounding the legislation, and has been dealt with by the conference committee to insure the constitutionality of the bill, thereby guaranteeing Federal prosecutors the tools with which to eliminate the sexual exploitation of children involved in pornography and prostitution.

I am convinced that the standards adopted by S. 1585 will reach the kind of abuses that the Senate intended to reach with its approval of the Roth amendment. I know of no case of pornography that was brought to the attention of the subcommittee, that would not be trapped by the legislation, as reported by the conference committee.

The conference report is an excellent piece of legislation. It is made possible by the leadership and cooperation of the Senator from Iowa, Mr. CULVER, and the Senator from Delaware, Mr. ROTH. We owe them a debt of gratitude that this necessary measure is before us today. I strongly urge my colleagues to approve the report, and to set us on the path toward the elimination of this vicious exploitation of our country's children.

Mr. ROTH. Mr. President, I rise with mixed feelings regarding the conference report on S. 1585. I am pleased that we are only steps away from enacting a law to put a stop to the outrageous practice which subjects our young children to sexual abuse for profit. Surely, the production, sale, and distribution of child pornography must be one of the greatest blights on a civilized society. This is the first time that Congress has directly addressed this form of child abuse.

But I am also disappointed that the conferees chose to weaken the Roth-Hatch amendment dealing with sale and distribution by inserting an obscenity

standard. I believed that matter had been settled when the Senate approved that amendment by a vote of 73 to 13. Moreover, on October 25, the House subsequently instructed its conferees to accept the Roth language by a vote of 358 to 54.

I sought the advice of the Parliamentarian on whether in view of those votes the conferees had not exceeded their authority. After careful deliberation, the Parliamentarian advised that it was his opinion that they had not.

I wish to thank and express my appreciation to the distinguished Senator from Iowa (Mr. CULVER) for his efforts as conference chairman. Although he was personally opposed to my amendment, he consistently voted against any modification in conference, consistent with the vote in the Senate. I also wish to express my gratitude to the distinguished Senator from South Carolina (Mr. THURMOND) for his continuous support in committee on the floor, and in the conference.

While this measure is not as strong as I wish it would be, I think it represents a major step in the right direction. Already it is beginning to have an impact. During its convention this week the Adult Film Association of America unanimously supported a resolution to its bylaws stating that it will not produce, distribute, or exhibit any explicit sex feature or film in which a minor appears. Since this association represents 95 percent of the adult theaters in this country and probably as much as 95 percent of those who produce adult films, I hope that this resolution signals the beginning of a serious crackdown on this especially odious form of child abuse.

While I believe enactment of this bill is an important first step, I intend to monitor its enforcement very closely, especially its provision on sale and distribution. Should it prove to be less than what is requisite to totally eradicate this pernicious practice I will introduce the legislation necessary to that end.

Mr. THURMOND. Mr. President, I would like to offer some brief remarks on the conference report now before the Senate.

First, I want to commend the Senator from Iowa (Mr. CULVER) and the Senator from Maryland (Mr. MATHIAS) for their diligent and hard work on this legislation. I should also point out that the Senator from Delaware (Mr. ROTH) has made a fine record on this measure in his efforts to strengthen the bill by adding a provision to provide for the prosecution of sellers and distributors of child pornography.

Mr. President, the conferees did modify the Roth amendment to S. 1585 by adding an obscenity standard. While I have serious reservations about the ability of the conference to make such a change in view of a 73-to-13 vote in the Senate, and an instruction in the House by a vote of 358 to 54 to adopt the Roth amendment, as well as questioning the necessity for providing for an obscenity standard in the bill, I still must support S. 1585 as agreed to by the House and Senate conferees.

Mr. President, this bill is urgently needed to give prosecutors the tools to deal with child pornographers and those engaging in child prostitution. In addition, prompt approval of this bill will indicate to Federal prosecutors the importance and priority that the Congress attached to this sordid activity. Organized crime is financing much of the production and distribution of these materials and a concerted effort will be needed to prosecute the individuals responsible. Legislation like S. 1585 can aid greatly in this effort.

I believe the conference report should be adopted by the Senate and sent to the House for immediate passage.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. CULVER. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. NELSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SOCIAL SECURITY FINANCING AMENDMENTS OF 1977

The Senate continued with the consideration of H.R. 9346.

TIME LIMITATION AGREEMENT ON MR. CURTIS' AMENDMENT

Mr. CURTIS. Mr. President, I renew my request that notwithstanding any other order, that at this time—my unanimous-consent request is that at this time—the Curtis amendment be called up with a time limitation of 10 minutes, 5 minutes on each side, and that following it the distinguished Senator from Indiana (Mr. BAYH) can call up the DeConcini amendment, and following that the distinguished Senator from Delaware (Mr. ROTH) may call up his amendment.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object—and I will not object—I have now cleared the time limitation on the Curtis amendment with Mr. MORGAN, and there is no objection.

The PRESIDING OFFICER. Is there objection to the request?

Without objection, it is so ordered.

UP AMENDMENT NO. 1055

Mr. CURTIS. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk proceeded to read the amendment.

Mr. CURTIS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike out section 101 of the Act.

Strike out sections 102 and 103 of the Act and insert in lieu thereof the following:

EMPLOYEES

SEC. 102. Section 230 is amended by adding at the end the following new subsection:

"(d) For calendar years 1979, 1981, 1983, and 1985 the contribution and benefit base shall be equal to the amount determined under subsection (b) but as augmented for each such year (and carried forward thereafter) by $600; and the amount of such base for any such year as so increased shall be deemed to be the amount of such base for such year for purposes of determining any increase, under the preceding provisions of this section, in such base for any succeeding year.".

EMPLOYMENT TAX INCREASE; INCREASE IN SELF-EMPLOYMENT TAX; REALLOCATION AMONG TRUST FUNDS

SEC. 103. (a) TAX ON EMPLOYEES.—

(1) OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE.—Paragraphs (1) and (2) of section 3101(a) of the Internal Revenue Code of 1954 are amended to read as follows:

"(1) with respect to wages received during the calendar years 1974 through 1977, the rate shall be 4.95 percent;

"(2) with respect to wages received during the calendar year 1978, the rate shall be 5.05 percent;

"(3) with respect to wages received during the calendar years 1979 and 1980, the rate shall be 5.385 percent;

"(4) with respect to wages received during the calendar years 1981 through 1984, the rate shall be 5.65 percent;

"(5) with respect to wages received during the calendar years 1985 through 1989, the rate shall be 5.95 percent;

"(6) with respect to wages received during the calendar years 1990 through 1994, the rate shall be 6.60 percent;

"(7) with respect to wages received during the calendar years 1995 through 2000, the rate shall be 7.05 percent;

"(8) with respect to wages received during the calendar years 2001 through 2010, the rate shall be 7.45 percent; and

"(9) with respect to wages received after December 31, 2010, the rate shall be 7.95 percent.".

(2) HOSPITAL INSURANCE.—Paragraphs (2) through (4) of section 3101(b) of the Code are amended to read as follows:

"(2) with respect to wages received during the calendar years 1978 through 1980, the rate shall be 1.00 percent;

"(3) with respect to wages received during the calendar years 1981 and 1982, the rate shall be 1.25 percent;

"(4) with respect to wages received during the calendar years 1983 and 1984, the rate shall be 1.35 percent;

"(5) with respect received during the calendar 1985, the rate shall be 1.45 percent;

"(6) with respect to wages received during the calendar years 1986 through 1989, the rate shall be 1.50 percent; and

"(7) with respect to wages received after December 31, 1990, the rate shall be 1.40 percent.".

(b) TAX ON EMPLOYERS.—

(1) OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE.—Paragraphs (1) and (2) of section 3111(a) of the Code are amended to read as follows:

"(1) with respect to wages paid during the calendar years 1974 through 1977, the rate shall be 4.95 percent;

"(2) with respect to wages paid during the calendar year 1978, the rate shall be 5.05 percent;

"(3) with respect to wages paid during the calendar years 1979 and 1980, the rate shall be 5.385 percent;

"(4) with respect to wages paid during the calendar years 1981 through 1984 the rate shall be 5.65 percent;

"(5) with respect to wages paid during the calendar years 1985 through 1989, the rate shall be 5.95 percent;

"(6) with respect to wages paid during the calendar years 1990 through 1994, the rate shall be 6.60 percent;

"(7) with respect to wages paid during the calendar years 1995 through 2000, the rate shall be 7.05 percent;

"(8) with respect to wages paid during the calendar years 2001 through 2010, the rate shall be 7.45 percent; and

"(9) with respect to wages paid after December 31, 2010, the rate shall be 7.95 percent.".

(2) HOSPITAL INSURANCE.—Paragraphs (2) through (4) of section 3111(b) of the Code are amended to read as follows:

"(2) with respect to wages paid during the calendar years 1978 through 1980, the rate shall be 1.00 percent;

"(3) with respect to wages paid during the calendar years 1981 and 1982, the rate shall be 1.25 percent;

"(4) with respect to wages paid during the calendar years 1983 and 1984, the rate shall be 1.35 percent;

"(5) with respect to wages paid during the calendar year 1985, the rate shall be 1.45 percent;

"(6) with respect to wages received during the calendar years 1986 through 1989, the rate shall be 1.50 percent; and

"(7) with respect to wages paid after December 31, 1990, the rate shall be 1.40 percent.".

(c) TAX ON SELF-EMPLOYMENT INCOME.—(1) OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE.—Subsection (a) of section 1401 of the Code is amended to read as follows:

"(a) OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE.—In addition to other taxes there shall be imposed for each taxable year, on the self-employment income of every individual, a tax as follows:

"(1) in the case of any taxable year beginning after December 31, 1972, and before January 1, 1978, the tax shall be equal to 7.00 percent of the amount of the self-employment income for such taxable year;

"(2) in the case of any taxable year beginning after December 31, 1977 and before January 1, 1979, the tax shall be equal to 7.10 percent of the amount of the self-employment income for such taxable year;

"(3) in the case of any taxable year beginning after December 31, 1978 and before January 1, 1981, the tax shall be equal to 8.077 percent of the amount of the self-employment income for such taxable year;

"(4) in the case of any taxable year beginning after December 31, 1980, and before January 1, 1985, the tax shall be equal to 8.475 percent of the amount of the self-employment income for such taxable year;

"(5) in the case of any taxable year beginning after December 31, 1985, and before January 1, 1990, the tax shall be equal to 8.925 percent of the amount of the self-employment income for such taxable year;

"(6) in the case of any taxable year beginning after December 31, 1989, and before January 1, 1995, the tax shall be equal to 9.90 percent of the amount of the self-employment income for such taxable year;

"(7) in the case of any taxable year beginning after December 31, 1994, and before January 1, 2001, the tax shall be equal to 10.575 percent of the amount of the self-employment income for such taxable year;

"(8) in the case of any taxable year beginning after December 31, 2000, and before January 1, 2011, the tax shall be equal to 11.175 percent of the amount of the self-employment income for such taxable year; and

"(9) in the case of any taxable year beginning after December 31, 2010, the tax shall be equal to 11.925 percent of the amount of the self-employment income for such taxable year.".

(2) HOSPITAL INSURANCE.—Paragraphs (2) through (4) of subsection (b) of section 1401 of the Code are amended to read as follows:

"(2) in the case of any taxable year beginning after December 31, 1977, and before January 1, 1981, the tax shall be equal to 1.00 percent of the amount of the self-employment income for such taxable year;

"(3) in the case of any taxable year beginning after December 31, 1980, and before January 1, 1983, the tax shall be equal to 1.25 percent of the amount of the self-employment income for such taxable year;

"(4) in the case of any taxable year beginning after December 31, 1982, and before January 1, 1985, the tax shall be equal to 1.35 percent of the amount of the self-employment income for such taxable year;

"(5) in the case of any taxable year beginning after December 31, 1984, and before January 1, 1986, the tax shall be equal to 1.45 percent of the amount of the self-employment income for such taxable year;

"(6) in the case of any taxable year beginning after December 31, 1985, and before January 1, 1990, the tax shall be equal to 1.50 percent of the amount of the self-employment income for such taxable year; and

"(7) in the case of any taxable year beginning after December 31, 1989, the tax shall be equal to 1.40 percent of the amount of the self-employment income for such taxable year.".

(d) ALLOCATION TO DISABILITY INSURANCE TRUST FUND.—

(1) ALLOCATION OF WAGES.—Section 201(b)(1) of the Social Security Act is amended by striking out all that follows clause (F) and inserting in lieu thereof the following: "(G) 1.550 per centum of the wages (as so defined) paid after December 31, 1977, and before January 1, 1979, and so reported, (H) 1.500 per centum of the wages (as so defined) paid after December 31, 1978, and before January 1, 1981, and so reported, (I) 1.650 per centum of the wages (as so defined) paid after December 31, 1980, and before January 1, 1985, and so reported, (J) 1.900 per centum of the wages (as so defined) paid after December 31, 1984, and before January 1, 1990, and so reported, (K) 2.100 per centum of the wages (as so defined) paid after December 31, 1989, and before January 1, 1995, (L) 2.400 per centum of the amount of the wages (as so defined) paid after December 31, 1994, and before January 1, 2001, (M) 2.700 per centum of the amount of the wages (as so defined) paid after December 31, 2000, and before January 1, 2011, (N) 3.00 per centum of the amount of the wages (as so defined) paid after December 31, 2010, and so reported, which wages shall be certified by the Secretary of Health, Education, and Welfare on the basis of the records of wages established and maintained by such Secretary in accordance with such reports; and".

(2) ALLOCATION OF SELF-EMPLOYMENT INCOME.—Section 210(b)(2) is amended by striking out all that follows clause (F) and inserting in lieu thereof the following: "(G) 1.090 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1977, and before January 1, 1979, (H) 1.040 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1978, and before January 1, 1981, (I) 1.235 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1980, and before January 1, 1985, (J) 1.425 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1984, and before January 1, 1990, and (K) 1.575 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1990, and before January 1, 1995, (L) 1.800 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1894, and before January 1, 2001, (M) 2.025 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 2000, and before January 1, 2011, (N) 2.250 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 2010, which self-employment income shall be certified by the Secretary of Health, Education, and Welfare on the basis of the records of self-employment income established and maintained by the Secretary of Health, Education, and Welfare in accordance with such returns.".

The amendments made by this amendment to sections 1401, 3101, and 3111 of the Internal Revenue Code of 1954 shall not be modified as a result of any amendment to the bill agreed to prior to the adoption of this amendment.

Mr. CURTIS. Mr. President, if I may have order I can state what this amendment is. This amendment deals with financing of social security. Yesterday I offered an amendment to take care of the $6 billion deficit in the fund now, and there will be a larger one next year as well as some long range.

We were defeated on what I regard as a rather close vote. That amendment of yesterday would have increased the tax on employers and employees at one-half of 1 percent on each side.

It is true that when you raise revenue by raising the work base the entire burden falls upon the higher-paid, and with the present level of prices that is a blow to the middle class.

On the other hand, if we raise revenue by raising the rates only, it does affect the people of all brackets.

Mr. President, I have a compromise. I propose to raise half of it by raising the rate and half of it by raising the wage base. So, instead of one-half of 1-percent increase on all, I will make that one-quarter of 1 percent, and then raise the wage base on employees and employers alike $2,400, but I do that in four steps of $600 each.

This tax increase of one-quarter of 1 percent and the first step in raising the wage base do not go into effect until 1979. There is a tax increase in 1979 of one-quarter of 1 percent for employer and employee, and there is the first $600 of wage base increase. Then there will be, the second year thereafter, another $600, until we raise it by $2,400. Substantially half of the burden will fall on the upper brackets alone by raising the wage base, and half of it will be across the board on everyone.

I think that is a fair compromise. It does not involve the general fund; it does not involve having a rate base different for employers than for employees.

One more feature, Mr. President: 6 years from now there will have to be a one-tenth of 1 percent increase in order to make up for the transfer of funds at this time. But that is 6 years off, and it is only one-tenth of 1 percent.

Mr. President, how much time have I consumed?

The PRESIDING OFFICER. The Senator has 1 minute remaining.

Mr. CURTIS. I reserve the remainder of my time, and I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. NELSON. Mr. President, I move to table the amendment. My motion would not lie until the time expires; is that correct?

The PRESIDING OFFICER. The Senator's motion would not lie until all time on the amendment has expired or been yielded back.

Mr. CURTIS. I am willing to yield it back right now.

Mr. NELSON. Mr. President, the distinguished Senator from Nebraska and I have discussed the principles involved here in some detail in the last couple of days, and I would repeat that this proposal was printed in the CONGRESSIONAL RECORD twice, in short form, in the Wednesday and Thursday RECORDS; and this present amendment is referred to as Curtis plan No. 2.

Yesterday we debated Curtis plan No. 1. That was not adopted, and this is Curtis plan No. 2, as identified in the RECORD.

Let me say, as I did then, that Senator CURTIS, in both of his plans, has designed a proposal which does, in fact, guarantee the integrity of the fund all the way to the year 2050. His plan No. 2 has a balance in the fund of plus 0.40 percent of taxable payroll, so from the standpoint of fiscal integrity, there is not really any question about it being financially sound.

The Finance Committee, at the same time, reported a proposal to the Senate floor which also provides the financing for all of the provisions in the current law and in the pending legislation through the year 2050, just as does Senator CURTIS' amendment. The Senate Finance Committee bill leaves a balance in the fund of plus 0.06 of taxable payroll in the year 2050.

There is a basic difference, however. I cannot get into it in great detail because of time constraints and because we have covered it before. However, the levy of taxes under Curtis plan 2 on the worker earning the average wage is greater at each step than under the Finance Committee plan. In 1979, the Finance Committee would increase the tax over the present law by $10 for the worker earning the average wage, and Senator Curtis' plan would increase it by $39, and, down into the year 1987, the Finance Committee plan would increase the liability by $112 on the individual earning the average wage, while Senator CURTIS' plan would increase it by $177. The figures are roughly similar in terms of those earning the maximum amount taxed.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. CURTIS. Mr. President, I thank my distinguished friend for his fair statement. He has very graciously stated the facts very forthrightly just as they are.

The adoption of my amendment will restore the fund. It will set at rest the uneasiness. It will get the additional money that we need. It will maintain the traditional pattern that everybody pays, half by employers and half by employees, with no gimmicks, no dodging of the issue, meeting it forthrightly for the benefit of all the people of the land.

I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time is yielded back.

Mr. NELSON. Mr. President, I move that the amendment be laid on the table.

Mr. CURTIS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the amendment of the Senator from Nebraska (Mr. CURTIS). The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Texas (Mr. BENTSEN), the Senator from Nevada (Mr. CANNON), the Senator from Arizona (Mr. DECONCINI), the Senator from Maine (Mr. HATHAWAY), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Georgia (Mr. NUNN), and the Senator from Tennessee (Mr. SASSER) are necessarily absent.

I also announce that the Senator from Maine (Mr. MUSKIE) is absent because of illness.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER), the Senator from Utah (Mr. HATCH), the Senator from California (Mr. HAYAKAWA), the Senator from Kansas (Mr. PEARSON), the Senator from New Mexico (Mr. SCHMITT), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I also announce that the Senator from Virginia (Mr. SCOTT) is absent on official business.

The yeas and nays resulted—yeas 41, nays 41, as follows:

[Rollcall Vote No. 623 Leg.]

YEAS—41

Anderson	Gravel	Metzenbaum
Bayh	Hart	Moynihan
Biden	Haskell	Nelson
Bumpers	Humphrey	Pell
Burdick	Jackson	Proxmire
Byrd, Robert C.	Kennedy	Randolph
Case	Leahy	Ribicoff
Church	Long	Riegle
Clark	Magnuson	Sarbanes
Cranston	Matsunaga	Sparkman
Culver	McGovern	Stafford
Durkin	McIntyre	Stevenson
Eagleton	Melcher	Williams
Ford	Metcalf	

NAYS—41

Allen	Garn	Morgan
Baker	Glenn	Packwood
Bartlett	Griffin	Percy
Bellmon	Hansen	Roth
Brooke	Hatfield	Schweiker
Byrd, Harry F., Jr.	Heinz	Stennis
Chafee	Helms	Stevens
Chiles	Hollings	Stone
Curtis	Inouye	Talmadge
Danforth	Javits	Thurmond
Dole	Laxalt	Tower
Domenici	Lugar	Wallop
Eastland	Mathias	Young
	McClure	Zorinsky

NOT VOTING—18

Abourezk	Hathaway	Nunn
Bentsen	Johnston	Pearson
Cannon	Hayakawa	Sasser
DeConcini	Huddleston	Schmitt
Goldwater	McClellan	Scott
Hatch	Muskie	Weicker

Mr. CURTIS. Regular order, Mr. President.

The VICE PRESIDENT. On this vote there are 41 yeas, 41 nays.

The VICE PRESIDENT votes "aye." The motion to lay on the table is agreed to.

Mr. NELSON. I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 1056

(Purpose—To liberalize the conditions governing eligibility of blind persons to receive disability benefits.)

The VICE PRESIDENT. Under the previous order, the Senator from Indiana is recognized.

Mr. BAYH. Mr. President, I send to the desk an unprinted amendment in behalf of the distinguished junior Senator from Arizona (Mr. DECONCINI), myself, Senator BROOKE, Senator DURKIN, Senator EASTLAND, Senator GOLDWATER, Senator HUMPHREY, Senator MCGOVERN, Senator RANDOLPH, Senator RIEGLE, Senator SPARKMAN, Senator THURMOND, Senator TOWER, and Senator WEICKER.

The PRESIDING OFFICER (Mr. SARBANES). The clerk will state the amendment.

The second assistant legislative clerk read as follows:

The Senator from Indiana (Mr. BAYH), for the Senator from Arizona (Mr. DECONCINI), himself, and others, proposes unprinted amendment numbered 1056.

Mr. BAYH. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place insert the following:

DISABILITY BENEFITS FOR BLIND PERSONS

SEC. 130. (a) Section 214 (a) of the Social Security Act is amended by adding "or" after the semicolon at the end of paragraph (3), and by inserting after paragraph (3) the following new paragraph:

"(4) in the case of an individual who has died and who was entitled to a benefit under section 223 for the month before the month in which he died, 6 quarters of coverage;".

(b)(1) Section 215(b)(1) of such Act is amended by striking out "shall be the quotient" and inserting in lieu thereof "shall (except as provided in paragraph (5)) be the quotient".

(2) Section 215(b) of such Act is further amended by adding at the end thereof the following new paragraph:

"(5) In the case of an individual who is blind (within the meaning of 'blindness' as defined in section 216(i)(1)), such individual's average monthly wage shall be the quotient obtained by dividing (A) the total of his wages paid in, and self-employment income credited to, all the calendar quarters which are quarters of coverage (as defined in section 213) and which fall within the period after 1950 and prior to the year specified in clause (i) or clause (ii) of para-

graph (2)(C), by (B) the number of months in such quarters; except that any such individual who is fully insured (without regard to section 214(a)(4)) shall have his average monthly wage computed under this subsection without regard to this paragraph if such computation results in a larger primary insurance amount."

(3) The amendments made by this subsection shall apply with respect to monthly benefits and lump-sum death benefits payable under title II of the Social Security Act for months after September 1977.

(c)(1) Section 215(b)(1) of such Act (as amended by section 104(b) of this Act) is further amended by striking out "is equal to the quotient" and inserting in lieu thereof "is equal to (except as provided in paragraph (5)) the quotient".

(2) Section 215(b) of such Act (as amended by section 104(b) of this Act) is further amended by adding at the end thereof the following new paragraph:

"(5) In the case of an individual who is blind (within the meaning of 'blindness' as defined in section 216(i)(1)), such individual's average indexed monthly earnings is equal to the quotient obtained by dividing (A) the total (after adjustment under paragraph (3)) of his wages paid in, and self-employment income credited to, all of the calendar quarters which are quarters of coverage (as defined in section 213) and which fall within the period after 1950 and prior to the year specified in subclause (I) or subclause (II) of paragraph (2)(B)(ii), by (B) the number of months in such quarters; except that any such individual who is fully insured (without regard to section 214(a)(4)) shall have his average indexed monthly earnings computed under this subsection without regard to this paragraph if such computation results in a larger primary insurance amount.".

(3) The amendments made by this subsection shall apply with respect to monthly benefits and lump-sum death benefits under title II of the Social Security Act payable for months after December, 1978.

(d) Section 216(i)(3) of such Act is amended to read as follows:

"(3) The requirements referred to in clauses (i) and (ii) of paragraph (2)(C) are satisfied by an individual with respect to any quarter only if—

"(A) he would have been a fully insured individual (as defined in section 214) had he attained age 62 and filed application for benefits under section 202(a) on the first day of such quarter, and (i) he had not less than 20 quarters of coverage during the 40-quarter period which ends with such quarter, or (ii) if such quarter ends before he attains (or would attain) age 31, not less than one-half (and not less than 6) of the quarters during the period ending with such quarter and beginning after he attained the age of 21 were quarters of coverage, or (if the number of quarters in such period is less than 12) not less than 6 of the quarters in the 12-quarter period ending with such quarter were quarters of coverage; or

"(B) he is blind (within the meaning of 'blindness' as defined in paragraph (1) of this subsection) and has not less than 6 quarters of coverage in the period which ends with such quarter.

For the purposes of clauses (i) and (ii) of subparagraph (A) of this paragraph, when the number of quarters in any period is an odd number, such number shall be reduced by one, and a quarter shall not be counted as part of any period if any part of such quarter was included in a prior period of disability unless such quarter was a quarter of coverage."

(e) The first sentence of section 222(b)(1) of such Act is amended by inserting "(other than such an individual whose disability is blindness as defined in section 216(i)(1))" after "an individual entitled to disability insurance benefits".

(f) Section 223(a)(1) of such Act is amended—

(1) by striking out the comma at the end of subparagraph (B) and inserting in lieu thereof "or is blind (within the meaning of 'blindness' as defined in section 216(i)(1)),";

(2) by striking out "the month in which he attains age 65" and inserting in lieu thereof "in the case of any individual other than an individual whose disability is blindness (as defined in section 216(i)(1)), the month in which he attains age 65"; and

(3) by striking out the second sentence.

(g) Section 223(c)(1) of such Act is amended to read as follows:

"(1) An individual shall be insured for disability insurance benefits in any month if—

"(A) he would have been a fully insured individual (as defined in section 214) had he attained age 62 and filed application for benefits under section 202(a) on the first day of such month, and (i) he had not less than 20 quarters of coverage during the 40-quarter period which ends with the quarter in which such month occurred, or (ii) if such month ends before the quarter in which he attains (or would attain) age 31, not less than one-half (and not less than 6) of the quarters during the period ending with the quarter in which such month occurred and beginning after he attained the age of 21 were quarters of coverage, or (if the number of quarters in such period is less than 12) not less than 6 of the quarters in the 12-quarter period ending with such quarter were quarters of coverage, or

"(B) he is blind (within the meaning of 'blindness' as defined in section 216(i)(1)) and has not less than 6 quarters of coverage in the period which ends with the quarter in which such month occurs.

For purposes of clauses (i) and (ii) of subparagraph (A) of this paragraph, when the number of quarters in any period is an odd number, such number shall be reduced by one, and a quarter shall not be counted as part of any period if any part of such quarter was included in a period of disability unless such quarter was a quarter of coverage."

(h) Section 223(d)(1)(B) of such Act is amended to read as follows:

"(B) blindness (as defined in section 216(i)(1)),"

(i) The second sentence of section 223(d)(4) of such Act is amended by inserting "(other than an individual whose disability is blindness, as defined in section 216(i)(1))" immediately after "individual".

(j) In the case of an insured individual who is under a disability as defined in section 223(d)(1)(B) of the Social Security Act, who is entitled to monthly insurance benefits under section 202(a) or 223 of such Act for a month after September, 1977, and who applies for a recomputation of his disability insurance benefit or for a disability insurance benefit (if he is entitled under such section 202(a)) after September, 1977, the Secretary shall, notwithstanding the provisions of section 215(f)(1) of such Act, make a recomputation of such benefit if such recomputation results in a higher primary insurance amount.

(k) Except as otherwise provided in this section, the amendments made by this section shall apply with respect to monthly benefits and lump-sum death benefits payable under title II of the Social Security Act for months after September, 1977.

Mr. BAYH. Mr. President, the amendment which I bring up because of an important unexpected occurrence that caused our distinguished colleague from Arizona to be unavoidably absent, is an amendment which is identical to S. 753, which amends title II of the Social Security Act, and was introduced by Senator HUMPHREY, myself, and several other Senators in February of this year.

The purpose of the amendment is to standardize the work requirement and remove the "earning limitation" for blind persons to qualify for disability benefits.

While the principal sponsors of this legislation requested consideration of this bill in the context of the recent Finance Committee hearings, its provisions are not included in the bill as reported.

However, I believe that this amendment, which is designed to assist our blind citizens, is extremely important and I hope we shall have an opportunity to consider it here today.

Let me review, briefly, the arguments in favor of this amendment. While the primary purpose of the pending legislation is to strengthen the financing of the social security system, it is both proper and desirable to make needed improvements in the ability of that system to fulfill its purpose of providing minimum financial security to the aged and disabled. In fact, the House-passed bill contains a dramatic commitment to reduce and eventually repeal the earnings test for individuals over 65, because there is a growing conviction that everybody should have the right to better their economic status.

Mr. President, the Senator from Indiana does not need take a great deal of time to convince our colleagues of the particularly difficult situation in which blind citizens find themselves.

Social security disability insurance was designed to partially replace income loss due to a disability. Congress has previously recognized blindness as a distinct and unique condition. Certain economic consequences predictably follow the disability of blindness. It is compatible with the social security insurance concept to protect the blind from these adverse effects. If persons with a high earning capacity can return to work at all after becoming blind, they do so, almost without exception, at a much lower salary, and continue to suffer an adverse impact on their earning power. Moreover, working in a society adapted to vision entails extra costs for supportive services and special devices.

The blind, as a group, suffer largely artificial impediments when they seek to enter and compete in the labor market. The economic penalties exacted by discrimination are evident in a dramatic 70 percent rate of unemployment and underemployment. Any group with such a high rate merits being singled out for compensatory help, for particular assistance to meet their problems.

Much of today's discussion revolves around costs and benefits. I believe this amendment can be defended as cost-effective. HEW actuaries have estimated an annual increase in cost somewhere between $400 and $500 million a year. This is not an insignificant figure. The National Federation of the Blind, in its recent testimony before the House Ways and Means Committee, disputed these cost figures which appeared to be predicated on an additional 150,000 to 200,000 beneficiaries receiving an average of $2,500 annually. A figure of 50,000 newly

eligible persons has been suggested as more realistic.

No adequate consideration has been given by the administration to the offsetting savings that would result from the transfer of blind beneficiaries now served by SSI, food stamp, and other welfare programs; nor the savings that would result from removing the strong work disincentives.

Presently, an earnings level of about $200 is considered proof of the ability to engage in substantial gainful activity. A blind person willing to take an entry-level job for retraining purposes, or to accept sporadic employment, cannot afford to risk losing the basic security provided by disability benefits, as well as continued eligibility for medicare coverage. Therefore, the incentive to work is not present for most blind people.

I think it is rather obvious, to the blind as well as to many other categories of citizens throughout our country, the incentive to work is just not present.

Indeed, the strongest argument for this proposal before the Senate is the need to remove disincentives to gainful activity, and to encourage every person to seek work, to contribute, and to become independent.

The Department of Health, Education, and Welfare has also estimated that production lost through blindness currently costs the economy $1 billion a year. The blind who become productive members of society lessen that loss.

Further, to gain eligibility for disability insurance benefits, a blind person must have worked long enough under social security-covered employment to be fully insured. To do so, two requirements must be met. First a blind person must have accumulated a number of quarters of coverage which is equal to 1 out of every 4 quarters elapsing between 1950 and the time of blindness, or age 21 and the time of blindness, whichever is later. In other words, he must have worked in a covered occupation at least 25 percent of the time between either 1950 or his 21st birthday and the time of blindness, whichever is later. Second, he must have accumulated a minimum of 6 quarters of covered employment. Thus, under existing law there is substantial variation in the criteria a blind person must meet to be eligible for disability benefits. Currently, the number of quarters necessary to qualify for disability benefits ranges from 6 to 26. People who become blind on the same date and, indeed, in the same accident may, under present law, be subject to significantly different eligibility requirements.

For example, a person who attained his or her 21st birthday in 1960 and became blind in 1975 would be required to earn 15 quarters. A person who was 21 prior to 1950 and became blind in 1975 would be required to earn 24 quarters.

The purpose of this amendment is twofold. It would remove the earnings limitation for blind persons—thereby creating a work incentive; and, it would standardize the numbers of quarters necessary to qualify for disability benefits at six.

Mr. President, this amendment has been considered and passed by the Senate several times in the past. During the 94th Congress, Senator Hartke, with over 35 cosponsors, introduced it as S. 1183. Arguments both pro and con have been presented each time this proposal has come before the Senate.

However, it seems to me that the Senate position still remains the right position and, hopefully, the Senate will once again reaffirm its belief that the blind people of this country need the kind of assistance which would be provided in this amendment.

However, the debate deserves a fresh look. Arguments on cost finally boil down to a value judgment on relative priorities. It is no secret that priorities shift from Congress to Congress. Regrettably, progress for all groups is never achieved simultaneously. But social and economic inequities can be corrected step by step; the time has come for this particular step.

Mr. HUMPHREY. Will the Senator yield?

Mr. BAYH. I am glad to yield to the distinguished Senator from Minnesota who has been the leader in this field. I appreciate the opportunity to associate myself with him today as I have in the past.

Mr. HUMPHREY. I appreciate the Senator yielding.

I just wanted to thank the Senator for his initiative here today in bringing this worthy amendment to the attention of the Senate.

Blind people deserve this and the fund can handle this amendment.

I hope the Senate will once again, as the Senator has indicated we have passed this before, agree to its adoption.

It is not in any way going to wreak any serious damage upon the fiscal soundness or the strength of the social security fund. The Senator's amendment deserves our support.

Mr. President, I rise in support of the amendment being presented today by Senator BAYH and Senator DECONCINI. This amendment is essentially identical to legislation the Senate has passed on a number of previous occasions, and to a bill I introduced together with Senator BAYH.

The purpose of this amendment is clear and simple. A readily identifiable category of handicapped Americans are being sidelined from productive participation in our economy through an unintentional bias against work, which has been built into the disability insurance system. The amendment would correct this work disincentive.

I want to address very briefly the arguments raised in the past against this proposal. It has been said that costs are unknown. That is probably less true of this amendment than of some other incentive programs we have recently adopted with no certain knowledge of how many persons or businesses will respond.

Perhaps we would have more firm cost estimates if the issue ever had received the attention and study it manifestly deserves. I do not believe we can dismiss the situation of a group of Americans who suffer an unemployment and underemployment rate of 70 percent, knowing that this unemployment is related more directly to social attitudes and discrimination than to incapacity.

The cost of earnings lost through blindness has been estimated by the Department of Health, Education, and Welfare at $1 billion annually. The cost of this amendment has been estimated by the same Department at $500 million. However, to the best of my knowledge, there has been no effort to offset this estimate with the savings that would result as working blind persons transfer from public assistance to the disability program, begin paying social security and income taxes, and contribute their productivity to our economy.

I wonder if we are talking incorrectly of preferential treatment, when we should be speaking in support of reasonable exceptions to redress handicaps and disadvantages imposed by social and economic barriers that have barred the blind, far more than their disability, from earning a decent and secure livelihood?

The law as it stands encourages the blind individual to be dependent, to lose faith in himself or herself, to abandon the arduous efforts, apprenticeship, and risk required to train for, or resume, a job, or profession.

Too frequently, blind workers are hired last, let go first, and paid least. If they take a temporary job, when it disappears, they find themselves permanently deprived of disability benefits. If they take a low-paying job, in the hope of eventual advancement, they find themselves without disability benefits, and with added expenses for the extra services and equipment needed to function in a sighted society.

Indeed, whatever their earnings, and I think the record will not show a great many who achieve wealth through their labor, they continue to suffer a reduction in their earning capacity, through reduced opportunity and through the added expenses that working incurs. It is reasonable that some disability insurance payment be continued to compensate for a continuing salary loss.

Budget considerations are basic, but they cannot be the sole determinant of policy. They have to be tempered by a sense of priority, a recognition of social obligations, and a true accounting of the cost of undeveloped human potential.

I will not repeat arguments ably made by my colleagues who have presented this legislation, and who share my views. I will just say that I consider this particular amendment an investment and an incentive that would sustain and strengthen blind Americans in their determination to join the ranks of working America. That is my objective in supporting this legislation.

I think it is just, I think it is timely, I do not think it will bankrupt our Nation.

Mr. DURKIN. Will the Senator yield?

Mr. BAYH. I am glad to yield to the Senator from New Hampshire.

Mr. DURKIN. I thank the Senator.

I am very pleased to join with the Senator from Indiana, the Senator from

Arizona, the distinguished Senator from Minnesota, in cosponsoring this amendment.

As the Senator from Indiana says, it is identical to the bill we cosponsored and introduced earlier this year.

This amendment which I have cosponsored will help blind people in two ways. It would permit blind people who have worked a year and a half to qualify for disability benefits, and it allows blind people who are working now to continue receiving social security benefits regardless of their earnings.

We should encourage and support the efforts of the blind who want to be self-supporting and productive. Under the present system blind people risk losing the security of insurance benefits if they want to work. It just does not make sense to hold back people who want to overcome their handicap and make their own way in the world.

Many blind people in New Hampshire feel its good medicine to be employed. But they face more than the usual obstacles when job hunting, and often encounter discrimination, because of their handicap.

If the blind do overcome discrimination they still face higher costs for special services and transportation. Rarely will a blind person's income approach what it would be without his handicap.

Mr. President, too often social security regulations discourage ambitious people from being self-supporting. The whole point of this amendment, is to encourage the determination felt by many blind people to work and be productive members of society. If the blind were free to earn a living for themselves they would be paying income and social security taxes. Most of the costs incurred by increasing eligibility for social security disability insurance and raising the earnings limitation will be offset as recipients of those benefits will no longer need supplemental security and other public assistance programs.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Indiana.

The amendment was agreed to.

Mr. DURKIN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, the continuing resolution continues to be a nettlesome problem. The Senator from Washington, the chairman of the Appropriations Committee, is prepared to make a motion at this time. I think Senator BROOKE is in accord with that motion. I wonder whether we can have an understanding that it would not prejudice the right of the Senator from Delaware to the floor if we could proceed with the continuing resolution, while the House is still in session. I think it is urgent that we do that as quickly as possible, if we can have the Senator's indulgence.

Mr. President, I ask unanimous consent that I may suggest the absence of a quorum, pending the arrival on the floor of Mr. YOUNG; that Mr. MAGNUSON then be recognized to call up the continuing resolution; and that when that is disposed of, Mr. ROTH again be recognized.

The PRESIDING OFFICER. It is the understanding of the Chair that the time for the quorum call will not be taken out of anyone's time.

Mr. ROBERT C. BYRD. Yes.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SOCIAL SECURITY FINANCING AMENDMENTS OF 1977

The Senate continued with the consideration of H.R. 9346.

Mr. ROBERT C. BYRD. Mr. President, with the understanding of Mr. ROTH and while the Senate is awaiting the arrival of Mr. YOUNG, who is on his way, I ask unanimous consent that Mr. WALLOP may be recognized to call up an amendment and have not to exceed 2 minutes which I understand the committee will accept, and this be all without prejudice to the order that was entered.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Wyoming is recognized.

UP AMENDMENT NO. 1058

(Purpose: To eliminate the reduction in disability benefits on account of receipt of workmen's compensation.

Mr. WALLOP. Mr. President, I send to the desk an unprinted amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Wyoming (Mr. WALLOP) for himself and Mr. CRANSTON, Mr. HUMPHREY, Mr. STEVENS, Mr. THURMOND, and Mr. YOUNG, proposes unprinted amendment numbered 1058.

Mr. WALLOP. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place insert the following:

SEC. 130. (a) Section 224 of the Social Security Act is repealed.

(b) The amendment made by this section shall be effective with respect to monthly benefits payable under title II of the Social Security Act for months beginning after the date of enactment of this Act.

Mr. WALLOP. Mr. President, I present this amendment to the social security financing bill on behalf of myself, Senator HUMPHREY, Senator THURMOND, Senator YOUNG, Senator CRANSTON, and Senator STEVENS. This amendment would repeal section 224 of the Social Security Act, the section that deals with the workmen's compensation provision.

Mr. President, the purpose of this amendment is quite simple. It would end the required monthly reduction in social security benefits when a disabled worker is also receiving workmen's compensation. This reduction of social security benefits due to workmen's compensation has been in effect since the 1965 social security amendments. Under present law, when a worker qualifies for both workmen's compensation and social security disability benefits, the monthly social security benefits must be reduced because the disabled worker is also receiving workmen's compensation. Where this offset provision is applicable, the social security benefits payable to the worker and his family are reduced by the amount that the total monthly benefits payable under the two programs exceed 80 percent of the worker's earnings prior to becoming disabled.

The Senator from Wyoming and the cosponsors of this amendment feel that the workmen's compensation offset provision is unfair and inconsistent. Disabled workers and their families under workmen's compensation are the only category of social security beneficiaries whose benefits are reduced because of the receipt of nonwork income. The great inequity is that the Social Security Act does not require a similar reduction in disability benefits from other Federal or private programs. A worker could become disabled and receive payments from civil service retirement annuity and Veterans' Administration disability payments, yet he would not have his social security benefits reduced as they are under the workmen's compensation offset provision.

The disabled workers who receive lump sum or monthly payments under private disability insurance policies or receive damages in private tort actions do not have their social security benefits reduced. Only those workers who through no choice of their own depend on workmen's compensation are singled out and have their social security payments reduced. The Senate surely recognizes the unfairness of a provision that requires a reduction in social security benefits because the worker is receiving compensation due to injury.

In my State and in every other State employers contribute to workmen's compensation funds. They do so to provide a fair protection to cover injured workmen. In most cases the covered workman has no right to civil damages. Awards on a contract agreement, if you will, and exchange the right to recover additional damages in court. The workmen's compensation fund exists solely for the benefit of injured and disabled working men and women and not to create actuarial soundness in the social security trust fund. Their employer's pay-

ments are no different from the payments of employers under private contract. Their injuries are no less painful. Their needs are no less real. Yet they are singled out amongst all Americans for special treatment. A treatment which is patently unfair; an injustice which Congress alone has the power to right.

This punitive and discriminatory treatment of one category of disabled workers is shamefully unfair and must not continue.

I wish to point out Mr. President that the number of workers affected by the offset provision represents only about 3 percent of the total number of people who receive benefits payable on the basis of disability. As of January 1977, 57,911 disabled workers and their dependents were affected by the month-to-month offset provision.

The questions of equity and fairness are central to the argument in support of this amendment, but there are administrative reasons why the offset provision should be repealed. The provision generally requires a disproportionate application of administrative resources. As the Senator from Wyoming indicated previously, only 3 percent of the workers receiving disability benefits are affected by the offset provision. However, much more time than would seem to be warranted by this small number of beneficiaries is spent in processing cases which involve the offset provision.

Elimination of the workmen's compensation offset would simplify the social security program. Processing these claims now requires reference to State workmen's compensation laws which, of course, vary widely. Often, social security field offices must contact employers, workmen's compensation agencies, insurance companies, attorneys, and claimants before workmen's compensation offset determinations can be made. A large amount of correspondence, protracted interview time, and program center review contribute to the high cost of handling each case. Also, each case must be handled manually, both initially and when workmen's compensation benefits are increased and when offset redeterminations are made every 3 years. Obtaining the necessary offset information often results in long delays in getting social security disability benefits to entitled individuals and their families.

If the workmen's compensation offset were eliminated, effective with October 1, 1977, 500 man-years would be eliminated over the next 5-year period ending with fiscal year 1982. In addition, $7.8 million in administrative savings would be realized over the same 5-year period.

I wish to close by saying that the most important consideration here is one of equity. There is no reason for the distinction between workmen's compensation and other disability payments programs. Section 224 arbitrarily singles out those who receive workmen's compensation for the reduction and offset treatment. I urge my colleagues to support this amendment and end this discriminatory treatment of disabled workers.

Mr. President, I shall briefly explain to the chairman what this does. It tries to correct an injustice in the American social security system whereby a workman who receives a lump sum payment under workman's compensation has that payment deducted from his social security disability payments. This leaves the disabled worker without the full benefit of his social security disability payments.

It is my understanding that the committee will accept this amendment and consider its financial impact in conference. Should it not meet the terms of the House bill and the amendment is not agreed upon in conference, the Finance Committee has agreed to hold hearings on the problems created by Section 224 of the Social Security Code and recommend legislation that would be implemented at a subsequent date.

Mr. LONG. Mr. President, my understanding is that the Senator from Wisconsin (Mr. NELSON) studied the amendment and he agreed that he would take the amendment to conference, and as far as I am concerned, I would be willing to join with the Senator in seeing that it is considered in conference.

Mr. WALLOP. I thank the Senator very much.

I checked with Senator CURTIS, and he, under the same set of circumstances, agreed to it.

Mr. STEVENS. Mr. President, I have cosponsored this amendment in order to correct the inequities found in the present social security disability payments system.

Currently a disabled person who receives workmen's compensation payments may not be entitled to his full social security benefits. At the same time, however, should he be receiving disability payments from another source such as civil service retirement annuity, Veterans' Administration disability benefits, or coverage under other private sources, he would be entitled to his full social security benefits. There is no sound reason for this discriminatory practice.

The present law places a financial penalty on disabled wage earners at a time when they are least able to afford it. We must remember that these disabled workers have contributed their share into the social security system.

To deny them their full compensation is contrary to the spirit of the disability program and impose a hardship on those Americans that have become disabled.

I urge my colleagues to act favorably on this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wyoming.

The amendment was agreed to.

FURTHER CONTINUING APPROPRIATIONS, 1978

Mr. MAGNUSON. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on House Joint Resolution 643 and ask unanimous consent to proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, the Senate will now proceed to the consideration of House Joint Resolution 643 which will be considered as having been read twice, and which the clerk will state by title.

The legislative clerk read as follows:

A resolution (H.J. Res. 643) making further continuing appropriations for the fiscal year 1978, and for other purposes.

The Senate proceeded to the consideration of the resolution.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. MAGNUSON. Mr. President, I shall be very brief.

The PRESIDING OFFICER. May we have order in the Chamber?

Mr. MAGNUSON. Mr. President, I do not want to take up the time of the Senate very long.

This has been a protracted matter with long disputes, and the House of Representatives and the Senate could not agree. The latest vote, as we know, was on yesterday. The House of Representatives sent over a continuing resolution which would extend the moneys in the Labor-HEW appropriations bill so that people will get paid and the departments can function. Those are the Departments of HEW and Labor. Also in the continuing resolution is the District of Columbia because they have not reached an agreement on the matter of the convention center, and that is included in the bill. There are no other matters.

It is similar to the continuing resolution that we passed here about 3 weeks ago when we were still in conference, not on the money part of the bill but the well-known controversy of abortion.

So, this continuing resolution goes to November 30 of this year. That is approximately 3½ weeks.

The House of Representatives, as I understand, has already adjourned, or they are gone. They did not adjourn sine die, but they adjourned. The resolution need not go back to the House of Representatives if we pass it. It will go right down to the President.

But they have decided on a date certain for them to come back, and that will be November 29. That is why this resolution runs through November 30.

It is with some reluctance that many of us on the Appropriations Committee agree to this continuing resolution for many reasons which I will not repeat here today.

We had a long discussion this morning in the committee. Although the resolution had not been technically referred to the committee, we voted on the matter of whether we should accept this resolution or send it back to the House of Representatives with an amendment, namely, the abortion amendment. But the vote was very close in the committee. Some of the votes were cast, of course, in a practical way so that we do have a serious problem of the pay for many of these thousands of Americans who are people who are working in these Departments of Health, Education, and Welfare, and Labor, and the District of Columbia.

We have had conferences with the House of Representatives all day back and forth, and the fact that we are going to accept this without an amendment is based upon the fact that we have some assurances, and I think I am going to at this time rely upon them, from the House of Representatives that when we get back we will make every effort to work out something on this matter that has plagued this body and the Appropriations Committee for a long time.

The distinguished Senator from Massachusetts has done a lot of work today on this, talking with Members of the House of Representatives, as I have and other members of the Appropriations Committee, with phone calls, and all sorts of things, because they are actually in adjournment. There is no one over there.

So to get this done so that these departments can function, I say we reluctantly accepted this continuing resolution for 3½ weeks. It still contains the so-called Hyde amendment, to which we are opposed, and to which the Senate is opposed, as shown by a 62-to-27 vote with respect to the last language voted on on the floor of the Senate. The House, of course, has voted strongly for that amendment. But yesterday there was a margin of only some 21 votes.

They assured us they are going to do everything they possibly can to see if they cannot change that vote so we can arrive at some accommodation on this matter.

This matter, I hesitate to say again, does not belong on an appropriations bill at all. It is legislation, and I said today that I am going to get prepared, have prepared for me, some legislation. I can take the Hyde amendment on one end and somebody else's on the other end, or three in between—it might be three or four bills I do not care how many—and send them up here, have them referred to a legislative committee to try to get these things off the Appropriations Committee.

I do not know just what committee it will be referred to, but it is an expenditure of medicaid funds and, I suspect—I am a great friend of the Senator from Louisiana, who is always trying to get more jurisdiction—I am going to give it to the Senator from Louisiana. [Laughter.]

Mr. LONG. Mr. President, will the Senator be willing to go along with a refundable tax credit for that purpose?

Mr. MAGNUSON. To get rid of abortion I might make that exchange, I might agree with that. [Laughter.] But I do not want to delay the Senate.

I want to call on the distinguished Senator from Massachusetts. I want to say the members of my committee have been very, very patient. This has been a long, long struggle, and I am so hopeful that when we do get back we will finally get this done and then have some legislative committee establish a policy, a national policy, on this whole matter and not tack it on appropriations bills.

I yield to the Senator from North Dakota.

Mr. YOUNG. Mr. President, I believe arrangements have been made so that we can vote on this resolution now without amendments. I realize the Senate is at a disadvantage. The House has this prerogative, whether it is in the Constitution or not I do not know, but the right of sending over appropriations bills and continuing resolutions that this body does not have. They sent this one over at the last minute where we have the problem today, with the House going home, and if we do not take this then HEW and the District of Columbia would not be getting their money.

The Senator mentioned the Hyde amendment. As you know, there is a very strong feeling on this, there are strong convictions, so strong that they make it most difficult, if not impossible, to work out any kind of a compromise. But I hope in the 3 weeks before this comes up again some kind of a compromise can be worked out.

I commend the Senator from Massachusetts (Mr. BROOKE)——

Mr. MAGNUSON. The Senator knows, too, that this is a little hard to take. But it happens, as he and I know full well, that for a long time on the Appropriations Committee the House has sent us a continuing resolution and gone home, with a "take it or leave it." That is because continuing resolutions on appropriations originate in the House. One of these days I am going to turn that around, too, and send one to them and we can go home and let them take it or leave it.

Mr. YOUNG. I want to say I commend the Senator from Massachusetts (Mr. BROOKE) and I thank him for having worked out this compromise or agreed to approve the continuing resolution today. I know he has very strong feelings on this. He has worked very hard on it, and he should be commended for what he has done.

Mr. BROOKE. Mr. President, I want to thank my distinguished ranking minority member, Senator YOUNG, for his kind remarks, and certainly I thank my distinguished chairman.

Chairman MAGNUSON said that we reluctantly came to this conclusion, and he is absolutely right. It was with great reluctance that we arrived at this conclusion.

The Senate Appropriations Committee met this morning, and by a vote of 11 to 10 we decided we would include as a substitute the language that the Senate approved yesterday by a vote of 62 to 27 —language that we had sent to the House in the Labor-HEW appropriations bill.

As Senator MAGNUSON said, we have had many meetings today. I met with the Speaker of the House, Chairman GEORGE MAHON of the House Appropriations Committee, Chairman DAN FLOOD of the House Labor-HEW Subcommittee, Mr. BRADEMAS and Mr. ANDERSON, and many others who were present, in an attempt to find out what could be done procedurally about taking up the continuing resolution with the substitute Senate language in it.

I was convinced by what they said and by their own Parliamentarian that the earliest they could possibly have gotten to this matter would have been Friday of next week, because the House was about ready to adjourn when we talked today, and it would have taken unanimous consent, which they could not obtain; the Rules Committee could not be called together before Tuesday at the earliest, and then they would have needed 3 days additional, so that would have been Friday.

(Mr. MOYNIHAN assumed the Chair).

So a week would have been passed and little would have been achieved other than to make it crystal clear to the House of Representatives that the Senate feels very strongly about its position and that it will no longer tolerate their throwing a continuing resolution to us and going home.

Mr. President, as has been often said, this is a highly emotional issue. It is an important issue, as well. It is an issue which has been voted on time and time again by this body and time and time again by the House of Representatives. It is a matter that has kept this big appropriations bill of $60 billion-plus from being passed and sent to the President for signature.

We obviously are concerned in both Houses about payless paydays for Labor-HEW and other Federal employee, and we had hoped their pay would not be held hostage to our inability to resolve this issue.

It was with this in mind, and the fact of the procedural problems involved, that we finally agreed not to press what the Senate Appropriations Committee had done this morning, namely, to substitute our language and send it back to the House as such.

So, in essence, Mr. President, what we will be doing by the adoption of the motion made by our distinguished chairman is to send back the continuing resolution as it was sent to us here and, as he accurately stated, that includes the Hyde language.

Now, that is repugnant to me personally, it is repugnant to many Senators—I see some of them on the floor today, Senator BURDICK, who sat with us so long, and many, many others—I do not want to get into naming them all.

But, Mr. President, there were some assurances made. The Speaker of the House said at this meeting, and Congressman GEORGE MAHON, the distinguished Congressman from Texas, the chairman of the House Appropriations Committee, that they would use their good offices to see that there would be no further continuing resolutions. That is important because we are plagued with continuing resolution after continuing resolution. So we are hopeful that with that assurance we can get on with working out some compromise so no further continuing resolutions will be needed.

They also said they would do everything within their power to bring the parties together and try to reach a conclusion.

The House last night was much closer to the Senate than it has ever been. The 21-vote margin is not the true margin. It was much closer than that.

Several of the Members of the House changed their votes after it become obvious that there were not sufficient votes

in the House to carry the day. So we are much closer than we have ever been to resolving this matter between the House of Representatives and the Senate.

In the interim period, it is my intent, and I am sure the intent of others, to work on language and to have informal negotiations, so that when we come here on the 29th—and that is the date of their coming back; rather than the 28th, they are coming back on the 29th—hopefully we can get together with some language that can be agreed upon, passed by the Senate, and passed by the House of Representatives, resolve this matter, and send the bill on to the President for his signature, because there are so many important programs in this bill.

All the money for health, all the money for education, all the money for labor, and all the money for welfare is contained in this bill. So we have a great responsibility, Mr. President, and it is considerations such as these that are of concern. The realities are that we are again showing to the House of Representatives our desire to compromise and to work with them; we want to alleviate any hostility that was beginning to develop on the House side because they thought we had adjourned without deference to them last night and gone home, and on our side because they seemed to be saying, "Here, take the continuing resolution, because we are going home."

We cannot have that kind of problem between the two Houses. We have enough problems between the executive branch and the legislative branch without having such problems between one House of the legislative branch and the other House of the legislative branch.

Mr. President, taking all things into consideration, I would hope and urge that within the interim period women in this country will contact their Representatives in the House of Representatives, letting them know how they feel about this important issue—they have some 20 plus days to do it—because the Senate has done as it has been urged to do time after time after time. If it had not done that, the legislation would have gone the other way.

For that reason, Mr. President, I will not press the amendment which I said earlier today that I would press, and will support, though with great reluctance but nevertheless I will support it because I said I would, the motion being made by my distinguished chairman, who is reluctant himself to make the motion, but is doing so with the same thoughts and the same motives that I withdraw my amendment.

Mr. MAGNUSON. Mr. President, I want to say also, for the benefit of the Senate, that there is in this continuing resolution also—which added to the problem that we have had—$1.4 billion that the House of Representatives and the Senate agreed on for the disaster loan fund, an emergency provision which is, of course, for drought-devastated farmers and other disaster victims, so that that program can be funded.

Mr. NUNN. Mr. President, will the Senator yield on that point?

Mr. MAGNUSON. I yield.

Mr. NUNN. I wish to thank the Senator from Washington and the Senator from Massachusetts for moving this item. That $1.4 billion is a matter of great urgency to my State and I think many other States, where farmers have literally been devastated by the drought, and cannot pay their bills at the moment. I thank the Senator from Washington and the Senator from South Carolina, who has been very active in this regard.

DISASTER LOAN FUNDS

Mr. HOLLINGS. Mr. President, yesterday I introduced an amendment to the continuing resolution on behalf of myself and Senators TALMADGE, NUNN, THURMOND, CHILES, STONE, and MAGNUSON that would permit the Small Business Administration to draw on the $1,400,000,000 that both Houses have agreed to in the Supplemental Appropriations Act for the disaster loan fund. I will not call up this amendment since the House has already covered this requirement in the continuing resolution.

This is an extraordinary and an emergency provision to provide urgent assistance to the drought-devastated farmers and other disaster victims. As I indicated in my remarks yesterday, the SBA exhausted their disaster funds on October 31, 1977, and there are on hand some 11,000 applications amounting to $946,-800,000.

Mr. President, I want to echo the comments of the distinguished chairman of the Small Business Committee (Mr. SMITH of Iowa) in the House last night that this provision makes the full $1,-400,000,000, if necessary, available to the SBA. This is in conformance with the nature of this program and in no way is it to be implied that anything less than the full amount is being made available for these critically needed loans.

Mr. MAGNUSON. The Senator from Georgia has been very active in this matter also. And I, of course, have a similar situation in my State.

There is also another matter in the bill, involving the District of Columbia. On that, I yield to the Senator from Vermont.

Mr. LEAHY. Mr. President, I thank the distinguished chairman and the distinguished Senator from Georgia for their efforts in providing relief for the District of Columbia, in return for which we were happy to accommodate the interests of the Senator from Georgia.

Mr. NUNN. I thank the Senator from Vermont for his great understanding in that regard.

Mr. LEAHY. I know we shared a common view on that. I thank also, Mr. President, the acting chairman of the Appropriations Committee (Mr. STENNIS) and the ranking minority member (Mr. YOUNG), the Senator from Massachusetts (Mr. BROOKE), and others, who are to be commended for working out the agreement they did on HEW.

For those who are totally opposed to Federal funding for abortions, and those who feel there should be far more Federal funding for abortions, it is not really totally acceptable to either side, but it is a very realistic compromise, at least for the short term, with the understanding that the Senate and the House of Representatives will probably work out others.

I might point out to our distinguished chairman that it would seem strange to go through a whole day in the Senate without being able to vote on abortion at least once. Some of us thought perhaps we should change the Senate rules to provide that each day, after the recognition of the leadership, the Senate have at least one vote on abortion, and that we have a sort of running Dow Jones daily average on abortion, to see where we stand.

As chairman of the Senate Appropriations Subcommittee on the District of Columbia, I support this joint resolution as it provides the District of Columbia with the legal authority to incur obligations to meet the city payroll and to continue other basic city functions. The legal authority for the city to incur obligations expired on October 31, 1977. This joint resolution is the traditional continuing appropriations resolution with which we are all familiar. It is effective only until November 30, 1977.

The conference committee on the District of Columbia appropriations bill met on October 12 and again on October 17. Since then I have repeatedly expressed my willingness to meet again at any time starting at 6 a.m. in the morning and running as late as 12 p.m. in the evening. So far the House has not been able to meet again in conference.

The city's convention center proposal is the main difference between the House and Senate conferees. I have suggested that we set this item aside and ask the city to develop a proposal that would accommodate the concerns of all affected parties, particularly the views of the citizens and taxpayers of the city. I am still hopeful that we can reach an acceptable compromise on this item in this session of Congress.

I should point out that the Senator from Maryland (Mr. MATHIAS) has been extremely helpful in lending his expertise as the ranking member of the subcommittee. He has been especially helpful in the conference on the matter of the Convention Center, notwithstanding his strong opposition to this issue on the floor.

In the meantime, I again thank very much the acting chairman and the ranking minority member of the Senate Appropriations Committee for their courtesy, understanding, time, and patience, and the way that they have attempted to accommodate the least important of the Senate appropriations subcommittees.

I would also like to note my special thanks to Mike Hall of the Senate Appropriations Committee permanent staff for having done yeoman work in this regard, and to Doug Racine and Marty Franks of my office in the same respect.

I yield back to the Senator from Washington.

Mr. MAGNUSON. Mr. President, I want to say one thing. This is a controversial, emotional issue, but I wish to compliment the distinguished Sena-

tor from North Carolina, whose views on this matter we know well, as he knows ours. He was very, very helpful in these negotiations, in trying to arrive at something here which we could support. I deeply appreciate, it as do all of us on the committee.

Mr. BROOKE. Mr. President, if the Senator will yield, the Senator from South Carolina (Mr. THURMOND) wanted to speak just a moment on the disaster relief section of the continuing resolution. So if we could have a quorum call——

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. BROOKE. I yield.

Mr. KENNEDY. I have a conference report that will take about a minute.

Mr. BROOKE. That would be fine. Mr. President, I ask uanimous consent that the continuing resolution be temporarily laid aside, and that the distinguished senior Senator from Massachusetts be recognized, and that when he has completed his presentation we may come back to this matter and the Senator from South Carolina be recognized for 2 minutes, and then that we have a voice vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

SACCHARIN STUDY—CONFERENCE REPORT

Mr. KENNEDY. Mr. President, I submit a report of the committee of conference on S. 1750, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. MOYNIHAN). The report will be stated.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1750) to amend the Public Health Service Act and the Federal Food, Drug, and Cosmetic Act, as amended, to conduct studies concerning toxic and carcinogenic substances in foods, to conduct studies concerning saccharin, its impurities and toxicity and the health benefits, if any, resulting from the saccharin; to ban the Secretary of Health, Education, and Welfare from taking action with regard to saccharin for 18 months, and to add additional provisions to section 403 of the Federal Food, Drug, and Cosmetic Act, as amended, concerning misbranded foods, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of November 3, 1977.)

Mr. KENNEDY. Mr. President, I am pleased to report that the conference agreement on S. 1750 retains all the essential provisions of the Senate-passed bill. Specifically:

All food products will carry warnings which are to be prominently displayed on the label. The warning reads: "Use of this product may be hazardous to your health. This product contains saccharin, which has been determined to cause cancer in laboratory animals."

Second, the warning is to remain until the Secretary determines that saccharine is not a carcinogen.

Third, all retail stores will post warning signs. Additional consumer information will be provided to each store.

Fourth, the Secretary is authorized to require warnings on vending machines.

Mr. President, all of these provisions become effective 90 days after enactment. There is no allowance for administrative delay. I believe the conference report is entirely consistent with the Senate-passed bill and I urge its immediate adoption.

Mr. JAVITS. Will the Senator yield?

Mr. KENNEDY. I will be glad to yield.

Mr. JAVITS. Mr. President, I am disappointed in the conference report, but I believe it is the best that can be done. I am not especially happy in the way the warning is worded, but it is the best compromise that could be arrived at with the other body, and I believe the Senate should accept the compromise.

Mr. SCHWEIKER. Will the Senator yield?

Mr. KENNEDY. I yield.

Mr. SCHWEIKER. I want to thank the members of the committee for their help and cooperation. It has been difficult to resolve this dilemma. I believe this bill is a good interim solution. I do support the conference report and hope the Senate will do so likewise.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. KENNEDY. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

FURTHER CONTINUING APPROPRIATIONS, 1978

The Senate continued with the consideration of House Joint Resolution 643.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I take this opportunity to express my appreciation to Senator MAGNUSON, Senator BROOKE, and all those who had a part in this continuing resolution to provide $1.4 billion for disaster relief for the farmers. I made an inspection of the farming situation in my State earlier this year. I brought back here and held up in the Senate Chamber ears of corn which usually would be about 10 inches long but which were just about 2½ to 3 inches long.

I talked to farmers who had grown 80 to 90 bushels per acre who were only able to grow about 2 bushels per acre. This is a very serious situation.

Our farmers run tremendous risks in farming because it is a question of whether the seed is going to turn out right, whether the season is right, whether the fertilizer is right, and whether the insects and disease can be controlled. Then, if they make a crop, there is the question as to what price they will get for it. The farmers, of all people, deserve some consideration.

I express my appreciation to those who had a part in trying to help these people who do so much for our country in providing the food and fiber, and who are overlooked in so many instances, who have no guaranteed income, who have no minimum wage, or anything of the kind, and many of whom would have lost their farms many times over if the price of land had not increased.

I express the appreciation of those people, the farmers of our country, to the members of this committee who had such a vital part in placing in this continuing resolution this $1.4 billion for disaster relief.

The PRESIDING OFFICER. The Senator from Washington.

Mr. MAGNUSON. What is the pending business, Mr. President.

The PRESIDING OFFICER. The question is on the joint resolution.

Mr. MAGNUSON. I ask for a vote.

The PRESIDING OFFICER. Without objection, the joint resolution (H.J. Res. 643) will be considered as having been read the third time and passed.

SOCIAL SECURITY FINANCING AMENDMENTS OF 1977

The Senate continued with the consideration of H.R. 9346.

The PRESIDING OFFICER. Under the unanimous-consent order, the Chair now recognizes the Senator from Delaware for the purpose of offering an amendment.

UP AMENDMENT NO. 1057

Purpose: To provide tax credits to help offset college tuition costs.

Mr. ROTH. Mr. President, I send to the desk an unprinted amendment.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Delaware (Mr. ROTH), for himself and Mr. JOHNSTON, Mr. BIDEN, Mr. HELMS, and Mr. RANDOLPH, proposes an unprinted amendment numbered 1057.

Mr. ROTH. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill add the following new section:

"SEC. —. COLLEGE TUITION TAX RELIEF.

Section 1. In general (a) subpart A of part IV of subchapter A of chapter 1, of the Internal Revenue Code (relating to credits allowable) is amended by inserting before section 45 the following new section:

"SEC. 44D. EXPENSES OF HIGHER EDUCATION.

"(a) GENERAL RULE.—There shall be allowed to an individual, as a credit against the tax imposed by this chapter for the taxable year, an amount, determined under subsection (b), of the educational expenses paid by him during the taxable year to one or more eligible educational institutions for himself, his spouse, or any of his dependents (as defined in section 152).

"(b) LIMITATIONS.—

"(1) AMOUNT PER INDIVIDUAL.—The credit under subsection (a) for educational expenses of any individual shall be an amount

equal to so much of such expenses paid in taxable years beginning after December 31, 1977, as does not exceed $250.

"(2) PRORATION OF CREDIT WHERE MORE THAN ONE TAXPAYER PAYS EXPENSES.—If educational expenses of an individual are paid by more than one taxpayer during the taxable year, the credit allowable to each such taxpayer under subsection (a) shall be the same portion of the credit determined under paragraph (1) which the amount of educational expenses of such individual paid by the taxpayer during the taxable year is of the total amount of educational expenses of such individual paid by all taxpayers during the taxable year.

"(c) DEFINITIONS.—For purposes of this section—

"(1) EDUCATIONAL EXPENSES.—The term 'educational expenses' means—

"(A) tuition and fees required for the enrollment or attendance of a student at an eligible educational institution, and

"(B) fees, books, supplies, and equipment required for courses of instruction at an eligible educational institution.

Such term does not include any amount paid, directly or indirectly, for meals, lodging, or similar personal, living, or family expenses. In the event an amount paid for tuition or fees includes an amount for meals, lodging, or similar expenses which is not separately stated, the portion of such amount which is attributable to meals, lodging, or similar expenses shall be determined under regulations prescribed by the Secretary.

"(2) ELIGIBLE EDUCATIONAL INSTITUTION.—The term 'eligible educational institution' means—

"(A) an institution of higher education; or

"(B) a vocational school.

"(3) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' means the institutions described in section 1202(a) or 491(b) of the Higher Education Act of 1965.

"(4) VOCATIONAL SCHOOL.—The term 'vocational school' means an area vocational education school as defined in section 108(2) of the Vocational Education Act of 1963.

"(d) SPECIAL RULES.—

"(1) ADJUSTMENT FOR CERTAIN SCHOLARSHIPS AND VETERANS BENEFITS.—The amounts otherwise taken into account under subsection (a) as educational expenses of any individual during any period shall be reduced (before the application of subsection (b)) by any amounts received by such individual during such period as—

"(A) a scholarship or fellowship grant (within the meaning of section 117(a)(1)) which under section 117 is not includible in gross income, and,

"(B) an educational assistance allowance under chapter 35 of title 38 of the United States Code or education and training allowance under chapter 33 of title 38 of the United States Code.

"(2) GRADUATE, NONCREDIT, AND RECREATIONAL, ETC., COURSES.—Amounts paid for educational expenses of any individual shall be taken into account under subsection (a) only to the extent such expenses are attributable to courses of instruction for which credit is allowed toward a baccalaureate degree by an institution of higher education or toward a certificate of required course work at a vocational school and are not attributable to any graduate program of such individual.

"(3) APPLICATION WITH OTHER CREDITS.—The credit allowed by subsection (a) to the taxpayer shall not exceed the amount of the tax imposed on the taxable year by this chapter, reduced by the sum of the credits allowable under this subpart (other than under this section, section 31, and section 39).

"(4) FULL-TIME STUDENT.—No credit shall be allowed under subsection (a) for amounts paid during the taxable year for educational expenses with respect to any individual unless that individual, during any four calendar months during the calendar year in which the taxable year of the taxpayer begins, is a full-time student above the secondary level at an eligible educational institution.

"(5) SPOUSE.—No credit shall be allowed under subsection (a) for amounts paid during the taxable year for educational expenses for the spouse of the taxpayer unless—

"(A) the taxpayer is entitled to an exemption for his spouse under section 151(b) for the taxable year, or

"(B) the taxpayer files a joint return with his spouse under section 6013 for the taxable year.

"(e) DISALLOWANCE OF EXPENSES AS DEDUCTION.—No deduction shall be allowed under section 162 (relating to trade or business expenses) for any educational expense which (after the application of subsection (b)) is taken into account in determining the amount of any credit allowed under subsection (a). The preceding sentence shall not apply to the educational expenses of any taxpayer who, under regulations prescribed by the Secretary, elects not to apply the provisions of this section with respect to such expenses for the taxable year.

"(f) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the provisions of this section.".

(b) CONFORMING AMENDMENT.—

(1) The table of sections for such subpart A is amended by inserting immediately before the item relating to section 45 the following:

"Sec. 44D. Expenses of higher education.".

(2) Section 55(c)(2)(B) (relating to imposition of minimum tax) is amended by striking out "and" at the end of clause (ix), by striking out the period at the end of clause (x) and inserting in lieu thereof a comma and the word "and", and by adding at the end thereof the following new clause:

"(xi) section 44D (relating to credit for expenses for higher education).".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to educational expenses paid after December 31, 1977, in taxable years beginning after December 31, 1977.

Mr. DANFORTH. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. ROTH. I yield.

Mr. DANFORTH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DANFORTH. What is the list of amendments on the present unanimous-consent agreement?

The PRESIDING OFFICER. Following the amendment of the Senator from Delaware, under the unanimous-consent order, the Chair will recognize the Senator from Idaho (Mr. CHURCH), and following that, the Senator from Alabama (Mr. ALLEN).

Mr. DANFORTH. Mr. President, I ask unanimous consent that after the disposition of the amendment to be offered by the distinguished Senator from Alabama (Mr. ALLEN), I be recognized to call up an amendment.

The PRESIDING OFFICER. Is there objection?

Mr. DURKIN. Mr. President, reserving the right to object, can we get a time agreement on it?

Mr. DANFORTH. So far as I am concerned, we can.

Mr. LONG. Mr. President, I ask unanimous consent that we have 10 minutes, equally divided.

Mr. DANFORTH. That is fine with me.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. CRANSTON. Mr. President, I reserve the right to object, for one moment.

Mr. ALLEN. Mr. President, what is the request?

The PRESIDING OFFICER. The Senator from Missouri has made the unanimous-consent request that following recognition of the Senator from Alabama under the previous unanimous-consent order, he be recognized to offer an amendment, the time for debate on the amendment to be limited to 10 minutes, equally divided between the Senator from Missouri and the manager of the bill.

Is there objection to the unanimous-consent request?

Mr. CRANSTON. Mr. President, reserving the right to object, I have to object on behalf of Senator MORGAN, momentarily, until he can be consulted.

The PRESIDING OFFICER. Objection is heard.

The Senator from Delaware.

Mr. ROTH. Mr. President, my amendment provides tax credits for education expenses paid by an individual for himself, his spouse, and his dependents. To be eligible for the credit, an individual must be a full-time student at an institution of higher education or at a higher vocational school. The amount of the tax credit is to be $250.

To avoid any dispute with the Budget Committee, I am not proposing at this time the incremental increase to $500 as proposed in S. 311, my college tax relief bill.

I point out that a provision has been made for this college tax credit in the second budget resolution. Last year, the Senate twice overwhelmingly endorsed my college tax credit legislation by votes of 68 to 20 and 62 to 21. The measure was also approved by the Senate Finance Committee.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. ROTH. I yield.

Mr. ROBERT C. BYRD. What was the request as to time on the Senator's amendment?

Mr. LONG. On this amendment, there has been no request. I suggest that we get a time to vote on this amendment.

How much time does the Senator require to explain his position. What limitation can we agree to?

Mr. ROTH. Twenty minutes, to be divided equally.

Mr. BELLMON. Mr. President, reserving the right ot object, I should like to have at least 10 minutes on this amendment.

Mr. LONG. I ask unanimous consent that there be 30 minutes, to be equally divided, and that 10 minutes of the time in opposition be allotted to the Senator from Oklahoma (Mr. BELLMON).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, I reserve the right to object, on behalf of Senator KENNEDY. He has some amend-

ments to the Roth amendment and would like 10 minutes on each of his amendments to the Roth amendment.

The PRESIDING OFFICER. Objection is heard.

Mr. CRANSTON. If that is accepted, I do not object.

Mr. LONG. I so modify the request.

Mr. ROTH. Mr. President, reserving the right to object, I did not hear the proposal.

Mr. CRANSTON. Senator KENNEDY would like 10 minutes for each of several amendments to the amendment of the Senator from Delaware.

Mr. ROTH. I do not know what his amendments are. I am not willing to enter into a unanimous-consent agreement.

Mr. LONG. Why do we not, for the time being, leave the limitation on the Roth amendment? Then we can obtain a limitation on amendments as they are called up and considered, and they will be subject to a motion to table.

Mr. CRANSTON. That will allow Senator KENNEDY an opportunity to bring up his amendments.

Mr. LONG. Yes. There will be no limitations on amendments to the amendment.

Mr. ROTH. Reserving the right to object, I am not clear on this.

Mr. LONG. The agreement is that we have a limitation on the Roth amendment, which is a half hour, equally divided. There is no limitation on amendments to the amendment. So, if a Senator is to offer an amendment, we can seek a limitation at that time on the amendment to the amendment; or one could move to table the amendment. That is the most severe limitation we can have.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. There will be 30 minutes on the Roth amendment, equally divided.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield further?

Mr. ROTH. I yield.

Mr. ROBERT C. BYRD. I thank the Senator for his courtesy and indulgence.

Can we now obtain a time limitation on the amendment of Mr. Danforth? Mr. Morgan has no objection to that.

Mr. LONG. Ten minutes, equally divided.

The PRESIDING OFFICER. The unanimous-consent request of the Senator from Missouri is that following the disposition of the amendment of the Senator from Alabama, he be permitted to call up an amendment, with the time to be 10 minutes on his amendment, equally divided.

Without objection, it is so ordered.

Mr. ROTH. Mr. President, is this counting against my time?

The PRESIDING OFFICER. It is counting against the Senator's time, unless there is unanimous consent otherwise.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time not be charged against Mr. Roth.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH. Mr. President, I yield myself 3 minutes.

Mr. President, my amendment provides tax credits for education expenses made by an individual for himself, his spouse, and his dependents. To be eligible for the credit, an individual must be a full-time student at an institution of higher education or at a vocational school. The amount of the tax credit is to be $250. To avoid any dispute with the Budget Committee, I am not proposing at this time the incremental increases to $500 as proposed in S. 3111, my college tax relief bill.

Mr. President, twice last year the Senate overwhelmingly endorsed my college tax credit legislation by votes of 68 to 20 and 62 to 21.

Mr. President, I ask that the Senate be in order.

The PRESIDING OFFICER. The Senate will be in order. The Senator is entitled to be heard. Will Senators kindly take their seats?

The Senator from Delaware.

Mr. ROTH. Mr. President, in consideration of this amendment, I want to remind my colleagues that the Senate provided room in this year's budget for this amendment by a vote of 59 to 25 and the House by a vote of 311 to 76. I am convinced that Congress can and must enact this legislation to provide tax relief to the millions of families struggling to send their children to college.

According to the statistics, there is a growing number of qualified students who are prevented from obtaining a higher education because of increasing costs. In the past few years the cost of a college education has skyrocketed. According to the College Entrance Examination Board, the annual average total cost of a public university has increased 40 percent in the past 5 years, from $1,782 to $2,790.

For a private university, the average annual total cost has increased 35 percent, from $2,793 to $4,568.

According to a New York Times survey the total annual cost at many colleges and universities is as high as $7,000.

Tuition costs will continue to increase. If a parent has a 1-year old baby today, it has been estimated that it will cost $47,000 to send that child to a public university, and $82,000 for a private university in the 1990's. For a student entering college next fall, the total cost will be $17,500 for a public university and $30,000 for a private college.

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. ROTH. I yield myself, 1 more minute.

These increasing costs are a primary reason why college attendance has declined in the past few years. The U.S. Census Bureau reports that there has been a significant decrease in the percentage of 18- to 24-year-old dependents attending college full time. In addition, U.S. Census Bureau data shows that families are especially hard hit right now because many of them have more than one child of college age at the same time. These families face the difficult problem of educating two or more children over an 8- to 10-year period.

Middle-income families are especially hard hit by the increasing college education costs. There are millions of families today who are neither affluent enough to afford the high cost of college nor considered poor enough to qualify for the many different Government assistance programs which their taxes make possible.

As a result, college attendance of middle-income students has declined substantially in the past few years. Between 1969 and 1974, college attendance for children of middle-income families declined at a rate of 22 percent, while enrollment for lower- and higher-income students remained fairly stable.

Mr. President, we are rapidly approaching a situation in this country where only the very affluent and the very poor will be able to attend college, and I am convinced that action must be taken to ease the financial plight of middle-income American families.

Mr. President, I yield back the floor.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, who is handling the time for the opposition?

The PRESIDING OFFICER. The Senator from Oklahoma has control of 10 minutes. The Senator from Louisiana has 5.

Mr. KENNEDY. Mr. President, if I may have the attention of the Senator from Louisiana, I am opposed to this amendment. Will the Senator yield me time?

Mr. LONG. How much time does the Senator want? I have 5 minutes. He may have my 5.

Mr. KENNEDY. I thank the Senator.

Mr. President, I rise in opposition to this amendment for several important reasons.

The amendment would allow a tax credit of $250 a year to parents for college tuition expenses.

The cost of the amendment would be: $175 million in fiscal year 1978; $1.0 billion in fiscal year 1977; and a total of $8.2 billion for fiscal year 1978–85.

This amendment is being offered on the wrong bill. It does not belong on the social security bill, and it is unlikely to be accepted by the House conferees.

The Senate Committee on Finance has announced plans to hold hearings on the credit in January, and further floor action by the Senate should be deferred until the issue can be seriously considered by the committee.

As a matter of fact, the amendment belongs on the forthcoming tax reform bill, which Congress will be considering next year, after the proposals of the administration are submitted.

Serious objections exist against the amendment with regard to education policy, tax policy, and budget policy.

First, a direct subsidy is preferable to a tax subsidy.

Federal grant and loan programs are better able to deal with the burden of college education costs, because such programs can target the relief to the specific needs of particular families.

The Federal Government is now spending $12.7 billion a year in direct outlays and $3.8 billion in tax expenditures for education, for a total of $16.5 billion in aid to higher education.

Since 1972, student aid programs in the Office of Education have increased from $1.0 billion to $3.4 billion; or a 340-percent increase in 6 years.

This year, the maximum grant under the basic education opportunity grant program will increase from $1,400 to $1,600, and the program will reach 241,000 newly eligible middle-income students.

Income eligibility requirements for guaranteed student loans have been increased by the 1976 Higher Education Act to allow loans for families with income up to $30,000 per year.

In ways like these, the direct grant programs are being targeted more toward middle-income families, and there is less need for the blunderbuss tax credit approach.

Second, the tax credit is inequitable.

The credit is not refundable. Therefore, families with incomes too low to pay taxes will get no benefit at all from the credit. If tuition costs go up because of the credit, low-income students will be left in worse condition than under present law—their costs of education will go up, but they will not receive the advantage of the credit.

The amendment discriminates against low-income students in another way, since other forms of student aid are subtracted from the credit. Ninety percent of the recipients of basic education opportunity grants with family income up to $15,000, would be disqualified from the credit.

The amendment discriminates against self-supporting students, who are ineligible for the credit. The credit is available only for parents claiming dependents. Yet, self-supporting students are the fastest-growing group in the student population; the average college student age is 23.

The benefits of the tax credit will be distributed unfairly among income groups: 60 percent of the benefits will go to families with incomes over $25,000 a year.

The bill will also change the balance between low cost public colleges and high cost private colleges:

Fifty percent of students in higher education attend schools where the costs of tuition are $1,000 a year or less. Fourty percent charge $1,000 or less. Only 8.4 percent of private colleges charge $1,000 or less. Yet, the amendment provides the some amount of tax subsidy, regardless of the tuition costs of the college attended.

Thousands of students in low-tuition community colleges will have their full tuition costs paid by the tax credit; for those in expensive private colleges (where costs may run $5,000 a year), the credit will be a drop in the bucket.

The heaviest burden is faced by families with more than one child in college at the same time. Yet the amendment ignores this fact. Federal direct grant programs provide increased aid in such cases.

Third, the tax credit is inflationary.

Colleges will use the credit as an excuse for new tuition increases. Colleges are less able to do so now, under existing programs, because the direct Federal subsidies are targeted to the smaller group of needy students, and tuition cannot be raised without driving away unsubsidized students. But 77 percent of all students would be subsidized by the tuition credit.

The amendment is an open invitation to colleges to adopt across-the-board tuition increases of $250.

Fourth, the tax credit is essentially an appropriation for education, and it has not been through the authorization or appropriations process.

The credit is little more than an additional appropriation of $1 billion a year or more for colleges. Parents and students will get no benefit from a $250 tax credit if tuition costs go up simultaneously by $250. Since the benefit of the credit is likely to be siphoned off by institutions, Congress should appropriate the funds directly, through the authorization and appropriations process, rather than indirectly through the tax code.

The credit has a serious impact on the budget. The credit is a "wedge" provision, with a relatively low revenue loss in the first year and larger revenue losses in future years.

Federal budget dollars appropriated by the Finance Committee are as real as the dollars appropriated by the Appropriations Committee. The Senate ought to be giving the same close scrutiny to tax expenditures as it gives to direct expenditures. Supporters of such indiscriminate tax spending are the real budget busters and deficit financiers.

Fifth, Mr. President, college costs are not rising as rapidly as income any more.

The amendment is an idea whose time has passed. It is a relic of the surge in tuition costs of the early 1970's.

Recent studies by the College Scholarship Service and the College Entrance Examination Board show that the problem is easing, with college cost inflation rates down and student aid up. For 1977–78, college inflation is estimated at 4.3 percent, compared to 7.5 percent last year, 8.8 percent the year before, and 17.3 percent in 1973–74.

Scholarship money is also increasing more rapidly than college costs—11 percent this year, and 12 percent last year. Since enrollments are down, there is more aid money to spread among fewer students.

In fact, in recent years, family income has been growing at a more rapid rate than education costs. According to the Congressional Budget Office, the median-family income grew by 73 percent from 1968–75, but college costs grew by only 57 percent. The need for the tax credit is declining as family income goes up.

Finally, Mr. President, the tax credit is complex. It puts the Internal Revenue Service in the education business, adds complexity to the tax law, and adds another layer of bureaucracy to education programs.

For those reasons. Mr. President, I oppose the amendment.

Mr. JAVITS. Will the Senator yield?

Mr. KENNEDY. I am afraid I have no further time.

Mr. JAVITS. Mr. President, who has the time?

The PRESIDING OFFICER. The Senator from Oklahoma has 10 minutes. That is time in opposition.

Mr. JAVITS. Has that been used?

The PRESIDING OFFICER. That has not been used. Mr. BELLMON does not appear to be on the floor.

Mr. JAVITS. I ask unanimous consent that I may proceed for 2 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I wish to express my agreement with Senator KENNEDY. I do not think he should stand alone in this matter. I have had many opportunities to vote for a tax deduction for college tuition and have felt that that is the wrong way to go. I am the ranking member of the committee which deals with education in this body. It would be distorting, running across the grain of all of our scholarships, our educational opportunity grants—almost everything we do runs precisely the other way.

Here we have just passed the Danforth amendment, which deals with the social security obligations of colleges and universities. We have just taken a step respecting tuition payments, which happens to be very hard on my State but is designed to help veterans with their college tuition. This is simply adding a layer of something totally new and different, with great costs, upon everything we do respecting education and in a very nondiscriminatory way. That is, it really is not tailored to do what even we wish to do.

I believe Senator KENNEDY is right, that hearings should be held—our hearings in our committee do not indicate that there is a justification for this at all. The hearings should be held by the Committee on Finance and we should make some definitive disposition of this matter on the new tax bill. But it certainly should not be done at this stage on this bill. I hope, therefore, that the amendment will be rejected.

Mr. BELLMON. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator has 10 minutes.

Mr. BELLMON. Mr. President, I urge the Senate to reject the amendment offered by my good friend, the Senator from Delaware (Mr. ROTH). I want to state at the beginning of my remarks that my position on this amendment is not because of any immediate budgetary considerations, because, as the Senate well knows, there is room in the fiscal year 1978 budget for the Roth amendment. I do have concerns about the out years, but primarily, I rise to oppose the amendment on its merits.

The amendment would provide a college tuition tax credit. In light of the extremely high out-year costs and because the proposal has not received adequate consideration by the Senate, I feel the amendment should not be adopted at this time.

The cost of this proposal in fiscal 1978 is only $175 million, but that is only the camel's nose under the treasury tent. The authorization results in a cumulative 5-year cost of almost $4.5 billion in

revenue loss. The major beneficiaries of this indirect spending for higher education are not the Nation's students, who oppose it, but above-average-income parents and higher education institutions.

The proposed credit would provide a subsidy to a much broader range of students than any of the existing grant or loan programs. Approximately 77 percent of all undergraduate students would be subsidized under this amendment. Part-time students and students from low-income families are the main groups who would not receive benefits. This is more than three times as broad as the coverage of the basic opportunity grants (BEOG's) program, the largest student aid program administered by the U.S. Office of Education. Since three out of every four students would receive a subsidy under this amendment, compared to only one out of four under the BEOG's program, it is clear that the Roth amendment would give institutions a substantially greater opportunity to capture the subsidy through tuition increases.

The Senate should be reminded that $250 does not go very far any more in paying for college tuition and expenses. The average annual cost of a college education is roughly $4,000. Thus, if the credit were enacted, subsequent efforts would be made to enlarge the credit to $500, $750, $1,000, or even more. The ultimate annual costs will be extremely high.

There is considerable controversy over the merits of a college tuition tax credit. The administration opposes it: both the Treasury Department and the Department of Health, Education, and Welfare oppose it. A significant segment of the higher education community also opposes it. In these circumstances, the credit should be given close scrutiny before it is hastily adopted as Federal education policy. I understand that the chairman of the Finance Committee has made plans to hold hearings on the subject of higher education tax credits in January. Those hearings, announced this week, constitute the first such Senate hearings held on this amendment by that committee or any other.

I commend the Senator from Delaware for persisting in this matter until he does at least get the hearings underway.

The Senate ought to await the conclusion of those hearings to insure that what results is consistent with both deliberate education policy and deliberate tax policy. There are a variety of reasons why this particular proposal may constitute inefficient education policy.

I would like to point out some of the problems. Each of these and other flaws presently unforseen need to be brought to light before the Senate mortgages the future of higher education policy.

First. The proposal is inequitable both in terms of who pays and who benefits. The proposed amendment would provide tax relief for upper middle income families with college-age children and little incentive or subsidy for other families. The credit fails to target relief to those who need it. In the final year of operation, 67 percent of the revenue reduction that would result from the Roth credit would accrue to persons in families with adjusted gross incomes above $25,000, a population more suited to loans and loan guarantees. Since the Roth credit is calculated after deducting other student aid available to individual students, 90 percent of the BEOG's recipients, those with taxable family incomes up to $15,000, would not be eligible for the Roth credit—those, Mr. President, are the students or the families that need help the most—even further skewing the distribution toward upper income taxpayers.

Second. Existing legislation provides appropriate vehicles if there is to be a deliberative expansion of Federal student aid to middle-income families. Since 1972, there has been a dramatic increase in spending on student aid programs, from approximately $1.0 billion to $3.4 billion in the Office of Education programs alone, or a 340-percent increase in just 6 years.

Mr. President, that is almost 60 percent a year in new money the Congress has provided for this purpose.

The thrust of Federal higher education student aid policy continues to be a mix of spending programs targeted on the disadvantaged as well as loans and loan guarantees available to moderate- and middle-income students. The centerpiece of Federal student aid for higher education is the BEOG's program. By increasing the maximum grant in BEOG's from $1,400 to $1,600 this year, as assumed in the second budget resolution and as acted on by the Appropriations Committee, the program will reach 241,000 newly eligible middle-income students. The increase in the BEOG's maximum grant will allow moderate-income families a small subsidy to defray the costs of their childrens' college schooling, thereby, responding in part to the concern raised by Senator ROTH. In response to the same concern the income eligibility requirements for guaranteed student loans were increased in the higher education amendments of 1976 to allow eligibility for families with gross earnings up to $30,000 per annum.

Third. The basic premise of the proposal, that middle-income families are sending a declining percentage of their children onto higher education because they cannot afford it, may be flawed. Supporters of the amendment argue that the proposal is necessary in order to address the explosive growth in the cost of college. What they fail to take into consideration is that incomes have grown at a faster rate than college costs. CBO reports that from 1968 to 1975, the growth in the median family income was 73 percent, whereas the growth in college costs (both public and private) was only 57 percent.

Let me state that again, Mr. President. The growth in incomes in the period from 1968 to 1975 has been 73 percent, but the growth in college costs has been only 57 percent.

So it is easier now for a family to meet the costs of higher education than it was in 1968. Thus, there may actually be a declining need for tuition assistance as family income rises. We need to ascertain the roots of the problem before us before we prescribe ineffective remedies prematurely.

Fourth. The Roth credit would likely upset the delicate balance between highly subsidized low-cost public higher education institutions and high-cost private schools. Almost 40 percent of the enrollees in higher education institutions attend schools where tuition and fee charges amount to $500 or less. Almost 50 percent of public institutions as compared with 8.4 percent of private schools charge $1,000 or less for tuition and fees. The Roth credit will worsen the competitive balance between public and private institutions.

Although there is room for the fiscal year 1978 costs of this amendment in the budget resolution, we will be seriously mortgaging future budgets if we approve this amendment. This untargeted tax credit will cause future Federal deficits to be greater than they would need to be—or if we ever get a balanced budget, higher taxes than otherwise necessary.

For all these reasons I urge the Senate to reject the Roth amendment.

Mr. President, if we are ever to get a balanced budget, we have to begin to say "No" to these attractive propositions that are brought up and that have far greater effect than the sponsors frequently realize.

Again, I urge the Senate to reject the amendment.

The PRESIDING OFFICER. Who yields time?

Mr. ROTH. I yield 3 minutes to the Senator from New Mexico.

Mr. DOMENICI. Mr. President, I rise in support of the Roth amendment. I want to direct my remarks to the Senator from Massachusetts, not by way of specifically asking about his amendment, but with reference to our goal of helping young people get through college.

There is one thing that is missing from almost every formula that I think is very relevant and that the Roth amendment addresses.

The Senator from Oklahoma says that loans and grants are available.

That they have a dollar limitation, and nothing in that dollar limitation relates to the number of children in a household. Also, the Senator from Massachusetts does not have anything in his amendment relating to the number of dependents. It is a phaseout between $25,000 and $30,000.

I would say to the Senator from Massachusetts that in my case, I have eight children, I would be exempted entirely from this credit. Somebody else making $25,000 to $30,000 a year, with one child, would be entitled to the credit. It seems to me that I am not typical, in having eight children, but most families have two, four, or six children—families come in all sizes.

It is unfair to say to a household with a $30,000 income and one child, "We are going to give you this tax credit when your child goes to college," but the next door neighbor, who makes $34,000 and has six children, is not going to receive any assistance, is not going to get any loans, and is not going to get any grants.

So it appears to me that the formula for loans, grants, and the Senator's income phaseout for the Roth tax credit does not take into consideration the kind of hardships families have that are related to income. The Senator would change the credit between one child and two in college.

Therefore, since we cannot do that, it seems to me that the Roth approach is far more equitable over the long haul. It will permit those with a higher income and those with a number of children to still get the credit. It will not have so many built-in inequities.

In conclusion, the group that will be hurt the most by the Senator from Massachusetts amendment are those in the middle and upper middle income range when their children go to college.

I thank the Senator for yielding.

Mr. ROTH. I yield 3 minutes to the Senator from Louisiana.

Mr. LONG. Mr. President, I urged the Senator to offer his amendment on the floor, rather than in the Finance Committee, because the amendment is not germane to the bill. But in the Senate we are not under a rule of germaneness.

The Senator offered an amendment substantially similar to this on the Tax Reform Act last year. The chairman of the House conferees refused to go along, as did the majority of his conferees, and the House was not permitted to vote on it. If the House had been permitted to vote, they would have voted in favor of it.

Then the chairman of the committee there said if we put it on some other bill, he would let the House vote on it, but somebody else found a way to keep the House from voting on it.

This type of amendment, which has been favored in both the House and the Senate, has been denied the privilege of an up-and-down vote in the House.

If I were the Senator from Delaware, I would feel that I had no choice but to offer this amendment on any big revenue bill I could see was headed for the White House and which I thought the President wanted to sign. That is a course the Senator has been compelled to take.

It may very well be that if the amendment is agreed to, the House will not accept it and I may have to come back and ask for approval of a conference report that does not include the Roth amendment.

However, I believe that we owe the Senator our cooperation, in good faith, because more times than one, the Senate has agreed to his amendment; and more times than one, he has been denied the opportunity to have the House express its honest judgment on the issue, because of the technicalities and the parliamentary maneuvering that is possible within the rules of both Houses.

I for one cannot complain that the Senator offers his amendment on this or any other big bill that he thinks is headed for the White House. I expect to vote for the amendment. The Senator has made a good case.

Furthermore, the fact that his amendment is not a refundable tax credit is an entirely different matter. The Appropriations Committee and the Budget Committee and others have insisted and have been determined that we should not have any more refundable tax credits—at least, not for the time being. They have enjoyed recommending loans and grants and appropriating money for low-income students. If they cannot find a way to handle it, we will try a refundable tax credit, perhaps, in the future. They have done pretty well by the poor with the loan programs and grants.

As one who has seen how the Senator has been frustrated by the technicalities and the parliamentary maneuvering of those who represent a minority in both Houses, I think the Senator has every right to offer his amendment on any big revenue bill he sees headed for the White House. I cannot complain about his offering it on this bill.

Mr. ROTH. I thank the Senator from Louisiana for his words of support.

Mr. DANFORTH addressed the Chair.

Mr. MOYNIHAN. The Senator from Delaware is the only Senator who has time remaining. He has 4 minutes.

Mr. DANFORTH. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. ROTH. Without detraction from my time.

Mr. DANFORTH. Mr. President, I ask unanimous consent, in connection with unprinted amendment 1050, which was voted on this morning, that the names of the following Senators be added as cosponsors, in addition to myself: Senators RIBICOFF, ALLEN, ANDERSON, BAKER, EAGLETON, FORD, LAXALT, HATFIELD, MATSUNAGA, PACKWOOD, DOLE, LUGAR, SCHMITT, JAVITS, and THURMOND.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, I ask unanimous consent that it be in order for Senators to offer amendments to the amendment. I believe that under the unanimous-consent agreement, it would require unanimous consent for Senators to offer amendments to the amendment. I ask unanimous consent that it be in order for Senators to offer amendments to the amendment.

The PRESIDING OFFICER. Is the Senator asking for time on those amendments?

Mr. LONG. I believe the time on the amendment has expired.

The PRESIDING OFFICER. About 2 minutes remain.

Mr. LONG. I ask unanimous consent that when the time has expired on the amendment, it be in order for Senators to offer amendments to the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH. Mr. President, a parliamentary inquiry. I have how much time remaining?

The PRESIDING OFFICER. The Senator now has 2 minutes remaining.

Mr. ROBERT C. BYRD. Mr. President, would they not be entitled to offer amendments?

Mr. ROTH. I have no objection to any Senator offering an amendment, but I would like to keep a few minutes for discussion at the end, if that is permissible.

Mr. KENNEDY. Mr. President, if the Senator will yield, when the time has expired, I intend to offer an amendment. Since I initially indicated that I would be glad to have a 10-minute limitation, I ask that it be evenly divided; and if it is not sufficient, I will be glad to ask for additional time.

Mr. ROTH. Mr. President, I yield back the remainder of my time.

UP AMENDMENT NO. 1059

(Purpose: To adjust the credit for educational expenses according to the number of the taxpayer's children in college.)

Mr. KENNEDY. Mr. President, I send an amendment to the desk.

The PRESIDING OFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Massachusetts (Mr. KENNEDY) proposes an unprinted amendment numbered 1059 to amendment 1057.

Mr. KENNEDY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows.

Strike out paragraph (1) of section 44D(b) of the Internal Revenue Code of 1954 (as such section would be added by the amendment) and insert in lieu thereof the following:

"(1) Amount per individual.—The credit under subsection (a) for the taxable year shall not exceed—

"(A) $150, if such expenses were paid for only one individual, and

"(B) $250, if such expenses were paid by the taxpayer during the taxable year for more than one individual.

Mr. LAXALT. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. KENNEDY. I yield.

Mr. LAXALT. Mr. President, I ask unanimous onsent that Bob Heffler, of the staff of Senator HEINZ, be granted the privilege of the floor during the course of the debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. Do Senators understand that in order for there to be debate on the amendment, unanimous consent must be obtained?

Mr. LONG. Will the Chair repeat that?

The PRESIDING OFFICER. In order for there to be debate on the amendment, unanimous consent must be obtained.

Mr. LONG. I ask unanimous consent that the amendment be debatable.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. KENNEDY. Mr. President, I would be glad to have a 15-minute limitation—7½ minutes for each side, if that is agreeable.

Mr. LONG. Mr. President, I ask unanimous consent that there be a 20-minute limitation, evenly divided between the Senator from Massachusetts and the Senator from Delaware.

The PRESIDING OFFICER. Without objection. it is so ordered.

Mr. KENNEDY. I yield myself 5 minutes.

Mr. President. in the material that was circulated earlier is a letter from the distinguished Secretary of Health, Educa-

tion, and Welfare, Mr. Califano. I will read at this time from the final paragraph:

You ask whether the proposed program—

Meaning the Roth amendment—

would be consistent with policies underlying the present direct Federal expenditures for education.

It would be a radical departure. Two factors presently determine the amount of aid a student receives from the Office of Education: the family's ability to pay and the cost of the chosen college.

That is the sound underlying concept of the various Federal education programs, which provide several billion dollars a year through the appropriations process. We are violating that sound concept by adopting this unsound tax credit approach.

Mr. President, earlier we heard my friend from New Mexico talk about the dilemma of those in upper-income groups with large families. But we do not consider the question of the cost of education in isolation. There is a $750 tax deduction for each member of the family. We know about the $35 credit per person. There are other provisions in the Internal Revenue Code providing greater benefits for larger families.

So we cannot consider this particular amendment in isolation.

Mr. President, the amendment that I offer provides a very simple modification of the Roth amendment. It gives a credit for the first child of $125; for the second child or more, it is $250. The amendment retains the essential part of the Roth amendment, but it draws a distinction between those who have only one child in college and those who have two or more children in college. The total cost of the Roth amendment is $8.2 billion over the period 1978–85. My amendment will reduce that cost by about 20 percent, or about $200 million a year.

So, Mr. President, I hope that the amendment will be accepted. I reserve the remainder of my time.

Mr. President, I ask unanimous consent that the full text of Secretary Califano's letter may be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C., March 31, 1977.

Hon. EDWARD M. KENNEDY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR KENNEDY: I am writing in response to your request for an analysis of proposals for the use of tuition tax credits to provide aid to families with college age students.

There is no question but that college costs are rising and that many families must make hard choices to finance a college education. Reduction in the family's standard of living or increased borrowing is often necessary to meet educational expenses. However, there are many combinations of grant and loan programs which would deal with that problem better and more fairly than a program of tuition tax credits, by distributing assistance according to the severity of the particular family's problem. For example, a highly paid professional sending his child to a low-tuition community college would get as large a benefit under some proposals as a blue collar worker sending his child to an expensive private college with no other aid. A family with income so low that it pays no tax would receive no aid at all. The "solution" proposed by such legislation badly matches the problem.

This, of course, implies an answer to your question regarding whether such a program would target Federal funds to those who need assistance. Such grants would have little relationship to need because almost all students, even those attending low-tuition public insitutions, incur sufficient tuition charges and other expenses to be eligible for the maximum credit. A reduction in the allowable credit would occur only where the student received grant or scholarship assistance, and, since today most grants and scholarships are awarded on the basis of need, such a reduction would almost always result from receipt of a need-based grant or scholarship.

A direct, targeted grant program in which both family ability to pay and costs of attendance determine the amount of the student's grant is a desirable way of equalizing educational opportunities, and is highly complementary to loan programs. However, for many of the upper-middle income families which would likely benefit from a grant program such as the tax credit proposal, I suspect a loan program would be preferable. What they need most is to spread college costs over an extended number of years, as is currently done under the Guaranteed Student Loan program. I think most of these families, when faced with large college costs in a particular year, would prefer a $2,500 long term 7 percent loan to a $250 to $500 grant. Where the issue is not ability to pay, but convenience, I believe the loan alternative becomes the more desirable.

The distribution of benefits under a grant program patterned after some proposals would appear to be inequitable among income groups. Benefits would be largely the same, despite differences not only in college costs, but also in income. We estimate that at least 60 percent of tax credit benefits would probably go to families with income of $18,000 or more—which are considerably better off than the national average. Further, only 30 percent of the benefits would go to families sending children to private colleges, although they have almost 60 percent of the financial need of all families likely to benefit from the credit.

You ask whether the proposed program would be consistent with policies underlying present direct Federal expenditures for education. It would be a radical departure. Two factors presently determine the amount of aid a student receives from Office of Education programs: the family's ability to pay, and the cost of the chosen college. When ability to pay is subtracted from cost, we have need, and in this sense all the Office of Education programs are need based. Perhaps, as some argue, different ways of determining need should be considered, or assignment of responsibility for meeting need among different programs could be improved. I cannot, however, imagine endorsing a student grant program which would completely discard need as a relevant factor in the manner of some tuition credit proposals.

Sincerely,

JOSEPH A. CALIFANO, Jr.

The PRESIDING OFFICER. Who yields time?

Mr. ROTH. Mr. President, I would like to ask two questions to clarify his amendment.

The amendment at the desk says $150, and I believe the Senator from Massachusetts said $125.

Mr. KENNEDY. It is $150 in the amendment at the desk, $150 for the first child and $250 for the second child.

Mr. ROTH. Second or each additional child?

Mr. KENNEDY. For more than one child.

Mr. ROTH. They get a total of $250?

Mr. KENNEDY. The Senator is correct.

Mr. ROTH. Mr. President, I think that the proposal of the Senator from Massachusetts is inadequate. Basically, he is merely reducing the credit for the first child. I might point out that this will barely cover the additional cost for college each year.

Mr. President, I had a constituent come into my office in Wilmington about 2 or 3 weeks ago. She is a schoolteacher. She told me that she also worked at night as a teacher and that her husband was a teacher as well. And she was complaining about how low my college tax credit was, that it was really not offering the basic help that middle America needs.

She may have a point, when one stops and considers what college is costing today. I pointed out earlier that the average public university is costing approximately $3,000 and the average private university is costing around $4,500.

According to the New York Times, the total annual cost is going to rise very quickly in the future. So what the distinguished Senator from Massachusetts is offering is a mere pittance.

I point out that my $250 college tax credit is already weighted in favor of the low income, as I think it should be. My amendment also provides that there will be $250 for each additional child.

Under the proposal of the Senator from Massachusetts you could have five children and you still would get only $250. That is practically no help to the average family.

About 2 years ago, Mr. President, the Commissioner of Higher Education in HEW, who at that time made $37,500, resigned. And he resigned for one reason, and that was because he could not afford to send his children to college.

It is a sad state of affairs when the very individual who heads up higher education for the entire Nation says he has to resign from public office, because he cannot afford to send his children to school.

But what about the person in the private sector, the family that makes $20,000 or $25,000? That used to sound like a lot of money. But today it is not. They have to save at least $3,000 after taxes to send one of their children to college. And are we going to go home and tell them we cannot help them fulfill the American dream of sending their children to college? Is that going to be our message, when we are on the verge of imposing substantial tax increases upon the average American family? The energy tax bill is going to make a substantial difference to the average American family. The social security taxes are going to be hitting the average American family heavily. These new taxes will make it even more difficult for the average family to send their boy or their girl to school.

I say that it is time we recognize this need and we recognize it by giving some

aid that is substantial. For that reason I urge, Mr. President, the rejection of the amendment of the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, the facts of the matter are not as described by the Senator from Delaware.

If you take the top percentile in college aptitude tests, in spite of the inadequacies those tests have, you find that a surprisingly large number come from low-income groups—far larger than their proportion in the population.

We are trying to see that young people in this country with talent are not discriminated against, because of financial ability. There is nothing in the Roth amendment that is going to remedy that situation. Let us make no mistake about that. No one is denying the financial burden that middle-income families are under in terms of the cost of education. But the Roth amendment is not the answer. If you put $8.4 billion between now and 1985 in the guaranteed student loan program, you could educate almost every child in this country. We ought to spend the money where the need is. We have to have some sense of priorities. We know that our Federal education programs are starved for funds. It is wrong for us to squander a billion dollars a year this way.

The amendment of the Senator from Delaware offers no help to all of the young people who are working their way through college, or who take a year off in order to make enough money to go to college. It gives no help to them. It does not help any low-income families who have children in college, because it is not refundable.

Mr. President, what I am trying to do in this amendment is, at least, if the Senate is going on record to accept tax expenditures like this, to draw at least some distinction between those families that have more than one child who is going to college and those that have only one child in college.

Finally, Mr. President, I cite an example that Secretary Califano uses. He notes in his letter that a highly paid professional sending his child or her child to a low tuition community college would get as large a benefit under Senator ROTH's amendment as a blue-collar worker sending his child to an expensive college with no aid. What sense does that make? I do not think it makes any sense at all.

So I would hope, in terms of trying to meet one of the inequities of the Roth amendment—and my amendment does not meet all of them—that my proposal would be approved. At least, the tax credit should distinguish between families that have one child in college and those that have more than one child in college. I hope that this amendment will be accepted.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I would remind the Senate that my proposal has been overwhelmingly adopted by the Senate on three different occasions. I think it is tailored to help those in the greatest need. We have a number of programs, both grants and loans, for the disadvantaged and the poor, which I have supported and shall continue to support in the future. But I think my amendment addresses a pressing need the plight of the millions of middle-income families who are considered too rich to qualify for Government aid programs. If the Senator from Massachusetts is ready to yield back the reminder of his time, I will yield back mine.

Mr. KENNEDY. Mr. President, I have one other amendment, on an income cutoff. I would be glad to debate that with the Senator, and then we could have back-to-back votes for the convenience of the Members of the Senate, if the leader wishes to proceed in this way.

Could I have the attention of the leader, the Senator from West Virginia? We have used up our time, Mr. Leader, on this amendment. I have one other amendment. I would be glad to debate it, and then have two back-to-back votes for the convenience of the membership. If that is agreeable, we could have 15 minutes on the next amendment, debate it, and then have a vote on both of the amendments back to back.

Mr. ROTH. I would prefer that we take the amendments up one at a time and vote on them accordingly.

Mr. ROBERT C. BYRD. Mr. President, will the Senator object to the proposal of the Senator from Massachusetts which he has just made?

Mr. ROTH. Yes, I would object.

Mr. KENNEDY. I am prepared to yield back the time. I would like to get a yea and nay vote.

Mr. ROTH. I make a motion to table the proposed amendment.

Mr. KENNEDY. On the motion to table.

The PRESIDING OFFICER. On the motion to table is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Delaware to lay on the table the amendment of the Senator from Massachusetts.

The clerk will call the roll.

The assistant legislative clerk called the roll.

(Mr. STONE assumed the Chair.)

Mr. CRANSTON. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from Nevada (Mr. CANNON), the Senator from Arizona (Mr. DECONCINI), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from North Carolina (Mr. MORGAN), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Tennessee (Mr. SASSER), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Texas (Mr. BENTSEN) are necessarily absent.

I also announce that the Senator from Maine (Mr. MUSKIE) is absent because of illness.

On this vote, the Senator from Minnesota (Mr. HUMPHREY) is paired with the Senator from North Carolina (Mr. MORGAN).

If present and voting, the Senator from Minnesota would vote "yea" and the Senator from North Carolina would vote "nay."

Mr. BAKER. I announce that the Senator from Oklahoma (Mr. BARTLETT), the Senator from Arizona (Mr. GOLDWATER), the Senator from Utah (Mr. HATCH), the Senator from Oregon (Mr. HATFIELD), the Senator from California (Mr. HAYAKAWA), the Senator from Pennsylvania (Mr. HEINZ), the Senator from North Carolina (Mr. HELMS), the Senator from Kansas (Mr. PEARSON), the Senator from Illinois (Mr. PERCY), the Senator from Alaska (Mr. STEVENS), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I also announce that the Senator from Virginia (Mr. SCOTT) is absent on official business.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD), the Senator from North Carolina (Mr. HELMS), and the Senator from Alaska (Mr. STEVENS) would each vote "yea."

The result was announced—yeas 49, nays 26, as follows:

[Rollcall Vote No. 624 Leg.]

YEAS—49

Anderson	Garn	Melcher
Baker	Glenn	Nelson
Bayh	Gravel	Packwood
Bellmon	Griffin	Proxmire
Burdick	Hansen	Randolph
Byrd, Harry F., Jr.	Haskell	Riegle
Byrd, Robert C.	Hathaway	Roth
Case	Inouye	Schmitt
Chafee	Jackson	Schweiker
Church	Laxalt	Stafford
Curtis	Leahy	Stennis
Danforth	Long	Talmadge
Dole	Lugar	Thurmond
Domenici	Magnuson	Tower
Durkin	Mathias	Wallop
Eagleton	Matsunaga	Zorinsky
	McClure	

NAYS—26

Abourezk	Ford	Moynihan
Allen	Hart	Nunn
Brooke	Hollings	Pell
Bumpers	Javits	Sarbanes
Chiles	Kennedy	Stevenson
Clark	McGovern	Stone
Cranston	McIntyre	Williams
Culver	Metcalf	Young
Eastland	Metzenbaum	

NOT VOTING—25

Bartlett	Heinz	Percy
Bentsen	Helms	Ribicoff
Biden	Huddleston	Sasser
Cannon	Humphrey	Scott
DeConcini	Johnston	Sparkman
Goldwater	McClellan	Stevens
Hatch	Morgan	Weicker
Hatfield	Muskie	
Hayakawa	Pearson	

So the motion to lay on the table was agreed to.

Mr. ROTH. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. MELCHER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 1060

(Purpose: To provide an adjusted gross income limitation on the college tuition credit.)

Mr. KENNEDY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

Mr. President, I will be glad to enter into a 15-minute time limitation if it is agreeable to the primary sponsor.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from Massachusetts (Mr. KENNEDY) proposes an unprinted amendment numbered 1060 to unprinted amendment No. 1057.)

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of subsection (b) of new section 44D of the Internal Revenue Code of 1954, as such section is intended to be added by the amendment, insert the following:

"(3) Phase out between $25,000 and $30,000.—

"(A) In general.—If the adjusted gross income of the taxpayer for the taxable year with respect to which the credit is claimed under subsection (a) exceeds $25,000, the amount of the credit allowed under this section (determined without regard to this paragraph) shall be reduced (but not below zero) by an amount which bears the same ratio to the amount so allowed as the adjusted gross income of the taxpayer for the taxable year in excess of $25,000 bears to $5,000.

"(B) Married individuals filing separate returns.—In the case of a married individual filing a separate return, subparagraph (A) shall be applied by substituting '$12,500' for '$25,000' and by substituting '$2,500' for '$5,000'."

Mr. LONG. Mr. President, I ask unanimous consent that there be 15 minutes debate on the amendment, to be equally divided between the sponsor of the amendment and the opposition.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. JAVITS. Mr. President, if the Senator will yield, I ask unanimous consent that after the Danforth amendment is considered, which I understand is third on the list, my amendment may be considered, numbered 1550.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BUMPERS. Will the Senator yield for a unanimous-consent request?

Mr. KENNEDY. I yield.

Mr. BUMPERS. Mr. President, I ask unanimous consent that Richard Arnold, of my staff, be granted the privileges of the floor during the consideration of the pending legislation and any votes thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, may we have order in the Chamber?

The PRESIDING OFFICER. The Senator is correct. The Senate will be in order.

Mr. KENNEDY. Mr. President, I would like to direct a question to the Senator from Delaware, if I may.

Does he intend, as in his Dear Colleague letter, that there be a $250 credit for each dependent, or does he intend what the text of the amendment provides, which is a flat $250 credit per taxpayer, There is an inconsistency between the amendment itself and the explanation of the Senator.

Mr. ROTH. The tax credit of $250 per individual.

Mr. KENNEDY. If he had two children, it is $500, is that correct?

Mr. ROTH. That is correct.

Mr. KENNEDY. But the text of the amendment itself and the revenue estimated of $8.4 billion through 1985 are based upon $250 per family. If it is $250 per student, the cost goes up to between $13 billion and $14 billion by 1985.

Mr. ROTH. Will the Senator yield?

Mr. KENNEDY. I yield.

Mr. ROTH. That is not correct. The revenue impact——

Mr. KENNEDY. Could we have order, Mr. President?

The ACTING PRESIDENT pro tempore. The Senate will be in order. The Senate is not in order. The Senate will be in order.

Mr. ROTH. That is not correct. The text of the amendment provides a tax credit for the taxpayer, his spouse, or any of his dependents. And according to the Joint Committee on Taxation, the fiscal 1978 revenue impact will be $175 million, and then it would go up to approximately $1.2 billion in the succeeding 4 years.

Mr. KENNEDY. The Budget Committee estimate which was provided me was $8.4 billion for a credit of $250 per family, $8.4 billion.

Mr. ROTH. I have never seen that figure. It is directly contrary to what we have been supplied. As I said, the joint committee has given the figure of $1.2 billion for my proposal.

Mr. KENNEDY. That is the amount for a single year, but it is still based on $250 per family. The cumulative effect through 1985 is how much? My understanding is that it is $8.2 billion for fiscal years 1978 to 1985, based on a $250 credit per family. That is provided by the Budget Committee.

Mr. ROTH. Let me repeat the joint committee estimates. For the first year, 1978, it is roughly $175 million; 1979 is $1.2 billion; and 1980 is $1.2 billion.

Mr. KENNEDY. But that estimate is based on $250 per family.

Mr. ROTH. That is incorrect. The estimate is based on a tax credit for each individual dependent in college.

Mr. KENNEDY. Mr. President, I direct the Senator's attention to the amendment itself. It talks about the credit under this section shall be an amount equal to so much of the expense paid as does not exceed $250. It is drafted per individual. That means per individual taxpayer, not per individual student. We are talking about the individual taxpayer.

Mr. ROTH. The language states that the taxpayer could claim a tax credit for himself, his spouse, or his dependents. It depends upon the number of student dependents he has in college.

Mr. KENNEDY. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 2 minutes left.

Mr. KENNEDY. I want to make it very clear; $8.2 billion at $250 per family is the revenue estimate. The intent of the author is $250 per dependent. That means the estimate will go up to between $13 billion and $14 billion by 1985.

Before time runs out, I want to explain my amendment.

What this amendment would do is phase out the tax credit for adjusted gross incomes between $25,000 and $30,000, the same way we did in terms of the $50 rebate earlier this year. The amendment follows exactly the same pattern. It saves about 15 percent of the total expenditure cost.

In the case of the $50 rebate, before it was dropped altogether, we phased it out for incomes between $25,000 and $30,000. It is the intention of this amendment to phase out the education credit for incomes between $25,000 and $30,000.

Another precedent is the home heating oil tax credit, which we adopted only last Saturday on the energy tax bill. We included a phaseout in the credit that begins at $15,000 of income. The phaseout in the pending amendment begins at $25,000.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I want to make very clear what my amendment does. It provides a tax credit of $250 per student in college, per dependent. I want to point out that the first year the cost would be $175 million.

Mr. President, my concern with the amendment of the Senator from Massachusetts is that it is going to have a very limited effect upon those who need aid. The Senator from Massachusetts would phase it out in the area of $25,000 to $30,000. But, as I mentioned earlier, 2 years ago we had the head of higher education at HEW, making $37,500 a year, resign because he could not afford to send his children to college.

There was an article in the New Republic, as well as one in Newsweek, which point out that Middle America, for the first time, is finding itself in a position where it sees downward mobility, where it is not able to reach the great American dream of sending its children to college. The figures show that the group that is trailing behind in continuing into higher education is middle working America.

Mr. LONG. Will the Senator yield at that point?

Mr. ROTH. Yes, I am delighted to yield.

Mr. LONG. As I understand it, this amendment provides a $250 tax credit to help families send their children to college. A family that has a family income of $30,000 would not get it.

Mr. ROTH. That is correct.

Mr. LONG. At $25,000 they would get the full amount; at $27,500, they would get half; at $30,000, they would get nothing.

Mr. ROTH. That is correct.

Mr. LONG. I say that anybody who wants to vote for the tax credit, try to explain to those people why you did that. We are saying, "All right, you are so rich. Maybe you have eight children in

the family, but you are so rich, with a $30,000 income, you are too affluent to get the benefit of it." For somebody making 60 percent of what we make here, if he sends his child to college, he is paying a lot of taxes, but he does not get it.

How does the Senator think that family is going to react when he explains, "I am sorry, but you are affluent, you are making $30,000 with that family. We want to help the other fellow send his children to college, but not you."

How does the Senator think they are going to take that when he explains that to them?

Mr. ROTH. They are not going to like it. I point out to the Senator from Louisiana that I had a teacher come to my office in Wilmington about 3 weeks ago, complaining that my tax credit was too little. She pointed out that she was working full time, that she has a job in the evening teaching, that her husband is teaching as well, and that they are unable to send their three children to college. They had to withdraw one from school.

Of course, under this amendment, they would not be eligible, and I would hate to face her again.

Mr. BUMPERS. Will the Senator yield for a question?

Mr. ROTH. Yes.

Mr. BUMPERS. Does the Senator have a computation on what it is going to cost the Treasury if we include a refundable tax credit?

Mr. ROTH. We do not have an estimate for a refundable tax credit.

Mr. BUMPERS. Would the Senator agree with me that the amendment is inequitable for people who have to go to the bank and borrow money to pay their children's tuition and who have no tax of any consequence to pay? They get no credit, is that correct? Or would they get a refund?

Mr. ROTH. I point out to the distinguished Senator, that we do have a number of programs, both grants and loans, to help out those at the lower economic end of the scale. But I do believe your proposal could be considered at a later time.

Mr. BUMPERS. Does the Senator have any objection to a refundable tax credit? If the students are on grants, parents would not be eligible for a tax credit anyway.

Mr. ROTH. I point out to the distinguished Senator that I would be happy to work with him in the future if he wants to look into that. But I do not believe it would be possible in this legislation.

Mr. BUMPERS. But neither the Senator nor the committee has any idea of what this would cost if we made it a refundable tax credit?

Mr. ROTH. I do not have the figures.

Mr. LONG. If the Senator will yield on that point, I do not have an estimate on that. But would not this amendment make it possible to concentrate the money that is available for the grants and the loans at a favored interest rate, all of that on the low income people, because it would take the pressure off by helping people who are not in the low income area?

Mr. ROTH. That is correct. There are several billion dollars available, both in loans and grants, for that purpose.

Mr. BUMPERS. There are all kinds of funds for loans to students, too.

Mr. ROTH. I have limited time. Could we proceed on the pending amendment?

Mr. BUMPERS. I did not realize the Senator was under a time agreement.

Mr. ROTH. Mr. President, I reserve the remainder of my time.

The ACTING PRESIDENT pro tempore. The Senator from Massachusetts.

Mr. KENNEDY. The Senator from Delaware mentioned a $250 credit per dependent. The cost estimate on that is about $13 billion. This is a huge Federal subsidy for higher education. But we are providing it for a very select income group, and denving it to the lower income groups. That is bad education policy. It is bad economic policy. It is bad tax policy.

Mr. President, it is important that the Senate know what it is doing. My amendment is an effort to modify the court in a more responsible and equitable way.

Mr. ROTH. Mr. President, I point out that we already have a number of tax credits in the law which do not discriminate against certain income classes. We have a child care credit. We have a home insulation credit and a solar tax credit in the energy bill. None of these credits have income limits. My amendment would not help only a select few. My proposal will help Middle America send its children to school. It will provide some relief to the people who are not eligible for the Government assistance programs their taxes make possible. I urge the rejection of the amendment of the Senator from Massachusetts. I shall make a motion to table it upon the expiration of the time.

The ACTING PRESIDENT pro tempore. All time has expired.

Mr. ROTH. Mr. President, I move to lay the amendment of the Senator from Massachusetts on the table. I ask for the yeas and nays.

The ACTING PRESIDENT pro tempore. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion to lay on the table the amendment of the Senator from Massachusetts. The eyas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Delaware (Mr. BIDEN), the Senator from Nevada (Mr. CANNON), the Senator from Arizona (Mr. DECONCINI), the Senator from Kentucky, (Mr. HUDDLESTON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from North Carolina (Mr. MORGAN), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Tennessee (Mr. SASSER), and the Senator from Alabama (Mr. SPARKMAN) are necessarily absent.

I also announce that the Senator from Maine (Mr. MUSKIE) is absent because of illness.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY) would vote "nay."

Mr. BAKER. I announce that the Senator from Oklahoma (Mr. BARTLETT), the Senator from Massachusetts (Mr. BROOKE), the Senator from Arizona (Mr. GOLDWATER), the Senator from Utah (Mr. HATCH), the Senator from Oregon (Mr. HATFIELD), the Senator from California (Mr. HAYAKAWA), the Senator from Pennsylvania (Mr. HEINZ), the Senator from North Carolina (Mr. HELMS), the Senator from Kansas (Mr. PEARSON), the Senator from Illinois (Mr. PERCY), the Senator from Alaska (Mr. STEVENS), the Senator from Connecticut (Mr. WEICKER), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

I also announce that the Senator from Virginia (Mr. SCOTT) is absent on official business.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD), the Senator from North Carolina (Mr. HELMS), and the Senator from Alaska (Mr. STEVENS) would each vote "yea."

The result was announced—yeas 52, nays 21, as follows:

[Rollcall Vote No. 625 Leg.]

YEAS—52

Allen	Garn	Packwood
Anderson	Glenn	Proxmire
Baker	Gravel	Randolph
Bellmon	Griffin	Riegle
Burdick	Hansen	Roth
Byrd, Harry F., Jr.	Hollings	Sarbanes
	Inouye	Schmitt
Case	Jackson	Schweiker
Chafee	Laxalt	Stafford
Chiles	Leahy	Stennis
Church	Long	Stevenson
Curtis	Lugar	Stone
Danforth	Magnuson	Talmadge
Dole	Mathias	Thurmond
Domenici	Matsunaga	Tower
Durkin	McClure	Wallop
Eagleton	Melcher	Zorinsky
Eastland	Nunn	

NAYS—21

Abourezk	Ford	McIntyre
Bayh	Hart	Metcalf
Bumpers	Haskell	Metzenbaum
Byrd, Robert C.	Hathaway	Moynihan
Clark	Javits	Nelson
Cranston	Kennedy	Pell
Culver	McGovern	Williams

NOT VOTING—27

Bartlett	Hayakawa	Pearson
Bentsen	Heinz	Percy
Biden	Helms	Ribicoff
Brooke	Huddleston	Sasser
Cannon	Humphrey	Scott
DeConcini	Johnston	Sparkman
Goldwater	McClellan	Stevens
Hatch	Morgan	Weicker
Hatfield	Muskie	Young

So the motion to lay on the table was agreed to.

Mr. ROTH. Mr. President, I ask for the yeas and nays on the Roth amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

UP AMENDMENT NO. 1061

Mr. BUMPERS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from Arkansas (Mr. BUMPERS) proposes an unprinted amendment numbered 1061 to the Roth unprinted amendment numbered 1057.

Mr. BUMPERS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the amendment add the following:

(d) CREDIT TO BE REFUNDABLE.—

(1) Section 6401(d) is amended—

(A) by striking out "oil) and 43" and inserting in lieu thereof "oil), 43",

(B) by inserting "and 44D" after "credit)", and

(C) by striking out "and 43," and inserting in lieu thereof ", 43, and 44D,".

(2) Section 6201(a)(4) is amended—

(A) by striking out "or 43" in the caption and inserting in lieu thereof ", 43, or 44D",

(B) by striking out "oil) or section 43" and inserting in lieu thereof "oil), section 43", and

(C) by inserting "or section 44D," after "income),".

(3) This subsection (d) shall be effective only during fiscal 1978.

Mr. BUMPERS. Mr. President, I will take only a few moments.

This amendment is very simple. It provides for a refundable tax credit for the year 1978. All it does is include the people in this country who are not in a taxable category, who pay no income tax, or who pay less than the $250 tax credit for a student that would be allowed under the Roth amendment.

The Roth amendment is projected to cost a billion dollars. This amendment simply would add $100 million to the cost of that amendment. It is a very small amount, but it certainly is egalitarian. It would be patently unfair for us to approve the Roth amendment and say to a lot of people in this country who need help much worse than those who are going to get it under the Roth amendment, "There is nothing in the bill for you."

Mr. STENNIS. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate is not in order. The Senate will be in order.

Mr. BUMPERS. Mr. President, I will give a classic case in point, and I can speak from experience; because when I practiced law, I came across this frequently.

A woman with minor children loses her husband and is left to educate the children.

If her husband was covered under social security, as long as those children are minors or as long as they are in college and over 21, she and they would be entitled to social security benefits. It is a token amount, according to today's living standards. But this income is not taxable.

However, if this is her sole source of income, bear this in mind. She is trying to send a child to college on that small amount of social security payment and is limited in the past, as she has been, to $3,000 in earned income a year. She has virtually no taxable income. This amendment simply would say that she is entitled to that $250 tax credit. Why should she not be entitled to it?

I will give another example. I can tell Senators about one student in this country who paid his own tuition last year from his summer earnings, and that was my son. He at least helps sustain himself to the extent of paying his tuition. By his doing that, and the fact that I have paid 10 times that much to maintain him during the year, the Roth amendment would deprive me of the tax credit.

By the same token, youngsters who are paying all their tuition and all their expenses—and literally hundreds of thousands are doing so in this country today—would be deprived of this tax credit.

Finally, those people who are on basic educational grants would have that amount subtracted from any tax credit to which their parents would be entitled.

For those reasons and many more which I have not taken the time to enumerate for the Senate, this seems like a minimal amount to spend toward a very egalitarian purpose, one that is worthy and one that I certainly hope my colleagues will adopt.

Mr. RANDOLPH. Mr. President, will the able Senator yield?

Mr. BUMPERS. I am happy to yield.

Mr. RANDOLPH. Mr. President, I appreciate the family illustration of the Senator's son, during his work-study program. Frankly, there are thousands and thousands of sons, and yes, daughters too, not only teenage children, who earn money used in their education. These youth are working in the afternoon and at night as they pursue their college education and then receive degrees.

There is equity in the Senator's amendment, which I cosponsor. I support it, as the Senator from Arkansas (Mr. BUMPERS) has said because the provision is "worthy."

Mr. President, I recall that I worked as I went through academy and college years. Mrs. Randolph and I had two sons who did likewise.

I recall J. Buhl Shahan, a student in my classes at Davis and Elkins College. He sold over 100 items, with his wares on the racks of a bicycle. He graduated with honors and became a State senator and successful educator.

Mr. President, the Bumpers amendment makes sense. It will aid the mothers and fathers and their children. It will cushion the cost of higher education.

Mr. BUMPERS. I thank the Senator very much.

Mr. President, I have no purpose in elaborating further. I hope I have made the point. I made it about as well as I could make it if I had another hour to spend on it.

I am prepared to vote on it. I do not want to deprive the Senator from Delaware of an opportunity to respond if he chooses.

Mr. LONG. Mr. President, I had some doubts because of the point raised by the Budget Committee that we could make this a refundable tax credit, but there have been some consultations held and the last advice I heard from the Parliamentarian was that the amendment apparently did not violate the budget.

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LONG. Does this amendment in the opinion of the Chair violate the budget provisions of law by which we are constrained at this moment?

The PRESIDING OFFICER. The Chair sees no violation of any applicable provisions of the Budget Act.

Mr. LONG. Mr. President, if that is the case, I hope that the Senator from Delaware will agree to accept the amendment.

Mr. ROTH. As long as it is within the budget resolution, the Senator from Delaware will accept it.

Mr. LONG. Mr. President, I ask unanimous consent that we rescind the order for the yeas and nays.

Mr. BUMPERS. I did not get the yeas and nays on this. I am prepared to vote on it.

Mr. BELLMON. Mr. President, just to keep the record straight, this is not in a budget resolution, but because of a fluke it is not subject to a point of order. It is plainly outside the budget resolution.

Mr. LONG. Mr. President, if it is not subject to the budget resolution, I hope the Senate will accept the amendment and take it by voice vote.

Mr. BUMPERS. I wish to do that.

Mr. President, I ask unanimous consent to add my colleague from West Virginia (Mr. RANDOLPH) as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JACKSON. Vote!

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Arkansas. (Putting the question.)

The ayes appear to have it. The ayes have it, and the amendment is agreed to.

The question now occurs on the amendment, as amended, by the Senator from Delaware.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. METCALF (after having voted in the negative). Mr. President, on this vote I have a pair with the distinguished Senator from Tennessee (Mr. SASSER). If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withdraw my vote.

Mr. ABOUREZK (after having voted in the negative). Mr. President, on this vote I have a pair with the distinguished Senator from Delaware (Mr. BIDEN). If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withdraw my vote.

Mr. CRANSTON. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Delaware (Mr. BIDEN), the Senator from Nevada (Mr. CANNON), the Senator from Arizona (Mr. DECONCINI), the Senator from Mississippi (Mr. EASTLAND), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from

Louisiana (Mr. JOHNSTON), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from North Carolina (Mr. MORGAN), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Tennessee (Mr. SASSER), and the Senator from Alabama (Mr. SPARKMAN) are necessarily absent.

I also announce that the Senator from Maine (Mr. MUSKIE) is absent because of illness.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY), would vote "yea."

On this vote, the Senator from Connecticut (Mr. RIBICOFF) is paired with the Senator from North Carolina (Mr. MORGAN). If present and voting, the Senator from Connecticut would vote "yea" and the Senator from North Carolina would vote "nay."

Mr. BAKER. I announce that the Senator from Oklahoma (Mr. BARTLETT), the Senator from Massachusetts (Mr. BROOKE), the Senator from Arizona (Mr. GOLDWATER), the Senator from Utah (Mr. HATCH), the Senator from Oregon (Mr. HATFIELD), the Senator from California (Mr. HAYAKAWA), the Senator from North Carolina (Mr. HELMS), the Senator from Kansas (Mr. PEARSON), the Senator from Illinois (Mr. PERCY), the Senator from Alaska (Mr. STEVENS), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I also announce that the Senator from Virginia (Mr. SCOTT), is absent on official business.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD), the Senator from North Carolina (Mr. HELMS), and the Senator from Alaska (Mr. STEVENS) would vote "yea."

The result was announced—yeas 60, nays 12, as follows:

[Rollcall Vote No. 626 Leg.]

YEAS—60

Allen	Griffin	Nelson
Anderson	Hansen	Nunn
Baker	Haskell	Packwood
Bayh	Hathaway	Proxmire
Bumpers	Heinz	Randolph
Burdick	Hollings	Riegle
Byrd, Harry F., Jr.	Inouye	Roth
	Jackson	Sarbanes
Byrd, Robert C.	Laxalt	Schmitt
Case	Leahy	Schweiker
Chafee	Long	Stafford
Church	Lugar	Stevenson
Curtis	Magnuson	Talmadge
Danforth	Mathias	Thurmond
Dole	Matsunaga	Tower
Domenici	McClure	Wallop
Durkin	McGovern	Williams
Eagleton	McIntyre	Young
Ford	Melcher	Zorinsky
Garn	Metzenbaum	
Gravel	Moynihan	

NAYS—12

Bellmon	Culver	Kennedy
Chiles	Glenn	Pell
Clark	Hart	Stennis
Cranston	Javits	Stone

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—2

Metcalf, against.
Abourezk, against.

NOT VOTING—26

Bartlett	Goldwater	Johnston
Bentsen	Hatch	McClellan
Biden	Hatfield	Morgan
Brooke	Hayakawa	Muskie
Cannon	Helms	Pearson
DeConcini	Huddleston	Percy
Eastland	Humphrey	Ribicoff
Sasser	Sparkman	Weicker
Scott	Stevens	

So Mr. ROTH's amendment (No. 1057), as amended, was agreed to.

Mr. ROTH. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

(The foregoing tally reflects the subsequent order entered pursuant to the request of Mr. JAVITS on December 15, 1977, that his vote be changed from "yea" to "nay.")

UP AMENDMENT NO. 1062

(Purpose: Relating to cost-of-living increases under social security.)

Mr. CHURCH. Mr. President, I send to the desk an amendment and ask that it be reported.

The PRESIDING OFFICER. The Clerk will report.

The legislative clerk read as follows:

The Senator from Idaho (Mr. CHURCH), for himself and others, proposes an unprinted amendment numbered 1062.

Mr. CHURCH. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of title I of the Act, add the following new section:

COST-OF-LIVING INCREASES

(a) Effective with respect to monthly benefits and lump-sum death payments payable for months after November 1977, section 215 (i) of the Social Security Act is amended by—

1. Striking out paragraph (1) and inserting in lieu thereof the following:

"(i)(1) For purposes of this subsection—

"(A) the term 'base period' means (i) the three-month period ending on March 31, 1977, (ii) the month of August in 1977 or in any succeeding year, (iii) the month of February in 1978 or in any succeeding year, or (iv) any other month which is the effective month of a general benefit increase under this title;

"(B) the term 'cost-of-living computation period' means (i) a base period, as defined in subparagraph (A) (other than clauses (i) and (iv) thereof) which occurs after July 1977 in which the Consumer Price Index prepared by the Department of Labor exceeds, by not less than 4 per centum, such index in the later of (I) the last prior cost-of-living computation period which was established under this subparagraph (whether under the law in effect in November 1977, or after November 1977) or (II) the most recent month which was the effective month of a general benefit increase under this title, or (ii) a base period, as so defined, which occurs after July 1977, in which such Consumer Price Index exceeds, by not less than 3 percent, such index in the later of (I) or (II), and in which more than 5 months have elapsed since such later period or month and up to but not including the base period being considered; except that there shall be no cost-of-living computation period in any calendar year if in the year prior to such year a law has been enacted providing a general benefit increase under this title or if in such prior year such a general benefit increase becomes effective; and

"(C) the Consumer Price Index for a base period of 3 months or a cost-of-living computation period of 3 months shall be the arithmetical mean of such index for the 3 months in such period.";

2. Striking out so much of paragraph (2) as precedes the word "increase" and inserting in lieu thereof:

"(2)(A)(i) The Secretary shall determine each year beginning with 1977 (subject to the limitation in paragraph (1)(B)) whether a base period (as defined in paragraph (1)(A) (ii) or (iii) in such year is a cost-of-living computation period.

"(ii) If the Secretary determines that a base period in any year is a cost-of-living computation period, he shall, effective with the month of June of such year, where such period is the month of February of such year, and effective with the month of December of such year, where such period is the month of August of such year, as provided in subparagraph (B),"

3. Striking out "quarter" each place it appears after the word "increase" in the penultimate sentence of subparagraph (2)(A)(ii) and inserting in lieu thereof, "period";

4. Striking out "calendar period" in such penultimate sentence (as previously amended) and inserting in lieu thereof "month".

5. Striking out "(1)(A) (ii) in such penultimate sentence and inserting in lieu thereof "(1)(A)(iv)";

6. Striking out "months after May" and all that follows in subparagraph (2)(B) and inserting in lieu thereof:

"months (I) after May of the calendar year in which occurred such cost-of-living computation period in the case of an increase based on a cost-of-living computation period of the month of February of such year, or (II) after November of that year in the case of an increase based on a cost-of-living computation period of the month of August of such year, and in the case of lump-sum death payments with respect to deaths occurring after such May or November,";

7. Striking out "quarter" each place it appears in subparagraph (B), (C), and (D) of subsection (2) and inserting in lieu thereof "period"; and

8. Striking out (i)(A)(ii) in subparagraph (2)(C) and inserting in lieu thereof (i)(A)(iv)";

(b) Effective with determinations after 1977, section 230 of the Social Security Act by striking out subsection (a) and inserting in lieu thereof:

"(a) If the Secretary institutes pursuant to section 215(i) one or more benefit increases which become effective in any calendar year, he shall after October 1 and not later than November 1 of such year determine and publish in the Federal Register the contribution and benefit base determined under subsection (b) which shall be effective with respect to remuneration paid after such year and taxable years beginning after such year."

(c) Effective with determinations after 1977, section 203(f)(8)(A) of such Act is amended to read as follows:

"(A) If the Secretary institutes pursuant to section 215(i) one or more benefit increases which become effective in any calendar year, he shall after October 1 and not later than November 1 of such year determine and publish in the Federal Register a new exempt amount which shall be effective (unless such new exempt amount is prevented from becoming effective by subparagraph (C) of this paragraph) with respect to any individual's taxable year which ends after such calendar year."

(d) Section 1618(b) of such Act is amended to read as follows:

"(b) The Secretary shall not find that a State has failed to meet the requirements imposed by paragraph (4) of subsection (a) with respect to the levels of its supplementary payments for a particular month or months if the State's expenditures for such payments in the twelve-month period (within which such month or months fall)—

(1) beginning on the effective date of any increase in the level of supplemental security income benefits pursuant to section 1617

and ending before July 1, 1978, are not less than its expenditures for such payments in the preceding twelve-month period, or

(2) beginning on July 1, 1978, and July 1 of each year thereafter are not less than its expenditures for such payments in the twelve-month period beginning July 1, 1977, and ending June 30, 1978, or, if the first such payments are made by a State after July 1977, not less than its expenditures for such payments in the first full twelve-month period beginning July 1 in which such payments are made."

(e) Effective with respect to monthly benefits and lump-sum death payments payable for months after December 1978, section 215(i) of the Social Security Act, as amended by subsections (a) through (d) of this section and by section 104 of this Act, is further amended by—

1. Striking out so much of paragraph (2) as precedes subparagraph (A)(i)(I) thereof and inserting in lieu thereof:

"(2)(A)(i) The Secretary shall determine each year beginning with 1978 (subject to the limitation in paragraph (1)(B)) whether a base period (as defined in paragraph (1)(A)(ii) or (iii) in such year is a cost-of-living computation period.

"(ii) If the Secretary determines that a base period in any year is a cost-of-living computation period, he shall, effective with the month of June of such year, where such period is the month of February of such year, and effective with the month of December of such year, where such period is the month of August of such year, as provided in subparagraph (B), increase—";

2. Striking out "quarter" each place it appears in the penultimate sentence of subparagraph (2)(A)(ii) and inserting in lieu thereof, "period";

3. Striking out "(1)(A)(ii) in such penultimate sentence and inserting in lieu thereof "(1)(A)(iv)";

4. Striking out "months after May" and all that follows in subparagraph (2)(A)(iii) and inserting in lieu thereof:

"months (I) after May of that year in the case of an increase based on a cost-of-living computation period of the month of February of such year, or (II) after November of that year in the case of an increase based on a cost-of-living computation period of the month of August of such year, and in the case of lump-sum death payments with respect to deaths occurring after such May or November.".

Sponsors of Church semiannual cost-of-living amendments:

Domenici, Clark, Williams, Pell, Stafford, Humphrey, Abourezk, Hatfield.

Riegel, Randolph, Stone, McIntyre, Eastland, McGovern, Metcalf, Melcher.

Bumpers, Leahy, Cannon, Anderson, Brooke, Thurmond, Bayh, Hart, Kennedy.

Magnuson, Weicker, Sarbanes, DeConcini, Heinz, Chiles, Case, Jackson.

Haskell, Durkin, Javits, Hollings, Percy, Ford, Metzenbaum, Biden, Burdick, Hathaway.

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator yield to me?

Mr. CHURCH. Yes, I am happy to yield to the majority leader.

Mr. ROBERT C. BYRD. I thank the Senator. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order. Senators will cease conversations. Staff members will retire to the seats provided for them in the rear of the Chamber, and will cease conversations.

The Senator from West Virginia.

Mr. ROBERT C. BYRD. I thank the Chair. Mr. President, I take the floor at this time to ascertain what amendments remain to be offered, and to try, if possible, to secure time limitations on those amendments that remain to be offered.

It is the intention of the leadership, and I think I speak on behalf of Mr. BAKER and myself—he is present and can comment, and will, I am sure—to complete action on this bill tonight, and following that, we would hope, if it is not too late, that we can also take up and dispose of S. 2159, which has to do with the medical schools receiving capitation grants, and the enrollment of third year medical students in the school year 1978 and 1979 therein.

It is hoped that the time limitation agreement that has already been entered on that bill may be reduced, and I think there are good indications that that is possible.

Mr. BAKER. Mr. President, will the majority leader yield for just a moment?

Mr. ROBERT C. BYRD. Yes.

Mr. BAKER. I have an indication that we can reduce the time limitation on this side of the aisle to 30 minutes on the bill and 10 minutes on each of two amendments, one, I think, by Mr. JAVITS——

Mr. JAVITS. No. One by Mr. SCHWEIKER and Mr. HATCH.

Mr. BAKER. SCHWEIKER and HATCH?

Mr. JAVITS. Well, it is going to be offered by Mr. SCHWEIKER.

Mr. ROBERT C. BYRD. Will the distinguished minority leader repeat that?

Mr. BAKER. Yes; we can reduce the time limitation previously provided for to 1 hour on the bill and 10 minutes on an amendment by Mr. HATCH and 10 minutes on one by Mr. SCHWEIKER.

Mr. ROBERT C. BYRD. I thought it was indicated there would be a possibility to reduce the time on the bill to 30 minutes.

Mr. BAKER. Yes; and there is another amendment, though, by the distinguished Senator from New York.

Mr. JAVITS. No, I have set it aside and will not have an amendment. But Senator MATHIAS is here, and he has an amendment.

Mr. MATHIAS. Ten minutes.

Mr. BAKER. And 30 minutes on the bill. Is that satisfactory?

Mr. JAVITS. Thirty minutes on the bill; I will take a chance on that in the absence of Senator WILLIAMS.

Mr. MATHIAS. I agreed with the Senator from Massachusetts that I could have about 7 minutes and he would have the balance, so there will be 10 minutes total on the amendment.

Mr. JAVITS. I do not know what the attitude of the Senator from Massachusetts is going to be.

Mr. ROBERT C. BYRD. I understand from the Senator from Massachusetts (Mr. KENNEDY) that he would be agreeable to cutting the time limit.

Mr. JAVITS. I know, but I do not know whether he is against the amendment. We are against it. So I suggest 5 minutes on the side, or, if Senator MATHIAS wants 7, give him 7.

Mr. ROBERT C. BYRD. Mr. President, could we pass that for a moment? I am still hopeful we can do that bill tonight, because I think it is important that it be done before we go out. But I want to move back, now, until we resolve that matter, without taking too much time, to the amendments that will remain to be called up on the pending bill.

Mr. CHURCH has an amendment at the desk at this time, while he is patiently indulging this colloquy. Would the Senator be agreeable to a 20-minute time limitation on his amendment, to be equally divided?

Mr. CHURCH. Yes, I would be happy with a 20-minute time limitation, but I would like to ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a 20-minute time limitation on an amendment by Mr. CHURCH, to be equally divided and controlled in accordance with the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Now, Mr. President, I ask unanimous consent that the time I am consuming not be charged to the amendment by Mr. CHURCH.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. All right; now, Mr. Minority Leader, what is your proposal on the medical bill?

Mr. BAKER. I thank the majority leader. Mr. President, it is my understanding, and I see that the principals are here, with the possible exception of one, that we could reduce the time on the bill to 30 minutes, the time on an amendment by Mr. HATCH to 10 minutes, equally divided, the time on an amendment by Mr. SCHWEIKER to 10 minutes, to be equally divided, and the time on an amendment by Mr. JAVITS——

Mr. JAVITS. I have no amendment.

Mr. BAKER. Mr. JAVITS will have no amendment, and that covers the provisions we will have on this side.

Mr. ROBERT C. BYRD. And that the agreement be in the usual form?

Mr. BAKER. And that the agreement be in the usual form.

Mr. ROBERT C. BYRD. I make that request, Mr. President.

Mr. MATHIAS. Mr. President, reserving the right to object, I have an amendment.

Mr. BAKER. We provided for it. Ten minutes, to be equally divided.

Mr. JAVITS. I will allow him more from my time on the bill, if he needs more than 10 minutes equally divided. It can be adjusted.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I thank the distinguished minority leader and all Senators.

This all comes after the social security bill tonight. If action is completed on the social security bill tonight, as we anticipate it will be, and on the medical bill, there will be no session tomorrow.

Mr. President, there is a time limitation already agreed to on the Danforth amendment of 10 minutes, to be equally divided. There is an amendment by Mr.

JAVITS; is the distinguished Senator from New York agreeable to 40 minutes, equally divided?

Mr. JAVITS. Yes.

Mr. ROBERT C. BYRD. Or less?

Mr. JAVITS. Forty minutes. We can say what it is; it is an amendment on unemployment compensation.

Mr. ROBERT C. BYRD. All right; Mr. President, I make that 40 minutes, equally divided, on the Javits amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, Mr. TOWER has an amendment in the nature of a substitute. I understand he is agreeable to 40 minutes, to be equally divided.

Mr. TOWER. Mr. President, I will agree to that. It is not now in the nature of a substitute; it is being withdrawn. But I will agree to 40 minutes.

Mr. ROBERT C. BYRD. Mr. President, I make that request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, are there further amendments to the social security bill?

Mr. CURTIS. Mr. President, reserving the right to object, has any agreement been entered into with reference to the Church amendment?

Mr. ROBERT C. BYRD. Twenty minutes, to be equally divided.

Mr. CURTIS. Who will have charge of the time in opposition?

Mr. ROBERT C. BYRD. In the usual form; it will be the manager of the bill, or, if he is in agreement, then the distinguished minority leader or his designee.

Mr. CHILES. Mr. President, I have two amendments, on which I request 10 minutes.

Mr. ROBERT C. BYRD. Ten minutes equally divided?

Mr. CHILES. Ten minutes on each side.

Mr. ROBERT C. BYRD. All right. Two amendments by Mr. CHILES, 20 minutes on each, equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NELSON. Mr. President, reserving the right to object, what are they?

Mr. CHILES. We have discussed them with your staff. One has to do with an earnings limitation, and one is a retirement provision.

Mr. NELSON. Just so I will know, what is the earnings limitation amendment about?

Mr. CHILES. Let me get it for you.

Mr. ROBERT C. BYRD. Mr. President, while Senator CHILES is responding, Mr. GRIFFIN has an amendment. Is it agreeable that there be 20 minutes, equally divided, on that amendment?

Mr. BAKER. Mr. President, it is my understanding he is willing to accept 10 minutes, equally divided.

Mr. ROBERT C. BYRD. Ten minutes equally divided?

Mr. BAKER. Yes, 10 minutes equally divided.

Mr. ROBERT C. BYRD. Mr. President, I make that request, that there be a 10-minute limitation on Mr. GRIFFIN'S amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I understand the Senator from Kansas has an amendment.

Mr. DOLE. Mr. President, I have an amendment with the distinguished Senator from New York (Mr. MOYNIHAN) which will be accepted. It will take 1 minute.

Mr. CURTIS. Is it a good amendment?

Mr. DOLE. One which we have discussed with the distinguished floor leader of this bill, the ranking minority member, the Senator from Illinois, the Senator from Nevada, and the Senator from Oregon.

Mr. ROBERT C. BYRD. Mr. President, if I could have the attention of the Senator from Wisconsin (Mr. NELSON) for just a moment—and I beg his pardon, because he is working with Mr. CHILES on a time agreement—Mr. DOLE and Mr. MOYNIHAN, I believe, have an amendment. What is the time limitation?

Mr. DOLE. One minute.

Mr. ROBERT C. BYRD. One minute, equally divided?

Mr. DOLE. Right.

Mr. ROBERT C. BYRD. What a bargain.

Mr. DOLE. Right.

Mr. ROBERT C. BYRD. This is a bargain basement night.

Mr. CURTIS. I am a little suspicious; this looks like collusion.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on the amendment by Mr. DOLE and Mr. MOYNIHAN there be 5 minutes equally divided. If they want to yield the time back, that will be all right.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MAGNUSON. How many hours does this add up to?

Mr. ROBERT C. BYRD. Not too many.

Mr. MAGNUSON. How many? Let us have some idea. We want to know if we are going to be here until 11 o'clock. I just added up the unanimous-consent agreements in my own mind, and it takes us up to 11 o'clock.

Mr. ROBERT C. BYRD. The Senator answered his own question.

Mr. MAGNUSON. We will stay until 11 o'clock?

Mr. ROBERT C. BYRD. Yes. May I say to the distinguished Senator that Mr. NELSON will yield back his time.

Mr. MAGNUSON. But the majority leader has us up to 11 o'clock.

Mr. ROBERT C. BYRD. No.

Mr. MAGNUSON. Unless I have added it up wrong.

Mr. ROBERT C. BYRD. The Senator never adds it up wrong.

Mr. ALLEN has an amendment. I will ask Mr. NELSON what time would be required there.

May I say to my friend from Washington, I do not believe we will be that late, but I could be wrong.

Mr. MAGNUSON. I will stay here until 11 o'clock in the morning, but I believe most Senators want to know or have a rough idea.

Mr. NELSON. What was the Senator's request?

Mr. ROBERT C. BYRD. On Mr. ALLEN'S amendment.

Mr. NELSON. Mr. ALLEN told me he only wished to speak on it for 3 minutes with no rollcall.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a time limitation on rollcall votes of 10 minutes.

The PRESIDING OFFICER. Is there objection, The Chair hears none, and it is so ordered.

Mr. BAKER. Mr. President, reserving the right to object.

The PRESIDING OFFICER. Does the Senator from Tennessee reserve the right to object?

Mr. BAKER. We have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Now, Mr. President, if the distinguished Senator from Idaho will yield another 30 seconds, the distinguished Senator from Washington has very appropriately pointed out that we are going to be here quite a while yet under the best circumstances. I would hope that where Senators can restrain themselves they do so, and yield back their time, and also not ask for rollcall votes where they can restrain themselves. I see the distinguished Senator from Washington nodding his head affirmatively and with a beautiful smile on his face.

Now I will ask Mr. ALLEN what he would be agreeable to on his amendment.

Mr. ALLEN. I would just as soon not set a time limit, but I will not use more than 5 or 10 minutes on each amendment.

Mr. ROBERT C. BYRD. That is fair enough.

Mr. HEINZ. Will the Senator yield for a unanimous-consent request?

Mr. CHURCH. Yes, I will yield for that purpose.

Mr. HEINZ. Mr. President, I ask unanimous consent that Bob Hepler, of my staff, be granted the privileges of the floor today and tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, I ask the same for Jonathan Fleming of my staff.

The PRESIDING OFFICER. Without objection. it is so ordered.

Mr. CHURCH. Mr. President, this amendment would provide semiannual cost-of-living adjustments for social security beneficiaries during periods of accelerated inflation.

Under present law, social security benefits are increased automatically in July, provided that the consumer price index rises by 3 percent or more during the preceding year.

It was my privilege to sponsor legislation in 1972 which led to the establishment of this cost-of-living mechanism to protect social security beneficiaries from rising prices.

This represented an historic first step toward safeguarding older Americans from inflation. But the mechanism needs further tuning.

This amendment would authorize cost-of-living adjustments—in January

and July—provided the inflationary index increases by at least 4 percent semiannually from one benefit period to another. The measuring period would be from February to August to determine whether beneficiaries would be entitled to a cost-of-living increase in January, and from August to February for any possible July increase.

The PRESIDING OFFICER. The Senator will suspend. There is so much confusion and noise in the Chamber the Chair is unable to hear the Senator from Idaho. The Senate will be in order.

The Senator from Idaho.

Mr. CHURCH. I thank the Chair.

The first possible semiannual adjustment under the cost-of-living amendment would be in January 1978. A 4-percent inflationary rate from the first quarter in 1977 to August 1977 would be necessary to trigger a cost-of-living adjustment in January 1978.

Actually, Mr. President, the inflationary rate fell below the triggering point.

If the inflationary rate did not reach this level, social security beneficiaries would be entitled to a cost-of-living increase when the Consumer Price Index rises by at least 3 percent over a 12-month period since the last adjustment.

In the vast majority of cases, social security beneficiaries would still receive only one cost-of-living adjustment per year under the amendment because an annual inflationary rate of 8.2 percent would be necessary for semiannual adjustments. The amendment, though, would provide protection when the aged and disabled need it the most—during periods of rapid inflation when rising prices are washing away their purchasing power.

In the 1976 campaign President Carter endorsed more frequent adjustments in social security benefits during times of accelerated inflation.

Civil service annuitants now receive two cost-of-living increases a year. To my way of thinking, similar protection should be available for social security beneficiaries.

As things now stand, they receive only one cost-of-living adjustment, whether the inflationary rate is 3 percent, 13 percent, or 20 percent. A once-a-year adjustment may simply be too rigorous for older Americans struggling to get by on limited incomes. Semiannual adjustments would keep social security benefits more current with rising prices.

The amendment would not only provide greater protection against inflation for about 33 million social security beneficiaries, it would also help others as well.

More than 4 million aged, blind, and disabled supplemental security income recipients would benefit because the SSI automatic escalator provision is pegged to the social security cost-of-living adjustment mechanism.

In addition, about 1.4 million railroad retirement beneficiaries would be entitled to semiannual cost-of-living adjustments on the tier I portion of their annuities.

Inflation is the elderly's No. 1 enemy. As prices go up, their purchasing power dwindles.

This semiannual cost-of-living adjustment amendment can provide essential relief for these older Americans.

I am pleased that leading organizations in the field of aging, including the National Retired Teachers Association-American Association of Retired Persons and the National Council of Senior Citizens, have enthusiastically endorsed this amendment.

Today I received a letter from the National Retired Teachers Association and the American Association of Retired Persons endorsing the amendment. I ask unanimous consent that this letter may be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL RETIRED TEACHERS ASSOCIATION-AMERICAN ASSOCIATION OF RETIRED PERSONS,
November 2, 1977.

HON. FRANK CHURCH,
Chairman, Special Committee on Aging, Washington, D.C.

DEAR SENATOR CHURCH: The 12 million member National Retired Teachers Association and American Association of Retired Persons strongly endorse your amendment to the social security financing legislation to provide more frequent cost-of-living adjustments in social security benefits.

The elderly, more than any other age group, are particularly vulnerable to the ravages of inflation. Their expenditures for basic needs and necessities are concentrated in areas where some of the sharpest price increases have occurred—housing, fuel, food and medical care. The majority of them, while unable to supplement their limited and fixed incomes with employment income, must watch as their meager retirement savings or investments are eroded away.

Under current law, social security and Supplemental Security Income benefits are automatically adjusted every July to reflect increases in the CPI which occur during the previous January through December period. Our Associations do not believe this automatic adjustment is adequate or timely enough to prevent a gradual erosion in benefit purchasing power particularly during periods of rapid inflation. A significant lag time exists between the measuring period (during which prices are actually rising) and the adjustment made in benefits.

Your amendment to improve the cost-of-living mechanism directly addresses this problem by substantially reducing the lag time between benefit adjustments and measuring periods. More importantly, your amendment would provide adjustments twice a year (in July and January) during periods when the CPI increases by an annual rate in excess of 6 percent. It therefore has our full and complete support.

Sincerely,

PETER W. HUGHES,
Legislative Counsel.

Mr. CHURCH. This amendment is based upon legislation—S. 1243, the Social Security Cost-of-Living Improvement Act—which I introduced earlier this year. That measure generated strong bipartisan support in the Senate. In fact, 44 Senators sponsored S. 1243.

Mr. President, I ask unanimous consent that a list of cosponsors of S. 1243—which would authorize semiannual cost-of-living adjustments for social security beneficiaries—be printed at this point in the RECORD.

There being no objection, the list of cosponsors was ordered to be printed in the RECORD, as follows:

SPONSORS OF CHURCH SEMIANNUAL COST-OF-LIVING AMENDMENT

Domenici, Clark, Williams, Pell, Stafford, Humphrey, Abourezk, Hatfield, Riegel, Randolph, Stone, McIntyre, Eastland, McGovern, Metcalf, Melcher, Bumpers, Leahy, Cannon, Anderson, and Brooke.

Thurmond, Bayh, Hart, Kennedy, Magnuson, Weicker, Sarbanes, DeConcini, Heinz, Chiles, Case, Jackson, Haskell, Durkin, Javits, Hollings, Percy, Ford, Metzenbaum, Biden, Burdick, and Hathaway.

Mr. CHURCH. Mr. President, for these reasons I urge the adoption of the amendment and reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. CURTIS. Mr. President, how much time is reserved to the opposition?

The PRESIDING OFFICER. The Senator has 10 minutes.

Mr. CURTIS. Mr. President, I yield myself 7 minutes.

Mr. President, here is an amendment that was brought here by compassion and interest for our elderly, but it is something which should not be adopted. It has far-reaching effects. It has never been before a committee and has never been analyzed. In a moment I will give some figures to show that this could become a costly thing running to $2 billion a year.

Here is what I want to remind Senators: It has to do with upgrading benefits twice a year instead of once a year. In 1972, a floor amendment was offered by the distinguished Senator from Idaho which, together with the increase in the benefits and that scheduling of automatic raises, brought about the very deficit that we have now. It was a matter not thrashed out in the committee. I commend the distinguished Senator for his interest in the elderly, but I believe the right way is to take this up in committee.

I find, after reviewing the material which the distinguished Senator from Idaho has provided me concerning his amendment, that I must rise in opposition.

By the very cost estimates included in that documentation, we find there is a long-range cost estimated of 0.03 percent of taxable payroll. Taxable payroll currently is running slightly over $800 billion this year. Over the next 75 years, however, taxable payroll will average approximately $6.4 trillion, a tenfold increase in 75 years. That means the long-range cost of this measure would be—using the Senator from Idaho's own figures—approximately $2 billion per year.

However, even this estimate is premised upon the intermediate assumptions of the Social Security Administration, and I have been advised that the actual rate of inflation being used is an average of 4 percent over the next 75 years, 4 percent inflation per year. Mr. President, we do not know what the inflation rate will be over that period of time. We do not know where it will be even 10 years from now. We have just finished a period of double-digit inflation, and if that kind of thing recurs the costs of the

Church amendment would be much higher than what these estimates tell us.

Moreover, Mr. President, I believe that the 0.03-percent estimate, and the 4-percent inflation rate, does not take into account the inflationary fuel that would be added by the very provisions being suggested by the Senator from Idaho. They are based upon current assumptions, not what the rate of inflation is likely to be if important programs like social security are indexed every 6 months, even for limited periods.

Finally, Mr. President, the cost estimates presented at this point do not appear to take into account the very real accompanying cost that will be involved for supplemental security income (SSI) and the railroad retirement program. Each of these has indexing formulas that are tied to social security.

For these reasons, Mr. President, I believe the amendment offered by the Senator from Idaho should be considered thoroughly in the Committee on Finance, where it has not even had the benefit of a hearing. We have never considered it; we have never analyzed it. We have had some experience with an amendment of this nature offered by the Senator before, which created a significant portion of the financing problem social security is now experiencing. I would trust, and I would urge, that the Senate be more careful this time, and I would call for consideration by the Committee on Finance of an amendment of this magnitude by the committee before it is hastily acted upon on the floor.

Mr. President, I hope that every Senator will consider the fact that we cannot recommit this amendment to the committee. If we could, that would be my move. Everyone dislikes to oppose an amendment and be in opposition. A vote of "no" must be regarded not as rejecting the good intentions of this amendment, but as the only means to have this far-reaching amendment be subject to a hearing and an examination.

Mr. President, the Committee on Finance does not always come up with the right answer. I am aware of that. But in the field of social security, our most costly amendments, those amendments that are not fully financed, usually come from the floor. That does not mean that the members of our committee are any more capable than anybody else, but it does prove that the system of committees holding hearings—announcing to the public what is going on, having the proponents come before it, cross-examination carried on by the committee members, the opposition appearing—is the right way to legislate.

I concede that the distinguished Senator from Idaho has excellent motives. His knowledge is just as good as that of any of the rest of us. But the procedure is lacking, the procedure for an open hearing before we start out on a program that could, very likely, cost as much as $2 billion a year.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER (Mr. CHILES). Who yields time?

Mr. CHURCH. Mr. President, in reply to the distinguished Senator from Nebraska, I really do not believe that this amendment could ever have the far-reaching impact that he foresees as a possibility. I think it is a very modest amendment. It only seeks to do for social security beneficiaries what we do for civil service retirees and military retirees, except in this case, the semiannual adjustment would occur only in years of accelerated inflation.

How often in the past 25 years would this amendment have been triggered by an annual rate of inflation of 8.2 percent? Our figures show that only four times in the last quarter of a century would it have been necessary to have given a semiannual adjustment by virtue of the severity of inflation.

In all likelihood, there will be infrequent occasions in the future when it will be necessary to make this 6-month, rather than the annual, adjustment in social security benefits. But when we do have steep inflation, then common justice requires that those who live on the most limited income, the elderly of this country, should have at least the same protection now available to civil service annuitants and miltiary retirees.

As to our estimate on cost, Mr. President, we have estimated that the long-term cost of this amendment is .03 percent of the taxable payroll. There is no short-term cost projected because there is no anticipated near-term period when the trigger mechanism would invoke the semiannual provision.

The figures have been given to us by Harry C. Ballantyne, who is an actuary for the social security system. It is my understanding that Robert Myers, the former actuary, actually thinks that these estimates are on the high side, modest as they are.

So, Mr. President, I hope that the Senate will adopt this amendment. It will not prove costly, in my estimation. Moreover, it will do justice to the elderly. I urge the Senate's support.

Mr. HARRY F. BYRD, JR. Will the Senator yield?

Mr. CHURCH. I am delighted to yield.

Mr. HARRY F. BYRD, JR. What is the triggering mechanism that the Senator refers to?

Mr. CHURCH. The triggering mechanism is an inflationary rate of 4 percent or more within a 6-month period. When those 6-month rates are compounded one on top of another, that amounts to an annual inflationary rate of 8.2 percent.

Mr. HARRY F. BYRD, JR. The Senator said 4 percent; then he said 8 percent.

Mr. CHURCH. Four percent is for a 6-month period; 8.2 percent is for an annual period.

Mr. HARRY F. BYRD, JR. So the triggering mechanism would be any time in a 6-month period that inflation exceeds 4 percent.

Mr. CHURCH. That is correct.

Mr. HARRY F. BYRD, JR. And if it is below 4 percent, there is no change.

Mr. CHURCH. There is no change. The annual adjustment would remain in effect.

Mr. HARRY F. BYRD, JR. I thank the Senator.

The PRESIDING OFFICER. Who yields time?

Mr. CURTIS. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Kansas has 3 minutes remaining.

Mr. CURTIS. How much does the Senator from Nebraska have?

The PRESIDING OFFICER. The Senator from Nebraska has 3 minutes.

Mr. CURTIS. Mr. President, is there an industrial nation in the world that has inflation under control? Stagnation inflation and a depression.

Now, if this is such a good amendment, why not give it a hearing?

There was an argument just like this back in 1972 for automatically upgrading approximately a 20-percent increase in benefits without a proper increase in taxes. That has caused the newspapers and the air to fill with comments that the system is bankrupt, and all sorts of things that frighten people.

I say that if you are a friend of the aged, do everything you can to keep the social security fund out of trouble. A vote of "no" is a vote in favor of the aged and the younger people who are still paying the bill.

Many times recently we have had double digit inflation—a worldwide situation.

Furthermore, this Congress is not going to lose all its compassion. They can act every year. Unfortunately for the country, they are in session most of the time. So they can act quickly.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CHURCH. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 1 minute.

Mr. CHURCH. Mr. President, I think that the answer to the argument made by the distinguished Senator from Nebraska is simply this: if we mismanage our economy so badly that we get back into double-digit inflation, then we ought not to extract the cost of that inflation from the elderly.

We must find the discipline, and we must find the remedy for inflation in our general spending and fiscal policies. But if we manage so badly to have double-digit inflation, then we must provide relief to older Americans or terrible suffering will result.

This amendment would only be triggered in those years when inflation is well above the average for people who depend upon social security for the bulk of their retirement income.

Therefore, I hope this amendment will be adopted.

Mr. CURTIS. Mr. President, again I repeat that the friends of the elderly and the friends of the people who are working and paying social security taxes should vote "no" on this amendment.

Can one imagine the heartache over the country and the uneasiness about "Will I get my social security?"

We do not have to leave the radio on very long to find commentators—they are exaggerating, they do not know what

they are talking about—that are frightening the people. They do not tell them we are taking in $82 billion and running over $6 billion and we have the problem already dealt with. They say it is bankrupt.

Well, from one standpoint, that may be true, but it is operating as it always has from the taxes from people who work to pay the beneficiaries. That is what social security is. It has never been a reserve annuity program.

A vote of "no" is a vote to protect the funds that belong to the aged of this country.

Mr. WILLIAMS. Mr. President, I wish to join the distinguished chairman of the Senate Special Committee on Aging (Mr. CHURCH) in proposing an amendment to the social security financing bill to authorize semiannual cost-of-living increases in social security benefits.

As former chairman of the Aging Committee, I have been deeply concerned about the devastating effects of inflation on our elderly citizens. Rising prices compel many of the aged living on fixed incomes to face increasingly difficult choices in allocating their limited resources. Expenses for basic needs—food, housing, fuel and health care—have increased at a greater rate than all other items in the Consumer Price Index by 29 to 43 percent. For the substantial number of elderly citizens who depend solely on their social security benefits, high inflation rates place a crushing burden on their budgets.

It is therefore essential that we take immediate steps to alleviate this situation. The amendment we are proposing would authorize cost-of-living adjustments in July and January if the Consumer Price Index increased by at least 4 percent in a 6-month measurement period. If the Consumer Price Index does increase by this percentage within the appropriate period, social security beneficiaries would receive a cost-of-living adjustment when the Index increased by at least 3 percent, as under present law.

Thus, this amendment would protect the elderly during periods of high inflation. Since it is unlikely, however, that prices will rise by more than 8 percent every year, in most years beneficiaries would only receive one cost-of-living adjustment. In the past 25 years, there have been only 4 times where prices rose by 4 percent or more in the 6-month measurement periods specified in this amendment—August to February and February to August. Thus, the long-range cost of this amendment is expected to be slight. It is anticipated that the cost will be .03 percent of taxable payroll. It therefore will be necessary to raise taxes beyond the levels set by the Finance Committee.

Mr. President, it is time that we attempt to deal realistically with the debilitating effects of inflation on a group of citizens least able to cope with this burden. For this reason, I urge a favorable decision on this amendment.

Mr. CHURCH. Mr. President, earlier this afternoon I included a table from the Social Security Administration which pointed out that the Goldwater amendment was about $2 billion more expensive per year than my amendment to reduce the upper age from 72 to 70 for application of the retirement test.

This table was based on the understanding that the Goldwater amendment raised the earnings limitation for all social security beneficiaries to $4,500 a year in 1978, and to $6,000 in 1979, and that, in 1982, the earnings ceiling would be abolished entirely for persons 65 or older.

The final version of Senator GOLDWATER'S amendment, however, increased the earnings limitation only for persons aged 65 through 71 to $4,000 a year in 1978, $4,500 in 1979, $5,000 in 1980, and $5,500 in 1981. In 1982 the retirement test would be repealed for persons 65 or older. This measure is based upon the House-passed provisions affecting the retirement tests exempted amounts.

Mr. President, I ask unanimous consent to insert in the RECORD a table comparing the additional cost of the Goldwater amendment, as submitted, to the Church amendment and the Finance Committee bill.

This table reveals that in 1982—the year the Goldwater amendment would have repealed the retirement test for persons 65 or older—the added cost of the Goldwater amendment, compared with the Church amendment, would be $400 million, increasing to $600 million a year from 1983 to 1987.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

COST OF GOLDWATER AMENDMENT AND CHURCH AMENDMENT AS COMPARED TO THE COST OF THE SENATE FINANCE COMMITTEE BILL

[In billions of dollars]

Calendar year	Committee bill	Goldwater amendment	Additional cost
1978	0.8	0.3	−0.5
1979	2.0	.5	−1.5
1980	2.4	.6	−1.8
1981	2.5	.6	−1.9
1982	2.6	3.4	+.8
1983	2.7	3.7	+1.0
1984	2.8	3.8	+1.0
1985	2.9	3.9	+1.0
1986	3.0	4.0	+1.0
1987	3.1	4.1	+1.0
		Church amendment	
1978	.8	0.8	
1979	2.0	2.0	
1980	2.4	2.4	
1981	2.5	2.5	
1982	2.6	3.0	+.4
1983	2.7	3.1	+.4
1984	2.8	3.2	+.4
1985	2.9	3.3	+.4
1986	3.0	3.4	+.4
1987	3.1	3.5	+.4

Mr. CLARK. Mr. President, Senators CHURCH, DOMENICI, and I are joined by 40 cosponsors in offering an amendment today that would provide relief during periods of rampant inflation to the millions of Americans who depend on the social security system for their income.

Basically, this amendment would adjust benefits for inflation on a semiannual basis, when the cost of living goes up more than 4 percent over a 6-month period. At the present time, adjustments are made just once a year, forcing older Americans and other social security beneficiaries to wait as many as 12 months before they receive financial relief.

We know that two items alone—food and medical care—account for one-third of the household expenses for retired persons. We also know that the prices of these items have inflated substantially over the past several years, placing a great burden on senior citizens living on fixed incomes.

Each day, older Iowans write me about the overwhelming problems they are facing in meeting their ever-increasing expenses. They simply cannot wait a year until social security benefits reflect the inflation they encounter every week in the grocery store and at the doctor's office.

To reduce the hardship during periods of high inflation, our amendment would instruct the Social Security Administration to make cost-of-living adjustments semiannually when the Consumer Price Index rises by at least 4 percent over a 6-month period. These increases would occur in July, accounting for inflation from August to February, and in January, covering the inflation from February to August.

This amendment would not alter the existing cost-of-living provision that applies to the annual inflation rate. When inflation does not increase by 4 percent in 6 months, beneficiaries would still receive a yearly adjustment in July as long as the cost of living rose 3 percent over the previous year.

The Social Security Administration's Board of Trustees has informed us that this amendment would have virtually no cost impact on the social security system. The long range cost would amount to no more than 0.015 percent for employers and employees. Using the Board of Trustees' assumptions for inflation for the next 5 years, there would be no short-term cost.

While the immediate responsibility of Congress is to restore balance to the social security trust funds, we must not ignore our responsibility for insuring that the OASDI program truly provides "social security" to those who depend on it. We should note that the income problems for older Americans are affecting an ever-growing proportion of this Nation. In fact, by the end of this century, nearly one out of every six Americans will be a senior citizen.

We should also not forget that there are about 7 million low-income older Americans among us, representing 1 of every 3 Americans 65 years or older. These are the very people who are inflation's greatest victim, and to whom we are obligated to cushion the impact of rising prices.

Nearly all elderly individuals rely on the social security program, which provides about half of all income for aged persons living alone. Because of this heavy dependence of older Americans upon the social security programs and other fixed income programs, every effort should be made to insure that benefits are adjusted for increases in the cost of living.

I urge the Senate and the House of Representatives to accept this amend-

ment. It would instill in older Americans a greater sense of financial security and would help restore their trust in the social security program and in the Federal Government.

The PRESIDING OFFICER. All time on the amendment has expired.

The question is on agreeing to the unprinted amendment No. 1062. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Texas (Mr. BENTSEN), the Senator from Delaware (Mr. BIDEN), the Senator from Nevada (Mr. CANNON), the Senator from Arizona (Mr. DECONCINI), the Senator from Mississippi (Mr. EASTLAND), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Montana (Mr. METCALF), the Senator from North Carolina (Mr. MORGAN), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Tennessee (Mr. SASSER), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Nebraska (Mr. ZORINSKY) are necessarily absent.

I also announce that the Senator from Maine (Mr. MUSKIE) is absent because of illness.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY) would vote "yea."

Mr. BAKER. I announce that the Senator from Oklahoma (Mr. BARTLETT), the Senator from Massachusetts (Mr. BROOKE), the Senator from Arizona (Mr. GOLDWATER), the Senator from Utah (Mr. HATCH), the Senator from Oregon (Mr. HATFIELD), the Senator from California (Mr. HAYAKAWA), the Senator from North Carolina (Mr. HELMS), the Senator from Kansas (Mr. PEARSON), the Senator from Illinois (Mr. PERCY), the Senator from Alaska (Mr. STEVENS), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I also announce that the Senator from Virginia (Mr. SCOTT), is absent on official business.

I further announce that, if present and voting, the Senator from Alaska (Mr. STEVENS) would vote "yea."

On this vote, the Senator from Oregon (Mr. HATFIELD) is paired with the Senator from North Carolina (Mr. HELMS).

If present and voting, the Senator from Oregon would vote "yea" and the Senator from North Carolina would vote "nay."

The result was announced—yeas 50, nays 21, as follows:

[Rollcall Vote No. 627 Leg.]

YEAS—50

Allen	Clark	Hart
Anderson	Cranston	Haskell
Bayh	Culver	Hathaway
Bumpers	Danforth	Heinz
Burdick	Domenici	Hollings
Byrd, Robert C.	Durkin	Inouye
Case	Ford	Jackson
Chiles	Glenn	Javits
Church	Gravel	Kennedy
Leahy	Nelson	Schmitt
Magnuson	Packwood	Schweiker
Matsunaga	Pell	Stevenson
McGovern	Proxmire	Stone
McIntyre	Randolph	Thurmond
Melcher	Riegle	Williams
Metzenbaum	Roth	Young
Moynihan	Sarbanes	

NAYS—21

Baker	Garn	Nunn
Bellmon	Griffin	Stafford
Byrd, Harry F., Jr.	Hansen	Stennis
	Laxalt	Talmadge
Chafee	Long	Tower
Curtis	Lugar	Wallop
Dole	Mathias	
Eagleton	McClure	

NOT VOTING—29

Abourezk	Hatfield	Pearson
Bartlett	Hayakawa	Percy
Bentsen	Helms	Ribicoff
Biden	Huddleston	Sasser
Brooke	Humphrey	Scott
Cannon	Johnston	Sparkman
DeConcini	McClellan	Stevens
Eastland	Metcalf	Weicker
Goldwater	Morgan	Zorinsky
Hatch	Muskie	

So Mr. CHURCH's amendment (No. 1062) was agreed to.

Mr. CHURCH. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LONG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WILLIAMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama is to be recognized. Does the Senator from Alabama yield to the Senator from New Jersey?

Mr. ALLEN. I yield.

Mr. WILLIAMS. I thank the Senator from Alabama.

UP AMENDMENT NO. 1063

(Purpose: Relating to coverage under divided retirement system for State and local employees in New Jersey.)

Mr. WILLIAMS. Mr. President, I have an amendment at the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New Jersey (Mr. WILLIAMS), for himself and Mr. CASE, proposes an unprinted amendment numbered 1063.

Mr. WILLIAMS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the Act, insert the following new section:

COVERAGE UNDER DIVIDED RETIREMENT SYSTEM FOR PUBLIC EMPLOYEES IN NEW JERSEY

SEC. . Section 218(d)(6)(C) of the Social Security Act is amended by inserting "New Jersey," after "Nevada,".

Mr. WILLIAMS. Mr. President, today I join the distinguished senior Senator from New Jersey in introducing an amendment to the social security financing bill.

This amendment would add the State of New Jersey to the list of 20 States which now allow public employees to obtain social security coverage under the divided retirement system provision of the Social Security Act. Under this provision, a State has the option to extend social security coverage to public employees who elect to receive such coverage.

An identical provision was adopted by the Senate as an amendment to H.R. 3153 in the 93d Congress. Unfortunately, this provision was not finally approved because the conference committee never completed action on this bill. This amendment I offer today recently passed the House in H.R. 9346, the social security financing bill.

Last year, I received over 5,000 signed letters from the Essex County Board of Education Employees Pension Fund advocating the extension of social security benefits to workers and officials throughout Essex County. These letters indicate what I believe to be abundant support for this proposal.

Mr. President, this measure would help to shore up the social security funds as well as extend desired coverage to public employees in New Jersey. A substantial group of my constituents have waited a number of years for this change, and I am hopeful that the Senate will approve this amendment.

Mr. LONG. Mr. President, we accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. LONG. Mr. President, when the Senator from Idaho (Mr. CHURCH) offered his amendment to reduce the upper age limit of the retirement test from 72 to 70, he said that his amendment was a substitute for the Goldwater amendment. This had the effect of striking the Finance Committee language raising the retirement test in two steps to $6,000 in 1979. Senator CHURCH did not intend to strike this language in the Finance Committee bill. In fact, his accompanying statement indicated that his amendment would not change the Finance Committee provisions to raise the social security earnings limitation to $6,000 a year in 1979.

Therefore, I ask unanimous consent that the language in H.R. 9346 from page 47, line 1, to page 48, line 12, stricken by the Goldwater amendment, as amended, be restored to the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1619

Mr. ALLEN. Mr. President, I have two amendments, and I do not intend to ask for a rollcall on either.

I call up at this time amendment No. 1619.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Alabama (Mr. ALLEN) proposes an unprinted amendment numbered 1619.

Mr. ALLEN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill add the following new section:

SEC. . There is hereby allowed to each individual taxpayer, who has paid social security taxes as an employee, as a deduction from income subject to Federal income taxes an amount equal to 50 per centum of all social security taxes paid by such taxpayer in the calendar year 1979 and subsequent years, such deduction to be claimed on the taxpayer's return for the year in which such social security taxes are paid. Self-employed taxpayers may deduct 50 per centum of that portion of social security taxes paid by them that they would have paid on their earnings if they had been employees.

Mr. ALLEN. Mr. President, as we all know, social security taxes on the employees are not deductible against income tax by the employees.

Here we are adding by this bill on employers and employees over the 5-year period some $72 billion. The purpose of this amendment is to provide that 50 percent of the amount that employees pay as social security shall be deductible against income subject to Federal income taxes.

The employer, if it is a profitmaking concern, a business concern, that is not a nonprofit organization or eleemosynary institution or university, is allowed to deduct all of its social security payments on its employees. And this would permit employees to deduct 50 percent of the amount that they pay in social security. It would not be a credit. It would be merely a deduction.

Assume that an employee paid $1,000 in social security taxes. He would be able to deduct from income subject to Federal income tax 50 percent of that amount or $500. That would be allowed as a deduction against income.

The Joint Committee on Taxation staff, subsequent to the introduction of the amendment, had furnished figures showing that this cost in the year 1980 would be $7.9 billion and going up from there as more social security taxes were paid. Obviously, that would be a very heavy load on the Treasury.

I hope that the manager of the bill could take the amendment and scale the 50 percent down in conference. I do not ask for a rollcall, and I do not care to make any further remarks with respect to the amendment.

Mr. LONG. Mr. President, this amendment would impose a tremendous burden on the budget. For example, this bill is estimated in 1980 to raise $8.5 billion for the social security fund. But the amendment the Senator offers would cost us $7.9 billion. So we would only have a net gainer of $600 million if the amendment is adopted. It would not burden the social security fund, but it would cause us to lose almost as much in general funds as we pick up in social security taxes. The cost would go on up to where in 1986 it would be $15.8 billion. Over the period between 1980 and 1986 the cost of the amendment would be $80.6 billion.

I do not think the Senate wants to agree on something like that without giving a great deal of thought to it.

I would have to urge that the Senate not agree to this amendment.

Mr. NELSON. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. NELSON. The amendment has a great deal of appeal, but it is highly involved.

If we do this on social security taxes, it will follow the Senate is likely to do it with reference to the deduction for civil service retirement. We should also keep in mind that social security benefits are nontaxable.

It is quite unlikely that the program could go on giving a tax benefit for paying in and retaining the tax free benefit that the beneficiary receives when he gets his retirement.

I remind the Senator that the authority to make it tax free is not statutory. It is by regulation and could be changed any time, and I do not know how much this would cost.

Mr. LONG. The cost of this amendment would be as much or more than the bill would raise. In the year 1983 the bill would raise $11.5 billion. In that same year the cost of this amendment would be $19.3 billion. In other words, the cost of this amendment would exceed what the bill would raise by $8 billion in 1983.

So while the Senator has a thought that should be explored, I hope that we not get involved in it at this point tonight on this bill.

Mr. CURTIS. Mr. President, I just say this: It is the floor amendments that are jeopardizing the social security fund. We have been fighting here over amendments how to recoup the deficiency in the social security fund. On the Church amendment we just repeated the matter. It should have been heard before the committee. This should be, also.

These things are complicated. They cost more than it seems like, and we cannot accept these amendments on the basis of appeal that they have. It is a matter of dollars and cents, and we either protect the fund for the benefit of all the people of the country or we do not.

Mr. LONG. Let us vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

(Putting the question.)

The PRESIDING OFFICER. The "nays" appear to have it. The "nays" have it.

The amendment was rejected.

UP AMENDMENT NO. 1064

Mr. ALLEN. Mr. President, I send another amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Alabama (Mr. ALLEN) proposes unprinted amendment No. 1064.

Mr. ALLEN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following new section.

SEC. . (a) That, notwithstanding any other provision of law, the Secretary of Health, Education, and Welfare is authorized and directed to pay to each State an amount equal to the amount expended by such State for erroneous supplemental payments to aged, blind, or disabled individuals whenever, and to the extent to which, the Secretary through an audit by HEW determines that—

(1) such amount was paid by such State as a supplemental payment during the calendar year 1974 pursuant to an agreement between the State and the Secretary required by section 212 of the Act entitled "An Act to extend the Renegotiation Act of 1951 for one year, and for other purposes," approved July 9, 1973, or such amount was paid by such State as an optional State supplementation, as defined in section 1616 of the Social Security Act, during the calendar year 1974,

(2) the erroneous payments were the result of good faith reliance by such State upon erroneous or incomplete information supplied by the Department of Health, Education, and Welfare, through the State data exchange, or good faith reliance upon incorrect payments made by such department, and

(3) recovery of the erroneous payments by such State would be impossible or unreasonable.

(b) There are authorized to be appropriated such sums as are necessary to carry out the provisions of this Act.

Mr. ALLEN. Mr. President, the amendment I offer at this time is needed to enable the Social Security Administration to repay Alabama approximately $600,000 which has been owed to the State since 1974.

When the supplemental security insurance (SSI) program was implemented on January 1, 1974, Alabama, along with approximately 17 other States, chose to have State administration of the mandatory supplementation. The law mandated that State welfare agencies supplement the amount given by SSI, at least up to the amount the person was receiving from the State agency in December 1973. For example, if a person was receiving $100 from the State agency in December 1973, and SSI determined him to be eligible for $50 from their program, pensions and security was mandated to also send him a $50 check. The only method whereby the department of pensions and security could determine the amount for which it was liable to each client was by SDX tapes from SSI in Baltimore, which listed the amount of payment the person received from SSI and thus determined the State agency match. For the first 3 months of 1974, these tapes were grossly incorrect and inaccurate and caused Alabama to expend $1.2 million in erroneous payments based on these faulty data furnished by SSI. After the first quarter of 1974, SSI was able to furnish the States more accurate data and the overpayments ceased.

Following discussions between representatives of the Social Security Administration and the Alabama Department of Pensions and Security, Gov. George Wallace wrote to Mr. James B. Cardwell, Commissioner, Social Security Administration, and requested that immediate reimbursement be made to Alabama for the amount of $1.2 million. Commissioner Cardwell replied to Governor Wallace that the matter was under consideration. After discussion regarding Alabama's claim with Dr. David Mathews—who was Secretary of HEW at the time—representatives from the Alabama Department of Pensions and Security met with SSA officials and HEW auditors and agreed on

a statistically valid sample for an audit of Alabama's claim against HEW for States-administered mandatory supplementation payments. The audit was conducted from October 1975 through March 1976, and the subsequent audit report stated that the amount of $600,000 was owed to the State of Alabama. There was approximately $30,000 in addition which the auditors recommended be negotiated between SSI and the Alabama Department of Pensions and Security.

After completion of the audit, the Social Security Administration stated that it would be necessary to have legislative authority to repay Alabama any moneys.

However, the Social Security Administration was unable or unwilling to come up with a legislative proposal that was acceptable to Alabama.

The States that elected to have Federal administration of the SSI program have had their claims settled, since it did not take enabling legislation.

Mr. President, this amendment would not require large amounts of money. It is my understanding that there are not more than six States that would make claims under this enabling legislation and the largest amount reported, with the exception of Alabama, is a claim of approximately $83,000.

Mr. President, I have a copy of the audit by the Department of Health, Education, and Welfare. It is lengthy, therefore I am not requesting that the entire report be printed in the CONGRESSIONAL RECORD. However, I would like to read a portion of the audit listed under the subtitle "Conclusion and Recommendation."

. . . We believe that our estimates are statistically reliable, that the State has a valid claim for about $600,000, and that our estimates may be used as a basis for negotiating a settlement of the State's claim. Consequently, we recommend them for that purpose.

As I pointed out in an earlier part of my statement, negotiations for a settlement were never completed because Commissioner Cardwell stated that it would be necessary to have legislative authority before the Social Security Administration could repay Alabama these funds.

The situation is that the State of Alabama and some 16 other States, none having the stake in it that Alabama has, acting on information furnished by the Department of HEW, made excess payments to SSI recipients. They have sought to negotiate with HEW for the loss sustained by this misinformation furnished by HEW. As I stated, an audit was made by HEW itself of the claim which at that time on behalf of the State of Alabama was $1.2 million, and the audit for identification purposes—I am not going to ask that the entire audit be placed in the RECORD because it is over 30 pages long—but I identify the audit by stating that it is HEW Audit Agency Region IV, Audit Control No. 04–62305.

Mr. LONG. Mr. President, will the Senator yield at that point?

Mr. ALLEN. I yield.

Mr. LONG. How much is involved in the audits and the settlement with the States involving the Senator's amendment?

Mr. ALLEN. $600,000.

Mr. LONG. Does the Senator mean the entire amount or only the amount for Alabama?

Mr. ALLEN. Alabama is only one of that large amount. I believe the next largest is $83,000. There is less than $1 million involved. Kentucky is one of the States. I have a list of the States here.

Mr. LONG. What is the amount involved for all the States involved in the amendment?

Mr. ALLEN. Less than $1 million.

Mr. LONG. Mr. President, I believe the amendment should be considered in conference and I hope the Senate will agree to it.

Mr. ALLEN. I hope the Senator would not assign to this amendment that classification that it be an amendment that is going to be considered in conference.

Mr. LONG. My understanding is that the department does not oppose the amendment; is that correct?

Mr. ALLEN. They state they do not have authority without this legislation being passed.

Mr. LONG. I am not aware that the department opposes it. They feel it should be paid, but they say they do not have the authority the Senator seeks to provide.

Mr. ALLEN. That is correct.

I was trying to read from the audit itself where it is stated:

We believe that our estimates are statistically reliable; that the State has a valid claim for about $600,000, and that our estimates may be used as a basis for negotiating a settlement of the State's claim. Consequently, we recommend them for that purpose.

Mr. LONG. Well, Mr. President, I believe the amendment is meritorious and, of course, we will hear from the administration, and they can state their position in conference.

It is my impression that this is a meritorious amendment. It involves a claim the States have, and insofar as I am able to determine, these are claims that ought to be paid. I would like to see it accepted so we can take it to conference.

Mr. ALLEN. Yes. I will furnish the distinguished Senator a copy of the audit for use in the conference.

Mr. LONG. If the administration concurs when we have the administration witnesses before us in conference that the amendment has the merits the Senator says it has—and I have no reason to believe they would not—then I think the House would be willing to accept it.

Mr. ALLEN. I thank the distinguished Senator.

Mr. HANSEN. Mr. President, I have just glanced at the amendment, and I am not certain I understand completely what it does, but with the understanding that it will be limited in its application and will not be unduly expensive, I will not raise any objection. I do think we want to look at it very closely in conference, I will say to the chairman, the floor manager of the bill.

Mr. ALLEN. The State of Alabama's claim is only $600,000. Other States have——

Mr. HANSEN. With that understanding, I have no objection.

Mr. ALLEN. I think it drops down to $83,000 below that.

Mr. President, I ask my colleagues to lend their support to the amendment, so that restitution due the State of Alabama—according to HEW's own audit—can be made without further delay.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alabama.

The amendment was agreed to.

UP AMENDMENT NO. 1065

(Purpose: To provide for an authorization of appropriations for the amount by which the tax on States and nonprofit organizations is reduced.)

Mr. DANFORTH. Mr. President, I send an amendment to the desk and ask for its immediate consideration, and I ask that the clerk read the amendment in its entirety.

The PRESIDING OFFICER. There is a 10-minute time limit on this amendment, 5 minutes to a side.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Missouri (Mr. DANFORTH) proposes an unprinted amendment numbered 1065:

At the end of section 106, insert the following:

(c) There are authorized to be appropriated to the Federal Old-Age and Survivors Trust Fund and the Federal Hospital Insurance Trust Fund for each fiscal year amounts equivalent to the amounts which would have been deposited in such trust funds during that fiscal year but for the amendments made by this section.

Mr. DANFORTH. Mr. President, I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is not a sufficient second.

Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. DANFORTH. Mr. President, I do think this amendment poses an important question that should be determined by a rollcall vote. The Senate will remember that this morning it adopted an amendment which I offered which would amount to a rate reduction for nonprofit employers and for State and local governments. That amendment was the second version of an original proposal I had which would have provided that this group of employers would have paid in the full amount to the social security trust fund and then recouped 10 percent of their social security liability from the Treasury by means of a refundable tax credit.

The proposal ran into some problems with the Budget Committee and with the Budget Act and, therefore, I transformed it into a simple rate reduction.

But as a result of that there will be a shortfall amounting to in the neighborhood of $1 billion to $2 billion a year which otherwise would go into the social security trust fund.

This amendment would authorize appropriations in the amount of those shortfalls into the trust fund.

It could be argued that this amounts to an infusion of general revenues into

social security and, for that reason, I call it to the Senate's attention.

However, I would point out the fact that what it actually amounts to in practicality is an offset from general revenues of social security liability which would otherwise be incurred by this class of employers.

The way the tax laws work now for a profitmaking employer there is such an offset; that is, when a profitmaking employer pays his social security tax he recoups, in the case of a corporation, 48 percent of the social security tax from the Treasure by virtue of the fact that he will receive a deduction from his Federal income tax in the amount of the social security tax paid.

The original purpose of my concept of a refundable tax credit was to provide something of the same, although to a limited extent, for not-for-profit and for governmental employers.

It is my understanding that this amendment is acceptable to the leadership of the Committee on Finance and is also supported by the administration.

Mr. LONG. Mr. President, as the Senator stated, in view of the Senate's concurrence with the Danforth amendment we believe the Senator from Missouri is doing the responsible thing in moving for an authorization for appropriations from the general fund to the social security fund to cover the costs of the previous Danforth amendment.

I can only applaud him for offering the amendment since he was precluded from doing what he is seeking to do by way of a refundable tax credit. So I personally will vote for the amendment. Anyone who wants to oppose it I would be glad to yield time to speak in opposition.

Mr. DANFORTH. How much more time do I have?

The PRESIDING OFFICER. The Senator has 1 minute remaining.

Mr. DANFORTH. I will yield 1 minute to the Senator from Kansas.

Mr. DOLE. Mr. President, I applaud the distinguished Senator from Missouri for his first amendment. I cannot applaud him as loudly for his second amendment. I know it may seem inconsistent, and it may be, but what we are doing, as a matter of principle may I say to this body, is we are dipping into general revenues to pay for certain social security benefits even though they may be indirect in this case, and I trust the Members of the Senate understand that when they vote.

Mr. LONG. Mr. President, if there are no more requests for time, I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator yields back his time. All time being used, the question is on agreeing to the amendment of the Senator from Missouri. The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

(Mr. FORD assumed the chair and was succeeded by Mr. MELCHER).

Mr. CRANSTON. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Texas (Mr. BENTSEN), the Senator from Delaware (Mr. BIDEN), the Senator from Nevada (Mr. CANNON), the Senator from Arizona (Mr. DECONCINI), the Senator from Mississippi (Mr. EASTLAND), the Senator from Colorado (Mr. HART), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Montana (Mr. METCALF), the Senator from North Carolina (Mr. MORGAN), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Tennessee (Mr. SASSER), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Nebraska (Mr. ZORINSKY) are necessarily absent.

I also announce that the Senator from Maine (Mr. MUSKIE) is absent because of illness.

On this vote, the Senator from Connecticut (Mr. RIBICOFF) is paired with the Senator from North Carolina (Mr. MORGAN). If present and voting, the Senator from Connecticut would vote "yea" and the Senator from North Carolina would vote "nay."

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY) would vote "yea."

Mr. BAKER. I announce that the Senator from Oklahoma (Mr. BARTLETT), the Senator from Massachusetts (Mr. BROOKE), the Senator from Arizona (Mr. GOLDWATER), the Senator from Utah (Mr. HATCH), the Senator from Oregon (Mr. HATFIELD), the Senator from California (Mr. HAYAKAWA), the Senator from North Carolina (Mr. HELMS), the Senator from Kansas (Mr. PEARSON), the Senator from Illinois (Mr. PERCY), the Senator from Alaska (Mr. STEVENS), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I also announce that the Senator from Virginia (Mr. SCOTT) is absent on official business.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD), the Senator from North Carolina (Mr. HELMS), and the Senator from Alaska (Mr. STEVENS) would vote "yea."

The result was announced—yeas 44, nays 26, as follows:

[Rollcall Vote No. 628 Leg.]

YEAS—44

Anderson	Haskell	Packwood
Baker	Heinz	Pell
Bayh	Hollings	Randolph
Bumpers	Inouye	Riegle
Case	Jackson	Roth
Chafee	Javits	Sarbanes
Clark	Kennedy	Schmitt
Cranston	Laxalt	Stafford
Curtis	Long	Stevenson
Danforth	Lugar	Stone
Domenici	Mathias	Talmadge
Eagleton	Matsunaga	Tower
Ford	McGovern	Wallop
Garn	McIntyre	Williams
Gravel	Moynihan	

NAYS—26

Allen	Dole	Melcher
Bellmon	Durkin	Metzenbaum
Burdick	Glenn	Nelson
Byrd, Harry F., Jr.	Griffin	Nunn
	Hansen	Proxmire
Byrd, Robert C.	Hathaway	Schweiker
Chiles	Leahy	Stennis
Church	Magnuson	Thurmond
Culver	McClure	Young

NOT VOTING—30

Abourezk	Biden	DeConcini
Bartlett	Brooke	Eastland
Bentsen	Cannon	Goldwater
Hart	Johnston	Ribicoff
Hatch	McClellan	Sasser
Hatfield	Metcalf	Scott
Hayakawa	Morgan	Sparkman
Helms	Muskie	Stevens
Huddleston	Pearson	Weicker
Humphrey	Percy	Zorinsky

So Mr. DANFORTH's amendment was agreed to.

Mr. DANFORTH. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

GI BILL IMPROVEMENT ACT

Mr. CRANSTON. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 8701.

The PRESIDING OFFICER Mr. MELCHER) laid before the Senate the amendment of the House of Representatives to the amendment of the Senate to the bill (H.R. 8701) to amend title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowance paid to eligible veterans and persons, to make improvements in the educational assistance programs, and for other purposes.

(The amendment of the House is printed in the House proceedings in the RECORD of November 3, 1977.)

Mr. CRANSTON. Mr. President, I move that the Senate concur in the amendment of the House of Representatives.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California.

The motion was agreed to.

Mr. CRANSTON. I move to reconsider the vote by which the amendment was agreed to.

Mr. JAVITS. Mr. President——

Mr. LONG. I move to lay that motion on the table.

Mr. JAVITS. Mr. President——

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table.

Mr. JAVITS. Mr. President——

The PRESIDING OFFICER. (Putting the question). The "yeas" have it.

Mr. JAVITS. Mr. President——

The PRESIDING OFFICER. The motion is agreed to.

Mr. JAVITS. Mr. President, I sought recognition before the motion to table.

The PRESIDING OFFICER. The Senator from New York.

Mr. JAVITS. Mr. President, this amendment was not even identified. Is this the veterans bill conference report?

Mr. CRANSTON. The GI bill, yes.

Mr. JAVITS. Has any explanation been made as to what has been done?

Mr. CRANSTON. Yes.

Mr. JAVITS. On the record here? I would like to know what was done, Mr. President. I hope we are not operating that way quite yet.

Mr. CRANSTON. I believe the Senator is aware——

Mr. JAVITS. Whether I am aware or not, nothing has been said about it on the Senate floor. In all fairness I believe it should be. I protested this particular

bill and had an amendment in it. I would like to publicly know what the Senator has done and why.

Mr. CRANSTON. Let me very briefly state the circumstances, which have been communicated to all interested Senators. There is an urgent need for passing this measure now.

Mr. President, I rise to urge my colleagues to support the compromise agreement on H.R. 8701, "the GI Bill Improvement Act of 1977," which was passed unanimously by the House yesterday, so that we may send it on to the President.

Mr. President, there is an urgent need for us to pass this measure now. The 6.6 percent cost-of-living increase is badly needed and will benefit all of the more than 1 million veterans now enrolled in programs under the GI bill.

Mr. President, as the Members of this body are well aware, the measure that originally passed the House as H.R. 8701 and the measure which we sent back to them on October 19, substituting the language of S. 457, as reported, were vastly different. In addition to the rate increases, the House-passed version had few other provisions. Three were aimed at administrative difficulties which had arisen in the implementation of the GI bill amendments made by Public Law 94–502. The Senate-passed amendment, on the other hand—in addition to providing in title I of the bill for a 6.6 percent cost-of-living increase in benefit levels and a cost-of-living increase in the work-study allowance, a provision not included in the House measure—contained three other titles with 33 substantive provisions.

The compromise agreement includes the Senate provisions in full or in part on all but six of these provisions.

Mr. President, I strongly believe that the compromise agreement that we have been able to work out with the Members of the other body fully vindicates the policies and goals set forth in the Senate bill. We have been able to retain the total extension of the delimiting date for those individuals who could not start or complete training under the GI bill because of a physical or mental disability. The House had no comparable provision in its original bill.

As to the general delimiting period extension, it is our belief that the provisions of the compromise will make it possible for us to achieve our policy goal in this respect as well—that is, to provide the means for serious veteran-students who could not complete their educational goals because their delimiting date passed to be able to earn their degrees and diplomas.

Regarding acceleration of benefits for veterans enrolled at higher-cost schools, the basic thrust of the Senate purpose at all times was simply this: To make it more feasible for veterans without access to low-cost schools with courses in their chosen field to go to school. We have tried in a fair and equitable fashion to help overcome the problems facing veterans in States where there are no low-tuition State-supported colleges.

The committee believes the compromise agreement achieves this goal by increasing the maximum annual amount of VA direct education loans to $2,500 and by making it easier for veterans to apply for such loans by removing the requirement that the veteran be turned down first by a private lender. It also provides a joint Federal-State program whereby, for a veteran who completes his or her program of education at a school where the tuition and fees exceed $700 per year, two-thirds of the loan amount over $700 may be cancelled—one-third through moneys paid by the State or local government and one-third by the VA on a matching basis.

This is exactly the same two-thirds formula for cancellation as was contained in the Senate-passed bill. And the tuition threshold of $700 is exactly the same. The principal differences are the degree-completion requirement and the Federal-State matching requirement.

This approach, Mr. President, makes it possible for veteran-students to pursue their education by calling upon the States to assume a fair share of the burden, and providing an equitable level of additional Federal assistance on a matching basis.

In fact, Mr. President, for the average single veteran using 36 months of GI bill entitlement to get a college degree, it provides a possibility of canceling up to $4,800 for 4 years of loans whereas the Senate-passed bill would have limited the maximum cancellation to approximately $2,800.

Title 3 of the bill covers a wide variety of matters relating to the effective and fair operation and administration of GI bill programs. This compromise agreement retains 29 Senate provisions, 18 unchanged or virtually unchanged, and 5 with some modification. Only 6 administrative provisions from the Senate bill are not included in any form in the compromise. Again, I would point out to my colleagues that the House-passed bill had only three substantive provisions concerning administrative matters.

Finally, Mr. President, the compromise agreement provides a full and fair resolution of the "WASP" issue. It sets up a new process by which the Women's Air Forces Service Pilots—the WASPS—and similarly situated groups may have their service recognized as active military service by the Secretary of Defense. If the Secretary determines, on the basis of an historical review and appropriate criteria, that the service of any such group was active military service, he can award discharges under honorable conditions; and VA benefit eligibility would automatically follow for those receiving such discharges.

In summary then, Mr. President, I can only say to my colleagues that this compromise on the GI Bill Improvement Act of 1977, as contained in H.R. 8701, as amended by the House, contains a great number of valuable provisions that need to be enacted into law now, millions of veterans will be eligible for increased assistance if we act now.

This view is shared by the Administrator of Veterans' Affairs, Max Cleland, as set forth in his letter to me today. I ask unanimous consent that that letter, which is on every Senator's desk, be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

VETERANS' ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR OF
VETERANS' AFFAIRS,
Washington, D.C., November 4, 1977.

Hon. ALAN CRANSTON,
Chairman, Committee on Veterans' Affairs,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: On November 3, 1977, the House passed, by unanimous vote, a compromise amendment to H.R. 8701, the GI Bill Improvement Act of 1977. It is understood that the House-passed version of the bill will be considered by the Senate either today or tomorrow.

You will recall that earlier this year, on September 12, 1977, the House passed H.R. 8701 by a vote of 397 to 0. Subsequently, on October 19, 1977, the Senate, by a vote of 91 to 0, returned the measure to the House with amendments. Since that time, both Veterans' Affairs Committees have been negotiating the respective versions of the bill. We believe that the resulting compromise version, which has passed the House, is worthy of support.

Under the compromise, almost 1,000,000 Vietnam-era veterans who are enrolled in the current fall school term will receive a 6.6 percent cost-of-living increase. Basic monthly support rate for a single veteran will be $311. A married veteran will receive $370, and the addition of a child will boost the monthly rate to $422. It is estimated that during Fiscal Year 1978 approximately 1,760,000 veterans will benefit from this rate increase.

Additional assistance for veterans attending high tuition institutions will be provided by a simplified veteran loan program which authorizes up to $2,500 a school year in direct VA low interest loans.

The compromise version also includes for the first time a provision allowing "acceleration" of a veteran's unused entitlement which can be used to cancel a portion of the veteran's loan repayment obligation. Under this provision, for example, a veteran who borrowed $2,500 could, if he successfully completed his program of education, have up to $1,200 cancelled through matching action by the Federal Government and the appropriate state or local governmental unit.

A third major provision of the compromise bill would provide a 2-year additional entitlement for direct veteran's loans to those veterans whose 10-year "delimiting period" for use of educational benefits has expired.

While the Administration continues to be concerned about the possible distortion of what is intended to be a readjustment benefit through extension of an already generous 10-year entitlement period to 12 years, we nevertheless can support the provision in the context of the overall compromise which would provide needed benefits to Vietnam veterans during this fall term.

A fourth major provision would provide a process by which service as a member of the Women's Airforce Service Pilots (WASP's), or any other similarly situated group whose members rendered service to the Armed Forces in a capacity considered, at the time, to be civilian employment or contractual service, could be considered active duty for purposes of laws administered by the Veterans' Administration subject to certain specified conditions.

Finally, the compromise version contains a number of amendments and studies designed to improve the operation of the program and to ease some of the administrative problems experienced by both schools and the Veterans' Administration with respect to the GI Bill program.

In conclusion, we believe the compromise amendment is a reasonable one which takes into account the respective interests of both Houses and the Administration. Action, either today or tomorrow, by the Senate would help ensure these increased benefits for Vietnam-era veterans during the fall

term, rather than postponement to February or later of next year.

Thank you for your consideration of this matter.

Sincerely,

MAX CLELAND,
Administrator.

Mr. CRANSTON. Mr. President, I want to explain in summary fashion the provisions of the compromise agreement.

TITLE I

Mr. President, the provisions of title I—GI bill rate increases—would amend chapters 31, 34, 35, and 36 of title 38, United States Code, to increase the amounts of educational assistance allowances by 6.6 percent—the current estimate of the increase in the cost-of-living between October 1, 1976, the effective date of the last GI bill increase under Public Law 94–502, and October 1, 1977, the effective date of the increase provided by this title and to increase the amount of the work-study allowance to equal the amount of the federally-required minimum hourly wage.

TITLE II

Mr. President, the provisions of title II, accelerated payments and delimiting date extension, would:

First: Establish an expanded loan program and a program of accelerated educational assistance payments as follows—

Any veteran, if need could be established, would be eligible to borrow up to $2,500 per school year, presently limited to $1,500 per school year, as follows: first (a) a veteran would be required to qualify for such loan on the basis of need as defined in section 1798, as required in the Senate version of H.R. 8701 with respect to acceleration only; second (b) a veteran would not be required to have sought loans from other sources, as also required in the Senate version with respect to acceleration only; and (c) a veteran enrolled in a course not leading to a standard college degree which does not meet the 6-month requirement—not presently eligible for the VA education loan program—could, as automatically provided for in Senate version, qualify for the expanded loan program upon an exception granted by the Administrator.

When the veteran completes the program of education in which enrolled—for example, obtains the degree being pursued—he or she—subject to the accelerated program computation limitations regarding the 45 months of entitlement—will, if a full-time student, as required in the Senate version, be eligible for cancellation of up to two-thirds the amount provided for in the Senate version of the total loan under a combined Federal-State program as follows: For each dollar which the State in which the veteran was enrolled in the program of education matches up to one-third of the total loan amount, the VA will cancel a dollar of the total loan amount—up to one-third of the total loan amount. The amount of the loan against which the 66⅔/33⅓ discharge provision would apply is the amount by which tuition and fees exceed $700 per school term.

Second. Extend the period of time a veteran or eligible spouse has to utilize his or her GI bill benefits when the veteran or spouse has a mental or physical disability, not the result of his or her own misconduct, which the Administrator finds prevented the veteran or spouse from initiating or completing a course of study.

Third. Extend for 2 years the period of time a veteran or eligible spouse has to receive loans under the GI bill as follows—

A veteran or spouse enrolled on a full-time basis at the time the delimiting date passed—the coverage in the Senate version of H.R. 8701—would, to the extent that he or she had monthly loan entitlement remaining, be eligible for a VA loan of up to $2,500 during each of the 11th and 12th years provided such veteran or spouse continued in full-time training in that course until that program is completed—as outlined in section 203(b) of the Senate version. Under current law, a veteran or spouse is eligible for a VA education, section 1798, loan only to the extent he or she has entitlement—maximum of 45 months—and is within the 10-year delimiting period.

Such veteran or spouse would have to qualify on the basis of need, as provided in section 1798, but would not be required to meet the private-sector loan "turndown rule." In addition, a veteran or spouse enrolled in a course not leading to a standard college degree and not meeting the 6-month requirement—not presently eligible for the VA loan program—could qualify for the expanded loan program upon an exception granted by the Administrator. All the provisions of the liberalized loan program would be applicable to loan entitlement in the 11th and 12th years.

TITLE III

Mr. President, the major provisions of title III—other education and training amendments—would accomplish the following:

First. Require the Administrator, in the promulgation or issuance of any rule, regulation, guideline, or other published interpretation of title 38, or any amendment thereto, to provide a citation or citations to the particular section of statutory law or other legal authority upon which it is based.

Second. Amend section 1663 of title 38 to provide eligible veterans with more extensive VA educational and vocational counseling services and require the Administrator to take reasonable steps—including notification where feasible—to acquaint all eligible veterans with the availability and advantages of such counseling.

Third. Eliminate the requirement that the Department of Defense file with the Congress progress reports with respect to the implementation of the predischarge education program (PREP).

Fourth. Increase by 5 percent the amount of money State approving agencies are reimbursed for expenses incurred in approving educational institutions for purposes of GI bill enrollment.

Fifth. Require State approving agencies to report to the Administrator on September 30, 1978 and periodically—but not less than annually—as determined by the Administrator—thereafter on their specific activities, approval, and disapprovals during the preceding year.

Sixth. Increase by $2 and $5—from $5 and $6 to $7 and $11—the amount of reporting fees paid to reimburse educational institutions for costs incurred in filing with the Veterans' Administration required reports on veterans and eligible persons enrolled in such institutions, the higher rate for processing of papers for veterans in receipt of advance payments.

Seventh. Require the VA to conduct an independent study into the extent to which veterans and eligible persons use their GI bill entitlement, complete their programs of education, achieve job satisfaction, and experience readjustment problems, and authorize the appropriation of $2 million for the conduct of such study.

Eighth. Prohibit the Administrator from attempting to collect any administratively determined institutional liability for overpayments under section 1785 of title 38, United States Code, by offsetting the amount of reporting fees to which an institution may be entitled under section 1784(b) unless such institution has not contested the liability or the liability has been upheld by a final decree of a court of appropriate jurisdiction.

Ninth. Specify that under no circumstances shall section 1785—which pertains to institutional liability for veteran overpayments—or any other provision of title 38, United States Code, be construed as requiring any institution of higher learning to maintain daily attendance records for any course leading to a standard college degree.

Tenth. Reduce the number of clock hours which an accredited institutional trade or technical course must offer to assure that the veterans enrolled therein are eligible for full-time GI bill benefits—where classroom and theoretical instruction predominates, the required instructional hours are reduced from 22 to 18; where classroom and theoretical instruction does not predominate, from 27 to 22 hours.

Eleventh. Limit to 5 the number of hours of supervised study which nonaccredited institutional trade or technical courses are allowed to count in determining compliance with the required clock-hours provisions—30 and 25, respectively for theoretical and nontheoretical instruction.

Twelfth. Authorize the Administrator to waive the 2-year rule in those instances involving branch campuses or extensions of institutions of higher learning where the Administrator determines—pursuant to prescribed regulations—that the waiver would be in the interest of the eligible veteran and the Federal Government and to provide the Administrator with the authority to waive certain provisions in qualifying for an exemption under clause 6 of subsection (b) of section 1789 relating to certain schools under contract with the Department of Defense.

Thirteenth. Regarding the "85–15" rule—

Exempt any institution with an enrollment of veterans which comprises 35 percent or less, or such other per centum as the Administrator prescribes in regu-

lations of the total student enrollment—with main campuses and extensions computed separately—from the requirement of course-by-course computation of the rule, except that, where the Administrator has cause to believe that the GI bill enrollment in particular courses may exceed 85 percent of the total course enrollment, the Administrator can require computation for the particular course and enforce the rule;

Require the Administrator, in consultation with appropriate departments and agencies, to conduct a study and submit to the Congress, by September 30, 1978, a report examining the need for including in the 85–15 computation those students in receipt of grants from any Federal department or agency and the problems of such institutions including such a computation of those students in receipt of grants from any Federal department or agency other than the Veterans' Administration; and

Make inapplicable, until the expiration of 6 months after the date of filing of such report and until such time thereafter as the Administrator shall determine that there is an adequate and feasible system for making such computations and that such computations are desirable and necessary, the provisions contained in the rule requiring the inclusion of the number of students in receipt of Federal grants when determining compliance by educational institutions with the rule.

Fourteenth. Regarding the satisfactory-progress rule—

Provide the Administrator the authority, in accordance with prescribed regulations, to approve a length of time for course completion exceeding the approved length of the course as certified to the VA by the educational institution.

Suspend, during the period of time required to make the study which I am about to describe, the implementation of the satisfactory-progress amendments contained in sections 206 and 307 of Public Law 94–502 for any accredited educational institutions submitting to the Administrator catalogs or bulletins which the Administrator determines are in compliance with the provisions of section 1776(b)(6) and (7) of title 38;

Require the Administrator, in appropriate instances, to bring to the attention of the Council on Postsecondary Accreditation—or other appropriate accrediting or licensing bodies—any course catalogs or bulletins submitted to the Administrator which the Administrator believes may not be in compliance with the standards of the accrediting or licensing body; and

Mandate the Administrator, in consultation with appropriate bodies, persons, officials, departments, and agencies to conduct a study of specific methods of improving the process by which postsecondary education institutions and courses at such institutions are and continue to be approved for the purposes of the GI bill; require that such study include the need for legislative and administrative action in regard to certain relevant provisions—including the "seat-time" requirement—of title 38, and regulations prescribed thereunder; require that such study be submitted to the President and the Congress by September 30, 1978, except that that portion of the report in regard to satisfactory progress shall be submitted on or before September 30, 1978; and authorize $1 million to be appropriated to the Veterans' Administration for the conduct of the study.

Fifteenth. Provide the Administrator with the authority to provide equitable relief to certain educational institutions where the Administrator finds that, as a result of enactment of section 701 of Public Law 94–502—relating to negotiability of GI bill assistance checks subject to powers-of-attorney—the institution has incurred an undue hardship.

Sixteenth. Provide that any action to suspend or terminate GI bill assistance of a veteran must be based upon evidence of the veteran's ineligibility; require the Administrator to give the veteran concurrent written notice whenever the Administrator suspends or terminates such assistance; and require the Administrator to give written notice to the veteran that he is entitled to a statement of the reasons for such termination or suspension and an opportunity to be heard.

Seventeenth. Direct the Administrator, in consultation with the HEW Commissioner of Rehabilitation Services, to conduct a study and to submit a report to the President and Congress, due March 1, 1978, in regard to chapter 31 of title 38, the veterans vocational rehabilitation program, including the Administrator's recommendations for administrative or legislative changes.

Eighteenth. Require the chairman of the Civil Service Commission to submit to the President and the Congress, not later than 6 months after enactment, a report on the need for continuation after June 30, 1978, of the authority for veterans readjustment appointments.

Nineteenth. Make technical amendments to section 101(29) and section 2007(c) of title 38, United States Code.

Twentieth. Authorize the Administrator to conduct, pursuant to an interagency agreement with HEW transferring such program, including a fund transfer, the programs carried out under section 420 of the Higher Education Act of 1965 as amended—the veterans cost of instruction (VCI) program—and in the event such transfer occurs, provide for the recodification of such section at section 246 of title 38 and the supercession of section 420.

Twenty-first. Require the Administrator to conduct a study into specific means by which chapter 37 of title 38—or amendments thereto—can be used to aid or encourage present and prospective veteran homeowners to install solar heating, solar cooling, and solar heating and cooling and to apply resident energy conservation measures.

TITLE IV

Mr. President, the provisions of title IV Women's Air Forces Service Pilots—provide a process by which service as a member of the Women's Air Forces Service Pilots, or of any other similarly situated group whose members rendered service to the Armed Forces in a capacity considered, at the time of such service, to be civilian employment or contractual service, shall be considered active duty for purposes of all laws administered by the VA subject to specified conditions, as follows—for the service of the members of any such group to be considered active duty, the Secretary of Defense, pursuant to regulations, after a full review of the historical record regarding each such group, must determine on the basis of judicial and other appropriate precedent, whether or not the service of each such group constituted active military service; and, with respect to the members of groups as to which an affirmative determination is made, the Secretary must issue a discharge under honorable conditions designating the date on which such service terminated to each member the nature and duration of whose service warrants such a discharge. In making the determination with respect to any such group described, the Secretary of Defense may take into consideration the extent to which an affirmative determination is training and acquired a military capability or the service performed by such group was critical to the success of a military mission; the members of such group were subject to military justice, discipline, and control; the members of such group were permitted to resign; the members of such group were susceptible to assignment for duty in a combat zone; and the members of such group had reasonable expectations that their service would be considered to be active military service.

The compromise further provides that no benefits may be paid for any period prior to the date of enactment; and any person who is entitled to Federal employees' compensation based on the same period of service on which entitlement to veterans' compensation or pension would be based, as a result of the implementation of this title, must elect which benefit he or she will receive.

TITLE V

Mr. President, the provisions of title V—effective dates—would generally establish the effective date of the act as the first day of the month beginning 60 days after the date of enactment. However, the effective date of the allowance and reporting fee increases is October 1, 1977, and of the accelerated payment provision, sections 201 and 202, is January 1, 1978. Section 203, in regard to extension of the delimiting period for certain veterans is effective retroactively to May 31, 1976. Sections relating to studies, technical amendments, and administrative matters are generally effective upon enactment.

Mr. President, in order that all Senators and the public may fully understand the various agreements reached in arriving at the compromise measure, I ask unanimous consent that there be printed in the RECORD at this point a document, prepared with the House Committee in lieu of a joint explanatory statement accompanying a conference report, entitled, "H.R. 8701—Joint Explanatory Statement of House Bill, Senate Amendment, and Compromise Agreement."

There being no objection, the document was ordered to be printed in the RECORD, as follows:

H.R. 8701—JOINT EXPLANATORY STATEMENT OF HOUSE BILL, SENATE AMENDMENT, AND COMPROMISE AGREEMENT

TITLE I—GI BILL RATE INCREASES

The House bill and the Senate amendment were designed to amend chapters 31, 34, 35, and 36 of title 38, United States Code, to increase the amounts of education assistance allowances by 6.6 percent.

The compromise agreement contains the Senate provision.

Sec. 105. Veteran-Student Services—

The Senate amendment would increase the amount of the hourly work-study allowance to equal the amount of the Federally-required minimum hourly wage and would provide that such work-study hourly allowance be increased whenever such minimum wage is increased.

The House bill contained no comparable provision.

The compromise agreement contains the Senate provision.

TITLE II—ACCELERATED PAYMENT AND DELIMITING PERIOD EXTENSION

Sec. 201. Accelerated Payment and Education Loan Eligibility—

The Senate amendment would establish a program of accelerated educational assistance payments, thus making it possible for certain veterans and eligible persons attending a higher cost program of education to receive a greater amount of GI Bill educational assistance. Under the Senate provision, a veteran otherwise eligible, would be entitled to accelerate two-thirds of the amount by which his or her tuition and fees for any school term exceed $700. In addition, the Senate amendment would establish an education loan program to be used in conjunction with the accelerated benefit program. Only those veterans eligible for the loan on the basis of need would be eligible for the accelerated program.

The House bill contained no comparable provision.

The compromise agreement would provide a program for assisting certain veterans attending high-cost programs of education as follows:

(1) any veteran, subject to other limitations, would be eligible to borrow up to $2500 per school year (presently limited to $1500 per school year), as follows:

(a) a veteran would be required to qualify for such loan on the basis of need as defined in section 1798;

(b) a veteran would not be required to have sought loans from other sources;

(c) a veteran enrolled in a course not leading to a standard college degree and of less than 6 months duration (not presently eligible for the VA education loan program) could (as automatically provided for in Senate version) qualify for the expanded loan program upon an exception granted by the Administrator. The Committees expect the Administrator to exercise with care the waiver authority provided under this program in order to assure the appropriate payment of GI Bill moneys.

(2) when the veteran completes the program of education in which enrolled (for example, obtains the degree he is seeking) he or she—subject to the accelerated program computation limitations regarding the 45 months of entitlement—will, if a full-time student, be eligible—under a Federal-State program—for a loan cancellation of up to ⅔ of the amount by which tuition and fees exceed $700 per school term or ⅔ of the amount of the loan for the year involved, whichever is less. Within those limits, the VA will cancel one dollar of the loan amount for each dollar which the State or local governmental unit (or both) in which the school is located repays.

Sec. 203. Delimiting Period Extension—

The Senate amendment would:

(a) extend the period of time a veteran has to utilize his or her GI Bill benefits when the veteran has a mental or physical disability or impairment, not the result of his or her own misconduct, which the Administrator finds prevented the veterans from initiating or completing a course of study; and

(b) extend for two years, in certain instances, the length of time a veteran or eligible spouse who is enrolled in training as a full-time student (and certain veterans in training as a full-time student) (and certain veterans in part-time training) at the time his or her delimiting date passes and provide that during the eleventh year and twelfth year of eligibility such veteran or eligible person shall be paid 50 percent and 33 percent, respectively, of the amount of normal entitlement rate.

The House bill contained no comparable provision.

The compromise agreement would:

(a) include the Senate provision with modifications deleting "or impairment" and applying the same provision to eligible spouses under chapter 35 of title 38. The Committees expect that the definition of physical or mental disability will be no less stringent than the definition of disability contained in section 601(1) of title 38.

(b) provide that a veteran or eligible spouse enrolled on a full-time basis at the time the delimiting date passed would (to the extent he/she had monthly loan entitlement remaining) be eligible for a VA loan of up to $2500 during each of the 11th and 12th years provided such veteran or eligible spouse continued in full-time training in that course until that program is completed (generally as outlined in section 203 (b) of the Senate version).

Such veteran or eligible spouse would have to qualify on the basis of need, as provided in section 1798, but would not be required to meet the "turndown rule". In addition, a veteran enrolled in a course not leading to a standard college degree and not meeting the 6-month requirement (not presently eligible for the VA loan program) could qualify for the expanded loan program upon an exception granted by the Administrator. All the provisions of the liberalized loan program would be applicable to loan entitlement in the 11th and 12th years. (Under current law, a veteran is eligible for a VA education (section 1798) loan only to the extent he or she has entitlement (maximum of 45 months) and is within the 10-year delimiting period.)

TITLE III—OTHER EDUCATION AND TRAINING AMENDMENTS

Sec. 301. Citation of authority—

The Senate amendment would require the Administrator, in the promulgation or issuance of any rule, regulation, guideline, or other published interpretation of title 38, or any amendment thereto, to provide a citation or citations to the particular section of statutory law or other legal authority upon which it is based.

The House bill contained no comparable provision.

The compromise agreement contains the Senate provision.

Sec. 302. Counseling Services and Predischarge Education Program Report Elimination—

The Senate amendment would amend section 1663 of title 38 to provide eligible veterans with more extensive VA educational counseling services and require the Administrator to carry out an effective outreach program to acquaint all eligible veterans with the availability and advantages of such counseling.

The House bill contained no comparable provision.

The compromise agreement contains the Senate provision as modified to make specific that the Administrator, where appropriate, provide counseling in regard to employment opportunities and take reasonable steps to notify individual veterans of the availability and advantages of counseling.

PREP reports

The Senate amendment would eliminate the requirement that the Department of Defense file with the Congress progress reports with respect to the implementation of the Predischarge Education Program.

The House bill contained no comparable provision.

The compromise agreement contains the Senate provision.

Sec. 303. State Approving Agency Reimbursement and Report—

The House bill would increase by 5 percent the amount of money State approving agencies are reimbursed for expenses incurred in approving educational institutions for purposes of GI Bill enrollment.

The Senate amendment would increase such reimbursement by 10 percent.

The compromise agreement contains the House provision.

The Senate amendment would require State approving agencies to report annually to the Administrator on their specific activities, approvals, and disapprovals during the preceding year.

The House bill contained no comparable provision.

The compromise agreement contains the Senate provisions as modified to require the periodic submission of these reports by State approving agencies not less often than annually as determined by the Administrator.

Sec. 304. Correspondence-Residence Courses, Reporting Fees, Institutional Attendance Requirements, and Vocational Course Measurement—

Correspondence-residence courses

The Senate amendment would authorize the approval by the Administrator of a combined correspondence-residence course not meeting the requirement that the correspondence portion normally take at least 6 months to complete if the Administrator finds—based on evidence submitted by the school—that there is a reasonable relationship between the charge for each segment of the course (including the cost to the institution for providing each segment) and the total charge for such course.

The House bill contained no comparable provision.

The compromise agreement does not contain the Senate provision.

Advance payment

The Senate amendment would require the Administrator to include, as part of the veteran's application form for advance pay and with any advance payment, a notice to the veteran, in clear and simple language, of the period of time between the date of advance payment and the scheduled date of the first monthly benefit payment.

The House bill contained no comparable provision.

The compromise agreement does not contain the Senate provision. The Committees expect the Administrator to take reasonable steps to inform eligible veterans of the advance pay program and of the period of time which will elapse between the date of advance payment and the scheduled date of the first monthly benefit payment.

Reporting fees

The Senate amendment would increase by $5 and $9 (from $5 and $6 to $10 and $15) the amount of reporting fees paid to reimburse educational institutions for costs incurred in filing with the Veterans' Administration required reports on veterans and eligible persons enrolled in such institutions—the higher rate is paid for each veteran who participates in the advance payment program.

The House bill contained no comparable provision.

The compromise agreement contains the Senate provision as modified to provide increases in reporting fees of $2 and $5—from $5 and $6 to $7 and $11, respectively.

Satisfactory completion payment

The Senate amendment would require the payment of $5 to educational institutions for each full-time veteran or eligible person enrolled therein who satisfactorily completes the school term.

The House bill contained no comparable provision.

The compromise agreement does not contain the Senate provision; instead, it requires the VA to conduct a comprehensive longitudinal study of, among other things, the extent to which veterans have used their entitlements under the Post-Korean-Conflict GI Bill and authorizes the appropriation of $2 million for the conduct of such study. The report is to be submitted by September 30, 1979.

Reporting fees offset

The Senate amendment would prohibit the Administrator from attempting to collect any administratively determined institutional liability for overpayments under section 1785 of title 38, United States Code, by offsetting the amount of reporting fees to which an institution may be entitled under section 1784(b).

The House bill contained no comparable provision.

The compromise agreement includes the Senate provision as modified to permit such offset where an educational institution is not contesting liability or the liability was upheld by a court of appropriate jurisdiction.

Attendance records

The Senate amendment would specify that under no circumstances shall section 1785—which pertains to institutional liability for veteran overpayments—or any other provision of title 38, United States Code, be construed as requiring any institution of higher learning to maintain daily attendance records for any course leading to a standard college degree.

The House bill contained no comparable provision.

The compromise agreement contains the Senate provision. The Committees emphasize that this provision does not diminish the responsibility of educational institutions to report without delay the enrollment, interruption, and termination of the education of each eligible veteran and eligible person enrolled therein.

Voc-Tech clock-hours

The Senate amendment would reduce the number of clock hours which an accredited institutional trade or technical course must offer to assure that the veterans enrolled therein are eligible for full-time GI bill benefits—where classroom and theoretical instruction predominate, the required instructional hours are reduced from 22 to 18 and, where classroom and theoretical instruction does not predominate, from 27 to 22 hours.

The House bill contained no comparable provision.

The compromise agreement contains the Senate provision.

Voc-Tech supervised study

The Senate amendment would limit to 5 the number of hours of supervised study which non-accredited institutional trade or technical courses are allowed to count in determining compliance with the required clock-hours provisions (30 and 25, respectively for theoretical and non-theoretical instruction).

The House bill contained no comparable provision.

The compromise agreement contains the Senate provision.

Two-year rule—Vocational schools

The Senate amendment would exempt courses with vocational objectives from the application of the rule in those instances where the Administrator determines (i) that the institution offering such courses has been in existence for 2 years or more and has demonstrated its effectiveness in achieving the completion of its courses by students and the employment of persons who completed courses offered by institutions in occupations for which such persons were trained, and (ii) after consultation with the Secretary of Labor, that there is a clear need to train persons for employment in such vocational objective in terms of national priorities.

The House bill contained no comparable provision.

The compromise agreement does not contain the Senate provision.

Civilian employees

The House bill contained a provision to extend exemption from the two-year rule to certain courses offered by educational institutions pursuant to a contract with the Department of Defense when such courses are available to civilian military personnel.

The Senate amendment contained no similar provision.

The compromise agreement contains the House provision, as modified. Under current law, certain courses under contract with the Department of Defense are exempted from the two-year rule. To qualify for such exemption such courses can be given on or immediately adjacent to a military base, be approved by the State approving agency of the State in which the base is located, and be available only to active duty military personnel and/or their dependents. Under the House provision, civilian employees would also have been permitted to enroll in such courses without affecting such course's eligibility for a two-year rule exemption. The House provision was modified by deleting the special reference to civilian employees and, instead, providing the Administrator with the authority to waive all or any of the above requirements in order for such a contract course to be eligible for such exemption of the two-year rule.

Two-year rule waiver, branches and extensions

The House bill and the Senate amendment contained a provision to provide, in certain instances, a waiver of the two-year rule for certain branches and extensions of institutions of higher learning.

The compromise agreement contains such a provision.

85–15 rule—35 percent waiver

The Senate amendment would exempt any institution with an enrollment of veterans which comprises 35 percent or less of the total student enrollment (with main campuses and extensions computed separately) from the requirement of course-by-course computation of the rule, except that, where the Administrator has cause to believe that the GI Bill enrollment in particular courses exceeds 85 percent of the total course enrollment, the Administrator can require computation for the particular course and enforce the rule.

The House bill contained no comparable provision.

The compromise agreement includes the provision of the Senate amendment as modified to provide the Administrator with authority to establish—pursuant to prescribed regulations—a lower percent for exemption from the 85–15 rule: The Committees believe that it would generally be desirable for the Administrator to publish information periodically to show how the authorized waivers of the 85–15 rule and two-year rule are being applied.

85–15 rule—Overseas residential courses

The Senate amendment would make the 85–15 rule inapplicable to overseas residential courses.

The House bill contained no comparable provision.

The compromise agreement does not contain the Senate provision.

85–15 rule—Federal grants

The House bill contained a provision eliminating from the 85–15 rule computations of those students in receipt of Federal grants other than from the Veterans' Administration.

The Senate amendment would require the Administrator, in consultation with the Commissioner of Education, to conduct a study and submit to the Congress, by August 1, 1978, a report examining the need for including in the 85–15 computation those students in receipt of grants from any Federal department or agency and the problems of such institutions including such a computation of those students in receipt of grants from any Federal department or agency other than the Veterans' Administration, and make inapplicable, until the expiration of 6 months after the date of the filing of such report, the provisions contained in the rule requiring the inclusion of the number of students in receipt of Federal grants when determining compliance with the rule by educational institutions.

The compromise agreement contains the Senate provision as modified to provide that the suspension of the inclusion of such Federal grants shall continue until such time as the Administrator determines that there is an adequate and feasible system for making such computations and to eliminate specific reference of agencies and departments with whom the Administrator must consult during the conduct of the study.

Study—Education approval process

The Senate amendment would mandate the Administrator, in consultation with the Commissioner of Education (HEW), COPA, State approving agencies, and other appropriate bodies, persons, and officials to conduct a study of specific methods of improving the process by which postsecondary education institutions and courses at such institutions are and continue to be approved for the purposes of the GI Bill; require that such study include the need for legislative and administrative action in regard to certain relevant provisions including the "seat-time" requirement and the satisfactory progress requirements of section 1674 and 1724 of title 38, as amended by section 206 and 307, respectively, of Public Law 94–502, and regulations precribed thereunder; require that the report of such study be submitted to the President and Congress by August 1, 1978; and direct the Administrator, in accordance with applicable law and procedure, to make available from funds appropriated to the Veterans' Administration such sums as are necessary (but not more than $500,000) for the conduct of the study.

The House bill contained no comparable provision.

The compromise agreement contains the Senate provisions as modified to strike specific reference to certain departments, agencies, officials, and bodies with whom (or which) the Administrator is required to consult; to require the submission of that portion of the report concerning satisfactory progress by September 30, 1978 and the balance of the report on September 30, 1979, and would authorize the appropriation of $1,000,000 for the conduct of the study.

Satisfactory progress provisions

The Senate amendment would suspend, during the period of time required to make

the study described below, the implementation of the satisfactory-progress amendments contained in sections 206 and 307 of Public Law 94–502 for any accredited educational institutions submitting to the Administrator catalogs or bulletins which the Administrator determines are in compliance with the provisions of section 1776(b)(6) and (7) of title 38 and require the Administrator, in appropriate instances, to bring to the attention of the Council on Postsecondary Accreditation (COPA)—or other appropriate accrediting or licensing bodies—any course catalogs or bulletins submitted to the Administrator which the Administrator believes may not be in compliance with the standards of the accrediting or licensing body.

The House bill contained no comparable provisions.

The compromise agreement contains the Senate provisions.

Section 701 relief

The Senate amendment would provide the Administrator with the authority to provide equitable relief to certain educational institutions where the Administrator finds that, as a result of enactment of section 701 of Public Law 94–502 (relating to negotiability of GI Bill assistance checks subject to powers-of-attorney), the institution has incurred an undue hardship.

The House bill contained no comparable provision.

The compromise agreement contains the Senate provision.

Advisory committee

The Senate amendment would require the Education Advisory Council—established by section 1792 of title 38—to meet at least semiannually; and require the Administrator to consult with the Council on a regular basis.

The House bill contained no comparable provision.

The compromise agreement does not include the Senate provision.

Section 306. Termination of Assistance Requirements—

The Senate amendment would provide that any action to terminate GI Bill assistance must be based upon clear evidence in the possession of the Administrator that the veteran is not, or was not, eligible for such assistance; require the Administrator to give the veteran concurrent written notice whenever the Administrator suspends or terminates such assistance; and require the Administrator to give written notice to the veteran that he/she is entitled to a statement of the reasons for such termination or suspension and an opportunity to be heard.

The House bill contained no comparable provision.

The compromise agreement contains the Senate provision as modified to strike "clear" and "in the Administrator's possession".

Section 307. Vocational Rehabilitation Study—

The Senate amendment would direct the Administrator, in consultation with the HEW Commissioner of Rehabilitation Services, to conduct a study and to submit a report to the President and Congress, due March 1, 1978, in regard to chapter 31 of title 38, the Veterans Vocational Rehabilitation Program, including the Administrator's recommendations for administrative or legislative changes.

The House bill contained no comparable provision.

The compromise agreement contains the Senate provision.

Section 308. Veterans Readjustment Appointments Report—

The Senate amendment would require the Chairman of the Civil Service Commission to submit to the President and the Congress, not later than 6 months after enactment, a report on the need for continuation after June 30, 1978, of the authority for veterans readjustment appointments.

The House bill contained no comparable provision.

The compromise agreement contains the Senate provision.

Section 309. Technical Amendment—

The Senate amendment would make technical amendments to section 101(29) and section 2007(c) of title 38, United States Code.

The House bill contained no comparable provisions.

The compromise agreement contains the Senate provisions.

Section 310. Veterans Cost-of-Instruction Transfer Authority.—The Senate amendment would authorize the Administrator to conduct, pursuant to either an interagency agreement with HEW or a delegation of authority by that Department (including a fund transfer), the programs carried out under section 420 of the Higher Education Act of 1965 as amended—the Veterans Cost-of-Instruction (VCI) program.

The House bill contained no comparable provision.

The compromise agreement contains the Senate provision as modified to delete reference to "delegation" and to provide for recodification of such section at section 246 of title 38 in the event such transfer occurs (and supercession of section 420).

Section 311. Housing Solar Energy and Weatherization Study—The Senate amendment would entitle eligible veterans to an additional 2,000 of home loan guarantee (and $3,800 in direct loans) to install in their homes solar heating, solar heating and cooling, or combined solar heating and cooling or to improve their homes with residential energy conservation measures.

The House bill contained no comparable provision.

The compromise agreement deletes the guaranty entitlement provisions and in lieu thereof mandates the conduct of a study to determine the most effective specific methods of using the programs carried out under, or amending the provision of, chapter 37 of title 38 in order to aid and encourage present and prospective veteran homeowners to install in their homes solar heating, solar heating and cooling, or combined solar heating and cooling and to apply residential energy conservation measures. The Committees expect the VA, in making the study, to consider the provisions in section 311 of H.R. 8701 as amended and passed by the Senate on October 19, 1977.

The Senate amendment would extend eligibility for VA benefits to certain members of the WASPs.

The House bill contained no comparable provision.

The compromise agreement would make it possible for certain members of WASPs (and similarly situated groups of civilians who rendered what has previously been considered civilian or contractual service to the Armed Forces) to receive discharges from active military service and, as a consequence, become eligible for VA benefits if the Secretary of Defense determines whether the service of such groups was active-duty service and, in the cases of affirmative determinations, issues discharges under honorable conditions to those members the duration and nature of whose service warrant such discharge.

TITLE V—EFFECTIVE DATES

The House bill contained an October 1, 1977, effective date.

The Senate amendment established the effective date of the Act as the first day of the month beginning 60 days after the date of enactment. However, the effective date of the allowance and reporting fee increases is October 1, 1977, and of the accelerated payment provision (sections 201 and 202) is January 1, 1978. Section 203, in regard to extension of the delimiting period for certain veterans is effective retroactively to May 31, 1976. Sections relating to studies, technical amendments, and administrative matters are generally effective upon enactment.

The compromise amendment follows generally the Senate effective dates.

CONCLUSION

Mr. CRANSTON. Mr. President, as all of us are well aware, neither the Senate nor the House can have its way entirely on everything when the other body expresses its clear disagreement. In such situations we achieve as much as possible through negotiation and compromise. In this instance, I think that the committee has been remarkably successful. Further delay and disagreement would serve no good purpose and could be very harmful to the more than 1 million veterans now enrolled in training. It would also deny the possible benefit of the newly liberalized loan program to the many veterans whose delimiting date has expired, as well as to those present 1 million trainees now in school who may need a VA loan or have one and need a higher loan amount.

In closing, I want to express my gratitude, and pay tribute, to the chairman of the Subcommittee on Education and Training of the House Committee on Veterans' Affairs (Mr. TEAGUE) and the chairman of the committee (Mr. ROBERTS), as well as its ranking minority member (Mr. HAMMERSCHMIDT), for their cooperative spirit and openmindedness in fashioning this compromise agreement. I am also very grateful to my distinguished colleagues, the ranking minority member of the Senate Committee on Veterans' Affairs, the Senator from Vermont (Mr. STAFFORD), and the ranking minority member of the Subcommittee on Health and Readjustment, the Senator from South Carolina (Mr. THURMOND) for their consistently excellent work and fine cooperation in veterans' matters in general and with regard to this agreement in particular. I also wish to thank the Senator from New Hampshire (Mr. DURKIN), for his cooperation in our efforts to work out this legislation and move forward today.

In addition, I would like to congratulate several members of the House committee staff whose expertise and hard work made the development of this measure possible—Mack Fleming, Frank Stover, and John Holden—as well as the members of our committee staff who participated in this effort—Jack Wickes, Jon Steinberg, Ed Scott, Garner Shriver, Gary Craword, and Harold Carter.

Finally, Mr. President, I would also like to draw special attention to the efforts of my good and constant friend from the House Committee on Veterans' Affairs, its former chairman and now the chairman of its Subcommittee on Education and Training, OLIN (TIGER) TEAGUE. For the 9 years that I have worked with Chairman TEAGUE on matters concerning the GI bill, I have found him to be very concerned with the operation of that program and the people it is intended to serve.

Honest people can honestly have different opinions, and the two of us have differed from time to time. But we have tried, I think successfully, to resolve our differences. Whenever the Senate has approached "TIGER" TEAGUE on GI bill matters, he has been interested in examining and discussing changes designed to improve the program. Most of those changes have become law—outreach offorts, tutorial assistance, work-study assistance, advance payment, the predischarge education program, the vet-rep program, periodic evaluations, direct loans, and now, loan forgiveness and extension of the delimiting period for certain purposes. In each of these areas the Senate went to the House committee which had no comparable provision in its bill, and the House was willing to look objectively at our views and evaluate our provisions on the merits.

"TIGER" TEAGUE has done that again, and he should be praised for his fairness and his dedication to make the GI bill as effective as possible in serving the readjustment needs of those who served during the long and divisive Vietnam era. I salute him.

Let me not fail to note as well the very excellent work done by Chairman ROBERTS on this measure and so many others, such as the pension bill and the special-pay legislation we sent to the President yesterday and today, respectively. RAY ROBERTS has been willing on all legislation, including the pending measure, to compromise, accommodate, and work together. I thank him for his leadership and dedication.

These reasons, I think, present the case clearly and succinctly. I urge adoption of the compromise agreement.

Mr. DURKIN. Mr. President, the bill which is before us today is a so-called compromise between my bill S. 457, which passed the Senate 3 weeks ago, and H.R. 8701, which was adopted by the House almost 1 month ago. An agreement on these bills was reached without the benefit of an open discussion of the proposals contained in the Senate bill. We all talk a lot about government in the sunshine around here, yet the House Veterans' Committee failed to ask for a conference on these bills—refused to sit down and talk with the Senate and to deal with issues which are of great importance to the Vietnam veteran. Instead the House continues to show insensitivity to the needs of the veteran who served his country in the Vietnam era, ignoring the fact that the unemployment rate is 10 percent higher for these veterans as compared to non-veterans.

Since I entered this body 2 years ago, I have fought to improve the veteran's education program to fulfill the promises we made to the Vietnam veteran. Last year the Senate passed a provision, which was identical to that contained in this year's bill, to extend the delimiting period to allow full-time veteran students to complete their programs of education.

This made sense then and makes sense now. The House failed to even take a rollcall vote on the proposal. No conference was formed and we were forced to accept the House position or hold up the cost-of-living increase for those in school on the GI bill. We are faced with a similar situation today.

Mr. President, the Senate-passed GI Bill Improvements Act also contained a provision which was of particular importance to the Northeast and Midwest where veterans are currently discriminated against because institutions with low cost tuition are generally not available to them. Our bill would have allowed veterans in high cost institutions to accelerate their education benefits, that is, to use their benefits over a shorter period of time so that they could better afford to go to the schools available in their State.

Instead of correcting the inequities in the system, the compromise bill perpetuates them. Under the House agreed-upon proposal, a veteran will be eligible to borrow up to $2,500 per year from the Veterans' Administration. When the veteran completes his program of education the Federal Government can discharge up to one-third of the loan, provided, and here's the Catch-22, the State discharges an equal portion of the loan. Again, a veteran who served the Federal Government, may be penalized depending upon the State he lives in.

We all know the fiscal situation most States are faced with today. If any State is unable to appropriate money for this program the veteran in the State could have no portion of the loan discharged.

Mr. President, as I stated earlier, we are faced with a practical situation which is not dissimilar to the one we faced on the last day of the 94th Congress, since this bill contains, among other important provisions, a 6.6 percent cost-of-living increase for veterans in school under the GI bill. I therefore reluctantly will not prevent Senate action now on this bill because to do so would postpone any increase in benefits until next year for all those who need it most.

Mr. STAFFORD. Mr. President, members of our Senate Committee on Veterans' Affairs, the staff of the committee and members of the House Committee on Veterans' Affairs and staff have worked long and hard in bringing to this session of the Congress a workable and improved bill to improve educational benefits for our veterans. It was only a short time ago, in fact, 16 days ago that the Senate passed a bill, S. 457, which contained many differences from the GI bill passed earlier by the House of Representatives.

In negotiations it was very clear that the differences between the two bodies were wide, with firm positions being taken by both sides of the Capitol. The compromise that has been hammered out and which has passed the House during the proceedings of November 3, 1977, represents a fair and equitable compromise and in the judgment of the large majority of our committee, a great improvement over present GI educational benefits. It does not contain all of the improvements of the Senate passed bill, but is in our judgment a reasonable compromise which respects the positions taken by both the House and the Senate and is approved by the Veterans' Administration.

I would point out that action taken now by the Senate would make the increased benefits available for Vietnam-era veterans during the fall term. It would be much better to act now than to wait until next February or later.

The amended bill before us today provides needed cost of living increases of 6.6 percent for the approximately one million Vietnam era veterans currently enrolled in the present fall school term. The increase will be effective as of October 1, 1977. The bill also provides for the Senate adopted increase of the work-study allowance to equal the amount of the federally required minimum hourly wage.

The bill now contains provisions that permit veterans attending high tuition schools to accelerate their entitlement by receiving Government loans for the excess tuition. Upon completion of the student's educational goal, two-thirds of the loan would be forgiven. The amount of the loan discharged would be shared jointly by the State and Federal Government. If a veteran, for example, borrowed $2,500, if successfully completing his program of education, he could have up to $1,200 canceled through matching action by the Federal Government and the appropriate state or local governmental unit.

Another improvement over current law would provide a 2-year additional entitlement for direct veteran's loans to those veterans whose 10-year "delimiting period" for use of educational benefits has expired.

Most of the provisions of the Senate bill passed on October 19 relating to simplifying the administrative burdens upon educational institutions have been retained in this compromise.

The measure before us will increase the administrative reporting fees for educational institutions from $5 per student per year or $6 in those cases where the school handles the advance pay, to $7 and $11, respectively. It also would increase by 5 percent the amount of money State approving agencies are reimbursed for expenses incurred in approving educational institutions for purposes of GI bill enrollment.

Last Congress and again this year the Senate voted in favor of full recognition of members of the Women's Air Force Service Pilots during World War II—WASPs—for eligibility for VA benefits. The bill now before us contains provisions that will permit service in the Womens Air Force Service Pilots and other similarly situated groups to be considered active duty for VA benefits if the Secretary of Defense determines that such service constitutes active military service and issues an honorable discharge for such service.

While our committee does not feel the compromise is nearly as good as the bill passed by the Senate, we believe it is a vast improvement over current law pertaining to veterans' educational benefits and many of the provisions are needed by veterans, educational institutions and the Veterans' Administration. We urge your support for the compromise.

Mr. THURMOND. Mr. President, I wish to express my full support for the

compromise agreement on H.R. 8701, the GI Bill Improvement Act of 1977. This act, which is the product of considerable industry and negotiation on the part of the House and Senate Veterans' Affairs Committees, is a realistic response to the needs of the veterans in training under the GI bill education program.

H.R. 8701 provides for a needed 6.6 percent cost-of-living increase for veterans currently in training under the GI bill. Additionally, the compromise agreement provides for a full extension of the delimiting period for veterans who could not start or complete a program of education under the GI bill because of a mental or physical disability not the result of the person's own misconduct.

The compromise agreement also will increase the maximum amount of VA direct education loans from $1,500 to $2,500 and will make it easier for veterans to obtain such loans by the elimination of the turndown requirement from a private lender.

Mr. President, the compromise agreement also contains numerous administrative provisions designed to alleviate the burdensome reporting requirements which previous GI bills have increasingly imposed upon educational institutions participating under the program. I am also pleased over the resolution of the WASP issue which H.R. 8701 proposes to make. Title III of the bill simply requires recognition of these groups for active duty military purposes by the Department of Defense. Upon receipt of discharges under honorable conditions, members of the WASP's and similar groups will be entitled to VA benefits.

Finally, H.R. 8701 expands existing provisions of the GI bill program by providing for a joint Federal-State program whereby certain eligible veterans in higher cost programs of education who have participated under the GI loan program may have two-thirds of the loan amount over $700 canceled. This latter program is conditioned upon a matching program enacted by participating States which agree to share in the cost of educating veterans under this new scheme. The Senate Veterans' Affairs Committee feels that this new program goes far in vindicating the Senate's position on acceleration. Moreover, the compromise version of the acceleration provision will tend to serve as a measure of a State's commitment to the readjustment needs of its own veterans.

Mr. President, I am pleased with the compromise presented by H.R. 8701. Under this program, all veterans are entitled to receive the same amount of money. Opposition to the proposals adopted by the Senate would base the GI bill benefits on the cost of tuition. Such an approach is patently discriminatory and has been consistently rejected by the Senate in the past.

I fully support H.R. 8701 and urge my colleagues to do likewise.

Mr. JAVITS. Mr. President, this is not a conference report. This is an amendment put in by the House and sent back to us. Is that correct?

Mr. CRANSTON. That is correct.

Mr. JAVITS. The House has now gone home and have said, "Take it or leave it." Is that true?

Mr. CRANSTON. We can do it in January, February, or March if the Senator wanted to delay the increase of 6.6 percent.

Mr. JAVITS. I understand that, but we can make the 6.6-percent increase retroactive. The point is that nothing whatever, as I see it, was done about what we did here, which was to provide that there would be an opportunity to get out of the accelerated payment, so-called, one-third of a veterans' tuition above $700. All the House did was to substitute a State-Federal program out of which the States have the privilege of paying one-third. Do we have any idea what that amounts to or how many it will affect, or what States are called upon to do?

Mr. CRANSTON. If the State decides to pay its fair share it will affect just as many veterans as the original Senate-passed version. It is totally inaccurate to say we have done nothing. We have done quite a bit, as I have just explained.

Mr. JAVITS. What does the Senator figure we have done if all we have done is to ask the States to pay a piece of this?

Mr. CRANSTON. There is outright entitlement for a loan up to $2,500 and there is obviously the opportunity now for the veterans to get this assistance and get their cost-of-living increase now. There is also an opportunity for cancellation of the VA loan obligation equal to—and in some cases greater than as was included in the bill as passed by the Senate. If we did wait for a conference, I think we might wait for a good many months.

Mr. JAVITS. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. JAVITS. Is this bill as it has come back amendable?

The PRESIDING OFFICER. Yes, it could have been amended.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. LONG. I object.

The PRESIDING OFFICER. The objection is heard.

The second assistant legislative clerk resumed the call of the roll.

Mr. LONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I should like to explain the circumstances which led me to take the position that I have taken.

I was told about this arrangement which Senator CRANSTON reported, but I am certainly not in agreement with it and I certainly did not evidence any agreement with it. I heard a lot of mumbling, and then suddenly, the Chair put the question. I was on my feet seeking to do something about it.

Mr. President, I think in all fairness, though the record shows that there is a motion to table pending, that I should be recognized for the purpose of making a brief statement about this matter, and so should any other Senator who wishes to if we are really going to do business fairly here.

I ask unanimous consent for that purpose.

The PRESIDING OFFICER. Is there objection?

The Senator from New York.

Mr. JAVITS. Mr. President, here is our situation. I never was in my life impractical or an obstructionist. I have no doubt about the good faith or the honest intentions of my colleague and friend from California, but there is a problem here. I realize the desire to get the 6.6 percent and get it to the veteran promptly. But we did fight a battle here in the Senate in which we had quite a good deal of support on the question of whether, in many States throughout the country, these GI bill benefits are not available because of the high tuition situation.

The bill which Senator CRANSTON and Senator DURKIN have brought before us did not do anything to correct this situation, because it only did something about tuition over $1,000 a year; whereas tuition in most public institutions is somewhere between $400 and $1,000.

We had very dramatic figures showing that our people were not getting the benefits of the GI bill. In States that have no tuition, like California, or in States where tuition is very high, like New Hampshire, that bill was fine. But in our State, it did not do any good and maintained the present discriminatory situation.

We lost our particular amendment. But as a result of our debate, the Senate did adopt some relief for this situation.

Now, the House has sent us something which not only aggravates that situation, but imposes yet a new thing; to wit, the States are supposed to come up with a third of the accelerated tuition payment. Everybody knows here, as well as I do, that that is practically an impossible condition unless the State takes it out of some other scholarship fund.

We are put in a very, very grave dilemma in this late hour of the session.

Mr. President, on October 19 the Senate debated the GI Bill Improvements Act of 1977. The Senate unanimously agreed to an accelerated tuition provision which would provide accelerated payment of entitlement to veterans to pay 66⅔ percent of tuition costs above $700. This provision would substantially help veterans to utilize their education benefits where tuition costs are high.

The House, without even sitting down in a conference with the Senate, has put before this body a "compromise" acceleration provision which is no compromise at all.

The provision we are urged to accept will provide accelerated payments to

meet 33⅓ percent of a veteran's tuition charges above $700, if the States provide an equal match of State funds for this purpose.

Mr. President—this proposal is fatally flawed for two important reasons:

First, the idea of making veterans' benefits into a State-matching program flies in the face of the entire history of veterans' benefits. Is a veteran to receive less benefits for his service to his country, because he is a citizen of a poorer rather than richer State? I feel it is unwise for the Congress to embark upon such a justification for any benefit this Nation bestows upon the men and women who have served in their Nation's armed services.

Second, Mr. President, to couple this meager assistance for veterans with high tuition costs—33 percent of costs above $700—with the requirement that the States match Federal dollars, is tantamount to saying that there will be no help for veterans to meet high tuition. Few, if any, States can afford to meet current costs of higher education—much less come up with additional appropriations with which to match Federal dollars for veterans' benefits.

For these reasons, Mr. President, I intended to offer the following amendment to H.R. 8701, which I felt would be acceptable to the Senate and to the House of Representatives.

This amendment simply strikes the provisions in H.R. 8701 which make the acceleration provision a "State-matching" program, and removes an unnecessary House provision which could restrict assistance to much less than 33⅓ percent of tuition costs above $700.

The adoption of my amendment would provide accelerated benefits to pay for 33 percent of tuition costs above $700. This is one-half the assistance provided in the Senate bill. I feel this compromise would be acceptable to the House, would assure some meaningful assistance to hard-pressed Vietnam veterans, and would not make the GI bill a State-matching program. I would have urged its acceptance by my colleagues.

This table, Mr. President, explains a further problem with the House position on these issues:

DOES THE GI BILL PAY ONLY PART OF A VETERAN'S EDUCATION?

SOME VETERANS CURRENTLY PROFIT FROM GI BILL AND WILL PROFIT MORE AFTER 6.6% INCREASE

In percent

	Profit before 6.6	*Profit after 6.6*
Single Veterans at average cost junior college (resident)	−$79	$83
Single Veterans at average cost junior college (nonresident)	308	470
Single Veterans at free junior college (resident)	310	472
Single Veterans at free junior college (nonresident)	670	830

These figures are based on average costs of education developed by the College Board and presented in testimony by Representative Albert Quie.

These figures above show, rather than just meeting part of some veterans' education expenses, that they are actually making a profit on the GI Bill.

THE DISABLED VETERAN HAS LESS MONEY TO LIVE ON PER MONTH THAN THE VETERAN ATTENDING A FREE COMMUNITY COLLEGE

One of the ironies of today's GI Bill is the treatment of a disabled veteran who chooses to use his disabled veterans program. For example, the tuition the veteran pays at say the State University of New York, is $950 (3rd and 4th years) and therefore he chooses to have the federal government pay his tuition and books. This means that he has less money to live on each month than a veteran attending a junior college in California where tuition is often free. To explain that further, the veteran attending the free-tuition institution has $292 a month to live on. He has to pay no tuition and probably $20 a month for books. This means that he has more than $450 a nine-month school year to live on than does a disabled veteran out of his GI Bill.

My inclination and that of Senator MOYNIHAN—and I think other Senators are interested—is that we really are up against the wall. We have to let this go. But we do not have to let it go just in silence. We have to let it go because we are faced with that dire necessity.

But we wish to register our strong protest, and to serve notice that we shall do our utmost to see that the situation will be corrected. It is unfair and discriminatory and extremely harmful to those GI's in our States, and they number in the tens of thousands, who are denied the same opportunity as GI's in other States simply by the way this scheme is set up.

That is the way I feel about it. I yield to Senator MOYNIHAN.

Mr. MOYNIHAN. I thank my distinguished colleague.

Mr. President, we shall be brief. Our purpose is in no way to obstruct this legislation, but, nonetheless, to register the fact that we of the Congress must, forthwith, address the issue before us in a satisfactory manner. We have here, for the first time in a quarter century, recognized the issue and acted to some extent to alleviate the problem. It is left to us now to enact legislation which will, in deed and not just theory, give life to the fact that the benefit equally conferred on veterans by the GI bill is an opportunity to an education.

With no one having intended it, it is nevertheless the case that the GI bill, which has been a symbol of national purpose and uniformity of treatment, has become one of those extraordinary regionally biased pieces of legislation. It is an embarrassment to me, and I know that the Senator from California will know that it says nothing in the least to him. This dynamic was set in motion in 1952. I refer him to a datum about the experience of Vietnam veterans in California as against New York, the two largest States, two of comparable population.

There are in California something over 900,000 Vietnam veterans, while there are something less than 600,000 in New York. Yet between fiscal year 1968 and 1976, GI bill payments in California were $3,173,000,000. During the same period in New York, they were $1,124,000,000.

How could a national program have ended up with a three-to-one bias where there is in fact only a three-to-two balance of veteran population. This is not a water conservation program. This is not a program that has to do with the irrigation of the deserts. This program has to do with providing additional opportunities for men and women who have served their country in time of war.

Mr. President, what we have asked is that the bias that was built into this program when its original formulation from the Second World War was changed in 1952, be attended to by the Congress.

The Senate responded, at least in part, to the questions Senator JAVITS and I raised. Now we have nearly lost them. We do not intend to obstruct this legislation, but we do intend to be back and to speak to this matter as long as it is required or we are present.

We cannot have a situation in which one State on a major issue can have a three-to-one advantage as against another State in which a whole cohort of young people returning as veterans of war have a wholly different experience in their opportunity to an education.

The GI bill was designed to make educational opportunity available to veterans. It has turned out that this availability has become very much unequal and we speak now in disappointment about the inevitable, that we must accept this bill presented to us by the other body, this emaciated version of the original Senate bill.

I think the Senator, my senior colleague, can agree that we will be back next year. But next year we hope there will be some larger sensibility of this hidden problem which has now emerged and which I know the committee and this Senate will want to address itself to in the period between now and the next legislation.

Mr. LONG. Mr. President, I hope we can vote on this bill. The Senators from New York have made their point. Their figures sound somewhat familiar because I think they made the same point when the bill passed, but their position was not sustained.

I hope they will renew their struggle next year and let us vote on this bill so we can get on with the social security bill

As far as I am concerned, I am not a part of the dispute. I hope we can vote on it so we can get on with the social security measure.

Mr. JAVITS. Mr. President, I intend at the earliest moment to introduce a bill to correct the situation and I ask Senator CRANSTON, as chairman of the Veterans Committee—Senator MOYNIHAN and others will join—I ask Senator CRANSTON whether he will give us a prompt hearing on such a bill?

Mr. CRANSTON. We have had 2 days of hearing this past June—and in fact neither of the Senators from New York testified. In fact, they did not introduce their legislation until 3 days before our committee markup session. But I will be glad to give the Senator a further appropriate opportunity to present his view. I want to note for the record also

that there was certainly no intention to proceed without full notice to all Senators. I was under the understanding that the procedure had been fully cleared on all sides.

Mr. JAVITS. I thank the Senator.

Mr. MOYNIHAN. Mr. President, I shall be with my distinguished senior colleague from New York when we join this issue next session. I thank the Senator from California and say that we have no intention to hold up any proceedings any further.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

SOCIAL SECURITY FINANCING AMENDMENTS OF 1977

The Senate continued with the consideration of H.R. 9346.

The PRESIDING OFFICER. The Senator from New York is recognized.

AMENDMENT NO. 1550

(Purpose: Relating to 6-month extension of Emergency Unemployment Compensation Act of 1974.)

Mr. JAVITS. Mr. President, on behalf of myself and Senators HEINZ, CASE, RIEGLE, CHAFEE, PELL, STEVENS, and WILLIAMS, I call up amendment No. 1550.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from New York (Mr. JAVITS), for himself and Senators HEINZ, CASE, RIEGLE, CHAFEE, PELL, STEVENS and WILLIAMS, proposes an amendment numbered 1550.

Mr. JAVITS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the Act, insert the following new section:

SIX-MONTH EXTENSION OF EMERGENCY COMPENSATION PROGRAM

SEC. . (a) Section 102(f)(2) of the Emergency Unemployment Compensation Act of 1974 is amended to read as follows:

"(2) No emergency compensation shall be payable to any individual under an agreement entered into under this Act for any week ending after April 30, 1978.".

(b) The amendment made by subsection (a) shall apply to weeks of unemployment ending after October 31, 1977.

The PRESIDING OFFICER. There is a 40-minute time limit.

Mr. JAVITS. I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from New York.

Mr. JAVITS. Mr. President, this amendment proposes that the Federal supplemental benefits program providing additional unemployment compensation to long-term unemployed workers who have exhausted their entitlements to benefits under the permanent Federal-State unemployment insurance system be extended for a period of 6 months from its expiration date, which was October 31, 1977, just a few days ago.

In December 1974 the Congress responded quickly and effectively to the jobs crisis by creating the Federal supplemental benefits (FSB) program, providing additional unemployment compensation to long-term unemployed workers who exhausted their entitlements to benefits under the permanent Federal-State unemployment insurance (UI) system. The permanent UI programs include the regular State benefits, usually for a maximum duration of 26 weeks, and the Federal-State extended benefits program, which provides up to 13 additional weeks. Combined, these provide a potential maximum duration of 39 weeks of compensation.

During the deepest part of the recession, specifically from April 1975 to April of this year, the FSB program provided up to 26 weeks of additional benefits, allowing an unemployed worker a maximum potential entitlement of up to 65 weeks of compensation. For the last 6 months, expiring on October 31, 1977, the program has provided a maximum of 13 weeks of additional benefits for a total entitlement of up to 52 weeks.

Mr. President, the unemployment rate is very sticky. It remains at 7 percent, which is close to 7 million unemployed, and in the last months it has varied very little.

The month before it was 6.9 percent. The month before that, 7 percent. The month before that, 7.1 percent.

So we have almost 7 million unemployed, Mr. President, and the number of those who were unemployed for extended periods of time is increasing.

Right now, Mr. President, the persons unemployed for 27 weeks or longer have just increased by 20,000 and they come to 946,000.

The States now suffering high unemployment and participating in FSB are Alaska, Maine, Michigan, New Jersey, New York, Pennsylvania, Rhode Island, Washington, and the Commonwealth of Puerto Rico. Fully one quarter of the U.S. labor force is located in these States.

Over the winter, this list of States is likely to more than double, incorporating more than half of the Nation's workforce, with the addition of California, Illinois, Massachusetts, Oregon, Vermont, Connecticut, Idaho, Montana, Minnesota, Nevada, and North Dakota.

Mr. President, one of the other things which appears very markedly, and I refer to the testimony of Mr. Shiskin, the Commissioner of Labor Statistics, this very morning, who testified to the 7-percent figure, he points out, and I quote:

The unemployment rate has now leveled for 6 months at about 7 percent, an unprecedented high level for an economic expansion period.

He points out, Mr. President, a very serious matter which bears upon this amendment.

He says:

However, the black unemployment rate, and particularly the rate for black adult males, seems to be rising. The employment population ratio for whites rose to an all-time high, while the black ratio continues to fluctuate at historically low levels.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JAVITS. I yield myself 2 additional minutes.

Mr. President, in view of the impact of these unemployment terms upon the poorest part of our population; to wit, these black adult males—and the continuing fact that we have about 7 million unemployed—nothing has changed since October 31, or since we extended this program for 7 months—it seems to me that before we go home we should at least put on the books, as a standby, this particular extension.

Accordingly, the amendment we propose today would continue FSB for an additional 6 months to April 30, 1978. We can make a judgment again early next year whether this program should be continued further or whether economic circumstances permit its termination.

I wish to remind my colleagues that an extension of this program does not mean that any unemployed worker, no matter what the economic situation, will automatically draw 52 weeks of benefits. The FSB program contains its own State economic trigger which means that it will provide additional benefits only if the unemployment situation remains at severe recessionary level in States which have insured unemployment of 5 percent—generally equivalent to about 7 percent overall unemployment—or more for the preceding 13-week period. If it is not needed, it will not be available. This brief extension is simply standby insurance against the danger of increased unemployment and the probability that the Congress will not be in session to restore the program again in time for most of the winter of 1977–78.

Although participation in the FSB program had declined in recent months, this apparent lessening of the unemployment crisis cannot be read as an indication that further need for the program has abated. A careful examination of the unemployment data shows just the opposite.

The summer and fall months traditionally show a decline in unemployment rates, but also take an upswing in the late fall and peak in late winter. Even more importantly is the recent rapid escalation of participation in the extended benefits program. As of the last week in August, participation in the extended benefits program—those unemployed for between 26 and 39 weeks—had dropped to 280,000. But, by the first week in October, the latest period for which data are available, that figure had jumped to over 450,000, an increase of 60 percent.

If this trend continues, as many long-term unemployed workers will be relying on additional Federal benefits this year as last year. Participation in the extended benefits program could easily rise to 600,000 or more, equal to the level registered during the energy crisis of last winter. And, during last winter, and the winter before that as well, Federal supplemental benefits were available for a maximum duration of 65 weeks. Even with the extension I am proposing today, the maximum will be for 52 weeks.

The figures for participation in the EB program take on added significance

with regard to extension of the FSB program when it is realized that historically about 90 percent of exhaustees of the EB program go on to participate in the FSB program. In addition to increased participation in the EB program, figures released by the Bureau of Labor Statistics last month indicate that the average duration of unemployment for an individual unemployed worker is once again on the rise.

In short, there are disturbing indications that the unemployment picture is deteriorating once again. Until such time as we are sure that we have overcome the recession, it would be unwise to discontinue the FSB program, a crucial weapon in our antirecession arsenal.

Since its December 1974 enactment, Congress has on several occasions, modified and extended the program to continue to provide for the needs of the long-term unemployed. The most recent extension came just last April. At that time Congress extended the FSB program for an additional seven months, in the hope that the economic picture would improve sufficiently so as to permit its expiration. The sad reality remains, however, that unemployment has not improved significantly. If the FSB program is not extended, hundreds of thousands of American workers will exhaust all entitlement to unemployment benefits and be left without the wherewithal to support themselves and their families. In my own State of New York, approximately 100,000 new claims are expected during the period of the six month extension I am proposing.

The FSB program has been highly successful in providing income security for long-term unemployed workers. During calendar year 1976, over 2 million of our Nation's unemployed workers were FSB beneficiaries. In the first 7 months of 1977, the FSB program aided approximately 1 million unemployed workers. An additional, but undetermined number of unemployed workers would have been eligible to receive benefits except for the operation of State trigger requirements which went into effect January 1, 1976. These State trigger provisions prevented thousands of long-term unemployed workers from FSB eligibility despite the fact that many of them live in high unemployment areas within the ineligible States.

A study of FSB recipients prepared last year for the Department of Labor, under the mandate of the Emergency Compensation Act of 1974, indicates that the FSB program is succeeding in reaching unemployed workers most in need of additional assistance during the recession. That study, prepared by Mathematica Policy Research, Inc. of Princeton, N.J., reports that FSB recipients were found to have strong labor market attachment—an average of 17 years—including an average of 5 years of employment at their last jobs. FSB benefits were found to have had a substantial effect on household incomes. Without those benefits, 33 percent of the recipient households in 1975 would have had incomes below the Federal poverty line—approximately $5,000 for nonfarm families of four in 1975.

In addition, the study found that the single most important cause of an FSB recipient's job loss was the decline in business of their former employers.

FSB benefits also provide direct economic stimuli which aid in continued progress toward economic recovery. They flow directly into the mainstream of the economy from unemployed workers who use them to provide the basic essentials of food, clothing and shelter for their families.

I have long taken the position that unemployment compensation is a poor substitute for real jobs. Ideally, the private sector, complemented by effective job training and public service employment programs, would provide meaningful unemployment opportunities for all Americans who are ready, willing, and able to work. But, we cannot close our eyes to the cold reality of the employment picture on the inadequacies of the unemployment compensation system.

While the employment picture has improved somewhat, and we have made some strides toward expanding public service employment opportunities, these efforts fall far short of the remedy required if we are to provide all workers with meaningful job opportunities. An even more compelling reason for the extension of this program is that the permanent unemployment insurance program and other social welfare systems are inadequately prepared to cope with the needs of the long term unemployed. We have yet to see any meaningful, comprehensive reform of the unemployment compensation system. I again call on my colleagues, and particularly on the Finance Committee to turn its attention to this serious problem. The UI system is patchwork of temporary solutions and unsatisfactory compromises. Piecemeal legislation is not the answer, but it is the only available solution so long as we do not have meaningful reform of the entire unemployment compensation system.

Our failure to develop sufficient job training opportunities also provides compelling justification for the extension of the FSB program. If we could provide effective job opportunities for the long-term unemployed we would have no need for a UI system that provides benefits for such an extended period. Despite considerable congressional attention to the need for developing effective job training, any realistic appraisal of our efforts must conclude that we have not yet developed programs which can offer adequate jobs for a sufficient number of the long term unemployed.

Finally, the inadequacy of our welfare system also argues for extension of this program. The long term unemployed worker who exhausts his benefit entitlements under the various UI programs may have no viable alternative but to join the welfare rolls. The recognized inadequacy of the welfare system should compel us to postpone forcing long term unemployed workers onto the welfare rolls until we develop a system that provides adequate income maintenance without robbing its beneficiaries of their self-respect or incentive to seek employment.

Last March Congress extended the FSB program for an additional 7 months. At that time I proposed that the program be extended for a full year, to carry us through the winter high unemployment months. In light of the current employment picture, and estimates for the next few months that do not project any rapid improvement, this amendment would extend the FSB program for an additional 6 months. In considering this amendment, I ask my colleagues to bear in mind two important facts. First, while we have experienced some economic improvement in the past year, recovery in many of our largest States lags behind that in the Nation as a whole. Second, the FSB program is triggered "on" and "off" on a State by State basis. Therefore, as the economic picture in any given State improves, the program will automatically discontinue when it is no longer needed.

So I felt it my duty, and so did Senator HEINZ, who came to me with a very special interest in this matter, to do this before we went home, knowing that we could not deal with this matter again until the depths of winter, when it might cause a great deal of hardship and welfare cases, and so forth, to give the Senate the opportunity to express itself on this matter. This is the only bill upon which we feasibly could do it. That is the reason for this amendment.

Mr. LONG. Mr. President, the administration does not support this amendment. This amendment would cost $500 million. It would benefit certain persons in the States of Alaska, Maine, Michigan, New Jersey, New York, Pennsylvania, Rhode Island, Washington, as well as the Commonwealth of Puerto Rico. The other 42 States would not benefit from this amendment.

This program for a solid year of unemployment benefits for persons working at least 20 weeks develops some situations that cry out for correction.

For example, the Labor Department did a survey as to what families receive in these emergency unemployment benefits, and they found that, on the average, the family income was $8,190 for the family not counting the unemployment benefit. The benefit was in addition to $8,190 in average family income.

For women with husbands, the average family income was $10,640 without the unemployment benefits. Since these families have substantial income on the average, it may be questioned whether the unemployed person is truly available and seeking employment.

For example, it has been discussed that in many situations the wife has gone to work and worked about 20 weeks, or whatever the minimum is that it takes to become eligible. Then, when she finds herself out of work, she goes back to the house and she is working for the family. Her services are of great value to the family in the home. If you look at the fact that they are drawing benefits which average about $2,500, and there is no tax on it, it is a pretty good deal.

In fact, in some families, we can find situations where the family would be making more money after taxes because the wife is not working than if the wife were working, especially if you consider

the family income and the services of the wife in doing cooking and household services and other services to the family that a wife does in the home.

Mr. President, this program has been extended and extended again. It has been extended to the point that we have other programs. It was felt, when we got into this program, that we would continue it until other programs were developed to deal with unemployment. We have those programs.

We have only these eight States plus Puerto Rico that have the high unemployment rate, and in Puerto Rico 70 percent of the population receives food stamps. That probably bears some relation to the high unemployment rate in Puerto Rico.

I suppose that if I represented one of those States, I would be taking the same view as the Senator from New York, saying that we should continue the program when it expires again and saying that we should continue when it comes up for renewal.

At some point, these temporary programs should be terminated. It seems to me that this is about as good a time as any to terminate it. That is what the administration seems to think.

I hope the amendment will not be agreed to.

Mr. JAVITS. Mr. President, I yield 5 minutes to the Senator from Pennsylvania.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for 5 minutes.

Mr. HEINZ. Mr. President, this is an enormously important amendment. It is important not only for the States that are immediately affected by it, as Senator JAVITS has pointed out, but also, it is going to be immensely important, I fear, for a large number of other States, States that incorporate half this Nation's work force. I refer to California, Illinois, Massachusetts, Oregon, Vermont, Connecticut, Idaho, Montana, Minnesota, Nevada, and North Dakota, because during this winter, these States, according to the best information, are estimated to be States that may need these benefits. Thus, we are talking about something that is truly national in scope.

When unemployment rises to the 5-percent insured rate, which is approximately a 7-percent actual rate, the unemployed have an extremely difficult time, an impossible time, finding a job. If there is unemployment of 4 or 5 percent, actual rate, there is changeover, there is turnover, in the work force. Although there always are, unfortunately, people who are unemployed, the people move in and out of the work force. But when the actual rate rises to 7 percent, as it is here, some unemployed workers simply cannot find a job. The consequences of that to the individual worker, the man or woman who has been feeding, housing, and clothing a family, are disastrous. Therefore, in such a period of high unemployment, extended unemployment benefits, as are provided for in the proposed amendment, are needed.

Mr. President, I originally intended to offer this amendment because of the acute unemployment problems facing the working people of my home State of Pennsylvania. However, when I discovered that Senator JAVITS' State of New York faced similar problems, I concluded that it would be more appropriate for him to introduce this amendment, because he is recognized on both sides of the aisle as being the most knowledgeable and effective legislator on this issue. I asked him to participate and he generously agreed. I wholeheartedly applaud his commitment to the plight of our unemployed.

I wholeheartedly endorse this amendment to extend the Federal supplemental benefits program. Extension of FSB will provide critical assistance to those workers in States which have experienced and continue to experience consistently high unemployment rates.

The issue to which we address ourselves through this amendment is the right of American working men and women to have sufficient financial means to meet their basic needs as they continue their search for employment, a search necessitated by economic conditions beyond their control. Absent the benefits of FSB, the nearly 1 million Americans whom this program might benefit during the 6-month extension proposed in the amendment will be faced with the choice of either abject poverty or the acceptance of welfare assistance. I correct myself. This is not a choice. In order to survive, these previously employed workers will be forced to swell the welfare rolls.

In certain States, their receipt of welfare will be conditioned on the liquidation of some of their assets. Thus, a worker might be forced to sell his or her home, probably at a reduced, forced-sale price, only to find out a week later that the sale was unnecessary, because he or she had finally been successful in the search for employment.

The workers who are eligible for FSB, I hasten to add, have been employed. These American men and women, I emphasize, are in need of assistance because economic conditions have rendered fruitless their search for further employment.

It was the severity of the economic conditions existent in December 1974 and our commitment to provide for the basic needs of workers forced into unemployment by those economic conditions which moved us to enact the Emergency Unemployment Compensation Act of 1974. The continuation of this economic recession exacerbated by the severity of last winter resulted in our extension of FSB.

Many areas of our country are still economically devastated by recessionary conditions. The impact of foreign imports on our economy, especially on the steel industry, has deluged an already problem-ridden economy with more difficulties. In view of these facts and in view of our past commitment to assist American working men and women whose employment expectations are frustrated by economic conditions beyond their control, I entreat my colleagues to again come to the aid of these Americans, Americans who are unemployed but looking forward to the day when there will again be a place for them in the American economy.

The supplemental benefits program has provided the long-term unemployed worker with a minimal level of subsistence; it amounts to only an average of $70 per week on a national basis. This is a small amount. It is not a question of allowing people to live in luxury; it is simply providing the bare minimum for basic human needs during the extended period of unemployment.

Mr. President, nearly 1 million unemployed workers, including over 21,000 Pennsylvanians who were receiving the benefits of the supplemental benefits program when it was recently terminated, could be deprived of these benefits when the phasedown is completed on January 31, 1978. A very substantial portion of these families who have not exceeded the 39 weeks under the extended benefits program will face cutoffs this week without immediate congressional action.

This will be the first winter in 2 years which we have faced without a supplemental benefits program. For the last 2 years the unemployment benefits have been extended to 65 weeks. Now, with the unemployment picture clouded at best, and the weather situation uncertain, and with industrial fuels such as natural gas likely to be in short supply, we will face winter with only 39 weeks of benefits available.

Mr. President, Under Secretary of Labor, Robert J. Brown stated on September 9, as reported in the Philadelphia Inquirer of that date, that "unless the unemployment rate dropped below 7 percent in October or November, the Carter administration will seriously consider legislation extending benefits beyond 52 weeks. The extension will probably be for an additional 13 or 65 weeks."

Today, the Department of Labor released the unemployment statistics for October. The national unemployment stands at 7 percent in October. And during October, blacks and factory workers, especially steelworkers, were hit the hardest by the economic conditions which plague our country. The unemployment rate for blacks rose almost a full percentage point during the last month to a totally unacceptable 13.9 percent. In addition, over 60,000 steelworkers have been put out of work.

As I said a moment ago, Under Secretary of Labor Brown stated that if unemployment did not go below 7 percent, the administration would support the extension of unemployment benefits to 65 weeks. Well, the unemployment rate is not below 7 percent. The fact is that the country has a serious and persistent economic problem. The fact is that hundreds of thousands of Americans must struggle to survive until the economy picks up. And, although the administration has talked in vague and general terms about economic stimulus, the fact is that there is no concrete plan.

Mr. HEINZ. Mr. President, will the Senator yield 2 additional minutes?

We are getting talk about stimulating the economy, not action to do it. In the same way, we are getting lipservice to the problems of the unemployed. I do not

understand how the administration can continue to ignore this problem, especially when unemployment benefits are available for a full 26 weeks less than the 65 weeks of benefits which the Under Secretary of Labor stated would be the administration's goal.

I cannot believe that in the final days of this session, as we are about to stop conducting business for nearly 3 months that the administration could set upon a course which is so shortsighted. Under the best circumstances, the Congress would not be able to respond to an increasing unemployment rate until late January or early February. I believe that this "wait and see" attitude of the administration is foolish and will cause unnecessary hardship for thousands of families when the severe consequences of long-term unemployment could be judiciously dealt with now.

Mr. President, the basic issue here is one of equity:

> Equity for those states which continue to face high unemployment and for which the situation has little chance of change for the immediate future . . . and equity for the individuals who wish to re-enter the job market but who find all the doors closed to them right now.

If we cannot deal equitably and fairly with our previously employed who have become unemployed involuntarily then what hope can we seriously offer to our minorities or to our young who find the doors closed even tighter than those with skills and a previous employment record?

It is important to note that this proposed amendment has considerable support among our colleagues in the House. Congressman JAMES BURKE (D-Mass.), the chairman of the Subcommittee on Social Security of the Committee on Ways and Means, who is likely to be a conferee with respect to the present bill, is one among many Congressmen who have communicated their support to me. (Senator JAVITS and me.)

Mr. President, I exhort all of my colleagues to join us in support of this amendment, and through it, demonstrate their compassion and support to those deserving American workers who are presently unemployed as a result of the economic problems besieging our country.

Mr. JAVITS. I yield so much time as he may desire to the Senator from New Jersey.

Mr. WILLIAMS. Mr. President, I shall try to be brief, and I thank the Senator from New York.

The Senator from Louisiana has indicated that we have a temporary program here. And he said that it has come to the end of its legislated temporary period, and this is as good a time as any to end this temporary program of supplemental benefits for the unemployed.

I suggest to our good friend, the most able and distinguished Senator from Louisiana, that this in my judgment is the worst time to end a program directed to the long-term unemployed, just as we go into the winter season when the job market, bad as it is, is at its worst point, and at a time when we know the long-term unemployment is getting worse.

So, I urge my colleagues to agree to the amendment that the Senator from New York (Mr. JAVITS) and I have offered to renew and extend the emergency compensation benefits program for another 6 months.

The extension proposed in our amendment would meet the obvious need to help long-term unemployed persons survive the coming winter without impoverishing themselves and their families. Under the amendment, these important benefits would be available until next April 30 in States where joblessness remains very high and where scarce jobs remain very difficult to find.

This emergency compensation program, known in the Federal establishment as Federal Supplemental Benefits (FSB), has been a mainstay in our efforts to combat the human misery that the recession inflicted on American workers. Since its enactment in December of 1974, it has provided additional unemployment assistance to workers who exhausted their benefits under the permanent unemployment insurance system.

These permanent programs now provide up to 39 weeks of benefits for jobless workers in all States. Since last April 30, the FSB program has afforded an additional maximum of 13 weeks of benefits where high rates of unemployment persist. For the 2 years prior to April 30, the program provided up to 26 weeks of additional benefits.

Termination of this program now, just as the winter doldrums are taking hold, would be a classic case of the worst possible timing.

It is important to bear in mind, Mr. President, that the national unemployment rate has not improved over the past 6 months. It has remained on a plateau of about 7 percent, seasonally adjusted.

Looking beyond this disappointing reality, however, it is also important to bear in mind that the seasonal adjustment factors camouflage the fact that, in real numbers, many more workers are off the job now than last summer, and many more will be added to the unemployment lines in the months just ahead.

A key statistical indicator is the number of persons enrolled in the extended benefits (EB) program, which provides benefits for those who have exhausted their entitlements under the regular 26-week program. These EB recipients would be eligible for the FSB program that would be renewed by the Javits amendment, if they remain unemployed despite their best efforts to find work for up to 52 weeks.

In the first week of November last year, 565,880 persons were enrolled in the EB program. By the end of February, this number had risen to 630,474, reflecting both the general rise in unemployment and the greater difficulty of the long-term unemployed to find a job.

By the third week of August, EB enrollments had dropped to 279,216, reflecting a dramatic decrease in long-term unemployment across the Nation.

But within a few weeks, the trend made an even more dramatic turnaround. During September and October, EB enrollments have risen by more than 179,000 to the level of 458,411 in the third week in October.

In short, Mr. President, long-term unemployment has increased dramatically in recent weeks. Jobs are more difficult to find, and for those who cannot find them, the situation will worsen as winter settles in. It is this group of workers for whom we seek adoption of our amendment today.

The need for this legislation is particularly crucial in my home State of New Jersey, which had the highest unemployment rate last year of any State, 10.4 percent. Conditions have improved significantly in recent months in New Jersey, but joblessness remained at 8.6 percent in August. Over 268,000 workers were counted as unemployed persons who were looking for a job but could not find one.

Nearly 33,000 jobless workers were receiving extended benefits (EB) in August. Another 23,000 were receiving Federal supplemental benefits (FSB), or emergency compensation (EC) as it is known in my State.

Without enactment of our amendment, some 3,000 New Jersey residents will be dropped from the UI rolls abruptly.

Still another 57,000 New Jersey residents, not now enrolled in FSB, would qualify for, but not receive, these benefits if our amendment is not enacted.

In summary, some 60,000 unfortunate workers and their families in my State alone will need the FSB payments this winter.

Without these benefits, their choices will be few. Unable to find a job during the most difficult winter season, they will be forced to exhaust their personal savings and, in many cases, turn to the welfare program to keep home and family together.

Mr. President, the monthly unemployment report of the Bureau of Labor Statistics, released just this morning, gives little reason for comfort to jobless Americans.

Overall unemployment in October was up slightly to 7 percent, where it has remained virtually unchanged since April.

Long-term unemployment—persons unemployed 27 weeks or longer—increased by 20,000 last month alone, to a level of 946,000 workers. These are the workers who will, in many cases, have dire need for FSB assistance this winter.

Among blue-collar workers, who have among the lowest earnings in the workforce and need help the most as a result, unemployment increased sharply in October from 7.9 percent to 8.3 percent.

If there were any hope that manufacturing employment would expand to absorb seasonal workers, it is a vain hope. Manufacturing employment has remained static since May.

Finally, Mr. President, I hope that my colleagues will give special attention to the fact that, without an extension of the FSB program for the coming winter, the long-term unemployed will be asked to make do with far less than Congress provided them last winter and the winter before.

You will recall, Mr. President, that the FSB program provided up to 65 weeks of benefits during the last two winters. As the law now stands, it would provide a maximum of only 39 weeks of benefits during the winter ahead.

Such a cutback in maximum benefit duration constitutes a harsh reduction in the Federal commitment to help working Americans cope with the recession.

I recognize, Mr. President, that a return to a 65-week maximum benefit duration is not likely to be approved by the Congress. I fought that battle last spring, and the majority on the other side was large enough to persuade me not to renew that battle.

But a 52-week maximum is realistic and, I believe, would meet with the approval of the House of Representatives. It is the least we can do at this time, Mr. President, and that is why our amendment is written as it is.

It provides for a return to the 52-week maximum benefit duration that was in effect until this week and extends that provision until next April 30.

So, for all of the reasons of humanity and the harsh facts of what the situation is going to be this winter with the unemployed, I earnestly hope this amendment will be agreed to.

The PRESIDING OFFICER. Who yields time?

Mr. LONG. I yield to the Senator from Wyoming 3 minutes.

The PRESIDING OFFICER. The Senator from Wyoming is recognized for 3 minutes.

Mr. HANSEN. Mr. President, it has been stated here this evening that this is not a regional or a local program but, indeed, a national program.

I call attention to that fact. I do not think it really makes much difference to a person who has been out of work whether he lives in the State of New York or in a State such as the State of Kentucky, where the rate of unemployment at the present time runs about 2.97 percent.

I do not believe it is fair or equitable that it should be to an unemployed worker's advantage to be able to say he is in one of these States where this trigger is going to apply.

I voted against extending benefits when that extension came up a few years ago. This amendment would extend Federal benefits going directly to the worker for another 3 months.

I know it is tough to be out of work. I do not think it can be contended that there are not cases where work could be found. I will not dwell on that subject very long. But right in this city of Washington, D.C., you can look at the want ads or you can drive around the town, as I have and I know that many Members have, and find signs asking people to come in and offer their services to take a job.

But the thing that strikes me that is basically wrong about this amendment is that it rewards people who are unemployed if they happen to be fortunate enough to live in a State where the trigger applies, and on that basis I think the Senate should reject this amendment. If it were going to be applied equitably over the entire United States, there would be greater justification for it than there is at the present time, but since only a few States receive the benefit, I do not believe the amendment actually provides a "national solution to the national problem of unemployment.

I hope, as a consequence, that the Senate will reject this amendment.

Mr. LONG. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. LONG. Mr. President, we have in this bill the Moynihan amendment which the administration will accept. It provides $374 million for the remainder of this fiscal year to be spread among all the States. New York, for example, will get $53 million of that money, and California will get a nice big chunk of it. Those are the two States that get the biggest help. But all the States will get fiscal relief they had not even planned on or budgeted and all of that they can use for their welfare programs. They will certainly give a priority to welfare if they need to. I do not think they want to use this money with people drawing the benefits where the family income is $12,500, and that is the average family income including unemployment benefits for these families with husband and wife where the wife is receiving unemployment compensation. For all recipients the average is $10,420 with the unemployment benefits, $8,190 without. Those people are not all that hard up. That is way above the poverty line. If anyone is in a situation of need, we have right in this bill $374 million for the States that they were not even budgeting on to help take care of the needy.

Mr. President, no one need suffer because we have a lot of money in this bill to help take care of situations where someone might find himself in need.

Mr. BELLMON. Mr. President, will the Senator yield?

How much time does the Senator from Oklahoma desire?

Mr. BELLMON. Five minutes.

Mr. LONG. I yield 5 minutes to the Senator from Oklahoma.

Mr. BELLMON. Mr. President, I hesitate to throw a cold blanket over the fun some Members are having spending the taxpayers' money as well as the money of future generations of taxpayers. But I believe the total budget implications of this bill needs to be called to the Senate's attention before we vote on the Javits amendment. I shall give a little report on what actions have been taken so far today in terms of the budget for fiscal year 1978.

When this bill came out of the Committee on Finance it managed to walk a fine line under the budget resolution the Senate passed less than 2 months ago. Actually the Committee on Finance was only technically within its allocation under the budget resolution.

That resolution, Mr. President, assumed a $350 million amount in medicare and medicaid cost savings, that up to now the Committee on Finance has not yet reported a bill on it.

Taking the committee version of the social security bill into account, and assuming there were no medicare-medicaid savings, which seems to be a fairly reasonable assumption at this point, the Committee on Finance would have been about $200 million over its allocation of direct spending entitlements under the budget resolution.

The Budget Committee did not make a fuss about it. We hope the Committee on Finance will report a bill to make such savings. There is still time to do it, and we urge them to go ahead and reach that goal.

There was also a small overage of allocations. That small overage could disappear when we make some updated estimates later on, so there really was not much to be glad about.

We were able to agree with the Committee on Finance that it was consistent with the second budget resolution. But look what we have done here on the floor the last couple of days.

We have added fiscal year 1978 spending in these ways:

First of all, the DeConcini-Bayh amendment on benefits to the blind added $300 million in spending; the Wallop amendment on the offset of workman's compensation benefits against social security costs $150 million; the Bumpers amendment to the Roth amendment on refundable tax credit for college tuition was $100 million; so we have added $550 million to the bill that was at least $250 million over.

In addition we are going to quickly vote, hopefully, on the Javits amendment that is going to extend Federal supplemental unemployment benefits for 39 weeks, and this is going to cost another $500 million.

So, Mr. President, this means we have got more than $1 billion in fiscal year 1978 not covered in the budget resolution.

If this bill is not to rupture the budget entirely, it is going to be absolutely essential that the conference agreements reduce some of the fiscal year 1978 spending under this bill or it will ultimately be $1 billion more than we can afford under the budget.

The Budget Committee cannot legally raise points of order against these costly floor amendments the way the law is written. We can only tell the Senate what we are doing to the budget with these big spending schemes. The fact is that we are now rupturing the budget that we planned so carefully and adopted only a few weeks back.

I want to conclude by again saying that the Javits amendment adds $500 million to the deficit, which is already approaching $63 billion for fiscal year 1978. The deficit in fiscal year 1977 was only $45 billion by comparison. We are roughly then going to be $20 billion further in the red in fiscal year 1978 than we were in fiscal year 19777.

We are moving in precisely the wrong direction. It is going to have immensely damaging effects on the economy of the country, and I urge that we begin to practice restraint by defeating the Javits amendment.

Mr. LONG. Mr. President, I appreciate the statement of the distinguished Senator from Oklahoma. In this situation, the Committee on Finance is pleading with the Senate not to put this additional $500 million on the bill. We do not think it is justified, and we are urging that it not be agreed to.

We are also trying to comply with the Budget Committee's admonition that we should not spend this money, and I do not want to spend it.

Mr. JAVITS. I yield myself 30 seconds. I would like to call attention to this Alice-in-Wonderland situation of the Senate. We have been spending all day adding billions of dollars, and we are suddenly becoming economical at the expense of the unemployed.

I yield a minute to the Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I must say one man's thrift is another man's wild spending.

In this particular bill, it seems to me, as we come into these difficult days ahead, particularly with respect to those workers who have had this long-time unemployment, many of whom are in marginal industries which are going to be very severely affected by the taxes that have been dramatically increased in the Senate over the past 2 weeks—and I am speaking of the energy taxes and the social security taxes that are going to force many marginal industries under, with the concomitant and associated unemployment, Mr. President, that being so, I support the remarks of those who have gone before in favor of this measure.

Mr. JAVITS. Mr. President, I yield the remainder of our time to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. I thank my colleagues who I have joined in this colloquy.

I would like to speak directly and quickly to the economics of this situation. What we have done the last 2 days, Mr. President, is to overwhelmingly raise taxes in America, and we do so at a time when the rising, and I think now a majority, judgment of economic observers of this country is that there must be a tax cut. The President has as much as said so.

For example, the costs to the gross national product alone of the social security tax increases that were adopted by the House, Merrill Lynch estimates at $2.9 billion GNP.

The point, Mr. President, is that President Carter will probably propose a tax cut this January because this economy is not moving as it should. In my State unemployment is 7.8 percent, but the effect of the Javits amendment would be a tax cut, an immediate direct increase of disposable income in the family budgets of people who are in this economy.

It is not only social justice but it is, in my view, prudent economic anticipation of the fact that the economy needs stimulation. It needs more purchasing power. Now that we have greatly increased the amount of money the government will take out of the economy, here is an opportunity in an area of great need and equity to increase the amount that will go in. It will partially compensate for what we have done.

This could be, in effect, the first economic stimulus of President Carter's 1978 program.

I thank my colleagues.

Mr. LONG. I yield back the remainder of my time.

Mr. JAVITS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New York. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Delaware (Mr. BIDEN), the Senator from Nevada (Mr. CANNON), the Senator from Arizona (Mr. DECONCINI), the Senator from Mississippi (Mr. EASTLAND), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Montana (Mr. METCALF), the Senator from North Carolina (Mr. MORGAN), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Tennessee (Mr. SASSER), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Nebraska (Mr. ZORINSKY) are necessarily absent.

I also announce that the Senator from Maine (Mr. MUSKIE) is absent because of illness.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY) would vote "yea."

On this vote, the Senator from Connecticut (Mr. RIBICOFF) is paired with the Senator from North Carolina (Mr. MORGAN). If present and voting, the Senator from Connecticut would vote "yea" and the Senator from North Carolina would vote "nay."

Mr. BAKER. I announce that the Senator from Oklahoma (Mr. BARTLETT), the Senator from Massachusetts (Mr. BROOKE), the Senator from Arizona (Mr. GOLDWATER), the Senator from Utah (Mr. HATCH), the Senator from Oregon (Mr. HATFIELD), the Senator from California (Mr. HAYAKAWA), the Senator from North Carolina (Mr. HELMS), the Senator from Kansas (Mr. PEARSON), the Senator from Illinois (Mr. PERCY), the Senator from Alaska (Mr. STEVENS), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I also announce that the Senator from Virginia (Mr. SCOTT) is absent on official business.

On this vote, the Senator from Oregon (Mr. HATFIELD) is paired with the Senator from North Carolina (Mr. HELMS). If present and voting, the Senator from Oregon would vote "yea" and the Senator from North Carolina would vote "nay."

The result was announced—yeas 29, nays 43, as follows:

[Rollcall Vote No. 629 Leg.]

YEAS—29

Abourezk	Gravel	Mathias
Anderson	Griffin	Moynihan
Bayh	Haskell	Nelson
Case	Hathaway	Pell
Chafee	Heinz	Riegle
Clark	Jackson	Sarbanes
Cranston	Javits	Schweiker
Culver	Kennedy	Stafford
Danforth	Leahy	Williams
Dole	Magnuson	

NAYS—43

Allen	Garn	Nunn
Baker	Glenn	Packwood
Bellmon	Hansen	Proxmire
Bumpers	Hart	Randolph
Burdick	Hollings	Roth
Byrd, Harry F., Jr.	Inouye	Schmitt
Byrd, Robert C.	Laxalt	Stennis
Chiles	Long	Stevenson
Church	Lugar	Stone
Curtis	Matsunaga	Talmadge
Domenici	McClure	Thurmond
Durkin	McGovern	Tower
Eagleton	McIntyre	Wallop
Ford	Melcher	Young
	Metzenbaum	

NOT VOTING—28

Bartlett	Hayakawa	Percy
Bentsen	Helms	Ribicoff
Biden	Huddleston	Sasser
Brooke	Humphrey	Scott
Cannon	Johnston	Sparkman
DeConcini	McClellan	Stevens
Eastland	Metcalf	Weicker
Goldwater	Morgan	Zorinsky
Hatch	Muskie	
Hatfield	Pearson	

So Mr. JAVITS' amendment was rejected.

The PRESIDING OFFICER (Mr. SARBANES). Under the unanimous-consent agreement, the Chair recognizes the Senator from Texas (Mr. TOWER).

UP AMENDMENT NO. 1066

(MODIFICATION OF AMENDMENT NO. 1541)

(Purpose: A proposal to amend the Social Security Act and the Internal Revenue Code of 1954 to strengthen the financing of the social security system.)

Mr. TOWER. Mr. President, I call up my amendment No. 1541.

The PRESIDING OFFICER. The clerk will state the amendment.

The assistant legislative clerk read as follows:

The Senator from Texas (Mr. TOWER) proposes an amendment numbered 1541.

Mr. TOWER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with, and I send to the desk a modification.

The PRESIDING OFFICER. Without objection, the reading of the amendment is dispensed with, and the amendment of the Senator from Texas is modified.

The amendment as modified (UP No. 1066) is as follows:

Strike out section 101.

Strike out section 102.

Strike out section 103 and insert in lieu thereof the following:

PARTIAL TRANSFER OF HOSPITAL INSURANCE TAX INCREASE TO OASDI TRUST FUND; INCREASE OF EMPLOYMENT AND SELF-EMPLOYMENT TAXES; REALLOCATION AMONG TRUST FUNDS

SEC. 103. (a) TAX ON EMPLOYEES.—

(1) Old-age, survivors, and disability insurance.—Paragraphs (1) and (2) of section 3101(a) of the Internal Revenue Code of 1954 are amended to read as follows:

"(1) with respect to wages received during the calendar years 1974 through 1977, the rate shall be 4.95 percent;

"(2) with respect to wages received during the calendar years 1978 through 1981, the rate shall be 5.10 percent;

"(3) with respect to wages received during the calendar years 1982 through 2010, the rate shall be 5.15 percent; and

"(4) with respect to wages received after December 31, 2010, the rate shall be 5.95 percent.".

(2) Hospital insurance.—Paragraphs (2) through (4) of section 3101(b) of the Code are amended to read as follows:

"(2) with respect to wages received during the calendar years 1978 through 1980, the rate shall be 0.95 percent;

"(3) with respect to wages received during the calendar years 1981 through 1985, the rate shall be 1.20 percent; and

"(4) with respect to wages received after December 31, 1985, the rate shall be 1.35 percent.".

(b) TAX ON EMPLOYERS.—

(1) OLD-AGE, SURVIVORS, AND DISABILITY INSURANCES.—Paragraphs (1) and (2) of section 3111(a) of the Code are amended to read as follows:

"(1) with respect to wages paid during the calendar years 1974 through 1977, the rate shall be 4.95 percent;

"(2) with respect to wages paid during the calendar years 1978 through 1981, the rate shall be 5.10 percent;

"(3) with respect to wages paid during the calendar years 1982 through 2010, the rate shall be 5.15 percent; and

"(4) with respect to wages paid after December 31, 2010, the rate shall be 5.95 percent.".

(2) Hospital insurance.—Paragraphs (2) through (4) of section 3111(b) of the Code are amended to read as follows:

"(2) with respect to wages paid during the calendar years 1978 through 1980, the rate shall be 0.95 percent;

"(3) with respect to wages paid during the calendar years 1981 through 1985, the rate shall be 1.20 percent; and

"(4) with respect to wages paid after December 31, 1985, the rate shall be 1.35 percent.".

(c) TAX ON SELF-EMPLOYMENT INCOME.—

(1) OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE.—Subsection (a) of section 1401 of the Code is amended to read as follows:

"(a) OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE.—In addition to other taxes there shall be imposed for each taxable year, on the self-employment income of every individual, a tax as follows:

"(1) in the case of any taxable year beginning after December 31, 1972, and before January 1, 1978, the tax shall be equal to 7.00 percent of the amount of the self-employment income for such taxable year;

"(2) in the case of any taxable year beginning after December 31, 1977 and before January 1, 1982, the tax shall be equal to 7.15 percent of the amount of the self-employment income for such taxable year.".

"(3) in the case of any taxable year beginning after December 31, 1981, the tax shall be equal to 7.20 percent of the amount of the self-employment income for such taxable year.".

(2) Hospital insurance.—Paragraphs (2) through (4) of subsection (b) of section 1401 of the Code are amended to read as follows:

"(2) in the case of any taxable year beginning after December 31, 1977, and before January 1, 1981, the tax shall be equal to .95 percent of the amount of the self-employment income for such taxable year;

"(3) in the case of any taxable year beginning after December 31, 1980, and before January 1, 1986, the tax shall be equal to 1.20 percent of the amount of the self-employment income for such taxable year; and

"(4) in the case of any taxable year beginning after December 31, 1985, the tax shall be equal to 1.35 percent of the amount of the self-employment income for such taxable year.".

Strike out section 104 and insert in lieu thereof the following:

COMPUTATION OF PRIMARY INSURANCE AMOUNT

SEC. 104. (a) Section 215(a) of the Social Security Act is amended to read as follows:

"(a)(1)(A) The primary insurance amount of an individual (except as otherwise provided in this section) is equal to the sum of—

"(i) 80 per centum of the individual's average indexed monthly earnings (determined under subsection (b)) up to the amount established for purposes of this clause by subparagraph (B),

"(ii) 37 per centum of the portion of the individual's average indexed monthly earnings which exceeds the amount established for purposes of clause (i) but does not exceed the amount established for purposes of this clause by subparagraph (B), and

"(iii) 25 per centum of the individual's average indexed monthly earnings to the extent that they exceed the amount established for purposes of clause (ii),

rounded in accordance with subsection (g), and thereafter increased as provided in subsection (i).

"(B)(i) In the case of an individual who becomes eligible for old-age or disability insurance benefits or who dies in the calendar year 1979, the amounts established with respect to subparagraphs (A)(i) and (A)(ii) are $250 and $1,010, respectively.

"(ii) In the case of an individual who becomes eligible for old-age or disability insurance benefits or who dies in a calendar year after 1979, each of the amounts established with respect to subparagraphs (A)(i) and (A)(ii) shall equal the product of the corresponding amount established with respect to the calendar year 1979 under clause (i) of this subparagraph, and the quotient obtained by dividing—

"(I) the average Consumer Price Index prepared by the Department of Labor for the 12 months of the second calendar year preceding the calendar year for which the determination is made, by

"(II) the average such Consumer Price Index for the calendar year 1977.

"(iii) The amounts established under clause (ii) shall be rounded to the nearest $1.00, except that an amount that is a multiple of $0.50 but not a multiple of $1.00 shall be rounded to the highest $1.00.

"(C)(i) No primary insurance amount computed under subparagraph (A) may be less than the greatest of—

"(I) the amount in the first line of column IV in the table of benefits contained (or deemed to be contained) in this subsection as in effect in December 1978,

"(II) the amount determined under subsection (i) (except subclause III of this clause) with respect to this subparagraph, or

"(III) an amount equal to $9 multiplied by the individual's years of coverage in excess of 10.

"(ii) For purposes of the preceding clause, the term 'years of coverage' means the number (not exceeding 30) equal to the sum of (I) the number (not exceeding 14 and disregarding any fraction) determined by dividing (a) the total of the wages credited to the individual (including wages deemed to be paid prior to 1951 to such individual under section 217, compensation under the Railroad Retirement Act of 1974 prior to 1951 which is creditable to such individual pursuant to this title, and wages deemed to be paid prior to 1951 to such individual under section 231) for years after 1936 and before 1951 by (b) $900, plus (II) the number equal to the number of years after 1950 each of which is a computation base year (within the meaning of subsection (b)(2)(B)(ii)) and in each of which he is credited with wages (including wages deemed to be paid to such individual under section 217, compensation under the Railroad Retirement Act of 1937 or the Railroad Retirement Act of 1974 which is creditable to such individual pursuant to this title, and wages deemed to be paid prior to 1951 to such individual under section 229) and self-employment income of not less than 25 percent of the maximum amount which, pursuant to subsection (e), may be counted for such year.

"(D) In each calendar year after 1978, the Secretary shall publish in the Federal Register, on or before November 1, the formula for computing benefits under this paragraph and for adjusting wages and self-employment income under subparagraph (b)(3) to an individual who becomes eligible for an old-age insurance benefit, or (if earlier) becomes eligible for a disability insurance benefit or dies, in the following year, and the average Consumer Price Index (as described by clause (I) of subparagraph (B)(ii)) on which that formula is based. With the initial publication required by this subparagraph, the Secretary shall also publish in the Federal Register the average Consumer Price Index (as so described) for each year after calendar year 1950.

"(2)(A) In the case of an individual who was entitled to a disability insurance benefit for any of the 12 months before the month in which he became entitled to an old-age insurance benefit, became reentitled to a disability insurance benefit, or died, the primary insurance amount for determining any benefit attributable to that entitlement, reentitlement, or death is the greater of—

"(i) the primary insurance amount upon which that disability insurance benefit was based, increased in the case of the individual who so became entitled, became reentitled, or died, by each general benefit increase as defined in subsection (i)(3)) and each increase provided under subsection (i)(2) that would have applied to that primary insurance amount had the individual remained entitled to that disability insurance benefit until the month in which he became entitled, reentitled, or died, or

"(ii) the amount computed under paragraph (1)(C).

"(B) In the case of an individual who was entitled to a disability insurance benefit for any month, and with respect to whom a primary insurance amount is required to be computed at any time after the close of the period of the individual's disability (whether because of that individual's subsequent entitlement to old-age insurance benefits, to a disability insurance benefit based upon a subsequent period of disability, or death), the primary insurance amount so computed may in no case be less than the primary insurance amount on the basis of which he most recently received a disability insurance benefit.

"(3)(A) Except as otherwise provided by paragraph (4), paragraph (1) applies to—

"(i) an individual who was not eligible for an old-age insurance benefit prior to January 1979 and who in that or any succeeding month—

"(I) becomes eligible for that benefit,

"(II) becomes eligible for a disability insurance benefit, or

"(III) dies, and

"(ii) an individual described in clause (i) who was eligible for a disability insurance benefit for a month prior to January 1979,

(except to the extent that paragraph (4)(A) otherwise provides).

"(B) For the purposes of this title, an individual is deemed to be eligible for an old-age insurance benefit beginning in the month in which he attains age 62, or for a disability insurance benefit for months beginning in the month in which the disability began as described in section 216(i)(2)(C), unless less than 12 months have so elapsed since the termination of a prior period of disability.

"(4) Paragraph (1) does not apply to the computation or recomputation of a primary insurance amount for—

"(A) an individual who was eligible for a disability insurance benefit for a month prior to January 1979 unless, prior to the month in which there occurs the event described in clause (i)(I), (i)(II), or (i)(III) of paragraph (3)(A), there occurs a period of at least 12 consecutive months for which he was not entitled to a disability insurance benefit, or

"(B)(i) an individual who had wages or self-employment income credit for a year before 1979 and who was not eligible for an old-age or disability insurance benefit, or did not die, prior to January 1979, if in the year for which the computation or recomputation would be made the individual's primary insurance amount would be greater if computed or recomputed—

"(I) under section 215(a) (without reference to section 215(d)), as in effect in December 1978, in the case of an individual who becomes eligible for an old-age insurance benefit prior to 1984, or

"(II) as provided by section 215(d), in the case of an individual to whom such section applies.

"(ii) For purposes of determining under clause (i) which amount is the greater—

"(I) the table of benefits in effect in December 1978 shall apply without regard to any increases in that table which become effective (in accordance with subsection (i)(4)) for years after 1978 and prior to the year in which the insured individual became eligible for an old-age or disability insurance benefit, or died, and

"(II) the individual's average monthly wage shall be computed as provided by subsection (b)(4).

"(5) With respect to computing the primary insurance amount, after December 1978, of an individual to whom paragraph (1) does not apply (except an individual described in paragraph (4)(B)), this section as in effect in December 1978 remains in effect.".

(b) Section 215(b) (except the caption thereof) is amended to read as follows:

"(b)(1) The amount of an individual's average indexed monthly earnings is equal to the quotient obtained by dividing—

"(A) the total (after adjustment under paragraph (3)) of his wages paid in and self-employment income credited to his benefit computation years (determined under paragraph (2)), by

"(B) the number of months in those years.

"(2)(A) The number of an individual's benefit computation years equals the number of elapsed years, reduced by five, except that the number of an individual's benefit computation years may not be less than two.

"(B) For purposes of this subsection—

"(i) the term 'benefit computation years' means, in the case of any individual, those computation base years, equal in number to the number determined under subparagraph (A) of this paragraph, for which the total of the individual's wages and self-employment income, after adjustment under paragraph (3), is the largest;

"(ii) the term 'computation base years' means, in the case of any individual, the calendar years after 1950 and prior to the earlier of—

"(I) in the case of an individual entitled to old-age insurance benefits, the year in which occurred (whether by reason of section 202(j)(1) or otherwise) the first month of that entitlement;

"(II) in the case of an individual who has died, the year succeeding the year of his death;

except that such term excludes any calendar year entirely included in a period of disability; and

"(iii) the term 'number of elapsed years' means, in the case of any individual, except as otherwise provided by section 104(j) of the Social Security Amendments of 1972 (Public Law 92-603), the number of calendar years after 1950 (or, if later, the year in which the individual attained age 21) and before the year in which the individual died, or, if it occurred after 1960, the year in which he attained age 62; except that such term excludes any calendar year any part of which is included in a period of disability.

"(3)(A) Except as provided by subparagraph (B), the wages paid in and self-employment income credited to each of an individual's computation base years for purposes of the selection therefrom of benefit computation years under paragraph (2) is deemed equal to the product of—

"(i) the wages and income credited to such year, and

"(ii) the quotient obtained by dividing—

"(I) the average Consumer Price Index prepared by the Department of Labor for the 12 months of the second calendar year (after 1976) preceding the earliest of the year of the individual's death, eligibility for an old-age insurance benefit, or eligibility for a disability insurance benefit (but excluding the year in which the individual dies, or becomes eligible, if the individual was entitled to disability insurance benefits for any month in the 12-month period immediately preceding such year), by

"(II) the average of such Consumer Price Index for the computation base year for which the determination is made.

"(B) Wages paid in or self-employed income credited to an individual's computation base year—

"(i) which occurs after the second calendar year specified in subparagraph (A)(ii)(I), and where applicable, or

"(ii) in a year under subsection (f)(2)(D) considered to be the last year of the period specified in subsection (b)(2)(B)(ii),

are available for use in determining an individual's benefit computation years, but without applying subparagraph (A) of this paragraph.

"(4) In determining the average monthly wage of an individual whose primary insurance amount is computed (after 1978) under section 215(a) or 215(d) as in effect (except with respect to the tables contained therein) in December 1978, by reason of subsection (a)(4)(B), this subsection as in effect in December 1978 remains in effect, except that paragraph (2)(C) (as then in effect) is deemed to provide that 'computation base years' include only calendar years in the period after 1950 (or 1936, if applicable) and prior to the year in which occurred the first month for which the individual was eligible (as defined in subsection (a)(3)(B) of this section as in effect in January 1979) for an old-age or disability insurance benefit, or died. Any calendar year all of which is included in a period of disability shall not be included as a computation base year.".

(c) Section 215(c) (except the caption thereto) is amended to read as follows:

"(c) This subsection, as in effect in December 1978, shall remain in effect with respect to an individual to whom subsection (a)(1) does not apply by reason of the individual's eligibility for an old-age insurance or disability insurance benefit, or the individual's death, prior to 1979.".

(d)(1) The matter in section 215(d) which precedes subparagraph (C) of paragraph (1) is amended to read as follows:

"(d)(1) For the purpose of column I of the table appearing in subsection (a) of this section, as that subsection was in effect in December 1977, an individual's primary insurance benefit shall be computed as follows:

"(A) the individual's average monthly wage shall be determined as provided in subsection (b) of this section, as in effect in December 1977 (but without regard to paragraph (4) thereof), except that for purposes of paragraphs (2)(C) and (3) of that subsection (as so in effect), 1936 shall be used instead of 1950.

"(B) For purposes of subparagraphs (B) and (C) of subsection (b)(2) (as so in effect), the total wages prior to 1951 (as defined in subparagraph (C) of this paragraph) of an individual who attained age 21 after 1936 and prior to 1951 shall be divided by the number of years (hereinafter in this subparagraph referred to as the 'divisor') elapsing after the year in which the individual attained age 21 and prior to the earlier of 1951 or the year of the individual's death. The quotient so obtained is deemed to be the individual's wages credited for each of the years included in the divisor except—

"(i) if the quotient exceeds $3,000, only $3,000 is deemed to be the individual's wages for each of the years included in the divisor, and the remainder of the individual's total wages prior to 1951 (I) if less than $3,000, is deemed credited to the year immediately preceding the earliest year used in the divisor, or (II) if $3,000 or more, are deemed credited, in $3,000 increments, to the year in which the individual attained age 21 and to each year consecutively preceding that year, with any remainder less than $3,000 credited to the year prior to the earliest year to which a full $3,000 increment was credited; and

"(ii) no more than $42,000 may be taken into account, for purposes of this subparagraph, as total wages after 1936 and prior to 1951.".

(2) Section 215(d)(1)(D) is amended to read as follows:

"(D) The individual's primary insurance benefits shall be 40 per centum of the first $50 of his average monthly wage as computed under this subsection, plus 10 per centum of the next $200 of his average monthly wage; increased by 1 per centum for each increment year. The number of increment years is the number, not more than 14 nor less than 4, that is equal to the individual's total wages prior to 1951 divided by $1,650 (disregarding any fraction).".

(3) Section 215(d)(3) is amended (A) by striking subparagraphs (A) and (B), and (B) by striking the dash after "individual" and inserting instead the text of the stricken subparagraph (B).

(4) Section 215(d) is amended by adding at the end the following new paragraph:

"(4) The provisions of this subsection as in effect in December 1977 shall be applicable to individuals who become eligible for old-age insurance or disability insurance benefits or died prior to 1978.".

(e) Section 215(e) is amended—

(1) by striking out "average monthly wage" each time it appears and inserting instead "average indexed monthly earnings or, in the case of an individual whose primary insurance amount is computed under section 215(a) as in effect prior to January 1979, average monthly wage," and

(2) by inserting immediately before "of (A)" in paragraph (1) the following: "(before the application, in the case of average indexed monthly earnings, of subsection (b)(3)(A))".

(f)(1) Section 215(f)(2) is amended to read as follows:

"(2)(A) If an individual has wages or self-employment income for a year after 1978 for any part of which he is entitled to old-age or disability insurance benefits, the

Secretary shall, at such time or times and within such period as he may by regulation prescribe, recompute the individual's primary insurance amount for that year.

"(B) For the purpose of applying subparagraph (A) of subsection (a)(1) to the average indexed monthly earnings of an individual to whom that subsection applies and who receives a recomputation under this paragraph, there shall be used, in lieu of the amounts of those earnings established by clauses (i) and (ii) of subparagraph (B) of that subsection, the amounts that were (or, in the case of an individual described in subsection (a)(4)(B), would have been) used in the computation of the individual's primary insurance amount prior to the application of this subsection.

"(C) A recomputation under this paragraph shall be made as provided in subsection (a)(1) as though the year with respect to which it is made is the last year of the period specified in subsection (b)(2)(B)(ii), and subsection (b)(3)(A) shall apply with respect to any such recomputation as it applied in the computation of such individual's primary insurance amount prior to the application of this subsection.

"(D) A recomputation under this paragraph with respect to any year shall be effective—

"(i) in the case of an individual who did not die in that year, for monthly benefits beginning with benefits for January of the following year; or

"(ii) in the case of an individual who died in that year, for monthly benefits beginning with benefits for the month in which he died.".

(2) Section 215(f)(3) is repealed.

(3) Section 215(f)(4) is amended to read as follows:

"(4) A recomputation is effective under this subsection only if it results in a primary insurance amount that is higher (by at least $1) than the previous primary insurance amount.".

(4) There is added at the end of section 215(f) the following new paragraph:

"(7) This subsection, as in effect in December 1978, shall continue to apply to the recomputation of a primary insurance amount computed under subsection (a) or (d) as in effect (without regard to the table contained in subsection (a)) in that month, and, where appropriate, under subsection (d) as in effect in December 1977. For purposes of recomputing the primary insurance amount under subsection (a) or (d) (as thus in effect) with respect to an individual to whom those subsections apply by reason of paragraph (B) of subsection (a)(4) as in effect after December 1978, no remuneration shall be taken into account for the year in which the individual initially became eligible for an old-age insurance or disability insurance benefit, or for any year thereafter.".

(g)(1) Section 215(i)(2)(A)(ii) is amended to read as follows:

"(ii) If the Secretary determines that the base quarter in any year is a cost-of-living computation quarter, he shall, effective with the month of June of that year as provided in subparagraph (B), increase—

"(I) the benefit amount of each individual who for that month is entitled to benefits under section 227 or 228,

"(II) the primary insurance amount of each other individual on which benefit entitlement is based under this title, and

"(III) the total monthly benefits based on each primary insurance amount and permitted under section 203 (which shall be increased, unless otherwise so increased under another provision of this title, at the same time as the primary insurance amount on which they are based) or, in the case of a primary insurance amount computed under subsection (a) as in effect (without regard to the table contained therein) prior to January 1979, the amount to which the beneficiaries may be entitled under section 203 as in effect in December 1978, except as provided by section 203(a)(6) and (7) as in effect after December 1978,

but shall not increase a primary insurance amount that is computed under subparagraph (C)(i)(III) of subsection (a)(1) or a primary insurance amount that was computed prior to January 1979 under subsection (a)(3) as then in effect. The increase shall be derived by multiplying each of the amounts described in clauses (I), (II), and (III) (including each of those primary insurance amounts or benefit amounts as previously increased under this subparagraph) by the same percentage (rounded to the nearest one-tenth of 1 percent) as the percentage by which the Consumer Price Index for that cost-of-living computation quarter exceeds that index for the most recent prior calendar quarter which was a base quarter under paragraph (1)(A)(ii) or, if later, the most recent cost-of-living computation quarter under paragraph (1)(B). Any amount so increased that is not a multiple of $0.10 shall be increased to the next higher multiple of $0.10.".

(2) Section 215(i)(2)(A) is amended by adding at the end the following new clause:

"(iii) In the case of an individual who becomes eligible for an old-age insurance or disability insurance benefit, or dies prior to becoming so eligible, in a year in which there occurs an increase provided in clause (ii), the individual's primary insurance amount (without regard to the time of entitlement to that benefit) shall be increased (unless otherwise so increased under another provision of this title) by the amount of that increase, but only with respect to benefits payable for months after May of that year.".

(3) Section 215(i)(2)(D) is amended by striking out all that follows the first sentence, and by inserting instead the following: "He shall also publish in the Federal Register at that time a revision of the benefit table established by subparagraph (C)(i)(I) of subsection (a)(1), and that shall be the amount determined for purposes of subparagraph (C)(i)(II) of such subsection.".

(4) There is added at the end of section 215(i) the following new paragraph:

"(4) This subsection, as in effect in December 1978, shall continue to apply to subsections (a) and (d), as then in effect, with respect to computing the primary insurance amount of an individual to whom subsection (a), as in effect after December 1978, does not apply (including an individual to whom subsection (a) does not apply in any year by reason of paragraph (4)(B) of that subsection, but the application of this subsection in such cases shall be modified by the application of subclause (I) of clause (ii) of such paragraph (4)(B)). For purposes of computing primary insurance amounts and maximum family benefits (other than primary insurance amounts and maximum family benefits for individuals to whom such paragraph (4)(B) applies), the Secretary shall publish in the Federal Register revisions of the table of benefits contained in subsection (a), as in effect in December 1978, as required by paragraph (2)(D) of this subsection, as then in effect.".

Strike out section 108 and insert in lieu thereof the following:

SEC. 108. (a) The amendments made by section 103 of this Act shall be effective on January 1, 1978.

(b) The amendments made by the preceding provisions of this Act, except as provided in subsection (a), and other than section 104(d), shall be effective with respect to monthly benefits and lump-sum death benefits under title II of the Social Security Act payable for months after December 1978. The amendments made by section 104(d) shall be effective with respect to monthly insurance benefits of an individual who becomes eligible for an old-age or disability insurance benefit or who dies after December 31, 1977.

Insert at the appropriate place in title II the following new section:

NATIONAL COMMISSION ON SOCIAL SECURITY

SEC. . (a)(1) There is hereby established a commission to be known as the National Commission on Social Security (hereinafter in this section referred to as the "Commission").

(2)(A) The Commission shall consist of—

(i) five members to be appointed by the President, by and with the advice and consent of the Senate, one of whom shall, at the time of appointment, be designated as Chairman of the Commission;

(ii) four members to be appointed by the Speaker of the House of Representatives; and

(iii) four members to be appointed by the President pro tempore of the Senate.

(B) At no time shall more than three of the members appointed by the President, two of the members appointed by the Speaker of the House of Representatives, or two of the members appointed by the President pro tempore of the Senate be members of the same political party.

(C) The membership of the Commission shall consist of individuals who are of recognized standing and distinction and who possess the demonstrated capacity to discharge the duties imposed on the Commission, and shall include representatives of the private insurance industry and of recipients and potential recipients of benefits under the programs involved as well as individuals whose capacity is based on a special knowledge or expertise in those programs. No individual who is otherwise an officer or full-time employee of the United States shall serve as a member of the Commission.

(D) The Chairman of the Commission shall designate a member of the Commission to act as Vice Chairman of the Commission.

(E) A majority of the members of the Commission shall constitute a quorum, but a lesser number may conduct hearings.

(F) Members of the Commission shall be appointed for the life of the Commission.

(G) A vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as that herein provided for the appointment of the member first appointed to the vacant position.

(3) Members of the Commission shall receive $138 per diem while engaged in the actual performance of the duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of such duties.

(4) The Commission shall meet at the call of the Chairman, or at the call of a majority of the members of the Commission; but meetings of the Commission shall be held not less frequently than once in each calendar month which begins after a majority of the authorized membership of the Commission has first been appointed.

(b)(1) It shall be the duty and function of the Commission to conduct a continuing study, investigation, and review of—

(A) the Federal old-age, survivors, and disability insurance program established by title II of the Social Security Act; and

(B) the health insurance programs established by title XVIII of such Act.

(2) Such study, investigation, and review of such programs shall include (but not be limited to)—

(A) the fiscal status of the trust funds established for the financing of such programs, with emphasis on means for keeping the trust funds in positive, long-range actuarial balance over the next 75 years and for keeping the reserve ratios at a 25 percent level, or, alternatively, at a 50 percent level;

(B) the rapid draining of funds from the Disability Insurance Trust Fund under present law;

(C) the public welfare aspects of the old-age, survivors, and disability insurance program which provides greater benefits to low income individuals than to high income individuals in relation to the amount contributed to the trust funds by such individuals;

(D) the inclusion of Federal employees, or other employees presently excluded, under the old-age, survivors, and disability insurance program and the hospital insurance program; and

(E) the establishment of a system permitting covered individuals a choice of publice or private insurance programs, or both.

(3) In making recommendations the Commission may not consider—

(A) the use of general revenue financing to support (in whole or in part) the insurance programs;

(B) the use of a system whereby the duties of employer and employee to contribute to the funding of the insurance programs are not equal;

(C) the inclusion of Federal employees under the insurance programs if such inclusion would result in a level of benefits for Federal employees below the level of benefits received by such employees under present law; or

(D) any modifications in benefits which would increase costs to the insurance programs, unless such modifications are accompanied by recommendations which provide for a means for keeping the trust funds in positive, long-range actuarial balance over the next 75 years, and for keeping the reserve ratios at a 25 percent level, or alternatively, at a 50 percent level.

(4) In order to provide an effective opportunity for the general public to participate fully in the study, investigation, and review under this section, the Commission in conducting such study, investigation, and review, shall hold public hearings in as many different geographical areas of the country as possible. The residents of each area where such a hearing is to be held shall be given reasonable advance notice of the hearing and an adequate opportunity to appear and express their views on the matters under consideration.

(c)(1) No later than 4 months after the date on which a majority of the authorized membership of the Commission is initially appointed, the Commission shall submit to the President and the Congress a special report describing the Commission's plans for conducting the study, investigation, and review under subsection (b), with particular reference to the scope of such study, investigation, and review and the methods proposed to be used in conducting it.

(2) On or before January 1, 1979, the Commission shall submit to the President and the Congress an interim report on the study, investigation, and review under subsection (b), together with its recommendations with respect to the programs involved. On or before January 1, 1980, the Commission shall submit to the President and the Congress a final report of the Commission on such study, investigation and review, and shall include its final recommendations; and upon the submission of such final report the Commission shall cease to exist

(d)(1) The Commission shall appoint an executive director of the Commission who shall be compensated at a rate fixed by the Commission, but which shall not exceed the rate established for level V of the Executive Schedule by title 5, United States Code.

(2) In addition to the executive director, the Commission shall have the power to appoint and fix the compensation of such personnel as it deems advisable, in accordance with the provisions of title 5, United States Code, governing appointments to the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates.

(e) In carrying out its duties under this section, the Commission, or any duly authorized committee thereof, is authorized to hold such hearings, sit and act at such times and places, and take such testimony, with respect to matters with respect to which it has a responsibility under this section, as the Commission or such committee may deem advisable. The Chairman of the Commission or any member authorized by him may administer oaths or affirmations to witnesses appearing before the Commission or before any committee thereof.

(f) The Commission may secure directly from any department or agency of the United States such data and information as may be necessary to enable it to carry out its duties under this section. Upon request of the Chairman of the Commission, any such department or agency shall furnish any such data or information to the Commission.

(g) The General Services Administration shall provide to the Commission, on a reimbursable basis, such administrative support services as the Commission may request.

(h) There are authorized to be appropriated such sums as are necessary to carry out the provisions of this section.

(i) It shall be the duty of the Health Insurance Benefits Advisory Council (established by section 1867 of the Social Security Act) to provide timely notice to the Commission of any meeting thereof, and the Chairman of the Commission (or his delegate) shall be entitled to attend any such meeting.

The amendments made by this amendment to sections 1401, 3101, and 3111 of the Internal Revenue Code of 1954 shall not be modified as a result of any amendment to the bill H.R. 9346 agreed to prior to the adoption of this amendment.

The PRESIDING OFFICER. Will the Senator suspend momentarily, while we clear the aisles and obtain order in the Chamber? Senators will please take their seats.

The Senator from Texas.

Mr. TOWER. Mr. President, the modification I have made does not change my amendment substantially, except to the section relative to the elimination of——

Mr. NELSON. Mr. President, may we have order so we can hear the Senator from Texas?

The PRESIDING OFFICER. The point is well taken. Will Senators please cease their conversations?

The Senator from Texas.

Mr. TOWER. Mr. President, the only change my modification makes in the original amendment No. 1541 is to change the section on earnings limitations to conform with the amendment of the Senator from Arizona, as modified by the Senator from Idaho. In other respects it is the same, except that it is not offered as a substitute, but as an amendment to the bill.

Mr. President, everybody in this country has a stake in the future of the social security system—and there is no longer any question that its financing needs to be overhauled. That is why the choices we in Congress must now make in finding ways to shore up its sagging financial structure are so critical. The decisions we make, the legislation we write, will determine if generations of working Americans to come can expect meaningful benefits in return for their years of contributions.

While I share with my colleagues on the Finance Committee's desire to solve this particularly complex issue, I believe there are alternatives to those suggestions made by the committee. We cannot place this burden of lessening the financial ills of social security too heavily on our middle class and business community. Buffeted by inflation, and ever larger taxes imposed by Government, middle income families cannot be made to bear a still greater share of the financing load for the retired generation. Applying a disproportionate share of this tax to employers would be equally unfair and ill advised. Employers will not pay increases in payroll taxes out of profits, but rather will shift the tax primarily to their employees, either through lower wages or by hiring fewer workers. Increased prices to the consumer would be an unavoidable product of this approach.

Mr. President, the precipitate rise in taxable wage base, the inequitable distribution of payroll tax increases as suggested by the Finance Committee, will combine to produce inadequate and, in my view, unacceptable options for the American people.

Therefore, today I ask my colleagues to consider the more responsible alternatives found in my financing proposal which effectively answer the short-term and long-term needs of social security and restore financial integrity to the system once again.

To achieve these goals, my amendment first averts drastic funding changes proposed to ease the short-range problems by using available moneys in a wiser fashion. During this time an appointed outside commission would be instructed to find comprehensive solutions to the impending deficit without shifting funds from general revenues or without breaking the historic partnership of the employer and the worker in financing the system on an equal basis. Second, it would solve the long-range financing problems by using a price-indexing formula of decoupling, which would correct the error in the 1972 amendments. Meanwhile it would insure that future retirees receive benefits that keep pace with their cost of living. Third, my amendment would also retain the action which the Senate has already taken on the modification of the outside earnings limitation, together with other amendments which the Senate already has approved.

Mr. President, financial soundness can be achieved and a number of longstanding inequities in social security can be corrected. The damage is not beyond repair. But social security is much too important for ill-considered, quick-fix solutions such as the Finance Committee seems to have embraced.

I call on my colleagues to consider my proposal as a more responsible alternative to the other legislation we have been asked to consider. I am convinced that the results of our combined efforts will effectively stabilize the drain on the trust funds and renew Americans' confidence in an economically viable social security system once again.

We do not need to act this year in a hasty and precipitate fashion. We do not need to act similarly next year. Through proper—and more rational—allocation of our currently scheduled tax resources, we have until the early part of the next decade to make changes—permitting a deliberative and careful review of this entire question.

Therefore, Mr. President, I urge the adoption of my amendment.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. TOWER. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. DANFORTH. Will the Senator yield for a question?

Mr. TOWER. I yield for a question.

Mr. DANFORTH. I commend the Senator from Texas for his proposal. With respect to the decoupling issue, this is a somewhat technical problem which was created several years ago when Congress, I think inadvertently, double indexed the computation for the initial pay-out of social security to both wages and prices. It is universally recognized, I believe, that decoupling, that is, resolving this combination of two different methods of indexing, has to be accomplished.

The bill which is before us would decouple by retaining wage indexing. I do not have the figures before me now, but the fact of the matter is that if instead of retaining wage indexing we retain price indexing, we would protect those who do reach the age for receiving social security from the effects of inflation, which is exactly what indexing is supposed to do. We would still preserve the possibility of adjusting the benefits of those who have already reached retirement age, which possibility is, I believe, forgone by the approach that we are taking in this bill, which would retain the wage indexing method of computation.

The Senator's proposal also would result in a considerable saving for the social security trust fund.

If that were the Senator's sole proposal I would have no hesitation at all in supporting the Senator, and supporting him enthusiastically. However, I am a little bit concerned about the possibility of a further study. We have had a study for the last few years, and I think have pretty well debated the course we can take in resolving the short-term problems of social security financing.

My question will be, how long does the Senator intend to put it off? If we do put off the resolution of the short-term problem, we simply increase the actuarial problem which we are going to have to solve down the road, which would be even more tax or base increases in some future year than we have in this bill.

Mr. TOWER. I want to thank the Senator for his very constructive contribution to this discussion. I may say that he has certainly stated the case for decoupling far more eloquently and lucidly than I could.

In fact, my proposal does make the social security benefits inflation proof but does not result in the enormous costs that wage indexing would result in. Therefore, I think it makes the system more sound.

In terms of the commission, it is my intent that it would be a very bipartisan commission, aloof from political considerations, that could look at this matter in a seasonal and timely fashion and make some sort of recommendations to us. They would be required to report on January 1 of 1980. The fund would not run out until the year of 1983. Therefore, there would be an ample period of time in which Congress could act subsequent to the report of the commission. There would be approximately 3 years in which Congress could act.

It could, of course, accept or reject what the findings of the commission or the recommendations of the commission might be.

Mr. DANFORTH. As far as the short term problem, the short term solution, the Senator would, in essence, put that off until 1983?

Mr. TOWER. Well, the short term solution is that we make the system solvent through 1983 by a judicious transfer of funds. Therefore, there would be no fear of bankruptcy of the system before 1983 if we failed to act before that time. But I would expect that we would act in a timely fashion subsequent to the report of the commission.

Mr. DANFORTH. Mr. President, the disability fund, as I understand it, would run out of money in 1979 and health insurance——

Mr. TOWER. No, by the transfer of funds, they would all run out in 1983.

Mr. DANFORTH. 1983?

Mr. TOWER. Yes, what we are doing is taking money out of one pocket and putting it into another, but to the extent that it all runs out in 1983. We would have to act prior to that time.

Mr. DANFORTH. Replenishing the reserve at that time would become more difficult, because we would have less time—we would have less of a reserve; therefore, we would have to replenish more. The eventual increase, therefore, would have to be higher——

Mr. TOWER. I might say to the Senator from Missouri that I am not promising anyone a rose garden. What I am suggesting here is that we can meet the problem of ultimate bankruptcy in this way, over a short term. The commission would be required to report in January of 1980. We would have ample time, then, to act on that report. Hopefully, it would be sufficiently objective and statesmanlike and sound that we could embody those recommendations in legislation that would give us a permanent solution, at least a long-range solution.

Mr. DANFORTH. I do want to commend the Senator on the second word of his answer to this problem. I think his decoupling approach is highly responsible. As a matter of fact, we have had a commission in existence for the past few years which has been something of a blue ribbon commission to study the problem of social security financing. One of the proposals that it made was to retain price indexes, which is, of course, what the committee would be interested in.

Mr. DOLE. Mr. President, will the Senator yield briefly?

Mr. TOWER. I yield to the Senator from Kansas.

Mr. DOLE. I just want to ask a question on the earnings limitation. How has the Senator from Texas modified his amendment in that area?

Mr. TOWER. What we did was simply incorporate the Goldwater amendment that was modified by the Church amendment that was adopted earlier this evening. That amendment stands. My provision was that there be a total removal of earnings limitations financed by a 1.25 tax to commence in the year 1979.

Mr. DOLE. I agree with the distinguished Senator's original proposal. Of course, we have modified it.

I want to point something out.

Mr. President, during the debate on the Church substitute to the Goldwater-Dole amendment there was a paper circulating in the well with some cost figures on the Goldwater-Dole amendment.

These cost figures were inserted into the record by Senator CHURCH. The fact is, the figures are inaccurate. Senator CHURCH stated that the amendment to eliminate the earnings limitation would cost:

1982	$2.4
1983	2.5
1984	2.5
1985	2.6
1986	2.7
1987	2.7

Or $15.4 billion more than the committee bill.

That is incorrect. I believe the Senator from Idaho will admit to the inaccuracy.

While the Goldwater-Dole amendment does cost about $1 billion more per year than the committee amendment in 1987, the fact is the Goldwater-Dole amendment would have cost only $100 million more in the first 10 years than the committee amendment.

These figures are directly from the Social Security Administration. The cost difference between the Church substitute and the Goldwater-Dole amendment is no more than $500 million in any year, not the $2 billion represented by the Senator from Idaho.

While the mistake was inadvertent the record must be set straight. I believe that the vote would have been different if these inflated figures were not circulated.

I hope that the conference will adopt the House amendment.

There was a great deal of discussion about the cost of the Goldwater amendment; that it would cost $15.4 billion more than the original bill was an inaccurate statement. I think the Senator from Idaho now understands it was not an accurate statement. I do not think it was made intentionally, but it was based on one of the Goldwater proposals that was not offered. As I said, I think the overestimation of costs might have cost Senator GOLDWATER a number of votes. I think the record should show what the actual costs are, because it might help in the adoption of this amendment.

Mr. TOWER. I might say I much prefer to eliminate the limitations altogether, but I am facing up to the realities of life here. The Senate has already acted, so I have incorporated that action of the Senate into my amendment.

Mr. CHURCH. Will the Senator yield for a comment?

Mr. TOWER. I yield to the Senator from Idaho.

Mr. CHURCH. It is true that the original figures that I placed in the RECORD related to an earlier version of the Goldwater amendment. That was a confusion that was not understood at the time. It has now been clarified and another set of figures have been inserted in the RECORD. I only want to state that the accurate set of figures still reflect a very substantial difference in cost between the Goldwater amendment and the Church amendment, a difference of $400 million a year, increasing to $600 million a year from 1983 to 1987. So the proper figures are now in the RECORD. The confusion has been corrected. I think the basic fact that the Goldwater amendment is substantially more costly than the one that the Senate did adopt is substantiated by the accurate figures that have been included in the second chart.

Mr. TOWER. Mr. President, I am prepared to allow the manager of the bill the opportunity to use some of his time. I am also prepared to yield back the remainder of my time. I shall reserve that time for the time being.

Mr. NELSON. I thank the Senator for his generosity in allowing me to use some of my time.

Mr. TOWER. I am always delighted to be generous to my distinguished friend from Wisconsin, especially with his own resources.

Mr. NELSON. I yield to the Senator from South Dakota.

Mr. McGOVERN. Mr. President, I ask unanimous consent that Mr. Jeffrey Smith of my staff be granted the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NELSON. Mr. President, I ask unanimous consent that Mr. Bill Morris of the Finance Committee staff be granted the privilege of the floor during consideration of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NELSON. Mr. President, the Finance Committee members are familiar with the proposal that was made by the Senator from Texas, because we heard testimony on it by Dr. Hsiao, a Harvard professor. I will say to the Members of the Senate that this provision, like both Senator CURTIS' proposal and the Finance Committee proposal, is fiscally sound. That is to say, they all levy the necessary taxes to pay the benefits provided. So there is not any question at all that, if the Senate adopted the proposal of the Senator from Texas, the security of the fund is guaranteed.

Now, there is one fundamental difference, but not only one distinction, between the proposal by the Senator from Texas respecting replacement rates and the two proposals that were made by the Senator from Nebraska and the proposal that the Finance Committee made on the question of retirement replacement rates.

That is to say, the percentage of the salary that employees retire at was the same in Senator CURTIS' two proposals as in the Finance Committee proposal. The Tower proposal would lower replacement rates.

The Tower amendment uses price indexing so that the replacement rate, which is the percentage of the final rate of earning, continually goes down, and that is the difference.

If the Senate wishes to make the decision that the percentage of the final rate of earning replaced by social security shall be substantially reduced, then the proposal of the Senator from Texas meets the standard of anybody who wishes to support that.

I will just give a few illustrative figures so that everybody will be familiar with what they are voting on.

Under the Finance Committee bill, the average worker would receive a replacement rate in retirement 43 percent of his earnings the year before retirement. That is to say, the average replacement rate would be stabilized at 43 percent from now on. It is at 46 percent in 1977.

The replacement rate would drop to 43 percent and it would remain at 43 percent of the final computed rate of earning that is used for that purpose.

Under the proposal in the amendment offered by the Senator from Texas, the replacement rate would go from 46 percent in 1979—which it is for all other proposals—to 41 percent in 1985; in 1990 to 38 percent; in 1995, to 36 percent. And it would continue on down when in the year 2050, it would reach 26 percent.

The replacement rate under the Tower amendment would be 26 percent, whereas the replacement rate under the Finance Committee proposal would remain at 43 percent for those earning the average income. Under the proposal of Senator CURTIS, the replacement rate also would have been 43 percent.

A lower replacement rate has the consequence, of course, of requiring less taxes. That is true. So if the objective is to reduce the replacement rate to 26 percent ultimately instead of freezing it at 43 percent, then Senator TOWER's proposal should be adopted.

The proposal of the Senator from Texas costs less money in taxes than the Finance Committee plan. It produces a lower replacement rate, and that is the fundamental difference.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the comparative tables on the replacement rates of the two proposals.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

FINANCE COMMITTEE

BENEFITS, REPLACEMENT RATES, AND EXPENDITURES UNDER COMMITTEE BILL, 1979–2050

[In percent except dollars]

Year	Worker with average earnings [1]		Replacement rate for worker with—		Aggregate OASDI expenditures	
	Annual benefit in 1977 prices	Replacement rate	Low earnings [2]	High earnings [3]	As percent of payroll	As percent of GNP [4]
1979	[5] $4,444	[5] 46	[5] 58	[5] 35	10.29	4.2
1985	4,713	43	54	30	10.56	4.3
1990	5,145	43	55	29	10.84	4.4
1995	5,581	43	54	30	11.29	4.5
2000	6,068	43	54	31	11.68	4.6
2010	7,172	43	54	32	12.88	5.0
2020	8,472	43	54	32	15.72	6.1
2030	10,011	43	54	32	17.86	7.0
2040	11,830	43	54	32	17.36	6.8
2050	13,978	43	54	32	16.81	6.6

	Percent
Average medium-range cost (1977–2001)	10.93
Average medium-range revenue	11.83
Average medium-range balance	+.90
Average long-range cost (1977–2051)	14.16
Average long-range revenue	14.22
Average long-range balance	+.06

[1] Assumed to be 4 times the average 1st quarter covered earnings.
[2] Assumed at $4,600 in 1976 and following the trends of the average.
[3] Assumed at the maximum taxable under the program.
[4] Based on full employment and assuming taxable payroll equals 41.1 percent of GNP.
[5] Based on the present law benefit formula for all workers attaining age 62 before Jan. 1, 1979.

Note: The estimates in this table are based on the economic and demographic assumptions used in the intermediate cost estimates (alternative II) in the 1977 OASDI Trustees Report. The replacement rates pertain to workers with steady employment at increasing earnings and compare the annual retirement benefit at age 65 with the earnings in the year immediately prior to retirement.

TOWER AMENDMENT

[Proposal recommended by panel of consultants to Congressional Research Service]

[Initial average benefit close to present law in 1979; workers earnings records CPI indexed; benefit formula bend points CPI indexed; benefit formula factors not indexed]

[In percent except dollars]

Year	Worker with average earnings [1]		Replacement rate for worker with—		Aggregate OASDI expenditures	
	Annual benefit in 1977 prices	Replacement rate	Low earnings [2]	High earnings [3]	As percent of payroll	As percent of GNP [4]
1979	$4,444	46	58	35	10.9	4.5
1985	4,508	41	53	30	11.0	4.5
1990	4,597	38	50	28	11.0	4.5
1995	4,713	36	47	28	10.8	4.4
2000	4,908	34	45	28	10.5	4.3
2010	5,360	32	42	27	10.6	4.3
2020	5,962	30	40	26	12.0	4.9
2030	6,665	28	37	25	12.8	5.3
2040	7,496	27	35	24	11.8	4.9
2050	8,477	26	32	23	10.9	4.5

	Percent
Average medium-range cost (1977–2001)	10.8
Average medium-range revenue	9.9
Average medium-range deficit	−.9
Average long-range cost (1977–2051)	11.3
Average long-range revenue	11.0
Average long-range deficit	−.3

[1] Assumed to be 4 times the average 1st quarter covered earnings.
[2] Assumed at $4,600 in 1976 and following the trends of the average.
[3] Assumed at the maximum taxable under the program.
[4] Based on full employment and assuming taxable payroll equals 41.1 percent of GNP.

Note: The estimates in this table are based on the economic and demographic assumptions used in the intermediate cost estimates (alternative II) in the 1977 OASDI Trustees Report. The replacement rates pertain to workers with steady employment at increasing earnings and compare the annual retirement benefit at age 65 with the earnings in the year immediately prior to retirement.

Mr. TOWER. Mr. President, I would just like to say that the Senator from Wisconsin has certainly stated the case fairly.

It is something of a Hobson's choice we have to make between benefits and taxes, and that is the choice. It is there, and I cannot say anything to ameliorate that.

I simply say, however, in terms of 1977 prices that the benefits would almost double from the year 1979 to the year 2050.

It would not, perhaps, enable the beneficiary to keep up with the Joneses, but it would enable him to meet the inflationary rate and it would be less costly and, I think in the final analysis, it would have less hazardous impact on the ultimate security of the social security system.

Mr. DANFORTH. Mr. President, will the Senator yield?

Mr. TOWER. I will yield, I believe the Senator from Missouri was on his feet first, and then I will yield to the Senator from Nebraska.

Mr. DANFORTH. Mr. President, we have indexing. If we were to retain price indexing rather than wage indexing, it would protect people who retire from the ravages of inflation. It would protect the purchasing power of their social security benefits from inflation. That is the purpose of indexing.

The difference between wage indexing and price indexing has to do with the social security tax rate that we are going to have to charge in the long term. Under the committee's bill, between 1986 and the year 2011 and thereafter, the social security tax rate is going to increase from 7 to 9.20 percent.

The fact of the matter is that if we had——

The PRESIDING OFFICER. The time of the Senator——

Mr. DANFORTH. Instead of wage indexing, we could freeze it.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. TOWER. Mr. President, might I borrow some time from my good friend from Wisconsin to yield to the Senator from Nebraska?

Mr. CURTIS. Just 2 minutes.

Mr. NELSON. Yes, with interest.

Mr. CURTIS. I am sure there will be an interest in what I have to say.

Mr. NELSON. All right. What time does the Senator desire?

Mr. TOWER. Two minutes to the Senator from Nebraska.

Mr. NELSON. I yield 2 minutes to the Senator from Nebraska.

Mr. CURTIS. I thank my distinguished friend.

Mr. President, to the Senator from Nebraska, the big difference between the Tower amendment and the committee amendment is something different than has been discussed here. The Tower amendment is a temporary arrangement. It calls upon a report to give guidelines for us to follow meeting the long-range cost of social security.

So the advantage of the Tower amendment is twofold. It will avoid the matter of going to a program of doing away with the balance, an employee paying half, an employer paying half. That has never been approved by a majority vote anywhere. In the committee it was 9 to 9. It has a majority of a Vice President, that is all.

It was a tie here. It is a departure. It should not be followed.

Here is a chance to take a temporary measure that has a commission report. It is not my choice. I would rather have us meet it right now, levy the taxes, be honest with the people, restore the fund.

Mr. NELSON. Mr. President, I am prepared to yield back the remainder of my time.

Mr. TOWER. My time has expired and I think we have debated it enough.

The PRESIDING OFFICER. All time has been yielded back. The yeas and nays have been ordered.

Mr. NELSON. Mr. President, I move to lay the amendment on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to table.

Mr. NELSON. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Wisconsin to table the amendment of the Senator from Texas. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Delaware (Mr. BIDEN), the Senator from Nevada (Mr. CANNON), the the Senator from Arizona (Mr. DECONCINI), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from North Carolina (Mr. MORGAN), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Tennessee (Mr. SASSER), the Senator from Alabama (Mr. SPARKMAN), the Senator from Mississippi (Mr. STENNIS), the Senator from Nebraska (Mr. ZORINSKY), the Senator from Mississippi (Mr. EASTLAND), the Senator from Montana (Mr. METCALF), and the Senator from South Dakota (Mr. ABOUREZK) are necessarily absent.

I also announce that the Senator from Maine (Mr. MUSKIE) is absent because of illness.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY) would vote "yea."

On this vote, the Senator from Connecticut (Mr. RIBICOFF) is paired with the Senator from North Carolina (Mr. MORGAN). If present and voting, the Senator from Connecticut would vote "yea" and the Senator from North Carolina would vote "nay."

Mr. BAKER. I announce that the Senator from Oklahoma (Mr. BARTLETT), the Senator from Massachusetts (Mr. BROOKE) the Senator from Arizona (Mr. GOLDWATER), the Senator from Utah (Mr. HATCH), the Senator from Oregon (Mr. HATFIELD), the Senator from California (Mr. HAYAKAWA), the Senator from North Carolina (Mr. HELMS), the Senator from Oregon (Mr. PACKWOOD), the Senator from Kansas (Mr. PEARSON), the Senator from Illinois (Mr. PERCY), the Senator from Alaska (Mr. STEVENS), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I also announce that the Senator from Virginia (Mr. SCOTT) is absent on official business.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD), the Senator from North Carolina (Mr. HELMS), and the Senator from Alaska (Mr. STEVENS) would each vote "nay."

The result was announced—yeas 48, nays 21, as follows:

[Rollcall Vote No. 630 Leg.]

YEAS—48

Allen	Gravel	Melcher
Anderson	Hart	Metzenbaum
Bayh	Haskell	Moynihan
Bumpers	Hathaway	Nelson
Burdick	Heinz	Nunn
Byrd, Robert C.	Hollings	Pell
Case	Inouye	Proxmire
Chafee	Jackson	Randolph
Chiles	Javits	Riegle
Church	Kennedy	Sarbanes
Clark	Leahy	Stafford
Cranston	Long	Stevenson
Culver	Magnuson	Talmadge
Durkin	Mathias	Williams
Eagleton	Matsunaga	
Ford	McGovern	
Glenn	McIntyre	

NAYS—21

Baker	Garn	Schweiker
Bellmon	Griffin	Stone
Byrd, Harry, F., Jr.	Hansen	Thurmond
Curtis	Laxalt	Tower
Danforth	Lugar	Wallop
Dole	McClure	Young
Domenici	Roth	
	Schmitt	

NOT VOTING—31

Abourezk	Hayakawa	Percy
Bartlett	Helms	Ribicoff
Bentsen	Huddleston	Sasser
Biden	Humphrey	Scott
Brooke	Johnston	Sparkman
Cannon	McClellan	Stennis
DeConcini	Metcalf	Stevens
Eastland	Morgan	Weicker
Goldwater	Muskie	Zorinsky
Hatch	Packwood	
Hatfield	Pearson	

So the motion to lay on the table was agreed to.

Mr. NELSON. Mr. President, I move to reconsider the vote by which the motion to lay the amendment of the Senator from Texas on the table was agreed to.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 1067

(Purpose: To eliminate the monthly retirement test.)

Mr. CHILES. Mr. President, I send to the desk an unprinted amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Florida (Mr. CHILES) proposes unprinted an amendment numbered 1067.

Mr. CHILES. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Insert at the appropriate place the following:

ELIMINATION OF THE RETIREMENT TEST MONTHLY MEASURE EXCEPT FOR THE INITIAL YEAR IN WHICH MONTHLY BENEFIT IS RECEIVED

SEC. 130. (a) Clause (E) of the last sentence of section 203(f)(1) of the Social Security Act (as amended by section 121(d) of this Act) is further amended by inserting before the period at the end thereof the following: ", if such month is in the taxable year in which occurs the first month that is both (i) a month for which the individual is entitled to benefits under subsection (a), (b), (c), (d), (e), (f), (g), or (h) of section 202 (without having been entitled for the preceding month to a benefit under any other of such subsections), and (ii) a month in which the individual did not engage in self-employment and did not render services for wages (determined as provided in paragraph (5)) of more than the exempt amount as determined under paragraph (8)".

(b) The amendment made by subsection (a) shall apply only with respect to monthly benefits payable for months after December 1977.

Mr. CHILES. Mr. President, I am offering an amendment to change the monthly earnings test to an annual test for purposes of determining whether an individual is retired and thus eligible for social security benefits.

I think we should encourage older people to keep working to the degree that they are still physically able to. More than any economic considerations, the work situation provides a valuable social support that prevents the loneliness and isolation which so many of the elderly suffer. I have long supported increasing the level of allowable retirement earnings in order to encourage continued employment, and I congratulate the Finance Committee for providing significant increases in this bill.

At the same time, I believe it is necessary to be as fair as possible in how we calculate the earnings limit. One flaw in the current law is that it allows an individual to be retired in 1 month, working in another, and so on, without regard to how much is earned in the working months. Many people can regulate their flow of income by reasons of self-employment or ownership of a business. Thus, they can earn $100,000 in 3 months of the year, then "retire" and draw social security benefits for the rest of the year. They can then go back to work again the next year and repeat the pattern. Social security is for them just a bonus piece of income. At the same time, we tell a salaried employee that we will reduce his benefits 50 percent for any earnings over $3,000. This is obviously unfair and discriminates against the salaried workers who tend to have lower incomes. The Social Security Administration estimates that about 80,000 persons currently avoid the earnings limitation by this mechanism.

My amendment would correct this flaw by calculating the earnings limit on an annual basis. This improvement was recommended by President Carter in his 1978 budget. It was also recommended by the previous administrations in their budgets. It has also been recommended by the Social Security Advisory Commission, an independent body that is appointed by the Secretary of HEW to oversee the soundness of the system.

It was included in the House-passed version of the bill. Now that we have a bill to make major changes in social security financing and increase the earnings limit, it is a good time to correct some of the flaws which have been draining the trust fund. This amendment will save $174 million in fiscal year 1978, $234 million in 1979 and more in later years. If we can cut down on a lot of these flaws in the benefit structure, we can minimize the tax increases necssary to keep the system solvent and pay a decent level of benefits to our retirees.

Mr. President, in order to make sure that the effects of this amendment would not have any negative effects on low-income workers, I asked the Social Security Administration to calculate the number of persons at each income level who would have their earnings reduced. I ask unanimous consent to print a table showing the results in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE I.—*Percent of workers with reduced benefits under annual retirement test, by income (Data from 1975)*

[*Percent of workers with reduced benefits*]

Annual earnings:	
Less than $3,900	1
$3,900–$5,400	6
$5,400–$8,400	20
$8,400–$11,400	26
$11,400–$14,100	14
More than $14,100	32
All workers (Total does not add due to rounding)	100

Mr. CHILES. Mr. President, it is clear that no more than 1 percent of the affected workers earns less than the expanded earnings limit of $3,900. That is, 99 percent are using this mechanism to avoid the limits we are imposing on low-income workers who work every month of the year. Even assuming an increase in the earnings limit to $6,000 as provided in the Finance Committee bill, 93 persent of the affected workers would be exceeding the annual limit by means of the monthly computation.

I hope my colleagues will join me and support this amendment so that we can keep social security retirement benefits directed to those who really need them.

Mr. CURTIS. Mr. President, will the distinguished Senator yield?

Mr. CHILES. I yield.

Mr. CURTIS. We had an opportunity to examine the statement of the distinguished Senator from Florida, and I am speaking for the manager of the bill also. We are willing to take the amendment.

Mr. CHILES. I think this could be a cost-saving amendment. I think it is also fair that it be determined on this basis.

I thank the distinguished ranking minority member, and I urge adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Florida.

The amendment was agreed to.

UP AMENDMENT NO. 1068

(Purpose: To freeze minimum benefit.)

Mr. CHILES. Mr. President, I send to the desk another unprinted amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Florida (Mr. CHILES) proposes an unprinted amendment numbered 1068.

Mr. CHILES. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

FREEZE OF THE MINIMUM BENEFIT AT THE DECEMBER 1978 LEVEL

In lieu of the matter proposed to be inserted by section 104(a) as a new subparagraph (C)(i) of section 215(a)(1) of the Social Security Act, insert the following:

"(C)(i) No primary insurance amount computed under subparagraph (A) may be less than—

"(I) the dollar amount set forth on the first line of column IV in the table of benefits contained in this subsection as in effect in December 1978, rounded (if not a multiple of $1) to the higher multiple of $1, or

"(II) an amount equal to $9 multiplied by the individual's years of coverage in excess of 10,

whichever is greater. No increase under subsection (i) shall apply to the dollar amount specified in subdivision (I) of this clause.".

Paragraph (3) of section 104(g) is amended by striking out everything that follows "sentence" and inserting in lieu thereof a period.

Mr. CHILES. Mr. President, I am offering an amendment to freeze the minimum benefit at the level of $121 which it is expected to reach on January 1, 1979. This is the same provision which passed the House without controversy last week. The Congressional Budget Office estimates this amendment will save $193 million between now and 1983.

The minimum benefit is a classic example of the need for sunset legislation. It was a good idea when first adopted, but it has outlived its purpose. The original intent of the minimum was to provide a floor for low-wage workers and to keep the Social Security Administration from having to write checks for very small amounts. Several events have eliminated these needs. In 1972 Congress created a special benefit structure for persons with many years of work at low wages, thus meeting the primary need for a floor on benefits. At the same time we created the supplemental security income program which takes care of low-income elderly, including those persons with only a few years of work history. Benefits under both of these provisions greatly exceed the social security minimum benefit. Finally, the age of computers makes it easy to apply the benefit computation formulas at any level and issue an appropriate check.

As conditions and benefit structures have changed, two types of individuals have emerged as recipients of the minimum benefit. First, we have individuals who work most of their adult life in government jobs which are not covered by social security. Since their jobs are not

covered, they do not contribute to the trust funds. However, many government pension systems, including the Federal one, have generous provisions for early retirement. As a result, government workers may retire while they are still active and healthy, work a few years in private jobs covered by social security, then qualify for the minimum benefit. In these cases, the individual receives a benefit greatly exceeding what he would get based on his actual earnings and contribution to the trust fund. Of course he is also double dipping by drawing down his government pension in addition to the $1,400 a year in social security. While I think we should encourage older workers to keep working if they are healthy and active, we ought not to burden the system with paying benefits to persons who have not made an appropriate contribution.

Mr. President, I believe we really ought to freeze the minimum benefit for current beneficiaries and eliminate it for future retirees. The future recipients are not those who have put in long years of work and contributed to the trust fund in the expectation of receiving a specified level of social security benefits. However, when Mr. CORMAN offered that as an amendment in the House, it was defeated. I am therefore offering the same provision as in the House bill, which provides a very gradual transition, simply letting the value of the minimum benefit erode by excluding it from the provision that automatically increases benefits to match price changes.

I think the House was also wise to increase the special minimum benefit from $9 to $11.50 per covered year. In contrast to the regular minimum benefit, the special minimum only covers persons with over 10 years of covered employment. It is thus protected against double dipping or from providing benefits to persons with a minimal attachment to the work force. The $9 multiplier has not been updated for inflation since the original amendment was adopted in 1972. However, since the House provision would not take effect until 1979, it would be out of order under the Budget Act. I feel very strongly that we should not be circumventing the budget process by passing future benefits that have not competed against other needs and priorities in the deliberations on the first budget resolution. I have therefore omitted that provision from my amendment and hope that we will be able to adopt it next year.

Mr. President, I hope my colleagues will join me in adopting this cost-saving improvement.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. CHILES. I yield.

Mr. CURTIS. I believe this is a good amendment. I talked it over with the distinguished manager of the bill, and we are willing to take this one also.

Mr. CHILES. I thank the distinguished ranking minority member.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Florida.

The amendment was agreed to.

UP AMENDMENT NO. 1069

(Purpose: To correct a technical error in the bill.)

Mr. NELSON. Mr. President, I send to the desk a technical amendment and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Wisconsin (Mr. NELSON) proposes an unprinted amendment numbered 1069.

The amendment is as follows:

In section 124(b) of the bill, strike out "3102, 3111," and insert in lieu thereof: "3301, 3302,".

Mr. NELSON. Mr. President, this changes numbers in the bill. And it has been cleared on both sides.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin.

The amendment was agreed to.

The PRESIDING OFFICER. Are there further amendments to be proposed?

UP AMENDMENT NO. 1070

(Purpose: Relating to coverage under medicare of certain devices which are designed to serve the same or similar purpose as that performed by a wheelchair.)

Mr. GRIFFIN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Michigan (Mr. GRIFFIN) proposes an unprinted amendment numbered 1070.

At the appropriate place in the Act, insert the following new section:

COVERAGE UNDER MEDICARE OF CERTAIN DEVICES SERVING THE SAME OR SIMILAR PURPOSE AS THAT PEFORMED BY A WHEELCHAIR

SEC. . (a) Section 1861 (s)(6) of the Social Security Act is amended by inserting after the word "wheelchairs" the following: '(and devices designed to serve the same or similar purpose as that performed by a wheelchair)."

(b) The amendment made by this section shall be effective in the case of services furnished after the date of enactment of this Act.

Mr. GRIFFIN. Mr. President, I have discussed this amendment with the managers of the bill on both sides of the aisle.

This amendment is offered primarily because the bureaucracy in HEW has taken a very arbitrary view interpreting the word "wheelchair" in the Social Security Act as it applies to medicare, and has precluded the coverage of a very fine electric-powered vehicle that is produced in my State specifically for handicapped and invalid people.

The best way to describe what it is is the thing that Margaret Chase Smith used following her operation when she went back and forth from the Senate Office Building over here. Former Senator Charlie Potter had one of these.

They are very maneuverable. They allow a person who is handicapped to get about his home in a dignified way. All handicapped people cannot use them. But it is a great improvement over the wheelchair for many handicapped people.

This amendment is to make it clear to HEW that this should be considered. It is developed and manufactured by a small company in Michigan and the Veterans' Administration has approved it, but the bureaucracy of HEW so far has not.

Mr. President, section 1861(s)(6) of the Social Security Act (now 42 U.S.C. § 1395X(s)(6)), allows for medicare coverage of "durable medical equipment, including . . . wheelchairs used in the patient's home."

Until 1976, the bureaucracy at HEW interpreted the statute to cover the AMIGO wheelchair which is manufactured in Bridgeport, Mich. However, in that year, for no good reason, the regulations were "revised" to preclude the AMIGO wheelchair from medicare coverage.

Because the AMIGO wheelchair is manufactured in my State of Michigan, I have written to officials at HEW on several occasions requesting an explanation for the change in policy. The justification I received can best be characterized as bizarre and ridiculous.

In its reply to my letters, HEW officials refer to the AMIGO wheelchair as a golf cart-type vehicle which could be used by those who are not sick or injured. They also compared the AMIGO wheelchair to room air-conditioners and bathtubs.

This is ridiculous. The AMIGO is not a golf cart-type vehicle; it is used by those who are sick or handicapped and it is used by the patient in his home.

Mr. President, 8 years ago, Allan Thieme of Bridgeport, Mich., designed the first AMIGO wheelchair for his wife, who was suffering from multiple sclerosis and had been using a conventional wheelchair. The AMIGO gives handicapped people more mobility and greater variation of activity than was available with conventional wheelchairs. He accomplished this by making the AMIGO lighter in weight, narrower in width, more maneuverable, and easier to transport than conventional wheelchairs.

As one example of the AMIGO's ability to give the handicapped greater mobility, the chair is equipped with a swivel seat that allows the user to pull up to a normal desk or table and function comfortably without undue awkwardness. In addition, the AMIGO's narrower width allows users to get through doorways—particularly in private homes—that conventional models cannot negotiate.

I first saw the AMIGO wheelchair in operation several years ago when our friend, former Senator Charlie Potter rode one into my Senate office. Senator Potter's enthusiasm for the AMIGO helped to make me a believer. Later, I saw the AMIGO wheelchair used by our former colleague, Margaret Chase Smith, following an operation.

True to the American spirit of building a better mouse trap, the AMIGO has caught on and is being used by several thousand handicapped Americans. It is very strange that the HEW bu-

reaucracy has been so arbitrary in its refusal to make this device available.

It should be pointed out that the AMIGO wheelchair has been approved by the VA for VA beneficiaries. And, it should be noted that the AMIGO has undergone extensive testing at the prestigious Institute of Rehabilitation at New York University Medical Center, and been found superior to conventional wheelchairs for many handicapped persons.

Mr. President, this amendment and this legislative history should make it clear, once and for all, that the AMIGO is a wheelchair within the meaning of the statute.

Mr. CURTIS. Mr. President, will the distinguished Senator yield?

Mr. GRIFFIN. I yield to the Senator from Nebraska.

Mr. CURTIS. Mr. President, we had an opportunity to examine the amendment. We believe it is in the interest of the beneficiaries that use these machines as well as the social security fund, and we are willing to accept it.

Mr. GRIFFIN. Incidentally, it will cost less than electric-powered wheel chairs that are now being authorized for payment.

Mr. CURTIS. The distinguished manager of the bill joins me in willingness to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Michigan.

The amendment was agreed to.

UP AMENEDMENT NO. 1071

Mr. DOLE. Mr. President, I send an amendment to the desk on behalf of myself and the distinguished Senator from New York (Mr. MOYNIHAN) and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Kansas (Mr. DOLE), for himself and Mr. MOYNIHAN proposes an unprinted amendment numbered 1071.

The PRESIDING OFFICER. Without objection, further reading of the amendment will be dispensed with.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. . (a) Section 328 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441i) is amended—

(1) by inserting "(a)" immediately after "Sec. 328.", and

(2) by adding at the end thereof the following new subsections:

"(b) If an honorarium payable to a person is paid instead at his request to a charitable organization selected by payor from a list of 5 or more charitable organizations provided by that person, that person shall not be treated, for purposes of subsection (a), as accepting that honorarium. For purposes of this subsection, the term 'charitable organization' means an organization described in section 170(c) of the Internal Revenue Code of 1954.

"(c) For purposes of determining the aggregate amount of honoraria received by a person during any calendar year, amounts returned to the person paying an honorarium before the close of the calendar year in which it was received shall be disregarded.

"(d) For purposes of paragraph (2) of subsection (a), an honorarium shall be treated as accepted only in the year in which that honorarium is received.".

(b) The amendments made by subsection (a) shall apply with respect to honoraria received after December 31, 1976.

Mr. DOLE. Mr. President, let me say at the outset this would add a new section to the end of the bill. It is a matter that the Senator from Kansas and the Senator from New York have discussed with the distinguished chairman of the Rules Committee, the Senator from Nevada (Mr. CANNON), and the distinguished ranking Republican, the Senator from Oregon (Mr. HATFIELD). We discussed it with the distinguished Senator from Illinois (Mr. STEVENSON), chairman of the Ethics Committee, and the distinguished Senator from New Mexico (Mr. SCHMITT), the ranking Republican, and with the distinguished Senator from Nebraska (Mr. CURTIS), and the distinguished Senator from Wisconsin (Mr. NELSON), and the distinguished Senator from Louisiana (Mr. LONG).

Mr. President, recent rulings by the Federal Election Commission have placed some unnecessary restrictions on officers and employees of the Federal Government and their compliance with the honorarium provisions of the Federal election law. These restrictions seem to go beyond the intent of the Federal election laws. Therefore, I am offering this amendment with Senator MOYNIHAN, to reverse those rulings.

Before explaining the content of this amendment, however, the reason for offering this as an amendment to the social security financing bill deserves explanation. Of course, this matter is more properly within the jurisdiction of the Rules Committee, but that committee currently has no legislation pending to which these amendments could be attached. However, this legislation is related to matters within the Finance Committee's concern—since a part of this amendment brings the treatment of honoraria for Federal election law purposes into conformity with the income tax treatment of honorarium payments. Likewise, this amendment deals with contributions of honoraria to charities—the term "charities"—being defined according to the terms of the internal revenue code.

By adopting this amendment now the Senate can serve notice on the FEC as to how the Senate feels this should be applied, and give us an opportunity to convince the House conferees on this bill to solve this problem as a part of this legislation, and

I would note that the amendment has been cleared with the distinguished chairman of the Rules Committee and with the distinguished ranking minority member, and that they have no objection either to the amendment or to approaching this problem in this way.

My amendment takes care of three problems within the honoraria area. These three problems concern:

First. The treatment of charitable contributions;

Second. Returning honoraria; and

Third. The question of which year's limit certain honoraria should be counted against. The three parts of my amendment all deal with the question of what items accrue against the limit—and which year they would accrue.

CHARITABLE CONTRIBUTIONS

First, many Senators and Congressmen would like to have honoraria in excess of the statutory limit donated to charity. If the purpose of the limitations on honoraria is to restrict outside—that is non-Senate—income, it would seem to be consistent to allow an employee or official to have the organization paying the honorarium make a direct contribution to a charity selected by the payor from a list of five or more tax exempt charities provided by the official or employee earning the honorarium. This limits the would-be recipient's control and still encourages charitable giving. When I wrote the Senate Ethics Committee on this matter, they seemed to think that this was a reasonable approach to take as well. While their letter did not express a committee opinion, it notes that the FEC had informally advised that this would be proper.

Unfortunately, the FEC later disagreed in a formal written opinion. The amendment would overturn that decision and would allow an officeholder to have the payor make a direct contribution to a charity to be selected by the payor from a list of five or more charitable organizations provided by the official or employee. I believe that this is consistent with the intent of the honorarium restrictions.

Mr. President, I ask unanimous consent that copies of the Ethics Committee letter, the FEC advisory opinion on charitable contributions, two other FEC advisory opinions which I will refer to shortly, and the heading from the honoraria reporting form which demonstrates another point I will make, be included in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

RETURNING HONORARIA

Mr. DOLE. The second part of my amendment goes to whether an employee or official can return an amount equal to the honorarium during the same calendar year and avoid counting the honorarium against the limit. The FEC has ruled that you cannot so return it. Their interpretation stems from the language of the statute, prohibiting the "acceptance" of more than the honoraria limit.

Now, a literal interpretation of the word "accept" might leave a person to think that by taking and later returning the honorarium, he would have "accepted it" within the meaning of the statute. Certainly, that is one reasonable literal interpretation of the English used in the statute. Reasonable, that is, if you ignore the purpose of the law. My amendment would change the statute to make it clear that a person can return an amount equal to the honorarium to an organization and that the honorarium would not then count against the limit.

Once again, this is only within the realm of reasonable practice and there is no reason why the statute should not reflect that.

Never, in my wildest dreams, did I ever imagine that an honorarium returned during the same calendar year would still count against the limit.

CASH BASIS VERSUS ACCRUAL BASIS

The third part of my amendment would overturn another FEC interpretation which says that an honorarium counts against the limit during the year in which the speech was actually given, rather than during the year in which the honorarium is received. The amendment changes that and says that it would count against the year in which the honorarium was actually received.

Mr. President, this aspect of the law has been the source of considerable confusion. In checking with various individuals familiar with these restrictions, some of them were unaware of the fact that it would count against the limit during the year in which the speech was actually given. In fact, the reporting forms which have been used by the Secretary of the Senate for reporting honorarium, clearly state that the yearly report should cover honorariums received during the calendar year. The Senator agrees that this is the more reasonable interpretation. While it may be argued that this form does not directly say that an honorarium counts on the date that payment is received—it does imply just that.

However, the FEC insists in an advisory opinion, that it must count against the year in which the speech was given. Basically, what the FEC has done is put us on an accrual basis for reporting honorarium rather than a cash basis which would seem to make more sense. Since most of us pay our taxes on a cash basis, it makes sense that we should account for honoraria on that basis as well.

SUMMARY

These amendments would have the effect of clearing up an area of confusion and doubt. This amendment takes care of a relatively narrow problem—it does not increase the amount of honoraria which an employee or official can earn and keep.

This amendment is simple, noncontroversial, and should bring the application of the honorarium restrictions back into the realm of commonsense. I urge its adoption.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SELECT COMMITTEE ON ETHICS,
Washington, D.C., June 7, 1977.

Hon. BOB DOLE,
Washington, D.C.

DEAR SENATOR DOLE: We refer to your letter of May 24, 1977 requesting further explanations of FEC regulations pursuant to the Federal Election Campaign Act limitation on the honoraria Members may accept in a calendar year. Under those regulations Members may earn honoraria in excess of $25,000 in a calendar year if donated to charity and the Member does not accept the honoraria. The organization in lieu of paying the honoraria makes a direct contribution to an exempt organization selected by it.

You ask if a Senator provides the organization with a list of exempt organizations he particularly supports, allowing the organization to make a direct contribution to an exempt organization on that list, whether that exempt organization would be considered to have been selected by the contributing organization or the Senator?

In response to a telephone request for clarification, a representative of the Federal Election Commission advised Ethics Committee staff that the selection of no fewer than five organizations of interest to a Member, from which the donor organization makes its own selection, would be a reasonable procedure in conformity with the intent and purpose of their regulation.

However, your question is not within the jurisdiction of this Committee. It may be so after January 1, 1979, when Rule 44 takes effect. We suggest therefore, that you seek an authoritative answer from the Federal Elections Commission.

With best wishes.

Sincerely,

ADLAI STEVENSON,
HARRISON SCHMITT.

FEDERAL ELECTION COMMISSION,
Washington, D.C., July 25, 1977.

Hon. BOB DOLE,
U.S. Senate, Washington, D.C.

DEAR SENATOR DOLE: This is in response to your letter of June 20, 1977, requesting an advisory opinion pursuant to the Federal Election Campaign Act of 1971, as amended ("the Act"). Your request concerns the Commission's regulations relating to 2 U.S.C. § 441i which limits the amount of honoraria that may be accepted by Federal officeholders.

Your letter presents the situation where, in lieu of taking an honorarium for a speech or appearance before a particular organization, you provide the organization with a list of tax-exempt organizations which you support and "allow the organization to make a direct contribution to an exempt organization on that list." You ask whether, in those circumstances, the exempt organization which receives the contribution would be considered to have been selected by the organization making the contribution in lieu of an honorarium, or by you.

As you know, 2 U.S.C. § 441i limits the amount of honoraria that elected or appointed officers or employees of the Federal Government may accept. Under § 110.12(b)(5) of the Commission's regulations an honorium is accepted if:

there has been actual or constructive receipt of the honorarium and the Federal officeholder or employee exercises dominion or control over it. A Federal officeholder or employee is considered to have accepted an honorarium (i) if he or she actually receives it and determines its actual use, or (ii) he or she directs that the organization offering the honorarium give the honorarium to a charity or other beneficiary which he or she names, but (iii) an honorarium is not accepted if he or she makes a suggestion that the honorarium be given to a charity or other like beneficiary of the organization's own choosing. Nothing in this paragraph shall be construed as an interpretation of relevant provisions of the Internal Revenue Code. (Emphasis added.)

This language indicates that an honorarium will be "accepted" if the officeholder selects the charity which should receive a charitable donation from the organization before which the officeholder makes an appearance or speech. If the organization itself makes the selection, no "acceptance" of an honorarium by the officeholder has occurred.

In response to your specific question the Commission concludes that if you direct or state a preference that the organization donate to one or more charities on a list provided by you, the selection would be made by you. In that event you would have "accepted" the honorarium for purposes of the cited provisions of the Act and regulations.

The Commission expresses no opinion as to the Federal tax ramifications of the described transaction, nor as to the possible application of Senate Rules, since those issues are within the respective jurisdictions of the Internal Revenue Service and the Senate Select Committee on Ethics.

This response constitutes an advisory opinion concerning the application of a general rule of law stated in the Act, or prescribed as a Commission regulation, to the specific factual situation set forth in your request. See 2 U.S.C. § 437f.

Sincerely yours,

THOMAS E. HARRIS,
Chairman for the Federal Election Commission.

FEDERAL ELECTION COMMISSION,
Washington, D.C., September 23, 1977.

Hon. BOB DOLE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR DOLE: This is in response to your letters of July 28 and August 30, 1977, requesting an advisory opinion concerning application of the Federal Election Campaign Act of 1971, as amended ("the Act"), to the receipt of honoraria by a Federal officeholder.

Your letters indicate that, as an elected Federal officeholder, you received in 1977 but subsequently returned all or some portion of honoraria for appearances which you made before various organizations. The initial receipt of the returned honoraria has caused you to reach your annual statutory limit of $25,000 for 1977. You ask whether the honoraria, having been received but returned, must be considered as "accepted" under 2 U.S.C. § 441i and § 110.12 of the Commission's regulations.

The Commission concludes that the honoraria limits of the Act are to be charged or "used-up" once each honorarium is accepted, regardless of a subsequent decision to return the honorarium.

The regulations define the term "accepted" as the "actual or constructive receipt of the honorarium" where "the Federal officeholder or employee exercises dominion or control over it." Section 110.12(b)(5). In addition, the regulation provides that "[a] Federal officeholder . . . is considered to have accepted an honorarium (i) if he or she actually receives it and determines its subsequent use . . ."

The Commission has concluded in past advisory opinions that for purposes of the calendar year limits on the acceptance of honoraria, an honorarium shall be treated as accepted when the right to receive the honorarium becomes fixed. See AO 1975–89 and AO 1975–93, copies enclosed. Your "actual . . . receipt" of the honoraria, plus your "exercise [of] dominion and control over it," was evidence of its "acceptance." At the time of receipt you were in the position of determining the honorarium's "subsequent use" and were free to dispose of it as you in your discretion saw fit.

The Commission notes that the situation you present—where an officeholder "accepts" an honorarium, and subsequently decides to return it, for whatever reason—is distinguishable from the situation where there was never any "acceptance" in the first instance such as where the officeholder declines an honorarium, receives it anyway, but then immediately returns it to the payor organization.

The Commission expresses no opinion as to the Federal tax ramifications of the described transaction, nor as to the possible application of Senate Rules, since those issues are within the respective jurisdictions of the Internal Revenue Service and the Senate Select Committee on Ethics.

This response constitutes an advisory opinion concerning the application of a general rule of law stated in the Act, or prescribed as a Commission regulation, to the specific factual situation set forth in your request. See 2 U.S.C. § 437f.

Sincerely yours,

THOMAS E. HARRIS,
Chairman for the
Federal Election Commission.

[Federal Register, Vol. 41, No. 7—Jan. 12, 1976]

ADVISORY OPINION 1975-89

TREATMENT OF HONORARIUMS EARNED THOUGH NOT YET RECEIVED

This advisory opinion is rendered under 2 U.S.C. § 437f in response to a request for an advisory opinion which was submitted by Congressman Mike McCormack, which was published as AOR 1975-89 in the November 4, 1975, FEDERAL REGISTER (40 FR 51356). Interested parties were given an opportunity to submit written comments relating to the request. No comments were received.

The request generally asks whether under 18 U.S.C. § 616, an honorarium is accepted by a Federal officer or employee on the date the honorarium is earned or on the date the honorarium is received. This request for clarification was made in particular with reference to the portion of 18 U.S.C. § 616 which provides:

"Whoever, while an elected or appointed officer or employee of any branch of the Federal Government—* * *

"(2) accepts honorariums * * * aggregating more than $15,000 in any calendar year; shall be fined not less than $1,000 nor more than $5,000."

This provision clearly limits the aggregate of honoraria which may be accepted in any calendar year for an appearance, speech, or article. The question then arises as to when an honorarium is considered accepted for purposes of the calendar year limitations provided in 18 U.S.C. § 616. It is the opinion of the Commission that, regardless of when the honorarium is actually received by the Federal officer or employee, it shall be treated as accepted for purposes of the $15,000 aggregate limitations, in the calendar year when the officer or employee has completed the appearance, speech, or article for which the obligation or promise (whether or not legally enforceable) to pay an honorarium arose.

This conclusion is based upon use or the statutory term "accepts," rather than receives, which former term contemplates an accrual approach to honorariums. Under the accrual concept, as it has developed under the Federal tax laws, the year when an honorarium is regarded as accepted is the year when it is realized, even if it is not then actually received. Thus it is the right to receive and not the actual receipt that determines when the honorarium is accepted. When the right to receive an honorarium becomes fixed, the honorarium is accepted. Accordingly, an honorarium is to be considered as accepted in one calendar year when there is justification for a reasonable expectation that the honorarium will be paid in due course, even if in a subsequent year.

This rule for determining when an honorarium is accepted clearly accords with the Commission's conclusion in AO 1975-93.[1] In AO 1975-93, the Commission held that an honorarium of $2,000 which was promised for a speech made in 1974, could be received in 1975 without violating the limitations of 18 U.S.C. § 616 since "had she [the Federal officer] been paid in 1974, it would not have come within the restrictions of § 616."[2]

This advisory opinion is issued only on an interim basis, pending the promulgation by the Commission of rules and regulations, or policy statements, of general applicability.

Dated: January 5, 1976.

NEIL STAEBLER,
Vice Chairman for the
Federal Election Commission.

HONORARIA REPORTING FORM INSTRUCTIONS

3. HONORARIUMS

List each honorarium of $300 or more received by you during 1976 for any appearance, speech, or article. If none, write none.

Do not include amounts accepted for actual travel and subsistence expenses for you and your spouse or an aide and excluding amounts paid or incurred for any agents' fees or commissions.

If the honorarium service was arranged through a speaker's bureau, disclosure of the source requires that the sponsor of the event be identified as the payer. The speaker's bureau may be the conduit for payment but is not the real payer.

If you are entitled to receive an honorarium and directed that it be paid to a charity, church, or school of your choosing, you still must report receipt of the honorarium.

Note that by law an elected or appointed officer or employee may not accept an honorarium of more than $2,000 (excluding certain incidental expenses) or honorariums aggregating more than $25,000 in a year.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. CURTIS. As stated by the distinguished Senator from Kansas he has cleared this with a number of chairmen and ranking minority members of committees somewhat involved.

The distinguished manager of this bill and I both join in accepting the amendment. We believe it a wise and fair amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kansas.

The amendment was agreed to.

AN IMPORTANT IMPROVEMENT IN THE DELIVERY OF SOCIAL SECURITY BENEFIT CHECKS

Mr. PELL. Mr. President, I am delighted that H.R. 9346, the social security refinancing bill we are debating here today, contains an important measure, which I introduced earlier this session, to improve the delivery of social security checks to millions of beneficiaries.

This early check delivery amendment, contained in section 126 of the committees bill, would change the statutes to provide that where the ordinary delivery date for a social security retirement, disability, or SSI check falls on a weekend or on a Monday national holiday, the check shall be mailed and dated so as to arrive early, on the preceeding Friday. In this way, the millions of beneficiaries of these vitally important programs can cash and use their checks on time, rather than 2 or 3 days late.

This section of the committee bill derives from S. 543 a bill which I introduced along with Senator HATHAWAY and many other cosponsors on January 31 of this year. Another section of that bill, which provides similar early mailing regulations for veterans benefit checks, has already passed the Congress and has been signed into law by the President. I would urge my colleagues to support this bill including this early check delivery provision, and I hope that before to long we will have enacted a comprehensive and, on the part of millions of beneficiaries very much welcome, reform of benefit check delivery practices.

Mr. BARTLETT. Mr. President, the bill presently before us purports to address the financing problems of the social security system. The bill, however, is simply a tax increase with provisions to dip into general revenues should the system again have serious financial difficulties. This is not a solution to the system's problems. By increasing the taxes, Congress invites future flagrant abuses in the nature of additional benefit programs which have no relationship to the original purpose of social security. The addition of these very types of programs is the cause of the existing fiscal difficulties with the system.

A number of my colleagues have spoken out against the hasty consideration of this legislation, and I would like to associate myself with these remarks.

The social security system has become the resting place of many programs which are totally unrelated to the protection of this Nation's senior citizens. These are programs which are more related to our social welfare programs but have been included under social security. These include such things as disability income and medicare. It is my belief that to recommend significant tax increases contained in this legislation without addressing the whole array of welfare programs, both within and without the social security system, continues the tenuous basis on which social security has come to rest.

Before we raise taxes on employers and employees, we should consider separating out those programs which are unrelated to the security of senior citizens. These programs should be specifically identified to the voters in committee hearings of both Houses and on the floor in extended debates.

There are several provisions which I believe are well founded, and which I congratulate the Finance Committee for addressing. These specific sections are:

(A) The decoupling provision which was necessitated by previous errors on the part of Congress. The Committee has acted to correct this provision, and I congratulate them for their expeditious action.

(B) The inclusion of provisions to delete sections which treat men and women differently under the Social Security Act.

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[1] 40 FR 58394, December 16, 1975.

[2] Supra. Consideration should also be given to AO 1975-8, 40 FR 37646 (August 21, 1975) in which the Commission discussed "what action by a Member of Congress constitutes acceptance of an honorarium."

These two select provisions do not overshadow the major problem with the legislation. The tax increases fly in the face of general public attitudes about the system. I have received many telephone calls in my State and Washington offices against the tax increase, and my mail has been overwhelmingly against the increase.

Mr. President, I ask unanimous consent to insert at this point in the RECORD a copy of a survey done by Cities Service Co. on the social security proposals. This survey is representative of the type of mail I have been receiving. The figures in the survey concerning the use of general revenues to finance the system, the payment of a larger portion of the tax by employers, the increase in the tax, and the discontinuance of the system are particularly significant.

The Cities Services employees, and the public, are not only skeptical, but incensed at the continued expansion of programs under the social security system. This expansion of programs has led to continued tax increases which lag behind the actual expenditures for benefits.

I would like to make one last point. Mr. President, I ask unanimous consent to have inserted at this point a copy of two pages from an informational bulletin published by the Social Security Board in 1936.

My colleagues should note that under the section entitled "Taxes" the rates are explained, and at the end of the subsection entitled "Your part of the tax" the following statement is made: "That is the most you will ever pay." Mr. President, this is only one of many broken promises to the American public, and I believe that the voters of this Nation recognize the folly in our present action.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TULSA, OKLA.,
September 14, 1977.

HON. DEWEY F. BARTLETT,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BARTLETT: Recently, Cities Service Company mailed the enclosed article on proposed Social Security legislation, along with a questionnaire, to its employees and annuitants.

The results of the enclosed survey represent the opinions of our employees and annuitants and are not intended to reflect the position of Cities Service.

To date, more than 500 responses have been received from persons residing in over 200 communities in 33 states. Response to the questionnaire was voluntary and not structured so as to represent a scientific sampling. Nevertheless, I feel that these opinions received from such a wide area, may be of value to you.

Sincerely,

R. C. MOORE.

Cities service employees and annuitants voice their opinions on social security

[In percent]

Do you favor	Yes	No	Undecided
Decoupling, to eliminate compensating retirees doubly for inflation	64	21	15
Using general revenue funds from the Treasury to help pay cost of social security	31	53	16
Employers paying a larger tax to help pay for social security	12	67	21
Increasing tax on both employees and employers	32	50	18
Discontinuing present social security system, after current obligations are met, and replacing it with a voluntary program	46	40	14

In summary, Cities Service respondents favor only one of President Carter's Social Security proposals, i.e., "decoupling." Respondents sharply oppose the President's proposals to increase taxes on employees or employers and are also in opposition to the use of general revenue funds for Social Security. These measures are two of the key elements in the President's legislative package.

In addition to responding with opinions on current legislative proposals, respondents also took the time to write additional comments regarding what they felt should be done to improve the "System." The major suggestion, made by 32 percent of those commenting, was to make the Social Security system function as it was originally intended, i.e., balance inflow and outflow. Respondents felt that this could be accomplished by:

(1) paying contributors only—not survivors, disability cases, etc., and

(2) stopping benefit increases until Social Security is brought under control

THE GENERAL CONSENSUS

Cities' employees and annuitants who responded favor "decoupling." It is estimated that this action could reduce the system's projected deficit by 50 percent. Of the realistic alternatives remaining—namely, either raising taxes and/or cutting back benefits, respondents favor reduced benefits over increased taxes.

SECURITY IN YOUR OLD AGE

(To employees of industrial and business establishments—factories, shops, mines, mills, stores, offices, and other places of business.

(Beginning November 24, 1936, the United States Government will set up a Social Security account for you, if you are eligible. To understand your obligations, rights, and benefits you should read the following general explanation:)

The same law that provides these old-age benefits for you and other workers, sets up certain new taxes to be paid to the United States Government. These taxes are collected by the Bureau of Internal Revenue of the U.S. Treasury Department, and inquiries concerning them should be addressed to that bureau. The law also creates an "Old-Age Reserve Account" in the United States Treasury, and Congress is authorized to put into this reserve account each year enough money to provide for the monthly payments you and other workers are to receive when you are 65.

YOUR PART OF THE TAX

The taxes called for in this law will be paid both by your employer and by you. For the next 3 years you will pay maybe 15 cents a week, maybe 25 cents a week, maybe 30 cents or more, according to what you earn. That is to say, during the next 3 years, beginning January 1, 1937, you will pay 1 cent for every dollar you earn, and at the same time your employer will pay 1 cent for every dollar you earn, up to $3,000 a year. Twenty-six million other workers and their employers will be paying at the same time.

After the first 3 years—that is to say, beginning in 1940—you will pay, and your employer will pay, 1½ cents for each dollar you earn, up to $3,000 a year. This will be the tax for 3 years, and then, beginning in 1943, you will pay 2 cents, and so will your employer, for every dollar you earn for the next 3 years. After that, you and your employer will each pay half a cent more for 3 years, and finally, beginning in 1940, twelve years from now, you and your employer will each pay 3 cents on each dollar you earn, up to $3,000 a year. That is the most you will ever pay.

Mr. ROTH. Mr. President, there is no question that action must be taken to restore financial stability to the social security trust fund. Social security is the first and major ingredient for financial security for many of our senior citizens and it is absolutely necessary for steps to be taken to save the system.

However, I am deeply concerned that the proposed legislation is not the right answer to our social security problems.

Because of the amount of time spent on the energy bill, neither the Finance Committee nor the Senate had enough time to adequately consider this bill and to explore the whole range of alternatives.

For example, I proposed an amendment to use a portion of any new energy tax revenues to help the social security system. This amendment could have allocated billions of dollars to the social security trust fund, and reduced the need for social security taxes proportionately.

There are more than 100 million people paying taxes to support the social security system, and my amendment would have provided some tax relief to all of them while still restoring financial stability to the trust fund.

Unfortunately, the Senate refused to accept my amendment to ease the tax burden on working Americans.

I am concerned the substantial tax increases will have a devastating impact on the economy. In addition, I fear the higher tax burden will edore the public's support for the social security system and put pressure on Congress to reduce, or at least not increase, social security benefits for senior citizens.

Therefore, I cannot support this bill. I believe Congress should go back to the

drawing boards and make this the first order of business.

INCREASED PAYROLL TAXES NOT A GOOD METHOD FOR FINANCING SOCIAL SECURITY

Mr. McGOVERN. Mr. President, while I fully support the need to restore financial integrity to our social security system and while I strongly favor providing ample assistance to those who have contributed to this system, I nonetheless will be casting a symbolic vote against H.R. 9346, the Social Security Financing Amendments of 1977. I register a "no" vote because of my conviction that the additional cost of social security should be covered by general revenues—not by additional payroll taxes on workers and employers.

Earlier this week, I joined with 15 of my colleagues in an unsuccessful attempt to move the financial footing of the system away from exclusive reliance on payroll taxes. My distinguished colleague from Missouri (Mr. EAGLETON) moved to recommit this bill to the Finance Committee with instructions to report back a bill to authorize appropriations out of general revenues to cover not less than 4 percent of the total cost of the bill. This, of course, was a version of the administration's proposal to introduce general revenue funds as one source of the funds which would be used to shore up the financial foundation of the system. The administration proposal was criticized as turning social security into another welfare program and not the insurance system that it was intended to be. That it would destroy a person's sense of paying for their own retirement. Given the reality that those presently paying into the system are paying the benefits of those already retired, it is not clear how the use of general revenue funds would change this.

It seems to me that the more important point to raise is that continued reliance on the payroll tax will have increasingly negative impacts on our economy. Increasing payroll taxes will both add to inflationary pressures and will aggravate unemployment. I would note that we are not doing well on either of these fronts even without the additional stress of higher payroll taxes. Most economic forecasts are for much reduced growth in the months ahead. Already this week, we have been advised that the wholesale price index is again spurting upward and the unemployment rate for October was up a tenth of a point; again to the 7 percent level.

What will be the consequence of higher payroll taxes? Small businessmen in my home State of South Dakota have told me that they will try to pass part of the increase on in the form of higher prices. They would also be forced to reduce their labor force. For employees the increase will result in less disposable income and presumably less spending which will also act to slow the economy.

There has been increasing speculation that the administration will find it necessary to propose a tax cut early next year to revive the economy and that this in turn will tend to offset the drain of $10 billion caused by the increases proposed in the bill before us. This is really only a round about way of using general revenue funds to support social security financing. One final, but very important point in this connection is that the income tax is a far more equitable way of financing than are the regressive payroll tax. I firmly believe that we must turn away from our increasing reliance on payroll taxes and toward the use of general revenue funds to finance our social security system.

In closing, I want to indicate my strong support for one particular aspect of the bill before us. That is the amendment of my colleague from Idaho (Mr. CHURCH), which will increase the earnings limitation. I believe that it is entirely proper that some upward adjustment be made to reflect the reduced purchasing power that these additional earnings represent in an economy subjected to continued inflation.

While the financial integrity of the system has been reestablished, we must certainly contemplate moving it away from its reliance on higher and higher payroll taxes.

Mr. CHURCH. Mr. President, reluctantly, I must vote against the bill for the same reasons that led me to favor the motion to recommit the bill yesterday.

I ask unanimous consent that the explanation I gave at that time be inserted here in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

I oppose this legislation. I will vote to recommit it because it provides for a huge tax increase—one of the largest in history—and a highly regressive tax, at that. The Social Security tax, like the sales tax, falls hardest on those less able to pay.

I recognize that the Social Security System must remain solvent. But I had hoped that it would be possible to fashion a bill that would not only meet the fiscal needs of Social Security, but also accomplish other objectives as well.

For example, this country needs a much-improved comprehensive medical program for the elderly, the handicapped, and the poor. We need a program that eliminates the gaps that now exist between coverage under Medicare and Medicaid.

I feel that Medicare should be removed from the Social Security trust fund and financed, instead, through general revenues. Medicaid is already financed this way, and the two should be blended into a uniform system. General revenues come mainly from the income tax, so that the financing would be made progressive in nature, rather than regressive.

If we were to remove Medicare from Social Security as part of a general overhaul, it would lift a big burden from the Social Security trust fund. That, in turn, would make it possible for us to lower substantially the rate increase contemplated by this bill.

Accordingly, I will cast my vote to recommit this bill and introduce legislation designed to accomplish these objectives soon after Congress reconvenes next year.

Mr. HANSEN. Mr. President, I will vote against final passage of this legislation, because I believe that the proposal of the Finance Committee, while it does much to restore the integrity of the social security system, makes momentous changes in the fundamental philosophy of social security.

At its inception, this program was designed to supplement the incomes of retired workers, through the shared financial contributions of employers and employees. I emphasize this concept of parity, because I believe that that philosophy of sharing gave the program credibility for employees who recognized that they were contributing toward their own futures, and not simply receiving a welfare benefit. During the deliberations on this bill, three attempts were made to restore parity. I supported each, because I believe American workers prefer to believe that they are taking responsibility for their own futures, rather than leaving their own future security to others.

It is regrettable that the Finance Committee and the Senate chose to place a heavier tax burden on employers than on employees. Such action may well put heavy pressure on already burdened employers as they enter into negotiations for future benefits for their employees. Moreover, it suggests to Americans that they do not have a full measure of responsibility to provide for their old age or disability. Because I have faith that Americans do wish to pay their fair share of premiums for the social security insurance programs, I vote against the Finance Committee bill.

I also vote against the bill, because it continues to rely on indexing for its primary benefit formula structure. I would suggest that indexing got the fund into its present straits, so I see no reason to continue to rely on such an unpredictable and unreliable foundation.

Notwithstanding these reservations, I applaud the chairman for having the courage to lead the Senate to restore the confidence of the American people in the social security system.

SOCIAL SECURITY FINANCING

Mr. CHILES. Mr. President, I think it is important that Congress take action to correct the problems in financing social security. However, I am voting against final passage of the bill because I think it was brought out too close to the end of the session for the Senate to give it the kind of careful consideration it deserves. The report of the committee was not even available until after consideration of the bill had begun. The Finance Committee bill involves the first total overhaul of social security financing we have ever made since 1933. It represents the biggest peacetime tax increase in decades. It involves major benefit changes that will affect future year budget deficits by billions of dollars. The Senate has not had adequate time to consider exactly who will be getting the benefits, who will be paying higher taxes and what the economic effects of these changes will be. No other law affects as many individuals directly and indirectly as social security. Practically, all workers, all businesses, all families have their present and future livelihood affected.

I chaired the conference on this year's Congressional Budget Resolution which called for speedy action to correct the flaws in social security financing. For each of the 3 years the Budget Com-

mittee has been in existence, I have succeeded in getting it on record for "decoupling" the benefit structure, which is the major key to restoring the integrity of the trust fund. However, the reason I helped create the congressional budget process was so that we would have an orderly way to consider major changes in taxes and expenditures. All the studies by Congress and the administration have shown that the social security trust fund will still have reserves of over $40 billion by the end of 1978. There would thus be plenty of time to bring the bill up in January and look at these provisions in detail.

The biggest choice that Congress has to make is how to distribute the burden of increased taxes. The Finance Committee bill put a disproportionate share on employers. Unfortunately, that would be an illusory benefit to workers. First of all, most economic studies show that payroll tax increases on employers get passed right on as increased prices and forgone wages. The workers would thus pay the cost, but the mechanism used would have the most rapid possible inflationary effect. Second, the biggest problem we are having with economic recovery at this time is the failure of businesses to invest in new facilities and thus create new jobs. To cut drastically into their cash flow at this point in time would simply delay recovery and cost jobs. That is certainly no benefit to workers.

For these reasons I voted in favor of the amendments offered by Senator CURTIS, which would have provided equal tax rates for employers and employees. If the Senate had been allowed time to consider a full range of alternatives, I would have favored a combination of an equal share between employers and employees, but with a higher wage base and a lower tax rate. That combination would have been the fairest for all parties. I hope the conferees will adopt a version that is closer to that combination.

I have been concerned for a long time that we are undermining the basic social compact of the social security system by paying welfare-type benefits out of the retirement fund. If we can eliminate some of these provisions we an minimize the tax increases necessary to safeguard the trust fund.

I therefore offered two cost saving amendments to the Finance Committee bill and the Senate adopted both of them. At my urging, the Budget Committee has been on record for making these savings for each of the last 3 years, just as we have been on record for decoupling.

The first of my amendments was to freeze the minimum benefit. The minimum benefit is a classic example of the need for "sunset" legislation. It was a good idea when first adopted, but it has outlived its purpose. The original intent of the minimum was to provide a floor for low-wage workers and to keep the Social Security Administration from having to write checks for very small amounts. Several events have eliminated these needs. In 1972 Congress created a special benefit structure for persons with many years of work at low wages, thus meeting the primary need for a floor on benefits. At the same time we created the supplemental security income program which takes care of low income elderly, including those persons with only a few years of work history. Benefits under both of these provisions greatly exceed the social security minimum benefit. Finally, the age of computers makes it easy to apply the benefit computation formulas at any level and issue an appropriate check.

As conditions and benefit structures have changed, two types of individual have emerged as recipients of the minimum benefit. First, we have individuals who work most of their adult life in government jobs which are not covered by social security. Since their jobs are not covered, they do not contribute to the trust funds.

However, many government pension systems, including the Federal one, have generous provisions for early retirement. As a result, government workers may retire while they are still active and healthy, work a few years in private jobs covered by social security, then qualify for the minimum benefit. In these cases, the individual receives a benefit greatly exceeding what he would get based on his actual earnings and contribution to the trust fund. Of course he is also "double dipping" by drawing down his government pension in addition to the $1,400 a year in social security. While I think we should encourage older workers to keep working if they are healthy and active, we ought not to burden the system with paying benefits to persons who have not made an appropriate contribution.

Mr. President, I believe we really ought to freeze the minimum benefit for current beneficiaries and eliminate it for future retirees. The future recipients are not those who have put in long years of work and contributed to the trust fund in the expectation of receiving a specified level of social security benefits. However, when Mr. CORMAN offered that as an amendment in the House, it was defeated. I am therefore offering the same provision as in the House bill, which provides a very gradual transition, simply letting the value of the minimum benefit erode by excluding it from the provision that automatically increases benefits to match price changes. The Congressional Budget Office estimates that this amendment will save $193 million between now and 1983.

The second amendment I offered was to eliminate the monthly computation of the earnings limit for determining whether an individual is retired. I think we should encourage older people to keep working to the degree that they are still physically able to. More than any economic considerations, the work situation provides a valuable social support that prevents the loneliness and isolation which so many of the elderly suffer. I have long supported increasing the level of allowable retirement earnings in order to encourage continued employment, and I congratulate the Finance Committee for providing significant increases in this bill.

At the same time, I believe it is necessary to be as fair as possible in how we calculate the earnings limit. One flaw in the current law is that it allows an individual to be retired in 1 month, working in another, and so on, without regard to how much is earned in the working months. Many people can regulate their flow of income by reasons of self-employment or ownership of a business. Thus, they can earn $100,000 in 3 months of the year, then "retire" and draw social security benefits for the rest of the year.

They can then go back to work again the next year and repeat the pattern. Social security is for them just a bonus piece of income. At the same time, we tell a salaried employee that we will reduce his benefits 50 percent for any earnings over $3,000. This is obviously unfair and discriminates against the salaried workers who tend to have lower incomes. The Social Security Administration estimates that about 80,000 persons currently avoid the earnings limitation by this mechanism.

My amendment would correct this flaw by calculating the earnings limit on an annual basis. This improvement was recommended by President Carter in his 1978 budget. It was also recommended by the previous administrations in their budgets. It has also been recommended by the social security advisory commission, an independent body that is appointed by the Secretary of HEW to oversee the soundness of the system.

This amendment will save $174 million in fiscal year 1978, $234 million in 1979, and more in later years. If we can cut down on a lot of these flaws in the benefit structure, we can minimize the tax increases necessary to keep the system solvent and pay a decent level of benefits to our retirees.

Mr. President, in order to make sure that the effects of this amendment would truly fall on the upper levels of income. I asked the Social Security Administration to calculate the number of persons at each income level who would have their earnings reduced. I ask unanimous consent to insert a table showing the results in the RECORD at this point:

TABLE I.—*Percent of workers with reduced benefits under annual retirement test, by income (data from 1975)*

[Percent of workers with reduced benefits]

Annual earnings:	
Less than $3,900	1
$3,900–$5,400	6
$5,400–$8,400	20
$8,400–$11,400	26
$11,400–$14,100	14
More than $14,100	32
All workers (total does not add due to rounding)	100

Mr. President, it is clear that no more than 1 percent of the affected workers earn less than the earnings limit of $3,900. That is, 99 percent are using this mechanism to avoid the limits we are imposing on low-income workers who work every month of the year. Even considering the increase in the earnings

limit to $6,000 as provided in this bill, 93 percent of the affected workers would be exceeding the annual limit by means of the monthly compilation.

During consideration of the social security financing bill, I backed the Church substitute amendment to permit higher outside earnings for social security recipients. This provision allows unlimited earnings for those over 70 and strengthens the trust fund's financial condition. I believe the law should permit a more reasonable allowance for outside earnings without affecting social security benefits. If we were to permit every person over 65 access to social security benefits without some earnings limit, we would really be doing a tremendous disservice to the great majority of elderly citizens who have small incomes and rely on social security. We would be placing a tremendous drain on an already overburdened trust fund. The Congressional Budget Office estimated an additional cost to the fund of $3.4 billion in the first year if the earnings test were dropped, a cost that would have to be met either by increased taxes on workers and employers or reduced benefits. What bothers me is that such a provision would make substantial social security benefits available to the person earning $75,000 or $100,000 a year. That certainly is not what we had had in mind when the social security program was created to benefit elderly Americans.

In my view, the law should permit the older citizen the opportunity to earn a reasonable amount without having those earnings affect social security payments. My votes supported efforts to permit higher earnings in 1978 and subsequent years that would not be subject to reduction in social security benefits.

Florida has the largest percentage of persons over 60 years of age in the Nation, so I have great concern for the thousands of elderly citizens who are strapped to fixed incomes which seldom respond to cost of living increases. Costs for food, health care, transportation, electric and water bills—the basic necessities of modern life—have all risen dramatically in recent years.

I believe it is essential that we help the senior citizen cope with such increases wherever possible to assure that the elderly are able to live with dignity and security.

I firmly believe that social security beneficiaries deserve better protection against inflation. This protection would be provided in an amendment I cosponsored to authorize two cost-of-living adjustments each year when consumer prices rise more than 4 percent semiannually.

Twice yearly adjustments in social security benefits would mean those who depend on their monthly checks could keep up with rising prices which hit the elderly the hardest. The amendment would also direct the Secretary of Health, Education, and Welfare to develop a special consumer price index for the elderly to more adequately reflect the impact of inflation on them.

Mr. President, as I stated at the outset, I believe that assuring adequate financing of the social security system is a top national priority. But a top national priority ought not to be dealt with hastily. I believe I have been as diligent as any other Member of the Senate to aid the condition of the elderly. I have taken an active role as a ranking member of the Special Committee on the Aging to investigate the needs and problems of the elderly and have sponsored many amendments to help them with their needs for income, for fuel payments, for nutrition, for safe medical care, for transportation, and for housing.

But no one suffers more from inflation and recession than the elderly. Older workers get pushed out of jobs when unemployment is high. Most pensions and other sources of retirement income are not adequately adjusted for increases in the cost of living. I voted in 1972 to index social security benefits to the cost of living, and this year to make that adjustment twice a year. But for most people social security is only a part of retirement income and the other parts do not have cost-of-living increases built in. For that reason I am voting against final passage of this bill because I do not believe the Senate has had adequate time to consider the economic effects it will have. Even with the adoption of the cost-saving amendments which I sponsored, the bill will add over a billion dollars more to the Federal deficit than was set in the congressional budget resolution for this year. The effect on the deficit in future years will be many billions. Many of the provisions of the bill, and many amendments added on the floor of the Senate, will have inflationary consequences of unknown degree. Pushing ahead with a law that will add to inflation is no favor to either retirees or workers.

Mr. BELLMON. Mr. President, the social security proposals we are now considering include changes that are very much needed. The following are some of the aspects of the Senate Finance Committee's bill that I regard as strong features:

First. The bill would reassure the American people that the social security system is sound. This obviously must be a very high priority goal for the Congress.

Second. The bill would remedy the overindexing of benefits for future retirees, thereby avoiding in future years the payment of unnecessary sums out of the Treasury.

Third. The bill would partially correct the double-dipping problem, by requiring spouses' benefits to be reduced by the amount of any retirement payments under a Federal Government or other public retirement plan.

Fourth. I also favor the elimination of the retroactive lump-sum retirement option and some of the other smaller corrections that the Senate bill would make.

I do have some serious concerns, however, about the bill before us and even greater concern about the process by which we are considering it. Few issues coming before the Congress have the extensive impact on the American people that social security legislation has. Major social security legislation needs concentrated and extended consideration by the entire Senate. Unfortunately, this bill will not receive that kind of consideration. This bill came to us with only 3 days left for normal Senate business in this session. As Senator MORGAN has pointed out, we began consideration of this bill without having either a printed bill or printed report.

Mr. President, yesterday some of us tried to convince the Senate that we should hold this bill until February so we would have time to consider it fully. We are not serving the country as well as we should by proceeding in haste on this important matter. I regret that the majority leader and others chose to accuse us of trying to kill the bill. That was certainly not my motivation, and I believe all Senators recognize that we must soon provide added social security financing. The display of leadership muscle we saw yesterday may get a social security bill passed this month. It will not produce as good a plan as would be possible if we and the public had adequate time to study the Finance Committee's proposals.

Let me turn now to some specific concerns I have about the bill and the potential for action in the House-Senate conference:

First. While the Senate bill as originally reported was consistent with the budget resolution, amendments we have added today now put the bill over the budget. Moreover, the House bill provides for $1.3 billion in added social security taxes in fiscal year 1978. If the conferees were to accept the House position, budget targets which Congress set less than 2 months ago would be breached even more substantially.

Second. I fear that solving the financing problems of social security as this bill proposes will take pressure off Congress and the executive branch to make the kind of review of the benefit side of social security that is required. Both the Senate and the House bills include provisions dealing with spouses' benefits, for example, but neither bill reflects the kind of comprehensive review of those benefits that is needed. The House is committed to an examination of the disability program during the coming months. That part of social security is experiencing runaway costs. The interrelationships between social security and the relatively new supplemental security income program desperately need examination. In short, we ought to be wary of solving the social security financing problems before we address some of the benefit questions that could result in greater equity and lower outlays.

Third. The Senate Finance Committee proposes that the wage base for the employer portion of the social security payroll taxes be more than doubled to $50,000 in 1979 and then increased again to $75,000 in 1985 while the wage base for employee taxes continues to increase in relationship to average wages. This proposal concerns me greatly. We should have no doubts about who will pay the added taxes to be imposed on employers. The general public will pay them in higher prices for goods and services and the employees will absorb part of them

because of lower wage increases, fewer new hires, et cetera. At the very time our economy desperately needs added capital investment, some companies will cancel or delay capital investments because of the added social security costs they will be required to pay. This kind of tax increase impacts most substantially on those private-sector firms which are our highest growth industries. It would also impose substantial burdens on universities, State governments, and other nonprofit organizations. I realize that the choices between higher payroll taxes and a higher wage base for employers are difficult ones. I personally believe either the House bill or the proposal by Senator CURTIS are preferable approaches to the Finance Committee's plan which the Senate is about to adopt.

Fourth. I am very concerned that Congress will produce a bill that almost totally eliminates the earnings limitations in social security. While I recognize that this limitation is considered a serious deficiency in social securiy by many people, totally eliminating the limitation would cost at least $2 billion a year and a very high percentage of the added benefits will go to people with high incomes. Is it fair to tax all workers so we can make social security payments to people over 65 making $25,000 or $50,000, or $100,000, or even more?

Fifth. The possibility of using price-indexing instead of wage-indexing for correcting the overindexing problem deserves more consideration than it has received from the Senate Finance Committee or is likely to get here on the floor. If we adopt the committee's bill, we will be fixing the overindexing problem in a way that is still most generous. I wonder how many Senators have looked at the table on page 21 of the Finance Committee's report. That table shows that the average annual social security benefit in 1977 dollars will rise to $13,978 in the year 2050 under the "price-indexing" approach adopted by the Finance Committee. Data compiled by the Senate Finance Committee staff show that if instead of the "wage-indexing" approach recommended in the Senate Finance Committee bill, a modified price-indexing approach was used, we would need only a very modest tax increase over present law in order to fully fund the social security system. Under this approach, the annual benefit in 1977 dollars for a worker with average earnings would still be in the neighborhood of $9,000 in the year 2050, or twice what it is today. In other words, a modified price-indexing approach would result in a doubling of the purchasing power of social security benefits over the next 75 years. A tax increase averaging only 1 percent each for employees and employers over that 75-year period would be required under this modified indexing approach.

Sixth. Mr. President, I am also very concerned that this bill does nothing about melding the numerous retirement system financed by the Federal Government. The vote in the House overwhelmingly rejecting coverage of public employes by social security shows that we have a long way to go before Congress will correlate and integrate these retirement systems into a more rational pattern. I intend to work with the Budget Committee to keep pressure on this area. We could save billions of dollars in future years by making more sense out of the morass of Federal retirement programs.

Finally, Mr. President, let me turn to some very brief comments on the portions of the committee bill dealing with the aid to families with dependent children program. I do not believe the fiscal relief provisions included in the bill reflect a high priority for use of Federal funds. We are simply giving $400 million to States and localities as a rather unusual form of general revenue sharing. There is no assurance at all that this money will be used to improve services or benefits to AFDC recipients. The administration's position on this provision demonstrates again how whimsical and inconsistent our current executive branch leadership is on its policy initiatives. Up to Tuesday morning of this week, the administration adamantly opposed these fiscal relief provisions. Then Secretary Califano abruptly changed the administration position and endorsed the $400 million give-away that is included in the Senate Finance Committee's bill.

We are not buying any reform with this $400 million. We are simply giving the States a windfall. They need not use it in their welfare programs at all.

The other provisions that have been included in the Senate bill deal with improved quality control, revised work expense and income disregard reductions and work demonstration projects. Most of these seem reasonable provisions and I support their inclusion in the bill.

Mr. President, I continue to harbor the hope that something will happen to slow down this express train which is carrying us toward a hastly constructed, inadequately considered social security financing bill.

Clearly, adjustments are needed in social security financing and in the benefit structure. Regrettably, this bill is fatally flawed.

Mr. President, I voted for recommittal once and will do so again in the expectation that a better bill will be before the Senate at an early date.

Mr. HOLLINGS. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by the distinguished Senator from Maine, Mr. MUSKIE.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR EDMUND S. MUSKIE

As the Senate proceeds with debate on the Social Security financing bill, I would ask my colleagues to pause for a moment and reflect on the role of the budget process and the Budget Committee with respect to this legislation.

The bill reported from the Finance Committee is one of the most significant pieces of legislation to come to the Senate floor this session. The Social Security financing bill is intended to be the major piece of Social Security legislation for the balance of this century. It is undoubtedly the most significant Social Security bill considered since the creation of the Social Security system itself and its economic and fiscal implications will have far-reaching effects for the next thirty years.

It is deplorable that such a major piece of legislation would come to the Senate floor in the last hours of the session for debate with such little time for review and analysis. The bill itself did not become available until after debate on the measure had begun and the printed report was not available to members of the Senate until two days into the debate. This situation was most distressing to members of the Budget Committee and to the Senate as a whole.

Because I was necessarily absent for reasons of health, the senior Senator from South Carolina, Mr. Hollings, has served as Acting Chairman of the Budget Committee during consideration of this measure. Let me say for myself and I am sure for the Senate as a whole, that we owe him an enormous debt of gratitude for his able leadership of the committee on this very critical and complex legislation. Let me also pay tribute to the important role of the Ranking Minority Member of the Budget Committee, Senator Bellmon, whose wise counsel and support were essential during the debate on the Social Security bill.

I firmly believe that the Budget Committee has played an important role in permitting the Senate to proceed in a more orderly fashion and in assembling costly amendments relating to certain segments of the bill in one place for the Senate to consider and compare. Mr. President, let me briefly summarize the involvement of the Budget Committee with this legislation and my assessment of the role of the budget process in the formulation of legislation.

The Finance Committee met Tuesday morning to report out the Social Security financing bill. At that time they reported a resolution to waive Section 303(a) of the Budget Act with respect to consideration of the Finance Committee bill, two alternative amendments to be offered by the Ranking Republican on the Committee, and five other amendments to be offered by Finance Committee members with respect to other provisions in the bill. This waiver was necessary to permit Senate consideration of the bill and the amendments thereto because they provided for increased revenues and new entitlements which first became effective in fiscal 1979, a fiscal year for which no First Budget Resolution has yet been adopted.

The Budget Committee staff had received an advanced copy of the bill the night before and was able to prepare for the membership a memorandum detailing the highlights of the bill. This memorandum served as a basis for a Committee meeting Tuesday afternoon to review the requested waiver. At that meeting, Committee members expressed strong reservations with respect to granting a waiver for costly amendments which would tie the hands of the Budget Committee and the Congress with respect to actions on revenues and entitlements in future years. The Committee agreed to seek guidance from the Leadership and the chairman of the Finance Committee on these matters.

Senators Hollings, Cranston and Bellmon met with the distinguished Majority Leader, Senator Byrd, and the distinguished chairman of the Finance Committee, Senator Long, in an effort to reach agreement on the most orderly way to proceed with consideration of the request from the Finance Committee. It was suggested that the Finance Committee might report out separate waivers for the bill and any important amendments which members of the Finance Committee might seek to raise.

Wednesday morning the Finance Committee met at 9:00 a.m. and reported out a waiver with respect to the bill itself and two alternative amendments from the Ranking Minority Member. This waiver was considered by the Budget Committee within minutes of the conclusion of the Finance Committee meeting and was favorably re-

ported to the full Senate within an hour. Later that day and early on Thursday, several individual Senators introduced waiver resolutions which were referred to the Budget Committee for consideration. Again, the Budget Committee arranged to meet in midafternoon to review the waiver requests transmitted by four senators. After a poll of the Committee which resulted in a tie vote with seven members voting to approve the waiver requests and seven members voting to disapprove the requests, the Committee reported the waiver resolutions back to the Senate without amendment or recommendation. Under these circumstances, it was left to the full Senate to act on these waiver requests. They were approved en bloc by a voice vote.

Looking at these events, I would draw the following conclusions which I would like to share with my Senate colleagues. First, I believe it is important that we understand that the Budget Committee and the budget process is not intended to obstruct the work of the Senate or in any way curtail prompt consideration of legislation. Rather, it is an important tool to aid informed Senate debate and consideration of important legislation.

Review by the Budget Committee of the legislation from the Finance Committee and costly amendments thereto permitted the Senate to proceed with a more orderly debate. The time needed for Budget Committee review and analysis permitted other Senators to examine more carefully the budgetary impact of the bill as reported from the Finance Committee and the report when it finally became available. Let me not be misunderstood, Mr. President. I believe that the Budget Committee acted with dispatch at every juncture. Its meetings were scheduled on short notice, with participation by the majority of the Committee in every decision that was made. Moreover, by grouping the amendments with respect to the earnings limitation in one place, the Budget Committee allowed the Senate to make important comparisons among alternative proposals with respect to this important issue.

Second, it is important to recognize that individual Senators with costly amendments worked closely with the Budget Committee to maintain the discipline of the budget process with respect to these amendments. Because of serious reservations with respect to the refundable tax credits for non-profit organizations, Senators agreed to change the refundable tax credit to an appropriated payment or to establish a differentiation in the rate of tax in order to achieve the same objective.

From the standpoint of sound fiscal policy, the alternative formats allowed greater Congressional control and avoided the backdoor spending which the Budget Act was enacted to preclude. From a procedural standpoint, the alternative formats avoided the need for Budget Act waivers or for the raising of points of order on the floor.

In two other cases, individual senators agreed to modify their amendments so that new entitlements would not have increased out-year costs. These modifications obviated the need for Budget Act waivers and reduced the overall costs of these amendments.

Thirdly, the Finance and Budget Committees worked together very closely to examine the consequences for the federal budget of the legislation and the amendments thereto. It is no secret that the distinguished gentleman from Louisiana and I are not always in agreement as to the means to achieve sound fiscal policy. In this instance, however, we both agreed that a delay in changes in financing the Social Security system was essential to permit the economy adequate time to recover from the serious recession of the last few years.

In summary, the review by the Budget Committee of the bill and its amendments permitted the entire Congress more time to examine closely this legislation which will set the pattern for all Social Security payments and taxes for the next quarter century. If this were the only thing we achieved, we could be justly proud. But I firmly believe that we have done more than that. The Committee and the process are still alive and well. The budget process has served the Senate and other committees as a means to examine and to compare costs of one provision against another. Reflection and comparison is critically important if the Congressional budget process is to establish a sound fiscal policy and to project Congressional needs and priorities for the coming fiscal year.

We do not lightly waive the constraints of the Budget Act on future year spending. It is only in the most extraordinary cases that such waiver should be granted to permit consideration of a Committee's bill and amendments thereto on the Senate floor. In this case, the Budget Committee had earlier determined that a delay in financing in the Social Security system was essential to assure the sound economic footing of the country prior to the imposition of new payroll taxes.

With this understanding, we proceeded to consider closely the bill as reported from the Finance Committee and amendments thereto. The Budget Committee then acted favorably on the waiver request from the Finance Committee. Upon reviewing individual amendments which senators wanted to offer, the Committee was divided on a 7–7 vote and determined that it should report them back to the Senate without recommendation and permit the Senate to work its will on these waiver resolutions.

I hope in the future, Mr. President, that when a bill of this magnitude comes to the Senate that the Budget Committee will be permitted time to review it in a more deliberate fashion. Within the time constraints placed on the Budget Committee, I believe that the Committee did an outstanding job and provided a great service to the Senate and to the Congress in permitting the debate to focus on current, as well as out year implications for costly and controversial measures.

In closing, Mr. President, let me make it clear that the review of the Budget Committee is not intended to pass judgment on the substance of any amendment, or the legislation itself. The Budget Committee does not want to become a Rules Committee or an authorizing committee. We view our role as simply that of a watchdog for the Congress in reviewing the budgetary impact in both the short and long-term of all important legislation which the Congress must consider. It is on those grounds, and those grounds alone, that our decisions must be made. If we are not free to exercise this responsibility without undue pressure from other members of this body, then the role of the Committee is subject to serious question.

But I believe that the debate of the last several days has shown that the Budget Committee serves an important purpose. The Budget process is working and the Senate is conscious of the need for sound, orderly debate on matters of significant budgetary and economic impact.

For myself, Mr. President, I must say that I am sorely distressed that the cost of the Social Security bill has risen so markedly during this debate. We now find that this bill could exceed the Finance Committee's allocation under the budget resolution by more than half a billion dollars.

I certainly favor the Social Security system as an insurance system for older Americans and fully support legislation to restore the program to fiscal soundness. But the adoption of costly and unsound floor amendments has produced a bill that is fiscally irresponsible. For these reasons, Mr. President, I cannot support this bill and would vote against it if I were present.

Mr. STEVENSON. Mr. President, I recognize that the social security system must be adequately funded. But I am not convinced that this bill represents the best way to do it. As a matter of fact, none of us can be certain what this bill does. The committee report was not made available until after the Senate began consideration of the measure. And since then amendments have been approved which will add substantially to the costs of the system. If this legislation is sound, it is only by coincidence. All we really know is that its economic consequences for the Nation are substantial. And the new system, sound or unsound, will be locked in for many years to come.

I am inclined to think the system proposed is unsound. The costs are high, and so are the taxes. They will raise the cost of labor and in some measure cause a further increase in unemployment. It would be best to take some part of general revenues to defer the high cost of this system. It is established for the benefit of the Nation and not alone for its annuitants. It is not unreasonable, therefore, to demand of the Nation that it pay a part of the direct costs. But that avenue will now be shut for a long time to come. With new general revenues, as for example from an increased gasoline tax, the Nation might fund this system with economic benefits and not the economic costs which will be occasioned by a substantial hike in payroll taxes.

I have heard it said many times that the Senate must act now, in haste and amidst all the clutter of these late hours because it cannot be expected to act responsibly next year, an election year. To that I have to say that the chance of next year's irresponsibility is no warrant for this year's.

Mr. DOMENICI. Mr. President, the Senate has now completed its consideration of the 1977 amendments to the Social Security Act. As we prepare to vote on this bill I would like to take just a few minutes to explain my reasons for voting against this measure.

I object to the way this bill was handled. This bill is probably the biggest tax measure to come before the Senate in the 5 years I have served here. Yet it came to us on the same day the Finance Committee reported it. It came to us unprinted and it was not until 2 days later that the accompaning report became available to the Members. Mr. President, this is no way to legislate and it is especially no way to enact a tax proposal that will raise $200 billion over the next 10 years.

We have not thought this measure through. We have not had an opportunity to weigh all of the economic implications of this massive tax program. We have not had an opportunity to receive valuable input from the American people, the business community, economist, and so forth. There are questions we have not answered:

First. How will this drastic tax increase affect our recovery from the recent recession?

Second. Should we shift the tax burden, now shared by employer and employee, from the employee to the employer?

Third. If we abandon the parity concept will it lead us, in future years, to shift most or all of the tax burden onto the employers?

Fourth. Will private pension plans suffer from this change in the tax structure?

Fifth. Will the future growth of our economy be adversely affected by this increased tax liability?

Sixth. Can our middle-income families stand to have their social security taxes doubled or tripled in the next 10 years?

Seventh. Will more Americans be unemployed as a result of the enactment of this legislation? If so, how many?

Eighth. Will the enactment of this tax increase generate opposition to future benefit increases for older Americans by hard pressed taxpayers?

Mr. President, the economic impact of this bill will be far greater than the Finance Committee is projecting. Several economists have estimated that this tax increase will push the U.S. inflation rate up by an additional 1 percent in 1981. Michael Young, an economist at the Wharton Economic Forecasting Associates said:

> What that does is make the impact of the regular cyclical slowdown even worse. It means any tax cuts the administration was planning will have to be visibly larger.

Young went on to point out that breaking parity between employer/employee taxes will "bloat unit labor costs and prompt companies to pass on the full brunt of the increases in higher prices to consumers." The House approach—parity—would have less impact on prices.

Art Pine, writing in this morning's Washington Post stressed that the brunt of the impact will come in 1980–81—"When the economy is expected to be weak anyway"—and that is the time period when the last phase of the energy consumption taxes take effect.

Some business leaders have expressed the view that this tax increase will drive up prices, reduce private pensions, and harm U.S. exports by further reducing our competitive position.

Michael Young also predicted that this bill could have a "sizable" impact on joblessness especially if the economy enters a cyclical slowdown in late 1978.

Mr. President, as the ranking minority member on the Senate Special Committee on Aging and a person who is deeply concerned about the well-being of our senior citizens, I wish that I could support this bill. I want to stabilize the three social security trust funds and thus secure the future of this vital program. I would never take any action that would jeopardize the social security benefits of present and future retirees.

But I am not prepared, Mr. President, to approve—by my vote—an ill-conceived, premature proposal such as this. I supported the efforts by Senator CURTIS and Senator TOWER to correct the most serious defects in H.R. 9346. The Curtis amendments would have restored the concept of parity which is so important to the traditions of this program. Senator TOWER, recognizing as I do that we have time to legislate in a calm deliberate manner, sought to restructure the bill and introduce the concept of price-indexing. I believe, Mr. President, that price-indexing would save the trust funds billions of dollars over the coming years and thus allow us to moderate the tax increases contained in this bill.

Had either the Curtis or Tower amendments carried I probably would have been able to vote for final passage. As it is, Mr. President, I cannot justify, in my own mind, a vote for this bill. This is not a vote against the social security program or the benefits it pays to 30 million Americans. It is instead a vote against a bad bill, the enactment of which we may all come to regret.

The PRESIDING OFFICER. If there be no further amendment to be proposed the question is on the third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. CURTIS. Mr. President, I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass?

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

Mr. ROBERT C. BYRD. Mr. President, there is another bill in a short time, but I expect a rollcall vote.

The legislative clerk called the roll.

(Mr. MATSUNAGA assumed the chair.)

Mr. HEINZ (when his name was called). Mr. President, on this vote I have a pair with the Senator from Delaware (Mr. BIDEN). If he were present and voting he would vote "nay." If I were at liberty to vote, I would vote "yea." Therefore, I withhold my vote.

Mr. LEAHY (when his name was called). Mr. President, on this vote I have a pair with the Senator from Maine (Mr. MUSKIE). If he were present and voting he would vote "nay." If I were at liberty tc vote, I would vote "yea." I therefore withhold my vote.

Mr. CRANSTON. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Texas (Mr. BENTSEN), the Senator from Delaware (Mr. BIDEN), the Senator from Arkansas (Mr. BUMPERS), the Senator from Nevada (Mr. CANNON), the Senator from Arizona (Mr. DECONCINI), the Senator from Mississippi (Mr. EASTLAND), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Montana (Mr. METCALF), the Senator from North Carolina (Mr. MORGAN), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Tennessee (Mr. SASSER) are necessarily absent.

I further announce that the Senator from Alabama (Mr. SPARKMAN) and the Senator from Nebraska (Mr. ZORINSKY) are necessarily absent.

I also announce that the Senator from Maine (Mr. MUSKIE) is absent because of illness.

On this vote, the Senator from Connecticut (Mr. RIBICOFF) is paired with the Senator from North Carolina (Mr. MORGAN). If present and voting, the Senator from Connecticut would vote "yea" and the Senator from North Carolina would vote "nay."

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY), the Senator from Alabama (Mr. SPARKMAN), the Senator from Tennessee (Mr. SASSER), and the Senator from Arkansas (Mr. BUMPERS) would each vote "yea."

Mr. BAKER. I announce that the Senator from Oklahoma (Mr. BARTLETT), the Senator from Massachusetts (Mr. BROOKE), the Senator from Arizona (Mr. GOLDWATER), the Senator from Utah (Mr. HATCH), the Senator from Oregon (Mr. HATFIELD), the Senator from California (Mr. HAYAKAWA), the Senator from North Carolina (Mr. HELMS), the Senator from Oregon (Mr. PACKWOOD), the Senator from Kansas (Mr. PEARSON), the Senator from Illinois (Mr. PERCY), the Senator from Alaska (Mr. STEVENS), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I also announce that the Senator from Virginia (Mr. SCOTT) is absent on official business.

On this vote, the Senator from Alaska (Mr. STEVENS) is paired with the Senator from Oregon (Mr. HATFIELD). If present and voting, the Senator from Alaska would vote "yea" and the Senator from Oregon would vote "nay."

On this vote, the Senator from Illinois (Mr. PERCY) is paired with the Senator from North Carolina (Mr. HELMS). If present and voting, the Senator from Illinois would vote "yea" and the Senator from North Carolina would vote "nay."

The result was announced—yeas 42, nays 25, as follows:

[Rollcall Vote No. 631 Leg.]

YEAS—42

Baker	Gravel	Moynihan
Bayh	Hart	Nelson
Burdick	Hathaway	Pell
Byrd, Harry F., Jr.	Hollings	Proxmire
Byrd, Robert C.	Inouye	Randolph
Case	Jackson	Riegle
Chafee	Javits	Sarbanes
Clark	Kennedy	Stafford
Cranston	Long	Stennis
Culver	Magnuson	Talmadge
Danforth	Mathias	Thurmond
Durkin	Matsunaga	Williams
Ford	McIntyre	Young
Glenn	Melcher	
	Metzenbaum	

NAYS—25

Allen	Garn	Roth
Anderson	Griffin	Schmitt
Bellmon	Hansen	Schweiker
Chiles	Haskell	Stevenson
Church	Laxalt	Stone
Curtis	Lugar	Tower
Dole	McClure	Wallop
Domenici	McGovern	
Eagleton	Nunn	

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—2

Heinz, for.
Leahy, for.

NOT VOTING—31

Abourezk	Hatfield	Pearson
Bartlett	Hayakawa	Percy
Bentsen	Helms	Ribicoff
Biden	Huddleston	Sasser
Brooke	Humphrey	Scott
Bumpers	Johnston	Sparkman
Cannon	McClellan	Stevens
DeConcini	Metcalf	Weicker
Eastland	Morgan	Zorinsky
Goldwater	Muskie	
Hatch	Packwood	

So the bill (H.R. 9346), as amended, was passed.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. SARBANES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MOYNIHAN. Mr. President, may we have order.

The PRESIDING OFFICER. The Senate will be order. Senators will cease conversations. The Senate will please be in order.

There is still too much conversation.

The Senator from New York.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the bill (H.R. 9346) be printed with the amendments of the Senate numbered, and that in the engrossment of the amendments of the Senate to the bill the secretary of the Senate be authorized to make all necessary technical and clerical changes and corrections, including corrections in section, subsection, and so forth, designations, and cross references thereto.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, I move that the Senate insist on its amendments and ask for a conference with the House of Representatives thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. LONG, Mr. RIBICOFF, Mr. NELSON, Mr. HASKELL, Mr. MOYNIHAN, Mr. CURTIS, Mr. ROTH, and Mr. LAXALT conferees on the part of the Senate.

Mr. ROBERT C. BYRD. Mr. President, I take this opportunity to pay tribute to the distinguished managers of H.R. 9346, the Senator from Wisconsin (Mr. NELSON) and the Senator from Nebraska (Mr. CURTIS), and, of course, the distinguished chairman of the Finance Committee, Senator LONG, upon the passage of this bill today by the Senate.

The importance of the social security amendments to the Nation and the necessity of their passage before the end of the first session of the Congress have been discussed before and are well known to the Members of the Senate. I will not repeat them now. Suffice it to say that it had to be done.

But though it had to be done, the issues that had to be resolved were by no means easy ones. They were difficult and complex.

When confronted with such a challenge, I can think of no Members of this body more capable of meeting it than the three Senators—Senators LONG, NELSON, and CURTIS—who did so much to bring about passage of the social security bill today.

Their knowledge and expertise—and their extraordinary legislative skills—are well known to every Member of this Chamber. They brought all of these qualities to bear on this bill. And because of these skills and their tireless efforts, what many had argued could not be achieved at all has indeed been accomplished—and in a manner that does the Senate and the people of the Nation proud.

Mr. President, every person who will enjoy the benefits of our social security system—and that includes every citizen of this country—owes these three Senators a profound debt of gratitude. On their behalf I say thank you.

DUTY-FREE TREATMENT OF AIRCRAFT PARTS

Mr. MOYNIHAN. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 422.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the House disagree to the amendments of the Senate to the bill (H.R. 422) entitled "An Act to amend the Tariff Schedules of the United States to provide duty-free treatment of any aircraft engine used as a temporary replacement for an aircraft engine being overhauled within the United States if duty was paid on such replacement engine during a previous importation."

Mr. MOYNIHAN. Mr. President, I move that the Senate recede from its amendments.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New York.

The motion was agreed to.

PUBLIC HEALTH SERVICE ACT AMENDMENTS

Mr. ROBERT C. BYRD. Mr. President, under the order previously entered, I ask the Chair to lay before the Senate Calendar Order No. 499, S. 2159.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 2159) to amend section 771 of the Public Health Service Act to require an increase in the enrollment of third-year medical students in the school year 1978–1979 as a condition to medical schools receiving capitation grants under section 770 of such Act.

The PRESIDING OFFICER. Pursuant to the previous order of the Senate, the Senate will proceed to the immediate consideration of the bill.

The Senate proceeded to consider the bill, which had been reported from the Committee on Human Resources with an amendment to strike all after the enacting clause and insert the following:

That section 771(b)(3) of the Public Health Service Act, as amended, is further amended to read as follows:

"(3)(A) Except as provided under subparagraph (D), a school of medicine may not receive a grant under section 770 to be made in the fiscal year ending September 30, 1978, or in the next fiscal year, unless its application for such grant contains or is supported by assurances satisfactory to the Secretary that such school will increase its enrollment of full-time, third-year students as prescribed by subparagraph (B).

(B) The enrollment increase referred to in subparagraph (A) is an enrollment increase in a school of medicine—

"(i) which is to occur (I) in school year 1978–1979 in the case of an application of such school for a grant under section 770 to be made in the fiscal year ending September 30, 1978, and (II) in school year 1979–1980 in the case of an application of such school for a grant to be made under section 770 in the fiscal year ending September 30, 1979.

"(ii) in the number of full-time, third-year students over the number of full-time, second-year students enrolled in such school in the preceding school year who successfully completed the second-year program of such school and enrolled in the third-year class of such school, and

"(iii) which for school year 1978–1979 is not less than 5 per centum and for school year 1979–1980 is not less than 6 per centum of the number of—

"(I) full-time, first-year students enrolled in such school in school year 1977–1978, or

"(II) full-time, third-year students enrolled in such school in school year 1977–1978, whichever is less.

"(C) In determining the enrollment increase of full-time, third-year students in a school year in which such increase is required by subparagraph (B), full-time, third-year students of such school who were not second-year students in such school and—

"(i) who are not citizens of the United States,

"(ii) who were previously enrolled in a school of medicine to which the requirement of subparagraph (A) applies,

"(iii) who were previously enrolled in a school of medicine to which the requirement of subparagraph (A) does not apply because of subparagraph (E) and for whom positions in the third-year class of such school were available in such school year,

"(iv) who were previously enrolled in a school of medicine in a State which is not accredited by the appropriate body or bodies approved for such purpose by the Commissioner of Education,

"(v) who were previously enrolled in a school of dentistry or a school of osteopathy,

"(vi) who were enrolled in a program created after school year 1976–1977 in a school of medicine which program is designed to admit students with graduate degrees into the third-year class of such school of medicine,

"(vii) who first enrolled after October 11, 1976 in a school of medicine not in a State,

"(viii) who, is determining such increase for school year 1978–1979, were first enrolled before October 12, 1976 in a school of medicine not in a State and did not successfully complete part I of the National Board of Medicine Examiners' examination by August 15, 1977, or

"(ix) who did not successfully complete part I of the National Board of Medical Examiners' examination shall not be counted.

"(D) In determining the enrollment increase of full-time, third-year students in a school year in which such increase is required by subparagraph (B), a school of medicine shall receive credit towards fulfilling its required increase—

"(i) for school year 1978–1979, for full-time, second-year students first enrolled in such school in school year 1977–1978 or 1978–1979 and full-time third-year students first enrolled in such school in school year 1977–

1978 who are citizens of the United States; who were enrolled before October 12, 1976, in a school of medicine not in a State; and who successfully completed part I of the National Board of Medical Examiners' examination by August 15, 1977; or

"(ii) for school year 1979–1980, for full-time, second-year students first enrolled in such school in such year who are citizens of the United States; who were enrolled before October 12, 1976, in a school of medicine not in a State; and who successfully completed part I of the National Board of Medical Examiners' examination.

"(E) The Secretary may waive (in whole or in part) the requirement of subparagraph (A) for a school of medicine—

"(i) if the Secretary determines, after receiving the written recommendation of the appropriate accreditation body or bodies (approved for such purpose by the Commissioner of Education), that compliance by such school with such requirement will prevent it from maintaining its accreditation; or

"(ii) if the Secretary finds that, because of the inadequate size of the population served by the hospital or clinical facility in which such school conducts its clinical training, an increase in its enrollment of third-year students to meet such requirement will prevent it from providing high quality clinical training for each of its third-year students. The requirement of subparagraph (A) does not apply to the application of a school of medicine for a grant under section 770 if in the school year 1977–1978 such school had an enrollment of full-time, first-year students which exceeded its enrollment in such school year of full-time, third-year students by at least 25 per centum and if such school had been a two-year school of medicine in fiscal year 1972.

"(F) In complying with the enrollment increase prescribed by subparagraph (B), a school of medicine may to the maximum extent possible consistent with this paragraph and other requirements of Federal law, employ its own selection procedures.

"(G) A school of medicine which did not receive a grant under section 770 because it did not comply with the applicable requirements of this paragraph shall not be eligible to receive a grant under such section to be made in the fiscal year ending September 30, 1980.".

SEC. 2. Section 772 of the Public Health Service Act is amended by adding at the end thereof the following new subsection:

"(e) For purposes of administering the requirements of section 771, a reference to a year class of students is a reference to students in that year class who are enrolled in that class for the first time.".

SEC. 3. (a) Subsection (a) of section 748 of the Public Health Service Act is amended to read as follows:

"(a) The Secretary may make grants to—

"(1) accredited schools of public health, and

"(2) other public or nonprofit institutions which provide graduate or specialized training in public health and which are not eligible to receive a grant under section 749, to provide traineeships.".

(b) Section 748(b)(3)(B) of such Act is amended (1) by striking out "or" at the end of clause (iii), (2) by striking out the period at the end of clause (iv) and inserting in lieu thereof ", or", and (3) by adding after such clause the following:

"(v) preventive medicine or dentistry.".

(c) Section 748(c) of such Act is amended (1) by striking out "$8,000,000" and inserting in lieu thereof "$9,000,000", and (2) by striking out "$9,000,000" and inserting in lieu thereof "$10,000,000".

(d) The heading for section 748 of such Act is amended to read as follows:

"PUBLIC HEALTH TRAINEESHIPS".

SEC. 4. Effective October 1, 1977, section 751(d)(2) of the Public Health Service Act is amended to read as follows:

"(2) second, to applications made (and contracts submitted)—

"(A) for the school year beginning in calendar year 1978, by individuals who are entering their first, second, or third year of study in a course of study or program described in subsection (b)(1)(B) in such school year;

"(B) for the school year beginning in calendar year 1979, by individuals who are entering their first or second year of study in a course of study or program described in subsection (b)(1)(B) in such school year; and

"(C) for each school year thereafter, by individuals who are entering their first year of study in a course of study or program described in subsection (b)(1)(B) in such school year.".

SEC. 5. Section 4839 of the Revised Statutes (24 U.S.C. 165) is amended—

(1) by inserting before the period at the end of the fourth sentence the following: "(plus any interest earned on such amount)"; and

(2) by inserting after the fourth sentence the following: "With the approval of the Secretary of the Treasury, the disbursing agent may invest funds of the account in excess of current needs in interest-bearing obligations of the United States with maturities suitable for the needs of the account, and any interest on such investment shall be credited to and form a part of the account.".

SEC. 6. (a) Subsection (a)(1) of section 731 of the Public Health Service Act (relating to eligibility of student borrowers and terms of federally insured student loans) is amended to read as follows:

"(1) made to—

"(A) a student who—

"(i) has been accepted for enrollment at an eligible institution or, in the case of a student already attending an eligible institution, is in good standing at that institution, as determined by the institution;

"(ii) is or will be a full-time student (as defined in section 770(c)(2)) at the eligible institution;

"(iii) in the case of a student in a school of medicine, osteopathy, or dentistry, has been authorized by the institution in accordance with section 739(b)(2) to receive a loan under this subpart;

"(iv) has agreed that all funds received under such loan shall be used solely for tuition and other reasonable educational expenses, including fees, books and laboratory expenses, incurred by such student;

"(v) for the school year for which such loan is made, receives no funds from a loan insured under a Federal, State, or nonprofit program provided or assisted under part B of title IV of the Higher Education Act of 1965, and

"(vi) in the case of a pharmacy student, has satisfactorily completed three years of training; or

"(B) an individual who—

"(i) has previously had a loan insured under this subpart when the individual was a full-time student at an eligible institution;

"(ii) is in a period during which, pursuant to paragraph (2), the principal amount of the loan need not be paid; and

"(iii) has agreed that all funds received under the proposed loan shall be used solely for repayment of interest due on previous loans made under this subpart; and".

(b) Subsection (a)(2) of such section is amended—

(1) by inserting before the semicolon at the end of subparagraph (D) the following: ", except that the note or other written agreement may provide that payment of any interest otherwise payable (i) before the beginning of the repayment period, (ii) during any period described in subparagraph (C), or (iii) during any other period of forbearance of payment of principal, may be deferred until not later than the date upon which repayment of the first installment of principal falls due or the date repayment of principal is required to resume (whichever is applicable) and may further provide that, on such date, the amount of the interest which has so accrued may be added to the principal"; and

(2) by striking out "student" in subparagraph (E).

(c) Such section is further amended by adding after subsection (c) the following new subsection:

"(d) No provision of any law of the United States (other than subsections (a)(2)(D) and (b) of this section) or of any State that limits the rate or amount of interest payable on loans shall apply to a loan insured under this subpart.".

SEC. 7. Notwithstanding any other provision of law, the Secretary may, where he deems advisable, allow the Indian Health Service to utilize nonprofit recruitment agencies to assist in obtaining personnel for the Public Health Service.

The PRESIDING OFFICER. There is a time limitation on this measure of 30 minutes on the bill. Who yields time?

Mr. SCHWEIKER. Mr. President, I ask unanimous consent that Ginny Eby, Sherri Kramer, Fran Paris, Spencer Johnston, Edi Silvestri, and Barbara Green of the staff of the Committee on Human Resources and David Winston and Richard Vodra of my personal staff be accorded the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, I make the same request in behalf of Jon Steinberg.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. I make the same request for two members of my staff, Dr. Lawrence Horowitz and Mr. Robert Wenger.

Mr. CHAFEE. Same request for Miss Fran Paris of my staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. Senators will please cease conversations. Authorized staff members will retire to the seats provided in the rear of the Chamber. The Senate will be in order.

Mr. KENNEDY. Mr. President, is there a time limitation on this measure?

The PRESIDING OFFICER. There is a time limitation of 30 minutes, equally divided.

Mr. KENNEDY. Mr. President, the hour is late. The issue that is raised by this particular legislation is extremely important to the medical schools of this country. I think the matter which the Senate will probably vote on this evening involves only one basic issue, and I would hope to explain very briefly what action has been taken by the Senate Health Subcommittee and the Committee on Human Resources.

Mr. President, the Health Professions Educational Assistance Act of 1976 required that medical schools, as a condition of capitation, accept an allotted number of third-year students—from among the pool of U.S. citizens who had completed 2 years of medical school overseas, and had passed part I of the national boards. The number required to

be accepted would depend on the number eligible. The burden was to be equally shared by all medical schools.

Mr. President, these schools would be required, under current law, to accept students who meet these minimal criteria without regard to any other academic criteria. In other words, the schools would be prohibited from applying their own academic standards. They would have to take students they would never voluntarily accept—students who do not measure up to the academic standing of those students already in the school.

This provision of law violates the traditional integrity of the academic admissions process. As such, it is unacceptable public policy and needs to be changed. S. 2159 accomplishes those changes.

Mr. President, the current provision of law emerged, at the insistence of the House of Representatives, from the manpower conference. It was the price to be paid for successful completion of that conference. At that time, even the Association of American Medical Colleges urged that the provision be accepted so that the conference could be completed.

This provision of law has not yet gone into effect. It begins with the 1978–79 school year. However, a Federal commitment exists, in law, to those students who have believed for over a year that they can come home to American medical schools. For over 800 of them, the process has already started—they have met the law's requirements and are being processed by HEW. In addition, there are students preparing now to take the exams that will qualify them for next year's match.

Mr. President, S. 2159 addresses the dilemma of a bad law on the one hand and a Federal commitment to young Americans as a result of that law on the other.

The independence and integrity of our universities are distinguishing characteristics of our society. S. 2159 restores the principle of selectivity to the medical school admissions process. By providing a pool of applicants which exceeds the number of positions, it allows universities to choose who they will take and to apply their own academic criteria. Of course, they are still limited to a pool of applicants characterized by their initial rejection by American medical schools. But I see no other way to achieve the necessary balance—a balance which restores selectivity to the admissions process and at the same time honors the Federal commitments to those Americans studying in foreign medical schools.

This compromise is not perfect. It does not fully restore the complete independence of the admissions process. It does not meet the commitment to all those students who would be eligible for admission under current law—about 200 students will lose out in the selection process each year. It does make congressional intent for the future clear. It does remove the most objectionable part of current law. It does balance the needs of the universities against the commitment to the students. It is a fair compromise. To simply repeal current law would be to totally renege on our commitment to hundreds of young Americans. From a policy standpoint, it makes sense. From a humanitarian standpoint, it is unfair and unwise and would threaten the credibility of Federal commitments.

Mr. President, S. 2159 is a 2-year bill. In the first year, medical schools are required to expand their enrollments by 5 percent from a pool made up primarily, though not exclusively, of American students in foreign schools who passed part I of the national boards by August 15 of this year. Also eligible would be Americans in 2-year U.S. medical schools—who are usually accepted anyway—and any others who have passed part I of national boards.

The 5-percent enrollment increase is calculated on the basis of first- or third-year class size, whichever is smaller. The third-year class is the class to be expanded, although transferees may be placed in second-year classes if their individual academic situation warrants it.

The provisions for this first year are identical to the original legislation I introduced with Senators JAVITS, EAGLETON, RIEGLE, STAFFORD, HATCH, BURDICK, and MOYNIHAN. That legislation was limited to a 1-year, 5-percent enrollment increase. It attempted to distinguish between those students already in the HEW applications pipeline and those who would not enter the pipeline until next year.

The legislation as reported by the committee reflects a further compromise designed to achieve a more complete balance between the needs of the schools and the pool of students to whom a commitment is made by existing law. Thus, S. 2159 contains a requirement for a second-year enrollment increase of 6 percent, from the same pool except that national boards may be passed at any time prior to the selection process.

Mr. President, S. 2159 is not perfect. It is a vast improvement over existing law. It does not fully satisfy the medical schools. It does not fully fulfill the commitment to the students.

But it goes a long way toward both, and it eliminates a dangerous Federal precedent.

Mr. President, S. 2159 contains a series of other amendments intended to make technical corrections to the Public Health Service Act. It restores preventive medicine and dentistry to the list of subjects eligible for study by public health trainees; it assures all medical school class graduates equal treatment in their applications to the National Health Service Corps; it allows for the investment of funds of St. Elizabeth's patients in short-term, interest-bearing accounts; it corrects technical deficiencies in the student loan program; and finally, it gives the Director of the Indian Health Service additional flexibility to recruit doctors to serve Indian populations.

Mr. President, few issues before the Senate have created more controversy than the foreign medical student provision of the health manpower law. The House has already acknowledged that its original policy position needed changing—and has passed comparable legislation. I believe S. 2159 will finally end the controversy over these provisions, and I urge its immediate enactment.

Mr. President, in the next few days—a very few days, as a matter of fact, medical schools will be informed as to whether they are eligible for capitation; 828 students have already been informed of their eligibility for the match. I believe we have a responsibility to those who have relied on the existing law and applied for admission in good faith. I think a less strong case can be made for the second year, but a case can be made, and there may be those who favor the 2-year period who want to make that case in a strong way.

But I do think the action, certainly for the 1-year period, should be supported, although I sympathize with those who view the law as so objectionable that it should simply be repealed.

The primary amendment we face here this evening will be the amendment of the Senator from Maryland, which will say, "Let us effectively strike out from the law this particular requirement. Let us respect academic freedom, and restore what we basically, as an institution, feel is the right policy."

I believe it is the right policy, but I think the very brief argument that I will make in opposition is that I do think there are many young people who have acted on the basis of the action that was taken, and I think that we have a responsibility to them.

There will be a second amendment that will say to cut the 2-year period down to a 1-year period. If the Mathias amendment succeeds, this will not be offered.

Those are, I believe, the essential issues we will consider.

There will be another brief amendment that will talk about decoupling the scholarship program from eligibility for capitation. I will accept that. I support it. There will then be an amendment by the Senator from Pennsylvania dealing with the possible discrimination against some young medical students because of their position on abortion. We want to clarify the law.

I hope there will then be passage. We do not intend to take much time on the issue.

Mr. SCHWEIKER. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SCHWEIKER. The chairman has very ably articulated the issues.

Mr. President, I rise in support of S. 2159. The bill is designed to meet the objections raised by the American medical schools. The Health Professions Educational Assistance Act of 1976 contained within it a provision which required America's medical schools to accept into their second- or third-year class U.S. citizens who were enrolled in a foreign medical school as of October 12, 1976 and who could pass part 1 of the national boards. The medical schools have objected to this provision as an unwarranted intrusion into admission process and have pointed out that under the provisions of the act they might well be required to accept students who are mentally, intellectually, or emotionally not qualified to be physicians.

The bill before us, S. 2159, is an attempt to correct some of the deficiencies identified in current law. I believe it is poor public policy to encourage students to enroll in foreign medical schools, first, because the quality of the training may be markedly inferior and, second, because we may find ourselves in a situation where we are developing more physicians than the needs of the country would dictate. S. 2159 would correct the deficiencies identified by the medical schools and at the same time would accommodate some of the students whose expectations were raised by the Health Professions Educational Assistance Act of 1976. Finally, I am supporting S. 2159 but I believe the Congress in enacting such legislation, should clearly indicate that this is a one-time program and will not be continued.

I yield to Senator STAFFORD.

Mr. STAFFORD. Mr. President, I would like to briefly comment on the waiver provision of this legislation, which would apply to medical schools such as the University of Vermont. It states that the Secretary may waive the requirement of increased enrollment for a school of medicine—

If the Secretary determines, after receiving the written recommendation of the appropriate accreditation body or bodies—approved for such purpose by the Commissioner of Education—that compliance by such school with such requirement will prevent it from maintaining its accreditation; or

If the Secretary finds that, because of the inadequate size of the population served by the hospital or clinical facility in which such school conducts its clinical training, an increase in its enrollment of third-year students to meet such requirement will prevent it from providing high quality clinical training for each of its third-year students.

According to the Human Resources Committee report, it is not the intent of the committee to "require schools to expand their enrollment if to do so would result in a loss of accreditation or if there are inadequate facilities to accommodate a high-quality clinical training program for the increased numbers."

I ask unanimous consent that a statement which has been prepared by the University of Vermont Medical School, and a letter to them from the Liaison Committee on Medical Education, dated October 26, 1976, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT

Because of its inability to accept any transfer students, the University of Vermont College of Medicine plans to submit a formal request to the Bureau of Health Manpower for a complete waiver of the provision of the Health Professions Educational Assistance Act dealing with that subject. The specific limitation which prevents the institution from providing assurance, both in whole or in part, of reserving an apportioned number of positions to accommodate transfer students is that clinical instructional capabilities, in terms of adequate patient base, are presently at the saturation level. This situation was recognized by the Liaison Committee on Medical Education when its survey team visited the University of Vermont College of Medicine in March, 1976. Subsequently the LCME conferred full accreditation on the program for four years but "with the understanding that there will be no increase in the undergraduate student body until additional clinical resources can be increased substantially." (See attached letter from LCME, dated October 26, 1976)

The curriculum at the University of Vermont is unique among U.S. medical schools in that approximately 66⅔% of the total curricular time over a four year period is built around clinical exposure for the students. Thus it is critical that there be maintained an appropriate balance between the numbers of undergraduate medical students and graduate physicians-in-training engaged in clinical activities and the patient population available for the clinical teaching. It is this component of the training program which would be lowered in quality and in turn fail to meet the accreditation standards if additional students were added. The following data demonstrates the various changes that have taken place at our institution over the past decade to bring the situation to its present "saturation level."

Supporting data

Number of undergraduate medical students

1967	55
1968	75
1969	75
1970	75
1971	75
1972	83
1973	83
1974	83
1975	83
1976	83

Graduate physicians in training

1967	115
1968	134
1969	141
1970	130
1971	123
1972	122
1973	126
1974	130
1975	130
1976	131

MCHV annual hospital census

1967	486
1968	484
1969	475
1970	437
1971	410
1972	401
1973	388
1974	373
1975	378
1976	387

The decline in hospital census at the Medical Center Hospital of Vermont, the principal teaching hospital of the College of Medicine (and the only hospital in the entire state engaged in graduate medical education) is largely attributable to an expansion of hospitalization capabilities elsewhere in the State. Thus patients that heretofore would have come to Burlington for primary and secondary care are now receiving it in hospitals closer to their own homes. At the same time the population base of greater Burlington has not kept pace in terms of growth to the point of maintaining this previously adequate patient census.

As the hospital census of the Medical Center Hospital of Vermont began to decline some eight years ago, the College of Medicine, with the support of its training program directors, developed the concept of collective planning and accountability of graduate medical education. As a result of this approach the institution was able to bring about a halt in unplanned and inappropriate expansion of its graduate training programs. If this trend had not been controlled the present delicate balance between students (undergraduate and graduate) and patients would have been even more difficult to accomplish than has been the case.

Measuring the quality of clinical teaching is imprecise at best; modifying of variables such as adding additional undergraduate students and assessing its impact would not lend itself to any greater precision in evaluation. However, our experience over the past decade has been that with the reduction in patients and a rise in the ratio between students and patients there is a frustration and disillusion on the part of the students as they "compete" for patients and an antipathy and resentment by patients that collectively and adversely influences clinical teaching.

Since 1972 when the institution was obliged to increase the size of its entering class by 10% to qualify for federal capitation grants, it has been a relatively firm policy not to fill spaces vacated by attrition with transfer students. Thus during the past five years, although there has been a loss of 38 students by attrition, only 6 of those spaces were filled by the acceptance of transfer students—all for extraordinary reasons.

Supporting data

Positions vacated

1977	6
1976	2
1975	10
1974	7
1973	8

Number of transfer students admitted

1977	0
1976	3
1975	1
1974	2
1973	0

Class year admitted into

1977	1, 1st
1977	2, 3rd
1976	3rd
1975	3rd

If the request for waiver is denied it will be critically important that the institution identify additional facilities away from Burlington for both inpatient and ambulatory teaching. Obviously if we are required to accept transfer students at the third year level according to the Bureau's present time table these additional facilities must be ready to accommodate the students by January of 1979 when the equivalent of that year begins in the curriculum.

However, in that regard it must be appreciated that over the past ten (10) years we have made and are continuing to make a major effort to expand the clinical base both in and away from Burlington—but with limited success to date:

Site, dates, and comments

Medical Center, Hospital of Vermont, 1967 to present, operating at 70–75 percent of capacity.

Ambulatory care facility, 1966 to present, probably fully operational by 1980 but of limited additional teaching value.

VA affiliation, 1970–76, only VA in State; now affiliated with other medical school. Alternatives not feasible.

Preceptorships in rural group practices, 1971 to present, expansion limited by availability of funds, physician-teacher interest, etc.

Fanny Allen Hospital, Winooski, Vermont, 1970 to present, small hospital (80 beds) very limited because of staff interest in teaching.

Champlain Valley Physicians Hospital, Plattsburgh, N.Y., 1976 to present, expansion limited by availability of patients and teaching faculty.

In view of the present situation and the past and continuing restraints on any significant expansion of the clinical base in or away from Burlington it is impossible for the University of Vermont College of Medicine

to meet the assurance of accepting transfer students and reserve any apportionment of positions for such transfers. To do so would endanger the school's accreditation status and severely compromise its ability to provide high quality clinical training.

LIAISON COMMITTEE ON MEDICAL EDUCATION,
Washington, D.C., October 26, 1976.

WAYNE C. PATTERSON, Ph.D.,
Interim President, University of Vermont, Burlington, Vt.

DEAR PRESIDENT PATTERSON: The purpose of this letter is to advise you of the action of the Liaison Committee on Medical Education and to transmit formally to you the report of the survey team representing it which visited the University of Vermont College of Medicine, March 8–11, 1976.

As you know, the Liaison Committee represents the Association of American Medical Colleges and the Council on Medical Education of the American Medical Association. The purpose of the visit was to evaluate and accredit the undergraduate program in medical education leading to the M.D. degree.

The Liaison Committee on Medical Education has conferred full approval on the program terminating in the M.D. degree for a period of four years. Because clinical instructional facilities are considered to be at the saturation level, full accreditation is granted with the understanding that there will be no increase in the undergraduate student body until additional clinical resources can be increased substantively. Therefore, the Liaison Committee would expect to resurvey the program during the 1979–80 year.

The Liaison Committee has also recommended continuation of full institutional membership of the University of Vermont College of Medicine in the Association of American Medical Colleges.

Accreditation is awarded on the basis that there is an appropriate balance between the size of the enrollment, in each class, and the total resources of the institution, including the faculty, the physical facilities, and the operating budget. If there is to be a substantial change in the size of the student enrollment or the resources of the institution so that the appropriate balance is distorted, the LCME should receive prior notice of the change. If the appropriate balance is to be significantly altered, the accreditation status will be re-evaluated by the LCME.

A copy of this letter and of the survey report are being sent to the Chairman of the Board of Trustees, Allen O. Eaton, and to William H. Luginbuhl, M.D., Dean.

The report is considered confidential by the Liaison Committee and by its parent organizations. However, it is for the use of the College of Medicine and the University as dictated by the best judgment of its officials.

Sincerely,

J. R. SCHOFIELD, M.D.,
Secretary, 1976–77 Liaison Committee on Medical Education.

Mr. WILLIAMS. Mr. President, the Senate is considering S. 2159, a bill which makes a number of technical and other amendments to existing health manpower provisions which were adopted in the Health Professions Educational Assistance Act of 1976. The most prominent issue before us is a provision of existing law adopted in conference on the 1976 bill which directs HEW to require medical schools, as a condition of capitation, to enroll an allotted number of U.S. medical students who are studying abroad. Existing law (Public Law 94–484) requires the medical schools to take all students, without regard to academic qualifications or place of residency, who had been enrolled in a foreign medical school before October 12, 1976, and who have passed part 1 of the national medical boards. Under the law HEW is to allot the prescribed number of students for 2 years (school year 1978–79 and 1979–80).

Mr. President, this provision of existing law has caused a great deal of controversy and I believe it is important to lay out its history and its impact. The provision did not originate in the Senate bill and was opposed by Senate conferees.

It was, however, one of the conditions necessary for resolving the conference and thus all parties involved agreed to adopt the amendment for a limited time. The conferees were very clear at that time, as the Senate report indicates, that there was no intent that this provision would be extended beyond the life of the conference report.

Mr. President, this provision has been criticized by institutions of higher education as an intrusion by the Federal Government into the admission policies of the Nation's medical schools because the legislation did expressly forbid utilization of academic qualifications in selection of students. Over the last several months, several institutions have also indicated their intent not to participate in the capitation program.

The committee was concerned by the reaction of these institutions and understands their objections to the flat prohibition in existing law. We believed, Mr. President, that there was sufficient merit in these views to warrant changing the law. The committee bill does that.

But, Mr. President, the committee bill changes existing law in a way which not only meets the disagreements of the medical schools but also keeps a good-faith agreement with the medical students to whom a commitment was made by this body, by the House of Representatives and by the President 1 year ago.

This bill does not cover any students who were not covered by existing law. It does not extend this program beyond the 1979–80 school year as was set up under existing law. As a matter of fact, in terms of its impact on students, this bill only affords 62 percent of the students to whom the Congress made a promise a year ago a chance to redeem that promise.

The committee understood that at the time. And we decided that it was legitimate to allow the medical schools some flexibility and choice over the students they would take. Thus, the enrollment increase as provided in this bill only will cover 62 percent of those students eligible.

Mr. President, the Committee on Human Resources reported this legislation by a rollcall vote of 12 to zero. No minority views were filed. And my compromise amendment in committee to revise the bill as introduced to a 2-year bill was adopted by a unanimous voice vote. It was understood at that time that some members of the committee would have preferred no legislation at all and some members of the committee would have preferred the legislation as introduced. Indeed, at least one member would have preferred to repeal existing law. What the Senate has before it is compromise legislation adopted by the committee responsible for health manpower legislation. We have considered all of the views and we have adopted legislation which at least assures those students to whom a promise was made that they will have the opportunity to apply to medical schools and their chance in the next 2 years of getting into school will be improved.

I feel strongly that we have made a commitment and we should honor that commitment. The enrollment increases we are talking about in the next 2 years are negligible in terms of their impact on these medical schools. I believe that the committee bill is the most responsible form of action and I urge all of my colleagues to support it.

The PRESIDING OFFICER. Who yields time?

AMENDMENT NO. 1614

(Purpose: To repeal section 771(b)(3) of the Public Health Service Act relating to the reservation of class positions in U.S. medical schools for U.S. citizens studying abroad.)

Mr. MATHIAS. Mr. President, I have an amendment at the desk. I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Maryland (Mr. MATHIAS) for himself, Mr. EAGLETON, Mr. HELMS, and Mr. BUMPERS, proposes an amendment No. 1614.

The amendment is as follows:

Beginning on line 7, page 5, strike out through line 10, page 10, and insert the following: "That section 771(b)(3) of the Public Health Service Act is repealed.".

On page 10, line 3, strike "SEC. 3." and substitute "SEC. 2.".

On page 11, line 8, strike "SEC. 4." and substitute "SEC. 3.".

On page 12, line 2, strike "SEC. 5." and substitute "SEC. 4.".

On page 12, line 14, strike "SEC. 6." and substitute "SEC. 5.".

On page 15, line 6, strike "SEC. 7." and substitute "SEC. 6.".

Mr. MATHIAS. Mr. President, I ask unanimous consent that the names of the minority leader (Mr. BAKER), my distinguished colleague from Maryland (Mr. SARBANES), and the distinguished Senator from Kansas (Mr. DOLE) be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is this the amendment on which there is a 10-minute time limitation?

Mr. MATHIAS. That is correct.

The PRESIDING OFFICER. The Senator is recognized for 5 minutes.

Mr. MATHIAS. Mr. President, the Senator from Massachusetts, in his usual objective and positive outlook, has really succinctly summed up this issue in advance. I may not even need my half of the 10 minutes. He has expressed it and, in addition to being objective, he has been generous and has said that the principle which underlies the amendment is the right principle. It is, as he said, simply the principle of whether or not we are

going to recognize academic freedom. whether we are going to let the medical schools of our colleges and universities set the standards by which they admit their students.

Under the present provisions of the law, any medical school which receives capitation grants must admit into its junior and senior classes American students who have attended foreign medical schools and who have been designated as qualified by the Secretary of HEW. So, in fact, the Secretary becomes the one who says whether or not a person would get into a given school.

That provision of law was adopted with the best of motives and with the highest of intentions, but it does constitute a considerable breach of the principle of academic freedom, the right to decide their own admission standards, or, in the absence of that, lose the financial support which has become so important in medical education in this country at a time when we need doctors.

Mr. President, I have a list of 35 medical schools, some of the most famous medical schools in the world, who have been adversely affected by this situation. I ask unanimous consent that the list be printed in the RECORD. I wish I had time to read it because there is a school in very nearly every State.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

University of Nevada, Reno, Nev.
University of Miami, Miami, Fla.
Morehouse College, Atlanta, Ga.
Northeast Ohio Universities, Rootstown, Ohio.
Creighton University, Omaha, Nebr.
Marshall, Huntington, W. Va.
Catholic University, Puerto Rico.
Medical College of Wisc., Milwaukee, Wis.
University of Missouri, Kansas City, Mo.
Pennsylvania State, Hershey, Pa.
Rutgers, Piscataway, N.J.
University of Maryland, Baltimore, Md.
University of Florida, Gainesville, Fla.
Medical College of Ohio, Toledo, Ohio.
University of Utah, Salt Lake City, Utah.
University of Southern Cal., Los Angeles, Calif.
University of Oregon, Portland, Oreg.
Loma Linda University, La Jolla, Calif.
Yale University, New Haven, Conn.
Harvard University, Boston, Mass.
Johns Hopkins University, Baltimore, Md.
University of North Carolina, Chapel Hill, N.C.
University of Louisville, Louisville, Ky.
Duke University, Durham, N.C.
Vanderbilt, Nashville, Tenn.
Northwestern University, Evanston, Ill.
University of Chicago, Chicago, Ill.
Case Western Reserve, Cleveland, Ohio.
Baylor, Houston, Tex.
University of California, Los Angeles, Calif.
University of California, San Diego.
U. of Cal. at Irvine.
U. of Cal., San Francisco.
U. of Cal., Davis.
Stanford, Stanford, Calif.
Indiana University, Bloomington, Ind.

Mr. MATHIAS. Mr. President, that is really the case. Are we going to say that the medical schools can control their own admission policies, or are we going to maintain the system by which, in order to receive the Federal support which is vital to their operation, they have to accept the participation of HEW in deciding who gets into their schools?

It is just that simple. I believe the time has come to end that system.

Let me say one word about the parliamentary situation. The House has already acted upon this bill. They are retaining the system. Unless the Senate takes the action which is embodied in this amendment, which is to cut it out entirely, there is very little upon which to go to conference. I would hope we would take the step which is embodied in this amendment and put an end to this system, and that the conferees could, in fact, end it. If they could not, they could at least phase it out in an orderly way. The only way to remedy that problem is to adopt this amendment and put the Senate on record in favor of academic freedom.

The PRESIDING OFFICER. Who yields time?

Mr. EAGLETON. Mr. President, I rise in support of amendment No. 1614 to S. 2159. This amendment offered by Senator MATHIAS and myself would repeal section 771(b)(3) of the Public Health Service Act, that section which requires medical schools to admit into their second and third year classes American students who have attended foreign medical schools and who have been designated as qualified by the Secretary of HEW.

I believe that this provision, enacted as a part of the Health Professions Education Amendments of 1976, violates two fundamental academic decisions: The criteria for admission of students, and the selection of students. Under present law, schools are required to agree to accept Government set quota of U.S. students now in foreign medical schools as a condition of receiving basic institutional support. The sole academic qualifications for their admission is that they have completed 2 years of study in a foreign medical school and have passed part I of the National Board examination. The effect of this provision is that medical schools would be able to offer places to the best among the applicants but could not fail to fill the quota assigned to the school by the Secretary of HEW on the grounds that the applicant was not qualified academically for admission.

Mr. President, Congress has long used the "carrot and stick" approach to persuade Federal grantees to work toward certain Federal goals. In the same health manpower bill, we require that 35 percent in 1977, 40 percent in 1978, and 50 percent in 1979 of the interns and residents in their first graduate year be in general internal medicine, general pediatrics, or family practice. This is also a condition of capitation supports, but one I believe to be important to the public interest in supplying more physicians in primary care fields. Nor does it violate the ability of institutions to set their own admissions standards.

The same is not true of the provisions relating to U.S. students studying in foreign medical schools.

The goal of those who support the existing provision of law is certainly understandable. The number of U.S. physician licenses issued to U.S. citizens who completed their medical education in a foreign school currently is ranging between 200 and 300 annually. The provision's supporters argue that the training provided in foreign schools, particularly in the clinical years, is inferior to that offered in U.S. medical schools. In almost all cases, students who have trained abroad return to this country to practice, and it was felt that this provision would insure greater quality training of physicians and thus, better doctors.

As I said, the goal is understandable, but this is not the proper approach to resolve the problem. Provisions such as section 771, enfranchising all students who have studied abroad for 2 years and meet the minimal academic qualifications, represent a giant step toward Government takeover of all medical education.

I urge my colleagues to repeal this provision of law, and work with my colleague on the Human Resources Committee to resolve the problem of foreign medical students in a less heavyhanded manner next year.

Mr. DOLE. Mr. President, I rise in support of the efforts of my colleague, Senator MATHIAS, to delete from the law an onerous provision that is an unwarranted intrusion into the admission policies of this Nation's medical schools.

Although I recognize the problem that faces many students who have left this country and enrolled in foreign schools, I cannot support any wholesale and indiscriminate disregard for the rights of our schools to choose their students or the proper size for their institutions.

I am keenly aware of the pressing need for an increased number of physicians in this country who might fill the needs of those in rural areas and areas remote from most support systems. But, Mr. President, this is not the way these problems should be dealt with.

By mandating that schools increase their enrollments, the Federal Government has again said to the schools, "We know what is best; we know how to solve the problems and how to run your school."

This is the familiar carrot-and-stick routine that all Senators will recognize as a common tactic for extending the control of the Federal Government over a program. In fact, this stick packs a particularly powerful punch: capitation grants and participation in the guaranteed student loan program.

It is particularly distressing to me that the law not only penalizes the schools for refusing to take these students by withholding capitation, but also penalizes the students at those schools by eliminating their access to student loans. These students are particularly vulnerable and should not be penalized by their university's decision. After all, they have little or no influence over that decision.

The provision of quality health care to all Americans and the provision of enough doctors to provide that care are of great importance to this body. We have a valid interest in providing assistance to American students in foreign schools. But let those schools of which we are so proud make their own decisions. Let them devise a system that will answer our concerns without damaging the integrity of the admissions process.

Mr. WILLIAMS. I wonder if I am right in stating that, with this bill before us, we change the law and the medical schools, by this bill, would again have the opportunity to apply their own qualifications and standards for admission.

Mr. KENNEDY. The Senator is correct.

Mr. WILLIAMS. For the students in foreign schools who are covered by this bill, the schools would have the opportunity to apply their qualification standards. That is point No. 1. I do not believe that was the impression left from the way the Senator from Maryland stated the position as he sees it. They can retain their standards of qualification.

The demand upon them that they take more students continues for 2 years—in the first year 5 percent and then 6 percent. This is done for one simple reason: To honor a commitment made here last year to those students in foreign schools.

The third point is this is not a continuing program. It runs out in 2 years. Believe me, this is one I am sure we will not be back to extend.

Mr. JAVITS. Will the Senator yield?

Mr. KENNEDY. I yield.

Mr. JAVITS. I would like to associate myself with the remarks of the Senator from New Jersey. I am the ranking member of this committee. It was a very, very difficult solution to work out. There was much feeling in the medical schools about it. We finally worked out a compromise which I believe is generally acceptable, except perhaps for those few medical schools—and I do not denigrate them at all—to which Senator MATHIAS has spoken. It represents a repeal, a change, a basic change, in existing law.

I think it is a very clear promise which was made to 840 students that they could complete their educations in the United States. That is of inestimable value to us because it is a fact, and I state it as a fact, that the degree of training is higher and will equip them better to be doctors in this country if they do have this last year in our own medical schools. That is an ascertained fact.

Under all those circumstances, and with the greatest affection and respect for my friend from Maryland, I hope the Senate will reject this amendment.

Mr. KENNEDY. One final minute, Mr. President.

We want to assure the membership that the reason this bill is here on this floor, as well as the fact that the House has taken it, is because the principle which the Senator from Maryland has stated is basically and fundamentally the same view that all of us on that committee have in terms of academic freedom. The policy issue is absolutely correct, as the Senator from Maryland has stated. I do not think there is really any difference on that.

The real question is the degree of responsibility that we feel in terms of those young people, Americans who relied upon the law that has been on the books for a year and a half and have taken the exams, have been accepted as meeting all of the criteria, and have had notice given to them to that effect, and have relied upon that legislation.

What kind of weight are we willing to give to the interests of those young people versus, on the other hand, this particular issue? That is, basically, the dilemma.

Mr. President, I am prepared to yield back my time.

Mr. GLENN. Will the Senator from Maryland yield for a question?

Mr. MATHIAS. If I have any time.

Mr. KENNEDY. I yield 2 additional minutes.

The Senator from Rhode Island has a unanimous-consent request.

Mr. PELL. I ask unanimous consent that Peter Harris of the committee staff be granted the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Ohio is recognized for 2 minutes.

Mr. GLENN. I think that, under current law, what we are doing is bringing back students who, by and large, were turned down for entrance into medical school here and had sufficient funds or were wealthy enough to go overseas and do their training there. Is that correct?

Mr. MATHIAS. For whatever reason they were able to get into foreign medical school.

Mr. GLENN. If the amendment of the Senator from Maryland is not passed and these students are not brought back, we will be eliminating from future medical school classes perhaps even better students who are here now, and may want to go overseas; is that correct?

Mr. MATHIAS. I think that is essentially correct.

Mr. KENNEDY. If the Senator will yield, this is an add-on provision. We have increased the percentage requirement plus the capitation for this particular bulge in the limited time. So it would not effectively mean adding additional slots.

Mr. GLENN. I understand that the difficulty of medical schools now is that they do not have sufficient hospital space to accommodate the students. That is the only thing that prevents medical schools from being larger than they are now.

Mr. KENNEDY. If the Senator will permit me to answer that, that is included in the legislation. If they do not have the hospital or the training facilities, there is a waiver provision and they are not required to meet the requirements of the act.

Mr. MATHIAS. Let me just add to the response to the Senator from Ohio.

The fact is that they are required to take a quota. That is a necessity. That should be clearly understood.

Mr. SARBANES. Will the Senator yield?

Mr. MATHIAS. Yes.

Mr. SARBANES. Mr. President, I rise in very strong support of the amendment of the Senator from Maryland. I think the fundamental principle is extremely important. Even on a limited basis, to ask the schools to compromise that principle is to permit an intrusion into a decisionmaking power which I think it is fundamental to have preserved to the school. Many schools have responded to the capitation grants and expanded their classes to meet the national need and try to be responsive.

The PRESIDING OFFICER. All time on the amendment has expired.

Mr. KENNEDY. I yield 2 minutes on the bill to the Senator.

Mr. SARBANES. As the Senator from Ohio has pointed out, what this means in terms of equity as among students, if we stop and think about it for a moment, is to carry through an inequity—may well be to carry through an inequity. The students who sought admission and were not accepted, not in a position to finance education abroad, who would seek the opportunity to become part of the medical profession, now find themselves placed in a lesser category as opposed to students who were able to take advantage of that opportunity. That is an inequity only among students.

If we take that inequity into account at the same time that we consider the very important principle of academic freedom that is involved for the schools, it seems to me that we ought to support the amendment which has been offered by the Senator from Maryland and not intrude into that basic principle.

Therefore, I support the amendment that my distinguished colleague has offered.

Mr. MATHIAS. Mr. President, Senator HELMS, cosponsor of this amendment is necessarily absent tonight, but he has asked that his statement on this important issue be included in the debate.

Mr. President, I ask unanimous consent that the statement of my friend, the distinguished Senator from North Carolina, be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR HELMS ON MATHIAS-HELMS AMENDMENT TO S. 2159, MEDICAL SCHOOL ENROLLMENT

I am pleased to join my distinguished colleague from Maryland (Mr. Mathias) and my distinguished colleague from Missouri (Mr. Eagleton) in sponsoring this amendment to S. 2159. The purpose of this amendment is simple. It prohibits the Federal Government from imposing upon the medical schools of this country admission standards and policies with respect to transfer students.

Under present law, medical schools must accept government-set quotas for the admission of transfer students who have begun their studies at foreign medical schools as a condition for seeking renewed capitation grants from the Department of Health, Education and Welfare. Additionally, transfer students who are deemed eligible by the Secretary of Health, Education and Welfare may not be denied admission to an American medical school on the basis of their academic qualifications.

Former Supreme Court Justice Felix Frankfurter observed that "the four essential freedoms of a university are the right to determine for itself on academic grounds who may teach, what may be taught and how it shall be taught, and who may be admitted to study." 354 U.S. 234, 263 (1957)

This essential aspect of academic freedom, the liberty of the university to determine for itself who may be admitted to study, is essentially rendered meaningless by present law. Not only does the Department of HEW impose a quota for admission of transfer students, but it also indirectly sets the admission standards of the medical schools

by determining who is to be considered an eligible student.

Throughout the United States, educators who have devoted their lives to the betterment of American medical education are increasingly alarmed by the ease with which the Federal Government would control medical education in the United States. In my own State of North Carolina, many distinguished educators have expressed concern with this entanglement of the Federal Government with medical education. For example, I am advised by Dr. Edwin W. Monroe, Vice Chancellor for Health Affairs at East Carolina University and Christopher C. Fordham, Dean of Medicine at the University of North Carolina at Chapel Hill, that no matter how well intended, such Federal controls on medical schools, so adversely affect their academic freedom and autonomy as to outweigh any supposed benefit.

On April 2 of this year, I introduced S. 1361, the Academic Freedom Act of 1977, to preserve the academic freedom and the autonomy of institutions of higher education. In part, this bill provides that "No agency or authority of the United States shall promulgate or enforce any regulation . . . which directly or indirectly requires, promotes, or encourages, the abandonment or reduction of academic requirements for admission to any program or activity, or to any undergraduate or graduate degree program of such institution of higher education."

I believe this is the policy which Congress should adopt to clearly articulate the proper relationship between the Federal Government and educational institutions. Ultimately, this is the surest way of preserving academic freedom and that freedom of thought which is the foundation of a free and democratic society.

I believe that the present policy of government-imposed admission quotas and the prohibition against denying admission on academic grounds to a student whom HEW has deemed to be "eligible" would violate this provision of the Academic Freedom Act were it the law today.

Although the amendment we are now considering attempts to paint with a smaller brush, nonetheless it will do much to promote the freedom and automony of America's schools of medicine and I, accordingly, urge its adoption.

SEVERAL SENATORS. Vote!

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Maryland.

The amendment was agreed to.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the amendment was adopted.

Mr. MATHIAS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KENNEDY. Mr. President, the Senator from Pennsylvania had an amendment. We have just two quick amendments.

UP AMENDMENT NO. 1072

(Purpose: To define "eligible institution".)

Mr. SCHWEIKER. Mr. President, in behalf of the Senator from California, (Mr. HAYAKAWA) who, unfortunately, had a personal conflict today, I offer an amenedment relating to this bill. First I would like to address a question to the distinguished chairman, Senator KENNEDY. Senator HAYAKAWA has an amendment separating loan guarantee and scholarship programs from capitation. I wonder if the Senator will state his position on these two amendments?

Mr. KENNEDY. We shall accept the amendment of the Senator from California on the decoupling provisions as it relates to the provisions of the act relating to foreign medical students.

The PRESIDING OFFICER. Will the Senator offer the amendment first?

Mr. SCHWEIKER. I send it to the desk.

The PRESIDING OFFICER. The clerk will state the amendments.

The legislative clerk read as follows:

The Senator from Pennsylvania, for the Senator from California (Mr. HAYAKAWA), for himself, Mr. STEVENS, Mr. HATCH, and Mr. HEINZ, proposes an unprinted amendment numbered 1072.

Mr. SCHWEIKER. I ask unanimous consent that further reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place insert the following:

SEC. . Section 737(1) of the Public Health Service Act, is amended to read as follows:

"(1) The term 'eligible institution' means a school of medicine, osteopathy, dentistry, optometry, pharmacy, podiatry, veterinary medicine and public health (as defined in section 737(2)) within the United States.".

Mr. SCHWEIKER. This amendment simply states that student loans cannot be denied to students in U.S. medical schools because they do not comply with the capitation provisions as outlined in existing law.

Mr. KENNEDY. Mr. President, there is no reason that the students ought to bear the burden of an administrative decision. I support the amendment.

Mr. SCHWEIKER. Mr. President, I ask unanimous consent that a statement by Senator HAYAKAWA on his amendment be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR HAYAKAWA

As you know, the Health Professions Educational Assistance Act of 1976 required as a condition of receiving capitation funds that universities admit into their schools of medicine, students not subject to the normal admissions requirements promulgated by faculty. Under this Law, U.S. medical schools must accept foreign medical school students who are American citizens, who enrolled overseas before October 12, 1976; who successfully finished 2 years of a foreign medical school, and who passed Part 1 of the National Board of Medical Examiners. The other academic and residency requirements usually used by the schools in choosing transfer students were not to be considered.

In response to these requirements, many schools chose not to participate in the program, believing that the strings attached to receiving the funds are basic and unwanted intrusions into the fundamental academic processes of such universities. Thus, the penalty for not taking part in this transfer program is loss of capitation funds and loss of eligibility for participation in the guaranteed student loan program.

This is the reason for the amendment I am proposing today. The 1976 Act renders students at medical schools not participating in the capitation program ineligible for the Health Professions Guaranteed Student Loan Program. This penalty, which is directed at the students, not the schools, is not changed in S. 2159. I see no reason to continue with this punitive policy. We are punishing the students for an administrative decision over which they have no control. My amendment would divorce an institution's participation in the capitation program from its students' eligibility for the student loan program.

The bill as it stands now would force a student to choose a school which offered financial aid under this program over a school which he might personally prefer to attend. A school's decision not to participate in the capitation program should not have any bearing on a student's eligibility for aid. This is the kind of policy, it seems to me, that makes certain schools available only to the more affluent students, which is unfair. Programs intended to help students pay for their education should not interfere with the student's opportunity to choose the academic program best suited to his or her educational goals.

Direct federal student aid programs should be based on the school's ability to meet minimum academic standards as determined by the appropriate accreditation body, and the school's financial management responsibility. After all, financial aid programs were begun so that students could attend school. But by placing restrictions on educational aid for students, we force them into positions with limited options. America prides itself on having only top-quality medical schools, and competition to attend is fierce.

However, by excluding some schools from participating in student loan programs, we prevent many students from going to the medical schools they want to attend. Thus, the incentive for a student to excel is negated through financial strongarming.

My amendment to the Health Professions Educational Assistance Act of 1976 would separate student eligibility for the Health Professions Guaranteed Student Loan program from an institution's receipt of a capitation grant under the provisions of the 1976 Act.

Under current law, the two matters are entwined. If a medical school, for whatever reason, does not qualify for a capitation grant, the students at that school are not eligible for this loan program.

Although the intention of this linkage is to provide an extra incentive for a medical school to comply with the capitation requirements, the clear effect of this all-or-nothing policy is to punish students if an institution decides it will not apply for capitation or if it cannot meet the requirements to obtain it. As an incentive program, the loan conditions will not carry sufficent weight to alter an institutional decision; as a punitive measure, it punishes an innocent third party—the students.

Because of the highly controversial conditions in the 1976 Act pertaining to the admission of Americans studying medicine in foreign schools who might not be admitted under normal university admission requirements, some of the leading universities in America may not qualify for capitation grants. Should this occur, students at these schools will also be rendered ineligible for the loan program. I think this would be an unfortunate, and unnecessary consequence.

May I stress that schools don't want to hurt students, either. An administrative decision as to whether or not to participate in this grant program should not affect the students. That is why I want to stop this injustice.

I would also like to commend the conscientious efforts of Senators Kennedy, Javits and Williams for trying to rectify the inequities in the Health Professions Educational Assistance Act of 1976 by introducing S. 2159. This bill had a strong adverse reaction, and it is now up to us to correct these inequities. I would also like to add

that I have heard from the following universities and organizations in support of my amendment:

Tulane University
Stanford University
Harvard
All 5 California universities
U.S.C.
Association of American Medical Colleges
Association of American Universities
Johns Hopkins University

I therefore request my colleagues' support for separating student eligibility for loan programs from institutional requirements for other types of funding. I cannot support using students as pawns in this matter, and I hope you will agree with me. Thank you.

Mr. STEVENS. Mr. President, as a cosponsor of Senator HAYAKAWA's amendment, I welcome this opportunity to offer my support because of its importance to States such as Alaska, Delaware, Idaho, Maine, Montana, and Wyoming, that do not have medical schools.

Under current law, students will lose their eligibility for health education loans if their institution feels compelled to forfeit capitation funds as a means of defending its autonomy. The health professions loan program is intended to assist students and should not be related to the capitation/foreign student issue.

This is especially important for potential medical students in my State who are forced to go outside for a medical education. This causes an additional financial burden on the students and their families.

Senator HAYAKAWA'S amendment would offer these medical students the opportunity to select from several institutions instead of limiting them to those which are recipients of capitation funds and therefore enable the institutions to offer the loan program.

Let us not punish these students by forcing them to attend institutions that receive Federal funds, but allow them to select the school of their choice.

The PRESIDING OFFICER. Do the Senators yield back their time?

Mr. KENNEDY. Yes.

Mr. SCHWEIKER. Yes.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

UP AMENDMENT 1073

(Purpose: To provide for unbiased consideration of applicants to medical schools with respect to their views on abortion.)

Mr. SCHWEIKER. Mr. President, I have another amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Pennsylvania (Mr. SCHWEIKER), for himself, Mr. PELL, Mr. CHAFEE, Mr. HELMS, Mr. BARTLETT, Mr. CHILES, Mr. CHURCH, Mr. RANDOLPH, and Mr. HEINZ, proposes an unprinted amendment numbered 1073.

Mr. SCHWEIKER. I ask unanimous consent that further reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 15, after line 9, insert the following:

SEC. 8. Section 401(c) (42 U.S.C. 300a–7) of the Health Programs Extension Act of 1973 is amended by adding at the end thereof the following new paragraph:

"(3) No entity under this Act which receives, after the date of enactment of this paragraph, any grant, loan, loan guarantee, or interest subsidy or which enters into any contract with the Secretary of Health, Education, and Welfare may deny admission or otherwise discriminate against any applicant for study because of the applicant's reluctance, or willingness, to counsel, suggest, recommend, assist, or in any way participate in the performance of abortions or sterilizations contrary to his religious beliefs or moral convictions."

The PRESIDING OFFICER. Is this the amendment on which there is a 10-minute limitation?

Mr. SCHWEIKER. That is correct. I yield myself 5 minutes.

Mr. President, the amendment I am proposing today is a simple one, and one that I hope every Member of this body can support.

Several years ago Congress, under the leadership of the Senator from Idaho, Mr. Church, added a "conscience clause" to the Public Health Service Act. In this law, we said that no entity receiving Federal funds could discriminate against any individual because of that individual's refusal to participate in abortions, where the refusal was based on the individual's religious or moral convictions. This law recognized that abortion is a very difficult moral question in our society, and a person who felt that abortion was wrong should not be barred from participation in the medical profession.

My amendment simply extends the protection Congress provided in 1973 to people trying to enter the medical profession. The amendment should be noncontroversial, because whatever our personal feelings on abortion, we all recognize the sensitivity of forcing people to compromise their beliefs in order to enter their chosen profession.

My first reaction, when I heard of this issue last winter, was that it could not really be a problem. But then I saw a survey done by Dr. Eugene Diamond of Chicago, who asked the medical schools directly what their practices were in this regard. He found that about one-third of all schools regularly ask their applicants their views on abortion, and another one-third said that the subject sometimes came up in interviews. Two schools admitted that an applicant's opposition to abortion would be a negative factor on his record, and about one in six said that students opposed to abortion create administrative problems for the school, which could become a factor when a school finally chooses among large numbers of applicants.

From this revelation, I then began to receive some case histories, the stories of students who faced extreme hostility in the admissions process simply because of their opinions on abortion. I would like to share one of these letters with the Senate and ask unanimous consent that the letter be printed at this point in the RECORD:

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C., *April 6, 1977.*

HON. RICHARD S. SCHWEIKER,
Russell Senate Office Building,
Washington, D.C.

DEAR SENATOR SCHWEIKER: I strongly support your proposal which would disallow a medical school interviewer from asking a prospective student his position on abortion.

I support this because I believe that the emotional atmosphere of this issue almost cost me my acceptance to a U.S. medical school.

While obtaining my undergraduate training at the University of San Francisco I became heavily involved in the Students United for Life. When I applied to medical school, I naturally listed these involvements as extracurricular activities. Little did I know at that time that my beliefs regarding abortion would probably prevent me from entering several medical schools.

At the University of California at Davis School of Medicine I just "happened" to be interviewed by Dr. Fred Hanson, an OB/GYN specialist who does abortions. In the next hour that I spoke with him, we debated the abortion issue for approximately forty minutes. He told me that it is difficult to say when life ends, and therefore it is also hard to say when it begins. Dr. Hanson stated that amniocentesis is 100 percent accurate, and asked whether I would abort a fetus diagnosed with Down's Syndrome. He knew that my younger brother, Michael, had Down's Syndrome, and had been killed two months earlier, so he decided to rephrase the question. Would I abort someone with hemophilia? I asked him what sort of life these people had, since it occurred to me that if a hemophiliac lead a miserable life, he could end it quite easily. He replied that hemophiliacs lead an existence that is not worth living. And so it went with Dr. Hanson.

My other U.C. Davis interviewer was a female medical student. (I believe her name was Jan Ewing.) She also was concerned about my views on abortion, and especially how I would feel toward a patient who had had an abortion.

My student interviewer at the University of Southern California School of Medicine quizzed me about my abortion beliefs, and concluded that I was consistent at the end of that issue.

At Northwestern University School of Medicine my student interviewer, because of his Jewish background, had a natural interest in Tay Sach's disease. This student, like the U.C. Davis interviewers, felt that everyone had his limit where he would or would not do abortions. His limit was Tay Sach's disease (and *not* Down's Syndrome), especially since the child would die by his second to fourth years anyway. Because I didn't agree with him, he accused me of being insensitive. Once again, my moral beliefs may have prevented me from entering a medical school.

In interviews at Georgetown University, Tulane University, St. Louis University, and Creighton University, the abortion issue was not discussed.

I was accepted at Georgetown, and have noted that the students in my class represent a wide variety of opinions about abortion and many other moral and ethical questions.

I wholly applaud this proposal, but I believe that it should be expanded to include nursing schools and other paramedical training programs.

Sincerely,

CHARLES T. MORTON,
First Year Student, Georgetown University School of Medicine.

In response to this problem, I introduced S. 784 in February. This bill is substantially similar to my amendment, and I was joined then, as I am now, by Sen-

ators BARTLETT, CHAFEE, HELMS, and PELL; in addition, Senators CHILES, CHURCH, RANDOLPH and HEINZ are joining as sponsors of this amendment.

There is not likely to be any comparble subject for which the members of an admissions committee would be so ready to condemn an applicant for the "wrong" opinions. Emotions and prejudice run in both directions, and I think we should be upset whether a student is kept out of a medical school because he is thought to be a "murderer of the unborn" or because he is thought to be "insensitive to the needs of women."

Mr. President, my amendment was introduced to deal with a problem that has been shown to exist both by survey and personal experience. It is not an abortion issue. It is a first amendment issue, seeking to protect the freedom of those who hold an opinion that may not be shared by some within the medical education establishment, allowing them to enter and practice the profession of their choice if they are otherwise qualified to do so. I hope that the Senate will adopt this amendment.

As I said, it is a very simple amendment. Senator CHURCH added a conscience clause several years ago in a Public Health Service Act. It said that no entity receiving Federal funds could discriminate against any individual because of that individual's refusal to participate in abortions. This basically says the same thing for medical school students, whether you are pro or con, anti or whatever, that you cannot discriminate in terms of accepting an applicant for a medical school based on whether they are pro or antiabortion.

Mr. JAVITS. Mr. President, just a minute.

The PRESIDING OFFICER. Who yields time?

Mr. JAVITS. Mr. President, I claim the time in opposition.

The PRESIDING OFFICER. The Senator from New York.

Mr. JAVITS. Mr. President, has the Senator stricken out subsection (A), which very much inhibited academic freedom, which says that you may not question an applicant, verbally or in writing, and so on, on this subject?

Mr. SCHWEIKER. The Senator is quite corect. Section (A) has been deleted and the only section that remains says—

"(3) No entity which receives, after the date of enactment of this paragraph, any grant, loan, loan guarantee, or interest subsidy or which enters into any contract with the Secretary of Health, Education, and Welfare may deny admission or otherwise discriminate against any applicant for study because of the applicant's reluctance, or willingness, to counsel, suggest, recommend, assist, or in any way participate in the performance of abortions or sterilizations contrary to his religious beliefs or moral convictions."

Mr. JAVITS. That I thoroughly agree with.

The second point, to say "no entity," we are talking about medical schools, so should we not say, "no medical school"?

I do not know what "no entity" means, or from whom.

Mr. SCHWEIKER. This would be a nursing school, too, for example.

Mr. JAVITS. Well, let us say that we have to say something entity.

Mr. SCHWEIKER. It would be an entity under the act as defined by the act.

Mr. JAVITS. The word "entity" is not defined. Let us say "no entity under this act." We have to say something.

The Church amendment, which I thoroughly agree with, is section 401 of the act which the Senator is seeking to amend, it deals with that. It relates to various statutes and then says, by any individual or entity which brings it under those statutes.

This way, we have an absolute statement, "no entity."

Mr. SCHWEIKER. The Church amendment says "no entity."

Mr. JAVITS. But it defines a number of laws specifically. This does not say anything about any law. It just says "no entity," absolutely.

Mr. SCHWEIKER. We are adding a paragraph at the end of this existing paragraph that does define entity.

Mr. JAVITS. Can we not say, "no entity under this act"?

Mr. SCHWEIKER. All right.

Mr. JAVITS. All right.

Mr. SCHWEIKER. I ask for that modification of the amendment.

The PRESIDING OFFICER. The amendment will be so modified.

The amendment, as modified, is as follows:

On page 15, after line 9, insert the following:

Sec. 8. Section 401(c) (42 U.S.C. 300a–7) of the Health Programs Extension Act of 1973 is amended by adding at the end thereof the following new paragraph:

"(3) No entity under this act which receives, after the date of enactment of this paragraph, any grant, loan, loan guarantee, or interest subsidy or which enters into any contract with the Secretary of Health, Education, and Welfare may deny admission or otherwise discriminate against any applicant for study because of the applicant's reluctance, or willingness, to counsel, suggest, recommend, assist, or in any way participate in the performance of abortions or sterilizations contrary to his religious beliefs or moral convictions."

Mr. SCHWEIKER. Mr. President, I ask unanimous consent to add Senator Dole as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

ABORTION AND MEDICAL SCHOOL ADMISSION

Mr. CHURCH. Mr. President, I wish to add my strong support to the amendment offered by the Senator from Pennsylvania, Mr. SCHWEIKER, which would prevent medical schools from discriminating against applicants for admission because of their views on abortion.

As the author of the conscience clause, which, as a matter of law, prevents the Federal Government from forcing those opposed to abortions to participate in their performance, I have been deeply concerned over the issue of compelling individuals and institutions to assist in abortions against their will. As Senator SCHWEIKER has pointed out, many medical schools have asserted that they request the views of applicants for admission on abortion, and then may use a response of opposition as the basis for denying entry. I find this form of compulsion on the abortion issue just as appalling as the coercion for abortion that was underway after the Supreme Court's decision in 1973, which my conscience clause has stopped.

The pending amendment would prohibit medical schools from discriminating against applicants for admission because of their views on abortion. It is an extension of the concept that underlies my conscience clause: No one should be forced to perform abortions against their religious beliefs or moral convictions. It would end a baseless form of discrimination against students whose beliefs regarding abortion should not be in question even after they are medical professionals. I urge my colleagues to adopt the amendment of the Senator from Pennsylvania.

Mr. JAVITS. The amendment is then modified to say "no entity under this act?"

The PRESIDING OFFICER. The Senator is correct.

Mr. JAVITS. I have no objection. I like the amendment.

The PRESIDING OFFICER. Do Senators yield back all the time?

Mr. SCHWEIKER. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment offered by the Senator from Pennsylvania, as modified.

The amendment, as modified, was agreed to.

Mr. KENNEDY. Third reading.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and the the third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the Committee on Human Resources be discharged from further consideration of H.R. 9418 and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 9418) to amend the Public Health Service Act to require increases in the enrollment of third-year medical students as a condition to medical schools' receiving capitation grants under such act, and for other purposes.

The PRESIDING OFFICER. Without objection, the Senate will proceed immediately to the consideration of the bill.

Mr. KENNEDY. Mr. President, I move that all after the enacting clause be stricken to the text of S. 2159, as amended by the Senate, be substituted therefor, that it be considered as having been read the third time and that the Senate proceed to vote on final passage

of the bill, as amended, without intervening motion or debate.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Massachusetts.

The motion was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical and clerical corrections in the engrossment of the Senate amendment to H.R. 9418.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, does the Senator from Massachusetts intend to ask for the yeas and nays on final passage?

The PRESIDING OFFICER. The Senate will be in order. The Chair is unable to hear the response.

Mr. KENNEDY. Mr. President, I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, I will not detain the Senate more than 3 or 4 minutes.

Mr. President, if I may have the attention of Senators.

The PRESIDING OFFICER. The Senate will be in order. The Senators will please cease conversation on the floor.

The Senator from West Virginia.

Mr. ROBERT C. BYRD. I thank the Chair.

STATUS REPORT—NOVEMBER SCHEDULE

Mr. ROBERT C. BYRD. I thank the Chair.

Mr. President, first on behalf of the leadership I wish to thank all of the Members of the Senate for the time that they have so unstintingly given to the completion of the work which was felt necessary before we begin the schedule of pro forma meetings.

The social security financing bill, it was felt, was a "must." The President of the United States in a letter to me yesterday asked that that bill be passed this year. The Senate has now passed the bill.

The bill that Mr. KENNEDY has so expertly managed, together with Mr. SCHWEIKER, the ranking manager on the other side of the aisle, was felt to be a necessary piece of legislation, and it has now been acted upon.

I know that the patience of Senators has been stretched, but they have responded, I think, in a very fine way.

The joint leadership announced a few days ago that Senators would not be called back next week, nor would they be called back during the week of Thanksgiving.

The purpose of cutting down on the floor work and stopping action on calendar measures for the remainder of this session was to give the conferees on the various measures in conference an opportunity to work without interruption by quorum and rollcalls from the floors of either of the two bodies.

I have discussed this matter now with the distinguished Senator from Washington (Mr. JACKSON) who will be heading up the conferees on four of the five energy bills in conference. I have discussed it with the distinguished minority leader, I am prepared to now announce on behalf of the joint leadership that there will be no business during the week of November 13, barring an emergency which we do not foresee.

Now, this would mean that during the next 3 weeks the minority leader and I will be here to conduct pro forma sessions, and in those pro forma sessions, at least 1 day out of the 2 days each week, Members may insert statements in the RECORD—not deliver them—but insert them in the RECORD. They may introduce bills and resolutions, committees may report measures and nominations. Of course, committees can conduct hearings while the Senate is not meeting, without consent.

These 3 weeks of uninterrupted conferences will allow conferees to expedite their work.

If a matter of an emergent nature should arise, which we cannot foresee at the moment, our colleagues will be notified of such by the joint leadership as much in advance as possible, so that Senators not in conference can make their plans to return to this city. But as of now, I can see no necessity for the Senate to have any meetings to conduct business before Monday, November 28.

I suggest that Members be prepared to return for Senate sessions beginning November 28 because, hopefully, we may have some conference reports on the energy bills as well as on other measures by that date.

Nominations that are not controversial possibly will be taken up at pro forma sessions. If there are controversial nominations, of course, depending to what degree they are controversial, they may not be taken up.

Barring those possible situations of an emergency nature—and I do not see anything at the moment that would cause us to have to come back—Senators who are not conferees may count on making their appointments and schedules in their respective States during the next 3 weeks. The leadership will try to keep Senators informed as best we can, so that they will be aware of conference developments requiring their attendance at future Senate sessions.

I close by thanking the Members again for their patience and their indulgence.

Does the distinguished minority leader wish me to yield?

Mr. BAKER. Only very briefly, to say that I agree thoroughly with the schedule. It is a vast improvement to have that unbroken time, barring unforeseen circumstances, until the 28th.

PUBLIC HEALTH SERVICE ACT AMENDMENTS

The Senate continued with the consideration of H.R. 9418.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Texas (Mr. BENTSEN), the Senator from Delaware (Mr. BIDEN), the Senator from Nevada (Mr. CANNON), the Senator from Arizona (Mr. DECONCINI), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from Colorado (Mr. HASKELL), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Louisiana (Mr. LONG), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Montana (Mr. METCALF), the Senator from North Carolina (Mr. MORGAN), the Senator from Illinois (Mr. STEVENSON), the Senator from Wisconsin (Mr. NELSON), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Tennessee (Mr. SASSER), the Senator from Alabama (Mr. SPARKMAN), the Senator from Mississippi (Mr. STENNIS), the Senator from Georgia (Mr. TALMADGE), and the Senator from Nebraska (Mr. ZORINSKY), are necessarily absent.

I also announce that the Senator from Maine (Mr. MUSKIE) is absent because of illness.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY), the Senator from North Carolina (Mr. MORGAN), and the Senator from Connecticut (Mr. RIBICOFF) would each vote "yea."

Mr. BAKER. I announce that the Senator from Oklahoma (Mr. BARTLETT), the Senator from Massachusetts (Mr. BROOKE), the Senator from New Jersey (Mr. CASE), the Senator from Arizona (Mr. GOLDWATER), the Senator from Michigan (Mr. GRIFFIN), the Senator from Utah (Mr. HATCH), the Senator from Oregon (Mr. HATFIELD), the Senator from California (Mr. HAYAKAWA), the Senator from Pennsylvania (Mr. HEINZ), the Senator from North Carolina (Mr. HELMS), the Senator from Oregon (Mr. PACKWOOD), the Senator from Kansas (Mr. PEARSON), the Senator from Illinois (Mr. PERCY), the Senator from Alaska (Mr. STEVENS), the Senator from Connecticut (Mr. WEICKER), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

I also announce that the Senator from Virginia (Mr. SCOTT) is absent on official business.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD), the Senator from California (Mr. HAYAKAWA), and the Senator from Alaska (Mr. STEVENS) would each vote "yea."

The result was announced—yeas 57, nays 2, as follows:

[Rollcall Vote No. 632 Leg.]

YEAS—57

Allen	Eagleton	McIntyre
Anderson	Ford	Melcher
Baker	Garn	Metzenbaum
Bayh	Glenn	Moynihan
Bellmon	Hansen	Nunn
Bumpers	Hart	Pell
Burdick	Hathaway	Proxmire
Byrd, Harry F., Jr.	Hollings	Randolph
	Inouye	Riegle
Byrd, Robert C.	Jackson	Roth
Chafee	Javits	Sarbanes
Chiles	Kennedy	Schmitt
Church	Laxalt	Schweiker
Clark	Leahy	Stafford
Culver	Lugar	Stone
Curtis	Magnuson	Thurmond
Danforth	Mathias	Tower
Dole	Matsunaga	Wallop
Domenici	McClure	
Durkin	McGovern	

NAYS—2

Cranston	Williams

NOT VOTING—41

Abourezk	Hatfield	Pearson
Bartlett	Hayakawa	Percy
Bentsen	Heinz	Ribicoff
Biden	Helms	Sasser
Brooke	Huddleston	Scott
Cannon	Humphrey	Sparkman
Case	Johnston	Stennis
DeConcini	Long	Stevens
Eastland	McClellan	Stevenson
Goldwater	Metcalf	Talmadge
Gravel	Morgan	Weicker
Griffin	Muskie	Young
Haskell	Nelson	Zorinsky
Hatch	Packwood	

So the bill (H.R. 9418) was passed, as follows:

Strike out all after the enacting clause and insert:

That section 771 (b) (3) of the Public Health Service Act is repealed.

SEC. 2. (a) Subsection (a) of section 748 of the Public Health Service Act is amended to read as follows:

"(a) The Secretary may make grants to—

"(1) accredited schools of public health, and

"(2) other public or nonprofit institutions which provide graduate or specialized training in public health and which are not eligible to receive a grant under section 749,

to provide traineeships.".

(b) Section 748(b)(3)(B) of such Act is amended (1) by striking out "or" at the end of clause (iii), (2) by striking out the period at the end of clause (iv) and inserting in lieu thereof ", or", and (3) by adding after such clause the following:

"(v) preventive medicine or dentistry.".

(c) Section 748(c) of such Act is amended (1) by striking out "$8,000,000" and inserting in lieu thereof "$9,000,000", and (2) by striking out "$9,000,000" and inserting in lieu thereof "$10,000,000".

(d) The heading for section 748 of such Act is amended to read as follows:

"PUBLIC HEALTH TRAINEESHIPS".

SEC. 3. Effective October 1, 1977, section 751(d)(2) of the Public Health Service Act is amended to read as follows:

"(2) second, to applications made (and contracts submitted)—

"(A) for the school year beginning in calendar year 1978, by individuals who are entering their first, second, or third year of study in a course of study or prorgam described in subsection (b)(1)(B) in such school year;

"(B) for the school year beginning in calendar year 1979, by individuals who are entering their first or second year of study in a course of study or program described in subsection (b)(1)(B) in such school year; and

"(C) for each school year thereafter, by individuals who are entering their first year of study in a course of study or program described in subsection (b)(1)(B) in such school year.".

SEC. 4. Section 4839 of the Revised Statutes (24 U.S.C. 165) is amended—

(1) by inserting before the period at the end of the fourth sentence the following: "(plus any interest earned on such amount)"; and

(2) by inserting after the fourth sentence the following: "With the approval of the Secretary of the Treasury, the disbursing agent may invest funds of the account in excess of current needs in interest-bearing obligations of the United States with maturities suitable for the needs of the account, and any interest on such investment shall be credited to and form a part of the account.".

SEC. 5. (a) Subsection (a)(1) of section 731 of the Public Health Service Act (relating to eligibility of student borrowers and terms of federally insured student loans) is amended to read as follows:

"(1) made to—

"(A) a student who—

"(i) has been accepted for enrollment at an eligible institution or, in the case of a student already attending an eligible institution, is in good standing at that institution, as determined by the institution;

"(ii) is or will be a full-time student (as defined in section 770(c)(2)) at the eligible institution;

"(iii) in the case of a student in a school of medicine, osteopathy, or dentistry, has been authorized by the institution in accordance with section 739(b)(2) to receive a loan under this subpart;

"(iv) has agreed that all funds received under such loan shall be used solely for tuition and other reasonable educational expenses, including fees, books and laboratory expenses, incurred by such student;

"(v) for the school year for which such loan is made, receives no funds from a loan insured under a Federal, State, or nonprofit program provided or assisted under part B of title IV of the Higher Education Act of 1965, and

"(vi) in the case of a pharmacy student, has satisfactorily completed three years of training; or

"(B) an individual who—

"(i) has previously had a loan insured under this subpart when the individual was a full-time student at an eligible institution;

"(ii) is in a period during which, pursuant to paragraph (2), the principal amount of the loan need not be paid; and

"(iii) has agreed that all funds received under the proposed loan shall be used solely for repayment of interest due on previous loans made under this subpart; and".

(b) Subsection (a)(2) of such section is amended—

(1) by inserting before the semicolon at the end of subparagraph (D) the following: ", except that the note or other written agreement may provide that payment of any interest otherwise payable (i) before the beginning of the repayment period, (ii) during any period described in subparagraph (C), or (iii) during any other period of forbearance of payment of principal, may be deferred until not later than the date upon which repayment of the first installment of principal falls due or the date repayment of principal is required to resume (whichever is applicable) and may further provide that, on such date, the amount of the interest which has so accrued may be added to the principal"; and

(2) by striking out "student" in subparagraph (E).

(c) Such section is further amended by adding after subsection (c) the following new subsection:

"(d) No provision of any law of the United States (other than subsections (a)(2)(D) and (b) of this section) or of any State that limits the rate or amount of interest payable on loans shall apply to a loan insured under this subpart.".

SEC. 6. Notwithstanding any other provision of law, the Secretary may, where he deems advisable, allow the Indian Health Service to utilize nonprofit recruitment agencies to assist in obtaining personnel for the Public Health Service.

SEC. 7. Section 737(1) of the Public Health Service Act, is amended to read as follows:

"(1) The term 'eligible institution' means, with respect to a fiscal year, a school of medicine, osteopathy, dentistry, optometry, pharmacy, podiatry, veterinary medicine, and public health within the United States that received a grant, or the Secretary determines met the requirements for receipt of a grant, under section 770 for the preceding fiscal year, provided that for purposes of this subpart, a school shall not be considered ineligible because it does not comply or has not complied with Section 771(b)(3)."

SEC. 8. Section 401(c) (42 U.S.C. 300a-7) of the Health Programs Extension Act of 1973 is amended by adding at the end thereof the following new paragraph:

"(3) No entity under this Act which receives, after the date of enactment of this paragraph, any grant, loan, loan guarantee, or interest subsidy or which enters into any contract with the Secretary of Health, Education, and Welfare may deny admission or otherwise discriminate against any applicant for study because of the applicant's reluctance, or willingness, to counsel, suggest, recommend, assist, or in any way participate in the performance of abortions or sterilizations contrary to his religious beliefs or moral convictions.".

Amend the title so as to read: "An Act to amend the conditions for schools receiving capitation grants under section 770 of such Act, and for other purposes.".

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KENNEDY. Mr. President, I ask unanimous consent that S. 2159 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 1074

Mr. KENNEDY. Mr. President, I send an amendment to the title to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Massachusetts (Mr. Kennedy) proposes an amendment to the title, unprinted amendment numbered 1074.

The amendment is as follows:

Amend the title so as to read: "A bill to amend the conditions for schools receiving capitation grants under section 770 of such Act, and for other purposes."

The amendment was agreed to.

Mr. KENNEDY. Mr. President, I move that the Senate insist on its amendments and request a conference with the House of Representatives on the disagreeing votes thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer (Mr. MATSUNAGA) ap-

pointed Mr. KENNEDY, Mr. PELL, Mr. NELSON, Mr. HATHAWAY, Mr. WILLIAMS, Mr. CRANSTON, Mr. RIEGLE, Mr. EAGLETON, Mr. SCHWEIKER, Mr. JAVITS, Mr. CHAFEE, Mr. STAFFORD, Mr. HATCH, and Mr. HAYAKAWA conferees on the part of the Senate.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, at the request of Mr. PELL and Mr. WILLIAMS, I ask unanimous consent that the Senate go into executive session to consider the nomination of Livingston L. Biddle, Jr., to be Chairman of the National Endowment for the Arts.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nomination will be stated.

NATIONAL ENDOWMENT FOR THE ARTS

The assistant legislative clerk read the nomination of Livingston L. Biddle, Jr., of the District of Columbia, to be Chairman of the National Endowment for the Arts for a term of 4 years.

The PRESIDING OFFICER. Is there objection?

Mr. BAKER. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The Senator from Tennessee reserves the right to object.

Mr. BAKER. And I shall not object. I only wish to advise the distinguished majority leader that if he intends to proceed with other items on this calendar our executive calendar shows that all of the items through page 2 appearing after the new reports are cleared for consideration and confirmation.

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished minority leader.

Mr. PELL. Mr. President, I emphasize the delight I feel with this nomination and the confidence and conviction I have that Livingston Biddle will do an excellent job in the job to which the Senate will confirm him.

Mr. WILLIAMS. Mr. President, I associate myself so completely with the statement of the Senator from Rhode Island.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. STAFFORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

DEPARTMENT OF THE TREASURY

Mr. ROBERT C. BYRD. Mr. President, at the request of Mr. LEAHY and Mr. STAFFORD, I ask that the Senate proceed to the consideration of the nomination of Stella B. Hackel, of Vermont, to be Director of the Mint for a term of 5 years.

The PRESIDING OFFICER. The nomination will be stated.

The assistant legislative clerk read the nomination of Stella B. Hackel, of Vermont, to be Director of the Mint for a term of 5 years.

Mr. STAFFORD. Mr. President, I state my personal pleasure that Mrs. Hackel has been confirmed as Director of the Mint, especially since I have known her a number of years, and we come from the same home town, Rutland, in the State of Vermont.

Mr. LEAHY. Mr. President, I am also delighted to see the name here on my own behalf, and certainly I am delighted to join in this nomination by Vermont's distinguished senior Senator, and also from a personal point of view in behalf of myself and my family. When I first recommended Mrs. Hackel to President Carter I felt that she was extremely well-qualified. I still do, and I am delighted to see this nomination before us tonight.

The PRESIDING OFFICER. Is there objection? Without objection, the nomination is considered and confirmed.

EXPORT-IMPORT BANK OF THE UNITED STATES

Mr. CRANSTON. Mr. President, I ask unanimous consent that we proceed to the consideration of calendar item 603 on the Executive Calendar.

The assistant legislative clerk read the nomination of Donald Eugene Stingel, of Pennsylvania, to be a member of the Board of Directors of the Export-Import Bank of the United States.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. CRANSTON. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL COMMISSION ON NEIGHBORHOODS

Mr. CRANSTON. Mr. President, I ask unanimous consent that we proceed to calendar item 604 on the Executive Calendar.

The assistant legislative clerk read the nomination of Joseph F. Timilty, of Massachusetts, to be Chairman of the National Commission on Neighborhoods.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. CRANSTON. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

FEDERAL COMMUNICATIONS COMMISSION

Mr. CRANSTON. Mr. President, I ask unanimous consent that we proceed to Calendar No. 606 on the Executive Calendar.

The assistant legislative clerk read the nomination of Tyrone Brown, of the District of Columbia, to be a member of the Federal Communications Commission for the unexpired term of 7 years from July 1, 1972.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that a statement by Mr. MUSKIE on the nomination of Mr. Tyrone Brown be included in the RECORD at this point.

STATEMENT BY SENATOR MUSKIE—CONFIRMATION OF TYRONE BROWN TO THE FCC

I would like to say a few words about the nomination of Ty Brown as Commissioner of the Federal Communications Commission.

For a year and a half, it was my privilege to have Ty Brown serve as a member of my staff—on my campaign staff, in my Senate office, and later as Staff Director of the Subcommittee on Intergovernmental Relations.

I use the word privilege very deliberately. For it is not often that I have had the opportunity to be served by one both so able and so conscientious as Ty Brown.

Ty worked for me during a very difficult and demanding time period. Yet throughout the years, he stood out—as a quiet but effective soldier—one who could be counted on to do a job and do it well, without succumbing to the delusions of self-importance which snare so many of us in political life.

Ty Brown has more reason than most of us to feel important. At the ripe old age of 34, he has already enjoyed a distinguished career—and has compiled a record of accomplishment which all of us must admire.

He began his professional career with a bang—serving as Managing Editor of the Cornell Law Review and moving on to serve as clerk for Chief Justice Earl Warren. After two years at Covington and Burling and a year and a half on my staff, Ty became Director and Vice President for Legal Affairs of Post-Newsweek Stations, Inc., a position he held for two and a half years. He then joined the distinguished Washington tax firm of Caplin and Drysdale where he remained until his nomination to the FCC.

By his record Ty Brown is clearly a very gifted young man.

But he is also a young man blessed with a strong sense of humility and personal warmth which have made him long-lasting friends all over this temporary town. In other words, in addition to being a very able professional, Ty Brown is also a first-rate human being.

I know that the folks at Caplin and Drysdale will miss Ty—and we appreciate their giving him up. But I also know that his service on the FCC will be a boon—both to the Commission itself and to the public interest as well.

I congratulate Ty on this appointment—the next step up in what promises to be an outstanding career.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. CRANSTON. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the President be notified of all those nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. CRANSTON. Mr. President, I move that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, the Senate is back in legislative session.

CONSIDERATION OF CERTAIN MEASURES ON THE CALANDAR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the following calendar orders numbered—if the distinguished minority leader also shows an approval of these—524, 531, 533, 535, 536, 540 through 551.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, reserving the right to object—and I will not object—I will answer the majority leader that the calendar order numbers he referred to are cleared.

Could I inquire did the majority leader begin with Calendar Order No. 524?

The PRESIDING OFFICER. That is correct.

Mr. ROBERT C. BYRD. Yes.

BILINGUAL, HEARING AND SPEECH IMPAIRED COURT INTERPRETER ACT

The Senate proceeded to consider the bill (S. 1315) to amend title 28, United States Code to provide more effectively for bilingual proceedings in all district courts of the United States, and for other purposes, which had been reported from the Committee on the Judiciary with an amendment to strike all after the enacting clause and insert the following:

That this Act may be cited as the "Bilingual, Hearing, and Speech Impaired Court Interpreter Act".

SEC. 2. (a) Chapter 119 of title 28, United States Code, is amended by adding at the end thereof the following new sections:

"§ 1827. Interpreter in courts of the United States

"(a) The Director of the Administrative Office of the United States Courts shall establish a program to facilitate the use of interpreters in courts of the United States.

"(b) The Director shall prescribe, determine, and certify the qualifications of persons who may serve as certified interpreters in courts of the United States in bilingual proceedings and proceedings involving the hearing or speech impaired, and in so doing, the Director shall consider the education, training, and experience of those persons. The Director shall maintain a current master list of all interpreters certified by him and he shall report annually on the frequency of requests for, and the use and effectiveness of, interpreters. The Director shall prescribe a schedule of fees for services rendered by interpreters.

"(c) Each district court shall maintain on file in the office of the clerk of court a list of all persons who have been certified as interpreters (including bilingual interpreters and oral or manual interpreters for the hearing impaired and speech impaired) by the Director of the Administrative Office of the United States Courts in accordance with the certification program established pursuant to subsection (b) of this section.

"(d) In any criminal action or civil action initiated by the United States where the presiding judicial officer determines on his own motion or on the motion of a party that (i) a criminal defendant or a party does not speak the English language, suffers from a hearing impairment, or suffers from a speech impairment which will inhibit comprehension of the proceedings or communication with counsel and the presiding judicial officer, or (ii) in the course of such proceedings, testimony may be presented by any person who does not speak the English language, suffers from a hearing impairment, or suffers from a speech impairment which will inhibit comprehension of questions and presentation of testimony, the presiding judicial officer shall order that the necessary interpretation be provided and shall obtain the services of a certified interpreter for that party or person in accordance with subsection (e) of this section.

"(e)(1) In any action in a court of the United States where the services of an interpreter are to be utilized by the presiding judicial officer, the defendant, a party or non-Government witness, pursuant to a finding of need for interpreter services under subsection (d), the presiding judicial officer, with the assistancne of the Director of the Administrative Office of the United States Courts, shall utilize the services of the most available certified interpreter, or when no certified interpreter is reasonably available, as determined by the presiding judicial officer, the services of an otherwise competent interpreter.

"(2) In any action in a court of the United States where the services of an interpreter are to be utilized by the United States attorney for a Government witness, the United States attorney, with the assistance of the Director of the Administrative Office of the United States Courts, shall utilize the services of the most available certified interpreter, or when no certified interpreter is reasonably available, as determined by the presiding judicial officer, the services of an otherwise competent interpreter.

"(3) If any interpreter is unable to communicate effectively with the presiding judicial officer, the United States attorney, the defendant, a party, or a witness, the presiding judicial officer shall dismiss such interpreter and obtain the services of another interpreter in accordance with the provisions of this subsection.

"(4) In all actions not covered by paragraph (1) of this subsection, the person requiring the services of an interpreter may seek assistance of the clerk of court or the Director of the Administrative Office of the United States in obtaining the assistance of a certified interpreter.

"(f)(1) The defendant in any criminal action in a court of the United States, or a party in any civil action in a court of the United States, who is entitled to an interpretation pursuant to a finding of need for interpreter services under subsection (d) may waive the interpretation in whole or in part. Such a waiver must be (i) made expressly by the defendant or party upon the record after the opportunity to consult with counsel and after the presiding judicial officer has explained to the defendant or party, utilizing the services of an interpreter obtained in accordance with subsection (e) of this section, the nature and effect of the waiver, and (ii) approved by the presiding judicial officer.

"(2) A defendant or party who waives his right to an interpreter provided pursuant to subsection (d) may utilize the services of a noncertified interpreter of the person's choice at personal expense.

"(g)(1) In criminal actions and civil actions initiated by the United States, the salaries, fees, expenses, and costs incident to providing the services of an interpreter pursuant to subsection (e)(1) of this section shall be paid by the Director from funds appropriated to the Federal judiciary: *Provided*, That a presiding judicial officer, in his discretion, may direct that all or part of the expenses shall be apportioned between or among the parties or shall be taxed as costs in a civil action.

"(2) In criminal actions and civil actions initiated by the United States, the salaries, fees, expenses, and costs incident to providing the services of an interpreter pursuant to subsection (e)(2) of this section shall be paid by the Attorney General from funds appropriated to the Department of Justice: *Provided*, That a presiding judicial officer, in his discretion, may direct that all or part of the expenses shall be apportioned between or among the parties or shall be taxed as costs in a civil action.

"(3) Any moneys collected pursuant to this subsection may be used to reimburse the appropriations obligated and disbursed in payment for such services.

"(h) In any action in a court of the United States where the presiding judicial officer establishes, fixes, or approves the compensation and expenses payable to an interpreter from funds appropriated to the Federal judiciary, the residing judicial officer shall not establish, fix, or approve compensation and expenses in excess of the maximum allowable under the schedule of fees for services prescribed pursuant to subsection (b) of this section.

"(i) The term 'presiding judicial officer' as used in this section includes a judge of the United States, a United States magistrate, a referee in bankruptcy, and a judge in any court created by Act of Congress in a territroy which is invested with any jurisdiction of a district court of the United States.

"(j) The term 'court of the United States' as used in this section includes any court created by Act of Congress in a territory which is invested with any jurisdiction of a district court of the United States.

"(k) The interpretation provided by certified interpreters pursuant to this section shall be in the consecutive mode except that the presiding judicial officer, with the approval of all interested parties, may authorize a summary interpretation when he determines that a summary interpretation will be adequate for the material to be interpreted.

"§ 1828. Special interpretation services

"(a) The Director of the Administrative Office of the United States Courts shall establish a program for the provision of special interpretation services in criminal actions and in civil actions initiated by the United States, when the provision of such services will aid in the efficient adminstraton of justice. The program shall provide a capacity for simultaneous interpretation services in multidefendant criminal actions and multidefendant civil actions, and shall include necessary services for non-English-speaking persons, hearing impaired persons, and speech impaired persons. The presiding judicial officer on his motion or on the motion of a party may order the special interpretation services be provided.

"(b) Upon the request of any person in any action for which special interpretation services established pursuant to subsection (a) are not otherwise provided, the Director, with the approval of the presiding judicial officer, may make such services available to the person requesting the services on a reimbursable basis at rates established in conformity with section 501 of the Act of August 31, 1951 (ch. 376, title 5, 65 Stat. 290; 31 U.S.C. 483a); *Provided*, That the Director may require the prepayment of the estimated expenses of providing the services by the person requesting them.

"(c) The expenses incident to providing services pursuant to subsection (a) of this section shall be paid by the Director from funds appropriated to the Federal judiciary: *Provided*, That a presiding judicial officer in his discretion, may direct all or part of the expenses shall be apportioned between or among the parties or shall be taxed as costs in a civil action: *Provided further*, That any moneys collected pursuant to the first pro-

viso of this subsection may be used to reimburse the appropriations obligated and disbursed in payment for such services.

"(d) Appropriations available to the Director shall be available to provide services in accordance with subsection (b) of this section: *Provided,* That moneys collected by the Director pursuant to that subsection may be used to reimburse the appropriations charged for such services: *Provided further,* That a presiding judicial officer, in his discretion, may direct that all or part of the expenses shall be apportioned between or among the parties or shall be taxed as costs in the action.

"(e) The term 'presiding judicial officer' as used in this section includes a judge of the United States, a United States magistrate, a referee in bankruptcy, and a judge in any court created by Act of Congress in a territory which is invested with any jurisdiction of a district court of the United States.".

(b) The analysis of chapter 119 of title 28, United States Code, is amended by adding at the end thereof the following:

"1827. Interpreters in courts of the United States.

"1828. Special interpretation services.".

SEC. 3. Section 42 of the Puerto Rico Federal Relations Act (48 U.S.C. 864) is amended by striking out the last sentence of such section and inserting the following new sentences: "Initial pleadings in the United States District Court for the District of Puerto Rico may be filed in either the Spanish or English language and all further pleadings and proceedings shall be in the English language, unless upon application of a party or upon its own option, the court, in the interest of justice, orders that the further pleadings or proceedings, or any part thereof, shall be conducted in the Spanish language. The written orders and decisions of the court shall be in both the Spanish and English languages. If an appeal is taken of a trial or proceeding conducted in whole or part in the Spanish language, the record or necessary portions of it, shall be translated into the English language. The cost of the translation shall be paid by the district court or by the parties, as the judge may direct. All appellate documents shall be in the English language.

SEC. 4. (a) Chapter 121 of title 28, United States Code, is amended by adding at the end thereof the following new section:

"§ 1869a. Language requirements in Commonwealth of Puerto Rico

"No person shall be disqualified for service on a grand or petit jury summoned in the Commonwealth of Puerto Rico solely because such person is unable to speak, read, write, and understand the English language if such person is able to speak, read, write and understand the Spanish language.".

(b)(1) Section 1865(b) of such title is amended by striking out "In making" and inserting in lieu thereof "Except as provided in section 1869a of this title, in making".

(2) Section 1869(h) of such title is amended by inserting after "English language" the following: "(except as provided in section 1869a of this title)".

(c) The analysis of such chapter 121 is amended by adding at the end thereof the following new item:

"1869a. Language requirements in Commonwealth of Puerto Rico.".

SEC. 5. Section 604(a) of title 28, United States Code, is amended—

(a) by striking out paragraph (10) and inserting in lieu thereof:

"(10)(A) Purchase, exchange, transfer, distribute, and assign the custody of lawbooks, equipment, supplies, and other personal property for the judicial branch of Government (except the Supreme Court unless otherwise provided pursuant to paragraph (17)); (B) provide or make available readily to each court appropriate equipment for the interpretation of proceedings in accordance with section 1828 of this title; and (C) enter into and perform contracts and other transactions upon such terms as he may deem appropriate as may be necessary to the conduct of the work of the judicial branch of Government (except the Supreme Court unless otherwise provided pursuant to paragraph (16)): *Provided,* That contracts for nonpersonal services for pretrial services agencies, for the interpretation of proceedings, and for the provision of special interpretation services pursuant to section 1828 of this title may be awarded without regard to section 3709 of the Revised Statutes of the United States, as amended (41 U.S.C. 5);";

(b) by redesignating paragraph (13) as paragraph (17); and

(c) by inserting after paragraph (12) the following new paragraphs:

"(13) Pursuant to section 1827 of this title, establish a program for the certification and utilization of interpreters in courts of the United States;

"(14) Pursuant to section 1828 of this title, establish a program for the provision of special interpretation services in courts of the United States;

"(15)(A) In those districts where the Director considers it advisable based on the need for interpreters, authorize the full-time or part-time employment by the court of certified interpreters; (B) where the Director considers it advisable based on the need for interpreters, appoint certified interpreters on a full-time or part-time basis, for services in various courts when he determines that such appointments will result in the economical provision of interpretation services; and (C) pay out of moneys appropriated for the judiciary interpreters' salaries, fees, and expenses, and other costs which may accrue in accordance with the provisions of sections 1827 and 1828 of this title;

"(16) In his discretion, (A) accept and utilize voluntary and uncompensated (gratuitous) services, including services as authorized by section 3102 of title 5, United States Code; and (B) accept, hold, administer, and utilize gifts and bequests of personal property for the purpose of aiding or facilitating the work of the judicial branch of Government: *Provided,* That gifts or bequests of money shall be covered into the Treasury;".

SEC. 6. Section 604 of title 28, United States Code, is amended further by inserting after subsection (e) the following new subsections:

"(f) The Director may make, promulgate, issue, rescind, and amend rules and regulations (including regulations prescribing standards of conduct for Administrative Office employees) as may be necessary to carry out his functions, powers, duties, and authority. The Director may publish in the Federal Register such rules, regulations, and notices for the judicial branch of Government which he determines to be of public interest; and the Director of the Federal Register hereby is authorized to accept and shall publish such materials.

"(g)(1) When authorized to exchange personal property, the Director may exchange or sell similar items and may apply the exchange allowance or proceeds of sale in such cases in whole or in part payment for the property acquired: *Provided.* That any transaction carried out under the authority of this subsection shall be evidenced in writing.

"(2) The Director hereby is authorized to enter into contracts for public utility services and related terminal equipment for periods not exceeding ten years.".

SEC. 7. Section 602 of title 28, United States Code, is amended by striking out the present section and inserting in lieu thereof the following:

"§ 602. Employees

"(a) The Director shall appoint and fix the compensation of necessary employees of the Administrative Office in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification and General Schedule pay rates.

"(b) Notwithstanding any other law, the Director may appoint certified interpreters in accordance with section 604(a)(15)(B) of this title without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5.

"(c) The Director may obtain personal services as authorized by section 3109 of title 5, United States Code, at rates for individuals not to exceed the daily equivalent of the highest rate payable under the General Schedule pay rates, section 5332 of title 5, United States Code, relating to classification and General Schedule pay rates: *Provided, however,* That the compensation of any person appointed under this subsection shall not exceed the annual rate of basic pay payable under the general schedule, section 5332 of title 5, United States Code.

"(d) All functions of other officers and employees of the Administrative Office and all functions of organizational units of the Administrative Office are vested in the Director. The Director may delegate any of his functions, powers, duties, and authority (except the authority to promulgate rules and regulations) to such officers and employees of the judicial branch of Government as he may designate, and subject to such terms and conditions as he may consider appropriate; and may authorize the successive redelegation of such functions, powers, duties, and authority as he may deem desirable. All official acts performed by such officers and employees shall have the same force and effect as though performed by the Director in person.".

SEC. 8. Section 603 of title 28, United States Code, is amended by striking the second paragraph thereof.

SEC. 9. Section 1920 of title 28, United States Code, is amended by inserting after paragraph (5) the following new paragraph:

"(6) Compensation of court appointed experts, compensation of interpreters, and salaries, fees, expenses, and costs of special interpretation services under section 1828 of this title.".

SEC. 10. Section 5(b) of the Act of September 23, 1959 (Public Law 86-370, 73 Stat. 652), is repealed.

SEC. 11. There are authorized to be appropriated to the judicial branch of Government such sums as may be necessary to carry out the amendments made by this Act.

SEC. 12. The amendments made by this Act shall take effect on October 1, 1978.

Mr. MATHIAS. Mr. President, I am pleased to join the distinguished Senator from Arizona, chairman of the Subcommittee on Improvements in Judicial Machinery, in urging passage of S. 1315, the Bilingual, Hearing and Speech Impaired Court Interpreter Act.

On February 25, 1977, I introduced S. 819, the Interpreters for the Hearing Impaired Act. My purpose in authorizing that legislation was to insure that merely because of a loss of hearing a person's right to due process under the law would not be jeopardized.

S. 1315 represents a consolidation of S. 819a with piece of legislation introduced by Senator DECONCINI providing for translation services for non-English speaking people in Federal courts. The bill before us guarantees greater access to Federal courts for all people by as-

suring that the non-English-speaking and the hearing- and speech-impaired will have available to them qualified interpreters when needed.

I have long championed the cause of full access to our Federal courts for all people. In the last Congress I cosponsored the predecessor to the legislation now before us, S. 565, the Bilingual Courts Act. S. 565 was intended to apply to non-English-speaking, hearing- and speech-impaired individuals alike, and although it was approved by the Senate, final approval by the House was not gained before the end of the Congress.

I am convinced that S. 1315 is an improvement over its predecessor bill and will more adequately insure that all of these persons will be granted full access to Federal courts. Therefore, Mr. President, I strongly urge that my colleagues approve this vital piece of legislation.

Mr. DOLE. Mr. President, I rise in support of the Bilingual, Hearing and Speech Impaired Interpreter Act. A bill that will insure that all participants in our Federal courts can meaningfully take part by assuring that if the participant speaks and understands a language other than English, or has a hearing or speech impediment, he will have access to qualified interpreters.

JUSTICE FOR ALL

Mr. President, in recent years we have witnessed a national effort to make the benefits of our legal system more meaningful to all Americans. Today, I hope that we can adopt this measure as the Senate did in the 93d and 94th Congresses. The Senator from Kansas hopes that the House of Representatives will see its way clear, this year, to act favorably on this vitally important legislation.

LONG-TIME NEGLECT

Mr. President, Americans who speak other than the English language are victims of generations of neglect. When seeking legal redress for wrongs inflicted upon them or when defending themselves in criminal or civil actions, they have had to participate, to the best of their ability, in legal proceedings where the language used was other than the language they spoke and understood.

The measure before the Senate today attempts to remedy many of the inequities that now exist in our court system. By providing translation services for persons who speak and understand other than the English language, a long and overdue effective participation in the Federal court system will be realized.

LANGUAGE AND OTHER BARRIERS

This Senator believes that a language barrier is one of the primary causes preventing many Americans from becoming involved in our judicial system. The lack of our court system's multilingual capability and interpreter services for hearing or speech impaired persons not only affects their ability to defend themselves in the court room, but also the motivation to do so.

THE BILINGUAL COURTS ACT IS IN OUR COUNTRY'S INTEREST

Mr. President the Senator from Kansas believes we have waited long enough to secure the rights of Americans who speak other than the English language. Mr. President, I urge the Senate to act in our country's interest by once again adopting this very important piece of legislation.

UP AMENDMENT NO. 1075

Mr. ROBERT C. BYRD. Mr. President, on behalf of Mr. DECONCINI I called up a bill, and I believe the distinguished minority leader has an amendment to propose on behalf of a Senator on his side of the aisle.

Mr. BAKER. Mr. President, on behalf of the distinguished junior Senator from Kansas (Mr. DOLE) I send an amendment to the desk and ask the clerk to report.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Tennessee (Mr. BAKER) on behalf of Mr. DOLE proposes unprinted amendment numbered 1075.

Mr. BAKER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 7, lines 13 and 14, strike out "does not speak the English language" and insert "speaks only a language other than the English language".

On page 7, line 19, strike out "does not speak the English language" and insert "speaks only a language other than the English language".

On page 12, line 2, strike out "non-English-speaking persons" and insert "persons who speak only a language other than the English language".

Mr. DOLE. Mr. President, I am pleased to see that the distinguished floor managers of this bill have agreed to my amendment.

The Senator from Kansas felt there was a need to change the negative expression—"does not speak the English language" to a positive expression—"speaks only a language other than the English language."

While this amendment may only appear to rearrange certain bill language, the Senator from Kansas believes it will address a long-time concern on the part of Americans who speak other than the English language, particularly Americans of Hispanic origin.

Again, I want to express my appreciation to the distinguished floor leaders of this bill for supporting and agreeing to my amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kansas.

The amendment was agreed to.

The committee amendment, as amended, was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read:

An Act to provide more effectively for the use of interpreters in courts of the United States, and for other purposes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95-569), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE AMENDMENT

The bill as originally introduced provided for translation services only for non-English-speaking people in the Federal courts. The bill as amended expands the provision of interpretation services to the hearing and speech impaired and also provides for the possible use of Spanish in the District Court of Puerto Rico.

PURPOSE OF THE BILL AS AMENDED

The purpose of the bill is to insure that all participants in our Federal courts can meaningfully take part by assuring that if the participant does not speak or understand English, or has a hearing or speech impairment, he will have access to qualified interpreters, if needed. It also allowss a limited use of Spanish in the District Court of Puerto Rico when it is found by the court to be in the interest of justice.

BACKGROUND AND NEED

This bill is very similar in principle to bills passed by the Senate during each of the previous two Congresses (S. 1724 in the 93d Congress and S. 565 in the 94th Congress). The House did not complete action on either of those bills. The structure of this bill differs from previous Senate bills but the emphasis remains the same—to insure that participants in our Federal courts can meaningfully take part in proceedings by assuring that if the participant does not speak or understand English, or has a hearing or speech impairment, that he will have access to qualified interpreters. Hearings on the need for interpreters in a bilingual situation were held by the Subcommittee on improvements in Judicial Machinery in 1973 and 1974. The committee feels that the same evidence of a need for interpreters expressed in those hearings, which were the basis for S. 565 in the 94th Congress, holds true today and that an analogous need exists to provide interpreters for the hearing and speech impaired.

The proposals contained in this legislation are certainly not novel or revolutionary. The right of parties to have interpretation services exists in the present law. Rules of court procedure now gives the court discretionary power to appoint interpreters in appropriate situations. The Federal Rules of Civil Procedure, Rule 43(f), provides as follows:

The court may appoint an interpreter of its own selection and may fix his reasonable compensation. The compensation shall be paid out of funds provided by law or by one or more of the parties, as the court may direct, and may be taxed ultimately as costs, in the discretion of the court.

The Federal Rules of Criminal Procedure, Rule 28(b), provides as follows:

The court may appoint an interpreter of its own selection and may fix the reasonable compensation of such interpreter. Such compensation shall be paid out of funds provided by law or by the Government, as the court may direct.

The advisory committee note states that "general language is used to give discretion to the court to appoint intepreters in all appropriate situations." The advisory committee note goes on to state "interpreters may be needed to interpret the testimony on non-English-speaking witnesses or to assist non-English-speaking defendants in understanding a proceeding or in communicating with assigned counsel."

It is clear that under existing court rules of procedure, the court now has discretionary power to appoint interpreters in "appropriate situations".

The Criminal Justice Act of 1964, as amended, has also had a great impact on the provision of court interpreters, 18 U.S.C. 30006A(e)(1) provides as follows:

Counsel for a person who is financially unable to obtain investigative, expert or other services necessary for an adequate defense may request them in an ex parte application. Upon finding, after appropriate inquiry in an ex parte proceeding, that the services are necessary and that the person is financially unable to obtain them, the court, or the United States magistrate if the services are required in connection with a matter over which he has jurisdiction, shall authorize counsel to obtain the services.

The Criminal Justice Act Guidelines, as promulgated by the Judicial Conference of the United States make clear that this section applies to services of interpreters. Guidelines for the Administration of the Criminal Justice Act § IIIB(4) (1970). It is a near certainty that whenever a non-English-speaking defendant has counsel appointed under the act, interpretation services are always provided to that defendant.

To the extent that the hiring of an interpreter by a defendant with retained counsel would impose a financial hardship, again the CJA Guidelines make clear that services of an interpreter would be provided under the act at the expense of the United States. Guidelines for the Administration of the Criminal Justice Act § IIIA(1) (1970). Although the committee has been made aware of no case in which the issue of appointment of an interpreter for a hearing or speech impaired individual has arisen, we are convinced that no difference exists between the case of a hearing or speech impaired individual and that of a non-English-speaking individual and that an interpreter would be provided the physically handicapped individual under the provisions of the CJA.

Case law on the right of a defendant to an interpreter in a criminal proceeding is sparse; however, this right appears to have been limited to defendants who cannot effectively communicate with counsel and who lack the financial resources to hire an interpreter. Compare *United States ex rel. Negron* v. *State of New York*, 310 F. Supp. 1304, 1307 (E.D.N.Y.), aff'd 434 F. 2d 386 (2nd Cir. 1970), with *United States* v. *Desist*, 384 F. 2d 889 (2nd Cir. 1967), aff'd, 394 U.S. 244 (1968).

It has also been brought to the committee's attention that a constitutional right may exist under the fifth and sixth amendments to the Constitution. The sixth amendment states that in "all prosecutions, the accused shall * * * be confronted with the witnesses against him * * * and shall have the Assistance of Counsel in his defense." The fifth amendment provides that "No person shall be deprived of life, liberty, or property without due process of law." The question is raised as to how these guarantees can be assured if a party does not understand the language used in the courtroom unless he has the right to an interpreter. See *Desist*, supra, for a discussion of the constitutional right to an interpreter.

In the United States today there are approximately five million people who experience difficulty with the English language. Estimates cover a broad range concerning the number of hearing and speech impaired individuals who may need to avail themselves of a court interpreter to meaningfully participate and understand Federal court proceedings. The commitee recognizes that through the promulgation of rules and guidelines, great steps have been made to insure that certain classes of individuals are assured access to a court interpreter. The committee, however, while leading these efforts, feels the time has come to provide by statute for the provision of and access to qualified certified interpreters, for a broader spectrum of people than the present law allows.

The U.S. District Court for the District of Puerto Rico sits in a judicial district in which half the population does not speak English. Census figures for 1970 indicate that 57.3 percent of the people over the age of 10 living in Puerto Rico do not speak English. Those figures also state that 59.2 percent of the women and 75.2 percent of persons over 60 speak no English. Persons who were classified by the Census Bureau as being able to speak English were so classified if they reported that they were able to speak English. For this reason, the percentages cited above in all probability overstate the percentage of people able to comprehend complicated judicial proceedings conducted in English.

Despite this, present Federal law requires that proceedings in the Federal district court in Puerto Rico be conducted only in English, 48 U.S.C. 864, and, similarly, that only persons able to understand English may serve as jurors. Under 28 U.S.C. 1865, persons "unable to speak the English language", or "unable to read, write and understand the English language with a degree of proficiency sufficient to fill out satisfactorily the juror qualification form" may not serve on grand or petit juries in Federal district courts. Accordingly, these statutes not only require that all proceedings in Federal court be conducted in a language which is foreign to over half the people in the judicial district, but also eliminates half the population from possible service on juries in cases conducted in Federal court.

The language problem becomes more acute in criminal cases. It may be presumed that bilingual ability is most likely more prevalent among the more affluent and better educated than among the less affluent and less educated of Puerto Rico's citizens. It may also be presumed that the less educated and less affluent comprise most of the criminal defendants appearing in Federal courts. In fact, during the hearings on legislation similar to sections 3 and 4, which was considered by the 93d Congress, it was reported that 75 percent of the criminal defendants in Federal court do not speak English and require interpeters. See Hearings on S. 1724 before the Subcommittee on Improvements in Judicial Machinery, 93d Congress, 1st session, at 117. During those same hearings Francisco de Jesus Schuck, Secretary of Justice of Puerto Rico, stated that a sampling conducted by the Chief Judge of the district court for Puerto Rico indicated that more than 78 percent of the criminal defendants could not speak English. *Id.* at 155.[1] Although interpreters are provided, there is no doubt that conducting criminal trials in language which defendants can understand results in fairer and more efficient proceedings.

The English language requirement for jury service results in a jury panel which is often more "white collar" than would be a cross section of the general population of the island. This result runs counter to the policy of the "Jury Selection and Service Act of 1968", Public Law 90–274, 28 U.S.C. 1861 et seq., which states that "all litigants in Federal courts entitled to trial by jury shall have the right to . . . juries selected at random from a fair cross-section of the community." Sec. 101, 28 U.S.C. 1861. In denying over half the population of Puerto Rico the right to serve on a Federal jury, present Federal law also runs contrary to that portion of the U.S. policy which states that "all citizens shall have the opportunity to be considered for service" on Federal juries. Id.

In certain instances the English language requirement may result in a denial of a litigant's choice of counsel. The local courts in Puerto Rico conduct their proceedings in Spanish, all members of the local bar speak Spanish, and the bar exam is conducted in Spanish. For that reason, on occasion an individual with a lawyer who speaks only Spanish may require new counsel when required to appear in Federal court. In addition, the English-only requirement of present Federal law may discourage some local attorneys not conversant in English to forego legitimate resort to the Federal court. See testimony of Judge Jose Toledo, Chief Judge of the U.S. District for Puerto Rico, at 1973 Hearings, *supra*, at 131.

Interpretive services are, of course, presently provided in federal court for parties and/or witnesses who do not speak English. For matters as specific as the examination and cross-examination of witnesses, however, translation can never be as accurate as verbal exchange in a language both the attorney and witness can understand.

The use of interpreters itself is, on occasion, a problem. The delays occurring when English proceedings are translated into Spanish for litigants who do not speak English would be obviated if proceedings, in appropriate circumstances, could be held in Spanish.

Previous consideration of the use of Spanish as well as English in the Federal district court in Puerto Rico was postponed to await the outcome of study by the Ad Hoc Advisory Group on Puerto Rico, an advisory commission created in 1973 to study the relationship between the United States and Puerto Rico. See Senate Report No. 94–267, 94th Congress, 1st session, pp. 6–8. The Ad Hoc Group has now completed its work and among other recommended changes in the application of federal laws to Puerto Rico, has recommended:

The Advisory Group believe that the interests of justice would best be served if proceedings, pleadings and records in the Federal District Court for the Free Associated State were conducted in Spanish. The Compact makes adequate provision for the Court to determine those instances when proceedings in Spanish would not be in the interest of justice and to conduct the proceeding in English.

Review of the proceedings in Spanish of the Federal District Court for the District of Puerto Rico by an English speaking tribunal should not give rise to unforeseen administrative problems. Appeals from the Commonwealth courts, made until recently to the Court of Appeals of the First Circuit and now to the U.S. Supreme Court have necessitated translation from Spanish to English since 1900. This procedure has not caused an undue administrative burden on the courts or foreclosed justice to the litigants. Report, October 1, 1975, pp. 40–41.

Members of the Commission were appointed either by the President or by the Governor of Puerto Rico.

[1] Among those testifying in favor of this proposal at previous hearings were Secretary Schuck, Congressman Jaime Benitez and Judge Jose Toledo, the Chief Judge of the U.S. District Court for the District of Puerto Rico.

JIN SYEN SUH

The Senate proceeded to consider the bill (S. 1154) for the relief of Jin Syen Suh, which had been reported from the Committee on the Judiciary with amendments as follows:

On page 1, line 4, strike "Jim" and insert "Jin";

On page 1, line 4, strike "shall" and insert "may";

On page 1, line 5, strike "such" and insert "the";

On page 1, beginning with line 6, strike through and including page 2, line 1, and insert the following: "upon approval of a petition filed in her behalf by Major and Mrs. Jerry M. Free, citizens of the United States, pursuant to section 204 of the Act. The parents, brothers, and sisters of the ben-

eficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.".

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for purposes of the Immigration and Nationality Act, Jin Syen Suh may be classified as a child within the meaning of section 101(b)(1)(E) of the Act, upon approval of a petition filed in her behalf by Major and Mrs. Jerry M. Free, citizens of the United States, pursuant to section 204 of the Act. The parents, brothers, and sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the amendments be considered and agreed to en bloc.

The amendments were agreed to en bloc.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95-577), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill, as amended, is to facilitate the entry into the United States as an immediate relative of the adopted child of U.S. citizens. The purpose of the amendments is to conform the language of the bill to establish precedents.

STATEMENT OF FACTS

The beneficiary of the bill is a 16-year-old native and citizen of Korea who currently resides in that country, where she attends the Taegu American School. She was adopted by Maj. and Mrs. Jerry Free on December 31, 1975. Major Free was stationed in Korea with the U.S. Army. He and his wife have four children of their own, but decided to adopt the beneficiary to give her an opportunity for a better life in the United States.

ACCOMMODATIONS FOR JUDGES OF THE COURT OF APPEALS

The bill (H.R. 2770) to amend section 142 of title 28, United States Code, relating to the furnishing of accommodations to judges of the courts of appeals of the United States, was considered, ordered to a third reading, read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95-579), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

"It is the purpose of the proposed bills to amend title 28 of the United States Code to provide accommodations for judges of the U.S. courts of appeals at places other than those where regular terms of court are authorized by law to be held, if (1) such accommodations have been approved as necessary by the judicial council for the appropriate circuit, and (2) space is available without cost to the Government.

Such an amendment would deter the proliferation of additional statutorily designated places for holding district court, eliminate one factor now contributing to inefficient utilization of judicial resources, and alleviate an inconvenience for circuit court judges which the Congress never intended to impose upon them when it last amended section 142 of title 28 in 1962.[1]

BACKGROUND

At present all U.S. courts of appeals sit in "principle" locations, and several occasionally sit in one or more "additional" locations within their circuits, for the purpose of hearing oral arguments. In most instances, both the "principle" and "additional" locations have been statutorily designed by the Congress, in 28 U.S.C. § 48, as places at which "terms or sessions of courts of appeals shall be held annually." In certain instances, however, "terms or sessions" may be held, again in accordance with 28 U.S.C. § 48, "at such other places within the respective circuits as may be designated by rule of the court." In very rare instances, under yet another provision of 28 U.S.C. § 48, which states that: "Each court of appeals may hold special terms at any place within its circuit," oral arguments may be heard at a location which is not designated by either statute or court rule. Such "special terms" are usually held as a courtesy or convenience for local or State governments.

Today there are 97 "active" circuit judges and 43 "senior" circuit judges who comprise the "pool" from which panels of 3 judges are drawn to sit. Occasionally a district court judges, in either active or senior status, is invited to sit with two circuit judges on such a panel.

When circuit judges are not sitting on such panels, or en banc, however, they work "in chambers" in quarters located in the communities in which they actually reside. In fact, although "non-resident offices" are available for circuit judges at the "principle" places where courts of appeals sit for purposes of oral argument, full facilities and accommodations for a circuit court judge and his staff have for years been provided only at the location where the judge normally performs his "in chambers" work. Because most circuit court judges normally perform their "in chambers" work in the communities in which they reside, their facilities and accommodations at such locations have been traditionally referred to as "resident chambers."

When "the Judicial Code" was "recodified" in 1948, section 142 of title 28, United States Code, was enacted as follows:

§ 142. Accommodations at places for holdings court.—Court shall be held only at places where Federal quarters and accommodations are furnished without cost to the United States.[2]

In 1962, however, the section was amended by adding to the language cited, supra, the following sentence:

The foregoing restrictions shall not, however, preclude the Administrator of General Services, at the request of the Director of the Administrative Office of the United States Courts, from providing such court quarters and accommodations as the Administrator determines can appropriately be made available *at places where regular terms of court are authorized by law to be held,* but only if such court quarters and accommodations have been approved as necessary by the judicial council of the appropriate circuit.[3]

In explaining the purpose of that 1962 amendment the House Judiciary Committee noted that the 1948 language, standing alone:

. . . has the effect of precluding the use of Federal funds for the purpose of providing facilities *for the U.S. district courts* by new construction, remodeling of existing Federal buildings, or otherwise, at locations where court facilities have not previously been provided in Federal buildings. Consequently, it has been necessary to obtain a waiver of the provisions of section 142 by specific legislative action in each instance to permit the provision of court facilities at such locations.[4]

Citing recent legislation creating additional federal judgeships and the resulting need for "improved and additional court space," the committee noted that:

Enactment of this legislation would eliminate the delays now caused by the necessity for obtaining special legislation with respect to those locations where section 142 applies, and permit discontinuance of the undersirable practice of securing such individual waivers, and would permit the provision and development of more satisfactory court facilities, with improved operation of the courts.[5]

In essence, the original 1948 legislation, designed to limit the number of places where district court "shall be held" to those locations where quarters and accommodations then existed, was amended to both (1) accommodate a growing court system and (2) eliminate the "undesirable practice" of the judiciary having to seek "specific legislative action in each instance" to overcome "the effect of precluding the use of Federal funds for the purpose of providing facilities for the U.S. district courts."

That legislative history would appear to justify the conclusion that 28 U.S.C. § 142 is a provision applicable to district courts only. Given the section's placement in chapter 5 of title 28, that chapter which is clearly designed to statutorily govern organization of the district courts, and the legislative history discussed supra, a sound argument might be made that Congress at no time intended section 142 to be applied to circuit courts, which are organized under chapter 3 of title 28. In 1948 and 1962, the practice which now is followed by providing circuit court judge with "resident chambers" in their home communities prevailed nationwide. Had that practice been a matter of concern to Congress, appropriate language could have been added to section 48 of chapter 3 of title 28, that section which governs places where circuit court "shall be held."[6] The absence of such language would seem to justify a finding that section 142 should not be deemed applicable to the establishment of "resident chambers" for courts of appeal judges. That finding is impeded, however, by a provision in the 1948 recodification legislation, which states that:

No inference of a legislative construction is to be drawn by reason of the chapter in Title 28 * * * in which any section is placed, nor by reason of the catchlines used in such title.[7]

Thus, today, if a community in which a circuit court judge resides is not a place "where regular terms of court are authorized by law to be held," either under chapter 3 or chapter 5 of title 28, section 142 precludes the Administrative Office of the U.S. courts from providing that judge with "resident chambers" in his home community, even if Federal facilities exist and are available at no additional cost to the Government. This situation has been in existence since 1962, and not surprisingly, the solution has been very much like the "undesirable practice" the 1962 amendment was designed to eliminate. The solution has been "specific legislative action in each instance" to authorize the subject community as a place where district court "shall be held." Since 1962, 16 different public laws have been enacted to "designate 21 additional communities" as "places where court shall be held."[8]

On March 13, 1973, Senator Marlow Cook of Kentucky introduced S. 1175, 93d Congress, 1st session, a bill to amend section

Footnotes at end of article.

142, United States Code, relating to the furnishing of accommodations to judges of the courts of appeals of the United States. As introduced, S. 1175 would have added the following sentence to section 142:

The limitations and restrictions contained in this section shall not be applicable to the furnishing of accommodations to judges of the courts of appeals at places where Federal facilities are available and the judicial council of the circuit approves.

The bill was formally referred to the Senate's Subcommittee on Improvements in Judicial Machinery, and transmitted to the Judicial Conference of the United States for its views. The Conference, acting upon the recommendations of its Committee on Court Administration, approved S. 1175 at its April 1973 session.[9] Following receipt of those Conference views, the Senate subcommittee took no further action on S. 1175 during the 93d Congress.

In September of 1975 the Judicial Conference therefore "reendorsed" its approval of S. 1175, 93d Congress, and instructed the Director of the Administrative Office of the U.S. Courts to "transmit such legislative proposal to the 94th Congress."[10] Several bills embodying the Judicial Conference's proposal were thereafter introduced: H.R. 10574, 94th Congress, 2d session, by Congressmen Carter and Mazzoli of Kentucky; H.R. 12182, 94th Congress, 2d session, by Congressmen Brooks and Poage of Texas; and S. 2749, 94th Congress, 2d session, by Senators Huddleston and Ford of Kentucky. Beyond referral to subcommittee, no action was taken on S. 2749 during the 94th Congress. The House bills, however, were referred to the Subcommittee on Courts, Civil Liberties, and the Administration of Justice, and 1 day of hearings was held on May 20, 1976. Appearing on behalf of the Judicial Conference, William E. Foley, Deputy Director of the Administrative Office of the U.S. Courts, fully supported the amendment of section 142 of title 28, United States code. Unfortunately, the press of business before the subcommittee prevented favorable action prior to the adjournment of the 94th Congress.

OVERSIGHT

Oversight of the Administrative Office of U.S. Courts which provides administrative support for judges of the court of appeals is the responsibility of the Committee on the Judiciary. The legislation arose, in part, from the committee's perception of the needs of the Federal judiciary as expressed in the oversight process.

STATEMENT OF THE CONGRESSIONAL BUDGET OFFICE

Pursuant to the Rules of the Senate, and the Congressional Budget Act of 1974, the following is the cost estimate on H.R. 2770 prepared by the Congressional Budget Office.

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, D.C., November 2, 1977.

Hon. JAMES O. EASTLAND,
Chairman, Committee on the Judiciary, U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has reviewed H.R. 2770, a bill to amend section 142 of title 28, United States Code, relating to the furnishing of accommodations to judges of the courts of appeals of the United States, as ordered reported by the Senate Committee on the Judiciary, November 2, 1977.

Based on this review, it appears that no additional cost to the Government would be incurred as a result of enactment of this bill.

Sincerely,

ALICE M. RIVLIN, *Director.*

ESTIMATED COST OF THE LEGISLATION

The committee estimates that the legislation will result in no additional cost to the United States.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (new matter is printed in italic, existing law in which no change is proposed is shown in roman):

SECTION 142 OF TITLE 28, UNITED STATES CODE

§ 142. Accommodations at places for holding court.

Court shall be held only at places where Federal quarters and accommodations are available, or suitable quarters and accommodations are furnished without cost to the United States. The foregoing restrictions shall not, however, preclude the Administrator of General Services, at the request of the Director of the Administrative Office of the United States Courts, from providing such court quarters and accommodations as the Administrator determines can appropriately be made available at places where regular terms of court are authorized by law to be held, but only if such court quarters and accommodations have been approved as necessary by the judicial council of the appropriate circuit. The limitations and restrictions contained in this section shall not be applicable to the furnishing of accommodations to judges of the courts of appeals at places where Federal facilities are available and the judicial council of the circuit approves.

FOOTNOTES

[1] Act of Oct. 9, 1962, Public Law No. 87-764, 76 Stat. 762.

[2] Public Law No. 773, 80th Cong., 2d sess., ch. 646 (June 25, 1948), 62 Stat. 898.

[3] Note 1, *supra* (italic added).

[4] H.R. Rept. No. 2340, 87th Cong. 2d sess. 2 (1962) (italic added).

[5] Id.

[6] See text *supra*, at 1-2.

[7] See Public Law No. 773, 80th Cong., 2d Sess., § 33 (June 25, 1948), 62 Stat. 991.

[8] See the "Legislative History" notes following section 142 in 28 U.S.C. (1970 ed.).

[9] See "Annual Report of the Proceedings of the Judicial Conference of the United States, Apr. 5-6, 1973," at 4.

[10] See "Annual Report of the Proceedings of the Judicial Conference of the United States, Sept. 5-6, 1975," at 49.

TRIBALLY CONTROLLED COMMUNITY COLLEGE ASSISTANCE ACT OF 1977

The Senate proceeded to consider the bill (S. 1215) to provide for grants to Indian-controlled postsecondary educational institutions, and for other purposes, which had been reported from the Select Committee on Indian Affairs with an amendment to strike all after the enacting clause and insert the following:

That this Act may be cited as the "Tribally Controlled Community College Assistance Act of 1977".

DEFINITIONS

SEC. 2. For purposes of this Act, the term

(1) "Indian" means a person who is a member of an Indian tribe and is eligible to receive services from the Secretary of the Interior;

(2) "Indian tribe" means any Indian tribe, band, nation, or other organized group or community, including any Alaskan Native village or regional or village corporation as defined in or established pursuant to the Alaskan Native Claims Settlement Act, which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians;

(3) "Secretary", unless otherwise designated, means the Secretary of the Interior;

(4) "tribally controlled community college" means an institution of higher education which is formally controlled, or has been formally sanctioned, or chartered, by the governing body of an Indian tribe or tribes;

(5) "institution of higher education" means an institution of higher education as defined by section 1201(a) of the Higher Education Act of 1965, except that clause (2) of such section shall not be applicable;

(6) "national Indian organization" means an organization which is nationally based, represents a substantial Indian constituency, and has expertise in the field of Indian education; and

(7) "Indian full-time equivalent student" means the number of Indians enrolled full-time, and the full-time equivalent of the number of Indians enrolled part-time, in each tribally controlled community college.

TITLE I—TRIBALLY CONTROLLED COMMUNITY COLLEGES

PURPOSES

SEC. 101. It is the purpose of this title to provide grants for the planning and development, operation, and improvement of tribally controlled community colleges to insure continued and expanded higher educational opportunities for Indian students.

GRANTS AUTHORIZED

SEC. 102. (a) The Secretary is authorized to make grants pursuant to this title to tribally controlled community colleges to aid in the postsecondary education of Indian students.

(b) Grants made pursuant to this section may be used for the planning and development of educational programs and activities, basic operational costs, employment of instructional and administrative personnel, curriculum development, student services, and community service programs of tribally controlled community colleges. Funds provided pursuant to this title shall not be used in connection with religious worship or sectarian instruction.

ELIGIBLE GRANT RECIPIENTS

SEC. 103. To be eligible for assistance under this title a tribally controlled community college shall—

(1) be governed by a board of directors or board of trustees a majority of which are Indians;

(2) demonstrate adherence to a stated philosophy, stated goals, or a plan of operation which primarily serves American Indians;

(3) have a majority of students who are American Indians.

TECHNICAL ASSISTANCE

SEC. 104. The Secretary shall provide, upon request, technical assistance to tribally controlled community colleges either directly or through contract. In the awarding of contracts for technical assistance, preference shall be given to an organization designated by the tribally controlled community college to be assisted, or in the event the college does not designate such organization the Secretary shall give preference to Indian organizations.

FEASIBILITY STUDIES

SEC. 105. (a) The Secretary is authorized, upon the request of an Indian tribe to assist in the planning and development of feasibility studies to determine whether there is justification to start and maintain a tribally controlled community college.

(b) The Secretary, within thirty days after a request by an Indian tribe, shall initiate such feasibility study, and upon a positive determination, aid in the preparation of grant applications and related budgets which will insure successful operation of such college.

(c) The Secretary shall consult with the tribal government chartering the college being considered and to the extent practicable with national Indian organizations to determine the reasonable number of students re-

quired to support such tribally controlled community college. The Secretary shall consider such factors as tribal and cultural differences, isolation, and proposed curriculum.

(d) This section does not apply to a tribally controlled community college which meets the eligibility requirements in section 103.

(e) Funds to carry out the provisions of this section for any fiscal year may be drawn from—

(1) general administrative appropriations to the Secretary made after the date of enactment of this Act for such fiscal year; or

(2) not more than 10 per centum of the funds appropriated to carry out section 106 for such fiscal year.

(f) The Secretary shall consult with Indian tribes and national Indian organizations in developing plans, procedures, and criteria for conducting the feasibility studies required by this section.

GRANTS TO TRIBALLY CONTROLLED COMMUNITY COLLEGES

SEC. 106. (a) Grants shall be made under this title only upon application by tribally controlled community colleges.

(b) Priority in grants shall be given to tribally controlled community colleges which are operating on the date of enactment of this Act and which have a history of service to the Indian people.

(c) The Secretary shall report to Congress on January 15 of each year the current status of tribally controlled community colleges and his recommendations for needed action.

GRANT FORMULA AND PAYMENTS

SEC. 107. (a) Each fiscal year the Secretary shall grant to each tribally controlled community college having an approved application, the aggregate of $125,000 plus an additional amount of $5,850 for each Indian full-time equivalent student in attendance at such institution.

(b) With respect to grants made after the first full fiscal year following the date of enactment of this Act, the Secretary may increase the per student amounts specified in subsection (a) of this section to reflect increases in costs beyond the control of the tribally-controlled community colleges.

(c) The Secretary may make payments pursuant to grants under this title in advance installments, not less than 50 per centum of the annual allocation to the eligible college, based on anticipated or actual numbers of Indian full-time equivalent students or such other factors as the Secretary determines to be appropriate with such adjustments for previous overpayments or underpayments, as may be necessary.

EFFECT ON OTHER PROGRAMS

SEC. 108. Eligibility for assistance under this title shall not supplant eligibility to receive Federal financial assistance under any program authorized under the Higher Education Act of 1965 or any other applicable program for the benefit of institutions of higher education, community colleges, or postsecondary educational institutions. Eligibility under this title shall not reduce the level of funding for such programs. Assistance under any program authorized by such Higher Education Act of 1965 or any other program for which the Commissioner of Education, Department of Health, Education, and Welfare, has responsibility for administration, either by statute or by delegation shall be considered as supplemenal to the assistance authorized under this title.

REPORT ON FACILITIES

SEC. 109. (a) The Secretary shall, not later than ninety days after the date of enactment of this Act, prepare and submit to the Congress a report containing a survey of existing and planned physical facilities of tribally-controlled community colleges together with his recommendations concerning meeting the needs of such institutions for improved and additional facilities, including a survey of existing and planned Bureau of Indian Affairs facilities which may be used for tribally controlled community colleges without disruption of current Bureau programs.

(b) The report under this section shall be done in consultation with Indian tribes and national Indian organizations.

APPROPRIATIONS AUTHORIZED

SEC. 110. (a)(1) There is authorized to be appropriated $30,000,000 for the first fiscal year beginning after the enactment of this Act and for the next succeeding fiscal year, and $35,000,000 in the third fiscal year following such date of enactment. The amount of such authorizations for fiscal years following the first full fiscal year after enactment of this Act shall be increased by the amount of any portions of the authorization available for the prior fiscal year for which funds were not appropriated.

(2) There is authorized to be appropriated in the fourth fiscal year following the date of enactment of this Act any unappropriated portion of the authorization available for the third such fiscal year.

(b) There are authorized to be appropriated $3,200,000, in the aggregate, for the provision of technical assistance grants to section 104 of this title.

(c) Unless otherwise provided in appropriations Acts, funds appropriated pursuant to this section shall remain available until expended.

(d) Funds appropriated pursuant to this section shall not be expended for any other purpose except as authorized in this title.

GRANT ADJUSTMENTS

SEC. 111. (a) If the sums appropriated for any fiscal year for grants under this title are not sufficient to pay in full the total amounts which approved grant applicants are eligible to receive under this title for that fiscal year, the amounts which such applicants are eligible to receive under this title for such fiscal year shall be ratably reduced. In case additional funds become available for making such payments for the same fiscal year, such reduced amounts shall be ratably increased. Sums appropriated in excess of the amount necessary to pay in full such total eligible amounts shall be allocated by ratably increasing such total eligible amounts.

(b) In any first year in which the amounts for which grant recipients are eligible have been reduced under the first sentence of subsection (a) of this section, and in which additional funds have not been made available to pay in full the total of such amounts under the second sentence of such subsection, each grantee shall report to the Secretary any unused portion of received funds ninety days prior to the grant expiration date. The amounts so reported by any grant recipient shall be made available for reallocation to eligible grantees on a basis proportionate to the amount which is unfunded as a result of the ratable reduction, except that no grant recipient shall receive more than the amount provided for under section 107(a) of this title.

RULES AND REGULATIONS

SEC. 112. (a) Within four months after the date of enactment of this Act, the Secretary shall, to the extent practicable, consult with Indian tribes and national Indian organizations to consider and formulate appropriate rules and regulations for the conduct of the grant program established by this title.

(b) Within six months after the date of enactment of this Act, the Secretary shall publish proposed rules and regulations in the Federal Register for the purpose of receiving comments from interested parties.

(c) Within ten months after the date of enactment of this Act, the Secretary shall promulgate rules and regulations for the conduct of the grant program established by this title.

MISCELLANEOUS PROVISIONS

SEC. 113. (a) The Navajo Tribe shall not be eligible to participate under the provisions of this title.

(b)(1) The Secretary shall not provide any funds to any institution which denies admission to any Indian student because such individual is not a member of a specific Indian tribe, or which denies admission to any Indian student because such individual is a member of a specific tribe.

(2) The Secretary shall take steps to recover any unexpended and unobligated funds provided under this title held by an institution determined to be in violation of paragraph (1).

TITLE II—NAVAJO COMMUNITY COLLEGE

SEC. 201. Section 4 of the Act entitled "An Act to authorize grants for the Navajo Community College, and for other purposes", approved December 15, 1971 (85 Stat. 646), is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 4. (a) For the purpose of making grants under this Act, there is hereby authorized to be appropriated for each of the fiscal years 1979, 1980, 1981, 1982, and 1983, the sum of $10,500,000 for construction, plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations from 1977 construction costs as indicated by engineering cost indexes applicable to the types of construction involved.

"(b) There is further authorized to be appropriated to the Navajo Community College, for operation and maintenance of the college, for each fiscal year an amount equal to $5,850 for each Indian full-time equivalent student in attendance at such college.

"(c) The Secretary of the Interior is authorized and directed to establish by rule procedures to insure that all funds appropriated under this Act are properly identified for grants to the Navajo Community College and that such funds are not commingled with appropriations historically expended by the Bureau of Indian Affairs for programs and projects normally provided on the Navajo Reservation for Navajo beneficiaries.

"(d) Sums appropriated pursuant to this section for construction shall remain available until expended.".

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read:

A bill to provide for grants to tribally controlled community colleges, and for other purposes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95–582), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXCERPT

PURPOSE

S. 1215, as amended, has two titles. The first authorizes appropriations for basic support grants to tribally controlled community colleges to be utilized for planning, development, operation and improvement of said colleges. The second provides a new authorization for construction and a more equitable funding formula for the Navajo Community College.

TITLE I—TRIBALLY CONTROLLED COMMUNITY COLLEGES

BACKGROUND AND NEED

Section 203.4 of Public Law 93–638, the Indian Self-Determination and Education

Assistance Act, directed the Secretary of the Interior to submit to Congress a "specific program, together with detailed legislative recommendations, to assist the development and administration of Indian-controlled community colleges." In order to obtain the necessary information and data upon which to base its report, the Bureau of Indian Affairs contracted with the American Indian Higher Education Consortium to do a survey of "operational" and "projected" Indian-controlled community colleges. The survey, completed in August 1975, covered a total of 30 reservations and/or communities in 13 States. Out of that total, 13 "operational" colleges were identified. Today, there are at least 18 total "operational" colleges. In the survey, at least 13 "projected" colleges were also identified.

The concept of Federal support for these institutions is rooted in the trust responsibility of the U.S. Government for Indian tribes. Historically, the Snyder Act (25 U.S.C. 13) authorizes the Bureau of Indian Affairs to "direct, supervise, and expend such moneys as Congress may appropriate for the benefit, care and assistance of the Indians for the following purposes: general support and civilization, including education." Public Law 93–638 amplifies this authority to mean that Indian tribes may contract directly with the Bureau of Indian Affairs to administer programs and services themselves. Section 203.4 of that same legislation, mandates the Bureau to prepare and submit a program of support for Indian-controlled community colleges. This report was due to Congress by October 1, 1975. Based on the survey report submitted to Congress, absent "detailed legislative recommendations", S. 1215 was introduced to provide tribally controlled community colleges with the stable base of financial support that is necessary for their continued development and operations.

Clearly, the precedent has existed for Federal support for those institutions. The problems have been in getting the Bureau of Indian Affairs to adequately meet its responsibility in supporting these institutions. The Bureau presently provides operational support, through the "band analysis" budgeting process, to five tribally controlled community colleges under Public Law 93–638 authority and to Navajo Community College, under the authority of Public Law 92–189. All of these institutions are severely underfunded with the Bureau providing only a minor portion of the total operational budget. It can be stated fairly certainly that the funding provided by the Bureau to these colleges is inadequate and unstable due to the nature of the band analysis process itself.

Before a program, such as college operations, can get on the appropriations "band" of a tribe, either another program must expire, or other programs be defunded so as to accommodate the new item. Thus inherent in the process is an element of competition with other sorely needed programs at the tribal level causing instability in year-to-year funding and accounting for inadequacies in meeting needs. Even in the case of Navajo Community College, where specific legislative authority exists for specific appropriations for the college, the funds have been commingled with appropriations for scholarships, under the general band line item of higher education. It is imperative that specific authority for separate and distinct appropriations be enacted to stabilize the funding at adequate amounts.

S. 1215 would eliminate the competitive aspect of the band by setting up a separate appropriations category solely for tribal college operations so as to preclude commingling with other program funds. Further, it would provide for direct funding, from the Bureau of Indian Affairs Central Office, to each community college thereby exempting it from the band analysis process at the area office level. Furthermore, the per pupil entitlement in S. 1215 would act as a specific statutory formula for providing stabilized and equitable grant awards, effectively preventing those funds from being arbitrarily reallocated or renegotiated at the area level.

TITLE II—NAVAJO COMMUNITY COLLEGE

BACKGROUND AND NEED

The Navajo Tribal Council chartered and established Navajo Community College in 1968 and provided certain authorities and powers to a board of regents in the interest of initiating the college for purposes of providing academic, vocational and adult education programs, tailored to the unique socioeconomic needs of the Navajo people.

Assistance for funds to initiate the project were sought from the Bureau of Indian Affairs. The Bureau of Indian Affairs cited the lack of legal authority to help and thus the board of regents and the Navajo tribal executive officers successfully sought passage of the Navajo Community College Act (act of December 15, 1971; 85 Stat. 646).

Since the enactment of the original act, realistic funding for operations and maintenance has been a problem since the Bureau of Indian Affairs has never provided an adequate amount. For example, in 1976 the Bureau of Indian Affairs expended approximately $6,000 per student in support of comparable Bureau institutions of higher education, and allocated to Navajo Community College $2,600 per pupil. The enrollment at Navajo Community College has increased annually but the dormitory capacity is limited. Moreover, the Tsaile community where the college is based is isolated and inaccessible because of the great distance, as are most communities on the reservation.

To overcome this problem, the board of regents devised a plan to provide for two additional branch campuses at the extreme ends of the western and eastern boundaries where dormitories can be built to house 200 students and serve an additional 200 commuters. In addition, the board plans to have five centers where commuting students can enroll. These facilities will be constructed in communities which have utilities and population densities appropriate for such purposes. Preliminary architectural estimates indicate a total cost of about $60 million.

Since authorizations and appropriations for construction have been exhausted, the board felt that an amendment to the original act would be appropriate. Furthermore, because of the annual funding problem experienced with the Bureau of Indian Affairs, as explained above, it was determined that amendments to the Navajo Community College enabling legislation would be advisable in order to spell out a more specific per student grant formula and establish a separate budgetary allocation outside the general Federal requirement in terms of authorizing legislation.

By having the proposed amendment approved, the college hopes to more adequately and effectively fulfill its mandate of providing education and training aimed at equipping the Navajo with the tools to competently cope with life whether he lives in a predominantly non-Indian setting or whether he elects to live on his reservation homeland.

Unless the amendment is approved the Navajo Community College will continue to obtain annual funding at the mercy of the Bureau of Indian Affairs and will most certainly curtail services that are very necessary just to catch up with the rest of America.

LEGISLATIVE HISTORY

In the 94th Congress, Senator James Abourezk sponsored S. 2634, to provide basic operational funds to 10 Indian-controlled community colleges. The specific colleges were listed. Following hearings on March 15, 1976, the bill was redrafted as a general bill with criteria for grant eligibility as an "Indian-controlled postsecondary educational institution" for the purpose of allowing for new colleges other than the 10 originally listed. The redrafted bill was introduced on September 29, 1976, as S. 3850.

S. 1215 was introduced in this Congress by Senators Abourezk, Quentin Burdick, Mike Gravel, Dennis DeConcini, and Henry Jackson on April 1, 1977; and hearings were held by the select committee on July 28, 1977.

A House companion bill, H.R. 9158, has also been introduced and hearings were held on the measure on October 13, 1977, by the Subcommittee on Postsecondary Education of the Committee on Education and Labor. The House bill is also a combined version.

S. 468, now title II of S. 1215, was introduced by Senators Pete Domenici, Harrison Schmitt, Dennis DeConcini, and Barry Goldwater. A similar bill was introduced in the previous Congress but no action was taken.

ADMINISTRATIVE CONFERENCE ACT AMENDMENT

The Senate proceeded to consider the bill (S. 1792) to amend the Administrative Conference Act, which had been reported from the Committee on the Judiciary with an amendment on page 1, beginning with line 5, strike through and including line 9, and insert the following in lieu thereof:

"§ 576. Appropriations

"(a) There are authorized to be appropriated sums necessary not in exces of $1,600,000 for the fiscal year ending September 30, 1979, $1,950,000 for the fiscal year ending September 30, 1980, and $2,300,000 for the fiscal year ending September 30, 1981, and for each fiscal year thereafter, to carry out the purposes of this subchapter.".

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 576 of title 5, United States Code, is amended to read as follows:

"(a) There are authorized to be appropriated sums necessary not in excess of $1,600,000 for the fiscal year ending September 30, 1979, $1,950,000 for the fiscal year ending September 30, 1980, and $2,300,000 for the fiscal year ending September 30, 1981, and for each fiscal year thereafter, to carry out the purposes of this subchapter.".

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95–583), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXCERPT

PURPOSES

The purpose of S. 1792 is to raise the appropriation ceiling "not in excess of $950,000 per annum" contained in the section authorizing appropriations for carrying out the purposes of subchapter 111 of title 5, United States Code, which establishes the Administrative Conference of the United States.

STATEMENT

At the request of the Administrative Conference of the United States legislation (S. 1792) having the foregoing purposes was in-

troduced in the Senate by Senator James Abourezk on June 30, 1977. A subcommittee hearing was held on August 2, 1977, at which Robert A. Anthony, Chairman of the Conference, Judge Harold Leventhal, Sheldon Cohen, and Cornelius Kennedy testified in support of the proposal. Letters submitted for the record in support of raising the appropriations ceiling were received from the following: Carl McGowan, Judge of the U.S. Court of Appeals, D.C. Circuit; Richard A. Wegman, chief counsel and staff director, Senate Committee on Governmental Affairs; Paul G. Dembling, general counsel, General Accounting Office; Jerome Kurtz, Commissioner of Internal Revenue; John Robson, Chairman, Civil Aeronautics Board; Calvin J. Collier, Commissioner, Federal Trade Commission; Betty Southard Murphy, member, National Labor Relations Board; Marcus A. Rowden, Chairman, Nuclear Regulatory Commission; S. Neil Hosenball, general counsel, National Aeronautics and Space Administration; Richard Baca, general counsel, U.S. Commission on Civil Rights; Fred J. Emery, Director, the Federal Register; Prof. Kenneth Culp Davis; Prof. Walter Gellhorn; William Warfield Ross, Chairman, ABA Committee on Revision of the Administration Procedure Act; Paul N. Rodriguez, executive director, Colorado Department of Regulatory Agencies; and William T. Coleman, former Secretary of Transportation; and a resolution of the American Bar Association of May 15, 1977.

HISTORICAL BACKGROUND

The Administrative Conference of the United States was established by Public Law 88-499, August 30, 1964, as a permanent agency of the Federal Government. As originally introduced and approved by the Senate, the legislation (S. 1664, 88th Cong., 1st sess.) contained no ceiling on appropriations. At the hearings before Subcommittee No. 3 of the House Judiciary Committee, however, concern was expressed because there was no indication as to the numerical size and annual cost of the Conference. Based on the operations and costs of the 1962 temporary Conference, the subcommittee was advised that the size of the agency should range from 75 to 91 members and that costs would be approximately $250,000 per year on the basis of 1962 prices. These limitations were included in the House version of the legislation and were incorporated in the bill as enacted. (See S. Rept. 88-621; H. Rept. 88-1565; 110 Cong. Rec. 19840-41 (August 17, 1964); and 110 Cong. Rec. 19212-19223 (August 2, 1964)).

The Administrative Conference was activated in 1968. By that time the $250,000 ceiling was already so restrictive as to prevent the Conference from carrying out in a meaningful way the important studies and programs that Congress had envisioned in creating the agency. Accordingly, legislation was introduced in 1969 (H.R. 4244) for the purpose of removing the ceiling. During the hearings the question was raised as to the actual needs of the Conference. Since the agency had just barely commenced operating there was no experience to turn to other than the costs of the 1962 Conference. It was determined that it would require at least $400,000 to provide the same level of support as that provided the temporary Conference of 1962.

Although the Administrative Conference sought removal of the appropriation ceiling, the House amended the bill to provide a ceiling of $450,000. When the bill came on for hearings before this subcommittee, we concluded:

A persuasive case was presented in support of S. 1144, as introduced, to eliminate the ceiling entirely and to leave to the Committees on Appropriations the question of justification of funds to carry on the work of this agency. However, this is a new agency. We do not write against a clean slate but have a statutory ceiling already contained in the basic statute. The Chairman of the Conference has advised that a ceiling of $450,000 as authorized by H.R. 4244 will provide adequate latitude for budget requirements for the "next 2 or 3 years." He has urged this committee, in the interest of obtaining legislation now to meet the immediate financial needs of the Conference, to recommend similar legislation.[1]

In adopting the House version of the bill which raised the ceiling to $450,000, it was recognized that, if the activities of the Conference grew as anticipated, relief would be required from the new appropriation ceiling within a few years. (See H. Rept. 91-214; S. Rept. 91-596; 115 Cong. Rec. 32569-32579 (October 31, 1969); and 115 Cong. Rec. 38623-38624 (December 12, 1969)).

In 1972 this committee again considered legislation to remove the appropriations ceiling for the Conference. For a third time the Senate Judiciary Committee reported a bill (S. 3671) to remove the appropriations ceiling for the Conference. The House once again insisted that the ceiling not be removed but set a graduated increase in the ceiling through Fiscal Year 1978, when the ceiling reaches $950,000. (See S. Rept. 92-1076; H. Rept. 92-1418; 118 Cong. Rec. 29077 (August 18, 1972); 118 Cong. Rec. 36425-36427 (October 14, 1972); and 118 Cong. Rec. 36636 (October 16, 1972)).

ORGANIZATION AND OPERATION OF THE CONFERENCE

The purpose of the Administrative Conference of the United States is to identify the causes of inefficiency, delay, and unfairness in administrative proceedings affecting private rights, and to recommend improvements to the President, the agencies, the Congress, and the courts. The Conference consists of three entities—the Office of the Chairman, the Council, and the Assembly.

The Chairman of the Administrative Conference is appointed by the President, with the advice and consent of the Senate for a term of 5 years. He is the chief executive of the Conference and its only full-time compensated member.

The Chairman, with the approval of the Council, appoints the public members of the Conference. He presides at plenary sessions of the Assembly and at Council meetings. He is the official spokesman for the Conference in relations with the President, the Congress, the Judiciary, the agencies, and the public. He has authority to investigate matters brought to his attention by individuals inside and outside Government, to designate subjects for Conference study and to seek implementation of Conference recommendations. The Chairman is served by a small permanent staff whose principal duties are to furnish administrative and research support to the Assembly and Committees of the Conference, to follow and assist in the work of consultants, and to help the Chairman in securing implementation of recommendations and in providing advice and assistance to the agencies and to committees of the Congress.

The Council consists of the Chairman and 10 other Members who are appointed by the President for 3-year terms, of whom not more than one-half may be drawn from Federal agencies. Its functions are similar to those of a corporate board of directors. It has authority to call plenary sessions of the Conference and fix their agendas, to recommend subjects for study, to receive and consider reports and recommendations before they are considered by the Assembly, and to exercise general budgetary and policy supervision.

The Assembly of the Conference is composed of the entire membership, which by statute may not be less than 75 members nor more than 91. The Conference at present has 89 members. The Chairman and the other members of the Council account for 11 of this number. The remaining 77 fall into the following groups:

First, the act confers membership upon the Chairman of each independent regulatory board or commission, or an individual designated by the board or commission. Under this provision 14 boards and commissions have statutory members. In addition, two of these agencies have been allotted a second member by the Council for the purpose of permitting the designation of two administrative law judges.

Second, the act grants membership to the head (or his designee) of each executive department or other administrative agency designated for this purpose by the President. Acting under this authority, the President has designated all 11 Cabinet departments for membership, and the Council has acted to provide some of them additional members.

The final group consists of the public members appointed by the Chairman with the approval of the Council for 2-year terms. These members, who must comprise not less than one-third nor more than two-fifths of the total membership, are selected in such a manner as to provide broad representation of the views of private citizens of diverse experience. They are chosen from among members of the practicing bar, scholars in the field of administrative law or government, and others specially informed with respect to Federal administrative procedure. They are reimbursed for travel expenses but otherwise serve without compensation.

In addition, pursuant to section 4 of the bylaws, the Chairman, with the approval of the Council, may have liaison arrangements with representatives of the Congress, the Judiciary, Federal agencies, and professional associations not represented on the Conference. Individuals who serve in such a capacity participate in the deliberations of the Conference with privileges of the floor but do not vote. Currently, eight liaison arrangements are in effect.

The Assembly, which has ultimate authority over all activities of the Conference, operates much like a legislative body. It has adopted bylaws establishing nine standing committees.

These committees meet periodically to plan and guide research by academic consultants and by the Conference's professional staff, and on the basis of such research to frame proposed recommendations for consideration by the Assembly. When a study and tentative recommendation have been prepared, they are circulated to the affected agencies for comment and reexamined by the committee in light of the replies. After final committee approval, a proposed recommendation is transmitted to the Council and then to the Assembly for final action in plenary session. The Assembly may adopt the recommendation in the form proposed, amend it, refer it back to committee or reject it entirely.

Witnesses at the subcommittee's August 2, 1977, hearing emphasized that the unique structure of the Conference—meshing private and governmental representatives—provides a continuous feedback and dialog which is valuable and effective. Judge Leventhal observed that "the Government members who are more than a majority of the committee (on which Judge Leventhal served), do not take a monolithic point of view on the subjects of procedure which come up. They each look at the matter from a point of view of their own experience, they have contributions to make, and they do not vote as a block. It is very heartening to me they should be so objective about the questions brought before them." Hearings at 2. Mr. Kennedy testified that, on the basis of his experience as Chairman of one of the Conference's committees, he was "deeply persuaded that the

[1] S. Rept. 91-596, 91st Cong., 1st sess. (1969).

blend of government and nongovernment members, together with the small committee structure of the Administrative Conference has made it possible for the Conference to achieve results which would otherwise have been impossible. But this is only possible where all members of the committee share a common fact basis, in the form of a consultant's report, in addition to their varied personal background." Hearings at 6. All witnesses at the hearing emphasized the continued need for quality, in-depth field and legal research as the foundation for Conference reports and recommendations.

CHONG CHA WILLIAMS

The bill (S. 405) for the relief of Chong Cha Williams, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of section 212 (a) (23) of the Immigration and Nationality Act, Chong Cha Williams may be issued a visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that Act: *Provided,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act.

ROSALINDA FLORES VAOW

The bill (S. 432) for the relief of Rosalinda Flores Vaow, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Rosalinda Flores Vaow may be classified as a child within the meaning of section 101(b)(1)(E) of the Act, upon approval of a petition filed in her behalf by Frederick Dale and Flora Mallari Vaow, citizens of the United States, pursuant to section 204 of the Act: *Provided,* That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such a relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

ELVI ENGELSMANN JENSEN

The bill (S. 1401) for the relief of Elvi Engelsmann Jensen, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for purposes of the Immigration and Nationality Act, Elvi Engelsmann Jensen may be classified as a child within the meaning of section 101(b)(1)(E) of such Act upon approval of a petition filed on her behalf by Mr. and Mrs. Donald Jensen, citizens of the United States, pursuant to section 204 of such Act. The parents, brothers, and sisters of the said Elvi Engelsmann Jensen shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

PATRICIA R. TULLY

The bill (H.R. 2661) for the relief of Patricia R. Tully, was considered, ordered to a third reading, read the third time, and passed.

DO SOOK PARK

The Senate proceeded to consider the bill (S. 1563) for the relief of Do Sook Park, which had been reported from the Committee on the Judiciary with amendments:

On page 1, line 8, after the period, strike "The mother, father, brothers, and sisters of the said Do Sook Park shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.", insert in lieu thereof a colon and "*Provided,* That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act. Section 204(c) of the Immigration and Nationality Act, relating to the number of petitions which may be approved, shall be inapplicable in this case.".

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in the administration of the Immigration and Nationality Act, Do Sook Park may be classified as a child within the meaning of section 101(b)(1)(F) of such Act upon approval of a petition filed on her behalf by Mr. and Mrs. Frank Donnelly, citizens of the United States, pursuant to section 204 of such Act: *Provided,* That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act. Section 204(c) of the Immigration and Nationality Act, relating to the number of petitions which may be approved, shall be inapplicable in this case.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the amendments be considered and agreed to en bloc.

The amendments were agreed to en bloc.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MARK CHARLES AND LIANE MARIA MIEIR

The Senate proceeded to consider the bill (H.R. 3313) for the relief of Mark Charles Mieir and Liane Maria Mieir, which had been reported from the Committee on the Judiciary with an amendment to strike all after the enacting clause and insert the following:

That, for the purposes of sections 203(a)(1) and 204 of the Immigration and Nationality Act, Mark Charles Mieir and Liane Maria Mieir shall be held and considered to be the natural-born alien son and alien daughter, respectively, of Mr. and Mrs. Charles Mieir, citizens of the United States.

The amendment was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

BRIAN PATRICK WEBB AND LAURENE ANNE WEBB

The Senate proceeded to consider the bill (S. 1052) for the relief of Brian Patrick Webb and his wife, Laurene Anne Webb, which had been reported from the Committee on the Judiciary with an amendment to strike all after the enacting clause and insert the following:

That, for the purposes of the Immigration and Nationality Act, Brian Patrick Webb and his wife, Laurene Anne Webb, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by the required numbers, during the current fiscal year or the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the aliens' birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Brian Patrick Webb and his wife, Laurene Anne Webb."

ADELAIDA REA BERRY

The Senate proceeded to consider the bill (H.R. 5555) for the relief of Adelida Rea Berry, which had been reported from the Committee on the Judiciary with an amendment on page 1, line 4, strike "Adelida" and insert "Adelaida", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Adelaida Rea Berry may be classified as a child within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in her behalf by Mr. and Mrs. Raymond Berry, citizens of the United States, pursuant to section 204 of the Act: *Provided,* That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended so as to read: "An act for the relief of Adelaida Rea Berry."

YOUNG-SHIK KIM

The Senate proceeded to consider the bill (S. 973) for the relief of Young-Shik Kim, which had been reported

from the Committee on the Judiciary with amendments as follows:

On page 1, line 5, strike "such" and insert "the";

On page 1, line 6, after the comma, strike through and including page 2, line 1, and insert in lieu thereof: "upon approval of a petition filed in his behalf by Tae Hyung Kim and his wife, Kyung Sook Kim, citizens of the United States, pursuant to section 204 of the Act: *Provided*, That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.".

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Young-Shik Kim shall be classified as a child within the meaning of section 101(b)(1)(E) of the Act, upon approval of a petition filed in his behalf by Tae Hyung Kim and his wife, Kyung Sook Kim, citizens of the United States, pursuant to section 204 of the Act: *Provided*, That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the amendments be considered and agreed to en bloc.

The amendments were agreed to en bloc.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AH YOUNG CHO

The Senate proceeded to consider the bill (S. 833) for the relief of Ah Young Cho, which had been reported from the Committee on the Judiciary with amendments as follows:

On page 1, line 4, strike "Ah Young Cho" and insert "Ah Young Kwak";

On page 1, line 8, strike "mother, father," and insert "natural parents,";

On page 1, line 9, strike "said Ah Young Cho" and insert "beneficiary";

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Ah Young Cho Kwak may be classified as a child within the meaning of section 101(b)(1)(F) of such Act upon approval of a petition filed on her behalf by Mr. and Mrs. John Kwak, citizens of the United States, pursuant to section 204 of such Act. The natural parents, brothers, and sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the amendments be considered and agreed to en bloc.

The amendments were agreed to en bloc.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read:

A bill for the relief of Ah Young Cho Kwak.

INDIAN CHILD WELFARE ACT OF 1977

The Senate proceeded to consider the bill (S. 1214) to establish standards for the placement of Indian children in foster or adoptive homes, to prevent the breakup of Indian families, and for other purposes, which had been reported from the Select Committee on Indian Affairs with an amendment to strike all after the enacting clause and insert the following:

That this Act may be cited as the "Indian Child Welfare Act of 1977".

FINDINGS

SEC. 2. Recognizing the special relations of the United States with the Indian and Indian tribes and the Federal responsibility for the care of the Indian people, the Congress finds that:

(a) An alarmingly high percentage of Indian children living within both urban communities and Indian reservations, are separated from their natural parents through the actions of nontribal government agencies or private individuals or private agencies and are placed in institutions (including boarding schools), or in foster or adoptive homes, usually with non-Indian families.

(b) The separation of Indian children from their families frequently occurs in situations where one or more of the following circumstances exist: (1) the natural parent does not understand the nature of the documents or proceedings involved; (2) neither the child nor the natural parents are represented by counsel or otherwise advised of their rights; (3) the agency officials involved are unfamiliar with, and often disdainful of Indian culture and society; (4) the conditions which led to the separation are not demonstrably harmful or are remediable or transitory in character; and (5) responsible tribal authorities are not consulted about or even informed of the nontribal government actions.

(c) The separation of Indian children from their natural parents, especially their placement in institutions or homes which do not meet their special needs, is socially and culturally undesirable. For the child, such separation can cause a loss of identity and self-esteem, and contributes directly to the unreasonably high rates among Indian children for dropouts, alcoholism and drug abuse, suicides, and crime. For the parents, such separation can cause a similar loss of self-esteem, aggravates the conditions which initially gave rise to the family breakup, and leads to a continuing cycle of poverty and despair. For Indians generally, the child placement activities of nontribal public and private agencies undercut the continued existence of tribes as self-governing communities and, in particular, subvert tribal jurisdiction in the sensitive field of domestic and family relations.

DECLARATION OF POLICY

SEC. 3. The Congress hereby declares that it is the policy of this Nation, in fulfillment of its special responsibilities and legal obligations to the American Indian people, to establish standards for the placement of Indian children in foster or adoptive homes which will reflect the unique values of Indian culture, discourage unnecessary placement of Indian children in boarding schools for social rather than educational reasons, assist Indian tribes in the operation of tribal family development programs, and generally promote the stability and security of Indian families.

DEFINITIONS

SEC. 4. For purposes of this Act:

(a) "Secretary", unless otherwise designated, means the Secretary of the Interior.

(b) "Indian" means any person who is a member of or who is eligible for membership in a federally recognized Indian tribe.

(c) "Indian tribe" means any Indian tribe, band, nation, or other organized group or community of Indians recognized as eligible for the services provided by the Bureau of Indian Affairs to Indians because of their status as Indians, including any Alaska Native villages, as listed in section 11(b)(1) of the Alaska Native Claims Settlement Act (85 Stat. 688, 697).

(d)) "Indian organization" means any group, association, partnership, corporation, or other legal entity owned or controlled by Indians, or a majority of whose members are Indians.

(e) "Tribal court" means any Court of Indian Offenses, any court established, operated, and maintained by an Indian tribe, and any other administrative tribunal of a tribe which exercise juirsdiction over child welfare matters in the name of a tribe.

(f) "Nontribal public or private agency" means any Federal, State, or local government department, bureau, agency, or other office, including any court other than a tribal court, and any private agency licensed by a State or local government, which has jurisdiction or which performs functions and exercises responsibilities in the fields of social services, welfare, and domestic relations, including child placement.

(g) "Reservation" means Indian country as defined in section 1151 of title 18, United States Code and as used in this Act, shall include lands within former reservations where the tribes still maintain a tribal government, and lands held by Alaska Native villages under the provisions of the Alaska Native Claims Settlement Act (85 Stat. 688). In a case where it has been judicially determined that a reservation has been diminished, the term "reservation" shall include lands within the last recognized boundaries of such diminished reservation prior to enactment of the allotment or pending statute which caused such diminishment.

(h) "Child placement" means any proceedings, judicial, quasi-judicial, or administrative, voluntary or involuntary, and public or private action(s) under which an Indian child is removed by a nontribal public or private agency from (1) the legal custody of his parent or parents, (2) the custody of any extended family member in whose care he has been left by his parent or parents, or (3) the custody of any extended family member who otherwise has custody in accordance with Indian law or custom, or (4) under which the parental or custodial rights of any of the above mentioned persons are impaired.

(i) "Parent" means the natural parent of an Indian child or any person who has adopted an Indian child in accordance with State, Federal, or tribal law or custom.

(j) "Extended family member" means any grandparent, aunt, or uncle (whether by blood or marriage), brother or sister, brother or sister-in-law, niece or nephew, first or second cousin, or stepparent whether by blood, or adoption, over the age of eighteen or otherwise emancipated, or as defined by tribal law or custom.

TITLE I—CHILD PLACEMENT JURISDICTION AND STANDARDS

SEC. 101. (a) No placement of an Indian child, except as provided in this Act shall be valid or given any legal force and effect, except temporary placement under circumstances where the physical or emotional wellbeing of the child is immediately and seriously threatened, unless (1) his parent or parents and the extended family member in

whose care the child may have been left by his parent or parents or who otherwise has custody according to tribal law or custom, has been accorded not less than thirty days prior written notice of the placement proceeding, which shall include an explanation of the child placement proceedings, a statement of the facts upon which placement is sought, and a right: (A) to intervene in the proceedings as an interested party; (B) to submit evidence and present witnesses on his or her own behalf; and (C) to examine all reports or other documents and files upon which any decision with respect to child placement may be based; and (2) the party seeking to effect the child placement affirmatively shows that available remedial services and rehabilitative programs designed to prevent the breakup of the Indian family have been made available and proved unsuccessful.

(b) Where the natural parent or parents of an Indian child who falls within the provisions of this Act, or the extended family member in whose care the child may have been left by his parent or parents or who otherwise has custody in accordance with tribal law or custom, opposes the loss of custody, no child placement shall be valid or given any legal force and effect in the absence of a determination, supported by clear and convincing evidence, including testimony by qualified expert witnesses, that the continued custody of the child by his parent or parents, or the extended family member in whose care the child has been left, or otherwise has custody in accordance with tribal law or custom, will result in serious emotional or physical damage. In making such determination, poverty, crowded or inadequate housing, alcohol abuse or other nonconforming social behaviors on the part of either parent or extended family member in whose care the child may have been left by his parent or parents or who otherwise has custody in accordance with tribal law or custom, shall not be deemed prima facie evidence that serious physical or emotional damage to the child has occurred or will occur. The standards to be applied in any proceeding covered by this Act shall be the prevailing social and cultural standards of the Indian community in which the parent or parents or extended family member resides or with which the parent or parents or extended family member maintains social and cultural ties.

(c) In the event that the parent or parents of an Indian child consent to a child placement, whether temporary or permanent, such placement shall not be valid or given any legal force and effect, unless such consent is voluntary, in writing, executed before a judge of a court having jurisdiction over child placements, and accompanied by the witnessing judge's certificate that the consent was explained in detail, was translated into the parent's native language, and was fully understood by him or her. If the consent is to a nonadoptive child placement, the parent or parents may withdraw the consent at any time for any reason, and the consent shall be deemed for all purposes as having never been given. If the consent is to an adoptive child placement, the parent or parents may withdraw the consent for any reason at any time before the final decree of adoption: *Provided*, That no final decree of adoption may be entered within ninety days after the birth of such child or within ninety days after the parent or parents have given written consent to the adoption, whichever is later. Consent by the parent or parents of an Indian child given during pregnancy or within ten days after the birth of the child shall be conclusively presumed to be involuntary. A final decree of adoption may be set aside upon a showing that the child is again being placed for adoption, that the adoption did not comply with the requirements of this Act or was otherwise unlawful, or that the consent to the adoption was not voluntary. In the case of such a failed adoption, the parent or parents or the extended family member from whom custody was taken shall be afforded an opportunity to reopen the proceedings and petition for return of custody. Such prior parent or custodian shall be given thirty days notice of any proceedings to set aside or vacate a previous decree unless the prior parent or custodian waives in writing any right to such notice.

(d) No placement of an Indian child, except as otherwise provided by this Act, shall be valid or given any legal force and effect, except temporary placements under circumstances where the physical or emotional well-being of the child is immediately threatened, unless his parent or parents, or the extended family member in whose care the child may have been left or who otherwise has custody in accordance with tribal law or custom, has been afforded the opportunity to be represented by counsel or lay advocate as required by the court having jurisdiction.

(e) Whenever an Indian child previously placed in foster care or temporary placement by any nontribal public or private agency is committed or placed, either voluntarily or involuntarily in any public or private institution, including but not limited to a correctional facility, institution for juvenile delinquents, mental hospital or halfway house, or is transferred from one foster home to another, notification shall forthwith be made to the tribe with which the child has significant contacts and his parent or parents or extended family member from whom the child was taken. Such notice shall include the exact location of the child's present placement and the reasons for changing his placement. Notice shall be made thirty days before the legal transfer of the child effected, if possible, and in any event within ten days thereafter.

SEC. 102. (a) In the case of any Indian child who resides within an Indian reservation which maintains a tribal court which exercises jurisdiction over child welfare matters, no child placement shall be valid or given any legal force and effect, unless made pursuant to an order of the tribal court. In the event that a duly constituted Federal or State agency or any representation thereof has good cause to believe that there exists an immediate threat to the emotional or physical well-being of an Indian child, such child may be temporarily removed from the circumstances giving rise to the danger provided that immediate notice shall be given to the tribal authorities, the parents, and the extended family member in whose care the child may have been left or who otherwise has custody according to tribal law or custom. Such notice shall include the child's exact whereabouts and the precise reasons for removal. Temporary removals beyond the boundaries of a reservation shall not affect the exclusive jurisdiction of the tribal court over the placement of an Indian child.

(b) In the case of an Indian child who resides within an Indian reservation which possesses but does not exercise jurisdiction over child welfare matters, no child placement, by any nontribal public or private agency shall be valid or given any legal force and effect, except temporary placements under circumstances where the physical or emotional well-being of the child is immediately and seriously threatened, unless such jurisdiction is transferred to the State pursuant to a mutual agreement entered into between the State and the Indian tribe pursuant to subsection (j) of this section. In the event that no such agreement is in effect, the Federal agency or agencies servicing said reservation shall continue to exercise responsibility over the welfare of such child.

(c) In the case of any Indian child who is not a resident of an Indian reservation or who is otherwise under the jurisdiction of a State, if said Indian child has significant contacts with an Indian tribe, no child placement shall be valid or given any legal force and effect, except temporary placements under circumstances where the physical or emotional well-being of the child is immediately and seriously threatened, unless the Indian tribe with which such child has significant contacts has been accorded thirty days prior written notice of a right to intervene as an interested party in the child placement proceedings. In the event that the intervening tribe maintains a tribal court which has jurisdiction over child welfare matters, jurisdiction shall be transferred to such tribe upon its request unless good cause for refusal is affirmatively shown.

(d) In the event of a temporary placement or removal as provided in subsections (a), (b), and (c) above, immediate notice shall be given to the parent or parents, the custodian from whom the child was taken if other than the parent or parents, and the chief executive officer or such other person as such tribe or tribes may designate for receipt of notice. Such notice shall include the child's exact whereabouts, the precise reasons for his or her removal, the proposed placement plan, if any, and the time and place where hearings will be held if a temporary custody order is to be sought. In addition, where a tribally operated or licensed temporary child placement facility or program is available, such facilities shall be utilized. A temporary placement order must be sought at the next regular session of the court having jurisdiction and in no event shall any temporary or emergency placement exceed seventy-two hours without an order from the court of competent jurisdiction.

(e) For the purposes of this Act, an Indian child shall be deemed to be a resident of the reservation where his parent or parents, or the extended family member in whose care he may have been left by his parent or parents or who otherwise has custody in accordance with tribal law or custom, is resident.

(f) the purpose of this Act, whether or not a nonreservation resident Indian child has significant contacts with an Indian tribe shall be an issue of fact to be determined by the court on the basis of such considerations as: Membership in a tribe, family ties within the tribe, prior residency on the reservation for appreciable periods of time, reservation domicile, the statements of the child demonstrating a strong sense of self-identity as an Indian, or any other elements which reflect a continuing tribal relationship. A finding that such Indian child does not have significant contacts with an Indian tribe sufficient to warrant a transfer of jurisdiction to a tribal court under subsection (c) of this section does not waive the preference standards for placement set forth in section 103 of this Act.

(g) It shall be the duty of the party seeking a change of the legal custody of an Indian child to notify the parent or parents, the extended family members from whom custody is to be taken, and the chief executive of any tribe or tribes with which such child has significant contacts by mailing prior written notice by registered mail to the parent or parents, or extended family member, and the chief executive officer of the tribe, or such other persons as such tribe or tribes may designate: *Provided*, That the judge or hearing officer at any child placement proceeding shall make a good faith determination of whether the child involved is Indian and, if so, whether the tribe or tribes with which the child has significant contacts were timely notified.

(h) Any program operated by a public or private agency which removes Indian children from a reservation area and places them in family homes as an incident to their attendance in schools located in communities in off-reservation areas and which are not educational exemptions as defined in the Interstate Compact on the Placement of

Children shall not be deemed child placements for the purposes of this Act. Such programs shall provide the chief executive officer of said tribe with the same information now provided to sending and receiving states which are members of the Interstate Compact on the Placement of Children. This notification shall be facilitated by mailing written notice by registered mail to the chief executive officer or other such person as the tribe may designate.

(i) Notwithstanding the Act of August 15, 1953 (67 Stat. 588), as amended, or any other Act under which a State has assumed jurisdiction over child welfare of any Indian tribe, upon sixty days written notice to the State in which it is located, any such Indian tribe may reassume the same jurisdiction over such child welfare matters as any other Indian tribe not affected by such Acts: *Provided*, That such Indian tribe shall first establish and provide mechanisms for implementation of such matters which shall be subject to the review and approval of the Secretary of the Interior. In the event the Secretary does not approve the mechanisms which the tribe proposed within sixty days, the Secretary shall provide such technical assistance and support as may be necessary to enable the tribe to correct any deficiencies which he has identified as a cause for disapproval. Following approval by the Secretary, such reassumption shall not take effect until sixty days after the Secretary provides notice to the State which is asserting such jurisdiction. Except as provided in section 102(c), such reassumption shall not affect any action or proceeding over which a court has already assumed jurisdiction and no such actions or proceeding shall abate by reason of such reassumption.

(j) The States and tribes are specifically authorized to enter into mutual agreements or compacts with each other, respecting the care, custody, and jurisdictional authority of each party over any matter within the scope of this Act, including agreements which provide for transfer of jurisdiction on a case-by-case basis, and agreements which provide for concurrent jurisdiction between the States and the tribes. The provisions of the Act of August 15, 1953 (67 Stat. 588), as amended by title IV of the Act of April 11, 1968 (82 Stat. 78) shall not limit the powers of States and tribes to enter into such agreements or compacts. Any such agreements shall be subject to revocation by either party upon sixty days written notice to the other. Except as provided in section 102(c), such revocation shall not affect any action or proceeding over which a court has already assumed jurisdiction and no such action or proceeding shall abate by reason of such revocation: *And provided further*, That such agreements shall not waive the rights of any tribe to notice and intervention as provided in this Act nor shall they alter the order of preference in child placement provided in this title. The Secretary of the Interior shall have sixty days after notification to review any such mutual agreements or compacts or any revocation thereof and in the absence of a disapproval for good cause shown, such agreement, compact, or revocation thereof shall become effective.

(k) Nothing in this Act shall be construed to either enlarge or diminish the jurisdiction over child welfare matters which may be exercised by either State or tribal courts or agencies except as expressly provided in this Act.

SEC. 103. (a) In offering for adoption an Indian child, in the absence of good cause shown to the contrary, a preference shall be given in the following order: (1) to the child's extended family; (2) to an Indian home on the reservation where the child resides or has significant contacts; (3) to an Indian home where the family head or heads are members of the tribe with which the child has significant contracts; and (4) to an Indian home approved by the tribe: *Provided, however*, That each Indian tribe may modify or amend the foregoing order of preference and may add or delete preference categories by resolution of its government.

(b) In any nonadoptive placement of an Indian child, every nontribal public or private agency, in the absence of good cause shown to the contrary, shall grant preferences in the following order: (1) to the child's extended family; (2) to a foster home, if any, licensed or otherwise designated by the Indian tribe occupying the reservation of which the child is a resident or with which the child has significant contacts; (3) to a foster home, if any, licensed by the Indian tribe of which the child is a member or is eligible for membership; (4) to any other foster home within an Indian reservation which is approved by the Indian tribe of which the child is a member or is eligible for membership in or with which the child has significant contacts; (5) to any foster home run by an Indian family; and (6) to a custodial institution for children operated by an Indian tribe, a tribal organization, or nonprofit Indian organization: *Provided, however*, That each Indian tribe may modify or amend the foregoing order of preferences, and may add or delete preference categories, by resolution of its government body.

(c) Every nontribal public or private agency shall maintain a record evidencing its efforts to comply with the order of preference provided under subsections (a) and (b) in each case of an Indian child placement. Such records shall be made available, at any time upon request of the appropriate tribal government authorities.

(d) Where an Indian child is placed in a foster or adoptive home, or in an institution, outside the reservation of which the child is a resident or with which he maintains significant contacts, pursuant to an order of a tribal court, the tribal court shall retain continuing jurisdiction over such child until the child attains the age of eighteen.

SEC. 104. In order to protect the unique rights associated with an individual's membership in an Indian tribe, after an Indian child who has been previously placed attains the age of eighteen, upon his or her application to the court which entered the final placement decree, and in the absence of good cause shown to the contrary, the child shall have the right to learn the tribal affiliation of his parent or parents and such other information as may be necessary to protect the child's rights flowing from the tribal relationship.

SEC. 105. In any child placement proceeding within the scope of this Act, the United States, every State, every territory or possession of the United States, and every Indian tribe shall give full faith and credit to the laws of any Indian tribe applicable to a proceeding under the Act and to any tribal court orders relating to the custody of a child who is the subject of such a proceeding.

TITLE II—INDIAN FAMILY DEVELOPMENT

SEC. 201. (a) The Secretary of the Interior is hereby authorized, under such rules and regulations as he may prescribe, to carry out or make grants to Indian tribes and Indian organizations for the purpose of assisting such tribes or organizations in the establishment and operation of Indian family development programs on or near reservations, as described in this section, and in the preparation and implementation of child welfare codes. The objective of every Indian family development program shall be to prevent the breakup of Indian families and, in particular, to insure that the permanent removal of an Indian child from the custody of his parent or parents, or the custody of any extended family member in whose care he has been left by his parent or parents, or one who otherwise has custody according to tribal law or custom, shall be effected only as a last resort. Such family development programs may include, but are not limited to, some or all of the following features:

(1) a system for licensing or otherwise regulating Indian foster and adoptive homes;

(2) the construction, operation, and maintenance of family development centers, as defined in subsection (b) hereof;

(3) family assistance, including homemakers and home counselors, day care, after school care, and employment, recreational activities, and respite services;

(4) provision for counseling and treatment of Indian families and Indian children;

(5) home improvement programs;

(6) the employment of professional and other trained personel to assist the tribal court in the disposition of domestic relations and child welfare matters;

(7) education and training of Indians, including tribal court judges and staff, in skills relating to child welfare and family assistance programs;

(a) a subsidy program under which Indian adoptive children are provided the same support as Indian foster children; and

(9) guidance, legal representation, and advice to Indian families involved in tribal or nontribal child placement proceedings.

(b) Any Indian foster or adoptive home licensed or designated by a tribe (1) may accept Indian child placements by a nontribal public or private agency and State funds in support of Indian children; and (2) shall be granted preference in the placement of an Indian child in accordance with title I of this Act. For purposes of qualifying for assistance under any federally assisted program, licensing by a tribe shall be deemed equivalent to licensing by a State.

(c) Every Indian tribe is authorized to construct, operate, and maintain a family development center which may contain, but shall not be limited to—

(1) facilities for counseling Indian families which face disintegration and, where appropriate, for the treatment of individual family members;

(2) facilities for the temporary custody of Indian children whose natural parent or parents, or extended family member in whose care he has been left by his parent or parents or one who otherwise has custody according to tribal law or custom, are temporarily unable or unwilling to care for them or who otherwise are left temporarily without adequate adult supervision by an extended family member.

SEC. 202. (a) The Secretary is also authorized under such rules and regulations as he may prescribe to carry out, or to make grants to Indian organizations to carry out, off-reservation Indian family development programs, as described in this section.

(b) Off-reservation Indian family development programs operated through grants with local Indian organizations, may include, but shall not be limited to, the following features:

(1) a system for regulating, maintaining, and supporting Indian foster and adoptive homes, including a subsidy program under which Indian adoptive children are provided the same support as Indian foster children;

(2) the construction, operation, and maintenance of family development centers providing the facilities and services set forth in section 201(d);

(3) family assistance, including homemakers and home counselors, day care, after school care, and employment, recreational activities, and respite services;

(4) provision for counseling and treatment both of Indian families which face disintegration and, where appropriate, of Indian foster and adoptive children; and

(5) guidance, representation, and advice to Indian families involved in child placement proceedings before nontribal public and private agencies.

SEC. 203. (a) In the establishment, operation, and funding of Indian family development programs, both on or off reservation, the Secretary may enter into agreements or other cooperative arrangements with the Secretary of Health, Education, and Welfare, and the latter Secretary is hereby authorized for such purposes to use funds appropriated for similar programs of the Department of Health, Education, and Welfare.

(b) There are authorized to be appropriated $26,000,000 during fiscal year 1979 and such sums thereafter as may be necessary during each subsequent fiscal year in order to carry out the purposes of this title.

TITLE III—RECORDKEEPING, INFORMATION AVAILABILITY, AND TIMETABLES

SEC. 301. (a) The Secretary of the Interior is authorized and directed under such rules and regulations as he may prescribe, to collect and maintain records in a single, central location of all Indian child placements which are effected after the date of this Act which records shall show as to each such placement the name and tribal affiliation of the child, the names and addresses of his natural parents and the extended family member, if any, in whose care he may have been left, the names and addresses of his adoptive parents, the names and addresses of his natural siblings, and the names and locations of any tribal or nontribal public or private agency which possess files or information concerning his placement. Such records shall not be open for inspection or copying pursuant to the Freedom of Information Act (80 Stat. 381), as amended, but information concerning a particular child placement shall be made available in whole or in part, as necessary to an Indian child over the age of eighteen for the purpose of identifying the court which entered his final placement decree and furnishing such court with the information specified in section 104 or to the adoptive parent or foster parent of an Indian child or to an Indian tribe for the purpose of assisting in the enrollment of said Indian child in the tribe of which he is eligible for membership and for determining any rights or benefits associated with such membership. The records collected by the Secretary pursuant to this section shall be privileged and confidential and shall be used only for the specific purposes set forth in this Act.

(b) A copy of any order of any nontribal public or private agency which effects the placement of an Indian child within the coverage of this Act shall be filed with the Secretary of the Interior by mailing a certified copy of said order within ten days from the date such order is issued. In addition, such public or private agency shall file with the Secretary of the Interior any further information which the Secretary may require by regulations in order to fulfill his recordkeeping functions under this Act.

SEC. 302. (a) The Secretary is authorized to perform any and all acts and to make rules and regulations as may be necessary and proper for the purpose of carrying out the provisions of this Act.

(b) (1) Within six months from the date of this Act, the Secretary shall consult with Indian tribes, Indian organizations, and Indian interest agencies in the consideration and formation of rules and regulations to implement the provisions of this Act.

(2) Within seven months from the date of enactment of this Act, the Secretary shall present the proposed rules and regulations to the Select Committee on Indian Affairs of the United States Senate and the Committee on Interior and Insular Affairs of the United States House of Representatives, respectfully.

(3) Within eight months from the date of enactment of this Act, the Secretary shall publish proposed rules and regulations in the Federal Register for the purpose of receiving comments from interested parties.

(4) Within ten months from the date of enactment of this Act, the Secretary shall promulgate rules and regulations to implement the provisions of this Act.

(c) The Secretary is authorized to revise and amend any rules and regulations promulgated pursuant to this section: *Provided*, That prior to any revision or amendment to such rules or regulations, the Secretary shall present the proposed revision or amendment to the Select Committee on Indian Affairs of the United States Senate and the Committee on Interior and Insular Affairs of the United States House of Representatives, respectively, and shall, to the extent practicable, consult with the tribes, organizations, and agencies specified in subsection (b) (1) of this section and shall publish any proposed revisions in the Federal Register not less than sixty days prior to the effective date of such rules and regulations in order to provide adequate notice to, and receive comments from, other interested parties.

TITLE IV—PLACEMENT PREVENTION STUDY

SEC. 401. (a) It is the sense of Congress that the absence of locally convenient day schools contributes to the breakup of Indian families and denies Indian children the equal protection of the law.

(b) The Secretary is authorized and directed to prepare and to submit to the Select Committee on Indian Affairs of the United States Senate and the Committee on Interior and Insular Affairs and Committee on Education and Labor of the United States House of Representatives, respectively, within one year from the date of enactment of this Act, a plan, including a cost analysis statement, for the provision to Indian children of schools located near the students home. In developing this plan, the Secretary shall give priority to the need for educational facilities for children in the elementary grades.

Mr. HATFIELD. Mr. President, a question has been raised regarding the geographical area over which a tribe is authorized to exercise original jurisdiction over child placement matters under this bill. The definition of Indian reservation found at page 5, section 4(g) is the relevant provision here. The definition speaks of three categories of Indian reservations, those presently recognized under Federal law and defined at 18 United States Code, section 1151 (the definition of Indian country), former reservations which have been disestablished, and reservations whose boundaries have been judicially determined to be diminished or disestablished. It is my understanding, and I would like to ask Senator ABOUREZK, the bill sponsor and chairman of the Indian Committee, to confirm this understanding, that where there has not been a judicial determination of diminishment or disestablishment, the boundaries of the reservation within which a tribe is authorized to exercise original jurisdiction are those boundaries presently recognized by the Federal Government pursuant to 18 United States Code, section 1151.

Mr. ABOUREZK. Yes; that is correct. The bill is quite specific on this point. The intent of this provision is not to expand the present federally recognized boundary of a tribe but simply to authorize those tribes whose reservations have already been diminished or disestablished by judicial determination, to exercise jurisdiction over the placement of Indian children within their former, or last recognized reservation boundary. That is, as recognized prior to such judicial determination.

Mr. HATFIELD. Therefore, in the case of the Umatilla Reservation in Oregon, for example, where there has not been such a judicial determination, the reservation boundaries shall continue to be those presently recognized by the Federal Government under 18 United States Code, section 1151.

Mr. ABOUREZK. Yes, that is correct. I would add, that the term former reservation would not apply to the Umatilla tribe either, since their reservation is not a former reservation as defined by this provision, but a presently existing one. Under the law, a reservation simply cannot fall into both categories at the same time and, therefore, there is no basis for concluding that any former boundaries associated with the Umatilla's former reservation would be recognized by this act. I might also add that this act authorizes tribal jurisdiction only over child placement matters involving Indian children.

Mr. HATFIELD. Thank you, Mr. President, I have one additional question. As you know, we very recently enacted legislation to restore the Siletz Indian tribe to recognized status for purposes of Federal service eligibility. It is my understanding that this bill would not affect the former reservation boundaries of formerly terminated tribes as distinguished from tribes who have not been terminated, but whose reservations have been disestablished. With respect to formerly terminated tribes such as the Siletz where the restoration statute did not reestablish a reservation, this bill does not authorize original tribal jurisdiction over their former reservation.

Mr. ABOUREZK. Yes, that is correct, the term "former reservation" clearly does not apply to terminated tribes whether or not they have been restored and, consequently, there can be no argument that the bill authorizes original tribal jurisdiction over their former reservation boundaries.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ELY INDIAN COLONY

The bill (H.R. 6348) to convey to the Ely Indian Colony the beneficial interest in certain Federal land, was considered, ordered to a third reading, read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that it be in order to move en bloc to reconsider the votes by which the various measures were passed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I make that motion.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I yield to the distinguished majority whip.

The PRESIDING OFFICER. The Senator from California.

CALIFORNIA CANNERS AND GROWERS

Mr. CRANSTON. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of calendar order No. 530, Senate Resolution 225.

The PRESIDING OFFICER. The resolution will be stated.

The legislative clerk read as follows:

A resolution (S. Res. 225) to refer the bill (S. 1894) entitled "A bill for the relief of California Canners and Growers, a nonprofit cooperative association organized under the Agricultural Code of the State of California."

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, would the distinguished Senator add to his request that no amendments to this resolution be in order?

Mr. CRANSTON. I so request.

Mr. ROBERT C. BYRD. I have no objection.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

The resolution was considered and agreed to, as follows:

Resolved, That bill (S. 1894) entitled "A bill for the relief of California Canners and Growers, a nonprofit cooperative association organized under the Agricultural Code of the State of California", now pending in the Senate, together with all the accompanying papers, is referred to the Chief Commissioner of the United States Court of Claims, and the Chief Commissioner shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28, United States Code, notwithstanding the bar of any statute of limitation, laches, or bar of sovereign immunity, and report thereon to the Senate, at the earliest practicable date, giving such findings of fact and conclusion thereon as shall be sufficient to inform the Congress of the nature and character of the demand of the claim, legal or equitable, against the United States, or a gratuity in the amount, if any, legally or equitably due from the United States to the claimant.

Mr. ROBERT C. BYRD. I move to reconsider the vote by which the resolution was agreed to.

Mr. CRANSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

STRUCTURAL REQUIREMENTS FOR INTERMODAL CARGO CONTAINERS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be discharged from further consideration of H.R. 8159, and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

An act (H.R. 8159) to establish uniform structural requirements for intermodal cargo containers, subject to the jurisdiction of the United States, designed to be transported interchangeably by sea and land carriers, and moving in, or designed to move in, international trade, and for other purposes.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

UP AMENDMENT NO. 1076

(Purpose: To formalize common international safety requirements for the approval, examination, and inspection of containers within the jurisdiction of the United States, and for other purposes.)

Mr. ROBERT C. BYRD. Mr. President, there is an amendment at the desk consisting of the text of the Senate bill, S. 1597. I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from West Virginia (Mr. ROBERT C. BYRD), for the Senator from Washington (Mr. MAGNUSON), proposes an unprinted amendment numbered 1076.

The amendment is as follows:

Beginning on page 1, strike out all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "International Safe Container Act".

SEC. 2. DEFINITIONS.

As used in this Act—

(a) The term "Secretary" means the Secretary of Transportation.

(b) The term "Convention" means the International Convention for Safe Containers, and the annexes thereteo, done at Geneva, Switzerland, December 2, 1972.

(c) The term "container" shall have the same meaning as that term is defined in the Convention.

(d) The term "international transport" means the transportation of a container—

(1) to any place within the jurisdiction of the United States from a place within a foreign country;

(2) by United States carriers between two points both of which are outside of the United States; or

(3) from any place within the jurisdiction of the United States to any place within a foreign country.

(e) The term "United States" includes the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Canal Zone, Guam, American Samoa, the United States Virgin Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

(f) The term "new container" means a container (other than a container specially designed for air transport) which is used or is designed for use in international transport, the construction of which began on or after September 6, 1977.

(g) The term "existing container" means a container (other than a container specially designed for air transport) which is used or is designed for use in international transport and which is not a new container.

(h) The term "owner" means a person who owns a container, or, if a written lease or bailment provides for the lessee or bailee to exercise the owner's responsibility for maintaining and examining the container, the lessee or bailee of a container, to the extent such agreement so provides.

(i) The term "safety approval plate" shall have the same meaning as that term is defined in annex I of the Convention.

SEC. 3. DUTIES OF AN OWNER.

(a) Beginning on the date the instrument of ratification is deposited by the United States in accordance with the provisions of article VII of the Convention, for new containers, and beginning on September 6, 1982, for existing containers, the owner of each such container—

(1) who is domiciled and has his principal office in the United States, shall have each such container initially approved in accordance with the procedure established by the Secretary or by the administration of another contracting party to the Convention; and shall, thereafter, have each such container periodically examined, as provided in the Convention, in accordance with the procedure established by the Secretary; and

(2) who is either domiciled or has his principal office in the United States, shall have each such container initially approved in accordance with the procedure established by the Secretary or by the administration of another contracting party to the Convention; and shall, thereafter, have each such container periodically examined, as provided in the Convention, in accordance with the procedure established by the administration of either the country where he is domiciled or has his principal office (so long as such country is a party to the Convention).

Any owner of either a new or existing container who is neither domiciled nor maintains a principal office in the United States, or in any other country which is a party to the Convention, may submit their containers for approval and periodic examination according to the procedure established by the Secretary.

(b) During the period beginning on the date the instrument of ratification is deposited by the United States in accordance with the provisions of article VII of the Convention, and before September 6, 1982, an owner of an existing container may have such container approved according to the procedure established by the Secretary, and have a safety approval plate affixed to it, if such container is found to meet the standards of the Convention.

SEC. 4. DUTIES OF THE SECRETARY.

(a) On and after the date the instrument of ratification is deposited by the United States in accordance with the provisions of article VII of the Convention, the Secretary shall enforce and carry out the provisions of the Convention, and, unless an earlier date is specifically provided, the provisions of this Act, in the United States.

(b) The Secretary shall, as soon as practicable after the date of enactment of this Act, promulgate, and from time to time, amend, those regulations he deems necessary for such enforcement. Such regulations, among other things, shall—

(1) establish procedures for the testing, inspection, and initial approval of existing and new containers and of designs for new containers, including procedures relating to the affixing, invalidating, and removal of safety approval plates for containers;

(2) establish procedures to be followed by owners of containers relating to the periodic examination of containers, as provided in the Convention; and

(3) provide a method of developing, collecting, and disseminating data concerning container safety and the international transport of containers.

(c) At any time after the date of enactment of this Act, the Secretary may—

(1) authorize the affixation of a safety approval plate to any container which, after examination, is found not to have a safety approval plate attached to it and which the owner has established meets the standards of the Convention;

(2) delegate and withdraw the delegation of authority to initially approve existing and

new containers and designs for new containers, and to authorize the affixing of safety approval plates; and

(3) establish a schedule of fees to be charged and collected for services performed by the Secretary, or under authority delegated by the Secretary, relating to the testing, inspection, and initial approval of containers and container designs.

(d) Those delegations made under subsection (c)(2) may be made to any person, including any public or private agency or nonprofit organization. The Secretary before making any delegation under such subsection, shall promulgate regulations relating to—

(1) the criteria to be followed in selecting a person, public or private agency, or nonprofit organization as a recipient of delegated functions under such subsection;

(2) the manner in which such recipient shall carry out such delegated functions, including the records such recipient must keep, and a detailed description of the exact functions such recipient may exercise; and

(3) the review that will be carried out by the Secretary to determine that any recipient of delegated functions is performing properly the functions so delegated.

No recipient of authority delegated under such subsection may assess or collect, or attempt to assess or collect, any penalty for violation of any provision of this Act, the Convention, or any order of the Secretary issued under this Act, or issue or attempt to issue any detention or other order. Any records required to be kept by regulations promulgated by the Secretary under this subsection shall be available to the Secretary, for inspection, upon request. The name and address of the recipient, if other than the owner, together with the functions so delegated and the period of designation, shall be published in the Federal Register and otherwise publicized as appropriate.

(e) The Secretary shall, to the maximum possible extent, encourage the development and use of intermodal transport, using containers constructed to facilitate economical, safe, and expeditious handling of containerized cargo without intermediate reloading while such cargo is in transport over land, air, and sea areas.

SEC. 5. ENFORCEMENT.

(a)(1) On and after the date the instrument of ratification is deposited by the United States in accordance with the provisions of article VII of the Convention, to ensure compliance with this Act, and with the Convention, the Secretary may—

(A) examine, or require to be examined, new containers, and existing containers which are subject to this Act, in international transport, and test, inspect, and approve designs for new containers and new containers being manufactured;

(B) issue a detention order removing or excluding a container from service until the owner of the container establishes to the Secretary's satisfaction that the container meets the standards of the Convention, if the container is subject to this Act and does not have a valid safety approval plate attached to it, or if there is significant evidence that such a container bearing a safety approval plate is in a condition which creates an obvious risk to safety; and

(C) take whatever other appropriate action he deems necessary, including issuance of any necessary orders, to remove the container involved from service, or restrict its use, in those instances where he finds that a container is not in compliance with the provisions of this Act or the Convention but does not present an obvious risk to safety. The Secretary may permit the movement to another location of a container which he finds to be unsafe or which does not have a valid safety approval plate affixed to it, under whatever restriction he considers necessary and consistent with the intent of the Convention, for repair or other appropriate disposition.

(2) Beginning on September 6, 1982, the Secretary may examine or require to be examined any existing container in international transport.

(b) The owner of the container involved in any action taken by the Secretary under this section with respect to an examination of a container, shall pay for or reimburse the Secretary for expenses arising from such actions, except for the costs of routine examinations of containers or safety approval plates. In addition, the owner of containers submitted to the procedure established by the Secretary for testing, inspection, and initial approval, and the manufacturers who submit designs of containers to the procedures established by the Secretary for testing, inspection, and initial approval shall pay for or reimburse the Secretary for the expenses arising from such testing, inspection or approval. Funds received by the Secretary in reimbursement shall be credited to the appropriations bearing the cost thereof.

(c) A container bearing a safety approval plate authorized by a country which is a party to the Convention shall be presumed to be in a safe condition unless there is significant evidence that the container creates an obvious risk to safety.

(d) Whenever the Secretary issues a detention or other order under this section, he shall promptly notify, in writing, either the owner of the container subject to such order, his agent, or, when the identity of such owner is not apparent from the container of shipping documents, the custodian. The notification shall reasonably identify the container involved, give the location of the container, and reasonably describe the condition or situation which gave rise to the order. An order issued by the Secretary under this section shall remain in effect until the container is declared by the Secretary, or under regulations promulgated by the Secretary, to be in compliance with the standards of the Convention, or until it is permanently removed from service, whichever first occurs.

(e) If there is reason to believe that a container to which there is affixed a safety approval plate issued by a foreign country was defective at the time of approval, the Secretary shall notify the country which issued the approval of such defect.

SEC. 6. PENALTIES.

(a) On and after the date the instrument of ratification is deposited by the United States in accordance with the provisions of article VII of the Convention, any owner, agent or custodian who—

(1) has been notified of an order issued by the Secretary under section 5; and

(2) fails to take reasonable and prompt action to prevent or stop a container subject to that order from being moved in violation of that order;

shall be subject to a civil penalty of not more than $5,000 for each countainer so moved. Each day the container remains in service while the order is in effect shall be treated as a separate violation.

(b) The Secretary shall assess and collect any penalty incurred under this section, and, in his direction may remit, mitigate, or compromise any such penalty. No penalty shall be assessed until after the person charged has been given notice and an opportunity for a hearing. In assessing, remitting, mitigating, or compromising a penalty the Secretary shall consider the gravity of the violation, the hazards involved, and the record of the person charged with respect to violations of this Act or of the Convention. Upon failure of any person to pay any penalty assessed against him by the Secretary, the Secretary shall request the Attorney General to begin an action in any district court of the United States to recover the amount of the penalty unpaid.

SEC. 7. EMPLOYEE PROTECTION.

(a) No person shall discharge or in any manner discriminate against an employee because the employee has reported the existence of an unsafe container or reported a violation of this Act to the Secretary or his agents.

(b) An employee who believes that he has been discharged or discriminated against in violation of this section may within 60 days after the violation occurs, file a complaint alleging discrimination with the Secretary of Labor.

(c) The Secretary of Labor may investigate the complaint and, if he determines that this section has been violated, bring an action in an appropriate United States district court. The district court shall have jurisdiction to restrain violations of subsection (a) of this section and to order appropriate relief, includng rehiring and reinstatement of the employee to his former position with back pay.

(d) Within 30 days after the receipt of a complaint filed under this section the Secretary of Labor shall notify the complainant of his intended action regarding the complaint.

SEC. 8. AMENDMENTS TO THE CONVENTION.

(a) The Secretary of State, with the concurrence of the Secretary, may propose amendments to the Convention or may request a conference for amending the Convention in accordance with article IX of the Convention. An amendment communicated to the United States in accordance with article IX(2) of the Convention may be accepted for the United States by the President, with the advice and consent of the Senate. The President may make a declaration that the United States does not accept an amendment.

(b) The Secretary of State, with the concurrence of the Secretary, may propose amendments to the annexes of the Convention, may propose a conference for amending annexes to the Convention and shall consider and act on amendments to the annexes of the Convention adopted by the Maritime Safety Committee and communicated to the United States in accordance with article X(2) of the Convention. If a proposed amendment is approved by the United States, the amendment shall enter into force in accordance with article X of the Convention. If any proposed amendment is objected to, the Secretary of State shall promptly communicate the objection as provided in article X (3) of the Convention.

(c) The Secretary of State, with the concurrence of the Secretary, shall appoint an arbitrator when one is required to resolve a dispute within the meaning of article XIII of the Convention.

SEC. 9. AUTHORIZATION OF APPROPRIATION.

Beginning with the fiscal year ending September 30, 1979, and for each fiscal year thereafter, there are authorized to be appropriated such sums as are necessary to carry out the provisions of this Act.

The PRESIDING OFFICER. The question is on agreeing to the amendment in the nature of a substitute.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

U.S. RAILWAY ASSOCIATION AUTHORIZATIONS

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 4049.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (H.R. 4049) to amend the Regional Rail Reorganization Act of 1973 to authorize additional appropriations for the U.S. Railway Association.

(The amendment of the House is printed in the proceedings of the House in the RECORD of today.)

Mr. ROBERT C. BYRD. Mr. President, on behalf of the Senator from Washington (Mr. MAGNUSON), I move that the Senate concur in the House amendment to the Senate amendment.

The motion was agreed to.

S. 897—VITIATION OF UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, an agreement was entered into earlier today—as a matter of fact quite a long time ago, something like 14 hours—with respect to the nuclear nonproliferation bill, and it was subject to vitiation by either the minority or the majority leader.

It is my understanding from the minority leader that that agreement will have to be vitiated.

Mr. BAKER. Mr. President, if the majority leader will yield to me, apparently that is so. I am not quite sure at what point negotiations broke down once again, but apparently they have, and I join the majority leader in requesting the unanimous-consent order entered earlier today be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I wish to say to the distinguished minority leader that I will continue to hope, as I believe he does also, that eventually an agreement can be worked out whereby that measure can be taken up early next year under a time limitation agreement.

Mr. BAKER. Mr. President, I join the majority leader in that hope. A great deal of work by more than one committee has gone into this matter. It appears they are tantalizingly close to an agreement on the measure and the procedure for handling the problem; so I join the majority leader in his hope for consideration of the measure early next year.

REDWOOD NATIONAL PARK

Mr. ROBERT C. BYRD. Mr. President, I have not discussed this with the distinguished minority leader, but I wonder if we could please the distinguished majority whip (Mr. CRANSTON) by getting an order entered at this time to proceed—on the 19th day of January when the Senate returns to begin the second session of the 95th Congress, after the two leaders or their designees have been recognized on that day under the standing order—to the consideration of S. 1976, a bill to add certain lands to the Redwood National Park in the State of California, to strengthen the economic base of the affected region, and for other purposes.

As I say, I have not mentioned this to the minority leader, and I will understand if he cannot enter into such an order, but there is a time limitation agreement on that measure, and I think that would be very pleasing to the Senator from California.

Mr. CRANSTON. Mr. President, I would be most grateful if that could be done.

Mr. ROBERT C. BYRD. I thought the Senator from California would feel that way.

Mr. BAKER. Mr. President, I ask that both the majority leader and the majority whip bear with me while I explain what I must say. I reluctantly must say I cannot agree to that at this time, for two reasons, one of those being the ending of the session before the statutory August nonlegislative period. There is also another matter. The simple fact is that while I have no objection to that procedure, the junior Senator from California (Mr. HAYAKAWA) is not present in the Chamber at this hour, it being 11:25 at night. I would be reluctant to proceed without him here, and there is no practical way to consult with him.

Let me offer an alternative suggestion in exchange: as soon as we return on the 28th, or during one of the pro forma sessions, if it is possible to clear that, I will be perfectly happy to try to formulate such an agreement at one of those periods.

Mr. ROBERT C. BYRD. I appreciate that, and I can understand the minority leader's reluctance to agree.

Mr. CRANSTON. I, too, understand the minority leader's position in that regard.

Mr. ROBERT C. BYRD. It was a fleeting thought that struck me, that I had no opportunity to discuss with either the minority leader or the majority whip. I do appreciate the minority leader's suggestion, and I hope we can work something out.

ORDER TO HOLD HOUSE CONCURRENT RESOLUTION 397 AT THE DESK

Mr. ROBERT C. BYRD. I ask unanimous consent that House Concurrent Resolution 397 be held at the desk pending further order.

The PRESIDING OFFICER. Without objection, it is so ordered.

WAR ON AMYOTROPHIC LATERAL SCLEROSIS

Mr. CRANSTON. Mr. President, I report from the Committee on Human Resources Senate Concurrent Resolution 26, and ask unanimous consent for its immediate consideration. This has been cleared on all sides.

The PRESIDING OFFICER. The concurrent resolution will be stated. Will the Senator send a copy of this resolution to the desk?

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 26) declaring a state of war against amyotrophic lateral sclerosis.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

The Senate proceeded to consider the concurrent resolution, which had been reported from the Committee on Human Resources with an amendment as follows:

Strike out all after the resolving clause and insert the following:

That it is the sense of Congress that action should be taken to focus national attention on the extent and consequences of amyotrophic lateral sclerosis and on the need for finding a cure for this disease.

Mr. CRANSTON. Mr. President, this resolution entails no expenditures of funds at all. It is cosponsored by 60 Senators. It focuses attention on the need for action to find a cure for amyotrophic lateral sclerosis, the disease that took Lou Gehrig's life. It is acceptable to the leadership of the House Commerce Committee's Subcommittee on Health and the Environment.

Mr. President, I wish to point out that the title of the resolution will be amended to read: "Expressing the sense of the Senate that action should be taken to focus national attention on the extent and consequences of and the need to find a cure for amyotrophic lateral sclerosis."

Mr. President, I ask unanimous consent that excerpts from the committee report on Senate Concurrent Resolution 26, filed today, be printed in the RECORD at this point.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

EXCERPTS FROM COMMITTEE REPORT ON S. CON. RES. 26

INTRODUCTION

S. Con. Res. 26 was introduced on May 18, 1977, by Senators Alan Cranston, S. I. Hayakawa, and Mark O. Hatfield and referred to the Committee on Human Resources. On October 5, 1977, the resolution was reported from the Subcommittee on Health and Scientific Research and on October 20, 1977, the resolution was ordered favorably reported with amendments from the full Committee.

SUMMARY OF S. CON. RES. 26 AS REPORTED

Basic purpose

The basic purpose of S. Con. Res. 26 is to express the sense of Congress that action should be taken to focus national attention on the extent and consequences of amyotrophic lateral sclerosis and the need to find a cure for that disease.

Summary of provisions

The resolution sets forth the serious nature of amyotrophic lateral sclerosis, its impact on the quality of life of its victims and their families, its negative economic, social, and psychological impact, the failure of biomedical research to find a cause of and a cure for the disease, and expresses the sense of Congress that national attention should be focused on the extent and consequences of amyotrophic lateral sclerosis and the need to find a cure for this disease. The resolution does not commit any Federal resources to this goal but rather seeks to pro-

vide impetus and recognition for activities to mobilize private sector resources to achieve this important goal.

Discussion

Amyotrophic lateral sclerosis (ALS) is a relentless disorder affecting adults. It attacks the motor neurons—the nerve cells which control muscles—in the brain and spinal cord to produce progressive weakness and wasting of muscle tissue. Intellectual function is not impaired; patients remain fully alert and aware of events concerning and surrounding them.

To date no treatment has proven effective against ALS. Its cause is still unknown.

Thousands of Americans are diagnosed each year as having ALS. These individuals and their families suffer deeply from the impact of ALS.

Given the current absence of adequate treatment for many of the problems attending muscular weakness, the inventiveness and attentiveness of those caring for ALS patients can often make the biggest difference in the quality of the patient's life. Hence, many of these family members have been instrumental in developing organizational structures through which they can provide moral support and educational services to ALS victims and their families and help them live with the disease until a cure can be discovered.

To help these dedicated people reach out to each other, the Committee has reported Senate Concurrent Resolution No. 26 which will provide them with a rallying symbol for their efforts. This resolution does not seek the allocation of Federal resources to support this disease. It merely calls on Americans to help other Americans and their families in fighting their battles against ALS.

Incidence of ALS

ALS does not occur in any recognizable genetic or epidemiological pattern, striking its victims without warning or recourse.

ALS usually strikes adults between the ages of 35 and 70, with 50 being the average age. However, it occasionally occurs as early as the teens or twenties. It affects men three times more frequently than women.

The disease occurs in persons of every race and nationality. However, there is an exceptionally high incidence of ALS in four small clusters. One of these is among the native Chamorro people of Guam, located in the Marianna Islands. There, ALS develops in one out of every 10 adults.

Studies on Guam have shown that this form is familial but eludes a classic genetic pattern; instead of occurring in a predictable number and pattern of family members, the disease occurs occasionally in a family member or distant relative.

Excluding this Guamanian form, in approximately 95 percent of all other ALS patients, the disorder appears sporadically. Therefore, children of these patients are not considered to be at any greater risk in developing ALS than the general population. In the remaining 5 percent, a rare familial form occurs which, unlike the Guamanian form, has a definite genetic pattern. In this rare form, about one-half of the offspring can be expected to develop ALS.

Research by scientists at the National Institute of Neurological and Communicative Disorders and Stroke (NINCDS) has suggested that the familial form may be caused by a metabolic (chemical) abnormality. Clinically the sporadic and familial forms of ALS do not seem to differ.

Status of ALS Research

Although no treatment yet has proved to be effective against ALS, research conducted and supported by the NINCDS and by other Government agencies, medical centers, and private health agencies, is continuing to seek the cause and cure of ALS, since methods of treatment and prevention could flow from that discovery. Research is in progress to determine factors which might cause motor neurons to cease functioning. These include: virus infection; defects in the body's immune (defense) system; neurochemical abnormalities impeding communication between motor neurons: or subtle metabolic changes with the motor neuron itself. Possibly several of these factors may act together to cause ALS. Or, the cause may derive from other factors yet to be found.

The Island of Guam, with its high incidence of one type of ALS, has been one focus for NINCDS research efforts. At the NINCDS research center at Guam Memorial Hospital, ALS patients have been participating in studies to identify possible environmental factors which may be involved in the disease. To date, studies have not established any connection between ALS and the island's climate, the minerals in its soil or water, or the dietary habits of its people.

In addition, studies have shown that the disease on Guam does not occur in any recognizable genetic pattern. But this does not preclude the possibility that certain genetic factors might enhance susceptibility to some external cause of ALS. In fact, preliminary reports from Guam indicate that ALS patients may have a deficient immune (defense) system, although further data are needed to substantiate this finding. Possible immune system defects—which may or may not be inherited—are therefore being carefully studied in ALS patients by scientists on Guam and in this country.

The possibility that the factor causing ALS could be a virus is receiving considerable attention, prompted in part by earlier findings of several other human neurological disorders caused by "slow" or latent viruses which lie dormant in the body for years before they are somehow triggered into action. If a slow virus is involved, evidence has yet come to light to indicate that it is contagious. Furthermore, if ALS were caused by a common factor, an immune defect could explain why only those persons who are unable to ward off the factor eventually develop the disease. Guamanian ALS brain material, supplied to scientists from an NINCDS-supported "tissue bank," is being scrutinized for evidence of viruses which may be related to this disorder. Virus studies are currently under way by NINCDS scientists, and Institute-supported investigators at the Scripps Clinic and Foundation in La Jolla, California, at the University of Connecticut, and at the Massachusetts General Hospital.

A further investigation of environmental clues in American servicemen with ALS is currently being pursued by the NINCDS in conjunction with the National Academy of Sciences. The study also is expected to provide a prognostic description of the course of ALS which would be helpful in correlating clinical features with the patient's prognosis.

The NINCDS also supports two clinical ALS research programs. Although no curative treatment is currently being offered as part of these programs, information being gained on possible abnormalities may eventually lead to methods of treatment. For, if abnormalities are found, the next step would be to determine their relationship, if any, to ALS. Finally, if a cause-effect relationship were established, scientists then would have a rational approach to developing effective treatment. One of these programs is at St. Vincent's Hospital and Medical Center in New York.

The other clinical program is being conducted at the NIH Clinical Center. As part of this program, doctors are looking for clues to the disease process not only in ALS patients, but also in patients with atypical ALS and with disorders producing symptoms closely resembling those of ALS.

COST ESTIMATE

The adoption of this resolution involves no direct additional expenditure by the Federal Government.

Mr. CRANSTON. The concurrent resolution has been cleared on all sides. I move its adoption.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The concurrent resolution, as amended, was agreed to.

The preamble was agreed to.

The concurrent resolution, with its preamble, is as follows:

Expressing the sense of Congress that action should be taken to focus national attention on the extent and consequences of and the need to find a cure for amyotrophic lateral sclerosis.

Whereas amyotrophic lateral sclerosis, or Lou Gehrig's disease, constitutes a serious health problem in the United States in that it afflicts thousands of Americans annually;

Whereas the complications of amyotrophic lateral sclerosis significantly decrease the quality of life and have a major negative economic, social, and psychological impact on the families of its victims;

Whereas biomedical research efforts to date have been unsuccessful in finding the cause of amyotrophic lateral sclerosis;

Whereas the development of advanced methods of treatment of amyotrophic lateral sclerosis deserves national priority; and

Whereas the citizens of the United States should have a full understanding of the nature of the human, social, and economic impact of amyotrophic lateral sclerosis and of the need to discover its cause and to develop a cure: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that action should be taken to focus national attention on the extent and consequences of amyotrophic lateral sclerosis and on the need for finding a cure for this disease.

Mr. CRANSTON. I ask unanimous consent that the title be appropriately amended.

There being no objection, the title was amended so as to read:

Concurrent resolution expressing the sense of Congress that action should be taken to focus national attention on the extent and consequences of and the need to find a cure for amyotrophic lateral sclerosis.

Mr. CRANSTON. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to, and I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table.

The motion to lay on the table was agreed to.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the resolution be printed as passed by the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business, and that Senators may be allowed to make statements therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Chirdon, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 8:57 a.m., a message from the House of Representatives delivered by Mr. Berry, one of its clerks, announced that:

The House has passed without amendment the bill (S. 2281) authorizing an increase in the monetary authorization for nine comprehensive river basin plans.

The House has agreed to, without amendment, the following concurrent resolutions:

S. Con. Res. 52. A concurrent resolution authorizing the printing of additional copies of the booklet entitled "The Senate Chamber, 1810–1859".

S. Con. Res. 53. A concurrent resolution authorizing the printing of additional copies of hearings entitled "Panama Canal Treaties".

The House agrees to the amendment of the Senate to the bill (H.R. 4049) to amend the Regional Rail Reorganization Act of 1973 to authorize additional appropriations for the U.S. Railway Association, with an amendment in which it requests the concurrence of the Senate.

The House disagrees to the amendment of the Senate to the amendment of the House to the amendment of the Senate numbered 82 to the bill (H.R. 7555) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending September 30, 1978, and for other purposes.

The House agrees to the amendment of the Senate to the bill (H.R. 8701) to amend title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowance paid to eligible veterans and persons, to make improvements in the educational assistance programs, and for other purposes, with an amendment in which it requests the concurrence of the Senate.

The House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1131) to authorize appropriations to the Nuclear Regulatory Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and section 305 of the Energy Reorganization Act of 1974, as amended, and for other purposes.

The House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1750) to amend the Public Health Service Act and the Federal Food, Drug, and Cosmetic Act, as amended, to conduct studies concerning toxic and carcinogenic substances in foods, to conduct studies concerning saccharin, its impurities and toxicity and the health benefits, if any, resulting from the use of nonnutritive sweeteners including saccharin; to ban the Secretary of Health, Education, and Welfare from taking action with regard to saccharin for 18 months, and to add additional provisions to section 403 of the Federal Food, Drug, and Cosmetic Act, as amended, concerning misbranded foods.

The House agrees to the amendments of the Senate to the bill (H.R. 2501) to provide for the amendment of the public survey records to eliminate a conflict between the official cadastral survey and a private survey of the so-called Wold tract within the Medicine Bow National Forest, Wyo.

The House agrees to the amendment of the Senate to the bill (H.R. 8346) to amend the Urban Mass Transportation Act of 1964 to revise the program of Federal operating assistance provided under section 17 of such act.

The House agrees to the amendments of the Senate to the resolution (H. Con. Res. 182) providing for the printing as a House document of the pamphlet entitled "Black Americans in Congress."

The House agrees to the amendment of the Senate to the resolution (H. Con. Res. 190) to provide for the printing of the brochure entitled "How Our Laws Are Made."

The House agrees to the amendments of the Senate to the resolution (H. Con. Res. 204) to authorize the printing of a revised edition of "Our Flag" as a House document.

The House agrees to the amendments of the Senate to the resolution (H. Con. Res. 205) to authorize the printing of a revised edition of "Our American Government" as a House document.

The House agrees to the amendments of the Senate to the resolution (H. Con. Res. 217) to provide for the printing of a revised edition of "The Constitution of the United States of America."

The House agrees to the amendments of the Senate to the resolution (H. Con. Res. 222) to authorize the printing of a revised edition of "The Capitol" as a House document.

The House agrees to the amendments of the Senate to the amendments of the House to the bill (S. 106) to provide for furthering the conservation, protection, and enhancement of the Nation's land, water, and related resources for sustained use, and for other purposes.

The House has passed the joint resolution (H.J. Res. 643) making further continuing appropriations for the fiscal year 1978, and for other purposes, in which it requests the concurrence of the Senate.

The House has agreed to the concurrent resolution (H. Con. Res. 397) correcting the enrollment of S. 1131, in which it requests the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

At 12:55 p.m., a message from the House of Representatives by Mr. Berry announced that the Speaker has signed the following enrolled bills and joint resolution:

S. 2281. An act authorizing an increase in the monetary authorization for nine comprehensive river basin plans;

H.R. 2501. An act to eliminate a conflict between the official cadastral survey and a private survey of the so-called Wold tract within the Medicine Bow National Forest, State of Wyoming;

H.R. 8346. An act to amend the Urban Mass Transportation Act of 1964 to revise the program of Federal operating assistance provided under section 17 of such act;

H.R. 8499. An act to amend the Alaska Claims Settlement act;

H.R. 8992. An act to amend title 3 of the United States Code to change the name of the Executive Protective Service;

H.R. 9704. An act to amend the Federal Crop Insurance Act, and for other purposes;

H.R. 9836. An act to authorize the Architect of the Capitol to furnish chilled water to the Folger Shakespeare Library; and

H.J. Res. 611. Joint resolution to extend the authority of the Federal Reserve banks to buy and sell certain obligations.

The enrolled bills were subsequently signed by the President pro tempore.

ENROLLED BILLS SIGNED

At 2:55 p.m., a message from the House of Representatives delivered by Mr. Berry announced that the Speaker has signed the following enrolled bills:

S. 106. An act to provide for furthering the conservation, protection, and enhancement of the Nation's soil, water, and related resources for sustained use, and for other purposes;

S. 1184. An act to extend the provisions of the Fishermen's Protective Act of 1967, relating to the reimbursement of seized commercial fishermen, until October 1, 1978; and

S. 1269. An act for the relief of Camilla R. Hester.

The enrolled bills were subsequently signed by the President pro tempore.

At 3:35 p.m., a message from the House of Representatives delivered by Mr. Hackney, one of its clerks, announced that:

The House agrees to the amendments of the Senate to the bill (H.R. 8175) to amend the Veterans' Administration Physician and Dentist Pay Comparability Act of 1975, approved October 22, 1975, as amended, in order to extend certain provisions thereof, and for other purposes.

The House has passed, without amendment, the joint resolution (S.J. Res. 81) to express the sense of the Congress that, in the light of history, the third Thurs-

day in December 1977, would be a most appropriate day for designation as the "National Day of Prayer for the Year 1977," and respectfully to request that the President, under the provisions of Public Law 82–324, issue a proclamation designating such date as a "National Day of Prayer for the Year 1977."

ENROLLED BILL SIGNED

At 4:32 p.m., a message from the House of Representatives delivered by Mr. Berry announced that the Speaker has signed the following enrolled bill:

S. 1560. An act to restore the Confederated Tribes of Siletz Indians of Oregon as a federally recognized sovereign Indian tribe, to restore to the Confederated Tribes of Siletz Indians of Oregon and its members those Federal services and benefits furnished to federally recognized American Indian tribes and their members, and for other purposes.

The enrolled bill was subsequently signed by the President pro tempore.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDING OFFICER laid before the Senate the following communications which were referred as indicated:

EC–2244. A letter from the Acting Comptroller General of the United States transmitting, pursuant to law, a report entitled "Coffee: Production and Marketing Systems" (ID–77–54, October 28, 1977) (with an accompanying report); to the Committee on Agriculture, Nutrition, and Forestry.

EC–2245. A letter from the Assistant Secretary of Defense transmitting, pursuant to law, the third quarter fiscal year 1977 report of receipts and disbursements pertaining to the disposal of surplus military supplies, equipment, material, and for expenses involving the production of lumber and timber products (with an accompanying report); to the Committee on Appropriations.

EC–2246. A letter from the Administrator of the National Aeronautics and Space Administration transmitting, pursuant to law, a report on the proposed use of $750,000 of R. & D. funds to provide a process storage facility for Solid Rocket Motro segments at the Thiokol Plant in Brigham City, Utah (with an accompanying report); to the Committee on Commerce, Science, and Transportation.

EC–2247. A letter from the Administrator of the National Aeronautics and Space Administration transmitting, pursuant to law, a report on the proposed use of $1.4 million of R. & D. funds to provide for the construction of an addition to Building 14 for a Network Operations Control Center at the Goddard Space Flight Center, Greenbelt, Maryland (with an accompanying report); to the Committee on Commerce, Science, and Transportation.

EC–2248. A letter from the Secretary of Transportation transmitting, pursuant to law, the report on the effectiveness of the Civil Aviation Security Program for the period January 1 through June 30 (with an accompanying report); to the Committee on Commerce, Science, and Transportation.

EC–2249. A letter from the Secretary of the Department of the Interior transmitting, pursuant to law, the receipt of a project proposal from the Farmington Pressurized Irrigation District, Farmington, Utah for a loan of $1,454,000 to account for cost escalation occurring on its original loan proposal (with accompanying papers); to the Committee on Energy and Natural Resources.

EC–2250. A letter from the Administrator of the General Services Administration transmitting, pursuant to law, a prospectus for alterations at the Lexington, Kentucky, U.S. Post Office-Courthouse, in the amount of $1,763,000 (with accompanying papers); to the Committee on Environment and Public Works.

EC–2251. A letter from the Secretary of the Treasury transmitting a draft of proposed legislation to provide for greater flexibility in the requirements for supervision of operations at distilled spirits plants (with accompanying papers); to the Committee on Finance.

EC–2252. A letter from the Deputy Administrator of the Veterans Administration transmitting, pursuant to law, a report on activities in the disposal of foreign excess property covering the period October 1, 1976 through September 30, 1977 (with an accompanying report); to the Committee on Govtee on Governmental Affairs.

EC–2253. A letter from the Administrator of the General Services Administration transmitting a draft of proposed legislation to amend the Federal Property and Administrative Services Act of 1949 to authorize transportation for certain persons engaged in the continuity of Government program (with accompanying papers); to the Committee on Governmental Affairs.

EC–2254. A letter from the Executive Secretary of the Federal Deposit Insurance Corporation transmitting, pursuant to law, notice that a previously proposed new system of records will not be established and the request for waiver of the sixty-day advance notice has been withdrawn: to the Committee on Governmental Affairs.

EC–2255. A letter from the General Counsel of the Copyright Office of the Library of Congress transmitting, pursuant to law, a new systems report, in accordance with the Privacy Act (with an accompanying report); to the Committee on Governmental Affairs.

EC–2256. A letter from the Secretary of Transportation transmitting, pursuant to law, a report on the operations to provide a career system for air traffic controllers (with an accompanying report); to the Committee on Governmental Affairs.

EC–2257. A letter from the Acting Comptroller General of the United States transmitting, pursuant to law, a report entitled "Need to Strengthen Justification and Approval Process for Military Aircraft Used for Training, Replacement, and Overhaul" (LCD–77–423, October 28, 1977) (with an accompanying report); to the Committee on Governmental Affairs.

EC–2258. A letter from the Executive Secretary to the Department of Health, Education, and Welfare transmitting, pursuant to law, a copy of a document concerning veterans' cost of instruction payments to institutions of higher education which has been transmitted to the Federal Register for scheduled publication (with accompanying papers); to the Committee on Human Resources.

EC–2259. A letter from the U.S. Commissioner of Education transmitting, pursuant to law, a report concerning the Veterans' Cost-of-Instruction Program (with an accompanying report); to the Committee on Human Resources.

EC–2260. A letter from the Commissioner of the Immigration and Naturalization Service of the Department of Justice transmitting, pursuant to law, copies of orders suspending deportation, as well as a list of the persons involved (with accompanying papers); to the Committee on the Judiciary.

EC–2261. A letter from the President of the National Safety Council transmitting, pursuant to law, a report of the audit of the financial transactions of the National Safety Council for the fiscal year ended June 30, 1977 (with an accompanying report); to the Committee on the Judiciary.

EC–2262. A letter from the Commissioner of the Immigration and Naturalization Service of the Department of Justice transmitting, pursuant to law, copies of orders entered in 1,027 cases in which the authority contained in section 212(d)(3) of the Immigration and Nationality Act was exercised in behalf of such aliens (with accompanying papers); to the Committee on the Judiciary.

EC–2263. A letter from the Secretary of Health, Education, and Welfare transmitting, for the information of the Senate, a report commenting on the recommendations of the Privacy Study Commission with respect to medical records (with an accompanying report); to the Committee on Human Resources.

REPORT OF THE SECRETARY OF THE SENATE—EC–2264

The PRESIDING OFFICER laid before the Senate the following letter from the Secretary of the Senate, which was ordered to lie on the table:

WASHINGTON, D.C.,
November 4, 1977.

Hon. WALTER F. MONDALE,
President of the United States Senate.

SIR: I have the honor to submit a full and complete statement of the receipts and expenditures of the Senate, showing in detail the items of expense under proper appropriations, the aggregate thereof, and exhibiting the exact condition of all public moneys received, paid out, and remaining in my possession from April 1, 1977, through September 30, 1977, in compliance with section 105 of Public Law 88–454, approved August 20, 1964, as amended.

Respectfully,

J. S. KIMMITT,
Secretary of the Senate.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. RIBICOFF, from the Committee on Governmental Affairs:

With amendments:

S. 1704. A bill to provide for two additional Assistant Secretaries of Agriculture, and for other purposes (Rept. No. 95–598).

Without amendment:

S. 1730. A bill to provide for an additional Assistant Secretary in the Department of the Treasury (Rept. No. 95–599).

By Mr. CRANSTON, from the Committee on Human Resources:

Without an amendment:

S. Con. Res. 26. Concurrent resolution declaring a state of war against amyotrophic lateral sclerosis (title amendment) (Rept. No. 95–600).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

Gerald D. Fines, of Illinois, to be U.S. attorney for the southern district of Illinois.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that the following enrolled bills have

been presented to the President of the United States:

On November 3, 1977:

S. 1142. An act for the relief of Kam Lin Cheung; and

S. 2052. An act to extend the supervision of the U.S. Capitol Police to certain facilities leased by the Office of Technology Assessment;

On November 4, 1977:

S. 854. An act to authorize the Secretary of Commerce to sell two obsolete vessels to Mid-Pacific Sea Harvesters, Incorporated, and for other purposes;

S. 1062. An act to amend section 441 of the District of Columbia Self-Government and Governmental Reorganization Act;

S. 1339. An act to authorize appropriations for the Energy Research and Development Administration for national security programs for fiscal years 1977 and 1978, and for other purposes;

S. 1528. An act to amend section 2 of the Safe Drinking Water Act (Public Law 93-523) to extend and increase authorizations provided for public water systems; and

S. 1863. An act to authorize appropriations during fiscal year 1978, in addition to amounts previously authorized, for procurement of aircraft and missiles for the Navy and the Air Force and for research, development, test, and evaluation for the Air Force and the Defense agencies, and for other purposes.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. McINTYRE:

S. 2293. A bill to authorize and provide for the regulation of the use of electronic funds transfer systems by financial institutions, and for other purposes; to the Committee on Banking, Housing and Urban Affairs.

By Mr. ABOUREZK:

S. 2294. A bill for the relief of Joselyn Buccat Lalley and Jodelyn Buccat Lalley; to the Committee on the Judiciary.

By Mr. HATCH (for himself, Mr. HATHAWAY, and Mr. WILLIAMS):

S. 2295. A bill to amend the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 to provide emphasis within the National Institute on Alcohol Abuse and Alcoholism for families of alcohol abusers and alcoholics; to the Committee on Human Resources.

By Mr. JOHNSTON (for himself and Mr. NELSON):

S. 2296. A bill to amend the Small Business Act and the Small Business Investment Act to create a Bureau of Minority Business and Economic Development, and for other purposes; to the Select Committee on Small Business.

By Mr. CANNON (for himself, Mr. McCLURE, Mr. WALLOP, Mr. LAXALT, Mr. GOLDWATER, Mr. DOMENICI, Mr. GARN, Mr. HANSEN, and Mr. HATCH):

S. 2297. A bill to amend Public Law 94-579; to the Committee on Energy and Natural Resources.

By Mr. MORGAN (for himself and Mr. HUMPHREY):

S. 2298. A bill to authorize the Secretary of Agriculture to carry out a pilot program to provide mortgage credit for low and moderate income families, and for other purposes; to the Committee on Banking, Housing and Urban Affairs.

By Mr. McCLURE:

S. 2299. A bill for the relief of Francisco Ronquillo and Rubein Leonardo Ronquillo; to the Committee on the Judiciary.

By Mr. BAYH (for himself, Mr. HUMPHREY, Mr. KENNEDY, Mr. BROOKE, Mr. ABOUREZK, Mr. METZENBAUM, Mr. MATHIAS, Mr. JAVITS, and Mr. WILLIAMS):

S. 2300. A bill to extend the Commission on Civil Rights for 5 years, to authorize appropriations for the Commission, to effect certain technical changes to comply with other changes in the law, and for other purposes; to the Committee on the Judiciary.

By Mr. HATHAWAY:

S. 2301. A bill to require an immigrant alien to maintain a permanent residence as a condition for entering and remaining in the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. RANDOLPH (for himself, Mr. STAFFORD, Mr. EAGLETON, Mr. MAGNUSON, Mr. MATHIAS, and Mr. HATCH):

S. 2302. A bill to authorize the Secretary of Health, Education, and Welfare to make grants to the States to reimburse the costs of studies to assess the cost of compliance with section 504 of the Rehabilitation Act of 1973 with respect to educational programs, and to make grants to educational institutions to pay the Federal share of the costs of such compliance, and for other purposes; to the Committee on Human Resources.

By Mr. MELCHER:

S. 2303. A bill to declare a national policy on conservation, development and utilization of natural resources, assurance of resources for economic growth and national security, and for other purposes; to the Committee on Governmental Affairs.

By Mr. HELMS (for himself, Mr. DOLE, Mr. HAYAKAWA, Mr. McCLURE, and Mr. THURMOND):

S. 2304. A bill to require that the Hungarian Crown of Saint Stephen and other relics of the Hungarian royalty remain in the custody of the U.S. Government and that they not be transported out of the United States, unless the Congress provides otherwise by legislation; to the Committee on Foreign Relations.

By Mr. WILLIAMS (for himself, Mr. PROXMIRE, Mr. SPARKMAN, Mr. McINTYRE, Mr. CRANSTON, Mr. STEVENSON, Mr. MORGAN, Mr. RIEGLE, Mr. SARBANES, Mr. NELSON, Mr. NUNN, Mr. HATHAWAY, Mr. HASKELL, Mr. CULVER, Mr. BROOKE, Mr. TOWER, Mr. GARN, Mr. HEINZ, Mr. LUGAR, Mr. SCHMITT, Mr. WEICKER, Mr. PACKWOOD, Mr. BARTLETT, and Mr. HAYAKAWA):

S. 2305. A bill to amend the Securities Act of 1933; to the Committee on Banking, Housing and Urban Affairs.

By Mr. WILLIAMS (for himself and Mr. CASE):

S. 2306. A bill to establish a national system of reserves for the protection of outstanding ecological, scenic, historic, cultural, and recreational landscapes, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. HANSEN:

S. 2307. A bill to amend the Interstate Commerce Act to prohibit the amount which any common carrier by motor vehicle charges any shipper for the transportation of the household goods of such shipper from exceeding by more than 10 per centum purposes; to the Committee on the Judithe estimate provided by such carrier for the transportation of such household goods; to the Committee on Commerce, Science, and Transportation.

By Mr. MATHIAS (for himself and Mr. SARBANES):

S.J. Res. 98. Joint resolution to authorize and request the President to issue a proclamation designating May 21, 1978 as "National Fallen Heroes Day," and for other ciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. McINTYRE:

S. 2293. A bill to authorize and provide for the regulation of the use of electronic funds transfer systems by financial institutions, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

THE ELECTRONIC FUNDS TRANSFER ACT OF 1977

Mr. McINTYRE. Mr. President, on Friday, October 28, the Congress received the final report of the National Commission on Electronic Fund Transfers, entitled "EFT in the United States, Policy Recommendations and the Public Interest."

The Commission was established by the Congress pursuant to Public Law 93-495 to advise the Congress on a number of fundamental considerations regarding the increasing role and impact of technology on the way in which millions of Americans daily conduct their financial affairs.

As the author of the bill creating the Commission, I have followed its deliberations closely. In March of this year, the Subcommittee on Financial Institutions, which I chair, held oversight hearings on the interim report of the Commission. The final report should now provide a useful and constructive basis for considering many of the public policy issues which Congress must promptly and appropriately address.

As a consequence of the Commission's report, I am today introducing a bill designed to implement several of the Commission's key recommendations, particularly those regarding the relationship between electronic funds transfer systems and traditional branch banking laws. The purpose of this legislation, therefore, is to stimulate an awareness of the Commission's recommendations in the hope of resolving certain basic issues as quickly as possible.

In this regard, this legislation is a logical next step to the work which the Subcommittee on Finance Institutions has already done in the area of Federal branch banking policy. In the fall of 1976, the subcommittee delved considerably into the question of branch banking generally, including its relationship to the emergence of EFTS. Following publication of the "Compendium of Issues Relating to Branching by Financial Institutions," designed as a basis working document on the issue, the subcommittee held hearings in Chicago, Dallas, San Francisco, and Washintgon to explore the many ramifications of Federal branching policy, particularly those relating to EFTS.

In essence, I agree with the basic thrust of the Commission's findings in this area. Nevertheless, I hasten to point out that the work the Subcommittee has done to date on Federal branching policy has so convinced me of the need to modernize our banking laws with regard to the geographic placement of banking services that I am more interested that this objective be served than I am in any particular or specific legislative agenda for achieving this objective. Therefore,

this bill, implementing the recommendations of the EFTS Commission, is intended to provide the necessary catalyst to an understanding of how best to serve the banking needs of the American public in the 1980's and beyond.

At the very least, Mr. President, financial institutions must be permitted to service their customers through electronic means or otherwise where they live, work, and shop.

In the years to come, outdated prohibitions and restrictions must give way to greater competition among financial institutions and greater convenience to the American public, consistent at all times with adequate consumer safeguards. In this regard, there is already pending before the Senate S. 2065, a bill which specifically addresses certain consumer rights and remedies pertaining to EFTS.

In addition to the EFTS/branching issue, this bill addresses the very important issues of consumer privacy, sharing of facilities and the role of government in EFT. The EFT/privacy issue parallels the work which the subcommittee also intends to undertake early next year on financial privacy legislation, generally.

While these are the principal issues meriting prompt consideration by the Congress, legislative deliberations on these may very well give rise to the need for consideration of additional issues as well.

Therefore, Mr. President, I offer this bill as a good faith but arm's length effort to capture certain key recommendations of the Commission.

I intend to schedule hearings on the bill in the Subcommittee on Financial Institutions as early as possible in the next session of Congress in order to seek the most appropriate way of permitting our financial institutions to best serve the needs and convenience of their customers through EFTS.

Mr. President, I ask unanimous consent that this bill and the accompanying section-by-section summary be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2293

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Electronic Funds Transfer Act of 1977".

FINDINGS

SEC. 2. The Congress finds that the extension of electronic funds transfer systems can benefit consumers in a number of significant ways, and that affording maximum consumer and user convenience and choice in access to and use of both funds transfer and credit-extension services will serve the public interest. The Congress wishes to promote competition among financial institutions and other business enterprises using electronic funds transfer systems and services, and to insure that Government regulation and involvement or participation in a system competitive with the private sector is kept to a minimum. The Congress further finds that the public interest in preventing unfair or discriminatory practices in the field of electronic funds transfer services, in preserving competition among users, and in reducing costs of such services, is best achieved by the removal of inappropriate geographical restrictions on terminal deployment and service offerings, and by insuring that Government facilities or services do not displace private sector alternatives.

DEFINITIONS

SEC. 3. For the purposes of this Act—

(a) "antitrust laws" means the Antitrust Acts as defined in the Federal Trade Commission Act (15 U.S.C. § 44), and all Acts amendatory of and supplementary to the Acts listed therein.

(b) "appropriate supervisory agency" means (1) the Comptroller of the Currency in the case of a national banking association or a District bank, (2) the Federal Home Loan Bank Board in the case of a Federal savings and loan association, (3) the Administrator of the National Credit Union Administration in the case of a Federal credit union, and (4) the State authority performing examination and supervisory functions in the case of a State financial institution.

(c) "automated clearing house association" means a group of financial institutions, whether organized as a nonprofit corporation or unincorporated association or otherwise, which have entered into an agreement establishing rules and procedures for the exchange of charges or payments or crediting of deposits by each member with each other member through electronic methods including the delivery of computer tapes.

(d) "deposit services" means arrangements which enable a customer to have a deposit credited to his account at a financial institution.

(e) "electronic funds transfer system" means any network comprised of one or more customer terminals or automated-teller-machines, together with any related customer access cards or devices, communication lines, switches for routing messages, and computer processing facilities, and the messages transmitted through such network.

(1) "Automated-teller-machine" means any device, whether or not linked to a financial institution by a communication line, which is activated solely by the customer of the financial institution and enables the customer to make deposits, issue instructions to make transfers between accounts, or make withdrawals from deposit accounts or pursuant to previously arranged lines of credit.

(2) "Customer terminal" means an electronic device, which may require the participation of an operator other than the customer but is made accessible to customers of a financial institution, used to communicate information or instructions pertaining to (i) accounts in financial institutions, (ii) prior or contemplated transactions or (iii) previously arranged lines of credit.

(3) The terms "automated-teller-machine" and "customer terminal" shall not include a general purpose telephone connected to the message-toll telephone service switched network and used for oral instructions exclusively.

(f) "Federal banking laws" means the National Bank Act, the Home Owners' Loan Act of 1933, the Federal Credit Union Act, the Federal Deposit Insurance Corporation Act, the Federal Reserve Act, Title IV of the National Housing Act of 1934, the Federal Home Loan Bank Act, and all other provisions of title 12, United States Code, which pertain to the regulation or supervision of financial institutions, as amended from time to time.

(g) "Federal financial institution" means (1) any national banking association or a District bank, (2) any Federal savings and loan association, and (3) any Federal credit union.

(h) "financial institution" means any Federal financial institution and any State financial institution.

(i) "natural market area" of a financial institution means the standard metropolitan statistical area, as defined by the Office of Management and Budget, in which the main or a branch office of that financial institution may be located and all standard metropolitan statistical areas contiguous thereto, together with such additional or other area as is determined by the appropriate supervisory agency to constitute a geographic trading area within which that financial institution may effectively complete.

(j) "off-premises" means not situated at an office of a financial institution.

(k) "State financial institution" means any State chartered bank, savings bank, mutual savings bank, cooperative bank, savings and loan association, building and loan association, homestead association, credit union, or similar depository institution subject to examination and supervision under State law.

ESTABLISHMENT AND USE

SEC. 4. (a) A Federal financial institution may, subject to the provisions of subsection (b), establish or use an electronic funds transfer system at any location within the United States, or in foreign countries to the extent permitted by the laws of such countries.

(b) A Federal financial institution may not offer deposit services through an electronic funds transfer system, whether owned and operated by itself or by another, at any location outside the State in which its main office is located, except that such deposit services may be offered (1) in States which have, through legislation or rulings on a reciprocal or other basis, permitted such services to be offered by out-of-state financial institutions, and (2) subsequent to January 1, 1980, within its natural market area.

(c) A Federal financial institution which owns or operates an electronic funds transfer system may perform for others in connection therewith any services that they are authorized to undertake or offer the public.

(d) An electronic funds transfer system and the components thereof and their use at any location shall not constitute a "branch" within the meaning of any of the Federal banking laws, nor shall their presence or use at a business location other than an office of a financial institution constitute the carrying on of the business of banking by such business.

SHARING

SEC. 5. (a) The application of the antitrust laws to the establishment, operation, sharing or use of electronic funds transfer systems shall not be limited or restricted in any way by the terms or existence of State legislation or regulation or by any provision of this Act. Any State legislation or procedure which purports to mandate access to or the use of an electronic funds transfer system by persons or entities not entitled thereto through agreement with the proprietor thereof is hereby expressly pre-empted and nullified.

(b) A financial institution which applies to a systems proprietor for access to an electronic funds transfer system on the same terms and conditions as have theretofore been extended by the proprietor to another financial institution, and is denied access on terms comparable to those afforded to such third party, may request the assistance, in a mediating capacity, of the appropriate supervisory agency for such institution or, where applicable, for the system proprietor, and the approprite supervisory agencies for Federal financial institutions are authorized to render such assistance.

(c) If a financial institution which is unable to negotiate access to an electronic funds transfer system decides to pursue the remedies which may be available to it

under the antitrust laws, it may bring a civil action against the system proprietor in the judicial district in which is located the principal place of business of the plaintiff or of the defendant, or in any judicial district in which the defendant is doing business.

(d) Every proceeding in the United States district courts in accordance with subsection (c) shall be given precedence over other cases on the docket of the court, and shall be assigned for hearing and trial at the earliest practicable date and expedited in every way.

GOVERNMENT ACCESS TO RECORDS

SEC. 6. (a) No officer, employee, or agent of the United States or of any agency or department thereof or of any State or local government or agency or department thereof may obtain from a financial institution, and no financial institution or officer, employee, or agent thereof may provide to such governmental body or person, copies of or access to or the information contained in the financial records of any customer of such financial institution, unless the financial records are described with particularity and disclosed in response to:

(1) a written statement by such customer expressly authorizing such disclosure; or

(2) a reporting requirement imposed on the financial institution by express statutory provisions; or

(3) an administrative subpoena or summons otherwise authorized by law or a judicial subpoena, if (i) accompanied by certification of service of a copy on such customer, in person or by certified or registered mail to his last known address, at least 10 days before such disclosure, and (ii) no notice not to comply has been received by the financial institution from such customer; or

(4) a court order directing compliance with a summons or subpoena, issued by the court after notice to and opportunity for the customer to challenge such summons or subpoena; or

(5) a search warrant, if accompanied by certification of service of a copy on such customer in person; or

(6) a summons or subpoena issued ex parte by a court upon a determination, on the basis of the facts and circumstances alleged, that there is reasonable cause to believe the giving of notice and opportunity for challenge may lead to attempts (i) to conceal, destroy, or alter records relevant to the examination, (ii) to prevent the communication of information from other persons through intimidation, bribery, or collusion, or (iii) to flee to avoid prosecution, testifying, or production of records.

(b) The United States District Court for the district within which the customer resides or is found shall have jurisdiction without regard to the amount in controversy to hear and determine proceedings brought under subsections (a)(4) and (a)(6) by an officer, employee, or agent of the United States or of any agency or department thereof, or brought by any person affected to enforce compliance with this section or section 7(c).

(c) Nothing in this section shall prohibit (1) the request for or provision of information which is not identified with or identifiable as being derived from the financial records of a particular customer, (2) examination by or disclosure to any supervisory agency of financial records solely in the exercise of its supervisory functions, or (3) the making of reports or returns required by the Internal Revenue Code of 1954.

CUSTOMER RIGHTS

SEC. 7. (a) Each financial institution shall disclose clearly and conspicuously, in accordance with regulations prescribed by the Board of Governors of the Federal Reserve System, to each customer for whom it furnishes services through an electronic funds transfer system, information concerning the customer's primary rights and responsibilities under applicable law governing such transactions.

(b) The rights and remedies of parties to transactions involving an electronic funds transfer system shall be governed by State law, except as otherwise provided in this Act or other federal statutes. In the absence of State statute expressly applicable to transactions involving electronic funds transfer systems, payment transactions shall be treated under State law as check transactions and extension of credit transactions shall be treated under State and federal law as consumer credit card transactions.

(c) No financial institution, or person who has obtained such information from a financial institution, shall provide to any other person information contained in the financial records of any customer of such financial institution, except:

(1) as previously disclosed to such customer and in accordance with the terms of the agreement between the customer and such financial institution; or

(2) as expressly authorized by the customer for a particular purpose or transaction; or

(3) as necessary to verify or complete transactions, or to ascertain the existence or improper use of the customer's account; or

(4) as necessary to enable its auditors or outside counsel to perform their duties in the normal course of business; or

(5) as permitted under section 6; or

(6) pursuant to the order of a court of competent jurisdiction; or

(7) information which is not identified with or identifiable as being derived from the financial records of a particular customer.

AUTOMATED CLEARING HOUSES

SEC. 8. (a) The Federal Reserve Banks may furnish operating, clearing, delivery, settlement or other services to an automated clearing house association only if such association permits membership and full access to its services to all financial institutions on terms which reflect only cost-justified differences.

(b) Each Federal Reserve Bank shall, in accordance with rules prescribed by the Board of Governors of the Federal Reserve System, separately offer and charge for each service furnished to an automated clearing house association. Each such charge shall cover the fully-allocated cost of providing the service, including a rate of return on capital commensurate with the risk to a private enterprise providing an equivalent service.

(c) Except to the extent authorized in this section, no Federal Reserve Bank or Federal Home Loan Bank shall engage in the offering of electronic funds transfer system services to financial institutions or other persons.

REGULATIONS

SEC. 9. (a) The appropriate supervisory agency shall prescribe regulations for the establishment, operation, sharing and use by federal financial institutions of electronic funds transfer systems, consistent with the provisions of this Act.

(b) Such regulations shall provide a procedure for authorization of the establishment of electronic funds transfer systems upon written notice to the appropriate supervisory agency, containing such information as it may require with respect to locations and operations. To the extent that the system will include the performance of deposit-taking functions, application must be made for the prior approval of the appropriate supervisory agency, but unless disapproved within 60 days, the application will be deemed to have been approved. Disapproval may not be based upon a capitalization or other requirement related to the number of customer terminals or automated-teller-machines contained in the system, nor upon a judgment by the agency as to the suitability of the locations chosen or the area to be served.

STUDY

SEC. 10. The Board of Governors of the Federal Reserve System shall conduct a thorough study and investigation and recommend appropriate administrative action and legislation if necessary in connection with the possible effects of the development of electronic funds transfer systems on low-income persons, taking into account among other things the criteria listed in section 2403(a) of title 12, United States Code. The Board shall transmit to the President and the Congress not later than June 30, 1979, a final report of its findings and recommendations. The report shall include all hearing transcripts, staff studies and other material used in its preparation, and shall be available to the public upon transmittal.

SECTION-BY-SECTION SUMMARY

Section 1—Title. The bill is entitled the "Electronic Funds Transfer Act of 1977."

Section 2—Findings. The Congress finds that consumers will be benefitted by the extension of electronic funds transfer systems through competition among financial institutions and other business enterprises seeking to attract customers by offering convenient and useful funds transfer and credit extension services. The Congress further finds that the public interest would be served by removing inappropriate geographical restrictions on the offering of such services and by preventing government regulation or operation of such systems from blocking their competitive development.

Section 3—Definitions. This section defines a number of terms used in the bill, of which the more significant are the following. The term "automated clearing house association" is defined as any entity established by a group of financial institutions for the exchange by electronic means of credits and debits by each member with any other member institution. Most automated clearing house associations have been organized as nonprofit corporations, but that is not essential; however, correspondent banking relationships would not be included.

An "electronic funds transfer system" is defined broadly to include the network and all its components, such as access terminals and identification devices, communication lines, switches and computer processing facilities, together with the messages transmitted through the network. Access terminals may be in the form of automated teller machines or point-of-sale or other forms of customer terminals, as defined, but do not include telephones even though used to give oral instructions to a financial institution as to transactions in a customer's account. Since the definition comprises only terminals to which the customers of a financial institution have some form of direct access, it would not apply to purely inter-institutional networks such as the Bank Wire or Fed Wire.

The "natural market area" of a financial institution is defined to include, at a minimum, any standard metropolitan statistical area (SMSA) in which it has an office and any SMSA contiguous thereto. In addition, and in the case of a financial institution located outside any SMSA, the appropriate supervisory agency, as defined, for a financial institution may determine that certain territory is included in its natural market area.

Section 4—Establishment and Use. Subsection (a) confers general authority on federal financial institutions—national banks, federal savings and loan associations, and federal credit unions—to establish or

make use of electronic funds transfer systems (EFTS) in the United States or abroad. The form and extent of services offered would be determined by each institution, in the light of its perception of customer demand and applicable costs. The extent of authority for state financial institutions would be a matter within the jurisdiction of state legislatures.

Subsection (b) limits the general authority of subsection (a), by prohibiting federal financial institutions from offering deposit services through EFTS outside their home state. This prohibition is subject to two limited exceptions: out-of-state deposit services may be offered (1) in those states in which it is permitted by state law and (2) after a transition period, within the institution's natural market area, if that extends beyond state boundaries.

Subsection (c) explicitly authorizes a federal financial institution which owns or operates an electronic funds transfer system to make it available for use by other financial institutions, retailers or other businesses to serve their customers as permitted by law. Thus one institution could establish or operate a system utilized by others on a franchise, lease, correspondent or other basis.

Subsection (d) makes clear that the geographical extent of EFTS development is to be governed by this bill and competition in the banking marketplace, and not by state and federal restrictions upon branching and the conduct of the banking business. In particular, the provisions of the McFadden Act (12 U.S.C. 36) will not determine the deployment of EFTS terminals.

Section 5—Sharing. Subsection (a) makes clear the intended primacy of the federal antitrust laws in assuring the development of a competitive structure of electronic funds transfer systems and services. State mandatory-sharing statutes, which will tend to thwart the formation of rival networks in that state, are expressly pre-empted. Subsection (b) would enable a financial institution which believes it has been denied access to an EFT system on a basis that is anti-competitive or discriminatory to seek assistance from an appropriate supervisory agency in obtaining reconsideration of the denial. The institution denied access may also pursue its remedies under the antitrust laws, which expanded venue under subsection (c) and expedited treatment under subsection (d).

Section 6—Government Access to Records. This section creates a general right of privacy with respect to the power of government to obtain access to a customer's financial records. Subsection (a) prohibits Federal, State and local government access to the records of a customer of a financial institution except pursuant to (1) the customer's consent, (2) an express statutory reporting requirement, or (3) some form of subpoena or warrant issued either on the basis of a showing of cause or necessity or in a manner affording the customer an opportunity for challenge. Jurisdiction to enforce the section is given to the federal courts by subsection (b).

Subsection (c) makes it clear that the section does not prevent (1) the disclosure of information in an aggregate or other form not identifiable with a particular customer, (2) the performance by the banking agencies of their examination and supervisory functions, and (3) the making of reports required under the Internal Revenue Code.

Section 7—Customer Rights. Subsection (a) confers on the Board of Governors of the Federal Reserve System general authority to prescribe disclosure regulations applicable to all financial institutions offering EFTS services to their customers. Since this field is in a stage of rapid development and change, the exact form and content of disclosure is to be determined from time to time by the Federal Reserve Board (FRB), rather than being specified by the bill.

Subsection (b) is intended to allow state law to continue to serve as the primary source for definition of the rights and duties of parties to EFTS transactions, just as it now serves as the primary source for determining legal relationships in most commercial transactions. A set of amendments to the Uniform Commercial Code, to make specific reference to those aspects of EFTS transactions that are unique or not clearly encompassed by existing provisions, is now in process of preparation, but that process is one that will take a substantial period of time. In the interim, subsection (b) gives the courts some general guidance in trying to apply existing law to EFTS transactions: payment transactions should be viewed as analogous to check transactions, and credit extensions should be treated as consumer credit card transactions. The latter rule will bring into play the provisions of the Consumer Credit Protection Act (15 U.S.C. 1601 et seq.).

Subsection (c) defines the right of privacy of financial records as between the customer and his financial institution. The basic rule is that there may only be such disclosure as the customer has been previously informed of and given authorization for in the account agreement. In addition, there are some limited exceptions for cases of express consent, verification or completion of transactions, government access permitted under section 5, court orders, and auditors or counsel.

Section 8—Automated Clearing Houses. Subsection (a) deals with the problem of thrift institution access to automated clearing houses (ACHs), by allowing Federal Reserve Banks to furnish services to an ACH only if membership in the ACH is open to all financial institutions. Subsection (b) requires Federal Reserve Banks to charge the full cost of services furnished to an ACH. This would not preclude such Banks from giving appropriate credit to their members for balances in their accounts, as an offset to such charges. Except for such services, subsection (c) prohibits Federal Reserve Banks and Federal Home Loan Banks from getting into the EFT business.

Section 9—Regulations. Subsection (a) authorizes the appropriate federal supervisory agencies to issue regulations, consistent with the provisions of the bill, for the establishment, operation, sharing and use of electronic funds transfer systems by federal financial institutions.

Subsection (b) provides a notice-and-limited-grounds-of-disapproval approach to EFTS establishment. In general, establishment of or participation in an EFT system is to be a matter within the business judgment of the federal financial institution. Agency disapproval would be limited to the deposit-taking function and to other grounds such as a financial condition that rendered imprudent and unsound the proposed investment by the applicant institution.

Section 10—Study. The Federal Reserve Board is authorized to conduct a study of the implications of EFTS development for low-income persons. The study is to be transmitted to the President and the Congress by June 30, 1979.

By Mr. HATCH (for himself, Mr. HATHAWAY, and Mr. WILLIAMS):

S. 2295. A bill to amend the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 to provide emphasis within the National Institute on Alcohol Abuse and Alcoholism for families of alcohol abusers and alcoholics; to the Committee on Human Resources.

Mr. HATCH. Mr. President, on behalf of the Chairman of the Human Resources Committee, Senator WILLIAMS, and the chairman of the Subcommittee on Alcohol and Drug Abuse, Senator HATHAWAY, I am privileged to introduce the Families with Alcoholism Assistance Act of 1977. I am also pleased to announce that Congresswoman MARJORIE HOLT has agreed to introduce an identical bill in the House. It is my hope that because of the urgent situation which these bills address they will receive favorable and expeditious processing by both congressional bodies.

Mr. President, the effects of alcoholism on a family are devastating. This assertion is not my opinion, it is a fact. Recently the Alcohol and Drug Abuse Subcommittee, of which I am the ranking minority member, held a hearing in Salt Lake City where the debilitating effects of alcoholism on the family unit were amply and vividly demonstrated. I want to make it clear that we are talking about a crisis in our society which exists in every community regardless of size or locale—which in many circumstances is monumental and incalculable. Therefore, it is appropriate and necessary for the Federal Government to help to treat alcoholism as a family illness and a social disorder if we are to help the alcoholic and the other victims of alcoholism. This bill is a step in this direction, and I will explain its rationale later in my remarks.

The magnitude of family problems associated with alcoholism is immense. The overwhelming majority of persons affected by alcoholism do not have a drinking problem, per se. But when alcoholism strikes a family member, the alcoholic is not the sole victim. It is undeniably a family affair. A minimum of four other persons are directly affected; that is, husbands, wives, children, et cetera, and countless others are indirectly touched. Its devastating nature reaches into schools, industry, family courts, criminal courts, hospitals, and many other segments of our society who now cry out for some Federal Government leadership in an area where it can show initiative and expertise.

To give my colleagues some dimension on this problem let me cite some current research data. New research indicates that—

More than 28 million children of alcoholic parents are affected by parental alcoholism.

At least half of the juvenile delinquents have family members with drinking problems.

Almost 50 percent of all divorce cases show excessive use of alcohol as a major causative factor.

A correlation exists between battered wives, child neglect and abuse, and alcohol abuse.

But these statistics, as disturbing as they are, do not describe the human tragedy which other victims experience. As Virginia Grady, a staff assistant at the U.S. Postal Service's program for alcoholic recovery has so aptly stated:

> The family who is so affected progresses through all stages in its emotional disturbance. It continues its progression marked by constant and consistent disturbances of plans, emotions and routines of living. The only dependable aspect of family life seems to be the unpredictability of the alcoholic.

As the progression continues, life for the family unit breaks down from the strain. Physical or emotional death may also occur separating the family members. Indeed, alcoholism is a family disease.

Mrs. Grady's assessment tends to support the testimony given in Salt Lake City on what alcohol does to families. Dr. LeClair Bissell, chief of the Smithers Alcoholism Treatment and Training Center of the Roosevelt Hospital in Manhattan, spoke of the wealthy man in New York who started a prolonged drinking bout, left his car on the street and awakened a few days later in a strange hotel. The police had towed his car away, but he reclaimed it without difficulty and later joked about the episode. A college student did much the same thing. He began drinking on a Friday and found himself in another city the following Tuesday. He rushed back to his apartment where his dog was still alive but had been 4 days without food or water. A middle-aged man received a head injury while drunk. His wallet and identification were stolen before he was found and hospitalized. The combined effect of his injury and a severe alcohol withdrawal reaction prevented his identification for several days. The paralyzed and dependent parent with whom he lived did not survive.

And then there was the 18-month-old child who had been thought to be retarded since she had never spoken. She sat in a high chair next to a table on which her divorced and alcoholic mother had placed a freshly opened beer can. The child tried to push the can away and said, "Mommy, no!" her first words. (That particular mother, now many years sober in AA, says that this was the event that stopped her drinking.)

Another baby who really is retarded was seen recently by her pediatrician. During pregnancy neither her mother nor the obstetrician, who later delivered her, knew that heavy drinking during pregnancy could deform the developing fetus. For this baby the knowledge is too late. Even had it been available it is probable that the doctor involved has never been taught how to deal with alcoholism effectively. He might well have informed, warned, and scolded but he might not have known what else to do.

An overweight 11-year-old boy is inattentive and drowsy at school. His facial development is also suggestive of the kind of birth defect associated with heavy maternal drinking during pregnancy. His present situation is that he stays up all night with an alcoholic stepfather who, if not distracted and cajoled while drinking, is prone to attack the boy's mother and younger sister. At night the boy keeps vigil. During the day he eats compulsively and sleeps when and wherever he can.

A solemn 13-year-old reports that the reason his parents have moved from one house to another every 2 or 3 years was that his mother usually drank less when kept busy decorating a series of new homes. That his own attempts at establishing friendships or carving out a place for himself at school were repeatedly disrupted seemed of little concern to this family. Since simple changes of geography or taking on a hobby do not arrest alcoholism for long, the attempted solution did not work. The drinking continued. Meanwhile, the combination of constant moves and the mother's unpredictable behavior throughout his childhood have left this boy old beyond his years.

These glimpses at the personal problems faced by other alcohol victims is repeated by the thousands throughout our society. It is my judgment that the Federal Government must show an initiative to alleviate these problems. My bill fills that goal by creating a statutory priority within the National Institute on Alcohol Abuse and Alcoholism for programs which address the needs of families of alcoholics. It is similar in approach to the actions taken by the Senate last year when we mandated that priority be given to programs for women and youth within the existing administrative structure of NIAAA.

It is my hope that this approach, embodied in my legislative proposal, will go a long way to try to help the family affected by an alcoholic situation get well for its own sake, and, in turn, to help the alcoholic recover from this dread disease.

I ask unanimous consent that the text of the bill be printed in full for the information of my colleagues.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2295

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that this Act may be cited as the "Families with Alcoholism Assistance Act of 1977."

SEC. 2. Subsection (a) of Section 2 of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 is amended as follows:

(1) by striking out "and" at the end of section (5);

(2) by adding after subsection (5) the following new subsection (a)(6):

"(6) alcohol abuse has a substantial impact on the families of alcohol abusers and alcoholics; and"; and

(3) by redesignating subsection (6) as subsection (7).

SEC. 3. Subsection 303(a)(4)(B) of such Act is amended to read as follows:

"(B) include in the survey conducted pursuant to subparagraph (A) an identification of the need for prevention and treatment of alcohol abuse and alcoholism by women and by individuals under the age of 18 and for education, counseling and treatment of the families of alcohol abusers and alcoholics and provide assurance that programs within the State will be designed to meet such need;"

SEC. 4. Section 311(a) is amended as follows:

(1) by adding after subsection (2) the following new subsection (3):

"(3) to provide education, counseling and treatment for the families of alcohol abusers and alcoholics"; and

(2) by redesignating subsection (3) as subsection (4);

(3) by redesignating subsection (4) as subsection (5);

(4) by amending subsection (5) (as redesignated) by adding at the end thereof: "and for the benefit of the families of alcohol abusers and alcoholics,".

SEC. 5. Section 501(a) is amended by adding at the end thereof:

"Where appropriate, special emphasis shall be placed on the impact of alcohol abuse and alcoholism on the family.".

Mr. HATHAWAY. Mr. President, as chairman of the Subcommittee on Alcoholism and Drug Abuse, I am pleased to join with my distinguished colleague Senator HATCH in introducing the Families With Alcoholism Assistance Act of 1977. Mr. HATCH has taken a deep interest in the work of the subcommittee, and this bill is a reflection of that concern. He is dedicated, committed and, indeed, a welcome voice on the subcommittee.

The Families With Alcoholism Assistance Act of 1977 amends the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 to provide emphasis within the National Institute on Alcohol Abuse and Alcoholism for families of alcohol abusers and alcoholics. Specifically, it requires the States to identify the need for education, counseling, and treatment of these families and provide assurances that this need will be met. In addition, it authorizes Federal assistance for projects to provide education, counseling, and treatment for families of alcoholics. It also encourages research on the impact of alcohol abuse and alcoholism on the family.

That an emphasis on alcoholism and the family is warranted became clear this summer when the subcommittee held hearings on this issue in Salt Lake City. At that time witnesses outlined the widespread detrimental effects of alcoholism on the family unit and its individual members. For every alcoholic, an additional four people are affected. These are the "other victims" of alcoholism, and there are some 40 million in our country. Alcoholism is a contributing factor to our high divorce rate, to the physical and sexual abuse of children, to the incidences of battered spouses, and to the number of runaway children. At least 50 percent of juvenile delinquents have family members with drinking problems. Children of alcoholics—estimated as high as 28 million—run a high risk of becoming alcoholics themselves. And children of alcoholic mothers who drink during pregnancy may be deformed or mentally retarded. The picture is not very pretty.

While alcoholism can indeed have a detrimental effect on the family and its members, the family can be a strong positive factor in the treatment and rehabilitation of the alcoholic. At the hearings, witnesses emphasized the importance of the family in the recovery of the alcoholic. With family involvement, the road back is much less difficult. But to assist in the recovery of a loved one, families first need to know what alcoholism really is and where help can be found. Information must be made available; educational and counseling services are essential.

On the basis of the hearings in Utah, we concluded that a greater Federal commitment to addressing the problem of alcoholism and the family is imperative. Senator HATCH has given life to that

commitment. I shall look forward to supporting this measure throughout the legislative process.

By Mr. JOHNSTON (for himself and Mr. NELSON):

S. 2296. A bill to amend the Small Business Act and the Small Business Investment Act to create a Bureau of Minority Business and Economic Development, and for other purposes; to the Select Committee on Small Business.

Mr. JOHNSTON. Mr. President, I am pleased to introduce today along with the distinguished chairman of the Select Committee on Small Business, Mr. GAYLORD NELSON, a bill to establish a Bureau of Minority Business and Economic Development within the Small Business Administration.

The bill does not differ in its overall purpose from my original bill. It provides statutory underpinning for minority business enterprise development and consolidates minority business programing within an agency with clout. I have no doubt that the Bureau will be an aggressive advocate for minority business development.

I believe that my distinguished colleagues in the Senate recognize that there is an immediate need to bring the many diverse elements of the Federal effort to assist minority businesses into a single coordinated whole. Lack of sound programing and effective coordination between agencies have greatly hampered the Federal effort. As early as 1971, the report of the President's Advisory Council on Minority Business Enterprise, "Minority Enterprise and Expanded Ownership: Blueprint for the 70's," concluded:

A serious problem with all programs designed to assist minority enterprise has been lack of an effective mechanism between suppliers of resources (Federal agencies and private sector) and the demanders of resources, i.e., the minority entrepreneurs and community groups.

In recommending that a single agency be established to assure a comprehensive Federal program, the Council further concluded that the delivery system "must—be capable of providing a one-stop—service where the individual entrepreneurs can receive a total package without the necessity of going through a series of—officials to put components together."

In "The Study of Small Business," reported by the Office of Advocacy of the U.S. Small Business Administration on June 3, 1977, the persistent structural problems of minority small business programing was summarized as follows:

The existence of a multiplicity of small business assistance programs for the disadvantaged leaves people confused. Too many do not know where to start or that a local Business Development Organization, SBA and OMBE are all part of the Federal assistance loop.

A principal recommendation of this report was that "combination of all small business assistance and economic development in one agency should be given serious consideration in the course of executive branch reorganization by the Congress and/or the President."

Mr. President, this bill brings about sound programing and effective coordination of minority business development efforts. It also provides an effective means of insuring equitable and viable participation by American minority businesses in the national economy. After thoroughly reassessing my original legislative proposal, I have come to the conclusion that the logical statutory agency to assume management of a minority business development program is the Small Business Administration. This agency already has established authorities, responsibilities, and procedures to resolve financial, management, technical, and marketing problems that minority small businesses encounter. I am very happy to have the chairman of the Senate Select Committee on Small Business as coauthor of this bill. He has enthusiastically acknowledged the logic of locating the Bureau within the Small Business Administration.

Bureau of Minority Business and Economic Development: The bill establishes a Bureau of Minority Business and Economic Development in the Small Business Administration to be headed by a Director of Minority Business and Economic Development. The Bureau will coordinate the plans, programs, and operations of the Federal Government that affect minority small business development. The Bureau will also promote the mobilization of non-Federal resources in its efforts. The Bureau is directed to provide such nonfinancial resources as deemed necessary to assure the continued viability of minority small business concerns and to report the causes of success or failure of minority small businesses assisted by the Bureau. All Federal departments and agencies are required to provide information and assistance as needed to the Bureau.

Procurement assistance: Under section 8 of the Small Business Act of 1953, the Small Business Administration is authorized to act as prime sponsor to provide other departments and agencies of Government with goods and services which it may then subcontract to qualified small businesses. This bill requires the Director of the Bureau of Minority Business and Economic Development to designate an additional individual in the national, regional, or other office of the Small Business Administration with responsibility for administering programs authorized by section 8. These additional individuals will utilize programs authorized by section 8 primarily to promote minority small businesses.

Financing and credit: Inability to obtain adequate financing to sustain a business is one of the most pressing problems facing minority small businesspersons. In 1972, Congress amended the Small Business Investment Act of 1958 by adding section 301(d) which specifically authorized a small business investment program to be directed to all socially or economically disadvantaged persons. In an appraisal of this program, published in 1975, the General Accounting Office included the following criticisms:

Better management information could result if improvements were made in the reporting system for monitoring 301(d) investment company activities.

As the Advocate of the small businessman, the Small Business Administration needs to be more directly concerned with the practices of these companies in their continuing effort of providing equity financing.

The bill creates the position of Deputy Associate Administrator for Minority Business and Economic Development in the SBA Division of Finance and Investment. The Deputy Associate Administrator will be responsible for reviewing, studying, and improving the flow of financial resources to minority small business concerns.

Mr. President, I would like to repeat some of the statements I made earlier this year when I reintroduced my original bill. Minority business development still remains one of the most significant challenges in the area of equal opportunity in this country. Congress should make every practical effort to make workable and viable the promises of the American Constitution. It took the first century of this Nation's life to end slavery. It took the next century to make the promises of the Constitution real by enacting laws on the statute books. We must now ripen those promises stated in law into opportunities within our free enterprise system to provide for equitable participation by those who have hitherto been denied that opportunity.

By Mr. CANNON (for himself, Mr. MCCLURE, Mr. WALLOP, Mr. LAXALT, Mr. GOLDWATER, Mr. DOMENICI, Mr. GARN, Mr. HANSEN, and Mr. HATCH):

S. 2297. A bill to amend Public Law 94-579; to the Committee on Energy and Natural Resources.

Mr. CANNON. Mr. President, I introduce for myself and several of my western colleagues, a bill to direct the Secretaries of Agriculture and Interior not to implement grazing fees for the 1978 grazing year.

This moratorium has become necessary in light of the controversy created by the grazing fee formula adopted by the Secretaries in their recent report. The formula adopted is in direct conflict with directives of the Congress in the Federal Land Policy and Management Act and is opposed by virtually every agriculture and ranching organization in the country. Section 401(a) of the act directs that a study be conducted for the purpose of determining an equitable fee formula, taking into consideration the costs of production normally associated with domestic livestock grazing, differences in forage values, and other factors as may relate to the reasonableness of such fees. The formula recommended by the Secretaries ignores these factors and concentrates exclusively on the Private Grazing Land Lease Rate Index for determining a fair market value. In adopting this formula the Secretaries overlooked an earlier interdepartmental technical committee report recommending a formula using cost of production factors sought by the industry. The technical committee formula would have reflected long run trends in grazing values while also accounting for short run in-

stabilities in livestock prices or cost of production increases. It is a fair and effective proposal and is supported by the industry.

I hope this moratorium will be approved early next year to give the Senate time to review a statutory formula which appears the only way to assure that congressional direction is followed.

By Mr. MORGAN (for himself and Mr. HUMPHREY):

S. 2298. A bill to authorize the Secretary of Agriculture to carry out a pilot program to provide mortgage credit for low and moderate income families, and for other purposes; to the Committee on Banking, Housing and Urban Affairs.

Mr. MORGAN. Mr. President, I am introducing today the "Home Ownership Program Act of 1977." I am honored that my good friend and colleague, the distinguished Senator from Minnesota, Mr. HUMPHREY, is joining with me in sponsoring this legislation.

The purpose of this bill is to help make home ownership a reality for a broader segment of our citizenry who cannot presently achieve the goal of owning their own home, and also to stimulate the economy by causing the home construction industry and related trades and industry to become more active through an accelerated home building program.

As a member of the Committee on Banking, Housing, and Urban Affairs, and as chairman of the Rural Housing Subcommittee of that committee I have become increasingly concerned about the growing numbers of people—in particular young people—who are unable through no fault of their own to purchase their own home. Skyrocketing housing costs, coupled with the inflation of the last several years, are pushing the American dream of home ownership further and further out of the reach of increasing numbers of people. Those hardest hit are young people, young couples, who have never owned a home, and are attempting to start their careers and start their families. I believe we need to do more to make home ownership a possibility for these kinds of people of moderate means.

I believe that important social benefits accrue when as many people as possible are able to own their own home. The achievement of home ownership encourages people to become productive, contributing citizens. These habits of stability, responsibility, and sound financial planning based on hard work pay important social dividends to our country long after any initial financial obligation has been satisfied.

The program I am proposing today is an experimental one. It will use an existing agency, the Farmers Home Administration, to conduct a pilot program in a number of counties or States to be selected by the Secretary of Agriculture. The Secretary would designate financial institutions, such as savings and loans, credit unions, or other mortgage lenders to participate in the program. Credit would be extended to those participating financial institutions at a rate of 4 percent yearly to enable them to make mortgage loans under this provision to low- and moderate-income families residing in their service area. Participating institutions would be allowed to make these loans at a rate of 6 percent. Those couples or families eligible to participate are those whose incomes are between 80 and 120 percent of the median income for the area, and who are seeking assistance to finance their first home purchase. I believe that helping young couples get over the seemingly insurmountable hurdle of first homeownership will have important social ramifications. This is particularly true in rural area where there is a general shortage of mortgage credit available.

I believe this bill can be an important point for further discussion as the Rural Housing Subcommittee looks forward to the 2d session of the 95th Congress. During this 1st session our newly created subcommittee held hearings in Raleigh, N.C., in Salt Lake City, and here in Washington. The subcommittee was able to influence the course of the Housing and Community Development Act of 1977, which has become Public Law 95–128. That law contains a number of provisions of great importance for rural Americans, particularly the rural poor. But much more remains to be done. I hope the Home Ownership Program Act of 1977 can be an important catalyst for broadening our discussions of housing needs, and for prompting us to examine more carefully the difficulties of the increasing numbers of people unable to afford a home.

I ask unanimous consent that the text of this legislation be printed in the RECORD at the conclusion of these remarks.

S. 2298

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Home Ownership Program Act of 1977".

STATEMENT OF PURPOSE

SEC. 2. The purposes of this Act are—

(1) to help make home ownership a reality for a broader segment of our citizenry who cannot presently achieve this goal; and

(2) to stimulate the economy by causing the home construction industry and all related trades and industries to become more active through an accelerated home building program.

DEFINITIONS

SEC. 3. As used in this Act, the term—

(1) "Secretary" means the Secretary of Agriculture;

(2) "participating financial institution" means any savings and loan association, credit union, or other mortgage lender approved by the Secretary for participation in the program authorized by this Act; and

(3) "low and moderate income families" means families whose incomes are not less than 80 percent nor more than 120 percent of the median income for the area, and who are seeking assistance under this Act to finance their first home purchase, as determined by the Secretary.

PROGRAM AUTHORITY

SEC. 4. (a) The Secretary of Agriculture, acting through the Farmers Home Administration, shall carry out a pilot program in a number of counties or States selected by the Secretary. The purpose of the program shall be to extend credit to participating financial institutions at a rate of interest of 4 per centum per annum, to enable such institutions to make mortgage loans under this Act to low and moderate income families residing in the service area of such institutions at interest rates of 6 per centum per annum. Any amount of credit made available to a participating financial institution may be used by such institution as a revolving fund for additional loans in accordance with rules and regulations of the Secretary.

(b) The Secretary is authorized to prescribe such rules and regulations as may be necessary to carry out his functions under this Act, to employ and fix the compensation of such personnel as may be necessary, and to enter into contracts and take such other action as may be necessary or appropriate in carrying out the provisions of this Act.

LIMITATIONS

SEC. 5. The Secretary shall prescribe for each participating financial institution maximum loan amounts and maturities and maximum purchase prices, taking into account prevailing wages and housing costs in the service area of such institution. Except as specifically provided in this Act, each participating financial institution shall retain all authority with respect to the approval and servicing of mortgage loans under this Act.

ELIGIBILITY

SEC. 6. To be eligible for a loan under this Act, a family shall—

(1) make a commitment with the participating financial institution to pay annually in monthly installments an amount equal to 25 per centum of the family's gross income toward the payment of principal, interest, taxes, and insurance premiums attributable to the mortgage and to the property securing the mortgage; and

(2) have an annual gross income 25 percent of which is sufficient to cover the charges for interest, taxes, and insurance premiums during the first year of the loan for which application is being made.

ANNUAL REVIEW AND ADJUSTMENTS

SEC. 7. On the anniversary of any mortgage loan under this Act, the family which executed the mortgage shall certify to the participating financial institution its current annual gross rate of income. Upon the receipt of such information, the participating financial institution shall make such adjustment in the amount of monthly payments, the maturity of the mortgage loan, and in such other obligations as may be appropriate to meet the 25 per centum requirement of section 6(1).

AUTHORIZATION

SEC. 8. (a) There are authorized to be appropriated to the Secretary not to exceed $500,000 to cover the initial expenses of the Secretary under this Act.

(b)(1) Upon the request of the Secretary, the Secretary of the Treasury shall deposit in a special account such sums as may be necessary to provide capital to carry out the provisions of this Act. Such account shall be available as a revolving fund, to the extent provided in an appropriation Act, to make additional extensions of credit to participating financial institutions under this Act and shall be credited with repayments of extensions of credit made to financial institutions.

(2) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this subsection.

(c) The operating expenses of the Secretary under this Act, except for the amount provided under subsection (a), shall be paid out of the net revenues received.

ANNUAL REPORTS

SEC. 9. The Secretary shall prepare and transmit to the President and the Congress an annual report for each year of the pilot program authorized by this Act. Each such

report shall contain the Secretary's analysis of the effectiveness of the pilot program, and his recommendations for legislation or additional authority.

EXPIRATION

SEC. 10. No credit may be extended under this Act after the expiration of 5 years after the date of enactment of this Act.

By Mr. BAYH (for himself, Mr. HUMPHREY, Mr. KENNEDY, Mr. BROOKE, Mr. ABOUREZK, Mr. METZENBAUM, Mr. MATHIAS, Mr. JAVITS, and Mr. WILLIAMS):

S. 2300. A bill to extend the Commission on Civil Rights for 5 years, to authorize appropriations for the Commission, to effect certain technical changes to comply with other changes in the law, and for other purposes; to the Committee on the Judiciary.

Mr. BAYH. Mr. President, today I am introducing a bill to extend the existence of the U.S. Commission on Civil Rights for an additional 5 years. The U.S. Commission on Civil Rights was formed as a temporary independent bipartisan agency in 1957 for the purpose of studying and collecting information about or appraising any legal developments or laws that may constitute a denial of the equal protection of the laws because of a person's sex, race, color, religion, or national origin, or in the administration of justice.

I know that many Senators may wonder why this bill is necessary; why a Commission so well-known and respected needs to be renewed every so often. Did the Commission foresee the current move toward so-called sunset legislation and become its harbinger? The reason, I am afraid, is far more mundane, and seems rather outdated now. Many Members of the Congress in 1957 thought the establishment of a Commission to study civil rights was too radical a measure to pass without some continuing congressional control. Thus, the Commission was required to come to the Congress every few years to justify its existence and defend its record. Luckily, for the American people, the Commission has regularly been able to do so. In the 20 years since its founding, it has done more than any other agency in the Government to identify and suggest solutions to various civil rights violations.

The Commission has been our official conscience; the agency that has pointed out the less seemly aspects of American life and asked us to do our duty to right the wrongs that centuries of violence, injustice, and neglect caused. I am proud to say that the Senate, the Congress, and the President listened to this voice from within its ranks, and responded by ending many of those practices that relegated thousands of our fellow Americans to second class citizenship.

However, a few Senators have expressed the opinion, both here on the floor and elsewhere in public, that the job is finished. They say we have identified all the wrongs and all the injustices, righted them, and sent bigotry and its fellows to their resting places in the trash heap of history. I wish I could say this were so. I then could agree with the critics of the Commission and say there is no more need for anyone to point out segregation in the schools and in housing, discrimination against women in the insurance industry and in employment, cultural discrimination against Asian Americans or Spanish-speaking citizens, the lack of equal opportunity for the aged and handicapped, the continuing presence of racism, or any of the other discriminatory practices that are obvious to those who experience them, but not apparent to many of us who have the power to remedy those wrongs. Those evils, unfortunately, are still with us, and we still need an agency whose sole function is to identify them so we are reminded again to fight and end them.

The Civil Rights Commission is coming to the Congress to seek, simply, another 5-year term. It is asking to continue as the official window of the Congress and the President, showing us not only what is wrong with America, but also what can be done about it. Its job is one that must be done if our country is not to sink into the abyss of hatred, despair, and self-destructiveness we see elsewhere in the world.

Mr. President, what I am saying is that this country still faces a serious crisis in providing equal justice, equal opportunity, and equal rights for its minorities—in fact, for all Americans. The Commission noted this continuing crisis in a report, entitled "The Unfinished Business: Twenty Years Later," published just last month for the State advisory groups. This report noted, "the unfinished business of achieving compliance with civil rights laws remains a formidable task for all America's citizens, despite visible progress in certain critical areas." The report went on to say one reason for this was, "more subtle forms of discrimination continue to materialize, requiring ever more stringent enforcement to insure compliance with the law." I hope all Senators will read this report and the Commission's other excellent studies published over the last 5 years. I am sure reading them especially "Twenty Years Later," will convince all Members of this body that the Commission is a vital and necessary agency whose work, efforts not duplicated elsewhere in the Government, has moved us toward a more equitable society. It is only by this type of self-examination that we can reach a solution to the ills that plague our society. It surely will not come by ignoring the plight of America's minorities.

The Commission has been doing its job for a long time. The bill I am introducing today includes both technical and substantive changes in its charter, the Civil Rights Act of 1957. These changes, first, will conform the charter to changes in the law that have occurred since 1957, and, second, will allow the Commission greater latitude in investigating all discriminatory practices. I ask unanimous consent that the bill be included in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2300

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Civil Rights Commission Act of 1978".

SEC. 2 (a) Section 103(a) of the Civil Rights Act of 1957 (42 U.S.C. 1975b. (a); 71 Stat. 635), is amended by striking out "in accordance with section 5 of the Administrative Expenses Act of 1946, as amended" and inserting in lieu thereof the following: "in accordance with section 5703 of title 5".

(b) Section 103(b) of the Civil Rights Act of 1957 (42 U.S.C. 1975b. (b); 71 Stat. 635) is amended by striking out "in accordance with the provisions of the Travel Expenses Act of 1949, as amended" and inserting in lieu thereof the following: "in accordance with the provision of subchapter I of chapter 57 of title 5".

SEC. 3. (a) Section 104 (a) of the Civil Rights Act of 1957 (42 U.S.C. 1975C. (a); 71 Stat. 635) is amended by striking out "and" at the end of clause (5), by redesignating clause (6) and all references thereto, as clause (7), and by inserting after clause (5) the following new clause:

"(6) study and collect information concerning legal developments constituting a denial of the equal protection of the laws under the Constitution on account of age, or with respect to handicapped individuals as defined by the second sentence of section 7(6) of the Rehabilitation Act of 1973 (29 U.S.C. 706(6); 87 Stat. 361), and appraise the laws and policies of the Federal government with respect to such denials on account of age, or with respect to handicapped individuals as defined by the second sentence of section 7(6) of the Rehabilitation Act of 1973; and".

(b) Section 104(b) of the Civil Rights Act of 1957 (42 U.S.C. 1975c. (b); 71 Stat. 635), is amended by striking out "1978" and inserting in lieu thereof "1983".

SEC. 5. Section 105 (a) of the Civil Rights Act of 1957 (42 U.S.C. 1975d. (a); 71 Stat. 636) is amended by striking out "and who shall receive compensation at a rate, to be fixed by the President, not in excess of $22,500 a year".

SEC. 5. Section 105(d) of the Civil Rights Act of 1957 (42 U.S.C. 1975 (d); 71 Stat. 636) is amended by striking "sections 281, 283, 284, 434, and 1914 of title 18, and section 190 of the Revised Statutes" and inserting in lieu thereof "sections 203 205, 207, 208 and 209 of title 18".

SEC. 6. Section 16 of the Civil Rights Act of 1957 (42 U.S.C. 1975e.; 71 Stat. 636) is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 106. There are authorized to be appropriated such sums as are necessary to carry out the provisions of this Act.".

Mr. BAYH. Sections 2, 4, and 5 contain the technical amendments to the act, and sections 3 and 6 the substantive provisions. Section 2 (a) and (b) merely tracks the language and citations that come about as a result of the 1966 codification of title 5 of the United States Code. Section 4 deletes language now in the act concerning the compensation due the Commission's staff director which was superseded by Public Law 89–554 and Public Law 88–426. Section 5 merely amends the citation to the sections of title 18 of the United States Code which were changed by Public Law 87–849.

The substantive sections 3 and 6, do relatively little to change the Commission or its work. Subsection 3(a) adds the authority to study, collect information, and appraise the laws in regard to discrimination on account of age or mental or physical disability; subsection 3 (b) extends the Commission's existence

for an additional 5-year period. Section 6 authorizes those appropriations necessary to carry out the Commission's duties during the extension until the end of fiscal year 1983.

Mr. President, I originally announced on October 23, 1977, that the Subcommittee on the Constitution would hold hearings next week, November 1 and 2, on this bill. Unfortunately, these hearings must be postponed in order to allow the committee to finish its work on S. 1437, the codification of the criminal code. I hope this change of schedule did not inconvenience any Senator or witness who planned to appear before the subcommittee. I will inform the Senate and other interested parties of the new dates so they can make plans to testify when the hearings are rescheduled later this month.

By Mr. HATHAWAY:

S. 2301. A bill to require an immigrant alien to maintain a permanent residence as a condition for entering and remaining in the United States, and for other purposes; to the Committee on the Judiciary.

Mr. HATHAWAY. Mr. President, I am introducing today legislation designed to eliminate a most serious abuse of the Immigration and Nationality Act.

Under that law, foreign citizens admitted for permanent residence in the United States are allowed to make brief visits abroad.

As long as the alien does not stay abroad for more than a year, he or she may return freely to the United States.

Permanent resident aliens are allowed to work freely and without restriction anywhere in the United States. Upon meeting the requirements for it, they may become citizens. This is all as it should be. And in most cases it causes no problems.

But there are cases, Mr. President, where I believe the law is not being carried out in conformity with Congress intentions in such matters.

People from Canada who obtain permanent status in the United States, for example, frequently continue to live their lives as Canadians in Canada but use their permanent status in the United States in order to obtain work here.

This is entirely understandable.

But what the law contemplates in the words "brief visit abroad" have come, in many cases, to describe the daily migration of a Canadian from his job in the States to his home in Canada.

In short, the brief visit abroad has come to include people who hold the right to live here, but do not exercise that right, preferring, instead, to continue to reside in Canada.

But they do choose to exercise a portion of the rights conferred upon them when they obtain permanent resident status. And that portion is the right to hold a job here.

This creates friction in some parts of the United States.

When a person who, in every respect, is a Canadian citizen, living in Canada, driving a car with provincial plates on it, comes to the United States and is admitted lawfully to hold a job, it irritates Americans who are unemployed.

Americans do not enjoy reciprocal rights of this nature if they wish to work in Canada.

Canada—like most countries—is much stricter about admitting people for work than the United States is.

I do not wish to make American citizenship a prerequisite for employment in the United States. One of the strengths of our country is that citizenship is something which one receives if born here and, if an immigrant, is easily enough conferred if one wishes to become a citizen. To force citizenship upon anyone through economic or other inducements would destroy the positive aura that surrounds American citizenship.

But I do wish to give American citizens and the lawful aliens residing here the first crack at American jobs.

For citizens, it is a fundamental expectation that the Government will do its best to promote an environment in which the citizen can work and support himself.

And when we admit aliens, we make a similar commitment. They are our guests. They are a little like distant relatives—an apt simile when one considers the American experience.

But guests or visiting relatives have certain obligations on their part. The duties of the host end, for example, if the guests decide to stay elsewhere.

So what we have are numbers of aliens, admitted to the United States to live and work here. But they only work here. They continue to live abroad in Canada.

I believe that this is wrong for Americans seeking jobs in the United States—and who can obtain no similar privilege in Canada.

My bill, the Immigration and Nationality Act Amendments of 1977, would require an immigrant alien to maintain a permanent residence as a condition for entering and remaining in the United States.

Each immigrant applying for permanent status would be required to swear that he or she intends to establish continuous residence in the United States.

For most immigrants, this will present no difficulty.

Failure to observe these requirements could result in deportation proceedings.

For aliens who currently hold permanent resident status but who commute from Canada, a 1-year grace period is established, at the termination of which they would have to elect either to lose their U.S. job and remain in Canada or move to the United States and retain their employment here.

I ask unanimous consent that the text of my bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2301

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Immigration and Nationality Act Amendments of 1977".

SEC. 2. Section 101(a) of the Immigration and Nationality Act is amended by amending paragraph (20) to read as follows:

"(20) The term 'lawfully admitted for permanent residence' means the status of an immigrant who—

"(A) has been lawfully accorded the privilege of residing permanently in the United States in accordance with the immigration laws;

"(B) at the time of making an application for an immigrant visa, intends to establish continuous residence in the United States; and

"(C) establishes continuous residence in the United States following his admission into the United States as a permanent resident;

such status not having changed. For purposes of this paragraph, the term 'continuous residence' means the maintenance of an actual, fixed, and permanent place of abode.".

SEC. 3. Section 212(a) of the Immigration and Nationality Act is amended—

(1) by striking out the period at the end of paragraph (32) and inserting in lieu thereof a semicolon; and

(2) by adding at the end thereof the following new paragraph:

"(33) Any alien who seeks to procure, has sought to procure, or has procured an immigrant visa without any intent to establish continuous residence in the United States, as defined in section 101(a)(20).".

SEC. 4. Section 221(a)(1) of the Immigration and Nationality Act is amended by inserting after "section 222" the following: "(including the statement and oath required by subsection (a)(2) of such section)".

SEC. 5. Section 222(a) of the Immigration and Nationality Act is amended—

(1) by inserting "(1)" immediately after "(a)";

(2) by striking out the following: "whether or not he intends to remain in the United States permanently;"; and

(3) by inserting at the end thereof the following new paragraph:

"(2) Each immigrant shall sign a separate statement under oath, at the end of such application that he intends to establish continuous residence in the United States, as defined in section 101(a)(20). The statement of such intent shall be considered a material fact of such application.".

SEC. 6. Section 241(a) of the Immigration and Nationality Act is amended—

(1) by striking out "or" at the end of paragraph (17);

(2) by striking out the period at the end of paragraph (18) and by inserting in lieu thereof a semicolon and "or"; and

(3) by adding at the end thereof the following new paragraph:

"(19) was admitted as an immigrant and failed to maintain the immigrant status in which he was admitted or to which he was adjusted pursuant to section 245, or to comply with the conditions of such status.".

SEC. 7. The introductory matter preceding paragraph (1) of section 2(a) of the Immigration and Nationality Act is amended by inserting after "suspension of deportation" the following: "(which application shall include a statement signed by the alien, under oath, that he intends to establish continuous residence in the United States, as defined in section 101(a)(20))".

SEC. 8. Section 245(a)(1) of the Immigration and Nationality Act is amended by inserting after "such adjustment" the following: "(which application shall include a statement signed by the alien, under oath, that he intends to establish continuous residence in the United States, as defined in section 101(a)(20))".

SEC. 9. Not later than one year after the date of enactment of this Act, any alien admitted as an immigrant before the date of enactment of this Act shall be required to—

(1) sign a statement, under oath, that he intends to establish continuous residence in the United States, as defined in section 101 (a) (20) of the Immigration and Nationality Act, as amended by section 2 of this Act; and

(2) thereafter, establish such continuous residence.

By Mr. RANDOLPH (for himself, Mr. STAFFORD, Mr. EAGLETON, Mr. MAGNUSON, Mr. MATHIAS, and Mr. HATCH):

S. 2302. A bill to authorize the Secretary of Health, Education, and Welfare to make grants to the States to reimburse the costs of studies to assess the cost of compliance with section 504 of the Rehabilitation Act of 1973 with respect to educational programs, and to make grants to educational institutions to pay the Federal share of the costs of such compliance, and for other purposes; to the Committee on Human Resources.

Mr. RANDOLPH. Mr. President, I am today introducing a bill, the Rehabilitation Cost Assistance Act of 1977. Mr. STAFFORD, Mr. EAGLETON, Mr. MAGNUSON, Mr. MATHIAS, and Mr. HATCH are cosponsors. The measure would enable States to assess the fiscal impact of section 504 of the Rehabilitation Act of 1973 as it relates to the removal of architectural barriers from educational facilities. This legislation will also authorize the appropriation of funds for the removal of architectural and communications barriers in educational institutions.

On September 26, 1973, the Rehabilitation Act was signed into law. Section 504 of this act states that—

No otherwise qualified handicapped individual in the United States, as defined in section 7(6), shall, solely by reason of his handicap, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

This statement of rights has profound implications for the handicapped citizens of this country as well as for all citizens.

As my colleagues know, regulations to implement section 504 were long delayed. In fact, final regulations were not published until May 4 of this year. These regulations require that programs be accessible to handicapped persons, that construction of new facilities must be barrier-free, and that structural changes must be made when there is no other method to make programs and services accessible. Structural changes must be completed by June 3, 1980, in accordance with a transition plan which must be developed by December 3, 1977.

Particularly, since the publication of the final regulations, there have been concerns expressed about the future of this potentially far-reaching provision—section 504. Consumers and advocates are fearful that section 504 will not achieve its intended purpose; recipients of Federal aid question their ability to summon the fiscal resources to meet their obligation under the law.

Determination of what structural changes need to be made and therefore the cost of such changes remain a perplexing problem for many recipients. Estimates on the cost of achieving accessibility to educational programs vary widely—from $250 million to $7 billion. Initial estimates are frequently much too high; for example, according to Mainstream, Inc., an organization which conducts accessibility surveys, one facility thought that it would have to spend $160,000 to achieve accessibility. Further examination showed that accessibility could be accomplished by spending only $7,800.

This measure would provide funding for States to conduct independent studies on the cost of achieving program accessibility in educational facilities. I stress the word independent since it would be valuable both to the Department of Health, Education, and Welfare as well as to the Congress to have independently researched cost figures in addition to the transition plans that will be developed by the recipients. If this Nation is to meet its commitment to handicapped citizens, there must first be a national effort made in order to assess the cost so that planning to meet that commitment may proceed in a logical, orderly fashion.

This bill, the Rehabilitation Cost Assistance Act of 1977, also authorizes the appropriation of funds to assist educational institutions in the removal of barriers in order to achieve program accessibility in accordance with section 504 of the Rehabilitation Act.

Mr. President, I believe this bill offers a reasonable and logical approach to a perplexing problem facing many of this country's public and private elementary and secondary schools, and public and private institutions of higher education. We would afford the States the opportunity to access the fiscal impact of section 504 on educational programs within the States and then provides institutions operating educational programs the opportunity to seek Federal assistance to remove architectural barriers that have been identified in the State study as being an impediment to program accessibility.

When Congress passed the Rehabilitation Act of 1973, it made a commitment to this country's handicapped citizens that has not been yet fulfilled. It is my hope that this commitment be met; it is my belief that this bill provides a pragmatic approach to fulfilling the promise of section 504 to handicapped persons.

I ask unanimous consent that this bill be printed in the RECORD at the conclusion of my colleagues' remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATHIAS. Mr. President, I take great pleasure in cosponsoring the Rehabilitation Cost Assistance Act of 1977 with the distinguished Senator from West Virginia (Senator RANDOLPH). This bill helps set the stage for a continuing partnership between the States and the Federal Government toward fulfilling the goals contained in section 504 of the Rehabilitation Act of 1973. The soundings I have taken in the State of Maryland and elsewhere convince me that this bill is urgently needed.

State departments of education and institutions of higher learning are now in the process of developing their compliance plans. Determination of costs and the actual letting of contracts will be the next order of business for most States and institutions. Now is the time for the Federal Government to provide substantive help.

Passage of this legislation is of crucial importance to the education community which has deadlines to meet in conjunction with a number of other regulatory requirements. OSHA requirements, section 504 regulations, energy efficiency, changing enrollment patterns, and inflationary educational costs make it increasingly difficult to administer a sound educational system with a limited budget. It was the intent of Congress to extend the opportunity and rights of the majority to the handicapped without diluting the quality and quantity of services available to all. We must face the fact that carrying out this intent will be costly. But, in the long run, society as a whole will benefit if, by removing impediments, we enable the handicapped to become productive tax-paying members of society. Now it is time for the Congress to take the lead again by helping the educational community respond to the economic challenges inherent in section 504.

I think the problems of Maryland are representative of those faced by other States. The Maryland State Board of Education has an excellent education record. It has vigorously pursued compliance with P.L. 94–142. Nonetheless, the provision of studies money and implementation money will certainly facilitate its endeavor. Institutions of higher education will find compliance more difficult even than the public schools have found it. The public schools at least can benefit from the growing body of information available as a result of the requirements of Public Law 94–142. But, in attempting to estimate the cost of compliance, institutions of higher education can look only to the experience of those few institutions that had the foresight, funds and compassion to act affirmatively for the handicapped before legislative prodding. This bill will be especially useful in helping the higher education community achieve compliance with section 504.

Our bill will provide $15 million to support a State-by-State study to assess the cost of implementing section 504. The bill also authorizes the appropriation of a sum of money to support an 80-percent Federal share of the costs of section 504. It seems to me that these measures provide a reasonable approach to the achievement of the goals in section 504.

Mr. EAGLETON. Mr. President, I am pleased to join with Senator RANDOLPH in sponsoring legislation to determine the cost of effectively implementing the ban on discrimination against the handicapped.

Three long years after enactment of the prohibition, Secretary Califano signed the regulations implementing section 504 of the Rehabilitation Act of

1973. On June 3, 1977, it became HEW policy that all recipients of HEW funds must provide equal access for the handicapped to their services and employment—or lose their Federal funds.

On this basic principle, there must be no turning back. However, in order for the potential embodied in the regulations to substantially improve the everyday lives of millions of handicapped in our schools, colleges and universities, hospitals, nursing homes, and day care centers to be realized, Congress must assist these institutions to meet the ambitious goal it has legislated.

Many questions remain unanswered The regulations require that programs be accessible to the handicapped. Yet no one has clearly defined what accessibility means. David S. Tatel, director of the Office for Civil Rights, has said that—

While a part or percentage of an institution's facilities must be accessible, there is no prescribed number or percentage that is required. The object is to make the programs of an institution accessible, not every classroom or dormitory room.

The lack of specific guidance from the agency issuing the regulations has left many institutions in a quandry. Fearful of a loss of Federal funds and burgeoning lawsuits, they feel compelled to interpret the regulations in a very liberal manner.

A second major question which has not been adequately addressed is that of cost. Who is going to pay for the costs of compliance with the regulations? Estimates of the cost of compliance from schools, colleges, and universities range from $250 million to $7 billion, the bulk of which would be necessary to make structural changes to remove architectural barriers. Although HEW claims that the institutions have vastly inflated their cost estimates, it is clear that no one knows what actual costs will be.

From my dual role as a member of the Senate Subcommittee on the Handicapped and the Senate appropriations subcommittee responsible for funding programs for the handicapped, I believe it is imperative that the Senate take swift action on the bill we are introducing today.

The bill is modest in scope. It authorizes $15 million for grants to the States to conduct an assessment of their cost of bringing their educational programs into compliance with section 504 of the Rehabilitation Act. The States are required to complete their assessment within 120 days, and 60 days thereafter, the Secretary of HEW is required to report to Congress as to the need for Federal support. Further, it would authorize an appropriation of funds to assist educational institutions in the removal of barriers in order to achieve accessibility of programs in accordance with section 504 of the Rehabilitation Act.

Absent such an evaluation and support, Congress will be unable to effectively meet its responsibility to follow through on its requirement that all HEW grantees provide equal opportunity for all handicapped people.

S. 2302

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Rehabilitation Cost Assistance Act of 1977".

SEC. 2. The Congress finds that—

(1) section 504 of the Rehabilitation Act of 1973 requires that educational programs be accessible to handicapped persons,

(2) it may be necessary to physically modify existing structures of educational facilities in order to comply with section 504, and

(3) in order to meet the national goal of program accessibility in education as set forth in section 504, it is first necessary to determine the cost of achieving accessibility.

SEC. 3. (a) The Secretary is authorized to make grants to States to reimburse (in whole or in part) the cost of an independent study for each such State designed to assess the cost of complying with the provisions of section 504 of the Rehabilitation Act of 1973 with respect to public and private educational programs carried out in that State.

(b) No grant may be made under the provisions of this section unless—

(1) each State desiring to receive a grant under this section makes an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require; and

(2) each State provides assurances that the study for which reimbursement is sought under this section will be completed within 120 days after the date of enactment of this Act.

SEC. 4. Not later than 180 days after the date of enactment of this Act, the Secretary shall prepare and submit to the Congress a report on the cost of complying with the provisions of section 504 of the Rehabilitation Act of 1973 with respect to educational programs, based upon the information developed pursuant to section 3 of this Act.

SEC. 5. (a) The Secretary is authorized to make grants to educational institutions to pay the Federal share of the cost of assisting such institutions in removing architectural barriers in order to comply with the provisions of section 504 of the Rehabilitation Act of 1973.

(b) No grant may be made under the provisions of this section unless—

(1) each educational institution desiring to receive a grant under this section makes an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require;

(2) such educational institution provides assurances that the project for which the application is made meets the requirements of section 504 of the Rehabilitation Act of 1973, and provides for the removal of architectural barriers in a timely and economic manner in accordance with such section;

(3) such educational institution provides assurances that the title to the site on which the project for which assistance is sought is in accordance with the regulations of the Commissioner, and that the educational institution will use the facility to which the project relates for educational purposes; and

(4) such educational institution provides assurances that Federal funds received under this section will be used solely for the Federal share of the cost of removing barriers described in the application, and that such institution will pay from non-Federal sources the remaining cost of carrying out the provisions of the application.

(c) The Secretary shall not approve any application under the provisions of this section unless—

(1) he determines that the requirements of subsection (b) are met; and

(2) he considers the appropriate State study conducted pursuant to section 3 of this Act or a similar State study relating to the cost of making facilities of educational institutions accessible to handicapped individuals.

(d) The Federal share for the purpose of this section shall be 80 percent in each fiscal year.

SEC. 6. (a) Unless otherwise specifically provided by this Act, the provisions of section 434 (a) and 435 of the General Education Provisions Act shall apply to the program authorized by this Act.

(b) Notwithstanding any other provision of this Act no payment for reimbursement under this Act to any State shall exceed 12 per centum of the aggregate payments to all States under this Act.

SEC. 7. For the purpose of this Act the term—

(1) "Commissioner" means the Commissioner of Education;

(2) "education institution" means—

(A) any local educational agency as defined in section 801(f) of the Elementary and Secondary Education Act of 1965,

(B) any State educational agency as defined in section 801(k) of such Act,

(C) any other public or private elementary or secondary school receiving Federal financial assistance.

(D) any institution of higher education as defined in section 1201(a) of the Higher Education Act of 1965,

(E) any institution of higher education as defined in section 491(b) of such Act,

(F) any eligible institution as defined in section 435 of such Act, and

(G) any other similar institution receiving Federal financial assistance;

(3) "Secretary" means the Secretary of Health, Education, and Welfare; and

(4) "State" includes each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the government of the Northern Mariana Islands.

SEC. 8. (a) There are authorized to be appropriated such sums not to exceed $15,000,000 to carry out the provisions of section 3 of this Act.

(b) There are authorized to be appropriated such sums as may be necessary for each fiscal year prior to October 1, 1980 to carry out the provisions of section 5 of this Act.

By Mr. MELCHER:

S. 2303. A bill to declare a national policy on conservation, development and utilization of natural resources, assurance of resources for economic growth and national security, and for other purposes; to the Committee on Governmental Affairs.

RESOURCES FOR GROWTH AND FREEDOM

Mr. MELCHER. Mr. President, I have just introduced a bill to declare a national policy on conservation, development, and utilization of our natural resources, to assure resources for economic growth and national security, to create a White House Council on Resources and Conservation and to authorize a joint committee of the Congress on resources and conservation to assure attainment of our necessary growth and security goals.

Twenty-five years ago, in 1952, William S. Paley and a panel of distinguished Americans known as the Paley Commission, or the President's Materials Policy Commission, issued a report entitled "Resources for Freedom." They recommended that a single agency of Government—not an operating agency but an oversight agency preferably in the Executive Office—be established or designated to maintain an inventory of our resources and materials situation and

programs, and to alert us annually to shortages, recommending policies and programs to assure adequate resources of all kinds for our growth and security, both in the short and long term.

The Commission recommended that the agency:

. . . collect in one place the facts, analyses, and program plans of other agencies on materials and energy problems and related technological and special security problems; to evaluate materials programs and policies in all these fields; to recommend appropriate action for the guidance of the President, the Congress, and the Executive agencies; and to report annually to the President on the long-term outlook for materials with emphasis on significant new problems that emerge, major changes in outlook, and modifications of policy or program that appear necessary.

Interestingly, the Commission was much concerned about energy resources; they pointed out that coal was our most abundant resource, that there were great possibilities of developing economies in its use and converting it to electric energy and liquid fuels, and they recommended:

That the Federal Government, acting through the Bureau of Mines, with the cooperation of private industry, labor, and private research organization, undertake a thorough appraisal of present research and development work relating to coal; and the formulation of a strong program to advance coal technology to be carried out by a combination of private and public effort.

The Paley Commission was concerned, too, with other scarce minerals, forest products, agricultural resources—everything our Nation requires to assure growth and security.

As we learned last year during enactment of the new Forest Management Act, despite growing pressure on our forests, we have millions of acres of forest lands idle, cut over, overgrown with underbrush, and in need of reforestation—a backlog of $1.5 to $2 billion in work desperately needed to keep our national forest lands fully productive and capable of meeting our growing requirement for timber products from 15 to 50 years from now.

A private research agency, Resources for the Future, grew out of the Paley Commission activity. Some of the leaders in the Resources for Freedom movement believed that it was going to monitor adoption of the Commission's recommendations and focus attention on the adoption and maintenance of programs that would assure our country adequate resources for growth and security. While that institution has stimulated a good deal of scholarly research, brochures, papers, and books on resources subjects, I am not aware that it has functioned as a Paul Revere in the national resources and materials policy and program development field.

One of my distinguished predecessors in this body—Senator James E. Murray, of Montana, who was concerned about continuing neglect of resources and conservation policy, proposed in 1959 that we establish a Council of Resources and Conservation Advisers. He was joined by 29 cosponsors.

There were hearings on the bill in 1960. Presidential candidate John F. Kennedy advocated the creation of the council in his successful Presidential campaign. Senator Claire Engle of California and many coauthors reintroduced Senator Murray's measure in 1961.

Unfortunately, the Bureau of the Budget, which was then empire building, convinced President-elect John F. Kennedy that it should be his exclusive staff agency and that resources and conservation surveillance and policymaking could be entrusted to it. The Kennedy administration, despite the candidate's commitments, endorsed the purpose of the bill but asked for time to get organized to do the job without creation of the new Council.

The job was never done.

In 1969, when our environmental concerns were growing, we used the pattern of the Resources and Conservation Act to create the Environmental Quality Council in the White House. Out of that movement, with the Council supplying a considerable part of the stimulus, has come a surge of environmental measures, most of them much-needed but, unfortunately with a tilt toward limitation or obstruction of growth. No one has been assigned the responsibility for monitoring and proposing ways to meet our needs and growth requirements.

There are flashes of concern about what is happening to our agricultural land from land use planners. When timber prices skyrocket, there is momentary concern about adequacy of our timber resources. During processing of the Timber Management Act last year we authorized funds for an 8-year "catch-up" on reforestation and maximizing forest productivity but that was not followed up by a budget request.

The Bureau of Mines reports occasionally on our dependence on imports for minerals, using Bureau of Census data, but I am not aware of any careful planning or program to assure that we don't get caught by an Arabian blitzkreig on some of them. We have certain reserves, but I am not aware, and no one around the Congress of whom I inquire, appears to know what they amount to in terms of 1 year, 2 years', or several years' supply.

We are 100 percent dependent on foreign suppliers for columbium, used to temper steel to withstand jet engine temperatures. Russia is our principal supplier of chromium, of which we get 89 percent from abroad. We are 90 percent dependent on imports for our bauxite to make aluminum. We also get 22 percent of our aluminum itself from Canada.

I ask unanimous consent to insert at this point in my remarks a table of U.S. net import reliance of selected minerals and metals as a percent of consumption in 1976, as reported by the Bureau of Mines:

There being no objection, the table was ordered to be printed in the RECORD, as follows:

MINERAL OR METAL; PERCENT RELIANCE; MAJOR FOREIGN SOURCES, (1972–1975)

Columbium, 100, Brazil, Thailand, Nigeria.
Mica (sheet), 100, India, Brazil, Malagsy.
Strontium, 100, Mexico, U.K., Spain.
Cobalt, 98, Zaire, Belgium-Luxembourg, Finland, Norway.
Manganese. 98, Brazil, Gabon, Australia, South Africa.
Tantalum, 94, Thailand, Canada, Australia, Brazil.
Titanium (rutile), 93, Australia, India.
Platinum Group Metals, 92, U.K., U.S.S.R., South Africa.
Bauxite & Alumina, 90, Jamaica, Surinam, Guinea, Australia.
Chromium, 89, U.S.S.R., South Africa, Philippines, Turkey.
Tin, 85, Malaysia, Thailand, Bolvia.
Asbestos, 83, Canada, South Africa.
Fluorine, 79, Mexico, Spain, Italy.
Nickel, 71, Canada, Norway, New Caledonia.
Gold, 70, Canada, Switzerland, U.S.S.R.
Mercury, 65, Canada, Algeria, Mexico, Spain.
Cadmium, 64, Canada, Mexico, Australia, Belgium-Luxembourg.
Potassium, 62, Canada.
Antimony, 61, South Africa, P.R. China, Bolivia, Mexico.
Selenium, 59, Canada, Japan, Mexico.
Tungsten, 59, Canada, Bolivia, Peru, Thailand.
Zinc, 59, Canada, Mexico, Australia, Peru, Honduras.
Tellurium, 57, Peru, Canada.
Silver, 47, Canada, Mexico, Peru.
Petroleum (inc. Nat. Gas liq.), 41, Canada, Venezuela, Nigeria, Saudi Arabia.
Barium, 38, Ireland, Peru, Mexico.
Gypsum, 38, Canada, Mexico, Jamaica.
Titanium (ilmenite), 37, Canada, Australia.
Iron Ore, 35, Canada, Venezuela, Brazil.
Iron & Steel Scrap (—22)
Vanadium, 31, South Africa, Chile, U.S.S.R.
Aluminum, 22, Canada.
Copper, 15, Canada, Peru, Chile, South Africa.
Lead, 15, Canada, Peru, Australia, Mexico.
Steel Mill Products, 10, Japan, Europe, Canada.
Salt, 7, Mexico, Canada, Bahamas, Chile.
Natural Gas, 4, Canada.
Cement, 3, Canada, Bahamas, Norway, U.K.
Pumice, 2, Greece, Italy.

Mr. MELCHER. I have just learned that the White House is planning a conference in late January and early February on balanced national growth and economic development with several major themes including strengthening local economies; people and jobs; the government and budget; the geography of growth; and streamlining government. It is a timely conference. I wish that the agenda I have seen gave more attention to resource aspects of the growth problem, but perhaps it is more adequately covered in working papers than in the extremely brief summary I have seen.

However, a one-shot conference on national growth and economic development is not going to do the continuing job that the Paley Commission drew our attention to back in 1952, the continuing job that Senator James Murray and his 29 Senate coauthors envisioned in 1959 and the Sixties, nor the continuing job of reminding and advising us of the immediately urgent and long-term problems in the resources and materials fields with which we should be dealing rather than neglecting.

The Paley Commission report was a one-shot deal. Had we heeded its warnings and followed it up, as the Commission recommended, our energy crisis today might well have been much less severe.

The bill I have introduced today is an adaptation of the Resources and Conservation Act of the late Fifties and Sixties.

It may very well need considerably more modernization than I have given it at this point. I have introduced it in its present form today, however, to stimulate discussion of steps which will help to assure continuing consideration of the adequacy of our resources for national growth and security.

We should have learned something from the energy crisis.

Perhaps the time has come when the sort of agency recommended in 1952 and proposed in 1959 should be adopted.

Some of my concerns about the adequacy of our resources—the long-term adequacy of them—are reflected in a study by Lester R. Brown of the Worldwatch Institute, which, according to press accounts, contends that problems created by dwindling supplies of oil, fish, firewood, and other resources are more dangerous to us than military threats.

I ask unanimous consent to include in the RECORD an article from the Washington Star describing Dr. Brown's study.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STUDY CITES NATIONAL DANGERS—NATURE, NOT WEAPONS, CALLED KEY TO SECURITY

(By Henry S. Bradsher)

The concept of national security needs to be redefined to look beyond military threats to problems created by dwindling supplies of oil, fish, firewood, pastures and other resources.

Their decline poses long-term dangers for the security of the whole world that are potentially more serious than military competition. A failure to arrest the deterioration of the earth's fisheries, forests, grasslands and croplands, "threatens . . . the survival of civilization as we know it."

This dire warning comes from a leading thinker on global problems, Lester R. Brown. He heads a Washington nonprofit research organization named Worldwatch Institute.

Brown is a relaxed, affable member of a grim band of doomsayers who try to wake up the world to problems so big and daunting that few people even recognize them—and most of those find it politically easier and intellectually more convenient to ignore than to tackle them.

Not all pessimism, Brown sees some hope. He doubts that the past 25 years' trends toward exhausting the earth's resources will continue unchanged through the last quarter of this century. But the question Brown has raised in a number of Worldwatch studies is whether enough is being done to check the trends.

He fears the answer is no. Others have challenged such gloomy predictions. They argue that something always turns up, whether nuclear energy to replace fossil fuels, or ocean-bed mineral nodules to replace depleted mines, or other products of advancing science.

A new study just issued by Brown says much greater efforts are needed. Six times as much is spent around the world to develop new weapons as goes into developing replacements for declining energy resources, he points out.

"Not only is the old military concept of national security no longer adequate," Brown says, "but it may be diverting attention from more serious problems."

The military approach assumes "that the principal threat to security comes from other nations. But the threats to security may now arise . . . more from the relationship of man to nature . . . National securtiy cannot be maintained unless national economies can be sustained, but, unfortunately, the health of many economies cannot be sustained for much longer without major adjustments."

Brown says world oil production is projected to begin declining in 15 years. Some other analysts question that date, but recognition of the eventual problem for modern industrial societies that run on oil is spreading.

Defense Secretary Harold Brown warned last Wednesday that "an oil disaster" faces the United States unless energy consumption is cut. "The present deficiency of assured energy resources is the single surest threat that the future poses to our security and that of our allies," he said.

In talking about his study, Lester Brown cites the defense secretary's speech as part of an encouraging spread of awareness. But the study says the speech's theme of concern about access to current oil production is not so important as "another more serious threat, the eventual exhaustion of the world's oil supplies. . . ."

The promise of nuclear power to replace oil is not being realized as rapidly as is needed, Brown says. He calls for more attention to exploiting solar energy and other sustainable forms of energy.

The principal energy fuel in many "third world" countries, Brown says, is firewood. But it is being consumed faster than forests are regenerating. This is partly a problem of population growth in the poorer countries. The worldwide growth of population is slowing, but it needs to slow much more to avoid outrunning resources

Brown warns that fishing yields have peaked and declined as most of the best oceanic areas have been overfished in the last two decades. Pastures are being overgrazed, leading to erosion and the encroachment of deserts that "pose a far more serious threat to national security than do invading armies" in some countries. And farm lands are not keeping up with growing demands for food, he says.

"The traditional military concept of national security is growing ever less adequate as nonmilitary threats grow more formidable," Brown concludes.

By Mr. HELMS (for himself, Mr. DOLE, Mr. HAYAKAWA, Mr. MCCLURE, and Mr. THURMOND):

S. 2304. A bill to require that the Hungarian Crown of St. Stephen and other relics of the Hungarian royalty remain in the custody of the U.S. Government and that they not be transported out of the United States, unless the Congress provides otherwise by legislation; to the Committee on Foreign Relations.

Mr. HELMS. Mr. President, this morning's papers carry the news that President Carter has decided to return to the present Government of Hungary the Crown of St. Stephen and other holy relics pertaining to the Hungarian Nation.

Mr. President, this is not a casual gesture, nor is it merely the return of property to its rightful owners. The crown, as is well known, is the symbol of authority and legitimacy of the Hungarian Nation. It occupies a place in Hungary's history which is similar to the Constitution in ours; but it goes beyond that because it involves spiritual significance beyond that which is appropriate in our own society. The question is not only authority, but the legitimacy which comes from legal succession.

This whole question is of great importance to the Communist government of Hungary, because it cannot claim authority or legitimacy without possession of the crown. After all, it is a government which was imposed upon the Hungarian people, and which has sought to destroy that Nation's Christian heritage. It neither has the legitimacy of historic succession, nor the legitimacy of democratic institutions.

The return of the crown to such bloody hands is a defilement of its intrinsic meaning. But more than that, in contemporary terms, it is an expression of the so-called Sonnenfeldt doctrine, which consigns the Eastern European countries to the interest sphere of the Soviet Union, and guarantees to the Soviet Union that the United States has no interest in supporting, even morally, the hopes of the Eastern Europeans for a free government.

There is a major issue involved in this return. It is an issue that ought to be debated at length, and not decided while Congress is out of session.

Therefore, I am introducing legislation today which would require that the Crown of St. Stephen remain in the custody of the U.S. Government, and not be transported out of the United States, unless the Congress specifically provides otherwise by legislation.

This is the same legislation which has been introduced in the House as H.R. 7983 by Congresswoman MARY ROSE OAKAR, with 18 cosponsors. I would like to point out that the legislation takes no side on the question of whether or not the crown ought to be returned; it merely insures that there will be a full congressional debate before any decision is made. I have pointed out some of the ramifications, but I am sure that there are many views on the topic. But at least we should be able to agree that there be a full debate before any decision is made.

Mr. President, I ask unanimous consent that articles from the Washington Post and the New York Times be printed in the RECORD at the conclusion of my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, Nov. 4, 1977]

UNITED STATES TO RETURN HUNGARY'S CROWN HELD SINCE END OF WORLD WAR II

(By Bernard Gwertzman)

WASHINGTON.—The Carter Administration, in a significant move to improve relations with Hungary, has decided to return to Budapest the Crown of St. Stephen, the symbol of Hungarian nationhood that has been in American custody since the last days of World War II.

Administration and Congressional sources said that the decision was conveyed to key members of Congress today.

Secretary of State Cyrus R. Vance intends to deliver the crown and crown jewels to the Hungarian Government at the end of President Carter's scheduled trip to nine countries, from Nov. 22 to Dec. 2.

The decision to return the crown and jewels is regarded by Administration officials as a symbol of the "changes that have occurred in recent years in Hungary. Under Janos Kadar, Hungary, in "terms of internal policy, has become probably the most

liberal of the East European countries linked to the Soviet Union.

Now that the crown issue is being settled, it is expected that steps will be taken to negotiate an economic agreement with Hungary. This would include granting Hungarian goods normal tariff status, the so-called most-favored nation treatment. Currently, only Poland and Rumania in the Soviet bloc receive such concessions.

Officials said that the question of returning the crown has been under active study for some time, and it was judged that this was the appropriate time. It is understood that Philip M. Kaiser, the American Ambassador in Budapest, strongly urged the move.

The crown was sent as a coronation gift to Stephen, Hungary's first King, in the year 1,000 by Pope Sylvester II. The Byzantine-style crown is studded with gems, decorated with miniatures depicting religious scenes and surmounted by an inclined cross. In addition to the crown, the other royal jewels include a gold scepter and orb and a gold-encrusted mantle.

CROWN A SYMBOL OF LEGITIMACY

All this has profound national symbolism for Hungarians, who trace their country's nationhood and conversion to Christianity to that period.

The jewels were turned over to American military authorities at the end of World War II by members of a Hungarian military guard who feared that it would otherwise fall into the hands of advancing Soviet troops.

The crown had been used in the coronation of more than 50 Hungarian kings and no state ceremony was considered legitimate without it. The common belief of many Hungarians was that as long as the crown was safe, so was Hungary.

After accepting the crown from the Hungarian guard in 1945, the United States sent it to West Germany for a few years. It was kept in American custody there and eventually transferred to Fort Knox, Ky., where it has remained.

The Hungarian leaders repeatedly asked for its return, but as relations hardened following the Communist takeover of the country in 1947, the United States refused to even consider the request.

After Soviet intervention in 1956 to crush the anti-Communist uprising, relations between Washington and Budapest became even worse. But in the last 10 years there has been a steady improvement, aided by Mr. Kadar's economic and political liberalization.

Soon after the Carter Administration took office in January, it was asked by several members of Congress, including some with large Hungarian-American constituencies, to consider returning the crown.

On April 6, the United States and Hungary signed a cultural and scientific exchange agreement, and officials said at the time that the accord might create "the necessary improvement in the climate."

American officials were impressed by Hungary's willingness in September to allow Billy Graham, the American evangelist, to make a week's tour of the country, something that likely would have been impossible earlier.

The Carter Administration up to now has not announced a special policy toward Eastern Europe, although it seems ready to continue the policies of trying to improve ties with Eastern European countries, encouraging where possible their divergences from the Soviet Union.

Administration officials said that initial inquiries with key members of Congress indicated support for the return of the crown.

By coincidence, Senator Joseph R. Biden, Jr. of Delaware, chairman of the Foreign Relations subcommittee on Europe, just visited Hungary and was preparing a report recommending the return of the crown jewels, officials said.

A major obstacle to the return of the crown and jewels was the situation of Jozef Cardinal Mindszenty, the Roman Catholic Primate of Hungary, who was imprisoned by the Communists following a controversial trial in 1949 on charges of treason.

After his release during the 1956 uprising, the Cardinal was given asylum in the American Legation in Budapest. He remained in the legation, what was later upgraded to an embassy, until 1971 when he left for the West.

He died in 1975, a fervent anti-Communist to the end, so opposed to the Vatican's improvement of relations with the Communist world that he was stripped in 1974 of his offices of Primate of Hungary and Bishop of Esztergom by Pope Paul VI.

[From the Washington Post, Nov. 4, 1977]

UNITED STATES TO RETURN LONG-SOUGHT SYMBOL—HUNGARY TO GET CROWN

(By Peter Masley)

The U.S. government has decided to return to Hungary its long-sought Crown of St. Stephen, a 1,000-year-old relic symbolizing the country's religious, cultural and national heritage.

"We feel that the time has come and that it would be the right thing to do to return it," a government official said last night.

All that remains for the expected return by the end of the year are assurances by the Hungarian government that the crown will be on public display and available to all Hungarians, the official said, "the same way our Constitution can be seen."

Rep. Mary Rose Oakar, a Democrat from Cleveland who says she represents the largest concentration of Hungarian-Americans, many freedom-fighters from the aborted 1956 Hungarian revolution, strongly objected last night after she was told by a State Department official of the U.S. decision.

Oakar is sponsor with 30 other House members of legislation that would require the President to seek congressional approval before the crown was returned.

Oakar said that last April 5 she was informed by letter from the State Department that "there are no present plans to return the crown to Hungary." Oakar said, "We feel strongly that the crown should not go back to the Communist government of Hungary."

"I was misled," she said.

She said she was told by a State Department official last night, and this was confirmed by another official who requested anonymity, that President Carter made the decision on the crown's return.

The crown, which came into the United States' possession at the end of World War II in the European theater, has been in the United States since 1953, and Oakar said she believes it and some related regalia are being held at Ft. Knox, Ky., where the U.S. Treasury stores bullion.

Among other things, the Crown of St. Stephen represents the beginning of Hungary as a political entity and a Christian nation. The upper portion was given by Pope Sylvester II in 1001 to King Stefan I, Hungary's first Christian monarch. The lower diadem was given to Stefan's successor, Geza, about 75 years later by Emperor Michael Ducas of Byzantium.

An official of the Hungarian embassy said last night that "for two decades we have always stated that the crown and crown jewels belong to the People's Republic of Hungary, where the Hungarian people live . . . The holding back of the crown creates the same situation as if some other government would hold back the Liberty Bell and won't give it back."

The U.S. official who last night confirmed the decision to return the crown attributed it to improved relations with Hungary and the belief that the crown belongs to the Hungarian people. Before the decision was made, the official said, "we had never made any special conditions as to how or when or in exchange for what we would return it."

Now, the officials said, the United States is negotiating with the Hungarian government for assurances that, once returned, the crown "would be on public display for all the people of Hungarian extraction to see it . . . We are seeking assurance that as a symbol of that religious, cultural and national heritage it is something that can be seen the way our Constitution . . . can be seen."

Oakar said she plans to take three actions in response to the administration's decision. She plans to deliver to President Carter a letter protesting it, to ask House Speaker Thomas P. O'Neill Jr. (D-Mass.) if House rules can be suspended so her bill can be taken up for a floor vote, and to get in touch with leaders of the Hungarian-American community to tell President Carter of their feelings.

In April, Oakar said, administration officials indicated there was no cause for her to worry about the crown's return. In May, she said, the new U.S. Ambassador to Hungary, Philip Kaiser and another State Department official, Thomas Gerth, met with her. "They wanted to know why the people felt so strongly about retaining the crown," Oakar said.

"There are thousands of Hungarians who fled Hungary in 1956 who will never be able to return to their ancestral home because they are considered criminals by this atheistic government," Oakar said.

Mr. DOLE. Mr. President, I am thoroughly dismayed and amazed at the action announced by the State Department that the administration is to return the holy crown of St. Stephen to the Hungarian Government. On October 28, I received a letter from the State Department in which there was no indication that such a step was being contemplated. In fact, the State Department admitted that "we realized that Hungarian Americans hold the crown in great esteem and that this factor, as well as the State of the United States-Hungarian relations, must be considered in any decision regarding the crown's return."

CROWN SYMBOLIZES POLITICAL LEGITIMACY

The crown has symbolized the political legitimacy of the government for over 900 years and its return would bestow that same legitimacy on the present day Hungarian Government. However, it came into power because it was placed there by the Soviet forces after the bloody suppression of the Hungarian people's brief fight for freedom in 1956. Although the Hungarian Government may seem liberal in light of the more repressive East European regimes, its "legitimacy" is only maintained against the background of Soviet military might. It is hardly a freely elected constitutional government of the Hungarian people. And it is for this reason that its status should not be legitimized by returning the crown.

RESOLUTION INTRODUCED

On July 12, I introduced a resolution, Senate Concurrent Resolution 34, stating that the crown of St. Stephen should remain in the safekeeping of the U.S. Government until Hungary once again func-

tions as a constitutional government established by the Hungarian people through free choice. This same sort of resolution was adopted at the American Hungarian Federation's Organization last annual meeting.

It is interesting to note during the last Presidential campaign, President Carter promised to consult with leaders of the American Hungarian organizations before any decision was taken regarding the return of the crown. No such attempts at such consultations were made.

THIS IS TIME OF MOURNING

The administration's decision is also disturbing in light of the fact that this is a time of mourning and commemoration for many Hungarian Americans throughout the United States. It is exactly the week that 31 years ago Soviet tanks rolled into Budapest to brutally put down the spontaneous uprising of the Hungarian people. Many friends and relatives of those who are now our citizens perished at that time.

I find this is a highly questionable and insensitive decision taken by the administration.

Mr. HAYAKAWA. Mr. President, I was extremely disappointed to learn today that the Carter administration has decided to return to Budapest the Crown of St. Stephen, the symbol of Hungarian nationhood that has been in American custody since the end of World War II. There were never any specific conditions set down for the return of the crown it was to be given back at the proper time upon the establishment of "normal" United States-Hungarian relations.

Apparently, the administration feels that the proper time is now. The decision was attributed to "improved relations" with Hungary and the belief that the crown belongs to the Hungarian people. No one can dispute the fact that the crown belongs to the Hungarians—it was sent as a coronation gift to Stephen, Hungary's first king, in the year 1,000 by Pope Sylvester II and has been used in the coronations of more than 50 Hungarian kings. At the end of World War II, the members of a Hungarian military guard turned the crown over to American military authorities to keep it out of the hands of advancing Soviet troops.

The proposal to return the crown has surfaced intermittently over the past few years and the State Department has consistently denied that there were any plans afoot to do this.

Now we receive this sudden announcement of a move which has been opposed by a large number of those Hungarians in this country who might be in Hungary today were it not for the regime installed there by the Soviet Union in 1948. We should not forget how thousands of Hungarians came to this country in 1956 to escape those rulers who will now be given this symbol of independence and Christianity.

The administration's point of view on this issue could not be more wrong or more unsophisticated. The crown is of immense symbolic significance. Symbols are the stuff of politics—why should we turn over the one symbol which represents political and moral legitimacy to the present Hungarian Government? No matter how "liberal" the regime is or may be, it has never met the test of a ballot, no matter how limited. In addition, no matter how independent it may be compared to other Soviet satellites, it remains a Soviet dependency imposed, in the final analysis, by force of arms. While the present regime in Hungary is straining to make the best of the situation, we must not forget that the deal it made with the Soviets in 1956 was a complete betrayal of the people it purports to represent.

I am not aware of anything that this country owes the Communist government in Hungary. If we are to have normal and friendly relations with the countries in Eastern Europe, we can surely manage that in the case of Hungary without presenting them with such a gift. I imagine they can be friendly without it—they manage to be friendly with their own oppressors.

By Mr. WILLIAMS (for himself, Mr. PROXMIRE, Mr. SPARKMAN, Mr. MCINTYRE, Mr. CRANSTON, Mr. STEVENSON, Mr. MORGAN, Mr. RIEGLE, Mr. SARBANES, Mr. NELSON, Mr. NUNN, Mr. HATHAWAY, Mr. HASKELL, Mr. CULVER, Mr. BROOKE, Mr. TOWER, Mr. GARN, Mr. HEINZ, Mr. LUGAR, Mr. SCHMITT, Mr. WEICKER, Mr. PACKWOOD, Mr. BARTLETT, and Mr. HAYAKAWA):

S. 2305. A bill to amend the Securities Act of 1933; to the Committee on Banking, Housing, and Urban Affairs.

Mr. WILLIAMS. Mr. President, I am introducing today a bill to amend the Securities Act of 1933 to assist small business in raising capital. Joining with me as cosponsors in this effort are all of the members of the Senate Committee on Banking, Housing, and Urban Affairs (Senators PROXMIRE, SPARKMAN, MCINTYRE, CRANSTON, STEVENSON, MORGAN, RIEGLE, SARBANES, BROOKE, TOWER, GARN, HEINZ, LUGAR, and SCHMITT), a majority of the membership of the Select Committee on Small Business (Senators NELSON, NUNN, HATHAWAY, HASKELL, CULVER, WEICKER, PACKWOOD, and BARTLETT), and Senator HAYAKAWA. Essentially, the bill would increase from $500,000 to $2,500,000 the aggregate amount of an issue which may be exempt from the full registration and prospectus requirements of the Securities Act of 1933.

Mr. President, the Federal securities laws have always reflected the national policy of encouraging the growth and expansion of small business. From the time of the original enactment of the Securities Act of 1933, the Congress has provided special treatment for small business by the Securities and Exchange Commission. Under section 3(b) of the act, the Commission is authorized to exempt certain classes of securities if the total offering price to the public does not exceed a specified amount. In 1933, the amount was $100,000 and twice in the past the Congress has acted to increase the amount of the small business exemption—in 1945 to $300,000, and most recently in 1970 to $500,000—in recognition of changes in the general economic conditions and increased costs of conducting business.

In the 7 years since the last amendment to section 3(b) of the act, costs have continued to rise throughout the economy, with the result that $500,000 has substantially less purchasing power today. In many cases, it is an inadequate amount to finance properly a small established business seeking to modernize or expand, or a newly organized venture requiring a substantial amount of seed capital.

The $500,000 limitation also makes it more difficult for issuers to interest investment bankers in exempt offerings under section 3(b), because the larger and more experienced investment banking houses are not interested in underwriting such small issues, partly because returns to them would not be commensurate with the effort needed to underwrite such an offering. Where an underwriter can be found, the underwriting commissions for these small issues run as high as 15 to 20 percent of the amount sold which, of course, reduces the funds available to the issuer of the securities. In times of increasingly tight money, banks and private sources may not be willing or able to provide adequate risk capital and, therefore, small business needs to have access to public financing.

Congress has indicated a continuing interest in promoting small business and new ventures and has provided several specific means of accomplishing this goal, such as Small Business Administration loans and Small Business Investment Company enabling legislation. The exemption afforded under section 3(b) of the Securities Act of 1933 is looked upon as an important adjunct to existing legislation in this field. However, to be effective, it should be realistic and reflect current price levels.

To assure that small businesses are able to attract capital at reasonable costs it is necessary for the Congress, once again, to amend this provision of the securities laws. Without adequate capital for small unseasoned business, our economy will become less dynamic, less competitive, and more concentrated. Industry will become less innovative. And the important task of creating jobs and achieving full employment will be made even more difficult.

Over the past few years, small business has experienced a capital shortage that is unprecedented in our financial history. According to a Small Business Admistration task force report on venture and equity capital for small business (January 1977), the evidence is alarming. While locating new equity capital has been a chronic problem for American business in general, small businesses have been hit most severely. According to this report:

> It is alarming that venture and expansion capital for new and growing small business has become almost invisible in America today. In 1972 there were 418 underwritings for companies with a net worth of less than $5,000,000. In 1975 there were four such underwritings. The 1972 offerings raised $918 million. The 1975 offerings brought in $16 million. Over that same period of time, smaller offerings under the Securities and many of them were unsuccessful. While this

catastrophic decline was occurring, new money raised for all corporations in the public security markets increased almost 50% from $28 billion to over $41 billion.

Accordingly the report recommends a series of specific steps and remedies, including a number of amendments to the securities laws, designed to provide new and small concerns with increased access to capital:

Increase the small offering exemption;

Enact the limited offering exemption as proposed in the American Law Institute project to codify the securities laws;

Retain and simplify Rule 146;

Amend Rule 144 to provide that the existing quantitative limits apply for only a three-month period rather than a six-month period. In addition, change those limits to one percent of outstanding shares or the average weekly volume, whichever is higher instead of whichever is lower;

Develop procedures under which solicitation, with appropriate compensation to develop a market, may be undertaken if buyers are provided with copies of financial data and other disclosures regularly filed with the SEC along with a supplemental statement on mode of offering, identity of underwriters, price of securities offered, and information needed to update the data on file with the SEC.

As chairman of the Subcommittee on Securities, I fully appreciate that the securities laws, designed to protect the investing public, may also operate as an impediment to businesses of all sizes in raising the capital they need. However, the interests of American business and those of investors and shareholders coincide and should be advanced harmoniously. After all, these interests, and the national interest in a robust and diverse economy, are all one and the same.

For this reason, I believe it is highly desirable at this time to implement the change recommended by the Small Business Administration Task Force regarding the small offering exemption. Other recommendations are more difficult and will require additional study.

In the meantime, Congress should act swiftly to amend the Securities Act of 1833 to increase to $2,500,000 the exemption available under section 3(b).

Mr. President, in view of the widespread support within the Congress of the need to continue to preserve and promote the role of small business in our national economic life, I am hopeful this legislation can be enacted without delay.

Mr. NELSON. Mr. President, I am delighted to join with the junior Senator from New Jersey in sponsoring this important legislation which is designed to enable more small and growing businesses to raise equity capital through public stock offerings. I commend Senator WILLIAMS for taking the lead on this proposal.

As chairman of the Senate Small Business Committee, I have given a high priority to legislative measures to meet the venture capital needs of independent businesses. As a longtime member of the Small Business Committee, as well as through his post as chairman of the Securities Subcommittee of the Banking, Housing, and Urban Affairs Committee, Senator WILLIAMS is uniquely qualified to press for the passage of such legislation.

The increased limitation on regulation A offerings is a significant first step; a number of other actions should follow to guarantee the access by small business to the capital-raising mechanisms in our economy.

Earlier this year, I sponsored S. 1815, the Small Business Venture Capital Act of 1977 in which I was joined as cosponsor by Senators MCINTYRE and WEICKER. Titles II and III of that bill addressed the same objectives as the bill being introduced by Senator WILLIAMS today. The other members of the Small Business Committee and I look forward to working with Senator WILLIAMS in the consideration of the additional Securities Act provisions contained in S. 1815.

Mr. TOWER. Mr. President, in early 1976, Congress directed the Small Business Administration to study, among other things, the "direct costs and other effects of Government regulation on small businesses," and to "make legislative proposals for eliminating excessive or unnecessary regulations," section 202 (3), Public Law 94–305. As ranking minority member of the Banking Committee at that time, I was pleased to support that initiative, as I am now gratified to see its results.

One of the many specific recommendations of the study is to allow the Securities and Exchange Commission to raise the small issue exemption in the securities laws. Specifically, section 3(b) of the Securities Act of 1933 now allows the Commission to exempt from the requirements of the act, under conditions and terms to be prescribed by the Commission, securities transactions of an amount not to exceed $500,000. The bill we propose today would raise this limit to $2.5 million.

In 1969, a record 649 issues totaling $1.4 billion were brought to the public market by companies with a preoffering net worth of less than $5 million. By 1975 only three such issues reached the market, and although 1976 was slightly better with approximately 35 issues, small businesses continue to have difficulty raising capital in the public markets.

Much of the decline is due to adverse market conditions, but an often cited factor is that the registration cost of a small issue is simply prohibitive. Many of the issuer's expenses represent fixed costs, so that, relative to a large offering, a small issue becomes proportionately more expensive. This has always been true, and the small issue exemption was intended to alleviate this bias against small issues caused by the registration procedure.

The value of a typical small issue today, however, is $1 to $3 million and the cost of registration has likewise risen. The result is that the intended benefit of the exemption is no longer being realized. The number of "reg. A" offerings filed with the Commission has declined from 81" in 1973, to 240 in 1976.

Mr. President, this bill will not solve the capital crisis which small business are now facing. Yet, it is my hope that through a series of measures like this, taken one at a time, the burden will be lifted from our Nation's small businessmen.

The bill has the support of every member of the Banking and Small Business Committees. It is my hope that my other colleagues will join me in supporting the bill and that we can act expeditiously on it.

Mr. BROOKE. Mr. President, I am pleased to be a cosponsor of this bill which would raise the amount of the small offering exemption in section 3(b) of the Securities Act of 1933 from $500,000 to $2.5 million. By increasing the statutory limitation, the bill would provide small businesses with a much greater opportunity to raise necessary capital funds in our Nation's securities markets.

The statutory small offering exemption and the Securities and Exchange Commission's regulation A thereunder provide a means by which small businesses may issue securities without having to comply with all of the detailed disclosure standards established pursuant to the Securities Act. By utilizing the simplified disclosure procedures of regulation A, a small business can make a securities offering that benefits securities purchasers through adequate financial and related business disclosures, while at the same time benefiting itself through less burdensome accounting, legal, printing, and other offering costs. In my opinion, increasing the ability of small issuers to use regulation A is an action that we should take in order to encourage small companies to remain a viable part of our economic system.

In the past few years, the number of regulation A offerings filed with the Securities and Exchange Commission has declined, decreasing from 438 offerings in 1974 to 240 offerings in 1976. This decline has been due partly to adverse market factors and partly to inflationary economic conditions which, considering the escalating costs involved in any type of securities offering, have made it less financially rewarding to make a small offering. Moreover, offerings that do not significantly exceed $500,000 have also been adversely affected by inflationary and other costs pressures, particularly the higher expense of filing a full registration statement under the Securities Act of 1933. Thus, because of factors largely beyond their control, small issuers today are finding it increasingly difficult to raise capital through public securities offerings.

Earlier this year, the Small Business Administration completed a congressionally directed study of the problems and needs of small businesses and, in its recommendations regarding the capital needs of small businesses, specifically urged Congress to increase the $500,000 small offerings limitation contained in the Securities Act. Underlining the need for such an amendment, the SBA emphasized that small businesses are finding it increasingly difficult to find economical sources of capital and a simplified manner of acquiring it.

Mr. President, the strength of our economic system has been due in large part to the ability of small regional businesses to operate and flourish alongside national and multinational corporations. As a vital part of our diversified economy, small businesses should be assured of a reasonable opportunity to compete

in the capital markets with larger corporate issuers. While this bill will not guarantee the financial well-being of small businesses, it will greatly increase their ability to raise low-cost funds in the securities markets.

There is widespread recognition in the Senate of the need for this bill, as evidenced by the support given it by almost all of the members of the Banking and Small Business Committees. Mr. President, it is my hope that the Senate will approve it without delay.

By Mr. WILLIAMS (for himself and Mr. CASE):

S. 2306. A bill to establish a national system of reserves for the protection of outstanding ecological, scenic, historic, cultural, and recreational landscapes, and for other purposes; to the Committee on Energy and Natural Resources.

NATIONAL RESERVES SYSTEM ACT OF 1977

Mr. WILLIAMS. Mr. President, in 1975 the Soil Conservation Service undertook a study of land uses and trends in the United States. What the study revealed about our annual loss of open land is quite disturbing. Some 2 million acres every year are converted to urban use. Another 2 million acres are broken up and isolated by "leapfrog" development. Still another million acres are flooded by water supply projects. In all, 5 million acres each year are removed—in most cases, irreversibly—from the natural landscape.

The disappearance of these lands diminishes the quality of life for us all. Open spaces provide a needed respite from the pressures of urban living. Farmland produces the food and fiber upon which the United States and much of the world depend. Woods and wetlands serve as habitat for myriad plant and wildlife species and help to purify our air and water. As these lands shrink and recede, so do the benefits we derive from them.

Not only open spaces have succumbed to development pressures. Historic towns and districts, which serve as benchmarks in our national life, have also been transformed, their significance lost.

The effect of this erosion of natural lands and historic places is exacerbated by several factors.

For the first time, our nonmetropolitan population has begun to grow faster than our metropolitan population. This means that, rather than urban sprawl, the trend is now toward population diffusion. The urge to urbanize is no longer confined to metropolitan areas, but is being felt in small towns and rural places across the country. The Interstate Highway System has permitted people to live beyond the suburbs and commute long distances. Factories and other businesses have moved out of central cities into more rural settings, where taxes are lower, labor is cheaper, and governmental regulations are less onerous. Our growing population of retired people is also moving out of metropolitan areas, while vacation homes are springing up deep into the countryside.

As the population has shifted and dispersed—particularly into the South and West—open space is becoming a precious commodity in areas where before it seemed unlimited. There has, of course, been no compensatory increase in open space in the metropolitan areas left behind.

Another factor that further intensifies the pressure on land is that the children of the post-war baby boom have begun to reach the house-buying age. Although many in this group have postponed families, their demand for land-consuming single-family homes has entered a peak period and will continue to rise for another decade. The recession has added to the present booming housing market by creating a pent-up demand for homes—a demand which has been released in recent months.

How should we deal with these ever-increasing demands on scarce land? The answer is not to stop building houses and factories, dams and highways. Rather, it is to insure, by planning ahead, that these developments do not needlessly destroy our natural and cultural heritage. We need to take steps now for the protection of natural landscapes and historic areas before they are lost forever.

Our traditional means of meeting this need is expansion of the national park system. Over the past few years, this expansion has been increasingly geared toward our metropolitan areas, where most people live. Gateway, Golden Gate and Cuyahoga Valley National Recreation Areas, and Indiana Dunes National Lakeshore have begun to provide open space and recreational opportunities at close range for millions of people. But if we carried this approach to all the other major cities which have equally legitimate needs for recreation, the costs of land acquisition and development, operation and maintenance would be astronomical. Even now, the National Park Service is seriously overextended in trying to manage existing parks. Staff levels have not kept pace with the rapidly growing number of new units and visitors.

The land and water conservation fund, which supplies the acquisition money for the National Park Service and other Federal agencies, as well as providing grants for State park programs, was increased substantially in the last Congress. But compare the fund's $900 million annual authorization with the $3 billion backlog in authorized and soon-to-be authorized Federal parkland acquisition. And compare it with the $45.6 billion which the States alone have estimated they will need for open space acquisition and development over the next 15 years.

The disparity between the need for parkland and the funds available for meeting that need is tremendous, and it is growing. Soaring land prices have made acquisition of extensive landscapes prohibitively expensive. Nationwide, the price of land doubles every 7 years. In some cities, it doubles as fast as every 2 years. Even in rural areas, agricultural land costs five times more today than in 1950. Its cost has doubled in the last 5 years alone.

We simply cannot afford to protect the amount of land we need for open space through the traditional approach of direct public acquisition and Federal management. Because of our limited resources, this approach cannot be applied uniformly or equitably nationwide. It can only concentrate our resources on a few areas, while condemning countless others to the bulldozer.

In some cases, public acquisition is not only too expensive but inappropriate. The beauty and integrity of natural landscapes may depend upon the farming and other private activities they support. The meaning of historic districts often resides in their industries and their inhabitants. By eliminating private ownership and activities through public acquisition, we may also eliminate a significant part of the esthetic and cultural value of the resource.

In addition, we may needlessly eliminate an important economic base and source of revenue of local communities. Federal acquisition can mean the loss of tax ratables as well as the loss of employment and income derived from compatible private uses of the land. Growth and change that would produce economic benefits without diminishing the quality of the landscape are no longer allowed once the land is locked up by public acquisition.

In some areas, Federal planning and management may be inappropriate and unwelcome. Local residents and officials may be the first to recognize the natural or cultural significance of a place and the need to protect it. Excluding them from the planning and management process may be unjust, inefficient and expensive. What we need, it seems to me, is an alternative to the traditional means of protecting outstanding natural and cultural areas, in cases where traditional means are too expensive and inappropriate. We need to combine the resources and capabilities of all levels of government, as well as the private sector, so that each contributes in the way it is best suited toward the protection of these areas. We need to let communities live and grow and change, while at the same time we protect their outstanding public values. We need to preserve local control, private ownership, and the economic base of communities, while helping them to find ways of saving scenic landscapes and historic neighborhoods.

To do these things, we need to employ the whole gamut of conservation techniques, selecting those that are most suitable, most economical and most efficient for a particular area. State and local governments can use zoning, air and water quality standards and project review and permit systems to control and direct development. The Federal Government can provide technical and financial assistance for protecting land and water resources, and assure that Federal projects do not degrade these resources. Private landowners can donate land or interests in land, bringing scenic and recreational benefits to the public and considerable tax savings to themselves. Public bodies can use a variety of tools for acquiring adequate interests in land, short of fee acquisition. Land may be purchased and resold or leased back with

restrictions on development. Development rights and the right of public access may be acquired, while the ownership of the land remains in private hands.

Planning needs to start at the grassroots—from the local perception of the need to protect a landscape. Local citizens and governments must be involved throughout the process of planning, implementation, and management.

To meet these needs, I am introducing today with my distinguished colleague from New Jersey, Senator CASE, a bill which would establish a new system of ecological, scenic, cultural, historic, and recreational areas, called national reserves.

The first candidate for this system would be the New Jersey Pine Barrens, located between New Jersey's famous seaside resorts and the heavily populated northeastern corridor. The Pine Barrens are accessible to some 50 million people. And yet, they remain a vast and largely untouched wilderness of pine and oak forests, lakes, and streams, that contains a variety of rare wildlife and plant species. The wilderness is broken here and there by small communities and farms, as well as cranberry and blueberry bogs, that are among the most productive in the Nation. Relics of past industrial activity provide insights into the area's rich history.

Just beneath the porous soil of the Pine Barrens lies an enormous reservoir equivalent to a lake 2,000 miles square, which maintains the delicate ecological balance of the pines. Development pressures on all sides have begun to threaten this highly vulnerable aquifer and the open space character of the landscape. Because of the vastness of the area, the high cost of land there, and the value of its agriculture and other private activities, the Pine Barrens are probably not suitable for a national park, although their national significance is undisputed. Rather, this area could serve as a test of the national reserves concept—the first prospective component of the national reserves system.

Other outstanding rural and urban landscapes, like the Pine Barrens, do not fit the traditional mold of national parks, and yet, they need protection. The Department of the Interior is currently looking at some of these landscapes as part of its urban recreation study. I feel that this study, together with the bill I am introducing with Senator CASE, can help to guide us toward the goal of saving the natural and cultural values of our land.

Sixteen years ago, when I introduced the Open Space Act, I said:

> The question is whether we wish to continue our haphazard, wasteful, and often deeply unsatisfying pattern of development, or whether we wish to create something of lasting value.

The question is before us again today, and our answer will help to determine the legacy we leave to future generations.

Mr. CASE. Mr. President, the legislation I am introducing with Senator WILLIAMS today establishes a new system of protecting areas of outstanding ecological, scenic, cultural, historical, and recreational significance.

Our bill is designed to provide protection to areas like New Jersey's Pine Barrens that are too big, too complex, too valuable, and too interwoven with the fabric of existing communities to be protected by the Federal Government alone or by any existing system of parks, recreation areas, or preserves.

The bill provides for a system of protection through a partnership of Federal, State, and local governments. It permits continuation of private ownership when private use of the land is compatible with the need for protection of the area and seeks, to the greatest extent possible, to protect against loss in value of privately held land without just compensation.

My sponsorship of this bill grew out of a concern about the need to protect the New Jersey Pine Barrens, the largest undeveloped stretch of land on the eastern seaboard, from development that would destroy its intrinsic and unique values.

For a number of years I have been searching for a means of providing greater protection to this area, which the Bureau of Outdoor Recreation has said is "among the most outstanding natural areas in the country."

In the process, I learned that there were a number of others who shared my concern and had identified a number of other areas in this country which meet the criteria for designation as a national park natural area, a national recreation area, or some other form of protection encompassed in existing law.

For various reasons, these areas do not fit in well with existing programs that call for a unilateral Federal effort and rely principally on fee acquisition of the lands involved.

We believe our bill will provide a mechanism for handling an increasing number of bills that have been introduced to provide Federal protection for various areas, particularly those that would involve an impractical degree of Federal land acquisition. Our bill will permit protection of these areas without extensive acquisition of land, without extensive disruption of private land ownership, and without unwarranted preemption of State and local governments.

Under our bill, each unit of government is assigned the role it is best suited to play. In all cases, actual land acquisition is held to a minimum and other means of land management are given priority.

For example, once a national reserve has been established under the provisions of the bill, the Federal Government will be authorized to provide funds for acquisition of a limited number of strategic sites within the reserve. But payments also will be authorized to compensate private landowners for the right of public access, for the costs of other compensatory payments to landowners, for payments in lieu of taxes to local units of government, and for costs of development of special public recreation and historical interpretation projects. In addition, the Federal Government will be authorized to purchase land which then would be resold or leased to the original owner or others with restrictions on its future use, thus protecting the interest of the landowner and meeting the needs of the reserve.

Our bill also seeks to assure the greatest possible degree of State, local, and public involvement in the development of a national reserve.

An area can be nominated for designation as a national reserve by a Member of Congress, the Secretary of the Interior, the Governor of a State, two or more units of local government, or a State legislative body.

Nominations will be presented to the Secretary of the Interior who, with the help of a council established by the bill, will screen the applications to determine if a feasibility study is warranted. Among the criteria to be considered by the Secretary during this process is whether there is adequate local interest in protecting the area.

On the basis of the feasibility studies, recommendations will be made to Congress that an area be designated as a "national reserve planning area."

An exception to this process is made for New Jersey's Pine Barrens, which is designated in the bill itself as a "national reserve planning area," since it is already known that this area meets the criteria for such designation.

Once an area is designated as a national reserve planning area, a management plan will be drawn up for the area and submitted to the Secretary of the Interior who, if he finds it meets the criteria in the bill, will submit the plan to Congress. Only after specific approval of Congress of the management plan would an area be officially designated as a national reserve.

Since the Pine Barrens is designated as a planning area, preparation of a management plan for that area can begin upon enactment of this bill.

The Pine Barrens is located in the southern half of New Jersey, between the famous seaside resorts and the major New York-Philadelphia corridor. The Northeast's intensive urbanization has bypassed this 1,500-square-mile remnant of a pine-oak forest.

It is a subdued, restful area with low shrubs and dwarfed pines and oaks growing in a highly porous soil that absorbs 90 percent of the rain that falls in the area.

The porous soil has created an aquifer that stores some 17.7 trillion gallons of water, an amount equal to 10 years of rainfall or the equivalent of a lake 2,000 square miles in area and 37 feet deep. Because of the porous soil and the shallow depth of the aquifer, this giant underground reservoir could easily be polluted if intensive development took place in the area.

In terms of recreation, the Pine Barrens offers boating, hunting, fishing, hiking, nature study, and camping to some 50 million people who live within a radius of about 50 miles of the area.

The unusual combination of soils, water table, and climate make the Pine

Barrens first in the Nation in blueberry production and third in cranberry production. Fortunately, this type of activity is compatible with protection of the other resources of the Pine Barrens.

The flora and fauna of the Pine Barrens include many relics of the ice age, most of which are rare and unusual and some of which are found nowhere else in the Nation.

All of these values must be protected. At the same time the interests of local government and private landowners must be protected.

We believe our bill will accomplish these objectives to the greatest possible degree. We believe it provides a means of protecting not only the Pine Barrens but similar areas throughout the country. We expect the bill to receive wide national support. At the end of this year, the administration will release its urban park study, which we expect will also recommend the approach contained in our bill.

We urge careful consideration of this bill, not only for the protection of New Jersey's Pine Barrens, but also for its application to other areas of the country in need of similar protection, areas of national significance that are better known to other Members of the Senate.

By Mr. HANSEN:

S. 2307. A bill to amend the Interstate Commerce Act to prohibit the amount which any common carrier by motor vehicle charges any shipper for the transportation of the household goods of such shipper from exceeding by more than 10 per centum the estimate provided by such carrier for the transportation of such household goods; to the Committee on Commerce, Science, and Transportation.

Mr. HANSEN. Mr. President, perhaps no fact of American life is more widely recognized than the mobility, the transience of our society. Each year, nearly 18 percent of our Nation's population change their place of residence.

My home State of Wyoming, for example, has experienced tremendous changes in the makeup and size of our communities. Our residents have witnessed first hand a doubling and, in cases, a trebling of the size of our cities and small towns. Cities in Wyoming are well aware of the rapid and dramatic increases in population that accompany development in its early stages and the decline and leveling off that follows.

Thus, we in Wyoming are familiar with the movement of homes and families which takes place throughout America each year and the resultant problems which such moves generate. Any move, regardless of its distance or desirability, is a traumatic event. Familiar surroundings are exchanged for new arenas, old friends for new faces, and comfortable positions for new challenges.

Yet for many Americans, there is an additional crisis to be faced in the course of such moves—that is, a totally unexpected and, in many cases, a very significant increase in the cost of shipping one's household goods. What we are talking about here, is that basic decision of whether or not to utilize another's goods or services, a decision which is a fundamental part of the American free enterprise system.

Ideally, the householder, contemplating a move, inquires as to the cost of a rental vehicle. He computes the time and effort he would be required to expend in packing and loading, driving, unloading and unpacking his household goods. Basically, he calculates his opportunity costs. At that time he may contact a moving and storage company and request an estimate or even a number of such estimates. After a comparison he makes a decision based upon the costs involved, his ability to pay and his own particular preferences. Each year, approximately 30 percent of the 1.2 million who move their household goods by way of ICC-regulated carriers operate in such a fashion. Unfortunately, some 26 percent of these estimates fall short of the total cost of the move by in excess of 10 percent.

Generally, when a consumer has requested and received a firm estimate and the final cost of the goods or services exceeds the estimate, he has at least some recourse. He has the ability to bargain, to barter with the seller or serviceman and thus to agree upon a price. In certain circumstances he may pursue other avenues, but at least there is some action available to him.

The case is different for the shipper of household goods. As a result of the Interstate Commerce Act, a carrier must compute final charges on the basis of the shipment weight, distance traveled, accessorial services provided and the liability protection requested by the shipper regardless of what total amount may have been estimated. Thus no carrier may enter into a contract with a shipper of household goods providing for the carrier to assess only the charges which were estimated.

In the event of an inaccurate estimate, what legal recourse does a shipper of household goods have available? I asked this question of the ICC, to which they responded as follows:

> In the event of an underestimate the shipper, if he is in a position to prove such an allegation, can seek damages in a civil court on the basis that he was induced to enter into the bill of lading contract by misrepresentation or fraud. As a practical matter such an allegation is difficult, if not almost impossible, to prove and we are not aware of any shipper who has taken such action.

Even the ICC is limited in the action it can take against a carrier responsible for underestimates. Once again, according to the ICC:

> There is no automatic penalty, monetary or otherwise, against a carrier as a result of an underestimate. If a carrier makes a practice of deliberately underestimating, the carrier can be found subject to the penalty provisions of the Interstate Commerce Act in that this would amount to an unreasonable practice contrary to Section 216(b) of the Act.

Mr. President, here is an excellent example of a situation in which legislation adopted with the best of motives has operated to place consumers at a disadvantage, to place them at the mercy of a moving and storage company. It is time that legislation was adopted to remedy this situation in order to protect the hundreds of thousands of Americans throughout this country who each year pack up their belongings and move.

Already the State of California has taken corrective action with regard to intrastate carriers. The California Publice Utilities Commission adopted a ruling specifically designed to prevent underestimates. While this rule does not require carriers to provide estimates, if the carriers do provide such estimates they must be in writing and they must be based upon a physical inspection. The major prohibitive measure of the rule is the establishment of a maximum percent of the estimate that the carrier can collect from the shipper. If charges exceed the maximum the carrier must refund the excess and pay a fine.

The California program has been a significant success. The number of underestimates has been greatly reduced. During the second half of 1975, for example, 0.9 percent of all estimates under California Public Utilities Commission regulation were underestimates as compared to 26 percent under the ICC procedure during the same time period. This reduction has resulted, at least during the first half of 1976 in a 99.29 percent decrease in the amount of money necessary, above an estimate, in order to obtain delivery of a shipper's goods.

Mr. President, the California experience has proven the efficacy of an approach of this type. Thus today, I introduce legislation along similar lines. The bill I introduce would:

First, require a common carrier of household goods to provide a shipper with a written estimate to be maintained as a part of the carrier's record of shipment.

Second, prohibit the carrier from charging an amount greater than the original estimate plus 10 per centum of that same estimate.

Third, prohibit the carrier from detaining the household goods of a shipper once the shipper pays a maximum of the original estimate plus 10 per centum of the same estimate.

Fourth, provide for fines to the carrier in violation of the above.

Fifth, allow a shipper to sue a carrier in any district court of the United States for violation of the above.

Sixth, allow the filing of a complaint with the Interstate Commerce Commission and authorize the Commission to order the carrier to comply with the provisions of this bill.

Mr. President, I urge the Commerce, Science and Transportation Committee to hold hearings on this matter as expeditiously as possible in order that we might remedy this situation. I ask unanimous consent that the text of this bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2307

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) part II of the Interstate Commerce Act (49 U.S.C. 301 et seq.) is amended by adding immediately after section 216 the following new section:

"ESTIMATES FOR THE TRANSPORTATION OF HOUSEHOLD GOODS

"SEC. 216a. (1) No common carrier by motor vehicle engaged in the transportation of household goods shall, upon the request of any shipper of household goods, refuse to give such shipper an estimate for the transportation of such goods. If such shipper contracts with the common carrier by motor vehicle for the transportation of such goods, a copy of such estimate shall be maintained by such carrier as part of its record of shipment.

(2)(A) No common carrier by motor vehicle shall charge any shipper of household goods to whom such carrier has given an estimate more than an amount equal to the reasonable rate determined by the tariffs in effect at the time the vehicle used by such carrier is weighed in accordance with the rules and regulations set forth by the Commission or an amount equal to 10 per centum over the estimate, whichever is the lesser amount.

"(B) No common carrier by motor vehicle shall detain the household goods of any shipper to whom such carrier has given an estimate once such shipper has paid to such carrier an amount in accordance with paragraph (2)(A) of this section.

"(3) Any common carrier by motor vehicle who is found to be in violation of any provision of this section shall be fined a civil penalty of not less than $100 nor more than $500 for the first violation of any provision of this section and not less than $200 nor more than $500 for each subsequent violation of any provision of this section.

"(4) Any shipper of household goods whose goods are detained by a common carrier by motor vehicle in violation of the provisin set forth in paragraph (2)(B) of this section may bring an action for relief in any district court of the United States in accordance with the provisions of chapter 87 of title 28 of the United States Code. The court shall have exclusive jurisdiction, without regard to the amount in controversy or the citizenship of the respective parties, to hear the case and to enforce such provision. The prevailing litigant shall recover reasonable attorneys' fees as fixed by the court, and such fees shall be in addition to any costs allowable under the Federal Rules of Civil Procedure.

"(5)(A) Any person, State board, or public entity may file a complaint in writing with the Commission alleging that a common carrier by motor vehicle is in violation of any provision of this section, unless an action based on such violation has been commenced under paragraph (4) of this section.

"(B) After the filing of such complaint or upon an investigation initiated by the Commission, and after giving the common carrier by motor vehicle notice and an opportunity for a hearing in accordance with section 554 of title 5 of the United States Code, if the Commission finds that such carrier has violated any provision of this section, the Commission shall order such carrier to take such action as is necessary to comply with such provision, in addition to awarding reasonable attorneys' fees to the complaining party.

"(6) If no hearing is commenced by the Commission within thirty days of the filing of a complaint under paragraph (5) of this section by any shipper injured by a common carrier by motor vehicle acting in violation of any provision of this section, such shipper may bring an action in any district court of the United States in accordance with the provisions of chapter 87 of title 28 of the United States Code. Upon the commencement of such an action, the court shall have exclusive jurisdiction, without regard to the amount in controversy or the citizenship of the respective parties, to hear the case and to enforce the provisions of this section.

"(7) As used in this section—

"(A) the term 'estimate' means any written approximation of charges for the transportation of household goods given by any common carrier by motor vehicle to the shipper of such goods before a contract for the transportation of such goods is signed; and

"(B) the term 'household goods' means—

"(i) personal effects and property used or to be used in a dwelling when a part of the equipment or supply of that dwelling;

"(ii) furniture, fixtures, equipment, and the property of stores, offices, museums, institutions, hospitals, or other establishments; and

"(iii) articles, including objects of art, displays and exhibits, which because of unusual nature or value require the specialized handling and equipment usually used in the transportation of the articles dscribed in clause (i) of this subparagraph.".

(b) Section 217(b) of such Act (49 U.S.C. 317(b)) is amended by striking out "No common carrier by motor vehicle" and inserting in lieu thereof "Except as provided in section 216a, no common carrier by motor vehicle".

(c) The first sentence of section 223 of such Act (49 U.S.C. 323) is amended by inserting "as provided in section 216a or" immediately after "except".

SEC. 2. The amendments made by the first section of this Act shall take effect thirty days after the date of the enactment of this Act and shall only apply to any estimate given after that date.

By Mr. MATHIAS (for himself and Mr. SARBANES):

S.J. Res. 98. Joint resolution to authorize and request the President to issue a proclamation designating May 21, 1978 as "National Fallen Heroes Day", and for other purposes; to the Committee on the Judiciary.

Mr. MATHIAS. Mr. President, I send to the desk a resolution authorizing and requesting the President to declare Sunday, May 21, 1978, as "National Fallen Heroes Day," I am pleased to say that my colleague from the State of Maryland, Senator SARBANES, joins me in cosponsoring this resolution.

National Fallen Heroes Day will allow all Americans to recognize and pay tribute to those law enforcement officers and firefighters who have given their lives in the service of the country and its citizens.

I think my colleagues will agree that it is fitting to so honor law enforcement officials and firefighters who gave their lives while protecting the lives and property of the people of the United States. We should acknowledge their sacrifice and honor their memory.

Mr. President, I ask unanimous consent that the text of this resolution be printed at this point in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 98

Whereas, throughout the years many law enforcement officers and firefighters have made the supreme sacrifice by giving their lives in the service of the people of the United States of America; and

Whereas, it is appropriate to commemorate the sacrifices of brave citizens by setting aside a day in their honor and by displaying the United States flag at half-staff: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating May 21, 1978 as "National Fallen Heroes Day" and calling upon the people of the United States and interested groups and organizations to observe such day with appropriate ceremonies and activities.

SEC. 2. The President is authorized and requested to include in the proclamation issued under the first section a provision calling upon Government officials to display the United States flag at half-staff on all Government buildings, and the people of the United States to display the flag at half-staff at their homes or other suitable places.

ADDITIONAL COSPONSORS

S. 1214

At the request of Mr. ABOUREZK, the Senator from Arizona (Mr. DECONCINI) was added as a cosponsor of S. 1214, the Indian Child Welfare Act.

S. 1575

At his own request, the Senator from Maine (Mr. HATHAWAY) was added as a cosponsor of S. 1575, to protect farmers against certain losses.

S. 1644

At the request of Mr. PACKWOOD, the Senator from Oregon (Mr. HATFIELD) was added as a cosponsor of S. 1644, to give tax equity to parents without partners.

S. 1728

At the request of Mr. ANDERSON, the Senator from New Hampshire (Mr. MCINTYRE) was added as a cosponsor of S. 1728, relating to the prevention of domestic violence.

S. 2128

At the request of Mr. INOUYE, the Senator from New Hampshire (Mr. DURKIN) and the Senator from Florida (Mr. STONE) were added as cosponsors of S. 2128, to amend the Internal Revenue Code.

S. 2236

At the request of Mr. RIBICOFF, the Senator from Montana (Mr. METCALF), the Senator from Florida (Mr. CHILES), the Senator from Alaska (Mr. STEVENS), and the Senator from Maryland (Mr. MATHIAS) were added as cosponsors of S. 2236, relating to international and domestic terrorism.

SENATE JOINT RESOLUTION 35

At the request of Mr. INOUYE, the Senator from Colorado (Mr. HASKELL) was added as a cosponsor of Senate Joint Resolution 35, designating Municipal Clerks Week.

SENATE JOINT RESOLUTION 96

At the request of Mr. CRANSTON, the Senator from Colorado (Mr. HART) was

added as a cosponsor of Senate Joint Resolution 96, relating to the regulations on the 160-acre limitation of the Federal reclamation laws.

SENATE CONCURRENT RESOLUTION 54

At the request of Mr. WILLIAMS, the Senator from New Jersey (Mr. CASE) was added as a cosponsor of Senate Concurrent Resolution 54, relating to human rights of the Helsinki accords.

SENATE RESOLUTION 324—SUBMISSION OF A RESOLUTION RELATING TO CUSTOMS DUTIES ON TEXTILES

(Referred to the Committee on Finance.)

Mr. HOLLINGS submitted the following resolution:

S. RES. 324

Whereas the United States of America, acting through Congress and the President, has developed reciprocal trade policies making the U.S. market one of the most open in the world; and

Whereas the current status of trade is neither fair, equal nor equitable to the United States because of the existence in foreign nations of official and unofficial nontariff barriers, of patterns of noncompliance with existing trade agreements, and of the absence of comparable wage, environmental and safety standards; and

Whereas the failure of the United States to adequately monitor and enforce existing trade agreements contributes to the problem; and

Whereas the GATT Multifiber Arrangement expected to be ratified in late 1977 includes an annual 6 percent quota growth factor which will allow textile and apparel imports to capture an ever-growing share of the U.S. domestic market which is expanding at an average annual rate of only 2.9 percent; and

Whereas the best efforts of the Special Trade Representative notwithstanding, the MFA's overly generous quota growth factor impairs the ability of the U.S. government to negotiate bilateral textile and apparel trade agreements which hold imports to levels consistent with the rate of growth of U.S. demand for domestically produced textile and apparel products; and

Whereas the textile and apparel industry is reportedly being targeted by the Administration for deep tariff cuts during the upcoming Tokyo Round of Multilateral Trade Negotiations; and

Whereas deterioration of the U.S. industry with attendant plant and mill closings and loss of jobs has continued even at existing tariff levels; and

Whereas further import penetration will result in increased unemployment, particularly among women and minorities, will endanger the national security, will deepen the balance of trade deficit, and will generally adversely affect the entire economy; and

Whereas it is in the best interest of the United States that the textile-apparel industry remain viable and healthy: Now, therefore, be it:

Resolved by the Senate, That there be no reduction of customs duties on textile or apparel or fiber products and that such products be excluded from the Tokyo Round of Multilateral Trade Negotiations now under way in Geneva.

Mr. HOLLINGS. Mr. President, I am today submitting a resolution putting the Senate on record against any reduction of customs duties on textile or apparel or fiber products, and in favor of excluding these products from the Tokyo Round of Multilateral Trade Negotiations presently underway.

Our textile-apparel industry in this country faces grave danger. This industry is of such magnitude that any injuries it suffers reverberate throughout the economy, and that has indeed been the case here. Let me mention at the outset that the textile-apparel complex is the largest employer of manufacturing labor in the United States—large enough to include one out of every eight manufacturing jobs. It is a $70 billion a year business with 2,300,000 paychecks going out every payday. Those paychecks go to some very critical sectors of our economy. They go at double the national average to women and minority groups, who make up such a disproportionate share of our unemployment problem. And they go to rural America, where jobs are scare and where dislocation has already inflicted so much havoc. In terms of what it produces, of who it employs, of where the work is done, of what the industry has done to modernize to remain competitive, we are talking about something fundamental to the well-being of America.

Yet this vital industry has been confronted with dire threats from continuing high rates of imported goods. From 1965 through 1976, the value of textile and apparel imports jumped 250 percent, from $2 to $5 billion. While these are numbers to some, they mean jobs to others. The number of jobs lost by this flood of foreign goods and the number of plants closing puts a strain on our economy and a hardship on our people that they should not have to tolerate. The imports in the past 5 years translate into a minimum of 400,000 American jobs lost. Already this year there have been 24 major closings of knitting, weaving, spinning, and finishing mills.

Mr. President, a continuation of this avalanche of foreign imports is intolerable. America cannot afford to continue exporting its jobs, its money, its technology, so that others can profit at our expense. There is no reason in this world for us to sacrifice so basic an industry as textiles and apparel on the altar of some theoretician's concept of free trade.

The ideal trade world would be a free trade world. I do not deny that for a moment. But to be free, trade must also be fair. When foreign governments subsidize their manufacturers, provide a wide range of incentives and bonuses, which our own domestic manufacturers lack, then we have to wonder where the equity is. And when we are talking about low-wage countries to boot, the problems are further compounded. If anyone calls that free trade, they do not know what they are talking about. All that represents is an arrangement whereby we give the freedom and they get the trade.

The United States is currently involved in trade talks which are of tremendous importance to the future of our American textile industry. Unfortunately, it now appears that the GATT—General Agreement on Tariffs and Trade—multifiber arrangement expected to be ratified later this year will include an annual 6-percent growth in import quotas. This will allow imports to capture an ever larger share of the U.S. market and will mean an alarming erosion of jobs and dollars. The fact of the matter is that our domestic market is expanding at a rate of only 2.9 percent a year, and it cannot tolerate the kind of imports envisioned by the new GATT arrangement.

Because the GATT arrangement sets the boundaries of what we can negotiate in our bilateral agreements with other countries such as Korea or Taiwan, the 6-percent quota level severely impairs the ability of our Government to negotiate bilateral agreements with which we can live.

Now we hear reports that the administration is considering deep tariff cuts in upcoming trade negotiations concerning textiles. This could mean tariff cuts for textiles by somewhere between 44 percent and 60 percent. A 60-percent tariff cut would slash imported fabric prices by 10 percent for woven cloth and almost 13 percent for knit cloth.

Mr. President, it is a demonstrable fact of life that America's textile and apparel industry cannot withstand the shock of that kind of dislocation. Nor should it be asked to, given its fundamental importance to our economy, and its successful efforts to modernize its plant and equipment so that it could remain competitive in a world of fair trade.

For that reason, I ask the Senate to go on record that, first, there should be no reduction of customs duties on textile or apparel or fiber products, and second, such products should be excluded from the Tokyo round of multilateral trade negotiations.

The health and well-being of our economy demands no less. And our textile apparel workers, 2,300,000 strong, deserve no less.

AMENDMENTS SUBMITTED FOR PRINTING

CONSUMER CONTROVERSIES RESOLUTION ACT—S. 957

AMENDMENT NO. 1623

(Ordered to be printed and to lie on the table.)

Mr. KENNEDY. Mr. President, today I am introducing an amendment in the nature of a substitute to S. 957, the Consumer Controversies Resolution Act, and I would like to take just a few minutes of my colleauges' time to explain both the history and scope of this amendment.

Mr. President, I am sure that all of us here today are aware of both the important work and the major contribution which the Committee on Commerce, Science, and Transportation has accomplished in S. 957. Under the chairmanship of my distinguished colleague and friend, the Senator from Washington, the committee has reported a bill which focuses upon a serious problem plaguing

our citizenry: The need for mechanisms which fairly, effectively, inexpensively and expeditiously can be used to resolve daily disputes.

As the hearings on S. 957, as well as hearings held in previous Congresses, have clearly shown, few Americans are involved in cases where the economic stakes are monumental. Rather, they are most often involved in situations and conflicts of relatively minor monetary significance to all but those who must bear the brunt of the loss. Whether it is a dispute with a store over a faulty product or a dispute with a neighbor over damaged property, the significance of the loss is compounded by the total frustration at being unable to resolve the issue fairly and expeditiously.

When a dispute between individuals arises, it is crucial that there be a method by which it can be resolved to the satisfaction of both parties. In the past this resolution has been accomplished through the courts and a growing network of laws. But today that system realistically does not provide either hope or a solution. Congested court calendars, complicated proceedings, complex pleadings and practices, disproportionate personal expense, the necessity for legal representation, and repeated delays result not in justice but in frustration and anger. Too often disputes are left unresolved because citizens do not know how to initiate proceedings, cannot afford the cost in time or money or are discouraged from even seeking assistance because the system seems so overwhelming. Justice is denied to citizens when it is delayed beyond a reasonable time; justice is also denied when access to it is nearly impossible.

What is needed is not another level of suffocating bureaucracy, but a simple method for citizens to resolve their daily disputes. This same idea was recently voiced by Chief Justice Burger:

> The notion that ordinary people want black-robed judges, well-dressed lawyers and fine panelled courtrooms as settings to resolve their disputes is not correct. People with problems, like people with pain, want relief, and they want it as quickly and as inexpensively as possible.

The bill as reported by the committee attempts to achieve these goals, and I have nothing but praise for the depth of concern for the average citizen the committee displayed in its work. Because I share this concern I cosponsored S. 957 with my distinguished colleague from Kentucky, Senator FORD. A number of changes to S. 957 have been suggested which I think strengthen the legislation.

The amendment I have proposed would provide for a Dispute Resolution Resource Center. The Center would undertake comprehensive surveys of existing State and private mechanisms for dispute resolution—a formidable task which S. 957 requires the States to perform. The Center could accomplish this research on a more uniform basis, in a more comprehensive manner and in a more objective and comparative context than could the individual States. The Center would then serve as a national clearinghouse for the information it has gathered and the research it has conducted. The Center would provide a nationwide pool of technical expertise and resources upon which the States could call for the improvement of existing or creation of new mechanisms for its citizens. Lastly, the Center would develop demonstration projects to test new ideas and to experiment with novel approaches to the problem. Such a clearinghouse of information, technical assistance and research capability not only would make it unnecessary for each of the States to duplicate efforts, and possible mistakes, but also would provide needed assistance and information in the most economical way.

S. 957 would create a new office within the Federal Trade Commission to administer the grant program. My amendment would place responsibility for the program with the Department of Jusutice rather than the Fededral Trade Commission, although the Attorney General would be required to consult with the chairman of the commission to identify national priority projects and to establish criteria for the distribution of funds under this act. The Federal Trade Commission has neither the experience nor the resources for administering the grant program authorized by S. 957. More importantly, because of his deep concern for improving the administration of justice, the Attorney General has recently set up an Office for Improvements in the Administration of Justice to develop and coordinate programs such as that envisioned by S. 957. One of the primary goals of that office was to assure access to effective justice for all citizens through the innovative use of various dispute settlement procedures. If a comprehensive and coordinated plan is to be attempted, then I feel that a program as important as that contemplated by S. 957 should be part of that effort, rather than a piecemeal approach which would otherwise have been the result.

My amendment would expand eligibility beyond the consumer area, though this is one of the major problem areas, to include all disputes of citizens involving small amounts of money or otherwise arising in the course of daily life. It is my feeling, and one that I am sure we all share, that if mechanisms are set up which can be used successfully in the resolution of similar types of conflicts, then those mechanisms should be available to the broadest possible base of the population. By doing this we are accomplishing what citizens have a right to expect, that is, that they be given access to informal systems created for their benefit if they chose to use them.

Lastly, the grant program has been modified in a couple of major areas. Grant funds would not be available to the States during the first year. Only the Dispute Resolution Resource Center would be funded in the first year after the act takes effect. This would allow the Center 1 year to collect information and expertise so that when the States in the second year begin to formulate projects for funding the information will be available. The act further provides for the States to assume gradual responsibility for developed programs without requiring them to expend funds for initial project design or experimentation. If we are to insure that access to our legal system is available to all citizens on an equal basis, we must make it financially possible for States to act as laboratories in which to implement reforms where that system is found lacking. This amendment will do just that by providing the financial encouragement and initiative necessary for States to improve existing or to create new dispute resolution mechanisms.

During the second year of the act, State projects would be funded for 100 percent of their cost. Each succeeding year the Federal contribution would decline at rates of 90, 75, and 60 percent of the project costs for programs funded in those years. Fifty percent of the appropriated funds are earmarked as entitlement funds to be distributed equally among the States which submit program applications. These applications can originate from nonprofit or public interest groups as well as various State and local agencies. The States will review the applications submitted and, after deciding which projects best meet the needs of its citizens, will submit these projects in priority order to the Attorney General for funding under the entitlement provisions. Those applications not chosen by the States for entitlement funding will be forwarded to the Attorney General who will use the remaining appropriated funds as discretionary grants for those projects which are innovative or which are addressed to as yet unmet needs of various citizens.

My amendment preserves the purposes and scope of S. 957 while changing it in areas which I feel strengthen its goals and insure its vitality. My staff has worked closely with the staff of the Committee on Commerce, Science, and Transportation, the administration, and the Office for Improvements in the Administration of Justice in order to arrive at a viable solution to this problem which affects all of our citizens. I urge my colleagues to join me in this effort by supporting this amendment.

Mr. President, I ask unanimous consent that the text of my amendment be printed in the RECORD together with the short descriptive summary which explains the general scope of the amendment.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 1623

Strike out all after the enacting clause and insert the following:

That this Act may be cited as the "Dispute Resolution Act".

SEC. 2 FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds and declares that—

(1) for the majority of Americans, mechanisms for the resolution of disputes in-

volving consumer goods and services, as well as numerous other types of disputes involving small amounts of money, are largely unavailable, inaccessible, ineffective, expensive, or unfair;

(2) the inadequacies of dispute resolution mechanisms in the United States have resulted in dissatisfaction and many types of inadequately resolved grievances and disputes;

(3) each individual dispute, such as that between a consumer and seller, and landlord and tenant, for which adequate resolution mechanisms do not exist may be of relatively small social or economic magnitude, but taken collectively such disputes are of enormous social and economic consequence;

(4) there is a lack of necessary resources or expertise in many areas of the country to develop new or improved consumer and other necessary dispute resolution mechanisms;

(5) the inadequacy of dispute resolution mechanisms throughout the United States is contrary to the general welfare of the people;

(6) a major portion of the goods and services which form the underlying subject matter of consumer disputes and disputes involving small amounts of money flows through commerce, and the unavailability of effective, fair, inexpensive, and expeditious means for the resolution of such disputes constitutes an undue burden on commerce; and

(7) while the States and the private sector have made substantial efforts to resolve disputes, and while such efforts should be encouraged and expanded, effective redress will be promoted through a cooperative functioning of both public and private mechanisms with the support and assistance of the Congress.

(b) PURPOSE.—It is the purpose of the Congress in this Act to assist the States and other interested parties in providing to all persons convenient access to dispute resolution mechanisms that are effective, fair, inexpensive and expeditious.

SEC. 3. DEFINITIONS.

As used in this Act, the term—

(a) "Attorney General" means the Attorney General of the United States, or his designee;

(b) "commerce" means trade, traffic, commerce, or transportation—

(1) between a place in a State and any place in a State and any place outside thereof, or

(2) which affects trade, traffic, commerce, or transportation described in clause (1);

(c) "Commission" means the Federal Trade Commission;

(d) "dispute resolution mechanism" includes, but is not limited to, courts of limited jurisdiction and procedures such as arbitration, mediation, and conciliation which are available to adjudicate, settle, and redress civil disputes involving small amounts of money or otherwise arising in the course of daily life;

(e) "local means of or pertaining to any political subdivision within a State;

(f) "State means any State of the United States, and the District of Columbia;

(g) "State administrator means the individual or government agency which is designated, in accordance with State law, to submit to the Attorney General applications on behalf of the State and other interested parties;

(h) "State system means all of the State-sponsored mechanisms and procedures available within a State for the resolution of consumer disputes and other civil disputes not involving large amounts of money, including, but not limited to, small claims courts, arbitration, mediation, and other similar mechanisms and procedures.

SEC. 4. CRITERIA FOR DISPUTE RESOLUTION MECHANISMS.

(a) CRITERIA.—In order to achieve the purpose of this Act, a dispute resolution mechanism funded in whole or in part under this Act shall provide for—

(1) forms, rules, and procedures which are, so far as practicable, easy for potential users to understand and free from technicalities;

(2) assistance, including paralegal assistance where appropriate, to persons seeking the resolution of disputes;

(3) the adjudication or resolution of disputes during hours and on days that are convenient, including evenings and weekends;

(4) adequate arrangements for translation in areas with substantial non-English-speaking populations; and

(5) reasonable and fair rules and procedures, such as those which would—

(A) insure that all sides to a dispute are directly involved in the resolution of such dispute, and that such resolution is adequately implemented (including promoting effective means for insuring that a monetary award or agreement is promptly paid, and a nonmonetary award or agreement is effectively carried out);

(B) provide an easy way for an individual to determine the proper name in which, and the proper procedure by which, any person may be made a party to a dispute resolution proceeding;

(C) encourage the resolution of disputes by, in addition to adjudication, such informal means as conciliation, mediation, or arbitration;

(D) permit the use of dispute resolution mechanisms by the business community, including, but not limited to, small businesses, corporations, partnerships, assignees, and collection agencies, but only in a manner consistent with the purpose of this Act;

(E) provide for the qualifications, tenure, and duties of persons charged with resolving or assisting in the resolution of disputes;

(F) encourage the finality of the resolution of consumer and other minor disputes; and

(G) provides information about other available redress mechanisms in the event that dispute settlement efforts fail or the dispute does not come within the jurisdiction of the mechanism.

(b) STATE SYSTEM.—Each State is encouraged to develop a State system which is responsive to the criteria established in subsection (a) of this section by providing—

(1) sufficient numbers and types of readily available dispute resolution mechanisms which meet the requirements for such mechanisms set forth in subsection (a) of this section; and

(2) a public information program which effectively communicates to potential users the availability and location of such mechanisms and consumer complaint offices in such State.

SEC. 5. DISPUTE RESOLUTION PROGRAM.

Within 60 days after the date of enactment of this Act, there shall be established within the United States Department of Justice a dispute resolution program, to be administered at the direction of the Attorney General. Such Program shall consist of the Dispute Resolution Resource Center established pursuant to section 6 of this Act and of the financial assistance authorized under section 7 of this Act.

SEC. 6. DISPUTE RESOLUTION RESOURCE CENTER.

(a) ESTABLISHMENT.—There shall be established within the United States Department of Justice, as part of the dispute resolution program established pursuant to section 5 of this Act, a Dispute Resolution Resource Center (hereinafter referred to as the "Center"). As soon as practicable after the creation of such dispute resolution program, the Attorney General shall provide for the creation of the Center and prescribe basic criteria for its operation consistent with the purposes described in subsection (b) of this section.

(b) PURPOSES.—The Center shall—

(1) serve as a national clearinghouse for the exchange of information with respect to dispute resolution mechanisms;

(2) provide technical assistance to State and local governments to improve existent and to create new mechanisms for dispute resolution;

(3) conduct research and development for the improvement of existent and creation of new dispute resolution mechanisms;

(4) undertake comprehensive surveys of the various State systems and, to the extent possible, major private dispute resolution mechanisms within the States, and each such survey shall, to the extent possible, disclose (A) the nature, number, and location of dispute resolution mechanisms within each State; (B) the annual expenditure and operating authority for each such mechanism; (C) the existence of any program for informing the potential users of the availability of each such mechanism; (D) an assessment of the present use of and projected demand for the services offered by each such mechanism; and (E) other relevant data on the types of disputes handled by each such mechanism, such as disputes between consumers and sellers, and landlords and tenants, and any other relevant categories of cases;

(5) identify, after consultation with the Chairman of the Commission, those dispute resolution mechanisms or aspects thereof that most effectively promote the purpose of this Act and that are suitable for general replication, and such mechanisms or aspects thereof shall be certified as "National Priority Projects";

(6) make grants to, or enter into contracts with, public agencies, institutions of higher education, or private organizations to conduct research, demonstrations, or special projects pertaining to the purpose of this Act; and

(7) engage in other activities deemed by the Attorney General to be useful and proper in carrying out the purpose of this Act.

SEC. 7. FINANCIAL ASSISTANCE.

(a) AUTHORITY.—As part of the dispute resolution program established under section 5 of this Act, the Attorney General is authorized to provide financial assistance in the form of grants to applicants who have filed, pursuant to subsection (c) of this section, approved applications for the purpose of improving existent or creating new mechanisms.

(b) DUTIES OF THE ATTORNEY GENERAL.—As soon as practicable after the date of enactment of this Act, the Attorney General shall prescribe—

(1) the form and content of the applications for assistance to be submitted under this section;

(2) the time schedule for submission of applications for assistance available under this section;

(3) the procedures for approval of applications submitted under this section, and for notification to each State administrator of all funds awarded to applicants within his State;

(4) the criteria for the distribution of funds received by applicants under this section, consistent with the provisions of section 4 of this Act and after consultation with the Chairman of the Commission;

(5) the form and content of the reports to be filed under this section and the procedures to be followed by the Department of Justice in reviewing such reports;

(6) the uses to which funds received under this section may be put in addition to those set forth under subsection (e) of this section;

(7) procedures for publishing in the Federal Register a notice and summary of approved applications; and

(8) such other regulations as he finds necessary to carry out the provisions of this Act.

(c) ELIGIBILITY REQUIREMENTS.—Nonprofit organizations, agencies of State governments, and units of local governments are eligible to receive assistance under this section. Any such entity desiring to receive grant funds under this section shall submit to the Attorney General, through the State administrator, an application consistent with the criteria set forth in section 4 of this Act and such other criteria as the Attorney General may establish under subsection (b) of this section. Such application shall—

(1) set forth a proposed plan for improving or creating dispute resolution mechanisms for which financial assistance is sought;

(2) identify the person responsible for the administration of the project set forth in the application;

(3) provide for the establishment of fiscal controls and fund accounting of Federal funds paid pursuant to this Act;

(4) provide for the submission of reports in such form and containing such information as the Attorney General may require under subsection (b) of this section;

(5)(A) meet the criteria of the National Priority Projects program of the Center, or (B) identify the project proposed therein as not meeting the designation as a National Priority Project and request funding as an exception thereto in such manner, on such forms, and pursuant to such criteria as the Attorney General may prescribe; and

(6) set forth the nature and extent of participation of interested parties, including consumers, in the development of the application.

(d) STATE ADMINISTRATOR.—The State administrator shall—

(1) provide adequate notice to nonprofit organizations, agencies of State governments and units of local governments of the availability of grant funds, and any other information which the Attorney General may require;

(2) collect all applications submitted under this section, review them to ensure compliance with the submission criteria set forth in or pursuant to section 4 of this Act and this section, and notify those applicants whose applications fail to meet those criteria, in order that necessary corrections may be made and the applications may be resubmitted, if possible within applicable deadlines;

(3) determine, after inviting public comment and after consultation with the Chief Justice of the highest court of that State and the Governor of that State, or their authorized representatives, the order of priority for the State of those applications for projects which are designated as National Priority Projects, in accordance with section 6(b)(5) of this Act;

(4) forward to the Attorney General all applications received by him, including the prioritized listing as provided in subparagraph (3) of this subsection, as well as those applications for projects which are not designated as National Priority Projects, in accordance with section 6(b)(5) of this Act; and

(5) forward to the Attorney General any other relevant information which he believes may assist the Attorney General in the awarding of financial assistance under this section.

(e) USE OF FUNDS.—The purposes for which funds available under this section may be used include, but are not limited to—

(1) compensation of personnel engaged in the administration, adjudication, conciliation, or settlement of disputes, including personnel whose function it is to assist in the preparation and resolution of claims and the collection of judgments;

(2) recruiting, organizing, training, and educating personnel described in paragraph (1) of this subsection;

(3) public education and publicity relating to the availability and proper use of dispute resolution mechanisms and settlement procedures;

(4) improvement or lease of buildings, rooms, and other facilities and equipment and lease or purchase of vehicles needed to improve the settlement of disputes;

(5) continuing supervision and study of the mechanisms and settlement procedures employed in the resolution of disputes within a State;

(6) research and development of effective, fair, inexpensive and expeditious mechanisms and procedures for the resolution of disputes; and

(7) sponsoring programs of nonprofit organizations to accomplish any of the provisions of this subsection.

(f) DISTRIBUTION OF FUNDS.—(1) One-half of the funds available for the purpose of making grants under this section shall be reserved for equal distribution among the States which have filed applications for projects which are identified as National Priority Projects and which are approved by the Attorney General. The sum of all grants awarded in any States shall be (A) an amount equal to the entitlement of such State; or (B) an amount up to the entitlement of funds under this paragraph are, in total, in an amount less than such State's entitlement. Funds available under this paragraph shall be awarded to applicants in such amounts as the Attorney General may decide, but only in the order of priority established by the State Administrator.

(2) One-half of the funds available for the purpose of making grants under this section shall be reserved for the awarding of discretionary grants by the Attorney General. Such grants may be made to fund applications which were not funded under paragraph (1) of this subsection, to applications for projects which are not designated as National Priority Projects in accordance with section (6)(b)(5) of this Act, or to research and demonstration projects or other activities that will encourage innovation in order to effectuate the purpose of this Act. The Attorney General shall, in consultation with the Chairman of the Commission, establish criteria, terms and conditions for awarding grants under this paragraph. In awarding grants under this paragraph, the Attorney General shall consider, among other factors, population density and the financial need of States and localities in which applicants for funds available under this section are located.

(g) PAYMENTS TO GRANTEES.—When the Attorney General has approved an application submitted under subsection (f)(1), he shall pay to the applicant the Federal share of the estimated cost of the approved project. The Federal share of the estimated cost of projects funded pursuant to applications submitted under subsection (f)(1) shall be 100 percent for the first fiscal year in which funds are appropriated for grants under this section; 90 percent for the second fiscal year in which funds are appropriated for grants under this section; 75 percent for the third fiscal year in which funds are appropriated for grants under this section; and 60 percent for the fourth fiscal year in which funds are appropriated for grants under this section. When the Attorney General has approved an application under subsection (f)(2), he shall pay to the applicant the amount which he in his discretion determines appropriate. The aggregate expenditure of funds of the State and political subdivisions thereof, exclusive of Federal funds, for such purposes shall be maintained at a level which does not fall below the average level of such expenditures for the last 2 fiscal years preceding the date of application for funding. Payments made pursuant to this subsection may be made in installments, in advance, or by way of reimbursement, with necessary adjustments on account of underpayment or overpayment, but shall not be used to compensate, directly or indirectly, the State administrator or for any other State administrative expense.

(h) SUSPENSION OF PAYMENTS.—Whenever the Attorney General, after giving reasonable notice and opportunity for hearing to any recipient of a grant under this subsection, finds that the project for which such grant was received no longer complies with the provisions of this Act, or with the relevant application as approved by the Attorney General, the Attorney General shall notify such recipient of his findings and no further payments may be made to such recipient by the Attorney General until he is satisfied that such noncompliance has been, or promptly will be, corrected. However, the Attorney General may authorize the continuance of payments with respect to any program pursuant to this Act which is being carried out by such recipient and which is not involved in the noncompliance.

(i) No funds for assistance available under this section shall be expended until one year after the date of enactment of this Act.

SEC. 8. RECORDS, AUDIT, AND ANNUAL REPORT.

(a) GENERAL.—Each recipient of assistance under this Act shall keep such records as the Attorney General or his designee shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, the amount of that portion of the project or undertaking supplied by other sources, and such other records as will assist in effective financial and performance audits. This provision shall apply to all recipients of assistance under this Act.

(b) AUDIT.—The Attorney General or his designee shall have access for purposes of audit and examination to any relevant books, documents, papers, and records of the recipients of financial assistance under this Act.

(c) COMPTROLLER GENERAL.—The Comptroller General of the United States, or any of his duly authorized representatives, shall until the expiration of 3 years after the final year of the receipt of any financial assistance under this Act, for the purpose of financial and performance audits and examination, have access to any relevant books, documents, papers, and records of recipients of such assistance under this Act.

(d) ANNUAL REPORT.—The Attorney General, in consulation with the Chairman of the Commission, shall submit to the President and Congress on or before the 365th day following the enactment of this Act, and on or before February 1 of each succeeding year, a report on the administration of this Act during the preceding fiscal year. Such report shall include but not be limited to—

(1) a list of all grants awarded;

(2) a summary of any actions undertaken in accordance with section 7(h) of this Act;

(3) a listing of the projects designated as National Priority Projects for that year and the types of other dispute resolution mechanisms which are being created, and, to the extent possible, a statement as to the success of all such mechanisms in achieving the purpose of this Act;

(4) the results of financial and performance audits conducted pursuant to this section; and

(5) an evaluation of the effectiveness of the Center in implementing this Act, including a detailed analysis of the extent to which the purpose and goal of this Act have been achieved, together with any recommendation for additional legislative or other action.

SEC. 9. AUTHORIZATIONS FOR APPROPRIATIONS.

(a) To carry out the purposes of section 6 of this Act, there are authorized to be appropriated to the Attorney General not to exceed $3,000,000 for the fiscal year ending September 30, 1978; not to exceed $3,000,000 for the fiscal year ending September 30, 1979; not to exceed $3,000,000 for the fiscal year ending 1980; not to exceed $3,000,000 for the fiscal year ending September 30, 1981; and not to exceed $3,000,000 for the fiscal year ending September 30, 1982.

(b) To carry out the purposes of section 7 of this Act, there are authorized to be appropriated not to exceed $15,000,000 for the fiscal year ending September 30, 1979; not to exceed $15,000,000 for the fiscal year ending September 30, 1980; not to exceed $15,000,000 for the fiscal year ending September 30, 1981; and not to exceed $15,000,000 for the fiscal year ending September 30, 1982. Such sums shall remain available until expended.

DISPUTE REVOLUTION ACT—DESCRIPTIVE SUMMARY

The purpose of the Dispute Resolution Act is set forth as being to provide federal assistance to the States by according to all persons convenient access to dispute resolution mechanism that are effective, fair, inexpensive, and expeditious. The Bill makes findings that mechanisms for the resolution of disputes of relatively minor magnitude are, for the majority of Americans, largely unavailable, inaccessible, ineffective, expensive, or unfair. It is further found that while individual disputes may be of relatively small magnitude, taken collectively such disputes are of enormous social and economic consequence. That constitutes a major problem to which the Bill is designed to respond.

The Bill establishes within the Department of Justice a Dispute Resolution Program. The program has two components. The first is the creation of a dispute resolution resource center. The center has five primary functions. The first is to serve as a national clearinghouse for the exchange of information concerning dispute resolution mechanisms. The center would gather together all available information from the States, the private sector, and the academic community, and would make such information available to States, cities, localities, and private groups interested in providing improved dispute resolution services.

The second function is to provide technical assistance to State and local governments in order that they may improve existing dispute resolution mechanisms and create new ones. The third function is to conduct research and development for the improvement of existing dispute resolution mechanisms and the creation of new ones. Because of its clearinghouse function, the resource center would be in a position to identify what research needs to be done and how it may best be conducted. The fourth function is the undertaking of surveys of the minor dispute resolution systems of the various States and the private sector within the States.

The fifth function is for the center to identify those dispute resolution mechanisms or aspects thereof that are most effective and that are suitable for general replication. Such mechanisms or aspects thereof will be certified as national priority projects. Through the resource center, the federal government would provide a service to the States and the private sector which they cannot provide for themselves. Through this service it would enable the States to substantially improve their dispute resolution mechanisms for matters of relatively minor dimensions. The center would be funded at $3 million per year.

The second component of the program would be to provide to the States $15 million per year in seed money grants to spur the improvement of minor dispute resolution procedures. Each State would submit one set of applications through whichever state official the State chose to designate, That official would receive applications from State and local governmental agencies and nonprofit organizations, establish an order of priority for the applications (after consulting with the Chief Justice and Governor of the State), and forward the package to the Department of Justice. No money for the program could be used to pay for any State administrative costs.

One half of the grant money would be divided evenly among all the States and the District of Columbia and would be awarded to those applications that: (1) would implement National Priority Projects, and (2) are given the highest State priorities by the State official responsible for the application process.

The other half of the grant money would be awarded at the discretion of the Attorney General either for applications that implement National Priority Projects or for applications which identify themselves as not implementing National Priority Projects, but which represent that they warrant funding as exceptions thereto. The Department will prepare regulations setting forth criteria for the making of the discretionary awards.

The Bill further provides that the federal share of projects funded under the entitlement portion of the grant program would be 100% the first year of the Bill, 90% the second year, 75% the third year, and 60% the fourth year. This provision is drafted in terms of the year of the Bill rather than the year of a given project in order to prevent States from filing applications for new projects in all of the four years so as to continuously reecive 100% funding. The discretionary grant funding will be at the percentage level the Attorney General determines to be appropriate.

Finally, the Bill provides that the grant money would not be available until one year after the effective date of the bill in order to give the resource center time to collect an adequate body of information and to develop a technical assistance capability.

NOTICES OF HEARINGS

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary,

COMMITTEE ON THE JUDICIARY

I desire to give notice that a public hearing has been scheduled for Wednesday, November 16, 1977, at 10:30 a.m., in room 2228 Dirksen Senate Office Building, on the following nominations:

Monroe G. McKay, of Utah, to be U.S. Circuit judge for the 10th circuit vice David T. Lewis, retiring.

Robert F. Collins, of Louisiana, to be U.S. district judge for the eastern district of Louisiana vice Alvin B. Rubin, elevated.

John L. Kane, Jr., of Colorado, to be U.S. district judge for the district of Colorado vice Alfred A. Arraj, retired.

Any persons desiring to offer testimony in regard to these nominations shall, not later than 24 hours prior to such hearing, file in writing with the committee a request to be heard and a statement of their proposed testimony.

This hearing will be before the full Committee.

CROP INSURANCE

Mr. STONE. Mr. President, the chairman of the Senate Agriculture Subcommittee for Agricultural Production, Marketing and Stabilization of Prices, Senator HUDDLESTON, at my request, has scheduled 2 days of crop insurance hearings in the State of Florida.

The first day of hearings will be held in Lake City, Fla., on November 28, 1977, at 10 a.m. The hearing will be held at the Agricultural Center in Lake City. On November 29, 1977, there will be a hearing in Sebring, Fla., at the Highland County Courthouse. The hearing will start at 2 p.m.

Written testimony of any length will be accepted. Oral testimony will be limited to 10 minutes for each witness. Anyone interested in testifying at either of these public meetings should contact the hearing clerk, Senate Agriculture Committee, 322 Russell Senate Office Building, Washington, D.C., 20510, 202/224–2035.

AMENDMENTS SUBMITTED FOR PRINTING

SOUTH AFRICA RESOLUTION—S. CON. RES. 60

AMENDMENT NO. 1622

(Ordered to be printed and to lie on the table.)

Mr. GOLDWATER submitted an amendment intended to be proposed by him to the concurrent resolution (S. Con. Res. 60) relating to South Africa.

POSTPONEMENT

Mr. NELSON. Mr. President, I would like to notify the Senate that the hearing of the Select Committee on Small Business scheduled for November 7 in St. Paul, Minn., has been postponed. A date will be announced in the future for the hearing.

ADDITIONAL STATEMENTS

STEPS AGAINST TERRORISM

Mr. CASE. Mr. President, international terrorism continues to plague the world. The scope of the problem is staggering.

When the Senate Foreign Relations Subcommittee on Foreign Assistance held hearings on the issue in September, a staff study found that about 180 groups around the world "claimed responsibility" for acts of terrorism.

At least some of the groups, ranging from the Japanese "Red Army" to the Palestinian and German terrorists, have

been collaborating in an informal network.

Figures compiled by the CIA indicated that between 1968 and 1976, there were more than 1,150 acts of international terrorism, with at least 391 involving U.S. citizens or property. About 800 persons have been killed and another 1,700 wounded in the various incidents. A Library of Congress summary of terrorist and terrorist-related developments since 1969 covers 23 single spaced pages.

Recent incidents include the 6-day hijacking ordeal in which the passengers of a Japan Air Lines plane were finally taken to Algeria and freed October 2 in exchange for the release of six colleagues of the Japanese "Red Army" terrorists and a $15 million ransom. The terrorists were reported to have been released from custody by Algeria.

On the heels of that incident, a West German Lufthansa airliner was hijacked by four persons—apparently Palestinians—and taken to Somalia. There, after a grueling ordeal for the passengers and the execution of the pilot by the hijackers, the passengers were freed in a commando attack October 18 by a specially trained unit of West German police.

That operation has been compared with the daring July 1976, rescue by Israel of passengers of an Air France jet hijacked to Entebbe, Uganda. But there was one important and hopeful difference. At Entebbe, Ugandan Dictator Idi Amin has supported the terrorists, even using his troops to guard the passengers.

In Somalia, the government assisted the German rescue, reversing, at least in this instance, its prior policy supportive of terrorism.

It may be that other nations which have assisted terrorist groups in the past are coming to realize that they too are vulnerable. For example, there have been a number of assassination attempts recently against Syrian officials.

In the Western world, there has been growing cooperation. The United States and its European allies and Israel have been exchanging information on training and counter-terror techniques. The Pentagon recently disclosed the training of special military units for rescue missions.

But the key problem remains—how to prevent the incidents from happening in the first place.

The United Nations and the authorities controlling airports and airline traffic have got to tighten security procedures.

One of the weaknesses appears to be lack of proper screening. Transportation Secretary Brock Adams told a meeting in Montreal yesterday of the Council of the International Civil Aviation Organization (ICAO) that 20 of the 28 airline hijackings this year can be attributed to lack of proper screening of passengers.

He suggested international agreements to insure that "all passengers and all carry-on baggage are screened everywhere and every time, and this should apply to all airline flights, foreign and domestic."

Even if these procedures are implemented, it is still essential that the international community continue its efforts to close off the sanctuaries used by terrorists in the past.

A small sign of hope emerged yesterday at the United Nations where the General Assembly approved a resolution condemning aircraft hijackings and the taking of hostages to force the release of imprisoned terrorists.

The resolution is noteworthy only because the U.N. has been so wayward in the past in facing up to the issue. Unfortunately, even this mildly worded the resolution was the subject of tinkering by anti-Israel delegates who approve the German rescue of their hostages but disapprove the Israeli rescue of Jewish hostages held captive with the assistance of Ugandan Dictator Idi Amin, a man not known for his respect for human life.

There is no easy or direct way to exert pressure on some of the nations which aid and abet terrorists—they do not receive foreign aid from us. But we must continue doing what we can to ostracize them; if necessary, paying the price of reduced trade and profits to close off havens for terrorists.

We also should give serious consideration to having the U.S. Government issue travel advisories warning of airports which do not meet security standards. The possible impact on the local tourist trade might help to prod negligent governments into enforcing security precautions. Another proposal, contained in S. 2236, which I joined in sponsoring, would permit suspension of commercial air service to countries which aid and abet terrorists.

The Senate Foreign Relations Subcommittee on Foreign Assistance and other congressional committees already have held preliminary hearings on these and additional proposals with a view to passage of new legislation next year. It will be none too soon.

Mr. President, I ask unanimous consent to print in the RECORD news articles on the U.N. resolution, the text of the resolution itself, Secretary Adams' speech to ICAO, and excerpts from President Carter's meeting last week with non-Washington newspaper columnists.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.N. ASSEMBLY CALLS UPON GOVERNMENTS TO PROSECUTE OR EXTRADITE HIJACKERS

(By Kathleen Teltsch)

UNITED NATIONS, N.Y., November 3.—The General Assembly adopted a resolution today condemning air piracy and calling on governments to take steps to tighten security and to agree to prosecute or extradite hijackers.

The resolution was approved without a formal vote but by consensus of the Assembly members.

While a number of Western nations here hailed its approval as a significant move in encouraging governments to improve civil aviation safety, there were others who publicly or privately said it was a weak response to the critical situation caused by the rising number of air hijackings.

PILOTS THREATENED STRIKE

This view was also reflected in the reactions of the International Federation of Airline Pilots Association and the United States Airline Pilots Association. While welcoming the Assembly action, both said that the effect would be limited since a resolution does not have the "force of law." But they expressed the hope that the 149 governments would abide by the spirit of the resolution.

The international pilots' group, representing 56,000 members in 86 countries, had threatened two weeks ago to call a two-day strike unless forceful action was taken by the United Nations against air piracy. The move was made after the pilot of a Lufthansa jetliner hijacked Oct. 13 was killed.

The strike was postponed to await the United Nations response, and the pilots' group was allowed to present its case in a speech to the Assembly.

William Murphey, deputy president of the pilots' group, said tonight that it was decided there would be no strike action now. He also said that although he welcomed the Assembly action, he would have preferred a resolution with "more punch."

A key paragraph in the resolution calls on governments to accept three conventions drafted by the International Civil Aviation Organization. These are the 1963 Tokyo Convention against offenses committed on aircraft in flight, ratified by 88 nations; the 1970 Hague Convention obligating governments to punish hijackers severely, accepted by 79 nations, and the 1971 Montreal Convention, agreed to by 75 nations, covering attacks aboard aircraft such as bombings or sabotage.

The antihijacking resolution was the outcome of a joint initiative by Austria, Australia and Nordic countries, and it was quickly taken up by many more members.

The original text was modified to meet objections from Arab and other third world countries. One change, directed against Israel, made the text say that actions against hijacking should be "without prejudice to the sovereignty or territorial integrity of any state."

The intent was to signify approval of the West German raid that rescued the hostages aboard the hijacked Lufthansa airliner at Mogadishu, Somalia, last month, since the Somalis consented to the action, but to disapprove of Israel's rescue of hostages held at Entebbe Airport in Uganda in July 1976.

African members brought a complaint over the Entebbe case to the Security Council but were unable to muster the support needed to obtain a condemnation of Israel.

During today's Assembly debate on the resolution, Chaim Herzog, the Israeli delegate, criticized the changes made in the text, calling it a "compromise with the forces that back and finance acts of terror."

Calling the resolution weak and disappointing, the Israeli delegate remarked: "The International Pilots' Association has been taken for a ride."

UNITED STATES CALLS FOR BETTER SCREENING TO AVERT AIR PIRACY

(By Richard Witkin)

The United States, citing the recent rash of hijackings, urged the International Civil Aviation Organization yesterday to bolster air agreements to insure security screening of passengers and hand baggage on all airline flights, domestic and foreign.

In a speech to the organization's 30-nation council in Montreal, Transportation Secretary Brock Adams said a survey indicated that 20 of the 28 hijackings so far this year could be "attributed to failures in passenger screening procedures."

It is significant to note," Mr. Adams added, "that, since strengthened U.S. security went into effect at the start of 1973, not a single hijacking incident has occurred attributable to failure to detect guns and weapons in the screening process."

STRONGER SAFEGUARDS SOUGHT

Saying he was speaking on behalf of President Carter, the Cabinet officer put forward a package of proposals for improving safeguards against hijacking, sabotage and related aviation crimes.

In addition to the upgrading of screening procedures, they called for: improving measures to segregate aircraft threatened with hijacking or sabotage; better exchange of technical data on aviation security; expansion of security seminars, and wider adherence to the Hague and Montreal conventions of 1970 and 1971.

The I.C.A.O., an agency with special relations to the United Nations, has 141 members, including the Soviet Union, China, and virtually every other nation in the global air network. It seeks to rise above political frictions and promote technical cooperation in the interest of safe, efficient international air travel and commerce.

LIMITED PROGRESS FOR NOW

However, politics has slowed progress in some important areas, including universal tightening of security. The dominant view in the aviation community is that, while efforts by the civil aviation agency and the United Nations are to be welcomed as perhaps leading to substantial long-term benefits, only limited benefits can be expected for now.

The prime hope for near-term results is placed in the enactment of new Congressional legislation and possible parallel moves by major powers. Essential to such steps, it is felt, would be mechanisms for imposing penalty on nations that actively or passively aid and abet hijackings and other crimes.

A major move in this direction was made on Oct. 25 when Senator Abraham A. Ribicoff, Democrat of Connecticut, introduced a bill aimed at combating not only air crimes but also all varieties of international terrorism.

HEARINGS DUE IN JANUARY

The bill, co-sponsored by eight senators, has the enthusiastic support of the Air Lines Pilots Association and the Professional Air Traffic Controllers Organization. Mr. Ribicoff had hoped to begin committee hearings on the legislation next week. But, because the Congress is so tied up with energy bills, hearings on the proposed Anti-Terrorism Act have been postponed until January.

In aviation, the proposal goes far beyond legislation now on the books. The central idea would be a requirement for the President to develop and maintain a list of countries that "aid or abet international terrorism." Both the President and the Congress would have power to add or delete names.

Once a country was put on the list, a series of punitive measures, or sanctions, would be imposed on it. The President would be required to declare the country dangerous to live in. All commercial air service between that country and the United States would be halted. And passengers, baggage and planes that had recently been in that country would not be allowed into the United States unless they had been thoroughly searched in a third country.

Because of the timing, it looked as though the Ribicoff bill might have been a direct result of the recent upsurge in air piracy, particularly the hijacking that ended in the dramatic rescue of 86 hostages on a West German airliner in Somalia.

But the Ribicoff staff had been working on the terms of the bill for about a year. The recent hijackings did serve, however, to fix national attention on the issue and provide a favorable climate for pushing the measure through the Congress. Whether the climate will remain favorable when the bill is taken up next year remains to be seen.

Among the other provisions of the Ribicoff bill are these: No export licenses would be granted for the sale of certain munitions to countries that have been publicly listed as aiding and abetting terrorism. The sale or transfer of nuclear facilities, material or technology, to such countries would be prohibited.

In addition, the President would be required to keep a public list of foreign airports, or other facilities deemed unsafe for Americans to use. Flights starting in the United States would be banned from airports on the "dangerous" list until they met security standards spelled out in the Ribicoff bill.

U.N. CONDEMNS HIJACKINGS; PILOTS CALL OFF STRIKE

(By Milton R. Benjamin)

UNITED NATIONS, November 3.—The U.N. General Assembly condemned airline hijackings today in a resolution that urged all nations to cooperate and prevent terrorists from using hostages as a means of "extorting" the release of political prisoners.

The consensus reached by the 149-nation assembly represented the strongest anti-hijacking measure put on record here.

It also symbolized the tacit endorsement of a West German military action against a recent hijacking of a Lufthansa airliner. The West Germans, in cooperation with Somalia and several other countries, freed all hostages aboard the hijacked craft sitting at the Mogadishu airport in Somalia.

But the document implicitly condemned a similar action by Israel in July 1976, when Israeli commandos staged a raid at the Entebbe airport in Uganda to free hostages in a hijacked Air France airliner.

Today's resolution was adopted without a vote. Although it is not binding, it is likely to put pressure on countries that have been granting asylum to air pirates and perhaps lead to other measures by the international community to make commercial aviation safer.

Among those who assented to today's resolution were nations that formerly provided haven for hijackers such as Algeria, Libya, and South Yemen. Only Cuba dissociated itself from the resolution.

Despite the consensus, skeptics here immediately noted that about one-half of the U.N. members have yet to ratify three existing international treaties designed to curb interference with commercial aviation.

The treaties, drafted under the auspices of the International Civil Aviation Organization, were signed at Tokyo in 1963, the Hague in 1970 and Montreal in 1971.

The International Federation of Airline Pilots, which had threatened after last month's Lufthansa hijacking to stage a 4-hour worldwide strike unless the United Nations acted on the problem of air terrorism, immediately announced in a terse statement that it had decided not to "take any action at this time."

The resolution was adopted by the General Assembly not by a formal vote, but by a more unusual procedure referred to as consensus. Cuba, the sole dissenter, noted that the pilot's association had not "thought it necessary to mobilize the General Assembly" a year ago when a Cuban airliner was blown up over the Caribbean.

The U.S. representative to the General Assembly, Rep. Lester L. Wolff (D-N.Y.), welcomed the United Nations action as a "major step forward in the collective fight against hijacking."

The resolution, however, fell far short of the pilot's demands that all countries ratify the Tokyo, Hague, and Montreal conventions, which would effectively eliminate safe havens for hijackers.

"The international pilots association has been taken for a ride," Israeli Ambassador Chaim Herzog declared in a statement to the General Assembly. "The resolution is a disappointing one. It is weak."

The resolution adopted by the General Assembly today had these elements:

It reaffirmed the U.N. condemnation of hijacking and all other acts of violence against aircraft, whether committed by individuals or states.

It called on member countries to take all necessary steps to prevent such acts, including the improvement of airport security.

It called on all countries to take joint and separation actions while respecting the sovereignty and territorial integrity of any nation, to see that the hostages are not used "as a means of extorting advantage of any kind."

It appealed to all nations who have not done so to ratify the three hijacking conventions.

Despite the unprecedented consensus, a number of delegates whose countries have traditionally given asylum to hipackers said privately that their countries had no intention of ratifying the conventions—or changing their policies.

TEXT OF ANTIHIJACKING RESOLUTION

TEXT OF ANTIHIJACKING RESOLUTION ADOPTED BY U.N. GENERAL ASSEMBLY, NOVEMBER 3, 1977

Recognizing that the orderly functioning of international civil air travel under conditions of guaranteeing the safety of its operations is in the interest of all peoples and promotes and preserves friendly relations among states,

Recalling Resolution 2645 (XXV) of 25 November 1970, in which it recognized that acts of aerial hijacking or other wrongful interference with civil air travel jeopardize the life and safety of passengers and crew and constitute a violation of their human rights,

Recalling also its earlier Resolution 2551 (XXIV) of 12 December 1969 as well as Security Council Resolution 286 (1970) of 9 September 1970 and the Security Council decision of 20 June 1972.

1. Reiterates and reaffirms its condemnation of acts of aerial hijacking or other interference with civil air travel through the threat or use of force, and all acts of violence which may be directed against passengers, crew and aircraft whether committed by individuals or states;

2. Calls upon all States to take all necessary steps, taking into account the relevant recommendations of the United Nations and the International Civil Aviation Organization, to prevent acts of the nature referred to in paragraph 1 above, including the improvement of security arrangements at airports or by airlines as well as the exchange of relevant information and to this end to take joint and separate action, subject to respect for the purposes and principles of the Charter and the relevant United Nations declarations, covenants and resolutions, in cooperation with the United Nations and the International Civil Aviation Organization to ensure that passengers, crew and aircraft engaged in civil aviation are not used as a means of extorting advantage of any kind;

3. Appeals to all States, which have not yet become parties, to give urgent consideration to ratifying or acceding to the Convention on Offences and Certain Other Acts Committed on Board Aircraft signed at Tokyo on 14 September 1963, the Convention for the Suppression of Unlawful Seizure of Aircraft signed at The Hague on 16 December 1970, and the Convention for the Suppression of Unlawful Acts Against the Safety of Civil Aviation signed at Montreal on 23 September 1971;

4. Calls upon the International Civil Aviation Organization to undertake urgently further efforts with a view to ensuring the security of air travel and preventing the recurrence of acts of the nature referred to in paragraph 1 above, including the reinforcement of Annex 17 to the Convention on International Civil Aviation;

5. Appeals to all Governments to make serious studies of the abnormal situation related to hijacking.

STATEMENT OF U.S. SECRETARY OF TRANSPORTATION, BROCK ADAMS, BEFORE THE COUNCIL OF THE INTERNATIONAL CIVIL AVIATION ORGANIZATION, NOVEMBER 3, 1977

I am appreciative of the opportunity to appear before you today at this special meeting of the Council of the International Civil Aviation Organization. President Carter has asked that I make known the views of my government in connection with the need for further actions to assure improved air transportation security. My statement is brief, but its brevity is in no way indicative of a lack of concern; on the contrary, time is short and action is needed.

This organization has done much in the past to reduce the threat caused by hijacking and acts of terrorism to civil aviation; together with all member States cooperating, we can do much more to assure the safety of air travel.

I know that you are considering additional steps that can be taken, including those under discussion here today, and I am mindful of the resolutions passed by the assembly of ICAO last month.

Specifically, the resolution on technical measures for safeguarding international civil air transport against acts of unlawful interference requests the council keep up to date and develop as necessary appropriate standards and recommended practices. It urges States to ensure that it is possible for facilities to be made available at their airports for the inspection and/or screening, as required, of passengers and their hand baggage on international air transport services. During its consideration of this resolution and, particularly in light of the recent hijackings, the council may also wish to consider a directly related matter. I would ask that, in its discussion of this problem, council give consideration to amending annex 9 of the Chicago Convention, particularly with respect to strengthening standard 9.2 of chapter 9, to ensure that all passengers and all carry-on baggage are screened, everywhere and every time, and that this should apply to all airline flights, foreign and domestic.

From information available to me, it appears that of the 28 airline hijackings which have taken place so far this year, 20 can be attributed to failures in passenger screening procedures, either failure to screen at all, or inadequate screening. It is significant to note that, since strengthened U.S. security measures went into effect at the start of 1973, not a single hijacking incident has occurred attributable to failure to detect guns and weapons in the screening process.

We recommend for your consideration also the strengthening of certain portions of annex 9, such as those recommended practices which provide:

(1) For the segregation and special guarding of an aircraft under threat of hijacking or sabotage, and

(2) For the provision of law enforcement support for aviation security.

Ready availability to States of technical information on methods for preventing acts of unlawful interference with civil aircraft is essential to adequately combat such acts. Therefore, I would urge council to further encourage the exchange of information between ICAO and contracting States related to safeguarding international civil aviation by raising the existing recommended practice dealing with this subject to a standard.

The establishment of these and certain additonal recommended practices as standards should contribute substantially to improved safety for air travellers. I would urge this organization to continue its efforts to assure that its members effectively implement all these security standards.

I know that every member of this council is aware of the importance of another resolution adopted by the recent assembly, that pertaining to the "strengthening of measures to suppress acts of unlawful interference with civil aviation;" my government has urged, and continues to urge, all countries to adhere to the convention for the suppression of unlawful seizure of aircraft, the Hague Convention of 1970, and the convention for the suppression of unlawful acts against the safety of civil aviation, the Montreal Convention of 1971. In connection with the latter convention, the Montreal Convention, the U.S. administration is submitting to the Congress the necessary legislation to adjust U.S. laws for the implementation of this convention.

The president of this council, Dr. Assad Kotaite, in his statement before the 32nd session of the United Nations General Assembly on October 26th indicated that ICAD has already held two seminars in the Far East and Pacific region to assist in the implementation of aviation security programs. I would like to urge that this excellent work be continued and that ICAD increase the the number of such seminars and expand the number of geographical areas in which they are held. We also noted that a regional technical assistance project on aviation security was presently underway in the Far East and Pacific region, covering six countries. In this connection, my government stands ready to assist ICAD in any appropriate way in this program and will continue to provide assistance, within the limits of existing resources, to those nations which request it.

In short, Mr. President, I urge the council to take these steps: First, give the highest priority to dealing with the two aviation security resolutions adopted by the 22nd ICAD assembly; second, upgrade from recommended practices to standards those provisions dealing with: passenger and baggage screening; segregation of aircraft under threat; and the exchange of information on technical aspects of security matters. Third, increase and expand aviation security seminars.

The problem of unlawful interference with civil aviation is worldwide in scope. It is therefore appropriate that this body deal with this increasingly severe threat. I appreciate the opportunity of appearing before you today and I thank you for your attention. My government looks forward to working with you and all ICAD member states in developing the procedures and taking the actions needed to eliminate this unacceptable threat to air transportation and to air travellers.

Thank you, Mr. President.

EXCERPT FROM PRESIDENT CARTER'S INTERVIEW LAST WEEK WITH NON-WASHINGTON JOURNALISTS

Question: In dealing with terrorists, is the posture of the U.S. Government going to be one of complete noncooperation with the terrorists, such as has been developed in Japan, West Germany and other nations? And also I understand you disagree with the U.N. resolution insofar as how far it goes; you feel it should be much stronger. Can you tell us a little more about your position on that?

The President: Yes. We have taken a position, I would say, among the strongest of any nation against terrorism, seeking to get the United Nations to agree with us, on all nations refusing to accept aircraft that have been hijacked, for instance, and also agreeing to return the hijackers or terrorists to the country from which they committed the terrorist act.

I believe we will have some success, particularly because of the high publicity that accrued to the recent Lufthansa hijacking that terminated, as you know, in Somalia. We encouraged the Somalian Government to cooperate with the West Germans. We worked closely with the West Germans in providing the information we had about the terrorist organizations.

We learned from them and from the Israelis, for instance, after they had an actual experience in rescuing kidnapped passengers from planes.

It is a matter that concerns all countries. And recently we have had some indications, through United Nations statements and otherwise, that the Soviets are moving toward a more responsible position in deploring and working against terrorism.

There are still some countries, like Libya and Algeria, for instance, who feel they ought to open their borders to terrorists and to let them land. And the position they take publicly is they save lives by doing so; that there has to be some place for the plane to land once it is hijacked.

We are also cooperating and trying to insure that the very strict security measures that we take in our own country of examining people as they go into the airport loading facility is mirrored around the world.

So we are doing everything we can on a unilateral basis, also on a multilateral basis through the United Nations and through the airline arrangements that we have with cooperative countries, to hold down this particular form of terrorism.

We recognize there are other forms of terrorism, but I was responding just to that particular part because that was part of your question.

THE FINKELSTEIN LECTURES

Mr. PELL. Mr. President, on Monday, October 24, the Honorable Joseph Duffey, Chairman of the National Endowment for the Humanities, delivered one in a series of the Finkelstein Lectures at the University of Rhode Island. His topic was "General Education: The Role of the Humanities," a thoughtful exposition of the role of the humanities in general education. One of his central concerns was the question of whether the humanities should pursue excellence as a sole priority, or whether they should also be concerned with the question of access.

As the chairman of the Subcommittee on Education, Arts and Humanities, I have long been concerned that the public be broadly involved in artistic and humanistic endeavors, that they not be limited to the select few. Chairman Duffey reflects my sentiments, that the public has a right to learn and know. As we increasingly expand man's leisure time, we must simultaneously seek to expand his horizons so that he can use that time creatively and constructively.

In the words of Chairman Duffey:

To the preparation of students for their lives as productive members of this society, the humanities adds not merely habits of mental acuity but priceless attributes of self-awareness and social responsibility. They make of the educational process an initiation into the exercise of moral character in addition to the acquisition of knowledge and skills.

I recommend the entire address to my colleagues, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

GENERAL EDUCATION: THE ROLE OF THE HUMANITIES

(By Joseph Duffy)
Chairman, National Endowment for the Humanities

When Timothy Dwight, President of Yale, passed through this area in 1800, he noted that South Kingstown was a prosperous farming area—and I see it still is.

But President Dwight also remarked that the inhabitants were "generally uncouth, their manners tending to intemperance, their houses unkempt." "Schools in this state," he wrote, "can hardly be said to exist."

I'm glad to be able today to retract completely such scurrilous impressions! I am also delighted to be here with you.

I am honored by the invitation to participate in your effort to redefine the role of general education at the University of Rhode Island.

We are committed to a similar task at the National Endowment for the Humanities trying to, as your documents here put it, make "The communication of a sense of civilization" a priority among Americans.

You are revising a curriculum, and I am overseeing a federal agency; many of the problems you have addressed here today, we have in common.

We share such questions as:

"How shall we define general education"

"What are the humanities?"

"Shall we pursue excellence as a single priority or shall we be concerned as well with the question of access: Of the public's right to learn and to know?"

These inquiries are the very essence of the humanistic tradition. They are at the heart of the questions which have shaped our culture for thousands of years.

As a way of looking at the nature of these questions, we can compare them with the technical problems we face at the same time.

When we address the issues of curriculum design in the technical sense we are first inclined to look for parallel cases elsewhere. We ask friends from graduate school days, read professional journals, confer (endlessly)—and more and more these days, we appeal to electronic data retrieval systems to find models for our case.

With technical problems our effort is to locate gaps in our knowledge:

How to schedule courses and requirements. How to staff them.

As little time as possible is spent at this point in asking whether the whole enterprise is worth something and to whom.

Our fundamental concern is getting the right information, getting the data, gathering the fruits of a system of experts and consultants.

As you have no doubt become aware, however, the technical problems and implementation do not exhaust the subject of curriculum revision.

No matter how much information we have, or how much we refine it, there always remain the nagging conflicts, the gaps which no technical data can fill: between process and product, between excellence and equality.

These are the questions that do not get easier the more we know about them, which are problems not capable of total resolution.

The temptation in a society such as ours which prizes efficiency is to bracket these more profound questions of meaning and purpose and set them aside as we go about our business.

No data bank is available to provide answers to these questions.

The requisite tools seem to be those qualities of mind we call wisdom, judgment, experience and intuition.

But this is a great irony. If we had wisdom and judgment enough to use in solving our problems, then presumably we would not have such problems.

How do we get judgment—and how do we distinguish it from prejudice, irrational instinct, and popular fancy?

This is, I believe, where we touch the role of the humanities. It is not an easy process, to be sure, and one which can never be completed. But there is no sounder way to confront the crucial moral and philosophical issues we face than to see these questions in the light of the historical culture we share as a people.

How are we to explore these problems in a humanistic way?

Take the issue of Excellence vs. Equality. In some sense, this is only a variant of the age-old problem of the place of justice in the political community. Might not, therefore, Thucydides and Aristotle, Machiavelli and Adam Smith, John Rawls and Robert Nozick be as helpful as commentators on our situation as contemporary university administrators?

If we are concerned with understanding how communities of scholars respond to situations of crisis, would not our insight be aided by looking at the experience of European universities during the Reformation or African universities during the 1960's?

We do not, I think, denigrate the humanities, when we see them in such intimacy with the problems we meet in our everyday lives.

The richness of our culture is too important to be merely an ornament of our lives, to be worn as a badge of social or moral superiority. Nor is the tradition we uphold merely a refuge from the world, a private stock of inspiration or solace to help us withstand the pressures of social life.

The humanities can and ought to claim a more active, public role as a living, breathing confrontation with the ways we make sense of human life.

The benefits of humanistic learning cannot of course be measured in simple utilitarian or instrumental terms. Understanding our problems better is not necessarily the fastest or most economical way of solving them.

But the benefits are nonetheless substantial, and I want to take some time and some care to outline my view of them for you.

What are the benefits of the humanistic perspective? Let me suggest five distinct but related contributions to learning.

For one thing, the perspective of the humanities may refine and sharpen our questions by setting them in the contest of the experience of the past.

When we go to the great thinkers, the lessons they teach are not simple or one-sided or direct. In fact, they often pose more questions than answers.

For every Jansenist view of human finitude, there is a Jesuit call for energy and self-reliance.

For every Hegelian spiritualization of truth and history, there is a corresponding Nietzschean emphasis upon human willfulness.

But out of facing complexity may come a habit of mind which accepts contradiction and learns to anticipate objections. We learn to seek illumination, rather than to build forts and trenches of thought. We learn to be humbled but not unnerved by ambiguity and uncertainty.

A slightly different way of saying the same thing is that the humanistic tradition trains us to recognize that something of value is always lost in the advent of anything new and this is the second contribution of humanistic learning.

It is hard to imagine that our urban planning fiascos of post-war years would have gone forward if there had been some sense that the communities being "renewed" needed to be protected against loss as much as aided from the outside.

Well-meaning social planners understood the communities they were displacing only in terms of their deficiencies—their lack of proper housing or schools or jobs—and not in terms of what they still possessed—networks or family and community relationships, pride and place and a healthy skepticism toward the benevolence of outsiders. Today we are at work trying to correct the errors of earlier misunderstandings!

The experience of Vietnam was a further and more tragic example of the same fundamental errors in judgment and wisdom.

So infatuated had we become with our own intentions for the Vietnamese and for their country that when we noted the discrepancies between their reality and our designs, we saw them only as justifications for a greater commitment to fulfill those designs.

Frances Fitzgerald demonstrates in her superb book, *Fire in the Lake*, how American planners almost invariably misunderstood the complex cultural assumptions of rural Vietnamese farmers. Fitzgerald's analysis is based upon careful research into the social and cultural background of Indochina. But I suspect that a serious and honest awareness of the distinctiveness of any alien culture might have produced more caution among our policy-makers.

That these men were so often the products of our most elite liberal arts colleges and universities makes even more urgent the case for understanding the relevance of the humanities as a way of instilling us with an awareness of what may sometimes be lost in our efforts to effect change.

Professor Morton Bloomfield of Harvard has expressed the insight I want to convey here. He wrote recently (*Daedalus*, Fall, 1974):

"Action becomes blind and meaningless unless it is backed by perspective and knowledge. Although perspective and knowledge can and often do lead to inaction, they can also lead to action. What does being contemporary mean? It means knowing what alternatives are open to one and what can be done without destroying what is worthwhile. This knowledge comes only from reflection and from a knowledge of tradition . . ."

My third observation is this: In all the great strands of our humanistic inheritance there is an admonition to caution and to intellectual humility.

Where the technical world is always seeking to reduce, to set limits, and even to eliminate uncertainty, the humanist cherishes that element of mystery as much as he or she does the positive knowledge acquired in its face.

In all the great literatures of the past, a fundamental attitude of mind is upehld: being fully alert to oneself, attentive to all the nerve endings of our being, and yet at the same time fully receptive to the wisdom of the world, humbly awaiting and welcoming its meanings for us.

This is the way of Baconian empiricism, the way of what Buddhists call "vijn-ana," the quality which evangelical Christians know as "conviction." Keats spoke of this when he attributed to Shakespeare something called "negative capability." "Man is capable," he wrote, "of being in uncertainties, mysteries, (and) doubts, without any irritable reaching after fact and reason."

Despite all the difference between these terms, they share a respect for the fearless

human apprehension of uncertainties, an ironic willingness to be totally present without imposing oneself on the world blindly.

The key word in the humanistic disciplines is "attention," and it is worth remembering its root—an old French verb meaning to stretch to something. Stretching, not shrinking, in the face of uncertainty is what all of us need to do.

My fourth observation about the contribution of the humanities would be that one of the ways we experience this uncertainty is to look at the same phenomenon from several different vantage points.

The demographer, for example, might look at the State of Rhode Island as a population with certain characteristics of settlement, size, fertility, employment and literacy (even as Timothy Dwight did!).

How different will be the view in the eyes of the geologist, the geographer, the economist, the ecologist, the student of literature, the anthropologist, the political scientist, the historian.

I do not want to argue that one discipline is more correct than another. The humanistic tradition stands apart, in a sense, from all of these perspectives. I want to point out instead how the juxtaposition of all these fields, addressed to the same subject in a constant process of focusing and refocusing our perception of reality.

We might understand the humanities as the overlap of these distance disciplines, or what has often been called interdisciplinary or multidisciplinary inquiry. But I would rather define the humanistic insight as the sense of widening and narrowing our vision—as the serious inquiry which proceeds when we stand outside each of the disciplines and witness the limits of each.

Each of these perspectives tells us something about Rhode Island, but each has a specific history and depends on a social world for its support. By standing apart from each of them, the humanities allows us to assume what some sociologists call a "Theoretic Stance" toward all of them.

To put it simply, each of these perspectives or disciplines is a human invention. Each of these views is the construction of a particular society.

Even though we experience Rhode Island and the rest of the world through particular glasses, it is at least theoretically possible for us to doff these spectacles and see the lenses themselves for what they are, devices for investigating our world and our place within it.

The idea that our knowledge is part of a social construction, the underlying premise of what has been called the sociology of knowledge, has been developing rapidly since the eighteenth-century Italian historian Giovanni Battista Vico began to assess historical progression as a human artifact.

This insight is central to the work of Marx and Michelet, Durkheim, Freud and Weber, indeed to a major tradition of the social sciences over the past two centuries.

There are those who see the sociology of knowledge as hostile to the way we have interpreted the humanistic tradition as a continuing, even timeless, aspect of thought.

But recognizing that the things we know are always the product of a particular society does not reduce the value of knowing them, any more than the eternal conflicts between the Platonist and the Aristotelian make it unnecessary to pay attention to either.

By understanding the contingency of our particular ways of thinking as late twentieth-century Americans, we gain some distance from ourselves, some perspective on who we are and how much value we can attach to our limited points of view.

The humanistic insight can become, then, a path of intellectual liberation from the social world which surrounds us and tries to lock us into particular ways of thinking which mesh with its own limited definition of "reality."

Within the disciplines and professions and cultural perspectives of our lives, we are attached to specific social forms, with hierarchies and methods of dissemination and evaluation. When we adopt the perspective of the humanities, we are—at least for the moment of epiphany—released from the grip of these systems of thought. Not released into a chaotic and undisciplined mental confusion but into a humble clarity about the boundedness of what we happen to know.

Finally, and in a more positive view, the perspective of the humanities offers us another community to supplant the one we escape in departing from the narrower perspectives of our individual disciplines.

I do not mean by this community the world of upperclass social privilege with which the pursuit of the higher culture was so long associated in American life. One of the most profound and beneficial effects of the "counter-culture" of the 1960's was the assault upon this association, upon the role of elite social groups as quasi-official guardian of the arts and humanities.

The community I have in mind is made up of those who are committed to over-stepping the limits of their own pressing technical concerns, who seek to make connections between problems in their fields of concern and those of people in different areas of endeavor, in different social classes, with different enthusiasms.

In a time of intense specialization, the tradition of the humanities offers perhaps the only field of concern where men and women of differing professions and social location can participate in a broader community of concern.

Many of the most critical issues we face today cannot be adequately addressed by technical learning alone. Or alone by communities of highly skilled professionals.

The issue of how we define educational excellence or what goals we set for our educational system are broad social questions which must be resolved by a community larger than that of the professional associations. And the same is true of national health insurance and the use of energy resources.

These questions are central to all our lives, and central to the critical traditions of this culture. Do not all of us, either as professionals or citizens, have a contribution to make to such discussions?

I do not hesitate to suggest to you that issues of everyday life in this society are rooted in our humanistic culture. At its heart, therefore, every activity in contemporary America—every moment of making and unmaking, of work and leisure, of learning and the passing on of learning—is also potentially an inquiry, an open-ended dialogue with the tradition we share.

Now, I don't pretend that every worker and farmer and administrator and housekeeper and salesperson and student does or could spend a large portion of each day contemplating the fundamental questions being addressed in his or her work. But the challenge to do so, to read all of our distinct social conditions as cases of a larger inquiry into the human condition, is there. And all of us share the responsibility of making it possible for all our citizens to participate in that inquiry.

The easier path or course is to construe one's problems as belonging to a special province, capable of being understood only by other insiders or initiates, only by those with proper expertise or who share the same ethnic or religious background.

But perhaps the time has come to understand the commonality of our cultural inheritance as well as our pluralism. The struggle for dignity of a black family on welfare in an eastern city, a white lower-middle class family hard-pressed to pay for college tuition, a midwestern farmer who has over-invested in capital equipment, is in many ways the same struggle, and the definitions of dignity offered by each have their roots in the same vision of human freedom and peace and excellence, in the same desire to inhabit what James Joyce once called "the fair courts of life."

That vision, and hence the community which shares it, are the products of our humanistic inheritance.

These, then, are the gifts which I believe the humanities can offer us—a clearer awareness of alternatives, a healthy respect at once for human understanding and for uncertainty, a chance to disengage from coercive and parochial communities, and an invitation to join a broader and more-inclusive one built around concerns which are crucial to contemporary society.

If these gifts are to be secured, the academic community has a major role to play.

As one of the most important agents of the preservation of our cultural heritage, the university has the responsibility of bringing to life in each generation the great minds of the past.

Through its more specialized studies, the terms of our dialogue with those minds is constantly reshaped. Those studies need the support of all Americans if we are to maintain access to the insight and learning of those who have gone before us.

There are other implications of this view of the humanities for our institutions of higher learning.

As our society becomes more technically sophisticated, and as the market for scholars and teachers continues to decline, it seems increasingly likely that almost all of our graduates will find their life work outside the world of schools and colleges.

Perhaps paradoxically, then, universities more and more need to insist that undergraduate students encounter this critical tradition. With proportionately fewer graduates in liberal arts majors, and with a greater technical background required for employment, and with fewer opportunities for students to spend their mid-twenties bouncing around in search of experience, direction and inspiration—The undergraduate years have become more important as the time to try out the connections between humanistic insight and workaday concerns.

I would guess, as some of you evidently have, that simply mandating several required courses in the development of western philosophy or art or political history is not sufficient to make these connections.

Can we do more?

Can we ask college teachers to consider the interweavings of the most powerful strands of their thought with the fabric of ordinary life as it is lived in America today?

Can our college faculties, with all their trials about academic tenure and mandatory retirement and accountability, be relied upon to provide insight and sympathy for what lies ahead for students in the world beyond the college gates?

If, for example, the issue of loyalty will be encountered by our graduates most dramatically in their future jobs, in their ways of responding to the demands and rewards of large organizations, are our professional political theorists prepared to help them understand the relevance of Augustine or Thoreau or Kafka to the problems of corporate society?

If we are concerned with the shoddiness of our products and our programs, do we have the aestheticians and economists in our midst to tell us how and why our standards of workmanship are wanting?

If Americans are worried about the visual pollution of our environment, are there architectural historians, students of the ancient and medieval city, and cultural geographers to help inform or discourse about the contexts of our habitation?

If we are perplexed about the blurred distinctions between the sacred and the profane in contemporary film and the media, and confused about how to convey moral values to our children, are there anthropologists, students of religion and literature, or psychologists who can bring some reason to this dilemma?

Or is the professional humanist—a term used quite often in NEH literature—to become more professional than humanist? More concerned with the issues of his own discipline to the exclusion of those we share as a culture?

If the academic community is to help preserve the spirit of the humanities as well as its matter, then it has to be asked fairly in our generation—as it was in that of Socrates and Rabelais' and of Emerson's—whether our formal institutions of learning are capable of fulfilling these larger public responsibilities to our culture.

Let me be clear. I am not arguing that the university should become a "service station" for society, an advisory board for every practical problem facing Americans. Nor should every professor abandon his scholarship in favor of a magazine journalist's commentary on our social life.

Rather I want to urge academics to see their scholarship, teaching and community service as a part of this deeper, more common inquiry which we all possess.

Perhaps the best way of saying this is that, if the issues of contemporary life are rooted in the humanities, as I have claimed, then it is equally true that our knowledge is rooted in our social circumstances.

The treasure of our common learning is not, then, simply passed from the university, the library and the museum to the general public; it moves in both directions, the experience of the society informing our understanding as much as the other way around.

In no other way, I believe, can we defend our common learning than by widening the opportunity to participate in it. Each person who reads Jane Austen, and who discovers and articulates something personally significant about her work, is also a contributing member of this culture. To be sure, the Jane Austen we understand is not the same one who wrote in the West Country of England a century-and-a-half ago—fortunately we have scholars of English Literature to remind us of that constantly. But we are not unfaithful if we bring our fullest attentiveness (and our fullest sense of our own questions today) to her work.

Against the argument that such literature has no inherent social value and must be cherished as "art for art's sake," we have to protest that society has the obligation to seek wisdom wherever it can.

The great pleasure of the classics, after all, is the way they spur new insights, the way they respond to new concerns, in each generation.

We have, therefore, not only Shakespeare's *Hamlet* to enjoy, but Coleridge's "Hamlet" and Hazlitt's "Hamlet," and that of Ernest Jones and George Lyman Kittredge and J. Dover Wilson, and that of Oliver and Burton and Scofield.

And if a young reader were to look at Hamlet's confusion about playing the role of a loyal prince, a revenging son, a lover and a man of contemplation, and see in that confusion a mirror of his own modern perplexities about role, then would not the *Hamlet* tradition itself be nurtured by such use?

In the Act establishing the National Endowment for the Humanities a dozen years ago, Congress boldly proclaimed that "Democracy demands wisdom and vision in its citizens."

That sets rather high goals for the agency I now lead, for we are charged not only with supporting humanistic learning, but with encouraging Americans to use that learning in becoming wise and farsighted.

It is probably easier to achieve the former than the latter, easier to assist in the growth of our culture than to nurture its wisdom.

The Acts establishing the National Endowments, after all, were only a part of an extraordinary explosion of the cultural richness of American life in the last quarter-century.

The economic vicissitudes plaguing academic institutions these days should not obscure the remarkable growth and development of American scholarship and arts during this period.

Or the astonishing growth of museums and libraries, or publishing and the media, as ways of making this culture accessible to more of our citizens.

Or the splendid efforts to preserve America's past—in our historic buildings and districts, in the oral history of ethnic and folk societies, in our documentary and artifact collections.

Or, not least, in the amazing ability of institutions like this one to quadruple its student population in the last twenty years in order to help young Americans take their places as participants in this cultural explosion.

Has all of this growth made us wiser, more compassionate, more attentive as a people?

This must be the meaning and purpose of our humanistic learning in the years ahead. The survival of our democratic community, especially in a technical age, is dependent upon the success of the humanities in nurturing our common culture.

To the preparation of students for their lives as productive members of this society, the humanities adds not merely habits of mental acuity but priceless attributes of self-awareness and social responsibility. They make of the educational process an initiation into the exercise of moral character in addition to the acquisition of knowledge and skills.

Perhaps the most telling analogy for the transformation we seek comes from the experience of historic preservation. Twenty-five years ago and earlier, when we saved an historic structure, it was generally to be made into a museum, a shrine, the repository of an older and often an elite culture, which had to be rescued from the disruptive commercial and industrial growth around it.

Today we are preserving—in Rhode Island as much as anywhere—those industrial and commercial districts which were so recently viewed only as eyesores. And we preserve them not as sanctuaries from modern life but as a place in which to live and work, to shop and converse and be creative. In the same way, I hope that our whole humanistic tradition can come to house our most creative efforts to make this a beautiful and a just society.

Thank you.

THE CTX

Mr. GOLDWATER. Mr. President, with further reference to my statements on the CTX of the past 2 days, I wrote yesterday to the Secretary of Defense pointing out to him that the Navy plans to buy its CTX aircraft without benefit of open competition. I have asked the Secretary of Defense to look into this matter and to give me his views as to whether this type of procurement, that is sole source, is to be the standard for the Department of Defense. I have also asked that after he reviews this intended procurement, he advise the Navy that it should proceed with an open competition for the CTX aircraft.

Mr. President, I ask unanimous consent that my letter to the Secretary of Defense are printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMMITTEE ON ARMED SERVICES,
Washington, D.C., November 3, 1977.

Hon. HAROLD BROWN,
Secretary of Defense, The Pentagon,
Washington, D.C.

DEAR MR. SECRETARY: On November 1, I received a letter from the Honorable W. Graham Claytor, Jr., Secretary of the Navy, advising me that the Navy was going to acquire its CTX aircraft without benefit of open competition. I am enclosing a copy of Secretary Claytor's letter, along with three extracts from the Congressional Record, which outlines quite clearly my interest in this particular matter.

I am most disturbed that the Department of Defense would allow the purchase of this aircraft without competition, since I have always felt this is the best way to get both price and quality. I wanted to bring this matter to your attention to have your views on whether this type of procurement is the standard for the Department of Defense. I hope after you review the material relating to this case, you will see fit to advise the Navy to proceed with an open competition.

Sincerely,

BARRY GOLDWATER.

DEPARTMENT OF THE NAVY,
Washington, D.C., October 31, 1977.

Hon. BARRY M. GOLDWATER,
U.S. Senate,
Washington, D.C.

DEAR SENATOR GOLDWATER: Thank you for your letter of September 30, 1977, regarding the CTX. We in the Department of the Navy have thoroughly reviewed the Committee reports accompanying the Fiscal Year 1978 Department of Defense Authorization and Appropriations Bills. The legislative history, the colloquy and other aspects of the CTX received detailed attention. After careful evaluation of our requirements and all relevant factors including the various expressions of Congressional guidance, it is our conclusion that it is in the best interest of the Navy to acquire, through a military interdepartmental purchase request, the aircraft that is common with the Air Force and the Army.

The Chairmen of the Senate and House Appropriations and Armed Services Committees are being advised of this decision by letter. A copy of the letter to the Chairman of the Senate Armed Services Committee is attached. I am sending Senator Metzenbaum a letter similar to this one.

Sincerely,

W. GRAHAM CLAYTOR, JR.,
Secretary of the Navy.

[OCTOBER 3, 1977]

NAVY'S PLANS TO BUY THE CTX AIRCRAFT

Mr. GOLDWATER. Mr. President, the fiscal year 1978 Department of Defense authorization bill authorized Navy $21.6 million for 22 CTX light utility transport aircraft.

These aircraft were a conference issue since the House in its bill had not approved Navy's authorization request. The House Armed Services Committee's report expressed concern that Navy had not fully defined the requirement for this aircraft and had not yet determined the type of aircraft to be purchased. However, the House report did point out that Navy witnesses indicated they wanted to have a free and open competition

and that they expected five different companies to respond when the request for proposals was offered.

During the conference, there was much discussion about whether this procurement should be sole source or an open competition. It was my opinion, having participated in all of the discussion on this aircraft during the conference, that the conferees were unanimous in their understanding that this would be an open competition.

When we brought the conference report back to the Senate, Senator METZENBAUM and I, on July 14, engaged in a colloquy with Senator STENNIS to make sure there was no misunderstanding about the point of open competition for the CTX aircraft. Senator METZENBAUM, a strong advocate of free and open competition, was especially concerned that possibly procurement of the CTX would be sole source.

Mr. President, I ask unanimous consent that the colloquy referred to be printed at this point in my remarks.

There being no objection, the colloquy was ordered to be printed in the Record, as follows:

"Mr. STENNIS. Mr. President, I thank the Senator from Texas for his very fine, effective service all the way through the bill, including the conference, and with the other conferees.

"I have never seen, I do not believe, as complete and total participation, week after week, by every conferee there from both the House and Senate.

"Mr. President, the Senator from Ohio has a matter here, and I am glad to yield to him for such time as he wants. I have certain papers in my hand he may need.

"Mr. METZENBAUM. I thank the Senator. I appreciate the courtesy of the Senator from Mississippi who, in his usual way, is always very courteous to all the other Members of the Senate.

"I have long addressed myself to my concern with respect to military procurement and the failure to use competitive bidding. I did that when I had the privilege of serving on an interim basis on the Armed Services Committee. I have done it in communications to the Secretary of Defense. I have done it at every opportunity, because in the past as little as 8 percent of all the procurement of the military has been done on a sealed bid competitive basis, and as much as 92 percent has been without true competitive bidding, and about 22 percent of that 92 perecnt was on a negotiated competitive bid.

"In looking over the report of the conference committee on this subject, it came to my attention that there was an item involving an authorization of $21.6 million—not a very large item as items in a military authorization bill go—for the purchase by the Navy of 22 CTX aircraft.

"As we read the conference committee report, this item was discussed a good deal at the conference committee. But the final report language is unclear on one key point.

"(Mr. Stone assumed the chair.)

"Mr. METZENBAUM. It is a fact that the CTX is to be an off-the-shelf aircraft. It would seem to me the best way to spend the taxpayers' dollars would be for the Navy to procure the CTX through price competition, through competitive bidding.

"I ask the distinguished members of the Armed Services Committee who contributed in the conference if it was the intent of the conference report that the CTX be competitively procured?

"Mr. STENNIS. Yes. The Senator is certainly correct.

"In response thereto, I will read from the pertinent part of the conference report, the language exactly as it is in the conference report. It reads—

" 'The program was discussed at length—'

"Meaning the $21.6 million program the Senator referred to:

" 'This program was discussed at length among the conferees and agreement finally was reached to provide funds for an off-the-shelf turboprop light utility transport aircraft.

"These are small, light transport aircraft for the services. I wanted us to hold the money down on this any way we could and not go into new design or anything that was plush. This language was finally agreed upon. To me, it could not mean anything except that they buy this off the shelf, from whomever they see fit, as long as it is a turboprop and meets the other descriptions that are used.

"Mr. METZENBAUM. Does the distinguished Senator from Mississippi interpret that language to mean that the military will be expected to purchase, on a sealed bid competitive basis, these turboprop airplanes, since they are off the shelf, and does the off-the-shelf reference imply that they are to be procured in that manner?

"Mr. STENNIS. I will come back to that Except for the words 'sealed bids,' I am not sure that they do not have to be accepted procedures in the law for doing it without sealed bids. It certainly would be my expectation that they would do the best to make a dollar go as far as they could, but stay within this class of planes, off the shelf, so that there would not have to be anything special made at a high cost; and that would be in compliance with the law.

"Mr. GOLDWATER. Mr. President, will the Senator yield?

"Mr. STENNIS. I yield.

"Mr. GOLDWATER. Mr. President, I am glad that the Senator from Ohio has brought this up, because I think we have made it perfectly clear on the floor that this is to be competitive bidding.

"During the conference, I tried to use the language of our Senate report, which states:

"Authorization of $21.6 million is recommended for procurement of off-the-shelf turboprop light utility transport which is common with the Army/Air Force light utility transport.

"I objected to that, because if it is common, it means there is only 1 aircraft that can be bought, and that is the Beech aircraft.

"This language would have steered the CTX procurement to the Beech C12 A—commercial model A-200—meaning a sole source procurement.

"My language, which I recommended and which I thought had been adopted—but after I left the conference, it had been changed—was as follows:

"The conferees agreed to authorize $21.6 million for a competitive procurement of 22 off-the-shelf turboprop light utility transports for the Navy.

"So I would like this colloquy to show that it is abundantly clear that competition will be held.

"I point out that there is the Cessna Co., two models of Beech, the Fairchild-Swearingen Co., and the Arava 201 STOL Transport.

"The CTX aircraft will provide direct administrative, logistics, and operational support to all fleet organizations, shore facilities and research organizations. It will replace many of the 20- to 30-year-old reciprocating engine aircraft currently performing this mission. In briefings provided to the committee, Navy indicated CTX would be a competitive procurement of a commercial off-the-shelf FAA-type certified aircraft. The planned total procurement is 66 aircraft to be bought at the rate of 22 per year over fiscal year 1978, fiscal year 1979 and fiscal year 1980.

"The authorization bill approved 22 CTX aircraft and recommended an authorization of $21.6 million for fiscal year 1978.

"The issue is whether Navy will now buy these 22 aircraft sole source from Beech—who now has an on-going contract with Army/Air Force for the C-12 to fill the CX UX requirement—or whether it will advertise for competitive bids to meet the CTX requirement.

"The potential bidders for this aircraft are: One, Cessna Conquest; two, Fairchild-Swearingen Metro; three, Beech Model A-200 (C-12A); four, Beech Super King Air Model 200; five, Arava 201 STOL Transport.

"Navy stated its general requirements for a CTX were as follows: One, Off-the-shelf Commercial Turbine Powered; two, Max TO GW 20,000 pound; three, 1000 NM Range/2000 pound; four, 8-18 PAX; five, 235 KTAS Min; six, 66 Aircraft—31 sites—To replace 117 UE old recips; seven, accel/stop less than 4,000 foot maximum; eight, consider DOD inventory; nine, small cargo door—40 inch by 48 inch pallet/ occupied litter.

"The argument that savings can be made if Navy buys the C-12A does not hold water. Since this aircraft will be contractor supported and maintained and the contractor will provide the training, all as part of the purchase price, there will be no common supply system or training system between the three services. Some savings would be possible if the services were going to maintain the aircraft and train all maintenance and air crew personnel.

"Consequently, there will be no Government inventory of spare parts, special tools, overhaul facilities, and training facilities.

"Referring back to the CX/UX competition, the word unofficialy is that the original evaluation of the Cessna Citation, Lear Jet, Swearingen, and Beech proposals, the Beech was rated fourth. Subsequently, when Congress directed Army to produce a turboprop aircraft only, Beech ended up as the only bidder because Swearingen at that time was having financial difficulties and was being taken over by Fairchild and did not bid a second time around.

"The Senate report stated that:

"Authorization of $21.6 million is recommended for procurement of off-the-shelf turboprop light utility transport which is common with the Army/Air Force light utility transport.

"This language would have steered the CTX procurement to the Beech C-12A—commercial model A-200—meaning a sole source procurement. Your proposed language for the conference report as follows:

"The conferees agreed to authorize $21.6 million for a competitive procurement of 22 off-the-shelf turboprop light utility transports for the Navy.

"This language was not accepted.

"The final language adopted in the conference report is as follows:

"This program was discussed at length among the conferees and agreement finally was reached to provide funds for an off-the-shelf, turboprop, light utility transport aircraft.

"Mr. President, I am satisfied that if the Senator from Mississippi says that it is his understanding that this will be done by bits, it will be done that way.

"Mr. STENNIS. I thank the Senator. I do not know what he was reading about the specifications. I do not understand that. I am just passing on the words, that it is wide open to be competitive. As for the names that the Senator mentioned, any others who can meet the description would be entitled to bid.

"Mr. METZENBAUM. Does the Senator from Mississippi understand that this procurement will be done by competitive bids? Is that his understanding of the procedure?

"Mr. STENNIS. It certainly is clear here. I certainly thought at the end, where the conferees wrote in the language that the Senator indicated——

"Mr. GOLDWATER. The language was not accepted. I left the room thinking it had been accepted, but after I left, it had been changed. I can read that language in the bill now. To me it is competitive bidding. But I want to pin it down absolutely.

"Mr. STENNIS. I thank the Senator for his interpretation. There is no doubt that it is an open bid for any manufacturer who can meet these requirements. But it does not give them any authority to have a new plane built, with new specifications, and to get a plush plane and come back later for more money.

"Mr. TOWER. Mr. President, will the Senator yield?

"Mr. STENNIS. I yield.

"Mr. TOWER. Mr. President, my understanding certainly is consistent with that of the distinguished chairman, that this is to be competitive. I was part of the deliberations on this. That was the intention.

"Mr. METZENBAUM. I appreciate the responses of the distinguished Senators from Arizona, Mississippi, and Texas. It is a step in the right direction. I commend the Senators who served on the conference committee for taking this step in the right direction.

"Mr. STENNIS. I thank the Senator for his assistance while he was a member of the committee. We need him to come back.

"Mr. METZENBAUM. I thank the Senator."

Mr. GOLDWATER. Mr. President, Senator METZENBAUM and I thought after that particular exchange that there should be no doubt in the minds of Navy officials that CTX should be procured through established competitive procedures. However, that apparently was not the case, because it recently came to our attention that there was a possibility that Navy would buy these aircraft as an add-on to Army's ongoing C–12 procurement. This particular buy is in support of the Army and Air Force light utility transport requirement. The fiscal year 1978 House appropriations report on the defense bill stated that Navy should for its CTX requirement buy an aircraft that was common to Army and Air Force. This would make sense and would be the best course of action for the Government if the C–12 was a Government supported and maintained aircraft. However, that is not the case since the aircraft buy includes contractor support, which means that no savings are achieved as a result of having an aircraft common to all three services.

When Senator METZENBAUM and I heard that the Navy might buy the C–12 through Army, it was our opinion that such an action would be tantamount to a sole source procurement and not in the best interests of the Government and the taxpayers. We, therefore, wrote a letter to the Honorable W. Graham Claytor, Jr., Secretary of the Navy, expressing our concern over this matter.

I point out to my colleagues that Senator METZENBAUM and I have no objection if Navy eventually procures the C–12 aircraft as long as that procurement is the result of open competitive procedures. That is the issue here.

Mr. President, I ask unanimous consent that the letter referred to be printed at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

"WASHINGTON, D.C.,
"September 30, 1977.

"Hon. W. GRAHAM CLAYTOR, Jr.,
"Secretary of the Navy,
"The Pentagon,
"Washington, D.C.

"DEAR MR. SECRETARY: It has come to our attention that the Department of the Navy is considering buying, through the Army and without competition, the C–12 aircraft to meet its CTX requirement. This letter is to affirm to you our position that the procurement of the CTX aircraft should be done only through established competitive procedures. We have no objection if Navy eventually procures the C–12 aircraft as long as that procurement is the result of open competitive procedures.

"As you know, the fiscal year 1978 Department of Defense Authorization Conference Report authorized funds for 'an off-the shelf, turbo-prop, light utility transport aircraft.' However, since there had been some question as to the type of procurement the conferees intended, on 14 July, we engaged in a colloquy with Senator Stennis on the Senate floor to clarify the intent of the Conference Report. In the colloquy, Senator Metzenbaum asked Senator Stennis, '. . . if it was the intent of the Conference Report that the CTX be competitively procured?' Senator Stennis replied, 'Yes. The Senator is certainly correct.' Further on, Senator Goldwater stated that the purpose of the colloquy was, 'to show that it is abundantly clear that the competition will be held.'

"Senator Goldwater also stated, 'I am satisfied that if the Senator from Mississippi says that it is his understanding that this will be done by bits [sic], it will be done that way.' Senator Stennis responded, 'I am just passing on the words, that it is wide open to be competitive.' Following up on that, Senator Metzenbaum then asked, 'Does the Senator from Mississippi understand that this procurement will be done by competitive bids? Is that his understanding of the procedure?' Senator Stennis replied, 'It certainly is clear here.' Senator Goldwater then stated, 'To me it is competitive bidding. But I want to pin it down absolutely' and Senator Stennis replied, 'I thank the Senator for his interpretation. There is no doubt that it is an open bid for any manufacturer who can meet these requirements.'

"Mr. Secretary, even the most casual reading of the entire colloquy can only lead one to the conclusion that it was the intent of the conferees that the CTX be procured through competitive procedures. In fact, this is the only legislative history that points out the intent of the Congress on CTX. We bring this matter to your attention so that there is no doubt as to our feelings and no doubt as to the intent of the authorization conferees. We trust this will be a competitive procurement, but should you plan otherwise please contact us prior to proceeding.

"Sincerely,

"BARRY M. GOLDWATER,
"HOWARD M. METZENBAUM."

[November 1, 1977]

CTX

Mr. GOLDWATER. Mr. President, during the course of hearings before the Tactical Air Power Subcommittee, the matter of the Navy purchasing a CTX aircraft was heard. The CTX is a turbo-powered propeller-driven aircraft for light transport purposes. I thought the language contained in the subcommittee report made it clear that this purchase was to be for competitive bidding and in conference this was further discussed; and, though the language was changed, it was still my impression that it spelled out competitive bidding. When the conference report came to the Senate floor, Senator METZENBAUM and I engaged Senator STENNIS in colloquy, further bringing out the fact, in my mind, that the Navy purchase was to be be made only after competitive bidding.

I wrote the Department of the Navy on September 30 regarding this, and today I received a letter in answer, indicating that the Navy chose to ignore the decision made in the subcommittee, the full committee, in conference, and on the floor of the Senate, and is now buying it, as they say, "in an interdepartmental purchase." What they have done is to merely buy what the Army is using; and, while I have indicated in my November 1 letter to the Secretary, that I can find no fault with this aircraft, having flown it and practically everything else that company has built, there are still other companies in this country that make aircraft which can fill this bill and should have been considered.

I ask unanimous consent that the correspondence I have had with the Navy and their answer to me be printed in the RECORD.

There being no objection, the correspondence was ordered to be printed in the Record, as follows:

"U.S. SENATE,
"Washington, D.C., November 1, 1977.

"Hon. W. GRAHAM CLAYTOR, Jr.,
"Secretary of the Navy,
"Department of the Navy,
"Washington, D.C.

"DEAR MR. SECRETARY: One month and one day after writing you about the CTX I receive a letter from you, and I suggest you ignore the one I wrote you yesterday because I probably wouldn't get an answer until Christmas.

"Whoever in your department read the reports, the colloquy, etc., evidently missed the main point. That point is that there was to be competitive bidding for the aircraft the Navy is to acquire. There is no question, in my mind, that this is made perfectly clear by the colloquy on the Senate Floor, by long discussions in the Conference, hearings and by discussions with the Chairman of the Senate Committee.

"I have nothing at all against the aircraft you indicate an interest in. In fact, I have flown it and have flown practically every model of aircraft this company has made. There are other companies, however, which make aircraft in this category which product, in my opinion is equal. This was the whole thought behind my efforts to spell out in the bill that this would be competitive bidding, and I was assured by the Chairman that this would happen. But now you have changed this concept to one of buying an interdepartmental aircraft.

"It may be your conclusion that you have practiced bidding, but I can assure you it is not mine. Nor will it be accepted as such by those of us who work diligently to allow a little competition to creep into the Pentagon.

"I am going to make some comments about this on the Floor of the Senate, and I am sending Chairman Stennis a copy of this letter because, in my opinion, your action is entirely outside the intentions of the Conference and the statements made on the Senate Floor.

"Sincerely,

"BARRY GOLDWATER.

"DEPARTMENT OF THE NAVY,
"Washington, D.C., Oct. 31, 1977.

"Hon. BARRY M. GOLDWATER,
"U.S. Senate,
"Washington, D.C.

"DEAR SENATOR GOLDWATER: Thank you for your letter of September 30, 1977, regarding the CTX. We in the Department of the Navy have thoroughly reviewed the committee reports accompanying the fiscal year 1978 Department of Defense Authorization and Appropriations Bills. The legislative history, the colloquy and other aspects of the CTX received detailed attention. After careful evaluation of our requirements and all relevant factors including the various expressions of congressional guidance, it is our conclusion that it is in the best interest of the Navy to acquire, through a military interdepartmental purchase request, the aircraft that is common with the Air Force and the Army.

"The Chairmen of the Senate and House Appropriations and Armed Services Committees are being advised of this decision by let-

ter. A copy of the letter to the Chairman of the Senate Armed Services Committee is attached. I am sending Senator Metzenbaum a letter similar to this one.

"Sincerely,

"W. GRAHAM CLAYTOR, Jr.,
"Secretary of the Navy."

[November 2, 1977]

THE NAVY'S CTX DECISION

Mr. GOLDWATER. Mr. President, today I received a letter from the Honorable W. Graham Claytor, Jr., Secretary of the Navy, advising me that the Navy was going to acquire its CTX aircraft without the benefit of open competition.

I am deeply disappointed that the Secretary has elected to proceed with this procurement in this manner, particularly after Senator Metzenbaum and I engaged Senator Stennis in a colloquy on this matter on July 14, 1977, during consideration of the fiscal year 1978 DOD authorization conference report.

As Senator Metzenbaum and I pointed out to the Secretary of the Navy in our letter of September 30, 1977:

"Even the most casual reading of the entire colloquy can only lead one to the conclusion that it was the intent of the conferees that the CTX be procured through competitive procedures."

Mr. President, contrary to this very specific legislative guidance set forth by three Members of this body, and with no other guidance of comparable weight, the Secretary of the Navy has elected to proceed with the CTX procurement in a sole source manner. I am not unaware of the language contained in the House Appropriations Committee report on the fiscal year 1978 DOD military procurement appropriations bill, which directed that the Navy buy the aircraft that is common to the Army and Air Force. However, Mr. President, there is nothing legally binding about committee report language, and I suggest that our colloquy on the floor, which provided a distinct clarification of this matter to the Senate, and the joint Metzenbaum-Goldwater letter to the Secretary of the Navy, should have been more than adequate guidance to the Navy that the CTX should be a competitive procurement.

Mr. President, this would be an entirely different matter if some of my colleagues and I were insisting that the Navy buy a specific aircraft. But, to the contrary, we are only trying to get the Navy to follow normal competitive procurement procedures which, through the years, have proved to be the cheapest way for the Government to buy its goods and services. However, from the response of the Secretary of the Navy it has become evident to me that Navy is not interested in pursuing the most economical way of procuring its required goods and services. It is by these intended actions indicating to me a serious disregard for how the money of the taxpayers should be treated.

Mr. President, I take this opportunity to inform my colleagues that I shall be watching this future sole source procurement by the Navy as closely as I can. I will insist that the aircraft that Navy acquires as the result of its military interdepartmental purchase request to the Army be exactly like the aircraft now being delivered to the Army and Air Force. The Navy has testified that it would desire to incorporate larger engines into the airframe, enlarge the cargo door, and make other minor avionics and instrumentation modifications. I will strenuously object to any change of this sort and I will vote against any future requests for funds for these or similar purposes.

Mr. President, I am now exploring the possibility of asking the General Accounting Office to examine whether or not a procurement of this type falls within the guidelines of the armed services procurement regulation, and whether a procurement of this type is the most economical way to proceed.

Finally, Mr. President, there are those in the Congress who support the Navy and the course of action it now intends to take. They are the ones who are pointing this procurement toward the Beech C–12 aircraft, which is currently being bought by Army and Air Force. I have no doubt that the Beech C–12 is a fine aircraft. I will accept that as a solid fact. But, I do have to ask the question, that if the Beech is the best aircraft, why will its supporters not allow it to compete with others in an open competition? Is there some concern that it would not win?

Now, Mr. President, what additional cost adjustments will be made in the ongoing C–12 purchase by the Army/Air Force when Navy adds an additional 66 aircraft to that purchase? Will there be an adjustment to the overall contract, and will the purchase price of the Navy aircraft be based on its total buy plus those already bought by Army/Air Force or, will Navy not receive any price reduction based on these considerations?

Mr. President, these are just a few of the considerations I have over what I believe to be a most unwise decision. During the next budget cycle, I shall be examining all of the Navy's procurement programs and where they are proceeding in a sole source manner, I shall not hesitate to bring that matter to the attention of the Senate.

TESTIMONY OF PROFESSOR RAOUL BERGER BEFORE SUBCOMMITTEE ON SEPARATION OF POWERS OF JUDICIARY COMMITTEE ON CONSTITUTIONAL ISSUES CONCERNING PANAMA CANAL TREATIES

Mr. ALLEN. Mr. President, on November 3, 1977, the Subcommittee on Separation of Powers of the Committee on the Judiciary convened to receive the testimony of Raoul Berger in connection with the subcommittee's investigation of certain constitutional issues associated with the Panama Canal Treaties. Professor Berger is the foremost legal authority on the U.S. Constitution and is the author of the recently published best seller, "Government by Judiciary." He is best remembered for his work, "Executive Privilege," which had tremendous impact on the course of history during the Watergate controversy.

His testimony before the subcommittee yesterday was highly significant in that he stated very forcefully the view that no property belonging to the United States in the Isthmus of Panama can be transferred to Panama by treaty alone, but that authorization by the Congress is specifically required by article IV, section 3(2) of the U.S. Constitution. Professor Berger expressed the further opinion that any treaty purporting to transfer such property, even if ratified by the Senate, would be void.

Inasmuch as the subcommittee has received overwhelming requests for copies of Professor Berger's testimony, I ask unanimous consent that his statement be printed in the RECORD, so that it will be easily avaliable to Members of Congress and interested members of the public.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

STATEMENT BY PROFESSOR RAOUL BERGER BEFORE THE SENATE SUBCOMMITTEE ON SEPARATION OF POWERS HEARINGS ON THE PANAMA CANAL TREATIES

You have invited me to comment on the relation between the Article IV, Section 3 (2) power of Congress to dispose of property of the United States and the treaty power, in light of the statements respecting the relation by Herbert J. Hansell, Legal Advisor, Department of State,[1] and Ralph E. Erickson, Deputy Assistant Attorney General.[2] Although I am in favor of the Panama Canal Treaty, I share your solicitude for the preservation of constitutional boundaries and your concern lest the function committed to Congress be diminished. I have long held the conviction that all agents of the United States, be they Justices, members of Congress, or the President, must respect these boundaries. No agent of the people may overleap the bounds of delegated power. That is the essence of constitutional government and of our democratic system.

Long experience has led me to be skeptical of arguments by representatives of the Executive branch when they testify with respect to a dispute between Congress and the President, for they are then merely attorneys for a client, the President. It was for this reason that Justice Jackson dismissed his own prior statements in the capacity of Attorney General as mere advocacy, saying, a "judge cannot accept self-serving press statements for one of the interested parties as authority in answering a constitutional question, even if the advocate was himself."[3] The Hansell-Erickson testimony did not serve to diminish my skepticism.

The effect of these hearings ranges beyond the Panama treaty. The Panama cession will constitute a landmark which, should the State Department prevail, will be cited down the years for "concurrent jurisdiction" of the President in the disposition of United States property. Acquiescence in such claims spells progressive attrition of Congressional powers; it emboldens the Executive to make ever more extravagant claims. I would remind you that Congressional acquiescence encourages solo Presidential adventures such as plunged us into the Korean and Vietnam wars. Congressional apathy fostered the expansion of executive secrecy. Then as now the State Department invoked flimsy "precedents," for example, the pursuit of cattle rustlers across the Mexican border, to justify presidential launching of a full scale war.[4] If Congress slumbers in the face of such claims it may awaken the Samson shorn of his locks.

Earlier judicial statements that this or the other executive practice has been sealed by long-continued Congressional acquiescence[5] need to be reexamined in light of more recent judicial opinions, more conformable to the Constitution, that Congress may not abdicate its powers,[6] and a fortiori, it cannot lose them by disuse,[7] that usurpation can not be legitimated by repetition.[8] Senatorial insistence on respect for constitutional boundaries will warn the Executive against encroachments on Congress' powers; it will alert foreign nations to the fact that treaties for the cession of United States property must be subject to the consent of the full Congress.

Mr. Erickson, addressing himself to the question whether Article IV, Section 2 (3), "pursuant to which Congress has the power to dispose of property of the United States is an exclusive grant of legislative power to the Congress or whether the Congress and the President and the Senate, through the treaty power, share that authority," handsomely states "the answer to this question is not simple and altogether free from doubt."[9] That doubt counsels against encroachment on a power explicitly conferred on Congress;

Footnotes at end of article.

a clear case for establishment of "concurrent jurisdiction" is needed in the teeth of that express grant.

In support of the claim that the President and Senate enjoy "concurrent power" to dispose of United States property, Messrs. Hansell and Erickson invoke a melange of dicta, without weighing even stronger statements that Congress' disposal power is "exclusive." Thus the Supreme Court declared that Article IV "implies an exclusion of all other authority over the property which could interfere with this right or obstruct its exercise." [10] Echoing such judicial statements, an opinion of the Attorney General stated in 1899 that "The power to dispose permanently of the public lands and public property in Puerto Rico rests in Congress, and in the absence of a statute conferring such power, can not be exercised by the Executive Department of the Government." [11]

Such statements respond to two cardinal rules of construction. First there is the rule that express mention signifies implied exclusion, which the Supreme Court has employed again and again: "When a statute limits a thing to be done in a particular mode, it includes the negative of any other mode." [12] The rule was invoked by the Founders; for example, Egbert Benson said in the First Congress, in which sat many Framers and Ratifiers, that "it cannot be rationally intended that all offices should be held during good behaviour, because the Constitution has declared [only] one office to be held by this tenure." [13] The fact, emphasized by Hansell, that "The property clause contains no language excluding concurrent jurisdiction of the treaty power" is therefore of no moment. Having given Congress the power to dispose of public property, it follows that the President and Senate were "impliedly excluded" therefrom. Second there is the settled rule that the specific governs the general:

Where there is in an act a specific provision relating to a particular subject, that provision must govern in respect to that subject as against general provisions in other parts of the act, although the latter, standing alone, would be broad enough to include the subject to which the more particular provision relates.[14]

In terms of the present issue, the specific power of disposition governs the general treaty provision.

Under these rules it is of no avail that, according to Hansell, "there is no restraint expressed in respect to dispositions" in the treaty power itself. For this Mr. Hansell relies on *Geofroy v. Riggs:*

The treaty power, as expressed in the Constitution, is in terms unlimited except by those restraints which are found in that instrument against the action of the . . . departments. . . .[15]

Only the treaty power is "expressed"; Geofroy does not call for express restraints—it suffices that they can be found in the Constitution. The "implied exclusion" is "found" in the Constitution by virtue of the express grant of disposal power to Congress under the rule of express mention, and of the fact that the general treaty power is limited by the special Congressional power of disposition. These principles are reflected in the Supreme Court's statement in *Sioux Tribe of Indians* v. *United States:*

Since the Constitution places the authority to dispose of public lands exclusively in Congress, the Executive's power to convey any interest in the lands must be traced to Congressional delegation of its authority.[16]

To this the State Department responds that Sioux Tribe "did not deal with the relation between the treaty power and the Congressional power under Article IV, Section 3, cl. 2;" Hansell labelled it "dicta." [17] By this test the Hansell-Erickson collection of dicta falls to the ground, for almost all were not uttered in the context of that relation.

The Executive branch employs a double standard—what is dictum when the language is unfavorable to it becomes Holy Writ when the dictum reads in its favor. Erickson, for example, tells us that—

"Jones against Meehan is cited as an example by reason of the quote and the language there, which it seems to me is of significance, irrespective of the particular facts involved." [18]

Messrs. Erickson and Hansell can not have it both ways. In truth, dicta carry little weight when a particular issue has not been decided. Chief Justice Marshall dismissed his own dicta in *Marbury* v. *Madison* when they were pressed upon him in *Cohens* v. *Virginia,* 19 U.S. 264, 399 (1821), on the ground that dicta do not receive the careful consideration accorded to the question "actually before the court." The statements here quoted respecting "exclusivity" carry weight because they reflect traditional canons of construction. The foregoing considerations should suffice to dispose of a number of other Hansell-Erickson arguments for "concurrent jurisdiction," but I shall consider them for the sake of completeness.

To escape from the exclusivity of Congress disposal power Mr. Erickson argues:

"To begin with, Article IV, Section 3, clause 2, uses the same terminology, 'Congress shall have power,' as Article I, Section 8, which in our opinion, permits treaty provisions relating to such matters to be self-executing [i.e., without Congressional action], at least to the extent that the inherent character of the power or other constitutional provisions do not make the power exclusive to Congress." [19]

Erickson's qualification is a concession that some Article I powers can not be concurrently exercised by the President. The Department of State concedes that "treaties may [not] impose taxes." [20] Why is that power more "inherently" exclusive than such other Article I, Section 8 powers as the power to establish post offices, to provide and maintain a navy, to declare war, to coin money, etc., all of which manifestly can not be exercised by treaty. Erickson proves too much.

Second, he urges:

"Article IV, Section 3, clause 2, is included in a portion of the Constitution which deals with the distribution of authority between the Federal and State governments. It does not purport to allocate powers exercisable by Congress or pursuant to treaty." [21]

But Section 3 (2) unmistakably does "allocate powers exercisable by Congress": "The Congress shall have power to dispose of . . . property belonging to the United States." Hansell argues that the placement of the property article in clause 4 . . . provides strong evidence that the property clause does not restrict the treaty power." [22] That the "placement of a power in one or another Article is without significance for its scope is readily demonstrable: (a) "Congress shall have power to declare the punishment of treason" is located in the Judiciary Article III; (b) Congress' powers to make "exceptions and regulations" respecting the Supreme Court's appellate jurisdiction is lodged in Article III, Section 2; (c) The provision that "Congress may determine the time of choosing the electors" is placed in the Executive Article II, Section 1 (4). Does this authorize the President by treaty to declare the punishment of treason, to regulate the Court's appellate jurisdiction, or to interpose in the choice of electors? Whether located in Article I or Article IV, "Congress shall have power" means one and the same thing—the power resides in Congress, not in the President. It needs constantly to be borne in mind that the President has circumvented Senate participation in treaty-making by affixing the label "Executive Agreements" to treaties, without constitutional warrant, [23] so that claims made on behalf of the Senate and the President can be turned to his own advantage.

Mr. Hansell also attaches significance to the close linkage between the Article IV "power to dispose" and "the power to make all needful rules and regulations" respecting the Territory or other property belonging to the United States, and cities *Geofrey* v. *Riggs* for the proposition that "the treaty power can be used to make rules and regulations governing the territory belonging to the United States, even in the District of Columbia." [24] Geofroy presented the question whether a citizen of France could take land in the District of Columbia by descent from a citizen of the United States. Local law withheld the right, but in keeping with national solicitude for protection of citizens abroad, a treaty provided for reciprocal rights of inheritance in such circumstances for citizens of both signatories. In consequence the treaty overrode the local provision; but this hardly stretches to the "making of rules and regulations" by treaty for the District of Columbia. Were this true, the President could by treaty take over the governance of the District of Columbia, in spite of the Article I, Section 8 (17) provision that "The Congress shall have power to exercise exclusive jurisdiction in all cases whatever over such district." Assume notwithstanding that the treaty power does indeed comprehend the "making of rules and regulations governing the . . . District of Columbia," does the "close" linkage with the "power to dispose" comprehend a disposition of the White House by treaty? Such arguments verge on absurdity.

Messrs. Hansell and Erickson have cited a string of cases in support of "The power to dispose of public land . . . by treaty." [25] Some, such as *Holden* v. *Joy,* 84 U.S. 211 (1872), and *Jones* v. *Meehan,* 175 U.S. 1 (1899), have frequently been cited in your hearings. Let me begin with Hansell's citation of *Missouri* v. *Holland,* 252 U.S. 416 (1920), for it quickly illustrates how farfetched are the State Department's interpretations. *Missouri* v. *Holland* arose out of a State challenge to the treaty with Great Britain for the protection of migratory birds which annually traversed parts of the United States and of Canada. Justice Holmes, addressing the argument that the treaty infringed powers reserved to the States by the Tenth Amendment, stated:

"Wild birds are not in the possession of any one, and possession is the beginning of ownership. The whole foundation of the State's rights is the presence within their jurisdiction of birds that yesterday had not arrived, tomorrow may be in another State, and in a week a thousand miles away." [26]

Consequently the State could assert no "title" in migratory birds. By the same token, the United States could lay no claims to "ownership" of the birds, and *Missouri* v. *Holland* is therefore wholly irrelevant to the power by treaty to dispose of property belonging to the United States.

Holden v. *Joy* and *Jones* v. *Meehan* will repay close analysis because they involve Indian treaties which constitute one of the pillars of the argument, to quote Erickson, that "the United States can convey its title by way of self-executing treaty and that no implementing legislation is necessary." [27] To begin with Jones, both Hansell and Erickson quote: "It is well settled that a good title to parts of the lands of an Indian tribe may be granted to individuals by a treaty between the United States and the tribe, without any act of Congress, or any patent from the Executive authority of the United States." [28] The treaty had "set apart from the tract hereby ceded [by the tribe] a reservation of six hundred and forty acres . . ." for an individual Indian; and the issue was what kind of title did he take. The Court quoted from an opinion of Attorney General Roger Taney, destined before long to succeed Chief Justice Marshall:

Footnotes at end of article.

"These reservations are excepted out of the grant made by the treaty, and did not therefore pass with it; consequently the title remains as it was before the treaty; that is to say, the lands reserved are still held under the original Indian title." [29]

The Court held that "the reservation, unless accompanied by words limiting its effect, is equivalent to a present grant of a complete title in fee simple." [30] That explanation presumably responded to the fact that tribal lands were generally held in common; individual titles were all but unknown, so that such title had to be secured through the machinery of the treaty. But that is far from a disposition of government land because, as Taney explained, the "reserved" title remained in the Indians. Many, if not most, of the cases of Indian treaties involve just such "reserve" provisions.[31]

The quotation from *Holden* v. *Joy*, Erickson acknowledges, is dictum; notwithstanding Hansell relies on it as "a clear statement of the law": [32]

"It is insisted that the President and the Senate, in concluding such a treaty, could not lawfully covenant that a patent should be issued to convey lands which belonged to the United States without the consent of Congress, which cannot be admitted. On the contrary, there are many authorities where it is held that a treaty may convey to a grantee a good title to such lands without an act of Congress, and that Congress has no constitutional power to settle or interfere with rights under treaties, except in cases purely political." [33]

What bearing the last clause has on Congress' "power to dispose" of public lands escapes me; this Delphic utterance surely does not overcome the clear terms of Article IV. As to the "many authorities," the Court's citation could hardly be farther afield. To avoid cluttering this statement with a minute analysis of each case cited by the Court for the assertion that "a treaty may convey to a grantee a good title . . . without an act of Congress," I have abstracted them in an appendix attached hereto, so that you may see for yourself that half of the cases thus cited are altogether irrelevant, and that the rest concern "reserves" under which, as Taney observed, no title had passed to the United States but remained in the given Indiana. In considering such dicta, it is well to bear in mind Chief Justice Taney's statement that the Court's opinion upon the construction of the Constitution is always open to discussion when it is supposed to have been founded in error, and that its judicial authority should hereafter depend altogether on the force of the reasoning by which it is supported.[34]

By that standard the Holden dictum is no authority at all. The inappositeness of Holden is underscored by the facts. In May, 1828, and February, 1833, "the United States agreed to possess the Cherokees of seven million acres of land west of the Mississippi." It "was the policy of the United States to induce Indians . . . to surrender their lands and possessions to the United States and emigrate and settle in the territory provided for them in the treaties," so an exchange of land was provided. But a third treaty, that of December, 1835, proved necessary, whereby the Indians ceded their lands to the United States in consideration of $5,000,000 to be invested in the manner stipulated. The Indians considered that the prior treaties, confirmed by the new, did not contain a sufficient quantity of land, so the United States agreed to convey an additional tract in consideration of $500,000 to be deducted from the $5,000,000.[35] This may be viewed either as a purchase and sale or an exchange: "the Cherokees were competent to make the sale to the United States and to purchase the lands agreed to be conveyed to them . . ." And the transaction was authorized by the Act of 1830, which empowered the President to set aside land west of the Mississippi for the reception of such tribes as chose to emigrate, and to "exchange" such lands with any tribe.[36] The 1830 act served to ratify the Act of 1828, and "ratification is equivalent to original authority:" [37] "It is well settled that Congress may . . . 'ratify . . . acts which it might have authorized' . . . and give the force of law to official action unauthorized when taken." [38] Although the subsequent 1833 and 1835 treaties differed in some particulars from the authorization, the purpose was the same—"to induce the Indians . . . to emigrate and settle in the country long before set apart for that purpose." [39] When, therefore, the Court, speaking to the contention that the President and the Senate "could not lawfully covenant that a patent should issue to convey lands which belonged to the United States without the consent of Congress," stated that "a treaty may convey to a grantee a good title to such lands without an act of Congress conferring it," it was making a statement that was unnecessary to the decision, because Congress had authorized the conveyance.

As to other treaties, Hansell tells us, "the precedents look two ways." Some have been "contingent upon congressional authorization." The "precedents supporting the power to dispose of property by treaty alone," he states, "can be found in the boundary treaties with neighboring powers, especially in the treaties between the United States and Great Britain of 1842 and 1846 for the location of our northeast and northwest boundaries . . ." [40] Settlement of boundary disputes are not really cessions of United States property. The Oregon boundary dispute proceeded from an inflated claim: "Fifty-Four Forty or Fight"; the British, on the other hand, claimed land down to the forty-second parallel. Only when the dispute was settled by treaty—at 49 degrees—could either party confidently assert that it had title.[41] Consequently, as Samuel Crandall, a respected commentator, stated, "A treaty for the determination of a disputed line operates not as a treaty of cession, but of recognition." [42]

Among other examples of alleged treaty transfers of property, Hansell instances the return to Japan of the Ryukyu Islands.[43] By Article III of the 1951 Treaty of Peace with Japan, the United States received the right to exercise "all and any powers of administration, legislation and jurisdiction over the territory and inhabitants of those islands. . ." While Japan renounced in Article II, "all right, title and claim" to various territories, it made no similar renunciation with respect to the Ryukyus.[44] Quoting the Legal Advisor of the State Department, that "sovereignty over the Ryukyu Islands . . . remains in Japan . . .", a District Court stated that "Sovereignty over a territory may be transferred by an agreement of cession," but it concluded that there had been no cession.[45] The Fourth Circuit Court of Appeals quoted a statement by Ambassador John Foster Dulles, a delegate to the Japanese Peace Conference, that the aim was "to permit Japan to retain residual sovereignty," and held that the treaty did not make "the island a part of the United States, and it remains a foreign country for purposes of" the Federal Tort Claims Act.[46]

"In the history of transfers of property to Panama," Hansell tells us, "we have had a mixed practice." [47] By the 1903 Panama Convention, Panama granted to the United States "all the rights, power and authority within the Zone . . . which the United States would possess if it were the sovereign of the territory . . . to the entire exclusion of the exercise by the Republic of Panama of any such sovereign rights, power, or authority . . ." [48] The words "if it were sovereign" signal an intent to stop short of a cession of sovereignty. That is confirmed by an Opinion of the Attorney General. Considering the Tariff Act levy of duties on articles imported "into the United States or into any of its possessions," he stated that "the Canal Zone is not one of the possessions of the United States within the meaning of that term as used by Congress in the tariff act, but rather is a place subject to the use, occupation, and control of the United States for a particular purpose." [49] In *Luckenbach S.S. Co.* v. *United States*, Chief Justice Taft stated, "Whether the grant in the treaty amounts to a complete cession of territory and dominion to the United States or is so limited as to leave titular sovereignty in the Republic of Panama, is a question which has been the subject of diverging opinions," which he found it unnecessary to decide,[50] and is therefore still open. Instead he relied on a "long continued course of legislation and administrative action [that] has operated to require that the ports in the Canal Zone are to be regarded as foreign ports within the meaning" of the Act governing the transport of "mail between the United States and any foreign port," [51] itself a hint that the Panama Treaty is no more a cession than the Japanese Treaty respecting the Ryukyus.

It does not follow, however, that the interests of the United States do not constitute "property of the United States." The grant of "use and occupation . . . in perpetuity" constitutes "property" no less than the familiar lease of realty for 99 years. Then there are the installations that cost billions of dollars. Disposition of these no less requires the consent of Congress than does that of territory. In 1942, the President by Executive Agreement promised to transfer certain installations to Panama subject, however, to Congressional approval.[52] A similar provision is to be found in the Treaty of 1955.[53] These are executive constructions that speak against Messrs. Hansell and Erickson.

In sum, Messrs. Hansell and Erickson have failed to make out a case for "concurrent jurisdiction" with Congress in the disposition of United States property. If the President is to fly in the face of the express "power of Congress to dispose" it must be on a sounder basis than the arguments they have advanced. In my judgment, the Panama Treaty should contain a provision making it subject to approval of the Congress.

FOOTNOTES

[1] Hearings on the Panama Canal Treaty before the Senate Subcommittee on Separation of Powers (95th Cong. 1st Sess.) Part II, p. 3 (July 29, 1977), hereafter cited as Hansell.

[2] Hearings before the House Subcommittee on the Panama Canal on "Treaties Affecting the Operations of the Panama Canal," (92 Cong. 2d Sess.) p. 95 (December 2, 1971), hereafter cited as Erickson.

[3] *Youngstown Sheet & Tube Co.* v. *Sawyer*, 343 U.S. 579, 647 (1952), concurring opinion.

[4] R. Berger, *Executive Privilege: A Constitutional Myth* 75–88 (1974).

[5] Congress "uniformly and repeatedly acquiesced in the practice." "It may be argued that while the facts and rulings prove a usage they do not establish its validity. But government is a practical affair intended for practical men. Both officers, law-makers and citizens naturally adjust themselves to any long continued action of the Executive Department—on the presumption that unauthorized acts would not have been allowed to be so often repeated as to crystallize into a regular practice." *United States* v. *Midwest Oil Co.*, 236 U.S. 459, 471 (1915). But as Justice Frankfurter later declared, "Deeply embedded traditional ways of conducting a government cannot supplant the Constitution or legislation . . ." Youngstown Sheet, supra, n. 3 at 610, concurring opinion.

[6] *Panama Refining Co.* v. *Ryan*, 293 U.S. 388, 421 (1935).

[7] *United States* v. *Morton Salt Co.*, 338 U.S. 632, 647 (1950).

[8] "That an unconstitutional action has been taken before surely does not render that same action less unconstitutional at a later date." *Powell* v. *McCormack*, 395 U.S. 486, 546–547 (1969). *Zweibon* v. *Mitchell*, 516 F.2d 594, 616 (D.C. Cir. 1975); "there can be no doubt that an unconstitutional practice, no matter how inveterate, cannot be condoned by the judiciary." *United States* v. *Morton Salt Co.*, 338, U.S. 632, 647 (1950): "nonexistent powers can [not] be prescripted by an unchallenged exercise . . ."

[9] Erickson 97.

[10] *Wisconsin Cent. R.R. Co.* v. *Price County*, 133 U.S. 496, 504 (1890); see also *Swiss Nat. Ins. Co.* v. *Miles*, 289 Fed. 571, 574 (App. D.C. 1923).

[11] 22 Op. Atty. Gen., 544, 545 (1899). 2 J. Story, *Commentaries on the Constitution of the United States, Section* 1328, p. 200 (4th ed. 1873): "The power of Congress over the public territory is clearly exclusive and universal . . ." Cf. *Osborne* v. *United States*, 145, F. 2d 892, 896 (9th Cir. 1944).

[12] *Botany Worsted Mills* v. *United States*, 278 U.S. 282, 289 (1929); *T.I.M.E.* v. *United States*, 359 U.S. 464, 471 (1959): "we find it impossible to impute to Congress an intention to give such a right to shippers under the Motor Carrier Act when the very sections which established that right in Part I [for railroads] were wholly omitted in the Motor Carrier Act."

[13] *1 Annals of Cong.* 505 (2d ed. 1936) (print bearing running head "History of Congress"); and see Alexander White, id. 517.

[14] *Swiss Nat. Ins. Co.* v. *Miller*, 289 Fed. 570, 574, (App. D.C. 1923). *Ginsberg & Son* v. *Popkin*, 285 U.S. 204, 208 (1932): "General language of a statutory provision, although broad enough to include it, will not be held to apply to a matter specifically dealt with in another part of the same enactment." *Buffum* v. *Chase Nat. Bank*, 192 F.2d 58, 61 (7th Cir. 1951). In this light, the fact, stressed by Hansell, that the Framers contemplated that a treaty could affect "territorial" rights, Hansel 5, is not decisive, for the treaty would yet be subject to the special Congress "power to dispose." There is no evidence in the records of the Convention that the Framers intended in any way to curtail that power, or to give the President a share in it. Were the matter less clear, we should yet "prefer a construction which leaves to each element of the statute a function in some way different from the others" to one which causes one section to overlap another. *United States* v. *Dinerstein*, 362 F.2d 852, 855–856 (2d Cir. 1966).

[15] Hansell 4; 133 U.S. 258, 267 (1890), emphasis added. One might with equal force argue that no limitation on Congress' "power to dispose" is "expressed' in Article IV.

[16] 316 U.S. 317, 326 (1942). *Turner* v. *American Baptist Missionary Union*, 24 Fed. Cas. (No. 14, 251) 344, 346 (C. Ct. Mich. 1852): "Without a law the president is not authorized to sell the public lands. . . . The [Indian] treaty, in fact appropriated the above tract of 160 acres for a particular purpose, but, to effectuate that purpose, an act of Congress was passed."

[17] Hansell 27, 22.

[18] Erickson 105.

[19] Id. 97.

[20] Hansell 25.

[21] Erickson 97.

[22] Hansell 4–5, emphasis added.

[23] Berger, supra n. 4 at 140–162.

[24] Hansell 5.

[25] Id.; Erickson 97.

[26] 252 U.S. at 434.

[27] Erickson 97.

[28] Hansell 6; Erickson 97.

[29] 175 U.S. at 12, emphasis added.

[30] Id. 21.

[31] See infra Appendix.

[32] Erickson 97; Hansell 22.

[33] Quoted by Hansell 5–6; 84 U.S. at 247.

[34] The Passenger Cases, 48 U.S. (7 How.) 283, 470 (1849), dissenting opinion.

[35] 84 U.S. at 237, 238, 241.

[36] Id. 245, 238–239.

[37] *Wilson* v. *Shaw*, 204 U.S. 24, 32 (1907).

[38] *Swayne & Hoyt, Ltd.* v. *United States*, 300 U.S. 297, 301–302 (1937).

[39] 84 U.S. at 240.

[40] Hansell 6.

[41] S. E. Morison, *Oxford History of the American People*, 538, 546–547 (1965).

[42] S. Crandall, *Treaties, Their Making and Enforcement*, 226 (2d ed. 1916).

[43] Hansell 6.

[44] 3 U.S.T. 3169, 3172, 3173.

[45] *United States* v. *Ushi Shiroma*, 123 F. Supp. 145, 149, 148 (D. Hawaii, 1954).

[46] *Burna* v. *United States*, 240 F. 2d 720, 721 (4th Cir. 1957).

[47] Hansell 7.

[48] Quoted Hearings, supra n. 1, Part I, p. 5, emphasis added.

[49] 27 Op. Atty. Gen. 594, 595 (1909).

[50] 280 U.S. 173, 177–178 (1930).

[51] Id. 178.

[52] "When the authority of the Congress . . . shall have been obtained therefore . . ." Agreement of May 18, 1942, 59 Stat. (Pt. 2) 1289.

[53] Agreement of January 25, 1955, 6 U.S.T. 2273, 2278.

APPENDIX

i

Holden v. *Joy*: its citations for treaty power to dispose of property.

A. "Reserve" cases (title remains in Indians)

(1) *United States* v. *Brooks*, 51 U.S. (10 How.) 442 (1850).

Indian cession to United States; supplement to treaty provided that Grappe's representatives "shall have their right to the said four leagues of land reserved to them. . ." (450, 451). Held: treaty "gave to the Grappes a fee simple title to all the rights the [Indians] had in these lands . . ." (460).

(2) *Doe* v. *Wilson*, 64 U.S. (23 How.) 457 (1859). Indian treaty ceded land to United States, making reservations to individual Indians. "As to these, the Indian title remained as it stood before the treaty was made; and to complete the title to the reserved lands, the United States agreed that they would issue patents to the respective owners." (461–462).

(3) *Crews* v. *Burcham*, 66 U.S. (1 Black) 352 (1861). Cession by Indians with reserves (355). "The main and controlling questions involved in this case were before this court in the case of *Doe* v. *Wilson*, 23 How. 457 . . ." (356).

(4) *Mitchel* v. *United States*, 34 U.S. (9 Pet.) 711 (1835). Prior to the Spanish cession of Florida to the United States, the Indians had made a cession to Spain, "reserving to themselves full right and property" in certain lands. (749). Held: "by the treaty with Spain the United States acquired no lands in Florida to which any person had lawfully obtained" title. (734, 756). Issue: title of purchaser from Indians to reserved lands.

(5) *The Kansas Indians*, 72 U.S. (5 Wall.) 737 (1866). Treaty exchange of lands; Indians reserved lands for each individual (739, 741). Issue: was such land taxable by Kansas.

B. Irrelevant Cases:

(1) *Meigs* v. *McClung*, 13 U.S. (9 Cranch) 11 (1815). Held: land claimed from defendants did not lie within territory ceded to the United States by the Indians. (17).

(2) *Wilson* v. *Wall*, 73 U.S. (6 Wall.) 83 (1967). Treaty provided that certain Indians would be entitled to 640 acres for self, and additional acres, roughly speaking, for each child. (84). Issue: whether an Indian held land governed by the latter clause in trust for his children. (86). Court said "Congress has no constitutional power to settle the rights under treaties except in cases purely political," (89) the clause quoted in *Holden* v. *Joy*. The reason, it explained, was that "The Construction of them is the peculiar province of the judiciary . . ." id. In other words, interpretations of treaties is for the courts.

(3) *American Insurance Co.* v. *Canter*, 26 U.S. (1 Pet.) 511 (1828). Insurer brought a libel in the District Court, South Carolina, to obtain restitution of 356 bales of cotton carried by ship that was wrecked on the Florida coast. A Florida territorial court had earlier awarded 76% salvage to salvers, who sold the Canter. (540). Issue: did the territorial court have jurisdiction. No mention of grant by United States.

(4) *Worcester* v. *Georgia*, 31 U.S. (6 Pet.) 515 (1832). Worcester, a white missionary was convicted of residing within Indian territory without a State license. The treaty with the Indians placed them under the protection of the United States, gave it the sole right of "managing all their affairs." Held: the Georgia act can have no force in the Indian territory. (561).

(5) *Foster* v. *Neilson*, 27 U.S. (2 Pet.) 253 (1829). Re grants made in the ceded territory by Spain prior to January 24, 1815, the article provides "that those grants shall be ratified and confirmed like Indian "reserves . . . the ratification and confirmation which are promised must be by the Act of the Legislature," i.e. Congress. (314–315).

ii

Some additional Hansell citations for power to dispose by treaty.

(1) *Reid* v. *Covert*, 354 U.S. 1 (1957). Military Code provided for trial by court martial of "all persons . . . accompanying the armed forces" of the United States in foreign countries. Wife of Army Sergeant convicted by court martial in England of his murder. Held: Bill of Rights requires jury trial after indictment.

(2) *Asakura* v. *Seattle*, 265 U.S. 322 (1924). Seattle ordinance restricted pawnship license to United States citizen. (339–340). Japanese attacks as violation of treaty provision: citizens or subjects of each signatory "shall have liberty . . . to carry on trade, wholesale and retail . . . upon the same terms as native citizens or subjects . . ." (340). Held: can't deny the Japanese equal opportunity. (342).

(3) *Santovicenza* v. *Egan*, 284 U.S. (1931). Italian subject dies in New York, leaving no heirs or next of kin. (351). Italian consul claims under "most favored nation" treaty clause. Held: The treaty-making power is broad enough" to cover "the disposition of the property of aliens dying within the territory of the respective parties . . ." Any "conflicting law of the State must yield." (40).

iii

Some additional Erickson citations for self-executing treaty conveyances.

(1) *Francis* v. *Francis*, 203 U.S. 233 (1906). Indian treaty ceded land to United States, but reserved certain tracts for use of named persons. (237). Quotes *Jones* v. *Meehan;* when treaty makes "a reservation of a specified number of sections of land . . . the treaty itself converts the reserved sections into individual property . . ." (238). It was in these circumstances that the Court said, "a title in fee may pass by treaty without the aid of an act of Congress, and without a patent," (241–242) the reason being that title to the reserved land remained in the Indians.

(2) *Best* v. *Polk*, 85 U.S. (18 Wall.) 112 (1873). By Indian treaty "reservation of a limited quantity [of land] were conceded to

them. (113). One section "had been located to an Indian." (113, 116). Thereafter, the United States issued a patent to James Brown. Held (117), "the Indian reservee was held to have a preference over the subsequent patentee."

ADDENDUM TO STATEMENT BY RAOUL BERGER BEFORE THE SUBCOMMITTEE ON SEPARATION OF POWERS OF THE COMMITTEE ON THE JUDICIARY

The statement by Attorney General Griffin B. Bell (hereafter cited as A.G.) before the Senate Foreign Relations Committee, September 29, 1977, reached me on Saturday afternoon, October 29, 1977, too late for inclusion of my comments in the body of my statement. Only three points made by the Attorney General seem to me to call for additional comment, and of these I shall speak in turn.

I

The Percheman Case

The Attorney General cites *United States* v. *Percheman*, 32 U.S. (7 Pet.) 511, 88–89 (1833) to prove that "the Court held self-executing certain clauses of the Florida Treaty with Spain which related to the regulation of property rights in newly acquired territory." A. G. at p. 10. At the cited pages it appears that Article 8 of the treaty provided:

"All the grants of land made before the 24th of January, 1818, by his Catholic Majesty . . . in the said territory ceded by his Majesty to the United States, shall be ratified and confirmed to the persons in possession of the lands . . .

This Article, Chief Justice Marshall remarked, "must be intended to stipulate expressly for that security of private property which the laws and usages of nations would, without express stipulation, have conferred . . . Without it (Article 8), the title of individuals would remain as valid under the new government as they were under the old . . . the security of (pre-existing) private property was intended by the parties . . .

In short, the treaty provided that prior Spanish grants to *private* persons should be ratified and confirmed, a provision far removed from presidential "regulation" of public territory. Moreover, *Foster* v. *Neilson*, 27 U.S. (2 Pet.) 253, 314–315 (1829), a case cited by the Attorney General (A.G. at p. 3), held with respect to the self-same provision that "the ratification and confirmation which are promised must be by the Act of the Legislature," i.e. Congress. The citation to Percheman illustrates why I approach an Attorney General's statement with something less than awe.

II

Remarks in the Legislative History of the Constitution

(1) The Attorney General asserts that "the members of the Convention were fully aware of the possibility that a treaty might dispose of the territory or property of the United States," (A.G. at p. 5). He begins with the remark of George Mason in the Constitutional Convention: "The Senate by means of a treaty might alienate territory etc. without legislative sanction." A.G. at p. 6; 2 Farrand 297. This was during a debate on a resolution that "Each House shall possess the right of originating bills," when Mason seconded Strong's motion to "except bills for raising money for the purposes of revenue, or for appropriating the same." The Senate, said Mason, "could already sell the whole Country by means of Treaties," plainly an extravagant overstatement, made at a time when the treaty was not under discussion. His "alienate territory" remark may merely represent a strategic retreat from his untenable "sell the whole country" remark.

There follow a group of utterances that have reference to boundary disputes, i.e. conflicting claims to ownership to be settled by treaties of peace.

(2) When the treaty power was under discussion, Williamson and Spaight moved "that no Treaty of Peace affecting territorial rights should be made without concurrence of two thirds of the [members of the Senate present]." A.G. at p. 6; 2 Farrand 543. Similarly, Gerry, speaking for a greater proportion of votes on "treaties of peace", said that here:

"The dearest interests will be at stake, as the fisheries, territories, etc. In treaties of peace also there is more danger to the extremities of the Continent" has reference to boundary disputes which do not really involve territory owned by the United States.

(3) "Sherman and Morris proposed but did not formally move," the Attorney General states, "the following proviso:

"But no treaty (of peace) shall be made without the concurrence of the House of Representatives, by which the territorial boundaries of the United States may be contracted . . ."

A.G. at p. 6; 4 Farrand 58. Farrand adds that "The subject was then debated, but the motion does not appear to have been made." Id. Why was the motion not made after debate? Presumably, the matter was postponed for consideration with Article IV. Section 3(2) would come up for discussion. During this subsequent discussion of "The Legislature shall have power to dispose of . . . the territory . . .", it is singular that no mention was made of an exception for disposition under the treaty power. 2 Farrand 466. Nonmention is the more remarkable because such an exception would carve out an area of undefined magnitude from the power conferred, a matter which would affront the democratically minded who placed their faith in the House. It seems more reasonable to infer from the history that Article IV, Section 3(2) was designed to set at rest the fears that territory might be ceded without the concurrence of the House.

(4) The Attorney General cites an amendment proposed by the Virginia Ratification Convention as exhibiting the "awareness of the Founding Fathers that the Constitution authorizes self-executing treaties disposing of the territory and property of the United States":

"No commercial treaty shall be ratified without the concurrence of the members of the Senate [not merely of those present]; and no treaty ceding, contracting . . . the territorial rights or claims of the United States . . . shall be made, but in cases of extreme necessity; nor shall any such treaty be ratified without the concurrence of three-fourths of the whole number of the members of both Houses respectively."

A.G. at p. 7; 3 Elliot. Debates on the Federal Constitution 660. The Attorney General's reading paradoxically transforms Virginia's anxiety to have greater safeguards, i.e., three-fourths of both Houses rather than the bare majority that satisfies Article IV, into an argument for excluding the House altogether. Like the earlier remarks, the Virginia proposal testifies to the importance that the Founders attached to the disposition of territory—no cession except "in cases of extreme necessity"—and it counsels against reading the equivocal "treaty-making" to encroach upon the "power to dispose" that requires the vote of both Houses, not merely the Senate. In any event, it may be asked, should the post-Convention view of one State be permitted to override the plain terms of Article IV.

(5) Hugh Williamson, a delegate to the Convention, wrote to Madison some nine months after its close, to recall to him "a Proviso in the new Sistem which was inserted for the express purpose of preventing a majority of the Senate . . . from giving up the Mississippi. It is provided that two-thirds of the members present in the Senate shall be required in making treaties. . . ."

A.G. at p. 7–8; 3 Farrand 306–307. The Mississippi presented a gnawing boundary question which threatened the expansion of the West and was only settled by the Louisiana Purchase. Boundary treaties do not really involve the disposition of territory or property of the United States but the adjustment of conflicting claims, even when some believe their claims to be more valid than those of the opposing party.

To my mind, the history is at best inconclusive; the remarks quoted by the Attorney General are confined to adjustment of boundary disputes, with one exception, by treaties of peace. Treaties of peace present special problems, and such citations do not add up to general concurrent juirsdiction over the disposition of government territory or property. To go beyond such territorial adjustments collides with the rationale of *Pierson* v. *Ray*, 386 U.S. 547, 554–555 (1967). With respect to the common law immunity of judges from suit for acts performed in their official capacity, the Court declared:

"We do not believe that this settled principle was abolished by Section 1983, which makes liable 'every person' who under color of law deprives another of his civil rights . . . we presume that Congress would have specifically so provided had it wished to abolish the doctrine."

Thus, the all-inclusive "every person" was held not to curtail an existing common law immunity in the absence of a specific provision. The more equivocal treaty-making power demands an even more exacting standard. Before it be concluded that it in any way diminishes the explicit grant to Congress of "power to dispose" of territory, a clearly expressed intention to do so is required. That requirement is not satisfied by the random remarks collected by the Attorney General.

The Attorney General concedes that:

"The specific power granted to the House of Representatives and Congress in fiscal matters (Article I, Section 7, clause 1 and Article I, Section 9, clause 7, money bills and appropriations power) preclude making treaties self-executing to the extent that they involve the raising of revenue or the expenditure of funds. Were it otherwise, President and Senate could bypass the power of Congress and in particular of the House of Representatives over the pursestrings."

A. G. at p. 4–5. Now, sections nine and seven are couched in quite dissimilar terms. One, Section 9(7), is framed in terms of flat prohibition: "No money shall be withdrawn from the Treasury but in consequence of appropriations made by law. . . ." Section 7 (1), on the other hand, merely provides that "All bills for raising revenue shall originate in the House." Yet, the Attorney General reads Section 7(1) to preclude the President and Senate from "bypass[ing] the power of Congress and in particular of the House of Representatives over the pursestrings." What is there that distinguishes "All bills . . . shall originate in the House" from "The Congress shall have power to dispose. . . ."? The impalpability of the distinction is underlined by the State Department's concession that "treaties may [not] impose taxes." Nothing in this Article I, Section 8(1) "The Congress shall have power to lay and collect taxes" distinguishes it from the Article IV "The Congress shall have power to dispose. . . ."

If the President may not by treaty "bypass" the power of the House to originate revenue-raising bills, or the power of Congress to tax, no more may he "bypass" its "power to dispose" of the territory and property of the United State.

THE REMARKABLE STUDENT THEATER GUILD OF NORTH CAROLINA

Mr. HELMS. Mr. President, for 7 years now a remarkable organization called the Student Theater Guild has had two troupes of actors traveling from one to another of North Carolina's 100 counties, bringing quality theater to our communities.

Our State, Mr. President, has been called an urban anomaly. We are a highly industrialized State, yet unlike other industrialized States, less than half of our people live in urban places. Indeed, we rank 45th in degree of urbanization. Typically, our people have preferred to live in small towns, and our industries, for one reason or another, have largely followed this pattern.

But while our citizens can hunt, fish, and tend to their gardens within minutes of their jobs, these smaller communities cannot by themselves support the rich cultural life usually associated with metropolitan centers.

We have compensated for this in our State by transporting the performing arts to the scattered schools and communities of our State, from the outer banks of our wind-swept coast to the fastnesses of our mountain valleys.

During World War II, the North Carolina Symphony was traveling by bus from one community to another, bringing the music of the greatest composers to our rural areas. This tradition continues today, typically two concerts being scheduled at each stop: one for the schoolchildren, the other for adults. On the heels of the symphony followed other performing troupes, such as the remarkable Grass Roots Opera now known as the National Opera Co., and groups from our North Carolina School of the Arts.

Now the student theater guild has entered the field, so that in numberless towns, the citizens, without leaving their community, can enjoy not only symphony, opera, and ballet, but also the finest of theater.

The guild, with a board of directors representing 10 different communities, sponsors 2 performing groups. One "The Pied Piper Players" is oriented to young children, with trained student actors as performers.

The other, the Repertory Theater Co., is a professional company presenting Shakespeare, musicals, and comedies.

During the 7 years of its existence, the student theater guild has performed in 78 counties in North Carolina, and in South Carolina, Virginia, and Georgia as well. The audience has totaled more than 275,000. At last count, 535 performances have been presented, 40 productions mounted.

And it should be emphasized that this program of bringing fine theater to our fellow Tar Heels is not governmentally supported: it is an effort of private citizens who love their State and are willing to give of their own time and money to bring a full life to North Carolina.

Mr. President, the success of the student theater guild is proof that smaller communities can provide a rich and varied cultural life.

All it takes is imagination, determination, and organizations like the Student Theatre Guild, Inc., of North Carolina.

UNDP ADMINISTRATOR BRAD MORSE AND A LOOK AT THE GLOBAL ECONOMIC SYSTEM

Mr. HUMPHREY. Mr. President, I would like to call to the attention of my colleagues a most impressive speech delivered by United Nations Development Program Administrator, Brad Morse, before the Western Regional Leadership Conference held in Los Angeles in September.

The points raised in the speech are very relevant to the consideration of the Congress in the international economic policy area.

As Mr. Morse noted:

. . . we Americans have long been preoccupied with challenges from traditional major-power sources, and with employing the classic techniques of diplomacy based upon trade-offs among a handful of nations possessing varying combinations of military and economic power. Now we are confronted by challenges from two-thirds of humankind who speak at once from the awesome moral strength of poverty, the impatience of proud peoples long colonized, and from a growing realization that the rich nations need them for their survival: need partnership with them for the use of the resources within their sovereignties; need partnership with them for the expanding trade which the voracious enginerooms of the rich economies must have. I would remind you that United States exports to developing countries even now exceed $37 billion per year; more than one-third of the American export total.

The advantage which Americans have, if once it is recognized, is that virtually every one of the demands now tabled before the United Nations General Assembly have close equivalents in the demands made by the poor and the fearful, the exploited and the exploitable, within the United States during the last hundred years. I urge those of you who tomorrow will examine the demands of Third World farmers for agreed measures to protect the returns on their produce from remote international speculation and middlemen, to recall how our own Congress echoed with the same so-called rhetoric in the historic debates that produced the 1916 Warehouse Act; the Packers and Stockyards Act; the legislation to protect cotton growers against speculation in that commodity, and then the 1922 bills to protect grain growers against similar speculation. There is virtually nothing in the agenda for a new order now tabled at the United Nations which Americans have not experienced, in full measure, within this Nation.

Mr. President, I believe these observations are most relevant. It is because of our willingness to redress grievances and inequities within our own society, that developing countries look to us for leadership in redressing international equities. We have demonstrated that we can do it. Yet, we all too often become preoccupied with other concerns.

I was also struck by the following statement from Mr. Morse's speech:

Again, what is it that the developing countries are asking? I would like to quote from a finance official of a developing country a while ago, who said:

(We) are to a certain extent in the situation of a country excluded from foreign commerce. We can indeed obtain from abroad the manufactured supplies of which we are in want; but we experience numerous impediments to the sale of our own commodities . . . In such a position, we cannot exchange with Europe on equal terms; and the lack of reciprocity would render us the victim of a system which would induce us to confine (ourselves) to agriculture and refrain from manufactures. A constant and increasing necessity on our part for the commodities of Europe, and only a partial and occasional demand for our own in return, could not but expose us to a state of impoverishment . . .

And he continued, "it is for the nations whose regulations are alluded to, to judge for themselves whether by aiming at too much they do not lose more they gain."

You might be surprised to know who the official was. He was Alexander Hamilton, Secretary of the Treasury of the United States of America, writing in his famous Report on Manufactures, in 1791.

Having ourselves at one time been the victim of an inequitable international economic system, we should have a greater appreciation for the significance of the present North-South dialog.

Mr. President, I believe this speech by Mr. Morse is an invaluable contribution to understanding the concerns and plight of the less developed nations of the world, and I believe our extremely able UNDP administrator should be commended for his very astute articulation of these matters.

Mr. President, I ask unanimous consent that the speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

ADDRESS OF MR. BRADFORD MORSE

Ladies and gentlemen, I genuinely welcome this opportunity to address so distinguished a group of business and community leaders from Canada, Mexico and the United States. It is rare when I have an opportunity these days to put protocol aside, for in the world of United Nations diplomacy and development finance, we tend to deal official-to-official instead of citizen-to-citizen. I want to speak with you tonight as openly and frankly as I can about the subject of this unprecedented conference, as an American as well as a United Nations civil servant.

We have just been briefed on the overall conceptual and structural issues in the search for a new international economic—and I would add—social order on this small planet of ours. Let us approach these momentous and complex topics without fear and without resentment, recognizing—and here I speak as an American—not only the disadvantages with which we start on this quest for global understanding and consensus, but the advantages as well. The disadvantages are that we Americans have long been preoccupied with challenges from traditional major-power sources, and with employing the classic techniques of diplomacy based upon trade-offs among a handful of nations possessing varying combinations of military and economic power. Now we are confronted by challenges from two-thirds of humankind who speak at once from the awesome moral strength of poverty, the impatience of proud peoples long colonized, and from a growing realization that the rich nations need them for their survival: need partnership with them for use of the resources within their sovereignties: need partnership with them for the expanding trade which the voracious enginerooms of the rich economies

must have. I would remind you that United States exports to developing countries even now exceed $37 billion per year; more than one-third of the American export total.

The advantage which Americans have, if once it is recognized, is that virtually every one of the demands now tabled before the United Nations General Assembly have close equivalents in the demands made by the poor and the fearful, the exploited and the exploitable, within the United States during the last hundred years. I urge those of you who tomorrow will examine the demands of Third World farmers for agreed measures to protect the returns on their produce from remote international speculation and middlemen, to recall how our own Congress echoed with the same so-called "rhetoric" in the historic debates that produced the 1916 Warehouse Act; the Packers and Stockyards Act; the legislation to protect cotton growers against speculation in that commodity; and then the 1922 bills to protect grain growers against similar speculation. There is virtually nothing in the agenda for a new order now tabled at the United Nations which Americans have not experienced, in full measure, within this nation. We take exceptional pride in what we have achieved—with all its limitations—to establish a new domestic economic and social order; indeed, we proclaim it to the world. Shall we now fail to understand the very equivalent when it echoes to us from the poor and the hungry beyond our borders?

Let us be honest. We all know that the old economic order relied heavily on charitable appeals for the poverty-stricken two-thirds of humankind. In effect, we rattled the cup each year to help keep them going and maybe to fill the begging bowl to the point where we could actually help them move ahead a little. Yet despite our "charity", we have found that the further the developed countries moved ahead, the farther behind the poor fell. Something was wrong with the entire system—and not only they, but the rich countries, now know it; and it cannot continue.

What has gone wrong, been wrong? I submit that it is the very framework of relationships among nations. If I pour this water into a glass it takes one form—the form of a glass. If I pour this water onto the floor, it will take an entirely different form. The framework is all important to the fate of the water. Does it not follow that the framework for the flow of international resources—for the collective economic capacity of our little planet—is no less decisive?

In the view of developing countries it must surely be, for they have long argued that the old framework has done an exceedingly good job of spurring the flow of resources from poor to rich. What went into the begging bowl, they say, came back to the rich many times over.

The whole spectrum of economic relationships is filled with illustrations of this argument. Let me take the mechanisms governing the transfer of technology as just one case in point. It strikes me as no accident of history that 98 percent of the world's advanced technology output is concentrated in a relative handful of industrialized countries. Studies by UNCTAD, the UN Conference on Trade and Development document a wide range of restrictive practices, pricing arrangements, tied-purchase schemes, grant-back requirements and compulsory purchase mechanisms which have long accompanied technology transfers from rich to poor states. These various schemes have the effect of perpetuating the virtual monopoly exercised by the producers of technology. Taken together, they amount to a reverse system of preferences, exacted by the powerful from the weak.

Let me give you some figures which illustrate what I mean. Of the 3.5 million patents currently in worldwide existence, only about six per cent (or 200,000) have been granted by developing countries. Even of these few, five out of six are held by foreigners and only one-sixth—or one per cent of the total—are held by nationals of the developing countries. Most of the developing country patents held by foreigners are held by large corporations headquartered in five developed countries—the United States, the Federal Republic of Germany, the United Kingdom, Switzerland and France. In addition, about 90 to 95 per cent of the patents granted by developing countries to foreigners are not actually used at all in production processes in and by those countries. Instead, the overwhelming majority of these patents are used to secure import monopolies.

One United Nations study has pointed out about the small number of foreign patents which are actually used in production processes in developing countries, that (and I quote), "Even in these cases, however, the agreements, entered into by developing countries frequently contain not only high royalty payments and charges for the technology, but also restrictive practices and in some instances abuses of patent monopolies". (end of quote).

Now I want again to emphasize the paradox, which is that the advanced industrialized countries have themselves sought strongly to prohibit practices like these through strict antitrust and fair trade laws within their own borders. What the developing countries are asking of the world economy is, in a sense, nothing less than what the industrialized countries expect within their own economies. What they want is a legally-binding code of conduct governing the transfer of technology—a code which will not only call a halt to abuses but give an edge in the process to the weak instead of the strong. There are various ways of accomplishing this, and I will only mention a few.

One would be for the rich, developed countries to grant preferential tax treatment to income arising from technology transfers by suppliers to developing countries. Another would be to grant developing countries concessional terms on imports of raw materials, equipment and components for help to strengthen the bargaining power of weak states generally through the adoption of the "most-favoured-license-clause" requiring technology transfers on a nondiscriminatory basis. That is, any favourable term granted to one recipient and must be made available to all others.

These are ways of changing the framework for the transfer of technology so that developing countries have a better-than-even chance of getting ahead, instead of very little chance at all. Whatever you may think of the proposed remedies, I think you would agree with me that the old system not only failed to help the poor countries, but in many ways worked against them.

A similar case can be made with respect to the old framework for international trade. Last year the value of goods traded internationally amounted to nearly $1 trillion. If we exclude oil exports, about 11 per cent of that, or almost $110 billion was accounted for by the exports of developing countries. A small percentage, perhaps, but that was more than eight times the amount of total official development assistance provided to developing countries by all the advanced countries of Western Europe, the United States, Canada, Japan, Australia and New Zealand during the same year.

A relatively small increase in the aggregate exports of the developing countries could supply them with more foreign exchange to apply to their development efforts than all the official foreign aid they receive put together.

Now, how is it that almost two-thirds of the world's people, who collectively supply the world with much of its raw materials, account for only 11 percent of the value of world exports? I refer you again to the old structure for world trade—to the framework in which it has for years been conducted.

The years between the end of World War II and the mid-1970's witnessed a phenomenal expansion in world trade. That expansion was facilitated by substantial and repeated reductions in tariffs and other barriers over those years—you will remember the Kennedy Round. But those reductions were largely confined to manufactured products of primary concern to a handful of industrialized states in the West. Then in 1972, a number of industrialized states began subscribing to the so-called Generalized System of Preferences, specifically designed to increase the export earnings of developing countries in manufactured products, particularly. From the developing countries' point of view, the Generalized System certainly represents a step in the right direction—a new framework for international trade in which their needs are given an extra edge and their products a competitive advantage. But the Generalized System remains extremely restrictive. According to UNCTAD calculations, tariffs on developing country exports in developed country markets continue to be, on average, about 50 per cent higher than those levied on exports from other developed countries. And as a recent study by the Brookings Institution emphasizes, the economic gains which could accrue to the world economy as a whole from the exchange of labour—intensive industrial products of the developing countries and technology-intensive products of the industrial countries have still to be realized.

Again, what is it that the developing countries are asking? I would like to quote from a finance official of a developing country a while ago, who said

"(We) are to a certain extent in the situation of a country excluded from foreign commerce. We can indeed obtain from abroad the manufactured supplies of which we are in want; but we experience numerous impediments to the sale of our own commodities . . . In such a position, we cannot exchange with Europe on equal terms; and the lack of reciprocity would render us the victim of a system which would induce us to confine (ourselves) to agriculture and refrain from manufactures. A constant and increasing necessity on our part for the commodities of Europe, and only a partial and occasional demand for our own in return, could not but expose us to a state of impoverishment. . ." And he continued, "it is for the nations whose regulations are alluded to, to judge for themselves whether by aiming at too much they do not lose more than they gain."

You might be surprised to know who the official was. He was Alexander Hamilton, Secretary of the Treasury of the young United States of America, writing in his famous Report on Manufactures, in 1791. Please note that he asserted that the United States was "victim of a system." That is exactly what the developing countries today are saying; it is a question of system; of framework; of agreed mechanisms; not of ad hoc begging bowls, or however worthy humanitarian sentiments.

Today's developing countries want to eliminate the vestiges of the old discrimination against them. And they want to gain a little extra edge to help them catch up and fully integrate their own economies into the expanding international industrial system. So they want a far broader application of the Generalized System of Preferences. And since about 60 percent of their non-oil exports involve primary commodities or raw materials, they want a series of commodity agreements—and a common fund—which will help stabilize the prices they receive for their raw material exports. Many also favour a system of indexing which would adjust

the prices they receive for their commodities to inflationary trends.

When the background of neglect from which these demands have sprung is taken into account, they certainly become more understandable, and when the historic grievances of the Third World are considered, they cannot be called unreasonable. I certainly recognize that any upsurge in so-called "cheap foreign imports" would cause painful dislocations in many industrialized economies. But it is vital to realize that what is meant by a new international economic order is that all nations—the rich no less than the poor—should prepare for it by adjustments on the basis of long-term mutual self-interest. The price for industrial economies in retraining affected workers for other skills and in other ways assisting affected industries is far smaller, in the long run, than the kind of continued discrimination which places two-thirds of the world on a perpetual dole and by definition cripples them as trading partners. It is not a some-lose, some-gain, proposition. It is an all-gain proposition. There is no other way.

At this stage, it would be entirely legitimate to ask, what are the developing countries themselves doing to prepare for their partnership in a new order? As the world's largest multilateral programme for technical co-operation, UNDP is by definition involved with its 25 partner agencies in answering that question—in helping developing countries to meet the demands of the emerging world system.

For example, in the field of trade UNDP supports a $1.4 million project to provide training and advisory services on the Generalized System of Preferences, in which some 400 officials from 90 developing countries have already taken part. Under another project, more than 30 high-level officials from Latin America and the Caribbean have already participated in a UNDP-funded training programme on negotiating with foreign investors, and on the methods and procedures of transnational corporations. Governments in Southeast Asia, the Middle East, Africa and Latin America have also had regional projects which provide consultants and training assistance for officials taking part in the multilateral trade negotiations under the auspices of the GATT, General Agreement on Tariffs and Trade.

Throughout the developing world, Governments with UNDP support are making efforts to strengthen sub-regional markets, develop and diversify industries, enhance their negotiating capacity in primary commodity matters, expand exports and promote the joint marketing of commodities and develop producers' associations designed to strengthen the economic potential of developing country resources. And to encourage the development of local technology, the countries of Latin America and the Caribbean are working with UNDP on the feasibility of establishing multinational corporations within the region for the pooling of technical resources and the adaptation of industry to the prevailing socio-economic, cultural and developmental objectives of the region.

One of our main preoccupations these days is, in fact, the promotion of greater co-operation among developing countries themselves. Technical co-operation among developing countries not only helps to mobilize their growing capacity and resources for mutual self-help; it also provides developing countries with the opportunity to acquire types of assistance most appropriate to their needs. The traditional flow of technology from North to South must be greatly complemented and improved upon by increased flows among the nations of the South, themselves. I recall one forestry project in Central America, for example, in which the hardwoods of that region literally chewed to pieces saws imported from Canada, where soft woods are the dominant specie. In this case, the kind of saws developed for hardwoods in India or West Africa would have served the purpose far better. We have now developed a computerized referral service listing technical expertise available in all developing countries; and as you may know, we will have a World Conference on Technical Co-operation Among Developing Countries next year.

Over the next five years UNDP will be programming more than $2.5 billion in additional technical and investment support work in all sectors, and it is a further indication of the seriousness of their resolve that the developing countries are asking for a growing portion of this to be devoted to strengthening their planning mechanisms and administrative capacities for the structural changes that are essential.

While the immediate benefits of our work go, of course, to those countries, I am convinced that what we do will also repay the developed nations which support us many times over in the long run. For would anyone here deny that a more balanced, productive and just world economy is in the self-interest of every nation, and that by helping those farthest behind to catch up we are pushing the world as a whole ahead?

Let me conclude with a few observations on the development roles of non-governmental organizations and on their relationship with the United Nations development system. Ever since my days in Congress and before, I have admired the way NGOs get things done, get information disseminated and get public opinion changed on critical issues. No field of endeavour is more illustrative of the usefulness of NGOs than that of overseas development. Among the most industrialized countries, the centre-stage position on the "aid" front was occupied by NGOs from the turn of the century. This is particularly true of countries like the United States and Canada where organizations such as the Red Cross, the YM and YWCA, and various church groups, were carrying on development projects and providing that invaluable people-to-people link with the countries of Asia, Africa and Latin America long before official development agencies were even thought of.

To this day, in many developing countries, the most imaginative and effective development projects are those involving NGO participation, working through community organizations. The latest estimates show that some 70 NGOs in Canada contribute a total of $50 million annually to development projects and about 700 NGOs in this country contribute a total of approximately $500 million. Worldwide, the actual involvement of NGOs in field-level projects amounts to well over one billion dollars annually—that's a lot of money!

Another and closely related aspect of the NGO role in the development process concerns international volunteer service. The concept as we know it today began to find expression in the early sixties, when a handful of volunteer sponsoring organizations led by the U.S. Peace Corps and the Canadian University Service Overseas began sending sizeable numbers of young people as volunteers to work in the villages, clinics and schools of Asia, Africa and Latin America. It was in recognition of the indisputable accomplishments of these and other bilateral volunteers that the United Nations General Assembly in 1971 established the UNV—United Nations Volunteers—with the objective of allowing the youth of all countries the opportunity to use their talents and skills in the eradication of poverty and underdevelopment.

In the little more than six years since its creation, UNV has made its most significant impact in areas where it is needed most—the least developed countries of the world. Since the programme's inception, more than 700 UN volunteers of some 65 nationalities have served in over 60 developing countries—as agronomists, urban planners, foresters, nurses, doctors, geologists, veterinarians, well-diggers, social workers. And today, more than 50 per cent of all United Nations volunteers currently serving are from developing countries. Despite these unique features and undoubted achievements, however, UNV remains a relatively unknown quantity, particularly among the NGO community of North America, from which it must draw concrete support if it is to realize its goals. I therefore hope that from this Conference we can have your ideas and suggestions concerning this important programme while at the same time enlisting your support in sponsoring candidates for UNV and in helping to fund UNV projects.

After the declaration of the UN's First Decade for Development in the 1960s, more and more NGOs broadened their basic humanitarian concern to include the root causes of hunger, poverty and underdevelopment, and the more "political" but highly relevant issues of international trade, commodity arrangements, world food policy and international economic and social justice. No other form of UN activity over the past ten years has generated as much interest and participation on the part of NGOs as their involvement in the special UN conferences related to such issues—conferences such as that on the Environment in Stockholm in 1972, around which environment-oriented NGOs from the western regions of North America played a significant role . . . and then the UN Population Conference in Bucharest in 1974, the World Food Conference in Rome in 1974, the International Women's Year Conference in Mexico in 1975 and, more recently, the Habitat Conference in Vancouver in 1976. Because NGOs were ready to take a global approach to development problems, these UN special conferences have opened a new dimension in the relationship between NGOs and the UN system. I, for one, welcome this new dimension, and I particularly urge the continued broadening of your interest in the emerging world economic order, as evidenced here tonight.

A vital role for NGOs in the development process is, indeed, that of public education and political action—particularly in the key industrialized countries such as the United States and Canada. In my view, there is probably no more important role for the general purpose NGO—and for concerned citizens—than this. Lester Pearson, the late former Prime Minister of Canada who wrote the well known report, "Partners for Development", said that the front line in the battle to alleviate world poverty is often at home in the rich countries, where it is necessary to overcome "compassion fatigue" and to change the attitudes of the broad electorate on the issues of world trade, aid and international economic relations.

In this connection, I believe that no significant social legislation has ever passed through the United States Congress without the concerted and well organized support of NGOs. This is true, too, of the foreign aid bill and of the various trade and financial concessions to third world countries. The problem is that the cadre of concerned people and organizations in countries like the United States and Canada is woefully small and unevenly spread around our two countries. The exciting challenge which faces us in the present political climate is to build upon the existing organizations, many of whom are represented here, and to tap new organizational support in order to forge what should, indeed, become a new movement for the New International Economic Order. The strength of such a movement, it seems to me, should not only be gauged in Washington or Ottawa with national Governments, nor in New York with the UN, but in places

like Los Angeles and Denver and Calgary, where the lines of communications to politicians and policy makers are shorter and more effective.

I am not suggesting that the NIEO as a concept is the perfect credo for development and should be blindly supported in all its particulars. But it does provide a framework for sympathetic yet practical consideration of the plight of developing countries, and for serious discussions in North America of our role in achieving a more equitable world. The formation of new coalitions of NGOs such as the International Coalition for Development Action which was formed around the trade issues of UNCTAD IV, and the reality of this Conference which considers some very technical and complex issues, shows that NGOs are anxious to get involved in these issues and to exert influence.

Ladies and gentlemen, I have sought tonight to emphasize the worth and necessity of a new international economic order the importance of the United Nations role in helping to establish that new framework, and the valuable ways in which you and the organizations you represent can support what must, in my opinion, be done.

I am grateful for this opportunity, because, quite frankly, I have long been appalled by the widespread lack of understanding of what the proposed structural changes in the world economy are all about and by the irrational fears those changes have stirred among citizens of the wealthier countries, in particular. It seems to me that we all have a critically important job to do in overcoming those misunderstandings and exorcising those fears. For it is beyond common sense and morality to assume that we cannot find new, stable frameworks for living together on this one earth within its finite resources—and in justice and equity.

Thank you very much.

IN MEMORIAM: ROBERT B. FRAZIER

Mr. HATFIELD. Mr. President, on Sunday, September 18, 1977, one of the most influential voices in Oregon journalism was stilled. Bob Frazier, highly respected editorial editor of the Eugene Register Guard, died at his home.

As I said at the time, others may take his place at the Register Guard, but no one will replace him. His unique capacity to communicate his warmth and compassion through his writing enabled his readers to see the man behind the pen.

My warmest memories of Bob were when we would sit in his office or in mine, not talking politics, but sharing anecdotes about Oregon and U.S. political history, or describing some new acquisition of historical memorabilia or books. More than anything else, I will miss my personal friendship with a fellow history buff. As recently as 2 weeks before his untimely death, we sat in Bob's office to share yarns about our common love of Oregon history. Bob's love of history reflected itself in his columns and editorials. His affection for Eugene and Lane County were born of their history.

Mr. President, I asked friends of mine at the Register Guard to collect the articles and editorials about his life and contributions to his profession and send them to me. I want to share them with my colleagues. I am pleased that the material contains excerpts from some of his columns that I hope will help demonstrate his spirit as well as his skills.

Mr. President, I ask unanimous consent that this material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EDITOR ROBERT FRAZIER DIES AT 56

(By Dan Wyant)

Robert B. Frazier, 56, editor of the Register-Guard editorial page and a long-time Oregon newsman, died Sunday of an apparent self-inflicted bullet wound.

Frazier's death shocked friends and associates and brought expressions of sorrow from editors and public officials around the state. He had been a member of the newspaper's staff since 1948.

Police were called to the Frazier home at 369 Sunset Dr. shortly after noon when his wife, Rosemary, heard two gunshots in the bathroom, where police found Frazier dead from a .22 caliber bullet wound in the head.

Eugene Police Lt. Donald Lonnecker said results of an autopsy today showed death was caused by a single wound although two shots had been fired from the pistol. He said police were continuing their investigation to determine what happened to the second bullet.

Police listed Frazier's death as a suicide. No note was found.

Frazier suffered from emphysema, and was not in robust health, but associates said he had not appeared to be despondent in recent days. He had arranged several appointments for the coming week.

Funeral arrangements are pending at Lounsbury-Musgrove Mortuary in Eugene. Surviving, besides his wife, are a son, Joe, an Associated Press newsman in New York City, and a daughter, Constance Bloom, of Eugene.

Oregon Gov. Bob Straub called Frazier's death a tragic blow and a deep personal loss. "His journalistic abilities were always marked by fairness, intelligence and understanding," Straub said. "The entire State of Oregon will miss the rare contribution made by this outstanding man."

Alton F. Baker Jr., editor and publisher of the Register-Guard, expressed shock at Frazier's death. "Bob was a good friend as well as a colleague in newspapering for 30 years," Baker said. "His contributions to the Register-Guard as a reporter and editor and to the community and to his state were tremendous in quality and volume. Bob had a great sense of humor which makes this hard to believe. My thoughts go to his wife and family."

U.S. Sen. Mark Hatfield, R-Ore., said as recently as two weeks ago he sat in Frazier's office "to share yarns about our common interest in Oregon history. . . . Others may take his place at the Register-Guard, but no one will replace him."

U.S. Sen. Bob Packwood, R-Ore., said, "A giant of Oregon journalism is dead—a man with the rare gift to place the transient events of the moment into the broad perspective of history."

J. Richard Nokes, editor of The Oregonian, said, "Bob Frazier will go down in the history of journalism as one of Oregon's great editors," and J. W. Forrester Jr., editor and publisher of the Daily Astorian in Astoria, recalled their long-time friendship. "I guess my uppermost thought is that Bob made newspapering fun," he said. "Of course he had an influence on our state. He was editor of perhaps the most influential editorial page in the state."

Eric Allen Jr., editor of the Medford Mail Tribune and another close friend, said among his editorial writing colleagues, "Bob Frazier was acknowledged as probably the best of the lot. His ever-curious mind, his comprehensive memory, his bent for history, his grasp of affairs, was beyond compare."

Bob Chandler, publisher of the Bend Bulletin described Frazier as a "gentle, modest unassuming man," and said Frazier "would have been surprised could he have known what a yawning gap his unexpected death has left in the lives of many Oregonians."

John Hulteng, former dean of the University of Oregon journalism school who is scheduled to become a professor of communications at Stanford University this fall, said, "Bob Frazier was one of the authentically individual voices of Oregon Journalism."

Judge A. T. Goodwin, associate justice of the U.S Circuit Court of Appeals in Portland and a friend of Frazier's for 37 years, said, "His insights brightened the editorial columns of the Register-Guard for a quarter of a century—indeed made it one of the most distinguished newspapers in the land. Oregon journalism has lost one of its brightest lights."

Robert Clark, a former president of the University of Oregon, first met Frazier when Frazier was the student editor of the Oregon Daily Emerald and Clark was a speech professor. Both were members of the Eugene Round Table. Clark called Frazier's death "a tragic loss—one that all of the readers of the Register-Guard will feel, some of us personally."

Frazier was born Jan. 12, 1921, in Portland. One of his first jobs was with the CCC (Civilian Conservation Corps), an outdoor experience he always recalled with pleasure. He enrolled at the University of Oregon in 1940, served with the U.S. Army from 1942 to 1946, then returned to the U of O, where he graduated with a degree in journalism in 1948. He was editor of the student newspaper, the Oregon Daily Emerald, a member of Phi Beta Kappa national scholastic honorary and a member of Sigma Delta Chi, a professional newspaper fraternity.

As a member of the Register-Guard news staff, he worked as a reporter, wire editor, city editor and state house reporter before becoming an associate editor and editorial writer. He was named editor of the editorial page in 1969, and continued to write editorials.

During the 1952-53 school year, Frazier was a Nieman Fellow at Harvard University while on leave from the newspaper. From 1965, he served on the Editorial Board of the Nieman Reports.

Prior to joining the Register-Guard, Frazier worked as a reporter for the Bend Bulletin, the defunct Eugene Daily News and the Aberdeen Daily World.

Frazier received a variety of newspaper awards. Under his direction, the newspaper's editorial page was named the best in the state in 1976 by the Oregon Newspaper Publishers Association jury. He served last year as a judge for the Pulitzer Prize awards and had been asked to serve again this year.

He had served since 1961 as a member of the Oregon Geographic Names Board, an assignment which took him frequently to the out-of-the-way parts of Oregon like Plush and Granite, which he loved to write about. He also served on the Oregon State Parks and Recreation Advisory Committee.

The Eugene editor was a member of the National Conference of Editorial Writers, serving on its board of directors and editing its quarterly publication, "Masthead," from 1967 to 1969. He was elected to the American Society of Newspapers Editors in 1975 and was active in the Willamette Valley Chapter of Sigma Delta Chi, serving as its vice president from 1964 to 1966. He served on the White House Fellowship Judging Committee in 1974–75, served on the Governor's Task Force on Nursing Homes in 1971 and for years was a member of the Oregon Public Defender Committee. He was vice president of the Oregon Prison Association from 1950–1952.

FRIENDS BID FAREWELL TO NEWSMAN BOB FRAZIER

(By Dan Wyant)

The contributions made to journalism and to Oregon by Robert Frazier editor of the Register-Guard's editorial page and a longtime Oregon newsman, were recalled in a memorial service in Eugene Sunday.

Frazier, 56, took his own life the previous Sunday. His body was cremated and there was no funeral, in accordance with his wishes.

"There is no silence like the void where a good man was," said Oregon Gov. Bob Straub, one of three speakers at the service. "I will miss Bob, but I am a better man for having known him, and I thank the Lord for the luck that made our ways cross. My life is emptier for his having gone but it is fuller for his having lived."

Some 350 persons, many of them journalists and public leaders from around the state, attended the simple half-hour service at the University of Oregon music school's Beall Hall. Three red-and-gold floral arrangements, a set of folding chairs for the speakers and a plain wooden lectern were all that occupied the stage. University of Oregon music Professor John Hamilton provided the music on the organ at the back of the stage.

Robert Chandler, publisher of the Bend Bulletin newspaper and a long-time friend of Frazier, described the deceased journalist as Oregon's best-known editorialist of the past 20 years as well as the state's most favorably known editorial writer of that period.

"That's a rare feat," he said, "in a trade where those two things are most often not synonymous."

Chandler said Frazier "correctly assumed he was engaged in life's highest calling, the entertaining and informing of his fellow man." He said Frazier was "a true success in life because he did what he most liked to do, and did it very well indeed."

All the speakers mentioned Frazier's love for Eugene, the U of O and all of Oregon.

"He loved his family, he loved his friends, he loved his state and particularly its mountains, rivers and beaches, made for climbing and walking and watching," Chandler said. "Bob Frazier is one of those rare individuals who enriched the lives of all who knew him. There are too few of those in this world."

Charles Duncan, a former dean of the U of O School of Journalism and a professor of journalism, described the shock he and his wife experienced when they learned of Frazier's death on their return Wednesday from nine months in Australia.

"The thought of Eugene without Bob Frazier is almost uncomprehensible," Duncan said. "To me, Bob Frazier was as much a part of Eugene as the Willamette River or Spencer Butte or the Register-Guard itself. . . ."

Duncan said Frazier's journalistic style was "simple, smooth-flowing, utterly lacking in pretentiousness, yet scrupulously correct and beautifully precise," adding: "His sentences rolled from his typewriter at an awesome rate. He measured his daily output by the foot."

To Frazier, "the newspaper was his life and love," Duncan said. "His reputation far transcended the boundaries of Oregon for he was known and admired by the journalism fraternity throughout the country."

Duncan recalled Frazier's love of reading, and spoke of a column Frazier once wrote suggesting that the fate of people who failed to return books they'd borrowed might be an afterlife with good light but no reading material.

"May he find plenty of good reading material—and good light," said the longtime friend.

REMEMBERING A 'PURE WRITER,' AND A FRIEND

(By Dan Sellard)

Ever since gangly, bespectacled and balding Bob Frazier walked into my life thirty years ago, I have had an unusual friend, a fun guy. More, I have worked elbow to elbow with a journalistic giant.

We drank beer while our kids were being born, we cub scouted and boy scouted together, we went to the weddings of our kids. We enjoyed each other.

And we reported together, back in the forties and fifties when if a reporter heard a siren, he went to find out what was going on. Bob never lost that urge and I think sometimes he was happiest when there was a big story to cover.

Frazier loved the human interest piece and some of his finest prose was written about country singers and other such folks. His enthusiasm was such that he could hardly get back to the typewriter to share his fun with the readers. As he wrote sometimes, he would laugh out loud. He and Ted Goodwin and I shared a lot of laughs, some of it at Ted's behest—he talked his stories as he wrote them. Those were happy days.

But Bob really bloomed when Bill Tugman asked him to write editorials. It was then I discovered the Frazier intellect. We knew about his fabulous memory—only last week I asked him the answer to some obscure thing, and he snapped the answer back. Through the years, I have fought back the temptation to ask Frazier first, then hit the library next. He was a quick and ready reference on some of the darndest things, especially dates.

As an editorial writer, he was a dilly. He could take a complex topic and break it down into understandable English. There aren't enough people around like that.

Frazier was what I call a "pure" writer. He didn't clutter up his pieces with the "hey, look at me" stuff written by some editorialists and columnists. They cheat the reader with their fancy phrasing.

Bob wrote a sort of me-to-you type language. His writings had a ring of authority and he seldom obfuscated his stuff by extraneous material. I have always envied him, his gift.

Writing editorials was one thing, but the administrative chore of being editor of the editorial page didn't thrill him. He had to go to executive meetings and he would often cramp me with laughter as he described something that happened during one of those sessions.

To break up the routine, Bob traveled. He liked good new cars and in them he tooled around Oregon. He knew the state better than anyone else and his love for it and its people showed up in a rich portion of beautiful writing when he did a "travel piece." Ghost towns on the coast or in Eastern Oregon were a fascination for him.

I was pleased for Bob as he rose to eminence in our profession. He was known by scholars and writers and writer-scholars over the nation. And I was never surprised when this or that governor would appoint him to a commission or a committee. Some of these appointments go with the territory, true, but governors from Holmes to Straub knew that when they put Frazier on some job, he would take a lot to it, including a delightful sense of humor.

Now all this is gone. I was delegated to call Ted Goodwin to tell him about Bob's death. Ted, now a federal appeals judge, and I talked about our friend's departure for a little bit and then Ted said "Oh, dammit." and hung up.

And that says it for me, too. A good true friend is gone, but the public's loss is even greater than mine.

A SPIKED COLUMN TOLD SOMETHING ABOUT HIM

(By A. Robert Smith)

WASHINGTON.—Bob Frazier pulled rank on me and refused to publish a column I had written for the editorial page about a year ago. And I haven't forgotten it.

The incident reveals something worth knowing about Frazier, both the man and the editor.

That unpublished column reported what other newspaper editors really think about the Register-Guard editorial page. I had polled Oregon editors—promising anonymity for all of them—with this question:

If you were to rate the three best editoral pages in Oregon, what would they be in order of their high quality?

Frazier was one of the editors polled. He voted for another newspaper. Another Register-Guard editor did likewise.

Frankly, I expected quite a diversity of opinion on this question. Newspaper editors are never at a loss for opinions, and most of them are proud of their independence.

But in this case there was no diversity, little disagreement, and an overwhelming consensus: all but one editor polled said that the best editorial page in Oregon was the one edited by Bob Frazier.

The one exception said he regarded the Register-Guard's editorial page as the second best in the state.

The remarkable thing about this is that nowhere in my questionnaire did I mention the Register-Guard. These high opinions were entirely volunteered, not solicited in any sense. The results were very much on the level, an authentic, high compliment from a jury of Frazier's peers.

I've never known a newspaper to shy from publishing articles about its latest awards, from the Pulitzers on down. Every May the New York Times publishes columns of details on all Pulitzer prize winners—best editorial, best foreign reporting, etc.—and never hesitates to portray its own staff writers in this select company.

The Register-Guard hasn't deviated from the custom—best all-around newspaper, best sports page, among other awards, and rightly so. All newspapers report the awards of others, so why not tell the readers that one of their own scored in public service reporting or even the most appealing feature story by a left-handed education writer under 30 years of age?

With all this rich history of self-congratulation in the newspaper trade, with precedent clearly on my side, my column still didn't have a prayer of getting past the editor's desk. He spiked it. Bob Frazier's modesty was greater than his pride. And his talent was greater than either.

His greatest talent, as an editorialist, was for writing very readable stuff. The great risk for an editorial writer is that of becoming a yawning bore if you aren't an alarmist. Good story tellers like Frazier have an edge.

A couple years ago I wrote him a fan letter about his Sunday columns, which were folksy without being cloddish, well-informed without being stuffy, and heavily populated with a gallery of lovable rogues.

"Thank you for your kind words on my columns," he replied. "They are fun to do. Sure beats taxes and sewers. Unfortunately, some of the funniest things around are things I don't dare write about. Under the glass on my desk I have a quatrain: "It's tough to be funny for money/As you'll know if you're that way intentioned/For half of the world isn't funny/And the other half mustn't be mentioned.' "

His unwillingness to mention the foibles of his fellowman was a mark of his humanity. His unwillingness to have mentioned the results of my poll compounded the tribute paid Bob Frazier by colleagues who knew his work best.

BOB FRAZIER

Bob Frazier died yesterday at his Eugene home. It's fair to note his death is mourned not only by his many friends but by thousands of Oregonians who never had met him. He was editor of the Eugene Register-Guard's editorial page, much admired by fellow

newspapermen and by the readers he had informed and entertained throughout the years.

Frazier maintained a close connection with this part of the state, his favorite after the Eugene area. He traveled throughout Central and Eastern Oregon as a young boy with his father. He spent last Wednesday afternoon and evening in Bend with close friends. In between, one summer, he served on The Bulletin's news staff. He came here frequently, before a variety of health problems in recent years, to camp, to hike and to climb mountains.

Frazier was one of a group of then-young writers who took charge of the editorial pages of Oregon's out-state dailies about 20 years ago. Other members of the group were not ashamed to admit he was the best writer of them all. He wrote strong editorials, well-reasoned, and on occasion devastating without being mean. As a weekly columnist he was the state's best, without a close competitor.

His writing, and the recognition he gained from it, brought him several offers to join staffs of other papers, including some of the nation's largest and most prestigious. Frazier turned them down. He loved Oregon and was determined to live out his string in this state. He did.

He had suffered from health problems in recent years, and some of the joy of life had gone because of them. Bob came here Wednesday to look at the mountains; he would rather have climbed them. He traveled to the Oregon Coast to look at the beaches; he would have preferred to walk along them for miles.

Bob Frazier was a gentle, modest, unassuming man, as modest and unassuming as an editorial writer can remain. He would have been surprised, could he have known, what a yawning gap his unexpected death has left in the lives of so many Oregonians.

A Gap In The Circle

Oregon lost a good thinker this week, and they are never in abundant supply.

Robert B. Frazier, the editor of the editorial page of the Eugene Register-Guard, was found dead in his home. He had been battling emphysema and other ailments, and apparently took his own life.

He leaves a big gap in the small circle of editorial writers in Oregon, who are in a way an intimate group. They may not get together often, but they read each others' stuff, and while they may often disagree, they polish their own thoughts on the others' minds. Sometimes, one may call another on the phone for background on something that is happening in his locality.

He knew the world, and he knew Oregon. With his gangling legs he had hiked over much of it.

What Bob Frazier thought mattered.

State Loses Strong Voice

Bob Frazier was the best editorial writer in the state.

Correction. The Eugene Register-Guard writer was the best in the entire Northwest, consistently among the best in the nation.

His death Sunday is a tragic loss not only to readers of the newspaper for which he wrote; Governors, legislators and other state officials for years have weighed his well-researched and reasoned comments as they contemplated legislation and policy. Educators used his writing style and his intellectual integrity as classic examples of superior performance. His editorial page colleagues from coast to coast took note of his logic, quoted his sources and opinions and strived to match his rare ability to string words together to reflect precisely the meaning and mood he sought to convey.

Frazier loved and respected the language. So many of his op-ed pieces come to mind. A recent one on the new book by columnist James Kilpatrick, with whom he corresponded regularly; his annual love-letter on reading books; on class reunions; on turning 55. Sensitive, funny, inspiring. He was a rich storehouse of knowledge about Oregon politics, institutions and history. Maybe the Guard will now put together many of his articles for a broader audience to enjoy, since Frazier no longer can be encouraged to do it himself.

"The editorial page, we hope," Frazier wrote in a 1957 editorial quoted by John Hulteng in The Opinion Function, "will continue to be a liberalizing influence, a forum, a marketplace of ideas, a catalyst, a goad to public opinion." During Frazier's many years as editor, the Guard's page met that objective and, as a result, contributed significantly to the betterment of his community, state and profession.

"A Giant" Has Fallen

"All my working life I have paid the full Social Security tax. When it comes my turn to take it. I'll cash in and apologize to nobody. It's mine."

Robert Frazier, editorial page editor of the Eugene Register-Guard, wrote those words last year. He won't get the chance to cash in on his Social Security. He died Sunday at the age of 56. Police said he apparently took his own life.

Frazier joined the staff of the Register-Guard in 1948. He worked as a report, wire editor, city editor, Salem beat reporter and editorial writer. In 1969 he became the editor of the paper's editorial page. He also was active in civic service to his community and state. He was a member of the Oregon Geographic Names Board, and served with the Oregon State Parks Advisory Commission.

In journalism and otherwise, Frazier left his mark on Oregon. He sometimes described himself as an ordinary person, but there was much that was extraordinary about him. He was a Renaissance man in the sense that he had many broad interests and made it his business to become knowledgeable about each. Endowed with a great sense of humor, Frazier, more than anyone else, gave his newspaper a personal touch with columns that often included entertaining recollections of his youthful years.

An outstanding writer, Frazier offered readers of his editorials a lot of common sense and firmly held, often wise, opinions.

Someone who knew Frazier well described him after his death as a "giant Douglas fir in the journalism forest," an apt description in view of his stature in this forested state.

Frazier had been ill in recent years. He was plagued with emphysema, and he suffered a stroke some time ago. But this didn't affect his writing, and outwardly it least, it didn't affect his thinking.

Last year, Frazier wrote a column about middle age. In it he made that remark about Social Security. And he wrote this:

"To avoid middle age, one can die young. That doesn't sound like much fun. Or one can be really feeble, feebler than middle age, and one who has reached middle age senses what that must be like. Not much fun either."

He Was the Best

Hearts are heavy this week in the editorial rooms of Oregon newspapers. Death on Sunday took Bob Frazier of the Eugene Register-Guard and all who knew him are saying and thinking that they'll never know another like him.

He was a superb professional in a very demanding business. He was first and always a reporter which anyone who succeeds on the writing side of this business must be. He also was one of the nation's very best editorial writers.

He was one of the best informed men of his time on Oregon history. He knew the geography of the state as well as his living room because he had been in every hamlet. He knew in depth Oregon politics, past and present, through friendships with dozens of politicians.

He had a brilliant mind coupled with a wonderful sense of humor. There was no more delightful experience than an evening of reminiscing with him. He was best known as an editorial writer but some of his best writing turned up in special pieces. It was the kind of stuff he talked about through an evening of good cheer.

He was a Phi Beta Kappa who was at ease with scholars. He also was comfortable with loggers, farmers and fishermen for as a young man he'd done a lot of rousting about.

The Register-Guard has won national awards for general excellence. No small part of its stature is the newspaper's editorial page which Bob Frazier directed. The Daily Astorian's editor has been in newspapering in this state for almost 45 years and he has not seen in that time a writer better than Frazier.

Each of us in his lifetime has the experience of knowing a person or persons who made a deep and lasting impression because they were apart from all others. That's the way it was with Bob Frazier for us in newspapering. We do not expect to know another like him.

In his business he was the very best. In all that goes into making lasting and deep friendship the contributions he made will be spoken of endlessly. We admired him and we loved him.

Robert B. Frazier: Oregon's Best Writer Is Gone

(By Glenn Cushman)

When I moved to Salem in 1955 to work as a reporter for the Salem Capital Journal, there were a lot of good newspapers in the state.

One of the best was the Eugene Register-Guard.

The Register-Guard had a young fellow writing editorials who was doing the best work around, I thought. His name was Robert B. Frazier. He was 34 at the time.

Frazier had been an editor for the Oregon Daily Emerald after World War II when it was a better newspaper than half the Oregon small dailies. He hooked on at the R-G after a tour of several smaller newspapers under its then-editor, William Tugman.

When Tugman left to buy the Reedsport Courier, Frazier moved over to the editorial page to work with editor and publisher Alton Baker Jr.

I used to read Frazier every day. His writing was superb, better than any other writing in the Northwest. I didn't always agree with him. But the writing quality kept me coming back.

One day early in the 1960s, when I was working at the Bend Bulletin, Frazier and his wife, Rosemary, showed up. We were then house-sitting an estate that had a Hollywood type swimming pool.

Frazier took a liking to the pool and the adjacent bar. He stayed all day and overnight. I got to know more about this quiet genius.

He was first and last an Oregonian. He had a lot of common sense. He loved the outdoors and spent a lot of time in it until recent years when his health slowed him down.

He wasn't pompous and didn't like people who were. If he didn't think you were right, he told you so, but usually in a way that didn't offend.

Some years ago, when the Oregon Journal was on the market, a syndicate of Oregonians headed by Elmo Smith, then publisher of the Albany Democrat-Herald, tried to buy it.

Smith, who was a conservative and had been Oregon's governor, told me that he had planned to offer the job of editor to Frazier, if he could make the deal. I asked him why. Smith said that Frazier was the best editor in the state.

Smith never offered Frazier the job because S. I. Newhouse doubled the offer (to about $8 million) and bought the Journal to add to his Oregonian.

I knew Elmo pretty well. I wouldn't have thought he would link up with someone like Frazier. He went up in my estimation after that.

When the movers and shakers in Oregon want to get something done, they always ask, "What will The Oregonian think?" (That is natural because The Oregonian is the state's largest newspaper). In recent years, they have been asking in the same breath, "What will the Register-Guard think?"

That is a tribute to the influence of that newspaper. It has also been a tribute to Frazier, who provided the thoughtful editorial leadership for so many years.

Last year, I wrote a piece about the man who is now our president. I didn't think much of it until I received a note from Frazier. He said, "I didn't know you could write. Could I steal some of your stuff for a column of my own?"

That made me feel good.

Now, Oregon's best writer is dead at 56 from his own hand.

Frazier, for much of his life was a physical man of the outdoors. In recent years, he has suffered greatly from arthritis and emphysema. He had other physical problems that exasperated him and kept him from being productive.

Bob Frazier did not live a long life. He lived a good life, and contributed greatly to his native state.

BOB FRAZIER, 1921–77

This is a personal tribute and farewell to a long-time dear friend who, though personally unknown to all but a dozen or so readers of this page, had a strong influence upon it, through his personality and ability.

Robert B. Frazier, 56, editor of the editorial page of the Eugene Register-Guard, died last Sunday. He killed himself. Just why will never be precisely known, but his closest friends had become concerned about him in recent months, and had noted periods of depression, stemming from failing health.

Mentally, he remained keen and alert and humorous and quick-witted. But emphysema had slowed him down, and so had a series of little strokes, which made his gait and sense of balance uncertain.

For much of his life he was a hiker, mountain-climber, jogger, and all-around outdoorsman. Decreasing physical vigor could have caused him to fear mental debility, something he desperately dreaded from family experience.

Bob's professional life cannot be extricated from his public life. Among his editorial writing colleagues, he was acknowledged as probably the best of the lot. His ever-curious mind, his comprehensive and detailed memory, his bent for history and geography, his grasp of public affairs, was beyond compare. His professional honors were many.

He was truly one of the important men in the state, whose influence spread far beyond the confines of the circulation area of the Register-Guard. His editorials were read by every daily editorial writer in the state, and often were reprinted. In these columns in the Mail Tribune, he appeared more than any other editor, sometimes being quoted by name, often merely through ideas that were—as members of the craft say—"swiped."

He was a master of prose—and of whimsy. He was meticulous in his respect for the English language, but he knew it well enough to abuse it intentionally when he wished, to achieve the precise shade of meaning or nuance he wanted.

His service on many state boards and commissions was public service at its best. Two of his favorite were the State Parks and Recreation Advisory Committee and the Oregon Geographic Names Board, but he had also worked on a committee investigating nursing home conditions in the state (which helped lead to improved laws governing conditions in such homes), and on the public defender committee, among others.

He probably knew the state of Oregon better than any other active newspaperman, and he delighted in visiting such places as Plush, Adel, Granite, Remote and other out-of-the-way parts of the state, and to write and talk about them with charm, humor, and understanding.

It is thus that his death is a loss not only to Oregon's newspaper fraternity, but to the state at large, including those who may never have heard of him. Directly or indirectly, every Oregonian had benefitted from his enthusiasms, his gift for public service, and his intellectual stimulation and wisdom.

Honesty compells the declaration that he was no saint. He was intensely human, with his share of frailties and quirks. He drank too much. He smoked too much. He was headstrong; some might say opinionated or even pig-headed occasionally. He was—as so many of those who write for publication are—an egoist (or even an egotist: take your choice).

These failings tended to make him all the more appreciated by friends who similarly lack the status of sainthood.

Death is never easy to accept when a friend leaves, but the manner of his departure, and the loss of such talent and vitality, is a double burden of grief for his family and for those who loved and admired him.

Goodby, Bob.—Eric.

WE ALL RELIED ON BOB FRAZIER

Bob Frazier had all those qualities that make for good editorial and column writing. He enjoyed working with words, he had a phenomenal memory, a superior intellect and a total dedication to the area and the people he served.

In addition, he had a flair for humor which added popular flavor to his writing.

As editor of the editorial page of the Eugene Register-Guard, he was positioned to be interested in almost overything that occurred in Oregon. He headed a staff of three excellent editorial writers and a secretary, giving him and his colleagues more time for research and writing than is found on most other newspapers in the state.

All of us in Oregon journalism leaned on him, using his ideas to help sharpen our own. His editorials and columns were frequently reprinted in other Oregon newspapers.

His talents were recognized nationally. He was a Pulitzer Prize judge and a member of the board of the National Conference of Editorial Writers. He was a Nieman Fellow at Harvard in the 1950s.

But poor health had become almost a constant companion in recent years, sapping his vitality. He took his own life, at age 56, Sunday.

Just as the contribution of an editorial writer to the community he addresses daily is hard to measure objectively, so is his loss. But by any standard, the death of Bob Frazier leaves an unbridgeable gap, not just at the Eugene Register-Guard but in all of Oregon journalism.

[Form the Eugene (Oreg.) Register Guardian, Sept. 25, 1977]

AN OREGON EDITOR

For 23 years Bob Frazier, through his wit and brilliant writing, was a dominant force on the editorial page of this newspaper. In the history of the Register-Guard he was exceeded in continuous daily editorial writing only by his predecessor, William M. Tugman, who wrote on the editorial page of this newspaper for 27 years. However, Bob Frazier was a much more prolific writer than Bill Tugman. In those 23 years, he wrote as least 23,000 editorials plus numerous columns and essays which had an effect on thousands of people.

He had a host of friends throughout Oregon and indeed throughout the entire country. On this page today, in memory of Bob Frazier, we have collected some of the thoughts he expressed in his Sunday columns.

ALTON F. BAKER, Jr.,
Editor and Publisher.

OCTOBER 5, 1975

From a column about his days on the Oregon Daily Emerald while a student at the University of Oregon nearly 40 years ago:

For the shackrat, the Emerald experience was and always will be the high point in a university career.

A shackrat is a person who spends, or spent, a lot of time, probably too much time, in the Emerald shack, where by some miracle, the campus newspaper comes out five mornings a week.

Once a shackrat, always a shackrat.

The name, I understand, came about because the Emerald office was in an old shack before World War I. When the old journalism building was built, the paper had its headquarters in the basement, a lovely old dump with few amenities. The women's john was two flights up, the men's, at night, a block away in the old press building. Through the rain.

There we learned about journalism and friendship and human frailty. We learned to collar a news source. We learned that some people can't be trusted, but that others can. The art was to learn which is which. We learned to stay up late. And most of us fell in love at least once.

Some of us fell hopelessly in love with journalism, experiencing a love that will never die. Some drifted into professions that pay better and ask less. But even they remain shackrats.

FEBRUARY 29, 1976

From a column saluting the University of Oregon on its 100th birthday:

I love that place, the buildings, the lawns, the statutes, the library, the faculty. It's a feeling I never got at Harvard where I later put in a year.

I still know the words to the pledge song and the fight song. Because I loathe basketball and am bored by football, and because track fans rarely sing, I rarely hear those songs. But I am thrilled when I do.

DECEMBER 15, 1974

From a column about billboards:

This column is not calculated to make any friends and it may destroy old and precious friendships. Certain is the scorn, even the wrath, of my colleagues here at the Register-Guard and I risk the disdain of people I socialize with. But the truth must come out.

I like billboards.

OCTOBER 3, 1976

From a column on being middle-class and middle-aged:

The few rich people I know are either in debt up to their ears or spend all their time worrying about losing the bundle. What's so great about that?

What do people think about when they're 25? Do they think at all? I can't remember what I thought, if I did. I know I had only a vague idea of what my life would be like 30 years later. If I had known, I would not have liked it. But, looking back, I do.

DECEMBER 21, 1975

From a column telling of his doctor's diagnosis that he had emphysema:

It's not easy to develop this disease. It takes work. How many cigarettes? Say a pack and a half for 40 years. . . . Those were big smoking years. The pack and a half figure is a lie. Make it two packs.

That's 40 times 365 times 40 or 584,000. Throw in 10 leap years when you smoked just as hard on Feb. 29 as you did the rest of the year. It comes to 584,400.

You remember how you used to drive out to Spencer's Butte, romp up to the top, trot down and be back in the carport in 55 minutes elapsed time.

Then you remember maybe a week ago when you had to walk from the Register-Guard building to the Eugene Hotel, only a block, and how you stalled the trip. When you made it, you had to sit down for a few minutes to catch your breath.

Remember only a few years ago when you came home from work, put on your white sox and Adidas and jogged 10 laps, maybe 12? Now you hesitate to go to a track meet because you can't park close enough.

FEBRUARY 1, 1976

From a column admonishing schools on the importance of teaching history.

It is not literally true that history repeats itself, except that it teachers us that what was true yesterday may not be true tomorrow. The history of the human race is a history of change. The real student of history realizes humbly that at any point he may be wrong. A knowledge of history is the enemy of snap judgments and rigidity in thinking.

SEPTEMBER 15, 1975

From a column comparing his judgment of the most significant events in the last 200 years with those of six distinguished historians and the editor of a bicentennial edition of Life magazine:

Sometimes the editors seem to confuse long-range significance with hot news. One of the dates listed in 1927, when Charles Lindbergh flew across the Atlantic alone. Nonsense.

That was a whale of a news story, to be sure. But, in the long run, it didn't mean much. Others had already crossed the Atlantic, but not alone. Few cross it alone now. It was big stuff in 1927 because it was a fine act of derring-do at a time when the country needed a hero. Far more significant was the development of commercial aviation, not noted (by the editors).

JULY 2, 1972

From a column about the signers of the Declaration of Independence:

Right above the famous signature of John Hancock on the Declaration of Independence there appear the words . . . "mutually pledge to each other our lives, our fortunes and our sacred honor."

Who were the 56 traitors and outlaws (in the British view) who pledged so much? Did they prosper or suffer, grow to fame or end in obscurity?

Some had some rough experiences, risking both life and fortune and in some cases losing both. Five were captured by the British as traitors and were tortured before they died. Twelve had their homes ransacked and burned. Two lost sons in the Revolutionary War. Nine of the 56 died either from the war itself or from hardships connected with it.

At Yorktown, the final real battle of the war, Thomas Nelson of Virginia learned that General Cornwallis was using his home as headquarters. Nonetheless, he urged General Washington to open fire. The house was demolished and Nelson died bankrupt.

JULY 5, 1970

From a column about the Declaration of Independence:

The only time I ever saw it (the original) was in late 1944, when I was still stationed in Washington. I went to the Library of Congress especially to see it. As I looked at it I suffered an attack of goose bumps that must have been visible all the way through my buck sergeant stripes. And I can get goose bumps today just from looking at its picture.

AUGUST 30, 1970

From a column comparing the Kent State tragedy with the Boston Massacre 200 years before:

In both cases, the troops were overarmed. The guardsmen at Kent State used M–1 rifles, weapons that can kill at two miles. The British troops in Boston used the "over-the fireplace" musket, known as the "brown Bess." It was a fearsome thing, highly inaccurate, but deadly if fired at close range. It hurled a two-ounce chunk of lead and could kill at from 70 to 80 yards if the lead hit the target. It often did not.

The musket did not even have a rear sight. Soldiers lined up in formation and pointed the weapon in the general direction of the enemy. Then they turned their heads to avoid the blast that could put out an eye and pulled the trigger. By the law of averages, something or somebody might get hit. If somebody did get hit at close range, he would bear a hole the size of a doorknob.

MARCH 27, 1977

On people who don't return books:

Everybody has little lists of people who are on little lists. One of the little lists is of people to whom one will never again lend a book.

Such lists are built of experience. Some people, models of citizenship in other respects, even church-going, just don't return books, not even after the third or fourth reminder. A special place awaits them in the afterlife, a place with no reading matter and good light or plenty of reading matter and bad light.

MAY 18, 1975

From a column reflecting his love for books—all books—and how he used them:

Here is what I know about architecture: The roof is supposed to keep the rain out.

However, that somewhat limited knowledge has not prevented my spending several delightful evenings curled up with "Space, Style and Structure," a two-volume history of building the Northwest.

Although this work is ostensibly about building and architecture, I found it a treasure of social history. If a person knows where people lived and worked, he can imagine what their lives were like. I skipped rapidly over many of the architectural details and tried to understand why the buildings were built the way they were.

JANUARY 10, 1977

From a column about the Capitol press corps which illustrated his passion for trivia and his delight when people could one-up him, which was rare:

I can't forget Harry Bodine of the Oregonian, a man with an elephantine memory. Once Harry and I were trying to impress people with trivia. I pointed out owlishly that President Millard Fillmore, after leaving office, ran in 1856 on the American Party ticket.

"Yes," said Harry, "and carried Maryland."

How do you beat that?

JANUARY 16, 1977

From a column on a favorite topic—our crazy, mixed-up language:

I have in my home probably 40 dictionaries, including all those big Websters, the Oxford English Dictionary, the original Century, all definitive, plus almost all the common desk dictionaries and a stack of paperbacks. They're scattered around in every room in the house and one lives in my suitcase. Some I have worn out. Hardly a day passes that I don't use the dictionary a half a dozen times.

That still doesn't explain to me why definitive isn't definitive. Why does dead rhyme with bed instead of with bead?

Try to make sense out of dose, rose and lose. Why should a capital letter change the pronunciation of job, polish and couch?

A person has to learn his way into any language. This one is more difficult than it needs to be, but only because we permit it to be. I love the language, the major tool of my trade. . . . I'm glad, though, that I don't have to start learning it from scratch.

APRIL 11, 1971

From a column spanking the South Lane School Board at Cottage Grove for seeking to fire a teacher for use of a foul word in her classroom:

There is a word that begins with "s." It ends with "w." Squeezed obscenely amidships are the awful letters "cre."

The American Heritage Dictionary gives this naughty word 14 definitions as a noun and 13 as a verb. . . . It is also possible, according to the dictionary, to have one loosc.

This would be trivial information except for the fact that the South Lane School Board is making it important. They want to fire a teacher because she assigned a poem containing that unspeakable word.

Now I don't know any Cottage Grove teenagers, but I know some in Eugene. And I suggest it would be more appropriate for the board to give the teacher a medal for helping her charges scrub up their little vocabularies.

NOVEMBER 1, 1970

From a column lamenting the end of the Register-Guard's election night special edition:

It is a sad fact that whenever romance and technology meet, technology always wins. They have met, and technology has won again.

The Register-Guard Tuesday night will not count the vote and will publish no election night special edition for a few night owls who can't wait to see who won.

It's a sad thing, as sad as the demise of the "extra."

I have worked 25 election nights, primary and general . . . They were great nights, full of memories, fatigue and too much coffee.

In Lane County, until this month, the newspaper has always counted the votes. The official count followed by three or four days. But now Lane County has voting machines in every precinct. The official totals will be avaliable at the turn of a switch. The carrier boys, the girls on the adding machines, the reporters, the headline writers, the editors all have been replaced by a mechanical gadget, a computer.

JULY 14, 1974

From a column bemoaning the end of the old newspaper backshops:

Today's production department is more like a modern airport, except it doesn't have a bar.

AUGUST 1, 1976

From a column recalling some national political figures he had met over the years:

I could never find it in my soul to believe in Richard Nixon. But every time I ever saw him, and there must have been half a dozen or more such times, I came away with an admiration for him as a man worthy of any other man's steel.

Lyndon Johnson mesmerized me both times I saw him, although I knew that both he and I knew what he was doing.

I first met John F. Kennedy when he was a junior congressman running for the U.S. Senate. I knew I was in the presence of somebody who would go a long way.

But brothers Bobby and Teddy sent alarm bells going off in all directions. No way. Not that they weren't pleasant enough, but they just didn't come across as sincere. Jack did, whether he was or not.

Very few have I really disliked. One I disliked instantly and disliked more the longer I talked with him was Sen. Joe McCarthy. Evil incarnate, I though to myself. And I was right.

JANUARY 1, 1975

From a column of thoughts on the dawn of the last quarter of the 20th Century:

When I think of the century and chop it into quarters, I think of the mile relay. As each runner nears the end of his quarter-mile lap, another runner falls into step, picks up the pace and grabs the baton for his own lap. The previous runner disappears onto the sidelines, unnoticed by the crowd that is watching the new runner.

My grandparents were about 40 in 1900. They had the baton, which my parents picked up about the time of World War I. I fell in step about the time of World War II and picked up the baton in the early fifties. I am still carrying it.

Now my children, 30 and going on 24, are starting to fall in step. Soon they will take it from me and it will be all theirs. I'll disappear onto the sidelines as my parents and grandparents did.

AMERICAN POLICY AND EUROCOMMUNISM

Mr. ROTH. Mr. President, there has been considerable debate over the direction that American policy should take regarding the possible participation of European Communist Parties in several Western European governments. There are some who believe that Eurocommunism does not represent a serious threat to Amercian interests and that, in any case, there is very little we can do to prevent Communist participation in Western European governments. In contrast, my view is that Communist participation would seriously jeopardize the Atlantic alliance and call into question the fundamental assumptions on which the balance of power and peace of Europe have been maintained for more than three decades. I also believe that the United States retains many friends and substantial influence in Western Europe and that we should use this influence much more positively to support the democratic forces which share our own political, economic, and social values.

The cause of the current American ambivalence toward Eurocommunism has been the shifts that a number of major Western European Communist Parties have made in recently stressing their independence from Moscow and their adherence to parliamentary democracy. While there may be some genuine differences of interests between Moscow and some of the European Communist leaders, this should not blind us to the very much greater differences of interests and values between the United States and the Western European Communists. Nor should we be deluded by the recent "conversions" of Eurocommunists to parliamentary democracy, in contradiction to the Communist belief in the necessity for a dictatorship of the proletariat and the very strict and dictatorial internal party structure of the Western European Communist Parties themselves.

As former Secretary of State Henry Kissinger has pointed out in a recent speech on Eurocommunism, one can find many statements by Eastern European Communist leaders supporting parliamentary democracy just prior to the creation of their satellite dictatorships in the early years after World War II. History has shown time and time again that once installed, no Communist Party has ever permitted itself to be voted out of office.

Why would the participation of Eurocommunists in the governments of such countries as France and Italy jeopardize important American interests? In the first place, the credibility of NATO would be called into question. The remaining NATO allies would face the difficult choice of sharing military secrets with a government that included the Communists or in effect removing that government from NATO military planning. In either case, the military and psychological effectiveness of the alliance would be undermined, creating a crisis of confidence in the continued security of Western Europe. This in turn would depress investment and economic growth throughout Western Europe, and the repercussions would be felt in the rest of the free world.

Moreover, the fundamental basis on which the Western alliance has been based would be eroded. Cooperation among the Western nations rests squarely on our common commitment to certain values, most importantly to the concepts of participatory democracy and free enterprise. The entry into the governments of our allies of major groups who do not share these values would muddy the purposes of the alliance and weaken its popular support. It would make very difficult, if not impossible, cooperation on many issues involving the world economy, the international energy problem, and our relations with Third World countries.

I believe that the United States should make a much more affirmative effort to strengthen our support for the democratic forces of Western Europe and point out the dangers of Eurocommunist participation in Western European governments. To be silent merely encourages the Eurocommunists and discourages our friends. It suggests that the United States, still the free world's largest and most vital Nation, has lost its will in opposing those whose values are so fundamentally antithetical to our own. As a nation concerned about human rights, we should not only speak out on behalf of those who have already been denied such rights by Communist or other dictatorships, but we should also be deeply concerned about the possible loss of such rights by potentially new dictatorships. As a nation deeply committed to democracy, we should be counted in support of the genuine democratic parties of Western Europe. America is a country which commands great prestige in Italy and many other nations of Western Europe and our forthright voice in support of our friends would play a very important role in helping preserve democracy, human rights, and free enterprise in the nation to which so many of us have continued family and sentimental ties.

IN MEMORY OF ROWLAND F. KIRKS

Mr. DECONCINI. Mr. President, our country, and particularly the Federal judicial system, lost one of its most dedicated public servants Wednesday with the death of Gen. Rowland F. Kirks, Director of the Administrative Office of the U.S. Courts. Although I have been privileged to have known and worked with General Kirks for only the past 6 months in my capacity as chairman of the Subcommittee on Improvements in Judicial Machinery, it has been clear that General Kirks was a very special man who brought the highest standards to his position and who commanded the highest respect and loyalty of all who came into contact with him.

General Kirks was successful in several careers before he became Director of the Administrative Office of the U.S. Courts.

Born in Washington, Mr. Kirks was a graduate of Virginia Military Institute. He received bachelor's and master's degrees in law from National University. He was an asisstant professor of law there while earning a doctorate of judicial science.

A cavalry officer, he was called to active duty in World War II, and was sent to Europe as the 9th Army's chief of combat intelligence. He also was chief of foreign trade at headquarters of the U.S. group control for Germany.

After the war, Mr. Kirks returned to National University as a professor of law. He became dean of the law school in 1949, and president of the university in 1953.

He was with the Justice Department in 1952–53, and met another assistant attorney general, Warren E. Burger. It was the beginning of a close friendship.

Mr. Kirks left National University in 1954 to become legislative counsel for the National Automobile Dealers Association. He left that organization in 1960, and for the next 10 years was general and director of government relations of the American Textile Manufacturers Institute.

He was textile industry adviser to the Federal Government's delegation negotiating trade and tariff agreements in Geneva in 1961–1962.

Mr. Kirks was one of three incorporators of the Supreme Court Historical Society. He was a member and former chairman of the advisory board of the Salvation Army and a life member of the Kiwanis Foundation for Crippled Children.

He was a member of the American and District of Columbia Bar Associations and admitted to practice before the Supreme Court.

He held the Valley Forge Freedoms Foundation George Washington Honor Medal and the Distinguished Service Medal, the country's highest noncombat decoration.

At the time he was appointed Director of the Administrative Office of the U.S. Courts, Mr. Kirks was a major general

in the Army Reserve and commanding general of the 97th Army Reserve Command.

General Kirks was innovative and continuously strove to modernize and make more efficient our Federal court system.

He introduced broad programs of computer controls, new methods of statistical analysis and a new method of jury utilization, the latter alone has saved more than $2 million annually. His tenure as director saw the creation of the new profession of court administrators and his work was a major factor in this development.

It is sad to see the passing of a man who has achieved as much as General Kirks did, but his achievement will live on and shall serve as a living memorial to the services he performed.

I wish to extend my sympathy to his wife, children, and mother, all of Washington, D.C.

FORMER SECRETARY OF JOINT UNITED STATES-PANAMA LAND COMMISSION SPEAKS ON U.S. TITLE TO LANDS IN CANAL ZONE

Mr. HELMS. Mr. President, many people have been trying to perpetrate the myth that the United States somehow "stole" the Canal Zone or did not pay the fair value for it. The truth of the matter is that we paid Panama $10 million in gold, and we paid France $40 million for the improvements France had erected in its bankrupt failure to build a canal. We also paid all individual property owners in the Canal Zone for their individual rights.

Nor did we simply pay property owners who held authentic titles in the sense of Anglo Saxon law. We bent over backwards to insure that even squatters were paid for their improvements.

Mr. President, I know this is a fact because one of my constituents, Mr. J. C. Luitweiler of Tryon, N.C., now 87 years of age, was the secretary of the Joint Land Commission by means of which property owners in the Canal Zone were compensated.

He has written me an extremely interesting and important letter testifying to his firsthand knowledge of what transpired in this situation. The letter in itself is an historical document that contributes to our knowledge of those events.

I want to thank Mr. Luitweiler for taking the time to share with me his intimate knowledge of those historical facts.

I might also add, Mr. President, that every one of the titles thus transferred is registered in the U.S. district court in Balboa and is available there for inspection by any interested parties. I understand that duplicates are also in Archives in the United States. Let no one then say that we seized the territory and did not pay just compensation. The facts are otherwise.

Mr. President, I ask unanimous consent that the letter sent to me by Mr. Luitweiler be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

Hon. JESSE HELMS,
Washington, D.C.

DEAR MR. HELMS: I listened recently to you and Senator Thurmond's interview on Station 4 on the Panama Canal proposed treaty. There is so much published about this matter which is grossly inaccurate, that I'm glad you had this interview.

We didn't take or buy the Canal Zone from the Republic of Panama. By treaty with Panama we agreed to pay Panama $25 million for the right to continue the construction of the Canal the French had started. In addition we made a deal with the French to acquire whatever rights they had. Ownership by our government of the land of the Canal Zone came about much later by reason of the terms of the treaty with Panama, which gave us the right to acquire by expropriation whatever land and property the United States considered necessary for the construction, maintenance and defense of the Canal. It wasn't until 1913 that Col. Geothals, the builder of the Canal, asked President Taft to invoke this provision of the treaty to acquire all of the Canal Zone land. The Canal Zone was flanked by an almost impenetrable jungle. Col. Goethals had the idea that allowing the Canal Zone itself to return to its original jungle state would be the best defense the Canal could have against outside attack.

So, again according to this treaty with Panama, a joint commission was set up, consisting of two Americans and two Panamanians, a judicial body to evaluate the value of the land and property expropriated. It was a procedure similar to the well-known right of eminent domain whereby an American state condemns land and pays the owners for it when it desires to put through a superhighway. There was nothing high-handed about this. In fact it had the whole hearted approval of the then government of Panama. The President of Panama appointed two outstanding Panamanians (incidentally who had been at one time presidential candidates) to be members of this Joint Land Commission. As a clear indication that it had the full approval of the government of Panama at that time, the President of Panama offered the Commission the use, without payment, of the legislative assembly hall for its court hearings, and additional quarters in the Panamanian government palace for the judges' chambers and offices for the Secretariat of the Commission. The writer of this letter was appointed by the two American and Panamanian members as the Secretary of the Commission. As Secretary he sat in all the court proceedings and attended the deliberations in the Commission's chambers and signed the many orders of payments "By order of the Commission". At the age of 87 I am perhaps the only one alive who has personal knowledge of these happenings.

Col. Goethals, in the building of the Canal, had virtually autocratic powers on the Canal Zone. When the American Commissioners first arrived from the North, he offered to provide the Commission quarters at his headquarters on the Zone. He had fully expected that the Commission would be under his thumb and would follow his dictates as did everyone else working in the Canal Zone. This was countered by Dr. L. S. Rowe, the first president named by the Commission, who told Col. Goethals that the Commission was a judicial body and in no sense under his direction. So the relations between Col. Goethals and the Commission from the outset were strained and became stormy as the year passed.

The first and underlying issue that arose was the question whether the Commission would apply the laws of the United States or the Spanish Civil Law which was the law of Panama. Col. Goethals had been advised by his attorney, Judge Feuille, that the thousands of squatters scattered over the Canal Zone had no title to their homes they had established and could be evicted at will by the Canal Zone authorities. Under American law squatters do not acquire title except after 30 years of adverse possession. Thousands of negroes from the Carribean islands had come to work first for the French and had continued to work for the Americans. But there were few indeed who had been on the Zone for 30 years. In contrast, under the Civil Law of Panama squatters cannot be evicted except upon payment of the value of their improvements.

The Commission debated for a month or more this question whether they would apply the American law or the Spanish Civil law. The Panamanian members of the Commission were very able men. They spread before the two American Commissioners (both of whom spoke Spanish) law books to make their point that the Spanish Civil law should govern. The Americans finally accepted the Panamanians' views and it was announced that anyone living on the Canal Zone should be paid fully for what they owned before eviction. Moreover, once the Americans conceded the point, they went along with the Panamanians that the payments should be generous and also that humanitarian considerations should enter into the fixing of the award.

I can recall as though it were yesterday the rules they laid down. A mud thatch hut which can be erected almost overnight, should be given a value of $50. Small plantings of an orchard of a few banana and other fruit trees should be paid for with another $50. If there was a wife and children, another $50 should be added for each of them. And finally, if the squatter was a Panamanian citizen, the award should be doubled. To avoid cluttering the court's calendar with the testimony of thousands of small claimants, the application of this formula was delegated to the Secretary. After he had established the facts, the Secretary would present to the Commission the names of the claimants and the schedule of payments due him, which would be approved by the full Commision and the awards would be published: "By order of the Commission—J. C. Luitweiler, Secretary".

When the decision of the Commission first became known to the Zone authorities it aroused the wrath of Col. Goethals. Agents were sent out all over the Zone to evict squatters and burn down their homes. Another measure was taken, applied especially to small towns that had sprung up, to have the occupants of buildings sign leases that gave the lessor, the Canal Zone authorities, the right to evict tenants on short notice.

To counter these actions by the Zone authorities, the Commission's Secretary was authorized to employ agents of the Commission to canvas the Zone, taking the names of occupants of buildings and the primitive huts, note the number in the family and list their possessions. Most of the reports that came back to the Secretariat were very simple: Name and number of occupants and 'mud, thatch hut' and 'a few banana trees'.

There was of course the hullabaloo over this, but the Panamanian populace loudly acclaimed the Commission for its generous treatment of the evictees. Payments of the claims were duly and promptly honored the very day they were presented to the Zone's Disbursing Office. In total amount these small claims probably amounted to hundred of thousands of dollars, but this was a pittance compared with the cost of the Canal project costing hundreds of millions.

Of course, the American members of the Commission and its Secretary soon became persona non grata to Col. Goethals. At the end of the year the Secretary, stricken with a severe case of malaria, was invalided home.

The two American members of the Commission resigned in disgust and went home also. The work of the Commission was still far from finished. So Col. Goethals had two other Americans named in replacement, men more of his own persuasion! The Secretary wasn't invited back! When this new Commission reconvened, there were some large cases on the calendar, such as a large cocoa plantation owned by an English firm, which the old Commission had had before it and had considered the amount of the claim exorbitant.

The new Commission quickly deadlocked. Pursuant to the provision of the treaty in such case the Spanish government was authorized to appoint an arbiter, which was done, naming a Spanish Admiral who had faced the Americans in the Cuban war. I do not know precisely what was the final outcome, but I'm sure it wasn't favorable to the Americans.

It should be clear from this recital that all the property on the Zone was expropriated and paid for by the U.S. Government. There was no "high-handed taking" of the Canal Zone. At the time the Canal was opened (1914), the Panamanians were very happy with the outcome. In subsequent years when I passed through Panama en route to South America on several trips I never heard any complaints that the Americans had mistreated Panama or its people. In fact, the Panamanians were the chief beneficiaries of the building of the Canal and the resulting commerce.

Cordially yours,

J. C. LUITWEILER.

UNITED STATES-LATIN AMERICAN RELATIONS—HOPEFUL SIGNS ON THE HORIZON

Mr. HUMPHREY. Mr. President, the dramatically changing currents of political and economic life in the Western Hemisphere are suddenly everywhere apparent. There has been the establishment of "interest sections" between the United States and Cuba; the wide-ranging series of high-level U.S. missions which have visited Latin America since President Carter took office last January; and the breakthrough in negotiations between the United States and the Republic of Panama over the future of the canal.

As one swallow does not make a summer, neither does movement alone indicate that the United States has formulated the lines of new policy relationships with Latin America. But it is obvious that President Carter is preparing the ground not only for a reexamination of U.S. policy toward our neighbors and friends to the South, but that it is actually producing some striking results. It is also apparent that none of these exciting initiatives by the President can achieve lasting success unless the Congress understands them fully and cooperates, in accordance with our constitutional responsibilities, as an equal partner in shaping the new proposals into firm national policy commitments.

Mr. President, two statements have recently appeared which focus on some of the principal matters of interest to our Latin American and Caribbean neighbors. The first is an article in the August issue of the OAS' Americas magazine which analyzes Latin America's perceptions on the Seventh General Assembly of the OAS, which was held in Grenada during the month of June. The second is a wide-ranging address dealing with the need to modernize the "special relationship" which has traditionally existed between the United States and Latin America. This address was delivered by the distinguished OAS Secretary General, Alejandro Orfile, to an August 19 Sister Cities Convention held in Palm Springs, Calif. Mr. Orfila's views provide a thoughtful and sobering examination of the present and future role of the OAS.

I think Members of Congress will gain some important insights into the workings and potential of both the OAS and the inter-American system if they carefully study these statements.

Mr. President, I ask unanimous consent that these statements be printed in the RECORD.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STALEMATE OR CATALYST?—THE SEVENTH GENERAL ASSEMBLY

(By Francis X. Gannon)

During the past few years new winds have been blowing across the inter-American system. Traditional geopolitical and security concerns remain of paramount importance, but OAS member countries are increasingly searching for different ways to respond to the new development agenda before the Hemisphere. A broad range of development issues such as trade, finance, and energy confront the region. Gradually, but surely, effective common action on this agenda could conceivably help to stimulate creation of a transformed juridico-political system among the American nations.

Such a transformation would not take place overnight. To the contrary, it would be preceded by prolonged debate, testing, and experience within the Organization of American States and principally within such regional conferences as the recently concluded General Assembly.

This annual assembly—the supreme organ of the OAS—offers the Foreign Ministers of the Americas an annual opportunity to chart new directions for the world's oldest regional body. As the preeminent inter-American forum it invariably serves as the focal point for testing new concepts and proposals, while also stimulating efforts to improve the work of the complex variety of bodies and agencies that carry out the purposes and functions of the OAS.

A retrospective assessment of the 1976 meeting at Santiago, Chile, where the Foreign Ministers had some forty topics on their agenda, indicates emerging Hemisphere concerns. The 1976 meeting covered such matters as a draft instrument to define cases of violations of the principle of nonintervention; a draft convention on extradition; information on the constitutional evolution of nonautonomous territories in the American Hemisphere; and proposals aimed at strengthening the defense of human rights. Viewed separatedly, the importance of each of these issues is not readily apparent, but they take on a critical importance within the context of efforts to transform the inter-American system.

Importantly, for the first time in 1976, the Foreign Ministers not only "took note" of the reports made by the Inter-American Commission on Human Rights, but also gave the Commission's Chairman the opportunity to take the floor and present that body's findings. Women's rights also received attention at Santiago as the Assembly approved a resolution designating 1976 through 1985 as the "Decade of Women" in the Americas, the themes being equality, development, and peace. Efforts to safeguard the archaeological, historical, and artistic treasures of the Americas resulted in approval of the Convention of San Salvador. Environmental concerns were evident as the Assembly sought to strengthen programs in the Hemisphere for nature protection and wildlife preservation. And the OAS General Secretariat was directed to consult with the governments of the Central American region on the possibility of developing an early warning network for earthquakes, a measure proposed following the natural disasters that struck Nicaragua in 1973 and Guatemala in 1976.

In addition to other actions the 1976 General Assembly also determined to hold two special assemblies: one concerning inter-American cooperation for development, and the other to consider proposals for restructuring the inter-American system.

This year—1977—the Foreign Ministers met on the territory of one of the newer and smaller member states of the OAS. Volcanic in origin, Grenada, an independent member of the British Commonwealth, is part of the Windward Islands and lies in the Lesser Antilles group in the Eastern Caribbean. Its population is approximately 108,000.

Grenada's size offered a sharp contrast to larger OAS members like Argentina, Mexico, Brazil, and the United States, which also possess one vote each in the twenty-five-member OAS Assembly. But the holding of the Assembly in that nation evidenced that juridical equality among all states remains a cornerstone of the inter-American system. It also symbolized the growing importance of this region in Hemisphere affairs.

As in previous Hemisphere conferences, the agenda, as its first order of business, included reports and activities of the various OAS councils and specialized bodies. In addition, substantial discussion on a variety of critical issues touched on:

The status of negotiations between the governments of Panama and the United States on the Panama Canal;

The work developed for the special General Assembly on cooperation for development;

Plans for the Decade of Women and inter-American action on behalf of indigenous populations;

The constitutional evolution of the nonautonomous territories in the American Hemisphere, including the future of Belize;

Problems associated with transnational corporations and the U.S. Trade Act of 1974; and

The state of human rights in the Americas.

Not all issues before the Seventh General Assembly were, of course, of equal value and importance. Still, the depth of the agenda mirrored both the dynamic involvement of the OAS in areas of major Hemisphere importance and the changing framework of inter-American relations.

To the delegations present at Grenada in June, there was substantial evidence that the OAS had made progress since the previous meeting at Santiago. Under the aegis of the Permanent Council, for instance, preliminary drafts had been prepared for two new and significant inter-American conventions: one on cooperation for integral development and the other on collective economic security.

Other OAS bodies were equally active, including the Inter-American Council for Education, Science, and Culture, which not only supported basic scientific and educational programs, but stepped up its efforts to help Latin America find alternative energy sources to fuel future development needs. Efforts of the Inter-American Economic and Social Council focused on amending the U.S. Trade Act so that Venezuela and Ecuador could be included in its provisions and on improving Latin American trade access to the U.S. market.

Also, during the preceding year the Secretary General had, at the request of the gov-

ernments of El Salvador and Honduras, served as a moderator in the conversations that led to the signing of an agreement whereby those OAS republics adopted a mediation procedure for their dispute. In technical cooperation programs with member countries, the OAS direct services, which touch hundreds of communities, increased by a substantial percentage over the average of previous years. While the Organization is not designed to provide large-scale funding of the investment projects of its members, it engages in a range of development activities through approximately 1,000 technical assistance missions and some 2,000 fellowships each year.

Additionally, the OAS was strengthened in other direction's during the year. Evidencing this at the Grenada meeting were:

The continuing growth of the Orangization, as reflected by the participation of Surinam as the twenty-sixth member. Formerly a Dutch colony, Surinam, a tropical country of some four hundred thousand people, is located on the northeast corner of South America, on the Atlantic Ocean. Its main production is bauxite, the aluminum ore.

The growing involvement in the OAS of extra-Hemisphere nations. Also participating in an OAS General Assembly for the first time was Egypt, a Permanent Observer nation.

The continuing improvement in the financial condition of the Organization of American States. The Organization, the delegates were advised, would complete its interim financial period on June 30, 1977, in a financially improved situation. Arrears in quota payments had been reduced. A successful austerity program had held expenditures in line despite serious inflation throughout the Hemisphere.

In addition to the matters on the formal agenda the various delegations, in private discussions and in briefings for more than one hundred journalists covering the conference, touched on major issues and challenges that may increasingly come to the forefront in Hemisphere affairs, including that:

The OAS must find broader mechanisms for better integrating the diverse experience, culture, and tradition of the Caribbean countries into the long-term process of enriching and perfecting the Hemisphere system;

The Organization's largest member—the United States of America—was reexamining its interest in the Hemisphere, as witnessed by a round of high-level visits from U.S. delegates, including the First Lady, Mrs. Rosalynn Carter, to its Southern neighbors. This U.S. concern for Hemisphere affairs has tended so far to focus heavily on human rights issues. At the same time, however, it has stimulated expectations that broader U.S. policies for strengthening regional relationships and regional development might eventually begin to emerge; and

The growing recognition in the Hemisphere that the emergence of much of Latin America into the ranks of the world's middle-level developing nations has been accompanied not only by a growing sense of self-confidence among all Hemisphere countries, but also by an increasing horizontal cooperation between all OAS member states, large and small. There is a significant increase in the assistance provided by the countries of the region to one another at a time when one-way flows of assistance from the U.S. are being reduced.

In this situation what seemed of note at Grenada, therefore, were not the divisions but rather the degree of common interest expressed by the OAS members in strengthening the Organization's work for regional peace and development. One area that stood out at the Assembly was, of course, the sharp debate over protection of human rights. Press comment on this varied. Karen de Young reported in The Washington Post, for instance, that the significance of this debate was not its acrimonious shape but that it provided a ". . . strong indication that many Latin nations are very bit as concerned about human rights as the Carter Administration."

Other editorial reaction was less sanguine on this point. A number of press reports noted, for instance, that while the Assembly approved four resolutions dealing with human rights, including one that stated that ". . . there are no circumstances which justify torture, summary convictions or prolonged detention without trial contrary to law," approval of this resolution came from only fourteen OAS members.

Another critical resolution in this area emphasized the linkage between economic and social justice and human rights. While the Assembly did not accept a subsequent proposal to link resolutions dealing with human rights and terrorism, it did urge the OAS Permanent Council to continue its examination of specific aspects of terrorism and called upon OAS members to sign and ratify the 1971 Inter-American Convention to Prevent and Punish Acts of Terrorism.

Beyond the issue of human rights and terrorism, which tended to dominate press coverage at Grenada, the Assembly also dealt with more than thirty other matters of urgent Hemisphere interest: general, legal, political, economic, and cultural. Some fifty-four resolutions were adopted, establishing guidelines for OAS action over the next year and beyond. These resolutions, among other questions, touched upon:

The priority of strengthening the mechanism of CECON, the Special Committee on Consultation and Negotiation, which provides leadership on Hemisphere trade questions;

The need to carry forward the work on the proposed Special General Assembly no Inter-American Cooperation for Development;

A five-year plan on Inter-American Indian Action, entrusted to the Inter-American Indian Institute;

Activities to mark the two hundredth anniversary of the Honduran scholar, José Cecilio del Valle, one of the major pioneers of the Pan American Movement;

Recommendations that the U.S. Government amend its 1974 Trade Act in order to delete the discriminatory provisions excluding Ecuador and Venezuela from the Generalized System of Preferences; and

The position that any action taken by international and regional lending agencies be kept independent of considerations of any nature that may be in conflict with internationally accepted objective criteria.

The results of the Seventh General Assembly were given mixed reviews by media editors and news commentators. *Clarin*, the liberal Argentine daily, reflected one view as it commented that the OAS conference "had closed its deliberations without finding an answer to many of the pressing problems facing the Hemisphere." And the London-based Latin America Political Report saw the gathering as "less of an arena for solving problems than for voicing them." Various news sources agreed that the Assembly demonstrated that Latin America and the United States were both equally concerned with protecting human rights, even though there are differences in applying this concern to pratcical realities. Also, Latin American sources expressed concern about the Assembly's apparent lack of progress on development and trade issues. For the most part, however, the Assembly received good marks from the news media, which saw voicing of problems as integral to their resolution.

Several other key conclusions seemed to be drawn by those covering the Grenada Assembly, including that:

Regional economic issues were not given major attention by the Foreign Ministers; they were nonetheless visible, especially offstage, where Latin America continued to suggest that the OAS Charter be updated to include "collective economic security" as a basic Hemisphere principle. On the other hand, the United States supports the goal of achieving regional "collective economic security" as the means to promote development. More than semantic distinctions are, of course, involved in the formulation of these two principles, as witnessed by the sharp confrontations that have taken place within other OAS forums since 1973, with Latin America tending to line up on one side and the United States on the other.

The OAS member states were generally interested in developing a better common understanding of the differences between regional and global approaches to development so that appropriate cooperative actions for regional development could be undertaken. In recent years there has been considerable discussion throughout the Hemisphere on the question of whether regional or global solutions are most appropriate to the dilemmas facing such areas as international financial assistance, energy use, trade, and natural resources development. This question was dealt with in different ways, first in 1969 in Latin America's Consensus of Viña del Mar and more recently in the reports of the largely United States sponsored Trilateral Commission.

Perhaps important segments of Latin American opinion, which are concerned with this debate, would concur with the recent views of the U.S. Assistant Secretary of State for Inter-American Affairs, Terence A. Todman. In testimony before the International Relations Committee of the U.S. House of Representatives shortly after the Grenada Assembly, Todman observed that "while it is clear that the development of the Caribbean is linked to global economic issues, it is essential that we not allow the complex conflicts and pressures of global problems to baffle us into paralysis. The Caribbean is important to us. It has real problems which can be alleviated by specific policies. Our task is to identify these policies and put them to work."

This reevaluation of regional approaches to Hemisphere development took on a different cast both during and immediately after Grenada. In the backdrop to the OAS gathering were the extremely limited results of the North-South Economic Conference, which ended in Paris early in June, an outcome that illustrated the limits to one-track globalist solutions to development dilemmas. And subsequently, Venezuela's President, Carlos Andrés Pérez, in his post-Grenada visit to the United States, pointed out that Latin Americans were partisans of multilateralism since they know from experience that bilateral understandings between larger and smaller American nations have always had precarious results and contributed many times to separating them from each other. Within this context Secretary Todman's strictures concerning the need for an improved regional approach to Caribbean development seem to have had some general relevance to broader questions of Hemisphere development.

These, then, appeared to be some of the significant elements in the OAS background before, during, and shortly after Grenada. To a critical degree, while the Grenada Assembly did not directly confront the central development challenges facing the American nations, these challenges remain on the Hemisphere agenda, no doubt to be dealt with in future meetings or in another manner. Nonetheless, the conference at Grenada did succeed in widening Hemisphere perception and understanding about the dimensions of the major development dilemmas that lie imme-

diately ahead. In the long run this may prove to be among the more significant outcomes of this first Foreign Ministers' meeting in the Eastern Caribbean region, an outcome that conceivably could with effective followup, improve prospects for transforming the current Hemisphere system so that it deals more effectively with the new development agenda before the Americas.

CAN LATIN AMERICA AND THE UNITED STATES MODERNIZE THEIR TRADITIONAL SPECIAL RELATIONSHIP?

(By Alejandro Orfila)

It is an honor for me to address this forum of Sister Cities International.

It is clear that your invitation represents a sign of your interest in the well-being of your fellow Americans in every part of this hemisphere as well as in the work of the Organization of American States. One of the important and invaluable elements of cultural life in our hemisphere is the continuing grassroot efforts to bring all nations and peoples of the Americas into closer contact with and understanding of each other. The goals and activities of Sister Cities International are a living testimony that this desire can result in tangible programs of mutual cultural inter-penetration.

You should be aware that the OAS has a strong interest in fostering greater private sector participation with Sister Cities in the Inter-American system of cooperation and development.

It was for this purpose that the OAS had a role in the establishment of the Pan American Development Foundation (PADF), which has a long tradition of service to the Americas.

Activities of the Pan American Development Foundation have a legacy of hemispheric goodwill. There are significant programs in which PADF (which I serve as chairman) and Sister Cities International can cooperate in support of common objectives, including:

Working with national development foundations in the Americas.

These now number over fourteen.

Cooperating through the PADF Material Resources Program which provides needed tools and equipment to vocational schools.

Assisting the Operación Niños Program which mobilizes assistance to the poor children in the Americas for specific projects.

Collaborating with the Inter-American Society, a new program designed to give vitality to individual understanding of the peoples, cultures and events of this hemisphere.

Our mutual cooperation is taking place at a most opportune moment. It is apparent that Latin America today is extending an open and optimistic hand to the United States. We see in this outreach a response to the new and vibrant interest being taken in the well-being of his hemispheric neighbors by President Jimmy Carter and his Administration.

"Interest" is the key word here: What Latin Americans appreciate more than rhetorical visions or grandiose plans from the United States is a clear and convincing demonstration of "interest." We saw this "interest" at work in such policies as the "Good Neighbor" attitudes of President Franklin D. Roosevelt and the Alliance for Progress of President John F. Kennedy.

These and similar U.S. policies were perhaps too ambitious in scope and, in consequence, their goals were not fully realized in practice. But they did possess the central element without which inter-American cooperation is bound to run aground on the shoals of mutual suspicion: that is, they were motivated first and foremost by a high degree of U.S. interest in the fortunes of the Western Hemisphere. And the Carter Administration is already demonstrating its awareness of Latin America.

We see this particularly in the issue of the future of the Panama Canal. A peaceful and durable resolution of this major issue remains a sine qua non for the future of peace and friendship among all the nations of the Americas. There is no doubt that Latin America views the recently negotiated agreements between Panama and the United States as the most important step towards insuring regional peace that our hemisphere has taken during this decade.

I believe that the bi-partisan U.S. approach to resolving this long-standing hemispheric dispute over the Canal, first by the Ford Administration and now by President Carter, speaks well for the value of our inter-American system. Ours is a region of the world which prefers to confront problems between the American nations not through violence and conflict but through mutual discussion tempered by hard bargaining.

These tentative agreements between the United States and Panama again demonstrate the important role which the Rio Treaty plays in establishing the framework for the relationship of our countries with each other. We should not overlook that the long negotiating process between the two nations had a basis in the OAS. On April 3, 1964 the representatives of both nations met to discuss their differences under the auspices of the OAS, acting provisionally as the Organ of Consultation called for under the Rio Treaty. A Joint Declaration by both governments, which was produced in the form of a resolution by this OAS Council, provided that they would ". . . begin immediately the necessary procedures with the objective of reaching a just and fair agreement which would be subject to the constitutional processes of each country."

The process of fulfilling these constitutional processes has now arrived. I am convinced that the Governments of Panama and the United States will do everything in their power to see that the hopes aroused everywhere by these negotiations will not be disappointed.

As I said earlier, the Carter Administration is demonstrating its awareness of Latin America. These first positive initiatives of the Carter Administration hopefully can be translated into long-lasting new policy departures or directions by the United States for the American region. At the present moment both Latin America and the United States are equally concerned with achieving progress on human rights, as indicated by the recent signing—on behalf of their governments—by President Carter and by Peru's Ambassador to the OAS, Luis A. Marchand, of the American Convention on Human Rights, as well as by Venezuela's ratification of this instrument. We are hopeful that other nations besides Colombia, Costa Rica and Venezuela will seek ratification of this 1969 Convention whose full acceptance within the American region would, I am convinced, mark a giant step forward in the cause of protecting human rights in our hemisphere.

There are other outstanding issues which remain before the hemisphere. These are chiefly development challenges—in areas like energy, trade, monetary policy and external financial assistance. And in the development field neither the broad shape nor basic content of the Carter Administration's response to Latin America's priority concerns is as yet evident. Encouraged by the interest already expressed, Latin America expectantly awaits the formulation of the new administration's policies with regard to development.

It is important to recognize that the traditional approach of peace associated with security is not enough to resolve the challenges at hand. What is required is common action on the new agenda confronting the hemisphere. This is the agenda of achieving integral human development for the millions of Americans who remain outside the mainstream of contemporary life and opportunity. It is this agenda which requires that we promote political, cultural, economic, social, scientific, educational and technical development across the board.

It would hardly be denied that throughout the post-war period Latin America has made strong economic and social progress. There has been a reasonable growth of production; economies and exports have been diversified, and non-traditional industries have appeared on the scene. The regional Gross National Product is now over $225 billion. These advances have coincided with growing complexities in the social structure and greater opportunities for industrial advancement.

But, as I have suggested on various occasions, this is only part of the picture. The more important part is evident from a comparison of the hemisphere's past with its future. Twenty-five years ago Latin America had the same population as the United States. Twenty-five years from now Latin America will have 600 million people—twice the number projected for the United States. In this situation, the crucial test for Latin American countries will be to provide millions of new jobs, increase food production, further reduce severe poverty, educate millions of citizens and modernize their societies.

Today Latin America is ranked among the middle-level of developing nations. Yet, to move beyond to become a fully developed region, Latin America must:

Find ways to better share the region's material resources, especially in such areas as energy, minerals, food, trade, and transportation, giving practical evidence that each nation is contributing much and must contribute more to the well-being of all;

Provide greater future opportunities for all the peoples of this hemisphere, not only developing human resources but also giving each person a stake in efforts to improve his community, nation and hemisphere; and

Seek to revamp the volume and types of external financial resources required from international sources to finance the export-promoted development of hemispheric economic systems and new forms of energy use, thereby responding to the financial assistance needs of Latin America.

These, of course, are broad objectives. I would add that they cannot be acted upon by the Organization of American States alone given its limited financial and technical resources. But the role of the Organization in helping its members work towards fulfilling these broad objectives is three-fold. On the one hand we cooperate with both our member States and other international agencies to develop activities and programs in which the OAS plays only a subsidiary if cooperative role. On the other hand our Organization serves as the hemispheric forum where priority responses to these development challenges can be thrashed out and established. Beyond these roles our Organization seeks to provide regional leadership in such a way that not only its own limited technical assistance resources but the vastly greater ones of major international financial institutions and larger countries can be concentrated on seeking solutions to particular development problems.

It would not be improper to point out that as a regional body, the OAS is generally more closely in touch with its member States priorities than the more distant global international agencies. This enables it to help other international bodies attune their policies and programs to the genuine needs of the Latin American countries.

We should underscore that a key aspect of the OAS is its ability to serve as the forum where the central divisive issues facing Latin

America and the United States can be debated and tested.

Our nations have learned from hard experience that the hemisphere grows strong as the OAS member states move away from abstract views of each other. This means that we must avoid ideological prescriptions or idealistic proposals and find concrete ways to work together for peace and justice. A century ago, the Argentine thinker Juan Bautista Alberdi said this hemisphere would prosper as it sought to produce an America that is "more practical than theoretical, more given to reflection than to enthusiasm." This distinguished political leader urged us to turn our attention "not so much to final goals as to the means for reaching them." I think this advice holds true today as it did more than 100 years ago.

I believe that Latin America's initial favorable response to the new regional overtures by the Carter Administration is a direct consequence of their practical nature and scope. The United States is not saying that it alone knows what is right for its neighbor's development. Nor is the Carter Administration seeking to arouse hemispheric hopes which cannot be seriously fulfilled.

It would be misleading, however, to suggest or imply that the current U.S. initiatives in the Americas as yet constitute a markedly new policy of cooperation on hemispheric development. What is hoped for is that the U.S. intends not to abrogate but to update and to modernize the traditional "special relationship" which has bound hemispheric nations in common purposes and for common actions of peace and friendship. This modernization of the special relationship will, among other things, require:

That the United States come to accept fully the historical desire and determination of the Latin American countries to regain control and management over their national wealth and their development strategies.

That the American nations determine which development problems and challenges can best be confronted within the OAS regional multilateral framework and take concrete cooperative steps toward resolving them.

That the OAS member countries concert their efforts on establishing or building up common regional programs in such areas as trade, energy, and financial assistance.

That the United States and Latin America work on improved trade relationships which strengthen the desire of Latin America to move from economic systems based on import substitution to economies based on the promotion of exports to a competitive world market.

That the rich natural resources and raw materials of Latin America be processed within the region itself, thereby giving greater stimulus to internal hemispheric development.

That the growing external debt of Latin America—which is concentrated in a few countries—be dealt with through U.S. support for export expansion and diversification and through measures designed to push forward the process of Latin American economic integration.

Our region already possesses practical mechanisms whereby cooperation for development can be encouraged and sustained. I would include among such instruments CECON, the Special Committee for Consultation and Negotiation, the OAS forum for Trade Relations; and, IANEC, the Inter-American Nuclear Energy Commission. While the Carter Administration has tended to neglect the CECON mechanism when it advances new trade measures—even though the United States originally suggested CECON's creation in 1970—it has begun to pay attention to IANEC as a resource for hemispheric discussion on critical energy questions. But until the United States provides broad indications that it is prepared to enter into serious discussions and negotiations on a range of hemispheric development questions, Latin America will remain unconvinced that the Carter Administration can produce lasting changes in U.S. policy for the American region.

We seem to be, then, at a critical crossroads in this hemisphere. There are no loud struggles, there are few clear signs to indicate where we are and where we should be going.

Yet, the priority development challenges are self-evident. They have been analyzed almost to the point of obscuring their nature and dimension. The time is at hand for Latin America and the United States to move in a cooperative manner from assessment to action on this regional development agenda. To fail to transcend the present impasse on cooperation for hemispheric development, to further neglect joint approaches to such overriding issues as export promotion, energy growth, job creation and the transfer of technology is to substitute rhetoric for policies designed to promote hemispheric justice and peace.

Neither the United States nor Latin America can—for the common good in the American hemisphere—permit drift and indecision to characterize their approach to regional development needs. They must find ways to modernize their traditional special relationships in an untraditional manner. Our nations possess the vision to do this. Whether they can also summon up the common will to do so will be the key to opening a greater regional era of friendship and harmony.

STEEL IMPORTS COST MARYLANDERS JOBS

Mr. MATHIAS. Mr. President, I am extremely concerned by a recent report issued by the Maryland Department of Economic and Community Development which shows severe slippage in the economy of Maryland. It has been estimated that since 1970 the loss of jobs in the manufacturing industries has exceeded 40,000. This is most troubling.

One of the problems confronting Maryland industrial concerns is steel imports. In 1976 alone, over 14 million tons of steel representing more than 14 percent of this country's steel consumption were imported. Those steel imports represent lost sales by Maryland steel concerns and lost jobs for Maryland steel workers.

In Maryland's specialty steel industry over the past few years, the already stiff competition has intensified markedly while prices have remained low. Since early 1975, the prices of stainless ingot have not risen as fast as costs. One of the largest specialty steel manufacturers in Maryland experienced a 50-percent reduction in employment between mid-1974 and the end of 1975, while incurring substantial dollar losses.

On June 14, 1976, relief was granted to the domestic specialty steel industry in the form of import quotas under section 203 of the Trade Act of 1974. This action was taken upon recommendations of the U.S. International Trade Commission and was to remain in effect for 3 years, with the provision that the quotas could be terminated given sufficient evidence of improved market conditions. Evidence to date does not reflect improved market conditions; in fact, the expectation of quotas induced a heavy influx of imports in the first half of 1976. As a result, imports in the first quota year exceeded the previous year's imports by 25,000 tons. Thus the first year of the 3-year test period saw an increase, not a decrease, of imports from foreign countries. Domestic specialty steel did show gains during the first half of 1977, but by the opening of the new quota year on June 14, 1977, these gains were curtailed.

The implemented 3-year quota period was a reduction from the original 5 years recommended by the U.S. International Trade Commission.

To assess the true effect of import quotas on the industry, the full 3-year period must be preserved. Premature termination of the quotas would wipe out any initial relief, and the industry could expect to be inundated by a wave of imports, coupled with more price pressure and resulting in a diminished share of the market.

There is some evidence that the employment situation in the Maryland specialty steel industry has improved due to the quotas and a rebounded market. This situation must be maintained if the domestic industry is to expand and provide more jobs in a healthy economy. A long-term national policy toward world steel trade must be developed. Meanwhile retention of impact quotas on specialty steel is essential to insure the industry's vitality and the preservation of jobs for our citizens.

THE FARM PROBLEM

Mr. BIDEN. Mr. President, even though the national forecasters are predicting a near record crop nationally, many people seem unaware that the farmer, in scattered regions around the country and, in many cases, the smaller farmer has suffered serious setbacks.

Record droughts and high summer temperatures caused severe damage to crop supplies during this past summer. The small amounts that could be salvaged brought only limited incomes to the farmers, because their grain was earning a very low price on the market.

These low grain prices reflect a 3-year trend—a steady and drastic drop in the price that the farmer has been able to receive for his crops.

In 1974, wheat, for example, was selling for better than $5 a bushel. Today, however, that same commodity brings only about $2.50 a bushel—less than half of what it sold for 3 years ago.

Like most issues today, the farm problem is a very complex one. The ever fluctuating laws of supply and demand, both in this country and abroad, impact heavily on domestic farm prices. Weather conditions, always unpredictable, influence dramatically farm supplies and prices. There is no simple explanation for the squeeze that the farmer is now experiencing. His costs of production have increased sharply in the last couple of years. Fertilizer, fuel, tractors, and other farm equipment are much more expensive than they were 2 short years ago.

Land values have skyrocketed. Despite these adverse conditions, the farmer is surviving, but just barely.

Although the public is generally aware of the farmer's plight, people seem to think that the higher prices which they are paying in the grocery store are the direct result in higher prices and, therefore, higher profits for the farmer. This is simply not the case. Since 1973, the average price for wheat and other grains has been dropping yearly. On the other hand, the market basket of produced U.S. foods, that mix of products that the American consumer purchases in the supermarkets, has sharply risen. Therefore, those individuals who have, in fact, gained more income from food products are the middlemen: The processor, the transporter, the grocer. They have not suffered from the wide fluctuation of prices for wheat and other commodities. Since 1973, their share of food dollars has gone up and up and up. Admittedly, the middlemen's costs have also gone up over these years. Nevertheless, the processor, transporter, and the supermarket firms have not suffered the relative dramatic decline in income that the farmer has. The middleman is, in my opinion, far more responsible for the higher cost of food than the farmer. I believe that the general public has not given this much consideration and as a result has placed a disproportionate amount of blame on the farmer for higher food prices.

These circumstances explain, in part, why Delaware farmers and farmers in other States have been speaking out so strongly for Government assistance. Especially in need of help is the family farmer who does not have a high amount of equity to cushion him from these bad times.

The farmers and the consumers are not and should not be on opposite sides of this issue. Both are caught in the squeeze of rising costs. Both have suffered from the increases in costs related to energy, labor, the general inflation that has pushed prices higher and higher.

If we are to achieve a stabilization in prices, groups like the farmers and the consumers, who share similar goals, should not be at odds with one another. Rather, they should join in an effort to make sure that no one group exploits this inflationary spiral. The fight should be joined to keep energy costs down, and to stabilize the dollar so that wheat and other grain can be sold competitively abroad. These are some of the real issues that can help the farmer achieve a fair price for his product.

FREE WATERWAYS: HOW THEY BREED INEFFICIENCY

Mr. DOMENICI. Mr. President, my colleagues have heard a lot of talk about how waterway user charges will "increase" costs. This is wrong for two very simple reasons. First, it will lessen the tax load to support subsidized waterways, and thus any need for subsidies to other modes.

Second, and as significantly, it will encourage greater efficiency in existing transportation, thus lowering costs to the economy as a whole.

Such an assertion may be easier to understand if we examine an analogy of two parallel highways (two parallel transportation routes). Let us assume that one highway is provided "free" by the Federal Government, while the other is privately owned, and thus must charge a toll just to cover capital and maintenance costs.

Of course, the driver of a car does not care about the financing; he is interested in taking the route that is "cheaper" at the moment he is traveling. Thus the artificially "free," Government-provided road gets the concentration of traffic.

So traffic increases on the "free" road with the toll road getting less and less business. In fact, the toll road owners are so strapped for cash that they cannot even obtain enough toll revenues to fill in the potholes. So the toll road begins to deteriorate, encouraging even more traffic to move on to the "free" road.

This added traffic, however, creates some congestion on the "free" road, so users begin to demand new, extra lanes. Once these new lanes are built, the toll road, of course, becomes even more uneconomic and unattractive to motorists.

Assuming it is a worthy goal, can the private road be saved? And how can we hold down the continuing expansion and demand for costly new "free" lanes on the federally built road?

One alternative would be to give a big cash grant to the private toll road owner so he can remove the tolls and fix up his road, attracting back those drivers who find it more convenient. But chances are that means payments every year to the toll-road owner. And the taxpayer would have to pay twice: Once for the "free" Federal road, once for the grant to the private road.

The alternative way to encourage a better balance between the two roads is to put a toll on the "free" road so it recovers some of its costs to the taxpayers. This would tend to balance out traffic, so the basic investment in the private toll road is not wasted. It would have the added benefit of assuring only that those who use the highway—not the general taxpayer—pay for the highways. And it will, to a degree, encourage drivers to make certain that both owners build only what is necessary; the users simply will not tolerate any waste they must pay for directly.

In simple terms, this is precisely the issue we confront on waterway user charges. We must confront whether we want to subsidize everything, or try to allow those who use the system to pay for it.

This was well expressed recently in an assessment by Dudley E. Pegrun, an economic professor at the University of California, Los Angeles:

> The levying of charges on the commercial users of our national waterway facilities will not increase the freight costs of the country, will not increase the freight costs to the consumer, and will not add to inflationary pressures. On the contrary, the result will be precisely the reverse. Total freight bills will be less because of: a more efficient allocation of economic resources to transportation; a more efficient allocation of freight traffic among the modes; a reduction in the total costs of the infrastructure of freight transport facilities; a reduction in the federal tax burden on taxpayers; and a reduction in total federal spending with a consequent reduction in the pressure on inflation.

TOM AND MARY PAT EHRHARD

Mr. ANDERSON. Mr. President, I would like to bring my colleagues' attention to a unique situation enjoyed by one of my constituent families.

Paul and Jeri Ehrhard, of Albert Lea, Minn., are the proud parents of two students at the Air Force Academy in Colorado Springs, Colo. In fact, their children, Tom and Mary Pat Ehrhard, are probably the only brother and sister attending the same service academy simultaneously.

Tom Ehrhard, a third classman at the Academy, will graduate in June 1980. His high academic average earned him a place on the dean's list; his military excellence earned him recognition on the commandant's list. Tom's outstanding achievement in both these areas makes him one of the few students to appear on the superintendent's list.

Mary Pat Ehrhard, No. 3 in her 600-student graduating class in Albert Lea, entered the Air Force Academy in June 1977. She decided definitely to attend the Academy after visiting her brother there. According to her parents, Mary Pat did very well in basic training and even managed to enjoy it.

Both Tom and Mary Pat are active in sports at the Academy. Tom is a member of the varsity wrestling team; Mary Pat is a member of the cross-country team. They consider each other's presence a big morale booster although admit that they do not see much of each other because of their busy schedules.

Mr. President, I am proud of these fine young Minnesotans and of the devotion they demonstrate daily to their country.

THE GRAYING OF THE NATIONS

Mr. CHURCH. Mr. President, the Committee on Aging will conduct a roundtable discussion of "The Graying of Nations: Implications" at 9 a.m. on November 10, 1977, in room 4221, Dirksen Senate Office Building. Participants from at least eight other nations are expected. They are in the United States for discussions with the National Institute on Aging, the World Health Organization, and the Fogarty International Center; and they have agreed to share their research findings and other expertise with the committee.

HEW—HUMPHREY ENNOBLES WASHINGTON

Mr. DOLE. Mr. President, I am pleased to join in inserting the transcript of the HUBERT H. HUMPHREY building ceremony in the RECORD.

It has been particularly rewarding to see the bill I introduced, S. 2169, progress to fruition in this great and lasting tribute to my friend, Senator HUBERT H. HUMPHREY.

During the ceremony on Tuesday of this week, several thoughts came to mind.

I recalled that the poet, Robert Browning, wrote:

A man's reach should exceed his grasp, or what's a heaven for?

We all hope to live that way, though few of us do it very consistently or with very much effect.

HUBERT HUMPHREY does, though. He lives that way not only to validate heaven but to show what life is for.

As a result, his grasp has exceeded even his own wildest dreams. We all know he wanted to be President once. He would have been a good one. But it was never a consuming passion for him. His consuming passion has been to make America a little better, to make the world a little better, to make life itself a little better—and reaching out for those goals, he overshot this Nation's highest office and became instead one of the great world leaders—one of the major moral forces of our time or of any time.

The letters H-E-W identify an agency of government but they represent more than that. They represent the ongoing fulfillment of a national promise implicit in the very meaning of America. And HUBERT HUMPHREY has been diligent—sometimes even obstreperous—in holding America to her promises.

The words chiseled into the new HEW building will identify HUBERT HUMPHREY with its purposes. But already the letters H-E-W have a meaning larger than this, not chiseled into marble but engraved in our hearts and written in the history of this great Capital City and all it represents—HEW, HUMPHREY ennobles Washington.

Mr. RANDOLPH. Mr. President, last Tuesday afternoon official Washington paused to express a richly deserved tribute to a wonderful human being and a truly great American.

The occasion was the dedication, in a ceremony just a few blocks from this Chamber, of the HUBERT H. HUMPHREY Building.

It was an event which I am sure all of us who had the privilege of being there will always remember with a sense of warmth and joy because it gave us a chance to demonstrate the esteem, the respect and indeed the love we have for a treasured colleague.

Even before the ceremony there was evidence of that in the way it was made possible.

It was my personal privilege to report the authorization bill (S. 2169) on October 10, just a week after it was introduced, and to become one of the first of its 99 cosponsors.

The fact that the measure passed the Senate and House within a space of 3 days thereafter indicates the importance that each of us attached to it. In so doing we were also reflecting the sentiment of a grateful Nation to which HUBERT HUMPHREY has given so much for so long.

It is especially fitting, I think, that he gives his name to the home of the Department of Health, Education, and Welfare, because it is to its purposes that he has in so many ways devoted his talents, his energy and his compassion. The lives of millions of Americans—the old, the young, the disadvantaged of all races and creeds are better today because this man we so fondly call "the Happy Warrior" never hesitated to take the lead in battles for social and economic justice, even when those were unpopular causes.

The basic facts of HUBERT HUMPHREY'S career are imposing enough—the three decades of service from mayor of Minneapolis to Senator, Vice President and nominee for President. But his greatest stature is as a great humanitarian and public servant, a man of indomitable courage and unconquerable spirit.

Wherever he went, and whenever he spoke, we knew full well that the champion of the people was abroad in the land.

It is for those attributes that we honor him and for which the HUBERT H. HUMPHREY Building will stand.

So that the thoughts and words of the dedication of that building will not be lost, I am pleased to join with Senator DOLE in asking unanimous consent that the remarks of Secretary Joseph Califano Jr., Vice President MONDALE and Senator HUMPHREY be printed in the RECORD.

There being no objection, the speeches were ordered to be printed in the RECORD, as follows:

DEDICATION OF THE HUBERT H. HUMPHREY HEW BUILDING—NOVEMBER 1, 1977

SPEECH BY JOSEPH CALIFANO, JR.

Now and then in America someone comes along whose life and career remind us not just how good he is, but of how good we can be.

For our generation and for me personally, because I have been privileged to know Senator Humphrey for so long and so intimately, Hubert Humphrey is that person. He has earned our respect and won our love. Not simply for what he has done but for what he has been, and for all that he has summon us to be.

Today we honor him in an especially fitting way. Today, the Department of the people pays tribute to the man of the people. From this day forward this building which for millions of Americans is the headquarters of health and hope will bear the name of the man who symbolizes this government's capacity to offer help and hope.

In this building we administer programs that touch the lives of the most vulnerable in America. Programs to feed the hungry, to help the poor, to care for the sick, to rehabilitate the handicapped, to teach the young, to enrich the life for the old and to end discrimination.

How appropriate that our efforts shall be carried on under the name of the man who fathered so many of these programs. It is Hubert Humphrey who proposed in 1949 a national program of medical care for the aged under the Social Security System, legislation that 16 years later became Medicare.

It is Hubert Humphrey who before almost anyone else fought for legislation forbidding discrimination against the blacks, the ethnics, the aged and the handicapped. It is Hubert Humphrey who guided to passage hopeful programs like Headstart. Dozens of programs from wider Social Security coverage, to federal scholarships to Biomedical Research, owe their present strength and their existence to Hubert Humphrey's leadership as architect, sponsor and advocate.

And dozens more that do not yet exist like National Health Insurance, will exist because of the early vision and leadership of Hubert Humphrey.

For Hubert Humphrey is not only a leader in America, he is a prophet. A prophet lifting our lives continually from what we have achieved to what we must achieve. From the road behind us to the road ahead.

Today, Senator Humphrey, we do not honor you so much as you honor us by lending your name, your inspiration and your example to the work we do here.

There are some words, Senator, of the Jesuit philosopher Teilhard de Chardin that capture well the energy and the joy that enrich your life.

Teilhard wrote:

"Someday after mastering the winds, the waves, the tides and gravity we shall harness for God the energies of love, and then for the second time in the history of the world man will have discovered fire."

It is your achievement, Senator, to harness in a remarkable career those energies of love to generate warmth and light for millions of your countrymen. It means a great deal for all of us and I can't tell you how much it means to me personally to be Secretary at this moment. It gives me a great deal of pleasure to call upon someone else who is a special friend of this department and a man I have admired for many years and a special friend of mine, your colleague and protege from Minnesota, a man in whose own achievements, your spirit, the spirit and example of Hubert Humphrey can be seen, your friend and successor in two high national offices, the Vice President of the United States.

SPEECH BY WALTER MONDALE

There are two reasons why Hubert is what he is today.

One, Hubert; but secondly, and equally important, his magnificent and beloved wife, Muriel. And I would like her to stand.

Some very unusual and unprecedented events have occurred in Washington recently, which I think have broken historic precedent. The other day a United States Senator recuperating from illness, was personally picked up at his home by the President of the United States and returned to the nation's capital. He went back to the U.S. Senate where he spent so many years of his life, and the Senate and the Gallery welcomed him with a rising applause that extended for well over ten minutes, expressing an enthusiasm and a love beyond anything that any of us have ever witnessed. And then there was passed, a bill with 99 co-sponsors unanimously by voice vote in both the House and Senate, for one of the few times in American history, naming a major departmental building after a living public official in this country.

Each of these events was historic and unprecedented and said the same thing and that is that Hubert H. Humphrey is the most loved and respected man in America today.

That is something that those of us from Minnesota knew would be the case long before the rest of the nation. He has touched all of us from Minnesota differently. But I'll never forget the change he made in my life. It has not been widely noted in American history but when Hubert was elected Mayor of Minneapolis and I became inspired by his example, I was inspecting Pea Lice in the pea fields of southern Minnesota. And I'm most grateful to you Hubert, for redirecting my career.

Joe Califano, in a brilliant and moving statement recounted a few of the many fundamental and humane reforms that have stemmed from Hubert's leadership. And they are all well known. His leadership above all has been symbolized by his ability to see problems in human terms.

He once said that he learned more economics in one South Dakota dust storm than in 7 years at the University of Minnesota. He is able to see beyond statistics and charts to

the suffering and the needs and the human hope beyond them. He is able to look at the sick and see the need for Medicare. He is able to look at inequality and see the need for a Civil Rights Act. He is able to look at young and spirited and idealistic youth and sponsor the Peace Corps. He is able to look into the eyes of the broken spirit of unemployed Americans and sponsor the Humphrey-Hawkins Bill. He is able to see the gap between the rich and the poor and fight for the Food For Peace Bill. He is able to see the dangers and the horror of nuclear weapons and sponsor the Arms Control and Disarmament Agency Act.

Throughout his career problems were for the purpose of being solved. John Gardner, who once headed this agency said that where human institutions are concerned love without criticism brings stagnation. But criticism without love brings destruction. Too often we have had the kind of approach which either brings stagnation or destruction.

But Hubert Humphrey has been instead a loving critic throughout his entire public career. He has loved this country so much he has been able to see its failings and he has bothered to work and to lead toward their reform and toward their solution.

It was inevitable that one of the major buildings in this town would be named after Hubert Humphrey, but it is as fitting as anything could possibly be that the building that was selected was that serving the cause of health, education, and welfare in this nation.

In this department there has always been a voice of compassion and concern for all those who need government the most. The aged and the sick, children who need a decent education, disadvantaged families, struggling against difficult odds to build a better life. And this is the department whose programs are filled with love. And for that reason I am deeply honored, indeed thrilled, to join with all of you today as we dedicate this building in the name of our beloved Hubert. Thank you very much.

SPEECH BY HUBERT H. HUMPHREY

Thank you very, very much, my good friend Mr. Vice President. It's hard for me to address this wonderful colleague and friend of mine in such formal terms. But I'm so proud of him, he's brought new distinction and meaning to the office of the Vice Presidency. I think we ought to let him know it.

And Secretary Califano, indeed we have worked together many years and I am so proud and pleased that you are Secretary of this Department that is dedicated to the health and education and the well-being of the American people. To help fulfill the charge of the Declaration of Independence of life, liberty and the pursuit of happiness. And, Joe, you've got a tremendous task, you have not only our cooperation, and we shall appeal for that, but you shall constantly have our good wishes.

I want to thank Mr. Solomon and indeed our Chaplain of the Senate, Reverend Elson, who gives us such spiritual guidance, and all of my distinguished colleagues many of whom are here today. I think we come closer than we have for a long time to having a quorum of the Senate here today.

To those of my staff who are here, I'm pleased that you have taken this time off, but may I suggest that you hurry back to your desk as soon as we're through.

I see a couple of friends here that I would like to single out.

First of all, a gentleman whom I have worked with for years who represents in this country the great forces of organized labor that have done so much not only for the organized worker but for people in general. A fighter who never gives up. Young of heart, I would not even ask him what his chronological age is because it's an irrelevant fact, George Meany.

And I see Arthur Fleming out there. I pay special tribute to Arthur because when I lost my job as Vice President due to the will of the electorate and the terms of the Constitution, I was on the unemployed list and I went as a supplicant and this good and kind man who was then President of Macalester College said: "We take in the poor, the oppressed, and those that are needy." And he gave me a job. And Arthur, we thank you very much.

And, of course, my colleagues in the Senate have been acknowledged, the Speaker, the President Pro Tem and others. And I hope you realize that everything that has been said here today about Hubert Humphrey is indeed a reflection of their work. No one does anything alone, except get in trouble.

Now when my colleagues in Congress passed a bill to name this important federal building for me I warned them, I promised them, that this gesture left me speechless. You can imagine their response to that.

But I still say that words are inadequate to express my personal delight and gratitude. It is a significant honor. I do, however, want to say a special word of thanks to those who were the principal sponsors, especially my friend Bob Dole, who sparked this whole occasion. It's not often in this town that a Kansas Republican takes the lead in honoring a Minnesota Democrat. It just goes to prove what I've been trying to say: "If we work at it, we can get together."

And then Jennings Randolph of West Virginia, whom I've known for well over 30 years, as a dear and personal friend.

And Al Quie, another Republican from southern Minnesota but a dear friend of mine and there's Ray Roberts and the whole Minnesota delegation and all of you in Congress.

And Wendy Anderson, I want to thank you, too. I'm very proud of Wendy, very proud of all our Congressional delegation.

I'll not seek to respond to the kind and extravagant tributes that have warmed my heart today—there are just too many—except to say that few men enjoy a comparable privilege of being so lavishly praised while they can still enjoy it. And that is a unique experience.

From my father I have absorbed a respect for history. So I try to step back occasionally to view events in the larger perspective of the history that moves around us, shapes our lives, develops our challenges, and carries our imprint and impact.

It makes me doubly conscious of the rare and singular honor it is to have a formal niche in this grand living pageant of America, reserved in my name.

To know that the principles of social and economic justice, compassion, hope, and opportunity that have inspired me will continue to thrive and flourish in a building bearing my name is a great gift indeed.

I have to rest for a minute. Fritz asked how long I was going to talk. I said, "Why ask a foolish question like that?" But I want to tell you something, he left out a couple of good quotes. I was peeking at his notes, he had a wonderful one from Emerson which I thought would have really enriched the whole occasion. But he said he would save it for another time. He figured they might want to dedicate a tennis court or something.

By the way, he always expresses his gratitude for these occasions because he says he gets so much television coverage. I'd like to just say, remember I'm the principal character.

I do also want to say very quickly, that the struggle we've been going through these months, has been a special challenge but it's really one that we're beginning to win. I never could have done it, I never could have kept up my spirit, without my Muriel. And I'm everlastingly grateful to her; she has put up with me for 41 years of married life.

I want my sister Frances, here, who fills in for me so many times and is so often forgotten by her brother, in his busy life, to know how much I love her and how grateful I am.

Oh, yes, I said I was going to digress a little bit more. I think you ought to know that until recently the only thing that was ever named after me was a grandson, an old folks home in Wadena, Minnesota, a bridge down at Cape Kennedy and a one-mile road in Colorado. That was the full extent of the honors that came to me in terms of having things named after you. But my cup runneth over, and I love the harvest. I want you to know that.

I'm certain that the tributes of friendship that have buoyed my spirits, and they do, concern more than just Hubert Humphrey and make irrelevant the limitations of which I am only too much aware. There is no shortage of heroes in this country. Among any group of average Americans are tales of heroism and devotion enough to glorify the Lord and to vindicate his world, and his works. I am but one of the laborers in the Lord's vineyard.

Apparently, people do not identify only with winners, they also identify, and with what warmth and enthusiasm, with folks who lose a round or two, but who fight on against the odds. There's a great deal of difference between failure and defeat. Failure means giving up, you're through. Defeat means you wait for another chance to come back, to fight the good battle. So I want to make it clear that while some people have said to me you're a good loser, Hubert, I'm really not, I don't like to lose at all. I know that I personally have been what you call a "good loser" only because I've always been determined to return for another fight, for another round of action.

I once said of Adlai Stevenson, that in defeat for the Presidency he brought more honor and decency and, really, nobility to the American political process than the victors. He was a truly remarkable spirit.

So as I see it, this outpouring of affection, which I know is genuine, and I return it with principal and interest, has a symbolic dimension. It is but an affirmation of values and hopes that I share with millions of Americans that sustain and motivate each of us to do his best; that give vigor and moral direction to our representative institutions. As you have heard me say many times, I'm an optimist about this country. There is a vitality, there is a resilience, there is a spirit in the American people that will not be put down, that will not be denied.

Public service has confirmed my faith in the potential of the human spirit, its generosity, its idealism, its capacity for growth, its resilience and its infinite resources.

So it is gratifying, oh, it's more than that, I don't even know the right word, it's exciting to know that this building which bears my name will provide facilities for public servants dedicated to the enriching task of advancing the health, the education and the welfare of their fellow Americans, many of whom are least able to help themselves. It was once said that the moral test of government is how that government treats those who are in the dawn of life, the children; those who are in the twilight of life, the elderly; and those who are in the shadows of life—the sick, the needy and the handicapped.

And ladies and gentlemen, let America judge itself on those standards, not on the stock market alone; not only on our Gross National Product, important as that is; not only on our material wealth, but rather on those great idealistic and spiritual values which sustain a nation and which brought this nation into being.

America is different. The immortal documents that we read—the Declaration of Independence, the Constitution of the United States, the Emancipation Proclamation, the Gettysburg Address—just to name a few, remind us that America is different. America represents the merger of spirit and material things. The merger of soul and heart and flesh and body. And I think that we ought to be very proud that we brought that experiment thus far in human history.

Now, under this roof, and inspired by the leadership of a President and a Vice President who are blessed with vision and compassion, and mobilized by a dynamic Secretary, Mr. Califano, new and better efforts to promote human welfare and human development will be developed and administered. All of them will move us closer to our goal of insuring to every child the opportunity to grow and develop to his or her fullest potential, to every adult, a life of industry and dignity; and to every older American, a twilight of serenity and independence. This is what this little celebration is all about. It shouldn't be about a man. It should be about our commitment. And you're here because you believe in this commitment of an America that is just and compassionate and decent, because you believe that people who want to work should have a chance to work. You believe that people ought to have the chance for the pursuit of happiness. And to pursue that happiness in the blessings of liberty so that life can be meaningful.

Thank you very much.

THE ALCAN ROUTE

Mr. HART. Mr. President, I voted in favor of Senate Joint Resolution 82, approving the President's choice of the Alcan route to transport Alaskan natural gas to the lower 48 States. I voted in favor of the resolution not because I think all the troublesome questions are solved, but because I agree that the Alcan project is superior to the El Paso or the Arctic routes. I do not think that we should spend any more public or private funds to discuss the relative merits of the three potential routes.

The vote on this issue allowed only a yes or a no to the President's decision. There is much more to the decision yet to be determined. A great deal more work needs to be done to answer some fundamental questions which have been raised recently. The first question pertains to a potential reduction in oil production from Prudhoe Bay, if large amounts of gas are taken without water injection. The second question deals with the financing of the pipeline. It has not been demonstrated that this entire project can be funded without Federal support.

Before the decision is made to commit construction funds to this project, these and other questions raised by the Senator from New Hampshire (Mr. DURKIN) and in the Energy Committee's report should be satisfactorily resolved. My vote in favor of the Alcan route should be interpreted as a go-ahead to try to solve the remaining problems associated with the Alcan project.

DEAUTHORIZATION OF DELMARVA INTRACOASTAL WATERWAY

Mr. MATHIAS. Mr. President, I am pleased to join the distinguished Senator from Virginia (Mr. SCOTT) as a cosponsor of S. 2205. This bill would deauthorize the proposed Army Corps of Engineering dredging of a 100-foot-wide and 6-foot-deep water channel between Lewes, Del., and Cape Charles, Va.

The States of Maryland, Virginia, and Delaware have each withdrawn their support for this proposed Intracoastal Waterway project because of the high costs in both monetary and environmental terms and the limited benefits that would result. I ask unanimous consent that the joint statement of the Governors of Maryland, Delaware, and Virginia requesting this deauthorization appear in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

JOINT STATEMENT OF THE GOVERNORS OF DELAWARE, MARYLAND AND VIRGINIA REQUESTING DEAUTHORIZATION OF THE DELAWARE BAY-CHESAPEAKE BAY INTRA-COASTAL WATERWAY

Whereas, the development and operation of a continuous inland waterway, from Roosevelt Inlet in Delaware Bay, Delaware, to Cape Charles (Fisherman Inlet) in Chesapeake Bay, Virginia were authorized by Congress in 1970, and;

Whereas, the U.S. Army Corps of Engineers has completed economic and environmental evaluations of the Delaware Bay-Chesapeake Bay Waterway in Delaware, Maryland, and Virginia (Delmarva Intra-Coastal Waterway) and;

Whereas, after careful analysis of the potential costs and benefits, each State has withdrawn its support from this project because of its potential adverse impacts on the natural environment and because of the economic burden it would impose on the States and;

Whereas, there are no foreseeable circumstances which could change the conditions on which the withdrawal of support was based;

Therefore, we, the undersigned Governors of Delaware, Maryland, and Virginia respectfully request Congressional Delegations of our States to initiate and support the necessary legislative actions to fully deauthorize the U.S. Army Corps of Engineers project to construct the Delaware Bay-Chesapeake Bay Waterway in Delaware, Maryland, and Virginia (Delmarva Intra-Coastal Waterway).

Acting Gov. BLAIR LEE, III.
August 24, 1977.

Gov. PIERRE S. DU PONT.
September 1, 1977.

Gov. MILLS E. GODWIN, Jr.
September 12, 1977.

Mr. MATHIAS. Mr. President, an Intracoastal Waterway presently exists linking Virginia, Maryland, and Delaware. It consists of Cheaspeake Bay, the Chesapeake and Delaware Canal, and Delaware Bay. The channel is maintained by the Army Corps of Engineers throughout those bodies of water. Thus, small pleasure craft as well as larger waterway shippers have a protected north-south route on inland waterways.

There would be benefits which could accrue to the local economies of the Delmarva Peninsula from the construction of a new Intracoastal Waterway. Most prominent among these would be increased tourism, recreational boating, marina development, new residential and second home developments, and related commercial goods and retail services.

However, as the Maryland Department of Natural Resources and Maryland Department of State Planning note:

. . . usage of the proposed project by transient boaters would result in a transfer of boaters from the present intracoastal waterway route through the C&D canal and Chesapeake Bay. Such a transfer would result in a loss of business to Chesapeake Bay marinas and communities which would not be fully compensated in the Ocean-bay area and thus would result in a net cost to the State of Maryland rather than a benefit as indicated by the Corps of Engineers calculations.

The social and environmental costs to the people of Maryland, Delaware, and Virginia would be excessive. On balance, then, I have concluded that this project should be deauthorized as the Governors of the three States affected have requested.

Let me describe several adverse factors which weigh heavily against the proposed dredging operation. The fragile environment of eel grass, callop, oyster, clam and other shellfish beds may be permanently disrupted. The National Marine Fisheries Service of the National Oceanic and Atmospheric Administration made this telling comment on the proposed waterway:

Spoil deposition will destroy an estimated 35 acres of seagrass beds 13 acres of shellfish beds, 278 acres of tidal marsh, and more than 1,600 acres of tidal mudflat. It is questionable, therefore, to conclude that spoil deposition at the 76 selected sites will result in minimal adverse environmental impact. . . .

In addition to the direct loss of 13 acres of shellfish and 35 acres of eelgrass beds from dredging and spoil disposal, an indeterminate amount of both resources will be lost indirectly through excessive turbidity and sedimentation. Since both shellfish and eelgrass are currently stressed communities, additional stress to either resource may be highly significant.

In 1970, the estimated construction cost of the Delmarva waterway was $6.8 million excluding the costs of bridge replacements and yearly dredging and maintenance of the waterway. Today that cost estimate has risen to approximately $21.7 million, an increase of 300 percent in 7 years. The estimated cost of dredging the waterway is placed by the Corps of Engineers at $1.9 million. The average annual maintenance cost and redredging is estimated at roughly $1 million per year for the 50-year life of the waterway. The costs of dredging and maintenance would be shared by the Corps of Engineers and the three States involved. The cost of marsh replanting and annual maintenance estimated by the Corps at $281,000 per year would be borne solely by the three States. In addition, the growth of marinas, repair facilities, food, lodging, and related development will require a new high span bridge between the mainland and Ocean City, Md., estimated to cost the State of Maryland $20 million.

In these days of energy conservation, environmental protection and general fiscal responsibility, the Nation should not be spending money on an additional luxury such as the Delmarva Intracoastal Waterway. And, it is important to note, the Chesapeake and Delaware Canal will continue to serve as a continuous navi-

gable channel between Delaware Bay and Chesapeake Bay if this proposed waterway is not constructed.

Russel Peterson, former Chairman of the Council on Environmental Quality, described the dilemma a project such as this one poses for policymakers. I quote Mr. Peterson.

Water development projects can create needs as well as satisfy them, and the Nation is at a point now where planners must distinguish between requirement and demand and consider further development in the context of environmental management.

I ask unanimous consent that the Maryland A–95 clearinghouse review of this project, a letter from the Governor of Maryland, two letters from the Army Corps of Engineers, a press release from the Corps of Engineers, and an editorial which appeared in the Salisbury Daily Times be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DELMARVA INTRACOASTAL WATERWAY

EXECUTIVE SUMMARY OF A–95 CLEARINGHOUSE REVIEW

1. Estimated benefits of the Delmarva Waterway to the State of Maryland are based upon questionable assumptions which result in the prediction of far greater benefits to the State than can be logically expected. For example:

Approximately 55% of the benefits calculated for the Maryland portion of the project are attributed to a three day increase in the use of recreational boating in the area resulting from the project. The value of the increase is calculated by the Corps from the capital cost of the boats used, so that the benefits associated with the increased use of a $20,000 boat is worth ten times as much as that of a $2,000 boat.

Whereas, by using predictions calculated on the variable cost of operating the boats, for the additional three day period a more appropriate measure of public benefits attributable to the waterway would be identified.

2. An additional 42% of the benefits calculated for the Maryland portion of the project are attributed to reduced costs to the transient fleet caused by a reduction in travel time through Maryland waters. However, usage of the proposed project by transient boaters would result in a transfer of boaters from the present intracoastal waterway route through the C&D canal and Chespeake Bay. Such a transfer would result in a loss of business to Chesapeake Bay marinas and communities which would not be fully compensated in the Ocean-bay area and thus would result in a net cost to the State of Maryland rather than a benefit as indicated by the Corps of Engineers calculations.

3. The Corps of Engineers has failed to include several cost factors related to the construction, maintenance and use of the project. Inclusion of these factors would significantly increase the total cost of the project to federal, state and local governmental agencies. For example:

a. Much of the proposed waterway construction in Maryland would require the redredging of previously authorized channels to the proposed authorized depth of six (6) feet. The cost of this required redredging (estimated by the Corps to cost $1,900,000 for the entire waterway) is not taken into account in calculating the average annual cost of the project. In addition, previous maintenance dredging experience in Maryland's portion of the proposed waterway indicates that the Corps' estimated five year maintenance dredging schedule will not be adequate. An annual maintenance schedule is more likely. Furthermore, no costs are allocated for emergency maintence dredging of the water due to closure from overwash caused by major storms. Historical records indicate that such events will occur several times during the proposed fifty year maintenance period and will completely obstruct the waterway.

b. The Corps of Engineers assumes that construction of the proposed waterway will increase boating traffic, yet the economic and environmental costs of onshore commercial development and additional recreational and safety facilities associated with such increased traffic (e.g., access channels, navigational aids, increased marine police service, marinas, dockings, and launching facilities, toilets, stores, restaurants, etc.), are not considered. In addition, it is likely that the conflict between increased boat traffic and car traffic at the U.S. Route 50 drawbridge into Ocean City would require the construction of a new high span bridge at that site. The estimated construction cost for such a bridge—over $20,000,000—was not included in the Corps' assessment of costs.

c. Totally lacking in the Corps' cost/benefit analysis are the significant costs of environmental degradation that will result from the construction, maintenance and use of the proposed waterway. The Draft Environmental Impact Statement cites the direct loss of shellfish beds, agricultural land and seagrass beds (which are potential commercial "scallop beds") caused by the dredging and dredged material placement activities. It also cites the probable closure of shellfish areas due to fecal coliform contamination resulting from increased marina use. However, no costs are attributed to either of these losses in the cost/benefit analysis. Furthermore, numerous scientists familiar with the Delmarva coastal area have suggested that the adverse environmental effects of the construction, maintenance, and use of the proposed waterway will be far greater in extent and duration than indicated in the Draft Environmental Impact Statement.

Thus, the proposed project would result in considerably more economic and environmental cost to the State of Maryland than predicted by the Corps of Engineers with little offsetting benefit. Based upon this cost/benefit imbalance for Maryland, the recommendation must be to oppose construction of this project.

EXECUTIVE DEPARTMENT,
Annapolis, Md., March 16, 1977.

Hon. CHARLES MCC. MATHIAS, Jr.
U.S. Senate, Russell Senate Office Building, Washington, D.C.

DEAR SENATOR MATHIAS: The Maryland Board of Public Works at its meeting on February 16, 1977, authorized me to seek the assistance of your good offices in deauthorizing the U.S. Army Corps of Engineers' project to dredge an intracoastal waterway along the Atlantic Coast of Delaware, Maryland and Virginia. This project was authorized by Congress on December 17, 1970 by the House of Representatives' Committee on Public Works. Project approval was in accordance with House Document 91–400 and pursuant to Section 201 of P.L. 89–298, the Flood Control Act of 1965.

Acting on behalf of the State, the Board of Public Works has withdrawn support for this project based on the advice of Secretary of State Planning Wahbe and Secretary of Natural Resources Coulter. A comprehensive review done by the Departments of State Planning and Natural Resources indicated that State support of the intracoastal waterway would not be in the best interest of Maryland because of its potential impacts to our natural environment and because of the economic burden it would impose on the State budget.

I understand that Congressional action is required to deauthorize this project prior to its automatic deauthorization after eight years (1984). If you have any questions or if you need further information, please do not hesitate to contact me.

Sincerely,

GOVERNOR.

DEPARTMENT OF THE ARMY,
Philadelphia, Pa., May 5, 1976.

Hon. CHARLES MCC. MATHIAS, Jr.
U.S. Senate,
Washington, D.C.

DEAR SENATOR MATHIAS: This is in response to your 5 April 1976 letter in which you requested an up-to-date status report on the DelMarVa Intracoastal Waterway Project.

Subsequent to my 2 April 1976 letter to you, a major development has occurred. The States of Delaware and Maryland have withdrawn their support of the project. This is significant because the project would have been funded on a cost sharing basis between the Federal Government and the States. This withdrawal of state support means the project cannot be built in Delaware and Maryland since the States' share of the costs will not be forthcoming.

Official correspondence from the Commonwealth of Virginia to date generally indicates that Virginia has not taken a position unfavorable toward the project. However, the Commonwealth wants to keep their options open in the event their further assessment of the economics and environmental impacts proves to be unsupportive of the project.

All that remains to complete our reevaluation effort is to prepare a report summarizing the decisions of the States and making any appropriate recommendations pertaining to future design efforts for the Virginia portion of the project if Virginia supports the project. At present a public meeting in Virginia to discuss the project with the people will be required. However, if Virginia withdraws its support of the project, we can terminate the entire study and complete our report without a public meeting.

I hope the information that has been provided will be helpful to you. Should you like to discuss the issue further, please do not hesitate to contact me.

Sincerely yours,

HARRY V. DUTCHYSHYN,
Colonel, Corps of Engineers,
District Engineer.

DEPARTMENT OF THE ARMY,
Washington, D.C., August 25, 1976.

Hon. CHARLES MCC. MATHIAS, Jr.,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MATHIAS: This is to advise you that we have placed the project to provide a waterway along the Atlantic Coast from Roosevelt Inlet, Delaware, to Cape Charles, Virginia, (DelMarVa Waterway) into the "inactive" category.

The project was authorized in 1970 by the Senate and House Committees on Public Works under the authority provided by Section 201 of the Flood Control Act of 1965. The States of Delaware and Maryland and the Commonwealth of Virginia no longer support the project. Maryland expressed environmental concerns while Delaware and Virginia withdrew support for financial reasons. As a result we have terminated preconstruction planning and have placed the project in an inactive status.

Sincerely,

ALVIN G. ROWE,
Colonel, Corps of Engineers, Assistant Director of Civil Works, Atlantic.

VIRGINIA WITHDRAWS SUPPORT FOR DELMARVA

PHILADELPHIA.—The Commonwealth of Virginia has withdrawn its support for the Virginia portion of the DelMarVa Intracoastal

Waterway Project. Virginia's action followed only a few weeks after the states of Delaware and Maryland withdrew their support for the project. A necessary prerequisite to Congressional funding of any Corps of Engineers project is the support of the state or states involved.

Since all three states involved have withdrawn their support, this eliminates the need for a public meeting which had been scheduled by the Army Engineers' Philadelphia District for June 16, 1976 at Parksley, Virginia.

[From the Salisbury (Md.) Daily Times, Apr. 22, 1976]

AN IDEA'S TIME PASSES

That dream of recreational boaters—an inland waterway from New York to Florida—appears dead now that Maryland and Delaware are pulling out of proposals to dredge such a channel behind the barriers from Lewes to Cape Charles.

Delaware's portion would run from Lewes to Fenwick Island. Maryland's would begin there and run to the Virginia line. The proposal envisioned widening and deepening an existing network of channels. Under the plan, boats up to 50 feet long could avoid having to go outside in the Atlantic Ocean on their north-south journeys.

Total cost of the project was estimated most recently at $21 million, up considerably since the idea was broached 20 years ago. Now, officials from Maryland and Delaware are critical of the environmental impact as well as the cost, and they question its value to the general public.

Virginia has not been heard from yet as to whether it would like to go along with the plan. Withdrawal of the other two states effectively kills it.

The project as envisioned by the Army Corps of Engineers surely would be of limited benefit to the general public. True, the channel could have been dredged even deeper to accommodate commercial craft at some later date, but it would have been at heavy cost to the environment of the barrier reefs.

These areas are the beginning of life for many living things in the sea, in the air and on the land. Each one is a chain in the link. Damage to one or more could well spell extinction for others. Man is already putting enough pressure on them.

Aside from the environment, there are other considerations—among them the conservation of energy. Americans simply do not believe there is an energy problem. The day of reckoning moves even closer when the problem will be acute.

GENOCIDE: A CALL TO ACTION

Mr. PROXMIRE. Mr. President, last week in Rome, Pope Paul VI closed a meeting of the leading priests of the Roman Catholic Church with a solemn appeal to all governments to show greater respect for human rights. He stated that it was "the basic duty of the state to protect and promote the fundamental rights of man" and called on those in power to fulfill this duty.

Regardless of personal religious beliefs, this message is directed to Members of this body. For 28 years the Senate has refused to protect and promote one such fundamental right—the right to life. What could be a more fundamental right than the right to exist as a people.

While the Pope's remarks were directed to religious freedom in the world; whether we are discussing genocide or religious freedom, the underlying concept of the need to protect basic human rights is the same. Because we are the body in control of the destiny of the Genocide Treaty in the United States, the Pope's message serves as a special "call to action."

At a time in our history when a stance on human rights can no longer be postponed, these words further remind us of our responsibility to this cause. For nearly three decades we have neglected this duty and as a result, we have failed to assure the protection of these fundamental human rights.

It is time for us to take our place alongside other nations in ratification of the Genocide Treaty. I urge my colleagues to fulfill this duty to life itself.

ADMINISTRATION POLICY IN THE MIDDLE EAST

Mr. THURMOND. Mr. President, since the founding of Israel, the United States has shown an inflexible commitment not just to the survival but to the success of this unique country. There are good reasons for this. A sizable number of Jewish Americans have settled in Israel. Many more have relatives there. Israel is the only democracy in the Middle East. Israel has taken a strong position against communism and terrorism. In short, Israel is our ally and friend. These reasons are just as compelling today as they ever were.

Sadly, however, the official U.S. attitude toward Israel now seems to be in a state of flux. Recent statements and actions by administration officials, including the President, have raised doubts about our longstanding policy in the Middle East. Particularly unsettling is the idea that the United States might try to impose upon Israel a settlement that the Israelis believe would promote and perhaps even assure their ultimate destruction.

In this atmosphere of uncertainty, I want to make my own position clear. My attitude, at least, is unchanged. I consider our commitment to the survival and success of Israel to be a solemn obligation. We should stand by this commitment without equivocation—as a matter of principle and of national interest.

HUBERT H. HUMPHREY

Mr. ANDERSON. Mr. President, I have previously submitted for the RECORD several newspaper articles and columns that have appeared on our colleagues, Senator HUMPHREY, since his return to the Senate last week. I request unanimous consent that a column by James R. Dickenson, "Humphrey Strengthens Our Beliefs," from the Washington Star of Monday, October 31, 1977, be printed in the RECORD since it appeared after my earlier submission to the RECORD.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

[From the Washington Star, Oct. 31, 1977]

HUMPHREY STRENGTHENS OUR BELIEFS

(By James R. Dickenson)

One well-known national television correspondent, a veteran of years of covering the U.S. Senate, probably spoke for a lot of his colleagues after the rousing, emotional welcome Hubert Humphrey received on his return to the Senate last week.

"I was kind of hoping the guys in the press gallery would break tradition and stand up and applaud, too," he said. "I was ready."

The 30-minute tribute on the Senate floor to Humphrey, who had just returned from Minnesota and is sufferng from inoperable cancer of the pelvis, was as deserved as it was ardent, moving and sincere. There are few politicians in our history who have been as loved, personally, as the practitioner of the politics of joy, and with good reason.

Hubert Humphrey epitomizes some of the best traits of the American character, some of the characteristics that we like to think identify us as a people: decency, warmth, generosity, openness, compassion, and optimism. It doesn't matter that occasionally he is optimistic, loyal and exuberant to excess. That, too, is as American as apple pie.

His reaction to the diagnosis of his cancer was absolutely typical. His response was to spend the next few days politicking in the wards, giving the other patients non-stop encouragement, advice and hope, telling them that, by golly, everything was going to be fine for him and for them, too.

Only with Hubert Humphrey would you read that and say to yourself, "Of course, that's exactly what he'd do."

Humphrey has been in the forefront of the fight for all the major reforms and legislation of compassion since he entered the Senate in January of 1949. He held the Democrats' feet to the fire on civil rights back in 1948 long before the issue was popular and he's never looked back in his headlong quest for equality and justice.

He has brought an impressive intellect, a seemingly boundless compassion and an awesome energy to this quest. His warmth and generosity are so genuine that people all over the country, not just in Minnesota, greet him with the ease and familiarity they would show a favorite uncle.

At the county fair in Cambridge, Minn., when he was running for the Senate back in 1970, Humphrey was walking past the bingo stand. The man wearing an American Legion overseas cap who was running the game called out: "Well, there's old Hubert H. himself. Sit down and have a game, Hubert."

It was obvious that the one thing the candidate wanted more than anything else in the world was a game of bingo. "Well, by golly, I think I will," he responded and sat down next to a mother and her 8-year-old son.

The boy got his hand shaken, his head patted, an admonition to obey his mother and an autograph, all without asking. His mother displayed no more surprise if Humphrey had been her brother.

He gets the same response wherever he travels in the country. In the Phoenix airport in 1972, just before he formally announced his presidential candidacy, he was recognized by everyone he encountered. It seemed that a majority had relatives or knew someone in either Minnesota or South Dakota and just had to remind Hubert to say hello to them when he returned home.

And his energy! He said last week that he was at about 70 or 75 per cent of par and that made him about the equal of the average person. That may be giving the rest of us the benefit of the doubt.

Campaigning with Humphrey unravels reporters 30 years his junior. Flying around Minnesota he exults in the sight of schools and churches and hospitals and towns, of farms and factories and cultivated fields.

He regards such human accomplishments as not only the realization of the American Dream but the opportunity to enjoy them as a personal gift.

Toward the end of one of those incredible 14- and 16-hour days he was ready to charge

off to a Minneapolis shopping center and meet some more folks despite the patient admonition of his wife, Muriel, who was doing needle-point: "Now, dear, don't you think you've done enough for one day?" The answer of course is that he never does.

He wound up the day at his house in St. Paul telling an exhausted reporter of the need for more jobs and education, more hospitals and schools, more equality and opportunity, more of everything of the American Dream.

It's no wonder that the prospect of talking to Humphrey is something one looks forward to with pleasant anticipation or that just seeing him on the streets raises the spirits.

His optimism and exuberance are contagious. He reminds us of how good we can be and makes us feel better about ourselves. He strengthens our belief that this American experiment really does work.

That's why it was so good to see him last week. We didn't realize how much we'd missed him until he returned.

THE URGENT NEED FOR SENATE ACTION ON NUCLEAR NONPROLIFERATION

Mr. PERCY. Mr. President, I know I speak for many of my colleagues in expressing my disappointment that it was not possible to schedule S. 897, the Nuclear Nonproliferation Act of 1977, for consideration on the Senate floor this year. I feel confident the President shares this disappointment. This bill, which is the product of more than 2 years of intensive work, has been reported unanimously by both the Governmental Affairs and Foreign Relations Committees, and the Energy and Natural Resources Committee has completed its consideration of these sections within its jurisdiction. Similar legislation has already been passed in the House by a vote of 411 to 0.

I am confident that the leadership will schedule this legislation for early consideration in the next session. In the meantime, I hope that the administration will pursue the many negotiations which are called for in this bill and which we all agree are vitally important to U.S. security and world peace.

When the United States launched the atoms for peace program more than 25 years ago, we did so with the best of intentions. Seeing a great opportunity to promote international prosperity through the peaceful use of nuclear power, we assumed that only the most sophisticated nations would be capable of utilizing this technology for its original purpose—nuclear weapons. In retrospect, it is easy to see that we were gravely mistaken.

In 1964, the People's Republic of China proved that a determined nation could develop nuclear weapons without a solid industrial base. In 1974, India detonated what they called a "peaceful" nuclear explosion—an especially alarming watershed as this demonstrated that a developing nation could produce nuclear weapons from a program designed for peaceful nuclear power purposes. And just recently, South Africa proved once again that proliferation is a real and present danger. A total of six nations have now detonated nuclear explosives, several more could launch such a program at will, and many others may well join this club within the next decade

There have been a few encouraging signs that the proliferation problem is not entirely hopeless. Although the 1974 Indian explosion was a devastating blow to the cause of nonproliferation, India has exercised restraint since that time with respect to the further spread of such technology. I am especially pleased with Prime Minister Desai's recent statement that India will not detonate any further nuclear explosions—"peaceful" or otherwise.

If India continues on this laudable path by accepting international safeguards on all of her facilities and by working to persuade other nations to participate in strict and effective international proliferation controls, she can make a great contribution to peace on the subcontinent and throughout the world.

I am also encouraged by the progress which has been made towards establishing, for the first time, uniform guidelines among nuclear suppliers to halt the destructive influence of economic competition on international efforts to place effective controls on nuclear technology. However, while real progress has been made in terms of controls on conventional facilities, much remains to be done with respect to full-scope safeguards and adequate controls on advanced technology.

Finally, the Soviet Union—which has for some time worked closely with us in combating proliferation—has taken a major step towards breaking one of the principal remaining barriers by calling for a moratorium on all nuclear explosions, "peaceful" or otherwise.

The United States can and must assert strong and creative leadership to achieve continued progress by making non-proliferation a primary goal of our foreign policy. For years, both Republican and Democratic administrations have treated nonproliferation as a long-range goal, receiving only sporadic attention by top officials. While I am greatly encouraged by the far greater attention which has been given to this issue in recent months by the Carter administration, much remains to be done.

We cannot afford to leave anywhere the impression that we are not really serious about halting the spread of nuclear explosives capability. Until it is clear that there are serious diplomatic costs associated with developing such explosives, other nations will assume that they can take that route with impunity.

During the 94th Congress, countless hours were devoted to the task of breaking new ground with Senate legislation to formulate a coherent U.S. policy in this field, including strengthened nuclear export controls and a call for new diplomatic initiatives. Although no final action was taken last year, congressional efforts did contribute to a new awareness of the problem. This process began anew in January of this year, as we worked closely with the Carter administration to fashion workable legislation in this field.

S. 897 sets forth a comprehensive yet flexible approach to the proliferation problem, taking into consideration both the need to establish tough new controls on the spread of nuclear technology and the need to insure U.S. participation in worldwide nuclear trade. The bill establishes important new criteria to govern the transfer and use of U.S. nuclear export items, and requires accelerated negotiations to achieve international cooperation in harnessing this technology and in developing alternative energy sources. In addition, the bill calls for measures to insure a reliable supply of nuclear fuel to nations which are willing to adhere to effective controls, providing an incentive for those nations whose interest in nuclear power is purely peaceful to refrain from acquiring dangerous national facilities. Finally, the bill contains a number of organizational provisions to strengthen the formulation and management of U.S. nuclear export policies.

S. 897 has been carefully drafted to minimize conflict with our existing agreements and to provide an opportunity to strengthen those agreements prior to the implementation of strict new controls. Moreover, in recognition of the fact that circumstances and political imperatives vary from country to country, the bill provides for the flexibility needed to reach practical solutions.

One issue which may surface when this bill is debated on the floor is how it will affect the U.S. role as a reliable supplier. There is no question that being a reliable supplier is vital in maintaining a healthy competitive position, and as an important source of leverage for imposing effective safeguards on nuclear technology. Yet I am unable to accept the notion that being a reliable supplier requires a ministerial approach to nuclear export licensing.

The fundamental policy decisions regarding the desirability of nuclear trade with a particular country and the type of controls to be applied should be made during the negotiation of agreements for cooperation—not when application has been made for the export of a particular commodity under the provisions of that agreement. It must be the clear policy of the United States to honor its commitments to supply nuclear commodities if the recipient country has acted in good faith with respect to its peaceful-use assurances. That is the essence of being a reliable supplier, and to arbitrarily vary our requirements as they apply to each specific export would obviously do grievous damage to the position of the United States as a reliable and honorable partner in international trade.

However, agreements for cooperation remain in effect for 30 to 40 years, and the safeguards which are agreed upon at the outset may well prove to be insufficient in light of changing circumstances. It would be highly irresponsible for the United States to rely solely upon the conditions which prevailed when an agreement for cooperation was originally negotiated in determining whether or not a pending export license would be inimical to the common defense and security.

Such a ministerial approach, although it certainly would be attractive commercially, would abdicate our responsibility

to insure beyond a reasonable doubt that U.S. nuclear exports will not be used for military purposes. Instead, the United States must carefully analyze each proposed export to insure that the fundamental spirit of our agreements for cooperation—to provide assistance in the peaceful uses of atomic energy—and not just the letter of those agreements, is upheld. It is also vital to maintain a healthy, independent check on U.S. promotional and foreign policy interests in making these crucial assessments—a role which the Nuclear Regulatory Commission has performed well in recent years.

Another concern which has been raised is that S. 897 would cause procedural delays in the nuclear export process. The organizational aspects of this bill are sound, and will not result in unnecessary delays or opportunities for dilatory action. However, in order to make absolutely certain that there will be no such problem, Senator GLENN, Senator MCCLURE and I have worked out a series of amendments to provide further assurances of an expeditious process without compromising the basic policy features of the bill or hampering the responsible agencies in dealing with changing circumstances.

While the current language of S. 897 does not embody all of the provisions which would make a positive contribution, it is a real step forward. Unless we act quickly to establish a basic framework for U.S. nonproliferation policy, we will merely be spinning our wheels with a continued debate on the groundrules while larger issues slip out of reach.

NEW ENERGY SOURCES

Mr. ANDERSON. Mr. President, this session's long and arduous debates over energy supplies and energy shortages should make us more appreciative of technological breakthroughs leading to new energy sources.

We have all listened to and read the oil companies' claims that they are spending millions of dollars looking for new sources of energy. The Federal Government is also spending substantial sums on developing new sources of energy—to some extent from alternative sources.

Technology does not progress only from the efforts of big business and Government research. Society often benefits from the hard work and ingenuity of the solo practitioner who diligently pursues his or her idea against enormous odds. Spurred by a firm belief that their ideas will develop into a useful, viable product, these lonely inventors are the spiritual descendants of Bell, Edison, and Fulton.

Mr. President I am proud to number among my constituents an inventor whose diligence may result in an energy bonanza for the American farmer. For 15 years Mr. Les Grove, of St. Paul, Minn., has been working on a process which may do more to alleviate our energy shortfalls than anything the oil companies or the Federal Government has accomplished thus far.

Mr. Grove will soon release a recipe for an "organic fuel." The process uses enzymatic action and filtering to transform high-fiber material such as corn stalks, corn cobs, or sorghum into fuel for gasoline engines. Some byproducts of the process include fertilizer, cattle feed, human food, potting soil, ethanol, and ethylene.

Mr. Grove estimates that farmers will need to spend $35 on the enzyme to mix with about a ton of dry material to produce 350 gallons of fuel. The income from the sale of the fuel and other products may allow farmers to achieve economic independence and to replace OPEC as a major source of energy for all Americans.

Les Grove deserves special commendation for his efforts. I know my colleagues join with me in wishing his success.

I ask unanimous consent that the full text of the article be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ORGANIC FUEL RECIPE WILL FREE U.S. FARMERS, ST. PAUL INVENTOR SAYS

(By Brian Howell)

Les Grove believes the secret to the impending energy crisis lies within the agricultural community, not with the barons of the petroleum industry.

Grove, a middle-aged, spunky and to-the-point St. Paul engineer, is about to release a recipe for an "organic fuel" that, he says, will free the American farmer from the binds of the petroleum industry.

History, Grove said in an interview Wednesday, has some important lessons to teach and he credits his interest in history for his discovery. A holder of 27 patents on his own inventions over the years, Grove has spent endless hours in Washington pouring through records in the U.S. Patent Office. Something he saw caught his eye, so he turned to the history books.

In his reading, Grove learned that the U.S. Army during World War II isolated a fungus causing a condition known as "jungle rot," which plagued troops in the South Pacific. The fungus, called "trichoderma viride," the Army learned, could attack any organic material and break it down. While attempting to arrest the disease, Grove said the Army scientists learned that a combination of the fungus—or enzyme—and organic material yielded a glucose "syrup" that could be refined into ethanol. The Army patented the enzyme.

Enter the ambitious Grove. "It was a government patent and I knew it would have to be released to the public sooner or later," he said.

That was 15 years ago, and, since then, Grove has been perfecting a method—and a machine—to be utilized by farmers to produce their own fuel.

"You can use any high-fiber material such as corn stalks, corn cobs, straw from cereal grains, grass or wood," Grove said, "but we're finding that sorghum or Jerusalem artichoke works the best."

With an abundance of agricultural products in the Midwest, Grove described how his plan will ease the nation's energy problems as well as the farmer's economic woes.

The enzyme, produced like a yeast fungi, can be produced in a single laboratory in each state and sold to the farmers.

"The farmer hammer-mills (grinds) his product, such as straw, and mixes it with the enzyme and water in a hydrolysis unit," Groves explained. "He then heats the mixture, which is agitated under pressure, and maintains it at 120 degrees Farenheit for 24 hours."

"This yields a liquid which is filtered three times. After the first filtering, 80 percent of the solids are removed. These can be used as organic fertilizer or converted to human or cattle food.

"The liquid is filtered again," Grove continued, "and these solids—about another 10 percent—can be used as a very fertile potting soil additive. Now, the remaining liquid will burn in any oil furnace, or in diesel tractors or trucks."

Only after a third filtering and another catalyst is added (Grove wouldn't say what that catalyst is, but that it can be purchased in most drug stores) can the fuel be burned in a gasoline engine.

But that's not all. Grove said the liquid has other uses. After step two, the liquid also can be processed into ethanol, or ethylene, which can be utilized by the plastics industry to make the same products they now make petroleum products with."

Grove predicted the farmer will pay about $35 for enough enzyme, using about a ton of dry material, to produce 350 gallons of fuel. Not only can the farmer become energy self-sufficient, Grove said, but he'll be able to sell any excess fuel in the market to supplement his annual income.

That additional income, which Grove figures will make the farmer more independent, is an idea that excites him. I know all about the farmers' plight," Grove said. He's been brainwashed into specializing and his biggest problem now is that he only sells one product.

The dairy farmer only sells milk, and the wheat farmer only sells wheat and they all have to accept the price the market is paying. This plan will give him extra money to live on, and when he doesn't like the price he's getting for his products," Grove said, gesturing, he can tell the buyer to stick it up his fanny."

Within four years," he continued, farmers in this country could replace all imported Arab oil."

Grove figures pressure from petroleum interests is the reason this idea hasn't been developed before. He also figures they will be "hot" when his plan is implemented—but he has no doubts it will develop.

He has received calls from all over the Midwest about the program, he said, and is preparing to deliver a press conference in South Dakota, Iowa and Minneapolis this week. (Grove answered telephone inquiries from Indiana and Ohio during the course of an hour-long interview and received one request to appear on a local TV show.)

Of course, Grove himself stands to gain considerably from his plan. "My interest," he said, "will be a very small royalty from the sale of the fuel." He'll also own the patent on the system he's designed for fuel production.

Grove said his plan is merely utilizing solar energy to its fullest. "It's Mother Nature's way of giving us energy," he added.

FLOOD INSURANCE

Mr. EAGLETON. Mr. President, this morning's Washington Post reports that the Department of Housing and Urban Development has decided to federalize the national flood insurance program.

I am not prepared at this time to judge whether this so-called part B takeover is justified or in the public interest. The program is obviously in very serious trouble and the situation continues to deteriorate. But, is it a solution to allow the same department which has had a hand in bringing about the present mess to take it over completely? Are the interests of the 1 million flood insurance policyholders going to be served by putting HUD directly in the

insurance business with all claims to be processed through a centralized system here in Washington? Can we have any confidence that a combination of HUD bureaucrats and a computer firm which has absolutely no experience in the insurance business—and that is the HUD plan—is going to be able to do the job?

I do not know the answers to all of these questions, but I do know this: The action which HUD is taking is a major one and should not be allowed to proceed without a careful review by Congress. And that is what the law provides.

Section 1340 of the National Flood Insurance Act of 1968—as amended—says as follows:

Upon making the determination referred to in section a, and at least 30 days prior to implementing the program of flood insurance authorized under Chapter 1 through the facilities of the federal government, the Secretary shall report to the Congress and such report shall—

(1) State the reason for such determination

(2) Be supported by pertinent findings,

(3) Indicate the extent to which it is anticipated that the insurance industry will be utilized in providing flood insurance coverage under the program, and,

(4) Contain such recommendations as the Secretary deems advisable.

Mr. President, the Department of Housing and Urban Development served formal notification of the action to be taken only 2 days ago. Despite reports to the contrary, I have been assured by the general counsel of HUD that no binding contract or commitment will be signed until after expiration of the required 30 days. However, I am convinced that more than 30 days will be required to unravel all the facts of this matter. Let me touch on just one aspect of the situation—the cost.

In the document sent to Congress and in subsequent press releases, HUD has claimed that federalization of the program would result in a $15 million annual savings. In support of that claim, a memorandum was circulated by at least one HUD official and represented to be a kind of GAO endorsement of the HUD action. Mr. President, that is not the case. The memorandum in question was nothing more than the off-the-cuff impressions of one GAO analyst, who insists that it was never meant to be anything more than an outline for discussion of the subject. In fact, even that outline raises very troubling questions about the accuracy of the claimed savings.

The GAO analyst informed my staff that he was importuned by HUD to prepare the memorandum for a briefing session, and it is significant that the memorandum carried no letterhead or any other attribution to GAO. The only indication that the document had some connection with GAO was a handwritten note on the upper right hand corner—"GAO."

This same memorandum was represented to members of my staff by a representative of HUD to be GAO validation of HUD's claims. I understand that similar representations were made elsewhere on the Hill. The fact is, Mr. President, GAO tells me it is no such thing and that it would take 3 or 4 months to review the cost comparison as between a HUD-run program and the present subsidized, private insurance system. I have today asked the GAO for a letter disclaiming this misleading representation.

In a further effort to disarm opposition to HUD's going into the insurance business, the Department commissioned an evaluation by a company known as the Actuarial Research Corp. This so-called evaluation was commissioned on October 28, with orders that conclusions be reached by November 1. To attempt to palm off such a quicky study as any kind of substantive evaluation is amazing in itself. But even if we accept that, the study itself raises serious questions about the takeover. Specially, the study as this to say:

Under neither option can the level of Federal costs be determined accurately in advance. The RFP requested proposals on a cost-plus fixed fee basis (referred to hereinafter as "cost-plus"). If a contract is negotiated on this basis, the contractor is not bound by the estimates in the bid, except for the fee, which constitutes only 10 percent of the estimated cost. If additional funds must be expended to administer the program, the cost is borne by the program. In fact the circumstances furnish an incentive to potential contractors to underbid. To the extent that estimated costs are a factor in awarding a contract, their chances of success are enhanced. Since the FIA could not cancel the contract in the short run or rebid it without materially affecting the flood insurance program, the contractor would not suffer any adverse consequences from an underbid.

Mr. President, as I said earlier, I am reserving judgment on the wisdom of letting HUD move into the insurance business. But I cannot disguise my skepticism. In my opinion, no department of the Federal Government has bungled more programs and is more mismanaged than HUD.

Certainly Congress should insist upon a careful evaluation of the highly suspect cost savings claimed by HUD before any final action is allowed to take place. Congress should not be stampeded into quick approval on the notion that we have no time to properly consider the matter. The Department of Housing and Urban Development has been formally advised by the National Flood Insurers Association that it will extend its present contract beyond the December 31, 1977 expiration, in order to give Congress the time to make a reasonable judgment. Clearly that time will be needed and I have urged the Department to accept that offer.

ENERGY LEGISLATION

Mr. JAVITS. Mr. President, as is well known, enactment of energy legislation has been one of the most—if not the most—important issues facing the Congress this session. In this morning's Washington Post, our distinguished colleague from Illinois (Mr. PERCY) published an article which discusses the Senate's record in this regard.

I found the article to be candid and provocative and it could serve as a basis for discussion of our future course of action with respect to energy legislation. Therefore I ask unanimous consent that Senator PERCY's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Nov. 4, 1977]

A "DISMAL" SENATE RECORD ON ENERGY

(By Charles H. Percy)

I am deeply disturbed that the Senate is acting as if the energy crisis is not real.

Our track record to date is dismal. A number of urgently necessary but politically unpopular measures have been defeated, including a wellhead tax on oil, a gasoline tax, an oil and gas users' tax, and electric rate reform. The Senate instead has adopted only the easy, the popular and the most palatable: tax credits, loan programs and studies that will postpone needed reforms. But even these measures are in jeopardy unless agreements with the House can be reached.

It would be unconscionable for Congress to adjourn this fall and go home without developing a long-overdue national energy policy. This year we will import almost 9 million barrels of oil a day, at a cost of $45 billion. This is double the volume and almost 10 times the cost of oil imports in 1972, the last year before the embargo. What will we say to our constituents when they ask what we have done to cut imports? How will we explain to them that the Congress was incapable of tackling the problem? We need at least a significant start in this session, a bill on which we can build next year and in subsequent years.

I fear that we in the Congress have so far failed to attend to the long-run basic interests of the American people. For several years we have told each other in the cloakrooms that we need an energy plan. Now the House has presented us with one, but we have decimated it. Undoubtedly this is due in some measure to sharp but honest differences of opinion over what the policy should be, but it is also due to the public's apathy and to the credibility gap associated with the energy crisis. However, the Congress must take a large part of the blame for not alerting the public and educating them to the facts.

I fully support free-market pricing of new fossil fuel supplies. Higher prices will encourage new production. But I am under no illusion that new oil and gas supplies can be more than a stopgap measure while we shift to use of renewable resources.

The other new centralized technologies likewise hold little promise as more than supplemental solutions. Severe technological, social, financial and environmental problems plague the breeder reactor, synthetic natural gas, shale oil and other similar technologies. Most of these technologies are uneconomical. Some will cause serious changes in lifestyle and standards of living. To promote them would involve large and perhaps permanent government subsidies. The free market will not support them. I suggest we not disregard its signals.

We need instead to recognize a fundamental principle: Energy is a means, and not an end in itself. We should define the energy problem more accurately as the challenge of meeting our social and economic goals with the minimum amount of energy necessary. We must dispel the myth that increased use of energy means a better life, and that less energy means a lower standard of living. Instead, we should first pursue and give high priority to the one policy that makes the most economic sense: converting energy waste into energy supply through conservation.

Those who support a "strength-through-exhaustion" policy tends to describe conservation as curtailment: wearing sweaters in 60° buildings, waiting in line for gasoline and limiting economic growth. They seem unable to understand that we can mine energy in buildings, cars and industrial processes with insulation, more efficient engines, and better control systems. Conservation is energy supply. It is invariably our least expensive new supply option.

We need to reform rates for gas and electricity to eliminate volume discounts. The days have long vanished when the utility industries and the country can reward large users for wasting these precious resources in impressive amounts. Although I disagreed with the heavy-handed approach to rate reform the House took, I feel the electric rate bill the Senate passed is hardly worth having. I hope conferees will agree to at least allow federal appeal of state utility commission decisions and to permit federal guidelines on marginal pricing as the Department of Energy has urged.

We also need to eliminate subsidies to conventional energy technologies so that consumers, not taxpayers, pay for existing energy supply. This includes doing away with tax and accounting loopholes for fossil-fuel producers and electric companies. It includes incorporating all environmental costs into the price of energy. For example, the cost of radioactive waste disposal should be part of the price of electricity from atomic plants. Fossil-fuel-burning plants should not be allowed to impose costs in the form of death and respiratory disease from air pollution on to those who live downwind.

Individual subsidies must also go. Federal government employees should not be given free parking at taxpayers' expense, thus making the use of public transportation uneconomical. Consumers should not deduct state and local gas taxes on their income-tax returns, a further subsidy to the automobile that costs the Treasury over $700 million a year. I hope the Senate will restore the repeal of this deduction to the tax bill.

We must understand that the free market, with all of its advantages, has certain limits. It can deal only with efficiency, not with equity, and thus takes no account of income distribution. It will fail to develop and commercialize rational new technologies than take longer to commercialize than the three to seven years for which businesses usually plan. The market puts no price on national security to be obtained from independence from foreign supplies. It makes no distinction between depletable and nondepletable resources and does not take into account the needs of future generations. Because of economies of scale in production it has difficulty making products appropriate for localized and small-scale use. Finally, in many cases energy is either too small a proportion of total cost for rational businesses or consumers to bother to save it, or else those who pay for energy are not the same persons as those who decide how much is used.

We must be willing to intervene appropriately in these cases. It is necessary to ameliorate the effects of high energy prices on low-income groups and other special hardship cases with rebates, weatherization programs and similar special assistance. Such provisions are in the bills from both chambers. The government must act as a catalyst to help the Invisible Hand of the market to research, develop and commercialize renewable energy resources, such as the wind and the sun.

In another century and in another forum, Edmund Burke said:

"The public interest requires doing today those things that men of intelligence and good will would wish five or 10 years hence had been done."

We must act in the public interest here today, or else our constituents will face the stern education of hardship in five or 10 years. The approach of statesmen must be to educate the public today about the seriousness of the crisis and about how more efficient use of energy can help to solve it. Such teaching and learning are the keys to preventing a dark and cold tomorrow.

MINORITY BUSINESS AND ECONOMIC DEVELOPMENT ACT

Mr. NELSON. Mr. President, Small Business Administration programs that are designed to develop business ownership by minority individuals badly need reform. There has been a great deal of discussion recently about abuses in the SBA's so-called 8(a) minority business development program. Many have commented on the cases where unscrupulous white businessmen have used blacks to personally benefit from contracts let under the 8(a) program.

What has not been discussed, however, is that even if there was never one case of fraud or deception involving participating firms, the 8(a) program is still in deep trouble. Since it was created, 3665 firms have participated with a little more than $1.9 billion worth of contracts let to them. Of those 3665 firms, there have only been 103 firms that have successfully completed the program. 1085 were dropped from it by SBA for various reasons. Another 543 firms withdrew voluntarily, and 355 firms left it because of business failure.

Such poor results are partially due to ineffective management in the SBA, but they are largely due to poor program design. The "Minority Business and Economic Development Act," which I and Senator JOHNSTON have coauthored, addresses the problem of poor program design in SBA's business development efforts.

The bill creates a Bureau of Minority Business and Economic Development within the SBA. The Bureau, which will be headed by a presidentially appointed director, will manage a total business development effort. No longer will SBA's procurement division be responsible for minority business development. Under the bill, that division's only concern will be to find contracts for small business in order that all small enterprises will have their fair share of Federal business.

The Bureau will serve firms that are owned by minority individuals. For the purposes of this program, a minority individual is anyone who is socially or economically disadvantaged and will include but not be limited to Negroes, Asian-Americans, Spanish-speaking Americans of Spanish descent, and American Indians.

Among the Bureau's many responsibilities to minority small business clients will be loan packaging, financial counseling, marketing and accounting assistance, and organization, operations, and personnel management. The Bureau will also evaluate the impact of Federal support to minority small businesses and will analyze the reasons for success and failure of minority small business in this nation.

An effective business development program of this type is a very labor intensive endeavor. The Bureau will have enough personnel to permit each business development officer to have only a small number of firms to supervise and assist. Hopefully, the ratio will never be any higher than one development officer to ten small businesses.

Additionally, the bill creates special liaison between the SBA line functions of business lending and procurement and the development functions of the Bureau. A deputy associate administrator for Minority Business and Economic Development is created within the finance and investment division of SBA. This deputy's duties shall be to make certain that the Bureau's client firms receive timely and adequate financial assistance from SBA.

In the procurement area, the Bureau's director must appoint a special minority business and economic development procurement officer in each SBA field office that presently has procurement responsibilities. Without such a presence around the Nation, client firms will neither have enough nor the proper types of contracts to serve their development needs. SBA's existing procurement operation, which has no special minority business contracting officers, has not been able to meet the contracting needs of participating firms in the 8(a) development program. These new minority business procurement officers will be able to aggressively pursue contracting opportunities in a way that SBA has refused to do or been unable to do up to now.

The measures established by this bill represent a major step in creating a minority business development program that can meet the bold goals for expanding business ownership by minority individuals that have been pursued by every administration since President Johnson's. Broadening participation by minorities in the United States free enterprise system is essential if all Americans are to have the opportunity to feel an integral part of this Nation's economic system. The "Minority Business and Economic Development Act" will surely advance the potential for such a broader involvement by all minorities.

THE AGRICULTURAL SITUATION

Mr. McCLURE. Mr. President, in the 11 years I have served in the Congress of the United States, I have never observed a more frightening economic situation than that facing the agriculture communities of this Nation. I am not talking about just wheat growing areas and I am not talking about just small marginal farm operations.

The fact is that producers of wheat, corn, milo, sugarbeets, sugar cane, dry beans, potatoes, peas, lentils, cotton, and cattle feeders and the cow-calf operator—whether they be small, midsize, or large operators—are discovering it is awfully tough to pay-off last year's bills. Indeed, a great many well mechanized, hard working, and efficient farmers and ranchers are coming to the realization they may not be in business next year.

For those that do not realize the impact of this serious situation, let me enlighten them somewhat. Virtually 100 percent of the businesses that exist in rural, agriculture areas depend on farmers and solid farm prices for their livlihood. When farmers go, businesses go.

Every citizen of this country relies on farmers and ranchers to fill the shelves and counters at the local grocery store. When farmers go out of business, food becomes shorter in supply, and thus, more expensive for everybody.

For the last several years, the Government of this country has relied on agricultural products to equalize our severe balance-of-payment problems. Need I tell you what will happen to our trade deficit when large numbers of farmers and ranchers call it quits? I think the answer is painfully obvious. These are just three of literally dozens of severe problems that will occur—and in many cases have already begun—as more and more agriculture producers go under.

We now ask ourselves why this situation has occurred. Admittedly, farmers and ranchers may inadvertantly cause many of their own problems by growing too much of one thing or another in years they should be growing less. But many of these decisions are calculated risks and the agriculture producer knows it. Fluctuating prices are a way of life to the farmer and, for the most part, they consider diverse market activity as one of the aspects that makes farming "interesting and challenging."

However, when one couples this normal and typical agriculture activity with Government imposed regulations and decrees as well as Government inaction in certain areas, only one thing can be promised the farmer: Disaster.

Let me give a few examples to emphasize my point: Every time the EPA or FDA bans or restricts pesticides or drugs necessary for plant growth and animal health, farmers and ranchers lose money because of sickly animals and infested crops. Many new regulations, which result in overall increased costs to everybody, are often not necessary.

Next, on one Friday during the summer of 1975, the price of wheat in the United States was over $5.50 per bushel, a good price for farmers. Over the following weekend, the Government imposed a wheat embargo on certain overseas sales, thus causing a drop in price of over $1.50 per bushel in just 2 days. That price has since dropped another 50 percent to its present national average price of barely over $2 per bushel, obviously a devastating loss to wheat farmers nationwide. It may be argued that this price would have dropped anyway. While this might be true, the Government had no business meddling in the marketing affairs of our agriculture producers, an act which greatly hastened any possible decreases.

Last, in September of 1976, it appeared obvious to virtually everyone with any knowledge of the world's sugar market that large quantities of surplus foreign sugar were being dumped on the American market because, unlike every other major sugar-producing nation, we had no import quotas and very low import tariffs. Competing directly with domestic producers and processors, who themselves had large supplies of excellent weather and improved crop yields, more sugar was dumped in this country than our consumers could ever consume. Thus, the price of sugar in the United States dropped drastically to the below-production price of around 10 cents per pound. Over the months, many people have paid lip-service to this situation, supposedly trying to get some relief for sugar farmers. But in over 13 months, no assistance of any type has reached the pocket of the farmer, despite the fact that the Government's inaction is the basic reason the domestic sugar industry is slowly but surely going under. I could go on and on all day making references to the hundreds of ways this Government has irresponsibly and unnecessarily ruined its own farmers and ranchers.

So now, Mr. President, we in the Congress have been asked by our agriculture producers to give them a hand—to keep them on their feet until prices return to at least break-even levels. Grudgingly, we have authorized the spending of billions of dollars for direct subsidies and grants as well as for a variety of loans. While these measures may help producers ride out the worst of the "storm," the fact remains that the spending of this kind of money simply does not solve the problem.

The problem can only be resolved if the Government, once and for all, learns from its past mistakes and gets out of the business of regulating and controlling the production of agriculture commodities in the United States. At the same time, the Government must be cognizant of the various pressures placed on U.S. agriculture by other nations and be ready to act quickly when these pressures begin to adversely and unfairly affect the American farmer and rancher.

Only when the executive and legislative branches of the U.S. Government come to grips with these two points will American agriculture reverse its downward trend and again prosper as it has in the past and must in the future. Only 214 million Americans stand to benefit.

Mr. President, over the past several months, I have received hundreds of letters from agriculture producers in Idaho and throughout the country expressing their complaints and fears over their present economic situations. One such enlightening letter came to me recently from Mr. and Mrs. C. B. Shields, Jr. of Edcouch, Tex. I ask that this excellent letter be printed in the RECORD so that each Member of this body may read it and enlighten themselves on a very serious situation.

There being no objection, the letter was ordered to be printd in the RECORD, as follows:

OCTOBER 7, 1977.

Mr. President and Members of the Congress: We farm approximately 4,000 acres in the Rio Grande Valley of South Texas. We employ seventeen people the year around; that number increasing to as many as 60 during irrigation of crops and harvesting of cotton. The farm is greatly diversified: cotton, feed grains, sugar cane, citrus, and cattle. We also own and operate Farm Aerial Services, which is, of course, dependent on agriculture.

When farmers diversified as we are, encounter financial trouble because of soaring costs and ridiculously low prices for farm products—we deem it necessary to speak with the President and Congress of our nation.

In addition to the plight of farmers raising the crops we do—we have a son-in-law who farms rice in Jackson County, Texas—a mother who owns a wheat farm in Mountrail County of North Dakota—and other members of our family farm in Mississippi and are involved with cotton, rice, and soybeans. Many neighbors and friends grow vegetables for fresh market and quick freeze, here, in the Rio Grande Valley. So, it is with first hand information we feel it necessary to speak with you. There has to be something seriously wrong when a farmer does not receive a fair price for any one of these commodities.

It is our contention that government should do one of two things: (1) stay out of agriculture completely, or (2) guarantee 100 percent of parity and regulate as deemed necessary.

May we give you several examples of why we have reached this conclusion?

Several years ago, on a specific Friday, we contracted to sell 20 carloads of feed grain for $5.75 a cwt. with an understanding with the grain dealer that on the following Monday we would contract between 20 and 40 carloads more at the Monday's price (which would likely have been close to $6.00). But on Sunday—President Ford asked the grain dealers to impose an embargo. Consequently, there was no sale on Monday—grain prices plummeted to $4.00 a cwt. The same year farm costs skyrocketed! We were faced with shortages in machinery, chemicals, etc. because many of these items were being exported to foreign countries. Grain prices have not been at a fair level since that time and this year we are forced to use the government loan program. In a television interview, Secretary Bergland stated that Japan and others are still afraid to deal with grain dealers of our country because of that embargo.

Another example occurred when a number of concerned farmers of the Rio Grande Valley pooled their resources to have a feasibility study made for sugar growing in our area, in order that the government might grant them a sugar allotment. Much money was spent on it and the government made it mandatory that these interested persons obtain financing for the building of a mill prior to the granting of said allotments. Finally, all requirements were met—and eventually the allotment was granted; but so late, that it was impossible to complete the mill by October 1 when harvest and milling should have begun. Not until December 1 were they able to begin milling. Then December 10, a devastating freeze struck, and damage to the cane was extensive, and losses to the farmers heavy; only a small acreage was spared. Many growers would have been wiped out that first year had this not been a co-operative venture. We feel that government red tape and slowness to action caused much of the loss. Had the mill been completed and harvest begun October 1, a great portion would have already been harvested and not nearly the acreage left standing for deterioration before it could be cut. At this time it was disclosed in news' reports that the United States had granted Mexico funds for building three new sugar mills. A country which subsidizes sugar prices to their growers and a country where human rights are ignored and men and women labor for a pittance. Is it any wonder our citizens sometimes ask, "Is our country really a government for the people?".

In several years the sugar prices climbed to a record high and it looked as if the

gamble of the sugar growers had paid off. Then we heard a news release quoting an official of the USDA assuring consumers that the price of sugar would level off and would drop to 20 cents in January—and for some reason, he was right. And the price has continued to decline and cheap imports flood our market. As a result of the depressed prices; the harvest of 1976–1977 yielded not one cent to growers. The price of the raw sugar covered harvest and milling expenses only.

For the year of 1977–1978 we have been promised a floor of 13½ cents, (52.5 percent parity), but in the legislation also is the stipulation that labor prices paid by growers will be set by the Department of Labor. Yet we must compete with imports from foreign countries who pay as little for an entire day's labor as we pay for one hour's work in the cane fields.

Farmers want clean air, pollution-free streams, and a beautiful country as much or more than any group of people in our nation and yet environmentalists continue to force regulations on us that could drive us out of business—if low price do not cause that first.

Right now cotton mills are faced with the necessity of many changes in their equipment in order to continue operation under EPA standards. Fifty two cent cotton does not now pay production costs for growers. Will this cost, too, be passed on to the growers? Or will the cotton mills be forced to close as the steelmills of Youngstown?

Why must so many products be imported? We love purchasing specialty items from our friends abroad, but our deficit in the world balance of trade is staggering and frightening.

We are unhappy with the job done by the Department of Agriculture. It seems they are dedicating their work to appeasing the consumer—not to the many farmers of our land whom, we feel, the department should represent.

Why do they not spend more time educating the public of the value the American food dollar purchases compared to that of other nations? Why not publish prices paid to farmers along with consumer prices? It is unfair for the public to feel they are being robbed by the rancher when the housewife pays $2.00 per pound for beef for which the rancher received 35¢ (and lost money doing it). Just recently we saw $1.29 a head cauliflower and 89¢ a bunch broccoli—how many consumers know the growers will be lucky to receive one cent a piece?

We think it is the job of the USDA to educate the public that the nation's farmer is not the "bad guy" who grabs such a large portion of his pay check. Housewives should be urged to determine just how much of her grocery dollar is actually spent on food. Consider all the items such as cleaning products, laundry products, fun and convenience foods, drinks and even cigarettes, that are purchased at the super market and are considered "food" when the grocery bill is discussed.

Citrus fruit is sold by the producer by the ton. About $60 a ton is the price for oranges right now. How many bags of oranges will $60 buy at the supermarket? We won't ask—how many bags of oranges 2,000 lbs. will yield.

Also the crop reports put out by the USDA are usually quite inaccurate and usually very influential to the market. If the accuracy cannot be improved perhaps they should be discontinued.

We fail to see how the farmer will derive any solution to his problems from the Farm Bill just signed by you, Mr. President. It has been necessary for us to put 1,700 bales of our 1977 cotton crop into farm loan. Now we are faced with a cotton program that creates a ceiling for the price of cotton. Our production costs, (confirmed by USDA figures), are somewhere between 60¢ and 70¢ per pound (excluding land costs). The new law creates a ceiling price at approximately 52¢ a lb. (at that point, imports will be permitted) we are told. Just how can this bill be of benefit to the cotton producer when it not only does not guarantee, but also does not permit a return of production costs?

It seems it should also be the task of the USDA to point out to the nation how little of the total cost of the Farm Bill actually goes to farmers. The food stamp program and food for peace will be a greater cost to the nation according to information available to us.

The Congress has deemed it necessary to vote a cost of living increase in their salaries—and we do not quarrel with it; but—where does the farmer—whom, we are told is the nation's largest consumer, get his cost of living increase? Out of prices for his products that are already below the cost of production?

We realize this is a lengthy letter for you to take the time to read, but we haven't begun to tell you of the problems the farmer in our country is faced with today.

We supported your campaign, Mr. President, and voted for you and urged our family and friends to do so also. We attended your rally in McAllen and were convinced you were a man who would listen to his people—and that you, as a farmer yourself, would do your utmost for the farmers of this nation.

We have three sons whose ambitions were to farm, but sky rocketing costs and low farm prices have whisked away those hopes and dreams. If proper action does not come quickly the family farm of America will be just a memory.

Right now our farmers provide abundantly for the needs of our nation and many nations of the world; but, if the cry for help coming from every farming community in our country is unheeded—more and more farmers will leave their land (2,000 in Texas alone last year). The energy crisis is indeed a serious problem—but has anyone considered the devastating effects of a food crisis? Has anyone considered the seriousness of being dependent on other nations for food; as we are for much of our petroleum? What can a hungry nation do for the world?

Again, we suggest a more serious consideration by the President and the Congress. Could non-governmental intervention be a solution to our problems? If not, surely 100 percent of parity can be the only decision one could make in good conscience.

We would urge you, Mr. President, and the congress to dedicate yourselves to fulfilling the needs of the people of your nation first.

Although we are not in accord with much that has been accomplished during your administration—we continue to pray for you and your Congress to work together in harmony—in order that "all things may work together for good to them that love God."

Sincerely,

Mr. and Mrs. C. B. SHIELDS, Jr.

ANNUALIZATION OF WAGE REPORTING

Mr. McINTYRE. Mr. President, over the past few years the Senate has discussed the problem of how to cut down Government paperwork. One of the areas where we have acted is to annualize wage reporting to the Social Security Administration to cut down the amount of paperwork that many small businesses must complete.

Part of the social security amendments passed by the House of Representatives, but not included in the Senate bill, would provide for total annualization of wage reporting to the Social Security Administration and would mean a significant reduction in paperwork to businesses and to the SSA itself.

Because the Senate Finance Committee has not had a chance to examine the issue in hearings, I have held off introducing an amendment to the pending bill which would provide for annualization of wage reporting. However, for the benefit of my colleagues I would like to insert the position paper on annualization by the Commission on Federal Paperwork, where I served as cochairman with Representative FRANK HORTON of New York. I would like to endorse the concept which is included in the House bill, and would urge the Senate conferees to consider this concept favorably when working out a measure for our final approval.

I ask unanimous consent that the position paper be printed in the RECORD.

There being no objection, the position paper was ordered to be printed in the RECORD, as follows:

POSITION PAPER

TRUE ANNUALIZATION OF WAGE REPORTING

I. Statement of the Issue

On January 2, 1976, President Ford signed a law, P.L. 94–202, which would permit employers to report quarterly wages paid to employees on an annual basis. The law is scheduled to be implemented on January 1, 1978. Employers will report the wages to the Social Security Administration (SSA) on a revised IRS Form W–2 which will then be forwarded to the Internal Revenue Service (IRS). Although this change will save money for both employers and the Government, additional savings from truly annual wage reporting (i.e., total annual wages without quarterly breakdowns) will not be realized. SSA has prepared draft legislation which would truly annualize employer wage reporting and provide for increased savings to Government and the private sector.

II. Source of the Issue-Background

As early as 1955, the second Hoover Commission identified the excessive paperwork involved in employee wage reporting borne largely by the country's small businesses. They suggested that the excessive wage reporting to IRS on the W–2 and 941 forms be reduced. Since the Hoover Commission's report, combined annual wage reporting has been proposed to Congress in numerous Presidential messages.

In September 1971, the President's Advisory Council on Management Improvement released its "Report on Multiple Wage Reporting systems." In this comprehensive report, the Advisory Council proposed the elimination of the detailed wage information on IRS 941 and endorsed the concept of annual reporting by employers of employees' annual wages on the IRS W–2 form (true annualization). They also recommended that the Department of the Treasury and the Department of Health, Education, and Welfare jointly design such a system of annual reporting.

In February 1973, the Director of the Office of Management and Budget instructed these two executive departments to design an annual wage reporting system. In October 1974, Congress passed a bill which required the Secretary of the Treasury and the Secretary of Health, Education, and Welfare to study systems of combined social security and income tax reporting on an annual basis. Their report, submitted to Congress on December 31, 1974, contained an evalua-

tion of various alternatives and measured the effects and cost implications for employers, the IRS, and the SSA.

In this report the Secretaries of Treasury and HEW noted that "single annual reporting of wages has the potential for substantially reducing the Federal paperwork burden on employers, for improving compliance with the income tax laws, and for bringing about a net savings in Federal Government administrative costs." The Secretaries recommended the adoption of a truly annualized wage reporting system such as the one SSA is planning to transmit to Congress. They emphasized that "the benefits to employers and to the Government as a whole, which annual reporting is designed to achieve, would not be fully realized under an annual reporting system with a quarterly breakdown of wages."

The Commission on Federal Paperwork endorsed the concept of combined annual wage reporting at its first meeting in October 1975. The legislative effort for employee wage reporting reform was spearheaded by two members of the Commission. In July 1975, Senator McIntyre introduced a bill which provided for annualized wage reporting. Senator Brock attached the bill to a Finance Committee measure in December. The bill passed and was signed into law in January 1976. Since then, the Commission has worked with both IRS and SSA to ensure the new reporting system will be implemented in a timely manner.

III. Summary of Findings

Although major changes will be necessary in the method of determining coverage for employees in the Social Security Program, we find that the annual reporting system proposed by the SSA in the Combined Social Security and Income Tax Annual Reporting Amendments of 1977 would create significantly greater advantages than annual wage reporting with quarterly breakdowns.

ADVANTAGES TO EMPLOYERS

With the passage of P.L. 94–202, employers were assured relief from reporting detailed employees' wages quarterly on the IRS Form 941. In their 1971 report, the President's Advisory Council on Management Improvement estimated that if the detailed wage data were deleted from the IRS 941, the flow of paperwork between employers and the Government could be reduced by 6 million pages per quarter or 24 million pages per year.

Savings to the private sector resulting from the elimination of detailed quarterly wage data from IRS Form 941, were estimated in 1971 by the President's Advisory Council on Management Improvement to be in excess of $235,000,000 per year ($360,000,000 in 1975 dollars). With a truly annualized wage reporting system, savings to employers would even be greater, since they would be listing four fewer data items (i.e., the wages for the four quarters) than they would under an annual wage reporting system with quarterly breakdowns (P.L. 94–202).

ADVANTAGES TO THE SOCIAL SECURITY ADMINISTRATION

The SSA would no longer process detailed quarterly wage data for nearly every employee in the country. This represents the major administrative advantage of true annualization. Additionally, SSA would have four fewer data items (i.e., the wages for th four quarters) to process off of the W–2 form. Since the number of data items to be processed will be lower under a truly annualized system than under a quarterly breakdown system, SSA will require fewer employees anc less time for processing.

As a result of increased administrative simplification, cost savings to SSA would naturally be greater under a truly annualized wage reporting system. SSA has estimated annual savings of $16,000,000 by 1980 under a system of annual reporting with quarterly breakdowns (P.L. 94–202). If a truly annual system such as SSA has proposed were adopted, an additional $12,000,000 in annual savings would be realized by 1980. Thus, true annualization would result in annual savings of $28,000,000 in administrative costs to the Social Security Administration.

ADVANTAGES TO THE INTERNAL REVENUE SERVICE

The benefits to IRS from annual reporting could prove to be even greater than those to SSA through increased matching of W–2 forms with Income Tax Returns.

Since tax year 1974, the IRS has been operating a tax matching system, the Information Returns Program (IRP). Ideally, a match would be made of all W–2 forms with indi viduals' tax returns to detect fraud, overpay ment of taxes, and underpayment of taxes.

Due to the high cost of transferring W–2 wage information onto computer tapes, IRS has only been able to process a 10 percent sample to match with individual income tax returns (already processed on a 100 percent basis by IRS). However, since SSA would be computerizing 100 percent of the W–2 forms, IRS will be able to acquire complete W–2 tapes from SSA and, thus, have the capacity of matching 100 percent of W–2s with income tax returns.

It has been estimated that with 100 percent matching of all information Returns with W–2s, $630,000,000 in additional taxes owed to the Government would be recovered and $175,000,000 in additional refunds owed to individuals would be paid by the Government. This would yield a net gain of $455,-000,000 to the Government in additional tax revenue.

In addition to matching W–2s with income tax returns, other minor matches of W–3 transmittal, forms with W–2 forms, and W–3 transmittal forms with employers' quarterly aggregate data (IRS 941), will also be possible. Although such matches should assist in identifying errors, no cost estimates have been made by IRS regarding potential savings (if any) to the Government or the taxpayer.

MAJOR PROGRAM CHANGE REQUIRED TO ALLOW FOR TRUE ANNUALIZATION

A large portion of SSA's proposed legislation deals with amending the Social Security Act to incorporate revisions in the method of qualifying for quarters of social security coverage. Since the SSA will no longer be receiving detailed quarterly wage data from employers, they will no longer be able to determine eligibility based on quarters of social security coverage. Instead, quarters of coverage will be determined on the basis of annual wage data. Under the present system, an employee must earn $50 in a quarter to obtain a quarter of coverage. Under the SSA's proposed annual system, there will be a minimum yearly earning amount which will qualify employees for four quarters of coverage, a lesser figure to qualify employees for three quarters, and lesser figures in order to qualify for two and one quarters. For example, if the Congress were to set $400 as the minimum yearly earning amount for an employee to qualify for four quarters of coverage, $300 of annual earnings would qualify an employee for three quarters of coverage, and $100 would qualify an employee for one quarter of coverage. The Commission's recommendation does not comment on the dollar wages necesary to qualify employees for coverage, but merely the concept of true annualization.

IV. Recommendations

The Commission endorses the concept of true-annualization and recommends to Congress the adoption of legislation which would implement true annual wage reporting by January 1, 1978.

MOST-FAVORED-NATION STATUS FOR ROMANIA

Mr. HATFIELD. Mr. President, in early June, President Carter proposed a 1-year extension of most-favored-nation status for Romania. As my colleagues are aware, the Congress then has a period in which to decide whether or not to agree with the President's proposal. In late June—on June 27, 1977—the Senate Finance Committee held a hearing on this question. I hoped to testify, but prior commitments kept me from appearing. I submitted a statement for the hearing, and later submitted the same statement to the House subcommittee for inclusion in their hearing record.

In my statement, I discuss several aspects of this issue: "Equally favored nation" status, Romania's political independence, economic ties, and emigration. I was pleased that Congress took no action, and that MFN is extended. I think that Congress might want to consider a longer period for MFN extension when we review the request next year.

Mr. President, I ask unanimous consent that my statement regarding MFN for Romania be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

MOST FAVORED NATION TREATMENT FOR ROMANIA

On June 2, 1977, President Carter requested a one-year extension of most favored nation status for Romania. Congress now has sixty days in which it may disapprove MFN status through a Resolution of Disapproval. If neither House nor Senate take such action, MFN status will be extended. I urge extension of MFN treatment for Romania for another year.

"EQUALLY FAVORED NATION" STATUS

Before discussing reasons supporting extension of MFN treatment, I want to offer a suggestion, albeit somewhat facetiously. Everyone in the Congress knows that the phrase "most favored nation" is a misnomer. When MFN status is granted a country, the result is not favored treatment, but equal treatment.

Were it possible, therefore, I would suggest replacing the "most favored nation" terminology with a more descriptive phrase: "equally favored nation." I recognize that the phrase MFN has been etched for years into international law and to suggest such a change may be heresy. Although my suggestion may be facetious, my concern is serious. As we in Congress review changes in our economic relations with COMECON countries, certain segments of our population react in strenuous opposition. Part of this concern rests in the belief that the United States is seeking international accomodation at too great a cost. Such fears may not always be founded on fact, but they are deeply held. I would guess that all members of Congress have been asked, on occasion, why Congress wanted to give special treatment to Communist countries by granting MFN. The name itself, most favored nation, helps generate this concern.

As I indicated, sufficient roadblocks probably exist that would make it difficult to replace MFN with EFN. If it could be done, however, the concept would be understood more easily by our constituents, and less confusion would result.

ROMANIA'S POLITICAL INDEPENDENCE

A central reason for urging extension of MFN treatment for Romania is the unique

role it occupies among the COMECON countries. The independence shown by President Nicolae Ceausescu must be considered. In his political and economic posture, he has helped Romania pursue a policy of greater polticial and economic freedom from her fellow Warsaw Pact and COMECON allies. I understand, for example, that Romania is the only COMECON country to be a member of the IMF and the World Bank. Since 1969, five visits have provided an opportunity for President Ceausescu and American Presidents to share views. In 1969, President Nixon visited Romania, as did President Ford in 1975. President Ceausescu visited the U.S. in 1970, 1973, and 1975. I hope he and President Carter will meet soon to continue this dialogue.

I do not pretend that Romania is an ally of the United States, but Romania is a country with whom we can minimize our differences as we broaden our ties. Because of the independence shown by Romania, I believe our actions should signal continued support for increased cooperation between our two countries. A rebuff to Romania by denying MFN status could well have wide economic and political consequences.

ECONOMIC TIES

Other experts will provide the Committee with details regarding our growing economic ties with Romania. I will mention only a few. Growing from a two-way trade total valued at $8 million in 1965, bilateral trade reached $79.5 million in 1970, and had climbed to $449 million in 1976. The United States has maintained a positive trade surplus in these years, helping our balance of payments.

Because I recognize the realities of global economic interdependence, I believe it is in the best long-term economic interests of the U.S. to expand our ties with Romania. I hark back to my days as Governor of Oregon, when we organized some of the first trade missions to Japan. Now our state supplies some 60 percent of Japan's wheat imports and we maintain a healthy local trade surplus. At that time, I stressed that trade builds two types of bridges—economic and personal. The personal ties between Romanian businessmen and women and government officials and their U.S. counterparts should provide a better understanding of another people's culture. In turn, this helps erase stereotypes existing on both sides. From a strictly economic perspective, interdependence lessens the potential for serious conflicts because of the increased economic stake each has in the other's well being. From all that I have heard and read, U.S.-Romanian bilateral trade will continue to grow, and MFN treatment is a critical factor in this projected growth.

EMIGRATION

As the author of a human rights amendment defeated on the Senate floor last week because some thought it was too strict, I naturally am interested in the emigration aspect of Romania's MFN treatment. From the material I have reviewed, it appears Romania is following a policy allowing greater emigration. Romanian emigration to the U.S. and West Germany (where the greatest single number of emigrants have moved) has risen significantly. This phase of the MFN issue should continue to be monitored closely to insure emigration is possible for those wanting to leave Romania.

I am concerned about the total Romanian emigration to Israel during this calendar year, for it now is lower than last year. From January through May 1977, some 458 emigrants moved to Israel, compared to 853 in 1976. I hope this reduction does not represent any shift in attitude by the Romanian government.

This issue will be a topic for continued discussions. I have been told by the Romanian government that some 300,000 to 400,000 Jews have left Romania for Israel since World War II, and that a Romanian census in January 1977 showed only 25,000 Jews remaining in Romania. On balance, it appears Romania is meeting the spirit of Section 402 of the 1974 Trade Act, and I hope the lower number of Jews emigrating to Israel recently represents only a temporary decline.

CONCLUSION

In my opinion, it is in the best interests of our country to extend MFN treatment for Romania. The political independence of the country merits our continued support, in hope that we can encourage it. The economic ties between our countries provide a growing exchange of goods and services, helping us both. Emigration, on balance, shows an overall increase that we all hope continues. In sum, it is a record which I believe demonstrates Congressional support for extension of MFN treatment.

DR. ISADORE RABI

Mr. MOYNIHAN. Mr. President, today is a very special day in the life of one of our great universities. In New York City, today and tomorrow, Columbia University will host a grand symposium on the role of science in contemporary society, in honor of Dr. I. I. Rabi, Nobel laureate in physics and one of the most distinguished scholars of this century. Also honored by this event will be the Pupin Laboratories of Columbia—an unusual recognition for a building, to be sure, but this is no ordinary structure. In it, 14 Nobel laureates in physics have studied, taught, or conducted their research, and it has been the scene of many remarkable advances in that field of science.

Mr. President, I ask unanimous consent that there be printed in the RECORD the text of an article from today's New York Times acknowledging and lauding this memorable event.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SYMPOSIUM AT COLUMBIA TO PAY HOMAGE TO RABI, PUPIN LABORATORIES, AND KEY ADVANCES IN PHYSICS

(By Walter Sullivan)

Today and tomorrow Columbia University and an assemblage of top-ranking scientists will pay homage to a building, to a man and to a half century of revolutionary advances in physics.

Within the building—Pupin Laboratories at the north end of the Columbia campus—14 Nobel laureates in physics, more than a quarter of American recipients of that honor, have studied, taught or done their research.

The man, Dr. Isidore Issac Rabi, obtained his doctorate at Columbia 50 years ago in the same year the building was completed. His role in the development of physics has included research that won him a Nobel Prize and a half century of teaching, leadership and advisory roles on the national and international level.

Now in his 80th year, Dr. Rabi is still active on the Columbia campus. Like Michael Pupin, the Serbian-born physicist for whom the laboratories were named, Dr. Rabi was born in Eastern Europe (in Rymanow, now within Poland), but his family moved to Brooklyn when he was still a child. Among his many roles on the national scene has been as chairman of the Science Advisory Committee under President Dwight D. Eisenhower.

BEGINNING OF AN ERA

Soon after obtaining his doctorate in 1927, he went to Europe where the "new physics," based on Einstein's relativity theories and the quantum theory of behavior on the atomic level was taking shape. There he was exposed to such architects of that physics as Erwin Schrodinger, Arnold Sommerfeld, Niels Bohr, Wolfgang Pauli and Werner Heisenberg.

On his return to Columbia in 1929, he became a champion of the new physics and helped set the stage for the epochal developments that followed, culminating in the release of atomic energy. It was in the basement of the Pupin Laboratories that such release was first demonstrated on this side of the Atlantic.

In January 1939, Dr. Bohr, who was in the United States, received a cablegram from Europe from Lise Meitner and her nephew, Otto R. Frisch, telling of an experiment that showed that, under neutron bombardment, the uranium atom could be split, releasing vast amounts of energy.

Nine days later a group led by Dr. John R. Dunning performed a confirming experiment, using a small cyclotron in the basement of the Pupin building. They were able to split apart an atom with a total release of 200 million electron volts.

The following month, at a session of the American Physical Society in a Pupin lecture hall, Dr. Bohr and Dr. Enrico Fermi spelled out for an audience of 200 the epochal significance of these developments.

Within a week, in a laboratory on the seventh floor of that building, Dr. Leo Szilard and Dr. Walter Zinn conducted additional experiments indicating that chain reactions were possible, releasing the energy from many atoms, rather than just one.

In 1942, with Dr. Zinn and other Pupin veterans on hand, the first sustained chain reaction was achieved on a University of Chicago squash court. The atomic age was under way.

In the coming two days a symposium on the role of science in contemporary society will be conducted in honor of the Pupin Laboratories and Dr. Rabi. Participants are to include several Nobel laureates besides Dr. Rabi, including Drs. T. D. Lee, Edward M. Purcell and Julian S. Schwinger.

Also scheduled to take part will be President Carter's science adviser, Dr. Frank Press, and three advisers to former presidents: Drs. James R. Killian, Jerome B. Weisner and Lee A. DuBridge. Leading figures in European and international research efforts are to participate as well.

The university president, Dr. William J. McGill, is to announce the creation of a physics professorship in Dr. Rabi's name and confer honorary degrees on four of the scientific leaders from abroad.

Dr. Rabi won his Nobel Prize in 1944 for his discovery of the resonance method for determining the magnetic properties of the atomic nucleus. From 1952 to 1956 he was chairman of the General Advisory Committee of the Atomic Energy Commission.

SENATOR HAYAKAWA ON PANAMA TREATIES

Mr. JAVITS. Mr. President, on October 25, 1977, the New York Times published an article by our colleague Senator HAYAKAWA, entitled "After the Canal Treaties." In this article, Senator HAYAKAWA, with perspicacity, analyzes a number of neglected and often overlooked issues which bear upon the Senate's consideration of the two Panama Canal treaties which are now before the Senate Foreign Relations

Committee. I believe that Senator HAYAKAWA has performed an important service to his colleagues in drawing to our attention the issues he discusses in this article. I commend Senator HAYAKAWA's article to all those who wish to read and think comprehensively about the Panama Canal Treaties issues.

Mr. President, I ask unanimous consent that the text of Senator HAYAKAWA's article be printed in the RECORD at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AFTER THE CANAL TREATIES

(By S. I. HAYAKAWA)

WASHINGTON.—The Panamanians, in their plebiscite Sunday, voted for the Panama Canal treaties. The decision is now up to our Senate, which presumably will not vote on the issue until 1978. Unfortunately, the treaties have become a highly emotional issue. We know the Canal's history, we have begun to scrutinize the treaties' positive and negative elements, but we haven't given much thought to the effects of an affirmative or negative Senate decision.

The news media, to their credit, have presented both sides of the issue. Nevertheless, public debate reveals two misconceptions.

The first is the widely held view that the Senate has only the choice of rejection or consenting to the treaties. Actually, it can modify a treaty; it can give its consent with reservations; or it can interpret a treaty.

In the first two cases, the treaties would probably have to be renegotiated—for another 14 years? A unilateral interpretation by the Senate will have to be communicated to the Government of Panama. But since this need not interfere with the treaties' ratification, I may have some proposals to make in this regard once the treaties reach the Senate floor.

The second, more serious misconception is that the decision to ratify or to reject the treaties will settle the matter for once and all. Actually, it is safe to predict that regardless of whether the treaties are ratified or not, our problems will have only begun. Assuming ratification, it is necessary to point out that there is a long history of international agreements that only resulted in new disputes.

The detailed and complex provisions of the first treaty, which would govern the gradual transfer of administration to the Republic of Panama, are bound to produce all kinds of controversies. It is also by no means certain that the Government of Brig. Gen. Omar Torrijos Herrera will consider the treaties final; it may very well come forth with new demands in a few years.

One also can reasonably assume that the Torrijos Government will not be around for another 23 years. Regardless of the nature of successor governments, it is likely that they will ask for changes. As former Secretary of State Dean Rusk has pointed out, a future democratic Government of Panama would probably be most difficult to deal with because of susceptibility to nationalistic Panamanian demands.

Finally, it is all too clear that ratification will be interpreted in many quarters as "America on the run." We therefore ought to be prepared for new pressures to abandon Guantanamo, Cuba, and to evacuate Clark Air Force Base and Subic Bay in the Philippines.

A refusal by the Senate to consent to ratification is bound to have equally detrimental consequences. The threat of sabotage and to guerrilla warfare in the Canal Zone is frequently mentioned and the example of Vietnam is brought up in this connection. But political and geographic conditions in Panama are so different that guerrilla action is extremely unlikely. However, the possibility of terrorism cannot be ruled out. Consequently, if the Senate should decide for rejection, it would seem wise to authorize simultaneously a substantial increase in security and our military presence in the Canal Zone.

An important byproduct of such action would be the warning to the rest of the world that the United States not only is unwilling to give up the canal, but also is prepared to defend its rights regardless of consequences.

However, no Latin-American country nor third-world countries will regard a negative vote by the Senate as final. Continuous and increasing international pressures must be therefore expected—possibly accompanied by terrorist acts within the United States. The recent history of the anti-war movement in this country may serve as a usfeul reminder.

We have heard plenty from the geriatric set about how we must defend the canal at all costs, but has anyone surveyed young men under 30 to see how they feel about such a fight?

Public debate has focused so far only on the text of the treaties. It is time now to take a close look at the consequences of the Senate's impending decision. Regardless of the outcome of the vote, there are serious problems and great risks ahead. It is our political leaders' task to alert the American people and to make it clear that, contrary to their expectations, the Senate's verdict will not dispose of the issue.

ASIAN BLOODBATH

Mr. GARN. Mr. President, although it is too small in size, economic potential and strategic importance to have any great influence in world's politics, a developing country in Southeast Asia continues to make the headlines. The country is Communist-ruled Cambodia. Its leaders, Chief of State Khieu Samphan, Party Chief and Prime Minister Pol Pot, and Deputy Prime Minister Ieng Sary, have gained international notoriety for their unprecedented crime of genocide. It has been established that they have executed at least 1 million Cambodians.

In this forum, many of my colleagues have stirred public awareness of the massacre, hoping that international scrutiny would persuade the Cambodian dictators to show restraint.

However, as matters now stand, this public appeal has had no impact; the bloodbath continues. Cambodia's leaders continue to defy international pressures and more than that, Communist countries like North Korea have openly displayed support for the mass killings.

Birds of a feather do flock together. Cambodia's Khieu Samphan just sent a message of congratulations to Uganda's self-appointed "President for Life," Idi Amin, wishing him—as he put it—"the best of health, of long life and success in your lofty mission."

Everyone in the world knows that Idi Amin's so-called lofty mission includes the systematic liquidation of thousands of Ugandans. Shocked by Amin's brutality, the United States closed its embassy in Kampala in 1973.

We have not yet broken diplomatic relations, but a movement is afoot in Congress to urge severance of all U.S. commercial ties with Uganda.

I think it is time for this to be done. I also think it is time for us to challenge any suggested rapprochement with Communist countries in Asia.

Cambodia's party chief and premier, Pol Pot, recently made a state visit to North Korea and China. Before embarking on the trip, he delivered a revealing speech on the 17th anniversary of the founding of the Cambodian Communist Party. In his speech, he admitted that the massacre was not an impromptu action, and that in 1960, the Party Central Committee decided to eliminate "the feudal landowner and reactionary compradore system from Cambodian society" after taking power. He said:

We completely fulfilled this task on 17 April 1975.

On that day, the massacre began throughout Cambodia.

While in Pyongyang, Pol Pot was awarded the "title of hero of the Democratic People's Republic of Korea." In other words, the butcher of 1 million Cambodians was given North Korea's highest decoration.

What we in this body have said about Cambodia is not yet enough. More national and international attention must be focused on this Communist-ruled nation. George Gedda wrote a moving story on "Cambodia's Dark Night," which was printed in the Asia Mail and the Wall Street Journal carried a detailed report on the bloodbath going on in Cambodia. I commend these two articles to the attention of my colleagues and ask unanimous consent that they be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Oct. 19, 1977]

ASIAN BLOOD BATH—CAMBODIA'S COMMUNIST REGIME BEGINS TO PURGE ITS OWN RANKS WHILE CONTINUING A CRACK-DOWN

(By Barry Kramer)

SURIN, THAILAND.—Since coming to power 29 months ago, the Cambodian Communists have gained a world-wide reputation for the brutal treatment given their non-Communist countrymen. Now the Khmer Rouge—literally the Red Cambodians—are carrying their campaign of terror an extra step. They are killing one another.

Cambodian refugees, including several high-ranking Khmer Rouge defectors, interviewed at a camp here on the Thai side of Thailand-Cambodia border say that mass purges have been conducted in Northwest Cambodia in recent months against hundreds of Communist soldiers and cadre. The purge victims' fate apparently has been the firing squad.

Nor has the bloodletting stopped. According to two of the Communist defectors here, the victors in the party purge, the so-called "new" Khmer Rouge, since have redoubled efforts to seek out and execute Cambodians who served in the army or government of the deposed Lon Nol regime. Other targets are teachers, Buddhist monks and educated or wealthy Cambodians, the defectors say.

It's difficult to judge how accurate these refugee accounts are. The Communist defectors, for instance, no doubt have ample reason to discredit their former leaders. Yet such reports are the only source of information available about a country that has shut itself off from the outside world ever since the fall of its capital, Phnom Penh, to Khmer Rouge forces on April 17, 1975.

HIGH DEATH TOLL

Moreover, for months other refugees have been telling gruesome tales of forced evacuations of Cambodian cities, mass executions and widespread hunger and disease. Estimates based on the reports of those who have interviewed these refugees place the number of Cambodians who have died violently since the Communist takeover at between several hundred thousand and over one million.

Cambodia's new leaders don't deny that they are "eliminating" what they call "reactionaries." But the ruling Angka Leou, or Organization on High, which only recently acknowledged that it is synonymous with the Cambodian Communist Party, has contended that one million Cambodians died not at their hands, but in U.S. bombing raids prior to the Communist victory. And Pol Pot, who as premier and secretary-general of the Cambodian Communist Party has emerged as the country's strongman, said in a recent speech that "only the smallest possible number" of those who oppose the revolution are being killed.

However, even Pol Pot puts the remaining number of "enemies of democratic Cambodia" at 1 percent to 2 percent of the country's population, which he claims is currently eight million. That means between 80,000 and 160,000 Cambodians are still in danger of losing their lives.

AN IRONIC TURN

Whatever the magnitude of this bloodbath, it took an ironic turn earlier this year when the Khmer Rouge began to purge their own ranks. Military intelligence officials in Thailand believe the purge followed an attempted coup d'etat in Phnom Penh. Western diplomats, meanwhile, think the Cambodian Communists are trying to cleanse the Party of pro-Vietnamese elements now that the Cambodians are at odds with their Hanoi allies. Still others say Khmer Rouge leaders want to consolidate their own power by eliminating potential rivals.

In any case, eyewitness reports suggest, Communists as well as non-Communists aren't immune from harm under the new regime.

Hui Pan is a former bicycle repairman who rose through the Communist ranks to become a Khmer Rouge village chief at Dam Dek, a town of 3,700 in Siem Reap province. Interviewed at the Surin refugee camp, Mr. Pan says the purge began last February when all 50 or so Siem Reap province officials were suddenly ordered to report to Phnom Penh. Two weeks later, the ruling Angka Leou sent back word that all of these officials had been removed because they were "CIA agents" who had "killed many people so that the people wouldn't like Angka."

At first, says the dour-faced, 31-year-old Mr. Pan, "the people liked the new Khmer Rouge more than the old Khmer Rouge because the new Khmer Rouge distributed food that had been locked up by the old Khmer Rouge."

HARSH REPLACEMENTS

But the new officials sent to run Siem Reap soon showed they were more harsh than their predecessors, Mr. Pan says. "Under the old Khmer Rouge, perhaps 30 percent of the Lon Nol soldiers were killed. The new Khmer Rouge killed all the rest."

That wasn't all. Sometime in April, Mr. Pan continues, the new province officials began telling each village leader that "the chief wants to see you." The leaders went—and never returned. "In this way, all the old village chiefs (in Siem Reap) were betrayed," Mr. Pan says. He, too, was arrested in April and led away with his hands tied behind his back. However, Mr. Pan was able to cut his bonds and flee, reaching Thailand in late June.

Hui Pan's story is corroborated by Chuk Han, a 21-year-old Khmer Rouge artillery unit commander who claims that between April and July, when he himself fled the country, about 800 Khmer Rouge officers and men were "caught" in Oddar Meanchey province along the Thai border.

"Simple soldiers were led away with their hands tied behind their backs," Mr. Han recalls. "Officers weren't tied up until they reached Siem Reap."

Why were they arrested? "I don't know the big story but they told us the old Khmer Rouge wanted to make a 'new revolution,'" Mr. Han says. After the new Khmer Rouge were in control, he adds, "they told us the people have to work harder than ever before to find all the enemies of Cambodia. They began to catch all the old Lon Nol people and move them away."

Khem Chnommali, a 27-year-old former inspector in Lon Nol's national police who is now at Surin claims to have seen a mass grave containing the bodies of 70 "old Khmer Rouge" executed near the village of Sray * * * in Oddar Meanchey province. "We were told that the old Khmer Rouge wanted a coup d'etat, like the Soviet Union," he says.

Indeed, the new Cambodian leadership has been hostile toward the Soviet Union, perhaps because of Soviet influence in Vietnam and Laos. Although the Vietnamese Communists once aided the Khmer Rouge and used Cambodia as a sanctuary during the Vietnam war, the Cambodians historically have distrusted their eastern neighbors.

Today, in fact, this mutual dislike is said to be behind a series of recent clashes along the Cambodian-Vietnamese border. At one point, diplomatic sources inside Vietnam report, Cambodian troops besieged the Vietnamese border town of Chau Doc; in retaliation, the Vietnamese struck villages miles inside Cambodian territory.

Cambodia, whose major Communist ally is China, also has mounted bloody raids on border villages inside Thailand and has fought with the Laotians as well. Observers believe some of these military ventures represent an attempt by a still-insecure Cambodian regime to show its stronger neighbors that it can't be pushed around.

But the biggest reason for the border clashes seems to be Cambodia's desire to create a no-man's land along its borders, making it difficult for Cambodians to leave the country. The policy has worked. The flow of refugees, which has brought 15,000 Cambodians to Thailand and another 60,000 to Vietnam, has slowed to a trickle in the past few months. Escaping Cambodians not only must contend with Khmer Rouge patrols but also with mine fields placed along the Cambodian border. And in Thailand, armed villagers fearful of the Khmer Rouge, often shoot the escapees as spies.

[From the Asia Mail, Aug. 1977]

ONE MILLION DEAD—CAMBODIA'S DARK NIGHT

(By George Gedda)

Last January, near the village of Preah Neth Preah in Cambodia, a girl of about 20 years old was found along a jungle trail buried up to her neck. She was alive—her head and mouth were moving, but no words came out. She had been seized two days earlier by Khmer Rouge soldiers for reading an English language text book. Fearful of suffering a similar fate, villagers offered no help to the girl. Later she died.

That account was told to Anthony Paul of Reader's Digest magazine by a Cambodian refugee who escaped to Thailand. His particular story is impossible to confirm and might be dismissed as fiction. But the 100 or so Cambodians who manage to escape each month are relating similar tales about life—and death—under Khmer Rouge rule. Thai authorities and western newsmen and diplomats are struck by the volume and consistency of these accounts. Jean Lacouture, an experienced newsman who was a harsh critic of American involvement in Indochina, says that nothing less than "the bloodiest revolution in history is now taking place" in Cambodia.

Estimates vary about the number of Cambodians who have been killed outright or died of famine or disease since the Khmer Rouge marched triumphantly into Phnom Penh in April 1975. But it is quite clear that the total exceeds the combined number of Americans who have died in the four wars the United States has fought in this century. The figure exceeds by 1,000-fold or more the number of victims of the much-publicized civil strife that has plagued Northern Ireland for the past eight years. U.S. intelligence sources put the death toll figure for Cambodia at somewhere between 600,000 and 1.5 million. In March, Ian Ward of the London Daily Telegraph estimated the total at about 2 million.

Last August, when the Khmer Rouge had been in power for 16 months, Cambodian chief of state Khieu Samphan was questioned about the death toll in an interview with an Italian magazine while he was attending the conference of non-aligned nations in Sri Lanka. He gave the figure of one million, dismissing the victims as "war criminals."

Those who try to flee the terror-stricken confinement imposed by the Khmer Rouge do so at grave personal risk. The area near the Thai border is heavily guarded with patrols on constant lookout for escapees. Most never reach their destination. Abdul Hadji Mohammed, a target because he was a Muslim, described his 10-night trek to safety in Thailand. "All along the way, the jungle smelled of rotting corpses; we could not get away from that smell."

There are now some 13,000 Cambodian refugees living in Thailand under poor conditions. About 6,000 have arrived in the United States but unemployment and adjustment are big problems to these displaced persons. The July 15 approval by President Jimmy Carter to admit 15,000 more Indochinese refugees may allow some more Cambodians to reach America.

Regimentation of life in Cambodia has no parallel anywhere. The scope of permissible behavior is extraordinarily narrow. Peasant virtues are exalted and most others are vilified. Workers toil the fields seven days a week from 6 a.m. until 5 p.m. with a two-hour break for lunch, much more time than necessary to consume the scant rations provided. In some cases, work continues at night if moonlight is adequate.

Even devotion to duty does not ensure that a Cambodian will be treated with tolerance. A Reader's Digest account last February by John Barron and Anthony Paul said that in October 1975, monitors abroad listened as the communist commander in Sisiphon received radio orders to prepare for the extermination, after the harvest, of all former government soldiers and civil servants, regardless of rank, and their families. Subsequently, teachers, village chiefs and students were to be included in the toll.

There is no white collar class to speak of which might be spared the deprivations of the peasant existence. Cities are regarded as evil. Barron said recently that about 4 million persons—about two-thirds of Cambodia's 1975 population—were driven from the cities and larger towns soon after the revolution. Patients in hospitals and convalescent homes were not excepted. Books by the hundreds of thousands were burned along with records, archives, currency, personal papers—literally any written or printed matter.

The wrath of the Cambodian rulers is easily aroused. There are rules forbidding music, dance, promiscuity, gambling, drinking, polygamy, astrology and western medicines. There is no right to speak, to assemble, to travel, to choose one's work or place of residence. In some cases, husbands and wives are prohibited from quarreling or from disciplining their children. Children, in turn, are encouraged to report to authorities any

sign of counter-revolutionary behavior by their parents. Often the penalty for violators of any of these rules is summary execution or execution after one or more warnings.

Since the revolution, shops, schools and monasteries have been closed. There is no postal service and all money has been removed from circulation. There are no mass circulation newspapers, only a few journals which are distributed to high government officials. Loudspeakers are the most common method the government uses to communicate with the people. Education is virtually non-existent for children after they learn the rudiments of reading and writing.

The regime operates almost in total secrecy. Although there is a Cambodian communist party, its existence is not publicly acknowledged. Nor has the regime ever referred to itself as "communist" or "Marxist-Leninist." It simply calls itself "the organization."

Self-reliance is the government's guiding principal. Last March, Cambodia rejected a $3.3 million interest-free loan offered by the oil export cartel as part of a program to assist non-oil producing developing countries.

Of the 150 or so independent countries in the world, only eight have diplomatic missions in Phnom Penh. Among the excluded countries is the Soviet Union, which still has not been forgiven by the Khmer Rouge for maintaining relations with the U.S.-backed Lon Nol government.

In contrast to Cambodia, neighboring Vietnam, which toppled the Saigon regime just two weeks after the Khmer Rouge triumph, has been actively expanding ties with western countries, including the United States. And despite a curfew, establishment of neighborhood spy systems, travel restrictions, economic hardships and an endless cycle of physical labor and indoctrination for the 100,000 Vietnamese in "re-education centers," all signs indicate the process of communizing South Vietnam has been far more humane than in Cambodia.

Why the difference? Barron and Paul of Reader's Digest suggest that the life and personality of Khieu Samphan, the chief of state, may help explain. As a student in Cambodia and France, Khieu was completely unaggressive and tormented constantly by classmates. This may have contributed to development of a profound hostility which continues to dominate his personality.

But perhaps a more decisive element in shaping Khmer Rouge attitudes was the American bombing raids over Cambodia which persisted from 1969 to 1973 until they were halted under pressure from Congress.

There is little question that the hardships and deprivation caused by the half million tons of bombs dropped during that period polarized sentiment in Cambodia, forcing people to make a choice, and also hardened the attitude of the communists.

Vietnam also was the target of U.S. bombers for many years before 1975 but the Hanoi government had been in power for 20 years and undoubtedly had a more confident leadership.

Says Harvard's David P. Chandler, "We bombed Cambodia without knowing why, without taking note of the people we destroyed. We might have thought things through. Instead, we killed thousands of people we had never met. And at the last moment, we walked away from our friends."

Not surprisingly, Richard M. Nixon, under whose administration the bombing operations were carried out, has a different insight. In one of his interviews with David Frost, Nixon said he had no regrets about his Cambodia policy because it temporarily spared the country from "one of the most cruel, vicious communist dictatorships in the world."

The fact that the United States helped postpone the communist triumph was "worth something," he said.

GROWTH OF POLITICAL ACTION COMMITTEES

Mr. CANNON. Mr. President, I would like to bring to the attention of my colleagues a recent summary of the nonparty-related political action committees registered with the Federal Election Commission. From December 31, 1974, to October 14, 1977, the number of nonparty PAC's grew from 608 to 1,261, an increase of over 100 percent.

It is interesting to note that the number of corporate PAC's increased during this period from 89 to 508, an increase of 470 percent, and trade associations and other membership organizations increased from 318 to 531 or 66 percent, while labor-related PAC's showed an increase from 201 to 222 or only 10 percent.

I ask unanimous consent that a summary of non-party-related political action committees prepared by the Federal Election Commission be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SUMMARY OF NONPARTY RELATED PAC REGISTRATIONS AND TERMINATIONS

	Existing Dec. 31, 1974	Registering Jan. 1–Nov. 24, 1975	Terminating Jan. 1–Nov. 24, 1975	Existing Nov. 24, 1975 [1]	Registering Nov. 25–May 10, 1976	Terminating Nov. 25–May 10, 1976	Existing May 10, 1976 [2]	Registering May 11–Dec. 31, 1976	Terminating May 11–Dec. 31, 1976	Existing Dec. 31, 1976 [3]	Registering Jan. 1–Oct. 14, 1977	Terminating Jan. 1–Oct. 14, 1977	Existing Oct. 14, 1977
Corporate	89	50	0	139	158	3	294	153	14	433	90	15	508
Labor	201	29	4	226	34	14	246	33	55	224	19	21	222
Trade associations, membership organizations, cooperatives, corporations w/out capital stock, other	318	45	6	357	102	7	452	110	73	489	79	37	531
Category total	608	124	10	722	294	24	992	296	142	1,146	188	73	1,261

* All committees are classified as to their apparent connected organization. The trade, membership category may include incorporated trade associations or membership organizations, corporations without capital stock, cooperatives, and other membership organizations.

[1] Date advisory opinion 1975-23, Sun-Oil, issued.
[2] 1976 FECA amendments effective May 11, 1976.
[3] Year-end 1976.

EXCESS LAND

Mr. GARN. Mr. President, the Western coalition met with the Secretaries of Interior and Agriculture to discuss proposed regulations requiring divestiture of so-called excess lands under the 1902 reclamation law. The proposed regulations have evoked intense controversy in the West, and with good reason. I understand that a portion of the regulations are being issued pursuant to the order of a Federal court, but in my view the regulations as issued go far beyond what the court required, and cause unnecessary uncertainty and disruption.

Just as a quick example, Mr. President, we have a sheep rancher in Utah who lives on his ranch near Tooele, Utah. In the winter, he grazes his herd on the semidesert land near Tooele. In the summer, however, he drives the sheep to summer pasture in Idaho, where part of his land is watered by Bureau of Reclamation water. The regulations as proposed require the beneficiary of the water to live near the watered land. Consequently, this rancher would have to sell his land near Tooele, where he and his family have lived for generations, and move to Idaho.

Mr. President, Dr. Jay Andersen of the Economics Research Center of Utah State University has done a fine analysis of the inequities involved in the proposed excess lands regulations. I ask unanimous consent that Dr. Andersen's analysis be printed in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

[Study Paper No. 77-10, October 1977]

THE INEFFICIENCY AND INEQUITY OF THE PROPOSED RULES AND REGULATIONS ON ACREAGE LIMITATION ON BUREAU OF RECLAMATION [1]

(By Jay C. Andersen [2])

Yes, Mr. and Mrs. American and Virginia, there is a Santa Claus. He is the big guy. Not the one with reindeer and a sleigh. He is the big guy on the tractor. Over the years, it's this man who has been largely responsible for the standard of living you have attained.

Consider various countries in the world. Those where the standard of living is high are where the farm sector has been sufficiently productive to release most of the manpower to the industrial and service sectors. Developing countries that include most of the people of the world are bound down to a majority of productive workers in the country producing the basic food and fiber for the rest of the country.

In the United States, the statistics are most impressive in that we have moved from 95 percent rural population 200 years ago to where we have one farmer feeding 57 at the present time. (Average annual farm employment was 4,375,900 [3] in 1976, or just about 2 percent of our 200 million plus people.) This change is what has made the United States and a few other countries so affluent and able to share with the rest of the world. Table 1 indicates the change in total and farm population for the U.S. since 1910.

[1] Presented at American Farm Bureau Meeting, Denver, Colorado, October 18, 1977.

[2] Professor and Head, Department of Economics, Utah State University, Logan, Utah 84322.

[3] U.S. Department of Agriculture, FARM LABOR, August 25, 1977, Washington, D.C.

TABLE 1.—POPULATION: TOTAL AND FARM, UNITED STATES, 1910-75

Year	Total population (thousands)	Farm population	
		Number (thousands)	Percentage of total
1910	91,885	32,077	34.9
1915	100,191	32,440	32.4
1920	106,089	31,974	30.1
1925	115,402	31,190	27.0
1930	122,775	30,529	24.9
1935	127,057	32,161	25.3
1940	131,820	30,547	23.2
1945	139,583	24,420	17.5
1950	151,132	23,048	15.3
1955	164,607	19,078	11.6
1960	180,007	15,635	8.7
1965	193,709	12,363	6.4
1970	204,335	9,712	4.8
1975	213,135	8,864	4.2

Note: Beginning 1960, includes Alaska and Hawaii. Total population figures include the Armed Forces overseas.

Source: U.S. Department of Agriculture, Ag Statistics, 1962 and 1976.

See Figure 1 for the trend since 1930. (Figures not printed in the RECORD.) U.S. farm population is less than one-third of 1940. Note that farm employment has declined in similar fashion as shown in Table 2.

What has done it? What has made the difference? I would enumerate the following as having made our agricultural system really work:

1. A vast and fertile frontier. Unquestionably the availability of new land and other resources has contributed mightily. We have all been benefited to live in a place where the natural resources have been abundant.

2. Technology. As resources have been released from the farm, great minds have been able to invent and build equipment. Just last Saturday I visited a farm shop where a retired farmer was tinkering with an old, early 1900's vintage one-cylinder gas engine. He had quite a collection of these antiques. He said, "You know, these gadgets are what set it all off. They got us started to where we could really go at this rat race." Machines have replaced workers on the farm.

3. Incentives. The reward system based on a competitive market has been the driving force to make the resources and technology pay off. The machines have been adopted out of promise of a payoff. Even today there are countries with the know-how and resources, but the change does not occur because of a lack of incentives to those who could do it all.

TABLE 2.—FARM EMPLOYMENT: AVERAGE NUMBER OF PERSONS EMPLOYED ON FARMS, 1929-76

Year	Total farm employment		
	Average number of persons (thousands)	Index	
		1910-14=100	1967=100
1929	12,763.0	94	261
1930	12,497.0	92	256
1935	12,733.0	94	261
1940	10,979.0	81	225
1945	10,000.0	74	206
1950	9,926.0	73	203
1955	8,381.0	62	172
1960	7,057.0	52	144
1965	5,610.0	41	114
1970	4,522.6	33	92
1975	4,357.0	32	89
1976	4,375.0	32	89

Source: U.S. Department of Agriculture, Ag Statistics, 1972 and 1976.

The system has been so effective that the government has sought to modify the market system by diverting commodities to attempt to support prices. Thus our friend and benefactor, the farmer, has worked so effectively that he has hurt himself. The American consumer has enjoyed the benefits. Over the years the proportion of consumers' income devoted to food purchases has fallen from a majority of income to under 20 percent. Interestingly enough, most of the changes in the farm sector have occurred since the frontier was closed. Acres in farm crops has not increased greatly in this century when the great lift has been given to consumers. Cropland used for crops increased by less than 3 percent from 1910 to 1969.[1] Yet production has increased markedly. We could also mention the boost that exports of agricultural commodities has given to the country's balance of payments problems.

What has been the impetus for fewer and larger farms, and for fewer farmers?

It mostly all relates to the economics of size. Every study of farm size of which I am aware, indicates declining average cost per unit over a major portion of the usual sizes. Studies of the U.S. and from many states indicate that the pattern is quite uniform. The next two figures are just illustrations of these data. Figure 2 is a U.S. average and Figure 3 pertains to growing potatoes in Idaho. Because of the economies of size possible in some enterprises, a farm half as large as another more efficient one may have machinery and production costs as much as a third as large in total and much higher on a per unit basis.

Now, the question is, what will we do with this farm production machine? The great private enterprise system has been so effective. Will we encumber it with new restrictions?

As an economist, it is clear to me that when restrictions or impediments are placed in the way of the system, then losses in efficiency and an impairment in the productive capacity occur. I would contend that the functions of government in regulating the workings of the system can be limited to preventing one person from harming another. This should be broadly interpreted. Harm can be in various capacities. One is, of coruse, a matter of personal violence. Our police forces are called on to regulate how we deal with each other in matters of honesty and safety. But the matter of economic harm is also important. I would argue that it is a legitimate function of government to prevent harm to consumers from monopolistic practices and to prevent incremental social costs from pollution (or other similar problems) which exceed the incremental value of production. Too, there are many activities such as national defense and certain large undertakings that cannot be captured in private ventures, which are also legitimate government functions and that do not interfere with the system of private enterprise. Thus, as a matter of personal preference and as a professional economist, I would assert that the appropriate role of government has limitations short of enforcing an outmoded acreage limitation and short of other encroachments where rights are endangered. Regulations, standards, quotas, and limits are inferior to incentive systems and market forces where there are options. In general, government constraints inhibit the production and marketing system from producing most efficiently to meet the demands of society.

Contrary to popular opinion, controls and limits may confer special privileges on an elite group, rather than the reverse. It would appear that the 160-acre proposal would lead to special privileges to some and taking of values from certain groups. This will be explained further.

Even if a purpose of limiting farm size is accepted, acreage is a very poor indicator of size. A 160 acre chicken ranch is immensely different from a 160-acre grain farm. Climate also makes a big difference. Even though in 1902 the 160- or 320-acre size was a reasonable maximum for most any kind of enterprise, it is not generally so now.

The definition in the proposed rules provides for exempt land if a general pattern of family size farms has developed. It seems to me that it is a rational argument that can stand up in testimony and cross-examination that the "family farm pattern" that has developed in many areas is for farms of larger size than is allowed under acreage limitation restrictions. Leasing is a large factor in many areas in combining ownership units to efficient size.

Food costs would be affected by a program that forces farm operators to operate at higher costs. Surely the consumer, as we pointed out earlier, has benefited from the system we have. To roll back to a more primitive time will put the pinch on consumers.

Efficient water use practices as in some of the new technologies are simply not feasible for small farms. They are adapted to full sections and even larger size operations. Therefore, loss in water use efficiency will occur if the restriction on acres is applied.

Some farm equipment is simply too expensive for small irrigated farms. Cotton pickers and combines are examples. Some possibility exists for custom work or sharing, but there is a problem in timeliness and in finding someone willing to own these machines for custom operation. Most small operators can't finance them. Banks will be unwilling to loan the amounts necessary for farm operations, as well as machinery investment, especially to prospective new small farm operators.

Owners of land of acreage limitation size and less have discovered it to be much to their advantage to lease their land to other operators who are usually also land owners who can operate an economic unit. Forcing compliance with the acreage limitation would reduce income of owners of small tracts by eliminating the possibility of leasing to efficient operators who can pay substantial lease payments because of their abilities to operate added units of land at less cost than the first small acreage, thus leaving substantial amounts that can be paid for leased land.

Inputs to agricultural production are lumpy. As one example in an area we have considered briefly, a $50,000 cotton picker can handle 250 acres of cotton. The operator must rotate this cotton ground with other crops that require a $50,000 combine. The grain acreage for rotation requirements and for efficient use of the combine may require use of a two picker (500 acre) cotton enterprise to balance out. Thus, the efficient size of enterprise does not fit the acreage limitation criteria.

Imposition of the acreage limitation would place operators using USBR water at a substantial disadvantage as compared to other farmers and may drive costs of production up to where they cannot remain in business. This would certainly defeat any purpose of "people on the land."

The technology of farming is very sophisticated. Operating costs (annual out-of-pocket expenses) are very high. Potential small operators neither have the available capital, nor would lending institutions provide it, for making a crop. Particularly in some parts of one District we looked at, the uncertainty of water supply is so great that small operators with limited capital could not bear the costs of even one bad year. Great capital reserves are necessary to operate in these circumstances.

In this same project, because of the poor

[1] U.S. Department of Agriculture, AG STATISTICS, 1976. USGPO, 1976.

quality and uncertain quantity of water (which the Bureau supplies), the crops are limited to tolerant varieties as contrasted with less salt and drought tolerant intensive crops. In turn, this leads to economic forces that make large-size farming units viable and small-size operating units unprofitable. Thus, the government-supplied inputs contribute substantially to the situation, which the "acreage limitation" would purport to correct. To do so would seem highly inconsistent and myopic.

Because of the economic relationships and without interference from the government, operators have built up equity in land, machinery, and even personal know-how (which is surely a capital good) to operate fairly large acreages. To reverse the policy will deprive these operators of their source of income, which they have wrested from an often hostile environment. In some projects this includes poor quality of water of uncertain availability.

Government requlations assume rational, law-abiding, prudent citizenry. For example, speed limits are not set lower than a majority of drivers travel. Farm operators, too, act very rationally. They will seek appropriate and efficient levels of operation. Interference with this self-interest impairs the capabilities of the food and fiber sector to product the nation's needs.

I see no difference between this acreage limitation proposition and the confiscation of property rights that occurs in land reforms as socialist regimes take over in Latin America or other places in the world. It is inequitable, inefficient, and not worthy of a country like the United States.

Some inferences have been made by the Secretary of Interior that all lands receiving water that flows from public lands would be subject to the rules. This would create a problem of grand proportion throughout the West. Essentially all of the surface water that is diverted is mixed with water flowing from public lands.

The government has given implicit consent to the enlarging size of farms on Bureau projects. People have made substantial investments based on the observed behavior of government. To arbitrarily begin to redistribute the wealth and income created over years is unfair to operators who have tried to make a living. The nature of farming makes large equipment and larger sizes pay off better as shown in the previous cost curves.

There may be some who would argue that farm operators who receive Bureau of Reclamation project water have received a windfall of cheap water; and thus, they have received an unwarranted benefit that should somehow be given back to all the people. In many projects the idea of cheap water is unwarranted since project water is difficult to sell. These projects were developed based on the repayment capacity or financial ability to repay. It is not to say that a private citizen would or could develop the water. Furthermore, in the aggregate, if production has increased it can be shown that consumers have been the primary beneficiaries, not farmers. Thus, we would not necessarily recommend now or in the past that all reclamation projects be developed. Probably much more careful analysis is appropriate for the payoff to the irrigation purpose. But let's assume away these problems and accept a presumption that original recipients of project water may have received some windfall gain. As always happens, the value of the land to which this project water is available immediately takes on an inflated value. Thus, the original owners may have received a windfall in their wealth position.

I have no data on the proportion of project farms still held by original owners who held land at the time of development, but would assert that overall the proportion is very small. Therefore, it is too late to do anything to reclaim for society any of these windfalls. By actions or lack of actions the government has given consent to combinations of farms by purchase and lease. Those who now operate the land have paid a full price for water in the form of capitalized values of land for purchase or lease.

Enforcement of the 160 acre limit would serve the same purpose as a tax on the land because of the loss of efficiency due to scale economies as shown earlier. Current operators would be penalized unfairly by this land and income and wealth redistribution scheme. The confiscation of lands by forced sale at depressed prices is even more serious than the cost increase imposed.

In a Montana study, financed in part by the U.S. Bureau of Reclamation, it is concluded:

"The 160 acre farms in the Helena Valley and Milk River Valley and the 320 acre farm in the East Bench Unit all return less than $9,000 to labor, management, and real estate. These farms are thus unable to support a family even with no real estate debt load. The 160 acre farm in the Lower Yellowstone Valley and Huntley Project, however, might be able to support a small family if there were no real estate debt payments to make or interest charged on land investment. The average size farms in each area are much more financially sound and able to support a family than the smaller farms.

"Based on the results of this study, it is recommended that the Reclamation Law be modified to allow irrigated farms on federal irrigation projects to be of sufficient size so that they are economically sound, self-sustaining units. As evidenced by this study, sufficient size varies from area to area. A simple blanket increase in the acreage limitation, then would not be desirable. If any acreage restriction at all must be imposed, it should be determined separately for each project, or category of projects, and be subject to periodic review. The problem is not a simple one. Enforcement of a simple policy expressed in terms of physical acres can only result in economic confusion for both individual farm families and the Montana economy which depends so heavily on agriculture."[5]

In summary, perhaps an effective argument can be found in considering the Acreage Limitations Proposed Rules themselves as published in the Federal Register on August 25, 1977. On page 43046 under "definitions of exempt land," it is stated, "Exemption may be based on determination by the Secretary, upon payout of construction charges, that a general pattern of family-size ownership has developed." There is strong evidence that the family-size ownership has changed much since the rule was made.

Two tests of a policy or change in policy are appropriate. Efficiency and equity should be required for implementation of policies, programs, and rules. The weight of evidence is that the proposed rules on acreage limitation are neither efficient nor equitable.

I would join with the Public Land Law Review Commission in urging an abandonment of this outmoded and harmful rule. Let's not cripple the goose that lays the golden egg. If society wants to effect an income support program for the underprivileged, then let us come up with a more useful, equitable, and efficient way of doing so.

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[5] Luft, Leroy D. and Joseph Guenthner. 1977. "An Economic Analysis of 160 acre limitations on Irrigated Farms in Montana." Montana Ag Exp Station Research Report 104, Montana State University, Bozeman.

THE FAMILIES WITH ALCOHOLISM ASSISTANCE ACT

Mr. WILLIAMS. Mr. President, I am happy to join with the capable chairman of the Subcommittee on Alcoholism and Drug Abuse (Mr. HATHAWAY) and the minority member of the subcommittee (Mr. HATCH) in sponsoring the Families with Alcoholism Assistance Act of 1977.

In 1970 I coauthored the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act, creating the National Institute on Alcohol Abuse and Alcoholism as the focal point for continuing Federal leadership and commitment to this long neglected area.

While much remains to be done, progress has been made since the creation of the Institute. There has been growing public recognition of alcohol as the major drug of abuse. The institute has stimulated widespread awareness which has led to the development of many prevention and treatment programs at the grassroots level.

Above all, it has shown that alcoholism is treatable, that the total destruction of the individual need not be the inevitable result of alcoholism. Yes, it is now acknowledged that the alcoholic can be successfully treated and that death or insanity need not be the inevitable end for such persons.

But, Mr. President, there is another, larger, population which also suffers from the emotional, physical, and social disintegration caused by alcoholism. And this population is largely ignored. I speak, of course, of the families of alcoholics. It has been estimated that for every 1 of the 10 million alcoholics in this Nation, another 4 persons is adversely affected.

Dr. LeClair Bissell, chief of the Smithers Alcoholism Treatment and Training Center of the Roosevelt Hospital in Manhattan has said:

> The people who are damaged most directly by alcoholism in someone else are usually those closest to the drinker, particularly those who because of the special vulnerabilities of the very young, the weak, the elderly or the economically or emotionally dependent are unable or unwilling to escape from the situation. Obviously, this is most likely to be the immediate family.

Virginia Grady, a staff assistant at the U.S. Postal Service's program for Alcoholic Recovery (PAR) in St. Louis has pointed out that:

> The family also progresses through all the stages (of alcoholism) in its emotional disturbance. The family continues its progression marked by constant and consistent disturbances of plans, emotions and routines of living. The only dependable aspect of life is the unpredictability of the alcoholic. As the progression continues, life for the family of the alcoholic becomes crisis after crisis until the family unit breaks down from the strain or physical or emotional death may occur, separating the members. Alcoholism is indeed a family disease.

Mrs. Josie Couture, founder and president of the Other Victims of Alcoholism, Inc., points out that it is still not generally recognized that the families of alcoholics need information, help, and/

or treatment, whether or not the alcoholic seeks help or even recognizes the existence of a drinking problem. It is still too often assumed that the alcoholic is the only person in need of help when dealing with this illness.

According to Mrs. Couture:

More than 28 million children of alcoholic parents are affected by parental alcoholism.

A correlation definitely exists between child neglect and abuse, battered women, and alcohol abuse.

Almost 50 percent of all divorce cases show excessive use of alcohol as a major causative factor.

At least 50 percent of all juvenile delinquents and 60 percent of all runaways, have family members with drinking problems. Yet these other victims of alcoholism are usually completely overlooked or used only as an intervention device in the recovery of the alcoholic.

The Reverend Joseph Kellermann makes the following analogy:

Most philosophies of alcoholism treatment are comparable to treating only the driver of a wrecked automobile, regardless of the condition of the other passengers in the car. Of course, that isn't what happens. If the driver of the car lives or dies, we still try to save the other occupants of the wrecked car. The same should be true if the alcoholic lives or dies. We should be concerned with the others wrecked by alcoholism.

Perhaps the most heart rending examples of the effect of alcoholism on these other victims are the children. Emotional neglect and family conflict are the most frequent problems these children experience. Researchers are seeking to broaden our knowledge of the needs of these children and preliminary research data confirm the observations of professionals in the field that these youngsters have a poor self-concept, are easily frustrated, often perform poorly in school, and are more likely than their peers to suffer from adjustment problems. We also know that alcoholism runs in families and that children of alcoholics have twice the chance of becoming alcoholics themselves.

There are more than 28 million children of alcoholics in the Nation. In my State of New Jersey alone, close to a million and a half children live in homes where one or both parents are alcohol abusers.

Dr. LeClair Bissell, in her testimony before the Subcommittee on Alcoholism and Drug Abuse on June 20 of this year gave some poignant examples of such children:

An eighteen-month old child had been thought to be retarded since she had never spoken. She sat in a highchair next to a table on which her divorced and alcoholic mother had placed a freshly-opened beer can. The child tried to push the can away and said, "Mommy, No! her first words. (That particular mother, now many years sober in Alcoholics Anonymous, says that this was the event that stopped her drinking.)

Another baby who really is retarded was seen recently by her pediatrician. During pregnancy neither her mother nor the obstetrician, who later delivered her, knew that heavy drinking during pregnancy could deform the developing fetus. For this baby the knowledge is too late. Even had it been available it is probably that the doctor involved has never been taught how to deal with alcoholism effectively. He might well have informed, warned and scolded but he might not have known what else to do.

An overweight eleven-year old boy is inattentive and drowsy at school. His facial development is also suggestive of the kind of birth defect associated with heavy maternal drinking during pregnancy. His present situation is that he stays up all night with an alcoholic stepfather who, if not distracted and cajoled while drinking, is prone to attack the boy's mother and younger sister. At night the boy keeps vigil. During the day he eats compulsively and sleeps when and wherever he can.

A solemn thirteen-year old reports that the reason his parents have moved from one house to another every two or three years was that his mother usually drank less when kept busy decorating a series of new homes. That his own attempts at establishing friendships or carving out a place for himself at school were repeatedly disrupted seemed of little concern to this family. Since simple changes of geography or taking on a hobby do not arrest alcoholism for long, the attempted solution didn't work. The drinking continued. Meanwhile the combination of constant moves and the mother's unpredictable behavior throughout his childhood have left the boy old beyond his years.

A teen-aged boy is becoming increasingly isolated and is falling behind in school. He no longer dares invite friends home because his drinking mother is coy and flirtatious with his friends. He and his father never discuss alcoholism though they alternate watching the mother to be sure she does not start fires with unwatched cigarettes, attempt to drive or to make endless long distance phone calls to casual acquaintances while drunk. One or the other is always with her from late afternoon till morning.

Dr. Bissell points out that essentials for normal development in children and for reasonable health and stability for any of us are food, shelter, clothing, and some degree of predictability in our own lives. Those close to an alcoholic may be lacking all of these things. In addition, the nondrinking parent usually becomes so focused on the alcoholic that the children are neglected by both parents, even the one presumed to be well.

Children, of course, are not the only persons who suffer from the affects of alcoholism on the family.

Dr. Bissell told of a middle-aged man who received a head injury while drunk. His wallet and identification were stolen before he was found and hospitalized. The combined effect of his injury and a severe alcohol withdrawal reaction prevented his identification for several days. The paralyzed and dependent parent with whom he lived did not survive.

She also told of a schoolteacher who cleans up after dinner and leaves the house with her children for an all night movie. They will sleep there for several hours, then return home where she will grade papers, sleep another hour or two and get herself and family ready for breakfast, work, and school. Her husband gets drunk and abusive almost every evening. She has learned to get herself and the rest of the family out of his way. She does not believe in divorce.

"What makes this tapestry of human misery especially tragic," says Dr. Bissell, "is that much of it is unnecessary. Many sources of help are potentially available and much could be done."

The significant role that alcohol plays in the incidence of wife beating is generally recognized by health care deliverers. One recent study concluded that more than half of the country's married women are physically abused to some degree by their husbands and that at least 10 percent—close to 5 million women—are badly battered. The widespread and alarming occurrence of spouse abuse on all socioeconomic levels is not sufficiently understood by society and spouse abuse victims are not receiving the support from social service agencies and law enforcement officials which they need and deserve.

A law enforcement officer in Salt Lake City testified recently that:

In law enforcement, we see every day the dramatic effect that drugs and alcohol have on the family; from the car accidents that end up killing and maiming hundreds in this State each year, to the broken homes and neglected children, the alienated youth, the divorces and other domestic problems that result from drugs and alcohol abuse.

There hasn't been a single 8 hour shift that I or my men are not involved with a person who is under the influence of alcohol. It has become so predictable that we can readily anticipate according to the day of the week, what type of alcohol problems we will be dealing with. Friday and Saturday nights are fight nights at the bar. Saturday and Sunday, domestic problems. Every holiday brings on a new upsurge of problems created by the use of alcohol and drugs.

Mr. President, what can be done? The National Council on Alcoholism has suggested that the issues concerning alcoholism and the family require a special focus to effect the following:

Early recognition of family symptoms indicating alcoholism.

Determination of problems for intervention.

Assurance of adequate services and resources for the family, whether or not the alcoholic is in a recovery program.

Recognition of the on-going needs of the family regardless of the alcoholic's recovery

Dissemination of present knowledge.

The members of families with alcoholism must be motivated to seek help—not only for their alcoholic member but for themselves. Information concerning sources of help—such as Al-anon, Al-ateen, counseling services, crisis shelters—should be widely disseminated. All alcoholism treatment centers should be required to have counseling and treatment services designed to fit the needs of the family. Treatment centers—especially those for women—should have provisions for the care of the children of alcoholics while the alcoholics themselves are in treatment.

According to Dr. Bissell, health insurance coverage should be provided for the treatment of families of alcoholics as well as for the alcoholics themselves. Physicians should be encouraged to raise their level of suspicion about alcoholism in the family. Dr. Bissell has pointed out that certain physical illnesses such as asthma, allergies, and ulcers often occur among the children and spouses of alcoholics. Complaints of insomnia and nervousness are also indications of alcoholism in a family.

Peter Brock of Group Health Association of America has called for development of "a better understanding by

policymakers and care providers about services to families" of alcoholics. These families are "a high risk group" and constitute "a good place to start" in the prevention of alcohol problems, according to Brock.

There is a need to educate lawyers, judges, and court officials on how to identify and give constructive aid to persons affected by alcoholism in the family. The family court system does not provide sufficient help for such persons.

Josie Couture has pointed out the plight of fathers who are divorced from the mother of their children when the mother is an alcoholic. The mothers often receive custody despite their alcoholism. In some States, Mrs. Couture says, the courts are allowing fathers to make direct payment of the expenses of providing a home for the children, rent, utility bills, food bills, et cetera, rather than making cash payments to the mother, if the father has evidence that the mother is spending such child support payments on alcohol. Chief Justice Richard J. Hughes of New Jersey is consulting with New Jersey's juvenile and domestic relations judges and the chancery judges assigned to matrimonial cases in order to assure that New Jersey Courts are alert to the involvement of alcohol abuse in the cases which come before the courts.

Mr. President, the "Families with Alcoholism Assistance Act of 1977" will help to focus the attention of the National Institute on Alcohol Abuse and Alcoholism, and of the individual States, on the needs of these families. Recognizing the substantial impact that alcohol abuse has on the families of alcohol abusers and alcoholics it:

Requires the States to survey the need for education, counseling and treatment of the families of alcohol abusers and alcoholics and provide assurance that programs within the State will be designed to meet such need;

Authorizes grants and contracts to provide education, counseling and treatment for the families of alcohol abusers and alcoholics;

Provides for programs and services, including education and counseling services for the benefit of the families of alcohol abusers and alcoholics; and

Authorizes research which places special emphasis on the impact of alcohol abuse and alcoholism on the family.

Mr. President, this will allow us to begin to address the needs of this long neglected population.

STATEMENT BY SENATOR HATCH ON OSHA

Mr. GARN. Mr. President, in the absence of my colleague, Senator HATCH, who has returned to Utah on an urgent matter, I ask unanimous consent to print in the RECORD his statement on OSHA which he would have made were he able to be present.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR HATCH

Mr. President, I want to share with my colleagues the results of a shocking survey of American businessmen sponsored by the Washington Legal Foundation (WLF). The survey reveals the devastating effects that the Occupational Safety and Health Administration (OSHA) is having on the productivity and morale of American businesses.

Not surprisingly, the WLF survey shows that the average businessman who has been cited for violations by OSHA is totally out of sympathy with OSHA and its procedures. But more importantly, employers have reported that the vast majority of these businesses' employees also disagree with OSHA. I feel the survey results should add to the evidence which encourages us to restudy the entire Occupational Safety and Health Act with the view to making necessary structural and administrative changes.

After all, if the very individuals OSHA is meant to protect—the employees—feel the Agency is a disaster, shouldn't Congress and the President heed these voices.

As Congressman George Hansen has said, there is a sad parallel between the 1976 problem of "regulation without reason," and the 1776 problem of "taxation without representation."

And as we stand here today there is still no conclusive proof that after seven years, OSHA has accomplished anything in actually cutting the accident and illness rate in American industries.

While the Bureau of Labor Statistics show a decrease in the rate of injuries and illnesses since 1971, most of the decline is a result of changes in minor, non-serious categories. This hardly justifies the fact that American businesses must spend $10 billion in fines and compliance costs.

The National Safety Council actually shows a rise in disabling injuries during 1975.

I think the record is clear. We are costing businessmen, consumers and taxpayers literally tens of billions of dollars on an agency that has little to show for its efforts. And the results of the Washington Legal Foundation survey prove that absolutely nothing has yet changed at OSHA despite the money and time they are spending to "clean up their image" and make cosmetic changes.

Nine hundred and eighty-nine businessmen cited OSHA responded to the WLF survey. They revealed that combined they spent $1,492,337.00 on legal fees alone.

An overwhelming 61.7 percent of those responding said that the OSHA ruling would affect their business, while only 15.4 percent said that the decision will not affect them.

When asked whether their battle with OSHA affected company productivity, an incredible 76.2 percent of those businessmen responding said that it would have an effect, while only 23.7 percent said there was no effect.

One other highlight I would like to point out regards employee response to OSHA. The businessmen were asked how their employees felt about the OSHA ruling against them. Incredibly, only 6 percent were said to be either "enthusiastically" in favor or "generally" in favor of OSHA's position. On the other hand, 69.1 percent of the employees were listed as being against OSHA. Approximately 23 percent were unable to be determined.

It seems to me that this survey highlights the terrible plight of American business, the hopeless, misguided harassment by OSHA, and apparently the deep sense of frustration and mistrust by the people OSHA is supposed to represent.

NATIONAL SURVEY OF BUSINESSMEN VICTIMIZED BY OSHA

Respondents were asked to give candid answers to the following questions about your personal experiences with the Occupational Safety and Health Act.

1. Approximately how much in legal fees did you or your firm spend fighting the OSHA ruling against you? $1,492,337.00.

2. How did your battle against OSHA affect the productivity of you and your business?

Percent, 27.3, No. 243. My OSHA fight greatly reduced productivity.

Percent, 48.9, No. 435. My OSHA fight slightly reduced productivity.

Percent, 23.7, No. 211. My OSHA fight had no effect on productivity at all.

3. What will be the long term effects of the OSHA ruling against your firm?

Percent, 25.5, No. 232. The OSHA ruling will disasterously affect my business.

Percent, 36.2, No. 329. The OSHA ruling will only slightly affect my business.

Percent, 15.4, No. 140. The OSHA ruling will not affect my business at all.

Percent, 22.9, No. 209. I am unable to determine the effects of the OSHA ruling at this time.

4. How do your employees feel about the OSHA ruling against you?

Percent, 1.6, No. 15. They are enthusiastically in favor of the OSHA decision.

Percent, 5.4, No. 49. They are generally in favor of the OSHA decision.

Percent, 43.1, No. 389. They are definitely against the OSHA decision.

Percent, 26.0, No. 235. They are generally against the OSHA decision.

Percent, 23.8, No. 213. They seem to have no opinion.

5. Has OSHA re-visited your firm after levying the fine against you? If so, how many times?

Percent, 46.3, No. 407. OSHA has NOT re-visited my business.

Percent, 53.7, No. 473. OSHA HAS re-visited my business.

(Number of time re-visited: 1403)

CURRENT U.S. POPULATION

Mr. PACKWOOD. Mr. President, I wish to report that, according to U.S. Census Bureau approximations, the total population of the United States as of November 1, 1977, is 217,965,644. In spite of widely publicized reductions in our fertility levels, this represents an increase of 1,793,106 since November 1 of last year. It also represents an increase of 154,585 since October 1, 1977; that is, in just the last month.

Over the year, therefore, we have added more than enough people to fill the city of Detroit, Mich. And in just 1 short month, our population has grown enough to more than fill the city of Lincoln, Nebr.

TOWARD A SOUND AND COMPREHENSIVE HOUSING PROGRAM

Mr. HUMPHREY. Mr. President, our Government-assisted housing projects have been a continuing source of concern to me in recent years because so many of them have been unable to succeed financially. These failings worry me, because if our housing cannot be economically sound, it cannot be physically sound. Thus, the most basic purpose of our housing programs—the provision of decent, safe, and sanitary dwellings for every American family—fails to be achieved.

Certainly some of these failings must be blamed upon the severe buffeting of all our institutions by economic forces of inflation and scarcity. But other failings, that we in Congress can prevent by attention to a sound and comprehesive housing program, ought to be dealt with. While it seems to be accepted wisdom today that housing projects sponsored by

nonprofit groups and organizations cannot succeed and ought not to be allowed, it seems to me that some causes of failure relate not to the character of the sponsor but to events which any owner would find financially distressing. If this is so, then we ought to restructure our housing programs to encourage nonprofit sponsorship, since that in some instances it is a more beneficial, more credible, and more understandable form of ownership.

The Senate Banking and Currency Committee, chaired by my very able colleague, Senator PROXMIRE, recently held oversight hearings on distressed FHA multifamily housing projects. I have received a copy of a statement which has been submitted for the hearing record by Neal D. Peterson, counsel for Tuskegee Realty Management, Inc. This is a management company that works exclusively with subsidized housing. I commend the statement to my colleagues, for it points up the very practical, day-to-day difficulties which our multifamily projects face and paints a picture of why both nonprofit and profit-motivated sponsors have faced financial disaster at these projects. The statement also makes a number of recommendations for housing policy that would allow us to begin dealing rationally with these difficulties.

I ask unanimous consent that the statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

TESTIMONY SUBMITTED TO THE SENATE BANKING COMMITTEE IN CONNECTION WITH OVERSIGHT HEARINGS ON DISTRESSED FHA MULTIFAMILY PROJECTS

Mr. Chairman, we appreciate the opportunity to submit this testimony to a committee which has the ultimate responsibility for the content and character of government housing programs and which sets government housing policy. We believe that our experience as a company which manages, exclusively, HUD-insured or HUD-owned projects, has given us some insights into what troubles these projects.

Projects become financially troubled for any number of reasons:

Poor initial design and construction;

Major repairs;

Failure of rent increases to keep pace with rising costs;

Unrealistically low allowances for construction;

Unrealistically low amounts in operating budgets for repairs;

Inability or excessive expense to replace fixtures and equipment;

Unexpected, large utility bills or deposit requirements; and

Expenses of landlord-tenant rent disputes.

Any one of these can cause project default; when more than one is present, it means virtually certain default. The economic mechanism of default is relatively simple:

A project has certain income which is limited by federal rent approvals;

The rent levels should (but often do not) reflect actual operating expenses and debt service;

If any event causes an increase in operating expenses, a decrease in rental income, or a disrupted relationship between the two, then the project is in financial trouble.

It is the latter events which we feel can be moderated by federal housing policy and certain new, but essential loan insurance programs, so as to increase the likelihood of project success.

As we outline the events which cause default and the housing policy that would deal with them, you will note that so-called "bad management" is not among them. We can assure you that management of these projects is difficult. In fact, a management company which can manage a conventional project well, will probably not be able to manage a subsidized project at all. This is not bad management, but simply ordinary, prudent management called upon to make extraordinary efforts to cope with extraordinary living situations. It is our opinion that project failures are not caused by this type of management. Projects fail for other reasons and even with the best possible management. In any event, management problems are administrative, not legislative problems.

Perhaps the easiest way to discuss the causes of project failure is to discuss specific problems which we have encountered during the course of our management of HUD projects and consider the type of solution that the Congress ought to adopt.

MAJOR STRUCTURAL REPAIRS/ALTERATIONS

At a large suburban type garden apartment project which we manage in the District of Columbia, we recently discovered that the underground water pipes are deteriorating because they were laid directly in the ground rather than in concrete tunnels. The insulation has now, after eight years, disintegrated, and the pipes themselves are corroding. Each time there is a leak in one of these pipes, the project incurs costs for excavation [which at this particular project is high because there is no accurate plat of the exact locations of the water lines], laborers, plumbers, equipment, and backfilling plus the loss of water and the higher water bills. I might remind you that the only way a leak in an underground pipe is discovered is by water leakage at the surface or greatly increased water bills, which cannot be explained by rate increases. By the time either of these reveal a problem, there will have been a considerable loss of water.

The solution to the immediate project problem is to re-pipe the project, putting water lines into concrete tunnels. This of course is a substantial expenditure and one which is completely beyond the ability of a subsidized project to finance on a current basis. The housing policy problem is that there is no federal program which provides for refinancing subsidized projects to allow for the major capital expenditure that repiping a project or other similar major structural repair or alteration necessitates. For these major items, which are not at all unusual, mortgage modifications or forbearance are not sufficient.

The consequence is project failure, by whatever measure that is determined—default on mortgage payments; increases in rents beyond what tenants can afford to pay; destruction over a period of time of the value of the Secretary's security for her guarantee; foreclosure and resale with the possibility that the units after foreclosure will not be available to subsidized tenants; or interruptions in service and tenant discomforts.

SOIL EROSION

Two projects which we manage suffer from severe erosion problems. One is situated on a hill, the other in an area of sandy soil where it is extremely hard to grow vegetation. Both have an appalling appearance. They look like slums, although they are intended to be housing for moderate income families. It is impossible for any tenant of these projects to feel comfortable in such surroundings, much less having a feeling of satisfaction or pride in their home.

Here again, the projects are not able to finance currently the expenditures necessary for a permanent solution to the erosion problem, because that would require a complete and thorough redesign of the site—with retaining walls, walls or fences to control pedestrian traffic, terracing, construction of drainage channels whether concrete or earthen, etc.

For projects already in existence, a refinancing program or a reasonably large or lengthy period of mortgage relief would provide funds. But this is a recurring problem of HUD insured projects which ought to be solved from the beginning, with appropriate attention being paid to site engineering and landscaping and its corollary appropriate costs allowed in the project mortgage for these essential project items. It has been our experience that in processing a project for insurance under the subsidized programs, HUD had adopted policies on allowable costs which build in project failure. These policies have at least two manifestations—a reliance on costs of previous projects without adequate allowance for inflation and a refusal to allow expenditures at levels which assure a sound physical structure and surroundings. If a builder then hopes to make a profit he must use cheap materials or omit essential but costly construction. Adequate expenditures for site work are only one victim of such policies. There is no reason why HUD subsidized projects cannot be built on hills and still look decent. The Italians have been building villages and towns on mountain tops for thousands of years and they are beautiful.

EXPENDITURE ANALYSIS FOR RENT INCREASE

The rent increase approval process over the years has become more complicated and surrounded by technical rules and requirements. One formula which causes particular difficulty is that which HUD uses to determine the maximum rent increase that are allowable at a particular time. The formula is based upon past expense history with a factor for inflation in utility expenses and wages and salaries. The formula does not allow for rent increases to pay off accounts incurred during times when the rents are inadequate to meet operating expenses, when unexpected bills are received, when extraordinary repairs must be made, or when it is prudent to build up an operating reserve.

The only way in which these desirable financial measures can be realized is by a period of mortgage relief. We suggest that consideration be given to allowing the payment of these obligations and the building of these reserves in the rental charges, with appropriate levels of subsidy assistance where necessary.

PHASED RENT INCREASE APPROVALS

We are constantly engaged in the rent increase process at all of the projects which we manage. One superficially expedient practice of HUD is to approve rent increases, but require that the tool increase be phased in over a six month or longer period. The rent levels we seek are needed immediately. When the full increase in income is put off for several months, the project's financial condition gets worse. When it becomes bad enough, there must either be an immediate and larger rent increase or there must be mortgage relief.

In the current economic environment, where more and more rent payments are being made through the Section 8 rental assistance program, HUD should not insist on phased rent increases. Under Section 8 the tenant pays 25 percent of his income no matter what the rent levels. HUD, of course, should check to see that operating costs are not excessive, but when it is obvious that rents must rise, then HUD gains nothing by phasing the increase. The situation is marginally more difficult with tenants on rent supplement, for that program requires ten-

ants to pay 30 percent of the rent, no matter what their income. So each time there is is a rent increase, some portion must be paid by the tenant. The solution is to do away with the 30 percent requirement.

VANDALISM

At several projects which we manage in the Anacostia District of Washington, D.C., there is constant and persistent vandalism. Repairs and replacements which must be made repeatedly add significant costs to project maintenance which, in turn, requires higher rents. To convey the scope of the financial problems created by window breakage, I can relate to you that at one project we initially attempted to replace glass windows with lexan and other plastic materials to cut down on the breakage. But lexan breaks too. And replacing lexan is more expensive than glass. So after replacing lexan two times, we went back to the use of glass. The only way to keep expenses down for window breakage, is to delay replacement for a day or two, if possible. This, of course, is unsightly and contributes to a slum appearance.

The vandalism problem is directly related in our view to the lack of supervised recreational opportunities and recreational facilities in the projects and in areas adjacent to the projects. At one project which contains 150 units with three or more bedrooms [that is, large numbers of children], current regulations do not permit a salary in the project budget for a recreation director. There is a clubhouse at this project, but it cannot be used because there is no one to take care of it. In fact, this clubhouse has been completely rehabilitated and redecorated at least three times in the four years that we have managed the project. We notice that when it is closed, the children from that project congregate at another project and cause problems for those tenants.

But the problem is broader than a single project, for when vandalism takes place, tenants invariably blame it on persons from outside the project, and they are often right. The project I have just described happens to have the only swimming pool and basketball court in a six block radius. It is a natural magnet for children who live elsewhere. The facilities are inadequate for the project children; they are meager, when measured by the needs of the neighborhood.

The housing policy which meets this problem squarely would be one which allowed for construction of adequate recreational facilities as new projects are constructed and as old projects are rehabilitated. Also necessary is funding, or inclusion in the rent structure, of recreational leaders who can work on a permanent basis with project residents.

RISING OPERATING COSTS

Over the past five years the costs of operating a particular highrise family project have increased from $1,255 per unit to $1,980 per unit. To the best of our ability, the rents have been increased to compensate for these costs. Now, however, many tenants can afford to purchase single family homes rather than renting at this project and there is a serious vacancy problem. Under ordinary circumstances, at this time, we would call upon the "Section 8 existing housing" program to enable us to find or retain tenants. But this project is located in a local jurisdiction which adamantly refuses to allow Section 8 funding. We believe that the local officials have adopted this policy to keep out poor people and, in addition, to discourage developers of housing for low and moderate income families and individuals from building in the County.

So far HUD has capitulated to this refusal to allow rental assistance to the families that are already living in the County. HUD's failure to act to protect its investment has two consequences which are inconsistent with the goals of our national housing policy: tenants must pay greatly more than 25 percent of their income for shelter costs and services and maintenance must be cut back to match the reduced income from reduced tenancies.

We suggest that it is in HUD's financial interest to preempt local decisions which prohibit rental assistance and cause financial failure of projects. Insofar as existing subsidized projects are concerned the Federal government simply cannot afford to withhold rental assistance. You may choose to have a different standard for newly constructed housing, but surely the guarantees of mortgages which are already outstanding should be protected from default, especially when the tools to prevent such defaults are readily available to HUD and, in fact, are preventing defaults in other jurisdictions.

UPGRADNG FIXTURES

At a large townhouse cooperative project in Annapolis, we and the co-op members have had a very serious problem due to an initial decision by the builder (approved by HUD) to install all electric heating and air conditioning. This basic error was then compounded by the installation of under-sized units which are completely incapable of heating the houses. This project suffers from the HUD philosophy that housing for moderate income families must be cheap.

Because of the high electric bills (which are now paid by the members rather than the cooperative corporation), the mortgage went into default several years ago. There has been one period of mortgage relief after another in order to solve this and other problems of the project while keeping alive the cooperative idea. But what must be done, obviously, is to obtain a substantial sum of money to either install large capacity units or to convert heating to oil. What *is* being done, is that out of mortgage relief we are purchasing and installing baseboard heating units, a few houses at a time. This additional heat source has ameliorated the problem of finding ice formed on glasses of water left on the bedroom bureau overnight during the winter. But the piecemeal approach is expensive and while some co-op members have relief, others must suffer cold homes.

Clearly, as a matter of national housing legislation, what is needed is an insured, subsidized home improvement program, in the case of this project, a part of the 236 program, which will allow the upgrading of structural and mechanical systems so that decent housing can continue to be provided. As an aside, I am assuming that HUD will not again approve a project initially for all electric heating and cooling. At this project, we have advised members that they simply cannot cool the houses during the hottest months of the summer. Indeed, with the electric bills running as high as $200 per month, there are some members who have simply had the electricity shut off and who live in the houses without lights, etc., because they cannot afford both the high monthly electric bills and the monthly carrying charges.

INABILITY TO GET REPLACEMENT PARTS FOR EQUIPMENT AND FIXTURES

Another consequence of HUD's emphasis on cheap construction is the significant costs incurred for routine maintenance during the life of the project mortgage. One element of increased lifetime costs is the difficulty of obtaining replacements for parts which are damaged or wear out.

In a townhouse project which we manage in Anne Arundel County, Maryland, we have waited months to obtain kitchen cupboards and drawers because the manufacturer of the original cabinets is no longer in business and the items have to be custom built. There are two loses here—a loss of income because the units cannot be rented if the kitchens are not complete and a loss on having to pay a premium price for the custom built cabinets.

At another project we had a virtual epidemic of stove failures. The manufacturer had gone bankrupt, a smart businessman purchased the replacement parts inventory, and the price of knobs and heating elements doubled. Again, the project suffers two economic losses.

The housing policy solution has two parts: first, HUD should not allow construction of projects which will contain bargain basement fixtures made by fly-by-night manufacturers; second, if HUD persists in allowing the use of equipment of manufacturers who cannot be anticipated to be in business for the life of the mortgage, then there will have to be additional operating subsidies to cover replacement costs.

MAIL DELIVERY

At most of our projects located in inner-city areas, we have encountered a terrible problem with mail deliveries. The Postal Service will not deliver any mail to a set of boxes in which any one individual box is damaged. Since welfare and Social Security checks are a prime target of crime in these areas, it is a daily occurrence to find that one or another of the boxes has been pilfered. Repairs or replacement of the equipment is expensive, cannot be done immediately, and is usually not lasting.

The Postal Service refuses to hold the mail at its offices, but rather, at one project, has delivered it to the project office. There it must be sorted and held for tenants. This takes valuable time away from the management staff's regular duties to perform a function that should be handled by the Postal Service.

As a matter of housing policy, the Department of Housing and Urban Development should be directed to meet with the Postal Service to resolve the delivery problem and failing agreement, Congress should provide the Postal Service with funds to open local post office delivery stations in these areas. What we envision is a small post office similar to the many rural and small town offices which existed for many years in this country. While tenants would have to go to the stations to pick-up mail, they would be reasonably certain of receiving the mail. The whole operation would be much more secure.

UNEXPECTED OR ACCELERATED UTILITY BILLS

Frequently in inner city areas utility bills are estimated. We have projects where no actual readings of the meters were made for over a year. When the readings were made, the actual use was much greater than the estimate, leaving the project with a difficult payment problem.

At another project the utility company had missed the fact that there were two meters at the project; sent bills for a three year period only for the one meter; and then sent a huge bill to cover the usage on the second meter. It required a substantial period of mortgage relief to pay off the bill.

A second aspect of utility charges involves the cash flow problems when a local utility or local government changes its billing practices. For example, the District of Columbia for many years was seriously behind in its water bills. The lag between usage and billing was often greater than six months. This year, however, the District government directed its water department to accelerate the billing so as to get the two events into better time relationship. This year our projects in the District will pay three water bills instead of two. This comes on top of substantial rate increases and means more mortgage relief.

The housing policy solution could take several forms: perhaps the least expensive to the Federal government would be to work with local governments and utility com-

panies to urge them to adopt monthly billing and to maintain a consistent billing procedure. Another action which the Federal government could take is to create an emergency cash flow fund, which would lend funds to projects to meet unanticipated bills, with the loans being paid back over time in line with project budget predictions.

UTILITY DEPOSITS

Over the course of the past year we have encountered demands from utility companies in a variety of jurisdictions that the projects post deposits with them to assure bill payment. At none of these projects are the utility bills unpaid. At many, however, the bills are paid late—which is due to the nature of operating a subsidized project. In some instances, this lateness is caused by the time required by HUD to process rent supplement vouchers.

Nonetheless, the fact remains that these utility companies are demanding substantial deposits; at our projects, ranging from $3,000 to $15,000. These demands are made to assure payment of bills from projects which have difficulty paying current costs, on penalty that the utility service will be shut off. We have resisted these demands because we feel they are unfair and discriminatory, but a solution to this problem will require action by HUD to provide the legal resources to litigate these demands or to negotiate solutions with the utility companies.

LANDLORD-TENANT INEFFICIENCIES

In too many instances and in too many different jurisdictions, we have run into difficulty in convincing rent court judges of the very thin financial margin on which HUD-subsidized projects are operated. Therefore, they allow tenants to pay late, pay reduced amounts or put money in escrow. Any of these practices causes financial problems for the project and it is patently unfair to the other tenants who do pay their rent on time and in the full amount. It is these families in the project who must carry the losses of non-payment of rent, who must suffer the consequent decreases in services, and who must pay rent increases.

HUD should be directed to create a special organization within the General Counsel's office that will be responsible for meeting with the judges of landlord-tenant courts in every local jurisdiction in which there is a HUD-subsidized project to impress upon them the need for strictness in payment of rent at these projects.

CONCLUSION AND RECOMMENDATIONS

The foregoing has been a quite extensive litany of practical project problems. In many instances a project will be plagued by three, four or more of these problems. We believe that government housing programs should be available to deal with these ongoing problems, for this will increase the probability that project management can be more "normal" or "conventional." Our policy recommendations are summarized as follows:

1. Create a program for refinancing subsidized projects to pay for major structural repairs and alternations at subsidized rates;

2. Revise mortgage limits upward to allow for quality construction and design of projects;

3. Revise rent increase processing procedures to eliminate phased increases and to allow for payment of back bills;

4. Revise mortgage limits upward or create a special municipal grant program to provide funds for recreational facilities at both new and rehabilitated projects;

5. Allow project operating budgets to include salaries for recreational directors or create a grant program to local governments for the payment of such personnel at project facilities;

6. Eliminate the right of local government disapproval of rental assistance payments to tenants in existing low income housing;

7. Create a replacement parts operating subsidy to assure an adequate supply of funds for repair items, fixtures, and equipment;

8. Create a supplemental mortgage loan program at subsidized rates for upgrading major structural systems in subsidized projects, including measures to conserve energy;

9. Require the Postal Service to operate and maintain neighborhood postal stations to assure delivery and reduce maintenance and security costs to the project;

10. Work out a national policy and agreement with utility companies for regular monthly billing of utility expenses, including a requirement for actual meter reading and projection against billing method changes;

11. Resist by authorizing legal actions the imposition of utility deposit demands; and

12. Create and fund a nationwide educational program for rent court judges about the economics of subsidized project operation and their obligation to require prompt and full payment.

HUD subsidized projects are, by their very nature, run on a very thin financial margin. Rents ordinarily barely cover normal operating costs and debt service. Therefore, when any operating expense is unexpectedly large, comes due sooner than predicted, or when income falls because rents are too high or rents are paid into an escrow with a court, there is a serious cash flow problem. All too often, even a period of mortgage relief does not cure the problem. New programs and new policies are necessary to create the proper climate for project success.

TUSKEGEE REALTY MANAGEMENT, INC.,
NEAL D. PETERSON,
General Counsel.

STRATEGIC ARMS AS BARGAINING CHIPS

Mr. MATHIAS. Mr. President, the strategic arms limitation talks (SALT) are much in the news these days. As the prospect of an agreement between the Soviet Union and the United States grows brighter, the difficulties between the administration and its critics over SALT multiply.

It is proving extremely difficult to slow the nuclear arms race. While we may succeed in placing ceilings on numbers of strategic delivery systems, the technological race appears to be escaping us. I had hoped we would be able to address this problem through limitations on flight testing of intercontinental ballistic missiles (ICBM's), but such limitations now seem unlikely in the emerging SALT II agreement.

One problem is that we are too often uncertain why we are adding to our strategic arsenal. At times it is argued that we need a given system not because it increases our security but because it contributes to the perceptions held by our allies and adversaries of our strength. Another argument that has been used in support of new developments in our strategic weaponry is that they represent useful "bargaining chips" to be used in negotiations with the Soviets. Our nuclear arsenals are filled with former "chips."

In this connection I wish to commend to my colleagues a perceptive article by Robert C. Gray and Robert J. Bresler appearing in the latest issue of the Bulletin of the Atomic Scientists entitled, "Why Weapons Make Poor Bargaining Chips." I ask unanimous consent that this excellent article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHY WEAPONS MAKE POOR BARGAINING CHIPS

(By Robert C. Gray and Robert J. Bresler)

No concept has been more central to the SALT negotiations than that of the bargaining chip—the idea that the development of new weapons systems may stimulate an agreement. President Nixon and Defense Secretary Laird argued that success in SALT I was a direct result of the decision to go forward with Safeguard ABM, the Poseidon submarine and Minuteman III. They insisted that any consequent success in SALT II would depend on whether Congress would approve a new set of bargaining chips such as the Trident submarine, the B-1 bomber or the cruise missile.

Yet by 1976 many came to oppose the bargaining chip approach. The former chief of the SALT I delegation and director of the Arms Control and Disarmament Agency, Gerard C. Smith, was quoted as stating that bargaining chips and bargaining chip theories are "unproductive" and "bankrupt." Averell Harriman declared, "The bargaining chip theory should be abandoned; it is utterly discredited." And presidential candidate Jimmy Carter, in the New York Times of July 7, 1976, stated that a bargaining chip policy was not an "advisable procedure" and as a general principle it was a "foolish approach."

In spite of these criticisms and others, the bargaining chip has continued to be a staple of our arms control policy. With the failure to reach an immediate SALT II agreement with the Soviets last March, President Carter, in terms reminiscent of his predecessors, warned that he would be forced to consider acceleration of American weapons development if he judged the Soviets were no longer negotiating in good faith. More specifically, Hedrick Smith in the New York Times of April 5 reported that:

"Administration officials acknowledged that the government was trying to use Soviet fears about the development of the American cruise missile as an inducement to get the Kremlin to relinquish some of its heavy SS-18 missiles. They made it clear that the cruise missile, with its potential for accuracy and deployment in large numbers, has become a principal bargaining chip with Moscow."

Given the persistence of the bargaining chip approach, it is imperative to understand its use in the SALT talks thus far. The unfortunate history of this stratagem leaves us little grounds for believing that it could be productive in the future.

MIRV flight testing. In 1968 when Secretary of Defense Clark Clifford approved the start of MIRV flight tests on both the Minuteman III and Poseidon missiles, he saw the tests as a bargaining chip. Clifford asserted, "an ongoing MIRV test series would provide added leverage for (the SALT) talks" scheduled that fall. Clifford did not alter this decision even though the Soviet invasion of Czechoslovakia forced a prolonged postponement of the talks.

In the policy hiatus between the Johnson and Nixon administrations, and later during the early SALT talks, MIRV flight-testing went forward to the point of no return, that is, MIRV was perfected for deployment. Even if the Soviets had wanted to forgo MIRV, they could not at this point—for only MIRV testing, not deployment, could be verified by national technical means. The Soviets therefore had to assume that MIRV, once

successfully tested, would be deployed and hence had to develop their own MIRV program.

Had Clifford and his successors been more self-conscious about what they were doing and had they thought through the implications of using MIRV as a bargaining chip, they might have understood that by flight-testing MIRV they were giving up the chance of convincing the Soviets to forgo their own MIRV development.

Cruise missiles. As with MIRV flight-testing, cruise missile development was originally justified as a bargaining chip. But, as with MIRV, the bargaining chip may have proved too evasive a concept to control the tempo of cruise missile development.

The initial enthusiasm for the cruise missile came not from the military but from civilian leadership. Peter Waterman, a Navy R&D official, testifying before the Senate Committee on the Armed Services in 1973, indicated that the idea to proceed with a strategic cruise missile prior to perfecting a tactical cruise came from the Secretary of Defense. "We have been asked," admitted Waterman, "by the Secretary of Defense to provide a demonstration of capabilities of all the elements of the strategic cruise missile in time relationship to the SALT negotiations." In sum, the Navy was being pressured to develop a strategic cruise missile to affect America's negotiations with the Soviets.

Whatever reluctance was initially felt by the military gradually dissipated. Early in 1975, *Science* magazine reported that according to the Assistant Deputy Chief of Naval Operations the submarine-launched cruise missile would be put "on every submarine," necessitating some 1,000 missiles. In the words of Frank Barnaby, director of the Stockholm International Peace Research Institute (SIPRI), "when the potentialities of the weapon became clear, considerable pressures built for the fastest possible development."

With President Carter's decision to deploy the air-launched cruise missile (ALCM) on B–52s as an alternative to building the B–1, the ALCM has become an integral part of the strategic arsenal. Carter's decision only accelerates the existing momentum of the cruise missile program. For even prior to his decision the Air Force had planned to deploy 1,800 ALCMs and the Navy had planned to deploy 1,200 Tomahawk missiles on both submarines and surface ships. It remains to be seen, however, whether the Tomahawk program, which embraces sea-launched cruise missiles (SLCM) and ground-launched cruise missiles (GLCM), will be used as a bargaining chip in SALT II. Flight testing of the Tomahawk is moving forward though, making any agreement with the Soviets to allow the air-launched cruise missiles but not the sea- or ground-launched ones extremely difficult.

Thus, what Henry Kissinger viewed as an additional psychological bargaining chip for SALT II has led to the imminent deployment of the ALCM and the likely deployment of naval and ground-launched cruise missiles. "How was I to know," Kissinger lamented, "the military would come to love it?"

This is a lesson the Secretary could have learned long ago. But with the love affair begun, Kissinger had to deal with the difficult issues of cruise missiles in the SALT II negotiations in a more complex way than he may have originally envisaged. He had to bargain on the cruise missile with both the Soviets and the Pentagon. An even more complex situation confronts his successor as some of our NATO allies have become enthralled with the potential of the cruise missile for use in theater defense.

Whether or not one believes today that the cruise missile is a useful weapon to add to our arsenal, the point of particular interest is the origin of this program.

Not only may the bargaining chip concept serve to hasten the development of weapons which complicate arms control; but it is, from the standpoint of weapons acquisition, a method of developing new weapons without thinking through their implications. The cruise missile, like any other weapon, should be added to the arsenal only because responsible officials see a genuine strategic need for it, and not because of bureaucratic or technological momentum. At every stage a weapons system must be examined for its impact on strategic doctrine, verification and proliferation. The bargaining chip rationale is too weak to be used to justify the deployment of a new weapon. Developing a weapon chiefly as a bargaining chip will allow constituencies to build up around that weapon, constituencies that will press for its deployment.

Weapons which may be the subject of arms control negotiations and may serve as bargaining chips should be kept in research and development and away from the testing stage as long as is feasible. Secretary Kissinger stated in 1975 that he wished he "had thought through the implications of the MIRVed world more fully in 1969 and 1970." Weapons, like MIRV, are useful only as threatened deployments. Once tested such weapons cease to be bargaining chips; they become a part of the arsenal that cannot be distinguished from the rest by national verification.

The new more highly accurate warhead system, MARV, will not be verifiable once tested and would, like MIRV, force the Soviets to develop their own version of this counterforce weapon. As Paul Warnke observed several years ago, "the threat of deployment might energize diplomacy but the fact of deployment would defeat it."

Another major problem of the bargaining chip is that it is difficult for the military to develop a weapon just to see it be bargained away. As with MIRV and the cruise missile, the tendency is to view new weapons as an integral part of the arsenal. As Jack Ruina has said: "It is hard to think of an arms program that simultaneously is good enough to worry an opponent and bad enough for the military to be willing to give it up in negotiations."

If President Carter continues to use the bargaining chip approach, he would be well advised to proceed with extreme care. He should avoid developing weapons whose only purpose is to be bargained away. To develop a weapon without seeing a place for it in the arsenal is a concept which the military finds difficult to comprehend. Second, bargaining chips should be kept under tight control, so that the point of no return—frequently the flight-testing stage—is not reached by inadvertence. Finally, the President must realize that bargaining chips can slip out of control and serve to stimulate the weapons acquisition process, and not to promote the arms talks. If this should occur, he will find himself raising the level of intragovernmental bargaining and reducing his own hopes for achieving genuine arms reduction.

IN MEMORY OF LOUISE STITT

Mr. METZENBAUM. Mr. President, I rise today to express my sorrow at the death of Louise Stitt, a great Ohioan who devoted her long and productive life to the struggle to enact Federal minimum wage legislation.

In the 1920's, Louise Stitt became the first woman to teach labor economics at the Ohio State University. She was a highly competent economist, but her concerns extended far beyond the traditional boundaries of economic theory. She was concerned with economic realities, with the long hours, low wages and dangerous working conditions then prevalent in much of American industry. She saw the need for change and she was determined to do something about it.

She was not alone. There were many people, among them a number of well-educated and comparatively well-to-do women, who felt the same need to remedy the appalling conditions they saw around them. These women went into factories and shops in the early decades of this century. They asked hard questions and they followed up with reports, legal briefs and public meetings.

Eleanor Roosevelt was one of these women, as was former Secretary of Labor Frances Perkins. Louise Stitt was another. Their organization, the National Consumers League for Fair Labor Standards, took the lead in organizing consumers to press for improved working conditions for the people who made the goods they purchased.

In the early 1930's, Ms. Stitt left her university position to become Ohio's director of minimum wage. Subsequently, she was one of the exceptionally able women recruited by Mary Anderson to staff the newly-founded Women's Bureau of the Department of Labor. In that capacity, she played a major role in helping the States to establish wage boards and to administer State minimum wage laws. The Women's Bureau at that time also sent investigators into the field to report on wages and working conditions of women employed in offices and beauty shops. They had no power of subpena. They could only ask to examine records. But in most cases, they got the information they needed.

Their efforts contributed to the growth of support for Federal minimum wage and maximum hours legislation. The Fair Labor Standards Act was finally enacted in 1938, setting the minimum wage at 25 cents per hour.

Louise Stitt worked through the 1930's and 1940's in the Women's Bureau on the endless task of upgrading wages and working conditions. After her retirement, she remained an active advocate of legislative action on behalf of low wage employees.

The 1950's were dry legislative years, but Ms. Stitt never abandoned her efforts. She worked closely with women's organizations and civil rights and religious action groups to call public attention to the minimum wage issue. Dorothea de Schweinitz, another National Consumers League economist, and Dean Francis B. Sayre, Jr., of the National Cathedral in Washington were her close associates.

Finally, in 1959, the Congress considered new minimum wage legislation. Senator John F. Kennedy chaired hearings before the Labor Subcommittee. When Eleanor Roosevelt was invited to testify at these hearings, she called upon Ms. Stitt to help prepare her testimony.

Since 1971, Ms. Stitt has lived in a retirement home in her native Columbus, Ohio. She died there on September 9. She was buried while the Congress was

again considering minimum wage legislation.

Mr. President, I believe that all Americans owe a debt of gratitude to Louise Stitt and to the many others like her who gave so freely of their time and talent to promote justice for working men and women. I mourn her passing, but I am pleased that she was able to see so many of the reforms she pioneered enacted in her lifetime. She could have no better monument than the solid body of legislation that now exists to protect the rights of those most vulnerable to economic exploitation.

REPORT ON LEGISLATION TO CREATE ABORIGINAL HAWAIIAN CLAIMS SETTLEMENT STUDY COMMISSION

Mr. MATSUNAGA. Mr. President, on October 20 of this year, this body approved a measure, Senate Joint Resolution 4, which, as I stated at that time and here and now reiterate, is considered by many of the people of my Aloha State to be the most important proposal currently pending before the U.S. Congress. Senate Joint Resolution 4 seeks to establish an Aboriginal Hawaiian Claims Settlement Study Commission to address the tragic events of 1893, when the lawful monarchy of Hawaii was overthrown by a small group of non-Hawaiian residents of the islands, aided by representatives of the United States. The commission's mandate would be to conduct an exhaustive study of the unanswered claims of Aboriginal Hawaiians arising from those events, and report back to Congress its recommendation for remedial legislation.

The bill, supported by the entire Hawaii congressional delegation, had been ordered reported by the Senate Committee on Energy and Natural Resources 10 days earlier. The committee's report on the bill stands as the most concise document presently available regarding the history of the claim, the reasons for which the possibility of reparatory legislation is being pursued, and the approach to the problem which the delegation is taking. It also contains in its entirety the moving December 18, 1893 message to the Congress of then President Grover Cleveland, wherein he condemns the participation of U.S. Representatives in the so-called revolution of 1893, and urges that action be taken to remedy the wrong.

Because of the great interest in the legislation, the committee report is in such demand that already the regular printing has been exhausted. So that I may make this important document more widely available to my constituency and others, as well as call greater attention to the simple justice of the claim, I ask unanimous consent that the selections from the text of Senate report 95-501 be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

I. PURPOSE

In the year 1893, the U.S. Minister accredited to the independent Kingdom of Hawaii, the naval representative of the United States in Hawaii, acting wholly without the authority or knowledge of the Congress or the President, unlawfully committed and deployed Armed Forces of the United States in support of the overthrow of the lawful Government of Hawaii. This joint resolution (S.J. Res. 4) acknowledges this wrongdoing on the part of representatives of the Government of the United States and the need to make reparation to the Aboriginal Hawaiian people. The purposes of this joint resolution (S.J. Res. 4) are to recognize the validity of claims against the United States by Aboriginal Hawaiian people based on the 1893 incident and to establish an Aboriginal Hawaiian Claims Settlement Study Commission to conduct a study of the culture, needs, and concerns of the Aboriginal Hawaiians; the nature of the wrong committed against, and the extent of the injuries to, the Aboriginal Hawaiians by reason of the 1893 incident; and various means to remedy such wrong. The proposed Study Commission would submit a report of its findings to the Congress and recommend remedies to repair the wrong perpetrated against the Aboriginal Hawaiian people.

II. BACKGROUND AND LEGISLATIVE HISTORY

Senate Joint Resolution 4 represents the first step toward redressing a wrong committed against the Aboriginal Hawaiian people some 83 years ago. The incident forming the basis for the Aboriginal Hawaiian claims recognized by this legislation is described in full in a message to the Congress by President Grover Cleveland, December 18, 1893. The message is set forth in the Executive Communications sections of this report. The facts of that incident and subsequent pertinent events are as follows:

Hawaii came to the attention of the Western world with its "discovery" in 1778 by Capt James Cook of the British Navy.

The Kingdom of Hawaii was established in 1795 with the unification of the Hawaiian Islands by Kamehameha I.

In 1848, Kamehameha III decreed a major redistribution of land ownership in Hawaii known as the Great Mahele. Under the Great Mahele, the lands were divided as follows: 1 million acres to the King as his personal property (the crown lands); 1.5 million acres to the Kingdom of Hawaii (the Government lands); 1.5 million acres to 240 high ranking chiefs; and 30,000 acres to commoners.

Early in 1893, a group of non-Hawaiian residents of Hawaii desiring the annexation of Hawaii to the United States organized as the Committee of Safety with their goal the overthrow of the Kingdom of Hawaii.

In support of the committee, the U.S. Minister and the naval representative of the United States caused U.S. Marines from the U.S.S. *Boston*, lying at anchor in Honolulu Harbor, to be landed in Honolulu on January 16, 1893, without the authorization of the Hawaiian Government.

Queen Liliuokalani, monarch of Hawaii, was deposed by the Committee of Safety. The Queen stated that she was resigning under protest, with the belief that she would be reinstated once the United States became cognizant of the circumstances of her overthrow. However, the U.S. Minister to Hawaii, John L. Stevens, recognized the Provisional Government of Hawaii immediately after the overthrow of the Queen.

A draft treaty of annexation, worked out by representatives of the Provisional Government of Hawaii and representatives of the United States, was submitted to the Senate on February 14, 1893, by President Harrison.

New President Grover Cleveland, upon hearing conflicting reports regarding the circumstances of the change in governments in Hawaii and possible U.S. participation in the change, withdrew the proposed treaty of annexation from the Senate, and appointed James Blount of Georgia, former chairman of the House Committee on Foreign Relations, Special Commissioner to travel to Hawaii and report back to him on the Hawaii situation.

Commissioner Blount arrived in Honolulu in March 1893, to undertake his study. Based on Blount's study, Secretary of State Walter Q. Gresham reported to the President that Minister Stevens had helped to overthrow the Hawaiian monarchy. He advised Cleveland not to put the treaty of annexation before the Senate again, and suggested that the monarchy be restored. He wrote in his report: "Her (Liliuokalani's) submission was thus coerced (by the actions of Minister Stevens and the troops from the *Boston*). The affair was discreditable to all who engaged in it. It would lower our national standard to endorse a selfish and dishonorable scheme of a lot of adventurers."

On July 15, 1893, a petition for redress of grievances was presented to the U.S. Government by the Hawaiian Patriotic League on behalf of the Aborigional Hawaiians.

President Cleveland, in a message to Congress on December 18, 1893, on the Hawaiian issue, stated:

"* * * by an act of war, committed with the participation of a diplomatic representative of the United States and without the authority of Congress, the Government of a feeble, friendly and confiding people has been overthrown. * * * a substantial wrong has thus been done which a due regard for our national character as well as the rights of the injured people requires that we endeavor to repair * * * the United States cannot fail to vindicate its sense of justice by an earnest effort to make all possible reparation."

On July 4, 1894, leaders of the Provisional Government of Hawaii proclaimed the establishment of the Republic of Hawaii, and assumed ownership of the Government and crown lands without compensation.

Exactly 4 years later, President McKinley signed a treaty annexing Hawaii to the United States. Under the treaty, the Republic of Hawaii ceded and transferred to the United States "the absolute fee and ownership of all public, Government and crown lands * * * belonging to the Government of the Hawaiian Islands, together with every right and appurtenance thereto appertaining."

Thereafter, on June 19, 1900, Hawaii became the Territory of Hawaii through enactment of the Hawaii Organic Act.

The Hawaiian Homes Commission Act was signed into law July 9, 1921, (42 Stat. 108, as amended), addressing the belief that the Hawaiian people had to a great extent been alienated and separated from their historical domain to such a degree that they were in danger of becoming extinct as a direct culture, the statute set aside 203,500 acres of Hawaii land for the use of Native Hawaiians.

On August 20, 1959, Hawaii became the 50th State of the Union.

The history of this incident shows that U.S. interests opposed Queen Liliuokalani's efforts to regain her throne and restore the Kingdom of Hawaii. The Kingdom was succeeded by a provisional government, which later transformed itself into the independent Republic of Hawaii intent upon the later annexation of Hawaii to the United States, which was finally consummated in 1898. The Constitution of the Republic expropriated the crown lands without compensation and made them available for purchase by westerners. Because of the unauthorized involvement of official representatives of the United States in the internal affairs of an independent, friendly government, the Aboriginal Hawaiians lost their self-government, their rights to Crown and government lands, and other less material but no less important aspects of their civilization. A tragic conse-

quence has been the aggravation of a trend toward demoralization and alienation of the Aboriginal Hawaiian people from their former national, cultural, and individual identity. In many ways they have become strangers in their own land, a situation similar to that of the American Indians.

History also makes it clear that in yielding to the superior forces of the United States to avoid bloodshed, Queen Liliuokalani did so in anticipation that the United States would eventually act to remedy the wrong committed in its name. A claim for repair of the wrong done to the Hawaiian people was submitted to the U.S. Government by the Queen. A petition for redress of grievances was presented to our Government on July 15, 1893 by the Hawaiian Patriotic League on behalf of the Aboriginal Hawaiians. Neither claim was honored. President Cleveland's hope for a legislative plan to redress the wrong perpetrated in the name of the United States has never been realized.

The efforts to obtain congressional consideration of the plight of Aboriginal Hawaiians began on June 27, 1974, when U.S. Representatives Spark Matsunaga and Patsy Mink introduced H.R. 15666, the proposed Hawaiian Native Claims Settlement Act. The bill would have established an Hawaiian Native Claims Settlement Corporation to receive benefits from an immediate settlement involving both land and funds. The following year, Representative Matsunaga and Mink reintroduced the bill as H.R. 1944 for the consideration of the 94th Congress. In February, 1975, the Subcommittee on Indian Affairs of the House Committee on Interior and Insular Affairs held field hearings on H.R. 1944.

The Senate began consideration of the Aboriginal Hawaiian claims issue with the introduction of Senate joint resolution 155 by Senator Daniel K. Inouye on December 18, 1975. Rather than providing an immediate settlement of the claims, the resolution would have established a commission to conduct a comprehensive investigation of the claims issue and to report back to the Congress with recommendations for a remedy within 1 year. The Senate Committee on Interior and Insular affairs held field hearings on Senate Joint Resolution 155 in February, 1976. The resolution was reported with an amendment by the committee on September 29, 1976.

Senate Joint Resolution 4, identical to Senate Joint Resolution 155, as reported by the Interior Committee, was introduced on January 10, 1977. Field hearings were held on the measure by the Public Lands and Resources Subcommittee on July 6 and 7, 1977.

Through its hearings and markups of the resolutions last year and this year, the committee has apprised itself of the historic well-documented affair which gave use to the Aboriginal Hawaiian claims. The overthrow of the Hawaiian Kingdom is a dark chapter in American diplomatic and military history, made darker still by the long failure of the Congress to consider the wrong the United States had committed and to answer President Cleveland's call to repair that wrong. By enactment of Senate Joint Resolution 4, the Congress would establish a procedure for determining what, if any, action the Congress can take to finally settle the claims of the Aboriginal Hawaiians. The recommendations submitted to the Congress by the Aboriginal Hawaiian Claims Settlement Study Commission cannot substitute for the congressional determination, but are expected to assist the Congress in making that determination.

III. NEED

In the consideration of the Aboriginal Hawaiian claims issue, four traditional approaches to settlement of Native claims were considered: use of the Court of Claims; use of the Indian Claims Commission; passage of a special jurisdictional act; and passage of a settlement act.

The Court of Claims appeared an unlikely vehicle for settling Aboriginal Hawaiian claims. Although the Court of Claims once had jurisdiction to hear claims of Indian tribes, that jurisdiction was removed from the court in 1863. In any case, Aboriginal Hawaiians do not constitute an Indian tribe. In addition, any action brought in the Court of Claims by the Aboriginal Hawaiians based on the court's continuing jurisdiction over claims against the United States founded upon the Constitution would likely be unsuccessful as it is doubtful that a fifth amendment taking could be established. (Judicial doctrine does not afford fifth amendment rights to "aboriginal title". Only land taken in violation of treaty terms is regarded as a fifth amendment taking. Proponents of an Aboriginal Hawaiian claims settlement argue that the question of whether Native land taken illegally from a sovereign power is a constitutional taking is *sui generis*.) Furthermore, any claim so made before the Court of Claims would probably be time-barred under the statutory requirement that claims be filed within 6 years of their accrual.

The Indian Claims Commission does not possess the same problems as a possible situs for settling Aboriginal Hawaiian claims in that the Indian Claims Commission Act allows claims on ethical as well as legal grounds and it waives defenses based on the passage of time. However, the act would have to be amended to permit the bringing of the Aboriginal Hawaiian claims because the act applies only to claims of Indians or Natives on the mainland or in Alaska. Additionally, the Commission does not have the capacity to consider such claims in that it has had its life already extended on four occasions in order to complete its case load and it now has only 1 more year and one quarter of its dockets yet to go (and of those, approximately 150 dockets, 50 involve complex accounting issues).

The use of special jurisdictional acts was always the least popular and most inefficient method of resolving Indian claims. For example, at least one tribe was required to wait 71 years until litigation had been completed and the awards made. These problems were the principal reason why special jurisdictional acts, made necessary when jurisdiction was removed from the Court of Claims in 1863, were eliminated by the Congress in 1946 in favor of the Indian Claims Commission.

The final approach to settlement is through passage of a settlement act. This approach, best exemplified by the Alaska Native Claims Settlement Act, avoids the detailed factfinding concerning such matters as the value of the land at the time of Government taking which has complicated the settlement of Indian claims by other means.

As evidenced by its action on the Alaska Native Claims Settlement Act in 1971, the Committee on Energy and Natural Resources believes congressional enactment of a settlement act is the best method of fashioning a settlement of legitimate native claims. The committee believes, however, that the determination of a proper settlement can be made only on a detailed factual base. The committee, in its consideration of the Alaska Native Claims Settlement Act, was indebted to the work of another commission. On March 8, 1968, the chairman, wrote the Federal Field Committee for Development Planning in Alaska asking that the Commission study Alaska Native land claims.

The report on that study, Alaska Natives and The Land, provided the necessary information to legislate the settlement act. As no such commission presently exists in Hawaii, Senate Joint Resolution 4 would establish one and ask it to conduct the study to provide the groundwork necessary for a future Congress to consider what, if any, settlement can be fashioned for the Aboriginal Hawaiian people.

IV. COMMITTEE AMENDMENTS

During markup, the committee agreed to an amendment in the nature of a substitute to Senate Joint Resolution 4. The substituted resolution amends the title, the preamble, and the text of the joint resolution. The title was amended to substitute "aboriginal" for the term "native" in order to accommodate a preference expressed by supporters of the legislation. The preamble was restated, in part, in order to conform it to language contained in President Grover Cleveland's message to the Congress of December 18, 1893, and to conform it to the resolution as retitled by the committee.

The significant amendments to Senate Joint Resolution 4 are:

1. *Membership on the Commission*, Sec. 2(b)(1). The Committee increased the size of the Commission from 11 to 15 members and increased from six to eight the number of members to be appointed by the Governor of Hawaii. Additionally, the committee provided that each of the islands of Hawaii, Kuai, Lanai, Maui, Molokai, and Oahu shall be represented on the Commission by at least one member of aboriginal blood who is an inhabitant of that island.

2. *Commission Study*, Sec. 3. The committee provided that the Commission should hold public hearings in order to further the study of the wrongs committed against the aboriginal Hawaiians, with advance notice and information regarding the public hearings. Additionally, the committee provided that a draft report of the findings of the study would be available to the public within 1 year of enactment of the resolution. The public would then have 6 months in which to comment on the report before it is submitted to the Congress. Originally, section 3 called for submission of the final report, without publication of a draft, within 1 year.

3. *Commission Recommendations*, Sec. 4. The committee made several minor word changes in section 4 to provide the Commission with the utmost flexibility in making its recommendations.

4. *Authorization*, Sec. 7. The committee authorized appropriations necessary to carry out the provisions of this resolution beginning in fiscal year 1979 and thereafter. The committee added a provision permitting the expenditure of appropriated funds for appearances of Commissioners before the Congress after the Commission's termination.

V. SECTION-BY-SECTION ANALYSIS

Congressional findings

Sec. 1 contains findings that in 1893, the U.S. Minister to the Kingdom of Hawaii unlawfully conspired with a group of U.S. citizens to overthrow the Kingdom; that U.S. Armed Forces participated in the overthrow; that President Grover Cleveland, in a December 18, 1893, message to Congress, denounced this action and indicated his belief that the United States had an obligation to endeavor to "make all possible reparation" for this wrong; that Oueen Liliuokalani made such application for redress on behalf of Native Hawaiians; that the United States acquired ownership of Aboriginal Hawaiian lands obtained from Aboriginal Hawaiians through the overthrow in the 1898 annexation of Hawaii; and that the wrongs done Aboriginal Hawaiians have not yet been repaired.

Declaration of purpose

Sec. 1 also declares that the Congress, while it recognizes that any action it might take cannot be a sufficient remedy for these wrongs, desires to see whether a remedy can be fashioned, and wishes to be advised on

this matter by a commission of Aboriginal Hawaiians and other citizens.

Section 2. Aboriginal Hawaiian Claims Settlement Study Commission

Subsection 2(a) provides for the creation of the Aboriginal Hawaiian Claims Settlement Study Commission.

Subsection 2(b) provides that the Commission shall be composed of 15 members appointed by the President, eight of them from a list of 18 proposed by the Governor of Hawaii; that nine shall be Aboriginal Hawaiians, three of 50 percent or more native blood, three of 25 percent or more native blood, and three of any degree of native blood; that one Aboriginal Hawaiian shall represent each of the six major Hawaiian islands, and one Aboriginal Hawaiian shall be a U.S. citizen not a resident of Hawaii; and that the President is to consult with the Aboriginal Hawaiian community and the Governor of Hawaii with regard to his appointments. The Commission is to elect a chairman and vice chairman from their membership. A quorum for the Commission is eight, but a smaller number can conduct hearings. The Commission members are to receive $100 per day while on Commission business, plus travel and expenses.

Under Subsection 2(c), the President is required to call the first meeting of the Commission no later than 60 days after the approval of this resolution.

Subsection 2(d) authorizes the Chairman of the Commission to appoint an executive director and general counsel and other necessary staff to the Commission and specifies certain conditions with regard to their employment. Temporary services to the Commission are to be provided at a rate of no more than $100 per day.

Subsection 2(e) provides an authorization for Federal agencies to assist the Commission.

Section 3. Duties of the Commission

Subsection 3(1) requires the Commission to conduct a study of the "culture, needs and concerns" of Aboriginal Hawaiians, including the wrong committed against and the extent of the injuries to Aboriginal Hawaiians as a result of the events of 1893, and possible means of remedying those wrongs.

Subsection 3(2) directs the Commission to conduct public hearings as it deems necessary, but no less than one each on the six major Hawaiian islands and one elsewhere in the United States.

Subsection 3(3) provides that the Commission shall make available public information with regard to its study.

Subsection 3(4) requires the Commission to issue a draft report on its study within 1 year of the enactment of the resolution.

Subsection 3(5) and (6) direct the Commission to submit to the President, the Senate Committee on Energy and Natural Resources and the House Committee on Interior and Insular Affairs a final report 6 months after publication of its draft report.

Section 4. Commission recommendations

Subsection 4(a) specifies that the Commission must consider, among other things, the utilization of funds in a manner which benefits Aboriginal Hawaiians; the provision of land, including the surplusing of Federal lands; any other recommendations the Commission may deem necessary with regard to land and funds; the preservation of the Aboriginal Hawaiian lifestyle and the education of Aboriginal Hawaiians as goals of the remedy; the degree to which blood quantum or other requirements should determine eligibility for benefits under the recommended remedy; the manner in which the recommended remedy is to be administered; and any other matters the Commission may deem desirable to be included in any subsequent remedy.

Subsection 4(b) provides that the Commission's recommendations are to be designed to assure, to the extent possible, that any subsequent remedy be a final settlement of Aboriginal Hawaiian claims arising out of the events of 1893; be expeditiously implemented with a minimum of litigation; address the real needs of Aboriginal Hawaiians; assures the maximum participation of Aboriginal Hawaiians; creates no wardship or trusteeship; does not detract from Aboriginal Hawaiians' basic rights of citizenship; and does not relieve the United States of its responsibility to Aboriginal Hawaiians as citizens.

Section 5. Termination of the Commission

Section 5 provides that the Commission will cease to exist within 60 days after its submission of its final report, except with regard to the sections of the resolution which provide the authority under which funds may be expended to provide for the appearance of former Commissioners before the Congress regarding Congress' consideration of the recommended remedy.

Section 6. Savings clauses

Section 6 provides that the bill is not to be construed as conferring jurisdiction to sue or as granting Aboriginal Hawaiians with consent to sue the United States with respect to claims arising from the events of 1893 and is not to be construed as granting a precedent for any Native American to reopen any past settlement of like claims. These savings clauses are similar to those contained in the Alaska Native Claims Settlement Act.

Section 7. Authorization

Subsection 7(a) provides for the appropriation of such funds in fiscal years 1979 and 1980 as may be necessary to carry out the purposes of the bill. It also provides that until such funds from the contingency fund of the Senate upon vouchers approved by the chairman, the fund to be reimbursed later with regularly appropriated funds.

Subsection 7(b) authorizes the Secretary of the Treasury to set aside a portion of appropriated funds to provide for the appearance of Commissioners before the Congress after the termination of the Commission.

VI. COST AND BUDGETARY CONSIDERATION

In accordance with section 252(a) of the Legislative Reorganization Act of 1970 (Public Law 91–150, 91st Congress) the committee provides the following estimate of the cost of Senate Joint Resolution 4, prepared by the Congressional Budget Office.

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, D.C., October 14, 1977.

Hon. HENRY M. JACKSON,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has prepared the attached cost estimate for Senate Joint Resolution 4, a joint resolution establishing the Aboriginal Hawaiian Claims Settlement Study Commission, and for other purposes.

Should the committee so desire, we would be pleased to provide further details on the attached cost estimate.

Sincerely,

ALICE M. RIVLIN, *Director.*

CONGRESSIONAL BUDGET OFFICE—COST ESTIMATE

OCTOBER 14, 1977.

1. Bill number: Senate Joint Resolution 4.

2. Bill title: Joint resolution establishing the Aboriginal Hawaiian Claims Settlement Study Commission, and for other purposes.

3. Bill status: As ordered reported by the Senate Committee on Energy and Natural Resources on October 10, 1977.

4. Bill purpose: The proposed legislation establishes a 15 member commission to study remedies for a wrong committed by the U.S. Government against native Hawaiians in 1893. This is authorizing legislation which requires subsequent appropriation action. Such sums as are necessary to carry out the provisions of this resolution are authorized to be appropriated for fiscal year 1979 and fiscal year 1980. Payment from the Senate contingent fund are authorized until such appropriations are made.

5. Cost estimate: By fiscal years.

Fiscal year:	*Thousands*
1978	$190
1979	571
1980	96
1981	
1982	

Pursuant to section 7(a) of the resolution, Commission expenses will be paid out of the Senate contingent fund until specific appropriations are made, as authorized in the resolution, for fiscal years 1979 and 1980.

The costs of this bill fall within budget function 800.

6. Basis of Estimate: For the purpose of this estimate, it is assumed that this legislation is enacted April 1, 1978, and that the Commission begins its work 60 days thereafter.

The Commission is assumed to have a one and a half year life. In order to estimate the costs of this legislation, assumptions were made about the likely activities of the Commission, and a budget for these activities was developed. These assumptions are based on the historical experience of similar programs. In addition to the legislatively stated number of commissioners (15), it is assumed that there will be nine professional staff members (including an executive director and a counsel) and five administrative support personnel. The estimated costs of the commission are: personnel compensation and benefits—$683,000; travel and transportation—$85,000; other overhead— $89,000.

This cost estimate addresses only the costs of the Commission and does not consider the cost of any proposed remedy. The remedy will require additional, specific legislative action.

7. Estimate comparison: None.

8. Previous CBO estimate: None.

9. Estimate prepared by: Terry A. Nelson (225–7760).

10. Estimate approved by: James L. Blum, Assistant Director for Budget Analysis.

VII. COMMITTEE RECOMMENDATION AND TABULATION OF VOTES

The Senate Committee on Energy and Natural Resources, in open business session on October 10, 1977, by unanimous voice vote of a quorum present recommends that the Senate pass Senate Joint Resolution 4, as amended.

VIII. EXECUTIVE COMMUNICATIONS

There were no executive communications received by the committee regarding Senate Joint Resolution 4. Set forth below is the text of the message to Congress of December 12, 1893, by President Cleveland:

"A brief statement of the occurrences that led to the subversion of the constitutional Government of Hawaii in the interests of annexation to the United States will exhibit the true complexion of that transaction.

"On Saturday, January 14, 1893, the Queen of Hawaii, who had been contemplating the proclamation of a new constitution, had, in deference to the wishes and remonstrances of her cabinet, renounced the project for the present at least. Taking this relinquished purpose as a basis of action citizens of Honolulu numbering from 50 to 100, mostly resi-

dent aliens, met in a private office and selected a so-called committee of safety, composed of 13 persons, seven of whom were foreign subjects, and consisted of five Americans, one Englishman, and one German. This committee, though its designs were not revealed, had in view nothing less than annexation to the United States, and between Saturday, the 14th, and the following Monday, the 16th of January—though exactly what action was taken may not be clearly disclosed—they were certainly in communication with the United States minister. On Monday morning the Queen and her cabinet made public proclamation, with a notice which was specially served upon the representatives of all foreign governments, that any changes in the constitution would be sought only in the methods provided by that instrument. Nevertheless, at the call and under the auspices of the committee of safety, a mass meeting of citizens was held on that day to protest against the Queen's alleged illegal and unlawful proceedings and purposes. Even at this meeting the committee of safety continued to disguise their real purpose and contented themselves with procuring the passage of a resolution denouncing the Queen and empowering the committee to devise ways and means "to secure the permanent maintenance of law and order and the protection of life, liberty, and property in Hawaii." This meeting adjourned between 3 and 4 o'clock in the afternoon. On the same day, and immediately after such adjournment, the committee, unwilling to take further steps without the cooperation of the U.S. minister, addressed him a note representing that the public safety was menaced and that lives and property were in danger, and concluded as follows:

"We are unable to protect ourselves without aid, and therefore pray for the protection of the U.S. forces.

"Whatever may be thought of the other contents of this note, the absolute truth of this latter statement is incontestable. When the note was written and delivered the committee, so far as it appears, had neither a man nor a gun at their command, and after its delivery they became so panic-stricken at their position that they sent some of their number to interview the minister and request him not to land the U.S. forces till the next morning. But he replied that the troops had been ordered and whether the committee were ready or not the landing should take place. And so it happened that on the 16th day of January 1893, between 4 and 5 o'clock in the afternoon, a detachment of marines from the U.S. steamer *Boston*, with two pieces of artillery, landed at Honolulu. The men, upward of 160 in all, were supplied with double cartridge belts filled with ammunition and with haversacks and canteens, and were accompanied by a hospital corps with stretchers and medical supplies.

"This military demonstration upon the soil of Honolulu was of itself an act of war, unless made either with the consent of the Government of Hawaii or for the *bone fide* purpose of protecting the imperiled lives and property of citizens of the United States. But there is no pretense of any such consent on the part of the Government of the Queen, which at that time was undisputed and was both the *de facto* and the *de jure* Government. In point of fact the existing Government, instead of requesting the presence of an armed force, protested against it. There is as little basis for the pretense that such forces were landed for the security of American life and property. If so, they would have been stationed in the vicinity of such property and so as to protect it, instead of at a distance and so as to command the Hawaiian Government building and palace.

"Admiral Skerrett, the officer in command of our naval force on the Pacific station, has frankly stated that in his opinion the location of the troops was inadvisable if they were landed for the protection of American citizens, whose residences and places of business, as well as the legation and consulate, were in a distant part of the city; but the location selected was a wise one if the forces were landed for the purpose of supporting the Provisional Government. If any peril to life and property calling for any such martial array had existed, Great Britain and other foreign powers interested would not have been behind the United States in activity to protect their citizens. But they made no sign in that direction. When these armed men were landed the city of Honolulu was in its customary orderly and peaceful condition. There was no symptom of riot or disturbance in any quarter. Men, women, and children were about the streets as usual, and nothing varied the ordinary routine or disturbed the ordinary tranquility except the landing of the *Boston's* marines and their march through the town to the quarters assigned them. Indeed, the fact that after having called for the landing of the U.S. forces on the plea of danger to life and property the committee of safety themselves requested the minister to postpone action exposed the untruthfulness of their representations of present peril to life and property. The peril they saw was an anticipation growing out of guilty intentions on their part and something which, though not then existing, they knew would certainly follow their attempt to overthrow the Government of the Queen without the aid of the U.S. forces.

"Thus it appears that Hawaii was taken possession of by the U.S. forces without the consent or wish of the Government of the islands, or of anybody else so far as shown except the U.S. minister. Therefore the military occupation of Honolulu by the United States on the day mentioned was wholly without justification, either as an occupation by consent or as an occupation necessitated by dangers threatening American life and property. It must be accounted for in some other way and on some other ground, and its real motive and purpose are neither obscure nor far to seek.

"The U.S. forces being now on the scene and favorably stationed, the committee proceeded to carry out their original scheme. They met the next morning, Tuesday, the 17th, perfected the plan of temporary government, and fixed upon its principal officers, 10 of whom were drawn from the 13 members of the committee of safety. Between 1 and 2 o'clock, by squads and by different routes to avoid notice, and having first taken the precaution of ascertaining whether there was anyone there to oppose them, they proceeded to the Government building to proclaim the new Government. No sign of opposition was manifest, and thereupon an American citizen began to read the proclamation from the steps of the Government building, almost entirely without auditors. It is said that before the reading was finished quite a concourse of persons, variously estimated at from 50 to 100, some armed and some unarmed, gathered about the committee to give them aid and confidence. This statement is not important, since the one controlling factor in the whole affair was unquestionably the U.S. marines, who, drawn up under-arms and with artillery in readiness only 76 yards distant, dominated the situation.

"The Provisional Government thus proclaimed was by the terms of the proclamation "to exist until terms of union with the United States had been negotiated and agreed upon." The U.S. minister, pursuant to prior agreement, recognized this Government within an hour after the reading of the proclamation, and before 5 o'clock, in answer to an inquiry on behalf of the Queen and her cabinet, announced that he had done so.

"When our minister recognized the Provisional Government, the only basis upon which it rested was the fact that the committee of safety had in the manner above stated declared it to exist. It was neither a government *de facto* nor *de jure*. That it was not in such possession of the Government property and agencies as entitled it to recognition is conclusively proved by a note found in the files of the legation at Honolulu, addressed by the declared head of the Provisional Government to Minister Stevens, dated January 17, 1893, minister's recognition of the Provisional Government, and states that it is not yet in the possession of the station house (the place where a large number of the Queen's troops were quartered), though the same had been demanded of the Queen's officers in charge. Nevertheless, this wrongful recognition by our minister placed the Government of the Queen in a position of most perilous perplexity. On the one hand she had possession of the palace, of the barracks, and of the police station, and had at her command at least 500 fully armed men and several pieces of artillery. Indeed, the whole military force of her Kingdom was on her side and at her disposal, while the committee of safety, by actual search, had discovered that there were but very few arms in Honolulu that were not in the service of the Government.

"In this state of things, if the Queen could have dealt with the insurgents alone, her course would have been plain and the result unmistakable. But the United States had allied itself with her enemies, had recognized them as the true Government of Hawaii, and had put her and her adherents in the position of opposition against lawful authority. She knew that she could not withstand the power of the United States, but she believed that she might safely trust to its justice. Accordingly, some hours after the recognition of the Provisional Government by the U.S. minister, the palace, the barracks, and the police station, with all military resources of the country were delivered up by the Queen upon the representation made to her that her cause would thereafter be reviewed at Washington, and while protesting that she surrendered to the superior force of the United States, whose minister had caused U.S. troops to be landed at Honolulu and declared that he would support the Provisional Government, and that she yielded her authority to prevent collision of armed forces and loss of life, and only until such time as the United States, upon the facts being presented to it, should undo the action of its representative and reinstate her in the authority she claimed as the constitutional sovereign of the Hawaiian Islands.

"This protest was delivered to the chief of the Provisional Government, who endorsed thereon his acknowledgment of its receipt. The terms of the protest were read without dissent by those assuming to constitute the Provisional Government, who were certainly charged with the knowledge that the Queen, instead of finally abandoning her power, had appealed to the justice of the United States for reinstatement in her authority; and yet the Provisional Government, with this unanswered protest in its hand, hastened to negotiate with the United States for the permanent banishment of the Queen from power and for a sale of her Kingdom.

"Our country was in danger of occupying the position of having actually set up a temporary government on foreign soil for the purpose of acquiring through that agency territory which we had wrongfully put in its possession. The control of both sides of a bargain acquired in such a manner is called by a familiar and unpleasant name when found in private transactions. We are not without a precedent showing how scrupulously we avoided such accusations in

former days. After the people of Texas had declared their independence of Mexico they resolved that on the acknowledgment of their independence by the United States they would seek admission into the Union. Several months after the battle of San Jacinto, by which Texan independence was practically assured and established, President Jackson declined to recognize it, alleging as one of his reasons that in the circumstances it became us "to beware of a too early movement, as it might subject us, however unjustly, to the imputation of seeking to establish the claim of our neighbors to a territory with a view to its subsequent acquisition by ourselves." This is in marked contrast with the hasty recognition of a government openly and concededly set up for the purpose of tendering to us territorial annexation.

"I believe that a candid and thorough examination of the facts will force the conviction that the Provisional Government owes its existence to an armed invasion by the United States. Fair-minded people, with the evidence before them, will hardly claim that the Hawaiian Government was overthrown by the people of the islands or that the Provisional Government had ever existed with their consent. I do not understand that any members of this Government claims that the people would uphold it by their suffrages if they were allowed to vote on the question.

"While naturally sympathizing with every effort to establish a republican form of government, it has been the settled policy of the United States to concede to people of foreign countries the same freedom and independence in the management of their domestic affairs that we have always claimed for ourselves, and it has been our practice to recognize revolutionary governments as soon as it became apparent that they were supported by the people. For illustration of this rule I need only to refer to the revolution in Brazil in 1889, when our minister was instructed to recognize the Republic "so soon as a majority of the people of Brazil should have signified their assent to its establishment and maintenance;" to the revolution in Chile in 1891, when our minister was directed to recognize the new Government "if it was accepted by the people," and to the revolution in Venezuela in 1892, when our recognition was accorded on condition that the new Government was "fully established, in possession of the power of the nation, and accepted by the people."

"As I apprehend the situation, we are brought face to face with the following conditions:

"The lawful Government of Hawaii was overthrown without the drawing of a sword or the firing of a shot by a process every step of which, it may safely be asserted, is directly traceable to and dependent for its success upon the agency of the United States acting through its diplomatic and naval representatives.

"But for the notorious predilections of the U.S. minister for annexation the committee of safety, which should be called the committee of annexation, would never have existed.

"But for the landing of the U.S. forces upon false pretexts respecting the danger to life and property the committee would never have exposed themselves to the pains and penalties of treason by undertaking the subversion of the Queen's Government.

"But for the presence of the U.S. forces in the immediate vicinity and in position to afford all needed protection and support the committee would not have proclaimed the Provisional Government from the steps of the Government building.

"And finally, but for the lawless occupation of Honolulu under false pretexts by the U.S. forces, and but for Minister Steven's recognition of the Provisional Government when the U.S. forces were its sole support and constituted its only military strength, the Queen and her Government would never have yielded to the Provisional Government, even for a time and for the sole purpose of submitting her case to the enlightened justice of the United States.

"Believing, therefore, that the United States could not, under the circumstances disclosed, annex the islands without justly incurring the imputation of acquiring them by unjustifiable methods, I shall not again submit the treaty of annexation to the Senate for its consideration, and in the instructions to Minister Willis, a copy of which accompanies this message, I have directed him to so inform the Provisional Government.

"But in the present instance our duty does not, in my opinion, end with refusing to consummate this questionable transaction. It has been the boast of our Government that it seeks to do justice in all things without regard to the strength or weakness of those with whom it deals. I mistake the American people if they favor the odious doctrine that there is no such thing as international morality; that there is one law for a strong nation and another for a weak one, and that even by indirection a strong power may with impunity despoil a weak one of its territory.

"By an act of war, committed with the participation of a diplomatic representative of the United States and without authority of Congress, the Government of a feeble but friendly and confiding people has been overthrown. A substantial wrong has thus been done which a due regard for our national character as well as the rights of the injured people requires we should endeavor to repair. The Provisional Government has not assumed a republican or other constitutional form, but has remained a mere executive council or oligarchy, set up without the assent of the people. It has not sought to find a permanent basis of popular support and has given no evidence of an intention to do so. Indeed, the representatives of that Government assert that the people of Hawaii are unfit for popular government and frankly avow that they can be best ruled by arbitrary or despotic power.

The law of nations is founded upon reason and justice, and the rules of conduct governing individual relations between citizens or subjects of a civilized state are equally applicable as between enlightened nations. The considerations that international law is without a court for its enforcement and that obedience to its commands practically depends upon good faith instead of upon the mandate of a superior tribunal only give additional sanction to the law itself and brand any deliberate infraction of it not merely as a wrong, but as a disgrace. A man of true honor protects the unwritten word which binds his conscience more scrupulously, if possibly, than he does the bond a breach of which subjects him to legal liabilities, and the United States, in aiming to maintain itself as one of the most enlightened nations, would do its citizens gross injustice if it applied to its international relations any other than a high standard of honor and morality. On that ground the United States can not properly be put in the position of countenancing a wrong after its commission any more than in that of consenting to it in advance. On that ground it can not allow itself to refuse to redress an injury inflicted through an abuse of power by officers clothed with its authority and wearing its uniform; and on the same ground, if a feeble but friendly state is in danger of being robbed of its independence and its sovereignty by a misuse of the name and power of the United States, the United States can not fail to vindicate its honor and its sense of justice by an earnest effort to make all possible reparation.

"These principles apply to the present case with irresistible force when the special conditions of the Queen's surrender of her sovereignty are recalled. She surrendered, not to the Provisional Government, but to the United States. She surrendered, not absolutely and permanently, but temporarily and conditionally until such time as the facts could be considered by the United States. Furthermore, the Provisional Government acquiesced in her surrender in that manner and on those terms, not only by tacit consent, but through the positive acts of some members of that Government, who urged her peaceable submission, not merely to avoid bloodshed, but because she could place implicit reliance upon the justice of the United States and that the whole subject would be finally considered at Washington.

* * * * *

"In commending this subject to the extended powers and wide discretion of the Congress I desire to add the assurance that I shall be much gratified to cooperate in any legislative plan which may be devised for the solution of the problem before us which is consistent with American honor, integrity, and morality."

GROVER CLEVELAND.

A MATCHLESS NEW BOOK ON WASHINGTON

Mr. MATHIAS. Mr. President, I would like to call my colleagues' attention to a new book on Washington which, in my opinion, is unique in several ways. It is entitled "The City of Washington—An Illustrated History," by the Junior League of Washington.

This book is unusually beautiful. The wraparound jacket—reproducing a watercolor of Washington in the 1870's, with the Chesapeake and Ohio Canal in the foreground—is attractive. But the jacket barely hints of the riches inside. The book has nearly 700 illustrations—photographs, facsimiles of drawings, paintings, maps, and memorabilia of Washington's past—many of them never reproduced before. They are woven together by a lively narrative enriched with excerpts from private journals, snippets of diaries, and pithy tidbits from published memoirs and contemporary newspaper accounts.

The surprising amount of previously unpublished material in "The City of Washington" is easily explained. The book is the work of some 100 members of the Junior League of Washington, who devoted 5 years to the project and had extraordinary access to private collections and sources of information. The result is a handsome treasure trove of fact and lore that provides rare insights into the city which is a second home for all of us.

But, remarkable as the book itself is, it is more remarkable still that it was created entirely by volunteers and that the proceeds from its sale go to charity. Among the charities of the Washington Junior League are the Green Door, where patients released from St. Elizabeth's learn to earn a living: Iona House—a community house for the elderly; Friendship House in southeast Washington, and Children's Hospital.

I urge my colleagues, with Christmas just around the corner, to reflect on what an opportunity they have when they buy "The City of Washington." This book presents Washington in a way that will

enrich the lives of all of us who come from other places to serve in Congress. And, while it does that, each of us can make an indirect contribution to the charitable life of a community from which all of us receive so much and give so little in return.

Mr. President, I am not alone in my judgment on the merits of "The City of Washington." It has received wide and very favorable coverage in the press. I ask unanimous consent that two articles on this book be printed in the RECORD. They are: "The City of Washington Makes Its Debut at a Party" by Betty Beale, Washington Star, August 7, 1977, and "Hail to Thee, Columbia" from the Book World of the Washington Post, October 23, 1977.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE CITY OF WASHINGTON TO MAKE ITS DEBUT AT PARTY

(By Betty Beale)

At last, a book about Washington for the people who love this city, for the people who call it home, not just the political capital of the United States. If Alex Haley had not forever identified one word with his masterpiece, it might have been more aptly described as "Washington and Its Roots." But it is simply called "The City of Washington."

To be published in October by Alfred A. Knopf, it took five years in the making. It covers 350 years of this town's history, from Capt. John Smith's first trip up the Potomac to Jimmy Carter. It uses over 600 photographs plus maps, drawings and other visual material, and much of it has never before been reproduced.

It is the brainchild of Douglas Sprunt, wife of Dr. Worth Sprunt and a former president of the Junior League of Washington, who got the idea while serving on the National Trust Council for Decatur House. She decided it should benefit the Junior League's charities, and she enlisted seven other former Junior League presidents to work on it—Anne Carter Greene, Rose Fales, Christine Willcox, Mimi Crowell, Nancy Goodrich, Judy Frank and Jane Blair.

But "it wasn't conceived as a fundraiser," said Judy Frank. "We could have produced a cheap book and made a lot of money. We wanted a beautiful, dignified book that would show our pride in the city."

Said Doug Sprunt of all the handsome books about Washington, "There was nothing timeless that showed the continuing life of Washington as well as its involvement in the nation." More than 100 members, former members and friends "made it their life's work as the project grew and grew." White House curator Clement Conger was "enormously helpful."

So much material poured in it couldn't all be used. Even a picture of the glass used by Pierre L'Enfant for his last sip of water before dying didn't get in. It looked too much like an ordinary toothbrush glass. It is owned by Mrs. Carroll Morgan, because L'Enfant spent his last days with her late husband's ancestors.

Old diaries and letters make this volume of pictures and detailed captions come alive with quotations. A Belgian woman, a descendant of Stier—the patron of Rubens—and the wife of George Calvert of the Maryland family, wrote back to her brother in 1807 from Riverdale, Md.: "All government officials and a large number of members of Congress being Democrats and for the most part people of low extraction, I do not go there (Washington) often."

Yet that was during the cultivated Thomas Jefferson's administration, and Charles Willson Peale, "the greatest of all the artists in the Peale family," says Conger (his portrait of George Washington in the Oval Office is appraised at $450,000), was at a "very elegant dinner" in the White House in 1804 and noted that "not a single toast was given or called for, or politicks touched on, but the subject of Natural History and improvements of the conveniences of Life. Manners of the different nations described, or other agreeable conversation animated this whole company." . . . If only the White House could get back to that custom instead of 20- to 40-minute political toasts by visting heads of state.

It may come as a surprise to most Washingtonians that the oldest building in this area is the stone wing of a house you can only see in wintertime when driving on Little Falls Parkway. It dates back to 1700 and is believed to have been a Dutch trading post with the Indians. The house, added onto in the middle of the 19th century, belonged to Nathan Loughborough, for whom the road is named, and who came here in 1800 with the new U.S. government. It is currently occupied by the widow of economist Mordecai Ezekiel.

By odd coincidence, Loughborough's townhouse was at 3039 M St., which the Junior League restored for its current headquarters and shop.

And few Washingtonians are aware of one of Georgetown's oldest buildings, Mackell Square, a house that sits on grounds extending from 28th to 29th Street between Q and R. It belongs to three sisters, all IBM heiresses, the Misses Lucia, Nannie and Virginia Hollerith. Miss Lucia was in the class of 1909 at National Cathedral School for Girls, so is in her 80s. The other two are in their 70s.

The maiden ladies themselves live in another more visible house on 29th Street, and are occasionally glimpsed at a Washington function such as a Stratford Hall tea. But Mackell Square, which they rent to Tom and Anna Bradley so their garden will back up to a nice couple's, sits so far back the white pillars of the red brick portion, built in 1820, can barely be seen from 29th Street. The frame sections telescoped onto the rear were built in the 18th century.

The Holleriths' father made his fortune by inventing the computer for the census of 1880, which later became part of IBM. Their grandmother owned the site where the British Embassy is now located, and it was named Normanstone, the name now given to the nearby street off Massachusetts Avenue.

There's a picture in the book of the best-known local cabinetmaker, William King, who started his own shop in Georgetown in 1795, and a photo of the superb breakfront he built that is now in the Sumner House of his Washington descendant and namesake. He also made coffins and started an undertaking business, and one of his "mortality books" reposes on the desk of the breakfront, open at pages that list such names as Clagett, Lowndes, Worthington, Balch and Holmead.

A lumber yard workman who kept a diary of the period (discovered by Dolly Clagett) wrote that between 12 and 41 coffins were made in Georgetown by King during an average six-month period, but during the cholera epidemic of 1832, he made 92 in one month.

There's a hitherto unpublished letter by George Washington written when he returned to Benjamin Dulaney his famous white horse, Blueskin, which Washington had borrowed at the beginning of the American Revolution and rode throughout. In it, he says he is sorry the horse wasn't as frisky as it was when Mr. Dulaney was courting his wife. The letter is owned by his descendant, Capt. Dulaney Clagett, USN, of Spring Valley.

There's a picture of the original house on Kalorama dated 1790, which was then on S Street near where the Woodrow Wilson House is now. It was owned by Anthony Holmead, who also owned much of Northwest Washington—all the land from P Street to where Soldiers' Home is and west to Rock Creek Park. His descendant by the same name, who lives in nearby Maryland, produced a letter of 1754 addressed to Anthony Holmead, Patawomeck, which reached him. The latter was an early spelling of the Potomac River, which natives of Washington never mispronounce "Potomick" as it's always called on television. Real Washingtonians call the river "Potomuck."

Before he died within the past year, Charles Carroll Glover, who owned the big Westover estate on Massachusetts Avenue opposite the Berkshire and Greenbriar Apartments, taped early recollections of Washington that wind up in the book's captions. When he was a boy, to get from the Glovers' Lafayette Square house to their country estate by coach, it was necessary to go via Pennsylvania Avenue to Georgetown and up Wisconson, or on horseback down the ravine to Rock Creek, because there was no Massachusetts Avenue bridge now near the Mosque. In those days, the Chevy Chase Club Hunt rode to the hounds all the way from 14th Street to Massachusetts Avenue.

"The City of Washington" will make its debut at a party to be given by the Averell Harrimans on Sept. 28. Pamela Harriman is on the honorary committee of the Junior League's Christmas Shop this year (Clem Conger is honorary chairman), where copies of the book sold will bring one-half the $25 purchase price to the league's charities in Washington. Otherwise, the league will get only $1 per copy for royalties. Judy Frank said that Knopf's, however, was being fair, because the costs of publishing it had been enormous. They hired a special editor who had been with American Heritage and got the best art man in the business to do the art work.

Among the league's charities to benefit will be the Green Door, where patients released from St. Elizabeth's learn to earn a living; Iona House—a community house for the elderly; Friendship House in Southeast, Children's Hospital, Planned Parenthood and on through a list of worthwhile causes. "The City of Washington" will benefit the city of Washington.

———

HAIL TO THEE, COLUMBIA

(By F. C. Rosenberger)

(The City of Washington: An Illustrated History. By The Junior League of Washington. Edited by Thomas Froncek. Knopf. 384 pp. $25.)

The other Washington—the one beyond Capitol Hill—also has a history of its own.

Several years ago the historian Kenneth R. Bowling observed: "Even granting the nationalness of its localness, one does not remain long in the national capital before realizing how unusually concerned its residents are with their local history; they maintain a sense of place long buried in most modern urban centers. In recent years this tradition has merged with the interests of a sizeable group of professional historians."

The most recent product of this merger, and one of the happiest, is this splendid collection of more than 600 prints and photographs with accompanying captions and text, five years in the making, proposed as a Junior League project by Mrs. Douglas Woods Sprunt, assembled by 100 or so League volunteers and friends, written largely by Judith Waldrop Frank, and shaped into

its final form by the editorial skills of Thomas Froncek.

One suspects that Froncek's work was on a scale of that of Maxwell Perkins in carving out a Thomas Wolfe novel. An introductory note tells us the League collected some 2000 pictures and its "manuscript filled two huge suitcases and was carted to New York by some of our stronger co-workers."

The finished book is an organized, balanced, and fascinating whole.

"The Nation's Capital (1790–1814)" documents in some 70 pages how successfully the leaders and the first citizens of the new nation met what Pierre Charles L'Enfant called "the opportunity offered them of deliberately deciding on the spot where their Capital City should be fixed" and carries the story through the "intellectual festival" of Jefferson's administration.

Readers who find too little here on the long history of Washington's black communities may want to continue their reading with the excellent study Free Negroes in the District of Columbia: 1790–1846 by the late Letitia Woods Brown, with a number of essays in recent volumes of the Records of the Columbia Historical Society of Washington, D.C., with The Secret City: A History of Race Relations in the Nation's Capital by the late Constance . . .

The first section opens with a full-page reproduction of a 1590 engraving of an Indian village. The next 40 pages record briefly the first European exploration of the area, present a number of early maps, touch on the grants to lords and other landowners, on the early tobacco trade, and the growing. . . .

There are dozens of imaginative and ingenious uses of pictoral material. For example, a background section from Charles Wilson Peale's 1789 painting of Benjamin Stoddert's children is enlarged to present the earliest known view of the port of Georgetown.

There are more dozens of happy discoveries, even for knowledgeable aficionados of Washingtoniana, in the first publication here of privately owned pictures. Not since the "Privately Owned" exhibit organized by Katharine McCook Knox at the Corcoran in 1952 has anyone rummaged so rewardingly in local personal holdings.

The City of Washington: An Illustrated History is a book for browsing, handsome coffee-table book that will frequently and profitably be taken off the coffee table. . . .

MIRACLE FOR NANETTE FABRAY—TRIBUTE EXPRESSED TO SENATOR RANDOLPH

Mr. WILLIAMS. Mr. President, I would like to bring to the attention of all who are interested in modern technology and techniques as they apply to the handicapped, the story of Nanette Fabray's "miracle" as told to Eldora Nuzum, editor of the Inter-Mountain, Elkins, W. Va., in a recent telephone interview. Ms. Fabray has had a long struggle with deafness that has forced her to wear a hearing aid for most of her adult life. She recently underwent an operation that has completely restored her hearing in her right ear. The surgery, called a stapendectomy, was performed on Ms. Fabray at the Ear Research Institute in Los Angeles. It is the result of a scientific breakthrough in surgery for the deaf. Following the surgery she wrote this note to Senator JENNINGS RANDOLPH, chairman of the Subcommittee on the Handicapped:

My big, big news is that Dr. Howard House and an associate operated on my right ear and I now have perfect hearing. This is a miracle. It is my fourth surgery and apparently both doctors were stunned at the conditions they found inside my ear. Howard said he couldn't understand why I wasn't stone deaf years ago. The little ear bones had all collapsed, a hole in the inner membrane was letting fluid leak out for the last 20 years, and a small fragment of bone had gotten into my semi-circular canal and was affecting my balance.

All this has been corrected and my hearing loss is now zero loss (from a 60–70 decibel loss), and interestingly enough, this astonishing recovery has helped bring my hearing up in my left ear.

I will never be able to thank all the people who made this miracle possible—that includes Dr. House, the Ear Research Institute for all its advanced scientific programs. It includes you and your dedication to the handicapped and your hard work to see that scientific advances are funded. I am a grateful recipient of the good work done by you and all those who serve the deaf.

Only government funding could make this scientific breakthrough possible. It is so enormous, private industry could not do it.

In concluding her story, as told by Mrs. Nuzum, Ms. Fabray said:

I am the direct result of the time and effort Senator Randolph has put into scientific efforts. His caring has paid off to me . . . and people like me . . . and I am very grateful.

I keep being startled that I not only hear what everyone else hears, but I hear better.

Now, I have to learn not to think deaf. The sound adjustment is not so much, but the mental adjustment is hard.

And then the vivacious actress began pouring forth with details of a new program she is instigating wherever she appears in a show:

I talk the management into setting aside a special section of the theater and supplying interpreters so that the deaf may share a regular performance together with average hearing people. I think this is psychologically and emotionally a better social situation for the deaf than having a special show just for them. Integration is the answer.

The theatre management supplies interpreters, offers special rates to the deaf and gives a small donation to a charity. All of this created quite a stir in the press and on TV. It has been such a success that the theatres where I have appeared are planning to continue this concept on a regular basis.

Ms. Fabray, a long time champion of the deaf and hearing impaired people, has appeared as a witness before Senator JENNINGS RANDOLPH's Senate Subcommittee on the Handicapped. She is well known to all of us who have worked in this area as a tireless supporter and worker for all of the disabled. I am pleased to note that after she left West Virginia that weekend in October she was heading for my home State, New Jersey, to open the annual Easter Seal campaign. The "miracle" has indeed happened to one of the best friends the disabled could have and I know that we are all very happy for her as well as for the many others this new operation will help.

Mr. President, I ask unanimous consent that Ms. Fabray's interview in the Inter-Mountain be printed in the RECORD.

There being no objection, the interview was ordered to be printed in the RECORD, as follows:

MY HEART IS AT THE FOREST FESTIVAL—NANETTE FABRAY TELEPHONES MESSAGE TO FOREST CAPITAL

(By Nanette Fabray)

"I may be doing a film in Ohio but my heart is at the Forest Festival. I would like to be back with you again. If I could get a day off I would be there".

This special message from actress Nanette Fabray came to festival city this week in a telephone call to Ray Olson, last year's director general.

Taking time from her movie set in Lebanon, Ohio, where she is filming "Harper Valley PTA" in which she co-stars with Barbara Eden, Ms. Fabray chatted enthusiastically about her memories of the 1976 Festival and about an operation that has opened up a whole new world of sound for her.

"It's a miracle", said the actress describing the surgery she underwent in August that has completely restored her hearing in one ear and improved her hearing in the other.

Ms. Fabray, who holds three Emmys and a Tony among her many professional awards, told a festival dinner audience last year of her long personal struggle with deafness that has forced her to wear a hearing aid most of her adult life.

The surgery called a stapendectomy, was performed on Ms. Fabray at the Ear Research Institute in Los Angeles. It is the result of a scientific breakthrough in surgery for the deaf.

The new discovery is called Cochlear Implant and is currently available only to the totally deaf. But the incredible new operation holds forth great promise to those suffering from nerve deafness, a hearing loss which strikes one out of ten people in this country and 90 per cent of those over 65.

Ms. Fabray, a long time champion of the deaf and hearing impaired people who has appeared before Sen. Jennings Randolph's Senate subcommittee on the handicapped, wrote this note to the Senator in recent days:

"My big, big news is that Dr. Howard House and an associate operated on my right ear and I now have perfect hearing. This is a miracle. It is my fourth surgery and apparently both doctors were stunned at the conditions they found inside my ear. Howard said he couldn't understand why I wasn't stone deaf years ago. The little ear bones had all collapsed, a hole in the inner membrane was letting fluid leak out for the last 20 years, and a small fragment of bone had gotten into my semicircular canal and was affecting my balance.

"All this has been corrected and my hearing is now zero loss (from a 60–70 decibel loss), and interestingly enough, this astonishing recovery has helped bring my hearing up in my left ear.

"I will never be able to thank all the people who made this miracle possible—that includes Dr. House, the Ear Research Institute for all its advanced scientific programs. It includes you and your dedication to the handicapped and your hard work to see that scientific advances are funded. I am a grateful recipient of the good work done by you and all those who serve the deaf."

"Only government funding could make this scientific breakthrough possible. It is so enormous, private industry could not do it."

Concluding her conversation with Olson, Ms. Fabray said, "I am the direct result of the time and effort Sen. Randolph has put into scientific efforts. His caring has paid off to me . . . and people like me . . . and I am very grateful.

"I keep being startled that I not only hear what everyone else hears, but I hear better.

"Now, I have to learn not to think deaf. The sound adjustment is not so much, but the mental adjustment is hard", she said.

And then the vivacious actress began pouring forth with details of a new program she is instigating wherever she appears in a show.

"I talk the management into setting aside a special section of the theater and supplying interpreters so that the deaf may share a regular performance together with average hearing people. I think this is psychologically and emotionally a better social situation for the deaf than having a special show just for them. Integration is the answer", she explains.

"The theatre management supplies interpreters, offers special rates to the deaf and gives a small donation to a charity. All of this created quite a stir in the press and on TV. It has been such a success that the theatres where I have appeared are planning to continue this concept on a regular basis", she added.

And in farewell remarks, Ms. Fabray noted she would be heading for New Jersey to kick off the Easter Seal campaign.

OUR CONSTITUENTS ORGANIZE FOR THE CANAL TREATIES

Mr. CRANSTON. Mr. President, the breadth of the experience and political philosophies of supporters of the Panama Canal Treaties is very impressive. The membership of the recently organized Committee of Americans for the Canal Treaties, Inc. reflects this diversity among those who believe that ratification of the new treaties is in the best interests of the United States. Of the 157 committee members to date, just those currently or formerly of my State of California bears out this observation: Serving on the committee are former President Gerald Ford, who currently resides in California; Los Angeles Mayor Tom Bradley; former Secretary of the Treasury George P. Shultz; the Honorable Shirley Temple Black; Lew Wasserman, president of MCA; businessmen and philanthropists Armand Hammer and Norton Simon; the Honorable William S. Mailliard, former U.S. Congressman from San Francisco and Marin County; and John Calhoun of Mill Valley.

I welcome the establishment of this committee and I am proud of the participation in it by Californians. This Committee of Americans not only demonstrates broad bipartisan support for the treaties, but will work actively to educate the American public about the treaties and their implications for the United States and Panama. A continuing educational effort is necessary, I believe, because a recent Gallup survey, reported in the Washington Post on October 23, 1977, revealed "a serious lack of knowledge about the treaties, with about 4 in 10 Americans aware that the United States has the right to defend the canal, only about one in four aware that the canal is to be turned over in the year 2000, and only about one in seven aware that aircraft carriers and supertankers cannot use the canal."

I am certain every Member of the Senate is aware of the tremendous interest in and need for information about this issue from the great number of requests from constituents for copies of the treaties and answers to specific questions about them. The first advertisement by the Committee of Americans for the Canal Treaties, Inc. begins this educational process by pointing out that, from Harry Truman and Dwight Eisenhower to Gerald Ford and Jimmy Carter, American Presidents have seen the need for a new Panama Canal Treaty:

Thirteen years ago, President Lyndon Johnson conferred with ex-Presidents Harry Truman and Dwight Eisenhower. They all agreed that a new treaty was needed to insure our country's interests in the Panama Canal as a secure passageway from ocean-to-ocean.

Every President since—Republican and Democrat—has actively pursued this goal.

Our Presidents knew that a new Panama treaty would be in the best interests of every American and would make for a stronger America.

Ratification of the new treaties will prove a dramatic step forward in U.S.-Latin American relations, and enhance U.S. prestige around the world—while protecting our nation's real interests.

The treaties, now before the Senate, provide for continuous U.S. operation of the Canal—through a U.S. agency—until the end of the century. We will keep all the military bases we need to defend the Canal. And, starting with the year 2000, our permanent right to protect the Canal will continue.

Secretary of Defense Harold Brown, a vigorous advocate of a strong national defense, summed up his support this way:

"These treaties fully serve and greatly promote our national security interests. The Joint Chiefs of Staff share that view. These treaties deal with today's realities; and, they provide the security we need for the future."

Yes, the U.S. permanently retains the right to defend the Canal . . . and, the U.S. Navy will always go to the head of the line to pass through the Canal in time of emergency.

Like any nation today, Panama expects to exercise its sovereignty over all its territory. The new treaties meet Panama's just aspirations—while guaranteeing America's right to protect our real interests in an open, safe, and efficient Canal. The treaties will give Panama greater economic benefits from the operation of the Canal—but these benefits will come from Canal tolls and revenues, not from the U.S. taxpayer.

These are some of the reasons why the new treaties are supported by people throughout the country—from all walks of life and of different political philosophies. People like John Wayne, George Meany, General Matthew Ridgway, William F. Buckley, Jr., Vernon Jordan, Shirley Temple Black, Margaret Truman Daniel, General Maxwell Taylor, Governor Jerry Apodaca, James J. Kilpatrick, and Shana Alexander.

Mr. President, the broad and bipartisan membership of the Committee of Americans for the Canal Treaties, Inc., should be of interest to my colleagues. I ask unanimous consent that the list of members from the committee's advertisement be printed in the RECORD. I note that additional people join the committee daily.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

COMMITTEE OF AMERICANS FOR THE CANAL TREATIES, INC.

Elie Abel
Amb. Charles Adair
Hon. Stephen Ailes
Hoyt Ammidon
Hon. Robert B. Anderson
Robert O. Anderson
Gov. Jerry Apodaca
Gov. Reuben Askew
Hon. George Ball
Robert S. Benjamin
David Berger
Judge Harold Berger
Archbishop Joseph L. Bernardin
Bert Bernhard
Barry Bingham, Sr.
Hon. Eugene Black
Amb. Shirley Temple Black
William McC. Blair, Jr.
William Boeschenstein
Mayor Tom Bradley
Edgar Bronfman
John W. Brooks
Hon. Philip W. Buchen
John Calhoun
Amb. Henry E. Catto, Jr.
Howard L. Clark
David Cohen
*Hon. William T. Coleman, Jr.
*Sen. John Sherman Cooper
*Gardner Cowles
Jan Cowles
Donald E. Creamer
J. Dewey Daane
*Margaret Truman Daniel
Richard Debs
Hon. C. Douglas Dillon
Peter Duchin
Henry A. Dudley
Amb. Angier Biddle Duke
James H. Evans
Amb. George Feldman
Hon. Thomas K. Finletter
Max Fisher
Peter Flanagan
Maj. Gen. Robert Fleming
President Gerald R. Ford
Michael V. Forrestal
Hon. Henry H. Fowler
Douglas Fraser
J. Wayne Fredericks
Gov. Orville Freeman
Hon. Peter H. B. Frelinghuysen
Richard M. Furlaud
David Ginsburg
Guido Goldman
William Gorog
Barry M. Greenberg
W. L. Hadley Griffin
Armand Hammer
*Gov. Averell Harriman
Pamela Harriman
Alexander Heard
Dorothy Height
Ben Heineman
*Andrew Heiskell
Jerold C. Hoffberger
Hon. Anna Rosenberg Hoffman
"Peatsy" Hollings
Maj. Gen. Jeanne M. Holm
William Hutton
Franklin A. Jacobs
Philip Jessup
Hon. Jed Johnson, Jr.
Vernon Jordan
Bishop Thomas C. Kelly
Bobbie Greene Kilberg
*Lane Kirkland
Nancy Maginnes Kissinger
S. Lee Kling
Hon. Philip Klutznick
John A. Knebel
Robert H. Knight
*Arthur B. Krim
Mayor Moon Landrieu
Lewis Lapham
R. Heath Larry
Mary Lasker
Harding W. Lawrence
Sen. Henry Cabot Lodge
John Loeb
Peter Loeb
Hon. Katie Louchheim
Hon. William S. Maillard
Hon. John McCloy

C. Peter McColough
Hon. Leonard H. Marks
Hon. John O. Marsh, Jr.
Burke Marshall
Dr. Benjamin Mays
George Meany
Helen Meyer
G. William Miller
J. Irwin Miller
Seymour Millstein
Clarence Mitchell
David A. Morse
Hon. Paul Nitze
Gen. Lauris Norstad
Paul O'Neill
*Hon. Peter G. Peterson
Jane Cahill Pfeiffer
Ralph A. Pfeiffer, Jr.
Rabbi Stanley Rabinowitz
Mary Louise Reid
Hon. Ogden Reid
David Reynolds
Gen. Matthew Ridgway
David Rockefeller
Hon. Nelson Rockefeller
Hon. William D. Rogers
Robert Roosa
Hon. Franklin D. Roosevelt, Jr.
Theodore Roosevelt, IV
Elspeth Rostow
Walt W. Rostow
James Rouse
Dean Francis Sayre, Jr.
Dore Schary
Arthur Schlesinger, Jr.
Benno Schmidt
*Sen. Hugh Scott
Gen. Brent Scowcroft
Irving Shapiro
George P. Shultz
Norton Simon
Jean Head Sisco
Joseph Sisco
Peter Solbert
Theodore Sorensen
Elizabeth Stevens
George Stevens
Roger L. Stevens
Ellen Sulzberger Straus
Hon. James W. Symington
*Sen. Stuart Symington
Arthur Taylor
*Gen. Maxwell Taylor
Walter Thayer
*Hon. Alexander Trowbridge
Martin Ward
Lew Wasserman
Thomas Watson
Glenn Watts
James Wilcock
Jerry Wurf
Mayor Coleman Young
Adm. Elmo Zumwalt

MR. NITZE'S SERVICE TO THE PUBLIC

Mr. ALLEN. Mr. President, I wish to comment on the very valuable public service performed by Mr. Paul H. Nitze, former SALT negotiator and Deputy Secretary of Defense. Mr. Nitze, on November 1, 1977, provided for Americans an excellent analysis of the present state of the SALT negotiations. None of the information supplied by Mr. Nitze was classified, but even if it had been, certainly that classification should have been lifted inasmuch as it is essential that the American public does understand exactly what is proposed both by the negotiators for the Soviet Union and by the negotiators for the United States.

Too often in the past, the Executive Department has sought to negotiate in total secrecy primarily to prevent public criticism of actions taken by negotiators for the United States. Mr. President, the practice of classifying information to prevent debate simply cannot be tolerated in a democratic state. The people must be kept informed about these SALT negotiations and about all other negotiations of similar great national significance. Certainly, any information made available to the Soviet Union ought also to be made available to the people of the United States. Why should a negotiator for the most repressive dictatorship in the history of man be privy to information withheld from the citizens of a free republic? The answer is, Mr. President, that there is no justification whatsoever for such conduct.

So, I urge the Executive Department to keep the American people fully advised of each step in these negotiations, and I further urge the Executive Department not to give a security classification to information well known to our enemies simply because the administration might fear that the American people would object to proposals advanced by our negotiators. If these matters were discussed openly, no treaty could be concluded except a treaty which was approved by a majority of the citizens of the country and except a treaty which could properly receive the consent of the Senate by a requisite number of votes.

*Committee Cochairpersons.

CHARLES L. ANSPACH

Mr. GRIFFIN. Mr. President, sad news came from mid-Michigan last week when we learned of the death of Dr. Charles L. Anspach, president emeritus of Central Michigan University.

I have never known a finer man. My wife, Marge, and I feel very fortunate to have been among those whose lives were touched by Charles Anspach—a man whom we much admired during our student days at college and whom we continued to love as a warm and valued friend.

Charlie Anspach was a scholar, teacher, administrator, public speaker, author, and public servant. Most of all, he was a man of kindness and compassion, a true humanitarian who often said, "There's nothing like good friends."

I was not surprised today—10 days after his death—to receive a birthday card with a personal note from Charlie Anspach, written before his recent illness, to be posted at the appropriate time. Even in their grief, his family saw to it that his card was mailed to reach me close to November 6, my birthday—because Charlie would have wanted it that way."

The message on his card, borrowed from an anonymous poet, was so typical:

There's wisdom in taking time to care;
There's wisdom in giving, and wanting to share;
There's wisdom in grace and making amends;
There's wisdom in having and keeping good friends.

Charlie Anspach was a man of many talents. Renowned both as an educator and humorist, he enjoyed at least three successful careers during his life, which ended October 25 at the age of 82.

Born and raised in Ohio, Dr. Anspach graduated with a bachelor's degree from Ohio's Ashland College in 1919 and received a master's degree there the next year. After 9 years in private industry, he returned to his first love—education—becoming registrar and later dean at Ashland College.

In 1930, he earned a Ph. D. degree at the University of Michigan in Ann Arbor, and then joined the faculty at Eastern Michigan University in nearby Ypsilanti. There he served as head of the department of education and as dean of administration until 1935, when he returned to Ashland College as its president.

Four years later, in 1939, he began what was to be an exceptional 20-year tenure as president of Central Michigan University at Mt. Pleasant.

Under Dr. Anspach's leadership, from 1939 to 1959, Central Michigan grew from a small teacher-training college, with an enrollment of 1,200 and five buildings, to a thriving State university with 5,000 students on a campus of more than 200 acres. Name changes—from Central State Teachers College—to Central Michigan College of Education—to Central Michigan College—and, finally, to Central Michigan University—reflected its growth and development as liberal arts, preprofessional and graduate programs were added to the curriculum.

Today, Central Michigan has more than 16,000 students who come from all parts of the Nation and from many foreign countries.

As Central Michigan grew in size, President Charles L. Anspach grew in stature. As a speaker and as a leader in higher education, he earned a national reputation.

But what made him special was not so much what he did—which was a great deal—but what he was to all who knew him.

He was a man with a perpetual twinkle in his eye, always ready with just the right story to tell. He was never too busy to write a note—to congratulate a student for a paper well written or for a race well run. He was a man who was so loved and admired by students that he could draw a standing ovation just by walking into the college cafeteria for a cup of coffee.

Being president of a fast growing college kept him very busy, but still he found time to serve young people in many other ways. For example, he was chairman of or worked on numerous educational boards and commissions; he was active in the national councils of both the YMCA and the Boy Scouts of America.

He was a vigorous leader in church, philanthropic, civic and Masonic work. And once he even held public office—as an elected delegate to Michigan's Constitutional Convention in 1961–62.

Charlie Anspach loved to say: "We have to pay for the space we occupy in this world." And pay he did—so enthusiastically, generously and abundantly that all who knew him feel a great debt of gratitude.

Often the best measure of a man can be found in evaluation by his peers and colleagues. In 1949, after Dr. Anspach had been president at Central Michigan for only 10 years, the faculty presented him with a certificate of affection and esteem noting his "rare qualities of accessibility, tact, sincerity, and humor * * * whose high purposes inspire unfailing loyalty and devotion."

Around and beyond the State of Michigan, Charlie Anspach was best known as an inspiring, witty, and brilliant public speaker. During his lifetime he delivered thousands of speeches.

After "retiring" in 1959 with the title president emeritus, he continued to entertain and enlighten audiences as one of the most popular speakers in the State. Indeed, he was busy as a public speaker until 2 months before his death.

Fortunately, in 1976, Charlie Anspach took time to select and compile some of his speeches for publication in a book entitled, "A Voice Speaks." The book is a treasured volume reflecting and preserving some of the wit and wisdom of this great American.

Mr. President, I ask unanimous consent that an edited version of the preface to the book written by Dr. John C. Hepler, be printed in the RECORD, to be followed by several representative editorials which appeared in Michigan papers following the death on October 25, 1977, of Charles L. Anspach.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DR. C. L. ANSPACH: HUMANITARIAN AND COLLEGE PRESIDENT

During the years of Charles LeRoy Anspach's tenure as President of Central Michigan University, from July 1, 1939, to July 1, 1959, he made a total of 2,415 speeches. Although many were delivered out of state, the great majority were presented to citizens throughout Michigan. At Central Michigan College, he spoke as often as three times a week to student groups. Thus, in his almost forty years of life and work in Michigan, no one can estimate with accuracy how many men and women—including students—heard his words in auditoriums, sanctuaries, banquet halls, classrooms, legislative chambers, clubrooms, arenas, and other meeting places. He gave of himself unstintingly. Few, therefore, can take issue with the assertion that Dr. Anspach was one of Michigan's eminent men, perhaps among the most widely known because of his many platform appearances throughout the State. Even in the seventeen years since his retirement, he has been called on time and again to speak.

Recently, a number of people—including graduates of Central and Eastern Michigan Universities, and Ashland College—have expressed the belief that Dr. Anspach's speeches should be printed in book form. But according to his own records, he delivered some 4,198 speeches between 1935 and 1969, and publishing every one of his public utterances would have been a monumental and expensive task. In one book, however, it is possible to present a representative sample which to some degree may meet the demand of those who admire his speaking ability and want, under one cover, a cross-section of his speeches. Thus, the genesis of this volume.

"There's nothing like good friends," Dr. Anspach used to say, and he loved being with them. Sometimes it would be on a fishing expedition on a lake or river. Because he would not violate the tradition of non-smoking in Warriner Hall, it would be in Keeler Union in a friend's office, where he lighted a cigar and enjoyed chatting with companions. On summer evenings he "shot the breeze" in more than a few backyards with friends. Always, he enjoyed the easy camaraderie with those he knew well. He was both a good listener and a scintillating conversationalist. People always felt at ease in his presence.

When the conversation touched serious matters, he was able to clarify or illustrate the subject with a story. Frequently light, it might be quoted from a daily newspaper or from his file of 4,000 jokes and humorous illustrations. Often, he demonstrated the knack of telling joke after joke, and he was also one of the few men who could interrupt one joke in the middle to tell a new one and then finish the original one. He had a gift for controlling narratives, no matter how complex or involved. Nor was there ever vulgarity or coarseness in his stories or illustrations. He had this advice for himself—as well as for others: "If there is question about using material, omit it."

One of his fascinating qualities was his willingness to talk of humorous, even embarrassing, events. One overly wet spring a young track coach, on the advice of an old warrior in athletics, dispatched his track team to Warriner Hall to work out in the halls and on the stairs. Dr. Anspach looked at the incident as a good, practical joke. At least twice he drove to Coldwater, Michigan, to fulfill engagements—except they were scheduled for other communities. These were his own errors!

He talked about these incidents with zest, for he enjoyed laughing at his own mistakes. It was characteristic of him to be able to laugh at himself, and his unique sense of humor was a great virtue.

This is not to imply that he could not be and was not serious. He was vitally interested in the college, the faculty, the students, the community, the State, and the Nation. He had definite ideas about education's role and the obligations of leaders in education, business, and government. While he refined these concepts for his speeches, he also expressed his ideas in his dialogues with friends. From his debate training, he valued the incisive question; but he seldom cross-examined. Invariably, he was first and foremost a man of humanity.

This was confirmed by his deep compassion. He was aware of the other person's feelings and rights, and when discussions dealt with people, his great concern was for fair play and kindness. He had no desire to hurt or humiliate anyone. He wanted to do the right thing, to bring to an action both gentleness and understanding.

Living in a world of people, he believed his role was to give of himself generously. He frequently said, "We have to pay for the space we occupy in this world." He paid a high price, for he responded to the demands on him—whether it meant sitting down with a few students to discuss campus problems or speaking to 4,000 people at a meeting of the Order of the Eastern Star in Grand Rapids. The OES group, incidentally, was the largest audience he ever addressed. He laughs as he recalls arriving at the Pantlind Hotel and realizing his notes were in Mount Pleasant! Obviously, he spoke without them.

Quite often, people expected much of him. As a very young president at Ashland College, he set out early one morning on an all-day trip to reach an Indiana city in time to address a conference. After the long drive, he bought his own banquet ticket (and one for the driver of the car), made the speech and returned to Ashland, arriving at 5 A.M. In addition to the banquet tickets, he also paid for his own gasoline and received no honorarium for his services! On another occasion, as the main speaker at a fund-raising drive, he not only spoke "free" but also dropped a ten dollar bill in the hat! He was generous with his own gifts and his material goods.

As a host, Dr. Anspach was gracious and genial. He enjoyed the friendly, free atmosphere of his living room. As a guest in the homes of others, he was always welcome. His generosity and kindness, although day-to-day qualities, came into focus at the annual faculty Christmas parties. From about 1943 to the mid-fifties, these gala occasions occurred in Keeler Union Building. From its glittering lobby with a beautiful Christmas tree, guests watched food staff members descend the great staircase. Each carried a flaming plum pudding. After the collation, one of Dr. Anspach's friends presented a Christmas program. Finally Dr. Anspach made some brief remarks and wished everyone a Merry Christmas. He called the party his Christmas Card. His joyful sharing was characteristic of the man, and all who experienced these beautiful affairs will remember them with pleasure. The occasion became a casualty of Central's burgeoning growth.

When Dr. Anspach became president of Central Michigan in 1939, he was 44 years old. The Central State Teachers College had an enrollment of 1,489 and a faculty of 87. Fifteen had earned doctorates. Five buildings and 50 acres comprised the campus. When he retired at 64, Central Michigan College had an enrollment of 4,293 with 284 faculty members. One hundred and twelve had earned doctorates. There were 21 buildings on 235 acres. During those years, he also was instrumental in the college's purchase of the Beaver Island property, which has long been a site for biological studies of various kinds and for a variety of meetings and recreational activities. In his 20 years, he presided over an institution which was expanding and whose function was changing from teacher-training chiefly to a wide range of curricular patterns including liberal arts and pre-professional offerings. The times were, in general, expansive, and the college grew in size and reputation.

The collegiate world of the 30's and early 40's was crumbling. Greater liberality was replacing conservatism; informality was supplanting formality; ritualized activities were being eliminated. Even the beloved "Swing-Out" became a casualty of change and by the time Dr. Anspach retired, the tradition had run its course. Yet at Central a widespread feeling developed that provincialism was on the wane, that more professionally trained professors and scholars were strengthening the faculty; and that Central Michigan was emerging into a multi-purpose institution with more than a regional reputation.

To a very great degree, Dr. Anspach's skill and management were instrumental in leading Central forward. He was able to adapt to the shifts in tradition and to quicken the newer concepts. He was an intelligent man whose mind mastered detail and whose knowledge contributed to his vision as a college president.

He initiated, for example, the practice of "Fireside Chats" for students. He recognized the value of foreign students on the campus and made efforts to bring them to Central. Some of his richest experiences have arisen from his interest in foreign students who have kept in touch with him for years after their graduation. They knew his special affection for them. In addition, he developed almost single handedly the image of Central as a friendly campus.

The president also stressed for students the significance of gracious social experiences. Even if he sensed the ebbing importance of tuxedos and evening gowns and candlelit teas, he did all he could to continue the traditional social activities.

There was no question about his interest in students. Because of his friendliness and accessibility, he called hundreds of students by their first names. His frequent meetings

with young people on the campus led him to dispatch letter after letter to students commending them for their achievements. In the fall semester of 1957, he wrote "about 150" such personal letters. Students who received them often had their letters framed. In addition, he frequently gave students a second chance. Without intending sacrilege, he said, "If Christ did it, we should set an example of forgiveness."

No wonder, then, that he was loved by so many of the young men and women who attended Central Michigan College.

His faculty relationships were, in the main, pleasant and meaningful. As the staff increased in number, some of the "family spirit"—a rich legacy from his early presidency—was dissipated by the expansion and changing times. Yet Dr. Anspach's years were a time of campus harmony. He had a unique ability to bring amity to difficult situations, and with all groups he sought a unanimity. There was mutual trust between him and his colleagues. His annual "State of the Union" remarks to those who taught may not have "told all"; but they were candid revelations bespeaking trust. And he always devoted time to explaining the activities of the State Legislature, emphasizing the appropriations for Central and discussing what moneys were available for salaries. He believed in his faculty, appreciated their work, and within the annual budget limitations, did his best to build a better world for the entire staff and to expedite their requests both individually and collectively. He was always quick and generous with praise and congratulations to professors for their achievement.

Dr. Anspach was a decision-maker. He listened to requests and asked questions. Once convinced of the facts, he said yes or no. If the judgment of other administrative officers or faculty was necessary, he sought it—and then acted. But he expected action, too. More than once, he was heard to say to a suggestion from a faculty member, "Well, let's try it and see how it works."

Some measure of the staff's respect and affection for the President was his annual birthday parties in March. Sponsored by the Faculty Men's Club, the gatherings were well attended. On March 2, 1954, the club presented an elaborate testimonial: a "This Is Your Life" program. It imitated a popular TV show of that period. Friends and relatives secretly converged upon Mt. Pleasant from various midwest communities. At appropriate moments in the script, they surprised Dr. Anspach by walking on stage to greet him. It was a unique demonstration of the President's popularity with the staff. At the same time, it testified to his status with leaders in business, education, government, and religion.

He was, after all, building a new campus of more than buildings and acreage, even as important as they were. He helped interview candidates for faculty positions, presided at endless meetings, spoke to the faculty on campus problems, and was always traveling extensively. In a time of expansion, his off-campus activities served the institution well, for he was identified with Central Michigan wherever he went. He was the institution's roving ambassador. At Lansing, he was respected by the Legislature for his integrity, knowledge, and conscientiousness. His influence helped gain continued and often generous support for the institution. He had fine relationships with the State Board of Education which set guidelines for the state colleges. His inspirational "commencements" motivated high school graduates to come to Mt. Pleasant Central Alumni who knew Dr. Anspach recommended Central to others.

As a popular and respected human being, he was in constant demand as a speaker for various functions. He addressed the American Association of the Colleges of Teacher Education, national and state Y.M.C.A. councils, the American Textbook Institute, the National Jamboree of the Boy Scouts of America, the Veterans of World Wars I and II, and countless college and public school groups including teacher, administrative, or parent groups all over the midwest. Every spring, he addressed countless graduating classes at high schools and colleges. Dr. Anspach was the first Central President whose reputation was truly state-wide and extended beyond Michigan's boundaries.

Again and again, he received national acclaim for his speeches. In 1950, the Freedoms Foundation at Valley Forge, Pa., named his "To the Future," as a second place national award in the Commencement Addresses category. The Wetmore Declamation Bureau used two of his speeches as models. The Public Relations Department of E. I. Dupont De Nemours Company printed his "Candles-in-the-Dark" address and distributed copies as the corporation's 1955 Christmas message. These were mailed to employees and friends all over the world. A number of his addresses were printed in national periodicals like Vital Speeches, Wisdom, The Peabody Journal of Education, and the Michigan Educational Journal.

His participation in countless national and state organizations and an array of honors—national and international—testified to his stature. He is probably the only person ever to have been awarded honorary degrees from six different institutions of higher education in Michigan: The University, Central and Northern, Olivet, Ferris State, and Northwood Institute. He felt also a sense of pride in being a Thirty-third Degree Mason and having been an elected delegate to Michigan's Constitutional Convention in 1961. He was an active member of numerous organizations and participated in their activities.

Dr. Anspach was without doubt the moving force in developing a state college that was earning a respectable place in the state and midwest hierarchy of colleges and universities, and the faculty was aware of his valuable contributions not only to the campus but in a world beyond the boundaries of the institution.

Friendly, visionary, honest, intelligent, and enthusiastic, Dr. Anspach dedicated himself to his life's work: the improvement of Central Michigan College and young people. He was instrumental in helping Central to undergo a rather painless transformation to a multi-purpose institution of unbelievable size and significance. In 1959, on the eve of his retirement, Dr. Anspach stated, "No person can separate himself from people, from the times, from circumstances, and the forces known and unknown, which inspire and motivate him." He lived with a conscious awareness of the shaping forces touching him, and he helped mold the college in a direction he knew it must go. He was, as President, a builder par excellence. His administration was based on love. Sufficiently perceptive to see the coming of vastly complex forces which could not be handled by a love-relationship, he chose to retire. No one could deny that he was, in his time, a great humanitarian and a great president.

Dr. Anspach grew up in a rather strict Brethren background, and all his life he clung fundamentally to that boyhood heritage. Yet his beliefs broadened into more liberal views, and he developed a practical life style. He was, indeed, a dedicated Christian, even if those views never became the chief focus of his speeches and conversations. Nonetheless, his religious concepts were an important part of his make-up and implemented his other ideas. He was interested in a better world, but he was a far-cry from being tendentious and evangelistic.

He believed man was God's handiwork. It was the Lord who created man's flesh and spirit and whose Voice guided him. A human being's most creative act was to recognize the inter-relationship of man, the universe, and God. If he understood this unity, it led him to a sense of world harmony. In Dr. Anspach's "A Voice Speaks," he emphasized the interplay between God and man. That concept was a cornerstone of his beliefs, and he once illustrated it by saying, "No job is too big for God and me."

The roots of his Christian beliefs derived from his boyhood in Fremont, Ohio. There, his parents and his maternal grandparents took him regularly to church and Sunday School and urged him to participate in Sunday School competition of various kinds. His father, Philip Noble Anspach, a church leader with a keen memory, had a reputation as a Biblical authority. Young Charles aimed to match his father's achievements. In addition, his mother often "heard" the lad's "memory work." His maternal grandfather, Samuel Loose, an industrious farmer with college training, preached for 50 years without salary in the Brethren Church. There was an exceptionally close relationship between the man and his grandson. The older man's influence on Dr. Anspach's life is testified to by a statement he made many years later: "I suppose that if I didn't believe in God, I would have worshipped Grandfather." In later years, when he cited scriptural texts, used Biblical illustrations, or referred to patriarchs of the past, the references carried force. They surfaced from the depths of his childhood in a family dedicated to God.

For him, lip service to Christianity was inadequate. Action must be a natural consequence of faith. It is not difficult to see that Dr. Anspach's life-long predilection to public speaking was a layman's dedication to religious purpose. He sought world improvement. Had the Brethren Church been more liberal or more sophisticated, Dr. Anspach might have entered the pulpit in a metropolitan church rather than the president's chair in a college.

His strong desire to do good focused on mankind which he saw as a magnificent procession of men and women on the march through life. All people were participating in the grand adventure of a universal brotherhood moving, as John Greenleaf Whittier put it, towards the curtain which never swings outward.

For all men, women, and children, life brought insurmountable difficulties, unexpected darkness, and distress. Yet each person must "go forward", heeding the "Voice" and being willing to accept and give the helping hand of a brother. This idea was developed in a 1947 Swing-Out speech called "Silent Partners." We are not self-made men because we owe a great debt to those who have gone before us and to our contemporaries, both known and unknown.

He expressed this a bit differently in his reminiscence in an essay at the beginning of this volume. He wrote, "My life is the story of the kindnesses of people, the confidence and trust of those with whom I have worked, the goodness of the watchful and guiding Father, and the understanding and love of my family." No wonder he said more than once that no man walks alone.

In his conversations and speeches, he accepted without question the divine theory of creation. Man lived in God's world, to do His work and to fulfill man's functions, responsibilities, and pleasures. These concepts led him to a rationale for day-to-day life. The essence he quoted from a quatrain by Maltbie Davenport Babcock:

Be strong!

We are not here to play, to dream, to drift;

We have hard work to do, and loads to lift;

Shun not the struggle—face it; 'tis God's gift.

Puritan in its emphasis on man's obligation to work in God's cause, the lines char-

acterize his attitude in his life, work, and speeches. He exemplified the work ethic.

He believed that man could improve himself and build a better world. With time, hard work and faith, man could accomplish these aims. In a speech subtitled "Life Must Be Lived in an Enthusiastic Manner," he urged a graduating class to live the Golden Rule and climb "upward."

Repeatedly, he stressed the role of inspiration. All men were endowed with certain capabilities or skills. Man must reach for the stars. That aim contributed to his sense of dignity and nobility.

He frequently cited two Biblical passages that meant much to him. One was from the Book of John: "Greater love hath no man than this, that a man lay down his life for his friends." The second was from Matthew: "He that findeth his life shall lose it: and he that loseth his life for my sake shall find it." Dedication to a great cause—like Cristianity, teaching, moral responsibility to other abstractions like honesty, truthfulness, and sobriety—was a means of man's realizing his full potential. As President Anspach phrased it in the subtitle of one of his most widely known speeches, "Candles-in-the-Dark": "Life Has Meaning When It Is Given Away."

He often reminded audiences of the significance of the commonplace. Inspiration could be found at home, and happiness originated from our inner adjustments to our immediate world.

Although his inspirational speeches were numerous, he also spoke on education, international affairs, and community-building. Identified closely with education, he most frequently dealt with that subject. For example, in May, 1955, twelve of his sixteen speeches were on that topic. October, 1960, seven of thirteen dealt with it. In addition, he often mentioned the subject in his inspirational addresses.

As President of a state college, he saw his role as a civil servant whose "privilege and responsibility" included leading others through "dark and difficult times." As a leader he solicited the opinions of others. Yet as a well informed, responsible, and experienced educator, he expected his message to be heeded. Leadership had its obligations, and he hoped to charge minds with ideas that might further the interests of education.

Through his almost forty years of public service, he emphasized the need for education to develop among students a sense of responsibility. "Our greatest resource," he said, "lies in the mental abilities of youth." Schools must teach skills and inculcate attitudes. They must develop in students a strong desire to do "right" and to sharpen their intellectual curiosity.

He urged college students to love God and country, and he never tired of telling them that as educated people, they were among the privileged few with definite obligations. In speech after speech, he stressed the need for moral behavior.

College graduates must contribute to the good of society. In 1954 in a Swing-Out he detailed a somewhat unique function of graduates. Titling his address "An Element of Freshness," he charged them to bring "freshness" to society, to serve as the "great rejuvenators." They should inject into life enthusiasm, energy, and daring: "ingredients essential to the renewal of life." They should also exercise their creative minds and utilize their "wholesome personality." All this would contribute to "constructive change" in society.

Strangely enough, Dr. Anspach's published speeches seldom touch on teacher-education. At Arizona State, at Tempe in 1962, he argued that teacher preparation should be an all-university responsibility. In general, however, his speeches skirt the so-called processes of education. The reason for this is that his dedication was to aims and results. The "how" of education and its techniques were less important. He was concerned more with the flame than the candle. To him, it was vision that counted for something, the vision of better graduates, the vision of a better world through education. To those aims he had dedicated his life.

He treated international relations in several addresses. His chief contention was that our democratic heritage of freedom must be preserved. Since atomic power is shared in a world of diverse ideologies, the United States must remain powerful and at the same time assume among the nations a role of leadership. Higher education should develop citizens of good will, men and women dedicated to a world of peace.

Dr. Anspach was in constant demand to speak to civic groups of all kinds. He, therefore, developed a speech which he called "Community Intangibles." Presented again and again, it urged cities, towns, and organizations to strive for a sense of community and to seek consciously to develop the potential of young people.

Dr. Anspach's ideas originated from varied sources. Although many were from the Bible, he also quoted from a great diversity of writers. He drew frequently from the writing of the nineteenth century Romantics: Henry Van Dyke, Henry Wadsworth Longfellow, Oliver Wendell Holmes, John Greenleaf Whittier, John Boyle O'Reilly, James Whitcomb Riley, and others. He was sympathetic to their ideas, idealism, and the "old-time" verities. These authors were often moralistic and used simple understandable English. Of course, their ideas complemented the inspirational "message" which often characterized his speeches.

He was conversant also with such other writers as George Bernard Shaw, William Blake, George Santayana, Russell Davenport, Walter Lippmann, and Robert A. Millikan.

In the world of ideas, Dr. Anspach synthesized many divergent points of view. That was his great gift. Folksy, humorous, moral, or analytical, as the circumstances dictated, he presented, as a rule, familiar ideas in his own inimitable way. Thus, he both challenged and reassured listeners. He never flagellated them. He had ideas to transmit, and he did just that in an easy, direct, and natural manner that held the attention of his audiences and challenged their minds.

As a speaker, Dr. Anspach had an attractive, reassuring platform presence. Pleasant looking, well dressed but not flashy, he awaited his moment with poise and an obvious interest in the activities taking place. When he was being introduced, he frequently crossed and uncrossed his legs and fidgeted on his chair. He has explained that during introductions, he felt not so much a nervousness as an anxiety from being keyed up and a desire to get started.

His approach to the podium was nononsense. A few steps from it, he was hurrying through the amenities: "Mr. Chairman, Honored Platform Guests, Members of the Board, Members of the Faculty, and Ladies and Gentlemen." The opening was invariably with a rush, as if he wanted to get on with the speech. For many speakers, such beginnings would have been disastrous, but Dr. Anspach exuded charm and warmth, and audiences responded. He had a winsome smile and an easy manner. When he began his speeches with a story or two, he chuckled as if amused by the narrative, and when the punch line came, he laughed with the audience.

He was invariably relaxed. It was as if he was speaking personally to each listener. He used neither rhetorical flourishes nor an oratorical tone. His conversational intimacy established with his audience a rapport that was the envy of the less gifted. Words flowed from him with grace and simplicity, and these qualities conveyed his sincerity and frankness. It was plain to all that he was eager to interest his audience, anxious to convey his concepts and to have people understand. As he spoke, he gave the impression of being tightly wound but not tense. Listening to him, one soon lost himself in his pleasant voice, self-assurance, and ideas.

Occasionally, a mannerism or a story broke the spell; but in a moment, the speaker had spread his magic again. One of Dr. Anspach's most common mannerisms dealt with his wrist watch. Approaching the podium, he slipped it from his wrist. Then, with band around his fingers and the watch dial near his knuckles, he launched off into his remarks, with occasional glances at the watch. It was as if he was timing himself. Indeed, his speeches were seldom long. He said his say and quit.

As a rule, stories introduced his speeches. When he told one within his addresses, the aim was to renew audience attention or drive home a point. A born story teller, he delighted in sharing yarns, and he had the ability to relate a one- or two-line joke or a much longer one with nonchalance and a self-assurance born of long experience in handling interpolations. Even today, his readers will laugh at some of the stories. Dr. Anspach's skill with narration, proper inflection, and a marvelous sense of timing intensified the effect. He had also an uncanny knack of using just those stories that suited his audience.

Not all his stories were humorous. He retold Biblical narratives and personal incidents with consummate skill and vivid detail. The latter originated from his early years; yet his experiences abroad with the "Flying Classroom" were an inexhaustible source of interesting and illustrative incidents.

He used them not merely for rhetorical effect. People and the interplay of human beings fascinated him, and his stories, always illustrating a relevant point, personalized the abstractions he was explaining. Cardinal to his speech theory—next to contending a speaker must have something to say—was the obligation to be interested and interesting. Thus, stories helped create and sustain interest.

Although Dr. Anspach was no phrasemaker, he capitalized on certain metaphors. The purple or the crimson thread symbolized the continuity of good traditions or the love of humanity. The hyacinth alluded to spiritual values; bread to the material. The orchid was his symbol for saluting man's highest achievement. The walk of life referred to the human cycle from birth to death. The great adventure meant man's life experiences. Light and dark referred to the known and the unknown. The latter also focused on the mysterious future. Lighted candles alluded to the spiritual in a world of trials and tribulations.

These symbols were simple and familiar, and his speeches gained force through their use. Here despite his degrees and his high calling was a man who could be understood and who stated clearly what he had to say. And his ideas were significant to his audiences.

It was also important to Dr. Anspach that his speeches move. They were characterized by a definite progression. After a well defined beginning, he developed as a rule three main points, clearly labeled, and a conclusion. Ideas flowed into ideas with effective transitions. In the conclusion, he sought to achieve a climax or high point. This accounts for his use of a poem, fragments of poems, or other quoted materials. The familiar and the relatively simple quotations, he felt, helped him to achieve just the right effect.

His gift of responding to conditions and circumstances added to his effectiveness. If an audience became restless, he narrated

stories or improvised to regain audience attention. If necessary he made radical alterations in his plans. He always could respond to unforeseen circumstances.

Dr. Anspach contended that 80 percent of his speeches were extemporaneous; the others were impromptu or read from manuscript. Although he spoke from an outline, his extemporaneous addresses, as a rule, were in manuscript. He did not memorize these speeches. The outlined main points jogged his memory. This mode of speaking was admirably suited to his temperament, imagination, interest, and his rare gift for impromptu interpolations. When he read his speeches, his delivery was often rapid and lost both the emphasis and the intensity that characterized the free and fluent delivery of the outlined ideas from his carefully planned addresses.

It is a truism that printed speeches lose something in the reading. In this volume, the loss occurs because the viable interplay between a responsive audience and Dr. Anspach's engaging personality and platform presence cannot be recaptured on paper. His memorable sharing of ideas, stories, and illustrations, the joy and verve of his delivery, and the prolonged applause that almost always followed his speeches have been lost in time. The man, the matter, and the manner were fused admirably in Dr. Anspach, and that fusion can never be perceived in a textual reading. On the other hand, those fortunate ones who heard his speeches will recreate in mind's eye the familiar figure of Dr. Anspach on a platform sharing his talent in an act of human love for the brotherhood of man and the improvement of the world.

[From the Midland (Mich.) Daily News, Oct. 28, 1977]

ANSPACH LEFT TOP MARK IN HIGHER EDUCATION

Mr. Charles L. Anspach, who died in Mount Pleasant Tuesday, was one of the greatest university presidents Michigan has produced. In fact, you will find some people who believe he was the greatest.

You have to go back into history to fully appreciate his significance to higher education. Central Michigan University was a state teachers' college with an average enrollment of 1,200. Under Mr. Anspach's 20 years of leadership, it grew into a full-fledged liberal arts university with a widely varied curriculum. Today it is one of the outstanding universities in Michigan.

"Charlie," as he was affectionately known, was the master of the soft sell when he appeared before legislative committees in Lansing and before the legislature itself. Other educational leaders often were inclined to organize pressure for more funds. But his pitch was simply to ask legislators to do the best they could and CMU would carry on the best it could. We've never compiled statistics but our memory is that he always fared better financially than his more urgent counterparts.

He was a college President . . . a building interesting conversationalist and an inveterate story teller who delighted audiences throughout the state. Midland people knew him well for he was a favorite speaker at dinners and also was active on the Northwood Institute campus. A 33rd degree Mason, he was active in many Masonic affairs of the Saginaw Valley.

When he left CMU, or rather became president emeritus, the student population had grown to 5,000 and it has continued to soar. He remained in Mount Pleasant and continued to use a CMU office for writing and consultations. Just last year, he was chosen as Mount Pleasant's outstanding citizen.

Mr. Anspach's mark has been indelibly engraved in the annals of Michigan higher education. He was indeed a man to remember.

[From the Mount Pleasant (Mich.) Morning Sun., Oct. 26, 1977]

CHARLES ANSPACH: A SPECIAL PERSON

Charles L. Anspach led a successful life no matter how his 82 years are evaluated.

He was a college resident . . . a building was named after him . . . he was an author and a noted speaker . . . his ability in educational administration was beyond reproach . . . and his service to civic organizations such as the YMCA has been noteworthy.

And yet with a list of accomplishments and credits longer per decade than most people achieve in their lifetime, Charles L. Anspach still was a simple man. Unlike the traditional collegial administrator, Dr. Anspach would not snub his nose at the little people . . . nor would he forget them.

Many of those contacted by the Morning Sun Wednesday in regard to Dr. Anspach's recent death recognized that although his professional and educational abilities were great, it was probably his ability to communicate with people on a personal level that made him so special.

One faculty member at Central Michigan University who had served during Dr. Anspach's 20 years as president recalled the man's great concern for students, even after they left CMU. "Many times I have had students tell me they received a note from Dr. Anspach, taking note of a special achievement," the faculty member said. "This really impressed them that a president of a university would take the time to write little notes like that."

And it was his great concern for detail that stuck with him, even after his service as CMU's president ended in 1959. He was a member of the Isabella Bank and Trust Board of Directors as well as being on the Board of Regents at Eastern Michigan University following his retirement as CMU's chief executive.

In these capacities, he served as somewhat of a goodwill ambassador . . . congratulating community residents on their achievements with little cards.

Consequently, his ability to turn every day life into a personal relationship with those he met, is a big reason he will be missed.

He touched thousands of people's lives. From students . . . to faculty members . . . to administrators . . . to those in the community. A statement from Washington, D.C., illustrates his effect on Sen. Robert Griffin, who attended Central during Dr. Anspach's tenure as president.

"Charlie Anspach was an inspiration and a warm friend," Griffin said. "His wisdom, his wit and his example will live on in the memories of thousands whose lives were touched by this great American . . ."

However, CMU itself may be paying its former chief executive the largest tribute. Classes will be suspended Friday from 1:30 to 3:30 to allow for attendance at Dr. Anspach's funeral.

That time will give CMU—and the entire Mount Pleasant community—an opportunity to pause and reflect on this outstanding individual.

And, although the sadness of his passing will be evident, perhaps the twinkle in his eye, the chuckle in his voice and the drive of his spirit will continue to live on in CMU and the entire Mount Pleasant community.

HIRO HIGUCHI, HAWAII'S CHURCH BUILDING CHAPLAIN BREAKS GROUND FOR NEW PROJECT

Mr. MATSUNAGA. Mr. President, when asked to identify the outstanding traits of the American character, foreigners often name confidence, hope, and faith in the future. I have always maintained that these traits are exemplified not only by the activities of the great Amercans listed in our history books, but in the millions of ordinary, everyday acts of courage and faith by average citizens—citizens such as the Reverend Hiro Higuchi, known in Hawaii as the Church Building Chaplain.

I have had the privilege of knowing Hiro Higuchi for many years—ever since he volunteered for service as chaplain of the famed 442d Regimental Combat Team in World War II. A staunch pacifist, he nevertheless joined the Army along with young members of his YMCA chapter in Honolulu and served with such distinction that he was awarded five medals for valor. The famed "Go for Broke" unit was engaged in some of the heaviest combat of the entire war in Italy, France, and Germany, and many of its members were killed in action or seriously wounded. Through it all, the chaplain's faith never wavered. He used to tell the members from Hawaii that when he got back home, he was going to build a church with his own hands—his life's ambition. Mr. Higuchi's influence and inspiration were so compelling that members of the 442d promised to help him build his church when they got home. And they did. In the 30 years since their discharge, those veterans and Mr. Higuchi's many other friends in Hawaii have helped him build not one church, but five, with his own hands and theirs. He also found time to build a community swimming pool on the Island of Kauai and a visitors' pavillion at the Waimano Training School for the Handicapped and a hospital on the Island of Oahu, and to serve as an active member of numerous civic organizations while continuing his ministry.

Now 70 years old, and still recuperating from a serious heart attack earlier this year, the Reverend Higuchi has just launched his sixth church building project. The new sanctuary is located in the community of Waipahu, where his first church was constructed after World War II. Ground breaking ceremonies were held in early October and, on weekends, members of the church and community can be found on the site helping to raise the walls. On weekdays, Mr. Higuchi works alone. Soon there will be another visible symbol of the confidence and faith that he passes on to all who come into contact with him.

As a means of congratulating my good friend the Reverend Hiro Higuchi, and with the thought that my colleagues will find his story as inspiring as I have found, I am submitting for the RECORD an editorial from the Sunday Star-Bulletin and Advertiser of October 23, 1977. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Star Bulletin and Advertiser, Oct. 23, 1977]

HAWAII'S HIRO HIGUCHI

A community is desirable to live in depending on various conditions.

They include the presence of moderate climate; geographic beauty; vibrant, upright

businesses; wise, honest political leaders; and private individuals who contribute in their own good ways.

One such individual Hawaii has been fortunate to have is the Reverend Hiro Higuchi. We think of him now because at age 70, he's just started another do-it-yourself church building project.

Ground breaking took place at the Waipahu United Church of Christ last Sunday. On weekday mornings, Higuchi is likely to be working on the premises alone—moving rocks here, nailing boards there. On weekends, church members pitch in, sometimes with others in the community helping as well.

Higuchi—with his wife, Hisako—has been through it before. He led in putting up the Pearl City Community Church and the Manoa Valley Church the same way. He also was instrumental in renovating a church in Waialua and one in Lanai City.

On Kauai, he organized a citizens' volunteer effort to build a community swimming pool in Waimea in the mid-'50s. Back on Oahu, he headed a Lions Club effort to build the visitors' pavilion at the Waimano Training School and Hospital in the late-'50s.

He started in Waipahu, where he is once again. He led in putting up a do-it-yourself church building in 1950. That was meant to be a social/ education center. Plans called for constructing a separate chapel. But when Higuchi moved on, no one finished the job. So, though officially retired and at times seriously ill in recent years, he's returned to do it.

Higuchi served as chaplain of the famed 442nd Regimental Combat Team in World War II. He was a pacifist but signed up after 135 members of his YMCA group enlisted.

In Europe, some 442nd soldiers promised that after the fighting they would help him build a church back home. Many of them have, time and again.

Among his activities, he once served on the State Board of Paroles and Pardons. He resigned in 1960, protesting what he considered "gestapo tactics" used to malign then prison warden Joe Harper. The issue was "human dignity and fundamental rights," he declared at the time.

In 1964, while on then-Governor John A. Burns' Prison Site Advisory Committee, he alone among five members voted to build the new prison on Oahu instead of Maui. He knew that family visits would be easier and that professional services would be more available on Oahu than Maui. He gave those considerations priority. That view now prevails.

Hiro Higuchi has long stood effectively for conscience and humane values. Our community owes him a great deal.

Now, pass him the hammer again.

DEATH OF HENRY F. CAUTHEN

Mr. THURMOND. Mr. President, only one man has ever served as editor of both the daily newspapers of Columbia, S.C. That man was Henry Cauthen, one of the most dedicated and talented journalists that my State has produced. Death overtook Henry Cauthen, at the age of 76, on October 23. He leaves behind him, however, a record of achievement which is imperishable, and I wish to pay him a few words of tribute.

The boyhood of Henry Cauthen provided ideal preparation for a career in journalism in South Carolina. The son of a Methodist minister, himself a former newspaperman, Mr. Cauthen traveled all over the State as his father was dispatched, in the Methodist manner, to one parish and then another. Mr. Cauthen lived in no fewer than eight South Carolina communities—Timmonsville, Kingstree, North Augusta, York, Walterboro, Georgetown, Darlington, and finally Charleston. As a result, he knew the State inside and out.

He knew the newspaper business the same way. It was in Charleston that he began his career. He worked first as a reporter at the News and Courier, moving up to telegraph editor, State news editor, and then sports editor. He found this last assignment especially congenial, for he was an outstanding athlete himself. Tennis was his best sport, and he was tennis champion of the city of Charleston in 1927.

Mr. Cauthen spent 14 years with the News and Courier. After a brief period with a weekly newspaper in Charleston, he left that city for Columbia. There he joined the staff of the Columbia Record, where an old friend from Charleston, G. A. Buchanan, had established himself as president and editor. Mr. Cauthen always liked reporting best, but he continued to add to the long list of editorial positions which he occupied. He served as city editor for the Record, then managing editor, and finally editor. He succeeded to this position in 1957, when G. A. Buchanan became dean of the school of journalism at the University of South Carolina.

Three years later, he gained his unique distinction when he was named editor of the other Columbia daily, the State. He occupied this post for 6 years.

These 44 years in journalism yielded uncountable accomplishments and adventures. One of the most memorable was a 1-minute accidental interview with President Calvin Coolidge. President Coolidge was notorious for his silence and love of privacy, but Mr. Cauthen caught him by surprise once as a reporter in Charleston, elicited a few sentences, and thus won a major scoop.

Mr. Cauthen also added an important entry to the geographical dictionary of my State. Most of the regions of South Carolina have long had informal designations by which they are commonly known—nicknames, so to speak. We have the Piedmont, the Pee Dee, and the Low Country. For a long time, however, there was no designation for the central portion of the State, the capital city of Columbia and its environs. Henry Cauthen invented one—the Midlands. This term, largely as a result of Mr. Cauthen's assiduous promotion of it on his editorial page, is now as common as the others.

Another important cause which Henry Cauthen promoted while editor of the Record was highway construction. Those in this body who have had the pleasure of traveling by car through South Carolina will concede, I am sure, that our State has some of the most convenient, best engineered, and most scenic interstate highways in the country. Henry Cauthen could claim much of the credit.

In 1955, after a trip to North Carolina to see the new interstate highway between Raleigh and Durham, he wrote a series of six articles describing his impressions and advocating swift construction of similar highways in South Carolina. So eloquent were his words, so compelling his arguments, that the State highway department had the series reprinted and distributed to all members of the State legislature. The State legislature promptly enacted the enabling legislation for participation in the Interstate system, and construction got underway.

My colleagues are well aware that journalism is a most demanding profession. The hours are long and the pressures great. Many fine journalists find that they have no time, or no energy, for anything but their work. Not so with Henry Cauthen. One of the most endearing qualities of the man was the diversity of his interests.

I have already mentioned his love of sports. Music was another passion—particularly grand opera. He knew many songs from the great operas by heart, and would sometimes regale his less cultured colleagues with renditions of them. He was a past president of the Columbia Music Festival Association.

He had also been an officer and director of the Columbia Chamber of Commerce, president of the South Carolina Traffic Safety Council, and, true to his upbringing, a steward of the Wesley Memorial United Methodist Church.

After retirement in 1966, Mr. Cauthen wrote two interesting biographies. The first was entitled "John J. Dargan: His Dares and His Deeds," and the second, completed not long before Mr. Cauthen's death, has as its subject the American agriculturist William B. Camp.

The newspaper business, however, came first in his life, and it is here that his talents found their best employment. Not only was he a skilled writer—a man with an instinctive gift for the English language—but he had the knack for dealing with people which must accompany literary ability in the successful editor. Henry Cauthen will long be remembered by those who had the privilege of working with him. Indeed, dozens of his younger colleagues virtually learned their profession from him. The influence of Henry Cauthen is still felt, and will be for many years, in the journalism of South Carolina.

Mr. President, Henry Cauthen was not only an exemplary newspaperman, but an exemplary man as well. Inquisitiveness, affability, dedication to duty, fairmindedness, integrity—these are just a few of his fine qualities. It was a source of joy and of pride to have him as a friend. There are many, many heavy hearts in my State as a result of his death.

None are heavier than those of his family, to which he was devoted. In this time of bereavement, I offer my sincere condolences to his wife, Mrs. Sarah Norris Cauthen, of Columbia; his son, Henry F. Cauthen, Jr., of Charleston; his daughter, Mrs. Sarah Cauthen Stepp, of Columbia; his brother, Jennings Cauthen, of Charleston; and his four grandchildren, Henry F. Cauthen III, Capers Landrum Cauthen, Carrie Stepp, and Thomas Cauthen Stepp. Only time can assuage the sorrow that they now feel, but it should be some consolidation to realize, as I know they do, the privilege

they had in being so close to this outstanding man.

Mr. President, at the time of the death of Henry Cauthen, the newspapers of my State, recognizing his service to the profession, were full of articles in his honor. In order that these articles may be given wider distribution, and may serve to inspire others to initiate the good works of Henry Cauthen, I ask unanimous consent that they be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Columbia, (S.C.) State, Oct. 24, 1977]

HENRY F. CAUTHEN, RETIRED EDITOR, DIES

Henry F. Cauthen, former editor of The State and The Columbia Record, died at 12:15 p.m. Sunday at the Providence Hospital after a long illness. He was 76 years old.

Mr. Cauthen was the only person ever to serve as editor of both Columbia newspapers.

Services will be at 11 a.m. Tuesday at the Wesley Memorial Methodist Church. Burial will be in Greenlawn Memorial Park.

Dunbar Funeral Home, Devine Street Chapel, is in charge.

Mr. Cauthen's active newspaper career covered 44 years. It began in 1921 when he became a reporter for The News and Courier of Charleston. He retired as editor of The State in 1965, after five years in the post, but continued in semi-active service.

In Charleston, after his apprenticeship as a reporter, he served successively as telegraph news editor, state news editor and sports editor.

Withdrawing from The News and Courier in late 1935 to participate in a new weekly newspaper in Charleston, he was to find that venture a failure and in October 1936, returned to daily newspaper reporting, this time on The Columbia Record. This renewed an association begun in Charleston, with G. A. Buchanan Jr., then the president and editor of The Record.

Mr. Cauthen often said there is no higher role in newspapering than first-rate reporting, and said it was the function he liked best, although from the beginning newspaper structuring had been a prime interest.

He was to become city editor and then manager editor of The Record. When Mr. Buchanan was appointed dean of the School of Journalism at the University of South Carolina, Mr. Cauthen, in 1957, succeeded him as editor. He had served 15 years as the Record's managing editor.

During this period, he promulgated the idea of designating the central area of the state, informally, as the Midlands. He noted, in his presentations, that other sectors of South Carolina indulged in regional names—the Piedmont, the Pee Dee, the Lowcountry—but that the central area, with Columbia as a hub, was, in this respect, something of a "no man's land." He lived to see the name catch on and to be used by businesses, by institutions and by the Weather Bureau.

After his retirement as editor, Mr. Cauthen wrote *John J. Dargan: His Dares and His Deeds* and a recently completed biography of William B. Camp, a major American agriculturist.

Also, while managing editor of The Record, Mr. Cauthen was dispatched on a mission which, Highway Department officials said, hastened the beginning of the Interstate freeways in the state.

Ambrose G. Hampton had joined the newspapers in 1955 after a career as a highway engineer. (He was destined later to become president, published and chairman of these newspapers.)

Mr. Hampton, as a senior engineer of the U.S. Bureau of Roads, had played a decisive role in creating controlled-access freeways in North Carolina. He was anxious for South Carolina to do likewise.

In his post with the newspapers, he suggested that Mr. Cauthen go to North Carolina, talk to federal and state highway officials and drive over the freeway from Raleigh to Durham and write his impressions in The Record.

The result was six articles by Mr. Cauthen. They cited the virtues of the North Carolina achievement and pointed to the necessity of South Carolina preparing immediately for its part in the blossoming Interstate System.

The South Carolina Highway Department republished the articles in booklet form and sent copies to all members of the Legislature. At the next session, the enabling legislation for South Carolina to qualify for the great Interstate freeways was passed. Highway officials said the articles in The Record hastened the vital legislative decision.

In 1960, with the retirement of S. L. Latimer Jr., as editor and publisher, Mr. Cauthen was appointed editor of The State and continued in that post until 1966, when he reached the stated age of retirement. He was succeeded by W. D. Workman, Jr., who for three previous years had been associate editor.

Following retirement, Mr. Cauthen exercised an interest in agriculture by writing weekly articles on that subject, based on visits to farms and to various farm meetings. Once more, he was in the area of reporting and often expressed his satisfaction over that renewed opportunity.

While a young reporter in Charleston, he had an unusual interview with then President Calvin Coolidge. Brief as was the conversation, it was unique since Mr. Coolidge avoided direct contact with the press and instead used a "spokesman" for his communications with the public.

The President had been on a trip to the Caribbean on a naval vessel and was returning to Washington by train, which was to make a brief stop at railroad yards just outside of Charleston. Doubting that they would see anything but another train, Mr. Cauthen and a reporter for The Charleston Evening Post, Nolly J. Sams, decided nevertheless to give it a try.

They stationed themselves at the rear of the train, hoping that at least some member of the presidential party might appear on the platform. Then, to their amazement, the President himself, alone, came out.

Mr. Cauthen, shocked, did manage to say, "Good morning, Mr. President; we hope you enjoyed your trip."

"The President never grants interviews," Mr. Coolidge said, rather coldly and started to re-enter his car. He paused and asked, "How is my friend, Dr. William Way?" (An Episcopal minister of Charleston.)

"He has been ill, it happens, but is improved," Mr. Cauthen replied.

"Give him my regards. Good day," said the President and disappeared.

It wasn't earth-shaking news, Mr. Cauthen would recall, but considering Mr. Coolidge's insulation from the press, it was an interview and made a lead, front page story for the Charleston newspapers.

Also, while Mr. Cauthen was in Charleston, where he attended the College of Charleston briefly, he won the tennis championship of the city in 1927.

In Columbia, Mr. Cauthen was once president of the Columbia Music Festival Association, the South Carolina Traffic Safety Council, and the Goodfellows Club. He was a former director and treasurer of the Chamber of Commerce and a steward of Wesley Memorial United Methodist Church.

He was born Jan. 1, 1901, at Cheraw, the son of the Rev. Henry Jennings Cauthen and Mary Finlayson Cauthen. His father being a Methodist minister and subject to that church's custom of moving pastors from one parish to another, Mr. Cauthen lived in eight South Carolina towns: Timmonsville, Kingtree, North Augusta, York, Walterboro, Georgetown, Darlington and Charleston. (His birth in Cheraw was due to his mother returning, for that occurrence, to the home of her parents, Mr. and Mrs. Henry W. Finlayson, there. At the time, his father was the pastor at Timmonsville, having been transferred from Cheraw.)

His father had been a newspaperman prior to entering the ministry and while pastor of Trinity Church, Charleston, had directed his son into the journalistic field.

Surviving Mr. Cauthen are his widow, Mrs. Sarah Norris Cauthen of Columbia; a son, Henry F. Cauthen, Jr. of Charleston; a daughter, Mrs. Sarah Cauthen Stepp; a brother, Jennings Cauthen of Charleston; and four grandchildren, Henry F. Cauthen III, Capers Landrum Cauthen, Carrier Stepp and Thomas Cauthen Stepp.

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Mr. Cauthen was the only person ever to serve as editor of both Columbia newspapers.

Funeral services will be held 11 a.m. tomorrow at Wesley Memorial United Methodist Church, conducted by the Rev. Thomas F. Matthews Sr. and the Rev. Melvin E. Derrick. Burial will be in Greenlawn Memorial Park.

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Mr. Cauthen's active newspaper career covered 44 years. It began in 1921 when he became a reporter for The News and Courier of Charleston. He retired as editor of The State in 1965, after five years in the post, but continued in semiactive service.

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Pallbearers will be John A. Montgomery, W. D. Workman, Charles H. Wickenberg Jr., William E. Rone Jr., John V. Cauthen, Henry J. Cauthen, C. H. Grayson and Rudolph Barnes.

Memorials may be made to the charity of one's choice.

[From the Charleston, (S.C.) News and Courier, Oct. 24, 1977]

HENRY FINLAYSON CAUTHEN, RETIRED EDITOR, DIES AT 76

COLUMBIA.—Henry Finlayson Cauthen, 7 retired editor of The State and former state news editor and sports editor of The News and Courier, died Sunday at a Columbia hospital.

The funeral will be 11 a.m. Tuesday at Wesley Memorial United Methodist Church, with the Rev. Melvin E. Derrick, the Rev. D. A. Canaday, and the Rev. Thomas F. Matthews Sr. officiating. Burial will be in Greenlawn Memorial Park, directed by Dunbar Funeral Home.

Mr. Cauthen was born in Cheraw, a son of the late Rev. and Mrs. Henry Jennings Cauthen. He was married to the former Miss Sarah Elizabeth Norris off Abbeville County.

He began his newspaper career in 1921 as a reporter for The News and Courier, where he worked 14 years as a reporter, state news editor and sports editor.

In October 1936 he joined the staff of The Columbia Record, later becoming State House correspondent, city editor, managing editor, and in 1958, editor.

On Jan. 1, 1961, Mr. Cauthen was appointed the sixth editor of the The State. After 45 years in newspaper work, he retired in 1965.

While a reporter at The Columbia Record, Mr. Cauthen wrote a series of articles on the freeway system in North Carolina and the need for South Carolina to prepare to prepare for the blossoming interstate system.

The State Highway Department reproduced the articles in booklet form and sent them to members of the General Assembly and during the next legislative session, enabling legislation qualifying South Carolina for interstate freeways was passed. State Highway Department officials credited Mr. Cauthen's articles with the legislature's speedy action.

He had served as president of the Columbia Music Festival Assn., a director and treasurer of the Columbia Chamber of Commerce, a director of the S.C. Traffic Safety Council, president for 10 years of the Goodfellows Club and its Christmas charity, and a member of the board of Stewards of Wesley Memorial Methodist Church.

In Charleston, Mr. Cauthen is best remembered as sports editor in the early 30s when Henry Picard rose from status as an obscure golfer at the Country Club of Charleston to one of the top pros in the country.

While a young news reporter in Charleston he had an unusual interview with then President Calvin Coolidge. It was the President's policy to hold no interviews with the press except with the use of a spokesman.

Coolidge had been on a trip to the Carribbean and returned by train to Washington, making a brief stop in the railroad yard near Charleston. Although he expected nothing from the President, Mr. Cauthen and a reporter from the Evening Post, Nolly J. Sams, stationed themselves at the railroad yard. To their surprise, Coolidge came out on the platform alone.

Mr. Cauthen, shocked, said, "Good mornin, Mr. President. We hope you enjoyed your trip."

Coolidge replied, "The President never grants interviews," and started to walk away. He then asked, "How is my friend Dr. William Way" (an Episcopalian minister in Charleston)?"

"He has been ill, but is improved," Mr. Cauthen said.

"Give him my regards. Good day," Coolidge said, and disappeared.

While it was not earthshaking news in what he said, the President did grant a rare interview, and it made the front page of The News and Courier.

Surviving, in addition to his widow, are: a son, Henry F. Cauthen Jr. of Charleston; a daughter, Mrs. Sarah Cauthen Stepp; a brother, Jennings Cauthen of Charleston; four grandchildren, Henry F. Cauthen III, Capers Landrum Cauthen, Carrie Stepp and Thomas Cauthen Stepp.

[From the Charleston (S.C.) Evening Post, Oct. 24, 1977]

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Henry Finlayson Cauthen of Columbia, retired editor of The State newspaper and a former state news editor and sports editor of The News and Courier, died Sunday at a Columbia hospital.

Funeral services will be held at 11 a.m. Tuesday at Wesley Memorial Methodist Church, Columbia. Burial, directed by Dunbar Funeral Home of Columbia, will be in Greenlawn Memorial Park.

Cauthen began his newspaper career in 1921 as a reporter for The News and Courier, subsequently serving as state news editor and sports editor. He joined the editorial staff of The Columbia Record in 1936 and subsequently became its State House correspondent, city editor and managing editor. In 1958 he was named editor and two years later became editor of The State. He retired in 1965.

He was born Jan. 1, 1901, in Cheraw, a son of the Rev. Henry Jennings Cauthen and Mary Finlayson Cauthen. As the son of a Methodist minister, Cauthen lived in Timmonsville, Kingstree, North Augusta, York, Walterboro, Darlington and Charleston, where his father died while pastor of Trinity Church.

Cauthen was a former president of the S.C. Associated Press Association, the Columbia Goodfellows Club and its annual Christmas charity program and of the Columbia Music Festival Association.

He was a director of the S.C. Traffic Safety Council, a steward of Wesley Methodist Church, a member of the American Society of Newspaper Editors and the Columbia

Rotary Club and a director of the Columbia Chamber of Commerce.

Surviving are his wife, Sarah Elizabeth Norris Cauthen of Columbia; a son, Henry F. Cauthen Jr. of Charleston; a brother Jennings Cauthen of Charleston; a daughter Sarah Cauthen Stepp of Columbia and four grandchildren.

[From the Greenville (S.C.) News, Oct. 24, 1977]

FORMER EDITOR DIES

COLUMBIA.—Henry F. Cauthen, a newspaperman for 44 years and editor of two South Carolina dailies, died Sunday at a Columbia hospital. He was 76.

Cauthen's newspaper career began in 1921 when he became a reporter for the Charleston News and Courier. He served as telegraph news editor, state news editor and sports editor before leaving the paper in 1935 to participate in a weekly newspaper in Charleston.

That venture failed and in October 1936 he returned to daily newspaper work as a reporter for The Columbia Record. During his 24 years there, he served as city editor, managing editor and editor.

In 1969 he became editor of The State in Columbia and held that position until his retirement in 1965.

Services will be 11 a.m. Tuesday in the Wesley Memorial United Methodist Church in Columbia. Burial will be in Greenlawn Memorial Park.

[From the Greenville (S.C.) Piedmont, Oct. 24, 1977]

CAUTHEN RITES ARE TUESDAY

COLUMBIA.—Services will be held Tuesday in Columbia for retired newspaperman Henry F. Cauthen, who died Sunday at the age of 76.

Cauthen, who served as editor of The State and The Columbia Record during his 44-year journalism career, died at a local hospital.

His funeral will be at 11 a.m. in the Wesley Memorial United Methodist Church, conducted by the Rev. Thomas F. Matthews Sr. and the Rev. Melvin E. Derrick. Burial will be in Greenlawn Memorial Park.

Cauthen's start in the newspaper business came in 1921 when he went to work as a reporter for the Charleston News and Courier. During 14 years there, he served as telegraph news editor, state news editor and sports editor.

In 1935 he participated in an effort to begin a weekly newspaper in Charleston, but the venture failed and he returned to daily newspaper work in October 1936, when he was hired as a reporter for The Columbia Record. He served as city editor, managing editor and editor of the paper before becoming editor of The State in 1960.

He held that position until his retirement in 1965.

Cauthen was born Jan. 1, 1901 in Cheraw. He was a son of the Rev. Henry Jennings Cauthen and Mary Finlayson Cauthen.

Survivors include his widow, Mrs. Sarah Norris Cauthen of Columbia; a son, Henry F. Cauthen Jr. of Charleston; a daughter, Mrs. Sarah Cauthen Stepp; a brother, Jennings Cauthen of Charleston; and four grandchildren.

[From the Charleston (S.C.) Evening Post, Oct. 24, 1977]

HENRY F. CAUTHEN

Son of a Methodist minister, Henry F. Cauthen was born in Cheraw and lived in several other South Carolina towns to which his father was assigned. The family moved to Charleston, where he grew up and found a job with The News and Courier when it was published at 19 Broad St. After 14 years with The News and Courier, he moved in 1936 to Columbia, and in 1958 was appointed editor of The Columbia Record. In 1960, he became editor of The State, the first person to be editor of both Columbia newspapers. He retired in 1965.

A respected craftsman, Mr. Cauthen broke in as a reporter for The News and Courier in the 1920s, when Robert Lathan was editor and Thomas P. Lesesne managing editor. Later he became state news editor, and then sports editor. His two brothers—Jennings Cauthen and the late John K. Cauthen—also served on the Charleston newspaper, and his niece, Elizabeth Moye, is now editor of their Trends and Focus on Living sections.

Sports and music were two of his chief interests. Lacking a college education, he was a reader of books and a student of writing style, in which he became proficient early in his journalistic work. Henry Cauthen was known as a man of principle and integrity. His death at age 76 is a source of sorrow among many friends and colleagues in South Carolina and elsewhere.

[From the Columbia (S.C.) Record, Oct. 25, 1977]

HENRY F. CAUTHEN

Were tongue able to compress into universal brevity the meaning of one Carolinian's life and deeds for all of us, of Henry F. Cauthen's death a familiar simplicity would be best: "Well done, thou good and faithful servant."

Throughout his earthly years, Henry Cauthen loved God's whole creation—the earth and all people dwelling thereupon, as conscientious stewards. He cared for Carolina and Carolinians, in all walks of life, as he knew the rich loam of the coastal marshes and the red clay of the upcountry.

A journalist, he was the only person ever to serve as editor of both this newspaper and *The State*. As a superb craftsman, he asked of himself and others an unerring accuracy in the journalism of fact. As a Renaissance thinker, he pursued truth and wisdom with meticulous diligence in the journalism of opinion.

As a devotee of the riches of the English language, he puzzled over the absence of a "name" for central Carolina. And he, after deliberative thought over his pipe, conjured a "name" that endures for our whole section and its people: the Midlands. Whenever and wherever that name appears, the mark of Henry Cauthen endures.

His restless curiosity and fervor for man's daily endeavors and pleasurable pursuits led him to a bountiful devotion to diversities as varied as grand opera and tennis. He could sing memorable arias and was quite at home, as a younger man, on the tennis courts. He was the city tennis champion of Charleston when he worked on the newspapers there.

To the Methodist parsonage born, he tenaciously wrestled with the web of theology. As a gentle person who loved and served his fellowman, Henry Cauthen believed that the days of all men are numbered—as were his. And he would say: "Yet shall I see God: whom I shall see for myself, and mine eyes shall behold—and not as a stranger."

[From the Charleston (S.C.) News and Courier, Oct. 25, 1977]

HENRY F. CAUTHEN

Member of a newspaper family, Henry F. Cauthen began his career in journalism as a reporter for The News and Courier. In the years that followed, he proved himself a competent craftsman. He was adept at gathering the news and putting it down on paper. He thought clearly, wrote clearly and hewed to style.

Capable and reliable, he advanced to state news editor and then to sports editor of the Courier in the 1930s, an era regarded as the "Golden Age" of American sports. Leaving Charleston, Mr. Cauthen joined The Columbia Record, serving successively in positions of greater responsibility as Statehouse correspondent, city editor and managing editor. In 1958 he was promoted to editor of the Record and, two years later, he became editor of The State, the Record's sister newspaper. He retired in 1965.

Despite the demands on his time and energy imposed by newspaper jobs, Mr. Cauthen was active in civic promotion, charitable works and in protecting the public safety. A keen interest in music led to his service as president of the Columbia Music Festival Association. His death at 76 saddens professional colleagues throughout the state and many other friends who will remember him as a considerate man who believed in playing fair and writing straight.

[From the Columbia (S.C.) State, Oct. 25, 1977]

HENRY F. CAUTHEN
1901–77

The death of Henry Cauthen comes as a shock to his many friends, but it is nothing short of a calamity to those close friends who knew him best. As a close friend, he was unique.

His career as a newspaperman also was unique. Without formal training in journalism—indeed, he never had the opportunity of attending college—he rose from reporter to sports editor to managing editor and ultimately to editor. Although his newspaper work began in Charleston, most of it took place in Columbia, where he had the distinction of becoming the only man to serve as editor not only of The Columbia Record but, later, of The State. It was while editor of the Record that he successfully promoted the designation of central South Carolina as the "Midlands."

Mr. Cauthen's achievements in journalism were due to a natural command of the English language, a searching mind, and a true genius for dealing with people. His personal and professional interests were vast and varied, including sports, agriculture, and music. Grand opera appealed especially to him, and he was familiar with—and on occasion would sing—many well-known arias. He not only watched and wrote of sports, he was in his early years the city tennis champion of Charleston.

But he will be remembered most for a strength of character combined with a sense of humanity which made him both a gentleman and a gentle man.

In the words of Rudyard Kipling, he could "meet the Triumph and Disaster, and treat those two imposters just the same."

[From the Columbia (S.C.) State, Oct. 25, 1977]

CAUTHEN SERVICES TODAY

Services for Henry F. Cauthen, former editor of The State and The Columbia Record, will be 11 a.m. today at the Wesley Memorial United Methodist Church, conducted by the Rev. Thomas F. Matthews Sr., the Rev. Melvin E. Derrick and the Rev. Henry C. Barton Jr. Burial will be in Greenlawn Memorial Park.

Mr. Cauthen, 76, died Sunday at Providence Hospital after a long illness. He was the only person ever to serve as editor of both Columbia newspapers.

Mr. Cauthen's active newspaper career covered 44 years. It began in 1921 when he became a reporter for The News and Courier of Charleston. He retired as editor of The State in 1965, after five years at the post, but continued in semi-active service.

Pallbearers will be John A. Montgomery, W. D. Workman, Charles H. Wickenberg Jr., William E. Rone Jr., John V. Cauthen, Henry J. Cauthen, C. H. Grayson and Rudolph Barnes.

The family suggests that memorials to Mr. Cauthen may be made to the charity of one's choice.

[From the Columbia (S.C.) Record, Oct. 25, 1977]

HENRY CAUTHEN SERVICES HELD

Funeral services for Henry F. Cauthen, former editor of The State and The Columbia Record, were held today in Wesley Memorial United Methodist Church, conducted by the Rev. Thomas F. Matthews Sr., the Rev. Melvin E. Derrick and the Rev. Henry C. Barton Jr. Burial was in Greenlawn Memorial Park.

Pallbearers were John A. Montgomery, W. D. Workman, Charles H. Wickenberg Jr., William E. Rone Jr., John V. Cauthen, Henry J. Cauthen, C. H. Grayson and Rudolph Barnes.

Mr. Cauthen, 76, died Sunday at Providence Hospital. He was the only person ever to serve as editor of both Columbia newspapers.

Mr. Cauthen's active newspaper career covered 44 years. It began in 1921 when he became a reporter for The News and Courier of Charleston. He retired as editor of The State in 1965, after five years at the post, but continued in semi-active service.

Memorials may be made to the charity of one's choice.

STATEMENT BY SENATOR CLARK ON SOUTH AFRICA AND THE BIKO DEATH

Mr. CLARK. Mr. President, the death while in police custody of Steve Biko, one of the most prominent black leaders in South Africa, has still not been explained in any satisfactory way.

Although he died on September 12, and the results of the autopsy were sent to the authorities, the government has postponed the inquest on Biko's death to late November. In the meantime, we have seen the Government of South Africa take repressive actions through massive detentions and bannings against a broad range of peaceful opponents of apartheid. In retrospect, it seems that the death of Biko was a prelude to the wider crackdown aimed at silencing the black consciousness organizations and various critics of the government, whether they be black or white.

The U.S. Congress has responded to these events with commendable promptness. On October 31, a resolution condemning these actions was passed in the House 347 to 54; the Senate Foreign Relations Committee passed an almost identical resolution on November 1 by a vote of 14 to 0. The effect of this resolution is to express congressional support for the President's decision to support a mandatory arms embargo at the United Nations and to take other unilateral actions to express our disapproval of the actions of the South African Government.

But as the clamor rises over the issue of how the international community should appropriately respond to the heightened repression in South Africa, we must not lose sight of the event which originally triggered the crisis and the ensuing debate. South Africa still must explain how Steve Biko died. This is essential for racial accommodation within the country, for credibility in South Africa's judicial system—one of the last remaining institutions preserving a measure of justice in the country, and for reducing the strained relations between South Africa and members of the free world looking for signs of peaceful change.

In connection with the Biko case, I would like to enter into the RECORD a verbatim transcript from a tape recording of the account of the imprisonment, treatment and death of Steve Biko given by the Minister of Justice, Mr. Jimmy Kruger, which was published in the Rand Daily Mail on September 19. As the newspaper indicates at the conclusion of Kruger's remarks, there were a number of inconsistencies and contradictions in Mr. Kruger's statement, particularly as compared to his subsequent remarks. Whatever the U.N. or the President decides to do, we cannot allow the question of Steve Biko's death to be forgotten else we risk being party to a cover up that will be of enormous significance for South Africa and her relations with the United States.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the material was ordered to be printed in the Record, as follows:

BIKO: WHAT KRUGER TOLD THE NATS

(This is a verbatim transcript from a tape-recording of the account of the imprisonment, treatment and death of Mr. Steve Biko given by the Minister of Justice, Mr. Jimmy Kruger, to the Transvaal congress of the National Party last Wednesday.)

"I am not glad and I am not sorry about Mr. Biko. He leaves me cold. I can say nothing to you. Any person who dies . . . I shall also be sorry if I die. (Laughter)

"But now there are a lot of scandal stories (skinder stories) and all sorts of positions are now taken against the South African Police. And even if I am their Minister, Mr. Chairman, if they have done something wrong, I shall be the first man to take them before the courts. They know it.

"But what happened here? This person was arrested, as I said yesterday, in connections with riots in Port Elizabeth. Among other things they were busy with the drafting and distribution of extremely inflammatory pamphlets which urged people to violence and arson.

"Now I mention this fact, not because I want to criticise someone who is dead. I have respect for the dead. But I mention this fact to prove that we were justified in arresting this person.

"I don't think there is a person in the audience that will say to me: 'But man, I think the police should rather have left him. You should rather not have detained him in a prison.'

"He was caught with a coloured man, a certain Mr. Jones, and this man was questioned first by the South African Police.

"In other words, from his (Mr. Biko's) arrest on August 18—I assume that they asked certain things occasionally, I am not sure of that—but he did not undergo a long, intensive questioning from August 18 to September 5.

"On the fifth of September they were finished with the other man and then they came to him (Mr. Biko). And they began to question him.

"Then he said he would go on a hunger strike. He first said he would answer their questions. They should give him a chance for a quarter of an hour. After a quarter of an hour, he said no, he would go on a hunger strike.

"And indeed he began to push his food and water away—that were continually given to him, so that he would freely drink or eat.

"It is very true what Mr. Venter said (about prisoners in South Africa having the 'democratic right' to starve themselves to death). It is a democratic land.

"We are now asked: 'When you saw he went on a hunger strike, why didn't you force him to eat?' (Laughter.)

"Mr. Chairman, can you imagine that these same people who smear the police day and night because they touched this man—and there's a mark on his foot, and there's a mark on his ankle and here's a mark behind his ear and it must be the police—do you think the police must still force that man to eat?

"No, sir, I say now categorically an behalf of the police. If I was there I would have said. 'Do not touch him,' but would have said: 'Call a doctor.'

"And on that same day, September 7, the district surgeon was called in.

"Do you know, Mr. Chairman, now some newspapers come and they have really (wragtig) got the cheek to ask: 'Why didn't you bring in a private doctor?' (Laughter.)

"Look, you cannot win. That I understand. Sir, I have no illusions about the Press on this point, you cannot win. There will always be something.

"But a district surgeon is a private doctor. He gets an appointment as a district surgeon. In other words, if the State needs him, you must call him because he has an appointment as a district surgeon. Some of them are fulltime.

"I don't know what this one was. But the State officials cannot simply call private doctors. Then they must pay (them) personally.

"And, I say today, any newspaper that alleges it was irregular, sticks his finger in the eye of the medical profession, not the police's eye.

"That day (September 7), the district surgeon came.

"On the 8th September the man (Mr. Biko) still lay there on the mat. And then the police said: 'Don't just call the district surgeon. Let him come and look at this man.'

"The first district surgeon wrote a letter to the detective to say: 'There's nothing wrong with him. The chief district surgeon and the district surgeon told the Security Police: 'Man, there is nothing wrong with this man.'

"But on the 8th September they said: 'In any case, bring him to the prison. Look, he is now in a police cell at Walmer (Port Elizabeth).' They said: 'Bring him to the prison hospital where we have more instruments with which to see what's wrong with the man.'

"And he was moved to the Port Elizabeth prison.

"They kept him for observation. Now the Press comes. This morning, sir, I think it was the Rand Daily Mail. I am not sure. I made a mistake the other day. . .

"But nevertheless, the Press comes and asks: 'Why didn't you bring in a private doctor?'

"Do you know what we brought in? We brought in a private specialist. We had a specialist with this man. We said: 'Look at this man.'

"And on Sunday, September 11, after we had all those doctors and specialists, then the district surgeon said: 'Man, send him to one of the bigger hospitals.'

"He proposed Victor Verster or Pretoria, where they could keep this man under observation for a longer period, in conditions where he could not be disturbed by outsiders.

"You know if you take him to a private hospital then you must set up guards.

"Here in Pretoria is a prison hospital and we must take him there. And on that same night he was brought to Pretoria.

"Now, Mr. Chairman—and the Press loses sight of this—the day he came to Pretoria to the Pretoria Prison . . . he was totally out of that area of his actions and the police actions against him.

"He is now on neutral grounds. A person can put it nearly like that. He is totally out of Security Police hands.

"He is in the hands of the prison authorities who know nothing about his whole case. People who have simply received a warrant and (they) say: 'Bring him in and lay him down there. We shall organise to take him to the prison hospital at the appropriate time.'

"Immediately the district surgeon was phoned—who else? The Department of Prisons have nothing (against) this man. They are not there to question or interrogate him.

"They are not concerned with that. Here is a patient. They put him down and they say: 'Man, call the doctor. We have got a warrant for this man. He must be transferred to the prison hospital.'

"And here comes the district surgeon who knows nothing about the man and he examines him, an independent examination. And he treats him medically.

"I do not know what the treatment was and therefore I do not want to stick my neck out as far as that is concerned. I assume there will still be investigations. I don't know. But this doctor, whatever he did to the late Br. Biko—or gave to him or whatever, did not know him and I cannot see that he would have anything against this man. I think he treated the man to the best of his ability.

"Later that night—there is a peephole in these places, so that you can see that the people do not hang themselves . . .

"Incidentally, I can just tell the congress, the day before yesterday one of my own lieutenants in the prison service also committed suicide and we have not yet accused a single prisoner. (Laughter).

"And when this man came to look in the peephole he saw that the man (Mr. Biko) was lying very still. And he did not touch him and did not open the door. He did nothing. Because he also knows that if you touch him, they then say: 'Your fingerprint is there, what did you do?' He left the man. I do not blame him. He went back and told a man: 'The man (Mr. Biko) is lying dead still. There is something wrong. And they summoned the doctor and they found the person was dead.

"And we have instructed the chief pathologist, a specialist if there ever was one, sirs, of absolutely unquestionable reputation, we have another State pathologist and let the family know.

"His wife was not with him. We could not find her. We found the old mother and she said: 'These are my lawyers.'

"And they appointed another pathologist and these three people apparently held a post-mortem yesterday . . . I do not know what the result is.

"But, sir, I just want to tell the congress and I want to tell the Press: I expect nothing from them (the Press).

"I know, sir, I know because I have it in documents, I have it in secret documents in my file that they are going for us.

"They will search and search for loopholes (gatjiesen plekkies). Whether they will find them, I don't know. We are also only people.

"But from my point of view, on the facts that I have, it looks to me as if what had to be done was done . . .

"I know incidentally that a few of the opposition Press will try to make something of it. But if they want to do it, it is their right. Let them do it. Here is my congress, sir, to whom I wish to report and you can stand up and say: 'According to us ordinary members something went wrong.'

"But I say to you as Minister, that I cannot see how we could have acted differently."

(Cheers and applause.)

Since his report the Transvaal National Party congress, Mr. Kruger has said:

Mr. Biko died in a prison cell, not the prison hospital.

Mr. Biko was treated with an intravenous drip.

He (Mr. Kruger) never stated Mr. Biko had died of starvation.

He was not informed by the security police that Mr. Biko had gone on a hunger strike, although he knew that the black consciousness leader had been detained.

He is not prepared to state "categorically" that he is satisfied with the manner in which his officials handled the situation. He would await the medical reports.

HARASSMENT OF SMALL BUSINESS BY EPA

Mr. BUMPERS. Mr. President, I am disturbed by the apparent oppressiveness of an extensive questionnaire being served on all members of the wood-preserving industry by the Environmental Protection Agency. I ask unanimous consent that certain correspondence relating to this questionnaire, including a letter written to me by John W. Elrod, a friend and constituent in Rison, Ark., my reply to Mr. Elrod, and letters from me to the Honorable Douglas Costle, Administrator of the Environmental Protection Agency, and the Honorable James T. McIntyre, Jr., Acting Director of the Office of Management and Budget, be printed in the RECORD immediately following these remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BUMPERS. Mr. President, section 308 of the Water Pollution Control Act, 33 U.S.C. section 1318, authorizes and directs EPA to gather extensive information to enable it to carry out its responsibility of preserving water quality. In what I am sure has been a well-meaning effort to comply with this command of Congress, EPA has formulated and served upon some 600 businesses a voluminous questionnaire. In addition to inquiring about discharges of effluent, pollution-control equipment, and related matters, the questionnaire goes on to seek disclosure of almost every kind of confidential financial information with respect to the general business operations of the respondents, including all of their costs, what method of depreciation they use for accounting and tax purposes, what their profits are before and after taxes, what the value of their accounts receivable is, and what internal investment criteria they use in deciding whether their business is meeting a desired level of profitability. These questions are intrusive and unreasonable, and irrelevant to the ostensible purpose of the questionnaire. They do not seem to be information that the Administrator of EPA may "reasonably require" to carry out his statutory responsibilities, as required by section 308. Even if they are within the outer limits of statutory authority, a proper exercise of discretion should have led EPA not to go so far.

In addition, the questionnaire appears to violate the Federal Reports Act, title 44, United States Code, section 3501 to 3511. The form was never approved by the Office of Management and Budget. In fact, it was never even submitted for approval, although title 44, United States Code, section 3509, enacted in 1968, appears to require such submission unequivocally.

Mr. President, two things about this incident bother me particularly. First, if EPA has indeed violated the Federal Reports Act, it is in the anomalous position of threatening citizens with dire penalties, including imprisonment, for failure to answer a questionnaire whose very circulation by the Agency is itself a violation of law. The foundation of any kind of respect for law must be scrupulous adherence to the commands of Congress by officials of the Federal Government. In addition, even if the form were legal, it would still be ill-advised to inquire into intimate financial details of a business when these details have at best only peripheral relevance to the question of pollution control. This kind of imposition is especially burdensome to small businesses, many of which are among the 600 firms to which the questionnaire was directed. Government agencies should realize that small businessmen have neither the time nor the money to employ squads of lawyers, accountants, and clerks to fill out forms containing every conceivable piece of information that might be of interest. Common sense should limit such governmental inquiries, and I am hopeful that the attached exchange of correspondence, which I intend to pursue, may result in some change.

EXHIBIT 1

ELROD COMPANY,
Rison, Ark., October 13, 1977.

Senator JOHN L. MCCLELLAN,
Senator DALE BUMPERS,
Congressman RAY THORNTON,
Congressman BILL ALEXANDER,
Congressman JIM GUY TUCKER,
Congressman JOHN PAUL HAMMERSCHMIDT.

GENTLEMEN: I am enclosing a copy of the questionnaire sent me by the Environmental Protection Agency which I consider to be representative of the outrageous results of well intended but poorly administered legislation. Typically, the law provides for severe penalties up to $2,500.00 per day and a prison sentence for failure to provide the requested information. I direct your attention to questionnaire nos. 19, 20, 21, 22, 24, 25 and 26 and ask if you conceive of any legitimate reason why the agency should be entitled to such detailed information in regard to our finances. I would genuinely appreciate your efforts to eliminate this kind of "police state" procedure in regard to this agency and any others with similar inclination.

We are fast approaching the point in this country when small independent businessmen have a great deal of difficulty in characterizing this as a free country. The enclosed questionnaire is a good illustration of the reason why.

Yours very truly,

JOHN W. ELROD.

ELROD COMPANY,
Rison, Ark., October 13, 1977.

Mr. SWEPT T. DAVIS,
Environmental Protection Agency,
Washington, D.C.

DEAR MR. DAVIS: I enclose the 308 Questionnaire, Wood Preserving, which was sent us by your agency. It was addressed to Elrod Company but you will notice the questionnaire is answered by Fordyce Wood Preserv-

ing, Inc., because of a change in the organization as of Jan. 1, 1977.

I have not provided the detailed financial information on our operation because I do not believe the agency is entitled to that information. We have not yet had sufficient experience to know what the annual operation costs and depreciation charges will be on our water and air pollution equipment. I will be glad to furnish that part of the financial information requested when we have developed accurate information.

In line with your suggestions in our telephone conversation I have written "not available" beside the other requests for financal data which I do not believe we should be required to furnish.

I appreciate your helpful suggestions in regard to the questionnaire.

Yours very truly,

JOHN W. ELROD.

U.S. SENATE,
Washington, D.C., October 28, 1977.

JOHN W. ELROD,
Elrod Company,
Rison, Arkansas.

DEAR JOHN: I have your letter of October 13, and Richard has told me about your telephone conversations with respect to the "308 Questionnaire Wood Preserving" that you received from EPA.

You are quite right, of course, that the detailed financial data requested are wholly beyond the scope of Section 308 of the Water Pollution Control Act, 33 U.S.C. § 1318. Incidentally, I enclose a copy of that statute. The authority given by Congress to the Adminitrator of EPA to demand certain reports and information is limited to what "he may reasonably require" to carry out his statutory responsibilities. In addition, under Section 308(b), any records, reports, or information obtained "shall, in the case of effluent data, be related to any applicable effluent limitations, toxic, pretreatment, or new source performance standards. . . ." I cannot for the life of me understand how questions 19–22 and 24–26, listed in your letter, can meet either of these requirements.

A preliminary informal contact with EPA indicates that it may try to justify its action, at least in part, on the ground that the questionnaire was reviewed in advance at a meeting with a trade asociation known as the American Wood Preserving Institute. Do you know anything about this Association? I am told that the questionnaire was reviewed by this Institute and by unspecified "representatives of industry firms" on May 5 and June 22. Any trade association worth its salt would have objected strenuously to the intrusive questions included in this form, and perhaps such an objection was in fact registered.

In addition, the form was never approved by the Office of Management and Budget. In fact, it was never even submitted for approval. This omission is probably a violation of the Federal Reports Act, 44 U.S.C. §§ 3501–11. Specifically, 44 U.S.C. § 3509, added in 1968, provides that "a federal agency may not conduct or sponsor the collection of information upon identical items, from 10 or more persons . . . unless . . . —(1) the agency has submitted to the Director the plans or forms . . .; and (2) the Director has stated that he does not disapprove the proposed collection of information." The term "Director" refers to the Director of the Bureau of the Budget, which is now, of course, the Office of Management and Budget. A copy of this statute is also enclosed.

It is particularly irksome for a federal agency to threaten citizens with dire penalties when the agency itself may well be acting in violation of the law.

I take this incident seriously, and perhaps some good will come from it if we can get the attention of the agency heads involved. I have therefore directed letters to the Administrator of the Environmental Protection Agency and to the Acting Director of the Office of Management and Budget. Copies of these letters are enclosed. Copies are going also to Senator Jennings Randolph, Chairman of the Committee on Environment and Public Works, and Senator Abraham Ribicoff, Chairman of the Committee on Governmental Affairs. These Committees have oversight jurisdiction, respectively, over EPA and OMB.

When I have answers to any of these letters, I will share them with you. I appreciate your calling this troublesome situation to my attention. It is exactly the kind of thing that causes citizens to lose faith in their government.

Sincerely yours,

DALE BUMPERS.

U.S. SENATE,
Washington, D.C., October 28, 1977.

Hon. DOUGLAS COSTLE,
Administrator, Environmental Protection Agency, Washington, D.C.

DEAR MR. COSTLE: John W. Elrod of Rison, Arkansas, a friend and constituent of mine in the wood-preserving business, has called my attention to a disturbing questionnaire issued by your Agency. The form is styled "308 Questionnaire—Wood Preserving" and includes 25 detailed questions with respect to Mr. Elrod's business of wood preserving. Section 308 of the Water Pollution Control Act, 33 U.S.C. § 1318, is cited as authority for the right to demand answers to these questions. There is no doubt that Section 308 authorizes your Agency to gather extensive information, and you must do the job thoroughly in order to carry out the command of Congress. If you would take the time, though, to look at the individual questions posed, I think you will agree that a number of them, specifically questions 19–22 and 24–26, go beyond any conceivable scope of EPA's authority. These questions seek disclosure of almost every kind of confidential financial information with respect to the general business operations of the respondent, including all of his costs, what method of depreciation is used for accounting and tax purposes, what his profits are before and after tax, what the value of his accounts receivable is, and what internal investment criteria he uses in deciding whether his business is meeting a desired level of profitability.

If you are of the opinion that judicial interpretations of § 308 authorize these questions, would you please give me citations to the reported opinions?

Mr. Elrod has discussed the questionnaire with personnel of your Agency and has returned it, so the issue is not his individual case. The question is much broader than that and goes to the heart of public discontent with government. It seems to me that the interest of the public at large, as well as of EPA itself, would be well served if you would examine this questionnaire closely and make an effort in the future to limit this kind of imposition on private citizens.

In addition, I understand that the questionnaire was not cleared by OMB, as required by the Federal Reports Act, 44 U.S.C. §§ 3501–11. In fact, it was not even submitted for clearance. Your Agency's covering letter to Mr. Elrod threatens severe penalties, including possible imprisonment, if he should fail to answer the questionnaire fully. Such penalties are of course provided for by law and no doubt should be imposed in appropriate cases. It is especially important, on the other hand, that government agencies and officials themselves abide by the law, and this instance is a case in point. I can see no reason why the form should not have been submitted to OMB under 44 U.S.C. § 3509. If it had been, I cannot help believing that that Agency would have disapproved the form, reduced its size considerably, or at least made a number of helpful suggestions.

Would it be your intention to submit future similar forms for clearance?

You might also consider whether it would have been a good idea to consult with the Commission on Federal Paperwork, created by P.L. 93–556, 88 Stat. 1789, 44 U.S.C. § 3501 note.

I appreciate the many courtesies shown me by your Agency and look forward to your answer.

Sincerely yours,

DALE BUMPERS.

U.S. SENATE,
Washington, D.C., October 28, 1977.

Hon. JAMES T. MCINTYRE, Jr.,
Acting Director of the Office of Management and Budget, Washington, D.C.

DEAR MR. MCINTYRE: Enclosed is a copy of a questionnaire served by EPA on several hundred businesses engaged in wood preserving. It was brought to my attention by John Elrod of Rison, Arkansas, a friend and constituent of mine.

You will notice that the questionnaire contains no OMB clearance number. It is my information that it was never submitted for clearance. This omission appears to be a violation of the Federal Reports Act, 44 U.S.C. § 3509. If you would take the time to look at the form in some detail, you will probably conclude, as I have, that it leaves a great deal to be desired. Specifically, many of the questions on financial subjects seem clearly to go beyond the authority of Section 308 of the Water Pollution Control Act, 33 U.S.C. § 1318. Beyond that, and even if the questions are within the outer limits of legal authority, it seems to me that some discretion should have been exercised in an effort to limit the intrusiveness of the form. It also seems that future similar forms should be submitted to your Agency for approval.

If you could consider these points and advise me, I would be most grateful.

Sincerely yours,

DALE BUMPERS.

VOLUNTARY CROP INSURANCE PROGRAM

Mr. HATHAWAY. Mr. President, I ask unanimous consent that I be listed as a cosponsor of S. 1575, Senator HUDDLESTON'S bill establishing a voluntary crop insurance program.

It is my understanding that Senator HUDDLESTON has no objection to this.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATHAWAY. The time has come to explore new approaches to crop insurance.

S. 1575, for example, establishes three levels of coverage, ranging from insurance against loss of such direct, annual costs as labor, power, seed and fertilizer; to going on up to a level which includes taxes, electricity, farm auto costs; and culminating in a high-choice option that provides insurance benefits for land charges and management.

The higher the level, the higher the premium, of course. In addition, the Secretary would set levels of subsidy for these premiums and I understand the Secretary of Agriculture intends to subsidize most heavily the basic coverage.

Hearings will be held on this bill early in 1978 and I look forward to having the opinions of the various constituencies of this bill.

It is apparent that with farm costs rising, insurance, even with a Federal subsidy, is increasingly attractive as a means of dealing with adverse events in the field. And it may well be that, like flood insurance, it is cheaper to insure than to rely on ad hoc disaster programs.

PRESIDENTIAL APPOINTMENTS

Mr. MATHIAS. Mr. President, I wish to commend to my colleagues an excellent article that appeared in the October 1977 issue of Foreign Service Journal entitled, "Presidential Appointments." It makes the same point I have been insisting on for a long time now. Our ambassadorial appointments abroad should be based on competence, not on politics.

The greatest reservoir of professional talent is, of course, the career Foreign Service. The State Department holds a reservoir of trained talent which has not been sufficiently tapped either for filling many of the important ambassadorial slots or the key slots in the foreign policy establishment. There is absolutely no excuse for 46 percent of President Carter's chief of mission nominations to have been individuals from outside the career Foreign Service. Equally disturbing is the fact that "a year ago there were 16 career officers in the top 25 positions—in the State Department. Today there are six." I imagine this record must discourage many Foreign Service officers who aspire to senior level positions at home and abroad.

None would question, I am sure, the wisdom of sending Mike Mansfield to Tokyo or Richard Gardner to Rome or a number of the other fully competent outsiders who have been sent abroad. But noncareer appointees should constitute the very small minority. In this day and age, with the potential for disruption abroad as great as it is, our national interest is ill served with diplomats in training representing us at trouble spots around the world.

I ask unanimous consent that this excellent article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PRESIDENTIAL APPOINTMENTS

In August 1976 President Carter told New York Times correspondent C. L. Sulzberger that he would like to help out the Secretary of State "by improving the quality of our major diplomatic appointments. I want these to depend firmly on merit and ability. I don't believe that people should be paid off for contributing to elect a President by getting such posts." This theme is repeated in Mr. Carter's book, Why Not the Best, and frequently mentioned in campaign speeches which sharply criticized past practice in appointing envoys as "political payoffs."

President Carter has now nominated 61 ambassadors and filled the top two dozen positions in the Department of State. So far, the record falls considerably short of the expectations Mr. Carter himself stirred.

The President has increased the career share of overseas ambassadorial assignments, but the pattern of his non-career nominations remains solidly in the tradition of his predecessors. Moreover, the numerical increase in career chiefs of mission has been offset by the sharp reduction in Foreign Service officers in senior departmental positions.

In August 1977, the United States had 118 serving or nominated chiefs of mission. Of these, 30, or 25 percent, were non-career. A year ago the figure was 33 percent. The 1933–76 average was 36 percent. While the career share in Europe and Latin America has increased, the overall geographic distribution of non-career envoys remains similar to past patterns. The largest number are in Europe and only two are in Africa. (See Table 1.)

In terms of appointments, 28, or 46 percent of President Carter's chief of mission nominations have been for individuals from outside the career Foreign Service. However, it is reasonable to expect that the percentage of non-career appointees will decrease since the bulk of nominations so far have been to replace political ambassadors named by Presidents Nixon and Ford. (See Table 2.)

President Carter's choices for non-career ambassadors fall squarely into the traditional mold. About ten are exceptionally well qualified and represent the type of nominee likely to add to the overall effectiveness and creativity of American diplomacy. The Association welcomes the infusion of talent and experience like Senator Mike Mansfield to Tokyo, Dr. Robert Goheen to New Delhi, Leonard Woodcock to Peking, Wilbur LeMelle to Nairobi, Richard Gardner to Rome, and Howard Wriggins to Colombo.

TABLE 1.—SERVING CHIEFS OF MISSION

	Career	1977 non-career	Percent non-career	1976 percent non-career	1933-76 percent non-career
Region:					
Latin America	15	6	29	44	35
Europe	20	9	31	45	48
Africa	26	2	7	13	24
Near East/South Asia	18	4	18	18	19
East Asia	7	4	36	31	25
International organization	2	5	71	86	77
Total	88	[1] 30	25	33	36

[1] Includes 2 noncareer holdovers.

TABLE 2.—CHIEF OF MISSION APPOINTMENTS

	President Carter			1933-76 percent non-career
	Career	Non-career	Percent non-career	
Region:				
Latin America	8	5	38	34
Europe	11	9	45	49
Africa	5	2	29	21
Near East/South Asia	6	4	40	21
East Asia	2	3	60	32
International organization	1	5	83	73
Total	33	28	46	37

Roughly an equal number are people who have performed creditably in various walks of life but have no special qualifications that merit their selection over experienced professionals as chiefs of mission. Unfortunately, there is a third group of five so far who even by stretching the criteria have neither requisite foreign affairs experience nor other background to merit their selection. They appear to be old-style patronage appointments. At least two may owe their nominations to campaign contributions of $50,000 or more.

The Association strongly opposes this type of traditional political appointment. While our public testimony at confirmation hearings has not succeeded in blocking Senate confirmation, the Association, as a matter of principle, will vigorously continue to urge non-confirmation whenever a nominee appears to fall blow the minimum requirements in an ambassadorial appointment.

A potentially constructive innovation has been the establishment of a Presidential Advisory Board on Ambassadorial Appointments. But the Board, which is ostensibly designed to screen nominations in cases where non-career candidates are under consideration, has proven a disappointment. The concerns expressed in the Association's February 4, 1977, statement regarding the lack of foreign affairs experience of the majority of the Board's 20 members has been borne out by the number of unqualified individuals who have received the Board's "qualified" stamp. The Board's performance has inevitably fueled suspicions that its purpose was to serve as a political laundering operation rather than a meaningful screening process. This suspicion has been strengthened by the Administration's unwillingness to accept the Associations' suggestion that distinguished retired career and non-career ambassadors be added to assure that at least a majority of the membership have first-hand knowledge of the functioning of an embassy. At present, only one Board member has ever served as an ambassador overseas and only one was a career officer. Under the circumstances, the Association plans actively to consider the establishment of an independent and nonpartisan screening panel patterned on the American Bar Association's Committee on the Federal Judiciary.

Another troubling aspect of the ambassadorial selection process relates to the procedures by which nominees are examined by the Senate Foreign Relations Committee. Common Cause has recently proposed several useful procedural reforms:

Seven days advance notice of public hearings;

Delay of two weeks before Committee voting after a hearing to permit a more careful review of the hearing record;

A written report to the Senate at least three days before it votes on confirmation.

These sensible proposals have the support of the Association. In addition, the Executive Branch should provide the Senate a written statement on the qualifications of the nominee for the proposed assignment.

Within the Department, there has been a sharp reduction in the number of Foreign Service officers serving in top positions; those of assistant secretary level or equivalent. A year ago there were 16 career officers in the top 25 positions. Today there are six. The Association does not question the right of the President and the Secretary to select people in whom they have confidence, but does regret that they have chosen to select so few of the many well qualified senior officers.

In sum, while Mr. Carter is using more career officers as ambassadors than his predecessors, the overall record is nonetheless disappointing. In the post-Watergate era and especially given Mr. Carter's campaign promises, the Foreign Service had hoped for more fundamental improvement than has

occurred. Under the circumstances, the Association plans to continue an aggressive campaign for reform. The Association's goal remains a rational system of appointing envoys under which the large majority would be trained and experienced career professionals but also including a few exceptionally well qualified non-career appointees who have foreign affairs experience, substantial area knowledge or distinguished public service records. The Association is already in touch with Common Cause and hopes to enlist the support of other public interest organizations and academic groups who share the Association's view that it is time we stop selecting chiefs of our diplomatic missions the way we used to pick postmasters.

RETIREMENT AT 60?

The August FSJ reported that on July 6 the outgoing Governing Board of AFSA had written to the Department urging an appeal of the United States District Court's June 28 decision striking down Foreign Service mandatory retirement at age 60. The August FSJ also asked Members whether or not they favored the court decision. Out of about 50 responses received by early September, 15 supported the Court's decision but 35 favor mandatory retirement at age 60.

On August 8 the Deputy Secretary of State wrote to the Solicitor General asking that he appeal the District Court decision to the Supreme Court. The Deputy Secretary argued that the court was mistaken in declaring, on the basis of the written briefs by both sides, but without a full trial, that Section 632 of the Foreign Service Act lacked any rational basis whatsoever, and was unconstitutional. The Department hopes that the Supreme Court will return the case to the District Court for a full trial on the merits.

On August 23 the newly elected Governing Board adopted a resolution which "welcomes and supports" the Department's decision to ask the Solicitor General to appeal the decision; and we conveyed this position to management and to the Solicitor General.

We regretted having to take any action on this issue without full consultation with the Membership. But we believed we had to go on record prior to the deadline within which the Solicitor General had to decide whether to appeal. We thought that the decision, if unchallenged, would have a negative impact on the careers of a majority of our constituents. We were concerned that the District Court's opinion, which rejects the notion that there is anything special about a Foreign Service career, could adversely affect other unique aspects of the Foreign Service Act, such as voluntary retirement at age 50 with annuities higher than the Civil Service. We also believed that only if the Solicitor General appeals to the Supreme Court is there a chance that this complex issue will be examined fully on its merits.

We look forward to receiving a fuller indication of the memberships' views.

SOVIET CROP ANNOUNCEMENT

Mr. DOLE. Mr. President, President Leonid Brezhnev announced November 2 a Soviet grain harvest of 194 million tons. This figure is down 29.8 million tons from the record 1976 Soviet crop of 223.8 million tons, and is off 19.3 million tons from the 1977 Soviet target of 213.3 million tons.

The harvest in the Soviet Union is almost complete, with over 95 percent already harvested. Brezhnev blamed early season droughts and rain at harvest for the reductions from target.

Meat production was announced for 1977 as being 15 million tons, up from 13.4 million in 1976. The Soviets are expected to continue their policy of maintaining their cattle numbers even if imported grains are necessary during production shortfalls.

This announcement by Brezhnev of a reduced production is a positive factor in the grain markets. However, the 194 million ton figure is still far above the poor 1975 harvest of only 140 million tons, which prompted substantial imports.

Reported Soviet purchases from the United States for the new marketing year, October 1977–September 1978, are 1 million tons of wheat and 1.3 million tons of corn against an agreement to purchase at least 6 million tons. The USDA has agreed that the U.S.S.R. may purchase for this period up to 15 million tons of grain without further consultations. The USDA has estimated that the Soviet's total grain import needs will be 20–25 million tons from all sources.

First. I hope the Administration will keep in close touch with the Soviets and will do everything possible to fill their requirements with U.S. grain while the grain is still in farmers hands so that they will benefit from any price improvement. It would seem that the 15 million ton limit without consultations should be raised as a gesture inviting substantial Soviet purchases, since Secretary Bergland has stated that we could supply "them with 50 million tons if they wanted them."

Second. Under present arrangements there are no incumberances in any international grain agreements to the flow of U.S. grain. I plan to attend the current International Wheat Council session in London to help assure that no impediments will be incorporated in any future grains agreement.

Third. Some countries such as Poland have indicated a desire for CCC credits for a period of more than 3 years. Since this program has an excellent repayment record with interest at rates above the cost of money from the U.S. Treasury, I want to work with the administration to provide legislation for "intermediate" credits to more fully meet these export opportunities.

Fourth. I urge the administration to support legislation that I have introduced and that Senator HUMPHREY has introduced to provide CCC credits to nonmarket economy countries such as the Peoples Republic of China and the Soviet Union. However, I will oppose use of these credits to North Korea, Vietnam, and Cuba, Uganda, or Cambodia.

PAROLE AUTHORITY FOR SOVIET JEWS AND OTHER MIGRANTS

Mr. KENNEDY. Mr. President, over 4,000 Soviet migrants are currently backlogged in Rome waiting to join family members and friends in the United States, and the number is growing every day. It serves no useful purpose to keep them in transit—often for many weeks and sometimes for many months, at considerable expense.

To help resolve this and other refugee and migration problems, I have written to the Attorney General urging that the administration exercise the parole authority in the immigration law. To parole these special migrants would help to avoid some needless personal hardship. And it would also be another way to carry out our national commitment to freedom of movement and human rights.

Parole should also be granted to a reasonable number of political detainees and refugees in Latin America. The festering refugee and related humanitarian problems in Argentina, Chile, and other countries of Latin America must command our continuing interest and concern. As I have written to the Attorney General, we must do what we can to support the United Nations High Commissioner for Refugees and other international bodies in their efforts to provide care and protection to the victims of repression. And we must join with other countries in offering resettlement opportunities to the homeless in need.

Mr. President, I ask unanimous consent that the text of my letter to the Attorney General be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OCTOBER 28, 1977.

Hon. GRIFFIN B. BELL,
Attorney General of the United States, Department of Justice, Washington, D.C.

DEAR MR. ATTORNEY GENERAL: In light of the numerical and substantive constraints in present immigration law regarding the issuance of immigrant visas and conditional entries to certain special migrants and refugees, I have long supported the exercise of the Attorney General's parole authority (under Section 212(d)(5) of the Immigration and Nationality Act, as amended) to help meet our international responsibilities toward the homeless and certain other migrants seeking to build new lives in our society. For more than two decades, the exercise of the parole authority, for humanitarian and "emergent" reasons consistent with our national traditions and interests, has provided the needed flexibility for our country to join with others in responding to humanitarian emergencies and to the resettlement appeals of the United Nations High Commissioner for Refugees (UNHCR) and other international organizations. I strongly feel its continued use is a logical extension of the immigration law's basic provisions governing the admission of immigrants and refugees.

With this in mind, I would like to address a number of migration problems currently under discussion within the Administration and the appropriate committees of Congress, as well as among the various voluntary agencies involved in the resettlement of migrants and refugees. At least two of these problems involve our national policy to encourage the freer movement of people for migration purposes and our national commitment to carry out in every reasonable way the spirit and letter of the relevant agreements resulting from the 1975 Helsinki Conference on Security and Cooperation in Europe.

Of immediate urgency is the need to implement the parole authority in behalf of Soviet and other nationals, who are being processed for movement to the United States and who normally transit in Rome. The number of these special migrants and refugees, a growing number of whom join relatives and friends in the United States, is

once again exceeding the number of immigrant visas and conditional entries annually available to such people under Section 203 (a) of the Immigration and Nationality Act, as amended. And expert observers suggest this situation will continue for sometime into the future. Given such projections and the demonstrated need in recent years to maintain some flexibility in meeting our humanitarian responsibilities toward the families who transit in Rome, I would like to recommend that the parole authority be exercised on a standby basis over the coming months and without a specified ceiling ing on the number of entries into the United States. Such a program, carried out in consultation with Congress, is consistent with past practices involving other groups of special migrants and refugees.

In this connection, very serious consideration should also be given to exercising the parole authority in behalf of certain family reunion and special humanitarian cases among individuals and families in Romania and, perhaps, other countries, who are being granted permission to emigrate, but do not readily qualify for regular immigrant visas under the immediate relative or relative preference categories of the Immigration and Nationality Act, as amended. The number of such cases is relatively small, and we should do what we can to facilitate their direct movement to sponsoring relatives or voluntary agencies in the United States. To exercise the parole authority in behalf of such cases would not only be a meaningful implementation of our national commitment to freedom of movement and human rights, but, more importantly, it would also help to avoid some undue personal hardship among individuals and families involved.

The festering refugee and related humanitarian problems in Argentina, Chile, and other countries of Latin America are another area of concern to many Americans. Among these problems are the continuing resettlement needs among thousands of political detainees and refugees. The existing parole program to help a reasonable number of these people in Argentina and Chile has been serving its purpose well, and a pending proposal to expand this program to cover humanitarian problems in all of Latin America should be expeditiously approved and implemented. The Administration deserves every support in its efforts to promote human rights in the Western Hemisphere and to join with other countries in helping the UNHCR and other international organizations provide adequate care and protection and resettlement opportunities to those in need.

Finally, we must also be mindful of the continuing problem of displaced persons from the Indochina Peninsula in Thailand and other countries of Asia, especially those with close family members in the United States and the "boat cases" from Vietnam. The current parole program in behalf of these displaced persons, and the similar programs of other governments, are helping many families. But there is little doubt that additional efforts will be needed by the international community in the time ahead.

Over many years, the American people have responded generously and compassionately to the needs of special migrants and refugees, and I share the view of many that a national policy of welcome serves our country and its traditions well. Hopefully, we will continue this policy, especially for migrants and refugees joining family members in this country. And pending the enactment of some basic immigration reforms to help meet our humanitarian responsibilities in a more orderly way, I am also hopeful that the parole authority will continue to be exercised, judiciously and without discrimination, in behalf of a reasonable number of people who are seeking to build a new life in a new land.

Many thanks for your consideration, and I look forward to hearing from you soon.

Sincerely,

EDWARD M. KENNEDY.

THE KAISER-PERMANENTE HEALTH PLAN

Mr. KENNEDY. Mr. President, in New York City last week my friend, Joe Califano, Secretary of Health, Education, and Welfare presided over an important ceremony. The occasion marked Federal qualification of the Kaiser-Permanente health plan as a health maintenance organization. Kaiser-Permanente has long served as a model for high quality prepaid medical care in this country. Serving more than 3¼ million people in California, Colorado, Ohio, Oregon, Washington State, and Hawaii, Kaiser-Permanente is the largest non-Government provider of medical services in the world.

Secretary Califano and Under Secretary Hale Champion have taken a long hard look at the problems of health care costs in this country and the challenge to make quality health care affordable for all Americans. They now believe that health maintenance organizations are an important system for delivering high quality, low cost, fully accessible, and continuous health care protection to millions of Americans.

I am hopeful that the new administration is committed to insuring the necessary means for the HMO program to develop its full potential. Certainly the streamlining of the complicated Federal qualification process represents an important first step, but it is only a first step. I want to ask my colleagues to continue to support the HMO program. Mr. President, I ask unanimous consent that the full text of Secretary Califano's remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

STATEMENT BY SECRETARY JOSEPH A. CALIFANO, JR.

Good morning, ladies and gentlemen.

Today is an important milestone in the Department's effort to give all Americans the opportunity to obtain health care from prepaid comprehensive medical plans, or Health Maintenance Organizations (HMOs), as they are more popularly known.

As most of you know—but which, unfortunately, many Americans do not understand—a typical HMO provides a broad range of high quality medical benefits, including physicians' services and hospitalization, for a prearranged, prepaid fee. Unlike the usual arrangements between a patient and physician (or the insurance company), under which the doctor is reimbursed for each service rendered—the HMO receives a flat fee for all medical and hospital services. The HMOs fee does not increase—no matter how much care or how many tests the patient needs, including hospitalization.

These are some of the advantages of HMOs to us:

First, because the HMO receives a flat fee for all medical and hospital services, it has an incentive not to engage in excess hospitalization, not to run duplicative or unnecessary tests, not to refer a patient to an unnecessary specialist. The HMO pays for wasteful and unnecessary procedures, not the patient. The cost savings are impressive—and so is the quality of care, often exceeding the quality of fee-for-service care by an individual doctor.

HMO patients are hospitalized 30 to 60 percent fewer days than patients covered by traditional insurance plans.

In one study of hospital use, Federal employees enrolled in HMOs used 383 hospital days a year per 1,000 members, while Federal employee Blue Cross subscribers used 724 days per 1,000 members.

That same study showed that enrolled members of the Genesee Valley Group Health Association, a qualified HMO in Rochester, New York, used less than 60 percent of the hospital days per thousand members used by Blue Cross subscribers in that community.

And those enrolled in Kaiser's northern California plan use hospital days at a rate less than half that applicable to the general population of the state.

Last year, this nation spent more than 45 billion dollars for hospital care. Just reflect on the fact that the evidence demonstrates that HMOs reduce hospitalization by up to 40 and 50 percent: A ten percent reduction in hospitalization last year would have resulted in an immediate $2 billion saving for American taxpayers and American consumers last year and, over time, a saving of much more.

But it is not only because of these cost savings—dramatic as they are—that we are committed to HMO development.

The second, equally important, attraction of HMO care is its emphasis on quality and prevention. The quality of HMO care is excellent, since doctors practicing together share knowledge, seek each other's opinions, and provide broad medical services that far exceed the sum of the parts.

HMOs exercise preventive care through periodic examinations, health and nutrition education, and well-baby care. They tend to identify illness early, to treat it as efficiently as possible and avoid the need later on for more costly treatment, including hospitalization.

HMOs make it easy for people to get the care they need, when and where they need it. People enrolled in HMOs know their entry point into the health care system—they do not have to search out a specialist or worry about where to go after hours or on weekends. The HMO makes provision for full-time coverage and it arranges necessary referrals.

Third, HMOs promote continuity of care and make health planning more efficient. At the beginning of the year, the HMO has a good idea as to the number of people it will be serving and can arrange for hospital beds and specialists accordingly. The consumer knows the total cost of services in advance.

Finally, HMOs offer competition to a system badly in need of it. They are demonstrating that they can compete—on a price and quality basis—with fee-for-service doctors and complex insurance policies that cover some fee-for-service medical and hospital care.

As Kaiser and other HMOs scattered across the country, including those in New York, New Jersey and Connecticut, have proven beyond a reasonable doubt, HMOs are not experimental demonstration projects. They are established and respected providers of good quality, comprehensive and cost-effective health care, and the American people deserve more of them.

Given such great potential, why haven't HMOs developed more rapidly? The answer to that question, unfortunately, is found, in large part, right in the Department of Health, Education, and Welfare.

When we arrived at HEW, the Federal government seemed to be doing all it could to make it difficult, if not impossible, to qualify as an HMO. Federal qualification is

essential for a developing HMO to gain access to the market of health benefit care purchased by employers. Qualification is necessary to obtain certain federal loans and loan guarantees. It facilitates Medicare and Medicaid contracting.

So cumbersome had the requirement become, so unwieldly the paperwork, and so fragmented and understaffed the organization in HEW to run the HMO program, that the line for becoming a federally qualified HMO was much too long. We were receiving four completed applications a month, but only rendering a decision on two or less. The backlog at one point reached 52 pending applications. The HMO qualification office was too short-handed to get the job done.

And the job was enormous. Kaiser's applications, for example, took six months to prepare, weighed over 600 pounds and stood almost six feet tall.

Grants and loans for HMO development were handled out of one office; the qualification process out of an entirely different one. Needed HMO regulations took years to write and publish.

We have tried to correct this situation and bring a new attitude to bear toward HMOs—one that is consistent with our hopes for the future of this movement.

We are making some progress:

Since June 1977, we have cut the qualification line by almost 40 percent, by assigning additional staff to this effort and by plain hard work. We are streamlining the entire qualification process, and trying to avoid the voluminous paperwork of the past.

We have decided to consolidate the operations of the grants and loan office, as well as the qualification and compliance office, under the administration of a single Director of Health Maintenance Organizations who will be announced, I hope, within the near future.

By the end of next week we will publish, in the Federal Register, new regulations governing grants and loans, Medicare and Medicaid contracting—finally implementing the HMO Amendments of 1976.

By the end of this year, we intend to publish, for the first time, guidelines to help state and local planning agencies recognize the special needs of HMOs when these health plans request certificates of need. These guidelines will be designed to encourage HMO development and expansion, which has often been thwarted by local Health Services Agencies applying rules of thumb designed for expansion in the fee-for-service sector. These guidelines are an essential step to allow the HMO movement to develop to its full potential.

Later today, I will announce some other steps, aimed at enlisting the support of business and labor in developing HMOs.

What better model for such cooperation could we point to than the Kaiser-Permanente Health Plans? Born out of the foresight and common sense of Dr. Sidney Garfield, Edgar Kaiser and his father, Henry J. Kaiser, it stands today as a living example which can and should be duplicated across the nation. From its beginnings on the California desert serving aqueduct workers in 1933, from Edgar Kaiser's fateful request of Dr. Garfield to provide medical and hospitalization services on a prepaid basis to the Kaiser construction workers erecting the Grand Coulee Dam, has arisen the classic model for HMO development.

Kaiser-Permanente today provides high quality, prepaid medical services in California, Colorado, Ohio, Oregon, Washington and Hawaii to more than 3¼ million people. They have chosen its services because of their quality, accessibility and cost. In Northern California, for example, nearly 23 percent of the eligible civilian population has chosen to sign up with Kaiser. The six plans own and operate twenty-six general hospitals with 5,711 beds; sixty-eight outpatient centers, representing more than $616 million in capital investment. They use the services of more than 3,100 full-time physicians through the Permanente Medical Groups and 27,000 other employees.

This is big business even within the third largest industry in the country. Kaiser-Permanente is the largest non-governmental provider of medical services in the world.

So it is with great pleasure that I today welcome the Kaiser groups as Federally qualified HMOs. In many ways, it marks the coming of age of the Qualification Program. In September, 1975, almost two years after enactment of the HMO Act, there were only four Federally qualified HMOs with a total enrolled membership of 8,600. Yesterday, there were 43 Federally qualified HMOs serving approximately 615,000 people. After today's signing ceremony we will have 47 Federally qualified HMOs serving more than 3.8 million people.

But before we proceed, I want to acknowledge the presence here this morning of two of the principal founders of the Kaiser-Permanente Plans—Dr. Sidney Garfield and Mr. Edgar Kaiser.

I will speak of Dr. Garfield's accomplishments later today. So I am sure he will forgive me if I take the liberty of introducing instead Mr. Kaiser, Chairman of the Board of the Kaiser Foundation Health Plan and the Kaiser Foundation Hospitals, and one of America's foremost industrialists.

We will remember him as a productive and innovative manager and entrepreneur. We will remember his stewardship of the Kaiser shipyards in Portland during World War II and the production under terribly trying circumstances of the immortal "Liberty" ships. We will remember him as the mass manufacturer of the Kaiser jeep. We will remember his civic and community involvement; his chairmanship, for example, of President Johnson's National Committee on Urban Housing. But it is my belief that is the crowning achievement of Edgar Kaiser's career—the true innovation and accomplishment.

S. 1437—THE FEDERAL CRIMINAL CODE REFORM ACT OF 1977

Mr. KENNEDY. Mr. President, this past Wednesday the Senate Judiciary Committee voted overwhelmingly to report S. 1437, the Federal Criminal Code Reform Act of 1977. This important legislation would, for the first time in our Nation's history, codify, modernize, and streamline the entire Federal criminal law. It is a massive undertaking, of critical importance to the American people. Senator McCLELLAN and I are, of course, extremely pleased and gratified by the bipartisan support demonstrated in the Senate Judiciary Committee. I am hopeful that the full Senate will consider S. 1437 promptly when it returns early next year.

Obviously, in considering a bill as lengthy and complex as S. 1437 the entire committee owes a tremendous debt to the Senate staff and Justice Department officials who worked so long and hard to develop and refine the legislation. Without their dedication and commitment S. 1437 would never have become a reality. At this time Senator McCLELLAN and I wish to pay special tribute to the many staff members who made such a lasting contribution to the final product.

Ron Gainer, Roger Pauley, Fred Hess, and Karen Skrivseth of the Justice Department were a tremendous help in drafting and explaining the many complex provisions of S. 1437. Mr. Gainer, in particular, has been continuously involved in the ongoing 11-year effort to reform our Federal criminal laws.

Paul Summit, Russ Coombs, and Mable Downey of Senator McCLELLAN's Subcommittee on Criminal Laws and Procedures have worked with me on a daily basis since the bill was introduced last May and made a valuable contribution to the final product.

I also wish to thank the individual staff members of the various Senators on the committee—Francis Rosenberger, Kevin Faley, Mary Jolly, Glenn Feldman, and Irene Margolis, Quentin Crommelin, Katrina Lantos, Larry Dinger, and Josephine Gittler, Herman Schwartz, Ricki Tigert, and Keith O'Donnell, Tim McPike, Eric Hultman, Michael Klipper, Riley Temple, and Ralph Oman, Dick Moore, Michael Hunter, Tom Parry, Pat Hoff, and Mary Jane Checchi. The list is long but their contributions can be found on practically every page of S. 1437. Without their cooperation and determination to draft the best bill possible S. 1437 could not have been reported. Each one of them has my sincere thanks and the thanks of Senator McCLELLAN.

S. 1437, as amended, and the accompanying committee report will be available within the next few weeks. I have instructed the staff to begin holding weekly briefing sessions throughout December and January, open to all Senate or House staff members who wish to attend. These briefing sessions will be held for the purpose of explaining S. 1437 to other congressional staff and discussing any proposed amendments that might be offered on the Senate floor.

SENATE SERVICE

Mr. ROBERT C. BYRD. Mr. President, on November 5, 1977, a milestone will be reached in the history of the U.S. Senate. For on that day we will have serving in the Senate six Senators who have been Members of the U.S. Senate for 30 years or more. Never in the history of the United States has this occurred. The Senators who will be serving for 30 years or more, at that time, will be the Senator from Mississippi (Mr. EASTLAND), with 35 years 1 month, the Senator from Arkansas (Mr. McCLELLAN) with 34 years 10 months, the Senator from Washington (Mr. MAGNUSON) with 32 years 11 months, the Senator from North Dakota (Mr. YOUNG) with 32 years 8 months, the Senator from Alabama (Mr. SPARKMAN) with 31 years, and the Senator from Mississippi (Mr. STENNIS) with 30 years. This is indeed a remarkable situation and a tribute to the outstanding service which these senior Members of the Senate have demonstrated on behalf of the Nation and their constituents.

Of particular interest is another record having to do with consecutive service on the part of two of these Members. In the history of the Senate, only two Senators have ever served as chairman of a committee consecutively for more than

20 years. These are the Senator from Washington, Mr. MAGNUSON, who will have served as chairman of the Committee on Commerce, Science, and Transportation and its predecessors for more than 22 years consecutively, and the Senator from Mississippi, Mr. EASTLAND, who has served as chairman of the Committee on the Judiciary for 20 years consecutively. Furthermore, the No. 3 record holder for consecutive service as chairman of a committee is held by the distinguished chairman of the Appropriations Committee, the Senator from Arkansas, Mr. MCCLELLAN, who served as chairman of the Committee on Government Operations for 18 years until 1973. One Member of the Senate, William B. Allison of Iowa who served from 1873 to 1908, did serve as chairman of a committee for a longer period of time, 25 years. However, this service was broken into two periods, a 12-year period between 1881 and 1893, and a 13-year period between 1895 and 1908.

We have a number of other distinguished Members whose service I would like to point out at this time. Of all the people currently serving in the Congress, the first to be here was my esteemed colleague from West Virginia (Mr. RANDOLPH). Although his service has not been continuous, my colleague is the only Member of either the House or the Senate, currently serving, who was an elected Member of the Congress at the time of the first inaugural of President Franklin D. Roosevelt. Our distinguished colleague from Arkansas, Mr. MCCLELLAN, began his service with two terms in the other body beginning in 1935. After a hiatus he returned to Congress, this time as a Member of the Senate, and has served here ever since 1943.

Other than the dean of the other body, the gentleman—as they are referred to in the House—from Texas, Mr. MAHON, the two members of either body who have the longest consecutive service are the distinguished Senator from Washington, Mr. MAGNUSON, and the distinguished Senator from Alabama, Mr. SPARKMAN. Both began service together in the other body in 1937. While the Senator from Washington came over to this body sooner than did the gentleman from Arkansas, he was not far behind.

Mr. President, when young people ask why an individual goes into the legislative service, or how one man can continue to be reelected, I would suggest that they look to the six Members of our body who have served here now for 30 years or more, particularly to the two who have served in this body and the other body for 40 years or more. Their outstanding contributions to this Nation will last an eternity. Their selflessness, their dedication, their hard work are the cornerstones of public service in a democracy.

Mr. President, having been in this body almost 20 years, and in the other body for 6 years, it is my observation that these records will not be often emulated in the future. Our problems are becoming heavier; our burdens are more onerous. I would venture to say that not many men in the history of this Republic, though it may stand a thousand years, will ever again be able to equal the length of service of the Senators whom I have named.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD two tables, one entitled "Longest Serving Chairmen in The United States Senate as of November 1977", and the other entitled, "Longest Serving Senators as of November 1977."

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

LONGEST SERVING CHAIRMEN IN THE U.S. SENATE AS OF NOVEMBER 1977

	Senator	*Committee*	*Dates Served*	*Years*	*Broken or Consecutive*
1.	Allison, William B.	Appropriation	1881–1893; 1895–1908	25	Broken.
2.	Magnuson, Warren G.	Commerce	1955–Present	22+	Consecutive.
3.	Frye, William P.	Commerce	1888–1893; 1895–1911	21	Broken.
4.	Eastland, James O.	Judiciary	1957–Present	20+	Consecutive.
5.	McClellan, John L.	Government Operations	1955–1973	18	Consecutive.
6.	Ellender, Allen J.	Agriculture and Forestry	1955–1971	16	Consecutive.
7.	Morrill, Justin S.	Finance	1881–1893; 1895–1898	15	Broken.
8.	Hill, Lister	Labor and Public Welfare	1955–1969	14	Consecutive.
9.	Cockrell, Francis M.	Engrossed Bills	1889–1893; 1895–1905	14	Broken.
10.	Jones, John P.	Epidemic Diseases	1881–1895	14	Consecutive.

LONGEST SERVING SENATORS AS OF NOVEMBER 1977

			Yrs.	*Mos.*
1. Hayden, Carl T.	Ariz.	3/4/1927—1/3/1969	41	10
2. Russell, Richard B.	Ga.	1/12/1933—1/21/1971	38	6
3. Warren, Francis E.	Wyo.	11/18/1890—3/4/1893		
		3/4/1895—11/24/1929	37	6
4. McKellar, Kenneth	Tenn.	3/4/1917—1/3/1953	35	10
5. Smith, Ellison D.	S.C.	3/4/1909—11/17/1944	35	8
6. Ellender, Allen J.	La.	1/3/1937—7/27/1972	35	7
7. Allison, William B.	Iowa	3/4/1873—8/4/1908	35	5
8. Eastland, James O.	Miss.	6/30/1941—9/28/1941		
		1/3/1943—Present	35	1
9. McClellan, John L.	Ark.	1/3/1943—Present	34	10
10. George, Walter	Ga.	11/22/1922—1/2/1957	34	2
11. Aiken, George	Vt.	1/10/1941—1/2/1975	34	
12. Magnuson, Warren G.	Wash.	12/14/1944—Present	32	11
13. Borah, William E.	Idaho	3/4/1907—1/19/1940	32	10
14. Byrd, Harry F.	Va.	3/4/1933—11/10/1965	32	8
15. Young, Milton	N.D.	3/12/1945—Present	32	8
16. Sherman, John	Ohio	3/21/1861—3/8/1877		
		3/4/1881—3/5/1897	31	11
17. Morrill, Justin S.	Vt.	3/4/1867—12/28/1898	31	10
18. Lodge, Henry C.	Mass.	3/4/1893—11/9/1924	31	8
19. Sparkman, John	Ala.	11/6/1946—Present	31	
20. Hill, Lister	Ala.	1/10/1938—1/3/1969	31	
21. Frye, William P.	Maine	3/18/1881—8/8/1911	30	4
22. Morgan, John T.	Ala.	3/4/1877—6/11/1907	30	3
23. Cockrell, Francis M.	Mo.	3/4/1875—3/3/1905	30	
24. Cullom, Shelby M.	Ill.	3/4/1883—3/3/1913	30	
25. Hale, Eugene	Maine	3/4/1881—3/3/1911	30	
26. Jones, John P.	Nevada	3/4/1873—3/3/1903	30	
27. Simmons, Furnifold	N.C.	3/4/1901—3/3/1931	30	
28. Smoot, Reed	Utah	3/4/1903—3/4/1933	30	
29. Stennis, John C.	Miss.	11/5/1947—Present	30	

AUTHORITY FOR CERTAIN ACTIONS UNTIL NOVEMBER 29, 1977

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that during the period between this hour and the hour of 12 noon on November 29, 1977, the Secretary of the Senate be authorized to receive messages from the other body and from the President of the United States, and that they be appropriately referred.

Mr. President, I also ask unanimous consent that the Vice President of the United States, the President of the Senate pro tempore, the Acting President of the Senate pro tempore, and the Deputy President of the Senate pro tempore be authorized to sign all duly enrolled bills and resolutions.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, the reason I said the 29th is that it is conceivable that the minority leader and I, as we meet in our pro forma sessions from time to time, will, as we approach the week of November 27, be in a position to determine whether or not there is going to be business on the

28th. In the event that, by that time, it should appear to be appropriate to come in on the 29th rather than the 28th, the order just entered will have carried through to the 29th.

Mr. President, has an order been entered for the recess of the Senate over until 10 a.m. on Tuesday?

The PRESIDING OFFICER. The Chair advises the majority leader that it has not.

ORDER FOR NO CONSIDERATION OF CALENDAR MEASURES WITHOUT CLEARANCE WITH LEADERSHIP

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, for the remainder of the 1st session of the 95th Congress, no motion to proceed to the consideration of any calendar measure be in order unless it has been previously cleared by both the distinguished minority leader and the majority leader, or their designees, the distinguished majority whip and the distinguished minority whip, and that no unanimous-consent request to change this order be entertained by the Chair.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I have entered this order for the purpose of protecting all Members against calendar measures being called up without notice by their being first cleared by the aforementioned members of the leadership. The joint leadership has already announced that, barring an emergent matter, the Senate does not expect to take up any more calendar measures during the remainder of this session and that only conference reports and nominations will be considered. However, there may be reasons, which we do not foresee at the present time, for the distinguished minority leader and me or, in our absence, our two designees who have been mentioned, to call a measure up from the calendar. So that protection is accorded to the joint leadership, and our colleagues are protected from any surprise motion to call up any measure at a time when Members would not be here and would not be prepared to debate such measure.

Mr. BAKER. Mr. President, I express my appreciation to the majority leader for initiating this request, in which I am happy to concur. I think that, with the Senate going into a series of recesses punctuated by pro forma sessions and in view of the announcement that no business will be transacted, in effect, except for incoming conference reports, the consideration of noncontroversial nominations, with certain exceptions, and other matters as described by the majority leader—under those circumstances, it would be difficult to keep adequate control of the calendar for the purpose of protecting Members on both sides of the aisle and honoring the notations on our calendars as they now appear on the remaining items. I congratulate the majority leader for making that initiative and I thank him for his efforts in that respect.

Mr. ROBERT C. BYRD. I thank the distinguished minority leader.

ORDER FOR CERTAIN ACTION TO BE TAKEN WITH RESPECT TO H.R. 7345

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when a message from the House transmitting a concurrent resolution to correct the enrollment of H.R. 7345 is received, it be deemed to have been considered and agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL TUESDAY, NOVEMBER 8, 1977, AT 10 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 10 a.m. on Tuesday, November 8 and that, on that date, the majority and the minority leaders have 10 minutes each to use for whatever purposes may appear to be desirable at that time, but particularly for the purpose of making any announcements for the benefit of the membership at that time.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS ON TUESDAY, NOVEMBER 8, 1977, AND AUTHORIZATION FOR SENATORS TO ENTER STATEMENTS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, during that session, the RECORD may provide space for the transaction of routine morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. That session will not be for the purpose of Senators delivering statements, but they may enter statements into the RECORD. They may introduce bills and joint resolutions, petitions and memorials, and committees may report. There will be no votes.

ORDER FOR RECESS ON TUESDAY, NOVEMBER 8, 1977, UNTIL FRIDAY, NOVEMBER 11, 1977, AT 10 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, when the Senate completes its business on Tuesday, November 8, it stand in recess until the hour of 10 a.m. on Friday, November 11, for the purpose of a pro forma session only—no morning business to be transacted. The Senate will be called in and recessed immediately in accordance with the Constitution, which requires that neither body may adjourn or recess for a period of more than 3 days without the consent of the other body.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS ON FRIDAY, NOVEMBER 11, 1977, UNTIL TUESDAY, NOVEMBER 15, 1977, AT 10 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the end of the pro forma session on Friday, November 11, the Senate stand in recess until the hour of 10 o'clock a.m. on Tuesday, November 15, and that the same order which has been entered into for next Tuesday, November 8, be repeated for Tuesday, November 15.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. This will mean that the minority leader and the majority leader will have 10 minutes each on Tuesday, November 15, if they wish to use it to make statements of interest to their colleagues. Mr. President, I think that, by that time, we can take care of the remaining pro forma sessions as the needs are then foreseen.

ORDER TO PRINT CALENDARS OF BUSINESS EACH FRIDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Calendar of Business be printed each Friday until further notice.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO PRINT EXECUTIVE CALENDAR EACH FRIDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Executive Calendar be printed each Friday until further notice.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO PRINT CALENDAR FOR TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that a calendar be printed tomorrow, Saturday, November 5.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. The calendar will be printed tomorrow with next Tuesday's date.

Mr. BAKER. Mr. President, just for clarification I might say that we have transacted a great deal of business on this calendar and the purpose in this request, as I understand it, was to make sure we have a fresh calendar with which to proceed when we reconvene in pro forma session next Tuesday.

Mr. ROBERT C. BYRD. Yes.

Mr. BAKER. I thank the majority leader.

Mr. ROBERT C. BYRD. I thank the minority leader.

EXPRESSIONS OF GRATITUDE

Mr. ROBERT C. BYRD. Mr. President, I state my thanks again to the distinguished minority leader for the excellent cooperation that he has consistently shown to the majority leader and the Members on this side of the aisle, and I also thank the distinguished minority whip for the same kind of excellent cooperation. It has been a pleasure to work with both of these fine Senators as we have attempted to steer our way through some pretty rough and stormy weather from time to time.

I think the Senate has produced a fine record thus far during this session.

I also want to express my gratitude to the distinguished majority whip who at all times has been a pillar of strength and a Senator who has been of extreme help to me in all matters.

I thank the excellent members of the Democratic Policy Committee staff, the officers of the Senate, and the people at the desk who have worked long hours as the Senate has been in long sessions.

I thank our pages who have been faithful throughout. I extend my appreciation to all of our colleagues and also to Senate and House conferees, while those poor devils—and I use that term affectionately—will have to be working in conference, while other Members who are not in conference will be able to get back to their home States. I not only wish them well in their conferences but state at this point that the Senate is in their debt and so are the people.

While we have had some pretty contentious sessions here, the Senators in conference will continue to have some contentious sessions there. They will be working long hours and I again personally express my appreciation to them and my hopes that their arduous tasks there will soon be more successful than to date they have appeared to be.

Mr. BAKER addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. BAKER. Mr. President, once again I find myself in the position of rising to express my appreciation to the distinguished majority leader for his further consideration and his careful attention to detail as to protection of the rights of Senators, not only the majority Senators, but, indeed, all Senators, including those on this side of the aisle.

I think the majority leader has done an extraordinarily good job organizing and moving the business of the Senate. I commend him for it.

It has been my pleasure to work with him. I count it a great honor to share with him some of the responsibilities we have had together. It has been a great pleasure to oppose him on occasion in matters we found ourselves in disagreement on. But in both cases, I found him a man not only of skill, but of fairness.

It is my pleasure to serve with him.

Mr. President, I also express my appreciation to the staff on this side, the members and the officers and employees of the Senate, and I wish them a happy time during this brief break.

Mr. President, I also wish to congratulate the distinguished assistant minority leader for his participation in this session, for his invaluable assistance, and extend to his counterpart on the majority side of the aisle and to the distinguished majority leader his congratulations as well and his thanks and gratitude for the many items of cooperation in this session to date.

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished minority leader.

As always, the great and noble Senator from Alabama (Mr. ALLEN), who never seems to overlook anything or anybody, has reminded me that in my expressions of gratitude to various personages this evening, I have overlooked our official reporters, and I certainly did that inadvertently. I would not want the RECORD to be closed for this date without appropriate expressions of appreciation and solicitude and felicitations to them. Without their faithful dedication, our work would be more difficult.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, just to be sure we have not forgotten anything, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS TO 10 A.M. TUESDAY, NOVEMBER 8, 1977

Mr. ROBERT C. BYRD. Mr. President, the woods are lovely, dark, and deep, but I have promises to keep, and miles to go before I sleep.

One of the promises I made was that if the Senate completed action on the social security financing bill today, it would not be in session on Saturday. So, in order to keep that promise, Mr. President, and with thanks to the doorkeepers and all the other Members of the Senate, if there be no further business to come before the Senate, I move in accordance with the previous order, that the Senate stand in recess until the hour of 10 o'clock a.m. on Tuesday next.

The motion was agreed to; and at 11:59 p.m., the Senate recessed until Tuesday, November 8, 1977, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate November 4, 1977:

THE JUDICIARY

James K. Logan, of Kansas, to be U.S. Circuit judge for the 10th circuit, vice Delmas C. Hill, retired.

Robert S. Vance, of Alabama, to be U.S. circuit judge for the fifth circuit, vice Walter P. Gewin, retired.

IN THE COAST GUARD

The following officers of the U.S. Coast Guard for promotion to the grade of commander:

Robert F. Melsheimer
Thomas E. Blank
David W. Hiller
Roy L. Foote
Timothy G. McKinna
James A. Umberger
Thomas W. Watkins
William J. Minor
Thomas D. Fisher
Robert P. Dickenson
David J. Connolly
Robert L. Kuhnle
David A. Young
James J. Lantry
Kent M. Ballantyne
George H. Brown III
John W. Greason
Robert G. Bates
David A. Meadows
Robert C. Wright
Roger W. Allison, Jr.
Richard W. Minter
Gerald Barton
Karl A. Luck
Gary T. Morgan
Joseph O. Fullmer
Milton C. Richards, Jr
George F. Martin
Frederick H. Clausen
Paul A. Dux
Lawrence A. Minor
William N. Zensen, Jr.
David O. Drake
John N. Naegle
Morris D. Helton
Robert E. Fenton
Michael J. Jacobs
William M. Baxley
William A. Caster
Arthur B. Shepard
Peter C. Busick
Daniel K. Shorey
Jeffrey D. Hartman
Ernst M. Cummings
Denis J. Bluett
Edward E. Demurzio
John D. Adams
Jan F. Smith,
Dana W. Starkweather
Roger W. Hassard
David L. Andrews
James F. McCahill, Jr.
Barham F. Thomson III
Nicholas H. Allen
Richard J. Heym
William A. Monson
James C. Haldeman
Karl W. Mirmak
Gerald D. Mills
Virgil J. O'Grady
Jacob P. Aucoin
John P. Deleonardis
Frederic J. Grady III
Robert A. Yuhas
Gerald T. Willis
Charles W. Peterson
Charles A. Carleton
Martin F. Heatherman
Richard L. Schoel
Roger R. Roznoski
Richard R. Bock
Alfred W. Harrell
William A. Swansburg
Donald P. Billings
David E. Clements
Norman T. Saunders
James C. Card
Richard D. Herr
Michael B. Stenger
Galen R. Siddall
Edward K. Roe, Jr.
Andrew F. Durkee, Jr.
Richard S. Jarombek
William R. Wilkins
George E. Watts
Stephen P. Plusch
Kenneth W. Thompson
Peter K. Valade
David N. Arnold
James R. Sherrard
Robert L. Sundin
Fred H. Halvorsen
Robert T. Dailey
Richard J. Beaver
Harry E. Budd, Jr.
Berne C. Miller
Harold G. Reed
Alan D. Rosebrook
Jerry J. Surbey
Robert E. Hammond II
James M. Loy
Gordon G. Piche
Edward V. McGuire
John A. Gloria
Arnold H. Litteken, Jr
Joseph M. Maka
Paul A. Martin
Thomas A. Welch
Thomas J. McCarthy
Richard L. Anderson
Robert L. Hanna, Jr.
Walter C. Reissig
Kent H. Williams

IN THE NAVY

The following named lieutenant commanders of the U.S. Navy and Naval Reserve for temporary promotion to the grade of commander in the various staff corps, as indicated, pursuant to title 10, United States Code, section 5773, subject to qualification therefor as provided by law:

MEDICAL CORPS

Ascarelli, Emanuel D.
Balsam, Marion J.
Barbier, George H.
Benedict, Joseph C.
Bernhardi, Louis A., II
Broadhead, Daniel D.
Chesson, Ralph R.
Clubb, Robert J.
Connors, Paul J.
Emarine, Charles W.
Fajardo, Jesus E.
Gibbs, Steven C.
Humphries, Thomas J.
Juels, Charles W.
Larsen, Mark A.
May, William E.
Moore, Vernon J., Jr.
Nutt, Richard L.
Rathburn, Lawrence A.
Reyes, Antonio F.
Rodis, Steven L.
Schrantz, William F.
Settle, Charles S.
Shantinath, Kangavkar
Syverud, James C.
Thomas, Frank A.
Wilson, David B., Jr.
Yauch, John A.

SUPPLY CORPS

Adelgren, Paul W.
Andrews, Ernest L., Jr.
Atkinson, Larry R.
Auerbach, Eugene E.
Baldwin, Seth W., II
Bano, Edward J., Jr.
Bartel, Joseph R.
Biggins, James A.
Blondin, Peter W.
Boalick, Howard R.
Bradley, James S.
Burnham, John K.
Butler, Joel L.
Cangalosi, Davis S.
Carroll, John P.
Cole, Chester B.
Cook, Kendall R.
Correll, Charles D.
Crocker, William G.
Dahm, Eugene E.
Danner, Glenn R.
Davis, Frederic C.
Deane, Thomas J., Jr.
Dieterle, Edward R.
Driskell, James D., III
Eadie, Paul W.
Earhart, Terry L.
Endzel, Edward W.
Evans, George A.
Fisher, Gary C.
Flint, Ralph Q.
Foster, Donald G.
Frassato, Robert C.
Freiberg, Leonard S., Jr.
Galligan, David R.
Gallion, Robert Z.
Gee, Charles D.
Geroe, Marvin K.
Grant, Robert D.
Grichel, Dietmar F.

Groves, William D.
Habermann, William F.
Hagerty, William O.
Hanson, Harold C.
Harrington, Phillip H.
Hawthorne, Richard L.
Hering, Joseph F.
Hickman, Donald E.
Hildebrand, Jarold R.
Hogan, Brian T.
Holland, Donald L.
Hooker, James S.
Hundelt, George R.
Hyman, William M.
James, William D.
Kaufman, James D.
Kerr, Harold L., Jr.
Kizer, John L.
Kosch, Charles A.
Krehely, Donald E.
Lafianza, Bernard J.
Lebel, Robert F., Jr.
Leeper, James E., Jr.
Lenga, James R.
Leon, Albert
Lewis, James J.
Lines, Donald P.
Lutz, Gerald G.
Macaulay, Charles P.
Macmurray, Michael M.
Mastrandrea, Gary A.
McDermott, John E.
McGraa, John R., III
Meneely, Frank T.
Mitchell, John W.
Monroe, James L. D.
Monson, Jon P.
Moore, Thomas J.
Moran, Thomas A.
Morgan, George P., Jr.
Morris, John G.
Musgrave, Alvin W., Jr.
Nichols, Clifford J.
Oberle, Michael J.
Oehrlein, William P.
Olio, John F.
Owens, Joseph F.
Owens, Robert K.
Paine, John S.
Parks, Leonard C.
Parrott, Ralph C.
Parsons, Donald S., Jr.
Peiffer, Robert H.
Perry, James H., Jr.
Pinskey, Carl W.
Ponder, Joseph E.
Price, Robert F.
Rasmussen, Kenneth H.
Rasmussen, Paul D.
Ringberg, David A.
Ruble, David R.
Sapera, Leonard J.
Schiel, William A., Jr.
Schultz, Robert A.
Scott, William C.
Sewell, John B.
Shannon, William N.
Shields, Edward J.
Siburt, Forrest N., Jr.
Smith, Charles E.
Smith, Richard M.
Standish, John A.
Stocker, Vernon D.
Stone, Charles W., Jr.
Sulek, Kenneth J.
Summers, John H.
Sussman, Richard M.
Szalapski, Jeffrey P.
Terwilliger, Bruce K., Jr.
Thomas, Gary L.
Treanor, Richard C.
Ullman, Robert C.
Vincent, Leonard, Jr.
Wagner, Gregory L.
Waldron, Andrew J., Jr.
Wallace, William W.
Wells, Paul D.
West, Karl P.
Williams, Richard H.
Williams, Robert J.
Wootten, John F.
Yaney, Donald L.

CHAPLAIN CORPS

Anderson, Kevin L.
Bartholomew, Carroll E.
Bergsma, Herbert L.
Bruggman, John A.
Collins, John M. III
Cook, Elmer D.
Coughlin, Conall R.
Dorr, Charles E.
Dunks, Max E.
Fiorino Alfred L.
Flick, Carl W.
Force, Daniel L.
Fuller, Ivan R.
Gates, Edwin A.
Germano, Vincent F.
Gill, Francis
Goode, James G.
Haskell, Peter C.
Jones, Harry T.
Kirstein, James F.
Knight, Norvell E.
Krulak, Victor H., Jr.
Kuhn, Thomas W.
Lovejoy, Bradford
Luebke, Robert B., Jr.
Matthias, Robert W.
McCloskey, Joseph W.
McCoy, Charles J.
McMahon, Gerard T.
Mellett, Robert C.
Moffitt, Robert G.
Muenzler, Leroy E., Jr.
Murray, Edward K.
Noble, Charles C., Jr.
Nobles, Bryant R., Jr.
Page, David G.
Rafnel, William G.
Read, Gordon A.
Richards, Gerald T.
Riley, Robert J.
Rogers, Theodore J.
Roy, Raymond A.
Smith, Jerry R.
Snow, Edward E.
Stewart, Lisle E.
Treibel, Albert R.
Vanfrank, Charles P., Jr.
Winnenberg, John O.

CIVIL ENGINEER CORPS

Andrews, Richard E.
Bare, James C.
Beuby, Stephen C.
Bookhardt, Edward L., Jr.
Crane, Thomas C.
Dillman, Robert P.
Edmiston, Robert C.
Everett, Ernest J.
Glenn, Danny E.
Griffith, Harry G.
Hansen, Robert E.
Harris, William F.
Hathaway, James L.
Heine, Richard F., Jr.
Hull, David N.
Kelley, Kenneth C.
Larsen, Laurits M.
Leap, Joseph B.
McCullagh, Paul W.
Mehlhorn, Peter F.
O'Connell, Brian J.
Pearson, Rufus J., III
Renzetti, Joseph L.
Robertson, William E., Jr.
Rohrbach, Richard M.
Rumbold, William W., Jr.
Shaw, Arthur R.
Sheaffer, Donald R.
Smith, Homer F., II
Smith, Ray A.
Stewart, Allen J.
Stewart, Stephen E.
Truesdell, Richard C.
Wood, James A.
Zimmerman, Gerard A.

MEDICAL SERVICE CORPS

Anderson, Francis G.
Beckner, William M.
Bond, James C.
Carroll, Jake R.
Clarke, Norman B.
Coan, Richard M.
Cunningham, Robert S., II
Curran, Patrick M.
Doll, Richard E.
Ferris, William A.
Fingerett, Sheldon N.
Funaro, Joseph F.
Furr, Paul A.
Gannon, John H.
Gibson, Richard S.
Gillespie, Franklin D.
Gooch, Roy L.
Green, Charles M.
Gregoire, Harvey G.
Hartman, Carl H.
Hutchins, Charles W., Jr.
Kozik, John R.
Lane, Norman E.
Newell, Richard L.
Payton, Richard A.
Peterson, Robert V.
Rosplock, Jerome D.
Self, William L.
Shaughnessy, Mary K.
Thomsen, Paul D.

JUDGE ADVOCATE GENERAL'S CORPS

Armstrong, Arthur J., Jr.
Boasberg, Robert, Jr.
Bohaboy, Howard D.
Brown, Michael A.
Burke, Charles R.
Cohen, William D.
Cromwell, James H.
Dalton, William H.
Davey, James A. G., Jr.
Derocher, Frederic G.
Durham, Joe B.
Edington, Donald E.
Erickson, John F.
Furdock, Ronald M.
Gall, Wiliam D.
Gerszewski, Melfred T.
Gormley, Patricia M.
Hosken, Edward W., Jr.
Kauffman, Robert K.
Keating, Timothy D.
Landen, Walter J.
Manning, Edward F.
McLeran, Robert H.
Norgaard, Kenneth R.
Rowe, Larry R.
Sinor, Morris L.
Turner, Patrick C.
Ancelard, Madeline M.
Armstrong, Kathryn A.
Armstrong, Susanne R.
Arnold, Mary A.
Bresnahan, Joan C.
Campen, Kathryn E.
Cote, Clarence W.
Dunn, Glenda G.
Foreman, Evelyn N.
Geraghty, Rosemary B.
Glass, Joan B.
Langley, Ann
Leadford, Bonnie A.
Lee, Elaine E.
Loughney, Juel A. M.
McKown, Frances C.
Medina, Elida D.
Monger, Kristen A. P.
Muszynski, Elizabeth F.
Odom, Helen A.
Ricardi, Jean C.
Riddell, June E.
Ridenhour, Barbara A.
Sheehan, Lona W.
Simler, Monica
Smith, Joann H.
Speckmann, Elissa M. A.
Tolar, Sara C.
Triplett, Audrain M.
Troseth, Marie P.
Wildeboer, Henrietta M.
Witherow, Mary A.
Wray, Fay
Zuber, Frances E.

The following named woman lieutenant commander of the U.S. Navy for permanent promotion to the grade of commander in the Supply Corps, pursuant to title 10, United States Code, section 5771, subject to qualification therefor as provided by law:

Judd, Paula M.

IN THE NAVY

The following named ensigns of the U.S. Navy for permanent promotions to the grade of lieutenant (junior grade) in the line and staff corps, pursuant to title 10, United States Code, section 5788a, subject to qualification therefor as provided by law:

LINE

Amelon, Richard R.
Ament, Joseph W.
Ament, Marion D.
Anthes, Ernest S.
Antony, Edward T.
Archer, Paul L.
Atkins, Thomas B.
Atwood, Daniel L.
Baker, James M.
Banus, Markham D.
Barber, Nelson W.
Bary, Charlene A.
Baughman, Lynn D.
Bayma, Benjamin A., Jr.
Beamer, James C.
Beatty, Florence E.
Beersdorf, Jerry W.
Beimborn, Susan M.
Benavidez, Ralph L., Jr.
Bender, Gregory L.
Beres, Dennis P.
Bewley, John M.
Black, Margaret A.
Blevins, Jerry L.
Bloom, John M.
Bloomer, James W., II
Roschert, Gregory H.
Boswell, James H.
Braisted, Stanley W.
Briley Jo.
Broadway, Michael W.
Brown, Janice R.
Brown, Robert C.
Bubula, Richard A.
Buck, Caryl E.
Burger, Rolf J.
Burgess, Leslie A.
Bushong, Anne L.
Butler, John D.
Cable, Larrie G.
Caddell, Marvin R.
Callier, Robert D.
Cameron, Wallace R., Jr.
Carlson, Craig D.
Carpenter, Edward J.
Carpenter, Timothy E.
Cassias, Jeffrey B.
Chaloupka, Joy L.
Clark, Frank N.
Clary, Michael D.
Cloyd, James D.
Cole, Walter B.
Coles, Bryan D.
Comer, Kenneth W.
Comi, Patrick M.
Cooke ,Terrence A.
Coullard, Mary V.
Coulter, Stephanie L.
Cowley, Kevin J.
Cowley, Robert E., III
Crawford, Billie E.
Crocker, Michael D.
Crow, David L.
Crowe, Richard C.
Cuaderes, Ricardo A.
Culver, David R.
Culver, Walter C.
Currier, Charles R.
Curry, Kenneth W.
Dalton, Jerry W.
Davidson, Gary R.
Davis, William T., Jr.
Day, Margaret E.
Debs, Brian T.
Denis, David A.
Denton, James S.
Devane, Benjamin L.
Deyke, Thomas M.
Dickason, Clarence W., Jr.
Dillow, Robert G.
Dilmore, William D., Jr.
Ditewig, William T.
Dixie, Wilmer B.
Douglas, Rex R.
Downing, Julie A.
Duncan, James L.
Duncan, Ralph E.
DuPaul, Gilbert A.
Dyer, Lawrence C.
Edwards, Kenneth R.
Egbert, Jean L.
Evans, John D.
Ewing, Ronald J.
Farver, Mary
Fellows, Larry A.
Fenzl, David P.
Ferris, Joyce M.
Field, John G.
Flammang, Harold J., Jr.
Flynn, John E.
Foley, Patrick J.
Fonnesbeck, Robert W.
Ford, William A.
Foster, John I., III
Fowler, Harold E., Jr.
Foureman, Ariadna R.
Friction, Robert K.
Fursman, Thomas M.
Gahran, Brian H.
Gates, Gregory F.
Genereux, Donald E.
Gertz, Dwight L.
Giesey, William C.
Gilchrist, Lorri P.
Gillespie, Richard D.
Gilliland, Manuel A.
Gilmore, James R.
Gilson, Robert L.
Gimma, Joseph A., Jr.
Gladden, Riley J.
Graf, Joseph G.
Graham, Sheila A.
Grant, Michael C.
Granucci, Richard A.
Grause, Jerome E., Jr.
Graves, William B.
Green, Norman K., Jr.
Guenther, Siegfried
Gullick, Jerry W.
Guth, James D.
Haas, James E.
Haas, Robert C.
Haefner, Gregory G.
Hagin, James M.
Hales, Randolph F.
Hambrock, Paul E.
Hanrahan, John M., Jr.
Hansen, Cindy A.
Hardy, Thomas E.
Harrell, Ronald R., Jr.
Harris, Ernest A., Jr.
Hayden, Ernest N.
Hays, Charles E.
Heard, Maurice E., III
Heffley, John M.
Helsell, Peter F.
Henry Candyce S.
Hessey, John H. V.
Hillier, David G.
Hirabayashi, Donna M.
Holloway, Stanley J.
Holmes, Douglass M.
Hopkins, Arni T.
Howard, Andrew J.
Hutcheson, Chester J. Jr.
Jaap, Joseph B.
Jackson, Andrew E.
Jagoe, Donald A.
Jahnke, Larry D.
Jenkins, Robert E.
Johnson, Darrell J.
Johnson, Douglas A.
Johnson, Kirk E.
Johnson, Ralph B.
Johnson, Richard A.
Johnson, Warren H.
Johnson, William W.
Jones, James O.
Jones, Richard L.
Jones, Ronald E.
Jones, Steven A.
Jones, Thomas D.
Kaeser, Dana S.
Keeley, James J.
Keene, Donald L.
Kelly, Scott H.
Kent, Tycho L.
Knapp, David A.
Kruschke, Dale E.
Kruse, Marcia A.
Kuehnle, Donald W.
Labaw, Richard A., Jr.
Landis, Kerry D.
Langford, John D., Jr.
Langley, Conrad A., Jr.
Larrabee, Robert A., Jr.
Larson, Kathleen E.
Larue, James W.
Lavigne, Barry A.
Lawrence, Ronald J.
Leghart, Martin J., Sr.
Leighty, Melinda. J.
Levedahl, William K.
Lindamood, Edgar V.
Lisak, Keith S.

Lisota, Gary
Liss, Stanley M.
Locke, Rodney M.
Luoma, Stephen R.
Lutes, Frank A.
Luther, Ronald J.
Lynch, Anne
Manion, Mark M.
Marks, Harry E.
Martin, Clifton C., Jr.
Martin, Edwin H., Jr.
Martin, Richard, L., Jr.
Masden, Joseph T.
Matheny, Leonard R.
Mathison, Robert C.
Maurer, Michael L.
Maybaum, Susan C.
Mayhue, Frank M. III
Menocal, Serafin G.
Messersmith Roger J.
Metskas, Michael A.
Meyers, Michael J.
Miller, Donald R., Jr.
Miller, James J.
Miller, James R.
Miller, Michael C.
Miller, Ronald I.
Mills, James G.
Mingle, Leo L.
Mitchell, Michael P.
Morris, Joel L.
Morse, Ronal B.
Mosley, Harold, Jr.
Moss, Alice M.
Mueller, Robert D.
Murphy, Vincent L., Jr.
McCannel, Gregory J.
McCauley, Karen L.
McClelland, Roger C.
McEwan, Llewellyn F.
McHugh, Robert J.
Naumann, James W.
Neal, Thomas S.
Neff, James R.
Nelson, Howard K.
Newton, Wayne J.
Nowakowski, Michael P.
Oker, William R.
Niland, John F., Jr.
Noonan, Ruth S.
Olson, Carl D.
Opitiz, Martin E.
Orourke, John T.
O'Shaughnessy, John L.
Paha, Edmund J.
Pannell, Thomas B.
Pappenfus, Patrick A.
Patterson, Robert F.
Paulewicz, Frank W., Jr.
Peyronel, Sharon A.
Phillips, Stephen W.
Pierce, Burt W.
Plato, Gayle J.
Plouse, Henry S.
Poulos, Terrence P.
Pratt, David L.
Pritchard, Nolie D., Jr.
Provenzano, Joseph G
Pryjmak, Peter G.
Purington, David A.
Rantanen, Robert W.
Redmon, Danny R.
Ricketts, Steven D.
Rider, Maradee
Rindler, Mark S.
Rix, William H.
Rhinesmith, Gary R.
Robinson, William R.
Rocheleau, Karen D.
Rosenberg, Joan R.
Rossi, Thomas J.
Sales, Christopher A.
Sampson, Thomas N., II
Saunders, Charles C.
Schoultz, Robert P.
Schueneman, Frederick W.
Scott, David A.
Sharp, Michael A.
Sheffield, James W.
Sindlinger, William J.
Singer, Donald R.
Single, John M.
Sipe, Alan M.
Skurla, Dale G.
Smedberg, Richard A.
Smith, Billie L.
Smith, Norman K., II
Smith, Pamela A.
Sneed, Brandon M.
Sokolowski, John A.
Sondergaard, John M.
Spatafore, Gene A.
Stanley, William B.
Starzy, Virginia L.
Stephenson, Richard D.
St. Pierre, Larry
Streeter, Paul J.
Sullivan, Mark P.
Tesch, Thomas G.
Thompson, Judy H.
Thorn, David J.
Tillotson, Robert N.
Todd, James A.
Tournier, Johanne L.
Towne, James B.
Tracy, Robert E., Jr.
Trasoras, Edward C.
Turner, Dick W.
Uhal, Howard T.
Uhlig, Phillip C.
Vanderford, William D.
Vanduyne, George S., Jr.
Vannatter, Richard P.
Vittitoe, Barbara J.
Vollmer, Leo W., Jr.
Vonk, Martin J.
Walter, Ainslie B.
Watson, Judith A.
Wedoff, Steven D.
Weimer, John C.
Wells, William A.
West, Robert T.
White, Donald D.
Whyms, Michael L.
Wicks, James H., Jr.
Wiggers, Raymond P., Jr.
Wilken, Dennis R.
Wilson, Joseph D.
Withrow, John F.
Wittenberg, Charles F.
Worst, Terry J.
Wyler, Nancy K.
Yantis, Kathleen M.
Yeager, Merle E.
Zebrowski, Christine A.
Zambrano, Steven P.

SUPPLY CORPS

Apple, Chris L.
Appelquist, James S.
Ballard, Susan W.
Benson, Nanette E.
Bente, John T.
Bristow, William D.
Brooks, Stephen B.
Brown, Gregory A.
Burns, Shirley J.
Corbett, John C.
Dixon, Jeffery A.
Easton, Gregory B.
Fargo, Keith B.
Finney, Thomas G.
Flanagan, Patrick J.
Graham, John M.
Guion, Stephen W.
Hartman, Douglas M.
Henderickson, Robert, C., III
Hess, Donald W.
Higgins, Guy M., Jr.
Holcomb, Carl D.
Huntress, Diana E.
Johnson, Michael D.
Kiggins, Richard A.
Kokosinski, Mark E.
Maguire, William J.
McGarrett, William J.
Mondiek, David D.
Morgan, Everett M.
Munson, Timothy O.
O'Connor, Vincent T.
Oller, Arthur G.
Payne, Jack B., Jr.
Russell, Robert M.
Ryan, John F., Jr.
Siebenschuh, Frederick R.
Simcich, Michael A.
Sperry, Charles K.
Stanton, Marjorie J.
Stephens, Thomas L.
Stroupe, John B.
Tomlin, Henry B., III
Townsend, Paul J., III
Watson, Peter W.
Westlake, Edward L.
Williams, John A., Jr.
Winstead, William G.

CIVIL ENGINEER CORPS

Bertsche, Arnold E.
Carver, Gary F.
Curd, Andrew T.
Frey, Kenneth P.
Knudson, Daniel F., Jr.
Ludwig, Kurt J.
Ross, Steven R.
Titus, George H.

MEDICAL SERVICE CORPS

Bosshard, Nancy L.
Dillingham, Joe G.
Gregory, Gary D.
Hart, Gene D.
Stein, Cynthia A.
Walsh, Richard J.
Williams, Peter N.

NURSE CORPS

Butzow, Robert E.
Dixon, John A.
Felix, Kate G.
Kelly, Marie E.
Pasbrig, Catherine P.
Rusnak, Diane L.

The following named lieutenants (junior grade) of the U.S. Navy for temporary promotions to the grade of lieutenant in the line and staff corps, pursuant to title 10, United States Code, section 5769 and 5773, subject to qualification therefore as provided by law:

LINE

Jury, Jayson L.
Lumsden, John C., Jr.
McBarnette, Curtis W.
Rimpau, James W.
Skjoldager, Jack O.

SUPPLY CORPS

Foster, Robert L.
Hughes, Gary J.

CONFIRMATIONS

Executive nominations confirmed by the Senate November 4, 1977:

NATIONAL ENDOWMENT FOR THE ARTS

Livingston L. Biddle, Jr., of the District of Columbia, to be Chairman of the National Endowment for the Arts for a term of 4 years.

EXPORT-IMPORT BANK OF THE UNITED STATES

Donald Eugene Stingel, of Pennsylvania, to be a Member of the Board of Directors of the Export-Import Bank of the United States.

NATIONAL COMMISSION ON NEIGHBORHOODS

Joseph F. Timilty, of Massachusetts, to be Chairman of the National Commission on Neighborhoods.

DEPARTMENT OF THE TREASURY

Stella B. Hackel, of Vermont, to be Director of the Mint for a term of 5 years.

FEDERAL COMMUNICATIONS COMMISSION

Tyrone Brown, of the District of Columbia, to be a Member of the Federal Communications Commission for the unexpired term of 7 years from July 1, 1972.

The above nominations were approved subject to the nominees' commitments to respond to requests to appear and testify before any duly constituted committees of the Senate.

EXTENSIONS OF REMARKS

FORREST GERARD, NEW ASSISTANT SECRETARY FOR INDIAN AFFAIRS

HON. LEE METCALF

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Thursday, November 3, 1977

Mr. METCALF. Mr. President, when Secretary Cecil Andrus revamped the leadership structure of the Interior Department, he elevated Indian matters to new prominence by appointing an Assistant Secretary for Indian Affairs. His choice for the new post was Forrest Gerard, a Blackfoot Indian from Browning, Mont., who was confirmed unanimously by the Senate and is now officially holding the position.

All who know Forrest Gerard agree that he was a splendid choice. They also know that he assumes office at a critical juncture in Indian affairs. Mr. Gerard has indicated that he intends to make changes in the way Indian matters are handled—and that he intends to be an advocate for the Indian position when he feels that position is right. Given the increasing number of lawsuits in Federal courts involving Indians, Mr. Gerard may become—whether he wishes it or not—a household name.

Given the importance and impact of the new post, I think it is valuable for my colleagues in the Senate to know more about the new Assistant Secretary and his philosophy. I therefore ask unanimous consent to have printed in the RECORD an article which appears in today's edition of the New York Times telling about Mr. Gerard and his hopes for Indian affairs under the Carter administration.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

INDIAN, STARTING JOB AS AIDE TO INTERIOR SECRETARY; SEES BACKLASH IN CONGRESS OVER TRIBAL LAND CLAIMS

(By Seth S. King)

WASHINGTON, October 31.—Forrest J. Gerard, a Blackfeet Indian from Montana, has taken over as Assistant Secretary of Interior for Indian Affairs at a time when his people are as embattled, he says, as his ancestors were when whites tried to take valuable reservation land in the 1880's.

More than a score of lawsuits challenging the sovereignty of Indian tribes over their reservations are making their way through the Federal courts. On the other hand, Eastern tribes are claiming large tracts of land in Maine, Connecticut, Massachusetts, New York and Rhode Island.

"And," Mr. Gerard said in an interview Friday, "an increasing hostility toward Indians is developing in Congress where we're confronting the most serious backlash we've ever faced."

"We need a solution to temper the attitudes of the Eastern Congressmen, who have certainly faced new problems because of the

land claims," he said. "For years they've looked on the Indians as a Western problem like they considered busing a Southern problem. Now suddenly it isn't that way any more, and they are not happy about it."

Mr. Gerard, a lean 52-year-old who talks rapidly but softly, is not the first Indian to serve as director of what he calls "the old and much-maligned" Bureau of Indian Affairs. But in the past the bureau head reported to an assistant secretary and was left out of policy-making decisions concerning Indians. In the new post of Assistant Secretary for Indian Affairs, Mr. Gerard holds the highest Federal position given to an Indian since Charles Curtis was elected Vice President in 1928.

"I intend that the bureau will come to be seen by the Indian tribes as an advocate rather than an adversary, as so many of them have regarded it for many generations," he said.

By appointing him an assistant secretary as well as head of the bureau, he said, President Carter and Interior Secretary Cecil D. Andrus were giving an Indian a place in the Department's policy-making circle and empowering him to deal directly with the Office of Management and Budget and Congress on Indian matters.

His appointment was announced in mid July, but he was not confirmed by the Senate until September 15 after overcoming some opposition.

Senator James Abourezk, Democrat of South Dakota, who served as chairman of the special American Indian Policy Review Commission and heads the Senate's Select Committee on Indian Affairs, said that at first he "had a lot of doubts" about Mr. Gerard.

"When he was on the staff of the Interior and Insular Affairs Committee, he sometimes didn't appear to be all that interested in Indian affairs," Senator Abourezk said "But during his confirmation hearings, I came to feel differently about him. He's indicated he'll be a strong voice for the Indians."

Mr. Gerard said that he had no illusions that he would be able to revitalize the Bureau of Indian Affairs. "But I intend to strengthen the bureau's responsibility as trustee for the Indians," he said. "And I intend to strengthen the tribal governments and improve the bureau's services to them."

Mr. Gerard said that he was moving to restructure the bureau and accelerate the change in the role of the area offices, which a decade ago ran all Indian affairs, from an administrative one to one of assistance and training. The bureau remains the trustee for all Indians, but its degree of day-to-day control varies from reservation to reservation.

"The tribes should be allowed to exercise whatever sovereignty they are legally entitled to," he said. "Sovereignty means in part the control Indians have over the non-Indians living within their reservations, and what this really means is who controls the Indians' resources."

As for the Indian land claims, Mr. Gerard said that they were "well founded." He said he was convinced that President Carter was trying to solve the inflammatory Maine land claims through negotiation, which was the best means.

GREW UP ON RESERVATION

Mr. Gerard was born and spent his boyhood on the Blackfeet Reservation in Northwestern Montana, where, unlike many of his Indian friends, he attended the public schools in Browning, the reservation's largest town.

"But I had my first exposure to the outside world only after I joined the Air Force in World War II," he said.

After graduating from the University of Montana in 1949 Mr. Gerard held several posts in non-Indian health administration agencies in Montana and Wyoming. Then he came to Washington to work in the Bureau of Indian Affairs as a legislative liaison officer.

He later spent his time as a professional staff member of the Senate Interior Committee and in the past year has been a lobbyist for several Indian organizations.

"I'd always been a member of the Blackfeet tribe, but in the mid-50's I made a conscious decision to come into Indian affairs full time," he said. "I didn't want to find myself asking later 'What did you do to help your people?'

Mr. Gerard said that the militant Indian leaders did not embarrass him, though he did not agree with their tactics. But he believed that they had served to "escalate the public's interest."

"We're about five to 10 years behind the other civil rights movements," he said. "But the black militants are passing and many are working in the system now. We're seeing a decline in militancy among the Indians and instead an upsurge of Indian determination to assert their rights and manage their own affairs, and I support that."

Mr. Gerard said he saw himself in his new post as "the cutting edge of a tough reform movement."

"There's a growing feeling in the Indian community that things are getting like they were in the 1880's, an apprehension that the tribes once again possess things—uranium and oil and natural gas—that are going into short supply," he said. In the 1880's, when gold and silver were found on some reservations, whites seized the land.

"The root of their problem is the right to govern their own affairs and guarantee the future welfare of the Indian people. That's often lost sight of in the strident rhetoric Indian matters are now generating."

ADULT CARE HOMES

HON. WILLIAM S. COHEN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. COHEN. Mr. Speaker, I was pleased to join with Mr. PEPPER in introducing legislation, H.R. 9884, earlier this week to make certain minor but important changes in the Unemployment Compensation Amendments Act we passed last year.

Under that legislation, the Social Security Administration is required to reduce supplemental security income payments to individuals living in adult care homes which were not in compliance with State standards by October 1, 1977. The amount of the reduction would be equal to the amount of any State supplement made to SSI recipients in these facilities. There are two problems with the law as it stands now.

First, the October 1 deadline has passed. States that have not developed and implemented standards for adult care homes are in violation of the law. Yet, State regulations are also required to meet certain criteria established by the Secretary of HEW. Despite efforts of the Secretary to come forth with guidelines, the process is not complete. Furthermore, many States require action by their legislatures in order to promulgate the standards required under the law. Since some State legislatures only meet biannually, they have not had the opportunity to comply in view of the short time span the law allowed for this process. As a result, the current law makes the States, and ultimately the Federal Government, liable to massive class action suits for failure to comply with the law and to protect the health and welfare of individuals living in these adult care homes.

Second, the law penalizes the very persons it is meant to protect. Hearings held in the House Select Committee on Aging, of which I am a member, revealed that the penalties of this provision will work a hardship on the elderly and handicapped whose poverty already makes them eligible for SSI payments. Reductions in SSI payments will further impair the ability of these recipients to pay for housing. The goal of the legislation was to deter individuals from moving into or staying in unlicensed or substandard facilities. However, the effect of the existing law will be to force these recipients either to move to lower quality homes because of the income cut, or to seek care in more expensive, less appropriate nursing home settings which are licensed.

Not only does the current law inappropriately place the burden for enforcement upon those most in need of care and protection, but it inequitably applies its sanctions only to residents in States which supplement SSI payments. Furthermore, States which supplement do so at different levels. If the sanctions of the law are national in scope, they should be national in application.

Our legislation corrects these two deficiencies in the law. By deferring the effective date for State licensure of adult care homes to June 1, 1978 or October 1, 1978 in cases where the Secretary of HEW certifies that the State is making a good faith effort to comply, we guarantee that Federal and State licensure and certification of these facilities can proceed in an orderly fashion. Finally, the bill strikes the paragraph in the law which places responsibility for enforcement of licensure requirements through reductions of SSI payments on those who can least afford it.

I commend this legislation to my colleagues.

PERSONAL FINANCIAL DISCLOSURE

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. SHARP. Mr. Speaker, as a matter of personal policy, my wife and I annually disclose our financial assets and liabilities, and our income and tax payments. To make our current disclosure available for public scrutiny, I ask that it be included at this point in the CONGRESSIONAL RECORD:

STATEMENT OF ASSETS AND LIABILITIES

ASSETS

Cash (checking and savings accounts)	$10,967.22
Deposit in Teachers' Retirement Fund	1,537.70
Investments	
U.S. savings bonds	$200.00
Residence in Muncie (at cost)	19,500.00
Muncie business building (at cost)	25,000.00
Real estate mortgage	3,750.00
Residence in Arlington, Va. (at cost)	111,500.00
	159,950.00
Automobiles (1970 and 1974 Chevrolets)	3,125.00
Total assets	175,579.92

LIABILITIES

Mortgage on Muncie residence	$14,386.37
Mortgage on Arlington, Va. residence	88,778.71
Personal loan	15,000.00
Total liabilities	118,105.08
Total assets	175,579.92
Less total liabilities	118,165.08
Net assets	57,414.84

STATEMENT OF INCOME AND TAXES PAID FOR 1976

Total income for 1976 (see note below)	$46,857.61
Federal income taxes paid for 1976	8,959.00
Indiana income taxes paid for 1976	862.88
Property taxes paid in 1976:	
Delaware County, Ind	545.78
Arlington County, Va	311.94
Total taxes paid for 1976	10,679.60

FLOYD BOLDRIDGE HONORED

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. SKELTON. Mr. Speaker, from time to time a rare individual comes along who leads a life of such uncommon virtue and service that it has an enormous impact on the people around him. The community of Lexington, Mo., which is my hometown, has been very fortunate to have such a person living in our midst for the past 79 years. He is Floyd Boldridge. For as long as I can remember, Floyd Boldridge has been barbering in Lexington, dispensing his own special brand of wisdom and graciousness to all who stop by.

Recently, Floyd's many, many friends gathered to do him honor by putting together a "This Is Your Life" program. It would be impossible for me to list here all the many tributes that were paid to this fine man, but I would like to quote just a few. Floyd's close friend, the Reverend Walter Brunner had this to say:

Stating a friend's worth or value cannot be counted in dollars and cents, but in the daily living of loving, doing, and sharing; sometimes just a cheerful Good Morning, a beaming smile or a hearty handshake.

Another friend, Roger Elliott, remembers Floyd as a member of the Masons:

It is said when a man becomes a Mason we try to make a better man of him, but just knowing Brother Boldridge has made a better man out of me.

I would like to add my own words of thanks and appreciation to Floyd Boldridge for his years of unstinting service to the community. More than that, though, I want to thank him for his good advice and strong friendship over the many years that we have known each other.

SPECIAL TRIBUTE TO MRS. BETTIE RIFKIND

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. WAXMAN. Mr. Speaker, on November 22, 1977, the board of directors and friends of the Brandeis-Bardin Institute will pay special tribute to Mrs. Bettie Rifkind. Mrs. Rifkind will receive well-earned praise and expressions of gratitude for the unique role she has played in the history of the institute since its very inception.

With the singular exception of the institute's founder and director, Dr. Shlomo Bardin, Mrs. Rifkind has given more energy and spirit to the institute than any other person.

Along with her husband, the late Judge Joseph J. Rifkind, and a tiny number of other pioneers, Mrs. Rifkind committed herself wholeheartedly to Dr. Bardin's vision and helped it become a reality. In fact, Judge and Mrs. Rifkind helped choose and acquire the physical home of the Brandeis-Bardin Institute and helped establish the intellectual and spiritual atmosphere which characterize the institute.

For most of her 31 years with the institute, Bettie Rifkind served as Dr. Bardin's principal assistant. The institute came to rely on the ideal combination of Shlomo Bardin's charisma and dynamism and Bettie Rifkind's talents and organization and interpersonal diplomacy.

The Brandeis-Bardin Institute is currently respected, emulated, and even held in awe throughout the United States and in other parts of the world as well. Yet, Bettie Rifkind, her late husband, and a small number of the other founders—people like Max Zimmer, Marion Travis, N. Ben Weiner, Max Laemmle, and Eddie and Frieda Meltzer—struggled through years of controversy, chronic financial difficulties, and widespread skepticism toward the lofty aspirations of the institute.

Bettie Rifkind's work in making Brandeis succeed had immeasurable effects on the Southland Jewish community. Youngsters and their families have been elevated by the Camp Alonim experience. Alienated young people and disillusioned older people critical of what they saw as the materialism and status consciousness of the established Jewish institutions found at Brandeis the idealism, human warmth, and intellectual values they sought. Other institutions long complacent and unresponsive, look at the wonder of Brandeis' success and reexamine their own structure and principles.

Mrs. Bettie Rifkind well deserves the lavish praise which will be bestowed upon her on November 22. Nevertheless, as one privileged to know Bettie personally, I know she will not count the tribute as the truly consequential satisfaction derived from her achievements. Bettie's satisfaction ultimately derives from the success and vitality of the Brandeis-Bardin Institute and, most especially, its ability to remain true to the precepts of its leader and founder, Dr. Shlomo Bardin, even now that he is no longer with us.

TRIBUTE TO A TRUE WYOMING PIONEER

HON. TENO RONCALIO

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. Speaker, I want to take a few moments to bring to your attention a truly fine pioneer deserving of recognition. Daisy Epperson exemplifies "the coming of age" of the West.

At the age of 16, Daisy—a year short of the minimum age required to teach—was granted special permission to teach in a rural Wyoming school. She continued teaching for a decade before being elected county superintendent of schools. As superintendent, she fought for better standards in the schools by exposing shameful conditions which then prevailed. Daisy gained national recognition in 1916 when her rural school plan submitted to the U.S. Department of Education was accepted and implemented throughout the country.

After her marriage, Daisy and her husband, Percy, made their home in Buford, Wyo., where she served as postmistress. Her husband later served in various law enforcement positions, and Daisy—with her usual thirst for knowledge—became well versed in Wyoming law and order. This prepared her to serve as justice of the peace for the small town of Rock River, which she did very effectively from 1950–58.

During the past several years, Daisy has spent much of her time collecting native rare artifacts and rocks in order to bring fame to her beloved southeastern corner of Wyoming. Her particular love has been Como Bluff, one of the most historically significant paleontological discoveries in the world.

Daisy's dream is to see Como Bluff designated a national monument so that the approximately 7,500 acres of dinosaur remains discovered in 1877 can be protected from further vandalism. Although Como Bluff is included in the National

Register of Historic Places, it is virtually unprotected from vandalism, and many valuable artifacts have been taken by curiosity seekers. Though geologists travel worldwide to visit Como Bluff, Daisy is appalled at the lack of knowledge about, and interest in the area, by the natives. She is striving to instill that knowledge and pride in her neighbors and friends, and has succeeded in arousing a group of people in pursuing its designation as a national monument.

Although I have introduced legislation to authorize a feasibility study by the National Park Service—a lengthy process at times—I want to show Daisy my appreciation for her concern and thank her for her contributions to the State of Wyoming. Indeed, she is representative of the pioneers who have made our country great.

REPLY TO MR. ASHBROOK ON HUMPHREY-HAWKINS BILL

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. HAWKINS. Mr. Speaker, I have noted on page E6620 in the RECORD of October 27 a statement by Mr. ASHBROOK, accompanied by an editorial from the October 2 Cleveland Plain Dealer, to the effect that the Humphrey-Hawkins bill, when enacted, would favor public service jobs rather than private jobs, would not deal with structural unemployment, and would lead to larger budget deficits and more inflation. These criticisms are based on misinterpretations of the Humphrey-Hawkins bill. The bill places predominant stress upon the expansion of private jobs, and places limitations on public service jobs which are not in any other legislation. The bill embraces a variety of strong and specific proposals to deal directly with structural unemployment. The bill contains a stronger anti-inflationary program than any previous legislation except under wartime conditions. The bill, when enacted, would greatly improve the condition of the Federal budget by greatly enlarging the performance of the national economy, which enlargement in itself would greatly reduce unemployment costs and greatly increase tax revenues without increases in tax rates. Such trends would even increase the opportunities for soundly directed tax reductions.

The misinterpretations about the bill have been answered fully by many inserts in the CONGRESSIONAL RECORD, voluminous congressional testimony, and the favorable report on the bill by the Committee on Education and Labor last year. The most comprehensive treatment of the entire subject is available in the January 1977, published pamphlet on the bill containing a discussion of the issues by Senator HUMPHREY and me, which has been distributed among Members of the Congress. Additional copies can be obtained from my office.

I will not add to these explanatory materials at this time, except to reemphasize my conviction—shared by many—that the elimination of massive unemployment through the creation of full employment is a profoundly important moral obligation involving all the people of the United States and the U.S. Congress.

And the time is long overdue when we had better begin to look at ourselves in terms of doing first what is right and then adjusting our economic policies accordingly.

GRASSLEY TRIES TO SAVE SMALLTOWN LIBRARIES FROM HEW OVERREGULATION

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. ASHBROOK. Mr. Speaker, on October 18, a story appeared in the Des Moines Register by that paper's Washington reporter John Hyde, on the subject of a smalltown Iowa library and its inevitable run-in with the Federal bureaucracy. The story was an important one, not only for Rudd, Iowa—not only for Iowa—but, indeed, for any of us who represent rural and smalltown constituencies.

It seems that the U.S. Office of Civil Rights, at least at the level of its Kansas City regional office, wants to impose on smalltown libraries a set of HEW regulations promulgated under the authority of the Rehabilitation Act of 1973 that have been interpreted—to be generous—in the extreme. Through the efforts of the gentleman from Iowa, Mr. Grassley, the interpretation and the application of those regulations are being challenged. I refer you to the story, as it appeared in the Des Moines Register, entered in the RECORD for Tuesday, October 25, page 35099, under "Rampant Nonsense."

The subject attracted the attention of the New York Times news service, and hence the Washington Star for Sunday, October 30. I commend to you the following editorial, as it appeared in the Star for Tuesday, November 1:

ANOTHER REGULATION GONE ASTRAY

To the federal silliness that would have banned father-son, mother-daughter dinners at an Arizona school and would have prohibited all-boy choirs at a Connecticut school, add an attempt to force Rudd, Iowa, to build wheelchair ramps on its library when no one in town uses a wheelchair.

It seems that Rudd (population 429) had been getting along nicely with its library for 10 years until local officials recently sought money from the state to stop water seepage in the basement so that the basement would be more usable for community activities. According to the town's part-time librarian, an official who came out to inspect was more interested in wheelchair ramps than in correcting the seepage.

Now, the town is faced with the possibility of having federal funds cut off unless it builds a ramp at the library entrance and another from the outside into the basement; and it may have to widen doors on two toilets to accommodate wheelchairs.

The 28-by-30-foot library cost $16,000 to build in 1967, half of which was scraped together by townspeople and half contributed by a Mason City foundation. It may cost several thousand dollars to build the ramps and the town can't afford it—"We think in terms of hundreds, not thousands," said Helene Wood, president of the town library board.

"So the only alternative is to close the library to the whole community just because we can't remodel for the nonexisting handicapped," Mrs. Wood said. "Isn't that ridiculous?"

Apparently not to the bureaucrats. One of them is quoted in an article in The New York Times on Rudd's dilemma as saying "You can't ever tell when you might have a handicapped person."

It took intervention by President Ford to keep HEW from banning father-son, mother-daughter dinners in Arizona. It took intervention by Rep. William Cotter, R-Conn., to reunite the all-boy choir disbanded at Wethersfield, Conn. in the face of HEW threats to withhold federal funds.

Maybe Rep. Charles Grassley, R-Iowa, whose aid has been enlisted, can persuade HEW to give Rudd a break. If he can't, it may be bad news for other Iowa libraries (a survey reportedly indicates that 92 percent of Iowa's 502 libraries don't have ramps, and the average cost of installing them is estimated at $6,500). And where Rudd and Iowa go, so does the nation, we suppose—there must be tens of thousands of unramped libraries across the nation.

Certainly, consideration should be given to making it easier for the handicapped to have access to public facilities. But there ought to be a reasonable ratio of benefits to cost. We doubt that Congress intended when it passed the Rehabilitation Act of 1973 to force a town like Rudd either to build ramps that the town can't afford and no one would use or to close its library.

REINTRODUCTION OF "NATIONAL COMMUNITY HEALTH WEEK" JOINT RESOLUTION

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mrs. BURKE of California. Mr. Speaker, today I wish to reintroduce a joint resolution designating March 12–18, 1978, as "National Community Health Week."

A growing number of communities are already observing National Community Health Week under the sponsorship of the Community Health Association, Inc. This organization is headed by my good friend, Dr. Ruth Temple of Los Angeles, who has devoted an inordinate amount of time and energy to the establishment of community health centers.

Community health centers have been established under the auspices of Federal, State, and local governments to insure that no individual or community is denied health services because of unavailability, inadequate financial resources or other such barriers. Yet, today, many Americans still suffer needlessly because they are unaware of the resources available to them through such community health centers.

Designation of a National Community Health Week would provide an opportunity for a united effort in health education by the participation of business, labor, religious, and civic groups as well as individual citizens. This would encourage swift identification, diagnosis, and treatment of persons having health problems by increasing community awareness of the services available through community health centers.

I urge my colleagues to join me in this endeavor.

COAL PRIORITY TRANSPORTATION ACT OF 1977

HON. PHILIP E. RUPPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. RUPPE. Mr. Speaker, I am introducing today a bill which I have entitled the Coal Priority Transportation Act of 1977. It is my intention to seek comment on this proposal, for I believe this legislation offers a constructive and better balanced approach to the coal slurry transportation issue than H.R. 1609, the Coal Pipeline Act of 1977 introduced by Mr. ECKHARDT and others. However, I still do not think that action on this issue should be taken by the Committee on Interior and Insular Affairs until Congress receives a report from the Office of Technology Assessment on the problems and prospects of coal slurry pipelines, which is due by the end of the year.

My distinguished colleague from Texas, Mr. ECKHARDT, has often gone to great lengths to assure the Congress that he is not seeking, through H.R. 1609, to hurt our Nation's railways. Let me, in turn, say that I am not seeking, through this bill I am today introducing, to hinder or discourage in any way the development of coal slurry pipelines. The substantive provisions of Mr. ECKHARDT's bill remain intact in this substitute. The changes in regulatory procedure which I propose will not make certification or authorization of coal pipelines more difficult. Indeed, I believe that in some respects these changes will place H.R. 1609 in closer harmony with proposals which we have been eagerly awaiting from the administration, such as granting primary certification authority to the Department of Energy instead of the Department of the Interior.

The paramount purpose of my bill is to insure fair competition for the privilege of transporting coal—to make certain that our railroads and other modes of transportation will not be forced by governmental regulation to compete on an unequal footing with coal pipelines.

Pipelines will seek throughput ("take or pay") contracts which obligate coal companies to ship large quantities of coal for 25 to 30 years or pay for pipeline services as if they had done so. These kinds of contracts are needed by pipeline companies to secure financing for pipeline construction and are greatly desired by electric utilities who find immense value in an accurate, reasonably firm and dependable understanding of what their fuel and transportation costs will be for the 30-year life of their investment in electric generating plants. Such long-term contracts are not possible for railroads, under ICC regulations.

I am not, however, suggesting that we limit the ability of coal pipelines to enter into long-term throughput contract. But, we must face the question posed by two distinguished professors, Thomas C. Campbell and Sidney Katell, in the ICC Practitioner's Journal for January 1977:

> Would it be contrary to the public interest to permit railroads to participate in similar contractual arrangements for large amounts of traffic over a period of several years? Under present circumstances, this kind of agreement is not permitted. Yet, a slurry line will compete directly with rail service. The question then becomes one of whether it would be in the public interest to allow railroads to negotiate with shippers for the same kind of service being provided legally by a direct competitor.

Historically, the prosperity of the coal industry and the railroad industry have been closely related. The Bessemer steel process, introduced in the 1860's, permitted both the large-scale production of steel rails for railroad construction and required the large-scale use of bituminous coal in the iron and steel industries. Stagnation of coal production since 1910 has, according to a recent study, "had enormous effects on the modes of transportation used to carry it."

> Although they ceased to being coal consumers, railroads defended as much as ever on coal traffic. Coal constituted 36.6% of total carload tonnage in 1928, and 37.5% in 1940. Between 1962 and 1973, coal traffic was never more than one percentage point away from representing 25% of the tonnage carried by Class I railroads, although the portion of the revenues of the railroad contributed by coal traffic slipped from 12% to 10% over that period. Coal tonnage currently produces twice the number of carloads of the next most important commodity carried by the railroad.

Today, the 15 railroads which lead in coal tonnage are distinctly more profitable on the average than are their counterparts who carry less coal. And the gap is even more pronounced if the Penn Central, a leading coal railroad with unusual financial problems, is not considered.

With this historical prospective in mind, I am sure my colleagues can understand why America's railroads are counting on expanded coal production to provide the additional business they need to remain vital and strong without Government subsidy. They stand ready and willing to commit over a billion dollars to acquire new coal cars and locomotives and to upgrade the track needed for the new coal business. They insist that their unit-train service can compete with coal pipelines if they too are permitted to negotiate long-term, throughput contracts. Railroads, like coal pipeline companies, face major investment decisions which would be greatly reduced in risk were they permitted under special circumstances to negotiate long-term contracts which would, in essence, guarantee a return on the investment. Railroads, like coal pipelines, want to be able to serve our electric utilities, whose large orders and long-term requirements made them especially valuable customers.

My bill declares it to be in the public interest that all competing modes of coal transportation be given the same opportunity to develop long-term, throughput contracts. It grants to all competing modes the same opportunity to offer the best and most stable service possible to coal producers and coal users. The bill does not deprive coal pipelines of any inherent efficiency advantages that they might enjoy, such as resistance to inflation. It merely eliminates unfair competitive advantages created by operation of law through regulatory restrictions imposed on the pipelines' competitors.

The bill directs the Secretary of Energy to identify areas of increased coal demand and areas of coal supply. He is then directed to review applications from any coal carrier or group of carriers for an "energy priority route" linking the area of supply with the area of demand. The application may propose that the carrier be permitted to negotiate throughput contracts of up to 30 years duration. The applicant's proposal is to be reviewed carefully for environmental impact and economic efficiency. An appraisal of the proposal's impact on competing modes of transportation is to be sought from the Secretary of Transportation and carefully considered. If the Secretary of Energy then determines that the proposals deserve the certificate of public convenience and necessity, he is to approve the energy priority route and serve as the sole regulator of that route for coal transportation.

As Professors Campbell and Katell note, the Interstate Commerce Commission, "is by nature conservative, protective, and oriented toward precedent rather than market oriented, innovative, and forward looking." This bill anticipates ICC resistance to the proposed reforms by giving sole regulatory authority over coal transportation on designated routes to the Secretary of Energy. The ICC is limited to bringing to the Secretary's attention any objections or reservations it may have with regard to the operation of a carrier transporting coal along one of these routes.

I earnestly hope that both those who support H.R. 1609 and those who have opposed it because they feel the railroads have been unfairly treated will find my bill to be the framework for an acceptable and fairmined compromise resolution of this issue.

50TH WEDDING ANNIVERSARY OF JOHN AND SUSAN FISHER

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Ms. OAKAR. Mr. Speaker, I would like to take a moment to extend my congratulations and warmest wishes to a wonderful couple, John and Susan

Fisher, who will be celebrating their 50th wedding anniversary on November 27. John and Susan and their fine family, which includes 3 children, 11 grandchildren, and 5 great-grandchildren, are a source of great pride for our community. The love and devotion they have shown for each other, and the spirit of community service which has guided their lives, serve as a model for us all.

John has been active in politics since the time of Franklin D. Roosevelt, and he currently serves as a ward leader for the Democratic Party in Cleveland. He worked for the traffic department of the city of Cleveland for 27 years. Susan worked for the Ohio Bell Telephone Co. for 25 years, and is now retired.

To the Fishers, I again extend my best wishes on this very special day, which I know will be filled with warmth and joy for them and their family.

MINIMUM COMPETENCY TESTING NEEDED

HON. RONALD M. MOTTL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. MOTTL. Mr. Speaker, one of our country's great newspapers, the Chicago Tribune, printed a thoughtful editorial on November 1 which I would like to share with my colleagues in the House.

It outlines the need for minimum competency testing of our schoolchildren so that they are better prepared to cope with the outside world upon graduation from high school.

It also outlines the provisions of my legislation, H.R. 9574, which calls for voluntary testing of students in grades 6, 8, 10, and 12 in reading, writing, and mathematics and provides for remedial courses for those students who do not pass. The Federal Government would help reimburse State and local school systems which participate.

If you wish to cosponsor the minimum competency testing bill, please call Wilson Latkovic at 5–9151.

Here is the text of the Chicago Tribune editorial:

A NATIONAL TEST OF LITERACY?

Rep. Ronald M. Mottl [D., Ohio] has done something distinctive. He has introduced a bill requiring every state to test all schoo' pupils in reading, writing, and arithmetic, as a condition of getting federal money for education. Confronted by the inevitable uproar from educators, he goodnaturedly retreated quickly. He pulled the teeth out of his own bill, leaving a 15-member National Commission on Basic Education to develop tests in the three R's, to be administered in the 6th, 8th, 10th, and 12th grades [by which time arithmetic has become mathematics]. But the testing would be voluntary, with Congress providing money for competency tests and remedial courses in cooperating districts.

With the federal government concerning itself actively with the racial mix of teachers and the quality of school lunches, sooner or later some congressman was bound to raise a question about learning the fundamentals.

Rep. Mottl at first glance appears an unlikely candidate for this pioneering role. His biography is not that of a freak. Like most members of the House, he is a Democrat. He is a lawyer, from a suburb of Cleveland [Parma], educated at Notre Dame. As an elected legislator, he has risen through the ranks—a state representative at 33, a state senator at 35, a congressman at 40. He is now in his second term. A congressman could hardly have a more normal biographical profile.

With the likes of Rep. Mottl proposing a national testing program in the three R's, the idea may not be just a one-day wonder. In fact, the idea has been broached before, notably by Adm. Hyman G. Rickover, who has been calling for some kind of minimum national scholastic standards ever since President Kennedy's administration. "I envisage the rendering of a service, not regulation in any way, shape, or manner," he said. He wants definition of some national scholastic standard, and enablement of parents to find out if their children can meet it.

Most of the heavy artillery trained on Rep. Mottl's bill was aimed at his making national testing a condition of getting money. The Congressman's quick retreat from that suggests that he may have put teeth in the bill mischievously, as a way to get attention. Revised, his bill is less threatening than it was, but still worth talking about.

A spokesperson for the National Education Association, Frances Quinto, said the NEA would not oppose voluntary testing, but she doubted the value of the idea. "Can you really believe that there could be a national standard?" she asked.

Rep. Mottl replied, "Whether you're Indian, Japanese, black, or white, there are certain minimum criteria, such as the principles of addition and subtraction, reading and writing. Everyone must be able to do these simple things to function."

But not everyone can do these simple things, not even every high school graduate. To quote Rep. Mottl once more—"By letting everybody slip by we're giving a diploma for attendance." [Attendance standards are not all that high, either.]

Government gives drivers' tests, such as they are. It is conceivable that it could give literacy tests—and that it should.

T. K. McCLANE, JR., AGRICULTURAL LEADER

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. FUQUA. Mr. Speaker, the passing of Mr. T. K. McClane, Jr., of Gainesville, Fla., is a great loss to agriculture in my State and in our Nation.

He was a warm, personal friend whose advice and counsel I, along with so many others, cherished. He died Sunday, October 23, while dove hunting near Williston, Fla. He was 66.

Mr. McClane was born June 21, 1911, at Camp Keithley in the Philippine Islands where his father was stationed. However, after his parents returned to the States, he was reared on a farm in Hardee County, Fla., and was graduated from Wauchula High School were he was saluatorian of his class. He received his B.S. degree in agricultural chemistry from the University of Florida, with high honors, in 1935.

Except for a 5-year tour with the Army during World War II, McClane served for 18 years as county agricultural agent in Bradford County, Fla., before accepting the Florida Farm Bureau executive vice president position in 1952.

When McClane joined the Farm Bureau, it was located in Winter Park, Fla. There were 10 full-time employees and some 12,300 members.

When McClane retired June 30, 1976, there were 70,000 plus members in the Farm Bureau.

McClane, nicknamed "Mr. Farm Burcau," was chief FFBF lobbyist both in Tallahassee and Washington, D.C., for 22 of his 24 years with the Farm Bureau.

He received many awards both in military and civilian life. While in the military, he was awarded the Bronze Star, Asiatic-Pacific Ribbon, and three battle stars, the American Defense Medal, the American Theater Ribbon, World War II Victory Ribbon, and the Philippine Liberation Ribbon.

Other awards include: Florida Agricultural Council's Outstanding Service Award, the Distinguished Service Award of the Florida Fruit and Vegetable Association, Honorary Florida Farmer degree from the Florida Future Farmers Association, and Outstanding Service Award from the University of Florida. At FFBF's convention last year, McClane received the organization's highest honor—the Distinguished Service Award.

Survivors include: His wife, Mrs. Wilma D. McClane; three sons, D. Scott McClane of Gainesville; J. Don McClane of Orlando; and Dr. Thomas K. McClane III of Lakeland; a daughter, Mrs. Catherine Kuykendall of Winter Haven; a brother, J. Houston McClane of Starke, and six grandchildren.

Two newspapers paid him tribute.

J. Ben Rowe of the Independent Farmer and Rancher in his column "Rowestabout" perhaps said it best for the friends of T. K.:

[From the Independent Farmer and Rancher, Oct. 27, 1977]

ROWESTABOUT—AGRICULTURE HAS LOST A FRIEND

(By J. Ben Rowe)

T.K. McClane hunted and fished with Curtis Powers for more than 25 years. I became better acquainted with T.K. at a weekly fishing group called the East Gainesville Garden Club. We would fish in the river on Thursday afternoons then meet somewhere and clean and cook the fish. Cecil Talbot would make hushpuppies, and Earl Powers would usually bring along the salad greens.

T.K. always had a warm smile, a firm handshake, and a kind word about the copy he would read in this column. You see, he was a friend of agriculture for many years. And just last year he was presented the coveted "Distinguished Service Award" by Florida Farm Bureau for his 22 years of service to the organization.

Agriculture was more than a job to Tom. It was a way of life. He loved the land. He loved the creatures, and the bountiful offerings of this earth. He was more at home in a fishing boat or a dove field than anywhere else in the world. And when he died, he did so despite the revival attempts by his dear friend and companion Curtis Powers. While giving artificial respiration and heart massage, he was taken from the Whitehurst field to the Williston hospital, but went on to meet his Maker.

T.K. was a source of encouragement to this writer who is still considered a novice in agriculture. When we would do something particularly good, he was quick to tell

us and when we needed more information about something, he was easy to talk with and get a straight answer from.

We will miss T. K. McClane. We will miss his warm smile, and his firm grip. We will miss the easy chats and the interest he unselfishly displayed in our work.

But we feel much richer for having known him and will cherish the memories of the good times we briefly shared with a man dedicated to doing his part to see we continue to have food and fibre.

The Independent Farmer and Rancher mourns the loss of T. K. McClane. And our prayers go out to his family.

[From the Gainesville Sun, Oct. 27, 1977]

T. K. McCLANE

We note with personal regret the death of T. K. McClane.

Mr. McClane was county farm agent in adjacent Bradford County for 18 years. In the modern era, and especially in an urban area, that simple fact does not convey much information.

But in the 1930s and 1940s and in Bradford County, population maybe 7,000 back then, the county agent ranked with the family doctor in visibility and prestige. The people's woes, he took personally—be they drought, flood, pestilence, or death. And the joys, too.

He also was the leading organizer, a true Silas Dogood who put together the annual county fair, begged funds for the farmer's market, sweet-talked the county commission into scraping roads, pulled cars out of the mud, and rounded up sows for destitute 4-H'ers. He always was doing something for somebody.

T. K. McClane was that sort of county agent in a society that needed that sort of a county agent. Maybe society still needs them, and maybe most county agents are like that. But we know that T. K. McClane certainly was.

He went on to bigger things and became the chief Washington lobbyist for the Florida Farm Bureau, making his home in Gainesville. This was a job he held for 22 years and, during those years, we're certain his views on farm issues must have diverged widely from those of The Sun.

But he was a man of tremendous integrity who never got sore, never attributed bad motives, and certainly must have represented agriculture ably. His family will miss him, his agricultural associates will miss him and, as the quintessential county agent, we will miss him.

NATIONAL OIC DAY OBSERVANCE OF THE OIC—OPPORTUNITIES INDUSTRIALIZATION CENTERS

HON. ROBERT N. C. NIX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. NIX. Mr. Speaker, the Congressional Black Caucus at its annual banquet recently named the Reverend Leon Sullivan of Philadelphia as the citizen who made the most outstanding contribution to minorities through the development of legislation. The award is named after the late William L. Dawson, former Congressman from the city of Chicago, Ill.

This honor was given to the pastor of the 5,000-member Zion Baptist Church and founder of the 200 community network of OIC Centers developing in 50 States, because of his historic and unique record of personal diplomacy with the Congress and the Senate.

Over an 8-year period he has walked the halls, knocked on the doors, testified before the committees in the Nation's Capitol, stirring the consciences and persuading the minds of legislators and their staffs that community-based organizations are a valuable asset to the national manpower development system and should be included in any comprehensive plans to fight unemployment and poverty.

The OIC bills introduced in the Senate and the House, from 1968 to 1977, have made their way through various stages of the legislative process. In 1973 an OIC bill led to an amendment to CETA—the Comprehensive Employment and Training Act. This made OIC, the Urban League, jobs for progress, community action agencies, Operation Mainstream, and other training programs of demonstrated effectiveness eligible for Federal funds.

In 1974, 1975, and 1976, the authorization of amendments to CETA and the appropriation of funds to the Secretary of Labor and CETA prime sponsors earmarked OIC and other national community-based groups for training, jobs, and Federal dollars.

Finally just this past summer, President Carter signed into law the 1977 Youth Employment and Demonstration Project Act which has a special consideration amendment pushed by Dr. Sullivan's staunch supporters under the leadership of Congressman AUGUSTUS HAWKINS of California and Congressman LOUIS STOKES of Ohio in the Congressional Black Caucus and Chairman CARL PERKINS of Kentucky of the House Education and Labor Committee.

Dr. Sullivan, by opening the door for CBO's to participate in the $1½ billion youth employment program, has unlocked a door which will enable millions of unreached Americans to have Federal money targeted to them. This will increase the number of minorities and poor people of all races who can make their way into the mainstream of the American economy.

Thus OIC—Opportunities Industrialization Centers—under the leadership of Rev. Leon Sullivan has helped make the legislative system of our democracy work for the benefit of those who need help the most.

This black Baptist champion of the cause of community-based organizations serving whites and blacks, browns and reds, and yellow Americans deserves the appreciation of his fellow Americans.

I, therefore, am proud to enter into the CONGRESSIONAL RECORD this history of achievement and to pay tribute to OIC, which on October 30 celebrates its annual OIC Day culminating a month of celebrations in OIC all across the Nation.

I recall, as the Congressman in whose district the OIC was born, the early beginnings of Dr. Sullivan's history-making project.

The riots in Philadelphia had made the entire community aware of the urgent need to provide jobs and training for the unemployed—especially the youth whose aimlessness, hopelessness, and idleness spawned the social explosions.

The march on Washington had raised the consciousness of leaders in Federal, State, and local governments.

As the Congressman in the Second District I joined with those who encouraged Dr. Sullivan and his IOC workers. Now, I am pleased to see the practical implementation and logical projection of those plans made back in 1964 and outlined by Reverend Sullivan in his book, "Build Brother Build." I was pleased to join my colleagues as a cosponsor of OIC legislation in both the Stokes OIC youth employment bill and Congressmen PERKINS and HAWKINS in the OIC and community-based organizations' Job Creation and Training Act.

The passage of H.R. 6138 by such an overwhelming vote and the commitment made by President Carter when he signed the bill give promise that OIC will at last have an equal chance to deliver the services of which it is capable to the people who need it most.

Thus OIC Day 1977 is an occasion of celebration in which those of us in the Congress and Americans across the Nation have a share.

MR. SPEAKER

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. BURKE of Massachusetts. Mr. Speaker, a few months ago I inserted in the CONGRESSIONAL RECORD some material relative to the selection of our beloved former Speaker, the Honorable John W. McCormack as the outstanding Irish-American of the city of Boston, Mass. The home of outstanding Irish-Americans. Maureen Connelly of the Jamaica Plain Citizen, an outstanding representative of the press has written a fine followup article on the selection of John McCormack for the award. Mr. Speaker, I am very pleased that the solid record of achievement of the former Speaker is being kept before the people in his hometown, for his lifetime is a marvel of accomplishment of which all Americans, particularly those of Irish blood, can be proud. Mr. Speaker, it can truly be said of John McCormack that he has done it all. One cannot stand here in these hallow halls without knowing that all who serve here are honored by the character of the service John McCormack here rendered. I am honored by his friendship. I include in my remarks for insertion in the RECORD the fine article written by Maureen Connelly which appeared in the Jamaica Plain Citizen:

MR. SPEAKER

(By Maureen Connelly)

Last Fall, I was asked by Boston 200 to help choose our city's most outstanding Irish-American (living or deceased) for the January finale of Festival Bostonia. At first I considered Curley, Cushing and Kennedy. Then I remembered O'Casey's Juno and the Paycock when Mrs. Boyle asked: "Have none

of you any respect for the Irish people's national regard for the dead?" Her answer made me change my mind: "Maybe it is time we had a little less respect for the dead, and a little more regard for the living." And so I chose John McCormack and wrote the following:

"There is something special about being an Irish Bostonian. And yet, there is something even better to have been born in that part of the city across the sea from the land of one's ancestors. John W. McCormack was born in the Andrew Square section of South Boston in 1891. He attended the local public schools, married his childhood sweetheart Harriet Joyce, and in 1920 became a member of the Massachusetts House of Representatives. From that point on, his life evolved around the political arenas of Boston and Washington as Congressman, Democratic Whip, Majority Leader, and Speaker of the House of Representatives.

"John W. McCormack isn't as colorful a celt as was Richard Cardinal Cushing. Nor does he have the shamrock style of the legendary James Michael Curley or the celtic charisma of our much loved and missed President John Fitzgerald Kennedy. John McCormack possesses the best of these three beloved Irish Bostonians and something more—a humanism wider than that stretch of ocean between Castle Island and Connemara. We honor John McCormack for his character, his commitment to this city and our country, and his contribution to our heritage."

This fall, on primary day, I decided to drop by "Mr. Speaker's" office, on the 14th floor of the building that bears his name. As I walked down from Copley Square to Kenmore Square, I kept thinking of two fictional accounts of election days: James Joyce's "Ivy Day in the Committee Room," and Edwin O'Connor's "The Last Hurrah." Joyce's story still saddens me—not because Parnell was betrayed in office but because his followers betrayed his memory. And O'Connor's novel still has a bruising effect in that James Michael Curley was more than a household word in my house.

If you recall Joyce's description of Parnell's former headquarters: "a denuded room came into view and the fire lost all its cheerful colour. The walls of the room were bare except for a copy of an election address," you'll allow me to emphatically state that John McCormack's office is the opposite of that drab committee room on Wicklow street. And it isn't the spendid view of the harbor outside but what's inside those three small rooms that makes the difference.

First there is Mr. McCormack's most able and affable assistant, Arthur O'Keefe of Mattapan. Mr. O'Keefe's office, like "Mr. Speaker's," is packed with memorabilia: posters, photographs, books, a small pieta and scores of citations and degrees decorate all three rooms. The posters and pieta poignantly reminded me of Mr. McCormack's religious convictions; he is opposed to abortion ("Adoption not Abortion") and is for prayer in the schools ("I'm sorry Lord; there's no room for You there today.") All twelve walls are stamped with history. "Four Presidents sat in the chair you're in," Mr. McCormack told me on Tuesday. A huge photo of F.D.R. and his New Deal smile were nearby. William Shannon, recently appointed Ambassador to Ireland, called McCormack "Roosevelt's most effective and dependable lieutenant in the House of Representatives." And there were many of L.B.J. For, it was McCormack who got Rayburn elected Majority Leader in 1937 and three years later, when Rayburn became Speaker, McCormack took his place.

But there was one presidential photo that made me want to weep not just because it was of Boston's John Kennedy and John McCormack. It was the mood the photographer captured: the young president looking up to the elder statesman as if to say: "I'm afraid there might not be time for me to find that New Frontier for all." A line from yet another Irish play came to mind. It was said by the mother in Synge's "Riders to the Sea" when she learns of her last son's death: "In the big world the old people do be leaving things after them for their sons and children, but in this place, it is the young men do be leaving things behind for them that do be old."

John McCormack is fifty years my senior and yet he could out jog me in enthusiasm, energy, and insight. Already that day he had visited St. Joseph's Cemetery where his Harriet is at rest ("She is the only one I loved in life and love in death.") Then he returned to his polling place at Blessed Sacrament School in Jamaica Plain to vote before coming into the city. Piled high on his desk were recent books sent by former colleagues and lasting friends—Jim Bishop's was inscribed "to a statesman of the 20th century who will enjoy reading about our founding fathers," and George Aiken's to "the Leader of our Nation."

A large photo of McCormack with his great friend "Dev" was nearby. It was McCormack who christened Eamon DeValera "The Father of Modern Ireland," for it was "Dev in 1937, who gave the Irish Free State a new Constitution and officially changed its name to Eire, the Gaelic form of Ireland." "Dev's" devotion to his country's language, culture, history and religion is kept alive by his South Boston friend. McCormack is proud of the fact that he was the first Catholic Speaker of the House and that Tom O'Neill has taken his place. Though he seldom travels to Washington these days, he is in constant touch—thrice during our visit, calls came in from Congress friends.

I asked about the Lance resignation: "My sympathies were with Mr. Lance and I believe he emerged from the hearings stronger than before. He did a sound thing in resigning; the media would have hounded him out. Of course they were after Carter more than Lance."

McCormack is most supportive of Carter's concern for Human Rights: "It is an issue I hope he will adhere to and not weaken his position by threats and insinuations from the communist nations. Human Rights concerns God, man, natural law and human dignity. Such rights apply to all men whether they be in Bangladesh or Belfast, Beirut or Boston." What McCormack admires most about Carter is that "he is a man of confidence; he is not afraid of meeting challenges, of making decisions that are best for the country. Not only is he the first southern president since Zachary Taylor, but he will and has already begun to bring the South back into the union, politically and geographically."

What McCormack admires in Carter—his courage, conviction and deep faith, he himself possesses. His commitment to his Catholicism is as deeply rooted as his devotion to the country he has served in leadership for sixty years. No wonder then that he is this nation's most sought after honorary degree recipient. His favorite though, comes from Trinity College in Dublin: "To John McCormack for his outstanding contribution to American and Irish History." It is surprising that Ireland is the only foreign county McCormack has ever visited? It was after his Harriet's death (remember L.B.J. at her funeral?) that he first went over. "My father's parents were from Cork and Kerry and Harriet's clan, the Joyces, were from Galway. My last trip was the saddest. I represented this country at my friend "Dev's" funeral."

As I sat in that special chair listening to this most learned man talk with celtic pride about his "clannishness" (love of kin, church, community, country), I was reminded of his importance, not by himself, for he is the most humble of men, but by all those omnipresent photographs. James Joyce would use his word "epiphany" ("a sudden spiritual manifestation in a memorable phrase of the mind itself") to describe how I felt when John McCormack said the following: "If the good Lord had consulted me before I was born and told me that I could be either great or good, but not both, I would elect to be good rather than great."

John McCormack is a good man who has walked and talked with captains and commoners, presidents and kings. From Andrew Square to the House of Representatives, he has come a long way in sixty years spent in politics. Yet he has never lost what I call the "Shamrock Senses"—humor, integrity, and compassion. I'm sure St. Peter is at work, though in no rush, on a special chair for "Mr. Speaker." After his hundredth birthday (Dec. 21, 1991), he may want to take Roll-Call ("Curley, Cushing, Kennedy . . .") and tell "Dev" all about the wonderful view of Connemara from Castle Island.

RATIONAL APPROACH TO ENVIRONMENTAL THREATS

HON. DAVE STOCKMAN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. STOCKMAN. Mr. Speaker, a distinguished constituent, of mine, the Honorable John T. Hammond, of St. Joseph, Mich., district judge of the fifth judicial district, recently sent me a copy of a speech delivered by one of our Nation's leading scientists. In this speech, Dr. A. L. Jones presents his case for a calmer, more rational approach to some of the major environmental threats said to be facing our Nation and the world. I would commend this speech to my colleagues, both for its presentation of the facts in these controversies, and for Dr. Jones analysis of those facts. The speech follows:

A QUESTION OF RATIONALITY—A TALK ON ENVIRONMENTAL CONCERNS

(By Dr. A. L. Jones, Senior Research Associate of The Standard Oil Company (Ohio) at The Ohio Electric Utility Institute, News Media Seminar, Columbus, Ohio)

In the midst of a technological revolution, it is difficult to realize the full significance of the myriad of changes that are occurring all about us. Some of these appear to be threats to our security because we fear they may adversely affect our health, our environment or our financial affairs. Many are genuinely concerned that our atmosphere is being depleted of oxygen and is being poisoned by the accumulation of such things as carbon monoxide from our cars and fluorocarbons from our aerosal spray cans. We fear that the ozone layer may be destroyed and increased deadly ultra-violet (UV) light from the sun will cause more skin cancer. The construction of water reservoirs has been held up because it is feared that rare plant and animal species may face permanent extinction. A spirit of mistrust has risen amongst us. The credibility of practically everybody is being seriously questioned.

As a scientist, I have been interested in evaluating the premises upon which some of our major fears have been based. What I have found shows that many of our fears are not based on confirmable evidence. Most of us would like to think that we live in the age of reason and that decisions based on presumption, suspicion and fear belong to societies more primitive than our own. Unfortu-

nately, it is not so. Many major decisions in the U.S., involving billions of dollars worth of human effort, have been based on untested hypotheses, presumption or fear.

Hypotheses are useful in science, but they become fact only if they are independently confirmable. In our technological society we have not found it feasible to build new industrial ventures on the basis of nothing more than hypothesis. It is just as unreasonable to shout them down on the same basis. If our major decisions in this country are to be beneficial to society, they must be based on confirmable evidence.

In science we must work in terms of what we know rather than what we do not know or fear. Unless the pronouncements we make are verifiable by others, they are worthless. Our job is to seek the truth. Our success as scientists depends on finding the truth and relating it to the needs and interests of man. I happen to believe that scientists have a special responsibility to be certain that their proclamations for public consumption are confirmable before they make them. The public is in no position to determine the validity of complex technical pronouncements. Unfortunately, not all scientists live up to that responsibility. This is proving to be a significant part of our overall problems.

For example, a few years ago, in a popular book, Dr. Paul Ehrlich, of Stanford University, predicted that we would have an oxygen shortage by 1979. Professor LaMont Cole, of Cornell, also predicted that man was bringing disaster upon himself by killing the phytoplankton in the sea with pesticides. He claimed that they were responsible for a major production of the oxygen of the atmosphere. These predictions were based on the belief that green plants are responsible for the oxygen content of the earth's atmosphere. For 200 years we have known that green plants take in CO_2 and combine it with water under the influence of sunshine to produce starches and cellulose and give off oxygen. It has been assumed that this is the source of the oxygen of the atmosphere.

The confirmable evidence is otherwise. We now know that the amount of oxygen released is exactly equivalent to the amount required to return the plant material to its original state. It doesn't matter whether the plant is allowed to decay or whether it is burned, it consumes all of the oxygen it ever released when it returns to the carbon dioxide and water from which it came. If any of the oxygen made by green plants were consumed irreversibly by exposed minerals and volcanic gases, there would be a storage of the amount necessary to decay or burn the plant tissues.

The amount of organic material on the earth derived from photosynthesis can be estimated with reasonable confidence. The total amount of oxygen in the atmosphere is known with certainty. If we take the largest estimate of the earth's organic material and calculate the amount of oxygen required to burn it up, it would reduce the atmospheric concentration of oxygen by less than one percent.

This evidence strongly suggests that sources other than photosynthesis must be responsible for the origin and amounts of molecular oxygen present in the atmosphere. A most likely alternate source of oxygen is the decomposition of water vapor by UV light in the upper atmosphere. The hydrogen from the water being much lighter than oxygen preferentially diffuses to the upper fringes of the atmosphere and escapes into space, leaving an excess of oxygen in the lower atmosphere. Photographs of the earth from the moon by ultraviolet camera/spectograph have proved this to be the case.

The National Bureau of Standards has been making accurate measurements of the oxygen content of the air routinely since 1910. In 1910 it was found to be 20.946 percent by volume. In 1977 it is still 20.946 percent. Analyses of trapped air samples in ice come from the Antarctic ice cap and Greenland glaciers dating back to 500 B.C. show the same oxygen content as modern air samples.

The significance of this new information is that the supply of oxygen in the earth's atmosphere is virtually unlimited. It is not threatened by man's activities in any significant way. Green plants are critically essential to man's food resources but they have no important bearing on his oxygen supply.

As most of us know, the most toxic component of automobile exhaust is carbon monoxide. Each year mankind adds nearly 270 million tons of carbon monoxide (CO) to the atmosphere. Most of this comes from automobiles. We know CO is a relatively stable molecule with a half-life of about 1½ years in dry air in laboratory containers. Until quite recently, scientists have been concerned about the accumulation of this toxic substance in the atmosphere.

Careful measurements, on a world-wide basis, over the past few years, show that CO concentrations are not building up in the atmosphere. A research team at the Argonne National Laboratory has shown that natural sources produce more than 3.5 billion tons of CO per year in the Northern Hemisphere alone, or more than 10 times the amount produced by man.

The largest source of natural CO is the oxidation of methane which is produced by the action of anaerobic bacteria on organic sediments in swamps, ponds, rice paddies and other places where organic matter is under water. Other interesting natural sources of CO are volcanic gases, seed germination, and contributions from the marine environment. Brown algae and sargassum produce it. Some jellyfish fill their floats with concentrations as high as 90 percent CO. These organisms can descend to depths which increase the CO pressure to 45 atmospheres. A pressure of one atmosphere of CO is lethal to the tissues of most organisms. In spite of the great output of this generally toxic substance by both nature and man, it is not building up in the atmosphere. Where does it go?

Early in 1971, scientists at Stanford Research Institute disclosed that they had run some experiments in environmental chambers containing oil. They reported that carbon monoxide disappeared from the chambers in a short time. They next sterilized the soil and found that now CO did not disappear. They quickly identified the organisms responsible for CO removal to be fungi of the aspergillus and penicillium types. These organisms are capable of using all of the CO produced by nature and man for their own metabolism, thus enriching the soils of the forests and the fields.

The significance of these new findings is that, in spite of man's activities, CO will never build up in the atmosphere to dangerous levels, except on a localized basis. To put things in perspective, the average concentration of CO in open air is much less than one part per million. In parking garages and tunnels it is sometimes 50 parts per million. Perhaps the highest concentration of CO encountered by people is in cigarette smoke which averages 42,000 parts per million. It is not at all unusual for CO concentrations to reach 100–200 parts per million in poorly ventilated smoke-filled rooms. It would be rational for us to ask whether the air in our living rooms present a greater hazard to our health than does the outside city air, but few of us do.

A similar situation exists with respect to hydrocarbons in the atmosphere. These are among the components that are specified in automobile exhaust emission regulations. It is well established that in sunny places, where the air is stagnant, certain hydrocarbons, when oxidized, produce photochemical smog. This results in the growth of aerosal particles which produce haze. The color and odor of the haze may be influenced by the kind of hydrocarbon involved.

Each year human activities produce 27 million tons of hydrocarbons which escape into the atmosphere. The sources of most of these are partially burned fuels and the direct evaporation of fuels and solvents. For the most part, it is advantageous to minimize this escape for reasons of efficiency, fuel conservation and the reduction of air pollution. In places such as Los Angeles, Denver, El Paso, San Francisco, etc., where temperature inversions cause a build-up of stagnant air, photochemical smog resulting from atmospheric hydrocarbon reactions has become an increasing problem.

It is not as well known that, on a global basis, nature releases at least five times more volatile hydrocarbons into the air than man does. Practically all types of forest trees emit substantial quantities of terpene hydrocarbons. In addition to pine trees, from which hydrocarbon turpentine is obtained, trees such as aspen, sage orange, locust, cottonwood, willow, oak, sweetgum, sycamore, mulberry, buckthorn and many others emit substantial quantities of a variety of hydrocarbons. The Blue Ridge and Smoky Mountains of the eastern U.S. derive their names from the characteristic haze generated by the photochemical reactions of the hydrochemicals produced by the abundant trees of this region.

The reason that leaves decide to fall from the trees each autumn is that the mechanism is triggered by an increase in the hydrocarbon ethylene which the trees themselves emit.

The smoky days of mid-October in Ohio are not caused by either burning leaves or industrial activity for the most part. For the past several years, we have had air pollution alerts for the whole state at this season. The real reason is that when the leaves fall, a considerable increase in natural hydrocarbons results. Man is accused of being the major polluter of the air with hydrocarbons but the confirmable evidence is that nature releases at least 175 million tons of hydrocarbons each year which is many times greater than human contributions.

There are many who believe that if an endangered species should disappear it would represent an irreparable loss to the world. The Endangered Species Act of 1973 is aimed at preventing such events from happening. This view of nature is apparently based on a belief of special creation of all species in the beginning. Each species is here for a purpose and the loss of any one of them might unzip a delicately balanced nature.

The abundance of scientific evidence does not support this view. About 50 animal species are expected to disappear during this century. But it is also true that about 50 species became extinct last century and the century before that going back for thousands and thousands of years. Recently, Francis Jacob pointed out that about 500 million animal species have become extinct since life began on this planet about three billion years ago. Yet there are more species alive today than at any time in the past. Mankind is a relatively recent visitor here. He has had nothing to do with the disappearance of the hundreds of millions of species that preceded him. It appears doubtful that our present policies to reverse this pattern of the ages will be successful.

The death of a species is as natural as the death of an individual. Man's efforts to prevent either one can be, at best, only a delaying action. Animals come and animals disappear. This is the essence of evolution as Mr. Darwin pointed out many years ago. The living world is fraught with functional imperfections. Sometimes they can do us in.

Most of us are familiar with the fact that there are only about 50 Whooping Cranes

remaining in the world. Their demise has been attributed to man. Scientific evidence suggests otherwise. There are two principal species of cranes in the U.S., the Sandhill Crane and the Whooping Crane. The Sandhill Crane is abundant. The Sandhill Crane builds a protective mounded nest with a depression in the top and lays two eggs in it. The Whooping Crane builds a very poor nest of sticks flat on the grounds and also lays two eggs in it. The Whooping Crane then proceeds to walk on the eggs, resulting in considerable breakage. The Sandhill Crane does not do this. This genetically derived habit of the Whooping Crane has led to their demise. Their end has been in the making for thousands of years. What can a Whooping Crane do for nature that a Sandhill Crane can't do just as well?

The Endangered Species Act has caused delays and cancellations of several hydroelectric projects for the generation of electricity. Electricity generated by water power is the least polluting of all methods. A hydroelectric project in The Blue Ridge Mountains was cancelled because a dam would cause the extinction of certain aquatic species peculiar to the valley involved. More recently, a $1.2 billion hydroelectric project, on the Saint John River between northern Maine and the Canadian province of New Brunswick, has been held up for endangered species reasons.

An inconspicuous member of the snapdragon family known as the furbish lousewort (Pedicularis furbishiae) was found to be growing in the area to be flooded by the proposed dam. The species was believed to have become extinct in the 1940's until last year 250 specimens were found upstream from the dam site. They would disappear from their natural habitat if construction were resumed. An act of Congress will be required to reinstate the project.

New England is heavily dependent on imported foreign oil for its electric power generation. The furbish lousewort is having an adverse effect on the U.S. balance of payments, the pollution of our air, and the utilization of renewable energy sources. The welfare of the people of New England would have been improved if the furbish lousewort had in fact become extinct in the 1940's. A better understanding of the real role of species in nature can improve the welfare of all of us.

People around the world are concerned that chlorofluoromethanes released from aerosol spray cans pose a serious threat to their health, through depletion of the ozone layer. The primary concern about the ozone layer depletion is that the ultraviolet ray intensity at the surface of the Earth would increase this causing more skin cancer among Caucasians. Publications have been made by scientists from several prominent universities in the U.S. which predict the possibility of ozone depletion. None of these papers present any measurements of observed decrease in the ozone layer due to fluorocarbon decomposition. They are all speculative hypotheses. At this time there is no more evidence that fluorocarbons are producing a significant reduction of the ozone layer than there was for either dragons or witches of the dark ages.

It is a confirmable fact that ultraviolet intensity at the land surface increases with altitude above sea level. In going from sea level to the altitude of Denver (1 mile), the UV intensity at 295 nm increases by 125 percent. The residents of Colorado have always been subjected to UV intensities several times greater than those that might result, on the average, from the hypothesized ozone layer depletion.

Publications by the American Cancer Society show that Colorado has one of the lowest skin cancer fatality rates of all of the states, 1.69 deaths per 100,000 population compared with a national average of 2.40 per 100,000. The entire desert southwest has about 125 percent greater UV intensity in sunshine than does New England. Yet the death rate from skin cancer in New England is 24 percent higher than it is in the southwest.

These facts show that even if the hypotheses of the ozone depletes were correct, an increase in skin cancer would not necessarily result because we already have people living under UV exposure much more severe than that predicted (33 percent increase by 2,000 AD).

Oxygen depletion, carbon monoxide accumulation, hydrocarbons in nature endangered species, and ozone layer depletion have been presented only to illustrate the importance of considering the abundance of available evidence before attempting to solve environmental problems. It can prove to be extremely costly or perhaps disastrous to our society to base decisions on presumption, suspicion, or fear. The only advances in technology that mankind has ever made were based on confirmable and reproducible evidence.

The most serious problem the U.S. faces is the continued supply of energy as the lifeblood of our technological society. Oil and gas have proved to be the most convenient and satisfactory sources used up to this time. However, the demand for oil exceeds our domestic supply and at the present time about 50 percent of the demand is imported from foreign countries. Most of the electricity along the U.S. east coast is generated from imported oil.

If our nation is to maintain its economic and political independence, alternate sources to oil and gas must be developed with the greatest of urgency. The energy supply problem is more important to our survival as a free people than any specific environmental issue of which I can conceive. It would be tragic if we let our great nation go down the drain on fear-based decisons that we later found were not supported by confirmable evidence.

"1977 GHOST DANCERS"

HON. DON H. CLAUSEN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. DON H. CLAUSEN. Mr. Speaker, Helen Fletcher Collins, a resident of Eureka, Calif. recently presented me with a copy of her poem entitled, "1977 Ghost Dancers."

The poem was written to protest the proposed expansion of the Redwood National Park. It expresses extremely well the feelings of many who live and work in northern California whose livelihoods are being threatened by proposals to expand the park.

The poem recently appeared in a collection by Helen Collins entitled, "Only My Heart Knows," based on her appointment as poet laureate of Humboldt County.

I am grateful to her for her concern in this matter and would like to take this opportunity to share her poem with my colleagues in the House of Representatives:

1977 GHOST DANCERS

(A Protest Against Expansion of Redwood National Park)

(By Helen Fletcher Collins)

Our hearts are as one
With those of our red brothers
Of a century ago—
One with their woes of aggression,
One with their plague of plunder
By ignorant, grasping authority.

Now, in the cycle of conquest,
Hearts again feel the burden
Imposed by governmental arrogance,
Greed,
Blind disregard of human rights.

Shall we revive the Ghost Dance,
Messianic mandate of a hundred years past . . .
Wrap with spiral vine the tallest redwood—
Pretend that eagle feathers
Adorn its lace-leaf crown—
Call back those valiant spirts
Crushed long before our birth?

Aware of that doomed pure protest,
Let us cleanse our minds,
Don white garments,
And join hands to save our trees and livelihood

From misguided conservationists . . .
Let our staff and our stay be knowledge
That if the redwoods are not to die,
Man, surely, must survive.

ALICE IN WONDERLAND REVISITED: MIDDLE EAST STYLE

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. SCHEUER. Mr. Speaker, the thoughtful observer of the international pressure boring in on Israel to return all captured territories to her vanquished Arab neighbors and to resolve the Palestinian question, is reminded of Carroll's Alice in Wonderland. Israel is in the same fix as Alice, who, when surrounded by an almost unbelievably bizarre environment was forced, temporarily, to alter her conception of reality and adopt that of her contemporaries.

The road to peace designed by the United States, the Soviet Union, and other interested world powers begins with Israel's concession of most of all of the territories captured in the 1967 war. Theoretically, this "gesture of good faith" by Israel would at least insure meaningful Arab participation at the negotiating table. Following this gesture, Israel has been told that a resolution of the Palestinian question must be achieved when for the first time the United States formally recognizes "the legitimate rights" of the Palestinians (an accepted international code-phrase for another Palestinian state in addition to Jordan and the obliteration of Israel).

Why are the leaders of many nations, including the United States, willing to suspend international precedent and allow the vanquished Arabs to dictate negotiating terms? The simple and frightening answer is that the oil sheiks have intimidated the world into viewing Israel as an international outlaw and the Arab cause as a just and reasonable one. In 1973 OPEC oil accounted for 22 percent of U.S. oil imports; in 1976 that figure was 38 percent; and this year it will rise over 50 percent. Japan imports 57 percent of its oil from OPEC; and France, Italy, and Germany depend on imported oil for between 55 and 70 percent of their

energy needs. The penalty for sovereign nations with an alternative view is a petroleum drought.

Arab oil intimidation aside, what is the reality lurking behind Alice's mirror and the Arab initiated myths and misconceptions concerning Israel?

Israel presently occupies less than 1 percent of all the territory that has changed hands as a result of military conflict since the inception of the United Nations in 1947. Yet, Israel is the only nation is the world called upon by the U.N. to return captured territories. Why?

By the most liberal estimates, the Arab-Israeli conflict has contributed to less than 1 percent of the total number of refugees displaced by military conflict since the U.N. came into being. Yet, no U.N. resolution has asked a single other country to repatriate refugees either with or without compensation. Why?

From 1948 to 1967, when the Arabs had full control over the West Bank, there was no call for a separate Palestinian state and no expressed notion from any Arab source of "the legitimate rights" of the Palestinian people. Yet now, when Israel controls the West Bank, the instant international clamor climaxed by the joint United States/U.S.S.R. statement supporting "the legitimate right" of the Palestinians is deafening. Why?

Most disturbing to me is that the United States has apparently abdicated her responsibility to consult with Israel outlined in the September 1975 agreement by unilaterally joining the Soviet Union, in a statement pressuring Israel to give up territory contiguous to her border—only hundreds of yards from civilian settlements. To appreciate Israel's mortal peril under the old 1967 borders, one must travel to the old Israeli/Jordanian armistice line 8 miles from the Mediterranean or to the Golan Heights where from 1948 to 1967 Syrian soldiers and terrorists lobbed mortar shells at border Kibbutzim from atop the Syrian hills. It is morally indefensible for the United States to insist that Israel concede territory demonstrably essential to her national security, which she captured in a defensive war.

Similarly, U.S. criticism of the Israel settlements on the West Bank is totally without support in the canons of international law. As the sole surviving legal successor to the old British mandate, Israel simply has more legal right to the West Bank than any of the Arab aggressors. When Jordan invaded and occupied the land in 1947 it was censured by the Arab League.

In describing the Israeli expulsion of Jordan from the West Bank and East Jerusalem, Stephen Schwebel, now Deputy Legal Adviser for Special Problems to the State Department and a member of the International Law Commission, noted in 1974 that "Israeli forces, acting in self-defense, entered not onto Arab territory, to which Jordan had good title, but onto territory which Jordan had occupied through aggressive action."

And when Israel created settlements in the West Bank she did so in strict compliance with the Geneva Convention; she has never once forcibly displaced a single Arab. The settlements are either in empty places, old Jordanian government facilities, or on land purchased legitimately and without pressure from the former Arab occupants. The total population of these Jewish settlements is 6,000, scattered among the more than 1 million West Bank Arab residents.

Is it not pious sanctimony for us to tell Israel that she cannot make national security judgments concerning lands contiguous to her border when we, the most powerful nation in the world, are currently preoccupied with the question of how we can maintain control and access to a 100-mile strip of water 1,500 miles from our shores after the year 2000?

American Presidents in the last three decades have all shared the illusion that a "quick fix" solution for the Middle East's nightmarish problems would assure their place in history. This naivete has tended to wear off only after successive failures have convinced them of the utter futility of the simplistic "quick fix" approach.

In fact, 1977 may or may not be the year for sealing wax and parchment in the Middle East. Perhaps we should let Israel and her Arab neighbors decide this for themselves without the benefit of "brutal" pressure or "leverage" by us.

THE YOUNGSTOWN PLANT CLOSING AND OTHER LESSONS OF AN UNPLANNED ECONOMY

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. CONYERS. Mr. Speaker, a month ago the general manager of the Youngstown Sheet and Tube Co. called the local union leadership into his office to announce that Youngstown was closing down its operation. Five thousand steelworkers immediately were laid off. The Youngstown closing is not unique; dozens of other factories across the country have also been closing down at an increasing rate. Some close down in one city in order to relocate elsewhere. Others close down period. The result is the same: Skilled workers, their families and communities are left holding the empty bag—out of work, loss of income, the drying up of the economic base of communities.

Equally appalling is the fact that, at this late date, in the face of the unambiguous evidence of growing economic disorder of which the Youngstown closing is but one example, the Federal Government has not the slightest notion how to prevent such things from happening. With all the personnel, funds, and measurement capability at its disposal, the Government lacks a strategy for promoting economic growth and full employment, for structuring such development toward the cities, and regions that are most vulnerable, and for addressing all the public as well as private capital needs in the country.

There are plenty of jobs that have not yet been created, plenty of goods and services that have not yet been produced that would come about if the Federal Government systematically examined the full range of social needs in the Nation and then developed and implemented an economic plan to create the jobs and capital to fill these needs.

Gar Alperovitz and Jeff Faux, who direct the exploratory project for economic alternatives, are in the process of methodically examining the issues of economic planning, resource allocation, and full employment. Supported by 30 foundations, their task is to define practical approaches to restructing our economy that hold promise of averting future Youngstowns. I urge my colleagues to consider their recent article, "Youngstown Lessons," published in the November 3 edition of the New York Times. They present with great clarity the implications and tremendous costs of our unplanned economy.

YOUNGSTOWN LESSONS

(By Gar Alperovitz and Jeff Faux)

WASHINGTON.—The spreading effects of intensified competition and global stagflation hit Youngstown, Ohio, last month with the announcement that 5,000 steelworkers were being laid off. A few weeks later the Zenith Corporation began to lay off 5,600 workers in places like Watsontown, Pa.; Springfield, Mo.; Sioux City, Iowa.

The economic blow in cities like Youngstown will be substantial. Given the already high national unemployment rates, most workers will face long odds against finding comparable paying jobs anywhere. And soon their neighbors will feel the pinch, as suppliers and retailers and other services begin to close. Next year, the city will find it has lost a significant portion of its tax base.

The political response to the Youngstown layoffs has not centered on saving the town, but on saving the *steel industry*. Steel executives are blaming Japanese imports and environmental restrictions. Union leaders are demanding import quotas and Federal subsidies to the companies. Free-trade liberals from affected Congressional districts are turning toward protectionism.

So far, the Federal Government's response to the Youngstown layoffs has been a promise to enforce the anti-dumping laws against importation of subsidized foreign goods, plus the possibility of some assistance to unemployed workers. The workers call this "funeral insurance." There are likely to be more such funerals elsewhere: No one expects either a dramatic improvement in the United States employment picture, nor relief from international pressures in the coming period.

Although the Administration has so far resisted them, demands for protectionism and subsidies for inefficient management to produce overpriced products will get stronger, particularly as we move closer to the next election. In effect, the nation will be faced with a choice between massive layoffs and a wasteful and dangerous international trade policy. It is a stupid choice.

It is also an unnecessary one. Youngstown is as much an opportunity as it is a problem. Here we have 5,000 experienced workers with a variety of heavy-industry skills. We have a network of industrial buildings. We have equipment, at least some of which can be used for other things. And in America we have needs for manufactured goods such as mass-transit vehicles, for a modernization of the railroads, medical equipment, solar-energy devices, pollution-control equipment. Many such products require steel. Many more could use the skills and talents that once made steel.

The question is not simply how to save the steel industry, but how best can our fellow citizens in Youngstown use their skills

to meet other national and international requirements. The private sector will not take the initiative. Therefore, the Government, instead of offering Youngstown marginal welfare programs, should take responsibility for catalyzing new markets.

The Government could begin by identifying a specific set of new manufacturing needs over the next decade. The emphasis should be on high technology and industries that might in the future have an advantage in international trade. A T.V.A.-type development corporation could then provide contracts, financial aid and technical assistance to translate these markets into specific investment requirements for Youngstown and other pockets of industrial unemployment. One source of investment might be the communities themselves; citizens and workers could help partly finance their own recovery. There are a number of models of mixed community and employee ownership around the country to draw upon.

Several questions will immediately be raised. One is that the strategy involves too much of a Government role. But since both labor and management are already clamoring for Government action—and sooner or later will probably get it—isn't planned, positive action better than unplanned, negative crisis management with dangerous international consequences?

Another question that might be raised is that if the Federal Government took responsibility for helping put the unemployed back to work in Youngstown, wouldn't it have the moral responsibility to do so for the growing number of suffering communities and unemployed people throughout the nation? A good question. The answer is yes.

SOCIAL SECURITY FINANCING

HON. FLOYD J. FITHIAN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. FITHIAN. Mr. Speaker, I am here today to explain my vote on the social security financing bill, H.R. 9346. Guaranteeing confidence in the financial structure of social security is one of the most pressing and important problems facing the administration. Because this is an issue that enters into almost every household in the United States, I am proud that a successful effort was made to bring this essential system to solvency.

I do have some reservations, however, as to the method of achieving this solvency. This is why I voted against the bill in final passage. I realize that the social security system faces two financing crises, long term and short term, and that something had to be done quickly, but I believe that not only is raising the payroll taxes not a fair way to relieve the system, but it was an unnecessary move. Two more important problems were not dealt with.

There are a substantial number of people who are currently eligible and are receiving both a Federal pension and a social security pension. It is estimated that this double payment costs social security an extra $1 billion a year. In order to save this money one of two things should be done; either make nonmilitary Federal employees eligible for only one of these pensions or integrate the systems so that they would be paying into only one system during their working life. I am disappointed that the bill which passed did not address this fundamental problem and hope that in future legislation that this matter will be dealt with.

The second problem which was not dealt with, and may prove to be the ultimate solution to the social security financing troubles is the fact that the disability and health insurance trust funds should not be under the social security system. Both of these funds are a tremendous drain on the social security system and the Government should take some responsibility in assuring disability and health benefits to the needy and the elderly as they do somewhat under the welfare system. I feel very strongly that if these trust funds were separated, that funds from the old age and survivors. trust fund would be able to remain solvent.

Increasing the payroll taxes and wage base is not the best way to shore up this system. Because this is the path that the bill took, I had to vote to recommit this bill to committee. The Republican motion to recommit was the only proposal that addressed the idea of separating the disability and health insurance trust funds from the old age and survivors. Even though this motion failed I still feel that there should be separate appropriations for the two newer trust funds.

Several members of the Ways and Means Committee agree with me that some of these more fundamental solutions can come about in a more thorough reform over the next couple of years. At best, these legislative efforts have made the social security system solvent. We could have, however, made it more permanently and more fundamentally solvent and avoided such tremendous increases in taxes.

THE FIRE ANT

HON. BOB GAMMAGE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. GAMMAGE. Mr. Speaker, I would like to take this opportunity to commend Chairman FOLEY of the House Committee on Agriculture, and Representative KIKA DE LA GARZA, chairman of the Agriculture Subcommittee on Department Investigations, Oversight and Research, for their diligent efforts on H.R. 7073, the Federal Insecticide, Fungicide, and Rodenticide Act Amendments of 1977.

The bill extends and amends the Federal Insecticide, Fungicide, and Rodenticide Act to permit a more effective realization of the objectives of FIFRA. The amendments are designed to improve the operation of the Federal pesticide registration program and facilitate implementation of the major changes in the program made by the 1972 amendments to the act. It will assure the availability of pesticides for agricultural and forestry production in the United States, while at the same time providing needed safeguards against unreasonable adverse effects on human health and the environment.

Recently, I was contacted by the Fort Bend County, Tex., Farm Bureau, the members of which I know to be outstanding citizens and community leaders, regarding the availability of agricultural pesticides. Specifically, these good people have sent me a petition asking that the Congress take the necessary steps to implement an effective Federal-State cooperative imported fire ant eradication program. Many of you are not aware of what a fire ant is, and worse, what harm the ants can inflict. The fire ant was first noticed in Mobile, Ala., in 1918. Since that time, the spread of the ant into previously uninfested areas has mushroomed.

In his statement before the House Committee on Agriculture's Subcommittee on Department Organizations, Investigations and Oversight on June 26, 1975, Deputy Administrator John Quarles of the Environmental Protection Agency commented:

> I know I need not provide an in-depth catalog of the undesirable characteristics of the fire ant. We are all aware that the pest can disrupt agricultural practices, injure farm animals, and worst of all, inflict a burning, painful sting on humans. There are many documented cases of violent reactions to the sting which have required the hospitalization of the unfortunate victim. Parents write that the aggressive ants attack their children at play. The public outcry for protection in infested areas is more than understandable.

The insecticides used against the fire ant were dieldrin and heptachlor, which are well-known as potent general insecticides. There were kills and other damage to wildlife. The program was severely criticized by both scientists and environmentalists on the basis of method of treatment and the lack of target specificity. By 1962, mirex had been found. Mirex could be used in much lower quantities, and was much more target specific than dieldrin and heptachlor. Programs using mirex were started in 1962.

In response to reports that mirex was mutagenic and possibly carcinogenic, and that it can kill certain aquatic organisms, the Environmental Protection Agency imposed restrictions on the use of mirex in 1972. These restrictions prohibited the use of mirex bait more than once each 12 months in any area, prohibited its distribution over forests with more than 80 percent crown cover or near lakes, streams, marshes, and other water areas, and prohibited its distribution by aircraft over coastal counties. These regulations were imposed for legitimate environmental reasons, as were the Food and Drug Administration's tolerance limitations on mirex in fish.

The U.S. Department of Agriculture suspended the Federal-State cooperative fire ant program in June of 1976, and a few months later, the Allied Chemical Co., holder of the patent on mirex bait, announced the closing of its formulation plant in Mississippi. The State of Mississippi then took over the plant and resumed manufacture of the bait. With the supply of mirex bait from Mississippi, the USDA resumed its control program with the States. Subsequently, the

Hooker Chemical Co. sole U.S. producer of mirex, refused to continue to sell mirex to the State of Mississippi unless the State agreed to indemnify the company in the event of lawsuits. On September 3, 1976, EPA announced that Mississippi had petitioned EPA to end all aerial application of mirex for fire ant control in the South by December 31, 1977. According to the proposal, application by ground-based equipment could continue through June 30, 1978. On October 13, 1976, EPA announced acceptance of the plan.

The Mississippi State Chemical Laboratory at Mississippi State University is presently running tests on alternative baits to the current mirex bait. According to officials at the Mississippi State Chemical Laboratory, the new bait, known as ferriamicid, appears, from the field tests, to be effective at lower application rates than the current baits. Furthermore, the toxicant in these baits degrades rapidly. My view is that the efforts demonstrated by the Mississippi State Chemical Laboratory are laudable. However, until such time as a viable alternative to the pesticide mirex for control and eradication of the imported fire ant is developed, farmers and ranchers in areas such as Fort Bend County, Tex., will continue to suffer from the growing infestations of fire ants.

Therefore, while I commend the committee for its fine work on the Federal Insecticide, Fungicide, and Rodenticide Act, I am extremely distressed that the use of mirex to control the imported fire ant in a cooperative Federal-State fire ant program was not considered. My hope, and sincere trust, is that when we next consider amendments to FIFRA, the committee will demonstrate its favor toward the reestablishment of an effective Federal-State cooperative program for the eradication of the undesirable, dangerous, and destructive imported fire ant.

VERIFICATION NOT PROMISES

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. FINDLEY. Mr. Speaker, while we in Congress often hear how important it is for the United States to reach a SALT II agreement, we less frequently examine the arms control achievements of SALT I and the arms control possibilities for SALT II. While I agree that we should stress the value of SALT II negotiation, I believe that we must be wary that any agreement which is able to meet its stated objectives.

Extremely useful to our understanding of issues surrounding United States-U.S.S.R. strategic arms limitation are papers such as that prepared by Dr. Wolf Fuhrig, chairman of the Department of Political Science at MacMurray College in Jacksonville, Ill. Dr. Fuhrig discusses the Soviet threat and the American response in "The New Look of America's Strategic Arsenal" which is excerpted below.

Particularly significant are Dr. Fuhrig's remarks on the cruise missile and verification:

The fact that no country is presently able to obtain an accurate determination of the total cruise missile capability of others by remote surveillance makes it more than ever necessary to work toward mutual unlimited on-site inspection as the most trustworthy means of verification. Since ours is one of the most open societies in the world and we do not want to attack anybody, we could surely be willing to permit on-site inspection of our military arsenal as long as the rest of the world reciprocated on equal terms. This kind of openness and honesty, particularly on the part of the Soviets, could do more to bring peace to the world than any promise they could ever make.

I recommend to my colleagues these excerpts from the excellent paper by Dr. Fuhrig.

THE NEW LOOK OF AMERICA'S STRATEGIC ARSENAL

(By Wolf D. Fuhrig)

THE SOVIET THREAT

To understand the projected changes in the American nuclear aresnal for the 1980's, we first need to assess what has happened to our strategic defenses in recent years in comparison to the military build-up of our main adversary, the Soviet Union. When we compare strategic nuclear strength, we need to consider at least four aspects: (1) long-range delivery vehicles, (2) total nuclear warheads, (3) nuclear missile throw weight, (4) and nuclear megatonnage, i.e., explosive yield.

	1965			1976		
	United States	U.S.S.R.	Ratio	United States	U.S.S.R.	Ratio
1) Long-range delivery vehicles:						
ICBM's	854	262	3.3:1	1,054	1,507	1:1.4
Nuclear subs	29	0	----------	41	54	1:1.3
SLBM's	464	0	----------	656	716	1:1.1
Bombers	783	155	5:1	430	180	2.4:1
(2) Nuclear warheads	4,500	1,000	4.5:1	8,900	3,500	2.5:1
(3) Nuclear missile throw weight, 1976: 2.5:1 in favor of U.S.S.R.						
(4) Nuclear explosive yield, 1976: 7.5:1 in favor of U.S.S.R.						

Overall, the U.S. still has more bombers and warheads but the Soviets now possess more and heavier missiles and much more megatonnage.

What complicates the strategic arms limitation talks most, however, are the wide differences in the perceptions which the two sides have of the military utility of different weapons systems. The Soviets, for example, place much greater emphasis than we on high nuclear megatonnage, massive civil defense preparations, and superior quantities of conventional weapons. Among the many new and different features of the Soviet arsenal, five are of special significance to the strategic arms limitation talks (SALT): (1) Hundreds of intermediate-range ballistic missiles are now being equipped with multiple, independently targetable warheads (MIRV's) aimed at Western Europe. (2) The development of a "cold launch" technique permits intercontinental ballistic missiles to be popped out of their silos, their engines igniting above the silos in the atmosphere and thus leaving the silos sufficiently undamaged for further launches within minutes. For the first time, therefore, we face the possibility of a virtually uninterrupted ballistic missile attack which would be limited only by the number of available missiles. (3) As a response to our old B–52 and in anticipation of our production of strategic bombers of the B–1 type, the Soviets have already produced more than 100 bombers of the type Backfire–B, a swing-wing aircraft. It carries a payload of 17,000 lbs., half that of the B–52, a quarter that of the B–1. It reaches a maximum speed of 1,400 m.p.h. and is thus twice as fast as the B–52 and slightly faster than the B–1. Although its range is reported to be "only" 5,500 miles, about half that of the B–52 or the B–1, it can be refueled during flight for long-range missions to any point on the North American continent. (4) In the most extensive war survival and civil defense program in the world, the Soviets have now succeeded in relocating their most essential war support and communications centers in huge, hardened underground bunkers, up to 600 feet deep, that can be destroyed only by direct nuclear hits. There are strong indications that the Soviet leaders are basing their preparations for nuclear war on an assumption which few Americans share with similar certainty: that, in spite of heavy losses, their society and its political system can survive a nuclear confrontation. (5) Most ominously perhaps, the Soviets are reported to be ahead of us in high energy beam research which is apparently aimed at using charged particles to interfere with, or destroy, our satellites in outer space.

THE FUTURE OF ARMS CONTROL

As far as is known today, the neutron bomb is being projected only as a tactical weapon in defense against superior conventional forces, particularly concentrations of attacking armor. Our Trident submarines constitute a greatly improved but not an essentially new weapons system. So they are unlikely to pose new obstacles in arms control negotiations. The cruise missile, however, is bound to burden SALT II with some very difficult and unprecedented problems.

Since cruise missiles can be deployed for any range from a few miles to at least 1,500 miles, they may be either tactical or strategic weapons. More than any other weapons system heretofore, cruise missiles blur the distinction between tactical and strategic weapons. Moscow immediately pounced on this issue by claiming that neither photo reconnaissance nor electronic eavesdropping could adequately verify the range and payload of a deployed cruise missile. To do that, they would have to take the missile apart and measure its fuel load. Hence, the Soviets demanded at SALT II that all cruise missiles be classified as strategic weapons. This apparently would suit the Kremlin well as long as our cruise missile technology is ahead of theirs.

The fact that no country is presently able to obtain an accurate determination of the total cruise missile capability of others by remote surveillance makes it more than ever necessary to work toward mutual unlimited on-site inspection as the most trustworthy means of verification. Since ours is one of the most open societies in the world and we do not want to attack anybody, we could surely be willing to permit on-site inspection of our military arsenal as long as the rest of the world reciprocated on equal terms. This kind of openness and honesty, particularly on the part of the Soviets, could do more to bring peace to the world than any promise they could ever make.

SUNBELT CITIES DESERVES EQUAL ATTENTION

HON. MARK W. HANNAFORD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. HANNAFORD. Mr. Speaker, recent developments in the allocation of Federal funds for community development have been a disappointment to many of our colleagues representing Sunbelt States. This disappointment does not merely arise from the fact that greater allocations will be made to the older cities of the Northeast and Midwest. It is based on a genuine concern about the assumptions on which some major policy decisions are being formed.

For example, 50 percent of the new community development funding formula is based on an age of housing factor. Specifically, this refers to the number of existing housing—based on census data—that was built before 1940. The older cities in the Northeast and Midwest are, admittedly, experiencing economic hardships and deserve attention and assistance. However, younger cities—many of which are located in the West and South—are also suffering from urban blight. Their problems merit equal consideration.

Mr. Speaker, an October 31 Washington Post article titled "Younger Cities Starting To Feel Urban Distress" focuses on the plight of some younger cities. According to a Department of Housing and Urban Development staffer who is quoted in the article:

> The same process that took place in Baltimore and Philadelphia is taking place now in the newer cities.

Additionally important to keep in mind is that a few examples of substantial growth in younger cities in the Sunbelt States may be shifting attention away from the problems which are clearly emerging. If Federal programs place less emphasis on the needs of urban centers in the West and South, we will be faced with a resurgence of the very problems which plague the Northeast and Midwest.

Mr. Speaker, without objection, I insert the article mentioned above into the RECORD at this point:

YOUNGER CITIES STARTING TO FEEL URBAN DISTRESS

(By Bill Richards)

DENVER.—There's a message of hope here in the Five Points section, an area of junked cars, abandoned buildings and clusters of men standing idly in the bright afternoon.

"Ain't no place like this place," says the sign, daubed in red paint on the boarded-up window of an empty garage.

Unfortunately that is not the case. Despite the efforts of legions of urban planners, the number of decaying inner-city neighborhoods in the nation's newer generation of cities such as Denver, Dallas, Seattle and Phoenix is gradually growing, and urban experts are becoming concerned that these cities may be following in the depressing footsteps of their older Eastern counterparts.

Middle-class families, the traditional bulwark of the complex urban structure, are moving out. Problems such as crime and school deterioration are growing. Population in some of the newer cities has stopped growing or has begun to decline after a spurt in the last decade or so.

"The same process that took place in Baltimore or Philadelphia is taking place now in the newer cities," said Sybil Phillips, specialist in neighborhood patterns for the U.S. Department of Housing and Urban Development. "We're beginning to become very definitely concerned about these cities."

Heavy growth in recent years, particularly in and around the Sun Belt cities of the South and Southwest, has masked some of the problems, according to urban experts. "To the casual eye of the outsider, not much blight is evident," said Alan Siegel, another HUD urban expert.

"But," Siegel added, "there are vacant buildings, deteriorating neighborhoods and holes where urban renewal has torn things out and nothing has come in to replace them but parking lots."

Perhaps nowhere is the split urban personality more evident than here in Denver.

With the development of oil, gas, coal and uranium resources in the Rocky Mountain states Denver has become a hub of energy growth, and many energy-related firms are opening branch offices or shifting their opertions here. The city's downtown is awash in new construction and office space is at a premium.

Two weeks ago, however, Denver's Office of Policy Analysis released a report showing that nearly half of the rental residences in the inner-city area here are either substandard or marginal. Noting the inner-city problems of New York and Newark, the report warns "the experience of these older Eastern Seaboard cities is a grim indication of what the future could hold for newer cities like Denver."

Nor is Denver alone in the drift toward urban blight. Dallas, at the heart of the Sun Belt, is also wrestling with problems of inner-city deterioration. Dallas officials have created several "historic districts" in rundown areas to try to control inner-city deterioration.

"It has been recognized that if Dallas doesn't do something to cause a turnaround our center city could end up the same as those of the Eastern cities," said David Ryburn, a Dallas city planner.

Last spring Seattle released a report noting an inner-city housing decline there. Phoenix, which has already lost some of its commercial development and office construction to the suburbs, is now in the midst of a three-year study to try to reverse the trend. A committee of about 100 Phoenix civic leaders is investigating the possibility of a new type of urban deisgn based on the development of up to a dozen urban "villages" scattered within the city's borders.

The idea, said Phoenix planning department director John W. Beatty, is to use the concept to arrest the spread of urban blight. "We're trying to catch it now while we can before history repeats itself here," Beatty said.

Denver, which is neither a member of the youngest set of cities like Phoenix nor one of the older East Coast urban generation, is at a critical point in its development, according to urban planning experts here.

Under a 1973 amendment to the state constitution the city is prohibited from annexing suburbs, and population has started to decline slowly from a peak of about 515,000 in 1970.

Neighborhoods like Five Points have begun to push outward as the city's core business area has expanded. Ahead of this circle of blight, many of the city's middle-class families, helped along by their unusually strong ties here to the automobile, have headed for the suburbs. The process, planners here note, is a repeat of the "white flight" pattern of many older Eastern cities.

In Five Points, once a fairly healthy, racially mixed area of bustling all-night barbecue stands and small shops, most of the residents are black and many are jobless. In addition to a high rate of street crime and unemployment the area has suffered from what planning experts here call "institutional disinvestment."

According to the city's analysts, mortgage lenders have shied away from redevelopment efforts in areas like Five Points. At least 40 per cent of the landlords—most of them absentee owners—indicated they are planning to pull out within a year if they can find buyers for their properties.

"Nobody really knows how these things will go in the future," said Kyle Davis, a Denver planning specialist. "But we're operating on the idea that it will follow the same pattern as in the older cities."

If anything, Davis and other urban analysts say, Denver's situation contains the possibility of even more rapid deterioration. Like many of the newer cities, Denver has tended to restrict the use of public capital more than older cities. Boston and Philadelphia, for example, used public funds to stimulate private downtown rehabilitation efforts, but Denver's charter prohibits this type of funding. Davis said.

Nor have federal aid programs proved particularly effective here. Because of a quirk in HUD's regulations defining "fair market" rents, Davis said, returns on rehabilitation projects are too low to attract either the full-time landlord, who would be likely to live in or near his project, or the big developer looking for a tax shelter.

The result is a continued movement toward the suburbs, experts like Davis say. Crime and urban deterioration push the middle-class population farther away from downtown until eventually businesses begin to break off from the inner cities and follow their work force to the suburbs.

The pattern is still in a relatively early stage here and Denver, like Seattle, Dallas and other younger cities, has tried to reverse the flow by attempting to lure affluent singles and childless couples back to inner-city areas.

A controversial report last spring by Seattle planners actually urged the city to concentrate on this population segment and, in effect, to write off the possibility of regaining many of the white, middle-class families who have left for the suburbs. The report suggested that city development be aimed at apartment construction and office buildings instead of commercial structures and family-type dwellings.

Denver has not yet taken a similar stance but Davis and other planners here noted that the trend is flowing in the same direction. Most of the city's new construction has been in smaller apartments and shopping and entertainment complexes geared toward affluent, younger singles. School enrollment dropped by nearly 10,000 to about 60,000 students in the last five years.

"We don't see this as an unchangeable flow and we haven't given up on attracting families," said Davis. "But we have to face facts about what's happening to places like Denver and the facts are that these are the people who have the money and who can help us most to hold on to what we've got."

PERSONAL EXPLANATION

HON. DAVE STOCKMAN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. STOCKMAN. Mr. Speaker, I was necessarily absent during the consideration of H.R. 9346, the Social Security Financing Amendments of 1977. Had I been present, I would have voted in favor

of the amendment offered by Mr. FISHER, the amendment offered by Mr. KETCHUM, the amendment offered by Mr. PICKLE, the amendment offered by Mr. CORMAN, and the amendment offered by Mr. JENKINS. I would also have voted in favor of the motion for recommittal, and voted against the bill on final passage.

HUMAN RIGHTS

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. PEASE. Mr. Speaker, earlier this week, the House approved a resolution urging that President Carter take strong steps to make clear that the American people strongly disapprove of the recent wave of repression in South Africa. I supported that resolution wholeheartedly in my belief that recent events in South Africa have shocked and disgusted all nations committed to respect for human rights and to the pursuit of justice.

At the same time, our Government would be remiss if we failed to call the attention of the international community to the need to take responsible action against Idi Amin's reign of terror in Uganda. While we must press the Vorster government to respond to legitimate needs for change in South Africa, it makes a mockery of our commitment to human rights to remain silent on another African problem of hideous dimensions—Idi Amin's murderous regime bent upon wholesale slaughter in Uganda.

It was a little more than 6 weeks ago that I introduced legislation to end U.S. commercial trade with Uganda. Thirty-five of my colleagues in the House have joined me in calling for a halt to the support being provided to Amin by American companies. I have been heartened by the response my legislation has evoked and I want to share with my colleagues some excerpts of editorials that have appeared in different parts of the country:

In darkest Africa—dark, at least, in Uganda—a bloody tyrant is having people murdered wholesale. Some claim Idi Amin, a black dictator of a black nation, has slaughtered 100,000 of his subjects. Others say the figure is much higher, perhaps 300,000.

Whatever the actual number, it is high—high in the thousands. Yet no one has been doing more than raise an eyebrow. The other black nations have accepted the gory regime; the NAACP has offered no strong protests. The United States, which has insisted on bringing pressure against South Africa and Rhodesia for attempted white supremacy policies, has ignored genocide, brutality and killings in Uganda.

But at last, glory be, something is being done. And it is gratifying to be able to say that our Congressman, Representative Don Pease is the one who is trying to pull the plug on Idi Amin Dada.

Pease proposed legislation which if adopted, would require that all trade between the U.S. and Uganda be broken off. American companies this year are buying $200 million worth of Ugandan coffee. To have that economic crutch jerked away could cripple Uganda, and perhaps force Amin to end his reign of terror.

But whatever the result, the action would show that the United States is concerned when a cruel dictator wipes out thousands of lives, either to satisfy his own twisted caprices or to retain his tyrannical power.—The Journal, Lorain, Ohio, September 28, 1977.

Big Daddy Amin has a playground in Africa called Uganda. He believes, however, that the borders of his playground are larger, that the rest of the world is chuckling right along with him as he brutalizes his subjects, tortures his opponents and murders whomever his momentary whims finger.

But Idi Amin, president for life—vicious dictator until he's shot, dethroned or both—is no stand-up comic with a rather macabre sense of humor; he's a serious threat to the meaning of the word 'humanity.' He should have been universally condemned long ago when the first rumblings of his misdeeds began to surface. He should have been treated at least as harshly in the forum of world opinion as have the governments of nearby Rhodesia and South Africa.

Amin's latest 'routine' was the execution of 15 men accused of plotting to overthrow his regime. . . . The incident reinforces what is already known about the off-beat savagery in Uganda under Big Daddy, yet there are many nations in Africa and elsewhere . . . who have hesitated to criticize this man. . . . There has been no lack of evidence of the atrocities which he has committed. The stories, many of them eyewitness accounts, of the animal-like subjugation of the people of Uganda, have been flowing from Ugandan borders like a flood.—The Herald, New Britain, Conn.

While the whole theory of economic boycott of countries whose human rights policies differ from those of the U.S. won't stand up, the idea of boycotting such a flagrant tyrant as Idi Amin has a strong appeal.

The House of Representatives will be asked to do that very thing soon in legislation to be introduced by Rep. Don Pease, D–Ohio.

The idea of trading with only those countries whose policies are extreme, we would find ourselves trading with only a handful of highly developed democratic countries, most of whom would not be able to supply the raw materials needed for U.S. industry.

Yet the U.S.—under pressure from third world nations—boycotts Rhodesia, refusing to buy Rhodesian chromium because of the policies of the white minority government of Ian Smith.

But even Smith's most dedicated enemies have never accused his government of the atrocities that most of the world agrees occur daily under the tyrant Amin in Uganda.

Pease's argument for a boycott of Ugandan coffee is powerful and one that the Congress will find difficult to overlook.—The Tulsa World, Tulsa, Oklahoma.

Rep. Don J. Pease is to be commended for the legislation he introduced to cutoff American imports of Ugandan coffee.

Although trade boycotts are not generally in the interest of the world market, this one might help topple the barbaric regime of Idi Amin. And that should be all right with just about everybody.

Pease said that Uganda's coffee exports to the United States account for one-third of Uganda's total export earnings, but only represent 4.76 percent of total American coffee imports. A boycott shouldn't hurt American coffee drinkers significantly.—The Wheeling Intelligencer, Wheeling, West Virginia.

Remember when we stopped eating grapes to support farm workers' rights to organize a labor union? We now have an opportunity to bring pressure on a far greater social evil than the denial of that right. The pressure would come in the form of a boycott on coffee from Uganda, the African nation now under the despotic rule of President Idi Amin Dada . . . Congressman Don J. Pease from Oberlin, Ohio, has introduced three bills into the House of Representatives, designed to stifle Uganda's export earnings. . . . The Pease bills are designed to block importation of all Ugandan goods into the U.S., to stop exports to Uganda and . . . to prohibit specifically the importation of Ugandan coffee . . . Congressman Pease says that ordinarily he is not an advocate of economic boycotts to "conduct foreign policy," but he insists that Amin's case is an exceptional one. Indeed it is.—The Christian Century.

THE NARBONNE HIGH SCHOOL KEY CLUB

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. ANDERSON of California. Mr. Speaker, the development of our youth in leadership and awareness of community needs is one of the most important goals any group can endeavor to achieve. Since 1925, when the first chapter was founded in Sacramento, Calif., the Key Clubs have been instrumental in helping young people develop by giving them the opportunity to help others.

Last July, at the annual Key Club International Convention in Kansas City, Mo., the Narbonne High School Key Club from Harbor City, Calif., won two first-place awards; in achievement, Silver Division, and another for their scrapbook of the year's activities. Since these awards were received in competition with approximately 4,000 other clubs, I believe that the 1976–77 Narbonne High School Key Club deserves special mention for the outstanding record they achieved in community service.

The Achievement Award reflected not just a single activity worthy of special note, but instead a solid record of year-long activity dedicated to fulfilling a constructive role in the community. Among the approximately 350 projects taken on by the Narbonne students were the annual Christmas basket drive, a collection of canned goods, clothing, toys and money for about 80 needy families in the area; Operation Drug Alert, in which Key Club members visited grade schools, discussing the dangers of alcohol and drug abuse with children in the 5th and 6th grades; and a "buddy program" for Indochinese refugee children from 4 to 10 years of age, taking them on field trips and helping them become acclimated to life in this country.

Other projects of note during the past year included Operation Identification, in which Key Club members engrave the drivers license number of an owner on his belongings, making them easily identifiable and discouraging theft. In the 5 years this project has been underway, about four-fifths of Lomita's 20,000 residents have been covered by Key Club members.

The Narbonne High School Key Club also worked with Hub, Ltd., an organization benefiting the mentally handicapped. During the Save Madrona Marsh Fair in August, the work donated by club

members was an important asset in making the affair a success.

Mr. Speaker, these are but a few of the many outstanding projects for which the Narbonne Key Club has been instrumental in providing needed services to their community. Undoubtedly, these fine young people have gained much through the experience they have obtained. Equally important is the effect they have had in making the 32d Congressional District a better place to live.

Mr. Raymond Blinn has been an outstanding faculty adviser for the group over the years, and when he left on a sabbatical last year, his place was ably filled by James Bone, a former Narbonne student and Key Club member.

I would also like to take this opportunity to congratulate the members of the 1976–77 Narbonne Key Club for the outstanding performance reflected in the awards they received in Kansas City. They are club presidents, David Flores and Wade Maetani, Mark Usui, who was elected district treasurer for the States of California, Nevada, and Hawaii, and Dana Aratani, Scott Arbuckle, Mark Benson, Marc Brown, Tom Burns, Barry Chung, Mark Ellington, David Hashimoto, Craig Honma, Bryan Ishino, Curtis Kaneshiro, Randy Krant, Scot Laney, Chris Logel, Michael Matoi, David McKnight, Alan Oto, Jerry Ouellette, To-Woon Park, Carl Padgett, Joe Rodriguez, Steve Royall, Gary Shimotsu, Craig Takamiya, Dennis Toyofuku, Gary Umetsu, John Wagoner, Bert Wong, Daniel Wong, and Willie Yuste.

Special mention should also be given to the Lomita-Harbor City Kiwanis Club, the sponsoring organization for the Narbonne Key Club; Mr. Zoltan Beiro, last year's president; and Kiwanis sponsor, Terry Liston.

REMARKS BEFORE THE NEW YORK STATE ASSOCIATION OF HOUSING AND RENEWAL OFFICIALS, INC.

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. FISH. Mr. Speaker, this past Tuesday, November 1, I had the privilege to address the fall conference of the New York State Association of Housing and Renewal Officials.

At this time, I would like to express my profound gratitude and appreciation to NYSAHRO for the beautiful award I was presented.

For the information of my colleagues, I would like to insert the text of my remarks prepared for delivery before this conference:

TEXT OF REMARKS

Clarence McGill and Head Table Guests, Ladies and Gentlemen . . . Welcome to Nat Parish Night at the Nevele.

Nat brings great wisdom as well as industry to bear on the problems we all face.

In serving you, he serves me. In Washington we focus so much of the time on our specific and immediate legislative responsibilities—then in comes Nat with the big picture. And what I marvel at is—he tells me what's going on in Congress and how things are going to turn out. In honoring this gifted individual, you do honor to yourselves.

I hear often from N.Y.S.H.A.R.O. and from the local directors in Poughkeepsie, Beacon, Peekskill and Kingston, as well as from some communities that used to be in my district. And now that your N.Y.S.H.A.R.O. president is an old friend, Clarence McGill, it seems like I'm always hearing from either N.Y.S.H.A.R.O. or Poughkeepsie or both—and sometimes both at the same time!

For some reason, tonight you honor me with an award. For this, I am truly grateful.

I shall show my gratitude by delivering one of the shortest acceptance speeches ever.

All day yesterday and all day today you have heard speakers, participated in round tables and enjoyed working lunches. You deserve brevity this evening.

I come to you from Washington, D.C. Adlai Stevenson called it the City of Alcohol, Protocol and Geritol.

But for better or worse, what Washington produces is important to you.

This evening I thought I would focus on the Housing and Community Development Act of 1977 and some of the new programs it has in it.

In a way it reminds me of the story about the widow who was lonely and decided to buy a parrot. She was assured by the salesman that the parrot really could talk. When she brought the parrot home, she found that all the parrot would say is "I am a wild sexy lady." This was most embarrassing to this very proper widow and she explored all kinds of ways of getting the parrot to switch to some more sedate dialogue . . . nothing worked. One day she invited the local parish priest to tea and no sooner did he sit down than the parrot did her "I am a wild sexy lady" bit.

The widow was most embarrassed and explained her plight to the priest. Upon hearing of it, he thought of a way of possibly helping her. It turned out that at the local monastery, the Brothers had two parrots who sat in their cage praying all day long. The priest suggested that if the widow were to bring her parrot to the monastery and place it in the cage with the praying parrots, the object lesson from peers would be most instructive. So the next day the widow dutifully went off to the monastery; the Brothers were most obliging and put her parrot in with the other two who, at the time, were praying away.

After a few minutes of getting acquainted (however parrots do that) the visiting parrot blurted out her "I am a wild sexy lady" line. At which point, one of the monastery parrots turned to the other and exclaimed "Hey Charlie, drop your beads . . . our prayers have been answered."

As I listen to a lot of the talk around these days, I begin to wonder whether all of America doesn't think that Urban Development Action Grants (UDAG's) are the answers to all of their prayers. I hope it turns out to be at least of some help in many of your communities. I had the same hopes for the Section 8 program in 1974, and to this date I have not been at all impressed with the production record of that program. We have made some technical changes in Section 8 that HUD seems to think will make it work better. I, along with you, want to be shown through performance rather than promises.

I do hope that Urban Development Action Grants (UDAG) turn out to work better than Section 8 did. UDAG is intended to be a program which will spur economic development and private sector investment. We sorely need both in our State and I pledge to you that I will use the limited power of a Congressman's office to try to make sure that HUD gets the program working as quickly as possible.

I must point out to you that there is only $400 million a year available on a national basis and, of that, 25 percent is earmarked for small cities (those under 50,000, except for central cities of an SMSA such as Poughkeepsie which has to compete with the big boys). When you divide $100 million among the 50 states, under any formula there isn't going to be a huge pot of gold for New York State. So, I can't promise each of you a UDAG, and certainly there are going to be some losers. It will be a competitive program and the money will, at least initially, go to those communities with the most economic distress, and to those among them who put together realistic plans that specifically show how public funds will leverage the investment of private capital with a resultant increase of jobs, particularly for low and moderate income people.

So you all have a lot of homework to do in putting together such a program. I can anticipate that I and my staff will get a lot of phone calls asking for help in getting these approved. As always, I will do all I can . . . but, I must tell you that the better the job you do at the local level, the more likely it is that I will be able to be of some help.

While UDAG (Urban Development Action Grants) may be the new wild sexy lady on the block, I don't want you to overlook the other important new elements of the Housing Act of 1977. It creates a new "small cities" discretionary program which will give many of you the option to either do programs on a multi-year basis or to go in for a single purpose one year grant. The total money in that pot for small communities will be far greater than in the UDAG pot.

The order of magnitude of the funds available under this in Fiscal 1978 for New York State is about $25 million of which about $12 million will go for grants inside SMSA's and about $13 million outside. These figures will grow in Fiscal Years '79 and '80, so I think there will be something worthwhile to go for under this program.

And the screening criteria will give some advantage to past performance so that many of you who have great needs, and are running comprehensive and successful programs will have a good shot at keeping them going at past levels.

This may sound like I am trying to gloss over the fact that we lost the fight on continuing the "hold harmless" formula at the first three year levels. I am disappointed about that. As I hope you know, I went down the line on that fight, but unfortunately there was not enough support from my colleagues on the Hill . . . and certainly not from the Administration. So we now have to make do as best we can and I do hope that you will all roll up your sleeves and develop good programs following the new guidelines and regulations so that some of you might even get more money than you lost out of the drop-off in "hold harmless". Also . . . for those who were living on year-to-year handouts under the previous discretionary program, I think the new approach will give you the chance to put together a meaningful comprehensive multi-year approach.

I have mostly talked about CD. Actually, I hope many of you will be taking advantage of the $1.2 billion of new housing assistance funds available under the new law. This can generate many of the construction jobs that I think are so necessary in New York State. I am told that every dwelling unit constructed generates about two man years of construction and related employment. And I know that creating these jobs are a much more productive approach than

spending money through unemployment payments and welfare programs. We need the housing, and we need the jobs.

Now it is up to you to get the programs going so that these funds quickly come into our state. And it is up to me to see, if HUD is giving you processing problems or adopts unworkable regulations, that we do everything possible to straighten them out.

There are many more things that I think are important in the new legislation. Some are positive and some may cause you problems. I am sure you are all more expert on the subject than I am . . . and frankly, when we write a bill up on the Hill, there always are some things in it that are new and untried. Here, one of the prime advantages of democratic pluralism come to play. The advantage is the capacity to correct its own errors.

I know that together we will, for several years ahead, be working on technical amendments to make the new Housing Act work better—and Nat will be there to suggest them. I ask that you at N.Y.S.H.A.R.O. continue to help me to better understand the ramifications of proposed legislation. I pledge to continue to do everything in my power to help you meet your local needs in the best possible way. In my own district the projects I have worked with you on have, on the whole, been most beneficial to the people in our communities. I feel very certain the same is true for most of the other housing and community development programs around our State.

Keep up the good work and thanks again for this wonderful award.

RALPH NADER—FOR WHOM THE VOICE RINGS

HON. JOHN N. ERLENBORN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. ERLENBORN. Mr. Speaker, the leadership of the House has chosen not to put to the test the newest in a series of bills designed to create a Consumer Protection Agency.

Debate and a vote on such a bill was scheduled for November 2. Late Tuesday afternoon, November 1, the Members were informed that consumer protection had been pulled off the calendar and would not be considered until at least 1978. Mr. Speaker, let us end this time- and money-consuming process.

The leading proponent of a Consumer Protection Agency has been Ralph Nader through his various "public interest" organizations. Time and time again, he has prevailed upon Congress to draft legislation, schedule and hold hearings, take committee votes, consider amendments, write letters, ask and answer questions and go through the entire, complicated, expensive legislative process only to have the bill fail to be enacted. Mr. Speaker, enough is enough.

During this latest attempt to create a Consumer Protection Agency. Mr. Nader went directly to the people. In a much-ballyhooed campaign, he urged every citizen to send his Congressman one nickel, saying, in effect: "If everyone sends in a nickel, the total amount of money collected will equal the projected budget for the CPA. We, the people, will have demonstrated our support for a Consumer Protection Agency by paying for it in advance."

In my mind's eye, Mr. Speaker, I can picture Mr. Nader and his staff chuckling as they waited to see congressional offices flooded with nickels; our aides struggling under the load of great bags of 5-cent pieces as they took them to the Sergeant at Arms for safekeeping. This was to be the great test, a national referendum on CPA.

Mr. Speaker, only two nickels came into my office. If every office received as many, the Agency would have to be funded on a grand total of $43.50. The great outpouring of sentiment from the "public" never materialized. The test failed. Mr. Nader, hoist with his own petard, has been proven wrong.

Mr. Nader has held himself out as being the "voice of the people." He has garnered an enormous amount of publicity, and caused a great deal of public money to be spent on his behalf. As Jimmy Breslin wrote in his book, "How the Good Guys Finally Won," "If people think you have power, then you have power."

Ralph Nader appears to have power. He is treated by the press and on the Hill as though he has power. He believes he has power. Mr. Speaker, he has none.

The "public interest" is one of those nebulous terms we all tend to use with authority, but which defies clear definition. What is the public interest? As opposed to what other interests? How many "private" interests must be added together before they become the "public" interest? The answer is, Mr. Speaker, that there is no single public interest. No one person or organization can pretend to speak for the public interest.

Mr. Speaker, Ralph Nader does not speak for the public interest because, obviously, the public does not agree with him. The public did not want ignition interlocks on their cars, I suspect they do not want airbags, and Mr. Nader has himself proven that the public does not want a Consumer Protection Agency.

Only Ralph Nader wants all those things. His voice is heard ringing through the hallways and committee rooms of Congress. For whom does that voice ring? It rings not for thee or me. It rings only for Ralph Nader.

SALUTE TO THE ORGANIZATION THROUGH TRAINING UPON THE 50TH GOLDEN ANNIVERSARY OF WOMEN'S AMERICAN ORT

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. BIAGGI. Mr. Speaker, and my colleagues here today, I want to tell you of a young girl, who was born to expect little out of life and settle for less. Oh, I am sure she may have had an occasional chance to daydream. Perhaps, she sat back and envisioned herself as the princess of her favorite fairy tale. But far beyond the ranges of her imagination, and the knowledge or fantasies of those who touched her life, our modern-day heroine was able to find a path toward the realm of personal fulfillment, replete with happiness and success. For she, 12-year-old Mahavash Kalatizadah, had come to know contemporary princes and fairy godmothers in the dedicated men and women of ORT, and a world of educational and vocational possibilities now open to her.

Mahavash had arrived at the "ORT City" in Iran to study just enough math and humanities to prepare for her anticipated vocation of dressmaking. An eager appetite for more learning took hold and at the completion of her first cycle of courses at the ORT girls school Mahavash requested admission to the elite division in advanced studies in architectural drawing. She had become, in her own way, and without thinking in such terms, a pioneer feminist in a society whose mores consigned women to a life of drudgery and illiteracy. Through the personal encouragement of the director of ORT Iran, Parvine Motamed, a child-student grew to be an educated and talented woman.

Mahavash is now in France on scholarship. She has a wealth of fresh potential ahead of her. But she plans to return to her ORT school to be a teacher, to continue a tradition of emancipation for the men and women of her community.

Mr. Speaker, I offer this tale of the transformation of Mahavash as a special living tribute to the very devoted membership of the Women's American ORT, whose valiant efforts are helping a Mahavash in many corners of the globe.

I am proud to be before you today asking that the attention of our colleagues, and our constituencies throughout the Nation be directed in salute to the work of an outstanding worldwide humanitarian association, the Organization for Rehabilitation through Training. It is the occasion of the 50th anniversary year of Women's American ORT, and this golden milestone affords us an opportunity to consider the very meaningful work of an essential foundation for very needy and deserving young people throughout our world.

Even as we meet here today, some of the representatives of the over 130,000 U.S. Women's ORT membership, which includes the 3,000-strong New Yorkers of the Queens region, are returning to this country after reaffirming the continuation of their valuable work at the observance of the 24th Biennial ORT Convention in Jerusalem, October 20 to 28, 1977.

Let us first take an overall look at the ORT framework, and then some singular areas of achievement, to gain our basis for understanding and appreciating the extent of the ORT contribution to mankind.

For almost a century, this institution has provided the skills and the trades to the Jewish people wherever there is a need. The present ORT network em-

braces 800 training units in 30 countries. More than 76,000 students are being trained annually in 90 trades. More than 1,500,000 people have been trained since its inception in 1880. ORT is the largest nongovernmental vocational agency in the world.

On a more personal plane, ORT has recently expanded its programs throughout Israel, in both quality and quantity, despite Israel's perilous position and its difficult economic situation. It has met the arduous challenge of providing their services to migrants and refugees, who have escaped the Soviet regime. It has effectively furnished the means with which to meet the Jewish needs of small communities throughout the world.

ORT has opened opportunities where none existed, and has implanted the capacity for self-reliance, and productive, useful and dignified participation in the life of a community. It has anticipated the needs of the economy of Israel, without failing the needs of Jews elsewhere, or denying ORT expertise to developing nations.

ORT has led the way in transforming vocational studies into something more than job training for losers or the poor. It has made vocational education attractive. ORT schools have become synonymous with high quality. Their curriculum can be described as a broadly defined preparation for contemporary life with a cross-section of Israel's, or the particular locality's, youngsters in mind.

The record of what ORT is doing in Israel indicates its place as a resource for nation-building. The Jewish community has shown through ORT, and its development, that it has an answer to give to the needs of society. Through vocational training, it can make a positive and solid contribution to the upgrading of labor.

An ORT leader describes his role as follows:

> By preparing young men and women for useful vocations, we are equipping them to lead useful working lives. The feeling of confidence which grows out of competence and dignity reinforces identity and Jewish consciousness.

Joseph Harmatz, Director of ORT Israel, in speaking of the Holon, Israel operation, made a poignantly revealing observation about the ORT way—

> The tools used are love, attention, respect, and mainly, no mention of the past. Today the students feel that they are important to their surroundings, their own consciousness is strengthened, while at the same time their self-assurance is developed.

Women's American ORT is the largest and most effective ORT organization. Their cumulative participation in the ORT budget, and in the construction of new facilities, results from the sustained will and work of its members throughout the American Jewish community.

We have the example of the ORT Center in Toulouse, France. This facility will train well-grounded skilled technicians as well as give them a technical education. This type of school has never existed in Europe before. The buildings were erected in record time through the generous aid of Women's American ORT.

Women's American ORT has championed the cause of bringing ORT's expertise and experience to the United States. It has become increasingly involved in promoting relevant quality education in this country, with special emphasis on career and comprehensive education.

We have viewed the purpose of ORT, and looked briefly at its structure as it realized some of its goals. Success does have many faces, but none so touching and meaningful as a dream come true for a little girl, and so many of her brothers and sisters the world over.

I trust that all here today will join me in extending to the leadership and membership of Women's American ORT our heartiest congratulations on their golden jubilee. Together with the World ORT Union, and the workers in the ORT organizations all over the globe, may they enjoy even greater successes in the years ahead.

WILLIAM J. (BILLY) WELDON

HON. JACK BRINKLEY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. BRINKLEY. Mr. Speaker, I want to take this opportunity to congratulate a native of the Third District of Georgia on his inspiring life of service to others.

Mr. William J. (Billy) Weldon, of Woodbury, Ga., who was born on January 4, 1888, is living proof of the invaluable contributions many of our senior citizens continue to make to their communities. Although he will soon be 90 years young, Mr. Weldon's zest for living surpasses that of many men half his age. He is a lay speaker, Sunday school teacher, and frequent preacher at his Bethesda United Methodist Church and, somehow, still finds time to cultivate extensive vegetable and flower gardens.

I commend the following article on Billy Weldon, published in the Manchester Star-Mercury of Manchester, Ga., to the attention of my colleagues. It is a fitting tribute to this great man's community service and his faith in America's future. I salute Billy Weldon on behalf of Woodbury, Ga., and the entire Third District.

W. J. (BILL) WELDON, 89, BELIEVES "GOD IS ANSWER TO AMERICA'S PROBLEMS"

(By Cecil Hamby)

William J. (Billy) Weldon, of Rt. 1, Manchester, is a man who is intensely proud of his religious heritage, indelibly impressed upon his heart and mind in his youth by his parents and grandparents and other relatives.

A few days after his 89th birthday on January 4, Mr. Weldon posed for a picture holding photographs of his paternal grandparents, Mr. and Mrs. William Alexander Weldon, pioneer settlers of the Dunwoody, Ga. community. His grandfather came to America from England at the age of 19 and settled in the Dunwoody community. His wife was a native of Covington, and they raised a family of nine children, five girls and four boys.

Grandfather Weldon was a blacksmith by trade, and shod horses for the Confederate Army during the War Between the States. He gave the land and helped to build what was then known at the New Hope Associated Reform Church in Dunwoody. Grandfather Weldon died at the age of 65, just two months before Billy Weldon was born on January 4, 1888.

Billy Weldon was himself a member of the Associated Reform church for a number of years. "They were a strict people," Mr. Weldon recalls, "and they adhered closely to the teachings of the Bible."

Mr. Weldon is a member of the United Methodist Church, and has been for a long number of years. His membership is with the Bethesda United Methodist Church on Highway 85 East, between Manchester and Woodbury.

He is a lay speaker, and has taught Sunday School classes, and preached in churches for as long as he can remember.

Although he is now working on his 90th year, Mr. Weldon remains active, going and coming pretty much as he pleases, and drives his ancient pickup truck when the vehicle is inclined to cooperate. He enjoys good health, although a back ailment sometimes gives his trouble, causing him to bend a little and limp as he walks.

He attends the services of his church faithfully, and services at other churches regardless of denomination, and their revivals. One of his favorite religious gatherings is the weekly prayer services which are held in Manchester when the weather and circumstances permit.

Since the death of his wife several years ago, Mr. Weldon lives alone in his bright yellow, five-room frame house on the Country Club Road, just a short distance from the home of his daughter and son-in-law, Marie and James F. Carlisle.

With the help of a once-a-week cleaning helper, he keeps the home tidy and neat. One of his hobbies and pleasures is growing flowers and vegetables, and the front porch of his home is crowded with plants and shrubs, and his front lawn, in season, produces tomatoes, squash, beans, corn, and the like, for his own consumption and for sharing with his neighbors and friends.

Here, in his neat little home, surrounded by photographs of his wife, their children, grandchildren, his grandparents and other relatives; his Bibles and religious tracts, he spends his leisure time reading and meditating.

Billy Weldon's proudest and most rewarding heritage is his inculcated belief that "Almighty God and His love and mercy" are the answers to all questions and problems.

His greatest concern centers around what he describes as "the desecration of the Sabbath and its meaning for mankind."

He recalls that in his youth, the Sabbath was observed by his family as a "Holy day of rest and communion," and the opportunity and obligation of learning and memorizing of pages of the youth's catechism.

Some weeks ago, Mr. Weldon received a copy of Senator Herman Talmadge's weekly report to his Georgia constituents, in which Talmadge used the phrase: "Putting first things first."

It is Mr. Weldon's firm and devout conviction that "God must be placed first in our nation and world," if we are ever to confront and solve the many problems of our nation and world.

Not a crusader in the sense of its most pious stage, Mr. Weldon nevertheless fears that America is succumbing, day by day, to its own decadence, through its self-indulgent permissiveness; its drugs; its crime, its pornography; its pampering of its youth.

He believes America is too intent on bodily comforts and its worship of the material.

"God is not pleased with us," he believes, and the image of God's terrible visitations on rich nations grown soft and corrupt dwells with him.

And there is plenty to support Mr. Weldon's fears.

The headlines of the past four years have portrayed our nation's capital, for example, as a place where national leaders, infatuated with power, systematically lie to the people, commit burglaries, put concubines on the public payroll, paid their expense accounts, and commit other lesser sins too numerous to mention.

And there is reason to believe that the public is just as disturbed by the level of morality close at home as in Washington.

A report from a small town in the midwest, for example, finds almost every one with his own tale of thievery. A motel manager tells of having to fire his entire night kitchen staff for stealing meat, dividing it and selling it to their neighbors. A hospital maintenance supervisor had his tools stolen almost before his eyes. An elderly woman reported that someone stole a hanging plant from her front porch.

Here in Manchester, a Baptist minister had his coin collection, valued at over $5,000.00 stolen from his pastorium while he was conducting worship services in his church next door.

Everyone wonders what happens to all the things that disappear. Who buys them? Where are they sold? Do the buyers know the items are stolen goods?

Mr. Weldon's outlook on the "desecration of the Sabbath" is not the pious thinking of a religious fanatic. It is close to fact and truth, and it is a premise shared by millions of many faiths or of no faiths.

Sunday has become a day little different from any other day of the week in the minds of suppliers of services, recreation, and material things, and in the minds of those who desire them.

It is not reasonable to expect that the God Who created the Sabbath and made it Holy, will deal kindly with those who abuse it and use it as an extension for secular activities and programs.

In short, Mr. Weldon believes that God was not passing a temporary or situation piece of legislation when He revealed to Moses on Mt. Sinai His Ten Commandments.

In His brief statement, He told the confused and erring people traveling with Moses, as He is telling the present generation and all who have existed in the years between this simple message: If you didn't known before what is right and what is wrong, you know now. If you didn't know before the requirements for successful life, you know them now.

He said: "This is what I require of you. Not for just an hour. Not for just a day. Not for just a year. But always.

We extend a belated congratulations to Mr. Billy Weldon on his 89th birthday, and our best wishes for many more birthday observances by him.

He represents that vast and growing segment of American society that is a part of what is sometimes referred to as the "Bible Belt"; the church-goers and church-supporters, and praying Bible readers and scripture practitioners who manage somehow to hold together the fabric of American Christian Democracy raging in opposition.

EXPLANATION OF VOTE ON REGULATION Q

HON. NEWTON I. STEERS, JR.

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. STEERS. Mr. Speaker, on Monday, October 31, the House considered under suspension of the rules H.R. 9710—a bill to extend regulation Q and for other purposes. The House passed this bill by a vote of 395 for, 3 against, and 7 voting "present." I did not vote either for or against this bill but merely recorded myself as present.

My financial statement of net worth was the first such statement submitted by any Member of the 95th Congress to the CONGRESSIONAL RECORD for public scrutiny. In that statement (on page 208 of the January 4 issue), I recorded ownership of 6,000 shares of Government Services Savings & Loan, which then had a market value of $47,250.00. In order to avoid even the appearance of voting in favor of legislation that might help my stock, I voted "present."

I also did not vote on this bill when it passed the Committee on Banking, Finance and Urban Affairs.

TOXIC SUBSTANCES CONTROL ACT AMENDMENTS

HON. PHILIP E. RUPPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. RUPPE. Mr. Speaker, 3 days ago, the Senate passed S. 1531, a bill that would establish a program of assistance to States in order to aid individuals injured by toxic chemicals.

Today, Mr. FORD of Michigan and I are introducing a similar measure. Its basic purpose is simple—to protect innocent victims from the financial hardships caused by toxic chemical accidents.

In no way, however, is this bill intended to forgive the chemical polluter. To the contrary, States providing financial assistance to the innocent victims of such contamination are required to "take all steps necessary" to assure that the State has and will pursue legal action against the party or parties responsible for the contamination before funds paid out under this bill are available.

Essentially, the bill sets up a means whereby a State could act promptly to quarantine and condemn livestock or food containing a chemical substance without delaying because of the financial liability involved.

A joint Federal-State grant program would be set up if the State: first, has a chemical substance in its environment; second, the chief executive or a Federal agency moves to impound or otherwise condemn any food or livestock contaminated by such a substance; and third, the State moves to provide financial assistance to persons harmed by such State or Federal action.

One provision included in this bill but not covered in the Senate-passed legislation deals with assistance for research into ways of eliminating these substances from the human body. The chemicals already identified as possible health hazards is growing—PCB's, kepone, mirex, tris, PBB's, and this list will continue to grow. In the case of the PBB contamination issue in Michigan, I am at a loss to understand why Federal assistance has not been provided to study methods of eliminating PBB from the human body. I have expressed my concern about this matter to the FDA, but have not been assured that such a project will be undertaken—even though the accident took place 4 years ago.

On the issue of PBB, lest my colleagues believe that such contamination is limited only to the State of Michigan, I would point out that PBB's have been found in the Ohio River, in New York, and New Jersey. In addition, tests for PBB contamination are being studied in other States where PBB's are used in large amounts—Illinois, California, Mississippi, Ohio, Tennessee, and Pennsylvania.

It is time to respond legislatively to accidental chemical spills—for as long as there are toxic chemicals being produced, there will be more chemical accidents.

The bill Mr. FORD and I have introduced is a way to minimize the impact of such accidents by: First, assisting innocent victims of such accidents by providing prompt financial assistance; second, encouraging States to set up programs to detect and control such accidents and move against polluters in a consolidated manner; third, remove concern over financial liability from the State decision-making process; fourth, assist the needy in medical expenses incurred by such contamination; and fifth, work to restore public confidence in the food and produce of a State by combining Federal and State efforts to insure a prompt response to any such accident.

The bill also increases the authorization levels in the Toxic Substances Control Act in order that the act can be more effectively implemented.

Congressman FORD and I welcome the support of our colleagues and hope they will join us in this effort to make this legislation a reality in the second session.

ODESSA, MO.

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. SKELTON. Mr. Speaker, the community of Odessa, Mo., is just a few miles from my hometown of Lexington. I have known many Odessa residents all my life. There is no question in my mind that it is small communities like this one that are the backbone of America. Thus, it is with a deep sense of personal pride and satisfaction that I report to you that Odessa has just received the top award in the Missouri Community Betterment Conference for communities between 2,500 to 5,000 population. I would like to include in the RECORD an extract from the local newspaper, the Odessan, which outlines the community's achievements:

ODESSA, MO.

Odessa received the top award at the fourteenth annual Missouri Community Better-

ment Conference and awards banquet held Tuesday in Jefferson City. Odessa received a $500 cash award and trophy as the grand prize winner, along with an additional $500 and plaque for taking first place honors among communities between 2,500 to 5,000 population.

Projects undertaken by Odessa during the competition year centered around improvement of both city parks, programs dealing with leadership development and community awareness, a major clean-up and tree-planting campaign, and preliminary planning for a one week centennial celebration.

Odessa, population 2,839, has participated in the annual competition for the past two years and has placed both times—third in 1975 and fourth place last year. More than 300 Missouri communities participate in this statewide civic improvement program administered by the Missouri Division of Community Development. Member communities are judged on the progress made during a one-year period only.

AMERICAN CAPITALISM AND JANE FONDA

HON. DEL CLAWSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. DEL CLAWSON. Mr. Speaker, the perception and ability to glean from diverse disciplines and/or groups their characteristic expertise or wisdom, while also encouraging cohesion and broadness of vision, is as essential to academic development as to national progress. It is all the more unfortunate then, if the college campus becomes a forum for divisiveness or philosophical myopia. The column by George Will which follows appeared in this morning's Washington Post. The example of dangerous extremity which it describes is worthy of note. But I especially commend the reaction of balance and skepticism advocated by Mr. Will:

THE INCANDESCENT FONDA

(By George F. Will)

Jane Fonda (for those unlettered in political philosophy) is one of the movie stars often seen on the barricades of the class struggle as well as on the silver screen. Her previous enthusiasm was North Vietnam, and her current enthusiasm is Lilliam Hellman, a sort of former Jane Fonda, a figure in the entertainment world whose enthusiasm was the Soviet Union.

Fonda also is keenly interested in corporate taxation, the Dow Chemical Company, the legislative process and the duty of business to pay taxes with cheerful abandon. (Presumably, Fonda and her colleagues in the movie industry, in Beverly Hills and thereabouts, do that.)

Fonda is not renowned for reticence on these or any other matters. Like her husband, Tom Hayden (whose offer to be a U.S. Senator was declined by Californians), she speaks for "the people." Wherever her incandescent self is, the air is thick with reproaches—her preferred mode of self-expression.

Recently Fonda was drawn to Central Michigan University by her thirst for justice. She said she would contribute her $3,500 fee to the Campaign for Economic Democracy, which her husband founded. She labored to impregnate Michigan youth with her insights on (among many other things) the revenue system.

While discussing political economy, justice, etc., Fonda announced that Dow Chemical USA, a company based in central Michigan, is part of a "new group of rulers, tyrants." Unbeknownst to most Americans but not to Fonda, these tyrants control the lives of most Americans (but not Fonda's life of solitary understanding). She said Dow and other tyrants "have learned to manipulate the tax laws to get away from paying their fair share." (Last year Dow paid $429.6 million in taxes.)

Last year Dow contributed $73,000 to Central Michigan, which was one of approximately 450 schools receiving contributions from Dow. But now Dow is thinking hard thoughts about Central Michigan, and has notified it that there will be no more grants until something is done about balancing "what your students hear."

Dow cannot be reasonably accused of trying to impoverish the life of the mind in Michigan. While not wishing to suggest that Central Michigan does not respect Fonda for her mind, I do doubt that she ranks among the 10,000 most intellectually formidable exponents of even radical orthodoxy on any of the subjects she regularly ventilates.

Although Fonda fancies herself bold beyond belief, in this instance, as in most, her behavior was conventional. (One radical free-spirit nonconformist is pretty much like another.) But Dow's behavior was unconventional. It is, alas, unusual for the business community to balk at subsidizing those who detest it.

Business is conducted by people of action and practical wisdom. Most are not gifted at articulating the theoretical premises and justification of capitalism.

But because of the abundance capitalism provides, and the technical sophistication capitalism demands, an advanced capitalist society is apt to devote substantial expenditures to higher education. And the academic community, nimble with words and theories, often is hostile to the business community.

On the one hand, many academics despise business for being concerned with crass worldly things. On the other hand, many academics (often the same ones) resent the fact that business has something worldly that they want: power to change the world.

Capitalism inevitably nourishes a hostile class, but there is an optional dimension of this process. American business has been generous with gifts to universities—not too generous, but too indiscriminate. Dow has given the business community a timely sample of appropriate discrimination.

Universities should be (and should deserve to be) free from close supervision by the sources—public or private—of their financial support. But there should be *some* limits to intellectual frivolousness, even on campus. And those who support universities have not only a right, but also a duty, to withdraw support from institutions that recognize no limits.

It has been well said that "intelligence will tell in the long run—even in a university." Perhaps. And perhaps by nailing vague academic minds to hard financial facts, the business community can help.

CONGRESSIONAL MEDAL OF HONOR

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. MINETA. Mr. Speaker, it is a great privilege to speak today on behalf of myself and two distinguished colleagues, DON EDWARDS and PAUL N. MCCLOSKEY, JR., to honor those veterans who have received the Congressional Medal of Honor, our Nation's highest award for valor during conflict with an enemy of the United States.

Among the many events scheduled to honor these veterans is a parade in San Jose, Calif., on Veterans' Day, November 11, 1977. The parade will be broadcast by national television so that all Americans will be able to view this celebrating honoring not only Congressional Medal of Honor winners but all veterans.

On Saturday, November 12, 1977, the San Jose Chamber of Commerce is hosting a communitywide banquet to honor these brave men. The banquet will be a climax of the biennial meeting of the National Congressional Medal of Honor Society and will give our entire community a chance to acknowledge publicly the brave deeds the medalists performed during combat.

Mr. Speaker, I am sure that you and all Members of the House of Representatives will join us in commending those who have proved their patriotism and loyalty to our Nation by showing extreme valor in the face of battle. To these men we say thank you.

BLOWING THE WHISTLE ON GOVERNMENT WRONGDOING

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. CONYERS. Mr. Speaker, a few years ago as an outgrowth of Watergate and coverups concerning cost overruns at the Pentagon, a group of lawyers in Washington led by Ralph Stavins of the Institute for Policy Studies launched the whistle-blowers project to develop legislative and other remedies to protect conscientious civil servants who uncover wrongdoing in Government. A larger purpose which this project serves is to rehabilitate public—and private—institutions from the inefficiency, unresponsiveness, duplicity, and other abuses which plague so many.

I commend to the attention of my colleagues a recent article which appeared in the Boston Globe written by Ralph Stavins and Brian Blanchard. The authors recommend one solution to Government wrongdoing:

Reverse the set of sanctions that govern the behavior at our major institutions. Penalize the managers who order improper programs and reward those who flush them out.

The Government reorganization task forces at OMB and the White House ought to include this recommendation in their reorganization agenda.

The article follows:

BLOWING THE WHISTLE ON WRONGDOING

(By Ralph Stavins and Brian Blanchard)

At first it seemed to be a sloppy error in bookkeeping by administrators in Harvard University's Department of Nutrition.

Dr. Phin Cohen claimed that the problem ran deeper.

Then the blame fell on Frederick Stare, chairman of the Nutrition Department in Harvard's School of Public Health, who accepted "technical" responsibility for mismanagement of Federal funds in three of his department's research projects.

But Dr. Cohen was certain that this was not the whole truth.

Finally, a National Institutes of Health (NIH) audit reported that Harvard had misused $132,000 in taxpayers' funds and cited a host of other improper acts as well:

Charging for personnel who did not work on the grant projects;

Filing false and inaccurate personnel effort reports;

Failing to furnish adequate financial information to the principal investigators;

Pooling of grant funds;

Charging the direct cost budget for indirect costs that were already covered in the indirect costs awards.

Harvard University returned the $132,000 to NIH, but that has not deterred HEW from ordering an audit for the whole school, scheduled for October—"partly because of the Phin Cohen case," explains HEW auditor Al Hefferman.

Phin Cohen, former assistant professor of nutrition, was engaged in medical research at Harvard for 20 years, from 1956 to 1976. During that time he wrote or participated in writing 58 publications in the field of blood platelets and bone diseases. Dr. Cohen has received outstanding evaluations and has been elected to a number of scientific societies.

On the basis of a recommendation by an ad hoc committee and his well-established scientific credentials Dr. Cohen had every reason to expect reappointment. In May 1975, two months after he had been offered a promotion, the offer was suddenly withdrawn and Dr. Cohen was discharged.

Why? Because Dr. Cohen told the truth about Harvard misallocating government money.

"No one has told us why Cohen was not reappointed," protests Albert Cullen, Cohen's attorney. "Not only has Harvard misused funds, but it has gone to the point of saying something is wrong with him for blowing the whistle."

As our major institutions find themselves falling deeper and deeper into the netherworld of crime and corruption, ordinary employees, clerks, stewards and researchers—the Phin Cohens of the world—suddenly find themselves thrust into the role of supermen, locating and apprehending the mighty in the hidden reaches of Gotham. Asked why they speak out when their coworkers remain silent, they invariably respond like nurse Sandy Kramer, who blew the whistle on substandard health care at Shiprock (N.M.) Indian Hospital, "It wasn't something I thought about. I saw wild dogs running loose on the hospital grounds, emergency carts half-filled and the supervisors sitting around drinking coffee behind closed doors. I had to do something, so I wrote the President. I guess it was instinctive."

Managers at our leading institutions, on the other hand, produce lengthy and heated debates about whom to include and exclude from their cabals; the chosen conspirators research and calculate where to hide the laundered money, how to fix prices and what to put in the soft files. Crime at the top and justice at the bottom are the hierarchical imperatives of the new social order.

And the institutions go on and the whistleblowers are blown away. Tony Morris, a reputable virologist at NIH, compiled facts for several years documenting the unsafe and inefficacious procedures for flu vaccines and presented his findings opposing the swine flu vaccination program to top administrators at NIH. The administrators sat on his findings and gave the green light for the swine flu program. Americans were killed and paralyzed, and $1 billion in claims are being processed by the Justice Department. Tony Morris? He was fired and is still unemployed. Nurse Kramer was fired from her job at Shiprock Indian Hospital. Dr. Phin Cohen is looking for a job.

A simple solution awaits our lawmakers. Reverse the set of sanctions that govern the behavior at our major institutions: Penalize the managers who order improper programs and reward those who flush them out. Legislation pending before Congress would establish clear protections for Federal employees who blow the whistle, giving them the right to bypass the cumbersome administrative process and go directly to court to seek redress; to get attorneys' fees reimbursed in the event they are vindicated; and to hold managers personally liable for harassment.

Similar redress could be afforded employees in the private sector through the intercession of trade unions that are willing to include whistle-blowing protection in their collective bargaining efforts. Ultimately, the courts must decide whether they wish to extend the right to speak from the citizen to the employee. If they do, we could take a giant step toward rehabilitating our major institutions.

WHAT HAPPENED TO CONGRESSIONAL PAY RAISE DEFERRAL

HON. NEWTON I. STEERS, JR.

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. STEERS. Mr. Speaker, anyone who was present Tuesday during our consideration of H.R. 9282 must agree that the proceeding was confusing, to say the least. Unfortunately, a reading of the CONGRESSIONAL RECORD does little to help clarify matters.

In yesterday's Washington Star, though, we do find an excellent article by Ron Sarro. He not only explains what happened on the floor Tuesday, but also sheds considerable light on the history of the congressional pay raise deferral proposal and the developments that led up to the floor action on H.R. 9282.

For the benefit of those who may still be puzzling over what happened to the congressional pay raise deferral bill the other day, I present herewith the full text of Ron Sarro's article from the November 2 Washington Star.

[From the Washington Star, Nov. 2, 1977]

HOUSE DEMOCRATS EMBARRASSED: COME THE ELECTION YEAR, HILL PAY FLAP TO RISE AGAIN

(By Ron Sarro)

The latest chapter in the great congressional pay raise controversy of 1977 has proved to be an embarrassment for the House Democratic leadership and assures that Capitol Hill politicians still will be faced with the issue in 1978, an election year.

The proposed Congressional Pay Raise Deferral Act was supposed to be the last in a series of actions taken by the House since January to sort of apologize to the voters for the 29 percent, $12,900 pay raise legislators accepted earlier this year.

Instead, House action on the legislation to defer any future congressional pay raises for at least two regular sessions after it is approved ended in disaster when the House late yesterday voted 232–168 for a procedural motion blocking consideration of the bill.

That kicked it over until next year. Politicians would much rather not be forced to discuss a $12,900 pay increases in a year in which they are running for re-election, as all 435 members of the House will be.

The procedural motion seemed to be going down to defeat—at one point by a 220–180 vote—when word swept across the floor that the act contained an unexpected provision widely interpreted as prohibiting congressmen from rejecting any future cost-of-living increases.

Members switched votes rapidly, killing the bill for this session. Also killed was House Speaker Thomas P. O'Neill Jr.'s hope that the 1977 pay raise controversy could be put to rest once and for all with the deferral act he had promised he would allow to come to a vote before this session ended.

To put yesterday's action in its proper perspective, it's best to go back to early this year when the Quadrennial Federal Pay Commission recommended a 29 percent salary rise for congressmen, judges and top-level federal executives.

The raises, increasing congressional salaries from $44,600 to $57,500 a year, became effective automatically when neither the House nor the Senate took the option of adopting a resolution rejecting the salary increases. In the House, the issue became a major battle, particularly over the fact that no vote was allowed on the pay, pro or con.

After the raise had taken effect, Rep. Otis G. Pike, D-N.Y., forced a vote on a symbolic amendment to the House Budget Resolution to reject the raise. That was adopted 236–179. Although the amendment had no practical effect, the vote showed the political heat on congressmen generated by a raise that was offensive to low-paid constituents.

The controversy became so hot, in fact, that both the House and Senate adopted amendments to the Federal Salary Act requiring up or down votes on all future congressional pay raises so voters could hold legislators accountable.

Further reflecting the political pressure, the House and Senate also adopted legislation canceling an autmatic cost-of-living pay increase of about 5 percent that congressmen would have received last month under "comparability" provisions of the pay act. Next October's increase still is in effect and would not have been changed by yesterday's bill.

Finally, in June, there was a real vote on the pay raise when the House voted 241–181 against a move to take money for the pay raises out of the 1978 legislative apropriations bill. It was quite a turnaround compared to the vote on Pike's amendment, mostly because O'Neill made it a vote of confidence in himself.

The Congressional Pay Raise Deferral Act was sponsored by Rep. Charles W. Whalen, R-Ohio, a retiring congressman, in the belief that politicians in Washington should play by the same rules used by politicians back in the states when it comes to their salary increases.

Whalen's bill, which attracted 176 co-sponsors in the House, would automatically defer any pay raise recommended by the federal pay commission until the next Congress convened after the Congress which approved the raise.

That Whalen noted, is the way it's done in 37 state legislatures, giving voters a chance to re-elect or defeat members based on their

position on their salaries, if the voters so choose.

Whalen's bill was referred to a special House subcommittee on pay raises, headed by Rep. Stephen Solarz, D–N.Y. It was this subcommittee, firmly supported by the House Democratic leadership, which originally bottled up resolutions to force a House vote on the congressional pay raise before it became effective.

Solarz's subcommittee wrote into the legislation a provision Whalen yesterday called a "tradeoff" which would have barred in the future any amendments to House budget or appropriations bills "which directly or indirectly prevents the payment of increases in pay raises for members of Congress." This was widely interpreted as barring votes to kill future cost-of-living increases.

The subcommittee report used this reasoning on the provision:

"The events of the last few years have led the committee to conclude that the emotional appeal of the congressional pay issue coupled with the ease with which it can presently be exploited by means of amendments to appropriations bills or budget resolutions ensure that the issue will continue to receive more time than it warrants.

"While the pay issue is important, the committee believes that much of the time spent debating that issue could better be spent on more significant issues facing the country and Congress," the committee concluded. It added a clincher—that every other year such offensive amendments would be before the House "shortly before an election."

The alarm about the provision was sounded by Reps. Robert Bauman, R-Md., John Rousselot, R-Calif., William Armstrong, R-Colo., and Dan Quayle, R-Ind. Armstrong and Quayle circulated a letter to colleagues calling the section a "sleeper . . . precluding the only effective means we have of voting on these cost-of-living increases."

Solarz insisted that wasn't true, that congressmen could still sponsor and vote on resolutions to kill cost-of-living increases, as long as these were not amendments to appropriations or budget resolutions. But few members would listen to him.

Bauman, the master of House parliamentary maneuvering, forced the procedural vote on the bill, which was brought up under suspension of the rules, requiring a two thirds vote for adoption but prohibiting any amendment to take out the offensive section.

Bauman first unsuccessfully made a point of order against the bill on grounds it violated budgeting and appropriation laws, then forced a roll-call vote on a "second" for the bill. A vote against a "second" was a vote to kill the legislation.

His motion appeared lost when the 15-minute voting clock ran out, but then large numbers of congressmen—many of them clutching the subcommittee's report or copies of the Armstrong-Quayle letter—gathered in the House well and started switching their votes.

O'Neill and Solarz said later there was no way to take up the measure this year without amendment by the subcommittee.

REBUTTAL OF CONGRESSMAN DINGELL'S DEFENSE OF PART V OF H.R. 8444

HON. JOHN T. MYERS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. JOHN T. MYERS. Mr. Speaker, on September 27, 1977, Representative JOHN D. DINGELL inserted in the CONGRESSIONAL RECORD questions and answers concerning some effects of part V of the National Energy Act (H.R. 8444) as it passed the House. This memorandum is a rebuttal to Representative DINGELL's answers.

NAEC REBUTTAL

Mr. DINGELL's questions and partial response. Question. Doesn't Part V provide for a federal takeover of regulatory authority traditionally vested in the states?

No.

National Association of Electric Co.'s response.

1. Yes. Section 511 specifically sets forth minimum Federal standards to be imposed on a nationwide basis. Section 531 then declares that in the event that these minimum standards are not implemented by the States, then no rate increases may be authorized by the State and the appropriate Federal agency, now the Federal Energy Regulatory Commission (FERC) would assume jurisdiction for implementation of Part V. This is a Federal take-over. Furthermore, Section 531 prohibits any retail rate increase by a utility that is not in compliance with these standards without regard to State regulatory action, which compliance is to be determined by the Federal agency. If this is not a take-over then it is difficult to imagine how one could be more effective or direct.

The concentration of ratemaking authority in the Federal government would represent a radical encroachment on an area of traditional state authority. There has been no showing of abuses at the State level to justify the takeover. On the contrary, there is a strong trend by the States to strengthen support for the regulatory agencies from State resources, and the quality of both leadership and staff in State regulatory agencies has been significantly improving in recent years. At least 32 States are actively studying and experimenting with progressive rate design, in addition to the activities of industry and the existing and adequate role of the Federal government.

Mr. DINGELL's question and partial response:

Question. Doesn't the bill add another regulatory layer full of red tape to an already burdensome process?

No

National Association of Electric Co.s respond:

2. Yes. The bill will complicate and prolong an already extended regulatory process by encouraging intervention, adding new levels of review and in other ways. The whole purpose of the regulatory process—to conduct efficient and fair ratemaking proceedings—is called into question by the bill's provisions.

The bill requires utilities to provide customers with information on existing and proposed rates. Any individual consumer may intervene in regulatory proceedings with the full rights of a party, and funds are authorized in the bill to finance their intervention at both the State and Federal level. In addition, consumers may attack regulatory determinations collaterally by injunction even where they have not participated in the regulatory process. An independent Office of Public Counsel is created in the FERC to second-guess and frustrate the activities of its own agency.

It is clear the above provisions will inevitably cause delay. Delay increases cost and forestalls needed energy supply. Out of necessity the implementation of the bill's extensive provisions is going to take additional cost and effort to oversee. The bill adds not one layer, but layer upon layer of bureaucracy and red tape at every level of the regulatory process, Federal and State.

Mr DINGELL's question and partial response:

Question. Aren't the minimum standards specified in Part V new, untried, and unsound rate principles which will lead to chaos in ratemaking and unfair pricing?

No.

National Association of Electric Co.s respond:

3. Yes. Rep. Dingell's third question relates to the issue of whether the Section 511 standards are novel and his conclusion is that they are not, and he bases that conclusion on certain experiments in rate design being conducted by various States and on certain rate schedules in the telephone industry. The fact of the matter is that, while some State regulatory authorities are experimenting with various changes in rate design concepts for electric utilities, they are being tested in areas which do not have load characteristics similar to other areas of our country. Even those States which are experimenting recognize that additional data must be collected before any firm long term commitments can be made to novel rate designs.

Studies are presently underway by many State commissions and other agencies to determine the effects of rates based on marginal cost, time-of-day, season, and other considerations. It is not clear to date which of these rates discourage consumption or conform with cost considerations.

Electric utilities in the United States differ significantly in terms of mix of generation capacity, fuel type, amount and density of transmission and distribution facilities, mix of customers by class (residential, commercial, industrial, and other), season and time of maximum demand, and load growth. State commissions are in a much better position than the Federal government to evaluate the effect these varying characteristics among electric utilities have in costing methods and ratemaking. Characteristics of both supply and demand vary so greatly from State to State and region to region that no one set of Federally mandated standards can or should apply to all regions.

In Rep. Dingell's comparison of the electric and telephone industries he fails to draw the distinction that the load characteristics of a telephone company are not dependent upon seasonal and temperature changes as are electric utilities. Parenthetically, ATT's night discount rates were designed to increase usage of long lines, not to conserve or reduce telephone usage. It is misleading to indicate that the standards of Section 511 are time-tested either within or outside the industry.

The tendency due to pressure to legislate should be withstood where the repercussions of such legislation is yet unknown. Congress should take the responsible position that further study in this area is needed.

Mr. DINGELL's question and partial response:

Question. Weren't all these provisions added to the Carter energy program at the last moment, going much further than the Administration's proposals, and why does Congress feel it necessary to legislate here?

The legislation which the Administration sent to Congress earlier this year had provisions not only for regulation of the electric utility industry but also the gas utility industry. While it is true that the legislation suggested by the Administration wasn't as broad in scope as that passed by the House, the Administration's version had a much greater impact on the degree to which the federal government would participate in state ratemaking. This is too important an area for Congress to ignore.

The Electric Co.s respond:

4. Yes. These provisions do go much further than the Administration's proposals. The President's bill as submitted was 239

pages long; the House-passed measure was 500 pages. In a highly presured atmosphere, the House, as a matter of expediency, has incorporated a number of regulatory provisions into the energy bill which were picked up from existing legislative proposals representative of various ideologies. A few of the many examples of these added on provisions are: Section 512 dealing with advertising, Section 514 and 544 dealing with automatic adjustment clauses, Section 523 dealing with termination of electric service, and Section 547 dealing with interlocking directorates. Contrary to Rep. Dingell's expression of opinion to the question, merely because Congress has spent a good deal of time investigating this area it doesn't follow that Congress legislate just to get something on the books.

Mr. DINGELL's question and partial response:

Question. Doesn't the bill provide for certain loopholes for some customers?

The Electric Co.'s respond:

5. Yes. Congressman Dingell admits in his answer loopholes might occur in two situations but he ignores those provisions of Part V which create an entire subindustry known as cogenerators, which, if established, would be entitled to price mechanisms which would unquestionably work to the advantage of the cogenerators and to the disadvantage of all other customers of the utility. He also fails to discuss the discriminatory affects which are inherent in those provisions of the Act which require interconnection, wheeling and pooling. As written, these provisions would inure to the advantage of the small electric system and to the disadvantage of the customers of the larger systems.

It is true that the bill doesn't mandate lifeline rates but the support of the principal in Federal legislation applies pressure on the state for implementation. This concept is contrary to the whole thrust of the bill—conservation and price based on cost of service. In many instances such rates would result in higher costs for the very customers it is intended to help, since low-income households are not necessarily minimal users of electricity. Conversely, low use, high income customers who also exist in significant numbers would be unjustified beneficiaries of such rates.

Mr. DINGELL's question and partial response:

Question. Does the legislation mandate marginal cost pricing and, if so, why?

The legislation does not mandate any specific costing methodology and says so explicitly in the report to the legislation. There was very convincing testimony given to the Subcommittee on Energy and Power that marginal cost pricing might be appropriate but the final Committee (and House) decision was to leave the choosing of a costing methodology in the hands of the states.

The Electric Co.'s respond:

6. In response to the question of whether marginal cost pricing is mandated by the bill, Rep. Dingell gives a curious answer: he says that it is not mandated and the House Report, accompanying the bill, specifically says so; however, it is not specifically stated in the bill itself. It is equally curious that virtually everyone who has analyzed the provisions of Section 532 have concluded that this section does, indeed, require marginal cost pricing and, therefore, does not leave to the States any discretion in deciding the methodology to be used for determining cost of service.

The extent to which marginal costs should be utilized in the desgin of electric rates is still being debated in the industry. A few State commissions have embraced the concept while some other State commissions have rejected marginal cost pricing. Concerning the determination of marginal costs, there is considerable disagreement among economists as to the proper methods to use to calculate these costs. Neither is there unanimity among the experts as to how to translate these costs into a set of electric rates.

Mr. DINGELL's question and partial response.

Question. Why is there a ban on advertising by utilities?

There is no ban on advertising by utilities; that would be a blatant violation of the First Amendment. There is no doubt, however, that certain classes of advertising, such as political advertising (much like that with which we have recently been inundated) is performed for the benefit of the stockholders of the company and not for the ratepayers.

The Electric Co.'s respond:

7. Congressman Dingell in his response to the question on advertising states that there is no ban, rather that certain classes of advertising, such as political advertising, should be paid for by the stockholder. Again, Rep. Dingell's response is misleading because Section 512 would require the stockholder to pay not only for political advertising but for promotional or institutional advertising which cannot be justified. There are many types of "promotional, political or institutional" advertising which may, indeed, be for the benefit of the ratepayer, i.e. the need for rate increases; the need for additional capacity or the adverse affects of local governmental activities. The decision as to whether or not a particular advertising expense should be paid for by the ratepayer or the stockholder should be in each case left to the sole discretion of the State regulatory authority. Furthermore, Rep. Dingell carefully fails to point out that under Section 536 a utility's request for a rate increase may be denied totally if it has engaged in any such prohibited advertising activities regardless of who paid for it. Thus, the restrictions placed on such advertising are far more severe than Congressman Dingell indicates in his answer.

Enactment of this type of provision would effectively restrict the right of utilities to speak and contribute to the public discussion and would be an unwise, if not constitutionally suspect, action. The U.S. Supreme Court, in Bigelow v. Virginia (1975), made it clear that advertising should enjoy a large measure of First Amendment protection—especially advertising on topical and controversial subjects. The exclusion of utilities from participation in public and community affairs, and the muting of utilities on subjects of public concern, can only harm the overall public interest. Advertising programs convey a maximum amount of understandable information at minimum cost and, far from its intent of saving utility customers money, this section could actually result in an increase in utility rates. Less efficient means of communications to meet the customers' need for information would have to be used and, by disallowing legitimate and necessary business expenses, one group—stockholders—would be forced to pay for the information needs of another group—customers.

Mr. DINGELL's question and partial response:

Question. Doesn't the legislation make it more difficult for electric utilities to get competent people for their boards of directors?

It shouldn't.

Mr. DINGELL's question and partial response:

Question. In establishing these minimum standards, why were privately owned utilities covered and not publicly owned ones?

Coverage is not controlled by type of ownership but by size: both privately and publicly owned electric utilities are covered. It happens that most of the large utilities are privately owned (and, therefore, covered) while most of the small ones are publicly owned (and, therefore, not covered). The threshold of coverage for the first seven years is annual sales of 750 million kilowatt-hours per year. This threshold captures about 90 percent of total sales in the nation. After the first seven years the threshold drops to 200 million kilowatt-hours per year which captures 95 percent of total sales. This covers about 400 companies. To capture all sales would involve covering 2,000 more companies to get just 5 percent of the sales. This would clearly involve bureaucratic red tape at its worst. Even with the highest limit of 750 million, many public utilities are covered such as those which serve Los Angeles, Anaheim, and Pasadena, California; Jacksonville and Orlando, Florida; Kansas City, Kansas; Austin, Texas; Seattle and Tacoma, Washington; all of Puerto Rico; and many others.

The electric companies responded:

8. Yes. The Federal Power Act now prohibits, unless with the express order of the Commission, any person to hold the position of officer or director of more than one public utility or to hold such a position with a utility while at the same time serving as an officer or director of any bank, banking association or firm that is authorized to underwrite or participate in the marketing of securities of a public utility, or any company supplying electrical equipment to such public utility. Section 547 would add to existing law a requirement that any person who is an officer or director of any bank, insurance company, any other organization providing financial services or credit, any company supplying electrical equipment or fuel for the use of public utilities, or any company which is among the 20 largest purchasers of electric energy sold by the utility, and at the same time is an officer or director of a utility company must file a notice of his dual responsibilities with the Commission. If the Commission finds that the holding of the positions in any case "adversely affects the public interest" it may prohibit the individual involved from continuing as a director of the utility.

As a practical matter this disclosure requirement will make it more difficult for a utility to receive the services as director of many of the most important leaders in the business community, the very people whose knowledge of community and business affairs could be most helpful in guiding management.

This provision appears to be entirely punitive as no evidence has been presented that any substantial problem of conflict of interest exists.

The electric companies respond:

9. The preferences given to publicly-owned systems and cooperatives in the bill, and the corresponding discriminations against the investor-owned utilities reflect an implicit bias against private enterprise in the electric power area.

Congresman DINGELL's rationale for exempting publicly owned utilities is specious. The effect of this exemption is to exclude from the Act virtually all except the very largest municipally owned electric systems of the nation and virtually all of the electric cooperatives who, in total, serve millions of customers. If, indeed, Part V is to protect the retail customer and to encourage conservation, then there can be no justification to exclude those who supply electricity to millions of Americans.

H.R. 8444 contains provisions which discriminate against investor-owned utilities. Section 526(a) exempts non-regulated cooperatives from Sections 512 (limiting recovery of certain advertising expenses) and Sections 514 (limiting automatic adjustment clauses). Why should the cooperatives be allowed to recover?

AND THE WORD WAS GOD

HON. JIM MATTOX

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. MATTOX. Mr. Speaker, nowadays there seems to be a week set aside for just about everything. There is a National Coin Week, a National Baby Week, and even a National Fink Week.

But the week of November 20–27 celebrates something which strikes close to my heart. That week is National Bible Week, during which we are encouraged to read and reflect upon that greatest of all books—the Bible.

As I look around my office in the Longworth Building, I see thousands of books, letters, and reports which all seek, in some way or another, to educate, advise, or admonish me. I have got briefing reports, newsletters, magazines, legislation, and information on just about any subject one can imagine.

But after viewing this mass of printed matter, I can sit down at my desk, and within arm's reach is a small, red book which provides me with all the information I need to go through this life—a Bible which was given to me when I was 9 years old. Its worn, torn pages, with favorite verses starred and underlined, seem to give me far greater sustenance than any factsheet or newspaper.

The Bible has been studied by scholars for centuries. Painstakingly translated and printed, it was, and still is, a rich source of information for historians, a work for poets, and an encyclopedia for theologians.

The advent of modern printing techniques, together with more widespread literacy, have made the Bible easily available to those for whom it was intended—the peoples of the world. Once the prized possession of kings and emperors, the Bible has found its way into the hands of billions.

Unlike the flashy paperbacks which intrude themselves upon one's field of vision, and try to shock their way onto the bestseller lists, the Bible needs no eye-catching layout, no television promotion. It stands on its own merits—and succeeds. Where else could one find the beautiful poetry of the Psalms? And whose letters are more interesting and significant than the epistles of Paul? And what epic adventure story in fact or fiction can match the book of Exodus? The wisdom of Solomon, the parables of Jesus, the laws of Moses, and the prophesies of Isaiah—is not the Bible our most priceless literary treasure?

Beset as we are in these troubled times, with the energy problem, the dangers of nuclear proliferation, and threats of war and revolution echoing around the world, National Bible Week affords us an opportunity to sit back and read the best briefing paper I have ever found. For within the pages of the Bible lies the courage, spirit, and wisdom to meet and overcome the problems of modern society.

In closing, Mr. Speaker, I would like to quote from my little red book. It is a psalm I underlined in my youth; one that still serves as testimony to the everlasting nature of God's word:

Make a joyful noise unto the Lord, all ye lands.

Serve the Lord with gladness: come before his presence with singing.

Know ye that the Lord he is God: it is he that hath made us, and not we ourselves; we are his people, and the sheep of his pasture.

Enter into his gates with thanksgiving, and into his courts with praise: be thankful unto him, and bless his name.

For the Lord is good; his mercy is everlasting; and his truth endureth to all generations. Psalm 100.

SS "LIFE" ACT OF 1978

HON. PARREN J. MITCHELL

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. MITCHELL of Maryland. Mr. Speaker, I have introduced H.R. 9785, the SS *LIFE* Act of 1978, to provide for the temporary transfer of the hospital ship U.S.S. *Sanctuary* to LIFE International for the purpose of providing health care and related services to developing nations on a nonprofit basis, and to authorize funds for such a purpose.

As some of my colleagues may know, LIFE International is an incorporated, tax exempt, nonprofit organization founded in June of 1975 for the general purpose of providing humanitarian services to developing areas. LIFE International found its beginnings, however, in the highly successful Christian Service Corps, established in 1965, which has to date stationed more than 400 volunteers whose ages range from 18 to 70 years old in over 60 nations to provide services in the areas of medicine, health, agriculture, communications, art, business, and others. LIFE, itself, has a particularly noteworthy board of directors, the membership of which includes the highly distinguished former Speaker of the House of Representatives, the Honorable John W. McCormack.

The U.S.S. *Sanctuary* is a hospital ship which is presently in a state of quasi-mothballing in the Philadelphia naval yard. Launched in 1944, the *Sanctuary* was commissioned as a hospital ship in 1945 and served her first tour of duty evacuating POWs from Japan at the close of World War II. She served in Vietnam treating battle casualties and giving humanitarian care to civilians. During 4 years, almost 25,000 patients were treated and cared for, 2,633 of these being Vietnamese.

In 1973, the *Sanctuary* was sent on a 3-month "Navy handclasp" cruise to South America. This was a State Department sponsored good will mission, which included not only medical care and medical training programs, but also the distribution of foodstuffs, medical supplies, and other materials donated by the American people to the people of Colombia and Haiti. During the "Navy handclasp" cruise, the hospital cared for 123 in-patients, 5,663 outpatients, and more than 2,000 dental patients. The medical staff also performed more than 10,000 supplementary tests. About $500,000 worth of donated materials, which included food products, diapers, toys, athletic equipment, and books were distributed.

The ship has 3 operating rooms, 5 intensive care rooms, and 100 beds. It is my understanding that the available number of hospital beds can easily be expanded to a total of 300, if required.

Mr. Speaker, the introduction of H.R. 9785 is a submission to my colleagues that the availability of health services to developing areas, indeed, needs to be expanded and a lot more "handclasping" needs to be going on.

It is the right of every human being to be free from disease and to have access to high quality health services. Millions of people in developing nations suffer greatly because of a lack of availability of health education, training, and care. Not only is it the moral obligation of the United States to help developing nations which desire to help themselves to improve health services for the benefit of their respective peoples; it is also in the best interest of the people of our country to share their knowledge of health care with the people of all nations, regardless of ideology, in order to better the quality of life in the world.

The SS *LIFE* Act of 1978, H.R. 9785, is the vehicle to institute a joint venture between the Government and the private sector to foster high quality, comprehensive health education, training, and care—including medical, dental, environmental, and nutritional programs—in developing nations. An international interchange of health ideas, services, and personnel would also be promoted.

For an initial period, not to exceed 15 years, the U.S.S. *Sanctuary* would be renamed the SS *LIFE* and made available through LIFE International to developing nations on a nonprofit basis, staffed by volunteer operational and health professional personnel. Already, LIFE International has received over 600 expressions of interest in volunteering service from doctors, dentists, nurses, and other health oriented personnel. More than 200 similar requests from officers, seamen, and technicians to serve as volunteer operators of the vessel have been collected. In excess of 30 foreign governments have filed letters of interest or invitation for the program.

The cost of this project is minimal, certainly when measured against the needs of developing nations for immediate self-help in training their personnel to better meet the health needs of their people. It is envisioned that the Government would provide funding to activate the ship, a nonrecurring cost, and funds in declining amounts each year with the balance of program costs being raised from the public sector. The non-Govern-

ment sector will take over all funding after 6 years.

The initial year's total cost is estimated at approximately $6.5 million, including both activation and operational moneys. Subsequent operational costs to the Government for the following 5 years would be yearly declining sums of from $5 million to $1 million.

Mr. Speaker, I would like to conclude this presentation of the SS *LIFE* Act with a very important perspective for those whom, at this point, might feel less than comfortable in supporting this bill. Admittedly, when originally researching the need for a humanitarian effort in the area of health, I too felt somewhat apprehensive about "helping others in view of what needs to be done right here in our cities and States." My colleagues know that I have and will continue to be one of the first to point out that health care availability in the United States is far less than adequate.

However, I would also be among the first to admit that health care in the United States is far advanced of any developing nation. In this area of health services, I am convinced that our country has the technology and the resources to both adequately serve our citizenry and help others. Particularly in view of the billions of dollars in "help and aid" which we spend peddling weapons of death and destruction, the SS *LIFE* project is unquestionably a "can do" and a "need do" effort.

There is little to lose and life to gain.

I commend the text of H.R. 9875 to my colleagues for their consideration and support:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "SS LIFE Act of 1978".

DECLARATION OF FINDINGS AND PURPOSES

SEC. 2. (a) The Congress finds that—

(1) it is the right of every human being to be free from disease and to have access to high quality health services;

(2) millions of people in developing nations suffer greatly because of a lack of availability of health education, training, and care;

(3) it is the moral obligation of the United States to help developing nations which desire to help themselves to improve health services for the benefit of their people; and

(4) it is in the best interest of the people of the United States to share their knowledge of health care with the people of all nations, regardless of ideology, in order to better the quality of life in the world.

(b) The purposes of this Act are—

(1) to institute a joint venture between the Government of the United States and the private sector (A) to foster high quality, comprehensive health education, training, and care (including medical, dental, environmental, and nutritional programs) in developing nations, and (B) to promote international interchange of health ideas, services, and personnel; and

(2) to make available (through LIFE International) to developing nations on a nonprofit basis for the uses described in paragraph (1) the hospital ship United States Ship Sanctuary (AH–17) which (A) shall be staffed by volunteer operational and health professional personnel, and (B) shall be renamed "SS LIFE" during the period of such availability.

TRANSFER

SEC. 3. (a) Notwithstanding any other provision of law, the Secretary of the Navy shall transfer, without consideration, to LIFE International, a nonprofit corporation organized under the laws of the District of Columbia, the hospital ship United States Ship Sanctuary (AH–17) for use by such corporation to provide health care and related services to developing nations in accordance with the purposes described in section 2(b).

(b) The transfer required by subsection (a)—

(1) shall be effective not more than ninety days after the date on which funds are first paid to LIFE International under section 4(a);

(2) shall be for a period not to exceed fifteen years during which the hospital ship United States Ship Sanctuary (AH–17) shall be renamed "SS LIFE" and shall be maintained and operated for the purposes described in section 2(b); and

(3) shall be subject to such additional terms, reservations, restrictions, and conditions as may be determined by the Secretary of State and the Secretary of the Navy to be necessary to safeguard the interests of the United States.

AUTHORIZATION OF APPROPRIATIONS

SEC. 4. (a) There are authorized to be appropriated for fiscal year 1979 not to exceed $6,000,000 to be paid to LIFE International for modification and refitting of the hospital ship United States Ship Sanctuary (AH–17) to carry out the purposes described in section 2(b).

(b) There are authorized to be appropriated for the six fiscal years designated in paragraphs (1) through (6) the sums specified in such paragraphs to be paid to LIFE International for administration, support, maintenance, and operation of the hospital ship United States Ship Sanctuary (AH–17) with respect to the purposes described in section 2(b):

(1) not to exceed $494,000 for fiscal year 1979;

(2) not to exceed $5,000,000 for fiscal year 1980;

(3) not to exceed $4,000,000 for fiscal year 1981;

(4) not to exceed $3,000,000 for fiscal year 1982;

(5) not to exceed $2,000,000 for fiscal year 1983; and

(6) not to exceed $1,000,000 for fiscal year 1984.

(c) Sums appropriated pursuant to this section shall remain available until expended.

DEFICIENCY PAYMENTS FOR WHEAT GROWERS

HON. ARLAN STANGELAND

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. STANGELAND. Mr. Speaker, I am cosponsoring legislation which would aid our drought-stricken farmers. This bill simply expands a program which was enacted into law in the recently passed Agriculture Act of 1977. In the new farm bill, deficiency payments will be made, beginning in 1978, on the acreage planted. This change does away with the old allotment system which has proven obsolete for current farming practices. However, the 1977 crop is still subject to the old system.

As we all know, many of our farmers have suffered recently from various natural disasters, and particularly from drought. Since crops require varying degrees of moisture, a farmer may not have been able to plant his usual crop for which he held an allotment in 1977. Of course, to stay in business, a farmer must plant whatever crop which could best survive under the growing conditions. I think it is only fair to allow these farmers who were forced into planting crops other than those for which they held an allotment to receive deficiency payments on the crops which they planted. I emphasize that this is only just since these farmers hold allotments which, through no fault of their own, they were unable to use. We are not giving them anything. We are simply adjusting to real life.

We recognized that the allotment system was inadequate and discriminatory and did away with it—but not until next year. Let us not turn our heads from the problems of today. These farmers deserve fair treatment and fair treatment demands that they be declared eligible for deficiency payments on the crops which they were able to plant.

I am hopeful that my colleagues will join me in correcting what has been recognized as a error and help these Americans who have been trying to help themselves.

PENN CENTRAL'S TAX DELINQUENCIES

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mrs. OAKAR. Mr. Speaker, today's Wall Street Journal, November 3, 1977 carries an article concerning the treatment of the State and local taxing authorities in the bankruptcy proceeding of the Penn Central Transportation Co. While it is commonly held that the taxing authorities have been unfairly dealt with in this reorganization of the railroad, too little has been done to correct the inequities. The Journal's reporter relates the options that now lay before the local officials. Do they accept a partial payment? Or, do they gamble on the outcome of the amended plan of reorganization?

As you know, I have introduced legislation that would make the latter course of action more attractive to the taxing authorities. 70 Members have cosponsored the legislation. By guaranteeing the notes to be offered to the taxing authorities, this Congress will be providing funds for those areas of the country that are most in need of these dollars—the Northeast and Midwest. Moreover, the new proposal by the Penn Central trustees have upgraded these notes to a point that they would pose very little risk to the U.S. Treasury. What the pending Penn Central legislation (H.R.

8882) offers is a low risk, no cost vehicle for consummating a complex and historic bankruptcy as well as a saving grace for the financially hard pressed taxing authorities of the Northeast and Midwest.

I urge the chairman of the Subcommittee on Transportation and Commerce to give H.R. 8882 prompt consideration when we convene for the 2nd session of the 95th Congress.

Article from the Wall Street Journal follows:

PENN CENTRAL SWEETENS PROPOSAL IT PLANS TO OFFER STATE, LOCAL TAXING AUTHORITIES

PHILADELPHIA.—Penn Central Transportation Co. sweetened the treatment it plans to offer state and local taxing authorities under its proposed plan of reorganization.

The complex plan for paying off the former railroad company's many classes of creditors had come under sharp attack from many taxing authorities who charged they were being shortchanged.

However, Consolidated Rail Corp. said yesterday that it was "hopeful" that the amendments, which it said were the result "of extensive negotiations" with the authorities, would induce state and local officials to drop their objections to the plan.

As of last May, the authorities had billed Penn Central for $523 million, including $151 million of interest.

Basically, the amendments provide the biggest concessions to authorities that had levied taxes against property Penn Central no longer owns. Most of that property was taken over April 1, 1976, by Conrail, a federally sponsored concern.

But benefits are also provided for authorities with tax claims against property Penn Central retained. Those authorities were already receiving more favorable treatment under the original reorganization plan.

Under the amended plan, 26.4 percent of the claims levied against both retained and conveyed property would be paid in cash on the day the reorganzation is completed, and the payment would apply to claims for both principal and interest. The previous plan provided an immediate cash payment of 20 percent of only the claims for principal.

In addition, the amendments provide that notes, bearing 7 percent interest, would be issued in satisfaction of 17.6 percent of both classes of claims. Half of these notes would mature one year after the plan is completed and the second half would mature two years after completion. There wasn't any similar provision in the original plan.

Penn Central Transportation, although technically a unit of Penn Central Co., is, as a practical matter, a ward of its bankruptcy court here.

The remaining 56 percent of the claims would be satisfied with additional notes, maturing Dec. 31, 1987. The amended plan provides that as far as this second kind of notes is concerned, the principal amount of the claims levied against assets conveyed to Conrail will be a general obligation of the reorganized company. Under the previous plan, the payment of the principal wasn't backed by that sort of promise.

For taxes against retained assets, both the principal and interest claims will be general obligations of the company, the amendments provide. Previously, only the principal was guaranteed.

However, the previous plan also provided that 30 percent of the notes issued in satisfaction of claims for principal against retained property would be paid in three annual installments, beginning in 1978. That provision was deleted from the amended plan.

The amendments announced yesterday represent the second time Penn Central has improved its offer to taxing authorities.

Penn Central's earlier reorganization plan, filed with the court last December, provided that taxing authorities would be paid only in notes. There wasn't any distinction made between taxes levied on retained and those levied on conveyed assets.

Penn Central stressed that the latest amendments won't affect a previously announced compromise plan under which taxing authorities can accept an immediate cash payment of about 50 percent of the principal amount of their claims in return for renouncing the remainder of their claims. To date, the response to that compromise offer has been light.

FEED GRAIN SET-ASIDE

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, as the Members of the House are aware, the Agriculture Department is approaching an important decision on whether to order a set-aside of 10 percent of the acreage that farmers plant to corn and other feed grains. I am confident that Secretary Bergland will make the decision with the best interests of all parts of our society—consumers as well as farmers—in mind. But I would like to suggest that the consumer interest, the anti-inflation interest, is not always seen clearly. That interest, I believe, weighs against a set-aside for feed grains.

The conflict essentially is between large supplies and probably higher budgetary costs, on one hand, and somewhat smaller supplies and smaller budgetary costs on the other. In contrast with budget outlays in general, larger farm program outlays can be of indirect help on the inflation front. The reason is that food prices are so greatly influenced by supply.

A large supply should be the objective, even if there is a risk of bigger budget costs as a result. The gentleman from Connecticut (Mr. GIAMO) chairman of the Budget Committee, may not agree with me on this, but I would like to assure him that a few billion dollars added to the budget deficit in today's circumstances will not raise the Consumer Price Index a year from now nearly as much as a short corn crop. I am not sure that the President and the Office of Management and Budget have fully grasped this point.

A farm analyst, commenting on the impending set-aside decision, has been quoted as saying:

It's a trade-off between the risks of big government payments and sharply higher food costs.

That is a good description, and the decision should be to avoid the risk of higher food costs. Another year of large, even over-large, feed grain crops will assure us against another explosion of meat prices such as occurred several year ago.

INCENTIVES TO CREATE JOBS WHERE THE NEED IS GREATEST

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. RICHMOND. Mr. Speaker, I am sure that my colleagues in the House are well aware of the high rate of unemployment which plagues our Nation. What is often overlooked, however, is the degree of variance in unemployment rates among various geographic and demographic regions. For example, while employment rates in our suburbs are relatively stable, rural areas, and inner-city neighborhoods are experiencing a high percentage of people without jobs.

The following article, which appeared in the October 30 edition of the Washington Post, proposes what I believe to be an innovative and practical approach to resolving this problem. It is a concept that simply provides incentives to businesses and industries to invest in those areas where the need is greatest. The concept is simple and yet persuasive. For this reason, I feel it merits the attention of my colleagues:

CREATING JOBS IS NOT ENOUGH—TAX BREAKS ARE NEEDED TO AIM THEM AT THE JOBLESS

(By James L. Sundquist)

Whenever Washington officials worry about ways to inject life into an anemic economy and reduce unemployment, a vital aspect of the problem usually is ignored. The aim of national policy is not only to promote stable economic growth, difficult as that may be, but also to ensure as far as possible that new investment and job opportunities are targeted at those who need them most.

It makes little economic or moral sense, for example, for Washington to provide equal encouragement for new investment in the outer fringes of Dallas-Ft. Worth, a metropolitan area where the latest jobless rate was only 3.9 percent, and in Jersey City, N.J., where it was a devastating 11.6 percent. By what logic should the federal government do as much for an outer suburb of Chicago where there is virtually no unemployment and for San Diego, Calif., where the jobless rate was 9.4 percent?

While Washington long has had programs to help accomplish these ends through the rural areas, officials have failed to use an equally—and perhaps more—promising way to help accompliish these ends through the tax system. The Carter tax program, according to authoritative reports, ultimately may contain up to $22 billion in tax reductions, some in the form of incentives to encourage business and industrial investment. By making the incentives greater if the investment is placed where the need is greatest, a portion of that investment could be channeled to distressed central cities and rural areas where unemployment has reached appalling levels.

The country has used tax incentives before as a means of directing investment according to national need. During World War II and again during the Korean war, an accelerated depreciation allowance was granted for investment in industries defined as war-related but not for others, and the system served its purpose. In principle, discrimination on the basis of geography is just as feasible as discrimination on the basis of industry group. Drawing the boundary lines between eligible and ineligible locations admittedly involves difficulty, but deciding

what industries were war-related involved tough boundary decisions, too.

Indeed, discrimination between prosperous areas and those in need is accepted as a matter of course in other programs. Ever since 1961, depressed areas legislation and emergency public works programs have made funds available only to areas of high unemployment. The Appalachian Regional Development Program, and the kindered regional programs established under the Public Works and Economic Development Act of 1965, confer benefits only on regions of relative impoverishment. It is equally logical to confer higher benefits on areas of need when tax breaks are written into law.

NO EXTRA COST

The crucial importance of the tax approach is that it provides an incentive for private investment and private jobs. A shortcoming in existing programs for depressed urban and rural areas is that they are limited to public investment and public jobs. These are useful and necessary in themselves, but they usually do not lead to self-sustaining, permanent growth. Sometimes public investment that spruces up a community makes it so attractive that private investment follows—but not often enough or quickly enough to serve the purpose.

Experience also tells us that offering loans on favorable terms to private firms—as through the proposed "urbank" that is reportedly being designed—will not do much to influence locational decisions either. Small, marginal firms may find the credit helpful, but big companies do not lack for access to normal credit markets. What is needed to lure more of their investments into distressed urban and rural areas has to be something more tangible—a direct cash benefit. The subsidy could be provided in various forms, but since the proposal about to be offered by President Carter is to give a direct cash benefit to all firms through the tax route, introducing a differential rate into that benefit would appear to be the quick, easy, simple way to do it.

This need not cost the Treasury anything extra. The present investment tax credit is 10 per cent. Whatever additional tax credits the administration concludes is necessary to spur investment can be provided either as a flat rate or as a sliding scale. To increase by half the present benefit, for instance, a flat rate of 15 per cent could be offered or a range could be established—perhaps from 12 per cent in areas of relative labor shortage to 20 per cent in areas of heavy unemployment—that would produce the same volume of additional investment at approximately the same total cost to the Treasury.

Moreover, to employ tax policy in this manner would represent an important beginning toward carrying out the intent of Congress in the Urban Growth and New Community Development Act of 1970. That law committed the United States to adopt a "national urban growth policy" that would seek to stem urban and rural decline. No specific policy was proposed by either President Nixon or President Ford, but there is every sign that President Carter is taking the statutory mandate seriously. His administration is preparing the biennial report on growth policy called for by the act, and a White House conference on balanced national growth and economic development is scheduled for late January.

All of the major industrial countries of the world—except the United States—have explicit and well-established national growth policies designed to steer investment to where it is most needed. "Take the work to the workers" is the slogan in the European countries, and direct subsidy to investors is the universal means.

This is seen as the way to preserve and restore communities, to minimize hardship on individuals and families, and indeed to serve the goals of maximum employment and production with minimum inflationary consequences.

But "taking the work to the workers" is exactly what is not happening in the United States today. Our concentrations of unemployment and underemployment are in the inner cities, in declining rural areas and in old industrial centers. But most new jobs are being created in the thriving suburbs of major metropolitan areas.

WASTE, HARDSHIP AND INFLATION

This is what happens in the absence of a national growth policy—and it is undesirable for four clear reasons.

First, such a pattern of growth is wasteful. If a new plant is put in a green field 20 or 30 miles from the center of St. Louis or Chicago or Philadelphia, a whole array of public facilities has to be created at public expense—while facilities that already exist in the center of the city are in the declining small towns of the hinterland are underutilized. The result is urban sprawl instead of compact settlement, and sprawl is synonymous with waste—waste of resources, waste of energy, waste of productive agricultural land.

Second, such a growth pattern is inhumane. It forces people to uproot themselves and move—often at great financial loss—from where they are to where the jobs are put, or to spend hopeless hours trying to commute. Housing is not necessarily available to low-income blacks and other minority group members who might seek to relocate from the cities to where the jobs are. As for interregional migration, experience both in this country and in Europe shows the great reluctance of workers to leave the native areas. When the Labor Department some years ago tried subsidizing the relocation of unemployed iron miners from northern Minnesota to steel centers of the Middle West, the experiment failed: The workers drifted back. As for commuting, the new jobs located on—and beyond—the beltways that girdle the metropolitan centers usually are inaccessible by any form of public transportation to the unemployed of the urban ghettos, and they are beyond the commuting range of most of the rural unemployed as well.

Third, such a growth pattern is inflationary. If most of the country's growth takes place in areas of relative labor scarcity—and the outer suburban fringes of major metropolitan centers are such areas—as the economy expands, labor shortages and bottlenecks appear relatively quickly, costs rise and price increases follow. By contrast, if the jobs are taken close to where the unemployed live, labor surpluses are absorbed and the economy can move significantly closer to full employment before shortages occur and inflationary forces are set in motion.

Fourth, such a growth pattern is destructive of communities—originally the communities of rural and small-town America and now the great metropolitan central cities as well. The national interest in maintaining a viable New York or Detroit or Cleveland need hardly be argued.

THE LURE OF THE SUBURBS

So why, if there are all these consequences, do investors choose the suburbs? There are many reasons. Land costs are lower than in the city. Low, rambling buildings with spreading lawns are possible. Business transportation problems may be eased. The air is cleaner, the crime rate lower, the environment more pleasant. The available labor force may be better trained or more tractable.

But the benefits to individual firms have to be weighed against the economic and social costs borne by employees, taxpayers and the country at large, and the previously noted public costs—waste, hardship, inflationary impact, destruction of communities—surely outweigh the private benefits. The object of the tax differential, then, would be to provide enough subsidy to an investing firm that takes its jobs to the workers to offset the gains it would otherwise realize by locating on the suburban fringe.

It may be, of course, that the forces that lead entrepreneurs to avoid investing in distressed areas, particularly in the most rundown central cities, would prove too powerful in most cases to be offset by the scale of the tax differential. If this proved the case, the government would have to decide whether to increase the differential, at least for the most neglected areas, or possibly abandon the objective altogether. In that case, the Treasury would have lost nothing, since there would be no extra tax breaks if firms did not bite.

Yet there is great diversity among American cities, and in all likelihood they would respond quite differently. Some probably would benefit from a differential of any size; others might be beyond rescue no matter how large the subsidy proffered. The answers to these questions cannot be known in advance. They can be learned only by enacting something and finding out what happens.

The rural areas and old industrial centers that would benefit are a diverse lot, too. Rural distress seems to have dropped out of the news of late while the South Bronx and Detroit are the centers of attention. But only a few years ago it was the poor of Appalachia and the Mississippi Delta who captured the nation's sympathy. Indeed, it was the plight of the rural areas that originally gave rise to the agitation for a national growth policy that culminated in the act of 1970, and the statute seeks rural-urban as well as city-suburban balance. "Taking the work to the workers" has to mean steering investment to wherever the unemployed and underemployed are concentrated, whether the locale be a declining metropolitan core, a New England mill town, a Pennsylvania mining center that has lost its basic industry, or a county in the Southern Black Belt.

This is not only the most equitable approach, but it is also the basis for the political coalition needed to pass such a measure. The prospects for aid on a scale necessary to turn the tide in the cities would be hard to come by if the cities and their supporters tried to go it alone. But a coalition of the cities with the rural and small town areas that are fellow sufferers could well prove irresistible. Even a good part of suburban America might support a city-rural coalition dedicated to claiming the bulk of new investment for their communities; not all suburbanites are in favor of headlong, unrestrained growth.

Two Senate votes a few years ago show both the power of the tax differential idea and the strength of the city-rural coalition.

One of those votes came in 1969. President Nixon had recommended that the 7 per cent investment tax credit then in effect for manufacturing investment be removed. This passed the House, but when it reached the Senate floor, Sen. Ted Stevens (R-Alaska) proposed an amendment to retain the tax credit for rural areas of "substantial outmigration." Even though the idea came as a surprise at that time, it carried the Senate by two votes. It was lost, however, in the House-Senate conference.

The second vote came two years later, when Nixon reversed himself and recommended that the 7 per cent investment credit be restored. Again the House supported the President, and again an amendment was offered on the Senate floor. This time, Sen. James Pearson (R-Kan.) proposed that a differential of 3 per cent be added for most rural areas, and the bill's sponsors accepted the idea. Sen. Abraham Ribicoff (D-Conn.) then demanded equal treatment for central cities with unemployment over 6 per cent. This was approved, 56 to 24, and the combined Pearson-Ribicoff amendment was adopted by the overwhelming vote of 60 to 19—better than 3 to 1. But the bill's managers refused to support it on the ground that the projected revenue loss of $750 million—the extra incentive in this case was to be placed atop the general investment credit—was more than the Treasury could

stand, and the idea was again lost in conference.

No such proposal has been voted on since, but there is every reason to believe the potential for a powerful coalition still exists. This coalition, it should be noted, cuts across the current Sunbelt-Snowbelt argument. Both North and South have their areas of unemployment and underemployment that would be eligible for any special tax concession, and their flourishing metropolitan fringes that would not.

THE EUROPEAN EXPERIENCE

In time, the United States might find that tax concessions are not the simplest and most effective means for influencing the locational decisions of investors. That has been the experience in Europe.

There, tax devices were used initially when experimentation with growth policy began in earnest in the post-World War II years. But the European countries, and Canada as well, have long since shifted their emphasis to direct cash grants made by the government to the investing firm as more direct, more open, quicker and in the end less costly. The standard grant for locating an investment in an area of labor surplus seems to have settled down at 20 per cent of the cost of the investment, but gradually the countries have developed sliding scales of subsidies for different areas—a kind of zoning according to the degree of need—and the rate may range from 10 or 15 per cent to 25 or 35 per cent or even more in a few cases.

The nine countries of the European Community together are spending an estimated $17 billion a year on locational incentives. There is recurrent debate, of course, about the fine points of policy—what areas and what kinds of enterprises should be eligible, and for how much. And policies change from time to time. But on the principle itself there seems no longer to be any debate anywhere in Europe.

The consensus is that the policies have been successful. New jobs that otherwise would have been located on the fringes of London or Paris or Milan have been steered to Scotland and Brittany and the impoverished Italian South. Three independent analyses by British economists of that country's program several years ago credited investment grants and other related measures with creating 30,000 to 70,000 additional jobs a year in development areas. One of the studies concluded that the policy measures had cut the north-south migration flow within the country by half, reduced the national unemployment rate by one-half of 1 per cent and increased national output by $500 million a year.

Whatever the economic analyses show, the political judgment in Europe is that the benefits of the locational incentive systems far outweigh the costs. Every major political party in every country supports the programs. All the parties agree that it is a proper function of government to attempt to influence and guide the geographical location of investment—to put the jobs where, in the interest of the whole society, they are most needed.

MEDICARE COVERAGE FOR CERTAIN ALLIED HEALTH SERVICES FOR ELDERLY BLIND PERSONS

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. PEPPER. Mr. Speaker, I am today introducing for appropriate reference a bill to amend title XVIII of the Social Security Act to authorize payment under the medicare program for services provided in a rehabilitation facility for the blind, and for services furnished to blind individuals by mobility therapists and rehabilitation teachers.

The purpose of my bill is to authorize medicare coverage for certain specialized allied health services for blind and deaf-blind persons to enable them to function more independently despite loss of sight, thereby reducing medical expenses, preventing or delaying substantially costlier institutionalization of older blind persons, and often making their employment possible. By enacting my bill, the Congress will fill a major gap in services to older blind persons—the largest but most neglected segment of the blind population in the United States.

Although the group whose neglect we are seeking to remedy comprises 53 percent of the blind population in our country, it is nevertheless small in actual numbers. According to the National Society for the Prevention of Blindness, there are close to 500,000 blind persons in the United States, of whom 265,000 are 65 years of age or older. The prevalence rate for blindness in this country is 2.25 per 1,000 of general population for all ages. It is 12.38 per 1,000 for individuals 65 and older.

According to the National Eye Institute, the leading causes of blindness in the United States are senile cataracts, diabetic retinopathy, macular degeneration, and glaucoma—conditions which principally affect people in middle age and later life. In addition, blindness can be caused by cardiovascular conditions, such as hypertension and stroke. Thus, blindness is a catastrophic disability more likely to occur in the older population for whom medicare services were originally enacted. Yet, medicare is woefully deficient in covering those specialized allied health services which can minimize the disabling effects of blindness.

My bill would correct this serious shortcoming. It would authorize payment for the services of a certified mobility therapist for the blind to teach a patient how to walk safely and efficiently by himself and with others in his own home, in his neighborhood, in any setting. Learning these mobility techniques will enable blind persons to continue physical activity, to shop, and to participate in social and recreational activities.

Similarly, my bill would provide medicare coverage for the services of a certified rehabilitation teacher of the blind—another vital member of the rehabilitation team whose services can minimize the disabling effects of blindness. The certified rehabilitation teacher helps the blind patient to learn a variety of personal management skills without sight—eating, dressing, cooking, cleaning, writing, reading, and the like.

Under the provisions of my bill, these allied health services would be available in a rehabilitation facility, in a hospital or nursing home, and on a home health basis. Their availability under medicare will take helplessness and hopelessness out of the lives of older blind persons.

I must underscore the fact that the services my bill would authorize for older blind persons under medicare have a long history of proven effectiveness in minimizing the handicapping effects of blindness and deaf-blindness.

They are techniques which were developed by Army medical personnel for the basic rehabilitation of World War II newly blinded servicemen and women. The program was refined and continued by the Veterans' Administration since World War II and is currently available in three VA hospitals with a fourth center to be opened in the near future. Similar programs are available to nonveteran blind persons of optimum employable age as the basic first step in a vocational rehabilitation program, with the cost covered through the Federal-State vocational rehabilitation program. However, most blind persons over 65 can only get these services if they can afford to pay for them out of their own resources. With the current monthly average social security benefit of $234 for a retired individual aged 65 or older, only a few persons in this category will be able to bear the cost of essential rehabilitation services themselves should they become blind.

As my colleagues know, we in the Congress have made a wide variety of health and allied health services available under medicare for covered individuals who become ill or disabled. These include reimbursement for the cost of rehabilitative services designed to help a stricken person to achieve maximum functional capability. For example, medicare will cover the costs of physical therapy, speech pathology, and occupational therapy for a stroke victim—all essential services designed to mitigate the handicapping effects of paralysis or loss of clear speech. However, if a stroke should cause blindness instead of paralysis or slurred speech, the services of qualified allied health professionals—such as a mobility therapist and rehabilitation teacher—to minimize the handicapping effects of blindness are not covered by medicare. This is a gross inequity which my bill would correct. I urge my colleagues to support this legislation and assure its enactment by the 95th Congress.

PERSONAL EXPLANATION CONCERNING VOTES OF SEPTEMBER 30, 1977

HON. JOHN BRECKINRIDGE

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. BRECKINRIDGE. Mr. Speaker, I was unable to make the votes on September 30, 1977, as I was attending the Democratic Women's Club Convention in my hometown of Lexington, Ky. Had I been present, I would have voted "aye" on rollcall No. 613, a motion to approve the Journal of Thursday, September 29, 1977.

I would have voted "aye" on rollcall No. 614, an amendment that lowers the amount the Federal Government would contribute to the cost of the State pro-

grams from 50 to 25 percent, as part of H.R. 7010.

I would have voted "aye" on rollcall No. 615, an amendment that requires participating States to require anyone contracting with a person accused and convicted of a qualifying crime for a rendition, an interview, a statement, or an article relating to the crime, to deposit moneys payable in an escrow fund for the benefit of the victim or survivors, as part of H.R. 7010.

I would have voted "no" on rollcall No. 616, final passage of the amended version of H.R. 7010, Victims of Crime Act of 1977.

I would have voted "aye" on rollcall No. 617, the staff allowances for former Presidents bill, H.R. 9354, authorizing an increase of $54,000 for staff of former Presidents for the 30 months immediately after their expiration date concurrent with the Presidential Transition Act.

PERSONAL EXPLANATION CONCERNING VOTES OF OCTOBER 25, 1977

HON. JOHN BRECKINRIDGE

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. BRECKINRIDGE. Mr. Speaker, I was unable to make the votes on October 25, 1977, as I was in Frankfort, Ky., meeting with the Kentucky group in the Governor's office concerning the upcoming congressional rural caucus conference, to take place at the University of Kentucky in Lexington on November 10 and 11. Had I been present, I would have voted "aye" on rollcall No. 684, the utility pole attachments bill, H.R. 7442.

I would have voted "aye" on rollcall No. 685, the bill, H.R. 8803, amending the National Trails Systems Act.

I would have voted "aye" on rollcall No. 686, the amendment to the sexual exploitation of minors bill, H.R. 8059.

I would have voted "aye" on rollcall No. 687, the law school depository libraries bill, H.R. 8358.

I would have voted "aye" on rollcall No. 688, concerning the Tax Treatment Extension Act, H.R. 9251.

I would have voted "aye" on rollcall No. 689, that amends section 10 of the Merchant Marine Act of 1936 concerning vessels traded in to the National Defense Reserve Fleet, H.R. 7278.

I would have voted "aye" on rollcall No. 691, that will provide the implementation procedures for Offender Transfer Treaties with Mexico and Canada, as well as for similar future treaties, through Senate bill S. 1682, the transfer of offenders to or from foreign countries bill.

I would have voted "aye" on rollcall No. 692, which instructed House conferees to agree to Senate provisions regarding the transportation, sale, or distribution of material depicting sexual exploitation of a minor under H.R. 8059.

I would have voted "aye" on rollcall No. 693, making supplemental appropriations for the fiscal year ending September 30, 1978 under H.R. 9375.

A SUMMARY OF LEGISLATION BY THE 95TH CONGRESS CONCERNING SENIOR CITIZENS

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. FISH. Mr. Speaker, many Members of the House will be going to their congressional districts following the close of floor business today. I expect that many will be meeting with various groups to discuss the accomplishments of the first session of the 95th Congress.

I know that the problems facing our older Americans concern us all, and that many senior citizen groups appreciate hearing from their Congressman concerning the latest legislative efforts affecting them. This is very true in my congressional district. And, for this reason, I have asked the help of the Select Committee on the Aging to prepare an analysis of legislation we have considered that affects senior citizens.

I know that this summary will be helpful to me and my constituents. I hope that the following summary prepared by the committee will be useful to all my colleagues as they appear before organizations concerned with the problems of our senior citizens:

CONGRESSIONAL ACTION TO DATE BENEFICIAL TO THE ELDERLY

APPROPRIATIONS

Included an unprecedented $699 million for spending under the Older Americans Act, the chief vehicle for research, community services and nutrition programs for the elderly. (Up $140 million from last year.)

HOUSING

$82.5 million will be spent by Community Services Administration this year to weatherize homes belonging to the poor, elderly, and handicapped.

$200 million was made available this summer to pay utility bills—relieving the cost burden on the poor and near poor due to last year's severe weather and high energy costs. $2.2 billion has been authorized for 3 years for sec. 202 housing for the elderly.

$100 million allocated for the continuation of a loan authority program for housing for the elderly.

$5 million included in Agri. Approp's for repair of houses in rural areas.

TRANSPORTATION

Secretary Brock Adams recently announced he would issue regulations to require that all buses offered for bid after Sept. 30, 1979 must be equipped with a boarding ramp, wide doors, lowered floors, and other such "barrier-free" features.

House passed bill which, if enacted by the Senate, will allow airlines to offer the elderly reduced air fares on a standby basis.

HEALTH CARE

President has stated he hopes to move in a direction away from unnecessary institutionalization and toward outpatient and home health services. He has promised to submit to the Congress his national health insurance plan in early 1978.

Amendment passed restoring monies, proposed to be cut-back, for home health services. The Health Services Extension Act sought to reduce the authorizations for home health services from $12 million to $4 million. The amendment, restored the $8 million.

House passed the "Medicare-Medicaid Anti-Fraud and Abuse Act." Described as "a major step in restoring integrity and fiscal soundness to the medicare and medicaid programs." It will, among other things: 1) require annual disclosure by providers and suppliers participating in these programs with ownership interest of 5 percent or more; and 2) require Medicaid to be payor of last resort where private insurance companies actually have an obligation to pay. (HEW estimates a savings of between $200 and $500 for such an effort) • • • Also, this bill as passed, will define as felonies those instances where contributions are required as a condition of entry or continued stay at a hospital, skilled nursing facility, or intermediate care facility, for medicaid services.

INCOME

Social Security Subcommittee has recommended that the earnings limitation on the amount of outside earnings that a social security beneficiary may receive and still receive full benefits, be liberalized. The ceiling, now set at $3,000, would be increased to $4,500 in 1978, and to $6,000 in 1979. Under current law, when earnings go over $3,000, $1 is deducted for every $2 earned. Discourages older people to continue working.

Farm bill recently passed eliminating the purchase requirement for recipients of food stamps.

CRIME

Victim compensation bill recently passed house.

Legal Services Corporations Act passed with amendment assuring priority services for the elderly and handicapped whose family income is under $7,000 a year. Elderly experience numerous types of legal problems with Social Security benefits, landlord-tenant disputes, various kinds of consumer fraud.

EMPLOYMENT

Bill to curb forced retirement approved. Will ban most mandatory retirement in the federal sector and extend protection from mandatory retirement to age 70 in the private sector. The bill also requires that a study of the legislation's impact in both the public and private sectors be submitted to the Congress within two years.

Carter's economic stimulus package included two programs designed to help older workers find jobs. The total federal outlay was over $160 million (Does not include $190 million for Title IX community service employment programs).

EDUCATION

$2.7 million has been appropriated for a public television series designed to inform, educate, and entertain the elderly, entitled "Over Easy."

WORLD ASSEMBLY ON AGING

Senate recently approved legislation urging United Nations action leading to worldwide attention to aging in 1982. The legislation instructs the U.S. delegation to the United Nations to join other nations in seeking the World Assembly and a World Year on Aging by 1982. Elderly are increasing in numbers worldwide. The increasing elderly population poses crucial social, economic, and political questions for policymakers in the United States and throughout the world. Need to enhance communications between lands to benefit from their insights, etc. House should be enacting similar legislation in the near future.

RESEARCH

$2 million appropriated for Center for Studies of Mental Health of the Aging. National Institute on Aging will probably get $39 million, an increase of $5 million from last year's funding.

NEXT SESSION

Will investigate: the future of aging in America; make recommendations for improvements, if necessary, to the Older Americans Act; continue investigation of age stereotyping in the media; alternatives to retirement; etc.

ELEANOR HOLMES NORTON AND THE EQUAL EMPLOYMENT OPPORTUNITY COMMISSION, SHE DESERVES A CHANCE

HON. PAUL N. McCLOSKEY, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. McCLOSKEY. Mr. Speaker, one of our most important new efforts in the 95th Congress has been to cut the size, cost, and complexity of the Federal bureaucracy. We have initiated a careful scrutiny of agencies whose operations are the subject of documented complaints, and we have started to build up some real momentum to reverse Parkinson's law that government must inexorably grow.

For example, a majority of Members are now committed to abolish one wartime agency—the Renegotiation Board—until such time as another national emergency should exist. We have just deferred creation of a new Consumer Representative's Office until such time as we can be sure we have abolished more consumer bureaucracy than the new bill would create. We have abolished the old Federal Power Commission as part of the creation of the new Department of Energy.

This momentum to cut the size of Government should continue. Agencies created years ago to deal with circumstances which no longer exist deserve first consideration. Among these might be classed the ICC, FMC, and Bureau of Reclamation.

Agencies which have earned public disfavor as a result of ineptness, bad morale, and low efficiency records likewise deserve a hard look.

In this latter category falls the Equal Employment Opportunity Commission (EEOC).

The Commission was created by title VII of the Civil Rights Act of 1964 to process complaints of employment discrimination. Basically, the agency was established to receive, investigate, and resolve charges of discrimination in employment and to enforce title VII, which prohibits job discrimination as related to race, color, national origin, sex, or religion.

After a century of governmental inadequacy, and indeed hypocrisy, in moving to make the promise of the Constitution's 13th, 14th, and 15th amendments a reality, the Civil Rights Act of 1964 and Voting Rights Act of 1965 finally brought Federal law into conformity with the promise of the Constitution. The EEOC was the agency designated to make employment practices conform with the law. The Agency's task is immense—to change a pattern of job discrimination which has been a dismaying fact of life in America for over 3½ centuries.

The EEOC's record has been at best mixed. Over the past 7 years, the Agency has been afflicted by every imaginable bureaucratic disease, including a high turnover in top positions, internal dissension, inefficient procedures, and most importantly, a large backlog (approximately 130,000 to date) of unresolved cases. The average case has required approximately 2½ years for the completion of administrative processing.

In the words of its newest chairperson, Eleanor Holmes Norton, the fact that over 50 percent of EEOC's cases have been closed administratively—for reasons such as failure to locate witnesses or the original complainant—constitutes a "scandal."

Prior to the time Mrs. Norton took office 4 months ago, 90 percent of the cases referred for litigation were found by the general counsel's office to be inadequately prepared. From July 1975 through September 1976 there were about 35,000 administrative closures.

A critical analysis of the operations and effectiveness of EEOC completed in 1976 by the House Committee of Education and Labor, Subcommittee on Equal Opportunities, and the General Accounting Office found that operational problems account for the excessive time required for charge resolution, the low rate of successful negotiated settlements and the low rate of cases brought to court after conciliation failed.

The following problems were specifically cited:

(1) EEOC has not adequately controlled charged processing to track charges, to screen out obviously worthless charges and to weed out outdated charges;

(2) EEOC has not adequately coordinated the investigation-conciliation process with litigation, so that EEOC attorneys reject about 20% of unsuccessfully conciliated cases for litigation because the evidence developed by investigation is inadequate or because cases and evidence are too old;

(3) EEOC has failed to monitor adequately conciliation agreements resulting from individual charges and consent degrees usually resulting from pattern or practice cases;

(4) because of its backlog of cases, EEOC has been unable to devote sufficient staff to pattern or practice cases;

(5) EEOC has failed to coordinate its efforts with the Department of Labor (Office of Federal Contract Compliance) to exchange investigative information, to elaborate similar regulation and to avoid duplicate compliance reviews;

(6) EEOC has made insufficient use of state and local fair employment agencies to help reduce its charge backlog and

(7) the frequent turnover of top EEOC officials has lessened the effectiveness of policy and program direction.

Other critics have alleged that civil rights enforcement is hampered by the fragmentation of the present system. Currently more than 25 Federal agencies share jurisdiction over civil rights complaints. This, of course, encourages overlapping investigations and inconsistent requirements, procedures and standards from agency to agency. In a recent study by the Republican Wednesday Club, a group of 30 Republican Members of the House, it was found that a woman alleging that a university has discriminated against her on the basis of sex may be investigated by any or all of not less than four agencies, the Department of Labor under the Equal Pay Act; HEW or the Department of Labor under Executive Order 11246; HEW under title IX of the Education Amendment of 1972, and EEOC under title VII of the Civil Rights Act.

Most importantly, the EEOC's shortcomings and the Federal duplication of responsibility has often resulted in a denial of justice to complainants. This is graphically illustrated by the testimony submitted to the Equal Opportunity Subcommittee by Joan Abramson of Hawaii. She stated:

To date five committees from the University of Hawaii, where I was once employed have ruled in my favor on various employment discrimination issues; The Equal Employment Opportunity Commission has also ruled in my favor on both my initial complaint of sex discrimination and a number of subsequent retaliation complaints; and the Wage and Hour Division of the Department of Labor has ruled in my favor on two separate occasions. Finally, a state court has ruled that the university administration erred in the administrative procedures used to remove me from the University of Hawaii faculty. Nonetheless I have been unemployed for over two years and have been forced to take private legal action in the Federal courts in the hope of enforcing my rights.

To combat this type of problem a number of proposals have been presented in recent years to rectify the ills of EEOC and put teeth into civil rights enforcement. Congressmen EDWARDS and DRINAN, for example, have introduced H.R. 3505 which would cause a major restructuring of EEOC as well as give the agency the power to issue cease-and-desist orders, consolidating all Federal employment opportunity powers in EEOC.

In 1974 the Civil Rights Commission recommended the unification of Federal civil rights functions in a single agency. The House Subcommittee on Equal Employment Opportunity has urged that EEOC would be the logical place for this function, while the Civil Rights Commission recommended otherwise.

The recent Republican Wednesday group proposal envisioned a single new law which would concentrate all regulatory responsibility for civil rights enforcement in the Department of Justice.

Though these proposals raise a number of questions and issues, it is clear that their basic spirit and intent is to strengthen civil rights enforcement in the light of past failures of the EEOC.

Quite frankly, Mr. Speaker, it had been my initial feeling earlier this year that the EEOC was a ripe candidate for abolition, and that we should create a wholly new and different mechanism to insure that we finally end the employ-

ment discrimination which is so repugnant to our system of values and yet so naggingly persistent.

The single thing that causes me to pause and to urge a 6-month delay in our consideration of alternatives is the character, energy, and motivation of Ms. Norton, the first woman chairperson for the EEOC since the Commission's creation 12 years ago.

Ms. Norton was sworn in 4 months ago.

For the previous 7 years she served as head of the New York State Commission on Human Rights. She is widely known as a brilliant and articulate lawyer, an able administrator, and a committed advocate of minority and women's rights.

Professionally Commissioner Norton is a constitutional and civil rights lawyer of high reputation. She received her training at Yale Law School and practiced law as the assistant legal director of the American Civil Liberties Union before going to the New York Commission.

Her track record in New York is as impressive as her background. In her Senate confirmation hearings, Ms. Norton stated that 60 percent of the EEO cases in New York are now completed within 3 months of filing, compared with 17 percent under the old system. Moreover 80 percent of the cases are resolved within 10 months of filing and 45 percent are settled before a final hearing. Under the old system 30 percent of the cases were closed for administrative reasons and now only 6 percent are closed for such reasons.

If the EEOC, under Ms. Norton's direction, can achieve the same success as did her New York State agency, it will be of great benefit to the Nation. In meeting with Ms. Norton I have been impressed by her spirit of openmindedness and fairness. She has conceded that business groups have legitimate gripes about the overlapping machinery of civil rights agencies, and she has initiated a major reorganization which is just now beginning to be tested.

Most of her efforts center on case processing procedures and overall management systems. They include the following:

(1) Management reorganization—an orderly line of reporting, the hiring of a competent executive director, installation of a new financial system and a new vacancy control unit.

(2) Complete restructuring of EEOC field operations including the elimination of all regional offices.

(3) Introduction of a new rapid case processing system with emphasis on expanded intake procedures, face to face fact finding and settlement—This has been implemented in three model offices in Chicago, Dallas and Baltimore. Members can check the Baltimore operation right now to see how the new system is working.

(4) A separate backlog case processing system to give systematic and priority attention to presently backlogged cases.

(5) A direct service consumer oriented structure patterned after the National Labor Relations Board.

(6) Integration of litigation, investigation and conciliation functions.

(7) Establishment of a program to deal with systematic discrimination, addressing first those firms whose actions have demonstrated clear disregard for the purpose of Title VII.

(A) A new program to place the commission in an affirmative posture for developing title VII through guidelines, interpretation and other rulings.

(9) A new management accountability and information system to insure that the above programs take hold and are implemented.

(10) A national training program and standards to insure that the EEOC staff will be able to effectively administer the new systems.

In her confirmation hearing, Ms. Norton stated that her first priority was to build public confidence in EEOC and that the best way to accomplish this would be by reducing the backlog at the earliest possible time. She has further stated that her ultimate goal is "to free a greater measure of the agencies' energies to do more work in pattern and practice cases which alone can have impact on millions of minorities and women today."

I hope Ms. Norton will be successful. I am satisfied that if there is any person in America who can make EEOC work, she is that person. She deserves the opportunity, and for this reason, it is my hope that we can give her an additional 6 months of experience and innovation before addressing the various legislative remedies which have been thus far proposed.

This is not to say that congressional committee hearings be deferred. It seems appropriate that hearings go forward now. A total statutory reorganization may still be necessary, and I believe Ms. Norton will devote a reasonable proportion of her time to considering what statutory changes she will want and need. I doubt that continuing congressional scrutiny and oversight hearings will hamper her efforts in any way, and indeed, may assist those efforts.

What is encouraging about this whole picture is that an experienced, brilliant, and fearless newcomer to the Washington scene is attacking one of the most glaring examples of past bureaucratic failures.

I wish her every success, and if it cannot be achieved by the spring of 1978, I hope we can move rapidly and knowledgeably to the appropriate legislative remedy, even if it means abolishing the EEOC entirely.

For the bemused interest of historians, I attach a letter on this subject I wrote to President Ford on December 1, 1975, as well as a recent article on Ms. Norton which appeared in the June 11, 1977, edition of the National Journal:

WASHINGTON, D.C.,
December 1, 1975.

HON. GERALD R. FORD,
President of the United States, The White House, Washington, D.C.

DEAR MR. PRESIDENT: I have a policy suggestion to make in accord with your announced campaign to streamline the bureaucracy. I think you should accept and implement the U.S. Commission on Civil Rights' recommendation of last July that a single enforcement agency for civil rights be created, and that the four or more other governmental agencies in this field be abolished.

The new agency, suggested to be named the National Employment Rights Board, would be empowered to "enforce one law prohibiting employment discrimination on the basis of race, color, religion, sex, national origin, age, and handicapped status."

I make this recommendation because of the very substantial and precise experiences my staff and I have had with the existing anti-discrimination efforts of DOD and the Department of Labor.

We have checked into numbers of citizen complaints of employment discrimination, both from within and outside the government office involved: the Civil Service Commission, the Department of Labor, the Equal Employment Opportunity Commission, and the Equal Employment Opportunity Coordinating Council. We have found that federal agencies are seemingly almost inherently incompetent to enforce civil rights when those rights run counter to the primary mission of the agency itelf. Their efforts tend to involve tremendous paperwork requirements on business and much needless milling around, but little actual enforcement.

Let me cite a particular example.

There are over 600 defense contractors in one western administrative region of the United States, all of whom have been required by the Office of Contract Compliance (OCC) of DOD in the San Francisco Bay Area to submit affirmative action proposals requiring literally thousands of hours of paperwork. One of my constituents, Varian Associates, employing roughly 4500 people (*and against whom no complaint has ever been made to OCC*) estimates that OCC's requirement of the information in question required over 4000 man-hours of work on the part of company employees.

At the same time, the 29-man OCC staff in Northern California was unable to make field investigations of all of the few actual complaints which were made. I was personally told by the Staff Director that their inability to investigate actual discrimination complaints was because the entire staff was fully engaged in analyzing the mountains of paperwork submitted by firms against whom no complaints had been made. Last year there were only six investigations of actual complaints and, when violations were found, I was advised by federal employees at the lower level that they were told by their supervisors that "nothing further could be done."

Thus, the sum total of impact of this particular portion of the bureaucracy last year was a big zero. It was my own conclusion, after investigating the Bay Area's OCC operations, that a four-man office, with one attorney, one secretary and two investigators could have done more to enforce the anti-discrimination laws than the 29 people employed in sifting through the mountains of paperwork they demanded (with the accompanying lack of productivity imposed on the businesses involved).

I should think that the consolidation recommended in the Commission on Civil Rights' Report could also be accompanied by a cut in overall funding for the total effort, as well as the abolition of the existing four employment discrimination offices.

I appreciate the argument that the creation of an independent agency could lead to needless conflicts *between* governmental offices. This need not occur, however, under an Administration which is strongly led by a person who shares universal respect and who can occasionally knock heads together (i.e., your pressure on State to speed up the Law of the Sea negotiations last month).

I hope you understand this recommendation is made with the hope that it might assist in your initiative towards regulatory and bureaucratic reform, an initiative which may well be the most important thing you can do as President to restore public faith in government this year of the bicentennial.

If I can help with further implementation, I would be glad to do so.

Best regards,

PAUL N. MCCLOSKEY, Jr.

THE BEST YET FOR THE EEOC

She comes to Washington from New York City, trailing at least a puff, if not full-blown clouds, of glory—and she plunges headfirst into a treacherous bureaucratic quagmire. Eleanor Holmes Norton clearly faces the challenge of her career as the new chairperson of the Equal Employment Opportunity Commission (EEOC).

For the past seven years, Norton, 40, who was confirmed in her new job by the Senate on May 27 and is scheduled to be sworn in by President Carter in a few days, has served as chairperson of the New York City Commission on Human Rights. By almost all accounts, she is a brilliant and articulate lawyer, an able administrator, a demanding taskmaster and a committed advocate of minority and women's rights. With her long experience in the field of equal employment opportunity, she is the most qualified person appointed to head the EEOC since the agency was established in 1965.

Almost without exception, representatives of the civil rights and women's movements and the business community who are familiar with her work give her the highest marks for intellectual ability, dedication, toughness and fairness.

"Eleanor's appointment is superb," said Herbert Hill, national labor director of the NAACP. "She brings a unique combination of skills to her new post and there is every reason to believe she will rehabilitate the EEOC. The civil rights community is delighted with her appointment." These sentiments were echoed by Mary Jean Tully, president of the National Organization for Women's Legal Defense and Education Fund, and Harriet Rabb, assistant dean of Columbia Law School, who runs an employment discrimination project.

J. George Piccoli, vice president for human relations at the New York Chamber of Commerce and Industry, said he expects Norton to be "a very hard-nosed administrator. I found her to be fair, but she doesn't have any patience for a poorly prepared position. Business will have nothing to fear if it does its homework and comes with its cases well documented. She'll listen to reason."

A New York consultant on equal employment matters who works for large corporations said Norton commanded "a high degree of respect" in the business community. And an executive who handled job discrimination matters for one of the country's largest corporations in New York said the business community viewed her as bright, capable and a compelling spokesperson for minorities and women, but that some other executives considered her "too much of a zealot."

A few unflattering comments were expressed, however. There was some question about her administrative ability, about her willingness to pay attention to the daily drudgery of running the commission. She is said to have a temper, a low tolerance for stupidity and incompetence—which to others comes across as a refreshing frankness and an unwillingness to be told that something can't be done. And there was a suggestion that she pulled her punches with some influential employers to further an ambition for bigger and better things.

Norton takes over an agency that needs help badly. The EEOC has been afflicted with every imaginable bureaucratic disease: a high turnover rate in the top positions, internal dissension and inefficient procedures. The backlog of individual job discrimination complaints stood at about 123,000 at the end of April. It supposedly now takes about 15 months to process an average charge, and that is a considerable improvement over what it used to be. From July 1, 1975 through Sept. 30, 1976, there were about 35,000 administrative closures—meaning cases were closed because, for example, the charging parties could not be found. About 90 percent of the cases referred for litigation are found by the general counsel's office to be inadequately prepared. (*For background, see Vol. 9, No. 2, p. 66.*)

These are problems Norton faced and apparently solved in New York. A colleague who worked with her during her seven years at the commission said she "turned it around" by instituting management changes that led to the more expeditious resolution of charges. Every department was given goals, and instead of lengthy investigations, charging parties and employers were brought together as quickly as possible in an attempt to resolve the charges at the earliest stage.

In her confirmation hearing on May 24 before the Senate Human Resources Committee, Norton said that, under the procedures she instituted in New York, 60 percent of the cases now are completed within three months of filing, compared with 17 percent under the old system. Moreover, 80 percent of the cases are resolved within 10 months of filing and 45 percent are settled before a final hearing. Under the old system, 30 percent of the cases were closed for administrative reasons and now only 6 percent are closed for such reasons. For 1976, Norton said, the average settlement was $1,712.35, a "very high figure considering that these settlements were achieved very early in the process before all the evidence was adduced."

It does not automatically follow that what worked in New York will play at the EEOC. The New York commission has a staff of 110 members, while the EEOC has about 2,400 employees, 32 district offices, seven regional offices, five litigation centers and a much bigger case load. But Norton knows the territory and is determined to see whether the EEOC can be improved by adopting the changes she made in New York.

Her first priority, she said in her confirmation hearing, is to build public confidence in the agency and the best way to do that is reduce the backlog at the earliest possible time. She said her ultimate goal is "to free a greater measure of the agency's energies to do more work in pattern and practice cases (that concern systemic or institutional discrimination), which alone can have impact on discrimination against millions of minorities and women today." Norton pledged to stay on the job for the full four years remaining in the term she fills, which would seem to be good news for those who support an expanded role for the EEOC in the Administration's effort to reorganize civil rights agencies.

HIGH SCHOOL STUDENTS HONORED

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. WOLFF. Mr. Speaker, in the midst of critical attacks on education and the teaching of writing in America today, I would like to take this opportunity to share with my colleagues the commendable achievements of six high school students in the Sixth Congressional District of New York.

These young adults have been acknowledged for their writing ability by the National Council of Teachers in English. The 1977 Achievement Awards in Writing are awarded each year to participants for fluency as well as correctness, invention, as well as thought, that abound in the written expression of these talented youths.

Competing against over 7,000 high school participants throughout the country, I praise these young people who exemplify to all of us that the profession of the teaching of writing thrives, and that students do excel.

Such programs not only give students an opportunity to creatively produce, but also suggest the continued need to support and invest in the leaders of the future through a commitment to fully endow a vital framework within our society, our system of education.

Let me commend the following students, Emily Robin Desser, Whitestone; Jessica H. Heimer, Port Washington; Martin Liss, Williston Park; Benjamin Barr McQuade, Great Neck; Eileen Marie Smith, Whitestone, and Linda Zolla, Bayside, who remind us that competition can be healthy and learning can be rewarding.

They, and the teachers who have helped and encouraged them, can take pride in their success.

HAZARDS OF ALUMINUM WIRING SYSTEMS

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. ROSENTHAL. Mr. Speaker, on October 27, 1977, the Consumer Product Safety Commission filed suit in district court in the District of Columbia to have "old technology" aluminum wiring systems declared an imminent hazard under the Consumer Product Safety Act.

Over 1½ million homes built from 1964–1971 are potential firetraps due to dangerous overheating from outlets with aluminum wiring connections. The Commission's evidence indicates that the hazard is especially great in areas such as Suffolk and Nassau County on Long Island; Orange and Ventura County, Calif.; Orange County, Tex.; Montgomery County, Md.; and elsewhere in the country where there has been considerable new construction in the past 15 years.

To assist Members in advising constituents who may be faced with an aluminum wiring hazard, I am inserting in the RECORD some guidelines for homeowners about what to look for and what may de done to minimize the risk of fire:

GUIDELINES FOR HOMEOWNERS

HAZARDS OF ALUMINUM WIRE SYSTEMS

A fire hazard may exist in your home if it is wired with 15–20 AMP. aluminum wire.

Dangerous overheating may occur where aluminum wire connects to outlets or switches. This can happen on normal household circuits of 15 and 20 amperes and may make switches or outlets glow or smoke. When this happens, fire is a possibility. House wiring to appliances such as dishwashers, room air conditioners, and refrigerators may also share the same problem.

Signs of trouble are:

Cover plates on switches and outlets which are warm or hot to the touch;

Smoke coming from outlets or switches;

Sparks or arcing at switches and outlets;

Strange odors, especially the smell of burning plastic, in the area of outlets or switches;

Lights which flicker periodically (in some cases, faulty appliances or other unrelated causes may result in lights flickering); and

Outlets, lights, or entire circuits which fail to work.

Train your family to recognize these signs

Although you may not find these trouble signals in your home or apartment, the danger of fire may still be present. It can even occur at an outlet which has nothing plugged into it. This happens because some electrical circuits can pass current through several outlets and junctions to an outlet at the far end of the circuit. When an appliance plugged into that outlet is turned on, the current passing through each of the outlets on the same line may cause one of those to overheat. In addition, even if you have lived in your house for several years and have had no trouble with your wiring, a fire hazard may later arise. This happens because the condition which causes aluminum wire to become dangerous can take a long time to develop.

WHAT HOMES ARE IN DANGER

If your home or apartment was built before 1965, there is little chance that aluminum wire is present.

Property built between 1965 and 1973 or any additions to homes made during that time may very well have aluminum wire. One estimate shows that up to two million homes may be involved.

If you added or replaced wiring in your home between 1965 and 1973, aluminum wire may have been used.

In 1972, manufacturers altered both aluminum wire and switches and outlets to make aluminum electrical systems safer. If your house was built after 1972, this does not mean that the system in your home has the newer equipment, since the sale of the old types of wire, outlets, and switches continued after 1972.

SIMPLE WAYS TO CHECK YOUR HOME FOR ALUMINUM WIRE

If you think that your home may have aluminum wire, you should follow these steps:

Do not remove cover plates on switches or outlets

Do not try to check the wiring in electrical panels or boxes

Do not try to check the wiring on your appliances

You may receive a dangerous or even fatal shock

If there are areas in the basement, attic or garage where the wiring is open to view, check to see if the letters AL or the word ALUMINUM is printed or stamped every few feet on the outside jacket of the wire insulation.

If neither of these is used, the wire is probably not aluminum.

Since some houses are partly wired with aluminum and partly with copper wire, be alert for signs of trouble described above, even if you do not find either marking.

If no wiring is visible, call the electrical contractor who wired your home, and ask him if the wiring is aluminum.

The builder of your home may be able to supply the name of the contractor.

You can also find out if you have aluminum wiring by having a qualified electrician come to your home to make a visual inspection.

If you live in an apartment, ask the resident manager or maintenance man if the unit has aluminum wire.

WHAT TO DO IF YOU HAVE ALUMINUM WIRING AND SEE ANY TROUBLE SIGNS

Call an electrician:

If your home has aluminum wire you should have a qualified electrician check and repair the wiring. This is especially important since skill and proper tools are needed to hook up aluminum wire correctly and to tighten terminal screws to the right torque. If these repairs are not done properly, the hazard of fire may still remain. Please give the electrician this booklet when he arrives. The last three pages contain step-by-step instructions for professional use showing how to repair an aluminum wire system.

Do not try to make repairs yourself:

Do not try to inspect or adjust the wiring in switches and outlets or to make any electrical repairs.

You could receive a serious or fatal electric shock.

You could void the fire insurance on your home.

Instead seek an electrician's help.

WHAT THE ELECTRICIAN CAN DO

The electrician may have to replace switches and outlets with new ones specially designed for use with aluminum wire. These are known as CO/ALR devices.

The electrician may have to "pigtail" or splice a piece of copper wire to the aluminum wire with a special connector, and then connect the copper wire to a switch, outlet, or appliance.

In all cases, the electrician should check and, where necessary, tighten all terminal screws in the service panel.

The electrician should also check all light fixtures, permanently wired appliances (such as dishwashers, garbage disposals, furnace blowers), and junctions on household circuits where 15 and 20 AMP aluminum wire is attached.

WHAT YOU CAN DO YOURSELF

If a circuit or outlet shows signs of a problem:

Turn off the power to that circuit at the circuit breaker or fuse box in your home. To do this, turn the circuit breaker switch to "off" as shown on the next page. If you have a fuse box instead of a circuit breaker, unscrewing the fuse turns off the electricity in the circuit controlled by the fuse.

Make sure that you have turned off the electricity in an outlet. To do this, plug in a lamp which you are sure is working properly and turn it on. If the lamp goes on, the wrong circuit breaker was probably shut off or the wrong fuse removed. Go back to the service box and switch on the circuit breaker that was turned off or replace the fuse that you removed. Turn off the power in another circuit by removing another fuse or switching off another circuit breaker. When the lamp goes off, the power in that circuit is also off.

All homes especially those with aluminum wire systems, should have smoke detectors and fire extinguishers. Make sure you have an extinguisher designed for use against electrical fires handy. Dry chemical or carbon dioxide extinguishers can be used for this purpose.

Move any furniture or fabric which might burn (beds, sofas, curtains) away from outlets. Never store any flammable products like gasoline, charcoal lighter, or cleaning fluids near these areas.

WHAT IS BEING DONE TO ELIMINATE THE FIRE HAZARD IN ALUMINUM WIRE SYSTEMS

The government is continuing to study the hazards of aluminum wire systems and ways for making such systems safe. One method under study employs a special connector used in aircraft wiring. Until the skill and tools needed for this method become available to residential electricians, the repair program suggested in this booklet should be followed.

DRIVE SAFELY

HON. JOHN G. FARY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. FARY. Mr. Speaker, with the curtain slowly descending on the first session of the 95th Congress, and my colleagues making plans to depart to their homes in the North, South, East, and Western sections of our great country, I would like to leave with them a thought expressed by my close friend the late James J. Metcalfe, poet laureate, who over the years sent to me many of his "Poem Portraits." One in particular stands out in my mind, and is most appropriate at this time as we approach adjournment of this august body.

With your indulgence, I should like to quote it as follows:

DRIVE SAFELY

(On Adjournment—And Thereafter)

A minute may be valuable . . . In getting something done . . . But not to cut down driving time . . . On business or for fun . . . There is no place that we must reach . . . So quickly in our car . . . That one more minute will not serve . . . To get us just as far . . . Our lives are more important than . . . The keeping of a date . . . And we may never get there if . . . Our hurry is too great . . . So let us be more careful on . . . The highway and the street . . . And let us use good common sense . . . To guide our hands and feet . . . Let us be sober and alert . . . And patiently obey . . . The traffic laws that govern speed . . . And rule the right-of-way.

NATIONAL GUARDSMEN BECOME PRISON GUARDS: A HAPPY ENDING

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. KASTENMEIER. Mr. Speaker, this morning's Washington Post carried a column by Neal R. Peirce which I would like to share with my colleagues.

About 3 months ago the unionized prison guard force in Wisconsin went on strike. Guards in corrections facilities throughout the State walked off the job, creating a potential disaster. That such a disaster was averted is due to the stunning performance of the Wisconsin National Guard which substituted for the professional guards during the 15-day period of the strike.

Certainly one must commend the Wisconsin Guard and its commander, Lt. Gen. Hugh Simonson. As Mr. Peirce notes, General Simonson not only prepared his men with ultimate care for such a potential experience, but also promoted in them a humane approach to dealing with the prison population.

There is a lesson here for those of us who have been involved with the issue of corrections practices. My Judiciary Subcommittee has jurisdiction over corrections and we have been exploring for the past 6 years how best to improve the corrections systems in this country. The key may, in fact, lie in the approach of the Wisconsin National Guard, and I hope that those interested and involved with prison practices will read Mr. Peirce's column with care and attention.

The article follows:

NATIONAL GUARDSMEN BECOME PRISON GUARDS: A HAPPY ENDING

(By Neal R. Peirce)

WAUPUN STATE PRISON, WIS.—At the stroke of midnight on a holiday weekend, without

warning, the unionized guard force walks off the job across an entire state prison system. Loaded weapons are left in the guard towers of this maximum-security prison. At a facility for juvenile delinquents, residents are awakened by guards who throw keys on the floor and tell them they're on their own.

The prescription ought to be one for disaster—and indeed, the guard force, organized by the Wisconsin State Employees Union—had every reason to believe that some institutions, particularly the Waupun prison, with its history of attacks on guards, the taking of hostages, and clandestinely held weapons, would "blow" in ugly violence.

But the potential holocaust failed to materialize—thanks to careful planning by prison officials and, more particularly, the prompt intervention of the Wisconsin National Guard.

Now, three months after the strike, it's clear that the illegal work stoppage triggered not just a proud moment in National Guard history, but a small revolution in penology as well.

During the 15-day period that the National Guard substituted for the professional guards, there were scarcely any incidents—far fewer than in any normal period. The habitual harassment of inmates, practiced by a few of the regular guards, stopped instantly.

Inmates at Waupun now tell a visitor that the guardsmen, by "treating us as men rather than animals," won their universal admiration. They even made the guardsmen "honorary screws" (prison slang for guards) and staged, through the prison chapter of the Jaycees, a banquet in the Guard's honor. One inmate said it was "wonderful to be in the care of custodians who relieved me of the illusion that I was nothing but a captive, garbage and a mile to our state and country."

But Wisconsin's "happy ending"—in such stark contrast to the bloody histories of Guard intervention at Attica State Prison and Kent State University—was no accident. The Wisconsin Guard has a highly professional, humanitarian commander in Lt. Gen. Hugh Simonson, selected by former Gov. Patrick Lucey (now U.S. Ambassador to Mexico). Lucey and his successor Martin Schreiber, refrained from provocative remarks like those attributed to Ohio Gov. James Rhodes preceding the tragedy at Kent State.

Guard preparedness was a first key to the Wisconsin success. "We didn't just walk into the institutions," Simonson explains. "We had operational plans all laid out; everything was rehearsed." For three years, specific Guard units had been assigned to all the prisons in the event of disturbances or work stoppages. Exact rules of engagement had been announced, including strict limits on carrying weapons.

Equally important was the approach Simonson spelled out to his units. "I know nothing of the penal system or psychiatry," he says. "But I do know the residents are human beings. They come out of the society; the justice system says they have erred and must serve a set period of time. It's not our mission to impose any more punishment."

The guardsmen, Simonson says, "didn't baby or mollycoddle the residents. No, we treated them like men."

No general lock-up was ordered. It wasn't the inmates' fault, Simonson notes, that their guards were on strike. The Guard refused to enforce petty rules. Military file was no longer required of prisoners marching to and from recreation or meals; voluntary seating was instituted in the cafeteria and movies; dress codes were relaxed. The men were allowed, for the first time in living memory, to talk along the cell ranges and after lights out and to pass cigarettes and newspapers between cells.

It took the outside intervention to make it clear, says state corrections administrator Allyn Sielaff, that "many of those old rules served no useful purpose." So the returning regular guards were told to enforce them no longer.

Sielaff notes one important caveat to the National Guard's positive experience: that the guardsmen were in the prisons for only a limited period of time. "There's a natural honeymoon," and no one can say "what would happen if the Guard were there for the long haul, as our people are," he says. Some 40 guardsmen have, in fact, applied for permanent prison-guard positions.

Waupun inmates Joe Davis and Jim Anderson—serving terms for armed robbery and domestic homicide respectively—told me the strike had seriously undercut the influence of a minority "hard core" of "old line" guards responsible for harassment of prisoners and their visitors and prejudice against black and Hispanic inmates.

That hard core, they said, dominated the guard union—an affiliate of the American Federation of State, County and Municipal Employees—and attempted to intimidate nonstriking supervisory personnel and guardsmen. Incidents included rock-throwing, splashing paint on nonstrikers' houses and life-threatening phone calls.

Davis and Anderson said they were contemptuous of guards who would lecture inmates about their deeds against society and then indulge in such illegal conduct themselves. And while guards have a right to strike for increased benefits, they said, those that laid down their weapons and deserted the guard towers should have been fired outright.

But state labor negotiators, in settling the strike for pennies more in pay than the guards had initially been offered, unconscionably agreed to limit disciplinary action to a week's suspension without pay for Waupun guards who deserted their guard towers. The same light slap on the wrist was accorded guards at the Ethan Allen School for Boys who threw their keys on the cottage floors and left, causing a riot in which two supervisors were seriously injured before the National Guard arrived. Wisconsin prison officials, who feel they run one of the most enlightened and progressive prison systems in the country, were infuriated by the limits placed on their right to discipline the offending guards.

Yet on balance, Wisconsin is clearly the winner for its strike experience and the National Guard's intervention. The general public, Acting Gov. Schreiber notes, has little exposure to the prison system: "There had never been a cross-section of our citizenry with first-hand exposure to the inner workings of the correction system—never, that is, until a large number of citizens-turned-guardsmen from all walks of life spent two weeks actually working around the clock in our correctional institutions."

THE AMERICAN STEEL INDUSTRY AND THE CRISIS IT FACES

HON. FLOYD J. FITHIAN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. FITHIAN. Mr. Speaker, the American steel industry faces an enormous economic crisis, and today I have introduced three House Resolutions aimed at supporting the domestic steel producers.

The first resolution is designed to support the American steel industry against unfair competition and to promote fair trade by affirming the principles of Buy America for any governmentally financed steel purchases by encouraging Federal, State, and local governments to purchase only steel and steel products of domestic origin.

The second resolution is identical to S. 279, introduced by Senator JOHN HEINZ of Pennsylvania, which passed the Senate by voice vote on October 12. This resolution affirms its support for existing laws restricting unfair or subsidized competition from imports, gives full support to the Antidumping Act of 1924 and the Trade Act of 1974, and urges the President to direct the Federal agencies to enforce vigorously and aggressively existing laws to prevent cases of dumping, trade discrimination and other forms of unfair competition.

The third resolution is identical to S. 292, introduced by Senator RICHARD S. SCHWEIKER of Pennsylvania, and currently pending in the Senate Finance Committee. This resolution urges the President to direct the Special Representative for Trade Negotiations, Ambassador Robert Strauss, to negotiate orderly marketing agreements with Japan and with the European Economic Community (EEC) reducing "the level of steel imports significantly below those currently in effect."

I would hope that the United States could enter into negotiations with our European and Japanese trading partners to establish orderly marketing procedures which would restrict the foreign imports into the domestic market. Otherwise, tariff restrictions or import quotas might be needed.

I am particularly concerned about subsidies paid by overseas governments on steel that is exported to the United States. Japan and the EEC are special offenders. Belgium, France, England, Italy, Luxembourg, the Netherlands, and West Germany all subsidize their steel producers.

It is in the best interests of all nations to resolve this critical economic problem, and achieve an orderly marketing agreement on steel exports. In today's world, the last thing we should hope for would be actions which would drive us apart or return us to the tariff walls of the 1930s. We know what that led to.

It is my hope that these three resolutions establish priorities for a Buy American program extension, full enforcement of existing dumping and fair trade practices legislation, and encourage new orderly marketing agreement to restrict the present high levels of imported steel that are coming into the United States. I have included these resolutions for your consideration. They are as follows:

H. RES. —

Whereas, the American economy is being inundated by a mounting tide of imported steel, much of it being sold in this country below the cost of production,

Whereas, such unfair trade practices result in the export of foreign unemployment to America;

Whereas, a strong national defense depends on a strong domestic steel industry, as does the health of the American economy and the financial security of not only thousands of steel workers but of millions of Americans employed in related jobs; and

Whereas, the Comptroller General has reported to Congress that our international trading partners follow "buy national" practices which limit almost, if not all, of their governmental procurement to their own domestic sources, where such sources are available: Now therefore, be it

Resolved, That—

(1) Federal agencies should make greater efforts to ensure that, consistent with the Buy America Act, only steel and steel products of domestic origin are acquired by such agencies in the conduct of their operations;

(2) State and local governments conducting any operation more than half of the funds for which derive from Federal sources should be required to limit their acquisitions of steel and steel products to steel and steel products of domestic origin; and

(3) heads of Federal agencies should be required to enforce the requirements of paragraph (2) by supervision of the funds provided to State and local governments.

SEC. 2. Any program instituted in furtherance of the first section of this resolution should be conducted—

(1) by defining "steel and steel products of domestic origin" to include only steel articles, materials, and supplies which have been mined, produced, and manufactured in the United States or which contain not more than 25 percent (by value) materials of foreign origin; and

(2) by permitting the acquisition of steel or steel products not of domestic origin only in those cases where steel or steel products of the class or kind required are not mined, produced, or manufactured in sufficient and reasonably available commercial quantities of a satisfactory quality.

H. RES.—

Reaffirming support of the vigorous enforcement of laws designed to protect American industries from unfair competition by foreign industries.

Whereas the American steel industry is facing an unprecedented crisis, in the last several weeks having suffered layoffs of more than twelve thousand workers;

Whereas a contributing factor to the problems facing the American steel industry is the dumping of imports subsidized by foreign governments into this country;

Whereas such imports have adversely affected the United States balance of payments and have been a factor in reduced employment opportunities in the American steel industry;

Whereas the Department of the Treasury has failed to be sufficiently aggressive in pursuing dumping complaints filed by American industry to their conclusion, thus permitting the continued sale of imported products below cost; and

Whereas the Office of the Special Trade Representative has not resolved a complaint alleging a violation of section 301 of the Trade Act of 1974 by the European Coal and Steel Community and the Japanese Ministry of International Trade and Industry filed on October 6, 1976, by the American Iron and Steel Institute:

Resolved, That the House reaffirms its support for existing laws restricting unfair or subsidized competition from imports, particlarly the Antidumping Act of 1921 and the Trade Act of 1974, and urges the President to direct Federal agencies, particularly the Department of the Treasury and the Office of the Special Trade Representative to enforce vigorously and aggressively existing laws to prevent cases of dumping, trade discrimination, and other forms of unfair competition that have an adverse impact on the American steel industry.

H. RES. —

Expressing the sense of the House that the President direct the Special Representative for Trade Negotiations to negotiate orderly marketing agreements with Japan and with the European Community reducing the export of steel and steel products to the United States.

Whereas conditions within the American steel industry are becoming increasingly grave, as evidenced by the layoffs of thousands of steelworkers in the past months and weeks;

Whereas many of the problems of the steel industry can be directly traced to the high level of foreign imports;

Whereas a significant percentage of the foreign steel imported by the United States is priced below the cost of production in the exporting country, as recently affirmed by the Department of the Treasury in its finding that Japan is dumping steel in the American market; and

Whereas the American steel industry cannot modernize and expand as long as this situation exists; Now, therefore, be it

Resolved, That the President immediately instruct the Special Representative for Trade Negotiations to initiate negotiations with Japan and the European Community in order to achieve orderly marketing agreements providing for a level of steel imports significantly below those currently in effect.

TESTIMONIAL FOR LEO PUGLIESE

HON. WILLIAM R. COTTER

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. COTTER. Mr. Speaker, on Tuesday, November 1, I had the honor of attending a testimonial dinner for one of Hartford's most noted political figures, Leo Pugliese. For 50 years, Leo has been a leader and mainstay of the Democratic Party in Hartford. He is a man of great energy and political vision, who has made an immeasurable contribution to Hartford's political life over the past half century.

I am proud to have been a political associate and close personal friend of Leo's for these many years, and would like to share with my colleagues and the readers of the RECORD the following biography of Leo Pugliese:

A BIOGRAPHY OF LEO PUGLIESE

(By Douglas Kelley)

Leo Pugliese was born on September 1, 1905, in Saracena, Province of Cosenza, Italy. His father was a woodcutter, who provided firewood for the town. He had one brother. In 1921 Leo's father moved his family to the United States, where they settled in Hartford on Zion Street. At the age of 16 Leo began his formal education at the Lawrence Street Elementary School. (It is interesting to note that Congressman Bill Cotter's mother taught him English.) After school hours, Leo helped out in the meat market his father had opened at 95 Maple Avenue. Leo later opened his own store, the Pugliese Market, at 114 New Britain Avenue.

On September 1, 1930, Leo married Mary Gagliardi, a daughter of mutual friends of his parents, who came to the United States at the same time as the Pugliese family.

Also in 1930 he helped to found the St. Leo Mutual Benefit Society. He had deep feelings about his birthplace and a desire to preserve his Saracena roots here in the United States. That year also, Leo became a member of the Holy Name Society of St. Augustine's Church.

Leo first became interested in politics in 1928 when Al Smith, a Democrat, challenged Herbert Hoover for the Presidency of the United States. At that time, Leo decided to give his as yet untested political support to Al Smith. He placed a large Al Smith poster on his meat market window to advertise his commitment as a young Democrat to the Presidential candidate. Almost immediately, one of Leo's best customers approached him and demanded that he remove the sign. Leo refused, lost a good customer, and began the building of his reputation as a tough and loyal democrat.

Leo became a United States citizen and registered voter in 1935. At approximately the same time, Leo went into the tavern business on New Britain Avenue. He joined the predominantly Italian "Senator's Social Club" with a membership of 250. During the early 40's, Leo was introduced to the legendary Tony Zazzaro, the then legendary "boss" of the old 8th Ward. Tony "Z" envisioned Leo as a man of great political savvy and recruited him to do some political work in the predominently Republican 8th Ward.

During 1946, Leo was instrumental in establishing a Neighborhood Honor Roll which was to list men from the surrounding area who died in military service during World War II. The Roll was ultimately erected at the northwest corner of Broad Street and New Britain Avenue. As a local newspaper reported, "Leo worked indefatigably in carrying out the inumerable and necessary details which honored the neighborhood's 42 dead".

After Tony "Z" passed away in 1945, Leo invited Jack Kelly and Paul Zazzaro to the Senators' Social Club for some local political talk. Jack Kelly took an immediate liking to the rather short and already balding politician. He began confiding in Leo about the many challenges facing the Democratic Party. Just two years after Jack Kelly became Democratic Town Chairman, in 1950, Chairman Kelly backed Leo as 8th Ward Chairman. Although the idea of being Ward Chairman was enticing to the middle-aged Democratic Italian, Leo could not figure why he was being put forth in a Ward which was predominently Irish and Republican. Leo would soon overcome these obstacles. In 1950, when Chester Bowles ran for governor, Leo recognized the position he held as an ethnic minority and quietly worked well with his Irish brethren in the 8th Ward. As a result, Leo achieved victory by some 17 votes, but simultaneously began the building of an organization which would endure for decades. His headquarters was located at the Peterson Roofing Company at 1830 Broad Street.

After his first political victory, Leo's house located at 50 White Street became the Sunday political get-together for many of the city's politicians. People such as Town Chairman Jack Kelly, Bill Cotter, Dr. Mike Zazzaro, State Party Chairman John Bailey, and Mim Daddario used to thrive on the amicable atmosphere which pervaded Leo's home. Together, they charted successful political courses for the future years ahead.

As time passed in the early 1950's, the Democratic Party of Hartford and Connecticut began building their organizations under the leadership of Jack Kelly and John Bailey respectively. As the City and State parties grew in strength and maturity, Leo retired from his tavern business and became an employee of the Hartford County Jail on Seyms Street. While he actively pursued the duties of his new job, Leo continued to face the Hartford's South End. He recognized that the Party would continue to need new blood responsibilities of political leadership in to meet successfully the many challenges in the years ahead.

In 1953, Leo's hard word paid off as many new Democrats became attracted to the Party to engage in one of the most serious political battles the City had ever seen—the battle to break the Citizens Charter

Committee's domination of non-partisan balloting held since the council-manager form of government was adopted in 1947. This was the first year that Leo began calling signals from "behind the scenes". He backed two new personalities for the city council—Jimmy Kinsella and Bill Cotter. Parenthetically, during the summer preceding the 1953 election, Jimmy Kinsella came to see Leo on the front steps of Leo's White Street home. The aspiring candidate told Leo of his desire to run for the Council. With intuitive judgment which was Leo's trademark, Leo informed the young red-haired hopeful that he would support him. Ultimately, candidates Kinsella and Cotter won big, together with the new Mayor, Dominick DeLucco. As well, "Bud" Mahon defeated George H. Gabb, the venerable City Treasurer who had served for some 24 years. In substantial part due to Leo's efforts the Democrats won a 5–4 advantage on the city council, a margin which has never been overcome since.

In 1956, the largest full scale attack on the organization was mounted as dissident Democrats began to mobilize in the city. Under the leadership of former Mayor Cronin, George Ritter and Leo Parsky, the insurgent group sought to seize control of the Town Committee from Town Chairman Jack Kelley after some 8 years of Party rule. The primary was hotly contested all over the city, including a challenge to Leo's 8th Ward leadership. After a tough and vigorous campaign, Leo and his co-runner Doris Noonan defeated John J. Godfrey and Gloria Payich by a 6 to 1 vote. The Democratic organization, with victories in every city ward, had proved once again that is strength was deep.

Leo resigned his post as the 8th Ward Chairman in 1958 to permit a new face to run the well-organized Ward in the years ahead. This did not mean that he would retire from active political involvement, for he worked diligently on Julius Street to ensure the election of Abe Ribicoff as Governor of this State that year. Soon, Leo became the Superintendent of the Hartford area bridges where he was to work until his formal retirement in 1973.

In 1960, when Abe Ribicoff and John Bailey were crashing the big time nationally in the beginnings of the Kennedy era, Leo quietly enjoyed a position of relative importance in the South End of Hartford. His warm and vocal support of Jack Kennedy helped to ensure a big victory in Hartford.

During the 1960's, Leo continued as an integral part of the South End community, particularly after the passing of his close friend, Jack Kelley. His voice was heard behind the scenes, assuring continued party success under the new leadership of Town Chairman Bob Killian and Mike Kelly. He remained in close contact with the South End organization that he helped put together so meticulously. During the 1960's, he worked for the elections of Bill Glynn and "Pete" Kinsella to the Council and as Mayor, while striving to maintain ethnically balanced slates on the city council.

Leo's period of involvement in the current decade has also been filled with exceptional political involvement. He served actively under Town Chairman "Dr. Mike" (Zazzaro) and Nick Carbone. During this period, his experience and good judgment continued to be sought by many. Through this all, Leo continued to express his concern that the Party encourage the participation of the young in politics so that new blood could continue to fill the Party ranks.

The nomination and election of Governor Grasso in 1974, after a hard fought primary in Hartford, came as no surprise to Leo. In the primarily Irish 6th Voting District, Leo helped to secure a primary victory by just two votes over the popular challanger Bob Killian. He helped secure the victory by calling out the "commands" his people have heard and loved during the many years of his personal diplomacy in the South End.

Finally, during the 1975–1976 period, when the State and National Democratic Party were earnestly but uncertainly searching for a candidate for the Presidency of the United States, Leo had already looked over the field of aspirants, had completed the necessary homework, and, with characteristic prescience, had found the fresh new face to lead his beloved Party to victory in 1976.

In November of 1975, Leo backed an unknown—Jimmy Carter of Georgia—for the Presidency. Long before New Hampshire, Leo recognized that Jimmy Carter displayed renewed confidence, vigor and sincerity which would help the Democratic cause in America. In 1975, Leo began to discuss Jimmy Carter's candidacy openly with friends. Their initial reaction was one of surprise and disbelief. People asked him how an eastern Catholic Urban Ethnic could support a Southern Baptist farmer. Leo's answer was a recitation of a litany of what "Jimmy's" candidacy would mean to our nation. Slowly, with coaxing from Leo and Leo's new found friend, Stan Weinberg, Party leadership in Hartford began to understand his selection of the Southerner for high office. Once again, Leo joined forces with the Kelly's (Mike Kelly and Hartford's new Democratic Town Chairman Peter Kelly) and Council Majority Leader Nick Carbone to seek the support of Hartford's Democrats for a new face to lead America. The resultant critical win by Carter in the Connecticut Presidential Preference Primary (based heavily on the stupendous Carter effort in Hartford) and the 73% vote Carter achieved in the general election in Hartford (against a Statewide Democratic loss) are now a part of Leo's contribution to Hartford's political history. After numerous months of tedious political maneuvering and hard work, Leo realized his greatest and most savored victory. It goes without saying, it is most appropriate that Leo's nearly fifty years of dedication to his City and his Party should come to their full maturity in this fashion.

A Salute

The Democratic Party of Hartford is proud to honor the legendary Leo Pugliese for his tireless service and dedication to the Party. He has not sought prominent political titles over his nearly fifty years of service, even though he was one of the prime political mechanics who assured victory after victory here. Leo has contributed respectability, political wisdom, and sensitivity to our Party and our Community. He remains, at age 72, concerned as ever about good government and its response to the many who feel estranged from the political system. He will continue to fight in the political "trenches" together with "his" housewives, cabbies, and businessmen, in order to secure future Democratic victories. As Larry St. Pierre (Connecticut Carter aide) said in the Providence, Rhode Island newspaper on November 11, 1976, "The brass don't win elections, the *Puglieses*—the real people—do".

FORMER SALT NEGOTIATOR, PAUL NITZE, SAYS THAT SALT TERMS HAVE U.S. "LOCKED INTO" INFERIORITY

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. KEMP. Mr. Speaker, yesterday, the Honorable Paul H. Nitze, a former Deputy Secretary of Defense and a member of the U.S. delegation to the Strategic Arms Limitation Talks held a press conference to review the recent agreement reached between President Carter and the Soviet Foreign Minister. The results of Mr. Nitze's analysis are devastating to the SALT accords.

Mr. Nitze pointed out that the advantage in strategic nuclear power, conferred on the Soviets as a temporary measure in 1972 to facilitate further negotiations, would grow substantially under the new agreements rather than diminish as the Congress was led to expect. By 1985, the proposed agreement would leave the Soviets with sufficient striking power in their land-based ICBM force to destroy 90 percent of the U.S. land-based force on a first strike while the terms of agreement would leave the United States with only 60 percent of the Soviet capability. Moreover, it is well-understood that the United States does not have a first strike doctrine, making all the more significant the overwhelming advantage conferred on the Soviet Union by the President and his negotiators. Mr. Nitze noted further the one-sided character of the agreement by observing that the agreement would continue to permit the Soviets to maintain a 2-to-1 advantage in submarine launched ballistic missiles as well.

A great national service has been performed by Mr. Nitze by performing his careful analysis of the terms of the SALT accords. It is clear that as presently constituted, the SALT agreements pose a fundamental danger to American security, and will surely be rejected by the Congress if they are not modified in the course of the negotiations now underway in Geneva. I commend Mr. Nitze for his impressive service to the Nation:

U.S. Is "Locked Into" Inferiority to Soviet Weapons, Nitze Says

(By Henry S. Bradsher)

A prominent critic of strategic arms agreements with the Soviet Union charges that the United States is "locked into a position of inherent inferiority" to Soviet weapons and "we don't know how to get out of it."

Paul H. Nitze says the Carter administration is "in deep trouble" in efforts to achieve its main goals of reducing the vulnerability of the American nuclear deterrent and achieving rough equivalence with Soviet power in the current strategic arms limitations talks, SALT II.

Nitze's attack yesterday was the strongest challenge to the administration's SALT II efforts made publicly since a tentative outline for a new treaty was agreed upon with the Soviet Union in late September. There has been a rising tide of criticism of the efforts in Congress and in the Pentagon but no detailed examination of the still officially secret details comparable to Nitze's.

His attack was launched from the most complete account yet made public of those details. The main points had already leaked out of the administration.

A former senior official at both the Pentagon and the State Department as well as a SALT I negotiator, Nitze has stayed well informed on strategic relations as a private citizen. Some administration sources have suggested that he is supplied with classified information by those inside the government who oppose SALTating positions.

Nitze spoke at a news conference arranged by the Committee on the Present Danger. Founded last year with Nitze as a key member, the private committee argues for a stronger U.S. military posture to counter

what it sees as a growing threat of Soviet military preponderance that might enable Moscow to dominate the world.

The United States lacks the negotiating leverage to seek strategic armaments equal to the Soviets in later negotiations, Nitze said. This is caused by restrictions now being accepted on future weapons' developments and a political reluctance here to push ahead with some weapons systems, he contended.

Nitze pointed out that what were supposed to be just interim arrangements in the 1972 SALT I treaty allowing the Soviet Union more and bigger intercontinental ballistic missiles than the United States would become permanent if the present tentative agreement on SALT II finally becomes a treaty. But the supposed American advantage in technology which made that imbalance justifiable in 1972 is disappearing.

By 1985 or possibly earlier Soviet missile warheads could have enough accuracy to destroy 90 percent of U.S. land-based missiles in a first strike by less than half their missiles, Nitze contended. But, he said, the entire U.S. land-based missile force would be able to destroy only 60 percent of the Soviet force.

U.S. strategists have argued that the large force of American submarine-launched missiles provides more nearly equal balance, although those missiles cannot be targeted with as great accuracy as land-based ones. Nitze said the tentative agreement would leave the Soviets with an advantage in naval missiles also.

Most of his argument dealt with numbers and nuclear destructive power of land-based missiles, in which the Soviets have long had a lead. Nitze and other leaders of his committee reject the contention by some administration spokesmen that all this country needs is sufficient power to inflict unacceptable damage to the Soviet Union, which requires smaller numbers of power than equivalency.

The negotiations now under way in Geneva to try to work out details of the tentative agreement are reportedly having trouble with definitions of terms that are critical to the value of a treaty. There are also troubles in agreeing on ways to verify adherence to a new treaty.

Nitze was one of those who tried to make a public issue of contentions that the Soviets cheated on SALT I. With Secretary of State Henry A. Kissinger playing the key role, however, the Ford administration bottled up that controversy.

Nitze said yesterday some of the current problems are defining how heavy a bomber has to be before it comes under strategic limitations, how the range of cruise missiles is calculated for treaty purposes, how big is a "small" missile, and similar point.

"Even were the limitations clearly defined," Nitze said, "compliance is in many cases difficult to verify." Cruise missile ranges, similarities in strategic and medium-range missiles, and other points could provide room for uncertainties.

TAX REBATES

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, as the energy legislation moves toward its climax, I would like to make this brief comment to suggest that we have at hand a moment of opportunity and that there does not have to be a bitter clash between the House and Senate on the tax aspects of the bill. I cannot, of course, purport to speak for all segments of opinion in the House, but I believe that the approach I suggest would command wide support.

In brief, our House conferees can rightly insist on retaining the oil equalization tax and a carefully limited industrial and utility user tax on oil and gas, both of which we approved and which are central to the President's program. But our conferees can also accept the Senate principle that the revenues should go toward incentives for energy conservation, conversion away from oil and gas, and domestic production, rather than the tiny universal rebate through the income tax contained in the House bill.

I grant that how the prospective new revenues are distributed is a contentious matter. It is probable that no two of us would favor precisely the same package. I can see merit, for example, in a combination of tax incentives for production of nonconventional sources of energy and outlays for mass transit and railroad improvement. But the precise contents of the package should not divide us on what often seem emotional grounds. I would not place priority on tax changes whose effect would be to improve oil industry earnings, but I could accept modest changes along those lines as part of a total package directed at the energy problem.

The important point is that we should not regard the small universal rebate which amounts to only $22 a person next year under the House bill, as a sacrosanct matter of principle. This would be less than the abortive $50 rebate proposed earlier this year. In this connection there has been an important development in recent days. The President, in what I applaud as a wise decision, has said he will delay presentation of his tax reform and reduction proposal until he knows the outcome of social security and energy tax legislation. If we drop the small universal rebate of the new energy taxes, we open the way to more significant general income tax reduction as a means of keeping the economy expanding in 1978 and later.

The Senate is divided on many aspects of the energy plan, but both the Finance Committee and the Senate itself seem to be all but unanimous in opposing the rebate plan. I have never liked it much myself, and I am sure that it is true of many of my colleagues in the House. If we use the new energy revenues to tackle energy problems, the public will better understand what we are trying to do.

Dropping the rebate will make possible a more meaningful general tax reduction next year, depending in part on the precise contents of the package for use of the energy revenues. It is an opportunity that I hope our House conferees will grasp.

METAL FASTENER INDUSTRY NEEDS IMPORT RELIEF

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Ms. OAKAR. Mr. Speaker, as a Representative of Cleveland, Ohio, which is known as the Fastener Capital of the World, I have been very concerned about the serious problem that imports are causing to domestic manufacturers of nuts, bolts, and screws. The rate at which imports have increased over the past several years have been astounding—much worse than that suffered by any other industry.

In an effort to deal with the problem, the metal fastener industry filed a petition for import relief with the International Trade Commission, and on September 29, I appeared before the Commission to testify in behalf of the petition.

In addition, when the Northeast Ohio Congressional Caucus, which I have the privilege of cochairing, met on October 7, we received testimony on the unemployment and idled capacity in the metal fastener industry that have been caused by increased imports. One of the witnesses was John J. Lohrman, president of the RB & W Co., and I believe his statement sums up the problem well.

For the information of my colleagues, I would now like to insert into the RECORD a copy of my statement, and that of Mr. Lohrman.

IMPORTS OF STEEL NUTS, BOLTS AND LARGE SCREWS

Statement of Congresswoman MARY ROSE OAKAR OF Ohio before the International Trade Commission September 29, 1977

Mr. Chairman, distinguished members of the International Trade Commission, I appreciate this opportunity to appear before you in support of the petition for import relief filed by the United States Manufacturers of nuts, bolts and large screws.

Ohio is one of this Country's major fastener manufacturing states. There are some 73 fastener plants throughout the State, and my home area of Cleveland is known as the "Fastener Capital of the World." The health o fthe fastener industry is critical to the economyof Ohio and to the well-being of its people. That is precisely why I am here today. The days of this very important industry are numbered unless this Commission acts to restrict the growth of imported fasteners. Already, Ohio has lost 4 to 5 fastener factories since 1971. If imports continue unabated, more losses are sure to follow.

This Commission has itself gathered statistics showing the increasing level of fastener imports and their ever-growing dominance of the domestic market. I will not take the Commission's time to discuss these numbers other than to say that they make the steadily declining position of domestic fastener manufacturers painfully evident.

However, I do want to discuss the human side of this situation—the lost jobs. I understand that the Commission has also gathered statistics showing the declining numbers of United States workers employed in manufacturing nuts, bolts and screws. In Ohio alone, since 1969, over 1,000 people have lost their jobs in the fastener industry, and there is universal agreement that this unhappy situation is due to capture of the United States' market by imported fasteners.

These statistics come to life when specific instances of job losses are considered. Consider the demise of two large Ohio manufacturers:

In October 1976, Lamson & Sessions announced the closing of its huge fastener manufacturing plant in Brooklyn, Ohio. Although some of this facility's functions were relocated elsewhere, the closing resulted in the loss of about 200 jobs. The Company attributed the plant's closing, in part, to inroads on sales from "foreign-made, cheap imports."

In 1973, Republic Steel closed its bolt & nut division in Cleveland. In the four years

preceding the closing, 400 workers had lost their jobs; with the closing of this modern plant an additional 600 jobs were lost. Here again, the company blamed a "loss of business due to fastener imports" for this division's demise.

Moreover, although they dramatize the position of the metal fastener industry, the plant closings are not the only instances in which the individual trauma of the loss of one's job occurs. Every one of the remaining metal fastener plants in Cleveland is now operating at far below their capacity, and this too means cutbacks in jobs. You can visit any one of these plants today and see the massive equipment used in nut and bolt manufacturing lying idle. Machinery which several years ago would be worked by two or three shifts of workers today only gathers dust.

Why has a substantial part of the metal fastener industry been put in mothballs? Again, there is no doubt as to the cause: increased imports. In this regard, I would also direct your attention to the findings of the Department of Labor on two recent applications for trade adjustment assistance filed in the Northern Ohio area, those of the 175 employees of the Russell, Bursdall and Ward plant in Mentor, and of the 348 employees of the Lamson and Sessions factory in Kent. The Department approved both of these petitions, stating that "increased imports contributed importantly to . . . unemployment."

I am concerned about these Ohioans who have in the past lost their jobs, and I am resolved to use the available legislative and administrative tools to insure that more people do not join the ranks of the unemployed. I hope that this Commission shares my concern and my resolve to save the domestic industry through the tool that Congress has made available for precisely this purpose, the escape clause in the Trade Act of 1974.

The provision reflects the determination of Congress that, in pursuing the goal of expanded trade, we must not permit substantial portions of American industry to be swallowed by foreign competition.

It provides a remedy for American industries, such as the industrial fastener industry, suffering serious injury as a result of heavy import penetration. It appears to me that unless reasonable, temporary controls are placed on these imports, domestic production of these fasteners will be largely displaced abroad.

I commend this case to you on the merits and hope that you will agree with me that import relief is called for and that the President will ultimately be given the chance to take appropriate regulatory action.

COMMENTS GIVEN BY JOHN J. LOHRMAN TO NORTHEASTERN OHIO CONGRESSIONAL DELEGATION

Madam Chairlady and distinguished members of Congress: In behalf of the fastener manufacturing industry, I appreciate this opportunity to comment on some of our concerns regarding the future of this industry in this country and especially in this area. While we have always been considered a cyclical industry, today we are better known as one with serious complications.

The fastener manufacturing industry in this country is in serious trouble primarily due to the flood of imports from Japan.

Northeastern Ohio has one of the largest concentrations of fastener manufacturing companies of anywhere in the country. Three of the largest fastener companies in the industry are located here: Lamson & Sessions, Cleveland Cap Screw and ourselves.

All fastener companies in this area have been adversely affected because of the impact of imported product. For instance, the employment at our plant located in Mentor has decreased from over 700 in 1974 to under 550 now.

Cleveland Cap Screw has reduced their employment from 675 in 1974 to under 400 at the present.

Lamson & Sessions announced earlier this year the shutdown of their large Tiedeman Road operation which would be replaced with a smaller facility but also with a significant reduction of employment.

In just these three plants alone upwards of 1,000 jobs in this area have been lost to imports in the last few years.

This tremendous increase in bolts, nuts and screw imports has resulted because they are unfairly priced by reason of foreign government assistance and also our off-shore competition is not faced with government regulated programs; such as EPA,, OSHA, ERISA and EEO. While we agree in principle with these programs, they do add to the costs of our products which makes us even more non-competitive with imports.

The impact of this competition raises the question whether we will have an adequate or dependable long-term fastener manufacturing base in this country to provide for both our defense needs as well as our peacetime economic requirements.

Unfortunately, the damage from this deluge of foreign products has been quite dramatic.

(1) Imports have increased their share of our domestic markets in bolts, nuts, and large screws from 21 percent in 1968 up to 46 percent in 1976. It now appears that in 1977, import of fasteners will increase approximately 40 percent over the previous year.

(2) Many companies have gone out of business. In 1972, a number of major fastener companies shut down operations including the Republic Steel Bolt Division here in Cleveland. In fact, three fastener companies have announced either a complete or partial shutdown of their plants in this current year. There are other companies who currently have studies under review to determine whether to close all or part of their operations.

(3) Thousands of employees have lost their jobs in this industry in recent years. Employment is some 30% lower today than it was in 1969. We estimate that for every employee who loses his job in our industry there are four more in the American industry who will lose their jobs because of our reduced requirements for steel, tools, machinery and so on. So, while there are approximately 7,000 fewer people working today in our industry than in 1969, the impact on our total economy is closer to 35,000 lost jobs.

(4) Of the approximately 600 manufacturing plants in our industry, it is estimated that they are operating at approximately 50% of their practical capacity because of the tremendous loss of business to the foreign producers.

(5) In 1974, our domestic companies shipped 1.5 billion pounds of products. In 1976, that figure was down to 1.1 billion pounds although imports have remained at approximately the same level for both years.

In summary, our industry sought relief from the government by filing an escape clause petition with the International Trade Commission in 1975. Unfortunately, we lost on a 3–2 split decision. Just last week we appeared before the ITC again on a similar petition and are now awaiting their decision which is due December 12.

We filed a countervailing duty petition with the Treasury Department last year against Japan and received a favorable decision, but the relief was so small that it was practically meaningless.

Because we are really competing with the Japanese Government instead of the Japanese fastener industry, we need the support and recognition of our government for relief as allowed under the Trade Act of 1974. We are seeking an orderly marketing arrangement with our foreign competition similar to what has been negotiated in other industries; such as colored TV, shoes and specialty steels. However, to accomplish that we need the full support of yourselves and other members of our Congress.

LET'S BE CONSISTENT ON HUMAN RIGHTS

HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. SPENCE. Mr. Speaker, as human rights increasingly becomes a key issue in U.S. foreign policy, the inconsistent application of its becomes more and more obvious. Such is the case of the current trend to establish diplomatic ties with the People's Republic of China at the expense of our longstanding alliance with the Republic of China.

Human rights are virtually nonexistent in mainland China, according to Ross H. Munro in a Washington Post article on October 9, 1977, entitled "Peking's Controls Are Subtle But Real." Many of the simple freedoms such as choosing one's occupation, starting a business, and choosing where one wants to live are rigidly limited and controlled by the ruling party. The expression of contrary political beliefs can mean years in prison, if not the death penalty.

Practically everyone is assigned to a unit which is affiliated with one's workplace. The compound is the most highly developed form of the unit. The compound is an all-inclusive work and home-life combined. This way the "Party" can keep an eye on the workers 24 hours a day.

The compounds are literally behind high walls, with a single guard gate. Residents send their children to its nurseries and schools. They send their sick to its clinics. And they do their shopping in its stores. Individuals must get approval from his unit for just about anything they want to do, from owning a bicycle to having a baby.

Mainland China is, in many ways, the most tightly controlled nation on Earth. This situation is not likely to change in the forseeable future. The top leadership in China do not worry much about residents of compounds whose horizons do not extend further than the wall surrounding them. I am afraid we have a tendency to take such an atmosphere for granted in a nation where it has been an established custom for a long period of time as it has in mainland China; and, therefore, to establish or accept a double standard in dealing with such situations, as compared with human rights violations of a more current or specific nature in other countries. A double standard for dealing with human rights violations is almost worse than ignoring them completely. Let us be consistent.

Mr. Speaker, I insert the text of Mr. Munro's article at the conclusion of my remarks:

PEKING'S CONTROLS ARE SUBTLE BUT REAL

[From the Washington Post, Oct. 9, 1977]

By Ross H. Munro

PEKING.—About two or three times a year, a middle-aged Chinese man walks into a post office in China carrying a letter he has written to relatives who live in Japan.

Nervously he hands the letter to the postal clerks and urges them to inspect it before the envelope is sealed. "Read it," he says, "please read it." Once the postal clerks have obliged and given him a nod of approval, he pastes the stamps on the envelope, mails it and departs.

No law or regulation in China requires this man to share his personal communications with the authorities. No one has ordered him to do this. But for the past few years this man's life has been peaceful, he has been working in a decent office job and he wants to keep it that way.

In the 1950s and again in the 1960s, he lost his job during political campaigns when he was accused of being insufficiently devoted to the revolutionary cause. Relatives of his who still live in China tell this story and say he is determined that it will not happen a third time. He weighs every action now and, among other things, no one is ever going to be able to accuse him of sending counter-revolutionary letters abroad.

For the most part, the day-to-day controls over people's lives in China are not visibly heavy-handed. On the streets, the Chinese people often treat policemen with disdain. Prisons, concentration camps and secret police exist but their role is a comparatively modest one.

Yet China in many ways is the most tightly controlled nation on earth. Part of the explanation resides in history. The concept of individual freedom is weak in Chinese tradition. The concept of social and political conformity has always been strong. Parliamentary democracy, an objective code of law, an independent judiciary, the idea that there are certain unalienable human rights—these originated in the West.

But history is history. Today, communism has combined the conformist and anti-individualist tradition of the Chinese past with the techniques and organization of modern totalitarianism to create a unique system for controlling people's lives.

Chinese society itself is organized as a security system as much as it is organized as an economic or social system and control. The slogan is "politics in command" and command is supposed to extend over all of one's actions and words.

Despite the often subtle nature of the control system, the candid expression of one's true political beliefs can still mean the death sentence, as Chinese court verdicts in recent months show.

This is so in a number of other countries, Communist and non-Communist. But China has also imposed controls over areas of life that are matters of free individual choice even in many police states; the freedom to choose—or quit one's job; the freedom to start even the smallest business; the freedom to choose where one wants to live; the freedom to travel. All these freedoms—which classical Marxism dismisses as "illusory" or "bourgeois"—are rigidly limited and largely non-existent in China.

A Communist Party functionary was recently telling a foreigner how Chinese society ideally should be organized. Everyone, he said, should live in the compound where he works. If for some reason the workplace and the home must be in different locations, he said then people should still live in the same place as their workmates.

The worker who commutes between home and job poses a problem, the party member said. He can be two different men. At the factory, his political attitudes and work habits are known, but the party would not know how he acts around home. The party functionary said it would be a healthier political situation for the man to be among his fellow-workers 24 hours a day.

Many of the urban Chinese already live in such settings—all-inclusive units that are concerned with every aspect of the welfare and behavior of the compound's residents.

It is this level of Chinese society that foreigners find extremely difficult to penetrate and understand. For one thing, the compounds are literally behind high walls, with a single guarded gate. But because they are the preferred form of organization in China, compounds where people both live and work are often visited by foreigners on guided tours who can get at least a flavor of what compound life is like.

In a clothing factory compound in Hopei Province, a notice posted on a workshop wall declares that people going in and out of the compound must get off their bicycles at the gate and surrender all bags and packages to security workers for inspection. Except in special circumstances, the notice continues, people must be back inside the compound by 11 p.m.

The compound is the most highly developed form of the "unit" that is the basic building block of Chinese society. Except vagabonds, everybody in China is affiliated with a unit. The unit is based on the workplace; it can be a production team or brigade in a rural commune, a factory or an office. Those too young or old or sick to work are affiliated with a unit through those in their family who support them.

Unit membership in China is almost a second citizenship; when a Chinese citizen is away from his home and workplace, he is more likely to be asked "What is your unit?" than "What is your name?" It is the unit that decides whether he can have a bicycle and, in many cases, whether she can have a baby.

Officials in the No. 1 Cotton Factory in Shihchiachuang, south of Peking, were recently trying to explain to a foreign visitor how workers there buy bicycles. Each year, they said, the state allots about 250 bicycles to be distributed among the 4,000 workers and their families.

"The workers in the workshops are living together and they know everything about everybody," the foreigner was assured. "They know which families need a bicycle."

The compounds are almost self-contained communities. Residents send their babies to the compound's nursery, their children to its schools, their sick to its clinic and their shopping lists to its stores.

All units and residential committees have a security function. The units and residential committees are a modern variation on the traditional Chinese system known as *poachia*—an extension of the local police force. Households were grouped together and a representative acted as a go-between with the local authorities. The representative—and through him the entire group—was responsible for maintaining security and order within the group and its neighborhood.

This is remarkably similar to how Chinese society is controlled today. The difference is that local Communist Party members usually housewives, have the central role.

Views on how this works vary tremendously.

Some sympathetic foreign writers have described party workers at the unit level as social workers, solving minor problems, straightening out potential juvenile delinquents and patching up disputes between neighbors or spouses. Chinese refugees often describe them as nasty busybodies who relish using their power to harass, spy and inform on their neighbors.

One person with direct knowledge of how units and residential committees operate—describes the security system as inextricably woven together with the web of personal relationships, both friendly and unfriendly.

"According to Mao's philosophy," he says, "you report on your friend or neighbor when he's done something wrong because it's good for him to be criticized and reformed. But usually in practice you do it because you don't like him and you want to get at him."

Many foreign observers have tried to explain the pervasive control exerted by the unit by pointing out that the concepts of privacy and individuality have never been strong in China while the urge to social conformity has always been strong. As an explanation for the current level of control in China, this is far from adequate.

Some Chinese living in Peking today, for instance, say they prefer living in apartment buildings rather than in traditional housing clustered around a courtyard because there is more privacy in apartment blocks. Party officials evidently believe the desire for privacy must be combatted because they constantly urge local party functionaries to devote more time to home visits to families in their area.

In one neighborhood in Peking last summer, in one example of mild political monitoring, party functionaries put up a huge chart listing each household and what its members had done to help clean up after the earthquake. The chart wasn't so much an honor roll of those who had done a great deal as it was a report card for adults with blank spaces for those judged not to have done enough.

The most relaxed and independent citizens of China seem to be those whose work gives them the opportunity to escape the constant controls of their units. Cart drivers on the road all day alone with their horsedrawn wagons seem to be among the most individualistic people in China, cussing and joking as the mood moves them and apparently quite unconcerned about what anyone thinks of them.

The cantankerous and rebellious attitude of railway workers has been a problem for Chinese authorities for years. Long-distance truckdrivers often make much of their income by filling their cabs with goods that are surplus in one area and selling them on the black market where they are scarce.

What the unit in modern-day China lacks but what tightly knit Chinese communities in the past or elsewhere in Asia today possess is a way out.

People are normally assigned to a work unit for life. Transfers are extremely difficult to obtain but are sometimes granted on the condition that the departing worker find someone with comparable skills and experience who's willing to switch jobs with him.

The nature of the unit and the compound in today's China worries even some sympathetic and Marxist-oriented foreigners who have come to know this country.

One such person says he fears that the compounding of Chinese society could strengthen elitist tendencies in the country at large. He suggests that the top leadership won't have to worry very much about the residents of compounds whose horizons don't extend much further than the compound walls.

THE EEL AS A POTENTIAL FOOD SOURCE

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. McKINNEY. Mr. Speaker, we have just experienced a decade of declining worldwide seafood production. It is therefore timely to consider the National Aquaculture Organic Act (H.R.

9370), introduced by Mr. LEGGETT in the Committee on Merchant Marine and Fisheries. The purpose of this act is to provide for development of aquaculture, which is the propagation and rearing of aquatic species in controlled environments. According to the act, Congress acknowledges a situation that includes rising population, adverse climatic conditions, declining world seafood production, domestic seafood trade deficit, and demands for increasing food production. These plus fish losses due to water pollution and mercury contamination are leading to increased severity of food shortages and nutritional deficiencies. Meanwhile, potential aquaculture producers have low outputs due to high risk, inadequate capital, and unreliable sources of seed stock.

The National Aquaculture Organic Act can provide the means to rebuild and augument domestic fish populations through efficient application of aquaculture technology. First, it would declare a national aquaculture policy to initiate Government support. Second, a nationwide aquaculture plan will be established and implemented, using the already available knowledge of various species. And third, programs and activities will be developed and encouraged. This will result in the coordination of domestic aquaculture efforts, the conservation and increased availability of fisheries resources, and the creation of new industries and job opportunities.

Currently, aquacultural production supplements supplies of the world by 10 percent, and the United States by only 3 percent. According to the act, a strong Federal commitment can make it a competitive industry by reducing risks, and providing capital through increased public and private investment and development. This policy would effectively combat food supply problems and could lead to a five-fold domestic increase in aquacultural production by the turn of the century.

The act will provide for investment in species whose potential has been thoroughly researched. This important work is being advanced locally by the eel research of Dr. John Poluhowich of the University of Bridgeport Biology Department. Poluhowich feels that his 15 years of research should provide sufficient background as testimony that eels will contribute significantly to a national aquaculture plan. He feels that while prices are skyrocketing for tuna and other domestic seafood staples the eel remains an underutilized resource. It is hardy, adaptable, and has a viable export market in Japan, where large shortages in fresh eel are anticipated.

Dr. Poluhowich explained the current status of eel farming in terms of chicken farming in the early part of this century. There used to be dozens of obstacles to chicken farming, which is a multi-million-dollar industry today. The eel is currently in that early critical stage and once given proper attention it could blossom into a comparable industry. As an added bonus, eels are easily fed: Poluhowich provides a diet of trout pellets with earthworms which are bred in a bed of composted sludge. He is currently working on a project to discover the most cost-effective food for eel farming. It is anticipated that the end result will be an energy-efficient cost-effective system with possibilities for food supplementation and commercial exportation.

Advances in technology have already given us improved capabilities for eel commerce. Processing plants can rapidly prepare large amounts of eel for domestic consumption while developments in shipping techniques allow for live deliveries abroad.

Before eel resources can be fully utilized, several obstacles must be overcome. Traditional Japanese eel farming methods require babies to be fed for 1½ to 2 years in outdoor ponds, which must be connected to running streams. There are two problems inherent in this technique: First, the output cannot be accurately estimated until the actual harvest. If large investments are to be considered over a 2-year period, it is paramount that the end results can in some way be predictable. Second is the problem of inefficiency. There are no controls to maximize population density, and the ideal conditions for the ponds can be duplicated only in very few locations in the country.

To solve these problems, Dr. Poluhowich has developed a closed recycling system which is energy self-sufficient and can function almost anywhere in the country. It consists of a solar-heated, windmill-powered geodesic dome that can use tap water rather than a nearby stream. Poluhowich claims that experiments are only in the small prototype stage but their potential for the future is virtually unlimited.

The biologist is working on two biological obstacles, which once eliminated, could open the door to full scale commercial cultivation of the eel. First is the "factor" problem which naturally limits eel population in crowded conditions. A certain "factor" is emitted by the fish as the population becomes dense. This in turn decreases their resistance to disease and causes the population to be reduced. Poluhowich is currently experimenting with what is called "Cornell methodology" to filter the water. This will cause the oxygen level to rise and hopefully a high population density can be maintained.

Second is the question of breeding habits. We lack data necessary for understanding about fertilization, and the conditions in which they metamorphasize into full-grown eels. To deal with this problem a comprehensive eel library is being compiled in which data can be analyzed to discover the secrets of how and why it is true that most eels migrate to Bermuda to breed.

Once scientific barriers to eel production are overcome, there remains a social issue to be dealt with. The eel must undergo an image change in the United States before it can effectively replace existing domestic seafood products. For centuries smoked eel has been a delicacy in Europe, while it has long been eaten fresh in Asia. To stimulate American interests, Bridgeport researchers have assembled eel cookbooks and implemented university seminar programs.

There are three prime goals that, once reached, can transform eel farming from the experimental stage to the practical stage. First, we need to attain the capability to effectively breed dense laboratory populations of eels to maturity. Second, reeducation must change the American public's distaste for eel. Third, money is needed on a scale to allow prototype experiments to be expanded into pilot-type experiments. Poluhowich indicated that by the time Federal funds are available to aid his research, he will be more than ready to put them to good use.

OLDER AMERICANS PROPERTY TAX RELIEF ACT OF 1977

HON. THOMAS B. EVANS, JR.

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. EVANS of Delaware. Mr. Speaker, I am today introducing the "Older Americans Property Tax Relief Act of 1977." If enacted, this legislation would provide long-needed property tax relief for low and middle-income senior citizens through Federal tax credits.

In recent years, property tax burdens of all Americans across the country have increased tremendously. However, this burden has fallen most heavily on our Nation's older Americans. Senior citizens are the people least able to pay these substantial increases in property taxes. Most of our Nation's older Americans sacrificed, throughout their working lives, to pay for their homes. In fact, approximately two-thirds of our older Americans now own their homes. That home was the single biggest investment of their working lives, and they saw it as a way of guaranteeing their security during their retirement years.

Unfortunately, this has not been the case. Forced to retire on fixed incomes, senior citizens have been squeezed in an ever-tightening circle because of inflation. They sit helplessly and watch their homes increase in value, and thus, their property taxes go up, yet they are in no position to take advantage of that increase in value by moving. The uprooting process is particularly difficult on senior citizens and it complicates their lives when they deserve to be free of unecessary hassles.

Senior citizen income is relatively static. Yet the costs of living are not. Senior citizens can cut back on other expenditures, such as home maintenance, medical care and even food. But they cannot fail to meet their property tax payments.

In 1970, the Advisory Commission on Intergovernmental Relations estimated that the average homeowner pays about 3.4 percent of his household income in property taxes, while the average homeowner age 65 or older paid about 8.1 percent. Elderly homeowners with less than $2,000 income paid an average of 16.6 percent of their family income. Finally, in the highly taxed Northeast region of our country, elderly homeowners paid more than 30 percent of their meager income in property taxes.

Elderly renters are also affected. A portion of their ever-increasing rent goes to pay property taxes on their units, yet

they cannot deduct these payments from their Federal taxes.

The imposition of excessive property taxes on the elderly undercuts social security and other Federal programs designed to provide for retirement benefits and financial security for the aged. These persons have done much for our country, and the least this Congress can do is to provide them with some measure of economic protection against the burdens of property taxes during their older years.

The legislation I am introducing today would provide property tax relief for low and moderate income persons age 65 and over through a refundable credit against their Federal income tax. The tax could not exceed $500 in any given year and it would only apply if the real property tax constituted more than 5 percent of the senior taxpayers' adjusted gross income. The tax credit would be refundable so that it would offer real assistance even to individuals who do not pay Federal income tax. The credit would begin to phaseout when the household's adjusted gross income exceeded $10,000, and would be reduced by 5 percent of the additional income over that figure. Thus, the phaseout would be complete when the household's adjusted gross income exceeded $20,000 per year.

Senior citizen renters would also receive relief under my proposal. They would be allowed to treat 15 percent of their base rent as though it were property tax payments. This figure was selected because the best data available would indicate that, on a national average, 15 percent of the rental payments on apartments and homes represented real property taxes. Thus, my proposal allows the elderly renter to claim a tax credit on this "pass through" of real property taxes.

Mr. Speaker, I believe that all Federal programs, including tax expenditure programs, such as the one I am proposing today, should be reviewed on a regular basis to see if they are accomplishing the purposes for which they were originally intended. Consequently, my bill expires at the end of 5 taxable years. At that point, the Congress would review the operations of the "Older Americans Property Tax Relief Act," and determine whether and for how long it should be extended, and if changes need to be made in its basic provisions.

Mr. Speaker, as I talk to the senior citizens in the State of Delaware, I have come to the conclusion that the property tax burden is one of the most pressing problems facing our elderly. This legislation will provide some long-awaited and much-needed relief to senior citizens who have been hit the hardest by the ravages of inflation.

CONTRACT DISPUTES ACT OF 1977

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. FISHER. Mr. Speaker, today I am introducing the Contract Disputes Act of 1977, a bill to provide for the resolution of claims and disputes relating to Government contracts awarded by executive agencies. The companion bill is being introduced in the Senate by Senator BOB PACKWOOD, of Oregon.

In order to settle disputes between procuring agencies of the Federal Government and their contractors a system of administrative adjudication by agency boards of contract appeals has developed. It is to these boards that the contractors must go before carrying their claims to the courts. In theory at least, this provides for quicker and less expensive resolution of most disputes. However, there has been concern for some time that, in fact, the present system has become too time consuming and expensive to the contractor and the Government. It is often inefficient and as a consequence unfair. The procedural protections for the contractor are inadequate and the desired goals of flexibility and informality are being lost. Consequently, there is wide agreement that present law needs change. In December 1972, the Commission on Government Procurement recommended to Congress that legislation be enacted to change the law affecting the resolution on contract disputes.

Earlier this year I sponsored a bill, H.R. 4713, which is quite similar to the legislation I am introducing today. H.R. 4713 sought to strengthen and improve the boards by upgrading the judges who serve on them and making them more independent of the agency they serve. The bill would also require the individual boards to adopt simpler and faster procedures for handling small claims. Before introducing H.R. 4713, which had been brought to my attention by the board of contract appeals committee of the District of Columbia Bar my office sought the opinion of many persons involved in government work in the Washington metropolitan area.

My district in northern Virginia has one of the highest concentrations of private businesses doing Government contract work of any district in the country. In our conversations and correspondence with contractors and their attorneys we found disagreement over the particular means of solving some of these problems but urgent agreement that a solution must be found and soon.

The disagreement over the particulars of how to improve the contract disputes procedures is reflected in the fact that several other legislative proposals have been put forth on the subject, including the bill endorsed by the American Bar Association and introduced by my friend and colleague from northern Virginia, Mr. HARRIS, a member of the Judiciary Committee. The Harris bill and H.R. 4713, although similar in purpose, differ in several particulars. In order to develop a consensus bill which could serve as a basis for subcommittee hearings, the Government Contract and Litigation Division of the D.C. Bar and the public contracts section of the American Bar Association agreed on a compromise between Mr. Harris's bill and my own. The bill I am introducing today is that compromise—endorsed by these two groups and containing four major provisions not included originally in H.R. 4713. These are: First, a statement of congressional policy to have settlement conferences at various administrative levels in accordance with regulations to be established by the Office of Federal Procurement Policy; Two, permission for contractors to proceed to court directly following an adverse ruling by an officer with the Administrative Contract Appeals Board; Three, expansion of the jurisdiction of the Court of Claims; and Four, liberalization of the provision which grants contractors payment of interest on claims eventually allowed by board of contract appeals.

I believe this bill will be a good basis for discussion of contract disputes legislation in the Subcommittee on Administrative Law and Governmental Relations. I am not tied to the particulars of this bill but believe the general problem must be addressed. I hope that subcommittee will conduct hearings as soon as possible.

1977 QUESTIONNAIRE

HON. JOHN G. FARY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. FARY. Mr. Speaker, each year the response to an annual news letter to my constituency grows larger and larger. This year is no exception with a record number of responses pouring in over the past several weeks. The results of these responses have been tabulated, and I would like to take this opportunity to share them with my colleagues as I believe they are indicative of many nationwide concerns.

Over 90 percent of my constituents feel that the Federal Government has not been effective in curbing unemployment. In a special writein section at the end of the questionnaire, many people indicated an overall skepticism about the effectiveness of the Federal Government in all areas. This includes Federal regulation of businesses and professions, as well as the tremendous growth of the Federal bureaucracy in recent years.

An incredible 98 percent were in favor of strict mandatory sentencing of persons who commit crimes against the helpless elderly. Again, the write-in area strongly reflected this concern with many people pointing to the numerous inequities in the present justice system, and the ease with which convicts who have committed serious violent crimes are released to commit repeated offenses.

Two other nationwide issues were of particular concern, the relinquishing of the Panama Canal and the efforts to allow voting without prior registration—86 percent were against relinquishing control of the Panama Canal, with 74 percent supporting the idea of a congressional resolution to change the name to the "American Canal"—83 percent were in opposition to the "instant voting" proposal.

The other major concern was a local one, although it will also affect much of the Midwest directly, and the entire country indirectly. That concern was the revitalization of Midway Airport in Chi-

cago in which a strong 92 percent were in support, with 3 percent undecided.

The specific results were as follows:

RESULTS OF 1977 QUESTIONNAIRE—FIFTH DISTRICT

1. Do you think the recent federal jobs program has been effective in curbing unemployment?

Answers: Yes, 2 percent; no, 91 percent; undecided, 7 percent.

To create jobs, should the Federal Government appropriate more money for public works and public service jobs?

Answers: Yes, 36 percent; no, 49 percent; undecided, 15 percent.

2. Should Congress create a new Federal Agency for Consumer Protection?

Answers: Yes, 57 percent; no, 39 percent; undecided, 4 percent.

Should the Government use taxpayer funds to pay the campaign expenses of congressional condidates?

Answers: Yes, 17 percent; no, 69 percent; undecided, 14 percent.

Should Congress pass legislation allowing "instant voting" without prior registration?

Answers: Yes, 8 percent; No, 83 percent; undecided, 9 percent.

Do you favor cutting back or eliminating some strongly supported federal programs in order to achieve a balanced federal budget?

Answers: Yes, 58 percent; no, 38 percent; undecided, 4 percent.

3. Do you feel the present emphasis on human rights has been effective and should be continued?

Answers: Yes, 53 percent; no, 34 percent; undecided 13 percent.

Do you favor a new Panama Canal Treaty which would "phase-out" any American control of the Canal?

Answers: Yes, 10 percent; no, 86 percent; undecided 4 percent.

Would you be in favor of a Congressional Resolution to change the name of the Panama Canal to the "American Canal"?

Answers: Yes, 76 percent; no, 23 percent; undecided 1 percent.

4. Do you believe the United States should move ahead with a National Health Insurnance Program?

Answers: Yes, 48 percent; No, 43 percent; undecided, 9 percent.

5. Do you favor Legislation prohibiting mandatory retirement because of age, when a person wishes to work and is able to do a good job?

Answers: Yes, 77 percent; no, 21 percent; undecided, 2 percent.

Do you favor strict mandatory sentencing of persons who commit crimes against the helpless elderly?

Answers: Yes, 98 percent; no, 3 percent; undecided, 7 percent.

Do you favor elimination of the earnings limitations for Social Security recipients to enable older citizens to continue working after 65 without losing a portion of their benefits?

Answers: Yes, 79 percent; no, 17 percent; undecided, 4 percent.

6. Do you agree with the President's view that the United States will experience an energy shortage in the near future?

Answers: Yes, 58 percent; no, 37 percent; undecided, 5 percent.

(Here, given a choice of 12 steps to meet current and future energy needs, a surprising number responded favorably to developing alternative fuel sources such as solar energy. Also a majority felt that requiring full insulation of new homes and existing homes would be helpful. They also came out strongly in favor of improving mass transit).

7. Do you favor revitalization of Chicago's Midway Airport?

Answers: Yes, 92 percent; no, 5 percent, undecided, 3 percent.

8. Priorities.—If you were a member of Congress and could make one change, what would it be? Many of the comments in this write-in area reflected major nation-wide concerns as well as local interests such as the revitalization of the Midway Airport.

WASHINGTON STATE FISHING AND HUNTING EQUAL RIGHTS ACT OF 1977—H.R. 9175

Hon. John E. "Jack" Cunningham

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. CUNNINGHAM. Mr. Speaker, recently I introduced H.R. 9175, the Washington State Fishing and Hunting Equal Rights Act of 1977. This bill will legislatively reverse Federal District Court Judge Boldt's decision in United States against Washington granting Indians exclusive rights to 50 percent of the salmon and steelhead trout caught in and around Washington State.

When Judge Boldt made his decision to give 50 percent of the fish to 2 percent of the commercial fishing population, he cited several treaties signed in the 1850's. All of the treaties cited, including the now famous Medicine Creek Treaty of December 26, 1854, guaranteed to Indians, "The right of taking fish, in common with all citizens of the Territory." It is this "in common" clause on which Judge Boldt rested his decision.

I disagree with Judge Boldt's interpretation of this "in common" clause. The absurd nature of his rationale becomes apparent when one examines a similar clause in a treaty made at about the same time with the Yakima Indian Tribe. The treaty guarantees to Indians the right to use public highways "in common" with other citizens of the territory. I do not believe that it was the intent of the Yakima Treaty to grant the Indians exclusive use of 50 percent of the highway, and that non-Indians use only the other half of the highway. However, if one applies the "Boldt logic," this is the conclusion reached.

The Washington State Supreme Court held that Judge Boldt's decision misconstrued the Indian treaties. The U.S. Supreme Court decided not to hear the appeal of the United States against Washington case.

In the aftermath of the Boldt decision, many commercial fishermen have been ruined financially and sport fishing has all but been eliminated in some rivers, Fishermen in the Northwest have protested this decision both in and out of the courts, with many commercial fishermen fishing in defiance of court orders. The dispute reached a tragic climax when a fisheries patrol officer shot a commercial fisherman, leaving the fisherman paralyzed. And, the situation will not be eased until Congress acts.

I have introduced H.R. 9175 the "Washington State Fishing and Hunting Equal Rights Act of 1977" which will return the status of fishing in the State of Washington to its "pre-Boldt-decision" days.

This bill will allow all fishermen an equal opportunity to fish in Washington State.

It provides that all laws and regulations of the State of Washington pertaining to fishing and hunting will apply to Indians to the same extent that such laws apply to other persons. Indians fishing on the reservation or fishing for ceremonial purposes are not subject to State fishing and hunting laws under H.R. 9175.

I offer the following bill for my colleagues' consideration:

A bill making laws and regulations of the State of Washington pertaining to fishing and hunting applicable to Indians and Indian tribes fishing and hunting at places (other than on Indian reservations) within such State for purposes other than ceremonial purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Washington State Fishing and Hunting Equal Rights Act of 1977".

SEC. 2. Notwithstanding any Indian treaty, laws, and regulations of the State of Washington pertaining to fishing and hunting within such State (including laws and regulations which control fishing or hunting, require a license or permit to fish or hunt, or impose a tax or fee with respect to fishing or hunting) shall apply to Indians and Indian tribes fishing or hunting at places (other than on Indian reservations) within such State for purposes other than ceremonial purposes in the same manner and to the same extent as such laws and regulations apply to other persons.

ESTABLISHING A SEPARATE DEPARTMENT OF EDUCATION

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. GILMAN. Mr. Speaker, I rise to take this opportunity to express my thoughts and support for the establishment of a separate department of education. Legislation creating this department was introduced by the gentleman from Hawaii, Mr. HEFTEL, in March of this year, and at that time, I was pleased to be among the bill's cosponsors.

I am certain that my colleagues have experienced contact with educators in their districts who are distressed at the ever-increasing myriad of Federal bureaucracy which is evident in the Department of Health, Education, and Welfare. This Department has grown so large so as to confuse and discourage administrators and educators alike in their search for Federal assistance and guidance. Education appears to have been relegated to a position of lessened importance in the last several years, and the growth of educational programs has been lateral rather than vertical.

We are all aware of the crisis that is presently taking place in education. It is quite different than the crisis evident during the decade of the sixties, where teachers and students were willing to experiment with learning and to create new and exciting environments in which to teach and learn. Today we are faced with the Stark reality that many of our graduates labor over reading and writing, that they are confused as to which

career to enter, that teachers are oftentimes unable to handle the large demands that are placed upon them by the States and Federal Governments. And we have seen within the last few years the clear role that education plays in every facet of American life.

We are all aware of the significance of our Nation's energy crisis. And as an admirable response to the demands that the energy crisis imposed upon our Nation, a Department of Energy was created to consolidate and oversee all of the programs influencing the use and allocation of our natural resources. I suggest that we do the same for education and that the Congress elevate the role of education in American lives by creating a Cabinet level post for a Secretary of Education.

The role of the Federal Government is becoming increasingly evident in education, and while we do not wish to discourage States and localities from having a majority of jurisdiction over educational matters, Federal involvement is a fact of life. With the advent of the new handicapped education programs which the Congress endorsed several years ago, with the increase in Federal assistance to school districts and to institutes of higher education, it is imperative that our educational programs be lifted from the maze of a confusing, bewildering HEW bureaucracy and placed in a conspicuous, responsible Cabinet level position. The benefits of such a reorganization are incalculable: Education needs would be considered as primary needs, and the policy decisions arrived at by the President's Cabinet would reflect a deep concern and dedication to the principles of American education, would encourage coordination and consideration of the direction of education in the United States today and would allow the perspective of education to have a bearing upon other policies which were designed at the Cabinet level.

I urge my colleagues to join with me in supporting this legislation, and to urge the Government Operations Committee schedule hearings on this matter when the Congress reconvenes next January.

EDUCATION AND UTILIZATION OF MEDICAL MANPOWER IN CARE FOR THE ELDERLY—THE ROLE OF THE NURSE

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. PEPPER. Mr. Speaker, I wish to share with my colleagues an additional portion of the paper which was prepared by Ms. Beth Schermer, a summer employee of the Subcommittee on Health and Long-Term Care, entitled, "The Education and Utilization of Medical Manpower in Care for the Elderly."

This portion of Ms. Schermer's paper deals with the important role of professional registered nurses in all aspects of long-term care for the elderly. As with other health professionals, the training and utilization of nurses for geriatric care has been observed to be inefficient and inconsistent. I believe that my colleagues will benefit from these observations and suggestions, and I therefore ask unanimous consent that this additional portion of Ms. Schermer's paper be inserted at this point in the RECORD:

THE EDUCATION AND UTILIZATION OF MEDICAL MANPOWER IN CARE FOR THE ELDERLY

(By Ms. Beth Schermer)

PART II

Nursing schools provide no more consistent exposure to geriatric care than do medical schools. Like their medical counterparts, nursing schools exercise autonomy in designing their curriculum; existing geriatric programs vary greatly in form and content. Nursing plays a pivotal role in geriatric care, for the nurse is, in many situations, best suited of all medical personnel to provide long-term care in either home or institution:

"In perhaps no other area of health care delivery has the charge nurse more responsibility for patient care unassisted by a physician that in long-term care. In the nursing home where a physician may visit a patient approximately once a month, the nurse must monitor patient progress, detecting signs of abnormality and establishing the treatment regimen . . . In the home care setting the visiting nurse may be the only frequent contact with a professional that a patient has. As such the nurse is required to monitor and correctly identify clinical symptoms, and often act as social worker, guidance counselor, and advocate of patient and family." [12]

The role and responsibility accepted by the nurse will be a major factor influencing the shape of geriatric care in America. Registered professional nurses comprised nearly two thirds of the total employees in home health agencies participating in Medicare programs in 1969,[13] while registered nursing, representing 7.3 percent of the nursing home industry employment in 1973, made up the largest number of professional medical workers in the industry.[14] The value of the nurse in caring for the elderly has already been recognized and as the number of elderly in the population—and hence the need for geriatric care—increases, it can be projected that current utilization patterns favoring nursing care will continue.

High rates of usage, however, do not imply that either training or utilization of nurses is efficient or consistent. While the Division of Gerontological Nursing of the American Nurses Association has over 25,000 members, a plethora of difficulties, ranging from poor pay and conditions to the more ambiguous questions of role and status, hampers the inception of a united nursing corps skilled in meeting the needs of the elderly.

The registered nurse delivering care to the elderly often fills a poorly defined role. Many nursing homes, prompted by economy or a lack of properly trained candidates, only staff a single registered nurse per shift. Inundated with administrative work, the nurse must delegate many of her duties to aides or orderlies. It has been estimated that up to 80–90% of care delivered to residents is given by nonprofessional staff. This work pattern is both potentially dangerous for the patient and frustrating for the nurse desiring to excercise her nursing skills. Constrained by administrative detail and paperwork, the registered nurse in a geriatric care facility is often understimulated and underused. This problem, coupled with low pay, poor fringe benefits, and the poor image of working with the elderly and in a nursing home, has made recruitment for geriatric nurses a difficult task.

Registered nurses, as physicians, are not distributed evenly throughout the nation; the ratio of nurses to population is approximately half as large in the South as it is in the Northeast.[15] As with other medical situations, the aged's need for nursing care knows no geographic boundaries; maldistribution of nursing care has direct effect upon the health of the elderly.

Pay and fringe benefits in nursing homes are frequently lower than they are in hospitals. Because the majority of nurses are female, benefits such as day care are necessary in recruiting and keeping staff. Both wages and benefits must increase if geriatric facilities are to become competitive in the labor market. Direct reimbursement through Medicare for the home health nurse would further the development of geriatric care in the home.

Perhaps more than any other nursing service, nursing for the elderly exists in a cooperative rather than delegative position to medicine:

"Nursing . . . is a distinct art and science dealing primarily with the caring aspects more than the curing aspects of health care . . . Nurses deal with things like immobility, confusion, discomfort, and isolation problems so prevalent in the care of the sick elderly . . . Nurses are needed not just to extend the role of the physicians but to complement medical services by providing equally important nursing services to the end that the health needs of the elderly are served." [16]

The geriatric nurse must overcome the traditional label of "doctor's handmaiden" in order to exercise her full potential in care for the elderly. The advent of geriatric nurse practitioners is a significant advance in the struggle to establish the geriatric nurse as a professional in the eyes of members of the health field and consumers.

Expanded geriatric training programs will further the professional standing of the geriatric nurse as well as increase the quality of care delivered to patients:

"The problems of long term care are serious . . . in part they can be resolved by forth right action on the part of health professionals. Nurses have major contributions to make to the resolution of those problems. Nursing education will responsibly address its part in the resolution of those problems by developing appropriate inter-institutional arrangements, by encouraging collaborative planning with other health professionals, by making appropriate changes in pre-service and advanced programs of nursing education and by promotion of research relevant for advancing nursing science and improving the care of aged and chronically ill people." [17]

Exposure and training in geriatric needs should be available at all levels of nursing, ranging from an introduction of concepts through basic curriculum to graduate certificate programs and full master's degree programs. In 1975 the American Nurses' Association accepted a recommendation endorsing this philosophy of a full spectrum of educational opportunities:

"Because quality health care will depend primarily upon the competency of the persons providing direct care, all professional persons and workers involved in long term health care in any setting should have a background in basic care of the aging. These gerontological concepts should be taught at the educational levels of the individuals in the depth and detail each can understand and use. Preparation in gerontological nursing should be within an open educational system which promotes career mobility." [18]

Gerontological principles should be included in the basic nurse training curriculum to ensure that all nurses are aware of the skills of geriatric care as well as the depth of the field as a possibility for specialization. The educational orientation of nursing schools should shift somewhat from the acute hospital into the long-term care setting, both within nursing homes and

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Footnotes at end of article.

in home care, in order to attain a balanced curriculum. Clinical experience should exist side-by-side with the academic, and the skills of teaching, supervision, and management vital to the nurse's role in a long-term care institution should receive special emphasis.

On the graduate level, practice and research are primary goals. It has been noted: "Nursing leaders have agreed that the major purposes of graduate study in nursing are to prepare nurse clinicians (clinical specialist) whose goal is to improve nursing care through judicious use of knowledge in skillful practice and to prepare investigators whose goal is to advance nursing knowledge through research." [19] Nurse practitioners and researchers can make valuable contributions to the field of geriatric care; as role models, they stimulate further interest and involvement in the field, while offering tangible service and improvement.

A network of in-service education will introduce graduate nurses to the field of geriatric care, as well as allow nurses already involved in a long-term care institution to expand their knowledge. Approximately 26,000 registered nurses have participated in courses sponsored since 1973 by the ANA on the fundamentals of gerontological care.[20] Individual institutions and organizations should pool their resources in order to offer continuing education programs. Larger organizations owning several nursing homes or agencies should consider a full-time nurse training director to provide coordinated, formalized orientation and training.

Funding should be made available for the assistance of nurses involved in training at all levels. At present, the Nurses Training Act of 1975 sponsors contracts for training nurse practioners in geriatric nursing. Several bills endorsing assistance in training nurses for the purposes of geriatric care have been recently introduced, including Representative Pepper's H.R. 1114. Stipends and scholarships are necessary for those nurses whose familial obligations may prevent further training. In addition, in-service programs meeting specific federal guidelines for content and form should be a reimburseable item.

Improved education systems leading to greater competency in the area of geriatric nursing and the increasing support of medical colleagues will allow the geriatric nurse to expand his/her realm of responsibility in patient care. On the administrative level, nurses could continue to move into managerial roles in nursing homes and home health services. In clinical areas, properly trained nurses could take on new duties such as assessment of needs, screening, consultation, initiation of certain tests, surveillance, and assumption of primary responsibility for determining alternative modes of care. Expanded nursing responsibility would call for new systems of physician-nurse protocol and a high degree of collaboration. Increased effort, however, would be of immense benefit to the patient. Properly utilized, additional manpower able to provide primary service means greater accessibility to medical care for the patient. As more nurses enter the field of geriatric care, facilities covering the range of alternative forms of care would increase, allowing greater flexibility and choice for the elderly patient.

Restructing the role of the nurse in geriatric care is no longer a hypothetical choice; it is a necessity. The demand for geriatric care and the skills involved in delivering this care require that new systems of care involving expanded nursing roles be instituted. The Secretary of HEW Committee to Study Extended Roles for Nurses recognized this need in its report:

"The increasing number of people affected by long term illness make it imperative to reshape and extend the roles of physicians and nurses in providing for their care. Nurses involved in long term care often function at less than the level for which they are prepared and less effectively than society has a right to expect. As nurses assume broadened responsibility for continuing care of the chronically ill in all age groups we can expect positive changes in this increasingly important area of health care." [21]

FOOTNOTES

[12] C. Patrick Babcock, Director, Michigan Office of Services to the Aging, as quoted in "Nursing and Long-Term Care: Toward Quality Care for the Aging," American Nurses' Association, 1975, p. 37.

[13] United States Senate Special Committee on Aging, *Home Health Services in the United States*, Report, (Washington, D.C., 1972), p. 32.

[14] United States Department of Health, Education, and Welfare, Administration on Aging, Occasional Papers in Gerontology, *No. 1—Manpower Needs in the Field of Aging: The Nursing Home Industry*, (Washington, D.C., 1976).

[15] ———, "Doctors and Nurses: A Study in Professional Manpower Shortages," p. 5.

[16] *Medicine and Aging*, p. 29.

[17] United States Department of Health, Education, and Welfare, Office of Nursing Home Affairs, Long Term Care Facility Improvement Campaign Monograph No. 1, *Assessing Health Care Needs in Skilled Nursing Facilities: Health Professional Perspective*, (Washington, D.C., March, 1976), p. 29.

[18] American Nurses' Association, *Nursing and Long-Term Care: Toward Quality Care for the Aging*, (Kansas City, Missouri, 1975), p. XX.

[19] *Assessing Health Care Needs in Skilled Nursing Facilities*, p. 28.

[20] United States Department of Labor, *Occupational Outlook Quarterly*, "Special Issue: Working with Older People," Fall, 1976, p. 57.

[21] "Special Issue: Working with Older People," *Occupational Outlook Quarterly*, Fall, 1976, p. 8.

TRIBUTE TO HERBERT HOOVER

HON. JIM LEACH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. LEACH. Mr. Speaker, I am pleased today to share with the Members of the House, remarks delivered recently by the Honorable Roman L. Hruska, former U.S. Senator from Nebraska, on the 103d anniversary of the birth of Herbert Hoover, our country's 31st President. Senator Hruska made his comments at an annual ceremony in West Branch, Iowa, the birthplace and burial site of President Hoover, and I feel that his thoughtful tribute has meaning for all of us in this room. I thank Senator Hruska for his perspective and insight and I commend his words to my colleagues:

REMARKS OF ROMAN L. HRUSKA

It is a very brave man—or more likely a foolhardy one—who would undertake to speak in this setting about the 31st President of the United States.

There are unquestionably in this audience men and women far more familiar than I with the life and times of Herbert Clark Hoover. Therefore, I seek your indulgence for one who comes to you with no special qualifications to stand at this podium beyond an unbounded admiration and respect for the man whose memory we honor.

You have flattered me with your generous invitation to share with you my own perceptions on this, the 103rd anniversary of Herbert Hoover's birth in this village, a birth which virtually every Hoover biographer has remarked with the blacksmith Jesse Hoover's proud assertion that "We have another Grant at our house."

It is not my purpose this morning to "justify" Herbert Hoover's presidency. History has already restored this great humanitarian to the lofty position of respect and admiration he deserves. Indeed, Eugene Lyons, in his magnificent biography, fixes the year in which the tide of public sentiment began to turn as 1947—30 years ago.

Nor is it my intention to be overly partisan in these remarks since that would ill serve the memory of Herbert Hoover. He himself refused to engage in blind partisanship and there are many politicians who will assert that was to his disadvantage. As Hoover himself put it in his Inaugural Address: "The animosities of elections should have no place in our government, for government must concern itself alone with the common weal."

He enjoyed the respect and the admiration of many men and women not of his political faith. Harry S. Truman once told Admiral Lewis Strauss, "As for Mr. Hoover—you may not know it but I hold him in very high regard. I think he is a great American and will someday be so recognized even by the people who have defamed him."

That day came sooner than anyone who witnessed the vicious attacks of the early 1930's could have imagined.

My purpose this morning is to pay tribute to Herbert Hoover and to explore the life of this extraordinary man to see what meaning we can find for today.

Hoover's ideals and principles were basic and timeless. They are enshrined in the gleaming library in this village of his birth. Can we do better than to examine them for their application in 1977?

Upon accepting the invitation to appear on the program of this day, I reviewed some of the tributes which were paid to Mr. Hoover in the Senate of the United States in several of its sessions specially set aside for such occasions, during my tenure in that body.

One of the most moving of these was on this day—August 10—in 1960, when Mr. Hoover was 86 years old.

My closest friend in the Senate, the late Everett McKinley Dirksen, said:

"He met the severe changes of his generation and probably they were greater than those of any time in two generations. But it was thereafter that he rose to even greater heights, because of the work he did in the relief field, and also in the field of helping to reorganize the government over which he once presided.

Lyndon Baines Johnson, then the Majority Leader of the Senate, said this about Hoover:

"He is a great man who has a great heart and a great mind, who has served all of America so unselfishly through so many years and stands ready at any time, even now, to go wherever he believes he can be of service to this country. I take pride in calling him my friend. I have had the benefit of his counsel. I have profited from it, as has our country."

The late great Democratic Senator from Florida, Spessard Holland, gave his voice to the tributes, adding:

"On an occasion of this kind, the Senate, the Congress and the people have no political considerations. We all join in paying deserved honor and tribute to a very humanitarian on his birthday."

And Leverett Saltonstall, the patrician New England Republican, added:

"As one who knew him and had the opportunity to talk with him while he was President, and as one who knew him in afteryears and had the opportunity of having several long discussions with him on matters of government, economics and social welfare, I have always had the greatest respect and regard for Herbert Hoover."

There were many others of us who rose in the Senate to acknowledge our gratitude for the great service of this uncommon man.

One member of the Senate who knew Mr. Hoover especially well is Arkansas's John McClellan who was one of only three or four men who served on both Hoover Commissions. Now 81 years old, he has served in the Senate since 1943 and is junior only to James O. Eastland, the President Pro Tem.

John McClellan bears a heavy burden as chairman of the Appropriations Committee and as a senior member of the Judiciary Committee. It was my privilege to serve alongside him on both those committees. He is ill now and his doctors have ordered that he rest for two months. I ask that you join with me today in private prayer for his speedy recovery.

It is now 13 years since I came to this very place for the final services for Herbert Clark Hoover. I well recall that sad November day and the reverental hush that held the 40,000 mourners as the flag-draped coffin was borne to the open grave under pleasant Indian Summer skies.

The Reverend David Elton Trueblood's words of eulogy on that day are worth recalling now:

"This man endured," he said. "He did not speak too much, but he wrote unceasingly with care and precision that the record should be left correct . . . Now, at last, these facts have crystallized in the public mind, letting us say farewell with universal gratitude for all he did for his country and for the world."

I had a word that day with Herbert Hoover, Jr., to whom a military aide had handed the triangular folded flag.

My mind went back to a summer in 1932 when, as a young man, I attended the Republican National Convention in Chicago which nominated Herbert Clark Hoover for a second term. I was a temporary—and slightly unofficial—alternate delegate to that convention.

In 1928, my state had given the Hoover-Curtis ticket a margin of nearly 2 to 1 over Al Smith in the biggest vote ever cast by Nebraskans in a presidential election.

What can we draw upon from Mr. Hoover's 90 years of his full, rich, experience, attainments and wisdom for our use and benefit today.

May I suggest this approach: that we recall the deep, extensive sense of history which he had. He was appreciative of its essence. He was deeply committed to personal effort and action on his part to carry on and to fulfill as he best could in the traditions of that history.

He also had the conviction that each citizen's knowledge of history dictated dedication to personal action to the best of the capabilities of each one of us, to the same goal of the strengthening and improving our government.

This was clearly demonstrated in a speech at Valley Forge, on February 22, 1958, when he accepted Freedmon Foundation's Highest Award.

With his quiet eloquence, he spoke of the hardships of Washington and his troops during that dreadful winter in Pennsylvania.

"We, too, are writing a new chapter in American history," he said. "If we weaken, as Washington did not, we shall be writing the introduction to the decline of the American character and the fall of American institutions. If we are firm and farsighted, as were Washington and his men, we shall progress. If, by the grace of God, we stand steadfast in our great traditions through this time of stress, we shall insure that we and our sons and daughters shall see these fruits increased many fold."

The words were Hoover's but the remarkable thing is that he had delivered the identical speech at the same place 27 years earlier on Memorial Day, 1931. He believed with the tenacity of his Quaker faith what he had said in 1931 was equally meaningful in 1958. And it still applies on this day in August, 1977.

Last year America celebrated the 200th anniversary of its Declaration to engage in a vast, meaningful experiment in self-government.

Twenty decades is a long time in the life of any single, individual person. It is a long time for continuous functioning of a nation under one written Constitution and form of government.

It is not a long time, of course, in the history of people and government since the advent of higher civilization on this earth.

The Declaration of 200 years ago is *still* an experiment. In the light of hundreds and even thousands of years of governments coming and going, there is no assurance nor any certainty of indefinite survival under the present form of governing our nation's affairs.

Can it come about that this nation, possessed of so much strength, so many resources, and such a proud, successful tradition, can be confronted or even contemplate failure in its mission if attaining its declared goals?

If so, how will it come about? And why?

Carl Sandburg—author, citizen and philosopher of universal note, made this observation in one of his later books:

. . . For we know that when a nation goes down and never comes back, when a society or civilization perishes, one condition may always be found. They forgot where they came from. They lost sight of what brought them along. . . .

He went on in his thinking in this wise: The hard beginnings were forgotten, as there were the struggles further along. The people became satisfied with themselves. There had been enough unity and common understanding to overcome rot and dissolution; and enough to overcome their obstacles.

But the mockers came. Deniers were heard. Vision and hope faded.

The custom of greeting became: "Oh, what's the use?"

Later men whose forefathers would go anywhere, holding nothing impossible in the genius of man, joined the mockers and the deniers.

They forgot where they came from. They lost sight of what had brought them along.

If there should ever come such a time—or even the threat thereof—both of which God Forbid!—that indeed would be a time to repair to the history, the life, and the teachings of the man whose career we commemorate today.

He was ever mindful of whence he had come.

He even had in mind what had brought him and his people along.

We know these things to be true, not only because he taught them, but also because of the many actions in which he engaged to perpetuate such thinking.

For we know that he clearly perceived the role of governmental jurisdiction, yet always clearly and firmly reserving on the other hand the undeniable and indispensable role of the non-governmental province in our nation's pattern of existence and progress.

Both Lincoln and Hoover believed in a limited role for the federal government. Every schoolboy knows Lincoln's assertion that government should do only what the people cannot do for themselves or do so well. Hoover put it this way: "Mastery of government cannot be extended over the daily life of a people without making it the master of their souls and thoughts.

Sophocles—"One must wait until evening to see how splendid the day has been."

REFORMING THE GRAND JURY

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. CONYERS. Mr. Speaker, it has frequently been observed that the grand jury is one of the most powerful yet least accountable institutions in the criminal justice system. A witness may be ordered to appear anywhere at a moment's notice without being told the nature of the inquiry. Any and all questions may be asked, pertinent or not to the investigation at hand. Witnesses whom prosecutors consider uncooperative may be jailed for contempt without recourse to a jury trial. Rarely is the record of grand jury proceedings available to witnesses. Though proceedings in theory are secret, testimony is frequently leaked. Prosecutors enjoy virtually unchecked powers. Mr. Justice Black's observation more than 20 years ago that grand juries "are the breeding place for arbitrary misuse of official power" has been confirmed time and again by its practice in recent years.

The systematic abuse of the grand jury and the means to reform it are the subject of an extraordinarily lucid and intelligent book, "The Grand Jury: An Institution on Trial," written by Federal Judge Marvin E. Frankel and Gary P. Naftalis, former U.S. Attorney for the Southern District of New York. As the House Subcommittee on Immigration, Citizenship and International Law, chaired by Representative JOSHUA EILBERG, considers the first comprehensive reform of the grand jury system, the Frankel/Naftalis study should play an important role in our efforts at reform. For this reason I commend to my colleagues two excellent reviews of the book, one by Sidney L. Willens, appearing in the Kansas City Times, the other by Victor Navasky, appearing in the New York Times.

The articles follow:

REFORMING GRAND JURIES AN URGENT NEED

(By Sidney L. Willens)

Did you visit a cocktail lounge or country club recently? Do you travel? Do you play tennis or golf? With whom? By the way, who are your friends? What kind of people are they?

Imagine yourself being asked these questions under oath in a closed room. A federal prosecutor is quizzing you. Your audience is composed of 23 average citizens who don't know why the questions are being asked. Neither do you.

It's nobody's business who your friends are, you say. After all, you committed no crime. You want a lawyer. Sorry, you can't have one. Either you answer the prosecutor's questions or risk going to jail.

You finally answer the questions. But you are careful. You are nervous. Nobody told you what the grand jury is investigating. After all, there are thousands of federal crimes and regulations. You may innocently say something untrue. The prosecutor may believe you lied when you didn't intend to. You remind yourself perjury is a crime all by itself. You tell the prosecutor everything he wants to know the best way you know how. You leave the room, relieved that the ordeal is over.

Next morning a newspaper quotes the prosecutor as saying you are a part of an investigation into "criminal activity." You are hopping mad. You want to sue somebody. Your lawyer says a lawsuit is futile.

"But the prosecutor ruined my reputation," you say. "Don't I have any rights?"

"Not before a grand jury," your lawyer replies. "A grand jury is the only federal accusatory body recognized by the Constitution."

Your lawyer patiently explains that prosecutors tell a grand jury what they want it to hear. A grand jury witness appears without a lawyer to answer questions prescutors want to ask. Everything is secret. At least it's supposed to be. But frequently prosecutors leak grand jury testimony inside courthouses and to the news media. The law permits a grand jury to hear everything, including gossip. Even hearsay evidence can trigger an indictment.

You've heard enough from your lawyer. But you still can't understand why American citizens are sitting ducks for hundreds of United States attorneys and their assistants across the nation. A grand jury, you learned from English history, is supposed to shield citizens against nasty prosecutors.

You are right. So say federal Judge Marvin E. Frankel and Gary P. Naftalis, a former assistant United States attorney. They are authors of "The Grand Jury," with a subtitle, "An American on Trial." Frankel is the judge who stirred law enforcement officials last year with another book, "Criminal Sentences: Law Without Order."

Judge Frankel and Naftalis concede that the 800-year-old grand jury system, abolished in England 44 years ago, is a "terrifying weapon" that "badgers, traps, scars and defames grand jury witnesses."

What can be done about it? The authors say those who want to do away with the grand jury system are wrong. To abolish the system requires changing the "indicting function" of the Fifth Amendment. Nobody has tinkered with the Bill of Rights ever. The authors don't want to start now. It's too dangerous a precedent.

Their book calls for an overhaul of the federal grand jury system. The authors remind us that a grand jury is really an arm of the court. So federal judges should tell grand jurors of their power over witnesses, documents and subjects to be investigated.

"The Grand Jury" calls for a lawyer for every grand jury witness who wants one inside the grand jury room. But regulate the lawyer's role, the authors say. Don't let a defense lawyer turn a grand jury proceeding into a slugging match. Provide a lawyer at public cost to any grand jury witness who can't afford one.

What galls the authors of "The Grand Jury" is the way some federal prosecutors misuse a grand jury's subpoena power. A grand jury can yank you and me from one end of the nation to the other at a moment's notice. That's not fair, the authors say. Give a witness at least seven days' notice. And don't command a witness to walk into a grand jury room in ignorance. Tell witnesses the "subject matter" of a grand jury investigation.

Every witness deserves a transcript of his or her remarks inside the grand jury room. Recorded testimony might put a stop to the way some prosecutors manipulate jurors. "Supposed interest in secrecy is no argument against giving a witness a transcript," the authors write. "The embattled witness should have an opportunity to correct innocent errors in testimony."

When all is said and done, the authors add, there is too much secrecy and too little secrecy in grand jury proceedings. Prosecutors leak testimony often. The authors call for a law to permit a grand jury witness to sue prosecutors without proof of "actual damages" if it can be shown a prosecutor maliciously leaked testimony.

In Congress and across the nation movements are afloat to abolish or reform the grand jury system. After reading "The Grand Jury" you will probably be persuaded to keep the grand jury system, but only if Congress follows the recommendations of Judge Frankel and Gary Naftalis. Meanwhile you can hope no federal marshal with a grand jury subpoena knocks on your door.

NOT SO GRAND

(By Victor S. Navasky)

Back when New York City was believed to be on the brink or bankruptcy, I heard only one persuasive argument for default: That Marvin E. Frankel, United States District Court Judge, would be virtue of presiding over the proceedings replace Abe Beame as our *de factor* Mayor.

The last time out Frankel, one of our nation's most thoughtful jurists, gave us "Criminal Sentences: Law Without Order," a brief but compelling call for sentencing reform which quickly became the conventional wisdom. (He then outraged those who had praised his guidelines by following them—his sentence of Bernard Bergman, the nursing home miscreant, was informed by the evidence as presented in the court of the Southern District of New York rather than the court of public opinion.)

Now he has teamed up with Gary P. Naftalis, formerly an Assistant United States Attorney for the Southern District, to update an analysis of the grand jury which originally appeared as a special issue of The New Leader magazine. Written *for* rather than down to, what lawyers like to call The Layman, it is a model of its kind, i.e. concise, clear, fair and as logical as the life of the law permits.

First, there is a brief section tracing the origins and development of the grand jury, including some significant if unfamiliar information. Contrary to the cliche, it was originally conceived 800 years ago not as a shield to protect the innocent against arbitrary prosecution. Rather, the first grand juries were drawn from the neighborhoods in which they sat and the grand jurors themselves supplied their own "evidence." Frequently acting on rumors and gossip—a sort of trial by *yenteh*—the grand jurors would decide whose arm to dip in the scalding water under the prevailing "trial by ordeal." Not until 1681, when a grand jury refused to obey King Charles II's wish that they indict the Earl of Shaftesbury (a Protestant who opposed the King's attempt to re-establish the Catholic Church in England), did it establish its theoretical role as a shield against oppression.

Next, there is a section contrasting "Theory and Practice." In theory, grand juries determine if there is "sufficient evidence to warrant putting the subject of an investigation to trial, where the question of guilt or innocence is determined." In fact, as constitutional lawyer Frank Donner (whom the authors curiously neglect) has pointed out, during the Nixon years the Justice Department tried to establish a "grand jury network" whose purpose was less to solve crimes than to compile dossiers. In theory, grand jury deliberations are secret, thereby protecting the innocent and also insuring maximum freedom and noninterference with grand jury deliberations. In fact, as Mario Biaggi and other victims of the process will attest, they can be about as secret as a Bella Abzug whisper, with the prosecutor leaking only that information he has not already announced in a press conference.

In theory, special grand jury reports can perform something of an ombudsman function (the authors cite the Watergate grand jury report with reference to President Nixon). In fact, grand jury reports, as the authors indicate, pose grave dangers of largely unanswerable character assassination and vigilantism.

After exploring the implications of grand jury selection, composition and procedures, the authors consider "Problems and Prescriptions." They carefully list the pros and cons for each proposed reform and then render their verdict: They would guarantee witnesses' rights by such devices as permitting counsel in the grand jury room, making transcripts available to grand jury witnesses, prohibiting prosecutor press briefings and imposing substantial fines on public officials convicted of leaking grand jury proceedings.

But suppose a prosecutor subpoenas a witness knowing that the witness—out of loyalty or fear—will refuse to cooperate. Should the witness be called, granted compulsory immunity and jailed for contempt? The authors say don't call him, but instead of considering the social policy implications of granting compulsory immunity they assume its inevitability and move on to discuss what ought to be its scope (and they favor cutting down penalties for noncooperation). On these and other issues, such as whether a grand jury's failure to indict ought to preclude subsequent grand juries from indicting on the same evidence, the authors are reluctant to go with the reformers. Should prosecutors be required to introduce exculpatory evidence in grand jury proceedings as a means of protecting defendants? "The cure may be worse than the disease."

The evidence of abuse—even as presented by the fair-minded Frankel and Naftalis—would seem to pose a greater danger than the reforms they endorse can correct. And yet they are content to reform rather than abolish. Their two main reasons: First, if the grand jury disappears, the indicting and investigative functions, including the power to compel testimony, will exist elsewhere, and who is to say any of the alternatives are better? A fair enough argument, but it makes one wish that the authors had included a comparative analysis of the experience of the English, who abolished the grand jury in 1933.

Second, they argue that one doesn't tinker with the Bill of Rights. (Grand jury abolitionists in the Congress would amend the Fifth Amendment, a revision which would be the first change ever made in the Bill of Rights.) For me this is the more persuasive argument. But that's because once our Congressional geniuses start to whittle away at the Fifth Amendment one suspects that they will not stop with the grand jury clause.

The grand jury, which does by compulsion what Woodward and Bernstein can only do by stealth, which can stigmatize by subpoena, harass with impunity, embarrass with publicity and entrap with abandon (via contempt proceedings for reluctant witnesses) demands systematic and sustained attention. In the absence of Robert Redford and Dustin Hoffman at our neighborhood theater in "The Grand Jury Story" we can be grateful for Frankel and Naftalis at our neighborhood bookstore.

SECRETARY CALIFANO REITERATES STRONG HEW COMMITMENT TO HMO GROWTH

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. PEPPER. Mr. Speaker, on October 27, I introduced the Health Main-

tenance Organization Amendments of 1977, to encourage the growth of HMO's with a commensurate enrollment of medicare and medicaid beneficiaries.

On that same day, in two different addresses, Secretary Joseph Califano praised HMO's as providers of health services and pledged HEW efforts to make this form of health care available to all Americans. In an address at the LBJ Foundation luncheon in New York, he said:

Today, I want to voice a national commitment: We intend to give impetus to this idea nationwide. We intend to help make it possible for every American citizen to have the option of joining a health maintenance organization.

Earlier that day, the Secretary delivered a speech on the occasion of the Federal qualification of the Kaiser-Permanente Health Plan, the originator of pre-paid health care, which now provides health services to more than 3.25 million Americans in six States.

The bill I have introduced, H.R. 9788, would promote the systematic development of health maintenance organizations and enable them to better serve the poor and the elderly. It is consistent with these recent announcements that HMO development will be remobilized, and I am hopeful that it will receive early and favorable consideration by the Congress.

Briefly, my bill would:

Establish a grant program for up to 75 percent of construction costs, but no more than $2.5 million, for facilities for ambulatory services for HMO enrollees who live in medically underserved areas.

Establish, through a revolving fund, a program of loans to HMO's to cover up to 90 percent of the cost of construction. No project would receive more than $2.5 million in combined loan and grant funds.

Allow the Secretary of HEW to waive the current prohibition against HMO enrollment of more than 50 percent medicare-medicaid members and require States to offer medicaid recipients the option of membership in qualified HMO's, with a negotiated prepaid risk contract.

Allow HMO's to receive prospective per capita payment, determined by the Secretary, for services provided to medicare beneficiaries under both parts A, hospital insurance and B, supplementary medical insurance. The negotiated payment would reflect the greater utilization of health services by the elderly. HMO's would be required to use any savings to reduce premiums or expand benefits, such as home health care, adult day health care, and other services which prevent institutionalization of the elderly.

Grant nonprofit HMO's tax-exempt status under the Internal Revenue Code to make them eligible for tax-exempt donations and to enable them to attract physicians through the deferred compensation arrangements permitted under the code.

Expand the concept embodied in the current HMO law and further eliminate undue restrictions by providing that Federal law supersede State laws, excepting applicable criminal laws, general laws of incorporation, and building codes.

Mr. Speaker, I am gratified by these and other statements which have emanated from the Department of Health, Education, and Welfare. Earlier this year, Under Secretary Hale Champion stated:

My view is that HMOs offer significant promise both in terms of quality and of cost, and that they can help us overcome several of the severe shortcomings of the present health care system.

Leaving no room for doubt about the Department's commitment, Mr. Champion announced:

We are going to get about the business of stimulating the development of more HMOs—and we're going to stay in that business!

Mr. Speaker, I include the text of Mr. Califano's address at the Kaiser-Permanente qualification ceremony, along with excerpts from his speech at the LBJ Foundation luncheon, at this point in the RECORD:

STATEMENT BY SECRETARY JOSEPH A. CALIFANO, JR., ON THE OCCASION OF THE FEDERAL QUALIFICATION OF THE KAISER-PERMANENTE HEALTH PLAN, OCTOBER 27, 1977, NEW YORK, N.Y.

Good morning, ladies and gentlemen.

Today is an important milestone in the Department's effort to give all Americans the opportunity to obtain health care from prepaid comprehensive medical plans, or Health Maintenance Organizations (HMOs), as they are more popularly known.

As most of you know—but which, unfortunately, many Americans do not understand—a typical HMO provides a broad range of high quality medical benefits, including physicians' services and hospitalization, for a prearranged, prepaid fee. Unlike the usual arrangements between a patient and physician (or the insurance company), under which the doctor is reimbursed for each service rendered—the HMO receives a flat fee for all medical and hospital services. The HMOs fee does not increase—no matter how much care or how many tests the patient needs, including hospitalization.

These are some of the advantages of HMOs to us:

First, because the HMO receives a flat fee for all medical and hospital services, it has an incentive not to engage in excess hospitalization, not to run duplicative or unnecessary tests, not to refer a patient to an unnecessary specialist. The HMO pays for wasteful and unnecessary procedures, not the patient. The cost savings are impressive—and so is the quality of care, often exceeding the quality of fee-for-service care by an individual doctor.

HMO patients are hospitalized 30 to 60 percent fewer days than patients covered by traditional insurance plans.

In one study of hospital use, Federal employees enrolled in HMOs used 383 hospital days a year per 1,000 members, while Federal employee Blue Cross subscribers used 724 days per 1,000 members.

That same study showed that enrolled members of the Genesee Valley Group Health Association, a qualified HMO in Rochester, New York, used less than 60 percent of the hospital days per thousand members used by Blue Cross subscribers in that community.

And those enrolled in Kaiser's northern California plan use hospital days at a rate less than half that applicable to the general population of the state.

Last year, this nation spent more than 45 billion dollars for hospital care. Just reflect on the fact that the evidence demonstrates that HMOs reduce hospitalization by up to 40 and 50 percent: A ten percent reduction in hospitalization last year would have resulted in an immediate $2 billion saving for American taxpayers and American consumers last year and, over time, a saving of much more.

But it is not only because of these cost savings—dramatic as they are—that we are committed to HMO development.

The second, equally important, attraction of HMO care is its emphasis on quality and prevention. The quality of HMO care is excellent, since doctors practicing together share knowledge, seek each other's opinions, and provide broad medical services that far exceed the sum of the parts.

HMOs exercise preventive care through periodic examinations, health and nutrition education, and well-baby care. They tend to identify illness early, to treat it as efficiently as possible and avoid the need later on for more costly treatment, including hospitalization.

HMOs make it easy for people to get the care they need, when and where they need it. People enrolled in HMOs know their entry point into the health care system—they do not have to search out a specialist or worry about where to go after hours or on weekends. The HMO makes provision for full-time coverage and it arranges necessary referrals.

Third, HMOs promote continuity of care and make health planning more efficient. At the beginning of the year, the HMO has a good idea as to the number of people it will be serving and can arrange for hospital beds and specialists accordingly. The consumer knows the total cost of services in advance.

Finally, HMOs offer competition to a system badly in need of it. They are demonstrating that they can compete—on a price and quality basis—with fee-for-service doctors and complex insurance policies that cover some fee-for-service medical and hospital care.

As Kaiser and other HMOs scattered across the country, including those in New York, New Jersey and Connecticut, have proven beyond a reasonable doubt, HMOs are not experimental demonstration projects. They are established and respected providers of good quality, comprehensive and cost-effective health care, and the American people deserve more of them.

Given such great potential, why haven't HMOs developed more rapidly? The answer to that question, unfortunately, is found, in large part, right in the Department of Health, Education, and Welfare.

When we arrived at HEW, the Federal government seemed to be doing all it could to make it difficult, if not impossible, to qualify as an HMO. Federal qualification is essential for a developing HMO to gain access to the market of health benefit care purchased by employers. Qualification is necessary to obtain certain federal loans and loan guarantees. It facilitates Medicare and Medicaid contracting.

So cumbersome had the requirements become, so unwieldy the paperwork, and so fragmented and understaffed the organization in HEW to run the HMO program, that the line for becoming a federally qualified HMO was much too long. We were receiving four completed applications a month, but only rendering a decision on two or less. The backlog at one point reached 52 pending applications. The HMO qualification office was too short-handed to get the job done.

And the job was enormous. Kaiser's applications, for example, took six months to prepare, weighed over 600 pounds and stood almost six feet tall.

Grants and loans for HMO development were handled out of one office; the qualification process out of an entirely different one. Needed HMO regulations took years to write and publish.

We have tried to correct this situation and bring a new attitude to bear toward HMOs—one that is consistent with our hopes for the future of this movement.

We are making some progress:

Since June, 1977, we have cut the qualification line by almost 40 percent, by assigning additional staff to this effort and by plain hard work. We are streamlining the entire qualification process, and trying to avoid the voluminous paperwork of the past.

We have decided to consolidate the operations of the grants and loan office, as well as the qualification and compliance office, under the administration of a single Director of Health Maintenance Organizations who will be announced, I hope, within the near future.

By the end of next week we will publish, in the Federal Register, new regulations governing grants and loans, Medicare and Medicaid contracting—finally implementing the HMO Amendments of 1976.

By the end of this year, we intend to publish, for the first time, guidelines to help state and local planning agencies recognize the special needs of HMOs when these health plans request certificates of need. These guidelines will be designed to encourage HMO development and expansion, which has often been thwarted by local Health Services Agencies applying rules of thumb designed for expansion in the fee-for-service sector. These guidelines are an essential step to allow the HMO movement to develop to its full potential.

Later today, I will announce some other steps, aimed at enlisting the support of business and labor in developing HMOs.

What better model for such cooperation could we point to than the Kaiser-Permanente Health Plans? Born out of the foresight and common sense of Dr. Sidney Garfield, Edgar Kaiser and his father, Henry J. Kaiser, it stands today as a living example which can and should be duplicated across the nation. From its beginnings on the California desert serving aqueduct workers in 1933, from Edgar Kaiser's fateful request of Dr. Garfield to provide medical and hospitalization services on a prepaid basis to the Kaiser construction workers erecting the Grand Coulee Dam, has arisen the classic model for HMO development.

Kaiser-Permanente today provides high quality, prepaid medical services in California, Colorado, Ohio, Oregon, Washington and Hawaii to more than 3¼ million people. They have chosen its services because of their quality, accessibility and cost. In Northern California, for example, nearly 23 percent of the eligible civilian population has chosen to sign up with Kaiser. The six plans own and operate twenty-six general hospitals with 5,711 beds; sixty-eight outpatient centers, representing more than $616 million in capital investment. They use the services of more than 3,100 full-time physicians through the Permanente Medical Groups and 27,000 other employees.

This is big business even within the third largest industry in the country. Kaiser-Permanente is the largest non-governmental provider of medical services in the world.

So it is with great pleasure that I today welcome the Kaiser groups as Federally qualified HMOs. In many ways, it marks the coming of age of the Qualification Program. In September, 1975, almost two years after enactment of the HMO Act, there were only four Federally qualified HMOs with a total enrolled membership of 8,600. Yesterday, there were 43 Federally qualified HMOs serving approximately 615,000 people. After today's signing ceremony we will have 47 Federally qualified HMOs serving more than 3.8 million people.

But before we proceed, I want to acknowledge the presence here this morning of two of the principal founders of the Kaiser-Permanente Plans—Dr. Sidney Garfield and Mr. Edgar Kaiser.

I will speak of Dr. Garfield's accomplishments later today. So I am sure he will forgive me if I take the liberty of introducing instead Mr. Kaiser, Chairman of the Board of the Kaiser Foundation Health Plan and the Kaiser Foundation Hospitals, and one of America's foremost industrialists.

We will remember him as a productive and innovative manager and entrepeneur. We will remember his stewardship of the Kaiser shipyards in Portland during World War II and the production under terribly trying circumstances of the immortal "Liberty" ships. We will remember him as the mass manufacturer of the Kaiser jeep. We will remember his civic and community involvement; his chairmanship, for example, of President Johnson's National Committee on Urban Housing. But it is my belief that the crowning achievement of Edgar Kaiser's career—the true innovation and accomplishment for which he will be forever remembered—was his vision in launching prepaid health plans in America. Forty years later, corporate America is beginning to understand the significance of his accomplishment. Edgar Kaiser gave us the blueprint; he built the model and proved that it could work; now it is up to us to follow his example.

Mr. Kaiser, we thank you and Dr. Garfield for your vision, your patience and perseverance. You have shown us that it can be done, and we are grateful.

REMARKS OF JOSEPH A. CALIFANO, JR., BEFORE THE LBJ FOUNDATION LUNCHEON

Today, I want to voice a national commitment: We intend to give impetus to this idea nationwide. We intend to help make it possible for every American citizen to have the option of joining a health maintenance organization.

Why do we in government consider this so important?

A Health Maintenance Oragnization provides a comprehensive range of medical benefits, including physicians' services and hospitalization, to its enrolled members and their families for a prearranged, prepaid fee. Unlike physicians in the fee-for-service system—who only get paid if they furnish more care, and who get paid more if they furnish more expensive care—the HMO has an incentive not to engage in wasteful hospitalization; not to run repetitive or unnecessary tests, not to refer patients to an unnecessary specialist. The results are impressive:

HMOs can reduce hospitalization by 30 to 60 percent below other insurance plans.

Because hospital expenses represent almost 40 percent of all medical costs in the United States, simply eliminating excess hospitalization could save the government and patients billions of dollars.

The quality of medical care in HMOs is excellent: doctors have strong incentives to give good care. HMOs emphasize preventive care—periodic examinations, medical education, good nutrition, well-baby care.

HMOs encourage access to health care; promote continuous, coherent care, not sporadic, episodic care. And because the consumer knows the cost of services in advance and all at once, competition is possible. This is the way the whole system should be moving, instead of simply reimbursing people for the cost of episodic visits to treat ailments, when they reach the acute and more expensive stage.

Earlier today, at a ceremony granting Federal recognition to the Kaiser Health Plans, I outlined some steps we are taking within government to encourage the development of HMOs: steps to eliminate red tape and other obstacles.

Let me announce now a major action with far-reaching potential. I am today writing to the chief executive officers of the five hundred largest corporations in America to urge them to offer HMO membership to their employees whenever possible and to take the lead in developing HMOs for their employees.

I am also inviting each of the 500 largest corporations to send representatives to a conference in Washington on February 7 to explain the advantages of HMOs and discuss how we can work with them to make available HMOs for the employees of every large employer in this nation and to establish a network of compatible HMOs so that benefits will be easily portable. They will be joined by health industry experts, government officials and labor representatives.

This conference will give them an opportunity to advise me as to any problems they encounter in trying to develop an HMO; and to let me know how they think we in Washington can encourage their efforts—with information, technical assistance or other resources.

To each profit-squeezed, cost-conscious executive of a major company in this nation, I would put the following question: Why not provide the same high-quality health care that your employees are now receiving for 10 percent, 20 percent, 30, or even 40 percent less than you are now paying?

So the modest idea that occurred to Sidney Garfield in the Southern California desert a generation ago became a national monument to his vision.

And so another achievement fostered by the Kaiser family enters American history, along with the Grand Coulee Dam and the liberty ships of World War II. And this achievement may be the most memorable of all.

The health care plan that Sidney Garfield and Edgar Kaiser launched forty years ago is now an idea that enriches life for millions of Americans. It is, in 1977, an idea whose time has come: an idea worthy of serving millions more.

We are going to do our part to encourage that idea.

CONGRESSIONAL REUBLICAN LEADERSHIP UNIFIED IN FEC CONTROVERSY

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. VANDER JAGT. In recent days, Mr. Speaker, I am certain that all Members of the House have read or heard of the hearings involving nominees for the Federal Election Commission before the Senate Committee on Rules and Administration. All of us in this body have more than a passing interest in the Federal Election Commission and its future. And, of equal importance, we must make certain that its integrity and credibility as a bipartisan commission, though the most politically sensitive commission in existence, be protected.

I want to take this opportunity to report on more recent developments on this vital issue of appointments proposed by the President. This afternoon, I met personally with Senate minority leader HOWARD BAKER to present him a message from 127 Republican Members of this body. These signatures were gathered just last night.

The thrust of our message to Senator BAKER was to assure him of the broad and strong support that he has in the House in leading the effort to withhold confirmation of Mr. Sam Zagoria—the Republican nominee for the FEC named by the President and members of his White House staff—not by the congressional Republican leadership.

This action by the President violated the agreement he had reached with Senator BAKER and House minority leader JOHN RHODES in February of this year that Republican nominees to the FEC would be made on the basis of the Republican leadership in Congress submitting a list of names from which the President would make a selection. The Republican leadership learned of Mr. Zagoria's nomination from a newspaper article. Let me stress, we do not have any reason to believe that Mr. Zagoria is not a decent and honest person, but he is obviously not the choice of Republicans in the Congress and their Republican leadership.

Senator BAKER assured me that he would fight the nomination of Mr. Zagoria with all his power—but certainly not on any personal basis.

So that all Members can better understand the implications of this very serious and grave matter, I am honored to insert at this time the statements made by both Senator BAKER and Congressman RHODES before the Senate Committee on Rules and Administration earlier this week. The statements follow:

STATEMENT BY SENATOR BAKER ON FEC NOMINATION

Mr. Chairman, my Republican colleagues on the Committee have already described the understanding which House Minority Leader John Rhodes and I believe existed with the President with respect to the selection of a new Republican member to the Federal Election Commission.

Just to confirm their comments and complete the record on this matter, I should like to share with the entire Committee, and indeed the nominees before us, my recollection of what the President agreed to when he met with us on February 23rd at the White House.

Due to the unique partisan nature of the Federal Election Commission, Congressman Rhodes and I sought a commitment from the President that would allow us to select the individual that he would nominate to fill the forthcoming Republican vacancy created by the departure of Mr. William Springer.

The President refused to let us designate only one person for the job. However, he did agree to select his nominee from a list supplied by Congressman Rhodes and me. Accordingly, we formulated a list of two names and forwarded it to him on March 23rd.

On May 20th, the President wrote us and made the following request (and I quote from his letter):

"I would like to have a longer list from which to consider possible candidates and I would be most grateful if you would send me some additional names, at least ten or twelve. I also expect that all of my nominess to the FEC will be generally sympathetic to the aims of the FEC and the concepts which it is charged with administering, particularly financial disclosure and report requirements and public financing."

On June 7th, Congressman Rhodes and I responded that we considered our suggested nominees perfectly capable and that the President now seemed to be imposing conditions on a previously unconditional understanding. Although we resubmitted the two names originally proposed, another name was recommended by Mr. Rhodes later in June.

That was the last we heard from the White House until it became known that the President had selected Sam Zagoria to fill the Republican vacancy.

I have told Sam Zagoria in private, and I will repeat it in public, that I have no objection to him personally, nor do I question the fact that he is a Republican. Indeed, as a member of what some have described as an endangered species, I am glad he is a Republican.

But Sam Zagoria is not the problem here. Rather, it is the fact that the President chose to ignore a commitment he made to the House and Senate Minority Leaders regarding the most politically sensitive commission in the entire country.

In a letter that John Rhodes and I sent the President last Wednesday, we stated:

"Your implicit rejection of our initial choices for this vital post apparently reflected your decision that our candidates' views be those of a Democrat wearing a Republican label. We are disappointed that you chose to ignore our agreement because it breaches the spirit of the law and because it is a break with the practice instituted by President Ford when, in naming Democratic appointments to the Commission, he conferred with and accepted the recommendations of the Democratic Leaders in the House and the Senate.

"One may seriously ask the question whether it serves any purpose at all to have bi-partisan commissions if the membership is to be stacked to accommodate only the view of the White House and the Majority Party in Congress. Your action sadly appears to be an evasion of legislative intent and another step on the road to the imposition of one party rule."

In short, Mr. Chairman, Republicans have been had and I, for one, intend to do everything in my power to see that it does not happen again.

(I ask unanimous consent that copies of the aforementioned correspondence be included in the hearing record at this point.)

TESTIMONY BY THE HONORABLE JOHN J. RHODES

Thank you, Mr. Chairman, for the opportunity to testify before this Committee on the nomination of Mr. Sam Zagoria to be a member of the Federal Election Commission. I have requested this time because I believe this nomination, and the selection process which led to it, carry the gravest implications for the future integrity and viability of our political and electoral system, and for the health of our two party system.

My concerns have less to do with Mr. Zagoria than with the process by which this nomination was arrived at and sent to the Senate. Let me say that my testimony in no way should be construed as a personal attack on Sam Zagoria. I have met him and he appears to be a very able gentleman.

However, I wish to draw to the attention of this Committee two very important factors which I believe bear heavily upon this nomination, or for that matter, any nomination to the Federal Election Commission.

First, I believe this nomination fails to take into consideration the very clear Congressional intent as to the bi-partisan nature of the F.E.C., and the importance of it having a truly bi-partisan membership.

Second, the manner in which this nomination was arrived at violates an agreement reached by the Senate Minority Leader and myself with the President on February 23, concerning the very position this nomination is to fill.

The Commission, as you know, was created originally under the provisions of the Federal Election Campaign Act of 1974 to enforce the new regulations governing campaign contributions and expenditures that were established by the Act.

In recognition of the very critical and sensitive role the new FEC would play in the electoral process—its ability to affect the outcome of a campaign through its powers to investigate complaints and issue rulings and opinions—the language pertaining to the Commission was very explicit as to the manner in which its members should be chosen.

The question of campaign financing was the subject of extended discussion throughout the Nation and here in the Congress. As I recall, the Senate devoted nearly three weeks, from March 21 to April 11, to consideration of S. 3044, the bill reported out by this Committee. There were numerous amendments introduced to change various aspects of contributions and expenditures.

But, and I consider this very significant, nowhere in any of the pages of the RECORD do I find any amendments that differ as to the makeup and selection process for the Commission. Even Senators Clark and Dole, who introduced widely differing and comprehensive amendments, used virtually identical language in the sections of their respective measures concerning the selection and makeup of the commission.

That language, as well as the language in S. 3044, said that the Commission should include two members to be named by the President Pro Tempore of the Senate, upon the recommendation of the Senate Majority Leader and the Senate Minority Leader, and two members to be named by the Speaker of the House, upon the recommendation of the House Majority Leader and the House Minority Leader.

In all of the thousands of words of debate on S. 3044, I have been unable to find a single question raised as to the bi-partisan nature, and the bi-partisan selection process for the members of the Commission. In other words, it was so obvious to all that both the Majority and the Minority should participate in selecting the members of this highly sensitive Commission that it required no discussion. It went without saying.

After President Ford signed the bill into law, he appointed the Commission members upon the recommendations made pursuant to the legislative requirements. However, as we all know, the Supreme Court later ruled that the selection process violated the Constitutional doctrine of separation of powers. The legislative result was to make the President solely responsible for nominating the Commission members, subject to the advice and consent of the Senate, and with the requirement that no more than three of the six members could be affiliated with the same party. I should note here that to further buttress the importance Congress attached to the bi-partisan nature of the Commission, it required that the chairman and vice-chairman could not be affiliated with the same party.

The debates in 1976 on the legislation to reconstitute the FEC in conformance with the Supreme Court ruling also took virtually for granted the bipartisan question. To the extent it was addressed, it was to reinforce the need for fairness and for strict compliance with the intent of Congress. For example, House Majority Whip John Brademas, in addressing the House on March 30, 1976, said in part, and I quote:

"It needs hardly to be emphasized that the election process is the keystone of the American democracy. It is, therefore, imperative that the laws governing our elections be administered and enforced with unquestionable fairness and in strict compliance with the intent of Congress."

Even though President Ford was left with virtually a free hand in nominating the Commission members, he nevertheless honored the clear intent of the Congress to have the Majority and Minority Leaders participate in the selection process by simply reappointing the previously recommended members.

When Senator Baker and I met with the President last February 23, it was principally for the purpose of discussing the Republican vacancy on the Commission that would fall due on April 30th. We discussed the critical and sensitive role of this Commission, which would have virtual power of life and death over candidates for federal office. We described the selection process developed by the Congress. We noted that President Ford

had honored the intent of Congress by accepting—even after the Supreme Court ruling—the recommendations of the Majority Leaders of the House and Senate as to Democratic members of the Commission. We requested of the President that he afford the Minority Leader the same courtesy of accepting our recommendations to this very important position.

The meeting ended with an agreement that Senator Baker and I would submit jointly a list of names to the President and that the nominee to fill the Republican vacancy would be selected from that list. On March 23, we forwarded to the President a list containing the names of two individuals we considered to be the best qualified for the position in terms of their experience in the law and their understanding of the responsibilities to be discharged by this Commission.

On May 20, the President responded with a request for an additional ten or more names and appended a set of criteria which had not been part of the February 23 discussion or agreement. The pertinent paragraph from that letter, which I request be made a part of this hearing record, reads as follows:

"I also expect that all of my nominees to the FEC will be generally sympathetic to the aims of the FEC and the concepts which it is charged with administering, particularly financial disclosure and report requirements and public financing."

The President was now demanding a Republican nominee who was sympathetic to public financing of federal elections. Apart from the fact that there are serious divisions on this question, not only among Republicans, but among Democrats too, I also submit that this criterion is irrelevant to the present mandate of the Commission. The question of public financing remains very much an unresolved public issue.

On June 7, Senator Baker and I responded in a letter which I also would like to make a part of this hearing record. In our letter we noted that the President appeared to be placing additional conditions on the nomination beyond those which we understood had been agreed to at the February 23 meeting.

As we wrote to the President, "Our agreement, we believe in its entitrety, was that because of the unique special partisan role to be played by the Republican member of the Election Commission, that the Minority Leaders of the House and Senate would submit such nominations for your special consideration. There were no conditions."

We urged the President to give further consideration to the recommendations we had previously made. However, when it became apparent that the President would not entertain those recommendations—neither individual was even interviewed by the White House—I later submitted a third name for consideration. I should note here that Sam Zagoria was not among the three individuals whose names were submitted.

On June 17, the White House acknowledged receipt of our letter of June 7. That acknowledgement included an assurance that Senator Baker and I would be notified when the matter was discussed. That acknowledgement was the last communication we received from the White House on the nomination of a Republican member to the Federal Election Commission.

After an agreement with the President that the Republican member would be selected from a list of candidates submitted by Senator Baker and I, and after being assured that we would be notified when the matter was discussed, we learned of the nomination of Sam Zagoria by reading it in the Washington Star of October 19.

I cannot speak for Senator Baker, but I certainly was never officially informed that Mr. Zagoria was being considered for this position. I have no idea where, or with whom, his nomination originated. I presume that he is a registered Republican and I understand that he served for a time as an aide to Senator Case. But, I am not aware that he has ever been an active participant in the Republican party, although he may have worked for individual Republicans.

I am not here to question the sincerity or the integrity of Sam Zagoria. However, I see nothing in his record that indicates the familiarity with federal campaign law that is so essential, both to a proper discharge of the Commission's responsibilities, and to the adequate protection of the interests of Republican candidates and campaign workers who will be affected by the Commission's rulings.

The Democratic members of this Commission should be hard-working, card-carrying, dedicated members of the Democratic Party. And, I expect that Jimmy Carter will, in his nominations to fill Democratic vacancies, ensure that they are. However, the Republican party is entitled to receive no less dedication from the members who are designated to represent the interests of its candidates.

Both the Senate and the House recognized the importance of this matter by clearly spelling out a selection process that included participation by the Majority and Minority Leaders of both bodies. The Supreme Court ruling in no way invalidates the intent of Congress that this Commission be truly bipartisan in its makeup, and in the outlook of its members.

As matters now stand, however, we are confronted with the prospect of having the President, who is the leader of the Majority Party, makes the determination of who shall be a very important spokesman and advocate for the Minority Party. It belies all concepts of fair play.

Considering that President Carter will be sending up yet another nomination to fill a Republican vacancy in 1979, today's nomination, if permitted to stand, also will establish a precedent with very serious implications for the future of our two party system.

Unless steps are taken to persuade the President to reconsider this nomination, we will be witnessing the flouting of very clear intent on the part of the Senate and the House, and the first steps towards the improper politicization of this Commission. This would be a long step toward the imposition of one-party rule in this country.

BANKRUPTCY-TAX BILL

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. EDWARDS of California. Mr. Speaker, today I have introduced a bankruptcy-tax bill. This bill contains the various bankruptcy-related tax provisions that were deleted from H.R. 8200 and its predecessors at the request of the Ways and Means Committee. These provisions include amendments to the Internal Revenue Code as well as substantive tax provisions that appear in the bankruptcy code proposed by H.R. 8200.

The bill consists of three titles. Title I contains substantive and procedural amendments to the Internal Revenue Code. The provisions all relate to the bankruptcy and insolvency sections of the code, including such matters as taxability of forgiveness of indebtedness, taxability of reorganizations, and assessment of taxes in the event of the bankruptcy of the taxpayer. Title II of the bill contains technical amendments to the Internal Revenue Code. The sections in title II change such things as cross-references to the Bankruptcy Act, and bankruptcy-related terminology that appears in the code. Title III of the bill contains the four substantive tax sections of the proposed bankruptcy code from H.R. 8200. During Judiciary Committee markup of H.R. 8200 on September 8, these four sections were made inapplicable to Federal taxes. The amendments made by title III of this bill restore the Federal tax aspects of those four sections without making any other changes in the substantive content of the sections.

All of the provisions of this bill were at one time or another part of the series of bills that culminated in H.R. 8200, as reported. They were deleted in order to avoid a sequential referral request by the Ways and Means Committee. Our discussion with Ways and Means resulted in an agreement whereby that committee would undertake to review and act upon a bill separate from H.R. 8200 to handle the tax problems connected with the bankruptcy law revision. We agreed to recommend the tax law changes that we felt necessary in light of balanced bankruptcy and tax policy. Our recommendations were to be in bill form.

This is the bill I have introduced today. It is cosponsored by all of the members of the Subcommittee on Civil and Constitutional Rights. It represents our best thinking on the tax aspects of bankruptcy.

We have also prepared a committee print that contains a description and section-by-section analysis of this bill. Copies are available from the subcomittee's offices, 407 House Annex I, Washington, D.C. 20515.

LAW EXPERT ASSERTS HOUSE MUST OK CANAL TREATIES

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. LAGOMARSINO. Mr. Speaker, renowned constitutional expert Raoul Berger has stated that the House must OK the Panama Canal Treaty:

LAW EXPERT ASSERTS HOUSE MUST OK CANAL TREATIES

A constitutional authority who supports the Panama Canal treaty said today that President Carter must obtain approval from both houses of Congress for the pact to be ratified.

"It cannot be done without the consent of the House," retired Harvard Professor Raoul Berger said in testimony before a Senate subcommittee on separation of powers.

Conservative opponents of the treaty such as the subcommittee chairman, Sen. James Allen, D-Ala., say the Constitution requires that both the House and Senate approve any disposal of federal property.

The critics believe there may be more opposition in the House than in the Senate to the agreement. It would return the Canal Zone to Panama after the year 2000 and, according to the Carter administration, would give the United States the right to defend it in perpetuity. There actually are

two treaties but they are considered indivisible.

Attorney General Griffin Bell has testified that based on the precedent of treaties signed to obtain Indian lands, there is no constitutional requirement for formal House approval of the treaty.

But Berger said Article IV of the Constitution, giving Congress the power to dispose of property, must take precedence over the authority given the president to negotiate treaties with other nations.

As a constitutional expert, Berger often voiced criticism of former President Richard M. Nixon's theories of executive privilege during the Watergate scandal.

"Long experience has led me to be skeptical of arguments by representatives of the executive branch when they testify with respect to a dispute between Congress and the president," he said today.

He urged that Congress insist that a provision be added to the treaty requiring approval by both the House and Senate.

"No agent of the people may overleap the bounds of delegated power," Berger said.

"I would remind you that congressional acquiescence encourages solo presidential adventures such as plunged us into the Korean and Vietnam wars," he added.

CONFERENCE REPORT ON S. 1339

HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. PRICE. Mr. Speaker, on November 2. in connection with the consideration of the conference report on the bill S. 1339, the gentleman from Michigan (Mr. PURCELL) revised and extended his remarks. The gentleman's remarks may be found at page 36632 of the RECORD for November 2, 1977.

In his remarks, the gentleman from Michigan imputes a lack of sincerity, if not a lack of veracity, to the House conferees on S. 1339. The gentleman most inaccurately and wrongly states that—

On behalf of the Armed Services Committee, Mr. Price agreed that the $9.2 million added to the (laser fusion) program would be directed to civilian uses.

The gentleman further states:

Therefore, I would like to clarify for the record that the $9.2 million in the House version of this bill, as adopted by the conferees on S. 1339, is for the civil purposes recommended by the Science and Technology Committee and as agreed upon in earlier statements.

However, the conference report mentions the $9.2 million as a partial restoration of the $20 million reduction. This is absolutely not true and the Science and Technology Committee and the House voted for the $9.2 million to be used for civilian applications of laser fusion. Therefore, the conference report to accompany S. 1339 is in obvious error.

Mr. Speaker, the House conferees on S. 1339 strongly resent the implication that we have reneged on any agreement and that we have signed and recommended to the House an erroneous conference report.

To set the record straight, I will insert at this point the entire colloquy between Chairman TEAGUE and myself with respect to the authorization for the laser fusion research program. It should be clearly noted that the Committee on Armed Services agreed to accept an amendment adding $9.2 million to the program but, "deleting the proviso which had been added by the Committee on Science and Technology that 60 percent of the total of $116 million be used for civilian applications of later fusion."

(RECORD, page 28965, September 13, 1977):

Mr. PRICE. Mr. Chairman, I yield myself such time as I may consume.

The Armed Services Committee bill, H.R. 6566, contains $107 million for the laser fusion program. This includes $93,840,000 for laser-induced implosion fusion and $13,160,000 for electron beam-induced implosion fusion.

I must note that this committee authorization is $6 million above what the administration asked for.

The bill also contains $234.1 million for the naval reactor program.

The Committee on Science and Technology after obtaining sequential referral of the bill, reported proposed amendments to do two things as regards laser fusion research:

First, to add $9.2 million to the bill. That is $9.2 million above the $6 million our committee added—for a new total of $116 million.

Second, to require that 60 percent of the total of $116 million be used for civilian applications of laser fusion.

The Committee on Science and Technology also proposed amendments to strike all authorization for naval reactors and subsequently proposed a similar amount for the program in its own bill.

Mr. Chairman, the Committee on Armed Services does not wish in any way to intrude into the authority of the Committee on Science and Technology in regard to energy research for civilian purposes. Likewise, the Committee on Armed Services has no intention of relinquishing its historic responsibility for all military research and development.

I hope, if I can engage in a colloquy with the chairman of the Science and Technology Committee, we can clarify the legislative intent of both committees and lay the groundwork for more careful submission of these authorization requests in the future.

Mr. TEAGUE. Mr. Chairman, will the gentleman yield?

Mr. PRICE. I yield to the gentleman from Texas.

Mr. TEAGUE. On behalf of my committee, I am more than willing to attempt to clarify this jurisdictional problem. We should all recognize that the fiscal year 1978 budget submission was the first opportunity for the Committee on Armed Services and the Committee on Science and Technology to exercise their new responsibilities for nuclear energy legislation which was given to the committees by rules adopted in the 95th Congress. ERDA was not prepared to submit legislation to the two committees in a form that would coincide with their jurisdictions. Is that not true?

Mr. PRICE. That is correct.

Mr. TEAGUE. So, initially in their actions on both this bill, H.R. 6566 and the bill reported from the Committee on Science and Technology, H.R. 6796, the committees were in effect feeling their way in taking steps to assure that jurisdiction would be protected while these matters were clarified. Would the chairman agree with that statement?

Mr. PRICE. I would say that is essentially correct.

LASER FUSION

As regards laser fusion, that act provides $104 million for the program's operating expenses. This compares to the figures I indicated earlier of $107 million in H.R. 6566 and $116.2 million as proposed by the Committee on Science and Technology.

First of all, while I will not go into the technical details of laser fusion, the program at present is basically a research program to determine whether inertial confinement fusion will work. The military application of the laser fusion program involves simulating weapons effects in the lab and measuring weapons system and component vulnerability and hardness. By contrast, the civilian application of laser fusion relates to energy output. ERDA experts tell us that it is difficult to split the programs at this point since the same basic research is being used for both applications—the military application in the short term and the civilian application in the long term. It would therefore seem to be impossible to determine precisely what percent of that research is necessarily going for civilian application.

The Science and Technology Committee which has legitimate concern for the continuation of research that could eventually lead to dramatic civilian applications for laser fusion, has added $9.2 million which we agree is a modest yet appropriate addition to the authorization bill. Laser fusion applications are programs which require additional support although the amount is not great when compared with other forms of fusion and fission energy.

The Committee on Armed Services recognizes the legitimate interest of the Committee on Science and Technology and we have worked out an agreement to accept this amendment in modified form, deleting the proviso which had been added by the Committee on Science and Technology that 60 percent of the total of $116 million be used for civilian applications of laser fusion.

Mr. TEAGUE. I thank the gentleman for his cooperation, his recognition of the interest to both of our committees in laser fusion development, and feel that we have reached a reasonable compromise at this point.

Mr. PRICE. I accept that understanding and our committee will offer an amendment to the Science amendment which we can all agree on.

Mr. Speaker, as the RECORD of September 28, 1977 shows, (page 31333) the letter and spirit of the agreement between the Armed Services Committee and the Committee on Science and Technology was carried out through a substitute amendment offered by Mr. CHARLES H. WILSON of California. Mr. WILSON clearly stated, without challenge—

In the spirit of the compromise between the two committees, I am offering this substitute amendment which will add $9.2 million in additional authorization for the laser fusion program. This amendment does not make a division in the use of these funds as was suggested by the Committee on Science and Technology. I have been advised that this amednment is satisfactory to the Committee on Science and Technology.

The intent of the agreement, Mr. Speaker, was very clear. The intent of the substitute amendment, which was agreed to, was very clear. The intent of the conferees of both the House and Senate was very clearly stated in the joint statement of the managers. That intent was to restore cuts made in the basic laser fusion program of about $20 million which were made during the budget review process. We must realize that the authorization in the amount of $116.2 million for the program may be only academic, since only $104 million has been appropriated for that purpose for fiscal year 1978.

INVOLUNTARY AID

HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. SPENCE. Mr. Speaker, I would like to take this opportunity to express my sincere appreciation to our distinguished colleague from Florida, C. W. BILL YOUNG for a job well done. As the ranking minority member of the House Appropriations Subcommittee on Foreign Operations, BILL deserves a lot of credit for his efforts in trying to bring about much needed reform in our foreign aid program.

I am sure BILL would be the first to admit that we still have a long road to travel before our foreign aid program is acceptable to the American people. However, through his efforts, BILL has focused national attention on the issues surrounding the foreign aid program by presenting a meaningful assessment of what foreign aid is and where it is going. I would like to call to the attention of the Members, a recent editorial in the Tampa Tribune on the efforts of BILL YOUNG and hope that all Members will take time to read it:

[From the Tampa (Fla.) Tribune, Oct. 29, 1977]

INVOLUNTARY AID

Would a majority of Americans vote to give or lend tax money to Vietnam, Laos, Cambodia, Cuba, Mozambique and Angola (all Communist controlled) and Uganda (bossed by the savage Idi Amin)?

The answer is certainly No. And the United States won't, directly. But it may do so indirectly through the World Bank, and other international aid agencies to which it contributes.

Congressman Bill Young of St. Petersburg has tried valiantly to shut off the indirect aid. As ranking Republican on the House subcommittee foreign aid appropriations, Young led a fight for legislation to prohibit U.S. funds from being used by the international agencies to aid the seven undesirables. The House voted with him last June.

Since then the Carter Administration has been wheeling and dealing with House members to remove the ban. The President this week mustered a majority against it by promising to instruct U.S. representatives in the international agencies to vote against all aid for the seven countries.

That may prove to be an ineffective measure but it is about the best that could be achieved in the circumstances. The issue came down to a choice between this nation continuing to participate in the international agencies or withdrawing. Since the agencies do help our friends among the underdeveloped countries, withdrawal would hurt more friends than enemies.

But Congressman Young has performed a service in focusing attention on the destinations of American dollars which tend to vanish from public view once they enter the channels of the international aid organizations.

He and his subcommittee can perform further service by monitoring the operations of these organizations and reporting to the public how much, if any, money is going to the seven blacklisted countries.

If the record shows American taxpayers are involuntarily helping tighten the chains on the Vietnamese, finance the massacres of Cambodians or support the barbarism of Idi Amin, the next Congress should reexamine its position.

That reexamination could find Congressman Young speaking for a new majority.

IN HONOR OF FATHER PETER KYRIAKOS

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. OTTINGER. Mr. Speaker, last Saturday evening, I had the pleasure of joining with a number of Westchester officials at Holy Trinity Church to pay tribute to Father Peter Kyriakos on the 25th anniversary of his ordination. The congregation did an outstanding job in preparing a delicious dinner and a most enjoyable program under the direction of Constance Arabatzis, Dr. Denis Galanakis and congregation president Zachary Marantis. The Holy Trinity Church choir sang beautifully and all of us were honored by the presence and inspiring address of His Eminence Archbishop Iakavos.

I would like to take this opportunity to share with my colleagues some of Father Peter's experiences and accomplishments. He was born on January 11, 1925 in Almyros, Greece, and arrived in the United States on December 24, 1946. He received his B.A. in theology from the Holy Cross School of Theology in 1950 and attended graduate courses in pastoral psychology at Andover-Newton School of Theology from 1950 to 1952. He was ordained a deacon on October 26, 1952 at the Annunciation Cathedral of Boston by Bishop Ezekiel of Nazianzos. He was ordained into the priesthood on November 21, 1954 at the same Cathedral by Archbishop Makarios of Cyprus.

Father Peter served at the Annunciation Cathedral in Boston from 1952 to 1961 and at the Sts. Constantine and Helen Church of Cleveland from 1961 to 1973. He has served as pastor of the Holy Trinity Church of New Rochelle from 1973 to present.

Married to the former Kay (Evdokia) Kaloutsi on August 28, 1952, they have four children: Nicholas, 23, Linda, 20, Steven, 19 and Dean, 13.

Father Peter represents the First Archdiocesan District on the National Council of Presbyters. He directs the religious radio program of the Archdiocese and serves as the Secretary of the Archdiocesan Spiritual Tribunal. He is the treasurer of the Westchester Orthodox Clergy Association, and is a member of the board and the executive committee of the New Rochelle Inter-Religious Council. Father Peter also serves on the Mayor's Clergy Advisory Committee.

Father Peter personifies quiet, caring strength. He is universally admired both as a religious and as a community leader. There could not have been a more fitting tribute.

MUSEUM SURVEY ON ARTISTS' CONTRIBUTIONS: AN UPDATE

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. KOCH. Mr. Speaker, as many of you know, I have long been concerned about the effect of the 1969 tax laws on the donations by artists of their own works to museums and other institutions. Prior to 1969, artists who contributed their works were able to claim their donation as a charitable contribution, and could deduct the full fair market value of their donated work from their taxable income. As the value of the work increased while in the artist's possession, he was able to deduct that appreciation when he made his contribution.

In 1969, however, the Congress eliminated this deduction, and replaced it with a provision permitting the artist to claim only the cost-of-materials used in the work, when deducting a charitable contribution of his own works. At the time of this revision, there was particular concern and pressure on the Congress to close what were viewed by the public as loopholes in the tax structure. Tremendous publicity surrounded the donations of Presidential papers to libraries, which had resulted in huge tax breaks for donors. Additionally, there was some concern that the valuation process by which works of art were assigned their fair market value was not rigorous enough and invited fraud. It was to deal with these pressures that the Congress eliminated fair market value deductions for charitable contributions of written and artistic works donated by their creators, and replaced it with the cost-of-materials deduction for artists' donations.

This reform affected artists, writers, composers, et cetera, who sought to donate their own works, and the immediate result was that these types of donations declined dramatically. For the art collector, who acquires works and then donates them to museums, the fair market deduction is still permitted. The obvious result of this policy is that museums, and thus the American public, are forced to wait until either the artist dies, or the work of art passes through the commercial market into the collector's hands, and then, often years after the work was created and its value has inflated, the work of art is donated and the collector is permitted a deduction for the that is finally more costly that it would have been had the deduction been taken by the artists in the first place. In the meantime, museum collections all suffer contribution losses.

For several years now, I have introduced proposals to assist both the artists and museums who had formerly benefitted from the fair market value deduction policy that was permitted before 1969. In previous Congresses, I have sought to restore the 100 percent fair

market value deduction. In this Congress, I am proposing that reform be accomplished by instituting a 30-percent tax credit for the fair market value of artists' donations, with strict limitations on the type of income against which it can be applied and the amount of credit that can be claimed.

This legislation is identical to the bill that passed the Senate last year under the auspices of Senator JAVITS of New York. The 30-percent credit could only be applied to a work donated by the artist to museums, libraries, or universities which are tax-exempt institutions. The credit could only be applied against the artist's art-related income, and cannot exceed either the artist's tax liability, if it is not in excess of $2,500, or 50 percent of the artist's tax liability, whichever is greater. Finally, the artist can only claim a 30-percent tax credit for up to $35,000 a year. Should the artist donate a work whose fair market value is greater than $35,000, then he is permitted to carry the excess credit over into the following years for a 5-year period. Senator JAVITS has reintroduced his measure again this year as S. 1384.

The provisions of this bill are designed to address the criticisms brought about by the old law, which charged that artists were receiving huge tax breaks by making gifts of their works, and that charity was being conducted at government expense. Additionally, I would like to draw my colleagues attention to the formation in 1972 of the Art Advisory Panel of the Internal Revenue Service. This board functions to insure that the valuations placed on works of art are authentic for tax purposes. The creation of this panel guarantees that works of art are appraised for their true value, and that their market value cannot be arbitrarily and unethically increased for the purposes of tax breaks.

Two years ago, I conducted a survey of museums across the Nation to see how the 1969 tax law affected donations by artists. The results of my survey then were conclusive in demonstrating that not only had the incidence of donations diminished, but the value of artworks that were donated had sharply reduced.

This year, I again decided to survey museums to determine the trends in artists' donations since the cost-of materials limitations have been in effect. The responses I received held no surprises. I received 58 responses to my request for information, which had been sent to over 150 museums across the country. Some of the museums I heard from were not operating before 1969, and thus could not provide me with comparisons. Others were not affected by the 1969 tax law because they did not collect the works of living American artists. Most of the museum directors who responded were anxious to see reform as soon as possible, and included comments on the questionnaire to that effect.

The results of my survey demonstrate that the problem remains as serious as its was 2 years ago, and that the current tax policy could conceivably cripple attempts to collect the works of living American artists for public display.

One of the interesting results of my survey was a comparison of figures between the number of artists who had donated works to the museums who responded prior to 1969 and then after the law was changed. In the 3-year period before the 1969 tax law changes, 263 artists made donations of their own works to those museums responding to the survey. In the most recent 3-year period, 1974–76, 282 artists donated their own works of art. Despite this increase in the number of artists who are willing to contribute their creations, the number of works donated during the same 3-year period after the 1969 tax law change is less than half of the donations made in the 3-year period before the law was passed. From 1967 through 1969, those 262 artists managed to donate 1,594 pieces of artwork. From 1974 through 1976, another 3-year period, 282 artists donated only 736 pieces of artwork, a decline of about 54 percent.

When I last conducted my survey, I became interested in comparing the types of work that were being donated to see whether the artists tended to contribute "major" pieces of art, such as large sculptures and paintings, or whether the contributions were "minor" ones, such as photographs and etchings. In my survey update, I specifically requested this information. Again, the results proved the devastating impact of the 1969 tax law change in restricting the number and type of donations made to museums of living artists. From 1967 through 1969, 525 major works of art were donated to the museums responding to the survey. From 1974 through 1976, only 146 major works were donated. In contrast, while the total number of donations by artists has decreased, the number of minor works acquired by museums from artists has actually increased since the law changed. For the 3-year period before 1969, a total of 481 minor gifts were received. Compare that figure with the results from the years 1974–76, which show that 518 minor works were donated.

My most recent survey makes it very clear that artists are willing to donate their works, but find it very difficult to do so under the cost-of-materials limitation. The works that are being donated are smaller, and gifts occur much less frequently.

The cost of enacting this legislation has been estimated by the Treasury to approach as little as $5 million annually. Yet the public benefit is substantially more in terms of the opportunity this revision would give us to improve our public museum collections. At present, the National Endowment for the Arts is attempting to respond to this situation somewhat through their museum purchase plan, which provides funds for the outright purchase of works by living American artists. This program was allotted $550,000 in 1976, which it dispersed in grants ranging from $5,000 to $20,000 to museums across the Nation. While this program is laudable and necessary, the funding levels are simply not sufficient to fill the gap that was left by the 1969 tax law. It would make far more sense to restore tax equity to artists, give them parity with other donors of artworks, than to use the Federal dollar to purchase works that have inflated in value as they have on the commercial market.

I am appending to this statement some of the comments I have received from the museum directors I contacted in conducting this survey update:

James W. Foster, Honolulu Academy of Arts, Honolulu, Hawaii:

Artists not being allowed fair tax deduction for their gifts to museums has been a very definite deterrent in the growth of our contemporary collection and we have at the Academy urged correction of an obvious inequity, when a collector is allowed a market value as opposed to the treatment accorded the maker.

James H. Duff, Brandywine River Museum, Chadds Ford, Pa.:

There is no doubt that living artists would have contributed additional works under more advantageous tax laws.

James Harithas, Contemporary Arts Museum, Houston, Tex.:

Due largely to the 1969 tax reform act, the Contemporary Arts Museum, a 30 year old institution, abandoned its collection and acquisition policies in 1970, since gifts from living artists constituted its major source.... The result has been that we have been hard pressed to present a truly adequate art and exhibition program.

Katherine Hanna, The Taft Museum, Cincinnati, Ohio:

You and Senator Javits have my wholehearted support for your awareness and interest in assisting the artist and the museums.

Tracy Atkinson, Wadsworth Atheneum, Hartford, Conn.:

The stringent limitations on deductibility of gifts by artists of their own works are ridiculous and very harmful to the cultural development of the nation.

James Morton Smith, Winterthur Museum, Winterthur, Del.:

A legislative atmosphere which encourages gifts of objects to museums is important to the enrichment of museum collections.

Leon Arkus, Museum of Art, Carnegie Institute, Pittsburgh, Pa.:

I think you have found an excellent solution to the artist's donation problem and I congratulate you.

Christine Knop, Philbrook Art Center, Tulsa, Okla.:

The present situation, in which artists have even destroyed their work because of the tax laws, is obviously scandalous. Art has become a serious and important investment market in which the tax inequities facing artists are compounded by their inability to realize any remuneration as their work appreciates and changes hands.

Peter C. Bunnell, The Art Museum, Princeton University, Princeton, N.J.:

Even under these conditions, the desire to give a work as a memorial for a former teacher or colleague was such that several artists placed their works on loan with every intent to give, hoping for a change in the law. If the law is not changed, there is every possibility that no matter how deeply they feel about the memorial, they cannot afford to give work away.

Tom L. Freudenheim, The Baltimore Museum of Art, Baltimore, Md.:

Ironically, these are the works that museums are least likely to be able to afford, and when they do not enter our public collection through artist's gifts, they are increasingly leaving the country. Aside from our concern with the tax issue, we ought to be concerned with what this says about the

exodus of the American cultural patrimony.

Ann Russell, De Cordova Museum, Lincoln, Mass.:

We feel it is very important that the ruling that artists cannot take a tax deduction for the full value of their work be reversed. For the long run, the law as it now stands will have a devastating effect of the Museum collection.

Martin Friedman, Walker Art Center, Minneapolis, Minn.:

Your efforts to secure remedial legislation on behalf of the artist and on behalf of the public who will permanently enjoy his works are appreciated, Good Luck!

Roger Mandie, Toledo Museum of Art, Toledo, Ohio:

I am sure you will note that these donations to our Museum have been at a relative minimum, primarily because of the punitive tax benefits arrangement for artists to give works of importance to museums.

EARL W. HONERLAH AND AL KOCHMAN

HON. LEO J. RYAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. RYAN. Mr. Speaker, an outstanding civic leader in my district, Mr. Earl W. Honerlah, recently passed away and I would like to take this opportunity to pay a small tribute to him.

As business agent for the San Mateo Carpenters Union Local 162, and a lifelong resident of San Mateo, Calif., Earl Honerlah looked out for the welfare of thousands of fellow workers and their families and was dedicated to making the peninsula one of the Nation's finest places to live and work. His accomplishments and contributions are numerous. Thanks to his efforts many are now benefiting from the San Mateo County Boys Club and the San Mateo County Crippled Children's Easter Seal Society. In both cases he assisted not only with his skills but his enthusiasm to help make the community a better place for everyone.

Mr. Honerlah served as secretary-treasurer of the San Mateo County Building and Construction Trades Council from 1972 to 1975 and also vice president for many years of the State Building and Construction Trades Council of California. Through the years he was an active leader of the Scouts in San Mateo County and was a member of the Native Sons of the Golden West, Redwood City Parlor 66 and the Masonic Lodge 226.

As a leader in the protection and advancement of workers' rights, a leader in the community, and a friend to literally thousands, he will be greatly missed.

The head of the San Mateo County Democratic Party for the last 7 years, Mr. Al Kochman, recently passed away and I would like to take this time to say a few words about him.

Known well for his outspoken party leadership and concern for human rights Mr. Kochman headed the San Mateo Democratic Central Committee from 1970 to 1976 as its chairman and had worked diligently for party unity through the years. He was respected by those who know him for his integrity and unselfish contributions to making our political process one that works in the public interest.

A native of Germany, Al Kochman had lived in the San Mateo area for the past 19 years. He will be missed by many.

LIBERALS WIN, TAXPAYERS LOSE; COMMUNISTS WILL GET TAXPAYERS' MONEY

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. ASHBROOK. Mr. Speaker, taxpayers will be very pleased to note that, after some doubletalk and backroom shuffling at the White House, their money will now be going to Communist Vietnam to help rebuild that nation. The story of this momentous decision constitutes a most interesting illustration of: First, liberal doubletalk; and second, the ability of liberals to get what they want regardless of public opinion.

Earlier this year I introduced amendments to foreign aid and State Department authorization bills to prevent taxpayers' money from being used in Vietnam, Laos, Cambodia, or Cuba. Knowing the bureaucratic mentality, I very carefully inserted the words "direct or indirect aid" in my amendment. The White House and the bureaucrats could live with the word "direct" but they conducted a high-level lobbying campaign to delete the carefully chosen word "indirect" from these amendments.

You ask why? It is really very simple. Leaders can stand up and say we do not want to give direct aid to rebuilding Communist Vietnam. Then they quietly shuffle the money like shills to the multilateral agencies so they can do indirectly what they proclaim they would not do directly. This is precisely what happened when the administration won out in conference to have my language deleted.

Within a few days, that ship of fools, the United Nations General Assembly, passed a resolution to "authorize the Secretary General to rehabilitate Vietnam both socially and economically." Of course, the motion was sponsored by the Soviet Union which incidentally over the years has contributed $8.4 million to the U.N. Development Program (UNDP) while the United States has contributed $200 million during the last 2 years alone.

Where was that sentinel at the gate, our erstwhile delegate to the U.N., Andrew Young? It is most interesting to note that our own representative to the U.N. General Assembly did not even vote against the resolution or even ask for a recorded vote. No surprise. He has made it clear that supporting or promoting American interests is not his interest.

Once again you see the often-told tale of how liberals accomplish what they want by the back door even when the front door is barred. In this case, President Carter played a leading role in this chicanery because, in a letter to the Congress to break up the logjam caused by my amendment and other restrictive amendments, he promised that he would "instruct" our representatives to oppose such use of taxpayers' money.

The travesty does not stop at the door of the U.N. The president of the World Bank, Robert McNamara, has indicated that our taxpayers' money will be used to subsidize the loans the World Bank makes to these same Communist countries. The taxpayer be damned. Other international institutions, largely shored up by taxpayers' money, will compound the error. They have to be laughing in Moscow and Hanoi.

PERSONAL EXPLANATION

HON. STANLEY LUNDINE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. LUNDINE. Mr. Speaker, I was absent during the first 2 days of this week fulfilling a longstanding commitment made when it was understood that this House would be in adjournment by this time. Certainly, there was no indication that, even if this House failed to adjourn, it would be in the final week of legislative deliberation.

Had I been present Monday, I would have supported all of the bills which came before the House under suspension of the rules. I would also have voted in favor of the Maritime Authorization, S. 1019. I am pleased that my colleagues in rollcall No. 722, rejected the motion to recommit that bill.

Similarly, had I been present Tuesday I would have supported all of the bills brought before the House under suspension of the rules. One vote in particular, that which would have allowed suspension of the rules for passage of S. 1306, Small Business Emergency Drought Disaster Loan Act as amended, would have seriously impacted small business had my colleagues not prudently rejected the suspension. The proposed legislation would have forced those in the least favorable position to pay higher interest rates for disaster loans from SBA. My 39th Congressional District of New York, unfortunately a frequent user of those disaster aid programs, is formidable proof of the need to keep disaster loans affordable. I am very pleased that in my absence my colleagues rejected this suspension.

I would have voted in favor of H.R. 9282, the Congressional Pay Raise Deferral Act. It has been my consistent position that no elected legislative body should be allowed to raise the salary of its own members. Pay increases should not become effective without an intervening election so that the public is aware of the proposal in advance and can act accordingly.

THE CASE OF STELLA GOLDBERG

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. FISHER. Mr. Speaker, I am taking this opportunity today to bring to the attention of my colleagues the case of one of the many Soviet Jews who have

been denied permission to leave the Soviet Union.

Stella Goldberg is a well-known pianist from Moscow who has been trying to leave the Soviet Union with her son and mother-in-law for close to 7 years. Stella Goldberg has declared that they are still being held in the U.S.S.R. "as revenge for the action of my husband," renowned cellist Victor Yoran, who defected to Israel in 1969. Soviet officials view Yoran's defection as a high crime of treason.

Recently, Yoran played a series of 1-hour solos for 3 days, outside the Finnish Embassy in Tel Aviv, to bring the plight of his family to the attention of the world.

CRIME AND THE NEGLECTED VICTIM

HON. JOHN G. FARY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. FARY. Mr. Speaker, as we all know crime has been and still is all too common to our every day existence. We hear constantly of people who have innocently become the victims of violence, or we hear of constant terrorism sometimes involving entire planeloads of victims.

Here on Capitol Hill we are not insulated from this problem—crime surrounds us. It was just recently that one of our colleagues was detained and robbed across the street from the Cannon House Office Building, one block from where we sit here today. The chances that you or I will be the next victim are staggering. Greater still is the possibility that someone we care for among our close friends or our families, will be a victim.

Five out of every hundred Americans will be victimized by crime this year—will it be a member of your family, one of your colleagues, or yourself who will bear a scar for the rest of his or her life?

Recently I came in contact with a publication by a distinguished expert in the field of crime, Frederick J. Ludwig of Equal Justice Institute, New York. The book sets its focus on the crime of rape and expresses grave concern about our entire legal system's apparent lack of concern for the victims of all crimes.

Here in the House of Representatives it is our job to provide leadership and direction in the fight against crime. In the last decade the House has appropriated over $6 billion to aid in these efforts. Still, the major index on crimes has mounted nationwide in almost direct proportion to the moneys spent for their prevention. Could it be that our target in criminal matters has overextended itself on the goal of providing "tenderness to the accused"? Indeed, the view that justice "is due to the accuser, also" appears to be neglected in our anti-crime efforts. Perhaps our efforts have been misplaced. It would be wise to evaluate our present approach to see if Federal aid is fighting the fire of crime with combustible fluid.

Professor Ludwig's book "Rape and The Law: The Crime and Its Proof," concisely questions the philosophy of our system's overconcern with the criminal and the neglect of the victim. The author has not only impeccable qualifications in the world of academe as a law teacher for 15 years, and writer of half dozen authoritative volumes, but, more importantly, has practical experience as chief prosecutor and city-wide police commander for 30 years in the Nation's largest city.

Reading this book has broadened my awareness of the crime rate and the direction of our country's legal system. In the 70's, major crimes of violence have increased their rates in alarming proportions; rape, 41 percent; aggravated assault, 38 percent; robbery, 27 percent, and murder, 22 percent. Major crimes against property so-called although a person is always the victim, have similarly increased in rate per 100,000: burglary, 41 percent; grand larceny, 35 percent; and motor vehicle theft, 3 percent. Last year more than 11,304,000 such major index crimes of violence and against property were reported.

The author has consented to the reprint of passages from his book in this RECORD as follows:

The remaining obstacle: "To keep the balance true" between the victim and her assailant—justice, though due the accused, is due to the accuser also. The concept of fairness must not be strained till it is narrowed to a filament. We are to keep the balance true". Benjamin Nathan Cardoso, Associate Justice, in *Snyder* v. *Massachusetts*, 291 U.S. 97, 122 (1934) (Opinion of the Court).

After more than a century, the two witness rule in rape cases, mysteriously and legislatively launched, has at long last been defanged in New York. Other problems survive in the struggle to make law enforcement effective to prevent the commission of the crime. Least of the two of these is the surge of Constitutional rights federally guaranteed to any person accused in a State criminal proceeding, and discussed ante under 11. The remaining and most formidable barrier is the imbalance between the accused and the accuser in rape cases. This has resulted from detailed federally mandated implementation of rights of the accused, on one hand, and total neglect of the accuser, on the other.

On the other side of the 'balance' is the traumatic ordeal that any victim-complainant-witness must endure in the disposition of a criminal case, whether rape or otherwise. She must get down to the police station to identify the perpetrator for his 'booking' there. There she is treated with neglect, not often 'benign', by busy police personnel, while she sits in a backroom reserved for the outgoing platoon, waiting to point out her assailant. Next, she is directed to appear at the prosecutor's office in another part of the community, later in the day, or on the next day. There, she waits in a slightly more commodious anteroom to be interviewed by a young assistant district attorney. At the police station and prosecutor's office, she has the minimal satisfaction of ultimately being interviewed and giving evidence. Her next appearance in the local criminal court may not be so fruitful. She arrives fairly bewildered in a thronged courtroom corridor, not knowing where or when her appearance may be required.

Frequently, after a huddled conference between a legal aid lawyer representing her attacker and an assistant prosecutor before the bench, the bridgeman announces an adjournment and she is directed to repeat this episode of her ordeal on another date.

Later, she receives a subpoena to appear before the grand jury, and arrives to sit in a pew at 9:30 AM along with hundreds of other persons called, just like Sunday services at church, but without any kneeling racks.

Her tedious wait is interrupted by a luncheon recess. Late in the afternoon, a buzzer in the anteroom sounds, and a clerk escorts the victim-witness into the sanctuary awaited so long by so many assembled in the pews through the morning and afternoon.

"There are three times when you are absolutely alone in life," said a Mayor of New York who resigned that office and should have known. "Just before you are born, right after you die, and when you enter the grand jury room". *In People* v. *Minet*, the victim of rape, Camille, under eighteen, complained to the district attorney through her father and 22 year-old sister, Hilma, that she was "somewhat afraid or nervous". Possibly aware of the observation made by the Mayor of the downstate metropolis, the district attorney of Ontario county permitted both Camille and Hilma to be called together, although the prosecutor conceded that Hilma "had nothing of probative value to add to the People's case". The highest State court reversed a conviction for rape after trial. "Secrecy is the vital requisite of grand jury procedure".

Without friend, relative or counsel in sight or earshot, the victim, after being sworn, must recite the frightening details of her experience under gentle questioning by the young assistant prosecutor, but before an audience quite considerably older and consisting primarily of a score of males who appear more avidly interested in the circumstances surrounding one element of the crime of rape, penetration, than they do about the elements of forcible compulsion or identification of the perpetrator.

Yet this forensic aspect of the ordeal of the victim in a rape prosecution is easily the least traumatic compared with the trial yet to come: no gaping courtroom "watchers", no prurient professional media representatives and, most important, no penetrating inquiry into her prior relationship with other males by a young, and often inexperienced defense counsel.

In the First Judicial District (New York and Bronx Counties), fully eighty percent of the defendants in all criminal cases, including rape prosecutions, have all costs including counsel fees born by federal and State government. A victim-witness receives absolutely nothing for the costs of assistance of her counsel. This is the case even when the victim happens to be the widow of an assassinated President and assistance of counsel may cost several hundreds of thousands of dollars:

"Mrs. Onassis apparently spared no expense in retaining New York City's Paul Weiss, Rifkind, Wharton & Garrision, to sue photographer and privacy-invader Ron Galella. She won, but her late husband, Ari, refused to pay the $400,000 bill. (The law firm sued, and settled for $225,000.)"

The largesse of the State for the forensic participation of the victim in a rape prosecution amounts to just two dollars per day. In federal courts, for State defendants convicted of crimes—including rape—and seeking post-judgment federal review, court appointed counsel have had their fees doubled to $30 per hour in the courtroom, and $20 per hour outside. Travel by private automobile is reimbursed at the rate of eleven cents per mile, plus parking fees, bridge and tunnel tolls. None of these expenses is provided for the victim-witness, and, indeed, she is seldom informed of her entitlement to the witness fee.

No one needs counsel of her choice more than the victim of a sex crime. When the offense is rape, or its attempt, the element

of forcible compulsion or lack of consent more often than not puts the chastity of the victim-witness in issue. The range of interrogation upon cross-examination requires counsel of a private advocate before and during courtroom testimony. The prosecutor cannot serve in this capacity consistent with standards imposed upon the law profession. The prosecuting attorney is prohibited from compensating "a witness, other than an expert, for giving testimony." He is obliged, as a matter of propriety, "to caution the witness concerning possible self-incrimination and his possible need for counsel." Because it violates the Canon of Ethics for a lawyer to testify at a trial in which he is an advocate, the prosecutor is required to have a third person present when interviewing the victim, so that if the occasion arises at trial to contradict the victim's testimony, it may be done by providing impeaching testimony from that third person.

Unrelated, directly or otherwise, to the prevention of crime by contributing to its prosecution, are ex post facto crime victim compensation awards. In New York, such awards are limited to crimes actually committed involving injury or death as a direct result to the victim, promptly reported, and cover only out-of-pocket expenses incurred as a result of injury for medical services and loss of earnings. Maximum limitations of $100 per week for loss of earnings is imposed (with an aggregate maximum of $15,000), and $1,000 for all funeral expenses. Any award is reduced by payments otherwise made on behalf of the victim as a result of injury or death.

A half-century ago, when the first decision of the Supreme Court had extended a provision of the Bill of Rights to the accused in a State criminal proceeding, Judge Learned Hand issued this warning on keeping true the balance between accused and accuser:

"Our dangers do not lie in too little tenderness to the accused. Our procedure has been always haunted by the ghost of the innocent man convicted. It is an unreal dream. What we need to fear is the archaic formalism and watery sentiment that obstructs, delays, and defeats the prosecution of crime."

Until the victim of rape has assistance comparable to her assailant in the adversary trial of the issue of her consent, and matters relating to her previous sex experience, the prevention of rape by conviction of the guilty will remain unachieved.

Mr. Speaker, until the victims of murder, assault, robbery, burglary, larceny and auto theft—as well as rape—have assistance comparable to that bestowed upon the prepetrators of these crimes, in our criminal proceedings we may unfortunately expect continued acceleration in the rates of these crimes.

My colleagues, our task is to make that assistance available to every victim of a major crime. Law enforcement assistance, through the appropriations of this House, must cease to patronize the perpetrators and begin protecting the victims.

IMPEACH ANDREW YOUNG

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. ASHBROOK. Mr. Speaker, along with nine other colleagues, I have introduced a resolution which calls for the impeachment of Andrew Young. It is apparent he does not represent America or American interests at the United Nations. It is a shame that President Carter says he does because that tells all of us something we hoped we would not find out about our President.

Just read the brief recitation of charges we bring against Ambassador Young. The list by no means is complete. Just last month he sat back while the United Nations, that gaggle of beggar nations, voted imperiously to spend our money and their money to rebuild Communist Vietnam. Nary a peep out of Mr. Young. Why should he complain? These people are his friends.

Here is the resolution which I hope we can bring before the Congress for a vote:

HOUSE RESOLUTION

Whereas, the U.S. Ambassador to the United Nations has declined to oppose the admission of communist Viet Nam to the United Nations; and

Whereas, the U.S. Ambassador to the United Nations has sought to transfer the governing power in anti-communist Rhodesia to the pro-Marxist guerrilla coalition which calls itself the "Patriotic Front"; and

Whereas, the U.S. Ambassador to the United Nations has, while on official diplomatic business in the anti-communist nation of South Africa encouraged persons in that country to undertake economic boycotts; and

Whereas, the U.S. Ambassador to the United Nations has pledged to increase U.S. taxpayer funding for the Marxist government of Guyana from the current $1.1 million to $12.3 million over the next three years; and

Whereas, the U.S. Ambassador to the United Nations has characterized two recent Presidents of the United States, Gerald Ford and Richard Nixon, as racists; and

Whereas, the U.S. Ambassador to the United Nations has condoned the presence of communist troops in Africa from Castro's Cuba, as a "stabilizing force"; and

Whereas, the U.S. Ambassador to the United Nations has forecast that racial conflict in the United States would be predicated on events in Africa; and

Whereas, the U.S. Ambassador to the United Nations declared in Playboy Magazine that Alabama Governor George Wallace formally, "was advocating bombings—of Black folks"; and

Whereas, the U.S. Ambassador to the United Nations has said, "It may take the destruction of Western Civilization to allow the rest of the world to emerge as a free and brotherly society"; and

Whereas, the U.S. Ambassador to the United Nations has harbored in his home members of the family of Robert Sobukwe, leader of the communist-terrorist Pan Africanist Congress; and

Whereas, the U.S. Ambassador to the United Nations has said that the decent and democratic state of Israel must negotiate with the international terrorists of the Palestine Liberation Organization; and

Whereas, the U.S. Ambassador to the United Nations served as co-sponsor to the Communist Party promoted "National Coalition to Fight Inflation and Unemployment"; and

Whereas, the U.S. Ambassador to the United Nations has accused our British Allies of "inventing racism"; and

Whereas, the U.S. Ambassador to the United Nations has criticized the people of Sweden as "terrible racists"; and

Whereas, the U.S. Ambassador to the United Nations has averred that Black American soldiers would not be willing to fight African Communist Forces if called upon to do so; and

Whereas, the U.S. Ambassador to the United Nations has stated "Communism has never been a threat to me"; and

Whereas, the U.S. Ambassador to the United Nations supported the action of his aide, Brady Tyson, who used his official position on the U.N. delegation as a platform for denouncing U.S. opposition to the Marxist Regime of Salvatore Allende; and

Whereas, the U.S. Ambassador to the United Nations actively supported the appropriation of a $100 million fund to assist a transition to Marxist rule in Africa; by supporting Red Forces in Tanzania, Mozambique, and Angola; and

Whereas, prior to his appointment, the present U.S. Ambassador to the United Nations, as a member of the "Gulf Boycott Coalition" evidenced his active support for a Marxist victory in Angola and worked for the election of Angela Davis and other avowed Communists to the Board of the Gulf Oil Corporation; and

Whereas, prior to his appointment, the present U.S. Ambassador to the United Nations, in 1975, was a co-sponsor of the Communist Party-backed second National Conference in Solidarity with Chile; and

Whereas, the U.S. Ambassador to the United Nations has worked to increase U.S. taxpayer subsidies to the Castroite Marxist Regime in Jamaica;

Therefore, be it known, That—

For the foregoing reasons, we the undersigned Members of Congress manifest our deep concern regarding the performance of U.N. Ambassador Andrew Young and hereby convey our lack of confidence in his fitness to continue in the position to which he has been appointed, and call for his immediate impeachment under Article II, Section 4, of the United States Constitution.

Bob Stump, Steven Symms, George Hansen, Robert E. Badham, John H. Rousselot, Larry P. McDonald, John M. Ashbrook, Dan Marriott, Robert K. Dornan, Philip M. Crane.

INDIAN RIGHTS BILLS

HON. ARLAN STANGELAND

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. STANGELAND. Mr. Speaker, I represent a district that encompasses three of the largest Indian reservations in the State of Minnesota. Since being elected to the Congress I have become increasingly aware of the problems that exist from the current maze of treaties, laws and court rulings in regards to Indians. These problems have grown over the years to the point where they now affect many of our citizens. This is particularly true in my district where the problems of tribal jurisdiction and land title resulted in a meeting of 2,000 of my constituents this last June. The issues and concerns they raised were neither pro-Indian or anti-Indian, they were raising the concerns of people faced with a mass of laws and court rulings that were complicating their lives and ruining their life long investments in property and livelihood.

Today I have the privilege of joining the gentleman from Washington's Second District in cosponsoring two bills which will address a number of these

"people issues" being faced in my district and districts across the country. These two bills, "The Omnibus Indian Jurisdiction Act of 1977", and the "Quantification of Federal Reserved Water Rights for Indian Reservations Act", represent major steps toward solving the mass of problems relating to Indian affairs. For too long the Congress has neglected its duty to legislate in this area. Instead it has deferred to the courts, which have muddied the waters instead of clarifying the issues. The result has been lengthy court cases, that have cost millions of dollars, and untold hardship for both Indians and non-Indians. It is time we faced the broad spectrum of Indian issues and exercise our legislative duties. I urge prompt action on these bills.

THE INTERAGENCY TASK FORCE REPORT ON PRODUCT LIABILITY

HON. EDWARD W. PATTISON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. PATTISON of New York. Mr. Speaker, earlier this week the Commerce Department's Interagency Task Force on Product Liability made public its long-awaited final report. I am pleased to note that the task force has produced a first rate product that is comprehensive and thoughtful.

The report is a massive document, running about 600 pages in its draft form. So it is likely to be a little while before it is fully digested. However, I am certain that its findings and recommendations will soon form the basis for congressional action on the product liability insurance problem.

As one of the authors of the Product Liability Insurance Tax Equity Act, H.R. 7711, I naturally turned first to the section of the task force report that addresses the issue of captive insurance companies and self-insurance plans. Of course, I was pleased to see that the report recommends that the Treasury Department consider seeking changes in the tax code to aid those who seek to self-insure for all or part of their risk. This supports our efforts on behalf of H.R. 7711. For more information on this, see CHUCK WHALEN's remarks in yesterday's RECORD.

But the report addresses many other issues, in addition to the question of self-insurance. In order to speed up dissemination of the task force report, and thus stimulate discussion of it, I would like to share with my colleagues a newsletter I received today.

Of all of the organizations that are involved in the search for a solution to the product liability insurance crisis, the National Machine Tool Builders Association has been one of the most active and effective. The association's members, mostly small and medium size manufacturers of industrial machinery, are among the companies most severely affected by this problem.

The machine tool builders have rushed out a special edition of their publication, the Federal Legislative Digest, summarizing the key points in the task force report. Naturally, it also includes a commentary on how the report affects the various legislative proposals on which the NMTBA has taken a position. I think this special edition of the NMTBA's Federal Legislative Digest provides the most succinct and timely summary of the final report of the Interagency Task Force on Product Liability that we are likely to find anywhere.

Mr. Speaker, at this point in the RECORD I wish to insert the text of the newsletter:

INTERAGENCY PRODUCT LIABILITY STUDY BACKS NMTBA POSITION

NMTBA members, who are burdened with soaring product liability costs and who live in constant fear of suffering economic disaster in a courtroom, won a major battle this week in their fight for workplace product liability reform.

The Commerce Department's Interagency Task Force issued its final report Tuesday, calling for among other things, reforming the workers' compensation (WC) system to upgrade benefits for serious workplace disabilities and to make these increased benefits the sole and exclusive remedy of injured workers.

"The cost effectiveness and potential impact of the WC sole source remedy make it an attractive one for serious legislative consideration," the report declared. "It would apepar that it should be considered along with more general WC legislative reform."

As an alternative remedy to soaring workplace product liability insurance costs, the report calls upon courts and legislative bodies to recognize the comparative fault doctrine in product liability cases, including permitting an equipment supplier to recover damages from a negligent employer, such damages perhaps to be limited by the employers' total WC liability.

Both of these remedies are strongly favored by NMTBA, although the WC sole source provision is preferable, because it would eliminate most product liability lawsuits altogether, while providing reasonable compensation for seriously injured workers.

NMTBA President James A. Gray observed that, "the Interagency Report, taken as a whole, is most fair and objective, and the workplace section couldn't have been better from NMTBA's viewpoint, if we had written it ourselves."

Workplace product liability claims constitute only 11% of the total number of PL claims, but they account for over 42% of the dollars paid out by insurance companies for plaintiffs' awards, WC subrogation awards, and defense costs.

A 1976 NMTBA survey indicates that less than one product liability claim in 25 results in a major court verdict for an injured worker (for an average award of $256,000); that about one-third of the claims are settled for an average of $18,000 (in most cases, the amount of the WC subrogation lien); and that the balance of the industries PL claims result in absolutely no award to plaintiffs but in substantial defense costs. The Interagency Task Force Report says that for every dollar paid out by insurance companies for product liability awards, another 35¢ is spent on defense costs.

In addition to the workplace product liability remedies favored by NMTBA, the Interagency Task Force Report favors these approaches to the problem:

Applying negligence standards to "design defect" and "failure to warn" cases, instead of the strict liability standards currently applied by the courts;

A 10-year statute of repose, after which employers would be liable for economic losses (but not for pain and suffering) for injuries suffered on overage equipment used in the workplace. Manufacturers of drugs and other consumer products containing latent defects would be liable for full economic losses to those whose injuries did not manifest themselves until after the 10-year statute of the repose had tolled;

A form of "elective no fault" in which manufacturers of unavoidably unsafe pharmaceuticals would pay for economic losses occasioned by all injuries caused by their products;

A rebuttable presumption in favor of the safety of products designed in accordance with "practical and reasonable standards" set by government agencies or other "independent and reliable sources" at the time the product was manufactured;

Court-appointed expert witnesses and pretrial examinations to test the caliber of all expert witnesses;

Hold harmless agreements indemnifying equipment suppliers against employer negligence;

Qualified approval for subsidized re-insurance, coupled with mandatory loss prevention programs, provided the subsidy can be justified by public policy considerations;

Requiring insurance companies to provide loss prevention services to their clients for a fee or surcharge;

Qualified approval for voluntary insurance pools;

Qualified approval for federal charters and tax deductions for individual and association captive insurance companies;

Qualified approval for the tax deductibility of self-insurance product liability reserves (a measure strongly favored by NMTBA); and

The use of arbitration in certain types of product liability cases.

The report tends to oppose these proposals for tort reform and insurance mechanisms:

Making "State of the Art" an absolute defense;

Giving increased evidentiary credibility to industry standards;

Eliminating attorneys' contingency fees;

Eliminating damages for pain and suffering in most cases;

Eliminating the collateral source rule;

Establishing periodic payment of damages (unless a no-fault system is adopted);

Establishing government unsatisfied judgement funds;

Assigned risk insurance plans;

Joint underwriting authorities (or mandatory insurance pools);

Direct government insurance programs; and

No-fault insurance concepts except in certain circumstances (such as workers' compensation).

The report is critical of current insurance rate-making and reserving practices and calls for better data collection, for greater state regulation of premiums, and for financial disclosure and accountability by PL insurance companies.

GOVERNMENT CONTROL LIMITS MED SERVICES

HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. DUNCAN of Tennessee. Mr. Speaker, as my colleagues are aware, the Department of Health, Education, and Welfare published in the September 23, 1977, Federal Register an advance notice of proposed rulemaking for national guide-

lines for health planning. I believe all Members should be gravely concerned by this action because these proposed guidelines, in their present form, violate what I feel was congressional intent in enacting the National Health Planning and Resources Development Act of 1974.

In conceiving this act, I feel we foresaw its giving an opportunity to State and local entities to have meaningful input in the development of health planning guidelines. In the preparation of these guidelines, however, this was certainly not the case. Contrary to the requirements of the law, the National Council on Health Planning was not even consulted in the guidelines' development. Further, if adopted in their present form, the guidelines, with their mandatory, universal application, would make HSA's mere mouthpieces for Federal health standard dictates.

My colleagues should also note that the proposed guidelines, with their limited exceptions, exceptions which can only be defined by HEW, do not address the problems of accessibility and availability of health services. For the many medically underserved areas in our Nation, and sections of my own district fall into this category, these guidelines could prove disastrous. They have no flexibility. There is no provision for local and State planning agencies to adapt the guidelines to their particular needs.

Finally, the guidelines place great emphasis on cost containment, not health planning, a fact which leads me to believe that the administration is trying to do administratively what it has not yet been able to do legislatively. In any area, but especially in one as important as health care for individuals, we cannot allow lawmaking by regulation.

I hope my colleagues will share my concerns and will join me in voicing them before the November 22 comment deadline. This issue is simply too important to ignore.

In closing, I would like to recommend to my colleagues the following editorial which appeared in the Maryville-Alcoa Daily Times, a newspaper in my district, which addresses quite clearly the adverse potential these proposed guidelines represent:

GOVERNMENT CONTROL LIMITS MED SERVICES

Government control of health care through various regulations of its own Medicaid-Medicare programs may soon leave little choice to smaller communities in types of medical services available.

In an effort to take advantage of mass production techniques to reduce costs, the government is proposing through area health systems agencies to limit the types of treatment which facilities can provide persons covered under federal programs.

For example, it would not pay for its patients for delivery of a baby in a hospital which does not have at least 2,000 births per years in urban areas. It is true that a facility which handles more than this number can do so at less cost per patient and thus save the government money.

However there seems to be no consideration given as to how the patients covered are going to pay the added cost of driving 20 to 50 miles or more in some areas to reach a hospital in a larger community. This involves not only a trip to and from a hospital but perhaps several trips by members of the family going to visit the patient and taking personal items to the patient. Such costs to the family may well exceed any savings.

When the government eliminates use of such facilities by those covered under government programs the cost will be so high that facilities in small communities will have to discontinue the service. There are also indications that facilities not meeting the use standards would be denied federal funds.

If the proposed program goes into effect, it will mean that all Blount Countians will have to go to a Knoxville hospital for the delivery of babies, causing a lot of inconvenience. Blount Memorial Hospital delivers about 1,000 babies per year, being only half enough to qualify to maintain that service.

One of the problems involved in the cost of medical care may be the abuse or misuse of insurance coverage and government medical programs. Since 92 percent of all hospital costs are covered either by hospitalization insurance or government programs, many Americans are not as conservative as they could be in the length of hospitalization and other items which boost costs.

Another proposal which may well lower the quality of health care is that of a federal limit on hospital spending which would hold increases to 9 percent per year.

Alex McMahon, president of the American Hospital Association, recently said that a survey of 700 United States hospitals revealed that such a ceiling would:

Force 45 percent to cut back on clinical services offered.

Cause 28 percent to cut back on emergency room services.

Bring a reduction of nurse staffing services to 27 percent.

Cut back various social services at 29 percent.

Force the closure of whole wings at 5 percent of the 700.

Close the doors of 5 percent of the total.

Socialized medicine brings many doctors each year from Canada to the United States to practice and Great Britain has sounded its warning too. Under socialized medicine in Britain the normal waiting period to have surgery for a hernia is 24 months.

American medical care has been greatly assisted by some of the governmental programs such as the research related to space exploration but the thinking and initiative of free enterprise and private research have provided the freedom essential for the progress made.

If the red tape of big government continues to wrap its tentacles around the health care field like it has financing of government in general, instead adding 1½ years to the life exepctancy of our residents in five years the opposite will be true.

As a nation, as well as individuals, we have problems with learning from history or even current events such as what is happening in Britain, Russia and other countries. Do we, like a child, have to touch the stove and get burned to learn a lesson?

MULTILATERAL AID TO UNITED NATIONS

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. YOUNG of Florida. Mr. Speaker, during the debate on the foreign aid appropriations bill, one of the most often used arguments in support of multilateral assistance is that it encourages other countries to increase their contributions and share the load to a much greater extent.

In theory this sounds good, but in practice it does not always work. Let me call attention to several recently negotiated agreements for multilateral contributions. First the recently concluded IDA fifth replenishment includes the following contributions:

United States, $2,400,000,000;

Saudi Arabia, $250,000,000;

Kuwait, $180,000,000;

United Arab Emirates, $50,750,000; and

Iran, 0.

I certainly cannot consider the contributions from OPEC members to be satisfactory, especially when compared with the U.S. level.

Second, the United States contributed $100 million to the United Nations Development Program for 1977, while at the same time the Soviet Union contributed only $4.2 million. In fact, the 10 Communist countries, including Russia who did contribute to the UNDP in 1977 put in only a total of $7 million.

Finally, a United Nations committee has just recently approved a new scale of assessed contributions for its members. The United States will be assessed $100 million annually or 25 percent of the regular U.N. budget. The oil-rich countries all together will only pay in around $6.3 million or 1.52 percent of the U.N. budget. Fortunately for the American taxpayer this assessment has not gone unnoticed by our own representatives at the United Nations. U.S. Delegate, Congressman LESTER WOLFF stated that the new scale of assessments "accords insufficient responsibilities to those countries whose incomes and whose currency reserves have expanded commensurately." Congressman WOLFF has clearly identified a major flaw in the multilateral aid approach. The levels of contributions from member countries are not reflective of the current economic conditions within the international economic system. Not only are the OPEC members making windfall profits from us, but in addition the high price of oil has set back development within the Third World to a much greater extent than anything the United States can do to offset it.

Mr. Speaker, I do not consider these levels of contributions to be anything resembling a sharing of the load. So while theoretically multilateral aid programs bring in some contributions from other member countries, let us not kid ourselves, there is nobody any where even coming close to the contributions of the American people.

An interesting side note to all of this is that Vietnam proposed that its scale for the U.N. regular budget, which is currently at the minimum level of 0.01 percent of the total budget, be reduced by a third to 0.003 percent. It seems that everybody at the U.N. wants to rebuild Vietnam, with the American taxpayer footing the bill. I believe the people of America have had enough and want us to see that major changes come about in our foreign aid program.

DEBUTTS SAYS CARTER ADMINISTRATION NOT ANTIBUSINESS

HON. WILLIAM S. MOORHEAD
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, John deButts, chairman of the board of A. T. & T., hardly could be considered a disinterested party on the subject of the Carter administration's relationship to business.

As the head of the world's largest regulated monopoly, his fingers and legs have done the walking for many years through the yellow pages of government, first as A. T. & T.'s vice president for government relations—some 20 years ago—and now as its board chairman.

He knows Washington and its inhabitants and he is aware, despite the rhetoric, that no modern American administration is either pro-business to the detriment of the consumer public or antibusiness to the chagrin of American industry.

The truth is somewhere in the middle, in the mix and flow of hundreds of laws written by Congress and the thousands of regulations and rulings issued by Federal agencies.

Speaking in Pittsburgh several weeks ago, Mr. deButts was very forthright in saying the Carter administration neither favors big business nor goes out of its way to inhibit the free flow of goods and services.

And I quote:

The current Washington establishment, including its Congressional component—is paying heed to these perennial concerns of the business community, more heed than the headline reader might imagine, more than some businessmen are yet ready to accept.

I don't want to be misunderstood. I am not saying that the Carter Administration or the powers that currently reside on the Hill are probusiness. In fact, I am inclined to doubt that ever again we shall see—nor should we—a completely probusiness administration in Washington. Quite properly business today exercises no more influence on the Washington scene that it earns through the merits of its viewpoints and the cogency of their representation.

What I am saying is that the leaders of our Federal government today are not antibusiness. What I am saying is that they are ready at least to listen.

I would hope that my colleagues, those people in the business and media communities who have been quick to judge the Carter administration, would study Mr. deButts' comments. They are extremely topical and important as our Nation faces its many economic problems:

BUSINESS AND GOVERNMENT

I am going to talk about that perennial topic—government and business. In doing so, I trust I shall manage to avoid the usual banalities. At any rate I propose to address the topic not in generalizations but in terms of the specifics of the relationship of the business community in 1977 with the Administration currently resident in Washington and with the Senators and Congressmen currently serving on the Hill.

Before proceeding perhaps I should present my qualifications as an "expert" in business-government relationships. In a sense, my qualifications are precisely the same as yours. Indeed, it is a commentary on the times that there is probably no head of a business these days—and whether it be a large business or a small one—who doesn't almost constantly "relate" to government in one way or another. Today, not just a few, but all industries are regulated to the hilt.

So far as my personal qualifications are concerned, it was just a little over 20 years ago that I became an "instant" expert in business-government relations by virtue of an organization notice that said that J. D. deButts, who up until that time had led a relatively innocent and sheltered life in various operating jobs, would become assistant vice president-government relations in Washington, D.C. It was that experience, toiling in the political vineyards in Washington, that really brought home to me the essentiality of proper business-government relations. That was in 1957—and while a fairly wide variety of assignments have come my way since, government relations has been a not inconsiderable element in all of them, including my present one.

The Bell System's relationships with the government might be described, I suppose, as a kind of love-hate relationship.

On the one hand, we recognize that without rigorous regulation of virtually every aspect of our operations, the Bell System in its present form would not be permitted to exist. At the same time, I don't recall an era in our history when we haven't had occasion to object, as currently we object strongly, to the way we're regulated.

Government is our largest customer. In 1976, the Federal, state and local governments paid the Bell companies $1½ billion for communications services. But last year our total operating taxes amounted to almost four times that amount. If we had the same kind of "balance of payments" arrangement with many of our other large customers, we wouldn't stay in business very long.

Finally, contributing to the love-hate relationship I've been talking about is the disposition of the government to pat us on the back with one hand and clobber us with the other. When the government wants a distant early warning line built across the top of the continent or an antiballistic missile system designed or when it wants a contractor to run one of its most crucial atomic energy installations—at cost only, by the way—the Bell System is a "unique national resource." It was largely owing to its uniqueness—its integrated structure—that the Bell System was able to keep the 'phones ringing while nearly all else stopped during the New York blackout of a couple of months ago, even going so far as to route calls from Westchester to Manhattan via California to be sure they got through. And yet it is that same unique national resource and its extraordinary capability that the Justice Department in its antitrust suit now seeks to destroy.

One more example: the Federal Communications Commission shows not the least reluctance to acknowledge that this country enjoys the best, the least expensive and the most advanced telecommunications services in the world. And yet of late years the Commission has busied itself at undermining the very principles that underlie that achievement—undivided responsibility for service, pricing principles aimed at making telephone service as widely affordable as possible and a unified, systematic approach to the design, construction and operation of the nationwide telephone network.

On balance, though, a business that under regulation has been able to attract more investors than any other in the world can hardly complain—at least so far—of having been too badly used in the process.

But it was not to discuss the Bell System's relationship with government that I came here but rather the relationship of the business community as a whole. To appraise that relationship in some sort of historical context, let us look at some of the major concerns about government that spokesmen for business have recently articulated from platforms like this one. Here are those concerns.

We are concerned that by extravagance, deliberate or otherwise, the government might rekindle inflation.

We are concerned that by its tax policy the government might inhibit investment, impede capital formation and thereby slow the growth and modernization of American industry.

We are concerned that through unrealistic rulemaking undertaken in the interest of such unexceptionable goals as a healthier and safer environment the government might impose costs and inefficiencies on the operations of American industry that would render it noncompetitive in world markets. These are costs that, whether he knows it or not, the American consumer sooner or later pays.

We are concerned about the effect on industry's competitive capabilities of government policies that tilt the scales in favor of labor and make industry's operations vulnerable to unrealistically restrictive work rules and wasteful featherbedding requirements.

We are concerned that unduly restrictive and detailed regulation might infringe—might further infringe on our freedom to manage.

We are concerned that government indifference to the anticompetitive practices of subsidized foreign industries may literally destroy some great American businesses and the jobs that go with them.

We are concerned that doctrinaire or recriminatory application of the law might penalize success and undermine the very strengths that make the American economic system unique in the world.

And finally, we are concerned that by almost indiscernible increments the government will come to exercise so large an authority over economic decision-making in this country as to endanger what in speech after speech in recent years I have called that "crucial balance" between the public and the private sectors that, should we lose it, would make our society quite a different one from that we've known over the past two centuries and our freedoms less.

Now the proposition I would like to share with you today is that the Carter administration—or, more properly, the current Washington establishment, including its Congressional component—is paying heed to these perennial concerns of the business community, more heed than the headline reader might imagine, more than some businessmen are yet ready to accept.

I don't want to be misunderstood. I am not saying that the Carter administration or the powers that currently reside on the Hill are probusiness. In fact, I am inclined to doubt that ever again we shall see—nor should we—a completely probusiness administration in Washington. Quite properly business today exercises no more influence on the Washington scene than it earns through the merits of its viewpoints and the cogency of their representation.

What I am saying is that the leaders of our Federal government today are not antibusiness. What I am saying is that they are ready at least to listen.

In one respect, this is a quite unexpected development. In the post-Watergate environment and in the wake of a continuing stream of revelations of business misconduct, it would not have been surprising to see business made the whipping boy for all that ails our society. But that has not happened. Even in the Presidential election campaign there was only an occasional rhetorical blast at

what long ago Mr. Roosevelt called "malefactors of great wealth"—and even then one sensed the candidate's heart wasn't in it.

I don't want to imply that Watergate and all the other improprieties that have come to be subsumed under that label have been althogether without consequences. We do have the so-called "sunshine laws" and it remains to be seen whether they will in fact lead to greater openness in government or whether they will drive the decisionmaking process even further back into the shadows.

And I would be less than realistic if I did not ackowledge that there are a number of people in government—the more insecure among them—who are so wary of business and the implications of responsiveness to its aims that they are not ready to risk association even on the most unexceptionable terms.

These people, however, are a minority. In tho main, business viewpoints are being given a respectful hearing these days—both in the Executive Department and in the Congress.

What the effect of the Bert Lance affair will be I can't tell. I imagine each one of us has his ideas about that. What I will say is that in my brief acquaintance with him Bert Lance appeared to me to be a man of unusual intelligence and perception. Uniquely he commanded the confidence of the President and of the nation's business leadership. I can only hope that his replacement, whoever he or she might be, will continue to afford us the fair hearing we've received so far.

Evidence that we have received a fair hearing and evidence that what we've said has not been without effect are the withdrawal of the Administration's $50 rebate proposal from its tax package, the stretch-out in the auto emission standards required by the Clean Air Act and the defeat of the common situs picketing measure.

Clearly business representations have given the Administration and Congress second thoughts with respect to energy policy, the need for consumer protection legislation and—most notably—taxation. In none of these areas will business get all it wants. But I am ready to assert right now that what does eventually emerge will make a lot more sense than it would have had we chosen to stand mute.

With respect to tax legislation, for example, I am ready to surmise right now that we will see proposed some reduction in the corporate income tax rate, we will see the investment tax credit made permanent and we will see some form of alleviation of the double taxation of dividends. On the other hand, I anticipate we'll see a gradual phase out of special provisions with respect to capital gains—this along with (perhaps) a reduction in the maximum FIC rate for individuals from 70 per cent to 50 per cent.

Don't hold me to those predictions. That's just the way things look to me now.

At this point, it would not surprise me if some of you weren't ready to ask in what forums—by whom to whom—are business' viewpoints being represented to government?

This would be a much more newsworthy talk if there were very much mystery to the answer to that question. There isn't.

Most of you are familiar, I think, with The Business Roundtable. What makes the Roundtable unique is that the chief executive officers who comprise it—rather than delegating the task of representation to their public affairs officers—take a personal role not only in spokesmanship but in hammering out the policies for which they'll speak.

The Roundtable seeks to anticipate developing issues. We assign task forces to study them. We circulate position papers—and we seek to the extent we can to find a common ground of agreement. That's not always possible but I can assure you that the exercise of doing so adds immeasurably to the conviction and confidence with which we speak our piece to the Administration or the appropriate committees of Congress. The members know what they're talking about.

Unlike the Roundtable, The Business Council—of which currently I am honored to be head—takes no positions. Instead it provides a forum for representation of government viewpoints to business and business viewpoints to government. There was a time when the government felt that The Business Council was merely an advisory agency to the Commerce Department. One of my predecessors—both as chairman of The Business Council and as chief executive officer of AT&T—bluntly disabused the administration of that day of that notion. Since that time no one has been under the impression that The Business Council is a creature of government.

That doesn't mean that we don't want to do what we can to help solve national problems where business expertise and experience might help. It is to this end that members of the Council have been asked—by the Commerce Department, by the House Ways and Means Committee—to put together informal groups to study and recommend solutions to economic issues or—what may be just as useful—to serve as sounding boards for the proposals of others. So far we have tackled such matters as taxation, line-of-business reporting, capital formation, regulation, what the Administration at least privately acknowledges to be the EEO "mess"—and many others.

In brief, then, business is speaking out and—at least so far—government is listening. Is the President listening?

Some of you may have read that last Friday the President met with a group of businessmen at the White House. It was my privilege to be a member of that group, which was organized by Juanita Kreps, the Secretary of Commerce. When the White House first indicated that the President would receive a business delegation, there was a natural disposition for just about every businessman invited to claim time to speak his pet piece. However, it soon became obvious to all of us that in 45 minutes one can only say so much and that in that time we had best address only the most important of the issues that affect us all and on which we might have some claim to authority. And that's what we did. We gave our views on the economic outlook, on tax reform and the importance of business confidence to sustained economic progress.

What I hope we managed to convey in the course of our brief meeting with the President is the urgent need for an authoritative definition—that is, by the President himself—of the Carter administration's economic policy. It is uncertainty in this area that more than any other single factor accounts for the tentative nature of the present recovery cycle and for industry's reluctance to make major commitments for growth and modernization.

The President listened, and I am most hopeful that more such meetings will be forthcoming on other subjects.

But there are two sides to this coin.

That the President is listening, that Washington is listening, presents the business community with an opportunity we must not neglect and obligations we must not fail.

First of all, given the opportunity, we have the obligation to speak out clearly and forcefully on issues on which business has an interest and can demonstrate competence. It was not so long ago—in the wake of Watergate—when we were being advised otherwise. So low did business stand in the public's estimate that to some it seemed we would be best advised to keep our counsel for awhile. With that viewpoint I did not agree.

I did not agree for two reasons. First of all, I was not ready to accept the notion that because some businessmen had disgraced themselves I was disgraced, all business was disagreed and, that being so, I had any lesser right to speak my piece. Second, it seemed to me—and still does—that not in a long time has the nation so much needed to be reminded of the hard lessons business teaches, notably that even of good things we can have too much, especially when we lack the wherewithal to pay for them. In this country today we are in the process of a major thinking-through of the roles of the major institutions that serve us—which should be public and which private and where does the "crucial balance" lie. In that thinking-through, business has a major stake—and that stake is freedom. In its name, we have no greater obligation than to speak out for what we believe.

At the same time, we must take care, it seems to me, to eschew the rhetorical excesses of some hard line business spokesmen. It is a disservice, it seems to me, to imply that government and business are—and must forever be—irreconcilable antagonists. I don't believe any of us these days are so fanatically committed to our free enterprise system as to see its doom in every regulation government proposes. And most of us, I think, are sufficiently realistic to recognize that the resolution of issues involving conflicting interests and opposed convictions inevitably involves trade offs. Accordingly, I trust you would agree that this is no time for the kind of all-or-nothing oratorical extremism that, however satisfying it might be at the moment, might stand in the way of sensible accommodation.

This is a time to build not antagonisms but trust. And we can build trust, it seems to me, if government learns it can look to us for unvarnished facts, unbiased data, constructive recommendations. And we'll build trust to the extent that government learns that along the road we recommend there are no unpleasant surprises.

That we are being listened to imposes still another obligation on us—and that is that we do our very best to make sure that in good conscience we can say that what we propose be public policy truly reflects the public interest and not merely our own. Usually it's not hard to figure out what's best for me. What's best for everybody, however, takes some thinking about. That's why The Business Roundtable, for example, adopts no public position casually. It is only after the most rigorous examination of the facts and the most careful weighting of alternative viewpoints that the Roundtable declares its position. There is no denying that what it finally declares represents a business viewpoint. But it is a business viewpoint not of what is good merely for business but what is good for our entire country.

Finally, we need to recognize that the authority with which business speaks on public policy issues depends in the final analysis on its own performance. My company's right to be listened to on the vital topic of energy conservation, for example—and the persuasiveness of our plea that industry be granted scope for initiative in this regard rather than be constrained by excessively detailed government instructions—is based not on preachment but on the programmed conservation efforts that have reduced the Bell System's energy consumption by nine per cent over the past four years while the volume of business we handle has increased 32 per cent. More broadly, it is the earnestness with which business addresses itself to its traditional role of creating value for the American people and the integrity with which it pursues that task that will establish our right to be heard in the counsels of the land. Trust in what we say depends on respect for what we do.

Finally, I know that many businessmen—perhaps many of you—are wary of politics and wary of politicans. So vital, however, is the relationship of government and business

that to my mind the chief executive officer who is content to delegate responsibility for that relationship to his public affairs experts may be neglecting one of the most crucial aspects of his own responsibility.

Admittedly politics is a disorderly process and an occasionally uncomfortable one. But disorderly as it is, discomfiting as it is, it is the process by which our democratic society makes up its mind about its goals and the means of achieving them. And politicians—surely in this context theirs is a calling no less worthy than our own. Do we not, then, have an obligation—whether we voted for President Carter or voted against him, whether we voted for the Senators and Congressmen who currently represent us or whether we voted against them—do we not, so long as they hold those offices, have an obligation to do what we can to help them discern and carry out policies that are right for America? I think we do—and I hope you do, too.

THE CONDITIONS ON ELLIS ISLAND ARE DEPLORABLE, CONSIDERING ITS IMPORTANCE TO OUR NATIONAL HERITAGE

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. KOCH. Mr. Speaker, last year during the Bicentennial, one of my staff members in New York went on a tour of the newly opened buildings on Ellis Island. These facilities, which had served as the principal port of entry for immigration into the United States for generations, were found to be in appalling condition. As the guide conducted the tour, he interspersed his prepared remarks with caution to beware of falling plaster and warnings against straying from the group lest unsuspecting visitors fall through the rotting floors and injure themselves. The chief attraction of the tour, the Great Hall where immigrants were once processed by the thousands per day, was at one time a monumental Victorian rendition of Renaissance architecture. But 22 years of neglect and vandalism, since Ellis Island was closed as an immigration center, and its reopening for the Bicentennial, have reduced whole rooms of this building to rubble.

This past summer, when the island reopened again for tours, I began to hear once more from concerned constituents who were horrified with the state of these historic facilities. As a result, I contacted the National Park Service, which was given jurisdiction over Ellis Island when it became part of the Statue of Liberty National Park system. I learned that the initial funding of projects for the improvement of Ellis Island was limited by law to a one-time authorization of only $6 million, and that almost half of this sum had already been appropriated and spent. Yet the degree of disrepair is so great that the sums required to accomplish even modest rehabilitation far exceed the authorization level. The money spent thus far has only partially stabilized the rate of decay by installing plywood walkways and restoring the docking facilities so that visitors can safely tour the immigration center.

My colleague and fellow New Yorker Congressman JONATHAN B. BINGHAM and I are in wholehearted agreement that the conditions on Ellis Island are deplorable, considering its importance to our national heritage. In addition, an authorization level of $6 million is grossly inadequate and unrealistic in view of the extensive rehabilitation necessary for full use of the island. Because JACK BINGHAM and I are increasingly concerned about the prospects for improving the situation, we are introducing today a joint resolution to increase the authorization level permitted for Ellis Island to $50 million.

We suggest this figure as a realistic appraisal of the amount of funding needed to restore the island and establish facilities that would make Ellis Island an attractive recreational setting as well as a park of historic importance. The National Park Service has provided me with figures estimating the cost of simple rehabilitation to approach some $37 million. This task would involve the restoration of the Great Hall, the removal of miscellaneous structures, dock safety and improvement, landscaping, and dredging of the ferry basin. According to the Park Service, this estimate represents a compromise between the basic stabilization costs, and the expense of full-scale development and rehabilitation.

We believe that restoration of the island should be a priority, but also see that the potential as a recreational area should be explored. The Restore Ellis Island Committee (REIC), which is a group of private citizens across the country who are devoted to raising interest in restoration of the island, has proposed several options for possible programs that could be instituted on the island. One proposal that I found to be of interest would be to transfer to Ellis Island microfilms of the immigration records that are currently stored in the National Archives here in Washington, so that visitors who have an interest in their heritage might find the records of their forebears' entrance into this country. The island would be a perfect site for the celebration of ethnic festivals or for seminars, if the necessary landscaping and picnic facilities were installed.

Ellis Island is one of America's most symbolic and historically important monuments, and the shameful state of its disrepair and decay is tragic considering the part it played in so many immigrants' lives. It is estimated that during the 62 years Ellis Island served as the country's principal port of entry, some 12 million immigrants were processed through its facilities. It has been conjectured that nearly half of all living Americans are related to someone who passed through Ellis Island. Authorizing sufficient funds to repair and restore the island, and to provide moneys to turn this 27-acre island in New York Harbor into an attractive park, is a project that would mean a great deal to immigrants and descendants of immigrants to who Ellis Island represents the beginning of their American experience.

I am appending to this statement the results of my inquiry to the Park Service on the cost of restoring Ellis Island, and editorials from the New York Times and the Washington Star urging the preservation of the island as a monument:

NATIONAL PARK SERVICE,
Washington, D.C., September 8, 1977.

Hon. EDWARD I. KOCH,
House of Representatives,
Washington, D.C.

DEAR MR. KOCH: I am pleased to respond to the questions in your letter of August 9 concerning Ellis Island.

As you indicate, the legislation establishing Ellis Island authorized a limitation ceiling of $6,000,000 for park development. Through FY 1978 appropriations have been received totaling $2,661,000 for developments, leaving an unappropriated limitation balance of $3,339,000. The appropriation amounts and project descriptions by fiscal year are listed below.

	Appropriation Amount
Fiscal year 1967:	
Emergency stabilization, miscellaneous facilities	$185,000
Fiscal year 1976:	
Initial rehabilitation	1,000,000
a. Utilities (water and sewer), dredging, seawall rehabilitation where ferryboats dock, and cleanup in vicinity of dock	(500,000)
b. Roof repairs, main building	(500,000)
Fiscal year 1977 supplemental:	
Initial rehabilitation, main building (continuation)	1,054,000
Fiscal year 1978:	
Planning for additional rehabilitation, main building (including $5,000 for exhibits)	172,000
Rehabilitation of tower roofs on main building (portion)	250,000
Total	2,661,000

The estimated cost for renovation and restoration of Ellis Island after FY 1978 is about $31,000,000. The most significant project would be the rehabilitation of the Main Building, estimated to cost about $20,000,000 (in addition to the amount provided through FY 1978). Other projects would include rehabilitation of seawalls, docks and buildings, removal of old structures, landscaping, and dredging of the ferry basin. We believe that this degree of restoration, with special emphasis on extensive rehabilitation of the Main Building, would be essential to provide a safe and meaningful interpretation of the park. These projected development requirements and costs are tentative, and could be modified after the General Management Plan (to be undertaken next year) is completed and approved. To cover the projected development cost estimate, the currently authorized development ceiling of $6,000,000 should be increased to $37,000,000.

WORK PROGRAMS AT ELLIS ISLAND

The Comprehensive Employment Training Act program provided about 15 workers during the winter of 1975–1976, to perform cleanup and grounds restoration. These workers served until full-time National Park Service employees came on duty in the summer of 1976.

During the summer of 1977, a Youth Conservation Corps service was established with an enrollment of about 25 city youths. Transported daily to the site, the youths worked 8-hour day shifts for an 8-week period. As previously, the work consisted of cleanup of debris and grounds restoration. Another work program is scheduled to begin in the

winter of 1978 under the Young Adult Conservation Corps program. The participants in this program expected to number about 100 persons, are somewhat older than the school age youths who worked during the summer months, and, therefore, would be available for full-time work during the winter and spring seasons. The Youth Conservation Corps and Young Adult Conservation Corps programs are interbureau programs administered by the Bureau of Reclamation. Funding is appropriated to the Bureau of Reclamation, with the National Park Service receiving funding from that Bureau to provide program direction, safety inspection, etc., for YCC programs.

POLL CONDUCTED BY THE NATIONAL PARK SERVICE

About 12,000 visitors responded to an opinion poll conducted by the Service during the summer of 1976 concerning the degree of development which should be provided for Ellis Island.

Question. Should Ellis Island be totally restored?

Answer. Forty percent of the visitors questioned responded yes.

Q. Should Ellis Island be partially restored? "Partially" in this context referred to restoration of that section of the park relating directly to the processing of immigrants—the Main Building and the limited area currently opened for visitation.

A. Fifty percent of the visitors questioned responded yes.

Q. Should Ellis Island be preserved as it is now, i.e., no permanent rehabilitation except for essential stabilization to correct safety hazards and prevent complete deterioration?

A. Ten percent of the visitors questioned responded yes.

We appreciate your interest in the restoration of Ellis Island and hope this information is satisfactory.

Sincerely yours,

———— ——,

Acting Chief, Program Development and Control Division.

[From the New York Times, May 28, 1976]

PORT OF ENTRY

Ellis Island is a monument because, like Mt. Everest, it is there. No piece of American land has been more symbolic of this country's history; 12 million immigrants arrived through those somber, turn-of-the-century brick buildings and their predecessors. Possibly 100 million Americans today can trace their heritage to its soil.

And yet no piece of historic land has been harder to deal with. The abandoned structures, closed since 1954, have continued to decay, resistant to anything except massive infusion of funds. Ambitious proposals have come and gone. So have preservationists, historians and photographers, bringing back a desolate record of the detritus of freedom and bureaucracy. Macabre and surreal, those empty halls suggested the grim realities as well as the dream of refuge.

Tomorrow the island will open to the public for the first time in 22 years, thanks to citizens' groups, the National Park Service and a $1 million Congressional appropriation for limited rehabilitation. It is an appropriate Bicentennial gesture. Ellis Island is a monument in spite of itself.

[From the Washington Star, June 4, 1976]

ELLIS ISLAND

The opening of Ellis Island as a monument is movingly appropriate for the bicentennial year. The immigrant experience is, of course, the bedrock of the American experience in all its dizzying mutations. Ellis Island, in New York harbor hard by the Statue of Liberty, is the emblem of that historical serial.

Between 1892 and 1954, some 12 million persons passed through that stern place. The National Park Service estimates that 100 million living Americans—nearly half of us—have ancestors who entered America through Ellis Island.

After it was closed in 1954, the facility with its dominating red-brick main building, turreted and domed and somehow unmistakably official, fell to the rough custody of vandals, neglect and the elements. In 1965, Congress included Ellis Island as part of the Statue of Liberty National Monument.

A primary force in securing money from Congress for repair was the Restore Ellis Island Committee; a primary force in that organization was Peter Sammartino, the 72-year-old chancellor of Fairleigh Dickinson University, whose father came to this country through Ellis Island. At the dedication ceremony last week, Mr. Sammartino said, "Ellis Island gives you a perspective on America. It makes you realize that, in spite of all the problems we've had, and all the inequities, we're glad our fathers and grandfathers made the decision to come here."

His comment was eloquently plain-spoken. Perspective is antidote to the dementia that breeds on preoccupation with the immediate. Perspective is always needed; it is vitally needed in a world that becomes newer, and stranger, each year. Ellis Island is a reminder that hope is the assertion of human spirit over fear.

But the 27-acre immigrant center was also called "Isle of Tears." Apprehension was as much a part of the newcomer's baggage as anticipation, and thousands found Ellis Island the barrier to expectations, were sent back to their lands of origin, judged unsuitable.

We have had a difficult time coming to terms with the immigrant chapters of our national tale. The "melting pot" theme, historically sustaining if overly romantic, is being nudged now by reclaimed ethnic pride and identity: Neither is accurate, neither is false. We are ambiguous about our immigrant roots. We have excluded and distrusted and raised obstacles to the latest comers, requiring them to replicate the hard, and often debilitating, experience of those who already had staked their claims.

The process was, and perhaps still is, a reflection of an insecurity in knowing what precisely an American is. America, we suggest, is a matter of becoming, freighted equally with great doubt and great beliefs. The grandness of Ellis Island is that every American, regardless of the particular course of his or her ancestors' journey, shares in its symbolism.

AMENDMENTS TO FEDERAL FOOD, DRUG AND COSMETIC ACT

HON. JOHN B. BREAUX

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. BREAUX. Mr. Speaker, I am today introducing legislation to amend the Federal Food, Drug and Cosmetic Act in order to clarify the status of certain substances and pesticide chemicals which migrate through the ecosystem and are found in raw or processed fish or shellfish. A series of court decisions have held that fish products can be considered adulterated under three clauses of section 402 of the act (which defines an adulterated food product.)

United States v. *An Article of Food Consisting of Cartons of Swordfish, 395 F. Supp. 114,* held that mercury in swordfish is an added poisonous and deleterious substance which is unsafe within the meaning of section 406 (the section of the Food, Drug and Cosmetic Act which establishes tolerances for poisonous or deleterious substances) if the amount of mercury in the fish product exceeds the tolerance. In *United States* v. *Ewig Brothers, 502 F 2d 715 (7th cir. 1974),* the court held that residues of chemical pesticides and processed fish were food additives within the meaning of the Food, Drug and Cosmetic Act. Finally, *United States* v. *Goodman, 353 F. Supp. 250, aff'd, 486 F. 2d 487 (7th cir. 1974),* the court held that residues of chemical pesticides and processed fish were food additives within the meaning of the Food, Drug and Cosmetic Act. Finally, United *States* v. *Goodman, 353 F. Supp. 250, aff'd 486 F 2d 847 (7th cir. 1973)* held that the act suggests a duty for the Administrator of the Environmental Protection Agency to promulgate regulations establishing tolerances of pesticides on raw agricultural commodities for raw fish.

In each of the above cases the presence of a substance or pesticide chemical which was not deliberately added to the fish or seafood but rather was present as a result of the migration of the substance through the ecosystem and into the product resulted in a determination that the food was adulterated.

With regard to presence of a pesticide chemical in raw fish or seafood it is clear that the fishing industry does not intentionally or deliberately add such chemicals to the product. Thus, a fair construction of that provision of the act does not seem to require an individual who harvests or processes fish or seafood products to petition the Food and Drug Administration for the establishment of a tolerance for the addition of a pesticide chemical in or on a raw agricultural commodity.

Similarly, a clear reading of the food additives provision and legislative history which preceded the 1958 amendment indicates that it was the intent of the Congress that only substances used in the production of food should be classified as food additives. The test would appear to be whether or not the substance was deliberately used in the production or distribution of the product even if it is not directly added to the product in which it is detected. If it is not, then the substance should not be considered a food additive.

The report of the Senate Committee cites as principle examples of intentional and incidental additives "substances intended for use in producing, manufacturing, packing, processing, preparing, treating, packaging, transporting or holding food." Thus, in the Ewig case residues of DDT which were found to be present in processed smoke fish and which were not deliberately used in the processing or distribution chain by the fishing industry were incorrectly determined to be food additives by the court.

The third provision of the act under which FDA has moved to find fish products adulterated, requires the establishment of tolerances for poisonous sub-

stances which are added to food. I have conceptual difficulties with this provision due to the wording of the act which requires that the presence of a substance is a per se violation of the law if it is an added substance. Many qualified scientists believe that certain substances naturally are present in the marine ecosystem, although additional amounts are discharged by man. Such substances to the extent they are ingested by fish are, in my opinion, naturally present in the fish and are not "added" substances.

If the substances is not added to the product then FDA must meet a more severe test under the legislation, namely that they must prove that the quantity of the substance in the food renders it injurious to health. Under court decisions, this test has been construed to require FDA to find that the food contain deleterious substances in sufficient quantities to make it injurious to health rather than the amount of an added substance which could possibly cause such injury.

For the reasons discussed above it is also difficult to read the Food, Drug and Cosmetic Act as requiring the establishment of tolerance for the presence of substances in fish or seafood on the basis that a pesticide chemical is deliberately being added to a raw product or on the basis that a substance is being deliberately used in the processing distribution chain and thus construed as a food additive. Therefore, I am today introducing legislation which would qualify the act by exempting raw or processed fish or seafood from being considered adulterated under the three provisions discussed above and in lieu thereof adding a new section to the act entitled "Tolerances for Unavoidable Environmental Contaminants."

This provision recognizes that certain substances and pesticide chemicals are through no deliberate action by the fishing industry found to be present in raw or processed fish or seafood products through ingestion, inhalation or similation by the species involved and in most instances cannot be removed by good manufacturing practices. This provision would provide that the presence of such substances shall result in the product being deemed unsafe for the purposes of the application of the adulteration provisions of the act unless tolerances for such unavoidable environmental contaminants have been prescribed by the Secretary of Health, Education, and Welfare and the quantity of the contaminant present in raw or processed fish within the limits of the tolerance or with respect to the presence of the contaminant in fish or seafood, the Secretary has determined that the contaminant may be exempted from the tolerance requirement.

Prior to promulgating regulations establishing tolerances or exemptions, the Secretary under my proposal is required to give consideration to: First, the necessity for the production of an adequate, wholesome and economical food supply; second, other ways in which the consumer may be affected by the environmental contaminant; and third, risks and benefits attendant to varying tolerances which may be established. The Secretary is further required to consult with the National Marine Fisheries Service and other appropriate departments and agencies for the purpose of obtaining information and scientific data which may be useful in establishing tolerances.

Mr. Speaker, I am fully in accord with the understanding that it is a vital function of the Government to insure the public that food is wholesome and safe for human consumption. Toward that end, the Congress in 1906 enacted the Wiley Pure Food and Drug Act and in 1938 passed the Federal Food, Drug and Cosmetic Act. Since that time, the Food, Drug and Cosmetic Act has been amended again most notably in 1958 when Congress passed the food additives amendment. The initial legislation and subsequent amendments have resulted in the production in this country of wholesome and safe food products and has permitted the improvement of our food products through the judicious use of food additives which have been extensively tested by the food industry and approved by the Federal Government prior to use.

Certainly, there is no basis for deleting fish or seafood products from the adulteration of provisions of the legislation; however, based on court cases and the intent of Congress when amendments to the act were adopted it is clear that substances are present in fish and seafood which were not and have not been deliberately added to the product, either in raw or processed form by the seafood industry. For that reason I believe that more effective and understandable and equitable regulation of the seafood industry can be achieved under the Food, Drug and Cosmetic Act by establishing a new provision which correctly describes the substances in the product. Namely, unavoidable environmental contaminants and provides a procedure by which safe tolerances can be established for the presence of these contaminants in fish and seafood.

This legislation is necessary if we are to remove the uncertainty in the seafood industry as to the manner in which its products are regulated by the Federal Government. This action should also help to insure and to increase consumer confidence in fresh, frozen, cured fish, and seafood products that are made available by the industry. I urge the Labor and Public Welfare Committee to give thoughtful and speedy consideration to this bill.

IN APPRECIATION OF DR. CHARLES E. HAMILTON

HON. JOHN B. BREAUX

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. BREAUX. Mr. Speaker, today I would like to share with my colleagues the outstanding career and record of dedication that Dr. Charles Edward Hamilton has achieved. Dr. Hamilton is known and loved by everyone in our State and recognized throughout the world as a pioneer of the medical profession. His belief that service to mankind is the greatest contribution possible is exhibited by his outstanding career.

The material follows:

DR. CHARLES EDWARD HAMILTON

Born in New Orleans, November 12, 1890, Dr. Hamilton is the son of the late Captain George Carlyle Hamilton and Josephine Gardiner Hamilton. He received his secondary education in New Orleans, and during the summer vacations resided with his uncle, Dr. Arthur Gardiner, at the latter's farm in Bristol, St. Landry Parish. His university years were spent first at Jefferson College, Convent, Louisiana, a Catholic educational institution maintained by the Marist Fathers, and he graduated with an M.D. degree from Tulane Medical School in 1913.

Dr. Hamilton's professional career began with his internship from 1913 to 1914 at T. E. Schumpert Memorial Hospital, Shreveport. One of his early medical assignments was as physician for an oil company in Mexico. His military service in World War I was with the British Expeditionary Forces as Captain. Concurrent with his army service, Dr. Hamilton participated in specialized medical courses at the University of Montpellier in 1919. In 1922, he completed a postgraduate course in physical examination of patients under Richard Calbot, M.D., of Harvard University, Boston, Massachusetts. In 1945, the American College of Physicians awarded Dr. Hamilton fellowship and in 1949 named him a life member. In 1948, he pursued a course in cardiac care at the University of Mexico.

The local physician, who practiced in Lafayette and the surrounding area for more than half a century, headed the Lafayette Parish Medical Society as President in 1933, 1934, 1935 and 1951. The American Association of Railroad Surgeons and the American Academy of General Practice elected him to membership in 1948, and the Southern Medical Association awarded him life membership in 1959. A member of the Louisiana Academy of Family Physicians for over 25 years, he was presented with the Academy's Certificate of Merit in 1972.

The first Catholic in the Diocese of Lafayette to be made a Knight of St. Gregory by Pope Pius XII in 1942, Dr. Hamilton with Mrs. Hamilton, was active in religious affairs within the community with special emphasis on restoration and rebirth of the French historical and cultural influences upon the environment. In addition to his career in medicine, Dr. Hamilton was involved with the industrial growth of the area. He served as president of the Begnaud Oil Company for several years, and is a member of the Board of Directors of the Guaranty Bank and the Lafayette Building and Loan Association.

In addition to his long association with the Lafayette Sanitarium, which he helped found, he served its successors, Lafayette Memorial Sanitarium and Lafayette General Hospital, in turn, as President of the Corporation and the Board of Trustees. He was also instrumental in establishing the Lafayette Medical and Surgical Group, later renamed in his honor, the Hamilton Medical Group, where, until recently, he was active as Medical Director, Emeritus.

THE OCEAN SHIPPING ACT OF 1977

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. MURPHY of New York. Mr. Speaker, I am introducing legislation today which is designed to control

the predatory rate practices of certain State-owned or controlled carriers whose alarming penetration of our international liner trade threatens the stability of our international trade. Joining with me in introducing this vital legislation are Mr. LEGGETT, Mr. BIAGGI, Mr. TRIBLE, Mr. ANDERSON of California, Mr. DE-LUGO, Mr. ZEFERETTI, and Mr. AKAKA.

The United States is the largest trading nation in the world today, and American ships must compete for cargoes in this trade with the ships of our trading partners. And, although our foreign trade is steadily growing, from $35 billion in 1960 to more than $200 billion today, U.S.-flag liner companies are not carrying enough of this lucrative cargo. Yet, it is our basic policy enacted by Congress, that the United States shall have a merchant marine capable of carrying all of our domestic offshore commerce and a substantial portion of our foreign ocean borne commerce. This ocean borne commerce is divided into three different types of service namely: liner, tramp, and tanker.

Liner service, with which the legislation introduced today is concerned, is regularly scheduled common carrier service on established routes, with tariffs filed with the Federal Maritime Commission. In contrast, tramps do not operate on any fixed route or schedule, they sail wherever the cargo may be. Tankers are generally operated either as proprietary vessels—owned and operated by the same entity who often own the cargo as well—or in a manner similar to tramps. Tanker and tramp service is not regulated by the Federal Maritime Commission and is not covered by the Ocean Shipping Act of 1977.

The U.S. liner trade is essentially an open trade without restrictions to entry or exit. Groups of carriers have traditionally organized as shipping conferences, establish agreed upon rate levels for member carriers and operate on most of the major trade routes. It should be readily apparent that the U.S. liner trades are designed to give American-flag carriers—and those of the nations with whom we trade—a fair chance to compete for cargoes in their own trades.

Since 1972 there has been an unprecedented penetration by Soviet liner fleets of the United States foreign trades. This penetration by the State-controlled Soviet merchant marine is separate and distinct from the grain and bilateral cargo trade resulting from the United States-U.S.S.R. Maritime Agreement of 1972. On U.S. trade routes modern Soviet intermodal vessels are now cross trading between the United States and Japan in the North Pacific and between the United States and Western Europe in the North Atlantic.

That this growth is startling and significant is borne out by the fact that between 1971 and 1976, there was more than an eightfold increase in tonnage of liner cargoes carried and nearly a forty-five-fold increase in the value of liner cargoes carried. These trends represent a liner growth from 160,000 tons to 1.4 million long tons and $38 million to $1.7 billion by value of cargo. In order to achieve this phenomenal growth in the U.S. liner trades, the various Soviet companies have actively pursued a practice of rate cutting, generally as an independent carrier—this is independent of the steamship conferences—to enable their capture of an initial share of the trade and then expand upon that share in successive years.

On October 27, 1977 the Merchant Marine and Fisheries Committee conducted a briefing, partly classified, on Soviet maritime activities and their effect on the U.S. liner trades. The subjects covered included the structure of the Soviet Merchant Marine, employment, United States-U.S.S.R. maritime agreements, liner trade penetration, and Soviet maritime strategy and policy. Certain conclusions are apparent as a result of this briefing.

The Soviets have a merchant fleet in excess of their national requirements which they utilize for full time cross trading. Since the Soviets are hard-pressed for hard currency their maritime activity in the cross trades in the United States is not motivated by normal commercial practices but by the compelling imperative to maximize hard currency earnings. The Soviets are not bound to uphold any criteria of profitability that is similar to that required in market-economy companies.

The Soviet operators have entered the U.S. trades through rate cutting which may be 10- to 50-percent lower than the competing conference rates. From only 0.3 percent in tonnage of the U.S. liner trade in 1971, the Soviets increased their penetration to 3.1 percent. With greater Soviet vessel capacity predicted, increased Soviet penetration of the U.S. liner trades could cause serious instability in our international trades.

The Ocean Shipping Act of 1977 has as its primary objective the regulation of rate-cutting practices of certain State-owned controlled carriers operating in the U.S. trades. It would regulate controlled carrier rates on the basis of justness and reasonableness and, provide for suspension of such rates for a time necessary to complete the proceeding. Rates found to be unjust or unreasonable would be unlawful and could not be used. During the suspension period the FMC could prescribe minimum rates to be charged by the controlled carrier. The justness and reasonableness of the rates would be determined by the FMC on the basis of various factors, including but not limited to whether the controlled carrier's rates are fully compensatory based upon that carrier's actual costs or constructive costs; the relationship of rates of the controlled carrier to those of other carriers in the trade; and, whether the rates are lower than necessary to assure movement of particular cargo in the trade.

Mr. Speaker, the practical effect of the Ocean Shipping Act of 1977 is to preserve legitimate competition among all common carriers engaged in the foreign commerce of the United States and to stabilize the ratemaking practices of the carriers by forbidding predatory ratecutting which will certainly disrupt our international trade.

THE EFFECTS OF RELIGIOUS CULTS ON THE HEALTH AND WELFARE OF THEIR CONVERTS

HON. LEO J. RYAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. RYAN. Mr. Speaker, the activities of the Reverend Sun Myung Moon's Unification Church continue to cause distress for many of us. As you know, the House Subcommittee on International Organizations, chaired by my distinguished colleague, DONALD FRASER, is investigating allegations of close ties between the Reverend Moon and some of his organizations and the South Korean Government, including the KCIA. As a member of the subcommittee, I am, of course, disturbed over such allegations. My greatest concern, however, is for those young people who have been converted by these religious cults and for their parents, who have suffered the loss of their children.

One of these parents, Mrs. Ida Watson Camburn of Sunnyvale, Calif., brought to my attention the testimony of John G. Clark, Jr., M.D., assistant professor of psychiatry at the Harvard Medical School, before a Vermont senate committee, which was investigating religious cults. Dr. Clark's remarks, based on 2½ years of research, deal with the effects of some religious cults on the mental and physical health and welfare of their converts. I highly recommend his conclusions to my colleagues:

TESTIMONY OF JOHN G. CLARK, JR., M.D.

In this statement to the committee established by the Vermont Legislature, I intend to present substantive conclusions drawn from 2½ years of research on the effects of membership in some religious cults on personal health of their converts. My conclusions are rather grim: The health hazards are extreme! Though I will talk primarily of the absolute dangers to mental health and personal development, I must also as a physician draw attention to equally serious, often life threatening, dangers to physical health.

I will state that coercive persuasion and thought reform techniques are effectively practiced on naive, uninformed subjects with disastrous health consequences. I will try to give enough information to indicate my reasons for further inquiries as well as review of applicable legal processes.

From the specific data gathered during the time of my investigations a rather accurate history of involvement in the cults can be now adequately described. In doing this I believe I can adequately demonstrate why I think there are major health hazards as well as many other social concerns directly caused by activities of the particular cults which we try to define as destructive. The destructive cults are numerous and include the very well known ones such as Hare Krishna, the Unification Church, the Scientologists, and the Divine Light Mission, all of whom are utilizing the same basic techniques. The fact that I use the word techniques indicates that these investigations have delineated a series of technical aspects to these questions which need to be understood and can be explained.

All of the groups that we are talking about have living leaders who are demonstrably wealthy. The beliefs of all these cults are absolutist and non-tolerant of other systems

of beliefs. Their systems of governance are totalitarian. A requirement of membership is to obey absolutely without questioning. Their interest in the individual's development within the cult towards some kind of satisfactory individual adult personality is by their doctrines, very low or nonexistent. It is clear that almost all of them emphasize money making in one form or another, although a few seem to be very much involved in demeaning or self denigrating activities and rituals. Most of them that I have studied possess a good deal of property and money which is under the discretionary control of the individual leaders.

Most of the cults of concern consider themselves purely religious, some others appear to be more political. One of the most important of the common properties of such cults is the presence of a leader who, in one way or another, claims special powers or may even allow himself to be thought of as the Messiah. Such leaders do have special personal qualities including a unique world view and special willingness to effect drastic changes in the thinking and behavior of followers.

It appears that the techniques utilized by these cults are very similar overall although each one uses its own peculiar style. It would appear obvious that all of these cults have worked out ways of gaining access to susceptible individuals in order to have served to any degree. Those who succumb to the enlisting efforts seem to be divided into two rather distinct groups. The first is composed of the "seekers," of whom we all know, popularly though incorrectly thought to constitute the entire population of susceptible people. They are schizophrenic, chronically so, or border-line personalities. It is quite clear that the existence of emotional or personality problems is a reason for becoming involved in the cults and that most mental health professionals consider only this reason at present. These inductees involve themselves in order to feel better because they are excessively uncomfortable with the outside world and themselves. Such motivated versions are "restitutive," in that the "seekers" are trying to restore themselves to some semblance of comfort in a fresh, though false, reality. We also see this attempt at restitution in the development of the so called secondary symptoms of schizophrenia and other forms of mental illness as the attempt of a troubled or damaged mind to put together a new, simplified mental world and style of reasoning in order to compensate for the terrible awareness (or near awareness) of personal vulnerability. Approximately 58% of inductees were found to be in this first group from my studies.

The remaining 42% of the examined sample, however, were not ill or damaged in the sense I have mentioned before. That is, they were found to be apparently normal, developing young people who were going through the usual crises of development on the way to becoming adults, who, for any of a number of reasons, had fallen into the trap laid by the cults and had been taken in. On examination they were strong growing students on the average who were facing the normal pains of separation from their families, the normal depressions therefrom, the new, clear slightly feverish view of the complexity of outer reality which is a part of early college life. I think of their joining the cult as being "adaptive"; that is, they are presented with certain problems by the cult and adapt themselves to it by psychic, social and physiological processes which are not in themselves as pathological as those involved in the "restitutive" conversions. In some ways it is this more healthy "adaptive" group that is most alarming to the observer.

From a clinicians point of view the first or restitutive group under the influence of cult indoctrination and practices is very much at risk. In many ways it can be very easily shown from long experience within the mental health field how very much more damaged they may become by being given a thought disorder by a group that conforms to a prior tendency to this sort of thinking disability. Their chances of ever developing a good relationship to outer reality and becoming autonomous individuals must, perforce, diminish with the passage of time. I am reminded of the chronic schizophrenics of some years ago whose psychotic style of thinking became totally institutionalized when placed in the back wards of hospitals for such a long enough time that they ultimately could no longer think at all effectively. The healthier second group, though theoretically less totally vulnerable, is more easy to identify with; their problems may be especially revealing as I will try to explain.

These people tend to be from intact, idealistic, believing families with some religious background. Often they had not truly made any of the major shifts toward independence, and so, left home at the appropriate time believing they were ready for freedom. When this belief was seriously challenged in this brave new world by their first real set backs or by any real crisis they became covertly depressed, thus enhancing their susceptibility to the processes of conversion.

For individuals in this state of vulnerability to be converted a series of circumstances, techniques and events must occur to bring about the complete subjugation of mind and person which I am attempting to describe. The first event is the gaining of access to these potential converts which is raised to a high art by all of the successful cults. Some even have printed manuals describing where to approach prospects, exactly what types of initial pressure to put on each of them and what the odds are that they will acquire a certain number of converts from a given amount of pressure well applied. The general openness of manners of this group adds to the ease of access. Once such a prospect has agreed to investigate the rather simple propositions expressed by the representatives of the cult he or she is brought into the next and highly sophisticated activities of the conversion process. From the first, intense group pressure, lectures, lies, false use of facilities and other inter-personal pressures unexpected by the individual are brought to bear. Singing, chanting and a constant barrage of the kinds of rhetoric which catch the young idealistic minds are constantly in play. So intense is this that individuals who are under such pressure and are susceptible tend to enter a state of narrowed attention, especially as they are more and more deprived of their ordinary frames of reference and of sleep. This state must be described as a trance. From that time there is a relative or complete loss of control of one's own mind and actions which is then placed into the hands of the group or of individuals who have been the direct contact with the individual inductee. This induction period has also been described as "coercive Persuasion".

Once this state of passive, narrowed attention and willingness to be influenced is achieved, the true work of conversion (or of thought reform) begins in earnest. This is always a program of unbelievable intensity! During this, all of the cults step up their idealogical reform pressures by increased group pressure, change of diet, and the introduction of elements of guilt and terror. The question of supernatural pressures that one must face in the future are brought out more and more explicitly and concretely. Many promises are made of redemption or safety, in the certainty that the world will soon end at which time there will be enormous rewards or terrible punishments to believers or non-believers. The threats may be implicit but are sometimes increasingly physical and explicit physical threats. Preaching is constant from all sides; supervision is absolute and privacy of body or of mind may not be allowed for days or weeks into the future, even to use the bathroom. All relationships to other people are organized and stereotyped and no chance is given for idiosyncratic expression. The victims are induced rapidly to give all familiar and loved past objects—parents, siblings, home, city, etc—and they are physically and emotionally moved to as foreign an environment as is possible to imagine. Thus, it becomes increasingly hard for them to reconstruct in imagination what one has once experienced some time in the past. Reality becomes the present and includes in it elements of the supernatural, magical, terrifying thought which has been expressed constantly all around. There is no base left for reality testing.

Perhaps as important a factor as any is that the base of each individual's language which has been part of the mind and the body function from the very early stages, is slowly and deliberately changed. All words of any emotional importance have had some shifting of their meaning to an oversimplified, special sort of related definition. Each person is given more and more tasks to learn, to study, to grasp, and has less time to believe that the past ever existed. By this time the indoctrination has defined parents as being infected by Satan's influence and parenthood is reinvested in the leaders of the cults. The urge to go home has been replaced by the need for the absolute authority of the cult and its leaders and at the same time the value of education and the need to go to school has disappeared from the consciousness, this much radical change of attitudes, loyalties and thinking style can occur and regularly does occur within a few days to a few weeks.

From this time the problem of maintenance of the state of mind is apparently rather simple. Leaving the old familiar life setting and renouncing it for a new communal theology the accepting of a new family with new definitions of love and denouncing of natural parents leads an individual to think all bridges to the past are closed and that a very brave move into a new world has, indeed, been made. In some cults members are taught intensive chanting and meditating procedures which in case of any attack on their beliefs can cover up all possible thoughts and doubts. Others can apparently reenter a trance state with a narrowed consciousness of reality the first moment that somebody questions or challenges their beliefs. They are then promoted to the next steps or stages in their cults usually as proselytizers, money raisers or in some cases garbage collectors.

In my opinion, the last stage of this process in both adaptive and restitutive groups probably may evolve after four to seven years. This would be "acculturation" and would be irreversible. This stage may be compared to that of the untreated person with a schizophrenic illness who slides without proper help into a kind of personal degradation which, if unchallenged or untreated in time finally becomes acculturated and permanent. Anyone trying to nudge a person from this acquired style of thinking and behavior as we in mental health field know very well is going to feel that he is the natural enemy of his own patient. In my opinion, I repeat, by acculturation this new style of thinking may become irreversible.

Before this final state cult members seem to experience two forms of personality: the original and the imposed. The original is complex, full of love relationships, expectations and hopes and, especially, rich language. This richness of language is that which parents suddenly miss when they first

see their thought reformed children. Their reaction is appropriately panic! They recognize and correctly identify terrifying, sudden, unacceptable changes in the style of language and the style of relating as well as a narrowing and thinning down of the thought processes. Formally bright, fluent and creative individuals are rendered incapable the use of irony or a metaphor and they speak with a smaller carefully constricted vocabulary with cliches and stereotyped ideas. They also appear to have great difficulty using abstractions in their speech or arguments. They do not love except in cliches and established forms. Almost all of the charged, emotion-laden language symbols are shifted to new meanings. Parents notice this long before professionals because they do not need cumbersome and elaborate tools to analyze language patterns. Their memories and intuition are sufficient.

The evidence for what I call a shift in personality which may be what we call in psychiatry "depersonalization", comes from several kinds of observation. The first is that, despite the appearance to very experienced clinicians of flagrant and classical schizophrenia in many converts the induced mental state being discussed does not respond to the most effective antipsychotic drugs or any of the methods of treatment customarily applied by mental health professionals to restore effective thinking. Thus, we are relatively helpless to restore thinking processes because under the current interpretations of the laws we cannot maintain physical control for long enough to bring about the confrontation therapies which might be effective in reestablishing the original personality style in the way it was done with the Korean war prisoners. On the other hand antipsychotic medicines are still effective in treating acute psychosis in these same people though not affecting the state of conversion.

The second and rather compelling piece of evidence is that the thought reformed state is dramatically altered by the process of deprogramming about which, though I cannot legally advise it as a therapy under most circumstances, a great deal is known. The deprogramming process as it is now practiced effects, in a large number of cases, a fairly rapid return to the old organization of the mind, a repersonalization, and brings back with it the old language skills and memories, original personal relationship patterns and of course the old problems. Furthermore it is regularly observed that for some time after the deprogramming the affected individuals are very vulnerable for about a year and, especially during the first few weeks to two months, they feel themselves aware of and close to, two different mental worlds. Their strong impulses to return to the cult are altered by logical reasoning processes and the great fear of some one taking control of their minds from the outside once again. During this time a former convert can quickly be recaptured either by fleeting impulse or by entering a trance state through a key word or piece of music or by chanting or by a team from the cult.

In general, however after a return to an original state of mind the individual's problems begin to seem like ordinary health problems. Most of them are depressed, depleted people reminding one very much of that status of patients who have recently recovered from acute psychoses who are able to feel that for the first time in their lives they had lost a clear sense of reality and of control. They feel ashamed of what they have done and the pain they have inflicted, are very scared and for awhile unable to manage their lives effectively. To remain within the strict mental and social confines of the cult experience for even a short time is disastrous for some who have become psychotic or have committed suicide. Continuing membership appears to invite a deeper acceptance of the controlled state of mind and, in my opinion, leads to the gradual degredation of ordinary thought processes necessary to cope with highly differentiated and ambiguous external life problems of the future. In this state after some time the intellect appears to lose a great many I.Q. points; the capacity to form flexible human relationships or real intimacy is impaired and all reality testing functions are difficult to mobilize so that judgement is poor. An individual with even moderate prior psychological disability is likely to be set back considerably and permanently in his or her maturation to adulthood and will certainly be impaired in the ability and capacity to deal with the real world's opportunities and dangers. The loss of educational and occupational experiences will confirm these losses beyond any doubts.

This is the rough picture of the phenomenon of thought reform as practiced by present day cults and the natural history of this process and its effects on the involved individuals. Though incomplete it is based on examination of 27 subjects at all stages of involvement in six different cults as well as interviews with many more interested and informed observers. I believe the overall outline is sound though, of course, incomplete. The fact of a personality shift in my opinion is established. The fact that this is a phenomenon basically unfamiliar to the mental health profession I am certain of. The fact that our ordinary methods of treatment don't work is also clear as are the frightening hazards to the process of personal growth and mental health.

In this paper I have tried to describe the phenomenon of involvement of young people in destructive cults. The problems of special vulnerability to conversion were described and two major groups of susceptibles were identified. A natural history of access, induction by coercive persuasion, the process of thought and attitude reform and the maintenance of conversion described. An opinion that a permanent state of acculturation was likely to occur after a number of years was expressed. The rapidity of these catastrophic changes were emphasized as well as many of their qualities and these were related to mental health and maturational concerns.

Specific and important problems such as suicide, depression, psychotic reactions and psychosomatic disorders are most serious and deserve another discussion and much more study. It is also clear that the multiple, serious and often bizarre problems of physical illness need careful and official attention. Both the mental health and physical health problems presented by the activities of the cults should be investigated in much greater detail by official agencies. I believe that they merit active interest of such constitutive authorities as this Legislative body who I trust can see some of the greater implications of all that has been discussed and will be further revealed in these hearings.

SAVING FUEL OIL AND SAVING MONEY

HON. WILLIAM S. COHEN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. COHEN. Mr. Speaker, the vast majority of homeowners in my State heat their houses with fuel oil. With another heating season now underway, the people of Maine know that fuel oil is certain to be more expensive this year, and it may be scarce.

In 1950, the average retail price of home heating oil was 10 cents a gallon. Twenty-two years later, in 1972, the price had doubled to 21.9 cents per gallon. By the end of 1976, the cost of fuel oil had jumped to a staggering 48 cents a gallon.

The people of Maine have led the Nation in their efforts to conserve fuel oil. But this year they will have to redouble their conservation efforts if they hope to keep fuel expenditures within rational bounds.

To assist the residents of States such as Maine, the Department of Energy and the National Bureau of Standards have recently published an excellent pamphlet entitled "How to Improve the Efficiency of Your Oil-Fired Furnace." This publication explains in simple language and in question-and-answer format how an oil furnace works and how a service technician can test it to tell whether it is properly adjusted.

Because I believe this pamphlet can be of great benefit to all Americans using oil-fired furnaces, I am including it here in the RECORD.

HOW TO IMPROVE THE EFFICIENCY OF YOUR OIL-FIRED FURNACE

This pamphlet is to help you, the homeowner, save money and reduce pollution by having your oil-fired heating system serviced regularly. Annual maintenance check-ups will keep your furnace operating at top efficiency and thereby save fuel costs. In this pamphlet you will be shown how your annual fuel cost can be further reduced by having your service technician adjust the firing rate of your burner or by replacing it.

Is it really possible for me to save money by improving the efficiency of my heating system?

Yes. Recent field tests revealed that almost all of the oil burners examined were oversized.

Oversizing means that the furnace burns oil at a faster rate than necessary to maintain a comfortable house temperature. These field tests showed that reducing the nozzle size and modifying air handling parts can save 14% in seasonal operating costs. A 30% savings is possible by replacing inefficient burners with new, high-efficiency burners that have a reduced firing rate. Consult your service technician for advice on the most appropirate modifications and potential fuel savings for your system.

How much money can I exect to save by improving the efficiency of my system?

The cost of most modifications suggested in this pamphlet will pay for themselves in fuel savings over relatively short periods of time. The following table shows the dollar savings per $100 of annual fuel costs that can be achieved by increasing the efficiency of your furnace. Remember, as fuel prices increase, your payback period is shortened.

DOLLAR SAVINGS PER $100 OF ANNUAL FUEL COST

From original efficiency of—	To an increased efficiency of (percent)—					
	55	60	65	70	75	80
50 percent	$9.10	$16.70	$23.10	$28.60	$33.00	$37.50
55 percent	8.30	15.40	21.50	26.70	31.20	
60 percent	7.70	14.30	20.00	25.00		
65 percent	7.10	13.30	18.80			
70 percent	6.70	12.50				
75 percent	6.30					

How can I find out what modifications are applicable to my heating system?

Read through this pamphlet to get a general understanding of how your heating system works, efficiency tests that a service technician can perform, and the efficiency you can expect from an oil burner heating system. This will enable you to do some things yourself. It will also give you enough information to talk knowledgeably to a qualified

service technician and make decisions on his recommendations.

Isn't my heating system a complex piece of equipment?

Yes, but its basic operation is quite simple. Your heating system consists of four principal parts: the burner, the furnace or boiler, the heat distribution system, and the chimney.

The burner generates heat by burning fuel oil. Part of the heat produced by the burning of the fuel is absorbed by the furnace or boiler and transferred to air or water, which is then distributed throughout the home by air ducts or hot water pipes and radiators. The heat that is not absorbed by the furnace or boiler is lost up the chimney in the process of disposing of smoke and gases. The overall heating system efficiency depends on the performance of each of these parts.

How can I find out if my burner is working efficiently?

Call your local oil burner service technician. Have him measure the carbon dioxide level in your flue. This measurement gives you an indication of the combustion efficiency of the system. Oil must be thoroughly mixed with air to burn completely. This usually requires more air than is actually needed to convert the carbon and hydrogen in the fuel to carbon dioxide and water, which are the products of complete combusion. The amount of this excess air can be determined by measuring the amount of carbon dioxide in the flue.

Generally, the higher the carbon dioxide level, the less excess air used and the more efficient the combustion process. Too little air, however, causes smoking, increases pollution, and reduces efficiency. A carbon dioxide level of 9% is considered good. Levels over 11% are excellent. If, after tune up and adjustment, your service technician cannot obtain a carbon dioxide reading of at least 9%, without smoking, it may be that:

The furnace is leaking air into the combustion chamber and needs to be properly sealed;

There is too little or too much draft up the chimney; or

The air and oil are not thoroughly mixing for combustion.

Correcting these problems requires modification or replacement of the burner. If your service technician is unable to get an efficiency of 65% or better through tune-up and nozzle size adjustment, it may pay to buy a new burner. A new burner should get at least 75% efficiency. You can figure the cost savings using the table on page 4. Even greater savings can often be achieved by installing a burner with a smaller firing rate if the existing heating system is oversized.

Have your service technician identify the problem and explain how it can be fixed and what the net savings to you will be.

Is it possible that my heating system is oversized?

Recent field tests have shown that furnaces and boilers are usually oversized for the heating requirement of the house. Even on the coldest day of the year many heating systems run less than 30% of the time. During these longoff-periods, heat is lost up the chimney, greatly reducing the overall efficiency.

How can I find out if my system is oversized? What can be done?

Your service technician can determine if your system is oversized. He does this through a series of measurements and calculations that take into account the average daily temperatures in your region, the amount of oil used, and alternative nozzle sizes.

He may recommend that you have a smaller nozzle installed. With a smaller nozzle size, your system will run longer but burn less oil per unit of time, and the amount of heat lost up the chimney will be reduced.

How can the efficiency of my furnace or boiler be improved?

Have your service technician measure the temperature of the flue gas leaving the furnace or boiler. Flue gas temperatures should be between 205 to 316°C (400 to 600°F) for an original furnace and 316 to 371°C (600 to 700°F) for conversion burners. Excessive temperature, measured after the burner nozzle has been properly adjusted, indicates that:

The burner nozzle size is too large and that more heat is being generated than can be utilized in the heat exchanger; or

The heat-exchanger surfaces are badly sooted. Have them brushed and vacuumed. Ask your service technician if your furnace has a fuel oil line solenoid valve. These electrically operated valves close off the fuel supply as soon as the fire has stopped. This prevents oil from dripping into the combustion chamber causing heavy smoke and soot deposits on the heat exchanger. If you don't have one, it may pay to have one installed.

How can I improve efficiency of heat distribution?

You can do several things to assure that the heat produced by the furnace or boiler efficiently reaches the areas of the home in which it is needed.

If you have a warm air furnace:

See if you can feel air leaking out of duct joints when the fan is running. If so, seal the joints with ductwork tape. If ducts run through unheated spaces, wrap them with insulation. Vertical chases in walls, through which supply and return ducts pass, should be sealed off to prevent heat from being lost. Check to see that the chimney is sealed from the house structure both at the basement level and the attic. It should be sealed with non-combustible material to protect the combustible material of the house structure from the hot chimney.

Clean or change air filters frequently during the heating season. Clothes dryers and home workshops create dust and lint. In houses where these are located near the oil burner, the filters will need to be changed more frequently.

Have your service technician check and reset, if necessary, the on and off temperature settings of the furnace fan. To conserve fuel, the fan should shut off when the furnace temperature is about 32° C (90° F). It should not go on again until the burner comes on and raises the furnace temperature to about 43° C (110° F).

If you have a hot water boiler:

Insulate the boiler, the hot water storage tank, and hot water piping in unheated spaces.

Clean radiators or baseboards to make certain they are not blocking air circulation.

How can the performance of my chimney be improved?

Most chimneys or vents produce more draft than is necessary. It is the job of the draft control to prevent this. Ask your service technician to measure the draft at the flue collar of your furnace and over the fire and adjust the draft control if necessary. If you do not have a barometric draft damper, consider installing one to improve the seasonal efficiency of your system.

Does lowering my thermostat setting at night really save money?

Tests have shown that a 2.5-degree Celsius (5-degree Fahrenheit) reduction in setting for approximately 8 hours will save up to 10% in fuel costs. Greater reductions will lower fuel costs even more. Consider installing a clock thermostat that will automatically set the thermostat down at night and raise it before you get up in the morning.

Call your service technician today!

Tell him that you would like to have him tune up your furnace and clean it if necessary. He will be glad to discuss these money and fuel saving opportunities with you, show you how he takes burner and flue measurements, and explain the results. Call now—Every Day's Delay May Be Costing you Money!

Improved Efficiency Also Reduces Pollution—

In a recent study, the U.S. Environmental Protection Agency found that burner tuning plus replacement of nontunable units reduced emission of pollutants on the average by the following amounts:

	Percent
Carbon monoxide	81
Hydrocarbons	90
Particulates	24
Smoke	59

Further information can be obtained by ordering "Get the Most From Your Heating Oil Dollar," at no cost, from the Office of Public Affairs (MD 31), U.S. Environmental Protection Agency, Research Triangle Park, N.C. 27711.

Note: Most of the data in this pamphlet is based on a field study conducted by the Walden Research Division of Abcor for the National Bureau of Standards under the sponsorship of the Federal Energy Administration.

VIOLENCE AND TERRORISM IN THE ANTINUCLEAR AND DISARMAMENT MOVEMENTS

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. McDONALD. Mr. Speaker, the role of violence in the antinuclear power and disarmament movements has become an important topic of debate within activist circles both in the United States and in Western Europe. The line of argument typified by Clamshell Alliance spokesman Sam Lovejoy is that "nonviolence" includes sabotage and other forms of property destruction, and that "violence" only includes deliberate attacks on humans and animals.

The antinuclear power movement has a strong Luddite anarchistical tendency that resents those who overtly want to be leaders. Its de facto leaders take care to present themselves modestly and in the correct "lifestyle." A wide variety of revolutionary groups are seeking to penetrate the antinuclear power movement both in the United States and in Europe. The antinuclear movement is also the target for takeover of the disarmament movement being coordinated by the USSR through its World Peace Council apparatus. The WPC initiated the formation of the Mobilization for Survival—MFS—in the United States in the spring of this year which has found willing partners among the Lovejoy leadership of the Clamshell Alliance. Clamshell Alliance spokesman Robin Read recently wrote to the U.S. Marxist-Leninist newspaper, the Guardian, that the Clamshell Alliance was working with the Mobilization for Survival in many areas locally and nationally on "exchanging information on the issues that concern us all." Read concluded by noting that "As the Clamshell has grown, it has broadened its base and perspective—and will continue to do so."

The mass demonstrations in Europe have been the occasion for contingents

of revolutionaries to battle police. At Malville, thousands of militants from Maoist, Trotskyite, and other revolutionary groups fought police while the "nonviolent" masses stood around and provided cover for the berserkers.

European radical publications have been calling for future antinuclear power demonstrators to prepare to "defend" themselves by bringing helmets, shields and other equipment so that they can better resist riot police. A British radical publication, Freedom, commenting on the "admirable" activities of the revolutionaries in battling police and criticizing the "ecology" groups and supporters who fled or did not resist effectively stated:

This must lead to the recognition by revolutionaries within the anti-nuclear movement, and by anarchists and antimilitarists in particular, that they are the only real opposition to the plutonium economy and its deep political, social and environmental consequences.

The issue of terrorist violence against nuclear power plants has been joined in this country by the New World Liberation Front—NWLF—the reincarnation of the Symbionese Liberation Army which has been active in California, Colorado, and Oregon. The Information Digest, a newsletter on political and social movements affecting the United States, has published a detailed study of violence and terrorism in the antinuclear power movement which I commend to the urgent attention of my colleagues. The article follows:

NWLF Bombs Escalate Anti-Nuclear Struggle

A pipe bomb exploded at 3:22 AM on October 10, 1977, outside the visitor center of the Trojan nuclear power plant at Ranier, OR, some forty miles northwest of Portland. The high order pipe bomb filled with smokeless black powder and using a time fuse was detonated about a mile from the reactor site. A male caller to Portland radio station KPAM–FM at 11:30 AM directed reporters to a communique hidden in the men's room of the Portland Greyhound Bus Station.

Dated October 9, the communique was short and terse, unlike the NWLF Central Command's generally lengthy diatribes; and was claimed by a previously unknown NWLF section, the Environmental Assault Unit (EAU). The NWLF message, with misspellings of Che Guevara's name and "*lackeys*," was as follows:

"On today, the tenth anniversary of the death of Ernesto Che Guevarra, who fell in S.E. Bolivia fighting the United States imperialists and their Bolivian lackies—the Environmental Assault Unit (EAU) of the New World Liberation Front (NWLF) attacked the Trojan nuclear power plant.

Along with the attack we are forwarding two demands:

1. Environmental Demand: The NWLF demands an end to the construction and operation of nuclear power plants in the United States. They are a major threat to the health of the people and threaten the environment.

2. Socio-Economic Demand: The NWLF demands that all people that are forced to exist on a fixed income (Social Security, welfare, etc.) be supplied electricity, free of charge.

This attack and these demands should put the monopoly capitalist utility companies on notice that the people will not tolerate nuclear power plants and continual increases in electric rates.

Further action and communiques will follow:

Julio Quarto,
Western Regional Information Officer.
Ramon,
Western Regional Commanding Officer.

Long live the NWLF and all guerrilla forces in the field.

The terrorist NWLF has thus linked itself to a long-term struggle by anti-nuclear power activists to shut down the operation of the Trojan plant, the largest nuclear power plant now operating in the U.S.

Intimations of violent action against the Trojan nuclear plant were made publicly long before the NWLF's Environmental Assault Unit carried out the bombing of the Trojan visitors center. At an "activists caucus" attended by some eighty people held at Ralph Nader's Critical Mass '75 conference, one Peter Bergel of Eugene, OR, took a leadership role in discussing a variety of "direct action" tactics which could be used against nuclear facilities in the Pacific Northwest, including violence. Successful nuclear saboteur Sam Lovejoy was also a discussion leader at the "activists caucus" and a featured speaker during the conference.

It was Venceremos Brigade veteran Samuel Holden Lovejoy who injected the question of violent "direct action" against nuclear power plants into the anti-nuclear environmentalist movement when in February 1974 he released the guy ropes causing the collapse of a $50,000 preliminary weather tower at a nuclear plant construction site near Montague, MA. Lovejoy, the leader of Nuclear Objectors for a Pure Environment (NOPE) and now an organizer of the Clamshell Alliance, surrendered to police, confessed his act and went to trial. During his trial Lovejoy freely admitted his destruction of the tower and stated he had acted "in the public interest." Supportive testimony was provided by a number of radical anti-Vietnam and environmentalist activists. After a seven day court proceeding, the judge directed acquittal on grounds of a faulty indictment. Lovejoy triumphantly told the press:

"The publicity was a great victory, and we've entered the issue of civil disobedience into the environmental movement."

In conjunction with such organizations as the War Resisters League (WRL), Women Strike for Peace (WSP) and the American Friends Service Committee (AFSC), Lovejoy spent the next two years traveling, speaking and organizing local anti-nuclear groups and encouraging them to take "direct action."

Note: Those active with socialist/pacifist groups such as WRL and AFSC generally consider "non-violent" direct action to include destruction of property so long as the destruction is not intended to cause loss of life. Thus the Weather Underground's bombings of closed government offices and other targets—armed propaganda—comes within this provenance. WRL has supported Karl Armstrong, for example, although a man was killed by his bomb, because his intention was to make an anti-Vietnam war protest, not to kill.

As Lovejoy wrote in an essay from 1974 which he distributed at the November 1975 Critical Mass conference:

"The tower ecotage episode was a catalyst for awareness and action, a moderate first step . . . but it also surfaced an inevitable social collision between the progressive-enlightened and the stagnant forces in * * * the United States and the world. The background, the lifestyle, the entire mind set of myself, and countless other brothers and sisters, see the locally proposed NUKE as the * * * microcosmic symbol for an enormous political-social system so corrupt and so in need of change that. . . ."

And while conference organizer Nader remained on stage, the participants overwhelmingly passed two activist caucus resolutions, one of which supported "all non-violent forms of nuclear resistance including civil disobedience."

In the summer of 1976, Lovejoy provided an account of a speech he gave to an anti-nuclear group in San Luis Obispo, CA, where his audience contained a majority of persons over 50 years of age.

"* * * first I suggested that a big demonstration and sit-in at the plant gates might stop the workers, or maybe a fuel shipment from entering * * *. Then I blurted out what was honestly in my head. 'If I lived here, and was afraid for the life of my community, and thus decided to stop the plant's operation (and yet I couldn't actually tamper with the nuclear machine itself), the only way was to make the machine useless by cutting the umbilical cord' * * * then almost the entire crowd was on its feet applauding!

"* * * So there I was suggesting sabotage of the nukes' transmission lines (with a P.G.&E. representative there!) and concerned citizens with little prior knowledge or experience in direct political action were enthusiastically responding."

The anti-nuclear militants have apparently been able to win "public citizen" Ralph Nader to the direct action cause which he had previously avoided, instead encouraging court proceedings to stop nuclear power. In an interview published in the *Village Voice* [4/4/77], Nader explained:

"'What activists are trying to do is make new law based on the settled Anglo Saxon tradition of self-defense that stretches back through Blackburn's commentaries,' Nader replied. 'That is, if someone tries to break into your house you can retaliate lawfully. In the case of a nuclear reactor, the self-defense is projective. But what are you going to do, wait until radioactivity is all over the place? Here you are violating a minor law to get judgment on a more important one, the way they did in the civil-rights movement when they sat at those lunch counters.'"

Nader then offered as sources of violence both anti-nuclear demonstrators and any landowners whose property might be contaminated by a nuclear accident."

The Trojan nuclear power plant, owned by the Portland General Electric Company, has long been the subject of anti-nuclear organizing in the Northwest. However, the current effort is being organized by the Trojan Decommissioning Alliance (TDA) headquartered at 215 S.E. 9th Avenue, Portland, OR 97214. The TDA was formed in June on the model of the Clamshell Alliance.

The TDA received considerable media publicity for its August 6–7 demonstration and blockade of roads leading into the Trojan facility, which is in active service producing electricity with a 1,130 megawatt capacity.

From a handful of organizers and a mere forty persons attending its first public meeting, the TDA was able to bring nearly 600 activists to its support demonstration for the 82 trained and disciplined cadre who blocked four routes to the Trojan plant. Following their arrests on criminal trespass charges, seven out-of-state demonstrators were released on $30 bail while the 75 Oregonians were released in their own recognizance. Following the Clamshell Alliance's precedent at Seabrook, NH, all arrested pleaded not guilty and chose jury trials, scheduled to commence on October 26, at which they plan *"to put nuclear power on trial."*

And according to Trojan Decommissioning Alliance spokesman Norman Solomon, another occupation/blockade has been scheduled for the day after Thanksgiving, November 25, 1977.

Meanwhile the TDA is also pressing Ore-

gon's Energy Facility Siting Council not to permit the Trojan plant to expand, and indeed to be closed, on grounds that the Portland General Electric officials have admitted that the Trojan waste storage pool has been contaminated with radioactivity. It is noted that the plant was shut down from September 23–28 because of a "hairline" crack in a pipe transporting atomic waste through the plant.

The Trojan Decommissioning Alliance has denounced the NWLF terrorists for becoming involved in "their" movement. Despite its continual linking of its bombs with current movement issues ranging from utility rates and the Coors beer boycott and strike to the San Francisco International Hotel evictions, the NWLF's extortionist rhetoric does not permit the group to be mistaken for a humanitarian organization.

While the NWLF bombing was the first known act of terrorism against an operating nuclear power facility in the U.S., there have been a number of terrorist attacks against nuclear power plants in Western Europe and Latin America. These have been followed, but not necessarily superseded, by violent mass demonstrations whose organizers are in direct contact with the Clamshell Alliance.

In March 1973, the Argentinian Atucha reactor was overrun by some fifteen members of the Trotskyist terrorist People's Revolutionary Army (ERP) briefly. However plant construction was not yet complete and the reactor had not been fueled.

In May 1975, the Red Army Fraction [Baader-Meinhof gang] exploded two bombs at the Fessenheim nuclear power plant in West Germany. A month later in France, two bombs exploded almost simultaneously at the nuclear workshops at Argentuil and at Framatome's main computer center at Courbevoir. Then in August 1975, two bombs exploded at the Monts Aree nuclear power site at Brennills in Brittany, placed by the Breton Liberation Front, a terrorist separatist movement which has loose contacts with the Irish Republican Army (IRA) and Spain's Basque ETA terrorist organization.

The anti-nuclear terrorist bombings followed the commencement of mass demonstrations such as the occupation by 28,000 people of a proposed nuclear power plant location in Wyhl, West Germany. For more than two years the site has been continuously occupied by demonstrators, effectively stopping construction.

The Clamshell Alliance has established "fraternal relations" with the organizers of the mass demonstrations in France and West Germany. One of the Clamshell Alliance's speakers on October 23, 1976, at a Hampton Beach, NH, "Alternate Energy Fair" was Pierre Radanne, a leader of the Lille, France, chapter of Friends of the Earth, and an organizer of the mass rally at Malville on July 30–31 during which rioters fought with police and one demonstrator was killed. The Malville demonstration which had an estimated 30,000 participants provided ample cover for militant Maoist, Trotskyist and New Left groups to launch attacks on police.

The nuclear plant at Barsebäck in southern Sweden, twelve miles from Copenhagen, Denmark and the same distance from the Swedish city, Malmö, was the target for 15,000 demonstrators on September 10. In addition of assorted environmental groups from Sweden and Denmark, the demonstration included a Red Contingent organized by the Left Socialist Party [Venstresocialister (IS)], the Maoist Communist League [Förbund Kommunist (FK)], and the Swedish Communist Party [Vänsterpartiet Kommunisterne (VPK)] and its youth group who are currently going the "Eurocommunist" route of Leninist maneuvering.

It is noted that the Trotskyists from the Swedish and Danish sections of the Fourth International, the *Kommunist Arbetarförbund (KAF)* of Sweden and the *Revolutionäre Socialisters Forbund (RSF)* of Denmark refused to join the Red Contingent on the grounds that would make them distinctive from the rest of the environmentalist marchers. The KAF and RSF are working through an environmentalist group, the Organization for Information on Atomic Power [*Organization til Oplysning om Atomkraft (OOA)*]. Red Contingent slogans at Barsebäck included *"Nationalise North Sea oil;" "Support the international struggle against atomic power;"* and *"We don't want any more atomic police."*

On September 24, an estimated 40,000 to 50,000 demonstrators from West Germany, France, Belgium, Denmark and the Netherlands assembled near the small town of Kalkar in the Rhine valley despite the efforts of some 10,000 German police who set up road blocks in a ring for 30 miles around the Kalkar nuclear power plant.

Among the demonstrators were veterans of the 1976 demonstration at Brokdorf where protesters had battled police. According to an Associated Press report:

"Authorities said police on the Hamburg-Bremen expressway stopped 4,500 demonstrators heading for Kalkar aboard scores of buses and cars. Police detained 33 persons after confiscating thousands of masks, helmets and protective shields, 500 batons, 41 walkie-talkie sets, steel ball projectiles, slingshots, steel rods, knives and signal guns, officials said."

Political groups involved in the Kalkar demonstration ranged from the youth section of the West German Social Democratic Party, the Young Socialists, who are noticeably further left than their parent party; the West German Communist Party, assorted Maoist sects and Trotskyist contingents from several countries. Kalkar's reactor is a particular target for the anti-nuclear and disarmament movements because it is to be a 300 megawatt fast-breeder reactor and is to be the cornerstone of West Germany's nuclear power program.

The Public Resource Center, the group of former Institute for Policy Studies/Transnational Institute associates led by Arthur Waskow which split away from IPS/TNI late last year, has compiled a directory of Clamshell Alliance type groups, published in *The Elements*, its monthly *"journal of world resources." The Elements* is available for a $7 subscription from the Public Resource Center (PRC), 1747 Connecticut Avenue, NW, Washington, DC 20009 [202/234–6485]; editors include James Ridgeway, Bettina Conner, Catherine Lerza and Joe Stork. The PRC directory states that it lists only the major groups with which it has been in contact. It is noted that these coalitions generally include groups also protesting utility rate increases and related service issues.

Meanwhile the New World Liberation Front continues to use the antiutility struggle as the springboard for its bombings. At 1:45 AM on October 12, a Pacific Gas & Electric (PG&E) substation at Cupertino, CA, received over $100,000 damage when one of three pipe bombs filled with Tovex and using a simple cigarette and match book igniter exploded. Two other bombs were found taped to other transformers. Entry was gained by cutting an "L" shaped one-and-a-half-by-two-foot hole in a chainlink fence at the same place an earlier entry had been made.

The NWLF's "aboveground" admitted courier, Jacques Rogiers, called KTUV–TV's Mike O'Connor stating he had received a communique from the NWLF and gave the communique to the newsman. The blast was claimed by the NWLF's Tom Hicks-Bill Blizzard Unit, named after coal-miner activists.

Mr. Speaker, I would further point out that the Clamshell Alliance has served as the model for similar groups in 22 States. Among them are:

Alabama: Catfish Alliance, P.O. Box 6306, Dorthan, Ala. 36361.

California: Abalone Alliance, 2160 Lake St., San Francisco, Calif. 94121.

D.C.: Eastern Federation, 317 Pennsylvania Ave., S.E., Washington, D.C. 20003; Potomac Alliance, 1746 Swann St., Washington, D.C. 20036.

Florida: Miami Peace Center, 30005 Byrd Ave., Coconut Grove, Fla. 33133.

Georgia: Georgians for Clean Energy, 710 Argonne Ave., Atlanta, Ga. 30308.

Indiana: Citizens Energy Coalition, 3610 N. Meridan St., Indianapolis, Ind. 46208; Paddle Wheel Alliance, P.O. Box 194, New Alsany, Ind. 47150.

Louisiana: Oystershell Alliance, 7700 Cohn St., New Orleans, La. 70118.

Massachusetts: Boston Clamshell, 2160 Massachusetts Ave., Cambridge, Mass. 02138.

Michigan: Detroit Safe Energy Coalition, 691 Seward St., Detroit, Mich. 48202.

Missouri: Great Plains Alliance, 4311 Holmes St., Kansas City, Mo. 65110.

New Hampshire: Clamshell Alliance: 62 Congress St., Portsmouth, N.H. 03801.

New Jersey: The SEA Alliance, c/o N.J. SANE, 324 Bloomfield Ave., Montclair, N.J. 07042.

New Mexico: Citizens Against Nuclear Threats, 106 Girard S.E., Rm. 121C, Alburquerque, N. Mex. 87106.

New York: Long Island Safe Energy Coalition, Box 972, Smithtown, L.I., N.Y. 11787; Friends of the Earth, 72 Jane St., New York, N.Y. 10014; People's Alliance, P.O. Box 998, Peter Stuyvesant Station, New York, N.Y. 10009; Rochester Safe Energy Coalition, 195 Oxford St., Rochester, N.Y.; UPSET, Rt. 1 Box 121, Richville, N.Y. 13581.

North Carolina: Carolinians for Safe Energy, P.O. Box 8165, Asheville, N.C. 28884.

Oklahoma: Citizens for Safe Energy, P.O. Box 924, Claremore, Okla. 74017.

Oregon: Trojan Decommissioning Alliance, 215 SE. 9th St., Portland, Oreg. 97214.

Pennsylvania: E. C.N.P., 433 Orlando St., State College, Pa. 16801; Movement for a New Society, 4722 Baltimore Ave., Philadelphia, Pa. 19143; Susquehanna Alliance, R.D. No. 1, Stillwater, Pa. 17878.

South Carolina: Palmetto Alliance, 18 Bluff Rd., Columbia, S.C. 29202.

Texas: Armadillo Alliance, 4524 Bishbee Rd., Fort Worth, Tex. 76119.

Washington: Crabshell Alliance, P.O. Box U–5395, Seattle, Wash. 98107.

Wisconsin: League Against Nuclear Dangers, Rt. 1, Rudolf, Wis. 54475; Northern Sun Alliance, 22 S. Barstow, Eau Claire, Wis. 54701.

HEALTH CARE: PAST ACHIEVEMENTS AND FUTURE CHALLENGES

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. PICKLE. Mr. Speaker, health care protection at reasonable cost is an issue a great many Americans have been concerned about for a very long time.

Lyndon Johnson, early in his Presidency, addressed this issue with considable success in bringing about enactment of a major health care program for the elderly.

Recently, the Lyndon Baines Johnson Foundation honored a pioneer in health and medical care in America: Dr. Sidney Garfield who some 40 years ago founded what was to become the Kaiser health plan.

In paying tribute to the memory of President Johnson—and to Lady Bird Johnson for her continued compassionate work on behalf of the elderly, the sick and disabled—I wish to share with my colleagues remarks of the able Secretary of Health, Education, and Welfare Joseph A. Califano at the LBJ Foundation luncheon October 27 honoring an individual who exemplifies so much of the Johnsons' social vision.

REMARKS OF JOSEPH A. CALIFANO, JR.

It means a great deal to me to be here today. This occasion gives me an opportunity to share with a distinguished audience some concerns about a major national issue. But I have more personal reasons for cherishing this moment.

For several years in the 1960's, it was my privilege to serve a President who had a shaping influence on my life—and more importantly, upon the life of this Nation. For Lyndon Johnson not only knew about government—he cared about people. This restless, endlessly striving, visionary man turned those two qualities, knowing and caring, into the greatest array of humanitarian programs since the New Deal: Programs like Head Start; the Elementary and Secondary Education Act; the Higher Education Act; Medicare for older citizens and Medicaid for the poor; dozens of other programs serving millions of citizens.

Lyndon Johnson was an emancipator in the tradition of Abraham Lincoln; a reformer in the tradition of Franklin D. Roosevelt, and a legislative craftsman in the tradition of—Lyndon Johnson.

He was one of the great Presidents.

He was fortunate, as he often told us, to have "outmarried himself,"—to his great benefit—and ours. For Lady Bird Johnson was more than a graceful presence in his Administration; more than a wife who encouraged her husband when he needed encouragement, and who gently restrained him when he needed that.

Mrs. Johnson had her own clear convictions and her own career as a leader; it was she who planted the environmental movement on the front pages of America. Today, what she planted—a national concern for the quality of our landscape, our air and water—indeed, for the whole physical quality of life in America—has borne rich fruit. I'm honored to be here with her; to pay tribute to her inspired persistence and to her husband's.

Today, we honor—in their name—a man who exemplifies so much of the Johnsons' own energy, practicality, and uncommon social vision: Dr. Sidney Garfield, an authentic pioneer of health and medical care in America: a pioneer who, forty years ago on the construction site of the Grand Coulee Dam, under the leadership of one of America's great industrial families, founded what was to become The Kaiser Health Plan.

Dr. Garfield's life, it seems to me, illustrates two themes that have been on my mind since President Carter took office and I became Secretary of Health, Education and Welfare: Those twin themes are compassion—and competence.

The great challenge that President Johnson faced was persuading this Nation to tackle the unfinished business of a generation—and to break a legislative logjam. He succeeded brilliantly—and the compassionate programs launched in these years are monuments to that success.

President Carter, his legatee, faces a challenge no less awesome: To build on that success; to answer the expectations created in the sixties for broad social justice and a higher standard of living; but to answer also another national demand that has arisen in America: a demand for prudent, efficiently managed government. Compassion, of course—but compassion informed and disciplined by competence. President Carter is determined to satisfy that demand.

Nowhere is that demand more insistent—or more exacting—than in the field of health care in America.

The hallowed, sacred symbol of health care has been the doctor with the little black bag, treating his patient—enshrined in Saturday Evening Post covers by Norman Rockwell and in the gentle TV image of Dr. Marcus Welby.

But health care in America is something vastly more complex than these old images conjure up. Doctor and patient are still central to health care in America—and always will be. But they are surrounded, in today's world, by something new: a vast health care industry—the third largest industry in the United States after construction and agriculture.

Consider, first, its size and complexity: more than 375,000 doctors; 7,000 hospitals; 16,000 skilled nursing homes; thousands of laboratories; hundreds of suppliers of drugs, expensive medical equipment and other medical products—with a $139 billion price tag in 1976.

The big, expensive decisions in this industry are too often not really made—they happen in a host of private and public institutions, with little coherent planning at the state and local levels.

It is, second, an industry that operates largely without the usual restraints that control costs and guarantee efficiency in other industries—notably competition.

In the health care industry, the consumer makes surprisingly few decisions beyond selecting his family doctor. Instead, the physician is the central decision maker for more than 70 percent of health care services—from selecting the specialists to ordering the laboratory tests to hospitalization.

Ninety percent of hospital bills are paid by third parties—private insurance companies, Medicare and Medicaid. This means that to a disturbing degree, those who provide health care—doctors—and those who consume it—patients—do not think about cost: someone else is paying.

Third, this vast, complex, largely non-competitive industry is increasingly based upon sophisticated and costly technology: a dazzling array of diagnostic and therapeutic devices: computerized axial tomography scanners; kidney dialysis machines; ultrasonic scanners, which are on the horizon.

In Atlanta, for example, there are 17 cat scanners for a population of 1.5 million; five of those machines are in doctors' offices. The whole state of Connecticut, by contrast, has only six cat scanners for a population twice as large: three million. And the experts tell us eight is sufficient for that population. There are enough cat scanners in Southern California for the entire western United States.

Doctors, hospitals and communities are so eager to install the latest equipment, so eager for the prestige and eminence that come from having the latest technology, that giant spending decisions are often made with little regard for necessity, efficiency, or sometimes even quality. Keeping up with the Joneses is understandable, even excusable, for neighbors spending their own money on lawnmowers or sprinkler systems, but we can no longer afford to indulge this wasteful medical arms race. We must devise ways to assure that when we spend for medical technology, we buy quality, not pointless luxury.

Fourth, the health care industry in America is, increasingly, an expensive industry whose appetite for private and public dollars is seemingly uncontrolled—and growing.

The median income of American families was $13,700 in 1975. In that same year, the average family expenditure for health care was nearly $1,600 . . . more than 10% of the median income.

An average hopsital stay cost less than $350 in 1965. It now costs over $1,400.

Our fellow citizens paid $26.3 billion to doctors last year. Yet doctors' fees are going up—faster than incomes for the rest of the population.

Health care spending was 8.3 percent of our Gross National Product in 1975. At present inflation rates, it could reach 10 percent by 1980. Without some kind of restraint, health care spending by 1980 will have ballooned to at least $230 billion: $1,000 a year for each man, woman and child in America.

This rapid inflation imperils the ability of uninsured people to get health care at all. It gobbles tax dollars at such a rate that they are not available for other public purposes. The Federal Government now pays 12 cents of every taxpayer dollar to the health industry. The average American worker works one month each year to pay the health industry.

In health care we are driving the ultimate gas guzzler: heavy, expensive, laden with optional accessories. But we are not getting a perfect or entirely safe ride—far from it.

Our goal in America—a goal shared by doctors, patients and government; by all of us—is simple: high quality health care for all, at a reasonable cost.

If that is our goal, we must take seriously this problem of spiraling health care costs. For rising costs threaten quality; we are, as costs go up, in danger of getting less—for more. Rising costs threaten our goal of broad access, of quality health care for all; we are in danger, as costs go up, of having more expensive care—for fewer people.

Our system for delivering health care in America, despite its great achievements; despite the enormous amounts we spend in quest of quality, has some serious flaws: flaws in organization; flaws of inequity.

In our inner cities, minority citizens still lag far behind others in their access to physician care. Manhattan has 800 doctors per 100,000 citizens; Newark, New Jersey has only 60 per 100,000.

In our inner cities, the outpatient departments of large metropolitan hospitals are often the basic providers of care. Yet the cost of this kind of care is two or three times higher than the same services offered in other settings, such as Health Maintenance Organizations and community health centers.

Our present health care system emphasizes expensive acute care over prevention.

We could literally save thousands of lives that are now being stunted or lost—if we could reduce the ravages of: cigarette smoking, which will prematurely kill 37 million Americans now living; of alcoholism, obesity, and accidents. But we lack a health care system with economic incentives as strong to prevent as they now are to cure.

Clearly we must act.

Clearly our health care system has become an urgent national problem. One evidence of that is the deep concern of top corporate executives about health care costs for their employees. Major national employers like Ford, General Motors and IBM are worried—deeply worried—about health care costs. They are asking what they, and we, can do to guarantee quality health care for all—at reasonable cost.

Let me suggest some answers.

President Carter, as you know, has pressed forward on the problem of costs. He has sent to the Congress legislation that would control the precipitous rise in hospital costs—the most inflationary sector in the health industry. That proposal—a limit on increases in total hospital revenues—is merely a stopgap solution: a necessary transition to more long-term reforms.

For the long term, we must learn to organize health resources more effectively; distribute health care benefits more fairly; emphasize prevention and establish an effective system of national health insurance.

Another important step we can take is to give major national impetus to the movement that Dr. Sidney Garfield and the Kaiser family launched forty years ago: prepaid Health Maintenance Organizations, for which the national model is the Kaiser-Permanente Health Plan.

Forty years ago, Dr. Sidney Garfield was asked by Edgar Kaiser to provide health care services to five thousand workers and their families on the building site of the Grand Coulee Dam in eastern Washington.

Dr. Garfield's idea, which he had developed earlier in Southern California, was simple: a group of doctors, paid in advance for their services, would provide continuing medical service.

That idea has grown into the Kaiser-Permanente Medical Care Program, which today serves more than three and one-quarter million members with highest-quality, efficient, reasonably priced medical care.

Under this plan, families enjoy a high level of care. But they pay less, because the system is more efficient; because it emphasizes early intervention and prevention.

Today, I want to voice a national commitment: We intend to give impetus to this idea nationwide. We intend to help make it possible for every American citizen to have the option of joining a health maintenance organization.

Why do we in government consider this so important?

A Health Maintenance Organization provides a comprehensive range of medical benefits, including physicians' services and hospitalization, to its enrolled members and their families for a prearranged, prepaid fee. Unlike physicians in the fee-for-service system—who only get paid if they furnish more care, and who get paid more if they furnish more expensive care—the HMO has an incentive not to engage in wasteful hospitalization; not to run repetitive or unnecessary tests, not to refer patients to an unnecessary specialist. The results are impressive:

HMOs can reduce hospitalization by 30 to 60 percent below other insurance plans.

Because hospital expenses represent almost 40 percent of all medical costs in the United States, simply eliminating excess hospitalization could save the government and patients billions of dollars.

The quality of medical care in HMOs is excellent: doctors have strong incentives to give good care. HMOs emphasize preventive care—periodic examinations, medical education, good nutrition, well-baby care.

HMOs encourage access to health care; promote continuous, coherent care, not sporadic, episodic care. And because the consumer knows the cost of services in advance and all at once, competition is possible. This is the way the whole system should be moving, instead of simply reimbursing people for the cost of episodic visits to treat ailments, when they reach the acute and more expensive stage.

Earlier today, at a ceremony granting Federal recognition to the Kaiser Health Plans, I outlined some steps we are taking within government to encourage the development of HMOs: steps to eliminate red tape and other obstacles.

Let me announce now a major action with far-reaching potential. I am today writing to the chief executive officers of the five hundred largest corporations in America to urge them to offer HMO membership to their employees whenever possible and to take the lead in developing HMOs for their employees.

I am also inviting each of the 500 largest corporations to send representatives to a conference in Washington on February 7 to explain the advantages of HMOs and discuss how we can work with them to make available HMOs for the employees of every large employer in this nation and to establish a network of compatible HMOs so that benefits will be easily portable. They will be joined by health industry experts, government officials and labor representatives.

This conference will give them an opportunity to advise me as to any problems they encounter in trying to develop an HMO; and to let me know how they think we in Washington can encourage their efforts—with information, technical assistance or other resources.

To each profit-squeezed, cost-conscious executive of a major company in this nation, I would put the following question: Why not provide the same high-quality health care that your employees are now receiving for 10 percent, 20 percent, 30, or even 40 percent less than you are now paying?

So the modest idea that occurred to Sidney Garfield in the Southern California desert a generation ago became a national monument to his vision.

And so another achievement fostered by the Kaiser family enters American history, along with the Grand Coulee Dam and the liberty ships of World War II. And this achievement may be the most memorable of all.

The health care plan that Sidney Garfield and Edgar Kaiser launched forty years ago is now an idea that enriches life for millions of Americans. It is, in 1977, an idea whose time has come: an idea worthy of serving millions more.

We are going to do our part to encourage that idea.

Let us hope that, as we do so, we can match the sweeping vision, and the earthy practicality, of leaders like Sidney Garfield, whom we honor today—not just for the idea he gave us, but for the pioneering spirit that made that idea possible.

Thank you.

RIPOFF BY FIAT

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. ABDNOR. Mr. Speaker, part of the poor reputation of Congress could be easily avoided if we would just face up to our responsibilities and opportunities. A case in point is standing up to the Department of Transportation and saying "NO" to the automobile air-bag mandate.

But, as this editorial from the Yankton, S. Dak., Daily Press and Dakotan points out Congress has lacked the integrity to do what it should, and thus is condoning this ripoff by fiat. I commend it to the attention of my colleagues:

AIR BAGS: CONSUMER RIPOFF

It's more than just a little disgusting to read of the expensive things that the government wants to do for its citizens—under the guise of "protecting them."

We refer specifically in this instance to the controversial air bags which Transportation Secretary Brock Adams wants to see installed in every automobile by 1984—with some of the earliest by 1982.

As far as we are concerned, the claim of Secretary Adams to the contrary, this mandatory ruling by a Department of government will be one of the biggest ripoffs faced by consumers in a long time.

What is even more discouraging is the fact that the members of Congress—the men and women elected by the citizens of the nation—lacked the intelligence and the courage to delay the mandatory order for the installation of the air bags.

Adams predicts that these innovative, actually untested devices will save 9,000 lives a year.

Even that claim has been challenged—but rather than upset things, the Congress accepted that claim and refused to delay the mandatory order to offer more time for more comprehensive testing.

It has been called a $20 billion consumer ripoff by some of the foes of the air bag controversy within the legislative halls in Washington where politics so often replaces good sense.

It is certainly no secret that the air bags will increase the cost of every automobile by a minimum of three hundred dollars—and some predict as much as $500.

We find it interesting to note that there has been no great clamor on the part of the automobile insurance companies and none, as far as we know, have indicated discounts to owners of cars which are equipped with the bags.

Also interesting is the fact that there has been a hesitancy on the part of insurance companies about offering "product liability insurance" to the car makers on the air bags.

But the tragedy of it all, in our opinion, is that the Congress of the United States refused to halt the mandatory order. Certainly if the members of Congress were as interested in the "consumer" as they would have you to believe during election year—they might have questioned the high costs of the air bag itself—and whether or not these costs and the questionability of their effectiveness should have demanded more study.

Unfortunately, the order will probably stand until some individual or small group takes the issue to court—when actually the Congress of the United States could have done that itself.

No wonder the citizens of America are continuing to lose faith in the integrity of the members of Congress who seem to have lost sight of the fact that they do represent their constituents—not the air bag manufacturers, not Secretary Adams, nor themselves.

This lack of integrity on the part of the Congressmen to face up to bureaucracy on the air bag issue could well be another justification for a "recall" of at least those who are up for election in 1978 and who failed to at least oppose the mandatory air bag order when they had a chance to vote on it.

TOBACCO FOR HUMAN CONSUMPTION

HON. JAMES P. (JIM) JOHNSON

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. JOHNSON of Colorado. Mr. Speaker, today I introduced a bill to direct the Secretary of Agriculture to conduct a study to determine the possible economic effects, particularly on family farmers, of a cessation of Federal assistance which serves to promote the production and marketing of tobacco for human consumption.

I believe there is no justification for continuing Federal support of tobacco

once the Government recognizes the consumption of this commodity is a serious public health problem, as we have done since 1964. The National Institutes of Health estimate that of the 50 million Americans over the age of 18 years who now use tobacco products, 5 million will likely die prematurely as a result of their tobacco usage. Added to this potentially tragic toll is the needless cost of medical care to treat cigarette smoke-related illnesses and economic losses sustained by American businesses and employees as a result of accidents, absenteeism, and lost output caused by smoking. In 1976, the American Cancer Society reported that such costs total an estimated $17 billion annually.

For many years, the Federal Government has been committed to educating the public about the health hazards of tobacco to discourage smoking, and Congress has enacted various legislation to support such efforts. Yet, simultaneously, we have continued to foster the production and marketing of the commodity whose consumption we condemn, by providing farmers with financial guarantees that they will receive a good price for tobacco and by financing the sale of tobacco through the food for peace program and the export credit sales program of the Commodity Credit Corporation. This dichotomous attitude toward tobacco is self-defeating and confusing to the public. Certainly it challenges the sincerity of our commitment to help protect public health.

This year, I have been involved in various legislative efforts to end Federal assistance for tobacco. Opposition to such has been based almost entirely on the concern of my colleagues from tobacco-growing areas over the possible economic consequenecs to small family farmers who earn their living by growing tobacco. Statistics on the number of farmers who grow tobacco vary. The Department of Agriculture plays a supervisory role in the production of tobacco, in part, through a system of farm allotments. For the 1977 crop year, there are a total of 537,089 farm allotments for tobacco. This does not necessarily translate into the number of tobacco farmers, however, since many allotments are combined into single farm operations and allotments might not be utilized at all. In 1975, an analysis done by the Economic Research Service of the Department of Agriculture estimated that approximately 235,560 families derive all or part of their income directly from an "on-farm" association with tobacco production.

I share the concern that has been expressed for the economic welfare of these farm families. Any proposal to end Federal assistance for tobacco should include considering the anticipated impact of its implementation on small farmers and what other sorts of assistance might be appropriate to help them in the event their ability to earn a living would be impaired severely. Unfortunately, in the absence of any serious study by the Department of Agriculture to determine just how the economic livelihood of small tobacco producers might be affected specifically by a cessation of Federal assistance, debate on this issue in Congress has been hampered significantly and limited to observations of the most emotional and offhanded nature.

During House floor debate on the omnibus farm legislation in July, the chairman of the Subcommittee on Tobacco of the Committee on Agriculture, Congressman WALTER JONES of North Carolina, and I engaged in a colloquy on this issue. At that time, I had prepared an amendment to the farm bill which instructed the Secretary of Agriculture to study the probable economic effects of ending Federal assistance for tobacco and which provided for a phaseout of assistance by 1980. Chairman JONES offered to schedule hearings on this issue in his subcommittee if I would withdraw my amendment and introduce it later as a bill. This is the measure I have introduced today, and I will look forward to the opportunity for a public forum on this issue such hearings will provide. I have no desire to see any small farmer driven out of farming, but if tobacco farmers can only survive if the Federal Government financially supports their poisonous crop, let us find some other way to help them.

ARE CRUISE MISSILES INEFFECTIVE?

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. CARTER. Mr. Speaker, the defense of the United States of America is of ultimate importance. I read just a few days ago of a base in Cuba on which there were 24 long-range Russian bombers. Each plane, according to the article, has a range of 5,000 miles. It is estimated that 70 million Americans could be killed if the Russians chose to attack from the Cuban base with nuclear warheads. I consider this situation intolerable.

It is my understanding that Hon. JACK KEMP of Hamburg, N.Y., uncovered this information. I want to give credit where credit is due.

Furthermore, Mr. Speaker, the Evans-Novak column gave very disturbing information to the effect that the cruise missile is incapable of penetrating Russian defenses.

In view of this fact, Mr. Speaker, I would hope that this Congress would revive the B–1 bomber. I enclose the Evans-Novak column for the perusal of the Members:

[From the Lexington, Ky. Herald-Leader, Oct. 30, 1977]

ARE CRUISE MISSILES INEFFECTIVE?

WASHINGTON.—Secret computer studies show that the existing U.S. cruise missile would not have a chance to penetrate the Soviet Union's sophisticated defense system, a revelation acutely embarrassing to President Carter and threatening to the prospective SALT II, agreement.

The studies, conducted jointly over the summer by a private contractor and the Pentagon, found that a scheduled "live" test would result in the Tomahawk cruise missile being shot down by U.S. defenses.

Consequently the Defense Department some two weeks ago cancelled the "live" test and substituted a "dead" or simulated test.

That was intended to sidestep severe embarrassment for the weapon that became strategically crucial when Carter shelved the B–1 bomber.

But word has filtered out of the Pentagon, giving new ammunition to Capitol Hill critics of the Carter defense policy. The new strategic arms limitation agreement (SALT II) being negotiated in Geneva becomes more vulnerable than ever to criticisms that it gives the Soviet Union a dangerous advantage.

A Defense Department spokesman told us there was no computer study made and that there will be "live" tests of the Tomahawk. But our sources at the Pentagon reaffirmed in detail the story of the cruise missile crisis.

The President's unexpected decision against B–1 bomber production transformed the cruise missile from a theater to a global weapon. As such, it is now a critically important U.S. strategic weapon.

Although the cruise missile team has boasted that their weapon presents radar a cross-section the size of a seagull, that may be too big.

Further reducing the cross-section or increasing the missile's speed would require major changes.

"I'm very much afraid," one technical expert told us, "that the cruise missile is about one weapon generation away from being able the penetrate Soviet defenses."

GREAT LAKES SHORELINE EROSION MANAGEMENT PROGRAM

HON. PHILIP E. RUPPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. RUPPE. Mr. Speaker, today, I am introducing legislation which would take a new approach in protecting and preserving one of our country's most valuable natural assets—the Great Lakes shoreline.

The Great Lakes basin—a fresh water system with unique geographical features—has long been subject to both Federal and international regulation directly affecting Great Lakes water levels and, thus, contributing to the severe shoreline erosion problem.

Previous congressional proposals of disaster assistance or tax relief have not attracted sufficient support and have thus failed. The problem remains unresolved while the erosion continues.

It is time that a solution which directly assists the private property owners in an erosion management program is developed. In the Great Lakes area, for example, 70 percent of these critically eroding areas are privately owned, largely unprotected residential property. And 82 percent of the entire shoreline is privately owned.

Therefore, the bill I am today introducing does permit such private participation while utilizing State involvement as much as possible.

Briefly, my bill involves the following features:

(1) A Federal low-interest loan program to be administered by the states in order to provide loans to private owners for relocation assistance, and for non-structural and to a lesser degree structural erosion management techniques.

(2) A Federal-State grant program established on an 80–20 shared funding process for relocating public facilities and for non-structural and to a lesser degree structural erosion management techniques to protect the public interest.

(3) Authority for State-Federal agency consultation on erosion control structure techniques.

(4) Provisions for annual oversight and contingency funds for unforseen damage.

(5) Allocation criteria for states based on shoreline recession rates, length, and other factors.

As a sponsor of an amendment to the Coastal Zone Management Act of 1972, which requires that State coastal zone management programs include a planning process for assessing the effects of shoreline erosion and for studying and evaluating ways to control or lessen the impact of such erosion, I believe the bill I offer today complements the act. Under this new legislation only States with an approved coastal zone management program are eligible for participation.

Thus, I am proposing that Congress embark on this private-State-Federal approach to erosion management in order to take a positive step forward in preserving this shoreline natural resource. In doing so, we will be acknowledging the national interest in protecting coastal resources and the sacrifices private and public property owners in the Great Lakes region have made in this regulated environment. In addition, we will be providing financial incentives consistent with CZM programs, allowing a desirable level of State administration and discretion subject to broad Federal guidelines, and providing a logical extension and implemenation of the CZMA.

It would also provide a measure of balance with respect to Federal benefits between coastal States by providing Great Lakes erosion control financing assistance while other coastal States are receiving Outer Continental Shelf impact assistance.

I invite the support and comments of my colleagues in this effort to preserve this invaluable natural heritage for future generations.

THE WORLD'S LEADING CHAMPION OF PEACE AND THE WORLD'S LEADING SUPPLIER OF THE WEAPONS OF WAR

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. CONYERS. Mr. Speaker, in June, 1976 Candidate Carter told the Foreign Policy Association that the United States could not continue to sell arms overseas at the rate it does and at the same time promote the cause of peace. "If I become President, I will work . . . to increase the emphasis on peace and to reduce the commerce in weapons," Mr. Carter declared. This year we sold a record $10 billion in weapons overseas, 10 times more than the yearly average during the 1950's and 1960's. The bulk of these arms exports go to Third World countries.

Recently, I came across a very thorough account of the extent and implications of American arms sales and the obstacles in the way of serious reduction in arms sales. "How We Practice 'Arms Restraint,'" which appeared in the Nation on September 24, 1977, is authored by Michael Klare, a fellow of the Institute for Policy Studies, and author of "War Without End: American Planning for the Next Vietnams." Mr. Klare sets out clearly the conundrum the President faces in implementing the policy he professes. Given the current assumptions of national security and the continuing dependence of the American economy on defense production, the President is effectively blocked from pursuing the cause of peace he so eloquently proclaimed at the start of his administration. I urge my colleagues to consider Mr. Klare's analysis:

HOW WE PRACTICE "ARMS RESTRAINT"

(By Michael T. Klare)

On May 19, President Carter announced that he had adopted a "policy of arms restraint" to govern the sale of U.S. munitions abroad. The new policy contained a series of export restrictions designed, according to Carter, to help check "the virtually unrestrained spread of conventional weaponry [to] every region of the world."

Among the guidelines established by the President was a ban on promotional activity by the Department of Defense. Yet, scarcely a week after the new policy was announced, the Pentagon displayed its latest wares at the International Air Show in Paris. Billed as the largest aircraft display ever held, the Paris show featured flight demonstrations by a full roster of U.S. warplanes, including the F–15, F–16 and YF–17 fighters, the A–10 attack plane, and the E–2C early warning craft. Aviation Week reported from Paris that "U.S. technological domination across almost the entire aerospace spectrum has never been stronger."

If the White House had any qualms about the blatant arms peddling at the Paris show, it did not say so. Indeed, the President himself ignored his new guidelines July 27, when he authorized the sale of American weapons to Somalia, the Sudan and Chad—countries previously barred from U.S. arms purchases.

These, and related events, have called into question the significance of Carter's arms sales policy. Aviation Week, for instance, speculated that "the impact on the U.S. aerospace industry will be small." And most industry officials reached by the mass media expressed little fear of a drop in productivity or profits.

In June 1976, in one of his first major foreign policy statements, Carter raised what was to become a principal theme of his campaign: the uncontrolled growth in U.S. arms sales abroad. "I am particularly concerned," he told the Foreign Policy Association in New York, "by our nation's role as the world's leading arms salesman." In an obvious reference to Henry Kissinger, Carter denounced those U.S. leaders who "try to justify this unsavory business on the cynical ground that by rationing out the means of violence we can somehow control the world's violence." Insisting that the United States cannot be "both the world's leading champion of peace and the world's leading supplier of the weapons of war," he vowed that "If I become President, I will work . . . to increase the emphasis on peace and to reduce the commerce in weapons."

Sensing that the public was becoming increasingly uneasy about massive U.S. arms transfers to wealthy potentates abroad, Carter reiterated his pledge to reduce military sales throughout the campaign. Subsequently, upon entering the White House, he promised to make such reductions a major priority of the new administration. In his first Washington interview, on January 24, he reported that the National Security Council believed unanimously in "the necessity for reducing arms sales" and was determined to place "very tight restraints on future commitments" to U.S. arms producers and their overseas customers.

Carter assigned the task of implementing this policy to Secretary of State Cyrus Vance, who then ordered Leslie Gelb, director of the State Department's Bureau of Politico-Military Affairs, to develop a set of policy options for the President. Gelb naturally began his work by studying all the issues raised by the explosive growth in military exports. Most of this effort was conducted behind closed doors at the State Department and the Pentagon, but it is not difficult to imagine the major problems he considered in the course of this study:

Volume: U.S. arms exports under the Pentagon's Foreign Military Sales (FMS) program have risen at an astronomical rate, from an average of $750 million per year in the 1950s and 1960s to approximately $9 billion per year in the mid-1970s. Direct foreign sales by U.S. arms firms under the separate Commercial Sales program rose at a comparable rate, from $100 million to more than $1 billion per year. All told, the United States sold more than $55 billion worth of arms, equipment and services between 1971 and 1977, or three times the total for the preceding *twenty* years.

Recipients: Whereas until 1970 most U.S. arms sales went to Japan, Canada and Western Europe, today the bulk of such exports goes to the less-developed nations of the Third World. According to Pentagon statistics, Third World purchases rose from about $230 million per year in the 1950s and '60s to an astonishing $6 billion annually in the mid-1970s. Most of this increase is accounted for by sales to the oil-rich kingdoms of the Middle East, but a large chunk of it was bought by the poor, debt-ridden nations of Latin America, Africa and Southeast Asia. (See Klare: "How to Trigger an Arms Race," *The Nation*, August 30, 1975.)

Sophistication: Not only is the United States selling more weapons than ever before, it is also selling more advanced weapons. Countries that were once equipped with obsolete arms required through the Military Assistance Program are now getting America's most advanced missiles, aircraft and warships. Thus Iran, which before 1964 possessed no guided missiles or supersonic aircraft, is now receiving the Hawk, Sparrow, Sidewinder, Maverick, Phoenix and Harpoon missiles, as well as such advanced aircraft as the F–14 swing-wing fighter, the F–16 combat plane, and the P–3C surveillance aircraft. (See Klare: "Arms for the Shah," The Nation, January 31, 1976.)

Co-production: Besides selling complete weapons systems, U.S. firms are increasingly exporting their technical expertise via "co-production" projects with foreign arms producers. Such transactions normally encompass joint production ventures involving both U.S. and foreign firms in the manufacture of a common item, or licensing arrangements whereby a foreign producer acquires the blueprints and "know-how" to produce an American-designed weapon. Many experts consider technology transfers of this sort to be more dangerous over the long run than direct arms transfers because they increase

the number of arms suppliers a belligerent can turn to in wartime and also complicate the task of negotiating conventional arms control measures. (See Klare: "America Exports Its Know-How," The Nation, February 12).

Technical Service Contracts: Besides selling arms, equipment and technology, the United States is increasingly selling its technical military skills to foreign armies. Such transactons normally take the form of contracts for the supply of training, maintenance or managerial support. The demand for such services is growing at a tremendous rate because many Third World armies lack the technicians needed to operate and maintain the new arms they are acquiring from the advanced countries. According to one Senate Foreign Relations Committee study, more than 25,000 U.S. tehnicians are now working on military-related projects in Iran and Saudi Arabia, and the total could well reach 50,000 by the early 1980s. The growing involvement of these "white-collar mercenaries" in many foreign armies could lead to unintended U.S. involvement in future conflicts.

Payoffs and Promotion: Given the extraordinary expansion of the weapons market abroad, it is hardly surprising that U.S. arms firms take great pains to promote sales of their products abroad. Such efforts include advertisements in the trade press, demonstration flights, and exhibits at special events like the Paris air show. In some documented cases, however, these "legitimate" practices have been supplemented by the payment of bribes to foreign government officials. Thus Northrop Corp. gave $450,000 to a sales agent who reportedly used the money to bribe two Saudi Arabian generals, and Lockheed paid out bribes of more than $7 million to Japanese officials to secure orders for its L–1011 transport plane.

Human Rights: Although the bulk of U.S. arms exports consists of major combat equipment (tanks, fighter planes, missiles) designed for external defensive purposes, a substantial fraction involves sales of police-type equipment and weapons designed for internal security exclusively. According to documents acquired by the author under the Freedom of Information Act, the major U.S. arms producers' sold some 50,000 pistols and revolvers, 7.5 million rounds of ammunition, 155,000 tear-gas grenades and 296 armored cars to foreign police and prison agencies between 1973 and 1976. U.S. firms are also major suppliers of police computers, surveillance gear, eavesdropping devices, and other repressive systems. And despite the growing U.S. concern for human rights abroad, these weapons are being provided to some of the world's most repressive governments—including those of Chile, Argentina, Brazil, Haiti, Uruguay, Iran, Indonesia, South Korea and the Philippines. (See Klare: "Exporting the Tools of Repression," The Nation, October 16, 1976.)

When Gelb first began studying these issues, Washington observers predicted that the administration would impose a permanent ceiling on U.S. arms exports at a level considerably lower than the estimated fiscal 1977 total of $10 billion, and adopt other constraints on the export of high-technology arms. Columnists Evans and Novak reported on April 18, for instance, that a cut of 25 percent or more was being talked about. But once Carter and Vance had begun to confront all the corporate and bureaucratic interests involved in the arms trade they instructed Gelb to consider more moderate remedies. As one official involved in these discussions commented, "Initially, the guidance was all predicated on finding ways to scale back on arms sales overseas. The thesis was that arms sales are all wrong, but now that has changed, and the guidance for preparing the options is fairly balanced. The people in the White House now realize there are valid reasons for selling arms."

Most analysts agree that the surge in U.S. military sales abroad is fuel by a combination of political, military and economic considerations. On the military side, Washington finds itself obliged to keep up the flow of arms to its regional deputies—Iran, Saudi Arabia, Indonesia, Brazil, etc.—which, under the Nixon Doctrine, were assigned the job of protecting U.S. interests in troubled Third World areas where direct U.S. military intervention was considered politically unacceptable. Economically, arms sales are seen as a major instrument for improving the U.S. balance of payments position and for reducing the costs America must pay for its weapons. Such exports are also, of course, a major source of profit for U.S. arms firms and the myriad subcontractors that depend on military orders.

These and related pressures began to affect administration decision-making even before Gelb had completed his study. On April 26, Carter bowed to enormous Air Force pressure and approved the sale of five super-sophisticated AWACS radar surveillance planes to the Shah of Iran. Two weeks later, during his first trip abroad as President, he assured America's European allies that the NATO powers would be exempted from any new restrictions on U.S. military sales. At the same time, in response to intense lobbying by supporters of Israel, he affirmed that "special treatment" would be given to future Israeli arms requests.

Despite such obvious backsliding, Carter announced his new arms policy with considerable fanfare on May 19. After reviewing the Gelb study, he declared, "I have concluded that the United States will henceforth view arms transfers as an exceptional foreign policy implement, to be used only in instances where it can be clearly demonstrated that the transfer contributes to our national security interests." However, there is much skepticism concerning the effectiveness of Carter's guidelines, and one must therefore examine his concrete proposals one by one to evaluate the total potential effect of the new policy. Here, then, are all the major points raised in Carter's May 19th statement, with in each case an analytical comment.

Carter: "To implement a policy of arms restraint, I am establishing the following set of controls, applicable to all transfers except those to countries with which we have major defense treaties (NATO, Japan, Australia and New Zealand). We will remain faithful to our treaty obligations, and will honor our historic responsibilities to assure the security of the state of Israel."

Comment: During the three years (fiscal 1976–78), the "exempted" countries and Israel accounted for 35 percent of U.S. arms exports under the FMS program, so Carter has already restricted his "policy of restraint" to less than two-thirds of the potential market. Furthermore, if other countries with which the United States has "major defense treaties"—such as South Korea, Taiwan, Spain and the Philippines—are added to the "exempt" list, the scope of Carter's proposals would be limited by another 10 percent, to only 55 percent of the total market.

Carter: "These controls will be binding unless extraordinary circumstances necessitate a Presidential exception, or where I determine that countries friendly to the United States must depend on advanced weaponry to offset quantitative and other disadvantages in order to maintain a regional balance."

Comment: This waiver allows Carter to cancel out everything that follows when he determines that an extraordinary condition exists or that deliveries by another supplier create an alleged military imbalance. And as his actions on the AWACS and other cases described below testify, he is clearly prepared to interpret these exceptions in a liberal fashion.

Carter: "The dollar volume (in constant fiscal 1976 dollars) of new commitments under the Foreign Military Sales and Military Assistance Programs for weapons and weapons-related items in fiscal 1978 will be reduced from the fiscal 1977 level. Transfers which can clearly be classified as services are not covered, nor are commercial sales, which the U.S. Government monitors through the issuance of export licenses."

Comment: Having already chopped off one-third of FMS sales by exempting NATO, etc., Carter now reduces the force of his policy even further. Since services comprise about 40 percent of all FMS contracts, Carter has limited the scope of his controls to less than two-fifths of total sales. Eliminating commercial sales further limits the controls to only about 35 percent of all military exports. And since FMS service contracts and commercial sales are expected to rise in coming years, total military exports could well rise above the fiscal 1977 level even if Carter's proposals are vigorously enforced!

Carter: "The United States will not be the first supplier to introduce into a region newly developed, advanced weapons systems which would create a new or significantly higher combat capability. Also, any commitment for sale or co-production of such weapons is prohibited until they are operationally deployed with U.S. forces, thus removing the incentive to promote foreign sales in an effort to lower unit costs for Defense Department procurement."

Comment: These are sound principles, but they are rendered meaningless by all the exemptions and waivers noted above. In keeping with America's "special relationship" with Israel, Carter has kept up the flow of new high-technology arms to that country. He also abandoned these principles by agreeing to provide Iran with the AWACS surveillance plane—a system so advanced that CIA Director Stansfield Turner argued against its export out of fear that it might inadvertently fall into the hands of the Russians. Carter approved the sale on the ground that it is essential to Iran's security, but most industry sources agree that a major motivation behind the sale is to reduce unit costs on the multibillion AWACS program and thus ease the Pentagon's own problems in getting Congress to pay for the system. (Carter initially withdrew his approval when Congress threatened to veto the sale in July, but later announced that he would resubmit the proposal.) In yet another departure from these guidelines, Carter recently approved the sale to Saudi Arabia of up to sixty McDonnell-Douglas F–15 Eagle jet fighters—a plane considerably more advanced than any other aircraft now deployed in the Arabian Peninsula.

Carter: "Development or modification of advanced weapons systems solely for export will not be permitted."

Comment: Here, too, Carter has already violated his own principles. In June, he gave Northrop and McDonnell-Douglas permission to begin discussions with West Germany and several other countries on the sale of their proposed F–18L land-based fighter. The two firms are now producing a carrier-based version of the F–18 for the U.S. Navy, but the Pentagon has no plans to develop a land-based version.

Carter: "Co-production agreements for significant weapons, equipment and major components (beyond assembly of subcomponents and the fabrication of high-turnover spare parts) are prohibited."

Comment: Once again, the exemptions carry the day. According to Pentagon documents, twenty-seven out of the thirty-eight major co-production projects now underway involve countries on the exempted list, and it is unlikely that this pattern will change

in the future. Indeed, Carter's commitment to increased arms standardization in NATO will almost certainly result in increased co-production work within the alliance.

Carter: "An amendment to the International Traffic in Arms Regulations will be issued, requiring policy-level authorization by the Department of State for actions by agents of the United States or private manufacturers which might promote the sale of arms abroad. In addition, embassies and military representatives will not promote the sale of arms."

Comment: This provision is not as far-reaching as it sounds, since U.S. arms producers have always sought an informal government go-ahead signal before initiating serious export talks with foreign officials. Now such requests will be made on a formal basis, but so long as Carter is prepared to disregard his other guidelines—as in the AWACS offer to Iran and the F–15 to Saudi Arabia—this requirement does not appear particularly significant. The ban on promotional activities did not stop the Air Force and Navy from soliciting customers at the 1977 Paris air show.

Carter: "In formulating security assistance programs consistent with these controls, we will continue our efforts to promote and advance respect for human rights in recipient countries."

Comment: Although Carter has ordered token cuts in military aid to Argentina, Ethiopia and Uruguay as a penalty for alleged human rights abuses, he has opposed cuts to other countries with equal or worse records on human rights—including South Korea, Indonesia and the Philippines—on the ground that U.S. national security precludes any diminution of American aid. Furthermore, while sales of police-type gear to a few dictators have been held up by the State Department, the United States continues to supply such hardware to many other repressive regimes.

Carter: "I am initiating this policy of restraint in the full understanding that actual reductions in the worldwide traffic in arms will require multilateral cooperation. Because we dominate the world market to such a degree, I believe that the United States can, and should, take the first step. However, in the immediate future, the United States will meet with other arms suppliers, including the Soviet Union, to begin discussion of possible measures for multilateral action."

Comment: Carter is right that reduction of the international arms traffic will require cooperation among the major supplying nations. But it is hard to imagine how he can persuade other nations to reduce their sales when the United States continues to dominate the market to such a great extent, even after Carter's guidelines are taken into account. And what "first step" is Carter talking about?—the AWACS sale to Iran, the F–15 sale to Saudi Arabia, the F–18L sale to West Germany?—surely these decisions are not going to persuade European suppliers—or Moscow—of Washington's intention to cut back on its exports to major foreign markets.

Having commented on what is covered by Carter's new arms sales guidelines, it is important to consider what is not covered. The first and most obvious omission is a serious commitment to reduce U.S. military sales. Even if Carter makes a significant cut in weapons transfers to the nonexempt nations, the total volume of U.S. deliveries will probably remain at about the same level as it was before—especially if, as predicted, sales of technical services rise fast enough to make up for the drop in sales of hardware.

Similarly, Carter has not come forward with the "very tight restraints" on future sales that he promised in his press conference of January 24. True, he has ordered the State Department to establish procedures for screening the promotional activities of U.S. arms firms, but there is nothing in the May 19th guidelines (or in Carter's subsequent behavior) that suggests such measures will constitute "very tight restraints."

Of the specific problem areas which Carter does address—co-production, human rights and the sales of advance munitions to underdelevoped countries—we have seen that his proposals are vague, incomplete and sometimes inconsistent. But there are some which Carter neglected to consider altogether, including:

Technical service contracts: Carter specifically exempts service contracts from his May 19th guidelines, and nowhere else is there any sign that he plans to restrict or control the proliferation of "white-collar mercenaries."

Payoffs: Although Carter calls for advance State Department screening of overseas promotional activities by U.S. arms firms, there is no ban on the payment of commissions or fees to agents and representatives abroad—and thus no specific measure to prevent further payoffs in connection with arms deals.

Undelivered orders: Some critics of the arms trade have suggested that Carter apply the new export guidelines to the $32 billion worth of arms that were sold during the Nixon and Ford administrations but have not yet been delivered. This issue is not raised in the May 19th statement, however, and The New York Times reported on May 8 that Carter had apparently decided to go through with these sales because Washington cannot "renege" on such contracts—even though he has called upon France and West Germany to cancel their contracts for the sale of nuclear reprocessing plants to Pakistan and Brazil.

All this suggests that Carter's "policy of arms restraint" amounts to little more than "business as usual." Perhaps there will be a slight reduction in the overall volume of sales, and an attempt to discourage extravagant purchases by some of the more ambitious Third World spenders like Iran, but in general we will be seeing a continuing flow of advanced U.S. arms to an ever growing number of countries abroad.

UNITED STATES-SOVIET STRATEGIC OBJECTIVES

HON. ROBIN L. BEARD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. BEARD of Tennessee. Mr. Speaker, earlier this year Dr. William Van Cleave and Dr. Daniel Yergin appeared on the "Today" Show to discuss the asymetries in United States-Soviet strategic capabilities and strategic doctrine.

In my view, Dr. Van Cleave who was formerly a member of the U.S. SALT delegation and is presently a distinguished professor at the University of Southern California, and a prolific writer on U.S. national security issues, makes some extremely important points concerning United States-Soviet strategic trends.

As Dr. Van Cleave points out, the United States has very seriously underestimated Soviet intention, Soviet capabilities, and Soviet motivation in the post World War II period. Dr. Van Cleave also explains that the Soviet goal to achieve a decisive superiority over the United States in strategic forces is based on a fundamentally different approach from the United States as to what constitutes deterrence and what political-military objectives should be.

The Soviet is posturing his military forces, as both Drs. Yergin and Van Cleave recognize, for a "war-winning" capability over the United States. If we are to preserve our own security, if international stability is to be maintained, then we must deny the Soviet any illusion that he can accomplish this objective. We can no longer simply pretend that Soviet political-military objectives are mirror images of our own. If we fail to recognize this fundamental premise I fear we will inadequately respond to the growing assymetries in United States-Soviet strategic doctrine and military capabilities. If we fail to recognize this fundamental premise we will make concessions at the SALT II negotiations which will not adequately serve our national interest and world peace:

INTERVIEW WITH DANIEL YERGIN AND WILLIAM VAN CLEAVE

JANE PAULEY: In the '60s there was the fear of a missile gap, whether we needed more missiles to keep up with the Russians. Well, now there's the dispute over whether we really need to build a lot of new B–1 superbombers. President Carter is considering that right now. A decision is due by the end of the month.

The question then and now is whether the Russians are gaining military superiority, and if so, whether they intend to use it. And behind that question is still a deeper one: Is the U.S. military-industrial complex exaggerating its estimates of Soviet strength in order to scare us and win bigger defense appropriations from Congress?

To talk about that today we have Dr. Daniel Yergin of the Harvard University Center for International Affairs, author of a new book on the origins of the Cold War, Shattered Peace. He says Soviet superiority is a myth.

And Dr. William R. Van Cleave, a former special assistant to the Secretary of Defense and a member of the SALT I negotiating team who is now professor of International relations and director of the defense and strategic studies at the University of Southern California. Both men evidently well-qualified to talk about the issue at hand.

First of all, Dr. Van Cleave, if I could ask you: this talk of Soviet military superiority, whether it's a fact now or whether it may well be—Isn't that sure to undermine current arms control talks? Isn't that a self-fulfilling prophecy?

Dr. WILLIAM VAN CLEAVE. I don't think it's either. Matter of fact, it's curious that we're all debating the question of superiority today, which is quite a change in just a very few short years. The fact of the matter is that over the past ten or fifteen years, the United States has badly underestimated and misperceived both Soviet intentions, Soviet capabilities, Soviet motivation, to in fact deploy a superior capability and a capability that's not superior merely in quantitative static indexes, but a superiority in mobility to fight or threaten to fight a nuclear war and to survive one.

Now, whether or not that stands in the way of arms control achievements or not is up to the Soviets and their programs, not up to our identification of them, seems to me.

PAULEY. You've raised a couple of points I'd like to pursue, we'll get into a moment, how one puts a fix on intention motivation. But first of all, in terms of quantitative ability to wage nuclear war, does Dr. Van Cleave

have a point when he says that the Soviets are approaching superiority?

Dr. DANIEL YERGIN. Well, it is true that only recently we've begun to talk about superiority, or that some have begun to talk about Soviet superiority, but it's not at all clear that exists, and while we have to be very realistic and we don't want to kid ourselves about the nature of the Soviet Union or the fact that it has a very strong military establishment, realism is called for in discussing it.

And when one looks at it coldly and rationally, one does not get the type of picture that is often portrayed in newspaper headlines currently.

PAULEY. There is a newspaper story just recently over the last couple days. The Stockholm International Peace Research Institute says the United States is still well ahead, well ahead was their terminology. Are they to be believed?

Dr. YERGIN. Well, I think that they have considerable insight in evaluating these issues, and I find rather persuasive their reading of the evidence as it exists today. Of course, let me add that the evidence can be very ambiguous. I mean, you can read it one way in terms of number of missile launchers, but you read it a different way if you look at number of warheads.

Dr. VAN CLEAVE. This is a little oversimplified in the sense that there's an implication here that those of us who are professionally concerned with analyzing Soviet strategic programs and capabilities somehow or another ignore all of these types of things and somehow or another seem to make a frivolous attempt of exaggerating things.

This is far from the case. We go out of our way to make a responsible and reasonable assessment of what the Soviet Union is doing, and we do this by comparing trends, and whether or not one agrees that the Soviet Union is superior or not today of course depends upon one's definition of superiority and how broad one wants to make the definition of it.

But I don't think that any reasonable person would object to the observation that the Soviet avowed goal is the maximum amount of superiority in military forces in every achievable index, and that a continuation of past and present trends will lead in the very near future to that superiority.

Furthermore, I want to emphasize that that superiority is based upon a fundamentally different approach to planning strategic forces in preparing nuclear war than that in the United States. And the asymmetries in these approaches are going to be fraught with instabilities in the near future if we don't do something about it.

Dr. YERGIN. Can I jump in on that? First of all, it seems that there are different—first of all, what we need to keep in mind is that there is an arms race, and both sides are racing. That's what you do in an arms race. The second thing that needs to be said, I think—and I'm sorry that Professor Van Cleave took it otherwise—I think that it's a pity that this debate has become so colored now with passions and bitterness that you felt the statement I was making was an attack on you.

I'm sure that on our basic concerns about the Soviet Union, about American security, we're very close together. But I think it's in terms of evaluating evidence that the differences exist, and I do not in any way question your motives, and I think it's clear—it's important to make that clear in this type of debate.

PAULEY. All right, if I can just—in Paris yesterday, now Soviet President Brezhnev said the Soviets will never take up the sword against anyone. All they're concerned about is their own security. Believe him? Grain of salt?

Dr. VAN CLEAVE. Well, you can take it either of two ways. You can say this is only political rhetoric, or you can say, well, what's the Soviet concept of security? Turns out, at a minimum, the Soviet concept of security is a non-zero-sum gain. For the Soviets to feel secure, everyone else has to be rendered insecure, and this leads to a very aggressive, not a defensive, approach to military programs.

PAULEY. But why are we worried when this is right there on the border? Aren't the Soviets more concerned about the Chinese than they are the Americans?

Dr. YERGIN. It's true that the Sino-Soviet split is often left out of the analysis or tends to be downplayed by some of those who are focusing primarily on the Soviet-American strategic balance.

Dr. VAN CLEAVE. I don't think that this is the case. We regard all of the forces and resources that the Soviet Union dedicates to China. They're somewhat different to the ones, for the most part, that they dedicate to the strategic balance with the United States, although there's some overlap in some new systems.

This is taken into consideration and factored out in a proper way. I don't think that it's fair to say that we discount that.

Dr. YERGIN. The other thing—well, it does seem to me that that is what happens—the other thing is that Professor Van Cleave is right, that the Soviets don't have the type of explicit deterrent doctrine that the U.S. does. But it's also true that they don't have the kind of apparatus—well, how shall I put it?—intellectuals working on it, and their concept of deterrence is more in a traditional—how shall we put it?—war fighting capability. That's part of their doctrine of deterrence.

PAULEY. In any event, the decade ahead of us will be fraught with danger, whether we handle it from one side or the other. Thank you both for being with us.

HUMAN RIGHTS VIOLATIONS: AFRICA

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. ASHBROOK. Mr. Speaker, recently we have heard much about denial of human rights in Africa. The two countries usually discussed are Rhodesia and South Africa. Ignored are the thousands of violations that take place in so many of the other countries on the continent.

Idi Amin of Uganda has slaughtered thousands, imprisoned more, and caused many others to flee. Asians have been driven out of several countries. Basic human liberties have been squashed in African country after African country, but most attention is paid to South Africa and Rhodesia which relative to many other African countries are protectors of life and liberty.

From time to time small amounts of attention have been paid to some other countries. Recently the barbaric practices of Equatorial Guinea have been brought to light. In that country nearly all civil servants and two-thirds of the national assembly's members have been murdered, imprisoned, or have fled.

It has been estimated that 50,000 people have been killed—one-eighth of the preindependence population. Fishing in coastal waters has been banned to cut down on the number of refugees. Families and even whole villages are wiped out.

The picture is not pretty nor is it the only example of dictatorships in Africa that are no respecters of even basic human rights.

At this point I include in the RECORD the text of a recent article entitled "Jewel Turns to a Chamber of Horrors" that appeared in the Washington Post:

JEWEL TURNS TO A CHAMBER OF HORRORS

By David Lamb

DOUALA, CAMEROON.—Less than a decade ago, Equatorial Guinia was the jewel in Spain's African crown, a prosperous, peaceful little place that the well-educated Bubi tribesmen fondly nicknamed Nanny Poo.

The carefree island of Nanny Poo—more correctly, Fernando Po—and its sister province on the mainland represented the Africa of storybooks, beautiful and partly untamed. It was roamed by gorillas and covered with jungle, and from the cathedral tower at Malabo a verdant vista of manicured plantations stretches to the mountain range and the ocean beyond.

Coffee and cocoa were bountiful, an African middle class enjoyed both health and leisure, the school enrollment and per-capita income were among the highest on the continent. It was not surprising that the coming of independence was greeted with optimism.

"Guineans do not want their independence to resemble a bottle of champagne that evaporates in euphoria," Prime Minister Bonifacio Ondo Edu said in early 1968.

But within days of independence on Oct. 12, 1968, the euphoria had given way to terror. Ondo was imprisoned and beaten to death. The roundup and execution of the educated elite, the civil servants and legislative opponents began with systematic fury. Youth gangs ran amok, killing, looting and raping. They still do, by informed accounts.

Today Equatorial Guinea is Africa's chamber of horrors, a morally and financially bankrupt country ruled by a Catholic-turned-atheist, life-President Francisco Macias Nguema, 55, who says: "The so-called intellectuals are the greatest problems facing Africa today. They are polluting our climate with foreign culture."

Since Macias took power at independence, nearly all the senior civil servants and two-thirds of the assembly members have been murdered or imprisoned or have fled into exile. An estimated 100,000 Guineans—25 per cent of the country's population—have escaped to other countries. Conditions in Malabo, the capital, are considered so intolerable that the Organization of African Unity recently took the unprecedented step of voting to close its regional headquarters there.

Knowledgeable observers place the death toll over the past nine years as high as 50,000, an eighth of the country's pre-independence population. Those known to have been killed, in addition to Prime Minister Ondo, include the vice-president, the representative to the United Nations, the president of the assembly and the minister for justice. The Bubi chief, Pastor Torao Sikara, died in Bata prison. Enrique Gori Molubela, a founder of the Union Bubi Party, died of gangrene after his eyes were gouged out.

"In many cases people have been punished or executed without even a pretense that they were guilty of a crime," writes Suzanne Cronje, an African specialist, in a report for the London-based Anti-Slavery Society entitled "The Forgotten Dictatorship."

"This is especially true of women whose only crime was that they were related to politicians or officials who had fallen out of favor.

In some cases whole villages have been destroyed when a member of the community was accused of disloyalty to Macias or such crime."

Formerly Spanish Guinea, Equatorial Guinea is about the size of Maryland and consists of two provinces: Rio Muni on the continent, sandwiched between Cameroon and Gabon, and the island of Macias Nguema, called Fernando Po until the president named it after himself. It lies about 21 miles off the Cameroon coast.

There is an almost total blackout of information about the country today. A garrison of Spanish troops was kicked out in 1969 and most of the 7,000 European expatriates went with them in fear for their lives. The United Nations mission was expelled in 1973, the U.S. embassy was thrown out in 1976. No Western journalists and few foreigners have been allowed in.

But in interviews with refugees and diplomats in West Africa, and from reports compiled by European-based human rights organizations, a picture emerges of Equatorial Guinea and its paranoid president that invites comparison with the late Francois (Papa Doc) Duvalier's reign of terror in Haiti.

Equatorial Guinea is a country on the decline, isolated and divorced from the influence of the world. There are only two doctors in Equatorial Guinea and, as a U.N. report has noted, "Medicines and drugs are virtually unavailable." Television has ceased to operate because of a lack of technicians and the only place a person can make a long-distance call to is Madrid.

Cocoa production has fallen from 34,000 tons at independence to an estimated 10,000 tons today, largely because thousands of Nigerian contract workers were harassed, beaten and finally expelled in 1975. Nigeria evacuated the last of the 40,000 workers after its embassy in Malabo was attacked by members of a youth brigade. In an effort to fill the void, Macias last year ordered all unemployed persons over 15 years of age to work the plantations and the phosphate mines.

Civil liberties are nonexistent. Macias censors the mail and has cancelled the passports—and thus the nationality—of Equatorial Guineans abroad.

Contact with foreigners is forbidden. Fishing has been banned in an attempt to reduce the flight of refugees. Photographing even a palm tree is illegal without a government permit. An armed brigade of uniformed delinquents, known as Youth March-for Macias, patrols the streets, enforcing the president's decrees.

There was little in Macias' background to suggest that he was capable of either leadership or ruthlessness. A slight, handsome man, Macias was a Spanish civil servant, the mayor of a small town, Mongomo. He was appointed vice-premier and minister of public works when the colonial administration set up an autonomous government, and from there he rose to undistinguished prominence in the pre-independence period.

A member of the majority Fang tribe, he set out as president to settle old scores with the Bubis, the best-educated and wealthiest of the country's ethnic groups. Then he moved to solidify his control through terror and dictatorial practices.

He named himself president for life. He ordered that his praises be included in the Catholic Mass and he confiscated churches for the storage of coffee and cocoa. In naming the principal province after himself, he declared a sizable part of it a "presidential zone" closed to the public.

Two years ago he celebrated Christmas Eve by ordering the shooting and hanging of 150 prisoners in Nanny Poo's football stadium. During the grisly spectacle, witness said, loudspeakers blared a recording of "Those Were The Days, My Friends."

UNITED STATES-SOVIET STRATEGIC POLICY

HON. ROBIN L. BEARD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. BEARD of Tennessee. Mr. Speaker, earlier this year the Honorable Paul Nitze and Mr. Thomas Halsted had an interesting discussion on the "Today" show. In light of recent Presidential decisions concerning U.S. strategic weapons development and force deployment, and the increasing publicity about the inadequacy of the proposed terms of the Carter administration's negotiated SALT II Treaty, I think it is useful to consider the issues highlighted in this discussion. In particular, I think attention should be given to Mr. Nitze's comments.

Mr. Nitze points out what to me is both an indisputable yet incomprehensible truth, and that is that there are many people in policymaking positions in the present administration who are concerned that the United States could be "too strong" but show a remarkable lack of concern for the growing strategic capabilities of the Soviet Union.

Mr. Halsted says we would want to do nothing to violate the "spirit" of the SALT I Treaty. Yet the Soviets have shown a constant disregard for any SALT I "spirit." Mr. Halsted expresses opposition to the U.S. deployment of the MX missile, but he fails to express concern over the growing Soviet capability to destroy an unacceptably large number of U.S. offensive strategic forces, including the silo-based Minuteman. Mr. Halsted assumes that it is somehow possible to "freeze" technology and turn back the wheels of time, when, in fact, DOD analyses categorically refute this mistaken belief.

Mr. Speaker, I deeply regret that the views of the Honorable Paul Nitze, who is one of this country's most experienced statesmen, negotiators, and defense experts, are not being adequately appreciated by this administration, and I am concerned that this administration appears oblivious to the very real national security problems we face, and apparently has come to believe its own rhetoric about what SALT II can hope to accomplish.

I submit that unless the Soviets recognize that we are quite prepared to forgo a SALT agreement that does not adequately address U.S. national security objectives, and that we intend to proceed with those strategic programs we believe necessary to preserve our own security, then they will not acquiesce to a balanced and equitable SALT treaty that will preserve stability and stand the test of time:

INTERVIEW WITH HALSTED AND NITZE

TOM BROKAW. After reviewing the current status of military strength in the Soviet Union and the prospects for the future of the military in Russia, the Carter Administration has concluded that the situation is not as grim as it was portrayed by the Ford Administration. And still there continue to be differences between the superpowers, of course. The Soviets cancelled a speech on Russian television this week by our ambassador because he had a line referring to human rights. Soviet President Brezhnev fired off a letter to President Carter saying he doesn't think that there is any point to a summit talk this summer or even this fall.

So, arms control and human rights, what the Soviet Union sees as an internal matter, are putting tension on Soviet-United States relations.

In our Washington studio this morning are two people with opposing points of view on these matters, and they're there with NBC News Correspondent Tom Pettit for a discussion of what is going on.

TOM PETTIT. With us here in Washington this morning are Thomas Halsted, Executive Director of the Arms Control Association, and Paul Nitze, former Deputy Secretary of Defense, former U.S. negotiator, now active with the Committee on the Present Danger.

First of all, gentlemen—and I'll address this to you, Mr. Halsted, first—is nuclear war with the Soviet Union thinkable today?

THOMAS HALSTED. I think it's thinkable by some people. I think the practical aspects of the matter are that at the present stage both sides have enormous nuclear forces. The balance between the two sides is fairly stable. It's likely to stay that way for some time to come provided certain decisions about weapons are not made on both sides.

PETTIT. Mr. Nitze, is nuclear war thinkable with the Soviet Union?

PAUL NITZE. It's certainly thinkable. Certainly the Russians think it's thinkable. I think neither side wants it. I don't think either side will want it.

But I think the essence of policy is to make it even less likely than it would be otherwise. And I think on this, probably we are agreed, Mr. Halsted and I, that the object of policy is to reduce the risk of nuclear war.

Now, the question at issue is: How do you do that? Do you do that by considering that the real threat to the peace of the world is the U.S. Government and the armaments which it has under its control, or is it the enormous effort that the Soviet Union is putting into building up its strategic forces? And if we were to let that be unbalanced, then I think the risk would go up and it would become more thinkable.

Therefore, one has to think about it.

PETTIT. Well, you've been thinking about increasing our armament. Mr. Halsted has been thinking about reducing it, I would gather. Mr. Nitze's been proposing deployment of the MX. He says we should have deployed the B–1 as well as the cruise. You differ with that.

HALSTED. Yes, I do. I think—first I'd like to comment a little on what Mr. Nitze just said.

I think that both sides are increasing their armaments enormously. The Soviets, quantitatively, we see the numbers of weapons going up. The United States, until recently, qualitatively, increasing the numbers of warheads, increasing their accuracy, increasing the potential danger to the Soviet missile forces in particular.

Now, new weapons programs, like the MX, make no sense at all, it seems to me, for a number of reasons. The MX missile is a very large, very powerful, very accurate mobile intercontinental ballistic missile. It would cost a enormous amount of money, almost as much as the B–1 program. Each missile, just like each B–1 bomber, would cost on the order of $100 million, by the time the whole program was costed out. Up to 6000 miles of the United States would be carved up into trenches for these missiles to slide up and down in, supposedly to conceal their presence from the Soviet Union. This would raise questions about verification, increase doubts about the—what our intentions were,

what our capabilities were, raise the sort of hairtrigger nature of the confrontation with the Soviet Union; and, incidentally, I think would be in violation of the letter of the present SALT I agreement, and certainly in the spirit of it, if and when that expires, where both sides agreed not to undertake measures to conceal what their strategic forces were doing from the national verification capabilities of the other side.

PETTIT. Well, Mr. Nitze, we know . . .

NITZE. Let me just intervene for a minute. It seems to me Mr. Halsted has clearly demonstrated the truth of what I started off by saying, and that is that the thing that worries him is the strength of the United States. That is what worries him. He said not a word about anything that the Soviet Union is doing. He did not . . .

HALSTED. I'd be happy to talk . . .

NITZE. Wait a minute. Wait a mniute. Let me continue this.

He said not a word about the fact that the SS-19, which the Soviets are now deploying in substantial numbers, is in fact as large or larger than the MX, which we might deploy by 1985. So that already this has been deployed by the Soviet Union.

He said not a word about the fact that the MX, if deployed, would in fact have a much higher degree of survivability than any missile that we now have, any ICBM, that this should contribute to the security. to the stability of the situation, should reduce the risk of war.

What he's talking about is cost, U.S. shouldn't do these things; not one thing about how you achieve balance, how you really reduce the risk of war.

PETTIT. Well then, how do you reduce the risk of war?

HALSTED. Well, let me bring up a funny little two-word expression that we hadn't raised before, and that's arms control. And I think that both sides are worrying—I think our side is clearly worrying and the Soviets, although not publicly, should be worrying about the results of the next spasm in the arms race; and that is the increased vulnerability of their land-based missiles.

If we're worried about what the SS-19 and SS-18, which are very large missiles, can do to our missiles once they're very accurate, which they're not yet, why aren't we taking steps to control those steps forward on both sides?

PETTIT. Gentlemen, let me ask you this: Which is damaging our prospect for peace more, the Carter human rights issue, which has antagonized the Soviet Union, or our decision to deploy the cruise missile, which we had promised that we would try not to do?

NITZE. What do you mean by damaging the relationship?

PETTIT. Well, I mean exacerbating relationships between the two countries.

NITZE. I don't believe this is how one exacer—I mean I don't think these things bear upon exacerbating relationships between the two countries.

The Soviet Union isn't a country—their leaders are not people who get angry. Their leaders are very competent people who are running—know how to run a competition, how to fight a poltical battle. They are not upset by such things.

You remember when Mr. Khrushchev took off his shoes and pounded on the desk over the U-2 incident. He did that only after the Soviet Union had shot down a U-2. During the five years while we were flying U-2s and they weren't able to shoot them down, he was calm as he could be.

PETTIT. He kept his shoes on all the time.

NITZE. He kept his shoes on all the time.

Now, this was—with respect to the human rights thing, human rights is at the basis of the American character and the political system. We cannot forgo believing in the freedom of the individual, in the restriction of governmental powers, in decency with respect to people. We just can't look at it differently than that.

HALSTED. I think we're in agreement there.

BROKAW. Mr. Nitze, I have a quick question for you. Were you surprised by the Carter Administration's review that we're hearing about this morning, that the Soviet military buildup has now eased off and that the United States is in a much stronger position relative to what the Ford Administration thought that it was not many months ago?

NITZE. I would love to see the evidence that is behind this. Frankly, I doubt very much that there is any.

BROKAW. You're saying that they're making these conclusions without any hard evidence. That's a fairly serious charge.

NITZE. I believe it to be true.

HALSTED. I haven't seen the report to which you're referring, Mr. Brokaw, but if this is, as I believe it is, the result of this large interagency review that's been going on since the Carter Administration took office, where I think the views of many, many people with many different points of view were taken into account, all the intelligence sifted and evaluated, a good careful look at our own forces taken and a net asssesment made with a result that we can be a little more sanguine about the problems of the confrontation with the Soviet Union, I think we're . . .

PETTIT. Thank you, gentlemen.

HARMONIA AND OSWIATA CLUB

HON. RAYMOND F. LEDERER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. LEDERER. Mr. Speaker, it is with a great deal of personal pleasure and pride that I call to the attention of my colleagues in the House a community organization of long and outstanding recognition. The Polish American Citizens Harmonia and Oswiata Club of 2404 Orthodox Street in Philadelphia, has had a long and distinguished history. For many years, this well-known local organization has performed admirably both in the musical arena and in the arena of humanitarian efforts. It is good to know that such wonderful groups exist in the Third Congressional District.

Mr. Speaker, I insert into the RECORD the history of this organization for all to read:

SHORT HISTORY OF THE HARMONIA AND OSWIATA CLUB

Seventy-five years had elapsed since persons who loved songs of their native Poland, gave rise to the thought of organizing a Choral society in Frankford and Bridesburg. Pursuant thereto, they met in Polish Falcons Hall, Bridesburg, on the 2nd day of September, 1902; after exhaustive discussion relative to the aims of a Singing Society and pursuit of such aims as an organizational entity, the name Harmonia Singing Society was adopted, with membership restricted to males.

The concept of a Singing Society enjoyed a full measure of popularity at the very outset. Its first headquarters was located in Nugent's Park, later moved to 2404 Orthodox Street, where for a period of time, competent choral directors gave lessons in group singing.

In the year 1911, The Harmonia Singing Society became affiliated with the Citizen's Club, in order that the community might be better served through combined effort.

Joseph Sibinski was elected first President of the merger. Because of excellent management of affairs of the organization, membership increased by leaps and bounds, necessitating the acquisition of a larger structure as a permanent home. On the 5th day of September, 1914, pursuant to actions by the members, calling for the building of a new headquarters, the first meeting was held in their new home.

The year 1915 marked the acceptance into the organization of Towarayatwe Oswiata (a library Society) and the transfer of its library with appropriate ceremonies to the new building. The name, after the last merger, was changed to the Polish American Citizens' Harmonia and Oswiata Club.

The Club, from its very inception, enjoyed whole hearted support of the community. It participated in all patriotic and civic ventures, and gave material aid to churches, hospitals, orphanages and charitable institutions generally.

A page in the history of the Club, written in gold, can be devoted to the names of many members who served in the armed forces of the United States in World War I and World War II. Banquets were held to honor returned veterans, financial aid extended where needed, and memorials arranged in memory of those who gave their all in service of their country.

In matters humanitarian in nature, the Club always extended a full measure of cooperation. By resolution of the members, ten families who were victims of the World War II tragedy and found themselves displaced and unable to return to their homes, were brought to this country upon the Club's assurance that they would be provided for. Today they are a praiseworthy asset of the Club and community.

Although during the past 75 years, the members welded together in one organizational entity, may have experienced trials and tribulations, in this year of the Diamond Jubilee they can look unabashed and with pride on the praiseworthy contributions they have made to the life of our community.

MANUFACTURED HOUSING MILLENIUM

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. LEGGETT. Mr. Speaker, it seems that each new day brings us another unpleasant indication of the meteoric rise in the cost of new housing to our citizens. The American dream, the detached house standing on its own lot, is rapidly moving out of the financial means of all but a small percentage of American families. Particularly in reaction to this phenomenon and partly as a cure, mobile homes and prefabricated dwellings are assuming increasing prominence in the American housing market. I insert into the RECORD at this point a recent article from the Washington Star on the burgeoning popularity of this alternative housing option.

The article follows:

MOBILE HOMES GET RESPECT

(By Reginald Stuart)

Mobile homes are beginning to receive increased attention from planners around the

country and many segments of society as a potential alternative to conventional housing.

Young newlyweds, retirees, couples whose children have grown and left home and middle and lower income persons with few or no children appear to be the primary groups interested in mobile homes.

There is no sharp shift in attitudes about mobile homes, but there appears to be a slowly emerging trend of receptivity as the industry improves its product and the cost of conventional housing continues to increase.

Zoning and financing continue to be the major obstacles to the growth of the mobile home industry, but there are some signs that each of these situations is changing in favor of broader use.

Planners, courts and lawmakers are slowly beginning to assign new importance to mobile homes and in some cases equate the newer products to conventional houses.

Lawmakers in Bloomington, Ill., for instance, will decide soon whether to approve a controversial zoning change which would allow a local developer to establish a 91-lot mobile home park.

There is considerable opposition, mostly from nearby residents who argue that their property values will drop. Despite this, city and regional planners have endorsed the change and it is considered likely that it will be approved by the City Council.

California's Department of Housing has embraced mobile homes as a necessity, concluding in a study that those built after Sept. 15, 1971 are equivalent to conventional dwellings in quality, strength, fire safety and durability.

In the spring, a Michigan appeals court ruled in favor of a couple sued by neighbors for locating their mobile home in a resort area that had a covenant prohibiting trailers. The 1,056-square foot home, which was set on a permanent foundation, was equipped with electricity, water and gas.

In this case, the court said it did not believe that the unit "can be accurately described as any less permanent than any kind of sectional prebuilt dwelling currently on the market." The court found that the mobile home would not hurt property values of the other cottages any more than they would hurt its own value.

In Elkhart County, Ind., where several major manufacturers make it the capital of the mobile home industry, the government of Middlebury recently approved a zoning change for a mobile home park because of the growing demand for affordable housing in that area.

"The attitude is still pretty heavy about mobile homes, that you just tow them around," said Walter L. Benning, president of the Manufactured Housing Institute, the District-based association that speaks for the industry.

"Zoning boards still have their archaic rules on the books. In one area there is a law that mobile homes must have their wheels inflated at all times in case they have to be moved in an emergency. What people don't understand is that now very few mobile homes are moved, once they are sited.

"It's coming more and more that states and municipalities are taking a hard look at what we are trying to do, and we're finding more and more builder developers using mobile homes as part of their plans."

With the establishment a year ago of uniform federal safety standards for mobile homes and recent Congressional approval of an increase in the limits on Federal Housing Administration guarantees for mobile home loans, the industry appears to be ready for a public re-examination.

There are 4.5 million mobile homes in use today, according to the Manufactured Housing Institute. The average cost of one in the first half of 1976, it said, was $12,250, with some units selling for as much as $30,000.

In contrast, the average price of a conventional home in that same period was estimated at $43,300 by the Department of Commerce.

RECOGNITION OF "BEN" McLAUGHLIN

HON. RAYMOND F. LEDERER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 3, 1977

Mr. LEDERER. Mr. Speaker, on July 4, 1977, in San Francisco, Bernard J. "Ben" McLaughlin was elected to the U.S. Soccer Federation National Soccer Hall of Fame. This was the culmination of a long and brilliant career that extended from 1940 through 1965.

Born in the Kensington section of Philadelphia, the son of a former Scottish soccer player, Ben commenced his career with the Lighthouse Boys Club, the Pennsylvania incubator which has contributed so many fine soccer players. Ben, as a youth, lived within the shadows of McVeigh Recreation Center in Kensington where he thrilled many area soccer fans with his outstanding play. He attended Northeast Catholic High School, and for 3 consecutive years, 1944–46, was unanimously elected to the all scholastic team.

In 1946, Ben joined the professional Philadelphia Nationals of the American Soccer League during the heyday of that club's successful run of triumphs in the National Open Challenge Cup, Lewis Cup, and in the American Soccer Leagues, 1949–51 and 1952 and 1953 championships.

He also played for such other American Soccer League teams as Brookhattan, 1955–57, Uhrick, 1958–60, Hokoah, 1961–62, New York, German Americans, 1963, and Erzebridge of Philadelphia in 1963–65.

Ben's soccer activities were not confined solely to the United States. In 1948, Ben was selected for the U. S. Olympic team and distinguished himself against Italy, Norway, and Ireland in those games played in London, England. That team also traveled to Norway after the Olympics for additional play.

In world competition, Ben played for the United States in 1949 against Menico in Mexico City. In the United States upset of England at Belo Horigente, Brazil, by a score of 1–0, although selected, he could not play due to a previous injury. In his long career, this is his only regret.

Other international honors were attained while a representative of the U.S. National Team. In 1952, he played against Scotland at Hampton Park before a crowd of more than 107,000, the largest amount of fans ever to witness a U.S. team. In 1954, he represented the United States in clashes against Menico in Mexico City; in 1955 against Iceland. He also played on the U.S. Select Teams against Canada, Haiti and Hawaii.

During his playing career, he was on all the American Soccer League All-Star Teams. Against foreign competition, the name of Ben McLaughlin was an automatic choice.

Ben, married and the father of four boys and two girls, currently resides at 9041 Convent Avenue in the northeast section of Philadelphia, and for the last 7 years, has been an employee of the Philadelphia Redevelopment Authority in the appraisal division.

As a result of the foregoing, a tribute to honor him on his induction into the Hall of Fame was held on October 28, 1977, at the New Room of the Boulevard Pools at Princeton Avenue and Roosevelt Boulevard, Philadelphia. Representatives of the U.S. Soccer Federation, The Olympic-Selection Committee, the Eastern Pennsylvania Soccer Federation, the Philadelphia Old-Time Soccer Association, city of Philadelphia, and various soccer associations and clubs attended as did a crowd in excess of 400 people. Some of the other distinguished citizens in attendance were:

Thomas E. Segar, Sr., Past President, United Soccer Association and Chairman of Olympic Selection Committee.
State Representative Clifford Gray.
Joseph Sullivan, Sheriff.
Mike Wallace, Candidate for Judge.
Thomas E. Segar, Jr., Director of Parking and Housing Authority, and Bernie Crumlish.

There were also many other distinguished persons and friends too numerous to mention.

Highlights of the program were the presentation of the Hall of Fame plaque, a replica of the 1948 Olympics, a diamond-studded ring in the shape of a soccer ball with appropriate inscriptions and various trophies and commendations from virtually every soccer-connected league in the Delaware Valley area.

We wish for Ben, his lovely wife and six children continued success and good health.

HAIG KAFAFIAN—SERVING THE DISABLED

HON. GEORGE E. DANIELSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. DANIELSON. Mr. Speaker. It is with great pleasure that I bring to my colleagues' attention the name of my good friend, Haig Kafafian of Washington, D.C., who has been awarded the degree of doctor of science, honoris causa, from Upsala College of East Orange, N.J.

Born in Summit, N.J., Haig Kafafian is the founder, president and director of research of Cybernetics Research Institute of Washington, D.C., a nonprofit organization dedicated to servicing the communication and control needs of persons who are severelv disabled.

Haig studied electrical engineering at Newark Technical Institute, Newark College of Engineering; taught calculus and radio for Rutgers University, and mathematics and cybernetics at Rutgers, University of Alaska, Johns Hopkins University, Universitv of Maryland, and the Catholic University; is an international

lecturer on cybernetics and communicatory systems for the handicapped; and has served as a consultant to the Bureau of Education for the Handicapped and to the National Academy of Sciences.

He is also an inventor, whose inventions include a family of man-machine communication and control systems for the severely disabled, the handicapped and the blind. He holds numerous U.S. and foreign patents related to communicatory aids for the severely disabled.

Haig is a charter member of the American Society of Cybernetics. Other organizational affiliations include: Washington Operations Research Council; New York Academy of Sciences; U.S. Joint Chiefs of Staff Joint War Games Agency; Interagency Group Strategic Studies; American Astronautical Society; Navy League of the United States; and the Cosmos Club of Washington, D.C.

Mr. Speaker, this is just a small sampling of the many and varied interests and achievements of this outstanding American. Upsala College, as evidence of their high regard for Haig Kafafian and his work, has awarded him the degree of doctor of science, honoris causa. I ask my colleagues to join me in congratulating Haig Kafafian, and his wife Rose who assists him in his efforts, for this highly deserved honor.

AUTHORITY TO DISPOSE OF THE PANAMA CANAL

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. ROUSSELOT. Mr. Speaker, yesterday, November 3, the Southern Division of the California Federation of Republican Women held their biennial convention in Los Angeles. It was my pleasure to be there to introduce the principal speaker of the afternoon, Congresswoman MAJORIE HOLT, who shared with the women her views on defense and the economy. Those in attendance enjoyed her comments because they are deeply concerned about the serious issues currently facing our country.

To demonstrate that concern, they overwhelmingly passed a resolution calling for participation by both Houses of Congress in the disposal of any U.S. property in Panama and supporting those of us who have filed suit to bring about such participation. Printed below is the resolution enacted by the Southern Division of the California Federation of Republican Women in convention at Los Angeles on November 3, 1977:

AUTHORITY TO DISPOSE OF THE PANAMA CANAL

Whereas the Attorney General of the United States has given his formal opinion, in testimony to the Senate Foreign Relations Committee, that approval of the House of Representatives is not necessary to turn the Panama Canal over to the Republic of Panama; and

Whereas the President's constitutional authority to dispose of the Canal Zone without permission of both Houses of Congress is being challenged in the United States Supreme Court; and

Whereas by constitutional means through Congressional authorization the United States purchased all the privately owned land and property in the Zone, making it the most costly United States territory; and

Whereas the United States Supreme Court examined our title to the Canal Zone, and in January, 1907, upheld our ownership and the entire 1904 Treaty; and

Whereas the Constitution of the United States clearly states in Article IV, Section 3, Clause 2: "The Congress shall have power to dispose of and make all needful Rules and Regulations respecting the Territory or other Property belonging to the United States,": Therefore be it

Resolved, The California Federation of Republican Women, Southern Division in Convention November 3, 1977 strongly supports the efforts of the Senators, Congressmen and States in their Supreme Court suit and their determination to uphold the provisions of the Constitution of the United States relating to the disposal of United States property; and be it

Resolved further, There be no relinquishment of any United States property or territory without authorization of the Congress (House and Senate).

MENTAL HEALTH SYSTEM

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. DORNAN. Mr. Speaker, since coming to the Congress, I have become increasingly concerned about the problems facing the psychiatrically ill and the developmentally disabled. In my home State of California I have come across a great many parents and professionals dedicated to their cause. They seek two vitally important goals: First, to improve the care, treatment, and training of these handicapped individuals so that they may accept more individual and societal responsibilities, and second, to combat the social stigmas and misconceptions which surround this handicap.

The task is not an easy one but, rather, a struggle requiring the marshaling of enormous amounts of patience, determination, perseverance, and support. Yet, we have come a long way since the days of incarcerating the mentally handicapped in jails, poor farms, almshouses, and insane asylums. The Federal Government has made a massive commitment to this cause with passage of Public Law 94–103 and Public Law 94–142. Among other things, these laws mandate deinstitutionalization, protection from inappropriate institutionalization, independent advocacy, individual habilitation plans, and resources for clients in institutions and the community that are appropriate for their developmental needs. Likewise, the State of California has guaranteed similar rights, protections, and obligations with enactment of the Lanterman Act.

Whenever we engage in such a massive endeavor, as this one surely is, it is incumbent upon us to insure its proper implementation and maintenance. To leave this responsibility solely with the bureaucracy is, in my opinion, a dereliction of our duty. For the sake of the patients and out of respect for the taxpayers, whose Federal tax dollar provides a substantial amount of the necessary funding, we must continue to monitor our mental health system—especially when there appear to be problems.

In this instance, we should want to find out: Is there proper medical, nutritional, and sanitary care? Is the patient's safety in any way jeopardized? How is medication controlled and used? Are patients aware of their rights and are these rights being protected? Are Federal funds being properly used? Are our institutions and community centers worthy of accreditation? Are the treatment personnel qualified? Are administrative costs unnecessarily high? Is the emphasis on deinstitutionalization? Are patients making progress, and is there any monitoring of this progress and of the programs as well?

I, for one, am seeking answers to these and other questions.

THE 50TH ANNIVERSARY OF THE ROTARY CLUB OF ARCADIA, CALIF.

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. ROUSSELOT. Mr. Speaker, it is with pleasure and pride that I call upon my colleagues in the U.S. House of Representatives to join me in extending congratulations to the Rotary Club of Arcadia on the occasion of its 50th anniversary. The members of this club have truly lived up to their motto, "Service Above Self," and I am grateful to have this opportunity to express appreciation for myself and the citizens of the 26th Congressional District in California for the many benefits that our community has derived from their good works. Indeed, the members of the Arcadia Rotary Club have been a model of excellence to show what a few can do for the benefit of all.

Because the members of the Rotary Club of Arcadia go about their volunteer activities quietly, that is without fanfare and public show, their accomplishments are oftentimes not given the full recognition which they so richly deserve and I am, therefore, happy to make these remarks a part of the public record.

Chartered on October 27, 1927, the Arcadia Rotary Club began its first organized effort with the youth of the community by working with crippled children. They later pioneered the establishment of a hospital in Arcadia. They sponsored a Boy Scout Troop in 1929, and also later formed a student loan fund that has made it possible for many students to complete their schooling. The club members also make scholarship donations each year to deserving high school students to encourage them to go on with their education. The club was instrumental in founding the city

of Arcadia Youth Center. The members have donated both dollars and labor for this outstanding center.

While I cannot in this space of time list all of the ways in which the members of the Arcadia Rotary Club have served others over the years, I can list a few, such as entertaining servicemen during World War II, helping orphanages in Mexico, serving the Indians in Arizona, the flood victims in Ohio, the war victims in France, and international service through matched clubs in East London, the Republic of South Africa, and Newcastle North, Australia.

From founding president, Hudson Proctor, to 1977–78 president, James Brewer, service has been the watchword and the members of the Rotary Club of Arcadia, Calif. have performed their duties with love for and dedication to the welfare of their community.

NATIONAL WATER POLICY—OR, WE MUST TAKE A LONG LOOK BEFORE WE PLUNGE IN

HON. MAX BAUCUS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. BAUCUS. Mr. Speaker, I would like to spend a few moments discussing the need for House Joint Resolution 619, a resolution I introduced last month which expresses the sense of the combined House and Senate with regard to establishment of a national water resources management policy.

Basically, House Joint Resolution 619 states that no new national water resources management policy shall be implemented by the administration without congressional concurrence, and no proposed regulations for such a policy shall take effect for a period of 6 calendar months during which Congress is in session. It also expresses the sense of the House and Senate that the States should be provided with copies of the proposals and the materials on which they are based, and that the States should then have 2 months in which to respond and make input and recommendations to the administration and the appropriate committee in Congress.

After that the States would have 1 more month in which to meet with regional and river basin commissions to make recommendations which would also go to Congress and to the administration. Finally, Congress would have 3 months in which to hold hearings on the matter.

We are becoming increasingly aware of the importance of our great national resource, water. Water is of major concern for agriculture, domestic consumption, for commercial and industrial uses, and for environmental, recreational and other uses.

Recent droughts in several parts of the country, including Montana, have dramatically emphasized the importance of water.

Under authority delegated to it by Congress (1965 Water Resources Planning Act, Public Law 89–80), the Carter administration is planning for the establishment of a new national water resources management policy.

On June 28, the Water Resources Council announced that regional hearings would be held around the Nation on July 28–29 and August 1–2. Unfortunately, issues and option papers that were to be the subject of these hearings did not appear in the Federal Register until July 15. The States and the public had less than 2 weeks in which to prepare comprehensive responses.

The States are very concerned about some options that are being considered, and the effects these might have on State rights and water laws. Resolutions or policy statements which oppose the current proposals and procedures of the administration to establish a national water resources policy have been adopted by the National Governors' Association, Western Governors' Conference, and the Interstate Conference on Water Problems.

I believe that House Joint Resolution 619 should be a noncontroversial bill. Indeed, an identical version of the resolution passed the Senate overwhelmingly last month.

Certainly there are differences of opinion as to what the national water resources policy should be. But that is precisely why this resolution is important. It provides a formal mechanism for all interested parties to provide input to the decision process.

Congress, in its 1968 act, gave the administration authority for establishing a national water policy. Since 1965, we have gained new insights not only on the importance of water, but also on the workings of the executive branch of the Federal Government.

This resolution is significant because it puts the administration on notice as to the intent of Congress and is the first official step by Congress to regain some of the policy authority it delegated in the 1965 act.

I urge my colleagues to work toward quick passage of this resolution when we return for the second session of the 95th Congress.

SERVICE IN THE PEACE CORPS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. GILMAN. Mr. Speaker, the Peace Corps, founded in 1961, has afforded Americans of all ages the opportunity to serve their country by lending their knowledge and expertise in development projects around the world. A constituent of mine, Ted Cheslak, has just completed 2 years of duty in Nairobi, Kenya, and has forwarded to me his observations of the Peace Corps which I would like to share with my colleagues at this point:

THE U.S. PEACE CORPS

(By Ted Cheslak)

A job is being done in the underdeveloped world by a group of dedicated Americans. Often dismissed as idealists, these people not only tolerate but thirve in conditions which most would shun and in which most of the inhabitants of this earth live.

There is action in the Peace Corps; action in response to the real and basic needs of the larger part of humanity. Peace Corps volunteers see firsthand the enormous problems and suffering with which humankind is afflicted. And they are standing up to these challenges. They act; they are out there doing something about the lack of education, health care, technical knowledge and a long list of other matters which to most people in the underdeveloped world are matters of dire urgency. Idealists they may be, because of their selfless sacrifice, but they have also a very broad and realistic idea of what our world is like.

Their job is difficult and challenging. How, for example, do you convince people to grow sorghum—a drought resistant crop—instead of maize, when they and their ancestors always grew maize? Or how do you get people to cull their herds—the greatest wealth in rural Africa—to prevent overgrazing and so desertification? Largely, the struggle is not only against material forces and a lack of knowledge; but also against deep-seated traditions. And one soon learns that to bump against tradition is to bump against a very hard wall. In such cases, intelligence, persuasive tact, and perseverance are the only means for success.

The fact that there are nearly 5,000 Peace Corps Volunteers still welcome in the rural areas of the impoverished world is evidence enough of these qualities and of the volunteers' success. They indeed reflect the very best in the American character, and they are a credit to their country. They deserve our continued support in their work by which all people in this increasingly smaller world, not just the recipients, benefit.

LITTLE LEAGUE WORLD SERIES

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. CONTE. Mr. Speaker, baseball fans this year were treated to a dramatic finish to the major league season. In my hometown of Pittsfield, Mass., where baseball is taken seriously by residents of all ages, a Little League team provided local fans with the same kind of high sports drama when the South All Star team came within two games of participation in the Little League World Series.

The Pittsfield South Little League All Star team began its playoff season on July 19 and a month later had reached the highest rung in the nationwide playoff ladder ever reached by a team from the Bay State. The South All Stars first captured the Berkshire County championship and next clinched the State crown. They went on to win the top spot in the New England regionals and came within two games of the Eastern regional championship, the preliminaries to participation in the World Series.

As my colleagues know, I am a baseball devotee myself and served as coach of this year's victorious GOP congressional baseball team. I am always pleased to see my hometown teams do well and I am proud of the accomplishments of the South Little League All Star team. I am delighted to see that they are going to be recognized at a banquet in their honor in Pittsfield on November 18. The team members, coaches and parents involved have earned my congratulations, not only on these feats, but on the good sportsmanship that was displayed by all during this long championship season.

Pittsfield South Little League All Stars include: Allan Bishop, Tim Brennan, Mike Britten, Sean Carroll, John Drennan, Angelo Forte, Joe Kamienski, John LeBeau, Alex Lomaglio, Brian McCusker, Pick Rabideau, Ira Suckman, Craig Turmbull, and Kevin Yerrick. They were under the direction of Coaches Jack Brennan and Jeff Drury, along with president of the South Little League, Alfred Bradley.

PRESIDENT CARTER AND THE TRILATERAL COMMISSION: ARTICLE VIII

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. McDONALD. Mr. Speaker, in recent months a number of articles have been published in large circulation newspapers and magazines examining the operations of a large and powerful special interest group, the Trilateral Commission, within the Carter administration. At the 1976 Democratic National Convention, Alex Garnish, a member of the Massachusetts delegation attempted to warn the American people of this entrenched special interest group's manipulation of candidate Carter. Mr. Garnish took the opportunity during his speech nominating right to life representative Gary Benoit to the Vice Presidency, to reveal the facts about this matter.

Attempts were made to prevent Mr. Garnish from making this speech. He was cut off while speaking even before he had completed the nomination of Mr. Benoit. Delegates on the floor hooted and booed. Very few were able to hear him. Yet, in recent months the facts that Mr. Garnish attempted to put before the Democratic Party convention have been published in the mass media.

Gary Allen, a journalist and author was present at the convention and provided an account of that aborted attempt to put the Trilateral Commission into the public spotlight. The article was first published in the September 1976 issue of American Opinion and I commend the following and pertinent extracted from it to the attention of my colleagues:

". . . An hour late, the Vice Presidential nominating proceedings get under way. Alex Garnish, the bulldog, is first. He is dressed in white and somewhat resembles Will Rogers. In a clear strong voice he begins his speech:

"My fellow delegates: It is an old cliché in politics that a good ticket is a balanced ticket. We need to balance our ticket. Now, what I am going to tell you is not going to be very popular. I hate to be the bearer of bad tidings on this joyous occasion. But, I plead with you to judge what I am going to say on whether it is true, not on the fact that it makes you uncomfortable.

"A powerful, big-money group wants to take over the Democratic Party. Behind the scenes the fat cats and 'Limousine Liberals' of the Eastern Establishment have moved in to manipulate our party."

Suddenly, and it is one of the few times during the Convention, the audience is paying close attention. There are cheers, boos, and war whoops. Something is happening at last. Delegate Garnish continues: "The grim truth is that the Carter bandwagon runs on Standard Oil, not peanut oil. While the people mistakenly believe the grassroots have spoken, it is a small cabal of men closely tied to the Rockefeller Empire who engineered the nomination of Jimmy Carter."

There are groans and boos, but the Convention is now listening intently to the speaker.

"The Rockefellers want the American people to have the choice only between the Rockedems and the Rockepubs. The Rockefeller Establishment is not content just to own the G.O.P. Because the Rockefellers own assets in 125 nations, they need to control American foreign policy whether the Republicans or the Democrats are in the White House. The organization they use to control the government is called the Council on Foreign Relations, referred to as the C.F.R. The Chairman of the Board of the C.F.R. is David Rockefeller."

Somebody shouts, "So what if it is true." A man sitting in front of me in the press section yells, "Let him speak!" But everything grinds to a sudden halt as the Chairwoman hurries to the rostrum and stops Alex Garnish in mid-sentence. A conference takes place and the man in front of me who had shouted to let Garnish speak turns around and says, "The funny thing is that he is telling the truth." It's an interesting remark, since that reporter doesn't know me from Adam's ox. More interesting was the fact that they didnt stop Alex Garnish until he mentioned David Rockefeller.

Meanwhile, Delegate Garnish is being told that it is against the rules to attack other candidates. She tells him the rule was established in 1848. I wonder how many times it has been applied in the last hundred and twenty-eight years. But Alex Garnish is informed that he cannot continue to deliver his prepared address. He comes back to the microphone: "I thought that I would be permitted to speak about what I believe to be true. Now, if you people don't want the truth, it's okay with me." (Loud cheering, huzzahs, and clapping.)

Poor Alex. Here he is before a live audience of many thousands, with millions watching on national television, and they have just taken away a speech that took many hours to prepare. But he is good and angry, dead sure he is right, and starts to extemporize:

"Let's get down to some specifics, okay?" Some yell Okay, and some shout No. "How about spending ourselves to destruction? We are and you know it. If you want it, you vote for it. I don't want it and I won't vote for it.

"How about Communism?" (The biggest cheer so far. Communism is a word that has not been previously uttered at this Convention. It doesn't exist in the minds of some.)

"Cuba?" (An even bigger cheer. Apparently Castro is so popular that if he had been a citizen he might have been nominated as Jimmy Carter's running mate.)

"Angola?" (Hooray!)

"The U.N.?" (More of the same.)

"How about abortion?" (The Women's Libbers are cheering in ecstasy.)

"How about bussing?" (Yes, scream the radicals. The crowd is having a good time.)

"And taking away your kids?" (Hooray!) "Do you like that?" (Yesss!) "Can't you take care of them yourselves?" (Noooo!)

Alex Garnish, a quiet and decent man with the courage of his convictions, is at once enraged and disgusted. "I want to apologize to this audience," he concludes, "for telling the truth."

He was gone now. But, for all of the heckling, the man had touched something in the delegates and he received an enormous ovation. One can only imagine what would have happened if he had delivered the rest of his speech. Here, for the record, is what Delegate Alex Garnish was going to say:

"Membership [in the C.F.R.] is by invitation only. There are 1,650 members in this semi-secret, powerful fraternity, made up of the elite of banking, industry, the owners of the mass media, and the government. Yet less than one American in a thousand has ever heard of it, although key men from both parties are members. This is government by the elite, not government by the people. When asked, C.F.R. apologists say it is just a study group. Actually it is the Rockefeller mechanism to control both parties.

"On May 13, 1976, the Washington Post revealed that, two years ago, David Rockefeller met secretly with Jimmy Carter in London and put him on the Trilateral Commission, which David had just created to manipulate foreign policy. Heading the Trilateral Commission is Zbigniew Brzezinski who is now Jimmy Carter's foreign policy advisor.

"At least twenty-five key Rockefeller C.F.R. men were turned over to the Jimmy Carter campaign and the unknown peanut farmer became an overnight household word. Rockefeller lieutenants like Brzezinski, George Ball, and Cyrus Vance are widely reported by the press as headed for key Cabinet posts in a Carter Administration. Of course, nothing is said about them being David Rockefeller's boys.

"What is the goal of the Rockefellers and their allies? The Rockefellers themselves refer to it as 'The New World Order.' Because his foreign policy speeches are written by men assigned to Carter by David Rockefeller, Carter often uses the phrase 'New World Order.' That is not the phraseology of a Georgia peanut farmer, it is the code phrase for World Government used by the Rockefellers and their hirelings like Henry Kissinger. No wonder Kissinger has such praise for Carter. Jimmy Carter's speeches are written by fellow C.F.R. members.

"The press hasn't the courage to tell this story, although many top reporters know it is true. Many of the hierarchy of the mass media are members of the Rockefellers' C.F.R. If the press had the guts they would go after this story because it is bigger and more important than Watergate. But, there are no Diogeneses in the pussy-cat press when it comes to exposing the Rockefellers.

"Jimmy Carter got our nomination by making promises to labor, blacks, women, Chicanos, and every conceivable group. But the promises he will keep are the ones he made to his sponsor, David Rockefeller. He owes his soul to the company store. To paraphrase President Kennedy, 'Ask not what Jimmy Carter can do for you, but what Jimmy Carter will do for the Chase Manhattan Bank and Standard Oil.'

"The party of Jefferson and Jackson has been grabbed by monopolists and socialist One Worlders. The Carter clan does not want you to know that they sold out to the Estab-

lishment in order to get the nomination. A Jimmy Carter Administration will be controlled by the big money boys, not grassroots Americans. There will be no real tax reform; and our foreign policy will be tailor-made to suit the Rockefeller empire, just as under Nixon and Ford.

"Don't let the Rockefellers turn the Democratic Party into a flock of sheep. Get the Rockefeller power boys out of the Democratic Party and send them back to the Republican Party where they belong.

"We can balance our ticket by having one candidate who belongs to the Rockefellers and one who belongs to the people. Therefore I place in nomination, for the Office of Vice President, Gary Benoit of Massachusetts."

OLDER AMERICANS ACT

HON. HAROLD E. FORD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. FORD of Tennessee. Mr. Speaker, since its inception in 1965, millions of older Americans have experienced the benefits of the Older Americans Act, a social service program designed solely for this country's senior citizen population. The act set forth 10 objectives for assisting older Americans, and established the Administration on Aging as a focal point agency for older people at the Federal level. The programs and departments created by this act have become an integral part of the social aspect of life for participating seniors and, for many, have become synonymous with life itself.

Unless extended by Congress, the Older Americans Act will expire on September 30, 1978. In keeping with congresional budget deadlines, legislative committees must report the extension for this act by May 15, 1978.

The necessity of the Older Americans Act is evidenced by the interest systematically shown by Congres through the years in the seven revisions which have occurred to match the act with the changing needs and characteristics of the elderly population. The success of each revision is unquestionable and, thus, the time is ripe for additional recommendations to insure that the best possible decisions are made to serve the elderly at this time.

In order to provide information and policy direction to the Congress, the Select Committee on Aging, on which I serve, has begun an indepth probe into the programs under this act. We have held four hearings so far this year.

In keeping with this trend, I have scheduled hearings in my district of Memphis, Tenn., in order to include the reactions of this region in recommendations to the Congress. The response to this move, I may add, has been overwhelming with "aging" enthusiasts in my district who are anxious to have their voices heard.

The hearing will be open to the public and will cover each title of this act so as to secure a comprehensive overview. Older Americans will be encouraged to participate as they are the most informed as regards their special needs. Also, as a significant number of seniors are inclined to retire to the South, I feel that my district is a vantage point for tapping the opinions of older Americans on this issue.

As chairman of the Congressional Black Caucus' Subcommittee on the Aged, I am particularly concerned with the implications of this act on the population of older black Americans—a double minority. Secretary Califano, in a workshop which I held in conjunction with the congressional Black Caucus last September, assured us of the administration's interest in fulfilling a provision in title III of the act which directs States to place emphasis on low income and minority older persons in analyzing the needs of the elderly. This objective, as well as identifying the varying needs of minority elderly groups, should also become a priority of this Congress.

The Older Americans Act covers a multiplicity of disciplines including nutrition, community service employment, training and researh, and as of 1973, multipurpose senior centers, a fast-growing program funded through title V of the act. All facets of the act, I assure you, have a warm spot in the hearts of some precious senior American.

Mr. Speaker, I feel that it is vitally important that we keep in touch with seniors who will be directly affected by this act at every level and that such communication become an integral part of the mechanics of this body. Therefore, I encourage other Members, as well, to use similar resources in behalf of this major legislative revision.

REPUBLIC STEEL CALLS FOR IMPORT QUOTAS

HON. JOHN BUCHANAN

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. BUCHANAN. Mr. Speaker, on Wednesday, November 2, 1977, I received a letter from Mr. W. J. DeLancey, president and chief executive officer of Republic Steel Corp. which clearly and succinctly expressed the grave situation which now faces the American steel industry as a result of massive foreign imports. I urge my colleagues to examine with care the frightening statistics on foreign steel imports and the proposed solution included in this communication. The text of the letter follows:

REPUBLIC STEEL CORP.,
Cleveland, Ohio, November 2, 1977.

Hon. JOHN BUCHANAN,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN BUCHANAN: As you may have heard, steel imports for the month of September amounted to 2,057,413 tons, bringing the total for the year to date to just over 13,500,000 tons. On this basis it now appears likely that 1977 steel imports will exceed 19 million tons and account for better than one out of every five tons of steel consumed by American fabricators. As you know, 19 million tons of finished steel represents the output of nearly 100,000 steelworkers.

During the past several weeks Republic Steel has been intensively studying options available under the 1974 Trade Act to protect ourselves from unfair pricing practices by foreign steelmakers and we will be determining in the very near future what course we plan to take. But under the most favorable conditions litigation is a lengthy process and the dimensions of the steel import problem are growing at such a rate that we cannot depend solely on long-term solutions.

The alarming level of steel imports in September, the highest monthly level of the year and representing an annualized rate of 24 million tons, spotlights the need for immediate remedial action if further harm to steel industry employment is not to result later this year. The most effective immediate response to this situation would be action initiated by the Administration but, unfortunately, this has not been forthcoming. Accordingly, these disturbing circumstances make more important than ever the strong support in Congress for quotas provided by members of the Steel Caucus. We are grateful for that support.

In the absence of any effective move by the Administration to provide prompt relief from the import invasion, we hope you will continue to press for import quotas.

Yours sincerely,

W. J. DELANCEY.

CANCER CLAIMS WILLIAM O. "BILL" STANLEY

HON. DAVID R. BOWEN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. BOWEN. Mr. Speaker, it is with a great deal of sadness that I rise to bring to this body's attention the recent death of a good friend and distinguished labor leader, William O. "Bill" Stanley, who lost a 7-month battle with cancer. The tragedy for Bill's family, friends, and associates is that he was still in his prime, a vigorous 53 years of age, when he learned this spring of his situation. Bill Stanley did not voice self-pity for himself, but only concern for those who looked to him for leadership, and to his devoted family.

Bill Stanley had served 19 years as Mississippi director for the Communications Workers of America, and in addition to his trade union activities he also participated actively in local and State Democratic Party affairs. In fact, at the time of his death last week, he was serving as chairman of the Hinds County Democratic Executive Committee, in our State's most populous county.

During his 30 years as a worker and official of the CWA, Bill Stanley earned a reputation as an effective champion of the working people of his State and Nation.

It was my privilege to know Bill Stanley personally for nearly two decades, and to know the outstanding contributions he made in labor-management relations.

Since I have been in the Congress, Bill and I have worked together on legislation and other matters concerning the CWA and organized labor.

The Communications Workers of America deserve commendation as one of the outstanding labor unions of this Na-

tion and especially so for promoting a man of this caliber to a key leadership position. Bill Stanley was such a man and I am sure that I speak on behalf of thousands of his friends in Mississippi and elsewhere when I say that we are poorer for his passing, but richer for the contributions he made to his fellow Americans.

THE DREAD LEGISLATIVE ITCH

HON. JOHN P. HAMMERSCHMIDT

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. HAMMERSCHMIDT. Mr. Speaker, as we approach the waning days of legislative activity in the 1st session of the 95th Congress, I feel it is most appropriate to take time out and ponder a discriminating article by the astute columnist, Mr. James J. Kilpatrick, entitled "The Dread Legislative Itch." Once again, Mr. Kilpatrick exhibits a great knowledge of the inner workings of Congress. I certainly hope my distinguished colleagues will share my enthusiasm for this timely editorial:

THE DREAD LEGISLATIVE ITCH

(By James J. Kilpatrick)

Among the political ailments that afflict Washington, in season and out, through every administration, is the virus known as the legislative itch. Mr. Carter is down with it now. His new version of a consumer advocacy bill indicates that the condition is serious.

The syndrome is characterized by an irresistible urge to pass a law—any law!—just so long as one is passing a law. Caught in its throes, the victim tosses judgment to the wind. Parliamentary restraints are abandoned. Common sense takes to the hills. Nothing matters in these dreadful spasms but the passing of a bill.

Thus H.R. 9718, the ill-begotten son of H.R. 6805, which was in turn the illegitimate offspring of the consumer bills of bygone years. In times past, we have seen proposals to create an Office of Consumer Advocacy, an Agency for Consumer Protection, an Office of Consumer Affairs, and so on. Some of these proposals had fearsome teeth; some of the bills would have given us an omnipotent administrator possessed of impressive clout.

In this latest version, nothing much remains. The president's bill would create an Office of Consumer Representation. The office would serve three purposes only: It would fulfill one of Mr. Carter's campaign promises; it would provide employment for an army of faithful bureaucrats and papershufflers; and temporarily it would relieve the legislative itch. Beyond these functions, the OCR would perform no useful service whatever.

It is embarrassing. Mr. Carter is the president who hates bureaucracy and promises to reduce its oppressions. His new bill provides for an administrator, a deputy administrator, five assistant administrators, a general counsel, and all the employees that could be hired with an initial appropriation of $15 million. The White House says defensively that this new army of bureaucrats would be offset by the closing of 20 separate consumer offices in existing departments, but this is nonsense. Every one of these 20 existing offices would have to be maintained and staffed, if only to forward mail to the new agency.

The effect of thus centralizing the complaints and inquiries of consumers would be to delay effective action for five or six months while memoranda flew like paper airplanes among the agencies of government. Nothing would be gained in efficiency. The handling of correspondence would simply take more time.

In some curious ways, this watered-down bill [which Speaker O'Neill now has decided not to bring to the floor this session] is worse than its predecessors. The new OCR could not touch any federal action having to do with organized labor or the farmer; every federal activity that involved the national security would be exempt. Even so, the administrator would be given formidable powers to throw his weight around among the regulatory agencies. All federal agencies, under this bill, are "directed" to serve the OCR promptly "to the greatest practicable extent within their capability."

The bill says at one point that the administrator is not authorized to establish a consumer testing laboratory. At a dozen other points the administrator, in effect, is ordered to do precisely that. The administrator also is directed "to develop" complaints. What are the meanings and implications of that verb? He is to develop complaints "concerning actions or practices which may be detrimental to the interests of consumers." Does Mr. Carter wonder, now and then, why he makes businessmen nervous?

The "interests of consumers" are to be determined, apparently, by the unrestrained judgment of the administrator. The term is defined back on page 30 of the bill, but in terms as broad as the prairies of Kansas. The administrator's naked edict will suffice. The OCR would have no authority to regulate, but it could litigate to the end of time—litigate, and promulgate, and publicize, and summarize; it would appoint dozens of advisory committees, conduct conferences, secure data, support studies, submit recommendations, disseminate statistics, and all the rest.

That is what comes of the legislative itch. Will Congress never go home?

NATIONAL VOLUNTEER FIREMEN WEEK

HON. DAVE STOCKMAN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. STOCKMAN. Mr. Speaker, last spring, I cosponsored a joint resolution asking President Carter to designate the week of November 6, 1977, as National Volunteer Firemen Week. I did so because I sincerely believe that there is no other group in America that gives more of their time and energies to their communities, often at great personal risk, than do these valiant men. And they do so voluntarily, not for payment but out of commitment to their towns, communities, and neighbors. Such dedication and selflessness should be recognized and honored.

Mr. Speaker, more than 85 percent of all firemen in this country are volunteers. They number more than 1 million. Every town has its volunteer firefighters and every town depends upon them.

My hometown, St. Joseph, Mich., is no exception. One particular fire company, the Tri-Unit Co., at Royalton Station, is very special to me. For years, my father, Al Stockman, and his friends Lloyd Both, Bob Koebel, Bob Kubsch, Vic Radtke, Carl Mathews, Don Kratchman, Mike Koebel, Gale Hartline, Bill Eisenhart, Art Duschek, and Ed Klug have volunteered their time to protect the lives and property of their neighbors.

It is men like those of the Tri-Unit and their counterparts in towns all across America whom we honor during National Volunteer Firemen Week. They have freely given so much for our safety, it is only fitting that we take this opportunity to show our appreciation.

MANDATORY SENTENCING FOR VIOLENT CRIMES

HON. ROBERT W. KASTEN, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. KASTEN. Mr. Speaker, several months ago, two young men were convicted of attempted murder of a Milwaukee police officer and two counts of attempted armed robbery.

Although one felon was sentenced to a total of 35 years in prison, he was eligible for parole after serving only 2 months. His accomplice, who faced a 25-year maximum sentence, was already eligible for parole when he began his term in a State reformatory.

This unbelievable aspect of Wisconsin's criminal justice system is the end product of a 4-year-old law and a recent decision of the State Supreme Court. Convicted felons, sentenced to consecutive terms are credited with double time for days spent in jail before admission to the State prisons. Consequently, because the two young convicts had served several months in jail prior to their trial, their prompt parole eligibility was not only imminent but legal under the "double-time" system.

TOUGHER CRIME CONTROL

There is only one instance which has stirred controversy and raised probing questions, not only in Wisconsin but across the Nation, about the effectiveness of our criminal justice system. Outraged citizens and public officials at all levels of Government are demanding tougher crime control measures, longer prison sentences, and an end to unrealistic, lenient parole laws. Central to the debate is the unending problem that threatens the entire criminal justice system and contributes to growing fear among honest citizens: The system's inability to keep known criminals off the streets.

Although the FBI's most recent Uniform Crime Index shows a decrease in violent crimes for 1976, few Americans can feel comforted in this knowledge when career criminals are rearrested for new crimes committed while they are out on bail, parole or probation.

REPEAT OFFENDERS

A study conducted by the FBI of 256,000 persons arrested between 1970 and 1975 showed that 64 percent had been arrested two times or more. The subject group of offenders had been accused of more than a million crimes. The Insti-

tute for Law and Social Justice also conducted a study of serious crimes committed from 1971 to 1975. Only 7 percent of those arrested for violent crimes in Washington, D.C., accounted for 24 percent of all such arrests. Some were arrested as many as 10 times during that period.

This is hardly a commendation of our criminal justice system, which exists for the purpose of preventing, controlling, and reducing crime. Yet, law enforcement agencies and the courts—troubled with overloaded dockets, limited and crowded facilities and burdensome paperwork—can do little to convince the criminal offender that if arrested, he will be appropriately punished.

Obviously, the criminal justice system is having a hard time coping with criminals, but so are the American people. Studies indicate that more than half the Nation's citizens are afraid to go for an evening walk in their own neighborhoods for fear of being mugged or robbed. Yet, it is the innocent victim who is often overlooked in our zeal to protect the rights of the accused.

It is time to take a hard look at a criminal justice system that allows hardened criminals to go free, only to prey on honest citizens again and again. It is time to develop practical, rather than ideological, solutions to crime. It is time to confirm to the criminal that, in fact, crime does not pay.

SWIFT AND CERTAIN PUNISHMENT

As a positive first step, criminals must know that their actions will result in swift and certain punishment—that they will face a locked door, not a revolving door. Logically, our efforts must concentrate on the sentencing process—the very heart of the criminal justice system. By imposing mandatory minimum sentences for violent crimes, we could provide law enforcement officers, and the courts with the necessary tools to deter potential offenders from criminal conduct while, at the same time, keep violent offenders off the streets, hopefully to be rehabilitated within the prison system.

Although the Constitution limits Federal legislative activity in the criminal law area, as the elected leaders of this country, we must do all we can to coordinate the national crime control effort. Therefore, Federal legislation incorporating mandatory minimum sentences is necessary to assist and guide State and local governments in the development of responsible and effective law enforcement measures.

MANDATORY PRISON SENTENCES

Today, I am introducing the Domestic Crime Control and Prevention Act which meets this need by requiring mandatory minimum sentences for certain cases of violent crime. Individuals convicted of burglary or aggravated assault, murder in the second degree, robbery, where the victim suffers serious bodily injury, or crimes where a handgun or other dangerous weapon was used, face a minimum of 2 years imprisonment—without the possibility of parole or probation. In addition, the bill imposes a minimum 4-year sentence for those convicted of one of these crimes a second time.

However, if the defendant was under 18 years old, suffering from a mental disease, acted under duress or was merely an accomplice and not the principal offender, the legislation would waive the mandatory sentence requirement. A posttrial hearing would be held to determine the applicability of these exceptions.

Enactment of this important and long overue legislation could result in a major reduction in the incidence of violent crime. While there are no simple solutions to this complex and far-reaching problem, continued delays in taking the first step toward the development of strong and effective enforcement procedures will leave us with little more than well-meaning rhetoric and a rising crime rate. The American people deserve much more from those who are entrusted with their protection.

TAX DEDUCTIONS FOR FAMILY DAY CARE PROVIDERS

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. FRASER. Mr. Speaker, I recently received a letter from Jean Wald, a family day care provider in Minnesota. Ms. Wald wrote to let me know of the impact of our efforts to allow the home as a business deduction when used to provide family day care services.

We inadvertently eliminated this deduction in the 1976 Tax Reform Act in our attempt to limit deductions for business use of the home. I believe Jean Wald's letter should lead us to see the wisdom of our corrective action:

COLUMBIA HEIGHTS, MINN.

DEAR REPRESENTATIVE FRASER: A letter of thanks from a Family Day Care provider. I should have written this letter in February when I became aware that you initiated efforts to amend the 1976 Tax Reform Act to allow us legitimate Family Day Care business deductions.

A few days ago I received a letter from the IRS stating that on the basis of our Amended 1976 Tax Form, we will be refunded $800 of the $885 my husband and I were required to pay in Joint Taxes on April 15th.

This refunded amount is more than 10% of my Gross Family Day Care Income. And due to very high expenses, this refunded amount is more than 100% of my Net Family Day Care Income of $780. The financial gain is quite substantial in my case. I expect other Family Day Care Providers will recover hundreds of dollars also.

Just as important as the financial recovery was to me is the encouragement that this whole process brings to Family Day Care Providers. We are large in numbers but largely unorganized and very low in status. Our letters could have been ignored, but thanks to you, they were not. That a group of Family Day Care Providers was recognized by the U.S. Congress, I find quite remarkable and very encouraging.

Sincerely,

JEAN WALD.

JAPAN ATTEMPTS TO MAKE BREEDER REACTORS PROLIFERATION RESISTANT

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. BROWN of California. Mr. Speaker, among the many issues discussed during our consideration of the proposed Clinch River breeder reactor project was the question of whether the plutonium fuel cycle could be made proliferation resistant. Some of those who participated in the debate claimed that this was an easy thing to do, and we had nothing to fear from the plutonium fuel cycle. Few who know anything about this subject agree, and it is just this type of problem that President Carter's international nuclear fuel cycle evaluation program is supposed to address. In spite of claims to the contrary, President Carter is making progress in getting other nations to reassess their plans for a plutonium economy, and in the case of Japan, new research is now underway to see if plutonium fuel can be made proliferation resistant.

Mr. Speaker, I will not go into this subject in detail. At the conclusion of these remarks I will insert two articles from the Los Angeles Times which give the details of the developments in Japan. The key point that can be gathered from these articles is that the problems of the plutonium fuel cycle have not been solved, and it is not now clear that they can be solved, or if they can be solved, what technologies will be necessary to solve the proliferation problems of this particular nuclear fuel cycle. With this level of uncertainty, moving ahead with the proposed Clinch River breeder reactor demonstration project is certainly a foolish policy.

The articles follow:

[From the Los Angeles Times, Nov. 4, 1977]

JAPAN SEEKING NEW KIND OF NUCLEAR FUEL

(By Sam Jameson)

TOKYO.—Japan is a reluctant pioneer in President Carter's search for a way to curb the spread of nuclear weapons.

As part of an agreement that allows Japan to operate a nuclear fuel-reprocessing plant for two years, Japan has agreed to undertake a major research program designed to develop a new kind of nuclear fuel that could provide energy without contributing to the proliferation of nuclear arms.

Nowhere else in the world is research being conducted on all the components of a system needed to produce such a fuel.

The fuel, which would be used in fast breeder reactors, would at no point in its production take the form of pure plutonium, the element that Carter has urged all nations to forgo producing in order to reduce risks of proliferation.

A fast breeder reactor, using plutonium as fuel, creates more plutonium fuel than it consumes. It assures a virtually endless supply of energy, but plutonium can also be used in nuclear bombs.

Japan had planned to extract pure plutonium from the spent fuel used in its light-water reactors, which are generating 8 million kilowatts of electricity throughout the country. It invested $200 million to build its

reprocessing plant for that purpose. But Washington's veto power over Japanese use of American-enriched uranium forced Japan to agree to undertake the research program in exchange for U.S. approval to reprocess 99 tons of spent fuel over the next two years.

The Japanese have agreed to try to perfect a three-stage process that would create a mixed plutonium-uranium fuel. Plutonium and uranium mixed together cannot be used for nuclear bombs. The mixed fuel could be used, however, in fast breeder reactors, which would still create more fuel than they consume.

Hiromasa Nakano, chief of planning for the nuclear fuel department of the government's Power Reactor & Nuclear Fuel Development Corp., said that success here could provide a model for the world.

It could also provide Carter with an argument to use in bargaining with other nations that have resisted his efforts to stop use of plutonium. Despite American doubts about the economic feasibility of the fast breeder reactor, no world leader other than Carter has agreed to defer the fast breeder and its promise of abundant energy.

Nakano said Japan would announce the results of its research but would not divulge the technology.

"Naturally," he added, "if other nations want that they will have to pay for it."

The challenge Japan faces, Nakano said, lies not so much in finding a way, but in finding it within two years.

He pointed out that a team of U.S. and Japanese technicians concluded in July, after inspecting Japan's reprocessing plant, that keeping plutonium and uranium in a mixed state through the three steps from reprocessing of spent fuel to production of fuel rods for fast breeder reactors was technically possible.

"Technicians do not make impossible proposals although politicians may propose things that are impossible," he said, adding that it was the political leaders of Japan and the United States who had set the time limit of two years.

"Two years is an extremely political problem," he said.

The two years run concurrently with President Carter's International Nuclear Fuel Cycle Evaluation Program, which was initiated Oct. 19 in Washington. Forty nations are taking part in the evaluation program.

Further, the United States and Japan have agreed that at the end of the two years they will resolve the question of Japanese use of American-enriched uranium.

The United States has already indicated its unwillingness to approve Japanese reprocessing that would produce pure plutonium. Nakano made that clear when he was asked whether completion of the new research was possible within two years.

"It is more accurate to say that we must come up with a conclusion within two years at least insofar as we intend to continue depending upon the United States for enriching the uranium we buy," he said. "We have been put in that position by the agreement."

At present, all of Japan's imported uranium is enriched in the United States, and Japan has few alternatives to reduce that dependence.

In Japanese laboratory tests, fuel rods containing a mixture of seven parts uranium and three parts plutonium have proved to be usable in fast breeder reactors, Nakano said. But fuel with the 7-3 ratio has been fabricated only after extracting plutonium and uranium separately from spent fuel and then mixing the two elements together.

Besides Japan, the United States, Britain, France and West Germany are known or believed to have done research in the fabrication of mixed plutonium-uranium fuel, Nakano said. But no one has yet done research into extracting a mixture of plutonium and uranium from spent fuel in the initial stage.

Nakano said that Japan possesses enough theoretical knowledge to say that the extraction of plutonium and uranium in a mixed liquid form is possible. The focal point of the next two years of research, he said, will be an effort to develop a system that is economically feasible.

That, he emphasized, means that all three stages of what is called coprocessing must be economically feasible.

The three stages, he said, begin with the coextraction of a mixed plutonium-uranium liquid from spent nuclear fuel. Then the mixed liquid goes through "coprecipitation" to be converted into a mixed plutonium-uranium oxide powder. Finally, the powder is fabricated into fuel rods for the fast breeder reactor.

Nakano said that Japan wanted to develop a fuel suitable not only for the fast breeder reactor but also for an advanced thermal reactor that is being developed here.

"We want one fuel easy to use for all nuclear power generation purposes," he said.

The challenge faced by Japanese technicians is immense, he said.

Apart from not having conducted any research on coextraction of a mixed plutonium-uranium liquid from spent fuel, they have done laboratory work on coprecipitating the liquid plutonium-uranium mixture into a powder mixture. Japan will have to develop the technology for a full-scale, production coprecipitation process, he said, And, on the final step of the process, fabrication of the fuel rods, only beaker-test fabrication has been carried out so far, he said.

Technology for mass production must be developed, facilities for engineering construction of fuel rods must be built and quality controls must be perfected, Nakano said.

It is unthinkable, he said, that such problems might be solved in less than two years.

Although the scheduled two-year operating period for Japan's reprocessing plant will produce pure plutonium—about one ton from the 99 tons of spent fuel to be reprocessed—it should also contribute to the research on the coprocessing method designed to avoid pure plutonium production, Nakano said.

Reprocessing, the step in technological development before coprocessing, would provide a base upon which to build technology for coextraction of plutonium and uranium from spent fuel, he said.

And, just in case coprocessing of a plutonium-uranium mixture fails, Japan will also acquire knowledge in the tricky art of measuring amounts of plutonium.

[From the Los Angeles Times, Nov. 4, 1977]

HOW FUEL-REPROCESSING PLANTS WORK

(By Robert Gillette)

A fuel-reprocessing plant such as the one Japan has built is, in a sense, a sewage disposal facility for nuclear power reactors. Its purpose is to extract leftover uranium and newly formed plutonium for recycling into fresh fuel for power plants.

Outwardly, the spent fuel rods that are withdrawn from a power plant look virtually unchanged from the day they went into the reactor's core. But placed under water in a cooling pond, they emit an eerie, sapphire-blue glow, a product of the intensely radioactive nuclear fission products that accumulate over a period of months in the uranium fuel. Among these products is plutonium.

Over the last 30 years, the nuclear industry here and abroad has suggested it would eventually be economical to extract this plutonium (and leftover uranium) for recycling. This could reduce demand for freshly mined uranium by 25% to 30%, it is estimated.

Moreover, the successful advent of breeder reactors—which produce a net gain in nuclear fuel by converting the unburnable bulk of uranium to fissionable plutonium—depends on the ability to extract the plutonium from spent fuel.

The technology, developed during World War II in the Manhattan atomic bomb project, is not complex, although its economic attractiveness is still a matter of intense debate.

Behind massive concrete walls that shield against radioactivity, remotely controlled machinery chops up the spent fuel and carries it in stainless steel baskets to vats of hot nitric acid. Once dissolved, the fuel is treated with organic solvents and separated into three liquid streams—intensely radioactive wastes (which must be solidified and sealed from the biosphere for centuries) and liquid compounds of uranium and plutonium.

Present designs of reprocessing plants involve solidifying the uranium and plutonium into pure, separate oxide powders—then recombining them in a fuel fabrication plant.

Carter Administration officials argue that the practice of separating out purified plutonium is an unnecessary holdover from the days when the sole purpose of reprocessing of spent fuel was to extract plutonium for weapons. Governments that stockpile purified plutonium for later use in reactor fuel, they fear, may be tempted to convert it quickly to weapons in the face of an emergency.

U.S. arms control analysts believe that by modifying the reprocessing of spent nuclear fuel so as never to separate pure plutonium from residual uranium offers a subtle but important advantage. A government that wanted nuclear weapons in a hurry, they say, could convert purified plutonium to atomic explosives in a matter of days—too quickly for international inspectors to detect and too quickly for diplomatic intervention.

Keeping plutonium mixed with low-grade uranium imposes an extra processing step, however, that is thought to lengthen the conversion time to weapons to two months or more, thereby increasing the chances of detection and somehow stopping the production of a nuclear weapon. Administration officials hope that if the Japanese find this modification acceptable that other nations interested in reprocessing spent fuel and recycling plutonium—among them Pakistan, Brazil, Britain, France, and West Germany—will follow suit.

In the United States, one small commercial reprocessing plant opened near Buffalo, N.Y., in 1967, closed in 1972 after a series of contamination incidents and will probably never reopen. The plant, owned by Getty Oil Co., has left behind about 600,000 gallons of liquid radioactive wastes, the disposal of which is likely to cost far more than the $32 million cost of the plant itself.

A second commercial plant built by General Electric near Chicago proved technologically unsound and has never operated, and a third, built by Allied General Nuclear Services of Barnwell, S.C., is nearly finished but, in keeping with the Administration's nonproliferation policy, has no immediate prospect of operating.

JOE EVINS HONORED BY SMALL BUSINESS LEGISLATIVE COUNCIL

HON. ALBERT GORE, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. GORE. Mr. Speaker, recently, a distinguished Tennessean and former

Member of this body was in Washington to be honored by a small business group for his contributions and his service as a Member of this body.

The man I am referring to is, of course, my friend Joe Evins, who last year "elected not to be reelected," and has been missed greatly by his colleagues here.

Because of the great respect I have for Chairman Evins, which I know is shared by my colleagues, and because even in his retirement he has continued to be a great supporter of small business, I would like to insert into the RECORD both the text of the award that was given to Mr. Evins by the Small Business Legislative Council and his gracious remarks in accepting it. Chairman Evins has in his service and dedication set an example that all of us should be proud to follow:

REMARKS OF HON. JOE L. EVINS

I. INTRODUCTORY REMARKS

Thank you, Mr. Chairman, John Lewis. Certainly, I am pleased and delighted to be with you today.

I want to thank you, my friends of the Small Business Legislative Council, for the honor which you have accorded me—for this award. I am honored, and humbled, and complimented—I feel that this tribute should have gone to others—but I would not be human if I did not say that I appreciate you and I appreciate this award, and I am grateful.

I want to assure you that whatever service I have been able to render to you and the American small businesses over the years has been a "labor of love."

II. RE.: RETIREMENT

After 30 years of service in the Congress, as most of you know, I elected not to be reelected—feeling that it was time for others, to let young men carry the torch and serve.

While seeking retirement, I want you to know that I have not yet found it. This is my third return trip to Washington this year. In the mean time, I have found much activity outside the Committee and the Congress—much work—on the sidelines instead of the firing line.

I have often remarked that I find myself doing practically the same things each day that I did while serving in the Congress—except not having the privilege of voting.

So, being invited back to Washington to the Small Business Committee Room—to these sacred precincts—this voting precinct, is a cherished privilege. I thank you very much.

III. SERVICE ON THE SMALL BUSINESS COMMITTEE

As many of you know, I served on the House Small Business Committee from 1948 until 1976, some 28 years of my 30 years in the Congress—and I had the honor of serving as Chairman of this Committee for a period of almost 14 years.

During this time, I saw the Committee grow from a small, select committee of 9 Members to a large permanent committee with 37 Members, and empowered with legislative authority.

The Committee has grown over the years both numerically, legislatively—in stature, standing, influence, power and authority. I was pleased to witness that growth.

Today, the Committee has a duty and responsibility of overseeing the vast operations and programs of the Small Business Administration—an agency that has a loan budget of approximately $7.5 billion.

IV. THE SBA—A FEW STATISTICS

Certainly, this responsibility is great when we think of these figures:

Today, small business represents 97% of the Nation's business concerns.

Small business represents 43% of the Gross National Product.

Small business represents 64% of the total dollar volume in wholesaling.

Small business represents 72% of the total dollar volume in retaining.

Small business represents 76% of the Nation's total dollar volume in construction.

Today, there are more than 13 million small businesses in the Nation, including small farms which have been classified as small businesses and are eligible for certain types of small business loans.

These 13 million small businesses in America employ 34 million people.

Small business provides a livelihood for 100 million people. Sixteen percent of our population is represented by minorities—minorities constitute 4% of the Nation's business, and receive 10% of SBA loans and loan guarantees.

While, as indicated SBA has a current loan budget authority of approximately $7.5 billion, SBA over the years has made over 800,000 loans, totaling almost $20 billion.

These are impressive figures that show and represent in a graphic way the real service that is being rendered to American small businesses.

We all know that the problems facing small businesses are continuing today and that they are many and varied—problems in finance, management, marketing, advertising, taxation, bureaucratic forms, red tape, regulations, and others.

So, I congratulate the several Nation's small business associations for forming this council—the Small Business Legislative Council. It is a great idea and deserves support of all small businesses and their associations throughout the country.

It is interesting to know that this administration, the Carter Administration, is pro-small business. Carter, as our President, has a special, personal tie to small business. President Carter was a small businessman. He is the first small businessman to become President who was a small business loan client of the agency and received advice from SCORE, the Small Business Administration organization of senior retired business executives. So I have been told, small business is the "in thing" with the administration—this is good news.

Certainly, everyone in this group knows the importance of small business to our Nation and especially to our economy.

The owners of independent enterprises are interested in the welfare of their communities. A small businessman in his community is a leader. He contributes to the growth and stability of the town or city in which he resides.

The independent merchant is rooted in his home town and strives constantly to help it grow and prosper.

We want to preserve this climate—and maintain the small business segment of our economy—and our society.

The Congress in establishing and reestablishing this Committee many times over the years, has recognized these facts, the importance—indeed the responsibility of preserving and maintaining small business and our free enterprise system.

Both the House and Senate Small Business Committees have recognized the importance of American small businesses by decreeing in their charters that these committees are empowered—"to aid, counsel, assist and promote American small business in the interest of preserving our free enterprise system."

V. CONCLUSION

This has been my commitment and the commitment of this Committee—the House Small Business Committee—over the years and upon returning to Washington, I am so happy to see, to know, to realize, and to recognize that this commitment is continuing and is being strengthened by your work—the work of this Committee cooperating with the numerous small business associations around the country, and now with the Nation's Small Business Legislative Council.

My wish for you is that your "tribe" may increase—both in number and in usefulness—may this Committee continue its good work in serving small businesses. May you step up your efforts to enforce the Clayton Act, the Sherman Act, the Robinson-Patman Act—the Small Business Administration Act with its numerous amendments, and other statutes—to preserve and strengthen American small business.

In addition to your organizations and the Committee, I should like to mention a few only a few great men—some of whom have gone on and others who are continuing their good work in this field—Chairman Neal Smith, Silvio Conte.

Certainly, Henry Gonzalez is deserving of the award that you gave to him in fighting to preserve and enforce the Robinson-Patman Act.

Let me mention also Howard Greenberg, Everette MacIntyre, Bryan Jacques, John Lewis, John Grant, Bernie Layne, Wilson Johnson, Mike McKevitt, and the late Wilson Harder, Wright Patman, and George Burger, Sr.; and, of course, there are many, many more patriots and soldiers in the ranks—champions of American small business.

Thank you, my friends. Thank you very much.

Good luck and best wishes for the future.

IN GRATEFUL APPRECIATION TO HON. JOE L. EVINS

For 12 years as Chairman of the Committee on Small Business you served with distinction all elements of the small business community without regard to party affiliation, race, creed, or geographical area.

As Chairman you supported vigorously the need for representation of the small business community through the Small Business Administration, but you did not hesitate to bring forcefully to that Agency's attention its deficiencies when it failed to carry out the Congressional mandate.

Because of the high esteem held for you by your 434 colleagues, and due to your visionary and far-sighted leadership, the Committee on Small Business achieved the status of a legislative committee of the House of Representatives.

Under your leadership the Committee on Small Business effectively stopped a well-organized campaign to repeal or emasculate the Robinson-Patman Act.

You have been described as a man of action; a doer; a workhorse; and an expert in government highly skilled in making the wheels of government turn.

For 30 years as a member of Congress you demonstrated those qualities, and a major beneficiary has been the small business community.

For these contributions we honor and thank you.

For the Small Business Legislative Council:

JOHN F. GRANT,
Chairman.

JOHN E. LEWIS,
Executive Director.

American Association of Nurserymen
Association of Diesel Specialists
Association of Steel Distributors
Automotive Warehouse Distributors Association
Building Service Contractors Association
Christian Booksellers Association
Electronic Representatives Association
Food Merchandisers of America, Inc.
Independent Bakers Association
Independent Sewing Machine Dealers of America, Inc.
Local and Short Haul Carriers National Conference
Machinery Dealers National Association
Manufacturers Agents National Association

Menswear Retailers of America
Narrow Fabrics Institute, Inc.
National Association for Child Development & Education
National Association of Black Manufacturers
National Association of Brick Distributors
National Association of Catalog Showroom Merchandisers
National Association of Independent Lumbermen
National Association of Men's and Boys' Apparel Clubs
National Association of Plumbing/Heating/Cooling Contractors
National Association of Realtors
National Association of Retail Druggists
National Association of Trade and Technical Schools
National Beer Wholesalers of America, Inc.
National Building Material Distributors Association
National Candy Wholesalers Association
National Concrete Masonry Association
National Electrical Contractors Association
National Family Business Council
National Fastener Distributors Association
National Federation of Manufacturers Representatives Associations
National Home Furnishings Association
National Home Improvement Council
National Independent Dairies Association
National Independent Meat Packers Association
National Insulation Contractors Association
National Office Machine Dealers Association, Inc.
National Office Products Association.
National Paper Trade Association, Inc.
National Patent Council, Inc.
National Precast Concrete Association
National Small Business Association
National Tire Dealers and Retreaders Association, Inc.
National Tool, Die, & Precision Machining Association
Printing Industries of America, Inc.
Small Business Service Contractors Association
National Association of Home Manufacturers

ANDREI AMALRIK ON HUMAN RIGHTS

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. SIMON. Mr. Speaker, on October 13, one of this century's heroes, Andrei Amalrik, addressed the annual conference of the American Association for the Advancement of Slavic Studies.

Mr. Almarik discussed eloquently the subject of dissent in the Soviet Union. His main theme was the inter-relationship between the persistence of the human rights movement in the Soviet Union and the support of the Western democracies. While the survival of dissent in the Soviet Union encourages supportive efforts in the West, more importantly according to Mr. Almarik, Western influence is critical to the survival of the human rights movement within the Soviet Union.

According to Mr. Almarik, the struggle for human rights in the Soviet Union is a philosophical battle that the West cannot afford to lose: "And if today you ignore our struggle," he says, "you will help destroy a bridgehead of your own freedom."

As one who has been imprisoned and exiled in the Soviet Union, and was eventually expelled, Andrei Amalrik's perspective on the human rights movement is one that all of us in the West should pay attention to. I urge my colleagues to consider carefully Mr. Almarik's remarks, especially in light of our efforts at the Belgrade Conference.

An excerpt of Andrei Amalrik's speech to the AAASS follows:

Ladies and Gentlemen: My topic is the persistence of dissent, that is, the ability—and on the other hand, the inability—of Soviet dissidents not only to assert their existence, but also to exert influence. The very term "dissident" has a rather uncertain quality about it, and far from all participants in the human rights movement agree with such a self-designation. It seems to me that the term may be used in both a broad and a narrow sense: first, to designate those who openly do not accept Soviet ideology and the Soviet way of life; second, to designate participants in the human rights movement, who defend the rights of man as they are defined in the United Nations' Universal Declaration of Human Rights.

The movement has existed for twelve years and has shown the ability to survive in spite of all the Soviet authorities' repressions. Several times in my memory wavering participants in the movement as well as hasty observers have proclaimed the movement's demise. And each time it has survived the crisis. At present it is undergoing one of its most acute crises, and this evident crisis reflects the more hidden crisis of the whole Soviet system. I want to emphasize, however, that the very length of existence of the movement within the framework of a repressive system demonstrates that it is not an accidental phenomenon, that it reflects the need of a considerable part of society to express its interests. Although you hear very few free voices from the Soviet Union, they express what many others think.

At the same time each succeeding crisis raises both within and outside the movement the question: will this remain only a moral movement, or will it create from within a political movement as well—that is, a movement which will set as its goals socio-economic and political changes in the Soviet Union and which will put forth methods for effecting these changes. I would say that it is not always easy to draw a clear distinction between the "moralists" and the "politicians." Academician Sakharov, for example, may be regarded as the most extreme of moralists. Nonetheless, he is constantly proposing in his articles projects of specific socio-economic and political reconstruction.

Each crisis in the movement also raises yet another question: if the authorities manage to destroy the movement as it now exists, will that mean the end of all opposition, or will the opposition take a different shape? The Russian experience shows that if disillusionment in peaceful forms of resistance occurs, then political terror from below follows. We now know of several scattered examples of such terror. I think that terror has not been widespread in the Soviet Union only because, for the time being, the human rights movement, which disapproves of terror, has been dominant in the opposition.

It seems to me that all of these questions are important for the West. Even now our movement exerts indirect influence on the state of affairs in the West. Let me cite two examples. First, Eurocommunism would not have appeared in its present form and at the present time if it were not for the existence of an outspoken democratic opposition in the Soviet Union. Second, the new American administration's campaign for worldwide human rights would not have begun if this problem were not so acutely present in the competing superpower. And as you know, the campaign started with President Carter's letter to Academician Sakharov.

On the other hand, the influence that the West can exert on the fate of our movement is even more considerable. The West cannot succeed in simply remaining neutral toward us: all of its actions in relation to the Soviet Union will either help or hinder its democratization.

The Soviet government attempts to portray dissidents as either direct agents or blind weapons of the West. In reality, many circles in the West—conservative as well as liberal—regard our movement rather as an obstacle. But the movement believes in such values as respect for the individual—values that were cultivated in the West and laid the foundation of Western civilization. That is why, if the West itself still believes in these values, we are entitled to expect its support.

As the interdependence of all countries and cultures increases, the question arises: which values will become dominant in the modern world—faith in the individual, in his freedom, dignity, and inalienable civil and social rights, or faith in supra-individual organizations, such as the State and the Party, and their right to manipulate the individual for their own goals. And if today you ignore our struggle, you will help to destroy a bridgehead of your own freedom.

The issue of human rights is not just a matter of helping a few incarcerated dissidents or a few people who wish to be reunited with their families. It is a question of which political philosophy will serve as the foundation of the currently evolving world order. And if American society and the American government will approach this question from the point of view of a Sunday philanthropy, like those pious ladies in the nineteenth century who dedicated their leisure to sewing bonnets for naked black children, then the principle of the individual's supression by the organization will spread throughout the world, reaching you as well, ladies and gentlemen.

UPGRADING THE QUALITY OF LIFE IN RURAL AREAS

HON. RICHARDSON PREYER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. PREYER. Mr. Speaker, I would like to bring to the attention of my colleagues a national project dedicated to helping upgrade the quality of life for Americans in rural areas. This project provides educational opportunities to people in the communities themselves where they live and work, and does so in a manner that may expand the horizons of learning and education for millions of citizens who do not have the opportunity to enter academic institutions.

The project, which has gained national attention through a recent Associated Press story, is illustrative of the blending of many talents. It is through the efforts of academicians, State government, and industry that the most advanced communications technology has made learning and educational opportunities available beyond the walls of the campus in a more convenient manner for people where they live and work.

The project embodies an exciting and innovative concept involving the applica-

tion of television and satellite communications for conveying educational material. This is being done at a time when resources are becoming increasingly limited. It is the result of a cooperative development effort involving the North Carolina Rural Renaissance Project under the direction of Gov. James B. Hunt, the ACCESS Group of Community College districts throughout the United States, the American Association of Community and Junior Colleges, and the distinguished communications scientist Dr. Peter C. Goldmark.

The potential for this innovative project is enormous, having vast implications for educational opportunities for millions of Americans. I would like to present for the RECORD the Associated Press story based on Dr. Goldmark's presentation at the 1977 Intelcom Conference in Atlanta last month:

[From the Raleigh Times, Oct. 11, 1977]

COLLEGES TO USE SATELLITE FOR RURAL ADULT EDUCATION

ATLANTA (AP).—A number of community colleges across the country are planning a cooperative effort using satellites to provide low-cost adult education courses to rural areas.

Dr. Peter Goldmark, who developed the television system used in lunar television transmissions, said Monday the colleges have joined with his Connecticut communications firm to develop a system that bypasses the already crowded television channels with a satellite capable of beaming 100 different half-hour programs simultaneously to ground stations.

Pilot programs are currently being established in areas near Charlotte, N.C., Kansas City, Los Angeles, Chicago, Eugene, Ore., and Costa Mesa, Calif.

The system could "offer health education at various levels in rural hospitals, convalescent and senior citizens' homes and penal institutions throughout the country," Goldmark said during a seminar at the International Telecommunications Exposition.

Goldmark said the system, called Rapid Transmission and Storage, or RTS, uses a one-hour video tape reel that can store up to 120 half-hour programs to be transmitted to earth by a powerful signal.

"This system permits us to make satellite transmissions available to the widest possible audience across the nation at the least possible cost by making the satellite signal strong enough to be picked up by a small and simple ground receiver," he said.

Goldmark said the sponsors include the ACCESS Group of Community College districts, North Carolina's Rural Renaissance Project and the American Association of Community and Junior Colleges.

He said the programs eventually could include courses for adults and school children in rural areas, vocational training and self-help programs.

Goldmark said he envisions 10,000 or more RTS centers around the country, but he added that the satellite system is not designed to replace or compete with conventional classroom education.

ECONOMIC BOYCOTT IN SUPPORT OF ERA

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mrs. SCHROEDER. Mr. Speaker, the Wall Street Journal takes note today that women are exercising their economic muscle on the ERA issue. National organizations are declining to hold conventions in States that have not ratified the ERA.

The article follows:

Fury of women scorned leads to a boycott of convention cities in anti-ERA states.

At the urging of the National Organization for Women, at least 40 national groups have agreed to refrain from holding conventions in states that haven't ratified the equal rights amendment. So far, Chicago reports losses of $15 million in convention business; Atlanta, more than $6 million, and Miami, $4.5 million. New Orleans, St. Louis and Kansas City, among others, have lost business and fear the worst is yet to come. Las Vegas hasn't had any groups cancel yet, but "if this ERA situation continues, we could lose some," says an official.

Stung by the loss of business, the Chicago Convention Bureau has urged state legislators to ratify the ERA when and if it comes up for another vote. In Atlanta, cancellations "are beginning to snowball," says the head of the convention bureau. Georgia state senator Al Holloway, an anti-ERA leader, calls the boycott "blackmail." All it shows, he says, "is that the ERA can't be supported on its own merits."

IS SAFETY ENOUGH? THE CONTROVERSY OVER FDA STANDARDS FOR DRUG APPROVAL

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. PEPPER. Mr. Speaker, for many years, the Food and Drug Administration has been the subject of controversy. Its role in approving drugs for sale in the United States has been debated in the Congress, within the executive branch, and among private citizens.

There are some who postulate that the FDA is little more than an expensive, bureaucratic purveyor of redtape whose mission is to make life difficult for drug manufacturers and prevent drug consumers from having access to newly-developed drugs, particularly those which promise therapeutic benefit in categories of illness for which no successful treatment currently is available. I, myself, have been deeply concerned over certain actions of the FDA where I have felt that its decisions have gone beyond the bounds of reason. It has been and continues to remain my view that the actions of the Congress and of each agency of the executive branch should be dictated by reason.

It is just as imperative that the actions of the FDA in controlling drugs which are placed on the market in our country be based on reasonable judgment within the bounds of statutory law which has its foundation in reason.

It often falls to Members of Congress, as representatives of all the people, to make judgments regarding difficult and controversial questions. Such is the case with regard to a provision of the Federal Food, Drug, and Cosmetic Act, which was enacted in 1962, and which requires that all new drugs must be proven effective, as well as safe, before they can be marketed.

Legislation which would nullify the requirement that drugs be demonstrated to be effective has been introduced in the Congress with a considerable number of cosponsors. The magnitude of the issues involved in this proposal requires thoughtful, serious consideration for they could and often do affect the lives and health of all our citizens.

Opponents of the efficacy requirement argue that the United States lags behind other countries in making new drugs available as a result of the stringent regulatory requirements imposed by the 1962 law. They argue that a substantial number of the drugs developed by drug companies in the United States can be sold only in other countries and are, therefore, denied to U.S. citizens.

Those who support the effectiveness requirement have denied the credibility of this argument. Testifying before a joint Senate hearing in 1974, Dr. J. Richard Crout, then Director of the Bureau of Drugs, concluded:

There are not therapeutic breakthroughs currently marketed overseas for which an acceptable alternative therapy does not exist in the U.S. . . . when viewed in perspective, it must be appreciated that [the drug lag] . . . does not involve any drugs which are important therapeutic gains and is an expected consequence of high regulatory standards.

Moreover, it is claimed that the 1962 amendments have resulted in a drastic reduction in the number of new drugs introduced in this country each year. Statistical evidence indicates, however, that the decline in new drug introduction actually began in 1959, 3 years prior to enactment of the Drug Safety Amendments of 1962, and hit its lowest point in 1963, before regulations implementing the 1962 law were finalized.

Opponents of the 1962 amendments argue further that they have added to the cost, time, and paperwork involved in gaining approval for new drugs, with the ultimate effect of increasing the prices of drugs which are on the market.

The cost of drugs is of special concern to me as chairman of the Select Committee on Aging and its Subcommittee on Health and Long-Term Care, for the elderly, who comprise only 10.7 percent of the population, nevertheless account for some 25 percent of prescription drugs annually. Estimated personal health care expenditures for Americans of all ages totaled $120.4 billion in fiscal year 1976. Of this, $11.2 billion went for drugs and drug sundries. Those over 65 accounted for some $2.78 billion of this amount, and the largest portion of this bill, almost 86 percent, came right out of their own pockets, since medicare provides no outpatient drug coverage. It is most important that they be protected against the additional cost of developing new, but ineffective drugs.

Efforts to accurately assess the savings or increased costs brought about by the 1962 amendments have not produced definitive results, though studies based on the effectiveness of over 4,000 drugs marketed between 1938 and 1962 have indicated that removal from the market of ineffective drugs would result in

a saving to consumers of between $100 million and $300 million.

It is, perhaps, the argument generally referred to as freedom of choice which is most difficult for policymakers who are faced with questions regarding the marketing of drugs which are demonstrated to be ineffective, or taken from a different perspective, those which have not been demonstrated to be efficacious.

Respect for the sanctity of the doctor-patient relationship, and the growing belief that patients should be allowed to participate in making decisions regarding their own treatment, have led many to believe that Government is overstepping its bounds when it prohibits the marketing of drugs which are considered safe, but not effective. Yet reasonable concerns which have been voiced lead us to wonder whether an ineffective drug is not inherently unsafe. The Senate Judiciary Committee report on S. 1552, from the 87th Congress, included this comment:

Leading physicians testified that it is impossible to keep currently informed of the state of medical knowledge to be found scattered in hundreds of medical journals on the 400 new drugs introduced each year. Moreover, they stressed that the marketing of a safe but ineffective drug may well be positively injurious to the public health. When an ineffective drug is prescribed, it is usually in place of an older but effective drug. The problem is compounded by the fact that usually a considerable period elapses between the time when a highly advertised new drug is put on the market and when knowledge becomes widely disseminated among the medical profession that its performance falls seriously short of its claims.

The 1962 amendments, therefore, require the sponsor of a new drug to provide "substantial evidence" of efficacy founded on "adequate and well-controlled investigations, including clinical investigations." FDA reviews this data compiled by the sponsor over years of research, and arrives at a final decision based on this considerable amount of information. It seems reasonable to me that these scientific tests and evaluations should be required.

Mr. Speaker, throughout my career in public office I have been dedicated to medical research. I was one of the sponsors of the National Cancer Act, which created the National Cancer Institute, and I have proposed a great deal of legislation to better the health care of the American people and the delivery of that care. I remain committed to those goals. But I am deeply concerned that in our zeal to protect individual liberties that we might not instead jeopardize the public health if we allow scientific evidence to be discarded or ignored. Case after case has been cited in which patients with fatal illnesses rejected traditional treatments in favor of drugs of unproven effectiveness, finally suffering the ultimate consequence.

While I believe it is a responsibility of Government to protect the public from fraudulent claims and false hopes, I am also deeply concerned that we not impede the development and marketing of new drugs which do have the potential of curing disease. There are many diseases, many of them neurologic, such as Huntington's disease and multiple sclerosis, for which there is no effective treatment or cure. We must make every effort to promote drugs which can be effective in treating and curing these diseases. Some reform of the Federal Food, Drug, and Cosmetic Act is needed. But I do not believe it is in the public interest to discard the requirement that drugs be demonstrated to be effective.

I therefore respectfully disagree with my distinguished colleague, Mr. SYMMS, author of the "Medical Freedom of Choice Act."

It seems to me that we should take a more reasonable approach, such as that represented by the bill introduced by Mr. PAUL ROGERS, H.R. 8891. In addition to its other provisions, the bill would authorize the FDA to merge the investigational new drug and new drug application process in order to speed up the drug approval process. It would also allow the Secretary to approve, for a 2-year period, with provision for extension, the sale of a drug in the "investigational" period if the drug is found to be safe and if it offers immediate therapeutic value. Such conditionally approved drugs could be withdrawn expeditiously if long-term studies indicate that it presents a health hazard.

In my view, senior citizens are particularly vulnerable to the promotion of drugs of unproven effectiveness. Since health protections for these citizens would be severely restricted by a repeal of the requirement that drugs be demonstrated to be effective, I urge all interested organizations representing them to take a more active role in opposing the repeal of this requirement.

Mr. Speaker, it is my hope that the Congress will act quickly to resolve some of the difficulties which exist with respect to the current law. We owe it to those we represent to facilitate the availability of drugs which offer new hope in the treatment of disease.

PEACE CORPS

HON. CHRISTOPHER J. DODD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. DODD. Mr. Speaker, a number of my colleagues have recently introduced legislation which would return the Peace Corps to an independent status. As a former Peace Corps volunteer who opposed the incorporation of the international volunteer organization into ACTION in 1971, I have recently testified before the International Development Subcommittee of the House International Relations Committee that I do not believe that it is an opportune time to consider the separation of our domestic and overseas volunteer programs. I hope that my remarks can contribute to the discussion on this important topic, and I ask that they be made part of the RECORD:

REMARKS BY REPRESENTATIVE DODD

Mr. Chairman, as a former member of the Peace Corps, I welcome this opportunity to make a few remarks for the record of hearings held to date on the important topic of the purposes and perspectives of the Peace Corps.

Before I begin, I would like to compliment the members of this new subcommittee for the excellent work that is has already done in the course of its short existence, and particularly for holding this set of hearings which deal directly with the structural framework of the Peace Corps. Many of us former volunteers have been vocalizing our support for internal reforms at ACTION for a long time, and certainly the exact status of the Peace Corps is of great concern and interest to all of us who feel—as I know you do—that the Peace Corps is an organization which is as valuable today as when it was created in 1961.

While I am of course aware, Mr. Chairman, of the legislation recently introduced by members of this committee to render the Peace Corps independent of ACTION, I would like to address my comments at this point not to the substance of this legislation, but more generally to its timing.

Quite frankly, I cannot honestly either endorse or oppose a bill to separate our international volunteer programs from our domestic ones because I do not feel that I have, at this moment, enough evidence before me which can testify to the immediate desirability of such a measure.

In fact, my impression is that such a measure is a decisively premature one, and one that should not be pushed until we are in the position of determining that the locational state of the Peace Corps is in itself a concrete barrier to the successful functioning of the agency.

Let me state at the outset that I am somewhat skeptical about the proposition that it is necessary to remove the Peace Corps from the ACTION umbrella or else continue to face intractable problems of joint management and conflicting priorities. I certainly would have (and indeed did) support such a contention in the days when Peace Corps was, beyond any doubt, under fierce attack by the very heads of its mother agency, and when it appeared that the only way to save Peace Corps from eventual extinction was to give it an independent existence.

I believe, however, that we all recognize that the situation has changed dramatically since then. We now have a new deck of cards, and a new set of players—a President who is supportive of the Peace Corps, and a team of individuals at ACTION who are committed to the dynamic leadership of an agency dedicated to the concept of national voluntarism, be it at home or abroad.

Under these circumstances, it would seem to me—and again, I do not wish to "slice" this issue one way or the other, but simply to make what I trust are a few pertinent observations—that there should be no need to separate Peace Corps from ACTION. Indeed, if it were shown that the Peace Corps could not function under an ACTION that had at its helm some of President Carter's finest appointments, then we may well be in the sad situation of having to question the very existence of the Peace Corps.

But my point here is that we are not yet in a position to say that the Peace Corps has failed to make the radical progress that we hoped that it would make instantly, when the new administration took office last January. Just a few months ago, we were actively stating that the damage done to the Peace Corps under the previous administrations had been so extensive as to require lengthy care and a long recovery period. How can we now ask realistically why it is that the Peace Corps of date 1977 is not the Peace Corps of late 1963?

What I am attempting to do here, Mr. Chairman, is to argue for time. I well under-

stand the anxiousness of the members of this committee, and I respect their determination to see that changes are made at ACTION, and that a dramatic turn-around does take place at the Peace Corps. I do feel strongly, however, that it is our responsibility—as Members of Congress who are fully cognizant of the many limitations we are up against whenever we want to enact anything within short order—to recognize the dimensions of the task that faces the ACTION staff, and to give them the opportunity they deserve to make the many changes we commonly support.

I think that there are many signs of renewed commitment and vitality in the Peace Corps, and that many new directions are already being followed.

As you know, one of the fundamental obstacles to a successful Peace Corps has recently been eliminated with the creation of a new and separate Office of Recruitment and Communications which will effectively terminate the second-class status of Peace Corps recruitment. According to members of the Peace Corps staff there has already been a dramatic improvement in the quality of the individuals being recruited for overseas work—a change that is particularly evident in the selection of new country directors.

As of the end of September, the Peace Corps had fulfilled its program goals for fiscal year 1977, and had in fact exceeded its target of 4,109 volunteers. With 4,200 men and women now in the field, the Peace Corps is in a position to move more freely in the direction of reorganization and revitalization.

Successful contact with several key countries in which the Peace Corps does not currently serve has already been made, and new initiatives are in the works.

For the very first time, the Peace Corps was represented in the official delegation to a major United Nations conference, held this fall in Nairobi on the subject of desertification. The Peace Corps experience was by all accounts held to be invaluable, and 1,000 volunteers were offered by the chief of the U.S. delegation to assist in the world-wide fight against the spreading of the deserts. And following a conference sponsored by the Club Du Sahel in Paris, Peace Corps programmers will now constitute an integral part of the United States contributions to the conservation efforts underway to alleviate the threat of continued drought in the Sahel.

There is also a determined interest in an increased involvement by the Peace Corps in the development and distribution of appropriate technology—and more progress in this critical area could be made with increased funding for such purposes.

I will stop here, Mr. Chairman, in my description of some of the exciting innovations that I have seen taking place in the Peace Corps although I would like to emphasize that there is also, beyond these tangible changes, something else that is new at the Peace Corps: and that, of course, is a new spirit.

In sum, Mr. Chairman, I see all of this as strong evidence that a positive course is being followed. This is a course that I feel will continue, and should be allowed to do so, without the interventon of a new congressional mandate in the very near future. I do, nonetheless, support continued questioning of the progress at Peace Corps and continued hearings on this most important subject.

I thank you once again, Mr. Chairman, for giving me this opportunity to state my views on this matter before your committee, and I look forward to coming back at the beginning of the next session of Congress to reevaluate some of the thoughts that I shared with you today.

HOSPITAL COST CONTAINMENT

HON. HAROLD E. FORD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. FORD of Tennessee. Mr. Speaker, one of the administration's major priorities for the 95th Congress is the enactment of hospital cost containment legislation. However, to date only one of four committees of the Senate and the House of Representatives to which the bill has been referred has issued a report on this legislation. Its consideration has been delayed because many Members have not been comfortable with certain provisions of the bill and with their understanding of the bill in general.

Mr. Speaker, as a member of the Ways and Means Health Subcommittee I want to take this opportunity to renew my commitment to meaningful measures to bring hospital costs under control. The need for this type of legislation is critical—Secretary Califano has often stated that the cost of hospital care increases by $1 million every hour of every day. While the general level of consumer prices rose by about 125 percent between 1950 and 1976, the average cost of a day of hospital care increased by more than 1,000 percent.

As a representative from an urban district, my primary concern is with the type of health care available in urban areas to the urban poor. I believe that every American is entitled to first rate health care regardless of race or income. I am concerned because as I walk my district I see that this is not the case. If we are to correct this situation we must bring hospital costs under control so that money will be available to do this.

Since the introduction of cost containment legislation I have been in close contact with the Memphis health care community. We in Memphis are indeed fortunate to have the Memphis Medical Center, one of the Nation's foremost not only in terms of facilities but also in terms of research. Several cost containment methods have been submitted to me from people back home which show great insight. For example, many expensive medical facilities such as CT scanners can be shared. Shared use would eliminate idle capacity, which now increases costs by spreading them out over fewer patients. Another cost-saving device is better coordination of health care providers and facilities. Outpatient and home health care must be emphasized.

Mr. Speaker, I am hopeful that the health care industry will take advantage of the time between sessions of Congress to implement cost containment measures and come up with solutions to the hospital cost spiral. I intend to meet with more people in my district on this matter during the next 2 months, for it is only when we contain hospital costs that we can better utilize the Federal health care dollar toward new programs and better health care for all Americans.

BLACK PANTHER PARTY TERRORIST VIOLENCE CONTINUES

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. McDONALD. Mr. Speaker, at about 5:15 a.m. on Sunday, October 24, 1977, Mrs. Mary Matthew, a 56-year-old self-employed bookkeeper in Oakland, Calif., was awakened by the sound of someone trying to force open her front door. She telephoned police and took out her .38 revolver as she heard sounds of someone at her rear door. As the door was being forced, Mrs. Matthew fired her revolver striking one attempted intruder in the hand. His accomplices opened up with shotgun blasts and automatic rifles, spraying her kitchen with bullets. With commendable courage, Mrs. Matthew continued to fire her revolver at her assailants, preventing them from breaking into her house and thus saving her life; for the intruders were an assassination squad of Black Panther Party members apparently there to murder the key witness in a murder the Black Panther Party founder and leader, Huey P. Newton, is charged with having committed. Mrs. Matthew was not the witness: The terrorists had attacked the wrong house.

Dead outside Mrs. Matthew's house was Louis T. Johnson, 27, a long-time Black Panther Party member. Johnson had been accidentally hit in the back of the neck by a machine gun burst fired by his accomplices. His body, dressed in a dark blue jump suit, black ski mask and black gloves, had been carried to the front of the house by his escaping comrades. Two shotguns and an AR–16 fully automatic rifle were found abandoned near Johnson's body. Two similar jumpsuit uniforms were found discarded in a nearby alley. The AR–16 had been reported stolen from the San Diego Marine Base in 1970.

Johnson's last known address was 2230 10th Street, Berkeley, Calif., a small house which also serves as the Berkeley headquarters of the BPP. Some 12 hours after the shooting, police arrested two Black Panther Party members at the Berkeley headquarters, Norma Armour, 27, and Norman White, 25. They were charged with possession of another illegal AR–16 machine gun, a grenade launcher, and a sawed-off shotgun which police discovered during their search of the premises. Armour and White were held on $25,000 bail.

Meanwhile, the terrorist shot in the hand by Mrs. Matthew, Flores A. Forbes, 25, went to Providence Hospital in Oakland for treatment of his wound. Forbes had discarded, in his haste to escape, not only his dark jump suit, but also his identification including his BPP membership card. He used his own name at the hospital in seeking treatment, but fled when told that the obvious gunshot wound would have to be reported to police. Forbes is currently a fugitive charged with, among other felonies, the murder of his comrade Louis Johnson.

The current attempted silencing of a witness stems from a wave of violence involving Black Panther chief Huey Newton in the summer of 1974.

In April 1974, Flores Forbes was among 14 BPP members arrested in their East Oakland headquarters and charged with such offenses as possession of illegal firearms and narcotics. On July 30, 1974, Huey Newton, John H. Seale, the brother of BPP cofounder Bobby Seale, and bodyguards Robert Heard, Flores Forbes, John W. Williams, Bruce Lee Washington, Herman Smith, and Larry Henson were charged with assault following an Oakland bar brawl. Although four large caliber pistols and revolvers were confiscated by police, the Federal charges on Huey Newton as an ex-felon packing a gun were waived.

On August 6, 1974, a 17-year-old prostitute was shot on San Pablo Avenue by a male passenger in a car who got out to first beat the young streetwalker. Newton is now on trial for that murder. The principal eyewitness, another prostitute named Raphaelle Gary, lived with her two children next door to Mrs. Matthew.

Next, Newton and his 300-pound bodyguard, Heard, were charged with beating two other young women. Helen Robinson, 20, and Diane Washington, 19, whom they met in a Telegraph Avenue bar. And on August 16, 1974, Newton and Heard were charged with pistol whipping a 53-year-old tailor, Preston Callins, who had gone to Newton's luxury penthouse apartment in Oakland to show cloth samples to the BPP leader for a custom-made suit. Shortly after being released on bail on this charge, Newton fled to Communist Cuba, remaining in Havana until his return to the United States early in July.

His BPP cronies then continued their violent careers. On December 21, 1974, Newton bodyguards Robert Heard, Flores Forbes, and three other men, Lonnie Darden, George B. Robinson, and Larry D. Henson, were arrested on charges including assault with a deadly weapon, armed robbery, illegal possession of a gun by an ex-convict—Heard—and assault stemming from the pistol whipping and roberry of an Oakland man.

Two private security guards saw the group of men surrounding the victim in a parking lot. When they approached the group the victim stated he had been beaten and robbed, and that when his assailants had seen the uniformed private guards approaching, they had thrown their pistols into nearby bushes. The private guards then held the Panthers at gunpoint until police arrived who also retrieved three pistols from the bushes. The victim refused to appear in court to testify against the five men, and so all charges were dismissed. Forbes eventually pleaded guilty to earlier charges of assaulting a police officer for which he was fined $350 and placed on probation for 2 years.

Preston Callins, the tailor, testified as to the assault on him in 1975 during the trial of bodyguard Robert Heard. His memory of events at that time was clear, sharp, and detailed. Heard received a sentence of up to 5 years following conviction on three felonies and a misdemeanor resulting from the attack on Heard and from a July 1974 fight with vice squad officers in Oakland.

On Monday, October 24, following the attack on Mrs. Matthew, the neighbor of witness Raphaelle Gary, Mr. Callins lost his memory. Deputy District Attorney Thomas Orloff who is the prosecutor in Newton's ongoing trial on the 1974 charges asked witness Callins if he remembered his previous sworn testimony or the tape recorded statement he had made to police. According to the San Francisco Examiner's report:

"I don't remember," the tailor replied, his brow knit, a scar from the beating visible on his forehead.

The prosecutor then read extensive portions of Callins' taped statement and asked extensive questions from his earlier testimony. According to the San Francisco Chronicle report, prosecutor Orloff told the judge "he was going to use it to impeach the abruptly forgetful tailor because of 'the inconsistent statements and the evasive nature of the witness.' "

Preparations for the return of Huey Newton to face trial on those charges commenced with the filing of a Federal lawsuit in December 1976, on behalf of the BPP and its leaders. According to Fred Hiestand, a National Lawyers Guild attorney serving as a counsel in the suit, the extensive discovery of law enforcement investigative files from this suit, the Fred Hampton lawsuit in Chicago and other legal actions were designed to allow Newton and other BPP members charged with crimes to plead they were being "victimized" by the Government's "invasion of their privacy." This in fact has been one of the chief defense tactics during Newton's murder trial which is currently underway in Oakland, Calif.

As a July Information Digest report noted:

To develop support and financing for their suit, the BPP has set up the Committee for Justice for Huey P. Newton and the Black Panther Party which operates from P.O. Box 297, Oakland, CA 94604. A Committee pamphlet asserts, *"Contributions of $25 or more may be TAX-DEDUCTIBLE. Please write for information."* (Emphasis in original).

A statement signed jointly by Rep. Ronald V. Dellums and Morton H. Halperin of the Center for National Security Studies (CNSS) and Campaign to Stop Government Spying (CSGS) and circulated by the Committee says, *"We are personally asking you to support this crucial case with whatever resources you have. These activities must be exposed and this lawsuit won so that we may protect the rights of all of us."*

According to the Commitee, *"The Campaign to destroy the Black Panther Party still goes on. During 1976 there were over 250 arrests of Party members in the Oakland area alone."* Since there are believed to be less than 300 BPP members in the Oakland area, the arrests rate may indicate that the BPP recruits lawbreakers rather than harassment.

Sponsors of the Committee for Justice include:

Ralph Abernathy; Joan Baez; Lloyd Barbee; Julie Belafonte; Fr. Daniel Berrigan; Philip Berrigan; Julian Bond; Malcolm Boyd; Fr. Eugene Boyle; Robert McAfee Brown; Earl Caldwell; Noam Chomsky; Ramsey Clark; Congressman William Clay; James Cone; Bert Carona; Harvey Cox.

Also Ossie Davis; David Dellinger; Congressman Ronald Dellums; Congressman Charles Diggs; Diane DiPrima; David DuBois; Daniel Ellsberg; Thomas I. Emerson; Sissy Farenthold; Lawrence Ferlinghetti; Jane Fonda; Donald Freed; Charles Garry; Jean Genet; Allen Ginsberg; Dr. Carlton Goodlett; Dick Gregory; Jose Angel Gutierrez; Morton Halperin; David Harris; Mayor Richard Hatcher; Tom Hayden.

And Arthur Kinoy; Jonathan Kozol; William Kunstler; Mark Lane; Paul Lehmann; Denise Levertov; Rollo May; Russell Means; Michael and Robert Meeropol (Rosenberg); Kate Millett; Fr. Earl Nell; Congressman Charles Rangel; Annette Rubenstein; Bert Schneider; Franz Schurmann; Pete Seeger; Stanley Sheinbaum; Helen Sobell; Morton Sobell; Dr. Benjamin Spock; Congressman Fortney Stark; I. F. Stone; Paul Sweezy; George Wald; Doron Weinberg; Leonard Weinglass; Cora Weiss and Howard Zinn.

Early this summer, Elaine Brown, the BPP leader who coordinated Panther Party activities during Newton's fugitive years in Havana, warned:

The Vanguard Party still lives to fight another day. It's building a base in Oakland, by any means necessary, a base for revolution.

Now some 11 years after the armed Black Panthers marched into the California Capitol in Sacramento, the BPP continues to officially encourage violence against businesses and law enforcement officials under the guise of "armed self-defense" against the "racist, fascist government of the United States." Although under the tutelage of its Communist Party, U.S.A. and Castroite advisers, the Black Panther Party has learned to use a variety of tactics such as dabbling in local Democratic Party politics, and setting up so-called "community" programs to develop new contacts and recruits, it is apparent that the Black Panther Party still places terrorist violence high on its list of expedient tactics and remains a threat to U.S. internal security.

CONGRESSMAN NORMAN F. LENT RECEIVES ISRAEL'S HIGHEST CIVILIAN AWARD

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. GILMAN. Mr. Speaker, on October 27, 1977, the State of Israel paid a high honor to our colleague from New York, NORMAN F. LENT. For his strong support of Israel during his four terms in Congress, Mr. LENT was awarded Israel's Prime Minister's Medal, the highest award the State of Israel can make to a civilian. This award is a most significant event, deserving of the attention of the House of Representatives.

The Prime Minister's Medal was presented to Mr. LENT by Ambassador Chaim Landau of Israel, who noted that this was the first Prime Minister's Medal awarded by Prime Minister Menachem

Begin. In his presentation remarks, Ambassador Landau said:

Congressman LENT, I know what you have done, serving a just cause, serving a great cause, the cause of Israel's future and Israel's security. We can appreciate, we can cherish those non-Jews who are with us. Their support is so valuable to us and so important to us . . .

Mr. Speaker, Ambassador Landau's words are very relevant. I detect a growing tendency among the less understanding in this country to assume that strong support of Israel comes only from those of the Jewish faith. How wrong that idea is. Nothing could be farther from the truth. Nothing could do more to rekindle ugly hatreds and bigotry in our Nation. Support for Israel crosses all religious, racial, and partisan divisions. It runs broad and deep through this country. That support is exemplified by Congressmen like NORMAN F. LENT, whose faith in and work for Israel has never wavered in the slightest during his four terms in the U.S. Congress.

The strength of Congressman LENT's commitment to Israel and to its future can best be understood by a study of his remarks upon receiving the Prime Minister's Medal.

Mr. Speaker, I offer the text of Mr. LENT's remarks:

REMARKS BY CONGRESSMAN NORMAN F. LENT

Reverend Clergy, Ambassador Landau, Dignitaries on the dais, fellow friends of Israel:

I must say I am overwhelmed tonight. The State of Israel has accorded me a great honor. The Prime Minister's Medal will always occupy a place of prominence in my life. It is doubly meaningful to receive this award from Ambassador Chaim Landau, a fellow legislator and distinguished party leader, who served 29 years in the Knesset.

Mr. Ambassador, I want you to know that I am deeply grateful to your Prime Minister and to the people of Israel for this Medal. I accept it in the spirit of shared friendship and of shared work in the noble cause which brings us all together tonight. Todah Rabah!

I know how much you who are supporting this dinner have done for that cause. Through your moral and financial support, you have helped greatly in the development of Israel. Still fresh in my memory, though my visit to Israel was made several years ago, is the sight of the deserts turned into gardens, barren slopes reforested, and the roads, harbors and airports, and the tools of industry and commerce which your support made possible. Truly, Israel has become a Promised Land! Your efforts have helped make her a shining example of democracy for all of the world!

During the 29 year lifetime of Israel our government has consistently given aid to the people of Israel. In time of attack, our country has furnished Israel with military assistance to help repulse the invaders, and then economic aid to assist in rebuilding afterward. Our Nation's moral and diplomatic support has been as constant as our financial and military help—that is, until recently.

As Senator Jacob Javits warned early this week in Denver, under policies recently enunciated by the Carter Administration, particularly in the joint U.S.-Soviet declaration for the forthcoming Geneva Conference, it appears Israel can no longer count on the full support of the United States at the negotiating table. Serious substantive and procedural disagreements between our two nations have surfaced during recent discussions. Along with most Members of Congress from both political parties, I am outraged at this recent turn of events. I have expressed my dissatisfaction on the floor of the House and to President Carter, himself. I feel *no* President of the United States, particularly one who subscribes to principles of morality, has the right to impose upon Israel a settlement endangering its national security.

Lately we have seen some indication of change. I welcomed President Carter's positive statement of last Saturday in support of Israel. But the President must back up his rhetoric with results. The President must reaffirm the solemn commitments this Nation has made to Israel. He must insist that the U.N. Resolutions 242 and 338, which recognize Israel's right to secure borders, and exclude the P.L.O. as a party to the Geneva negotiations, be preserved, unaltered! The United States has repeatedly assured Israel these resolutions would be the only basis for negotiations. President Carter must restore that assurance! He must use the power and prestige of the Presidency to make certain that the Arab nations and the Soviet Union clearly understand and accept that assurance! Once these essential cornerstones to negotiations are understood and accepted, we may look forward to a real chance for peace in the Middle East.

Ladies and Gentlemen, you and I believe in Israel's future. That is why we are here tonight. You and I have worked for Israel's future. Let us go from our meeting here determined to redouble our efforts for Israel's future! We have to work and pray to make absolutely sure that Israel is not betrayed! Let us make sure that, as the Ambassador has said, the United States works for Israel, not against her! Let us make sure that Israel continues to exist as a symbol of freedom for the oppressed; as a symbol of how an ideal can galvanize a people to greatness.

THE WHOLE WORLD IS WATCHING

HON. JIM MATTOX

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. MATTOX. Mr. Speaker, the basic human and legal rights existing in most modern societies are intricately intertwined, and each right is in some way dependent on the maintenance of the others. And so it is when certain basic rights, such as the right to vote and to free expression, are denied, inevitably others will fall.

Such is the case in South Africa, where as we all know, a large majority of the population has for decades been denied participation in that country's government. It is without surprise, but certainly not without disgust, that we winessed in recent days further erosion of the rights of black people in South Africa—most notably the denial of freedom of the press by the government suppression of the World, the country's largest black-edited newspaper, and the imprisonment of its editor, Percy Qoboza.

Freedom of the press is a cornerstone of any democracy, and to witness its demise is a chilling experience. But to merely witness it, and to take no action, is certainly reprehensible. That is why the House of Representatives passed a resolution condemning the repressive actions of the South African Government, and that is why I now state that I stand fully behind the administration in whatever steps are necessary to signal to the regime of John Vorster and his ultra-reactionary Minister of Justice, James Kruger, that they continue such harsh measures only at the gravest peril.

There are those who caution against "hasty" action on our part in reaction to the recent repressions in South Africa. But let us not forget how quickly the dark cloud of fascism began to sweep over Europe in 1937, and let us recognize that today, in 1977, less than two generations later, another cloud threatens to make Africa, once again, the "Dark Continent."

As we Americans go about our daily business, watch our television and read our newspapers, Percy Qoboza languishes in prison, confronting unknown horrors. What kind of man is this? What kind of radical was he that Vorster and Kruger saw it necessary to imprison him? In truth he was no radical at all. He was a man of peace and nonviolence, trying to find a moderate and reasoned approach as a solution to his nation's problems.

Mr. Speaker, I would like to insert into the RECORD the following story which appeared recently in the editorial section of the Dallas Morning News, by Dave McNeely, a friend of Percy Qoboza who studied with him while they were both Nieman Fellows at Harvard University. This account expresses far better than I can the human tragedy of South Africa, and tells in moving, personal terms why we the peoples of the free world must never rest until Mr. Qoboza, and others like him, are free:

PERCY QOBOZA: A VICTIM OF SOUTH AFRICA'S REPRESSION

(By Dave McNeely)

(NOTE.—Two weeks ago South African police continued its wave of repression by banning the nation's largest black newspaper, The World, and jailing its editor, Percy Qoboza. In the following article, KERA Channel 13 reporter Dave McNeely talks about the times he and Qoboza spent together as Nieman Fellows.)

Somehow, we all knew that Percy Qoboza was special, and that he was taking a year off from his tightrope. And yet we also knew the year off would make the tightrope even tighter.

Percy was one of us. We were Nieman Fellows—14 U.S. journalists and each from France, Germany, Hungary, Japan and South Africa. We had won a year off in mid-career to go to Cambridge, Mass., to consort with each other, discover Harvard and reflect on the world.

Percy was from South Africa, 37 years old, black as night, possessing a lilting British accent stemming from his days in school tutored by nuns. By the time his five kids reached school age, the segregationist policies of the South African regime had prevented that type of learned schooling.

But to us—me, anyhow—Percy was just one of us. We swilled gin together, sang songs together, went to the flea market garage sales together. My kids learned how to pronounce the last name of Percy and Anne Qoboza, with a sort of "Ctok!" on the first syllable, produced by the tongue dropping suddenly from the roof of the mouth. The kids practiced it incessantly (keh-BO-zah; keh-BO-zah).

Percy discovered, we learned later, that he was a man instead of a kaffir. That's a word in South Africa equivalent to "nigger."

"Hey, kaffir," Lester Sloan, a black American Nieman Fellow, would say occasionally.

"Hey, nigger," Percy would respond.

The tone was light, but the undertone was not: we got to stay in the United States after the year, while Percy and Anne would return to South Africa.

Percy is—or maybe now, "was" is the word—the editor of The World, the largest black newspaper in South Africa. I say "was," because they put Percy in prison several days ago, and shut down the newspaper. No reason: under the internal security law of the all-white government, they didn't have to give any.

But his crime, actually, was being a moderate. He believed. and especially after our 1975–76 year at Harvard, that all people of South Africa should share equally in its government.

That is not a welcome stance in a country where some five-sixths of the people are black, and are shunted onto about one-fifth of the land. The whites have held most of the land for three centuries, and they have determined—and apparently more so, with an election coming up Nov. 30 and other governments of the world saying "for shame"—that there will be no compromise. The whites plan to hold the land. The problem now is that many blacks have decided that they should reclaim the birthright wrested from their ancestors. The blacks have reached the point of rejecting even the shared compromise they once sought. Now, they want it all.

Percy's house was fire-bombed recently, and he reportedly wasn't sure whether blacks or whites were responsible.

It is a bloodbath in the making, and perhaps it is inevitable that among the first casualties would be Percy Qoboza and the until-then surprisingly free press he considered a key to keeping South Africa from destroying itself.

Reports from South Africa indicate that the government says Percy will be in prison until at least August. Several blacks have already died mysteriously in prison, including "black consciousness" leader Steve Biko, who died Sept. 12. (The government initially said he died as a result of a hunger strike; an autopsy later showed he died of a massive head wound. There is strong speculation that Percy and *The World* were shut down to stop them from reporting that autopsy.)

Percy is a good, moderate, compassionate man, who believes in the worth of all human beings. I watched him increasingly realize his own worth over the course of the year. I watched him go back to Africa with a new resolve, a strengthened hope to bring some order out of that crazy chaos.

"For the first time in my life, I could distinguish between what is right and what is wrong," Percy wrote later: "The thing that scared me most during my Cambridge year was the fact that I accepted injustice and discrimination as 'part and parcel of our traditional way of life.' After my year, the things I accepted made me angry.

"It is because of this that the character of my newspaper has changed tremendously. We are an angry newspaper. For this reason, we have made some formidable enemies, and my own personal life is not worth a cent because of this. But I see my role and those people who share my views as articulating, without fear or favour, the aspirations of our people. It is a very hard thing to do."

And now Percy Qoboza is in prison. Unless some outside force intervenes. I don't expect to ever see him again, at least not alive.

THE CANAL TREATIES: DO THEY, OR DO THEY NOT?

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. DORNAN. Mr. Speaker, the American people have been given time to study the actual treaties which affect the future status of our Canal Zone and use of the canal. They have found little more than fine print and ambiguities. The Los Angeles Times featured a column October 5 by Attorney Douglas Hallett which expresses very clearly the contradictions involved in the treaty debates. I offer this excellent feature for study by my colleagues:

THE CANAL TREATIES: BUGS IN THE FINE PRINT—UNITED STATES, PANAMA ARE AT ODDS IN THEIR INTERPRETATIONS OF THE RIGHT TO INTERVENE

(By Douglas Hallett)

When Panamanian President Omar Torrijos told a U.S. journalist recently that he was "a little less" Communist than either Franklin D. Roosevelt or John F. Kennedy, and "a lot less" Communist than Abraham Lincoln, his purpose was clear: to spruce up his image in the United States, where he is frequently characterized as a "tin-horn dictator."

Meanwhile, the Carter Administration has paraded a long string of spokesmen and supporters through the U.S. Senate, all testifying to the benefits of our reaching an accommodation with Torrijos. All this activity is designed to defend the proposed Panama Canal treaties before the Senate and to convince the American public that risk is minimal if, after the year 2000, the canal reverts to Panama.

But what Torrijos and the Carter Administration say these treaties will do is not the question before senators and their constituents. What is to be decided is what the treaties themselves portend—and a look at the fine print reveals that the accords would not safeguard American interests.

Whether or not we continue to enjoy power as "if (we) were the sovereign," in the words of the existing treaty of 1903, is irrelevant. The important point for the United States is keeping the canal open for our own use. Of all war supplies for the Vietnam conflict, 70 percent passed through the Panama Canal. Even now the waterway is wide and deep enough to accommodate fully 96 percent of all existing oceangoing vessels, and with some modification it could handle all but the largest supertankers.

President Carter has assured Americans that the United States will permanently retain the right to defend the canal's neutrality by force of arms. Further, we have been promised the perpetual right to use the canal "expeditiously and without conditions."

But the section allegedly guaranteeing these rights, contained in Article IV of the "neutrality" treaty, actually reads: "The United States of America and the Republic of Panama agree to maintain the regime of neutrality established in this treaty, which shall be maintained in order that the canal shall remain permanently neutral, notwithstanding the termination of any other treaties entered into by the two contracting parties."

The Carter Administration's interpretation of this section—the permanent American right of unilateral intervention—apparently is not shared by the Panamanians' own chief treaty negotiator, Dr. Romulo Escobar Bethancourt. On Aug. 24 he had this to say at a press conference in Panama City: "The pact does not establish that the United States has the right to intervene in Panama. The word (intervention) was discussed and eliminated (during the bargaining), and what is stated is that Panama and the United States will maintain the neutrality of the canal . . ."

Nor does the United States, in Escobar's view, have any right to determine when that neutrality has been violated. According to Panama's chief negotiator, "There is an article which reads that Panama and the United States will maintain the neutrality of the pact . . . That is all it says. It does not say that it falls to the United States to decide when neutrality is violated or not."

The preceding week, Escobar had gone even further while presenting the treaties to Panama's National Assembly. On that occasion, he revealed that the United States had originally sought an American guarantee of neutrality for the canal. "This was another cause of discussion that kept the negotiations detained," Escobar said, "until the United States gave up on the idea of its having a guarantee of neutrality over the canal."

Escobar also announced, in the same speech, that the right of American vessels "to transit the canal expeditiously" under the treaty was the result of another American compromise. When the Panamanians refused to agree to the phrase "privileged passage," according to Escobar, American negotiators adopted the watered-down term "expeditious transit" in order to sell the treaty to U.S. military leaders. "Now they (American diplomats) could explain that this means privileged passage," Escobar told the Panamanian lawmakers, "Do not believe that we mean that . . . If gringos with their warships say, 'I want to go through first,' then that is their problem with the other ships there."

As a matter of fact, these treaties are not even likely to offer the United States a safeguard against threatened violence in the Canal Zone, which seems to be Carter's chief selling point. Several political factions associated with violent disturbances in Panama in the past have already lined up against approval of the treaties there. The leftist Socialist Revolutionary League and the Revolutionary Student Front have joined other groups in denouncing Torrijos and the accords because of the "neutrality" provisions they contain and their provision allowing an American presence to remain in Panama after jurisdiction has been transferred.

Roger Fontaine, a Latin American specialist at Georgetown University, contends that once Panamanian police gain control of the Canal Zone three years after ratification, the Panamanians "will encourage us to leave the Zone as soon as possible." Since, according to Fontaine, Torrijos is eager to take full credit for removing all Americans from Panama, the President is disheartened by the prospect of waiting 23 years to see this happen. Thus, it is in his own interest to give tacit approval of any group that presses, violently or otherwise, to hasten America's withdrawal.

Beyond this, the concept of joint Panamanian-American administration of the canal over the next 23 years, as outlined in the treaties, simply provides one more arena for continual dispute. Yet, here again, what Carter's spokesmen have told Americans about the operating principles of joint administration is far different from what Panamanian officials are telling their people.

These contradictory interpretations, each made for domestic consumption, accurately reflect the treaties themselves. Quite simply, the wording of the accords is so ambiguous that, on ratification, America risks even greater uncertainty in Panama than at present.

Similar ambiguities helped bring on the Vietnam nightmare. This time, wary of proceeding on faith alone, we should read the fine print with unusually close attention.

The first rule of conducting negotiations, whether great or small, is to make the terms plain to all parties and the best way to do this is to put them in writing that, because of its crystal clarity, is interpreted the same way on both sides of the bargaining table.

This has not happened in the present instance, and so America would be foolhardy to plunge into the morass that might well engulf it after ratification.

SOUTH AFRICA

HON. HAROLD E. FORD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. FORD of Tennessee. Mr. Speaker, on Monday, October 31, 1977, the House of Representatives passed by a vote of 347 to 54 House Concurrent Resolution 388 to register its deep concern over the repressive acts of the Government of the Republic of South Africa. Over the past 18 months at least 21 political prisoners have died while under arrest by South African police. The House of Representatives urges President Carter to take effective measures against South Africa.

House Concurrent Resolution 388 cited the death of Steve Biko on September 12, 1977, as an example of how political thought and human rights are continuously suppressed and violated in South Africa. Biko was a founder of the South African Students Organization. He also founded the Black People's Convention which tried to raise black consciousness by establishing self-help projects. He was highly regarded as a moderating influence in South Africa; he strived to peacefully transform South Africa from a minority ruled nation to one governed by the majority. Biko was detained on August 18, 1977, under the terrorism act for allegedly fomenting African unrest in Port Elisabeth. Initially, Minister of Justice James Kruger reported that Biko died as a result of a hunger strike. The South African Government made public the autopsy report on October 25, 1977, which revealed that Biko died as a result of head wounds which caused brain damage and kidney failure.

The South African Government conducted a predawn sweep on October 19, 1977, and detained individuals engaged in peaceful antiapartheid activities. More than 50 of the best known black leaders were placed under house arrest. South Africa's largest black newspaper, the World, was banned and its editor Percy Qoboza jailed without charges. At least 18 black and interracial organizations were banned including the Black People's Convention whose leader was Steve Biko. As a result of the continuing repressive acts of the South African Government of Prime Minister Vorster, President Carter has decided to support a mandatory arms embargo in the United Nations Security Council against South Africa.

Currently in South Africa there are 18.6 million blacks and about 4.3 million whites. The government of Prime Minister Vorster suppresses political expression by the majority; it espouses a homeland policy which allocates 13 percent of the land to 70 percent of the populace. Secretary of State Vance announced the recall of two diplomats from South Africa as well as a termination of sales of military and police equipment to that country. I join Secretary Vance in his characterization of the South African Government's recent suppression of black leaders, publications, and organizations as a major step backward.

A highly significant factor in the U.S. policy toward South Africa is the major dependence of the American steel and chemical industries on chromite ore, manganese, vanadium, and other metals from that country. The Carter administration has publicly stated that it is proper to enhance or reduce our trade with another country depending on its attitude toward basic human rights. As the United States proceeds through appropriate diplomatic channels it becomes apparent that time is running out for the government of Prime Minister Vorster to participate fully in a peaceful transformation to majority rule. Mr. Speaker, we cannot tolerate the consistent disregard for human rights that is the domestic policy of Prime Minister Vorster.

EUROPE LOOKS TO ALTERNATIVES TO PLUTONIUM BREEDERS

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. BROWN of California. Mr. Speaker, during the recent debate on whether or not the United States should proceed with the Clinch River breeder reactor it was argued that it would be foolhardy for the United States not to build the Clinch River breeder reactor because other nations such as France and West Germany are proceeding pell mell with the development of these programs. It was further argued that other nations simply had no choice but to proceed with the breeder because their energy options were so limited. I am including in the RECORD today brief articles which point to the uncertainty behind both these arguments.

The first is a brief article from Nucleonics Week which reports that Francois Mitterand, the leader of the French Socialist Party and the possible head of the French Government after the next election, has recently called for a moratorium on the construction of the Super-Phenix plutonium breeder reactor plant in France.

The second article is an article on solar energy in West Germany from the newspaper Duetsches Allegemeines Sontags Blatt. It points out that in Germany energy experts are predicting that solar energy will produce twice as much energy for West Germany in 1990 as is now produced by nuclear energy.

These articles demonstrate that the energy sources of the future are still to be determined, and the role of nuclear power may be much less than the nuclear experts predict.

The articles follow:

[From Nucleonics Week, Oct. 20, 1977]

SUPER-PHENIX

An 18–24-month moratorium on the French nuclear program was proposed last week by Francois Mitterand, leader of the French Socialist Party and probable head of the French Left coalition with a chance of taking power at next year's election. Mitterand included the Super-Phenix breeder plant. But he added: "We cannot totally abandon nuclear energy just as long as we have no other energy sources." Despite a recent Socialist-Communist split in France, a poll last week showed than 50% of the French would vote for the Left and 47% for the ruling Right coalition. The 3% balance is held by the "ecologists." Mitterand's party denies that his moratorium statement is an attempt to woo the ecogical vote.

[From the Deutsches Allgemeines Sonntagsblatt, Oct. 2, 1977]

SOLAR ENERGY FORUM CASTS RAY OF SUNSHINE ON BLEAK OUTLOOK

(By Gerhard Taube)

Notwithstanding Cassandra warnings, government and industry are determined to use solar energy to cast a ray of sunshine on our dark future in the energy sector.

And indeed, the bloc of sceptics seems to be melting away as solar heating gains ground.

The inexhaustible, innocuous (so far as the environment is concerned) and peaceful solar energy can, according to the Work Group Solar Energy (ASE), provide some 5 per cent of the Federal Republic of Germany's primary energy requirements by 1990. This is more than twice as much as the present share of the much-disputed nuclear energy.

The ASE, an association of all collector manufacturers worth mentioning, and neutral energy experts foresee concrete chances for the use of solar energy in heating water, rooms and swimming pools as well as in the export of the necessary equipment. But only in the latter case do they foresee the use of solar energy as a source of electricity as well.

At the First German Forum for Solar Energy Research, which was attended by experts from 38 countries and held in Hamburg from 23 to 28 September under the auspices of Research Minister Hans Matthöfer (and organised by the German Society for Solar Energy, DGS), it became obvious that the use of supra-modern technology and manufacturing processes was a condition sine qua non if competitiveness with other potential sources of primary energy is to be achieved and maintained.

The installation costs are still too high at present, being about triple that of conventional installations for interior heating, double where hot water is concerned and one-and-a-half-fold with regard to swimming pools.

Due to the relatively short duration of sunshine in the Federal Republic of Germany, this country will primarily make use of flat collectors which operate even in diffused light conditions and which can meet up to 50 per cent of the heat requirements of a family home.

Polls conducted by DGS, in the course of which this country's most important manufacturers in this sector were interviewed, showed that the hitherto manufactured collectors, amounting to 50,000 square metres, are virtually all of the so-called flat collector type.

Prices per square metre range (depending on type, material and technical features) between DM200 and DM400. But simple collectors made of plastic, which have been successfully used for the heating of swimming pools, can be had for as little as DM60 per square metre.

In our latitudes, the use of thermal solar energy power stations will—if at all—be feasible to a limited extent only. This is due to the fact that such power stations, which operate by means of concentration collectors, depend entirely on adequate and direct sun rays.

In this connection it was pointed out at the Hamburg forum that the large solar towers which are under construction in the United States will provide electricity to the tune of between 100 and 300 megawatts in the eighties.

Compared with the American scheme, the concepts of German companies (among them B. Dornier, MAN, Messerschmitt-Bölkow-Blohm) seem rather modest. Their mini power stations for export—as for instance to Egypt and India—would be providing electricity in the kilowatt range.

They will initially be tested in countries amply endowed with sunshine, and only once these tests have been successfully completed will they be built in larger versions of up to 100 megawatt each, thus leading to complete independence from conventional fuel in the electricity sector.

In order to promote a rapid expansion in the use of solar energy (says Matthöfer: "We must start somewhere") the Government has decided to contribute its share.

As the research minister pointed out in connection with the presentation of a "Four Year Plan for the Promotion of Technology for the Use of Solar Energy" at the end of September, the Federal Republic of Germany, too, should be able to profit from this source of energy. The Government has earmarked DM229 million for this programme, 30 million of which will be used for solar installations in newly-erected buildings owned by the Federal Government.

Herr Matthofer also drew attention to the subsidies that are available to solar technology. These subsidies fall in the category of promotion of investments for the saving of heating energy.

The subsidies allocated by the Cabinet amount to 20 per cent of total investment costs. Moreover, planning regulations which are at odds with the use of solar energy are to be reviewed in order to avoid difficulties in the installation of the necessary equipment.

Some of the manufacturers of prefabricated housing have already adapted to the new situation. One German company offers the first prefabricated houses with a multiple heating system.

* * * * *

This multiple heating encompasses as its sources of heat the earth, water and air by means of heat-exchange pumps, solar collectors and a gas boiler.

The company describes the system as follows: "In order to make use of the earth's heat, we install some 300 to 650 metres of copper piping (depending on the size of the house) about 1.5 metres underground. A refrigerant circulating in the piping withdraws stored solar heat from the soil and the water in it. By means of a heat-exchange pump, this heat is then raised to a usable level. The principle of the heat-exchange pump is similar to that of a refrigerator: the pump withdraws the heat from the soil and conveys it to the water to be heated.

"High performance collectors with an area of between 10 and 15 square metres additionally tap the sun directly. An automatic regulator provides for the optimal use of all these converging sources of heat. Excess heat is stored in a boiler for future use."

The 50,000 square metres of collector area at present installed in the Federal Republic of Germany save between three and five million litres of heating oil per annum.

If the expansion of the solar market continues—and there is much to indicate that it will—it should be possible to sell about 500,000 square metres of collector area next year and several million square metres in the eighties. In that case the saving in primary energy would make itself really felt in the energy balance sheet.

According to one expert, solar energy must amount to a ten per cent share of the total energy consumption in the Federal Republic of Germany lest a major energy crisis paralyse our economy.

Twenty years ago, when oil heating began, there were initial difficulties and obstacles similar to those with which we are faced today with regard to solar heating.

Experts are convinced that in ten years at the latest solar energy as an additional source of heat will be taken for granted without further discussion.

SHIRKING OUR RESPONSIBILITIES

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. PANETTA. Mr. Speaker, I have not spoken on the floor on this issue before, out of respect for the very deeply held views of Members on both sides of the question. I do not doubt the sincerity of either side. It was my hope that the spirit of reasonable compromise that so often prevails in the Congress would prevail here and would allow us to come to an agreement on this issue.

I feel impelled to speak today because it has become apparent to me that that spirit has been lost. The Senate and House conferees seem to be irrevocably at odds. Opposing sides in this House cannot or will not agree. We are shirking our responsibilities through adopting continuing resolutions over and over again.

The tragic death of a young women in Texas who sought and received a back-alley abortion in Mexico has been discussed a great deal here today and in the past week. It is only one incident, of course, and it alone should not guide our actions today. But I think the underlying reason why Members on both sides of the issue have focused on that incident so much is it reveals a basic truth about this and similar issues—no matter how much we want to or how well-intentioned we are, we cannot legislate morality. We can pass all the Hyde amendments we want to and women will still have abortions. Rich women will have safe ones, poor women will have unsafe ones and some will die.

No one here likes abortion; that is not the issue. The issue is first how do we at least protect those who choose abortions? We do that by insuring that every woman can have the resources to receive a safe abortion. On a longer-range basis, we do that by education, by teaching methods of contraception and by making them widely and cheaply available. We do that by providing care and facilities for women to bear their children if they so wish.

I do not think anyone disagrees with my second point, but of course they do about the first. But how can we say we will be caring and humane to women only if they choose to bear their unwanted children, but not if they choose to have an abortion, as many of them will. I think that is inconsistent and cruel.

I have made my points with respect to the issue facing us today. There is also a larger question here. We have debated this question for months now. By trying to decide a highly controversial public issue with a gun to our heads we have made a mockery of the legislative process in the eyes of the public. I do not think at this point that we can separate out the Labor-HEW funds from the abortion question; each Member's votes on these two things are inextricably linked at this point.

However, we must act to see that the same situation does not recur next year, as it is otherwise bound to do. Mr. Speaker, this year has seen perhaps a record number of major public policy issues thrashed out during floor consideration on budget resolutions and appropriations bills—HEW, the B–1 bomber, the breeder reactor, water projects, the list goes on and on.

Certainly it is the role of the Congress to arrive at a consensus on these issues and to articulate the questions involved. But is it really part of the legislative process to spend hours, days, and sometimes weeks thrashing out complicated issues in an up-or-down, yes-or-no environment, where people get locked into symbolic intransigent positions? I do not think so. The committee system is the place for the timely consideration of these issues, not the budget or appropriations bills.

If we come away from this painful experience with even a little awareness of the fact that we cannot legislate others' morality and that we cannot settle controversial moral issues by rollcall vote, we will have gained a great deal.

ATLANTIC UNION'S CLARENCE STREIT HAILED AS "CONSERVATIVE"

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. FINDLEY. Mr. Speaker, no one has worked longer, harder, or more persistently in the cause of world peace than Clarence Streit. He is without question one of the towering intellects of our age, the original exponent of extending the genius of the American Federal system to preserve and strengthen Western civilization. Recently those who know him best from Missoula, Mont., his hometown, reflected upon his remarkable career in an editorial in the Missoulian, which I would like to include in the CONGRESSIONAL RECORD at this point:

CLARENCE STREIT KEEPS THE FAITH

A touch of bitterness but no sense of lost purpose marks Clarence Streit today.

Streit, a former Missoulian who has worked most of his adult life to achieve a federal union of the Atlantic democracies, faults the press for publicizing radical dissent but neglecting those who have persistently and patiently sought for decades to put across their ideas, without sensational tactics.

He has a good point. If he and his wife chained themselves to the White House fence, they would garner themselves and their cause considerable attention. Instead, they have pursued Atlantic union with a careful, lawful, step-by-step approach. Their reward is neglect, even of their successes.

The mental picture of the elderly, gentlemanly, very conservative Clarence Streit engaging in civil disobedience to foster his

cause is a thought worth treasuring. That is his bag about as much as Ernie Shavers' gig is classical Chinese poetry.

For he is very conservative. Atlantic union sounds radical because it would mean welding the western democracies into a single nation, and the dark cry of "sacrifice of sovereignty" to foreigners would ring across the land.

But Streit defends it, as he has defended it for more than 35 years, on conservative grounds. Listen:

The 13 colonies too were tied in knots by the sovereignty issue. When they chucked it and united under the Constitution, capitalism flourished. The people prospered and were free. An Atlantic union would produce the same results.

Communist doctrine is that the capitalist countries will quarrel and destroy themselves, and communism will succeed. Atlantic union "would have a bewildering effect upon Moscow," Streit told The Missoulian during a recent visit here. It would draw the democracies together in a solid front, confounding the doctrine of mutual destruction.

President Carter is right to stress human rights issues raised as a result of the Helsinki accord with the Soviets. He is wrong to talk about arms control strictly in terms of limiting numbers of this or that death-dealing weapon.

Why? Because number limits on weapons were tried after World War I and failed. Because dictators can conceal—and can be expected to conceal—war preparations and weaponry.

Dictators can deceive because of one salient factor: They are not responsible to their people. Only free people—people possessed of basic human rights—can provide effective checks upon a leadership dallying with the thought of launching war.

That is why, Streit says, the President should firmly inject the subject of human rights in the strategic arms limitation talks (SALT) due to resume soon. Human rights are the best device to check irresponsible leaders. Without rights, limiting numbers of weapons has little value.

"A government that is deceitful and ruthless toward members of its own party is not going to be less deceitful and ruthless toward foreign nations," Streit wrote in his organization's magazine, "Freedom & Union," earlier this year.

Streit's stand is conservative, his devotion to Atlantic union complete. His patience is thinning, but remains strong.

"We'll get there," he said, "but in the Lord's own time."

THE FIRST ANNIVERSARY OF THE MICHIGAN GAZETTE

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. KILDEE. Mr. Speaker, in a time when few newspapers seem to be starting up but are instead going out of business or being bought out, I want to bring to the attention of my colleagues in the House of Representatives the successful completion of the first year of publication for a weekly newspaper in my district, the Michigan Gazette. This newspaper has a circulation of about 13,500, and is circulated in both Flint and Saginaw, serving the black community in particular of each city as well as the total communities. The first issue of the Michigan Gazette was on October 6, 1976, and its first anniversary celebration will be this weekend. I want at this time to pay special tribute to the efforts of the newspaper's two copublishers who made the paper possible, Norris Toney and Wilbert Jarrett. Both are natives of Flint, and deserve a great deal of credit for their successful publication.

FEDERAL GRANTS—A PROPOSED HEARING

HON. MAX BAUCUS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. BAUCUS. Mr. Speaker, I would like to bring to my colleagues' attention a dilemma with our Federal grants system. Federal moneys—our taxpayers' dollars—are being spent carelessly and disproportionately on our Nation's needs.

The Federal grants system has become so involved and complicated that a specialized staff is required by a State or community to read and comprehend all the fine print that goes into preparing an acceptable grant proposal. Many States and communities—particularly in the sparsely populated Rocky Mountain West—cannot afford the "luxury" of such highly trained specialists and consequently are deprived of their fair share of Federal grant moneys.

Such is the case in Montana. And it is a shame. Because many Montana rural towns desperately need Federal moneys to upgrade their school facilities, or to provide essential community services, or to help family farmers and ranchers stay in business while competing with large agribusiness corporations.

As for our Montana cities, they also are facing problems in supplying services to their communities. There is a need for Federal moneys to alleviate unemployment, to operate senior citizens centers and to aid their hospitals. The list goes on.

Yet, Montana cannot afford to expend money to hire a phalanx of Federal grant researchers. Neither can we afford to miss the opportunity to partake in the Federal grant system.

A DESCRIPTION OF THE PROPOSED CONFERENCE

I propose to help alleviate this "catch 22" situation by sponsoring a Federal grants seminar. Together we will seek to identify solutions to our grantsmanship handicaps. Hopefully, this conference will both benefit the citizens of Montana and provide usable suggestions and ideas to the Federal agencies for improvements to their administration of grant programs.

For Montanans, this conference will provide information required to deal with the Federal grants system. It will answer the questions of what grants are available to State, county, and community levels and how to apply for them.

Thousands of grant applications are submitted to Federal agencies annually and only a relatively few are selected. This raises a number of significant questions for Montanans: First, what makes some grant applications more "attractive" than others? Second, what is the process that these Federal agencies use to select the grantees? Third, how can a small Montana community bring to the attention of the Federal bureaucracy a need that exists in their community? These questions will be addressed at this conference.

A LIST OF INVITEES

Grantmanship will be extensively covered in the conference. We are inviting expert grantsmen to attend this meeting to inform Montana citizens on all aspects that deal with grants. Representatives will be there from the Federal agencies describing their programs and eligibility requirements. Also private organizations will be represented by experts who are familiar with the problems and needs of communities and are also familiar with the problems and needs of these Federal agencies.

Representatives from HEW, HUD, Agriculture, and Commerce and other Federal agencies will also be available for questioning.

The public will be welcome at the conference. Specifically, we are inviting all concerned Montanans including city and county officials, State legislators, representatives from State departments and agencies and interested Montana organizations.

We are aiming to provide a productive forum where ideas and information will be offered and accepted by the conference speakers and Montana citizens. Changes need to be made and channels opened to fully provide for the services that the Federal Government offers her people. This conference is a step in that direction.

Mr. Speaker, I would be honored to supply my colleagues with more information on the agenda and implementation of this conference.

Also, I look forward to presenting the results of the hearing portion of the conference to the various congressional committees and departments with jurisdiction over their respective grant programs.

PAUL BOLOCK RETIRES

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. APPLEGATE. Mr. Speaker, it is not often that one has the opportunity to honor an individual in the manner which presents itself today.

A constituent and personal friend of mine, Mr. Paul Bolock, recently retired as village treasurer of Tiltonsville, Ohio, after 30 years of dedicated and loyal service to that community.

Mr. Bolock has served well over the years and is to be commended for his service. He has demonstrated the type of concern for both his position and the village that is certainly to be recognized.

Mr. Speaker, I know I speak for the entire community of Tiltonsville in thanking Mr. Bolock for his service and in wishing him health and happiness in the future.

HOUSE MUST ACT ON PANAMA TREATIES

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. HANSEN. Mr. Speaker, the House of Representatives is the grassroots voice of the people of the United States. A President can be appointed. A Senator can be appointed. But a Member of Congress must always be elected.

Therefore, it is not only constitutionally necessary that the House act on the proposed Panama Treaties under the authority of article IV, section 3, but it is democratically necessary that the House should act on this matter of such importance involving the economic and national security interests of this Nation to truly manifest the will of the people.

To assure the input of the people, I have introduced legislation, House Concurrent Resolution 328, which expresses the sense of the Congress that any right to, title to, or interest in the property of the United States located in the Panama Canal Zone should not be conveyed, or disposed of to any foreign government without specific authorization by an act of Congress which involves the House as well as the Senate. This resolution now has 160 cosponsors representing 44 States and it appears that we will soon have over half the Members of the House on record demanding adherence to the Constitution with regard to consideration of the Panama Canal Treaties.

In addition, Mr. Speaker, in order to absolutely have the will of the people known on this vital issue concerning the Panama Canal, I have also introduced legislation, H.R. 8958, to establish a national referendum concerning the proposed Panama Canal Treaties to be a part of the 1978 general elections. The bill calls for Congress to be guided by the results of the said advisory referendum in making their decision on the treaty. This then would doubly guarantee the will of the people by involving their grassroots voice in government, the House of Representatives, and knowing their specific mood on the issue itself.

Mr. Speaker. to further support my premise, I include an Associated Press article from the Washington Post of November 4, 1977 reporting the expert testimony of Dr. Raoul Berger, retired Harvard law professor, before the Senate Subcommittee on Separation of Powers:

TWO-HOUSE APPROVAL SEEN NEEDED ON PANAMA PACTS

A constitutional authority who supports the Panama Canal treaties said yesterday that President Carter must obtain approval from both houses of Congress for the agreement to be ratified.

"It cannot be done without the consent to the House," retired Harvard Professor Raoul Berger said in testimony before a Senate subcommittee on separation of powers.

Conservative opponents of the pacts such as the subcommittee chairman, Sen. James B. Allen (D-Ala.), say the Constitution requires that both the House and Senate approve any disposal of federal property.

The critics believe there may be more opposition in the House than in the Senate to the agreement. It would return the Canal Zone to Panama after the year 2000 and, according to the Carter administration, would give the United States the right to defend it in perpetuity. There are two treaties but they are considered indivisible.

Attorney General Griffin B. Bell has testified that based on the precedent of treaties signed to obtain Indian lands, there is no constitutional requirement for formal House approval of the agreement.

But Berger said Article IV of the Constitution, giving Congress the power to dispose of property, must take precedence over the authority given the President to negotiate treaties with other nations.

As a constitutional expert, Berger often voiced during the Watergate scandal criticism of President Nixon's theories of executive privilege.

"Long experience has led me to be skeptical of arguments by representatives of the Executive Branch when they testify with respect to a dispute between Congress and the President," Berger said yesterday.

He urged that Congress insist that a provision he added to the treaties requiring approval by both the House and Senate.

"No agent of the people may overleap the bounds of delegated power," Berger said.

"I would remind you that congressional acquiesence encourages solo presidential adventures such as plunged us into the Korean and Vietnam wars," he added.

FULL EMPLOYMENT

HON. HAROLD E. FORD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. FORD of Tennessee. Mr. Speaker, I rise today to comment on one of the most important issues to be decided by the 95th Congress. The "Full Employment and Balanced Growth Act of 1977" (H.R. 50, S. 50) known as the Humphrey-Hawkins bill is as important now as when it was first introduced in the 93d Congress. A few statistics should be enough to convince most people that unemployment in general and among minorities in particular is a continuing problem. In September of 1977 the unemployment rate for all groups was 6.9 percent. The same period saw an unemployment rate for minorities of 13.1 percent, and for youth, 18.1 percent. Minority youth unemployment is an incredible 37.4 percent. My own State of Tennessee is a particularly striking example of the selective nature of unemployment. In 1976 total unemployment was 4.6 percent. However, minority unemployment was 13.6 percent, and youth unemployment was 20 percent.

The Humphrey-Hawkins bill is designed to be a comprehensive program rather than a series of stop-gap measures that have proved so ineffective in the past. The bill declares the right of all adult Americans who are able and willing to useful employment at fair rates of compensation.

In moving toward full employment the Federal Government is not expected to supply the bulk of jobs, but, rather to supply an economic atmosphere conducive to balanced growth so private enterprises will hire the majority of the unemployed. The Federal Government will be prepared to be the employer of last resort in order to meet the goals of 3 percent unemployment within 4 years of the enactment of the bill.

It has been charged that a devastating inflation rate will be the result of full employment. To deal with this the act has provided for various anti-inflation devices including full production goals and full purchasing power goals.

Much has been written about the economics of full employment, but very little has been written about the underlying social and moral issues involved. The caprices of our economy have caused some groups to be labeled unhirable and untrainable. Yet, during a tight job market these same groups become both hirable and trainable and a valuable productive part of society.

With a full-employment bill, such as the Humphrey-Hawkins bill, the hirable and trainable will become utilized at all times not just at the whims of our present economic system. Without a full employment bill a terrible waste in productive power will result.

Unfortunately, Mr. Speaker, the administration has not yet seen fit to endorse the views I hold. I am confident, however, the administration will soon come up with an acceptable jobs program, which will address the concerns I have raised.

THE PRESIDENT'S SALT II DILEMMA

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. LAGOMARSINO. Mr. Speaker, I would like to bring to the attention of my colleagues the following column by Messrs. Evans and Novak on the SALT negotiations. Their statements raise some very serious questions about SALT.

I am dismayed by the manner in which the Carter administration has handled the entire question of arms negotiation. I strongly believe that the President has seriously jeopardized the American bargaining position. The result seems to be that the United States has clearly given up more than it has received in the negotiations with the Soviet Union.

(By Rowland Evans and Robert Novak)

THE PRESIDENT'S SALT II DILEMMA

A collision last month behind closed doors between Secretary of State Cyrus Vance and a Senate subcommittee poses a SALT dilemma for President Carter that could dwarf other difficulties.

Vance's performance before the Armed Services subcommittee headed by Sen. Henry M. Jackson (D-Wash.) bordered on the disastrous. No master of the subject, the Secretary could not reassure the senators about new U.S. concessions in strategic arms limitation talks with the Soviet Union. Not only did this clarify Jackson's role as a nearly certain opponent of a SALT II treaty (in alliance with conservative Republicans), but moreover some fence-sitting Democrats joined him.

The result: SALT II is not merely "in trouble," as the White House concedes, but surely would fail ratification in the Senate today. Since nobody believes the Russians will retreat on issues tentatively decided at

Geneva, it is impossible now to renegotiate a treaty more to the Senate's liking. So, the apparent alternative to defeat in the Senate is for the President to put SALT on the shelf for now.

But to do that, Carter would have to renege on his promise, made on the political barnstorming trail last month, of a SALT II agreement within weeks. Besides, his national security advisers believe reason and approval will ultimately come in the Senate. Obviously, the White House has no conception of the mood on Capitol Hill.

But Vance has. "I was amazed how tough, really brutal, Scoop [Jackson] was on Vance," a Republican on the subcommittee told us. Conservative Republican senators who had feared that Jackson would bow to party loyalty and support the treaty were reassured.

Jackson was not the only Democrat to upbraid Vance. Georgia's Sen. Sam Nunn tongue-lashed Vance for avowed ignorance of an alleged U.S. offer to renounce the neutron bomb. Nunn lectured the Secretary of State that he should know, even if he does not know.

Sen. John Glenn of Ohio, no hardliner in the Senate, assailed inadequate verification of Russian compliance with SALT II. Unless he can be satisfied, Glenn will be another Democrat voting against the treaty.

Only a few such Democrats are needed to reach the 34 votes required to reject the treaty in light of heavy Republican opposition—perhaps 28 out of 38 Republican senators.

The elusive Senate Republican leader, Howard Baker, has signaled which way he is going by signing up Dr. Fred Ikle, who as U.S. disarmament chief battled Secretary of State Henry Kissinger over arms control at the end of the Ford administration. In the October issue of Fortune, Ikle argues against arms control "at the price of jeopardizing the nation's independence and future"—a theme expected in a forthcoming speech by Baker.

To convince senators that U.S. concessions at Geneva do not actually endanger the nation's future, a virtuoso performance by Vance before the subcommittee was needed. It was anything but that, as seen by Vance's response to this question: Will the SALT II limit of 800 multiple-warhead intercontinental ballistic missiles insure survival of U.S. Minuteman missiles?

Yes, said the Secretary of State, a "study" proves it. Jackson directed Vance to supply it. But at the next hearing, Vance confessed there is no "study"—only separate "assurances" about the Minuteman. All right, said Jackson, bring those in. Vance agreed, but Jackson will have a long wait; reliable Pentagon sources say no such "assurances" exist.

Meanwhile, Soviet negotiators at Geneva provide no help. Administration officials months ago confided to senators they had a loophole: the 600-kilometer limit on ground-launched and sea-launched cruise missiles would not apply if these weapons were tested from planes. Predictably, the Russians found the loophole and are demanding that the 600-kilometer limit apply to such missiles, no matter how they are tested.

If the United States accepts this demand, heartsick middle-level officials at the Defense Department are poised to go public against SALT II. The President's escape hatch would be to throw up his hands at Soviet intransigence and recess negotiations.

This is precisely what would have been expected early this year when Carter was talking tough on SALT. But defense experts who had hoped for so much from him now fear Jimmy Carter is a utopian disarmer, more William Jennings Bryan than Richard B. Russell. How he handles his SALT dilemma will determine whether these fears are realized.

CONSTITUTIONALITY OF LEGISLATIVE VOTE

HON. ELLIOTT H. LEVITAS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. LEVITAS. Mr. Speaker, on the day before yesterday the House passed a resolution (H. Res. 884) authorizing the House Administration Committee to retain counsel to intervene in the case of Atkins against United States which involves the question of the constitutionality of the one-House veto in the Federal Salary Act. The Department of Justice in this case has refused to defend this provision of the Federal Salary Act, a statute validly passed by Congress. Consequently, it has become necessary for the House to obtain its own counsel to present its position to the Supreme Court on this issue.

Today, I noted in the October issue of the American Bar Association Journal an article by Arthur John Keeffe regarding the constitutionality of the legislative veto. Mr. Keeffe asks the question,

If the legislative veto is so invalid, one might ask, why haven't the courts declared it so?

Indeed, why not? Perhaps the answer will come from the *Atkins* case.

I have excerpted Mr. Keeffe's article and commend it to the attention of our colleagues.

THE LEGISLATIVE VETO: NOW YOU SEE IT, NOW YOU DON'T (II)

(By Arthur John Keeffe)

The legislative veto, sometimes called the congressional veto, stands the Constitution on its head, according to some critics who believe that it is unconstitutional. What they mean is that under the legislative veto the president or an independent administrative agency proposes what amounts to legislative action, and the Congress has the chance to veto it. And if it does, the president doesn't have a chance to veto the veto because Congress acts by a form of resolution that isn't passed on in the normal course to the president for action.

A lot of people, including respected constitutional scholars, contend that the legislative veto violates various provisions of the Constitution and the principle of separation of powers. Presidents don't like it; when he signed the Federal Election Campaign Act Amendments in 1976, President Ford instructed his Justice Department to test the constitutionality of a provision in those amendments that gives Congress the chance to veto administrative regulations of the Federal Elections Commission. I don't know what's happened to the challenge since President Carter has taken over. He had to accept a legislative veto provision, as have all presidents since the early 1930s, to get passage of the Reorganization Act of 1977.

If the legislative veto is so invalid, one might ask, why haven't the courts declared it so? The truth is that the validity of the device is one of those questions the Supreme Court has ducked. It did so last year when it held large chunks of the Federal Election Campaign Act unconstitutional in *Buckley* v. *Valeo*. 424 U.S. 1, although Justice White, speaking in a concurrence, stated that the legislative veto in that act was valid. The Court avoided the issue again this year when in *Clark* v. *Kimmitt*, 97 S. Ct. 2667, it found Ramsey Clark's challenge of the election act not ripe for adjudication. The closest the legislative veto has come to biting the dust is the three-judge dissent registered last May in *Atkins* v. *United States*, 556 F.2d 1028, by a minority of an *en banc* United States Court of Claims.

DON'T PREDICT THE COURT

Of course, one should never predict what the Supreme Court will do if and when it comes to rule on the reorganization type of veto, but there is a better than even chance that the Court will uphold it. But the more one studies legislative vetoes, the more convinced one is that there is a vast difference among these vetoes. One may be constitutional; another may not.

Take the one-house veto in the so-called Federal Salary Act of 1967 (2 U.S.C. § 352 et seq.). If the quadrennial Commission on Executive, Legislative, and Judicial Salaries is constitutionally organized, there should be no trouble in upholding the one-house veto provision (2 U.S.C. § 359(1)(B)) in the act. Just as the Reorganization Act does, the Salary Act contemplates that the salary commission, the president, and Congress will work together in fixing the salaries of members of Congress, the federal judiciary, and executive department employees.

The commission makes its salary recommendations to the president, who then transmits them to Congress, changing them as he may wish. The president's recommendations automatically go into effect at the end of thirty days unless "there has been enacted into law a statute which establishes rates of pay other than those proposed by all or part of such recommendations," or—and here comes the neat legislative veto—"neither house of Congress has enacted legislation which specifically disapproves all or part of such recommendations."

There have been three different lawsuits in 1976 and 1977 with respect to the Salary Act.

140 FEDERAL JUDGES SUE

A third piece of litigation consists of three suits in the United States Court of Claims brought by 140 federal judges, whose chief counsel is former Supreme Court Justice Arthur J. Goldberg. Count I claims that the denial by Congress of the pay raises recommended by President Nixon in 1974 diminishes the judges' pay in violation of Article III of the Constitution. Count II attacks the one-house veto. The Senate, acting alone by Senate Resolution 293 on March 16, 1974, disapproved the president's recommendations. The judges contend that this legislative veto provision is unconstitutional and but for the Senate's unconstitutional exercises of power the pay raise would have gone into effect.

On May 18 the Court of Claims (556 F. 2d 1028) dismissed Count I of the judges' suit by a vote of six to one, but it managed to dismiss Count II by a narrow four-to-three vote.

The court points out that under the veto statute the recommendations of the president go into effect unless neither house by "legislation" specifically disapproves "all or part." It interprets "legislation" to mean a one-house resolution of disapproval. Because the Senate resolution of March 16, 1974, disapproved the president's salary recommendations "in toto," the court confines its decision to that kind of resolution, thereby avoiding any discussion of a veto that disapproves only in "part."

Along the same line the court confines its opinion to the legislative veto as it appears in the Salary Act and does not consider an across-the-board veto as in the Election Act.

The court goes on to say that the Salary Act represents "legislative" power—the power of the purse. It defends the concern of Congress about the relationship of its own pay to the pay of judges and government employees, and it argues that were Congress not

to keep control of salaries, the legislation might be held to permit an unconstitutional withdrawal of money from the Treasury without "appropriations made by law" (Article I, Section 9).

The three dissenters marshaled the arguments that numerous people, including presidents, have made and protested that the Salary Act's one-house veto is unconstitutional because it violates Article I, Section 1, vesting legislative power in Congress, not in one house; Article I, Section 7, clause 3, which reserves to the president the power to veto "every order, resolution, or vote to which the concurrence of the Senate or House of Representatives may be necessary"; Article II, Section 1, which vests executive power in the president; and the doctrine of the separation of powers.

One can see that under the structure established by the Reorganization Act and the Salary Act both the president and Congress play significant roles. There is a day-and-night difference between the legislative vetoes in these acts and the one found in the Federal Election Campaign Act. The president doesn't have a role under the last act, which tells the Federal Election Commission not to put a single rule into effect without reporting it to Congress and allowing thirty legislative days to pass. If either house passes a resolution of disapproval during that period, the affected rule or rules will not go into effect.

LEGISLATIVE VETO STANDS

After the Supreme Court's decision in *Buckley* v. *Valeo*, Congress amended the act to permit the president to appoint members of the F.E.C. but allowed the legislative veto to stand. To test the constitutionality of this, in July of 1976 Ramsey Clark, who was a candidate for nomination for United States senator from New York, instituted a suit in the federal district court in the District of Columbia for a declaratory judgment.

The case was argued simultaneously before the United States Court of Appeals for the District of Columbia Circuit and a three-judge district court. On September 3, 1976, the district court certified five questions to the court of appeals.

But on September 14 Mr. Clark was defeated in the Democratic primary by Pat Moynihan. He was no longer a candidate. Then there was the matter of rules for the F.E.C. The commission, as reconstituted after *Buckley*, published proposed regulations for comment on May 26, 1976, and transmitted them to Congress on August 3. But the lawmakers adjourned for the election campaigns on October 1 before the regulations had lain before Congress for thirty legislative days.

When the District of Columbia Circuit decided the case on January 21, 1977, the majority of the en banc court held that the questions presented by Mr. Clark's suit were not "ripe," and for that reason the court did not reach the merits of the one-house veto provision.

"As to plaintiff Clark," the per curiam majority opinion said, "we are hard put to find any ripe injury or present 'personal stake' in whether or how the rules, regulations, and advisory opinions of the commission are reviewed by the legislature. Any ripe nexus arising out of Clark's position as a senatorial candidate vanished when he failed of nomination. As a voter, Clark protested no specific veto action taken by the Congress and identified no proposed regulation tainted by the threat of veto on review."

ELECTION ACT STANDING

On the question of standing, the Election Act itself provides that "any individual eligible to vote in any election for the office of president of the United States may institute such actions in the appropriate district court of the United States, including actions for declaratory judgment, as may be appropriate to construe the constitutionality of any provision of this act." The act also directs district courts to certify immediately "all questions of constitutionality of this act to the United States Court of Appeals for the circuit involved, which shall hear the matter sitting *en banc*." The district court had certified five questions, none of which the court of appeals answered.

In *Buckley* v. *Valeo* the Supreme Court left open the question whether the form of legislative veto in the Federal Election Campaign Act is constitutional. But Justice White muddied the waters somewhat by stating in a concurring opinion that for an F.E.C. regulation "to become effective neither house need approve it, pass it, or take any action at all with respect to it. The regulation becomes effective by nonaction. This no more invades the president's power than does a regulation not required to be laid before Congress. . . . I would not view the power of either house to disapprove as equivalent to legislation or to an order, resolution, or vote requiring the concurrence of both houses."

When he came to write his strong dissenting opinion in the District of Columbia Circuit in the Clark case, Judge MacKinnon was as perplexed by Justice White's statement as the rest of us. The way Judge MacKinnon sees it, this statement ignores the "actual situation created in Congress" by the legislative veto provision of the Federal Election Campaign Act, and he went on to elaborate what is the actual situation:

(1) In congressional practice, for an F.E.C. regulation to become effective "both houses must approve it by voting not to veto it."

(2) That is the legislative equivalent for that house of "passing" legislation.

(3) To state that a proposed regulation may be become effective without either house taking "any action at all with respect to it," to use Justice White's words, is to assume that Congress will act irresponsibly and fail even to consider regulations embodying "rules of law" that Congress has required by statute to be submitted to it subject to "appropriate action."

CLARK APPEALS

Ramsey Clark appealed the decision to the Supreme Court. The election act provides for an appeal within twenty days from "any decision on a matter certified." The problem was that the court of appeals had not answered any of the questions certified by the district court, and Mr. Clark did not appeal the district court's order of dismissal.

To make matters worse, the Department of Justice, which had entered the Clark case and which in the judges' case had conceded the unconstitutionality of the legislative veto provision in the Salary Act, chose not to appeal.

The solicitor general argued that the Court should not take the case even if it were technically appealable under the act. For this he cited Justice Brandeis's opinion in *Ashwander* v. *Tennessee Valley Authority*, 297 U.S. 288 (1936), and its rules for ducking issues. In fact, Brandeis even contended that the "fact that it would be convenient for the parties and the public" to have a prompt decision on the constitutionality of a particular piece of legislation should "deepen the reluctance of courts to entertain" constitutional challenges.

COURT DISMISSES APPEAL

The Supreme Court bought the "ripeness" argument, and on June 6 it affirmed the court of appeals' dismissal (97 S. Ct. 2667). Three of the justices (Blackmun, Rehnquist, and Stevens) would have dismissed the appeal for want of jurisdiction and, treating the papers as an application for certiorari, would have denied that. It may be that Ramsey Clark technically didn't have an appeal under the election act, but it is clear that the Supreme Court could have taken the case by way of certiorari.

When, if ever, will the Supreme Court resolve the issues raised by the legislative veto?

(NOTE.—This is the second of two articles on the legislative veto. The first appeared in the September issue, page 1296 of the American Bar Association Journal.)

EDUCATION AND UTILIZATION OF MEDICAL MANPOWER IN CARE FOR THE ELDERLY—THE ROLE OF ALLIED HEALTH PERSONNEL

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. PEPPER. Mr. Speaker. I have shared with my colleagues portions of a paper prepared by Ms. Beth Schermer regarding the education and utilization of medical manpower in care for the elderly.

In the final portion, Ms. Schermer discusses the role of allied health personnel—nurses, aides, orderlies, attendants and others—in long-term care. The need for expanded training, enhanced roles, and for policies which offer career advancement for less skilled personnel is discussed in this section.

The observations included in this paper deserve careful consideration, and I therefore request unanimous consent that it be included at this point in the RECORD.

ROLE OF ALLIED HEALTH PERSONNEL

Allied health personnel—nurses aides, orderlies, and attendants—constituted 42% of all nursing home employees in 1973.[21] These aides provide most of the direct care offered in nursing homes. In the home, an estimated 60,000 homemaker-home health aides assist the elderly in day to day activities.[22] The skills of a trained nurses aide are well suited to the nature of long term care, yet few aides view their position as a career possibility. An efficiently organized system of long-term care would have to include expanded roles and education for relatively unskilled labor—a balance which would benefit both patient and aide.

The poor use of allied health workers in the nursing home industry reflects a situation endemic to the health industry:

"There is no uniform pattern in the industry of hiring, training, or promoting. Hospitals have not moved to correct high turnover rates, job dissatisfaction, low wage scales, and limited upward mobility."[23]

Both nursing homes and home health agencies provide in-house training for aides, training which varies in scope and length from institution to institution. Women and blacks predominate in the ranks of aides, and working conditions are generally poor. In 1973, wages of nurses aides averaged between $1.75 to $2.25 an hour, and fringe benefits were negligible.[24] Federal funding has not answered either training or salary needs; of the $2.4 million allocated for the training of nursing home personnel in 1975, the majority of this money was directed to major professional organizations.[25] No major training program was organized for aides and orderlies who provide extensive patient care. A Federal policy endorsing low expenses in nursing homes must be willing to accept the consequences of its actions. Hiram J. Friedsam has observed, "... nursing homes

Footnotes at end of speech.

are paid to provide little care and then are condemned for providing so little." [26]

Currently, the position of nurses aide carries little potential for career advancement. The hierarchical career ladder is usually geared toward academic achievement rather than on-job experience, and few aides working at minimum wage in order to support families have the time, money, or opportunity to advance in this manner.

Constant attendance to the elderly patient's welfare and comfort is a psychologically and physically draining task; the nurses aide provides care which is "intimate, hard, and dirty." [27] Given low wages, poor working conditions, and minor opportunity for advancement, the nurses aide has little incentive to remain in his/her job other than for the satisfaction of providing a much-needed human service.[28]

All of these factors contribute to the turnover rate of 75 percent a year among nurses aides employed in geriatric care. Constant turnover endangers the quality of patient care and discourages high morale among staff. Little has been done to improve upon this situation; rather than gear work conditions toward an atmosphere benefitting both patient and institution, long-term care facility administrators have instead adapted their aide training programs to the expected high turnover. These programs, increasingly frequent and brief, cannot provide thorough training and orientation—and the cycle of low job satisfaction and high turnover is perpetuated. Only vigorous action in recruitment policy, training, work conditions and utilization can break this vicious chain:

"Since our funding frequently necessitates minimum wage standards for aides and since one may get what one pays for, it is important, if not mandatory, to set up standards that are not exploitive in nature and within the capabilities of the aides. A consistent, planned, and organized in service program is a must to provide continuing quality medical care. Improvement in . . . the quality of nursing care will result in decreased aide time and decreased costs as well as better medical care and that is our bottom line." [29]

Expanded recruitment activity could tap new manpower markets, bringing both the young and middle-aged of both sexes into the employment pool. Recruitment efforts should emphasize the multidisciplinary skills employed by the nurses aide during daily activity. High schools and social activity groups should be targeted as high potential areas for recruitment. Pending wage, condition, and career ladder improvements, publicity concerning the nurses aide's position should attempt to neutralize the current conception of aide as a poorly rewarded, dead end job. Both institutional and home oriented long-term care agencies have the opportunity to draw upon a wide segment of the area of social services. According to the White House Conference on Aging:

"Home maker-home health aides must be carefully selected, trained, and supervised, but they do not require extensive educational background and therefore, this vocation is proving to be a realistic choice for many educationally disadvantaged but capable individuals. Often these are middle aged or older women. The community stands to gain doubly from the service as previously unemployed individuals become self-sustaining." [30]

Vigorous recruitment, coupled with improved conditions, can further the position of nurses aide as a viable, career oriented job blending social and medical service.

Training for nurses aides must be multidisciplinary, encompassing the medical and social skills vital to primary patient care. Organizing the educational program for a job which offers a comprehensive, rather than functionally specific, service is difficult and will require a variety of instructors and subjects. Attitudes toward the elderly and the psychology of aging must be stressed as well as physical skills.

It is neither possible nor desirable for individual agencies to provide this intensive, in-depth training for nurses aides. Basic training should be removed from the individual institution, centralized and upgraded to a vocational level. The American Health Care Association's symposium on qualified personnel in nursing care recognized this need in their report:

"Training programs could be carried out through high schools, vocational schools, and community colleges. Federal and state funds should be sought to support nurse aide training programs. On a for-fee basis, community hospitals having established aide training programs could enlarge their training programs to include the training of nursing home personnel. The American Nurses' Association and the National League for Nursing should take responsibility for the training and on-going education of nurses aides as well as for licensed personnel." [31]

Centralized training programs should provide a core of needed skills and philosophy leading to certification as nurses aide.

Training courses should be compact and specific, combining work and study. Because individual institutions vary in procedure, additional training beyond the core program could be provided through in-service classes. In-service programs are also of value in keeping veteran aides current in nursing techniques and in providing incentive for the aide to approach her job with a professional outlook. Both of these factors, skill and attitude, will have direct impact upon the quality of patient care. Care must be taken to provide funding though stipends and scholarships for low income trainees who can only engage in future training by cutting their working hours. Work experience should be given increased value in the educational system.

Educational grants coupled with a personnel reorganization provide the foundation of a much needed career ladder for nurses aides:

"There are many people now working as aides who have been doing so for years with no opportunity for upward mobility. Federal legislation which proposes grants and loans to graduate students and researchers should also make provision for the training of persons now working in the field at lower levels with the goal of establishing career ladders. This would provide an incentive for persons to seek careers in health professions and would tend to reduce the rapid turnover of staff in hospitals and nursing homes." [32]

At present, the position of nurses aide is considered a "dead-end" job. A program providing for upward mobility, such as a work-study program upgrading the aide to LPN or medical-social worker, would cut turnover rates, improve patient care and result in efficient use of health manpower in meeting the needs of the elderly:

"Ways must be found to utilize more effectively those who already have allied skills. This investment in allied health manpower—a significant one for both society and the workers—tends to have a relatively low rate of return because few of the workers can use their experience and earlier training to advance to more skilled occupations." [33]

Present nursing hierarchy could be restructured to include new positions ranging from traditional nurses aide to skilled paramedic. Reorganization of this nature, however, will require full cooperation of physician, nurse, and allied health worker in order to open career lines. Physicians and nurses must be willing to delegate appropriate responsibility to aides; aides must demonstrate their ability to accept additional responsibility. The need for team cooperation cannot be underestimated, for, "More short-term training and higher pay for these people will not, of itself, improve patient care. Each member of the nursing team makes a contribution to nursing care, and, as with any team, each member is dependent on the other to achieve the goal—good patient care." [34] In addition, consumers must be educated to accept care offered by allied health workers.

The greatest challenge facing allied health workers will be to achieve new training programs, working standards, and career opportunities without creating professional blocks—jealousies and factionalism—which tend to isolate manpower resources rather than to unite them.

The field of geriatric medicine will require many changes in our present system of training and utilizing health care personnel. Action is imperative, for we are fast approaching the time when the needs of the elderly will overwhelm existing resources. It is not simply numbers which are at stake in this reform; we must strive to establish a high quality of care befitting our elderly—or any human being.

The following recommendations for the improved education and allocation of medical personnel skilled in geriatric care depend upon the cooperation and action of Congress and the medical, nursing, and allied health professions for their enactment and success.

Recommendations:

RECRUITMENT

A Manpower Data Center, providing a centralized listing of programs for training in geriatric care, as well as a listing of personnel available in the field, should be established within the Administration on Aging. The Data Center—as well as individual programs—should be publicized nation-wide in an effort to broaden the population's exposure to this field.

Funding for recruitment into geriatric care should be increased, in order to encourage the development of new programs as well as participation in these programs. Nation-wide recruitment publicity, such as that used for VISTA, would help to establish geriatric care as a recognized career field, while neutralizing much of the anti-elderly bias in the country.

Recruitment efforts should range from high school students to older persons able to provide a service part time.

EDUCATION

Practicing doctors and nurses should have the opportunity to develop skills in serving the elderly through graduate courses or seminars.

Multidisciplinary Training Centers, as recommended in the Older Americans Act should be established. These centers, offering education in geriatric care to all levels of personnel, would further the development of the field while promoting interprofessional training and awareness.

Training must start with the development of a positive attitude toward the elderly patient.

EDUCATION

The educational experience must extend beyond medical personnel to all people involved in the care for the elderly. The public, too, must be sensitized to the needs of the elderly and the services available through volunteer programs and public information services.

The principles of geriatric care must be integrated into the basic training for doctors, nurses, and aides, and the opportunities for specialization must be developed.

Education in both medical and nursing schools should shift its emphasis from acute care to include exposure to long-term care needs and skills.

Formal education should be combined with work experience, particularly for the nurse and nurses aide.

Footnotes at end of speech.

Training for nurses aides should be centralized by area and upgraded to vocational status. Completion of training should result in certification.

The development and use of in-services in individual institutions should be expanded. In-service, in some cases, may be a reimbursable item under a federal training grant.

Funding for continuing education, as well as primary education, should be made available, particularly for those who cannot undertake further training because of family demands.

ALLOCATION AND UTILIZATION

Medicare coverage should be expanded to include the nurse and nurses aide offering home services. Expansion in these two areas can occur only when they are no longer financially tied to the physician.

Wage increases, improved working conditions, flexible scheduling and increased fringe benefits, such as day care for the children of nursing home personnel, must be established. These physical improvements are not a total answer to the present difficulties in geriatric care, but there is little doubt that they would have a positive impact in attracting and keeping personnel.

Geographic distribution of personnel trained in geriatric care should be improved through the use of salary structures, fringe benefits, training grant contracts, and tax incentives.

STRUCTURE

There is a real need to institute a collaborative rather than hierarchical health system for the care of the elderly. This will involve the changing of professional lines and the establishment of a new system of protocol between the medical professions.

A career ladder should be established for the nurses aides as well as for nurses, allowing for experience as well as formal education in determining promotion and rank. The new positions must be clearly defined and hiring standards adjusted to fit. Geriatric care must become a career possibility rather than a dead end job.

Because the nurse and nurses aide provide a caring-oriented service which predominates in long-term care, their roles should be expanded toward greater independent service, particularly in the area of home services. Expanded responsibilities are contingent upon proper education and supervision.

PHILOSOPHY

Medical personnel must develop a new sensitivity and awareness to the needs of the elderly. The medical structure must change to fit these needs—with the introduction of alternate modes of care and staffing patterns—rather than forcing these needs into established structures.

Cooperation between professionals is essential in all efforts dedicated to establishing the highest quality of care possible for the aged.

FOOTNOTES

[21] "Special Issue: Working with Older People," *Occupational Outlook Quarterly*, Fall, 1976, p. 8.

[22] "Special Issue: Working with Older People," *Occupational Outlook Quarterly*, Fall, 1976, p. 63.

[23] Harold M. Goldstein and Morris A. Horowitz, *Health Manpower Report*, (Boston, Northeastern University, 1976).

[24] "Special Issue: Working with Older People," *Occupational Outlook Quarterly*, Fall, 1976, p. 49.

[25] Horn, p. 41.

[26] Hiram J. Friedsam, "Some Issues in Manpower for Parallel Services," *The Gerontologist*, February, 1974, p. 23.

[27] "Special Issue: Working with Older People," *Occupational Outlook Quarterly*, Fall, 1976, p. 58.

[28] American Nurses' Association, p. xvii.

[29] Joyce Burt, RN, and Robert Pullman, MD, "Staffing by Patient Classification," *American Health Care Association Journal*, Vol. 2, No. 4, July 1976, p. 78.

[30] White House Conference On Aging, *Toward a National Policy on Aging, Final Report*, Vol. II, (Washington, D.C., 1971), p. 117.

[31] Horn, p. 41.

[32] National Center on Black Aging.

[33] United States Department of Labor, Manpower Research Monograph No. 25, *Meeting Health Manpower Needs Through More Effective Use of Allied Health Workers*, (Washington, D.C., 1973), p. 11.

[34] American Nurses' Association, pp. 12–13.

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PERSONAL EXPLANATION

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. WOLFF. Mr. Speaker, when the House voted on the question of agreeing to the Senate language on abortion with respect to H.R. 7555, rollcall No. 739, November 3, 1977, I was necessarily absent by reason of my Presidential appointment as a member of the U.S. delegation to the 32d session of the United Nations General Assembly. At the time the debate on this question was taking place in the House, I was addressing the General Assembly on the need for that body to take strong action against international terrorists.

I wish to state for the RECORD that had I been able to be present for that vote I would have voted "yea" in support of the Senate language. Although my office requested a pair "for" on the motion, by error the RECORD indicated my pair as "against" the Senate language. It is my sincere conviction that the Senate language represented a legitimate compromise on the question of utilizing Federal funds for abortion purposes.

TRAFFIC CONTROL TOWERS MAY BE LOST AT 73 AIRPORTS

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. BYRON. Mr. Speaker, I am sure that many of my colleagues share my concern over the plans of the Federal Aviation Administration to consider the termination of the FAA airport traffic control towers at 73 airports around the country. One of these airports, the Hagerstown Regional Airport, is located in the Sixth District of Maryland.

I believe the FAA is being shortsighted in wanting to close all towers which do not meet a rigid cost/benefit ratio or some other inflexible national criteria. Instead, the impact of each closing on the appropriate local community should be considered.

Ending the operation of the FAA control tower in Hagerstown would reduce the air safety in western Maryland. The adverse effect this would have on commercial and general aviation would make Hagerstown and the surrounding areas less attractive to business and industry. Furthermore, the A–10 airplane is being built for the Air Force at the Fairchild Industries plant located at the Hagerstown Airport and A–10's are tested and flown extensively in this area. A recent editorial from the Hagerstown Daily Mail summarizes this matter well and I would like to include it in the RECORD following my remarks.

I was pleased that the FAA earlier this week extended the comment period on their proposal from October 15, 1977, to December 31, 1977. An additional hearing has been scheduled as well. It is my hope that the FAA will reevaluate its criteria in this regard. For the information of other Members who might be concerned about this matter, I am also including a list of the 73 airports at which the FAA is considering terminating its air traffic control towers.

CONTROL TOWER VITAL HERE

Seventy thousand takeoffs and landings of commercial and private airplanes at Hagerstown Regional Airport should be sufficient reason for continued operation of the air traffic control tower at the airport.

When it was dedicated a few years ago and Hagerstown had a practically new passenger waiting room, the addition of the control tower was considered a long step in the city's continued progress in serving the area with speedy transportation.

In fact, the growing use of the airport prompted the Federal Aviation Administration to provide funds for the construction and maintenance of the control tower at the western part of the airport.

The FAA is reported to be considering closing down some 73 towers in the nation as an efficiency move, claiming tower cost operations were too high when compared to public benefits.

Tower operations here were beefed up after two near collisions above the field. There have been no such collisions since and the safety factor can be attributed in large measure to tower personnel. Certainly 70,000 takeoffs and landings a year are sufficient reason to continue the federal service.

In any event, a public hearing should be held before any action is taken. Air traffic safety is too important to be measured in dollars.

NAMES OF 73 AIRPORTS

Alaska: Kodiak, Valdez.
Arizona: Flagstaff, Goodyear.
Arkansas: Pine Bluff, Texarkana, West Memphis.
California: Chico, Fresno (Chandler), Imperial, Marysville, Merced, Redding, Salinas.
Florida: Jacksonville (Craig), Key West, Miami (Dade), St. Petersburg (Whitted).
Georgia: Athens, Brunswick, Valdosta.
Idaho: Twin Falls.
Illinois: Bloomington, Danville, Galesburg, Marion.
Indiana: Bloomington, Muncie, Terre Haute.
Kansas: Hutchinson.
Kentucky: Owensboro, Paducah.
Louisiana: Alexandria.
Maryland: Hagerstown.
Michigan: Benton Harbor, Traverse City.
Mississippi: Greenville, Jackson (Hawkins), Meridian.
Missouri: Cape Girardeau, St. Louis (Spirit of), St. Joseph.
New Mexico: Hobbs, Santa Fe.
New York: Ithaca, Poughkeepsie.
North Carolina: Hickory, Kinston, New Bern.
Ohio: Cleveland (Burke).
Oklahoma: Ardmore, Enid, Lawton.
Oregon: Pendleton.
Puerto Rico: Mayaguez.
South Carolina: Florence, Greenville, Myrtle Beach, Spartanburg.
Tennessee: Knoxville (Downtown).
Texas: Brownsville, College Station, Harlington, Laredo, McAllen, Plainview.
Utah: Ogden.
Washington: Olympia, Tacoma (Industrial), Walla Walla.
West Virginia: Lewisburg, Wheeling.
Wisconsin: Appleton.

EDITORIAL COMMENT ON H.R. 7700

HON. JAMES M. HANLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. HANLEY. Mr. Speaker, this week I have been pointing out the broad range of editorial opinion throughout the country in support of H.R. 7700, the Postal Service Act of 1977. This editorial opinion accurately reflects the frustration which a large number of our constituents face when dealing with the Postal Service.

Most of us in Congress are fully aware of the many problems our constituents face, since we receive a daily flow of complaints in our mail. The people they have to convince are the people in the administration. Therefore, I would strongly urge that whenever any of us receive a constituent complaint about poor postal service, we write back to the constituent and suggest that he or she also communicate with the President. It is not just Congress which should bear the brunt of citizen frustration.

In the meantime, I commend the following editorials to my colleagues.

[From the Gilmer (Tex.) Mirror, Sept. 29, 1977]

POSTAL PUBLIC SERVICE

For some time nationally there has been concern about the Postal Service.

About eight years ago the Congress, for some reason, ordered that from thence on the Postal Service must stop going in debt and start making money.

We said at the time this was a grave mistake, and it has proved so true.

Each year since 1971 the Congress has provided a "public service" appropriation of hundreds of thousands of dollars to keep the "businesslike" Postal System from showing a deficit. It is subsidy, of course, and the Congress historically has subsidized our postal system. Why? Because it was seen then and now, we hope, as an essential public service.

We are delighted that Congressman Sam Hall has also seen the postal system in this light. He has submitted the following which all of us should welcome as majority sentiment in Congress today.

Congressman Hall's Statement to the Congress on May 24, 1977:

"Mr. HALL. Mr. Speaker, it will come as no surprise to the Members of this House when I report that the vast majority of my constituents in east Texas are thoroughly disgusted with the manner in which their Postal Service is now being conducted.

"I can offer no instant and comprehensive solution that will satisfy everyone, but I would like to make these several statements on fundamentals which should be built into the substructure of whatever changes are adopted by the House.

"First, I reject the idea that the Postal Service is a business which must be self-supporting.

"Second, I hold to the traditional view that the Postal Service is like the cement that holds the building blocks of our Nation together. It must be properly maintained at whatever cost.

"Third, the House must resist the temptation to penalize rural areas and smaller communities simply because their volume of postal business falls below the national norm.

"Fourth, I strongly urge we not be trapped by the assumption that all we need is a new layer of bureaucrats even if they are hand picked by the new administration.

"Fifth, to my mind the Postal Service is similar to our national defense. They cost lots of money, but they are both necessary to preserve a free democratic society. We are nevertheless obliged to make sure that they are cost-effective.

"And sixth, 5-day delivery is a simplistic delusion. It is clearly the worst of both worlds—obviously, we get less service, and by reducing commercial efficiency we would also decrease our ability to maintain that service with tax dollars."

Today we find the Postal Service business leaders wanting to continue to cut service, even to as little as once a week on rural routes, and continue to raise the postal rates. This, they insist, is the way to make money and show a businesslike profit, as they were once ordered to do.

There is a Congressional proposal, called HR 7700, which if approved, would restore most of the control of the post office to Congress. And the most important part of HR 7700 would, if approved, tell the postal officials that the postal service is to return to exactly that, a public service. Mr. Hall has joined the others in Congress in support of HR 7700.

[From the Tabor (Iowa) Fremont-Mills Beacon-Enterprise]

I am not a fan of the U.S. Postal Service. For a small town weekly newspaper publisher to be a fan of the U.S. Postal Service is akin to a 19th century English prostitute being in love with Jack The Ripper.

Compared to the U.S. Postal Service, I think dove hunters are terrific.

That's how much I like the U.S. Postal Service.

Which is not to say that I am going to run down to the Tabor Post Office and bite Lyle Van Scyoc.

My quarrel is not with our local postal employees. They are as much victims of the system as anyone else.

Remember the Postal Service wants to eliminate their jobs too. They want to eliminate their jobs, my job and anyone else's job that depends on the delivery of mail in the U.S. of America.

No, my quarrel is not with the employees, those people still struggling against all odds to give service. "Service" is the last thing that the postal bureaucracy is interested in giving.

What it is interested in is something of a mystery. Perhaps what it really has is a death wish. A death wish that will certainly be fulfilled if nothing is done to change the structure of this behemoth created by the Nixon Administration.

In the last five years the second class postal rates (for newspapers and magazines), have risen over 500 percent.

And now, with a twenty percent increase only last month, the Postal Service has filed for a new thirty percent increase.

In addition the postal service is seeking to impose a surcharge in the amount of two cents per copy for all publications receiving "newspaper treatment" or "red tag" delivery.

All of this is outrageous. But that isn't enough for the postal service. In addition to the rate increase the postal service plans to cut back on service.

You may think you already know about this part, the elimination of Saturday delivery. Hope, that's not it. One new plan calls for three-day delivery. Another plan offered calls for the slowing of overnight processing of mail—the peak period of mail volume—to save money.

As rates skyrocket and service deteriorates, more and more large volume mail users will find alternative delivery systems. And the postal service will shrink and shrink, until it is no more.

What does all this mean to the average American citizen? It means that he (and she) will be at the mercy of private delivery mail companies and the telephone companies. There will be no alternative. There will be no way to communicate except by these methods.

What does this mean to a large segment of of this country's free press? Absolute disaster.

The small weekly newspaper will be a thing of the past. In fact the only newspapers that will survive will be those large enough to afford private carriers.

Out of county and out of state delivery will be so expensive that it will be prohibitive. Besides, it will take so long for delivery that it would hardly be worth it at the present price.

And when your small newspapers go, what will replace them?

Who will gather the local news, write it and present it in a permament easy to understand form?

Who will put legal notices before the public?

How will you know when there is a special meeting of the school board or the town council, or any other governmental body, club or group?

How will you learn what the county, school and town budgets are to be?

Where will you see referendums, and ballots, biographies of local candidates and their stands on the issues of the day? How will you inform yourself as a voter?

Where will you find the birth, marriage and death notices? Sure, you can go to the courthouse, but will those records tell you what color the bridesmaids gowns were—or the contributions to the community made by the deceased? Each story, in its own way, is important, to the families involved, to the people of the community who want to be kept informed of the important moments in the lives of their neighbors and friends.

Where will the local merchants of the town advertise? With the death of the postal service, with the death of the local print media—radio and television will have eliminated a major competitor and the cost of their advertisting will increase dramatically. Your local businessman may very well be shut out of the market, unable to advertise his wares, unable to compete against large chain stores, with high advertising budgets.

The small town newspaper is the voice of its community. In one issue it tells more about the high school sports program, the 4-H achievements, the honors bestowed on its citizens, the tragedies that befall them, the happiness they may be experiencing, than you could gather by yourself in a month.

And all this is being threatened. Why?

Because the so-called reform of the postal service has created a bureaucracy that cares nothing for service. It has been commissioned to consider only "cost" in setting postal rates and in carrying out mail delivery.

Now everyone wants to be aware of cost, but the postal bureaucracy is not accountable for the cost it creates—such as the huge salary increases it granted to postal workers.

It is not accountable for its fat administrative costs or for the inefficient use of its equipment and personnel.

We have to stop the postal service from destroying itself. The only way to do that is to 1) insure continued and increased appropriations from the public treasury to maintain the basic system and ensure continuation of adequate public service 2) overturn a federal appeals court ruling that sets postal rates according to "cost accounting" techniques exclusively, and to establish rates which reflect public policy judgments and realistic market factors and 3) we must restore postal service public accountability.

Congress should have some say in major rate and service matters, and the President should have some mechanism for input into basic management of the postal system.

We certainly don't advocate a return to the old political postal system but we should have, must have, some control over the service and the decisions made by the service which will have such drastic effects on our American way of life.

Help save your post office; help save your local newspaper; keep the "service" in postal service.

Write to your congressmen and senators and tell them you support H.R. 7700, a bill now before the House, which will accomplish those three steps just listed.

If you don't have time to write, clip this article and send it.

Do it now, while you can still mail a letter and expect it to arrive before the end of the month.

[From the Woodbury (Tenn.) Courier, Sept. 8, 1977]

We are now confronting an extraordinary situation of the utmost urgency.

We speak of the nation's postal system. For 200 years the system has served this complex, diverse nation in many and varied ways. It has played a vital role in building America, and an equally vital role in building America's free press.

It has been regarded from the earliest days of the Republic as one of the most basic and necessary services a nation can provide its people—a unique communications network binding America and Americans together, in the words of George Washington, "in a chain which can never be broken."

As we all know too well, the unbreakable chain is breaking. The Postal Reorganization Act which put the "corporate" Postal Service into business in 1971 has been an unmitigated disaster for America's mail system. Rates for all classes of mail have skyrocketed, services have been slashed and the deficits for the "business-like" postal corporation are now counted in the billions of dollars. Only emergency appropriations from Congress have saved the Postal Service from completely going under.

The situation is becoming increasingly grave for the countless publishers and subscribers who rely heavily on the mails for delivery of their newspapers and magazines. Second-class postal rates have already risen over 500 percent in the last five years. And now, the Postal Service has filed a formal request to raise rates by another 30 per cent over this already inflated base.

Also, for the first time, the Postal Service is now seeking to abolish the traditional uniform rate for editorial matter, and "zone" it just as the rate for advertising material is zoned. In addition, again for the first time, the Postal Service is now seeking to impose a surcharge in the amount of 2 cents per copy for all publications receiving "newspaper treatment" or "red-tag" delivery.

Coupled with these rate increases are the Postal Service's plans to further reduce basic services. We all know of the plan to eliminate Saturday delivery of mail by early next year. Even more frightening is the section of the new rate filing in which the Postal Service relates how much money it could save by going to three-day delivery. Still another plan calls for the slowing of overnight processing of mail—the peak period of mail volume—to save money. Overnight delivery could become yet another relic of the past.

The rush to disaster has been even more accelerated by a decision last December of the U.S. Court of Appeals in Washington which endorsed the Postal Service's "business" posture, and ordered the earliest possible implementation of a totally cost-based rate system, with no consideration of public policy or market factors permitted.

What has gone wrong? What has happened to the centuries-old concept of the postal service being a public service—an institution existing to serve the fundamental needs of the nation and its people? What has happened to the unique and universally accessible communications network which promoted and guaranteed the dissemination of news and information throughout this huge and diverse land?

Blame can be laid at many doorsteps. But the fundamental problem is this: in its hellbent and hopeless rush to fulfill the "self-supporting" mandate given it by the Postal Reorganization Act, the Postal Service has totally forsaken its fundamental service mission.

With all public service appropriations from Congress due to cease in just a few more years, and with the Court of Appeals decision prodding it down the "self-supporting" road, perhaps the Postal Service should not be condemned for its actions.

No matter who is to blame, one fact is clear: unless something is done—and done quickly—total ruination of America's two-centuries-old postal system is inevitable. Perhaps a "self-supporting" shell of a system will remain, but the system which has served the personal, social, economic and political needs of the nation and its people so well, for so long, will be gone forever.

What can be done? In our opinion, change must be grounded upon the recognition of the one fundamental principle: the Postal Service is a public service. Flowing from this are three basic needs:

1. Appropriations from the public treasury must be increased to maintain the basic sys-

tem and ensure continuation of adequate public service.

2. The Court of Appeals decision must be overturned, to ensure that postal rates are not merely the product of cost accounting techniques, but also the public policy judgments and realistic market factors.

3. The Postal Service must be restored to public accountability. The old, political postal system will never be restored, but Congress and the President should have a role in setting postal policy, which is so closely interrelated with public policy. Congress should have some say in major rate and service matters, and the President should have some mechanism for input into basic management of the postal system.

These goals are attainable. There is a bill pending in the House of Representatives which would achieve these objectives and restore the postal system to its rightful role in our society. The bill is H.R. 7700, cosponsored by Representatives James Hanley (D-NY) and Charles H. Wilson (D-CA). As you may know, NNA and ANPA jointly testified on this bill last month and give it full support.

H.R. 7700 would overturn the Court of Appeals decision, increase public service appropriations to an amount equal to 15 per cent of annual Postal Service expenditures, give Congress veto power over Postal Rate Commission decisions and restore to the President the power to appoint the Postmaster General.

Until the last few days, it appeared H.R. 7700 would be passed by the House this year. The bill has generated broad support from all quarters in the House, because of its obvious merit, and its obvious necessity. Now, however, it appears all may be lost, and the Postal Service will be permitted to continue down the road to disaster. Which brings us to the central point of this letter.

For the past several weeks, the Carter Administration has been formulating its postal policy. Now, they are ready to speak. On September 8, OMB Director Bert Lance will testify on H.R. 7700 and, according to published reports (e.g., Wall Street Journal; July 29) at the present time he plans to oppose H.R. 7700. This, effectively, will kill the bill.

The President's basic posture on postal policy—despite the grim facts we have outlined—appears to be "business as usual."

Three days before his election, then-candidate Jimmy Carter issued a statement calling for restoration of the public service character of the Postal Service. He advocated abolition of the Postal Rate Commission, and said he wanted the power to appoint the Postmaster General. President Carter, it now appears, has done a complete about-face.

Acording to reports, the President plans to oppose any increase in public service appropriations for the Postal Service, evidently because of his desire to balance the federal budget by 1981. He also will oppose any move to give him the power to appoint the PMG, evidently for political reasons. because power means responsibility, and responsibility means potential blame. The President's only substantive proposal, evidently, will be the extremely controversial "citizens' rate" first-class stamp—a proposal which has already generated a massive volume of charges that it is nothing more than transparent political gimmickry.

In our opinion, announcement of the President's "status quo" policy would be the death knell for the traditional American postal system—final, total abandonment of the concept that the Postal Service is a public service.

Once the Administration "goes public" with its policy on September 8, there will be no turning back. In our view, the President must be convinced within the next three weeks to change his mind and take a broader look at the ramifications of his intended policy.

We urge you to write immediately to the President, to Mr. Lance, and to your U.S. Senators and Representatives asking their support for the principles and positions we have espoused here. Special letters should also be sent to Representatives Hanley and Wilson thanking them for their efforts thus far and urging them to push ahead with H.R. 7700.

Express your support for the public service concept, for sufficient and continuing appropriations, for reasonable rates and adequate services, and for public accountability. If you agree, express your support for H.R. 7700.

Most importantly, express your opposition to doing nothing.

In closing we would only remind you of the urgency of this situation, and the impending deadline. If anything is to be done, it must be done now.

[From the Dublin (Ga.) Courier Herald, Aug. 12, 1977]

POSTAL SERVICE AND YOU

(By W. H. Champion)

The average person has a greater stake in the Postal Service than the cost of mailing a first class letter. Many of us have seen the postage for sending a letter go from 2 cents up to the present 13 cents, and the promise of still greater increases in the future. (That 2 cent letter business really dates us.)

Maybe there is talk now about charging businesses 16 cents to mail letters, but leaving the cost to individuals at 13 cents. But if they can change one, be sure they will, in a short while, change the other.

But back to your interests in the Postal Service and the things that loom in the future.

Take newspapers, either small dailies or weeklies. While many of us have developed other means of delivering small daily issues, but weekly newspapers and small dailies, in a large measure, are still dependent in more or less degree on the Postal Service.

On July 6th rates for mailing newspapers increased again. Newspapers are charged by the pound and by the piece. The pound rate went up 16.3 per cent. The per piece cost went up 26.5 per cent. The above applies to newspapers we mail outside the county in the Dublin trade area.

For the newspapers mailed inside Laurens County, the pound rate went up 16⅔ per cent and the per piece charge by the same percentage.

Naturally, the costs thus far have been absorbed by newspapers, but the time will soon come when this can no longer be, and subscription rates must be increased.

The problem is much greater with weekly newspapers whose 52 issues a year cannot be increased in price indefinitely—just as small dailies cannot continue to up prices and expect people to continue their subscriptions.

We attended a hearing of Senator John Glenn's subcommittee on the postal service law now being studied. Save for the National Newspaper Association, none of those who testified was interested in second class mail or Saturday mail delivery. In fact, we got the idea that some who use what is commonly referred to as "junk mail" would be satisfied with three or four deliveries a week.

So, where do we go from here? If the present trend continues, the time may well come when weekly newspapers will fold their tents and give up. The fatalities among weeklies, until now among the strongest publications in this country, will leave voids that no media can fill. Where will the pictures of brides be published? The larger newspapers are no longer interested. The weekly newspapers are the ones who provide this now, along with the small dailies. Who will carry the obituaries of people in the smaller communities and counties in the state and the nation? Who will carry pictures of little Johnny's championship baseball team in the Bantam League, or the list of honor graduates, the valedictorian and the salutatorian of the small high schools?

Kill off the nation's weekly and small daily newspapers and you kill off the publications of much of the things that make up the lives of small communities over the entire nation.

Georgia's Tom Watson, who spent a great deal of energy and wrote many articles and worked long hours to bring about the Rural Free Delivery (RFD) system in this nation, never visualized the system as a business that could so much as break even. In fact, he was so certain that it ought to be a service of government, that he used the word "Free" in naming it.

While we are convinced that users of the mail should pay reasonable and realistic prices for using the mails, we are not yet convinced that the Postal Service can be operated as a business—not by the government, at least. Thus we can see only two aspects, unless the Congress wants to face the ire and vindictiveness of a populace minus second class mailings of their favorite small newspapers: the postal service shall continue to be just that—a service of the government, and people will seek public officials who consider their best interests.

House Bill 7700 is now before the Congress. This bill would establish that Postal Service is a service and should be so considered. If you want to help stop the escalation of postal rates on letters and newspapers, magazines, etc. write your Congressmen and Senators. The only thing these people respect is the antagonism of their constituencies.

[From the Tuscola (Ill.) Review, Aug. 25, 1977]

NEED FOR H.R. 7700

(By Robert D. Hastings)

This week the National Newspaper association warned every member publisher that the media is now confronted with an extraordinary situation of the utmost urgency . . . the nation's postal system.

For 200 years the system has served this complex, diverse nation in many and varied ways. It has played a vital role in building America, and an equally vital role in building America's free press.

It has been regarded from the earliest days of the Republic as one of the most basic and necessary services a nation can provide its people—a unique communications network binding America and Americans together, in the words of George Washington, "in a chain which can never be broken."

But as we all know too well, the unbreakable chain is breaking. The Postal Reorganization Act which put the "corporate" Postal Service into business in 1971 has been an unmitigated disaster for America's mail system. Rates for all classes of mail have skyrocketed, services have been slashed, and the deficits for the "business-like" postal corporation are now counted in the billions of dollars. Only emergency appropriations from Congress have saved the Postal Service from completely going under.

The situation is becoming increasingly grave for the countless publishers and subscribers who rely heavily on the mails for delivery of their newspapers and magazines. Second class postal rates have already risen over 500 percent in the last five years. And now, the Postal Service has filed a formal request to raise rates by another 30 percent over this already inflated base.

Also, for the first time, the Postal Service is now seeking to abolish the traditional uniform rate for editorial matter, and "zone" it just as the rate for advertising material is zoned. In addition, again for the first time, the Postal Service is now seeking to impose

a surcharge in the amount of 2 cents per copy for all publications receiving "newspaper treatment" or "red-tag" delivery.

We all know of the plan to eliminate Saturday delivery of mail by early next year. Even more frightening is the section of the new rate filing in which the Postal Service relates how much money it could save by going to three-day delivery. Still another plan calls for the slowing of overnight processing of mail—the peak period of mail volume—to save money. So overnight delivery could become yet another relic of the past.

The rush to disaster has been even more accelerated by a decision last December of the U.S. Court of Appeals in Washington which endorsed the Postal Service's "business" posture, and ordered the earliest possible implementation of a totally cost-based rate system, with no consideration of public policy or market factors permitted.

What has gone wrong? What has happened to the centuries-old concept of the postal service being a public service—an institution existing to serve the fundamental needs of the nation and its people? What has happened to the unique and universally accessible communications network which promoted and guaranteed the dissemination of news and information throughout this huge and diverse land?

Blame can be laid at many doorsteps. But the fundamental problem is this: in its hellbent and hopeless rush to fulfill the "self-supporting" mandate given it by the Postal Reorganization Act, the Postal Service has totally forsaken its fundamental service mission.

With all public service appropriations from Congress due to cease in just a few more years, and with the Court of Appeals decision prodding it down the "self-supporting" road, perhaps the Postal Service should not be condemned for its actions.

No matter who is to blame, one fact is clear: unless something is done—and done quickly—total ruination of America's two-centuries-old postal system is inevitable. Perhaps a "self-supporting" shell of a system will remain, but the system which has served the personal, social, economic, and political needs of the nation and its people so well, for so long, will be gone forever.

There is one slim hope. The passage of H.R. 7700, which would overturn the Court of Appeals decision, increase public service appropriations to an amount equal to 15 percent of annual Postal Service expenditures, give Congress veto power over Postal Rate Commission decisions and restore to the President the power to appoint the Postmaster General.

Sponsors of H.R. 7700 are Representative James Hanley (D-NY) and Charles H. Wilson (D-CA).

If you feel strongly about this matter, we urge that you write to the President of the United States, and to your United States Senator and Congressmen, telling them of your feelings in the matter.

YOUNG SOCIALIST ALLIANCE: TROTSKYITES IN THE HIGH SCHOOLS

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. McDONALD. Mr. Speaker, the Young Socialist Alliance—YSA—is the youth group and principal recruitment device for the Socialist Workers Party—SWP—the U.S. section of the Trotskyite Communist Fourth International which is actively engaged in terrorism in many countries. In order to inflate its membership and thus its influence within the Fourth International—FI—the SWP recently took almost 600 YSA members directly into the SWP. This evisceration of the YSA has caused considerable organizational problems. Nevertheless, the SWP is trying to rebuild the YSA with an increased concentration on the recruitment of high school age members by teachers who are SWP members.

The YSA has scheduled its 17th national convention to be held in Detroit, Mich., from Wednesday, December 28 through Sunday, January 1, 1978, which will review 1977 activities, establish the lines for 1978 organizing and select a new national committee of some 57 persons. The body that exercises real control in the YSA is the national executive committee which has levied a $5 fee on each YSA member to defray convention costs.

In her May 6, 1977, report to the YSA national committee, Cathy Sedwick, a YSA leader who is also an alternate member of the new SWP national committee, said, "Understanding the role that young people can play in the coming socialist revolution is the foundation on which the YSA stands." She continued by elaborating the SWP/YSA youth strategy:

> The key to our strategy is a program of democratic and transitional demands arising from student struggles that are organically linked to the program for a socialist revolution.
>
> Our ultimate objective, as A Strategy for Revolutionary Youth explains, "is to link the student struggles with the struggles of the workers and national minorities at their present levels of development and to orient them toward a combined drive for state power, bringing into the struggle all the forces opposed to the capitalist or bureaucratic regimes."

Ms. Sedwick emphasized that by playing on "a genuine anti-authoritarian attitude among students that rebels against any form of injustice or inequality," the YSA can direct them "in the most effective way against the institutions and authorities." "At the same time," she noted, "we provide a valuable training and testing ground for future cadres of the revolutionary party, like the Socialist Workers Party. * * * This makes it easier for young people to acquire the political and organizational skills required for serious revolutionary activity."

In her report to the same May 6, 1977, meeting of the YSA national committee (all these reports cited were published in the internal confidential YSA discussion bulletin, vol. XXI, No. 1, September 1977), Betsy Farley stressed:

> "* * * the future of the YSA is linked inextricably with the Socialist Workers Party. * * * The gains the party makes in this period will be important gains for the YSA as well. Likewise, as the YSA is able to educate students and lead student struggles, we will be able to give support to and help provide the cadres to lead the workers' struggles to come. * * * We are involved in the same struggles, the same campaigns, though in different arenas.

Farley, who had been assigned to Canada to aid in the unification of rival Fourth International groups, noted:

> Like the SWP, our primary task is to recruit and educate the forces that will lead a socialist revolution in this country.

Farley commended the YSA high school recruitment programs being conducted "in collaboration with the SWP" in "cities like Houston, Detroit, Chicago, San Francisco, Washington, D.C., St. Louis, and others." The target in the city high schools are the "national minorities" defined as "black, Chicano, and Puerto Rican youth." Although Farley conceded that only about 10 percent of the YSA's 556 members in chapters—there are another 150 at-large members—some 56 persons—were high school students and that "high school students are not automatically going to come to us. We will have to go to them," she underscored the need to concentrate on this area:

> Stepping up the high school recruitment to the YSA will be the key to building the kind of revolutionary youth organization that will be able to meet the test of the struggles to come.

The tactics for recruiting high school students were spelled out by YSA organizational strategist John Linder in his national committee report. His solution: use the members of the Socialist Workers Party who are employed as teachers in the high school and who thus have access to the students plus grading authority over them as recruiters. In his May report to the national committee, Linder said that the YSA's national executive committee had decided to concentrate on high school recruitment. "There are 23 million junior and senior high school students in this country. Urban high schools, which are the ones we want to get into, are predominantly black, Chicano, or Puerto Rican in most major cities.

Linder then went on to describe a strategy decision taken at the SWP national committee meeting in April 1977:

> The SWP's largest trade union fraction is the teachers fraction. These comrades are already inside the high schools, and they're paid to talk to students eight hours a day.

Linder then provided an example of how an SWP member who is a teacher should go about conducting what Lenin termed "workplace organizing:"

> Eric Martel, a party member who teaches at Cardoza High School in Washington, D.C., was able to sell more than 100 Militant [SWP weekly newspaper] subscriptions to students in his school last fall, and 23 subscriptions to the YS [Young Socialist, YSA's monthly newspaper]. He helped to get a SCAR [National Student Coalition Against Racism] chapter going which is how we met the two students who just joined the YSA.

As Betsey Farley had pointed out in her report, "our involvement in NSCAR," a front of the SWP and YSA, "is one of the best ways to meet radicalizing black, Chicano, and Puerto Rican youth."

Linder then outlined work in Houston, Tex.:

> In February of 1975 the Houston SWP held a Militant Forum commemorating the assassination of Malcolm X. One of the branch members who was a junior high school teach-

er announced to her class that anybody who wanted to come to the forum could get a ride from her. Ten to fifteen students went.

A SCAR speaker at the forum gave a talk on school desegregation and the May 17 march in Boston that was coming up. A number of students got interested in SCAR, started coming to citywide SCAR meetings, and helped build May 17. None of them had been involved in political activity before * * *.

The SWP was running a mayoral campaign at the time and was also running Dan Fein, a high school teacher, for school board. One rally was held outside the school where Dan taught, and a number of students helped build it and pass out literature there. Downtown rallies and Militant Forums also involved students.

Over a period of time the YSA and party [SWP] came to be seen by a fairly large group of high school students as organizations that were fighting for the right things.

Two of the high school students who became SCAR leaders also joined the YSA. Then, in the spring of 1976, the SWP set up a branch in northeast Houston "partially because of the openings created by having two high school comrades in that community." The high Trotskyites helped the SWP organizers meet the parents of students and start recruiting among them:

These two comrades built a SCAR chapter in northeast Houston which played a big role in protesting a brutal police murder. When the YSA convention came around [December 1976], Renee Fontenot tells me, they went around to contacts in their school and told them that if they wanted to check out the YSA they should come to our convention. About fifteen came and joined the YSA right when they got back.

As Linder said, "This chronology offers a wealth of lessons for us (about) the role that teachers can play."

The SWP/YSA move into the high schools and junior high schools where their recruitment targets are children between the ages of 13 and 18 is partially due to these preliminary successes in Houston, Washington, Chicago, where "there are three high school students and one junior high schooi student who joined the Westside branch of the SWP;" and other cities. The second reason is competition from the Socialist Workers party's rivals; the Maoists of the Revolutionary Communist Party—RCP—which have recently combined its campus-based Revolutionary Student Brigade—RSB—with its "community" based Youth in Action to form a revolutionary Communist youth organization; and the International Socialists—IS—a rival Trotskyite organization whose youth group, Red Tide, which is active in Detroit, Chicago, Los Angeles, and other cities and which the SWP admits has more high school members than the YSA.

In summarizing the reports of SWP/YSA informants who have penetrated both the IS's Red Tide and the RCP's RSB/Youth in Action examining the organizational weaknesses and mistakes, Linder noted that "most of the initial recruitment to Red Tide is done by IS members who are teachers."

The YSA move into the big city high schools was delayed for almost a year as the result of a disasterous reorganization in which most of the experienced and disciplined cadres were "released" to the SWP leaving YSA in a condition similar to New York shops after the summer blackout. The YSA's internal woes, now being controlled by the assignment of experienced SWP members to oversee YSA work, are detailed in the following article citing internal Socialist Workers Party publications which appeared in the Information Digest, a newsletter of analysis and commentary on current political and social movements:

YSA CRIPPLED BY REORGANIZATION

The Socialist Workers Party (SWP), the U.S. section of the Trotskyist communist Fourth International, has circulated a confidential report on the disastrous results of the complete reorganization of its youth group, the Young Socialist Alliance (YSA), which commenced in 1976.

In order to inflate the membership figures of the SWP in advance of the Fourth International's World Congress to be held next year, the SWP coopted almost 600 YSA members directly into the SWP. At the same time, YSA recruitment was directed primarily at black, Puerto Rican and Chicano high school and college students through the SWP/YSA front group, the National Student Coalition Against Racism (NSCAR). Many of these newly recruited revolutionists have little organizational experience and little inclination to strictly implement the National Committee's directives. The result has been chaos.

As a report by SWP/YSA leader Cathy Sedwick, revised from her speech to the SWP National Convention and circulated in the SWP Internal Information Bulletin [September 1977, No. 7 in 1977] states, YSA membership has been reduced from 1,150 to 556. Her report continued:

"The average chapter in cities where an SWP branch exists went from 30 to 35 members to 6 to 10 members. In some cities that have had long-established YSA chapters, the YSA has been greatly weakened. The question of whether a YSA will even exist at all has been raised on some cities.

"The YSA leadership is newer and less experienced and has many new political and organizational problems to cope with. * * * The YSA leadership has to think out the best way to carry out the increasing number of YSA campaigns in the framework of smaller chapters. Chapters have to decide what their political priorities will be: how they can carry out sales, have campus forums, set up literature tables, recruit to the YSA, and integrate new members.

"This has been made more difficult, because when the YSA moved out of the branch headquarters and onto the campuses, we left behind some of the important norms and responsibilities of the YSA.

"YSA meetings, for example, don't always happen every week on a regular basis. The smaller chapters, where comrades see each other every day, have created a tendency to feel that there is little to discuss at a chapter meeting. The executive committee meetings in many cases have either substituted for the chapter meeting or ceased to take place at all."

Sedwick went on to chronicle the woes of YSA: The campus-based chapters are exerting too much independence and are neglecting to carry out programs, particularly "women's liberation work" and "antiracist work."

"YSA finances have suffered. Many of the more experienced financial directors were part of the more than 500 comrades released to the Socialist Workers Party. This has affected the professionalism of YSA finances. Sustainers and dues often go uncollected.

"National fund drive income is less, because of the smaller predominantly student membership of the YSA. This has necessitated certain cutbacks, including a smaller national office staff and a Young Socialist of 12 pages."

The remedies proposed are to simply close out smaller YSA chapters and assign designated SWP members to closely oversee YSA activities, to bring YSA members to work with the SWP in joint fractions "such as women's liberation or antiracist work, election campaigns, strike support, etc." Experienced members of SWP branches will also supervise the recruitment of new YSA members.

Of the present 556 YSA members, 10% are high school students and 78% are in colleges. Despite its preferential recruitment of racial and ethnic minorities, there are only 84 Blacks, 13 Chicanos, 3 Puerto Ricans, 6 other Latinos, and 4 Asian-Americans in the YSA. Twenty-four of the fifty-seven members of the YSA National Committee are "members of oppressed national minorities," and the YSA Executive Committee is "half Black and Latino."

The SWP's strident "antiracist" efforts in recruiting minority cadres and capitalizing on various incidents of racial tension has apparently not eradicated racial and ethnic animosity among their own members. SWP National Committee member Richard Garza, who has been calling himself Catarino Garza for the past several years to emphasize his ethnicity, has reported on incidents at the SWP National Convention in August.

First, on Monday, August 9, Spanish-speaking representatives of Fourth International parties in Mexico, Colombia, the Dominican Republic, Martinique, Spain, "the Latin American community in Israel," the SWP, Puerto Rico and of the U.S. La Raza Unida Party (LRUP) met to hold an informal "mini-conference." Some of those attending decided "to tell some comrades that they were not welcome at the meeting. The convenors did not know this. I as the chair did not know this."

"A real problem soon grew. I was invited to attend what I thought was to be a social affair of Black and Latino comrades on Wednesday. I have always enjoyed parties and said, sure, my companion and I would be there. My companion is neither Black nor Latina. One of the comrades who invited me indicated that it might not be cool if she attended. Since it was presented as a social affair I didn't think I'd enjoy myself as much as I would at some other social where my companion could also be present and said so."

Garza confesses that he had merely shugged off the incident and continues his report with his own consciousness raised:

"Comrades of our party and other Trotskyist parties were 'invited' to leave the Black and Latino social on Wednesday night by some comrades of the SWP. * * *

"Among the comrades asked to leave this affair was a comrade of the Mexican Partido Revolucionario de los Trabajadores [PRT], because he originally came from the United States and is white. He was called a 'gringo' by a comrade of the SWP. This is particularly offensive because 'gringo' means not just Yankee; it also means stranger, invader. Imagine, a comrade from another section [of the Fourth International] called an invader at a function held at our convention!

"This caused some Israeli comrades who had been exiled from Argentina to protest. And it led to the comrades of the Mexican PRT, the Israeli comrades, and some other comrades leaving. They strongly protested the uncomradedly treatment of the PRT member.

"Another incident at the Wednesday night party involved some Asian-American comrades. One of them is not a party member, but she is married to an SWP comrade who is white, and he was asked to leave. It reached the point where an SWP member was going around the room asking people what their race was and asking people, as it was put, 'to respect the feelings of non-white comrades by leaving the social.'

"You heard me correctly. Leninists at a large social affair at this convention went

around telling workers of one race that the only way they could 'respect the feelings' of other comrades was to get out of the social affair. These are people who in theory are going to go into combat side by side—not necessarily as friends but as comrades in arms who may have to entrust their very lives to each other."

Garza then went on to denounce a planned homosexual and lesbian social on similar grounds. One homosexual SWP member was not invited to the "social" because he is a supporter of the party-line on "gay liberation;" yet "a comrade who isn't gay but opposes the majority's position on gay liberation was invited because he had a car and could get liquor for the party." Garza's solution to prohibit "exclusive" meetings and socials except for fractional meetings to discuss implementation of the SWP's program was then adopted.

PERSONAL EXPLANATION

HON. GILLIS W. LONG

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. LONG of Louisiana. Mr. Speaker, due to official business in my district Thursday, November 3, 1977, I was unable to be present for the rollcall vote No. 739, concerning Senate compromise language on the matter of Federal funding for abortion.

Had I been present, I would have voted against the Senate compromise and in support of the House position, as I have in every instance in the past.

COMMENTARIES ON THE CONSTITUTION BY DR. PAUL WEISS

HON. PHILIP E. RUPPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. RUPPE. Mr. Speaker, the Angelican Bishop Hoadley once remarked:

Whoever has absolute authority to interpret any written or spoken laws, it is he who is truly the law giver to all intents and purposes and not the person who first wrote or spoke them.

A recognition of the role which the courts play in the determination of law, particularly the Supreme Court as it interprets the U.S. Constitution, suggests the need for periodic stocktaking by examination of the Constitution itself. A most important contribution to such an examination has been made by Paul Weiss. Mr. Weiss is Heffer professor of philosophy at the Catholic University of America where he regularly offers a course on the U.S. Constitution. Among his 21 books are 3 which deal specifically with the lawmaking process: "Our Public Life," "Man's Freedom," and "The Making of Men." At a recent meeting of the Capitol Hill First Friday Club, he reviewed some of the problems encountered by the Supreme Court when interpreting the Constitution. Since his remarks have a value beyond the context in which they were made, I wish to include in the RECORD a transcript of his remarks:

COMMENTARIES ON THE CONSTITUTION

BY DR. PAUL WEISS

The students I teach are those who have had a course in Constitutional Law. They take the course with me because the course they had does not involve a reading of the Constitution. All they do is read cases. It is a great surprise to them when they see what the United States Constitution covers. It takes me an entire term to do no more than deal with the Preamble of the Constitution and the first fourteen amendments.

A few preliminary remarks: The Constitution constitutes the United States. It is therefore wrong to think we are now celebrating the Bicentennial of the United States of America; there was no United States of America before 1789. In 1776, there were only colonies.

The United States Constitution has a preamble. According to some jurists, that preamble is not part of the Constitution. Since it does tell us the purpose of the Constitution it should be read with care. It begins with "We the People". There are many kinds of we's—editorial "we's", social "we's", authoritative "we's" are the more familiar. Which is intended? 'The people' provides little help—and has ambiguities of its own. Children and women presumably are persons, loci of rights, but "we the People" here is not intended to include children, women, or indentured servants, slaves or Indians.

We the people, it says, are going to establish a more perfect union. The reference to a future more perfect is that we have a less perfect union now—the Confederation where states opposed states, where there were a number of armies in different states, and taxes on imports from other states. And then we had this most amazing outcome, the formation of a new unity, a perfect union. Each of the States was sovereign in a way. To get the more perfect union each had to give up some of that sovereignty to a single unity. At that time the units, The United States of America, was not a power greater than the several states. Since the Civil War, it has been. One has almost swallowed up the many despite the ninth amendment.

Mr. Justice Black often spoke as though we had to pay attention only to the First Amendment. He said he read it just as it was written, and needed nothing more. When it says "Congress shall make no law. . . ." it means simply that no legislation limiting freedom of speech etc. is constitutionally valid. But that supposes either that other provisions do not have any weight or never conflict with this.

The amendment doesn't say Congress shall make no law abolishing freedom of speech, but that it shall make no law abridging it. That means that we already have freedom of speech.

The fourth amendment speaks of "the right of the people". Does 't mean the kind of people who signed the Constitution? Does it mean the men who are able to vote in their respective states? The signers represented only a limited number of people. The others were to be counted as fractions of those who are qualified to vote and who alone had all the privileges and rights given by the constitution.

Madison in the "Federalist Papers" takes the United States to be a republic with ownership of land as a precondition for voting. Even today an alien who wishes to become a citizen must say that we have a republican form of government. But what we in fact have is a democracy. Suppose an applicant for citizenship said this? Perhaps he would be denied citizenship.

The fifth amendment protects us against double jeopardy. But it is not clear whether the jeopardy is for a crime or relates to a particular jurisdiction. Today it is held that you could be tried twice for the same crime, once by the state and once by the United States. The Constitution has other loopholes. We are supposedly protected against cruel and inhuman punishment. A recent Supreme Court decision says that the protection does not extend to school children. Apparently you can hang children up by their thumbs and scare them out of their wits in school, but you will not be subjecting them to a cruel and inhuman punishment which the Constitution prohibits. The Constitution didn't say whether or not it applies to children.

The thirteenth amendment says that you are not allowed to have slavery or involuntary servitude, except under certain circumstances. Involuntary servitude—I suppose if you were drafted into the army that's involuntary servitude—demanded by the United States is apparently permitted. If so, the thirteenth amendment is a time-bomb. We have not had decisions telling us that under no circumstances whatsoever is slavery not permitted.

The sixth amendment says we are entitled to a speedy and public trial. What is a speedy trial? "Speedy" is like "unreasonable searches." Neither has definite boundaries. The only way you can determine what a speedy trial is, is by being reasonable. Being reasonable I suppose is understanding what is relevant as understood by a mature member of this society. That's the idea behind the jury system, where we take the ordinary citizen, not necessarily educated or trained, and look to him to know what it is proper to expect of a member of our society.

The seventh amendment says that in commonlaw suits where the controversial value is more than twenty dollars you have a right of trial by jury. But twenty dollars then is closer to a hundred than twenty today. Here's an indication of what happens when we're too precise. Yet we do not determine precisely or exactly what it says we are going to be forced as to what our rights are and what they are not.

The ninth amendment has rarely been used. It's very important. It says: The enumeration of certain rights in the Constitution shall not be construed to deny or disparage others retained by the people. What enumeration? The Bill of Rights? But these are amendments to the Constitution. What are the rights that we have retained? In the case of *Griswold* vs. *Connecticut*, Mr. Justice Goldberg said that in the penumbra, in the shadow or dark places of the amendment he discerns a right of privacy. If you can find that there you can find anything. Mr. Justice Goldberg went on to say that the right was implied. What else is implied? Over the years the Supreme Court or other courts have discovered implied rights; immigration, parenthood, against starvation, education, some kind of public existence. But we have no expressed formulation of the rights we are supposed to have retained.

This is rather sad and strange, for apparently we have many rights but nobody seems to know what they are. How are we going to find just what rights we retain? We must, I think, know what it is to be a person. A person is a locus of rights, but not necessarily a living human being. A corporation, the Court has said, is a person or a quasi-person, but a fetus is not. To find out what rights we have, we have to understand what are the essential dimensions of a person. A right is a claim. If it's something we retain it is native following from the fact that one is a person independent of the Constitution.

The fourteenth and part of the fifth amendments seem to be duplicates. Both

say we cannot be denied life, liberty, and property without due process. The fourteenth says that no state may deprive you of these rights without due process; and the fifth presumably says the U.S. cannot do so.

Question: What are the implications of of the amendment that guarantees women their rights?

In one way, of course, those rights are already guaranteed by the thirteenth and fourteenth amendments, since women are persons. I'm not confident the ERA is desirable. By emphasizing one special group it opens up the question to whether or not we need special amendments for the rights of Puerto Ricans, for the aged, and for children. We run a risk if we insist on amendments for special groups. It is one thing to insist that women have not been given their full rights as persons, and another to hold that they have equal rights only because of an amendment. We want to argue against the Supreme Court again.

Question: Do you think there will be an amendment to guarantee the right to life for the unborn?

No, for almost the entire administration is against it. So is the Supreme Court. The abortion case by the way was badly argued, particularly by the lawyers for the Catholic Church which entered as amicus. Instead of arguing on behalf of the fetus as a person, they offered medical evidence about viability. They were answered a fetus is not a person according to the fourteenth amendment. The issue isn't, "is the fetus alive?" or "Is it a human?" Slaves are humans. The issue is, is the fetus a person according to that amendment and they should have therefore addressed the point. You would have thought that an amicus, knowing the history of discussion in theology from the middle ages on, would have the sense to talk about the nature of a person. The decision was dumb; the people who argued it were dumb. It's really a dreadful exhibition of incompetence, on both sides of the bench. You cannot know if someone is a person just by knowing he's human. There was no doubt that blacks were humans. You couldn't kill them with impunity or eat them. They were chattels, could be bought and sold. But we had to have an amendment to tell us that they were persons.

Question: How would you discuss the President's declaration of human rights?

I think that Mr. Carter and Mr. Breshnev are talking at cross purposes. For Russians, fundamental realities are classes—economic, historic, dialetical in which the individual is a delimited region. From such a pont of view, one who stands away from his class is what the Greeks would call an idiot, one who is alone, solitary, who somehow does not fit. The Russians view deviants and they treat the people in this way. Mr. Carter, on the other hand, is arguing, without expressingly saying it, about native rights which individuals possess, and which presumably Mr. Carter believes are given by God. We have here a confrontation between having rights which are possessed by numbers of a class and those which are native. We start the other way around from them. Our ninth amendment says we have native rights. They know nothing of these. A deviant for us retains his native rights, even while he is acting against the government. For them, a deviant violates or contradicts the very source of rights, and therefore, is mad to some degree. The Russians are as consistent as we are. There will never be a meeting of minds on this issue unless this difference is understood. In the He'sinki agreement to be sure the Russians seem to acknowledge private rights, while some of our rights are bestowed by the State.

Question: What is your opinion on the cases involving cruel and inhuman punishment?

What is cruel and unusual punishment? It might be cruel and not be unusual. Even though you may hurt children for life by what you might say to them, or how you might expose them to certain kinds of unjust and unusual treatment, the Supreme Court says that the children are not constitutionally protected. It might say that capital punishment is certainly not unusual, and perhaps is not particularly cruel. I don't think there's much to hope that the present Supreme Court will grasp the subtleties of the Constitution.

Question: How many areas of the constitution could be made more explicit?

It has to be stated in very general terms so as to be able to apply widely. Yet in some places, as we have seen, it's over explicit. In others it must be understood in a very loose sense. When it refers to freedom of speech at a time where there is no film, television, radio, or sky-writing it can still be said to include these only if 'speech' is given an extended meaning—general statements take care of the variations and modifications in the course of the development of this country. But in the area of rights we want greater specification.

Question: Do you think these should be defined by means of amendments or by the Court itself?

The Court, when it implies something like the right of privacy, should indicate the principles it uses, and not allow the matter to be decided by the individual perceptiveness of a Justice. The amendment process is too slow. I think we need either to have a better understanding of the basic rights, or to find some device by virtue of which we're able to determine just what rights we in fact have. Of course, I prefer the first method—but then, I have no decisions to make.

ARTHUR CLARKE LOOKS AT OUR TECHNOLOGICAL FUTURE

HON. ALBERT GORE, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. GORE. Mr. Speaker, at a dinner for Members of Congress on October 19, several of our colleagues were privileged to hear remarks made by Arthur Clarke, author of "2001: A Space Odyssey" and of many fiction and nonfiction works about the future. The dinner was part of the "Dialogues on America's Future" series sponsored by the Congressional Clearinghouse on the Future.

Mr. Clarke has the uncanny ability to foresee many technological developments which, although apparently fantastic at the time, have become reality far more quickly than even he expected. It was Arthur Clarke who first conceived of space satellites. Another idea of his—the replicator, a device which can reproduce exact copies of objects in three dimensions—has recently been developed and patented in this country.

Mr. Speaker, I believe that Arthur Clarke's vision must be heeded by us all. The touchstones which he provides can help guide our way as we head toward an uncertain future. I had the honor of introducing Mr. Clarke at this dinner, and I commend the following remarks of his to my colleagues:

THE DISTANT FUTURE APPROACHES QUICKLY

(By Arthur Clarke)

I appreciate this invitation to appear before you, but I should warn you that you've invited me here at your peril. And I'm not referring to the rather interesting coincidence that in my last novel, "Imperial Earth," I demolished this very building in a most cost-effective manner, which I leave to you to discover for yourselves.

I'm referring to the fact that I've never been interested in the near future, but only in the long-range one. This of course is very wise of me; I won't be found out so quickly.

Still, the far future has an unsettling habit of becoming the near future and then the present, often much sooner than anyone expected. I can give a splendid example from my personal experience. It's thirty-two years ago this month that I published my notorious paper on communications satellites. In 1945, I thought this sort of thing would happen around 1990. Essentially everything I predicted occurred by 1970, twenty years ahead of schedule.

And incidentally, I see that you refer to me as the father of communications satellites. Dr. John Pierce, instigator of Telstar, is the father. I am the godfather.

I've tried to sum up my abilities as a prophet—or rather as an extrapolator—by the warning: If you take me too seriously, you'll go broke. If you don't take me seriously enough, your children will go broke.

Timing is the essence in these matters, as in everything else. It isn't really difficult to foresee technological developments, given a modicum of scientific background and a little imagination. But it's incredibly difficult to predict when they will occur, and just how important they will be. I'm sure you will remember how that great and wise man, Dr. Vannevar Bush, told a congressional committee not to waste any time bothering about long-range rockets.

ACCURATE PREDICTION PERHAPS NOT DESIRABLE

Still, I sometimes wonder just how useful a really accurate knowledge of the future would be, if such were possible. While I was preparing these notes, I had a rather amusing fantasy. Suppose Ben Franklin had been able to appear before the first Congress and show some of the wonders that we now take for granted.

I think his revelations might have had a very negative effect. His colleagues would have been pretty mad, as they sweated in the Washington summer, to hear about air conditioning. Their aches and pains would not have been alleviated by the most eloquent description of twentieth-century medicine. As they wore out their eyes trying to read by smokey candles, they wouldn't want to know about electric light.

It's very true that the better is the enemy of the good, and it can be very inhibiting to realize, when you are struggling to solve some problem with existing tools, that far superior ones will be along in ten or twenty—or a hundred—years. What has been called "nostalgia for the future" can become an enervating disease.

So, I'm going to aim for relevance, until the effort becomes too painful. I'll try to remember one of Stanley Kubrick's favorite remarks, when people started to take off into the wild blue yonder: "The only important thing is what to do next." I'm sure many of you will echo that sentiment.

BENEFITS FROM THE SPACE PROGRAM

Now, my main interest, and identification, has always been space. The relevance of that is often challenged—though I'm happy to detect an upsurge in interest nowadays. So I'd like to do a quick run-through of the ways in which space has started to pay for itself. Although much of this will be familiar to you, I think I have a number of new angles as well as some rather pretty pictures. A number of these points I made when I appeared before Representative Don Fuqua's Space Committee last year, and you'll find my testimony in its proceedings, Future Space Programs 1976 (Subcommittee on

Space Science and Applications of the House Committee on Science and Technology).

(At this point, Mr. Clarke presented some slides from the American Institute of Aeronautics and Astronautics' program called "Via Satellite," illustrating such developments as the ATS-6 experimental satellite loaned to India by NASA on a one-year contract to conduct mass education programs; aeronautic, maritime, and weather satellites; and the Earth Resources (Landsat) satellites which provide invaluable information about the resources, animal life, vegetation, agriculture, geological patterns, settlements, and pollution of the earth.)

(Mr. Clarke's remarks continue:)

One of the major results of the space program has been to give us an appreciation of the earth's place in the universe—an appreciation of its beauty, its uniqueness, its fragility—especially as compared with the barren, lifeless moon.

I think the Apollo program will be the one for which this country will be more remembered in centuries ahead. In the natural course of events, we might have gotten to the moon by the year 2000. We got there forty years ahead of schedule. We will go back there when the shuttle and its successors are fully developed, and we will start new civilizations and new cultures there and elsewhere in the solar system.

We must keep these frontiers, these prospects, ahead of us when we strive for relevant long-range goals.

There are other technologies, besides those applied in space, which are important for the future. One of these is thermonuclear fusion power; if that comes about in the next few decades, our energy problems would be enormously alleviated and, in the long term, solved. There would be no energy shortage. Unfortunately, development will take a long time, and I don't think we can expect anything for another thirty years. I suspect in the long run fusion power will come on line during the next century, and the energy shortage will be a thing of the past.

ANOTHER IDEA BECOMES TECHNOLOGY: THE REPLICATOR

Another technological development which—if it becomes widely used—will have even more revolutionary consequences is the replicator. This is a machine that can make a copy of anything in its three-dimensional form, in all its detail. Suppose we could manufacture an object all in one operation. It would put all the mechanics out of work, all the lathes, all the machine tools. I discussed this twenty years ago in a book called "Profiles of the Future," never imagining it would come to pass in my lifetime. Imagine my astonishment when I learned that the first patent for the replicator had been put out by a company in California called OMTEC. It's all still very crude; I have the patent if anyone is interested in seeing it. There is an article about it in the London Financial Times, September 14, 1977. I have no idea of how long it will take to develop the replicator, but if it comes quickly, the social consequences will be absolutely fantastic. It would make the changes introduced by, say, the cottonpicking machine, look absolutely trivial in comparison. Practically all mechanics would be put out of work; production lines would be closed.

NO LIMITS TO GROWTH

Finally, let me say a few words about the gloom and doom brigade which has been galloping off in all directions since the famous report of the Club of Rome on the Limits to Growth. I'm sure that this controversy has been of great value, because it focused attention on vital issues. But as far as all foreseeable human activities are concerned, there aren't any limits to growth. The limits are to the rate of growth.

Despite the mess we have made of it, we have barely scratched the earth's surface. I could show you some Landsat photographs showing unsuspected mineral resources, oil fields, water resources. And remember, too, that we never use anything up, except a few nuclear processes. Everything else is recycled.

In principle, we have answers to all our problems—often too many answers, which is part of the problem. It is difficult to decide which to choose, and I don't envy you this task.

When I was here the last time, I lamented the dearth of engineers or scientists in Congress. I'm happy to see some improvements in that respect. It's exciting to see two astronauts here, and an engineer in the White House.

Finally, here is some advice about the future, which I would like to leave with you to ponder: Trust Science, but beware of Technology. For in the long run, Science is always right. But if your technology isn't right, there may not be a long run.

QUESTIONS AND ANSWERS

Q. Who set up the programs seen by the Indian people via the ATS-6 satellite?

A. The Indians set up the programs, and NASA provided the satellite service.

Q. Would you comment on the space shuttle?

A. The space shuttle is the key to the future. It is the transportation system that we hope will open up space.

Q. Do you really believe in immortality, and that there are intelligent beings in outer space? And why does a person that has spent his whole life in Western technology become interested in Eastern philosophical thought?

A. I went to Ceylon because of my interest in underwater exploration, which is linked to my interest in space. I love the people and the climate there. I am interested in their religious and philosophical views, even though I don't go along with them.

I take it for granted that the universe is full of living creatures, many of which are far superior to us. In the long run, the greatest goal of space exploration is contact with extraterrestrial intelligence. I hope that in my time I may see the first contact, probably in the form of radio signals, but maybe in a form we cannot imagine today.

URGENT NEEDS VS. LONG-RANGE BENEFITS

Q. If the Congress gave you a few billion to devote to immediate increases in space exploration, what would be the most urgent thing you think ought to be done?

A. The most urgent thing is finding solutions to our domestic problems and problems here on earth. By definition, this cuts out long-range space exploration, which in the long run may be more important, but not urgent. This is always a problem—balancing immediate needs against future benefits.

We must not forget our long-term priorities in space. Some satellites will create industries that we cannot imagine today—industries which will make General Motors look like a backyard firm.

But if we try to answer the question of urgency, I'd say priority should be given to the Earth Resources satellites and the infrastructure to support them. There is no use putting up a satellite and deluging the earth with information if you don't have the plant to process the information, or if it takes three or four months to get the information out of it. This has to be seen to.

The applications satellites are the obvious immediate things. Communications satellites have been a problem. NASA was pulled out of this business on the grounds that communications satellites are in use, and it is now up to private industry to make the next step. But private industry can't always afford the new investment in experimental techniques, and is likely instead to make the best use of what already exists. Therefore the program is limited.

If I were asked what to do with money in space—if I could forget the urgent questions—I'd like to see the continuation of the planetary exploration program and of the space telescope program, and a floating station in the atmosphere of Venus—a balloon that could orbit around Venus with side-scanning radar to see what's beneath the clouds.

Q. What is your concern about the waterholes in space, in reference to extraterrestrial intelligence?

A. My concern is this: if we listen for radio signals from space, where should we listen? Are there natural radio stations in space? There are some, because various atoms and molecules in space do have characteristic frequencies, the most famous of which is the hydrogen frequency. There is also an OH frequency. These radio frequencies tell us a lot about the universe.

Q. Would you comment on UFO's?

A. I'm bored with UFO's; UFO's are common. They are natural phenomena which have not been explained. I don't believe they are spaceships, because they wouldn't spend thousands of years looking for a place to land. However, I do see the possibility of spaceships in ancient times.

Q. Why don't we place more money into space solar power satellites?

A. A number of problems exist. First, space solar power satellites (SSPS) are not presently economically accessible. Second, radio waves emitted by the SSPS may interfere with communications satellites and put radio astronomers out of business. Third, the SSPS are important for the far future rather than the near future. In the near future they will provide energy only for specific large cities. Members of Congress should listen to thorough studies on both sides before they make a decision.

Q. If you had to name a priority for a new energy source, what would it be?

A. Fusion is too far ahead in the future to help us now. Solar power will be important. However, I do not see space solar power soon. We should use solar thermal power, but this form of energy involves huge technical problems. Wind power is important.

Q. If Congress does not come through with all those billions, and if we destroy ourselves, what will happen to the universe?

A. The universe won't notice. But, in a few thousand years the universe will notice if we do *not* destroy ourselves. One day, humans may control the destiny of the stars, because if we survive we will go into space and create colonies. We will go to other solar systems. Far more people will live off the surface of the earth than on it. Much of our future is in space—if we don't blow it on earth.

MONTHLY LIST OF GAO REPORTS

HON. JACK BROOKS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. BROOKS. Mr. Speaker, the monthly list of GAO reports includes summaries of reports which were prepared by the staff of the General Accounting Office. The September 1977 list includes:

MONTHLY LIST OF GAO REPORTS

NATIONAL DEFENSE

Foreign Military Sales—A Potential Drain On The U.S. Defense Posture. LCD-77-440, September 2.

Relationships Between U.S. And NATO Military Command Structures—Need For Closer Integration. LCD-77-419, August 26.

Stockpile Of Lethal Chemical Munitions And Agents—Better Management Needed. LCD-77-205, September 14.

U.S. Lethal Chemical Munitions Policy: Issues Facing The Congress. PSAD-77-84, September 21.

Information On Military Unionization And Organization. FPCD-77-55, September 15.

Hearing Protection: Problems In The Department Of Defense. LCD-77-308, September 15.

Appropriated Fund Support For Nonappropriated Fund And Related Activities In The Department Of Defense. FPCD-77-58, August 31.

The Navy Depot Level Aircraft Maintenance Program—Is There A Serious Backlog? LCD-77-432, September 1.

The Navy's Intermediate Ship Maintenance Program Can Be Improved. LCD-77-412, September 23.

The Department Of Defense Should Increase Efforts To Implement Vertical Controls Over Military Stock Funds. LCD-77-437, September 7.

The Navy's Multimission Carrier Airwing—Can The Mission Be Accomplished With Fewer Resources? LCD-77-409, September 12.

INTERNATIONAL AFFAIRS

Egypt's Capacity To Absorb And Use Economic Assistance Effectively. ID-77-33, September 15.

Responsibilities, Actions, And Coordination Of Federal Agencies In International Telecommunications Services. CED-77-132, September 29.

Use Of Exchange Stabilization Fund Resources—Arrangement With Treasury Provides Access To Information. ID-77-42, September 28.

Examination Of Financial Statements Of The Overseas Private Investment Corporation, Fiscal Years 1976 And 1975. ID-77-24, September 7.

GENERAL SCIENCE, SPACE, AND TECHNOLOGY

The SEASAT-A Project: Where It Stands Today. PSAD-77-126, September 16.

NATURAL RESOURCES, ENVIRONMENT, AND ENERGY

Nuclear Energy's Dilemma: Disposing Of Hazardous Radioactive Waste Safely. EMD-77-41, September 9.

An Unclassified Version Of A Classified Report Entitled "Status Of Physical Security Improvements To ERDA Special Nuclear Material Facilities." EMD-77-60a, September 8.

Multibillion Dollar Construction Grant Program: Are Controls Over Federal Funds Adequate? CED-77-113, September 12.

U.S. Coal Development: Promises, Uncertainties. EMD-77-43, September 22.

The United Kingdom's Development Of Its North Sea Oil And Gas Reserves. ID-77-51, September 23.

More And Better Uses Could Be Made Of Billions Of Gallons Of Water By Improving Irrigation Delivery Systems. CED-77-117, September 2.

The Environmental Impact Statement—It Seldom Causes Long Delays But Could Be More Useful If Prepared Earlier. CED-77-99, August 9.

AGRICULTURE

Food Waste: An Opportunity To Improve Resource Use. CED-77-118, September 16.

COMMERCE AND TRANSPORTATION

Costs Of Cargo Preference. PAD-77-82, September 9.

The Concorde—Results Of A Supersonic Aircraft's Entry Into The United States. CED-77-131, September 15.

Audit Of Financial Statements Of St. Lawrence Seaway Development Corporation Calendar Year 1976. FOD-77-13, September 13.

COMMUNITY AND REGIONAL DEVELOPMENT

Department Of Housing And Urban Development Unresponsive To Multifamily Housing Real Estate Tax Problems. CED-77-125, September 27.

Environmental Reviews Done By Communities: Are They Needed? Are They Adequate? CED-77-123, September 1.

Millions Of Dollars In Delinquent Mortgage Insurance Premiums Should Be Collected By The Department Of Housing And Urban Development. FGMSD-77-33, September 8.

EDUCATION, TRAINING, EMPLOYMENT, AND SOCIAL SERVICES

Problems And Needed Improvements In Evaluating Office Of Education Programs. HRD-76-165, September 8.

Office Of Education's Basic Grant Program Can Be Improved. HRD-77-91, September 21.

Stronger Controls Needed Over The Migrant And Seasonal Farmworkers Association Programs In North Carolina. HRD-77-84, September 8.

Management Of The Seminole Employment Economic Development Corporation. HRD-77-103, September 2.

HEALTH

Most Agency Programs For Employees With Alcohol-Related Problems Still Ineffective. HRD-77-75, September 7.

Need To Establish Safety And Effectiveness Of Antibiotics Used In Animal Feeds. HRD-77-81, June 27.

Lack of Coordination Between Medicaid And Medicare At John J. Kane Hospital. HRD-77-44, May 6.

New Strategy Can Improve Process For Recovering Certain Medical Care Costs. HRD-77-132, September 13.

VETERANS BENEFITS AND SERVICES

Operational And Planning Improvements Needed In The Veterans Administration's "Domiciliary" Program For The Needy And Disabled. HRD-77-69, September 21.

LAW ENFORCEMENT AND JUSTICE

Use Of Interpreters For Language—Disabled Persons Involved In Federal, State, And Local Judicial Proceedings. GGD-77-68, September 16.

GENERAL GOVERNMENT

Internal Revenue Service's Controls Over The Use Of Confidential Informants: Recent Improvements Not Adequate. GGD-77-46, September 1.

Conflicting Congressional Policies: Veterans' Preference And Apportionment vs. Equal Employment Opportunity. FPCD-77-61, September 29.

Problems In The Federal Employee Equal Employment Opportunity Program Need To Be Resolved. FPCD-76-85, September 9.

Benefits From Flexible Work Schedules—Legal Limitations Remain. FPCD-77-62, September 26.

Need To Apply Adequate Control Over The Centralized Payroll System Of The Department Of Health, Education, And Welfare. FGMSD-77-51, September 22.

Needed For More Effective Cross-Service Auditing Arrangements. FGMSD-77-55, September 26.

Compilation Of Recommendations To The Office Of Management And Budget For Improving Government Operations. GGD-77-85, September 13.

Competition For Negotiated Government Procurement Can And Should Be Improved. PSAD-77-152, September 15.

An Organized Approach To Improving Federal Procurement And Acquisition Practices. PSAD-77-128, September 30.

Computer Auditing In The Executive Departments: Not Enough Is Being Done. FGMSD-77-82, September 28.

Millions In Savings Possible In Converting Programs From One Computer To Another. FGMSD-77-34, September 15.

Planning For Source Data Automation In Government Industrial Activities—Coordination Needed. LCD-77-441, September 23.

Technical Assistance: A Way To Promote Better Management Of Guam's Resources And To Increase Its Self-Reliance. GGD-77-80, September 13.

Executive Agencies Can Do Much More In Using Government-Owned Space As An Alternative To Leasing Or New Construction. LCD-77-314, September 27.

No Cafeteria For Federal Employees At Waterside Mall. LCD-77-349, September 20.

What Needs To Be Done To Improve The Supply System Of The District Of Columbia. GGD-77-32, September 29.

Local Vehicle Leasing Options Have Not been Adequately Considered. GGD-77-71, August 5.

Replacing Lost Or Stolen Government Checks: Expedited Service Versus Costs And Risks. GGD-77-65, July 19.

Requirements For Recurring Reports To The Congress. PAD-77-61. For the period through June 30, 1976.

Additionally, letter reports are summarized including:

NATIONAL DEFENSE

The Defense Department has not made proper adjustments to Survivor Benefit Plan annuities based on annuitants' entitlement to Social Security Benefits attributed to deceased members' military service. FPCD-77-74, September 1.

The Defense Department is losing millions of dollars on sales of defense items abroad because normal inventory losses are not being recovered. FGMSD-77-43, September 8.

How much does it cost Defense contractors to comply with requirements of the Renegotiation Act? —, September 10.

Procedures used by the Army in awarding a contract for AN/PRC-77 mobile radio set to E Systems, Incorporated. PSAD-77-163, September 12.

Storage practices for shipments of material under the Foreign Military Sales Program and charges for customer assistance teams LCD-77-238, September 23.

Review of dispute over slow payment of contractor's invoices and claims for reimbursement on a defense contract. PSAD-77-168, September 26.

Actions needed to correct Army FY 1972 and 1973 accounting records for "Other Procurement" appropriation. FGMSD-77-80, September 28.

Additional comments on McDonnell Douglas Corporation's award of a contract for the F-18 ejection seat. PSAD-77-167, September 28.

The Air Force should provide the Congress with more information on the program to construct facilities to support the Space Transportation System at Vandenburg Air Force Base. PSAD-77-109, June 2.

Information on the Navy's FY 1978 request for funds to construct support facilities for Trident submarines. LCD-77-350, June 22.

INTERNATIONAL AFFAIRS

Are supplemental housing allowances paid to employees assigned to the U.S. Mission to the United Nations in New York justified? B-189609, September 26.

Use of Agency for International Development Funds by the International Planned Parenthood Federation. ID-76-46, March 1, 1976.

NATURAL RESOURCES, ENERGY, AND ENVIRONMENT

Is there a need for the Energy Research and Development Administration to set up a new Solar Energy Research Institute? EMD-77-67, September 9.

Matters which should be considered by the Federal Preparedness Agency during its review of policy concerning the Nation's strategic and critical materials stockpile. EMD-77-68, September 9.

Little progress in the Federal Energy Administration's program to order utilities and major fuel burning installations to use coal instead of natural gas or petroleum products. EMD-77-46, September 16.

GAO comments on the U.S. commitment to the development of liquid metal fast breeder reactor technology. EMD-77-56, August 2.

Banning of pesticide DDT by the Environmental Protection Agency and EPA's refusal to allow DDT's emergency use against the Tussock moth in 1973. B-125053, February 26, 1974.

AGRICULTURE

How to reduce the costs of shipping agricultural commodities on U.S.-flag vessels. CED-77-127, September 7.

Advance payments to wheat producers during 1973 under the wheat marketing certificate program and cropland set-aside program. B-176943, April 3, 1974.

Information on additional imports of butter and butter substitutes authorized under a 1973 presidential proclamation. B-180009, June 10, 1974.

COMMERCE AND TRANSPORTATION

Inconsistent patterns in rates charged for shipping manufactured products, agricultural commodities, and raw materials by rail between Texas and Chicago and between Florida and Chicago. B-179218, April 4, 1974.

EDUCATION, TRAINING, EMPLOYMENT, AND SOCIAL SERVICES

Availability of Federal funds for child day care service programs in Maryland. HRD-77-127, August 9.

HEALTH

Grants and loans made by the Department of Health, Education, and Welfare to health maintenance organizations through June 30, 1977. HRD-77-140, September 2.

Improvements needed in the Social Security Administration's accounting system for accounts receivable. FGMSD-77-32, September 6.

Why three nursing homes in South Carolina withdrew from the Medicare program. HRD-77-137, September 9.

The Army needs to establish a reimbursement rate which will recover the full cost of providing intensive care to civilians at the Brooke Army Medical Center. HRD-77-156, September 29.

VETERANS BENEFITS AND SERVICES

Weaknesses in billing procedures at three Florida VA hospitals for electron microscope diagnostic services provided non-Federal hospitals. HRD-77-148, September 16.

The Veterans Administration should review its procedures for admitting patients to VA hospitals to preclude admitting persons previously determined to be ineligible for hospital or outpatient care. HRD-77-149, September 19.

GENERAL GOVERNMENT

Comments on proposed impoundments of funds for the Energy Research and Development Administration and the Treasury Department. OGC-77-28, September 14.

The Civil Service Commission should charge interest on claims against former employees which are collected through reduction of an employees' annuity. FGMSD-77-41, September 15.

Federal advertising expenditures in black-owned enterprises. LCD-77-448, September 19.

The Smithsonian Institution's banking procedures are adequate to insure that non-interest-bearing checking account balances are kept at a minimum. GGD-77-67, September 20.

The Social Security Administration and the General Services Administration did not violate procurement regulations in placing orders for Social Security forms. HRD-77-144, August 31.

The Monthly List of GAO Reports and/or copies of the full texts are available from the U.S. General Accounting Office, Distribution Section, Room 4522, 441 G Street, N.W., Washington, D.C. 20548. Phone (202) 275-6241.

STATEMENT ON NATIONAL CULTURAL PARK LEGISLATION

HON. EDWARD W. PATTISON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. PATTISON of New York. Mr. Speaker, I am today introducing a bill to establish a system of national cultural parks in order that we might indentify and preserve those areas in our country that are rich in cultural, historic, natural, and architectural urban resources. The legislation would for the first time, create a comprehensive park program converging National, State, and local interests for the revitalization of our cities. My legislation sets up a commission to undertake a study and formulate recommendations for the creation of a national system of cultural parks and a demonstration program with participants providing timely information to the commission.

The urban cultural park is a concept which broadens the traditional notion of the urban park limited in location, size, and function to a much wider consideration of a park that is related to the total life of the cities. The concept considers not only natural and manmade elements as environmental resources, but also considers urban man and his social and cultural institutions as resources to be recognized, conserved, and cultivated.

Up until now, the term "urban park" has suggested a spot of green breathing space for the residents of densely populated cities. But the size and availability of urban parkland has never been able to keep pace with the growth of our cities. State and National parks have preserved large tracts of scenic undeveloped land for public recreation and enjoyment, but these large public lands are often all but inaccessible to the average urban citizen.

The National Cultural Park Act is directed at our Nation's urban areas. The purpose is to harness urban resources of national significance including major waterways, scenic landscapes, critical ecological areas, architectural landmarks, and historical neighborhoods reflecting major growth periods. By capturing these elements, communities can draw from them educational and recreational value, assets for community revitalization.

Existing effort by States and localities and existing Federal programs do not adequately meet our needs for preservation, interpretation, and management of these resources. Therefore, under my legislation, once a specific area is designated as a cultural park, the Department of the Interior would work with the local government to preserve and revitalize the area. This revitalization would be assisted by the encouragement of new industrial and commercial uses, by the establishment of programs for neighborhood conservation and community arts, and by the development of a tourism base.

The idea for this legislation came from the Hudson-Mohawk Cultural Park Commission and the Hudson-Mohawk Industrial Gateway. These groups are made up of representatives from Troy, Waterford, Watervliet, Cohoes, and Green Island, N.Y. These organizations have been working toward the formulation of this plan for several months and have the experience of their own park to base their conclusions.

The six neighboring but very independent municipalities at the confluence of the Hudson and Mohawk Rivers have adopted a cooperative cultural park approach to enhance and manage their natural and cultural resources. The communities share a rich architectural heritage that reveals how natural power was used in the early days of the American industrial revolution. Their cultural park initiative is predicated on the expectation that a constructive partnership can be formed with the many levels of government.

The intent of my legislation is to assist the Hudson-Mohawk area along with those other varied communities across the country which share the same needs for revitalization.

SUEZ BAN ON NUCLEAR SUB EMPHASIZES NEED OF CAPE ROUTE

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. McDONALD. Mr. Speaker, the Daily Telegraph of London on October 31, 1977 carried a story detailing Egypt's refusal to permit a British nuclear submarine to transit the Suez Canal. There are two points to be made here. One, this re-emphasizes the criticality of the cape route and two, the same thing could happen to the United States if we yield the Panama Canal. Torrijos, or his successor, could decide one of our nuclear submarines is a danger to his country and refuse transit. Would we go to war over that? Not likely? Where then would we go? To the World Court and wait 2 years for a decision? The article follows for the edification of my colleagues:

SUEZ BAN ON NUCLEAR SUB EMPHASISES NEED OF CAPE ROUTE

(By Desmond Wettern)

Continuing importance to the Royal Navy of the Cape route was demonstrated yesterday by a Defense Ministry admission that the programme of the nuclear submarine, Dreadnought, 4,000 tons, was being considered in the light of Egypt's refusal to let it through Suez.

The Egyptian move has come at a time when the United Nations, with British and American support, is expected to demand tougher measures against South Africa, which has never banned visits by British nuclear submarines.

The Dreadnought is the real spearhead of a task group led by the helicopter-carrying cruiser Tiger, 12,080 tons, flagship of Rear-Admi. Martin Wemyss, Flag Officer Second Flotilla.

The Tiger, five frigates and four supporting Royal Fleet auxiliaries, have already passed through the Suez Canal on their way to the Persian naval base at Bandar Abbas for joint exercises with the Persian Navy.

CONSIDERABLE POTENCY

Long-established tactics with previous task groups have shown that a nuclear submarine with its ability to operate for weeks under water gives even a comparatively small number of warships a considerable potency.

The Dreadnought was also later in the year to give the Australian, New Zealand and other navies a rare opportunity to exercise with a fast deepdiving submarine.

Main purpose of sending the task group east of Suez—it is not due to return to Britain until the late spring—is to provide a British naval presence in an area still of vital importance not only to Britain, but to other NATO nations, a fact that Dr. Luns and other NATO leaders have long acknowledged.

Now that Britain has abandoned her bases at Singapore, Gan in the Maldive Islands and Masirah off the coast of Oman, the navy alone has the means of deploying forces in an area through which pass oil, food and raw materials on which the Western world depends.

For several years a Royal Navy task group has operated annually in the Indian Ocean. Only American forces in the area are two destroyers and a headquarters ship, but these have now to be based on Norfolk, Virginia, following the Bahrein demand that the American base there should be closed.

French naval forces have lost their bases at Djibouti and in the Malagasy Republic, and have only limited facilities in one of the Comore Islands, off east Africa.

The Egyptian ban on the Dreadnought evidently stems from fears that should the submarine run aground or be involved in a collision in the canal, there might be a dangerous discharge of radioactive contaminated water from her reactor cooling system.

But many years' experience with the operation of British and American nuclear submarines have never disclosed the smallest indication of radioactive contamination in any of the ports they have visited. Such submarines in the past have been welcomed in many places.

It is likely that the Dreadnought may be re-routed back through the Mediterranean and around the Cape to join the task group in the Indian Ocean, a voyage she could accomplish completely submerged if required in about three weeks.

But unless the task group's whole programme is to be changed it is unlikely that she could arrive in time to take part in exercises with the Persian Navy.

A FEW WORRIES ON THE WELFARE REFORM PROPOSAL

HON. HAROLD E. FORD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. FORD of Tennessee. Mr. Speaker, I want to take this opportunity to address H.R. 9030, the President's welfare reform proposal. While I welcome a proposal which changes our current welfare system, and which really attempts to address the needs of the poor, I feel that any newly proposed legislation for enactment must eliminate the inadequacies of our current system.

The proposal which is now under consideration is designed to simplfy the incredibly complex system of welfare assistance presently in existence. The simplification will be achieved through a two-part program of jobs and income supplement for those who can work, and single cash assistance payments for those who cannot work. Other provisions to achieve this include a national standard set of eligibility criteria, a single cash benefit in place of various programs for assistance, extension of benefits to previously uncovered populations, a two-parent families and childless couples component, and a plan to make up for inequities of payments across the country.

Though these are needed changes, I have some serious problems with this bill. Foremost among them is the fact that we may very well be introducing another bureaucracy in place of the one we already have. The single cash benefits are still too low to live on: clearly the proposed maximum benefit of $4,200 for a family of four is inadequate. It is a sum, moreover, which is 65 percent of the poverty line, and as it stands now, will not be adequate with changes in the cost of living. This does not assure an adequate income to the poor, albeit States will be expected to add to that sum, though they will not be required to supplement it.

As a representative of an urban area with a significant number of poor, I am, and my constituency is, concerned about the bill's delineation which specifies who can work and who cannot. The plans for determining eligibility seem to be more for the working of the system and for the cost-cutting, than for determining and meeting needs. It has also been pointed out that the current proposal is based on an unrealistically low unemployment rate forecast.

The jobs component, a most essential element of H.R. 9030, needs to be redressed. It is impossible to talk of work requirements until the number of jobs increases. We need to work out a better system for providing more jobs and not additional requirements to get in line for jobs that are not there. Those jobs which will be created as part of the bill need salaries which match prevailing salaries. And State agencies, which will administer these jobs, will have to show more willingness and ability to work with low-income people.

Any new welfare reform proposal must meet the needs of those it will affect. H.R. 9030 is in that direction, but changes must be made to insure that the proposals suggested guarantee that the cash allotments are enough to live on, that there is a strong mechanism to create sufficient jobs at acceptable salaries, and that the provision of social services accompanies cash assistance.

ALASKAN NATURAL GAS TRANSPORTATION SYSTEM

HON. THOMAS A. LUKEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. LUKEN. Mr. Speaker, I rise today in support of House Joint Resolution 621 which passed the House of Representatives and Senate on November 2, 1977, approving the President's decision on the Alaskan Natural Gas Transportation System.

The shortage of natural gas in the United States has manifested itself in shrinking proven reserves, declining production levels, and increasing curtailments of natural gas usage. Hopes to alleviate some of the natural gas shortage rest with the substantial natural gas reserve which was discovered in 1968 at Prudhoe Bay on the North Slope of Alaska. Estimates indicate that this field will contain 26 trillion cubic feet (tcf) of proven natural gas reserves or an amount greater than 10 percent of total U.S. reserves. Some experts think that the total potential natural resources could run as high as 72 to 185 tcf.

This discovery is at a time when the Lower 48 States are experiencing a severe natural gas shortage. The lack of new gas dedications in the interstate market along with a general decline in gas production has led the Federal Power Commission (FPC) to project a 3.9-tcf supply deficiency for firm customers from the period of April 1977 through March 1978. This is a staggering figure and worse shortages are expected in the future. The Alaskan natural gas supply could alleviate a significant portion of the U.S. shortage by supplying as much as 1.2 tcf annually.

On September 8, 1977, President Carter and Canadian Prime Minister Trudeau announced jointly that they had selected the Alcan route for transporting Alaskan natural gas to the Lower 48 States. The Alcan route would begin at Prudhoe Bay, Alaska, follow the Trans-Alaska oil pipeline southward past Fairbanks to Delta Junction where it would depart from the oil pipeline and follow the Alaska Highway into the Yukon Territory. It would cross the northeastern corner of British Columbia and proceed to Caroline Junction, Alberta, where it would split into a western leg delivering gas to the Northwest States and California and an eastern leg to the Midwest United States.

Total length of the Eastern Leg will be 1,352 miles, including 235 miles in Canada and 1,117 miles in the United States. Alaskan gas will be transferred at the Saskatchewan/Montana border from the Canadian-owned portion of the Alcan system to the Northern Border Pipeline system. Northern Border Pipeline Co. is a partnership consisting of subsidiaries or affiliates of Columbia Gas Transmission Corp., Michigan-Wisconsin Pipeline Co., Natural Gas Pipeline Co. of America, Northern Natural Gas Co., Panhandle Eastern Pipeline Co. and Texas Eastern Transmission Corp. The Northern Border system will travel diagonally across Montana, North Dakota, South Dakota, Minnesota, Iowa, and terminate near Chicago, Ill.

Present projections for the Eastern Leg, which will ultimately affect southern Ohio, are that 1 billion cubic feet per day will be transmitted. The Federal Power Commission has estimated that more than 30 percent of this amount will be delivered to region V. Region V consists of Ohio, Illinois, Indiana, Michigan, Minnesota, and Wisconsin.

Although an exact determination is impossible at this time, delivery of the

natural gas to the midwest from the Alcan Pipeline is expected by January 1, 1983. In addition, a proposal is being considered which will enable the United States to borrow from the existing natural gas supply in Alberta, Canada for transmittal to Dwight, Ill. Upon completion of this stretch of pipeline from Alberta to Dwight, the United States could receive up to 200 million cubic feet per day. This would push up the delivery date to the midwest to 1980. At the completion of the entire pipeline the United States would return the borrowed natural gas to Alberta.

The economic benefits to the entire United States will be significant. The Midwest Region and Ohio consumers are expected to receive additional benefits due to the close proximity of the end of the Eastern Leg of the pipeline. In addition, the transmittal companies located in the midwest will have the opportunity to exchange their natural gas holdings in other parts of the country for natural gas purchases made from the Alcan Pipeline at the Eastern Leg. This process, known as displacement, allows considerable savings in transporting costs.

I strongly favor the choice of the Alcan proposal as one which will efficiently transport the natural gas to the lower 48 States without sacrificing environmental concerns. Further, the Alcan Pipeline will save the American people millions of dollars and will continue to reduce our dependence on foreign oil as an energy resource.

TROTSKYITES PLAN EXPANSION

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. McDONALD. Mr. Speaker, the Fourth International, the world party of the Trotskyite Communists recently healed the split that had taken place between those who advocated terrorism now, and those who urged that terrorism be delayed for a more opportune time. The compromise worked out included a continuation of Trotskyite terrorism in Latin America, Europe, and the Middle East, while attempts are made to make new contacts and build the strength of the Trotskyite parties.

During the course of the debate on terrorism, it was revealed that as early as 1962 the Communist government of Cuba had begun the training of Trotskyite cadres in terrorism. Jack Barnes, the leader of the Socialist Workers Party, the American section of the Fourth International revealed at a meeting of his faction on August 17, 1977, that in 1967, "the Cuban leadership was continuing to train and arm guerrillas from various tendencies—including Trotskyists from Bolivia and elsewhere. . . ." Barnes further referred to, "the Cubans' willingness to train a significant number of cadres for armed struggle, including, as we later learned, Trotskyist cadres of the Fourth International." [1]

The Socialist Workers Party convention held at Oberlin, Ohio, August 7–13, 1977, heard greetings on behalf of the Fourth International united secretariat read by A. Udry, a leader of the terrorism now faction. The greetings were to be read by Charles Michaloux, another leader of the terrorism now faction but he was stopped at the Canadian border and denied entry into the United States.

Michaloux, who also serves as a leader of the French section of the Fourth International, was barred from the United States because as a member of a Communist organization he could not be admitted under the terms of the Immigration Act, unless he had a waiver from the Justice Department. He did not have such a waiver, but he has now been advised that if he applied again, the waiver will be granted.

Tariq Ali, also known as Tariq Ali Khan, is a Pakistani who serves as a leader of the British section of the Fourth International, has publicly supported terrorism. Although he had been previously barred from the United States, the State Department advised him that he, too, would be granted a waiver and admitted.[2]

At the present time, Hugo Blanco, a Peruvian Trotskyite terrorist, and Iea Tsemel an Israeli supporter of the Palestine Liberation Organization terrorists are engaged in speaking tours of the United States. The tours were arranged by the Socialist Workers Party. Both are active in the Fourth International.

A major campaign is now being conducted by sections of the Fourth International to recruit individuals and groups from other Marxist movements. Particular targets for recruitment are the tiny Trotskyite splinter sects. The history of the Trotskyite movement has always been filled with splits and splinter groups. As Max Shachtman, a founder of American Trotskyism and one of its few leaders with either intelligence or a sense of humor, once said while looking at the proliferation of Trotskyite groups, "as the old adage says, 'unlucky at fusions—lucky at splits' ". Now, however, they are prepared to merge with not only Trotskyite groups but Stalinists, anarchists, and other leftists.

In England, the International Marxist Group—IMG—section of the Fourth International has about 600 members. They have been engaged in support activity for Irish terrorist groups operating both in England and Ireland. They are now attempting to organize joint actions with an anarchist group called, Big Flame. Other smaller ultra-left groups have also been contacted.

A rival British Trotskyite group formerly called the Revolutionary Socialist League has had more success in a very significant area. They dissolved their organization and now serve as a secret faction in the British Labour Party and its youth organization, Labour Party Young Socialists—LPYS. The secret faction calls itself, the Militant Tendency. It has almost 80 branches and about 1,000 members. The members were instructed to deny that any such group exists. It has, however, a national council, which directs the operations of the members in Britain's ruling Labour Party. This relatively small group has captured the Labour Party Young Socialists. Nick Bradley, a leader of the secret faction, was elected by the LPYS to a seat on the Labour Party national executive committee. Other members of the secret group have also gained key positions in the LPYS.

In Germany, the International Marxist Group—GIM—has a few hundred members. It has developed close relationships with the support apparatus for the Baader-Meinhof terrorist organization, also called the Red Army Faction—RAF. The RAF has received financial support from the East German Communist Government and training in Soviet operated Palestine terrorist camps. The GIM has used its newspaper WAS TUN to give support to the RAF terrorists. Members of GIM participate with the terrorist support apparatus in organizing demonstrations against nuclear power plants. Both groups were among the many German participants in the violent demonstrations at the site of the superphenix breeder reactor in Creys-Malville, France. In the German Federal elections held in October, 1976, the GIM received almost 5,000 votes.

The American section of the Fourth International is the Socialist Workers Party. They too, are reaching out for new recruits. At the August, 1977, national convention the SWP admitted to membership the 45 members of a small Trotskyite group called the Revolutionary Marxist Committee, despite serious theoretical disagreements. The RMC is very security conscious and normally uses "party names" for its members. The SWP on the other hand, now that they are no longer under surveillance by the FBI, felt secure enough to parade the members of the RMC on the stage in front of the entire SWP convention where they could be recognized had there been FBI informants present. The SWP has also published in its internal information bulletin, October 1977, No. 8 the full names of their members that spoke at the convention. In the past when the FBI was watching them, they often used "party names" or only first names. The same issue contains the list of members of the newly elected national committee. That list may be found as an appendix to this report.

The August 1977 convention heard greetings from the organizing committee for the reconstruction of the Fourth International, a rival international Trotskyite group based in France that would like to merge with the Fourth International; an even smaller Trotskyite splinter group which is called Lutte Ouvriere in France and Spark in the United States which would also like to merge; and the Mexican-American leftist group the Raza Unida Party of Texas and New Mexico.

One of the most interesting people present at the convention was 24-year-old James Brinning, who is presently the Socialist Labor Party write-in candidate for mayor of the city of New York. The

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Footnote at end of speech.

Socialist Labor Party is the oldest Marxist Party in America. It has a history of being anti-Soviet, anti-Communist, and an advocate of peaceful change towards socialism. The party has been dormant for many years and most of its members are extremely old. However, in recent years a core of young members have suddenly appeared and taken over key positions including control of the SIP newspaper, the Weekly People. One of these is James Brinning, who is also active in "gay liberation" movements, an area of extensive SWP operations. The SWP expects Brinning and the other members of his faction to join the SWP bringing with them some of the substantial financial assets accumulated by the SIP over the years. Brinning's attendance at the SWP convention indicates that the plan is being carried out.

The Socialist Workers Party has had recent contact with a Mexican terrorist group called the 23rd of September Communist League—LC23. This group which now has a Maoist orientation contains a number of members who have Trotskyite backgrounds. LC23 has committed numerous kidnappings and murders in Mexico and now has a section operating in the southwest United States. The SWP has taken up the defense of Hector Marroquin Manriquez, who has been identified by Mexican authorities as a member of LC23. He is presently serving a 3-month jail sentence in the United States for illegal entry.

LC23 activists in California have been meeting with Milton Zaslow, a former member of the Socialist Workers Party who is a supporter of the Fourth International faction that advocates terrorism now. Zaslow under the name Mike Bartell served as the New York City organizer of the Socialist Workers Party until 1953, when he was expelled as part of a faction that advocated dissolving the SWP to make it easier to operate within the periphery of the Communist Party.[3] Zaslow has been attempting to reenter the Fourth International but has been barred on the insistence of the SWP. He heads a group called the Revolutionary Marxist Organizing Committee, which has an affiliate in Baltimore, Md., called the Baltimore Marxist Group.

The Trotskyites see this as a period for expansion and making new contacts. At the same time, they will be giving support to terrorist activities in various parts of the world. Terrorist organizers and fund raisers are already being brought into this country by the Socialist Workers Party. They have every intention of expanding this program.

The current national committee list of the Socialist Workers Party follows:

National committee: Nan Bailey, Jack Barnes, John Barzman, Nelson Blackstock, George Breitman, Joel Britton, Peter Camejo, Pearl Chertov, Steve Clark, Clifton DeBerry, Maceo Dixon, Catarino Garza, Fred Halstead, John Hawkins, Ed Heisler.

Gus Horowitz, Cindy Jaquith, Doug Jenness, Linda Jenness, Lew Jones, Shelley Kramer, Susan LaMont, Bruce Landau, Frank Lovell, Caroline Lund, Wendy Lyons, Sam Manuel, Malik Miah, Andrea Morell, Derrick Morrison.

Andrew Pulley, Willie Mae Reid, Harry Ring, Olga Rodriguez, Larry Seigle, Ed Shaw, Barry Sheppard, Syd Stapleton, Betsey Stone, Tony Thomas, Mac Warren, Mary-Alice Waters, Nat Weinstein, Judy White, Tim Wohlforth, Pat Wright.

Alternate membership on the national committee: 1. Peggy Brundy, 2. Thabo Ntweng, 3. John Benson, 4. Gerry Foley, 5 & 6. Les Evans, Barbara Matson, 7. Lynn Henderson, 8. Miguel Pendás, 9. Matilde Zimmermann, 10. James Harris, 11. Fred Feldman, 12. Marcia Gallo, 13. Ken Shilman, 14. Dick Roberts, 15, Eric Olsen, 16. Rich Finkel, 17. Dick McBride, 18. Jeff Mackler, 19. Pedro Vásquez.

20. Kipp Dawson, 21. Andy Rose, 22. Ray Markey, 23. Baxter Smith, 24. Helen Meyers, 25. Richie Ariza, 26. Omari Musa, 27. Dave Prince, 28. Robb Wright, 29. Tony Austin, 30. Dianne Feeley, 31. Tom Leonard, 32. Andrea Lubrano, 33. Cathy Sedwick, 34. Katherine Sojourner, 35. Hattie McCutcheon, 36. Sara Johnston, 37. Reba Williams.

SWP MEMBERSHIP FLUCTUATION

Party Membership at Time of Convention

1977, 1610; 1976, 1339; 1975, 1125; 1973, 1125; 1971, 791; 1969, 500; 1967, 385; 1965, 420; 1963, 441; 1961, 413; 1959, 399; 1957, 434; 1954, 480; 1952, 758; 1950, 825; 1948, 1277; 1946, 1470; 1944, 840; 1942, 645; 1940, 1095; 1938, 1520.

FOOTNOTES

[1] Fourth International International Internal Discussion Bulletin #8, September 1977, pp. 14 and 15.

[2] Socialist Workers Party Internal Information Bulletin #8, October 1977, pp. 42.

[3] Socialist Workers Party Education for International, Part 3, Volumes 1 and 2.

JOINT EXPLANATORY STATEMENT ON H.R. 8701

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 4, 1977

Mr. TEAGUE. Mr. Speaker, there follows a joint explanatory statement on H.R. 8701, the GI Bill Improvement Act of 1977:

JOINT EXPLANATORY STATEMENT OF HOUSE BILL, SENATE AMENDMENT, AND COMPROMISE AGREEMENT

TITLE I—GI BILL RATE INCREASES

The House bill and the Senate amendment were designed to amend chapters 31, 34, 35, and 36 of title 38, United States Code, to increase the amounts of education assistance allowances by 6.6 percent.

The compromise agreement contains the Senate provision.

Sec. 105. Veteran-student services

The Senate amendment would increase the amount of the hourly work-study allowance to equal the amount of the Federally-required minimum hourly wage and would provide that such work-study hourly allowance be increased whenever such minimum wage is increased.

The House bill contained no comparable provision.

The compromise agreement contains the Senate provision.

TITLE II—ACCELERATED PAYMENT AND DELIMITING PERIOD EXTENSION

Sec. 201. Accelerated payment and education loan eligibility

The Senate amendment would establish a program of accelerated educational assistance payments, thus making it possible for certain veterans and eligible persons attending a higher cost program of education to receive a greater amount of GI Bill educational assistance. Under the Senate provision, a veteran otherwise eligible, would be entitled to accelerate two-thirds of the amount by which his or her tuition and fees for any school term exceed $700. In addition, the Senate amendment would establish an education loan program to be used in conjunction with the accelerated benefit program. Only those veterans eligible for the loan on the basis of need would be eligible for the accelerated program.

The House bill contained no comparable provision.

The compromise agreement would provide a program for assisting certain veterans attending high-cost programs of education as follows:

(1) any veteran, subject to other limitations, would be eligible to borrow up to $2500 per school year (presently limited to $1500 per school year), as follows:

(a) a veteran would be required to qualify for such loan on the basis of need as defined in section 1789;

(b) a veteran would not be required to have sought loans from other sources;

(c) a veteran enrolled in a course not leading to a standard college degree and of less than 6 months duration (not presently eligible for the VA education loan program) could (as automatically provided for in Senate version) qualify for the expanded loan program upon an exception granted by the Administrator. The Committees expect the Administrator to exercise with care the waiver authority provided under this program in order to assure the appropriate payment of GI Bill moneys.

(2) when the veteran completes the program of education in which enrolled (for example, obtains the degree he is seeking) he or she—subject to the accelerated program computation limitations regarding the 45 months of entitlement—will, if a full-time student, be eligible—under a Federal-State program—for a loan cancellation of up to ⅓ of the amount by which tuition and fees exceed $700 per school term or ⅓ of the amount of the loan for the year involved, whichever is less. Within those limits, the VA will cancel one dollar of the loan amount for each dollar which the State or local governmental unit (or both) in which the school is located repays.

Sec. 203. Delimiting period extension

The Senate amendment would:

(a) extend the period of time a veteran has to utilize his or her GI Bill benefits when the veteran has a mental or physical disability or impairment, not the result of his or her own misconduct, which the Administrator finds prevented the veterans from initiating or completing a course of study; and

(b) extend for two years, in certain instances, the length of time a veteran or eligible spouse who is enrolled in training as a full-time student (and certain veterans in part-time training) at the time his or her delimiting date passes and provide that during the eleventh year and twelfth year of eligibility such veteran or eligible person shall be paid 50 percent and 33 percent, respectively, of the amount of normal entitlement rate.

The House bill contained no comparable provision.

The compromise agreement would:

(a) include the Senate provision with modifications deleting "or impairment" and applying the same provision to eligible spouses under chapter 35 of title 38. The Committees expect that the definition of physical or mental disability will be no less stringent than the definition of disability contained in section 601(1) of title 38.

(b) provide that a veteran or eligible spouse enrolled on a full-time basis at the time the delimiting date passed would (to the extent he/she had monthly loan entitlement remaining) be eligible for a VA loan of up to $2500 during each of the 11th and 12th years provided such veteran or eligible spouse continued in full-time training in that course until that program is completed (generally as outlined in section 203(b) of the Senate version).

Such veteran or eligible spouse would have to qualify on the basis of need, as provided in section 1798, but would not be required to meet the "turndown rule". In addition, a veteran enrolled in a course not leading to a standard college degree and not meeting the 6-month requirement (not presently eligible for the VA loan program) could qualify for the expanded loan program upon an exception granted by the Administrator. All the provisions of the liberalized loan program would be applicable to loan entitlement in the 11th and 12th years. (Under current law, a veteran is eligible for a VA education (section 1798) loan only to the extent he or she has entitlement (maximum of 45 months) and is within the 10-year delimiting period.)

TITLE III—OTHER EDUCATION AND TRAINING AMENDMENTS

Sec. 301. Citation of authority

The Senate amendment would require the Administrator, in the promulgation of issuance of any rule, regulation, guideline, or other published interpretation of title 38, or any amendment thereto, to provide a citation or citations to the particular section of statutory law or other legal authority upon which it is based.

The House bill contained no comparable provision.

The compromise agreement contains the Senate provision.

Sec. 302. Counseling services and predischarge education program report elimination

The Senate amendment would amend section 1663 of title 38 to provide eligible veterans with more extensive VA educational counseling services and require the Administrator to carry out an effective outreach program to acquaint all eligible veterans with the availability and advantages of such counseling.

The House bill contained no comparable provision.

The compromise agreement contains the Senate provision as modified to make specific that the Administrator, where appropriate, provide counseling in regard to employment opportunities and take reasonable steps to notify individual veterans of the availability and advantages of counseling.

Prep Reports

The Senate amendment would eliminate the requirement that the Department of Defense file with the Congress progress reports with respect to the implementation of the Predischarge Education Program.

The House bill contained no comparable provision.

The compromise agreement contains the Senate provision.

Sec. 303. State approving agency reimbursement and report

The House bill would increase by 5 percent the amount of money State approving agencies are reimbursed for expenses incurred in approving educational institutions for purposes of GI Bill enrollment.

The Senate amendment would increase such reimbursement by 10 percent.

The compromise agreement contains the House provision.

The Senate amendment would require State approving agencies to report annually to the Administrator on their specific activities, approvals, and disapprovals during the preceding year.

The House bill contained no comparable provision.

The compromise agreement contains the Senate provision as modified to require the periodic submission of these reports by State approving agencies not less often than annually as determined by the Administrator.

Sec. 304. Correspondence-residence courses, reporting fees, institutional attendance requirements, and vocational course measurement

Correspondence-Residence Courses

The Senate amendment would authorize the approval by the Administrator of a combined correspondence-residence course not meeting the requirement that the correspondence portion normally take at least 6 months to complete if the Administrator finds—based on evidence submitted by the school—that there is a reasonable relationship between the charge for each segment of the course (including the cost to the institution for providing each segment) and the total charge for such course.

The House bill contained no comparable provision.

The compromise agreement does not contain the Senate provision.

Advance Payment

The Senate amendment would require the Administrator to include, as part of the veteran's application form for advance pay and with any advance payment, a notice to the veteran, in clear and simple language, of the period of time between the date of advance payment and the scheduled date of the first monthly benefit payment.

The House bill contained no comparable provision.

The compromise agreement does not contain the Senate provision. The Committees expect the Administrator to take reasonable steps to inform eligible veterans of the advance pay program and of the period of time which will elapse between the date of advance payment and the scheduled date of the first monthly benefit payment.

Reporting Fees

The Senate amendment would increase by $5 and $9 (from $5 and $6 to $10 and $15) the amount of reporting fees paid to reimburse educational institutions for costs incurred in filing with the Veterans' Administration required reports on veterans and eligible persons enrolled in such institutions—the higher rate is paid for each veteran who participates in the advance payment program.

The House bill contained no comparable provision.

The compromise agreement contains the Senate provision as modified to provide increases in reporting fees of $2 and $5—from $5 and $6 to $7 and $11, respectively.

Satisfactory Completion Payment

The Senate amendment would require the payment of $5 to educational institutions for each full-time veteran or eligible person enrolled therein who satisfactorily completes the school term.

The House bill contained no comparable provision.

The compromise agreement does not contain the Senate provision; instead, it requires the VA to conduct a comprehensive longitudinal study of, among other things, the extent to which veterans have used their entitlements under the Post-Korean-Conflict GI Bill and authorizes the appropriation of $2 million for the conduct of such study. The report is to be submitted by September 30, 1979.

Reporting Fees Offset

The Senate amendment would prohibit the Administrator from attempting to collect any administratively determined institutional liability for overpayments under section 1785 of title 38, United States Code, by offsetting the amount of reporting fees to which an institution may be entitled under section 1784(b).

The House bill contained no comparable provision.

The compromise agreement includes the Senate provision as modified to permit such offset where an educational institution is not contesting liability or the liability was upheld by a court of appropriate jurisdiction.

Attendance Records

The Senate amendment would specify that under no circumstances shall section 1785—which pertains to institutional liability for veteran overpayments—or any other provision of title 38, United States Code, be construed as requiring any institution of higher learning to maintain daily attendance records for any course leading to a standard college degree.

The House bill contained no comparable provision.

The compromise agreement contains the Senate provision. The Committees emphasize that this provision does not diminish the responsibility of educational institutions to report without delay the enrollment, interruption, and termination of the education of each eligible veteran and eligible person enrolled therein.

Voc-Tech Clock-Hours

The Senate amendment would reduce the number of clock hours which an accredited institutional trade or technical course must offer to assure that the veterans enrolled therein are eligible for full-time GI Bill benefits—where classroom and theoretical instruction predominate, the required instructional hours are reduced from 22 to 18 and, where classroom and theoretical instruction does not predominate, from 27 to 22 hours.

The House bill contained no comparable provision.

The compromise agreement contains the Senate provision.

Voc-Tech Supervised Study

The Senate amendment would limit to 5 the number of hours of supervised study which non-accredited institutional trade or technical courses are allowed to count in determining compliance with the required clock-hours provisions (30 and 25, respectively for theoretical and non-theoretical instruction).

The House bill contained no comparable provision.

The compromise agreement contains the Senate provision.

Two-Year Rule—Vocational Schools

The Senate amendment would exempt courses with vocational objectives from the application of the rule in those instances where the Administrator determines (i) that the institution offering such courses has been in existence for 2 years or more and has demonstrated its effectiveness in achieving the completion of its courses by students and the employment of persons who completed courses offered by institutions in occupations for which such persons were trained, and (ii) after consultation with the Secretary of Labor, that there is a clear need to train persons for employment in such vocational objective in terms of national priorities.

The House bill contained no comparable provision.

The compromise agreement does not contain the Senate provision.

Civilian Employees

The House bill contained a provision to extend exemption from the two-year rule to certain courses offered by educational institutions pursuant to a contract with the Department of Defense when such courses are available to civilian military personnel.

The Senate amendment contained no similar provision.

The compromise agreement contains the House provision, as modified. Under current law, certain courses under contract with the Department of Defense are exempted from the two-year rule. To qualify for such exemption such courses can be given on or immediately adjacent to a military base, be approved by the State approving agency of the State in which the base is located, and be available only to active-duty military personnel and/or their dependents. Under the House provision, civilian employees would also have been permitted to enroll in such courses without affecting such course's eligibility for a two-year rule exemption. The House provision was modified by deleting the special reference to civilian employees and, instead, providing the Administrator with the authority to waive all or any of the above requirements in order for such a contract course to be eligible for such exemption of the two-year rule.

Two-year rule waiver, branches and extensions

The House bill and the Senate amendment contained a provision to provide, in certain instances, a waiver of the two-year rule for certain branches and extensions of institutions of higher learning.

The compromise agreement contains such a provision.

85–15 rule—35 percent waiver

The Senate amendment would exempt any institution with an enrollment of veterans which comprises 35 percent or less of the total student enrollment (with main campuses and extensions computed separately) from the requirement of course-by-course computation of the rule, except that, where the Administrator has cause to believe that the GI Bill enrollment in particular courses exceeds 85 percent of the total course enrollment, the Administrator can require computation for the particular course and enforce the rule.

The House bill contained no comparable provision.

The compromise agreement includes the provision of the Senate amendment as modified to provide the Administrator with authority to establish—pursuant to prescribed regulations—a lower percent for exemption from the 85–15 rule. The Committees believe that it would generally be desirable for the Administrator to publish information periodically to show how the authorized waivers of the 85–15 rule and two-year rule are being applied.

85–15 Rules—Overseas Residential Courses

The Senate amendment would make the 85–15 rule inapplicable to overseas residential courses.

The House bill contained no comparable provision.

The compromise agreement does not contain the Senate provision.

85–15 Rules—Federal Grants

The House bill contained a provision eliminating from the 85–15 rule computations of those students in receipt of Federal grants other than from the Veterans' Administration.

The Senate amendment would require the Administrator, in consultation with the Commissioner of Education, to conduct a study and submit to the Congress, by August 1, 1978, a report examining the need for including in the 85–15 computation those students in receipt of grants from any Federal department or agency and the problems of such institutions including such a computation of those students in receipt of grants from any Federal department or agency other than the Veterans' Administration, and make inapplicable, until the expiration of 6 months after the date of the filing of such report, the provisions contained in the rule requiring the inclusion of the number of students in receipt of Federal grants when determining compliance with the rule by educational institutions.

The compromise agreement contains the Senate provision as modified to provide that the suspension of the inclusion of such Federal grants shall continue until such time as the Administrator determines that there is an adequate and feasible system for making such computations and to eliminate specific reference of agencies and departments with whom the Administrator must consult during the conduct of the study.

Study—Education approval process

The Senate amendment would mandate the Administrator, in consultation with the Commissioner of Education (HEW), COPA, State approving agencies, and other appropriate bodies, persons, and officials to conduct a study of specific methods of improving the process by which postsecondary education institutions and courses at such institutions are and continue to be approved for the purposes of the GI Bill; require that such study include the need for legislative and administrative action in regard to certain relevant provisions including the "seat-time" requirement and the satisfactory progress requirements of section 1674 and 1724 of title 38, as amended by section 206 and 307, respectively, of Public Law 94–502, and regulations prescribed thereunder; require that the report of such study be submitted to the President and Congress by August 1, 1978; and direct the Administrator, in accordance with applicable law and procedure, to make available from funds appropriated to the Veterans' Administration such sums as are necessary (but not more than $500,000) for the conduct of the study.

The House bill contained no comparable provision.

The compromise agreement contains the Senate provision as modified to strike specific reference to certain departments, agencies, officials, and bodies with whom (or which) the Administrator is required to consult; to require the submission of that portion of the report concerning satisfactory progress by September 30, 1978 and the balance of the report on September 30, 1979, and would authorize the appropriation of $1,000,000 for the conduct of the study.

Satisfactory Progress Provisions

The Senate amendment would suspend, during the period of time required to make the study described below, the implementation of the satisfactory-progress amendments contained in sections 206 and 307 of Public Law 94–502 for any accredited educational institutions submitting to the Administrator catalogs or bulletins which the Administrator determines are in compliance with the provisions of section 1776(b)(6) and (7) of title 38 and require the Administrator, in appropriate instances, to bring to the attention of the Council on Postsecondary Accreditation (COPA)—or other appropriate accrediting or licensing bodies—any course catalogs or bulletins submitted to the Administrator which the Administrator believes may not be in compliance with the standards of the accrediting or licensing body.

The House bill contained no comparable provisions.

The compromise agreement contains the Senate provisions.

Section 701 Relief

The Senate amendment would provide the Administrator with the authority to provide equitable relief to certain educational institutions where the Administrator finds that, as a result of enactment of section 701 of Public Law 94–502 (relating to negotiability of GI Bill assistance checks subject to powers-of-attorney), the institution has incurred an undue hardship.

The House bill contained no comparable provision.

The compromise agreement contains the Senate provision.

Advisory Committee

The Senate amendment would require the Education Advisory Council—established by section 1792 of title 38—to meet at least semiannually; and require the Administrator to consult with the Council on a regular basis.

The House bill contained no comparable provision.

The compromise agreement does not include the Senate provision.

Section 306. Termination of assistance requirements

The Senate amendment would provide that any action to terminate GI Bill assistance must be based upon clear evidence in the possession of the Administrator that the veteran is not, or was not, eligible for such assistance; require the Administrator to give the veteran concurrent written notice whenever the Administrator suspends or terminates such assistance; and require the Administrator to give written notice to the veteran that he/she is entitled to a statement of the reasons for such termination or suspension and an opportunity to be heard.

The House bill contained no comparable provision.

The compromise agreement contains the Senate provision as modified to strike "clear" and "in the Administrator's possession".

Section 307. Vocational rehabilitation study

The Senate amendment would direct the Administrator, in consultation with the HEW Commissioner of Rehabilitation Services, to conduct a study and to submit a report to the President and Congress, due March 1, 1978, in regard to chapter 31 of title 38, the Veterans Vocational Rehabilitation Program, including the Administrator's recommendations for administrative or legislative changes.

The House bill contained no comparable provision.

The compromise agreement contains the Senate provision.

Section 308. Veterans readjustment appointments report

The Senate amendment would require the Chairman of the Civil Service Commission to submit to the President and the Congress, not later than 6 months after enactment, a report on the need for continuation after June 30, 1978, of the authority for veterans readjustment appointments.

The House bill contained no comparable provision.

The compromise agreement contains the Senate provision.

Section 309. Technical amendment

The Senate amendment would make technical amendments to section 101(29) and section 2007(c) of title 38, United States Code.

The House bill contained no comparable provisions.

The compromise agreement contains the Senate provisions.

Section 310. Veterans cost-of-instruction transfer authority

The Senate amendment would authorize the Administrator to conduct, pursuant to either an interagency agreement with HEW or a delegation of authority by that Department (including a fund transfer), the programs carried out under section 420 of the Higher Education Act of 1965 as amended—the Veterans Cost-of-Instruction (VCI) program.

The House bill contained no comparable provision.

The compromise agreement contains the Senate provision as modified to delete reference to "delegation" and to provide for recodification of such section at section 246

of title 38 in the event such transfer occurs (and supercession of section 420).

Section 311. Housing solar energy and weatherization study

The Senate amendment would entitle eligible veterans to an additional $2,000 of home loan guarantee (and $3,800 in direct loans) to install in their homes solar heating, solar heating and cooling, or combined solar heating and cooling or to improve their homes with residential energy conservation measures.

The House bill contained no comparable provision.

The compromise agreement deletes the guaranty entitlement provisions and in lieu thereof mandates the conduct of a study to determine the most effective specific methods of using the programs carried out under, or amending the provision of, chapter 37 of title 38 in order to aid and encourage present and prospective veteran homeowners to install in their homes solar heating, solar heating and cooling, or combined solar heating and cooling and to apply residential energy conservation measures. The Committees expect the VA, in making the study, to consider the provisions in section 311 of H.R. 8701 as amended and passed by the Senate on October 19, 1977.

TITLE IV—WOMEN'S AIR FORCES SERVICE PILOTS

The Senate amendment would extend eligibility for VA benefits to certain members of the WASPs.

The House bill contained no comparable provision.

The compromise agreement would make it possible for certain members of WASPs (and similarly situated groups of civilians who rendered what has previously been considered civilian or contractual service to the Armed Forces) to receive discharges from active military service and, as a consequence, become eligible for VA benefits if the Secretary of Defense determines whether the service of such groups was active-duty service and, in the cases of affirmative determinations, issues discharges under honorable conditions to those members the duration and nature of whose service warrant such discharge.

TITLE V—EFFECTIVE DATES

The House bill contained an October 1, 1977, effective date.

The Senate amendment established the effective date of the Act as the first day of the month beginning 60 days after the date of enactment. However, the effective date of the allowance and reporting fee increases is October 1, 1977, and of the accelerated payment provision (sections 201 and 202) is January 1, 1978. Section 203, in regard to extension of the deliminating period for certain veterans is effective retroactively to May 31, 1976. Sections relating to studies, technical amendments, and administrative matters are generally effective upon enactment.

The compromise amendment follows generally the Senate effective dates.

SENATE—*Tuesday, November 8, 1977*

(Legislative day of Tuesday, November 1, 1977)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the Acting President pro tempore (Mr. METCALF).

RECOGNITION OF LEADERSHIP

The ACTING PRESIDENT pro tempore. The Senator from West Virginia.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Friday, November 4, 1977, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ERDA AUTHORIZATION ACT, 1978—VETO

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the President's veto message on S. 1811, the ERDA Authorization Act, be spread on the Journal and the RECORD, and that it be held at the desk pending further disposition.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. BAKER. Mr. President, reserving the right to object, and I will not object, the distinguished majority leader and I discussed this matter just before the convening of the Senate this morning. I think this is an appropriate way to handle this matter, and I have no objection to this disposition.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The veto message ordered to be printed in the RECORD is as follows:

To the Senate of the United States:

I am returning, without my approval, S. 1811, the Department of Energy Authorization Act of 1978—Civilian Applications.

This bill authorizes fiscal year 1978 appropriations for the Department of Energy's nuclear and non-nuclear energy research, development, and demonstration projects; however, funds for most of these programs, except the Clinch River Breeder Reactor Demonstration Plant, already have been appropriated and made available to the Department.

I cannot approve this legislation because:

It mandates funding for the Clinch River Breeder Reactor Demonstration Plant, that will result in a large and unnecessarily expensive project which, when completed, would be technically obsolete and economically unsound. This decision would channel scarce and much needed effort away from a broad-based breeder reactor development program into a production model which will not be required or economical for many years.

It seriously inhibits the President from pursuing effectively an international policy to prevent the proliferation of nuclear weapons and nuclear explosive capability.

It puts burdensome limitations on the President and the new Department of Energy in exercising necessary judgment to provide an effective energy research and development program.

It puts unwise limitations on our ability to implement the new spent fuels policy which I recently announced, to aid our non-proliferation goals.

It limits the constitutional authority of the President through three one-House veto provisions. One of these provisions could also limit the Administration's ability to recover a fair price for the uranium enrichment service provided by the Federal government.

S. 1811 severely limits the flexibility of the executive branch in expending funds appropriated for the Clinch River project pursuant to this authorization. This is inconsistent with my strong belief that proceeding beyond completion of the systems design phase of the Clinch River facility would imperil the Administration's policy to curb proliferation of nuclear weapons technology. Further, completion of the Clinch River facility would cost American taxpayers an additional $1.4 billion on a facility that is technically and economically unnecessary.

In 1970, when the Clinch River facility was first authorized it was estimated to cost $450 million. Its total cost estimate now exceeds $2.2 billion. The Federal Government's share of the cost of the project has risen from $250 million to $2 billion. Yet current projections of the increase in the need for nuclear-generated electric power in the year 2000 are only one-third of estimates made in 1970. The breeder reactor will, therefore, not be needed in the early 1990's, as had been projected when the Clinch River facility was first authorized.

The Administration is committed to a strong research and development program for advanced nuclear technologies, including base program research on the liquid metal fast breeder, research into alternative breeder cycles, and an accelerated research and development program for advanced non-breeder technologies. These programs are vital to ensure that energy is available to make the transition over the decades ahead from oil and natural gas to other energy sources. All of these programs will be maintained in the absence of S. 1811. Construction of the Clinch River facility in no way is necessary to ensure continued development of nuclear technologies, including liquid metal fast breeder technology.

In vetoing S. 1811, I intend to pursue the authority at my disposal to terminate construction of the Clinch River facility. Further expenditure on the Clinch River facility should be ended in an orderly fashion, and I intend to analyze all available options, including those under the Congressional Budget and Impoundment Control Act of 1974, to ensure that no further unnecessary expenditures on this facility are made.

In addition to those features relating to the Clinch River Breeder Reactor, S. 1811 also contains additional provisions which are not consistent with Admin-

istration policies and the national interest.

The bill would further impede our non-proliferation goals by imposing limitations on the ability of the United States to provide for the storage of spent fuel from foreign reactors in those instances where such an action would serve those goals.

It permits a one-House veto over the criteria and prices which the Administration can adopt, infringing on the Administration's ability to recover the full cost of those enrichment services.

S. 1811 would impede the ability of the Secretary of Energy to organize effectively the research and development activities of the new Department of Energy, in contravention of legislation passed in August establishing the Department.

Finally, it would impose a variety of specific and unnecessary technical restrictions on energy research and development programs, establish one-House veto provisions relating to geothermal facility loan guarantees, and impose a six-month requirement for a recommendation on the purchase and/or operation of the Barnwell reprocessing facility.

I am committed to a vigorous energy research and development strategy to ensure maximum progress on shifting the energy base of the United States away from oil and natural gas. However, I am also concerned about the risk of introducing the plutonium economy through an unnecessary commercial demonstration facility. I believe that we should continue our research and development program without large, unnecessary expenditures for a technologically obsolete project and without imperiling our shared desire for halting the uncontrolled spread of nuclear weapons capability.

JIMMY CARTER.

THE WHITE HOUSE, *November 5, 1977.*

The ACTING PRESIDENT pro tempore. The minority leader is recognized.

Mr. BAKER. Mr. President, I would inquire of the majority leader, if he has no requirement for his time I am prepared to yield back my time under the previous order.

ORDER TO HOLD RECORD OPEN FOR FILING OF BILLS, RESOLUTIONS, STATEMENTS, AND SO FORTH, UNTIL 3 P.M. TODAY

Mr. ROBERT C. BYRD. Mr. President, under the previous order, Senators may introduce bills and resolutions and statements into the RECORD today; they may introduce petitions and memorials, and committees may file reports. There will be a heading in the RECORD called "Transaction of Routine Morning Business" for receiving such reports, and so forth. The same order has been agreed to for the 10 a.m. session on next Tuesday, November 15.

I ask unanimous consent that Senators may have until 3 p.m. today to introduce bills and resolutions, statements and other matters into the RECORD, and committees to file reports.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I have no further requirement for time.

Mr. BAKER. Mr. President, I have no requirement for my time under the standing order, and I yield it back.

ROUTINE MORNING BUSINESS

MESSAGE FROM THE PRESIDENT RECEIVED DURING RECESS

Under authority of the order of November 4, 1977, the Secretary of the Senate on November 5, 1977, received a message from the President of the United States on S. 1811, an act to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, as amended, and for other purposes, together with a veto message thereon.

Under authority of the order of November 4, 1977, the Secretary of the Senate on November 7, 1977, received messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(For nominations received, see the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE RECEIVED DURING RECESS

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Under authority of the order of November 4, 1977, a message from the House of Representatives was received on November 8, 1977, stating that the Speaker had signed the following enrolled bills and joint resolution:

H.R. 2770. An Act to amend section 142 of title 28, United States Code, relating to the furnishing of accommodations to judges of the courts of appeals of the United States;

H.R. 6348. An Act to convey to the Ely Indian Colony the beneficial interest in certain Federal land;

H.R. 8777. An Act to amend the Appalachian Regional Development Act of 1965 to permit an extension of the period of assistance for child development programs while a study is conducted on methods of phasing out Federal assistance to these programs; and

H.J. Res. 643. A Joint Resolution making further continuing appropriations for the fiscal year 1978, and for other purposes.

The enrolled bills and joint resolution were subsequently signed by the Acting President pro tempore (Mr. METCALF).

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

H.R. 3215. An act for the relief of Mr. Olive M. V. T. Davies and her children, Samira D. K. Davies, Ola-Tomi K. Davies, Ola-Yinka K. Davies, Ilesha E. K. Davies, and Baba-Tunji K. Davies (Rept. No. 95-602).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

Audrey A. Kaslow, of California, to be a Commissioner of the U.S. Parole Commission.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, November 8, 1977, he presented to the President of the United States the following enrolled bills:

S. 106. An act to provide for furthering the conservation, protection, and enhancement of the Nation's soil, water, and related resources for sustained use, and for other purposes;

S. 1184. An act to extend the provisions of the Fishermen's Protective Act of 1967, relating to the reimbursement of seized commercial fishermen, until October 1, 1978;

S. 1269. An act for the relief of Camilla A. Hester;

S. 1560. An act to restore the Confederated Tribes of Siletz Indians of Oregon as a federally recognized sovereign Indian tribe, to restore to the Confederated Tribes of Siletz Indians of Oregon and its members those Federal services and benefits furnished to federally recognized American Indian tribes and their members, and for other purposes; and

S. 2281. An act authorizing an increase in the monetary authorization for nine comprehensive river basin plans.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. McCLURE (for himself and Mr. BURDICK):

S. 2308. A bill to refinance the Kennedy Center packing revenue bonds, to establish the "Kennedy Center Performing Arts Fund", and to otherwise encourage the performing arts at the Kennedy Center and elsewhere in the United States; to the Committee on Environment and Public Works.

By Mr. STEVENS (for himself, Mr. ANDERSON, Mr. DOMENICI, Mr. FORD, Mr. HATCH, Mr. HUDDLESTON, Mr. HUMPHREY, Mr. MORGAN, Mr. MOYNIHAN, and Mr. THURMOND):

S. 2309. A bill to amend title 38, United States Code, to provide that a member of a Reserve component of the Armed Forces shall not be denied certain employment because of membership in such Reserve component; to the Committee on Human Resources.

By Mr. PACKWOOD (for himself, Mr. HATFIELD, and Mr. McCLURE):

S. 2310. A bill to approve certain contracts negotiated pursuant to section 7 of the Reclamation Project Act of 1939; to the Committee on Energy and Natural Resources.

By Mr. HOLLINGS:

S. 2311. A bill for the relief of Joseph E. Saleeby; to the Committee on the Judiciary.

By Mr. McCLURE:

S. 2312. A bill to amend the Food and Agriculture Act of 1977 to further encourage and strengthen the Nation's commitment for the production and marketing of industrial hydrocarbons and alcohols from agricultural commodities and forest products; to the Committee on Agriculture, Nutrition, and Forestry.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. McCLURE (for himself and Mr. BURDICK):

S. 2308. A bill to refinance the Kennedy Center parking revenue bonds, to establish the "Kennedy Center Performing Arts Fund," and to otherwise encourage the performing arts at the Kennedy Center and elsewhere in the United States; to the Committee on Environment and Public Works.

KENNEDY CENTER PERFORMING ARTS FUND ACT

Mr. McCLURE. Mr. President, I send to the desk a bill to assist the John F. Kennedy Center for the Performing Arts and to create a mechanism to help fund performing arts productions throughout the country in communities which otherwise would not have access to such performances.

I am pleased that my colleague, the Senator from North Dakota (Mr. BURDICK), has joined me in sponsoring this bill.

On December 31, 1978, an obligation of the Kennedy Center to the U.S. Treasury of $14.6 million will come due. Realistically, the Center will be unable to meet this obligation. During the coming year the Congress must confront this indebtedness issue, and my purpose in introducing this bill is to provide a focus for discussion—as we all desire to resolve in a positive and workable manner the difficulties the Center faces in meeting this obligation.

The bill would refinance the Kennedy Center's parking revenue bond indebtedness, and require the Center to make quarterly payments toward amortization of the refinanced debt. However, all such payments of principal and interest by the Kennedy Center would be set aside in a special Treasury account—and could thereafter become available to match 50 percent against private contributions to the performing arts. One-third of all such matched contributions would be awarded solely to the Kennedy Center to support productions there. Two-thirds would be available to the Chairman of the National Endowment for the Arts for grants to assist performing arts in other areas of the country. In addition, the Kennedy Center's debt obligation would be reduced by an amount equal to the private contributions to the Kennedy Center Performing Arts Fund.

The benefit of this approach, I believe, would be to assist the Center in meeting its debt obligations and at the same time to encourage—through the provision of matching funds—private support for the arts on an ongoing basis, both at the Center and elsewhere in the United States.

Mr. President, for the purpose of illustration I will give an example. Each $1 million raised in private contributions would be matched 50 percent by Government funds out of the "Kennedy Center Bond Amortization Account," yielding $1.5 million for support for the arts. Of this $500,000 could be available to the Center to support productions there, and $1 million could be awarded to support productions elsewhere in the United States. In addition, the Kennedy Center's indebtedness to the Treasury would be reduced by $1 million—the amount of the private contributions. Hence, $1 million in private contributions would yield a total of $2.5 million in support for performing arts.

I hope very much this proposal will be reviewed not only by the Kennedy Center but also by the National Endowment for the Arts as a constructive addition to their "Challenge Grant" and other programs. I believe it could provide an incentive for business and private donors to make contributions to the Kennedy Center and the performing arts—and for the Kennedy Center to receive credit for that effort against its old capital indebtedness.

I recall, for example, when Mr. Roger Stevens, Chairman of the Center's Board of Trustees, told me in my office, and also testified last year before the Senate Environment and Public Works Committee, that private donors may be glad to support performances, productions, and other worthwhile cultural events but that it is awfully difficult to solicit successfully donations to pay the debt on a parking garage built a number of years ago. I recognize that practical difficulty, but consider it insufficient grounds to ask, in effect, that taxpayers as a whole now pay off the debt on the parking garage. I introduce my bill today as a proposal designed to deal constructively with these realities.

To provide background on this subject, it should be noted that in 1964, the Congress authorized $15.4 million in lending authority to finance parking facilities at the Kennedy Center. In 1969, the Congress authorized an additional $5 million, bringing the total lending authority to $20.4 million. The Board of Trustees of the Center issued revenue bonds to the Secretary of the Treasury, payable from revenues accruing to the Board.

The Congress also provided that interest payments could be deferred with the approval of the Secretary of the Treasury, but that any interest payments so deferred would themselves bear interest after June 30, 1972. Under an agreement with the Secretary, interest was deferred until December 31, 1978. At that time, accrued interest will be due in the amount of $14.6 million.

Mr. Stevens last year testified before the Senate Environment and Public Works Committee that remedial legislation will be required to relieve the Kennedy Center of its financial burden associated with the Treasury revenue bonds. He based his statement on the very substantial obligations arising under the bonds, and the Kennedy Center's lack of alternative means to meet this obligation. At the end of 1978, the accrued liability will be approximately $35 million, comprised of $20.4 million in principal and $14.6 million in deferred interest. Approximately $2.1 million in interest is payable on the bonds at the end of 1979, and annually thereafter unless the total due is somehow reduced.

The general counsel of the Kennedy Center has formally proposed* and other officials of the Center have suggested—that all interest, including that accrued and that due in the future, be forgiven. It has also been suggested that the Center could make payment of the principal amount outstanding on the bonds in cqual annual installments of $500,000 a year over the remaining 40 years of the obligation.

Although this proposal is characterized as "forgiveness of interest," with installment payments of the principal, it would amount to forgiveness not only of nearly $15 million of past interest due, but also of about two-thirds of the underlying obligation. For example, the present value of such payments is about $7 million on a $20.4 million bond issue. I do not believe the Congress will be willing to go so far.

Under my bill, the Kennedy Center would be required to deposit at least $1 million a year into the Treasury account. While this amount exceeds the $500,000 that Kennedy Center officials have indicated the Center could afford, should this idea meet with success—and I recognize it would need to be taken up and implemented with enthusiasm—greater benefits and less cost would accrue to the Center than under the "forgiveness" proposal with a $500,000 annual payment for 40 years. For example, when matched by $2 million in contributions, the $1 million could be returned to the Kennedy Center under my proposal, with no net cash loss. At the same time, the Center's old obligation would be reduced by a total of $3 million. In addition, $2 million would be available for performing arts elsewhere in the country.

Rather than simply to forgive a legitimate if difficult debt, I hope we can resolve this issue in a positive and constructive manner—one that will be a workable solution to the difficulties the Center faces, and that will have some ongoing benefit as well.

This is a subject which next year will be before the Committee on Environment and Public Works, and to which I expect to contribute. My proposal is designed to ease the financial bind the Center will confront next year, while providing lasting benefit to the Center and performing arts elsewhere in the country. I hope it will receive thoughtful consideration.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2308

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) this Act may be cited as the "Kennedy Center Performing Arts Fund Act".

(b) As used in this Act, the term—

(1) "gross receipts" includes, among others, receipts from box office and ticket sales, performance hall rentals, parking fees, concessions, reimbursements, gifts, contributions, and other income (other than amounts received under clause (1) of section 4) supporting the performing and nonperforming art functions of the Center;

*Letter dated June 8, 1976, from Ralph E. Becker, General Counsel, John F. Kennedy Center for the Performing Arts, to Senator Robert B. Morgan, then chairman of Subcommittee on Buildings and Grounds. Printed in subcommittee hearing record of August 31, 1976. (Serial No. 94–H54).

(2) "production" shall have the same meaning as that provided for such term in section 3(c) of the National Foundation on the Arts and the Humanities Act of 1965.

SEC. 2. (a) The Secretary of the Treasury and the Board of Trustees of the John F. Kennedy Center for the Performing Arts are authorized to enter into an agreement to provide for the refinancing of the revenue bonds issued under section 9 of the John F. Kennedy Center Act, together with all deferred interest thereon as of the date of such agreement.

(b) Such agreement shall contain provisions to the effect that—

(1) such refinanced extension of credit shall be amortized out of gross receipts of the John F. Kennedy Center for the Performing Arts whereby the Board agrees to deposit in the account established pursuant to section 3, on a quarterly basis, an amount equal to (A) not less than 10 per centum of all gross receipts of the John F. Kennedy Center for the Performing Arts during each such quarter, after payments of amounts due under the cost allocation agreement between the Center and the Secretary of the Interior, or (B) two hundred fifty thousand dollars for each such quarter, whichever is the greater;

(2) the interest chargeable in connection with such refinanced extension of credit shall be determined by the Secretary of the Treasury in accordance with the provisions of section 9 of the John F. Kennedy Center Act.

(c) Notwithstanding any other provision of law, interest on the revenue bonds issued under section 9 of the John F. Kennedy Center Act shall not be deferred beyond December 31, 1978.

(d) The amounts paid out by the Chairman of the National Endowment for the Arts in the form of grants under section 4(a)(2) shall be credited against such refinanced extension of credit obligation of the John F. Kennedy Center for the Performing Arts.

SEC. 3. (a) There is hereby established in the Treasury of the United States an account to be known as the "Kennedy Center Bond Amortization Account". Such account shall consist of such amounts as may be deposited therein pursuant to section 2(b)(1) of this Act.

(b) Moneys in such account shall be available, for the fiscal year ending September 30, 1979, and each fiscal year thereafter in such amounts as may be provided for in appropriations Acts, to the Chairman of the National Endowment for the Arts for the purposes set forth in section 4 of this Act, except that any amount appropriated for any such fiscal year shall not exceed an amount equal to one-half the total contributions received during the preceding fiscal year, by the Chairman of the National Endowment for the Arts and earmarked for deposit in the Kennedy Center Performing Arts Fund established by section 4(a).

SEC. 4. (a) The Chairman of the National Endowment for the Arts shall establish and maintain a fund to be known as the "Kennedy Center Performing Arts Fund". Such fund shall consist of such amounts received by the Chairman of the National Endowment for the Arts, from private, business, commercial, and other non-Federal sources, as contributions earmarked by the contributor for deposit in such fund, together with amounts appropriated pursuant to section 3(b) of this Act. Moneys in such fund shall be available for use, and shall be used, by the Chairman of the National Endowment for the Arts solely for the purpose of making grants to be known as "Kennedy Center Fund Grants", as follows:

(1) one-third of such amount in the fund shall be available solely for the purpose of making such grants to support productions performed at the John F. Kennedy Center for the Performing Arts; and

(2) two-thirds of such amount in the fund shall be available solely for the purpose of making such grants to support productions to be performed in communities or areas which otherwise would not have access to such productions.

By Mr. STEVENS (for himself, Mr. ANDERSON, Mr. DOMENICI, Mr. FORD, Mr. HATCH, Mr. HUDDLESTON, Mr. HUMPHREY, Mr. MORGAN, Mr. MOYNIHAN, and Mr. THURMOND):

S. 2309. A bill to amend title 38, United States Code, to provide that a member of a Reserve component of the Armed Forces shall not be denied certain employment, because of membership in such Reserve component; to the Committee on Human Resources.

Mr. STEVENS. Mr. President, I am today introducing a measure that would make it illegal for an individual to be denied employment because of membership in a reserve unit of the Armed Forces or the National Guard.

This is a companion measure to Congresman BOB TRAXLER's bills, H.R. 7847, 8179, and 8900. Currently 38 House Members have joined Mr. TRAXLER in sponsoring this legislation. I am pleased to have Senators ANDERSON, DOMENICI, FORD, HATCH, HUDDLESTON, HUMPHREY, MORGAN, MOYNIHAN, and THURMOND join me in introducing this measure in the Senate. The National Guard Association of the United States, the Reserve Officers Association of the United States, the Naval Reserve Association, and the Air Force Sergeants Association have also announced their support for this legislation.

As my colleagues are aware, many employers are hesitant to hire a reservist, because of their obligation to participate in summer and weekend drills. Although 320,000 employers have signed a "Statement in Support for the Guard and Reserve," there is no Federal law prohibiting them from discriminating against reservists. Enactment of this legislation would help to correct this situation.

With our All-Volunteer Force and increased reliance on a total force policy, it is increasingly important to rebuild the strength of our military—particularly our reserve units. Today reserve forces are involved with their active duty counterparts in exercises and practice military operations. The increased involvement and dependence on reservists in our national defense posture to provide direct combat arms and maintenance support in event of conflict commands our immediate attention to the assurance of an adequate reserve system. Therefore, it is essential to make military service a viable, alternative career by creating incentives to recruit and retain membership in the Reserve and active duty forces.

Mr. President, I urge my colleagues to act promptly in approving this bill. I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2309

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2021 of title 38, United States Code, is amended by adding at the end thereof the following new subsection:

"(d) No person shall be denied employment (other than employment by an employer having not more than ten employees) because of obligation as a member of a Reserve component of the Armed Forces.".

SEC. 2. Section 2022 of title 38, United States Code, is amended by striking out "or (b)(3)," and inserting in lieu thereof "(b)(3), or (d),".

SEC. 3. The amendments made by this Act shall apply with respect to individuals who are denied employment on or after the date of the enactment of this Act.

Mr. HATCH. Mr. President, I join Senator STEVENS as a sponsor of this particular legislation. Now that we have moved to an all-volunteer force in our military, it is imperative that we maintain a strong and viable Reserve force. When we moved to this volunteer concept, a move that was political in nature, the military accepted this and made immediate adjustments to function under this system. With the removal of the draft, the Reserve units in this country, units which once had long lists of men trying to get in to avoid the draft, have seen their force dwindle. Part of this has been the reluctance of many employers to let key employees leave for their annual training in the summer. The important thing that we must realize is that while employers are required by law to support employees in their Reserve duty, they may be reluctant to hire someone who is a member of the Reserve or National Guard. Now I find this disturbing, for we must continue to build the strength of the Reserves to maintain what the military has termed the Total Force Concept. The urgency to join the Reserve force is no longer present, therefore, we must not allow further restraints from discouraging the young men and women who would like to become members of the Reserve. For this reason I wholeheartedly join with Senator STEVENS in sponsoring his bill to provide that a member of the Reserve component of the Armed Forces shall not be denied employment because of membership in the Reserve component of our Armed Forces.

By Mr. PACKWOOD (for himself, Mr. HATFIELD, and Mr. MCCLURE):

S. 2310. A bill to approve certain contracts negotiated pursuant to section 7 of the Reclamation Project Act of 1939; to the Committee on Energy and Natural Resources.

RECLAMATION PROJECT CONTRACTS

Mr. PACKWOOD. Mr. President, on August 25, 1977, the Department of Interior announced new regulations more strictly enforcing the provisions of the 1902 Reclamation Act prohibiting the irrigation by one person of more than 160 acres of Bureau of Reclamation project land.

One of the many unfortunate results of those regulations would be the repudiation by the Federal Government of over 60 contracts negotiated with irrigation districts which relieve the irri-

gators of the 160-acre limitation once they pay for the costs of constructing the project.

A typical payout clause can be illustrated by that used in the contract of 1957 with the Horsefly Irrigation District, Klamath project, Oregon:

EXCESS LAND PROVISIONS

"17. Pursuant to the provisions of the Federal reclamation laws, water supplied to the District under the terms of this contract shall not be delivered to more than one hundred sixty (160) irrigable acres in the ownership of any one person ... *The provisions of this article shall cease to operate when the construction charge obligation allocable to such land has been paid in full to the United States.*" (Emphasis added.)

These contracts, negotiated and signed in the 1950's, have in most cases been totally paid out.

Now the Department of the Interior is citing a 1976 case, *United States* v. *Tulare Lake Canal Co.* 535 F.2d 1093, as justification for repudiating the "payout clauses" of these contracts. This is taking great liberties with case precedent given the fact that the Tulare Lake Canal Co. does not even have a contact which includes the payout provision.

The bill I am introducing today, with several cosponsors, will correct this situation. It would simply give congressional approval to the threatened contracts. This approval would give the contract the effect of statutory law and Interior would have to execute them as originally drafted and signed. Twenty-one nearly identical contracts, with similar payout provisions, have already received congressional sanction and are, therefore, being upheld by the Department.

I ask unanimous consent that the text of the bill, which includes a list of the projects benefited, be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2310

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following reclamation contracts with water-user organizations negotiated pursuant to section 7 of the Reclamation Project Act of 1939 (53 Stat. 1187), by the Secretary of the Interior with the following contracting entities are hereby approved and the Secretary is authorized to execute such contracts on behalf of the United States:

Project (State): Division: Contracting entity	Contract date
Avondale (Idaho):	
Avondale Irrigation District	July 14, 1954
Emmett Irrigation District	Oct. 4, 1955
Crescent Lake Dam (Oregon): Tumalo Irrigation District.	Sept. 20, 1954
Dalton Gardens (Idaho): Dalton Gardens Irrigation District.	Apr. 26, 1954
Klamath (California-Oregon):	
Miscellaneous contract:	
Poe Valley Improvement District	July 20, 1953
Plevna District Improvement Co	Feb. 7, 1955
Langell Valley: Horsefly Irrigation District	Sept. 16, 1957
Main: Klamath Irrigation District	Nov. 23, 1954
Little Wood River (Idaho): Little Wood River Irrigation District.	June 18, 1958
Michaund Plate (Idaho): Falls Irrigation District.	Nov. 9, 1955
Palisades (Idaho):	
American Springfield Canal Co	Oct. 22, 1952
American Falls Reservoir District	May 13, 1954
Blackfoot Irrigation District	Dec. 12, 1952
Burgess Canal & Irrigation Co	Dec. 18, 1952
Burley Irrigation District	Do.
Butler Island Canal Co., Ltd	Dec. 12, 1952
Palisades (Idaho); Continued:	
Butte & Markal Lake Canal Co	Do.
Clarke & Edwards Canal or Irrigation Co	Do.
Corbett Slough Ditch Co	Do.
Craig Mattson Canal Co	June 22, 1960
Danskin Ditch Co	Dec. 12, 1952
Dilts Irrigation Co., Ltd	Do.
Interprise Canal Co. Ltd	Do.
Interprise Irrigation District	June 2, 1960
Farmers Friend Irrigation Co., Ltd	Dec. 12, 1952
Harrison Canal & Irrigation Co	Do.
Idaho Irrigation Co	Do.
Island Irrigation Co	Do.
Labelle Irrigation Co	Do.
Lenroot Canal Co	Do.
Liberty Park Irrigation Co	Do.
Long Island Irrigation Co	Jan. 19, 1960
Lowder Slough Canal Co., Ltd	Dec. 12, 1952
Martin Canal Co	Do.
Milner Low Lift Irrigation District	Jan. 7, 1955
New Lava Side Ditch Co	Dec. 12, 1952
New Sweden Irrigation District	Do.
North Rigby Irrigation & Canal Co., Inc	Dec. 18, 1952
North Side Canal Co., Ltd	Dec. 12, 1952
Palisades Water Users, Inc	Apr. 6, 1950
Parks & Lewisville Irrigation Co	Dec. 12, 1952
Peoples Canal & Irrigation Co	Dec. 18, 1952
Poplar Irrigation District	Do.
Parsons Ditch Co. (Ltd.)	Feb. 17, 1960
Progressive Irrigation District	Dec. 18, 1952
Reed Canal Co	Dec. 12, 1952
Rigby Canal & Irrigation Co	Do.
Riverside Ditch Co	Do.
Rudy Irrigation District	Do.
Shattuck Irrigation District	Do.
Snake River Valley Irrigation District	Do.
Sunnydall Irrigation District	Do.
Texas Slough Irrigation Canal Co	Do.
Trego Ditch Co	Do.
West Side Mutual Canal Co	July 6, 1954
Watson Slough Ditch Co	Dec. 18, 1952
Wearyrick Ditch Co	Do.
Moodville Canal Co	Do.
Rogue River Basin (Oregon): Talent Irrigation District	Aug. 27, 1956
San Angelo (Texas): Tom Green County Water Control & Improvement District No. 1	June 18, 1959
Umatilla (Oregon): West: West Extension Irrigation District	July 8, 1954
Wapinitia (Oragon): Juniper: Juniper Flat District Improvement Co	Apr. 11, 1957
Yakima (Washington): Kennewick: Kennewick Irrigation District	July 22, 1953
Yuma: Valley: Yuma County Water Users Association	June 15, 1951

By Mr. McCLURE:

S. 2312. A bill to amend the Food and Agriculture Act of 1977 to further encourage and strengthen the Nation's commitment for the production and marketing of industrial hydrocarbons and alcohols from agricultural commodities and forest products; to the Committee on Agriculture, Nutrition, and Forestry.

Mr. McCLURE. Mr. President, earlier this year, the authors of the Food and Agriculture Act of 1977, and Congress as a whole, took a significant step toward fulfillment of two urgent and necessary goals: the increasing of markets for domestic agriculture producers and reducing American dependence on foreign petroleum products.

By guaranteeing four loans of up to $15 million each for the planning and construction of facilities which manufacture industrial hydrocarbons from agricultural commodities and forest products, the U.S. Government has shown its desire to find and consume, wherever possible, sound alternate, renewable fuels in place of ever-decreasing, nonrenewable fossil fuel supplies.

While this, again, is a significant step and duly commendable, I firmly believe that the United States is capable—both financially and technologically—to take much bigger steps. The legislation I introduce today thus amends the 1977 Food and Agriculture Act by granting authority for the guarantee of 25 pilot project loans across this country, rather than just 4.

It is well known that "gasohol" technology has been with us since before World War II. It is also well known that various organizations and institutions have conducted extensive research in this field, the most recent and notable being that of the University of Nebraska and individuals within that State. It is thus obvious that the technology needed to produce industrial hydrocarbons from agricultural and forest products is abundantly sufficient to warrant our Government's willingness to guarantee loans for construction of "alcohol" plants in at least 25 different locations in this country.

While this new legislation takes a larger, more constructive approach toward getting U.S. gasohol production off the ground, there are other factors which must be taken into consideration. Since before the new farm bill was passed into law it has become obvious to me—as I am sure it has to a great many of my colleagues—that there is a great deal of national interest in these gasohol projects. In my own State of Idaho, for example, there are at least three different preliminary proposals for alcohol producing facilities which I feel are fully qualified to be named one of the four previously authorized pilot projects.

But the realities of the situation indicate that Idaho would be extremely fortunate to be granted one of the four guaranteed loans. The legislation I introduce today, therefore, eliminates some of these obvious limitations and makes more loans available on a basis of qualifications only. I am sure my colleagues will agree that such a situation is more conducive to creating a meaningful, productive U.S. gasohol program.

Independent studies have indicated that we must construct some 500 alcohol plants with an annual output of 20 million gallons each if we are to reduce by 10 percent our present domestic consumption of gasoline. Keeping this fact in mind, a commitment by this Government to guarantee loans for a minimum of 25 alcohol plants is the very least we can do for ourselves, or indeed, for the future generations of all Americans.

ADDITIONAL COSPONSORS

S. 897

At the request of Mr. PERCY, the Senator from Hawaii (Mr. MATSUNAGA) was added as a cosponsor of S. 897, the Nuclear Non-Proliferation Act of 1977.

S. 2066

At the request of Mr. MATHIAS, the Senator from Michigan (Mr. RIEGLE) was added as a cosponsor of S. 2066, a bill to complete and protect the Appalachian Trail.

S. 2187

At the request of Mr. METCALF, the Senator from Wyoming (Mr. HANSEN) was added as a cosponsor of S. 2187, a bill to authorize the Secretary of the Interior to construct hydroelectric powerplants at various existing water projects, and for other purposes.

NOTICES OF HEARINGS

NOMINATIONS

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Wednesday, November 16, 1977, at 10:30 a.m., in room 2228 Dirksen Senate Office Building, on the following nominations:

James K. Logan, of Kansas, to be U.S. circuit judge for the 10th circuit vice Delmas C. Hill, retired.

Robert S. Vance, of Alabama, to be U.S. circuit judge for the fifth circuit vice Walter P. Gewin, retired.

Any persons desiring to offer testimony in regard to these nominations shall, not later than 24 hours prior to such hearing, file in writing with the committee a request to be heard and a statement of their proposed testimony.

This hearing will be before the full Judiciary Committee.

FREEDOM OF INFORMATION ACT

Mr. ABOUREZK. Mr. President, I wish to announce that the Subcommittee on Administrative Practice and Procedure of the Senate Judiciary Committee will hold a hearing on the Freedom of Information Act. The hearing is scheduled for November 10, in room 2228, Senate Dirksen Building at 10 a.m.

NO. 1 POLITICIAN

Mr. ROBERT C. BYRD. Mr. President, in its November 3, 1977, edition of the Montgomery Independent, a fine weekly newspaper published in Montgomery, Ala., printed an article by its political columnist, Mr. Joe Azbell, entitled "No. 1 Politician: Allen's Popular From Obedience to State Voices". Mr. Azbell tells why our colleague, the junior Senator from Alabama, Senator JIM ALLEN, holds the high admiration and deep affection of his fellow Alabamians. I ask unanimous consent that this article be published in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Montgomery (Ala.) Independent, Nov. 3, 1977]

NO. 1 POLITICIAN—ALLEN'S POPULAR FROM OBEDIENCE TO STATE VOICES

(By Joe Azbell)

U.S. Sen. Jim Allen continues to be the most popular political figure in Alabama. What's his secret? He reflects the thinking of the people of Alabama in the U.S. Senate.

Senator Allen is the unbeatable man on the Potomac insofar as Alabama voters are concerned. He is winning even more support by opposing the Panama Canal Treaty.

Year by year, he has gained in popularity because he seems to have proved to the people that he honestly wants to represent the viewpoint of folks back home.

If you find out where Allen stands on an issue, it generally means a majority of Alabamians stand the same way. He has an uncanny knack for being right in more ways than one.

When Allen comes visiting back home, he's available to one and all. He seldom goes to see political-powers-that-be. Mainly he is talking to people in all walks of life. He's as plain as an old shoe and folks like him this way.

He never bends the truth. He doesn't play politics with where he stands. You don't have to guess his position.

This reporter has known Jim Allen for 30 years. In those 30 years, Allen has always been the same. At one time, he almost went broke trying to pay off his debts from an unsuccessful race for governor. A series of tragedies hit his family. Miraculously he made his way back. And along the way he gained the immense popularity that now makes him Alabama's number one political figure.

Senator Allen is as much at home, here as he is anywhere. He knows hundreds of people here. Montgomery has always been a sort of second home to him. He has many friends here. One of those close to him over the years has been D. Eugene Loe, once a business associate. Judge Loe and Allen were once involved in Atlantic National Life Insurance Co. where Allen served as chairman of the board. Another longtime friend is G. C. Long, Jr., long-time political writer who first recognized Allen's abilities.

The last time this reporter saw him, the senator was standing alone in the lobby of the Whitley Hotel. Many people passed. To a man, they called to him, "Hi, Jim." Not "senator", not "Mr. Allen", just "Jim".

Allen got his training in parliamentary law as lieutenant governor. Today he is known as the outstanding parliamentarian on Capitol Hill. Other senators fear him when he opposes a bill because they know he will fight as hard to defeat a bad bill as he will to pass a good bill.

Allen has many more years on Capitol Hill. A number of political types could profit from emulating his honesty and forthrightness. There has never been a breath of scandal connected to Allen.

U.S. MARINE CORPS ANNIVERSARY

Mr. DOLE. Mr. President, Thursday, November 10, 1977, will mark an important date in American history, a date that will mark the 202d anniversary of the U.S. Marine Corps.

Since its creation in 1775, more than 4 million Americans have served in the Marine Corps, and their service has brought honor and glory to their flag and to their Nation.

In the most recent Vietnam conflict, Marines again were called on to fight a difficult war, one which would not conform to traditional beliefs. However, despite the difficulties and problems, Marines served with honor and with valor. Mr. President, for over 200 years Marines have served with valor, loyalty, and with bravery which has earned them the respect of the world. They have proved that their motto, semper fidelis—always faithful—must be honored.

November 10, 1977, will be a day on which all Marines can look with great pride on their accomplishments.

WOLD TRACT

Mr. HANSEN. Mr. President, on November 2, 1977, the Senate passed and sent to the House of Representatives H.R. 2501, an act to eliminate a conflict between the official, cadastral survey and a private survey of the so-called Wold Tract within the Medicine Bow National Forest, Wyo. On November 3, 1977, the House approved H.R. 2501.

It has subsequently been learned that during the course of the various committee prints, a number contained within a legal description in the act was printed incorrectly as 1000.8 feet, rather than 100.8 feet. After a number of discussions with the Solicitor of the U.S. Department of Agriculture as well as legal experts in the State of Wyoming, it is clear that this error conveys no more land than originally intended by the act. Under the rules of construction as well as other legal concepts, only the lands intended by the Congress will be conveyed.

While there is a need to legislatively remove this error, and I shall take this step when the Congress meets toward the end of this month, I have been assured that the administration agrees with my assessment and that the above error will not be an impediment to the signing of this legislation.

SOCIAL SECURITY FINANCING AMENDMENTS

Mr. SCHMITT. Mr. President, I was greatly disappointed when the Senate imposed an additional tax burden on the working people of this country last week in the form of the social security financing amendments. Of course, much of this new tax burden was hidden in the guise of direct taxes on employers, but there should not be any doubt that the full burden of these taxes will fall upon the employees in the form of labor cost decisions that must always be made by businessmen. To hire, fire, or lay-off personnel, to grant or withhold pay raises—these become increasingly difficult decisions as a result of the Senate's action in raising payroll taxes. The result will become apparent in the very near future: Fewer pay raises and lower take home pay for employees. A further result, of course, will be additional unemployment.

American businessmen will be faced with the ever-present choice: Whether to employ more labor or capital in the continuation or expansion of their operations. With these new taxes, the cost of labor has risen considerably, and more working people will needlessly lose their jobs to increased mechanization. In addition, other businessmen will simply reduce or eliminate once productive activities as no longer profitable. This will further add to the unemployment rolls.

It is becoming ever more difficult for those people at the bottom of the socioeconomic ladder to make any progress toward the top. As with the raise in minimum wage scales, and the rejection of a youth opportunity wage, the Senate has removed more of the bottom rungs of this ladder. The new taxes which the Senate has just approved will provide just one more barrier to the individual who wants to make his own way in the world. This will be a barrier not only for the potential employee looking for a productive job with an opportunity to advance as he acquires new skills, but also for the enterprising businessman who wants to make his climb up the ladder of success by providing a product or service to the community.

Perhaps even more regrettable is the fact that the social security funds were once financially sound vehicles for the protection of retired workers. Mismanagement at the hands of the Congress, however, has created an atmosphere of anxiety and mistrust for those of our citizens who have paid so many dollars into these funds over the years and now must be forever concerned that the Congress has spent their retirement moneys and left them at the mercy of stop-gap measures and an administration which would consider delaying the payment of these hard-earned retirement funds.

My intention is to support improvement in the long-run management of the social security system in order that it will always provide adequate and fair benefits to those who depend on it. In addition, I support the creation of a private enterprise alternative to the present system for those workers still young enough to establish security through their own saving and initiative. To the extent that such an alternative would require financing of portions of the present benefits out of the general fund, I would support such a measure. I cannot, however, support measures such as that which recently passed the Senate for they only serve to perpetuate a system that is bankrupting our country's future.

SENATOR AND MRS. PERCY'S FINANCIAL DISCLOSURE

Mr. PERCY. Mr. President, on February 22, 1977, in the CONGRESSIONAL RECORD, I listed securities and other investments and assets held by Mrs. Percy and myself as of January 1, 1977.

In accordance with Senate Resolution 110, as amended by Senate Resolution 265, all Senators and candidates for the U.S. Senate will be required to list certain assets by category of value. Though this list is not obligatory until May 1978 for assets held as of January 1, 1978, I herewith voluntarily list such assets by dollar categories, as a supplement to my report in the CONGRESSIONAL RECORD of February 22, 1977. The list includes the securities, other investments and assets held by Mrs. Percy and myself as of January 1, 1977. We have no minor children. Also included are securities in the Percy Family Trust, the sole beneficiary of which is Mrs. E. H. Percy, my mother, during her lifetime.

Additionally, all other categories of information required to be reported in May 1978 are included. To the best of my knowledge, this will be the first disclosure by a U.S. Senator under the new ethical standards adopted by the Senate, which I fully supported.

Mr. President, I ask unanimous consent that the list of assets held by Mrs. Percy and myself as of January 1, 1977, broken down by dollar categories, and the other information, be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

The following categories and the section numbers listed follow those required by S. Res. 110.

"2. (e)(1)—Real property held . . . which has a fair market value in excess of $1,000:

Greater than $15,000 but not more than $50,000—

One-third interest in 97.95 acres (non arable) located approximately 7 miles north of Henry (Putnam County), Illinois.

Greater than $50,000 but not more than $100,000—

Residence, Wilmette, Illinois.

One-third interest in 160 acres (non arable) located approximately 3 miles north of Henry (Putnam County), Illinois.

Greater than $100,000 but not more than $250,000—

One-third interest in 160 acre farm located on R.R. 2, Chenoa (Livingston County), Illinois, containing 1 grain bin.

One-third interest in 235 acre farm located approximately 5 miles southeast of Blackstone (Livingston County), Illinois, containing farm house, crib, grain bin and tool shed.

Greater than $250,000 but not more than $500,000—

Residence, Washington, D.C.

Greater than $500,000 but not more than $1,000,000—

320 acre farm located 3 miles northeast of Rock Rapids (Lyon County), Iowa, containing farm house, barn, grainery, hog house and machine shed.

"2. (e)(2)—Personal property held in a trade or business or for investment or the production of income which has a fair market value in excess of $1,000:

Not more than $5,000—

Bills, Notes, Bonds and Debentures—Harris-Intertype Corp., Southern California Edison Co.

Stock—Bell & Howell Company.

Greater than $5,000 but not more than $15,000—

Bills, Notes, Bonds and Debentures—American Sugar Company, Chase Manhattan Bank New York, Continental Airlines Inc., Lone Star Cement Corp., Montgomery Ward & Co., Pacific Telephone and Telegraph Co.

Stock—General Portland Inc., Johnson & Johnson, S. S. Kresge Co., Outboard Marine Corp., Phillips Petroleum, Standard Oil (Ohio).

Greater than $15,000 but not more than $50,000—

Bills, Notes, Bonds, Debentures—AT&T Company, C&P Telephone Company, Crossett, Ark. Ind. Development, Crown Zellerbach, Duquesne Light Co., Enserch Corp., Marathon Oil Co., Michigan Wisconsin Pipeline, Nu Trek Inc., Oklahoma Turnpike.

Stock—Alexander & Alexander, AMP Inc., Baxter-Travenol Labs., Citicorp., Crown Zellerbach, Fla. Power & Light, Great Western Life, Material Systems Corporation, OEM Medical, Owens-Illinois, Times-Mirror, Xerox.

Greater than $50,000 but not more than $100,000—

Bills, Notes, Bonds, Debentures—Ontario Prov. Canada, Twelve Fed. Land Bank.

Stock—Burroughs Corp., Caterpillar Tractor, Continental Oil, Corroon & Black, Donaldson, Inc., Dow Chemical, Esmark, H. B. Fuller, General Electric, Haag Drug, Harris Bankcorp, Josten's Inc., Mapco, Marathon Oil, Minnesota Mining & Mfg., Motorola Inc., Nalco Chemical, Nortrust Corp., J. C. Penney, R. D. Percy and Company,[1] Rollins Inc., Scott Foresman, Sears Roebuck, Signode.

Joint Venture—Michigan City Enterprises.

Greater than $100,000 but not more than $250,000—

Bills, Notes, Bonds, Debentures—U.S. Treasury bills, U.S. Treasury notes.

Stock—Farmers Group, IBM.

Greater than $250,000 but not more than $500,000—

Cash surrender value of life insurance policies.

Stock—Envirotech Corp., Sullair Corp.

"2. (f)—Personal liabilities which exceed $2,500:

None.

2. (i)—Patent right or interest in any patent right:

None.

"2. (j)—All positions held as officer, director, trustee, partner, adviser:

Trustee—University of Chicago, Chicago, Illinois.

Vice Chairman and Trustee—Kennedy Center, Washington, D.C.

Chairman—Alliance to Save Energy, Washington, D.C.

"2. (k)—A description of . . . agreement . . . with respect to employment after ceasing position of U.S. Senator:

None.

In most cases, investment decisions are made by my investment counsel, Stein Roe & Farnham of Chicago, which has been instructed to avoid investments that would present any probability of conflict of interest with my duties as a U.S. Senator. All of Mrs. Percy's and my securities are held in custodian accounts by the Harris Trust & Savings Bank of Chicago. Each year since I entered the Senate, all income tax returns have been prepared by Arthur Andersen & Co., certified public accountants.

The fundamental purpose of financial disclosure is to insure that a public official does not use his position of trust for personal financial gain. Since assuming public office in January 1967, through December 31, 1976, Mrs. Percy's and my total net worth has declined 16 percent versus an increase in the same period of 11 percent in the Dow-Jones average. The decline is attributable primarily to capital gains taxes paid to the Federal Government on sales of securities held for a long period of time, Senate and other business expenses such as professional fees and services, and charitable and personal gifts.

Another legitimate question that may be put to a public official is whether he is paying a fair share of Federal, State and local taxes. According to figures developed by Arthur Andersen & Co., since assuming public office in 1967, through December 31, 1976, Mrs. Percy and I have paid income taxes equal to 35 percent of total gross income (including capital gains), and 51 percent on total taxable income.

A third question could be raised as to whether a public official has borne his fair share of charitable contributions to support religious and philanthropic enterprises. Since assuming office in 1967, through December 31, 1976, Mrs. Percy and I have made charitable contributions equal to 12 percent of total taxable income and 69 percent of total earned income for this 10 year period.

THE PANAMA CANAL TREATIES—NO. 24

Mr. ALLEN. Mr. President, in paragraph 6 of article IV of the Executive Agreement in Implementation of Article IV of the Panama Canal Treaty, the following language appears:

Since the Republic of Panama is a signatory to the Latin American Denuclearization Treaty (Tlatelolco), the United States shall emplace no type of nuclear armament on Panamanian territory.

In my judgment, Mr. President, this provision could have very great adverse effect on the strategic defense posture

[1] A new TV programming and advertising market research business founded and conducted in Seattle, Washington, by our son, Roger Percy.

of the United States, yet this provision has been carefully salted away by our negotiators in this little-known clause in one of the many executive agreements, annexes to executive agreements, annexes to annexes, agreed minutes, protocols, exchanges of letters, and unsigned understandings which in sum contain the real meat of the Panama Canal Treaty rather than the provisions of the treaty itself. So, buried in this obscure executive agreement, which I doubt that more than a handful of people in the country have actually had an opportunity to examine—we find buried in this executive agreement a major military provision directly affecting the strategic defense both of the Panama Canal and of the United States.

Now, I am reasonably sure that the administration, and certainly the Department of State, would assert that this provision buried away here in this lengthy executive agreement could have no adverse effect on the defense of the United States or of the canal and, in fact, I have little doubt that representatives from the Department of Defense might readily parrot the same point of view. Certainly, the leadership down at the Department of Defense has shown no reluctance to follow precisely the lead of the Department of State; but, Mr. President, the Senate of the United States is entrusted with the duty of making an independent judgment with respect to all aspects of these proposed treaties, notwithstanding the various advocacy positions adopted by certain of the departments in the executive branch.

So we have a duty in the Senate to make an independent judgment, based on all of the information available to us, on the effect and on the potential effect of this peculiar and highly significant prohibition hidden away in this executive agreement of some 53 pages—longer than both treaties combined, Mr. President—and I am not even including in that page count this 53-page executive agreement. Sharp eyes, Mr. President, are required for this job, I can assure you, but there it is buried away in this executive agreement that the Latin American Denuclearization Treaty would prohibit the United States from having at any time any nuclear weapons in Panama or what is now the U.S. Canal Zone.

On October 31, 1977, this Monday just past, Mr. President, Egyptian authorities refused to allow the British nuclear submarine HMS *Dreadnaught* to pass through the Suez Canal. This British nuclear submarine was on its way through the Suez Canal on an official voyage to visit Iran. The *Dreadnaught* was part of a task force on this official visit of state.

You know, Mr. President, if you leave Great Britain by sea and you wish to go to Iran, the best route, rather obviously, is through Gibraltar, through the Mediterranean, through the Suez Canal, and on into the Red Sea and the Indian Ocean. You do not have to be much of a navigator to figure that out. But, Mr. President, the British nuclear submarine *Dreadnaught* is not going to take that route because the Egyptians have let the British know that the canal is not open to the nuclear submarine *Dreadnaught*. So, Mr. President, if the *Dreadnaught* is still proceeding to Iran, then the *Dreadnaught* is going around Africa, and Africa, Mr. President, is a right large land mass. Perhaps we here in the Senate could mark the progress of the *Dreadnaught* if we could obtain that information. It might be interesting for us to follow her majestic voyage past the Canary Islands, around the Gold Coast, down into the Bight of Biafra, on around past the Congo, past Angola, past South West Africa, past Capetown, back up around Mozambique, past Madagascar and four or five other countries along the way, past Somalia, and back again where she would have been several weeks or months before at the entrance to the Red Sea—at the other entrance, Mr. President, to the Suez Canal.

So the *Dreadnaught*, Mr. President, has got quite a voyage ahead of her—those nuclear reactors in the *Dreadnaught* are sure going to work overtime, Mr. President—if she indeed wishes to represent the United Kingdom on this official visit to Iran. I would venture the guess, Mr. President, that the *Dreadnaught* may find it impossible—nuclear reactor or not—to make her rendezvous there at the entrance to the Red Sea with the other ships of the Royal Navy in this task force en route to Iran. The *Dreadnaught* is going to have to be a very amazing vessel to catch up with those other non-nuclear-powered ships that the Egyptians did permit to pass through the canal.

Now, Mr. President, I regret as much as anyone the embarrassment which must have been suffered by our good ally, the Government of the United Kingdom. I regret very much that HMS *Dreadnaught* was forced to wait at the northern end of the Suez Canal for a period of several days while the rest of the Royal Navy Task Force she accompanied was allowed through the canal to complete this official visit to Iran. But, Mr. President, there is a lesson to be learned here for the United States. The lesson is a very clear lesson, and the lesson taught should be heard loud and clear.

Perhaps, therefore, Mr. President, it would be helpful to examine the position in this incident asserted by the Government of Egypt. Egypt, Mr. President, simply told the British that passage of nuclear vessels through the Suez Canal would be barred until the signing of an international agreement on safety measures and security guarantees for such vessels. That was it, Mr. President. That was, at least, the reason the Egyptians gave to the press. No prediction was made about when such an agreement might be signed nor about the number of nations which would be required to sign it. But one thing is sure, Mr. President, and that is that the *Dreadnaught* did not proceed through the Suez Canal.

I would like to remind the Senate of the voyage of another vessel, the recollection of which I believe should be of value. I refer to the voyage of the battleship *Oregon* from the west coast of the United States around the Horn of South America and on into the Atlantic and then the Caribbean where the *Oregon* played a vital role in the victory of the United States in the Spanish American War. There was no Panama Canal then, Mr. President, and every American was caught up in the excitement of the journey of this great warship as she progressed around the entire land mass of South America in an effort to reach the Caribbean in time to affect the outcome of battle in favor of our country. The cruise of the *Oregon* lasted 70 days, Mr. President, and while I am sure the *Dreadnaught* is faster than the old *Oregon* and while I recognize that a different continent is involved, the principles are identical and the distances are equally overwhelming.

How long would it be, Mr. President, before the pro-Marxist dictatorship in Panama decided—should these proposed treaties be ratified—how long would it be before the Panamanian dictator decided that it would be convenient to interpret this executive agreement provision I have quoted so as to justify the prohibition of the passage of a U.S. nuclear-powered or nuclear-armed warship? The provision reads this way—and I quote it again because I believe this is an important point which cannot be overlooked, and I might say that I am going to make sure that it is not overlooked because it is a very important point—this provision reads as follows:

> The United States shall emplace no type of nuclear armament on Panamanian territory.

How long would it be before the Panamanian dictatorship interprets the Spanish text of this provision as a prohibition on the passage of U.S. nuclear war vessels? How long would it be before this pro-Communist government in Panama decides that its adherence to the Latin American Denuclearization Treaty makes it imperative to divert all U.S. nuclear warships seeking to transmit the Isthmus of Panama? How long would it be, Mr. President, before this avowed ally of Communist Cuba determines, as have the Egyptians in the case of the British, that U.S. nuclear vessels may not pass through the canal until sufficient numbers of nations have signed some obscure international protocol on even more obscure alleged safety measures and so-called security guarantees respecting the passage of such ships?

On Saturday, Mr. President, I was honored to be the principal speaker at the launching of the nuclear submarine *Birmingham* (SSN 695). At that time, I expressed the hope that the *Birmingham* would be a symbol of our determination to resist tyranny and a symbol of the will and might of our good country. I addressed the distinguished guests, Mr. President, but I spoke to the workers in the shipyard when I said, "You have taken cold steel and made it live." I shared their pride in their great accomplishment, and I would share also their sorrow should they see the day when this magnificent vessel they constructed was turned away from her course by a petty gangster dictator who had obtained, through the ineptness and folly of our diplomats, a deathhold on our canal.

This is my final speech in a series of 24 speeches in this session of the 95th Con-

gress, and I thank Senators for the attention they have given my remarks.

Mr. President, I ask unanimous consent that a wire service report under date of October 31, relating to the *Dreadnaught* be printed in the RECORD, together with an article published in the San Diego Evening Tribune entitled "Admiral Opposes Canal Treaties."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CAIRO, Oct. 31.—Suez Canal authorities have refused to allow the British nuclear submarine Dreadnought through the canal at the request of the Egyptian Atomic Energy Commission, the semi-official newspaper Al-Ahram said today.

The report followed a statement yesterday by Egyptian harbor authorities denying any knowledge of the incident.

Al-Ahram quoted a senior Suez canal official as saying transit permission for the 3,588-ton Dreadnought had been refused because maritime regulations required ample prior notice and the request came at short notice.

The newspaper said Foreign Minister Mohammed Riad would explain the Egyptian position to the British ambassador in Cairo today.

It said Egypt had told all naval powers since 1974 that passage of all nuclear vessels through the canal would be barred until signing of an international agreement on safety measures and security guarantees for such ships.

The British defense ministry said yesterday that the Dreadnought has been at the northern end of the canal since Thursday when the rest of a royal navy task force en route to Iran for an official visit was allowed through the canal.

[From the San Diego Evening Tribune, October 1977]

ADMIRAL OPPOSES CANAL TREATIES

(By Adm. Horacio Rivero)

The central issue can be narrowed to two questions.

Is the Panama Canal important to the security of the United States?

Will the security requirements be satisfied if the U.S. cedes the canal and zone to Panama?

Some proponents of the new Panama Canal treaties have deemphasized the strategic and commercial importance of the canal and its current value to our Navy.

The President, for instance, stated to the press: "Any large ship, an aircraft carrier, for instance, can no longer pass through it" and "In the last 12 months only four or five Naval vessels" have transited the canal.

Ambassador Sol Linowitz, one of the treaty negotiators, in his speech before the American Legion convention August 19, 1977, stated: "It is no longer vital, clearly no longer as useful as it once was for the shifting of combat forces."

The President was obviously misinformed. For it is not "any large ship" but only the 12 attack aircraft carriers, out of a naval inventory of almost 500 ships, that cannot use the canal, and it is not its utilization in normal peacetime that is important to the Navy, but the availability of the canal for redeployment of naval vessels in time of war or in time of crisis or in anticipation of war, as the international situation may demand.

In time of need some of the attack carriers can be redeployed around South America at high speed, taking advantage of their high endurance; those powered by oil might be accompanied by a fast replenishment ship (AOE) to insure their arrival with a full fuel load, while the three nuclearpowered ones could proceed on their own at an even higher speed. It is for the other types of naval vessels—the cruisers, destroyers, submarines, frigates, amphibious and mine warfare ships and logistic support ships which constitute the bulk of the Navy and do not have the great endurance at high speeds possessed by the attack carriers that the canal provides the greatest benefits. Of course it would be desirable for the attack carriers to be able to use the canal also; this can be made possible in the future by enlarging the canal locks or constructing additional, wider locks alongside the present ones, a project of reasonable magnitude. A sea level canal is not only not required, but would represent a fabulously expensive solution which would result in a canal infinitely more vulnerable than the present one.

A Navy like ours, which has been reduced in size to the point that it cannot be described as a two-ocean Navy, must have one means for quick and timely transfer of its ships from one ocean to the other, as demanded by strategic and operational needs. This is obviously important in wartime but equally important in periods of crisis or of international tension. The strategic mobility which is a characteristic of naval vessels and the ability to utilize this quality that we currently obtain from possession of the Panama Canal balance to a degree the risks inherent in the naval force level deficiencies. Without unquestionable assurance that the canal will be available under all and any circumstances, these risks would loom much larger.

The importance of the canal for "the shifting of combat forces" was well demonstrated in World War II and in the Korean and Vietnam conflicts. It has a'so been shown in time of crisis.

For instance, during the Cuban missile crisis, when military operations to remove the missiles by force were at one point imminent, it was possible to reenforce rapidly the Atlantic Fleet with a brigade of Marines from the Pacific, with their armament, ammunition, and full equipment, providing a most valuable addition to the Atlantic Fleet forces. If the canal had been in the hands of a government under Cuban or Soviet influence, or sympathetic to those countries, could the safe and timely passage of the ships have been assured in those circumstances?

To the opinion of Ambassador Linowitz is opposed that of four former chiefs of naval operations, one of whom had previously commanded the Atlantic and the Pacific fleets and later became chairman of the Joint Chiefs of Staff.

In their words: "Contrary to what we read about the declining strategic and economic value of the canal, the truth is that this interoceanic waterway is as important, if not more so, to the United States than ever." It is doubtful if any knowledgeable naval officer would dispute their view.

The commercial importance to the canal is also great but it is secondary to the military aspect. Ships with beam of slightly more than 100 feet cannot use the locks, but they constitute but a small fraction of the merchant vessels of the world. In any event, the passage of both merchant and war vessels in normal time of peace is a matter of convenience, in that it permits the saving of time and money. It is a different matter in time of war, or in preparation for war operations.

The question remains whether the security requirement can be equally well satisfied by a regime of control and occupation different from the existing one—that is if the canal is neutralized and placed under the control of another country and the U.S. military presence is removed, which are the stated objectives of the new treaties.

The proposed Panama Canal Treaty provides for assumption of sovereignty over the Canal Zone by Panama six months after final ratification, but until Dec. 31, 1999, the U.S. will have primary responsibility for the security and defense of the canal and is authorized to maintain forces in the Republic of Panama for this purpose. During that period the U.S. will be in a position to enforce its rights of passage, even if the current or a future Panamanian government should choose to interfere with them, although our ability to prevent or thwart violent action against our personnel and property and against the canal will be substantially reduced because of the absence of the protection of a U.S.-occupied and owned zone. Thereafter only Panamanian military forces would protect the Canal.

The Canal Neutrality Treaty would become effective concurrently with the Canal Treaty and provides that the canal shall be open, both in peace and war, to the war vessels of all nations without distinction, including those of nations at war with the U.S.

From that date the U.S. would not be able legally to deny passage to vessels that may pose a threat to the U.S., and after 1999 it would have neither the legal right nor the inplace military capacity to do so.

It is argued by the proponents of the treaties that their ratification, the elimination of the Canal Zone and the phasing out of the U.S. military presence would enhance the security of the canal and the assurance of its availability to all. In the words of Ambassador Linowitz before the House Committee on Merchant Marine and Fisheries: "The greatest danger to our security interest in the canal would be an effort to maintain and continue the present status." The implication is that it is the U.S. presence which gives rise to the security threats to the canal and that these threats would be reduced if the U.S. military presence were removed, and the canal neutralized.

The argument rests on the fear of sabotage and plots which might result from anti-American feeling generated by our continued presence in the Isthmus of Panama. Removal of our forces may reduce the causes of anti-American feeling, but will not necessarily remove the possibility of sabotage, either by disaffected Panamanians intent on changing their regime or by Soviet-inspired or other anti-American groups desiring to cause damage to the United States at a time of international crisis or in time of war, or would it remove the external threat. Rather, it would increase the probability that any sabotage attempted or any external attack would be successful.

There is also in the argument the underlying assumption that the security interests of the U.S. would be served by permanent neutralization of the canal. It is clear that the security interests of the U.S. demand that the availability of the canal for its own ships be assured and that it be denied to its enemies.

This in turn demands differentiation between use by the U.S. and use by its enemies or potential enemies whenever, in the sole judgment of the U.S. government, the security of the U.S. requires it. Such differentiation is incompatible with the principle of neutrality, would be made illegal by the Neutrality Treaty and after 1999 would be impracticable for the U.S. to effect.

It is argued that in time of war, through resort to "force majeure," the U.S. could denounce or ignore the provisions of the treaty and effectively deny passage to enemy vessels, with or without Panamanian acquiescence or concurrence. (No one has suggested that this might be done in time of tension or in advance of hostilities, to prevent redeployment of potentially hostile ships.) If Panamanian agreement is obtained and as long as U.S. military forces remain within Panamanian territory this would be readily possible. After 1999 it would be necessary to reintroduce military forces,

not into U.S. territory where they now are, but into the territory of the Republic of Panama under Panamanian terms and after inevitable delays.

A more likely scenario is one in which Panama would not agree to abrogation or violation of the treaty either in time of war or in periods of international tension which might or might not lead to war but which would demand the taking of prudent measures of increased security, including the denial of passage to potentially hostile ships. This scenario is assured if Panama should be under a Communist, Communist-oriented or neutralist government, and may occur even with a nominally friendly government in power which may wish to demonstrate its independence of dictation by the U.S.

In such circumstances the U.S. would be forced to take military measures against Panama in Panamanian territory in clear violation of that country's sovereignty, under conditions where our forces stationed there would be at a decided disadvantage.

After 1999 a full-scale invasion would be required which would undoubtedly succeed but might well result in the canal being rendered unusable for a protracted period, since Panama would be in position to damage or destroy key installations, including the locks and Gatun Dam, if it should choose to do so, before U.S. forces could be introduced to provide protection.

It has been maintained by proponents of the treaties that the U.S. will retain the right to intervene at any time to protect the canal. A careful reading of the treaties will disclose that they contain no provision whatsoever for intervention. Article IV of the Neutrality Treaty contains the following wording:

"The United States of America and the Republic of Panama agree to maintain the regime of neutrality established in this Treaty, which shall be maintained in order that the canal shall remain permanently neutral . . ."

Even if this wording were to be stretched to imply a U.S. right to intervene, it could only be claimed to enforced neutrality—since Panama will be the sovereign, and in actual possession of the canal after a certain date, a request for intervention would have to originate with Panama.

ALASKA D–2 LANDS

Mr. STEVENS. Mr. President, as you know, one of the most important natural resource issues which the Congress will deal with in the upcoming year is the Alaska d–2 lands issue. The effect of the d–2 lands issue on the residents of the State of Alaska and the rest of the Nation is becoming more and more an issue of national attention. Recently, one of America's most distinguished commentators, Paul Harvey, devoted one of his columns to the Alaska d–2 lands issue and the frustration that confronts many Alaskans by the consideration of that subject. I commend this article to my colleagues and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IF YOU WERE AN ALASKAN

(By Paul Harvey)

If you were an Alaskan you'd be teed off, too.

You campaigned and voted for statehood, convinced that was the best way to develop your area and its resources.

Now Washington wants to build a protective "fence" around vast areas of your state, preventing the development of those resources.

You are asked to forfeit one of the major benefits of statehood.

Alaska is big, one-fifth the size of the entire continental United States. It covers 365 million acres. But only about 1 million of those acres are privately owned.

Where Alaska is gigantic—larger than several states of the lower 48 combined—if you count only the area which is owned by non-natives and "developable," Alaska is smaller than Delaware.

And now Rep. Mo Udall, D-Ariz. and friends want to put 146.6 million acres of Alaska in "wilderness status." That would mean no roads, no vehicles, no aircraft, no mining, no pipelines, no rights-of-way.

Americans who respond favorably to the romantic concept of making vast areas of Alaska into parklands don't realize that these lands would be off limits to anybody except the hardiest backpackers—and the bureaucrats who will administer the lands.

If you were an Alaskan, you would realize that romance and reality are two different things. The key to success—indeed the key to survival in the Arctic—has required dealing with the real and the raw.

In his infinite wisdom, God designed millions of acres of wilderness in Alaska which will remain wilderness until the end of earthly time. Anybody flying over the St. Elias range recognizes that—and it's true for much of the rest of the state.

You visit Prudhoe Bay, and you'll readily realize that no matter how many congressional hearings—no matter what the environmentalists urge or the bureaucrats decree—the area is never going to compete as a place for man to live. Nobody is ever going to buy a lot and retire on Prudhoe Bay.

But when the world was made, a greater wisdom than ours put billions of barrels of oil on that North Slope, seeing that as its highest and best use.

Similarly, there are a trillion tons of coal readily available in Alaska—enough to supply the United States for a thousand years—plus eight times that amount less readily available.

No bureaucracy can undo these realities. The parks are where they belong, and the resources are where they belong—but the overprotectors are trying to designate a third of Alaska as wilderness in a pattern which would make access impossible to the minerals, the oil, the gas and the rest of those terribly necessary resources.

If you were an Alaskan and had it to do over again, you would neither campaign nor vote for statehood.

HEALTH CARE COST

Mr. CURTIS. Mr. President, I wish to call to the attention of the Senate a recent excellent editorial which appeared in the October, 1977 issue of Private Practice magazine. It summarizes the present ironic situation which finds government, which has been responsible for many of the health care cost escalations, now insisting that it only has the answer in the form of further Governmental controls. I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CONTROL

(By Francis A. Davis)

For nearly 30 years, we heard about the need for more hospitals, doctors, equipment, medical schools, and insurance coverage. As a result, the government flooded money into every aspect of medical care, and now what do we hear? The same people who were promoting increased spending now cry for constraint because there are too many hospital beds, too many doctors, and too many dollars being spent on medical care.

They have one answer for cutting the cost of medical care: complete government control.

Let's take a look at some of the ideas they are promoting.

HOSPITAL CARE

(1) Limit the increase in charges a hospital may make each year.

(2) Close down selected hospitals.

(3) Require an extra opinion for all surgery.

(4) Limit the equipment that hospitals may purchase, such as complete body scanners.

(5) Limit the medical and surgical services a hospital can offer.

(6) Limit the days a patient may stay in the hospital for each kind of illness. When the computer says get out, the patient is tossed out, regardless of the doctor's orders or the patient's needs.

DRUGS

(1) Repeal state laws that prohibit the substitution of drugs prescribed by the patient's doctor.

(2) Slow down the release of new drugs.

(3) Ration drugs by classification so that only certain physicians can prescribe them and then only for FDA-approved purposes.

(4) Require patient package inserts that stress risks and ignore benefits.

(5) Enact regulations that discourage physicians from treating patients. An example is the regulation requiring a patient package insert for estrogen. If a doctor gives a shot of estrogen to a patient in his office, and does not first give the patient the package insert and time to read it, the physician may be given a one-year sentence in a Federal penitentiary or a $1,000 fine or both. The second time he does this, it is a felony and he may get a three-year penitentiary sentence or $10,000 fine or both.

PHYSICIAN'S SERVICES

(1) Limit the equipment the doctor may purchase.

(2) Multiply the government forms to be completed, and if the physician treats certain classes of patients, pay him only a percentage of his charges.

(3) Make PSRO surveys of patients treated in the office.

(4) Threaten price controls.

(5) Require a second physician's opinion on a patient's treatment.

The issue at stake today is control over those who provide medical care and drugs, and disregard for all the principles that have helped provide the best medical care ever known.

If flights from O'Hare Airport were made free, we would then have a totally inadequate facility, so we would have to increase its size. This would deplete resources to the point that controls on the airport would be necessary. In the meantime, everyone would have forgotten what brought about the problem in the first place.

Medicine finds itself in the same situation today. The answer to our problems begins with remembering what brought about the problems in the first place—government interference into medicine. It is time for individuals once again to solve their own medical problems, and for the government to get out of medicine completely.

HALT TO UNION INSURANCE FRAUDS DEMANDED

Mr. PERCY. Mr. President, the Permanent Subcommittee on Investigations has just concluded 11 days of hearings on the rise and fall of the insurance empire

of Joseph Hauser, a California businessman.

The hearings represent one of the most significant cases brought before this subcommittee as it continues to fulfill its mandate to investigate alleged corrupt practices in the area of labor-management relations.

This investigation, which took more than 15 months to complete, uncovered an intricate and suspect pattern of behavior in the award of multimillion dollar insurance contracts to Hauser-controlled companies by officials of various locals and State councils of the Laborers International Union and by the trustees of the Teamsters Central States Health and Welfare Fund.

Subcommittee investigators have pieced together the many facets of the Hauser operation that together led to $13 million in losses from labor union fringe benefit trust funds. These funds were intended to pay for future life insurance claims. Instead, huge sums were drained off.

From sworn testimony, we have learned these facts:

In 1973, Mr. Hauser bought controlling interest in a small, old-line Florida insurance company, Farmers National Life Insurance Co., by borrowing money from a California bank. Once he controlled the company, he used some of its assets to pay off the California bank loan. It appears that Mr. Hauser had the insurance company buy itself.

Mr. Hauser immediately began currying favor among Laborers International officials and their relatives and friends, first in Florida and then in the Northeast and Midwest. He extended to some what appear to be vastly excessive commissions. He lent one a Porsche sports car and another a yacht. The union officials in turn helped to arrange for the awarding of multimillion-dollar group life insurance policies to Mr. Hauser's Farmers National.

Since Farmers could do business in only five Southeastern States and Arizona, Mr. Hauser sought a company that could do business across the country. Old Security Life Insurance Co., a small Kansas City credit life firm, was selected for this purpose. Licensed in 49 States, it agreed to "front" for Farmers and entered into a reinsurance agreement with Hauser's company. Policyholders thought they were being insured by Old Security. What they did not know was that their premiums wound up with Hauser's Farmers National Co., from which millions of their premium dollars were diverted to his corporate satellites.

Mr. Hauser set up friends and relatives of Laborers International Union officials in insurance agencies in several parts of the country to steer more labor business his way. Paul Fosco, son of the Laborers International president, was the recipient of more than $240,000 from Mr. Hauser, and was set up in his own insurance agency in Chicago. Staff investigation showed that for at least 5 months Mr. Fosco was receiving payments from Mr. Hauser although he had no license to sell insurance.

In the last 5 days of our hearings, the testimony centered on the award of the $2.6 billion insurance contract of the Teamsters Central States Health and Welfare Fund, the largest group life insurance contract ever awarded by an American labor union. The events leading up to the award to Old Security Life Insurance Co., in April 1976, sound very much like the plot of a bad novel.

Through another reinsurance agreement with Old Security, Mr. Hauser sought the Teamster contract, which would produce $24 million in premiums a year. His company this time around was Family Provider, an Arizona insurance company with one employee and practically no assets. From the Teamsters' perspective, the award was to be based solely on merit with the competing insurance companies submitting detailed bids.

Hauser first approached the union's outside insurance consultant, Len Teeuws of Tolley International, Inc. and, according to the testimony, promised him other consulting contracts in return for his assistance on the union award.

Simultaneously, he enlisted the help of two Washington "insiders," Irving Davidson and Thomas Webb, who had the reputation of being able to put deals together. They led Mr. Hauser to former Attorney General Richard Kleindienst, who happened to be a good friend of the Teamster President Frank Fitzsimmons. Hauser offered a "finders" fee of $250,000 to the three intermediaries for whatever help they could give in convincing Mr. Fitzsimmons that the award should go to Old Security.

Both Mr. Kleindienst and Mr. Fitzsimmons submitted to lengthy staff interviews and voluntarily appeared as witnesses before the subcommittee. Nevertheless, many conflicts in their testimony remain over their preaward contracts. But according to Mr. Kleindienst, he made several calls to Mr. Fitzsimmons in the weeks before the award asking for his help, and was assured that things "looked good" for Old Security. Mr. Fitzsimmons, on the other hand, told the subcommittee that Mr. Kleindienst "has a very large imagination," and that his assertions were "untrue."

According to an experienced actuary assigned to the subcommittee from GAO, Tolley incorrectly analyzed the bid of Old Security's closest competitor, Prudential Life Insurance Co., and erroneously came to the conclusion that Old Security was low bidder. Mr. Teeuws at the trustees' meeting recommended that the award go to Old Security.

At their meeting on April 30, 1976, the six trustees of the fund voted unanimously to award the $2.6 billion contract to Old Security. Within 3 months, $7 million in premiums paid into the insurance company were suddenly missing.

Interwoven throughout the testimony was the name of Allen Dorfman and his claims processing agency, Amalgamated. It appeared that Mr. Hauser's success in winning the contract was directly related to his willingness to let Amalgamated handle claims processing for Old Security. Mr. Dorfman declined to testify, exercising his fifth amendment right to remain silent.

Since 1970, according to the records of the Department of Labor, the Teamsters have paid to Amalgamated more than $22 million for claims processing. Mr. Shannon, administrator of the pension and health and welfare funds, testified that in spite of contractual guarantees by Amalgamated, he has been denied access to files and records which would justify this expense.

Mr. Fitzsimmons said that he was not aware that Mr. Dorfman had refused the Teamsters the right to inspect the books. Clearly, President Fitzsimmons and the present Teamster trustees are now on notice that immediate corrective action is necessary to make sure that the rank and file is getting what it pays for. Their vigorous pursuit of this action will be applauded by all persons interested in assuring the integrity of the fund.

Mr. Hauser's 3 years of corporate maneuverings have set off a chain of events leading to the financial ruin of two respected insurance companies and hardship for hundreds of thousands of innocent policyholders.

Farmers National is now in receivership in Florida. Old Security Life Insurance Co. is in receivership in Missouri.

Policyholders have seen their financial security placed in jeopardy because claims payments have been suspended by the States in which these companies operate. If these companies cannot be rehabilitated, many elderly and infirm policyholders will find it impossible to purchase new coverage at a cost they can afford.

The human toll can only be guessed at. We heard testimony about the plight of an Orlando, Fla., woman unable to collect on an $18,000 life insurance policy from Farmers National after her husband died. She was forced to go to work in a cafeteria to say afloat financially as a result of Farmers National going into receivership.

In the case of Old Security, with its hundreds of thousands of policyholders having credit life coverage, the damage can be as tragic. Credit life pays off the balance on major installment purchases when the buyer dies while still owing money. With claims payments suspended, who knows how many widows and other survivors will be hurt? How many widows will find themselves unable to keep up payments on their automobiles, overwhelmed by bills following their husbands' deaths.

But it is not only the policyholders who will suffer. American consumers will eventually pay more as construction and trucking companies are forced to contribute more to the fringe benefit funds of the Laborers and the Teamsters to make up for the money lost through insurance frauds. Inevitably, these costs are passed on, so that the price of construction or shipping by truck goes higher and higher.

During these lengthy hearings, I attempted to focus on the legal and ethical responsibility of the decisionmakers. In this regard, the Teamster award is a

prime example of how our present laws failed to protect the hard-earned benefits of the union rank and file.

Mr. Len Teeuws, the Tolley International consultant whose motives for recommending Old Security are, at the very least, suspect, had no fiduciary relationship to the 190,000 members of the Central States Health and Welfare Fund. Yet, even he now believes that insurance company consultants should by law have a fiduciary responsibility to the rank and file.

Daniel Shannon, the administrator of the health and welfare fund, also does not appear to have a legal fiduciary duty to the rank and file. He remained silent at a crucial moment, when the trustees voted in favor of Old Security, even though he favored a more substantial company. He, too, believes that persons in his capacity should have a fiduciary responsibility under the relevant Federal statutes.

Messrs. Davidson, Webb, and Kleindienst also appear to have no legal responsibilities to the fund participants.

I believe that the permanent Subcommittee on Investigations must transmit the transcripts of this hearing, together with our recommendations, to the Human Resources Committee. Senator JAVITS, who serves ably as a member of the permanent Investigation Subcommittee, has graciously volunteered to scrutinize the results of these hearings to consider what actions and what new laws may be needed to protect union fringe benefit funds. I commend him for his offer.

We must be assured that the Federal agencies charged with protecting the well-being of the union rank and file—most importantly the Department of Labor—do everything in their power to protect these workers.

Union and management trustees must properly exercise their fiduciary responsibility when they select an insurer. Actuarial consultants that advise these trustees must be objective, uncompromised by any business relationship with any insurance company bidding on a contract. Trust fund administrators and professional staff must work diligently, even courageously, to protect the rank and file. Certainly, they must be permitted to freely advise trustees on important matters. Most importantly, insurance contracts must be awarded solely on the basis of merit. Any award that is based on the intervention of "insiders" should be immediately rendered null and void.

One way to insure that the interests of the rank and file are protected is to open up the meetings of the trustees to those who are most affected. Incredibly, Mr. Shannon testified that as recently as July 1977, he, himself, was excluded from the trustees meeting during discussion of an attempted 10-year extension of the Teamster contract with Amalgamated—an action he vigorously opposed.

Top management must be involved fully in all important decisions. Likewise, the individual union member should be permitted to see what is being done with his hard-earned benefits. We in Congress recently passed "sunshine" legislation opening practically all committee meetings and agency meetings to our constituents. It is time for fund trustees to do the same.

"Fronting" agreements between insurance carriers, engineered to deceive the public, must be outlawed. There must be greater disclosure of legitimate reinsurance agreements. There must be a greater exchange of insurance information between States.

Mr. Hauser's rapid rise in the insurance business is not a success story. It is instead a sad commentary on the institutions upon which we rely to protect the working man.

In closing, I wish to extend my appreciation to Senator SAM NUNN who did an outstanding job in chairing these hearings which have detailed what may be the most intricate and complex series of transactions ever investigated by a congressional committee. I also want to express my sincere thanks to Senator LAWTON CHILES for his dedicated efforts and probing questions that reached the heart of these complex matters. Finally, I want to acknowledge the work of the entire subcommittee staff, majority and minority, who have unraveled this complicated story. From the majority, they are Owen Malone, chief counsel, Lavern Duffy, Don Gray, John Walsh, Bill Anderson, Robert Nichols, Roland Crandall and the entire clerical staff. From the minority, Stuart Statler, chief counsel, Howard Marks, Jon Cottin, Jerry Block, Keith Leslie, Stephanie Grill, and Lynn Lerish. They have performed a significant service to the working men and women of this country.

Mr. President, I ask unanimous consent that a recent article published in the Miami Herald by Mr. Barry Bearak on how Farmers National Life Insurance Co. policyholders suffered as a result of Mr. Hauser's manipulations be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Miami Herald, Oct. 18, 1977]

INSURANCE SWINDLE, THEY SACRIFICED TO PAY, BUT BOUGHT ONLY DEBT, WOE

(By Barry Bearak)

They thought they had paid for insurance. But all they really bought was trouble.

While a U.S. Senate subcommittee investigates the swindles that subverted the Miami-based Farmers National Life Insurance Co., the real victims—the 20,000 people insured—do little but try to adjust to their helplessness.

Most don't care much about the schemes that forced Farmers Life out of business last December. Finger pointing won't return their savings. They're stuck with bills, and the memory of money gone down the drain.

"I don't see why I should have to pay," says Clarence Richardson of Fort Lauderdale, his hands full of collection letters. "I paid for the health insurance."

Indeed he did. He contributed to a Farmers Life plan at work. But though Farmers is gone, the bills remain. He owes $361.72 for his wife Margaret's stay in the hospital.

"I'm trying to pay on the bill," he says in resignation. "I try to send them $50 a month."

Richardson, 50, is just one of thousands caught in the collapse. According to Gene Caruthers, director of the Florida Insurance Department's Division of Liquidation, there were $10.3 million in claims against Farmers Life as of June 30. That total is likely to go much higher before all claims are due Dec. 1.

Caruthers' staff is trying to sort out the tangle. They're attempting to collect the company's assets, and then pay off claimants on a prorated basis. It could take several years, Caruthers says.

"We could end up paying a nickel on the dollar. It could be a lot more, could be less," he hedges before finally admitting, "It looks pretty dismal."

Ironically, members of the Laborer's International Union—some of whose leaders have been accused of abetting the Farmers Life operations—are not among the main sufferers. Though locals of the union had group policies with Farmers, new insurance arrangements apparently sheltered them from loss.

"No insured union member lost medical benefits or failed to get his eligible medical claims due to Farmers Life going under," said Frank Dalrymple, a spokesman for Florida Administrators Inc., the company that oversees the union's insurance transactions.

Dalrymple said his company negotiated a takeover of claims against Farmers Life with the union's new carriers.

But most people weren't so fortunate. Their trust—in Farmers Life, in the system—was misplaced. Here are some of their stories:

His wife and two kids are nearby so he whispers the words: "I just don't know what will happen to them when I go."

And though Joseph Bennett of Augusta, Ga., is only 30, the "when" seems close. He is a paraplegic confined to a wheel chair. The condition has caused complications. In September, he had a kidney removed. Doctors predict more kidney and bladder problems.

"I hate to even think about insurance companies," Bennett says now.

But he felt differently in 1966. Back then, he took out a $25,000 life insurance policy with Farmers Life. A few years later that decision seemed dramatically sound. An auto accident damaged his spine, clouded his future.

"I can't begin to tell you how hard it was to pay those premiums ($76 a quarter) sometimes," Bennett says. "But considering my condition we had to be safe. The cash value he had built up with Farmers is probably lost. He had investigated the price of a new policy. But because of his bad health the companies had quoted premiums in excess of $90 a year for each $1,000 of coverage. The Bennetts can't afford that with their income from a small drapery business.

Joseph Bennett quits whispering: "They ought to keep a closer eye on insurance companies."

Pascual Agrisani had his first heart attack in 1970. It was a bad one. His wife Rose Mary says he never worked again.

Death's shadow made the Orlando couple buy the insurance. It was to pay $18,000 at his death. The "high risk" premium was $104 per month.

"I had never heard of Farmers National Life, and I always worried about it," says Mrs. Agrisani, 54. "But I trusted my agent."

She went to work as a cafeteria worker. Her salary was $1.60 an hour.

"We never bought any clothes. It was just food, shelter, medical bills and insurance. We didn't even buy Christmas presents.

"Even then I had to use up savings to pay the premiums. But I knew that he was gong to die. I didn't want to be left with nothing."

Pascual Agrasani died in February, just two months after that "lousy company" went bankrupt.

The letters are unpleasant. They mention collection agencies, bad credit and going to court. Vicki and Clifford Dollar of Hialeah don't like it. They're not used to being threatened.

"You can't blame the hospital for wanting their money," says Mrs. Dollar. "But then how can they blame me?"

More than the hospital is hungry for money. There are doctors as well. The bills total about $4,000.

Vicki Dollar works for Alterman Transport Lines Inc. in Opa-Locka. The company chose Farmers Life as its group health insurance carrier. According to Mrs. Dollar, who ironically is the company's group insurance representative, she's just one of many who "got stuck."

"My husband was in an auto accident," she says. "The doctors thought he had something wrong with his heart from the impact against the steering wheel. One doctor's opinion led to another. It's pretty easy to spend $4,000 in a hospital."

For years, she paid extra to have her husband included in the company's group coverage.

"And what did that get me?" she asks and quickly answers, "Collection agencies."

"Ernie had such hopes," remembers his widow Brenda Morehead, 34, of Tampa. "It's wrong for a man to feel he has to support his family even after he's gone. But Ernie hoped he could leave us something?"

A diabetic, Ernie Morehead for years tried to get life insurance. But the costs were forbidding. Finally, in 1973, the agent who had written policies for the Moreheads' two sons said he knew of a company that would write the insurance for a reasonable premium—Farmers Life.

There were unusual conditions, however. The rate was $360 annually for a $10,000 policy. But if Morehead died during the first three years the insurance was in effect, only the cash value would be returned.

The diabetes got worse. Ernie, says his wife, thought frequently of the three-year clause.

Then around last Christmas the agent told us to quit making payments. He said the company had gone broke. It really tore up my husband. It really ruined him.

I told him he's healthy and nothing was going to happen to him. But he just got so depressed."

The diabetes attacked the kidneys, and then on March 5 Ernie Morehead died of a heart attack.

He had beaten the three-year clause. Only Farmers Life had failed.

PROPOSAL FOR KEEPING RURAL POST OFFICES OPEN

Mr. HATHAWAY. Mr. President, I am sure all of us have received many letters from constituents in recent months concerning proposals to reduce mail service or close rural post offices. Dr. Richard Steinman, professor of social welfare at the University of Maine at Portland, provided me with a copy of his letter to Postmaster General Bailar in which he offers a unique perspective on the benefits of continuing 6-day mail service and allowing rural post offices to remain open. I commend Dr. Steinman's letter to my colleagues, and I ask unanimous consent to have it printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WHITEFIELD, MAINE,
September 2, 1977.

Postmaster General BENJAMIN BAILAR,
U.S. Postal Service,
Washington, D.C.

DEAR POSTMASTER GENERAL: From my perspective as a social gerontologist permit me to comment upon the closely related issues of suspending Saturday mail deliveries and closing rural post offices. This letter has been in various stages of preparation for more than a year. Your recent, admirable call for public comment has led me finally to complete it.

As a student of human behavior—that of older people in particular—and as an observer of the life of a small rural village, I wish to argue against both these proposals for postal cost reduction. This letter will then conclude with a proposal for a change in national policy.

Rural post offices make an integral though subtle contribution to the social participation and social functioning of many of the rural elderly. As they collect their mail on six days of the week, even if it is "only" the newspaper, or as they submit their mail even if there is none that day to collect, a daily stimulus is provided for many healthy older people to remain physically, mentally and socially active, thus forestalling the onset of frailty, and for many frail older people to hang on to their remaining shreds of functional ability. This valued function, which the U.S. Postal Service may have been unaware it performs, has become even more critical as general stores in village after village have been wiped out by the overpowering competition of suburban shopping plazas. In many villages today only the church, the volunteer fire company and the helping hand society survive to promote social interaction but, unlike the post office, none of these functions daily.

To illustrate, I wish it were in my power to introduce you to just two of my neighbors:

Mrs. Francis Bailey is a hearty, stalwart old woman who strides each morning into the heart of the village of Whitefield, interacting with the postmaster and other customers, and with villagers from the very young to the very old whom she encounters, coming and going. These daily outings play an important part in motivating her to use rather than lose her vital physical, mental and social powers.

My other neighbor, whom I know only by name of "Ambrose," is an extremely frail 89-year-old. Though he lives not 500 feet from the post office he considers it advisable to drive there each morning, the car always followed (as if symbolically) by his faithful and cheerful three-legged dog. But driving or not, Ambrose is forced each day to totter out of his house and into his car, then out of his car and into the post office where he props himself up in a corner for a chat with the postmaster and anyone else who comes in or out during his few minutes there.

Sometimes he doesn't pause at all, but if the atmosphere is right and the gossip entertaining, he may remain a quarter-hour. Though never belaboring the postmaster, he is clearly absorbed in the passing scene. Tottering out then in, in then out—repeated each day twice at home, once at the post office—provides ideal conditions for motivating Ambrose to stay active physically, to stay alert mentally (never an accident with his car) and to drink in a bit of social intercourse—an ideal prescription for old age rehabilitation, as any qualified geriatrician or physiatrist would attest. With the important assist of these six ventures per week* the U.S. Postal Service unwittingly makes a material contribution to deterring Ambrose's institutionalization or earlier death.

Ambrose and Mrs. Bailey are only illustrative of America's older people—together with the younger physically handicapped—who retrieve their mail daily. When their number is multiplied by all those like them in Whitefield, and then by the number of America's rural post offices, the volume of natural prevention or rehabilitation to which the Postal Service contributes daily is surely manifold.

Suspending Saturday mail deliveries would I suggest, represent almost as serious a threat to the well-being of America's elderly. Many as are those who daily retrieve their mail at America's rural post offices, this number is dwarfed by the proportion who, whether urban or rural, have mail delivered to them at home. On a more modest scale, those who retrieve their mail at home also exercise themselves six times per week by walking from house to roadside or from apartment to mailbox, as well as back again. In addition, they are hungry for those communications from the outside world which the Postal Service makes possible. (After all, television is never addressed to them.) Many isolated or partially incapacitated older people, whether urban or rural, report that the time between Saturday and Monday mail pick-ups seems interminable. It would be a cruel blow to lengthen that time still further—from forty-eight to seventy-two hours. Furthermore, for those older (or the younger, physically handicapped) who make a physical and mental effort to retrieve their mail each day, and experience a bit of social interaction in the process (whether on country roadsides or in urban elevators), the proposed policy would deprive them of the motivation for one-sixth of their weekly exertion.

I am cognizant of the fact that what I have offered as evidence in support of retaining rural post offices and Saturday mail deliveries must seem to fly in the face of The Congress' major reason for creating the U.S. Postal Service in the first place, namely to reduce the former Post Office's horrendous fiscal deficits. What deeply concerns me, however, is that these two proposed cutbacks would greatly increase deficits in the areas of physical and mental health of the elders, and social cohesion of America's thousands of villages.

I respectfully propose that we closely examine developments in other advanced industrial societies, such as Sweden where, as a matter of national policy, the functions of the rural postal service and letter carrier have been redefined to include the promotion of additional social values. In rural Sweden, for example, as you may know, the letter carrier is now performing delimited social services of modest and well-defined scope (daily, if necessary) for those older people who cannot perform these functions for themselves or find others than the letter carrier to do so. In Norway I interviewed a postal official in 1975 who reported that, so as to countermand insidious boredom on the part of the letter carriers of Bergen, an adaptation of the Swedish rural innovation was seriously being considered, whereby even urban letter carriers would be encouraged, perhaps eventually expected, to "check in" with their frail, elderly customers for reassurance and the possible provision of a restricted social service. These Scandinavian ideas are attractive enough to Americans so that, for example, the Bronx, New York, postal service has instituted a modification thereof. This has now been adopted on a trial basis in Portland, Maine, with the enthusiastic support of postal administrators, letter carriers union and the area agency on aging.

But the larger issue is this, why "waste" the socially-valued functions which the Postal Service is already performing in rural post offices over and above the call of communications. (It should be kept in mind that the inducement which the rural post

*Occasionally Ambrose makes more than six trips per week. For example, on August 27th he was inadvertantly handed an advertising folder, in duplicate, addressed to "Boxholder." Within the hour he was back to the post office to return what was not his. The substtiute postmaster gently remonstrated with him: he could have returned it on Monday. But Ambrose demurred. The error had provided him with another "excuse" to exercise his remaining capacities.

office provides to a Mrs. Bailey or an Ambrose to get out of one's home each day, thereby interacting with others, is a vital expression or communication.)

We live in an age of inexorable social change. There are all kinds of visions in the private sector as to how the present must be shaped to the future. Why not in the governmental sector as well?

What I propose is disarmingly simple: that the Congress appropriate a certain sum of rehabilitation and social gerontology moneys for the relevant training of rural Postal Service personnel and for offsetting a certain proportion of the Postal Service's deficit. These moneys would represent a fraction of those the government would have to expend on hospital and nursing home services to the elderly whose deterioration would accelerate if the two services under discussion were to be discontinued.

What is new about this idea is its conceptualization rather than its practice. I'm confident that what I have reported unfolds daily in thousands of American villages in addition to Whitefield, Maine, where the U.S. Postal Service, through the medium of its services and its highly humanistic postmaster, Philip Poland (who succeeded another humanistic postmaster, Gary Ouellette), makes an ongoing contribution, subtle but vital, to the human ecology of the village, in general, and of the aged of this community, in particular.

Respectfully submitted,

RICHARD STEINMAN, Ph. D.,
Professor of Social Welfare.

INSULATION SUPPLIES

Mr. HATHAWAY. Mr. President, there has been considerable debate within this chamber of the last few weeks.

We all know that the demand for insulation has far outpaced available supplies. In the United States, the major manufacturers are using an allocation system.

The Senate Governmental Operations Subcommittee held hearings last week on the present insulation situation and what actions are being taken by the manufacturers, dealers, and by Government agencies.

Last Saturday, the Washington Post published two articles on insulation. One dealt with shortages of insulation. The second concerned estimated savings with insulation.

Both stories highlight the reasons why a tax credit to encourage insulation demand makes bad economic and tax sense.

I ask unanimous consent that the articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Nov. 5, 1977]

SHORTAGES OF INSULATION—FIBERGLASS PRODUCERS PLAN TO ALLOCATE SUPPLIES FOR 3 YEARS

Consumers face shortages of fiberglass building insulation material for at least the next three years, industry representatives told Congress this week.

But they told a Senate governmental affairs subcommittee they have no firm figures on the severity of the existing shortage and predictions of future supplies are difficult because of economic uncertainties.

Officials of Owens-Corning Fiberglas, Johns-Manville and CertainTeed all said their firms are using allocation systems to distribute products because they are unable to meet demand. The companies also are expanding production.

John A. McKinney, president of Johns-Manville, said his company's allocation system probably will remain in effect at least until 1980, although all three companies said shortages are not as severe as some reports indicate. The Commerce Department also has predicted a shortage of insulation material at least through the end of the current decade.

One subcommittee member, Sen Bill Roth (R-Del.) expressed concern about the efficiency and safety of some of the non-fiberglass insulation materials on the market.

"We have learned that even though properly-manufactured cellulose is safe and effective, a few 'fastbuck' artists are selling a product which eats away at buildings and feeds fires," Roth said.

The shortages and safety concerns are developing as Congress considers President Carter's proposal to give tax credits to homeowners who insulate their houses as a way of cutting down on fuel consumption.

Both the House and Senate approved a $400 tax credit for consumers who install insulation, storm windows and other energy-saving devices, and the congressional conference committee on energy is expected to include the provision in the compromise bill it is drafting.

But McKinney said the proposed tax credit is unlikely to help distribute the available fiberglass insulation materials to areas of the greatest need. "The tax credit does not allocate according to need, it allocates according to pay," he said.

Fiberglass material accounts for an estimated 75 per cent of insulation sold in this country, and industry officials said consumers can expect moderate price increases.

"Either prices must rise to cover increased costs or we must slow or stop capital spending for expansion in this area," McKinney said. Owens-Corning increased its prices earlier this year, hiking the cost of one type of insulation by 5 to 6 per cent and the cost of a second variety by 9 to 10 per cent.

Sen. William Hathaway cited estimates that the cost of insulation has increased 20 per cent to consumers in the past four months. The Maine Democrat has drafted legislation giving the federal government authority to impose temporary price controls on insulation materials.

The legislation also calls for Consumer Product Safety Commission standards on insulation and would require the Department of Energy to monitor the allocation system the industry has established.

S. John Byington, chairman of the safety commission, said his agency is looking into allegations that some firms are producing cellulose insulation products that do not conform with voluntary industry standards and are not submitted for independent laboratory tests.

Earlier this week Rep. Henry S. Reuss (D-Wis.), chairman of the House Banking Committee, urged that credits for insulation be held up until supplies can catch up with demand. He said that any measure that further stimulates demand would be inflationary and only exacerbate current problems.

Reuss, who is one of the conferees on the energy bill, suggested that the $400 maximum credit could be phased in either by making it available only to lower-income people initially or by starting with a tax credit of less than 20 percent and increasing it gradually as supplies increase.

The Department of Commerce says the use of insulation has increased already. The department said three million homes were reinsulated in the first half of 1977, up from only 750,000 homes in the same period a year earlier.

The department estimates that there will be enough insulation this year for 1.9 million new homes, 3.4 million existing homes and 300,000 mobile homes. But the ultimate market is much bigger.

A National Bureau of Standards study in 1974—the latest year for which figures are available—showed that some 40 million, owner-occupied, single-family homes needed more insulation. Eighteen million of the homes had no insulation at all.

A report by the Council on Wage and Price Stability has predicted both continued rationing of limited supplies and sharp price increases next year. Wholesale prices of insulation rose twice as fast as the average of other industrial materials this year. But because the largest increases have occurred only since August, they have not yet been passed on to retail merchants, the report said.

Meanwhile, the two agencies have some advice for consumers who are considering hiring a contractor or installing their own insulation.

There are three basic types of insulation:

Mineral wool. This includes rock wool and fiberglass and accounts for 80 to 85 per cent of residential insulation. It can be blown in place or purchased in blankets or "batts" with a vapor barrier to prevent moisture from passing though walls and ceilings and condensing on the insulation.

Plastic foam. Made of polystyrene, polyurethane or urea formaldehyde, it can be purchased in pre-formed sheets or can be injected into existing walls as a wet foam by a contractor.

Cellulose fiber. Made of finely ground cellulose products such as recycled newspaper, this insulation can be poured or blown in place.

The government has several booklets available to help consumers. "Making the Most of Your Energy Dollars" provides detailed information on how to figure out how much insulation you need and what it will cost you. The booklet costs 70 cents. "In the Bank or Up the Chimney" has illustrated, how-to instructions on weatherstripping, caulking and insulation. It costs $1.70. Both are available from the Consumer Information Center, Pueblo, Colo., 81009

ESTIMATING SAVINGS WITH INSULATION

CHICAGO.—How much money can you save by insulating your home? It's difficult to estimate because fuel—and money—savings depend on many factors.

Savings from adding more insulation will depend on the amount of insulation you already have, what kind of weatherstripping you have to cut down on drafts, whether you have storm windows, and your living habits, such as how high you set your thermostat.

Most attic insulation is sold by its R-value, which is the resistance to heat transfer. The more insulation you have, the higher the R-value—and the lower the heat loss from your home. Insulating materials have different R-values. For example, you would need more fibrous glass in your attic than rock wool to have the same insulating value.

Owens Corning Fiberglas Corp. provided the information for the accompanying chart as a guideline to show how much you will save by insulating your attic. It's based on the current price of insulation and cost of fuel. Their figures are for fibrous glass batt insulation—which comes in rolls—installed by a do-it-yourselfer, in an attic of 1,370 square feet.

Amount of insulation (cost)	Savings per year depending on heating system	Years to pay off in savings
Increase from none to R-33 ($532):		
Gas	$222	2.4
Oil	336	1.6
Electric	422	1.3
Heat pump	241	2.2
Increase from R-9 to R-33 ($387):		
Gas	45	9.6
Oil	66	5.9
Electric	82	4.7
Heat pump	48	9.3
Increase from R-13 to R-33 ($323):		
Gas	28	11.5
Oil	41	7.9
Electric	51	6.3
Heat pump	30	10.7

WATERWAY USER CHARGES AND "BIG BUSINESS"

Mr. DOMENICI. Mr. President, a letter that was sent to our former colleague, the Honorable Bill Brock, who is now Chairman of the Republican National Committee, recently came to my attention.

Frankly, this letter disturbs me both for its tone and the erroneous implications it makes both about me and my political party. As you read the letter, I believe the writer, Mr. Swift, intended to accuse me of wanting to "impose a user tax" not "oppose a user tax." Mr. President, I ask unanimous consent that the letter be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WATERWAYS JOURNAL,
St. Louis, Mo., October 24, 1977.

WILLIAM BROCK,
Chairman, Republican National Committee, Washington, D.C.

DEAR MR. BROCK: We have read a great many comments of yours regarding the resurgence of the Republican party in next year's election.

We would like to suggest to you that the current attempts of Republican Senator Domenici and other Republican legislators to oppose a user tax on the inland waterways may well be held against the Republican party at the polls next year.

As you are very much aware, the label of "big business" has been placed on the Republican party and it would appear to me that Senator Domenici's efforts on behalf of the railroad industry could well influence many American voters who could look forward to paying more for transporting their freight because of this tax which Senator Domenici wants to put on the barge lines.

Would greatly appreciate your consideration of this communication.

Sincerely,

JAMES V. SWIFT,
Business Manager.

Mr. DOMENICI. Mr. President, as I stated, I resent such characterizations of me and my party. But if we are going to throw around the label of "Big Business," I feel compelled to point out a few things about the barge industry, of which Mr. Swift is a champion. It is a good and useful business. It deserves our even-handed support. It does not deserve its special status as the recipient of a free ride—or even a nearly free ride—at the expense of the taxpayers.

And to imply that the barge business is small is simply wrong. One company of significance in the barge industry is Exxon Corp. Exxon's revenues in the latest 12-month period totaled $55 billion. That is billions of dollars, gentlemen. And $55 billion is more than three times the revenues of the entire national railroad industry.

I cannot tell my colleagues what Exxon's barge revenues are. It has been suggested they may be $50 million, but Exxon does not break out figures on its barge business in its annual report. Nor will it respond to my request for such information. Nor do most of the other big barge companies—like U.S. Steel and Ashland Oil and Cargill and major chemical companies—report their barge profits.

But I have discovered that some information on a few of the barge companies is available from their annual reports. I ask unanimous consent that this information be printed at this point in the RECORD.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

WHO OWNS THE BARGES

(1) Eastern Gas and Fuel Associates is not a well-known company, but is the largest waterway company. It has annual sales of about $600,000,000, making it the nation's 296th largest industrial company. That is larger than companies like Hershey Foods, Libby, McNeill & Libby, or Bell & Howell. It owns 70 towboats and over 1,500 barges, which produced revenues of $120,000,000 in 1976. That accounted for 17.6 billion ton miles, approximately 10 percent of the inland waterway traffic. Coal traffic represents about 60 percent of the company's barge business.

(2) U.S. Steel (the nation's 13th largest industrial corporation with sales of $8.6 billion) carried 13.1 million tons of commodities in 1976, an increase of 21 percent over 1975 on its captive subsidiaries: Warrior and Gulf Navigation Co. and Ohio Barge Line, Inc. That is more traffic than the combined traffic on the Missouri and Arkansas River systems.

(3) Ashland Oil is the nation's 45th largest corporation, bigger than such well-known companies as Monsanto, Lockheed, Cities Service, and 3M, with 1976 sales of $4.3 billion. The company's 1976 annual report says the company's "towboats and barges comprise the nation's largest fleet for transporting liquid cargoes on the nation's inland waterways."

(4) Central Soya has an inland marine fleet of over 200 vessels. The company reported in its 1976 annual report that "an aggressive marketing program at our river elevator helped achieve a 30 percent increase in barge shipments this past year." With sales of $1.8 billion, it is larger than better-known firms such as H. J. Heinz, Allis-Chalmers, Reynolds Metals, and General Tire.

(5) Cook Industries, a half billion dollar a year grain and building products company, operates 212 barges on the Mississippi, each with a capacity of 50,000 bushels.

(6) Texas Gas Transmission Co. (revenues of $900,000,000) owns American Commercial Barge Line, which in turn owns 52 towboats and 1,258 barges. It received 30 percent of its barge revenues from hauling coal, accounting for an estimated 6 billion ton-miles of traffic. The company has reported: "During the past five years, this division has attained a compound annual growth rate of 18.8 percent in revenues and 23.7 percent in net income."

Texas Gas Transmission Corp.—Inland Waterway Services Division:

1971, 1976, and percent increase, 1971–1976:

Income, $13,268,000, $35,291,000, 165 percent.

Barging Revenues, $46,224,000, $91,713,000, 98 percent.

Ton-miles Carried, $14.4 billion, $18.2 billion, 26 percent.

(7) Dravo Corp. (revenues of $750,000,000), owns the Union Mechling Corp., which has a fleet of over 700 barges, plus a Pittsburgh shipyard building 200–300 towboats and barges yearly. Last year Dravo posted a 15 percent increase in profit from its waterway and equipment division, even though that group was dragged down by poor business among its equipment subsidiaries.

Dravo, in its annual report discussed user charges: "We also consider a waterways user fee to be a regressive tax that must be passed along from carriers to shippers and, ultimately, to the individual consumer . . . through our participation in an industry-wide information campaign, we will attempt to assure full public debate of these critical issues before legislative action is taken."

Mr. DOMENICI. It might be helpful to note that the Army Corps of Engineers calculates that reconstruction of locks and dam 26 on the Mississippi River, as proposed by H.R. 8309 and my amendment No. 1460, will produce "delay reduction benefits" of $53,411,000. That is $53,411,000 per year, a figure that accounts for two-thirds of all the benefits of this nearly half-billion-dollar taxpayer investment. That is $53,411,000 that, in effect, will go directly into the pockets of these big barge companies as lower operating expenses.

Such benefits, I believe, created by a taxpayer investment at locks and dam 26 and at many other navigation projects under construction and proposed, should be, at least in part, recovered for the benefit of the taxpayers of the United States.

We all favor efficiency. But when efficiencies are financed entirely by taxpayers, they must be shared with the taxpaying public. This can only be done through the collection of waterway user charges based on the level of Federal expenditures.

EARNINGS LIMITATION

Mr. DOLE. Mr. President, last week the Senator from Kansas and the Senator from Arizona (Mr. GOLDWATER) had an amendment to eliminate the onerous earnings limitation on social security. Unfortunately, due to heavy administration pressure, the amendment was defeated in favor of a watered-down substitute.

The Goldwater-Dole amendment, similar to a provision in the House-passed social security bill, would have phased-in the elimination of the earnings limitation over a 5-year period. The amendment would have cost $100 million more than the committee amendment in the next 10 years and roughly $1 billion more per year thereafter.

The administration has been all over the map on this issue. On October 28, the President stated that he would sign a bill that eliminated the earnings limitation. However, according to recent press accounts the President has changed his mind.

The economic status of our elderly is a national concern. Those that have paid their taxes and have contributed to society now find themselves dependent on Government programs. Unfortunately, the earnings limitation test is a disincentive to work. It demotes our elderly to second-class citizenship.

The Senator from Kansas hopes that the administration will carefully reassess its decision and work productively to remove this stigma from our senior citizens.

TERRORISTS LET LOOSE

Mr. CASE. Mr. President, one of the problems in dealing with international terrorism has been the sad fact that all too often terrorists arrested for aircraft hijackings or other crimes have been let loose, enabling them to commit new acts of terrorism.

According to one U.S. estimate cited in the press, 146 persons had been arrested by the end of 1975 for acts of terrorism and no fewer than 140 are known to have been released.

These figures are cited in a Sunday Times of London article reprinted in the Washington Post's Outlook section of November 6, 1977.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TERRORISTS AT LARGE—THE TROUBLE WITH ARRESTING HIJACKERS IS THAT GOVERNMENTS KEEP LETTING THEM GO

(By Philip Jacobson)

When officers at the Israeli military intelligence center in Tel Aviv opened a file on the latest known Palestinian terrorist, they gave him a somewhat unoriginal code name: "Mohammed." All they knew was that he was 24 years old, and had just been through a training camp in Lebanon. Now he was waiting for his first mission.

That was 10 years ago. Today, Mohammed's file bulges with the details of at least four major acts of international terrorism in which he has been directly involved, plus one which indirectly centered on him. The operations are a roll-call of terror: Zurich, 1969; Athens, 1973; Rome, 1973; Tunis, 1974; Entebbe, 1976. And the Israelis see Mohammed's handiwork in two other operations they will not identify.

His alias has changed so often that even his real name remains uncertain. Nor do the Israelis know exactly where he is now; nor even what he looks like after two plastic surgery operations on his face. What they are angrily certain of is that Mohammed's career stands not just as a bloodstained reproach to those countries who have preferred to set captured terrorists free, but as unchallengeable proof of the most fundamental assertion of Israel's security policy: that terrorists neither reform nor retire; that governments who release them live to regret it; and that innocent civilians die to prove it.

It now appears that the British government, either by accident or design, allowed a terrorist, trained in the same camp as Mohammed, to pass unhindered through London's Heathrow Airport earlier this year. That man went on to mastermind last month's hijacking of the Lufthansa jet which ended on the tarmac of Mogadishu airport, the pilot murdered and three of the four terrorists dead.

The man who led that hijack called himself Captain Mahmoud. But he has now been identified as Zuhair Akache, the terrorist who murdered three Yemeni diplomats in London on April 10 this year. Within five hours of those murders, Akache boarded an Iraqi Airways jet at Heathrow bound for Baghdad.

How did he manage to pass through Heathrow emigration without being detained for questioning? Until there is a satisfactory explanation, the suspicion must remain that the British government—like so many governments before—was prepared to see the problem disappear on an airplane. The career of Akache's colleague Mohammed is a bloody illustration of the consequences of that attitude.

The first field assignment of terrorist Mohammed was to help organize and then to provide on-the-spot support for the attack on an El Al aircraft at Zurich airport in February, 1969. Four terrorists, one a woman, ran onto the tarmac firing sub-machine guns into the plane, killing the co-pilot and wounding five of the crew and passengers. An Israeli security guard aboard shot one of the attackers; the other three were captured. Mohammed is believed to have been at the airport; but in the confusion after the attack he slipped away.

His three surviving comrades were put on trial in the same Swiss court as the Israeli security man. He was acquitted of murder under extenuating circumstances; they got 12 years hard labor. But nine months later, in September, 1970, they were freed following the hijack of a Swissair plane to Dawson's Field in Jordan.

There is no evidence that Mohammed engineered the Swissair operation. But, once free, that Zurich team at once regrouped, according to the Israelis—and Mohammed was once more a member of it.

For almost three years after Zurich, though, little hard fact could be traced about that team. The Israelis assume that Mohammed was based in Lebanon and that the team participated in other operations. His next positive sighting came in the summer of 1973.

On Aug. 5 that year, two young Arabs walked into the packed transit lounge at Athens international airport, sprayed the tourists with machine pistols, then tossed grenades into the screaming crowd. Five people were killed, more than 50 wounded. The pair then seized hostages and demanded a plane to fly them out, but finally they surrendered.

That attack was Mohammed's debut as a squad leader. He planned it. He passed over the guns and grenades in the transit lounge before the killing began. (There is also a suspicion that he was afterward detained briefly by Greek police, but quietly allowed to fly out.)

THE ROME ATTACK

To the Israelis' concern, Mohammed did not then follow the usual pattern and go underground after Athens. Their intelligence placed him in Beirut, training with a new team. But not for long. On Dec. 17, 1973, the team went into action, and on this occasion Mohammed was openly leading.

Just after midday, five men being searched in the transit lounge of Rome's Fiumicino Airport produced submachine guns from their luggage and opened up on the passengers. Seizing hostages, the gang then ran up the steps of a Pan American Boeing 707 with 60 people aboard and lobbed incendiary grenades inside. Within seconds, the interior was an inferno; 11 passengers burned to death strapped into the seats.

With their 14 hostages, Mohammed and his accomplices then shot their way aboard a Lufthansa jet and ordered the crew to take off. Behind them they left the bodies of 31 people, including two junior ministers and two civil servants of the government of Morocco.

Two hours later, the hijacked Lufthansa plane landed at Athens—and the purpose of the carnage at Rome became clear. Mohammed demanded the release of the two arrested after the earlier Athens slaughter.

The Greeks, however, refused to negotiate. Finally, Mohammed ordered the plane to Kuwait, where the gang surrendered and released their hostages. There they were held for several weeks, then flown to Cairo where, it was announced, they would stand trial before a revolutionary court of the Palestine Liberation Organization. (The outraged Moroccan government had demanded that they should be treated "without pity and without mercy.")

But while Mohammed and his accomplices were still in Egyptian hands, the Greek government lost its nerve. A Greek court had sentenced the Athens pair to death; but now, in May, 1974, they were suddenly given a presidential pardon and flown to Libya, first class.

What followed was depressingly predictable—one Israeli intelligence officer even won a small bet on it. Six months later, those two Athens members of Mohammed's team hijacked a British Airways jet from Dubai and, after wounding two of the crew and killing a passenger, forced it to land in Tunis. There, they demanded the release of Mohammed and the other Rome airport terrorists still held in Egypt, plus a couple more held in Holland.

With evident relief, the Egyptians agreed. Mohammed and his Fiumicino squad were flown to Tunis. The British Airways' hostages were released. The Tunisian government promptly announced that all the terrorists had "voluntarily" asked to be turned over to the PLO. And in December, 1974, they were flown to "an unknown destination" which everyone, including the Israelis, knew to be Libya. The team was reunited—free to kill again.

But by now the Israelis had acquired photographs of some of the Rome terrorists. Mohammed must have known this, for he seems to have flown from Libya to Beirut for plastic surgery. Then, with an altered appearance, he went back into action.

Terrorists with as many "active" operations behind them as Mohammed tend to switch to training their successors. But perhaps because of a shortage of qualified men—"they must be well-trained, intelligent and above all brave," one Israeli source observes, "and the best of them are"—Mohammed took part in setting up yet another major operation.

The hijack of the Air France plane to Entebbe in June last year originated in Athens, Mohammed's old stamping ground. The hijack team got on there, and their weapons are thought to have been passed on to them in the Athens transit lounge by a separate team. "Entebbe had Mohammed's name written all over it," an Israeli expert said. "Pity the bastard wasn't there when our boys arrived."

146 ARRESTS, 140 RELEASES

Mohammed's career thus demonstrates not only the degree to which terror has become "internationalized," but also the dismally ineffectual response to the threat by governments.

It was only after a secret meeting in London last May that a number of West European governments finally agreed to formalize the exchange of intelligence and also to establish special anti-terrorist squads along the lines of the West German SG9 which stormed the Lufthansa airliner at Mogadishu.

Nor do governments even agree on the scale of the problem. According to the Central Intelligence Agency, there were 1,190 acts of international terrorism in the period 1965–1976. The CIA's figures exclude attacks launched directly against Israel by Arab

groups and vice-versa, but include, in cumbersome officialese, "incidents that either victimized non-combatant nationals of states located outside the principal arena of conflict, or were of such nature that they became the subject of widespread international concern and controversy."

The Middle East and Western Europe together account for more than 40 per cent of incidents logged by the CIA; Latin America comes next with about 20 per cent. The analysis also suggests that, world-wide, bombings are overwhelmingly the most common form of terrorism. Hijackings are heavily concentrated in that Middle East/Western Europe zone. By CIA criteria, there have been at least 146 "political" hijackings in this area alone over the last eight years. By 1976, however, the same figures indicate that Arab governments had become the principal target for attacks by Palestinian groups or their sympathizers: 112 incidents, against two aimed at Israel and one in which the United States was the target.

Israeli records focus, understandably, on the Palestinian threat, though they have broadened with the growth of "trans-national" attacks against Israel. Since 1968, there have been about 175 separate incidents, ranging from letter bombs to the hijack of El Al planes, and about 200 people have been killed and three times as many injured—the vast majority innocent civilians and, in more recent years, not even Israelis.

The ineffectiveness, indeed the pusillanimity, of the response to this threat can also be quantified, albeit indirectly. According to a secret document compiled by the State Department's Office to Combat Terrorism, 146 people classified as international terrorists had been arrested up to the end of 1975 in the Western countries covered by the survey. But of these, no fewer than 140 were known to have been released, the overwhelming majority as a result of further acts of terrorism such as hijackings. In addition, the report says, 47 known terrorists have been allowed to escape because their own governments chose not to arrest them for offenses committed against another country.

The Office to Combat Terrorism estimated early last year that only 31 people classifiable as international terrorists were still held in jails around the world. The Israelis believe that today's figure—excluding their own terrorist prisoners—is closer to 20. Nor is there any evidence that this dismal pattern will change. Yet terrorism is becoming steadily more international—not just in its targets, but in its operatives too.

THE TERRORIST PARTNERSHIP

The raid on Entebbe put an end to the last operation with which the elusive Mohammed is known to have been associated. But in the euphoria, one somber fact was overlooked. Entebbe was the first time that European terrorists—a West German man and woman—took part in a hijacking planned by Palestinians and aimed at Israel. Moretover, Israeli intelligence believes that both the Germans—they were killed at Entebbe—were probably graduates of the training camp in Aden run by Wadih Haddad, "external operations" controller of the Popular Front for the Liberation of Palestine, and the man the Israelis now consider one of the most dangerous of all terrorists.

Several leaders of Germany's Baader-Meinhof gang are also known to have acquired their lethal expertise in Haddad's school, known as Camp Khayat. So the implications of Entebbe are disturbing.

Like the Japanese terrorists who trained at Khayatand were subsequently responsible for the massacre of 26 civilians at Lydda airport in Israel in 1972, the West Germans now appear ready to pay for their instruction and weapons by cooperating on terrorist missions with the Arabs. Worse, that German-Palestinian partnership at Entebbe followed by only a few months another incident which Israeli authorities have tried to keep secret.

Early in January last year, Kenyan police patrolling Nairobi airport came across three Arabs crouching by the perimeter fence. On the grass beside them were two SAM–7 shoulder-fired missiles, primed for firing. The Arabs' target was an El Al airliner due to arrive within an hour with more than 100 passengers aboard.

A few days later, two young West Germans, Thomas Reuter and Brigitte Schultz, flew into Nairobi. They were immediately arrested by Kenyan intelligence men who had been secretly interrogating the three Arabs. A body search revealed that Brigitte Schultz was a courier. Across her stomach a message had been written in indelible ink. If the attack on El Al failed, it ran, they should use their missiles on an American, French, German or British plane—in that order of priority.

Agents of Mossad, Israel's secret service, were already in Nairobi when Reuter and Schultz were picked up. All five terrorists were then quietly put aboard a plane to Tel Aviv. So secret was this transfer that when, six monhs later, the Air France plane was hijacked to Entebbe, one of the hijackers' demands was the release of the Nairobi five from "imperialist jails in Kenya." (In fact, the five are now being tried behind closed doors at a military base in Israel.)

The Israelis now saw that Reuter and Schultz were also graduates of the Aden training school and were repaying Haddad. "An Arab face is automatically suspect at most airports now," one intelligence man explained. "Europeans can move far more easily around the world, especially with a pile of phony passports. It makes them excellent couriers." (For the same reason, the Israelis say, the weapons for the Entebbe hijacking were taken aboard at Athens by the two German terrorists in the gang.)

OLD SCHOOL TIES

There was another disturbing link between the Nairobi and Entebbe operations. Two of those Arabs arrested with their SAM–7's in Kenya had, almost exactly a year earlier, attacked an El Al plane at Orly Airport in Paris. Eight people were seriously wounded in that shootout; and, seizing hostages, the two Arabs had then demanded passage out on an Air France plane. After zig-zagging around the Middle East for 14 hours, they were finally allowed to land in Iraq, home base of the PFLP. Their next operation was Nairobi, better armed if not noticeably more efficient.

But, according to Israeli sources, the German man killed at Entebbe, Wilfred Boese, had accompanied the Arabs on that raid at Orly. And Boese, they say, was yet another of Haddad's trainees.

For their inside knowledge of Haddad's programs at Camp Khayat, the Israelis have relied heavily on the testimony of yet another European, a young Dutch woman who completed a course there.

Lidwina Anna Janssen was arrested at Lydda Airport on the eve of the Jewish New Year in September 1976, on a reconnaissance mission to report on Israeli security measures. Janssen, who seems to have drifted into terrorism more from boredom than ideology, promptly told the Israelis everything she knew.

In July, 1976, she said, a group of seven to ten West Germans had arrived at the camp, which is about 15 miles outside the city of Aden. They were met by Haddad and for the next six weeks he concentrated on teaching them the basic skills of terrorism.

Janssen also told the Israelis about two young Arabs she met training at Khayat. When she returned to Holland in August, 1976, she said, she had been surprised to see their photographs in all the Dutch papers. For, on leaving Khayat, they had promptly gone to Istanbul, where they used machine guns and grenades to attack a line of passengers waiting to board an El Al plane, killing four people and injuring another 20.

Last month, the wheel of international terrorism again turned full circle. These two Arabs, jailed for life in Turkey after the Istanbul attack, were at the top of the list of prisoners whose release was demanded by the gang which hijacked the Lufthansa plane to Magadishu.

RECESS UNTIL 10 A.M. ON FRIDAY, NOVEMBER 11, 1977, FOR PRO FORMA SESSION

Mr. ROBERT C. BYRD. Mr. President, I move, in accordance with the previous order, that the Senate stand in recess until 10 o'clock a.m.—for a pro forma meeting only, without any morning business to be transacted—on this coming Friday at 10 a.m.

The motion was agreed to; and at 10:03 a.m., in accordance with the previous order, the Senate recessed until 10 a.m. on Friday, November 11, 1977.

NOMINATIONS

Executive nominations received by the Senate November 7, 1977, pursuant to the order of the Senate of November 4, 1977:

ENVIRONMENTAL PROTECTION AGENCY

Stephen John Gage, of Maryland, to be an Assistant Administrator of the Environmental Protection Agency, vice Wilson K. Talley, resigned.

EXPORT-IMPORT BANK OF THE UNITED STATES

Thibaut de Saint Phalle, of New Jersey, to be a member of the Board of Directors of the Export-Import Bank of the United States, vice R. Alex McCullough, resigned.

FEDERAL DEPOSIT INSURANCE CORPORATION

William M. Isaac, of Kentucky, to be a member of the Board of Directors of the Federal Deposit Insurance Corporation for a term of 6 years, vice Robert E. Barnett, resigned.

IN THE AIR FORCE

The following named officers for promotion in the U.S. Air Force, under the appropriate provisions of chapter 839, title 10, United States Code, as amended.

LINE OF THE AIR FORCE

Major to lieutenant colonel

Abate, Joseph D., xxx-xx-xxxx
Abbott, Mary N., xxx-xx-xxxx
Ache, Leroy P., xxx-xx-xxxx
Ackert, Bruce, xxx-xx-xxxx
Adair, Charles R., xxx-xx-xxxx
Adams, Charles C., xxx-xx-xxxx
Adams, Duane A., xxx-xx-xxxx
Adams, Harold B., xxx-xx-xxxx
Adams, John P., xxx-xx-xxxx
Adams, Jordan E., III, xxx-xx-xxxx
Adams, Wendell M., xxx-xx-xxxx
Adinolfi, Jerry D., Jr., xxx-xx-xxxx
Aftosmis, Charles, xxx-xx-xxxx
Ague, Walter N., xxx-xx-xxxx
Ahl, Arthur W., xxx-xx-xxxx
Ahl, Gilbert W., xxx-xx-xxxx
Akridge, James A., xxx-xx-xxxx
Alba, Michael S., xxx-xx-xxxx
Albertson, Fred W., Jr., xxx-xx-xxxx
Aldinger, Richard T., xxx-xx-xxxx
Alexander, Charles R., xxx-xx-xxxx
Alexander, Lonny R., xxx-xx-xxxx
Alexander, Lynn B., xxx-xx-xxxx
Alexander, Norman C., xxx-xx-xxxx
Alexander, Theodore G., xxx-xx-xxxx
Alfieri, Guiseppe M. C., xxx-xx-xxxx
Allan, Donald F., xxx-xx-xxxx

Allen, Donald G., xxx-xx-xxxx.
Allen, Douglas J., xxx-xx-xxxx.
Allen, Theodore M., xxx-xx-xxxx.
Allen, Wayne L., xxx-xx-xxxx.
Altick, Stephen F., xxx-xx-xxxx.
Altman, Herbert, xxx-xx-xxxx.
Alvey, Dennis H., xxx-xx-xxxx.
Ambre, William A., xxx-xx-xxxx.
Ames, James R., xxx-xx-xxxx.
Amfahr, Harold M., xxx-xx-xxxx.
Amor, Jean P., xxx-xx-xxxx.
Amoscato, Guy T., xxx-xx-xxxx.
Anderson, Alan C., xxx-xx-xxxx.
Anderson, Carlton E., xxx-xx-xxxx.
Anderson, Charles E., xxx-xx-xxxx.
Anderson, Gerald W., xxx-xx-xxxx.
Anderson, James B., xxx-xx-xxxx.
Anderson, John M., xxx-xx-xxxx.
Anderson, John W., xxx-xx-xxxx.
Anderson, Norman E., Jr., xxx-xx-xxxx.
Anderson, Ralph L., Jr., xxx-xx-xxxx.
Anderson, Richard C., xxx-xx-xxxx.
Andrews, Melvin R., Jr., xxx-xx-xxxx.
Andrews, Merle F., xxx-xx-xxxx.
Andry, Ernest E., Jr., xxx-xx-xxxx.
Anduss, Larry P., xxx-xx-xxxx.
Anibal, Edward F., Jr., xxx-xx-xxxx.
Anspaugh, Charles C., xxx-xx-xxxx.
Anthony, George T., xxx-xx-xxxx.
Anway, Mark D., xxx-xx-xxxx.
Armentrout, Robert E., xxx-xx-xxxx.
Armstrong, Robert M., xxx-xx-xxxx.
Arnett, Larry W., xxx-xx-xxxx.
Arnold, Francis W., xxx-xx-xxxx.
Arnold, Terry A., xxx-xx-xxxx.
Arthur, Paul M., xxx-xx-xxxx.
Ashby, Lawrence E., xxx-xx-xxxx.
Ashworth, Charles W., xxx-xx-xxxx.
Atchison, Richard M., xxx-xx-xxxx.
Augustyniak, Daniel A., xxx-xx-xxxx.
Austin, James S., Jr., xxx-xx-xxxx.
Austin, Noel F., xxx-xx-xxxx.
Austin, William F., III, xxx-xx-xxxx.
Auth, Edward G., Jr., xxx-xx-xxxx.
Auvil, Robert E., xxx-xx-xxxx.
Ayres, Roger A., xxx-xx-xxxx.
Baber, Jerry W., xxx-xx-xxxx.
Bablo, Charles A., xxx-xx-xxxx.
Baddley, Henry M., Jr., xxx-xx-xxxx.
Bainton, Ronald W., xxx-xx-xxxx.
Baker, Emmett J., Jr., xxx-xx-xxxx.
Baker, James C., xxx-xx-xxxx.
Baker, Robert L., xxx-xx-xxxx.
Baker, Ronald F., xxx-xx-xxxx.
Bakos, Andrew E., xxx-xx-xxxx.
Ballard, Bobby D., xxx-xx-xxxx.
Banks, Frederick M., xxx-xx-xxxx.
Bannwart, James L., xxx-xx-xxxx.
Barber, Thomas J., xxx-xx-xxxx.
Barlock, Lawrence A., xxx-xx-xxxx.
Barlow, Charles F., xxx-xx-xxxx.
Barnocky, John A., xxx-xx-xxxx.
Barrett, Billy A., xxx-xx-xxxx.
Barrett, Ford H., xxx-xx-xxxx.
Barroqueiro, Silverio A., xxx-xx-xxxx.
Barrows, Charles V., xxx-xx-xxxx.
Barto, Emerson S., xxx-xx-xxxx.
Barton, Roland S., Jr., xxx-xx-xxxx.
Baschnagel, William R., xxx-xx-xxxx.
Basque, Patricia E., xxx-xx-xxxx.
Bates, Roy O., Jr., xxx-xx-xxxx.
Baucom, Donald R., xxx-xx-xxxx.
Bauer, Richard H., xxx-xx-xxxx.
Baughman, John S., xxx-xx-xxxx.
Bay, Philip E., Jr., xxx-xx-xxxx.
Bayley, Harry P., xxx-xx-xxxx.
Beamer, Samuel C., xxx-xx-xxxx.
Beatty, Frederick M., xxx-xx-xxxx.
Bechler, Wayne R., xxx-xx-xxxx.
Becker, Lawrence D., xxx-xx-xxxx.
Beebe, Dennis E., xxx-xx-xxxx.
Behrens, Dennis D., xxx-xx-xxxx.
Bell, James R., xxx-xx-xxxx.
Bell, Jerald R., xxx-xx-xxxx.
Bell, Lawrence L., xxx-xx-xxxx.
Bell, Robert C., xxx-xx-xxxx.
Belmont, Paul A., xxx-xx-xxxx.
Belzer, George W., III, xxx-xx-xxxx.
Bendere, George H., xxx-xx-xxxx.
Benner, William H., Jr., xxx-xx-xxxx.
Bennett, George R., xxx-xx-xxxx.
Benson, Larry L., xxx-xx-xxxx.
Benson, Linn D., xxx-xx-xxxx.
Berdan, Richard L., xxx-xx-xxxx.
Bergandi, Louis J., Jr., xxx-xx-xxxx.
Bergen, John K., xxx-xx-xxxx.
Berls, Robert E., Jr., xxx-xx-xxxx.
Bernard, John F., Jr., xxx-xx-xxxx.
Berringer, Lynn T., xxx-xx-xxxx.
Berry, Gene A., xxx-xx-xxxx.
Berry, James S., xxx-xx-xxxx.
Berube, Paul J., xxx-xx-xxxx.
Beson, Gary N., xxx-xx-xxxx.
Bestgen, Robert F., xxx-xx-xxxx.
Bettner, Donald J., xxx-xx-xxxx.
Betts, Carlton L., xxx-xx-xxxx.
Bevans, Peter C., xxx-xx-xxxx.
Bickenbach, Jerry B., xxx-xx-xxxx.
Bickford, John D., xxx-xx-xxxx.
Bierly, Richard M., xxx-xx-xxxx.
Bifolchi, George J., xxx-xx-xxxx.
Bigoni, Robert A., xxx-xx-xxxx.
Bikker, Arthur W., xxx-xx-xxxx.
Billington, Gordon F., xxx-xx-xxxx.
Billotte, Robert A., xxx-xx-xxxx.
Bilsbury, Stephen J., xxx-xx-xxxx.
Biltz, James E., xxx-xx-xxxx.
Bingham, Billy J., xxx-xx-xxxx.
Bingham, Charles D., xxx-xx-xxxx.
Birmingham, Milton D., xxx-xx-xxxx.
Bittorf, Norman G., xxx-xx-xxxx.
Bivens, Robert A., xxx-xx-xxxx.
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Vilensons, John J., xxx-xx-xxxx.
Vogl, David J., xxx-xx-xxxx.
Vojir, Joseph L., xxx-xx-xxxx.
Vosse, John M., xxx-xx-xxxx.
Votaw, David R., xxx-xx-xxxx.
Wages, Brian E., xxx-xx-xxxx.
Wagner, Frederick A., xxx-xx-xxxx.
Wagner, James A., xxx-xx-xxxx.
Walder, Glen W., xxx-xx-xxxx.
Waldron, Thomas R., xxx-xx-xxxx.
Walker, Clarence E., Jr., xxx-xx-xxxx.
Walker, Larry D., xxx-xx-xxxx.
Walker, Robert G., xxx-xx-xxxx.
Wallace, James A., Jr., xxx-xx-xxxx.
Wallace, Paul A., Jr., xxx-xx-xxxx.
Walling, Darrell H., xxx-xx-xxxx.
Walsh, Louis C., xxx-xx-xxxx.
Walters, Roger W., xxx-xx-xxxx.
Waltman, Richard P., xxx-xx-xxxx.
Walton, Richard C., xxx-xx-xxxx.
Wandling, Larry W., xxx-xx-xxxx.
Wang, Joseph C. T., xxx-xx-xxxx.
Ward, Clarence E., xxx-xx-xxxx.
Ward, Edward, xxx-xx-xxxx.
Ward, George A., Jr., xxx-xx-xxxx.
Ward, Jerrold D., xxx-xx-xxxx.
Ward, Willis N., xxx-xx-xxxx.
Warden, John A., III, xxx-xx-xxxx.
Warn, Peter W., xxx-xx-xxxx.
Warner, David A., xxx-xx-xxxx.
Warner, Edward L., III, xxx-xx-xxxx.
Warner, James A., xxx-xx-xxxx.
Warren, Elton A., Jr., xxx-xx-xxxx.
Washburn, John I., xxx-xx-xxxx.
Washburn, William T., xxx-xx-xxxx.
Waterman, Charles R., Jr., xxx-xx-xxxx.
Watkins, Richard E., xxx-xx-xxxx.
Watson, Frank C., xxx-xx-xxxx.
Watson, Howell N., Jr., xxx-xx-xxxx.
Wazney, Edward L., xxx-xx-xxxx.
Webb, Roy G., xxx-xx-xxxx.
Wedin, Gustave A., III, xxx-xx-xxxx.
Wedra, Arthur H., xxx-xx-xxxx.
Wehmhoner, Martin C., Jr., xxx-xx-xxxx.
Weida, William J., xxx-xx-xxxx.
Weil, Frederick W., xxx-xx-xxxx.
Weimer, John R., Jr., xxx-xx-xxxx.
Weiner, Leonard J., xxx-xx-xxxx.
Weisinger, William S., Jr., xxx-xx-xxxx.
Welch, Guy F., xxx-xx-xxxx.
Welch, Harold W., xxx-xx-xxxx.
Welch, Robert P., xxx-xx-xxxx.
Wells, Donald M., xxx-xx-xxxx.
Wells, Joseph E., xxx-xx-xxxx.

Wells, Robert F., xxx-xx-xxxx.
Wells, William A., xxx-xx-xxxx.
Welsh, Francis J., xxx-xx-xxxx.
Welsh, Warren P., xxx-xx-xxxx.
Welton, David L., xxx-xx-xxxx.
Wendt, Douglas M., xxx-xx-xxxx.
Wersland, Kenneth L., xxx-xx-xxxx.
Wesselhoeft, Adolf J., xxx-xx-xxxx.
Wessell, Herbert W., xxx-xx-xxxx.
West, Hirum E., xxx-xx-xxxx.
Westby, Darrell E., xxx-xx-xxxx.
Whaley, Edward K., xxx-xx-xxxx.
Wheeler, Steven E., xxx-xx-xxxx.
Whelton, Matthew B., Jr., xxx-xx-xxxx.
Whisonant, Clinton T., xxx-xx-xxxx.
Whitaker, William L., III, xxx-xx-xxxx.
Whitcomb, Robert E., xxx-xx-xxxx.
White, Frederick J., xxx-xx-xxxx.
White, Galvin G., xxx-xx-xxxx.
White, George W., xxx-xx-xxxx.
White, Gurney D., xxx-xx-xxxx.
White, Raymon M., Jr., xxx-xx-xxxx.
Whitehead, Victor W., xxx-xx-xxxx.
Whiting, Hubert L., xxx-xx-xxxx.
Whittington, Richard J., xxx-xx-xxxx.
Wicklein, Walter A., III, xxx-xx-xxxx.
Widdis, James W., Jr., xxx-xx-xxxx.
Wiener, Dale O., xxx-xx-xxxx.
Wifall, James R., xxx-xx-xxxx.
Wilcox, Robert J., xxx-xx-xxxx.
Wilhelm, James L., xxx-xx-xxxx.
Wilhelm, John P., xxx-xx-xxxx.
Willett, Dale F., xxx-xx-xxxx.
Williams, Alfred L., Jr., xxx-xx-xxxx.
Williams, Harold E., xxx-xx-xxxx.
Williams, Jimmy L., xxx-xx-xxxx.
Williams, Merle R., Jr., xxx-xx-xxxx.
Williamson, Gary T., xxx-xx-xxxx.
Williamson, George L., III, xxx-xx-xxxx.
Willis, Arthur J., xxx-xx-xxxx.
Wilson, Charles R., xxx-xx-xxxx.
Wilson, David D., xxx-xx-xxxx.
Wilson, Dwight F., xxx-xx-xxxx.
Wilson, Franklin E., xxx-xx-xxxx.
Wilson, Fred A., Jr., xxx-xx-xxxx.
Wilson, J. Leon, xxx-xx-xxxx.
Wilson, James A., Jr., xxx-xx-xxxx.
Wilson, James R., xxx-xx-xxxx.
Wilson, John H., xxx-xx-xxxx.
Wilson, John L., xxx-xx-xxxx.
Wilson, Murle A., xxx-xx-xxxx.
Wilson, Thomas L., xxx-xx-xxxx.
Wilson, Thomas W. C., xxx-xx-xxxx.
Winstead, Robert L., xxx-xx-xxxx.
Wintrode, Joseph H., xxx-xx-xxxx.
Wintzer, Louis A., xxx-xx-xxxx.
Wiswell, Robert A., xxx-xx-xxxx.
Wittekind, Robert L., xxx-xx-xxxx.
Wittress, William M., Jr., xxx-xx-xxxx.
Wohnsigl, John R., xxx-xx-xxxx.
Wojciechowski, William A., xxx-xx-xxxx.
Wong, Wendell M. Y., xxx-xx-xxxx.
Wood, Thomas W., xxx-xx-xxxx.
Wood, Wayne L., xxx-xx-xxxx.
Woods, Jon P., xxx-xx-xxxx.
Woods, William J., xxx-xx-xxxx.
Wormington, John R., xxx-xx-xxxx.
Worrell, Bruce, Jr., xxx-xx-xxxx.
Worthington, Charles G., xxx-xx-xxxx.
Wrenn, James E., xxx-xx-xxxx.
Wright, John J., Jr. xxx-xx-xxxx.
Wright, Richard J., xxx-xx-xxxx.
Wright, Robert E., xxx-xx-xxxx.
Wuest, William A., xxx-xx-xxxx.
Wyatt, Ralph E., xxx-xx-xxxx.
Wylie, Allan R., xxx-xx-xxxx.
Wylie, John H., Jr., xxx-xx-xxxx.
Wynn, Franklin L., xxx-xx-xxxx.
Yocum, Allen, xxx-xx-xxxx.
Yohe, Wayne I., xxx-xx-xxxx.
Young, James B., xxx-xx-xxxx.
Young, Larry N., xxx-xx-xxxx.
Young, Leroy C., xxx-xx-xxxx.
Young, Thomas W., xxx-xx-xxxx.
Younglove, Gary D., xxx-xx-xxxx.
Younkin, Gary D., xxx-xx-xxxx.
Zabel, Albert R., xxx-xx-xxxx.
Zaborowski, Albert V., xxx-xx-xxxx.
Zachary, Frank E., xxx-xx-xxxx.
Zang, Robert A., xxx-xx-xxxx.
Zaring, Robert K., xxx-xx-xxxx.
Zick, Karl F., xxx-xx-xxxx.
Ziebold, Ronald J., xxx-xx-xxxx.
Zielinski, Edward J., Jr., xxx-xx-xxxx.
Zigrino, Angelo R., xxx-xx-xxxx.
Zimer, Milan, xxx-xx-xxxx.
Zimmerman, Jon C., xxx-xx-xxxx.
Zoller, Michael D., xxx-xx-xxxx.
Zook, Harold J., xxx-xx-xxxx.
Zumbro, Paul E., xxx-xx-xxxx.

CHAPLAIN CORPS

Arther, Donald E., xxx-xx-xxxx.
Bonath, Harold D., xxx-xx-xxxx.
Cleary, William O., Jr., xxx-xx-xxxx.
Coltharp, Bruce R., xxx-xx-xxxx.
Corbitt, James C., xxx-xx-xxxx.
Dabrowski, George J., xxx-xx-xxxx.
Dawson, Lewis E., xxx-xx-xxxx.
Engler, David E., xxx-xx-xxxx.
Eustes, Alfred W., Jr., xxx-xx-xxxx.
Grosse, David G., xxx-xx-xxxx.
Heffernan, Thomas A., xxx-xx-xxxx.
Herbert, Douglas G., xxx-xx-xxxx.
Hunter, Donald E., xxx-xx-xxxx.
Keane, Thomas F., xxx-xx-xxxx.
Matthews, Joseph C., III, xxx-xx-xxxx.
McGraw, William M., Jr., xxx-xx-xxxx.
Nadine, Jerome E., xxx-xx-xxxx.
Schuermannn, William S., xxx-xx-xxxx.
Shealy, Walter W., xxx-xx-xxxx.
Skipper, Bryant R., xxx-xx-xxxx.
Taitano, Miguel A., xxx-xx-xxxx.

JUDGE ADVOCATE

Bosser, Robert L., xxx-xx-xxxx.
Bourassa, Clarence E., xxx-xx-xxxx.
Buck, David P., xxx-xx-xxxx.
Fries, Ralph R., xxx-xx-xxxx.
Giaimo, Christopher J., xxx-xx-xxxx.
Gooding, Theodore J., xxx-xx-xxxx.
Hemingway, Thomas L., xxx-xx-xxxx.
Hilliard, John E., xxx-xx-xxxx.
Losey, Franklin W., xxx-xx-xxxx.
Penater, Robert F., xxx-xx-xxxx.
Richards, Robert M., xxx-xx-xxxx.
Riley, Byron B., Jr., xxx-xx-xxxx.
Sheeran, Patrick D., xxx-xx-xxxx.
Stephenson, Gilbert D., xxx-xx-xxxx.
Thornton, John C., xxx-xx-xxxx.

NURSE CORPS

Baker, Darline J., xxx-xx-xxxx.
Bales, Alice F., xxx-xx-xxxx.
Beavers, Barbara J., xxx-xx-xxxx.
Buchanan, Sue A., xxx-xx-xxxx.
Butler, Norma J., xxx-xx-xxxx.
Courter, Janice K., xxx-xx-xxxx.
Cummings, Barbara A., xxx-xx-xxxx.
Danhof, Roger J., xxx-xx-xxxx.
Dellesky, Mary A. L., xxx-xx-xxxx.
Duerksen, David W., xxx-xx-xxxx.
Edwards, Eleanor C., xxx-xx-xxxx.
Eliseo, Irene J., xxx-xx-xxxx.
Finnegan, James B., xxx-xx-xxxx.
Geberl, Helen H., xxx-xx-xxxx.
George Mary M., xxx-xx-xxxx.
Griswold, Theodore R., xxx-xx-xxxx.
Hampton, Claude P., xxx-xx-xxxx.
Harnit, Joanne M., xxx-xx-xxxx.
Heacock, Susan K., xxx-xx-xxxx.
Holtz, Jerry G., xxx-xx-xxxx.
Irish, William R., xxx-xx-xxxx.
King, Maureen A., xxx-xx-xxxx.
Klecka, Dorothy M., xxx-xx-xxxx.
Kurt, Jerome C., xxx-xx-xxxx.
Latham, Winifred, xxx-xx-xxxx.
Manns, Joan M., xxx-xx-xxxx.
Markowitsch, Olga, xxx-xx-xxxx.
May, Peggy S., xxx-xx-xxxx.
Munro, Jean A., xxx-xx-xxxx.
Musser, Joanna, xxx-xx-xxxx.
Myers, Arthur T., xxx-xx-xxxx.
Nathan, John G., xxx-xx-xxxx.
Ollino, Tiiu, xxx-xx-xxxx.
Pacheco, Gabriel C., xxx-xx-xxxx.
Payton, Ruth G., xxx-xx-xxxx.
Pearcy, David A., xxx-xx-xxxx.
Pocoski, Ceceila C., xxx-xx-xxxx.
Reimann, Lawrence L., xxx-xx-xxxx.
Richardson, Daphne A., xxx-xx-xxxx.
Richardson, Kenneth W., xxx-xx-xxxx.
Rizzo, Patricia A., xxx-xx-xxxx.
Scaccia, James M., xxx-xx-xxxx.
Schaefer, Joanne L., xxx-xx-xxxx.
Sheeley, Juanita K., xxx-xx-xxxx.
Smith, Helen N., xxx-xx-xxxx.
Stoffel, Carol E., xxx-xx-xxxx.
Wachtel, Juddie L., xxx-xx-xxxx.
Wallace, Clara B., xxx-xx-xxxx.
Wilder, William M., xxx-xx-xxxx.
Williams, Patricia L., xxx-xx-xxxx.

MEDICAL SERVICE CORPS

Anzai, Rodney K., xxx-xx-xxxx.
Batch, Larry L., xxx-xx-xxxx.
Berry, Charles M., xxx-xx-xxxx.
Boglin, William N., xxx-xx-xxxx.
Borngasser, Frederick J., xxx-xx-xxxx.
Bowker, Charles S., xxx-xx-xxxx.
Currier, Thomas J., xxx-xx-xxxx.
Dyer, Richard F., xxx-xx-xxxx.
Edmonds, Robert D., xxx-xx-xxxx.
Frient, Gerald J., xxx-xx-xxxx.
Gibson, Reginald P., xxx-xx-xxxx.
Green, Kenneth E., xxx-xx-xxxx.
Handley, James G., xxx-xx-xxxx.
Iott, Robert O., xxx-xx-xxxx.
Lakey, Gene A., xxx-xx-xxxx.
Lawrence, Charles W., Jr., xxx-xx-xxxx.
McCann, Ray E., xxx-xx-xxxx.
McClain, Earl D., xxx-xx-xxxx.
Mills, Robert L., xxx-xx-xxxx.
Nadell, Avrom P., xxx-xx-xxxx.
Reilly, Neil B., xxx-xx-xxxx.
Rowe, Bobby G., xxx-xx-xxxx.
Smith, George D., xxx-xx-xxxx.
Stone, Carl P., xxx-xx-xxxx.
Stover, William L., xxx-xx-xxxx.
Tenbarge, Ronald W., xxx-xx-xxxx.

Veterinary Corps

Adams, George E., xxx-xx-xxxx.
Hall, Allen, III, xxx-xx-xxxx.
Jessop, Morris E., Jr., xxx-xx-xxxx.
Slemons, Richard D., xxx-xx-xxxx.
Thalken, Charles E., xxx-xx-xxxx.
Wiesenfeld, David S., xxx-xx-xxxx.

Biomedical Sciences Corps

Behling, Edward A., xxx-xx-xxxx.
Benson, Edward H., xxx-xx-xxxx.
Blochberger, Charles W., Jr., xxx-xx-xxxx.
Eiles, Richard R., xxx-xx-xxxx.
Ellsworth, Robert W., xxx-xx-xxxx.
Esters, Lavada, xxx-xx-xxxx.
Falconer, Dennis D., xxx-xx-xxxx.
Graham, Roger B., xxx-xx-xxxx.
Harrah, Cariold B., xxx-xx-xxxx.
Lefebvre, Edward E., xxx-xx-xxxx.
Parkhurst, Michael J., xxx-xx-xxxx.
Pfoff, Billy J., xxx-xx-xxxx.
Provines, Wayne F., xxx-xx-xxxx.
Schultz, Victor B., xxx-xx-xxxx.
Strate, Robert D., xxx-xx-xxxx.

The following officers for appointment in the Regular Air Force, in the grade indicated, under the provisions of section 8284, title 10, United States Code, with date of rank to be determined by the Secretary of the Air Force:

To be major

Aftosmis, Charles, xxx-xx-xxxx.
Castillo, Robert L., xxx-xx-xxxx.
Davenport, Jesse P., III, xxx-xx-xxxx.
Falbo, Francis E., xxx-xx-xxxx.
Foringer, Harold F., xxx-xx-xxxx.
Geraghty, Kevin, xxx-xx-xxxx.
Goss, William K., xxx-xx-xxxx.
Jones, Reginald, xxx-xx-xxxx.
McLaughlin, Frank M., Jr., xxx-xx-xxxx.
Richardson, David M., xxx-xx-xxxx.
Schumaker, Arlyn D., xxx-xx-xxxx.

To be captain

Bond, David A., xxx-xx-xxxx.
Leach, Ronald S., xxx-xx-xxxx.

To be first lieutenant

Burns, Joseph E., xxx-xx-xxxx.
Jobson, Robert P., xxx-xx-xxxx.

The following officers for appointment in the Regular Air Force, in the grades indicated, under the provisions of section 8284, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated, and with dates of rank to be determined by the Secretary of the Air Force:

CHAPLAIN CORPS

To be major

McGraw, William M., Jr., [redacted].

MEDICAL SERVICE CORPS

Edmonds, Robert D., [redacted].

NURSE CORPS

To be captain

Cummings, Barbara A., [redacted].

HOUSE OF REPRESENTATIVES—*Tuesday, November 8, 1977*

The House met at 12 o'clock noon.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. BRADEMAS) laid before the House the following communication from the Speaker:

WASHINGTON, D.C., *November 8, 1977.*

I hereby designate the Honorable JOHN BRADEMAS to act as Speaker pro tempore for today.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

He that abideth in Me and I in him, the same bringeth forth much fruit.—John 15: 5.

Eternal Father, who art the sustainer of life and liberty, above the difficulties of these days and the tumult of these times may we hear Thy still, small voice calling us to live in Thy presence, to live in Thy spirit, and to serve in Thy name. Responding may we learn to pray as we work and to work as we pray.

Draw the people of this free land together in a common loyalty to Thee that strong in Thee they and we may walk the ways of peace, tread the roads of righteousness, and pursue the paths of brotherhood.

Give to the Members of this House, both here and away, a greatness of mind and heart enabling them to serve their districts and our country with faith and hope and love.

In Thy holy name we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H.R. 2661. An act for the relief of Patricia R. Tully;

H.R. 2770. An act to amend section 142 of title 28, United States Code, relating to the furnishing of accommodations to judges of the courts of appeals of the United States;

H.R. 6348. An act to convey to the Ely Indian Colony the beneficial interest in certain Federal land; and

H.J. Res. 643. Joint resolution making further continuing appropriations for the fiscal year 1978, and for other purposes.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 3313. An act for the relief of Mark Charles Mieir and Liane Marla Mieir;

H.R. 5555. An act for the relief of Adelida Rea Berry; and

H.R. 8159. An act to establish uniform structural requirements for intermodal cargo containers, subject to the jurisdiction of the United States, designed to be transported interchangeably by sea and land carriers, and moving in, or designed to move in, international trade, and for other purposes.

The message also announced that the Senate agrees to the amendment of the House to Senate amendments to a bill of the House of the following title:

H.R. 4049. An act to amend the Regional Rail Reorganization Act of 1973 to authorize additional appropriations for the U.S. Railway Association.

The message also announced that the Senate agrees to the amendment of the House to Senate amendments to a bill of the House of the following title:

H.R. 8701. An act to amend title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowance paid to eligible veterans and persons, to make improvements in the educational assistance programs, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1585) entitled "An act to amend title 18, United States Code, to make unlawful the use of minors engaged in sexually explicit conduct for the purpose of promoting any film, photograph, negative, slide, book, magazine, or other print or visual medium, or live performance, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1750) entitled "An act to amend the Public Health Service Act and the Federal Food, Drug, and Cosmetic Act, as amended, to conduct studies concerning toxic and carcinogenic substances in foods, to conduct studies concerning saccharin, its impurities and toxicity and the health benefits, if any, resulting from the use of nonnutritive sweeteners including saccharin; to ban the Secretary of Health, Education, and Welfare from taking action with regard to saccharin for 18 months, and to add additional provisions to section 403 of the Federal Food, Drug, and Cosmetic Act, as amended, concerning misbranded foods."

The message also announced that the Senate recedes from its disagreement to the amendment of the House to a bill of the following title.

H.R. 422. An act to amend the Tariff Schedules of the United States to provide duty-free treatment of any aircraft engine used as a temporary replacement for an aircraft engine being overhauled within the United States if duty was paid on such replacement engine during a previous importation.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 9346) entitled "An act to amend the Social Security Act and the Internal Revenue Code of 1954 to strengthen the financing of the social security system, to reduce the effect of wage and price fluctuation on the system's benefit structure, to provide for the conduct of studies with respect to coverage under the system for Federal employees and for employees of State and local governments, to increase the earnings limitation, to eliminate certain gender-based distinctions and provide for a study of proposals to eliminate dependency and sex discrimination from the social security program, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. LONG, Mr. RIBICOFF, Mr. NELSON, Mr. HASKELL, Mr. MOYNIHAN, Mr. CURTIS, Mr. ROTH, and Mr. LAXALT to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 9418) entitled "An act to amend the Public Health Service Act to require increases in the enrollment of third-year medical students as a condition to medical schools' receiving capitation grants under such act, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. KENNEDY, Mr. PELL, Mr. NELSON, Mr. HATHAWAY, Mr. WILLIAMS, Mr. CRANSTON, Mr. RIEGLE, Mr. EAGLETON, Mr. SCHWEIKER, Mr. JAVITS, Mr. CHAFEE, Mr. STAFFORD, Mr. HATCH, and Mr. HAYAKAWA, to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 405. An act for the relief of Chong Cha Williams;

S. 432. An act for the relief of Rosalinda Flores Vaow;

S. 833. An act for the relief of Ah Young Cho Kwak;

S. 973. An act for the relief of Young-Shik Kim;

S. 1052. An act for the relief of Brian Patrick Webb and his wife, Laurene Anne Webb;

S. 1154. An act for the relief of Jin Syen Suh;

S. 1214. An act to establish standards for the placement of Indian children in foster or adoptive homes, to prevent the breakup of Indian families, and for other purposes;

S. 1215. An act to provide for grants to tribally controlled community colleges, and for other purposes;

S. 1315. An act to provide more effectively for the use of interpreters in courts of the United States, and for other purposes;

S. 1401. An act for the relief of Elvi Engelsmann Jensen;

S. 1563. An act for the relief of Do Sook Park.

S. 1597. An act to formalize common international safety requirements for the approval, examination, and inspection of containers, within the jurisdiction of the United States and used in international transport, to maintain a high level of safety of human life, to facilitate international container transport, and for other purposes;

S. 1792. An act to amend the Administrative Conference Act; and

S. Con Res. 26. Concurrent resolution expressing the sense of Congress that action should be taken to focus national attention on the extent and consequences of and the need to find a cure for amyotrophic lateral sclerosis.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to announce that pursuant to the authority granted the Speaker on Friday, November 4, 1977, the Speaker did on that day sign the following enrolled bill:

S. 1560. An act to restore the confederated tribes of Siletz Indians of Oregon as a federally recognized sovereign Indian tribe, to restore to the confederated tribes of Siletz Indians of Oregon and its members those Federal services and benefits furnished to federally recognized American Indian tribes and their members, and for other purposes.

CONFERENCE REPORT ON H.R. 9375, SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 1978

Mr. NATCHER submitted the following conference report and statement on the bill (H.R. 9375) making supplemental appropriations for the fiscal year ending September 30, 1978, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 95–812)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9375) making supplemental appropriations for the fiscal year ending September 30, 1978, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 4, 9, 12, 18, 24, 34, 36, 38, 39, 40, and 41.

That the House recede from its disagreement to the amendments of the Senate numbered 11, 13, 14, 17, 19, 20, 27, 33, and 47, and agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$44,200,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows: In lieu of the sum named by said amendment insert "$1,836,000"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: Restore the matter stricken by said amendment amended to read as follows:

HIGHER EDUCATION

For an additional amount for "Higher Education", $5,000,000 for the support of the construction of two demonstration model intercultural centers as authorized by section 721(a)(2) of the Higher Education Act of 1965 as amended: *Provided*, That in addition the Commissioner is to make available new construction loans not to exceed $7,200,000 from amounts available in the Higher Education Facilities Loan and Insurance Fund for the construction of two demonstration model intercultural centers.

And the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$101,000,000"; and the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment, as follows: Restore the matter stricken by said amendment amended to read as follows:

AIRCRAFT PROCUREMENT, NAVY

For an additional amount for "Aircraft Procurement, Navy", $73,900,000, to remain available for obligation until September 30, 1980.

And the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$240,500,000"; and the Senate agree to the same.

Amendment numbered 46: That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment, as follows: In lieu of the sum named by said amendment insert "$8,000,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 2, 5, 7, 8, 10, 15, 16, 22, 23, 25, 28, 29, 31, 32, 35, 37, 43, 44, 48, 49, 50, 51, 52, and 53.

GEORGE MAHON,
JAMIE L. WHITTEN,
EDWARD P. BOLAND,
WILLIAM H. NATCHER,
DANIEL J. FLOOD,
TOM STEED,
JOHN M. SLACK,
JOHN J. MCFALL,
CLARENCE D. LONG,
SIDNEY R. YATES,
TOM BEVILL,
ELFORD A. CEDERBERG,
SILVIO O. CONTE (except amendment 46),
JACK EDWARDS,
LAWRENCE COUGHLIN,
Managers on the Part of the House.

JOHN L. MCCLELLAN,
WARREN G. MAGNUSON,
JOHN C. STENNIS,
ROBERT C. BYRD,
WILLIAM PROXMIRE,
DANIEL K. INOUYE,
ERNEST F. HOLLINGS,
BIRCH BAYH,
THOMAS F. EAGLETON,
LAWTON CHILES,
WALTER D. HUDDLESTON,
MILTON R. YOUNG,
CLIFFORD P. CASE,
EDWARD W. BROOKE,
MARK O. HATFIELD,
TED STEVENS,
RICHARD S. SCHWEIKER,
HENRY BELLMON,
LOWELL P. WEICKER, JR.,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9375) making supplemental appropriations for the fiscal year ending September 30, 1978, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommend in the accompanying conference report:

TITLE I

Chapter I

Department of Agriculture

Agricultural Marketing Service

Marketing Services

Amendment No. 1: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, which reads as follows:

Agricultural Marketing Service

Marketing Services

For an additional amount for the "Agricultural Marketing Service, Marketing Services", $2,000,000.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The $2,000,000 will fund new grading and inspection positions and related training for USDA to assume quality assurance activities previously performed by Defense Department military personnel and to develop a government-wide plan for Federal food quality specification and procurement policy. Should additional funds for this purpose be required in fiscal year 1978, the Committees will consider a supplemental request.

Federal Crop Insurance Corporation

Subscription to Capital Stock

Amendment No. 2: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, which reads as follows:

Federal Crop Insurance Corporation

Subscription to Capital Stock

To enable the Secretary of the Treasury to subscribe and pay for capital stock of the Federal Crop Insurance Corporation, as provided in section 504 of the Federal Crop Insurance Act (7 U.S.C. 1504), $30,000,000.

The conferees have agreed to an appropriation of $30,000,000 to subscribe additional capital stock for the Federal Crop Insurance Corporation as proposed by the Senate. Legislation that has passed the House and the Senate would authorize a capital stock increase from $150 million to $200 million. The full $150 million is issued and outstanding. This additional authority of $30 million is needed in the immediate future to meet heavy crop losses resulting from the continued drought now affecting much of the country. The Corporation has indicated that unless these funds are provided, it may not be able to meet its contractual obligations beginning in December of this year.

In addition, the conferees direct the Secretary of Agriculture to conduct, within available administrative funds not to exceed $200,000, a comprehensive study of alternative crop insurance and disaster assistance programs. To the extent possible, the Secretary should consult with other Federal departments as well as private entities in the preparation of this study, and submit his findings to the appropriate Committees of Congress by March 1, 1978.

Farmers Home Administration

Very Low-Income Housing Repair Grants

The conferees agree that the $4,000,000 shall be primarily for weatherization grants to the elderly.

Agricultural Credit Insurance Fund

Amendment No. 3: Deletes Senate language which would have provided $100,000,000 for farm ownership loans. The conferees noted that there is a substantial backlog in demand for these loans. The Small Business Committees and the Agriculture Committees are considering programs to meet these needs along with reforms in the disaster loan programs of the Small Business Administration and Farmers Home Administration. Action is expected early in the next session.

Accordingly, the conferees agreed to defer action on an increase in loan authority at this time. The conferees direct the Department of Agriculture to examine carefully the needs for farm ownership loans, farm operating loans and disaster loans and report to the appropriate Committees of Congress early next spring. Careful consideration will be given to adjusting loan authorizations at that time to reflect such assessments. The Department should pay particular attention in its report to the worsening of the credit situation with respect to farm ownership and the appropriate loan levels that can meet the urgent needs in this area.

Soil Conservation Service

Watershed and Flood Prevention Operations

Amendment No. 4: Appropriates $30,000,000 for sec. 216 funds as proposed by the House instead of $26,704,000 as proposed by the Senate.

Agricultural Stabilization and Conservation Service

Agricultural Conservation Program

Amendment No. 5: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, which reads as follows:

Agricultural Stabilization and Conservation Service

Agricultural Conservation Program

For an additional amount to carry out the Agricultural Conservation Program, $36,600,000, to incur obligations for the period ending September 30, 1978, and to liquidate such obligations for soil and water conserving practices in major drought or flood damage areas as designated by the President or the Secretary of Agriculture: *Provided*, That not to exceed 5 per centum of the amount herein may be withheld with the approval of the State committee and allotted to the Soil Conservation Service for services of its technicians in the designated drought or flood damaged areas.

The conferees agree that monies appropriated for this program be for reimbursement to farmers for expenditures incurred beginning on the date of the Presidential disaster declaration as authorized by law.

Chapter II

INDEPENDENT AGENCIES

Environmental Protection Agency

Amendment No. 6: Appropriates $44,200,000 for research and development instead of $40,500,000 as proposed by the House and $47,000,000 as proposed by the Senate.

Amendment No. 7: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate regarding the distribution of construction grants with an amendment as follows: "the table on page 15 of Senate Report Numbered 95–564".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

General Services Administration

Amendment No. 8: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate providing the Consumer Information Center an additional $5,000 for travel from funds previously appropriated.

Veterans' Administration

Amendment No. 9: Deletes language proposed by the Senate providing $139,100,000 for construction, major projects. The Committee of Conference has deleted without prejudice the funding for the replacement of the existing Veterans' Administration hospitals at Portland, Oregon, and Vancouver, Washington. Funding will be considered in the next supplemental appropriations bill, following a thorough review of the House Committee's Surveys and Investigations Staff report.

Amendment No. 10: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate providing that all unobligated balances in the grants for construction of State extended care facilities account may be used pursuant to recently enacted legislation expanding the scope of the program (Public Law 95–62).

Amendment No. 11: Appropriates $3,847,000 for assistance for health manpower training institutions as proposed by the Senate.

Chapter III

DEPARTMENT OF THE INTERIOR

United States Fish and Wildlife Service

Amendment No. 12: Deletes language proposed by the Senate appropriating $2,600,000 for resource management.

Geological Survey

Amendment No. 13: Appropriates $2,000,000 for surveys, investigations, and research as proposed by the Senate instead of $5,000,000 as proposed by the House.

Office of Surface Mining Reclamation and Enforcement

Amendment No. 14: Appropriates $30,880,000 for enforcement and research as proposed by the Senate instead of $24,080,000 as proposed by the House.

The managers are in agreement that up to $2,500,000 of the appropriation for abandoned mine reclamation may be used for inventory and data gathering on abandoned mine land reclamation needs.

Amendment No. 15: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which amends the Surface Mining Control and Reclamation Act of 1977 to provide for an Executive level V rather than an Executive level IV.

Bureau of Indian Affairs

Amendment No. 16: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment appropriating $8,374,000 for operation of Indian programs instead of $8,054,000 as proposed by the House and $7,224,000 as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The total amount appropriated includes $6,329,000 to aid Indian livestock operators in drought areas, $375,000 for fisheries management operations, and $520,000 to develop an energy minerals resources technical assistance program. The Bureau of Indian Affairs is directed to insist on the highest professional and technical competence in awarding contracts under the energy minerals resources technical assistance program in consultation with the new Department of Energy.

Amendment No. 17: Appropriates $2,166,000 for construction as proposed by the Senate instead of $1,866,000 as proposed by the House.

The managers are concerned over the inadequacy of site selection work prior to commencing construction of the Tamgass Fish Hatchery on Annette Island, Alaska. The funds provided in this bill were necessitated by the requirement to change the site of the hatchery after construction had begun. Prior to obligating construction monies at the new site, the Bureau of Indian Affairs is directed to review carefully and approve the selected site to ensure the fitness of the location for hatchery construction.

Amendment No. 18: Deletes Senate language authorizing the Secretary of Interior to recognize validly executed assignments made by Alaskan Regional Corporations of their rights to receive payments from the Alaska Native Fund.

Office of Territorial Affairs

Amendments Nos. 19 and 20: Deletes language making appropriations for administration of territories subject to enactment of authorizing legislation as proposed by the Senate.

RELATED AGENCIES

Department of Agriculture—Forest Service

Amendment No. 21: Appropriates $1,836,000 for forest land management instead of $3,672,000 as proposed by the Senate.

Conferees are mindful of the employment needs of the Forest Service. The House Committee has asked that an investigation of the personnel utilization practices of the Forest Service be performed to make certain that the Forest Service is obtaining the maximum possible from its employees. If on completion of the investigation it becomes apparent that the Forest Service is obtaining maximum utilization of its personnel and OMB and the Department do not provide employment ceilings adequate to administer the program mandated by the FY 1978 appropriation, the Committee will consider further action in the second supplemental for FY 1978 and the regular appropriation bill for FY 1979.

The conferees are in agreement that the inability of the Forest Service to obligate all available funds in a timely manner as a result of employment ceilings shall result in prompt submission of rescission or deferral proposals. This will provide the Congress adequate opportunity to take appropriate action.

Energy Research and Development Administration

Amendment No. 22: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment appropriating $1,000,000 for operating expenses, fossil fuels, instead of $5,000,000 as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Federal Energy Administration

Amendment No. 23: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

Federal Energy Administration

Salaries and Expenses

For an additional amount for "Salaries and expenses", $273,194,000, of which $253,110,000 shall become available only upon enactment of authorizing legislation as follows: (1) for conservation grants for schools and health care facilities, $200,000,000; for conservation grants for local government buildings, $25,000,000; for grants for financial assistance to utility regulatory commissions, $6,630,000; for solar heating and cooling installations in Federal buildings, $20,000,000; to remain available for obligation until September 30, 1979; and (2) for administration of grants for schools and health care facilities, local government buildings, and utility rate reform, $1,480,000: *Provided*, That of the total amount of this appropriation, not to exceed $6,000,000 shall remain available until expended for a reserve to cover any defaults from loan guarantees issued to develop underground coal mines as authorized by Public Law 94–163: *Provided further*, That the indebtedness guaranteed or committed to be guaranteed under said law shall not exceed the aggregate of $62,000,000.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The $3,150,000 decrease below the amount proposed by the Senate is in the energy information and analysis program.

Chapter IV

DEPARTMENT OF LABOR

Departmental Management

Salaries and Expenses

Amendment No. 24: Deletes language proposed by the Senate earmarking $1,210,000 for 82 new permanent positions. The conferees are agreed, however, that the funds in this bill are to be used to support 82 additional permanent positions.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Health Resources Administration

Medical Facilities Guarantee and Loan Fund

Amendment No. 25: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment, which allows the Secretary to reallocate funds from unused allotments of other States to the State of Illinois for the purpose of making loans and loan guarantees for hospital construction and modernization.

Office of Education

Higher Education

Amendment No. 26: Appropriates $5,000,000 instead of $9,100,000 as proposed by the House for grant support of the construction of demonstration model intercultural centers at Georgetown University, Washington, D.C. and Tufts University in Massachusetts; and authorizes loans not to exceed $7,200,000 from amounts available in the "Higher education facilities loan and insurance fund" for the construction of the two aforementioned demonstration model intercultural centers as proposed by the House.

The Conferees agree that this is the final amount to be provided for these projects until higher priority items are funded.

Social Security Administration

Special Assistance to Refugees from Cambodia, Vietnam, and Laos in the United States

Amendment No. 27: Appropriates $124,000,000 as proposed by the Senate. This item was not considered by the House.

Department Management

General Department Management

Amendment No. 28: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which appropriates $1,719,000 for compensating the State of Washington for losses incurred in vacating and turning over to the United States the land and all improvements thereon which was formerly the site of the Tacoma (Washington) Indian Hospital.

RELATED AGENCIES

Community Services Administration

Community Services Program

Amendment No. 29: Reported in disagreement. The managers on the part of the House will offer a motion to insist on disagreement to the amendment of the Senate numbered 29.

Chapter V

ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION

Operating Expenses

Amendment No. 30: Appropriates $101,000,000 for Operating Expenses instead of $121,000,000 as proposed by the House and $99,000,000 as proposed by the Senate. The increase over the Senate allowance is for the wind turbine energy program.

Amendment No. 31: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which earmarks $17,000,000 of previously appropriated funds for the relocations necessary to consolidate activities within the Department of Energy as proposed by the Senate, instead of providing an additional appropriation of $17,000,000 as proposed by the House.

The largest component presently located in the Forrestal Building is the Corps of Engineers. As part of the relocation effort, the conferees agree with the House and Senate report language directing that the Corps be moved to 20 Massachusetts Avenue, N.W., Washington, D.C. The Corps should be located in accordance with GSA standards and criteria in that space which will be vacated by the DOE. The conferees have been advised that this could accelerate the relocations and the building would not have to be substantially modified to accommodate the Corps under GSA standards and criteria thereby minimizing costs, which will save Federal funds. The building is currently in the GSA space inventory.

Deparment of Defense—Civil

Department of the Army

Corps of Engineers—Civil

The conferees argee that, within available funds under Construction, general, $300,000 is available for phase 1 preconstruction planning of the Calleguas Creek, Simi Valley to Moorpark, California project as proposed by the House.

Alaska Hydroelectric Power Development Fund

Amendment No. 32: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate appropriating $5,450,000 for the Alaska hydroelectric power development fund as proposed by the Senate.

Administrative Provision

Amendment No. 33: Deletes language proposed by the House restricting the use of appropriated funds to process applications for proposed coastal zone activity in the State of Washington.

The Conferees concur with the intent of the House provision but believe that it is unnecessary in view of the recent enactment of a more comprehensive restriction on transshipment of crude oil through Puget Sound in Public Law 95–136. The recently enacted ban on expansion or modification of marine terminal facilities designed to accommodate additional transshipment of oil applies only to permits needed to expand or modify dock and related facilities, not to pipelines, refineries or other shore based facilities and is consistent with the Coastal Zone Management program of the State of Washington, which has been approved by the U.S. Department of Commerce. This new statute should expedite consideration of which system for shipment of excess west coast crude oil should be adopted while also providing for the petroleum needs of Washington, Oregon, and the Pacific Northwest.

Amendment No. 34: Deletes language proposed by the Senate limiting the use of funds for the Corps of Engineers.

DEPARTMENT OF THE INTERIOR

Bureau of Reclamation

The Conferees agree that, within funds available under Construction and rehabilitation, $400,000 is provided for rehabilitation and betterment work on the Sun River, Greenfields Division project in Montana.

Upper Colorado River Storage Project

Amendment No. 35: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which transfers $875,000 to the Upper Colorado River storage project from Construction and rehabilitation as proposed by the Senate.

Chapter VI

DEPARTMENT OF COMMERCE

Bureau of the Census

Periodic Censuses and Programs

Amendment No. 36: Appropriates $7,000,000 as proposed by the House instead of $7,500,000 as proposed by the Senate.

RELATED AGENCIES

Office of the Special Representative for Trade Negotiations

Salaries and Expenses

Amendment No. 37: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum named in said amendment, insert "$15.000".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Chapter VII

INDEPENDENT AGENCIES

General Services Administration

Federal Buildings Fund

Limitations on Availability of Revenue

Amendment No. 38: Makes available an additional $48,913,000 for construction of federal buildings as proposed by the House instead of $34,130,000 as proposed by the Senate.

Amendment No. 39: Establishes a limitation of $69,392,000 for construction of certain federal buildings as proposed by the House instead of $54,609,000 as proposed by the Senate.

Amendment No. 40: Makes typographical change.

Amendment No. 41: Makes available $14,783,000 for construction of the Springfield, Massachusetts Courthouse, Federal Office Building, and parking facility as proposed by the House.

Chapter VIII

DEPARTMENT OF DEFENSE

Procurement

Aircraft Procurement, Navy

Amendment No. 42: Appropriates $73,900,000 instead of $151,600,000 as proposed by the House. The Senate had proposed no funding for this appropriation.

The fiscal year 1978 budget included $697,300,000 for the production of 44 F–14A aircraft during fiscal year 1978 and $210,000,000 in advance procurement funding toward the production of 60 F–14A aircraft in fiscal year

1979. Congress authorized and appropriated $623,400,000 to produce 40 aircraft during fiscal year 1978 and $132,300,000 in advance procurement funding toward the production of 36 aircraft in fiscal year 1979.

The $151,600,000 proposed by the House included $73,900,000 to fund four additional F–14A aircraft in fiscal year 1978 and $77,700,000 in advance procurement funding. This proposal was based on the fact the House authorization bill on the fiscal year 1978 supplemental bill had recommended that $151,600,000 be authorized to restore the fiscal year 1978 authorization to the original budget request. The conference agreement on the fiscal year 1978 supplemental authorization bill (S. 1863) included $73,900,000 for four F–14A aircraft, and no advance procurement funding.

The conferees on the fiscal year 1978 supplemental appropriation bill (H.R. 9375) agreed to provide $73,900,000 for the production of four additional F–14A aircraft during the current fiscal year.

Other Procurement, Navy

The Senate report contained language recommending that the Navy use available funds to procure AN/SSQ–77 sonobuoys in fiscal year 1978. This recommendation was intended to avert or minimize a gap in production that would otherwise exist between procurement for research and development and full scale production. The managers are in agreement that the Navy may proceed as recommended by the Senate if the prospective savings for a follow-on procurement and the initial testing results justify such an action. The managers note that this sonobuoy will not be approved for service use until October 1978, and there are risks inherent in proceeding with production before testing is complete. The Navy should utilize available funds in the research and development appropriation rather than other procurement since this procurement will come before approval for service use. The managers expect the Navy to follow normal reprogramming procedures if it elects to follow this recommendation.

Aircraft Procurement, Air Force

Amendment No. 43: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment rescinding $462,000,000 of appropriations provided under this heading in the Department of Defense Appropriation Act, 1977.

The Senate amendment proposes rescission of $462,000,000 of the $1,073,000,000 appropriated in fiscal year 1977 for production of B–1 aircraft numbers 5, 6, and 7, as proposed by the President on July 19, 1977. The rescission deletes uncommitted funds for the first three B–1 production aircraft and allows for termination costs. With this rescission, B–1 aircraft production will be terminated after fabrication of aircraft number 4, the last research and development aircraft. The House has voted twice to deny B–1 production funds for fiscal year 1978.

Missile Procurement, Air Force

Amendment No. 44: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment rescinding $1,400,000 of appropriations provided under this heading in the Department of Defense Appropriation Act, 1977.

The Senate amendment proposes to rescind $1,400,000 of the $20,800,000 appropriated in fiscal year 1977 for Short Range Attack Missile (SRAM) production startup and tooling costs, as proposed by the President on July 19, 1977. The SRAM–B missile was to be used on the B–1 bomber. Since Congress voted to terminate B–1 production for fiscal year 1978, production of the SRAM–B missile is no longer required and $35,000,000 budgeted for related SRAM–B production effort was deleted from the fiscal year 1978 Defense Appropriation bill.

Research, Development, Test, and Evaluation, Air Force

Amendment No. 45: Appropriates $240,500,000 instead of $233,470,000 as proposed by the House and $260,500,000 as proposed by the Senate.

The conference agreement on items in conference is as follows:

[In thousands of dollars]

Program	Budget request	House amount	Senate amount	Conference amount
Cruise missile carrier aircraft	90,000	5,000	15,000	15,000
Strategic protective system	2,500	7,500	5,000	5,000
Missile surveillance technology	8,000	10,470	0	0
Perimeter acquisition radar	10,000	0	10,000	10,000
FB–111H aircraft			20,000	0

FB–111H Aircraft

The conferees are in agreement that the deletion of the FY 1978 funds for the FB–111H is without prejudice to the program. If the Department of Defense submits an official request for funds in the regular FY 1979 budget, in a supplemental request, or in a reprogramming request, the Committees on Appropriations will consider such request.

Chapter IX

DEPARTMENT OF TRANSPORTATION

Federal Railroad Administration

Grants to the National Railroad Passenger Corporation

Amendment No. 46: Appropriates $8,000,000 instead of $18,000,000 as proposed by the Senate. The conferees believe this amount should be sufficient for the entire fiscal year. Further, the conferees reiterate their previous position—directing Amtrak to make effective use of the criteria and procedures for making route and service decisions developed pursuant to section 8 of the Amtrak Improvement Act of 1975.

Currently, Amtrak is considering further reductions in train frequencies in addition to those already scheduled to become effective in November, 1977. The amounts provided in the bill should be used primarily to avoid any further frequency reductions.

The conferees are aware of the train frequency reductions which have or were to become effective on October 30, 1977, or thereafter. The conferees believe these frequency reductions are inconsistent with the implementation of the Congressionally mandated criteria. The conferees direct Amtrak to immediately restore these frequency reductions and to refrain from any further frequency reductions during the balance of the fiscal year. In order for Amtrak to operate for the entire fiscal year within the amounts available, Amtrak will be required to expeditiously complete all route analyses currently underway and either restructure or discontinue the rail service in question or obtain additional financing under the provisions of 45 U.S.C. 563(b). In addition, Amtrak must expeditiously initiate and complete analyses of other relatively uneconomical routes.

The conferees are of the opinion that a comprehensive reexamination of Amtrak's route structure from a zero base should be undertaken and hereby direct the Department of Transportation, in cooperation with Amtrak, to prepare and submit its recommendations for a route structure that will provide an optimal national railroad passenger system based upon current and future market and population requirements. Included as an integral part of such recommendations should be projections of operating and capital appropriations that will be required to support the system for fiscal years 1979 through 1982. The conferees intend that this route structure analysis be submitted at the appropriate time for use in the authorization and appropriations processes during the Second Session of the 95th Congress, but not later than March 1, 1978. The conferees intend that necessary funding to accomplish this task be taken from the transportation planning, research and development account, for which $25,000,000 has been previously appropriated for fiscal year 1978.

Chapter X

DEPARTMENT OF STATE

Migration and Refugee Assistance

Amendment No. 47: Appropriates $6,300,000 to provide assistance for the transportation and reception and placement of Indochinese refugees resettling in the United States as proposed by the Senate.

TITLE II

General Provisions

Amendment No. 48: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate making the recently established position of "Deputy Chief Guide" eligible for longevity pay.

Amendments Nos. 49 through 51: Reported in technical disagreement. Inasmuch as these amendments relate solely to the Senate and in accordance with long practice under which each body determines its own housekeeping requirements and the other concurs without intervention, the managers on the part of the House will offer motions to recede and concur in the Senate amendments Nos. 49 through 51.

Amendment No. 52: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment which reads as follows:

In lieu of the matter inserted by said amendment, insert the following:

SEC. 209. The Secretary of Transportation shall, not later than 60 days after the date of enactment of this Act, designate as a route on the National System of Interstate and Defense Highways, from mileage withdrawn from such System before the date of enactment of this Act under authority of 23 U.S.C. 103(e), and which is available for such a designation, 1.5 miles in the State of Washington for a connection with Interstate Route 5 and the City of Tacoma, Washington.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 53: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which allows the possible renewal, reissuance, modification or replacement in event of lapse, of any export license referred to in Section 11 of Public Law 95–92 issued initially on or before September 30, 1978, provided that any such renewal, reissuance, modification or replacement in event of lapse, does not change significantly any such license as initially issued.

Conference total—With comparisons

The total new budget (obligational) authority for the fiscal year 1978 recommended by the Committee of Conference, with comparisons to the fiscal year 1978 budget estimates, and the House and Senate bills for 1978 follow:

Budget estimates of new (obligational) authority, fiscal year 1978	[1] $7,907,424,000
House bill, fiscal year 1978	7,182,602,000
Senate bill, fiscal year 1978	7,890,246,000
Conference agreement	[2] 7,589,898,000

Conference agreement compared with:

Budget estimates of new (obligational) authority, fiscal year 1978	—$317,526,000
House bill, fiscal year 1978	+407,296,000
Senate bill, fiscal year 1978	—300,348,000

[1] Includes $71,700,000 of budget estimates not considered by the House.

[2] Excludes $200,000,000 reported in true disagreement by the Committee of Conference. Excludes rescission of prior year budget authority in the amount of $463,400,000 reported in technical disagreement.

GEORGE MAHON,
JAMIE L. WHITTEN,
EDWARD P. BOLAND,
WILLIAM H. NATCHER,
DANIEL J. FLOOD,
TOM STEED,
JOHN M. SLACK,
JOHN J. MCFALL,
CLARENCE D. LONG,
SIDNEY R. YATES,
TOM BEVILL,
ELFORD A. CEDERBERG,
SILVIO O. CONTE (except amendment 46),
JACK EDWARDS,
LAWRENCE COUGHLIN,
Managers on the Part of the House.

JOHN L. MCCLELLAN,
WARREN G. MAGNUSON,
JOHN C. STENNIS,
ROBERT C. BYRD,
WILLIAM PROXMIRE,
DANIEL K. INOUYE,
ERNEST F. HOLLINGS,
BIRCH BAYH,
THOMAS F. EAGLETON,
LAWTON CHILES,
WALTER D. HUDDLESTON,
MILTON R. YOUNG,
CLIFFORD P. CASE,
EDWARD W. BROOKE,
MARK O. HATFIELD,
TED STEVENS,
RICHARD S. SCHWEIKER,
HENRY BELLMON,
LOWELL P. WEICKER, JR.,
Managers on the Part of the Senate.

PRAISE OF CARTER VETO OF ERDA BILL BECAUSE OF CLINCH RIVER

(Mr. BROWN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BROWN of California. Mr. Speaker, I congratulate President Carter for demonstrating political courage and the strength of his convictions in vetoing the ERDA authorization bill because of the proposed Clinch River breeder reactor demonstration project. His veto is sound on economic, political, scientific, environmental, and national security grounds. It will not adversely affect our national energy situation, and may very well help it. I urge my colleagues in the Congress who supported this project to put this proposed demonstration breeder project behind us, and focus instead on the many other energy technologies, both nuclear and nonnuclear, that need improved research, development and demonstration.

Mr. Speaker, President Carter has cast his first veto on an issue that surely deserves a second consideration by the Congress. As you know, I supported the President on canceling the proposed Clinch River breeder reactor, and I support him now on his veto. But that is not why I am making these remarks.

Because of this veto, the Congress must pay greater attention to the issues that inevitably intertwine with the CRBRP, which is itself an integral part of the efforts to commercialize plutonium breeders. When this project was approved by the Congress, those who supported it asserted that it was only a research and development project, and had little to do with moving us toward a plutonium economy, and the increased nuclear weapons proliferation which would occur from prematurely entering a plutonium economy. During the debate, it was argued that a vote against the proposed Clinch River project would be a vote against breeder research and development. Unfortunately, some of the news accounts of the veto continued this myth. As President Carter said in his veto message:

> The administration is committed to a strong research and development program for advanced nuclear technologies, including base program research on the liquid metal fast breeder, research into alternative breeder cycles, and an accelerated research and development program for advanced nonbreeder technologies. . . . Construction of the Clinch River facility in no way is necessary to ensure continued development of nuclear technologies, including liquid metal fast breeder technology.

Mr. Speaker, the editorial reaction to this veto is careful and thoughtful, as the subject being described deserves. We should all pause a moment and consider these views, which help explain why the Clinch River project is an important symbolic issue, but of little, if any, real value to our Nation's energy needs.

The editorials follow:

[From the Christian Science Monitor, Nov. 7, 1977]

CARTER'S FIRST VETO

President Carter's first veto is a challenge not only to Congress but to himself. He has held to his stand against the Clinch River nuclear breeder reactor by vetoing a bill authorizing $80 million more for this demonstration project. Now he must take the firm steps toward energy conservation and development of alternative energy sources that can reduce the need for breeder technology. And he must act in support of his contention that whatever technology *is* necessary can be developed without construction of the Clinch River plant.

Even though Congress does not appear to have the votes to override the veto, other legislation could revive funding for Clinch River. But Mr. Carter indicated the depth of his conviction by saying that he would use all the options of his office, including the impounding of funds, to halt the construction.

In light of Mr. Carter's previous too-easy acceptance of some legislation with which he disagreed, it is encouraging to discover that he is willing to go the full distance on an issue that deeply concerns him.

Whether the Clinch River decision sticks or not, no issue has more portent for the future of humankind than the one on which Mr. Carter has chosen to fight. It is the issue of the proliferation of nuclear weapons technology. The breeder uses and produces plutonium, from which nuclear weapons can be made. The unchecked spread of the breeder would multiply the spread of plutonium and the occasions for its diversion to weapons use. Even at the stage of nuclear technology in the 1960's according to controversial reports, there were diversions of American potential weapon materials to Israel.

A rejoinder from supporters of Clinch River is that other countries are going ahead with breeders anyway. Mr. Carter recognizes that other countries may have "legitimate" nuclear needs, though he regards Clinch River as "a large and unnecessarily expensive project which, when completed, would be technically obsolete and economically unsound." But the President is trying to encourage international nonproliferation not only through such examples as forgoing Clinch River but through facilitating solutions to problems abroad.

Thus, at last month's 38-nation conference on nuclear fuel, he proposed an international fuel bank to reassure nations dependent on imported uranium for nonbreeder reactors. It would provide a "reservoir" in case of temporary breakdown in bilateral supply. Similarly, he offered United States help in the problem of disposal of radioactive waste.

Already, says Mr. Carter, projections of the need for nuclear electric power in 2000 are "only one-third" of estimates made in 1970. The President should have every support in assuring the availability of the nuclear energy that remains absolutely necessary while hastening the day of greater conversion to such exhaustless and less risky sources of energy as the sun.

[From the Washington Post, Nov. 8, 1977]

THE PRESIDENT'S FIRST VETO

A President's first veto is more than a statistic. It is a political rite of passage. The second, third and fourth vetoes, and on to infinity, are not "events" in the same sense. Since most Presidents, especially those dealing with Congresses of their own party, do not like to admit the "failure" of needing to veto legislation, there is a more-in-sorrow element to the first veto—and a corollary assumption that only a matter of considerable importance to a President could have provoked so unhappy an act. Saturday Jimmy Carter chose to bestow this honor on legislation demanding him to go forward with the Clinch River breeder reactor demonstration plant. He could not have chosen a more fitting object, in our view. The Clinch River legislation richly deserved to be blocked, and it also raised sufficiently important policy questions to have induced Mr. Carter's first veto—an action the President had evidently hoped to avoid taking at all this year.

The legislation in question would have compelled the administration to go ahead with what President Carter rightly called "a large and unnecessarily expensive project which, when completed, would be technically obsolete and economically unsound." To do so, as he observed, would be to divert effort from preferable energy projects (including a better-paced and more promising breeder reactor program) and to squander enormous sums of taxpayers' money ("Its total cost estimate now exceeds $2.2 billion").

The waste at home would be matched by risk abroad: a damaging, go-ahead signal to those countries Mr. Carter is trying to persuade to defer pursuit of the dangerous plutonium technology so that less bomb-prone alternative nuclear-energy sources can be explored. It is far from certain that the President will have any luck in his anti-proliferation diplomacy. But the chances would hardly be improved by American pursuit of a plutonium-breeding facility already widely regarded as a technological turkey.

Mr. Carter had other and more detailed objections to the legislation, from its attempt to limit his constitutional authority by means of some one-House veto provisions to its implications for his plans for dealing with spent nuclear fuels. But his two larger objections are the key ones: the wasting of precious resources at home and the inhibi-

tion of his efforts to limit the spread of nuclear weapons abroad. There are some very dicey political maneuvers yet to come, and the outcome of the President's action is anything but certain. Congresses have been known to view a President's first veto as something that must be over-ridden to put him in his place. The industry lobbying on this project has been super-intense. And Congress could always raise the ante by attaching the terms of the legislation in some form to other measures. Reportedly, Mr. Carter knew all this when he decided to veto this authorization. He had announced his intention earlier in year to defer the Clinch River project and he meant to stay as good as his word.

Because being overridden or otherwise stared down on a first veto has ripple effects of damage to a President that go beyond the subject at hand, Mr. Carter was taking a pretty hefty risk in deciding to cast his first veto on this bill. It was, in our opinion, worth the high risk, and will be worth a fight of whatever severity is required to see it through. We think the President has shown good judgment on this one, sound values and, yes, political courage.

"THE HIGHER IMMORALITY"

(Mr. STARK asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. STARK. Mr. Speaker, Richard Helms, in his own words, emerged from the oval office in September 1970 "with the marshal's baton." With that baton he directed the subversion, the destabilization, and the plans of the overthrow of the Allende government—under orders from Nixon and Kissinger. One does not have to read much between the lines of the Church committee report to realize that the highest officials of the U.S. Government, acting on a personal definition of national security mobilized U.S. resources to commit crimes abroad. These crimes led to the slaughter, torture, imprisonment, and exile of hundreds of thousands and to the disruption of a nation's culture and tradition. Richard Helms has now admitted that he conspired to destabilize the Allende government. Despite the cloak of national security, reporters have discovered evidence of direct U.S. participation in the Chilean coup.

Helms represents what C. Wright Mills called "the higher immorality." When called to account to Congress he lied and the entire establishment rushed to his aid, claiming he had served his country well and deserved mercy.

National security has become a tragic joke, victimizing people of other nations as well as our own. Who decided that overthrowing Allende was a matter of U.S. national security? It was decided by neither the people, Congress, nor even discussion in the executive branch. A handful of people almost all nonelected, made a decision to disrupt the government of another people in the name of U.S. national security.

Not only has the phrase "equal justice under law" been mocked, but those Government officials who wield secret power under the guise of national security have received an endorsement of their doctrine that only they may decide when to obey the law. This is an outrage of tremendous proportions.

INDIAN PEAKS WILDERNESS AREA

(Mr. WIRTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WIRTH. Mr. Speaker, today I am introducing legislation to designate a wilderness area in Colorado, a 74,850-acre Indian Peaks Wilderness in the Arapaho and Roosevelt National Forest. The bill also provides for a study by the Secretary of the Interior of lands contiguous to Rocky Mountain National Park in those national forests to assess the desirability and feasibility of revising the boundaries of the park. The introduction of this bill culminates years of study by myself and hundreds of fellow Coloradans.

The proposed Indian Peaks Wilderness Area is a spectacular alpine and arctic world bisected by the Continental Divide. The area is known for its jagged peaks and knife-edged ridges. Many soar over 13,000 feet in elevation, bearing the names of the great Indian tribes of the West—such as the Arapaho, Navajo, Shoshone, and Apache. Over 150 lakes of crystal clarity dot the valley floors. The only active glaciers in Colorado are found in the Indian Peaks area and Rocky Mountain National Park, to the north. These still grind and shape magnificent cirques and headwalls.

Wildlife and vegetation are as varied as the terrain itself. Deer, bear, elk, bobcat and cougar can be found, as well as the endangered greenback trout, a native cutthroat trout species.

For several decades, Coloradans have regarded the Indian Peaks area as a beautiful wilderness with outstanding recreational opportunities. But because Indian Peaks is only 60 miles from one of the largest metropolitan areas in the country, the City of Denver, the area demands prudent management and careful protection in order to preserve its wilderness values.

Wilderness designation for the Indian Peaks area is long overdue. Years ago, my predecessor, Donald Brotzman, successfully sought passage of a bill mandating a wilderness study for the area by the Secretary of Agriculture. This study is just being completed.

Along with wilderness designation, proper management of Indian Peaks and lands surrounding Rocky Mountain National Park has long been a subject of discussion and concern in Colorado. The Indian Peaks area, as well as other lands adjacent to Rocky Mountain National Park, were proposed for inclusion in the Park by its founder, naturalist Enos Mills, and again in 1920 by Park Superintendent Roger Toll.

It was with this historical background, and in consideration of the outstanding qualities of these lands, that I introduced H.R. 8360 in June 19, 1975, providing for inclusion of these lands within Rocky Mountain National Park. My purpose then was to provide a vehicle for discussion of the future of Indian Peaks. In the 2 years that followed, I invited a variety of interested persons and organizations to form a Rocky Mountain National Park Citizen Advisory Committee.

Mr. Speaker, in introducing this legislation I would like to pay tribute to the many, many Colorado citizens who have participated in its development. This is not just my bill. It represents over a year of careful study by that superb citizen's advisory committee and many other Coloradans. Without any motivation other than its concern for Indian Peaks, this group gave freely of its time and energy to study all sides of the issues: How much wilderness? How should it be managed? Which agency should be in charge? How would a wilderness affect the citizens of the adjacent areas? The committee members solicited ideas and criticisms from scores of persons and interested groups. Their work is a perfect example of the benefits of active citizen participation in Government and I am deeply appreciative.

The committee evaluated management options for the lands surrounding Rocky Mountain National Park, and came to me, as have other Colorado citizens, urging both that a 74,850-acre Indian Peaks area be designated as wilderness, and that an opportunity be provided through legislation for the Secretary of the Interior to study the lands surrounding Rocky Mountain National Park in order to evaluate the desirability and feasibility of revising the boundaries of the park. The bill also continues extensive citizen involvement in these decisions by providing funds for local participation in the study.

I would like to clarify why a study by only the Secretary of the Interior is required. The Department of Agriculture's Forest Service is now finalizing a land management plan for the Indian Peaks area as part of its Boulder-Grand Divide planning unit study. The Secretary of the Interior's study provided for in the bill will give the citizens of Colorado an opportunity to compare the proposed management options of both the Secretary of Agriculture and the Secretary of the Interior so they can make a decision as to how this very beautiful and prized area should be managed to protect best its magnificent, yet delicate, wild qualities.

In other words, this bill does not prejudge whether the boundaries of Rocky Mountain National Park should be revised. It merely seeks to develop detailed options for future decisions.

The Forest Service's recent effort has not involved an indepth study of the impact of various land management options on the communities and lands on the periphery of Indian Peaks. That is why it is particularly important to the development of complete options that this portion of the Interior Department study be carefully coordinated with the Forest Service.

The preservation of Indian Peaks is a responsibility which can no longer be left for the future. I urge my colleagues to support this important legislation.

AUTHORIZING CLERK TO RECEIVE MESSAGES AND THE SPEAKER TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS NOTWITHSTANDING ANY ADJOURNMENTS

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that notwithstanding

any adjournments of the House until Tuesday, November 29, 1977, the Clerk be authorized to receive messages from the Senate and the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER pro tempore (Mr. WIRTH). Is there objection to the request of the gentleman from Missouri?

There was no objection.

PERMISSION FOR COMMITTEE ON INTERIOR AND INSULAR AFFAIRS TO HAVE UNTIL 5 O'CLOCK P.M. TOMORROW, WEDNESDAY, NOVEMBER 9, 1977, TO FILE REPORT ON H.R. 9203

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that the Committee on Interior and Insular Affairs may have until 5 o'clock p.m. tomorrow, Wednesday, November 9, 1977, to file a report on the bill (H.R. 9203) to provide the means for selection of, and to expedite Federal permits and developments of transportation systems to move Alaskan crude oil to Northern Tier and other inland States.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

UNEMPLOYMENT—NOT JUST A STATISTIC

(Mr. SEIBERLING asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, it is easy to forget, when we talk about unemployment, the human misery and suffering which statistics do not reveal. I discussed this in my October newsletter to my constituents, and summarized for them the comments of the speakers at a conference I hosted in February entitled "Unemployment—It's More Than a Question of Money." The conference heard from professionals who work with the unemployed about the tragic physical and psychological toll which unemployment exacts.

Since I sent my newsletter out, many constituents have written to confirm that unemployment is, indeed, more than a loss of income. It is a loss of hope for the future, of confidence in oneself and in society. One letter, from a mother whose son, a college graduate, is looking for work, says:

> The fact that he is working with his hands is not beneath him. His worry and ours is that this also will be a short time thing and again the rounds will start and the same answers. You are over qualified. Not even given the chance to try. Now I can better understand why some youth try drugs and alcohol. I can see how despondent my son is.

Mr. Speaker, I hope my colleagues will take note of this letter, because the writer speaks for a tragically large number of people in America today. They are looking to their elected officials for some answers, and they deserve to be heard.

The text of the letter, as well as the articles from my newsletter, follow these remarks.

OCTOBER 31, 1977,
Kent, Ohio.

Congressman JOHN F. SEIBERLING
House of Representatives,
Washington, D.C.

DEAR MR. SEIBERLING: I read your article on economic recovery and the true facts of unemployment. These articles only add to my worries and unanswered questions. Are there no solutions? Each newscast speaks about the high unemployment with the blacks. How about the whites? How should we train more young people for different skills? What for, if they can't find work?

I have a son that graduated from Kent State University. His grades were average. Received an A in student teaching. Had very good references in "Elementary level" but can't find a job he was trained for. The Kent area hired five women and all we hear about is women's rights. We worry about this situation. We also had a dream, a goal. To educate all five of our children. We did. We have a doctor and three teachers, and a married daughter still in college. We are not wealthy people. My husband is a machinist. So it didn't come easy. But given the opportunity to work each child with our help was also determined to better themselves. Now my son weather permitting works as a landscape helper, called a pick and shovel man. The fact he is working with his hands is not beneath him. His worry and ours is that this also will be a short time thing and again the rounds will start and the same answers. You are over qualified. Not even given the chance to try. Now I can better understand why some youth try drugs and alcohol. I can see how despondent my son is. Always felt that the old sayings of "who you know, not what you know" wasn't true. Now I'm not as confident that it is not.

How does one face the future as day by day you do no better? What do I tell my son? "Something will come along"? One worries and ponders. Futures were always a chance thing but now even hope is a fleeting thing. What solutions can this country come up with? Not another war. I remain worried and confused. Do you have any answers? Thank you. Wishing you health and wisdom.

Sincerely,

MRS. JULIA A. TRAYCOFF.

ECONOMIC RECOVERY: CAN GOVERNMENT HELP?

Economic growth, full employment, stable prices—the country has been officially committed to these goals ever since the 1940's. After the experience of the last few years, you would be justified in asking whether these goals can all be attained or whether, in fact, they are incompatible.

Midway into this decade the nation's economy suffered the deepest recession since the 1930's, yet we had something not experienced in the 1930's—a high rate of inflation at the same time as high unemployment. This year the economy has begun to swing around, but the latest indicators appear to be pointing in the wrong direction again: the growth rate has slackened, the unemployment rate and inflation rate are up. What has happened to the economic "shot in the arm" that was supposed to be generated by President Carter's economic stimulus programs approved by the Congress last spring that included tax reductions, extra aid to our cities, public service and youth jobs and accelerated public works?

One disadvantage of government spending programs is that they are slow in getting underway. So the full impact of these actions we took in 1977 will probably not be felt until next year. And while we do expect the results to be good, they may not be good enough. The Congressional Budget Office and the Administration do predict a more favorable economy in 1978, but the Joint Economic Committee of Congress has just released a report concluding that we may experience very little improvement in next year's economic picture.

THE TRUE FACE OF UNEMPLOYMENT:

Unemployment statistics don't always present the real picture of joblessness and social disparity in this country. The nationwide rate of unemployment was 7.1% at last count, but that figure hides the fact that unemployment among teenagers is over 18%, and for black youths has skyrocketed to 40.4%. According to Charles Schultze, Chairman of the President's Council of Economic Advisers, that may actually mean that as many as 63% of black teenagers are without work and perhaps an alarming 80% of those are in the inner city.

What's more, these statistics don't begin to reveal the devastating effects of unemployment on individuals. A specific study of the relationship between unemployment and physical illness or social maladjustment was done by Dr. M. Harvey Brenner of Johns Hopkins University. Dr. Brenner was one of the key speakers at the unemployment conference described in this newsletter's "Comment" column. He pointed out that a person unable to find work may soon begin to feel that society is telling him he has no value. This tends to destroy that person's self-esteem. So, in human terms and health terms, as well as in dollars and cents, high unemployment is something we simply cannot afford.

WHAT TO DO

One serious attempt to reconcile these goals is the proposed Full Employment and Balanced Growth Act, the so-called Humphrey-Hawkins bill. The thrust of the bill is to encourage employment expansion in the private sector through fiscal and monetary policy. But as a standby, the bill provides for a series of federal programs to keep the economy moving should an effort by private industry to reduce unemployment fail. Of equal importance, it requires all branches of the Federal government, including independent agencies like the Federal Reserve Board, to report annually to Congress what actions they have taken and plan to take to help maintain a balanced national economy.

Historically, the Federal Reserve Board has operated independent of the Congress and President, and often its action restricting money growth or raising interest rates has thwarted economic recovery plans.

A bill, HR. 8094, recently passed by the House and now being considered by the Senate would require quarterly testimony by the Federal Reserve on monetary policy. HR 8094 would mandate Senate confirmation and change the terms of the board chairman and vice chairman to allow both the Congress and President more choice over appointees to these positions. Another of the bill's important provisions would broaden the representation of public interests on boards of Federal Reserve Banks.

Even such a conservative member of Congress as John Rousselot of California stated that passage of HR 8094 was vital because "it requires the Federal Reserve Board to view monetary policy from a longer term than it has been accustomed to doing in the past. Inflationary fits and deflationary starts in money growth, which have contributed to booms and depressions in the past, should not occur, if this congressional policy is followed faithfully."

FEDERAL DEFICITS—WHY?

Hopefully, something along the lines of these measures will be enacted into law.

However, Congress' most effective tool for developing economic policy remains the annual budget process. The 1978 budget, just approved by Congress, authorizes a deficit of $61 billion—$8 billion more than last year's. Why the increase in a time of prospective economic recovery?

Spending continues to climb for several reasons. The stimulus package included $3.8 billion worth of education and training programs. New program initiatives in the energy field cost $3.5 billion; agricultural spending amounted to $1.8 billion in commodity supports; past spending decisions in the area of military defense required $11 billion to pay for contract overruns and to offset inflation. Finally, there has been a $9 billion growth in the social security program.

Clearly, however, we can not continue with deficits of this size on a permanent basis without paying an unacceptably high price in inflation. When the national economy expands, Federal deficits should normally contract. This will take discipline by Congress and will undoubtedly provoke some real fights over priorities.

LOCAL PROBLEMS AND SOLUTIONS

While local economies are influenced by the state of the nation's economy more than anything else, they do experience variations. Just as Akron is recovering from the after-effects of last year's rubber industry strike, a new round of layoffs at Goodyear threatens to add another 650 people to Akron's unemployment rolls. And Youngstown Sheet and Tube Company plans to move its operation to the Chicago area, with a resulting loss of 5,000 local jobs and a major local taxpayer.

Akron, like scores of other older cities in the Northeast and Midwest, is suffering from the problems of tax base deterioration, job loss and population decline. As newer plants are built in other areas of the country or overseas, older, higher cost plants in older industrial centers are increasingly non-competitive.

The Federal government is aware that these problems cannot be solved by local efforts alone. That is why sizable amounts of federal money are being spent on programs that assist local governments, especially those designed to aid economic recovery—public service employment, local public works, and countercyclical revenue sharing.

But this kind of spending is not really targeted on problems such as plant obsolescence that are eroding the economic base of many older communities. Both the Congress and the Administration are working on proposals for a national domestic development bank as a sensible response to the problem. The institution would help finance the investment needs of urban areas by providing long term loans at affordable interest rates to municipalities and private business.

Despite some plant relocations, Akron has managed to maintain a fairly stable rate of total employment. The situation would no doubt be worse were it not for the fine efforts of the Akron Regional Development Board and others to bring new industry into the area. But local groups cannot do it alone. Members of Congress from the Northeastern and Midwestern states have formed an Economic Advancement Coalition to combat the area's industrial decline and create a more proportionate flow of Federal money to the states. I am a member of the Coalition's Task Force on Capital Markets and Economic Development, which is investigating what tax policies or capital development mechanisms are needed to stem the outmigration of jobs and capital from the NE–MW regions.

THE INVESTMENT TAX CREDIT ACT

One proposal under consideration by the coalition is one I introduced earlier this year to encourage older manufacturing industries to remain in established communities rather than relocate by providing them a doubled investment tax credit for on-site or nearby plant expansion or renovation. The incentives provided by this bill will simply encourage industries to stay in communities where they already have a major investment and thereby help to avoid the terrible personal and social problems that occur when jobs are lost permanently as a result of industrial plant relocation.

The Administration has shown interest in this bill, as has Representative Al Ullman, chairman of the House Ways and Means Committee. In light of President Carter's expressed desire to direct federal attention to the plight of depressed urban areas, I am working to have some such proposal included as one of the Administration's tax reform recommendations or as part of the comprehensive urban rehabilitation program.

All in all, I believe that the economic outlook is promising. Our goals—full employment, moderation of inflation and a balanced budget—are worthy ones and deserve the highest priority. To achieve them we must have rapid growth and a return to full employment in the private economy together with careful timing and phasing of policy steps toward reaching these goals.

The challenges of continued growth and development calls for anticipating and responding to change in a way that allows us to make intelligent and systematic choices among diverse and often competing national objectives. Those choices will be difficult, and if they are not made wisely, I am afraid that the consequences may prove disastrous to our economy.

UNEMPLOYMENT—NOT JUST A STATISTIC

(By JOHN F. SEIBERLING)

We spend a great deal of time, in the Congress and out, discussing the problem of unemployment—how to deal with it and how to stop it. We hear many statistics about unemployment but very little about the stress people feel when they are without jobs, and how these human problems reflect and influence social problems, such as crime, mental illness, educational system weaknesses and the deterioration of our cities.

In February, sensing that it would serve the public interest to assemble several experts to shed light on the human aspects of the unemployment problem, I sponsored and moderated a conference entitled "Unemployment—It's More Than a Question of Money." Cosponsored by a number of major mental health, business and civic organizations in northeast Ohio, the conference brought together professionals who work with the unemployed, members of the business community, and other people interested in facing the problem in human terms.

Although months have passed since the conference took place, the problem of unemployment is still very much with us. Because what the participants had to say is still timely, I would like to summarize for you what we heard from each of them.

Dr. Edward B. Klein, Director of Professional Training in the Psychology Department of the University of Cincinnati, pointed out that their jobs play key roles in what working men and women think of themselves from the time they get up in the morning until they retire at night. He explained that there are important transitions in a person's life, particularly that of middle age, which can be severely affected by disruptions in work and economic status during that development period. If we're going to help people, particularly in job training programs, he said, we've got to learn to understand what these changes are and how we can help a person, especially if he's unemployed, to adjust to his needs.

Dr. M. Harvey Brenner of Johns Hopkins University outlined how mental and physical health are directly tied into our economic policy. How a person is regarded socially and how he regards himself are very important to mental health. Since being out of work reduces a person's self image, the economy has become a major way of rating ourselves and other people.

Dr. Brenner brought to our attention that a great many physical illnesses, particularly cardiovascular disease, are psychologically related and, therefore, are affected by economic status and changes in economic situations. He said that with all the techniques available for projecting economic trends and providing career counseling, we ought to be able to develop programs which would not only do better at getting people trained and placed where they are needed, but also be far more sensitive to the implications of various economic policies on health and human development.

Roy Mugrage, Labor Market Analyst for the Ohio Bureau of Employment Services, gave us some very stark statistics about the problems of our own area. He explained that in the last 15 years the total number of people employed in Ohio actually diminished by 60,000 even though our population has grown. Akron itself has lost 18,000 rubber industry jobs in the last 15 years and in the last 25 years, the loss has been 25,000—an average loss of 1,000 jobs a year. Unfortunately, this trend is continuing.

Ralph Widner, President of the Academy for Contemporary Problems, indicated that while job loss in our area is the overall trend, the reasons for it are not simple. Total manufacturing output is not going down, either in the Akron area or nationally, he stated, but manufacturing employment is decreasing, for the simple reason that, with advancing technology, it takes fewer people to produce the same amount of product.

He outlined four aspects to this development: (1) a shift in manufacturing employment to fewer people; (2) a shift in the relationship of energy to employment, with the energy exporting states now prospering because energy has become a large production factor; (3) a shift in investments, with the bulk of capital investment now going to the southwest and the south instead of the northeastern states, and many older plants not being replaced; and (4) a population shift with an outmigration from our region particularly of the more educated and younger elements of the population. That means that we are left with a residue of less educated and poorer people. In addition, we suffer from an unfavorable net in the flow of federal funds. Our payment of federal taxes is much higher than what we get back in the way of federal spending.

Mr. Widner pointed out that better tools for reviving our inner cities are necessary. Ohio may in the past have underestimated the importance of the quality of life and recreational facilities, the kind of amenities which the sunbelt states have emphasized in successfully attracting younger, more affluent people and more modern industries to that area. Ohio actually has these resources, said Mr. Widner, and must now present that image abroad. Labor and management are going to have to get together to work out ways of improving productivity in our area, in terms of both more capital investment and possibly changes in work practices. The focus of investment must shift to service types of industry, while also maintaining the manufacturing base. Finally, Mr. Widner stressed that we need laws and tax policies to help modernize and convert old plants and restructure our inner cities.

An assessment of our current manpower policies was given by Dr. Garth L. Mangum, Director of the Human Resources Institute of the University of Utah. Dr. Mangum pointed out that one effect of increasingly rapid technological changes has been the equally rapid obsolescence of the skills of the work force. This accounts for the ironic but seri-

ous shortages of skilled manpower side by side with widespread unemployment. He emphasized that our educational systems must do a better job of both forecasting changes in the needs of employers and of preparing people to adapt to such changes.

SAVING THE CHESAPEAKE BAY

The SPEAKER pro tempore (Mr. BRADEMAS). Under a previous order of the House, the gentleman from Maryland (Mr. BAUMAN) is recognized for 15 minutes.

Mr. BAUMAN. Mr. Speaker, there are many of us who know, love, and, in fact, grew up with the Chesapeake Bay, and we are all involved in a race against time. Some parts of the bay are environmentally endangered, a fact which has been talked about and studied for years. Little has been done, however, to offer solutions to the bay's problems. And little has been done to avoid the expensive and inefficient duplication of Federal efforts we have had in the past. I hope to change this.

Together with my colleagues from Maryland, Mrs. HOLT and Ms. MIKULSKI, I am today introducing a bill I first sponsored in the 94th Congress, now called the Chesapeake Bay Research Coordination Act of 1977. This legislation would require all Federal agencies and officers doing research on or involved in funding Chesapeake Bay projects to coordinate their actions with one central office, to be known as the Office for Chesapeake Bay Research Coordination. Such an office would avoid the administrative overlapping and duplication of research to which I have referred. It would assure that money is not wasted, that projects concerning the bay are not operating at cross-purposes. It would better guarantee that money which is set aside to save our bay is being used for this purpose.

In addition to creating a central office in which bay research and reclamation work can be coordinated in the Department of Commerce, my bill also establishes a Chesapeake Bay Advisory Committee of 10 members—to be nominated by the Governors of Maryland and Virginia, no more than 5 of whom could be residents of either State. One member would represent the Federal Government.

The legislation specifically forbids the Office or the Commission from infringing on the powers and jurisdiction of any other Federal, State, or local government or their agencies. It allows full voluntary cooperation from such agencies, as well as requiring all Federal agencies to coordinate their research efforts. The amount of $300,000 would be authorized for the first year of operations, and we would keep the level of funding at the lowest range possible while yet assuring that there is in operation an effective and efficient office working full-time to preserve, protect, and restore the bay.

Many people who do not live in my State of Maryland and do not reside near the bay are nonetheless directly affected by what should happen to it, for the Chesapeake Bay in a large sense is one of the great natural resources of the Nation. The bay is more than a beautiful place to visit or a big body of water—in fact, our continent's largest estuary. It has been more intensely fished with greater success than any other body of water in the world. It is one of our Nation's primary natural resources and great wonders.

Last year alone, the Chesapeake Bay produced more oysters than any other similarly sized water body in the world, approximately 5 million bushels. The oyster catch of Maryland and my State's bay neighbor, Virginia, supplied one quarter of the catch in North America, worth $22,000,000 dockside.

The bay enjoys the largest blue-crab catch in the world, and in the past the bay's clam industry has provided over half the national catch, beating out New England as the Nation's largest producer of soft clams.

In short, the Chesapeake Bay is a vital factor to the health and continued economic development of the Nation, as well as to those citizens who live near it. We cannot simply "let it be." The bay's problems will not go away by themselves. We cannot allow the carelessness of some and the work of natural elements to slowly erode and destroy for all time the beautiful, powerfully important bay resource. On behalf of my colleagues whose districts also border the Chesapeake Bay from the Maryland side, and who have decided to cosponsor this legislation, Mrs. HOLT and Ms. MIKULSKI, I respectfully urge the earliest consideration of this legislation in order that we may see fast action and even faster enactment before the end of this Congress. Hopefully, the bill we have introduced will go some distance in finally turning the tide in favor of the preservation and protection of the Chesapeake Bay.

A copy of the bill follows:

H.R. 10064

Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled, That this Act may be cited as the "Chesapeake Bay Research Coordination Act of 1977".

SEC. 2. FINDINGS AND STATEMENT OF PURPOSE.

(a) The Congress finds that—

(1) the Chesapeake Bay area is one of the greatest national resources in the United States of America, continuously serving the people of Maryland, Virginia, and other States of the Union, as an abundant source of seafood, recreation, beauty, and enjoyment;

(2) the Chesapeake Bay area serves as one of the world's major waterways, each year carrying millions of tons of waterborne shipping to and from all parts of the globe;

(3) the productivity and beauty of the Chesapeake Bay area in recent years has been diminished and threatened by shoreline erosion, pollution, and neglect;

(4) the population of the Chesapeake Bay area and the industrial and commercial development therein have expanded in the last decade, and are continuing to expand, thereby increasing the need for control and efficient management within such area;

(5) numerous research projects have been initiated or supported, in whole or in part, by the Federal Government, to study, manage, enhance, protect, preserve, or restore the resources of the Chesapeake Bay area; and

(6) the various research projects relating to the Chesapeake Bay area have not been effectively coordinated in order to prevent duplication of effort.

(b) The purposes of this Act are (1) to establish a clearinghouse through which all research projects conducted in, or which affect, the Chesapeake Bay area will be reviewed so as to insure the maximum use of Federal funds without overlapping efforts, and (2) to utilize the clearinghouse as an effective mechanism to identify the needs and priorities for such additional research projects as are required.

SEC. 3. DEFINITIONS.

As used in this Act—

(1) The term "Chesapeake Bay area" means waters of the Chesapeake Bay, the lands within and under such waters, and the shorelands adjacent to such waters if such shorelands are within the coastal zone (as defined in, and determined pursuant to, the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.)) of any State.

(2) The term "research project" means any study, program, or activity—

(A) the purpose of which is to study, manage, protect, preserve, enhance, or restore the marine or coastal-related resources of the Chesapeake Bay area; and

(B) which is funded (in whole or in part) by any department, agency, or independent establishment of the Federal Government. Such term includes, but is not limited to, studies, programs, or activities with respect to water quality, coastal zone management, shoreline erosion, fisheries, shellfish, and wildlife.

(3) The term "Secretary" means the Secretary of Commerce.

SEC. 4. OFFICE FOR CHESAPEAKE BAY RESEARCH COORDINATION.

(a)(1) There is established in the executive branch an independent establishment known as the Office for Chesapeake Bay Research Coordination (hereinafter referred to in this Act as the "Office").

(2)(A) The Office shall be headed by a Director who shall be appointed by the Secretary. There shall also be in the Office a Deputy Director who shall be appointed by the Secretary. The Deputy Director shall perform such functions as the Director may from time to time prescribe.

(B) No individual is eligible for appointment as the Director or Deputy Director unless the individual is a resident of Maryland or Virginia at the time of appointment. Before making any such appointment, the Secretary shall seek the recommendations of the Governor of Maryland and the Governor of Virginia with respect to individuals who are qualified to serve as the Director and Deputy Director.

(3) The Director may appoint such additional personnel for the Office as he deems desirable, but not to exceed three professional staff members and not to exceed two clerical staff members.

(b) The Office shall—

(1) review and evaluate, on a continuing basis, all research projects—

(A) to ascertain the extent, if any, to which any such research project duplicates any other planned, completed, or ongoing research project, and

(B) to determine the benefits to the Chesapeake Bay area which will result from each such project;

(2) identify the need for, and the priority of, additional research projects which could be of benefit to such area;

(3) establish an effective mechanism for coordinating the research projects of the Federal Government with the research efforts of State and local government agencies for the purpose of achieving maximum utilization of available funds and resources to benefit the Chesapeake Bay area;

(4) monitor research projects and disseminate the results and findings of such projects to appropriate State and local government agencies and to other interested persons;

(5) conduct not less than four meetings annually with representatives of the departments, agencies, and independent establishments of the Federal Government having responsibility for the administration of research project programs and representatives of appropriate State and local agencies in order to obtain and exchange information relating to such projects;

(6) recommend to the appropriate Federal, State, and local government agencies methods for the carrying out, in an orderly, efficient, and balanced manner, their activities relating to the development, use, and conservation of the resources of the Chesapeake Bay area;

(7) consider the need for, and desirability of, public works and improvements relating, to the water resources in the Chesapeake Bay area or any portion thereof;

(8) consider means of improving and maintaining the fisheries of the Chesapeake Bay area; and

(9) submit an annual report to the Congress and to the Secretary with respect to the administration of this subsection, together with any recommendations for improving research projects or other related activities.

(c)(1) The Secretary shall make available, without reimbursement, to the Office such administrative services and temporary staff as may be reasonably required by thee Office to enable it to carry out its functions under this Act.

(2) The Office may request from any department, agency, or independent establishment of the Federal Government any assistance or information which the Office deems necessary to enable it to carry out its functions under this Act. Each such department, agency, or independent establishment may furnish, without reimbursement, to the Office any such assistance or information so requested.

SEC. 5. CHESAPEAKE BAY ADVISORY COMMITTEE.

(a) There is established a committee to be known as the Chesapeake Bay Advisory Committee (hereinafter referred to in this section as the "Committee")

(b)(1) The Committee shall consist of ten members appointed by the Secretary. Of such members—

(A) one shall be an officer or employee of the Federal Government who, by reason of his knowledge and experience, is qualified to serve as an adviser with respect to research projects; and

(B) nine shall be individuals who, by reason of their knowledge and experience, are qualified to perform the functions of the Committee;

except that the Secretary shall insure, in making appointments under subparagraph (B), that the interests of State and local government, industry, and the scientific community are equally represented.

(2) No individual is eligible to be appointed under paragraph (1)(B)—

(A) unless the individual is a resident of Maryland or Virginia at the time of appointment; or

(B) if the individual is an officer or employee of the Federal Government.

The membership of the Committee (excluding the member appointed under paragraph (1)(A)) shall not at any time consist of more than five members who were residents of the same State at the time of their appointment. Before making any appointments under paragraph (1)(B), the Secretary shall seek the recommendations of the Governor of Maryland or the Governor of Virginia, or both, as the case may be, with respect to individuals who are qualified to serve as members of the Committee.

(c) Members of the Committee shall be appointed for terms of three years; except that of the members initially appointed—

(1) four shall be appointed for a term of one year;

(2) three shall be appointed for a term of two years; and

(3) three shall be appointed for a term of three years,

as designated by the Secretary at the time of appointment.

(d) The Chairman of the Committee shall be elected annually by the membership of such Committee.

(e) The Committee shall—

(1) undertake a continuing review of the research of the projects of the Chesapeake Bay area;

(2) advise the Director of the Office with respect to the carrying out of the duties and responsibilities set forth in section 4(b) of this Act; and

(3) submit a comprehensive annual report to the Director of the Office and the Secretary setting forth an assessment of the ongoing and planned research projects for the Chespeake Bay area, and any comments or recommendations which it may have for improving the effectiveness of the Office.

(f) Members of the Committee (other than the member appointed under subsection (b)(1)(A)) shall, while serving on business of the Committee, be entitled to receive compensation for travel expenses and per diem in lieu of subsistence, in the same manner as the expenses authorized by section 5703(b) of title 5 for persons in Government service employed intermittently.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Office for each of the fiscal years ending September 30, 1978, September 30, 1979, and September 30, 1980, such sums, not to exceed $300,000, per annum, as may be necessary to carry out the purposes of this Act.

SEC. 7. RELATIONSHIP OF ACT TO EXISTING FEDERAL, STATE, AND LOCAL POWERS

Nothing contained in this Act shall be construed to affect the jurisdiction, powers, or prerogatives of any department, agency, or officer of the Federal Government or of any State or local government.

CONGRESSMAN JOHN BRADEMAS, OF INDIANA, HOUSE MAJORITY WHIP, SUMMARIZES ACHIEVEMENTS OF A LANDMARK FIRST SESSION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BRADEMAS) is recognized for 5 minutes.

Mr. BRADEMAS. Mr. Speaker, every Member can take pride in the outstanding record compiled so far in the first session of the 95th Congress. We intend, moreover, to cap the achievements of this session with comprehensive national energy legislation and with a measure to insure the solvency of the social security system.

But the achievements of 1977 already make the 95th a landmark Congress before it is halfway through its term.

Our partnership with President Carter has produced a series of accomplishments which, in quality and quantity, are paralleled only by the first year of Franklin D. Roosevelt's administration, the last time so much major legislation was enacted in the first year of a new President's term.

Mr. Speaker, just as important as the record is the spirit in which that record was achieved. After almost a decade of acrimony between the legislative and executive branches, we have returned to a relationship marked by trust and cooperation. That relationship, I feel, is as significant as the legislative accomplishments themselves. The shared commitment which characerizes this new era in Washington and the record that President Carter and Congress have produced has demonstrated to the American people that they can have faith in their Government again.

Mr. Speaker, the energy bill now being worked out by House and Senate conferees is the final of four goals established by President-elect Carter and congressional leaders almost 1 year ago, before the new new administration and the new Congress took office.

The other priorities, accomplished earlier, were the enactment of an economic stabilization plan for the Nation, promulgation of a strong financial ethics code, and authority for the President to propose reorganizations that will streamline the Government and make it more responsive to the people.

Congress intends to round out its priority agenda by returning to Washington later this year for the National Energy Act. Any other conference agreements which have also been filed in the interim will come up for final floor action as well. Social security financing amendments, to assure the solvency of the fund for present and future beneficiaries, is expected to be one of them. Several other important bills are also in conference.

Mr. Speaker, achievements in the first session of the new Congress have been addressed to the basic needs of all Americans.

The economic stabilization package cut taxes, brought Americans 2.7 million new jobs, and reduced inflation.

New laws have created more than a million jobs directly, including work for young adults and older Americans.

The $34-billion, 3-year tax cut put money in consumers' pockets and provided incentives to business to invest in plant and equipment and, through a tax credit for new hiring, to increase employment. These actions have generated heightened confidence in the economy and given hope for greater improvement tomorrow.

Mr. Speaker, I ask unanimous consent that the achievements of this remarkable first session may appear at this point in the RECORD:

ACHIEVEMENTS CHECKLIST

Following is a checklist, as of October 28, 1977, of legislative achievements by the 95th Congress during the first session:

ECONOMIC STIMULUS

Tax reduction and tax simplification: A new law will cut taxes by $34 billion over three years and give businesses a tax credit for certain new employees they hire in 1977 and 1978. The law also provides for simplification of tax computation for individuals, extends the sick pay exclusion and makes other revisions of the Tax Reform Act of 1976. (PL 95–30)

Public works jobs: A new law triples, from $2 billion to $6 billion, the authorization for federal grants for local public works. The projects will create an estimated 600,000 jobs, largely in construction and related industries in areas of high unemployment. (PL 95–28)

CETA extension: Congress enacted a law providing for a simple extension through fiscal 1978 for existing programs under the Comprehensive Employment and Training Act. (PL 95–44)

Supplemental appropriations: Congress enacted a law appropriating $28.9 billion, mostly for federal programs, including $13 billion for assisted housing. The law also contains $200 million to help low- and moderate-income homeowners meet unexpectedly high home heating costs occasioned by the harsh winters. (PL 95–26)

Unemployment compensation: Congress enacted a law extending unemployment compensation under the Federal Supplemental Benefits (FSB) program for seven months, to November 1, 1977, plus a three-month phase-out period through February 1, 1978. FSB, together with regular and extended benefits, provides 52 weeks of compensation. The law also requires roll call votes in the House and Senate on future congressional pay raises under PL 90–206. (PL 95–19)

Economic stimulus appropriations: Congress enacted a law appropriating $20 billion for economic stimulus, including $7.9 billion to increase CETA public service jobs to 725,000 from 310,000 in fiscal 1978; $59 million for 14,800 jobs for older Americans; $4.9 billion for revenue sharing; and $100 million for railroad rehabilitation. (PL 95–29)

Second budget resolution: Both houses adopted in final form the Second Budget Resolution for fiscal 1978 which sets guidelines for a national economic policy aimed at reducing unemployment to 6.5 percent and fostering a 4.8 percent rate of growth in the Gross National Product. The resolution sets a spending target of $458 billion in fiscal 1978 and a deficit of $61 billion. (HConRes 341)

Youth jobs: A new law creates about 203,000 jobs and training positions for young persons by establishing a Young Adult Conservation Corps and authorizing a variety of innovative youth employment and training projects. The programs would be funded at an estimated $1.5 billion for fiscal 1978, including $350 million for the Young Adult Conservation Corps. (PL 95–93)

Antirecession assistance: A new law authorizes $2.25 billion for countercyclical assistance to states and local governments through fiscal 1978. (PL 95–30)

Joint Economic Committee investigation: Congress adopted in final form a concurrent resolution providing $900,000 for an 18-month study of United States and world economic changes and the impact of such changes on the economies of the U.S. and other nations. (HConRes 248)

River Basin authorization: A bill in conference would authorize $1.2 billion for the continuation of projects in 18 river basin plans and $44 million for special projects in the states of California and Ohio. (HR 5885)

Temporary debt limit: A new law provides for a six-month, $52 billion increase in the public debt ceiling. (PL 95–120)

HOUSING AND OTHER ECONOMIC ITEMS

Housing and community development: A new law would authorize $13.7 billion over three years for the Community Development Block Grant Program and assisted housing programs. The new law includes special assistance for older, declining communities, especially at urban centers. Other provisions promote single-family homeownership by decreasing down payments and increasing mortgage loans. (PL 95–128)

Supplemental housing authorization: Congress enacted a law providing $378 million in fiscal 1977 in additional contract authority for housing assistance programs, to support a total of some 400,000 assisted housing units. The law also authorizes an additional $19 million for last winter's heating costs in public housing projects, extends HUD crime insurance and riot reinsurance programs through September 30, 1978, and creates a National Commission on Neighborhoods. (PL 95–24)

SBA Act amendments: A law increased SBA's overall loan ceiling to $7.4 billion from $6 billion and increased the surety bond guarantees fund to $110 million from $56.5 million. (PL 95–14)

Small business amendments: A new law authorizes an additional $2.96 billion for small business programs in fiscal 1978 and 1979, increases loan authorization and surety bond guarantee authority; and improves the disaster assistance, certificate of competency and small business set-aside programs. (PL 95–90)

Investment of public funds: A new law authorizes the Secretary of the Treasury to invest for up to 90 days in obligations of depositaries maintaining Treasury tax and loan accounts. The law also authorizes federally insured and certain other savings and loan associations to act as fiscal agents and depositaries in the Treasury tax and loan account system. (PL 95–147)

Reduced air fares for elderly and handicapped: The House passed a bill authorizing reduced fare transportation on a standby basis for elderly and handicapped persons. The bill also would provide for improved air service on intrastate carriers in California and for a study of the feasibility of reduced fares for youth. (HR 27)

Depository institutions amendments: A new law extends Regulation Q interest rate control authority until December 15, 1977, revives the authority of the Federal Reserve banks to purchase up to $5 billion in public debt obligations directly from the Treasury (until August 31, 1977), and modernizes the Federal Credit Union Act. (PL 95–22)

Indian business development: A new law authorizes $14 million for each fiscal 1978 and 1979 for the Indian Business Development program established by the Indian Financing Act of 1974. (PL 95–68)

SEC authorization: A new law provides $1.5 million supplemental authorization for the Securities and Exchange Commission for fiscal 1977, increasing its total authorization for fiscal 1977 to $56.5 million. (PL 95–20) A bill in conference would authorize $67 million for fiscal 1978 for the Securities and Exchange Commission. (HR 3722)

Council on Wage Price Stability: A new law would extend the Council on Wage Price Stability Act for two years to September 30, 1979. (PL 95–121)

ENERGY

National Energy Act: A bill in conference would establish a comprehensive energy policy for the nation. It would provide for pricing natural gas, levying certain taxes on oil and gas, allowing tax credits for business investment in energy efficiency and for home insulation, stepping up the weatherization program, creating a variety of conservation measures, setting mandatory energy standards for major appliances and requiring that utility rate structures reflect peak and slack periods, and ordering other energy actions. (HR 8444)

Emergency natural gas: A new law authorized the President to make emergency allocation of natural gas and to permit emergency purchase of unregulated gas during last winter's shortage. (PL 95–2)

Urgent power supplemental appropriations: A new law appropriated $6,400,000 for fiscal 1977 to meet the urgent power purchase requirements of the Southwestern Power Administration. The law also lifted limitations on use of ERDA funds. (PL 95–3)

ERDA budget deferrals: The House passed three resolutions to disapprove deferrals of $25,600,000 for ERDA programs. (HRes 305, HRes 306, HRes 307)

Deepwater ports: Congress enacted a law extending the Deepwater Port Act of 1974 for three years and authorizing $2.5 million for each fiscal 1978, 1979, and 1980. (PL 95–36)

Solar energy: The House passed a resolution authorizing $50,000 and directing the Architect of the Capitol to conduct a feasibility study on the use of solar energy in the House Office Building Complex. (HRes 322)

Energy Research and Development Administration, fiscal 1977: Congress enacted a law authorizing $1.6 billion for non-nuclear energy programs and amounts estimated at $3.9 billion for nuclear non-weapons programs for the Energy Research and Development Administration in fiscal 1977. (PL 95–39)

Ad Hoc Committee on Energy: The House established a House Ad Hoc Committee on Energy (40 Members appointed by the Speaker who also appointed Congressman Thomas L. Ashley as Chairman); the committee facilitated House consideration of President Carter's energy package. (HRes 508)

Petroleum marketing practices: The House passed legislation to protect motor-fuel marketing franchisees from arbitrary or discriminatory termination or non-renewal of their franchises. The bill also requires the disclosure of octane ratings of automotive gasoline to consumers. (HR 130)

FEA authorization: A new law authorizes an additional $60.7 million in fiscal 1977 (making a total of $404.6 million) and $1.443 billion for fiscal 1978, including $1.210 billion for the Strategic Petroleum Reserve. (PL 95–70)

Department of Energy: A new law creates a Cabinet-level Department of Energy to coordinate the nation's energy programs. (PL 95–91)

Energy research and development authorization, fiscal 1978: Congress cleared for the President a bill authorizing $6.2 billion for ERDA civilian research and development in fiscal 1978, including funds for the Clinch River Breeder Reactor and other nuclear, fossil, solar and geothermal energy, energy conservation, environmental research and safety, basic energy sciences, program management and sewage demonstration projects. The bill would also authorize loan guarantees for energy technology demonstration programs. (S 1811)

Nuclear Regulatory Commission Authorization: Both houses passed in differing forms a bill authorizing $301,950,000 for the Nuclear Regulatory Commission for fiscal 1978. (S 1131)

SOCIAL SERVICES

Social security financing: A House-passed bill would assure Social Security solvency in the short and long term by increasing employer-employee contributions from 6.05 percent in 1978 in steps to 7.65 by 1990, increasing the taxable wage base, authorizing automatic loans from the Treasury whenever the trust funds drop below 25 percent of annual outgo, and including a "decoupling provision" to guard against disproportionate growth in benefits for future generations. A proposal to include 5.6 million federal, state, local and other workers was rejected by the House. (HR 9346)

Public assistance amendments: The House passed a bill to make administrative improvements in the Supplemental Security Income program and to extend SSI recipients' eligibility for food stamps to October 1, 1978; extend SSI to Puerto Rico, Guam and the Virgin Islands and revise funding provisions for these areas for welfare and social services; make permanent last year's $200 million increase in the Title XX social services annual limitation ($2.7 billion); improve funding and establish an entitlement rather than an authorization for the child welfare program; improve protection for children in foster care programs; allow federal matching funds

for welfare children voluntarily placed in foster care, and authorize protective or vendor payments to benefit 20 percent (rather than 10 percent) of a state's welfare recipients. (HR 7200)

Social services; protective and vendor payments: A bill cleared for the President would extend last years' $200 million increase in the Title XX social services annual limitation ($2.7 billion) through fiscal 1978, continue the delay in the imposition of federal day care standards and authorize protective or vendor payments to benefit 20 percent (rather than 10 percent) of a state's welfare recipients. States would be forgiven payments made in violation of the 10-percent requirement for claims already officially made for periods between 1968 and April 1, 1977. (HR 3387)

Public assistance medicare-medicaid amendments: Congress enacted a law extending for 15 months, until October 1, 1978, the curent eligibility of SSI recipients for food stamps; extending until September 30, 1978, federal matching funds for child support collection and paternity establishment services provided for persons not receiving AFDC; extending the due date to April 1, 1978, for HEW day care standards appropriateness study; and to prevent the cut-off of $142 million in medicaid funds for 20 states which have not achieved certain statutory requirements for evaluations of long-term patient care. (PL 95–59)

SPECIAL TAX PROVISIONS

Tax treatment extension: A House-passed bill would delay until 1978 Internal Revenue Service ruling on commuting expenses to temporary worksites and tax treatment of fringe benefits. The bill would also delay for various periods various provisions of the Tax Reform Act of 1976, including the new more restrictive exclusion on income earned abroad; the freeze on existing tax treatment of certain salary reduction plans, cash and deferred pofit sharing plans and fringe-benefit selection plans; the income exclusion for the Armed Forces health professions scholarship program; the special five-year amortization rules for certain rehabilitation of low income housng; and the new limitations on net operating loss carryover. (HR 9251)

Technical Corrections Act: A House-passed bill would make numerous changes in the Tax Reform Act of 1976, including provisions to except for one year from the tighter foreign-income loss recapture rules income earned in possessions of the United States; to limit to agricultural commodities futures the six-month holding period for long-term capital gains; to grandfather the appreciation in value of certain stock to be taxed under the new estate and gift tax provisions; and to extend the deadline by which charitable lead trusts may be made eligible as tax deductions. (HR 6715)

Duty-free entry of certain Canadian petroleum: A bill cleared for the President would permit the duty-free entry of Canadian crude oil if an equivalent amount of domestic or duty paid oil is exported to Canada. (HR 3259)

ETHICS REFORM AND OTHER HOUSE ACTIVITIES

Ethics Code: The House adopted a strong new financial ethics code as part of the rules of the House. The rules require broad financial disclosure by House Members and key staff; a 15-percent-of salary limit on outside earned income by Members; a $750 limit on any honorarium; limits on gifts; prohibition on personal use of campaign funds; abolition of unofficial office accounts; restrictions on the use of the frank; and curbs on lame-duck travel. (HRes 287)

Select Committee on Ethics: The House adopted a resolution establishing a Select Committee on Ethics to issue regulations to implement and interpret the financial ethics code, to render advisory opinions, and to work with the Senate in putting the new rules into permanent law. (HRes 383)

Korean inquiry: The House adopted a resolution authorizing the Committee on Standards of Official Conduct to make an inquiry to determine whether Members of the House, their immediate families or associates accepted anything of value from the government of the Republic of Korea (HRes 252)

United States-Korean relations: The House authorized an International Relations Subcommittee to examine United States-Korean relations, including activities of the Korean CIA in the United States. (HRes 319)

Select Committee on Assassinations: The House authorized the continuation of the Select Committee on Assassinations throughout the 95th Congress. The committee is to investigate the assassinations of President Kennedy and Martin Luther King, Jr. (HRes 433)

Congressional operations: The House established a House Select Committee on Congressional Operations to continue the work and functions of the now defunct Joint Committee on Congressional Operations. (HRes 420)

Select Committee on Intelligence: The House passed a resolution establishing a permanent Select Committee on Intelligence in the House to oversee the CIA and other intelligence activities. (HRes 658)

Federal Election Commission Authorization: A new law authorizes $8.1 million for the Federal Election Commission for fiscal 1978. (PL 95–127)

Franked Mail Act of 1977: The House passed a bill establishing certain limitations on the use of the franking privilege. (HR 7792)

Eliminating October pay increases: A new law denies the October, 1977, pay comparability adjustment to senior officials of the executive, legislative and judicial branches. (PL 95–66) Earlier this year, Congress enacted a law requiring that future pay raises for Members of Congress recommended by the Quadrennial Commission on Executive, Legislative and Judicial Salaries be approved by a recorded vote in both the House and Senate. (PL 95–19)

District office space: The House passed a resolution providing an additional amount for district office rental. (HRes 687)

Select Committee on Assassinations: The House passed a resolution granting the Select Committee on Assassinations authority to make applications to the courts and bring and defend certain lawsuits. (HRes 760)

House radio and television coverage: The House passed a resolution authorizing closed-circuit televising of House floor sessions to Member, Committee and other House offices; a study through February 15, 1978, of methods of providing radio and television coverage of House sessions to the media and public; and establishment after the study of a radio and television broadcasting system for the press and public under the direction of the Speaker. (HRes 866)

GOVERNMENT OPERATIONS

Reorganization Act of 1977: A new law gives the President authority for three years to transmit to Congress executive branch reorganization plans; such plans would take effect after 60 days unless either house of Congress passed a resolution of disapproval. (PL 95–17)

Reorganization plan No. 1: The House approved the President's Reorganization Plan No. 1, providing for a reorganization of the Executive Office of the President. (HRes 688)

GAO audits of the IRS and the Bureau of ATF: A new law authorizes the GAO to audit and review the operations of the Internal Revenue Service and the Bureau of Alcohol, Tobacco, and Firearms of the Department of the Treasury. (PL 95–125)

Federal Grant and Cooperative Agreement Act: Both houses passed in differing forms a bill to standardize the meaning of the terms federal "contract," "grant" and "cooperative agreement" as recommended by the Commission on Government Procurement in 1972. (HR 7691)

Federal program information: Both houses passed in differing forms a bill to provide for the efficient and regular distribution of current information to the public on federal domestic assistance programs. (S 904)

Federal banking agency audits: The House passed a bill authorizing the General Accounting Office to audit the operations of the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation and the Federal Reserve System. (HR 2176)

Federal Reserve reform: The House passed legislation setting guidelines for Federal Reserve monetary policy, requiring the Board to consult with Congress, broadening representation on the 12 Federal Reserve Bank boards, requiring Senate confirmation for the chairman and vice chairman of the Federal Reserve Board and prohibiting conflicts of interest. (HR 8094)

INTERNATIONAL AFFAIRS

Rhodesian chrome: Congress enacted a law authorizing the President to reimpose the embargo on imports of chrome ore, ferrochrome and nickel from Rhodesia as a sanction against minority rule. (PL 95–12)

International development and food assistance: A new law authorizes $1.6 billion for international food and economic development assistance in fiscal 1978. (PL 95–88)

Export Administration Act amendments: Congress enacted a law to extend the Export Administration Act for two years and prohibit American compliance with foreign boycotts of nations friendly to the U.S. In addition, the bill would prohibit the export of Alaskan oil for two years if the President makes certain findings. (PL 95–52)

International financial institutions: A new law authorizes $5.2 billion for the World Bank and five other international development lending institutions. The law directs U.S. representatives to oppose loans to countries violating human rights unless programs are specifically directed to basic human needs. Representatives must consider the responsiveness of Vietnam, Cambodia and Lacs in accounting for MIAs, and oppose loans for production of palm oil, sugar or citrus crops if the U.S. is a competing producer of that commodity. (PL 95–118)

International security assistance: A new law authorizes $3.2 billion for international security assistance in fiscal 1978, including funds for grant military assistance programs, grant military education and training programs, foreign military sales credits and gaurantees, security supporting assistance, the Middle East Special Requirements Fund, the contingency fund, International Narcotics Control, and the Southern African Special Requirements Fund. (PL 95–92)

Military assistance to Portugal: Congress enacted a law authorizing $32.25 million in supplemental military assistance to Portugal for fiscal 1977. Funds would be used to help equip and train a newly established 4,000 man air-transportable Portuguese brigade which would be assigned to NATO. (PL 95–23)

Soviet Jews: The House and Senate adopted in final form a concurrent resolution expressing the concern of Congress regarding the harassment of Soviet Jews and other minorities. (SConRes 7)

State Department supplemental: Congress enacted a law authorizing $89,650,000 in supplemental funds for the Department of State for fiscal 1977. (PL 95–45)

International Trade Commission: A new law authorizes $11.5 million for the International Trade Commission (ITC) in fiscal 1978 and makes administrative improvements in the commission's operation. (PL 95–106)

Foreign relations authorization: A new law authorizes $1.6 billion in fiscal 1978 for the Department of State, the U.S. Information Agency, and the Board for International Broadcasting. (PL 95–105)

Arms Control and Disarmament Agency: A new law authorizes $14.6 million for the Arms Control and Disarmament Agency in fiscal year 1978. (PL 95–108)

Export-Import Bank: A new law realigns the authorization of the Export-Import Bank with the new fiscal year and requires certain bank actions concerning human rights, export subsidy programs and nuclear proliferation. (PL 95–143)

Atlantic Tuna Convention Act: Congress enacted a law authorizing necessary sums through 1980 to carry out the Atlantic Tuna Convention Act of 1975. (PL 95–33)

Prisoner exchange: A new law implements U.S. bilateral treaties with Mexico and Canada for exchange of nationals in each other's jails. (PL 95–144)

United States-Canadian reciprocal fisheries agreement: A new law gives congressional approval to a Reciprocal Fisheries Agreement between the United States and Canada during 1977. (PL 95–73)

Fishery Conservation Zone Transition Acts: A new law sanctions 200-mile international fishing agreements with six nations; another new law sanctions such agreements for three other countries and the Common Market. (PL 95–6; PL 95–8)

Peace corps authorization: A new law authorizes $82.9 million for the Peace Corps in fiscal 1978. (PL 95–102)

Harp seals: Congress adopted in final form a concurrent resolution expressing the concern of Congress with respect to the killing of new-born harp seals in Canadian waters. (HConRes 142)

Trading with the Enemy Act reform: Both houses passed in differing forms a bill limiting the provisions of the Trading With the Enemy Act to declared wars and authorizing the President to regulate international economic transactions during national emergencies. (HR 7738)

International navigational rules: A new law implements the 1972 Convention on the International Regulations for Preventing Collisions at Sea. (PL 95–75)

Romanian earthquake relief: Congress enacted legislation authorizing $20 million for relief and rehabilitation assistance to victims of earthquakes in Romania. (PL 95–21)

Diplomatic relations: The House passed a bill repealing the immunity statute for the foreign diplomatic community in the United States. The bill also would require liability insurance for all embassy personnel and their families who plan to operate motor vehicles, vessels or aircraft while in the United States. (HR 7819)

Nuclear Antiproliferation Act: The House passed a bill to amend the Atomic Energy Act of 1954 to apply uniform standards for licensing of nuclear exports, to define specific criteria for the negotiation of new Agreements for Cooperation in the exchange of nuclear technology, and to promulgate regulations for timely action on nuclear export licenses by the concerned government agencies. The bill also spells out numerous multilateral steps to combat nuclear proliferation and instructs the President to pursue them. (H.R. 8638)

Cultural property: The House passed a bill to implement Articles of the UNESCO Convention on the Means of Prohibiting and Preventing the Illicit Import, Export and Transfer of Ownership of Cultural Property. (H.R. 5643)

Human rights in Cambodia: The House passed a resolution expressing its concern over human rights violations in Cambodia. (H. Res. 724)

Permanent residence status for Indochina refugees: A new law authorizes the creation of a record of admission for permanent residence in the cases of certain refugees from Vietnam, Laos, or Cambodia. (P.L. 95–145)

Fishermen's Protective Act: Both houses passed in differing forms a bill to extend the cooperative insurance program on the Fishermen's Protective Act of 1967 through fiscal 1978. (S. 1184)

NATIONAL DEFENSE

Department of Defense authorization: A new law authorizes $36 billion in fiscal 1978 for military procurement, research and development and civil defense and authorizes active-duty and reserve forces strength of 2.9 million and civilian personnel of 1 million. (P.L. 95–79)

Coast Guard authorization: A new law authorizes $1,262,521,000 for the Coast Guard in fiscal 1978. The law also authorizes active duty personnel of 38,145 and provides for average military training student loads. (P.L. 95–61)

Nuclear rescission: A new law rescinds $664 million, including $453 million which had been intended for a new nuclear carrier and conversion of an existing ship to a nuclear-armed vessel. (P.L. 95–15)

Military enlistment bonus extension: A new law extends for fifteen months, to September 30, 1978, existing authority to pay enlistment bonuses up to $3,000 and re-enlistment bonuses up to $15,000 for enlisted military personnel in the Armed Services. (P.L. 95–57)

Defense Production Act: A new law extends the Defense Production Act by two years, until September 30, 1979. (PL 95–37)

Battle Monuments Commission: The House passed a bill providing that any retired member of the Armed Forces recalled to active duty with the American Battle Monuments Commission shall not be chargeable against the authorized end strengths and grade limitations of the Department of Defense or the military departments concerned. (HR 7678)

Strategic and critical materials: The House passed a bill to amend the Strategic and Critical Materials Stock Piling Act by establishing a stockpile procurement fund, encouraging barter for stockpile materials, and requiring specific rather than standing authorization for acquisition of materials. (HR 4895)

Military construction authorization: A new law authorizes $3.7 billion in fiscal 1978 for certain construction at military installations. (PL 95-82)

ERDA national security authorization: A bill reported from conference would authorize $2.61 billion for the national security functions and programs administered by the Energy Research and Development Administration (ERDA), including enhanced radiation weapons. (S 1339)

National Defense Reserve Fleet: The House passed a bill authorizing the Secretary of Commerce to acquire Mariner class and other suitable vessels in exchange for obsolete vessels in the National Defense Reserve Fleet. (HR 7278)

Department of Defense supplemental authorization: A bill reported from conference would authorize $476.4 million in fiscal 1978 for military procurement of missiles and aircraft, and military research development, test and evaluation, including funds for the air-launched cruise missile in lieu of the B–1 bomber and studies for converting commercial transports to cruise missile carriers. (S 1863)

Survivor benefit plan for military retirees: The House passed a bill making certain improvements in the Retired Serviceman's Family Protection Plan (RSFPP) and the Survivor Benefit Plan (SBP). (HR 3702)

SCIENCE

NASA authorization: A new law authorizes $4.05 billion for the National Aeronautics and Space Administration for fiscal 1978. (PL 95–76)

NSF authorization: A new law authorizes $884 million for the National Science Foundation in fiscal 1978. (PL 95–99)

FAA authorization: The House passed a bill authorizing $85 million for Federal Aviation Administration research in fiscal 1978 (HR 3965)

HEALTH

Health Programs Extension Act of 1977: A new law authorizes $3.3 billion for health programs in fiscal 1978, including health services research; health statistics; comprehensive public health services; hypertension programs; migrant health; community health centers; medical libraries; the National Cancer Institute; the National Heart, Lung, and Blood Institute, National Research Service Awards; population research and voluntary family planning programs; sudden infant death syndrome; hemophilia; national health planning and development; health resources development; and community mental health centers. (PL 95–83)

Renal Disease: The House passed a bill providing incentives to encourage the use of lower cost, medically appropriate self-dialysis as an alternative to high-cost institutional dialysis by suitable patients suffering from renal disease. (HR 8423)

Medicare-medicaid antifraud abuse: Congress enacted a law to strengthen the capability of the government to detect, prosecute and punish fraudulent activities under the medicare and medicaid programs. (PL 95–142)

Black lung benefits: A bill in conference would create an industry trust fund for black lung benefits for coal miners disabled by pneumoconiosis (black lung disease) and their widows and expand eligibility for benefits. (HR 4544)

Mine safety and health: A bill cleared for the President would improve health and safety protection for metal and nonmetal miners and would transfer coal and noncoal mine safety enforcement to the Department of Labor. (S 717)

Medicare-medicaid coverage for rural health clinics: A bill in conference would provide medicare and medicaid eligibility for rural health clinics and would authorize demonstration projects for clinics in medically underserved urban areas and for outpatient mental health centers. (HR 8422)

Saccharin ban moratorium: A bill in conference would authorize a review of information on food additives, prohibit certain restrictions on saccharin for 18 months and authorize during that period warnings in stores of health risks of saccharin. (S 1750)

Health Professionals Education Amendments of 1977: The House passed a bill to revise capitation requirements for schools of medicine and dentistry, authorize an additional $1 million for public health traineeships in fiscal 1979 and 1980, expand traineeship eligibility and make technical amendments to the health professions guaranteed student loan program. (HR 9418)

EDUCATION

Vocational education: A new law makes technical and miscellaneous amendments to the Vocational Education Act, including provisions relating to the use of federal funds for state and local administrative support. (PL 95–40)

School lunch, child nutrition amendments: A bill cleared for the President would extend the summer feeding program three years through fiscal 1980, tighten adminis-

tration, extend commodity purchase authority for the nutrition for the elderly program, make improvements in the food service equipment program and the free breakfast program in extremely needy schools and authorize federal grants of 50 cents per child for a national nutrition education program. (HR 1139)

Education of the handicapped: Congress enacted a law authorizing $1.1 billion over five years for the Education of the Handicapped Act. (PL 95–49)

Higher education: A new law makes higher education technical amendments and authorizes $75 million for each fiscal 1978 and 1979 for Title VI of the National Defense Education Act—Foreign Area Studies and Language Development. (PL 95–43)

Career Education Act: A bill in conference would authorize $275 million over five years for career education programs in elementary and secondary schools. (HR 7)

Law school depository libraries: The House passed a bill providing for the designation of libraries of accredited law schools as depository libraries of government publications. (HR 8358)

Pacific Islands: The House passed a bill to include the Trust Territory of the Pacific Islands in the definition of "state" for the purpose of participating in programs authorized by the Higher Education Act. (HR 9512)

ESEA extension: A new law would extend through fiscal 1979 advance funding for Titles I (disadvantaged aid) and IV (libraries and other support) of the Elementary and Secondary Education Act of 1965 and the Adult Education Act. (PL 95–112)

Library services: A new law would extend the Library Services and Construction Act for five years, through September 30, 1982, and would authorize use of funds for services provided by urban libraries. (PL 95–123)

Center for the book: A new law would establish a Center for the Book in the Library of Congress. (PL 95–129)

LABOR

Minimum wage: A new law raises the minimum wage to $2.65 an hour on January 1, 1978 (from the present $2.30), and to $2.90 in 1979, $3.10 in 1980 and $3.35 in 1981, and decreases the allowance for tip credit. (P.L. 95–151)

Labor law reform: The House passed a bill to enlarge and strengthen the NLRB and expedite union representation elections under the National Labor Relations Act. (H.R. 8410)

Mandatory retirement: A bill in conference would raise to 70 the age for mandatory retirement in the private sector and would eliminate the mandatory retirement age for most federal workers. (H.R. 5383)

CONSUMERS

FTC amendments: Both houses passed a bill in differing forms to amend the Federal Trade Commission Act to expedite the enforcement of cease and desist orders and compulsory process orders; and to authorize $63 million for fiscal 1978 and $70 million for fiscal 1979 for the FTC. (H.R. 3816)

Utility pole attachments: The House passed a bill requiring the Federal Communications Commission to regulate the attachment of communication wires to utility poles when a state does not provide such regulation. (H.R. 7442)

Debt collection practices: A new law prohibits professional debt collectors from harassing or intimidating any person in connection with the collection of a debt and from making false or misleading representations. (P.L. 95–109)

National Consumer Cooperative Bank: The House passed legislation creating a National Consumer Cooperative Bank to make loans at market interest rates to consumer cooperatives. The bill would also provide technical assistance to consumer cooperatives and establish a Self-Help Development Fund to assist emerging cooperatives in the inner cities and rural areas. (H.R. 2777)

Saturday mail delivery: The House passed a concurrent resolution expressing the sense of the Congress that the U.S. Postal Service should not reduce the frequency of home mail delivery service. (H. Con. Res. 277)

JUSTICE

Privacy Protection Commission: Congress enacted a law extending the life of the privacy Protection Study Commission two and a half months until September 30, 1977. (PL 95–38)

Legal Services Corporation: A bill in conference would authorize $217 million in fiscal 1978 and $275 million in fiscal 1979 for the Legal Services Corporation and eliminate certain restrictions on legal aid to the poor.

Federal Rules of Criminal Procedure: A new law approves certain proposed amendments to the Federal Rules of Criminal Procedure and disapproves other proposed changes. (PL 95–78)

Commission on Uses of Copyrighted Works: Congress cleared for the President legislation to extend until July 31, 1978, the term of the National Commission on New Technological Uses of Copyrighted Works. (HR 4836)

Indians claims statute of limitations: A new law extends until April 1, 1980, the deadline for commencing tort or contract actions for Indian claims which accrued before July 18, 1966. (PL 95–103)

Indians claims: A new law authorizes $2.25 million for the Indian Claims Commission for fiscal 1978 and facilitates the transfer of cases from the Commission to the United States Court of Claims. (PL 95–69)

Age discrimination: A new law extends for six months the deadline for the U.S. Commission on Civil Rights' report on age discrimination. The bill also would extend the commodities provision of the Older Americans Act through fiscal 1978 and permit the acceptance of cash in lieu of commodities. (PL 95–65)

Drug enforcement: A new law authorizes $645 million for three years for drug enforcement under the Controlled Substances Act. (PL 95–137)

Juvenile justice: A new law extends the Juvenile Justice and Delinquency Prevention Act of 1974 and authorizes $150 million in fiscal 1978, $175 million in fiscal 1979 and $200 million in fiscal 1980. The law also authorizes $25 million in each fiscal 1978, 1979 and 1980 for the Runaway Youth Act and permits the President to submit a plan to transfer the latter program from HEW after April 30, 1978. (PL 95–115)

Sexual exploitation of minors: A bill in conference would protect children from sexual exploitation through juvenile prostitution and the making of films or photographs of children engaging in sexual conduct. (S. 1585)

Child abuse prevention and treatment amendments: Both houses passed in differing forms a bill to extend the Child Abuse Prevention and Treatment Act for five years through September 30, 1982, and to prohibit sexual exploitation of minors. (HR 6693)

U.S. Commission on Civil Rights: A new law authorizes $10,480,000 for fiscal 1978 for the U.S. Commission on Civil Rights. (PL 95–132)

Customs procedural reform: The House passed a bill to provide customs procedural reform, to simplify certain entry procedures, to revise certain personal duty-free exemptions for liquor, cigarettes and articles. (HR 8149)

Associate Attorney General: A new law establishes the position of Associate Attorney General with the Department of Justice. (PL 95–139)

Victims of Crime Compensation: The House passed a bill authorizing $25 million in fiscal 1978, $30 million in fiscal 1979 and $35 million in fiscal 1980 to assist states and compensating innocent victims of crime. Federal assistance would be limited to $25,000 per person. (HR 7010)

ENVIRONMENT AND NATIONAL PARKS

Clean air: A new law would authorize $211.5 million for the Clean Air Act in each fiscal 1978–80; extend pollution compliance deadlines for automobiles, plants, and other emission sources and enlarge state authority to deal with significant deterioration of clean air areas and to permit growth in "non-attainment" (dirty air) areas. (PL 95–95)

Surface mining control and reclamation: A new law provides for a state-federal program to regulate the surface mining of coal and the surface impact of underground mines, to provide for the reclamation of abandoned mines and to establish mining and mineral institutes, coal research laboratories and graduate research fellowships. Mining is prohibited on developed farmlands of alluvial valley floors, and procedures are established to determine areas unsuitable for surface mining. (PL 95–87)

EPA authorization: A bill cleared for the President would authorize $253.6 million for research, development and demonstration activities of the Environmental Protection Agency (EPA) during fiscal 1978. (HR 5101)

Tinicum National Environmental Center: Both houses passed in differing forms legislation authorizing an additional $7.25 million for acquisition of land and development of the Tinicum National Environmental Center in Pennsylvania. (HR 2817)

Water Resources Council: A new law authorizes $3,905,000 for the U.S. Water Resources Council in fiscal 1978 for coordinating and directing river basin planning. (PL 95–41)

Saline Water Conversion: A new law authorizes $61,950,000 for saline water research and general water research grants. (PL 95–84)

Oceans and atmosphere: A new law establishes qualifications for individuals appointed to the National Advisory Committee on Oceans and Atmosphere (NACOA), sets the number of members at 18 and authorizes $520,000 for the committee in fiscal 1978. (PL 95–63)

National sea grant program: A new law authorizes $58 million for the National Sea Grant Program in fiscal 1978. (PL 95–58)

National wildlife refuges: Both houses passed in differing forms legislation authorizing $32.3 million for the National Wildlife Refuges at San Francisco Bay, Seal Beach and the Great Dismal Swamp in Virginia and North Carolina. (HR 5493)

Land and Water Conservation Fund: A new law establishes a special account of $450 million in the Land and Water Conservation Fund to be used for a 3-year program to acquire remaining private land in previously authorized units of the national park system. (PL 95–42)

Water pollution control: A bill in conference would authorize $18.2 billion over three years for federal water pollution control programs. (HR 3199)

Eleanor Roosevelt Memorial: A new law authorizes $995,000 for land acquisition and development of the Val-Kill retreat of Eleanor Roosevelt as a National Historic Site. (PL 95–32)

Manassas National Battlefield Park: The House passed a bill authorizing an 1800-acre expansion of the existing Manassas National Battlefield Park in Virginia. (H.R. 2437)

Soil and water resources conservation: Both houses passed in differing forms a bill to establish a mechanism for making long-range policy for the conservation, protection

and enhancement of the nation's land, water and related resources. (S 106)

Bull Run Reserve: A new law permits general recreational access and other multiple uses for six months within a 42,500-acre portion of the Bull Run Reserve, Mt. Hood National Forest, Oregon. (PL 95–55)

Safe drinking water: Both houses passed in differing forms a bill authorizing $71 million in fiscal 1978 and $81 million in fiscal 1979 for the Safe Drinking Water Act. (S 1528)

Endangered Species Act: Both houses passed in differing forms a bill authorizing $16 million for fiscal 1978 through 1981 for cooperative agreements with the states under the Endangered Species Act and revising criteria to facilitate the making of such agreements. (S 1316)

Marine protection authorization: Congress cleared for the President a bill authorizing $11,800,000 in fiscal 1978 for the Marine Protection, Research and Sanctuaries Act and prohibiting ocean dumping of municipal sewage sludge after 1981. (HR 4297)

Appalachian National Scenic Trial: The House passed a bill authorizing an additional $85 million from the Land and Water Conservation Fund for the purchase of additional portions of the Appalachian National Scenic Trail. (HR 8803)

Wilderness Lands: A new law provides for the study of 970,000 acres in Montana for inclusion in the National Wilderness Preservation System. (PL 95–105)

Endangered American Wilderness Act: Both houses passed in differing forms a bill designating 1.7 million acres in nine western states for preservation under the national wilderness system. (HR 3454)

Marine mammal protection authorization: A new law authorizes $15.7 million for marine mammal protection programs in fiscal 1978. (PL 95-136)

Earthquake hazards reduction: A new law authorizes $56 million in fiscal 1978, $72 million in fiscal 1979 and $82 million in fiscal 1980 for national earthquake hazards reduction programs. (PL 95–124)

National climate program: The House passed a bill authorizing $50 million in fiscal 1978 for the establishment of a national climate monitoring program. (HR 6669)

Navigation development: The House passed a bill authorizing replacement of locks and dam 26 near Alton, Illinois; levying a fuel tax of four cents in 1979 rising to six cents in 1981 for certain inland waterway users and requiring a three-year study of user charges. (HR 9309)

Rivers and harbors improvements: The House passed a bill establishing a policy with respect to the roles of the Corps of Engineers and private industry in meeting national dredging needs. (HR 7744)

Oil Pollution Liability and Compensation Act: The House passed a bill establishing a fee-funded $200,000,000 oil pollution damages fund and to impose a primary liability on the owner or operator of the pollution sources. (HR 6803)

MARITIME

Maritime authorization: A bill cleared for the President would authorize $553 million for maritime activities in fiscal 1978, including ship construction and operating subsidies, and research and the Merchant Marine Academy, and require action against illegal rebating. (S 1019)

Marine mammal protection (tuna-dolphin bill): The House passed a bill to reduce mortality and serious injury of dolphins incidental to commercial tuna fishing operations and to provide some relief to the United States tuna fleet when taking dolphins during such fishing. (HR. 6970)

Commercial fisheries research and development: Congress enacted a law authorizing an additional $33.9 million through fiscal 1980 for the Commercial Fisheries Research and Development Act. (PL 95–53)

TRANSPORTATION

Highway funds: Both houses passed in final form a concurrent resolution directing the Secretary of Transportation to apportion highway sums authorized for fiscal 1979 for immediate expenditure on Interstate and Defense highways. (HConRes 282)

Urban mass transportation amendments: The House passed a bill to increase the federal share of certain emergency railroad operating assistance. (HR 8346)

Federal highway obligations: The House passed a bill limiting obligations for federal-aid highways and highway safety construction programs to $7,445,000,000 in fiscal 1978. (HR 7462)

U.S. Railway Association: Both houses passed in differing forms a bill authorizing $13 million in fiscal 1978 for U.S. Railway Association litigation arising from the reorganization of the bankrupt railroads in the Northeast and Midwest. (HR 4049)

AGRICULTURE

Food and Agriculture Act of 1977: A new $12 billion, four-year farm and food law adjusts price supports, increases the limitation on payments to individual farmers, establishes an on-farm grain reserve program, extends the Food for Peace program, makes major revisions in the food stamp program and authorizes a variety of farm and rural conservation programs. (PL 95–113)

Disaster payments: A bill cleared for the President would exempt natural disaster payments from the individual payment limitation for the 1977 crop of wheat, feed grains, upland cotton, and rice. (HR 9090)

Deferral of wheat referendum: Congress enacted a law deferring a 1977 wheat marketing quota referendum. (PL 95–48)

Federal Crop Insurance Corporation: Congress enacted a law to increase the authorized capital stock of the Federal Crop Insurance Corporation from $100 million to $150 million. (PL 95–47)

Paperwork reduction in agricultural census: The House passed a bill providing for a 40-percent reduction in farmers' paperwork for the 1979 agricultural census and expanding the census to smaller farms. (HR 7012)

FIFRA: A House passed bill would make major revisions in the Federal Insecticide, Fungicide and Rodenticide Act. The bill would expedite pesticide registration by EPA. It would aid small formulators by authorizing generic registration of chemicals. It would aid the industry by authorizing conditional registration under certain conditions which safeguard against risk to the environment. The bill would encourage research by allowing proprietary rights to manufacturers and formulators who develop safe and effective pesticides, and it would direct the Agriculture Department to give priority to research on biologically integrated alternatives to pest control. (HR 7073)

DROUGHT AND DISASTER RELIEF

Congress enacted four related laws authorizing $325 million and appropriating $275 million for drought assistance. Another law appropriated $200 million under a previous authorization for drought and cold disaster assistance.

Drought emergency relief: A new law authorizes $100 million in fiscal 1977 for water acquisition and other drought relief activities to mitigate the 1976–77 drought in several western states. (PL 95–18)

Community emergency drought relief: Congress enacted a law authorizing $225 million in grant and loans to augment community water supplies in drought areas. (PL 95–31)

Two appropriations laws: The Supplemental Appropriations Act (PL 95–26) appropriates $100 million for the drought emergency authorization in PL 95–18, and the Economic Stimulus Appropriations Act (PL 95–29) appropriates $175 million for the community drought relief act, PL 95–31.

Disaster relief: Congress enacted an urgent supplemental appropriations law providing $200,000,000 under a previous authorization for disaster relief in several Western and Midwestern States suffering from drought or cold this past year. (PL 95–13)

Disaster relief: A new law extends the Disaster Relief Act of 1974 through fiscal 1978 and authorizes certain drought assistance by the Corps of Engineers. (PL 95–51)

FEDERAL EMPLOYEES

Federal life and health benefits during retirement: The House passed a bill reducing from 12 to 5 years the length of service required to retain federal employee group life insurance and health benefits coverage during retirement. (HR 4319)

Restoration of certain annuities: The House passed legislation restoring survivor annuities to certain surviving spouses of federal employees which were terminated because of the remarriage of the spouse before July 18, 1966, and the annuity of a surviving spouse of a Member of Congress who died before January 8, 1971, which was terminated because of the remarriage of such spouse. (HR 3755)

Uniformity for Federal employees health benefits: The House passed a bill providing that any contract under the Federal Employees Health Benefits Program shall preempt any conflicting state or local law. (HR 2931)

Hatch Act reform: The House passed a bill to repeal the prohibitions on candidacy or campaign participation by most federal workers in partisan political elections. (HR 10)

Increase in number of hearing examiners: The House passed a bill increasing by 100 the number of hearing examiner positions which the Civil Service Commission may establish in grade GS-16. (HR 6975)

U.S. Postal Service Arbitration Board: The House passed a bill to establish 3-member arbitration boards to consider disputes between the Postal Service and a supervisors' organization. (HR 7132)

VETERANS AFFAIRS

Veterans compensation: A new law increases by 6.6 percent service-connected disability compensation and dependency and indemnity compensation for veterans and their survivors. (PL 95–117)

Veterans and Survivors Pension Adjustment Act of 1977: Both houses passed in differing form legislation increasing veterans and survivors pensions by 6.5 percent, providing a 25 percent differential to World War I surviving spouses age 78 or older, and increasing the limits on outside income which beneficiaries may receive and still be eligible for a full pension. (H.R. 7345)

Eliminating mobile home inspections by the VA: The House passed a bill eliminating the requirement for inspections of the mobile home manufacturing process by the Administrator of Veterans Affairs. (H.R. 4341)

Veterans home facilities: A new law authorizes $15 million for each fiscal 1978 and 1979 to revise the program of grants to states for construction, remodeling, and renovation of state home facilities for veterans. (PL 95–62)

Medical services for veterans in the Philippines: The House passed a bill extending for 15 months through fiscal 1979 at a rate of $2.1 million per year authority to provide hospital care and medical services for certain Philippine veterans. (H.R. 5029)

VA medical facilities acquisition: The House passed a bill revising procedures relating to the construction, alteration, and

acquisition of VA medical facilities. (H.R. 5025).

VA medical services for veterans in Hawaii and Alaska: Both houses passed a bill in differing forms clarifying a requirement that medical services continue to be provided on a fee basis to service-connected disabled veterans in Alaska and Hawaii. (H.R. 5027)

Automobile assistance allowance for disabled WWI veterans: A new law provides an automobile assistance allowance and automotive adaptive equipment to certain disabled veterans of World War I. (PL 95–116)

Veterans compensation for paired extremities: The House passed a bill providing increased awards of service-connected compensation to certain veterans who have suffered the loss or loss of use of paired extremities. (H.R. 6501)

Disabled veterans housing assistance: The House passed a bill providing specially adapted housing assistance to veterans with a permanent and total service-connected disability due to the loss or loss of use of one upper and one lower extremity. (HR 7658)

Veterans benefits entitlement: A new law denies veterans benefits to certain Vietnamera veterans with upgraded discharges unless a Discharge Review Board makes a separate recommendation. (PL 95–126)

Physicians and Dentists Pay Comparability Act: The House passed a bill to extend through September 30, 1978, special pay and incentive pay to physicians and dentists in the Veterans Administration. (HR 8175)

GI Bill Improvements Act: Both houses passed in differing forms a bill increasing veterans education benefits by 6.6 percent. (HR 8701)

DISTRICT OF COLUMBIA

Borrowing authority for the District of Columbia: A new law provides the District of Columbia with authority until October 1, 1979, to borrow from the U.S. Treasury to finance capital projects. (PL 95–131)

Retirement funds for D.C. police and firemen, teachers and judges: The House passed a bill to establish actuarially-sound retirement funds for D.C. police and firemen, teachers, and judges and to make certain changes in retirement benefits. (HR 6536)

Federal payment for D.C. water and sewer services: A new law provides for a revised system for the billing and collection of charges incurred by the federal government for the consumption of water and sewer services provided by the District of Columbia. (PL 95–122)

Pretrial release or detention in the District of Columbia: The House passed a bill to restrict the pretrial release or detention of persons charged with certain violent crimes in the District of Columbia. (HR 7747)

Air space use for postal conveyor: The House passed a bill to permit the construction of a conveyor bridge across First St., N.E., to carry mail between the post office and Union Station. (HR 7765)

APPROPRIATIONS, FISCAL 1978

	Bill	Compared with President's request
Agriculture (Public Law 95–97)	$12, 749, 378, 000	−$167, 639 000
Defense (Public Law 95–111)	109, 752, 766, 000	−2, 658, 114, 000
H—District of Columbia (H.R. 9005)	326, 466, 000	−164, 650, 000
Foreign assistance (H.R. 7797)	6, 772, 654, 000	−828, 807, 136
HUD-Independent agencies (Public Law 95–119)	69, 370, 554, 000	−1, 403, 858, 000
Interior (Public Law 95–74)	10, 026, 349, 000	+4, 037, 000
C—Labor-HEW (H.R. 7555)	60, 168, 561, 000	−425, 409, 000
Legislative (Public Law 95–94)	990, 067, 800	−144, 653, 800
Military construction (Public Law 95–101)	$2, 977, 720, 000	$37, 880, 000
Public Works (Public Law 95–96)	10, 294, 414, 000	−73, 697, 000
State-Justice-Commerce (Public Law 95–86)	7, 709, 432, 000	+231, 875, 500
Transportation (Public Law 95–85)	6, 196, 609, 023	−85, 175, 000
Treasury-Postal (Public Law 95–81)	7, 473, 254, 000	−115, 242, 000
H—Supplemental, 1978 (H.R. 9375)	7, 182, 602. 000	−653, 122, 000
Total	311, 995, 826, 823	−6, 523, 334, 436

Note: Figures are as enacted except foreign assistance (sent to President), Labor-HEW (conference figure), District of Columbia and supplemental (both are House-passed figures).

First rescission: A law rescinded $47,500,000 in fiscal 1977 contract authority for purchase, processing or transportation of helium. (PL 95–10)

Second rescission: A law rescinds fiscal 1977 appropriations totaling $644 million, including $453 million originally intended for a new nuclear carrier and adaptation of an existing ship to nuclear arms and $143.6 million for military retired pay. (PL 95–15)

Third rescission: The House passed a bill rescinding fiscal 1977 appropriations of $21,090,000 for foreign military credit sales and $75,000,000 for the General Services Administration Federal Buildings Fund. (HR 9019)

Deferrals: The House passed three resolutions disapproving deferrals totaling $25.6 million for energy research and development programs and required the Administration to spend the money. (HRess 305, 306, 307)

FRAMING AN ENERGY CHARTER FOR THE NATION

Mr. Speaker, as I said, energy is one of the major items remaining for consideration by the first session of the 95th Congress. Following is a status report on that legislation as of November 1, 1977, including a description of some of the issues facing conferees and a brief account of the Nation's energy situation today and of the overwhelming need for energy legislation:

Congress goes on standby as House and Senate conferees settle into the task of putting into final form the most important energy legislation in the nation's history.

Floor sessions and other congressional activities have been suspended to permit conferees to concentrate without distraction on the critical work of resolving differences between the House and Senate passed versions of President Carter's proposed National Energy Act.

The final product is expected to be a volume-sized Act of Congress that will become the nation's energy charter.

Need: The need is overwhelming. United States demand for oil grows daily; domestic production continues to decline; and the nation is being forced into dependence on foreign imports at an alarming rate. If things continue as in the past, our oil demand will rise from 17.4 million barrels per day (in 1976) to more than 21 million in 1980 and almost 25 million in 1990. This kind of consumption will mean that we would have to import more than half our oil needs by the mid-1980's and almost 60 percent of our needs by 1990.

Energy supply is irrevocably linked with inflation, as our experience during the 1973–74 oil shortage showed. Purchasers throughout the industrialized world fueled the inflation by bidding up the price of oil. Many countries, including the United States, were forced to devalue their currency. The cost of food, which is heavily dependent on energy supplies, went up dramatically. The unfortunate coincidence of a poor world harvest and a cold winter stepped up the process and brought us the most serious worldwide economic recession since the 1930's.

Just seven years ago, we were importing less than a fourth of our oil needs and paying less than $6 billion for it. Today we import almost half our oil consumption at a cost of $45 billion—twice the size of our projected trade deficit for this year. And the rate is increasing. Oil imports for the first eight months of this year are up 28 percent from the same period last year. We are spending $5 million every hour to buy imported oil. We would need one Alaska oil discovery every two years just to replace the oil we consume. That is why we are working so hard to create an energy policy for America.

Issues: The National Energy Act would seek to encourage conservation in the use of energy, to facilitate the process of conversion to coal and to provide incentives to production. Major issues now before the conferees include natural gas regulation and the question of taxes vs. incentives, or some combination of the two, to promote conservation and production.

National Energy Act: President Carter's energy bill, one of the most important and complex pieces of legislation in our history, passed the House on schedule, 244–177, on August 5. During an intense summer's work, five standing committees and an Ad Hoc Committee on Energy worked on the component parts and ultimately brought them together into an energy charter for the nation. The Senate passed fragmented bills.

Natural gas: The House voted to increase regulated prices of "new" gas to $1.75 Mcf, rising thereafter, and to broaden the category of eligible gas. The Senate would phase out regulation altogether.

Taxes: The House bill would levy a tax on new gas guzzling automobiles, a three-stage equilization tax to raise domestic crude oil prices to world levels by 1980, and a tax on business use of oil and gas designed to encourage conversion to coal. Proceeds from the crude oil tax would be returned to the people. The Senate bill contained none of the taxes, providing $30-to-$40 billion in tax credits instead.

Energy Conservation: The House bill would encourage home insulation. Utilities would be required to offer insulation and energy saving measures to their customers by 1980. Manufacturers would be required to meet energy efficiency standards for refrigerators, air conditioners and other appliances within two to three years. Metal, paper, textile and rubber industries would be encouraged to use recycled materials. A $965-million three-year state-federal program would help schools, health facilities and municipal buildings implement energy savings alterations and operating procedures.

Weatherization: The House bill would authorize an additional $615 million over three years to step up existing weatherization programs for residential buildings and to establish such a program for low-income rural families. Mandatory energy standards would be established for new federally assisted housing. Energy loans to low- and moderate-income families would be eligible for GNMA purchase.

Regulation: The House bill would require utility rate structures to reflect costs and to vary on a time-of-day and seasonal basis. Federal Power Commission would have new authority to regulate bulk power facilities,

to order interconnections, to assure continuity of service, and other authority. The program to convert plants from gas and oil to other fuels would be made mandatory. A three-year, $150-million program would help cities and non-profit groups develop untapped hydro-electric potential of existing dams.

ACHIEVEMENTS OF FIRST DAYS OF NOVEMBER

Mr. Speaker, the first few days of November were very busy for Congress. Both houses cleared for the President important veterans, defense, saccharin and other legislation. I ask unanimous consent to include in the RECORD, following the listing of achievements of the first session and the energy legislation status report, a summary compiled on November 8, 1977, of the significant actions in Congress during early November.

CONGRESS CLEARS VETERANS, DEFENSE, SACCHARIN, AND OTHER MAJOR BILLS FOR PRESIDENT IN BUSY WEEK

Congress cleared for the President major veterans, defense, saccharin and other legislation, including a one-month extension of Labor-HEW funding, during the first few days of November. Important issues remaining for consideration during the first session include the energy legislation, social security financing amendments, abortion langauge and the prohibition on sexual exploitation of children.

The Senate on November 4 passed the social security bill (H.R. 9346) with amendments and requested conference. The Senate also passed the continuing resolution (H.J. Res. 643), funding Labor-HEW functions at the conference report levels and District of Columbia functions at fiscal 1977 levels through November, with the understanding that the Houses would seek to make a final resolution of the impasse on the abortion language late this month. The conference report on exploitation of minors (S. 1585) has passed the Senate and awaits House action. Conferees are working on the energy legislation and other bills.

Pending these actions, the House will meet in pro forma session with no legislative business each Tuesday and Friday until Tuesday, November 29, when the House will convene to consider conference reports and other final business.

President Carter on November 5 vetoed his first bill, S. 1811, ERDA civilian authorizations for fiscal 1978, citing his objections to the Clinch River breeder reactor. It is now up to the Senate to determine whether to return the measure to committee, to attempt to override or to take other action.

Additionally, during the busy first days of November, Congress cleared for the President the following measures:

Saccharin—S. 1750 prohibiting the FDA from restricting the use of saccharin for 18 months, requiring hazardous risk labeling of foods containing saccharin, and authorizing certain studies on saccharin and food additives;

Veterans' education benefits—H.R. 8701 providing a 6.6-percent $510-million-a-year increase in education benefits to some 1.9 million veterans and dependents effective October 1, 1977 (new rates: $311 a month, $13,995 during the benefit term for a single veteran; $370/$16,650 for a married veteran and $422/$18,990 for a couple with one child); authorizing accelerated payments for veterans going to higher-cost schools; increasing veterans' loan limits to $2,500 (from $1,500) per school year and liberalizing eligibility and authorizing for veterans who successfully complete their education programs a joint state-federal cancellation of up to two thirds of the loan to be applied against tuition-and-fee charges in excess of $700 per school term; extending loan entitlement for each of the two years following the 10-year delimiting period for veterans with loan eligibility; and making eligible for veterans benefits (but not retroactively) Women's Air Forces Service Pilots (WASPs) of World War II and certain other civilian federal employees, provided that the Secretary of Defense determines that their service constituted active military duty and issues to each eligible person an honorable discharge;

Veterans pension—H.R. 7345 providing a 6.5 percent increase in pension to 2.5 million veterans and survivors effective January 1, 1978, (House managers said they will try later to enact a 25-percent differential for World War II surviving spouses);

VA physicians and dentists pay—H.R. 8175 extending throughout fiscal 1978 special pay and special incentive pay for VA physicians and dentists but providing that contracts entered into for such pay may not expire later than fiscal 1981; requiring a study by VA of the need for continuing special pay in certain specialty categories in light of the executive salary increase of February 27, 1977, and authorizing reductions as the study may indicate in new agreements signed after April 30, 1978; requiring the meeting of proficiency standards in basic English by VA physicians and other VA health personnel in a direct-patient-care capacity and increasing salaries for VA optometrists and podiatrists to levels comparable to physicians retroactive to October 21, 1976.

Defense supplemental—S. 1863 authorizing $476.4 million in fiscal 1978 for missile and aircraft procurement and research, primarily on the cruise missile and its launcher as an alternative to the B-1 bomber,

ERDA national security—S. 1339 authorizing $2.61 billion for nuclear and other energy research and development for national security programs, including laser fusion research,

River basin plans—S. 2281 authorizing $215 million for continuation of approved water resources projects in nine river basin plans for which funds already have been appropriated (the authorization was previously approved in H.R. 5885, in which the Senate unconstitutionally originated a revenue-raising waterway-user charge amendment; the House will not consider the Senate amendment but passed its own waterway-user fee in H.R. 8309),

Rail commuter service—H.R. 8346 authorizing without new funding an increase to 80 percent (from 50 percent) in the federal share of assistance to certain commuter rail lines and eliminating a restrictive eligibility requirement and accepting a Senate authorization of $30 million for the program in each fiscal 1979 and 1980 with a 50-percent federal matching ratio and adding $20 million for other commuter rail lines not covered by existing law.

Safe drinking water—S. 1528 authorizing $71 million in fiscal 1978 and $81 million in fiscal 1979 for safe drinking water programs, requiring EPA studies of certain toxic pollutants and extending the deadlines by which states must attain primary enforcement responsibility for public water systems.

Maritime authorization—S. 1019 authorizing $553.6 million in fiscal 1978 for ship subsidy and other maritime programs and prohibiting illegal rebates,

Land and water resources—S. 106 authorizing necessary sums (estimated at $58 million over five years) for the Agriculture Department to appraise the nation's soil, water and related resources and to develop a National Soil and Water Conservation Program indicating the direction of future efforts,

Federal crop insurance—H.R. 9704 authorizing $200-million in capital stock for the Federal Crop Insurance Corporation, an increase of $50 million,

Appalachian child development projects—H.R. 8777 authorizing two years of transitional funding at not more than 75 percent of operating costs for certain Appalachian child development projects that have exhausted their five years of eligibility for federal assistance,

Alaska natural gas pipeline—H. J. Res. 621 approving the President's decision on the Alcan route overland through Canada for the Alaska natural gas pipeline,

Regulation Q—H.R. 9710 extending through December 15, 1978, authority for federal regulation of depository institutions interest rates, setting guidelines for Federal Reserve Board monetary policy and making other Federal Reserve improvements,

Federal Aviation Act amendments—H.R. 6010 extending aviation war risk insurance through 1982, authorizing standby reduced air fares for older Americans, requiring 15 days' public notice for changes in air passenger fares and freight rates, authorizing new all-cargo certificates, and making other changes,

Fishermen's Protective amendment—S. 1184 establishing a new program of loans to fishermen for damage of $2,000 or more to vessel or gear from foreign vessels or crew operating within the U.S. 200-mile limit after July 1, 1976, if the American fisherman assigns to the United States rights to recover damages from the foreign nation, in which cause loan repayment shall be forgiven (if the American fisherman was at fault, then he must repay the loan),

Direct purchase authority—H. J. Res. 611 extending until April 30, 1978, authority for Federal Reserve banks to purchase up to $5 billion in government obligations directly from the Treasury,

Distilled spirits—H.R. 4458 changing excise taxes on distilled spirits to encourage exportation, and

U.S. Railway Association authorization—H.R. 4049 authorizing $23 million in fiscal 1978 for the U.S. Railway Association for administration, the monitoring of ConRail operations and for U.S. legal representation in litigation to determine the value of the private properties incorporated into the massive ConRail reorganization of bankrupt railroads in the Northeast and Midwest; and authorizing appointment of special masters and the taking of appeals of certain decisions directly to the Supreme Court.

Following is a summary of other House and Senate actions in early November.

Deferral disapprovals—The House agreed to four resolutions (H. Res. 851, 852, 853 and 854) disapproving deferrals totaling $38.8 million for various nuclear and high-energy research programs and required the Administration to spend the money. No Senate action is necessary. A conference report on S. 1311, authorizing $297.7 million in fiscal 1978 for the Nuclear Regulatory Commission, was agreed to in the House and is in the Senate. Awaiting House consideration are H.R. 9378, as amended by the Senate, to protect the private pension plan insurance program by deferring certain liabilities and raising certain premiums, and conference reports on H.R. 8422 authorizing medicare and medicaid for rural clinics and H.R. 9375 making supplemental appropriations for fiscal 1978.

In conference: House and Senate went to conference on S. 305 prohibiting bribes by American business to foreign officials and foreign politicians, H.R. 9418 requiring an increase in third-year medical student enrollments, H.R. 1316 protecting endangered species, H.R. 3722 authorizing $67 million in fiscal 1978 for the Securities and Exchange Commission, and S. 1678 Federal Insecticide, Fungicide and Rodenticide Amendments. Already in conference are H.R. 9005 District of Columbia Appropriations, H.R. 3454 Endangered American Wilderness, H.R. 3199 Clean

Water Act, H.R. 5383 Mandatory Retirement Age, H.R. 7 Elementary and Secondary Career Education Act, H.R. 4544 Black Lung Benefits, and H.R. 6666 Legal Services Corporation.

Other House actions: In other actions last week, the House passed H.R. 8331 improving investors' financial protection against stock brokers' bankruptcy, disagreed to the Senate amendment to H.R. 9794 approving a fisheries agreement with Mexico and passed in final form H. Res. 871 extending the Select Committee on Ethics into the second session, H. Res. 868 requesting the cooperation of the government of South Korea with the House investigation and H. Res. 784 expressing the sense of the House that the President should establish a Commission on Domestic and International Hunger and Malnutrition. The House also passed and sent to the Senate H. Con. Res. 388 expressing concern about acts of repression in South Africa and H. Con. Res. 387 reaffirming the U.S. commitment to seek compliance with the human rights provisions of the Helsinki agreement.

KEEPING JOBS WHERE THEY ARE

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, for months some Members of the House have been working to develop legislation to encourage industries to modernize older industrial plants. We have seen too many cases where corporations have used various Federal tax benefits to build new, efficient plants in rural areas, only to follow up by closing their older, higher cost plants.

The tragic closing of Youngstown's Sheet & Tube Corp.'s steel plant in Ohio is not the last, but certainly one of the most shocking, examples. In my own city of Akron, the tire industry has lost 25,000 production jobs in the last 25 years, even though the industry has expanded enormously in other parts of the country, mostly by building plants in small, rural communities, thereby transforming them overnight into new industrial centers.

In Akron, unlike Youngstown, there has been no sudden collapse of the economy, only a slow attrition, a leveling of economic growth, with occasional spurts in the unemployment rate in periods of business downturn when workers in the older Akron tire plants are, as usual, the first to be laid off.

Mr. Speaker, the Nation has a tremendous investment in its existing industrial centers. This investment consists not only of manufacturing plants, but also retail businesses, public facilities, schools, universities, cultural institutions—and peoples' homes. It makes absolutely no sense to have national tax policies, or other national economic policies, that fail to protect these investments and, indeed, help bring about their destruction.

Any tax reform worthy of the name must deal with this problem. Earlier this year, I introduced the Investment Tax Credit Act of 1977 to provide an extra 10 percent investment tax credit for modernizing older industrial plants or replacing them with new ones located in the same community. This bill now has 80 cosponsors and has received a favorable response around the country. It is time the Treasury Department got behind it.

Mr. Speaker, I realize that there is no single solution for arresting the decline of our older industrial centers. To reverse this dismal process will require a complex of solutions. One thing stands out however: The time to act to save a local industry is while it is still there and is still a going concern. To do that, we must help it remain competitive. My tax credit bill, by providing an incentive to modernize, in place, addresses itself to one aspect of remaining competitive.

Mr. Speaker, on Saturday, the Washington Post published a fine editorial on this subject following up an excellent article by James Sundquist of the Brookings Institution in the previous Sunday's Post. I placed the Sundquist article in the RECORD last week and am now pleased to offer the editorial for inclusion in the RECORD immediately following these remarks:

WHERE THE JOBS GO

Now that President Carter has postponed his tax-reform plan, the administration has a chance to tie it more closely to employment patterns. There has been rising anxiety in Congress over the shift in the country's economic balance away from the Northeast, toward the South and West. The drift of population out of the big, aging cities of the Northeast imposes one kind of cost; the rapid expansion of the new cities of the Sun Belt imposes another kind. Neither is small.

Rep. Al Ullman (D.-Ore.), chairman of the House Ways and Means Committee, has begun to think about the possibility of using the tax system to slow down that drift. The idea has been floated before, but in the past it has been shouted down by the boosters among us—the states that were growing fastest and the people there who saw a soaring population as a source of pride and wealth. In this decade, some of those states have changed their minds about the desirability of that kind of growth. Mr. Ullman's Oregon is a leading example. The constituency for a stabilization policy seems to be increasing.

In 1950, 32 out of every 100 American jobs were in the Northeast. By 1975 it was down to 24.5 jobs. In 1950, 24 out of every 100 jobs were in the South; in 1975 it was up to 30. The figures come from a study that the Library of Congress did for Sen. Henry Bellmon (R-Okla.), who was concerned that the Sun Belt-Frost Belt debate was outrunning the data. All quadrants of the country have become richer and more heavily populated in those 25 years, but they grew at very different rates. In those years employment nationwide rose by 31 million jobs. Out of that total, there was a gain of 4.4 million jobs in the Northeast, which here includes Pennsylvania and everything beyond it. The gain in the North Central states was 7.1 million jobs, and in the West 7.6 million. In the South, it was 12.2 million.

But even this kind of statistic understates the reality. Within each of these broad regions the local disparities are far more extreme. One great illustration of the process is the abandonment of wide stretches of some of the inner cities, most notably in New York's South Bronx.

The hard question here is not *whether* to try to stabilize employment where people now live—but rather *how* to do it. In this newspaper's Outlook section last Sunday, James Sundquist of the Brookings Institution suggested an expanded investment credit in the areas of highest unemployment. That might be a beginning. But it's difficult to think that an investment credit alone could determine the location of many plants and payrolls.

Effective intervention would be expensive. But it could hardly be as expensive as tolerating complacently the decay of regional economies in one part of the country, while localities in other parts urgently build new schools, new roads and new hospitals for the people moving in. It would be impossible to stop the long-term changes in American economic geography. But it would be useful to pause for another look at the rules of the game, to ensure that the advantages for each employer do not add up to the disadvantage of the country as a whole.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. PEPPER (at the request of Mr. WRIGHT), for Friday, November 4, on account of illness in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. BAUMAN) and to revise and extend their remarks and include extraneous matter:)

Mr. BAUMAN, for 15 minutes, today.

(The following Members (at the request of Mr. GEPHARDT) and to revise and extend their remarks and include extraneous matter:)

Mr. NEDZI, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. WIRTH, for 5 minutes, today.

Mr. BRADEMAS, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. BRADEMAS, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $2,656.50.

(The following Members (at the request of Mr. BAUMAN) and to include extraneous matter:)

Mr. SYMMS.

Mr. DERWINSKI in two instances.

Mr. HANSEN in three instances.

Mr. KINDNESS.

Mr. ASHBROOK in two instances.

(The following Members (at the request of Mr. GEPHARDT) and to include extraneous matter:)

Mr. VAN DEERLIN in three instances.

Mr. MAZZOLI in two instances.

Mr. ANNUNZIO in six instances.

Mr. GONZALEZ in three instances.

Mr. ANDERSON of California in three instances.

Mr. BROWN of California in 10 instances.

Mr. ROSENTHAL.

Mr. VOLKMER.

Mr. DODD.

Mr. TEAGUE in 10 instances.
Mr. CORMAN.
Mr. APPLEGATE in four instances.
Mr. BURKE of Massachusetts.

SENATE BILLS AND CONCURRENT RESOLUTION REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 405. An act for the relief of Chong Cha Williams; to the Committee on the Judiciary;

S. 432. An act for the relief of Rosalinda Flores Vaow; to the Committee on the Judiciary;

S. 833. An act for the relief of Ah Young Cho Kwak; to the Committee on the Judiciary;

S. 973. An act for the relief of Young-Shik Kim; to the Committee on the Judiciary;

S. 1052. An act for the relief of Brian Patrick Webb and his wife, Laurene Anne Webb; to the Committee on the Judiciary;

S. 1154. An act for the relief of Jin Syen Suh; to the Committee on the Judiciary;

S. 1214. An act to establish standards for the placement of Indian children in foster or adoptive homes, to prevent the breakup of Indian families, and for other purposes; to the Committee on Interior and Insular Affairs;

S. 1215. An act to provide for grants to tribally controlled community colleges, and for other purposes; to the Committee on Education and Labor;

S. 1315. An act to provide more effectively for the use of interpreters in courts of the United States, and for other purposes; to the Committee on the Judiciary;

S. 1401. An act for the relief of Elvi Engelsmann Jensen; to the Committee on the Judiciary;

S. 1563. An act for the relief of Do Sook Park; to the Committee on the Judiciary; and

S. Con. Res. 26. Concurrent resolution expressing the sense of Congress that action should be taken to focus national attention on the extent and consequences of and the need to find a cure for amyotropic lateral sclerosis; to the Committee on Interstate and Foreign Commerce.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1560. An act to restore the Confederated Tribes of Siletz Indians of Oregon as a federally recognized sovereign Indian tribe, to restore to the Confederated Tribes of Siletz Indians of Oregon and its members those Federal services and benefits furnished to federally recognized American Indian tribes and their members, and for other purposes.

ADJOURNMENT

Mr. GEPHARDT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 10 minutes p.m.), under its previous order, the House adjourned until Friday, November 11, 1977, at 10 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2658. A letter from the President of the United States, transmitting a report on the extent to which the Republic of Korea is cooperating with the Department of Justice investigation into allegations of improper activity in the United States by agents of the Republic of Korea, pursuant to section 28 of Public Law 95–92; to the Committee on International Relations.

2659 A letter from the Secretary of the Army, transmitting the annual report of the U.S. Soldiers' and Airmen's Homes for fiscal year 1976 and the report of the 1977 annual General Inspection of the Home, pursuant to the acts of March 3, 1883, and March 4, 1909 [24 U.S.C. 42, 59]; to the Committee on Armed Services.

2660. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council Act No. 2–97, "To amend the District of Columbia Revenue Act of 1937 and Title 32 of the District of Columbia Rules and Regulations to provide for the registration as 'Historic Motor Vehicles' of motor vehicles which are at least 25 years old, and for other purposes," pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

2661. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Act No. 2–99, "To order the closing of a public alley abutting on lots 63, 64, and 65 in square 1192, bounded by 29th, K, 30th, and M Streets NW.," pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

2662. A letter from Secretary of the Treasury, transmitting a prototype of a set of consolidated financial statements for the Federal Government using accrual accounting; to the Committee on Government Operations.

2663. A letter from the Acting Comptroller General of the United States, transmitting a report on the need for an annual review by Federal agencies to determine whether each automated payment system and its related controls are operating effectively and can be relied on to compute payments that are accurate and legal (FGMSD–76–82, November 7, 1977); to the Committee on Government Operations.

2664. A letter from the Secretary of the Interior, transmitting a report on the annual comsumptive uses and losses of water from the Colorado River system during the period 1971–75, pursuant to section 601(b) of Public Law 90–537; to the Committee on Interior and Insular Affairs.

2665. A letter from the Assistant Secretary of State for Congressional Relations, transmitting notice of the State Department's intention to consent to a request by the Government of Norway for permission to transfer certain U.S.-origin military equipment to the Government of Austria, pursuant to section 3 of the Arms Export Control Act; to the Committee on International Relations.

2666. A letter from the Assistant Secretary of State for Congressional Relations, transmitting notice of a proposed license for the export of certain defense articles sold commercially to Turkey (MC–3–78), pursuant to section 36(c) of the Arms Export Control Act; to the Committee on International Relations.

2667. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b; to the Committee on International Relations.

2668. A letter from the Executive Director, Federal Communications Commission, transmitting a report on the backlog of pending applications and hearing cases in the Commission as of June 30, 1977, pursuant to section 5(e) of the Communications Act, as amended; to the Committee on Interstate and Foreign Commerce.

2669. A letter from the president, Jewish War Veterans U.S.A. National Memorial, Inc., transmitting the annual audit report of the organization for the year ended March 31, 1977, pursuant to section 3 of Public Law 88–504; to the Committee on the Judiciary.

2670. A letter from the Acting Comptroller General of the United States, transmitting a report on the worldwide housing shortage and the shelter assistance efforts of the Agency for International Development, the multilateral lending institutions, private and voluntary organizations, and certain bilateral donors (ID–77–39, November 4, 1977); jointly to the Committee on Government Operations, and International Relations.

2671. A letter from the Acting Comptroller General of the United States, transmitting a report on the cost, schedule, and performance status of the National Aeronautics and Space Administration's Pioneer Venus project (PSAD–77–65, November 7, 1977); jointly to the Committee on Government Operations, and Science and Technology.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MAHON: Committee of conference. Conference report on H.R. 9375 (Rept. No. 95–812). Ordered to be printed.

Mr. WHITE: Committee on Armed Services. H.R. 9713. A bill to repeal provisions of title 10, United States Code, which impose certain restrictions on enlisted members of the Armed Forces and on members of military bands (Rept. No. 95–813). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 9203. A bill to provide the means for selection of, and to expedite Federal permits and developments of, transportation systems to move Alaskan crude oil to Northern Tier and other inland States, and for other purposes; with amendment (Rept. No. 95–814, Pt. I). Ordered to be printed.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

[*Submitted November 7, 1977*]

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 3350. A bill to promote the orderly development of hard mineral resources in the deep seabed, pending adoption of an international regime relating thereto; with amendment (Rept. No. 95–588, Pt. II). Referred to the Committee on International Relations for a period ending not later than February 10, 1978, for consideration of such provisions of the bill and amendments as fall within that committee's jurisdiction under clause 1(k), rule X, and ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions

were introduced and severally referred as follows:

By Mr. BAUMAN (for himself, Mrs. HOLT, and Ms. MIKULSKI):

H.R. 10064. A bill to provide for the coordination of federally supported research efforts regarding the Chesapeake Bay, and for other purposes; jointly, to the Committees on Merchant Marine and Fisheries, and Science and Technology.

By Mr. DRINAN (for himself, Mr. AKAKA, Mr. BLANCHARD, Ms. KEYS, Mr. MCHUGH, Ms. MIKULSKI, Mr. RAHALL, Mr. RICHMOND, Mr. SKELTON, and Mr. STEERS):

H.R. 10065. A bill to provide additional assistance to small business concerns in acquiring procurement information and contracts from the United States; to the Committee on Small Business.

By Mr. DRINAN (for himself, Mr. CARR, Mr. COTTER, Mr. EDGAR, Mr. MCHUGH, Mr. MURPHY of Pennsylvania, Mr. OTTINGER, Mr. PATTISON of New York, Mr. ROSENTHAL, Mr. SCHEUER, and Mr. WHALEN):

H.R. 10066. A bill to amend the Internal Revenue Code of 1954 to discourage interstate bootlegging of cigarettes by increasing the Federal tax on cigarettes and to provide payments to States which do not impose a special tax on cigarettes and to amend title 18, United States Code, to impose certain penalities with respect to such bootlegging, and for other purposes; jointly, to the Committees on Ways and Means, and the Judiciary.

By Ms. KEYS (for herself, Mr. BADILLO, Mr BRODHEAD, Mr. PHILLIP BURTON, Mr. CORMAN, Mr. FAUNTROY, Mr. PICKLE, Mr. RYAN, and Mr. GIBBONS):

H.R. 10067. A bill to amend the Internal Revenue Code of 1954 to simplify tax preparation by allowing individuals whose income consists solely of employee compensation and interest to elect to have the Internal Revenue Service compute their income tax liability, and for other purposes; to the Committee on Ways and Means.

By Mr. WIRTH:

H.R. 10068. A bill to create the Indian Peaks Wilderness Area in the Arapaho and Roosevelt National Forests in Colorado and to authorize the Secretary of the Interior to study the feasibility of revising the boundaries of the Rocky Mountain National Park; to the Committee on Interior and Insular Affairs.

By Mr. JONES of Oklahoma (for himself, Mr. SAWYER, Mr. RICHMOND, Mr HUGHES, and Mr. FAUNTROY):

H.J. Res. 658. Joint resolution proposing an amendment to the Constitution of the United States to give citizens of the United States the right to enact and repeal laws by voting on legislation in a national election; to the Committee on the Judiciary.

By Mr. JENRETTE (for himself, Mr. SISK, Mr. CORRADA, Mr. DERWINSKI, Mr. EILBERG, Mr. VENTO, Mr. MURPHY of Pennsylvania, Mr. DUNCAN of Tennessee, Mr. COHEN, Mr. MCCLORY, Mr. LEHMAN, Mr. GUYER, Mr. WINN, Mr. HUGHES, Mr. LENT, Mr. HEFTEL, Mr. LE FANTE, Mr. MAZZOLI, Mr. GILMAN, Mr. WALKER, Mr. CORNWELL, Mr. SANTINI, Mr. KEMP, Mr. MARRIOTT, and Mr. MURPHY of New York):

H. Con. Res. 409. Concurrent resolution relating to the resolution of certain issues in United States-Cuban relations; to the Committee on International Relations.

By Mr. SOLARZ (for himself and Mr. ROGERS):

H. Con. Res. 410. Concurrent resolution expressing the sense of Congress that action should be taken to focus national attention on the extent and consequences of and the need to find a cure for amyotrophic lateral sclerosis; to the Committee on Interstate and Foreign Commerce.

MEMORIALS

Under clause 1 of rule XXII,

284. The SPEAKER presented a memorial of the House of Representatives of the State of Ohio, relative to proposed mandatory inclusion of public employees in the social security system; jointly, to the Committees on Ways and Means, and Post Office and Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII.

Mr. MILLER of California introduced a bill (H.R. 10069) for the relief of Antonios Kakoliris-Kekos, which was referred to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

326. By the SPEAKER: Petition of the Westchester Council for the Social Studies, White Plains, N.Y., relative to alleged improper activities of agents of the Republic of Korea to influence Members of Congress; to the Committee on Standards of Official Conduct.

327. Also, petition of the Family Service Association of America, New York, N.Y., relative to proposed workforce amendments to the aid to families with dependent children program; to the Committee on Ways and Means.

328. Also, petition of Women in Communications, Inc., Austin, Tex., relative to the use of cameras in courtrooms and legislative halls; jointly, to the Committees on Government Operations, and Rules.

EXTENSIONS OF REMARKS

CONSTANTINE M. "GUS" BELLAS

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 8, 1977

Mr. APPLEGATE. Mr. Speaker, I consider myself fortunate, indeed, to have the kind of constituency I do in the 18th Congressional District of Ohio. This constituency is of the quality it is because of the kind of people that compose it.

One of the many outstanding citizens I represent is Mr. Constantine M. "Gus" Bellas, a man of distinguished character and total unselfishness.

Mr. Bellas was born on September 4, 1909, in Istanbul, Turkey, the son of Michael and Maria Bellas. At the age of 10, he was brought by his father from the Island of Chios, Greece, to Yorkville, Ohio. There, he stayed with relatives. His father returned to Greece to try to bring the remaining members of the family to Ohio. However, his father did not return until 1953.

From the very beginning, hard work and a keen inquisitive mind characterized his endeavors. While attending Martins Ferry High School, Mr. Bellas, along with his cousin, Alexander Bellas, owned a shoe shine parlor and operated a dry cleaning and clothing store. During the Depression years, he and Alexander Bellas were proprietors of a wholesale candy and tobacco company. In 1937 at the age of 28, he ran for the office of mayor of Yorkville and lost by one vote. A subsequent election recount indicated he had won, but Mr. Bellas decided against becoming mayor.

In late 1937, Mr. Bellas moved to Steubenville, Ohio, and helped establish the companies he is so closely identified with today: The Iron City Distributing Co., the Industrial Tobacco and Candy Co., the Bellcom Corp., the Crown Development Corp., and Choice Brands of Ohio. Over the years, these companies have provided many job opportunities for our area. He is a director of the Union Savings Bank, a past member of the executive committee of the Upper Ohio Valley Area Development Council, a past board member of the Steubenville Area Chamber of Commerce and a member of the tri-State area's steel mark committee. He is also a past director of the Ohio Wholesale Wine Dealers Association and the Wholesale Beer Association of Ohio. He is a recipient of the Stroh Brewery Co.'s 25 year "Silver Tray Award."

Mr. Bellas' community and philanthropic activities are numerous. In the Greek American Community, he is a charter member of the Order of Ahepa and the Pan Chian Society. He is a founder and past director of the Holy Trinity Greek Orthodox Church of Steubenville. Archibishop Iakovos recently presented him the "Archdiocese Laity Award" given to outstanding members of the Greek Orthodox community in the United States. He is a member of the executive board of trustees of the St. John's Medical Center. He is a past trustee of the College of Steubenville and a charter member of its Century Club. He is a past director and life member of the Kiwanis Club. He established the Kiwanis Club's annual "Rose Sale" fund raising program. He is a past director of the Steubenville chapter of the Boy Scouts of America and a charter member of the Steubenville chapter of the NAACP. He is a member of the local Moose, Elks, and Eagles Clubs. Mr. Bellas has also sponsored numerous softball, baseball, basketball, and bowling teams and other youth organizations.

In 1937, Mr. Bellas married the former Kiki Michalopoulos. They have three children, Diana B. Terezis, Michael C. Bellas, and Albert C. Bellas, and four grandchildren. His main hobbies include traveling, especially to the main wine producing countries of the world. He is

considered by many to be the "wine expert" of the Ohio Valley.

Mr. Speaker, Gus Bellas is truly deserving of the testimonial dinner that is being given in his honor. He has earned the respect and admiration of his community and on behalf of his many friends, I congratulate him and thank him for his 40 years of outstanding community service.

PETROLEUM COMPANIES' FOREIGN TAX CREDITS

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 8, 1977

Mr. ROSENTHAL. Mr. Speaker, eight members of the Commerce, Consumer and Monetary Affairs Subcommittee of the House Government Operations Committee have joined me in writing a letter to President Carter urging an end to present U.S. tax policy which improperly allows U.S. petroleum companies to claim tax credits to foreign governments. As chairman, I would like to express my appreciation for the time and effort other subcommittee members have devoted to this important subject.

Last year these petroleum foreign tax credits cost the U.S. Treasury $1.2 billion and, since 1974, the aggregate loss has been more than $6 billion. Each day's delay may be costing Treasury an additional $3.5 million. Treasury and IRS have failed to administer properly our tax code in this important area, and one consequence of their failure has been an impairment of our efforts to achieve greater energy independence; and the creation of an unfair advantage by multinational firms over independent domestic petroleum companies. My colleagues signing the letter were ANTHONY MOFFETT, ELLIOTT H. LEVITAS, TOM CORCORAN, ROBERT F. DRINAN, DAVID W. EVANS, FERNAND J. ST GERMAIN, HENRY A. WAXMAN, and CARDISS COLLINS.

The subject attracted the attention of the noted tax columnist E. Edward Stephens. I commend to you the following column as it appeared in the Washington Star for Saturday, November 5:

[From the Washington Star, Nov. 5, 1977]

IRS RULINGS ON ARAB OIL COST TREASURY BILLIONS

(By E. Edward Stephens)

A multibillion-dollar hot potato has been tossed to President Carter by Chairman Benjamin Rosenthal, D-N.Y., and eight of the other 10 members of a House Government Operations subcommittee.

These legislators, and Sen. Frank Church, D-Idaho, are pressuring the President to step in and direct the Internal Revenue Service to revoke several revenue rulings—issued in the 1950s—that have diverted billions from the U.S. Treasury to the coffers of huge American companies that pump oil out of Arab deserts. The lion's share of the cash has ended up in the treasuries of oil-rich Arab nations.

In a nutshell: Arab countries have enacted "taxes" on American oil companies operating there. The rulings now under fire have classified these levies as "income taxes," and this enables the companies to subtract them from their U.S. income taxes, dollar for dollar. Thus, the entire burden of paying the "taxes" to the Arab nations is passed along to the American people.

But the truth is that these taxes aren't "income taxes." In reality, they're royalties exacted by the Arab countries and disguised as income taxes. When the corporations pay the Arab taxes, they should get a business expense deduction, not a credit, in their U.S. federal income tax returns.

There's a big difference. Credits cut their U.S. income taxes dollar for dollar, but deductions reduce their U.S. income taxes by only 48 percent. So, because of the IRS rulings, 52 percent of the foreign taxes come right out of the U.S. Treasury.

Result: The American people are subsidizing multinational oil companies, thus encouraging them to boost their production of Arab oil—in direct conflict with current U.S. policy. Our present policy is to encourage American oil companies to concentrate on discovering new sources of domestic oil, thus reducing our dependence on imports of high-priced foreign oil.

Very few Americans know they're paying these billions of dollars, since tax subsidies aren't out in the open where they can be seen. That's bad.

But the most frightening thing about these particular tax subsidies is that our Congress didn't enact them. These subsidies were created by the Internal Revenue Service, which has now power to subsidize anything.

Another frightening thing about these particular tax subsidies: The rulings that created them have placed the IRS stamp of approval on tax avoidance schemes that are nothing but shams. If an ordinary American taxpayer were to request approval of a similar tax avoidance plan, IRS officials would throw him into the street.

Why, then, did IRS officials issue the phony rulings? An excellent question. The answer reveals another frightening aspect of these tax subsidies.

The truth is that IRS offiials issued the cock-eyed rulings, in the 1950s, because they were pressured by the Department of State.

For foreign policy reasons, our diplomats wanted to help the Arab countries—where the money ends up—without penalizing American oil companies operating there—and, let me add, without letting the American people know that they were slated to pay the entire bill.

Chairman Rosenthal and his eight subcommittee supporters laid the whole mess on President Carter's doorstep in a letter dated Oct. 19. The gist of the bombshell is that, if there ever were foreign policy reasons sufficient to justify the fake rulings, those reasons have not existed for some time, certainly not since the Arab oil embargo of 1974.

Our irate legislators have a point. It's difficult to see why oil-rich Arab nations now need financial help from the debt-ridden American people.

So, the nine legislators urged the Carter administration to heed the "overwhelming weight of evidence" presented during recent subcommittee hearings. They called for an end to the "$1.2 billion-per-year" loss to the U.S. Treasury from the "improper" foreign tax credits claimed by American oil companies.

The legislators also asked that the Carter administration take steps to recover "more than $6 billion" that these corporations have avoided paying in past years.

Sen. Church recently wrote to the President, saying the IRS rulings are "incompatible with the tax laws, extremely costly to the Treasury, and inconsistent with . . . reducing dependence on Arab oil."

In the Sept. 1977 issue of People & Taxes, Robert McIntyre, of the Tax Reform Research Group, concluded that, because of "touchy" foreign policy questions, any decision in this area is likely to be left up to President Carter. As you know, the buck passing stops at his desk.

PRESIDENT VETOES ENERGY AUTHORIZATION

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 8, 1977

Mr. TEAGUE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the statement I made to the press concerning the veto by the President of the authorization bill for the Energy Research and Development Administration.

STATEMENT BY CONGRESSMAN OLIN E. TEAGUE CONCERNING PRESIDENT CARTER'S VETO OF THE DEPARTMENT OF ENERGY AUTHORIZATION BILL

President Carter's first veto is a direct denial of his earlier claim that our energy crisis is "the moral equivalent of war." His veto reveals he does not know either his enemies or allies in that war.

The Congress recognized urgent realities when by big margins it voted to compromise with the President. His veto is an unwarranted, harsh and arbitrary refusal to understand the stern realities of our nation's and the world's energy needs, and the realities of the long and very difficult efforts by House and Senate Members to agree on an energy authorization act that went much more than halfway in meeting his demands.

We on the Hill put months of strenuous, conscientious effort into producing an effective energy research and development program which the President could wisely and to his own satisfaction sign. He was poorly advised to so ruthlessly deny our efforts.

I noted with great concern that neither his Secretary of Energy, nor any other official of the Department of Energy, participated in the announcement of the President's veto. Instead, his spokesmen in announcing the veto were only Stuart Eizenstat, Assistant to the President for Domestic Affairs and Ms. Kitty Schrimer, whom I am told is a crusading environmentalist. That raises a troublesome question as to who it is that really has the President's ear in these matters. Where were his energy and science experts?

In the authorization bill now vetoed, the Congress vigorously supported initiatives for new energy sources we crucially need, such as several potentials for solar conversion, geothermal, coal gasification, and other clean forms of fuel from coal, magnetic fusion and the breeder reactors, all of which will be vital to provide alternatives to oil and gas.

It is those authorizations the President now vetoes, in effect denying the authority of Congress to shape national energy research policy. He focused his veto attack on the Clinch River Breeder Reactor Demonstration Project, especially arguing that the dangers of nuclear proliferation would be increased by that project. But the Congress already had recognized that concern in the compromise it voted. It agreed with the President not to include funds for any actual construction of the Clinch River plant, but only to go ahead with the preliminary licensing process, thus providing sufficient time to work out with the President an effective program to guard against proliferation. The veto denies that Congressional effort.

A large majority in the Congress is convinced that the breeder technology is an imperative need for this nation's and the world's future. Other major nations—France, Germany, Great Britain, Japan and the Soviet Union—are moving vigorously ahead to develop and demonstrate their own breeder reactors. It is imperative that we be in the forefront of any such historic effort. Otherwise, we shall lose any valid claim to lead or influence the world's efforts in these matters. Yes, we will lose our ability to lead in the effort to control nuclear proliferation. The President seems blind to that reality.

There are hundreds of years of potential energy now stored in barrels at Oak Ridge, awaiting safe and useful release. We also have hundreds of years of useful coal resources. Our bill would provide the means to push hard ahead to make good use of those great resources. The President's veto means we again will be too little and too late.

We already are being held hostage because we lack sufficient oil. Now the President's veto can make us doubly dependent and vulnerable, hostage to other nations' superior progress in breeder technology.

I join with many others in the Congress and throughout the nation—yes, the world—who consider this veto a rash, irresponsible act.

Our grandchildren are likely the ones who shall pay most dearly for this Presidential mistake.

COMMENT

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 8, 1977

Mr. DERWINSKI. Mr. Speaker, Joseph McCaffrey, commentator on Washington, D.C.'s radio station WMAL, is an experienced and knowledgeable observer of the Capitol scene. His views, carried in a column in the November 3 edition of the Culpeper (Va.) News of which he is editor and publisher, very properly express the feelings in the Congress relating to appropriation of military aid to South Korea.

As I feel that his comments are worth pondering, I insert Mr. McCaffrey's commentary at this point:

COMMENT

(By Joseph McCaffrey)

It would be ironic, but it might just happen. The man who used money and wile to win support for his country from the United States may, in the end, be the reason why this support has been shut off.

It would be a pity if the story ended like that, but the chapters now being written indicate that is what is likely to happen.

The 800 million dollars in military aid for South Korea is sitting in the House International Relations committee because everyone figures that the House would kill it if it came to the floor.

"No one," almost any member will tell you, "wants to vote for anything for South Korea for fear that the folks back home will think the vote had been bought and paid for by a South Korean agent."

Congress, at least the House of Representatives, seems to have become paranoid about the Korean scandal, and because it is so busy looking back over its sholuder it can not see what lies in the road ahead.

One of the reasons we support South Korea, is that Japan feels easier and more secure. If the North Koreans should go over the line and push down to Seoul, the Japanse would have to reevaluate their defense position.

There is no desire on the part of America to have Japan re-arm—but should the Japanese be left undefended and faced with advancing communism?

One wonders what our ambassador to Japan, Mike Mansfield, is thinking as he looks back at Washington and sees how the Tongsun Park scandal is now turning around our foreign policy in Asia.

It isn't enough to say—South Korea is getting what it deserves or/let's get South Korea off our backs. We spent a great deal in blood, lives and money defending South Korea, if because of the Tongsun Park scandal we now abandon Seoul, we will be saying the blood, lives and money were spent all in vain.

If members of Congress are so fearful that they can not justify voting the 800 million dollars in military aid to South Korea, perhaps they underestimate the intelligence of their electorate who, certainly, would be willing to listen to the reasons in support of such a vote.

If members of Congress feel that a vote for aid to South Korea would mean they might be fingered as recipients of Park's largese, then they are running too scared.

There is more at stake here than a domestic scandal, what is at stake is an important aspect of our foreign policy.

It might be time that we asked for a few profiles in courage. And, for the rest of us we might take a look over and beyond the titillating scandal to see the big picture.

OHIOAN OFFERS ENERGY SOLUTION: SOLAR HEATER MADE FROM BEER CANS

HON. THOMAS N. KINDNESS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 8, 1977

Mr. KINDNESS. Mr. Speaker, I would like to share a most unusual event which occurred recently. A constituent came to see me to explain what appears to be a very promising solar heating system. The really surprising thing is the fact that he did not come seeking a Federal handout. Instead, he came seeking only my assistance in getting the bureaucrats to help distribute information about his inexpensive "do-it-yourself" solar heating system to all Americans. Seems like a simple, reasonable request does it not? It caused me to wonder why a citizen, who seeks no reward for himself, should have to struggle with his own Government to gain assistance in distributing to fellow citizens information which has the potential for significantly reducing their home heating costs.

My constituent is Bill Tolle of Hamilton, Ohio. Bill has a long background, and a good deal of experience as a handyman, and in the electronic field. I suspect that he is a bit too modest in giving himself and these talents full credit for their role in the success of his solar heating system. He implies that anyone who is at all "handy" with tools could easily duplicate his system. He feels that most homeowners would already have the necessary tools, and that nearly all of the materials needed could be obtained at the local lumberyard and hardware store.

One of the key elements of Mr. Tolle's solar system consists of a readily available material—beer cans. He cut the beer cans in half, painted them black, and installed them in a frame in such a manner that he could circulate air over them, and collect the heat they derive from the sun. This heat is then used to heat the Tolle home directly, or if not needed immediately is stored in a "heat storage bin" for later use. It cost approximately $800 to build a system big enough to provide about 60 percent of the heating needs for his one-story (full basement) home of some 1,200 square feet. His heating bill (oil) for the extremely cold winter of 1976–77 was about $160. The lack of adequate records for prior years prevents a more direct comparison of costs.

A pamphlet explaining Mr. Tolle's system can be obtained for $1 from the Hamilton Journal-News Business Office, P.O. Box 298, Hamilton, Ohio 45012.

I am also inserting in the RECORD at this point an article from the October 17, 1977, issue of U.S. News & World Report entitled "Do-It-Yourselfers Give Solar Energy a Sharp Boost":

DO-IT-YOURSELFERS GIVE SOLAR ENERGY A SHARP BOOST

(Kits for harnessing the sun to heat water and warm homes are catching on fast. But there still are pitfalls for potential buyers.)

Thanks largely to amateur handymen in America's homes, the U.S. is moving deeper into the age of practical solar-energy use.

By some estimates, 5 million square feet of solar collectors are expected to be sold this year—and nearly half will be installed by home-owners themselves using tools they have around the house, not by skilled contractors with elaborate equipment.

"These are the same kind of people who would have been the first to buy an auto when cars first came out," says a spokesman for Grumman Corporation, one of the industry leaders. "They are the type of people who are attracted to new technology."

Altogether, the sales of solar-energy equipment doubled during 1976 among the 500 companies now in the business. Another doubling over last year is expected in 1977 as the sale of solar collectors, pipes, fittings and valves continues to boom. "People are realizing that solar energy is not all that complicated, and they're excited about being able to fight rising utility costs with their own hands," explained an exhibitor at a recent industry show in Dallas.

Two years ago, there were 183 solar-heated homes in the U.S., according to the Solar Energy Industries Association. Now there are about 5,000. Within a year, 15,000 more are expected.

While these homes scarcely make a ripple in the nation's over-all energy picture, the Government is projecting that, by the year 2000, radiation from the sun will supply 7 per cent of the country's energy needs.

FEDERAL APPROVAL

Seed money from Washington, D.C., has played a leading role in bringing hundreds of new and professionally built solar homes onto the market. Despite this, manufacturers say they are amazed at how many people are going it alone—paying for the equipment and installing it themselves.

Aimed at these adventurous handymen is the increasingly common solar kit. Scores of companies are offering them complete with detailed instructions. Kits for sun-powered water heaters sell for $800 to $1,200 and can be installed in a day—some collectors go on the roof, others on the ground. Having the

same equipment installed by a professional can double the price.

"If you can hold a soldering gun, you can do it," says one salesman.

Kits for meeting up to 75 per cent of a home's heating needs are available for $3,500 to $10,000, and they are quite a bit more complicated to install.

Engineers are quick to caution that each house has distinct requirements, based on how it is situated on the lot, the materials from which it is built, and what the area's weather is like. For example, solar collectors designed for a home in Florida are usually inappropriate for one in Illinois.

Information and inducements to venture into solar energy are pouring in on homeowners, local builders and heating conctractors.

FUNDS FOR EXPERIMENTS

As one lure, the Federal Government is handing out millions of dollars a year in direct grants to entice builders into installing experimental collectors. Nearly two dozen States now offer favorable tax treatment.

President Carter's energy program, as passed by the House of Representatives but still subject to final action by the Senate, provides a possible $2,150 tax credit—30 per cent of the first $1,500 and 20 per cent of the next $8,500—for home-owners installing solar equipment. A Senate committee recommended a slightly more generous formula.

Hundreds of universities, for a fee, are making their engineering schools available to the community to help with solar planning.

The Energy Research and Development Administration (ERDA) is using a computer to help individual home-owners evaluate the suitability and likely costs of using the sun to heat their houses. This "Solcost" program, for which there is a $35 user charge, is being handled by the International Business Services Solar Group in Washington, D.C.

Most of the solar-energy devices now on the market collect heat from the sun's rays, rather than convert sunlight directly into electricity with solar cells. These thermal collectors most often are mounted on the roof. The simplest systems consist of black metal plates covered with glass. Water, antifreeze or sometimes just air is heated by being passed over the hot metal and is then carried to storage tanks buried in the basement or back yard for use as needed. Just installing solar-energy equipment itself is not enough to make it work efficiently, industry people say. Repeatedly, they point out that the more thoroughly a house is insulated, the better are the chances that any heating or cooling system will work. Storm windows also are considered vital in Northern climates.

BUYER BEWARE

Dealers admit that a number of disreputable companies are milking the market during this boom period. "There are a lot of ripoff artists in this business, lots of lawsuits floating around," says one dealer in Dallas. Emerging are horror stories of frozen pipes, overheated collectors that simply melted and of antifreeze leaking from rooftop pipes, eating through the shingles and ending up in the living room.

Sheldon H. Butt, president of the Solar Energy Industries Association, says his group will soon publish the industry's first set of standards, which ought to weed out some of the hucksters.

Meantime, the industry recommends that enthusiasts pushing ahead with a solar project check out their dealer with the local Better Business Bureau. A buyer also should ask about the kinds of tes'ing the dealer's equipment has gone through. Most reputable dealers have had their hardware evaluated at independent laborotories.

"A buyer has to be alert," says Jeff Deahl, of Solar Usage Now, an Ohio firm specializing in materials for do-it-yourselfers. "A lot of research is gobbledy-gook, but if a person reads up on solar energy, he can pretty well figure it out himself."

Despite the obvious risks of pioneering an untested technology, America's home-owning handymen appear to be doing just that.

THE GENERAL SAID IT AGAIN—"THE MILITARY IS GAGGED"

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 8, 1977

Mr. HANSEN. Mr. Speaker, the general said it again—"The military is gagged." On October 21, I received a reply to my letter of October 17, 1977, to Air Force Chief of Staff, Gen. David C. Jones, condemning actions of senior military officers who untruthfully would have the public believe they are speaking their own unpressured sentiments regarding the proposed Panama Canal treaties. I consider the general's letter an outright evasion of the points at issue and have again sent him a letter asking for a more appropriate reply. This issue is of such vital concern to the Nation, that such important questions cannot be ignored.

Mr. Speaker, it should also be noted that in accordance with the policy of the Joint Chiefs and pronouncements by Gen. George Brown, General Jones has not only been responsible for stifling of Air Force personnel but he has also silenced the members of the Air Force Association.

To better illustrate my contentions I include for the RECORD, first, General Jones' message to Air Force commanders; second, Hansen letter of October 17 to General Jones; third, General Jones' letter of October 21; fourth, an article by Bruce Callander entitled "Who Can Say What? Disagreement Arises Over Canal Opinions," in the November 7, 1977, issue of the Air Force Times; fifth, Hansen letter of November 7 to General Jones; and sixth, a letter from an Air Force Association member:

FOR COMMANDERS FROM GENERAL JONES—PANAMA CANAL TREATIES

1. On 10 Aug. 1977 Panamanian and US negotiators announced agreement in principle on conceptual framework for two new treaties. One, the neutrality treaty, provides for the permanent neutrality of the canal; the second, the Panama Canal Treaty, deals with the operation and defense of the canal. Both treaties would enter into effect after ratification and document exchange processes are complete. The neutrality treaty will be of indefinite duration. Whereas the Panama Canal treaty will terminate in all aspects on 31 December 1999.

2. The Panama Canal is a major defense asset, the use of which enhances United States capability for timely reinforcement of United States forces. Its strategic military advantage lies in the economy and flexibility it provides to accelerate the shift of military forces and logistic support by sea between the Atlantic and Pacific Oceans and to overseas areas. United States Military interests in the Panama Canal are in its use, Not its ownership. The proposed treaties would assure that access to and security of the Panama Canal are protected in time of war and peace.

3. As President Carter has stated, "We will have operating control and the right to protect and defend the Panama Canal with our own military forces until the end of this century. Under a separate neutrality treaty we will have the right to assure the maintenance of the permanent neutrality of the canal as we may deem necessary."

4. The Air Force actively participated in the development of all defense related aspects of the proposed treaties, and fully supports them. They would provide a basis for development of a continuing friendly relationship between the United States and Panama which would be of significant importance in insuring that the Panama Canal would be available to the United States when needed. Once the US no longer operates the canal, the proposed neutrality treaty would provide an adequate basis for safeguarding our interests in the canal.

5. It is important that our personnel, particularly our senior people, understand our support for the proposed treaties.

OCTOBER 17, 1977.

DEAR GENERAL JONES: I am deeply appreciative of your integrity and many years of service to our country. I regret that it is necessary to confront you with a matter of serious concern.

However, I am in possession of an August 20 message which you sent to all major Air Force commands regarding the Panama Canal, the contents of which I have this day released to the Press.

It is appalling that you have apparently "gaged" all Air Force personnel, especially those senior officers who true opinion would be of great use to the public and the security of this nation.

The information I received along with your message indicates that, "Paragraph 5 of this message makes it quite clear that we, as military personnel, are expected to support these treaties," and that any action otherwise would be highly dertimental to a military career. It is quite apparent to me that this is a clever but still blatant attempt to deprive the American people of the full information to which they are entitled on a matter so serious.

In light of the controversy over the Dole interception, are the assurances contained in your message still valid? The question is particularly pertinent in light of the recent so-called agreement between Carter and Torrijos which was not signed by either person and which was gutted by statements of Torrijos on his return to Panama.

If a Senior Officer did express a contrary opinion could he expect the same treatment as General Singlaub?

In light of your contention in paragraph 2 does this mean that the United States with no control over the Canal would have to make good any operational deficits of the Canal's operation or pay for any needed maintenance.

Did you receive any pressure from the White House for your own support or to send such a message to the members of your command?

Your comments in paragraph 2 show significant contradiction between what the military is telling itself about the military value of the Panama Canal and what they were telling the public in past Senate hearings. I would like to know exactly what the official military position really is.

Furthermore, I have serious doubts that in light of recent controversies over treaty interpretation that the Panamanians would accept the unilateral authority of President Carter's statement in paragraph 3 which says that the United States ". . . will have the right to assure the maintenance of te permanent neutrality of te Canal *as we may deem necessary.*" (Emphasis added.)

As I already have strong indications of numerous complaints of senior military

personnel who are being "squelched," I must demand an immediate retraction of this "muzzling" order along with proper apologies from you and any higher authority responsible.

Finally, in your statements to the Congress, the public, or your command, I would strongly suggest that you arrive at a consistency that is compatible with national security and with the basic rights of individuals in a free nation. I assure you that my colleagues will be most interested in observing the action of the high command of the nation's armed forces during deliberations over the proposed Panama Treaties in the days ahead.

Your expeditious reply to my questions will be greatly appreciated.

Sincerely,

GEORGE HANSEN,
Member of Congress.

OCTOBER 21, 1977.

DEAR MR. HANSEN: The thrust of your letter of 17 October 1977 concerning my message to Air Force commanders on the Panama Canal Treaties appears to be contained in the assertion that the message has "gagged" all Air Force personnel.

That assertion is mistaken. The message was categorically not a gag order. It was not intended to muzzle Air Force senior commanders. In fact, the last sentence of my letter makes clear that my intent was rather to let senior Air Force commanders know why the Air Force supported the treaties—not to dictate their personal opinions.

The message of 20 August 1977 was a straightforward communication to the Air Force's senior managers of an official position arrived at by the President and supported by the Joint Chiefs of Staff. There was nothing unusual about the message, and I felt no pressure to send it.

We expect and encourage our people to voice their free opinion on proposed courses of action. Once a decision has been arrived at, however, they are expected to support established policies. This does not mean that they are thereafter prohibited from expressing their personal views when, for example, questioned by the Congress. Quite the contrary, by custom, policy, and law, when asked by Congressional Committees for their personal views our people are expected to say what they think—and the record will show they have.

I fully endorse the proposed treaties. This is my personal view, as well as my view as a member of the Joint Chiefs of Staff.

Since renegotiation of the existing treaty began in 1964, four Presidents have supported the search for a new agreement. The Joint Chiefs of Staff have been deeply involved in the negotiations at every phase. During the most critical stages which occurred over the past two years, a senior military officer representing the Department of Defense and the Joint Chiefs of Staff has been a member of the negotiating team.

The Joint Chiefs have discussed these matters with senior military commanders, have weighed carefully the national security aspects of alternative courses of action, have participated fully in the evolution of the treaties' terms, and unanimously favor ratification.

Sincerely,

General, USAF, Chief of Staff.

WHO CAN SAY WHAT?—DISAGREEMENT ARISES OVER CANAL OPINIONS

(By Bruce Callander)

WASHINGTON.—Sometimes what you said isn't nearly as important as what people say you said or what people think you meant in saying it.

Ever since the Joint Chiefs of Staff voiced their unanimous endorsement of the Panama Canal treaties, some members of Congress have been trying to prove that (1) they were under pressure from the White House to do so and (2) the services have told their members generally that if they can't say anything nice about the pacts, they shouldn't say anything at all.

Gen. George Brown, chairman of the JCS, has found a number of occasions to challenge the first premise. In a recent Florida speech he noted that the chiefs frequently differ with presidential decisions and say so, at least within the executive branch. But, said Brown, the chiefs really favor the Panama agreements and didn't have to be coerced by the White House to say so publicly. (Last week's issue).

That probably hasn't satisfied Brown's critics in Congress, but it's hard to accuse a four-star general of saying something he doesn't mean just to keep his boss happy. It's particularly hard in Brown's case because he has a reputation for speaking his mind even when it makes presidents unhappy.

So the lawmakers are trying to make hay over the second point—that, having voiced their approval of the Panama treaties, the chiefs are moving to muzzle other officers who may not share their view.

That very well may be the case. General Brown put the proposition rather clearly in his recent speech. After telling how the chiefs voice their opinions pro and con in the high councils of government, Brown said, "What we do not do is 'go public' with dissenting views once a decision has been made. Every senior military officer understands the rules of play. Give your best; say what you think; advocate a course of action—and when a decision is made, support it.

"If a decision is unacceptable, and an officer wishes to speak out publicly—fine. He can take off his uniform, leave active service, and express that disagreement."

In short, once the word has come down, the officer has three options—praise the decision (if he approves of it), shut up and support it anyway (if he can) or get out and howl his head off (if he feels that strongly opposed).

Curiously enough, congressional critics of the JCS position do not seem to have picked up Brown's blunt remarks about dissent in service. But, they have latched onto another, milder statement by one of the service chiefs and have made much of it.

In mid-August, Gen. David Jones, AF chief of staff, dispatched a message to commanders about the canal treaties. The message accompanies this story.

Jones' statement follows closely the description the State Department gave of the agreements, but it ends with the sentence: "It is important that our personnel, particularly our senior people, understand our support for the proposed treaties."

Somebody passed a copy of Jones' message to Rep. George Hansen (R-Idaho) who promptly (1) dispatched a biting note to Jones, (2) cranked up a press release headed "Has the Military Been Muzzled on Panama?" and (3) put the whole business—Jones letter, Hansen note, press release and appropriate remarks—into the *Congressional Record*.

In his press release, Hansen said, "It is quite evident that any senior officer who dares express his own feelings will suffer the same fate as General Singlaub. I wonder if the Joint Chiefs received a similar message from the White House demanding their allegiance?"

In the *Congressional Record*, Hansen said he was "shocked and appalled" by Jones' letter. The statements, he said, "are highly indicative of wide-scale 'Singlaubistic' thinking in the military and in addition they provide speculation of White House terror tactics and bullying."

To clinch his charge that senior officers are coerced, Hansen quoted the unnamed officer who sent him Jones' message as saying that he opposed the treaties but now understood that he was not to say so.

Hansen said a good deal more in his press release about the White House's effort "to subvert the truth," about the treaties' being "a fraud" and about the administration's "gagging" the military.

He also put a number of questions to Jones, asking him whether the White House put pressure on him either to support the treaties or to send the message to the field.

Presumably Jones could save time and trouble by sending Hansen a copy of General Brown's speech. It seems to answer the questions pretty clearly.

DEAR GENERAL JONES: Thank you for your reply of October 21 to my letter expressing concern for your message to Air Force Commands regarding the proposed Panama Canal treaties.

However, I am concerned that the problems I posed were not really answered satisfactorily by your response.

Your statement that the message is not a gag order for Air Force personnel is appreciated but apparently not understood by either Air Force personnel or individuals involved in related organizations such as the Air Force Association. Military personnel have complained to me and to other Members of Congress that they do not feel free to personally express positions contrary to Air Force policy. The tone of your message which I earlier brought to your attention, if typical, certainly doesn't do anything to welcome diverse opinions. Your October 21 letter to me in fact noted that your people have opportunity for free opinion only until a decision has been arrived at which, of course, is now the case. You continued on to say that they are then "expected to support established policies." Joint Chiefs of Staff Chairman, General George Brown, also says that "military officers do not go public with dissenting views once a decision is made." Below your level, including a few advisors, who in the military ever really enjoyed the input and freedom of expression regarding the Panama treaty? The answer is not one and you know it. You cited freedom of military people to express personal views when questioned by the Congress. But you must know that such possibilities are remote. With Gen. Singlaub so fresh in mind, it is certainly obvious that no military man who values his career would want to "buck the establishment." Isn't it interesting that polls of retired Admirals and Generals when they are free to speak their mind without coercion, are overwhelmingly against the treaties (300–7 by recent tabulation).

This week I received a letter from a high ranking retired Air Force officer who is an Air Force Association member. He stated that the "recent National AFA meeting in Washington . . . wanted to adopt a resolution condemning the Canal treaties but General Jones had stopped the resolution." Another Senior Member of the Air Force complained about paragraph 5 of your message which he said "makes it quite clear that we as military personnel are expected to support these treaties."

Now General, it is obvious that the assurances you give me that there is no muzzling of Air Force personnel, especially Senior Commanders, is not understood by members of the military or affiliated associations.

Therefore I must challenge you to not only tell me that military people and associates are free to speak but tell them in a way they can believe.

A second major issue revolves around your lightly flipping through the passage of recent history to name-drop those Presidents and others who have been in support of a

new treaty. This gives me no comfort at all, General. Many of those same Presidents and certain military officers and Ambassadors like Mr. Bunker have also been the architects of American withdrawal and defeat around the world for two decades.

The American people are tired of appeasement and incompetence in foreign affairs which has stalemated us in one war and lost another and now finds us becoming more and more dependent upon other nations for even those elements involved in our basic survival. Just look at the oil situation.

Rather than independently achieving energy self-sufficiency, we find ourselves becoming more and more dependent upon foreign nations both in terms of price and supply. This can be similarly said of a number of other situations. Now, of all people, you in the military want to put our two-ocean naval capability and commercial maritime link between two great sea coasts at the mercy of another power.

With a track record like this, then the political and military leadership of this nation could hardly wonder why the people are skeptical of not only supporting the proposed Panama Canal treaties but also of even supporting the military in its enlistment programs and other necessary ways. One word of advice to you from one in Congress who has long supported the military is that you have few real stalwart friends among the liberal elements of Congress and you are fast losing the support of the moderates and conservatives.

A third point of concern is that of dichotomy of sales pitch. When high military officers professing support of the treaties give a strong statement of need for continued access to the Panama Canal to all military personnel as you did in your message to all commands and then tell another story to the public, it doesn't wash well. For instance, in contrast to your message, General Brown before the House Armed Services Committee on October 21 stated that he doesn't believe the Panama Canal is "vital" to the United States.

This business of telling different stories to the Civilian and Military sectors of our society is no more tolerable than the situation of President Carter and General Torrijos, each telling their own nation that which might sound popular even though the positions are in contradiction with one another.

Finally, any person such as yourself who professes to know what the treaties are all about must know what you are doing to the pocketbooks of the taxpayers who support your very existence. Once you have given away, as the treaties propose, the very land which American military bases now occupy to defend the Canal, how do you propose to continue such defense after the year 2000 without the same convenient established bases of operation? Of course, it is obvious. You will do it just as we do in Europe and other places across the world—rent property from the nations concerned under limited conditions at costs of hundreds of millions of dollars per year.

But it is only money, isn't it General? And buying peace seems so convenient that some people never want to look back to the lessons of history which shows that principles, not payoffs, preserve the peace.

And General, you had better check the diversion of water problems and water shed damage possibilities to see if you would have a full-time canal under Panamanian operation and ownership. You should also check if Panamanian leadership would be able to withstand "tapping the cash register" and using maintenance funds for social programs thereby ending up with a broken-down canal. Just who besides Uncle Sam would then be called on to step in and pay the tab to upgrade the facilities?

And don't forget to see just how much of the payments proposed in the new treaties will never get into the Panamanian economy but actually go to service the massive debts of General Torrijos.

And General, isn't it more important from the point of view of the citizens of the United States whom you serve that we keep our two great coasts bound together by continued unimpeded ownership of the Panama Canal than that we unite the two parts of Panama by surrending this property?

We are a good neighbor and we can perhaps improve upon this. But we will not be a good neighbor if we give the Canal to Panama with strings attached as provided in the treaties which could permanently subject them to us in colonial status. Right now an independent Canal Zone owned by the United States needs no interfering in Panamanian affairs to protect and operate the Canal. In your own message to the commands you quoted President Carter as stating that "we will have the right to assure the maintenance of the permanent neutrality of the Canal as we may deem necessary." This absolutely means we have the right to meet any threat in Panama from within or without—which constitutes a dangerous and unnecessary blank check for our involvement and interference in Panamanian affairs. The proposed Canal treaties, contrary to claims of proponents, will deeply involve the U.S. in interventionism, colonialism, and imperialism.

General, I strongly feel that some kind of wishful-thinking euphoria has engulfed the high military command in which you serve and honestly believe that somehow you are operating on limited facts and unrealistic political assurances. I am prepared to back up this contention if you are concerned enough to discuss the matter further. In the meantime, I think it is vitally important that I receive further communication from you regarding the matters raised in this letter.

Sincerely,

GEORGE HANSEN,
Member of Congress.

NOVEMBER 2, 1977.

DEAR MR. HANSEN: Bravo on your stand against the Air Force being stifled in any adverse comments on the Canal treaties.

General David Jones' muzzle is particularly galling since he has obviously taken an active political role in this debate.

At our last local Air Force Association (AFA) meeting it was reported from an attendee to the recent National AFA meeting in Washington that the conference wanted to adopt a resoluion condemning the Canal treaties but General Jones had stopped the resolution. One man one thought.

From my 33 years association with the Air Force, I would be very skeptical of the opinion from an Air Force officer as to how many ground troops it would take to defend any territory.

Sincerely,

———— ————.

MR. AUGUSTINE G. LEONARD

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 8, 1977

Mr. APPLEGATE. Mr. Speaker, it is indeed a privilege for me to bring to the attention of my colleagues in the House of Representatives a constituent of mine, Mr. Augustine G. Leonard, who has just recently been presented a membership in the Order of St. Gregory the Great by Pope Paul VI. His selection to the order is indicative of his devotion to God and outstanding character.

A native of the Upper Ohio Valley, Mr. Leonard graduated from the University of Cincinnati Law School in 1933. He served as assistant attorney general of Ohio and solicitor for the city of Mingo Junction for 26 years and is a past district governor of Serra, an organization for the fostering of vocations to religious life for Ohio. Mr. Leonard is the immediate past president of the Jefferson County Bar Association.

As is indicated by his list of achievements, too long to mention here, Augustine Leonard has demonstrated the kind of love for his fellow man that should be instilled in all of us.

Mr. Speaker, on behalf of the 18th Congressional District, I congratulate Mr. Leonard, and thank him for the outstanding contribution he has made to the Upper Ohio Valley.

HON. FRANCIS E. KELLY

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 8, 1977

Mr. BURKE of Massachusetts. Mr. Speaker, it is with great pleasure that I take this opportunity to share with my colleagues an article which appeared in the magazine section of the Boston Herald American on Sunday, October 30. It concerns itself with the illustrious career of a well-known constituent and friend of mine, the Honorable Francis E. Kelly.

Francis made his mark over the years in local and State politics. His is, by all accounts, a career of dedication and service to his fellow man. In retrospect, Francis' foresight is remarkable; he was always ahead of his time. While he has now retired from active politics, the tradition of public service established by Francis is being carried forth by his nephew, Representative Brian Donnelly, who ably serves the people of Dorchester at the State House.

Mr. Speaker, it is a great honor for me to pay tribute to this outstanding individual:

"SWEEPSTAKES" KELLY HAS A JILLION MEMORIES

Memories. His head is filed with memories. Memories of politics, power and people. Francis E. "Sweepstakes" Kelly has a jillion tidbits stored away. After all, he's been involved in Boston politics in one way or another for the past umpteen years.

"Memories . . . good memories . . . nice memories. If the Good Lord lets me, I'm going to live to be 105," says Kelly, now approach his 75th birthday and still practicing law at his Beacon Street offices.

He remembers his opposition to Mayor James Michael Curley: "I had asked Mayor Curley to hire two persons as constables," Kelly recalls. 'They wouldn't have been hired to serve subpoenas—constables were paid for each one they served. They would have been hired for something like the health department.

"Well, time passed and the fellows did not receive their appointments, as had been promised. I'd go to see the mayor, but never received any satisfaction.

"So, I began to introduce measures in the City Council that would anger Mayor Curley." One measure dealt with keeping pay telephones sanitary and other would have made swimming instruction compulsory for children 10 and under.

"And every time one of these council ordinances would pass, Curley would yell to his secretary, 'And who was responsible for that? His secretary replied each time, 'Kelly,' which would set off a stream of invective from his honor."

Kelly is proud of the fact that he was elected to the City Council in his first try . . . and beat Curley's machine—and his hand-picked candidate—in his run for reelection.

"You know, in those days, you only voted for one man for the City Council or School Committee. Each ward would send one person to the council," he recalls. "There were twenty-two wards, hence twenty-two councilors.

"And, in those days, being a city councilor was considered more important than being a state representative. Each ward in Boston sent two persons to the state legislature, but only one person to the council. It was more difficult to get elected to the council than to the legislature."

Thus, it was a bit surprising when the 29-year-old Kelly beat a pro like incumbent Thomas McMahon in his first political attempt. It was even more startling that a one-term councilor like Kelly would beat Curley and his machine in his second go-'round.

"That time, I was opposed by Dick Garvey, an old pro and the mayor's man. Curley sent in many of his workers to campaign for Garvey—and, let me tell you, they were tough.

"But, when the votes were counted, I took all fifteen precincts in Ward Fifteen." It was an event that he's still mighty proud of.

But, Curley is the man who gave Kelly his words to live by. "It was back at the Democratic State Committee's headquarters at the Hotel Bellevue (on Beacon Street between Tremont and the State House). Someone asked me to go over and tell 'that old s.o.b.' to step aside (not run for governor) and let some younger man have a chance.

"Well, with the exuberance of youth, I went over and asked him, gruffly. And he said something I'll never forget.

" 'When you're as old as I am, you'll find that there's no substitute for experience.' I've found those words to be true. There is no substitute for experience."

Francis E. Kelly was born on March 26, 1903, the oldest of nine children. "We lived on Topliff Street in the Meetinghouse Hill section of Dorchester. As a matter of fact, I lived there until I was married." By then, he was already lieutenant governor.

"I was captain of the Dorchester town football team," he recalls. As a matter of fact, he was elected captain twice—something he claims was not common in those days.

"We played such teams as the Providence Steamrollers. They were all topnotch clubs. Unfortunately, we didn't do too well."

Kelly's father died when Frank was 15, "so I had to work to help the family. I sold papers—morning and night, every day, including Sunday. Papers . . . papers . . papers," he remembers.

He graduated from English High School, Staley College of Oratory and Suffolk Law School. "I worked my way through school. I had a laundry truck—Kelly's Wet Wash, it was called."

After law school, he began his extraordinary political career. He won two consecutive terms on the Boston City Council and, in 1936, ran for lieutenant governor. He defeated Phillip Philbin in the primary and then proceeded to hand Leverett Saltonstall his only political defeat in the November election.

Until current Lt. Gov. Thomas P. O'Neill III was elected in 1974. Kelly was the youngest man to win that job. Kelly only served one term.

Later, he was chosen state finance commissioner for Fall River when that city went bankrupt.

And, in 1948, he was elected to his first of two terms as attorney general of the Commonwealth.

"I would say that I won about fifty percent of all the elections I ran in," he says.

He was also an innovator. He points to the fact that he is the father of all veterans' bonuses in the nation; that he led a 25-year campaign to lower the voting age to 18; that he headed up a 36-year fight to abolish "the boss-controlled primaries."

But, more than all that, Kelly is most proud of his long battle to establish a lottery in Massachusetts.

"I started the idea back in Nineteen Forty-Two," he recalls. "I first proposed a national lottery to help the war effort. Tickets would have been sold in banks and post offices. I wanted the prizes to be paid fifty percent in war bonds.

"Well, I went down to Washington to testify before a House committee. Things went so well that, on my way back to the plane, I predicted it would be passed before we took off. Well, it's thirty-five years later and I'm still waiting for the bill to come out of committee."

He fought the battle for about 30 years, and took a good deal of ridicule along the way. "Of course, they wouldn't do it," he says. "That's the trouble with America. They (the politicians) always act fifty years too late."

One obstacle Kelly had to overcome was the opposition of Richard Cardinal Cushing . . . wherein lies Kelly's favorite story.

"Cardinal Cushing was quite a foe of the lottery. Well, I heard that his opposition may have been softening, so I called him up and asked for a meeting. 'Is it about your favorite subject?' the Cardinal asked me. I said it was and asked His Eminence if I could bring two friends along with me. He said that was fine with him.

"I brought the co-chairmen of the board of Massachusetts Sweepstakes Commission, Joe Griffin of West Roxbury and Bob Donaldson of Wellesley, along with me. We went to the Cardinal's residence on Commonwealth Avenue and who should open the door but (Rabbi) Joe Shubow, who was a great friend and neighbor of the Cardinal.

"Shubow said, 'Come on in. Dick will be right down.' We all sat down and I gave the Cardinal all of my arguments for a state lottery. I emphasized the fact that organized crime—bookies—would be hurt by a sweepstakes.

"Rabbi Shubow turned to the Cardinal and said, 'See, didn't I tell you, Dick? Frank Kelly is right.'

"Cardinal Cushing turned to me and said, 'Frank Kelly, you'll never hear me speak against the lottery again.' And he didn't. The result was that the lottery was passed within three or four years."

And, Frank Kelly, father of the lottery, got the first ticket.

Frank Kelly is thinking of retiring. After all, he'll be 75 next March. He is already out of politics . . . actively, that is. "I helped my nephew's campaign a while back. He's state Rep. Brian Donnelly. I helped him in his first campaign. He asked me for help in his next campaign, but I told him that he had done his 'homework' well . . . kept his promises, called people he promised to contact. He didn't need my help after that."

So, though he is still practicing general law, "Sweepstakes" is finally relaxing.

"You know, as I think of it, I'll never retire. I don't know what I'll do. I don't like that word—retire—anyway. I'll never retire."

What he will do is relax, head to Florida with his wife of almost 41 years ("We eloped, you know . . .") during the winter months and cruise out of Boston Harbor on his 32-foot power boat during the summer.

The walls of his office are lined with pictures, newspaper clippings and other framed mementos.

All the memories—memories of a time past, memories of a system of politics whose time has passed.

But, there's something indefinable there . . . something that says we haven't yet heard Frank Kelly's last hurrah.

DR. ANTHONY V. SCURTI

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 8, 1977

Mr. APPLEGATE. Mr. Speaker, it is indeed a privilege for me to bring to the attention of my colleagues in the House of Representatives a constituent of mine, Dr. Anthony V. Scurti, who has just recently been presented a membership in the Order of St. Gregory the Great by Pope Paul VI. His selection to the order is indicative of his devotion to God and outstanding character.

Born and raised in Steubenville, Ohio, Dr. Scurti was educated in the Catholic school system, and received his B.A. degree in 1966 from the College of Steubenville. He received his medical degree at the University of Guadalajara in 1966 and served his internship and family practice residency in Montreal General Hospital.

Among many of the organizations to which Dr. Scurti belongs is the American Medical Association, Ohio State Medical Association, Jefferson County Medical Society, Fourth Degree, Knights of Columbus, and is a member of the diocesan school board.

As is indicated by his list of achievements too long to mention here, Anthony Scurti has demonstrated the kind of love for his fellow man that should be instilled in all of us.

Mr. Speaker, on behalf of the 18th Congressional District I congratulate Dr. Scurti and thank him for the outstanding contribution he has made to the Upper Ohio Valley.

DR. GEORGE E. MUELLER

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 8, 1977

Mr. TEAGUE. Mr. Speaker. the August 1977 edition of Nation's Business magazine carried an excellent article on my very good friend. Dr. George E. Mueller, president of System Development Corp. and former director of the Apollo program for the National Aeronautics and Space Administration.

Dr. Mueller is a most unique individual and certainly possesses all the qualities of leadership and what is more uses

them to get things done. It was a genuine pleasure working with him in NASA and it is still a pleasure to work with him in the fields of science and technology.

PROFIT FROM THE REVOLUTION IN TECHNOLOGY

(NOTE.—George E. Mueller moved from a top job in the space program to head a company struggling for survival on the frontiers of science. This is his success story—and his forecast of radical changes that technology will bring in the future.)

"It doesn't really matter whether it is a $30 billion program or a $30 million program. You still have people to deal with, to motivate, and to get working as a team toward an objective."

George E. Mueller speaks softly when he talks about his management philosophy, but his decisions have packed a wallop.

He directed the nation's manned space flight program as associate administrator of the National Aeronautics and Space Administration from the beginning of the Gemini flights in 1963 to the second Apollo moon landing in 1969. Later he took over System Development Corp., a onetime think tank struggling for a foothold in the commercial world. Under his leadership the corporation went from annual revenues of $45 million to $125 million in five years.

KEY DECISIONS

One of the best decisions he thinks he made in the manned space flight program was to go to "all-up testing," in which not only were components tested one by one, but all were tested together to see if everything meshed.

One of the most crucial decisions he thinks he has made for his company was to cut executive salaries 20 percent and install an incentive plan which would more than make up for the cut if managers became more profit-motivated.

At 58, Dr. Mueller is one of a handful of people who have grown up with the electronics industry and had a significant part in this century's pell-mell rush into the age of technology.

He was involved in early television, helped to midwife radar, and was responsible for the design, development, and testing of components and systems in the Atlas, Titan, Minuteman, and Thor ballistic missile programs.

As a government official prior to the manned space flight program, he directed the first successful space probe with Pioneer 1, and he helped establish the Air Force SPAN satellite tracking network.

SCIENTIST TURNED MANAGER

His first love was pure science, but most of his life has been spent as a hardheaded administrator.

Now, as chairman of System Development Corp., he heads a 4,000-employee enterprise based in Santa Monica, Calif., but doing business around the world.

A closely held corporation, it will go public one of these days, he says, "whenever the stock market appears to believe that new issues of companies like this are very valuable for investors."

The firm designs data processing systems for newspapers, financial institutions, industrial firms, and public safety officials. It also provides a host of computerized information services for scores of customers, including its No. 1 customer, the federal government.

NEED FOR "THINK TIME"

Dr. Mueller usually has about ten projects going at once, but manages to keep an almost spotless desk. He keeps a computer terminal in his home, writes notes to himself, and keeps a steady stream of memos going to his secretary, beginning in the morning, when he usually brings in a handful of ideas he has jotted down at home.

George Mueller has a quiet "think time" from 10 p.m. to midnight, nearly every night.

He relaxes by scuba diving, skiing, sailing, and working in a home workshop. He spends a great deal of time reading, usually while traveling. His favorite subjects are science, of course, and some science fiction.

Dr. Mueller obtained a bachelor's degree in electrical engineering at the University of Missouri at Rolla, a master's at Purdue University, and a doctorate in physics at Ohio State. He has taught electrical engineering, and he has worked for a number of companies—he was senior vice president for General Dynamics Corp. when he decided to come to System Development Corp. in 1971.

In this interview with Nation's Business, he talks about his career and his company.

What is the major difference between running a manned space program and a commercial business?

Perhaps the most significant difference is that in government you report to many authorities—to Congress; the executive branch, particularly the Office of Management and Budget; and your own agency.

In business you have a board of directors and shareholders. Therefore, in business it is easier to make decisions and do things than it is in government.

ARE CHALLENGES SIMILAR?

One thing made it relatively easy for the manned space flight program to reach its goal. That was the fact that President Kennedy set a specific target date for getting men to the moon. We overlaid on that a specific number of dollars. So we had a clearly defined goal, with a clearly defined amount of dollars to accomplish it.

In industry, or at least in our industry, the challenges aren't as clear-cut. Our industry changes so rapidly that you have to reevaluate targets almost every six months to be sure you are headed in the right direction.

So, in a real sense, it is a greater challenge to make the right decisions in business than it was in the manned space program.

Which allows the greatest margin for managerial error? A vast government project, such as the space program, or a business?

There is a much more direct relationship between making a poor management decision in business than in government.

In private industry, if you overrun a major fixed-price program by a factor of four, you would almost certainly use up your net worth and go bankrupt. In government, if you overrun a program by a factor of four, you simply go back for more money.

How did you gravitate from pure science to administration?

I really got into administration by default. Electron emission phenomena and electromagnetic theory are as far removed from administration as you can get, and those were the areas I was involved with in my early career, when I was at Bell Telephone Laboratories.

I worked on the ballistic missile program as a consultant for Ramo-Wooldridge, Inc., in Los Angeles in the program's early days and continued to consult after I had gone back to Ohio State to teach. Then my bosses at Ramo-Wooldridge asked me to come back. Eventually, I decided to do this, since it was more fun than almost anything else in that time of starting up on the ballistic missiles.

I arrived back on the scene one Monday, and two weeks later my two bosses said: "You know, we have decided to move out and start our own company. We would like you to take over running the division here." Two weeks later I was running the electronics engineering division at Ramo-Wooldridge.

Then we started working on the first Air Force satellite, and I found myself running that division, too. That's how I got into administration.

When you first came to System Development Corp., it is said, you cut everybody's salary 20 percent.

I didn't cut everybody's salary. You need a bit of background on this.

The company had gone from almost $100 million in sales two years before to about $45 million at the time I took over. We had gone from a profit of about $1 million a month to essentially a break-even point. The company was likely to go broke. Managers were not really profit-motivated. You have to be, if you are going to have a successful company.

The quickest way I could think of to cause management to worry about profits was to cut the salaries of about 50 top executives but then extend incentives which would allow the executives to more than make up for the cuts.

The move turned out to be quite constructive, I think. We were able to do some profitable things in the next year. By and large, everyone ended up making more than he had made before.

You took over a company which was not profit-oriented. Did you have a preconceived plan of where you wanted to go and how to get there?

In general terms, yes. One of the first things was to assemble a group of the brightest people we could find in the organization to do long-range planning. Parallel with that, we did some things that had to be done immediately, such as straightening out the accounting system and providing some management training.

We took a five-year plan that this group developed, decided which parts made sense and which didn't, and proceeded to reorganize the company to start meeting those objectives. Looking back, I think we have accomplished every goal.

We wanted to become a prime contractor and have done so. We also wanted to develop and market some commercial products. We are doing this today.

You put that five-year plan into effect in 1972. Do you have a new five-year plan now?

Actually, we make a new five-year forecast every year. So we have an annual update of our long-range plan.

You have said that American technological development has slowed. Why is this?

The reason lies in some basic social pressures. Once we landed on the moon, the whole population seemed to say: "Man, that is a great scientific achievement, but we have doe everything now."

I guess there is a subconscious feeling that we have done all we really need to do.

Whatever the reason, Washington has backed off very considerably from investment in research and development. The result is that we aren't developing the technological base needed to permit us to lead the world in new technology.

Many people contend technology has created as many problems as it has solved.

I know that feeling exists. It was brought to a focus by the environmental groups saying: "You are destroying the world in which we live."

Some people fail to recognize a basic fact. That is, if we are to continue to increase our standard of living, we must find the resources to support it.

You can't find these new resources without continuing technological advances.

Is there to be a new frontier for technology or just a consolidation of what we have?

We are in a completely new era of technology. I don't think the full impact of the microprocessors now available in large-scale integrated circuits is beginning to be understood even by industry, much less the public.

I think we are on the threshold of completely changing our way of life. Whether this is good or bad, I don't know.

For example, take those little electronic games you can now play on your TV set—you can use the same technology to provide home instruction for your children. We are just beginning to understand the full implications, in terms of how we live, of the computer's entry into the home.

I don't think the impact of technology is going to be diminished. My concern is that we aren't doing the basic and applied research to take full advantage of this next revolution.

What is going to take the place of the solid-state circuit developments, which are now 30 years old?

How will this revolution affect us most?

I would guess the full implication is the eventual elimination, in many instances, of the need to go to work. You could work just as effectively in your own home. That should solve a fair amount of the transportation problem.

Except when you wanted to meet people face-to-face, you wouldn't have to go anywhere. You wouldn't have to attend college classes. You could do all of your classwork at home and could progress at whatever rate you wished. You would have to pass certain tests, of course, to demonstrate what you had learned.

What about technology's ability to solve pollution problems? Nuclear waste, for instance.

In my opinion, the nuclear waste problem is greatly exaggerated. One difficulty is that people get emotional over the issue and cease to look at the facts.

The facts are that we can effectively process nuclear waste products and effectively contain them. Many of these waste products are short-lived isotopes. The long-lived isotopes are so small a fraction of the total waste that you could put them on a rocket and fire them into the sun, if you liked. It would just contribute slightly to the fusion processes going on in the sun now. So it would be absolutely no problem.

It is expensive to shoot things into the sun, but not expensive in terms of what it costs us not to have nuclear power.

Didn't the space shots give solar energy a big boost because of the solar energy panels on our spacecraft?

Right.

Can you see, at some future date, giant panels in the sky providing energy for us?

There has already been a great deal of looking into that. The best analyses I have seen indicate we would be better off using sunlight to grow plants here on the earth and processing the plants to get alcohol or some other fuel from them. The economics are greatly in favor of using the sun that way instead of trying to capture the sun's energy and beam it down to the earth in some fashion.

You have said the computer will, in the future, be much different.

There is no question about that. Special purpose computers are going to take the place of the general-purpose large central processors in most applications. You don't need one of those large crunchers capable of analyzing and processing nuclear phenomena for most of the tasks computers do today.

Will we ever have a computer that will accept verbal instructions?

Oh, yes. In fact, here at System Development Corp. we have developed a system that has some 1,000 words of vocabulary. We can see the development of machines that would not be too large or expensive to provide true voice input. Voice output is relatively easy to do with a computer.

It really is just a question of spending the research and development money necessary to accomplish this. One of the economics that the government has made is to reduce its support of research in the voice input area.

What would be the ultimate aim? Just to carry on a conversation with the computer?

What you ought to be able to do is carry on a rather consistent discussion with the computer to get the results you would like. If you are willing to type out the questions, you can query computers in free-form fashion now, to a large extent.

However, voice input and voice output would be a tremendous step forward. I am not too bad at typing, but I get tired of having to type questions in and watching the answers typed back.

Someone has described System Development Corp. as a software factory. Is that a good description?

You might call the company that, at least the part of it that is devoted to building and merchandising computer software programs. we are trying to use the basic technology we have developed in data-base management systems for that purpose.

One application is a newspaper editing system. Our research service is another application. It increases your effectiveness in carrying out bibliographic searches of one sort or another.

Claims administration service is another example of taking our basic knowledge and packaging it in a software program that hospitals, insurance companies, and other organizations that administer health-care claims can use.

How much of your business is government and how much commercial?

Roughly 60 percent government, 40 percent commercial. In the next year or so it will be about half and half. Five years ago our business was 95 percent government and five percent commercial.

What kind of manager are you?

One who believes in organizational changes to fit changing needs. When I first came here, we didn't have too centralized an operation. So we centralized it and placed very stringent controls on all activities.

This lasted about two years; then I began to decentralize. Now we operate essentially in four independent divisions, or units—government systems, commercial business, field services, and energy. We also have a fifth area, international operations, and a separate research and development division which reports directly to me.

It is a great mistake to believe that, once you have an organization that works, you have to stick to it forever. No organization works that effectively over a long period. At least this is true of an industry as subject to change as ours.

Then you're apt to change your four-division structure at any time?

Whenever there is a need to do so.

After college, your first job was with Bell Laboratories?

Yes. I went to work for the television research group at Bell in 1910. It was working on a picture telephone. Then the war broke out, and we got involved in radar. I got to work on the first of the airborne radars built in this country.

After that I went to another division and worked on microwave circuitry.

I was working at Ball Laboratories when integrated circuits—transistors and that sort of thing—were invented. I had a ball there. It was fun.

Was the moon program fun?

Not in that sense. The pressure was too great. Every moment was devoted to getting that last little detail in line. The challenge was the greatest, though.

Were there ever moments of doubt about the program's success?

No. It was something that could be done, and we were going to do it. There were some problems, believe me. But even during the worst disaster—the Apollo fire—I never had any doubt that we would succeed.

You were dealing with some rather strong-willed people. How much of a challenge was it to blend egos together?

A big challenge. But you have that in business, too. One of an executive's challenges is to blend egos, goals, and aspirations to reach an objective.

Have you made any decisions, good or bad, which stand out in your mind?

A couple. I think one of the best was the decision to go to all-up testing for the space program. In this company, I think the decision to cut executive salaries and install an incentive program was good for that time.

There was quite a bit of flak about that all-up testing decision, wasn't there?

Oh, yes. We had a lot of flak about some other things, too. Such as not building a rescue ship to be ready to launch in case of emergency. Then there was the medical question: Could we really fly men for long periods of time in space?

You never really gave the space crews suicide pills, did you?

Never did.

As a scientist, do you find today as exciting as yesterday, when there were all of those worlds to conquer?

If anything, the excitement is greater. We have all of this knowledge we didn't have 30 years ago. We are just beginning to understand something about body chemistry, biophysics, and biomedicine. As a result, we are on the threshold of doing some very constructive things with life, both in terms of a longer life span and of physical well-being during that extended time.

We also have instrumentation that allows us to understand more about the universe than ever before.

With our ability to build large space structures, we are also in a position to begin controlling the weather.

When I was at NASA, I had a study performed on a large mirror in space. With it, you could concentrate enough of the sun's energy to impact on the temperature of the upper and lower atmospheres. This permits you to influence the motions of the air. One application is to control the path of hurricanes and guide them offshore.

There is no end to the exciting things that we can do today.

What do you need in order to do them?

Consistent support from the public.

To get that, do American scientists need a glamorous effort, such as a new moon program?

Right. I tried hard to get us to go to Mars, but I didn't succeed.

You are pretty enthusiastic about technology?

I am enthusiastic about the world.

MR. ROBERT ANGLIN

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 8, 1977

Mr. APPLEGATE. Mr. Speaker, it is indeed a privilege for me to bring to the attention of my colleagues in the House of Representatives a constituent of mine, Mr. Robert Anglin, who has just recently been presented a membership in the Order of St. Gregory the Great by Pope Paul VI. His selection to the order is indicative of his devotion to God and outstanding character.

Robert Anglin graduated from Notre Dame University with a bachelor of arts degree in 1935 and from the Ohio State University College of Law in 1937. He

served as attorney for the Diocese of Steubenville, Ohio from 1945 to 1970. He presently sits on the board of education of Central Catholic High School in Steubenville, and board of trustees at St. John Medical Center. Mr. Anglin is a charter member and past president of the Serra Club of Steubenville, an organization for the fostering of vocation to religious life, and served one term as Jefferson County, Ohio, representative in the Ohio General Assembly.

As is indicated by his list of achievements too long to mention here, Robert Anglin has demonstrated the kind of love for his fellow man that should be instilled in all of us.

Mr. Speaker, on behalf of the 18th Congressional District, I congratulate Mr. Anglin, and thank him for the outstanding contribution he has made to the Upper Ohio Valley.

F-15'S TO SAUDI ARABIA—PART I

HON. CHRISTOPHER J. DODD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 8, 1977

Mr. DODD. Mr. Speaker, I was disturbed to learn earlier this fall that the Defense Department had recommended the sale of 60 F-15 supersonic fighters to Saudi Arabia. I wrote to both the President and the Secretary of Defense in September urging the administration to refrain from this sale because I believed that sale of our most advanced attack fighter to Saudi Arabia would dramatically alter the military balance in the Middle East.

I have been pleased to learn that as a result of questions raised by several Members and various administration officials, the Defense Department is now reexamining its prior approval of the sale and considering various alternatives to the F-15. I believe that before we proceed further down the road toward this sale or other sales of sophisticated equipment, Congress must carefully examine what effects any sale would have on regional military balances and on the possible outbreak of war.

To this end, I have asked several organizations and individuals to prepare detailed studies of various aspects of this question for the consideration of my colleagues. Today, I am including in the RECORD the first part of a study prepared for me by Dr. Jo Husbands of the Center for Defense Information (CDI) entitled "The Proposed Sale of F-15's to Saudi Arabia." The first segment describes the F-15 Eagle, and briefly assess the potential effect that acquisition of the F-15 would have on Saudi Arabia's air combat capabilities. It also analyzes the potential impact of a sale to Saudi Arabia of F-16's, which some have proposed as an alernative to the F-15.

Dr. Husbands draws two major conclusions in this brief segment of her analysis. In the first place, she finds that "the F-15 could deliver more sophisticated weapons over longer distances with greater precision and ordnance flexibility than any aircraft now in the RSAF. The alternative purchase of F-16's would reduce the weapons loading and the performance envelope but still equip the RSAF with considerable increases in its present capabilities."

Before proceeding with a sale of either F-15's or F-16's to Saudi Arabia, I believe that we in Congress must carefully examine the impact that this dramatic increase in military might would have on the Arab-Israeli arms balance, on regional competition in the Persian Gulf, and on potential arms races that might involve several nations.

Second, Dr. Husbands concludes that the sale of F-15's or F-16's to Saudi Arabia would almost inevitably be followed by the sale of advanced radar systems, possibly including the AWACS. Because the radar of the F-15 has a problem analogous to tunnel vision and because the F-15—like other aircraft—has unreliable IFF (Identification Friend or Foe) beyond visual range, Dr. Husbands finds that "some sort of advanced radar capability would be required for the F-15 to reach maximum performance and therefore to function as a cost-effective aircraft." Accordingly, she concludes that any proposal to sell F-15's to Saudi Arabia "should * * * be evaluated in terms of its impact on Saudi capabilities and as the first in a series of potential sales of advanced weapons."

Mr. Speaker, in the months to come, I hope to be able to submit valuable information concerning this proposed sale to my colleagues so that we can come to a reasoned judgment if the administration should decide to proceed with the sale of F-15's or F-16's to Saudi Arabia. In my view, we in Congress must inform ourselves to the greatest extent possible about the potential effects of given arms sales before they are formally proposed so that we can avoid hasty last-minute judgments often required by the press of the arms sales process.

I hope that the information I will be providing will help elevate the level of debate in this critical area, and I welcome the assistance of other Members in this effort.

Mr. Speaker, I commend this first segment of Dr. Husbands' study and insert it at this point in the RECORD:

PROPOSED SALE OF F-15S TO SAUDI ARABIA

(By Dr. Jo L. Husbands, Center for Defense Information)

THE PROPOSED SALE OF F-15S TO SAUDI ARABIA

The F-15 is an all-weather air superiority fighter with excellent capabilities for air-to-air interception and ground interdiction missions. The plane represents the highest state-of-the-art technology in the U.S. Air Force inventory. The F-15 has an exceptional thrust to weight ratio, very high maneuverability, a large flight envelope, and an impressive external payload capacity. Its sophisticated "look up, look down" radar gives the F-15 the capability to detect and engage very high altitude targets flying at high speed (e.g., MIG-25s), or low altitude targets more difficult to spot with less capable radars.[1] The aircraft is in serial production and operational with Air Force units in the United States and Europe; limited numbers have been ordered by the Israeli Air Force.[2]

ROLE OF THE F-15 IN THE ROYAL SAUDI AIR FORCE (RSAF)

The 60 F-15s proposed for Saudi Arabia are to replace British-made BAC Mk. 52 and Mk. 53 Lightnings, interceptors in the RSAF since the late 1960s. These Lightnings were specially equipped, but still represent 1950's aircraft technology. There are reports that the Saudi Lightnings have metal fatigue problems;[3] they are also difficult to maintain, requiring more man-hours of maintenance than newer, more efficiently designed aircraft.

At present, the RSAF is built around the F-5, a less sophisticated lightweight fighter developed by Northrop for export to developing countries. By 1980 the Saudis will have more than 100 F-5E/F-5F for strike, ground attack, and tactical reconnaisance missions. The F-5s would have a secondary role in air defense if the F-15s are acquired.

An eventual first-line combat strength of six multi-role fighter squadrons, four of F-5s and two of F-15s, are planned.[4] Four other squadrons, three of F-5s and one of F-15s, are for training and a back-up defense capability. The curent RSAF inventory is summarized below.

ROYAL SAUDI AIR FORCE[5]

15,000 men and 164 aircraft (fighters and COIN).

Fighters

70 F-5Es (20 F-5Fs on order).
20 F-5Bs.
37 Mk. 52/53 Lightnings.
7 T54/55 Lightnings.
(Maverick ASM and Sidewinder AAM on order).

Counter-insurgency

30 BAC-167 Strikemaster (11 on order).

Helicopters

16 AB-206.
24 AB-205.
1 AB-204.
12 Alouette III.

Transport and Support

39 C-130 E/H.
4 KC-130 tankers.
2 Falcon 20s.
2 Jetstar transports.
1 Boeing 707.
6 Cessna T-41A trainers.

As the above shows, the RSAF is at present a relatively small, unsophisticated air force suited to a defensive posture.

CAPABILITIES OF THE F-15

The comparison of combat capabilities is a difficult task, affected by a large number of factors. One should avoid becoming attached to any static figures; at best, they represent possibilities, not actual operational data. Air Force combat radii estimates for the F-15 are still classified.

CDI estimates the intercept radius of the F-15 in an ideal mission profile (hi-hi-hi) at <2200 km; an average "in use" radius may be 1100-1500 km. If sustained high-Mach speed is required, the F-15's combat radius drops dramatically to approximately 300 km.

In a ground strike mode (hi-lo-hi), the F-15 could reach <2200 km. carrying external Fast Pack fuel cells, and under 1600 km. without them. The aircraft's speed, the skill of its pilot, climate and weather conditions, fuel and ordnance loads, and the combat environment itself all strongly affect combat radii.

Comparable estimates for the RSAF Lightnings are not available, but CDI estimates combat radii of only ⅓ to ½ the F-15's. By any measure, however, the F-15 would bring a major increase in the air defense and strike capabilities of the RSAF. From bases in Saudi Arabia, the F-15s would be able to reach into Iran, Iraq, or into Israel and the Sinai Peninsula.

ARMAMENT

In deliverable armament per sortie, the F-15 would substantially increase current

Footnotes at end of article.

RSAF capabilities.[6] The Lightning is equipped with two 30mm. Aden guns, with a total of 240 rounds. The F–15 has one 20mm. M61–A1 gun with 950 rounds. The Lightnings carry two Red-Top infra-red air-to-air missiles, with an effective range of about 12 km. The F–15 can carry four Sidewinder (AIM–9L) infra-red and four Sparrow (AIM–7F) semiactive radar air-to-air missiles, plus two Fast Packs. The effective range of the Sidewinder is 3–5 km., of the Sparrow more than 25 km.

Beyond this capability, the Lightning has a total over and under-wing possible load of 144 air-to-ground rockets or six 1000 lb. bombs. The F–15 can carry up to 14,000 lbs. of mixed ordnance on its 9 external hard points. The weapons mixes available for the F–15 are listed in the table below. Different missions would require different mixes of these weapons. The essential point is that the F–15 could deliver more sophisticated weapons over longer distances with greater precision and ordnance flexibility than any aircraft now in the RSAF. The alternative purchase of F–16s would reduce the weapons loading and the performance envelope but still equip the RSAF with considerable increases in its present capabilities.[7]

ADVANCED RADAR AND THE F–15

For maximum and most effective performance, the F–15 requires the support of sophisticated ground or airborne radars. With such support, the F–15 can be vectored to targets at ranges over 100 miles, but without it may be limited to little more than visual range.[8] This limitation results from two features of the aircraft. The "look up, look down" capacity of the F–15's own radar has "tunnel vision," with long distance focus but restricted lateral scan. The pilot thus needs the assistance of other radars to direct his search pattern and to orient him to a target "lock-on."

The second feature is the unreliability of IFF (Identification Friend or Foe), a problem common to all aircraft systems. The support and enhanced capabilities of other radars are again required if the F–15's pilot is to acquire distant targets and launch missiles against them with reasonable assurance that he is firing at his opponents.

Long range identification and tracking are a necessity if the F–15 is to achieve its full combat potential. Without such support systems, the combat performance record of the F–15 is mixed. In an Air Intercept Missile Evaluation exercise completed at Nellis, AFB, Navada in June 1977, F–5s, F–14s, and F–15s consistently "destroyed" one another during close-in engagements. Major General Frederick C. Blesse (USAF, Retired) observed the exercise and explained:

". . . it doesn't make much difference how fast your airplane is or how high it will fly. Once you get inside your enemy's missile envelope you're not likely to escape."[9]

With advanced radar support systems, however, the F–15 has an impressive record in its combat performance tests.[10] In the NATO theater, the support for the F–15 will come from AWACS and the existing ground-based radar and command and control network.

MORE SALES AFTER THE F–15?

Selling F–15s to Saudi Arabia would not necessarily mean the sales of AWACS at a later point, but some sort of advanced radar capability would be required for the F–15 to reach maximum performance and therefore to function as a cost-effective aircraft. The U.S. Navy's E–2C Hawkeye or the British Nimrod airborne systems could be used, or a network of ground radars could be constructed for the Saudis. As was discovered in Iran, however, ground radars are more costly and require thousands of American technicians to operate and maintain.[11] In any event, either air or ground C³ would represent an addition to Saudi capabilities well beyond present capacity.

CONCLUSIONS

Any analysis of the over-all impact of the F–15 must await other components of this study. These will include an assessment of RSAF ability to absorb advanced weapons, and an estimate of the military threats perceived by Saudi Arabia which relate to its request for the F–15.

At this point, one can say that the RSAF has traditionally been a defensive force with limited capabilities. The Saudis began a modernization program in the early 1970s, largely through the purchase of U.S. weapons and services.[12] The purchase of F–15s or F–16s would amount to grafting extremely sophisticated offensive aircraft onto a relatively unsophisticated air force. RSAF combat capabilities would increase markedly. The sale is also likely to create a demand for other sophisticated equipment to support or to complement the F–15. Any proposal to sell F–15s should thus be evaluated in terms of its impact on Saudi capabilities and as the first in a series of potential sales of advanced weapons.

FOOTNOTES

[1] "Operational Aspects of the F–15," *International Defense Review*, March 1975.

[2] *The Military Balance 1977–1978*, International Institute for Strategic Studies, London.

[3] "Pentagon Urges Sale of F–15s to Saudis," *Washington Star*, August 31, 1977.

[4] "Arab Air Power, IV," *Air International*, September 1977.

[5] Center for Defense Information and *The Military Balance 1977–1978*.

[6] Information on the Lightnings is from *Jane's All the World's Aircraft 1971–1972*, while information on the F–17 is from "Operational Aspects of the F–15," *International Defense Review*, March 1975.

[7] The F–16 would normally carry only two infra-red air-to-air Sidewinder missiles, although more could be added as part of the over-all weapons mix for particular missions. The ground attack range of the F–16 is estimated by *International Defense Review* ("Combat Aircraft, 1976") at 700–1350 km. Their estimated ground attack range for the F–15 is 600–1100, a figure based on more conservative assumptions than that of CDI.

[8] "Operational Aspects of the F–15," *International Defense Review*, March 1975.

[9] Major General Frederick C. Blesse (USAF, Ret.), "The Changing World of Air Combat," *Air Force Magazine*, October 1977. Blesse describes the results of the AIMVAL exercise as support for his argument to push development of long-range identification and tracking capabilities.

[10] "Operational Aspects of the F–15," *International Defense Review*, March 1975.

[11] A Defense Department study concluded that a ground radar system for Iran would be less effective, cost $500 m. more, and would require 18,000 more technical personnel than an airborne system. (DOD Press Release, September 7, 1977.)

[12] GAO Report, "Perspectives on Military Sales to Saudi Arabia," October 26, 1977.

ERA—STRETCHING THE GIRDLE

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 8, 1977

Mr. HANSEN. Mr. Speaker, getting old means getting broader for most creatures, and the ERA seems to be no exception. As the national courtship of this female legislative apparition approaches its seventh year, the baggy stockings and sagging girdles are beginning to show. A rush and a swirl are heard, and we see an extension of dating time now proposed in hopes of still getting this aging creature a constitutional marriage.

ERA has been embraced by many States, but her controversial charms have also caused her to be oft-spurned, even accepted and then rejected on some three occasions.

Age will not necessarily make ERA more attractive and in fact some suitors may also develop hostility if forced to keep later hours than their date originally called for.

Mr. Speaker, I am deeply concerned that the constitutional issues regarding ratification, rescission, and extensions of time be properly aired from all points of view particularly in light of the deep-seated controversy regarding the equal rights amendment.

If ever a constitutional procedure should be precisely formulated and adhered to it is now. The Nation is torn not only by ERA but by a number of other issues of serious philisophical magnitude and the only way to preserve confidence in Government is through fairness and precise practice of the law and lawmaking.

Unfortunately there is a strong tendency by activists and specially dedicated interests to interpret law and constitutional procedure by the force of political pressure where "might makes right." This Republic provides checks and balances to preclude such mob rule and pressure tactics and I feel it absolutely essential that we make decisions by due process and eternal wisdom and not because of emotional panic.

There is substantial precedent for one-time action by State legislatures regarding constitutional amendments where a decision to ratify or not ratify is held binding. There is also substantial precedent for allowing a State to change its mind and ratify after refusing to ratify or rescind after ratification. Whichever method prevails it should be applicable uniformly, whether to allow no change or to allow both changes. This matter should be heard.

Certainly there is a question as to precedent for changing the rules in the middle of the ball game such as the requested extension for approval by the States of a constitutional amendment as proposed in the Holtzman resolution before the House Judiciary Committee. Is this fair, is it legal, does it have proper precedent? These questions can only be adequately answered after hearing both sides. In view of the efforts to gain extension of ratification time without allowing for a State legislature to change its mind, can the Congress legally and properly be a party to arbitrarily holding States hostage to actions taken under different specifications and rules?

I think not, Mr. Speaker, and to bring corrective action, I have introduced the Hostage Relief Act of 1977 which is described in the following letter I have prepared seeking support of my colleagues in the House.

HOSTAGE RELIEF ACT OF 1977

I believe it is patently unfair and contradictory to the spirit of the United States that the sovereign States of this Nation should be held hostage to hasty action taken in any cause. This is indeed the case in the thinking of those who would make legislation and constitutional processes a one-way street such as in the matter of rescissions on proposed constitutional amendments.

My State of Idaho found itself initially stampeded toward the proposed equal rights amendment and upon reconsideration has rescinded its actions. Other States have also rescinded. To suggest as the U.S. Attorney General's office has done that there is no repentance and no recourse for hasty actions in the legislative and constitutional process is an insult to the viability of the process of self-government and to the basic principles of fairness. It is a doctrine of entrapment.

This is particularly so in the opinion of the Department of Justice issued October 31, 1977, as a "Memorandum for Honorable Robert J. Lipshutz, Counsel to the President" on the subject, "Constitutionality of Extending the Time Period for Ratification of the Proposed Equal Rights Amendment," the author Mr. John M. Harmon, Assistant Attorney General in the Office of Legal Counsel would have us believe, though his opinion is strewn with conjecture and speculation, that not only can States not rescind under the original 7-year period, but they cannot rescind during a 7-year extension period.

The equal rights amendment should have to stand on its own merits and not be propped up and promoted by illegal activity and preferred treatment. Nevertheless this is the case.

First, the GAO has released in a report earlier this year that funds were illegally diverted from a whole host of Federal agencies for International Women's Year activities which improperly included promotion and lobbying for ERA. In order to recover such funds and preclude further illegal activities in this regard, I filed a lawsuit in the U.S. district court on September 20, 1977.

Second, ERA proponents now through legislation introduced by Representative ELIZABETH HOLTZMAN (H.J. Res. 638) want to change the rules after the ballgame has begun. As they approach the final year of a seven-inning ballgame behind in the score, they seek to double the innings—something that offends precedent and fair play whether on the playing field or in the constitutional ball park, and of course they want the 14 years for approval of ERA to preclude any rescissions. This would mean that States will be held hostage for 14 years to a commitment made under rules providing for a 7-year approval period.

Thus, it appears the equal rights amendment may never have the opportunity to fly on its own merits as something so serious as a constitutional amendment should. Instead it enjoys or stands to enjoy the favoritism of diverted funds to promote it, the favoritism of doubling the period of time for proponents to round up support and the favoritism of preventing States from reversing ratifiation not just for 7 years but even for 14 years. To help correct this blatant manipulation of the process of constitutional amendments, I introduced H.R. 9812 on October 28, 1977. This legislation is designed to release the hostages, those States who have and would reverse ratification of a constitutional amendment during the accumulation process and prior to the final approval of 38 States.

This hostage relief legislation has also been prepared in amendment form which I plan to propose for committee consideration or present on the floor of the House in the event extension legislation such as proposed by Representative HOLTZMAN is seriously considered.

Mr. Speaker, in the name of fairness and sound constitutional practices I invite my colleagues to cosponsor my bill, H.R. 9812. Following is the text of this bill:

H.R. 9812

A bill providing that any State legislature which rescinds its ratification of a proposed amendment to the Constitution shall not be considered to have ratified the amendment

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That any State legislature which rescinds its ratification of an amendment to the Constitution of the United States shall not be considered to have ratified the amendment, if the amendment has not, before the date of the enactment of this Act, been adopted as part of the Constitution, and if any period within which the ratification of the amendment by the legislatures of three-fourths of the several States is required by the Congress to be completed has not expired. Such rescission may be made before, on, or after the date of the enactment of this Act, but shall be valid for purposes of this Act only if made before the first date on which the amendment is ratified, without being rescinded, by the legislatures of three-fourths of the several States.

THE CARTER ADMINISTRATION SALT PROPOSALS—AN ANALYSIS, PART 2

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 8, 1977

Mr. SYMMS. Mr. Speaker, in the CONGRESSIONAL RECORD of Thursday, November 3, I discussed the first part of an in-depth analysis of the Carter administration SALT proposals that are currently in the final negotiating stages. This analysis was prepared, Mr. Speaker, by our colleague from Tennessee, the Honorable ROBIN BEARD. Congressman BEARD is a member of the House Armed Services Committee and is chairman of the Republican Task Force on Defense, of which I am a member.

In my remarks last November 3, I discussed Carter administration strategic policies, SALT objectives, and the generalities of SALT II. Today, I want to continue with the Beard analysis and discuss specific SALT negotiating points and issues surrounding SALT II and how they affect the future security of the United States:

SALT PROPOSAL ANALYSIS—PART 2

ISSUES

The proposed terms of the SALT–II agreement raise a number of questions, both in terms of what the agreement will apparently include and what it excludes.

Let me just highlight a few of the major issues that concern me, and I believe will concern the Congress as a whole.

Backfire

The Soviet Backfire bomber will be treated as a separate item, entirely apart from the SALT–II agreement. The Soviets apparently are prepared to agree that they will not increase the present production rate of the Backfire bomber.

At the outset, it deserves pointing out that the Soviets have yet to concede levels of production or deployment for any strategic systems. The figures we use are based entirely on our own estimates and they are tied to our national technical means of verification.

The reason the Soviet refuse to consider the Backfire as part of SALT is because of their position that it is not a strategic system. This same system, as was recently publicly reported, has a range of 6,200 miles; if once refueled its range is reportedly 8% greater than the most advanced B–52 and 17% greater than the cancelled B–1. Further, a fleet of about 400 Backfire bombers, according to public Congressional testimony, could deliver on the order of one-half the potential Soviet radioactive contamination against the U.S. in the next decade. We could presumably counter this potential threat through the deployment of an airborne radar warning control system in conjunction with an interceptor force, but the critical issue is why would a system with this capability not be constrained by SALT?

Unilateral statements by the Soviets that they would not deploy the Backfire in the Arctic would be meaningless in a crisis, and there is no way to verify any refueling restraints we might seek to impose because commercial or military aircraft could be quickly converted to tankers during crisis periods.

Cruise missile

The range restrictions on the air-launched cruise missile raise serious questions about adequate U.S. hard target kill capability in the next decade, and it is contrary to the recommendation made by the JCS to the President. In light of the President's recommendation to cancel the B–1, the JCS had recommended a range of 3,000 kilometers, immediately, and extending it to 3,500 kilometers if improvements in Soviet air defense continue.

The definition of range, of course, has yet to be finalized. Will it be the operational range, or the aerodynamic range? The latter definition would cut in half the actual target coverage capability of the system, a range which already has been determined to be inadequate according to our military planners.

Verification of any cruise missile constraints in any event is not possible, thus a potentially serious problem exists once the Soviets exploit the large size and volume of their cruise missiles with modern technology. However, the Soviets do not require the same range the U.S. does for their cruise missile systems. For example, the Shaddock cruise missile, currently deployed on Soviet submarines and within the 600 kilometer range, could cover some 50% of U.S. population and industry while the U.S. or Europeans, under such a constraint, could cover only some 10% of similar Soviet targets.

The United States apparently has not yet acquiesced to Soviet demands that the treaty

incorporate a non-transfer of technology provision. Whether this provision is or is not included, however, seems to matter little. Mr. Leslie Gelb, Director, Bureau of Critical Military Affairs at the State Department, and a chief architect of present U.S. Salt policy, has already apparently indicated that we would not want to do anything to violate the spirit or intent of the agreement.

From recent press reports you have seen that the Europeans have reacted strongly and negatively to any efforts by the U.S. to constrain them in their cruise missile development and deployment. The reason is that this system provides a very cost-effective way for the Europeans to counter the Soviet military threat to them.

There is one additional issue which I will raise now, but elaborate on in a moment, and that relates to counting ALCM carries as MIRVs. This will have a significant impact on the overall strategic balance and force structure. The point I would make here is that Mr. Gelb at State apparently has already declared that the U.S. cannot unilaterally determine what aircraft can carry cruise missiles. To date, air-launched cruise missiles are limited to "heavy bombers", namely, the B–52. Thus, their use on wide-bodied aircraft the FB–111H and probably tactical aircraft, would be precluded.

LIGHT VERSUS HEAVY ICBM SYSTEMS

The United States, contrary to the original definitions provided at SALT I, has accepted the Soviet interpretation of light and heavy ICBMs, the SS–9, which at SALT I was supposed to be the ceiling for a heavy missile, had approximately 12,000 pounds throw-weight. The new definition for a heavy missile is the SS–18 with approximately 16,000 pounds throw-weight. The original definition of a light missile was based on the SS–11 (1,500 lbs. throw-weight); the new standard is the SS–19, with approximately 7,500 lbs. throw-weight. By way of comparison, the throw-weight of our aged 54 Titans is around 8,000 lbs.; MX would be 7,500 lbs.; Minuteman is around 2,000 to 2,500 lbs. In short, there is no comparison in the throw-weight and lift capability of the strategic missiles possessed by the United States and the Soviet Union. This Soviet throw-weight advantage, when combined with MIRV and accuracy improvements, threatens to provide the Soviets with significantly more warheads than the U.S. and a potentially decisive counterforce capability.

SOVIET ICBM RELOAD CAPABILITY

Another issue which the U.S. has ignored in the past is the Soviet cold-launch technique, a technique which enables the Soviets to reload their ICBM silos. There are indications that the Soviets traditionally build many more missiles than launchers and studies have shown that exploitation of a silo reload capability could have a major effect on the strategic balance. Apparently, U.S. negotiators are considering allowing the Soviets to keep extra missiles, although located a few hundred miles from the silos. This is a proposal which would not diminish the Soviet reload threat. Moreover, while the Administration is arguing that the cold-launched technique has not yet been applied to Soviet silo-based missiles, there is little doubt that at least these Soviet ICBM systmes have a reload capabiilty.

NEW ICBM RESTRICTIONS

An issue of serious concern to me will be the provision governing the testing or deployment of new ICBM systems, including mobile systems. The U.S. has advanced that there will be no testing of systems not tested and no deployment of systems not deployed at the time of the agreement. The Soviets take the position that there should be no testing or deployment of new MIRVed systems. With regard to mobile ICBM systems, the language will permit the testing of a mobile missile and a mobile launcher, but not a mobile missile from a mobile launcher; moreover, the deployment would be prohibited during the period of the protocol.

These issues will be dealt within the Protocol and the compromise of the U.S.-Soviet positions will be critical.

Under the Soviet language and our proposed language, the MX would be confined to R & D. However, with the exception of deploying a mobile ICBM the Soviet ICBM development program might well be allowed to go unconstrained.

While the definition of terms will be critical, the new Soviet ICBM systems, (or modifications to the systems I mentioned earlier) if the Soviet language is accepted, would not be constrained since testing of those systems had been undertaken prior to the signing of the Treaty. Additionally, Soviet systems tend to be tested in both a single and a MIRV configuration, thus the U.S. could not verify which version would be deployed if deployment or modification to existing systems is permitted. Even if only operation and maintenance of ICBM systems is permited verification would not be possible.

A further concern to me is what will happen to the SS–16; the Administration continues to call this system the SSX–16 (The "X" designating Experimental) even though the system is deployed and operational. As you also know, the SS–20, which is unrestricted, reportedly consists of the first two stages of the SS–16, thus providing the Soviets with further dramatic breakout potential.

An additional potential problem exists with the Soviets beginning deployment of MIRVed strategic submarine missiles and their ability to circumvent U.S. national technical means of verification should they seek to replace single RV systems with MIRVed systems.

I would now like to turn to the meaning of all these numbers and terms of the proposed treaty that I have just discussed.

You can extrapolate the figures I have cited in numerous ways, and define a variety of force structure one overriding conclusion stands out—the Soviet strategic capability under SALT II will be awesome and contrary to U.S. objectives.

The strategic balance

In my views, the proposed SALT treaty represents no significant contribution to arms control and strategic stability. Further, the critical terms of the SALT agreement are essentially unverifiable and thus may prove a continuing source for dispute.

I submit that the proposed SALT package merely ratifies the proposed Soviet strategic force deployment program and it restricts the United States strategic capabilities in many significant ways which, in my view, will contribute to strategic instability.

To begin with, the aggregate of 2160 strategic Nuclear Delivery Vehicles for the U.S. is probably our best projected force level, whereas the 2,250 proposed by the Soviets, is probably the most reasonable assessment of the projected Soviet force level. For the U.S. to reach that latter ceiling with non-MIRV weapons, we would probably have to retain the costly Polaris and/or reactivate retired, mothballed B–52s.

MIRV aggregate

The aggregate MIRV ceiling of 1,320, 1,200 of which could be ICBMs and SLBMs lead most to conclude that we can have 120 MIRV carrying bombers. Unfortunately, it will probably not work out that way. If, as proposed, each bomber carrying 10 ALCMs is counted as one MIRV, and a bomber carries 20 ALCMs we would be permitted only 60 bombers; if a bomber carried 30 ALCMs, we would be permitted 40 bombers, before having to trade in other MIRV systems to compensate for additional MIRVed bomber deployment.

Additionally, if you consider the U.S. has some 31 Poseidon boats with 496 tubes, 10 Trident boats with 240 tubes, and 550 MM III, we have a total of 1286 MIRVed systems. So, to meet the sublimit of 1,200 MIRVed ICBM and SLBM systems, we will have to give up 86 MIRV systems, and I suspect the Administration will propose dismantiling 86 MM 111s, as the Trident joins the fleet.

MIRVed ICBM—Ceiling

The ceiling of 820 for MIRVed ICBM systems will permit the Soviets to deploy 308 heavy ICBMs, namely the SS–18. They could then deploy 512 SS–17s and SS–19s in any combination they wanted. If you assign 10 warheads to the SS–18, and an average of 5 of the SS–17 and SS–19, you come up with a staggering 5,640 ICBM warheads, excluding the 900 or so SS–11s they have. If you include the latter number, the Soviets will have around 7,000 warheads in their ICBM force structure, as compared to about 2,000 for the United States.

Now you see, I believe, where the concern lies with those who argue that the Soviets could expend a small fraction of their ICBM force to eliminate the U.S. silo-based ICBM force and still retain overwhelming superiority.

In closing, Mr. Speaker, let me say that in the third and final part of this SALT analysis I will discuss the Soviet ICBM threat and how this threat is increased by the Carter SALT proposal currently pending. I will also discuss the implications of Soviet superiority on world stability and the threat posed to the liberty and security of the American people.

HOUSE OF REPRESENTATIVES—*Friday, November 11, 1977*

The House met at 10 o'clock a.m.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. BRADEMAS) laid before the House the following communication from the Speaker:

WASHINGTON, D.C.,
November 11, 1977.

I hereby designate the Honorable JOHN BRADEMAS to act as Speaker pro tempore for today.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

PRAYER

Rev. Charles Mallon, St. Matthias Church, Lanham, Md., offered the following prayer:

Happy are they whose way is blameless, who walk in the way of the Lord. Happy

are they who observe His decrees, who seek Him with all their hearts.—Psalms 119: 1, 2.

Father, you have given us authority to make rules and establish precedence. This prayer is offered by virtue of these same rules and precedence. Happily, our Government permits us to walk in your ways and to seek you with all our hearts. Therefore, we ask you to grant harmonious continuity to this Government.

Bless those national leaders who observe Your decrees and who make blameless decisions. Keep them close to your heart.

Father, give us the wisdom to use the wealth of this Nation wisely. Protect us from selfish and greedy acquisition of material wealth. Intercede in our lives with gentle chastisement and bring happiness into our lives.

We ask this through Christ our Lord. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair desires to announce that, pursuant to the authority granted the Speaker on Tuesday, November 8, 1977, the Speaker did on that day sign the following enrolled bills and resolution.

H.R. 2770. An act to amend section 142 of title 28, United States Code, relating to the furnishing of accommodations to judges of the courts of appeals of the United States.

H.R. 6348. An act to convey to the Ely Indian colony the beneficial interest in certain Federal land.

H.R. 8777. An act to amend the Appalachian Regional Development Act of 1965 to permit an extension of the period of assistance for child development programs while a study is conducted on methods of phasing out Federal assistance to these programs; and

H.J. Res. 643. A joint resolution making further continuing appropriations for the fiscal year 1978, and for other purposes.

SUBMISSION OF EXTENSION OF REMARKS

The SPEAKER pro tempore. I take this time to make an announcement for the benefit of the Members. During the period of time that the House is meeting in pro forma sessions, the rule concerning the submission of extension of remarks will be suspended. Members having received permission to insert remarks can submit their remarks to the Official Reporters of Debates, room H–132, the Capitol, up to 6 p.m. on the days that the House is meeting. This does not exclude the rule requiring that all submissions must be signed by the Member and also there is no suspension of the two-page limit concerning extraneous matter.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C.,
November 9, 1977.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 7:00 p.m. on Wednesday, November 9, 1977, and said to contain H.R. 2521, An Act to provide for the mandatory inspection of domesticated rabbits slaughtered for human food, and for other purposes, and a veto message thereon.

With kind regards, I am,

Sincerely,

EDMUND L. HENSHAW, Jr.,
Clerk, House of Representatives.

MANDATORY INSPECTION OF DOMESTICATED RABBITS—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 95–261)

The SPEAKER pro tempore laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I am returning, without my approval, H.R. 2521, an Act "To provide for the mandatory inspection of domesticated rabbits slaughtered for human food and for other purposes."

This Act would establish a new mandatory Federal inspection program for domesticated rabbits and rabbit products processed for human consumption. The program would be similar to that already applicable to poultry products, and would apply to imported rabbit meat as well as rabbit meat processed in the United States.

In my view, the costs to the general taxpayer associated with H.R. 2521 cannot be justified on several grounds:

—A voluntary inspection program operated by the Department of Agriculture, but paid for by the processors of rabbit meat, is already available to processors wishing to enjoy the marketing benefits of Federal wholesomeness certification and grading. Moreover, rabbit meat marketed in the United States (including imports) is subject to inspection by the Food and Drug Administration to ensure sanitation and wholesomeness. Neither the Agriculture Department nor the Food and Drug Administration has been able to substantiate a significant health problem with rabbit meat in this country.

—Existing Federal inspection programs are intended to apply to meats consumed by large numbers of Americans. Rabbit is essentially a specialty food purchased by a relatively small number of consumers. I believe that it would be inequitable to require all taxpayers to support extension of Federal inspection of specialty meats to include rabbits. While the initial Federal cost is small, once in the law, the subsidy may grow increasingly over the years. Moreover, signing this bill would provide an incentive for Federal payments for the inspection of other exotic or specialty foods.

—Requirements for on-site inspection of foreign processing facilities by Department of Agriculture employees would strain relations with the People's Republic of China, a major exporter of domesticated rabbit meat to the United States. Extensive Food and Drug Administration inspection of Chinese imports have uncovered no health problems.

The primary beneficiaries of this special interest legislation would be a few large processors of rabbit meat which would no longer be required to reimburse the Federal Government for inspection services required to market their product as USDA inspected and graded. A significant source of competition from the People's Republic of China also would be severely restricted or eliminated with little or no improvement in consumer health protection.

Accordingly, I do not believe that approval of H.R. 2521 would be in the best interest of the American people.

JIMMY CARTER.

THE WHITE HOUSE, *November 9, 1977.*

The SPEAKER pro tempore. Without objection, the objections of the President will be spread at large upon the Journal, and the message and bill will be printed as a House document.

There was no objection.

Mr. WIRTH. Mr. Speaker, I ask unanimous consent that further consideration of the veto message on the bill, H.R. 2521, be postponed until Tuesday, November 29, 1977.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C.,
November 10, 1977.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 12:35 p.m. on Thursday, November 10, 1977, and said to contain a message from the President wherein he transmits in accordance with the Impoundment Control Act of 1974 the third special message for fiscal year 1978 on budget deferrals.

With kind regards, I am,

Sincerely,

EDMUND L. HENSHAW, Jr.,
Clerk, House of Representatives.

FOUR NEW DEFERRALS IN BUDGET AUTHORITY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 95–262)

The SPEAKER pro tempore laid before the House the following message

from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations and ordered to be printed:

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report four new deferrals totalling $908.6 million in budget authority. The deferrals affect the Departments of Defense and Energy, the National Science Foundation, and the Emergency refugee and migration assistance fund.

In addition, I am reporting revisions to five deferrals previously transmitted. Three of these revisions change the agency name and related identifiers of the deferrals from the abolished Energy Research and Development Administration to the new Department of Energy. The amount deferred for the Department of Energy's Plenum Fill experiment has also been increased by $0.8 million. In addition, two supplementary reports for deferrals in the Office of the Secretary of the Treasury report an increase of $26.3 million in the amount deferred.

The details of each deferral are contained in the attached reports.

JIMMY CARTER.

THE WHITE HOUSE, *November 10, 1977.*

MICHAEL STRAIGHT

(Mr. BRADEMAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BRADEMAS. Mr. Speaker, following the swearing in of a new Chairman, Michael Straight will be leaving the National Endowment for the Arts. Since 1969 he has served with great distinction as Deputy Chairman of the Endowment.

Prior to joining the Endowment, Michael Straight worked in the Departments of State and Interior during the New Deal period and served as editor of the New Republic. He also held positions with several organizations dedicated to peace, justice, and civil rights. Michael Straight, therefore, brought to the National Arts Endowment both long experience in government service and a keen sensitivity to the problems and concerns of the American people.

Mr. Speaker, as chairman of the Subcommittee on Select Education, with responsibility in the House of Representatives for the legislation authorizing the National Endowment for the Arts, I have observed Michael Straight's steady, tireless, and creative contributions to our Nation's cultural life. His commitment to encouraging artistic activities of high quality as well as to bringing the enrichment of the arts to more Americans has been unwavering. He provided invaluable guidance for the Arts Endowment during the period of its most remarkable growth and its coming to maturity.

Mr. Speaker, like many of my colleagues, I have welcomed and benefited from Michael Straight's counsel and have appreciated his outstanding service to the arts and to the Nation. His tenure at the Endowment has added another illustrious chapter to his distinguished career and I take this opportunity to pay him tribute for a job well done.

Mr. Speaker, I ask unanmious consent to insert at this point in the RECORD a most thoughtful essay by Michael Straight, entitled "Public Funding of the Arts in America," which was published as part of "A Symposium on Culture and Society" as reprinted from "The Great Ideas Today 1977":

PUBLIC FUNDING OF THE ARTS IN AMERICA

(By Michael Straight)

For the past ten years, Congress and the state legislatures have provided direct funding in support of the arts in America. This funding has grown rapidly in a decade marked by resistance to the further encroachment of government in our lives. During that interval, arts institutions have flourished, audiences have multiplied, contributions to the arts from private sources have sharply increased, artists themselves have set out to regain the role they once held at the center of our society. Public funding is not the root cause of these advances, but it has been an essential ingredient. The federal government and the state governments have provided the working capital needed for expansion, and they have provided it without seeking domination or control.

THE LEGISLATIVE FRAMEWORK

The framework for this rapid growth in public funding has been provided by the governing statute of the National Endowment for the Arts: the National Foundation on the Arts and the Humanities Act of 1965, which also established a National Endowment for the Humanities. Its provisions, like those which govern the state arts agencies, are based upon six underlying concepts.

1. Excellence

Throughout the act, emphasis is placed upon excellence as the criterion by which all arts activities must be judged. The arts endowment is directed to support "productions which have substantial artistic and cultural significance, giving emphasis to . . . the maintenance and encouragement of professional excellence." It is further directed to support "projects that will encourage and assist artists . . . to achieve standards of professional excellence." And, in directing the endowment to transfer a portion of its funds to state arts agencies, the Congress adds that the state projects and productions must also meet the standards of excellence set forth in the act.

The impact of this principle can be felt day by day in the operations of the endowment. At the time of its creation it was widely believed that government funding of the arts would lead to the support of mediocrity. Instead, the endowment, armed with this guiding principle, has been able to resist whatever pressures have been brought to bear upon it to support activities which are entertaining rather than enlightening, or, in terms of performance, second-rate.

2. Independence

The act, in its Declaration of Purpose, holds that "it is necessary and appropriate for the Federal Government to help create and sustain . . . a climate encouraging freedom of thought, imagination, and inquiry." It goes on to state that "the Endowment shall be headed by a Chairman . . . appointed by the President, by and with the advice and consent of the Senate." The chairman serves, not "at the pleasure of the President," but for a term of four years. And while the endowment's budget is set, first by the president's executive arm, the Office of Management and Budget, and then by the Congress, neither the OMB nor the oversight committees of the Congress interfere with the prerogatives of the chairman in determining how and where the funds appropriated to the endowment are to be spent.

The chairman is advised by the National Council on the Arts and, once again, the act, in creating the council, ensures that it will not be a means of injecting political considerations into the endowment's decisions. The council is purely advisory to the chairman. Qualifications for membership are stern and require that appointees must be either "practicing artists, civil cultural leaders, members of the museum profession" or other art-related professions; they may also be "citizens . . . who are widely recognized for their broad knowledge of, or expertise in, or their profound interest in, the arts."

By these means the independence of the endowment is effectively safeguarded. Safeguards have been given added force over the past decade because the Democratic and Republican parties and the press have understood that the nonpolitical, nonpartisan nature of the endowment must be respected if it is to carry out its assigned role of supporting excellence in the arts. The two individuals who have been selected thus far to be chairman have been outstanding professionals in arts-related fields. They have submitted their recommendations on appointments to the council to the White House, and while their recommendations have not been taken on all occasions, successive presidents have respected the standards for council membership set forth in the act. It is of course true that the sums appropriated for the endowment have been small in comparison with those administered by other federal agencies. It is also true that as appropriations increase, patronage, rather than artistic purpose, may become the cement which holds the endowment in place. The Congress, in reauthorizing the endowment in 1976, amended the act to provide that, henceforth, appointments to the council will be subject to the advice and consent of the Senate. While this adds stature to the council, it could in time lead to the kind of political intrusion which has weakened other independent agencies of government.

3. Nonintervention

The third principle embodied in the act, of great importance, is nonintervention by the government in the operations of organizations and institutions to which public funds are given.

The fear that government patronage would lead to government censorship and control was widely held at the time of the endowment's creation. In recognition of that concern, section 4(c) was written into the act. It provides that:

"In the administration of this Act, no department, agency, officer, or employee of the United States shall exercise any direction, supervision, or control over the policy determination, personnel, or curriculum, or the administration or operation of any school or other non-Federal agency, institution, organization, or association."

This provision is as vital to the integrity of the Congress and of the endowment as it is to the freedom and independence of the grantees. The past decade has been a turbulent one, marked by women's liberation, the black revolution, and opposition to the war in Vietnam. Each of these upheavals has found expression in the arts. The expression has been characterized by frankness, bitterness, anger, and militancy. It has extended the vocabulary of literature, of film, and of the theater to words and phrases which in past years have been widely held to be offensive. The endowment, in its commitment to seriousness of intent and excellence in

execution, has funded many of these activities. And, understandably, taxpayers and their elected representatives have been upset. The endowment on occasion has been called upon to bring its grantees into line with prevailing values, or else to cut off their funds. In each instance, it has cited section 4(c) of the act. Congressmen, in turn, have acknowledged the force and wisdom of the section and have allowed common sense to prevail.

4. Nondomination

More insidious than outright censorship, because it is less visible, is the threat that government may come to dominate the artistic life of the nation through its predominance in funding arts institutions and organizations. This threat, foreseen by the Congress, was countered by the provisions of the act which limit the proportion of arts budgets which may be funded by the endowment. Save for contracts, which it may enter into for its own purposes, and for a small portion of grants, given in exceptional circumstances, the act provides that the endowment shall not fund more than 50 percent of the cost of the projects and productions which it supports.

The wisdom of this provision is demonstrated day by day in administrative as well as artistic terms. At the level of 5 to 15 percent funding, which prevails for most performing arts institutions, the endowment with its small staff (220 in all) exercises a minimum degree of oversight. The survival of each institution turns on its own inner vitality and on the response of the constituency which it serves. In contrast, at 50 percent funding, the endowment would, sooner or later, be drawn into questions of management: unions, contracts, salary scales, the competence of key personnel, the nature and composition of boards of directors. Its support, or lack of support, could become a matter of life or death—a nightmare which the endowment has been spared thus far.

The endowment, guided by the National Council on the Arts, has clung tenaciously to the 50 percent rule. In developing its own guidelines, it has absolved itself of the psychological pressures that flow from a parental relationship by specifying that it will not fund a theater company, for example, until it has been in existence for two years. In positive terms, the endowment has supported arts organizations and institutions in ways that encourage them to obtain increased funds from private sources. An oversight committee of the Congress, reviewing the record of the endowment in 1970, concluded:

"The fear that Federal support would mean that the traditional private sources of funds for the arts would withdraw proved unfounded. On the contrary, it has proved a stimulus to private funds from sources never before involved with the arts."

5. Decentralization

Section 5(g) of the National Foundation on the Arts and the Humanities Act authorizes the chairman of the endowment to carry out a program of grants-in-aid to the several states in support of the arts.

This provision, added almost as an afterthought to the legislation, has been a key element in the success of public funding over the past ten years.

Only five states had functioning arts agencies when the act was passed in 1965. It was accompanied by an appropriation of $25,000 to each state to assist in the creation of a state arts agency. The response was immediate: within a year, state agencies were operating with appropriated funds in twenty-two states and in Puerto Rico; by 1974, agencies were functioning in every state and special jurisdiction.

In addition to the basic state agency grant, the endowment provides matching funds to the state agencies. It gives them administrative responsibility for a number of programs, including the Dance Touring Program and the Artists-in-Schools Program.

By these means, public for the arts has been decentralized. Given the rapid growth in public funding, the alternatives to decentralization would have been either formula funding, with a consequent loss of oversight of artistic standards, or else the emergence of a massive federal bureaucracy in the endowment. In contrast, the federal-state partnership has enabled the endowment to safeguard its standards during a decade of growth, and yet to remain small.

6. Professionalism

Public patronage of the arts, like private patronage, is ultimately measured by the taste and perception of those who make the artistic judgments on which funding is based.

Section 10(a)(4) of the act authorizes the chairman of the endowment to "utilize from time to time, as appropriate, experts and consultants, including panels of experts." The first chairman, Roger Stevens, moved promptly to carry out this provision and appointed panels of professional advisers in most program areas. When Nancy Hanks became chairman in 1969, added emphasis was given to the panel srtucture. A congressional oversight committee, reporting in 1973, noted that:

"Professional advisory panels now play a major role in Endowment programming with 185 individuals residing in 68 communities in 31 states, assisting ten different Endowment program areas."

Panelists are appointed by the chairman of the endowment; they may serve up to four years. They are selected primarily for their professional competence but also with the need for maintaining a balance within each panel of background, residence, and artistic viewpoint. The panels review the 20,000 applications that are now received each year. They also review the categories within which the applications are submitted. The National Council on the Arts advises the chairman on the allocation of funds between art forms, but the chairmen of the standing panels attend council meetings and speak out on the art forms which they represent.

The panels make the basic recommendations on which grants are given. While these recommendations are only advisory, the council and the chairman rarely overturn them, and almost never for artistic reasons. The panels are protected by confidentiality and by the assurance that aristic merit must always be their primary consideration. Thus they are insulated against external pressures. Nonetheless, as the endowment's appropriations mount and its grants grow in size, it would be naive to suppose that these pressures will not increase.

It is of critical importance that until now neither the White House nor the oversight committees of the Congress have encroached upon the chairman's authority to select individual panelists. However, the committees have instructed the chairman on how they are to be selected. Thus, in hearings held in 1973, members of the Congress decided that too large a proportion of the endowment's funds was being allocated to urban centers in New York and California. They came, in turn, to the belief that a disproportionate number of panelists had been drawn from these centers. In consequence, section 10(a)(4) of the act, which gives the chairman the power to appoint the panels, was amended to read:

"Provided, however, That any advisory panel appointed to review or make recommendations with respect to . . . funding shall have broad geographic representation."

Again, in 1976, the two authorizing committees dealt with the panel structure in a general way, the House committee calling for "frequent rotation of the panel members in order to foster a greater involvement of the public in the decision-making process" and the Senate committee urging "the broadest possible representation of viewpoint on each panel so that all styles and forms of expression which involve quality in the arts . . . may be equitably treated."

These generalized comments are sound enough, given the commitment of our nation to democracy and to cultural pluralism. They do not damage the endowment. In contrast, were the Congress to undertake to control the selection of panelists, it would undermine the endowment's ability to recruit the nation's leading artists and critics as its professional advisers and to give free rein to their insights and skills.

The current programs of the endowment

The endowment's current program can be summarized in a table, showing estimates by program area for 1977.

Architecture plus environmental arts	$3,470,000
Dance	5,622,077
Education	4,488,000
Expansion arts	5,591,000
Federal-State partnership	15,764,960
Literature	2,150,000
Media arts	7,102,040
Museums	9,550,563
Music	12,880,655
Special projects	4,819,705
Theater	5,921,000
Visual arts	3,650,000

These programs have developed in their own ways, and they vary substantially in their impact upon the constituencies they serve.

Architecture plus environmental arts

The program began in 1967 with eleven small grants, mostly in support of environmental design projects. Ten years later, in addition to awarding grants, the architecture office has undertaken to raise standards of design, or architecture, and of graphic work throughout the federal government. It has organized national and regional design assemblies to increase design awareness among federal officials. It has required teams of nationally known designers to improve the graphic materials of forty-six federal agencies. It has published task force reports on the opportunities and the constraints which determine the quality of federal architecture.

Dance

The program, established in 1966, soon moved into massive support for large companies whose audiences were multiplying and whose financial problems were acute. Grants were made to assist new works and, more importantly, to encourage touring, an activity which for the first time provided continuous employment for dancers and which furthered the endowment's purpose of making the arts available to all Americans.

In 1977 the touring program has allocated $1,180,000 in grants which provide 30 percent of the company's minimum weekly fee to sponsors of the American Ballet Theatre, the Joffrey Ballet, and the New York City Ballet. It also has provided $2.1 million in support of touring by smaller companies, a program administered through regional agencies and through the state arts councils.

The program, as the Senate Committee on Labor and Public Welfare noted in its 1976 report, has been instrumental in raising the number of resident professional dance companies in America from ten to sixty in a single decade.

Education

In its second meeting in June 1965 the National Council on the Arts called for an

expanded role for the arts in education, one that would advance professional training as well as awareness and appreciation of the arts.

The council went on to set in motion two collaborative efforts with the Office of Education. The first, the Laboratory Theater Project, was innovative, daring, expensive, and short-lived. The second, which the Office of Education helped to fund for only two years, became the federal government's most notable art-in-education program. The program, to which $3,392,000 was allocated in 1977, is directed by the endowment but administered by the state arts agencies. Matching funds are offered to the states in recommended categories for the employment of actors, architects, craftsmen, dancers, filmmakers, poets, painters, sculptors, photographers, printmakers, jazz, folk, and classical musicians, and other artists. The selection of the artists is made by the state agency and the participating schools. The program, which began with six schools in 1969, is operating in 7,500 schools in all the states and the special jurisdiction.

Expansion arts

In the first four years of its existence, the endowment gave a few grants within its program areas to projects involving ethnic minorities or the residents of inner cities. These grants were plainly inadequate, and in 1971 a new program office, Expansion Arts, was created to support arts activities among groups whose cultures had been historically undervalued or ignored. The program, building on the prior efforts of the Ford Foundation and the Rockefeller Brothers Fund, quickly identified a large number of professionally led, community-based enterprises. Its support of these enterprises was then extended to professional artists at work in social contexts, most notably in prisons and hospitals.

The money allocated to the program in 1977 is being spent for workshops and performances in a wide variety of arts forms. Grants are almost entirely in the $5,000–$30,000 range, but, since the scale of operations is small, the endowment's contribution may be 20 to 30 percent of the budget of an expansion arts grantee as against the 3 to 5 percent contribution which the endowment makes to the nation's leading symphony orchestras and opera companies.

Federal-State partnership

The largest component of this program is the basic state agency grant allocation, which this year is $11,935,000. This allocation is given in equal amounts to the arts agencies of the states and the special jurisdictions.

The sums set aside for the state agencies were once determined by the chairman of the endowment. Since 1973 they have been set by the Congress, under an amendment to the act which provides that the state agencies and regional associations shall receive no less than 20 percent of the endowment's program funds.

The act requires that the basic grant be matched within the states. The additional funds advanced to the state agencies, for regional associations, for community councils, and for specific projects are given on a matching basis on the recommendations of the federal-state panel.

In principle, in order to be eligible for the basic grant, the state agencies must meet the qualitative standards set forth in section 5 of the act. In practice, review of the state programs has, so far, been minimal. In contrast, applications by the state agencies for project assistance have been subjected to qualitative reviews.

Literature

This program has been allotted a small share of the endowment's funds, although fine writing is basic not only to literature but to theater, to film, and to other art forms. The reason is two-fold: government finds it difficult to gear itself down to the individual writer, and writers in turn are loners, neither trained nor organized to deal with government in meeting their needs.

The Writers-in-the-Schools program has in fact, made it possible for poets to earn their living as poets in America. In addition, the Literature Program, in alternate years, provides fellowship awards of $7,500 to writers to advance work-in-progress. Applications from 2,500 published writers were reviewed in 1976 by the program's professional advisers, and 165 awards were given.

The program has not provided general support for creative writing courses or for workshops for teachers of English. It has given direct support to small presses which publish contemporary work. It has provided indirect support to over 200 literary magazines through the Coordinating Council of Literary Magazines. It has funded innovative efforts to bring contemporary poetry and fiction to wider audiences and it has supported service organizations such as PEN.

Media arts

One-third of the Media Arts budget is allocated to the American Film Institute. A grant of $1.1 million supports the institute's Center for Advanced Film Studies in Los Angeles and other activities; contracts, awarded to the institute, are for filmmaker fellowships and for film preservation.

In addition to the sums, the Media Arts Program awards direct grants in support of film, radio, and television. Programs in film include grants to forty-six regional film centers, grants for workshops, study courses, and festivals, and awards to individuals engaged primarily in making documentary and experimental films. Programs in radio include grants to Minnesota Public Radio for live presentations of poetry and folk music and for "Earplay," a series of plays produced for public radio by the University of Wisconsin. Programs for television include fellowships for young filmmakers in residence at cable television stations and for projects funded jointly with private corporations and foundations and the Corporation for Public Broadcasting and carried over the public television network.

Museums

The act creating the endowment listed museums as one of its legitimate concerns. A report prepared in 1968 for the Federal Council on the Arts and the Humanities found that "a pervasive and insistent financial crisis" confronted the nation's museums and added: "A strong case can be made for Federal support."

The small size of the endowment's budget made a program in support of museums impracticable in its early years. Pilot grants were made to three art museums in 1967 to help them "stimulate awareness of the visual arts and to make their collections more readily available to a wider public."

A second category of support, began in 1968, provided matching funds to museums for the purchase of works by living American artists. Then, in November 1970, the council approved a report calling for the creation of a new program of project support for all types of museums.

The program now provides a wide range of assistance to museums in mounting and touring exhibitions, in training professional staff members, and in conserving collections through restoration of works of art and renovation of the buildings in which they are housed. General support is not provided, and endowment grants to museums amount to less than 2 percent of their operating costs each year. Congress in 1976 added a new title to the act of 1965 entitled the Museum Services Act. The title established within the Department of Health, Education, and Welfare an Institute of Museum Services. It authorized appropriations of $15 million for the institute in 1977 and $25 million in 1978. If funds are in fact appropriated for the institute, it will be enabled to provide general operating support for museums of all kinds. It is understood that the arts endowment and the humanities endowment will continue to provide project support to museums.

Music

Projects in support of music were undertaken at the inception of the endowment in a wide-ranging, somewhat arbitrary way. The small size of the endowment's budget made categorical support impracticable; in fact, the minutes of an early council meeting record an occasion on which the trustees of the Ford Foundation, prior to approving their own $80-million allocation to the nation's symphony orchestra associations, asked for and were given an assurance that the endowment was not about to fund the orchestras.

The symphony orchestra associations, at late as 1968, held that they did not want or need federal funds. Then, in October 1969, they reversed their stand and held that endowment support was essential to their survival. In turn, they were instrumental in mobilizing sentiment behind President Nixon's request that the Congress double the appropriations of the two endowments in 1970.

For seven years the orchestras have been assured of limited but continuing support from the endowment. Thirty major orchestras, with annual budgets of over $1,500,000, received $4,710,000 in 1977; that is, about 4 percent of their gross receipts. Sixty-five regional and metropolitan orchestras, with annual budgets between $100,000 and $1,500,000, received $1,700,000, a sum less than 4 percent of their gross receipts.

In principle, the grants are given in support of projects such as touring, youth concerts, and summer concerts in parks. In practice, at a time when orchestras are committed to year-round employment of musicians, the endowment funds have amounted to general support.

In support of opera, forty-six professional companies were granted $3,201,000 for the 1976–77 season. The grants range from $7,500 to the Nevada Opera Guild to $600,000 to the Metropolitan Opera Association.

In other categories, $850,000 is allocated to support of jazz, ethnic, and folk music in 1977; $1,058,280 to training and career development; $172,995 to contemporary music performance; and $400,000 to composers and librettists to advance work-in-progress. A small sum, $70,000, is allocated to support of choral music and none to chamber music as such.

Special projects

The Office of Special Projects has funded programs which do not fall into categories set by art forms. Currently it encompasses folk arts, service organizations, art centers and festivals, fellowship exchanges with Great Britain, and "City Spirit," a program to assist communities which seek to employ the arts as a catalytic force.

Theater

In signing the act of 1965, President Johnson stated: "We will create a national theater." This concept of one predominant and heavily subsidized institution on the European model proved to be ephemeral and inappropriate. Instead, the endowment undertook to encourage the decentralization of professional theater in America by providing continuing support to a growing number of resident professional theater companies. Its grants, given as general support rather than for projects, coincided with and reinforced the rapid expansion of these companies across the nation. Fifty-six companies in forty-one cities, all operating with Equity contracts, were given grants for the 1976–77 season. The

total allocation of $3,780,000 is about 7 percent of their gross receipts for the year.

In other categories, the Theater Program supports experimental companies of national or regional standing; companies performing for short seasons, and for children; service organizations; and some training institutions. A new category of support provides funds for state arts agencies to encourage touring by professional companies within their areas.

Visual arts

The program, operating without a standing panel, has developed a wide range of categories of support. The largest, with a total allocation of $1,350,000 for 1977, provides fellowships for visual artists, printmakers, photographers, craftsmen, and art critics. A second category provides $600,000 in matching funds to communities for the commissioning of works of art in public places. In a comparable program, the visual arts office has assisted the General Services Administration in carrying out a program under which 0.5 percent of the cost of new federal buildings has been set aside for works of art.

Challenge grants

A supplemental appropriation provided the endowment with $9 million for challenge grants in 1977. The grants, given for one-time projects, are intended to encourage forward planning by cultural institutions. They thrust the endowment itself in a new direction by imposing criteria such as financial reliability, managerial competence, and community responsiveness onto the panels and the council whose judgments up to now have been based solely upon artistic merit.

ISSUES IN SEARCH OF A CONCEPT

Public funding of the arts has worked well for a decade. Its success was heightened because so much else that government did during the decade seemed misguided or wrong. Yet innovative ideas often harden into restrictive categories, and the programs that generated growth in one decade may inhibit it in the next. Continuity is essential. But a new chairman, working with a new administration, will need to consider underlying issues which up to now have not been confronted, let alone resolved.

Institutions of national standing

One of the purposes for which endowment grants are given is preservation of our cultural heritage. At the center of this heritage are certain key institutions of national and international standing. The following table lists the total expenditures of a group of these institutions in 1976, along with the endowment's grants to these institutions and the grants as percentages of the total expenditures of each institution.

(1) Institution	(2) Total expenditures	(3) Arts endowment grants	(4) Percentage (3) of (2)
American Ballet Theatre	$6,619,200	$627,790	7.8
New York City Ballet	6,334,000	267,330	4.2
Guthrie Theatre	2,443,825	150,000	6.1
American Conservatory Theatre	3,006,000	150,000	4.9
Chicago Symphony	6,420,456	150,000	2.2
Los Angeles Symphony	5,975,000	150,000	2.5
Metropolitan Opera	27,833,000	600,000	1.1
San Francisco Opera	5,189,522	150,000	2.9
Metropolitan Museum	27,733,000	308,480	1.1
Cleveland Museum	4,005,000	84,750	2.1
Museum of Modern Art	8,700,000	290,644	3.3

Many of the institutions listed here are in serious financial difficulties. In some instances dissolution may be inevitable; in others, greatly increased public funding may be the price of survival. What will the response of government be?

In Europe the response presumably would be massive support for the preeminent institutions. A comparable response in America is more problematical. We are committed to the view that government should not be a predominant patron. Moreover, the concept of preeminence is abhorrent to us. Therefore, funding that is provided to one institution must be offered to many others.

Leading advocates for the arts have argued that the federal government should shift from project support to general support and from varying levels of support to a minimum level of 10 percent funding of arts institutions.

While projections are uncertain, 10 percent funding of arts institutions of regional or national standing would point to expenditures of this magnitude in 1980:

	Total expenditures	Arts endowment grants
106 symphony orchestras	$204,000,000	$20,000,000
46 opera companies	114,000,000	11,400,000
55 theater companies	77,000,000	7,700,000
79 dance companies	68,000,000	6,800,000

In addition, if the operating costs of the nation's museums are estimated at $800 million in 1980, then the combined funding provided by the two endowments and the new Institute of Museum Services would amount to $80 million.

Expenditures of this magnitude would suggest an annual budget for the arts endowment in 1980 of $160 million. It could operate effectively at this level within the principles set forth in the act. But even at 10 percent funding, the future of the key institutions would by no means be assured.

The training of professional artists

If the federal government is to provide $100 million and more each year in support of arts organizations, it must be concerned with the institutions in which professional artists are trained.

The National Science Foundation has made $900 million available in support of the training of scientists. In contrast, no funds have been granted for the training of artists by the Office of Education or any major federal department. The endowment's record by art form has been:

Literature, visual arts, dance: no support.

Architecture, museums: fragmentary projects support.

Films, music, theater: limited institutional support.

In films, support has been given only one institution, the American Film Institute. In theater, pilot funding of some professional training institutions was judged unsuccessful, and funds are given to only nine university departments affiliated with professional theater companies. In music, support has so far been limited to small grants given to nine conservatories. To take three examples in 1976:

(1) Institution	(2) Total expenditures	(3) Arts endowment grants	(4) Percentage (3) of (2)
Juilliard School	$6,872,000	$55,000	0.8
Cleveland Institute	2,090,225	40,000	2.0
Peabody Institute	2,763,497	40,000	1.4

Speaking on behalf of five private universities and colleges, Grant Beglarian, a dean of the University of Southern California, told the National Council on the Arts in September 1976 that the costs of professional training were mounting beyond the capacity of students and private institutions to bear. He proposed that:

"It shall be a prime objective of the National Endowment for the Arts to help the education of future professionals in the arts through programs designed to share a part of the heavy financial burden carried by qualified students and the institutions they attend."

The statement was not adopted by the council. But the problem remains and demands serious consideration, and a committee of the council has been established to address this concern.

Beyond the professional core

Beyond the boundaries of the professional core for which the endowment has accepted limited responsibility lies the much larger constituency of nonprofessional artists and art institutions.

In Alabama there are no professional resident theater companies, but there are eighteen community theaters. If the live experience of the arts is important for the participant and for the audience, then community theaters deserve attention. If the endowment will not directly assist them, does it follow that the state agencies will accept this responsibility? The Alabama State Council on the Arts and Humanities does in fact make grants to community theaters. Many state councils do not. No state agency program is worked out in collaboration with the endowment; no federal program is prepared in conjunction with the states; no division of roles has ever been defined between the endowment and the states.

In principle, it might seem logical that the endowment should accept primary responsibility for funding institutions of national and regional standing and that the state agencies should accept responsibility for all others. In fact, this division of roles has been unacceptable to the state agencies. Many of them feel that they must fund the major institutions in order to obtain their backing in the state legislatures. In addition, many state agencies sense that for the endowment to take the best and to leave them the good is to relegate them to second-class status.

It may well be that the state legislatures should accept some funding responsibilities for their major institutions, just as New York State does today. It may be that no uniform division of roles can be agreed on by the arts agencies of the nation. Nonetheless, if a community orchestra or theater company or dance troupe is advised by the endowment to seek funds from its state agency, only to be told in turn that the state agency has allotted its funds to the endowment's grantees, the result is exasperation.

A new factor in this situtaion is the community arts council. Ten years ago there were 125 community councils; today there are 1,000. Their combined budgets are over $50 million a year. In the past, these councils have had to seek federal funds through the state agencies. As they grow, they may well insist upon direct and substantial support. In the process of becoming a partnership, the federal-state relationship may be enlarged to include community councils, above all, in the big cities.

Support or employment

In his statement on the arts of October 21, 1976, Jimmy Carter declared:

"The greatness of the Roosevelt years as compared to the past eight years was that Roosevelt did not view the arts merely as something to be supported. Roosevelt treated artists as an integral part of society—workers who had an important job to do in rebuilding our nation."

He added:

"We must again have a government that is prepared to make active use of the arts."

The president's view, in my opinion, is sound. To hold that society must *support* its artists is to separate the artists from society. It is demeaning, because it implies that artists are unable to support themselves. It is self-defeating, because it incites resentment and scorn in those who provide support for those who seek it. The old French fable about the cricket and the ant is a variation on this theme. It ends badly for the cricket when winter comes.

In the long run, whatever its initial success may be, a public agency dedicated to supporting one class of citizens at the taxpayer's expense is likely to find that it has enclosed itself within invisible boundaries, for the basic ethic on which it operates is against the American grain.

But if support for artists is ultimately a self-defeating concept, what about support for arts organizations and institutions? Museums plainly are educational institutions, entitled to public support. Performing arts centers may be included in the category of physical facilities which each municipality must maintain. However, no such historical sanction exists in this nation for symphony orchestras, opera companies, and theater and dance groups.

In requiring its grantees to conform to the guidelines it prepares, the endowment is providing more than support but far less than employment. It is a public foundation, operating within the framework that has legitimized all foundations over the past fifty years. The growth of foundations during this period is impressive, but it should not blind us to recent trends. There is ample evidence in congressional actions and in studies, such as the Report of the Filer Commission, that the foundation, like the spirit of philanthropy which gave birth to it, has seen its best days. As a democratic people gain in self-esteem, they are increasingly intolerant of the notion that the privileged are entitled to the nation's gratitude if they bestow a part of their bounty upon the less privileged.

In contrast to the narrowing horizons of support, employment of artists offers immense opportunities of expansion at a time when more and more citizens find their lives frustrating and seek enrichment through the arts. The Artists-in-Schools program of the endowment is one pilot program of proven worth. Prisons, hospitals, community centers, and centers for the aging are among the social contexts in which artists are now at work. The actors who work for the Cell Block Theater or the poets, painters, potters, and weavers who work as a team for COMPASS in St. Paul may not stand at the peak of their professions. But they are committed professionals, and by their own testimony their perceptions have been deepened and their skills strengthened by the work they do.

If President Carter carries out his commitment, we can expect a shift in emphasis toward employment of artists and of organizations such as symphony orchestras and dance companies which today receive grants from the endowment for services they perform in parks and in schools.

Awards to individuals

The first grants announced by the National Council on the Arts included awards to individuals (an action questioned by the writer at that time). Awards were given to painters and sculptors undergraduate students of architecture and elderly poets.

The Congress objected. In reauthorizing the two endowments in 1968, it struck the term individuals from the relevant sections of the act. Notwithstanding, the council and the chairman insisted on continuing awards to individual artists. The Congress relented and permitted awards to be made to "individuals of exceptional talent."

The endowment has continued and expanded its programs in support of individual artists.[1] In 1976 it provided the following fellowships:

Program:	No.	Amount
Architecture	50	$428,935
Dance	95	532,964
Literature	245	1,230,580
Media arts	34	286,965
Museums	29	137,741
Music	328	847,070
Visual arts	326	1,399,000
Total	1,107	4,863,255

These awards are unanimously supported by the council, the chairman, and the program directors of the endowment. In my opinion they are misguided, for these reasons:

First, the competitive nature of all awards sets artists against each other and is contrary to what Robert Henri called "the art spirit." The lasting benefit gained by the hundreds of artists who are given grants is problematical. The damage done to the thousands who apply and are rejected is indisputable. Belief in self is essential to the artist's creativity. Rejection can only undermine it. Rejection by a private jury may be discounted by the artist. Rejection in the name of the United States may do great harm.

Second, individual awards are a misuse of the resources of government. The proper role of government is to raise the general level of aesthetic awareness in the nation, not to pick and choose among the end products of the arts. The proper role of a small agency such as the endowment is to provide vision, to apply leverage, to employ its pennies in order to activate the dollars of others in employment in the arts. This role cannot be assumed by program offices overburdened with the peripheral tasks of handing out $5 million a year to one in one thousand of our professional artists. To say "overburdened" may seem an exaggeration, but no one who has watched panelists and staff members poring for hours over manuscripts, transparencies, and tapes, and who has seen the corridors of the endowment barricaded by piles of unopened packages from individual applicants, can doubt that the term is fair.

Third, in a democratic culture aesthetic judgments should, as far as possible, be dispersed.

The endowment can and must assess the relative merits of symphony orchestras and theater companies. But no such rating system can be applied to individuals. In literature a panel of acknowledged authorities may reach a consensus on the relative talents of applicants. A second and a third gathering of experts may confirm the conclusions of the first. In contrast, in the visual arts the formlessness of the "form" makes any such consensus illusory. In its determination to keep abreast of every passing fad, the endowment has, through its awards, funded activities which I can only characterize as frivolous.

All this is not to say the public funds cannot be effectively channeled to individuals. A current program provides matching funds to museums for the purchase of works by contemporary Americans. The program in my opinion is effective, first, because it disperses among many authorities the aesthetic judgments which must be made, and second, because it ends in a transaction, not a handout. The program, I believe, can and should be greatly expanded.

[1] Save for apprentice jazz musicians, performing artists are not directly assisted in advancing their careers.

The endowment in its first decade has operated in contrasting ways. Its flexibility has been its strength, but the pressures upon it are mounting. Substantial institutions are clamoring for substantial assistance. Neglected areas as large as the Western Reserve are crying out for settlement. Pilot programs endure, but like the unborn they have a period of gestation that cannot be extended for long.

Is the endowment, in its primary emphasis, to become a leadership agency or an operating agency? Will it be a catalytic force or an integral part of a large department of the federal government?

In itself, the endowment is unimportant, but from now on the federal government is bound to have a substantial impact upon the development of our culture. It may act consciously and purposefully; it may act in a fragmented manner, without comprehension of or concern for the aesthetic impact of its action.

If President Carter and his advisers sense that aesthetic values are important, the coming decade may see the emergence of a policy which relates the two endowments, the Office of Education, the Corporation for Public Broadcasting, the State Department, and the social agencies in a series of collaborative efforts, all in the service of an overarching design. If, on the contrary, aesthetic values and the arts are thought not greatly to matter, the endowments may go their separate ways, gaining just enough in appropriations to keep up with inflation, letting the human environment be shaped only by the blind, contending forces of the marketplace. Other questions may seem more pressing, and perhaps they are. But there is wisdom in the poet's insight: *Life is short, art is long; the songs outlives the singer; the coin, Tiberius.*

BIOGRAPHICAL NOTE

Michael Straight, who has served since 1969 as deputy chairman of the National Endowment for the Arts, is also a patron of the arts—as well as a painter, a musician, and even a former dancer with the Martha Graham company—in his own right.

Born in 1916 into a prominent New York family, he attended the London School of Economics and Cambridge University, from which he received an M.A. From 1937 to 1940 he was a writer-researcher for President Franklin D. Roosevelt and economist with the Department of State. In the latter year he became contributing editor from Washington to *The New Republic*, a magazine of which he was subsequently editor and publisher.

During the Second World War, in which he was a bomber pilot for the Air Force, he wrote a book, *Make This the Last War* (1943), a study of U.S. war aims and the emerging United Nations. In 1954 he published *Trial by Television*, an account of the Army-McCarthy hearings in Congress. A former board member of the Washington Theater Club, and vice-chairman of the National Repertory Theatre, he is the author of a play about the seventeeth-century Italian painter Caravaggio. He has also written two novels.

Mr. Straight is head of the William C. Whitney Foundation, which makes grants to the performing arts. In addition, he collects paintings and has contributed works to the White House, the Corcoran Gallery, the National Collection of Fine Arts, the Cleveland Museum of Art, and Cornell University.

SCRANTON SUFFERS A TRAGIC LOSS

The SPEAKER pro tempore. Under a previous order of the House, the gentle-

man from Pennsylvania (Mr. McDADE) is recognized for 10 minutes.

Mr. McDADE. Mr. Speaker, I am deeply saddened by the loss of one of Scranton's first citizens, Phil Brady. It was the English poet, John Donne, who said:

Every man's death diminisheth me for I am involved in mankind.

All of us are diminished by Phil's death.

Phil Brady was born without many of the blessings we take for granted so he gave his time so that workingmen everywhere could enjoy what he did without. In our Nation's Capital and here at home, Phil was a champion of the worker and a spokesman for our community.

It is one thing to be a dedicated labor leader. But to expand your concern for your workers to every corner of our community is an act of true patriotism. And this decent, caring man did just that. Every drive for better health care, every chance for civic improvement, every campaign for new jobs, and every endeavor for charity could measure its success by Phil Brady's participation.

Ours may be the only community in the Nation where the chamber of commerce and organized labor work together to bring new jobs to our region. This kind of cooperation attracted national attention. And if we look around us we see thousands of northeastern Pennsylvania families who have a good job who have a better paycheck, and the best chance for success because Phil Brady cared about them.

The Bible tells us: "He that has mercy on the poor, happy is he."

Phil Brady gave his entire life to those less fortunate. Even through the last years when his health was failing and when he and his family endured great personal suffering, Phil was still a strong voice for a better community.

That strong voice has now been stilled. We shall miss him. To his lovely wife Floss and to the wonderful family he raised go our sympathies and our prayers with the knowledge that we all loved him and that he is at peace.

PRESIDENT CARTER OPPOSES RIGID QUOTAS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. LEVITAS) is recognized for 5 minutes.

Mr. LEVITAS. Mr. Speaker, true equality of opportunity for every American is a goal which this Nation has been pursuing, in one form or another, since its founding. We have struggled to attain it against deep-rooted opposition and during periods of indifference and unconcern. We are still trying. The fight to achieve equality of opportunity has taken many forms. Most recently, we have tried to overcome the inequalities that the past has left us by acting affirmatively to provide equal opportunity for those deprived by past actions.

I support the idea of affirmative action programs—so long as they are aimed at achieving desirable goals and so long as they do not require another sort of discrimination. Affirmative action must be affirmative not negative. The Constitution, and those who execute its provisions, must be colorblind, as well as blind to place of origin, sex, race, and religious beliefs. It is the individual who must count in this society, the individual who should be judged solely on his or her own merits.

In order to foster this spirit, I have joined with Mr. WALKER of Pennsylvania, to introduce H.R. 9286, a bill prohibiting the use of Federal funds to enforce quotas and other numerical requirements in education and employment.

The imposition of numerical quotas must not be a part of affirmative action programs. When quotas or numerical qualifications are established, people are automatically excluded because of their race, religion, sex, or national origin, and that is discriminatory. That is reverse discrimination. Discrimination is discrimination. I am opposed to all types, not just some.

I am happy to know that President Carter agrees with us on this matter, and I would like to insert into the RECORD to a letter dated October 27, 1977, from President Carter to Richard Maass, president of the American Jewish Committee, explaining his views of this issue. It is important to note that our bill, H.R. 9286, accomplishes nothing more nor less than what the President of the United States has stated:

There is a distinction between flexible affirmative action programs using goals and inflexible racial quotas.

His statement that "rigid, racial quotas are exclusionary," is the essence of our bill. With this agreement between our views and the President's, I trust that Congress will now proceed to enact H.R. 9286.

I submit herewith the President's letter.

THE WHITE HOUSE,
Washington, October 27, 1977.

Mr. RICHARD MAASS,
President, American Jewish Committee,
New York, N.Y.

To Richard Maass:

I appreciate your informing me of the American Jewish Committee's strong support for affirmative action programs.

As you may know, I share the Committee's view that such programs are necessary if all Americans are to be assured equal educational and employment opportunities. My commitment to affirmative action programs was made clear during the campaign. Since taking office, I have honored that commitment through a number of actions designed to ensure that minorities have an equal opportunity to participate fully in our society.

One of the most recent of those actions was the filing of an amicus brief by the Administration in the Bakke case. That brief firmly supported affirmative action programs as a way to overcome the effects of prior discrimination. By contrast, the brief recognized that programs using rigid, racial quotas, are exclusionary and therefore unconstitutional. I support the position which the brief took, recognizing the distinction between flexible affirmative action programs using goals and inflexible racial quotas. It is my understanding that you take the same position.

The American Jewish Committee's interest in this vital issue is appreciated.

Sincerely,

JIMMY CARTER.

COMPUTER SECURITY IN HEW AND OTHER AGENCIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. PREYER) is recognized for 5 minutes.

Mr. PREYER. Mr. Speaker, in response to my letter of August 11, HEW Secretary Califano recently provided a copy of the final report of HEW's automated data processing (ADP) security review task force to the Subcommittee on Government Information and Individual Rights, which I chair. The objective of this task force was to determine the level of compliance by HEW organizations with the security standards which that department developed in implementing certain provisions of the Privacy Act of 1974.

The task force reports that, although the situation has improved since its review began, the level of compliance for "ADP systems security in HEW was far from meeting minimum acceptable standards." In an attempt to quantify this conclusion, the task force stated that "the average compliance was only 36.9 percent," at the time of the review. Section 3(e)(10) of the Privacy Act requires each agency to:

Establish appropriate administrative, technical, and physical safeguards to insure the security and confidentiality of records and to protect against any anticipated threats or hazards to their security or integrity which could result in substantial harm, embarrassment, inconvenience, or unfairness to any individual on whom information is maintained.

The HEW review, conducted from October 1976 through March 1977, examined activities at 93 sites in Washington, D.C., and throughout the country. Although the report does not discuss the status of individual computer systems, it summarizes the major problems as including "lack of organized programs, insufficient management control over systems development and maintenance; lack of, or inadequate, contingency plans; and lack of training in risk management." In laymen's terms, for example:

Unauthorized individuals can, in many cases, simply walk into work areas where computers and computer terminals are housed;

Passwords, the key to actually using a computer terminal, are easily obtained;

Personal information is improperly disposed of, so that it becomes available for further use by unauthorized individuals;

Authorized individuals can frequently get access to more information than they need to perform their assigned tasks, and

There is inadequate control of data being transferred to and from computer facilities.

These findings are similar to those of an earlier audit of the Social Security Administration's SSADARS system, which is currently undergoing investigation by the General Accounting Office. I think it is fairly reasonable to assume that the conclusion of the earlier audit team that "low priority by top management was placed on insuring a sound security program," is more widely appli-

cable within HEW than originally anticipated.

The task force findings are disquieting because they pertain to an agency with a longstanding commitment to the personal privacy of its clientele. Furthermore, the weight of the evidence currently available tends to indicate that HEW experience may be, at best, commonplace. For example, in recent months, GAO has reported that most Federal data processing facilities are not adequately protected; GAO has also reported that the situation in the Internal Revenue Service is similar to that of HEW; the Office of Telecommunications Policy has criticized safeguarding aspects of the proposals for the tax administration system (TAS); and the Office of Management and Budget, some 2 years after the effective date of the Privacy Act requirement, is just now proposing a plan for developing a coherent and consistent policy for the security of Federal automated information systems.

In light of these events, I have written to the Comptroller General to request an immediate examination of the status and effectiveness of the computer security programs of the major recordkeeping agencies.

With respect to HEW's efforts, I would be remiss if I did not give that Department credit for the initiative it has shown in both establishing security standards and undertaking a self-assessment of compliance with those standards. Moreover, I think it is important to note that Secretary Califano has approved the task force recommendation for a vigorous corrective action program. If the proposed schedule is adhered to, the existing deficiencies will be remedied within the current fiscal year.

It is my understanding that the first step in the HEW corrective action program, a review and update of its computer security standards, is already underway. The current standards were, according to the task force report, developed as "an acceptable minimum." There was apparently full recognition that total security was not possible and that cost must be weighed in relation to risk. The result is, I am told, a reasonable set of standards which have become a basic building block in the programs of several other agencies. Nonetheless, inasmuch as the adequacy of these standards is the linchpin to a successful program, this certainly seems a logical first step. I am, however, troubled by the prospect of lowered standards as an easy way to achieve a seemingly higher level of compliance with the Privacy Act requirement for safeguards.

I have written HEW to urge that its computer security standards not be lowered without sufficient cause. It would indeed be unfortunate if changes were made simply to accommodate the interests of those who may be more concerned about adverse publicity than with the security of the computer systems for which they are responsible. I anticipate that the same forthrightness which led Secretary Califano to make the ADP Security Task Force report public will prevail in any decisions involving the adjustment of computer security standards.

RESOLUTION TO ASSURE EQUAL ACCESS TO QUALITY HEALTH CARE FOR RURAL POPULATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. BEDELL) is recognized for 5 minutes.

Mr. BEDELL. Mr. Speaker, on September 23, the Department of Health, Education, and Welfare published some proposals for national health planning guidelines in the Federal Register. Since that time, I have received over 4,000 letters protesting the potential effect of these guidelines on the quality of rural health care. There has been considerable concern that implementation of the proposals as currently written could result in numerous hospital closings in Iowa, and I believe that the social costs of such a development are clearly unacceptable.

The HEW guidelines mandate several standards that a local health systems agency must meet in preparing a health care plan for its region of the country. The guidelines propose, among other things, a bed occupancy rate of 80 percent; 500 annual deliveries by an obstetrical unit; and less than 4 beds per 1,000 population. These standards are clearly unrealistic for rural areas, and health officials in my district tell me that many hospitals in rural America would not be able to meet them.

I should mention at this point that HEW officials have advised me that the Department currently has no real means of enforcing these proposed guidelines, should they be implemented. Yet, representatives of the health systems agency for my district tell me that while this statement is technically correct, it does not reveal the whole story. In the future, when a hospital requests permission to buy new equipment to upgrade, renovate or simply replace deteriorating equipment, HEW could deny that hospital permission to make necessary repairs. It seems clear to me that such a development could seriously jeopardize the proper functioning of the hospital. I cannot perceive the sense of such a plan if it could cause the closure of the only hospital providing primary care service for a local community. Surely this would contradict our Nation's effort—as stated in these guidelines—to provide equal access to quality health care at a reasonable cost for populations in rural areas.

The purpose of the National Health Planning and Resources Development Act, and the ensuing proposed guidelines for health planning which are the subject of this discussion, is to control burgeoning health care costs. I support this objective. However, the basic issue at stake here cannot be restricted to cost considerations alone. It involves the ability of our health care system to provide access to high quality medical care for all Americans, including the residents of rural America. I believe that the Congress has a responsibility to insure that the proposed guidelines for health planning do not impair this vital function of our health care system. We should not lose sight of the human factor in striving to cut the cost of Government.

Mr. Speaker, I am concerned that the proposed HEW guidelines for health planning may inadvertently jeopardize the quality of health care in rural America, and, as a result, I am today introducing a concurrent resolution expressing the sense of the Congress that these guidelines should not be allowed to close small, rural hospitals.

The text of my resolution follows:

H. CON. RES. 411

Concurrent resolution to assure equal access to quality health care for populations located in rural areas

Whereas the Notice of Proposed Rulemaking regarding National Guidelines for Health Planning filed by the Secretary of Health, Education, and Welfare on September 22, 1977 (42 Fed. Reg. 48502–48505), has generated great public concern that the guidelines would impose unfeasible performance requirements upon small, rural hospitals, ultimately forcing many of those hospitals to close;

Whereas many small, rural hospitals provide local communities with medical care of a kind and a quality that are not readily available at less accessible metropolitan hospitals; and

Whereas equal access to quality health care at a reasonable cost for populations in rural areas is a priority of the Federal Government: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of Congress that the Secretary of Health, Education, and Welfare should not include in the National Guidelines for Health Planning any guidelines which would directly or indirectly cause the closing of any small, rural hospital which is the only hospital providing primary care services to a local community.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. GARY A. MYERS) and to revise and extend their remarks and include extraneous matter:)

Mr. MCDADE, for 10 minutes, today.

(The following Members (at the request of Mr. WIRTH) and to revise and extend their remarks and include extraneous matter:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. LEVITAS, for 5 minutes, today.

Mr. DRINAN, for 60 minutes, today.

Mr. PREYER, for 5 minutes, today.

Mr. BRADEMAS, for 5 minutes, today.

Mr. BEDELL, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. BRADEMAS, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $1,610.

(The following Members (at the request of Mr. FRENZEL) and to include extraneous matter:)

Mr. FRENZEL.
Mr. GILMAN.
Mr. SARASIN.
Mr. ASHBROOK in three instances.
Mr. DERWINSKI in two instances.
Mr. SYMMS in two instances.
Mr. STOCKMAN.

(The following Members (at the request of Mr. WIRTH) and to include extraneous matter:)

Mr. ANDERSON of California in three instances.
Mr. GONZALEZ in three instances.
Mr. HAMILTON in two instances.
Mr. VENTO.
Mr. RYAN in two instances.
Mr. MAZZOLI.
Mr. PREYER.
Mr. CORMAN in two instances.
Mr. EILBERG in two instances.
Mr. STUDDS.
Mr. LEVITAS.
Mr. STOKES in three instances.
Mr. MCDONALD.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. THOMPSON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 2770. An act to amend section 142 of title 28, United States Code, relating to the furnishing of accommodations to judges of the courts of appeals of the United States;

H.R. 6348. An act to convey to the Ely Indian Colony the beneficial interest in certain Federal land;

H.R. 8777. An act to amend the Appalachian Regional Development Act of 1965 to permit an extension of the period of assistance for child development programs while a study is conducted on methods of phasing out Federal assistance to these programs; and

H.J. Res. 643. Joint resolution making further continuing appropriations for the fiscal year 1978, and for other purposes.

ADJOURNMENT

Mr. WIRTH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 10 minutes a.m.), under its previous order, the House adjourned until Tuesday, November 15, 1977, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2672. A communication from the President of the United States, transmitting his determination (78–1) that the sale and financing of certain defense articles to Turkey during fiscal year 1978 is necessary to enable her to fulfill her obligations as a member of the North Atlantic Treaty Organization, and his suspension of the provisions of section 620 (x) of the Foreign Assistance Act and section 3(c) of the Arms Export Control Act, pursuant to section 620(x)(1) of the Foreign Assistance Act of 1961, as amended (90 Stat. 757), together with notice of the Air Force's intention to issue related letters of offer, pursuant to section 36(b) of the Arms Export Control Act; to the Committee on International Relations.

2673. A letter from the Acting Director, Office of Management and Budget, Executive Office of the President, transmitting a cumulative report on rescissions and deferrals of budget authority as of November 1, 1977, pursuant to section 1014(e) of Public Law 93–344 (H. Doc. No. 95–263); to the Committee on Appropriations and ordered to be printed.

2674. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a report on the value of property, supplies, and commodities provided by the Berlin Magistrate, and under the German Offset Agreement, during the quarter ended September 30, 1977, pursuant to section 719 of Public Law 94–419; to the Committee on Appropriations.

2675. A letter from the Secretary of Transportation, transmitting a report on negotiated contracts for experimental, developmental, test or research work, or for industrial mobilization in the interest of the national defense, covering the period April 1, 1977, through September 30, 1977, pursuant to 10 U.S.C. 2304(e); to the Committee on Armed Services.

2676. A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), transmitting notice of the location, nature, and estimated cost of various construction projects proposed to be undertaken by the Army National Guard, pursuant to 10 U.S.C. 2233a(1); to the Committee on Armed Services.

2677. A letter from the Secretary of Housing and Urban Development, transmitting the first annual report on the urban homesteading demonstration program, pursuant to section 810(e) of the Housing and Community Development Act of 1974; to the Committee on Banking, Finance and Urban Affairs.

2678. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Act No. 2–100, "To establish a certificate of need program for health care facilities and services in the District of Columbia," pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

2679. A letter from the District of Columbia Auditor, transmitting copies of two reports entitled "Recoupment of Improperly Billed Medicaid Payments," and "Mayor's Order 77–141a transferring CETA Public Service Employment Program from the Office of Budget and Management Systems to the Department of Manpower," pursuant to section 455 of Public Law 93–198; to the Committee on the District of Columbia.

2680. A letter from the U.S. Commissioner of Education, Department of Health, Education, and Welfare, transmitting a report on part-time financial aid counselors in institutions of higher education, pursuant to section 493B of the Higher Education Act of 1965, as amended (90 Stat. 2149); to the Committee on Education and Labor.

2681. A letter from the Acting Director, Office of Management and Budget, Executive Office of the President, transmitting a report on actions taken in response to the recommendations contained in the annual report of the President's Council on Physical Fitness and Sports, dated October 19, 1976, pursuant to section 6(b) of the Federal Advisory Committee Act; to the Committee on Government Operations.

2682. A letter from the Assistant Secretary of Agriculture, transmitting notice of an existing records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2683. A letter from the Secretary of Housing and Urban Development, transmitting notice of a proposed new records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2684. A letter from the Deputy Assistant Secretary of the Interior, transmitting a copy of a proposed contract with Unidynamics/St. Louis, Inc., St. Louis, Mo., for a research project entitled "Evaluation of the Construction of Fire Doors, Air Doors, and Bulkheads for Noncoal Mines," pursuant to section 1(d) of Public Law 89–672; to the Committee on Interior and Insular Affairs.

2685. A letter from the Assistant Secretary of the Interior for Indian Affairs, transmitting a proposed plan for the use and distribution of the judgment funds in two awards of the Indian Claims Commission to the "Pottawattomi Tribe or Nation of Indians as it existed during the treatymaking period 1795 to 1833," pursuant to sections 2 and 4 of Public Law 93–134; to the Committee on Interior and Insular Affairs.

2686. A letter from the Secretary of State, transmitting a report on progress which has been made toward achieving full respect for the human and legal rights of U.S. citizens detained in Mexico, pursuant to section 408(b)(2) of Public Law 94–329; to the Committee on International Relations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WHITE: Committee on Armed Services. H.R. 8647. A bill to amend chapter 55 of title 10, United States Code, to establish a ceiling for payments to physicians under CHAMPUS, and for other purposes. (Rept. No. 95–815). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CORCORAN of Illinois (for himself, Mr. LEACH, Mr. MCEWEN, and Mr. LEDERER):

H.R. 10070. A bill entitled "The College Tuition Tax Relief Act of 1977"; to the Committee on Ways and Means.

By Mr. DODD:

H.R. 10071. A bill to authorize the Secretary of Health, Education, and Welfare to make grants to the States to reimburse the costs of studies to assess the cost of compliance wih section 504 of the Rehabilitation Act of 1973 with respect to educational programs, and to make grants to educational institutions to pay the Federal share of the costs of such compliance, and for other purposes; to the Committee on Education and Labor.

By Mr. HARRINGTON:

H.R. 10072. A bill to provide for automatic annual cost-of-living increases in Veterans' benefits; to the Committee on Veterans' Affairs.

H.R. 10073. A bill to amend title 38, United States Code, to improve the quality of hospital care and medical services in Veterans' Administration health care facilities, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 10074. A bill to amend title 38, United States Code, to increase the limitations with respect to direct loans to veterans from $33,000 to $48,000; to the Committee on Veterans' Affairs.

By Mr. MURPHY of New York (for himself, Mr. EIAGGI, Mr. RUPPE, and Mr. TREEN):

H.R. 10075. A bill to amend the Federal Boat Safety Act of 1971 to extend authorization for appropriations for financial assistance to State boating programs; to the Committee on Merchant Marine and Fisheries.

By Mr. PREYER (for himself, Mr. KOCH, and Mr. GOLDWATER):

H.R. 10076. A bill to protect the privacy of individuals from governmental and nongovernmental intrusion, and for other purposes; jointly to the Committees on Agriculture, Banking, Finance and Urban Affairs, Education and Labor, Government Operations, Interstate and Foreign Commerce, the Judiciary, and Ways and Means.

By Mr. RODINO (for himself, Mr. FLORIO, Mr. HOLLENBECK, Mr. HOWARD, Mr. HUGHES, Mr. LE FANTE, Mrs. MEYNER, Mr. MINISH, Mr. PATTEN, Mr. RINALDO, Mr. ROE, and Mr. THOMPSON):

H.R. 10077. A bill to create the Energy Corporation of the Northeast and to authorize the Secretary of the Treasury to provide guarantees for the obligations of such corporation and other financial assistance to such corporation; jointly, to the Committees on Interstate and Foreign Commerce, Banking, Finance and Urban Affairs, and the Judiciary.

By Mr. STUDDS:

H.R. 10078. A bill to establish a program of loans for the U.S. commercial fishing industry, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H.R. 10079. A bill to amend the Tariff Schedules of the United States to provide for a lower rate of duty for certain fish netting and fish nets; to the Committee on Ways and Means.

H.R. 10080. A bill to amend section 1207 (f) (4) of the Tax Reform Act of 1976; to the Committee on Ways and Means.

By Mr. BEDELL:

H. Con. Res. 411. Concurrent resolution to assure equal access to quality health care for populations located in rural areas, jointly, to the Committees on Interstate and Foreign Commerce, and Ways and Means.

By Mr. CORCORAN of Illinois (for himself and Mr. LEACH):

H. Con. Res. 412. Concurrent resolution to encourage a comprehensive program promoting foreign sales of American agricultural commodities; jointly, to the Committees on Agriculture and International Relations.

MEMORIALS

Under clause 4 of rule XXII:

The SPEAKER presented a memorial of the Legislature of the State of Michigan, relative to an accurate accounting of American service personnel and civilians listed as missing in action in Indochina; to the Committee on International Relations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII:

Mr. BREAUX introduced a bill (H.R. 10081) for the relief of M. Sgt. Francis H. Comeaux, which was referred; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

329. By the SPEAKER: Petition of Lincoln Rodon, Miami, Fla., and others, relative to reaffirmation of Congress' commitment to a free and independent republic in Cuba; to the Committee on International Relations.

330. Also, petition of the Irish Society of Philadelphia, Pa., relative to a congressional investigation of the violation of human rights in Northern Ireland and particularly of abuses against Pearse Kerr, an American Citizen; to the Committee on International Relations.

331. Also, petition of the Tennessee Black Caucus, Nashville, Tenn., relative to U.S. support of proposed UN sanctions against the Government of the Union of South Africa; to the Committee on International Relations.

332. Also, petition of Marjorie A. Mullins, Cape May, N.J., relative to redress of grievances; to the Committee on the Judiciary.

333. Also, petition of the city council of Willoughby Hills, Ohio, relative to proposed mandatory inclusion of public employees in the social security system; jointly, to the Committees on Ways and Means, Post Office and Civil Service.

FACTUAL DESCRIPTIONS OF BILLS AND RESOLUTIONS INTRODUCED

Prepared by the Congressional Research Service pursuant to clause 5(d) of House Rule X. Previous listing appeared in the CONGRESSIONAL RECORD of November 3, 1977 (page 37036).

H.R. 6500. April 21, 1977. Education and Labor. Directs the Secretary of Health, Education, and Welfare to make grants to States to facilitate adoption and reduce the need for, and duration of, foster placements.

Establishes mandatory standards for States to comply with in order to receive funds for foster child maintenance.

Directs the Secretary to appoint a Committee on Uniform Adoption Regulations to review current adoption conditions, practices, and laws, and to propose to the Secretary uniform regulations facilitating adoption.

Establishes a national adoption information exchange.

Directs the Secretary and the Attorney General to jointly undertake a study of private adoption placement persons and agencies.

H.R. 6501. April 21, 1977. Veterans' Affairs. Authorizes the provision of increased awards of service-connected disability compensation by the Administrator of Veterans' Affairs to veterans who have suffered the loss or loss of use of paired extremities.

H.R. 6502. April 21, 1977. Veterans' Affairs. Includes veterans of World War I who have a service-connected disability among those disabled veterans eligible for an automobile assistance allowance and for automobile adaptive equipment.

H.R. 6503. April 21, 1977. Merchant Marine and Fisheries. Amends the Intercoastal Shipping Act, 1933, with respect to the filing of general increases or decreases in rates by water carriers with the Federal Maritime Commission sets time limits by which the Commission must complete hearings and issue a final decision on proposed rate changes or practices. Sets forth restrictions regarding the Commission's authority to conduct such proceedings and to suspend tariff schedules.

H.R. 6504. April 21, 1977. Veterans' Affairs. Increases from 10 to 12 years the delimiting period for a veteran to complete a program of education.

H.R. 6505. April 21, 1977. Veterans' Affairs. Increases from 10 to 12 years the delimiting period for a veteran to complete a program of education.

H.R. 6506. April 21, 1977. Merchant Marine and Fisheries. Directs the Secretary of the department in which the Coast Guard is operating to require the inspection of certain towing vessels before such vessels are put into operation and at least every two years thereafter.

Authorizes the Secretary to issue regulations regarding: (1) the design, construction, alteration, or repair of towing vessels; (2) the operation of towing vessels; and (3) the staffing of such vessels.

H.R. 6507 April 21, 1977. Small Business. Amends the Small Business Act to limit to three percent the rate of interest on the Small Business Administration's share of disaster relief loans made to business affected by: (1) catastrophes such as floods, riots, or civil disorders; (2) disasters, as defined by specified laws; or (3) disease or toxicity introduced into products intended for human consumption.

H.R. 6508. April 21, 1977. Government Operations. Establishes a Department of Education within the executive branch. Transfers to the Secretary of Education educational functions now handled by various offices including the Office of Education, the Office of Economic Opportunity, the Department of Health, Education, and Welfare and the Department of Defense.

H.R. 6509. April 21, 1977. Education and Labor. Grants an annuity to dependents of deceased members of the armed forces who performed the service required under the Retired Serviceman's Family Protection Plan which made them eligible for retired pay but who died before the effective date of such Plan.

Amends the Occupational Safety and Health Act of 1970 to provide that the requirements of such Act apply to the Congress, Federal agencies, and the courts of the United States.

Assigns to the Secretary of Health, Education, and Welfare, the case of any workplace under the authority or jurisdiction of the Secretary of Labor and, the Occupational Safety and Health Review Commission, the powers otherwise assigned to the Secretary of Labor or to such Commission, including the authority to (1) conduct investigations and inspections; (2) issue citations; and (3) conduct hearings and issue orders.

H.R. 6510. April 21, 1977. Judiciary. Amends provisions of the Gun Control Act of 1968 which impose additional sentences for using or unlawfully carrying a firearm during the commission of a Federal felony to (1) revise such sentences and (2) prohibit suspended or probationary sentences with respect to first, as well as to subsequent, convictions.

H.R. 6511. April 21, 1977. Interior and Insular Affairs. Exempts from the excess land provisions of Federal reclamation laws certain lands receiving a supplemental water supply from the Shoshone project, Wyoming.

H.R. 6512. April 21, 1977. Judiciary. Amends the Clayton Act to prohibit specified concentrations of control in the energy-producing industries. Prohibits joint ventures between large producers, transporters or refiners of petroleum, petroleum products, or natural gas.

H.R. 6513. April 21, 1977. Judiciary. Amends the Indochina Migration and Refugee Assistance Act of 1975 to extend through 1980 funds for the provision of financial, medical, employment, and relocation assistance to refugees from Cambodia, Vietnam, or Laos.

H.R. 6514. April 21, 1977. Judiciary. Amends the Indochina Migration and Refugee Assistance Act of 1975 to extend through 1980 funds for the provision of financial, medical, employment, and relocation assistance to refugees from Cambodia, Vietnam, or Laos.

H.R. 6515. April 21, 1977. Ways and Means. Amends Title II (Old-Age, Survivors, and Disability Insurance) of the Social Security Act to provide that the automatic cost-of-living increases in benefits be made on a

semiannual basis (rather than only on an annual basis as at present).

H.R. 6516. April 21, 1977. Ways and Means. Amends Title II (Old-Age, Survivors, and Disability Insurance) of the Social Security Act to provide that the automatic cost-of-living increases in benefits be made on a semiannual basis (rather than only on an annual basis as at present).

H.R. 6517. April 21, 1977. Ways and Means. Amends the Tariff Schedules of the United States to exclude alcoholic beverages from those articles eligible for duty-free importation as gift articles imported by residents or nonresidents.

H.R. 6518. April 21, 1977. Interstate and Foreign Commerce. Amends the Uniform Time Act of 1966 to change the starting and terminating dates of daylight saving time.

Requires the Federal Communications Commission to make such adjustment with respect to hours of operation of daytime standard amplitude modulation broadcast stations as may be consistent with the public interest.

H.R. 6519. April 21, 1977. Ways and Means. Amends the Internal Revenue Code to repeal the excise taxes on buses and bus parts and accessories.

H.R. 6520. April 21, 1977. Post Office and Civil Service. Changes the organizational structure of the United States Postal Service by: (1) transferring the authority of the Board of Governors to the Postmaster General; (2) revising the procedures for adjustment of rates and services; (3) creating a procedure for review of proposed capital investments; and (4) requiring the Postal Rate Commission to submit to the President a separate annual budget.

Prohibits a reduction in the frequency of mail delivery service below the frequency in effect on April 21, 1977.

H.R. 6521. April 21, 1977. Veterans' Affairs. Subjects all decisions of the Administrator of Veterans' Affairs to judicial review and provides that all rules, regulations, orders and determinations of the Administrator be subject to the provisions of the Administrative Procedure Act. Repeals the requirement that the Administrator determine and pay fees to agents or attorneys in allowed claims for monetary benefits.

H.R. 6522. April 21, 1977. Small Business. Authorizes the Small Business Administration to make grants to support the development and operation of small business development centers in order to provide small business with management development, technical information, product planning, and development and international market development. Establishes a Small Business Management and Technical Assistance Division within the Small Business Administration to administer the Small Business Development Center program.

H.R. 6523. April 21, 1977. Interior and Insular Affairs. Revises the boundaries of Gateway National Recreation Area, New York, and New Jersey, to include specified sections of Sound View Park and Pugley Creek Park.

H.R. 6524. April 21, 1977. Interstate and Foreign Commerce. Amends the Federal Food, Drug, and Cosmetic Act to allow the use of a food additive found to induce cancer in animals if the Secretary of Health, Education, and Welfare determines that such food additive does not present a significant risk to human health.

Directs the Secretary to consider certain factors in making such a determination.

H.R. 6525. April 21, 1977. Judiciary. Amends the Immigration and Nationality Act to increase the maximum penalty for transporting and harboring illegal aliens.

Makes it a felony to hire or to refer for employment an alien not lawfully admitted into the United States.

Directs the Immigration and Naturalization Service to increase the number of its Border Patrol and Investigation branch personnel.

H.R. 6526. April 21, 1977. Post Office and Civil Service. Requires the withholding of city income taxes from the pay of Federal employees who are residents of the city imposing such taxes.

H.R. 6527. April 21, 1977. Post Office and Civil Service. Sets forth a plan for the conduct of labor-management relations in the Federal service. Establishes the Federal Labor Relations Authority, responsible for carrying out the purposes of this Act.

H.R. 6528. April 21, 1977. Judiciary; Ways and Means. Directs district courts to award court costs to prevailing individual parties in civil actions where (1) an action is brought by the United States or agent thereof and the court finds that bringing of the action constituted harassment or (2) the court finds that the conduct of the United States or agent thereof which gave rise to the action constituted harassment.

Directs the Tax Court to award costs to individual taxpayers who substantially prevail in a proceeding for redetermination of a deficiency.

H.R. 6529. April 21, 1977. Post Office and Civil Service. Classifies all deputy United States marshals holding non-supervisory or non-specialist positions at GS–5 through GS–11. Classifies such marshals in supervising or specialist positions at GS–12 through GS–14. States that all law enforcement personnel performing the duties of a marshal shall be classified as a marshal. Sets the salary level of the Director of the United States Marshals Service at level V of the Executive Schedule. States that the Director shall set the salary levels of non-law enforcement employees of the Service.

H.R. 6530. April 21, 1977. District of Columbia. Amends the District of Columbia Self-Government and Governmental Reorganization Act to extend the time in which the Secretary of the Treasury may make and the Mayor of the District of Columbia can accept loans for the completion of capitol projects.

Extends the time in which the Mayor must submit a complete financial report to the Council in each fiscal year.

Stipulates that payments due on bonds, notes, or other obligations shall be made without further approval or authorization.

Repeals the authorization for the Secretary of the Treasury to make loans to the District of Columbia for maintenance and construction of a sewer system between Dulles International Airport and the District of Columbia.

H.R. 6531. April 21, 1977. International Relations. Authorizes appropriations for fiscal year 1978 for the Department of State, the United States Information Agency, and the Board for International Broadcasting. Authorizes annual appropriations for the Inter-American Foundation.

Revises limitations on the acquisition of Foreign Service buildings.

Creates Assistant Secretaries of State for Human Rights and for Consular Affairs.

Establishes an advisory board on toll increases on the St. Lawrence Seaway and the Welland Canal.

Permits retired and reserve members of the uniformed services to accept employment by foreign governments.

Revises the Foreign Service Retirement System with respect to Foreign Service Reserve officers.

H.R. 6532. April 21, 1977. Ways and Means. Amends the Social Security Act to provide that an individual who would be fully qualified at age 62 for benefits under the Old-Age, Survivors, and Disability Insurance program may qualify for disability benefits under such program if such individual has 40 quarters of coverage, regardless of when such quarters were earned.

H.R. 6533. April 21, 1977. Ways and Means. Amends the Trade Act of 1974 to authorize the President to waive prohibitions against the designation of a nation (1) which is a member of OPEC, (2) which is a party to an international arrangement to raise prices to unreasonable levels, or (3) which participates in an international arrangement to withhold vital resources, as a beneficiary developing country for purposes of certain tariff preferences, if the President determines such waiver to be in the National economic interest. Prohibits such waiver if the country is participating, or has participated in such withholding.

H.R. 6534. April 21, 1977. Government Operations; Rules. Abolishes within three years of the enactment of this Act, or three years after they have been established, all Federal regulatory agencies unless the President and Congress determine that such agencies should continue to exist.

H.R. 6535 April 21, 1977. Merchant Marine and Fisheries. Amends the Merchant Marine Act, 1936, to make Federal ship mortgage insurance available for obligations for fishing vessels which do not exceed 87½ percent of the actual or depreciated cost of such vessels.

H.R. 6536. April 21, 1977. District of Columbia. Establishes three retirement funds encompassing: (1) District of Columbia firefighters and police officers; (2) District of Columbia teachers; and (3) District of Columbia judges.

Establishes the District of Columbia Retirement Board to manage the retirement funds created by this Act.

Details provisions relating to the administration of such funds and revises provisions relating to specified retirement and disability benefits under the retirement programs of such personnel.

H.R. 6537. April 21, 1977. Public Works and Transportation. Directs the Administrator of General Services to establish a solar hot water and space heating program designed to place solar hot water and space heating devices in 15,000 federally owned buildings within six fiscal years following enactment of this Act.

Establishes a Federal Photovoltaic Utilization Program for the annual acquisition and use of photovoltaic solar electric systems, primarily for use by the Department of Defense and administered by the Administrator of General Services and the Secretary of Defense.

H.R. 6538. April 21, 1977. Banking, Finance and Urban Affairs; Interstate and Foreign Commerce. Amends the Energy Supply and Environmental Coordination Act of 1974 to authorize the Administrator of the Federal Energy Administration to make and guarantee loans to assist industries in the purchase and installation of air pollution control devices for coal-fired boilers and heating devices.

Requires that facilities subject to coal conversion orders issued under the Act be given priority consideration.

H.R. 6539. April 21, 1977. Agriculture. Repeals the Food Stamp Act of 1964. Replaces the existing program with a new program substantially similar, but: (1) eliminates charges for coupon allotments and makes coupons redeemable for cash; (2) requires national income standards of eligibility to be income guidelines for the nonfarm United States prescribed by the Office of Management and Budget; (3) directs that food stamp applications be included on application forms for other public assistance programs; (4) directs the Secretary to make

contracts or grants for research that will help improve the administration and effectiveness of the food stamp program.

H.R. 6540. April 21, 1977. Banking, Finance and Urban Affairs. Creates the National Consumer Cooperative Bank, the Self-help Development Fund, and the Cooperative Bank and Assistance Administration to assist the formation and growth of consumer and other types of self-help cooperatives.

H.R. 6541. April 21, 1977. Banking, Finance and Urban Affairs. Creates the National Consumer Cooperative Bank, the Self-help Development Fund, and the Cooperative Bank and Assistance Administration to assist the formation and growth of consumer and other types of self-help cooperatives.

H.R. 6542. April 21, 1977. Government Operations. Obligates the Federal Government to pay to the appropriate State or local government payments in lieu of real property taxes for property which is owned by the Government but leased to a private person for the purpose of conducting a business for profit thereon. States that the amount of such payment shall equal the amount of tax that would be due if the lessee were the owner of the leased property.

H.R. 6543. April 21, 1977. Ways and Means; Interstate and Foreign Commerce. Revises the maximum Federal share for the Maternal and Child Health and Medicaid programs under the Social Security Act. Delimits dental services for which a State may receive Federal payments under the Medicaid program.

H.R. 6544. April 21, 1977. International Relations. Amends the Agricultural Trade Development and Assistance Act of 1954 to revise the formula for allocation of food aid commodities to prohibit more than 25 percent of such aid from being allocated to countries which do not meet the poverty criteria of the International Development Association, with certain exceptions.

H.R. 6545. April 21, 1977. Ways and Means. Amends the Internal Revenue Code to increase the investment tax credit to 20 percent for the replacement of equipment which is fueled by natural gas or oil with equipment which burns other fuels.

H.R. 6546. April 21, 1977. Education and Labor. Amends the Age Discrimination in Employment Act of 1967 to extend the coverage of such Act to individuals 65 or over, and to make unlawful seniority systems and employee benefit plans which require the retirement of individuals 40 or over.

H.R. 6547. April 21, 1977. Education and Labor. Amends the Age Discrimination in Employment Act of 1967 to extend the coverage of such Act to individuals 65 or over, and to make unlawful seniority systems and employee benefit plans which require the retirement of individuals 40 or over.

H.R. 6548. April 21, 1977. Judiciary. Declares a certain individual conditionally eligible for naturalization under the Immigration and Nationality Act.

H.R. 6549. April 22, 1977. Public Works and Transportation. Authorizes the Secretary of Commerce to establish a program of Federal grants and loans to assist emergency drought impact areas.

H.R. 6550. April 22, 1977. Interior and Insular Affairs. Authorizes certain appropriations for the territories of the United States. Authorizes consolidation of certain grants made to insular areas. Abolishes the office of Comptroller General for Guam and the Virgin Islands. Empowers the legislature of Guam to levy a surtax on income. Provides that the legislature of the Virgin Islands may override a veto of legislation by the Governor. Equalizes certain provisions of law applying to Guam, the Virgin Islands and the Northern Mariana Islands. Authorizes grants to American Samoa, Guam and the Virgin Islands to offset tax revenue losses.

H.R. 6551. April 22, 1977. Ways and Means. Amends the Internal Revenue Code to allow a limited deduction for amounts paid by or on behalf of an individual for an individual retirement account, a trust, or an annuity contract.

H.R. 6552. April 22, 1977. Government Operations. Requires the Secretary of the Treasury to prepare and make public annual consolidated financial statements for all expenditures of the United States, utilizing the accrual method of accounting.

H.R. 6553. April 22, 1977. International Relations. Restricts payments of the United States to the United Nations to the ratio of the population of the United States to the total population of member nations.

H.R. 6554. April 22, 1977. Interstate and Foreign Commerce. Amends the Securities Act of 1933 to include specified State, territory, and municipal securities under the provisions of this Act. Authorizes the Securities and Exchange Commission to exempt such securities by rule or regulation.

Includes industrial development bonds under the provisions of this Act.

H.R. 6555. April 22, 1977. Ways and Means. Amends the Internal Revenue Code to allow limited income tax credits for the installation of solar heating and cooling equipment in residences. Provides for an investment tax credit for the installation of insulation and solar energy equipment in structures used in a trade or business, or held for the production of income, including lodging facilities. Allows the accelerated amortization of depreciable geothermal, solar, shale oil and waste-energy equipment.

H.R. 6556. April 22, 1977. Post Office and Civil Service. Permits any Federal employee or Member of Congress who, at the time of retirement, does not elect a reduced annuity in order to provide a survivor annuity to a spouse or other person to make such an election within one year after retiring. Requires such employee to refund to the Government an amount equal to the amount such employee's annuity would have been reduced during the period from the date of retirement to the date of election plus interest.

H.R. 6557. April 22, 1977. Interior and Insular Affairs. Revises the boundaries of the Manassas National Battlefield Park in Virginia. Authorizes the Secretary of the Interior to acquire additional lands for the battlefield and to make minor revisions in the boundary. Establishes procedures to allow owners of property within the boundaries of the battlefield to retain a right of use and occupancy.

H.R. 6558. April 22, 1977. Ways and Means. Amends the Internal Revenue Code to provide for the discharge of unrecorded tax liens on personal residences which are purchases from the delinquent taxpayers by individuals. Allows individual purchasers of such property to bring civil suit, within six years after the notice of the lien is filed, for discharge of the lien, in any district court of the United States.

H.R. 6559. April 22, 1977. Education and Labor; Ways and Means. Amends the Employee Retirement Income Security Act of 1974 to repeal the provision permitting pension plans providing annuities before normal retirement age to pay such benefits in a form other than one having the effect of a qualified joint and survivor annuity.

Requires a plan to provide a survivors annuity to the spouse of a participant who dies before the earliest retirement age.

Amends the Internal Revenue Code to make similar revision with respect to requirements for qualifying pension trusts thereunder.

H.R. 6560. April 22, 1977. Judiciary. Amends the Immigration and Nationality Act to make it unlawful to knowingly hire an alien not lawfully admitted into the United States. Requires that employees of the Department of Health, Education, and Welfare disclose the names of illegal aliens who are receiving assistance under the Social Security Act.

Makes punishable by a fine or imprisonment the making of false border crossing cards, alien registration receipt cards, and other documents used for entry into the United States.

H.R. 6561. April 22, 1977. Ways and Means. Amends title II (Old-Age, Survivors, and Disability Insurance) to decrease from 20 to 10 to number of years a divorced woman must have been married to an insured individual in order for her to qualify for wife's or widow's benefits on his wage record.

H.R. 6562. April 22, 1977. Ways and Means. Amends the Internal Revenue Code to allow individuals a limited income tax deduction for uncompensated repairs to certain residential water wells damaged by drought.

H.R. 6563. April 22, 1977. Interior and Insular Affairs; International Relations. Amends the Mineral Leasing Act of 1920 to prohibit exports of domestically-produced and pipeline-transported crude oil to foreign nations, with the limited exceptions of exchanges or temporary exports for convenience or increased efficiency of transportation.

H.R. 6564. April 22, 1977. Interior and Insular Affairs; Merchant Marine and Fisheries. Designates specified lands and waters in Alaska as units of the National Wildlife Refuge System, the National Park System, the National Wild and Scenic Rivers System, and the National Forest System. Directs the Secretary of the Interior to study the feasibility of designating specified lands in Alaska as wilderness.

H.R. 6565. April 22, 1977. Education and Labor. Amends the Elementary and Secondary Education Act of 1965 to direct the Commissioner of Education to make grants to, and enter into contracts with, institutions of higher education for the purpose of offering five-year demonstration programs to encourage disadvantaged secondary education students to pursue professional training in the biomedical sciences.

Sets forth the activities each demonstration program must provide and the criteria each applicant must meet in order to be eligible for assistance under such program.

H.R. 6566. April 22, 1977. Science and Technology; Armed Services. Authorizes appropriations to the Energy Research and Development Administration for fiscal year 1978 for national security programs.

H.R. 6567. April 22, 1977. Small Business. Amends the Small Business Act to reduce the rate of interest on the Small Business Administration's portion of disaster relief loans with respect to major disasters occurring on or after April 1, 1977, and prior to June 6, 1977.

H.R. 6568. April 22, 1977. Ways and Means; Interstate and Foreign Commerce. Amends Title XVIII (Medicare) of the Social Security Act to include within the medical and other health services covered by such Title the transportation of patients confined to a stretcher or wheelchair in a vehicle which is not equipped as an ambulance but which is adequately equipped to transport such patients.

H.R. 6569. April 22, 1977. Interstate and Foreign Commerce. Amends the Clean Air Act to revise carbon monoxide and nitrogen oxide emission standards for light-duty motor vehicles. Extends interim emission standards for hydrocarbons and carbon monoxide through model year 1979. Extends interim standards for nitrogen oxides through model year 1981. Authorizes revisions or waivers of nitrogen oxide standards in subsequent model year.

Authorizes non-disclosure of emission data to the public where deemed necessary to pre-

serve trade secrets. Establishes procedures for public participation in hearings on proposed motor vehicles emission standards.

Authorizes appropriations to carry out the Act through fiscal year 1980.

H.R. 6570. April 25, 1977. Agriculture. Permits the Secretary of Agriculture to make loans to persons in the United States who obtain at least 80 percent of their gross income by carrying out cattle-raising activities, for the the purpose of refinancing an indebtedness to a lending institution incurred by such activities.

H.R. 6571. April 25, 1977. Ways and Means. Amends the Internal Revenue Code to repeal the income limitation for the income tax credit for the elderly.

H.R. 6572. April 25, 1977. Agriculture. Amends the Agriculture Act of 1949 by establishing the support price of milk at not less than 90 percent of the parity price on the date of enactment, and by providing for quarterly adjustments.

H.R. 6573. April 25, 1977. Interior and Insular Affairs. Amends the Energy Reorganization Act of 1974 to require that the Energy Research and Development Administration notify legislatures of affected States of plans to explore sites for radioactive waste storage facilities. Prohibits the Administration from contracting for construction of any such facility at a site where the State legislature has indicated disapproval.

H.R. 6574. April 25, 1977. Judiciary. Amends the Indochina Migration and Refugee Assistance Act to provide a 2-year extension of Federal funds for the provision of financial, medical, employment, and relocation assistance to refugees from Cambodia, Vietnam, or Laos.

H.R. 6575. April 25, 1977. Ways and Means; Interstate and Foreign Commerce. Sets forth a program to constrain the rate of increases in total acute care hospital inpatient costs. Directs the Secretary of Health, Education, and Walfare to promulgate annually an "inpatient hospital revenue increase limit." Promulgates formulae for the computation of such limit.

Amends the Internal Revenue Code of 1954 to establish an excise tax on charges for hospital services in excess of the limit.

Amends the Public Health Service Act to limit the annual amount of hospital capital expenditures to spending for essential hospital needs.

H.R. 6576. April 25, 1977. Government Operations. Stipulates the circumstances under which executive agencies are to use procurement contracts, grant agreements and cooperative agreements to reflect a relationship between the Federal Government and a State or local government or other entity.

Directs the Office of Management and Budget to undertake a comprehensive study of alternative means of implementing Federal assistance programs and to determine the feasibility of developing a comprehensive system of guidance for such programs.

H.R. 6577. April 25, 1977. Education and Labor; Interstate and Foreign Commerce. Establishes the Office of Independent Living within the Department of Health, Education, and Welfare to administer grants to establish independent living centers for the disabled.

Requires such centers to provide specified services including: (1) counseling regarding attendant care; (2) health programs; (3) housing and transportation assistance; (4) independent living skills; and (5) legal and economic counseling.

Establishes the Task Force on Independent Living with H.E.W. to review the operations of such Office and of the centers.

H.R. 6578. April 25, 1977. Banking, Finance and Uban Affairs. Establishes in the Department of Housing and Urban Development a low-interest loan program to assist low-and middle-income owners of homes to finance necessary major improvements to their homes.

H.R. 6579. April 25 1977. Interstate and Foreign Commerce. Requires franchisors to give franchisees 90-day notice, with limited exceptions of intent to cancel, or failure to renew, a franchise agreement. Allows such cancellation or failure to renew only for certain specified reasons. Requires a franchisor to compensate a franchisee for the value of the franchisee's business when the franchisor, for a legitimate business reason, fails to renew the franchise. Sets forth the judicial remedies available to a franchisee for a violation of this Act by the franchisor.

H.R. 6580. April 25, 1977. Interstate and Foreign Commerce. Amends the Railroad Act of 1974 to stipulate that whenever a retired employee who is receiving a larger annuity under such Act than would be payable to the spouse of such employee, the amount payable to the surviving spouse of such an individual shall be the same amount which would have been payable to the retired employee but for his or her death.

H.R. 6581. April 25, 1977. Ways and Means; Interstate and Foreign Commerce. Directs the Secretary of Health, Education, and Welfare to increase by 15 percent of all monthly benefits and lump-sum death payments under Title II (Old-Age, Survivors, and Disability Insurance) of the Social Security Act.

Amends such Title to require the payment of full social security benefits at age 50 when eligibility is based on the attainment of retirement age.

Amends such Title and Title XVIII (Medicare) of the Social Security Act to require the extension of Medicare coverage to an individual at age 50.

H.R. 6582. April 25, 1977. Armed Services. Abolishes one of the two present positions of Deputy Secretary of Defense within the Department of Defense. Establishes an Under Secretary of Defense for Policy. Renames the present position of Director of Defense for Research and Engineering as the Under Secretary of Defense for Research and Engineering.

H.R. 6583. April 25, 1977. Small Business. Amends the Small Business Act to reduce the rate of interest on the Small Business Administration's portion of disaster relief loans with respect to major disasters occurring on or after April 1, 1977, and prior to June 6, 1977.

H.R. 6584. April 25, 1977. Public Works and Transportation. Authorizes the President to provide public service employment for unemployed United States citizens in forestation, fire prevention, pest control, and other conservation projects on public lands, including national park and national forest improvement projects.

H.R. 6585. April 25, 1977. Interstate and Foreign Commerce. Establishes a utility services stamp program to assist low-income and fixed-income households in meeting monthly utility costs. Directs the Secretary of Health, Education, and Welfare to issue coupons and administer the program.

H.R. 6586. April 25, 1977. Ways and Means. Amends the Internal Revenue Code to allow an additional investment tax credit for machinery and equipment placed in service in existing manufacturing plants or in nearby areas.

H.R. 6587. April 25, 1977. Judiciary. Authorizes the President to nullify and cancel for as long as he deems necessary any Federal agency rule or regulation which he determines: (1) may be harmful to human life; (2) may restrict the Nation's supplies of fuel or energy resources; (3) may threaten the Nation's supplies of food and fiber; (4) may interfere with military maneuvers or national security; or (5) may have an adverse effect on the Nation's economy disproportionate to the ecological benefits of such rule or regulation. Permits Congress to disapprove such presidential action within 30 days after it is taken.

H.R. 6588. April 25, 1977. Interstate and Foreign Commerce. Directs the Administrator of the Environmental Protection Agency, the Consumer Product Safety Commission, the Food and Drug Administration, and any other appropriate Federal agency to take action within their respective jurisdictions to provide more effective protections against asbestos in the air, the water, and in the production and distribution of goods and services.

H.R. 6589. April 25, 1977. Ways and Means. Amends Title II (Old-Age, Survivors, and Disability Insurance) of the Social Security Act to provide that the automatic cost-of-living increases in benefits be made on a semiannual basis (rather than only on an annual basis as at present).

H.R. 6590. April 25, 1977. Veterans' Affairs. Directs the Secretary of Labor to provide (1) such comprehensive, coordinated, and interrelated programs as are deemed necessary to facilitate training, readjustment, and rehabilitation, and (2) career, veterans benefits and rights, and personal adjustment and motivational counseling to promote the productive employment of Vietnam era veterans, especially disabled veterans.

H.R. 6591. April 25, 1977. Veterans' Affairs. Directs the Secretary of the Army to establish one or more national cemeteries in the central west coast area of Florida, and to acquire such land as may be necessary for such establishment.

Directs the Administrator of the General Services Administration, upon requests, to transfer to the Department of the Army without reimbursement or transfer of funds any Government-owned land in the central west coast of Florida which the Secretary may determine suitable for a national cemetery.

H.R. 6592. April 25, 1977. Ways and Means. Amends the Internal Revenue Code to allow Members of State legislatures the same income tax business deduction for living expenses as is allowed Members of Congress.

H.R. 6593. April 25, 1977. Public Works and Transportation. Amends the Airport and Airway Development Act of 1970 to establish a minimum annual apportionment to States for airport development projects under such Act for fiscal years 1978, 1979, and 1980.

H.R. 6594. April 25, 1977. Public Works and Transportation. Authorizes States to sell State lottery tickets at rest and recreation areas on the rights-of-way of the Interstate Highway System within the State.

H.R. 6595. April 25, 1977. House Administration. Repeals the Presidential Primary Matching Payment Account Act.

H.R. 6596. April 25, 1977. Judiciary; Education and Labor. Eliminates the jurisdiction of Federal courts to issue busing orders based on race, color, religion or national origin.

Prohibits any Federal agency from inducing such busing through withholding or threatening to withhold Federal assistance.

H.R. 6597. April 25, 1977. Banking, Finance and Urban Affairs. Amends the Housing and Community Development Act of 1974 to require localities to provide as part of their housing assistance plans a plan to identify and reclaim deteriorated housing stock where feasible.

Amends the Housing Act of 1964 to require the designation of concentrated revitalization areas in which 90 percent of rehabilitation loan funds must be allocated.

H.R. 6598. April 25, 1977. Agriculture. Amends the Federal Insecticide, Fungicide, and Rodenticide Act to revise pesticide registration proceedings under such Act. Authorizes conditional registration of certain pesticides without full and complete test data.

Revises requirements for non-disclosure of trade secrets under such Act. Authorizes appropriations for fiscal year 1978 to carry out the Act.

H.R. 6599. April 25, 1977. Interstate and Foreign Commerce. Repeals the provisions of the Communications Act of 1934 allowing telegraph carriers to consolidate or merge.

H.R. 6600. April 25, 1977. Interstate and Foreign Commerce. Amends the Federal Food, Drug, and Cosmetic Act to deem a food additive safe if the Secretary of Health, Education, and Welfare (1) makes a finding that the public benefit from permitting the use of such additive would exceed the public risk resulting from such use; (2) gives notice in the Federal Register of such a finding and opportunity for public comment; and (3) issues a final order not earlier than 120 days from such publication.

Specifies factors that must be taken into consideration when evaluating a food additive.

Deems saccharin a safe food additive unless the Secretary declares it unsafe under the provisions of this Act.

H.R. 6601. April 25, 1977. Interstate and Foreign Commerce. Establishes mandatory standards for State no-fault benefit plans for the compensation and rehabilitation of motor vehicle accident victims.

Establishes within the Department of Transportation the Standards for No-Fault Benefits Review Panel to evaluate the performance and effect of approved State plans.

H.R. 6602. April 25, 1977. Judiciary. Directs the Attorney General to make grants to qualified State programs for the compensation of victims of crime.

Establishes an Advisory Committee on Victims of Crime to advise the Attorney General with respect to the administration of such grant program and to the compensation of victims of crime.

H.R. 6603. April 25, 1977. Ways and Means. Amends the Internal Revenue Code to provide an income tax credit for expenses incurred in the conversion of farm and ranch land into qualified wind erosion control or wildlife habitat areas. Provides Federal reimbursement to State and local governments for the real property taxes which would otherwise be collected on such property.

H.R. 6604. April 25, 1977. Judiciary. Prohibits the transportation of contraband cigarettes in interstate commerce.

H.R. 6605. April 25, 1977. Education and Labor. Amends the Community Services Act to permit the Director of the Community Services Administration to furnish assistance for the installation of security devices in the residences of elderly persons.

H.R. 6606. April 25, 1977. Education and Labor. Amends the Older Americans Act of 1965 to provide assistance for the installation of security devices in the residence of elderly persons. Includes projects to assist older persons to install security devices in the list of projects eligible for grants from the Department of Housing and Urban Development.

H.R. 6607. April 25, 1977. Judiciary. Directs the Attorney General to make grants to qualified State programs for the compensation of elderly victims of crime.

H.R. 6608. April 25, 1977. Ways and Means. Amends Title XX (Grants to States for Services) of the Social Security Act to include among the services provided under that Title the installation of security devices in the homes of the elderly.

H.R. 6609. April 25, 1977. Post Office and Civil Service. Amends the Postal Reorganization Act Amendments of 1976 to extend to October 31, 1977, the period during which the Postal Service is prohibited from: (1) increasing rates and fees to levels exceeding those in effect on the date of enactment of the Act; (2) offering levels and types of services which are less than those available on July 1, 1976; and (3) closing certain postal facilities which were in operation on July 1, 1976.

H.R. 6610. April 25, 1977. Banking, Finance and Urban Affairs. Prescribes procedures and standards covering the disclosure of customer records by financial institutions to Federal agencies.

H.R. 6611. April 25, 1977. Interstate and Foreign Commerce. Amends the Federal Food, Drug, and Cosmetic Act to provide that new drugs for human or animal use will be regulated under such Act solely to assure their safety, and not their effectiveness.

H.R. 6612. April 25, 1977. Interior and Insular Affairs. Restores certain Indian benefits and mineral rights to the members of the Pascua Yaqui Association, Incorporated of Arizona.

Provides for the establishment of a reservation for the Pascua Yaqui upon the transfer of certain land in trust by the Association to the Secretary of the Interior.

H.R. 6613. April 25, 1977. Judiciary. Directs the Secretary of the Treasury to redetermine the liability for tax under the Internal Revenue Code of a certain individual for a specified period of time.

H.R. 6614. April 25, 1977. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain individual in full settlement of such individual's claims against the United States.

H.R. 6615. April 25, 1977. Interior and Insular Affairs. Directs the Secretary of the Interior to amend a specified oil and gas lease held by a certain individual to include specified lands.

H.R. 6616. April 26, 1977. Agriculture. Amends the Consolidated Farm and Rural Development Act to increase the amount of any Department of Agriculture grant to local associations for water or waste projects. States general formulae for the calculation of grant amounts according to prescribed maximum rates for the project facility use payment made by an average domestic user of an area to be served by a project. Revises the priorities for recipients of project grants.

H.R. 6617. April 26, 1977. Merchant Marine and Fisheries; Interstate and Foreign Commerce; Judiciary. Requires the Secretary of the Interior to issue certain regulations relating to traps and trapping. Sets forth standards for approval of traps.

Establishes an advisory commission to advise the Secretary on traps designed or intended for use.

Prohibits trapping on Federal lands where such trapping will adversely affect any species of mammal or bird.

Sets forth a procedure for the application and issuance of trapping permits.

Requires shipping certificates for packages containing specified parts of trapped animals shipped in interstate commerce.

H.R. 6618. April 26, 1977. Government Operations; Rules. Requires the President to submit to Congress plans to reform once every ten years the regulatory activities of specified Federal agencies according to a staggered schedule set forth in this Act. States that if Congress fails to enact comprehensive regulatory reform legislation dealing with such plan within a specified period the applicable agency shall cease to exist.

H.R. 6619. April 26, 1977. Education and Labor. Amends the Civil Rights Act of 1964 to include as an unlawful employment practice discrimination on the basis of handicap.

H.R. 6620. April 26, 1977. Ways and Means. Amends the supplemental security income program of the Social Security Act to increase the guaranteed annual income under such act, to exclude certain assets and forms of income from consideration in the determination of eligibility and benefit amounts under such program, and to require the establishment of an outreach program to inform all individuals who may become eligible for such benefits of the availability of such benefits and the steps to be taken in obtaining them.

H.R. 6621. April 26, 1977. Interior and Insular Affairs. Designates specified lands within the George Washington National Forest in the State of Virginia as wilderness.

H.R. 6622. April 26, 1977. Education and Labor. Amends the Education Amendments of 1974 to authorize the Commissioner of Education to grant to the District of Columbia, as to any State, financial aid for the development and administration of an equalization plan.

H.R. 6623. April 26, 1977. Post Office and Civil Service. Stipulates that any increase in the rate of pay for Members of Congress, and the adoption of or increase in any other financial benefit specifically applicable to such individuals shall not take effect unless established by statute or approved by resolution.

Prohibits any such increase or benefit from taking effect before the beginning of the following Congress.

H.R. 6624. April 26, 1977. Public Works and Transportation. Authorizes the Secretary of the Army, acting through the Chief of Engineers, to study remedial stabilization measures for the bank of the Illinois River near Hardin, Ill.

H.R. 6625. April 26, 1977. Interior and Insular Affairs. Provides for the establishment of a Pine Barrens National Ecological Reserve in the State of New Jersey.

H.R. 6626. April 26, 1977. Veterans' Affairs. Denies veterans' benefits to an individual whose discharge from military service during the Vietnam era under less than honorable conditions is administratively upgraded, under temporarily revised standards, to discharge under honorable conditions; but only when such veteran's claim for benefits is based solely on such upgraded discharge. Requires the Secretary of the Army to supply a complete list of individuals receiving an upgraded discharge to the Administrator of Veterans' Affairs.

H.R. 6627. April 26, 1977. Interstate and Foreign Commerce. Amends the Motor Vehicle Information and Cost Savings Act to establish mandatory minimum motor vehicles fuel economy standards for passenger automobiles manufactured in model years 1982, 1983, 1984, and 1985.

H.R. 6628. April 26, 1977. Interior and Insular Affairs. Directs the Secretary of the Interior to assist in the establishment of water research and technology institutes to study water resources related problems. Authorizes appropriations to fund such institutes and related water research activities. Repeals the Water Resources Research Act of 1964.

Directs the Secretary to study the feasibility of converting saline or other contaminated water into usable water. Repeals the Saline Water Conversion Act of 1971.

H.R. 6629. April 26, 1977. Interior and Insular Affairs. Amends the Wild and Scenic Rivers Act to designate a specified portion of Black Creek in Mississippi as a potential addition to the wild and scenic rivers system.

H.R. 6630. April 26, 1977. Ways and Means. Amends the Internal Revenue Code to allow individuals limited income tax credits with

respect to certain elementary, secondary and higher education expenses, and a limited income tax deduction for certain contributions to qualified higher education savings plans. Provides all taxpayers with standing to challenge the constitutionality of the tax credit for elementary and secondary education expenses within three months of enactment. Vests exclusive jurisdiction to bring such challenges in the District Court for the District of Columbia.

H.R. 6631. April 26, 1977. Ways and Means. Amends the Internal Revenue Code to allow a deferral of an individual's income tax liability to the extent it equals a limited portion of the higher educational expenses incurred for the taxpayer, his spouse and dependents. Defers payment until the year following the end of the individual's attendance at an institution of higher education, or the tenth year following the taxpayers' initial deferral, whichever is earlier.

H.R. 6632. April 26, 1977. Armed Services. Authorizes the Administrator of General Services to dispose of a specified amount of tin now held in the national and supplemental stockpile.

H.R. 6633. April 26, 1977. Post Office and Civil Service. Entitles a Federal employee whose position is reduced in grade to have the grade of such position treated as if such reduction had not occurred so long as such position is continued to be filled by such employee without a break in service.

H.R. 6634. April 26, 1977. International Relations. Requires that the Hungarian Crown of Saint Stephen and other relics of Hungarian royalty be kept in the United States, unless Congress specifically provides otherwise.

H.R. 6635. April 26, 1977. Ways and Means. Amends the Second Liberty Bond Act to allow the interest rates paid on United States retirement plan and individual retirement bonds to be increased to the rate paid on United States series E savings bonds.

H.R. 6636. April 26, 1977. Interstate and Foreign Commerce; Public Works and Transportation; Ways and Means; Merchant Marine and Fisheries. Directs the Secretaries of Transportation and the Treasury to promulgate cargo security regulations. Establishes an Office of Cargo Security within the Department of Transportation. Creates an Interagency Council on Cargo Security to coordinate governmental activities in the field of cargo security.

H.R. 6637. April 26, 1977. Judiciary. Amends the Omnibus Crime Control and Safe Streets Act of 1968 to extend public safety officer death benefits to members of volunteer ambulance, first aid, or rescue squads.

Makes coverage under the Public Safety Officers Benefits Act retroactive so as to apply to deaths occurring after 1971.

H.R. 6638. April 26, 1977. Government Operations. Establishes the Office of Spanish-Speaking Affairs in the Executive Office of the President to assist Federal agencies in developing and implementing programs and policies designed to help Spanish-speaking and Spanish-surnamed Americans.

Establishes a coordinating Council on Spanish-Speaking Affairs to develop and implement agreements designed to reduce conflict among Federal agencies in carrying out programs to assist Spanish-speaking Americans.

H.R. 6639. April 26, 1977. Banking, Finance and Urban Affairs. Authorizes the Secretary of Housing and Urban Development to make grants to local agencies for converting closed school buildings into community centers, senior citizen centers and specified educational, medical or social service centers.

Directs the Secretary to serve as a national clearinghouse for local agencies by providing information on possible alternative uses for closed school buildings.

H.R. 6640. April 26, 1977. Ways and Means. Entitles taxpayers, under the Internal Revenue Code, to elect to take a deduction with respect to the amortization of any qualified school or hospital property, which was purchased from a tax-exempt organization, based on a period of 180 months.

H.R. 6641. April 26, 1977. Ways and Means. Interstate and Foreign Commerce. Amends title XVIII (Medicare) of the Social Security Act to provide payment for rural health clinic services pursuant to the program of Supplementary medical insurance benefits for the aged and disabled of such title.

H.R. 6642. April 26, 1977. Ways and Means. Interstate and Foreign Commerce. Amends title XI (General Provisions and Professional Standards Review) of the Social Security Act to assure the participation by registered professional nurses in the peer review and related activities authorized under such title.

H.R. 6643. April 26, 1977. Interior and Insular Affairs; Interstate and Foreign Commerce; Public Works and Transportation. Amends the Interstate Commerce Act to establish procedures for regulation of coal pipeline carriers under such Act. Prohibits coal pipeline carriers from transporting coal in interstate commerce where such carriers have interests in such coal. Requires prior approval of proposed mergers, transfers, and acquisitions by the Interstate Commerce Commission.

H.R. 6644. April 26, 1977. Veterans' Affairs. Provides that the recipient of a veterans' pension or dependency and indemnity compensation will not have the amount of such pension or compensation reduced because of cost-of-living increases in social security benefits railroad retirement annuities, or other retirement benefits.

H.R. 6645. April 26, 1977. Veterans' Affairs. Provides that the recipient of a veterans' pension or dependency and indemnity compensation will not have the amount of such pension or compensation reduced because of cost-of-living increases in social security benefits, railroad retirement annuities, or other retirement benefits.

H.R. 6646. April 26, 1977. Ways and Means. Amends the Internal Revenue Code to allow individuals an income tax deduction for all the ordinary and necessary expenses paid or incurred in traveling between the individual's principal place of construction related employment and a temporary construction project worksite.

H.R. 6647. April 26, 1977. Ways and Means. Amends title XVI (Supplemental Security Income for the Aged, Blind, and Disabled) of the Social Security Act to make benefits under such Title payable to a resident alien only if such alien has continuously resided in the United States for at least five years.

H.R. 6648. April 26, 1977. Judiciary. Amends the provisions of the Gun Control Act of 1968 which impose additional penalties for using or unlawfully carrying a firearm during the commission of a Federal felony to (1) replace ranges of authorized sentences with sentences for a specified number of years and (2) prohibit a probationary or suspended sentence for first, as well as for subsequent convictions.

H.R. 6649. April 26, 1977. Public Works and Transportation; Banking, Finance and Urban Affairs; Education and Labor; Small Business. Amends the Disaster Relief Act, the Public Works and Economic Development Act, and the Small Business Act to provide for Federal assistance to areas stricken by a drought emergency.

H.R. 6650. April 26, 1977. Education and Labor. Amends the Labor-Management Reporting and Disclosure Act to prohibit use by a labor organization of any money, other than sums voluntarily contributed to a separate fund, collected from any person subject to a compulsory membership agreement for any purpose not directly related to representing employees or promoting or defeating legislation directly affecting such role.

H.R. 6651. April 26, 1977. Judiciary. Establishes a Select Commission on Immigration and Refugee policy to study and analyze the effects in the United States of the Immigration and Nationality Act and the policies and procedures governing the admission of immigrants and refugees to the United States and to make appropriate recommendations to the President and to Congress.

H.R. 6652. April 26, 1977. Ways and Means. Amends (Grants to States for Old-Age Assistance and Medical Assistance for the Aged), IV (Aid to Families with Dependent Children), X (Grants to States for Aid to the Blind), XIV (Grants to States for Aid to the Permanently and Totally Disabled), and XVI (Supplemental Security Income for the Aged, Blind, and Disabled) of the Social Security Act to insure that future increases in benefits under a Federal retirement or disability program shall not be taken into consideration in determining a person's eligibility for aid or assistance under the programs established by such Titles.

H.R. 6653. April 26, 1977. Public Works and Transportation. Amends the Urban Transportation Act of 1964 to prohibit the Secretary of Transportation from approving any grant or loan under such Act unless the applicant gives satisfactory assurances that prior to the establishment or change in any fare or service which may substantially effect any community or segment thereof, the applicant will conduct public hearings with adequate notice and consider the impact on the community of such establishment or change in fare or service.

H.R. 6654. April 26, 1977. Public Works and Transportation. Amends the Urban Mass Transportation Act of 1964 to prohibit the Secretary of Transportation from approving any grant or loan under such Act unless the applicant gives satisfactory assurances that prior to the establishment or change in any fare or service which may substantially effect any community or segment thereof, the applicant will conduct public hearings with adequate prior notice and consider the impact on the community of such establishment or change in fare or service.

H.R. 6655. April 26, 1977. Banking, Finance and Urban Affairs. Amends the specified housing and community development laws to set forth a formula which the Secretary of Housing and Urban Development must follow in order to determine the amount to be allocated to each city under the supplemental block-grant program, and to increase the limit on funds that are authorized to be appropriated for annual contributions to low-income housing projects.

Extends specified Federal Housing Administration insurance programs.

Amends the Home Owners' Loan Act to extend the lending authority of Federal savings and loan associations.

Makes changes in national urban policy.

Authorizes appropriations for specified rural housing programs.

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Extends specified Federal Housing Administration insurance programs.

Amends the Home Owners' Loan Act to extend the lending authority of Federal savings and loan associations.

Makes changes in national urban policy.

Authorizes appropriations for specified rural housing programs.

H.R. 6657. April 26, 1977. Ways and Means. Repeals the provision of the Internal Revenue Code dealing with deductions for individual retirement accounts and replaces it with a provision allowing a deduction for amounts paid in cash.

H.R. 6658. April 26, 1977. International Relations; Interior and Insular Affairs. Requires that all timber harvested from lands owned by the United States located west of the one hundredth meridian be processed in the United States and that only specified products from the processing of timber harvested from specified lands owned by the United States be exported.

H.R. 6659. April 26, 1977. Ways and Means. Amends the Tariff Schedules of the United States to repeal the duty imposed on: (1) articles assembled abroad with components produced in the United States; and (2) certain metal articles manufactured in the United States and exported for further processing.

H.R. 6660. April 26, 1977. Interstate and Foreign Commerce. Amends the Federal Power Act to authorize the Federal Power Commission to take additional steps to improve the efficiency in the generation of electricity and to meet unanticipated shortages. Establishes procedures to eliminate unfair methods of competition and discriminatory rate structures. Requires hearings prior to increases in utility rate schedules.

Establishes procedures for planning of bulk power facilities by electric utilities. Imposes national minimum standards for State-regulated and nonregulated utilities.

Amends the Energy Conservation and Production Act to authorize Federal assistance to State regulatory agencies. Establishes procedures for representation of consumer interests in Federal Power Commission proceedings.

H.R. 6661. April 26, 1977. Interstate and Foreign Commerce; Ways and Means. Directs the Federal Energy Administrator to study the feasibility of a national program to implement waste heat energy recovery technology. Authorizes grants to State utility regulatory authorities to encourage waste heat energy recovery.

Amends the Internal Revenue Code of 1954 to establish financial incentives to encourage distributors of electric power to utilize waste heat energy.

H.R. 6662. April 26, 1977. Judiciary. Deems as creditable service for civil service retirement purposes a specified period of time during which a certain individual was imprisoned by the Government of Yugoslavia as a result of his employment in the United States Embassy in Belgrade, Yugoslavia.

H.R. 6663. April 26, 1977. Judiciary. Entitles the gain realized and reinvested in eligible replacement property, by a certain corporation as a result of an eminent domain transaction, to deferred recognition under the Internal Revenue Code of 1954.

H.R. 6664. April 26, 1977. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 6665. April 26, 1977. Judiciary. Gives Congressional consent to a certain retired Air Force Colonel to accept an office or position in King Faisal University in Saudi Arabia, and to accept compensation for services performed in such office or position.

H.R. 6666. April 27, 1977. Judiciary. Amends the Legal Services Corporation Act to: (1) revise guidelines regarding eligibility for, and priorities relative to, assistance under such Act; (2) subject to Corporation and State advisory councils to Government in the Sunshine Act requirements; (3) revise restrictions on political activities with respect to staff attorneys; (4) revise limitations on the use of funds made available by the Corporation; (5) authorize appropriations; and (6) authorize independent hearing examiners.

H.R. 6667. April 27, 1977. Ways and Means. Amends Title II (Old-Age, Survivors, and Disability Insurance) of the Social Security Act to revise the eligibility requirements for disability insurance benefits for blind persons. Revises the method of computing the primary insurance amount for blind persons under such Act.

H.R. 6668. April 27, 1977. Education and Labor. Amends the Age Discrimination Act of 1975 to extend, until November 28, 1977, the deadline for transmittal of the United States Commission on unreasonable discrimination based on age in Federally funded programs. Authorizes the Commission to provide technical assistance regarding its findings and recommendations to Congress, the President, and heads of executive departments and agencies.

H.R. 6669. April 27, 1977. Science and Technology. Requires the President to establish a National Climate Program for research, collection, analysis, forecasting, modeling, and dissemination of data concerning climate and its variations, and for the assessment of the impact on human activities for climatic changes. Requires that the head of a Federal agency, to be designated by the President, establish within such agency a National Climate Program Office to administer the Program.

Requires the establishment of a Management Council and an Advisory Council for the Program.

H.R. 6670. April 27, 1977. Science and Technology. Requires the President to establish a National Climate Program for research, collection, analysis, forecasting, modeling, and dissemination of data concerning climate and its variations, and for the assessment of the impact on human activities for climatic changes. Requires that the head of a Federal agency, to be designated by the President, establish within such agency a National Climate Program Office to administer the Program.

Requires the establishment of a Management Council and an Advisory Council for the Program.

H.R. 6671. April 27, 1977. Interior and Insular Affairs. Directs the Secretary of the Interior to convey all mineral interests reserved to the United States in specified land to Oklahoma State University.

H.R. 6672. April 27, 1977. Public Works and Transportation; Interior and Insular Affairs. Transfers from the Secretary of the Army to the Secretary of the Interior the authority, real property, project authorization and unexpended appropriations for the Tocks Island Reservoir Project, Pennsylvania, New Jersey, and New York. Terminates authorization of the project as part of the Delaware River Basin project under the Flood Control Act of 1962. Stipulates the priorities of the Secretary of the Interior in administration of the project.

H.R. 6673. April 27, 1977. Banking, Finance and Urban Affairs. Amends the National Flood Insurance Act of 1968 to increase flood insurance coverage available under the Act for certain residential, business, and other properties.

Specifies that certain criteria for land management and use in flood-prone areas shall not apply to the repair or improvement of a structure unless the cost of such repair or improvement exceeds a specified figure.

H.R. 6674. April 27, 1977. Interstate and Foreign Commerce. Reaffirms the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce. Reaffirms the authority of the States to regulate terminal and station equipment used for telephone exchange service. Requires the Federal Communications Commission to make specified findings in connection with Commission actions authorizing specialized carriers.

H.R. 6675. April 27, 1977. Interior and Insular Affairs. Allows larger acreages of specified lands to be retained by the owner of such land and still remain qualified for irrigation water under Federal reclamation laws.

H.R. 6676. April 27, 1977. Interstate and Foreign Commerce. Amends the Controlled Substances Act of 1977 to set forth penalties for (1) breaking and entering a pharmacy with intent to unlawfully obtain a controlled substance and (2) obtaining, or attempting to obtain, a controlled substance from a pharmacy by force or violence.

H.R. 6677. April 27, 1977. Judiciary. Sets forth guidelines relative to State and local government liability and Federal court abstention in civil actions for the deprivations of a constitutional or Federal statutory right, including the right to enjoy ones reputation, by persons acting under color of law.

Renders a prosecuting officer of a State, municipality, or other unit of local government liable for damages or subject to an injunction for failure to disclose material evidence.

H.R. 6678. April 27, 1977. Banking, Finance and Urban Affairs. Amends the Truth in Lending Act to eliminate the inclusion of agricultural credit under such Act.

H.R. 6679. April 27, 1977. Ways and Means. Amends the Internal Revenue Code to allow a taxpayer, who is entitled to a depletion allowance, to elect to exclude from gross income amounts attributable to production from any exploratory oil or gas well drilled within five years from the effective date of this Act.

H.R. 6680. April 27, 1977. Agriculture. Amends the Emergency Livestock Credit Act of 1974 to require the loan applicant, instead of the lender, to certify in writing that the applicant has met the conditions for a loan guarantee. Extends the Act through 1979.

H.R. 6681. April 27, 1977. Agriculture. Amends the Consolidated Farm and Rural Development Act to establish a flat interest rate on emergency loans, regardless of whether the amount of a loan exceeds the amount of actual loss caused by a disaster. Reduces the loss of production an applicant must show to be sustained as a result of a disaster, if such applicant seeks financial assistance based on production losses.

H.R. 6682. April 27, 1977. Ways and Means. Amends the Social Security Act by entitling an Old-Age, Survivors, and Disability Insurance claimant to a reconsideration of the initial decision concerning such claimant's eligibility for benefits. Allows such claimant to request a hearing on such reconsideration determination. Requires that such a hearing be presided over by an administrative law judge and conducted on the record.

Directs the Secretary of Health, Education, and Welfare to appoint administrative law judges to conduct such hearings.

Sets forth criteria requiring the remand of a disputed claim to the appropriate regional commissioner of the Social Security Administration.

H.R. 6683. April 27, 1977. Science and Technology; Interior and Insular Affairs. Directs the President to establish: (1) a National Earthquake Hazard Reduction Program; (2) an Office of Earthquake Hazard Reduction; (3) a National Advisory Committee on Earthquake Hazard Reduction; and (4) an Earthquake Prediction Evaluation Board.

Specifies the duties of the Office of Earthquake Hazard Reduction, including the development of an Earthquake Hazard Reduction Program plan.

Directs the Earthquake Prediction Evaluation Board to monitor prediction methods and issue earthquake predictions.

H.R. 6684. April 27, 1977. Science and Technology. Directs the President to establish:

(1) a National Earthquake Hazard Reduction Program; (2) an Office of Earthquake Hazard Reduction; (3) a National Advisory Committee on Earthquake Hazard Reduction; and (4) Earthquake Prediction Evaluation Board.

Specifies the duties of the Office of Earthquake Hazard Reduction, including the development of an Earthquake Hazard Reduction Program plan.

Directs the Earthquake Prediction Evaluation Board to monitor prediction methods and issue earthquake predictions.

H.R. 6685. April 27, 1977. Veterans' Affairs. Directs the Administrator of Veterans' Affairs to require State nursing homes to provide up to four beds per thousand veteran population (currently, two-and-one-half beds) in order for a State to qualify for Federal assistance in constructing nursing homes for veterans.

H.R. 6686. April 27, 1977. Banking, Finance and Urban Affairs. Requires the establishment of escrow accounts in connection with federally related mortgage loans, under specified conditions. Requires that interest be paid on such accounts. Regulates the requirements of advance deposits in escrow accounts.

H.R. 6687. April 27, 1977. Banking, Finance and Urban Affairs. Amends the National Housing Act to permit the Secretary of Housing and Urban Development to insure mortgages and loans with varying rates of amortization corresponding to anticipated variations in family income on a regular basis.

Amends the Internal Revenue Code to establish tax-exempt savings accounts which would be available to first-time home buyers, known as individual housing accounts.

H.R. 6688. April 27, 1977. Ways and Means. Amends the Tariff Schedules of the United States to permit the duty-free importation of Tricot and Raschel warp knitting machines until June 31, 1980.

H.R. 6689. April 27, 1977. International Relations. Authorizes appropriations for fiscal year 1978 for the Department of State, the United States Information Agency, and the Board for International Broadcasting. Authorizes annual appropriations for the Inter-American Foundation.

Revises limitations on the acquisition of Foreign Service buildings.

Creates Assistant Secretaries of State for Human Rights and for Consular Affairs.

Establishes an advisory board on toll increases on the St. Lawrence Seaway and the Welland Canal.

Permits retired and reserve members of the uniformed services to accept employment by foreign governments.

Revises the Foreign Service Retirement System with respect to Foreign Service Reserve officers.

H.R. 6690. April 27, 1977. Post Office and Civil Service. Requires all revenues and fees collected by the Postal Service to be deposited in the general fund of the Treasury of the United States. Requires the Postal Service to describe all operations and provide any other necessary information to Congress when seeking appropriations for its operations before the appropriate Congressional committees as required by this Act.

Requires the Postal Service to provide door or curbline mail delivery to all permanent residential addresses receiving such service on or after the date of enactment of the Postal Reorganization Act Amendments of 1976 until September 15, 1977.

H.R. 6691. April 27, 1977. Veterans' Affairs. Denies veterans' benefits to an individual whose discharge from military service during the Vietnam era under less than honorable conditions is administratively upgraded, under temporarily revised standards, to discharge under honorable conditions; but only when such veteran's claim for benefits is based solely on such upgraded discharge.

H.R. 6692. April 27, 1977. Education and Labor. Authorizes appropriations under the Education of the Handicapped Act for fiscal year 1978 through fiscal year 1982 for developing: (1) regional resource centers; (2) centers and services for deaf-blind children; (3) programs for the early education of handicapped children; (4) special regional education programs; (5) programs for training personnel working with handicapped children; (6) research and demonstration projects; and (7) instructional media for the handicapped.

H.R. 6693. April 27, 1977. Education and Labor. Amends the Child Abuse Prevention and Treatment Act to extend the authorization of appropriations contained in such Act to include fiscal year 1978 through fiscal year 1982.

H.R. 6694. April 27, 1977. International Relations. Amends the Foreign Assistance Act of 1961 to terminate foreign assistance and military sales unless the President certifies that the recipient country is taking adequate measures to control illegal narcotics trade.

H.R. 6695. April 27, 1977. Banking, Finance and Urban Affairs. Authorizes the Secretary of Housing and Urban Development, acting through the States, to make loans to homeowners to assist them in purchasing and installing qualified solar heating and cooling equipment.

Directs the Secretary to disseminate information concerning recommended standards and types of qualified solar heating or solar and cooling equipment appropriate for use in residential structures.

H.R. 6696. April 27, 1977. Judiciary. Amends the Federal Rules of Evidence with respect to the introduction in cases of rape or assault with intent to rape of evidence of a person's past sexual behavior.

H.R. 6697. April 27, 1977. Judiciary. Amends provisions of the Gun Control Act of 1968 which impose additional sentences for using or unlawfully carrying a firearm during the commission of a Federal felony to (1) impose mandatory sentences of specified duration and (2) render knowing principals and conspirators liable to such penalties.

Denies pretrial release to a person charged with such a firearms violation if the proof of guilt is evident or the presumption is great.

H.R. 6698. April 27, 1977. Interstate and Foreign Commerce. Amends the Regional Rail Reorganization Act of 1973 to direct the Consolidated Rail Corporation (ConRail) to make premium payments in order to maintain insurance policies providing medical or life insurance benefits to employees and retirees under such Act. Entitles the corporation to a loan under such Act to make such payments. Deems such costs to be expenses of the administration of the respective estates of the railroads in reorganization.

H.R. 6699. April 27, 1977. Post Office and Civil Service. Amends the Legislative Reorganization Act of 1946 to stipulate that any cost-of-living pay adjustment for Members of Congress may take effect only if both Houses adopt a pay approval resolution by a recorded vote.

H.R. 6700. April 27, 1977. Ways and Means. Amends the Regional Rail Reorganization Act of 1973 and the Internal Revenue Code to exclude from the gross income of an individual railroad worker, for income tax purposes, any amount payable to such individual as a monthly displacement allowance, separation allowance, or termination allowance.

H.R. 6701. April 27, 1977. Ways and Means. Amends the Internal Revenue Code to provide a $5,000 tax exclusion from gross income for any amount received as an annuity, pension, or other retirement benefit.

H.R. 6702. April 27, 1977. Science and Technology. Directs the Administrator of the Energy Research and Development Administration to study the uses of grain or grain products in the development and use of fuel.

H.R. 6703. April 27, 1977. Public Works and Transportation. Authorizes the Secretary of the Army, acting through the Chief of Engineers, to design and construct on an expedited basis certain flood control facilities on portions of the Big Sandy River in Kentucky and West Virginia.

H.R. 6704. April 27, 1977. Public Works and Transportation. Authorizes the Secretary of the Army, acting through the Chief of Engineers, to design and construct on an expedited basis certain flood control facilities on portions of the Big Sandy River, and the Cumberland River, in Kentucky and West Virginia.

H.R. 6705. April 27, 1977. Public Works and Transportation. Amends the Flood Control Act of 1954 to authorize the Corps of Engineers to furnish technical assistance to any State for removing snags and clearing and straightening channels in navigable streams.

H.R. 6706. April 27, 1977. Interstate and Foreign Commerce. Amends Title XIX (Medicaid) of the Social Security Act to require State plans for Medicaid to include a Child Health Assessment Program for the early, periodic screening of physical and mental defects in children under the age of 21 who are members of families eligible for Medicaid or Aid to Families with Dependent Children.

H.R. 6707. April 27, 1977. Ways and Means; Interstate and Foreign Commerce. Amends Title XI, part B (Professional Standards Review) of the Social Security Act to exempt hospitals and inpatient facilities having fewer than 100 beds from the requirement of review by a Professional Standards Review Organization and from the related requirements and provisions of that part.

H.R. 6708. April 27, 1977. Ways and Means; Interstate and Foreign Commerce. Amends Title XVIII (Medicare) of the Social Security Act to provide payment for optometric and medical vision care under the supplementary medical insurance program.

H.R. 6709. April 27, 1977. Armed Services. Authorizes the recomputation at age 60 to the retired or retainer pay for members or former members of the uniformed services whose retired or retainer pay was computed on the basis of pay scales in effect prior to January 1, 1972, in order to reflect any retired or retainer pay increases for other members which was based on changes in the Consumer Price Index since that date.

H.R. 6710. April 27, 1977. Interstate and Foreign Commerce. Amends the Health Programs Extension Act of 1973 to prohibit any entity receiving Federal funds from discriminating against any applicant for study because of the views of the applicant regarding abortion or sterilization.

H.R. 6711. April 27, 1977. Government Operations; House Administration. Directs the installation of telecommunications devices which permit two-way communication of textual messages in alphanumeric form by telephone lines in specified Federal agencies to facilitate communication with such agencies by the deaf and provides assistance in such installations in State and local governmental offices. Permits the installation of such a device in the office of any Member of Congress who requests one. Provides for the installation of such devices throughout the United States for the use of deaf persons wishing to communicate with such government agencies or Members of Congress.

H.R. 6112. April 27, 1977. International Relations. Amends the Agricultural Trade Development and Assistance Act of 1954 to require the President to require sales of all agricultural commodities financed by the Commodity Credit Corporation to be made on the basis of a public tender, to be publicly opened in the United States, and to

prohibit the payment of a commission to any selling agent.

H.R. 6713. April 27, 1977. Interstate and Foreign Commerce. Amends the Federal Food, Drug, and Cosmetic Act to allow use of a food additive for human health purposes, even though such additive induces cancer in animals, if the Secretary of Health, Education, and Welfare determines the benefits of such use outweigh the risks.

Directs the Secretary to consider in his evaluation (1) scientific data and information on the additive; (2) the scientific validity and other conditions concerning the additive's testing on animals; and (3) the reliability of predicting cancer in humans from use of an additive found to induce cancer in animals.

H.R. 6714. April 28, 1977. International Relations. Amends the Foreign Assistance Act of 1961 to authorize appropriations for fiscal year 1978 for: (1) food and nutrition, family planning, health, education, and environmental damage assistance; (2) development assistance for the Sahel; (3) American schools and hospitals abroad; (4) assistance to international organizations and programs; (5) international disaster assistance; (6) relief assistance to victims of the 1976 Italian earthquakes; and (7) operating expenses. Repeals the prohibitions on assistance to countries trading with Cuba and Vietnam. Sets forth certain foreign assistance policies and restrictions.

Amends the Agricultural Trade Development and Assistance Act of 1954 to establish food for development programs.

H.R. 6715. April 28, 1977. Ways and Means. Amends the Internal Revenue Code to make technical, spelling, clerical and other corrections to the income, estate and gift tax provisions of the Tax Reform Act.

H.R. 6716. April 28, 1977. Judiciary. Amends the Omnibus Crime Control and Safe Streets Act of 1968 to condition certain assistance to States, local governments, and agencies thereunder on the adoption of a law enforcement officers' bill of rights.

H.R. 6717. April 28, 1977. Judiciary. Amends the Omnibus Crime Control and Safe Streets Act of 1968 to condition certain assistance to States, local governments, and agencies thereunder on the adoption of a law enforcement officers' bill of rights.

H.R. 6718. April 28, 1977. Judiciary. Amends the Omnibus Crime Control and Safe Streets Act of 1968 to condition certain assistance to States, local governments, and agencies thereunder on the adoption of a law enforcement officers' bill of rights.

H.R. 6719. April 28, 1977. Agriculture. Amends the Agricultural Act of 1949 to establish a price support program for soybeans.

H.R. 6720. April 28, 1977. Education and Labor. Requires each State receiving financial assistance under the Elementary and Secondary Education Act of 1965 which is operating a program designed to insure reading readiness for educationally deprived preschool children or children in grades 1, 2, or 3 to continue such programs at their present level.

Prohibits the exclusion of children enrolled in such program from further participation on the ground that such child has achieved a reading aptitude equal to or greater than the normal reading aptitude for the grade in which the child is enrolled.

H.R. 6721. April 28, 1977. Public Works and Transportation. Directs the Secretary of Transportation to compile information on the motor vehicle safety devices and to make such information available to the States. Authorizes the Secretary to make incentive grants to any State which uses such information as part of its procedure for issuing motor vehicle operating permits.

H.R. 6722. April 28, 1977. Post Office and Civil Service. Makes National Guard civilian technicians members of the competitive service. Gives such individuals certain rights relating to order of retention and procedures for removal or suspension from employment.

H.R. 6723. April 28, 1977. Education and Labor. Directs the Secretary of Agriculture and the Secretary of the Interior to establish a Civilian Conservation Corps to provide employment for unemployed persons in projects connected with conservation of the Nation's land and water resources. Authorizes grants for State conservation projects which meet eligibility requirements under this Act.

H.R. 6724. April 28, 1977. Government Operations. Establishes a Consumer Protection Agency within the executive branch to represent the interests of consumers before Federal agencies, to receive and act upon consumer complaints, to perform research on consumer products, and to gather and disseminate information on consumer products and services.

Requires Federal agencies considering policies or regulations which may affect the interests of consumers to notify the Agency, and to consider the interests of consumers.

H.R. 6725. April 28, 1977. Ways and Means. Amends the Internal Revenue Code to exempt certain corporations substantially owned by members of two or three families from the requirement that corporations engaged in farming use the accrual method of accounting.

H.R. 6726. April 28, 1977. Public Works and Transportation. Designates the Federal building located at 501 Broadway in Paducah, Ky., as the "Frank Albert Stubblefield Federal Building."

H.R. 6727. April 28, 1977. Science and Technology; International Relations. Amends the Federal Nonnuclear Energy Research and Development Act of 1974 to direct the Administrator of the Energy Research and Development Administration to establish a program to assist less development and impoverished nations and regions in the development and utilization of unconventional, nonnuclear energy technologies.

H.R. 6728. April 28, 1977. Interior and Insular Affairs. Imposes additional restrictions on sales and resales of excess lands sold to qualify for water rights under the Federal reclamation laws.

H.R. 6729. April 28, 1977. Merchant Marine and Fisheries. Amends the Marine Mammal Protection Act of 1972 to require the establishment of progressively lower quotas for the taking of marine mammals incidental to commercial tuna fishing.

Requires the Secretary of the Treasury to ban the importation of fish and fish products from foreign nations causing the incidental killing of or serious injury to marine mammals in excess of standards set by this Act.

Revises the procedure for placing observers upon commercial fishing vessels.

H.R. 6730. April 28, 1977. Ways and Means. Amends the Internal Revenue Code to allow limited, nonrefundable income tax credits for individuals who: (1) install qualified insulation in their residences; (2) install qualified solar heating and cooling equipment in dwelling units used by them, or leased to others as residences; (3) replace the heating system in any dwelling with a reversible, compressible refrigerant system (i.e., a heat pump system); or (4) purchase personal or family electric highway vehicles between 1976 and 1982.

H.R. 6731. April 28, 1977. Agriculture. Amends the Food Stamp Act of 1964: (1) to require the Secretary of Agriculture to establish uniform national eligibility standards for participation in the Food Stamp Program; (2) to define household income limits and the amount of household assets which will be permitted in determining eligibility; (3) to stipulate the conditions under which unemployment or underemployment will disqualify an applicant; (4) to establish regulations for the redemption of coupons; and (5) to set the value of a household's coupon allotment and the amount the household must pay therefor.

H.R. 6732. April 28, 1977. Ways and Means; Veterans' Affairs; Judiciary. Directs the Social Security Administration, the Veterans' Administration, and the Immigration and Naturalization Service to issue to any person requesting assistance from such agency a call card soliciting such person's opinion concerning the promptness, courtesy, and fairness with which his or her request was handled.

H.R. 6733. April 28, 1977. Eduction and Labor. Prohibits the sexual exploitation of children by making it unlawful for any individual to (1) cause or permit a child to be photographed or filmed engaged in a sexual act prohibited under this Act; (2) photograph or film a prohibited sexual act; (3) knowingly transport a film or photograph depicting a prohibited sexual act; or (4) receive for sale or sell any such film or photograph; if such individual knows or should know such film or photograph has or may be transported in such a manner as to affect interstate or foreign commerce.

H.R. 6734. April 28, 1977. Judiciary. Prohibits the sexual exploitation of children by making it unlawful for any individual to (1) cause or permit a child to be photographed or filmed engaged in a sexual act prohibited under this Act; (2) photograph or film a prohibited sexual acts; (3) knowingly transport a film or photograph depicting a prohibited sexual act; or (4) receive for sale or sell any such film or photograph, if such individual knows or should know such film or photograph has or may be transported in such a manner as to affect interstate or foreign commerce.

Imposes criminal penalties for violations of this Act.

H.R. 6735. April 28, 1977. Small Business. Amends the Small Business Act to authorize the Small Business Administrator to offer reinsurance against excess losses resulting from products liability claims or completed operations claims against small business concerns.

H.R. 6736. April 28, 1977. Veterans' Affairs. Exempts courses which lead to a standard college degree from the "85–15" rule under which the Administrator of Veterans' Affairs is required to disapprove enrollment of any eligible veterans, not already enrolled, in any course where more than 85 percent of the students enrolled have their fees paid by either the Federal Government or the educational institution itself.

H.R. 6737. April 28, 1977. Education and Labor. Amends the Comprehensive Employment and Training Act of 1973 to direct the Secretary of Labor to provide financial assistance to prime sponsors submitting approved plans for school year youth incentive and summer youth incentive programs.

H.R. 6738. April 28, 1977. Public Works and Transportation. Amends the Urban Mass Transportation Act of 1964 to require that applicants for funding under the urban mass transit grant program charge handicapped and elderly persons at most one-half the fare charged other individuals for mass transportation services during both peak and nonpeak hours.

H.R. 6739. April 28, 1977. Interstate and Foreign Commerce. Amends the Regional Rail Reorganization Act of 1973, the Railroad Revitalization and Regulatory Reform Act of 1976, and the Department of Transportation Act to extend for 15 months the period during which the Federal share of rail service assistance programs is 100 percent.

H.R. 6740. April 28, 1977. Interstate and Foreign Commerce. Reaffirms the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce. Reaffirms the authority of the States to regulate terminal and station equipment used for telephone exchange serv-

ice. Requires the Federal Communications Commission to make specified findings in connection with Commission actions authorizing specialized carriers.

H.R. 6741. April 28, 1977. Ways and Means. Amends the Internal Revenue Code to permit individuals to deduct contributions to a qualified fund, where the beneficiary is a dependent child, nephew or niece of the taxpayer, and where the distributions from the fund are to be made only to defray the cost of room, board, and tuition at an institution of higher education.

H.R. 6742. April 28, 1977. Public Works and Transportation. Prohibits the expenditure of Federal funds for the conversion of highway signs to the metric system unless the Congress specifically authorizes such an expenditure.

H.R. 6743. April 28, 1977. Interior and Insular Affairs. Authorizes the Secretary of the Interior to designate lands in Hyde Park, New York, as the Eleanor Roosevelt National Historic Site and to acquire and manage such lands.

H.R. 6744. April 28, 1977. Ways and Means. Amends the Internal Revenue Code to allow individuals alternative, limited income tax credits or deductions for the tuition paid for the primary, secondary or higher education of the taxpayer, his spouse and dependents.

H.R. 6745. April 28, 1977. Ways and Means; Interstate and Foreign Commerce. Amends the Social Security Act to extend specified public assistance benefits to Guam and the Virgin Islands on the same basis as other States.

H.R. 6746. April 28, 1977. Education and Labor. Prohibits the sexual exploitation of children by making it unlawful for any individual to (1) cause or permit a child to be photographed or filmed engaged in a sexual act prohibited under this Act; (2) photograph or film a prohibited sexual act; (3) knowingly transport a film or photograph depicting a prohibited sexual act; or (4) receive for sale or sell any such film or photograph, if such individual knows or should know such film or photograph has or may be transported in such a manner as to affect interstate or foreign commerce.

H.R. 6747. April 28, 1977. Education and Labor. Prohibits the sexual exploitation of children by making it unlawful for any individual to (1) cause or permit a child be photographed or filmed engaged in a sexual act prohibited under this Act; (2) photograph or film a prohibited sexual act; (3) knowingly transport a film or photograph depicting a prohibited sexual act; or (4) receive for sale or sell any such film or photograph, if such individual knows or should know such film or photograph has or may be transported in such a manner as to affect interstate or foreign commerce.

H.R. 6748. April 28, 1977. Ways and Means. Amends the Internal Revenue Code to allow as a credit against the income tax a limited amount of specified higher education expenses, including tuition, fees, books and supplies, incurred by the taxpayer for himself and any dependents.

H.R. 6749. April 28, 1977. Banking, Finance and Urban Affairs. Amends the National Housing Act to limit the rates which may be charged for property insurance under State FAIR plans to the advisory rates set by the State licensed rating organization.

Permits the Secretary of Housing and Urban Development to allow higher rates upon a showing of extraordinary need.

H.R. 6750. April 28, 1977. Banking, Finance and Urban Affairs. Authorizes the President to create an Interagency Task Force on Consumer Cooperatives to study the relationship of cooperatives to the economy and to ongoing Federal programs.

Creates a pilot loan program for cooperatives.

H.R. 6751. April 28, 1977. Ways and Means. Amends Title II (Old-Age, Survivors, and Disability Insurance) of the Social Security Act to eliminate the five-month waiting period which is presently a prerequisite of eligibility for disability insurance benefits.

H.R. 6752. April 28, 1977. Interior and Insular Affairs. Amends the Water Resources Planing Act of 1965 to repeal the limitation on the authorization of appropriations for fiscal years 1976 and 1977 for the preparation of assessments and of regional or river basin plans.

H.R. 6753. April 28, 1977. Ways and Means. Amends the Internal Revenue Code to exclude winnings from State lotteries from gross income.

H.R. 6754. April 28, 1977. Agriculture. Authorizes the Secretary of Agriculture to enter into agreements with owners and operators of land in the Great Plains area to promote conservation of soil and water resources through the conversion of cropland from soil depleting uses to conserving uses including the production of soil conserving cover crops.

H.R. 6755. April 28, 1977. Veterans' Affairs. States that application for service disabled veterans' insurance must be made after separation or release from active duty, and that no such insurance shall be effective until after 120 days following separation or release.

States that any insurance policy purchased by the Administrator of Veterans' Affairs shall not be effective for any National Guardsman or Air National Guardsman until such Guardsman is assinged to a unit or position in which he may be required to perform active duty.

H.R. 6756. April 28, 1977. Interstate and Foreign Commerce. Directs the Secretary of Health, Education, and Welfare to identify tertiary eye care centers that need upgrading and to make grants to accomplish such purpose. Directs the Secretary to create a commission to assess the present state of eye care facilities in the United States, to develop plans for improving and expanding such facilities, and to make grants to public and nonprofit private tertiary eye care centers to implement such upgrading.

H.R. 6757. April 28, 1977. Government Operations. Creates a Federal Program Information Center to establish and maintain a computerized program information system which is capable of identifying all existing Federal domestic assistance programs.

Requires the Director of the Center to publish an annual catalog containing all information on Federal domestic assistance programs that is in the data prepared pursuant to this Act and requires that such catalog shall be made available to the public at a reasonable price.

H.R. 6758. April 28, 1977. Merchant Marine and Fisheries. Amends the Merchant Marine Act, 1936, to extend the age limitation before which passenger ships delivered on or after December 1, 1952, can qualify for operating differential subsidies from 25 to 30 years.

H.R. 6759. April 28, 1977. Judiciary. Confers jurisdiction on the United States District court for the District of Puerto Rico to hear, determine, and render judgment on any claim filed by a certain individual against the United States arising out of specified circumstances.

H.R. 6760. April 28, 1977. Judiciary. Directs the Comptroller General to pay a specified sum of money to a certain individual in full and final settlement of all of his claims against the United States.

H.R. 6761. April 29, 1977. Education and Labor. Directs the Secretary of Health, Education, and Welfare to establish within the Department an Office of Youth Camp Safety to be headed by a Director of Youth Camp Safety. Charges the Director with the development and implementation of youth camp safety standards.

Establishes the Advisory Council on Youth Camp Safety to advise and consult with the Director.

H.R. 6762. April 29, 1977. Veterans' Affairs. Requires the Administrator of Veterans' Affairs to pay (in addition to any already paid) a monthly pension to each veteran of World War I who meets specified service requirements, or to the surviving spouse of each such veteran, or when there is no surviving spouse, to the child or children of each such veteran.

H.R. 6763. April 29, 1977. Merchant Marine and Fisheries; Interstate and Foreign Commerce; Judiciary. Requires the Secretary to issue certain regulations relating to traps and trapping. Sets forth standards for approved traps.

Establishes an advisory commission to advise the Secretary on traps designed or intended for use.

Prohibits trapping on Federal lands where such trapping will adversely affect any species of mammal or bird.

Sets forth a procedure for the application and issuance of trapping permits.

Requires shipping certificates for packages containing specified parts of trapped animals shipped in interstate commerce.

H.R. 6764. April 29, 1977. Education and Labor. Amends the surplus commodities provision of the Older Americans Act of 1965 to require the Secretary of Agriculture to donate surplus commodities to recipients of grants and contracts at a rate of at least 30 cents per meal during fiscal year 1978. Allows a State to elect to receive cash payments in lieu of donated foods with regard to programs for older Americans. Stipulates that payments of such funds to States may only be used by the States to purchase food for nutrition projects.

H.R. 6765. April 29, 1977. Armed Services. Credits female members of the armed forces, for purposes of computing years of active service in the Armed Forces, with service performed during World War I by such individuals as members of telephone operating units of the Army.

H.R. 6766. April 29, 1977. Interstate and Foreign Commerce. Reaffirms the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce. Grants additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest. Reaffirms the authority of the States to regulate terminal and station equipment used for telephone exchange service.

H.R. 6767. April 29, 1977. Public Works and Transportation. Amends the Federal-Aid Highway Act of 1976 to increase and extend the appropriations authorized under such act for the Federal-aid primary system. Increases the Federal share of the cost for construction projects financed with primary funds on the Federal-aid primary system.

H.R. 6768. April 29, 1977. Government Operations. Requires all rules proposed by any Federal agency to be submitted to Congress together with an estimate of the costs to be incurred by the Federal Government, State and local governments, nongovernmental entities, and individuals affected by such proposed rule. States that such rule shall become effective not sooner than 60 days after submission to Congress unless, within such period, either House disapproves such rule.

H.R. 6769. April 29, 1977. Ways and Means. Amends title II (old-age, survivors, and disability insurance) of the Social Security Act to increase the increment by which an individual's old-age benefits shall be increased because of delayed retirement beyond age 65.

H.R. 6770. April 29, 1977. Armed Services. Permits the enlistment of Vietnamese and Cambodian refugees into the Armed Forces under specified conditions.

SENATE—*Friday, November 11, 1977*

(Legislative day of Tuesday, November 1, 1977)

The Senate met at 10 a.m. on the expiration of the recess, and was called to order by the Acting President pro tempore (Mr. METCALF).

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will stand in recess until Tuesday, November 15, 1977, at 10 a.m.

RECESS UNTIL 10 A.M. TUESDAY, NOVEMBER 15, 1977

Thereupon (at 10 o'clock and 6 seconds a.m.) the Senate recessed until Tuesday, November 15, 1977, at 10 a.m.

EXTENSIONS OF REMARKS

PHILADELPHIA BREAKS GROUND FOR ISAAC D. LEVY MEMORIAL PARK

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 11, 1977

Mr. EILBERG. Mr. Speaker, I am pleased to be able to announce that groundbreaking ceremonies for the new Isaac D. Levy Memorial Park were held recently in the city of Philadelphia.

The $470,000 park, located next to the monument to the 6 million Jewish martyrs, was a gift to the city by Dr. and Mrs. Leon Levy, noted philanthropist. The brothers were cofounders of the Columbia Broadcasting System television network.

The Levys donated the funds for the park in memory of Dr. Levy's brother, Isaac, a philanthropist who contributed to many charities in the Philadelphia area and in Israel. Isaac Levy died 2 years ago.

Participating in the groundbreaking ceremony were Mayor Frank L. Rizzo, City Council President George X. Schwartz, Deputy City Representative Kenneth S. Mugler, Fairmount Park Commission President Robert W. Crawford, Dr. and Mrs. Levy, and Robert P. and Lynn Levy, Isaac's nephew and niece, respectively.

At the ceremonies, Mayor Rizzo called the park "a fine tribute to a great civic leader." The Mayor called Isaac Levy a man who "has had a tremendous impact upon Philadelphia" and a person whose memory "will never be forgotten."

The city purchased two parcels of land with the Levys gift and will construct the park on the site of an abandoned two-story garage and parking lot.

Isaac Levy served for more than 25 years on the Philadelphia Park Commission, and, at his death, was its vice president.

He was one of the founders of the CBS Television Network with his brother, Leon; a founder of WCAU, Radio, in Philadelphia; the original owner of the Yellow Cab Co.; and a one-time owner of the Philadelphia Eagles.

Throughout his life, Isaac Levy contributed to many charities in Philadelphia and in Israel. Among them are the William S. Paley Library at Temple University, projects of the University of Pennsylvania, the Children's Hospital of Philadelphia, and the Police Athletic League.

The new park is scheduled to be completed in early spring, 1978.

POSSIBLE ADDITIONAL F-16 AIRCRAFT FOR IRAN

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 11, 1977

Mr. HAMILTON. Mr. Speaker, I would like to bring to the attention of my colleagues some correspondence I have had with the State Department regarding the possible sale to Iran of 140 additional F–16 aircraft.

In 1976, Congress approved the sale of 160 F–16 aircraft for Iran. Iran now seeks an F–16 inventory of 300 planes. The State Department indicates in their reply that in making a decision on the second Iran request they will take into account both the AWACS airrcaft sale and the denial of the sale of 250 F–18L aircraft.

The decision on this pending request will be our indicator of the ability of the U.S. Government to start a downward trend in arms sales.

My correspondence with the State Department follows:

SEPTEMBER 28, 1977.

Hon. CYRUS R. VANCE,
Secretary of State,
Department of State,
Washington, D.C.

DEAR MR. SECRETARY: It is my understanding that there is presently under discussion in the State Department a proposal to sell Iran an adidtional 140 F–16 aircraft to bring that country's inventory of the F–16s to 300. I had been given the impression by executive branch officials that this sale would be denied.

I would like to know whether in fact, a decision has been made on this request, whether if the sale has not been denied and may be approved, its approval is related in any way to the denial of Iranian participation in any development of an F–18L aircraft and whether or not any potential second F–16 sale will be affected by the Congressional approval of the pending proposed sale of 7 AWACS aircraft.

I would appreciate an early response to this inquiry.

Sincerely yours,
LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East.

DEPARTMENT OF STATE,
Washington, D.C., October 21, 1977.

Hon. LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East, Committee on International Relations, House of Representatives.

DEAR MR. CHAIRMAN: The Secretary has asked me to reply to your letter of September 26, 1977 concerning Iran's request to purchase the F–16 aircraft.

It is correct that the Government of Iran has requested permission to buy 140 F–16 aircraft, in addition to the 160 already agreed to. The fact that the total Iranian request was for 300 F–16s was noted by the Administration witnesses during last September's hearings about the sale of the 160.

The Administration has as yet made no decision on the Iranian desire to purchase an additional 140 F–16s. A review of the request is underway within the Executive Branch.

The President's decision not to agree to the Iranian request to buy 250 F–18L aircraft, which the Iranians wanted as replacements for their F–4s, was based on the President's arms transfer policy, specifically that portion which states that advanced weapons systems must be operationally deployed with United States forces before a commitment can be made for foreign military sales. In considerating our decision on the sale of additional F–16s, the denial of the F–18L will be a factor, among many others, to be taken into account.

The AWACS aircraft which the Government of Iran has requested to buy will be a major component of that country's air defense system. As such, the Executive Branch will take the AWACS into consideration in reviewing any additions, such as the F–16, to that defense system.

Sincerely,
DOUGLAS J. BENNETT, Jr.,
Assistant Secretary for Congressional Relations.

U.S. BUSINESSMEN ENDORSE RETURN OF CROWN OF ST. STEPHEN

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 11, 1977

Mr. FRENZEL. Mr. Speaker, on November 7, Mr. Erwin Tomash, chairman, Data Products Corp. of California and chairman of the U.S. section of the Hungarian-U.S. Economic Council, wrote the following message about the President's decision to return the Crown of St. Stephen to the people of Hungary:

The Hungarian-U.S. Economic Council, representative of a broad cross section of American businesses active in Hungary, thoroughly endorses President Carter's deci-

sion to return the Crown of St. Stephen to that country. We believe this unilateral gesture is consistent with the recent improvement in Hungarian-U.S. relations, as it is with the American tradition of respect for rightful ownership and national sovereignty.

We, as other Americans, hope to see further improvements in Hungarian-U.S. relations in the months ahead. Clearly this move contributes to the momentum in this direction.

WATERWAY USER CHARGES: AN ECONOMIC AND POLITICAL DILEMMA

HON. JAMES R. JONES

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 11, 1977

Mr. JONES of Oklahoma. Mr. Speaker, the controversy over waterway user charges is not a cut-and-dried issue by any means. Two academicians quickly discovered that fact when they set out recently to research an objective study of the issue.

It was difficult to remain neutral, they conceded at the end of their article in the summer 1977 edition of the highly respected Transportation Journal, published by the American Society of Traffic and Transportation. The authors started out "strongly committed to advocating user charges prior to writing this article."

When they had the facts before them, however, they lost some of their conviction for ending a 200-year-old national policy.

"On balance, we still support the passage of user charges," wrote James C. Johnson, associate professor of marketing and transportation at St. Cloud, Minn., State University and formerly of the University of Tulsa, and Donald L. Berger, an M.B.A. candidate at the University of Tulsa. However, they concluded, "the gusto of our position has been diminished by additional understanding of the intricacies involved in this controversy."

These "intricacies" explain the necessity for moving slowly in the implementation of any waterway user charge program ending established toll-free waterways policy. H.R. 8309, which was passed overwhelmingly by the House last month, meets this test. Title II provides for a fuel tax starting at 4 cents per gallon and increasing to 6 cents per gallon—a tax which will add first 10 percent and then 15 percent to the cost of waterways fuel.

At this time, we do not know what the impact of this tax will be on farm incomes, interior regions, industrial employment, international trade, energy conservation, or general inflation in the economy. These and other effects will be monitored under title III of H.R. 8309, another reason why this is meritorious legislation.

I fear that many do not appreciate the complexity of the waterway user charge issue. The Transportation Journal article presents both sides of this question in a matter which is more balanced than much of the literature on the subject.

The Johnson-Berger paper provides the background commentary for a better understanding of some of the issues involved in the controversy over user charges. For that reason, I insert this article, "Waterway User Charges: An Economic and Political Dilemma," in the RECORD:

WATERWAY USER-CHARGES: AN ECONOMIC AND POLITICAL DILEMMA

(By James C. Johnson and Donald L. Berger)

INTRODUCTION

A transportation user-charge has been defined by the Department of Commerce as, ". . . any charge made to beneficiaries or users of services and facilities directly related to transportation and furnished in whole or in part by the Federal Government. Such charges must be paid for use of such service or facility to recover part or all of the capital, operating and maintenance cost of such service or facility." [1]

Eight successive United States Presidents from Herbert Hoover to Gerald Ford have favored inland waterway user-charges. Nevertheless, waterway carriers continue to use the federally built and maintained 25,000 mile waterway system toll free. The issue is not trivial, because it is estimated that greater than $10 billion has been expended by the federal government for construction, operation, and maintenance of the inland waterway system which has a minimum channel depth of 9 feet.[2] In the fiscal year 1977, the federal budget was $153 million for new construction of shallow-draft navigation canals and $351 million to operate and maintain the existing system.[3]

The absence of user-charges on the inland waterway system is a controversy which has spawned heated debates with impassioned arguments and pleas used by each protagonist. Those arguing in favor of the imposition of user-charges have stated:

A U.S. Senate special study group on transportation concluded "Waterway transport has served our Nation well since pre-Revolutionary days. If the test of a reasonable user charge should reveal that under modern transport conditions it is uneconomical in some areas, then it has no more right to continued preservation in those areas than the muzzle-loaded flintlock rifle, which won us our freedom, had the right to remain our infantryman's main weapon." [4]

A Harvard University transportation study group noted, "Water transportation, however, qualified as the enfant perpetual of the transportation industry since it is the oldest of the major transportation forms and has shown as yet little indication of ever assuming its full cost burden, particularly on inland waterway operations." [5]

Economist Ann F. Friedlaender has charged, "Water resource and navigational developments have traditionally been based as much (if not more) on political grounds as on economic grounds. Consequently, examples of uneconomic investments are legion." [6]

In June, 1976, Arthur Lewis, Chairman of the U.S. Railway Association, made the following observation regarding the Ford Administration's proposed waterway user charge, "We doubt seriously that public laws will continue to favor the railroads' competitors as they have in the past." [7]

Defenders of the present toll-free waterways have been equally vociferous supporting their positions:

The National Waterways Conference, a trade organization devoted to maintaining toll-free waterways, has argued, "Waterways confer benefits on the entire public—benefits which are widespread in scope and generally diffused in the economy. Indeed, there is no comparable Federal program which generates such an enormous magnitude of benefits in relation to its cost. It would be improvident in the extreme to jeopardize through user charges a program that has served the Nation so well." [8]

Congressman Hale Boggs of Louisiana has charged: "To upset a policy which has been in continuous effect since 1787 would have a profound impact on the American economy. Over-night, competitive balance would be upset. Agriculture would be affected, because waterborne grain influences the location of key poultry and cattle producing areas, but water-oriented industries would be hardest hit. In recent years many billions of dollars have been invested annually in waterfront sites. Any tax or toll on water transportation would bring economic hardship." [9]

William J. Hull, a vice-president of Ashland Oil, Inc., has observed: "Imposition of user charges would 'commercialize the waterways and thereby deprive the Congress of the ability to utilize water resource programs in pursuing broad objectives of public interest.' Then, only those programs with almost immediate, marketable benefits could pass the user-pay-all criterion. No longer would water resources project approval be geared either directly or indirectly to national interest implications. Willingness, or ability to pay would become the paramount consideration." [10]

Professor Marvin J. Barloon has argued, "Toll-free water transportation often serves to hold down general freight rates. . . . Many industries which never utilize water transportation save large amounts on their freight bills as a direct result of reduced 'water-compelled' rates. In general, such rates are not restricted to the river valleys, and they result in consumer savings, too. . . . Toll-free water transportation, therefore, is doing yeoman's duty in combating increases in the cost of living. The anti-inflationary aspect of low-cost water carriage is beneficial to all American consumers—not just those who live in river towns and cities." [11]

This article will succinctly examine the historical background of toll-free waterways, then the basic arguments pro and con waterway user-charges will be noted. It will conclude by noting the findings of an 800 person survey dealing with the imposition of waterway user-charges.

HISTORICAL BACKGROUND

Advocates of toll-free waterways note that the historical precedent for their position predates the American Revolution.[12] In 1764 the Treaty of Paris between England and France stated that the Mississippi River should be free and open from its source to the sea without any discrimination based on nationality. The treaty ending the Revolutionary War, signed in Paris in 1783, provided that navigation on the Mississippi River would be free forever to citizens of Great Britain and the United States.[13]

A landmark statement regarding waterways is contained in the Northwest Ordinance, passed by the Continental Congress in 1787. This legislation dealt with governing the Northwest Territory and Section 4 stated:

"The navigable waters leading into the Mississippi and St. Lawrence, and the carrying places between the same, shall be common highways and forever free, as well to the inhabitants of said territory as to citizens of the United States, and those of other States that may be admitted into the confederacy, wihout any tax, impost, or duty therefor." [14]

After the U.S. Constitution became operative, one of the first acts of Congress on August 7, 1789 was to adopt the 1787 Northwest Ordinance without change.[15]

Footnotes at end of article.

In 1824, Congress passed the first of a long series of combined "rivers and harbors" bills.[16] The Rivers and Harbors Act of 1882 is significant because it contained a specific statement by Congress prohibiting tolls on all federal waterways. It stated:

"That no tolls or operating charges whatsoever shall be levied or collected upon any vessels, boats, dredges, craft or other water craft passing through any canal or other work for the improvement of navigation belonging to the United States." [17]

Four years later, in 1886 the Supreme Court issued a basic decision regarding inland waterway policy. In *Huse* v. *Glover* [18] the high court interpreted the "forever free" clause of the Northwest Ordinance. The court noted that "unimproved" waterways must remain toll-free, but that if a state should improve a waterway, the state shall have the right to be reimbursed for the expense incurred. Although states could legally collect user-charges, and by implication so could the federal government, the United States Congress held steadfast to its toll-free policy. The 1909 Rivers and Harbors Act again reaffirmed that no tolls or operating charges shall be levied on the inland waterway system.[19]

Although at the present time Congress still has not enacted user-charges on the inland waterway system, there has been considerable agitation for this outcome. In 1968, Congress established a seven member study group, known as the National Water Commission (NWC). Its charge was to perform a comprehensive assessment of federal water resource programs and to recommend policy changes to Congress. The NWC study encompassed five years and an expenditure of $5 million. In June, 1973, the NWC findings were made public. It called for the imposition of waterway user-charges and lockage fees such that, "within the bound of administrative feasibility, the user-charges for individual waterways, or classes of waterways, reflect differences in the cost of operating or maintaining them." [20] The report favored user-charges which started at a "low-level" and gradually increased over time. This report has been bitterly controversial. Senator J. Bennett Johnston (D-La.) described the NWC Report as "outrageous" and "incredible." Representative Robert L. F Sikes (D-Fla.) referred to them as "silly." [21] A spokesman for the National Waterways Conference declared, "any low-level entering wedge would be widely and correctly understood by the shipping industries as merely the first step in a process of forthcoming escalation to eventual crushing levels." [22]

Former President Ford was an active supporter of waterway user-charges. In 1974 and 1975 his administration introduced bills calling for user-charges that varied depending on the amount of federal money used to construct, operate, and maintain the waterway segment involved. A high cost segment such as in the McClellan-Kerr Arkansas River System, between the Tulsa Port of Catoosa, Oklahoma and the Mississippi River, would increase transportation charges an average of $16.75 per ton.[23] In August, 1976, the U.S. Senate defeated the James C. Buckley Amendment to the pending Tax Reform Act. This amendment, which was defeated 71–17, called for the imposition of a 4 cents per gallon fuel tax used by inland water carriers. This vote was of historic importance, because it is the first time that either house of Congress directly voted on the user-charger issue. Nevertheless, the controversy is sure to continue, because 5 of the 10 senators on the project-authorizing Public Works Subcommittee voted in favor of the user-charges.[24]

The Ford Administration did not strongly support the Buckley Amendment, because it was still formulating its program. There were three viewpoints to be reconciled. The Office of Management and Budget supported a program to recover 50 per cent of the shallow-draft operation and maintenance costs. The user-charge would vary on each segment depending on the federal costs incurred on it. Another study group, the U.S. Water Resources Council, recommended collecting 10 per cent of all shallow and deep-draft navigation costs. It did not specify the type of user-charge mechanism. The Department of Transportation (DOT) advocated collection of 10 per cent of all inland, coastal and deep-draft federal costs by means of a fuel tax—6 cents per gallon on diesel fuel and $1 per barrel on residual fuel oil—and a tonnage fee on ocean freight. Former DOT Secretary William T. Coleman attempted a "trade" to hasten the acceptance of user-charges. He proposed that if the inland water carriers accept limited user-charges, the Ford Administration would support the construction of an improved lock and dam (Number 26) at Alton, Illinois. The water industry's reaction was negative.[25] It was generally conceded that the Ford Administration would develop a unified user-charge program during the fall, 1976, and then it would vigorously work for its enactment into law.

ARGUMENTS AGAINST USER-CHARGES

Upon distillation, there are six basic arguments against the imposition of inland waterway user-charges. The first is that it violates the historical precedent of toll-free waterways, which predates the American Revolution. Since this point has been previously discussed, it will not be reiterated here.

The second factor is the equity argument. It states that the imposition of user-charges at this time would be a breach-of-faith with those industries that in good faith located on waterways because of the low-cost transportation available. "It is small wonder that, during the entire history of the country countless water-dependent industries and communities have been built up along the navigable rivers in unquestioning confidence that the toll-free principle would not be violated . . . Waterway user charges would change the rules disastrously—very late in the game." [26]

Stability of the overall price level is the third argument against user-charges. It is noted that toll-free waterways allow America's basic industries—steel, aluminum, oil, coal, chemicals, and farm products—to operate at maximum efficiency because they heavily utilize low cost water transportation. The start of user-charges would therefore increase the transportation costs to these basic industries, and therefore the ultimate effect would be higher retail prices. In addition, low cost water rates force railroads to lower their charges to be competitive. These are known as "water-compelled" rates. With user-charges, the railroads would be able to increase significantly many of their water-compelled rates.

A corollary to the above argument is that the benefits of toll-free waterways are so diffused to the general public that the federal government ought to pay for them. The logic of this statement would be similar to national defense outlays, that is—everyone benefits from this function, therefore it is a legitimate federal governmental activity.

American consumers in almost every section of the land pay less for countless things they buy: electric power, generated from low-cost water-borne coal; automobiles and refrigerators, made from iron and steel transported by water; gasoline and fuel oil, which accounts for one-third of all waterway commerce; anti-freeze and tires, whose chemical components travel via barge; clothing and other fabrics, woven from synthetics produced from industrial chemicals; foodstuffs made from corn, wheat and other barged-in grains; building materials, including lumber, cement and gypsum; etc. The list is almost endless.[27]

A fifth argument states that the proposed user-charges would have a destructive impact on inland waterway carriers. One water carrier publication flatly declared, "Let's not forget that tolls at levels commonly proposed would kill off most waterway transportation and close large sections of the system." [28]

The final basic rationale against user-charges is that the federal government subsidizes other modes of transportation—so why shouldn't inland water carriers also have their "special" program? The air carrier industry has traditionally been "promoted" by federal governmental policy and many observers believe that the motor carrier industry does not pay its "fair-share" of highway construction and maintenance costs. The 1976 Rail Assistance Act provides for numerous federal assistance programs for the railroad industry. One estimate is that this act will cost the federal government $20 billion in the next decade.[29] Only the oil pipeline industry has received no recent federal subsidy programs. Therefore, an "even-handed" policy demands that the inland water carrier industry also receive some form of federal subsidy.

ARGUMENTS IN FAVOR OF USER-CHARGES

Reduced of rhetoric, four major arguments are put forth favoring inland waterway user-charges. The first states that without applicable user-charges, each mode's true economic costs-of-production are not reflected in its price structure to the shipping public. The result is that allocation function normally provided by the price structure is in disequilibrium. Those carriers that do not pay user charges are over utilized, because of their relative cost advantage vis-a-vis carriers whose price structure includes the full cost-of-production. Professor James C. Nelson has observed, "the transport pricing system is expected to perform its role of dividing traffic efficiently, but cannot do so because all real resource costs of producing transport have not been included in the final prices of some competitive modes having significant portions in the market." [30]

Another argument is that the users of governmentally provided transportation facilities should directly pay for these facilities. John L. Weller notes, "The principle that users of publicly-provided transportation facilities should pay charges fairly apportioned to their use and the costs they occasion is difficult to contest; in the light of demands on public budgets in the years to come, the principle probably will not escape the attention of the taxing authorities." [31] Charles Luna, President of the United Transportation Union, points out that the highway system in the United States has greater utilization by the general public relative to the waterway system, nevertheless only the former has a user charge—primarily a fuel tax.[32]

The third reason for user charges is that it helps to reduce waste in government—especially "pork barrel" projects. A Brookings Institution study group concluded:

"User taxes also reduce the amount of waste which occurs in the development of transport facilities, for the beneficiaries who urge the provision of transportation facilities know they must pay the bill, and they are therefore more prudent in the type and extent of the proposals they submit. For example, the uneconomic expansion of inland waterway facilities would not continue at the present rate if those who espoused them knew that they would be held responsible for their support." [33]

Footnotes at end of article.

The final argument notes that inland water carriers can generally afford to pay the proposed user charges without substantial disruption to their freight tonnage. The one exception involves petroleum products, which likely would switch to pipeline transportation. A Harvard University study team carefully analyzed the cost structures of the various transport modes and concluded that with the exception of petroleum products, "it seems highly probable that any reasonable schedule of water user tolls would have little effect on the optimal traffic allocation." [34]

THE RESPONDENTS "SPEAK-OUT"

Methodology

On March 25, 1976 eight hundred survey instruments with cover letters were sent to the respondents. One half of the sample was randomly selected from the 1975 membership roster of the National Council of Physical Distribution Management and from the 1975 membership roster of the American Society of Traffic Transportation. Only shipper executives were chosen from these lists and special care was taken to insure that no respondent received more than one survey instrument. The other 400 survey members were randomly selected from the 1975 membership roster of the American Marketing Association. Only marketing executives with the following types of titles were selected: manager of marketing services, vice president—marketing, director of corporate marketing planning, marketing manager, director of marketing operations, etc. The former group can be abbreviated as *transportation executives* (TE) and the latter as *marketing executives* (ME). Of the 800 survey instruments sent, 358 were returned in time to be included in the analysis of the data. This response rate of 44.8 per cent was extremely high and very gratifying to the authors. As would be expected, the TE's were more interested in the user-charge controversy, and therefore, their response rate was higher (53.8 per cent) than that of the ME's (35.8 per cent).

The nonnarrative information obtained from the returned survey instruments was analyzed by the Statistical Package For The Social Sciences, and the remainder of this article summarizes the findings of the study.

Characteristics of respondents

Of all the respondents, 81.9 per cent worked for manufacturing firms, 4.0 per cent were processing, 3.3 per cent were wholesaling, 2.4 per cent were retailing, and 8.3 per cent were "other." Regarding number of employees, 82.8 per cent worked for firms with 500 or more employees and 17.2 per cent had less than 500 employees. The majority of the respondents were employed by relatively large firms in terms of total sales. Approximately 80 per cent of the respondents worked for firms with $50 million or more in annual sales and the other 20 per cent had sales of less than $50 million.

FINDINGS OF THE STUDY

Each respondent was asked if he or she was aware of the controversy regarding the federal establishment of user-charges on the inland waterway system. As would be expected, transportation executives indicated that 87 per cent of their ranks were aware of the controversy, while only 32.8 per cent of marketing executives had similar knowledge. Following this question, a one page, single spaced description of both sides of the controversy was presented. The authors' carefully protested this description of the controversy with numerous persons aware of this quandary. Each was asked to comment on the fairness and objectivity in which each side of the controversy was presented. This description was re-written until it was unanimously held by the readers to be neutral in content. This situation was confirmed by the following test. After analyzing the data it was checked to see if there were any significant statistical differences in the answers to the survey instrument between those respondents who were previously aware of the controversy vis-a-vis those that were introduced to it via the survey instrument. No significant statistical differences were found.

The next question asked—should user-charges be collected on the inland waterway system? Both groups of executives were strongly in favor of the imposition of user-charges. ME's were 82.6 percent in favor and TE's voted 86 percent for the user-charges. The respondents were then asked—assuming user-charges are to be collected by the federal government, they should be equal to what costs? Three alternatives were available to be checked. The first was that the user-charges should generate only a portion of the annual maintenance and operating costs of the inland waterway system. This alternative, which is the one generally before Congress, was advocated by 38.3 percent of the ME's and 50.3 percent of the TE's. The second alternative called for the user-charges to equal the annual maintenance and operating costs. This alternative was less popular, with 32.5 per cent of ME's supporting it and 29.6 per cent of the TE's. The third choice was that the user-charge should be equal to the annual maintenance/operating costs and they should cover the annualized portion of the initial capital outlay required to complete the waterway project. This proposal was the least popular, with 29.2 per cent of ME's and 20.1 per cent of TE's supporting it.

Perception of the strongest advocates of user-charges was the subject of the next question. Each respondent could check as many of the following as applicable: the Interstate Commerce Commission, the Department of Transportation, the railroad industry, the motor carrier industry, the airline industry, and university transportation professors. The ME's perceived two groups to be the strongest advocates—the railroads (48.3 per cent checked this response) and the motor carriers (44.8 per cent). TE's unequivocally perceived the railroads as the strongest advocates, with 75.8 per cent of the respondents so noting. Second with 37.7 per cent was the motor carrier industry and a close third with 33.0 per cent was the Department of Transportation.

An intriguing question asked the respondents to rate the importance of the user-charge controversy according to one of three alternatives; a very important national issue, an issue of "medium" importance, and a national issue of minimal overall importance. As would be expected the first alternative was selected by 26.4 per cent of TE's and only 9.8 per cent of ME's. The second alternative—an issue of "medium" importance—was the most common response by both groups of executives. It was selected by 49.6 per cent of the ME's and 51.8 per cent of the TE's. Marketing executives were more inclined to view the controversy as being of minimal importance, with 40.7 per cent of the respondents so indictaing. Only 21.8 per cent of the TE's took a similar position.

The next question hypothesized, assuming that user-charges are established on the inland waterway system, they would have what effect on the consuming public? Three choices were possible: an adverse effect, a positive effect, and no effect. ME's were about evenly distributed between an adverse effect (43.6 percent) and no effect (41.00). Only 15.4 percent perceived a positive effect by the imposition of waterway user-fees. TE's held approximately the same position—40.2 percent said an adverse effect, 24.6 percent a positive effect, and 35.2 percent said it would have no impact on the public.

The final question asked if user-charges of some magnitude will exist by 1980. The authors' were surprised by the unannimity of the responses to this question. Eighty-one percent of the ME's and 83.2 percent of the TE's stated that user charges would be a fact-of-life in 1980. When asked to comment on why they took this position, believers in the inevitability of user-charges made the following typical comments:

Taking taxes to subsidize waterways is like giving drugs to an addict. If waterway transportation is economical, let them prove it in a free market situation. I resent the government taking our money to subsidize other transportation companies—some of whom may be used by our competitors.

I believe the railroad trend toward nationalization will continue, in the meantime huge additional subsidies will be required. It will be politically expedient to place additional costs on competing modes—this also includes motor carriers.

Electorate will continue to become more informed about large public expenditures that will affect their taxes. More monies will be required to support the maintenance and improvement of the inland waterway system and the taxpayers will insist that the carriers who benefit from it must support its upkeep.

It is inconsistent with current federal source to go untapped indefinitely—Besides I believe the Congress will recognize the competitive imbalance created by the current waterway exemption and move to correct it in the near future.

The present situation with respect to curbing federal budgetary expenditures will exert pressure on user-charges.

Government monies should no longer be used to give one form of transportation an advantage of economic value over other modes. We need a transportation policy that will engender progress and development in all modes on an equal basis.

Respondents who thought that user-charges would not exist in 1980 issued the following typical comments:

The political feeling is too strong against user-charges due partly to local governments seeking federal programs to improve inland waterways.

I believe the waterway lobby in Washington is too powerful to permit Congress to enact a law assessing user-charges. Further, the corn and grain interests (farmers) would and have fought tooth and nail over the years to prevent user-charges.

The same "clout" that got the canal to Catoosa (Oklahoma) will keep it "priced right."

I believe that the political power of the Congressmen and Senators in waterway States will provide enough clout in committees to keep effective legislation from being passed before 1980.

Believe this to be a political issue. User-charges would tend to decrease waterway usage and thus make it more difficult to justify improvement and expansion.

CONCLUSION

The waterway user-charge controversy is an incredibly complex issue. Persuasive arguments can be put forth for either side of this quandary. Frankly, the authors were strongly committed to advocating user-charges prior to writing this article. On balance, we still support the passage of user charges—but the gusto of our position has been diminished by additional understanding of the intricacies involved in this controversy.

FOOTNOTES

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[3] *The Budget of the United States Government: Fiscal Year 1977: The Appendix* (Washington, D.C.: U.S. Government Printing Office, 1976), pp. 302 and 306.

[4] *National Transportation Policy*, A report to the Committee on Commerce, U.S. Senate by its Special Study Group on Transportation Policies in the United States, Report No. 445 (June 26, 1961), p. 206. This report is commonly referred to as *The Doyle Report*, because the staff director of the study was General John P. Doyle.

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[6] Ann F. Friedlaender, *The Dilemma of Freight Transport Regulation* (Washington, D.C.: The Brookings Institution, 1969), p. 108.

[7] Albert R. Karr, "Uncle Sam Engineers A Route for Railroads; Destination: Recovery," *The Wall Street Journal*, (June 29, 1976), p. 16.

[8] Marvin J. Barloon and National Waterways Conference, Inc., "Why Not Waterway User Charges?" (1975), p. 16.

[9] *Congressional Record*, 89th Congress, 1st Session, pp. 972–973.

[10] William J. Hull, *Waterway Commerce, National Priorities, and User Charges* (Washington, D.C.: National Waterways Conference, Inc., 1975), p. 37.

[11] Barloon, *op. cit.*, pp. 14–15.

[12] For a complete discussion of early waterway transportation, see: Caroline E. MacGill, *History of Transportation in the United States Before 1860* (Washington, D.C.: Carnegie Institution, 1917).

[13] The Doyle Report, *op. cit.*, p. 197.

[14] H. S. Commanger, *Documents of American History* (New York: Appleton, Century, Crofts, 1963), p. 131.

[15] William J. Hull, "The Origin and Development of the Waterways Policy of the United States," mimeographed by the National Waterways Conference, Inc., (October 28, 1965), p. 6.

[16] Hull, Waterway Commerce, *op. cit.*, p. 12.

[17] 33 USCA Section 5.

[18] 119 U.S. 543.

[19] Jack Miller, "Waterways and National Transportation Policy," distributed by the National Waterways Conference (1965), p. 3.

[20] *Waterway Commerce, National Priorities, and User Charges* (Washington, D.C.: National Waterways Conference, Inc., 1975), p. 19.

[21] Carlo J. Salzano, "Barge, Towing Industry Hits NWC Report Pledges Fight Against River User Charge," *Traffic World* (September 24, 1973), p. 26.

[22] "Coming: Stiffer Waterway Rates" *Distribution Worldwide* (June, 1976), p. 52.

[23] *Ibid.*

[24] *National Waterways Conference, Inc. Newsletter* (August 20, 1976), p. 1.

[25] *Ibid.*, p. 3–5.

[26] *Its the Consumer Who'll Pay* (Washington, D.C.: National Waterways Conference, Inc.), p. 7.

[27] "Why Not Waterway User Charges?," (Washingington, D.C.: National Waterways Conference, Inc., 1975), p. 14.

[28] *It's The Consumer Who'll Pay, op. cit.*, p. 7

[29] Karr, *op. cit.*, p. 1.

[30] James C. Nelson, "Toward Rational Price Policies," in Ernest W. Williams, ed., *The Future of American Transportation* (Englewood Cliffs, N.J.: Prentice-Hall, Inc., 1971), p. 116.

[31] John L. Weller, "Access to Capital Markets," in Williams, *op. cit.*, p. 104.

[32] Charles Luna, *The UTU Handbook of Transportation in America* (New York: Popular Library, 1971), p. 126.

[33] Charles L. Dearing and Wilfred Owen, *National Transportation Policy* (Washington, D.C.: The Brookings Institution, 1949), p. 359.

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NO CELEBRATION FOR SOVIET JEWRY

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 11, 1977

Mr. EILBERG. Mr. Speaker, on November 7 the Government of the U.S.S.R. marked its 60th anniversary by celebrating Soviet National Day. This is a particularly appropriate time to remind the Soviet Union that the Congress of the United States remains deeply committed to the struggle for Soviet Jews who have been denied religious freedom and the right to emigrate.

Despite the fact that the Soviet Union has signed the Helsinki Accord, Mr. Speaker, that Government refuses to recognize the universal freedom to emigrate. To this day, Jews and other Soviet minorities face one obstacle after another when they dare to seek an exit visa.

Many of these activists are treated in an insulting and abusive manner. Countless numbers have lost their jobs, and face daily harassment at the hands of Soviet police; some languish in jail as "prisoners of conscience," when their only crime was to hope to live in freedom in Israel.

The most recent example is Anatoly Sharansky. He has been separated from his wife for 4 years now by a cruel and arbitrary Soviet policy which forced her to leave for Israel without Anatoly. Now, he is jailed, facing trumped-up charges of treason.

Mr. Speaker, just recently a group of Jewish activists in the Soviet Union issued a courageous appeal for freedom. They cited arrests, surveillance, disconnected telephones, house searches, blackmail, beatings, and scurrilous articles in the press as examples of the continuing harassment against Soviet Jews struggling for their right to freely emigrate to Israel.

I commend to the attention of my colleagues the final portion of the activists' plea, and hope that as the Soviet Government celebrates its 60th anniversary, we soon will be able to celebrate the freedom of these brave people who have been denied rights guaranteed to them by treaties recognized by both our governments:

ACTIVISTS' PLEAS

"At the very moment that we are finishing our appeal, we received more frightening news from Kiev. In a central Kiev newspaper 'Evening Kiev' an article appeared signed by an agent provocateur accusing another Jewish activist Vladimir Kislik of specially heavy crimes. The appearance of such accusations prior to the Belgrade Conference demonstrates to the world that Soviet authorities are not inclined to change their emigration policy."

Signed: Solomon Inditzky, Isabella Novikova, Mark Kovner, Vladimir Slepak, Alexander Lerner, Rima and Yevgenny Yakir, Dina and Yosef Beilin, Felix Kandel, Mark Novikov, Vladimir Shakhnovsky, Mark Belinkov, Leonid Mennes, Lev Ulanovsky, Ida Nudel, Irina Brailovsky, Grigory Goldstein, Isai Goldstein, Elizabeta Byekova, Shalva Krikhvelli, Solomon Ginsburg, Emanuel Kvaleadze, Arnold Kogan, Mark Lublensky, Alexander Gvinter, Semion Yantovsky, Zacher Tesker, Victor Elistratov, Boris Chernobilsky, Ilya Tsitovsky, Boris Faigan, Alexander Magedovich, Pavel Krivinos, Naum Kogan, Grigory Krasko, Yanna Goods, Lev Grainberg, Sergei Tuzhilin, Irina Gildenhorn, Chana Yellinson, Mark Glumel, Alexander German, Boris Briter, Valery Fairmark, Aron Gurevich, Valery Lifshitz, Larissa Vilenskaya, Oscar Mendilev, Abraham Nizhnikov, Yevgenny Kreston, Lev Ovsischer, Natalia and Grigory Rosenshtein, Yosef Ahs, Edward Nizhnikov, Alexander Astronov, Yuli Kosharovsky, Yevgenia Nesomnyaschaya, Anatoly Shvartsman, Mikhail Kremen, Sergei, Luzer, Valery Sorin, Yevgenny and Yosef Tsirlin, Victor Maximenko, Benjamin Bogomolny, Arkady Mai, Yevgenny Liberman, Yelena Seidel, Yakov Rakhlenko, Mark Spenser, Dmitri Shiglick, Boris Brodsky, and others.

OMNIBUS RIGHT TO PRIVACY ACT OF 1977

HON. RICHARDSON PREYER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 11, 1977

Mr. PREYER. Mr. Speaker, I am today introducing the Omnibus Right to Privacy Act of 1977. The bill is based on the recommendations of the Privacy Protection Study Commission. The Commission was established by the Privacy Act of 1974 to examine individual privacy rights and recordkeeping practices by institutions. Since the Commission made its report on July 12, 1977, Representatives KOCH and GOLDWATER, both members of the Commission, have introduced 12 separate bills implementing many of the Commission's recommendations. The Omnibus Right to Privacy Act of 1977 incorporates these 12 bills in a slightly revised format.

The bill covers these areas: First, creation of a Federal Information Practices Board; second, revision of the Privacy Act of 1974; third, Government access to records about individuals; fourth, confidentiality of social service records; fifth, confidentiality of medical records; sixth, amendments to the Fair Credit Reporting Act dealing with consumer credit, commercial credit, depository institutions, and insurance companies; seventh, amendments to the tax record confidentiality provisions of the Internal Revenue Code; and eighth, revision of the Family Educational Rights and Privacy Act.

Adoption of these recommendations would not only affect the Federal Government's recordkeeping practices, but States, schools, hospitals, banks, and insurance companies would also be subjected to new controls on the collection, use, and disclosure of information. It is apparent that Congress must proceed carefully and deliberately in considering legislation that would result in such extensive changes.

I am introducing this omnibus privacy bill to focus attention on the work of the Privacy Commission and to stimulate discussion about the need for increased privacy protections. I am not endorsing any or all of the Commission's recom-

mendations at this time. It is too early in the legislative process for final judgments. In the next session of Congress, my Subcommittee on Government Information and Individual Rights will begin detailed examination of this legislation. I hope that other committees with jurisdiction over privacy-related issues will follow our lead.

THE ARGO MERCHANT LEGACY

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 11, 1977

Mr. STUDDS. Mr. Speaker, on December 15, 1976, the Liberian tanker *Argo Merchant* came aground some 30 miles off the island of Nantucket, Mass. Several days later, the ship broke up and spilled 7,500,000 gallons of oil into the Atlantic, making it the largest oil pollution incident in the history of the United States.

We still do not know the extent of the environmental damage caused by that spill. The owners of the *Argo Merchant* have not been forced to pay for the consequences of having faulty equipment on board and an inadequate crew. We still do not have in place the comprehensive oil spill liability legislation or the oil tanker safety bill which would help us prevent similar incidents in the future.

Following are two excellent articles dealing with the legacy of the *Argo Merchant* spill. The first was written by the distinguished former Governor of Massachusetts, Frank Sargent, and the second appeared in the New Bedford Standard Times, a newspaper renowned for its balanced presentation of environmental and energy-related issues. I hope that these will be of interest to my colleagues:

[From the Boston Globe, Oct. 20, 1977]

THE "ARGO MERCHANT" LEGACY

(By Francis W. Sargent)

Remember the "Argo Merchant," the tanker that ran aground and broke up off Nantucket last December, dumping 28,000 tons of oil into the sea?

Well, this week, 10 months later, the first of what will be a series of court cases opened in New York. It provides a behind-the-scenes look at the world of the faceless oil promoters and greater reason for New England to be wary of the problems involved in tankers, refineries, and off-shore oil development.

And what problems they are.

The court case is all about whether the company that insured the $2 million cargo of oil can recover its loss from the owners of the ship. They turn out to be a group of American investors who cleverly arranged their affairs so that their only assets were the ship itself. When it sank, they say, so did the company they'd formed to run it; so don't ask them to compensate anybody for anything.

Banging on the courtroom door are both the Federal government and the states of Massachusetts and Rhode Island, also looking for damages resulting from the oil spill. And way down the line of aggrieved parties are area conservation and fishermen's groups. They, too, claim loss and demand satisfaction.

What's to be learned from just this single week of court claims and counter-claims, suits and cross-suits, charges and denials?

That the public is the loser when the name of the game is oil, whether it's an ancient rustbucket that falls apart and spills its cargo or a modern, up-to-date offshore oil rig that blows out on Georges Bank.

It's not just that nailing down liability is tough when businessmen use legal hiding places to evade financial responsibility. It's not just that the government gets there before you, pressing its claim for lost equipment and the cost of expensive manpower working on the cleanup or salvage.

It's that there is just no way to measure the public loss when something goes wrong in the oil business off our coast.

How do you put a dollar figure on the damage done to fishing grounds off Massachusetts and Rhode Island when 28,000 tons of oil are dumped into the sea?

What's the price tag on the recreational value of the shoreline and beaches that would be ruined if an ocean current shifted and the tide rolled in carrying millions of gallons of oil?

And, even if we could know our loss today, right this minute, how could we calculate the loss to the future, to the next generations who will lose the benefit of what's left unspoiled today?

All concerned also admit that our present technology can't cope with oil spills in waters as rough as those off our coast, and that the chances are one in eight that a spill off New England would inundate our shoreline with tons of oil.

We're dealing with an area that is the source of 20 percent of the world's fish protein. We're dealing with a recreation and tourist area second to none in the nation. And we're dealing with resources even more important to future generations than they are to our own.

The Argo Merchant trial in New York should remind us that, when we're dealing with Big Oil, we're playing against a stacked deck.

[From the New Bedford Standard Times]

GOOD OLD SAM CLUBS STEPS IN WHERE COD-FISH FEAR TO TREAD

Mobil Corporation is distributing an imaginative gimmick entitled "Incredible Energy Mysteries" and modeled after the long-gone pulp magazines of America. The company explains, "We have two motives in preparing our own pulp 'magazine.' Each article, which ran originally as a newspaper advertisement, is we hope, fun to read. But each also contains some dead-serious ideas."

"Case No. 5" in this booklet is entitled "The enigma of the missing disaster." In brief, a fictitious police chief (who would have had to be from this area), is explaining his problem to "Sam Clubs, private eye."

"A few months back, an oil tanker called the Argo Merchant fetched up on a reef east of here. Broke open and lost all her cargo," said the chief. "All of a sudden, the town looked like it was about to play host to the end of the world. Newspaper fellers came by the carload, and radio fellers, and television folks with the big fancy-painted trailer trucks full of electronic stuff . . .

"Then, quick as they came, all them strangers just packed up and left. Every day since then, big crowds of people like this come here to the beach just to wait for that oil to come in and ruin our fishing grounds, kill the birds, and spoil the summer business."

Sam Clubs replied, "You don't need me, Chief ('to get folks to stop comin'). Just show the people this." And Clubs produced a March 31 United Press-International story out of Washington, the lead of which said, "The 7.7 million gallons of oil spilled from the tanker *Argo Merchant* caused 'minimal' biological and esthetic damage, a government report said today." The news story attributed the report to the National Oceanic and Atmospheric Administration (NOAA).

So Sam Clubs, departing, "smiled a crooked smile" and commented to himself, "Kinda makes you wish the press could get as excited about the end of a big story as it dces about the beginning, doesn't it?"

Good old Sam Clubs should have stuck with the thing for a while:

June 29 (Ottaway News Service): "In testimony before the House Subcommittee on Environment and Atmosphere, John W. Farrington of the Woods Hole Oceanographic Institution said most of the data needed to assess the immediate environmental impact and fate of the (*Argo Merchant*) oil was not collected by either the Environmental Protection Agency or NOAA or other agencies. He blamed lack of funds, equipment and adequate assisting personnel for much of the chaos."

June 30 (Ottaway News Service): "Massachusetts Lieutenant Governor Thomas P. O'Neill III told a meeting of the Outer Continental Shelf Advisory Board on Offshore Oil Development there is evidence that *Argo Merchant* oil is being cycled through the Georges Bank-Nantucket Shoals ecosystem. He declared, 'Our Massachusetts environmental people feel there has been no detailed analytical report of findings as to what the long-term effects will be.' O'Neill said a misleading NOAA press release 'minimized the long-term effects.' "

July 4 (Associated Press): "The General Accounting Office said that any long-range damage may be impossible to quantify. Virtually none of the 7.5 million gallons of oil spilled has been recovered. Recent surveys indicate the possibility that 27,000 square miles of the Atlantic Ocean, including parts of the rich Georges Bank fishing grounds, may have been affected by the *Argo Merchant* spill."

It is also noteworthy that in May, Woods Hole Oceanographic Institution biologist Howard Sanders reported a "threefold" reduction in the number of bottom-dwelling animals near the spill site. "It would be irresponsible to predict a catastrophe," Dr. Sanders said, "but people without scientific data have said that the spill had no effect. I'm not happy with these bland self-assurances."

And as of July 27, animal pathologist Robert S. Brown, one of four University of Rhode Island scientists researching the spill, concluded, "Apparently the acute effects that we noticed (in February) have diminished, (but) there could be long-term effects that we might not see for years."

Kinda makes you wish that Sam Clubs wouldn't jump to conclusions, doesn't it? When the codfish confirm that early NOAA report, we'll begin to look for the "end of the big story."

COMMUNITY RENEWAL TEAM OF GREATER HARTFORD

HON. WILLIAM R. COTTER

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, November 11, 1977

Mr. COTTER. Mr. Speaker, the Community Renewal Team of Greater Hartford (CRT), Hartford, Conn., the Nation's oldest existing community action agency, will be celebrating its 15th anniversary this month. CRT will hold open house, at most of its city-wide facilities, during the week-long celebration

beginning Monday, November 28, climaxing with a banquet on Sunday, December 4, 1977.

CRT was organized in the summer of 1962 under the name "Task Force for Community Renewal." This was more than 2 years before President Lyndon B. Johnson made his famous war on poverty State of the Union message, setting the stage for the national birth of community action agencies. CRT was organized by Carleton Sharpe, Kenneth Meinke, Arthur Lumsden, Harold Conway, and Robert Satter, representing the five founding groups: The Hartford Court of Common Council, Hartford Board of Education, Greater Hartford Chamber of Commerce, Greater Hartford Community Council, and the Hartford Labor Council (AFL–CIO). On December 4, 1962, the organization adopted the name "Community Renewal Team of Greater Hartford."

James G. Harris, Jr., executive director of CRT and founding secretary states:

In 1962 I received the first operation funds for CRT, a check for thirty-five thousand dollars ($35,000) from the Hartford Court of Common Council. Due to trust, faith and hard work, by a lot of people, today we have a budget of over six-million dollars, employ over three hundred persons (300), and service over one hundred thousand (100,000) individuals who live within the twenty-nine (29) towns that make up the Greater Hartford area. The war on poverty is far from over. CRT is grateful to the community, the private business sector and government for allowing us to carry out our task as "People Helping People to Help People."

Mr. Speaker, I know my colleagues and the readers of this RECORD will join me in wishing continued success to CRT in the year ahead.

HEARTFELT TRIBUTE TO MR. AND MRS. IRV TERRY

HON. JAMES C. CORMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 11, 1977

Mr. CORMAN. Mr. Speaker, we are not often given the opportunity that I shall have on November 16, 1977, to share in the homage being paid to two cherished people, Mr. and Mrs. Irv Terry of Los Angeles, who have lived their lives as the most decent, honorable, and civilized of American citizens. Their uncommon goodness cannot be extolled by a single event, but it is a warm, heartfelt tribute to Esther and Irv Terry that they will be honored at the Guardians of Courage dinner on Wednesday evening, November 16, to be held at the Beverly Hilton in Los Angeles. And, it will be an uncommon and rare privilege for me to share this evening with them in the presence of their family, friends, and many of the city's notables.

Esther and Irv Terry did not need to be asked "what you can do for your country." The long years of community activities; their philanthropic work, national and local; their effective and productive interests in the political affiliation of their choice; the many charitable causes they sponsored—all were done with a nobility of spirit that is equated with President Kennedy's declaration of faith in the American people.

With the same pride and faith in their native land, the Terrys embraced the land that gave them their heritage—Israel. They have worked to make this once barren piece of earth flourish and prosper, and to keep peace in the land. They have been diligent in their efforts to improve the quality of life by volunteering limitless time and energy to improve education and health care services in Israel. Irv serves on the board of governors of Haifa University and is a member of the Board of American Friends of Tel Aviv University. He is also a patron of the University of Judaism and very active in the United Jewish Welfare Fund Statement Committee. These are only a few of their accomplishments for Israel.

It is so perfectly appropriate for Esther and Irv Terry to be honored with this year's Guardians of Courage Award. They exemplify everything that this organization works for—principally its boundless concern in actively aiding Israel's largest hosptital, the Chaim Sheba Medical Center, at Tel Hashomer, which serves all in need, soldier or civilian, tourist or resident, Arab or Jew.

In America or in Israel, Esther and Irv Terry have lived their lives for humanitarian causes. Their goodness and faith are infinite. They could live no differently, and those in our own country and in Israel as well whose lives they have touched have known a deep and abiding kindredship.

The Terrys are valued friends and my warm and endearing congratulations are theirs on this momentous occasion.

TRIBUTE TO BILL AND BEE LACKEY

HON. DAVE STOCKMAN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, November 11, 1977

Mr. STOCKMAN. Mr. Speaker, I wish to bring to your attention two outstanding citizens in my congressional district who are being honored this next week for their dedication to the Republican Party as well as service to Van Buren County, Mich. I bring them to your attention because they deserve to be noted at a time when political participation continues to decline, and because they have faithfully performed tasks which to many others would be too mundane to be worth conscientious time and effort.

Bill Lackey has lived in Van Buren County all his life, and his wife, Bee, is originally from Cook County, Ill., where she got her start in Republican politics. Together they have served as active Republicans in Paw Paw, Mich., since 1964. Bill is currently chairman of the township planning board, and serves on the Region Four Planning Commission as well as other county positions. Bee is past chairman of the Republican Women's Club, past chairman of the county Republican Executive Committee, and has served on the Cancer Board, the Tri-County Board for Child and Family Services, and has been a 4–H leader. Bee often says she has worn out six pairs of tennis shoes and three telephones doing party work.

Healthy, two-party competition is essential to sound government, and I want to join the many friends who gather this next week to honor Bill and Bee Lackey for their consistent service to the Republican Party, particularly by their printing of the "White Elephant," the Van Buren County Republican Party paper, as well as most of the other printing services the party has required. They deserve special recognition for taking the responsibilities of citizenship seriously.

HOSTAGE RELIEF ACT—TO ALLOW ERA RESCISSIONS

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 11, 1977

Mr. HANSEN. Mr. Speaker, in the name of fairness and sound constitutional practices, I invite my colleagues to cosponsor my bill, H.R. 9812, the Hostage Relief Act of 1977.

This legislation is designed to release the hostages, those States who have and would reverse ratification of a constitutional amendment during the accumulation process and prior to the final approval of 38 States.

This is particularly important in the event of serious consideration of legislation to arbitrarily extend the time for approval of ERA as proposed by House Joint Resolution 638 introduced by Representative ELIZABETH HOLTZMAN.

Support for my bill will be a blow for liberty and against the doctrine of legislative entrapment. It simply provides that any State legislature which rescinds its ratification of a proposed amendment to the Constitution shall not be considered to have ratified the amendment.

The blatant attempt to rig the ratification of a constitutional amendment by arbitrary extensions of time and refusal to accept reversals of legislative action is shocking and reckless. This case is well made in the following article by columnist George F. Will in the November 14, 1977, issue of Newsweek:

STACKING THE DECK ON ERA

It is, perhaps, fitting that advocates of the Equal Rights Amendment want to rig the ratification process. The amendment itself radiates impatience with essential constitutional values, such as respect for the political process and representative institutions.

On March 22, 1972, Congress sent ERA to the states to be ratified or rejected by March 22, 1979. Many states ratified with unseemly speed. But opposition soon crystallized, and the campaign for ERA slowed, then stalled. Thirty-five states have voted for it, three short of the required three-fourths; and three of the 35 have voted to rescind ratifica-

tion; and there may be more states inclined to rescind than to ratify. Faced with failure, ERA supporters want to change the rules in the ninth inning. They want Congress to allow another seven years for ratification, and they want votes to rescind ratification declared void. This attempt to stack the deck is evidence that ERA lacks the kind of support the Constitution requires for amendments.

The Constitution places a substantial burden on those who would alter it, for the same reason it requires large majorities for treaty ratifications and impeachments; some important decisions should not rest on slender majorities. The essence of this nation's constitutional morality is that amendments should be proposed sparingly, and should succeed only if a predetermined period of deliberation produces a consensus that is (in the Supreme Court's words) "sufficiently contemporaneous" to reflect the will of three-fourths of the states "at relatively the same period." The Court has said Congress is responsible for seeing that the states vote an amendment up or down "within some reasonable time after the proposal." A reasonable span is long enough for ample debate but short enough that the states' decisions will be "contemporaneous."

FOURTEEN YEARS?

The first ten amendments were ratified in 27 months. The average time for subsequent amendments has been nineteen months. No ratification has taken even four years. The most recent amendment, lowering the voting age, took less than four months. Yet ERA advocates demand at least fourteen years.

When the Senate passed ERA its report said a seven-year limit (part of every amendment in the preceding 50 years) "assures that a ratification reflects the contemporaneous views of the people." It is not clear that Congress can now change the limit. Neither the text nor the history of Article V of the Constitution clarifies the proper extent of Congress's powers in the amending process. ERA advocates say Congress can suddenly revise the ratification rules under which states thought they were operating. But it is more plausible that Article V establishes a process wherein Congress is divested of all power over an amendment once it is submitted to the states. Surely Article V should be construed in the way that makes a "contemporaneous" set of state decisions necessary for amendments. So even if, in the silence of Article V, Congress can assert the unprecedented power to fiddle with ERA's deadline it would be wrong to do so.

If (and it is a big "if") the 95th Congress need not respect the traditional seven-year limit that the 92nd Congress affirmed, surely one session of a state's legislature should not bind all subsequent sessions from reflecting about and reconsidering ERA as time allows as long as the question is before the nation. ERA supporters dislike this idea because the longer ERA has been debated, the weaker support for it has become.

RUSH TO RATIFICATION

Many ratification votes were perfunctory, even irresponsible. ERA floated through the U.S. House (354–24) and Senate (84–8) with majorities of the sort that do not normally occur when complexities are considered. Most of the 22 states that rushed to ratify it in 1972 did so without any hearings. Hawaii passed it the day it left Congress. Nebraska, scrambling to be second, passed it the day after Hawaii, but did it wrong and had to pass it again six days later. Within three months twenty states had passed it, cavalierly (in several senses of that word). Idaho, Nebraska and Tennessee have rescinded ratification.

ERA advocates say all ratifications, however stale or slapdash, are irrevocable. They say any legislature should be able to reconsider rejection of ERA for thirteen straight years (Illinois and Florida have defeated ERA repeatedly), but no legislature should ever be able to reconsider ratification. Under that rule, a few late-ratifying legislatures could ram into the Constitution an amendment which, by then, at least three-fourths of the states might disapprove. That rule mocks the idea of "contemporaneous" consensus, which can only be guaranteed by permitting states to rescind.

Dragging out ratification over fourteen years, and dragging states into a "consensus" by disregarding their desire to rescind, produces a sham consensus.

Some, perhaps most, ERA supporters regard it as primarily a "symbol" of a vague national "commitment." Without dwelling on the inadvisability of cluttering the Constitution with symbols, it is important to note that ERA is a symbol of the poverty of "progressivism."

ERA says: "Equality of rights under the law shall not be denied or abridged by the United States or by any state on account of sex."

COURTS VS. INSTITUTIONS

What would it do? That would depend on the judges construing it. Would women be subject to military conscription? Could they be restricted from combat? Could there be different treatment of the sexes to protect women with regard to alimony and other divorce matters? Could the sexes be treated differently in insurance and pension plans because of actuarial evidence about sex-related differences regarding health problems and life expectancy? No one can answer these or hundreds of similar questions in advance of the flood of litigation ERA is designed to trigger. ERA means either that *no* legal distinctions based on sex are constitutional, or that such distinctions must be justified by important reasons. If ERA means the former, it is absurd. (Women *must* be conscripted *equally?* They cannot have lower insurance premiums because of longer life expectancy?) Obviously it means the latter, and would confer upon the judiciary power to write a detailed code governing treatment of the sexes, removing from representative institutions the making of important judgments about society's values.

ERA is part of a pattern. Today "progressives" rely on litigation rather than legislation. They pursue goals (forced busing, abolition of capital punishment, abolition of restrictions on abortion and pornography, expanded rights for defendants in criminal trials) in courts, not in the political process. The attempt to rig the ratification of ERA, like ERA itself, is characteristic of a political movement that is anemic and impatient and reckless, too weak to win in representative institutions and unwilling to accept defeat.

Further complaint regarding the attempt to undermine our constitutional processes is effectively made in the following letter to a fellow Member of Congress by John Remington Graham, associate professor of law at Hamline University in St. Paul, Minn.

NOVEMBER 1, 1977.

DEAR CONGRESSMAN: I write concerning the proposed resolution, which, if passed by Congress, would extend the seven-year limit originally set for ratification of the Equal Rights Amendment by the several States. In the strongest terms, I urge you to vote against the measure.

Whatever one might think of the merits of the proposed amendment, the extraordinary method to secure adoption suggested by proponents is unfair and unconstitutional.

All learned authorities agree that a constitutional amendment must be passed within a reasonable time of proposal, or fail altogether by reason of staleness. A wise policy of Article V of the United States Constitution is that ratification by the requisite three fourths of the several States should reflect the will of the people across the country at approximately the same time.

An instance from our history will illustrate the point. In 1789, Congress proposed one amendment to regulate enumeration for direct taxes and representatives, and another amendment to regulate the compensation of federal legislators. Neither proposal passed. No informed constitutional scholar would maintain that they could be passed today, unless Congress should propose them anew. They have died from inaction.

Because of the difficulties of accurate measurement of what constitutes a reasonable time for ratification, Congress has adopted, on several occasions, the regular practice of prescribing a seven-year limit for ratification. The resolution of March 22, 1972, proposing the Equal Rights Amendment, is a part of that tradition.

It is, of course, no secret that the proposed amendment is highly controversial. Initially, most persons thought the language to be harmless. But now the debate is virulent and heated, as greater numbers of citizens have begun to appreciate what is at issue. Women are certainly more sharply divided than men. It is not healthy for a body politic to become embroiled in endless disputation when attention and energy is needed for other questions.

At the time the Equal Rights Amendment was proposed, those in favor acquired an ascertained, unconditioned, and, therefore, vested right to secure passage in seven years, while those against had a similar right, likewise vested, to defeat the measure within seven years. If, during the seven-year period, the time should be extended, the antagonists would be prejudiced, or, if the time were lessened, the proponents would suffer. It is not possible to help one side, by extension or diminution of the preestablished time, without hurting the other side. Moreover, since the proposed resolution gave both sides a then-present right, any subsequent change of terms would necessarily be *ex post facto*. The inescapable conclusion is that a resolution extending the time would retroactively deprive opponents of a vested right, the same as a resolution lessening the time would retroactively deprive proponents of a vested right. It is beyond dispute that a statute which takes away a vested right retroactively is unconstitutional.

Consider a panoramic, less-technical view of the controversy. When proposed, most people were told, and consequently believed, that the Equal Rights Amendment would simply mean equal pay for equal work and such like. One State after another ratified. Passage appeared certain. Then it was learned that the measure was actually radical and destructive, an attempted erasure of all sex distinctions in the law, even those necessary to human liberty and happiness. The common citizen began to rebel. The States began to rescind earlier ratifications. In double-think fashion, proponents answered that, while States could ratify after earlier rejections, they could not rescind earlier ratifications. After the last season of legislative sessions among the several States, the Equal Rights Amendment appeared to be in real trouble. Now proponents seek extra time by retroactive deprivation of vested rights. The record amply demonstrates that proponents of the Equal Rights Amendment, in the name of liberation, have sought to undermine even-handed fairness. I think

they have played politics with our constitutional processes long enough.

Respectfully yours,

JOHN REMINGTON GRAHAM,
Associate Professor.

There is great need for stopping any efforts for arbitrary extension of time for ratifying the ERA and for passage of my legislation which would end the political practice of holding States hostage to one-time action on ratification of a constitutional amendment.

My bill H.R. 9812 states:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That any State legislature which rescinds its ratification of an amendment to the Constitution of the United States shall not be considered to have ratified the amendment, if the amendment has not, before the date of the enactment of this Act, been adopted as part of the Constitution, and if any period within which the ratification of the amendment by the legislatures of three-fourths of the several States is required by the Congress to be completed has not expired. Such rescission may be made before, on, or after the date of the enactment of this Act, but shall be valid for purposes of this Act only if made before the first date on which the amendment is ratified, without being rescinded, by the legislatures of three-fourths of the several States.

OFFSHORE DRILLING BILL IS IMPORTANT TO COASTAL REGIONS

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 11, 1977

Mr. EILBERG. Mr. Speaker, I commend to the attention of my colleagues an editorial from the Philadelphia Evening Bulletin of October 31 which cites the failure of the House to consider this year the Outer Continental Shelf Lands Act of 1977.

As a ranking member of the committee which authored this bill, I am disappointed that we will not have an opportunity to vote on it before we adjourn, because the legislation would provide much-needed protection for the prompt, yet safe, exploitation of our offshore resources. Because the bill would lead to increased competition and safer operations in offshore drilling, it is an important piece of legislation for our Nation and its coastal regions.

I am hopeful that on our return in January, Congress will move promptly to enact the reforms contained in this bill.

The editorial follows:

[From the Philadelphia Bulletin, Oct. 31, 1977]

SETBACK FOR OUR REGION

Much to the surprise of state officials in our region, a bill controlling offshore oil and natural gas drilling in the Outer Continental Shelf off the New Jersey and Delaware coasts has been scuttled—at least for this year.

Intense lobbying by the oil industry may be the major reason why the House Rules Committee saw fit to put a roadblock in front of this key measure. Some industrial spokesmen had contended that the bill would place too many unnecessary and unacceptable restrictions on the development of our offshore energy resources.

So the result is that long-sought changes in the Federal Government's oil and natural gas leasing program will be delayed. And, if congressional sources are right, the revisions may not be seriously considered in Congress for some time.

For New Jersey, Delaware and other coastal states, that's a major cause for concern. The bill tried to deal with many of the legitimate objections the states had with the marine drilling program. But now, it appears that the states may be left without the kind of protection they had sought from the Federal Government.

It gave the coastal states a right to review and comment on all drilling plans in their region. That included the right to examine statements by drillers on where they plan to operate, how the oil will be transported and what facilities would be needed on-shore. That's especially important in our region, which is dependent to a large degree on its vulnerable tourist and fishing industries.

The bill didn't give states veto power over drilling projects that some local officials and environmentalists had sought. But it did give assurances that any objections the states may have to specific drilling plans will be carefully considered by the U.S. Department of the Interior before it leases oil and natural gas drilling rights to private concerns.

The bill was also important because it would have imposed penalties on oil companies for spills and authorized the Interior Department to cancel leases if drilling in a specified area posed harm to the environment.

Marine drilling, of course, is a necessity if we are to lessen our dependence on overseas suppliers. But offshore exploration requires prudence and vigilence because of the dangers that are involved. Proceeding without caution wouldn't serve the interests of people in our region.

A TRIBUTE TO FRANK VITALE

HON. JAMES C. CORMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 11, 1977

Mr. CORMAN. Mr. Speaker, on November 12, the State of Israel will bestow a most coveted award, the Sword of Haganah, on Frank Vitale for unselfish dedication and service to his community and fellowmen everywhere.

Frank Vitale is a successful family businessman. His dedication spans well beyond the realms of his own daily business interests. He has expended tireless energies to advance the community. He has served with distinction as Federal grand jury foreman, chairman of the advisory committee on the Bank of America, and chairman of the music advisory commission of the city of Los Angeles. His civic leadership has made a difference for business and the arts in Los Angeles.

His admirable qualities as a leader received national recognition when he served on the National Recovery Act Board under President Franklin Roosevelt and the people to people program of the U.S. Exposition in Moscow and the Russian Exposition in New York under President Dwight Eisenhower.

Never has Frank Vitale limited his devotion or commitment to a worthy cause. His compassion for his fellowmen transcend all faiths and heritages, and was given special recognition in 1975 by the National Conference of Christians and Jews.

Frank Vitale embraces and works diligently for those projects in which he believes. He fully understands the urgent need of Israel to bolster her economic development and has unselfishly donated not only time, but money to achieve this goal. His humanitarian gestures and generosity are matched by few, but will be saluted by many Saturday night at the ninth annual State of Israel tribute dinner in Los Angeles. This will be a unique tribute to Mr. Vitale, a Catholic, who will receive one of the highest awards given by the State of Israel. I wish to join in this salute and commend Frank for his distinguished and unrelenting devotion and service to his community and the State of Israel.

WHAT THE PEOPLE OF NEW YORK 26TH DISTRICT ARE THINKING ABOUT

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 11, 1977

Mr. GILMAN. Mr. Speaker, in the fall of 1976, I submitted by postal patron mailing to the homes in my 26th District of New York, my annual questionnaire. The results have been tabulated, and after reviewing the statistics, I would like to share them with my colleagues, my constituents, and the public.

More than 4,000 residents of Rockland, Orange, and Ulster Counties took the time and effort to complete these questionnaires and return them to my office.

I have attempted to boil down the results in a concise manner, and I include these results at this point in the RECORD. Because of the comprehensive nature of our questionnaire, I have not listed all the results here, but have selected a sampling of some of the major questions.

CONGRESSIONAL QUESTIONNAIRE RESULTS

THE ECONOMY

Do you think the government can improve the economy?

	Percent
Yes	91
No	9

To combat inflation the government should—

	Percent
Curb excessive spending	46
Apply wage/price controls	32
Balance the Federal Budget	22

WELFARE

Do you favor the transfer of all welfare programs to the federal government?

	Percent
Yes	62
No	38

Do you favor legislation requiring a more equitable distribution of federal welfare funding among heavier populated states?

	Percent
Yes	83
No	17

CRIME

Do you favor reinstatement of the death penalty for crimes of violence?

	Percent
Yes	84
No	16

EDUCATION

Do you support busing to achieve racial balance?

	Percent
Yes	15
No	85

Would you favor eliminating the real property tax as the prime source of school financing?

	Percent
Yes	79
No	21

Would you support tax relief for parochial school tuition?

	Percent
Yes	43
No	57

ENERGY

Which of the following energy sources should receive top priority by the U.S.?

	Percent
Development of new sources	44
Energy conservation	22
Nuclear	17
Greater use of coal	16

Should the government levy a tax on cars with poor gas mileage?

	Percent
Yes	53
No	47

Should conservation be encouraged through increased gasoline taxes?

	Percent
Yes	17
No	83

HEALTH

Do you favor a National Health Insurance Program?

	Percent
Yes	67
No	33

Should the U.S. give food to nations which do not control their population growth?

	Percent
Yes	27
No	73

Would you favor a constitutional amendment prohibiting abortions in all circumstances, except when the mother's health is in danger?

	Percent
Yes	32
No	68

VETERANS

Do you support legislation which would eliminate the 10-year limitation for vets to use their educational benefits?

	Percent
Yes	49
No	51

Should veterans pensions be affected if social security payments increase?

	Percent
Yes	29
No	71

INTERNATIONAL RELATIONS

Should the U.S. and Cuba—

	Percent
Resume trade relations	33
Begin Trade relations	20
Maintain the status quo	46

Should the U.S.-Panama Canal treaty be renegotiated with a view toward reducing U.S. control over the Canal?

	Percent
Yes	25
No	75

Should the U.S. withhold aid to those nations cooperating with terrorists?

	Percent
Yes	95
No	5

UNITED NATIONS

Do you think the United Nations is—

	Percent
Effective in maintaining world peace	9
Effective in non-political fields (health, technology, science)	32
Ineffective	58

MISSING IN ACTION

Should the United States provide economic assistance to Vietnam?

	Percent
Yes	10
No	90

Should we pursue negotiations with Vietnam to obtain a full accounting of our MIA's?

	Percent
Yes	89
No	11

DEFENSE

Defense spending should—

	Percent
Increase	28
Decrease	29
Maintained at current levels	43

Do you favor a reduction of U.S. troop strength in Korea?

	Percent
Yes	41
No	59

Do you support funding of the B–1 Bomber?

	Percent
Yes	54
No	46

Do you favor the all-volunteer army concept?

	Percent
Yes	70
No	30

GOVERNMENTAL REGULATIONS

Should federal employees be entitled the right to strike?

	Percent
Yes	30
No	70

Should federal employees be allowed an active role in politics?

	Percent
Yes	60
No	40

IN TRIBUTE TO EARL W. HONERLAH

HON. LEO J. RYAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 11, 1977

Mr. RYAN. Mr. Speaker, an outstanding civic leader in my district, Mr. Earl W. Honerlah, recently passed away and I would like to take this opportunity to pay a small tribute to him.

As business agent for the San Mateo County Carpenters Union Local No. 162, and a lifelong resident of San Mateo, Calif., Earl Honerlah looked out for the welfare of thousands of fellow workers and their families and was dedicated to making the peninsula one of the Nation's finest places to live and work. His accomplishments and contributions are numerous. Thanks to his efforts many are now benefiting from the San Mateo County Boys Club and the San Mateo County Crippled Children's Easter Seal Society. In both cases he assisted not only with his skills but his enthusiasm to help make the community a better place for everyone.

Mr. Honerlah served as secretary-treasurer of the San Mateo County Building and Construction Trades Council from 1972 to 1975 and also vice president for many years of the State Building and Construction Trades Council of California. Through the years he was an active leader of the Scouts in San Mateo County and was a member of the Native Sons of the Golden West, Redwood City Parlor 66 and the Masonic Lodge No. 226.

As a leader in the protection and advancement of workers' rights, a leader in the community, and a friend to literally thousands, he will be greatly missed.

THE CHAOS IN CURRICULA

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, November 11, 1977

Mr. MAZZOLI. Mr. Speaker, I have long been concerned about the steady decline in scholastic aptitude of high school and college students.

This is a very dismal and foreboding trend and, in my judgment, it signals a need to return to the basics—reading, writing, arithmetic, and good old-fashioned discipline—in our Nation's educational institutions.

Along these lines, I commend to the attention of my colleagues the following article entitled "The Chaos of College Curricula," which appeared in the October 30 Washington Post:

THE CHAOS OF COLLEGE CURRICULA: DEGREE MUST REFLECT A CORE OF KNOWLEDGE

(By Ernest L. Boyer)

The safest thing one can say about a college diploma today is not that it signifies some commonly accepted educational achievement, but rather that its holder probably has been around the campus for about four years. Beyond that, everything is uncertain.

This is because on the vast majority of campuses, required courses have been dropped, and the ones which remain reveal a staggering incoherence of purpose, often expressed as "distribution requirements."

Under this system—if it can be called a system—a humanities requirement might be met by a course in film appreciation (12 nights of the Marx Brothers and the aesthetics of "Casablanca"), contemporary literature, modern dance or poetry reading. A social science requirement can be met by a course in Latin American history, by watching "The Adams Chronices" on television, or by making tape recordings of grandma flipping through the family photo album ("oral history"). At some colleges a natural science requirement may be met not only by traditional courses in physics, biology or chemistry, but also by doing work for a season in the Galapagos.

While the college curriculum in this country has properly become rich and varied, that is no justification for random course selection by students. Educational institutions are supposed to have some significant purposes of their own, some goals beyond creating catalogue listings that read like mental menus. The colleges' sense of purpose

was seriously shaken by the campus turmoil of the 1960s and early 1970s, and the problem has been compounded by financial fears on many campuses today. But unless educators are willing to tell the emerging generation that they have little idea about what matters anymore, colleges and universities must seek to redefine the threads of common experience that bind us together.

To do this, campuses would have to recreate some common core curriculum. This, it should be emphasized, does not mean that we need a national curriculum, and such a suggestion from the U.S. commissioner of education certainly is not intended to indicate that the federal government should legislate the contents of education. Colleges and universities themselves must make these decisions.

Some already have begun doing so. At Harvard, an investigation of undergraduate education has led to proposals for a new core curriculum. At Stanford, a committee that has spent several years looking at reform of undergraduate education recently recommended a course requirement in Western civilization. At Amherst, a faculty committee is recommending a new structure for the undergraduate curriculum. But most campuses have not begun this process of rediscovery.

THE CURRICULUM "CAFETERIA"

In the academic world, as elsewhere, beliefs tend to swing too sharply from one extreme to the other. In the early days of American higher education, Harvard College prescribed for all its fuzzy-cheeked, teenage students a tight, inflexible curriculum that was considered divinely ordained. Exceptions to the academic rules were rarely sought and even more infrequently granted.

As knowledge continued to expand, as college doors began swinging more widely open, and as we began to learn more about individual students' differences, notions about what should be taught also changed. More courses, more electives and more student independence were introduced to keep pace with the intellectual, social and economic ferment in our midst.

The idea of some sort of common core did, of course, persist. There were experiments at Columbia University, the University of Chicago and St. John's College, and Harvard produced a report on general education that served as a kind of bible for most colleges and universities after World War II. But the seemingly irreversible sweep was toward a free elective system, the kind of curriculum "cafeteria" which many students speak of today.

But a curriculum that suggests students have nothing in common is just as flawed as one that suggests students are all alike. We need a core curriculum not to protect the disciplines, not to worship a set of books, but because as individuals we also hold important things in common. What we need is to find a middle ground.

What are the common experiences that could become a new common core of liberal education? I would offer one of many possible sets of ideas.

First, we share a common heritage, and we need to focus on the traditions of the past. Colleges have a central obligation to help the human race remember, for better or worse, where it has been and how it got there.

Obviously, to talk about our heritage has a familiar ring. But a notion need not be rejected just because it is familiar, and if our schools and colleges do not help keep the past alive and help introduce students to the people and ideas and events that have contributed consequentially to human gains and losses, we will not only have lost our past, we will have lost our future, too.

The goal, of course, would not be a simple survey course, not a breathless rush through history. Nor do I propose some eclectic muddle. Rather, the goal should be to choose a few seminal events with care, to study them with intensity, and to understand how they have helped shape our world.

I would, however, inject a special word of caution: A chief danger of any study of the past is that we come to believe that our current view of things is the only accurate one and an improvement over past accounts. Thus, a component of the core curriculum's approach to our heritage should be concerned with change, with sets of events viewed from different vantage points.

One might study, for example, how the conventional wisdom about American involvement in Indochina changed from 1950 to 1975. One might compare versions of communism in the 1920s and 1970s. One might trace how the ideas of empire, colonization and "manifest destiny" were born, implemented and radically revalued. One might look at a particular historical moment from the perspective of black people or of women or of non-Western cultures.

But we not only share a common past; we also share the challenges of a common present. It has always seemed curious that most past experiments in general education (the Great Books, for example) have focused exclusively—almost compulsively—on the past and have been remarkably inattentive to the crucial common experiences in the contemporary world. A new core curriculum should also examine our existence here and focus on those circumstances that shape our lives.

We need a communications course, for instance. Language is what makes us a unique species, and all students should be required to master the written and spoken word. They also should understand how we use and misuse symbols, how we communicate not just with words but with mathematics and music and computers and dance.

Courses in communications should strive for "comprehensive literacy"—the ability to spot the hidden suppositions behind a message. Students should, for example, learn how to deal critically with advertising and propaganda. By looking at television news, they might elaborate a notion of "tube literacy". This emphasis on language is essential not only because it is the connecting tissue of our culture, but because it becomes the tool for other learning.

THE MEANING OF WORK

We also need a course on institutional literary. All of us are caught up in a world of social institutions. We are tied into schools and banks and towns and cities and clubs, into the entire structure of contemporary life. No education has done its job if it does not clarify for students how these structures came to be and where they fit into the broader social context.

The guiding logic here is to recognize our common membership in our social structures, to clarify their functions, and to understand how organizations can and should be changed in light of changing social needs. The core curriculum should convey key sectors of American life government and law, business, finance, the economy and the private non-profit realm. Case studies would be particularly useful adjuncts. If their angle of approach were determined by an insistent issue in the news—"ungovernability," human rights, national health insurance, balance of payments, the charitable deduction—so much the better.

We also need a course on the meaning of vocation. We all give purpose to our lives in large part through productive work. Our schools and colleges have been negligent in their failure to confront this essential fact.

We hear a lot of talk these days about "liberal versus vocational" education, and it is suggested that our collegiate traditions are demeaned if they lead directly to a job. Such a view not only distorts the present, but it denies the past. Education has always been a blend of inspiration and utility.

Last fall I was on sabbatical at Cambridge University in England. It is a bucolic spot, with gardens, ivy-covered walls and quiet academic courts, all far removed from the corridors of commerce and from the clang of industry—or so it seemed. Yet during my stay I read "The Masters" by C. P. Snow, a novel that probes academic politics by describing the process by which a Cambridge college selects a master.

In the appendix Snow talks about the history of Cambridge University. He tells how students came to study with their tutors 600 years ago. They slept in dirty lofts and went hungry many times. They faced poverty for months, and for one simple reason: Jobs lay ahead, "jobs in the royal administration, the courts, the church, jobs teaching in the schools." The training was in fact vocational, Snow declared, "and jobs lay at the end."

Harvard College was founded not only to defend the Christian faith but also to prepare young men for jobs: the ministry, law, medicine, teaching and professions pursued by the privileged.

In more recent years our arts and sciences majors—so far removed from charges of vocationalism—have been, in fact, quite practical in their thrust, with students going on to graduate school or specialized job training. The unspoken assumption has always been that our graduates would get productive jobs, and the greatest embarrassment for any academic department is to discover that its graduates cannot get "placed."

Schools and colleges must be honest enough to affirm that the realities of earning a living have always been part of the liberal arts tradition. It is true that some work is not vocation and that some jobs are not uplifting, but degrading. But the problem of relating work to higher education cannot be so easily dismissed. Many useful, challenging and crucial jobs have emerged in recent years, yet schools and colleges still confer prime legitimacy on those jobs that have been around the longest and that we like the best.

Because of tradition, lethargy, ignorance and snobbery, mindless distinctions are made between what is vocationally legitimate and illegitimate. Such distinctions have led to equally mindless choices about what can and cannot be offered at the arts and science colleges.

It is all right, some say, to prepare to be a doctor, but it is less all right to be a nurse. It is all right to be an engineer, but to be a computer programmer is off limits. Teaching college is just great, but teaching elementary school is something else again. To dig the ruins of the past is a respectable objective, but to work with ruined lives in an urban jungle—a much more demanding task—is not so worthy. To read what has been written in the past is fine, but to aspire to write about the present—as a journalist perhaps—is not quite legitimate at many arts and science colleges.

What logic is used by those who make distinctions such as these, by those who—through the curriculum they offer—determine for their students which work is honorable and which is not?

The relationship between quality education and the world of work will not be solved just by tacking some vocational courses onto the traditional curriculum. Rather, it is time for education to confront the subject of vocation as a profoundly serious course of study and to make the study of work itself a part of the curriculum. What have been the historical, philosophical, religious and social attitudes toward work around the world? How does work relate to the fundamental value choices that every student must confront?

Above all, schools and colleges should be places where students come to understand that, for most of us, work is an expression of who we are and where we fit. "I work, therefore, I am" may overstate the case, but it speaks to our current condition.

This is not to urge that colleges become vocational. Rather, it is to suggest that we simply begin to rediscover the true meaning of liberal education.

EXPLORING THE FUTURE

Finally, the core curriculum should respond not only to the past and present, but to the future as well. Robert Heilbroner observes in "The Human Prospect": "There is a question in the air, a question so disturbing that I would hesitate to ask it aloud did I not believe it existed unvoiced in the minds of many. The question is: 'Is there hope for man?' "

I do not propose a single, apocalyptic vision of the future. What I do propose is a core curriculum that looks at the heritage we share, reflects on fundamental common experiences of the present, and then focuses on those alternatives for the future that in a thousand separate and unsuspected ways are being shaped today.

Such a core course would spend some time looking at the "history of the future." In many ways societies are held together by their images of the future. It is important to consider the images that earlier cultures have possessed as well as to look more closely at utopian literature, science fiction, scripture, millenarian tracts and other sources of such images.

Who are the social prophets of our time? What images of the future does our society possess? What are its central dogmas and how do these compare with the forecasts offered by the emerging profession of futurology? How does the process of policy planning translate future alternatives into current choices?

We are at a pivotal time in human history, and educators must approach their responsibilities with a sense of confidence and of urgency. The human race continues to expand at a rate of 200,000 people a day, or 73 million more people every year. And every day more than 800 million people face gnawing hunger, living literally from hand to mouth. Tensions over resources grow more acute, and the quality of our environment is threatened. Where will we get our food, and how can it be appropriately distributed? What about our energy supply, and how can it be equitably shared? How can we reduce the poisons in the atmosphere? Can we have a proper balance between population and the life-support system of this planet. How can we live together, with civility, in a climate of constraint? These are a few of the transcendent issues that today's young people must begin to think about with great care.

Recently, at a seminar in the Persian city of Persepolis, John Gardner said: "Our planet is but a speck of dust in the universe, and our life on it is but an instant in the long stretch of astrophysical time. Still, it is the only planet we have, and our life on it holds great possibilities of beauty and dignity and meaning. Yet, if it were asked of us how we spend our time on our speck of dust, we would have to say, 'We spend a good deal of it fighting one another and laying waste our earth.' "

"Surely," Gardner went on to say, "all of us here believe that we can do better."

It just may be that, as we better educate ourselves and make the human spirit more sensitive, we will touch the life of every student and together make our common future more secure.

PHILADELPHIA EXPANDS PROGRAM TO CARE FOR BURN VICTIMS

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 11, 1977

Mr. EILBERG. Mr. Speaker, it is with great pride that I am able to inform my colleagues that the city of Philadelphia has taken a major step forward in providing additional care for victims of severe burns in the Delaware Valley area.

Mayor Frank L. Rizzo has announced the establishment of a skin bank at St. Agnes Hospital's Burn Center, which will operate in cooperation with the medical examiner's office, Department of Public Health.

Mayor Rizzo stated that the establishment and operation of the Philadelphia Skin Bank during its first 3 years will be funded by a $262,929 grant from the Philadelphia General Hospital Research Fund. After this initial period, it is expected that the skin bank will become financially self-sufficient.

Mayor Rizzo said:

Philadelphia is extremely fortunate in having two excellent burn centers in our metropolitan area.

Both St. Agnes Hospital and the Crozier-Chester Medical Center have saved many lives which otherwise would have been lost without the knowledge and dedication of the professionals who staff these vital life-saving centers.

The centers are administered by the Burn Foundation of Greater Delaware Valley, which the city administration has supported since its inception in the early 1970s.

Fire Commissioner Joseph R. Rizzo is a trustee of the Burn Foundation and one of its most ardent supporters. The centers provide specialized treatment for severe burn cases, resulting in a 50 percent less than average stay in a regular hospital, better control of infection and greatly reduced mortality rates.

Deputy Health Commissioner Lawrence J. Devlin, who developed and established the mechanisms for the Philadelphia Skin Bank, stated that there are only 25 skin banks in the entire country.

"Physicians use skin grafts from the patient's own body to heal deep burn wounds, but there is usually not enough unburned skin in vicitims who have sustained severe injuries to cover their wounds," Devlin stated.

Over the past decade, scientists have developed methods of saving the skins from cadavers and preserving it by freezing in liquid nitrogen. These cadaver skin grafts—allografts—are used alone or in conjunction with the patient's own skin—autografts—to close burn wounds.

Dr. Frederick DeClement, director of the St. Agnes Hospital Burn Center, has been designated as the director of the Philadelphia Skin and Tissue Bank.

Dr. Marvin E. Aronson, the city's medical examiner and Dr. DeClement will seek skin donors by obtaining consent from the next-of-kin of cases seen in the medical examiner's office, as well as from the next-of-kin of individuals who have died in area hospitals.

The skin allografts will be available for first priority use by patients in these two Philadelphia burn centers. Excess supplies will be provided to other Philadelphia hospitals on request as a second priority; and finally, any hospital in the area or State, as supplies permit.

Medical burn treatment experts advise that deep burn wounds must be treated as fast as possible, usually within 24 hours of injury. The burned portions of the skin and muscle tissue are surgically removed, and the wound is then closed using autografts and allografts. Both types of skin grafts enable the body to heal the wound and grow new skin to eventually close the burn wounds.

W. O. WALKER

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 11, 1977

Mr. STOKES. Mr. Speaker, recently Mr. W. O. Walker, the nationally renowned publisher of the Cleveland Call and Post newspaper, celebrated his 81st birthday. At the same time, the citizens of Cleveland received the startling news that the indefatigable journalist would be selling the Call and Post in the very near future.

Mr. Speaker, I have come before the House on many occasions to share with you and my colleagues many of the triumphs and highlights of Mr. Walker's career. I must admit that it is with considerable regret that I come before you today to announce the sale of this pioneering paper which is one of the leading black publications in the Nation. Nevertheless, I am heartened to add that the active octogenarian is not contemplating full retirement and will stay active in the management of the newspaper.

Mr. Speaker, to mark this occasion I would like to submit for the RECORD an article on Mr. Walker which appeared in the Cleveland Plain Dealer newspaper. Even though many of my colleagues are well versed on Mr. Walker's accomplishments, I am certain that they will find this account of his life to be both interesting and inspirational. May I also ask my colleagues to join me in recognition of Mr. Walker's outstanding service to his profession, his community, and his country. I, for one, will continue to seek his wisdom and advice for many years to come.

Therefore, Mr. Speaker, I respectfully submit to you the Cleveland Plain Dealer article entitled "Passing the Torch," which appeared in the Wednesday, September 14, edition:

PASSING THE TORCH—PUBLISHER TO SELL CALL AND POST SO HE CAN REST

(By Richard C. Widman)

One of Cleveland's longtime leaders and opinion makers is laying plans to ease his burdens.

William O. Walker, who will be 81 on Sept. 19, is negotiating with his top executives to sell them his business.

Walker is publisher and editor of the Cleveland Call and Post which, with its Columbus and Cincinnati editions, has a total circulation of 34,000. It thus ranks as one of Amer-

ica's most successful black newspapers, Walker said.

But the newspaper published in this city's poor black community has not made him a millionaire, Walker said.

It is not riches that have persuaded the octogenarian to cut back on his 70-hour work week.

The simple answer, as the publisher explained in an interview, is that Walker wants a rest.

Although he will continue to guide the newspaper's policy, Walker will be able to enjoy longer weekends in his relaxing role as a country squire—an unusual role for a black man.

Few urban blacks own country places.

Walker is neither black nor white, he says, but a Negro—a race like the Caucasian and the others, but different in the ways that only a Negro is different. He may or may not have the same tastes as a Caucasian.

Walker is a businessman and a journalist. Many businessmen and journalists have retreats.

Walker's is 28 acres near Chardon in Glauga County, purchased 16 years ago.

He and his second wife, the former Naomi Russell of Columbus, whom he married 22 years ago, spend nearly every weekend there during the warm months, closing it during the winter. The Chardon area is subject to heavy snowfall.

There is an attractive summer cottage furnished comfortably, stylishly, no obvious extravagance.

Walker was state director of industrial relations during a former term of Republican Gov. James A. Rhodes, the first black person to hold an Ohio cabinet post.

Many of Walker's friendships and certain attitudes stem from that experience. It might be said Walker has found his own kind in the Republican business types.

He is a strong believer in self-help.

There is a guest house. "For our city friends who like to rough it with us," Walker explained.

There is a building housing Walker's 12-horsepower garden tractor and gardening tools.

He is proud that he does all of the gardening himself and keeps the buildings freshly painted.

He grows sweet corn, beans, tomatoes, cabbage and collard greens.

Walker is a native of Selma, Ala., which, long after he left it, was the place where blacks seeking their rights marched behind the leadership of Dr. Martin Luther King Jr.

The cottage and guest house are in a clearing dominated by enormous locust, maple and willow trees, and one apple tree that bears in late August.

There also are a few grape vines and blackberry bushes. They did not bear this year, perhaps victims of last winter's severe weather.

Locust trees are not native to America. They were imported in the last century to furnish wood for fence posts.

Walker's locust, since it is so large, dates the farm. The tree must be one of the originals.

Walker mows every foot of the clearing himself, with an attachment on the tractor.

"I keep the lawn mowed and the garden planted," he said. "And I let the rest grow up in weeds for the rabbits, and the foxes and squirrels. I've got every rabbit in the county here!

"I think that if you're going to live out here, you should do the work yourself. I grew up in the city, but my mother loved gardens and flowers, so maybe that is where I get my desire to spend time out here. I don't play tennis, or golf, or anything like that, so this is my recreation."

Walker hastens to add, however:

"I'm perfectly comfortable in the city and I'm perfectly comfortable in the country. I like both.

"We take what is called a 'Quaker rest' out here. That means, 'Thee gets tired of one job, thee does another'. Of course, I work physically harder out here than I do at the newspaper."

Walker seems to enjoy the findings of a group of Kent State University students who studied the area and determined the Cuyahoga River begins on the Walker farm.

It is an ironic note that a black man from the South owns the sources of a river that nourishes the lowlands settled by a white easterner, Moses Cleaveland.

There is a pond in the clearing, adding to the feeling of tranquility.

The pond is perfectly managed. Walker said there is some algae in it from time to time—the death of ponds since it clogs the water and exhausts the oxygen—but not much.

The pond is prolific with aquatic life. Walker fishes for the largemouth bass and catfish, and serves them to guests.

His best bass is a four-pounder, a good fish. But the best catch, a trophy eight-pounder, was by a guest.

Walker may have legal title to the pond, but the real owner is a pesky beaver.

"We call him the troublemaker," the pretty, demure Mrs. Walker complained. "He keeps plugging up the drain, no matter how many times we clear it out. And he's flooding the lawn!"

But the Walkers are fortunate to have the beaver, a symbol of wildness, as such a close neighbor. The beaver was extinct in Northeast Ohio.

A row of lounge chairs is arranged on the lawn that slopes from the cottage to the pond. In the evening the Walkers and their guests "sit out" and watch the beaver at work plugging the pond as the sun sets and the flickers tap on the trees, searching for insects.

The Walkers drink very little but might graciously serve their guests a bloody Mary—the tomato juice from Walker's own garden.

Walker takes one of the chairs and reflects on his life as a journalist and businessman.

And as a Negro.

The identities are linked.

Walker might not have been a newspaper publisher had he been a white man. Had he been white, he might not have been able to carve a career serving a black audience.

But had he been white, and a newspaper publisher, his career might have been more financially profitable.

And his opinions and leadership might have carried more weight in Cleveland.

As it is, he is nationally known as a spokesman for black people and twice was selected as a presidential emissary to foreign lands.

"Last week I was in Washington with 30 other editors to meet with President Carter," he noted. "I represented the black press."

Walker's use of the word "black" is of the vintage of Rap Brown and Stokely Carmichael and other black rights activists, an accommodation, he said, to the "younger generation."

After "black" became fashionable, the Call and Post persisted in identifying its readers as Negroes.

There was more to it than a quarrel over nomenclature.

The young radicals claimed that Negro was a name given to black people by the whites, a leftover from the days of slavery.

And they contended the older blacks who called themselves Negroes, who argued for a rational approach to the civil rights question, were "Uncle Toms."

The older "Negroes" countered that the young radicals were wrong in thinking that they had all the answers, that radical tactics would only alienate those people they were trying to win their rights from. But their views were not fashionable and many were silent.

Those who accommodated but largely remained mute about the dispute may have won in the long run.

The Rap Browns and Stokely Carmichaels are gone. The William O. Walkers are still on the scene. As Walker said about his newspaper:

"I'm ready to share the responsibilities.

"I am proud of having made a contribution to black progress, to opening doors for black people.

"When I came to Cleveland in 1932, at the height of the Depression, the employment situation for blacks was bad. Consequently, I helped organize the Future Outlook League, which had as its theme, 'Don't spend your money where you can't work.' It was the forerunner of what Dr. King was to try later.

"We picketed Woolworth's, Ohio Bell and one of the banks.

"As a result, we opened up more than 1,000 jobs for blacks and set a pattern that has kept Cleveland in the forefront of black employment in the nation. John O. Holly, director of the Future Outlook League, even went to jail for the cause.

"The Call and Post was in the forefront of the battle to free the Scottsboro Boys, to open the then City Hospital to black nurses and doctors. Now all hospitals are open to blacks.

"We also fought to open the corporate offices, banks and other businesses to blacks.

"We were the first to fight, in 1941, to get the Cleveland Railway to hire black motormen."

But times have changed, the publisher-editor said.

"We at the Call and Post are as active as ever, but we're living in a different climate now, in those days we fought for any job. Now we fight for a better job.

"Part of our basic philosophy is to encourage blacks to rise to the heights of their abilities. We felt a black running for mayor would be an incentive for blacks to run for higher offices and that his candidacy would be a challenge to the black community to raise its sights and the white community to erase its racism."

Walker referred to the successful candidacy of former Mayor Carl Stokes whom the Call and Post backed with an unprecedented editorial campaign that has not been repeated for any other black candidate.

"Stokes' candidacy," Walker said, "was a shock to many blacks because they thought it was an impossibility to achieve it, that it was folly. Therefore, many blacks in the community were not behind Stokes' candidacy. We had a lot of trouble with them.

"We were Republican, but Stokes' candidacy transcended politics."

The southern boy who worked his way north and through a series of northern newspapers as reporter, editor and owner has seem significant changes in newspaper publishing, especially black newspapers.

Despite a comfortable home in Shaker Heights and a country estate, he insists publishing has not made him rich.

"I don't think anybody ever got rich publishing a black newspaper," Walker said.

Advertising is the life's blood of a newspaper.

"No newspaper can survive without advertising," Walker said. "When I started in this business 56 years ago black newspapers relied entirely on local ads for wholly black products, such as cosmetics and grooming aids. We didn't get national ads, or ads from the major local stores.

"But it all opened up to the black press in the last 15 years. Now we are getting ads from all the top department and chain stores in Cleveland, and plenty of national ads from the food companies and soap companies and car manufacturers."

Like most Clevelanders, but better informed than most because he benefits from

his newspaper's information sources, Walker has strong opinions about Cleveland's problems, where the fault lies and what should be done:

"There's nothing wrong with Cleveland that a revival of the liberal spirit will not cure.

"Cleveland is cosmopolitan, but the various minorities in the city have tended to be parochial. Neighborhoods have come to be enclaves that prevent the amalgamation of people into a cohesive unit resulting, for example, in the Polish people being opposed to the blacks.

"The politicians capitalize on the prejudices of the minorities. In the current mayoralty campaign they are even pitting the East Side against the West Side.

"If we can understand each other's cultural backgrounds and economic goals, and become united, the city will overcome the faults that have too often made the city the butt of jokes."

Walker also scores some of the people who are the recognized leaders of Cleveland.

"Cleveland has lacked strong leaders who could give the city an image," he said. "Since Newton Baker, the city hasn't had that kind of nationally known figure to give it an image. Pittsburgh had the Mellons, Detroit the Fords.

"What is there you can point to that Cyrus Eaton, for example has done for Cleveland? His Pugwash conferences were way up in Newfoundland. For that matter, what have the Boltons and their family done for Cleveland? And they've been here for generations."

Concerning Cleveland's loss of industry and jobs, Walker's opinions sum up those of many leaders here:

"The political leaders of the city are not as close as they should be to the industrial interests. If they had been closer, the problems could have been worked out to keep industries within the boundaries of the city.

"Our city politicians have been indifferent. Only Gov. Rhodes has spoken out to encourage the lessening of taxation and other inducements to bring more business into Ohio.

"The city should be developing the abundant vacant land inside the city for industrial sites, promising tax benefits and all the utilities needed, as well as police and fire protection. The city certainly has enough land to meet the needs if it would only adopt an industrial site development program."

A publisher and block community leader, Walker has long argued that jobs are the key to equal rights and prosperity for black people.

"Jobs are the only way black people are going to get off relief and other government subsidies," Walker said. "I greatly deplore appeals to people to get on relief, rather than work. That's why I'm behind President Carter's welfare reform program."

In the evening twilight, Walker reflects on his early days in journalism and what it has meant to him.

"We were all bohemians in the early days. Newspapers could not have survived in those days without tramp reporters and printers. I was in Pittsburgh, Norfolk, Washington and then Cleveland.

"I am sorry for a newsman who has worked on only one newspaper. To move around adds to a reporter's background, gives you another dimension on life.

"I was the only black reporter to interview the Scottsboro Boys in the Birmingham jail.

"One of my prize interviews, when I had my own paper in the mid-1920s, was with Clarence Darrow. He impressed me greatly. He was an informal person, who sat with his coat off while I interviewed him.

"I also interviewed Heywood Broun, the columnist and founder of the Newspaper Guild. He was very bulky, a nice fellow to talk to.

"My richness comes in my experience as a black publisher. It has offered me a life of associations with people and issues that is worth more to me than money.

"Newspapering is one of the most rewarding things that has ever happened to me. Where else could a black boy out of Selma, Ala., get to visit with the president and travel around the world."

For those who will some day follow in Walker's footsteps, he has this advice:

"The role of the black press should be militant. Any group of people that is down must fight to get up. We have not been able to throw off all the stigmas of slavery.

"So the black press must be the voice in the wilderness speaking out for more opportunities for black people."

REPRESENTATIVE PULLEN RECALLS FIRST SIGHT OF THE WALL

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 11, 1977

Mr. DERWINSKI. Mr. Speaker, Illinois State Representative Penny Pullen, in addition to being a responsible member of the State legislature, is an active participant in the Atlantic Alliance of Young Political Leaders.

Representative Pullen was one of 23 U.S. delegates who attended the conference of the Atlantic Alliance held in Brussels. In addition to visiting Brussels, she had the opportunity of traveling to West Germany where she saw the Berlin Wall.

She dramatically recalls the effect of first seeing the wall in an article carried in the Park Ridge, Ill., Herald of October 13. As I believe her observations are certainly worth noting, I wish to insert her remarks at this time:

THE BERLIN WALL—A SOBERING SCENE

(By Representative Penny Pullen)

(NOTE.—Representative Pullen returned last week from a 10-day trip to Europe where she attended the conference of the Atlantic Alliance of Young Political Leaders as one of America's 23 delegates. This column, which "wrote itself," she said, was done while on a home-bound jet.)

I have now seen The Wall, and I'll never be the same.

A peaceful wall built by peaceful soldiers to keep the happy citizens of East Berlin secure in their prosperous paradise. And beyond, a peaceful expanse of lush green grass, adorning a peaceful minefield.

It is chilling. It is shocking. It is inhuman.

The 23 laughing, sightseeing American tourists—all young politicians of varying experience and background—clamber off the bus and walk to a small platform, passing a little souvenir stand. They climb the 10 or 15 steps in a brisk wind. At the top, the chattering stops.

How stark. The Wall, so near—almost within reach. The grassy field known as no-man's land. The second wall hundreds of yards away, just at the edge of government buildings. The guardhouse 30 to 40 feet in the air. The guards can see us. They have no choice but to see tourists gawking at their deathwatch all day, every day. What are they thinking? Surely they know what we are thinking. Surely they are ashamed.

After a few moments of silence, the young guide points to a small rise in the green field. "That's where Hitler's chancellery was." But it's only a hillock now. The Wall is today.

We don't want to leave. We've not yet reached the depth of emotion we can sense is in us. It is as if our standing there looking and feeling can somehow help the people who must be over there somewhere. If that's all we can do, we want at least to stay and do that much.

But three more groups are waiting. And we lumber down the steps, a little hesitantly, drifting off in thought, then wanting to be together, looking around for each other, visiting the souvenir stand with thoughts of how crass was its existence and, arriving, realizing that here was not simply an array of Souvenir of Berlin keychains but an arsenal of truth: poignant posters of black and white photos taken at The Wall, books about it, post cards of it, items to help us tell others what cannot be adequately expressed.

We have now seen The Wall. And it will never be the same. For in speaking of it and living with its memory, we do more to help the people over there than simply standing and looking and feeling. Each of us 23 Americans will do our part to dismantle that wall, stone by stone.

ALLEGATIONS TRUE OR FALSE

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 11, 1977

Mr. MICHEL. Mr. Speaker, on Friday, October 28, 1977, the front page of the Wall Street Journal carried a story concerning allegations that have been made against Congressman EDWARD DERWINSKI of Illinois. According to the Journal story, Congressman DERWINSKI "is suspected of having told the South Korean Government that a Korean Central Intelligence Agency agent stationed in New York was about to defect to the United States. Federal officials last month barely got to the defactor ahead of the Korean CIA and he is currently under Justice Department protection."

The Journal article then went on to state:

The government's evidence against Rep. Derwinski—and, in particular, the way it was collected—is a tightly held secret. But with President Carter's approval, Attorney General Griffin Bell has authorized the Public Integrity Section of the Justice Department to begin grand-jury proceedings aimed at Mr. Derwinski.

I am not going to address myself to the allegations made against my good friend and esteemed colleague. I believe, as he does, that justice will run its course and that his reputation for personal integrity will emerge from this incident without a blemish.

But a major question has been raised. How is it possible that the decision of the Carter Justice Department to bring grand jury proceedings against a U.S. Congressman appeared on the front page of a major newspaper even before the Congressman himself was aware of the decision? I do not question the motives of the newsmen involved—they showed commendable professional ability in getting the facts. But how did they get their facts in the first place? The question is not an idle one, because if we can find out just who leaked this infor-

mation to the press we might better understand just how and why the charges against Congressman DERWINSKI came to be made in the first place.

Did the information about possible grand jury proceedings come from the Justice Department? If so, a grave violation of Congressman DERWINSKI's rights has been made by the very department that is "aiming" a grand jury at him. He has become a victim of trial by headline. Does the Carter Justice Department have certain "tightly held secrets" that it leaks only when it is in the interest of the administration?

We all know that in the court of public opinion, a report of a grand jury investigation that has the personal approval of the President of the United States already damages the reputation of the target of that investigation. Could it be that there are reasons other than a search for justice that have led to this grand jury investigation?

I ask this question because in the same story the following statement appears:

Still, the special scrutiny the U.S. government is giving to Mr. Derwinski's role could change the political complexion of the Korean investigation. Until now, Democrats in Congress have absorbed nearly all the political punishment. The one indictment issued so far and those being contemplated by the Justice Department all involve former Democratic lawmakers. Hence, partisan Republicans seem sure to wonder whether the Carter administration is picking on a colleague to even the score a bit.

This speculation in the Journal story is what has prompted me to discuss this subject today. It is of interest that the Journal reminded its readers of the Democrat's "punishment" from the spreading Korean investigation. You do not have to be "partisan" to ask if there is some connection between the charges made by a Democrat administration against a Republican Congressman and the fact that the Democrats are being punished by media reports of the involvement of some Democrats in their Korean scandal.

The Wall Street Journal suggests that such a question is being raised. I think it is a legitimate question and deserves to be answered. And there are other questions as well:

If the leak to the press did not originate with the Justice Department, where did it come from? Could it possibly have come from a member or a staff aide of the House Subcommittee on International Organizations of which ED DERWINSKI is ranking minority member? Why has there not been an investigation, in both the Justice Department and the subcommittee to determine who leaked this story to the press?

When we see the President of the United States and his Attorney General and the public integrity section of the Justice Department demand a grand jury investigation, and when the name of the target of that investigation is leaked to the press, we can only ask the question that must always be asked in cases like this: Who stands to benefit by all this? Certainly the Democrat Party, which controls the White House, the Justice Department, and the congressional subcommittee, the same Democrat Party which has found itself embarrassed by disclosures having to do with the Koreagate scandal.

Who leaked this information to the press? Why was it leaked? I do not know. But I would certainly like to find out. I therefore put the following questions to Attorney General Griffin Bell and Subcommittee Chairman DON FRASER: Have either of you gentlemen investigated the leak to the press? Are you going to pursue this violation of ED DERWINSKI's rights? Or are you going to simply let this kind of thing go on unquestioned and unchallenged? Republicans have rights, too. I will leave to the process of justice the facts of the allegations made against my colleague. But in all conscience I must ask whether he is being made a victim of selective leaks for political purposes.

PRESIDENT CARTER AND THE TRILATERAL COMMISSION: ARTICLE V(A)

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 11, 1977

Mr. McDONALD. Mr. Speaker, in recent months, the policies, plans, and operations of the Trilateral Commission have become a subject for considerable public discussion and some controversy. The influence of organized special interest groups over Government is an issue of growing concern among American citizens. And it is heartening that the operations of this powerful, well-organized and internationally active special interest group of financiers, industrialists, academics, and politicians working to influence our Government's foreign and domestic policies to their own benefit are beginning to come under public scrutiny. The pioneering critical examination of the Trilateral Commission was written by a leading conservative political journalist, Gary Allen. Mr. Allen has reviewed the new wave of exposure being given to the Trilateral Commission's activities in the November 1977 issue of American Opinion. Mr. Allen has examined some of the new data on the Trilateral Commission which I commend to all of my colleagues as an aid in understanding the present administration's policies:

THEY ARE CATCHING ON

Remember the bad old days when practically nobody but John Birchers believed there could be such a thing as a political conspiracy? Remember what it was like when most Americans thought that C.F.R. stood for California Freight Rates? And when your uncle asked if Bilderbergers were an exotic sandwich? Remember how people used to laugh and point when you talked about a small group of powerful men which ran *both* major political parties? And remember how your "Liberal" neighbor would bait you at cocktail parties with snide remarks like, "Tell us again how those international bankers are plotting to take over Glendale"?

For those of us who recall how infuriating and frustrating all of that was, as Gabriel Heater used to declare: There's good news tonight! The good news is that Americans are catching on. Little lights are clicking on in the brains of "Liberals," Conservatives, Radicals, and Libertarians. Hallelujah, at last! And it means that we might just get out of this mess with what remains of American liberty.

Of course, it would be naïve to think that everyone who thinks seriously about political affairs is now going to see the Conspiracy and see it whole. We did not learn all we know about it in a day, and others won't either. As students of contemporary history begin to catch on to the Big Game, they will view it from the grandstand of their previous background, learning, ideology, and prejudices. For example, when a Marxist wakes up to the fact that the fix is in on international politics, he doesn't become an instant *laissez-faire* capitalist. While the virtuous will pray that he will soon become a disciple of Adam Smith, our awakening prospect will for a time continue to view the Conspiracy through the pink bifocals of Karl Marx.

The fact that the Conspiracy being run by our Establishment *Insiders* is daily more obvious to people of all sorts of ideological persuasions is a major breakthrough. And the straw which seems to have cracked the camel's clavical was the election of Jimmy Carter. The Rockefellers have manipulated the foreign policies of every American President since Franklin Roosevelt; but Mr. Carter has been so obviously a creature of David Rockefeller that many are no longer willing to deny that there is conspiracy involved.

Ironically, it may have been Watergate which caused the camel to notice the load in the first place. While readers of this magazine were made aware very early that Henry Kissinger was as much a Rockefeller entity as the Chase Manhattan Bank, most Americans were either ignorant of the fact or ignored it. When the *S.S Watergate* went down, sucking with it the entire Nixon Administration except for Henry Kissinger, a lot of people noticed. Following the Confirmation Hearings on the selection of Nelson Rockefeller to be Vice President, the connection between the gutteral, word-garbling German and the Standard Oil family began to be more widely mentioned in the media. When a new Administration from the "rival" party came down the main aisle, and it turned out that Mr. Carter was yet another confection from Standard Oil, stomachs began to turn.

Like the age of Aquarius, to aerate a simile, the dawning took a little time. Most of the mass media, being politically "Liberal," hoped that Jimmy Carter was the "Liberal" he hinted he was; many uninformed Conservatives, delighting in his antigovernment rhetoric, hoped Carter was the Conservative he also hinted he was. Your correspondent pointed out last year in a little pre-election book called *Jimmy Carter/Jimmy Carter* ('76 Press, $1.00) that this was one bandwagon that ran on Standard oil not peanut oil. But the public was not ready to listen. Soon after the election, however, as Carter began surrounding himself with Rockefeller Trilateralists, articles started to appear in a wide variety of publications on the theme you first read in these pages over a year ago.

Penthouse for September chased the story with a vengeance. The article, entitled "The Making of a President: How David Rockefeller Created Jimmy Carter," was by Robert Manning, and featured an illustration of David as the world's money pope placing a crown on the head of a kneeling, smiling

Jimmy Carter. As part of his chronological review of how Carter was moved from peanuts to President, Manning discussed David Rockefeller's founding of the Trilateral Commission, a coterie of the financial and political elite of North America, Europe, and Japan. Robert Manning tells us:

"George Franklin, North American secretary of the Trilateral Commission, told Penthouse in an interview that the Trilateral Commission 'was entirely David Rockefeller's idea originally. He was getting worried about deteriorating relations and growing competition between the U.S, Europe, and Japan.'

"Spring 1972: At the Bilderberg meeting (an exclusive semisecret group of Western corporate and political leaders that has met annually for twenty-five years to discuss global problems), Michael Blumenthal (then head of Bendix Corporation, now Secretary of the Treasury)—according to George Franklin—'thought things were in a very serious condition, and couldn't a private group bring together the industrialized countries?' According to Franklin, Blumenthal's repeating of Rockefeller's idea then drew an enthusiastic response from the next eight speakers."

Manning continues, telling us how King David chose Cartsheba. It was, he writes, "Autumn 1973: Carter and Florida Gov. Reubin Askew dine at the Tarrytown estate of David Rockefeller. Present at the dinner is Brzezinski. 'Zbig' (as he is known) later said that 'we were impressed with Carter.' Dr. Peter Bourne, Carter's deputy campaign manager, said that 'David [Rockefeller] and Zbig had both agreed that Carter was the ideal politician to build on.' "

Soon thereafter Zbigniew Brzezinski, running the Trilateral Commission for David Rockefeller, revealed the sort of Madison Avenue campaign which would be used to sell the next Rockefeller puppet to the gullible public. Thus, "October 1973: In a prophetic interview, Brzezinski said, 'The Democratic candidate in 1976 will have to emphasize work, the family, religion, and, increasingly, patriotism, if he has any desire to be elected.' "

Yes, "Carter was the ideal politician to build on." And he has acknowledged his debt to the Trilateral Commission. Manning reports, "Fall 1975: Carter's campaign autobiography, Why Not The Best?, is written. Of the Trilateral Commission, Carter wrote: 'Membership on this commission provided me with a splendid learning opportunity, and many of the other members have helped me in my study of foreign affairs.' " Ah yes. Then, "June 1976; Carter delivers his first major foreign-policy speech before the Foreign Policy Association. The speech begins: 'The time has come for us to seek a partnership between North America, Western Europe, and Japan . . . These countries already have a significant world impact, and they are prepared to play even larger global roles in shaping a new international order.' "

Noting that Jimmy Carter paid off for the Rockefeller Insiders like a slot-machine rigged to hit the jackpot, Manning of Penthouse lists seventeen top members of the Carter Administration who were moved directly into government from the elite, and very small, Trilateral Commission. The author then concludes, "Before Carter's election, his adviser Hamilton Jordan said: 'If, after the inauguration, you find Cy Vance as secretary of state and Zbigniew Brzezinski as head of national security, then I would say that we failed.' Well, perhaps Jordan feels that he's failed. But there can be no doubt today that David Rockefeller and his Trilateral Commission have succeeded in seizing control of America's foreign policy."

The Penthouse article is very straightforward and businesslike. Whether the author is a conspiratorialist of the Left or Right is not discernible from any shading of language, though the Penthouse publisher is often said to be a Libertarian. The important thing is that Penthouse has a circulation of nearly six million.

Attacking on the same theme, the September issue of Oui magazine, also with a circulation of more than a million, carried an article by Craig Karpel entitled "Who Runs Jimmy Carter?" The subtitle reads: "Imagine a Powerful International Study Group with Only the Most Limited Taste for Democracy and the Blessings and Backing of David Rockefeller."

Karpel begins his feature story quoting Jimmy Carter's acceptance speech at the Democratic National Convention, in which candidate Carter hypocritically and cynically denounced the "unholy, self-perpetuating alliances [that] have been formed between money and politics . . . a political and economic elite who have shaped decisions and never had to account for mistakes nor to suffer from injustice. When unemployment prevails, they never stand in line looking for a job. When deprivation results from a confused welfare system, they never do without food, or clothing, or a place to sleep. When the public schools are inferior or torn by strife, their children go to exclusive private schools. And when the bureaucracy is bloated and confused, the powerful always manage to discover and occupy niches of special influence and privilege."

Then Karpel points out that at the time Jimmy Carter gave that speech he was himself a member of David Rockefeller's elitist Trilateral Commission, made up of "the world's most influential and powerful bankers and businessmen." Though the delegates were ignorant of it, that was hardly the best-kept secret of the decade. In fact Craig Karpel reports: "A delegate to the Democratic National Convention attempted to deliver a speech revealing Carter's relationship to David Rockefeller, Zbigniew Brzezinski and the Trilateral Commission, but was cut off as he spoke."

Indeed he was. The speech was given by Alex Garnish of Pittsfield, Massachusetts, to nominate antibussing candidate Gary Benoit for Vice President. Your correspondent, covering the convention on assignment from American Opinion, had taken a few hours off to help Mr. Garnish write it. Which makes it very hard indeed to forget how the conventioneers jeered and hooted as Alex described in detail how the Rockefellers had all but created Jimmy Carter in order to capture the Democratic Party. Many of those same people would not hoot and jeer today.

Stopped in the middle of his carefully prepared speech and told that he must quit talking about the relationship between Carter and the Rockefellers, Alex Garnish stood embarrassed before millions of television viewers and an enormous hall full of delegates and national press. Craig Karpel comments:

If this speech had been delivered, it would have electrified the convention. It would have explained the Carter "phenomenon" to millions of voters and changed the course of a close election. For all the televised yawning about how totally orchestrated, how thoroughly predictable the Democratic Convention was, nobody could have anticipated Garnish's outpouring of disconcerting truth. But when the unexpected finally happened, when somebody actually started speaking lines that weren't in the script, the media assumed that Garnish must be a kook and a crank; they never bothered to find out what he had planned to tell his fellow delegates—let alone to determine whether his charges were true.

The major thrust of Mr. Karpel's piece strikes at a report, isued by the Trilateral Commission, which complains that many nations of the world (but especially the United States) are becoming too democratic. Conservatives, anxious that the Constitution remain preeminent in an American republic, see appeals to democracy as a means of using the mob to prepare the way for rule by the most ambitious and tyrannical crooks. What the Trilateral Commission is complaining about here, however, is that the Trilateralists are still limited in what they can do to us because of continuing widespread public support for the principles of the Constitution. Karpel informs his audience:

Jimmy Carter has presented himself to the American people as, variously, a populist, a conservative, a liberal, a born-again Christian and an aficionado of Bob Dylan. In reality, he was chosen to be President by the quasi secret coordinating council of the financial and corporate elite of the United States, Western Europe and Japan. Contrary to his public positions, Carter is expected by this council to preside over the implementation of its basic program: the reduction and limitation of democracy at home and accommodation with undemocratic [read: Communist] regimes abroad.

In 1974, the Trilateral Commission issued a report titled "The Crisis of Democracy." As quoted in Oui, this formal document begins by describing the "democratic surge of the Sixties" as follows:

"The predominant trends of that decade involved the challenging of the authority of established political, social and economic institutions, increased popular participation in and control over those institutions, a reaction against the concentration of power of Congress and of state and local government. . . . The democratic surge of the Sixties raised once again in dramatic fashion the issue of whether the pendulum had swung too far in one direction—i.e., in the direction of liberty and democracy."

The report of the Trilateral Commission concludes that the pendulum has indeed swung too far. "The vigor of democracy in the United States in the Sixties thus contributed to a democratic distemper, involving the expansion of Governmental activity on the one hand and the reduction of Governmental authority on the other hand."

Karpel notes that the Random House Dictionary defines "distemper" as: (a) . . . a specific infectious disease of young dogs . . . 2. a deranged condition of mind or body; a disorder or disease 3. disorder or disturbance, esp. of a political nature.

The Trilateralists are worried that their victims, in a "democratic distemper," might in their liberty choose to rebel against the dictatorship these Establishment Insiders are seeking to impose. The report continues:

"Finally, a government which lacks authority and which is committed to substantial domestic programs will have little ability, short of a cataclysmic crisis, to impose on its people the sacrifices which may be necessary to deal with foreign-policy problems and defense. . . .

"The implications of these potential consequences of the democratic distemper extend far beyond the United States. For a quarter century, the United States was the hegemonic power in a system of world order. The manifestations of the democratic distemper, however, have already stimulated uncertainty among allies and could well stimulate adventurism among enemies. If American citizens don't trust their Government, why should friendly foreigners? If American citizens challenge the authority of American Government, why shouldn't unfriendly governments? . . . A decline in

the governability of democracy at home means a decline in the influence of democracy abroad."

The would-be dictators are laying it out pretty straight, aren't they? Now comes the section which Craig Karpel calls "the most ominous paragraph of all," continuing:

"Al Smith once remarked," the report continues in sober Roman type, which is italicized here, *"that the only cure for the evils of democracy is more democracy.' Our analysis suggests that applying that cure at the present time could well be adding fuel to the flames. Instead some of the problems of governance in the United States today stem from an 'excess of democracy.' . . .*

". . . democracy is only one way of constituting authority, and it is not necessarily a universally applicable one. In many situations, the claims of expertise, seniority, experience and special talents may override the claims of democracy as a way of constituting authority. . . . The arenas where democratic procedures are appropriate are, in short, limited."

If the Conservative reader will substitute the term "democratic republic" for "democracy" he will understand what the Trilateral Commission is concerned about here. What concerns the money barons who put Jimmy Carter in the Oval Office is the possible limitation and reversal of the power of government over the people. And the battle is being fought chiefly in the United States, where the Commission believes growing popular resistance to federal power is likely to "undermine its authority." According to the elitist Rockefeller Insiders: "Democracy is more of a threat to itself in the United States than it is in either Europe or Japan, where there still exist residual inheritances of traditional and aristocratic [read: dictatorial and authoritarian] values. . . . In the United States, the strength of democracy poses a problem for the governability of democracy in a way which is not the case elsewhere."

The Trilateral Commission ends its report, received with enthusiasm by Trilateralist Jimmy Carter, with several recommendations of ways "to restore a more equitable relationship between governmental authority and popular control," including:

Centralized economic and social planning

Centralization of power within Congress . . .

A program . . . to lower the job expectations of those who receive a college education

Such limitations on freedom of the press as "prior restraint" of what newspapers may publish in unspecified "unusual circumstances," the assurance "to the government [of] the right and the ability to withhold information at the source," "moving promptly to reinstate the law of libel as a necessary and appropriate check upon the abuses of power by the press," and press councils enforcing "standards of professionalism," the "alternate [to which] could well be regulation by the government."

Doubtless neither Hitler nor Stalin could have proposed dictatorship in such genteel and cultured terms. And Karpel thinks the Trilats, as they call themselves, are too futuristic to be compared to old-time tyrants. He quotes an observer at the Commission's meeting in Japan in 1975 as saying: "It looked like one of those meetings of S.M.E.R.S.H. they always have in Ian Fleming movies. You know—the one where they carve up the world and say 'James Bond must die!' "

The Oui article makes no bones about the fact that David Rockefeller runs this show, and that David wants a New World Order "with the anti-Communism dropped." Craig Karpel says "Rockefeller subscribed to the view expressed by U.S. industrialist John Diebold in the fall 1973 issue of Foreign Policy in an article titled 'Multinational Corporations: Why Be Scared Of Them?' " There Diebold maintained that "the logical and eventual development [of the multinational corporations] . . . would be the end of nationality and national governments as we know them." Karpel reports: "David Rockefeller considers himself to be a citizen of the world. His bank's and his family's business interests are worldwide. . . . He does not spend any time futzing around in Albany or Washington like Nelson. To David Rockefeller, the national interests of the United States are parochial and particularistic, the sentimental pre-occupation of smaller minds than his. . . ."

Karpel theorizes that Rockefeller intends Brzezinski, first head of the Trilateral Commission and now Jimmy Carter's National Security Advisor, to be the man to institute the New World Order. Carter was picked to become the visible President so that Brzezinski could run foreign policy.

Why the unknown peanut merchant from roasting Plains? Karpel explains: "Rockefeller and Brzezinski's most important consideration was the need to induct a Presidential candidate into the foreign-policy establishment who, if elected, would be beholden to no other constituency. This ruled out such men who were considered Presidential contenders in 1973 as: Senator Edward Kennedy, . . . Senator Hubert H. Humphrey, . . . Senator Henry Jackson. . . . Carter, by contrast, had no such powerful constituency to satisfy—or to rely on. He had no backlog of political debts to pay or to collect should he be elected President. The deal was simple: All Carter had to do was promise to appoint Brzezinski to high office and give him the shot of free rein that Nixon had given Kissinger, and the entire resources of David Rockefeller's pyramid of influence would be at his disposal both in the following three years—during which it would do all in its power to get him nominated and elected—and in the ensuing eight years, during which it would help him govern. . . ."

Sounds downright Faustian, doesn't it? It is. As Craig Karpel concludes: "The first President in America's history to promise not to lie has told a whopper. Speaking on all three television networks at once, he vilified a nameless political and economic elite and castigated unholy, self-perpetuating alliances between money and politics. One is, presumably, permitted to infer that the speaker had not himself been recruited into such an elite and was not himself a member of such an alliance. Jimmy Carter's service on and sponsorship by the Trilateral Commission means that these statements are lies so bold, so shameless, so outrageous, that they shame the Presidency."

ANNUAL PUBLIC OPINION POLL RESULTS

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 11, 1977

Mr. ASHBROOK. Mr. Speaker, the results of my annual public opinion poll have been tabulated. Thousands of returns were received. As in past years the poll had space for two members of each household to answer the questions.

The questionnaire covered the full range of the issues facing our Nation. These included domestic policy, defense issues, and foreign policy.

In regard to the question of what is the biggest economic problem facing America today, 75 percent of those responding thought inflation is, while 19 percent thought unemployment is. To lower unemployment residents of the 17th Congressional District supported permanent tax cuts to stimulate job creation in private business (75 percent) while 35 percent favored leaving the economy alone and 9 percent were for creating more Government jobs.

Among the choices offered as answers to our energy problems, the choices of greater use of coal reserves, development of nuclear energy, solar energy development, and tax incentives for fuel-efficient cars received the strongest support.

In defense areas several questions were asked. Five percent thought the present American defense effort is too much and should be reduced; 54 percent thought it is too little and should be increased; 31 percent thought our present defense efforts are sufficient for our needs. On the issue of reinstituting the military draft there was a closer division of opinion; 49 percent favored a return to the military draft and 40 percent opposed it with 11 percent undecided or having no opinion.

Forty-three percent believe the United Nations should have no role in U.S. foreign policy while less than half as many feel it should have a more important role, 21 percent. Twenty-five percent favor the same role as during the last administration.

The move for so-called normalization of relations with Communist China at the expense of the free Chinese on Taiwan gets little support. Only 2 percent of those responding think that the United States should recognize Communist China and cut ties with the Republic of China. A large majority—63 percent—think the United States should have diplomatic relations with both Chinas while a significant minority—27 percent—do not believe the United States should grant recognition to Communist China at all.

Eighty-six percent responding opposed relinquishing control of the Panama Canal. Eighty-five percent oppose an amnesty-type program for illegal aliens.

As I have stated before, the poll is an additional good way to get constituent views in addition to meeting, letters, phone calls, and all the other means of getting people's views.

At this point I include the results of the 1977 questionnaire. The results are both interesting and informative:

1977 PUBLIC OPINION POLL OF THE 17TH DISTRICT

[Results in percent]

	Yes	No	No opinion
1. What is the biggest economic problem facing America today?			
(a) Inflation	75		
(b) Unemployment	19		6
2. To lower unemployment President Carter has urged the creation of more government jobs with tax funds. In your opinion, what is the best way for the government to fight unemployment? (Check 1.)			
(a) Create more government jobs	9		
(b) Provide permanent tax cuts to stimulate job creation in private business	45		
(c) Leave the economy alone	34		12
3. What is your opinion on the merit of each of these proposals to help solve our energy crisis?			
(a) Higher fuel taxes	8	74	18
(b) Greater use of coal reserves	86	3	11
(c) Decontrol of oil and gas	47	35	18
(d) Development of nuclear energy	76	13	11
(e) Tax incentives for manufacture of fuel-efficient cars	59	25	16
(f) Taxes on large cars	31	53	16
(g) Solar energy development	85	3	12
(h) Set aside strict environmental restrictions on coal	54	30	16
4. There are several proposals in Congress about reforming the welfare system. Which one of the following most closely parallels your views?			
(a) We should retain the present system whereby State and local governments administer the program with the Federal Government paying a large share of the cost and setting guidelines	10		
(b) We should reduce the Federal role, gradually returning the responsibilities to the State and local governments	69		
(c) We should centralize the welfare system at the national level to provide a guaranteed annual income for every family financed and administered by Federal revenues	9		12
5. In dealing with world famine and hunger, which of these policies more closely represents your opinion:			
(a) Increase American food gifts to needy nations and people	7		
(b) Establish an international money fund to which all nations can contribute for purchase of food for needy nations and people	51		
(c) When Arabs give away oil, we should give away food	32		10
6. Do you agree with President Carter's granting of a blanket pardon to all draft evaders?	13	81	6
7. Do you believe that the present American defense effort is:			
(a) Too much, should be reduced	5		
(b) Too little, should be increased	54		
(c) Sufficient for our needs	31		10
8. There has been criticism of the Volunteer Army. Do you support a return to the military draft?	49	40	11
9. The Soviet Union has implemented an intense civil defense training program for all citizens, spending some $1,000,000,000 annually. Do you think:			
(a) The U.S. must implement a comparable citizen protection program	44		
(b) Existing U.S. civil defense is adequate	28		
(c) Measures similar to the U.S.S.R.'s would be too costly for us	13		15
10. Do you believe unions should be allowed to represent members of the Armed Forces?	3	92	5
11. Should control of the Postal Service and the postal rate structure be returned to the Congress?	57	30	13
12. Do you favor the use of Federal tax dollars to help finance campaigns for the U.S. House of Representatives and the U.S. Senate?	16	77	7
13. With Andrew Young as U.S. Ambassador to the United Nations, President Carter appears to be giving the United Nations a larger role in American foreign policy. What role do you think the U.N. should have? (Check 1.)			
(a) Same role as during the last administration	25		
(b) More important role	21		
(c) No role	43		11
14. Secretary of Agriculture Bergland supports increased government target prices for agriculture. Do you think government target prices should be increased?	20	58	22
15. The Hatch Act restricts partisan political activities by Federal employees. President Carter supports legislation to allow Federal employees more participation in partisan politics. Do you favor such a change?	21	67	12
16. Do you favor a Federal land use law which would allow greater Federal control over State, local, and private land use?	5	87	8
17. Should the CIA be prohibited from conducting undercover activities in foreign countries?	9	82	9
18. What policy should the United States follow regarding China?			
(a) Recognize Communist China and cut ties with the Republic of China	2		
(b) Grant diplomatic recognition to both Chinas	63		
(c) Refuse recognition of Communist China	27		8
19. President Carter's proposals for upgrading servicemen's discharges could mean deserters would be eligible for veterans' benefits. Do you think they should be eligible to receive the same benefits as those who received honorable discharges?	2	94	4
20. An estimated 7 to 10,000,000 illegal aliens are presently in the United States. The Carter administration is considering an amnesty-type program to legalize their status. Do you agree?	8	85	7
21. The Carter administration is conducting negotiations with Panama which will probably result in relinquishing American control over the Canal. Do you think we should agree to such a treaty?	9	86	5
22. Now that Jimmy Carter has been elected President, which one of the following statements do you feel best describes the future?			
(a) Things will be better than before	19		
(b) Things will probably get worse	38		
(c) It really doesn't make much difference	30		13

IN PHILADELPHIA, PEOPLE WANT TO WORK

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 11, 1977

Mr. EILBERG. Mr. Speaker, just recently in Philadelphia, nearly 100 people waited all night in the rain so that they could have first chance at some 25 job openings advertised by a local company.

They demonstrated that when you look beyond the endless, faceless unemployment statistics, Mr. Speaker, the fact remains that Americans want to work.

As the following stories from the October 28 editions of the Philadelphia Daily News and the Philadelphia Bulletin indicate, a person who cannot find work goes through a traumatic experience. The costs to us as a society—and I mean social and emotional costs as well as economic costs—are dear.

They are costs we simply cannot afford, and that is why I continue to maintain that our first priority in Congress must be to find a way to put Americans to work.

ONE HUNDRED WAIT IN RAIN SEEKING 25 JOBS

(By Karen Scanlon)

Sometime yesterday word filtered out of the Keebler Co. plant, G St. and Hunting Park Ave., that applications would be taken today to fill 25 jobs.

At 10:30 last night the first of more than 100 persons began showing up at the gate leading to Keebler's personnel office. More were expected, but they'll probably have missed out if the firm does its hiring on a first-come first-employed basis.

At first the applicants leaned against the cyclone fence with its black-on-yellow sign that said, "Employee applications are being accepted at this time," which was apparently the only advertisement of the jobs.

Accepted, yes, Hired, maybe.

But even the slimmest chance of employment was something not to be overlooked by the job-eager persons who came equipped for an all-night stay.

Bertha Orawsky, 49, of 9218 N. Delaware Ave., was the first in line. She's been out of work since Dec. 24, 1975. Used to do everything from cut rubber to driving a truck, but the Uniroyal plant where she worked closed its doors and moved south.

Ms. Orawsky said she's now on welfare but wants to get off. She'd heard about the job openings from her son. She was sitting in a yellow deck chair with a shawl over her shoulders. (She and others heard the pay was about $4 an hour.)

"I need to go back to work," Bertha said. "I think everybody needs to work."

Bruce Magum, 22, of North Philadelphia, was No. 26 in line, which put him just past the cutoff point if only 25 persons were hired. Until Oct. 16 he was driving a Good Humor truck, but you don't sell much ice cream in the winter and he's back pounding the bricks.

"I got a note on my car and a young daughter to support," Magum said.

He said he arrived at the plant at 1:30 a.m. after hearing about the job from his grandfather who works there as a maintenance man.

"I'm on unemployment," Magum said. "I don't want to stay home. I want to work."

Earlier a security guard gave the persons already in line a break, and admitted them inside the gates but not in the plant. The others were told they'd have to take their chances. Some left, but the majority stayed, hoping against hope they'd be able to come away with some assurance of a job.

From inside the plant workers on the overnight shift looked out on the applicants who by now were drenched in the drizzle that fell throughout the humid night.

In a gesture completely understood by one hourly worker for another, they emptied machines inside the plant for sandwiches and coffee for those waiting for the personnel office to open.

Nos. 12 and 13 in the line were sisters, Clara Lozano, 50, of 4618 C St., and Louise Esposito, 52, of 6848 Woolston Ave. Both are old hands at looking for work, but feel they're discriminated against because of their age. Both were soaked to the skin but determined to get inside and get their names on paper.

"There's no jobs around," Louise said. "We all need work. They can't go by color or age anymore. I been outta work four years in March."

Louise said she used to work for Philco Ford but "my plant moved to Brazil. I was there from 1942 to 1974."

Clara interrupted. "See, they figure you're a little past 50, they don't hire you. They don't say it they just don't hire you."

Louise said she'd waited a month on her last job application. It was for work in a factory." I think they hired by age," Louise said.

"They showed me all around the plant when they interviewed me and I could tell, there were all young girls working there.

"I can't get work because of my age. They think you're not fast, but when you work on a conveyor belt, you're fast. I did everything (at Philco)."

Clara said she had a job as a sorter in the Roxborough store of the Salvation Army and cleared $73 a week after taxes. "I need more money," she said. "I got a $152 a month mortgage, gas and electric bills. Louise called me about this job and I came right over. If they hire me I'll be in my glory. This is like waiting for a concert ticket."

No. 10 in the line, Vincent Campbell, 20, of Penndel, Langhorn, Bucks County, answered her: "Yeah except they only got 25 tickets for sale."

Campbell has been out of work for the past three months. He had worked at the Keystone Lighting Co. in Bristol, but had been laid off.

"I graduated from the Bucks County Technical school," Campbell said, "and tried to get into the Oil Burners Trade Union. They told me they had no vacancies and I had no experience. How you gonna get experience if you can't get in the union that covers the jobs?"

Campbell said his sister Barbara, 18, told him about the jobs, and she was sleeping in the car. He was holding the No. 11 spot in the line for her.

All of them seemed to know they were bucking the odds when it came to being one of the lucky 25 hired, but all were determined to give it their best shot.

FIFTY WAIT ALL NIGHT FOR JOBS

(By Michael E. Ruane)

The sweet lure of work in a cookie factory drew more than 50 job-hungry people to a rainy night-long vigil at the gates of the Keebler Co. bakery.

"I'm freezing and I'm soaked, but jobs are hard to get," said Bertha Orawsky, 49, who was sitting at the head of a line of job seekers.

"A lot of people told me to get here early," said Mrs. Orawsky, so she arrived at 10:30 last night to await the opening of the personnel office at 8 this morning.

An esprit de corps quickly sprung up as the crowd, huddled just inside the company gates at G st. and Hunting Park ave., began to swell. The word that applications would be taken for 25 job openings had been spread by Keebler workers after a notice was posted at the company.

Mrs. Orawsky, of the 9000 block of Delaware ave., heard of the openings from her son, who works at the plant. She had been without work for 18 months and arrived at Keebler with a folding chair, a thermos of coffee and a determination to sit through the night.

Bonnie Kyle, 19, arrived an hour after Mrs. Orawsky and won sixth place in line. The mother of a 3-year-old boy, Ms. Kyle said she had been interviewed for more than 20 jobs without success. She sat on a soiled blanket, soaked to the skin, cold and determined.

"It's not right to depend on my parents, they can't afford me and my baby," she said.

Ms. Kyle said she once saw a newspaper ad for a "go-go dancer and model," but was shocked at what she found when she applied.

"It sounded fantastic, but I should have known." She said, "$500 is not enough to make me take my clothes off for anybody".

She sat reading want ads from the newspaper to while away the time.

Clara Lozano, 50, had an easy explanation for her determination to sit in the rain for nine hours in pursuit of a job.

"Look at that bill," she said, pulling her $23 gas bill from her purse. "It was only $9 during the summer."

Mrs. Lozano and her 14-year-old son have been cutting corners to save money since she was laid off about a year ago.

"We only watch TV for two hours, sometimes less, so the electric bill isn't so high," she explained.

She looked down the long line, shook her head and sighed.

"I just hope we get hired."

IN TRIBUTE TO AL KOCHMAN

HON. LEO J. RYAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 11, 1977

Mr. RYAN. Mr. Speaker, the head of the San Mateo County Democratic Party for the last 7 years, Mr. Al Kochman, recently passed away and I would like to take this time to say a few words about him.

Known well for his outspoken party leadership and concern for human rights, Mr. Kochman headed the San Mateo Democratic Central Committee from 1970 to 1976 as its chairman and had worked diligently for party unity through the years. He was respected by those who knew him for his integrity and unselfish contributions to making our political process one that works in the public interest.

A native of Germany, Al Kochman had lived in the San Mateo area for the past 19 years. He will be missed by many.

CONGRESSMAN WILLIAM D. FORD OF MICHIGAN SAYS VA EDUCATION PROGRAM IS A MESS. IS IT?

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 11, 1977

Mr. TEAGUE. Mr. Speaker, when H.R. 8701, the GI Bill Improvement Act of 1977, was being considered on the floor of the House November 3, Congressman WILLIAM D. FORD of Michigan made some remarks that I consider the first shot of a campaign to discredit GI education for veterans. I ask veterans and officials of veterans' organizations to consider his words:

> . . . (this bill) is going to be perceived by the veterans who are the age of my son as an "anti-Vietnam-era veterans" bill, and I think they are right.

The distinguished gentleman from Michigan also remarked that the Subcommittee on Postsecondary Education, of which he is chairman, is being continually asked to "clean up the mess"—meaning the education program—of the Veterans' Affairs Committee.

Vietnam-era veterans spoke eloquently for themselves when they told the Veterans' Affairs Committee they needed a 6.6 percent increase in their educational assistance allowances to meet the rise in the cost of living. That is what the bill contained. I do not know how Mr. Ford and his son arrived at their "anti-Vietnam-era veteran" conclusion. Mr. Al Poteet, Assistant Director of the Veterans of Foreign Wars Legislative Service volunteered this testimony while appearing before our committee in favor of H.R. 8701:

> I can guarantee you, Mr. Chairman, that as a Vietnam veteran who has and who is still utilizing the GI Bill, that this VA educational program is reasonable and affords veterans a golden opportunity to attain their educational objectives whatever they may be.

The American Legion with 700,000 Vietnam-era veterans in their membership supported the bill. The Veterans of Foreign Wars with 500,000 Vietnam-era veterans supported the bill as did the Disabled American Veterans with 170,000 Vietnam-era veterans. The administration of President Carter supported the bill.

I would remind the distinguished gentleman that the Committee on Veterans' Affairs has exclusive legislative jurisdiction over veterans' readjustment benefits, including educational benefits. Mr. FORD's Subcommittee on Postsecondary Education has no authority to clean up "messes" in the veterans' education program even if he were able to smell them out. However, Mr. FORD can be assured of our full attention if he has positive ideas that would benefit the VA education program. We wait to hear from him.

His nose for inept education programs is suspect, however, if he is unable to scent the one in his own quarters. The scandal-ridden, hodge-podge, jerry-built structure called "aid to higher education" that has been put together by the Department of Health, Education, and Welfare with the beneficent assistance of Mr. FORD's subcommittee, certainly smells to high heaven.

The many recent newspaper stories about the enormous rate of unpaiid student loans have been too widely circulated to require further comment from me. An article in the New York Times noted that although outlays of Federal funds in the billions are made each year to colleges and universities, "there is no unifying policy on higher education in the United States nor is there any central coordination." Eighteen medical schools, for example, have become so incensed at the Government's enchoarchments on their academic freedom that they say they will no longer accept all these funds.

Under the blessing of the Subcommittee on Postsecondary Education, the Federal Government now touches almost every aspect of acaedmic life from hirings and firings to student aid, changes in curriculum, architecture, research, and extracurricular activities. And Mr. FORD calls the GI bill education program a mess. Coming from the chairman of the Subcommittee on Postsecondary Education, that is a laugh.

It must be a laugh, Mr. Speaker, because surely the gentleman is not serious. Perhaps with too light a heart he has listened to associations that represent institutions of higher learning. They seek control of the VA education program just as others covet the VA hospital system and the VA home loan program for the

same reasons. The fact that, on balance, this cleanly administered program does its job of helping veterans get their education day-in and day-out without tumult and turmoil is a thorn in the side of those who preside over the dismal swamp and thicket they call "aid to higher education." Their purpose in talking of the veterans' program "mess," in my opinion, is to divert public attention from their own incredible ineptitude.

I trust all those who have the best interest of veterans at heart will look behind these seemingly casual remarks by Mr. FORD that slander the GI bill education program. If it were true that this is an "anti-Vietnam-era veterans' bill" as he says, it is most unusual that the organizations representing these veterans would support it. Mr. FORD alone in his condemnation of the bill.

LATE HUBERT F. LEE

HON. ELLIOTT H. LEVITAS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 11, 1977

Mr. LEVITAS. Mr. Speaker, it is a sad day for Georgia and for the Nation when Hubert F. Lee passed away. He was the editor and publisher of Dixie Business magazine, a publication which published the upbeat, encouraging news of our region.

Hubert Lee dwelled not on the catastrophes or disasters, but on that part of the human spirit which continues to build and improve. I wish to include in the RECORD today the editorial from the Atlanta Constitution in honor of Mr. Lee. We extend our condolences to the family of Hubert Lee.

The article follows:

EDITOR HUBERT LEE

The death of Hubert Floyd Lee, for 48 years the publisher of Dixie Business Magazine, is a sad occasion for his many friends in this state and region.

Lee, who was a reporter for The Constitution before beginning his magazine, became well-known through his magazine's selection and recongition of "Man of the Year" and "Man of the South," distinguished achievers from Georgia and the Southeast.

For his many friends, Lee himself was always a man of the year and of the South during his long career as an editor and publisher. His passing will be mourned.

ARMS TRANSFERS TO NORTH YEMEN

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 11, 1977

Mr. HAMILTON. Mr. Speaker, I would like to bring to the attention of my colleagues correspondence I have had with the Secretary of State on what appears to be an expanding U.S. military relationship with the Yemen Arab Republic North Yemen. The United States has just consented to the transfer of four F–5B trainer aircraft from Saudi Arabia to Yemen and is considering a request by Yemen for the purchase of 12 F–5E aircraft.

While there may be good and valid reasons for eventually consenting to the sale of a limited number of F–5 aircraft to the Yemen Arab Republic I would hope that we do not embark on the sale of aircraft until our present, initial program to help the army has demonstrated that our military equipment sold to the Yemen and paid for by Saudi Arabia is being effectively and appropriately used and absorbed.

My correspondence with the State Department follows:

OCTOBER 27, 1977.

Hon. CYRUS R. VANCE,
Secretary of State, Department of State, Washington, D.C.

DEAR MR. SECRETARY: Thank you for your letter of October 20th in reply to my inquiry regarding the proposed transfer of four F–5B trainer aircraft from Saudi Arabia to the Yemen Arab Republic.

My primary concern on this issue is the apparent quickly escalating tempo of our military relationship with Yemen at a time of considerable political uncertainty throughout the Southern Red Sea, Horn of Africa region and in Yemen itself. We have only recently embarked on the first phase of a military modernization program in Yemen involving a delicate trilateral relationship between Saudi Arabia, Yemen and the United States. Most of the equipment involved in the first phase is undelivered. Yet, we are now starting a second phase involving aircraft.

The start of this new phase prior to the development or even testing of the first program seems to be rushing matters. There may be compelling political reasons for this earlier-than-expected move into an F–5 program with Yemen, but I would rather see economic and diplomatic levers used to show the needed immediate political support rather than once again relying on arms sales for an apparent quick fix.

I appreciate your asking for my views on this matter. For the moment, I wish to reserve final judgment on the possible future sale of 12 F–5 aircraft to Yemen even though I see some good arguments in favor to a modest effort to help the Yemeni air force.

With best regards.

Sincerely yours,

LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East.

DEPARTMENT OF STATE,
Washington, D.C., October 20, 1977.

The Honorable LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East, Committee on International Relations, House of Representatives.

DEAR MR. CHAIRMAN: The Secretary has asked me to reply to your letter of September 26 concerning the proposed transfer of four F–5B trainer aircraft from Saudi Arabia to the Yemen Arab Republic (YAR).

As you know, our Saudi-funded military supply relationship with the YAR has, until now, concentrated on the reorganization and re-equipment of the army. The Saudis originally planned to re-equip the air force sometime after the army program was well under way because, in their view, the air force was the service most heavily influenced by the Soviets. However, from the beginning it was anticipated that Western equipment and aircraft would eventually be purchased by the YAR Air Force. The current request by Saudi Arabia to transfer the F–5B aircraft is thus consistent with the planning for the overall modernization program.

Recently the Soviet Union, in an apparent bid to regain its faltering position in the YAR, offered to supply MIG–21 aircraft. While the YAR leadership resisted the offer, the absence of up-to-date aircraft in the current YAR inventory (the YAR Air Force currently has some MIG–15s and MIG–17s) and the potential morale problems implicit in continued neglect of the air force, prompted the YAR to press the Saudis for alternative aircraft. To continue to withhold replacement aircraft could make it difficult for the current government in Sana to sustain its pro-Western orientation and force it back into its former reliance on the Soviets. Given these factors, the Saudis have shortened the timetable somewhat.

While the transfer will mark an expansion of our military supply relationship with the YAR, we believe the program serves our interests by promoting cooperation among countries opposed to an expansion of Soviet presence and Soviet influence in the region. The recent assassination of YAR President al-Hamdi has not led to a change in the pro-Western orientation of the government. Lt. Col. al-Ghashmi, the new Chairman of the Command Council and himself reportedly strongly pro-Western, has publicly stated he intends to carry on with the policies of his predecessor.

Although no commitment has yet been made, we recognize that implicit in our consent to the transfer of the F–5B is eventual favorable consideration of the sale of the F–5E. The Saudis have told us they plan to finance the purchase of 12 F–5E aircraft for the YAR. The aircraft proposed for Yemen would not have the extra capabilities the Saudi F–5E possesses (e.g., Maverick or LGB capability). Maintenance, support and funding for training would, as presently planned, be provided by Saudi Arabia.

Sale of these aircraft would be consistent with the Administration's arms transfer policy since no new or advanced systems would be introduced into the region.

The Department would appreciate your reaction to our longer term thinking. If you have any further questions, I would be happy to arrange a discussion with a knowledgeable Department official.

Sincerely,

DOUGLAS J. BENNETT, Jr.,
Assistant Secretary for Congressional Relations.

SEPTEMBER 26, 1977.

The Honorable CYRUS R. VANCE,
Secretary of State, Department of State, Washington, D.C

DEAR MR. SECRETARY: On September 20, 1977 pursuant to the provisions of Section 3 of the Arms Export Control Act you informed Congress of your intention to consent to the transfer of 4 F–5B aircraft from Saudi Arabia to the Yemen Arab Republic.

I would like to know your justification for this transfer and whether the provision of trainers means, in any way, that favorable consideration will be given to the sale of aircraft later on, and if not, why these trainers are being provided? While we have important and improving relations with Yemen and we have started a trilateral military supply relationship with Yemen to be financed by Saudi Arabia, the provision of fixed-wing aircraft and the F–5 plane, if only trainers, appears to raise significantly the threshold of our military relationship with the Yemen Arab Republic.

I appreciate your consideration of this inquiry.

Sincerely yours,

LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East.

DEPARTMENT OF STATE,
Washington, D.C., September 20, 1977.
The Honorable THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives.

DEAR MR. SPEAKER: Pursuant to the provisions of Section 3 of the Arms Export Control Act, I wish to notify you that the Department of State intends to consent to a request by the Government of Saudi Arabia for permission to transfer four F–5B aircraft to the Yemen Arab Republic (YAR).

These are two seat trainer versions of the F–5A aircraft which were produced in the United States in 1971–72 and sold to Saudi Arabia for approximately $1.4 million each under Foreign Military Sales procedures.

We have reviewed this request in light of our policy concerning the provision of U.S. defense articles, related training and other defense services to the YAR and have concluded that the United States would itself transfer these aircraft to that country. The proposed transfer is consistent with U.S. law and policy. We will obtain re-transfer assurances before granting final approval to the transfer which will occur immediately thereafter.

Sincerely,
DOUGLAS J. BENNETT, Jr.,
Assistant Secretary for Congressional Relations.

CONGRESS SHOULD BE INVOLVED IN THE ISSUE OF THE CROWN OF ST. STEPHEN

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 11, 1977

Mr. ASHBROOK. Mr. Speaker, on November 4 the New York Times ran a front-page story concerning the intention of this administration to return the Crown of St. Stephen to the present Communist regime in Hungary. This is not the first time that this issue has been raised and Members of Congress and private interested peoples have protested its return. Legislation was introduced in earlier Congresses as in the case of the present Congress in which legislation has again been submitted and cosponsored by a number of Members.

It would seem that the present attempt by the State Department to send back the crown sought to exclude Congress as the news of the intended move became known as Congress was about to recess for several weeks. During the year inquiries to the State Department were met with statements that there was no intention of returning the crown at this time. No sooner had Congress begun preparations to recess than the administration's intentions became known.

Plainly, full-scale hearings are in order in both the House and the Senate on this matter. Past experience has shown that this issue is controversial and that Congress should be involved.

This is not an issue which involves Hungarians alone. At the hearing before a House International Relations Subcommittee this past Wednesday testimony was presented by Mr. Stephen Koczak which gave some idea of the wide-scope interest in the crown. Mr. Koczak, a former American Foreign Service officer who was expelled from Hungary just before the trial of Cardinal Mindszenty, is well versed in the history of the crown. His testimony follows:

STATEMENT OF STEPHEN A. KOCZAK

At the outset, in appearing before this Subcommittee, I wish to endorse fully the views which other members of this Panel have expressed in opposition to the return of the Holy Crown of St. Stephen to Hungary at this time.

I should like, however, to concentrate my testimony today on other considerations which affect all Americans and the conduct of U.S. foreign policy. These comments would apply even if all Hungarian-Americans were silent today and even if there were no Hungarians left in Hungary itself.

When the evidence behind these considerations is weighed, it will be manifest that the return of the Holy Crown to Hungary now, under the conditions announced by the White House, will result in great harm to U.S. global interests, no matter what the alleged or presumed or imputed "improved U.S.-Hungarian relations."

Because of the brevity of time, I can only summarize the multiple reasons for this general global harm. As an introduction to the summary, however, I should like to ask permission to insert into the record fourteen communications which I have received—none from Hungarians—asking me to call to your attention the disastrous impact on U.S. foreign policy of this proposed action, not only in Eastern Europe but as far as the borders of India and China. They include secular and religious leaders. Among these communications from religious and secular groups are the following nationalities and religions:

NATIONALITIES

1. Bulgarian.
2. Byelorussian.
3. Cossack.
4. Croatian.
5. Georgian.
6. Polish.
7. Russian.
8. Slovak.
9. Slovenian.
10. Indian.

RELIGIONS

1. Roman Catholic.
2. Orthodox (autocephalic churches).
3. Hindu.
4. Jewish.
5. Moslem.
6. Sikh.
7. Buddhist.

Mrigendra Singh, Raja of Patiala, in his communication to me, summarized the distress of these many faiths and nations when he wrote as follows:

"The fate of the Crown is not only of grave concern to my Christian religious colleagues, especially Catholics and Orthodox of high rank, but the idea of putting a Christian spiritual relic such as the Crown of St. Stephen into non-spiritual hands has Universal ecumenical implications and ramifications to Sikhism, Islam, Judaism, Buddhism and Hinduism as well as to Christianity. For example, I feel confident that even His Holiness the Dalai Lama and the Chogyal of Sikkim would probably be saddened at the spiritual implications of such a transfer."

I should also like to insert into the record a copy of a letter, dated May 6, 1977, from Jon Speller and published in the New York Times on May 20, 1977. In that letter, Mr. Speller wrote as follows:

"It should be noted that, historically speaking, the Holy Crown of St. Stephen synthesizes elements from both Rome and Constantinople. As a religious relic of ecumenical significance to both the Latin and Greek branches of Christianity, it would seem fitting that the decision of when to return the crown to Hungary should take into consideration the views of the world's entire Roman Catholic and Eastern Orthodox Episcopates, gathered in proper ecclesiastical convocation. Toward that end it would seem to be desirable to first elicit the formal spiritual views on the question of the Holy Crown of St. Stephen of both Pope Paul VI and Ecumenical Patriarch Demetrios of Constantinople."

Finally, I should like permission to submit separately for the record a more complete statement in which I hope to shed light on the profound significance of this Holy Crown to these many different nations and many religions spread throughout the world. To them, the Holy Crown is not only a historic international symbol of national independence and of constitutional guarantees of human rights but, quintessentially, it is a relic attesting to a direct relationship between mankind and divinity.

For these reasons, for those you have heard from other witnesses on this Panel, and for the considerations cited in the messages appended to my statement, I urgently beseech you to enact H.R. 7983 in the interest of the American people and of all the nations which look to the United States for high moral values and ethical leadership.

ATTACHMENT TO STATEMENT OF STEPHEN A. KOCZAK ON H.R. 7983

There follows a list of communications from nationalities and religious groups to be placed into the record of Hearings on H.R. 7983, "Hungarian Crown of Saint Stephen Protection Act.":

1. Rt. Reverend Bishop Simeon, Bulgarian Patriarchate, American Bulgarian Eastern Orthodox Diocese of Akron, Ohio, USA, Canada and Australia.
2. Mrigendra Singh, Raja of Patiala, Old Moti Bagh Palace, Annex, Patiala, India.
3. Professor Herbert Druks, Author on Jewish and Zionist Affairs, including "Failure to Rescue", documentation of failure of Western democracies to rescue European Jews from annihilation by Nazi regime.
4. Dr. Roger Horoshko, Publisher, Byelorussian Times.
5. Konstanty Hanff, Executive Director, Free Poland Woina Polska.
6. Jerzy Mroczkowski, Editor, Polish Times Political Weekly, Winnipeg, Canada.
7. Dr. Oton Ambroz, Yugoslav Exile Group, Liberal International, London, England.
8. Tomas J. Veteska, Free Slovakia.
9. W. G. Glaskow, National Chairman, Cossack-American Citizens Committee.
10. Ante R. K. Jeric, Dalmatian Federation in the USA.
11. Nikolai Jetenov, Chairman of Organization of Russian Dissidents from the Soviet Union in the USA.
12. Gergoire Abudadze, Secretary, Georgia National Association in the USA.
13. Cathryn Dorney, Executive Director, American Education Association, New York, New York.
14. Jon Speller, Letter published on Editorial Page of New York Times, May 20, 1977.

Curriculum Vitae also appended.

STEPHEN A. KOCZAK

Born: Trenton, New Jersey, November 13, 1917.

Education: Graduate A.B. Degree, Harvard College, 1942; Certificate, Graduate Institute of International Relations, Geneva, Switzerland (1946).

Military Service: 1942–1946; 1942, drafted into Army; commissioned in Adjutant General School, Ft. Washington, Md. 1943; in

Military Intelligence and Censorship Control—German, Russian, French, Hungarian languages. Served on staff of General Eisenhower at SHAEF and with military government in Finance Division at OMGUS (Berlin) under General Clay.

1946–1966: Commissioned as Foreign Service Officer, Department of State, November 13, 1946. Political and diplomatic posts in U.S. Missions, Legations and Embassies; in Berlin, Germany on staff of Ambassador Robert Murphy (1946–1947); American Legation, Budapest (1947–1949), with Minister Seldin Chapin, where declared personna non grata by Stalinist Hungarian government allegedly for seeking overthrow of Communist State in connection with Cardinal Joseph Mindzenty trial; Bonn, Germany with High Commissioners John J. McCloy and James B. Conant (1949–1954); at American Embassy, Tel Avis, Israel (1954–1956), during first Sinai War and Hungarian Revolution; in Berlin, Germany with U.S. Mission (1959–1961) as head of East German Political Affairs Department during Berlin Crisis and erection of Berlin Wall; assignments in Department of State were with Bureau of Intelligence (1956–1957) and with Historical Office (1962–1966) working on European problems and political and strategic issues of nuclear warfare, missiles and outer space.

1966 to present: Director of Research, American Federation of Government Employees, AFL–CIO, the largest union of Federal employees representing 725,000 in exclusive recognition bargaining units. Alternate member, five-member Federal Employees Pay Council, which advises the President's Agent, under the Federal Pay Comparability Act of 1970, on setting Federal pay rates for approximately 1.5 million white collar employees and 2.5 million uniformed military personnel.

HELP FOR THE STEEL INDUSTRY

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 11, 1977

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for November 9, 1977, into the CONGRESSIONAL RECORD:

HELP FOR THE STEEL INDUSTRY

What should the government do to help the steel industry? That question has forced itself onto the agenda of the Congress in the closing days of this session because steel, one of the nation's basic industries, has plunged into its worst crisis in 25 years.

Steel plants have cut back employment, steel profits have plummeted, some steel companies are sinking into the red, many steel mills are idle, and a malaise has spread throughout the industry. The basic reasons for the problems of the industry are a slack in world-wide demand for steel, an enormous surplus capacity, an influx into this country of low-priced imports, and aging and relatively inefficient plants and equipment.

Everyone agrees that there is no quick relief in sight. Japanese production costs are 15–20 percent below those of the American industry and the Japanese can sell an average mix of products in the United States at costs that are about 5 percent below those of an American producer. About one ton in five of American steel is produced in obsolete open-hearth furnaces, a process now abandoned entirely in Japan. The productivity rise in the steel industry has been lagging behind the rise in other manufacturing industries. Steel prices are up 79 percent since 1972 as against only 24 percent for other industrial prices in the same period.

The U.S. steel industry, however, is not on the edge of oblivion. Much of the industry remains competitive, especially in the Midwest where most of the new plants have been built and where demand for industrial steel remains high.

To correct its problems, the steel industry is pushing hard for several changes. It wants a more generous and quicker tax write-off for its investment in government mandated pollution and safety equipment, and shortened depreciation on its basic steel-making equipment. These changes would allow a steel company to deduct its investment immediately as a business expense.

In return for vigorous prosecution by the government of the anti-dumping laws, the steel industry has recently dropped its push for import quotas. Import quotas might bring temporary relief to the steel industry but in the long run at a high cost to everyone. Quotas might increase the quantities of steel produced in the domestic market, but they would tend to remove competition and push prices up. Import quotas would also signal that the American commitment to open trade is half-hearted, and might encourage other nations to retaliate.

The steel industry wants and the President and Congress agree that the anti-dumping laws need to be better enforced. Dumping occurs when a country sells a product more cheaply abroad than at home. In a simple case, if a shoe factory sells a pair of shoes at home for $20 and the same pair in the United States for $10, that woud be a clear case of dumping. Under present law the United States could impose a $10 anti-dumping duty on the pair of shoes. The appeal of the anti-dumping approach is undeniable, but the real question is whether it will be effective. Filing dumping complaints is a time-consuming and painstaking way to combat imports. They do, however, increase the pressure on foreign steelmakers. With tough enforcement of the anti-dumping laws, a bruising battle over steel import quotas and tough negotiations with trading partners around the world can be avoided, but it is extremely doubtful that the problems of the steel industry can be resolved by anti-dumping actions alone. Even if such action is effective in stopping imports, inflation will accelerate because lower-priced steel will be shut out from our markets and a sizeable trade collision could be brought about. In short, although anti-dumping measures may be helpful in the short term, they also raise some problems and they are not going to make the steel industry problems vanish miraculously.

I believe the government should act to give the steel industry tax incentives to allow the capital formation it needs and should begin to strongly enforce the anti-dumping laws. Because steel is so basic to America's economy, I do not rule out other types of aid for the industry, including so-called orderly marketing agreements limiting steel imports, or even changes in the anti-trust laws. Since no single factor can be identified as being responsible for the industry's difficulties, no single action by government, the steel industry or steelworkers can solve them. Whatever we do, however, should be done with care.

Clearly the time has come to abandon the traditional adversary relationship that has existed between Washington and the steel industry. The steel industry is often caught in a crossfire of policies emanating from the Environmental Protection Agency, the Labor Department and the Justice Department. Planned coordination of government policies would be a welcomed first step in any program to rescue a sagging industry.

GROWTH OF EUROCOMMUNIST PARTIES IN WESTERN EUROPE

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 11, 1977

Mr. DERWINSKI. Mr. Speaker, with the growth of so-called Eurocommunist parties in Western Europe, there has been a growing assumption in some quarters that the nature of communism in those nations is different. Although evidence countering such an assumption has frequently arisen, it has yet to be fully comprehended by many officials of the administration. Robert Moss, editor of the Economist's Foreign Report and author of "The Collapse of Bureaucracy" provides a much needed clarification of the nature of Eurocommunism in the summer issue of Policy Review, a publication of the The Heritage Foundation of Washington, D.C.

"Is 'Eurocommunism' different in kind from Soviet communism or merely an electoral charade played by shrewd tacticians who know that their chances of winning votes will be lessened if they are identified with the repression of Soviet dissidents or the invasion of Czechoslovakia?" To provide answers for this question, Mr. Moss examines major assertions made by those who believe that the West can coexist with Eurocommunism.

The claim that Eurocommunist parties are independent from Moscow, proves indefensible when countered by evidence that despite the repeated attacks by Moscow on the Communists of France, Italy, and Spain; and despite the anti-Soviet tone of the Western Communists' proclamations of independence, there is nonetheless a close bond between Moscow and the Communists of the West. Mr. Moss notes that the only example of polycentrism within Communist countries is China which is big enough to assert its own will—a position far from that of the Communist parties of Western Europe. Also, it is doubtful that the strong pro-Soviet fractions within the Western Communist parties will allow any serious deviation from Soviet policy.

The second claim Mr. Moss effectively counters is that NATO could live with Eurocommunism assuming Eurocommunism is independent from Moscow. By citing direct quotations from Communist leaders in Europe such as Lombardo Radice of Italy, Mr. Moss shows that if war broke out between the Soviet Union and the West, the Eurocommunists would likely take the side of the Soviets. In spite of such evidence, Secretary Vance has adopted an attitude of official ambivalence toward the advent of Eurocommunism.

Mr. Moss' points are very well taken, and are especially appropriate at this

time. Therefore, I wish to insert the following excerpt from his article. "The Specter of Eurocommunism," at this time:

THE SPECTER OF EUROCOMMUNISM

(By Robert Moss)

The visit of Chancellor Helmut Schmidt to the White House on July 13 and 14 and that of Prime Minister Giulio Andreotti on July 26 and 27 will include a "hidden agenda" according to *The New York Times* of July 12, 1977.

"At the highest level of the Carter Administration," wrote *Times* reporter Bernard Gwertzman, "officials are expressing deep concern over what they see as a political and economic deterioration in many Western countries."

The "hidden agenda" to be discussed privately includes primarily "the swing toward the left" and "the trend known as Eurocommunism", which, says *The New York Times*, has "created mixed feelings" in Washington.

There can be little doubt, that from a European standpoint (and ultimately for the interests of the West as a whole) the "trend toward Eurocommunism" is indeed serious. Let us begin with Spain which recently transformed itself into a democracy.

The results of the Spanish elections on June 15th were less than a triumph for the Communist Party (which gained only 20 seats out of 350 in the Cortes) but the Communist Party leader, Santiago Carrillo, could put a braver face on it than the leaders of the traditional right which fared even worse. The Communist Party emerged as the third largest party in a situation where party allegiances are still very fluid.

Superficially, the election results seemed to have opened the way for a two-party system in Spain, with a center-right party of government clustered around the prime minister, Adolfo Suarez, and a socialist party of opposition (the PSOE) led by Felipe Gonzalez. Could it be that, despite the Communist Party's role in Spain as the focus for secret opposition to Franco and its *avant-garde* role, since 1968, in developing a "Eurocommunist" image of independence from Moscow and tolerance towards other parties, it will now be condemned to the sidelines?

Such a conclusion would be rash. First of all, it is worth recalling that the Spanish Communist Party polled only 191,000 votes in the first legislative elections of the Spanish Republic in June, 1931—not enough to capture a single seat in parliament—and only slightly more in the elections in 1933. The Communist Party's lack of a significant electoral following did not, however, make it a negligible force when the Republic fell victim to its internal conflicts.

Second, the PSOE is a Marxist, not a social democrat, party, and has attracted the votes of many of the people who might well have voted for the CP in Italy or France. The Soviets—as well as West European Socialist parties—gave considerable encouragement to the PSOE in the run up to the elections. This was no doubt related to their distrust of Carillo's "Euro-communist" pretensions, but also to the calculation that the PSOE was the most worthwhile cause—in an electoral sense—since its foreign policy completely coincides with Soviet interests, while it has already earned the approval of Socialist governments in Europe.

Finally, the Communist Party's organized membership (it claims 150,000 members) and trade union support, steeled by the long years of underground resistance, will be a force to be reckoned with in any future political crisis: while its mastery of conspiratorial techniques is evident from the way that the party has rapidly moved to assume dominant influence over the major news magazines—and even the recently-legalized girlie magazines.

So, while it may be concluded that the net result of Spain's elections was to expose the limited popular support for the Communist Party, it does not follow that the Communist Party has suffered some irreversible setback. It can count on mobilizing union discontent in a deepening economic recession in Spain, and of continuing to try to build a broad "popular front" combining the Communist, Socialist and left-wing Christian Democrat forces. Meanwhile, the specter of Euro-communism is more immediate to the north and east: in Italy, where the Communist Party gained 34.4 percent of the votes in the elections of June 1976 and controls all the major urban centers; and in France, where recent opinion polls suggest that the Communist Party-Socialist alliance (the Union of the Left) has a chance of winning next year's legislative elections.

One of the most striking features of the advance of Communism in Southern Europe is the widespread assumption that the nature of Communism has somehow changed. The postwar leader of the French Communist Party, Maurice Thorez, coined the celebrated phrase that his party was *"pas comme les autres."* Yet when the pollsters recently asked (in a poll that appeared in *Paris-Match*) whether people thought that the Communist Party had become "a party like the others," an astonishing 43 per cent of those interviewed said yes. Only 35 per cent continued to believe that the French Communist Party was different from other parties. The rest were undecided.

Even more striking, perhaps, was the response to another question, "Would the Communist Party be favorable to press freedom?" Of those interviewed, 35 per cent thought the Communist Party would respect press freedom; only 32 per cent thought that it would not.

Has the nature of Communism changed in Western Europe? Is "Eurocommunism" different in kind from Soviet Communism or merely an electoral charade played by shrewd tacticians who know that their chances of winning votes will be lessened if they are identified with the repression of Soviet dissidents or the invasion of Czechoslovakia?

A NEW WORD IS COINED

It should not be forgotten that the word "Eurocommunism" only came into circulation in 1975, and has only started to be used by Communist Party leaders—after much initial hesitation—over the past year or so. (Carrillo recently published a book with "Eurocommunism" in the title.) One Soviet critic of "Eurocommunism," V.V. Zagladin, has suggested that the term was invented by Zbigniew Brzezinski. More probably, it is the invention of journalists: a convenient, but misleading, bit of shorthand used to describe some tendencies that seem to be common to several CPs in Western Europe, rather than a description that they initially applied to themselves.

The "Eurocommunist" parties have set out to demonstrate the following points:

1. That a Communist victory in a West European country would not mean domination from Moscow.

2. That Western Communist Parties are not responsible for the crimes of Stalinism and the contemporary treatment of dissidents within the Soviet bloc; and are capable of taking a critical attitude toward what their Soviet patrons do.

3. That Communism is compatible with political liberty and the survival of parliamentary institutions.

In pursuit of (1), the Eurocommunists have dropped one of the key phrases in the Marxist-Leninist lexicon: "proletarian internationalism," a euphemism for Soviet control of the world Communist movement.

In pursuit of (2), some Western Communist Parties make regular—but highly selective—criticisms of the Stalinist past and the Soviet present, usually on occasions when there are no Russians present.

In pursuit of (3), some Western Communist Parties have abandoned one of the key phrases from Marx, the "dictatorship of the proletariat," in the effort to imply that "socialist" revolution can be brought about by peaceful democratic means in conditions of political pluralism. It is not always observed that when Marx wrote of the "dictatorship of the proletariat," he was not discussing a political strategy, but setting out what he conceived as an historical inevitability—a stage of social and political evolution that would have to be undergone during the transition from capitalism to socialism. The house style-sheets for *L'Humanite* and *L'Unita* (the organs of the French and Italian Communist Parties) may be revised, but no genuine Marxist can abandon the underlying conception of history.

The three major Communist Parties that it is now customary to group together as "Eurocommunist" are those of Italy, France and Spain. Each is pursuing a strategy of tactical alliance with other parties, whose success will partly depend on convicting evidence of "de-Stalinization" within the Communist Party. It is equally important to note that each of these parties is also responding to recent historical events in other parts of the world which are interpreted as particularly relevant to the success or failure of Communism in these three countries. Thus it was in September–October, 1973, after the fall of Allende in Chile, that the Italian Communist Party leader, Enrico Berlinguer, mapped out his plan for a "historic compromise" between the Communist Party and the Christian Democrats. He had clearly drawn the lesson from Chile's coup that Communist Party success in Italy would hinge on drawing together a broader coalition of political forces than Allende was able to bring about.

While the Communist-Socialist alliance in France came about in 1972, it was after the defeat of Portugal's Communist Party in the fall of 1975 that Georges Marchais, the French Communist Party leader (and until then a staunch defender of the hardline Stalinist approach of Alvaro Cunhal) apparently drew the conclusion that he must take steps to avoid the possibility that his party could be similarly isolated and identified as an anti-democratic force. From that time, the French Communist Party joined the Eurocommunist chorus. The decisive event for Carrillo came earlier—in 1968, when Soviet tanks ended the "Prague spring."

The French, Italian and Spanish Communist Parties are the strongest in Western Europe. But beyond their ranks, "Eurocommunism" has not proved notably infectious.

The degree of agreement and co-ordination between Berlinguer, Marchais and Carrillo themselves should not be exaggerated. Their meetings have been bilateral, rather than trilateral, with the Italian Communist Party taking the lead—by inviting Carillo to Livorno in July, 1975 and to Rome in September, 1976, and by inviting Marchais to Rome in November, 1975 and May, 1977. The only "Eurocommunist summit" that has taken place was the meeting in Madrid on March 2–3 this year, and it was notable that Berlinguer was extremely reluctant to attend and that the conference ended with a relatively anodyne statement.

MYTHS OF EUROCOMMUNISM

Those who argue that Eurocommunism is a qualitatively new form of Communism,

shorn of some of the Leninist terrors, rather than a mere tactic for acquiring power via the ballot-box in advanced industrial democracies, derive most of their ammunition from the statements that are put out for public consumption by the Communist Party leaders themselves. Those who maintain that, whether or not Communism in Southern Europe is likely to prove different in kind from Communism elsewhere in the world, it will pose major problems for the Russians, also cite the statements of Soviet bloc leaders who attack "revisionism" and "anti-Sovietism" in the Western parties. Let us single out the major assertions that are made by those who believe that the West can live with Eurocommunism, and see whether any of them stand up:

1. "Eurocommunist parties are independent from Moscow."

Marchais declared early this year that "there cannot be, it is totally impossible that the Communist movement could again be directed from any center, whether it is an international center or a regional center." (L'Humanite, February 14, 1977). The theme is constant in recent statements from Communist Party leaders in France, Italy and Spain.

It was during the run up to the conference of European Communist Parties in East Berlin in June 1976 that the Russians began to engage in direct criticism of the Eurocommunist parties. Spanish Communist leaders like Carrillo and Manuel Azcarate had, of course, long been targets for Soviet propaganda attacks; the Russians had actually tried to cut the ground from under Carillo's feet by sponsoring rival Communist parties.

But Soviet attacks on Eurocommunism in general in late 1975 and early 1976 seemed to have been largely inspired by the new line of the French Communist Party. The Russians evidently found this harder to swallow than the attitude adopted by the Italian Communists long before. The reason may be that the Russians had always understood that the Italian Communist Party had its own path to tread. Unlike the French Communist Party, the Italian Communists began in the 1920's with the backing of a majority of the socialist movement in Italy, and the decay of the Italian of the Italian Socialist Party since 1945 has left the Italian Communist Party in the singular position where it can plausibly claim to represent the Left as a whole—in the absence of a serious Socialist rival. While the Russians have always been sensitive to criticism of their behavior towards dissidents at home, such attacks seemed to sting them more when they started to be made—however hypocritically and erratically—by Marchais and his supporters than when they came from Berlinguer.

In any event, in the months before the Berlin summit, a series of heavyweight attacks on "anti-Sovietism" (meaning any and all criticism of Soviet policy) and on "revisionist" tendencies in the Western Communist Parties appeared in the Soviet press. One such attack was that of A. Viktorov (*Pravda*, March 1, 1977). Viktorov took up an earlier critique of the concept of "arithmetic democracy"—in other words, the idea that political decisions should be taken on the basis of one man, one vote. According to Viktorov "experience has shown that it is impossible to achieve socialism in the framework of a bourgeois state, of bourgeois democracy. History offers numerous examples, the latest of them being Chile."

Russian displeasure has also been expressed indirectly—and frequently in more abusive language—by the leaders of satellite states in Eastern Europe and by hardline pro-Soviet Communists from the Third World and Portugal. Thus the Bulgarian leader, Todor Zhivkov, has been a bitter critic of Eurocommunism, while a member of the Central Committee of the Czech Communist Party wrote in *Rude Pravo* last month that Eurocommunism represents an oblique attack on genuine socialism.

Similarly, hardliners like Alvaro Cunhal from Portugal or Luis Corvalan, the Chilean Communist leader who was released from detention in exchange for Vladimir Bukovsky, have been wheeled out to criticize the errors of Eurocommunist parties.

How are we to interpret these Soviet outbursts? Are such criticisms merely a smokescreen, intended to increase the credibility of claims by Western Communist Party leaders that they are genuinely independent from Moscow?

French and Italian Communist Party leaders continue to attend closed meetings with the Soviet leaders in Moscow, although Marchais goes less frequently than before. Their tone tends to be far more moderate when they are speaking in the presence of senior Soviet officials than when they are speaking for internal consumption, while the party newspapers in both France and Italy regularly censor statements—including those of their own party secretaries—which are deemed too critical of the Soviets. Furthermore, there has been a noticeable retreat towards a more cautious position in the first half of 1977. This was evident at the Madrid meeting in March. In speeches in Budapest and Milan in January, Berlinguer praised the revolution of October, 1917, the "superiority" of the Soviet system over the West, and the "irreversibility" of socialism in the East. He also lauded the principle of "democratic centralism." On April 5th, the Italian Communist Party spokesman, Asor Rosa, declared that democratic centralism and the leading role of the Communist Party of the Soviet Union remained the bases of international communism.

But there are three simple reasons for doubting whether a Communist Party in government in Western Europe would be able to pursue policies that conflicted with basic Soviet interests. The first, quite simply, is that the debate between Moscow and the Eurocommunist parties has been, so to speak, a discussion within the church. Criticisms of the Soviet Union from Western Communist Parties involve only the internal life of the world Communist movement, and do not affect broader Soviet interests. Thus Western Communist Parties have automatically adopted the Soviet line on international crises such as the Middle East, Angola and Southern Africa. The world view of the Western Communist Parties is a manichean view of a global conflict between "socialism" and "imperialism."

Second, the only genuine example of what Togliatti was describing back in the mid-1950s as "polycentrism" is China, which is big enough and powerful enough to sustain its own version of Communism in the face of Soviet pressures.

Third, the ultra-orthodox pro-Soviet factions inside Western Communist Parties remain very strong, and unregenerate Stalinists are frequently found to have their hands on the levers of power.

Thus, even if it were possible to believe that a leader like Marchais is sincere in what he now says, it remains very doubtful whether the structures of his own party—and the existence of clandestine networks of Soviet agents responsible to the International Department of the Central Committee of the Communist Party of the Soviet Union—would allow him to do anything that ran seriously counter to Soviet policy.*

The fact that the Chinese are publicly skeptical about the credentials of Eurocommunist parties is revealing, since leading figures in the Italian Communist Party have called for a detente between Russia and China. However, the Chinese have not failed to notice that leading advocates of this approach—such as Alberto Jacoviello—have had their wings clipped by the Party. Their primary concern appears to be that the victory of Western Communist Parties would undermine NATO's defenses, and so strengthen the Soviet Union in its conflict with China.

2. "If Eurocommunism is independent from Moscow, NATO could live with it."

It is often argued, by those who maintain that there is some real difference of kind between Western and Soviet Communism, that the election of a Communist Party to government in Paris or Rome could create more headaches for the Russians than for the West. The argument is that this would have a contagious effect on Eastern Europe, encouraging new attempts to produce "socialism with a human face."

Secretary of State Cyrus Vance has employed this argument in what must be taken as the definitive attitude of the Carter administration (at least to date) on Eurocommunism. Speaking recently in the rambling prose style—interspersed with the calculated naivete which seems to be the mark of the new American government—Mr. Vance thought out loud using the following phrases from the *U.S. State Department Stock Phrase Book* (Washington, D.C. 1977).

"We have said that in dealing with our Western allies on vital issues we would prefer to be dealing with countries who have the same fundamental values, the same democratic concerns that we have, and if the Communists were to take a dominant role in those governments, that could present serious problems insofar as we are concerned. We have gone on to say that we think the question, the political question of whether or not Communists should or should not play a part in the government of a particular country is a political issue to be decided by the people of that country and one in which we should not interfere. However, at the same time I say again that does not mean we are indifferent to the fact that they may."

He added that it "is a possibility" that Communists in NATO governments would lead to new problems for the Soviets, possibly outweighing any difficulties endured by the West. He concluded in *Il Tempo*, incisively with the sentence: "I think it depends on how Eurocommunism develops."

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*A newly-published essay for the London-based Foreign Affairs Research Institute by Mr. Ronald Waring is skeptical indeed (and with reasons) of a "change-of-heart" on the part of Europe's Communists. Mr. Waring in his article, entitled "Eurocommunism and Italy," notes that: "It is inconceivable that Moscow could permit a new form of Communist heresy which would be so immensely attractive to the peoples of the Eastern European countries such as Rumania, Hungary and Poland, not to mention to the Russian people themselves. Both Russian imperialism and international Communism themselves would be in mortal danger. Moscow has already attacked Carrillo for splitting Communism by supporting the concept of Eurocommunism, but this condemnation is a tactic to give greater credence to the acceptable "independence" of Eurocomunism and it is worth noting that La Passionara—a creature of the Soviets if ever there was one—voted for Carrillo. The Soviet Union would have the military force to crush such a dangerous situation should it arise, and could easily be called in by a hard core within the Party, after the overthrow of Berlinguer and his adherents, to restore order in the interests of "proletarian internationalism" and the upholding of the Brezhnev Doctrine."

This possibility should not be hastily ruled out. However, it is equally true that the more attractive and independent Communism in one Western country is made to appear, the more likely it is to take root somewhere else. The domino effect of a Communist electoral victory in Paris would be felt in Rome more quickly than in Prague or Warsaw.

The key question for NATO remains: which side would the Eurocommunists take if war broke out between the Soviet Union and the West? The question was put to Lucio Lombardo Radice in a revealing interview in *Encounter*, published in its May, 1977 issue. In the original tape-recorded version of the interview, Radice said "we would choose the Soviet side, of course, and we would do so on grounds of principle. . . ." In the edited version of the interview, the passage was altered at Radice's request to read as follows: "It depends. If there is an imperialist aggression with the avowed objective of rolling back socialism, we would feel entirely absolved of any obligation of loyalty to the defensive character of NATO and take the side of the Soviet Union." Whichever version is deemed more authentic, it is plain that in a war between "socialists" and "imperialists," the Italian Communist Party would find it hard to stand with the "imperialists."

3. "Eurocommunists will respect the rules of the Democratic game."

Assurances from Western Communist Parties that their brand of Communism has become compatible with political liberty would be more plausible if they did not totally subscribe to the doctrine of democratic centralism—which means that all key decisions are taken at the top, and that as soon as the background discussion has taken place, no differences of opinion will be tolerated. In short, while Western Communist Parties attack the historical errors of Stalinism in Russia, they continue to practice Stalinism within their own parties.

The supposedly "liberal" Italian Communist Party, for instance, gave an assurance at its conference in Bologna in February, 1969, that it would tolerate internal differences of opinion. Later that year, after a Stalinist-style show trial, it exiled the supporters of *Il Manifesto*, a magazine of New Left tendencies, for exceeding the "tolerable" limits of dissent. If Eurocommunist parties cannot tolerate differences of opinion within their own ranks, how is it possible to believe that they will allow political freedom for rival parties if they manage to take power?

The typical reply from Eurocommunist leaders to the question—would they be prepared to bow out peacefully if they lost their popular support?—is that such a situation is impossible to imagine. Thus Lombardo Radice said: "once the working class has acquired hegemony . . . it would be difficult to envisage anyone wanting a regression from a better state of society to a worse state." In the same interview, he allowed that "it is in the logic of our policy" that the Italian Communist Party should give up power if it suffered a defeat under the democratic system.

However, his comments on the Soviet intervention in Budapest in 1956 do not encourage confidence that this would happen, and raise the specter of the ultimate instrument that a Communist government in Western Europe could employ to maintain itself in power: the Red Army. Radice admitted that he was in favor of Soviet action in Hungary because "Socialism in Hungary was a weak plant, only some seven years old, and there was danger of a regression to capitalism . . . socialism was as yet without roots, therefore the roots had to be protected." Is it impossible to conceive of a Communist Government in Rome several years hence appealing to the Russians to defend it against the dangers of "a regression to capitalism"?

So how should we interpret statements like Marchias' declaration last year that the "there is no democracy and liberty if there is no pluralism of political parties, if there is no freedom of speech"? (He added that "we have a disagreement with the Communist Party of the Soviet Union about this problem.")

A helpful guide is Lenin, who wrote, in a notorious letter to Chicherin, that "to tell the truth is a bourgeois prejudice. On the other hand a lie is often justified by our ends." There is further evidence for thinking that pluralism would not last long under a Communist government in Paris or Rome. Look at the way the French and Italian Communist Parties deal with the press.

The Italian Communists have been trying to silence a television station that is outspoken in its criticism of them, Tele-Monte-Carlo, under Clause 40 of the recent law on Italian broadcasting, which seeks to restrict material transmitted to Italy from abroad. Tele-Monte-Carlo broadcasts an Italian service with a special news program produced by Indro Montanelli, the distinguished conservative journalist and cofounder of *Il Giornale Nuovo*, the Milan newspaper which has systematically exposed the inside workings of the Italian Communist Party. (Montanelli was shot in the legs by terrorists of the "Red Brigades" on June 2nd.) In their communique, they denounced him as "a servant of the bourgeois State and the multi-national companies."

Tele-Monte-Carlo has been a tremendous popular success in Northern Italy, as an alternative to the increasing left-wing bias of the State television network inside the country. So it is no real surprise that the Communist Party, which noticed no illegality about broadcasts from Yugoslavia and Switzerland to Italy, should now be seeking a pretext to gag a formidable critic.

In the case of the French Communist Party, it is even clear that its attitude to press freedom will be based on its ancient philosophy that the truth is what it is expedient to say. When Costa-Gavras' film about the Prague show trials, *L'Aveu*, was first screened, it was attacked by *L'Humanite* as the "exploitation of a bad cause." The film touched a sensitive nerve, not least because it was not forgotten that the French Communist Party forwarded material on members of the International Brigade who had fought in the Spanish Civil War to Prague, to help in preparing the case against Slansky and others.

When *L'Aveu* was screened on French television last December, Jean Panapa, one of the most pro-Soviet figures in the party leadership, joined a panel to discuss it. He tried to absolve the French Communist Party from the charge that it had tried to cover up the crime of Stalinism by pleading ignorance. "If we had only known," he said, "we would have shouted our indignation."

Within a few days, however, Kanapa's argument of ignorance was demolished by the appearance of a two-part article in *Le Monde* by a Communist Party historian, Jean Ellenstein. He revealed that the French delegation at the 20th Congress of the CPSU, when Khruschev gave his celebrated "secret speech" denouncing Stalin, had been shown the text of the speech the morning after—but decided not to make public what it contained: Communist Party spokesmen, including Kanapa, had always denied that this had happened.

A *gauchiste* weekly, *Politique Hebdo*, followed up by publishing the personal reminiscences of an ex-member of the Communist Party's Central Committee, Jean Pronteau, who had traveled to Warsaw shortly after the 20th Congress. He was also shown a copy of the Khruschev speech. On his return he went to see Maurice Thorez, the leader of the French Party. Pronteau promptly opened his briefcase and began to read from the text he had brought back from Warsaw. Thorez's response was a classic, "Alright then. You've got it. You could have said so right from the beginning. But remember one thing, this secret speech does not exist."

If the French Communist Party goes to such lengths to conceal the past, would it really be prepared to allow frank discussion of the present if it gained a position of power?

But there is a still broader reason for believing that "Eurocommunism"—like any brand of Marxism-Leninism—is incompatible with the survival of political liberties. The radical changes in economic and social structures that the Communists propose to bring about are not only designed to be irreversible, but are incompatible with political pluralism.

A final cautionary note is that, for every reassurance that a Western Communist Party leader makes about guarantees for political pluralism under a future popular front, it is possible to dredge up a dozen or more from the recent past that say precisely the opposite. One example will have to suffice. It is from George Marchais, in *L'Humanite* on December 23, 1970: "We do not believe that the struggle for socialism should be inspired by the system of alternative government (*politique d'alternance*) that, as in England, allows the Conservatives and the Socialists to take turns in power to inflict the worst possible injuries on the workers."

HOUSE OF REPRESENTATIVES—*Tuesday, November 15, 1977*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Set your troubled hearts at rest. Trust in God always.—John 14: 1 (N.E.B.).

O God, our Father, in the quiet of this moment we turn to Thee praying for ourselves, for our loved ones, for our country, and for all Thy children. Comfort those who mourn. heal the sick, help the needy, encourage the discouraged. Give light to those who sit in darkness, love to those whose hearts are bitter, and life to those who have missed the way. To us give wisdom, courage, and strength and above all a consciousness of Thy presence that as we live this day we may have the feeling that Thou art with us. In the spirit of Him who is the way, the truth, and the life we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

DISPENSING WITH CALL OF PRIVATE CALENDAR TODAY

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the call of the Private Calendar today may be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

CONFERENCE REPORT ON H.R. 7, ELEMENTARY AND SECONDARY CAREER EDUCATION ACT OF 1977

Mr. PERKINS submitted the following conference report and statement on the bill (H.R. 7) to authorize a career education program for elementary and secondary schools, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 95-816)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 7) to authorize a career education program for elementary and secondary schools, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

That this Act may be cited as the "Career Education Incentive Act".

DECLARATIONS

SEC. 2. The Congress declares that—

(1) a major purpose of education is to prepare every individual for a career suitable to that individual's preference,

(2) career education should be an integral part of the Nation's educational process which serves as preparation for work,

(3) career education holds promise of improving the quality of education and opening career opportunities for all students by relating education to their life aspirations, and

(4) educational agencies and institutions (including agencies and institutions of elementary and secondary education, higher education, adult education, employment training and retraining, and vocational education) should make every effort to fulfill that purpose.

PURPOSE

SEC. 3. In recognition of the prime importance of work in our society and in recognition of the role that the schools play in the lives of all Americans, it is the purpose of this Act to assist States and local educational agencies and institutions of postsecondary education, including collaborative arrangements with the appropriate agencies and organizations, in making education as preparation for work, and as a means of relating work values to other life roles and choices (such as family life), a major goal of all who teach and all who learn by increasing the emphasis they place on career awareness, exploration, decisionmaking, and planning, and to do so in a manner which will promote equal opportunity in making career choices through the elimination of bias and stereotyping in such activities, including bias and stereotyping on account of race, sex, age, economic status, or handicap.

AUTHORIZATION OF APPROPRIATIONS

SEC. 4. (a) Subject to the provisions of subsections (b) and (c), there are authorized to be appropriated $50,000,000 for fiscal year 1979, $100,000,000 for fiscal year 1980, $100,000,000 for fiscal year 1981, $50,000,000 for fiscal year 1982, and $25,000,000 for fiscal year 1983 to carry out the provisions of this Act, other than section 11 of this Act.

(b) No funds are authorized to be appropriated pursuant to subsection (a) for any fiscal year beginning after September 30, 1979, unless an appropriation was made for the immediately preceding fiscal year.

(c) No funds are authorized to be appropriated pursuant to subsection (a) for any fiscal year beginning after September 30, 1979, unless such funds are appropriated in the fiscal year prior to the fiscal year in which such funds will be obligated, and unless such funds are made available for expenditure to the States prior to the beginning of such fiscal year.

ALLOTMENTS

SEC. 5. (a) (1) From the funds appropriated pursuant to section 4 for each fiscal year which are not reserved under paragraph (2) of this subsection, the Commissioner shall allot to each State an amount which bears the same ratio to such funds as such State's population aged five to eighteen, inclusive, bears to the total population, aged five to eighteen, inclusive, of all the States, except that no State shall be allotted from such funds for each fiscal year an amount less than $125,000.

(2) From the remainder of the funds appropriated pursuant to section 4 for each fiscal year, the Commissioner may reserve—

(A) an amount not to exceed 5 per centum each year for the administration of this Act and for making model program grants pursuant to section 10,

(B) an amount not to exceed 1 per centum each year for the purpose of carrying out the information program pursuant to section 12 of this Act,

(C) an amount not to exceed one-half of one per centum each year for the purpose of carrying out a national evaluation of the effectiveness of programs assisted under this Act in carrying out the purposes of this Act, and

(D) an amount equal to 1 per centum for the purpose of making payments to the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands in furtherance of the purposes of this Act.

(b) (1) Any funds allotted to a State under paragraph (1) of subsection (a) for which a State has not applied or for which a State application has not been approved shall be reallotted by ratably increasing the allocations of each of the States which have approved applications.

(2) If the sums appropriated for any fiscal year are not sufficient to make the allotments of the minimum amounts specified in paragraph (1) of subsection (a), such minimum amounts shall be ratably reduced. If additional sums become available during a fiscal year for which such allotments were reduced such allotments shall be increased on the same basis as they were reduced.

(c) Notwithstanding any other provision of this Act, any State which receives, in any fiscal year, the minimum allotment prescribed under paragraph (1) of subsection (a) of this section does not have to comply with the provisions of section 6(6) relating to staff employed at the State level.

APPLICATIONS

SEC. 6. Every State desiring to receive funds appropriated under section 4 for fiscal year 1979 shall submit to the Commissioner an application containing assurances that—

(1) the State educational agency will be the agency responsible for planning the use, and administering the expenditure, of funds received under this Act, other than funds made available under sections 10, 11, and 12;

(2) the State legislature and the Governor have been notified of the State's application for such funds;

(3) (A) the State will expend, from its own sources, for any fiscal year for which funds are received under this Act, an amount equal to or exceeding the amount which such State expended for career education during the fiscal year preceding the fiscal year for which the determination is made;

(B) the State will pay from non-Federal sources the non-Federal share of the costs of carrying out the State plan for fiscal year 1980 and for each of the three succeeding fiscal years;

(4) the State will make every possible effort to integrate career education into the regular education programs offered in elementary and secondary schools in the State;

(5) (A) the State educational agency will require that programs of career education assisted under this Act will be administered by State and local educational agencies in such a manner as to affect all instructional programs in elementary and secondary education, and will not be administered solely as a part of the vocational education program;

(B) the State educational agency will require that programs of career education will be coordinated by an individual having prior experience in the field of career education (who shall be designated as a State coordinator of career education);

(6) such agency will employ such staff as are necessary to provide for the administration of this Act and programs of career education funded under this Act, including a person or persons experienced with respect to problems of discrimination in the labor market and stereotyping affecting career education, including bias and stereotyping on account of race, sex, age, economic status, or handicap, and including at least one professional trained in guidance and counseling who shall work jointly in the office of the principal staff person responsible for such administration and coordination and in the office of the State educational agency responsible for guidance and counseling, if any such office exists;

(7) such agency will continuously review the plan submitted under section 7 and will submit such amendments thereto as may be deemed appropriate in response to such agency's experience with the program;

(8) the State educational agency will comply with the provisions of section 9(b) with respect to the distribution of funds to local educational agencies within the State;

(9) the State educational agency will not allocate payments under this Act among local educational agencies within the State on the basis of per capita enrollment or through matching of local expenditures on a uniform percentage basis, or deny funds to any local educational agency if the applicable jurisdiction in which such agency is located is making a reasonable tax effort solely because such agency is unable to pay the non-Federal share of the costs of programs assisted under this Act;

(10) not less than 15 per centum of that portion of a State's grant for any fiscal year which is not reserved pursuant to section 9 (b) will be used for programs described in section 8(a) (3) (B); and

(11) the funds received under this Act will be used in accordance with the provisions of section 8.

STATE PLANS

SEC. 7. Every State desiring to receive funds appropriated pursuant to section 4 shall submit to the Commissioner by July 1, 1979, a State plan which shall—

(1) set out explicitly the objectives the State will seek to achieve by the end of each of the fiscal years for which funds are made available under this Act in implementing the goal of providing career education for students in elementary and secondary schools within the State, with special emphasis on overcoming sex bias and stereotyping, and set out the methods by which the State will seek each year to achieve such objectives with all resources available;

(2) describe the methods by which the funds received under this Act will be used, in accordance with section 8, to implement the overall objectives in each of the fiscal years for which funds are made available under this Act;

(3) set forth policies and procedures which the State will follow to assure equal access of all students (including the handicapped and members of both sexes) to career education programs carried out under the State plan;

(4) provide adequate assurance that the requirements of section 6 will be met in each fiscal year after fiscal year 1979; and

(5) provide proposed criteria to the Commissioner for the evaluation of the extent to which the State will achieve the objectives set out in the State plan.

USE OF FUNDS

SEC. 8. (a) Subject to the provisions of sections 9(b) and 10, funds received under this Act may be used only to pay the Federal share of the total costs of—

(1) employing such additional State educational agency personnel as may be required for the administration and coordination of programs assisted under this Act;

(2) providing State leadership for career education, either directly or through arrangements with public agencies and private organizations (including institutions of higher education), in—

(A) conducting inservice institutes for educational personnel;

(B) training local career education coordinators;

(C) collecting, evaluating, and disseminating career education materials on an intrastate and interstate basis with special emphasis on overcoming sex bias and stereotyping;

(D) conducting statewide needs assessment and evaluation studies;

(E) conducting statewide career education leadership conferences;

(F) engaging in collaborative relationships with other agencies of State government and with public agencies and private organizations representing business, labor, industry and the professions and organizations representing the handicapped, minority groups, women, and older Americans; and

(G) promoting the adaptation of teacher-training curricula to the concept of career education by institutions of higher education located in the State;

(3) making payments to local educational agencies for comprehensive programs including—

(A) instilling career education concepts and approaches in the classroom;

(B) developing and implementing comprehensive career guidance, counseling, placement, and followup services utilizing counselors, teachers, parents, and community resource personnel;

(C) developing and implementing collaborative relationships with organizations representing the handicapped, minority groups, and women and with all other elements of the community, including the use of personnel from such organizations and the community as resource persons in schools and for student field trips into that community;

(D) developing and implementing work experiences for students whose primary purpose is career exploration, if such work experiences are related to existing or potential career opportunities and do not displace other workers who perform such work;

(E) employing coordinators of career education in local educational agencies or in combinations of such agencies (but not the individual school building level);

(F) training of local career education coordinators;

(G) providing inservice education for educational personnel, especially teachers, counselors, and school administrators, designed to help such personnel to understand career education, to acquire competencies in the field of career education and to acquaint such personnel with the changing work patterns of men and women, ways of overcoming sex stereotyping in career education, and ways of assisting women and men to broaden their career horizons;

(H) conducting institutes for members of boards of local educational agencies, community leaders, and parents concerning the nature and goals of career education;

(I) purchasing instructional materials and supplies for career educational activities;

(J) establishing and operating community career education councils;

(K) establishing and operating career education resource centers serving both students and the general public;

(L) adopting, reviewing, and revising local plans for coordinating the implementation of the comprehensive program; and

(M) conducting needs assessments and evaluations; and

(4) reviewing and revising the State plan.

(b) The State shall make payments to local educational agencies for the purposes described in paragraph (3) of subsection (a) from funds received under this Act upon applications approved by the State educational agency. Such payments shall, to the extent practicable, be made on an equitable basis in accordance with criteria established by the State educational agency, consistent with section 6(9), having due regard for the special needs of local educational agencies serving areas of high incidence and prevalence of youth and adult unemployment, serving sparsely populated areas or serving relatively few students.

(c)(1) To the extent consistent with the number of children enrolled in private nonprofit elementary and secondary schools within the State, with respect to services described under paragraph (2) of subsection (a), and within the school district, with respect to payments made to a local educational agency for the purposes described in paragraph (3) of such subsection, after consultation with appropriate private school officials, provision shall be made for the effective participation on an equitable basis of such children and the teachers of such children in such services and in programs assisted with such payments.

(2)(A) The control of funds provided under this Act and title to materials and equipment therewith shall be in a public agency for the uses and purposes provided in this Act, and a public agency shall administer such funds and property.

(B) The provisions of services pursuant to this paragraph shall be provided by employees of a public agency or through contract by such public agency with a person, an association, agency, or corporation who or which in the provision of such services is independent of such private school and of any religious organization, and such employment or contract shall be under the control and supervision of such public agency, and the funds provided under this Act to accommodate students and teachers in nonprofit public schools shall not be commingled with State or local funds.

PAYMENTS

SEC. 9. (a)(1) The Commissioner, upon receipt of an application of assurances for fiscal year 1979 which the Commissioner finds to be in compliance with section 6, and upon finding the State to be in compliance with sections 7 and 8 for fiscal years 1980 and 1981, shall pay to the State the amount which it is entitled to receive for each such year under this Act.

(2) The Commissioner, upon finding the State to be in compliance with sections 7 and 8 for fiscal years 1982 and 1983 by reviewing the report required to be submitted by the State under section 14 for fiscal years 1980 and 1981, respectively, shall pay to the State the amount which it is entitled to receive for each of the fiscal years 1982 and 1983 under this Act reduced in proportion to the extent to which the Commissioner determines that such State has substantially failed to achieve the objectives for fiscal years 1980 and 1981 set forth in its State plan.

(b) Any State receiving funds appropriated under section 4 of this Act may reserve (1) not more than 10 per centum of such funds for State leadership purposes described in paragraph (2) of section 8(a), and (2) not more than 10 per centum of such funds appropriated for the fiscal year 1979, and not more than 5 per centum of the funds appropriated for succeeding fiscal years, for the purposes described in paragraphs (1) and (4) of section 8(a). The remainder of such funds shall be distributed by the State to local educational agencies within that State for the purposes described in paragraph (3) of section 8(a).

(c)(1) For the purposes of paying the cost of employing State career education coordinators and staff described in paragraph (1) of section 8(a), the Federal share of the payments made under this Act from a State's allotment shall be not more than 100 per centum for the fiscal year 1979, not more than 75 per centum for the fiscal year 1980 and not more than 50 per centum for the fiscal years 1981, 1982, and 1983.

(2) For the purposes described in paragraphs (2) and (3) of section 8(a), the Federal share of the payments made under this Act from a State's allotment shall be not more than 100 per centum for the fiscal years 1979 and 1980, not more than 75 per centum for the fiscal year 1981, not more than 50 per centum for the fiscal year 1982, and not more than 25 per centum for the fiscal year 1983.

(d)(1) If a State is prohibited by law from providing for the participation in programs of children enrolled in private nonprofit elementary and secondary schools, as required by section 8(c), the Commissioner may waive such requirement and shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of that section.

(2) If the Commissioner determines that a State or a local educational agency has substantially failed to provide for the participation on an equitable basis of children enrolled in private nonprofit elementary and secondary schools as required by section 8(c), the Commissioner may waive such requirement and shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of that section.

MODEL PROGRAMS

SEC. 10. (a) From funds reserved under section 5(a)(2)(A) of this Act, the Commissioner is authorized to make grants directly

to State and local educational agencies, institutions of postsecondary education, and other nonprofit agencies and organizations to support projects, including projects of proven effectiveness, to demonstrate the most effective methods and techniques in career education and to develop exemplary career education models particularly projects designed to eliminate bias and stereotyping on account of race, sex, age, economic status, or handicap.

(b) Notwithstanding any other provision of law, no funds may be made available under the provisions of section 406(f)(1) of the Education Amendments of 1974 for grants or contracts with local educational agencies for any fiscal year in which funds are appropriated under this Act and reserved for the purposes of this section under section 5(a)(2)(A).

POSTSECONDARY EDUCATIONAL DEMONSTRATION PROJECTS

SEC. 11. (a) The Commissioner is authorized to arrange by way of grant, contract, or other arrangement with institutions of higher education, public agencies and nonprofit private organizations for the conduct of postsecondary educational career demonstration projects which—

(1) may have national significance or be of special value in promoting the field of career education in postsecondary educational programs,

(2) have unusual promise of promoting postsecondary career guidance and counseling programs, particularly postsecondary guidance and counseling programs designed to overcome bias and stereotyping on account of race, sex, age, economic status, or handicap, or

(3) show promise of strengthening career guidance, counseling, placement, and follow-up services.

(b) The Commissioner shall approve arrangements under subsection (a) of this section if he finds—

(1) that the funds for which assistance is sought will be used for one of the purposes set forth in subsection (a) of this section, and

(2) that effective procedures, including objective measurements, will be adopted for evaluating at least annually the effectiveness of the project.

(c) For the purpose of carrying out the provisions of this section there is authorized to be appropriated $15,000,000 for the fiscal year 1979 and for each fiscal year ending prior to October 1, 1983.

(d) Notwithstanding any other provision of law, no funds may be made available under the provisions of section 406(f)(1) of the Education Amendments of 1974 for grants or contracts with institutions of higher education for any fiscal year in which funds are appropriated pursuant to subsection (c) of this section.

CAREER EDUCATION INFORMATION

SEC. 12. (a) In consultation with members of the National Occupational Information Coordinating Committee, the Commissioner shall examine the occupational information needs of individuals and organizations eligible for participation in programs assisted by this Act. The examination shall consider the present activities of the National Occupational Information Coordinating Committee, the State Occupational Information Coordinating Committees, and other occupational information activities of the Office of Education, the National Institute of Education, the Bureau of Labor Statistics, the Employment and Training Administration, and such other Federal agencies as the Commissioner deems appropriate. Upon the conclusion of the examination, the Commissioner shall, either directly or by way of grant, contract or other arrangement, furnish information to interested parties on Federal programs which gather, analyze and disseminate occupational and career information.

(b) The Commissioner shall, either directly or by way of grant, contract or other arrangement, disseminate information to interested parties on exemplary career education programs, including but not limited to programs assisted under this Act.

ADMINISTRATION

SEC. 13. (a)(1) The Office of Career Education created pursuant to section 406 of the Education Amendments of 1974 shall be the administering agency within the Office of Education for the review of the State plans, applications, and reports submitted pursuant to this Act. In addition, the Office of Career Education shall perform a national leadership role in furthering the purposes of this Act.

(2) The Office of Career Education shall, upon request, provide technical assistance to all participating State educational agencies and to Guam, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands.

(b) The National Advisory Council on Career Education created pursuant to section 406 of the Education Amendments of 1974 shall perform the same functions with respect to the programs authorized under this Act as the Council is authorized to perform with respect to the programs authorized under that section.

(c) Nothing in this Act shall be construed to prohibit the National Institute of Education from continuing to carry out its functions in the field of career education. The Assistant Secretary of Health, Education, and Welfare for Education shall assure such cooperation as the Assistant Secretary deems appropriate between the Office of Education and the Institute to identify research and development priorities and, either directly or through arrangements with public agencies and private organizations (including institutions of higher education), to disseminate the results of the research and development undertaken by the Institute.

(d) The Office of Education shall provide the Office of Career Education and the National Advisory Council on Career Education with sufficient staff and resources required to carry out their responsibilities under this Act and under section 406 of the Education Amendments of 1974.

(e) Section 406(g)(1)(B) of the Education Amendments of 1974 is amended to read as follows:

"(B) not less than fifteen public members broadly representative of the fields of education, guidance, and counseling, the arts, the humanities, the sciences, community services, business and industry, and the general public, including (i) members of organizations of handicapped persons, minority groups knowledgeable with respect to discrimination in employment and stereotyping affecting career choices, and women who are knowledgeable with respect to sex discrimination and stereotyping, and (ii) not less than two members who shall be representative of labor and of business, respectively.".

REPORTS

SEC. 14. (a) Unless the Commissioner finds the requirements of this subsection unnecessary, not later than December 31 of each fiscal year each State receiving funds under this Act shall submit to the Commissioner a report evaluating the programs assisted with funds provided under this Act for the preceding fiscal year. Such report shall include—

(1) an analysis of the extent to which the objectives set out in the State plan submitted pursuant to section 6 have been fulfilled during that preceding fiscal year;

(2) a description of the extent to which the State and local educational agencies within the State are using State and local resources to implement these objectives and a description of the extent to which funds received under this Act have been used to achieve these objectives; and

(3) a description of the exemplary programs funded within the State, including an analysis of the reasons for their success, and a description of the programs which were not successful within the State, including an analysis of the reasons for their failure.

(b) The Commissioner, through the Office of Career Education, shall analyze each one of the State reports submitted pursuant to subsection (a) and shall provide to the State not later than three months after the date of such submission an analysis of the report and recommendations for improvement in the operation and administration of programs being provided by the State with funds made available under this Act.

(c) The Commissioner shall conduct a comprehensive review of a random sample of the State programs funded under this Act and shall submit a report on such review to the Committee on Education and Labor of the House of Representatives and the Committee on Human Resources of the Senate by no later than September 30, 1982.

DEFINITIONS

SEC. 15. For purposes of this Act the term—

(1)(A) "career education", for the purposes of this Act, except for paragraphs (2) and (3) of section 8(a), and sections 8(b), 8(c), 9, 10, and 11, means the totality of experiences, which are designed to be free of bias and stereotyping (including bias or stereotyping on account of race, sex, age, economic status, or handicap), through which one learns about, and prepares to engage in, work as part of his or her way of living, and through which he or she relates work values to other life roles and choices (such as family life);

(B) "career education", for purposes of paragraphs (2) and (3) of section 8(a), and sections 8(b), 8(c), 9, 10, and 11, shall be limited to activities involving career awareness, exploration, decisionmaking, and planning, which activities are free of or are designed to eliminate bias and stereotyping (including bias or stereotyping on account of race, sex, age, economic status, or handicap), and shall not include any activities carried out by such agencies involving specific job skill training;

(2) "Commissioner" means the Commissioner of Education;

(3) "handicapped" means mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, orthopedically impaired, or other health impaired persons, or persons with specific learning disabilities who by reason thereof require special education and related services;

(4) "local educational agency" has the meaning given such term by section 801(f) of the Elementary and Secondary Education Act of 1965;

(5) "State" means the several States, the District of Columbia, and the Commonwealth of Puerto Rico; and

(6) "State educational agency" has the meaning given such term by section 801(k) of the Elementary and Secondary Education Act of 1965.

AMENDMENT TO THE EDUCATION AMENDMENTS OF 1976

SEC. 16. Section 332 of the Education Amendments of 1976 is amended—

(1) in subsection (b)(2), by striking out "3 per centum" and inserting in lieu thereof "1 per centum", and by striking out "the Commonwealth of Puerto Rico,"; and

(2) in subsection (b)(3)(B) by striking out "and the District of Columbia" and inserting in lieu thereof ", the District of Columbia and the Commonwealth of Puerto Rico".

And the Senate agree to the same.

CARL D. PERKINS,
WILLIAM D. FORD,
IKE ANDREWS,
MICHAEL T. BLOUIN,
PAUL SIMON,
LEO C. ZEFERETTI,
RONALD M. MOTTL,
AUSTIN J. MURPHY,
JOSEPH A. LE FANTE,
TED WEISS,
CEC HEFTEL,
BALTASAR CORRADA,
DALE E. KILDEE,
GEO. MILLER,
ALBERT H. QUIE,
JOHN BUCHANAN,
LARRY PRESSLER,
BILL GOODLING,
SHIRLEY N. PETTIS,
CARL PURSELL,

Managers on the Part of the House.

HARRISON A. WILLIAMS, JR.,
CLAIBORNE PELL,
JENNINGS RANDOLPH,
EDWARD M. KENNEDY,
THOMAS F. EAGLETON,
WILLIAM D. HATHAWAY,
JACOB K. JAVITS,
ROBERT T. STAFFORD,
RICHARD S. SCHWEIKER,
S. I. HAYAKAWA,

Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENTS OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 7) to authorize a career education program for elementary and secondary schools, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

1. SHORT TITLE

The House bill provides that the bill may be cited as the "Elementary and Secondary Career Education Act of 1977."

The Senate amendment provides that the bill may be cited as the "Career Education Incentive Act."

The House recedes.

2. DECLARATIONS

The Senate amendment includes a statement of declarations which says that a major purpose of career education is to prepare every individual for a suitable career, that career education should be an integral part of the Nation's educational process, that career education promises to relate education to students' life aspirations, and that educational agencies and institutions of all sorts, including elementary and secondary, postsecondary, adult, employment training and retraining and vocational, should make every effort to fulfill that purpose.

The House bill contains no similar declaration.

The House recedes.

3. STATEMENT OF PURPOSE

A. The House bill states that the purpose of the Act is to assist States and local educational agencies in making education as preparation for work and as a means of relating work values to other life roles and choices a major goal of elementary and secondary education.

The Senate amendment includes institutions of postsecondary education as eligible to receive assistance under the Act and contains no language regarding the relating of work values to other life roles and choices.

The conference substitute provides that the purpose of the Act is to assist States, local education agencies, and institutions of postsecondary education in making education as preparation for work and as a means of relating work values to other life roles and choices a major goal of education.

B. The House bill states that one of the purposes of the Act is to eliminate bias and stereotyping on account of race, sex, or handicap.

The Senate amendment adds age and economic status as areas of bias and stereotyping to be eliminated.

The House recedes.

4. AUTHORIZATIONS

A. The House bill authorizes funds for 5 fiscal years, without specifying a particular year as the first funded fiscal year.

The Senate amendment also authorizes funds for 5 fiscal years, beginning in fiscal year 1979.

The House recedes.

B. The House bill provides that no funds may be appropriated for the second, third, fourth, or fifth fiscal years, unless appropriations were made for all the preceding fiscal years.

The Senate amendment contains no similar provision.

The Senate recedes.

C. The House bill authorizes a total of $275 million over 5 fiscal years to carry out all the provisions of the Act.

The Senate amendment authorizes a total of $325 million over 5 fiscal years to carry out all the provisions of the Act except for the grants for postsecondary career education which are separately authorized under section 12 of the Senate amendment.

The authorization levels for each of the 5 fiscal years under the bill compare as follows:

House bill and Senate amendment

First fiscal year (FY 1979)—$25 million; $50 million.

Second fiscal year (FY 1980)—$100 million; $100 million.

Third fiscal year (FY 1981)—$75 million; $100 million.

Fourth fiscal year (FY 1982)—$50 million; $50 million.

Fifth fiscal year (FY 1983)—$25 million; $25 million.

The House recedes.

D. The House bill makes each year's authorization of appropriations contingent upon the appropriations for that year being provided in the previous fiscal year.

The Senate amendment contains no similar provision.

The conference substitute provides that each year's authorization is contingent upon appropriations being provided in the previous year except for the appropriation authorized for fiscal year 1979.

5. POSTSECONDARY CAREER EDUCATION DEMONSTRATION PROJECTS

The House bill prohibits local educational agencies from receiving any funds appropriated for career education demonstration projects under section 406(f) of the Education Amendments of 1974, if appropriations are provided for this bill. In essence this provision restricts these section 406(f) funds to postsecondary career education demonstration projects.

The Senate amendment authorizes $15 million for each of the 5 fiscal years of the Act for the conduct of postsecondary career education demonstration projects of national significance or special value and makes no reference to section 406(f).

The conference substitute authorizes $15 million for each of the 5 fiscal years of the Act for the conduct of postsecondary career education demonstration projects of national significance. The conference substitute also provides that no funds may be authorized to be appropriated under section 406(f) of the Education Amendments of 1974 for postsecondary education projects in any year in which this provision is funded.

6. MINIMUM ALLOTMENT

The House bill provides that funds be distributed among States on the basis of the population aged 5 through 18 with a $100,000 minimum allotment for each State.

The Senate amendment provides that funds be distributed among States on the basis of the population aged 5 through 18 with a $125,000 minimum allotment.

The House recedes.

7. COMMISSIONER'S FUNDS

The Senate amendment reserves up to 5 percent of the funds appropriated under the Act for Federal administration and for the Commissioner to make model program grants pursuant to section 10 of the Senate amendment. The Senate amendment also reserves up to 1 percent of the funds for the Commissioner to carry out the career education information program pursuant to section 11 of the Senate amendment. Finally, the Senate amendment reserves up to 1 percent of the funds appropriated for the Commissioner to carry out the evaluation program pursuant to section 12 of the Senate amendment.

The House bill contains no comparable provisions.

The conference substitute provides that up to 5 percent of the funds appropriated under the Act may be reserved for Federal administration and for model programs, that up to 1 percent may be reserved for a career education information program, and that up to one-half of 1 percent may be reserved for evaluation.

It is the intention of the conferees that the results of the evaluation of these programs should be submitted to the Congress in one report instead of in annual reports.

8. OUTLYING AREAS

The House bill requires the Commissioner to reserve 1 percent of the appropriation for grants to local educational agencies in Guam, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands in furtherance of the purposes of the Act.

The Senate amendment authorizes reservation of an amount not to exceed 1 percent for payments to such areas for their respective needs in career education.

The Senate recedes.

9. WAIVER OF REQUIREMENTS FOR STATES RECEIVING MINIMUM ALLOTMENTS

The Senate amendment waives the provisions reserving funds for State level activities, the provisions regarding within-State distribution of funds between the State educational agency and the local educational agencies, and the provisions requiring employment of certain State level staff for States receiving the minimum allotment.

The House bill contains no similar provision.

The conference substitute waives only those provisions regarding employment of State level staff for States receiving the minimum allotment.

10. APPLICATION

The House bill requires each State desiring funds to submit an application for the first year of the program.

The Senate amendment requires the submission of an annual application for each year of the program.

The Senate recedes.

11. ADMINISTRATION

The House bill requires the State educational agencies to plan and administer the programs under the Act.

The Senate amendment only requires the submission of the States' applications for funds under this Act to be through the State educational agency.

The Senate recedes.

12. NOTIFICATION OF THE GOVERNOR AND STATE LEGISLATURE

The House bill provides that the State legislature and the Governor be notified of the States' application.

The Senate amendment provides that the chief executive of the State be notified of the application.

The Senate recedes.

13. MAINTENANCE OF EFFORT AND NON-FEDERAL SHARE

The House bill requires that a State expend from its own sources an amount equal to or exceeding the amount it expended in the preceding fiscal year.

The Senate amendment contains this requirement and also requires that the State application include assurances that the State will pay its non-Federal share from non-Federal sources.

The House recedes.

14. CONTENT OF CAREER EDUCATION PROGRAMS

The House bill requires the State educational agency to provide satisfactory assurances that career education programs will be administered in such a manner as to impact on all instructional programs, and not be administered solely as a part of the vocational education program.

The Senate amendment provides that the State educational agency will require local educational agencies to carry out career education programs in such a manner as will affect all instructional programs.

The conference substitute requires both State and local educational agencies to carry out career education in such a manner as to affect all instructional programs and not solely as part of the vocational education program.

15. STATE-LEVEL STAFF

The House bill requires programs funded under the Act to be coordinated by a person with prior experience in career education, to be designated the State coordinator of career education. The House bill also requires the State educational agency to employ such staff as are necessary to administer the Act, including a person experienced in the problems of discrimination on account of race, sex, or handicap, and a professional trained in guidance and counseling.

The Senate amendment requires the State educational agency to employ such staff as are necessary, including a State coordinator with prior experience in career education, a person experienced in problems of discrimination (adding age and economic status to the areas of discrimination listed in the House bill), and a professional in guidance and counseling, which, unlike the House bill, is required only where feasible.

The Senate recedes.

The conferees wish to make clear that the States may fulfill their requirements for hiring certain people at the State level by employing people part-time for these positions or by using already employed staff part of the time for these duties and paying for part of their salaries from these funds.

16. STATE PLAN REVIEW

The House bill requires the State educational agency to conduct a continuous review of the State plan and submit amendments as deemed appropriate with regard to its experience under the program.

The Senate amendment requires an annual review of the State plan, and submission of necessary amendments.

The Senate recedes.

17. SET ASIDE FOR GUIDANCE AND COUNSELING

The House bill requires that the State assure that not less than 15 percent of the funds not reserved for State level activities be used for programs at the local level in guidance and counseling.

The Senate bill contains no comparable provision.

The Senate recedes.

The conferees wish to make clear that this requirement regarding a minimal expenditure for guidance and counseling activities is a requirement applicable to the State's allocation and is not a requirement which each local school district receiving funds must follow.

18. IDENTIFICATION OF LOCAL EDUCATIONAL AGENCIES

The Senate amendment requires assurances on the State application that the State educational agency will identify all local educational agencies which desire to develop or expand their career education programs and will develop a plan in accordance with the State planning provisions.

The House bill has no comparable provision.

The Senate recedes.

19. DISTRIBUTION OF FUNDS

The Senate amendment requires the State application to contain assurances that the State will comply with provisions regarding State set asides and participation of private schoolchildren.

The House bill has no comparable provision.

The House recedes.

20. WITHIN STATE DISTRIBUTION

The Senate amendment prohibits States from allocating funds to local educational agencies on the basis of per capita enrollments or through matching of local expenditures on a uniform percentage basis or from denying funds to local educational agencies making reasonable tax efforts because they cannot pay the non-Federal share.

The House bill contains no similar provisions.

The House recedes.

21. STATE PLANS

A. The House bill requires States to submit State plans by July 1st of the first funded fiscal year.

The Senate amendment requires States to submit State plans at the time of submission of their first annual application for fiscal year 1980.

The conference substitute requires States to submit State plans by July 1, 1979.

B. The House bill requires the State plan to set forth the objectives the State will seek to achieve during the 5 fiscal years and how it will achieve them.

The Senate amendment includes the same requirement, but adds that the State must place a special emphasis on overcoming bias and stereotyping.

The House recedes.

C. The House bill requires the State plan to include adequate assurance that the application requirements will be met in each funded fiscal year after the first.

The Senate amendment contains no such provision.

The Senate recedes.

D. The Senate amendment requires the State plan to provide proposed criteria for evaluation of the extent to which the State will achieve its yearly objectives.

The House bill does not contain a similar provision.

The House recedes.

22. USE OF FUNDS

The House bill authorizes use of Federal funds for a listed set of career education activities.

The Senate amendment authorizes the use of Federal funds to pay the Federal share of the costs of such activities.

The House recedes.

23. STATE LEADERSHIP

The House bill provides for State leadership, either directly or through arrangements with private and public agencies and organizations.

The Senate amendment provides for such leadership, either directly or through public agencies and private organizations.

The House recedes.

24. CAREER EDUCATION MATERIALS

The Senate amendment specifies that career education materials funded under the Act must have special emphasis on overcoming sex bias and stereotyping.

The House bill contains no similar provision.

The House recedes.

25. COLLABORATION WITH ORGANIZATIONS

The House bill provides for collaboration with State agencies and organizations representing business, labor, industry, the professions, handicapped, minority groups, and women.

The Senate amendment permits collaboration with any public agencies and private organizations representing the same groups, adding older Americans.

The House recedes.

26. COMMUNITY ORGANIZATIONS (LOCAL LEVEL)

The House bill enables local educational agencies to collaborate with organizations representing the handicapped, women, minority groups, and the business-labor-industry-professional-government community, and permits use of these personnel in schools and for student field trips.

The Senate amendment permits collaborative arrangements with organizations representing handicapped, minority groups, women, and all other elements of the community, and permits the use of these personnel without specifying that personnel may be used as resource people and without mention of field trips.

The conference substitute permits local educational agencies to collaborate with organizations representing handicapped, minority groups, women and all other elements of the community and permits use of personnel from such organizations in schools and for student field trips.

27. LOCAL COORDINATORS

The House bill permits funds to be used for employing local coordinators of career education, but not at the school building level.

The Senate amendment permits using funds for local coordinators, but does not prohibit hiring at the individual school building level.

The Senate recedes.

28. INSERVICE TRAINING

The House bill allows use of funds for inservice education of education personnel, to help them understand career education and to acquire competencies essential for carrying out their roles.

The Senate amendment allows use of such funds to help education personnel acquire competencies in the field of career education and includes ways of overcoming sex stereotyping in career education and ways of assisting women and men in broadening their career horizons.

The House recedes.

29. LOCAL COUNCILS AND PLANS

The House bill permits funds to be used for establishing and operating local community career education councils and for activities relating to local plans.

The Senate amendment includes no similar provisions.

The Senate recedes.

30. LOCAL DISTRIBUTION

The House bill requires States to make grants to local educational agencies on the basis of applications submitted by the LEA and approved by the SEA, in accordance with equitable distribution criteria having due regard for the needs of LEA's serving sparsely populated areas or relatively few students.

The Senate amendment adds areas of high incidence of youth and adult unemployment to the list of areas whose needs must be duly regarded.

The House recedes.

31. NONPROFIT PRIVATE SCHOOLS

The House bill requires States to provide for equitable participation of private schoolchildren. The control of funds and titles to materials, equipment, and property shall lie with the public agency.

The Senate amendment contains similar provisions, except that property is not mentioned.

The House recedes.

32. PAYMENTS

The House bill provides that the Commissioner, after finding a State in compliance with the application provisions for the first funded fiscal year and in compliance with the provisions regarding State plans and uses of funds for the second and third fiscal years, shall pay each State the amount to which it is entitled. The House bill requires the Commissioner to determine whether a State is in compliance with the provisions regarding State plans and uses of funds by reviewing State evaluation reports pursuant to section 10, before a State can be granted its funds for the fourth and fifth funded fiscal years. The House bill permits the Commissioner to reduce a State's grant in proportion to the extent to which it substantially failed to achieve the objectives set forth in the State plan.

The Senate amendment has similar requirements regarding payments, except that it does not specify compliance with the provisions regarding uses of funds as a necessary condition for funding and does not permit the Commissioner to reduce a State's grant in proportion to the extent to which it failed to achieve its objectives.

The Senate recedes.

33. STATE LEVEL PROGRAMS

The House bill permits States to reserve up to 10 percent of the funds for State leadership activities and up to 5 percent of the funds for employing State level personnel and reviewing and revising the State plan for each fiscal year funded.

The Senate amendment permits States to reserve up to 25 percent of the funds for State leadership, employing State personnel and reviewing and revising the State plan. for fiscal year 1979. For fiscal year 1980 and thereafter, States may reserve up to 15 percent for these purposes.

The conference substitute permits States to reserve up to 10 percent of the funds for State leadership activities and up to 10 percent for employing State level personnel and reviewing and revising the State plan for fiscal year 1979. For fiscal year 1980 and thereafter, States may reserve up to 10 percent for State leadership and up to 5 percent for employing State level personnel and State planning activities.

34. STATE MATCHING REQUIREMENTS

A. The House bill sets separate matching requirements for employing State level staff. Federal funds can be used for 100 percent of these costs for the first year, 75 percent for the second, and 50 percent for the third through fifth fiscal years.

The Senate amendment includes State level personnel in the regular matching requirements which are listed below.

The Senate recedes.

B. The House bill and the Senate amendment set different percentages for the Federal share of the costs of carrying out the Act. These percentages in the House bill pertain to all activities except the employing of State level staff. The percentages in the Senate amendment pertain to all activities funded under the Act. The Federal share for each fiscal year are as follows:

House bill and Senate amendment

First fiscal year (FY 1979)—100%; 100%.
Second fiscal year (FY 1980)—100%; 75%.
Third fiscal year (FY 1981)—75%; 75%.
Fourth fiscal year (FY 1982)—50%; 50%.
Fifth fiscal year (FY 1983)—25%; 25%.

The Senate recedes.

35. PRIVATE SCHOOL BYPASS

The House bill provides that the Commissioner may waive requirements regarding participation of private schoolchildren and arrange for services for these children when a State is prohibited by law from providing for their participation or has substantially failed to do so.

The Senate amendment contains no such provision.

The Senate recedes.

36. FEDERAL ADMINISTRATION

The House bill provides that the Office of Career Education shall provide technical assistance to States needing improvement and, upon request, to States and outlying areas.

The Senate amendment requires the Office of Career Education to provide technical assistance to all State educational agencies and outlying areas.

The conference substitute requires the Office of Career Education to provide technical assistance to all State educational agencies and outlying areas requesting assistance.

37. NATIONAL LEADERSHIP

The House bill requires the Office of Career Education to assert a national leadership role in career education by encouraging a national dialogue, providing policy statement, fostering career education as a goal of other USOE programs, and other specific ways.

The Senate amendment charges the Office of Career Education with performing a national leadership role, but does not specify any activities toward this end.

The House recedes.

38. NATIONAL INSTITUTE OF EDUCATION

The House bill charges the National Institute of Education with continuing its complementary efforts in career education and with devoting special attention to developing instruments to measure the effectiveness of career education. The Office of Education shall cooperate with the National Institute of Education in identifying research priorities and disseminating NIE's findings.

The Senate amendment also states that nothing in the Act should prohibit NIE from continuing its functions in career education, and charges the Assistant Secretary for Education with assuring cooperation between the Office of Education and NIE as they seek to identify research priorities and disseminate NIE's findings. The Senate amendment contains no language requiring NIE to develop measuring instruments.

The House recedes.

39. NATIONAL ADVISORY COUNCIL

The House bill amends the legislation regarding the National Advisory Council on Career Education to include not less than 12 public members, including persons representing the handicapped, minority groups and women, and not less than two members representing business and labor. The House bill also continues present law which specifies that a majority of the members be in education or education related professions.

The Senate amendment amends the National Advisory Council legislation to include not less than 15 public members, including persons representing the same groups as specified in the House bill. A person representing guidance is added, but the provision that at least a majority of the members be in education or in education related professions is deleted from present law.

The House recedes.

40. REPORTS

A. The House bill requires each State to submit to the Commissioner a report evaluating the programs assisted with funds provided under this Act for the preceding year. The Commissioner must analyze each report and provide the State with an analysis and recommendations for improving their programs within 3 months after submitted.

The Senate amendment contains no comparable provision.

The conference substitute requires each State to submit this evaluation report to the Commissioner annually unless the Commissioner determines that such annual submission is unnecessary.

B. The House bill requires the National Advisory Council on Career Education to submit a report to the Congress by April 30 of each year evaluating the effectiveness of the programs funded under the Act.

The Senate amendment contains no comparable provision.

The House recedes.

41. NATIONAL EVALUATIONS

The House bill requires the Commissioner to conduct a comprehensive review of a random sample of State programs and report on his or her findings to the Congress no later than September 30th of the fourth funded fiscal year.

The Senate amendment authorizes the Commissioner to conduct a national evaluation of the effectiveness of career education and transmit as part of the annual report the results of this evaluation.

The Senate recedes.

42. DEFINITION OF CAREER EDUCATION

The House bill defines career education as experiences free of bias and stereotyping on account of race, sex, or handicap through which one learns about work and experience relating work to other life values. The House bill further limits the definition of career education to activities carried out by State and local educational agencies and excludes activities involving specific job skill training.

The Senate amendment defines career education as programs conducted by educational agencies and institutions and education personnel to improve the ability and awareness of students in the area of career opportunities. The Senate bill includes age and economic status as areas to be free of bias and stereotyping.

The conference substitute defines career education as experiences free from bias through which one learns about work and experiences relating work to other life values. The conference substitute also contains a second definition of career education limited to activities carried out under this Act

by specifically excluding activities involving job skill training.

43. "COMMISSIONER"

The Senate amendment defines "Commissioner" as the Commissioner of Education.

The House bill does not define "Commissioner."

The House recedes.

44. "STATE BOARD"

The House bill defines "State board of education" to mean the governing board responsible for the administration of elementary and secondary education.

The Senate amendment contains no definition of "State board."

The House recedes.

45. "WORK"

The House bill defines "work" as efforts producing benefits for oneself or others.

The Senate amendment does not define "work."

The House recedes.

46. "STATE EDUCATIONAL AGENCY"

The Senate amendment defines "State educational agency" as defined in section 801 (k) of the Elementary and Secondary Education Act of 1965.

The House bill does not define "State educational agency."

The House recedes.

47. AMENDMENT TO EDUCATION AMENDMENTS OF 1976

The House bill amends section 332 of the Education Amendments of 1976, which enables States to plan for the development of career education, by making Puerto Rico a State for the purposes of that section, and reduces the sums available for the outlying territories from 3 percent to 1 percent.

The Senate bill contains no similar provision.

The Senate recedes.

48. MODEL PROGRAMS

The Senate amendment authorizes the Commissioner to make grants to support projects to demonstrate the most effective methods and techniques in career education and to develop exemplary career education models, including these designed to eliminate bias and stereotyping.

The House bill does not contain any similar provision.

The conference substitute authorizes the Commissioner to make grants for model career education programs and bars appropriations under the authority of section 406(f) of the Education Amendments of 1974 for these types of programs in any year in which this provision is funded.

49. CAREER EDUCATION INFORMATION

The Senate amendment requires the Commissioner to examine the occupational needs of participating individuals and organizations and to furnish information to these parties on Federal programs involved in career information and on exemplary programs.

The House bill has no similar provision.

The House recedes.

CARL D. PERKINS,
WILLIAM D. FORD,
IKE ANDREWS,
MICHAEL T. BLOUIN,
PAUL SIMON,
LEO C. ZEFERETTI,
RONALD M. MOTTL,
AUSTIN J. MURPHY,
JOSEPH A. LE FANTE,
TED WEISS,
CEC HEFTEL,
BALTASAR CORRADA,
DALE E. KILDEE,
GEO. MILLER,
ALBERT H. QUIE,
JOHN BUCHANAN,
LARRY PRESSLER,
BILL GOODLING,
SHIRLEY N. PETTIS,
CARL PURSELL,

Managers on the Part of the House.

HARRISON A. WILLIAMS, JR.,
CLAIBORNE PELL,
JENNINGS RANDOLPH,
EDWARD M. KENNEDY,
THOMAS F. EAGLETON,
WILLIAM D. HATHAWAY,
JACOB K. JAVITS,
ROBERT T. STAFFORD,
RICHARD S. SCHWEIKER,
S. I. HAYAKAWA,

Managers on the Part of the Senate.

A POINT OF VIEW ON TRADE

The SPEAKER. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker, the October 2, 1977, Sunday edition of the New York Times carried a very thoughtful and interesting article by Mr. Nathaniel Samuels, chairman of Kuhn Loeb & Co.'s board of advisory directors, chairman of the Louis Dreyfus Holding Co., and formerly Deputy Under Secretary of State for Economic Affairs. The article, entitled "Time for a Tactical Retreat?" discusses ways in which we might better deal with our current worldwide difficulties in international trade.

We, along with other nations, have begun to apply a number of orderly marketing agreements and other import relief devices. I am particularly concerned, however, that we have no guarantees that the industries temporarily aided by these actions are indeed using the time provided to adjust to the conditions of international competition, either through modernization or diversification into areas in which they can be more competitive. I would hope that as time permits next year, the Ways and Means Subcommittee on Trade, which I have the honor of chairing, could conduct inquiries into the types of adjustments that the shoe, television, and specialty steel industries are actually taking as a result of the import relief provided in recent years.

Mr. Samuels' very thoughtful article follows:

TIME FOR A TACTICAL RETREAT?

(By Nathaniel Samuels)

It is increasingly unlikely that the current multilateral trade negotiations will result in a significant liberalization of international trade. In the aftermath of the oil price explosion and a worldwide recession, protectionism in one form or another has again taken on a degree of political respectability.

To compensate for weak demand at home, to pay their rising oil bills and to meet their heavy debt-servicing obligations, countries everywhere are resorting to an ever more ingenious array of export subsidies and incentives.

On the import side, nations are increasingly erecting nontariff barriers against incoming goods. And adding to the growing disruption is the disarray in the international monetary system as countries manipulate the exchange rates of their currencies to serve their trade objectives.

In short, a kind of guerrilla warfare has erupted in world trade. Given this state of affairs, governments in general have thus far shown a surprising degree of restraint in refusing to abandon a general policy of adherence to trade liberalization. But the vital question is: How long can the line be held? It may be that, if the current moves toward protectionism are an inevitable fact of life, we shall have to undertake a tactical retreat in trade policy in the short run—in order to be able to regroup for the long-run advance of liberalization. This may be the best we can do under the circumstances.

I am proposing that we codify, under the auspices of the General Agreement on Tariffs and Trade, the various orderly marketing agreements and voluntary export restraints that have cropped up in recent years, as in steel and fibers and footwear, and that we surround these arrangements with multilateral rules governing their justification and their functioning.

Essential to such a system would be simultaneous commitments by governments—and by industries seeking import relief—to take steps to strengthen their international competitiveness or to phase out no-longer viable sectors altogether.

Even to utter these views is, of course, highly unpalatable to those for whom liberal trade is both a matter of intellectual conviction and of faith. Moreover, we must face the fact squarely that any deviation from a liberalization trend risks encouraging more calls for protectionism from a variety of sources. Thus, whatever we do must be designed to turn a current trend toward fragmentation in the international trade system into a coherent multilateral effort.

In using the term "tactical retreat," I have in mind turning the devices of voluntary export restraints and orderly marketing agreements into components of adjustment processes. They would be applied only in those cases where imports can be objectively and truly substantiated as a major contributor to domestic economic disruption. An essential aim would be to correlate the rates of growth of imports with the rates of growth of domestic consumption of the products covered; imports would not be allowed to take up the entire rate of consumption growth and certainly not to overtake it.

Indeed, we already have a number of examples of bilateral and multilateral arrangements. One example: the restraints undertaken by Japanese and European steel producers, negotiated with the State Department, relating to their exports to the United States. Others: the steel agreement between Japan and the European Economic Community: the multifiber agreement and the orderly marketing agreements regarding footwear recently negotiated by the United States with South Korea and with Taiwan.

Orderly marketing agreements should be limited only to a few industries that are of exceptional significance to the countries seeking to resort to them. Internationally agreed criteria should be applied to determine the role of imports as a contributor to their difficulties. And the duration of the agreements should be fixed (perhaps three to five years at most) with automatic self-destruct provisions included along with procedures for multilateral monitoring and surveillance of their workings and observance.

Governments seeking such agreements must make a commitment to see that the necessary capital investments to modernize production and increase productivity will be available to industry, either from the private sector or from official sources. Certain companies within an industry covered under the agreements may be partially or even wholly phased out because their prospects of becoming competitive are remote or nil. In those instances governments may perhaps have to engage in acquiring (and disposing of) assets from the owners and in assisting labor in the transition to new employment opportunities. Nothing could be more unproductive than keeping nonviable companies and industries in business indefinitely or drawing young labor into companies or sectors which have little or no future.

The role of labor in the success of an industrial adjustment process is obvious, but the sophisticated understanding of

an interdependent world economy that is necessary for success of such a program should not be underestimated. There is a social cost to maintaining an open system both domestically and internationally that society must pay somehow, whether in orderly adjustment or in welfare. The former would seem to be infinitely superior to the latter.

Instead of an uncoordinated proliferation of orderly market agreements, a code governing their applications should be formulated and brought under the aegis of GATT. Article 14 of GATT contains the so-called "safeguard" provisions whereby trade imbalances (to use the elegant phrases of the diplomatic practitioners) are dealt with. In general, when a member country wishes to deal with a trade imbalance by restriction, it must provide trade compensation uniformly in return. Many loyal adherents of the GATT system believe this to be adequate if properly applied, but there is some disposition to use extra-GATT arrangements such as orderly marketing agreements with selected countries and thereby introduce selectivity rather than uniformity in dealing with particular trade problems.

Obviously, negotiating a framework for orderly marketing agreements with domestic industrial adjustment processes would be a formidable and time-consuming task even if there were broad agreement among the members of GATT to do so. There is not such a consensus at present. An industrialized country whose exports are doing well clearly hesitates to see any rein put on it, however limited. Developing countries that are avid for access to the markets of industrialized countries may find innumerable objections to such arrangements.

The authority granted under the United States Trade Act to negotiate a new multilateral agreement expires in January 1980. The complexity of the issues and the hard problems of the world economy make the remaining two years or so a short time indeed. The moment has come to decide what is the true nature of our problems and to separate what is essential in the negotiations from what would be ideal. The task of those who carry political authority is not necessarily to demonstrate the validity of this or that ideology but to make an acceptable society work through the reconciling of diverse aims and interests.

THE RISE OF NEO-NAZISM—OUR SACRED OBLIGATION TO SPEAK OUT

The SPEAKER. Under a previous order of the House, the gentleman from Texas (Mr. MATTOX) is recognized for 5 minutes.

Mr. MATTOX. Mr. Speaker, a long-unpublished essay by George Orwell, "The Freedom of the Press," recently came to light in 1972. It makes a hauntingly relevant point for our own time with its theme that the most important issues are all too often absent from the public dialog—not because of official censorship—but simply because people do not want to talk about them.

"At any given moment," Orwell said, "there is an orthodoxy, a body of ideas which it is assumed all right-thinking people will accept without question." Even more significantly, he observed that "others who do not actually hold this view assent to it from sheer cowardice." The essay has been called intemperate, but it carries a strong message.

We who spend most of our time working within the orderly structure of American democracy often avoid speaking out when we should. Oppressive groups seem to thrive on confrontation so more reasonable people are naturally reluctant to become involved. When it seems that tolerance and kindness are a poor match against the tactics of hatred and lawlessness, we need to remind ourselves that there is a great equalizer in democracy when we speak up to decry injustice. We have the freedom to expose the fallacies and designs of oppression before it becomes too late.

We are entering a critical period in our national history. We have enjoyed many years of continuing economic growth and progress. Most of the current generation of Americans are unaccustomed to anything else. And yet we are facing drastic changes. The concepts of energy, population, and technology are placing ominous qualifications on all our lives. While there are great new challenges to be met, there are enormous frustrations to be dealt with. Government instability and political extremism often accompany economic difficulties when public frustrations run high. Hitler, it should not be forgotten, was a product of such frustration.

When we grow tired of dealing with the burdens of democracy, there is a tendency to look elsewhere, to someone or something that offers quick and easy solutions. Never has there been a scarcity of ready demagogues to offer unfulfillable promises at incredible prices—usually the prices are to be paid in human suffering, though it may start out as the suffering of some for the advantage of others. Hitler, it should not be forgotten, was voted into power.

The words "Hitler" and "Nazi" are not frequently used in our political dialog because they have become the awesome, almost unspeakable, codewords for the most hideous wholesale derailment of civilization in modern times. It seems inconceivable that in our supposedly enlightened age anyone would adopt either of these words as a useful description for anything political.

Inconceivable, but:

The fastest growing political party in Britain today is the National Front whose platform calls for expelling all nonwhites and which embraces violent tactics identical to those used by Adolf Hitler. The Front's leader has termed himself a Hitler admirer and makes no attempt to hide the organization's strong anti-Semitic theme. Other rightwing organizations have lined up behind this group in a drive to increase their own power.

Hitlerism is a box-office hit in West Germany today, helping to create an alarming change in public attitudes. Millions of Germans are going to see the new Hitler wave films and are coming away with a near-admiration of the Fuehrer's power and cunning.

The tyrannical madman of Uganda, Idi Amin, at one time initiated plans to erect a public statue of Adolph Hitler. Aside from any such formal tribute to his political mentor, Amin has made a monumental display of Hitlerian terror throughout his country, reaching, on one notorious occasion, all the way to Israel to pull in racial victims, with the help of Palestinian terrorists, among others.

The American Nazi movement in recent years has experienced a frightening surge in activity. Nazi party members have openly run for public office in five States and have gathered as much as 16 percent of the vote in a major election.

There is active Nazi recruitment on many high school and college campuses, particularly where racial tensions exist.

Brown-shirted "storm troopers" have been responsible for repeated instances of violence throughout major cities across the country.

Even a former member of the U.S. Army's elite Presidential Guard was recently found to be a member of the American Nazi party, as a result of his conviction for beating a black off-duty Washington, D.C., police officer, with the help of no less than 35 fellow Nazis wearing uniforms and armed with riot gear and billy clubs.

The American Nazi movement has a mailing list estimated to be over 200,000 and an annual income of around $100,000. These resources attract increasing amounts of support for Nazi candidates running for public office.

There is a strong likelihood that American Nazi groups have received substantial financial assistance from the Middle East or Europe and from wealthy rightwing organizations in the United States. The operator of the fastest growing anti-Semitic propaganda mill in the Nation, George Dietz, is a former member of the John Birch Society. The IRS has two suits pending which seek to review the financial records of the major Nazi group in Chicago.

While we can conceive of these circumstances, because they have actually occurred, we attribute the bulk of it, of course, to the periodic restlessness of the lunatic fringe, sincerely hoping this will always be the case.

I have collected this information primarily because it has a significant bearing on the whole of American politics. What troubles me much more than the swastika-wearing Nazis, are those who wear the same mental uniform but call themselves something else. If the Nazi doctrine can receive this much open support after what we have seen in Nazi Germany, how much more hatred must there be under the surface? The fabric of society unravels too easily when it receives a sustained hard pull from either the right or the left. Those who pander to the fears and frustrations of the racial right—as can easily be done, judging from the mountains of emotion that neo-Nazis have already uncovered—must bear responsibility for the increase in violence and hatred taking place in the world today.

This ultra-rightwing assault has at least three common characteristics: First, a strong racial dogma, primarily directed toward blacks and Jews; second, an odious presence of fear and hatred, frequently spilling over into incidents of violence and terror, either as a motivation for retaliation, or a means of advancing political ends; and third, an obsessive emphasis on police training and police strength.

A recent personal experience involving such police training hit very close to home. On November 7 I was utterly surprised and shocked to learn that 24 members of Idi Amin's armed police force were receiving helicopter training

in a neighboring community to my own in Texas.

Americans have not forgotten the incident at Entebbe Airport where Amin's support for the PLO's kidnaping, segregation and threatened execution of Jews, and murder of a British-Israeli grandmother, heralded a new wave of hijacking and terrorist activities. If the French pilot and crew in that case had enough moral courage not to cooperate in that Nazi-like segregation of Jews—risking their own lives to stay with their Jewish passengers—how can we have less by actually allowing Amin's police pilots to be trained in our country?

I have long been concerned that there is an unfortunate coincidence in the number of police from oppressive regimes who receive training in the United States. Without detailing here the numerous actions that have been initiated to correct this situation, I can simply say I have done everything possible to see that Amin's police are immediately expelled. One of the results of this outcry has been the adoption of new State Department policies to prevent such occurrences in the future.

There is great danger if the public reaction to such outrages ever drifts into indifference and tacit acceptance. If we lose our capacity to be shocked, we will have also lost a part of our humanity. In the case of Uganda the mass atrocities are known around the world. There is an inescapable obligation to speak out.

If a more conspicuous violator of human rights can be found, it would not inconceivably be among the Palestinian terrorists where a savage, racially motivated hatred has been notoriously blatant for so long. I am hopeful that we may finally be nearing an end to this period of turmoil in the Middle East. Through the long years of airline hijackings, airport terrorism, border clashes and reprisals, the underlying character of the radical Palestinian groups has been determined by a reliance on Hitlerian tactics of violence and terror against innocent civilians. It seems not to matter whether the advantage was to be gained by machine-gunning Olympic athletes or small schoolchildren. Clearly, in these cases, the ultimate expedient was the ultimate corruption.

We must be certain that our Government does not take actions which allow terrorist groups to receive a political advantage from the use of Nazi-like tactics. In the case of the PLO, we simply cannot give respectable status to a racist group whose primary motivation has been the destruction of Israel.

American opinion has played a crucial role in the Middle East through these tense years. Recent expressions of outrage over diplomatic actions which could have strengthened the position of terrorist groups will help steer our national policies in the right direction.

"Tolerance and decency are deeply rooted in our society," said Orwell in his last-published essay, "but they are not indestructible, and have to be kept alive by conscious effort."

I have always felt that the often morally indignant Orwell developed a profoundly deep understanding of the pressures of a society at risk. He did his part as one member of the human race to decry the evils he saw in oppressive governments. The intuitive compassion of his "1984" would make it easy to ascribe the following to a passage from that novel:

> Violence, less and less embarrassed by the limits imposed by centuries of lawfulness, is brazenly and victoriously striding across the whole world. The world is being inundated by the brazen conviction that power can do anything, justice nothing.

To my great sadness those were not merely the words of literary compassion, but the anguished voice of one who experienced what Orwell sought to prevent; Aleksandr Solzhenitsyn, from his undelivered Nobel prize lecture. As he expressed the anxiety of human longing everywhere, that hatred and oppression might not gain another foothold, may we share those heartaches enough to somehow make a difference.

STATUS OF THE CONGRESSIONAL BUDGET FOR FISCAL YEAR 1978

The SPEAKER. Under a previous order of the House, the gentleman from Connecticut (Mr. GIAIMO) is recognized for 5 minutes.

Mr. GIAIMO. Mr. Speaker, as called for in the Congressional Budget Act, the House Budget Committee has notified the Speaker of the House on the status of the fiscal year 1978 congressional budget. A copy of my letter to the Speaker and the committee's report are attached at the end of these remarks. I would like to inform my colleagues of the House how the Congress stands with regard to the budget resolution it adopted on September 15.

Since my previous report to the House on October 19, the Congress has enacted several items which alter the current level of spending and revenues. The original continuing appropriation expired at the end of last month, and in its place the Congress has enacted House Joint Resolution 643, further continuing appropriations for the Departments of Labor and HEW, the District of Columbia and the Small Business Administration disaster loan fund. In addition, the Congress has acted on eight measures which have the net effect of reducing the current level estimate of revenues by $24 million. The attached table summarizes these and other changes to the current level since my last report to the House. It can be seen that a margin of $16.2 billion remains for budget authority and $457 million remains for outlays when measured against the spending limits of the second budget resolution. The current level for revenues is $1.1 billion above the revenue floor of the resolution.

Over the next few weeks the Budget Committee will be reviewing reestimates submitted by the administration for fiscal year 1978. These reestimates will take into consideration the most recent information available on the performance of the economy as it affects the spending rate of Federal programs, and, where necessary, adjustments will be made to the current level.

CHANGES TO THE CURRENT LEVEL SINCE OCT. 13, 1977

[In millions of dollars]

	Budget authority	Outlays	Revenues
Current level, as of Oct. 13, 1977	474,356	452,233	398,100
1. H.R. 7797—			
Foreign assistance appropriations	6,773	2,842	
Removal of continuing resolution portion	−360	−310	
2. H.R. 9090—Increased disaster payments for certain crops		29	
3. H.R. 3387—Entitlement authorization for child care services	200	200	−8
4. Net effect of the following revenue measures: H.R. 2849—Suspension of duty on latex mattress blanks; H.R. 2850—Suspension of duty on latex sheets; H.R. 2982—Suspension of duty on tantalum/columbian concentrate; H.R. 3093—Duty-free treatment of shoe lasts; H.R. 3259—Continue suspension of duty on certain horses; H.R. 3373—Continue suspension of duty on certain silks; H.R. 4458—Change excise taxes on distilled spirits; H.R. 422—Exemption of duty on certain aircraft engines			−24
5. H.R. 1139—Child Nutrition Amendments	28	25	
6. Reestimate of permanent appropriation for Federal Crop Insurance Corporation		57	
7. H.J. Res. 626—Continuing appropriations (Expiration of continuing resolution on Oct. 31, 1977)	−21,793	−12,797	
8. H.R. 9019—3d budget rescission bill, fiscal year 1977		−10	
9. H.R. 9704—Federal Crop Insurance Corporation		22	
10. H.R. 7345—Veterans' pension benefits increases	76	114	
11. H.R. 7074—Oregon Forest system	−2	−2	
12. H.R. 8701—Veterans' educational benefits	606	606	
13. H.J. Res. 643—Further Continuing Appropriations:			
Labor-HEW (conference agreement)	60,017	43,432	
Deduction for entitlements previously counted	−28,204	−21,952	
Offsetting receipts	−8,205	−8,205	
District of Columbia	371	351	
SBA—Disaster loan fund		1,159	
Current level (as of Nov. 4, 1977)	483,862	457,793	398,068
Amount remaining:			
Under ceiling	16,238	457	
Under floor			1,068

CONGRESSIONAL BUDGET OFFICE,
Washington, D.C., November 8, 1977.

Hon. ROBERT N. GIAIMO,
Chairman, Committee on the Budget, U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to section 308(b) and in aid of section 311(b) of the Congressional Budget Act, this letter and supporting detail provide an up-to-date tabulation of the current levels of new budget authority, estimated outlays and estimated revenues in comparison with the appropriate levels for these items contained in the most recently agreed to concurrent resolution on the 1978 budget. The current level estimates are as of close of business November 4, 1977.

Since my last report the Congress has cleared for the President H.J. Res. 643, a resolution continuing appropriations for fiscal year 1978 for the Departments of Labor, and Health, Education, and Welfare, the District of Columbia, and the Small Business Admin-

istration disaster loan fund; H.R. 7074, affecting the Oregon Forest System; H.R. 8701, increasing veterans education benefits, and H.R. 422, a tariff bill.

[In millions of dollars]

	Budget authority	Outlays	Revenues
1. Enacted	426,531	415,828	398,100
2. Entitlement authority and other mandatory items requiring further appropriation action	5,150	5,212	
3. Continuing resolution authority	52,183	36,736	
4. Conference agreements ratified by both Houses	−2	17	−32
Current level	483,862	457,793	398,068
2d concurrent resolution	500,100	458,250	397,000
Amount remaining:			
Under ceiling	16,238	457	
Over floor			1,068

Sincerely,

ALICE M. RIVLIN,
Director.

PARLIAMENTARIAN STATUS REPORT—SUPPORTING DETAIL, FISCAL YEAR 1978, AS OF CLOSE OF BUSINESS NOV. 4, 1977

[In millions]

	Budget authority	Outlays
I. ENACTED		
Permanent appropriations and trust funds	234,738	218,201
Outlays from balances of prior-year authority associated with appropriation bills not yet included in the enacted category of the Parliamentarian Report:		
District of Columbia		51
Labor-HEW		26,279
Offsetting receipts (including amounts generated by current appropriation action)	−52,525	−52,525
Enacted this session:		
Agriculture (Public Law 95-97)	12,749	13,520
Interior (Public Law 95-74)	10,026	8,888
Legislative (Public Law 95-94)	990	1,054
Military Construction (Public Law 95-101)	2,978	3,613
Public Works (Public Law 95-95, 95-96)	10,294	9,436
State-Justice (Public Law 95-86)	7,709	10,942
Treasury (Public Law 95-81)	7,478	7,600
Transportation (Public Law 95-85)	6,197	14,940
Defense (Public Law 95-111)	109,753	101,910
HUD-Independent Agencies (Public Law 95-119)	69,371	45,312
Foreign Assistance (Public Law 95-148)	6,773	5,573
Other spending legislation:		
Emergency Unemployment Benefits Extension (Public Law 95-19)		215
Food and Agriculture Act of 1977 (Public Law 95-113)		850
Deny veterans benefits to certain individuals with upgraded discharges (Public Law 95-126)		−31
Total, enacted	426,531	415,828
II. Entitlement authority and other mandatory items requiring further appropriation action		
Function 050:		
Retired pay (anticipated supplemental)	93	93
Department of Defense, civilian and military pay (anticipated supplemental)	2,673	2,593
Function 350:		
Federal Crop Insurance Corporation authority (H.R. 9704) (anticipated supplemental)		22
Function 500:		
Child care services (H.R. 3387) (anticipated supplemental)	200	200
Function 600:		
Child nutrition (H.R. 1139) (anticipated supplemental)	28	25
Function 700:		
Readjustment benefits (anticipated supplemental)	113	
Veterans Disability and Survivor Benefits Act (Public Law 95-117) (anticipated supplemental)	229	335
Veterans pension benefits increase (H.R. 7345) (anticipated supplemental)	76	114
Function 700; Continued:		
Veterans education benefits (H.R. 8701) (anticipated supplemental)	606	606
Function 800:		
Payment to civil service retirement and disability trust fund (anticipated supplemental)	319	319
Offsetting receipts	−319	−319
Function 930:		
Civilian agency pay raise (anticipated supplemental)	1,131	1,224
Total, entitlement authority	5,150	5,212
III. CONTINUING RESOLUTION AUTHORITY		
Continuing resolution (H.J. Res. 643):		
Labor, HEW appropriations; conference agreement on H.R. 7555	60,017	43,432
Offsetting receipts	−8,205	−8,205
District of Columbia	371	351
Small Business Administration, disaster loan fund; level in Senate passed (H.R. 9375)		1,159
Total continuing resolution authority	52,183	36,736
IV. CONFERENCE AGREEMENTS RATIFIED BY BOTH HOUSES		
3d budget rescission bill, fiscal year 1977 (H.R. 9019)		−10
Increased disaster payments for certain crops (H.R. 9090)		29
Oregon Forest system (H.R. 7074)	−2	−2
Total	−2	17
Total current level, as of Nov. 4, 1977	483,862	457,793
Current resolution of Sept. 15, 1977	500,100—	458,250
Amount remaining:		
Over ceiling		
Under ceiling	16,238	457

INTRODUCTION OF ELEPHANT PROTECTION ACT

The SPEAKER. Under a previous order of the House, the gentleman from California (Mr. BEILENSON) is recognized for 5 minutes.

Mr. BEILENSON. Mr. Speaker, I am introducing a bill today to protect the world's largest living land mammals. Elephants, after surviving as a species for over 300,000 years, are now severely threatened with extinction. More than 100,000 elephants are slaughtered annually in developing African nations to cater to the frivolous desires of people in wealthier nations for ivory jewelry, ivory carvings, ivory chess pieces, and ivory to stockpile in bank vaults as a hedge against inflation. Were it not for this thoughtless indulgence, the African nations would not be induced to destroy their great elephant herds.

This bill would ban all U.S. trade in elephant ivory and other elephant products. Additionally, the bill would require the President to formally propose an international suspension of trade in all elephant products to the Convention on International Trade in Endangered Species (CITES). Many of the 38 member nations of CITES are also ivory importers.

The rapid decline in African elephants follows the near extinction of the Asian elephant. Asian elephants have been given protection as an endangered species by CITES. India banned the export of elephant ivory last year, and the United States then prohibited the import of Asian elephant products. Now Africa is the sole source of elephant ivory, and the number of elephants killed leaped to over 100,000 in 1976. In fact, Dr. Iain Douglas-Hamilton (an international authority on elephants and the author of "Among the Elephants") reported to the World Wilderness Congress in October that possibly as many as 400,000 African elephants were gunned down by ivory hunters, culled out by wildlife managers, or died from natural causes in 1976. With an estimated population of 1 million African elephants remaining, the giant of all land species may be relegated to zoos and a few protected parks within a decade.

Drought, deforestation, urbanization, and competition with the rapidly increasing human population for habitat have also contributed to the fast decline in elephant populations, to be sure, but the deliberate slaughter of elephants for their valuable ivory tusks is the greatest present threat to Africa's remaining elephant herds. The population of elephants in Kenya has been cut in half in the last 7 years with as many as 15,000 elephants a year dropping before the poachers' weapons. In Uganda, in 1976, the elephant population was reportedly cut in half in less than 1 year.

While accurate figures are difficult to obtain, the data on world trade in ivory confirm the dire reports from Uganda, Tanzania, Chad, the Sudan, Kenya, and other nations.

Hong Kong, one of the major centers for ivory carving and trade, imported 710 tons of ivory, taken from 71,000 elephants, in 1976. The decreasing size of the tusks being exported from Africa is an early warning sign that the species is diminishing faster than it can sustain itself. While the tusks of a large bull elephant may weigh 50 pounds, the average weight of tusks now being sold is less than 20 pounds, which indicates that most of the larger and older elephants have already been eliminated.

Although hundreds of thousands of tusks are exported legally and illegally from Africa each year, the demand for exotic luxury items made from the "hard creamy-white modified denture" of elephants' tusks which dealers find "luscious to the touch" is expanding. One ivory importer, dismayed at the passage of my California bill banning the importation of elephant ivory to California last year, informed me that he had predicted ivory would be a hot fashion item in 1977 and had previously ordered a huge shipment of carved ivory jewelry.

We cannot expect the overexploitation of elephants to cease when a poacher can make the equivalent of a year's wages on the sale of one set of tusks. The United States promotes this senseless slaughter by contributing heavily to the world's demand for ivory; we received over one-quarter of the carved and uncarved ivory exported from Hong Kong in 1976.

Only a total ban on trade in elephant products will stop the imports and alert customers to the wanton waste of a magnificent species they cause in order to satisfy their fancy. Partial prohibitions on trade have been ineffective against sophisticated smugglers and forged exportation documents certifying that the ivory came from elephants killed legally. Hence, the bill I am proposing today would prohibit all import and export of

elephant ivory, as well as all commercial trade across State lines. Ivory dealers would be allowed to continue to sell their current inventories of elephant ivory only within the State where the ivory is located at the time the bill becomes law.

I am not opposed to wildlife management programs required in conjunction with planned economic development, but the African nations need not make the same mistake we made by sacrificing their wildlife in haste to make a quick profit. Much land unsuitable for human settlement can be saved for wildlife habitat, and large and healthy elepant populations can be reestablished and become biologically stable without impeding economic growth. When the elephants are gone, the trinkets and curios made from their tusks may increase in value, but only the wealthy few will share in the economic benefits of the exchange of rare ivory objects. On the other hand, as long as the elephant herds flourish, tourists, for whom the elephant herds are a prime attraction, will continue to supply a substantial flow of foreign currency to the developing African nations where the benefits may be felt more widely by the poor as well as the rich.

To quote Henry David Thoreau:

Can he who has discovered some of the values of whalebone and whale oil be said to have discovered the true sense of the whale? Can he who slays the elephant for his ivory be said to have seen the elephant? These are petty and accidental uses; just as if a stronger race were to kill us in order to make buttons and flageolets of our bones.

The text of my bill follows:

H.R. 10083

A bill to prohibit the importation or exportation and certain other transactions involving elephant products, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Elephant Protection Act of 1977."

CONGRESSIONAL DECLARATION OF PURPOSE AND POLICY

SEC. 2. (a) DECLARATION OF PURPOSE.—The purpose of this Act is to ensure the continued existance of large and healthy populations of all species of elephants and, to this end to

(1) eliminate the role of the United States in creating the world demand for elephant products, including but not limited to ivory, and

(2) encourage other nations to join in a ban on trade in such products.

(b) CONGRESSIONAL FINDINGS AND POLICY.—The Congress finds and declares that a drastic decline in populations of elephants has occurred in East Africa, and a gradual but steady decline is taking place throughout most of the other African countries which elephants inhabit, and that the main cause of this decline is the widespread killing of elephants for the commercial value of their ivory tusks. Accordingly, it is the policy of the United States to—

(1) pursue actively through international initiatives the establishment of effective controls on the killing of elephants;

(2) pursue actively a ban on the international trade in elephant products; and

(3) provide all appropriate forms of aid to nations wishing to prevent the destruction of elephant habitat and the overexploitation of elephant populations.

UNITED STATES INITIATIVES FOR INTERNATIONAL PROTECTION OF ELEPHANTS

SEC. 3. In pursuance of the policies set forth in this Act, the President or his delegate shall propose, as soon as possible, to the Convention on International Trade in Endangered Species that all trade in elephant products by member nations be suspended until accurate data demonstrate that large and healthy elephant populations have been re-established and are biologically stable over large geographic areas.

PROHIBITED ACTS

SEC. 4. It is unlawful for any person subject to the jurisdiction of the United States to—

(1) import into the United States or export from the United States any item which such person knows, or in the exercise of due care should know, is an elephant product, if such importation or such exportation occurs after the date of the enactment of this Act;

(2) possess, deliver, receive, carry, transport, ship, or sell or offer for sale, by any means whatsoever, any item which such person knows, or in the exercise of due care should know, is, or is composed in whole or in part of, an elephant product imported in violation of the provisions of this Act;

(3) sell or offer for sale in interstate or foreign commerce any item which such person knows, or in the exercise of due care should know, is an elephant product; or

(4) make any false record or render a false account of the contents of any shipment transported in interstate commerce and received by such person, if such shipment contains any item which such person knows, or in the exercise of due care should know, is, or is composed in whole or in part of, an elephant product imported in violation of the provisions of this Act.

ADMINISTRATIVE PROVISIONS

SEC. 5. (a) ADMINISTRATION BY SECRETARY OF THE INTERIOR.—Except as otherwise provided in subsections (e) and (f) of section 6, the Secretary of the Interior (hereinafter in this Act referred to as the "Secretary"), in consultation with the Department of the Treasury and the Department in which the Coast Guard is operating, shall administer the provisions of this Act. The Secretary may issue such regulations as are necessary to carry out the provisions of this Act.

(b) PERMITS.—

(1) The Secretary may permit, under such terms and conditions as he may prescribe, any act otherwise prohibited by this Act for scientific purposes or to enhance the propagation or survival of any species of elephant.

(2) The Secretary shall publish notice in the Federal Register of each application for a permit which is made under this subsection. Each notice shall invite the submission from interested parties, within 30 days after the date of the notice, written data, views, or arguments with respect to the application. Information received by the Secretary as a part of any application shall be available to the public as a matter of public record at every stage of the proceeding.

(3) The Secretary may grant any permit under paragraph (1) only if he determines to his satisfaction that such permit—

(A) was applied for in good faith,

(B) if granted and exercised, will not operate to the disadvantage of any species of elephant, and

(C) will be consistent with the purpose and policy set forth in section 2.

PENALTIES AND ENFORCEMENT

SEC. 6. (a) CIVIL PENALTIES.—

(1) Any person who knowingly violates, or who knowingly commits an act in the course of a commercial activity which violates, any provision of this Act, or any provision of any permit issued under section 5(b), or of any regulation issued under this Act, may be assessed a civil penalty by the Secretary of not more than $10,000 for each violation. Any person who otherwise violates any provision of this Act, or any permit or regulation issued under this Act, may be assessed a civil penalty by the Secretary of not more than $1,000 for each such violation. No penalty may be assessed under this subsection unless such person is given notice and opportunity for a hearing with respect to such violation. Each violation shall be a separate offense. Any such civil penalty may be remitted or mitigated by the Secretary. Upon any failure to pay a penalty assessed under this subsection, the Secretary may request the Attorney General to institute a civil action in a district court of the United States for any district in which such person is found, resides, or transacts business to collect the penalty and such court shall have jurisdiction to hear and decide any such action. The court shall hear such action on the record made before the Secretary and shall sustain his action if it is supported by substantial evidence on the record considered as a whole.

(2) Hearings held during proceedings for the assessment of civil penalties authorized by paragraph (1) of this subsection shall be conducted in accordance with section 554 of title 5, United States Code. The Secretary may issue subpoenas for the attendance and testimony of witnesses and the production of relevant papers, books, and documents, and administer oaths. Witnesses summoned shall be paid the same fees and mileage that are paid to witnesses in the courts of the United States. In case of contumacy or refusal to obey a subpoena served upon any person pursuant to this paragraph, the district court of the United States for any district in which such person is found or resides or transacts business, upon application by the United States and after notice to such person, shall have jurisdiction to issue an order requiring such person to appear and give testimony before the Secretary or to appear and produce documents before the Secretary, or both, and any failure to obey such order of the court may be punished by such court as contempt.

(b) CRIMINAL VIOLATIONS.—Any person who willfully commits an act which violates any provision of this Act or of any permit issued under section 5(b) shall, upon conviction, be fined not less than $5,000 and not more than $20,000 or imprisoned for not more than one year, or both.

(c) DISTRICT COURT JURISDICTION.—The several district courts of the United States, including the courts enumerated in section 460 of title 28, United States Code, shall have jurisdiction over any actions arising under this Act. For purposes of this Act, American Samoa shall be included within the judicial district of the District Court of the United States for the District of Hawaii.

(d) REWARDS.—Upon the recommendation of the Secretary, the Secretary of the Treasury may pay an amount equal to one-half of the civil penalty or fine paid, but not to exceed $2,500, to any person who furnishes information which leads to a finding of civil violation or a conviction of a criminal violation of any provision of this Act or any regulation or permit issued under this Act. Any officer or employee of the United States or of any State or local government who furnishes information or renders service in the performance of his official duties shall not be eligible for payment under this section.

(e) ENFORCEMENT.—

(1) The provisions of this Act and any regulation or permit issued under to this Act shall be enforced by the Secretary, the Secretary of the Treasury, or the Secretary of the Department in which the Coast Guard is operating, or all such Secretaries. Each such Secretary may utilize by agreement, with or without reimbursement, the person-

nel, services, and facilities of any other Federal agency or any State agency for purposes of enforcing any provision of this Act.

(2) The judges of the district courts of the United States and the United States magistrates may, within their respective jurisdictions, upon proper oath or affirmation showing probable cause, issue such warrants or other process as may be required for enforcement of this Act and any regulation issued under this Act.

(3) Any person authorized by the Secretary, the Secretary of the Treasury, or the Secretary of the Department in which the Coast Guard is operating, to enforce any provision of this Act may detain for inspection and inspect any package, crate, or other container, including its contents, and all accompanying documents, upon importation or exportation. Such person may make arrests without a warrant for any violation of this Act if he has reasonable grounds to believe that the person to be arrested is committing the violation in his presence or view, and may execute and serve any arrest warrant, search warrant, or other warrant or civil or criminal process issued by any officer or court of competent jurisdiction for enforcement of any provision of this Act. Such person so authorized may search and seize, with a warrant in such manner and to such extent as is legal under the Constitution. Any item so seized shall be held by any person authorized by the Secretary, the Secretary of the Treasury, or the Secretary of the Department in which the Coast Guard is operating pending disposition of civil or criminal proceedings, or the institution of an action in rem for forfeiture of such item pursuant to paragraph (4) of this subsection, except that such Secretary may, in lieu of holding such item, permit the owner or consignee to post a bond or other surety satisfactory to such Secretary, but upon forfeiture of any such property to the United States, or the abandonment or waiver of any claim to any such property, it shall be disposed of (other than by sale to the general public) by such Secretary in such a manner, consistent with the purposes of this Act, as such Secretary shall by regulation prescribe.

(4)(A) Any item possessed, sold, purchased, offered for sale, transported, delivered, received, carried, shipped, exported, or imported contrary to the provisions of this Act or any permit or regulation issued under this Act shall be subject to forfeiture to the United States.

(B) Any vessel, vehicle, aircraft, or other means of transportation used to aid the possessing, selling, purchasing, offering for sale or purchase, transporting, delivering, receiving, carrying, shipping, exporting, or importing of any item in violation of this Act or any permit or regulation issued under this Act shall be subject to forfeiture to the United States upon conviction of a criminal violation pursuant to subsection (b) of this section.

(5) All provisions of law relating to the seizure, forfeiture, and condemnation of a vessel for violation of the customs laws, the disposition of such vessel or the proceeds from the sale thereof, and the remission or mitigation of such forfeiture, shall apply to the seizures and forfeitures incurred, or alleged to have been incurred, under the provisions of this Act, to the extent that such provisions of law are applicable and not inconsistent with the provisions of this Act, except that all powers, rights, and duties conferred or imposed by the customs laws upon any officer or employee of the Department of the Treasury shall, for purposes of this Act, be exercised or performed by the Secretary or by such persons as he may designate.

(f) REGULATIONS.—The Secretary, the Secretary of the Treasury, and the Secretary of the Department in which the Coast Guard is operating, are authorized to promulgate such regulations as may be appropriate to enforce the provisions of this Act and charge reasonable fees for expenses to the Government connected with permits or certificates issued pursuant to this Act, including processing applications and reasonable inspections, and with the transfer, board, handling or storage of items seized and forfeited under this Act. All such fees collected pursuant to this subsection shall be deposited in the Treasury to the credit of the appropriation which is current and chargeable for the cost of furnishing the services. Appropriate funds may be expended pending reimbursement from parties in interest.

(g) CITIZEN SUITS.—

(1) Except as provided in paragraph (2) of this subsection any person may commence a civil action on his own behalf—

(A) to enjoin any person alleged to be in violation of any provision of this Act or regulation issued under the authority of this Act; or

(B) to compel the Secretary, Secretary of the Treasury, or Secretary of the Department in which the Coast Guard is operating to apply the prohibitions set forth in or authorized by this Act.

The district courts shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to enforce any such provision or regulation, as the case may be. In any civil suit commenced under subparagraph (B) the district court shall compel the Secretary, or Secretaries, to apply the prohibition sought if the court finds that the allegation is supported by substantial evidence.

(2)(A) Any action under this subsection may be brought in the judicial district in which the violation occurs.

(B) In any such action under this subsection in which the United States is not a party, the Attorney General, at the request of the Secretary, may intervene on behalf of the United States as a matter of right.

(3) The court, in issuing any final order in any action brought pursuant to paragraph (1) of this subsection, may award costs of litigation (including reasonable attorney and expert witness fees) to any party, whenever the court determines such award is appropriate.

(4) Any injunctive relief granted pursuant to this subsection shall not restrict any right which any person (or class of persons) may have under any statute or common law to seek enforcement of any standard or limitation or to seek any other relief.

(h) COORDINATION WITH OTHER LAWS.—Nothing in this Act shall be construed as superseding or limiting in any manner the functions and responsibilities of the Secretary under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) or of the Secretary of the Treasury under section 527 of the Tariff Act of 1930 (19 U.S.C. 1527) or under any other section of such Act.

PREEMPTION

SEC. 7. Any State law or regulation which applies with respect to the importation or exportation of elephant products or interstate or foreign commerce involving elephant products is void to the extent that it may effectively—

(1) permit what is prohibited by this Act or by any regulation issued under this Act, or

(2) prohibit what is authorized pursuant to any permit or any regulation issued under this Act.

DEFINITIONS

SEC. 8. For purposes of this Act—

(1) The term "elephant" means any animal of the species *Loxodonta africana* or *Elephas maximus*.

(2) The term "elephant product" means any part of an elephant or any product composed in whole or in part of any part of an elephant.

(3) The term "import" means to land on, bring into, or introduce into, or attempt to land on, bring into, or introduce into, any place subject to the jurisdiction of the United States, whether or not such landing, bringing, or introduction constitutes an importation within the meaning of the customs laws of the United States.

(4) The term "interstate or foreign commerce" means any transaction—

(A) between any person in any State and any person outside of such State,

(B) between persons in any State if the item involved is moving in any place outside of such State,

(C) between persons within one foreign country,

(D) between persons in two or more foreign countries, or

(E) between persons within the United States if the item involved is moving in any place outside of the United States.

(5) The term "commercial activity" means any activity of industry or trade, including the buying or selling of commodities and any activity conducted for the purpose of facilitating such buying or selling. Such term does not include exhibition of commodities by museums or similar cultural or historical organizations.

(6) The term "person" means any individual, corporation, partnership, trust, association, or any other private entity or any officer, employee, agent, department, or instrumentality of the Federal Government, of any State or political subdivision thereof, or of any foreign government.

(7) The term "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or possession of the United States.

(8) The term "United States", when used in a geographical context, includes all States.

THE APPALACHIAN TRAIL

(Mr. MOORHEAD of Pennsylvania asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, last month the House approved H.R. 8803, amendments to the Scenic Trails Act to provide permanent protection to the Appalachian Trail. The vote was a resounding 419 to 12 in favor of the legislation.

A similar bill is now pending before the Senate Energy and Natural Resources Committee, where hearings were held November 1. I am convinced of the need for this legislation.

The following article from the New York Times graphically illustrates why increased Federal assistance is essential to the future existence and enjoyment of "the trail."

[From the New York Times, Nov. 10, 1977]

SPRAWLING DEVELOPMENT IS TREADING UPON THE APPALACHIAN TRAIL

(By Philip Shabecoff)

HARPERS FERRY, W. VA.—The hikers trudging the Appalachian Trail as it snaked along the top of the Blue Ridge paused a few minutes for a look at the long valley spreading far beneath them. Bathed in the late morning sunlight, the treetops glowed warmly in red, yellow and russet tints as far as the eye could see.

Steven Golden, the National Park Service's project assistant for the Appalahcian Trail, had a sly look in his eye as he gestured toward the shimmering mass of color. "People don't realize," he said, "What a lot of

work that takes. Volunteers had to paint every one of those leaves by hand."

It was a fine day for hiking "The Trail," as those familiar with the path call it. The sky was clear blue after several days of rain and the air was mild but bracing. Leaves crunched underfoot and the wet earth gave off a fragrant smell. As the group walked through the columns of oaks, hickories and maples, it was easy to imagine being in a wilderness instead of on the heavily used footpath only an hour away from the nation's capital.

DEVELOPMENT AROUND THE EDGES

But as the path curved sharply, the illusion was quickly dispelled. There, crowding right up to the edge of the trail, was a clearing filled with an unpainted house, ramshackle trailers, a rusting old stove, and piles of used rubber tires. A German shepherd snarled and strained at its chain as the hikers passed by.

The Appalachian Trail is in trouble.

For much of the 2,030-mile length of the Maine-Georgia route, particularly in the crowded mid-Atlantic and New England states, developers, road builders and industry are lapping around the edges.

Already, 181 miles of the trail require walking along roads instead of through woods. Housing developments are springing up along the trail's right-of-way. Second-home builders are snapping up private lands through which the trail passes.

"It's not much of a hiking experience when you can see into people's backyards and swimming pools as you go," said Henry W. Lautz, executive director of the Appalachian Trail Conference, which coordinates the volunteer efforts to maintain the trail.

The pressures for the land have continued to build along the crowded Eastern Seaboard. "If we don't do something soon," said Mr. Lautz, "we won't have an Appalachian Trail."

Last month, the House of Representatives passed amendments to the National Trails Systems Act that would permit the Federal Government to condemn and buy up to 125 acres for every mile of trail. The House also voted to make $90 million available for land acquisition.

With this authority, the Government would be able to create a buffer zone of 500 feet on each side of the trail, enough to preserve the natural character of the route.

Currently, the Government is authorized, with $5 million, to acquire only 25 acres for each mile of trail, which could provide a protective strip of just 50 feet on each side of the path.

The new legislation passed the House by a vote of 409 to 12. The Senate is considering similar amendments and is likely to adopt them.

"As a political issue, the Appalachian Trail is like apple pie," Mr. Lautz said. "Nobody is against it." He added: "This is as good a chance as we've ever had. If this goes through, it will be enough to preserve the trail and the hiking experience it can give indefinitely."

A TOUGH HURDLE

But funding measures for the land acquisition, even after the legislation was passed by both houses, would still have to go through the appropriation process on Capitol Hill, and Congress has repeatedly demonstrated that that can be a tough hurdle.

Some four to five million people hike the trail each year, not counting the millions more who come just to walk for a mile or two during the day in some accessible areas. About 300 people a year hike the entire Maine-to-Georgia route, taking three months or more to do so.

The trail is considered one of the most valuable outdoor recreation areas in the East, all the more so as 70 percent of the available recreation land is in the Western part of the country while 60 percent of the population is in the East.

In part because of its proximity to major urban centers, including New York and Washington, the trail has been increasingly subjected to uses for which it was not intended.

MOTOR BIKES AND BEER CANS

Motor-bikers illegally disturb the tranquility that the long path was meant to offer. A pile of beer cans and other garbage at a shelter near Harpers Ferry gave testimony of a party by nonhikers. Graffiti scrawled on the shelter noted that it had been used for an "Elvis Presley memorial party."

The trail, a hodgepodge of Federal, state and private ownership, is maintained largely by an army of volunteers, some of whom have been at it since the trail opened more than 50 years ago. In the South, much of the trail runs through national or state parkland and needs no buffer zones to insulate it.

But more than 650 miles of the footpath, which Mr. Lautz says is the world's longest marked trail, is without any legal protection.

Unless the Government acquires the land soon, Mr. Lautz warned, the trail could vanish before the pressures of soaring land values and sprawling development.

DR. BOURNE ON SMOKING AND HEALTH

(Mr. PERKINS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PERKINS. Mr. Speaker, I commend for the attention of my colleagues the remarks of Dr. Peter Bourne, Special Assistant to the President for Health Issues, before the Ad Hoc Committee on Tobacco and Smoking Research on November 10.

For all who are concerned about the issue of smoking and health, Dr. Bourne's remarks are "must" reading.

The remarks follow:

REMARKS OF DR. PETER BOURNE

The issue of tobacco related health problems continues to be one touching the lives of almost everyone in the country. Yet it is a problem which the government alone cannot solve. President Carter is very concerned about tobacco use and the health hazards associated with it. However, he set forth during his Presidential campaign his belief that, "the American people have been adequately warned". He also said that if through research we discover, "that smoking cigarettes is more dangerous than we thought, I would be very eager to see the government present that information to the public in a most forceful way". A commitment we intend to keep. Yet, despite the warnings, not enough Americans are heeding them. Cigarette consumption in the United States is up from 511 billion a year in 1964 to more than 600 billion today.

The strategy which the federal government adopts must above all be one that works, but also one that deals realistically with the industry and social fabric which over the years has built up around cigarette use. No matter how much we may favor prohibition of tobacco products, we are 300 years too late.

This is one area where we need to concentrate our research efforts on a number of various issues associated with tobacco use and the responsibility of the federal government to come up with a policy that minimizes the health hazards of our citizens, while still being responsive to our 600,000 farm families that derive their income from tobacco. On October 12, 1976 then-candidate Carter said "I personally see no need to do away with a program that costs the government next to nothing, while enabling so many hard working families to earn a living". To date, no one has been able to say why or which social and personality factors predispose and lead people to acquire the smoking habit or what behavorial differences there are between smokers and non-smokers. We need to continue extensive studies to find the solutions to these and other problems that smoking may cause. Regarding the relative importance of our research efforts, I believe that the development, if possible, of a safer cigarette should have a high priority. It may well be that this will not prove a fruitful course to pursue.

Many people who honestly do not want to smoke cigarettes cannot stop. To them smoking is a relaxing tranquil experience which gives them pleasure and relief at times of stress. It is the two-fold responsibility of the government to reduce the risks associated with their habits as much as is feasible and to see to it that they receive notification of those risks.

As a part of our effort, research should center upon the identification and analysis of tobacco components.

There should be no automatic assumptions in such research that there are no beneficial effects of tobacco use. It may be products of tobacco have beneficial or mixed effects. The safer cigarettes should not be assumed to be one of low tar *and* low nicotine. It may be that the components of "tar" causes lung cancer and other side effects and that nicotine does not. Thus, if it is true that the lowered nicotine in cigarettes actually increases the number of cigarettes smoked, low nicotine ones may increase the hazards of tobacco smoke rather than reduce them.

While it is true that this and allied research could lead to the development of blocking agents, the failure of those who treat alcoholism and drug abuse to find a means of preventing relapses after the use of existing blocking agents, leads me to believe that the bulk of our research dollars should be expended on the acquisition of basic knowledge rather than in search of an effective "cure". President Carter, in a message to Congress on August 2, directed Secretary Califano to study the feasibility of making the Addiction Research Center responsible for coordinated research on a variety of drugs including opiates, alcohol, and tobacco. He also said that, "a sustained effort must be made to identify the reason that people turn to drugs including alcohol and cigarettes". This is an area where we have much to learn.

Research in the area of high risk occupational exposure should not be centered solely on tobacco. It should also include all factors of the occupational environment. For example, take a high risk industry such as asbestos. The components of asbestos itself may constitute a greater environmental health hazard than do cigarettes alone. The same is true of other industrial pollutants. Research regarding the effects of smoking in confined areas should not automatically begin with the answer that smoking should be prohibited. It is essential that the strategy be one that will work and is acceptable to the American people. Better ventilation may provide a better and easier answer in some instances.

We must also expand our research to include joint studies between cigarettes and other products and educate the public to these findings. Recently, a study was completed on women who take oral contraceptives and smoke. It was shown that these two things in combination increased the risks of oral contraceptives. It is mandatory that more studies are done that show relationships between smoking and other products so that a person deciding whether or not to smoke or whether or not to take birth control pills will be able to make an educated decision based on all of the known factors involved.

Addiction is a curious phenomenon. Twenty years ago we thought we were able to identify certain groups of people who would be prone to addiction and to gear our prevention material to them. We thought only black males between 18–25 would become heroin addicts, only jazz musicians would smoke marijuana, only bored nervous housewives would grow dependent on valium, only southern gentlemen would become alcoholics, etc. However, these stereotypes proved to be false and now addictions are seen as a cross-cultural, age and race phenomenon. We need to understand why smokers smoke and how we can diminish any harm their tobacco use may cause them.

Additionally, our experience with other addictions suggests that federally funded "I Quit" programs may be too costly and the diversion of already too scarce federal research funds may cost us lives as well as dollars. These programs may best be left up to private citizen groups.

Our experience with drug abuse education and prevention has taught us that changing behavior in this manner is fraught with problems, and it is by no means as simple an issue as it appears on the surface.

I am not sure that we can yet demonstrate that programs designed to scare young people out of smoking are cost-effective. Federal anti-narcotics educational efforts have led to the creation of vested interest prohibition bureaucracy which competes for grants, but has little overall impact on drug problems.

While some anti-smoking educational efforts with highly educated groups such as physicians have been successful, other anti-educational efforts, especially those which seek to scare people away from harmful substances, have led to more rather than less drug abuse.

We must be aware of certain facts. While the majority of the public does not smoke and is annoyed by cigarette smoke (and a majority of smokers want to quit), an overwhelming majority wants a minimum of government interference in their private lives. Thus the anti-public smoking campaign must be one in which the potential for reducing cigarette smoking and especially the health hazards exceeds the potential for antagonizing a significant segment of the population.

Because of the political, social, and economic ramifications, it is unrealistic for us to suggest a tobacco prohibition as a feasible short-term goal, and that campaign would bring into question our own credibility. It is there that we are on our weakest ground. While prohibiting use of cigarettes in public places would please non-smokers, it would not necessarily reduce overall cigarette consumption or reduce the health consequences. We have done little research on the health hazards, if any, of other people's cigarettes. We are attempting to issue orders to a large, if annoying, segment of the population. The social disruption and discord engendered by this struggle exacerbates tensions and problems. For example, if our behavioral research shows that a high percentage of cigarette smokers began the habit in a rejection of authority then we must be sure that the imposition of government authority will not do more to increase their dependence rather than encourage them to quit. The reaction of those who compulsively overeat, overdrink, or overwork may be precisely the opposite of what we intended. Obligatory measures to reduce cigarette use should clearly be pursued cautiously, being sure that we know what the impact is that we are having.

I believe that we should perhaps stick to our best known and most valid arguments. By turning to compulsion and by seeking to affect smoking habits by indirection and inconvenience we may present the public with our most selfish and, therefore, our least valid virtue: our own annoyance at the odor of cigarette smoke.

The number of non-smokers whose health is adversely affected by the cigarette smoke of others may be very small. Even as to them, there has been inadequate research as yet regarding the effects, if any, of sidestream or ambient smoke. It should be a high priority for us to pursue this area of research, because should we find some direct effect on other people's health, it would dramatically bolster the rationale for more stringent measures against smokers.

There are active anti-cigarette lobbies which are against people smoking in public places. They have been instrumental in restrictions on seating in airplanes and banning smoking in elevators, etc. We must, however, be cautious in jeopardizing our credibility in a struggle which involves the competing rights of others. There is a small minority of people who have a hypersensitivity to smoke; we cannot write the laws to protect this small group, overlooking a much larger group who are entitled to the same basic rights, but rather they must take special care of themselves and we will do what we can to help them. To protect and to alleviate the annoyance to nonsmokers of cigarette smoking, notice requirements posted at public places would eliminate the problem. Private proprietors could simply be required to notify the public of their policy regarding smoking, no smoking, and private sections.

In short, regarding that problem, I believe that we should rely primarily upon the democracy of the market place. If the proprietors of stores and restaurants are required to prominently post smoking policy notices on the outside of their establishments and in the entrance way so smokers and non-smokers will be put on notice. Then they can vote their preferences with their pocket books.

I believe that research remains the key to effective public policy in this area. Adequate scientific information would strengthen our hand enormously in taking some of the more decisive steps we need to take and in reducing much of the political controversy that surrounds this issue. Rather than creating an adversary relationship, I feel we should try to work more closely with those who would be most threatened by a dramatic change in use patterns. Within the tobacco industry itself, there must be some who would help and seek help from us.

The research of that industry would be of great value to us, and eventually, we must seek out from within that industry more progressive forces which must exist.

The two alternatives are to do nothing or to prohibit the product.

Efforts to make outcasts of smokers are similar to the worst appeals of existing drug abuse programs. Those of us in the health fields should have learned that one of our greatest problems in the treatment of alcohol and drug abuse is the social opprobrium attached to alcoholics and drug abusers. Psychiatrists know that decades of outcasting the mentally ill worked against the development of sound treatment programs.

Those of us who deal with disease must face up to this problem. For we risk hurting rather than helping the very people we are trying to help.

Presently, as one of my other areas of responsibility, I am studying the issue of world hunger. We have asked the private sector—those who have the greatest influence on the supply and demand of food, to contribute to our discussions. Even though their interest may differ from ours, we have found them to be most helpful and they are an excellent source of invaluable information. They are delighted to be involved. This may be true of at least the more progressive elements of the tobacco industry. Their advertising expenditures for the promotion of low-tar and low-nicotine cigarettes indicates that at least some of them would be willing to cooperate in the development of a safe product.

To me the soundest programs will aim at the problems of the smoking rather than the non-smoking population; at problems presented by an existing 300-year old agriculturally based domestic industry; at the reduction of cancer and other health problems rather than at punishment.

This Administration is strongly committed to addressing this problem. Secretary Califano has taken a deep personal interest in this issue and is giving it the kind of priority that is essential if we are to significantly reduce the depressng toll that cancer takes on the American people every year. However, if we are to accomplish this goal, it cannot be done by the Federal Government alone. The role of your organization is crucial for in the final analysis, education of the public is the only real solution to the problem.

EXECUTIVE ORDER KEEPS VETERANS IN SCHOOL

(Mr. MILLER of Ohio asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MILLER of Ohio. Mr. Speaker, I am pleased to report that President Carter has signed an Executive order which permits the payment of educational benefits to veterans and their dependents when schools are temporarily closed to conserve energy.

Because many schools and colleges have extended their traditional winter break to conserve energy, thousands of veterans faced a cutoff of their GI bill benefits this year.

Under previous VA regulations, if the period between quarters or semesters exceeds 30 days, veterans educational payments can only be made under emergency situations or by Executive order of the President. Planned school energy conservation programs are not considered of an emergency nature even though the President has referred to the energy crisis as the moral equivalent of war.

On September 27 I introduced H.R. 9338 with 15 cosponsors, to extend the payment period from 30 to 45 days when a school closes as a result of an energy conservation program or fuel curtailment. With so little time remaining in this session to act on the bill, we sought to achieve the intent of the bill through administrative action. The Executive order will do the job at least for this year.

I wish to thank my friend from Ohio (Mr. SEIBERLING) for all of his enthusiastic support and work on this change. Our other colleague from Ohio (Mr. MOTTL) who serves on the Veterans' Affairs Committee also rendered invaluable assistance. The responsiveness and cooperation we received from the White House and the Veterans' Administration was most encouraging.

What this Executive order means is that thousands of veterans and eligible dependents who depend on the GI bill for their schooling as well as subsistence, and who would otherwise have been unfairly penalized by energy conservation programs undertaken by our colleagues will be able to continue their education without hardship.

Following is the text of the Executive order:

EXECUTIVE ORDER—PAYMENT OF EDUCATIONAL BENEFITS TO VETERANS AND DEPENDENTS WHEN SCHOOLS ARE TEMPORARILY CLOSED TO CONSERVE ENERGY

By virtue of the authority vested in me by clause (A) of Section 1780(a) of Title 38 of the United States Code, and as President of the United States of America, in order to establish a national policy in regard to payment of educational benefits to veterans and their dependents during periods in which schools are closed to conserve energy, it is hereby ordered as follows:

SECTION 1. Whenever an educational institution submits evidence which satisfies the Administrator of Veterans' Affairs that energy consumption will be abnormally high during the winter months or that available energy supplies will be inadequate to meet the needs of the school, and that, in the interest of energy conservation, the institution plans to close between semesters or terms for a period not to exceed 45 days, the Administrator may continue to pay monthly educational assistance benefits to veterans and eligible persons enrolled in such schools. Such authority may be exercised only once during any 12-month period with respect to any educational institution.

SEC. 2. The Administrator shall advise veterans and other eligible persons of the effect of accepting educational assistance benefits under the provisions of Section 1 of this Order on their period of entitlement.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. BAUMAN) to revise and extend their remarks and include extraneous matter:)

Mr. MARKS, for 5 minutes, today.

(The following Members (at the request of Mr. KILDEE) to revise and extend their remarks and include extraneous matter:)

Mr. VANIK, for 5 minutes, today.
Mr. MATTOX, for 5 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. GONZALEZ, for 5 minutes, today.
Mr. GIAIMO, for 5 minutes, today.
Mr. BRADEMAS, for 10 minutes, today.
Mr. BEILENSON, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. BAUMAN) and to include extraneous matter:)

Mr. QUIE.
Mr. HAGEDORN.
Mr. ANDERSON of Illinois.
Mr. STEERS.
Mr. KEMP.
Mr. MARKS.
Mr. SYMMS in two instances.
Mr. ASHBROOK in three instances.
Mr. CORCORAN of Illinois.
Mr. ROUSSELOT.
Mr. WHALEN.
Mr. DERWINSKI in two instances.
Mr. DUNCAN of Tennessee.

(The following Members (at the request of Mr. KILDEE) and to include extraneous matter:)

Mr. PEPPER.
Mr. JONES of Oklahoma.
Mr. VANIK in two instances.
Mr. MINISH.
Mr. VENTO in two instances.
Mr. ANDERSON of California in three instances.
Mr. GONZALEZ in three instances.
Mr. WALGREN.
Mr. WOLFF in two instances.
Mrs. KEYS.
Mr. MAZZOLI.
Mr. DODD.
Mr. MINETA.
Mr. LLOYD of California.
Mr. VAN DEERLIN.

SENATE ENROLLED BILL AND JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled bill and a joint resolution of the Senate of the following titles:

S. 1750. An act to require studies concerning carcinogenic and other toxic substances in food, the regulation of such food, the impurities in and toxicity of saccharin, and the health benefits, if any, resulting from the use of nonnutritive sweeteners; to prohibit for eighteen months the Secretary of Health, Education, and Welfare from taking certain action restricting the continued use of saccharin as a food, drug, and cosmetic; to require certain labels and notices for foods containing saccharin; and for other purposes; and

S.J. Res. 81. Joint resolution to express the sense of the Congress that, in the light of history, the third Thursday in December 1977, would be a most appropriate day for designation as the "National Day of Prayer for the Year of 1977," and respectively to request that the President, under the provisions of Public Law 82-324, issue a proclamation designating such date as a "National Day of Prayer for the Year 1977."

ENROLLED BILLS SIGNED

Mr. THOMPSON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 422. An act to amend the Tariff Schedules of the United States to provide duty-free treatment of any aircraft engine used as a temporary replacement for an aircraft engine being overhauled within the United States if duty was paid on such replacement engine during a previous importation.

H.R. 2661. An act for the relief of Patricia R. Tully.

H.R. 4049. An act to amend the Regional Rail Reorganization Act of 1973 to authorize additional appropriations for the United States Railway Association, and for other purposes.

H.R. 7074. An act to provide improved authority for the administration of certain National Forest System lands in Oregon.

H.R. 8175. An act to amend the Veterans' Administration Physican and Dentist Pay Comparability Act of 1975, as amended, in order to extend the authority to enter into special-pay agreements with physicians and dentists; to amend title 38 of the United States Code to modify certain provisions relating to special-pay agreements; and for other purposes.

H.R. 8701. An act to amend title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowance paid to eligible veterans and persons, to make improvements in the educational assistance programs, and for other purposes.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. THOMPSON, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, bills and joint resolutions of the House of the following title:

On November 4, 1977:

H.R. 2501. To eliminate a conflict between the official cadastral survey and a private survey of the so-called World Tract within the Medicine Bow National Forest, State of Wyoming;

H.R. 7278. To amend section 10 of the Merchant Marine Act, 1936;

H.R. 8346. To amend the Urban Mass Transportation Act of 1964 to revise the program of Federal operating assistance provided under section 17 of such act;

H.R. 8499. To amend the Alaska Native Claims Settlement Act;

H.R. 8992. To amend title 3 of the United States Code to change the name of the Executive Protective Service;

H.R. 9019. To rescind certain budget authority contained in the message of the President of July 19, 1977 (H. Doc. 95-188), transmitted pursuant to the Impoundment Control Act of 1974;

H.R. 9512. To amend the Higher Education Act of 1965 to include the Trust Territory of the Pacific Islands in the definition of the term "State" for the purpose of participation in programs authorized by that act;

H.R. 9704. To amend the Federal Crop Insurance Act, and for other purposes;

H.R. 9710. To extend the authority for the flexible regulation of interest rates on deposits and accounts in depository institutions, to promote the accountability of the Federal Reserve System, and for other purposes;

H.R. 9836. To authorize the Architect of the Capitol to furnish chilled water to the Folger Shakespeare Library;

H.J. Res. 611. To extend the authority of the Federal Reserve banks to buy and sell certain obligations; and

H.J. Res. 621. Approving the Presidential decision on an Alaska natural gas transportation system, and for other purposes.

On November 8, 1977:

H.R. 2770. To amend 142 of title 28, United States Code, relating to the furnishing of accommodations to judges of the courts of appeals of the United States;

H.R. 6348. To convey to the Ely Indian Colony the beneficial interest in certain Federal land;

H.R. 8777. To amend the Appalachian Regional Development Act of 1965 to permit an extension of the period of assistance for child development programs while a study is conducted on methods of phasing out Federal assistance to these programs; and

H.J. Res. 643. Making further continuing appropriations for the fiscal year 1978, and for other purposes.

ADJOURNMENT

Mr. KILDEE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 6 minutes p.m.), under its previous order, the House adjourned until Friday, November 18, 1977, at 10 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2687. A letter from the Secretary of Agriculture, transmitting the initial revision to the regulations governing operations under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended, pursuant to section 408(d)(3) of the act; to the Committee on Agriculture.

2688. A letter from the General Counsel, U.S. General Accounting Office, transmitting a report on the release of certain budget authority, the deferral of which was proposed by the President and disapproved by the House or Senate; to the Committee on Appropriations.

2689. A letter from the Assistant Secretary of Defense (Comptroller), transmitting the selected acquisition reports and SAR summary tables for the quarter ended September 30, 1977, pursuant to section 811(a) of Public Law 94–106; to the Committee on Armed Services.

2690. A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), transmitting notice of the location, nature, and estimated cost of a construction project proposed to be undertaken by the Air Force Reserve, pursuant to 10 U.S.C. 2233a(1); to the Committee on Armed Services.

2691. A letter from the Attorney General, transmitting a draft of proposed legislation to restrict the possession and carrying of pistols, other firearms, and other dangerous weapons by members of the District of Columbia Department of Corrections to periods of time when they are on duty and authorized by the Director of the District of Columbia Department of Corrections; to the Committee on the District of Columbia.

2692. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council Act No. 2–96, "To establish a property tax exemption for single-family residential and cooperatively-owned property in the District of Columbia, and to provide additional circuit breaker relief to homeowners and renters in the District of Columbia who are over 62 years of age, blind or disabled," pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

2693. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council Act No. 2–98, "To establish the real property and the personal property tax rates for tax year 1978," pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

2694. A letter from the Assistant Secretary of Agriculture for Food and Consumer Services, transmitting the Department's recommendations for evaluating the nutrition and health benefits of the special supplemental food program for women, infants and children, pursuant to section 18 of the National School Lunch Act, as amended (89 Stat. 526); to the Committee on Education and Labor.

2695. A letter from the Acting Director, Office of Management and Budget, Executive Office of the President, transmitting a report on actions taken in response to the recommendations of the Board of Visitors to the U.S. Naval Academy, dated May 3 and 4, 1976, pursuant to section 6(b) of the Federal Advisory Committee Act; to the Committee on Government Operations

2696. A letter from the Deputy Assistant Secretary of Defense (Administration), transmitting notice of a new records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2697. A letter from the Secretary of the Interior, transmitting a report of studies of new areas with potential for inclusion in the National Park System, together with a list of 13 most important such areas; reports on threatened areas which are included on the Registry of Natural Landmarks; and reports on threatened areas of national significance listed on the National Register of Historic Places; pursuant to section 8 of Public Law 91–383, as amended (90 Stat. 1940) (H. Doc. No. 95–264); to the Committee on Interior and Insular Affairs and ordered to be printed.

2698. A letter from the Under Secretary of the Interior, transmitting a proposed plan for the use and distribution of Three Affiliated Tribes judgment funds in dockets 350–C and D before the Indian Claims Commission, pursuant to sections 2 and 4 of Public Law 93–134; to the Committee on Interior and Insular Affairs.

2699. A letter from the Assistant Secretary of State for Congressional Relations, transmitting reports on political contributions made by Ambassadors-designate Thomas J. Corcoran and David T. Schneider, and by members of their families, pursuant to section 6 of Public Law 93–126; to the Committee on International Relations.

2700. A letter from the Acting Comptroller General of the United States, transmitting a report on improvements needed in the Air Force's internal auditing (FGMSD–78–4, November 11, 1977); jointly, to the Committees on Government Operations, and Armed Services.

2701. A letter from the Acting Comptroller General of the United States, transmitting a report on improvements needed in the Navy's internal auditing (FGMSD–78–5, November 11, 1977); jointly, to the Committees on Government Operations, and Armed Services.

2702. A letter from the Acting Comptroller General of the United States, transmitting a report on the Office of Minority Business Enterprise's management assistance program (CED–77–136, November 10, 1977); jointly, to the Committees on Government Operations, and Banking, Finance and Urban Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PERKINS: Committee of Conference. Conference Report on H.R. 7 (Rept. No. 95–816). Ordered to be printed.

Mr. NIX: Committee on Post Office and Civil Service. Report on allocation of budget authority and outlays (Rept. No. 95–817). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of Illinois:

H.R. 10082. A bill providing for the erection of a monument in the National Cemetery at Arlington, Va., to members of the Armed Forces who served in Southeast Asia during the Vietnam era and who are missing in action; to the Committee on Veterans' Affairs.

By Mr. BEILENSON:

H.R. 10083. A bill to prohibit the importation or exportation and certain other transactions involving elephant products, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. JACOBS:

H.R. 10084. A bill to provide for the garnishment of the wages of Federal employees; to the Committee on Post Office and Civil Service.

By Mrs. KEYS (for herself and Mr. JACOBS):

H.R. 10085. A bill to amend titles II and XVI of the Social Security Act to liberalize the definition of disability and extend the trial work period under both the old-age, survivors, and disability insurance program and the supplemental security income program, and to further amend title XVI of such act to permit an individual to have certain additional income and assets and still qualify for supplemental security income benefits; to the Committee on Ways and Means.

By Mr. LLOYD of California:

H.R. 10086. A bill to strengthen Federal programs and policies for combating international and domestic terrorism; jointly, to the Committees on International Relations, the Judiciary, and Public Works and Transportation.

By Mr. MURPHY of New York:

H.R. 10087. A bill to provide for an updating of the Report of the Atlantic-Pacific Interoceanic Canal Study Commission; to the Committee on Merchant Marine and Fisheries.

By Mr. PEPPER:

H.R. 10088. A bill to amend the Domestic Volunteer Service Act of 1973 to provide that volunteers serving in the Service Corps of Retired Executives may provide services to certain home health agencies; to the Committee on Education and Labor.

By Mr. RANGEL (for himself, Mr. ADDABBO, Mr. BEDELL, Mr. CARR, Ms. CHISHOLM, Mr. CONYERS, Mr. DELLUMS, Mr. DIGGS, Mr. DRINAN, Mr. EDWARDS of California, Mr. EILBERG, Mr. FAUNTROY, Mr. HARRINGTON, Mr. MCHUGH, Mr. METCALFE, Mr. MITCHELL of Maryland, Mr. PEASE, Mr. PRICE, and Mr. WEISS):

H.R. 10089. A bill to amend the Foreign Assistance Act of 1961 to prohibit the assignment of international security assistance management teams, defense attachés, or other U.S. Armed Forces personnel to the Republic of South Africa; to the Committee on International Relations.

By Mr. RANGEL (for himself, Mr. ADDABBO, Mr. BEDELL, Mr. CARR, Ms. CHISHOLM, Mr. CONYERS, Mr. DELLUMS, Mr. DIGGS, Mr. DRINAN, Mr. EDWARDS of California, Mr. EILBERG, Mr. FAUNTROY, Mr. HARRINGTON, Mr. MCHUGH, Mr. METCALFE, Mr. MITCHELL of Maryland, Mr. PEASE, Mr. PRICE, Mr. SEIBERLING, and Mr. WEISS):

H.R. 10090. A bill to prohibit exports to the Republic of South Africa under the Arms Export Control Act of defense articles or services, to prohibit exports to the Republic of South Africa under the Export Administration Act of 1969 of items which might be used for military, law enforcement, or internal security purposes, and to prohibit exports to the Republic of South Africa under the Atomic Energy Act of 1954 of nuclear materials, facilities, and technology; to the Committee on International Relations.

By Mr. RANGEL (for himself, Mr. ADDABBO; Mr. CARR, Ms. CHISHOLM, Mr. CONYERS, Mr. DELLUMS, Mr. DIGGS, Mr. DRINAN, Mr. EILBERG, Mr. FAUNTROY, Mr. HARRINGTON, Mr. METCALFE, Mr. MITCHELL of Maryland, Mr. PEASE, Mr. PRICE, and Mr. WEISS):

H.R. 10091. A bill to amend the Tariff Schedules of the United States to prohibit the importation of coal and of certain articles of uranium, if the product of the Union of South Africa; to the Committee on Ways and Means.

By Mr. ROE:

H.R. 10092. A bill to require that the Hungarian Crown of Saint Stephen and other

relics of the Hungarian royalty remain in the custody of the U.S. Government and that they not be transported out of the United States, unless the Congress provides otherwise by legislation; to the Committee on International Relations.

By Mr. THOMPSON:

H.R. 10093. A bill to amend the National Labor Relations Act to insure proper recognition of professional nurses, to fulfill the intent of Congress in the enactment of Public Law 93-380 relating to the supervisory status of professional nurses, and to end the ongoing disruption of established bargaining units of professional nurses; to the Committee on Education and Labor.

By Mr. VANDER JAGT:

H.R. 10094. A bill to amend the Internal Revenue Code of 1954 to allow certain individuals whose employers make contributions to pension plans a deduction for their contributions to certain individual retirement savings plans; to the Committee on Ways and Means.

By Mr. WYDLER:

H.R. 10095. A bill to provide for permanent tax reductions for individuals and businesses; to the Committee on Ways and Means.

By Mr. YATRON:

H.R. 10096. A bill to direct the President to seek certain revisions of the Social Progress Trust Fund Agreement and to establish an Inter-American Fund for Educational Development; jointly, to the Committees on Banking, Finance and Urban Affairs, and International Relations.

By Mr. VANDER JAGT:

H.R. 10097. A bill for the relief of Reverend Harold A. Kirchenbauer; to the Committee on the Judiciary.

By Mr. WHALEN:

H.R. 10098. A bill for the relief of Daniel Eylon; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

334. By the SPEAKER: Petition of the National Association of State Departments of Agriculture, Washington, D.C.; relative to policy statements; to the Committee on Agriculture.

335. Also, petition of the National Convention, Women for Constitutional Government, Greenville, S.C., relative to the Panama Canal and Rhodesia; to the Committee on International Relations.

336. Also, petition of the City Council, Sharon, Pa., relative to a national steel policy; to the Committee on Ways and Means.

337. Also, petition of the Board of Directors, Texas and Southwestern Cattle Raisers Association, Fort Worth, Tex., relative to private water rights; jointly, to the Committee on Agriculture, and Interior and Insular Affairs.

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, 79th Congress, title III, Regulation of Lobbying Act, section 308(b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

REGULATION OF LOBBYING ACT

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received.

REGISTRATIONS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following registrations were submitted for the third calendar quarter 1978:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19_____

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (a) Description, (b) quantity distributed; (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

AFFIDAVIT

[Omitted in printing]

PAGE 1

A. ACLI International Inc., 110 Wall Street, New York, N.Y. 10005.

A. Thomas L. Adams, Jr., 1101 15th Street NW., Washington, D.C. 20005.
B. Republic Steel Corp., Republic Building, Cleveland, Ohio 44101.

A. V. J. Adduci, Motor Vehicle Manufacturers Association of the United States, Inc., 1909 K Street NW., Suite 300, Washington, D.C. 20006.
B. Motor Vehicle Manufacturers Association of the United States, Inc., 300 New Center Building, Detroit, Mich. 48202.

A. Advisors Inc., 229 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Electronic Data Systems Corp. (EDS), 7171 Forest Lane, Dallas, Tex. 75230.

A. Air Products and Chemicals, Inc., P.O. Box 538, Allentown, Pa. 18105.

A. Akin, Gump, Hauer & Feld, 1100 Madison Office Building, 1155 15th Street NW., Washington, D.C. 20005.
B. American Polygraph Association, 3701 West Alabama, Suite 330, Houston, Tex. 77027.

A. Akin, Gump, Hauer & Feld, 1100 Madison Office Building, 1155 15th Street NW., Washington, D.C. 20005.
B. E & J Gallo Winery, P.O. Box 1130, Modesto, Calif. 95353.

A. Akin, Gump, Hauer & Feld, 1100 Madison Office Building, 1155 15th Street NW., Washington, D.C. 20005.
B. Vickers Petroleum Corp., P.O. Box 2240, Wichita, Kans. 67201.

A. Alcalde, Henderson, O'Bannon & Kline, Ltd., 1911 North Fort Myer Drive, No. 1207; Rosslyn, Va. 22209.
B. Computer Sciences Corp., 1616 North Fort Myer Drive, Arlington, Va. 22209.

A. Charles E. Allen, Cox, Langford & Brown, 21 Dupont Circle NW., Washington, D.C. 20036.
B. First Federal Savings & Loan Association of Okeechobee County, 305 East North Park Street, Okeechobee, Fla. 33472.

A. Charles E. Allen, Cox, Langford & Brown, 21 Dupont Circle NW., Washington, D.C. 20036.
B. First Florida Savings & Loan Association, 515 North Main Street, Gainesville, Fla. 32601.

A. Charles E. Allen, Cox, Langford & Brown, 21 Dupont Circle NW., Washington, D.C. 20036.
B. Lincoln Federal Savings & Loan Association, 6655 West Cermak Road, Berwyn, Ill. 60402.

A. Emmet Andrews, American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C. 20005.
B. American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Association Francaise des Banques (French Bank Association), 18 rue LaFayette, 75009 Paris, France.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. West Mexico Vegetable Distributors Association, P.O. Box 848, Nogales, Ariz.

A. Association of Government Accountants, 727 South 23d Street, Suite 100, Arlington, Va. 22202.

A. Frank M. Ault, Box 166, South Otselic, N.Y. 13155.
B. Norwich-Eaton Pharmaceuticals, 17 Eaton Avenue, Norwich, N.Y. 13815.

A. Automotive Parts & Accessories Association, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

A. David G. Axtmann, 5700 Baltimore Drive, No. 48, La Mesa, Calif. 92041.
B. San Diego Committee for a Human Life Amendment, Inc., 623 Aldwych Road, Fletcher Hills, Calif. 92020.

A. Baker & Botts, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Houston Lighting & Power Co., P.O. Box 1700, Houston, Tex. 77001.

A. Roger H. Barnard, National Association of Federal Credit Unions, 1156 15th Street NW., Suite 329, Washington, D.C. 20005.
B. National Association of Federal Credit Unions, 1156 15th Street NW., Suite 329, Washington, D.C. 20005.

A. Barnes, Richardson & Colburn, 1819 H Street NW., Washington, D.C. 20006.
B. Farr Man & Co., Inc., 120 Broadway, New York, N.Y.

A. Batzell, Nunn & Bode, 1523 L Street NW., Washington, D.C. 20005.
B. Martin Oil Service et al., P.O. Box 298, Blue Island, Ill. 60406.

A. Donald W. Bedell, 4101 Cathedral Avenue NW., Washington, D.C. 20016.
B. Bedell Associates, 1522 K Street NW., Washington, D.C. 20005 (for Diamond Sunsweet, Inc.).

A. Frances G. Beinecke, 15 West 44th Street, 12th Floor, New York, N.Y. 10036.
B. Natural Resource Defense Council, 15 West 44th Street, 12th Floor, New York, N.Y. 10036.

A. Randolph C. Berkeley, Jr., 6200 Lakeview Drive, Falls Church, Va. 22041.
B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.

A. Arthur S. Berner, Inexco Oil Co., 1100 Milam Building, Suite 1900, Houston, Tex. 77002.
B. Inexco Oil Co., 1100 Milam Building, Suite 1900, Houston, Tex. 77002.

A. George K. Bernstein, 1730 K Street NW., Washington, D.C. 20006.
B. American Insurance Association, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

A. George K. Bernstein, 1730 K Street NW., Washington, D.C. 20006.
B. Federal Life & Casualty Co., Battle Creek, Mich. 49016.

A. Berry, Epstein, Sandstrom & Blatchford, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Pest Control Association, 8150 Leesburg Pike, Vienna, Va.

A. Robert A. Best, 475 L'Enfant Plaza SW., Washington, D.C. 20024.
B. Tadco Enterprises, Inc., 1625 I Street, NW., Washington, D.C.; and Archer Daniels Midland and Co., Decatur, Ill.

A. Robert C. Beverly, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.

A. Bierpower & Rockefeller, 1625 K Street NW., Washington, D.C. 20006.
B. Planning Research Corp. (PRC), McLean, Va.

A. Birch, Horton, Bittner & Monroe, 4400 Jenifer Street NW., Suite 300, Washington, D.C. 20055.
B. Coastal States Gas Corp., 5 Greenway Plaza East, Houston, Tex. 77046.

A. Birch, Horton, Bittner & Monroe, 4400 Jenifer Street NW., Suite 300, Washington, D.C. 20055.
B. Steering Council for Alaska Lands, Suite D, Nerland Building, Fairbanks, Alaska 99707.

A. Richard W. Bliss, 1140 Connecticut Avenue, NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Companies, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.

A. Blum, Parker & Nash, Suite 408, 1015 18th Street NW., Washington, D.C. 20036.
B. Computer and Communications Industry Association, 1500 Wilson Boulevard, Suite 512, Arlington, Va. 22209.

A. Blum, Parker & Nash, Suite 408, 1015 18th Street NW., Washington, D.C. 20036.
B. Northwest Pipleine Corp., P.O. Box 1526, Salt Lake City, Utah 84110.

A. Blum, Parker & Nash, Suite 408, 1015 18th Street NW., Washington, D.C. 20036.
B. Zenith Radio Corp., 1000 Milwaukee Avenue, Glenview, Ill. 60025.

A. Robert J. Bolger, 1911 Jefferson Davis Highway, Arlington, Va. 22202.
B. National Association of Chain Drug Stores, 1911 Jefferson Davis Highway, Arlington, Va. 22202.

A. Frank Borda, 1001 Connecticut Avenue N.W., Washignton, D.C. 20036.
B. Environmental Data Corp., 608 Fig Avenue, Monrovia, Calif. 91016.

A. Georgiana Smith Boyd, 1800 M Street NW., Suite 750 South, Washington, D.C. 20036.
B. Burson-Marsteller, 1800 M Street NW., Suite 750 South, Washington, D.C. 20036 (for Tax Equity for Americans Abroad).

A. Boyden, Kennedy, Romney & Howard, 1000 Kennecott Building, 10 East South Temple, Salt Lake City, Utah 84133.
B. Hopi Indian Tribe, P.O. Box 123, Oraibi, Ariz. 86039.

A. Herbert W. Boyer, 306 Cape Court, Mill Valley, Calif. 94183.
B. Genentech, 475 Sansome Street, 15th Floor, San Francisco, Calif. 94111.

A. William C. Brashares, Cladouhos & Brashares, 1750 New York Avenue NW., Washington, D.C. 20006.
B. National Solid Wastes Management Association, Suite 930, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

A. Braun and Co., 1725 K Street NW., Washington, D.C. 20006.
B. Amfac, Inc., 700 Bishop Street, Honolulu, Hawaii.

A. Braun & Co., 1725 K Street NW., Washington, D.C. 20006.
B. National Association of Theatre Owners of California, Inc., 120 North Robertson Boulevard, Los Angeles, Calif. 90048.

A. Timothy George Brosnahan, Suite 750 South, 1800 M Street NW., Washington, D.C.
B. Burson-Marsteller, Suite 750 South, 1800 M Street NW., Washington, D.C. 20036 (for Tax Equity for Americans Abroad).

A. Timothy George Brosnahan, Suite 750 South, 1800 M Street NW., Washington, D.C. 20036.
B. Burson-Marsteller, Suite 750 South, 1800 M Street NW., Washington, D.C. 20036 (for Technicare Corporation, 29100 Aurora Road, Solon, Ohio).

A. Charles T. Brown, Cities Service Co., Box 100, Miami, Ariz. 85539.
B. Cities Service Co., Box 100, Miami, Ariz. 85539.

A. Nancy Brown, 5942 Joel Lane, La Mesa, Calif. 92041.
B. San Diego Committee for a Human Life Amendment, Inc., 623 Aldwych Road, Fletcher Hills, Calif. 92020.

A. Marguerite E. Bryan, Joint Maritime Congress, 444 North Capitol Street NW., Washington, D.C. 20001.
B. Joint Maritime Congress, 444 North Capitol Street NW., Washington, D.C. 20001.

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B. National Constructors Association, 1101 15th Street NW., Suite 1000, Washington, D.C. 20005.

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B. Technicare Corp., 29100 Aurora Road, Solon, Ohio 44139.

A. Butler, Binion, Rice, Cook & Knapp, 1050 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Inexco Oil Co., 1100 Milam Building, Suite 1900, Houston, Tex. 77002.

A. H. E. Butt, P.O. Box 9216, Corpus Christi, Tex. 78408.
B. Miller & Chevalier, 1709 Pennsylvania Ave. NW., Washington, D.C. 20006.

A. John W. Byrnes; Foley, Lardner, Hollabaugh & Jacobs; 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabuagh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006 (for American Family Mutual Insurance Co.).

A. Roy C. Cahoon, Roy C. Cahoon Associates, 6100 Knollwood Drive, Falls Church, Va. 22041.
B. National Automatic Merchandising Association, 7 South Dearborn Street, Chicago, Ill. 60603.

A. Gordon L. Calvert, Box 34–531, Washington, D.C. 20034.
B. Commercial Collection Agency Section, Commercial Law League of America, 222 West Adams Street, Chicago, Ill. 60606.

A. Casey, Lane & Mittendorf, 815 Connecticut Avenue NW., Suite 802, Washington, D.C. 20006.
B. Columbia Gas Transmission Corp., 20 Montchanin Road, Wilmington, Del. 19807; et al.

A. Casey, Lane & Mittendorf, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Texas Oil & Gas Corp., 2700 Fidelity Union Tower, Dallas, Tex. 75201.

A. John J. Castellani, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

A. Robert B. Catell, Brooklyn Union Gas Co., 195 Montague Street, Brooklyn, N.Y. 11201.
B. The Brooklyn Union Gas Co., 195 Montague Street, Brooklyn, N.Y. 11201.

A. Sarah Chasis, 15 West 44th Street, 12th Floor, New York, N.Y. 10036.
B. Natural Resources Defense Council, 15 West 44th Street, New York, N.Y. 10036.

A. Chugach Electric Association, Inc., P.O. Box 3518, Anchorage, Alaska 99501.

A. Donald M. Clarke, Manufacturing Chemists Association, 1825 Connecticut Avenue NW., Washington, D.C. 20009.
B. Manufacturing Chemists Association, 1825 Connecticut Avenue NW., Washington, D.C. 20009.

A. Kathleen Ann Clarken, National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.

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B. Dealer Bank Association, 1800 K Street NW., Washington, D.C. 20006.

A. Carl A. S. Coan, Jr., 1707 L Street NW., Suite 450, Washington, D.C. 20036.
B. National Association of Home Manufacturers, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Thomas W. Cohen, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow (for Independent U.S. Tanker Owners), 1200 17th Street NW., Washington, D.C. 20036.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow (for Redwood Industry Park Committee), 1200 17th Street NW., Washington, D.C. 20036.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow for: State of Louisiana), 1200 17th Street NW., Washington, D.C. 20036.

A. Rip Collins, 3317 Montrose Boulevard, Houston, Tex.
B. Environmental Energy Systems, 14433 Walteria, Houston, Tex.

A. Lance Campa, 1319 F Street NW., Washington, D.C. 20004.
B. United Electrical, Radio & Machine Workers of America, 11 East 51 Street New York, N.Y. 10022.

A. Charles E. Cooke, Southern California Edison Co., 1801 K Street NW., Suite 1041, Washington, D.C. 20006.
B. Southern California Edison Co., P.O. Box 800, Rosemead, Calif. 91770.

A. John A. Corry, Davis Polk & Wardwell, 1 Chase Manhattan Plaza, New York, N.Y. 10005.
B. Morgan Guaranty Trust Co. of New York, 23 Wall Street, New York, N.Y. 10015.

A. Council for Inter-American Security, 1721 De Sales Street NW., Washington, D.C. 20036.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Hugo Neu, 45 Nassau Street, New York, N.Y. 1005; for Hugo Neu & Sons, Inc., 45 Nassau Street, New York, N.Y. 10005.

A. Judith Lynne Crain, 205 Yoakum Parkway, No. 1708, Alexandria, Va 22304.
Manufactured Housing Institute, 1745 Jefferson Davis Highway, Arlington, Va. 22202.

A. William C. Cramer, Cramer, Haber & Becker, 475 L'Enfant Plaza SW., Suite 4100, Washington, D.C. 20024.
B. Norman, Lawrence, Patterson & Farrell, 545 Madison Avenue, New York, N.Y. 10022 (for Fur Conservation Institute of America, Inc.).

A. William C. Cramer, Cramer, Haber & Becker, 475 L'Enfant Plaza SW., Suite 4100, Washington, D.C. 20024.
B. United Broadcasting Co., 4733 Bethesda Avenue, Suite 808, Bethesda, Md. 20014.

A. Richard E. Cristol, 64 Perimeter Center East, Atlanta, Ga. 30346.
B. Robert N. Kellen Co., 64 Perimeter Center East, Atlanta, Ga. 30346 (for Calorie Control Council, 64 Perimeter Center East, Atlanta, Ga. 30346.

A. Culp, Dwyer, Gatisson & Grader, 1300 Hoge Building, Seattle, Wash. 98104.
B. Pacific Northwest Utilities Conference Committee, 327 No. Wenatchee Avenue, Wenatchee, Wash. 98801.

A. Thomas W. Curry, El Paso Co., P.O. Box 2185, Houston, Tex. 77001.
B. El Paso Co., P.O. Box 2185, Houston, Tex. 77001.

A. Jay B. Cutler, American Psychiatric Association, 2033 M Street NW., Room 802, Washington, D.C. 20036.
B. American Psychiatric Association, 1700 18th Street NW., Washington, D.C. 20009.

A. John M. Damgard, 888 17th Street, Suite 902, Washington, D.C. 20006.
B. ACLI International Inc., 110 Wall Street, New York, N.Y. 10005.

A. Damon Corp., 115 Fourth Avenue, Needham Heights, Mass. 02194.

A. John E. Daniel, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. Danzansky, Dickey, Tydings, Quint & Gordon, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Government of the State of Antigua, St. John, Antigua, West Indies.

A. Danzansky, Dickey, Tydings, Quint & Gordon, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Standards Association, Inc., 1321 14th Street NW., Washington, D.C. 20005.

A. Stephen I. Danzansky, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Danzansky, Dickey, Tydings, Quint & Gordon, 1120 Connecticut Avenue NW., Washington, D.C. 20036 (for Government of State of Antigua, St. John, Antigua, West Indies).

A. Robert W. Davis, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich.

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B. Airbus Industrie, Avenue Lucien Servanty, 31700 Blagnac (Toulouse), France.

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A. Dunnells, Duvall & Porter, 1220 19th Street NW., Washington, D.C.
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A. E. A. Jaenke & Associates Inc., 1735 I Street NW., Washington, D.C. 20006.
B. California and Hawaii Sugar Co., 1 California Street, San Francisco, Calif. 94106.

A. Evie Jarvis, National Forest Products Association, 1619 Massachusetts Avenue, Washington, D.C. 20015.
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A. Jennings, Strouss & Salmon, 111 West Monroe, Phoenix, Ariz. 85003.
B. Shamrock Foods Co., 2228 North Black Canyon, Phoenix, Ariz. 85009.

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B. Kollmorgen Corp., 60 Washington Street, Hartford, Conn. 06106.

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B. Central and South West Corp., 2700 One Main Place, Dallas, Tex. 75201.

A. William F. Kennedy, General Electric Co., Fairfield, Conn. 06431.
B. General Electric Co., Fairfield, Conn. 06431.

A. Robert M. Ketchel, General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
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B. Chromalloy American Corp., 120 South Central Avenue, St. Louis, Mo. 63105.

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B. National Association of Chain Drug Stores, 1911 Jefferson Davis Highway, Arlington, Va. 22202.

A. Joseph J. Meder, Interlake, Inc., 1050 17th Street NW., No. 1160, Washington, D.C. 20036.
B. Interlake, Inc., Commerce Plaza, 2015 Spring Road, Oak Brook, Ill. 60521.

A. Edward L. Merrigan, 6000 Connecticut Avenue NW., Washington, D.C. 20015.
B. Central Gulf Lines, Inc., International Trade Mart, 2 Canal Street, New Orleans, La. 70130.

A. Edward L. Merrigan, 6000 Connecticut Avenue NW., Washington, D.C. 20015.
B. Dirilyte Co. of America, Inc., 320 West Jefferson Road, Kokomo, Ind.

A. F. Andy Messing, Jr., 422 First Street SE., Washington, D.C. 20003.
B. American Conservative Union, 422 First Street SE., Washington, D.C. 20003.

A. Tanya K. Metaksa, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

A. Milton E. Meyer, Jr., Hindry & Meyer, 2301 First National Bank Building, 621 17th Street, Denver, Colo. 80293.

A. Migrant Legal Action Program, Inc., 806 15th Street NW., Washington, D.C. 20005.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. H. E. Butt, P.O. Box 9216, Corpus Christi, Tex. 78408.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Medical Area Service Corp., c/o Michael Brewer, Holyoke Center 1000, Cambridge, Mass. 02138.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Morgan Guaranty Trust Co. of New York, 23 Wall Street, New York, N.Y. 10015.

A. Joseph S. Miller, 19 Third Street NE., Washington, D.C. 20002.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.

A. Joseph S. Miller, 19 Third Street NE., Washington, D.C. 20002.
B. Professional Air Traffic Controllers Organization, 444 North Capitol Street, Washington, D.C. 20001.

A. Matthew Miller, 900 15th Street NW., Washington, D.C. 20005.
B. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.

A. William P. Miller, Jr., No. 604, 2029 K Street NW., Washington, D.C. 20006.
B. American Society of Mechanical Engineers, 345 East 47th Street, New York, N.Y. 10017.

A. Nelson B. Moore, Jr., Edward Howard & Co., 1021 Euclid Avenue, Cleveland, Ohio 44115.
B. Hill and Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017 (for Calorie Control Council).

A. Stephen C. Morrisette, North Carolina Petroleum Council, P.O. Box 167, Raleigh, N.C. 27602.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Moss, Frink & Franklin, 600 New Hampshire Avenue NW., Suite 480, Washington, D.C. 20037.
B. Kellogg Co., 235 Porter Street, Battle Creek, Mich. 49016.

A. Moss, Frink & Franklin, 600 New Hampshire Avenue NW., Suite 480, Washington, D.C. 20037.
B. The Organization for the Management of Alaska's Resources, Inc., Box 516, Anchorage, Alaska 99510.

A. David Moulton, 133 C Street SE., Washington, D.C.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.

A. Michael Mulkey, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

A. D. Michael Murray, 1120 Connecticut Avenue NW., Suite 1128, Washington, D.C.
B. U.S. Maritime Committee, 600 New Hampshire Avenue N.W., Suite 420, Washington, D.C.

A. Timothy D. Naegele, Suite 1280, 1850 K Street NW., Washington, D.C. 20006.
B. PruLease, Inc., 1255 Boylston Street, Boston, Mass. 02215.

A. National Association of Federal Veterinarians, Suite 836, 1522 K Street NW., Washington, D.C. 20005.

A. National Association of Latino, Democratic Officials, Inc., 1223 Massachusetts Avenue S.E., Washington, D.C.

A. National Council on Alcoholism, Inc., 733 Third Avenue, Suite 1405, New York, N.Y. 10017.

A. National Pest Control Association, 8150 Leesburg Pike, Vienna, Va. 22180.

A. Native American Rights Fund, 1506 Broadway, Boulder, Colo. 80302 and 1712 N Street, NW., Washington, D.C. 20036.

A. Nelson, Harding & Yeutter, 1819 H Street NW., Suite 230, Washington, D.C. 20006.
B. Friendship Villa, Inc., Suite 505, Dakota Northwestern Bank Building, Bismarck, N. Dak.

A. Michael A. Nemeroff, Sidley & Austin, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Eastern Michigan University, University Relations, Ypsilanti, Mich. 48197.

A. Michael A. Nemeroff, Sidley & Austin, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Ravenswood Hospital Medical Center, 4550 North Winchester, Chicago, Ill. 60640.

A. Michael A. Nemeroff, Sidley & Austin, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. St. Joseph Mercy Hospital, P.O. Box 995, Ann Arbor, Mich. 48106.

A. Michael A. Nemeroff, Sidley & Austin, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. University of Michigan, Student Activities Building, Room 3552, 515 East Jefferson, Ann Arbor, Mich. 48109.

A. Kathryn L. Newman, 1101 15th Street NW., Washington, D.C. 20005.
B. Republic Steel Corp., Republic Building, Cleveland, Ohio 44101.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Pfizer, Inc., 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Grady O'Cummings 3d, 2305 Linden Boulevard, Apt. 5C, Brooklyn, N.Y. 11208.

A. R. E. Omohundro, National Association of Federal Veterinarians, Suite 836, 1522 K Street NW., Washington, D.C. 20005.
B. National Association of Federal Veterinarians, Suite 836, 1522 K Street NW., Washington, D.C. 20005.

A. Francis J. O'Rourke, 25 Federal Street, Suite 600, Boston, Mass. 02110.
B. Ad Hoc Committee of Concerned Parents, c/o Kay Barney, Saddle Club Road, Lexington, Mass.

A. Vicki Otten, ADA, 1411 K Street NW., Suite 850, Washington, D.C. 20005.
B. American for Democratic Action, 1411 K Street NW., Washington, D.C. 20005.

A. Henry S. Palau, 1625 I Street NW., Washington, D.C. 20006.
B. The Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.

A. Gerard Paul Panaro, 6525 Belcrest Road, Hyattsville, Md. 20782.
B. Associated Retail Bakers of America, Presidential Building, Suite 250, 6525 Belcrest Road, Hyattsville, Md. 20782.

A. Tom E. Paro, Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.
B. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.

A. William H. Patterson, General Electric Co., 777 14th Street NW., Washington, D.C.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Air Products and Chemicals, Inc., P.O. Box 538, Allentown, Pa. 18105.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. AMFAC, Inc., 700 Bishop Street, Honolulu, Hawaii 96801.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Bath Iron Works Corp., 700 Washington Street, Bath, Maine 04530.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Independent U.S. Tanker Owners Committee, 1612 K Street NW., Suite 510, Washington, D.C. 20006.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Lane, Powell, Moss & Miller, 1700 Washington Building, Seattle, Wash. 98101.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Mars, Inc., 1651 Old Meadow Road, McLean, Va. 22101.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Todd Shipyards Corp., One State Street Plaza, New York, N.Y. 10004.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. United Plant Guard Workers of America, 25510 Kelly Road, Roseville, Mich. 48066.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Virgin Islands Manufacturers and Importers Association, Inc., 1290 Avenue of the Americas, New York, N.Y. 10019.

A. Richard A. Paysor, 11970 Greenwalk Drive, Creve Coeur, Mo. 63141.
B. Chromalloy American Corp., 120 South Central Avenue, St. Louis, Mo. 63105.

A. Pennsylvania Diabetes Institute, The Benson East, Suite 202–A, Jenkinton, Pa. 19046.

A. Edmund J. Perret II, American Psychiatric Association, 2033 M Street NW., Room 802, Washington, D.C. 20036.
B. American Psychiatric Association, 1700 18th Street NW., Washington, D.C. 20009.

A. Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. American Land Title Association, 1828 L Street NW., Washington, D.C. 20036.

A. Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. Edgington Oil Co., 2400 East Artesia Boulevard, Long Beach, Calif. 90805.

A. Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. Six Flags, Inc., 530 West Sixth Street, Los Angeles, Calif. 90014.

A. Zygmunt J. B. Plater, 1224 Ferdon Road, Ann Arbor, Mich. 48104.

A. Frances A. Pollak, 1800 K Street NW., Suite 800, Washington, D.C. 20006.
B. The Goodyear Tire & Rubber Co., Akron, Ohio 44315.

A. Janet Power, 1620 I Street NW., Washington, D.C. 20006.
B. VISA, 555 California Street, San Francisco, Calif. 94126.

A. Prather, Seeger, Doolittle, Farmer & Ewing, 1101 16th Street NW., Washington, D.C. 20036.
B. Boyd Lumber Corp., P.O. Box 112, Sedro Woolley, Wash., 98284.

A. Lloyd Preslar, 6800 Fleetwood Road, No. 411, McLean, Va. 22101.

B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 for Airbus Industrie, Avenue Lucien Servanty, 31700 Blagnac (Toulouse), France).

A. Preston, Thorgrimson, Ellis, Holman & Fletcher, 1776 F Street NW., Suite 201, Washington, D.C. 20006.
B. Bonneville Power Administration Industrial Customers, Suite 310, Lloyd Building, 700 N. East Multromak Street, Portland, Oreg. 97232.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher, 1776 F Stret NW., Suite 201, Washington, D.C. 20006.
B. Seafarers International Union of North America, 675 Fourth Avenue, Brooklyn, N.Y.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher, 1776 F Street NW., Suite 201, Washington, D.C. 20006.
B. The 13th Regional Corp., P.O. Box 24764, Seattle, Wash. 98109.

A. Gerald R. Prout, Suite 750 South, 1800 M Street NW., Washington, D.C. 20036.
B. Burson-Marsteller (for Tax Equity for Americans Abroad), Suite 750 South, 1800 M Street NW., Washington, D.C. 20036.

A. Gerald Robert Prout, Suite 750 South, 1800 M Street NW., Washington, D.C. 20036.
B. Burson-Marsteller (for Technicare Corp., 29100 Aurora Road, Solon, Ohio), Suite 750 South, 1800 M Street NW., Washington, D.C. 20036.

A. Radioactive Waste Management Group, c/o Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Washington, D.C. 20036.

A. R. Ray Randlett, Allied Chemical Corp., 1150 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Allied Chemical Corp., P.O. Box 3000–R, Morristown, N.J. 07950.

A. Julian O. Read, Read Poland Inc., 1011 Congress Avenue, Austin, Tex. 78701.
B. Central and South West Corp., 2700 1 Main Place, Dallas, Tex. 75201.

A. J. Roland Reeves, Allegheny Airlines, Inc., Washington National Airport, Washington, D.C. 20001.
B. Allegheny Airlines, Inc., Washington National Airport, Washington, D.C. 20001.

A. John B. Rehm, Busby & Rehm, 900 17th Street NW., Suite 714, Washington, D.C. 20006.
B. Bicycle and Ignition Division, The Bendix Corp., South Bend, Ind. 46634.

A. Nancy C. Reynolds, 1911 North Fort Myer Drive, Arlington, Va.
B. Bendix Corp., 1911 North Fort Myer Drive, Arlington, Va.

A. April Richards, Coalition on American Rivers, 712 West Western Avenue, Urbana, Ill. 61801.
B. Coalition on American Rivers, P.O. Box 2667, Station A, Champaign, Ill. 61820.

A. K. O. Richardson, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express and Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express and Station Employes, 6300 River Road, Rosemont, Ill. 60018.

A. Carol A. Risher, Association of American Publishers, Inc., 1707 L Street NW., Washington, D.C. 20036.
B. Association of American Publishers, Inc., 1707 L Street NW., Washington, D.C. 20036.

A. Hope Robertson, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

A. Betty P. Rocker, Seafarers International Union, 815 16th Street NW., Washington, D.C. 20006.
B. Seafarers International Union of North America, 675 4th Avenue, Brooklyn, N.Y. 11232.

A. Robert Rodriguez, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

A. Rogers & Wells, 1666 K Street NW., Washington, D.C. 20006.
B. Central American Pipeline Co., P.O. Box 86, Hambro House, St. Julian's Avenue, St. Peter Port, Guernsey, Channel Islands.

A. Rogers & Wells, 1666 K Street NW., Washington, D.C. 20006.
B. A. Johnson & Co., Inc., 110 East 59th Street, New York, N.Y. 10022.

A. Martin Rogol, 133 C Street SE., Washington, D.C.
B. Congress Watch, 133 C Street SE., Washington, D.C.

A. Anthony Z. Roisman, 917 15th Street NW., Washington, D.C. 20005.
B. Natural Resources Defense Council, 917 15th Street NW., Washington, D.C. 20005.

A. James S. Rubin, Allied Chemical Corp., 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Allied Chemical Corp., P.O. Box 3000–R, Morristown, N.J. 07950.

A. San Diego Committee for a Human Life Amendment, Inc., 623 Aldwych Road, Fletcher Hills, Calif. 92020.

A. Harold A. Schaitberger, International Association of Fire Fighters, 1750 New York Avenue NW., Washington, D.C. 20006.
B. International Association of Fire Fighters, 1750 New York Avenue NW., Washington, D.C. 20006.

A. David Schoenbrod, 15 West 44 Street, New York, N.Y. 10036.
B. Natural Resources Defense Council, Inc., 15 West 44 Street, New York, N.Y. 10036.

A. Seafarers International Union of North America, 675 Fourth Avenue, Brooklyn, N.Y.

A. Pamela Sederholm, 1730 Rhode Island Avenue NW., No. 213, Washington, D.C. 20036.
B. Brown & Root, Inc., 1730 Rhode Island Avenue NW., No. 213, Washington, D.C. 20036.

A. 7th Pro-Life Congressional District Action Committee, 2735 Ivy Street, Tampa, Fla. 33607.

A. Seyfarth, Shaw, Fairweather & Geraldson, 1800 M Street NW., Washington, D.C. 20036.
B. Dressler Industries, Inc., P.O. Box 718, Dallas, Tex. 75221.

A. Seyfarth, Shaw, Fairweather & Geraldson, 1800 M Street NW., Washington, D.C. 20036.
B. Trans Union Corp., 90 Half Day Road, Lincolnshire, Ill. 60015.

A. Shamrock Foods Co., 2228 North Black Canyon, Phoenix, Ariz. 85009.

A. Rebecca D. Shapiro & Associates, 101 2d Street NE., Washington, D.C. 20002.
B. Ak Chin Indian Community, Route 1. Box 12, Maricopa, Ariz. 85239.

A. Rebecca D. Shapiro & Associates, 101 2d Street NE., Washington, D.C. 20002.
B. All Indian Pueblo Council, Inc., 907 Indian School Road NW., Albuquerque, N. Mex. 87107.

A. James E. Shaw, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express and Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express and Station Employes, 6300 River Road, Rosemont, Ill. 60018.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Washington, D.C. 20036.
B. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.Y. 10022.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Washington, D.C.
B. Radioactive Waste Management Group, c/o Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Washington, D.C. 20036.

A. Spencer C. Sheldon, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.

A. Scott Shotwell, National Forest Products Association, 1619 Massachusetts Avenue, Washington, D.C. 20015.
B. National Forest Products Association, 1619 Massachusetts Avenue, Washington, D.C. 20015.

A. Silver & Freedman, 1800 M Street NW., No. 950N, Washington, D.C. 20036.

A. Robert C. Singer, The Soap & Detergent Association, 475 Park Avenue South, New York, N.Y. 10016.
B. The Soap & Detergent Association, 475 Park Avenue South, New York, N.Y. 10016.

A. Phyllis K. Slesinger, Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.

A. Milton E. Smedsrud, Law Office Building, Fergus Falls, Minn. 56537.
B. Communicating For Agriculture, Law Office Building, Fergus Falls, Minn. 56537.

A. John Graham Smillie, 900 17th Street NW., Washington, D.C. 20006.
B. The Permanente Medical Group.

A. Elizabeth M. Smith, Amalgamated Clothing & Textile Workers Union, 815 16th Street NW., Washington, D.C. 20006.
B. Amalgamated Clothing & Textile Workers Union, 15 Union Square, New York, N.Y. 10003.

A. Souther, Spaulding, Kinsey, Williamson & Schwabe, 1200 Standard Plaza, Portland, Oreg. 97204.
B. U.S. Maritime Committee, 600 New Hampshire Avenue, NW., Suite 420, Washington, D.C. 20037.

A. Philip J. Spear, 8150 Leesburg Pike, Suite 1100, Vienna, Va. 22180.
B. National Pest Control Association, 8150 Leesburg Pike, Vienna, Va. 22180.

A. John N. Stafford, Independent Bankers Association of America, 1625 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Independent Bankers Association of America, Sauk Centre, Minn. 56378.

A. M. B. Stanley, Ford Motor Co., 815 Connecticut Avenue, Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich.

A. Randolph J. Stayin, 1150 Connecticut Avenue NW., No. 504, Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, 600 Dixie Terminal Building, Cincinnati, Ohio 45202 (for Special Committee for Workplace Product Liability Reform, 1150 Connecticut Avenue NW., Washington, D.C.).

A. Richard Boyle Storey, 1750 Old Meadow Road, McLean, Va. 22101.
B. International Military Club Executives' Association, 1750 Old Meadow Road, McLean, Va. 22101.

A. Stroock & Stroock & Lavan, 1150 17th Street NW., Suite 600, Washington, D.C. 20036.
B. Commonwealth of Puerto Rico, 1625 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Frank S. Swain, National Federation of Independent Business.
B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.

A. Robert A. Swanson, 2275 Broadway, San Francisco, Calif. 94115.
B. Genentech, 475 Sansome Street (15th floor), San Francisco, Calif. 94111.

A. Edward L. Sward, Jr., El Paso Products Co., P.O. Box 3986, Odessa, Tex. 79760.
B. El Paso Products Co., P.O. Box 3986, Odessa, Tex. 79760.

A. Richard Preston Swigart, Suite 201, 1660 L Street NW., Washington, D.C. 20036.
B. American Can Co., American Lane, Greenwich, Conn. 06830.

A. Robert Taft, Jr., 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, Dixie Terminal Building, Cincinnati, Ohio 45202; (for Family Leisure Centers, Inc., 1906 Highland Avenue, Cincinnati, Ohio 45219).

A. E. Wayne Thevenot, 1120 Connecticut Avenue NW., Suite 1128, Washington, D.C.
B. U.S. Maritime Committee, 600 New Hampshire Avenue NW., Suite 420, Washington, D.C. 20037.

A. Thevenot, Murray & Scheer, 1120 Connecticut Avenue NW., No. 1128, Washington, D.C. 20036.
B. National Association of Stevedores, 919 18th Street NW., No. 820, Washington, D.C. 20006.

A. The 13th Regional Corp., P.O. Box 24764, Seattle, Wash. 98109.

A. Diana Thomas, 422 First Street SE., Washington, D.C. 20003.
B. American Conservation Union, 422 First Street SE., Washington, D.C. 20003.

A. John W. Thomas, 1522 K Street NW., No. 828, Washington, D.C. 20005.
B. American Veterinary Medical Association, 1522 K Street NW., No. 828, Washington, D.C. 20005.

A. John W. Thomas, 1522 K Street NW., No. 828, Washington, D.C. 20005.
B. Association of American Veterinary Medical Colleges, 1522 K Street NW., No. 828, Washington, D.C. 20005.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Alcan Pipeline Co., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Jay C. Townley, 715 South Harvey, Oak Park, Ill. 60304.
B. Schwinn Bicycle Co., 1856 North Kostner Avenue, Chicago, Ill. 60639.

A. John T. Tucker, Tucker, Roberts & Co., Inc., 1050 17th Street NW., Washington, D.C. 20037.
B. Academy of General Dentistry, 211 East Chicago Avenue, Chicago, Ill. 60611.

A. David L. Turley, 601 Sweetwater Boulevard North, Longwood, Fla. 32750.
B. Florida Gas Transmission Co., P.O. Box 44, Winter Park, Fla. 32790.

A. Jerry G. Udell, American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.

A. United Action for Animals, Inc., 205 East 42d Street, New York, N.Y.

A. U.S. Maritime Committee, Suite 420, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

A. U.S. Maritime Committee to Turn the Tide, Suite 420, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

A. Nicholas L. Van Nelson, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Car and Truck Renting and Leasing Association, 1725 K Street NW., Washington, D.C. 20006.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Republic Geothermal, Inc., 11823 East Slauson Avenue, Suite One, Santa Fe Springs, Calif. 90670.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. TOSCO, 10100 Santa Monica Boulevard, Los Angeles, Calif. 90067.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. U.S. Maritime Committee, 600 New Hampshire Avenue NW., Suite 420, Washington, D.C. 20037.

A. Larry R. Veselka, Vinson & Elkins, 2100 First City National Bank Building, Houston, Tex. 77002.
B. Vinson & Elkins, 2100 First City National Bank Building, Houston, Tex. 77002 (for Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001).

A. Robert P. Visser, Cramer, Haber & Becker, 475 L'Enfant Plaza SW., Suite 4150, Washington, D.C. 20024.
B. Cramer, Haber & Becker, 475 L'Enfant Plaza, Suite 4150, Washington, D.C. 20024 (for American Nicaraguan Council, 475 L'Enfant Plaza SW., Washington, D.C. 20024).

A. Robert P. Visser, Cramer, Haber & Becker, 475 L'Enfant Plaza SW., 4150, Washington, D.C. 20024.
B. Government of Nicaragua, Comite Nacional de Emergencia, Managua, Nicaragua.

A. Robert P. Visser, Cramer, Haber & Becker, 475 L'Enfant Plaza, Suite 4100, Washington, D.C. 20024.

B. United Broadcasting Co., 4733 Bethesda Avenue, Suite 808, Bethesda, Md. 20014.

A. Warren W. Walkley, General Electric Co., 777 14th Street NW., Washington, D.C. 20005.

B. General Electric Co., 777 14th Street NW., Washington, D.C. 20005.

A. Don Wallace Associates, Inc., 1707 L Street NW., Suite 540, Washington, D.C. 20036.

A. Phyllis Monro Walters, 1800 M Street NW., Suite 750 South, Washington, D.C. 20036.

B. Burson-Marsteller, 1800 M Street NW., Suite 750 South, Washington, D.C. 20036. (for Tax Equity for Americans Abroad).

A. Michael O. Ware, Continental Oil Co., 1130 17th Street NW., Washington, D.C. 20036.

B. Continental Oil Co., High Ridge Park, Stamford, Conn. 06904.

A. The Washington Group, Inc., 153 D Street SE., Washington, D.C. 20003.

B. Nelson, Harding & Yeutter, 1819 H Street NW., Suite 230, Washington, D.C. 20006.

A. The Washington Group, Inc., 153 D Street SE., Washington, D.C. 20003.

B. SEDCO, Inc., Cumberland Hill, 1901 North Akard, Dallas, Tex. 75201.

A. Robert B. Washington, Jr., 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. Danzansky, Dickey, Tydings, Quint & Gordon, 1120 Connecticut Avenue NW., Washington, D.C. 20036 (for Government of Antigua).

A. James L. Watts, 512 Washington Building, Washington, D.C. 20005.

B. National Association of Small Business Investment Companies, 512 Washington Building, Washington, D.C. 20005.

A. Raymond J. Weatherly, Manufactured Housing Institute, 1745 Jefferson Davis Highway, Suite 511, Arlington, Va. 22202.

B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Suite 511, Arlington, Va. 22202.

A. Bryan K. Whitehead, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express and Station Employes, 815 16th Street NW., Washington, D.C. 20006.

B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express and Station Employes, 6300 River Road, Rosemont, Ill. 60018.

A. Donald W. Whitehead, Room 816, 1620 Eye Street NW., Washington, D.C. 20006.

B. BI-A-ROBI, Box 133, Hamlin, Pa. 18427.

A. Donald W. Whitehead, Room 816, 1620 Eye Street NW, Washington, D.C. 20006.

B. Eastern Environmental Controls, Box 475, Chestertown, Md. 21620.

A. Louis M. Whitlock, P.O. Box 396, Carlsbad, N. Mex. 88220.

B. Beker Industries Corp., 124 West Putnam Avenue, Greenwich, Conn. 06830.

A. Rebecca Wilcox, 900 17th Street NW., Washington, D.C. 20006.

B. Kaiser Foundation Health Plan., Inc., 900 17th Street NW., Washington, D.C. 20006.

A. Thomas K. Wilka, 1346 Connecticut Avenue NW., Room 1223, Washington, D.C. 20036.

B. Center for Auto Safety, 1346 Connecticut Avenue NW., Room 1223, Washington, D.C. 20036.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.

B. Texas County Irrigation & Water Resources Association, 118 West Sixth Street, Guymon, Okla., 73942.

A. Williams, Myers & Quiggle, 888 17th Street NW., Washington, D.C. 20006.

B. Church Alliance for Clarification of ERISA, c/o Gary S. Nash, 511 North Akard Building, Suite 311, Dallas, Tex. 75201.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.

B. Bristol-Myers Co., 1155 15th Street NW., Washington, D.C. 20036.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.

B. The Business Roundtable, 1801 K Street NW., Washington, D.C. 20006.

A. Henry T. Wilson, 1750 New York Avenue NW., Washington, D.C. 20006.

B. International Brotherhood of Painters & Allied Trades, 1750 New York Avenue NW., Washington, D.C. 20006.

A. Joseph B. Winkelmann, 925 15th Street NW., Washington, D.C. 20005.

B. National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.

A. Mark E. Winter, American Land Title Association, 1828 L Street NW., Washington, D.C. 20036.

B. American Land Title Association, 1828 L Street NW., Washington, D.C. 20036.

A. Erving Wolf, Inexco Oil Co., 1100 Milam Building, Suite 1900, Houston, Tex. 77002.

B. Inexco Oil Co., 1100 Milam Building, Suite 1900, Houston, Tex. 77002.

A. Frank R. Wolf, 1730 North Lynn Street, Suite 400, Arlington, Va. 22209.

B. National Farm & Power Equipment Dealers Association, 10877 Watson Road, St. Louis, Mo. 63127.

A. M. Alan Woods, 517 Oronocco Street, Alexandria, Va. 22314.

B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 for Airbus Industrie, Avenue Lucien Servanty, 31700 Blagnac (Toulouse), France.

A. Paige Wooldridge, Box 1006, Bluefield, W. Va. 24701.

B. National Council of Coal Lessors, Inc., 1130 17th Street NW., Room 230, Washington, D.C. 20036.

A. A. Steven Young, National Small Business Asociation, 1225 19th Street NW., Washington, D.C. 20036.

B. National Small Business Asociation, 1225 19th Street NW., Washington, D.C. 20036.

A. Roger H. Zion, Resources Development, Inc., 1155 15th Street NW., Suite 418, Washington, D.C. 20005.

B. Laketon Asphalt Refining, Inc., P.O. Box 3525, Evansville, Ind. 47734.

A. Roger H. Zion, Resources Development, Inc., 1155 15th Street NW., Suite 418, Washington, D.C. 20005.

B. Public Service of Indiana, 1000 East Main Street, Plainfield, Ind. 46168.

A. Laurence Woods Zoeller, Suite 750 South, 1800 M Street NW., Washington, D.C. 20036.

B. Burson-Marsteller (for American Waterways Operators, Inc., 1600 Wilson Boulevard, Suite 1101, Arlington, Va.), Suite 750 South, 1800 M Street NW., Washington, D.C. 20036.

QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following quarterly reports were submitted for the second calendar quarter 1977:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19_____

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (a) Description, (b) quantity distributed; (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

AFFIDAVIT

[Omitted in printing]

PAGE 1

COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

NOTE ON ITEM "D."—(a) *In General.* The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—Section 302(a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In General.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Receipts (other than loans)

1. $_____Dues and assessments
2. $_____Gifts of money or anything of value
3. $_____Printed or duplicated matter received as a gift
4. $_____Receipts from sale of printed or duplicated matter
5. $_____Received for services (e.g., salary, fee, etc.)
6. $_____TOTAL for this Quarter (Add items "1" through "5")
7. $_____Received during previous Quarters of calendar year
8. $_____TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received

"The term 'contribution' includes a . . . *loan* . . ."—Sec. 302(a).

9. $_____TOTAL now owed to others on account of loans
10. $_____Borrowed from others during this Quarter
11. $_____Repaid to others during this Quarter
12. $_____"Expense money" and Reimbursements received this Quarter

Contributors of $500 or more (from Jan. 1 through this Quarter)

13. Have there been such contributors?

Please answer "yes" or "no": _____

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last days of this Quarter total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor* ("*Period*" from Jan. 1 through _____, 19____)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE ON ITEM "E".—(a) *In General.* "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—Section 302(b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "None" in the spaces following the number.

Expenditures (other than loans)

1. $_____Public relations and advertising services
2. $_____Wages, salaries, fees, commissions (other than item "1")
3. $_____Gifts or contributions made during Quarter
4. $_____Printed or duplicated matter, including distribution cost
5. $_____Office overhead (rent, supplies, utilities, etc.)
6. $_____Telephone and telegraph
7. $_____Travel, food, lodging, and entertainment
8. $_____All other expenditures
9. $_____TOTAL for this Quarter (Add "1" through "8")
10. $_____Expended during previous Quarters of calendar year
11. $_____TOTAL from January 1 through this Quarter (Add "9" and "10")

Loans Made to Others

"The term 'expenditure' includes a . . . *loan* . . ."—Sec. 302(b).

12. $_____TOTAL now owed to person filing
13. $_____Lent to others during this Quarter
14. $_____Repayment received during this Quarter

15. Recipients of Expenditures of $10 or More

In the case of expenditures made during this Quarter by, or on behalf of the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7–11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7–15, 8–15, 9–15: Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

A. Bruce Adams, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $5,849.47.

A. John J. Adams, Suite 1060, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Ethyl Corp., 330 South Fourth Street, Richmond, Va.
D. (6) $280.

A. John J. Adams, Suite 1060, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. VEPCO, Seventh and Franklin Streets, Richmond, Va.
D. (6) $525.

A. William P. Adams, 1600 I Street NW., Washington, D.C. 20006.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C. 20006.

A. Advisors Inc., 229 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Electronic Data Systems Corp. (EDS), 7171 Forest Lane, Dallas, Tex.
D. (6) $500. E. (9) $40.

A. Aerospace Industries Association of America, Inc., 1725 DeSales Street NW., Washington, D.C. 20036.
D. (6) $20,887.15. E. (9) $20,887.15.

A. AFL–CIO Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $4,700. E. (9) $4,409.99.

A. Donald G. Agger, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Aerospatiale 37, Boulevard de Montmorency 75016 Paris, France).

A. W. Eugene Ainsworth, 1000 16th Street NW., Washington, D.C. 20036.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.
D. (6) $1,124.31. E. (9) $20.60.

A. Air Products & Chemicals, Inc., P.O. Box 538, Allentown, Pa. 18105.
E. (9) $185.50.

A. Aircraft Owners and Pilots Association, P.O. Box 5800, Washington, D.C. 20014.
E. (9) $5,445.07.

A. Randolf H. Aires, 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $950. E. (9) $54.92.

A. G. Colburn Aker, Hill and Knowlton, 1425 K Street NW., Washington, D.C. 20005.
B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.
D. (6) $1,250.

A. Akin, Gump, Hauer & Feld, 1100 Madison Office Building, 1155 15th Street NW., Washington, D.C. 20005.
B. American Collectors Association, Inc., 4040 West 70th Street, Minneapolis, Minn. 55435.
D. (6) $2,000.

A. Akin, Gump, Hauer & Feld, 1100 Madison Office Building, 1155 15th Street NW., Washington, D.C. 20005.
B. American Polygraph Association, 3701 West Alabama, Suite 330, Houston, Tex. 77027.
D. (6) $350.

A. Akin, Gump, Hauer & Feld, 1100 Madison Office Building, 1155 15th Street NW., Washington, D.C. 20005.
B. Coastal States Gas Producing Co., 5 Greenway Plaza East, Houston, Tex. 77046.
D. (6) $4,000.

A. Akin, Gump, Hauer & Feld, 1100 Madison Office Building, 1155 15th Street NW., Washington, D.C. 20005.
B. E. & J. Gallo Winery, P.O. Box 1130, Modesto, Calif. 95353.
D. (6) $2,500.

A. Akin, Gump, Hauer & Feld, 1155 15th Street NW., 1100 Madison Office Building, Washington, D.C. 20005.
B. Gibbs Oil Co., 40 Lee Burbank Highway, Revere, Mass. 02151.

A. Akin, Gump, Hauer & Feld, 1100 Madison Office Building, 1155 15th Street NW., Washington, D.C. 20005.
B. Haskins & Sells, 1114 Avenue of the Americas, New York, N.Y. 10036.
D. (6) $1,200.

A. Akin, Gump, Hauer & Feld, 1100 Madison Office Building, 1155 15th Street NW., Washington, D.C. 20005.
B. Sanchez/O'Brien Petroleum Corp., P.O. Box 1337, Laredo, Tex. 78040.
D. (6) $6,500.

A. Akin, Gump, Hauer & Feld, 1155 15th Street NW., 1100 Madison Office Building, Washington, D.C. 20005.
B. Society of Independent Gasoline Marketers of America (SIGMA), 230 South Bemiston Street, St. Louis, Mo.

A. Akin, Gump, Hauer & Feld, 1100 Madison Office Building, 1155 15th Street NW., Washington, D.C. 20005.
B. Sun Co., 1608 Walnut Street, Philadelphia, Pa. 19103.
D. (6) $12,000.

A. Alaskan Arctic Gas Pipeline Co., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Alcalde, Henderson, O'Bannon & Kline, 1911 North Fort Myer Drive, Suite 1207, Rosslyn, Va. 22209.
B. Association of Local Transport Airlines, 1801 K Street NW., Suite 803, Washington, D.C. 20006.
D. (6) $3,000.

A. Alcalde, Henderson, O'Bannon & Kline, 1911 North Fort Myer Drive, Suite 1207, Rossyln, Va. 22209.
B. Computer Sciences Corp., 1616 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $3,000.

A. Alcalde, Henderson, O'Bannon & Kline, 1911 North Fort Myer Drive, Suite 1207, Rossyln, Va. 22209.
B. Tampa Electric Co., P.O. Box 111, Tampa, Fla. 33601.
D. (6) $1,500.

A. Alcalde, Henderson, O'Bannon & Kline, 1911 North Fort Myer Drive, Suite 1207, Rossyln, Va. 22209.
B. Tampa Port Authority, P.O. Box 2192, Tampa, Fla. 33601.
D. (6) $3,600.

A. Alcalde, Henderson, O'Bannon & Kline, 1911 North Fort Myer Drive, Suite 1207, Rossyln, Va. 22209.
B. Jim Walter Corp., P.O. Box 22601, Tampa, Fla. 33622.
D. (6) $3,000.

A. Alderson, Catherwood, Ondov & Leonard, 105 East Oakland Avenue, Austin, Minn. 55912.
B. The Hormel Foundation, Austin, Minn. 55912.

A. G. Kenneth Aldrich, National Association of Manufacturers, 222 South Prospect Avenue, Park Ridge, Ill. 60068.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $225.

A. Willis W. Alexander, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,875. E. (9) $4,294.36.

A. Charles E. Allen, Cox, Langford & Brown, 21 Dupont Circle NW., Washington, D.C. 20036.
B. First Federal Savings & Loan Association of Okeechobee County, 305 East North Park Street, Box 355, Okeechobee, Fla.
E. (9) $125.

A. Charles E. Allen, Cox, Langford & Brown, 21 Dupont Circle NW., Washington, D.C. 20036.
B. First Florida Savings and Loan Association, 515 North Main Street, Box 968, Gainesville, Fla. 32602.
E. (9) $125.

A. Charles E. Allen, Cox, Langford & Brown, 21 Dupont Circle NW., Washington, D.C. 20036.
B. Lincoln Federal Savings & Loan Association, 6655 West Cermak Road, Berwyn, Ill. 60402.
E. (9) $450.

A. Alliance of American Insurers, 20 North Wacker Drive, Chicago, Ill. 60606.
E. (9) $10,270.

A. Webb M. Alspaugh, Suite 650, 1050 17th Street NW., Washington, D.C. 20036.
B. The Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio 44115.
D. (6) $250. E. (9) $1,573.

A. Ricardo R. Alvardo, 6108 Fort Hunt Road Alexandria, Va. 22307.
B. Lockheed Corp., P.O. Box 551, Burbank, Calif. 91520.
D. (6) $1,480 E. (9) $470.72.

A. Robert Alvarez, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 371 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $2,250.

A. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Amalgamated Transit Union, National Capital Local Division No. 689, 100 Indiana Avenue NW., No. 403, Washington, D.C. 20001.

A. American Academy of Family Physicians, 1740 West 92d Street, Kansas City, Mo. 64114.
D. (6) $1,223.11. E. (9) $1,223.11.

A. American Association of Meat Processors, 224 East High Street, Elizabethtown, Pa. 17022.
D. (6) 45.94.

A. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $39,085.90 E. (9) $39,085.90.

A. American Committee on United States-Soviet Relations, 100 Maryland Avenue NE., Washington, D.C. 20002.

A. American Council for Capital Formation, 1425 K Street NW., Suite 1000, Washington, D.C. 20005.
D. (6) $27,750. E. (9) $1,370.22.

A. American Council of Life Insurance, Inc. 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
E. (9) $1,515.

A. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068; 425 13th Street NW., Washington, D.C. 20004.
D. (6) $50,623. E. (9) $50,623.

A. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C. 20006.
E. (9) $105,464.60.

A. American Frozen Food Institute, 919 18th Street NW., Washington, D.C. 20006.
D. (6) $148,741.25. E. (9) $550.

A. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $11,236.86. E. (9) $11,236.85.

A. American Hellenic Institute, Public Affairs Committee, Inc., 1730 K Street NW., Suite 903, Washington, D.C. 20006.
D. (6) $125. E. (9) $47.

A. American Honey Producers Association, P.O. Box 368, Minco, Okla. 73509.
D. (6) $3,437. E. (9) $3,747.59.

A. American Hotel and Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $8,339.49. E. (9) $4,599.54.

A. The American Humane Association, P.O. Box 1266, Denver, Colo. 80201.
E. (9) $1,800.

A. American Insurance Association, 85 John Street, New York, N.Y. 10038.
D. (6) $47,475. E. (9) $47,475.

A. American Land Title Association, 1828 L Street NW., Washington, D.C. 20036.
E. (9) $3,648.

A. American League for International Security Assistance, Suite 4400, 475 L'Enfant Plaza SW., Washington, D.C. 20024.
D. (6) $21,742.27. E. (9) $21,742.27.

A. American Library Association, 50 East Huron Street, Chicago, Ill. 60611.
D. (6) $1,293.12. E. (9) $2,492.

A. American Meat Institute, P.O. Box 3556, Washington, D.C. 20007; 1600 Wilson Boulevard, Arlington, Va.
E. (9) $1,062.68.

A. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $2,773.75. E. (9) $35,033.51.

A. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
D. (6) $13,638.77. E. (9) $45,141.21.

A. American Nurses' Association, 2420 Pershing Road, Kansas City, Mo. 64108.
D. (6) $6,702.58. E. (9) $6,702.58.

A. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.
E. (9) $60.98.

A. American Parents Committee, Inc., 1346 Connecticut Avenue NW., Washington, D.C. 20006.
D. (6) $4,718.17. E. (9) $587.10.

A. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $75,292. E. (9) $127,192.

A. American Physical Therapy Association, 1156 15th Street NW., Washington, D.C. 20005.
D. (6) $6,577.49. E. (9) $6,577.49.

A. American Podiatry Association, 20 Chevy Chase Circle, Washington, D.C. 20015.
E. (9) $13,218.36.

A. American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C. 20005.
D. (6) $2,333,650.80. E. (9) $104,374.40.

A. American Public Transit Association, 1100 17th Street NW., Washington, D.C. 20036.
D. (6) $4,435.34. E. (9) $5,995.34.

A. American Pulpwood Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

A. American Seed Trade Association, 1030 15th Street NW., Suite 964, Washington, D.C. 20005.

A. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $836.54. E. (9) $836.54.

A. American Surveys, Embassy Square, Suite 901, 2000 N Street NW., Washington, D.C. 20036.
B. Committee for Energy Resources, 2000 N Street NW., Suite 901, Washington, D.C. 20036.
D. (6) $5,856.25. E. (9) $40.16.

A. American Surveys, Embassy Square, Suite 901, 2000 N Street NW., Washington, D.C. 20036.
B. National Customs Brokers and Forwarders Association of America, Inc., One World Trade Center, Suite 1109, New York, N.Y. 10048.
D. (6) $244.69. E. (9) $306.41.

A. American Textile Manufacturers Institute, Inc., Wachovia Center, 400 South Tryon Street, Charlotte, N.C. 28285.
D. (6) $33,589.81. E. (9) $33,589.81.

A. American Trucking Association, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $10,290.06. E. (9) $70,003.23.

A. American Veterinary Medical Association, 1522 K Street NW., No. 828, Washington, D.C. 20005.
D. (6) $50. E. (9) $140.

A. The American Waterways Operators, Inc., 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
D. (6) $2,398. E. (9) $2,602.40.

A. Anthony L. Anderson, Sun Co., Inc., 1800 K Street NW., Suite 820, Washington, D.C. 20006.
B. Sun Co., Inc., 100 Matsonford Road, Radnor, Pa. 19087.
D. (6) $5,500. E. (9) $1,350.

A. Anderson, Pendleton & McMahon, 306 Sixth Street NW., Washington, D.C. 20001.
B. Embassy of Chile, 1732 Massachusetts Avenue NW., Washington, D.C. 20001.
D. (6) $3,750. E. (9) $146.27.

A. Robert L. Anderson, Deere and Co., John Deere Road, Moline, Ill. 61265.
B. Deere and Co., John Deere Road, Moline, Ill. 61265.

A. Wm. C. Anderson, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $28.15.

A. Emmet Andrews, American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C. 20005.
B. American Postal Workers Union, AFL–CIO., 817 14th Street NW., Washington, D.C. 20005.
D. (6) $7,224.38.

A. Scott P. Anger, 1025 Connecticut Avenue NW., Suite 1206, Washington, D.C. 20036.
B. Enserch Corp., 301 South Harwood, Dallas, Tex. 75201.
D. (6) $200. E. (9) $560.14.

A. C. Stephen Angle, Marathon Oil Co., 1800 M Street NW., Suite 975, Washington, D.C.
B. Marathon Oil Co., Findlay, Ohio 45840.
E. (9) $93.69.

A. J. Donald Annett, 1050 17th Street NW., No. 500, Washington, D.C. 20036.
B. Texaco, Inc., 2000 Westchester Avenue, Write Plains, N.Y. 10650.
D. (6) $200.

A. APA Co., 400 First Street NW., Washington, D.C. 20001.
B. University of Health Sciences/The Chicago Medical School, 2020 West Ogden Avenue, Chicago, Ill. 60612.
D. (6) $750.

A. Clarence A. Arata, 1129 20th Street NW., Washington, D.C. 20036.
B. Metropolitan Washington Board of Trade, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $3,750.

A. Howard Arnett, Pacific Power & Light Co., 918 16th Street NW., Washington, D.C. 20006.
B. Pacific Power & Light Co., Public Service Building, Portland, Oreg. 97204.
D. (6) $1,200. E. (9) $408.09.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $8,750.01.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Quintana Petroleum Corp., P.O. Box 3331, Houston, Tex. 77001.
D. (6) $750. E. (9) $210.

A. Cary F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Quintana Refining Co., P.O. Box 3331, Houston, Tex. 77001.
D. (6) $750. E. (9) $210.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Maritz, Inc., 1355 North Highway Drive, Fenton, Mo. 63026.
E. (9) $629.46.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036
B. West Mexico Vegetable Distributors Association, P.O. Box 848, Nogales, Ariz.
E. (9) $1,214.42.

A. Associated Builders & Contractors, Inc., 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.
D. (6) $1,100. E. (9) $1,100.

A. Associated Employers, Inc., 6009 Rittiman Plaza, San Antonio, Tex. 78218.

A. Associated Third Class Mail Users, Suite 607, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $300. E. (9) $300.

A. Association for the Advancement of Invention and Innovation, Suite 301, 1911 Jef-

ferson Davis Highway, Arlington, Va. 22202.
D. (6) $2,325. E. (9) $2,675.

A. Association for the Improvement of the Mississippi River, 10 Broadway, St. Louis, Mo. 63102.
E. (9) $1,132.70.

A. Association of American Publishers, 1707 L Street NW., Suite 480, Washington, D.C. 20036.
D. (6) $4,144.31. E. (9) $4,144.31.

A. Association of American Railroads, American Railroads Building (211), 1920 L Street NW. Washington, D.C. 20036.
D. (6) $10,571.85. E. (9) $10,571.85.

A. Association of American Veterinary Medical Colleges, 1522 K Street NW., No. 828, Washington, D.C. 20005.
E. (9) $200.

A. Association of Data Processing Service Organizations, Inc. (ADAPSO), 210 Summit Avenue, Montvale, N.J. 07645.
D. (6) $12,814.

A. Association of Government Accountants, 727 South 23d Street, Suite 100, Arlington, Va. 22202.

A. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.

A. Association of Media Producers, 1707 L Street NW., Suite 515 Washington D.C. 20036.
D. (6) $4,000. E. (9) $4,950.

A. The Association of Trial Lawyers of America, 1050 31st Street NW., Washington, D.C. 20007.
D. (6) $4,970. E. (9) $4,970.

A. Association on Japanese Textile Imports, Inc., 551 Fifth Avenue, New York, N.Y. 10017.
E. (9) $500.

A. Atlantic Richfield Co., 515 South Flower Street Los Angeles, Calif. 90071.
D. (6) $1,685. E. (9) $1,641.40.

A. Automotive Parts Rebuilders Association, 6849 Old Dominion Drive, McLean, Va. 22101.
D. (6) $6,200. E. (9) $6,135.41.

A. John S. Autry, Johns-Manville Corp., 1025 Connecticut Avenue NW., Suite 214, Washington, D.C. 20036.
B. Johns-Manville Corp., P.O. Box 5108, Denver, Colo. 80217.
D. (6) $500. E. (9) $1,200.

A. David G. Axtmann, 5700 Baltimore Drive, No. 48, La Mesa, Calif. 92041.
B. San Diego Committee for a Human Life Amendment, Inc., 623 Aldwych Road, Fletcher Hills, Calif. 92020.
D. (6) $2,400. E. (9) $375.

A. Walter C. Ayers, Virginia Petroleum Industries, 1809 Staples Mill Road, Richmond, Va. 23230.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $150. E. (9) $86.80.

A. Craig H. Baab, American Bar Association, 1800 M Street NW., Washington, D.C. 20036.
B. American Bar Association, 1155 East 60th Street, Chicago, Ill. 60637.
D. (6) $600. E. (9) $100.

A. Donald L. Badders, TRW Credit Data, 5565 Sterrett Place, Suite 527, Columbia, Md. 21044.
B. TRW Credit Data, 100 Oceangate, Suite 800, Long Beach, Calif. 90801.

A. Baer Marks & Upham, 70 Pine Street, New York, N.Y. 10005.
B. Commodity Exchange, Inc., 4 World Trade Center, New York, N.Y. 10048.

A. Carl E. Bagge, Coal Building, Washington, D.C. 20036.
B. National Coal Association, Coal Building, Washington, D.C. 20036.
D. (6) $1,900. E. (9) $193.41.

A. George F. Bailey, Jr., P.O. Box 21, Montgomery, Ala. 36101.
B. Alabama Railroad Association, P.O. Box 21, Montgomery, Ala. 36101.

A. William W. Bailey, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Proprietary Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $3,000. E. (9) $108.50.

A. David L. Baird, Jr.; Exxon Corp., 1025 Connecticut Avenue NW., Suite 1014, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York.
E. (9) $120.77.

A. Emil F. Baker, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. Baker & McKenzie, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ampex Corp., 401 Broadway, Redwood City, Calif. 94063.
E. (9) $3,213.

A. Baker & McKenzie, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Clark Equipment Co., 324 East Dewey Avenue, Buchanan, Mich. 49107.
D. (6) $11,656. E. (9) $351.16.

A. Baker & McKenzie, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Hospital Underwriters Group Ltd., P.O. Box 1262, Hamilton, Bermuda.
D. (6) $17,162.02. E. (9) $449.48.

A. Baker & McKenzie, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Nuclear Mutual Ltd., P.O. Box 1262, Hamilton, Bermuda.
D. (6) $17,162.02. E. (9) $449.49.

A. Thomas F. Baker, National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.

A. Donald Baldwin, Donald Baldwin Associates, Suite 906, 1625 I Street NW., Washington, D.C. 20006.
B. American Electric Power Co., 2 Broadway, New York, N.Y. 10004.

A. Donald Baldwin, Donald Baldwin Associates, Suite 906, 1625 I Street NW., Washington, D.C. 20006.
B. National Taxpayers Union, 325 Pennsylvania Avenue SE., Washington, D.C. 20003.

A. Michael Baly III, American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $2,800. E. (9) $439.29.

A. Wayne B. Bardsley, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.

A. Thomas H. Barksdale, Jr., 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $2,440. E. (9) $552.50.

A. Roger H. Barnard, National Association of Federal Credit Unions, 1156 15th Street NW., Suite 329, Washington, D.C. 20005.
B. National Association of Federal Credit Unions, 1156 15th Street NW., Suite 329, Washington, D.C. 20005.
D. (6) $200. E. (9) $24.

A. Sydney S. Baron & Co., 540 Madison Avenue, New York, N.Y. 10022.
E. (9) $6,000.

A. James C. Barr, National Association of Federal Credit Unions, 1156 15th Street NW., Suite 329, Washington, D.C. 20005.
B. National Association of Federal Credit Unions, 1156 15th Street NW., Suite 329, Washington, D.C. 20005.
D. (6) $300. E. (9) $67.50.

A. Richard L. Barr, Iowa Railway Association, 620 Capitol City Bank Building, Des Moines, Iowa 50309.
B. Iowa Railway Association, 620 Capitol City Bank Building, Des Mones, Iowa 50309.

A. Robert W. Barrie, General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn. 06431.
D. (6) $3,500. E. (9) $500.

A. David S. Barrows, 214 Century Building, Portland, Oreg. 97205.
B. Association of Oregon and California Land Grant Counties, Douglas County Court House, Roseburg, Oreg. 97470.
D. (6) $1,200.

A. T. Michael Barry, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036
D. (6) $1,500. E. (9) $396.35.

A. James P. Bass, 1101 17th Street NW., Washington, D.C. 20036.
B. American Airlines, Inc., 1101 17th Street NW., Washington, D.C.
D. (6) $950. E. (9) $190.

A Kenneth C. Bass III, Reasoner, David & Vinson, 800 17th Street NW., Washington, D.C. 20006.
B. Alaska Federation of Natives, Inc., 550 West 8th Avenue, Anchorage, Alaska 99503.

A. Kenneth C. Bass III, Reasoner, Davis & Vinson, 800 17th Street NW., Washington, D.C. 20006.
B. Arctic Slope Regional Corp., P.O. Box 566, Barrow, Alaska 99723.

A. Robert E. Bates, Jr., 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,125.

A. William M. Bates, William M. Bates/Public Relations, Inc., 814 Carnegie Building, Atlanta, Ga. 30303.
B. Georgia Farm Bureau Federation, 814 Carnegie Building, Atlanta, Ga. 30303.
D. (6) $4,500. E. (9) $1,687.65.

A. Laurie C. Battle, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $2,325.

A. John F. Battles, Massachusetts Petroleum Council, 11 Beacon Street, Boston, Mass. 02108.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Batzell, Nunn & Bade, 1523 L Street NW., Washington, D.C. 20005.
B. Independent Terminal Operators Association, 1523 L Street NW., Washington, D.C. 20005.
D. (6) $1,376.50.

A. Batzell, Nunn & Bode, 1523 L Street NW., Washington, DC.. 20005.
B. Joc Oil, Inc., Olympic Tower, 645 Fifth Avenue, New York, N.Y. 10022.
D. (6) $2,336.25. E. (9) $1,451.89.

A. Batzell, Nunn & Bode, 1523 L Street NW., Washington, DC.. 20005.
B. Mount Airy Refining Co., 1 Allen Center, Suite 1000, Houston, Tex. 77002.
D. (6) $3,640.

A. Gary Lee Bauer, Direct Mail/Marketing Association, Inc., 1730 K Street NW., Suite 905, Washington, D.C. 20006.
B. Direct Mail/Marketing Association, Inc., 1730 K Street NW., Suite 905, Washington, D.C. 20006.
D. (6) $2,625. E. (9) $250.

A. Richard H. Bauer, 1025 Connecticut Avenue NW., No. 1014, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York.
E. (9) $983.01.

A. John N. Bauman, 312 Barr Building, 910 17th Street NW., Washington, D.C. 20006.
B. White Consolidated Industries, Inc., 11770 Berea Road, Cleveland, Ohio 44111.
D. (6) $5,000. E. (9) $1,198.36.

A. Bruce A. Beam, Appalachian Power Co., 40 Franklin Road SW., Roanoke, Va. 24011.
B. Appalachian Power Co., 40 Franklin Road SW., Roanoke, Va. 24011.
D. (6) $1,066.68. E. (9) $1,952.20.

A. John E. Bearer, 1001 Broad Street, Johnstown, Pa. 15907.
B. GPU Service Corp., 260 Cherry Hill Road, Parsippany, N.J. 07054.
D. (6) $2,159.88. E. (9) $2,072.57.

A. Donald S. Beattie, Railway Labor Executives' Association, 400 1st Street NW., Washington, D.C. 20001.
B. Railway Labor Executives' Association, 400 1st Street NW., Washington, D.C. 20001.
D. (6) $2,289.08.

A. Christine T. Beatty, 1730 Rhode Island Avenue NW., Suite 911, Washington, D.C. 20036.
B. St. Joe Minerals Corp., 250 Park Avenue, New York, N.Y. 10017.
D. (6) $1,970. E. (9) $18.64.

A. Allison Beck, 529 Cedar Street NW., Washington, D.C. 20012.
B. Energy Action Educational Foundation, 1523 L Street NW., Washington, D.C. 20005.
D. (6) $281.

A. Alexander B. Bell, 9618 Cottrell Terrace, Silver Spring, Md. 20903.
B. United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada, 901 Massachusetts Avenue NW., Washington, D.C. 20001.
D. (6) $3,750. E. (9) $183.02.

A. C. Thomas Bendorf, 1620 I Street NW., Washington, D.C. 20006.
B. The Association of Trial Lawyers of America, 1050 31st Street NW., Washington, D.C. 20007.
D. (6) $3,000. E. (9) $100.

A. C. Robert Benedict, 229 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. American Osteopathic Hospital Association, 930 Busse Highway, Park Ridge, Ill. 60068.
D. (6) $300. E. (9) $10.

A. Bruce Benefield, TRW Inc., 2030 M Street NW., No. 800, Washington, D.C. 20036.
B. TRW Inc., Suite 800, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $1,000.

A. Kenneth U. Benjamin, Jr., American Medical Association, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,887.50. E. (9) $632.

A. John C. Bennett, Pouch 7009, Anchorage, Alaska 99510.
B. El Paso LNG Co., P.O. Box 2185, Houston, Tex. 77001; and El Paso Alaska Co., Pouch 7009. Anchorage, Alaska 99510.
D. (6) $3,750.

A. Kathleen M. Bennett, Crown Zellerbach, 1660 L Street NW., Suite 915, Washington, D.C. 20036.
B. Crown Zellerbach, 1 Bush Street, San Francisco, Calif. 94119.
E. (9) 250.

A. William C. Bennett, Jr.; Atlantic Richfield Co., 1025 Connecticut Avenue NW., Washington, D.C.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $250. E. (9) $200.60.

A. Walter L. Benning, 14901 Ritchie Road, Centerville, Va. 22020.
B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $2,500. E. (9) $1,000.

A. Nancy C. Benson, 1625 I Street NW., Suite 401, Washington, D.C. 20006.
B. American Cyanamid Co., Wayne, N.J. 07470.
D. (6) $92. E. (9) $90.50.

A. Gene S. Bergoffen, American Bar Association, 1800 M Street NW., Washington, D.C. 20036.
B. American Bar Association, 1155 East 60th Street, Chicago, Ill. 60637.
D. (6) $400. E. (9) $50.

A. Berman & Associates, 1776 K Street NW., Washington, D.C. 20006.
B. Sydney S. Baron & Co., 540 Madison Avenue, New York, N.Y.
D. (6) $6,000.

A. Berman & Associates, 1776 K Street NW., Washington, D.C. 20006.
B. Dutcher Industries, 7617 Convoy Court, San Diego, Calif. 92111.
D. (6) $3,000.

A. Berman & Associates, 1776 K Street NW., Washington, D.C. 20006.
B. Loews Corp., 666 5th Avenue, New York, N.Y. 10019.
D. (6) $3,000.

A. Berman & Associates, 1776 K Street NW., Washington, D.C. 20006.
B. Rentar Industries, 160 Central Park South, New York, N.Y. 10019.
D. (6) $3,000.

A. Berman & Associates, 1776 K Street NW., Washington, D.C. 20006.
B. Warner Communications, Inc., 75 Rockefeller Plaza, New York, N.Y. 10019.
D. (6) $7,000.

A. Arthur S. Berner, Inexco Oil Co., Suite 1900, 1100 Milam Building, Houston, Tex. 77002.
B. Inexco Oil Co., 1100 Milam Building, Suite 1900, Houston, Tex. 77002.

A. Berry, Epstein, Sandstrom & Blatchford, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Centre National Interprofessional De L'Economie Laitiere (French Dairy Association), 10 Avenue de Messine, 75008 Paris, France.
D. (6) $900.

A. Berry, Epstein, Sandstrom & Blatchford, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. East-West Trade Council, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $1,200. E. (9) $29.50.

A. Berry, Epstein, Sandstrom & Blatchford, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Energy Consumers & Producers Association, Petroleum Plaza, Box 1726, Seminole, Okla. 74868.
D. (6) $1,600. E. (9) $32.

A. Berry, Epstein, Sandstrom & Blatchford, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Meat Products Group, American Importers Association, 420 Lexington Avenue, New York, N.Y. 10017.

A. Berry, Epstein, Sandstrom & Blatchford, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Pest Control Association, 8150 Leesburg Pike, Vienna, Va.
D. (6) $2,962.50. E. (9) $101.80.

A. Berry, Epstein, Sandstrom & Blatchford, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Orkin Exterminating Co., Inc., 2170 Piedmont Road NE., Atlanta, Ga. 30324.

A. Robert A. Best, 475 L'Enfant Plaza SW., Suite 4400, Washington, D.C. 20024.
B. American League for International Security Assistance, Inc. (ALISA), 475 L'Enfant Plaza SW., Suite 4400, Washington, D.C. 20024.
D. (6) $5,000. E. (9) $251.60.

A. Robert A. Best, 475 L'Infant Plaza SW., Washington, D.C. 20024.
B. TADCO Enterprises, Inc., 1625 Eye Street NW., Washington, D.C. 20006.
D. (6) $3,666.67. E. (9) $1,298.68.

A. Robert L. Bevan, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,600. E. (9) $1,286.

A. Beveridge, Fairbanks & Diamond, 1 Farragut Square South, Washington, D.C. 20006.
B. BlueRay Systems, Inc., 375 North Broadway, Jericho, N.Y. 11753.

A. Beveridge, Fairbanks & Diamond, 1 Farragut Square South, Washington, D.C. 20006.
B. New England Power Co., 20 Turnpike Road, Westborough, Mass. 01581.

A. Beveridge, Fairbanks & Diamond, 1 Farragut Square South, Washington, D.C. 20006.
B. The Society of Plastics Industry, Inc., 1150 17th Street NW., Suite 1000, Washington, D.C. 20036.

A. Beveridge, Fairbanks & Diamond, 1 Farragut Square South, Washington, D.C. 20006.
B. SoGen Swiss International Corp., 20 Broad Street, New York, N.Y. 10005.
D. (6) $945.

A. Beveridge, Fairbanks & Diamond, 1 Farragut Square South, Washington, D.C.
B. Union Seas, Inc., c/o The Corporation Trust Inc., 25 South Charles Street, Baltimore, Md. 21201.

A. Andrew J. Biemiller, AFL–CIO, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industries Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $11,323. E. (9) $259.80.

A. Bierbower & Rockefeller, 1625 K Street NW., Washington, D.C.
B. Planning Research Corp. (PRC), McLean, Va.

A. Walter J. Bierwagen, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Thomas E. Biery, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036
E. (9) $37.25.

A. Birch, Horton, Bittner & Monroe, 4400 Jenifer Street NW., Suite 300, Washington, D.C. 20015.
B. Columbia Gas System Service Corp., 20 Montchanin Road, Wilmington, Del. 19807.

A. Birch, Horton, Bittner & Monroe, 4400 Jenifer Street NW., Suite 300, Washington, D.C. 20015.
B. General Teamsters Local 959, State of Alaska, 1200 Airport Heights Road, Anchorage, Alaska 99504.

A. Birch, Horton, Bittner & Monroe, 4400 Jenifer Street NW., Suite 300, Washington, D.C. 20015.
B. Steering Council for Alaska Lands, Suite D, Nerland Building, Fairbanks, Alaska 99707.

A. Birch, Horton, Bittner & Monroe, 4400 Jenifer Street NW., Suite 300, Washington, D.C. 20015.
B. Westinghouse Electric Corp., 1801 K Street NW., Washington, D.C. 20008.

A. Tracy Bird, National Motorsports Committees of ACCUS, Suite 302, 1725 K Street NW., Washington, D.C. 20006.
B. National Motorsports Committee of ACUS, Suite 302, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $275.

A. John L. Birkinbine, Jr., 222 South Prospect Avenue, Suite 130, Park Ridge, Ill. 60068.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $225.

A. C. Thomason Bishop III, National Association of Manufacturers, 1719 Route 10, Parsippany, N.J. 07054.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $250.

A. H. Radford Bishop, Robert H. Kellen Co., 64 Perimeter Center East, Atlanta, Ga., 30346.
B. Robert H. Kellen, 64 Perimeter Center East, Atlanta, Ga. 30346; (for Calorie Control Council, 64 Perimeter Center East, Atlanta, Ga. 30346).
D. (6) $800.

A. Bison and Wenning, 1625 I Street NW., Washington, D.C.
B. National Food Brokers Association, 1916 M Street, NW., Washington, D.C.
D. (6) $500. E. (9) $7.50.

A. Robert B. Bizal, 1000 16th Street NW., Washington, D.C. 20035.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.
D. (6) $242.75. E. (9) $2.96

A. Neal R. Bjornson, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $2,000. E. (9) $62.38.

A. Tom G. Black, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
D. (6) $9.51. E. (9) $4.50.

A. Brent Blackwelder, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $2,799.99.

A. Donna C. Blair, Atlantic Richfield Co., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
E. (9) $175.

A. Richard W. Blake, 1776 K Street NW., No. 900, Washington, D.C. 20006.
B. American Sugarbeet Growers Association, 1776 K Street NW., No. 900, Washington, D.C. 20006.
D. (6) $1,250.

A. Helen Blank, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Parents Committee, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,500.

A. Richard W. Bliss, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Companies, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $1,159.62. E. (9) $97.90.

A. Jerald Blizin, Hill & Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.
B. Hill and Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.
D. (6) $600.

A. Mark Bloomfield, American Council for Capital Formation, 1425 K Street NW., Washington, D.C. 20005.
B. American Council for Capital Formation, 1425 K Street NW., Washington, D.C. 20005.
D. (6) $200.

A. Mark Andrew Bloomfield, 2475 Virginia Avenue NW., No. 108, Washington, D.C. 20037.
B. WEMA, 2600 El Camino Real, Palo Alto, Calif. 94306.
D. (6) $2,500. E. (9) $38.54.

A. Jack A. Blum, 1015 18th Street NW., No. 408, Washington, D.C. 20036.
B. Independent Gasoline Marketers Council, Inc., 1015 18th Street NW., No. 408, Washington, D.C. 20036.
D. (6) $10,000. E. (9) $1,396.38.

A. Blum, Parker & Nash, 1015 18th Street NW., No. 408, Washington, D.C. 20036.
B. Computer & Communications Industry Association, 1500 Wilson Boulevard, Suite 512, Arlington, Va. 22209.

A. Wayne F. Boan, National Association of Manufacturers, 8320 Gulf Freeway, Suite 243, Houston, Tex.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $1,300.

A. J. Caleb Boggs, 300 Market Tower, P.O. Box 1271, Wilmington, Del. 19899.
B. Hercules Inc., Wilmington, Del.
D. (6) $3,000. E. (9) $4.63.

A. Theodore D. Bogue, 2000 P Street NW., Suite 708, Washington, D.C. 20036.
B. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C. 20036.
D. (6) $200.

A. Patricia Boinski, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $75. E. (9) $25.

A. Robert J. Bolger, 1911 Jefferson Davis Highway, Arlington, Va. 22202.
B. National Association of Chain Drug Stores, 1911 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $1,650.

A. A. Dewey Bond, American Meat Institute, P.O. Box 3556, Washington, D.C. 20007.
B. American Meat Institute, P.O. Box 3556, Washington, D.C. 20007 (1600 Wilson Boulevard, Arlington, Va.)
D. (6) $500.

A. L. H. Bonin, Jr., 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., Pittsburgh, Pa. 15230.
D. (6) $2,400. E. (9) $500.

A. Sharon Lee Bonitt, Shell Oil Co., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Shell Oil Co., P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. Edward T. Borda, 1625 I Street NW., Washington, D.C. 20006.
B. Association of General Merchandise Chains, Inc., 1625 I Street NW., Washington, D.C. 20006.
D. (6) $5,000. E. (9) $1,015.

A. G. Stewart Boswell, American Textile Manufacturers Institute, Inc., Suite 1001, 1150 17th Street NW., Washington, D.C. 20036.
B. American Textile Manufacturers Institute, Suite 2124, South Tryon Street, Charlotte, N.C. 28285.
D. (6) $7,899.99. E. (9) $345.26.

A. Charles G. Botsford, 1730 M Street NW., Suite 609, Washington, D.C. 20036.

A. A. D. Bourland, 1660 L Street NW., Suite 804, Washington, D.C. 20036.

B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.
D. (6) $3,000. E. (9) $1,744.40.

A. Kenneth J. Bousquet, 2021 K Street NW., Suite No. 709, Washington, D.C. 20006.
B. General Atomic Co., San Diego, Calif.
D. (6) $1,600. E. (9) $365.

A. Frank J. Bowden, Jr., Associated Petroleum Industries of Pennsylvania, P.O. Box 925, Harrisburg, Pa. 17108.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Rodney A. Bower, International Federation of Professional & Technical Engineers, AFL–CIO, 1126 16th Street NW., Washington, D.C. 20036.
B. International Federation of Professional and Technical Engineers, AFL–CIO, 1126 16th Street NW., Washington, D.C. 20036.
D. (6) $625. E. (9) $100.

A. David W. Bowers, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
B. United States Independent Telephone Association, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
D. (6) $1,000.

A. J. Wiley Bowers, 415 Pioneer Building, Chattanooga, Tenn. 37402.
B. Tennessee Valley Public Power Association, 415 Pioneer Building, Chattanooga, Tenn. 37402.

A. Robert R. Bowers, West Virginia Petroleum Council, Suite 714 Atlas Building, Charleston, W. Va. 25301.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $820. (E) $480.

A. Edward L. Bowley, American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C. 20005.
B. American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C. 20005.
D. (6) $10,385.91. E. (9) $3,601.91.

A. John G. Boyd, 1801 K Street NW., Washington, D.C. 20006.
B. International Business Machines Corp., Old Orchard Road, Armonk, N.Y. 10504.
D. (6) $513.60. E. (9) $164.36.

A. Herbert W. Boyer, 306 Cape Court, Mill Valley, Calif. 94143.
B. Genentech, 475 Sansome Street, 15th floor, San Francisco, Calif 94111.
D. (6) $350. E. (9) $1,000.

A. Melvin J. Boyle, International Brotherhood of Electrical Workers, 1125 15th Street NW., Washington, D.C. 20005.
B. International Brotherhood of Electrical Workers, AFL–CIO–CLC, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $8,750.

A. William W. Brackett, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Alaskan Arctic Gas Pipeline Co., P.O. Box 979, Anchorage, Alaska 99510.

A. Robert E. Bradford, 1750 K Street NW., Washington, D.C. 20006.
B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $2,000.

A. Frank W. Bradley, Chevron U.S.A. Inc., 1700 K Street NW., Washington, D.C. 20006.
B. Chevron U.S.A., Inc. (subsidiary of Standard Oil Co. of California), 1700 K Street NW., Washington, D.C. 20006.
E. (9) $100.

A. Wayne W. Bradley, 535 North Dearborn Street, Chicago, Ill. 60610.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $500. E. (9) $250.

A. Charles G. Bragg, P.O. Box 12285, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $845.83. E. (9) $97.93.

A. David C. Branand, American Mining Congress, 1100 Ring Building, Washington, D.C.
B. American Mining Congress, 1100 Ring Building, Washington, D.C.
D. (6) $29.45. E. (9) $3.50.

A. Braun & Co., 1725 K Street NW., Washington, D.C. 20006.
B. Amfac, Inc., 700 Bishop Street, Honolulu, Hawaii.
D. (6) $6,500. E. (9) $180.63.

A. Braun & Co., 1725 K Street NW., Washington, D.C. 20006.
B. National Association of Theatre Owners of California, Inc., 120 North Robertson Boulevard, Los Angeles, Calif. 90048.
D. (6) $4,000. E. (9) $7.18.

A. Bregman, Abell, Solter & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.
B. The Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20036.
D. (6) $825. E. (9) $120.

A. Bregman, Abell, Solter & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.
B. Car and Truck Renting and Leasing Association, 1725 K Street NW., Suite 408, Washington, D.C. 20006.
D. (6) $400. E. (9) $125.

A. Bregman, Abell, Solter & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.
B. Trans World Airlines, Inc., 605 Third Avenue, New York, N.Y. 10016.

A. Bregman, Abell, Solter & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.
B. The Washington Psychiatric Society, 1700 18th Street NW., Washington, D.C. 20009.
E. (9) $75.

A. Jerome J. Breiter, 1800 K Street NW., Washington, D.C. 20006.
B. Hercules Inc., 910 Market Street, Wilmington, Del. 19899.
D. (6) $630. E. (9) $44.

A. Edward J. Brenner, 1911 Jefferson Davis Highway, Suite 301, Arlington, Va. 22202.
B. Association for the Advancement of Invention & Innovation, 1911 Jefferson Davis Highway, Suite 301, Arlington, Va. 22202.

A. Jeffrey Bricker, 460 Park Avenue, 7th floor, New York, N.Y. 10022.
B. Fallek Chemical Corp., 460 Park Avenue, New York, N.Y. 10022.
D. (6) $450. E. (9) $198.43.

A. Claude S. Brinegar, 461 South Boylston Street, Los Angeles, Calif. 90017.
B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90017.
D. (6) $525.

A. Wally Briscoe, National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $912.50.

A. Belva B. Brissett, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $1,406.25. E. (9) $346.20.

A. John B. Brock, Quintana Refinery Co., P.O. Box 3331, Houston, Tex. 77001.
B. Quintana Refinery Co., P.O. Box 3331, Houston, Tex. 77001.

A. David A. Brody, Anti-Defamation League of B'nai B'rith, 1640 Rhode Island Avenue NW., Washington, D.C. 20036.
B. Anti-Defamation League of B'nai B'rith, 315 Lexington Avenue, New York 10016.
D. (6) $950.

A. Michael D. Bromberg, 1101 17th Street NW., Suite 310, Washington, D.C. 20036.
B. Federation of American Hospitals, 1101 17th Street NW., Suite 310, Washington, D.C. 20036.
D. (6) $4,500.

A. Phillip W. Brooks, Volunteer State Oil Committee, 19th Floor, Third National Bank Building, Nashville, Tenn. 37219.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $55.

A. Charles B. Brown, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Aluminum and Chemical Corp., 900 17th Street NW., Washington, D.C. 20006.
D. (6) $640. E. (9) $39.45.

A. Charles T. Brown, Cities Service Co., Box 100, Miami, Ariz. 85539.
B. Cities Service Co., Box 100, Miami, Ariz. 85539.
E. (9) $40.75.

A. David S. J. Brown, 1101 17th Street NW., Suite 604, Washington, D.C. 20036.
B. Monsanto Co., 800 North Lindbergh Boulevard, St. Louis, Mo. 63166.
D. (6) $450. E. (9) $341.34.

A. Dennis E. Brown, 2 Militia Drive, Lexington, Mass. 02173.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $225.

A. Donald K. Brown, 1127 11th Street, Suite 618, Sacramento, Calif. 95814.
B. Hughes Air Corp., 3125 Clearview Way, San Mateo, Calif. 94403.

A. Donald K. Brown, 1127 11th Street, Suite 618, Sacramento, Calif. 95814.
B. Summa Corp., P.O. Box 14000, Las Vegas, Nev. 89156.

A. Howard C. Brown, Jr., 9618 Carriage Road, Kensington, Md.
B. Centar Associates, 369 Passaic Avenue, Fairfield, N.J. 07006.
D. (6) $1,000. E. (9) $190.

A. Howard C. Brown, Jr., 9618 Carriage Road, Kensington, Md.
B. National Association of Life Sciences, 9200 Leesburg Turnpike, Vienna, Va. 22180.
D. (6) $200.

A. J. D. Brown, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW.
D. (6) $250.

A. Karen H. Brown, 1750 K Street NW., Washington, D.C. 20006.
B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $500.

A. Michael F. Brown, American Frozen Food Institute, 919 18th Street NW., Washington, D.C. 20006.
B. American Frozen Food Institute, 919 18th Street NW., Washington, D.C. 20006.
D. (6) $200.

A. Nancy Brown, 5942 Joel Lane, La Mesa, Calif. 92041.
B. San Diego Committee for a Human Life Amendment, Inc., 623 Aldwych Road, Fletcher Hills, Calif. 92020.
D. (6) $3,672. E. (9) $450.

A. William E. Brown, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich.
D. (6) $1,404. E. (9) $413.86.

A. Stanley R. Browne, 1701 Pennsylvania Avenue NW., Suite 210, Washington, D.C. 20006.
B. E. I. du Pont de Nemours & Co., 1007 Market Street, Wilmington, Del. 19898.
D. (6) $410. E. (9) $7.50.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. California Savings & Loan League, 9800 South Sepulveda Boulevard, Los Angeles, Calif. 90045.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. C.A.U.S.I.I.T.A. (Committee for the Abolition of U.S. Individual Income Taxes Abroad), George E. Fischer Associates, 2152 duPont Drive, Irvine, Calif. 92715.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. Council of Housing Producers, 9255 Sunset Boulevard, 8th Floor, Los Angeles, Calif. 90069.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Fluor Corp., Suite 1209, L'Enfant Plaza SW., Washington, D.C. 20024.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Holiday Inns, Inc., 3742 Lamar Avenue, Memphis, Tenn. 38118.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. International Foodservice Manufacturers Association, 875 Michigan Avenue, Chicago, Ill. 60611.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. International Franchise Association, 7315 Wisconsin Avenue, Bethesda, Md. 20014.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Morgan Equipment Co., P.O. Box 7802, San Francisco, Calif. 94120.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mortgage Guaranty Insurance Corp., MGIC Plaza, Milwaukee, Wis. 53201.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Restaurant Association, Suite 2600, 1 IBM Plaza, Chicago, Ill. 60611.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. New York State Urban Development Corp., 1345 Avenue of the Americas, New York, N.Y. 10019.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. PruLease, Inc., 1255 Boylston Street, Boston, Mass. 02215.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Southern California Gas Co., 810 South Flower Street, Los Angeles, Calif. 90017.

A. John R. Bruch, P.O. Box 5000, Cleveland, Ohio 44101.
B. The Cleveland Electric Illuminating Co., P.O. Box 5000, Cleveland, Ohio 44101.
D. (6) $700. E. (9) $750.05.

A. Jacqueline Brunell, American Nurses' Association, 1030 15th Street NW., Suite 408, Washington, D.C. 20005.
B. American Nurses' Association, 2420 Pershing Road, Kansas City, Mo. 64108.
D. (6) $2,132.

A. Fred J. Bruner, Indiana & Michigan Electric Co., 2101 Spy Run Avenue, Fort Wayne, Ind. 46801.
B. Indiana & Michigan Electric Co., 2101 Spy Run Avenue, Fort Wayne, Ind. 46801.
D. (6) $2,104.96. E. (9) $2,607.18.

A. Paul A. Brunkow, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $1,300. E. (9) $3.50.

A. J. Charles Bruse, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.
B. Allstate Enterprises, Inc., Allstate Plaza, Northbrook, Ill. 60062.

A. J. Charles Bruse, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.
B. Allstate Insurance Cos., Allstate Plaza, Northbrook, Ill. 60062.

A. Philip N. Buckminster, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Chrysler Corp., 12000 Lynn Townsend Drive, Highland Park, Mich. 48288.
D. (6) $2,000. E. (9) $544.83.

A. Robert D. Buehler, 1800 K Street NW., Suite 929, Washington, D.C. 20006.
B. B. F. Goodrich Co., Akron, Ohio 44318.
D. (6) $400.

A. David A. Bunn, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
B. Magazine Publishers Association, 575 Lexington Avenue, New York, N.Y. 10022.
D. (6) $4,000. E. (9) $900.

A. David A. Bunn, Parcel Shippers Association, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
B. Parcel Shippers Association, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,000. E. (9) $700.

A. Norman D. Burch, 1775 K Street NW., Washington, D.C. 20006.
B. College of American Pathologists, 7400 North Skokie Boulevard, Skokie, Ill. 60076.
D. (6) $3,375. E. (9) $171.27.

A. David G. Burden, 200 East Randolph Drive, Chicago, Ill. 60601.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.
D. (6) $375. E (9) $371.55.

A. George J. Burger, Jr., National Federation of Independent Business, 150 West 20th Avenue, San Mateo, Calif. 94403.
B. National Federation of Independent Business, 150 West 20th Avenue, San Mateo, Calif. 94403.
D. (6) $1,000. E. (9) $700.

A. Thomas G. Burke, 1625 I Street NW., Washington, D.C. 20006.
B. Association of General Merchandise Chains, Inc., 1625 I Street NW., Washington, D.C. 20006.
D. (6) $3,000. E (9) $715.

A. Burley and Dark Leaf Tobacco Exporters Association, 1100 17th Street NW., Washington, D.C.
D. (6) $20,556.27. E. (9) $888.99.

A. Phillip C. Burnett, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $1,000. E. (9) $53.99.

A. George Burnham IV, United States Steel Corp., 818 Connecticut Avenue NW., Washington, D.C. 20006.
B. United States Steel Corp., 600 Grant Street, Pittsburgh, Pa. 15230.
D. (6) $91. E. (9) $74.

A. Charles S. Burns, Phelps Dodge Corp., 1620 I Street NW., Washington, D.C. 20006.
B. Phelps Dodge Corp., 300 Park Avenue New York, N.Y. 10022.
D. (6) $1,200. E. (9) $431.90.

A. Gerrie Bjornson Burns, 1800 K Street NW., Suite 929, Washington, D.C.
B. B. F. Goodrich Co., Akron, Ohio 44318.
D. (6) $100.

A. David Burpee, Fordhook Farms, Doylestown, Pa. 18901.

A. James L. Burridge, 13601 Glenhurst Road, Travilah, Md. 20760.
B. FMC Corp., 1625 I Street NW., Suite 520, Washington, D.C. 20006.
D. (6) $1,000. E. (9) $1,495.

A. B. Kent Burton, American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Association, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $388.13.

A. Burwell, Hansen & Manley, 1819 H Street NW., Suite 700, Washington, D.C. 20006.
B. Trans International Airlines, Inc., P.O. Box 2504, Airport Station, Oakland, Calif. 94614.
D. (6) $1,660. E. (9) $11.75.

A. Business Executives Move for New National Priorities, 901 N. Howard Street, Baltimore, Md. 21201.
D. (6) $829.33. E. (9) $879.67.

A. James J. Butera, 1709 New York Avenue NW., Washington, D.C. 20006.
B. National Association of Mutual Savings

Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $2,250. E. (9) $221.65.

A. Butler, Binion, Rice, Cook & Knapp, 818 Connecticut Avenue NW., Washington, D.C. 20006.
B. Inexco Oil Co., 1100 Milan Building, Suite 1900, Houston, Tex. 77002.
E. (9) $6.60.

A. John W. Byrnes, Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs (for American Family Mutual Insurance Co.), 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. John W. Byrnes, Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs (for Cabot Corp.), 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. John W. Byrnes, Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs (for Insurance Association of Connecticut), 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Cable, McDaniel, Bowie & Bond, 900 Blaustein Building, Baltimore, Md. 21201.
B. Crown Central Petroleum Corp., One North Charles Street, P.O. Box 1168, Baltimore, Md. 21203.

A. C. Richard Calkins, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. F. Patricia Callahan, 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $790. E. (9) $57.95.

A. Peter E. Callanan, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Honeywell Inc., Honeywell Plaza, Minneapolis, Minn. 55408.
D. (6) $800. E. (9) $175.

A. Calorie Control Council, 64 Perimeter Center East, Atlanta, Ga. 30346.
D. (6) $300,000. E. (9) $97,528.43.

A. Victoria R. Calvert, American Frozen Food Institute, 919 18th Street NW., Washington, D.C. 20006.
B. American Frozen Food Institute, 919 18th Street NW., Washington, D.C. 20006.
D. (6) $50.

A. Arthur E. Cameron, 918 16th Street, NW., Suite 406, Washington, D.C. 20006.
B. LFE Corp., 1601 Trapelo Road, Waltham, Mass. 02154; Eagle Signal Corp., 8004 Cameron Road, Austin, Tex. 78753; Safetran Systems Corp., 7721 National Turnpike, Louisville, Ky. 40214.
D. (6) $2,750.

A. Arthur E. Cameron, 918 16th Street, NW., Suite 406, Washington, D.C. 20006.
B. Prismo Universal Corp., et al., 300 Lanidex Plaza, Parsippany, N.J. 07054.
D. (6) $5,499.

A. C. R. Campbell, Jr., Suite 900, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. General Telephone & Electronics Corp., One Stamford Forum, Stamford, Conn. 06904.
D. (6) $500. E. (9) $400.

A. Carl C. Campbell, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis Tenn. 38112.
D. (6) $584.85.

A. Charles Argyll Campbell, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
E. (9) $294.80.

A. Can Manufacturers Institute, 1625 Massachusetts Avenue NW., Washington, D.C. 20036.
E. (9) $1,930.

A. David Caney, The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $4,625. E. (9) $473.

A. W. Dean Cannon, Jr., 9800 South Sepulveda Boulevard, Suite 500, Los Angeles, Calif. 90045.
B. California Savings & Loan League, 9800 South Sepulveda Boulevard, Suite 500, Los Angeles, Calif. 90045.
D. (6) $2,000.

A. David L. Cantor, 1140 Connecticut Avenue, NW., Room 1010, Washington, D.C. 20036.
B. National Association of Electric Companies, 1140 Connecticut Avenue NW., Room 1010, Washington, D.C. 20036.
D. (6) $452.49. E. (9) $115.35.

A. Marvin H. Caplan, Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
B. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $4,756.02. E. (9) $76.02.

A. Caplin & Drysdale, 1101 17th Street NW., Washington, D.C. 20036.
B. Council on Foundations, Inc., 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $3,078.87. E. (9) $149.49.

A. Caplin & Drysdale, 1101 17th Street NW., Washington, D.C. 20036.
B. Salomon Bros., One New York Plaza, New York, N.Y. 10004.
E. (9) $58.34.

A. Ronald A. Capone, Kirlin, Campbell & Keating, 1150 Connecticut Avenue NW., No. 800, Washington, D.C. 20036.
B. Council of European & Japanese National Shipowners' Association, 30/32 St. Mary Axe, London, EC3A 8ET, England.
D. (6) $7,000. E. (9) $1,429.68.

A. Norval E. Carey, 2021 K Street NW., Washington, D.C. 20006.
B. General Atomic Co., San Diego, Calif.
D. (6) $1,000. E. (9) $375.

A. Charles R. Carlisle, 1730 Rhode Island Avenue NW., Suite 911, Washington, D.C. 20036.
B. St. Joe Minerals Corp., 250 Park Avenue, New York, N.Y. 10017.
D. (6) $9,360. E. (9) $144.65.

A. Chapin Carpenter, Jr., Magazine Publishers Association, Inc., 1629 K Street NW., No. 603 Washington, D.C. 20006.
B. Magazine Publishers Association, 575 Lexington Avenue, New York, N.Y. 10022.
D. (6) $1,500. E. (9) 243.73.

A. Jack Carpenter, American Mining Congress, 1100 Ring Building, Washington, D.C.
B. American Mining Congress, 1100 Ring Building, Washington, D.C.
D. (6) $96.15 E. (9) $76.65.

A. John R. Carson, 20 Chevy Chase Circle, Washington, D.C. 20015.
B. American Podiatry Association, 20 Chevy Chase Circle, Washington, D.C. 20015.
D. (6) $8,000.

A. Charles S. Carter, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Electric Companies, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $240. E. (9) $31.43.

A. Joseph L. Carter, Jr., Association of American Railroads, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $399. E. (9) $66.

A. James P. Carty, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $350.

A. Ann M. Case, Phelps Dodge Corp., 1620 I Street NW., Washington, D.C. 20006.
B. Phelps Dodge Corp, 300 Park Avenue, New York, N.Y. 10022.
D. (6) $300. E. (9) $89.75.

A. John L. Casey, 345 Park Avenue, New York, N.Y. 10022.
B. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.Y. 10022.

A. John S. Casey, 207 Duke Drive, Heflin, Ala. 36264.
B. Alabama Railroad Association Montgomery, Ala. 36101.

A. Casey, Lane & Mittendorf, 815 Connecticut Avenue NW., Suite 802, Washington, D.C. 20006.
B. Columbia Gas Transmission Corp. et al, 20 Montchanin Road, Wilmington, Del. 19807.
D. (6) $351.25. E. (9) $608.69.

A. Casey, Lane & Mittendorf, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Gulf Interstate Co., P.O. Box 1916, Houston, Tex. 77001.

A. Casey, Lane & Mittendorf, 815 Connecticut Avenue NW., Suite 802, Washington, D.C. 20006.
B. Independent Gas Producers' Committee, 2601 Northwest Expressway, Oklahoma City, Okla.
D. (6) $366.25. E. (9) $2,176.45.

A. Casey, Lane & Mittendorf, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Kansas Delaware Tribe of Indians, Inc., 1909 Aladdin, Norman, Okla. 73609.
E. (9) $69.54.

A. Casey, Lane & Mittendorf, 815 Connecticut Avenue NW., Suite 802, Washington, D.C. 20006.
B. Slurry Transport Association, Legislative Committee, 490 L'Enfant Plaza East, Suite 320, Washington, D.C. 20024.
D. (6) $1,037.50. E. (9) $79.25.

A. Casey, Lane & Mittendorf, 815 Connecticut Avenue NW., Suite 802, Washington, D.C. 20006.
B. Texas Oil & Gas Corp., 2700 Fidelity Union Towers, Dallas, Tex. 75201.
E. (9) $7.50.

A. James B. Cash, Jr., American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $3,000. E. (9) $124.65.

A. Allen R. Caskie, American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. John J. Castellani, National Association of Manufacturers, 1776 F Street, Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $217.50. (9) $31.60.

A. Robert B. Catell, The Brooklyn Union Gas Co., 195 Montague Street, Brooklyn, N.Y. 11201.
B. The Brooklyn Union Gas Co., 195 Montague Street, Brooklyn, N.Y. 11201.
D. (6) $150. E. (9) $57.75.

A. Catholics for a Free Choice, 201 Massachusetts Avenue NE., No. 105, Washington, D.C. 20002.
D. (6) $871.23. E. (9) $4,796.74.

A. Philip T. Cavanaugh, Chevron U.S.A., Inc., 1700 K Street NW., Washington, D.C. 20006.
B. Chevron U.S.A., Inc. (a subsidiary of Standard Oil Co. of California), 1700 K Street NW., Washington, D.C. 20006.
D. (6) $300. E. (9) $180.

A. Frank R. Cawley, P.O. Box 2351, Falls Church, Va. 22042.
B. Agricultural Publishers Association, P.O. Box 2351, Falls Church, Va. 22042.
D. (6) $155.74. E. (9) $922.52.

A. Dorothy D. Cecelski, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,562.50. E. (9) $92.14.

A. Charles E. Chace, Nebraska Petroleum Council, 334 South 13th Street, P.O. Box 95063, Lincoln, Nebr. 68509.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $136.25. E. (9) $27.30.

A. Owen Chaffee, 203 Yoakum Parkway, No. 1012, Alexandria, Va. 22304.
B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $3,500. E. (9) $750.

A. J. M. Chambers & Co., Inc., 1050 17th Street NW., Suite 680, Washington, D.C. 20036.
B. Cordage Institute, 1050 17th Street NW., Suite 680, Washington, D.C. 20036.
D. (6) $1,364.38.

A. J. M. Chambers & Co., Inc., 1050 17th Street NW., Suite 680, Washington, D.C. 20036.
B. SATRA Corp., 1211 Avenue of the Americas, New York, N.Y. 10036.
D. (6) $1,500.

A. J. M. Chambers & Co., Inc., 1050 17th Street NW., Suite 680 Washington D.C. 20036.
B. Swaziland Sugar Association, P.O. Box 445, Mbabane, Swaziland.
D. (6) $10,000. E. (9) $1,916.45.

A. Jerry L. Chambers, 2322 Casswell Drive, Bethel Park, Pa. 15102.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Steven M. Champlin 49 Huntington Street, New Haven, Conn. 06511.
B. National Association of Concerned Veterans, Room 314, 1900 L Street NW., Washington, D.C. 20036; and Association of Northeastern Veterans Counseling Organizations, 84 Fifth Avenue, Room 1105 New York, N.Y. 10011.
D. (6) $1,539. E. (9) $1,374.

A. J. W. Chandler, York Division, Borg-Warner Corp., 1101 17th Street NW., Washington, D.C. 20036.
B. York Division, Borg-Warner Corp., South Richland Avenue York, Pa. 17405.
E. (9) $65.

A. William C. Chapman, 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich., 48202.
D. (6) $3,000. E. (9) $3,606.82.

A. John E. Chapoton, 2100 First City National Bank Building Houston, Tex. 77002.
B. Vinson & Elkins, 2100 First City National Bank Building, Houston, Tex. 77002 (for Domestic Wildcatters Association, 900 First City National Bank Building, Houston, Tex. 77002).
D. (6) $17,988. E. (9) $628.98.

A. John E. Chapoton, 2100 First City National Bank Building, Houston, Tex. 77002.
B. Vinson & Elkins 2100 First City National Bank Building, Houston, Tex. 77002 (for Lone Star Steel Co., P.O. Box 35888, Dallas, Tex. 75235).
D. (6) $10,070. E. (9) $1,451.09.

A. John E. Chapoton, 2100 First City National Bank Building, Houston, Tex. 77002.
B. Vinson & Elkins, 2100 First City National Bank Building, Houston Tex. 77002 (for Petroleum Equipment Suppliers Association, 1703 First City National Bank Building, Houston, Tex. 77002).
E. (9) $130.97.

A. Leslie Cheek, III, American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.
D. (6) $1,500. E. (9) $250.

A. Chemical Specialties Manfacturers Association, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $860.92. E. (9) $860.92.

A. Howard P. Chester, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Stone, Glass & Clay Coordinating Committee, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $6,870. E. (9) $525.87.

A. Chevron Employees of Contra Costa, P.O. Box M, Concord, Calif. 94524.
E. (9) $4.61.

A. Children's Rights, Inc., 3443 17th Street NW., Washington, D.C. 20010.
D. (6) $60.10. E. (9) $41.26.

A. Phillip R. Chisholm, National Oil Jobbers Council, 1707 H Street NW., 11th floor, Washington, D.C. 20006.
B. National Oil Jobbers Council, 1707 H Street NW., Washington, D.C. 20006.
D. (6) $5,000. E. (9) $150.

A. Hal M. Christensen, 1101 17th Street NW., Washington, D.C. 20036.
B. American Dental Association, 1101 17th Street NW., Washington, D.C. 20036.
D. (6) $6,000.

A. Chugach Electric Association, Inc., P.O. Box 3518, Anchorage, Alaska 99501.
E. (9) $8,947.90.

A. James Ciarroccki, 1025 Connecticut Avenue NW., No. 505, Washington, D.C. 20036.
B. Natural Gas Supply Committee, 1025 Connecticut Avenue NW., No. 505, Washington, D.C. 20036.
D. (6) $825. E. (9) $174.92.

A. Cigar Association of America, Inc., 1120 19th Street NW., Washington, D.C. 20036.
E. (9) $51.

A. Citizens Committee for the Right to Keep and Bear Arms, 1601 114th SE., No. 151, Bellevue, Wash. 98004.
D. (6) $154,036.94. E. (9) $10,150.89.

A. Carlton S. Clark, Baltimore Gas & Electric Co., 1100 Gas and Electric Building, P.O. Box 1475, Baltimore, Md. 21203.
B. Baltimore Gas & Electric Co., Gas and Electric Building, P.O. Box 1475, Baltimore, Md. 21203.
D. (6) $122.21. E. (9) $13.50.

A. Earl W. Clark, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. Labor-Management Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $2,025. E. (9) $33.37.

A. James W. Clark, Jr., American Optometric Association, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Wendell D. Waldie, 3111 Aloma, Wichita, Kans. 67211.
D. (6) $456.30. E. (9) $774.05.

A. Kimball Clark, Association of American Railroads, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $242.91. E. (9) $124.50.

A. Richard W. Clark, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $2,750.01.

A. Thomas R. Clark, General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
D. (6) $392.

A. Vernon A. Clark, 1660 L Street NW., Suite 215-216, Washington, D.C. 20036.
B. Outdoor Advertising Association of America, Inc., 1660 L Street NW., Suite 215-216, Washington, D.C. 20036.
D. (6) $550. E. (9) $289.

A. Donald M. Clarke, Manufacturing Chemists Association, 1825 Connecticut Avenue NW., Washington, D.C. 20009.
B. Manufacturing Chemists Association, 1825 Connecticut Avenue NW., Washington, D.C. 20009.
D. (6) $300. E. (9) $150.

A. Wade P. Clarke, Jr., Deere & Co., John Deere Road, Moline, Ill. 61265.
B. Deere & Co., John Deere Road, Moline, Ill. 61265.
D. (6) $300. E. (9) $215.

A. Jacob Clayman, 815 16th Street NW., Washington, D.C. 20006.
B. Industrial Union Department, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Synthetic Organic Chemical Manufac-

turers Association, 1075 Central Park Avenue, Scarsdale, N.Y. 10533.
D. (6) $500. E. (9) $2.26.

A. Walter S. Clement, P.O. Box 23652, L'Enfant Plaza Station, Washington, D.C. 20024.
B. Norfolk & Western Railway Co., 8 North Jefferson Street, Roanoke, Va. 24042.
D. (6) $170.

A. Earle C. Clements, 1176 K Street NW., Suite 1200, Washington, D.C. 20006.
B. The Tobacco Institute, Inc., 1776 K Street NW., Suite 1200, Washington, D.C. 20006.
D. (6) $90. E. (9) $90.

A. Ronald D. Clements, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Companies, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $357. E. (9) $43.33.

A. Clifford, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. American Electric Power Co., Inc., 2 Broadway, New York, N.Y. 10004.
D. (6) $1,500. E. (9) $498.75.

A. Clifford, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Avco Corp., 750 Third Avenue, New York, N.Y. 10017.
E. (9) $2.

A. Clifford, Glass, McIlwain & Finney, 815 Connecticut Avenue, Washington, D.C. 20006.
B. Joint Corporate Committee on Cuban Claims, c/o Lone Star Industries, Inc., P.O. Box 5050, Greenwich, Conn. 06830.
D. (6) $900. E. (9) $270.

A. Clifford, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. New York Cocoa Exchange, Inc. and New York Cocoa Clearing Association, Inc., 127 John Street, New York, N.Y.; New York Coffee and Sugar Exchange, Inc., 79 Pine Street, New York, N.Y.; Commodity Exchange Inc., 81 Broad Street, New York, N.Y.
D. (6) $3,750. E. (9) $842.05.

A. Clifford, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Warner-Lambert Co., 201 Tabor Road, Morris Plains, N.J. 07950.

A. Coalition of Automotive Associations, 1825 K Street NW., Suite 1103, Washington, D.C. 20006.

A. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.
E. (9) $3,834.

A. John J. Coffey, 2101 L Street NW., Suite 638, Washington, D.C. 20037.
B. Western Oil & Gas Association, 609 South Grand Avenue, Suite 910, Los Angeles, Calif. 90017.
D. (6) $825.

A. David Cohen, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $10,500. E. (9) $308.79.

A. Thomas W. Cohen, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,436.35.

A. Timothy A. Colcord, 1620 Eye Street NW., Washington, D.C. 20006.
B. VISA U.S.A. Inc., 555 California Street, San Francisco, Calif. 94126.
D. (6) $6,875. E. (9) $2,525.80.

A. Cole Corette & Bradfield, 1200 17th Street NW., Washington, D.C. 20036.
B. The Chase Manhattan Bank, 1200 17th Street NW., Washington, D.C. 20036.
D. (6) $3,884.75. E. (9) $145.19.

A. E. William Cole, 461 South Boylston Street, Los Angeles, Calif. 90017.
B. Union Oil Co. of California 461 South Boylston Street, Los Angeles, Calif. 90017.
E. (9) $600.

A. Eleanor Cole, UBA, Inc., 460 S., 1800 M Street NW., Washington, D.C. 20036.
B. UBA, Inc., 460 S., 1800 M Street NW., Washington, D.C. 20036.
D. (6) $1,000. E. (9) $1,000.

A. Ken W. Cole, Security Life Building, Denver, Colo. 80202.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.

A. R. Michael Cole, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $7,000.02. E. (9) $189.60.

A. Robert E. Cole, 1660 L Street NW., Washington, D.C.
B. General Motors Corp., 1660 L Street NW., Washington, D.C.
D. (6) $2,500. E. (9) $1,587.12.

A. Stacey W. Cole, New Hampshire Petroleum Council, 23 School Street, Concord, N.H. 03301.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Lynn R. Coleman, 1701 Pennsylvania Avenue NW., Suite 1120, Washington, D.C.
B. Vinson & Elkins, 1701 Pennsylvania Avenue, Suite 1120, Washington, D.C. (for Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001).
D. (6) $3,200. E. (9) $303.83.

A. Coles & Goertner, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Crown Central Petroleum Corp., 1 North Charles Street, Baltimore, Md. 21203.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Cardio Pulmonary Contractors Association, 1200 17th Street NW., Washington, D.C. 20036.
D. (6) $6,000.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. College of American Pathologists, 7400 North Skokie Boulevard, Skokie, Ill. 60076.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. National Pharmaceutical Alliance, P.O. Box 13547 St. Petersburg, Fla. 33733.
D. (6) $7,500.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs and Blow, 1200 17th Street NW., Washington, D.C. 20036 for American Guild of Authors & Composers).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for American Imported Automobile Dealers Association).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for American Maritime Association).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for American Society of Association Executives).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for Association of Trial Lawyers of America).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for Boating Industry Association).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for Business Roundtable).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. (for Chicago Board Options Exchange).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for Computer Sciences Corporation).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for Council of State Chambers of Commerce).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for Energy Advances).

A. William J. Colley, 1200 17th Street N.W., Washington D.C., 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. (for Machinery Dealers National Association).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for Marathon Oil).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs, & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for National Association of Engine & Boat Manufacturers).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow (for National Medical Care, Inc.), 1200 17th Street NW., Washington, D.C. 20036.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow (for Reading Co.), 1200 17th Street NW., Washington, D.C. 20036.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow (for Uncle Ben's Foods), 1200 17th Street NW., Washington, D.C. 20036.

A. Collier, Shannon, Rill, Edwards & Scott, Suite 308, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.
B. Ad Hoc Committee for a Fair Natural

Gas Policy, Suite 308, 1055 Thomas Jefferson Street NW.
D. (6) $1,200. E. (9) $189.

A. Collier, Shannon, Rill, Edwards & Scott, Suite 308, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.
B. American Cylinder Manufacturers Committee, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.
D. (6) $50.

A. Collier, Shannon, Rill, Edwards & Scott, Suite 308, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.
B. Bicycle Manufacturers Association of America, Inc., 1101 15th Street NW., Washington, D.C. 20005.
D. (6) $500. E (9) $100.

A. Collier, Shannon, Rill, Edwards & Scott, Suite 308, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.
B. Can Manufacturers Institute, 1625 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Collier, Shannon, Rill, Edwards & Scott, Suite 308, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.
B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Collier, Shannon, Rill, Edwards & Scott, Suite 308, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.
B. National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $450.

A. Collier, Shannon, Rill, Edwards & Scott, Suite 308, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.
B. Tool and Stainless Steel Industry Committee, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.
D. (6) $1,250. E. (9) $525.

A. Paul G. Collins, One Jackson Walkway, Providence, R.I. 02903.
B. New England Commercial Banking Caucus, One Jackson Walkway, Providence, R.I. 02903.

A. Robert B. Collyer, UBA, Inc., 1800 M Street, 460 South, Washington, D.C. 20036.
B. UBA, Inc., 1800 M Street, 460 South, Washington, D.C. 20036.
D. (6) $1,000. E. (9) $1,000.

A. Colorado Railroad Association, 420 Denver Club Building, Denver, Colo. 80202.
(9) $1,375.

A. Sharon Comay, Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.
E. (9) $189.66.

A. Committee for Do-It-Yourself Household Moving, 1100 17th Street NW., Suite 1000, Washington, D.C. 20036.

A. Committee for Public Advocacy, Suite 931, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $46.18. E. (9) $392.17.

A. Committee of Urban Program Universities, Suite 802, 11 Dupont Circle, Washington, D.C. 20036.
D. (6) $33,000. E. (9) $8,381.78.

A. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $1,225,397.17. E. (9) $353,432.32.

A. Lance Compa, United Electrical, Radio & Machine Workers of America, 917 15th Street NW., Washington, D.C. 20005.
B. United Electrical, Radio & Machine Workers of America, 11 East 51 Street, New York, N.Y. 10022.
D. (6) $3,276. E. (9) $450.

A. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $44,614.81. E. (9) $44,614.81.

A. Raymond F. Conkling, 1050 17th Street NW., Washington, D.C. 20036.
B. Texaco Inc., 135 East 42d Street, New York, N.Y. 10017.
D. (6) $100.

A. Connecticut Bankers Association, Suite 956, 100 Constitution Plaza, Hartford, Conn. 06103.

A. Robert J. Conner, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Chrysler Corp., 12000 Lynn Townsend Drive, Highland Park, Mich.
D. (6) $500. E. (9) $615.18.

A. Albert J. Conners, Air Force Sergeants Association, Inc., 1608 Pittsfield Lane, Bowie, Md. 20715.
B. Air Force Sergeants Association, 4235 28th Avenue, Marlow Heights, Md. 20031.

A. John J. Connolly, The American Waterways Operators, Inc., 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
B. The American Waterways Operators, Inc., 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
D. (6) $2,000.

A. Consolidated Natural Gas Service Co., Inc., Four Gateway Center, Pittsburgh, Pa.

A. Consolidated Office Building, Inc., 115 North Pennsylvania Street, Indianapolis, Ind. 46204.
E. (9) $1,098.48.

A. Contract Carrier Conference of American Trucking Associations, Inc., 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $750. E. (9) $2,264.39.

A. Charles F. Cook, American Mining Congress, 1100 Ring Building, Washington, D.C.
B. American Mining Congress, 1100 Ring Building, Washington, D.C.
D. (6) $280.26. E. (9) $20.

A. Cook & Franke, 660 East Mason Street, Milwaukee, Wis. 53202.
B. M & I Marshall & Ilsley Bank, 770 North Water Street, Milwaukee, Wis. 53202.

A. Frederick N. Cook, Vermont Petroleum Association, P.O. Box 566, Montpelier, Vt. 05602.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $2,100.

A. Cook & Henderson, 1776 K Street NW., 10th Floor, Washington, D.C. 20006.
B. El Paso Alaska Co., Pouch 7009, Anchorage, Alaska 99510.
D. (6) $4,600. E. (9) $4,600.

A. Cook & Henderson, 1776 K Street NW., 10th Floor, Washington, D.C. 20006.
B. Texas Gas Transmission Corp., 3800 Frederica Street, Owensboro, Ky. 42301.
D. (6) $3,100. E. (9) $3,100.

A. Cook & Henderson, 1776 K Street NW., 10th Floor, Washington, D.C. 20006.
B. The Tobacco Institute, 1776 K Street NW., Washington, D.C. 20006.
D. (6) $2,800. E. (9) $2,800.

A. Howard L. Cook, Jr., American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,575. E. (9) $350.

A. Eileen D. Cooke, American Library Association, Suite 101, Box 54, 110 Maryland Avenue NE., Washington, D.C. 20002.
B. American Library Association, 50 East Huron Street, Chicago, Ill. 60611.
D. (6) $827.

A. Benjamin Y. Cooper, Jr., 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
B. National Limestone Institute, Inc., Suite 501, 3251 Old Lee Highway, Fairfax, Va. 22030.
E. (9) $16.82.

A. Edward Cooper, 1600 I Street NW., Washington, D.C. 20006.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C. 20006.

A. Janet R. Cooper, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.

A. Jesse D. Cooper, North Dakota Petroleum Council, P.O. Box 1395, Bismarck, N. Dak. 58501.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $590.

A. Joshua W. Cooper, 626 South Lee Street, Alexandria, Va. 22314.
B. Portsmouth-Kittery Armed Services Committee, Inc., Box 1123, Portsmouth, N.H. 03801.
D. (6) $2,500. E. (9) $821.04.

A. Mitchell J. Cooper, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
B. Council of Forest Industries, 1055 West Hastings Street, Vancouver 1, Canada.
D. (6) $3,000.

A. Mitchell J. Cooper, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
B. Footwear Division, Rubber Manufacturers Association, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $10,500. E. (9) $31.60.

A. Cooperative League of the United States of America, 1828 L Street NW., Suite 1100, Washington, D.C. 20036.
D. (6) $4.000. E. (9) $841.50.

A. Darrell Coover, Suite 1001, 1625 I Street NW., Washington, D.C. 20006.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $2,000. E. (9) $292.

A. Corcoran, Youngman & Rowe, 1511 K Street NW., Suite 1100, Washington, D.C. 20515.
B. Underwriters Laboratories, 207 East Ohio Avenue, Chicago, Ill. 60611.
D. (6) $700. E. (9) $5.60.

A. Corcoran, Youngman & Rowe, 1511 K Street NW., Suite 1100, Washington, D.C. 20005.
B. Arthur Young and Co., 277 Park Avenue, 23d floor, New York, N.Y. 10017.
D. (6) $4,950.

A. Richard L. Corrigan, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $96.50.

A. Allan D. Cors, 1800 K Street NW., Suite 1104, Washington, D.C. 20006.
B. Corning Glass Works, Corning, N.Y. 14830.
D. (6) $400.

A. R. H. Cory, 1510 American Bank Tower, Austin, Tex. 78701.
B. Central and South West Services, Inc., 1510 American Bank Tower, Austin, Tex. 78701.
D. (6) $2,280. E. (9) $4,243.71.

A. John E. Cosgrove, Public Employee Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
B. Public Employee Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $8,964.54.

A. David Cosson, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
D. (6) $1,550.

A. Michael E. Costello, 1660 L Street NW., Suite 901, Washington, D.C. 20036.
B. Texas Eastern Transmission Corporation, P.O. Box 2521, Houston, Tex. 77001.
E. (9) $202.28.

A. Cotton Warehouse Association of America, 1707 L Street NW., Suite 540, Washington, D.C. 20036.
D. (6) $3,413.83. E. (9) $3,413.83.

A. Council For a Livable World, 100 Maryland Avenue NE., Washington, D.C. 20002.
D (6) $29,401.23. E. (9) $22,650.12.

A. Council for the Preservation of Worldwide Meetings, 1101 16th Street NW., third floor, Washington, D.C. 20036.

A. Council of State Chambers of Commerce, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $635. E. (9) $118.53.

A. Douglas Couttee, Active Ballot Club Department, Retail Clerks International Union, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
B. Retail Clerks International Union, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $9,128.14. E. (9) $952.37.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. American Society of Oral Surgeons, 211 East Chicago Avenue, Chicago, Ill. 60611.
D. (6) $8,250. E. (9) $498.85.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Business Men's Assurance Company of America, BMA Tower, One Penn Valley Park, Kansas City, Mo. 64141.
D. (6) $20,000.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Delmarva Poultry Industry, Inc., R.D. No. 2, Box 47, Georgetown, Del. 19947.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Hugo Neu, 45 Nassau Street, New York, N.Y. 10005; Hugo Neu & Sons, Inc., 45 Nassau Street, New York, N.Y. 10005.
E. (9) $33.35.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $21,750. E. (9) $34.91.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Irving Trust Co., One Wall Street, New York, N.Y. 10015.
E. (9) $78.58.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. National Committee for Limited Profit Housing, care of HHH Construction Corp., 515 Madison Avenue, New Rork, N.Y. 10022.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. National Federation of Independent Business, 921 Washington Building, Washington, D.C. 20005.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Perdue Inc., P.O. Box 1537, Salisbury, Md. 21801.
D. (6) $50,000.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Pyramid Ventures Group, Inc., P.O. Box 1671, Morgan City, La. 70381.
E. (9) $7.82.
A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. The Superior Oil Co., P.O. Box 1521, Houston, Tex. 77001.
E. (9) $95.63.

A. Eugene S. Cowen, 9024 Willow Valley Drive, Potomac, Md. 20854.
B. American Broadcasting Co., 1150 17th Street NW., Washington, D.C. 20036.
D. (6) $95.40.

A. Carol A. Cowgill, American Academy of Family Physicians, 475 L'Enfant Plaza West SW., Suite 2970, Washington, D.C. 20024.
B. American Academy of Family Physicians, 1740 West 92d Street, Kansas City, Mo. 64114.
D. (6) $574.98. E. (9) $72.46.

A. Cox, Langford & Brown, 21 Dupont Circle NW., Washington, D.C. 20036.
B. American Society of Anesthesiologists, 505 Busse Highway, Park Ridge, Ill. 60068.
D. (6) $1,800. E. (9) $350.

A. Cox, Langford & Brown, 21 Dupont Circle NW., Washington, D.C. 20036.
B. The National Collegiate Athletic Association, U.S. Highway 50 and Nall Avenue, P.O. Box 1906, Shawnee Mission, Kans. 66222.
E. (9) $5.

A. William J. Cox, 1707 L Street NW., Washington, D.C. 20036.
B. National Committee for a Human Life Amendment, Inc., 1707 L Street NW., Washington, D.C. 20036.
D. (6) $8,632.82. E. (9) $4,137.73.

A. William D. Crawford, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood Railway Carmen of the U.S. and Canada, 4929 Main Street, Kansas City, Mo. 64112.
D. (6) $1,470.

A. Richard E. Cristol, 64 Perimeter Center East, Atlanta, Ga. 30346.
B. Robert H. Kellen Co., 64 Perimeter Center East, Atlanta, Ga. 30346 (for Calorie Control Council).
D. (6) $400.

A. P. H. Croft, American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $1,102.50.

A. Donald A. Crosier, Nebraska Petroleum Council, 334 South 13th Street, P.O. Box 95063, Lincoln, Nebr. 68509.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Bobby E. Crow, P.O. Box 683, Houston, Tex. 77001.
B. Columbia Gulf Transmission Co., P.O. Box 683, Houston, Tex. 77001.
D. (6) $1,181.25. E. (9) $1,016.54.

A. Jack A. Crowder, American Textile Manufacturers Institute, Inc., Suite 1001, 1150 17th Street NW., Washington, D.C. 20036.
B. American Textile Manufacturers Institute, 400 South Tryon Street, Suite 2124, Charlotte, N.C. 28285.
D. (6) $2,000. E. (9) $72.45.

A. James M. Cubie, New Directions, 2021 L Street NW., No. 405, Washington, D.C. 20036.
B. New Directions, 2021 L Street NW., No. 405, Washington, D.C. 20036.
D. (6) $4,880.50.

A. Richard D. Cudahy, Suite 701, 1050 17th Street NW., Washington, D.C. 20036.
B. Central and South West Corp., P.O. Box 1631, Wilmington, Del. 19899.
D. (6) $1,000. E. (9) $15.

A. Frank Cummings, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Institute of Electrical & Electronics Engineers, Inc., 345 East 47th Street, New York, N.Y. 10022.
D. (6) $400.

A. Cummins Engine Co., Inc., 1000 Fifth Street, Columbus, Ind. 47201.
E. (9) $6,426.

A. Tom B. Cunningham, Sr., Rural Route 5, Darlington, S.C. 29532.
B. National Association of Farmer Elected Committeemen, c/o Tom B. Cunningham, Sr., Rural Route 5, Darlington, S.C. 29532.
E. (9) $102.12.

A. John T. Curran, Laborers' International Union of North America, AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.
B. Laborers' International Union of North America, AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.
D. (6) $10,977.27. E. (9) $3,430.66.

A. Thomas W. Curry, The El Paso Co., P.O. Box 2185, Houston, Tex. 77001.
B. The El Paso Co., P.O. Box 2185, Houston, Tex. 77001.
D. (6) $14,287. E. (9) $9,336.38.

A. Curtis, Mallet-Prevost, Colt & Mosle, 100 Wall Street, New York, N.Y. 10005.
B. U.S. Trust Co. of New York, 45 Wall Street, New York, N.Y. 10005.
D. (6) $6,390. E. (9) $914.84.

A. Everett E. Cutter, 620 SW. Fifth Avenue Building, Suite 912, Portland, Oreg. 97204.
B. Oregon Railroad Association, 620 SW. Fifth Avenue Building, Suite 912, Portland, Oreg. 97204.

A. Cystic Fibrosis Foundation, 3379 Peachtree Road NE., Atlanta, Ga. 30326.
E. (9) $18,975.45.

A. William K. Dabaghi, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,190. E. (9) $185.

A. William Kay Daines, American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $900. E. (9) $146.

A. Dairymen, Inc., 604 Portland Building, 200 West Broadway, Louisville, Ky. 40202.
E. (9) $281.20.

A. Thomas A. Daly, National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.

A. Tracy Danese, P.O. Box 013100, Miami, Fla. 33101.
B. Florida Power & Light Co., P.O. Box 013100, Miami, Fla. 33101.
D. (6) $1,203.99. E. (9) $288.39.

A. David S. Danielson, American Optometric Association, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, % Wendell D. Waldie, 3111 Aloma, Wichita, Kans. 67211.
D. (6) $109.06. E. (9) $199.20.

A. Joan E. Dannenbaum, 1707 L Street NW., Suite 515, Washington, D.C. 20036.
B. Association of Media Producers, 1707 L Street NW., Suite 515, Washington, D.C. 20036.
D. (6) $4,000. E. (9) $250.

A. Philip J. Daughtery, Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
B. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $4,641.55. E. (9) $46.05.

A. Daniel Davidson, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. Northern California Power Agency (cities of Alameda, Biggs, Gridley, Healdsburg, Lodi, Lompoc, Palo Alto, Redding, Roseville, Santa Clara, Ukiah, and Associate Member Plumas-Sierra Rural Electric Cooperative).

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. The First National Bank of Chicago, One First National Plaza, Chicago, Ill. 60670.

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Inland Steel Co., 30 West Monroe Street, Chicago, Ill. 60603.
D. (6) $350. E. (9) $22.03.

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $1,300. E. (9) $32.93.

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Northwest Industries, Inc., 6300 Sears Tower, Chicago, Ill. 60606.
D. (6) $100. E. (9) $22.03.

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Peoples Gas Co., 122 South Michigan Avenue, Chicago, Ill. 60603.
D. (6) $3,770. E. (9) $22.03.

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
E. (9) $20.

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Trans Union Corp., 90 Half Day Road, Lincolnshire, Ill. 60015.
D. (6) $100. E. (9) $22.03.

A. David R. Davis, Indiana Petroleum Council, 714 Harrison Building, Indianapolis, Ind. 46204.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $493.89. E. (9) $303.33.

A. Dennis N. Davis, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.

A. Edward M. Davis, 1750 K Street NW., Suite 300, Washington, D.C.
B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
D. (6) $3,795. E. (9) $64.28.

A. George R. Davis, Amalgamated Transit Union, Local Division 689, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. Amalgamated Transit Union, National Capital Local Division 689, 100 Indiana Avenue NW., No. 403, Washington, D.C. 20001.

A. Ovid R. Davis, The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.
B. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.
D. (6) $290. E. (9) $620.

A. R. Hilton Davis, Chamber of Commerce of U.S.A., 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the U.S.A., 1615 H Street NW., Washington, D.C. 20062.

A. Robert W. Davis, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich.
D. (6) $386. E. (9) $440.

A. Thomas A. Davis, 1776 F Street NW., Washington, D.C. 20006.
B. American Horse Council, Inc., 1700 K Street NW., Washington, D.C. 20006.
D. (6) $2,083.25. E. (9) $14.68.

A. Thomas A. Davis, 1776 F Street NW., Washington, D.C. 20006.
B. Eugene C. Cashman, 141 West Jackson Boulevard, Chicago, Ill. 60604.
E. (9) $3.28.

A. Thomas A. Davis, 1776 F Street NW., Washington, D.C. 20006.
B. Chicago Board of Trade, LaSalle at Jackson, Chicago, Ill. 60604.
D. (6) $2,500. E. (9) $84.86.

A. Thomas A. Davis, 1776 F Street NW., Washington, D.C. 20006.
B. Florida Power & Light Co., P.O. Box 013100, Miami, Fla. 33101.
D. (6) $1,633.43. E. (9) $86.43.

A. Thomas A. Davis, 1776 F Street NW., Washington, D.C. 20006.
B. National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80201.
E. (9) $4.77.

A. Thomas A. Davis, 1776 F Street NW., Washington, D.C. 20006.
B. National Corporation for Housing Partnerships, 1133 15th Street NW., Washington, D.C. 20005.
D. (6) $150. (9) $24.54.

A. Walter L. Davis, Retail Clerks International Union, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
B. Retail Clerks International Association, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $750.

A. William Lee Davis, 299 Park Avenue, New York, N.Y. 10017.
B. Westvaco Corp., 299 Park Avenue, New York, N.Y. 10017.
D. (6) $93.75. E. (9) $49.

A. Charles W. Day, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich. 48121.
D. (6) $835.20. E. (9) $366.53.

A. J. Edward Day, 21 Dupont Circle NW., Washington, D.C. 20036.
B. Associated Third Class Mail Users, 1725 K Street NW., Washington, D.C. 20006.

A. J. Edward Day, 21 Dupont Circle NW., Washington, D.C. 20036.
B. Electronic Industries Association, Consumer Electronics Group, 2001 I Street NW., Washington, D.C. 20006.

A. Dealer Bank Association, 1800 K Street NW., Washington, D.C. 20006.
E. (9) $1,280.

A. Maryann M. Dean, 444 North Capitol Street NW., Washington, D.C. 20001.
B. Associated Builders & Contractors, Inc., 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.
D. (6) $50.

A. Sue Ellen Dean, Coastal States Gas Corp., 1015 18th Street NW., Suite 610, Washington, D.C. 20036.
B. Coastal States Gas Corp., Five Greenway Plaza East, Houston, Tex. 77046.

A. John Russell Deane III, 1825 K Street NW., Suite 1103, Washington, D.C. 20006.
B. Coalition of Automotive Associations, 1825 K Street NW., Suite 1103, Washington, D.C. 20006.

A. John Russell Deane III, 1825 K Street NW., Suite 1103, Washington, D.C. 20006.
B. Specialty Equipment Manufacturers Association, 11001 East Valley Mall, Suite 204, El Monte, Calif. 91734.
D. (6) $650.

A. Gaston de Bearn, Hoffmann-La Roche Inc., 1775 K Street NW., Suite 300, Washington, D.C. 20006.
B. Hoffman-La Roche Inc., 340 Kingsland Street, Nutley, N.J. 07110.

A. Debevoise & Liberman, Suite 700, 806 15th Street NW., Washington, D.C. 20005.
B. Aetna Life & Casualty, 151 Farmington Avenue, Hartford, Conn. 06156.
D. (6) $3,000.

A. Tony T. Dechant, The Farmers' Educational & Co-Operative Union of America, Denver, Colo. 80251.
B. The Farmers' Educational & Co-Operative Union of America, Denver, Colo. 80251; 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $5,000. E. (9) $56.

A. Winston M. Decker, 1522 K Street NW., No. 828, Washington, D.C. 20005.
B. American Veterinary Medical Association, 1522 K Street NW., No. 828, Washington, D.C. 20005.
D. (6) $140.

A. W. M. Decker, Association of American Veterinary Medical Colleges, 1522 K Street NW., No. 828, Washington, D.C. 20005.

B. Association of American Veterinary Medical Colleges, 1522 K Street NW., No. 828, Washington, D.C. 20005.
D. (6) $200.

A. Catharine B. Deely, 1730 M Street NW., Washington, D.C. 20036.
B. The League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $533.

A. DeHart & Broide, Inc., 1505 22d Street NW., Washington, D.C. 20037.
B. Council on Foundations, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $240. E. (9) $26.35.

A. DeHart & Broide, Inc., 1505 22d Street NW., Washington, D.C. 20037.
B. Kansas City Southern Industries, Inc., 114 West 11th Street, Kansas City, Mo. 64105.
D. (6) $980. E. (9) $5.80.

A. DeHart & Broide, 1505 22d Street NW., Washington, D.C. 20037.
B. Recording Industry Association of America, Inc., One East 57th Street, New York, N.Y. 10022.
D. (6) $160.

A. John L. Delano, Box 1172, Helena, Mont. 59601.
B. Montana Railroad Association, Box 1172, Helena, Mont. 59601.
E. (9) $558.64.

A. Garry J. DeLoss, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $2,714.29.

A. Ray Denison, AFL–CIO, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $9,535.50. E. (9) $271.74.

A. John H. Denman, Missouri Oil Council, 208 Madison Street, Jefferson City, Mo. 65101.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $525.

A. Daniel B. Denning, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $600. E. (9) $200.

A. William J. Dennis, Jr., National Federation of Independent Business, 490 L'Enfant Plaza East S.W., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaza SW., Suite 3206, Washington, D.C. 20024.
D. (6) $2,250. E. (9) $250.

A. Wells Denyes, Eastman Chemical Products, Inc., 500 12th Street SW., Washington, D.C. 20024.
B. Eastman Chemical Products, Inc., P.O. Box 431, Kingsport, Tenn. 37662.
D. (6) $150. E. (9) $58.

A. Desautels Associates, Inc., 1725 K Street NW., Suite 811, Washington, D.C. 20036.
B. Flavor & Extract Manufacturers Association of the United States, 900 17th Street NW., Washington, D.C. 20006.
D. (6) $300.

A. Desautels Associates, Inc., Suite 811, 1725 K Street NW., Washington, D.C. 20006.
B. Merrill Lynch, Pierce, Fenner & Smith, Inc., One Liberty Plaza, New York, N.Y. 10006.
D. (6) $500.

A. Desautels Associates, Inc., 1725 K Street NW., Suite 811, Washington, D.C. 20006.
B. Xerox Corp., Stamford, Conn. 06904.
D. (6) $500.

A. Gerard F. Devlin, 15518 Annapolis Road, Bowie, Md. 20715.
B. Howard Gould, 2013 Carew Tower, Cincinnati, Ohio 45202.

A. R. Daniel Devlin, Trans World Airlines, Inc., 1000 16th Street NW., Washington, D.C. 20036.
B. Trans World Airlines, Inc., 605 Third Avenue, New York, N.Y. 10016.
D. (6) $285.

A. Ralph B. Dewey, Pacific Gas & Electric Co., 1050 17th Street NW., No. 1180, Washington, D.C. 20036.
B. Pacific Gas & Electric Co., 77 Beale Street, San Francisco, Calif. 94106.
D. (6) $5,995. E. (9) $3,877.52.

A. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. Airbus Industrie, Avenue Lucian Servanty, 31700 Blagnac (Toulouse) France.
D. (6) $22,053.26. E. (9) $21,921.99.

A. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. Krauss-Maffei AG, Krauss-Maffei-Strasse 2, 8000 Muenchen 50 (Allach), Federal Republic of Germany.

A. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. Societe Nationale Industrielle Aerospatiale, 37, Boulevard de Montmorency, 75016 Paris, France.
D. (6) $14,349.65. E. (9) $14,349.65.

A. Charles J. DiBona, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. John M. Dickerman, John M. Dickerman & Associates, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Lumber & Building Material Dealers Association, 1990 M Street NW., Suite 350, Washington, D.C. 20036.
D. (6) $5,418.99. E. (9) $144.20.

A. William P. Diener, 620 Pine Tree Road, Winter Park, Fla. 32789.
B. Florida Gas Transmission Co., P.O. Box 44, Winter Park, Fla. 32790.

A. John R. Dierker, 1150 17th Street NW., Washington, D.C. 20036.
B. McDonnell Douglas Corp., P.O. Box 516, St. Louis, Mo. 63166.
D. (6) $300. E. (9) $130.80.

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n A. Michael F. Dineen, Lumbermens Mutual Casualty Co., Suite 206, 600 Pennsylvania Avenue SE., Washington, D.C. 20003
B. Lumbermens Mutual Casualty Co., Long Grove, Ill. 60049.
D. (6) $1,800.

A. Direct Selling Association, 1730 M Street NW., Washington, D.C. 20036.
E. (9) $5,810.58.

A. Harley M. Dirks, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,887.50. E. (9) $386.

A. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky. 41076.
D. (6) $40,979.63. E. (9) $40,979.63.

A. Disabled Officers Association, 1612 K Street NW., Suite No. 310, Washington, D.C. 20006.
E. (9) $1,510.

A. Dennis C. Dix, 1725 K Street NW., Suite 903, Washington, D.C. 20006.
B. Outdoor Power Equipment Institute, Inc., 1725 K Street NW., Suite 903, Washington, D.C. 20006.

A. Norman L. Dobyns, Cutler-Hammer, Inc., 1660 L Street NW., Suite 912, Washington, D.C. 20036.
B. Cutler-Hammer, Inc., 4201 North 27th Street, Milwaukee, Wis. 53216.
E. (9) $375.

A. John D. Doherty, Jr., 900 17th Street NW., Washington, D.C. 20006.
B. The Chase Manhattan Bank, National Association, One Chase Manhattan Plaza, New York, N.Y. 10015.
D. (6) $155. E. (9) $36.03.

A. Robert C. Dolan, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Companies, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $375. E. (9) $33.96.

A. Hollis M. Dole, Atlantic Richfield Co., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $150. E. (9) $150.

A. Domestic Wildcatters Association, 900 First City National Bank Building, Houston, Tex. 77002.
D. (6) $3,000. E. (9) $68,982.33.

A. Leo J. Donahue, 230 Southern Building, Washington, D.C. 20005.
B. American Association of Nurserymen, 230 Southern Building, Washington, D.C. 20005.

A. Richard M. Donaldson, 1700 Guildhall Building, Cleveland, Ohio 44115.
B. The Standard Oil Co. (Ohio), Guildhall Building, Cleveland, Ohio 44115.

A. Francis X. Dooley, 525 School Street SW., Washington, D.C. 20024.
B. American Road & Transportation Builders Association, 525 School Street SW., Washington, D.C. 20024.
D. (6) $2,000. E. (9) $41.25.

A. James A. Dorsch, 1750 K Street NW., Washington, D.C.
B. Health Insurance Association of America, Inc., 1750 K Street NW., Washington, D.C.; 919 Third Avenue, New York, N.Y.; 332 S. Michigan Avenue, Chicago, Ill.
D. (6) $326.56. E. (9) $68.06.

A. H. Eugene Douglas, Memorex Corp., 1970 Chain Bridge Road, McLean, Va. 22101.
B. Memorex Corp., San Tomas at Central Expressway, Santa Clara, Calif. 95052.
D. (6) $8,124. E. (9) $195.

A. Sally L. Douglas, National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
D. (6) $400.

A. Dow, Lochnes & Albertson, 1225 Connecticut Avenue NW., Washington, D.C. 20036.

B. Univest Corp., 777 East Wisconsin Avenue, Milwaukee, Wis. 53202.
D. (6) $840. E. (9) $340.50.

A. Richard Morgan Downey, 2030 M Street, Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,562.53.

A. John C. Doyle, Jr., 317 Pennyslvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $1,500.

A. Robert H. Doyle, 1120 Connecticut Avenue NW., No. 310, Washington, D.C. 20036.
B. Water Quality Association, 477 East Butterfield Road, Lombard, Ill. 60148.
D. (6) $500.

A. Nancy Drabble, 133 C Street S.E., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $2,000.

A. James E. Drake, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,984.85. E. (9) $450.

A. Andrew Drance, Room 511, 2425 Wilson Boulevard, Arlington, Va. 22201.
B. Media General, Inc., 333 East Grace Street, Richmond, Va. 23219.
D. (6) $174.99. E. (9) $34.55.

A. Franklin B. Dryden, 1776 K Street NW., Washington, D.C. 20006.
B. The Tobacco Institute, 1776 K Street NW., Washington, D.C. 20006.
D. (6) $200. E. (9) $300.

A. Lawrence M. Dubin, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Peoples Gas Co., 122 South Michigan Avenue, Chicago, Ill. 60603.
D. (6) $3,770. E. (9) $22.03.

A. Evelyn Dubrow, International Ladies' Garment Workers' Union, 1710 Broadway, New York, N.Y. 10019.
B. International Ladies' Garment Workers' Union, 1710 Broadway, New York, N.Y. 10019.
D. (6) $5,904.60. E. (9) $3,840.25.

A. William DuChessi, 815 16th Street NW., Washington, D.C. 20006.
B. Amalgamated Clothing & Textile Workers Union, 99 University Place, New York, N.Y. 10003.
D. (6) $4,404.79. E. (9) $100.

A. C. Ann Anderson Duff, NL Industries, Inc., 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. NL Industries, Inc., 1230 Avenue of the Americas, New York, N.Y. 10020.
D. (6) $1,000.

A. Michael J. Duff, National Paint & Coatings Association, Inc., 1500 Rhode Island Avenue NW., Washington, D.C. 20005.
B. National Paint & Coatings Association, Inc., 1500 Rhode Island Avenue NW., Washington, D.C. 20005.
D. (6) $500.

A. William E. Duke, Atlantic Richfield Co., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, California 90071.
D. (6) $600. E. (9) $400.

A. Duncan, Brown, Weinberg & Palmer, 1775 Pennsylvania Avenue NW., Washington, D.C.
B. East Bay Regional Park District, 11500 Skyline Boulevard, Oakland, Calif. 94169.

A. Douglas G. Dunn, Northern Natural Gas Co., 1133 15th St. NW., Room 503, Washington, D.C. 20005.
B. Northern Natural Gas Co., 2223 Dodge Street, Omaha, Nebr. 68102.
D. (6) $1,500.

A. Mari Lee Dunn, American Council for Capital Formation, 1425 K Street NW., Washington, D.C. 20005.
B. American Council for Capital Formation, 1425 K Street NW., Washington, D.C. 20005.
D. (6) $400.

A. John H. Dunne, International Federation of Professional & Technical Engineers, AFL–CIO, 1126 16th Street NW., Washington, D.C. 20036.
B. International Federation of Professional & Technical Engineers, AFL–CIO, 1126 16th Street NW., Washington, D.C. 20036.
D. (6) $600. E. (9) $100.

A. David F. Dunning, Robert H. Kellen Co., 64 Perimeter Center East, Atlanta, Ga. 30346.
B. Robert H. Kellen Co., 64 Perimeter Center East, Atlanta, Ga. 30346 for: Calorie Control Council, 64 Perimeter Center East, Atlanta, Ga. 30346.
D. (6) $5,000.

A. James A. Dupree, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich.
D. (6) $2,997. E. (9) $1,208.

A. J. D. Durand, Association of Oil Pipe Lines, 1725 K Street NW., Washington, D.C. 20006.
B. Association of Oil Pipe Lines, 1725 K Street NW., Washington, D.C. 20006.
E. (9) $655.

A. Dutcher Industries, 7617 Convoy Court, San Diego, Calif. 92111.
E. (9) $3,000.

A. L. L. Duxbury, Burlington Northern Inc., Suite 506, 2000 L Street NW., Washington, D.C. 20036.
B. Burlington Northern Inc., 176 East Fifth Street, St. Paul, Minn. 55101.
D. (6) $1,900. E. (9) $1,255.67.

A. Henry I. Dworshak, American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. Roderick T. Dwyer, 1725 K Street NW., Suite 903, Washington, D.C. 20006.
B. Outdoor Power Equipment Institute, 1725 K Street NW., Suite 903, Washington, D.C. 20006.

A. Jean F. Dye, 12700 Lake Avenue, Lakewood, Ohio 44107.
B. National Congress of Parents & Teachers, 700 North Rush Street, Chicago, Ill. 60611.
E. (9) $608.87.

A. Jack D. Early, The Madison Building, Suite 514, 1155 15th Street NW., Washington, D.C. 20005.
B. National Agricultural Chemicals Association, The Madison Building, Suite 514, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $75. E. (9) $23.

A. Roy W. Easley, Asociation of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.
B. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.

A. East-West Trade Council, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $2,750. E. (9) $1,800.

A. George H. Eatman, American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $2,800. E. (9) $51.20.

A. Robert E. Ebel, ENSERCH Corp., 1025 Connecticut Avenue NW., Suite 1206, Washington, D.C. 20036.
B. ENSERCH Corp., 301 South Harwood, Dallas, Tex. 75201.
D. (6) $1,450. E. (9) $1,030.

A. N. Boyd Ecker, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,500. E. (9) $54.85.

A. Jack Eckerd Corp., P.O. Box 4689, Clearwater, Fla. 33518.
E. (9) $250.

A. Daniel J. Edelman, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Seat Belt Council, 271 North Avenue, New Rochelle, N.Y. 10801.
D. (6) $21,000. E. (9) $2,859.41.

A. Daniel J. Edelman, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. EMI Medical, Inc., 3605 Woodhead Drive, Northbrook, Ill. 60062.
D. (6) $500. E. (9) $1,241.75.

A. Daniel J. Edelman, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Suite 511, Arlington, Va. 22202.
D. (6) $1,250.

A. Daniel J. Edelman, Inc., 1730 Pennsylvania Avenue NW., Suite 460, Washington, D.C. 20006.
B. National Insulation Contractors Association, 1120 19th Street NW., Suite 405, Washington, D.C. 20036.
D. (6) $500.

A. Daniel J. Edelman, Inc., 1730 Pennsylvania Avenue NW., Suite 460, Washington, D.C. 20006.
B. National Utility Contractors Association, 815 15th Street NW., Suite 838, Washington, D.C. 20005.
D. (6) $500. E. (9) $13.50.

A. Daniel J. Edelman, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Optical Manufacturers Association, 1901 North Fort Myer Drive, Suite 1104, Arlington, Va. 22209.
D. (6) $750.

A. Edelman International Corp., 1730 Pennsylvania Avenue NW., Suite 460, Washington, D.C. 20006.
B. Aerospatiale, c/o DGA International, 1225 19th Street NW., Washington, D.C. 20036.
D. (6) $10,850. E. (9) $1,849.09.

A. Edelman International Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Air Bus Industrie, Avenue Lucien Servanty, 31700 Blagnac (Toulouse), France.
D. (6) $19,080. E. (9) $1,752.33.

A. Edelman International Corp., 1730 Pennsylvania Avenue NW., Suite 460, Washington, D.C. 20006.
B. Republic of Turkey/Embassy of Turkey, 1606 23d Street NW., Washington, D.C. 20008.
D. (6) $24,300. E. (9) $7,304.33.

A. William R. Edgar, 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.
B. General Aviation Manufacturers Association, 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.
D. (6) $1,846.25.

A. Arthur B. Edgeworth, Jr., U.S. League of Savings Associations, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. U.S. League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $2,812.50.

A. Ed Edmondson, 444 Court Street, Muskogee, Okla. 74401.
B. Alaskan Arctic Gas Pipeline Co., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $1,525. E. (9) $897.10.

A. Ed Edmondson, 444 Court Street, Muskogee, Okla. 74401.
B. American Inland Waterways Committee, 7733 Forsyth Boulevard, Suite 2201, St. Louis, Mo. 63105.
D. (6) $6,125. E. (9) $1,933.34.

A. Ed Edmondson, 444 Court Street, Muskogee, Okla. 74401.
B. U.S. Maritime Committee, 600 New Hampshire Avenue NW., Suite 420, Washington, D.C. 20037.
D. (6) $2,600. E. (9) $638.

A. J. Rodney Edwards, 260 Madison Avenue, New York, N.Y. 10016.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. Jonathan W. Edwards, 507 Second Street NE., Washington, D.C. 20002.
B. The Confederated Tribes of Warm Springs, Warm Springs, Oreg. 97761.

A. Jonathan W. Edwards, 507 Second Street NE., Washington, D.C. 20002.
B. The Navajo Nation, Window Rock, Ariz. 86515.

A. Jonathan W. Edwards, 507 Second Street NE., Washington, D.C. 20002.
B. Portland General Electric Co., 121 Southwest Salmon Street, Portland, Oreg. 97204.

A. Macon T. Edwards, National Cotton Council of America, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $1,500. E. (9) $54.77.

A. Charles E. Ehrhart, 1800 K Street NW., Suite 924, Washington, D.C. 20006.
B. Ralston Purina Co., Checkerboard Square, St. Louis, Mo. 63188.
E. (9) $312.

A. J. C. B. Ehringhaus, Jr., 1600 South Eads Street, Arlington, Va.
B. The Tobacco Institute, 1776 K Street NW., Washington, D.C. 20006.
D. (6) $175.

A. El Paso Alaska Co., Pouch 7009, Anchorage, Alaska 99510.
E. (9) $30,000.

A. El Paso LNG Co., P.O. Box 2185, Houston, Tex. 77001.
E. (9) $63,560.98.

A. George K. Eliades, Society of American Wood Preservers, Inc., 1401 Wilson Boulevard, Suite 205, Arlington, Va. 22209.
B. Society of American Wood Preservers, Inc., 1401 Wilson Boulevard, Suite 205, Arlington, Va. 22209.
D. (6) $320. E. (9) $680.

A. J. Burton Eller, Jr., 425 13th Street NW., Suite 1020, Washington, D.C. 20004.
B. National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80202.
D. (6) $1,000.

A. Charles W. Elliott, Wisconsin Petroleum Council, 25 West Main Street, Room 703, Madison, Wis. 53703.
B. Amercian Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $35.

A. John Doyle Elliott, 5500 Quincy Street, Hyattsville, Md. 20784.

A. Ruth Bowdey Elliott, 5500 Quincy Street, Hyattsville, Md. 20784.
D. (6) $244.50. E. (9) $507.03.

A. Nancy K. Ellis, 4500 Willet Drive, Annandale, Va. 22003.
B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $825.

A. Dorothy A. Ellsworth, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
B. International Association of Machinists and Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $3,750. E. (9) $543.29

A. Roy Elson, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $4,200. E. (9) $889.06.

A. Law Offices of Northcutt Ely, Watergate 600 Building, Washington, D.C. 20037.
B. Deepsea Ventures, Inc., Gloucester Point, Va. 23062.
D. (6) $6,000.

A. William Emerson, Suite 800, 2030 M Street NW., Washington, D.C. 20036.
B. TRW, Inc., 23555 Euclid Avenue, Cleveland, Ohio 44117.
D. (6) $1,000.

A. Employers Insurance of Wausau, 2000 Westwood Drive, Wausau, Wis. 54401.
E. (9) $630.

A. Energy Action Educational Foundation, 1523 L Street NW., Washington, D.C. 20005.
D. (6) $2,723.84. E. (9) 2,723.84.

A. Energy Consumers and Producers Association, Petroleum Plaza, Box 1726, Seminole, Okla. 74868.
E. (9) $193.15.

A. Gertrude Engel, 2450 Virginia Avenue NW., Washington, D.C. 20037.
B. Bob Hoffman, York Barbell Co., York, Pa. 17405.
D. (6) $1,800. E. (9) 329.46.

A. Ralph Engel, 1001 Connecticut Avenue NW., Suite 1120, Washington, D.C. 20036.
B. Chemical Specialties Manufacturers Association, 1001 Connecticut Avenue NW., Washington, D.C. 20036.

A. Robert J. Englehart, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
D. (6) $33.90.

A. M. Dale Ensign, Husky Oil Co., 1800 M Street NW., Suite 295, Washington, D.C. 20036.
B. Husky Oil Co., P.O. Box 380, Cody, Wyo. 82414.
E. (9) $278.90.

A. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $35,347. E. (9) $39,551.97.

A. James R. Enyart, 1101 17th Street NW., Suite 604, Washington, D.C. 20036.
B. Monsanto Co., 800 North Lindbergh Boulevard, St. Louis, Mo. 63166.
D. (6) $500. E. (9) $292.74.

A. John M. Erskine Jr., 500 Jefferson Building, Houston, Tex. 77002.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.

A. Jerry N. Ervin, Quintana Refinery Co., P.O. Box 3331, Houston, Tex. 77001.
B. Quintana Refinery Co., P.O. Box 3331, Houston, Tex. 77001.

A. Thomas E. Esterly, American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $947.12.

A. Brock Evans, Sierra Club, 330 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Sierra Club, 530 Bush Street, San Francisco Calif. 94108.
D. (6) $8,600. E. (9) $146.50.

A. David C. Evans, 1150 Connecticut Avenue NW., Suite 900, Washington, D.C. 20005.
B. Brick Institute of America, 1750 Old Meadow Road, McLean, Va. 22101.

A. Joseph O. Evans, 4401 Lee Highway, Apt. 21 Lorcom House, Arlington, Va. 22207.

A. Robert D. Evans, American Bar Association, 1800 M Street NW., Washington, D.C. 20036.
B. American Bar Association, 1155 East 60th Street, Chicago, Ill. 60637.
D. (6) $400. E. (9) $50.

A. William J. Evans, 1800 K Street NW., Suite 900 Washington, D.C. 20006.
B. Pan American World Airways, 1800 K Street NW., Suite 900, Washington, D.C. 20006.
E. (9) $105.15.

A. Robbie G. Exley, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
D. (6) $34.41. E. (9) $0.80.

A. Robert R. Fahs, 1030 15th Street NW., Washington, D.C. 20005.
B. Cargill, Inc., P.O. Box 9300, Minneapolis Minn. 55440.
D. (6) $2,500. E. (9) $40.50.

A. Robert J. Falasca, American Seed Trade Association, 1030 15th Street NW., Suite 964, Washington, D.C. 20005.
B. American Seed Trade Association, Suite 964, 1030 15th Street NW., Washington, D.C. 20005.

A. Thomas B. Farley II, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $5,866. E. (9) $949.64.

A. The Farmers' Educational and Co-Operative Union of America, Denver, Colo. 80251; 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $77,830.50. E. (9) $40,811.16.

A. Dolores L. Farr, American Nurses' Association, 1030 15th Street NW., Suite 408, Washington, D.C. 20005.

B. American Nurses' Association, 2420 Pershing Road, Kansas City, Mo. 64108.
D. (6) $2,503.

A. R. Roy Fausset, 1050 17th Street NW., Washington, D.C. 20036.
B. Freeport Minerals Co., 200 Park Avenue, New York, N.Y. 10017.
D. (6) $300.

A. Clinton B. Fawcett, Coastal States Gas Corp., Five Greenway Plaza East, Houston, Tex. 77046.
B. Coastal States Gas Corp., Five Greenway Plaza East, Houston, Tex. 77046.
D. (6) $1,375. E. (9) $43,310.44.

A. Peter J. Fearey, 215 Market Street, Suite 930, San Francisco, Calif. 94105.
B. California Council for Environmental and Economic Balance, 215 Market Street Suite 930, San Francisco, Calif. 94105.
D. (6) $6,800. E. (9) $4,949.67.

A. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.
D. (6) $2,766.08 E. (9) $2,766.08.

A. Federation of American Hospitals, 1101 17th Street NW., Suite 310, Washington, D.C. 20036
D. (6) $7,650. E. (9) $7,650.

A. Federation of American Scientists, 307 Massachusetts Avenue NE., Washington, D.C. 20002.
E. (9) $2,392.30.

A. Arthur Fefferman, American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 2006.

A. Andrew A. Feinstein, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $2,750.

A. Stuart F. Feldman, Suite 931, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
B. Committee For Public Advocacy, Suite 931, 1346 Connecticut Avenue NW., Washington, D.C. 20036.

A. Stuart F. Feldstein, National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $1,930.

A. Kenneth E. Feltman, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $400. E. (9) $20.96.

A. Manuel D. Fierro, Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.
B. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.

A. Herbert A. Fierst, 610 Ring Building, 1200 18th Street NW., Washington, D.C. 20036.
B. Council of Forest Industries of British Columbia, 1500/1055 West Hastings Street, Vancouver V6E 2H1, British Columbia, Canada.
D. (6) $9,500.01. E. (9) $440.

A. Matthew P. Fink, Investment Co. Institute, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Co. Institute, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $130. E. (9) $3.05.

A. Frederick Finn, 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $1,400.

A. Susan Kudla Finn, 1150 Connecticut Avenue NW., Suite 805, Washington, D.C. 20036.
B. RJR Industries, Inc., 401 North Main Street, Winston-Salem, N.C. 27102.
D. (6) $49.68. E. (9) $10.

A. Firearms Lobby of America, 329 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $40,798.20. E. (9) $37,009.81.

A. First Class Mailers Association, Inc., 1101 New Hampshire Avenue NW., Suite 107, Washington, D.C. 20037.
E. (9) $50.

A. First Investment Annuity Co. of America, P.O. Box 831, Valley Forge, Pa. 19482.
E. (9) $5,206.92.

A. Mary Clare Fitzgerald, 1800 K Street NW., Suite 920, Washington, D.C. 20006.
B. BankAmerica Corp., Bank of America Center, San Francisco, Calif.
D. (6) $216.40 E. (9) $326.79.

A. Margaret Fitzgerald Bare, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C.
D. (6) $3,562.50.

A. Hilliard J. Fjord, 602 Main Street, Cincinnati, Ohio 45202.
B. The Ohio River Co., 580 Walnut Street, Cincinnati, Ohio 45202.
D. (6) $1,000. E. (9) $507.12.

A. Susan Garber Flack, American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $2,000. E. (9) $172.55.

A. James J. Flannagan, 20 Turnpike Road, Westborough, Mass. 01581.
B. New England Power Service Co., 20 Turnpike Road, Westborough, Mass. 01581.
D. (6) $298.92. E. (9) $1,406.75.

A. Charles D. Fleishman, 20 North Wacker Drive, Chicago, Ill. 60606.
B. American Fishing Tackle Manufacturers Association, 20 North Wacker Drive, Chicago, Ill. 60606.
D. (6) $1,725. E. (9) $2,086.98.

A. James F. Fleming, United Egg Producers, 705 National Press Building, Washington, D.C. 20045.
B. United Egg Producers, 3951 Snapfinger Parkway, Suite 580, Decatur, Ga. 30035.
D. (6) $1,200.

A. James F. Flug, 2904 Brandywine Street NW., Washington, D.C. 20008.
B. Energy Action Educational Foundation, 1523 L Street NW., Washington, D.C. 20005.
D. (6) $1,104.85.

A. Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Family Mutual Insurance Co., 3099 East Washington Avenue, Box 7430, Madison, Wis. 53707.

A. Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Cabot Corp. and Subsidiaries, 125 High Street, Boston, Mass. 02110.
D. (6) $4,680. E. (9) $42.05.

A. Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Insurance Association of Connecticut, 60 Washington Street, Hartford, Conn. 06106.
D. (6) $4,360. E. (9) $58.46.

A. Food and Beverage Trades Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $6,615.59. E. (9) $6,615.59.

A. Food Marketing Institute, 1750 K Street, NW., Washington, D.C. 20006.
D. (6) $10,415. E. (9) $10,415.

A. Forest Farmers Association, P.O. Box 95385, Atlanta, Ga. 30347.
E. (9) $393.82.

A. James W. Foristel, American Association of Ophthalmology, 1100 17th Street NW., Washington, D.C. 20036.
B. American Association of Ophthalmology, 1100 17 Street NW., Washington, D.C. 20036.
D. (6) $5,000.

A. John S. Forsythe, American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $250. E. (9) $170.

A. David H. Foster, 1025 Connecticut Avenue NW., No. 505, Washington, D.C. 20036.
B. Natural Gas Supply Committee, 1025 Connecticut Avenue, No. 505, Washington, D.C. 20036.
D. (6) $2,475. E. (9) $579.57.

A. Ebert E. Fournace, 301 Cleveland Avenue SW., Canton, Ohio 44702.
B. Ohio Power Co., 301 Cleveland Avenue SW., Canton, Ohio 44702 (subsidiary of American Electric Power Co., Inc., 2 Broadway, New York, N.Y. 10004).
D. (6) $3,072. E. (9) $2,025.38.

A. John G. Fox, 2000 L Street NW., Washington, D.C. 20036; 195 Broadway, New York, N.Y. 10007.
B. American Telephone & Telegraph Co., 195 Broadway, New York, N.Y. 10007.

A. Joe H. Foy, Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.
B. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.
D. (6) $6,500. E. (9) $3,198.29.

A. Harley M. Frankel, 1520 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Children's Defense Fund of the Washington Research Project, Inc.
D. (6) $878.32. E. (9) $96.10.

A. Walter L. Frankland, Jr., 1717 K Street NW., Washington, D.C. 20006.
B. Silver Users Association, Inc., 1717 K Street NW., Washington, D.C. 20006.
D. (6) $1,210.17. E. (9) $335.66.

A. Robert M. Frederick, The National Grange, 1616 H Street NW., Washington, D.C. 20006.

B. The National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $6,750.

A. Harry L. Freeman, American Express Co., 1700 K Street NW., Washington, D.C. 20006.
B. American Express Co., American Express Plaza, New York, N.Y. 10004.

A. James O. Freeman, United States League of Savings Associations, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $2,337.50. E. (9) $18.

A. Pamela B. Freer, International Ladies' Garment Workers' Union, 1710 Broadway, New York, N.Y. 10019.
B. International Ladies' Garment, Workers' Union, 1710 Broadway, New York, N.Y. 10019.
D. (6) $3,750.11. E. (9) $280.51.

A. David T. French, Suite 850, 2020 K Street NW., Washington, D.C. 20006.
B. American Bakers Association, Suite 850, 2020 K Street NW., Washington, D.C. 20006.
D. (6) $81.25. E. (9) $1.60.

A. Verrick O. French, National Retail Merchants Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Retail Merchants Association, 100 West 31st Street, New York, N.Y. 10001.
D. (6) $650. E. (9) $50.

A. Burton D. Fretz, 806 15th Street NW., Washington, D.C. 20005.
B. Migrant Legal Action Program, Inc., 806 15th Street NW., Washington, D.C. 20005.
D. (6) $836. E. (9) $48.30.

A. Annette P. Fribourg, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $225.

A. George L. Frick, Delaware Oil Men's Association, 437 North DuPont Highway, Dover, Del. 19901.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Susan Fridy, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $1,000.

A. Friend, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Cheyenne River Sioux Tribe, Box 100, Eagle Butte, S. Dak. 57625.
D. (6) $1,706. E. (9) 28.05.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. The Hualapai Tribe of Arizona, Box 168, Peach Springs, Ariz.
D. (6) $47.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037
B. Metlakatla Indian Community, P.O. Box 8, Metlakatla, Alaska 99926.
D. (6) $933. E. (9) $18.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037
B. The Nez Perce Tribe, Lapwai, Idaho.
E. (9) $24.60.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037

B. Oglala Sioux Tribe of the Pine Ridge Reservation, Pine Ridge, S. Dak.
D. (6) $19.50. E. (9) $51.70.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037
B. Pueblo of Laguna, Laguna, N. Mex.
D. (6) $732.75. E. (9) $41.30.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037
B. Rosebud Sioux Tribe, Rosebud, S. Dak.
E. (9) $16.70.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037
B. Salt River Pima Maricopa Indian Community, Route 1, Box 120, Scottsdale, Ariz.
D. (6) $75.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Schenley Industries, Inc., 888 Seventh Avenue, New York, N.Y. 10019.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. The Seneca Nation of Indians, Box 231, Salamanca, N.Y. 17779.
E. (9) $26.85.

A. Philip P. Friedlander, Jr., 1343 L Street NW., Washington, D.C. 20005.
B. National Tire Dealers & Retreaders Association, Inc., 1343 L Street NW., Washington D.C. 20005.
D. (6) $680. E. (9) $5.

A. James M. Friedman, 650 Terminal Tower, Cleveland, Ohio 44113.
B. Cleveland Electric Illuminating Co., 55 Public Service Square, Cleveland, Ohio 44113.
E. (9) $1,610.13.

A. Gay H. Friedmann, 1025 Connecticut Avenue NW., Suite 1206, Washington, D.C. 20036.
B. ENSERCH Corp., 301 South Harwood, Dallas, Tex. 75201.
D. (6) $600. E. (9) $140.95.

A. Owen V. Frisby, 900 17th Street NW., Washington, D.C. 20006.
B. The Chase Manhattan Bank, One Chase Manhattan Plaza, New York, N.Y. 10015.
D. (6) $795.67. E. (9) $3,321.86.

A. Charles H. Fritzel, National Association of Independent Insurers, 1625 I Street, Suite 1001, Washington, D.C. 20006.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $1,500. E. (9) $200.

A. Cornelius F. Froeb, Cities Service Co., 1660 L Street NW., Washington, D.C. 20036.
B. Cities Service Co., 1660 L Street NW., Washington, D.C. 20036.
D. (6) $320.

A. Paul Karl Frost II, Union Carbide Corp., 1730 Pennsylvania Avenue NW., No. 1250, Washington, D.C. 20006.
B. Union Carbide Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. David C. Fullarton, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
D. (6) $475.

A. Terry Gabrielson, Transcontinental Gas Pipe Line Corp., 480 L'Enfant Plaza, No. 11209, Washington, D.C. 20024.
B. Transcontinental Gas Pipe Line Corp., 2700 South Post Oak Road, Houston, Tex. 77001.
D. (6) $450.

A. The Gadsden Times, Inc., 2600 Virginia Avenue NW., Washington, D.C. 20037.
E. (9) $36.76.

A. Gadsden Times Publishing Corp., P.O. Box 188, Gadsden, Ala. 35901.

A. James E. Gaffigan, American Hotel & Motel Association, 777 14th Street NW., Washington, D.C. 20005.
B. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $651.55. E. (9) $80.63.

A. Norman S. Gaines, RJR Industries, Inc., 1150 Connecticut Avenue NW., Suite 805, Washington, D.C. 20036.
B. RJR Industries, Inc., 401 North Main Street, Winston-Salem, N.C. 27102.
D. (6) $505.49. E. (9) $15.61.

A. Mark J. Gallagher, 1707 L Street NW., Washington, D.C. 20036.
B. National Committee for a Human Life Amendment, 1707 L Street NW., Washington, D.C. 20036.
D. (6) $7,525.21. E. (9) $813.28.

A. Robert M. Gants, National Constructors Association, 1101 15th Street NW., Suite 1000, Washington, D.C. 20005.
B. National Constructors Association, 1101 15th Street NW., Suite 1000, Washington, D.C. 20005.
D. (6) $1,000. E. (9) $899.28.

A. Nicole Gara, the American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1735 New York NW., Washington, D.C. 20006.
D. (6) $4,177.

A. M. D. Garber, Jr., Phillips Petroleum Co., 1825 K Street NW., Washington, D.C. 20006.
B. Phillips Petroleum Co., Bartlesville, Okla. 74004.

A. Terry D. Garcia, New Directions, 2021 L Street NW., No. 405, Washington, D.C. 20035.
B. New Directions, 2021 L Street NW., No. 405, Washington, D.C. 20036.
D. (6) $2,282.05.

A. William B. Gardiner, Disabled American Veterans, 807 Maine Avenue, SW., Washington, D.C. 20024.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky. 41076.
D. (6) $12,500. E. (9) $87.35.

A. John W. Gardner, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $4,000.02. E. (9) $457.44.

A. Paul Gardner, Jr., Kennedy, Webster & Gardner, 888 17th Street NW., Washington, D.C. 20006.
B. Banque Nationale de Paris, 75450 Paris, France—Cedex 09.

A. Wendell P. Gardner, Jr., 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $579.60. E. (9) $33.

A. Edward A. Garmatz, 2210 Lake Avenue, Baltimore, Md. 21213.

B. Baltimore Gas & Electric Co., Gas and Electric Building, P.O. Box 1475, Baltimore, Md. 21203.
D. (6) $375. E. (9) $15.

A. Gas Appliance Manufacturers Association, 1901 North Fort Myer Drive, Arlington, Va. 22209.
E. (9) $2,335.98.

A. Lillian B. Gaskin, American Bar Association, 1800 M Street NW., Washington, D.C. 20036.
B. American Bar Association, 1155 East 60th Street Chicago, Ill. 60637.
D. (6) $400. E. (9) $50.

A. Philip Gasteyer, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $3,593.75.

A. Thomas J. Gaye, 1612 K Street NW., Washington, D.C. 20006.
B. The Ferroalloys Association, Suite 800, 1612 K Street NW., Washington, D.C.
D. (6) $450. E. (9) $750.

A. Robert C. Gelardi, Robert H. Kellen Co., 64 Perimeter Center East, Atlanta, Ga. 30346.
B. Robert H. Kellen Co., 64 Perimeter Center East, Atlanta, Ga. 30346 (For Calorie Control Council, 64 Perimeter Center East, Atlanta, Ga. 30346).
D. (6) $2,500.

A. Irving I. Geller, 1016 16th Street NW., Washington, D.C.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
D. (6) $80.55.

A. Genentech, 475 Sansome Street, 15th floor, San Francisco, Calif. 94111.
E. (9) $5,570.

A. General Aviation Manufacturers Association, 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C.
E. (9) $2,498.75.

A. Donald H. Gerrish, Suite 850, 2020 K Street NW., Washington, D.C. 20006.
B. American Bakers Association, Suite 850, 2020 K Street NW., Washington, D.C. 20006.

A. William T. Gibbs III, American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Wayne Gibbens, Mid-Continent Oil & Gas Association, 1800 K Street NW., Washington, D.C. 20006.
B. Mid-Continent Oil & Gas Association, 1111 Thompson Building, Tulsa, Okla. 74103.
D. (6) $1,634. E. (9) $135.

A. Anne Marie Gibbons, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue, NW., Washington, D.C. 20037.
D. (6) $400.

A. Joseph L. Gibson, Montgomery Ward & Co., Inc., 1101 15th Street NW., No. 205, Washington, D.C.
B. Montgomery Ward & Co., Inc., 535 West Chicago Avenue, Chicago, Ill. 60671.
D. (6) $32. E. (9) $150.

A. William L. Gifford, General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., Fairfield, Conn., 06431.
D. (6) $60.

A. Mark W. Gillaspie, Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.
B. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.

A. James T. Gillice, 1776 F Street NW., Washington, D.C. 20006.
B. Alliance of American Insurers, 20 North Wacker Drive, Chicago, Ill. 60606.
E. (9) $1,875.

A. Michael J. Giuffrida, 1469 Quail Hollow Road, Harrisburg, Pa. 17112.
B. National Frozen Food Association, Inc., One Chocolate Avenue, P.O. Box 398, Hershey, Pa. 17033.
D. (6) $82.05. E. (9) $160.56.

A. Dave Givens, Tennessee Railroad Association, 916 Nashville Trust Building, Nashville, Tenn. 37201.
B. Class I railroads in Tennessee.

A. George L. Gleason, 1750 K Street, Suite 300, Washington, D.C.
B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
D. (6) $2,250. E. (9) $94.16.

A. John P. Gleason, Jr., Brick Institute of America, 1750 Old Meadow Road, McLean, Va. 22102.
B. Brick Institute of America, 1750 Old Meadow Road, McLean, Va. 22102.

A. Elmer G. Gleske, 1629 K Street NW., Suite 400, Washington, D.C. 20006.
B. Flight Safety International, Inc., Marine Air Terminal, LaGuardia Airport, Flushing, N.Y. 11371.
D. (6) $110. E. (9) $145.55.

A. George T. Glover, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $52.50. E. (9) $2.31.

A. Godfrey Associates, Inc., 918 16th Street NW., Suite 500, Washington, D.C. 20006.
E. (9) $271.50.

A. Horace D. Godfrey, 918 16th Street NW., Suite 500, Washington, D.C. 20006.
B. Godfrey Associates, Inc., 918 16th Street NW., Suite 500, Washington, D.C. 20006.
D. (6) $3,125. E. (9) $271.50.

A. Patrick L. Godfrey, National Association of Manufacturers, 601 North Vermont Avenue, Los Angeles, Calif. 90004.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $1,400.

A. Richard C. Gohla, 6525 Belcrest Road, Hyattsville, Md. 20782.
B. Associated Retail Bakers of America, Presidential Building—Suite 250, 6525 Belcrest Road, Hyattsville, Md. 20782.
D. (6) $340.

A. Harvey S. Gold, Velsicol Chemical Corp., 910 17th Street NW., Washington, D.C. 20006.
B. Velsicol Chemical Corp., 341 East Ohio Street, Chicago, Ill. 60611.

A. Howard S. Goldberg, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 for Aerospatiale 37, Boulevard de Montmorency, 75016 Paris, France.

A. Gerald Goldman, 1660 L Street NW., Washington, D.C. 20036.
B. Battles Farm Co., Bay Village Co., Cummins Towers Co., and Southfield Gardens Co., c/o Max Kargman, 151 Tremont Street, Boston, Mass. 02111.
D. (6) $57.

A. Neil B. Goldstein, 800 Second Avenue, New York, N.Y. 10017.
B. Sierra Club, 800 Second Avenue, New York, N.Y. 10017.
D. (6) $4,750.02. E. (9) $4,789.40.

A. Ruth Gonze, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue, NW., Washington, D.C. 20037.
D. (6) $600.

A. Don A. Goodall, 1625 I Street NW., Suite 401, Washington, D.C. 20006.
B. American Cyanamid Co., Wayne, N.J. 07470.
D. (6) $720. E. (9) $442.06.

A. Charles E. Goodell, DGA International, Inc., Washington, D.C. 20036.
B. DGA International Inc., 1225 19th Street NW., Washington, D.C. 20036 for Aerospatiale, 37, Boulevard de Montmorency, 75016 Paris, France.

A. Charles E. Goodell, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Krauss-Maffei AG, Krauss-Maffei-Strasse 2, 8000 Muenchen 50 (Allach), Federal Republic of Germany).

A. Vance V. Goodfellow, 307 4th Avenue South, P.O. Box 15047, Minneapolis, Minn. 55415.
B. Crop Quality Council, 307 4th Avenue South, P.O. Box 15047, Minneapolis, Minn. 55415.
D. (6) $7,890.

A. Frank D. Gorham III, RJR Industries, Inc., 1150 Connecticut Avenue NW., Suite No. 805, Washington, D.C. 20036.
B. RJR Industries, Inc., 401 North Main Street, Winston-Salem, N.C. 27102.
D. (6) $494.51. E. (9) $34.42.

A. Frederick D. Goss, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
D. (6) $1,650.

A. Edward Gottlieb & Associates, 633 Third Avenue, New York, N.Y. 10017.
B. Florists' Transworld Delivery Association, P.O. Box 2227, Southfield, Mich. 48037.

A. Edward Gottlieb & Associates, 633 Third Avenue, New York, N.Y. 10017.
B. Hecon Corp., Flextime Division, 31 Park Road, Tinton Falls, N.J. 07724.

A. Gould, Reichert & Strauss, 2613 Carew Tower, Cincinnati, Ohio 45202.
B. Francis J. Rorke, Box 1336, Cristobal, Canal Zone, et al.

A. Carl F. Graham, Amway Corp., 7575 East Fulton Road, Ada, Mich. 49355.
B. Amway Corp., 7575 East Fulton Road, Ada, Mich. 49355.
D. (6) $730. E. (9) $1,096.

A. Lawrence T. Graham, American Hotel & Motel Association, 777 14th Street NW., Washington, D.C. 20005.

B. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $651.55. E. (9) $18.50.

A. John K. Gram, 1214 Oregon Bank Building, Portland, Oreg. 97204.
B. Public Timbers Purchasers Group, 1214 Oregon Bank Building, Portland, Oreg. 97204.
D. (6) $1,350. E. (9) $496.

A. Allan Grant, American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068.
D. (6) $1,325.

A. Wm. W. Grant, Utah International, Inc., 1150 Connecticut Avenue NW., Suite 710, Washington, D.C. 20036.
B. Utah International, Inc., 550 California Street, San Francisco, Calif. 94104.
E. (9) $144.98.

A. James A. Gray, 7901 Westpark Drive, McLean, Va. 22101.
B. National Machine Tool Builders' Association, 7901 Westpark Drive, McLean, Va. 22101.
D. (6) $942. E. (9) $25.

A. Robert Keith Gray, Hill & Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.
B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.
D. (6) $625.

A. Samuel A. Grayson, Union Pacific Railroad, 611 Idaho Building, Boise, Idaho 83702.
B. Union Pacific Railroad, 1416 Dodge Street, Omaha, Nebr. 68179.

A. The Great Atlantic & Pacific Tea Co., Inc., Two Paragon Drive, Montvale, N.J. 07645.
E. (9) $2,900.

A. Donald R. Greeley, 1101 17th Street NW., Suite 603, Washington, D.C. 20036.
B. Celanese Corp., 1211 Avenue of the Americas, New York, N.Y. 10036.
D. (6) $625. E. (9) $275.13.

A. Mark J. Green, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $3,750.

A. Howard Greenberg, 7426 Arrowood Road, Bethesda, Md. 20034.
B. National Small Business Association, 1225 19th Street NW., Washington, D.C. 20036.
D. (6) $1,232.

A. Howard Greenberg, 7426 Arrowood Road, Bethesda, Md. 20034.
B. Public Timber Purchasers Group, 1214 Oregon Bank Building, Portland, Oreg. 97204
D. (6) $4,500.

A. Peter Alan Greene, 2000 P Street NW., Suite 708, Washington, D.C. 20036.
B. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C. 20036.

A. Margit S. Greenspon, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
D. (6) $2,300.

A. William G. Greif, 1155 15th Street NW., Washington, D.C. 20005.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.
D. (6) $10,000.

A. Roger F. Griffin, 1620 I Street NW., Suite 703, Washington, D.C. 20006.
B. Bechtel Corp., 1620 I Street NW., Suite 703, Washington, D.C. 20006.
D. (6) $40. E. (9) $3.

A. Wesley E. Gross, 604 Portland Building, 200 West Broadway, Louisville, Ky.
B. Dairymen, Inc., 604 Portland Building, 200 West Broadway, Louisville, Ky. 40202.
D. (6) $150.

A. Frank N. Grossman, Santa Fe Industries, Inc., Suite 840, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Santa Fe Industries, Inc., 224 South Michigan Avenue, Chicago, Ill. 60604.
D. (6) $1,500. E. (9) $300.

A. J. Randall Groves, Bryant, Groves & Essex, 1490 Southern National Center, Charlotte, N.C. 28202.
B. Mastrom, Inc., Asheville, N.C.

A. Kenneth J. Guido, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $800.01.

A. Thomas M. Gunn, P.O. Box. 516, St. Louis, Mo. 63166.
B. McDonnell Douglas Corp., P.O. Box 516, St. Louis, Mo. 63166.
D. (6) $200. E. (9) $110.

A. C. James Hackett, American Plywood Association, 1119 A Street, Tacoma, Wash. 98401.
B. American Plywood Association, 1119 A Street, Tacoma, Wash. 98401.

A. Loyd Hackler, American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,500. E. (9) $255.

A. Paul R. Haerle, Thelen, Marrin, Johnson & Bridges, Two Embarcadero Center, Room 2200, San Francisco, Calif. 94111.
B. Energy Transportation Systems, Inc., P.O. Box 3965, San Francisco, Calif. 94119.
E. (9) $417.

A. Hall, Estill, Hardwick, Gable, Collingsworth & Nelson, 1701 Pennsylvania Avenue NW., Suite 404, Washington, D.C. 20006.
B. Hy-Gain Electronics Corp., 100 North 56th Street, Lincoln, Nebr. 68505.
D. (6) $100.

A. Hall, Estill, Hardwick, Cable, Collingsworth & Nelson, 1701 Pennsylvania Avenue NW., Suite 404, Washington, D.C. 20006.
B. The Williams Co., One Williams Center, Tulsa, Okla. 74103.

A. Floyd D. Hall, International Air Transport Association, 277 Park Avenue, New York, N.Y. 10017.
B. International Air Transport Association, 1000 Sherbrooke Street West, Montreal, Quebec, Canada, H3A 2R4.
D. (6) $1,578. E. (9) $377.83.

A. Harry L. Hall, National Multiple Sclerosis Society, 6845 Elm Street, McLean, Va. 22101.
B. National Multiple Sclerosis Society, 205 East 42d Street, New York, N.Y. 10017.
D. (6) $7,500.

A. Norman S. Halliday, 600 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $400.

A. Norman S. Halliday, 600 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. National Association of Greeting Card Publishers, 170 Mason Street, Greenwich, Conn. 06830.
D. (6) $1,300. E. (9) $300.

A. Paul Hallisay, Laborers' International Union of North America, AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.
B. Laborers' International Union of North America, AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.
D. (6) $1,249.98. E. (9) $423.53.

A. Seymour Halpern, 540 Madison Avenue, New York, N.Y. 10022.
B. Sydney S. Baron and Co., Inc., 540 Madison Avenue, New York, N.Y. 10022 (for American Can Co., American Lane, Greenwich, Conn).
D. (6) $1,000. E. (9) $225.

A. Seymour Halpern, 540 Madison Avenue, New York, N.Y. 10022.
B. Sydney S. Baron and Co., Inc., 540 Madison Avenue, New York, N.Y. 10022 (for National Medical Care, Inc., 200 Clarendon Avenue, Boston, Mass. 20116).
D. (6) $1,000. E. (9) $225.

A. Seymour Halpern, 540 Madison Avenue, New York, N.Y. 10022.
B. Sydney S. Baron and Co., Inc., 540 Madison Avenue, New York, N.Y. 10022 (for Republic of China, Embassy of the Republic of China, 2311 Massachusetts Avenue NW., Washington, D.C.).
D. (6) $1,000. E. (9) $225.

A. Seymour Halpern, 540 Madison Avenue, New York, N.Y. 10022.
B. Sydney S. Baron and Co., Inc., 540 Madison Avenue, New York, N.Y. 10022 (for Republic of South Africa, Department of Information, Private Bag X152, Pretoria 001).
D. (6) $1,000. E. (9) $225.

A. Melinda Halpert, National Citizens Communications Lobby, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Citizens Communications Lobby, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,749.98.

A. Jerald V. Halvorsen, Allied-General Nuclear Services, 2120 L Street NW., Suite 245, Washington, D.C. 20037.
B. Allied-General Nuclear Services, P.O. Box 847, Barnwell, S.C. 29812.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. The Business Roundtable, 1801 K Street NW., Washington, D.C. 20006.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. United Student Aid Funds, Inc., 200 East 42d Street, New York, N.Y. 10017.

A. Philip W. Hamilton, 2000 L Street NW., Washington, D.C. 20036.
B. Wilson E. Hamilton and Associates, Inc., 2000 L Street NW., Washington, D.C. 20036 (for National Labor-Management Foundation, Louisville, Ky.).
E. (9) $36.33.

A. Theodore J. Hamilton, 2000 L Street NW., Washington, D.C. 20036.
B. Wilson E. Hamilton and Associates, Inc., 2000 L Street NW., Washington, D.C. (for United States Industrial Council, Nashville, Tenn.).
D. (6) $750.

A. Patricia L. Hanahan, 1155 15th Street NW., Washington, D.C. 20005.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.
D. (6) $450.

A. Christopher G. Hankin, 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
B. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
E. (9) $19.10.

A. George J. Hanks, Jr., Union Carbide Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Union Carbide Corp., 270 Park Avenue, New York, N.Y. 10017.
E. (9) $56.74.

A. Arthur Harding, National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $1,100.

A. Chester L. Harding, Jr., 2 Militia Drive, Lexington, Mass. 02173.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $225.

A. William E. Hardman, 9300 Livingston Road, Washington, D.C. 20022.
B. National Tool, Die & Precision Machining Association, 9300 Livingston Road, Washington, D.C. 20022.

A. Eugene J. Hardy, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $2,500. E. (9) $2.70.

A. Bruce L. Harlow, 1425 K Street NW., Suite 900, Washington, D.C. 20005.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Suite 900, Washington, D.C. 20005.
D. (6) $68.

A. Bryce N. Harlow, 1801 K Street NW., Suite 230, Washington, D.C. 20006.
B. Proctor & Gamble Manufacturing Co., 301 East Sixth Street, Cincinnati, Ohio 45202.
D. (6) $200. E. (9) $252.08.

A. Donald L. Harlow, Air Force Sergeants Association, Inc., 310 Riley Street, Falls Church, Va. 22046.
B. Air Force Sergeants Association, Inc., 4235 28th Avenue, Marlow Heights, Md. 20031.

A. William B. Harman, Jr., American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $40.

A. C. Wayne Harmon, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $500. E. (9) $300.

A. A. F. Harris II, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.
B. Securities Industry Association, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.
D. (6) $634.64. E. (9) $44.52.

A. Saul J. Harris, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $443.75. E. (9) $9.47.

A. Jim Harrison, Committee of Urban Program Universities, Suite 802, 11 Dupont Circle, Washington, D.C. 20036.
B. Committee of Urban Program Universities, Suite 802, 11 Dupont Circle, Washington, D.C. 20036.
D. (6) $5,000. E. (9) $806.37.

A. William C. Hart, 1625 I Street NW., Washington, D.C. 20006.
B. Columbia Gas System Service Corp., 20 Montchanin Road, Wilmington, Del. 19807.
D. (6) $300. E. (9) $455.

A. Fred L. Hartley, 461 South Boylston Street, Los Angeles, Calif. 90017.
B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90017.
D. (6) $300. E. (9) $46.

A. Rita M. Hartz, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
D. (6) $1,038.47.

A. Clifford J. Harvison, 1616 P Street NW., Washington, D.C. 20036.
B. National Tank Truck Carriers, Inc., 1616 P Street NW., Washington, D.C. 20036.

A. Charles W. Havens III., 1025 Connecticut Avenue NW., No. 512, Washington, D.C. 20036.
B. Reinsurance Association of America, 1025 Connecticut Avenue NW., No. 512, Washington, D.C. 20036.
E. (9) $25.

A. Sidney G. Hawkes, The Mead Corp., 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Mead Corp., Mead World Headquarters, Courthouse Plaza NE., Dayton, Ohio.
D. (6) $585.

A. John H. Hawkins, Jr., 600 North 18th Street Birmingham, Ala. 35291.
B. Alabama Power Co., 600 North 18th Street, Birmingham, Ala. 35291.
D. (6) $2,625. E. (9) $5,482.38.

A. Paul M. Hawkins, 1750 K Street NW., Washington, D.C.
B. Health Insurance Association of America, Inc., 1750 K Street NW., Washington, D.C.; 919 Third Avenue, New York, N.Y.; 332 South Michigan Avenue, Chicago, Ill.
D. (6) $77.50. E. (9) $11.30.

A. Robert T. Hayden, United Steelworkers of America, 815 16th Street NW., Suite 706, Washington, D.C. 20006.
B. United Steelworkers of America, Five Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $6,235.01. E. (9) $2,344.62.

A. Health Insurance Association of America, Inc., 1750 K Street NW., Washington, D.C.
D. (6) $10,505.38. E. (9) $10,505.38.

A. Patrick B. Healy, National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $450.

A. George J. Hecht, 52 Vanderbilt Avenue, New York, N.Y. 10017.
B. American Parents Committee, Inc., 1346 Connecticut Avenue NW., Washington, D.C. 20036; Child Welfare League of America, 67 Irving Place, New York, N.Y.

A. William H. Hecht, 1776 K Street NW., No. 1200, Washington, D.C. 20006.
B. The Tobacco Institute, Inc., 1776 K Street NW., No. 1200, Washington, D.C. 20006.
D. (6) $1,530. E. (9) $550.

A. Robert E. Heggestad, 5151 North 14th Street, Arlington, Va. 22202.
B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Crystal Square Building 4, Suite 511, Arlington, Va. 22202.
D. (6) $5,208.

A. John F. Heilman, Disabled American Veterans, 807 Maine Avenue SW., Washington, D.C. 20024.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky. 41076.
D. (6) $7,562.

A. Spencer H. Heine, Montgomery Ward & Co., Inc., 1101 15th Street NW., Washington, D.C. 20005.
B. Montgomery Ward & Co., Inc., 535 West Chicago Avenue, Chicago, Ill. 60671.
D. (6) $150. E. (9) $150.

A. Ross E. Heller, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.

A. John P. Helm, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
D. (6) $86.36. E. (9) $2.50.

A. Daniel R. Helmick, 1625 I Street NW., Room 301, Washington, D.C. 20006.
B. Columbia Gas Distribution Co., 99 North Front Street, Columbus, Ohio 43215.
D. (6) $3,162. E. (9) $325.

A. Phil D. Helmig, Atlantic Richfield Co., 410 East College Street, Roswell, N. Mex. 88201.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $400. E. (9) $456.

A. Douglas F. Henderson, Rocky Mountain Oil and Gas Association, 345 Petroleum Club Building, Denver, Colo. 80202.
B. Rocky Mountain Oil and Gas Association, 345 Petroleum Club Building, Denver, Colo. 80202.

A. Richard Dean Henderson, Private Truck Council of America, Inc., 1101 17th Street NW., Washington, D.C. 20036.
B. Private Truck Council of America, Inc., 1101 17th Street NW., No. 1008, Washington, D.C. 20036.

A. Edmund P. Hennelly, 150 East 42d Street, New York, N.Y. 10017.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,500. E. (9) $131.50.

A. Donald A. Henriksen, 515 South Flower Street, Los Angeles, Calif. 90071.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

A. George F. Hennrikus, Jr., Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
B. Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) 3,342.

A. Hercules Inc., 910 Market Street, Wilmington, Del. 19899.
E. (9) $5,983.

A. Jack E. Herington, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.

B. United States Independent Telephone Association, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
D. (6) $500. E. (9) $388.92.

A. Esther Herst, 510 C Street NE., Washington, D.C. 20002.
B. National Committee Against Repressive Legislation, 1250 Wilshire Boulevard, Los Angeles, Calif. 90017.
D. (6) $2,730. E. (9) $1,485.80.

A. Elena Hess, 3705 Porter Street NW., Washington, D.C. 20016.
B. Self-Determination for District of Columbia, Room 300, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,000. E. (9) $74.40.

A. Andrew I. Hickey, Jr., Federal National Mortgage Association, 1133 15th Street NW., Washington, D.C. 20005.
B. Federal National Mortgage Association, 1133 15th Street NW., Washington, D.C. 20005.
D. (6) $13,175. E. (9) $658.35.

A. Frederic W. Hickman, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. The First National Bank of Chicago, One First National Plaza, Chicago, Ill. 60670.

A. Frederic W. Hickman, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $1,300. E. (9) $32.93.

A. Frederic W. Hickman, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Northwest Industries, Inc., 6300 Sears Tower, Chicago, Ill. 60606.
D. (6) $100. E. (9) $22.03.

A. Frederic W. Hickman, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Peoples Gas Co., 122 South Michigan Avenue, Chicago, Ill. 60603.
D. (6) $3,770. E. (9) $22.03.

A. Frederic W. Hickman, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Trans Union Corp., 90 Half Day Road, Lincolnshire, Ill. 60015.
D. (6) $100. E. (9) $22.03.

A. Paul T. Hicks, Rhode Island Petroleum Association, 154 Francis Street, Providence, R.I. 02903.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $125. E. (9) $90.

A. J. Thomas Higginbotham, Mellon Bank, N.A., Pittsburgh, Pa. 15230.
B. Mellon Bank and Mellon National Corp., Mellon Square, Pittsburgh, Pa. 15230.
D. (6) $2,000. E. (9) $1,270.91.

A. Gerald "Jerry" Hill, 6 Executive Park Drive, Atlanta, Ga. 30329.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.
D. (6) $110. E. (9) $230.60.

A. J. Eldred Hill, Jr., UBA, Inc., 1800 M Street NW., 460 South, Washington, D.C. 20036.
B. UBA, Inc., 1800 M Street NW., 460 South, Washington, D.C. 20036.
D. (6) $2,000. E. (9) $2,000.

A. Stuart L. Hill, 12010 Devilwood Drive, Potomac, Md. 20854.
B. Bechtel Inc., 50 Beale Street, P.O. Box 3965, San Francisco, Calif. 94119.
E. (9) $1,011.64.

A. E. Joseph Hillings, National Airlines, Inc., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Airlines, Inc., P.O. Box 592055 AMF, Miami, Fla. 33159.
D. (6) $3,300. E. (9) $50.

A. Kathryn Hilton, National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $1,375.

A. Bertram E. Hirsch, 76–17 250 Street, Bellerose, N.Y. 11426.
B. Fallon Paiute and Shoshone Tribes, Fallon, Nev.
E. (9) $133.

A. Lawrence S. Hobart, American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $600.

A. Claude E. Hobbs, Westinghouse Electric Corp., 1801 K Street NW., Washington, D.C. 20006.
B. Westinghouse Electric Corp., Westinghouse Building, Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $900. E. (9) $195.

A. Charles L. Hoebel, Carrier Corp., Suite 510, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Carrier Corp., Carrier Tower, Box 4800, Syracuse, N.Y. 13221.
D. (6) $2,817. E. (9) $106.83.

A. Howard E. Hoelter, Illinois Petroleum Council, P.O. Box 5034, Springfield, Ill. 62705.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $368. E. (9) $354.28.

A. Lawrence S. Hoffheimer, 6845 Elm Street, Suite 511, McLean, Va. 22101.
B. American Group Practice Association, 20 South Quaker Lane, Alexandria, Va. 22314.
D. (6) $5,000. E. (9) $700.

A. Ellen S. Hoffman, 1520 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Children's Defense Fund of the Washington Research Project, Inc.
D. (6) $1,271.16. E. (9) $1,437.71.

A. Herbert E. Hoffman, American Bar Association, 1800 M Street NW., Washington, D.C. 20036.
B. American Bar Association, 1155 East 60th Street, Chicago, Ill. 60637.
D. (6) $400. E. (9) $50.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Champlin Petroleum Co., P.O. Box 9365, Fort Worth, Tex. 76107.
E. (9) $307.76.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Council of European and Japanese National Shipowners' Association, 17/18 Bury Street, London EC3A 5AH, England.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Cravens Wanlass Corp., 1442 Irvine Boulevard, Suite 101, Tustin, Calif. 92680.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Direct Selling Association, 1730 M Street NW., Washington, D.C. 20036.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. The El Paso Co., 2727 Allen Parkway, Houston, Tex. 77001; El Paso Products Co., Odessa, Tex. 79760.
E. (9) $25.96.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Energy Transportation Systems, Inc., 50 Beale Street, San Francisco, Calif. 94119.
D. (6) $875. E. (9) $16.50.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Independent Refiners Association of California, 1901 North Moore Street, Suite 804, Arlington, Va. 22209.

A. Henry W. Holling, Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.
B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.

A. Thomas D. Holman, 1776 F Street NW., Washington, D.C. 20006.
B. Alliance of American Insurers, 20 North Wacker Drive, Chicago, Ill. 60606.
E. (9) $1,925.

A. Eric Holmes, Jr., Petroleum Council of Georgia, 230 Peachtree Street NW., Suite 1500, Atlanta, Ga.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Lee B. Holmes, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. U.S. League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $1,337.50.

A. R. C. Holmquist, American Mining Congress, 1100 Ring Building, Washington, D.C.
B. American Mining Congress, 1100 Ring Building, Washington, D.C.
D. (6) $74.19. E. (9) $5.40.

A. John W. Holton, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000. E. (9) $28.65.

A. The Hormel Foundation, Austin, Minn. 55912.

A. Michael E. Horrell, 1750 K Street NW., Suite 300, Washington, D.C.
B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
D. (6) $3,899.99. E. (9) $105.50.

A. Craig Hosmer, 1750 K Street NW., Suite 300, Washington, D.C.
B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
D. (6) $3,000. E. (9) $33.91.

A. Thomas B. House, American Frozen Food Institute, 919 18th Street NW., Washington, D.C. 20006.
B. American Frozen Food Institute, 919 18th Street NW., Washington, D.C. 20006.
D. (6) $750.

A. Mary Greer Houston, 2000 L Street NW., Suite 520, Washington, D.C. 20036.
B. Wilson E. Hamilton Associates, Inc., 2000 L Street NW., Washington, D.C. (for Farm Labor Research Committee).
D. (6) $250.

A. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.
E. (9) $16,367.79.

A. Howell Corp., 800 Houston Natural Gas Building, Houston, Tex. 77002.
E. (9) $269.75.

A. Joe L. Howell, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.
B. Allstate Enterprises, Inc., Allstate Plaza, Northbrook, Ill. 60062.

A. Joe L. Howell, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.
B. Allstate Insurance Cos., Allstate Plaza, Northbrook, Ill. 60062.

A. Paul N. Howell, Howell Corp., 800 Houston Natural Gas Building, Houston, Tex. 77002.
B. Howell Corp., 800 Houston Natural Gas Building, Houston, Tex. 77002.

A. John B. Howerton, ASARCO Inc., 1730 Rhode Island Avenue NW., Suite 206, Washington, D.C. 20036.
B. ASARCO Inc., 120 Broadway, New York, N.Y. 10005.
D. (6) $1,500. E. (9) $768.52.

A. Tony R. Huerta, National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $4,126.31.

A. James C. Hughes, National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $2,500.

A. Edward L. Huie, Suite 415, Wheaton Plaza North, Wheaton, Md. 20902.
B. National Association of Air Traffic Specialists, Inc., Suite 415, Wheaton Plaza North, Wheaton, Md. 20902.
D. (6) $4,623.48. E. (9) $239.32.

A. Stanley W. Hulett, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. David C. Hull, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $5,102.50.

A. William J. Hull, 401 Carew Tower, Cincinnati, Ohio 45202.
B. Ohio Valley Improvement Association, Inc.

A. David J. Humphreys Paulson and Humphreys, 5272 River Road, Washington, D.C. 20016.
B. Recreation Vehicle Industry Association, P.O. Box 204, 14650 Lee Road, Chantilly, Va. 22021.
D. (6) $18,000.

A. Burt H. Hunley, Chevron U.S.A., Inc., 1700 K Street NW., Washington, D.C. 20006.
B. Chervon U.S.A. Inc., 1700 K Street NW., Suite 1204, Washington, D.C. 20006.
D. (6) $150. E. (9) $100.

A. Acacia Graham Hunt, Suite 850, 2020 K Street NW., Washington, D.C. 20006.
B. American Bakers Association, Suite 850, 2020 K Street NW., Washington, D.C. 20006.
D. (6) $123.75 E. (9) $5.85.

A. Peter C. Hunt, Brooklyn Union Gas Co., 195 Montague Street, Brooklyn, N.Y. 11201.
B. Brooklyn Union Gas Co., 195 Montague Street, Brooklyn, N.Y. 11201.
D. (6) $125. E. (9) $115.

A. Richard M. Hunt, NL Industries, Inc., Suite 1009, Connecticut Building, 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. NL Industries, Inc., 1230 Avenue of the Americas, New York, N.Y. 10020.
D. (6) $2,000.

A. Robert C. Hunt, 1425 K Street NW., Suite 900, Washington, D.C. 20005.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Suite 900, Washington, D.C. 20005.
D. (6) $102.30.

A. Milton F. Huntington, Maine Petroleum Association, 283 Water Street, Augusta, Maine 04330.
B. American Petroleum Institute, 2101 L Street NW., Washington D.C. 20037.
D. (6) $120.

A. James L. Huntley, Active Ballot Club Department, Retail Clerks International Union, AFL-CIO, 1775 K Street NW., Washington D.C. 20006.
B. Retail Clerks International Union, AFL-CIO, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $9,128.14. E. (9) $883.32.

A. John Edward Hurley, 1101 New Hampshire Avenue NW., Suite 107, Washington, D.C. 20037.
E. (9) $220.

A. Raymond D. Hurley, Suite 1010, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Owens-Corning Fiberglas Corp., Fiberglas Tower, Toledo, Ohio 43659.

A. Benjamin Melvin Hurwitz, Coastal States Gas Corp., 1015 18th Street NW., South 610, Washington, D.C. 20036.
B. Coastal States Gas Corp., Five Greenway Plaza East, Houston, Tex. 77046.
D. (6) $2,188. E. (9) $1,352.

A. John F. Hussey, 1101 17th Street NW., Suite 604, Washington, D.C. 20036.
B. Monsanto Co., 800 North Lindbergh Boulevard, St. Louis, Mo.
D. (6) $500. E. (9) $87.60.

A. Dewey M. Hutchins, Eastman Kodak Co., 500 12th Street SW., Washington, D.C. 20024.
B. Eastman Kodak Co., 343 State Street, Rochester, N.Y. 14650.
D. (6) $230. E. (9) $285.

A. Philip A. Hutchinson, Jr., Volkswagen of America, Inc., 475 L'Enfant Plaza SW., Suite 2450, Washington, D.C. 20024.
B. Volkswagen of America, Inc., 818 Sylvan Avenue, Englewood Cliffs, N.J. 07632.
D. (6) $250. E. (9) $50.

A. Philip A. Hutchinson, Jr., Volkswagen Manufacturing Corp. of America, 475 L'Enfant Plaza SW., Suite 2450, Washington, D.C. 20024.
B. Volkswagen Manufacturing Corp. of America, 7111 East 11 Mile Road, Warren, Mich. 48090.
D. (6) $250.

A. Hydeman, Mason & Goodell, 1220 19th Street NW., Suite 700, Washington, D.C. 20036.
B. Atlantic Container Line, GIE, Overline House, Southampton, England.
D. (6) $4,285. E. (9) $40.81.

A. David C. Hyer, Ohio Petroleum Council, 88 East Broad Street, Columbus, Ohio 43215.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Frank N. Ikard, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $3,500. E. (9) $916.

A. Atilla S. Ilkson, National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 430 North Michigan Avenue, Chicago, Ill. 60611.
D. (6) $2,000.

A. INA Corp., 1600 Arch Street, Philadelphia, Pa. 19101.
E. (9) $368.

A. Independent Insurance Agents of America, Inc., 85 John Street, New York, N.Y. 10038
E. (9) $12,838.82.

A. Industrial Union Department, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $10,852.57. E. (9) $10,852.57.

A. International Association of Machinists & Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
E. (9) $32,387.17

A. International Brotherhood of Painters & Allied Trades, 1750 New York Avenue NW., Washington, D.C. 20006.
E. (9) $144.61.

A. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.
E. (9) $22,835.22.

A. International Union, United Automobile, Aerospace & Agricultural Implement Workers of America-UAW, 8000 East Jefferson, Detroit, Mich. 48214.
D. (6) $173,200. E. (9) $173,200.

A. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
E. (9) $2,436.55.

A. Investment Counsel Association of America, Inc., c/o Ramsay D. Potts, 1800 M Street NW., Washington, D.C. 20036.
E. (9) $902.60.

A. Iron Ore Lessors Association, Inc., 1500 First National Bank Building, St. Paul, Minn. 55101.
D. (6) $10,863.22. E. (9) $7,633.61.

A. William A. Irvine, 1725 K Street, NW., Suite 607, Washington, D.C. 20006.
B. Associated Third Class Mail Users, 1725 K Street NW., Suite 607, Washington, D.C. 20006.
D. (6) $300.

A. Robert A. Jablon, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. Fort Pierce Utilities Authority of the City of Fort Pierce, Gainesville-Alachua County Regional Electric, Water & Sewer Utilities, Sebring Utilities Commission, Cities of Homestead, Kissimmee, Lakeland Starke, Tallahassee, Fla.

A. Mary Jo Jacob, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $235.

A. E. A. Jaenke, 1735 I Street NW., Washington, D.C. 20006.
B. E. A. Jaenke & Associates Inc., 1735 I Street NW., Washington, D.C. 20006.
D. (6) $3,500.

A. E. A. Jaenke & Associates Inc., 1735 I Street NW., Washington, D.C. 20006.
B. Australian Wool Corp., Wool House, 369 Royal Parade, Parkville, Victoria 3052.
D. (6) $1,000.

A. E. A. Jaenke & Associates, Inc., 1735 I Street NW., Washington, D.C. 20006.
B. California & Hawaii Sugar Co., 1 California Street, San Francisco, Calif. 94106.
D. (6) $1,000.

A. E. A. Jaenke & Associates Inc., 1735 I Street NW., Washington, D.C. 20006.
B. The Cooperative League of the USA, 1828 L Street NW., Washington, D.C. 20036.
D. (6) $1,000.

A. E. A. Jaenke & Associates, Inc., 1735 I Street NW., Washington, D.C. 20006.
B. Midcontinent Farmers Association, Columbia, Mo. 65201.
D. (6) $500.

A. Robert L. James, 1800 K Street NW., Suite 920, Washington, D.C. 20006.
B. BankAmerica Corp., Bank of America Center, San Francisco, Calif.
E. (9) $211.50.

A. Joseph A. Jeffrey, American Mining Congress, 1100 Ring Building, Washington, D.C.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $256.30.

A. Linda Jenckes, 1730 Pennsylvania Avenue NW., No. 220, Washington, D.C. 20006.
B. Blue Shield Association, 211 East Chicago Avenue, Chicago, Ill. 60611.
E. (9) $10.

A. James Courtney Jennings, Hill & Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.
B. Hill and Knowlton, Inc., 633 Third Avenue, New York, NY. 10017.

A. W. Pat Jennings, 490 L'Enfant Plaza East SW., Suite 3210, Washington, D.C. 20024.
B. Slurry Transport Association, 490 L'Enfant Plaza East SW., Suite 3210, Washington, D.C. 20024.
D. (6) $4,375.

A. Chris L. Jensen, Florida Petroleum Council, 111 North Gadsden Street, Tallahassee, Fla. 32301.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $777.49. E. (9) $746.10.

A. A. W. Jessup, 1025 Connecticut Avenue NW., No. 1014, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y. 10020.
E. (9) $72.39.

A. Guy E. Jester, 2150 Kienlen Avenue, St. Louis, Mo. 63121.
B. Association for Improvement of the Mississippi River, 10 Broadway, St. Louis, Mo. 63102.

A. Charles E. Joeckel, Jr., Disabled American Veterans, 807 Maine Avenue SW., Washington, D.C. 20024.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky. 41076.
D. (6) $4,125.

A. Ronald P. Johnsen, Columbia Gas System Service Corp., 1625 Eye Street NW., Suite 302, Washington, D.C. 20006.
B. Columbia Gas System Service Corp., 20 Montchanin Road, Wilmington, Del. 19807.
D. (6) $175. E. (9) $151.92.

A. Anita Johnson, 2000 P Street NW., Suite 708, Washington, D.C. 20036.
B. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C. 20036.
D. (6) $30.

A. Bob Johnson National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $2,031. E. (9) $170.

A. Calvin P. Johnson, 1750 K Street NW., Washington, D.C. 20006.
B. Health Insurance Association of America, Inc., 1750 K Street NW., Washington, D.C.; 919 Third Avenue, New York, N.Y.; 332 South Michigan Avenue, Chicago, Ill.
D. (6) $252. E. (9) $117.74.

A. H. Bradley Johnson, American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. Jess Johnson, Jr., Shell Oil Co., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Shell Oil Co., 1 Shell Plaza, P.O. Box 2463, Houston, Tex.
D. (6) $500.

A. John B. Johnson, Alabama Petroleum Council, 660 Adams Avenue, Suite 188, Montgomery, Ala. 36104.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $427.50. E. (9) $568.35.

A. John Paul Johnson, 1025 Connecticut Avenue NW., No. 505, Washington, D.C. 20036.
B. Natural Gas Supply Committee, 1025 Connecticut Avenue NW., No. 505, Washington, D.C. 20036.
D. (6) $9,842.12. E. (9) $2,951.73.

A. Nicholas Johnson, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Citizens Communications, Lobby, P.O. Box 19101, Washington, D.C. 20036.

A. Rady A. Johnson, Standard Oil Co., (Indiana), 1000 16th Street NW., Washington, D.C. 20036.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.
D. (6) $974.83. E. (9) $2.16.

A. Reuben L. Johnson, Farmers' Educational & Cooperative Union of America, Denver, Colo. 80251.
B. Farmers' Educational & Cooperative Union of America, Denver, Colo. 80251; 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $5,907.74. E. (9) $192.86.

A. Richard W. Johnson, Jr., NCOA, 110 Maryland Avenue NE., Washington, D.C. 20002.
B. Non Commissioned Officers Association of the USA (NCOA), P.O. Box 2268, San Antonio, Tex. 78298.
D. (6) $1,065. E. (9) $82.85.

A. Spencer A. Johnson, National Home Furnishings Association, 1025 Vermont Avenue NW., Washington, D.C. 20005.
B. National Home Furnishings Association, 405 Merchandise Mart, Chicago, Ill. 60654.
D. (6) $1,150.

A. Stanley L. Johnson, 1050 17th Street NW., Washington, D.C. 10036.
B. Texaco, Inc., 2000 Westchester Avenue, White Plains, N.Y. 10650.
D. (6) $120.

A. William Johnson, Consumers Power Co., 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Consumers Power Co., 212 West Michigan Avenue, Jackson, Mich. 49201.
D. (6) $600. E. (9) $155.45.

A. Wilson S. Johnson, National Federation of Independent Business, 150 West 20th Avenue, San Mateo, Calif. 94403.
B. National Federation of Independent Business, 150 West 20th Avenue, San Mateo, Calif. 94403.
D. (6) $2,000. E. (9) $1,400.

A. James D. Johnston, 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $3,600. E. (9) $2,034.57.

A. Joint Corporate Committee on Cuban Claims, c/o Lone Star Industries, Inc., P.O. Box 5050, Greenwich, Conn. 06830.
D. (6) $850. E. (9) $2,024.

A. Allan R. Jones, American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $1,423.26.

A. Jones, Day, Reavis & Pogue, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
E. (9) $100.

A. Jones, Day, Reavis & Pogue, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Pacific Southwest Airlines, 3225 North Harbor Drive, San Diego, Calif. 92101.
D. (6) $500. E. (9) $150.

A. Jones, Day, Reavis & Pogue, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Pan American World Airways, Inc., Pan Am Building, New York, N.Y. 10017.
E. (9) $100.

A. Jones, Day, Reavis & Pogue, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Timpte Industries, Inc., 5990 North Washington Street, Denver, Colo. 80216.

A. James E. Jones, Jr., Alliance of American Insurers, 1776 F Street NW., Washington, D.C. 20006.
B. Alliance of American Insurers, 20 North Wacker Drive, Chicago, Ill. 60606.
E. (9) $2,115.

A. L. Dan Jones, Independent Petroleum Assocation of America, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $35.25.

A. James V. Jordan III, P.O. Box 2563, Birmingham, Ala. 35202.
B. Southern Natural Gas Co., P.O. Box 2563, Birmingham, Ala. 35202.
D. (6) $110. E. (9) $760.56.

A. Thomas M. Joyce, Independent Insurance Agents of America, Inc., 1120 19th Street NW., Suite 503, Washington, D.C. 20036.
B. Independent Insurance Agents of America, Inc., 85 John Street, New York, N.Y. 10038.
D. (6) $3,408.56. E. (9) $300.

A. James N. Juliana, 1750 New York Avenue NW., Suite 340, Washington, D.C. 20006.

B. Braniff International, Exchange Park, Dallas, Tex. 75235.
D. (6) $68.75.

A. Robert E. Juliano, Hotel & Restaurant Employees & Bartenders International Union, AFL–CIO, 1666 K Street NW., Washington, D.C. 20006.
B. Hotel & Restaurant Employees & Bartenders International Union, 120 East Fourth Street, 13th Floor, Cincinnati, Ohio 45202.
D. (6) $8,749.98. E. (9) $6,560.92.

A. H. Richard Kahler, Caterpillar Tractor Co., Suite 720, 1030 15th Street NW., Washington, D.C. 20005.
B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.
D. (6) $2,500. E. (9) $1,750.08.

A. Ann P. Kahn, 9202 Ponce Place, Fairfax, Va. 22030.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill. 60611.
E. (9) $68.18.

A. Richard T. Kaplar, Motor Vehicle Manufacturers Association of the United States, Inc., 1909 K Street NW., Washington, D.C. 20006.
B. Motor Vehicle Manufacturers Association of the United States, Inc., 320 New Center Building, Detroit, Mich. 48202.
D. (6) $400.

A. Charles W. Karcher, 1780 Guildhall, Cleveland, Ohio. 44115
B. The Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio. 44115.

A. Gene Karpinski, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $2,000. E. (9) $359.

A. Joseph E. Karth, 475 L'Enfant Plaza, SW., Suite 4400, Washington, D.C. 20024.
B. American League for International Security Assistance, Inc. (ALISA), 475 L'Enfant Plaza SW., Suite 4400, Washington, D.C. 20024.
D. (6) $16,287.88. E. (9) $482.95.

A. Joseph E. Karth, 475 L'Enfant Plaza SW., Washington, D.C. 20024.
B. General Electric Corp., 777 14th Street, NW., Washington, D.C.
D. (6) $2,100. E. (9) $710.50.

A. Joseph E. Karth, 475 L'Enfant Plaza SW., Washington, D.C. 20024.
B. Special Committee for U.S. Exports, 475 L'Enfant Plaza SW., Washington, D.C. 20024.
D. (6) $4,000. E. (9) $200.

A. Joseph E. Karth, 475 L'Enfant Plaza SW., Washington, D.C. 20024.
B. TADCO Enterprises, Inc., 1625 I Street NW., Washington, D.C. 2006 and Archer-Daniels-Midland Co., Decatur, Ill. 62525.
D. (6) $3,666.67. E. (9) $1,177.69.

A. Anthony R. Katz, Burson-Marsteller, 1800 M Street, NW., Suite 750S, Washington, D.C. 20036.
B. Gould, Inc., Electric Motor Division, 1831 Chestnut Street, St. Louis, Mo. 63166.
D. (6) $10,412.50. E. (9) $1,303.19.

A. Linda E. Katz, 3350 Huntley Square Drive, T–2, Temple Hills, Md. 20031.
B. Chicago, Rock Island & Pacific Railroad Co., Chicago, Ill. 60604.
D. (6) $4,500. E. (9) $808.39.

A. William J. Keating, 725 15th Street NW., Washington, D.C. 20005.
B. National Grain & Feed Association, P.O. Box 28328, Washington, D.C. 20005.
D. (6) $67.50. E. (9) $67.50.

A. Keck, Cushman, Mahin & Cate, 8300 Sears Tower, 233 South Wacker Drive, Chicago, Ill. 60606.
B. Schwinn Bicycle Co., 1856 North Kostner Avenue, Chicago, Ill. 60639.
D. (6) $1,200. E. (9) $50.

A. Howard B. Keck, Superior Oil Co., 555 South Flower Street, Los Angeles, Calif. 90071.
B. Superior Oil Co., 555 South Flower Street, Los Angeles, Calif. 90071.
E. (9) $300.

A. W. M. Keck, Jr., 1801 Avenue of the Stars, Suite 1110, Los Angeles, Calif. 90067.
E. (9) $275.

A. Patricia Keefer, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $5,600.01.

A. David C. Keehn, Air Products & Chemicals, Inc., 1800 K Street NW., Suite 1016, Washington, D.C. 20006.
B. Air Products & Chemicals, Inc., P.O. Box 538, Allentown, Pa. 18105.
D. (6) $96.50.

A. Robert H. Kellen, Robert H. Kellen Co., 64 Perimeter Center East, Atlanta, Ga. 30346.
B. Robert H. Kellen Co., 64 Perimeter Center East, Atlanta, Ga. 30346 (for Calorie Control Council, 64 Perimeter Center East, Atlanta, Ga. 30346).
D. (6) $2,500.

A. John B. Kelley, 1025 Connecticut Avenue NW., Suite 1200, Washington, D.C. 20036.
B. AVCO Corp., 1275 King Street, Greenwich, Conn. 06830.
D. (6) $1,500. E. (9) $250.

A. Paul J. Kelley, 2727 North Central Avenue, Phoenix, Ariz. 85004.
B. U-Haul International, Inc., 2727 North Central Avenue, Phoenix, Ariz. 85004.
E. (9) $2,712.

A. Ty Kelley, 1911 Jefferson Davis Highway, Arlington, Va. 22202.
B. National Association of Chain Drug Stores, 1911 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $500.

A. Stephen S. Kellner, 1001 Connecticut Avenue NW., Suite 1120, Washington, D.C. 20036.
B. Chemical Specialties Manufacturers Association, 1001 Connecticut Avenue NW., Washington, D.C.
D. (6) $713.34. E. (9) $87.58.

A. Carol A. Kelly, American Textile Manufacturers Institute, Inc., 1150 17th Street NW., Suite 1001, Washington, D.C. 20036.
B. American Textile Manufacturers Institute, Suite 2124, 400 South Tryon Street, Charlotte, N.C. 28285.
D. (6) $2,440. E. (9) $136.44.

A. Harold V. Kelly, 1101 15th Street NW., Washington, D.C. 20005.
B. Republic Steel Corp., Republic Building, Cleveland, Ohio 44101.

A. John T. Kelly, Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.
B. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.

A. Robert F. Kelly, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. E. I. du Pont de Nemours & Co., 1007 Market Street, Wilmington, Del. 19898.

A. William J. Kendrick, Air Products & Chemicals, Inc., 1800 K Street NW., Suite 1016, Washington, D.C.
B. Air Products & Chemicals, Inc., P.O. Box 538, Allentown, Pa. 18105.
D. (6) $89.

A. Jeremiah J. Kenney, Jr., Union Carbide Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Union Carbide Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
E. (9) $296.75.

A. Robert T. Kenney, 1050 17th Street NW., Washington, D.C. 20036.
B. Texaco, Inc., 2000 Westchester Avenue, White Plains, N.Y. 10650.

A. Vytautas Kerbelis, 69 Cottage Street, Bar Harbor, Maine 04609.
B. Aras, 69 Cottage Street, Bar Harbor, Maine 04609.
D. (6) $600. E. (9) $600.

A. Richard F. Kibben, 405 Lexington Avenue, New York, N.Y. 10017.
B. The Business Roundtable, 405 Lexington Avenue, New York, N.Y. 10017.

A. Daniel L. Kiley, 8 North Jefferson Street, Roanoke, Va. 24042.
B. Norfolk and Western Railway Co., 8 North Jefferson Street, Roanoke, Va. 24042.
D. (6) $639. E. (9) $757.88.

A. Richard H. Kimberly, Kimberly-Clark Corp., 3390 Peachtree Road NE., Executive Suite, Atlanta, Ga. 30326.
B. Kimberly-Clark Corp., North Lake Street, Neenah, Wis. 54956.
D. (6) $165.95. E. (9) $329.13.

A. James L. Kimble, American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.
D. (6) $1,500. E. (9) $250.

A. Charles L. King, American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $175.

A. John M. Kinnaird, American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $7,500. E. (9) $7,636.04.

A. Jack Arthur Kirby, 1516 County Line Road, Rosemont, Pa. 19010.
B. American Society of Farm Managers & Rural Appraisers, Inc., P.O. Box 6857, Denver, Colo. 80206.
D. (6) $1,000. E. (9) $37.05.

A. Kirkland, Ellis & Rowe, 1776 K Street NW., Washington, D.C. 20006.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Washington, D.C. 20005.

A. Sally Ann Kirkpatrick, American Insurance Association, 1025 Conecticut Avenue NW., Suite 415, Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.
D. (6) $750. E. (9) $125.

A. Saul B. Klaman, National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $507.70.

A. Richard P. Kleeman, Association of American Publishers, Inc., 1707 L Street NW., No. 480, Washington, D.C. 20036.
B. Association of American Publishers, Inc., 1707 L Street NW., No. 480, Washington, D.C. 20036.

A. John J. Klocko III, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. E. I. du Pont de Nemours & Co., 1007 Market Street, Wilmington, Del. 19898.
E. (9) $150.

A. Gary D. Knight, Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
E. (9) $25.

A. Keith R. Knoblock, American Mining Congress, 1100 Ring Building, Washington, D.C.
B. American Mining Congress, 1100 Ring Building, Washington, D.C.
D. (6) $14.35. E. (9) $4.

A. Philip M. Knox, Jr., 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $250. E. (9) $80.57.

A. Ruth E. Kobell, Farmers' Educational and Co-Operative Union of America, Denver, Colo. 80251.
B. Farmers' Educational and Co-Operative Union of America, Denver, Colo. 80251; 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $2,630.77. E. (9) $65.55.

A. George W. Koch, 1425 K Street NW., Washington, D.C. 20005.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Washington, D.C. 20005.
D. (6) $13.34.

A. Robert M. Koch, 3251 Old Lee Highway, Suite 501, Fairfax, Virginia. 22030.
B. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
E. (9) $24.12.

A. Robert M. Koch, Jr., 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
B. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
E. (9) $26.90.

A. Robert L. Koob, Koob Associates, 1155 15th Street NW., Suite 311, Washington, D.C. 20005.
B. Morton-Norwich Products, Inc., 110 N. Wacker Drive, Chicago, Ill. 60606.
D. (6) $3,750. E. (9) $1,604.65.

A. Horace R. Kornegay, 1776 K Street NW., Suite 1200, Washington, D.C. 20006.
B. Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.
D. (6) $500. E. (9) $150.

A. John T. Korsmo, American Meat Institute, P.O. Box 3556, Washington, D.C. 20007.
B. American Meat Institute, P.O. Box 3556, Washington, D.C. 20007; 1600 Wilson Boulevard, Arlington, Va.
D. (6) $500.

A. Anita Korten, 600 Pennsylvania Avenue, SE., Suite 205, Washington, D.C. 20003.
B. Citizens Committee for the Right to Keep and Bear Arms, Bellefield Office Park, 1601 114th SE., Suite 151, Bellevue, Wash. 98004.
D. (6) $1,440.

A. Kenneth S. Kovack, United Steelworkers of America, 815 16th Street, NW., Suite 706, Washington, D.C., 20006.
B. United Steelworkers of America, Five Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $6,235.01. E. (9) $1,065.52.

A. Mylio S. Kraja, National Legislative Commission, 1608 K Street NW., Washington, D.C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $6,795. E. (9) $1,842.59.

A. Amos Kramer, Ks. Petroleum Council, Eighth and Jackson Streets, Topeka, Kans. 66612.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Stephen W. Kraus, American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Raymond Roger Krause, National Association of Manufacturers, 1776 F Street NW., Washington, D.C., 20006.
B. National Association of Manufacturers, 1776 F Street, NW., Washington, D.C. 20006.
D. (6) $100.

A. Lawrence E. Kreider, Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.
B. Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.

A. Anthony L. Kucera, American Waterways Operators, Inc., 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
B. American Waterways Operators, Inc., 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
D. (6) $300.

A. M. J. Kuehne, American Plywood Association, 1119 A Street, Tacoma, Wash. 98401.
B. American Plywood Association, 1119 A Street, Tacoma, Wash. 98401.

A. Coralee Stevens Kuhn, 800 18th Street NW., Suite 600, Washington, D.C. 20006.
B. Genentech, 475 Sansome Street, 15th Floor, San Francisco, Calif. 94111.
D. (6) $2,000.

A. Lloyd R. Kuhn, Aerospace Industries Association, 1725 DeSales Street, NW., Washington, D.C. 20036.
B. Aerospace Industries Association of America, Inc., 1725 DeSales Street NW., Washington, D.C. 20036.
D. (6) $9,720. E. (9) $1,146.67.

A. Thomas R. Kuhn, 1750 K Street NW., Suite 300, Washington, D.C.
B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
D. (6) $5,162.49. E. (9) $250.14.

A. Robert J. Kukla, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $1,125.

A. Daniel M. Kush, 1615 H Street NW., Washington, D.C. 20062.
B. U.S. Chamber of Commerce, 1615 H Street NW., Washington, D.C. 20062.
E. (9) $272.95.

A. Labor Bureau of Middle West, 1200 15th Street NW., Washington, D.C. 20005; 11 South LaSalle Street, Chicago, Ill. 60603.

A. Labor-Management Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $12,304. E. (9) $10,974.

A. Laborers' International Union of North America, AFL-CIO, 905 16th Street NW., Washington, D.C. 20006.
E. (9) $21,685.51.

A. Philip A. Lacovara, 1660 L Street NW., Washington, D.C. 20036.
B. Bristol-Meyers Co., 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $270. E. (9) $2.50.

A. Philip A. Lacovara, 1660 L Street NW., Washington, D.C. 20036.
B. Merck & Co., Inc., P.O. Box 2000, Rahway, N.J. 07065.

A. Nick L. Laird, American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $500. E. (9) $184.70.

A. Sarah M. Laird, 1730 M Street NW., Washington, D.C. 20036.
B. The League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $1,028. E. (9) $4,561.

A. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.

A. David R. Lambert, The National Grange, 1616 H Street NW., Washington, D.C. 20006.
B. The National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $3,500.

A. A. M. Lampley, United Transportation Union, 400 First Street NW., Suite 704, Washington, D.C. 20001.
B. United Transportation Union, 400 First Street NW., Suite 704, Washington, D.C. 20001.
E. (9) $150.

A. Phil M. Landrum, P.O. Box 100, Jasper, Ga. 30143.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $750. E. (9) $1,167.14.

A. David W. Landsidle, 2 Militia Drive, Lexington, Mass. 02173.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $225.

A. Karl S. Landstrom, 510 North Edison Street, Arlington, Va. 22203.
B. Geothermal Resources International, Inc., 4676 Admiralty Way, Suite 503, Marina del Rey, Calif. 90291.
D. (6) $750. E. (9) $134.

A. Lane & Edison, Suite 400 South, 1800 M Street NW., Washington, D.C. 20036.
B. National Leased Housing Association, Suite 400 South, 1800 M Street NW., Washington, D.C. 20036.
D. (6) $450.

A. R. Josh Lanier, 1745 Jefferson Davis Highway, Suite 511, Arlington, Va. 22202.
B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $1,600. E. (9) $900.

A. James J. LaPenta, Jr., Laborers' International Union of North America, AFL-CIO, 905 16th Street NW., Washington, D.C. 20006.
B. Laborers' International Union of North America, AFL-CIO, 905 16th Street NW., Washington, D.C. 20006.
E. (9) $1,231.03.

A. Lucille Larkin, National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $75. E. (9) $50.

A. Glenn T. Lashley, D.C. Division, American Automobile Association, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. D.C. Division, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Rick C. Lavis, 1775 K Street NW., Suite 310, Washington, D.C. 20006.
B. El Paso LNG Co., P.O. Box 2185, Houston, Tex. 77001; El Paso Alaska Co., Pouch 7009, Anchorage, Alaska 99510; El Paso Natural Gas Co., P.O. Box 1492, El Paso, Tex. 79978.
D. (6) $9,282. E. (9) $371.34.

A. George H. Lawrence, American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $200.

A. Kenneth L. Lay, 783 Granville Drive, Winter Park, Fla. 32789.
B. Florida Gas Transmission Co., P.O. Box 44, Winter Park, Fla. 32790.

A. John I. Le Berre, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Aluminum & Chemical Corp., 900 17th Street NW., Washington, D.C. 20006.
E. (9) $500.

A. Robert F. Lederer, 230 Southern Building, Washington, D.C. 20005.
B. American Association of Nurserymen, 230 Southern Building, Washington, D.C. 20005.

A. Charles W. Lee, 148 Duddington Place SE., Washington, D.C. 20003.
B. Committee for Full Funding of Education Programs, 148 Duddington Place SE., Washington, D.C.
D. (6) $10.

A. Michael L. Lehrman, 3012 Cortland Place NW., Washington, D.C. 20008.
B. The Plessey Co., Inc., Ilford, Essex, England.
D. (6) $46,580.99. E. (9) $3,233.

A. Robert J. Leigh, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
D. (6) $75.

A. Leighton & Conklin, 2033 M Street NW., Suite 800, Washington, D.C. 20036.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Suite 900, Washington, D.C. 20005.

A. Joseph L. Leitzinger, 900 Fourth Avenue, Seattle, Wash. 98164.
B. Simpson Timber Co., 900 Fourth Avenue, Seattle, Wash. 98164.
D. (6) $3,300. E. (9) $5,864.

A. Gilbert LeKander, 1629 K Street NW., No. 700, Washington, D.C.
B. Montana Power Co., 40 East Broadway, Butte, Mont. 59701; Washington Water Power Co., Box 3727, Spokane, Wash. 99220.
D. (6) $450.

A. Earl T. Leonard, Jr., The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.
B. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.
D. (6) $1,350. E. (9) $1,574.

A. Lloyd Leonard, 1730 M Street NW., Washington, D.C. 20036.
B. The League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $754.

A. Will E. Leonard, 900 17th Street NW., Suite 714, Washington, D.C. 20006.
B. Karth-Best Associates, 475 L'Enfant Plaza SW., Suite 4400, Washington, D.C. 20024.
D. (6) $2,000.

A. Steven H. Lesnik, Lumbermens Mutual Casualty Co., Long Grove, Ill. 60049.
B. Lumbermens Mutual Casualty Co., Long Grove, Ill. 60049.
D. (6) $300.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Cooperative for American Relief Everywhere, Inc., 660 First Avenue, New York, N.Y. 10016.
D. (6) $1,005.

A. Carl Levin, Burson-Marsteller, 1800 M Street NW., Washington, D.C. 20036.
B. Northville Industries, One Huntington Quadrangle, Huntington Station, N.Y. 11746.
D. (6) $1,950. E. (9) $337.60.

A. Roger N. Levy, Independent Insurance Agents of America, Inc., 1120 19th Street NW., Suite 503, Washington, D.C. 20036.
B. Independent Insurance Agents of America, Inc., 85 John Street, New York, N.Y. 10038.
D. (6) $3,408.56. E. (9) $300.

A. Tamar Lewin, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $2,850.01.

A. David Lewis, American Optometric Association, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Wendell D. Waldie, 3111 Aloma, Wichita, Kans. 67211.

A. Robert G. Lewis, The Farmers' Educational and Co-Operative Union of America, Denver, Colo. 80251.
B. The Farmers' Educational and Co-Operative Union of America, Denver, Colo. 80251; 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $1,680.

A. Susan Paris Lewis, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $4,750. E. (9) $202.95.

A. Walter R. Lewis, Jr., National Association of Manufacturers, 1719 Route 10, Parsippany, N.J. 07054.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $212.50.

A. Ronald L. Leymeister, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $197.92.

A. Herbert Liebenson, National Small Business Association, 1225 19th Street NW., Washington, D.C. 20036.
B. National Small Business Association, 1225 19th Street NW., Washington, D.C. 20036.
D. (6) $4,500. E. (9) $1,200.

A. Charles W. Linderman, Slurry Transport Association, 490 L'Enfant Plaza East SW., Suite 3210, Washington, D.C. 20024.
B. Slurry Transport Association, 490 L'Enfant Plaza East SW., Suite 3210, Washington, D.C. 20024.
D. (6) $420.

A. Lester W. Lindow, Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.
B. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.

A. John E. Linster, Employers Insurance of Wausau, 2000 Westwood Drive, Wausau, Wis. 54401.
B. Employers Insurance of Wausau, 2000 Westwood Drive, Wausau, Wis. 54401.
D. (6) $500. E. (9) $5.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C.
B. Ambassador Bridge Co., P.O. Box 447, Detroit, Mich. 48232.
D. (6) $3,000. E. (9) $375.39.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. County of Baltimore, 111 West Chesapeake Avenue, Towson, Md. 21204.
D. (6) $1,200. E. (9) $6.28.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Lake Superior District Power Co., 101 West Second Street, Ashland, Wis. 54806.
D. (6) $436.20. E. (9) $52.67.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Madison Gas & Electric Co., 100 North Fairchild Street, Box 1231, Madison, Wis. 53701.
D. (6) $967.86. E. (9) $116.86.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. The Metropolitan Sanitary District of Greater Chicago, 100 East Erie Street, Chicago, Ill. 60611.
D. (6) $8,641.28. E. (9) $506.71.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Northern States Power Co., 100 North Barstow Street, Eau Claire, Wis. 54701.
D. (6) $1,308.29 E. (9) $157.96.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. State of Illinois, Department of Transportation, 2300 South Dirksen Parkway, Springfield, Ill. 62764.
D. (6) $10,590. E. (9) $1,634.22.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. State of Illinois, Department of Transportation, Division of Water Resources, 2300 South Dirksen Parkway, Springfield, Ill. 62764.
D. (6) $2,225. E. (9) $52.84.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.

B. Superior Water, Light & Power Co., 1230 Tower Avenue, Superior, Wis. 54880.
D. (6) $262.20. E. (9) $31.66.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Wayne County Board of Commissioners, 706 City County Building, Detroit, Mich. 48226.
D. (6) $7,500. E. (9) $516.90.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Wisconsin Electric Power Co., 231 West Michigan, Milwaukee, Wis. 53201.
D. (6) $3,424.87. E. (9) $384.52.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Wisconsin Michigan Power Co., 231 West Michigan, Malwaukee, Wis.
D. (6) $1,059.04. E. (9) $127.87.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Wisconsin Power & Light Co., Madison, Wis. 53701.
D. (6) $1,816.23. E. (9) $219.28.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Wisconsin Public Service Corp., P.O. Box 700, Green Bay, Wis. 54305.
D. (6) $1,755.52. E. (9) $211.96.

A. Charles B. Lipsen, Cramer, Haber, Becker, Suite 475, L'Enfant Plaza SW., Washington, D.C. 20024.
B. U.S. Overseas Employees Tax Fairness Committee, 1101 15th Street NW., Suite 1001, Washington, D.C. 20005.
D. (6) $9,806.24. E. (9) $671.49.

A. Robert G. Litschert, National Association of Electric Companies, 1140 Connecticut Avenue NW., Room 1010, Washington, D.C. 20036.
B. National Association of Electric Companies, 1140 Connecticut Avenue NW., Room 1010, Washington, D.C. 20036.
D. (6) $260. E. (9) $84.56.

A. Andrew Litsky, National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $937.

A. E. F. Livaudias, Jr., Atlantic Richfield Co., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $60. E. (9) $60.

A. H. Richard Lloyd, Jr., General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 777 14th Street NW., Washington, D.C. 20005.

A. Harold D. Loden, American Seed Trade Association, 1030 15th Street NW., Suite 964, Washington, D.C. 20005.
B. American Seed Trade Association, 1030 15th Street NW., Suite 964, Washington, D.C. 20005.

A. Thomas G. Loeffler, Tenneco Inc., 490 L'Enfant Plaza East SW., Suite 2202, Washington, D.C. 20024.
B. Tenneco Inc., P.O. Box 2511, Houston, Tex. 77001.
D. (6) $100.

A. Loews Corp., 666 Fifth Avenue, New York, N.Y. 10019.
E. (9) $3,000.

A. Nils Lofgren, Motor Vehicle Manufacturers Association of the United States, Inc., 1909 K Street NW., Washington, D.C. 20006.
B. Motor Vehicle Manufacturers Association of the United States, Inc., 320 New Center Building, Detroit, Mich. 48202.
D. (6) $400.

A. Robert W. Long, American Mining Congress, 1100 Ring Building, Washington, D.C.
B. American Mining Congress, 1100 Ring Building, Washington, D.C.
D. (6) $791.10. E. (9) $12.

A. Loomis, Owen, Fellman & Coleman, 2020 K Street NW., Washington, D.C. 20006.
B. Association of Bituminous Contractors, 2020 K Street NW., Washington, D.C. 20006.

A. Loomis, Owen, Fellman & Coleman, 2020 K Street NW., Washington, D.C. 20006.
B. Classroom Periodical Publishers Association, 2020 K Street NW., Washington, D.C. 20006.

A. Loomis, Owen, Fellman & Coleman, 2020 K Street NW., Washington, D.C. 20006.
B. Industrial Diamond Association, 59 East Main Street, Moorestown, N.J. 08057.

A. Loomis, Owen, Fellman & Coleman, 2020 K Street NW., Washington, D.C. 20006.
B. Linen Supply Association of America, 975 Arthur Godfrey Road, Miami Beach, Fla. 33140.

A. Loomis, Owen, Fellman & Coleman, 2020 K Street NW., Washington, D.C. 20006.
B. National Association of Casualty & Surety Agents, 5225 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Loomis, Owen, Fellman & Coleman, 2020 K Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

A. Loomis, Owen, Fellman & Coleman, 2020 K Street NW., Washington, D.C. 20006.
B. Optical Manufacturers Association, 1901 North Fort Myer Drive, Arlington, Va. 22209.

A. Christopher LoPiano, 900 15th Street NW., Washington, D.C. 20005.
B. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.
D. (6) $949.41. E. (9) $26.50.

A. Edward J. Lord, 1608 K Street NW., Washington, D.C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $4,242. E. (9) $296.46.

A. Philip J. Loree, 17 Battery Place North, New York, N.Y. 10004.
B. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.
D. (6) $900. E. (9) $281.90.

A. Herschel C. Loveless, Chromalloy American Corp., 918 16th Street NW., No. 501, Washington, D.C. 20006.
B. Chromalloy American Corp., 120 South Central Avenue, St. Louis, Mo. 63105.
D. (6) $2,400. E. (9) $1,271.52.

A. James F. Lovett, 1801 K Street NW., Washington, D.C. 20006.
B. Westinghouse Electric Corp., Westinghouse Building, Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $1,000. E. (9) $200.

A. James P. Low, American Society of Association Executives, 1101 16th Street NW., Washington, D.C. 20036.
B. American Society of Association Executives, 1101 16th Street NW., Washington, D.C. 20036.

A. James Rowland Lowe, Jr., Alaskan Arctic Gas Study Co., 1730 Pennsylvania Avenue NW., Suite 230, Washington, D.C. 20006.
B. Alaskan Arctic Gas Study Co., P.O. Box 979, Anchorage, Alaska 99510.

A. Gerald M. Lowrie, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000.

A. Freddie H. Lucas, General Motors Corp., 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $2,000. E. (9) $479.04.

A. John S. Lucas, Jr., National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

A. Lumbermens Mutual Casualty Co., Long Grove, Ill. 60049.
E. (9) $3,050.

A. Milton F. Lunch, National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Christian J. Lund, United Technologies Corp., 1125 15th Street NW., Washington, D.C. 20005.
B. United Technologies Corp., United Technologies Building, Hartford, Conn. 06101; 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $7,500. E. (9) $951.95.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.
E. (9) $11.50.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. First Investment Annuity Co. of America, P.O. Box 831, No. 7 Valley Forge Executive Mall, Valley Forge, Pa. 19482.
D. (6) $1,456.25. E. (9) $16.90.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. Pennsylvania Power & Light Co., Two North Ninth Street, Allentown, Pa. 18101.
D. (6) $750. E. (9) $171.27.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. Shanghai Power Co., 100 West 10th Street, Wilmington, Del. 19801.
D. (6) $120.

A. Richard Lyng, American Meat Institute, P.O. Box 3556, Washington, D.C. 20007.
B. American Meat Institute, P.O. Box 3556, Washington, D.C. 20007; 1620 Wilson Boulevard, Arlington, Va.
D. (6) $500.

A. James E. Lyons, International Federation of Professional and Technical Engineers, AFL–CIO, 1126 16th Street NW., Washington, D.C. 20036.
B. International Federation of Professional and Technical Engineers, AFL–CIO, 1126 16th Street NW., Washington, D.C. 20036.
D. (6) $435. E. (9) $200.

A. Timothy MacCarthy, Motor Vehicle Manufacturers Association of the United States, Inc., 1909 K Street NW., Washington, D.C. 20006.
B. Motor Vehicle Manufacturers Association of the United States, Inc., 320 New Center Building, Detroit, Mich. 48202.
D. (6) $400.

A. James E. Mack, National Confectioners Association, 5101 Wisconsin Avenue, Suite 506, Washington, D.C. 20016.
B. National Confectioners Association, 36 South Wabash Avenue, Chicago, Ill. 60603.
D. (6) $15,400. E. (9) $1,894.04.

A. James H. Mack, 7901 Westpark Drive, McLean, Va. 22101.
B. National Machine Tool Builders' Association, 7901 Westpark Drive, McLean, Va. 22101.
D. (6) $685. E. (9) $500.

A. Duncan H. MacKenzie, 3019 Goat Hill Road, Bel Air, Md. 21014.
D. (6) $277. E. (9) $133.96.

A. John P. Mackey, Ad Hoc Committee in Defense of Life, Inc., 810 National Press Building, Washington, D.C. 20045.
B. Ad Hoc Committee in Defense of Life, Inc., 150 East 35th Street, New York, N.Y. 10016.
D. (6) $4,125. E. (9) $7,688.36.

A. Thomas J. Mader, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $4,200. E. (9) $77.

A. R. J. Maglione, 1911 North Fort Myer Drive, Suite 907, Arlington, Va. 22209.
B. AVCO Corp., 201 Lowell Street, Wilmington, Mass. 01887.
D. (6) $10,400. E. (9) $2,775.

A. R. J. Maglione, 1911 North Fort Myer Drive, Suite 907, Arlington, Va. 22209.
B. Vought Corp., 1745 Jefferson Davis Highway, Suite 612, Arlington, Va. 22202.
D. (6) $6,600. E. (9) $2,875.

A. John F. Mahoney, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 Dearborn Street, Chicago, Ill. 60610.
D. (6) $3,343. E. (9) $205.

A. Robert L. Maier, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Aluminum & Chemical Corp., 900 17th Street NW., Washington, D.C.
D. (6) $250. E. (9) $35.

A. Andre Maisonpierre, Alliance of American Insurers, 1776 F Street NW., Washington, D.C. 20006.
B. Alliance of American Insurers, 20 North Wacker Drive, Chicago, Ill.
E. (9) $1,390.

A. Leonard W. Mall, 1425 K Street NW., Suite 900, Washington, D.C. 20005.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Suite 900, Washington, D.C. 20005.
D. (6) $280.

A. Lila M. Mallette, 2601 South Adams Street, Apt. 2, Arlington, Va. 22206.

A. J. Wilson Malloy, Jr., Eastman Chemical Products, Inc., 500 12th Street SW., Washington, D.C. 20024.
B. Eastman Chemical Products, Inc., P.O. Box 431, Kingsport, Tenn. 37662.
D. (6) $750. E. (9) $28.50.

A. Carter Manasco, 5932 Chesterbrook Road, McLean Va. 22101.
B. National Coal Association, 1130 17th Street NW., Washington, D.C. 20036.
D. (6) $8,951.01. E. (9) $94.35.

A. Mike Manatos, Procter & Gamble Manufacturing Co., 1801 K Street NW., Suite 230, Washington, D.C. 20006.
B. Procter & Gamble Manufacturing Co., 301 East Sixth Street, Cincinnati, Ohio 45202.
D. (6) $ 406.67. E. (9) $476.30.

A. Forbes Mann, 1155 15th Street NW., No. 1004, Washington, D.C. 20005.
B. The LTV Corp., 1525 Elm Street, Dallas, Tex. 75222.
D. (6) $2,000. E. (9) $550.

A. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Suite 511, Arlington, Va. 22202.
D. (6) $35,871.70. E. (9) $35,871.70.

A. Manufacturing Chemists Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C. 20009.
D. (6) $5,000. E. (9) $3,000.

A. Dallace E. Marable, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $1,050. E. (9) $27.49.

A. John V. Maraney 324 East Capitol Street, Washington, D.C. 20003.
B. National Star Route Mail Carriers' Association, 324 East Capitol Street, Washington, D.C. 20003.

A. March For Life, Inc., P.O. Box 2950, Washington, D.C. 20013.
D. (6) $3,308.89. E. (9) $4,538.84.

A. Carl M. Marcy, 300 Maryland Avenue NE., Washington, D.C. 20002.
B. The United Nations University, 3932 Huntington Street NW., Washington, D.C. 20015.
D. (6) $3,000. E. (9) $85.

A. David J. Markey, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $800. E. (9) $293.60.

A. Lawrence D. Markley, P.O. Box 3518, Anchorage, Alaska 99501.
B. Chugach Electric Association, Inc., P.O. Box 3518, Anchorage, Alaska 99501.
D. (6) $4,908.38. E. (9) $4,039.52.

A. Ralph J. Marlatt, Professional Insurance Agents, 1511 K Street NW., Washington, D.C. 20005.
B. Professional Insurance Agents, 1511 K Street NW., Washington, D.C. 20005.
E. (9.) $2,000.

A. Dan V. Maroney, Jr., 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Marshall, Bratter, Greene, Allison & Tucker, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. New York State Beauty Schools' Association, Inc., 404 Fifth Avenue, New York, N.Y. 10018.
D. (6.) $345.

A. J. Paull Marshall, Association of American Railroads, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6.) $479.16. E. (9.) $199.37.

A. M & I Marshall & Ilsley Bank, 770 North Water Street, Milwaukee, Wis. 53202.

A. David O. Martin, Kimberly-Clark Corp., North Lake Street, Neenah, Wis. 54956.
B. Kimberly-Clark Corp., North Lake Street, Neenah, Wis., 54956.
E. (9.) $810.

A. Katherine E. Martin, Association of American Railroads, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6.) $67.51. E. (9.) $50.

A. Thomas A. Martin, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6.) $500. E. (9.) $200.

A. Joseph J. Martyak, American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6.) $2,800. E. (9.) $103.33.

A. Maryland Savings-Share Insurance Corp., 901 North Howard Street, Baltimore, Md. 21201.
E. (9.) $26.12.

A. Mike M. Masaoka, Suite 520, Farragut Building, 900 17th Street NW., Washington, D.C. 20006.
B. American Japanese Trade Committee, Suite 520, 900 17th Street NW., Washington, D.C. 20006.

A. Mike M. Masaoka, Association on Japanese Textile Imports, Inc., Suite 520, Farragut Building, 900 17th Street NW., Washington, D.C. 20006.
B. Association on Japanese Textile Imports, Inc., 551 Fifth Avenue, New York, N.Y. 10017.
D. (6) $500.

A. Mike M. Masaoka, Suite 520, Farragut Building, 900 17th Street NW., Washington, D.C. 20006.
B. Nisei Lobby, Suite 20, Farragut Building, 900 17th Street NW., Washington, D.C. 20006.

A. Mike M. Masaoka, Masaoka-Ishikawa & Associates, Inc., Suite 520, 900 17th Street NW., Washington, D.C. 20006.
B. West Mexico Vegetable Distributors Association, P.O. Box 848, Nogales, Ariz. 85621.
D. (6) $500.

A. John B. Mason, El Paso Products Co., P.O. Box 3986, Odessa, Tex. 79761.
B. El Paso Products Co., P.O. Box 3986, Odessa, Tex. 79760.
D. (6) $18,500. E. (9) $12,715.

A. Paul J. Mason, American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Cliff Massa III, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20005.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $250.

A. Jon G. Massey, P.O. Box 8293, Washingtng, D.C. 20024.
B. Oil Investment Institute, P.O. Box 8293, Washington, D.C. 20024.

A. Charles D. Matthews, 1100 17th Street NW., Suite 410, Washington, D.C. 20036.

B. National Ocean Industries Association, 1100 17th Street NW., Suite 410, Wahington, D.C. 20036.
D. (6) $2,475. E. (9) $176.09.

A. Robert A. Matthews, Railway Progress Institute, 700 North Fairfax Street, Alexandria, Va. 22314.
B. Railway Progress Institute, 700 North Fairfax Street, Alexandria, Va. 22314.
D. (6) $476.44.

A. Robert R. Mattson, Standard Oil Co., (Indiana), 200 East Randolph Drive, Mail Code 6402, Chicago, Ill. 60601.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.
D. (6) $420. E. (9) $594.92.

A. C. V. and R. V. Maudlin, 1111 E Street NW., Washington, D.C. 20004.
B. Georgia Power Co., 270 Peachtree Street Atlanta, Ga.

A. C. V. and R. V. Maudlin, 1111 E Street NW., Washington, D.C. 20004.
B. Joint Government Liaison Committee, 1111 E Street NW., Washington, D.C. 20004.

A. Anthony F. Mauriello, N.Y.S. Petroleum Council, 551 Fifth Avenue, Room 718, New York, N.Y. 10017.
B. American Petroleum Institute, 2101 L. Street NW., Washington, D.C. 20037.

A. Thomas H. Maxedon, Kentucky Petroleum Council,4010 Dupont Circle, Suite 469, Louisville, Ky. 40207.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
E. (9) $62.50.

A. Arnold Mayer, Amalgamated Meat Cutters & Butcher Workmen of North America, AFL–CIO, 100 Indiana Avenue NW., Room 502, Washington, D.C. 20001.
B. Amalgamated Meat Cutters & Butcher Workmen of North America, AFL–CIO, 2800 North Sheridan Road, Chicago, Ill. 60657.
D. (6) $8,925. E. (9) $530.

A. Mayer, Brown & Platt, 888 17th Street NW., Washington, D.C. 20006.
B. Aerospace Industries Association of America, Inc., 1725 DeSales Street NW., Washington, D.C. 20036.
D. (6) $10,115.

A. Mayer, Brown & Platt, 888 17th Street NW., Washington, D.C. 20006.
B. The ERISA Industry Committee, 1750 Pennsylvania Avenue NW., Suite 1201, Washington, D.C. 20006.

A. Mays, Valentine, Davenport & Moore, Barr Building, 910 17th Street NW., Washington, D.C. 20006.
B. SEDCO, Inc., 1901 North Akad Street, Dallas, Tex. 75201.

A. Mays, Valentine, Davenport & Moore, Barr Building, 910 17th Street NW., Washington, D.C. 20006.
B. Trans Union Corp., 90 Half Day Road, Lincolnshire, Ill. 60015.
D. (6) $1,264. E. (9) $20.55.

A. William J. McAuliffe, Jr., American Land Title Association, 1828 L Street NW., Washington, D.C. 20036.
B. American Land Title Association, 1828 L Street NW., Washington, D.C. 20036.

A. Ann McBride, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $96.

A. Michael J. McCabe, Allstate Insurance Co., Allstate Plaza, Northbrook, Ill. 60062.
B. Allstate Insurance Co., Allstate Plaza, Northbrook, Ill. 60062.

A. William C. McCamant, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $300.

A. Robert C. McCandless, 1707 H Street NW., Washington, D.C. 20006.
B. Transamerica Insurance Corp. of California (Occidental Life), Occidental Center, Hill and Olive at 12th Street, Los Angeles, Calif. 90015.
D. (6) $1,948.13. E. (9) $132.53.

A. John A. McCart, Public Employee Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
B. Public Employee Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $1,992.51.

A. McCarty & Noone, 490 L'Enfant Plaza, East Suite 3306, Washington, D.C. 20024.
B. American Medical Technologists, 710 Higgins Road, Park Ridge, Ill. 60068.
D. (6) $780. E. (9) $585.53.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Avon, Products, Inc., 9 West 57th Street, New York, N.Y. 10019.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Cities Service Co., Box 300, Tulsa, Okla. 74102.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. The Coca-Cola Co., P.O. Box 1734, Atlanta, Ga. 30301.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Gulf & Western Industries, Inc., 1 Gulf & Western Plaza, New York, N.Y. 10023.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 100017.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Tidewater Marine Service, 3308 Tulane Avenue, New Orleans, La. 70110.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. United Artists Corp., 729 Seventh Avenue, New York, N.Y. 10019.

A. McCollister, McCleary, Fazio, Mixon, Holiday & Jones, 918 16th Street NW., Washington, D.C. 20006.
B. Insurance Association of Connecticut, Suite 1304, 60 Washington Street, Hartford, Conn. 06106.

A. Richard M. M. McConnell, National Association of Federal Credit Unions, 1156 15th Street NW., Suite 329, Washington, D.C. 20005.
B. National Association of Federal Credit Unions, 1156 15th Street NW., Suite 329, Washington, D.C. 20005.

A. E. L. McCulloch, Brotherhood of Locomotive Engineers, 819 Railway Labor Building, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Locomotive Engineers, Engineers Buiding, Cleveland, Ohio 44114.
D. (6) $284.60. E. (9) $81.50.

A. D. McCurrach, 1500 Wilson Boulevard, No. 609, Arlington, Va. 22209.
B. National School Supply and Equipment Association, 1500 Wilson Boulevard, No. 609, Arlington, Va. 22209.

A. Albert L. McDermott, American Hotel & Motel Association, 777 14th Street NW., Washington, D.C. 20005.
B. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $1,390.91. E. (9) $365.18.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. Big Prairie Farms, Inc., c/o J. J. White, 100 State Street, Beardstown, Ill. 62618.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. The First National Bank of Chicago, One First National Plaza, Chicago, Ill. 60670.

A. Francis O. McDermott, 1750 K Street NW,. Suite 1110, Washington, D.C. 20006.
B. Iowa Beef Processors, Inc., Dakota City, Nebr. 68731.

A. Francis O. McDermott, 1750 K Street NW,, Suite 1110, Washington, D.C. 20006.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $1,300. E. (9) $32.93.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. Peoples Gas Co., 122 South Michigan Avenue, Chicago, Ill. 60603.
D. (6) $3,770. E. (9) $22.03.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
E. (9) $20.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. Trans Union Corp., 90 Half Day Road, Lincolnshire, Ill. 60015.
D. (6) $100. E. (9) $22.03.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. Trustees Under Will of Warren Wright, c/o The First National Bank of Chicago, One First National Plaza, Chicago, Ill. 60603.

A. Jack McDonald, 6845 Elm Street, Suite 512, McLean, Va. 22101.
B. Jack McDonald Associates, 6845 Elm Street, Suite 512, McLean, Va. 22101 (for Union Oil Co., P.O. Box 7600, Los Angeles, Calif. 90051).
D. (6) $6,000.

A. Jack McDonald Associates, 6845 Elm Street, Suite 512, McLean, Va. 22101.
B. Northrop Corp., 1800 Century Park East, Los Angeles, Calif. 90067.
D. (6) $4,500. E. (9) $2,450.

A. Jack McDonald Associates, 6845 Elm Street, Suite 512, McLean, Va. 22101.
B. Union Oil Co., P.O. Box 7600, Los Angeles, Calif. 90051.
D. (6) $15,000. E. (9) $9,750.

A. James McDonald, 6845 Elm Street, Suite 512, McLean, Va. 22101.
B. Jack McDonald Associates, 6845 Elm Street, Suite 512, McLean, Va. 22101 (for Northrop Corp., 1800 Century Park East, Los Angeles, Calif. 90067).
D. (6) $2,250.

A. James McDonald, 6845 Elm Street, Suite 512, McLean, Va. 22101.
B. Jack McDonald Association, 6845 Elm Street, Suite 512, McLean, Va. 22101 (for Union Oil Co., P.O. Box 7600, Los Angeles, Calif. 90051).
D. (6) $3,000.

A. Michael D. McDonald, Maryland Petroleum Association, 60 West Street, Annapolis, Md. 21401.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $100.

A. Joseph A. McElwain, 40 East Brodway, Butte, Mont. 59701.
B. The Montana Power Co., Butte, Mont. 59701.
E. (9) $64.40.

A. Darryl D. McEwen, Society of American Florists, 901 North Washington Street, Alexandria, Va. 22314.
B. Society of American Florists & Ornamental Horticulturists, 901 North Washington Street, Alexandria, Va. 22314.

A. Michael B. McFarland, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $590.

A. Thomas H. McGannon, Chemtex Fibers, Inc., 850 Third Avenue, New York, N.Y. 10022.
B. Chemtex Fibers, Inc., 850 Third Avenue, New York, N.Y. 10022.

A. W. John McGinnis, National Association of Manufacturers, 222 South Prospect Avenue, Park Ridge, Ill. 60068.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

A. Robert M. McGlotten, AFL–CIO, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $9,535.50 E. (9) $525.60.

A. John J. McGonagle, Jr., INA Corp. 1600 Arch Street, Philadelhpia, Pa. 19101.
B. INA Corp., 1600 Arch Street, Philadelphia, Pa. 19101.
D. (6) $265.

A. F. Howard McGuigan, AFL–CIO, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $9,535.50. E. (9) $238.47.

A. Peter E. McGuire, National Association of Retired and Veteran Railway Employees, Inc., 400 First Street NW., Washington, D.C. 20001.
B. National Association of Retired and Veteran Railway Employees, Inc., P.O. Box 6060, Kansas City, Kans. 66106; Hotel & Restaurant Employees & Bartenders International Union AFL–CIO, 1666 K Street NW., Washington, D.C. 20006; International Conference of Police Associations, 1239 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $850. E. (9) $850.

A. Clarence M. McIntosh, Jr., Railway Labor Executives' Association, 400 First Street NW., Washington, D.C. 20001.
B. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C. 20001.
D. (6) $994.01.

A. Lyn McIntosh, 1750 K Street, Suite 300, Washington, D.C.
B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
D. (6) $1,649.99. E. (9) $319.59.

A. James D. McKevitt, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Association of Women's & Childrens Apparel Salesmen (NAWCAS), 515 Peachtree, Palisades Building, Atlanta, Ga. 30309.
D. (6) $2,000. E. (9) $45.

A. James D. McKevitt, National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206. Washington, D.C. 20024.,
D. (6) $3,500. E. (9) $65.

A. C. A. "Mack" McKinney, 110 Maryland Avenue NE., Washington, D.C. 20002.
B. National Headquarters, Marine Corps League, 933 North Monroe Street, Suite 321, Arlington, Va. 22201.
E. (9) $23.

A. C. A. "Mack" McKinney, 110 Maryland Avenue NE., Washington, D.C. 20002.
B. Non-Commissioned Officers Association of the United States (NCOA), P.O. Box 2268, San Antonio, Tex. 78298.
D. (6) $4,226.66. E. (9) $7,166.11.

A. John S. McLees, Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
E. (9) $250.

A. C. W. McMillan, 425 13th Street NW., Suite 1020, Washington, D.C. 20004.
B. National Cattlemens' Association, 1001 Lincoln Street, Denver, Colo. 80202.
D. (6) $1,500.

A. Ralph J. McNair, American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Margaret E. McNamara, CLW, 100 Maryland Avenue NE., Washington, D.C.
B. Council for a Livable World, 100 Maryland Avenue NE., Washington, D.C.
D. (6) $920.28.

A. Robert B. McNeil, Slurry Transport Association, 490 L'Enfant Plaza East, SW., Suite 3210, Washington, D.C. 20024.
B. Slurry Transport Association, 490 L'Enfant Plaza East, SW., Suite 3210, Washington, D.C. 20024.
D. (6) $285.

A. McNutt, Dudley, Easterwood & Losch, 910 17th Street NW., Washington, D.C. 20006.
B. American Dredging Co., et al, 12 South 12th Street, Philadelphia, Pa 19107.
D. (6) $21,000. E. (9) $2,350.85.

A. McNutt, Dudley, Easterwood & Losch, 910 17th Street NW., Washington, D.C. 20006.
B. Republic of Turkey, 1606 23d Street NW., Washington, D.C. 20008.
D. (6) $6,300. E. (9) $9.

A. Harry McPherson, Suite 1000, 1660 L Street NW., Washington, D.C. 20036.
B. Small Producers for Energy Independence, Suite 970, Fourth Financial Center, Wichita, Kan. 67202.
D. (6) $8,205. E. (9) $225.

A. George G. Mead, American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $521.89.

A. William H. Megonnell, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Electric Companies, 1140 Connecticut Avenue NW, Washington, D.C. 20036.
D. (6) $390. E. (9) $1.83.

A. Law Offices of Richard A. Mehler, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
B. Automotive Parts Rebuilders Association, 6849 Old Dominion Drive, McLean, Va. 22101.
D. (6) $625. E. (9) $0.80.

A. F. Robert Meier, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

A. Louis L. Meier, Jr., American Society of Civil Engineers, 1625 I Street NW., Washington, D.C. 20006.
B. American Society of Civil Engineers, United Engineering Center, 345 East 47th Street, New York, N.Y. 10017.
D. (6) $870. E. (9) $760.

A. Kenneth A. Meiklejohn, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $9,535.50. E. (9) $682.28.

A. R. Otto Meletzke, American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $67.50. E. (9) $80.

A. Ellis E. Meredith, American Apparel Manufacturers Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.
B. American Apparel Manufacturers Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.
E. (9) $23.43.

A. Ralph Merigliano, National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $4,318.94.

A. John A. Merrigan, Suite 1000, 1660 L Street NW., Washington, D.C. 20036.
B. Small Producers For Energy Independence, Suite 970, Fourth Financial Center, Wichita, Kans. 67202.
D. (6) $8,205. E. (9) $225.

A. Lawrence C. Merthan, Carpet & Rug Institute, 1015 18th Street NW., Washington, D.C. 20036.
B. Carpet & Rug Institute, Dalton, Ga. 30720.
D. (6) $815. E. (9) $373.

A. Marc Messing, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $3,150. E. (9) $124.43.

A. Tanya K. Metaksa, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association, 1600 Rhode Island Avenue NW., Washington, D.C. 20035.
D. (6) $600. E. (9) $277.46.

A. Nancy S. Metler, 1750 K Street NW., Suite 300, Washington, D.C. 20006.

B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
D. (6) $774.37. E. (9) $9.74.

A. Metropolitan Washington Board of Trade, 1129 20th Street NW., Washington, D.C. 20036.

A. M. Barry Meyer, Aluminum Association, 818 Connecticut Avenue NW., Washington, D.C. 20006.
B. The Aluminum Association, 818 Connecticut Avenue NW., Washington, D.C. 20006.
D. (6) $250. E. (9) $75.

A. James G. Michaux, 1801 K Street NW., Washington, D.C. 20006.
B. Federated Department Stores, Inc., 222 West Seventh Street, Cincinnati, Ohio 45202.
D. (6) $500.

A. Ronald A. Michieli, 425 13th Street NW., Suite 1020, Washington, D.C. 20004.
B. National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80202.
D. (6) $1,000.

A. Mid-Continent Oil & Gas Association, 1111 Thompson Building, Tulsa, Okla. 74103.
D. (6) $894.22. E. (9) $2,705.77.

A. Migrant Legal Action Program, Inc., 806 15th Street NW., Washington, D.C. 20005.
D. (6) $21,500. E. (9) $2,751.80.

A. Roy H. Millenson, Association of American Publishers, 1707 L Street NW., Room 480, Washinton, D.C. 20036.
B. Association of American Publishers, 1707 L Street NW., Room 480, Washinton, D.C. 20036.
D. (6) $1,850. E. (9) $96.

A. A. Stanley Miller, 910 16th Street, Room 302, Washinton, D.C. 20006.
B. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.
D. (6) $200.

A. Miller, Cassidy, Larroca & Lewin, 2555 M Street NW., Suite 500, Washington, D.C. 20037.
B. American Motors Corp., 14250 Plymouth Road, Detroit, Mich. 48232.

A. Miller & Chevalier, 1700 Pennsylvania Avenue, NW., Washington, D.C. 20006.
B. Medical Area Service Corp. c/o Michael Brewer, Holyoke Center 1000, Cambridge, Mass. 02138.

A. Clinton R. Miller, National Health Federation; 212 West Foothill Boulevard; Monrovia, Calif. 91016.
B. National Health Federation, 212 West Foothill Boulevard, Monrovia, Calif. 91016.
D. (6) $100. E. (9) $467.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C. 20036.
B. Gulf Intracoastal Canal Association, Houston, Tex.
D. (6) $262.50. E. (9) $67.29.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C. 20036.
B. Texas Gulf, Inc., New York, N.Y.
D. (6) $450. E. (9) $394.36.

A. Joe D. Miller, American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $875.

A. Joseph S. Miller, 19 Third Street NE., Washington, D.C. 20002.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $7,000. E. (9) $680.

A. Joseph S. Miller, 19 Third Street NE., Washington, D.C. 20002.
B. MEBA Political Action Fund, 444 North Capitol Street, Washington, D.C. 20002.
D. (6) $3,000. E. (9) $840.50.

A. Joseph S. Miller, 19 Third Street NE., Washington, D.C. 20002.
B. O. & C. Counties Association, Box 1530, Route 3, Roseburg, Oreg. 97470.

A. Joseph S. Miller, 19 Third Street NE., Washington, D.C. 20002.
B. Port of Portland, Box 3529, Portland, Oreg. 97208.
D. (6) $1,200.

A. Joseph S. Miller, 19 Third Street NE., Washington, D.C. 20002.
B. Professional Air Traffic Controllers Organization, 444 North Capitol Street, Washington, D.C. 20001.
D. (6) $500.

A. Joseph S. Miller, 19 Third Street NE., Washington, D.C. 20002.
B. Western Forest Industries Association, 1500 South West Taylor Street, Portland, Oreg. 97205.
D. (6) $3,000. E. (9) $460.

A. Luman G. Miller, 620 Southwest, Fifth Avenue Building, Suite 912, Portland, Oreg. 97204.
B. Oregon Railroad Association, 620 Southwest, Fifth Avenue Building, Suite 912, Portland, Oreg. 97204.

A. William P. Miller, Jr., American Society of Mechanical Engineers, 2029 K Street NW., Washington, D.C. 20007.
B. American Society of Mechanical Engineers, 345 East 47th Street, New York, N.Y. 10017.

A. Wm. R. Miller, Aminoil USA, Inc., 2800 North Loop West, Houston, Tex. 77092.
B. Aminoil USA, Inc., 2800 North Loop West, Houston, Tex. 77092.

A. Millman & Broder, 1730 M Street NW., No. 908, Washington, D.C. 20036.
B. National Council of Senior Citizens, Inc., 1511 K Street NW., Washington, D.C. 20005.
D. (6) $4,500. E. (9) $786.61.

A. John F. Mills, 1776 K Street NW., Washington, D.C. 20006.
B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.
D. (6) $600. E. (9) $100.

A. Linda F. Mills, 1629 K Street NW., Suite 300, Washington, D.C. 20006.
B. General Mills, Inc., P.O. Box 1113, Minneapolis, Minn. 55440.
D. (6) $100. E. (9) $220.

A. Thomas F. Mitchell, Georgia-Pacific Corp., 1735 I Street NW., Washington, D.C. 20006.
B. Georgia-Pacific Corp., 900 Southwest Fifth Avenue, Portland, Oreg. 97204.
E. (9) $363.50.

A. Richard Mizrack, 270 Madison Avenue, New York, N.Y. 10016.
B. Wolf Haldenstein Adler Freeman & Herz, 270 Madison Avenue, New York, N.Y. 10016 (for Fallek-Lankro Corp., Tuscaloosa, Ala.)
D. (6) $280.

A. Stacey J. Mobley, 1701 Pennsylvania Avenue, NW., Washington, D.C. 20006.
B. E. I. du Pont de Nemours & Co., 1007 Market Street, Wilmington, Del. 19898.

A. Marian Moe, 133 C Street, SE., Washington, D.C. 20002.
B. Congress Watch, 133 C Street, SE., Washington, D.C. 20002.
D. (6) $2,000.

A. John S. Monagan, Whitman & Ransom, 1730 Pennsylvania Avenue, NW., Suite 1010, Washington, D.C. 20006.
B. Connecticut Bankers Association, 100 Constitution Plaza, Suite 956, Hartford, Conn. 06103.

A. Michael Monroney, 2030 M Street, NW., Suite 800, Washington, D.C. 20036.
B. TRW Inc., 23555 Euclid Avenue, Cleveland, Ohio 44117.
D. (6) $1,000.

A. Montgomery Ward & Co., Inc., 1101 15th Street, NW., Washington, D.C. 20005.
B. Montgomery Ward & Co., Inc., 545 W. Chicago Avenue, Chicago, Ill. 60671.
D. (6) $202. E. (9) $450.

A. G. Merrill Moody, Association of American Railroads, 40 Ivy Street, SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street, NW., Washington, D.C. 20036.
D. (6) $135. E. (9) $202.95.

A. O. William Moody, Jr., Maritime Trades Department, AFL–CIO, 815 16th Street NW., Room 510, Washington, D.C. 20006.
B. Maritime Trades Department, AFL–CIO, 815 16th Street NW., Room 510, Washington, D.C. 20006.
D. (6) $2,500. E. (9) $2,205.32.

A. Alan J. Moore, The Atchison, Topeka & Santa Fe Railway Co., 1100 Connecticut Avenue, NW., Suite 840, Washington, D.C. 20036.
B. The Atchison, Topeka & Santa Fe Railway Co., 80 East Jackson Boulevard, Chicago, Ill. 60604.
D. (6) $1,500. E. (9) $150.

A. Powell A. Moore, 1155 15th Street, NW., No. 424, Washington, D.C. 20005.
B. Mondakota Gas Co., P.O. Box 224, Billings, Mont. 59103.

A. Powell A. Moore, 1155 15th Street, NW., No. 424, Washington, D.C. 20005.
B. Southern Natural Gas Co., P.O. Box 2563, Birmingham, Ala. 35202.
D. (6) $1,300.

A. E. Joyce Morgan, American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. Earl J. Morgan, 1150 17th Street NW., Washington, D.C. 20036.
B. McDonnell Douglas Corp., P.O. Box 516, St. Louis, Mo. 63166.
D. (6) $330. E. (9) $120.

A. J. V. Morgan, Jr., 1050 17th Street NW. Washington, D.C. 20036.
B. The American Humane Association P.O. Box 1266, Denver, Colo. 80201.
D. (6) $1,800.

A. Morison, Murphy, Abrams & Haddock, 1776 K Street NW., Suite 900, Washington, D.C. 20006.
B. Sperry & Hutchinson Co., 330 Madison Avenue, New York, N.Y. 10017.

A. Morris Associates, Inc., 1346 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Council of Community Mental Health Centers, 2233 Wisconsin Avenue NW., Washington, D.C. 20007.
D. (6) $13,950. E. (9) $16,264.18.

A. Stephen C. Morrisette, North Carolina Petroleum Council, P.O. Box 167, Raleigh, N.C. 27602.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $250. E. (9) $350.06.

A. James A. Morrissey, American Textile Manufacturers Institute, Inc., 1150 17th Street NW., Suite 1001, Washington, D.C. 20036.
B. American Textile Manufacturers Institute, Suite 2124, South Tryon Street, Charlotte, N.C. 28285.
D. (6) $3,800. E. (9) $296.

A. Sol Mosher, Crown Zellerbach, 1660 L Street NW., Suite 915, Washington, D.C. 20036.
B. Crown Zellerbach, One Bush Street, San Francisco, Calif. 94119.
E. (9) $250.

A. Moss, Frink & Franklin, 600 New Hampshire Avenue NW., Suite 480, Washington, D.C. 20037.
B. Kellogg Co., 235 Porter Street, Battle Creek, Mich. 49016.
D. (6) $525. E. (9) $12.

A. Moss, Frink & Franklin, 600 New Hampshire Avenue NW., Suite 480, Washington, D.C. 20037.
B. The Organization for the Management of Alaska's Resources, Inc., Box 516, Anchorage, Alaska 99510.
D. (6) $1,880. E. (9) $21.60.

A. Lynn E. Mote, Northern Natural Gas Co., 1133 15th Street NW., Suite 503, Washington, D.C. 20005.
B. Northern Natural Gas Co., 2223 Dodge Street, Omaha, Nebr. 68102.
D. (6) $2,000.

A. Walter L. Mote, Rocky Mountain Oil & Gas Association, 1155 15th Street NW., Suite 314, Washington, D.C. 20005.
B. Rocky Mountain Oil & Gas Association, 345 Petroleum Club Building, Denver, Colo. 80202.

A. John J. Motley, National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206 Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaza East, SW., Suite 3206, Washington, D.C. 20024.
D. (6) $2,250. E. (9) $385.

A. David Moulton, 133 C Street SE., Washington, D.C.
B. Congress Watch, 133 C Street SE., Washingto, D.C. 20003.
D. (6) $2,000.

A. Roger L. Mozingo, The Tobacco Institute, 1776 K Street NW., Washington, D.C. 20006.
B. The Tobacco Institute, 1776 K Street NW., Washington, D.C. 20006.
D. (6) $110.

A. Michael Mulkey, 1776 F Street NW., Washington, D.C.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $54.25. E. (9) $31.55.

A. Robert M. Mulligan, 910 17th Street NW., Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers and Milk Industry Foundation, 910 17th Street NW., Washington, D.C. 20006.
E. (9) $444.76.

A. Mullin, Connor and Rhyne, P.C., 1000 Connecticut Avenue, Washington, D.C. 20036.
B. Alberto de la Vega-Ripol, 804 Garching, Konigsbergerstr. 2, West Germany.
D. (6) $498.20. E. (9) $33.80.

A. Tracy Mullin, National Retail Merchants Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Retail Merchants Association, 100 West 31st Street, New York, N.Y. 10001.
D. (6) $350. E. (9) $40.

A. Robert J. Mullins, The Farmers' Educational and Co-Operative Union of America, Denver, Colo. 80251.
B. The Farmers' Educational and Co-Operative Union of America, Denver, Colo. 80251. 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $2,561.54. E. (9) $36.35.

A. Beverly J. Murphy, National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $220.

A. Richard E. Murphy, 2020 K. Street NW., Washington, D.C. 20006.
B. Service Employees International Union, AFL–CIO, 2020 K Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Richard W. Murphy, 1050 17th Street NW., Suite 1050, Washington, D.C. 20036.
B. Merck & Co., Inc., Rahway, N.J. 07065.
D. (6) $1,000. E. (9) $133.

A. D. Michael Murray, 1120 Connecticut Avenue, No. 1128, Washington, D.C. 20036.
B. Chicago, Milwaukee, St. Paul & Pacific RR, 516 West Jackson Boulevard, Chicago, Ill. 60606.
D. (6) $225. E. (9) $52.

A. D. Michael Murray, 1120 Connecticut Avenue, No. 1128, Washington, D.C. 20036.
B. Cleveland-Cliffs Iron Co., 1460 Union Commerce Building, Cleveland, Ohio 44115.
D (6) $100. E. (9) $38.

A. D. Michael Murray, 1120 Connecticut Avenue, No. 1128, Washington, D.C. 20036.
B. Freeport Minerals Co., 161 East 42d Street, New York, N.Y. 10017.
D. (6) $100. E. (9) $55.

A. D. Michael Murray, 1120 Connecticut Avenue, No. 1128, Washington, D.C. 20036.
B. Iron Ore Lessors Association, Inc., 1500 First National Bank Building, St. Paul, Minn. 55101.
D. (6) $150.

A. D. Michael Murray, 1120 Connecticut Avenue, No. 1128, Washington, D.C. 20036.
B. LTV Corp., LTV Tower, P.O. Box 5003, Dallas, Tex. 75222.
D. (6) $150. E. (9) $57.

A. D. Michael Murray, 1120 Connecticut Avenue, No. 1128, Washington, D.C. 20036.
B. National Association of Industrial and Office Parks, 1901 North Fort Myer Drive, No. 1100, Arlington, Va. 22209.
D. (6) $250. E. (9) $60.

A. D. Michael Murray, 1120 Connecticut Avenue, No. 1128, Washington, D.C. 20036.
B. National Council of Coal Lessors, 1130 17th Street NW., Washington, D.C. 20036.
D. (6) $100.

A. D. Michael Murray, 1120 Connecticut Avenue, No. 1128, Washington, D.C. 20036.
B. U.S. Maritime Committee 600 New Hampshire Avenue NW., No. 420, Washington, D.C. 20027.
D. (6) $3,500. E. (9) $71.27.

A. Thomas H. Mutchler, 1620 I Street NW., Suite 700, Washington, D.C. 20006.
B. International Paper Co., 1620 I Street NW., Suite 700 Washington, D.C. 20006.
D. (6) $200. E. (9) $20.

A. Harold D. Muth, 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
B. American Waterways Operators, Inc. (AWO), 1600 Wilson Boulevard Suite 1101 Arlington, Va. 22209.
D. (6) $300. E. (9) $2.40.

A. Lawrence P. Mutter, Automotive Parts Rebuilders Association, 6849 Old Dominion Drive, McLean, Va. 22101.
B. Automotive Parts Rebuilders Association, 6849 Old Dominion Drive McLean, Va. 22101.

A. Fred J. Mutz, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $3,000. E. (9) $236.30.

A. Paul J. Myer, 2409 Red Maple Lane, Reston, Va. 22091.
B. American Broadcasting Co., 1150 17th Street NW., Washington, D.C. 20036.
D. (6) $300.

A. Gary D. Myers, Fretilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
B. Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $112.66.

A. J. Walter Myers, Jr., Forest Farmers Association, P.O. Box 95385, Atlanta, Ga. 30347.
B. Forest Farmers Association, P.O. Box 95385, Atlanta, Ga. 30347.
D. (6) $200. E. (9) $193.82.

A. William T. Nachbaur, 1800 K Street NW., Suite 920, Washington, D.C. 20006.
B. BankAmerica Corp., Bank of America Center, San Francisco, Calif.
D. (6) $657.20. E. (9) $480.23.

A. Timothy D. Naegele, Suite 1280, 1850 K Street NW., Washington, D.C. 20006.
B. PruLease, Inc., 1255 Boylston Street, Boston, Mass. 02215.
E. (9) $71.05.

A. John J. Nangle, National Association of Independent Insurers, 1625 I Street NW., Suite 1001, Washington, D.C. 20006.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $500. E. (9) $250.

A. National Agricultural Chemicals Association, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $98. E. (9) $98.

A. National Air Carrier Association, 1730 M Street NW., Suite 710, Washington, D.C. 20036.

A. National Associated Businessmen, Inc., 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $597.78. E. (9) $663.26.

A. National Association for Free Enterprise, 1101 New Hampshire Avenue NW., Suite 107, Washington, D.C. 20037.

A. National Association for Humane Legislation, Inc., 675 Pinellas Point Drive South, St. Petersburg, Fla. 33705.
D. (6) $12.

A. National Association of Air Traffic Specialists, Inc., Suite 415, Wheaton Plaza North, Wheaton, Md. 20902.
D. (6) $89,805.13. E. (9) $4,862.80.

A. National Association of Chain Drug Stores, 1911 Jefferson Davis Highway, Arlington, Va. 22202.
E. (9) $441.

A. National Association of Electric Cos., 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $411. E. (9) $15,938.

A. National Association of Farmer Elected Committeemen, c/o Tom B. Cunningham, Sr., Rural Route 5, Darlington. S.C. 29532.
D. (6) $1,857.66. E. (9) $1,857.66.

A. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $1,131,469.87. E. (9) $83, 030. 63.

A. National Association of Manufacturers, 1776 F Street NW., Washington, D.C.
D. (6) $68,828.44. E. (9) $68,828.44.

A. National Association of Margarine Manufacturers, 1725 K Street NW., Suite 1202, Washington, D.C. 20006.

A. National Association of Mutual Insurance Cos., 7931 Castleway Drive, Indianapolis, Ind. 46250.

A. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $9,362.41. E. (9) $9,362.41.

A. National Association of Plumbing-Heating-Cooling Contractors, 1016 20th Street NW., Washington, D.C. 20036.
D. (6) $1,233.59. E. (9) $1,233.59.

A. National Association of Realtors, 430 North Michigan Avenue, Chicago, Ill.; 925 15th Street NW., Washington, D.C.
E. (9) $22,696.19.

A. National Association of Wheat Growers, 1030 15th Street NW., Suite 1030, Washington, D.C. 20005.
D. (6) $8,277.58. E. (9) $5,290.77.

A. National Audio-Visual Association, Inc., 3150 Spring Street, Fairfax, Va. 22030.
D. (6) $11,535.45. E. (9) $6,658.19.

A. National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $1,650. E. (9) $1,650.

A. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $11,126. E. (9) $11,496.

A. National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80202.
E. (9) $4,223.35.

A. National Citizens Communications Lobby, P.O. Box 19101, Washington, D.C. 20036.
D. (6) $920. E. (9) $3,543.92.

A. National Coal Association, Coal Building, Washington, D.C. 20036.
D. (6) $937,910.53. E. (9) $5,377.09.

A. National Committee Against Repressive Legislation, 1250 Wilshire Boulevard, Los Angeles, Calif. 90017.
D. (6) $3,911. E. (9) $3,721.04.

A. National Committee for a Human Life Amendment, Inc., 1707 L Street NW., No. 400, Washington. D.C. 20036.
D. (6) $55,358.47. E. (9) $12,484.32.

A. National Committee for Research in Neurological and Communicative Disorders, 927 National Press Building, Washington, D.C. 20045.
D. (6) $1,743. E. (9) $2,179.38.

A. National Committee on Locks and Dam 26, 1129 20th Street NW., No. 512, Washington, D.C. 20036.
D. (6) $4,900. E. (9) $42,283.54.

A. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $32,321.96. E. (9) $32,321.96.

A. National Council for a Responsible Firearms Policy, Inc., 1028 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,631.48. E. (9) $25.

A. National Council for a World Peace Tax Fund, 2111 Florida Avenue NW., Washington, D.C. 20008.
D. (6) $6,047.59. E. (9) $8,445.02.

A. National Electrical Manufacturers Association, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $2,021.59. E. (9) $2,021.59.

A. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
D. (6) $9,374.92. E. (9) 9,374.92.

A. National Federation of Licensed Practical Nurses, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $1,798. E. (9) $1,798.

A. National Grain & Feed Association, 725 15th Street NW., Washington, D.C. 20005.
E. (9) $115.27.

A. The National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $136,929.34. E. (9) $16,500.

A. National Guard Association of the United States, 1 Massachusetts Avenue NW., Washington, D.C. 20001.
D. (6) $448,950.30. E. (9) $1,442.70.

A. National Home Furnishings Association, 405 Merchandise Mart, Chicago, Ill. 60654.
E. (9) $6,207.88.

A. National Housing Conference, Inc., 1126 16th Street NW., Washington, D.C. 20036.
D. (6) $17,263.10. E. (9) $45,584.81.

A. National Leased Housing Association, Suite 400 South, 1800 M Street NW., Washington, D.C. 20036.
D. (6) $450. E. (9) $450

A. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
D. (6) $8,893.31. E. (9) $8,893.31.

A. National Livestock Feeders Association, Inc., 309 Livestock Exchange Building, Omaha, Nebr. 68107.
D. (6) $4,308.02. E. (9) $4,308.02.

A. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $5,588.98. E. (9) $5,588.98.

A. National Motorsports Committee of ACCUS, Suite 302, 1725 K Street NW., Washington, D.C. 20006.
E. (9) $351.59.

A. National Oil Jobbers Council, 1707 H Street NW., 11th floor, Washington, D.C. 20006.
D. (6) $124, 922.83. E. (9) $34,007.66.

A. National Organization for the Reform of Marijuana Laws, 2317 M Street NW., Washington, D.C. 20037.
D. (6) $27,129. E. (9) $76,294

A. National Pest Control Association, 8150 Leesburg Pike, Vienna, Va. 22180.
D. (6) $6,300. E. (9) $6,278.68.

A. National Rehabilitation Association, 1522 K Street N.W., Washington, D.C. 20006.
D. (6) $5,881. E. (9) $428.

A. National Retail Merchants Association, 100 West 31st Street, New York, N.Y. 10001.
E. (9) $2,920.

A. National Savings & Loan League, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.
D. (6) $11,050. E. (9) $1,606.

A. National Security Traders Association, Inc., 55 Broad Street, New York, N.Y. 10004.
E. (9) $1,500.

A. National Small Business Association, 1225 19th Street NW., Washington, D.C. 20036.
D. (6) $5,000. E. (9) $2,562.52.

A. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $12,500. E. (9) $12,200.

A. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $877.69.

A. National Tax Equality Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $4,117. E. (9) $5,186.01.

A. National Telephone Cooperative Association, 2626 Pennsylvania Avenue, NW., Washington, D.C. 20037.
E. (9) $6,050.

A. National Tire Dealers and Retreaders Association, 1343 L Street NW., Washington, D.C. 20005.
D. (6) $1,585. E. (9) $1,585.

A. Natural Gas Supply Committee, 1025 Connecticut Avenue NW., No. 505, Washington, D.C. 20036.
D. (6) $90,750. E. (9) $28,957.91.

A. Alexander W. Neale, Jr., Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.
B. Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.
D. (6) $3,980. E. (9) $7,600.96.

A. Alan M. Nedry, 1801 K Street NW., Suite 1041, Washington, D.C. 20006.
B. Southern California Edison Co., P.O. Box 800, Rosemead, Calif. 91770.
D. (6) $125. E. (9) $100.

A. Stanley Nehmer, Suite 800, 1101 17th Street NW., Washington, D.C. 20036.
B. American Footwear Industries Association, 1611 North Kent Street, Arlington, Va. 22209.
D. (6) $750. E. (9) $500.

A. Stanley Nehmer, Suite 800, 1101 17th Street NW., Washington, D.C. 20036.
B. International Leather Goods, Plastics & Novelty Workers' Union, 265 West 15th Street, New York, N.Y. 10011.
D. (6) $250. E. (9) $225.

A. Stanley Nehmer, Suite 800, 1101 17th Street NW., Washington, D.C. 20036.
B. The National Handbag Association, 350 Fifth Avenue, New York, N.Y. 10016.
D. (6) $250. E. (9) $225.

A. Deborah F. Nelson, 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.
B. Associated Builders & Contractors, Inc., 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.
D. (6) $50.

A. Louis James Nelson III, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $925.

A. A. S. Nemir Associates, Suite 1230 Pennsylvania Building, Washington, D.C. 20004.
B. Brazilian Sugar and Alcohol Institute, Rio de Janeiro, Brazil.
D. (6) $3,000. E. (9) $613.

A. Network, 224 D Street SE., Washington, D.C. 20003.
D. (6) $9,426.93. E. (9) $1,683.48.

A. Robert B. Neville, National Restaurant Association, 1155 15th Street NW., Suite 505, Washington, D.C. 20005.
B. National Restaurant Association, 1155 15th Street NW., Washington, D.C.; One IBM Plaza, Suite 2600, Chicago, Ill.
D. (6) $2,632. E. (9) $10,180.20.

A. Louis H. Nevins, 1709 New York Avenue NW., Suite 200, Washington, D.C. 20006.
B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, NY 10017.
D. (6) $3,250. E. (9) $874.63.

A. E. J. Newbould, 910 16th Street NW., No. 303, Washington, D.C. 20006.
B. National Clay Pipe Institute, P.O. Box 310, Crystal Lake, Ill. 60014.
D. (6) $630. E. (9) $91.01.

A. Harold Frank Newman, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Foundation Health Plan, Inc., 900 17th Street NW., Washington, D.C. 20006.
D. (6) $7,509.61. E. (9) $1,500.

A. Thomas E. Newman, National Association of Manufacturers, 1719 Route 10, Parsippany, N.J. 07054.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $250.

A. Newspaper Management-Production Co., Inc., P.O. Box 1657, Spartanburg, S.C. 29301.
E. (9) $1,300.

A. Charles E. Nichols, 101 Constitution Avenue NW., Washington, D.C. 20001.
B. United Brotherhood of Carpenters & Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.
D. (6) $2,137.41. E. (9) $432.79.

A. F. Clayton Nicholson, Box 15, Route 1, Henryville, Pa. 18332.
B. Northern Helex Co., 2223 Dodge Street, Omaha, Nebr. 68102.
D. (6) $2,725. E. (9) $755.

A. Edwin J. Nielson, United Airlines, 1825 K Street NW., No. 607, Washington, D.C. 20006.
B. United Airlines, P.O. Box 66100, Chicago, Ill. 60666.
D. (6) $1,500. E. (9) $286.

A. Donald R. Niemi, Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.
B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.
D. (6) $540. E. (9) $559.

A. Patrick J. Nilan, American Postal Workers Union, AFL-CIO, 817 14th Street NW., Washington, D.C. 20005.
B. American Postal Workers Union, AFL-CIO, 817 14th Street NW., Washington, D.C. 20005.
D. (6) $9,532.57. E. (9) $4,585.97.

A. NL Industries, Inc., 1230 Avenue of the Americas, New York, N.Y. 10020.
E. (9) $3,000.

A. Philip W. Noel, 1015 Hospital Trust Building, Providence, R.I.
B. Houston Oil & Mineral Corp., 1212 Main Street, Houston, Tex. 77002.
D. (6) $600.

A. Elaine S. Nogay, 1625 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Can Manufacturers Institute, 1625 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $200. E. (9) $30.

A. Robert W. Nolan, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
D. (6) $100.

A. Charles M. Noone, 490 L'Enfant Plaza East No. 3305, Washington, D.C. 20024.
B. National Association of Small Business Investment Companies, 512 Washington Building, Washington, D.C. 20005.
D. (6) $1,500. E. (9) $308.98.

A. Andrea K. Nordell, 1730 Rhode Island Avenue NW., Suite 911, Washington, D.C. 20036.
B. St. Joe Minerals Corp., 250 Park Avenue, New York, N.Y. 10017.
D. (6) $875. E. (9) $72.12.

A. Norfolk & Western Railway Co., 8 North Jefferson Street, Roanoke, Va. 24042.
E. (9) $2,953.88.

A. Richard B. Norment IV, 2 Militia Drive, Lexington, Mass. 02173.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $475.

A. Robert H. North, 910 17th Street NW., Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 910 17th Street NW., Washington, D.C. 20006.
E. (9) $386.40.

A. Northeast Utilities Service Co., Selden Street, Berlin, Conn.
E. (9) $3,090.43.

A. Victor L. Nutt, 600 New Hampshire Avenue NW., Suite 920, Washington, D.C. 20037.
B. Gulf & Western Industries, Inc., 600 New Hampshire Avenue NW., Suite 920, Washington, D.C. 20037.
D. (6) $1,500. E. (9) $100.

A. Seward P. Nyman, 20 Chevy Chase Circle, Washington, D.C. 20015.
B. American Podiatry Association, 20 Chevy Chase Circle, Washington, D.C. 20015.
D. (6) $850.

A. Mary E. Oakes, 1800 K Street NW., Washington, D.C. 20006.
B. Hercules, Inc., 910 Market Street, Wilmington, Del. 19899.
D. (6) $562. E. (9) $119.

A. Coleman C. O'Brien, United States League of Savings Associations, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $1,687.50. E. (9) $47.20.

A. Raymond V. O'Brien, International Telephone & Telegraph Corp., 1707 L Street NW., Washington, D.C. 20036.
B. International Telephone & Telegraph Corp., 320 Park Avenue, New York, N.Y. 10022.
D. (6) $140. E. (9) $23.

A. W. Brice O'Brien, American Mining Congress, 1100 Ring Building, Washington, D.C.
B. American Mining Congress, 1100 Ring Building, Washington, D.C.
D. (6) $109.05. E. (9) $40.

A. G. H. Ochenrider, Grumman Aerospace Corp., 1600 Wilson Boulevard, Arlington, Va. 22209.
B. Grumman Aerospace Corp., Bethpage, N.Y. 11714.
D. (6) $2,500. E. (9) $1,100.

A. R. Dennis O'Connell, Marathon Oil Co., 1800 M Street NW., Suite 975, Washington, D.C. 20036.
B. Marathon Oil Co., Findlay, Ohio 45840.
E. (9) $37.50.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. American Clinical Laboratory Association, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
D. (6) $4,750. E. (9) $236.08.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. American Inland Waterways Committee, 7733 Forsyth Boulevard, Suite 2201, St. Louis, Mo. 63105.
D. (6) $5,000. E. (9) $200.22.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Institute of Certified Public Accountants, 1620 I Street NW., Washington, D.C. 20006.
D. (6) $600. E. (9) $143.75.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Public Transit Association, 1100 17th Street NW., Washington, D.C. 20036.
D. (6) $3,750. E. (9) $266.01.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Hennepin County, 2300 Government Center, Minneapolis, Minn. 55487.
D. (6) $1,680. E. (9) $357.50.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Hospital Financing Study Group, New York, N.Y.
D. (6) $750. E. (9) $310.42.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Minneapolis City Council, 307 City Hall, Minneapolis, Minn. 55415.
D. (6) $2,151.25. E. (9) $262.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Association of Church and Institutional Financing Organizations, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Securities Industry Association, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.
D. (6) $2,500. E. (9) $130.04.

A. L. L. O'Connor, 20 North Wacker Drive, Chicago, Ill. 60606.
B. Profit Sharing Council of America, 20 North Wacker Drive, Chicago, Ill. 60606.

A. John A. O'Donnell, 1001 Connecticut Avenue NW., No. 716, Washington, D.C. 20036.
B. Philippine Sugar Commission.
D. (6) $3,000. E. (9) $250.

A. Patrick E. O'Donnell, General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn. 06431.
D. (6) $300. E. (9) $275.

A. Neil H. Offen, 1730 M Street NW., Washington, D.C. 20036.
B. Direct Selling Association, 1730 M Street NW., Washington, D.C. 20036
D. (6) $5,632. E. (9) $178.58.

A. Kathleen L. O'Flaherty, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1126 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $200. E. (9) $15.

A. Jane O'Grady, AFL–CIO, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $8,398. E. (9) $330.31.

A. Bartley O'Hara, 25 Louisiana Avenue NW., Washington, D.C. 20001.
B. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.
D. (6) $7,850.

A. James G. O'Hara, Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. General Motors Corp., 1660 L Street NW., Washington, D.C. 20036.
D. (6) $687.50.

A. Oil Investment Institute, P.O. Box 8293, Washington, D.C. 20024.

A. Robert Spencer O'Leary, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $950.01.

A. Alvin E. Oliver, 725 15th Street NW., Washington, D.C. 20005.
B. National Grain and Feed Association, P.O. Box 28328, Washington, D.C.

A. Nancy J. Olson, Johns-Manville Corp., 1025 Connecticut Avenue NW., Suite 214, Washington, D.C. 20036.
B. Johns-Manville Corp., P.O. Box 5108, Denver, Colo. 80217.
D. (6) $200. E. (9) $700.

A. Roy E. Olson, 260 Madison Avenue, New York, N.Y. 10016.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. George C. P. Olsson, 25 Clifford Road, Plymouth, Mass. 02360.
B. Ocean Spray Cranberries, Inc., Plymouth, Mass. 02360.
D. (6) $337.50.

A. Samuel Omasta, 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
B. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
E. (9) $22.20.

A. O'Melveny & Myers, 1800 M Street NW., Washington, D.C. 20036.
B. AMFAC, Inc., 700 Bishop Street, Honolulu, Hawaii.
E. (9) $177.05.

A. Charles T. O'Neill, Jr., American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000. E. (9) $150.60.

A. John L. Oshinski, United Steelworkers of America, 815 16th Street NW., Suite 706, Washington, D.C. 20006.
B. United Steelworkers of America, Five Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $6,309.26. E. (9) $2,557.56.

A. Roland A. Ouellette, General Motors Corp., 1660 L Street NW., Suite 501, Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $3,600. E. (9) $4,799.62.

A. J. Allen Overton, Jr., American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C.
D. (6) $459.11. E. (9) $12.50.

A. William H. Owens, Jr., 1101 17th Street NW., Washington, D.C. 20036.
B. American Dental Association, 1101 17th Street NW., Washington, D.C. 20036.
D. (6) $1,000.

A. Raymond S. Page, Jr., Mill Creek Terrace, Gladwyne, Pa. 19035.
B. Campbell Soup Co., Campbell Place, Camden, N.J. 08101.

A. Henry S. Palau, Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
B. The Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $393.

A. Gerard Paul Panaro, 6525 Belcrest Road, Hyattsville, Md. 20782.
B. Associated Retail Bakers of America, Presidential Building, Suite 250, 6525 Belcrest Road, Hyattsville, Md. 20782.
D. (6) $100. E. (9) $27.55.

A. Fred Panzer, 1776 K Street NW., Washington, D.C. 20006.
B. The Tobacco Institute, 1776 K Street NW., No. 1200, Washington, D.C. 20006.
D. (6) $570. E. (9) $280.

A. G. Oliver Papps, New Jersey Petroleum Council, 170 West State Street, Trenton, N.J. 08608.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $10.

A. Lew M. Paramore, Mo-Ark Basins Flood Control and Conservation Association, P.O. Box 1160, Kansas City, Kans. 66117.
B. Mo-Ark Basins Flood Control and Conservation Association, P.O. Box 1160, Kansas City, Kans. 66117.

A. Herschell E. Parent, Arkansas Petroleum Council, 302 Commercial National Bank Building, Little Rock, Ark. 72201.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Kimberly C. Parker, 1730 K Street NW., Washington, D.C. 20006.
B. National Treasury Employees Union, 1730 K Street NW., Suite 1101, Washington, D.C. 20006.
D. (6) $3,470.40. E. (9) $275.61.

A. Michael J. Parker, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $850.

A. Paul Parkhurst, Chevron U.S.A., Inc., 1700 K Street NW., Washington, D.C. 20006.
B. Chevron U.S.A., Inc. (a subsidiary of Standard Oil Co. of California), 1700 K Street NW., Washington, D.C. 20006.
D. (6) $150. E. (9) $75.

A. Tom E. Paro, Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.
B. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.

A. Nicholas D. Pasco, 600 New Hampshire Avenue NW., Suite 420, Washington, D.C. 20037.
B. Shipbuilders Council of America, 600 New Hampshire Avenue NW., Suite 420, Washington, D.C. 20037.
D. (6) $600. E. (9) $200.

A. Howard G. Paster, United Automobile, Aerospace, & Agricultural Implement Workers of America (UAW), 1125 15th Street NW., Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace, & Agricultural Implement Workers of America (UAW), 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $12,214.28. E (9) $607.12.

A. R. Y. Patterson, Jr., 1225 Contessa Court, Winter Park, Fla. 32789.
B. Florida Gas Transmission Co., P.O. Box 44, Winter Park, Fla. 32790.

A. Kenton Pattie, National Audio-Visual Association, Inc., 3150 Spring Street, Fairfax, Va. 22030.
B. National Audio-Visual Association, Inc., 3150 Spring Street, Fairfax, Va. 22030.
D. (6) $2,326.15.

A. David J. Pattison, 1750 K Street NW., Washington, D.C. 20006.
B. Health Insurance Association of America, Inc., 1750 K Street NW., Washington, D.C.; 919 Third Avenue, New York, N.Y.; 332 South Michigan Avenue, Chicago, Ill.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
D. (6) $14,700.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Ad Hoc Committee on § 602, 1101 16th Street NW, Suite 300, Washington, D.C. 20006.
D. (6) $1,600. E. (9) $766.55.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Air Products & Chemicals, Inc., P.O. Box 538, Allentown, Pa. 18105.
D. (6) $1,140.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Alyeska Pipeline Service Corp., P.O. Box 576, Bellevue, Wash. 98004.
D. (6) $1,185.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. American Guild of Authors & Composers, 50 West 57th Street, New York, N.Y. 10019.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. American Imported Automobile Dealers Association, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $480.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. American Maritime Association, 17 Battery Place, New York N.Y. 10004.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. American Society of Association Executives, 1101 16th Street NW., Washington, D.C. 20006.
D. (6) $745. E. (9) $155.70.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. AMFAC, Inc., 700 Bishop Street, Honolulu, Hawaii 96801.
D. (6) $1,400.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Armco Steel Corp., General Offices, Middletown, Ohio 45042.
D. (6) $1,140. E. (9) $100.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Association of Oil Pipelines, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $5,140.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Association of Trial Lawyers of America 20 Garden Street, Cambridge, Mass.
D. (6) $1,400 E. (9) $82.70.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Bath Iron Works Corp. 700 Washington Street, Bath, Maine 04530.
D. (6) $1,560. E. (9) $61.50.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Boating Industry Association, 401 North Michigan Avenue, Chicago, Ill. 60601; and National Association of Engine and Boat Manufacturers, P.O. Box 5555, Grand Central Station, New York, N.Y. 10017.
D. (6) $320. E. (9) $70.55.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. The Business Roundtable, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $5,143.75. E. (9) $8,151.50.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Central American Sugar Council, 1200 17th Street NW., Washington, D.C. 20036.
D. (6) $140.00.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Chicago Board Options Exchange, LaSalle at Jackson, Chicago, Ill. 60604.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Computer Sciences Corp., 6565 Arlington Boulevard, Falls Church, Va. 22046.
D. (6) $2,972.50. E. (9) $400.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Council of State Chambers of Commerce, 1028 Connecticut Avenue NW., Suite 1018, Washington D.C. 20036.
D. (6) $980.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Donaldson Lufkin & Jenrette, Inc., 140 Broadway, New York N.Y. 10005.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Frontier Spar Corp. P.O. Box 235, Salem, Ky. 42078.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Hobby Industry of America, 200 Fifth Avenue, New York, N.Y. 10010.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Independent U.S. Tanker Owners Committee, 1612 K Street NW., Suite 510, Washington, D.C. 20006.
D. (6) $1,442.50. E. (9) $4,853.50.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Institute of Electrical & Electronics Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $500.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Institute of Scrap Iron & Steel, Inc., 1729 H Street NW., Washington, D.C. 20006.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Landmark Services, Inc., 900 Ohio Drive SW., Washington, D.C. 20024.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Lane, Powell, Moss & Miller, 1700 Washington Building, Seattle, Wash. 98101.
D. (6) $1,480. E. (9) $200.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Loop, Inc., 1010 Common Street, 350 Bank of New Orleans Building, New Orleans, La. 70112.
D. (6) $327.50.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Machinery Dealers National Association, 1400 20th Street NW., Washington, D.C. 20036.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Mail Order Association of America, P.O. Box 7047, Alexandria, Va., 22307.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Marathon Oil Co., 539 South Maine Street, Findlay, Ohio 45840.
D. (6) $1,130. E. (9) $180.50.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Mars, Inc., 1651 Old Meadow Road, McLean, Va. 22101.
D. (6) $800. E. (9) $100.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. National Limestone Institute, 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. National Medical Care, Inc., 560 Sylvan Avenue, Englewood Cliffs, N.J. 07632.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. New Process Co., 220 Hickory Street, Warren, Pa. 17365.
D. (6) $2,000.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Northwest Pipeline Corp., 315 East 200 South, Salt Lake City, Utah 84111.
D. (6) $30,162.50. E. (9) $10,443.90.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Pyrotechnic Signal Manufacturers Association, Inc., 1730 K Street NW., Suite 1300, Washington, D.C. 20006.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Ralston-Purina Co., Checkerboard Square, St. Louis, Mo. 63188.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Reader's Digest Association, Inc., Pleasantville, N.Y. 10570.
D. (6) $4,000.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Reading Co., Reading Terminal, 12th and Market Streets, Philadelphia, Pa. 19107.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Redwood Industry Park Committee, 2750 Sand Hill Road, Menlo Park, Calif. 94025.
D. (6) $10,577.50. E. (9) $400.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. State of Louisiana, Department of Conservation, P.O. Box 44275, Baton Rouge, La. 70804.
E. (9) $744.36.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Tax Corp. of America, 2441 Honolulu Avenue, Montrose, Calif. 91020.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Todd Shipyards Corp., One State Street Plaza, New York, N.Y. 10004.
D. (6) $1,500. E. (9) $50.70.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Uncle Ben's, Inc., 1300 Westheimer Boulevard, Houston, Tex. 77001.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. United Plant Guard Workers of America, 25510 Kelly Road, Roseville, Mich. 48066.
D. (6) $875.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Virgin Islands Manufacturers and Importers Association, Inc., c/o Thomas Travis, 1290 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $1,765.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Wometco Enterprises, Inc., 306 North Miami Avenue, Miami, Fla. 33128.
D. (6) $390.

A. Peabody, Rivlin, Lambert & Meyers, 1150 Connecticut Avenue NW., Suite 1200, Washington, D.C. 20036.
B. Longines-Wittnauer Watch Co., 145 Huguenot Street, New Rochelle, N.Y. 10810.

A. Barbara Jo Pease, Shell Oil Co., 1025 Connecticut Avenue NW., Suite 200, Washington, D.C. 20036.
B. Shell Oil Co., P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. James M. Peirce, Jr., 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
D. (6) $2,741.56.

A. Paul E. Pendergast, General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., Easton Turnpike, Fairfield, Conn. 06431.

A. Pennsylvania Power & Light Co., Two North Ninth Street, Allentown, Pa. 18101.
E. (9) $921.27.

A. Pennzoil Co., P.O. Box 2967, Houston, Tex. 77001.
E. (9) $10,550.

A. Dominic V. Pensabene, Chevron U.S.A., Inc., 1700 K Street NW., Washington, D.C. 20006.
B. Chevron U.S.A., Inc. (a subsidiary of Standard Oil Co. of California), 1700 K Street NW., Washington, D.C. 20006.
D. (6) $50. E. (9) $25.

A. J. Carter Perkins, Shell Oil Co., Suite 200, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Shell Oil Co., One Shell Plaza, P.O. Box 2463, Houston, Tex. 77001.
D. (6) $1,000.

A. Susan Perry, American Public Transit Association, 1100 17th Street NW., Washington, D.C. 20036.
B. American Public Transit Association, 1100 17th Street NW., Washington, D.C. 20036.
D. (6) $2,100. E. (9) $1,532.19.

A. Kenneth Peterson, AFL–CIO, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor & Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $9,350.50. E. (9) $188.91.

A. Mary B. Peterson, General Motors Corp., 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $3,000. E. (9) $1,581.24.

A. Russell W. Peterson, New Directions, 2021 L Street NW., No. 405, Washington, D.C. 20036.
B. New Directions, 2021 L Street NW., Washington, D.C. 20036.
D. (6) $8,182.25.

A. Paul F. Petrus, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,200.

A. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.
E. (9) $43.38.

A. John P. Philbin, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobile Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,500.

A. Barbara F. Phillips, 1620 I Street NW., Washington, D.C. 20006.
B. Energy Transportation Systems, Inc., P.O. Box 3965, San Francisco, Calif. 94119.
D. (6) $116.60. E. (9) $133.19.

A. Scott H. Phillips, Howell Corp., 800 Houston Natural Gas Building, Houston, Tex. 77002.
B. Howell Corp., 800 Houston Natural Gas Building, Houston, Tex. 77002.
D. (6) $269.75. E. (9) $661.06.

A. Sam Pickard, 1101 17th Street NW., Suite 604, Washington, D.C. 20036.
B. Monsanto Co., 800 North Lindbergh Boulevard, St. Louis, Mo. 63166.
D. (6) $500. E. (9) $128.

A. Pierson, Ball & Dowd, 1200 18th Street NW., Washington, D.C. 20036.
B. Satellite Business Systems, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $2,500.

A. Pierson, Semmes, Crolius, & Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. Edgington Oil Co., 2400 East Artesia Boulevard, Long Beach, Calif. 90805.
E. (9) $297.76.

A. Pierson Semmes Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. Six Flags, Inc., 530 West Sixth Street, Los Angeles, Calif. 90014.
E. (9) $846.10.

A. Plains Cotton Growers, Inc., P.O. Box 3640, Lubbock, Tex. 79452.
D. (6) $5,617.77. E. (9) $1,350.

A. Michael M. Pocost, N.Y.S. Petroleum Council, 551 Fifth Avenue, Room 718, New York, N.Y. 10017.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Harlan Pomeroy, 818 Connecticut Avenue NW., Washington, D.C. 20006.
B. Baker, Hostetler, Frost & Towers, 818 Connecticut Avenue NW., Washington, D.C. 20006 (for the Hall Chemical Co., P.O. Box 197, Wickliffe, Ohio 44092).
D. (6) $400.

A. Judith A. Pond, 1800 K Street NW., Suite 924, Washington, D.C. 20006.
B. Ralston Purina Co., Checkerboard Square, St. Louis, Mo. 63188.
E. (9) $20.

A. S. J. Poray-Tucholski, P.O. Box 1681, Whittier, Calif. 90609; 15257 East Cedarsprings Drive, Whittier, Calif.
B. Bermejo River Project Development Association.

A. Alonzo M. Poteet III, Veterans of Foreign Wars of the United States, 200 Maryland Avenue NE., Washington, D.C. 20002.
B. Veterans of Foreign Wars of the United States, 200 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $2,000.

A. Edmond A. Potter, NCR Corp., 2301 Research Boulevard, Rockville, Md. 20850.
B. NCR Corp., 1700 South Patterson Boulevard, Dayton, Ohio 45479.
D. (6) $8,150. E. (9) $1,400.

A. Potter International, Inc., 900 17th Street, NW., Suite 300, Washington, D.C. 20006.
B. Rockwell International, Inc., 600 Grant Street, Pittsburgh, Pa. 15219.
D. (6) $5,000.

A. Potter International, Inc., 900 17th Street NW., Suite 300, Washington, D.C. 20006.
B. Rohr Industries, Inc., P.O. Box 23000, San Diego, Calif. 92123.
D. (6) $4,500.

A. Potter International, Inc., 900 17th Street NW., Suite 300, Washington, D.C. 20006.
B. Western Shipbuilding Association, P.O. Box 3976, San Francisco, Calif. 94119.
D. (6) $2,250.

A. Ramsay D. Potts, Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Washington, D.C. 20036.
B. Investment Co. Institute, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $2,250. E. (9) $4.80.

A. Richard M. Powell, International Association of Refrigerated Warehouses, 7315 Wisconsin Avenue, Washington, D.C. 20014.
B. International Association of Refrigerated Warehouses, 7315 Wisconsin Avenue, Washington, D.C. 20014.

A. Carlton H. Power, 1918 North Parkway, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $850. E. (9) $19.98.

A. Janet Power, 1620 I Street NW., Washington, D.C. 20006.
B. VISA-U.S.A., Inc., 555 California Street, San Francisco, Calif. 94126.
D. (6) $3,000.

A. John J. Power, 101 Constitution Avenue NW., Washington, D.C. 20001.
B. United Brotherhood of Carpenters & Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.
D. (6) $3,720.47. E. (9) $151.89.

A. William C. Prather, United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.
D. (6) $678.

A. Dan Prescott, Mid-Continent Oil & Gas Association, 1800 K Street NW., Washington, D.C. 20006.
B. Mid-Continent Oil & Gas Association, 1111 Thompson Building, Tulsa, Okla. 74103.
D. (6) $630. E. (9) $110.

A. Lloyd T. Preslar, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Airbus Industrie, Avenue Lucien Servanty, 31700 Blagnac (Toulouse) France).
D. (6) $14.44. E. (9) $18.

A. Lloyd T. Preslar, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Aerospatiale, 37, Boulevard de Montmorency 75016 Paris, France).

A. Michael W. Press, 1050 17th Street NW., Suite 650, Washington, D.C. 20036.
B. The Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio 44115.
D. (6) $350.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher, 1776 F Street NW., Suite 201, Washington, D.C. 20006.
B. Tenneco Alaska, Inc., P.O. Box 2511, Houston, Tex. 77001.
D. (6) $6,873.50.

A. Forrest J. Prettyman, 730 15th Street NW., Washington, D.C. 20005.
B. Association of Bank Holding Companies, 730 15th Street NW., Washington, D.C. 20005.
D. (6.) $625.

A. Arnold J. Prima, Jr., The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6.) $1,200.

A. Profit Sharing Council of America, 20 North Wacker Drive, Chicago, Ill. 60606.

A. Pro-Life Congressional District Action Committee IN–2, 926 South Tenth Street, Lafayette, Ind. 47905.
D. (6.) $140. E. (9.) $83.36.

A. The Proprietary Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6.) $3,000. E. (9.) $108.50.

A. Jerry Z. Pruzan, Atlantic Richfield Co., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6.) $150. E. (9.) $175.

A. Public Employee Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6.) $20,245.92. E. (9.) $26,857.88.

A. Public Timber Purchasers Group, 1214 Oregon Bank Building, Portland, Oreg. 97204.
D. (6.) $3,471. E. (9.) $8,471.

A. Public Welfare Foundation, Inc., 2600 Virginia Avenue NW., Washington, D.C. 20037.
E. (9.) $6.60.

A. Philip N. Pulizzi, Jr., 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6.) $400.

A. David E. Pullen, Johns-Manville Corp., 1025 Connecticut Avenue NW., Suite 214, Washington, D.C. 20036.
B. Johns-Manville, Corp., P.O. Box 5108, Denver, Colo. 80217.
D. (6) $300. E. (9) $800.

A. Donald E. Purcell, 1725 K Street NW., Suite 903, Washington, D.C. 20006.
B. Outdoor Power Equipment Institute, 1725 K Street NW., Suite 903, Washington, D.C. 20006.
D. (6) $225. E. (9) $225.

A. Earle W. Putnam, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Howard Pyle III, 1150 Connecticut Avenue NW., Suite 805, Washington, D.C. 20036.
B. RJR Industries, Inc., 401 North Main Street, Winston-Salem, N.C. 27102.
D. (6) $142.86. E. (9) $10.

A. Quality Management Committee, 1500 Southwest Taylor, Portland, Oreg.

A. William A. Quinlan, 3045 Riva Road, Annapolis, Md. 21401.
B. Associated Retail Bakers of America, Presidential Building, Suite 250, 6525 Belcrest Road, Hyattsville, Md. 20782.
D. (6) $2,495. E. (9) $324.35.

A. Quintana Refinery Co., P.O. Box 3331, Houston, Tex. 77001.

A. Alex Radin, 2600 Virginia Avenue NW., Washington, D.C. 20037.

B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $491.04.

A. Richard W. Rahn, American Council for Capital Formation, 1425 K Street NW., Washington, D.C. 20005.
B. American Council for Capital Formation, 1425 K Street NW., Washington, D.C. 20005.
D. (6) $400.

A. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C. 20001.
D. (6) $23,040. E. (9) $23,404.

A. Railway Progress Institute, 700 North Fairfax Street, Alexandria, Va. 22314.

A. Clarence B. Randall, Jr., 444 North Capitol Street NW., Washington, D.C. 20001.
B. Associated Builders & Contractors, Inc., 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.
D. (6) $1,000.

A. Donald A. Randall, 1625 K Street NW., Suite 1205, Washington, D.C. 20006.
B. Automotive Service Councils, Inc., 188 Industrial Drive, Suite 112, Elmhurst, Ill. 60126.
D. (6) $4,000. E. (9) $2,560.

A. R. Ray Randlett, Allied Chemical Corp., 1150 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Allied Chemical Corp., P.O. Box 3000–R, Morristown, N.J. 07950.
D. (6) $100. E. (9) $100.

A. Arthur G. Randol, 1750 K Street NW., Suite 300, Washington, D.C.
B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
D. (6) $4,874.98. E. (9) $268.91.

A. Jerry F. Rapp, 1155 15th Street NW., Suite 606, Washington, D.C. 20005.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.
D. (6) $500.

A. D. Michael Rappoport, P.O. Box 1980, Phoenix, Ariz. 85001.
B. Salt River Project, P.O. Box 1980, Phoenix, Ariz. 85001.
D. (6) $2,230.80. E. (9) $2,057.53.

A. Magda Ratajski, P.O. Box 23652, L'Enfant Plaza Station, Washington, D.C. 20024.
B. Norfolk & Western Railway Co., Eight North Jefferson Street, Roanoke, Va. 24042.
D. (6) $1,187. E. (9) $200.

A. G. J. Rauschenbach, Communications Satellite Corp., 950 L'Enfant Plaza SW., Washington, D.C. 20024.
B. Communications Satellite Corp., 950 L'Enfant Plaza SW., Washington, D.C. 20024.
D. (6) $1,500. E. (9) $880.

A. Rawles, Hinkle, Finnegan & Carter, 390 West Standley Street, P.O. Box 720, Ukiah, Calif. 95482.
B. Tennessee Gas Transmission Co., a Tenneco Company, P.O. Box 2511, Houston, Tex. 77001.

A. J. Gene Raymond, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employes, 1016 16th Street NW., Washington, D.C. 20036.
D. (6) $1,683.36.

A. Sydney C. Reagan, 6815 Prestonshire, Dallas, Tex. 75225.
B. Southwestern Peanut Shellers Association, 6815 Prestonshire, Dallas, Tex. 75225.
D. (6) $150.

A. Susan E. Recce, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $337. E. (9) $239.71.

A. Gladys Reckley, G. G. Reckley Associates, 2737 Devonshire Place NW., Washington, D.C. 20008.
B. Kootznoowoo, Inc., Angoon, Alaska (for: Tlingit Indians of Angoon).
D. (6) $6,156. E. (9) $2,864.06.

A. Patricia S. Record, Sierra Club, 444 West Main, Room 10, Madison, Wisc. 53703.
B. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.
D. (6) $2,700. E. (9) $651.81.

A. Timothy J. Redmon, American Optometric Association, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Wendell D. Waldie, 3111 Aloma, Wichita, Kans. 67211.

A. Dwight C. Reed, National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
D. (6) $36.06.

A. Jerry Rees, 1030 15th Street NW., Suite 1030, Washington, D.C. 20005.
B. National Association of Wheat Growers, 1030 15th Street NW., Suite 1030, Washington, D.C. 20005.
D. (6) $1,471.65. E. (9) $200.

A. J. Mitchell Reese, P.O. Box 1166, Pittsburgh, Pa. 15230.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $1,500. E. (9) $300.

A. Robert S. Reese, Jr., American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $2,607.60.

A. John T. Reggitts, Jr., R.D. No. 2, Boonton Avenue, Boonton, N.J. 07005.

A. Reid & Priest, 1701 K Street NW., Washington, D.C. 20006.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $559. E. (9) $9.75.

A. William M. Reid, Coastal States Gas Corp,. Five Greenway Plaza East, Houston, Tex. 77046.
B. Coastal States Gas Corp., Five Greenway Plaza East, Houston, Tex. 77046.
E. (9) $50.

A. W. W. Renfroe, 69 Fountain Place, Frankfort, Ky. 40601.
B. Kentucky Railroad Association, 69 Fountain Place, Frankfort, Ky. 40601.

A. Diane Rennert, 1707 L Street NW., Washington, D.C. 20036.
B. Association of American Publishers, 1707 L Street NW., Washington, D.C. 20036.
D. (6) $950. E. (9) $666.71.

A. Jamie Replogle, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of

America, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $14.62.

A. Reproductive Freedom League, P.O. Box 11921, Lexington, Ky 40511.
D. (6) $217. E. (9) $140.41.

A. The Retired Officers Association, 1625 I. Street NW., Washington, D.C. 20006.
D. (6) $4,802.

A. Nancy C. Reynolds, 1625 I Street NW., Washington, D.C. 20006.
B. Boise Cascade Corp., 1625 I Street NW., Washington, D.C. 20006.
D. (6) $3,500. E. (9) $274.

A. William L. Reynolds, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.
B. National Savings & Loan League, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.
D. (6) $1,400. E. (9) $206.

A. Austin T. Rhoads, 910 17th Street NW., Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers and Milk Industry Foundation, 910 17th Street NW., Washington, D.C. 20006.
E. (9) $486.65.

A. C. Brewster Rhoads, Jr., Bell Telephone Co. of Pennsylvania, 15th Floor, One Parkway, Philadelphia, Pa. 19102.
B. The Bell Telephone Co. of Pennsylvania, One Parkway, Philadelphia, Pa. 19102.
D. (6) $340. E. (9) $549.32.

A. Rice Genocide Research, P.O. Box 7307, Washington, D.C. 20044; 3046 Roosevelt Street, Detroit, Mich. 48216
E (9) $12486

A. Ronald C. Rice, 801 Northland Towers West, Southfield, Mich. 48075.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $1,500. E. (9) $174.25.

A. Theron J. Rice, Continental Oil Co., 1130 17th Street NW., No. 400, Washington, D.C. 20036.
B. Continental Oil Co., High Ridge Park, Stamford, Conn. 06904.

A. Alan H. Richardson, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $1,200.

A. Harry H. Richardson, 335 Austin Street, Bogalusa, La. 70427.
B. Louisiana Railroads, 335 Austin Street, Bogalusa, La. 70427.

A. Peter S. Ridley, Jr., 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $25.

A. Siert F. Riepma, 1725 K Street NW., Suite 1202, Washington, D.C. 20006.
B. National Association of Margarine Manufacturers, 1725 K Street NW., Suite 1202, Washington, D.C. 20006.

A. E. Philip Riggin, National Legislative Commission, 1608 K Street NW., Washington, D.C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $3,747. E. (9) $190.25.

A. Morris A. Riley, American Medical Association, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,025. E. (9) $445.

A. John S. Rippey, 730 15th Street NW., Washington, D.C. 20005.
B. Association of Bank Holding Companies, 730 15th Street NW., Washington, D.C. 20005.
D. (6) $562.50. E. (9) $54.10.

A. James E. Ritchie, 1776 F Street NW., No. 108, Washington, D.C. 20006.
B. Gaming Industry Association of Nevada, 1 East First Street, No. 1007, Reno, Nev. 89501.
D. (6) $500. E. (9) $420.

A. James E. Ritchie, 1776 F Street NW., No. 108, Washington, D.C. 20006.
B. National Association of Off-Track Betting, P.O. Box 446, Batavia, N.Y. 14020.
D. (6) $5,000. E. (9) $5,550.

A. James E. Ritchie, 1776 F Street NW., No. 108, Washington, D.C. 20006.
B. Nevada Resort Association, 932 East Sahara Avenue, Las Vegas, Nev. 89104.
D. (6) $1,500. E. (9) $630.

A. Stark Ritchie, American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Geo. W. Ritter, 3914 King Arthur Road, Annandale, Va. 22003.
B. Alton Box Board Co., Alton, Ill. 62002.
D. (6) $6,250. E. (9) $1,022.

A. William Neale Roach, American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $155.85.

A. Paul H. Robbins, National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $1,500.

A. Hope Robertson, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $1,000.

A. John K. Robinson, Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C.
E. (9) $25.

A. Juan Rocha, Jr., Montgomery Ward & Co., Inc., 1101 15th Street NW., No. 205, Washington, D.C. 20005.
B. Montgomery Ward & Co., Inc., 535 West Chicago Avenue, Chicago, Ill. 60671.

A. Antoinette K. Roche, 2021 K Street NW., Suite No. 709, Washington, D.C. 20006.
B. General Atomic Co., San Diego, Calif.
D. (6) $500. E. (9) $25.

A. James Anthony Rock, American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C.
D. (6) $581.56. E. (9) $92.40.

A. Thomas G. Roderick, 1101 16th Street NW., Washington, D.C. 20036.
B. Consolidated Natural Gas Service Co., Inc., Four Gateway Center, Pittsburgh, Pa. 15222.

A. Robert Rodriguez, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,245.52.

A. Mitch Rofsky, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C.
D. (6) $3,250.

A. Donald L. Rogers, 730 15th Street NW., Washington, D.C. 20005.
B. Association of Bank Holding Companies, 730 15th Street NW., Washington, D.C. 20005.
D. (6) $1,187.50.

A. Frank W. Rogers, 2101 L Street NW., Suite 635, Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $1,116.

A. Frank W. Rogers, 313 Cambridge Road, Alexandria, Va. 22314.
B. Vetco Offshore Industries, Inc., 5808 Telephone Road, Suite 201, Ventura, Calif. 93003.
D. (6) $150.

A. Walter E. Rogers, Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
B. Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
D. (6) $1,000.

A. Rogers & Wells, 1666 K Street NW., Washington, D.C. 20006.
B. S. Shamash & Sons, Inc., 42 West 39 Street, New York, N.Y. 10018.
D. (6) $202.50.

A. Martin Rogol, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $25.

A. Richard Rohrbach, 1625 I Street NW., Washington, D.C. 20006.
B. Boise Cascade Corp. 1625 I Street NW., Washington, D.C. 20006.
D. (6) $4,000.

A. John F. Rolph III, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,500.

A. Kenneth S. Rolston, Jr., 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Pulpwood Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Nicholas Roomy, Jr., P.O. Box 1986, Charleston, W. Va. 25327.
B. Appalachian Power Co., P.O. Box 1986, Charleston, W. Va., 25327, a subsidiary of the American Electric Power Co., Inc., Two Broadway, New York, N.Y. 10004.
D. (6) $1,001.50. E. (9) $1,088.74.

A. James C. Rosapepe, 101 North Columbus Street, No. 400, Alexandria, Va. 22314.
B. Rosapepe & Associates, 101 North Colum-

bus Street, No. 400, Alexandria, Va. 22314. (for: Interfaith Center on Corporate Responsibility, 475 Riverside Drive, room 566, New York, N.Y. 10027.
D. (6) $700. E. (9) $91.86.

A. Albert B. Rosenbaum III, 1616 P Street NW., Washington, D.C. 20036.
B. National Tank Truck Carriers, Inc., 1616 P Street NW., Washington, D.C. 20036.

A. Harry N. Rosenfield, 1735 DeSales Street NW., Washington, D.C. 20036.
B. American Chiropractic Association, 2200 Grand Avenue, Des Moines, Iowa 50312.
D. (6) $1,990. E. (9) $215.

A. Larry M. Rosenstein, American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $150. E. (9) $75.

A. William F. Ross, South Carolina Petroleum Council, 716 Keenan Building, Columbia, S.C. 29201.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Donald D. Rounds, South Dakota Petroleum Council, P.O. Box 669, Pierre, S. Dak. 57501.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. William C. Rountree, Suite 650, 1050 17th Street NW., Washington, D.C. 20036.
B. The Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio 44115.
D. (6) $50. E. (9) $50.

A. Rouss & O'Rourke, Lawyers Building, 231 East Vermijo, Colorado Springs, Colo. 80903.
B. Union Nacional de Productores de Azucar, S.A. de C.V. (UNPASA), Balderas 36, Mexico, D.F., Mexico.
D. (6) $2,400. E. (9) $3,257.06.

A. Eugene F. Rowan, J. C. Penney Co., Inc., 1156 15th Street NW., Washington, D.C. 20005.
B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $150. E. (9) $85.

A. John W. Rowland, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Kathryn Coe Royce, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $462.50. E. (9) $78.03.

A. James S. Rubin, Allied Chemical Corp., 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Allied Chemical Corp., P.O. Box 3000–R, Morristown, N.J.
D. (6) $100. E. (9) $100.

A. Leonard H. Ruppert, New Jersey Petroleum Council, 170 West State Street, Trenton, N.J. 08608.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $15.

A. Perry A. Russ, Society of American Florists & Ornamental Horticulturists, 901 North Washington Street, Alexandria, Va. 22314.
B. Society of American Florists & Ornamental Horticulturists, 901 North Washington Street, Alexandria, Va. 22314.

A. Albert R. Russell, P.O. Box 12285, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $8,125. E. (9) $564.38.

A. Christine A. Russell, National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
D. (6) $400.

A. Robert M. Russell, 2170 Piedmont Road NE., Atlanta, Ga. 30324.
B. Orkin Exterminating Co., 2170 Piedmont Road NE., Atlanta, Ga.
D. (6) $620.

A. J. T. Rutherford & Associates, Inc., 1660 L Street NW., No. 514, Washington, D.C. 20036.
B. American Association of Bioanalysts/ International Society of Clinical Laboratory Technology, 800 Ambassador Building, St. Louis, Mo.
D. (6) $300. E. (9) $1,025.40.

A. J. T. Rutherford & Associates, Inc., 1660 L Street NW., No. 514, Washington, D.C. 20036.
B. American College of Radiology, 20 North Wacker Drive, Chicago, Ill. 60606.
D. (6) $450. E. (9) $1,457.76.

A. J. T. Rutherford & Associates, Inc., 1660 L Street NW., No. 514, Washington, D.C. 20036.
B. American Optometric Association, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $700. E. (9) $1,726.90

A. Ella Marice Ryan, J. C. Penney Co., Inc., 1156 15th Street NW., Washington, D.C. 20005.
B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $65. E. (9) $49.40.

A. John F. Ryan, International Telephone & Telegraph Corp., 1707 L Street NW., Washington, D.C. 20036.
B. International Telephone & Telegraph Corp., 320 Park Avenue, New York, N.Y. 10022.
D. (6) $119.60. E. (9) $15.

A. Russell Jay Ryan, Jr., Room 1900, One Indiana Square, Indianapolis, Ind. 46204.
B. Consolidated Office Building, Inc., 115 North Pennsylvania Street, Indianapolis, Ind. 46204.
E. (9) $1,098.48.

A. William H. Ryan, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
B. International Association of Machinists and Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $4,125. E. (9) $158.74.

A. Fred J. Sacco, New Jersey Petroleum Council, 170 West State Street, Trenton, N.J. 08608.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $150.

A. San Diego Committee for a Human Life Amendment, Inc., 623 Aldwych Road, Fletcher Hills, Calif. 92020.
D. (6) $26,057.47. E. (9) $16,607.02.

A. Charles E. Sander, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $2,500.

A. Sandler & Travis, 1290 Avenue of the Americas, Suite 2620, New York, N.Y., 10019; 444 Brickell Avenue, Miami, Fla. 33131.
B. Virgin Islands Manufacturers & Importers Association, P.O. Box Q, Kings Hill Post Office. Christiansted, Virgin Islands 00850.
E. (9) $1,202.73.

A. George Saunders, 8223 Dr. Craik Court, Alexandria, Va. 22306.
B. PRN, Inc., 158 East Altamonte Drive, Altamonte Springs, Fla. 32701.
D. (6) $500. E. (9) $320.

A. Thomas H. Saunders, 1800 M Street NW., Suite 700 South, Washington, D.C. 20036.
B. Dow Chemical Co., Midland, Mich. 48640.

A. Thomas T. Scambos, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc. (for: Krauss-Maffei AG Krauss-Maffei-Strasse 2, 8000 Muenchen 50 (Allach) Federal Republic of Germany), 1225 19th Street NW., Washington, D.C. 20036.

A. Henry Schacht, California Canners & Growers, 3100 Ferry Building, San Francisco, Calif. 94106.
B. California Canners & Growers, 3100 Ferry Building, San Francisco, Calif. 94106.
D. (6) $2,850. E. (9) $2,182.32.

A. Lois M. Schell, National Association of Manufacturers, 222 South Prospect Avenue, Park Ridge, Ill. 60068.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $170.

A. L. Charles Scherer, Jr., 2 Militia Drive, Lexington, Mass. 02173.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $225.

A. Jacques T. Schlenger, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland Savings-Share Insurance Corp., 901 North Howard Street, Baltimore, Md. 21201.
E. (9) $26.12.

A. Stephen I. Schlossberg, United Automobile, Aerospace & Agricultural Implement Workers of America (UAW), 1125 15th Street N.W., Suite 600, Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace & Agricultural Implement Workers of America (UAW), 8000 East Jefferson Avenue, Detroit, Mich.
D. (6) $12,439.28. E. (9) $1,405.87.

A. Richard M. Schmidt, Jr., 1920 L Street NW., Suite 700, Washington, D.C.
B. Association of American Publishers, Inc., 1707 L Street NW., Suite 480, Washington, D.C.
D. (6) $500.

A. Robert L. Schmidt, National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $206.

A. Mahlon C. Schneider, Green Giant Co., Hazeltine Gates, Chaska, Minn. 55318.
B. Green Giant Co., Hazeltine Gates, Chaska, Minn. 55318.
D. (6) $250.

A. Anthony Schopp, Machinery Dealers National Association, 1110 Spring Street, Silver Spring, Md. 20910.

B. Machinery Dealers National Association, 1110 Spring Street, Silver Spring, Md. 20910.

A. Ronald F. Schrader, National Committee on Locks and Dam 26, 1129 20th Street NW., Washington, D.C. 20036.
B. National Committee on Locks and Dam 26, 1129 20th Street NW., No. 512, Washington, D.C. 20036.
D. (6) $12,498. E. (9) $258.49.

A. N. Donald Schroeder, Maryland Petroleum Association, 60 West Street, Annapolis, Md. 21401.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $80. E. (9) $38.

A. Stanley W. Schroeder, Gas Appliance Manufacturers Association, 1901 North Fort Myer Drive, Arlington, Va. 22209.
B. Gas Appliance Manufacturers Association, 1901 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $2,187.50. E. (9) $148.48.

A. Kathy Schroeher, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $4,275.03.

A. Robert L. Schulz, Iowa Petroleum Council, 1012 Fleming Building, Des Moines, Iowa 50309.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Donald H. Schwab, Veterans of Foreign Wars of the United States, 200 Maryland Avenue NE., Washington, D.C. 20002.
B. Veterans of Foreign Wars of the United States, 200 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $3,125. E. (9) $223.41.

A. Evi Schwartz, P.O. Box H, Tuscaloosa, Ala. 35401.
B. Fallek-Lankro Corp., P.O. Box H, Tuscaloosa, Ala. 35401.
D. (6) $60. E. (9) $20.

A. Sydnee M. Schwartz, 900 15th Street NW., Washington, D.C. 20005.
B. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.
D. (6) $1,207.08. E. (9) $149.05.

A. Carl F. Schwensen, 1030 15th Street NW., Suite 1030, Washington, D.C. 20005.
B. National Association of Wheat Growers, 1030 15th Street NW., Suite 1030, Washington, 20005.
D. (6) $1,187.32.

A. Harold B. Scoggins, Jr., 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $49.43.

A. David A. Scott, Mississippi Petroleum Council, P.O. Box 42, Jackson, Miss. 39205.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $2,041.66. E. (9) $763.35.

A. John W. Scott, National Grange, 1616 H Street NW., Washington, D.C. 20006.
B. The National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $6,250.

A. Scribner, Hall, Thornburg & Thompson, 1200 18th Street NW., Washington, D.C. 20036.
B. Roosevelt Raceway, Westbury, N.Y. 11590.
D. (6) $3,125.

A. Earl W. Sears, P.O. Box 12285, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $1,687.50. E. (9) $208.36.

A. Self-Determination for District of Columbia, Room 300, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $704. E. (9) $4,285.24.

A. Stanton P. Sender, 1211 Connecticut Aveue NW., Washington, D.C. 20036.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $750. E. (9) $5.

A. J. Richard Sewell, 1701 K Street NW. (Suite 503), Washington, D.C. 20006.
B. Florida Power & Light Co., P.O. Box 013100, Miami, Fla. 33101.
D. (6) $3,600. E. (9) $693.38.

A. Robert L. Shafer, 1700 Pennsylvania Avenue, NW., Washington, D.C. 20006.
B. Pfizer Inc., 235 East 42d Street, New York, N.Y. 10017.
D. (6) $500. E. (9) $535.

A. Barbara J. Shailor, 1851 Columbia Road NW., Washington, D.C. 20009.
B. Energy Action Educational Foundation, 1523 L Street NW., Washington, D.C. 20005.
D. (6) $121.05.

A. James M. Shamberger, Reinsurance Association of America, 1025 Connecticut Avenue NW., No. 512, Washington, D.C. 20036.
B. Reinsurance Association of America, 1025 Connecticut Avenue NW., No. 512, Washington, D.C. 20036.
E. (9) $25.

A. Lloyd D. Shand, 1101 17th Street NW., Washington, D.C. 20036.
B. Monsanto Co., 800 North Lindbergh Boulevard, St. Louis, Mo. 63166.
D. (6) $700. E. (9) $300.

A. Harry D. Shapiro, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland Savings-Share Insurance Corp., 901 North Howard Street, Baltimore, Md. 21201.
E. (9) $26.12.

A. John J. Sharkey, Room 204, 1629 K Street NW., Washington, D.C. 20006.
B. Delta Air Lines, Inc., Hartsfield Atlanta International Airport, Atlanta, Ga. 30320.
D. (6) $922.50. E. (9) $21.88.

A. Norman F. Sharp, 1725 K Street NW., Suite 903, Washington, D.C. 20006.
B. Outdoor Power Equipment Institute, 1725 K Street NW., Suite 903, Washington, D.C. 20006.

A. Luther W. Shaw, 1625 I Street NW., Suite 827, Washington, D.C. 20006.
B. Paluszek & Leslie Associates, 1500 Broadway, New York, N.Y. 10036.
E. (9) $16.75.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Washington, D.C. 20036.
B. Association for the Improvement of the Mississippi River, 10 Broadway, St. Louis, Mo. 63102.
D. (6) $1125. E. (9) $7.70.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Washington, D.C. 20036.
B. Institute of Foreign Bankers, 489 5th Avenue, New York, N.Y.
D. (6) $4,666.67. E. (9) $775.64.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Washington, D.C. 20036.
B. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.Y. 10022.
D. (6) $900. E. (9) $2.60.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Washington, D.C. 20036.
B. National Committee on Locks and Dam 26, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $1,427. E. (9) $10.30.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Washington, D.C. 20036.
B. Radioactive Waste Management Group, Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Washington, D.C. 20036.

A. Shearman & Sterling, 53 Wall Street, New York, N.Y. 10005.
B. Citibank, 399 Park Avenue, New York. N.Y. 10022; and White, Weld & Co. Inc., One Liberty Place, New York, N.Y. 10006.
D. (6) $6,000. E. (9) $2,000.

A. John J. Sheehan, United Steelworkers of America, 815 16th Street NW., Suite 706, Washington, D.C. 20006.
B. United Steelworkers of America, Five Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $8,117.99. E. (9) $1,986.27.

A. Spencer C. Sheldon, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $250. E. (9) $30.

A. Jowanda Shelton, 2101 L Street NW., Washington, D.C. 20037.
B. Committee for Humane Legislation, Inc., 11 West 60th Street, New York, N.Y. 10023.
D. (6) $4,500.

A. Laurence P. Sherfy, American Mining Congress, 1100 Ring Building, Washington, D.C.
B. American Mining Congress, 1100 Ring Building, Washington, D.C.

A. Morris Shipley, Room 204, 1629 K Street NW., Washington, D.C. 20006.
B. Delta Air Lines, Inc., Hartsfield Atlanta International Airport, Atlanta, Ga. 30320.
D. (6) $740. E. (9) $99.76.

A. Harvey A. Shipman, Suite 700, 2021 K Street NW., Washington, D.C. 20006.
B. Penn Central Transportation Co., 1700 Market Street, Philadelphia, Pa. 19103.
D. (6) $300. E. (9) $930.

A. Fred B. Shippee, American Apparel Manufacturers Association, Inc., 1611 North Kent Street, Arlington Va. 22209.
B. American Apparel Manufacturers Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.
E. (9) $64.70.

A. James K. Shiver, Diamond Shamrock Corporation, 1629 K Street N.W., Washington, D.C. 20006.
B. Diamond Shamrock Corporation, Cleveland. Ohio.

A. W. Ray Shockley, American Textile Manufacturers Institute, Inc., 1150 17th

Street NW., Suite 1001, Washington, D.C. 20036.
B. American Textile Manufacturers Institute, 400 South Tryon Street, No. 2124, Charlotte, N.C. 28285.
D. (6) $2,550. E. (9) $95.65.

A. Bernard H. Sieracki, Illinois Petroleum Council, 200 East Randolph Drive, Suite 7209, Chicago, Ill. 60601.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $44. E. $4.50.

A. David Silver, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $44. E. (9) $4.50.

A. Silver Users Association, Inc., 1717 K Street NW., Washington, D.C. 20006.
E. (9) $2,784.55.

A. Talmadge E. Simpkins, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. AFL–CIO Maritime Committee, 100 Indiana Avenue NW., Washington D.C. 20001.
E. (9) $293.15.

A. Talmadge E. Simpkins 100 Indiana Avenue NW. Washington D.C. 20001.
B. Labor-Management Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $2,025. E. (9) $92.76.

A. Robert C. Singer, Soap & Detergent Association, 475 Park Avenue South, New York, N.Y. 10016.
B. Soap & Detergent Association, 475 Park Avenue South, New York N.Y. 10016.
D. (6) $98. E. (9) $165.45.

A. Thomas K. Singer, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Aluminum & Chemical Corp., 900 17th Street NW., Washington, D.C. 20006
D. (6) $567.18. E. (9) $400.

A. Roma D. Skeen, Marathon Oil Co., 1800 M Street NW., Suite 975, Washington, D.C. 20036.
B. Marathon Oil Co., Findlay, Ohio 45840.
E. (9) $173.03.

A. Barney J. Skladany, Jr., 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,125.

A. Carstens Slack, Phillips Petroleum Co., 1825 K Street NW., Washington, D.C. 20006.
B. Phillips Petroleum Co., Bartlesville, Okla. 74004.

A. F. Slatinshek & Association Inc., 218 North Lee Street, Alexandria, Va. 22314.
B. Grumman Aerospace Corp., Bethpage, N.Y. 11714; United Technologies Corp., 1125 15th Street NW., Washington, D.C. 20005; General Dynamics Corp., Pierre LacLede Center, St. Louis, Mo. 63105.
D. (6) $550.

A. William L. Slayton, American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
B. American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,500.

A. G. Bernard Slebos, United Airlines, 1825 K Street NW., No. 607, Washington, D.C. 20006.
B. United Airlines, P.O. Box 66100, Chicago, Ill. 60666.
D. (6) $2,000. E. (9) $79.50.

A. Jonathan W. Sloat, 1425 K Street NW., Suite 900, Washington, D.C. 20005.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Suite 900, Washington, D.C. 20005.

A. Slurry Transport Association, 490 L'Enfant Plaza East SW., Suite 3210, Washington, D.C. 20024.
D. (6) $28,850. E. (9) $9,192.28.

A. Small Producers for Energy Independence, Suite 970, 4th Financial Center, Wichita, Kans. 67202.
D. (6) $77,830.70. E. (9) $29,680.

A. Smathers, Symington & Herlong, 1700 K Street NW., Washington, D.C. 20006.
B. American Horse Council, Inc., 1700 K Street NW., Washington, D.C. 20006.
D. (6) $5,500. E. (9) $732.71.

A. Smathers, Symington & Herlong, 1700 K Street NW., Washington, D.C. 20006.
B. American Inland Waterway Committee, 7733 Forsyth Boulevard, St. Louis, Mo. 63105.
D. (6) $3,750. E. (9) $135.78.

A. Smathers, Symington & Herlong, 1700 K Street NW., Washington, D.C. 20006.
B. Pennzoil Co., Houston, Tex. 77001.
D. (6) $6,000. E. (9) $102.28.

A. Milton E. Smedsrud, Law Office Building, Fergus Falls, Minn. 56537.
B. Communicating for Agriculture, Inc., Law Office Building, Fergus Falls, Minn. 56537.
E. (9) $ 4,134.67.

A. John Graham Smillie, 900 17th Street NW., Washington, D.C. 20006.
B. Permanente Medical Group, 900 17th Street NW., Washington, D.C. 20006.
D. (6) $19,800. E. (9) $59.15.

A. Arthur J. Smith, Shell Oil Co., 1025 Connecticut Avenue NW., Suite 200, Washington, D.C. 20036.
B. Shell Oil Co., P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. Smith, Barney Real Estate Corp., 1345 Avenue of the Americas, New York, N.Y. 10019.
E. (9) $6,650.

A. Donald E. Smiley, 1025 Connecticut Avenue NW., Suite 1014, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.
E. (9) $836.92.

A. Gordon L. Smith, 1725 K Street NW., Suite 602, Washington, D.C. 20006.
B. Edward Gottlieb & Associates (for Florists' Transworld Delivery Association), 633 3rd Avenue, New York, N.Y. 10017.

A. Gordon L. Smith, 1725 K Street NW., Suite 602, Washington, D.C. 20006.
B. Edward Gottlieb & Associates (for Hecon Corp., Flextime Division), 633 Third Avenue, New York, N.Y. 10017.

A. J. Kenneth Smith, Sun Co., Inc., 1800 K Street NW., Suite 820, Washington, D.C. 20006.
B. Sun Co., Inc., 100 Matsonford Road, Radnor, Pa. 19087.
D. (6) $5,500. E. (9) $1,350.

A. Michael P. Smith, New York State Bankers Association, 485 Lexington Avenue, New York, N.Y. 10017.
B. New York State Bankers Association, 485 Lexington Avenue, New York, N.Y. 10017.
D. (6) $500. E. (9) $367.

A. Robert Bland Smith, Jr., American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $200. E. (9) $50.

A. Robert W. Smith, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich. 48121.

A. William H. Smith, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

A. Wayne H. Smithey, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich. 48121.
D. (6) $4,500. E. (9) $1,468.60.

A. Frank B. Snodgrass, 1100 17th Street NW., Suite 306, Washington, D.C. 20036.
B. Burley and Dark Leaf Tobacco Export Association, 1100 17th Street NW., Suite 306, Washington, D.C. 20036.
D. (6) $738.04. E. (9) $150.95.

A. J. R. Snyder, United Transportation Union, 400 First Street NW., Suite 704 Washington, D.C. 20001.
B. United Transportation Union, 400 First Street NW., Suite 704, Washington, D.C. 20001.
E. (9) $250.

A. John M. Snyder, 600 Pennsylvania Avenue SE., Suite 205, Washington, D.C. 20003.
B. Citizens Committee for the Right to Keep and Bear Arms, Bellefield Office Park, 1601 114th Street SE., Suite 151, Bellevue, Wash. 98004.
D. (6) $4,050

A. Society for Animal Protective Legislation, P.O. Box 3719, Georgetown Station, Washington, D.C. 20007.
D. (6) $11,707.43. E. (9) $22,690.93.

A. Carl A. Soderblom, Nevada Railroad Association, 1 East First Street, Suite 905, Reno, Nev. 89501.
B. Nevada Railroad Association, 1 East 1st Street, Suite 905, Reno, Nev. 89501; Southern Pacific Transportation Co.; Western Pacific Railroad Co.,

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A. Charles B. Sonneborn, 1730 Pennsylvania Avenue, Washington, D.C. 20036.
B. Blue Shield Association, 211 East Chicago Avenue, Chicago, Ill. 60611.
E. (9) $50.

A. Shelby E. Southard, 1828 L Street NW., Suite 1100, Washington, D.C. 20036.
B. Cooperative League of U.S.A., 1828 L Street NW., Washington, D.C. 20036.
D. (6) $4,000. E. (9) $841.50.

A. Souther, Spaulding, Kinsey, Williamson & Schwabe, 1200 Standard Plaza, Portland, Oreg. 97204.
B. U.S. Maritime Committee, 600 New Hampshire Avenue NW., Suite 420, Washington, D.C. 20037.
E. (9) $1,758.47.

A. Southwestern Peanut Shellers Association, 6815 Prestonshire, Dallas, Tex. 75225.
D. (6) $150. E. (9) $150.

A. Rodney K. Spackman, National Association of Manufacturers 601 North Vermont Avenue, Los Angeles, Calif. 90004.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $700.

A. Charles E. Spahr, 1750 Midland Building, Cleveland, Ohio 44115.
B. Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio 44115.

A. Girardeau A. Spann, Public Citizen, Inc., 200 P Street NW., Suite 700, Washington, D.C. 20036.
B. Public Citizen, Inc., Box 19404, Washington, D.C. 20036.
D. (6) $300. E. (9) $10.

A. The Spartanburg Herald and Journal, Inc., 2600 Virginia Avenue NW., Washington, D.C. 20037.
E. (9) $16.52.

A. Larry M. Speakes, Hill and Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.
B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. Philip J. Spear, National Pest Control Association, 8150 Leesburg Pike, Suite 1100, Vienna, Va. 22180.
B. National Pest Control Association, 8150 Leesburg Pike, Suite 1100, Vienna, Va. 22180.
D. (6) $3,083.33. E. (9) $131.05.

A. Frank J. Specht, Schenley Distillers, Inc., 1725 DeSales Street NW., No. 310, Washington, D.C. 20036.
B. Schenley Distillers, Inc., 888 7th Avenue, New York, N.Y. 10019.

A. Specialty Equipment Manufacturers Association, 11001 East Valley Mall, Suite 204, El Monte, Calif. 91734.
E. (9) $650.

A. John F. Speer, Jr., 1105 Barr Building, Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 1105 Barr Building, Washington, D.C. 20006.
E. (9) $191.78.

A. William C. Spence, P.O. Box 683, Houston, Tex. 77001.
B. Columbia Gulf Transmission Co., P.O. Box 683, Houston, Tex. 77001.
D. (6) $300. E. (9) $153.63.

A. George Spiegel, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. Northern California Power Agency (cities of Alameda, Biggs, Gridley, Healdsburg, Lodi, Lompoc, Palo Alto, Redding, Roseville, Santa Clara, Ukiah, and Associate Member Plumas-Sierra Rural Electric Cooperative).

A. Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. Northern California Power Agency, 1400 Coleman Avenue, Santa Clara, Calif. 95050.
D. (6) $5,479.31. E. (9) $226.37.

A. Joseph L. Spilman, Jr., 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $483. E. (9) $100.

A. Harold L. Springer, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for: Krauss-Maffei AG, Krauss-Maffei-Strasse 2, 8000 Muenchen 50 (Allach), Federal Republic of Germany).

A. Squibb Corp., 40 West 57th Street, New York, N.Y. 10019.
E. (9) $242.

A. Squire Sanders & Dempsey, 1800 Union Commerce Building, Cleveland, Ohio 44115, Cox, Langford & Brown, 21 Dupont Circle NW., Washington, D.C. 20036.
B. Public Securities Association, One World Trade Center, New York, N.Y. 10048.

A. Lynn E. Stalbaum; National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $1,906.25. E. (9) $170.35.

A. Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio 44115.
E. (9) $2,165.

A. David P. Stang, Suite 601, 1629 K Street NW., Washington, D.C. 20006.
B. J. Ray McDermott & Co., Inc., 1010 Common Street, New Orleans, La., 70160.

A. David P. Stang, Suite 601, 1629 K Street NW., Washington, D.C. 20006.
B. National Ocean Industries Association, 1100 17th Street NW., Washington, D.C. 20006.
D. (6) $274.03.

A. M. B. Stanley, Room 900, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., The American Road, Dearborn, Mich. 48121.
D. (6) $450. E. (9) $130.03.

A. Walter M. Starke, P.O. Box 2563, Birmingham, Ala. 35202.
B. Southern Natural Gas Co., P.O. Box 2563, Birmingham, Ala. 35202.
D. (6) $750. E. (9) $4,035.63.

A. State and Federal Associates, Inc., 1101 15th Street NW., Suite 303, Washington, D.C. 20005.
B. National Association of Convenience Stores, 5205 Leesburg Pike, Suite 305, Falls Church, Va. 22041.
D. (6) $2,000. E. (9) $65.35.

A. State & Federal Associates, Inc., 1101 15th Street NW., Suite 303, Washington, D.C. 20005.
B. Potato Chip/Snack Food Association, 915 Euclid Office Plaza, 26250 Euclid Avenue, Euclid, Ohio 44132.
E. (9) $110.68.

A. State & Federal Associates, Inc., 1101 15th Street NW., Suite 303, Washington, D.C. 20005.
B. Schering-Plough Corp., Galloping Hill Road, Kenilworth, N.J. 07033.
D. (6) $3,012.50. E. (9) $336.87.

A. Randolph J. Stayin, 1150 Connecticut Avenue NW., No. 504, Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, Dixie Terminal Building, Cincinnati, Ohio 45202 (for Special Committee for Workplace Product Liability Reform, 1150 Connecticut Avenue NW., Washington, D.C. 20036).
E. (9) $42.92.

A. Theodore P. Stein, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $4,781.22.

A. David J. Steinberg, National Council for a Responsible Firearms Policy, Inc., 1028 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Council for a Responsible Firearms Policy, Inc., 1028 Connecticut Avenue NW., Washington, D.C. 20036.

A. Travis B. Stewart, Hoffman-La Roche Inc., 1775 K Street NW., Washington, D.C. 20006.
B. Hoffman-La Roche Inc., 340 Kingsland Street, Nutley, N.J. 07110.
D. (6) $800. D. (9) $200.

A. Edward W. Stimpson, 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.
B. General Aviation Manufacturers Association, 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.
D. (6) $652.50.

A. Kenneth F. Stinger, American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Association, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $329.09

A. Stephen A. Stitle, 1030 15th Street NW., Washington, D.C. 20005.
B. Eli Lilly & Co., 307 East McCarty Street, Indianapolis, Ind. 46206.
D. (6) $3,000. E. (9) $150.

A. B. R. Stokes, American Public Transit Association, 1100 17th Street NW., Washington, D.C. 20036.
B. American Public Transit Association, 1100 17th Street NW., Washington, D.C. 20036.
D. (6) $812.50. E. (9) $1,135.97.

A. Richard Boyle Storey, 1750 Old Meadow Road, McLean, Va. 22101.
B. International Military Club Executives' Association, 1750 Old Meadow Road, McLean, Va. 22101.
E. (9) $25.

A. William M. Stover, Manufacturing Chemists Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C. 20009.
B. Manufacturing Chemists Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C. 20009.
D. (6) $1,000. E. (9) $100.

A. John D. Stringer, Alliance of American Insurers, 1776 F Street NW., Washington, D.C. 20006.
B. Alliance of American Insurers, 20 North Wacker Drive, Chicago, Ill. 60606.
E. (9) $2,965.

A. George W. Strong, Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.
B. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.
D. (6) $2,187.50. E. (9) $1,282.

A. Stroock, Stroock & Lavan, 61 Broadway, New York, N.Y. 10006.
B. Bank Hapoalim B.M., 50 Rothschild Bouvelard, Tel Aviv, Israel.
E. (9) $250.

A. R. Keith Stroup, 2317 M Street NW., Washington, D.C. 20037.
B. NORMAL, 2317 M Street NW., Washington, D.C. 20037.
D. (6) $4,120.

A. Norman Strunk, 111 East Wacker Drive, Chicago, Ill. 60601.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.
D. (6) $2,362.50 E. (9) $146.

A. Walter B. Stults, 512 Washington Building, Washington, D.C. 20005.
B. National Association of Small Business Investment Cos., 512 Washington Building, Washington, D.C. 20005.
D. (6) $2,400.

A. Eugene F. Sturgeon, 182 Crater Lane, Kensington, Conn.

B. Northeast Utilities Service Co., Selden Street, Berlin, Conn.
D. (6) $2,448. E. (9) $642.43.

A. Sullivan & Cromwell, 125 Broad Street, New York, N.Y. 10004.
B. Financial Accounting Foundation, High Ridge Park, Stamford, Conn. 06905; Financial Accounting Standards Board, High Ridge Park, Stamford, Conn. 06905.
E. (9) $42.66.

A. Sullivan & Cromwell, 125 Broad Street, New York, N.Y. 10004.
B. General Electric Credit Corp., 260 Long Ridge Road, Stamford, Conn. 06902.
E. (9) $140.28.

A. Harold R. Sullivan, 1750 K Street NW., Washington, D.C. 20006.
B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $1,500.

A. Michael J. Sullivan, 2525 North 10th Street, No. 216, Arlington, Va. 22201.
B. National Committee on Locks & Dam 26, 1129 20th Street NW., Washington, D.C.
D. (6) $1,500. E. (9) $25.

A. Roger H. Sullivan, Hawaiian Sugar Planters' Association, 723 Investment Building, Washington, D.C. 20005.
B. Hawaiian Sugar Planters' Association, Aiea, Hawaii, 96701.
E. (9) $122.40.

A. Susman, Stern, Heifetz, Lurie, Sheehan, Popkin & Chervitz, 7733 Forsyth Boulevard, Suite 2201, St. Louis, Mo. 63105; 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. American Inland Waterways Committee, 7733 Forsyth Boulevard, Suite 2201, St. Louis, Mo. 63105.
D. (6) $23,670.73.

A. Susman, Stern, Heifetz, Lurie, Sheehan, Popkin & Chervitz, 7733 Forsyth Boulevard, Suite 2201, St. Louis, Mo. 63105; 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. Midland Enterprises, Inc., 1400 580 Building, Cincinnati, Ohio 45202.
D. (6) $5,000.

A. Susman, Stern, Heifetz, Lurie, Sheehan, Popkin & Chervitz, 7733 Forsyth Boulevard, Suite 2201, St. Louis, Mo. 63105; 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. The Valley Line Company, 120 South Central, Clayton, Mo. 63105.

A. D. Sutherland, 104 South Main Street, Fond du Lac, Wis. 54935.
B. William Gresenz (court appointed trustee for bondholders of the Joint Stock Land Bank of Milwaukee, Wis.), 55 South Reserve Avenue, Fond du Lac, Wis.

A. Irving W. Swanson, Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C., 20005.
B. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C., 20005.

A. Robert A. Swanson, 2275 Broadway, San Francisco, Calif., 94115.
B. Genentech, 475 Sansome Street, 15th floor, San Francisco, Calif., 94111.
D. (6) $1,000. E. (9) $1,220.

A. Edward L. Sward, Jr., El Paso Products Co., P.O. Box 3986, Odessa, Tex. 79760.
B. El Paso Products Co., P.O. Box 3986, Odessa, Tex. 79760.
D. (6) $6,613. E. (9) $7,804.

A. David A. Sweeney, 25 Louisiana Avenue NW., Washington, D.C. 20001.
B. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.
D. (6) $9,812.50.

A. John R. Sweeney, Solar Building, 1000 16th Street NW., Washington, D.C. 20036.
B. Bethlehem Steel Corp., Bethlehem, Pa. 18016.
D. (6) $225. E. (9) $86.50.

A. Richard Preston Swigart, Suite 201, 1660 L Street NW., Washington, D.C. 20036.
B. American Can Co., American Lane, Greenwich, Conn. 06830,
E. (9) $102.

A. Robert Taft, Jr., 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, Dixie Terminal Building, Cincinnati, Ohio 45202 (for Family Leisure Centers, Inc., 1906 Highland Avenue, Cincinnati, Ohio 45219).
D. (6) $4,490.

A. Robert Taft, Jr., 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, Dixie Terminal Building, Cincinnati, Ohio 45202 (for Sisters of Charity of Cincinnati, Ohio).

A. Robert Taft, Jr., 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, Dixie Terminal Building, Cincinnati, Ohio 45202 (for Special Committee for Workplace Product Liability Reform, 1150 Connecticut Avenue NW., Washington, D.C.).
D. (6) $7,892. E. (9) $683.88.

A. Robert Taft, Jr., 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, Dixie Terminal Building, Cincinnati, Ohio 45202 (for Taft Broadcasting Co., 1906 Highland Avenue, Cincinnati, Ohio 45219).
D. (6) $2,245.

A. Robert Taft, Jr., 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, Dixie Terminal Building, Cincinnati, Ohio 45202 (for Werner Von Clemm, New York, N.Y.).

A. Susan Tannebaum, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $5,500.02. E. (9) $108.70.

A. Norman Wilson Tanner, Jr., 1660 L Street NW., Suite 215–216, Washington, D.C. 20036.
B. Outdoor Advertising Association of America, Inc., 1660 L Street NW., Suite 215–216, Washington, D.C. 20036.
D. (6) $112. E. (9) $60.

A. William M. Tartikoff, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 L Street NW., Washington, D.C. 20006.

A. Darold W. Taylor, 1130 17th Street NW., Washington, D.C. 20036.
B. National Clay Pipe Institute, P.O. Box 310, 350 West Terra Cotta Avenue, Crystal Lake, Ill. 60014.
D. (6) $150. E. (9) $56.44.

A. David K. Taylor, Jr., 1100 Connecticut Avenue NW., No. 1030, Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $375.

A. Frank Taylor, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.

A. Sid Taylor, National Taxpayers Union, 325 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. National Taxpayers Union, 325 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $900. E. (9) $333.

A. Robert M. Teates, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employee, 1016 16th Street NW., Washington, D.C. 20036.

A. William K. Tell, Jr., 1050 17th Street NW., Washington, D.C. 20036.
B. Texaco Inc., 2000 Westchester Avenue, White Plains, N.Y. 10650.
D. (6) $700. E. (9) $182.33.

A. Paul Tendler, 2020 K Street NW., Washington, D.C. 20006.
B. Paul Tendler Associates (for: The National Federation of Licensed Practical Nurses), 2020 K Street NW., Suite 420, Washington, D.C. 20006.
D. (6) $1,500. E. (9) $1,798.

A. L. D. Tharp, Jr., Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
B. Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
D. (6) $300.

A. Earl Wayne Thevenot, Thevenot, Murray & Scheer, 1120 Connecticut Avenue, No. 1128, Washington, D.C. 20036.
B. First Investment Annuity Co. of America, No. 7 Valley Forge Executive Mall, Box 831, Valley Forge, Pa. 19482.
D. (6) $3,550. E. (9) $187.40.

A. E. Wayne Thevenot, Thevenot, Murray & Scheer, 1120 Connecticut Avenue, No. 1128, Washington, D.C. 20036.
B. U.S. Maritime Committee, 600 New Hampshire Avenue NW., No. 420, Washington, D.C. 20027.
D. (6) $4,500. E. (9) $259.25.

A. Thevenot, Murray & Scheer, 1120 Connecticut Avenue, No. 1128, Washington, D.C. 20036.
B. National Association of Stevedores, 919 18th Street NW., Washington, D.C. 20006.
D. (6) $3,374. E. (9) $270.

A. John T. Thielke, Economics Laboratory, Inc., 4 Corporate Park Drive, White Plains, N.Y. 10604.
B. Economics Laboratory, Inc., Osborn Building, St. Paul, Minn. 55102.
D. (6) $2,500. E. (9) $783.08.

A. 13th Congressional District Action Committee, 2273 Bahl Street, Cupertino, Calif. 95014.
D. (6) $235. E. (9) $297.16.

A. 38th Pro-Life Congressional District Action Committee, 83 Thistle Lea, Williamsville, N.Y. 14221.
D. (6) $30.

A. Stephen M. Thomas, CLW, 100 Maryland Avenue NE., Washington, D.C. 20002.
B. Council for a Livable World, 100 Maryland Avenue NE., Washington, D.C.
D. (6) $2,444.25.

A. Jerry P. Thompson, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
B. International Association of Machinists & Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $3,750. E. (9) $104.46.

A. Kenneth W. Thompson, Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.

B. Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
D. (6) $300.

A. Melissa A. Thompson, Population Resource Center, 110 Maryland Avenue NE., Washington, D.C. 20002.
B. Population Resource Center, 622 Third Avenue, New York, N.Y. 10017.
D. (6) $2,880. E. (9) $568.

A. Roger G. Thompson, Kentucky Power Co., 15th Street and Carter Avenue, Ashland, Ky. 41101.
B. Kentucky Power Co., 15th Street and Carter Avenue, Ashland, Ky. 41101.
D. (6) $400. E. (9) $1,469.92.

A. William D. Thompson, General Motors Corp., 1660 L Street NW., Suite 804, Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $3,000. E. (9) $3,482.45.

A. Terence Hastings Thorn, American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $525. E. (9) $333.33.

A. Robert T. Thornburg, Minnesota Petroleum Council, 1020 Northern Federal Building, St. Paul, Minn. 55102.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $296.65. E. (9) $130.37.

A. Gil Thurm, National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 430 North Michigan Avenue, Chicago, Ill. 60611.
D. (6) $1,500. E. (9) $117.50.

A. Cyrus C. Tichenor III, 815 Connecticut Avenue NW., Suite 1007, Washington, D.C. 20006.
B. A. H. Robins Co., Inc., 1407 Cummings Drive, Richmond, Va. 23220.
D. (6) $6,000. E. (9) $6,327.08.

A. Paul J. Tierney, Transportation Association of America, 1100 17th Street NW., Suite 1107, Washington, D.C. 10036.
B. Transportation Association of America, 1100 17th Street NW., Suite 1107, Washington, D.C. 20036.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Alaskan Arctic Gas Pipeline Co., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $70.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Alcan Pipeline Co., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. American Inland Waterways Committee, 7733 Forsyth Boulevard, Suite 2201, St. Louis, Mo. 63105.
D. (6) $175.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $364.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. The Association of Trial Lawyers of America, 1050 31st Street NW., Washington, D.C. 20007.
D. (6) $70.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Baxter Travenol Laboratories, Inc., One Baxter Parkway, Deerfield, Ill. 60015.
D. (6.) $83.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. The Business Roundtable, 1801 K Street NW., Washington, D.C. 20006.
D. (6.) $44.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Genesco, Inc., 111 Seventh Avenue North, Nashville, Tenn. 37202.
D. (6.) $35.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Middle South Services, Inc., Box 61000, New Orleans, La. 70161.
D. (6.) $140.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6.) $35.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. G. D. Searle & Co., P.O. Box 1045, Skokie, Ill. 60076.
D. (6.) $35.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Standard Oil Co. of Indiana, 1000 16th Street NW., Washington, D.C. 20036.
D. (6.) $140.

A. Michael L. Tiner, Active Ballot Club Department, Retail Clerks International Union, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
B. Retail Clerks International Union, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
D. (6.) $5,981.92. E. (9.) $857.59.

A. E. Linwood Tipton, 1105 Barr Building, Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 1105 Barr Building, Washington, D.C. 20006.
E. (9.) $250.67.

A. Tobacco Associates, Inc., 1101 17th Street NW., Suite 912 Washington, D.C. 20036.
E. (9.) $2,526.

A. Warren D. Toburen, Cities Service Co., 1660 L Street NW., Washington, D.C. 20036.
B. Cities Service Co., 1660 L Street NW., Washington, D.C. 20036.
D. (6) $542.

A. David R. Toll, 1140 Connecticut Avenue, No. 1010, Washington, D.C. 20036.
B. National Association of Electric Companies, 1140 Connecticut Avenue, Washington D.C. 20036.
D. (6) $1,150. E. (9) $339.20.

A. William D. Toohey, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Discover America Travel Organizations, Washington, D.C. 20036.
Inc., 1100 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,689. E. (9) $35.

A. Howard A. Topel, 1000 Connecticut Avenue, Washington, D.C. 20036.
B. Mullin, Connor & Rhyne, 1000 Connecticut Avenue, Washington, D.C. 20036 for Alberto de la Vega-Ripol, 804 Garching, Konigsbergerstr. 2, West Germany.
D. (6) $24.

A. John M. Torbet, 1745 Jefferson Davis Highway, Arlington, Va. 22202.
B. Rockwell International, 1745 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $32.25. E. (9) $210.70.

A. Jay C. Townley, 715 South Harvey, Oak Park, Ill. 60304.
B. Schwinn Bicycle Co., 1856 North Kostner Avenue, Chicago, Ill. 60639.
D. (6) $246.57. E. (9) $50.

A. John P. Tracey, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
B. United States Independent Telephone Association, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
D. (6) $1,000.

A. Transportation Association of America, 1100 17th Street NW., Suite 1107, Washington, D.C. 20036.
E. (9) $186.10.

A. Thomas J. Trabucco, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
D. (6) $2,957.60.

A. W. M. Trevarrow, 976 National Press Building, Washington, D.C. 20045.
B. American Motors Corp., 27777 Franklin Road, Southfield, Mich. 48076.
D. (6) $6,750. E. (9) $394.75.

A. Paul E. Trimble, Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.
B. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.

A. Glenwood S. Troop, Jr., 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $7,875. E. (9) $155.50.

A. Jerry R. Tucker, United Automobile, Aerospace & Agricultural Implement Workers of America (UAW), 1125 15th Street NW., Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace & Agricultural Implement Workers of America (UAW), 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $7,209.45. E. (9) $738.79.

A. Ronald R. Tullos, 1220 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $530. E. (9) $40.30.

A. Bruce H. Turnbull, National Retail Merchants Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Retail Merchants Association, 100 West 31st Street, New York, N.Y. 10001.
D. (6) $300. E. (9) $30.

A. Richard F. Turney, 1725 K Street NW., Washington, D.C. 20006.
B. Courtney & McCamant, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $300.

A. Shela C. Turpin, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,000. E. (9) $550.

A. The Tuscaloosa News, Inc., 2600 Virginia Avenue NW., Washington, D.C. 20037.
E. (9) $30.40.

A. Tuscaloosa Newspapers, Inc., P.O. Drawer No. 1, Tuscaloosa, Ala. 35401.
E. (9) $242.

A. Margaret D. Tutwiler, National Association of Manufacturers, 1421 Peachtree Street NE., Suite 201, Atlanta, Ga. 30309.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20036.
D. (6) $1,278.20.

A. St. Clair J. Tweedie, Paperboard Packaging Council, 1800 K Street NW., Suite 600, Washington, D.C. 20006.
B. Paperboard Packaging Council, 1800 K Street NW., Suite 600, Washington, D.C. 20006.
D. (6) $700. E. (9) $26.

A. Joan E. Twiggs, 1730 M Street NW., Washington, D.C. 20036.
B. The League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $633.

A. Jerry G. Udell, American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $200. E. (9) $560.

A. Wayne Underwood, American Seed Trade Association, 1030 15th Street NW., Washington, D.C. 20005.
B. American Seed Trade Association, 1030 15th Street NW., Suite 964, Washington, D.C. 20005.

A. United Brotherhood of Carpenters and Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.
E. (9) $8,320.28.

A. United Egg Producers, 3951 Snapfinger Parkway, Suite 580, Decatur, Ga. 30035.
E. (9) $2,100.

A. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.
E. (9) $3,840.38.

A. U.S. Cane Sugar Refiners' Association, 1001 Connecticut Avenue, Washington, D.C. 20036.
E. (9) $486.26.

A. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
E. (9) $59,475.65.

A. U.S. Maritime Committee, Inc., Suite 420, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
D. (6) $499,558.79. E. (9) $261,376.79.

A. U.S. Maritime Committee to Turn the Tide, Suite 420, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
E. (9) $10,804.71.

A. U.S. Overseas Employees Tax Fairness Committee, 1101 15th Street NW., Suite 1000, Washington, D.C. 20005.
D. (6) $25,600. E. (9) $70,983.38.

A. Lloyd N. Unsell, Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $55.75.

A. J. Joseph Vacca, National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C.
D. (6) $2,818.10.

A. Jack J. Valenti, 1600 I Street NW., Washington, D.C. 20006.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C. 20006.

A. John A. Vance, 1050 17th Street NW., No. 1180, Washington, D.C. 20036.
B. Pacific Gas & Electric Co., 77 Beale Street, San Francisco, Calif. 94106.
D. (6) $1,530. E. (9) $3,615.30.

A. Richard F. Vander Veen, 666 Old Kent Building, Grand Rapids, Mich. 49503.
B. Citibank, 399 Park Avenue, New York, N.Y. 10022.
D. (6) $17,693.57. E. (9) $906.64.

A. Richard F. Vander Veen, 666 Old Kent Building, Grand Rapids, Mich. 49503.
B. Consumers Power Co., 212 West Michigan Avenue, Jackson, Mich. 49201.
D. (6) $8,027.89. E. (9) $427.89.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Allstate Insurance, Allstate Plaza, Northbrook, Ill. 60062.
D. (6) $200. E. (9) $18.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. American Institute for Certified Public Accountants, 1620 I Street NW., Washington, D.C. 20006.
D. (6) $1,240. E. (9) $1.90.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Arctic Slope Regional Corp.
D. (6) $380. E. (9) $4.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Association of Local Transport Airlines, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $4,440. E. (9) $295.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B Car and Truck Renting and Leasing Association, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $100. E. (9) $29.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Central and South West Corp., P.O. Box 1631, Wilmington, Del. 19899.
D. (6) $3,500. E. (9) $123.71.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Committee for Consumers No-Fault, Suite 500, 1220 19th Street NW., Washington, D.C. 200036.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Montana Power Co., 400 East Broadway, Butte, Mont. 59701.
D. (6) $1,860. E. (9) $20.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Northern Tier Pipeline Co., 1776 Lincoln Street, P.O. Box 5568, Denver, Colo. 80217.
D. (6) $1,260. E. (9) $16.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.

B. Republic Geothermal, Inc., 11823 East Slauson Avenue, Suite One, Santa Fe Springs, Calif. 90670.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. TOSCO Corp., 10100 Santa Monica Boulevard, Los Angeles, Calif. 90067.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. U.S. Maritime Committee, 600 New Hampshire Avenue NW., Suite 420, Washington, D.C. 20037.
D. (6) $125.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Western Crude Oil, Inc., P.O. Box 5568, Denver, Colo. 80217.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Wheelabrator-Frye, Inc., Liberty Lane, Hampton, N.H. 03842.
D. (6) $3,010. E. (9) $100.05.

A. H. Stewart Van Scoyoc, 1701 Pennsylvania Avenue NW., Suite 210, Washington, D.C. 20006.
B. E. I du Pont de Nemours & Co., 1007 Market Street, Wilmington, Del. 19898.
D. (6) $180. E. (9) $36.

A. Lois W. Van Valkenburgh, 3512 Halycon Drive, Alexandria, Va. 22305.
B. Citizens Committee for UNICEF, 110 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $217. E. (9) $3.

A. Velsicol Chemical Corp., 341 East Ohio Street, Chicago, Ill. 60611.

A. Jerry T. Verkler, 1660 L Street NW., Suite 901, Washington, D.C. 20036.
B. Texas Eastern Transmission Corp., P.O. Box 2521, Houston, Tex. 77001.
E. (9) $152.06.

A. Richard E. Vernor, American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $225. E. (9) $12.50.

A. Larry R. Veselka, Vinson & Elkins, 2100 First City National Bank Building, Houston, Tex. 77002.
B. Vinson & Elkins, 2100 First City National Bank Building, Houston, Tex. 77002 (for Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001).
D. (6) $1,250. E. (9) $779.28.

A. Linda Vickers, 1735 I Street NW., Washington, D.C. 20006.
B. E. A. Jaenke and Associates, Inc., 1735 I Street NW., Suite 610, Washington, D.C. 20006.
D. (6) $1,000.

A. R. Eric Vigé, Cities Service Co., 1660 L Street NW., Washington, D.C. 20036.
B. Cities Service Co., 1660 L Street NW., Washington, D.C. 20036.
D. (6) $50.

A. Walter D. Vinyard, Jr., American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.
D. (6) $1,500. E. (9) $250.

A. Virgin Islands Manufacturers and Importers Association, P.O. Box Q, Kings Hill Post Office, Christiansted, V.I. 00850.

A. Andrew Vitali, Jr., 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $5,400. E. (9) $600.

A. David K. Voight, National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business.
D. (6) $2,250. E. (9) $470.

A. Volkswagen of America, Inc., 818 Sylvan Avenue, Englewood Cliffs, N.J. 07632.
E. (9) $325.

A. Volkswagen Manufacturing Corp. of America, 7111 East 11 Mile Road, Warren, Mich. 48090.
E. (9) $300.

A. Forrest Neal Wade, Alabama Petroleum Council, 660 Adams Avenue, Suite 188, Montgomery, Ala. 36104.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Robert J. Wager, Suite 850, 2020 K Street NW., Washington, D.C. 20006.
B. American Bakers Association, 2020 K Street NW., Suite 850, Washington, D.C. 20006.
D. (6) $2,145. E. (9) $9.30.

A. Wald, Harkrader & Ross, 1320 19th Street NW., Washington, D.C. 20036.
B. Chemtex Fibers, Inc., 850 Third Avenue, New York, N.Y. 10022.

A. Robert E. Waldron, Associated Petroleum Industries of Michigan, 930 Michigan National Tower, P.O. Box 10070, Lansing, Mich. 48901.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $431.25.

A. E. F. Waldrop, Jr., Association of American Railroads, 40 Ivy Street S.E., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $212.50.

A. Leonard F. Walentynowicz, 4970 Sentinel Drive, Apartment 301, Sumner, Md. 20016.
B. Polish American Congress, 1200 North Ashland Avenue, Chicago, Ill. 60622.
D. (6) $3,750. E. (9) $319.65.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Allen Products Company, Inc., P.O. Box 2187, R.D. No. 3, Allentown, Pa. 18001.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Aluminum Co. of America, Washington, D.C. 20006.
D. (6) $250.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. AMAX, Inc., AMAX Center, Greenwich, Conn. 06830.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Bechtel Corp., 1620 I Street NW., Washington, D.C. 20006.
D. (6) $312.50.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Bethlehem Steel Corp., Bethlehem, Pa. 18016.
D. (6) $250.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Business Roundtable, 1801 K Street NW., Washington, D.C. 20006.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Dresser Industries, Inc., 1100 Connecticut Avenue NW., Room 310, Washington, D.C. 20036.
D. (6) $312.50.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. E. I. du Pont de Nemours & Co., Wilmington, Del. 19898.
D. (6) $250.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Encyclopaedia Britannica Inc. & Affiliates, 425, North Michigan Avenue, Chicago, Ill. 60611.
D. (6) $466.67.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Fluor Engineers & Constructors, Inc., 2500 South Atlantic Boulevard, Los Angeles, Calif. 90040.
D. (6) $312.50.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., The American Road, Dearborn, Mich. 48121.
D. (6) $250.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. General Electric Co., Washington, D.C. 20005.
D. (6) $250.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Goodyear Tire & Rubber Co., 1800 K Street NW., Washington, D.C. 20006.
D. $250.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. International Paper Co., 1620 I Street NW., Suite 700, Washington, D.C. 20006.
D. (6) $250.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Lone Star Steel Co., 2200 West Mockingbird Lane, Dallas, Tex. 75235.
D. (6) $1,666.67.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Magma Power Co., 631 South Witmer Street, Los Angeles, Calif. 90017.
D. (6) $625.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. McCulloch Oil Corp., 10880 Wilshire Boulevard, Los Angeles, Calif. 90024.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Bankers Association, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.
D. (6) $250.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Owens-Illinois, Inc., Owens-Illinois Building, P.O. Box 1035, Toledo, Ohio 43666.
D. (6) $250.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Procter & Gamble, Cincinnati, Ohio 45201.
D. (6) $250.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Pullman-Kellogg, 1300 Three Greenway Plaza East, Houston, Tex. 77046.
D. (6) $312.50.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Trans Union Corp., 90 Half Day Road, Lincolnshire, Ill. 60015.
D. (6) $500.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Union Carbide Corp., 270 Park Avenue, New York, N.Y. 10017.
D. (6) $250.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Union Oil Co. of California, 461 South Boylston, Los Angeles, Calif. 90017.
D. (6) $625.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. United Air Lines, Inc., P.O. Box 66100, Chicago, Ill. 60666.

A. R. Duffy Wall, 1050 17th Street NW., Suite 301, Washington, D.C. 20036.
B. Freeport Minerals Co., 200 Park Avenue, New York, N.Y. 10017.
D. (6) $450.

A. Carl S. Wallace, 1800 K Street NW., Suite 614, Washington, D.C. 20006.
B. Purolator, Inc., 255 Old New Brunswick Road, Piscataway, N.J. 08854.
D. (6) $37.36.

A. Don Wallace Associates, Inc., 1707 L Street NW., Suite 540, Washington, D.C. 20036.
D. (6) $1,125. E. (9) $2,218.52.

A. Raymond C. Wallace, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Lionel L. Wallenrod, 260 Madison Avenue, New York, N.Y. 10016.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. J. W. Walsh, Brotherhood of Railroad Signalmen, 400 First Street, NW., Washington, D.C. 20001.
B. Brotherhood of Railroad Signalmen, 601 West Golf Road, Mount Prospect, Ill. 60056.
D. (6) $350.

A. Michael H. Walsh, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

A. Bonnie B. Wan, Montgomery Ward & Co., Inc., 1101 15th Street NW., No. 205, Washington, D.C. 20005.
B. Montgomery Ward & Co., Inc., 535 West Chicago Avenue, Chicago, Ill. 60607.
D. (6) $20. E. (9) $150.

A. John F. Wanamaker, the Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
B. The Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $1,067.

A. Carol Ann Ward, National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
D. (6) $400

A. Jack Ware, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $3,722.40. E. (9) $254.25.

A. Peter F. Warker, TRW Inc., 2030 M Street NW., Washington, D.C. 20036.
B. TRW Inc., 23555 Euclid Avenue, Cleveland, Ohio 44117.
D. (6) $450. E. (9) $170.

A. Warner Communications, Inc., 75 Rockefeller Plaza, New York, N.Y. 10019.
E. (9) $7,000.

A. The Washington Group, Inc., 153 D Street SE., Washington, D.C. 20003.
B. SEDCO, Inc., Cumberland Hill, 1901 N. Akard, Dallas, Tex. 75201.
D. (6) $9,000. E. (9) $8,901.62.

A. Nan Waterman, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,500. E. (9) $1,432.16.

A. George A. Watson, 1612 K Street NW., Washington, D.C. 20006.
B. The Ferroalloys Association, 1612 K Street NW., Suite 800, Washington, D.C. 20006.
E. (9) $1,500.

A. Ralph J. Watson, 1745 Jefferson Davis Highway, Arlington, Va. 22202.
B. Rockwell International, 1745 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $495. E. (9) $171.20.

A. George B. Watts, National Broiler Council, 1155 15th Street, NW., Washington, D.C. 20005.
B. National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $600.

A. James L. Watts, 512 Washington Building, Washington, D.C. 20005.
B. National Association of Small Business Investment Companies, 512 Washington Building, Washington, D.C. 20005.
D. (6) $3,000.

A. Ray Wax, c/o Tom B. Cunningham, Sr., Rural Route No. 5, Darlington, S.C. 29532.
B. National Association of Farmer Elected Committeemen, c/o Tom B. Cunningham, Sr., Rural Route No. 5, Darlington, S.C. 29532.
E. (9) $93.09.

A. Raymond J. Weatherly, 1745 Jefferson Davis Highway, Suite 511, Arlington, Va. 22202.
B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $1,500. E. (9) $750.

A. W. H. Weatherspoon, North Carolina Petroleum Council, P.O. Box 167, Raleigh, N.C. 27602.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $300. E. (9) $421.97.

A. Douglas M. Webb, 1025 Connecticut Avenue NW., No. 1014, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York.
E. (9) $147.77.

A. Webster & Sheffield, One Rockefeller Plaza, New York, N.Y. 10020.
B. Smith, Barney Real Estate Corp., 1345 Avenue of the Americas, New York, N.Y. 10020.
D. (6) $6,450. E. (9) $1,160.

A. Joan Weinstock, American Optometric Association, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association. c/o Wendell D. Waldie, 3111 Aloma, Wichita, Kans. 67211.
D. (6) $259.50. E. (9) $244.88.

A. Weisman, Celler, Spett, Modlin, Wertheimer & Schlesinger, 1025 Connecticut Avenue NW., Suite 910, Washington, D.C. 20036.
B. Beneficial Management Corp., 200 South Street, Morristown, N.J.
D. (6) $2,000.

A. Weisman, Celler, Spett, Modlin, Wertheimer & Schlesinger, 1025 Connecticut Avenue NW., Suite 910, Washington, D.C. 20036.
B. National Football League Players Association, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000.

A. Morton N. Weiss, 55 Broad Street, New York, N.Y. 10004.
B. National Security Traders Association, Inc., 55 Broad Street, New York, N.Y. 10004.
D. (6) $1,500.

A. William Weitzen, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Aerospatiale, 37, Boulevard de Montmorency, 75016 Paris, France).

A. William Weitzen, DGA International, Inc., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Krauss-Maffei AG, Krauss-Maffei-Strasse 2, 8000 Muenchen 50 (Allach), Federal Republic of Germany).

A. L. H. Wells, Shell Oil Co., 1025 Connecticut Avenue NW., Suite 200, Washington, D.C. 20036.
B. Shell Oil Co., P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. Wenchel, Schulman & Manning, 1625 K Street NW., Washington, D.C. 20006.
B. William H. Sullivan, Jr., 500 Neponset Avenue, Dorchester, Mass. 02122.
E. (9) $21.94.

A. Wenchel, Schulman & Manning, 1625 K Street NW., Washington, D.C. 20006.
B. Tuscaloosa Newspapers, Inc., P.O. Drawer No. 1, Tuscaloosa, Ala. 35401 et al.
E. (9) $46.26.

A. Fred Wertheimer, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $9,250.52. E. (9) $134.32.

A. Harry H. Westbay III, 1625 I Street NW., Suite 805, Washington, D.C. 20006.
B. St. Regis Paper Co., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,000. E. (9) $500.

A. West Mexico Vegetable Distribution Association, P.O. Box 848, Nogales, Ariz. 85621.
E. (9) $500.

A. Harvey J. Wexler, Continental Airlines, Inc., 1050 17th Street NW., No. 1060, Washington, D.C. 20036.
B. Continental Airlines, Inc., International Airport, Los Angeles, Calif. 90009.
D. (6) $2,000. E. (9) $1,031.05.

A. Brian B. Whalen, International Harvester, 401 North Michigan Avenue, Chicago, Ill. 60611.
B. International Harvester, 401 North Michigan Avenue, Chicago, Ill. 60611.
D. (6) $1,250. E. (9) $1,849.73.

A. Clyde A. Wheeler, Jr., 1800 K Street NW., Suite 820, Washington, D.C. 20006.
B. Sun Co., Inc., 100 Matsonford Road, Radnor, Pa. 19087.
D. (6) $12,000. E. (9) $2,375.

A. Edwin M. Wheeler, the Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
B. The Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
E. (9) $25.

A. Thomas E. Wheeler, 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $940. E. (9) $150.

A. White & Case, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Presbyterian Hospital in the City of New York, 622 West 168 Street, New York, N.Y. 10032.
D. (6) $4,793.09. E. (9) $135.46.

A. White & Case, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Joseph E. Seagram & Sons, Inc., 375 Park Avenue, New York, N.Y. 10022.
D. (6) $5,750. E. (9) $35.18.

A. Donald F. White, American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $400.

A. John C. White, Private Truck Council of America, Inc., 1101 17th Street NW., Washington, D.C. 20036.
B. Private Truck Council of America, Inc., 1101 17th Street NW., No. 1008, Washington, D.C. 20036.

A. John S. White, Marathon Oil Co., 1800 M Street NW., Suite 975, Washington, D.C. 20036.
B. Marathon Oil Co., Findlay, Ohio 45840.
E. (9) $1,415.62.

A. Donald W. Whitehead, Room 816, 1620 I Street NW., Washington, D.C. 20006.

B. Eastern Environmental Controls, Box 475, Chestertown, Md. 21620.

A. Alton W. Whitehouse, Jr., 1750 Midland Building, Cleveland, Ohio 44115.
B. The Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio 44115.

A. Wickham & Craft, 1050 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Congaree Limited Partnership, 222 West Adams St., Suite 1354, Chicago, Ill. 60606.

A. Wickham & Craft, 1050 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Encyclopaedia Britannica, Inc., 425 North Michigan Avenue, Chicago, Ill. 60611.
D. (6) $400.

A. Leonard M. Wickliffe, 1801 K Street NW., Suite 221, Washington, D.C. 20006.
B. California Railroad Association, 1127 11th Street, Suite 242, Sacramento, Calif. 95814.
D. (6) $10,299.99. E. (9) $5,545.82.

A. Rebecca Wilcox, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Foundation Health Plan, Inc.
D. (6) $3,000.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. American Society of Travel Agents, Inc., 711 5th Avenue, New York, N.Y. 10022.
E. ($) $2,658.80.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Arapahoe Tribe of Indians, Fort Washakie, Wyo.
E. (9) $226.44.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Association of Data Processing Service Organizations, Inc., 210 Summit Avenue, Montvale, N.J. 07645.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Bonneville International Corp., 36 South State Street, Salt Lake City, Utah.
E. (9) $540.16.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Brigham Young University, Provo, Utah.
E. (9) $18.10.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The Church of Jesus Christ of Latter-Day Saints, 50 East North Temple, Salt Lake City, Utah.
E. (9) $73.31.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. College Placement Council, Inc., 65 Elizabeth Street, Bethlehem, Pa.
E. (9) $398.55.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Confederated Salish and Kootenai Tribes of the Flathead Reservation, Mont.
E. (9) $494.74.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The Hoopa Valley Tribe, P.O. Box 817, Hoopa, Calif.
E. (9) $149.65.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Independent Data Communications Manufacturers Association, Inc. (IDCMA), 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $210. E. (9) $3.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Independent Insurance Agents of America, 85 John Street, New York, N.Y. 10038.
D. (6) $1,980. E. (9) $27.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Nana Regional Corporation, Inc., Box 49, Kotzebue, Alaska 99752.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The Three Affiliated Tribes of the Fort Berthold Reservation, New Town, N. Dak.
E. (9) $231.67.

A. Williams & Connolly, 1000 Hill Building, Washington, D.C. 20006.
B. Arthur Andersen & Co., 1666 K Street NW., Washington, D.C. 20006.

A. Williams & Connolly, 1000 Hill Building, Washington, D.C. 20006.
B. Benenson Realty Co., 380 Madison Avenue, New York, N.Y. 10017.

A. Williams & Connolly, 1000 Hill Building, Washington, D.C. 20006.
B. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.

A. Williams & Connolly, 1000 Hill Building, Washington, D.C. 20006.
B. El Paso LNG Co., P.O. Box 2185, Houston, Tex. 77001. and El Paso Alaska Co., Pouch 7009, Anchorage, Alaska.

A. Williams & Connolly, 1000 Hill Building, Washington, D.C. 20006.
B. Federal National Mortgage Association (FNMA), 1133 15th Street NW., Washington, D.C. 20005.
D. (6) $1,353.75. E. (9) $101.60.

A. Williams & Connolly, 1000 Hill Building, Washington, D.C. 20006.
B. State of Maine, Office of the Governor, Augusta, Maine 04333.

A. Harding deC. Williams, 1101 15th Street NW., Washington, D.C. 20005.
B. National Savings & Loan League, 1101 15th Street NW., Washington, D.C. 20005.

A. Harry D. Williams, Ashland Oil, Inc., 1025 Connecticut Avenue NW., Suite 507, Washington, D.C. 20036.
B. Ashland Oil, Inc., P.O. Box 391, Ashland, Ky. 41101.
D. (6) $2,000.

A. Lucinda L. Williams, 1101 17th Street NW., Suite 310, Washington, D.C. 20036.
B. Federation of American Hospitals, 1101 17th Street NW., Suite 310, Washington, D.C. 20036.
D. (6) $3,150.

A. Williams, Myers & Quiggle, 888 17th Street NW., Washington, D.C. 20006.
B. Church Alliance for Clarification of ERISA, c/o Mr. Gary S. Nash, 511 North Akard Building, Suite 311, Dallas, Tex. 75201.
D. (6) $14,175. E. (9) $174.97.

A. Robert E. Williams, United Airlines, 1825 K Street NW., No. 607, Washington, D.C. 20006.
B. United Airlines, P.O. Box 66190, Chicago, Ill. 60666.
D. (6) $1,250. E. (9) $463.

A. Bertram C. Willis, International Telephone & Telegraph Corp., 1707 L Street NW., Washington, D.C. 20036.
B. International Telephone & Telegraph Corp., 320 Park Avenue, New York, N.Y. 10022.
D. (6) $95. E. (9) $16.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. Bristol-Myers Co., 1155 15th Street NW., Washington, D.C. 20036.
D. (6) $357.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. The Business Roundtable, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $672.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. Dealer Bank Association, 1800 K Street NW., Washington, D.C. 20006.
D. (6) $1,264. E. (9) $16.

A. Charles D. Wilson; American Paper Institute, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.
E. (9) $60.98.

A. Henry T. Wilson, 1750 New York Avenue NW., Washington, D.C. 20006.
B. International Brotherhood of Painters & Allied Trades, AFL-CIO, 1750 New York Avenue NW., Washington, D.C. 20006.
D. (6) $84.83.

A. R. J. Winchester, Pennzoil Co., P.O. Box 2967, Houston, Tex. 77001.
B. Pennzoil Co., P.O. Box 2967, Houston, Tex. 77001.
D. (6) $7,000. E. (9) $3,550.

A. Curtin Winsor, Jr., 900 17th Street, Washington, D.C. 20006.
B. The Chase Manhattan Bank, One Chase Manhattan Plaza, New York, N.Y. 10015.
D. (6) $67.50 E. (9) $17.86.

A. Winston & Strawn, 1730 Pennsylvania Avenue NW., No. 1040, Washington, D.C. 20006.
B. Atlanta LaSalle Corp., 150 South Wacker Street, Chicago, Ill. 60600.
D. (6) $255. E. (9) $7.05.

A. Winston & Strawn, 1730 Pennsylvania Avenue NW., No. 1040, Washington, D.C. 20006.
B. Gould Inc., 8550 Bryn Mawr Avenue, Chicago, Ill. 60631.

A. Winston & Strawn, 1730 Pennsylvania Avenue NW., No. 1040, Washington, D.C. 20006.
B. International Council of Shopping Centers, 665 Fifth Avenue, New York, N.Y. 10022.
D. (6) $60. E. (9) $81.15.

A. Winston & Strawn, 1730 Pennsylvania Avenue NW., No. 1040, Washington, D.C. 20006.
B. New England Petroleum Corp., 825 Third Avenue, New York, N.Y. 10022.
D. (6) $240. E. (9) $122.09.

A. Mark E. Winter, American Land Title Association, 1828 L Street NW., Washington, D.C. 20036.
B. American Land Title Association, 1828 L Street NW., Washington, D.C. 20036.
D. (6) $3,000.

A. Karen T. J. Winterbottom, Distilled Spirits Council of the United States, Inc., 1300 Pennsylvania Building, Washington, D.C. 20004.
B. Distilled Spirits Council of the United States, Inc., 1300 Pennsylvania Building, Washington, D.C. 20004.

A. Richard F. Witherall, Colorado Railroad Association, 420 Denver Club Building, Denver, Colo. 80202.
B. Colorado Railroad Association, 420 Denver Club Building, Denver, Colo. 80202.
D. (6) $500. E. (9) $875.

A. Glenn P. Witte, 1105 Barr Building, Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 1105 Barr Building, Washington, D.C. 20006.

A. Christopher Wolf, 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
B. National Limestone Institute, Inc., Suite 501, 3251 Old Lee Highway, Fairfax, Va. 22030.
E. (9) $15.65.

A. Erving Wolf, Inexco Oil Co., Suite 1900, 1100 Milam Building, Houston, Tex. 77002.
B. Inexco Oil Co., Suite 1900, 1100 Milam Building, Houston, Tex. 77002.
E. (9) $77.

A. Wolf, Haldenstein, Adler, Freeman & Herz, 270 Madison Avenue, New York, N.Y.
B. Fallek-Lankro Corp., P.O. Box H, Tuscaloosa, Ala.
D. (6) $4,000. E. (9) $126.

A. James E. Wolf, Trane Co., 2020 14th Street North, Arlington, Va. 22201.
B. Trane Co., 3600 Pammel Creek Road, La Crosse, Wis. 54601.
D. (6) $1,200. E. (9) $181.91.

A. Don Womack, Suite 1013, 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Texas Utilities Services, Inc., 2001 Bryan Tower, Dallas, Tex. 75201.
D. (6) $1,687. E. (9) $258.60.

A. Diane Woodruff, Committee of Urban Program Universities, Suite 802, 11 Dupont Circle, Washington, D.C. 20036.
B. Committee of Urban Program Universities, Suite 802, 11 Dupont Circle, Washington, D.C. 20036.
D. (6) $1,650.

A. M. Alan Woods, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Airbus Industrie, Avenue Lucien Servanty, 31700 Blagnac (Toulouse), France).
D. (6) $107.12. E. (9) $36.

A. William E. Woods, National Association of Retail Druggists, 1750 K Street NW., Washington, D.C. 20006.
B. National Association of Retail Druggists, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $750. E. (9) $150.

A. Perry W. Woofter, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $5,000. E. (9) $206.50.

A. Ronald L. Wooten, American Mining Congress, 1100 Ring Building, Washington, D.C.
B. American Mining Congress, 1100 Ring Building, Washington, D.C.
D. (6) $296.70. E. (9) $20.

A. George M. Worden, 1425 K Street NW., Suite 1000, Washington, D.C. 20005.
B. Hill & Knowlton, Inc., 1425 K Street NW., Suite 1000, Washington, D.C. 20005.

A. Dee Workman, 150 East 42d Street, New York, N.Y. 10017.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $625.

A. World Federalist Political Education Committee, 600 Valley Road, Wayne, N.J. 07470.
D. (6) $6,203.42. E. (9) $3,245.56.

A. Franklin L. Wright, Jr., 1709 New York Avenue NW., Suite 200, Washington, D.C. 20006.
B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $1,937.50. E. (9) $171.96.

A. Wyman, Bautzer, Rothman & Kuchel, Suite 1140, the Watergate 600, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Bristol Bay Native Corp., P.O. Box 220, Anchorage, Alaska 99501.

A. Wyman, Bautzer, Rothman & Kuchel, Suite 1140, the Watergate 600, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Peterson Publishing Co., 8490 Sunset Boulevard, Los Angeles, Calif. 90060.
D. (6) $125.

A. John Yarmola, Seafarers International Union of North America, 815 16th Street NW., Suite 510, Washington, D.C. 20006.
B. Seafarers International Union of North America, 815 16th Street NW., Suite 510, Washington, D.C. 20006.
D. (6) $2,500.

A. Jack Yelverton, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. John H. Yingling, 1156 15th Street NW., Suite 701, Washington, D.C. 20005.
B. Citibank, 399 Park Avenue, New York, N.Y. 10022.
D. (6) $1,500. E. (9) $185.24.

A. A. Steven Young, National Small Business Association, 1225 19th Street NW., Washington, D.C. 20036.
B. National Small Business Association, 1225 19th Street NW., Washington, D.C. 20036.
D. (6) $1,500. E. (9) $200.

A. Kenneth Young, AFL–CIO 815 16th Street NW., Washignton, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $10,218. E. (9) $138.58.

A. Reynolds Young, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,100. E. (9) $280.

A. Eugene A. Yourch, 17 Battery Place North, New York, N.Y. 10004.
B. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.
D. (6) $200. E. (9) $168.50.

A. Lynn Zakupowsky, General Electric Co., 777 14th Street NW., Washington, D.C.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn. 06431.

A. John S. Zapp, American Medical Association, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $3,870. E. (9) $366.

A. Thomas K. Zaucha, 1800 M Street NW., Suite 645–S, Washington, D.C. 20036.
B. The Great Atlantic & Pacific Tea Co., Inc., 2 Paragon Drive, Montvale, N.J. 07645.
D. (6) $2,000.

A. Donald P. Zeifang, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $3,000. E. (9) $342.09.

A. Roger H. Zion, Resources Development, Inc., 1155 15th Street NW., Suite 418, Washington, D.C. 20005.
B. Indiana Farm Bureau Cooperative Association, Inc., 47 South Pennsylvania Street, Indianapolis, Ind. 46204.
D. (6) $1,000. E. (9) $500.

A. Roger H. Zion, Resources Development, Inc., 1155 15th Street NW., Suite 418, Washington, D.C. 20005.
B. Indianapolis Power & Light Co., 25 Monument Circle, Indianapolis, Ind. 46206.
D. (6) $1,200. E. (9) $600.

A. Roger H. Zion, Resources Development, Inc., 1155 15th Street NW., Suite 418, Washington, D.C. 20005.
B. Laketon Asphalt Refining, Inc., P.O. Box 3525, Evansville, Ind. 47734.
D. (6) $1,000. E. (9) $500.

A. Roger H. Zion, Resources Development, Inc., 1155 15th Street NW., Suite 418, Washington, D.C. 20005.
B. Public Service of Indiana, 1000 East Main Street, Plainfield, Ind. 46168.
D. (6) $620. E. (9) $310.

A. Laurence W. Zoeller, Burson-Marsteller, 1800 M Street NW., Suite 750–S, Washington, D.C. 20036.
B. The American Waterways Operators, Inc., 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
D. (6) $1,725.15. E. (9) $571.45.

A. Charles O. Zuver, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $3,500. E. (9) $126.41.

A. Frances Zwenig, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $2,750. E. (9) $139.88.

QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following quarterly reports were submitted for the second calendar quarter 1977:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES;

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19_____

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report;

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports. ☐

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (a) Description, (b) quantity distributed; (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

AFFIDAVIT

[Omitted in printing]

PAGE 1

A. Albert E. Abrahams, National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 430 North Michigan Avenue, Chicago, Ill. 60611, and 925 15th Street NW., Washington, D.C. 20005.
D. (6) $3,500. E. (9) $117.95.

A. Actors Equity Association, 1500 Broadway, New York, N.Y. 10036.
D. (6) $2,500. E. (9) $2,500.

A. Ad-Hoc Committee for Competitive Telecommunications, 520 North Capitol Street, No. 800, Washington, D.C. 20001.
D. (6) $500. E. (9) $18,172.28.

A. Alaskan Arctic Gas Pipeline Co., P.O. Box 979, Alaska Mutual Bank Building, Anchorage, Alaska 99510.
B. Alaskan Arctic Gas Study Co., P.O. Box 979, Alaska Mutual Bank Building, Anchorage, Alaska 99510.
E. (9) $8,425.

A. Barbara Ann Alderson, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. Anne Genevieve Allen, Rockwell International, International Airport, Los Angeles, Calif. 90009.
B. Rockwell International, International Airport, Los Angeles, Calif. 90009.
D. (6) $418.51. E. (9) $801.77.

A. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. American Conservative Union, 422 First Street SE., Washington, D.C. 20003.
D. (6) $78,377.39. E. (9) $128,901.20.

A. American Israel Public Affairs Committee, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.
D. (6) $44,559. E. (9) $46,485.92.

A. American Library Association, 50 East Huron Street, Chicago, Ill. 60611.
D. (6) $1,278.22. E. (9) $4,903.60.

A. American Maritime Association, 17 Battery Place, North Building, New York, N.Y. 10004; 1612 K Street NW., Washington, D.C. 20006.
E. (9) $85.90.

A. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.
E. (9) $164.72.

A. American Rivers Conservation Council, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $6,245.60 E. (9) $3,235.25.

A. American Textile Machinery Association, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $59.80.

A. Americans for Democratic Action, 1411 K Street NW., No. 850, Washington, D.C. 20005.
D. (6) $83,028.84. E. (9) $12,140.66.

A. Morris J. Amitay, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.
B. American Israel Public Affairs Committee, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.
D. (6) $6,249.99.

A. Leonard Appel, Wilson, Woods, Villalon & Hollengreen, 425 13th Street NW., Suite 1032, Washington, D.C. 20004.
B. Everett Terminal Co., Inc., P.O. Box 1478, Hewitt Avenue Marine Terminal, Everett, Wash. 98206.

A. John Christian Archer, 1730 Rhode Island Avenue NW., No. 213, Washington, D.C. 20036.
B. Brown & Root, Inc., 1730 Rhode Island Avenue NW., No. 213, Washington, D.C. 20036.
D. (6) $1,600. E. (9) $530.

A. Roy A. Archibald, National Education Association, 1705 Murchison Drive, Burlingame, Calif. 94010.
B. National Educational Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,214.74. E. (9) $100.

A. Francine Ardito, 706 Seventh Street SE., Washington, D.C. 20003.
B. National Abortion Rights Action League, 706 Seventh Street SE., Washington, D.C. 20003.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Commissioner of Baseball, 15 West 51st Street, New York, N.Y. 10019.
E. (9) $100.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Price Waterhouse & Co., 1251 Avenue of the Americas, New York, N.Y. 10020.
D. (6) $1,250. E. (9) $88.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Record Industry Association of America, Inc., One East 57th Street, New York, N.Y. 10022.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. State Farm Mutual Automobile Insurance Co., 1 State Farm Plaza, Bloomington, Ill. 61701.
D. (6) $1,870. E. (9) $248.

A. Association for the Advancement of Invention and Innovation, Suite 301, 1911 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $4,754. E. (9) $2,029.45.

A. Association of Data Processing Service Organizations, Inc. (ADAPSO), 210 Summit Avenue, Montvale, N.J. 07645.
D. (6) $135,025. E. (9) $412.

A. Association of Oil Pipe Lines, 1725 K Street NW., Washington, D.C. 20006.
E. (9) $800.

A. Aviation Consumer Action Project, P.O. Box 19029, Washington, D.C. 20036.
D. (6) $500. E. (9) $325.

A. Donald L. Badders, TRW Credit Data, 5565 Sterrett Place, Suite 527, Columbia, Md. 21044.
B. TRW Credit Data, 100 Oceangate, Suite 800, Long Beach, Calif. 90801.

A. Carl E. Bagge, Coal Building, Washington, D.C. 20036.
B. National Coal Association, Coal Building, Washington, D.C. 20036.
D. (6) $1,900. E. (9) $1,114.68.

A. Emil F. Baker, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. Thomas J. Barlow, 917 15th Street NW., Washington, D.C. 20005.
B. Natural Resources Defense Council, 917 15th Street NW., Washington, D.C. 20005.
D. (6) $485. E. (9) $268.

A. Roger H. Barnard, National Association of Federal Credit Unions, 1156 15th Street NW., Suite 329, Washington, D.C. 20005.
B. National Association of Federal Credit Unions, 1156 15th Street NW., Suite 329, Washington, D.C. 20005.

A. James C. Barr, National Association of Federal Credit Unions, 1156 15th Street NW., Suite 329, Washington, D.C. 20005.
B. National Association of Federal Credit Unions, 1156 15th Street NW., Suite 329, Washington, D.C. 20005.
D. (6) $300.

A. Richard L. Barr, Iowa Railway Association, 620 Capital City Bank Building, Des Moines, Iowa 50309.
B. Iowa Railway Association, 620 Capital City Bank Building, Des Moines, Iowa 50309.
E. (9) $1,157.24.

A. Roger V. Barth, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Association for Clinical Chemistry, Inc., 1725 K Street NW., Washington, D.C. 20006.

A. Ronald Dennis Bass, Room 731, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
B. Environmental Action, Inc., Room 731, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,326.90.

A. Frances G. Beinecke, 15 West 44th Street, 12th floor, New York, N.Y. 10036.
B. Natural Resources Defense Council, Inc., 15 West 44th Street, New York, N.Y. 10036.
D. (6) $242.50. E. (9) $197.15.

A. Winston Everett Bell, P.O. Box 5463, Las Vegas, Nev. 89102.

A. Walter L. Benning, 14901 Ritchie Road, Centerville, Va. 22020.
B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $2,500. E. (9) $750.

A. Nancy C. Benson, 1625 I Street NW., Suite 401, Washington, D.C. 20006.
B. American Cyanamid Co., Wayne, N.J. 07470.
D. (6) $280. E. (9) $162.16.

A. George K. Bernstein, 1730 K Street NW., Washington, D.C. 20006.
B. American Insurance Association, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $500.

A. George K. Bernstein, 1730 K Street NW., Washington, D.C. 20006.
B. Crum & Forster Insurance Co.'s, P.O. Box 2387, Morristown, N.J. 07960.
D. (6) $375.

A. Robert J. Bird, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. Occidental Life Insurance Co., 12th and Hill, Los Angeles, Calif. 90054.

A. Robert J. Bird, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Paul Revere Corp., Worcester, Mass. 01608.

A. Betty Blouin, The American Dietetic Association, 430 North Michigan Avenue, Chicago, Ill. 60611.
B. The American Dietetic Association, 430 North Michigan Avenue, Chicago, Ill. 60611.
D. (6) $1,253.55. E. (9) $2,680.33.

A. Robert J. Bolger, 1911 Jefferson Davis Highway, Arlington, Va. 22202.
B. National Association of Chain Drug Stores, 1911 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $1,650.

A. William H. Bonde, National Wool Growers Association, Inc., 1776 F Street NW., No. 5, Washington, D.C. 20006.
B. National Wool Growers Association, Inc., 1776 F Street NW., No. 5, Washington, D.C. 20006.
D. (6) $9,999.96. E. (9) $797.37.

A. Thomas C. Borzilleri, National Retired Teachers Association-American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association-American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $221.54. E. (9) $282.95.

A. Rodney A. Bower 1126 16th Street NW., Washington, D.C. 20036.
B. International Federation of Professional and Technical Engineers, AFL–CIO, 1126 16th Street NW., Washington, D.C. 20036.
D. (6) $625. E. (9) $100.

A. Herbert W. Boyer, 306 Cape Court, Mill Valley, Calif. 94143.
B. Genetech, 475 Sonsome Street, 15th Floor, San Francisco, Calif. 94111.
E. (9) $1,350.

A. William W. Brackett, Alaskan Arctic Gas Study Co., 1730 Pennsylvania Avenue, NW., Suite 230, Washington, D.C. 20006.
B. Alaskan Arctic Gas Study Co., P.O. Box 979, Alaska Mutual Bank Building, Anchorage, Alaska 99510.
D. (6) $4,500. E. (9) $100.

A. Gene M. Bradley, 955 L'Enfant Plaza North SW., Washington, D.C. 20024.
B. The Boeing Co., P.O. Box 3707, Seattle, Wash. 98124.
D. (6) $900. E. (9) $529.87.

A. Charles N. Brady, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. S. Gail Bramblett, National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,293.55 E. (9) $237.35.

A. Robert Brandon, Public Citizen's Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.
B. Public Citizen's Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.
D. (6) $1,000.

A. Bread for the World, Inc., 207 East 16th Street New York, N.Y. 10003.
D. (6) $119,509.84. E. (9) $136,219.04.

A. Bregman, Abell, Solter & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.
B. The Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20036.
D. (6) $825. E. (9) $120.

A. Bregman, Abell, Solter & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.
B. Car & Truck Renting & Leasing Association, 1725 K Street NW., Suite 408, Washington, D.C. 20006.
D. (6) $400. E. (9) $125.

A. Bregman, Abell, Solter & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.
B. Trans World Airlines, Inc., 605 Third Avenue, New York, N.Y. 10016.
D. (6) $1,250. E. (9) $250.

A. Bregman, Abell, Solter & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.
B. The Washington Psychiatric Society, 1700 18th Street NW., Washington, D.C. 20009.
D. (6) $1,000. E. (9) $75.

A. Edward J. Brenner, Suite 301, 1911 Jefferson Davis Highway, Arlington, Va. 22202.
B. Association for the Advancement of Invention & Innovation, Suite 301, 1911 Jefferson Davis Highway, Arlington, Va. 22202.

A. Bill Brier, National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $2,550. E. (9) $175.

A. John B. Brock, Quintana Refinery Co., P.O. Box 3331, Houston, Tex. 77001.
B. Quintana Refinery Co., P.O. Box 3331, Houston, Tex. 77001.
D. (6) $3,562.72. E. (9) $1,123.15.

A. David W. Broome, 1800 M Street NW., Suite 760 South, Washington, D.C. 20036.
B. Burlington Industries, Inc., 1800 M Street NW., Suite 760 South, Washington, D.C. 20036.
D. (6) $2,500. E. (9) $1,058.

A. Brotherhoood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 6300 River Road, Rosemont, Ill., 60018.
D. (6) $19,126.52. E. (9) $19,126.52.

A. Charles T. Brown, Cities Service Co., Box 100, Miami, Ariz. 85539.
B. Cities Service Co., Box 100, Miami, Ariz. 85539.
E. (9) $30.17.

A. David S. J. Brown, 1101 17th Street NW., Suite 604, Washington, D.C. 20036.
B. Monsanto Co., 800 North Lindbergh Boulevard, St. Louis, Mo. 63166.
D. (6) $94.44.

A. Diane V. Brown, 1620 I Street NW, No. 700, Washington, D.C. 20006.
B. International Paper Co., 1620 I Street NW., Suite 700, Washington, D.C. 20006.
D. (6) $500. E. (9) $150.

A. Howard Brown, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. American Rivers Conservation Council, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $1,641.46.

A. John J. Brown, 1125 17th Street NW., Washington, D.C. 20036.
B. International Union of Operating Engineers, 1125 17th Street NW., Washington, D.C. 20036.
D. (6) $3,750. E. (9) $325.

A. Robert D. Buehler, 1800 K Street NW., Suite 929, Washington, D.C. 20006.
B. B. F. Goodrich Co., Akron, Ohio 44318.
D. (6) $400.

A. David A. Bunn, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
B. Magazine Publishers Association, 575 Lexington Avenue, New York, N.Y. 10022.
D. (6) $4,000. E. (9) $300.

A. David A. Bunn, Parcel Shippers Association, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
B. Parcel Shippers Association, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,000. E. (9) $700.

A. George J. Burger, Jr., National Federation of Independent Business, 150 West 20th Avenue, San Mateo, Calif. 94403.
B. National Federation of Independent Business, 150 West 20th Avenue, San Mateo, Calif. 94403.
D. (6) $1,000. E. (9) $700.

A. Gerrie Bjornson Burns, 1800 K Street NW., Suite 929, Washington, D.C. 20006.
B. B. F. Goodrich Co., Akron, Ohio 44318.
D. (6) $100.

A. Cable, McDaniel, Bowie & Bond, 900 Blaustein Building, Baltimore, Md. 21201.
B. Crown Central Petroleum Corp., 1 North Charles Street, P.O. Box 1168, Baltimore, Md. 21203.

A. Peter E. Callanan, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Honeywell, Inc., Honeywell Plaza, Minneapolis, Minn. 55408.
D. (6) $1,000. E. (9) $200.

A. Bruce P. Cameron, Americans for Democratic Action, 1411 K Street NW., No. 850, Washington, D.C. 20005.
B. Americans for Democratic Action, 1411 K Street NW., No. 850, Washington, D.C. 20005.
D. (6) $2,500.03.

A. Charles Argyll Campbell, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States of America, 1615 H Street NW., Washington, D.C. 20062.
E. (9) $276.

A. Faith Thompson Campbell, 917 15th Street NW., Washington, D.C. 20005.
B. Natural Resources Defense Council, Inc., 917 15th Street NW., Washington, D.C. 20005.
D. (6) $886.52.

A. Ross Capon, National Association of Railroad Passengers, 417 New Jersey Avenue SE., Washington, D.C. 20003.
B. National Association of Railroad Passengers, 417 New Jersey Avenue SE., Washington, D.C. 20003.
D. (6) $3,749.98.

A. William Edward Carmichael, Society of American Florists, 901 North Washington Street, Alexandria, Va. 22314.
B. Society of American Florists & Ornamental Horticulturists, 901 North Washington Street, Alexandria, Va. 22314.

A. Richard M. Carrigan, National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $5,585.46. E. (9) $316.53.

A. John L. Casey, 345 Park Avenue, New York, N.Y. 10022.
B. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.Y. 10022.

A. Casey, Lane & Mittendorf, 815 Connecticut Avenue NW., Washington, D.C. 20006. D.C. 20006.
B. Arctic Gas Study Co., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $3,197. E. (9) $311.14.

A. Casey, Lane & Mittendorf, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Gulf Interstate Co., P.O. Box 1916, Houston, Tex. 77001.

A. Casey, Lane & Mittendorf, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Independent Gas Producers' Committee, Suite 300, 2601 Northwest Expressway, Oklahoma City, Okla. 73112.

A. Casey, Lane & Mittendorf, 815 Connecticut Avenue NW., Suite 802, Washington, D.C.
B. Kansas Delaware Tribe of Indians, Inc., 1909 Aladdin, Norman, Okla. 73609.

A. Casey, Lane & Mittendorf, 815 Connecticut Avenue NW., Suite 802, Washington, D.C. 20006.
B. Slurry Transport Association Legislative Committee, 490 L'Enfant Plaza East, Suite 3210, Washington, D.C. 20024.
E. (9) $9.26.

A. Robert J. Casey, 330 Madison Avenue, New York, N.Y. 10017.
B. Occidental Petroleum Corp., 10889 Wilshire Boulevard, Los Angeles, Calif. 90024.
D. (6) $7,500. E. (9) $596.76.

A. Robert J. Casey, 330 Madison Avenue, New York, N.Y. 10017.
B. Union Pacific Corp., 345 Park Avenue, New York, N.Y. 10022.
D. (6) $12,600. E. (9) $1,821.19.

A. Eugene I. Casraiss, Jr., United Automobile, Aerospace & Agricultural Implement Workers of America (UAW), 1125 15th Street NW., Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace & Agricultural Implement Workers of America (UAW), 8000 E. Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $5,914.06. E. (9) $451.77.

A. Catholics for a Free Choice, 201 Massachusetts Avenue NE., No. 312, Washington, D.C. 20002.
D. (6) $15,998.80. E. (9) $2,738.64.

A. Owen Chaffee, 203 Yoakum Parkway, No. 1012, Alexandria, Va. 22304.
B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $3,500. E. (9) $750.

A. Chemtex Fibers, Inc., 850 Third Avenue, New York, N.Y. 10022.

A. James M. Christian, Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20068.
B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20068.

A. Citizens Committee for the Right to Keep and Bear Arms, 1601 114th SE., Suite 151, Bellevue, Wash. 98004.
D. (6) $88,553.88. E. (9) $14,176.60.

A. Rosemary Claassen, 228 E Street NE., Washington, D.C. 20002.
B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $825.

A. Cladouhos & Brashares, 1750 New York Avenue NW., Washington, D.C. 20006.
B. Crown Central Petroleum Corp., One North Charles Street, P.O. Box 1168, Baltimore, Md. 21203.
D. (6) $300. E. (9) $100.

A. Charles M. Clusen, 330 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.
D. (6) $5,875. E. (9) $133.32.

A. Coalition on American Rivers, P.O. Box 2667, Station A, Champaign, Ill. 61820.
D. (6) $15,308.75. E. (9) $13,423.59.

A. Carl A. S. Coan, Jr., 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $8,182.05. E. (9) $228.48.

A. Carl A. S. Coan, Jr., 1707 L Street NW., Suite 450, Washington, D.C. 20036.
B. National Housing Conference, Inc., 1126 16th Street NW., Washington, D.C. 20036.
D. (6) $2,502.81. E. (9) $200.62.

A. The Coca-Cola Bottler's Association, 166 16th Street NW., Atlanta, Ga. 30318.
E. (9) $102.34.

A. Thomas B. Cochran, 917 15th Street NW., Washington, D.C. 20005.
B. Natural Resources Defense Council, Inc., 917 15th Street NW., Washington, D.C. 20005.
D. (6) $1,800. E. (9) $60.

A. Jeffery Cohelan, Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
B. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
D. (6) $4,082.40.

A. Timothy A. Colcord, 1620 I Street NW., Washington, D.C. 20006.
B. VISA U.S.A. Inc., 555 California Street, San Francisco, Calif. 94126.
D. (6) $6,875. E. (9) $3,054.97.

A. Robert E. Cole, 1660 L Street NW., Washington, D.C.
B. General Motors Corp., 1660 L Street NW., Washington, D.C.
D. (6) $2,500. E. (9) $2,100.25.

A. Lynn R. Coleman, 1701 Pennsylvania Avenue NW., Suite 1120, Washington, D.C. 20006.
B. Vinson & Elkins, 1701 Pennsylvania Avenue, Suite 1120, Washington, D.C. 20006. (For Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001).
D. (6) $5,325.

A. Marvin K. Collie, 2201 First City National Bank Building, Houston, Tex. 77002.
B. Vinson & Elkins, 2100 First City National Bank Building, Houston, Tex. 77002. (For Brown & Root, Inc., P.O. Box 3, Houston, Tex. 77001).
E. (9) $460.88.

A. John M. Collier, 4436 Perrier Street, New Orleans, La. 70118.
B. Southern Forest Products Association, P.O. Box 52468, New Orleans, La. 70152.
D. (6) $7,350. E. (9) $6,168.93.

A. Collier, Shannon, Rill, Edwards & Scott, 1055 Thomas Jefferson Street NW., Suite 308, Washington, D.C. 20007.
B. Ad Hoc Committee for a Fair Natural Gas Policy, 1055 Thomas Jefferson Street NW., Suite 308, Washington, D.C. 20007.
D. (6) $600. E. (9) $163.40.

A. Collier, Shannon, Rill, Edwards & Scott, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.
B. American Cylinder Manufacturers Committee, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.
D. (6) $40.

A. Colorado Railroad Association, 420 Denver Club Building, Denver, Colo. 80202.
D. (6) $650. E. (9) $1,850.

A. Committee for Humane Legislation, Inc., 2101 L Street NW., Washington, D.C. 20037; 11 West 60th, New York, N.Y. 10032.
D. (6) $68,561. E. (9) $66,076.26.

A. The Committee of Publicity Owned Companies, 22 Thames Street, New York, N.Y. 10006.
D. (6) $533. E. (9) $3,185.

A. Computer & Communications Industry Association, 1500 Wilson Boulevard, Suite 512, Arlington, Va. 22209.
D. (6) $80,291. E. (9) $8,669.

A. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $25,458.43. E. (9) $25,458.43.

A. Jerry C. Conners, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Consolidated Rail Corp., P.O. Box 23451, L'Enfant Plaza Station, Washington, D.C. 20004.
E. (9) $14,525.

A. E. Keith Cooper, 955 L'Enfant Plaza North, SW., Washington, D.C. 20024.
B. The Boeing Co., P.O. Box 3707, Seattle, Wash.
D. (6) $2,140. E. (9) $1,511.05.

A. Glen S. Corso, National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $4,222.58. E. (9) $485.24.

A. David Cosson, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.

A. Council for a Livable World, 100 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $34,089.03. E. (9) $23,952.13

A. Council of AFL–CIO Unions for Professional Employees, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $1,250. E. (9) $1,250.

A. John A. Couture, National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $825. E. (9) $476.21.

A. Eric Cox, 3133 Connecticut Avenue NW., Washington, D.C. 20008.
B. World Federalist Political Education Committee, 600 Valley Road, Wayne, N.J. 07470.
D. (6) $1,333.35.

A. Kenneth A. Cox, 1150 17th Street NW., Washington, D.C. 20036.
B. MCI Communications Corp., 1150 17th Street NW., Washington, D.C. 20036.
D. (6) $3,836. E. (9) $105.42.

A. Bobby E. Crow, P.O. Box 683, Houston, Tex. 77001.
B. Columbia Gulf Transmission Co., P.O. Box 683, Houston, Tex. 77001.
D. (6) $590.63. E. (9) $821.98.

A. Richard D. Cudahy, Suite 701, 1050 17th Street NW., Washington, D.C. 20036.

B. Central and South West Corp., P.O. Box 1631, Wilmington, Del. 19899.
D. (6) $200. E. (9) $5.

A. William E. Cumberland, Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $446. E. (9) $2,504.

A. Robert J. Cushman, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $2,828.04. E. (9) $385.26.

A. Mimi Cutler, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
B. Aviation Consumer Action Project, P.O. Box 19029, Washington, D.C. 20036.
D. (6) $250.

A. Daniels, Houlihan & Palmeter, 1819 H Street NW., Washington, D.C. 20006.
B. American Importers Association, 420 Lexington Avenue, New York, N.Y. 10017.
D. (6) $3,000. E. (9) $1,050.43.

A. Daniels, Hoolihan & Palmeter, 1819 H Street NW., Washington, D.C. 20006.
B. Committee for 806.30 and 807, 2001 I Street NW., Washington, D.C. 20006.

A. Daniels, Houlihan & Palmeter, 1819 H Street NW., Washington, D.C. 20006.
B. Committee in Support of Existing U.S. Tariff Policy with Respect to Honey, M–50 at Springville, Onsted, Mich. 49265.
E. (9) $40.79.

A. Richard C. Darling, J. C. Penny Co., Inc., 1156 15th Street NW., Washington, D.C. 20005.
B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $1,500. E. (9) $750.

A. Dennis N. Davis, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
E. (9) $29.90.

A. Dawson, Riddell, Taylor, Davis & Holroyd, 723 Washington Building, Washington, D.C. 20005.
B. Air Transport Association, 1709 New York Avenue NW., Washington, D.C. 20005.

A. P. M. Davison, Jr., North Dakota Railway Lines, 418 East Rosser Avenue, P.O. Box 938, Bismarck, N. Dak. 58501.
B. North Dakota Railway Lines, 418 East Rosser Avenue, P.O. Box 938, Bismarck, N. Dak. 58501.
E. (9) $1,676.41.

A. Dawson Riddell, Taylor, Davis & Holroyd, 723 Washington Building, Washington, D.C. 20005.
B. Beneficial Finance Co., Beneficial Building, Morristown, N.J. 07960.

A. Dawson, Riddell, Taylor, Davis & Holroyd, 723 Washington Building, Washington, D.C. 20005.
B. C.I.T. Financial Corp., 650 Madison Avenue, New York, N.Y. 10022.

A. Dawson, Riddell, Taylor, Davis & Holroyd, 723 Washington Building, Washington, D.C. 20005.
B. Consumer Credit Insurance Association, 307 North Michigan Avenue, Chicago, Ill. 60601.

A. Dawson, Riddell, Taylor, Davis & Holroyd, 723 Washington Building, Washington, D.C. 20005.
B. United States Brewers Association, Inc., 1750 K Street NW., Washington, D.C. 20006.

A. Donald S. Dawson, 723 Washington Building, Washington, D.C. 20005.
B. Opticians Association of America, 1250 Connecticut Avenue NW., Washington, D.C. 20005.

A. Maryann M. Dean, 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.
B. Associated Builders & Contractors, Inc., 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.
D. (6) $25.

A. Gaston de Bearn, Hoffmann-La Roche, Inc., 1775 K Street NW., Suite 300, Washington, D.C. 20006.
B. Hoffmann-La Roche, Inc., 340 Kingsland Street, Nutley, N.J. 07110.

A. Debevoise & Liberman, Suite 700, 806 15th Street NW., Washington, D.C. 20005.
B. Aetna Life & Casualty, 151 Farmington Avenue, Hartford, Conn. 06156.
D. (6) $3,000.

A. William J. Dennis, Jr., National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
D. (6) $2,250. E. (9) $275.

A. Pamela Deuel, Environmental Action, Room 731, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
B. Environmental Action, Inc., Room 731, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,836.52.

A. Dickstein, Shapiro & Morin, 2101 L Street NW., Washinton, D.C. 20037.
B. Agtek International Inc., 189 Elm Street, New Canaan, Conn. 06840.
D. (6) $775.

A. Dickstein, Shapiro & Morin, 2101 L Street NW., Washington, D.C. 20037.
B. Federated Investors, Inc., 421 Seventh Avenue, Pittsburgh, Pa. 15219.

A. Dickstein, Shapiro & Morin, 2101 L Street NW., Washington, D.C. 20037.
B. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.

A. Dickstein, Shapiro & Morin, 2101 L Street NW., Washington, D.C. 20037.
B. Kennecott Copper Corp., 161 East 42d Street, New York, N.Y.
D. (6) $7,460.

A. Dickstein, Shapiro & Morin, 2101 L Street NW., Washington, D.C. 20037.
B. National Federation of Societies for Clinical Social Work, 698 West End Avenue, New York, N.Y. 10025.
D. (6) $1,000.

A. Dickstein, Shapiro & Morin, 2101 L Street NW., Washington, D.C. 20037.
B. Tennessee Gas Transmission Co., P.O. Box 2511, Houston, Tex. 77001.

A. Dickstein, Shapiro & Morin, 2101 L Street NW., Washington, D.C. 20037.
B. United States Tour Operators Association, 1671 Wilshire Boulevard, Los Angeles, Calif. 90017.
D. (6) $650.

A. James F. Doherty, Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
B. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
D. (6) $8,437.50.

A. John D. Doherty, Jr., 900 17th Street NW., Washington, D.C. 20006.
B. The Chase Manhattan Bank, 1 Chase Manhattan Plaza, New York, N.Y. 10015.
D. (6) $72.84. E. (9) $26.89.

A. Domestic Petroleum Council, 1130 17th Street NW., Washington, D.C. 20036.
E. (9) $2,610.

A. Domestic Wildcatters Association, 900 First City National Bank Building, Houston, Tex. 77002.
D. (6) $26,500. E. (9) $12,511.14.

A. Sally L. Douglas, National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
D. (6) $400.

A. Nancy Drabble, 133 C Street, SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street, SE., Washington, D.C. 20003.
D. (6) $2,000.

A. John H. Dunne, International Federation of Professional & Technical Engineers, AFL–CIO, 1126 16th Street NW., Washington, D.C. 20036.
B. International Federation of Professional & Technical Engineers, AFL–CIO, 1126 16th Street NW., Washington, D.C. 20036.
D. (6) $600. E. (9) $100.

A. J. D. Durand, Association of Oil Pipe Lines, 1725 K Street NW., Washington D.C. 20006.
B. Association of Oil Pipe Lines, 1725 K Street NW., Washington, D.C. 20006.
E. (9) $800.

A. A. Blakeman Early, Environmental Action, Room 731, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
B. Environmental Action, Inc., Room 731, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,326.90.

A. Donald R. Ebe, 1800 K Street NW., Suite 800, Washington, D.C. 20006.
B. The Goodyear Tire & Rubber Co., Akron, Ohio 44316.

A. Clifford E. Edwards, National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $891. E. (9) $40.

A. Adelaide K. Eisenmann, 607 G Street SW., Washington, D.C. 20024.
B. Panamanian Committee for Human Rights.

A. Richard Eisenmann, 607 G Street SW., Washington, D.C. 20024.
B. Panamanian Committee for Human Rights.

A. Jonathan P. Ela, Sierra Club, 444 West Main, Madison, Wis. 53703.
B. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.
D. (6) $2,700. E. (9) $2,945.05.

A. D. A. Ellsworth, Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employes, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $2,750. E. (9) $1,049.31

A. Roy Elson, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street, NW., Washington, D.C. 20036.
D. (6) $4,200. E. (9) $1,025.50.

A. Thomas Elwood, National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $183.46. E. (9) $10.50.

A. John W. Emeigh, National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.

A. Emergency Committee for American Trade, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $46,608.50. E. (9) $26,914.93.

A. Emerson Electric Co., 8100 Florissant, St. Louis, Mo. 63136.
E. (9) $1,117.15.

A. Environmental Action, Inc., Room 731, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $15,299.91. E. (9) $15,299.91.

A. James R. Enyart, 1101 17th Street NW., Suite 604, Washington, D.C. 20036.
B. Monsanto Co., 800 North Lindbergh Boulevard, St. Louis, Mo. 63166.
D. (6) $94.44. E. (9) $10.11.

A. Jerry N. Ervin, Quintana Refinery Co., P.O. Box 3331, Houston, Tex. 77001.
B. Quintana Refinery Co., P.O. Box 3331, Houston, Tex. 77001.

A. Donald H. Estey, Jr., 15 Computer Drive West, Albany, N.Y. 12205.
B. Hospital Association of New York State, 15 Computer Drive West, Albany, N.Y.
D. (6) $1,069. E. (9) $1,350.

A. Brock Evans, Sierra Club, 330 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.
D. (6) $8,500. E. (9) $226.05.

A. William J. Evans, Jr., 1800 K Street NW., Suite 900, Washington, D.C. 20006.
B. Pan American World Airways, 1800 K Street NW., Suite 900, Washington, D.C. 20006.
E. (9) $194.61.

A. Federal Express Corp., AMF Box 30167, Memphis, Tenn. 38130.
E. (9) $61,037.

A. Joseph D. Feeney, 222 South Riverside Plaza, Chicago, Ill. 60606.
B. Western Railroad Association, 222 South Riverside Plaza, Suite 1200, Chicago, Ill. 60606.
D. (6) $3,330.28.

A. Andrew A. Feinstein, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $2,750.

A. Leon Felix, Jr., National Education Association, 1419 Joan Drive, Palatine, Ill. 60067.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,214.74. E. (9) $75.

A. Bernard Fensterwald, Jr., 2101 L Street, NW., Suite 203, Washington, D.C. 20037.
B. Committee for Humane Legislation, Inc., 11 West 60th Street, New York, N.Y. 10023.
D. (6) $6,000. E. (9) $1,330.20.

A. Bernard Fensterwald, Jr., 2101 L Street NW., Suite 203, Washington, D.C. 20037.
B. National Nutritional Foods Association, 7727 South Painter Avenue, Whittier, Calif. 90602.
D. (6) $1,266.64. E. (9) 262.73.

A. Laurie Ann Fiori, National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $201.92. E. (9) $10.55.

A. First Pro Life Congressional District Action Committee, 10 North 77th Avenue, Pensacola, Fla. 32506.
D. (6) $25. E. (9) $53.73.

A. Robert R. Fitzgerald, 13174 Putnam Circle, Woodbridge, Va. 22191.
B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.

A. James H. Fitzpatrick, 15 Computer Drive West, Albany, N.Y. 12205.
B. Hospital Association of New York State, 15 Computer Drive West, Albany, N.Y. 12205.
D. (6) $200. E. (9) $334.

A. James W. Foristel, American Association of Ophthalmology, 1100 17th Street NW., Washington, D.C. 20036.
B. American Association of Ophthalmology, 1100 17th Street NW., Washington, D.C. 20036.
D. (6) $5,000.

A. Harley M. Frankel, 1520 New Hampshire Avenue NW., Washington, NW., Washington, D.C. 20036.
B. Children's Defense Fund of Washington Research Project, Inc.
D. (6) $695.25.

A. Charles L. Frazier, National Farmers Organization, 475 L'Enfant Plaza SW., Washington, D.C. 20024.
B. National Farmers Organization, Corning, Iowa 50841.
D. (6) $2,722.50. E. (9 $2,577.83.

A. Donald A. Frederick, National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $348. E. (9) $10.

A. Greg Friberg, Suite 402, 918 16th Street NW., Washington, D.C. 20006.
B. DK Consultants, Inc., 918 16th Street NW., Suite 402, Washington, D.C. 20006.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Vought Corp., P.O. Box 5907, Dallas, Tex. 75222.
E. (9) $5,342.52.

A. Sharon Frink, Zero Population Growth, Inc., 1346 Connecticut Avenue NW., Washington, D.C. 20036.
B. Zero Population Growth, 1346 Connecticut Avenue, Washington, D.C. 20036.
D. (6) $66.

A. Owen V. Frisby, 900 17th Street NW., Washington, D.C. 20006.
B. The Chase Manhattan Bank, National Association, One Chase Manhattan Plaza, New York, N.Y. 10015.
D. (6) $856. E. (9) $3,619.71.

A. Paul K. Frost II, Union Carbide Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Union Carbide Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. David C. Fullarton, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
D. (6) $1,075.

A. William R. Ganser, Jr., 4804 Folse Drive, Metairie, La. 70002.
B. Southern Forest Products Association, P.O. Box 52468, New Orleans, La. 70152.
D. (6) $1,350.

A. Irving I. Geller, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
E. (9) $88.29.

A. Claire M. Geoghegan, 520 North Capitol Street, Suite 800, Washington, D.C. 20001.
B. Ad-Hoc Committee for Competitive Telecommunications, 520 North Capitol Street, No. 800, Washington, D.C. 20001.
D. (6) $4,673.10.

A. Getty Oil Co., 3810 Wilshire Boulevard, Los Angeles, Calif. 90010.
E. (9) $15,503.93.

A. Norma J. Gilbert, 1776 K Street NW., Suite 200, Washington, D.C. 20006.
B. Motorola, Inc., 1776 K Street NW., Suite 200, Washington, D.C. 20006.
D. (6) $1,200.

A. Martin J. Gleason, 1625 L Street NW., Washington, D.C. 20036.
B. American Federation of State, County, and Municipal Employees, AFL–CIO, 1625 L Street NW., Washington, D.C. 20036.
D. (6) $8,750. E. (9) $100.

A. Neil B. Goldstein, 800 Second Avenue, New York, N.Y. 10017.
B. Sierra Club, 800 Second Avenue, New York, N.Y. 10017.
D. (6) $4,750.02. E. (9) $4,120.61.

A. Jack Golodner, 1140 Connecticut Avenue NW., Washington, D.C.
B. Actors Equity Association, 1500 Broadway, New York, N.Y. 10036.
D. (6) $2,500. E. (9) $310.

A. Jack Golodner, 815 16th Street NW., Washington, D.C. 20006.
B. Council of AFL–CIO Unions for Professional Employees, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Brenda J. Gore, 1155 15th Street NW., Washington, D.C. 20005.
B. The LTV Corp., 1525 Elm Street, Dallas, Tex. 75222.
D. (6) $500.

A. Frederick D. Goss, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
D. (6) $2,150.

A. Donald E. Graham, National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $1,225. E. (9) $60.

A. James W. Green, National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $5,457.40. E. (9) $565.98.

A. Mark Green, 133 C Street SE., Washington, D.C.
B. Congress Watch, 133 C Street SE., Washington, D.C.
D. (6) $3,750.

A. Howard Greenberg, 7426 Arrowood Road, Bethesda, Md. 20034.
B. Public Timber Purchasers Group, 1214 Oregon Bank Building, Portland, Oreg. 97204.
D. (6) $4,520. E. (9) $20.

A. Margit S. Greenspon, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
D. (6) $ 2,710.

A. Dale Greenwood, Washington Railroad Association, 302 Hoge Building, Seattle, Wash. 98104.
B. Washington Railroad Association, 302 Hoge Building, Seattle, Wash. 98104.
E. (9) $958.

A. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
D. (6) $29,674.05. E. (9) $29,674.05.

A. James J. Gudinas, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. James M. Hacking, National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $323.08. E. (9) $275.44.

A. Harold T. Halfpenny, 111 West Washington Street, Chicago, Ill. 60602.

A. Floyd D. Hall, International Air Transport Association, 277 Park Avenue, New York, N.Y. 10017.
B. International Air Transport Association, 1000 Sherbrooke Street West, Montreal, Quebec, Canada, H3A 2R4.

A. Isabelle A. Hallahan, American Dietetic Association, 430 North Michigan Avenue, Chicago, Ill. 60611.
B. American Dietetic Association, 430 North Michigan Avenue, Chicago, Ill. 60611.
D. (6) $3,315. E. (9) $792.

A. Melinda Halpert, National Citizens Communications Lobby, 1028 Connecticut Avenue NW., Suite 402, Washington, D.C. 20036.
B. National Citizens Communications Lobby, 1028 Connecticut Avenue NW., Suite 402, Washington, D.C. 20036.
D. (6) $1,658.33.

A. Robert N. Hampton, National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $1,598. E. (9) $23.

A. Donald K. Hanes, National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $915. E. (9) $64.

A. George J. Hanks, Jr., Union Carbide Corp., 1730 Pennsylvania Avenue NW., No. 1250, Washington, D.C. 20006.
B. Union Carbide Corp., 270 Park Avenue, New York, N.Y. 10017.
E. (9) $18.78.

A. Erling Hansen, Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
B. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
D. (6) $7,576.89.

A. Robert E. Harman, National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,840.40. E. (9) $75.

A. Kay Harrold, 706 7th Street SE., Washington, D.C. 20003.
B. National Abortion Rights Action League, 706 7th Street SE., Washington, D.C. 20003.
D. (6) $810.

A. Clifford J. Harvison, 1616 P Street NW., Washington, D.C. 20036.
B. National Tank Truck Carriers, Inc., 1616 P Street NW., Washington, D.C. 20036.

A. Walter A. Hasty, Jr., 1801 K Street Suite 811, Washington, D.C. 20006.
B. The Business Roundtable, 405 Lexington Avenue, New York, N.Y.; and 1801 K Street, No. 811, Washington, D.C.
D. (6) $1,000. E. (9) $171.79.

A. David G. Hawkins, 917 15th Street NW., Washington, D.C.
B. Natural Resources Defense Council, 917 15th Street NW., Washington, D.C. 20005.
D. (6) $700. E. (9) $4.50.

A. Health Insurance Association of America, Inc., 1750 K Street NW., Washington, D.C.
D. (6) $10,438.55. E. (9) $10,438.55.

A. Robert E. Heggestad, 5151 North 14th Street, Arlington, Va. 22202.
B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Crystal Square Building 4, Suite 511, Arlington, Va. 22202.
D. (6) $5,208.

A. Ross E. Heller, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.

A. Daniel R. Helmick, 1625 I Street NW., Room 301, Washington, D.C. 20006.
B. Columbia Gas Distribution Companies, 99 North Front Street, Columbus, Ohio. 43215.
D. (6) $3,062. E. (9) $465.

A. Thomas M. Hennessy, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Getty Oil Co., 3810 Wilshire Boulevard, Los Angeles, Calif. 90010.
D. (6) $5,016. E. (9) $1,264.

A. Joseph Hinson, National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $84.

A. James D. Hittle, 3137 South 14th Street, Arlington, Va. 22204.
B. Vought Corp., P.O. Box 5907, Dallas, Tex. 75222.
D. (6) $4,500. E. (9) $842.52.

A. Ralph D. Hodges, Jr., National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
E. (9) $203.55.

A. Charles L. Hoebel, Carrier Corp., Suite 510, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Carrier Corp., Carrier Tower, Box 4800, Syracuse, N.Y. 13221.
D. (6) $2,817. E. (9) $201.24.

A. Glen D. Hofer, National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $1,401. E. (9) $35.

A. Hogan & Hartson, 815 Connecticut Avenue, Washington, D.C. 20006.
B. Motorcycle Industry Council, Inc., 4100 Birch Street, Suite 101, Newport Beach, Calif. 92660.
D. (6) $4,958.75. E. (9) $25.45.

A. Izetta B. Hoge, National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
D. (6) $400.

A. Robert L. Holding, Association of Home Appliance Manufacturers, 2033 K Street NW., Washington, D.C. 20006.
B. Association of Home Appliance Manufacturers, 20 North Wacker Drive, Chicago, Ill.
D. (6) $2,500. E. (9) $950.

A. Holiday Inns, Inc., 3742 Lamar Avenue, Memphis, Tenn. 38118.
E. (9) $6,113.48.

A. Douglass C. Horstman, 1612 K Street NW., Suite 906, Washington, D.C. 20006.

A. Horton & Co. Inc., 1010 16th Street NW., Suite 700, Washington, D.C. 20036.
B. Slurry Transport Association, 490 L'Enfant Plaza East SW., Suite 3210, Washington, D.C. 20024.
D. (6) $3,500. E. (9) $82.97.
B. Maytag Co., and Northern Textile Association.
D. (6) $6,000. E. (9) $2,000.

A. James N. Horwood, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. Northern California Power Agency.

A. James N. Horwood, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. Richmond Power & Light of the City of Richmond, Ind.

A. Hospital Association of New York State, 15 Computer Drive West, Albany, N.Y. 12205.
D. (6) $2,694.27. E. (9) $1,818.

A. Thomas Howarth, 1625 L Street NW., Washington, D.C. 20036.
B. American Federation of State, County and Municipal Employees, AFL–CIO, 1625 L Street NW., Washington, D.C. 20036.
D. (6) $3,882. E. (9) $98.

A. John B. Howerton, ASARCO Inc., 1730 Rhode Island Avenue NW., Suite 206, Washington, D.C. 20036.
B. ASARCO Inc., 120 Broadway, New York, N.Y. 10005.
D. (6) $1,500. E. (9) $831.69.

A. Karl T. Hoyle, 1156 15th Street NW., Suite 329, Washington, D.C. 20005.
B. National Association of Federal Credit Unions, 1156 15th Street NW., Suite 329, Washington, D.C. 20005.
D. (6) $300.

A. Peter W. Hughes, National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $613.84. E. (9) $172.95.

A. Nancy R. Huheey, National Federation of Independent Business, 490 L'Enfant Plaza East, SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaze East, SW., Suite 3206, Washington, D.C. 20024.
D. (6) $400.

A. Stanley W. Hulett, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. Gregory A. Humphrey, American Federation of Teachers, AFL–CIO, 11 Dupont Circle NW., Washington, D.C. 20036.
B. American Federation of Teachers, AFL–CIO, 11 Dupont Circle NW., Washington, D.C. 20036.
D. (6) $7,725. E. (9) $553.

A. David J. Humphreys, Paulson & Humphreys, 5272 River Road, Washington, D.C. 20016.
B. Recreation Vehicle Industry Association, P.O. Box 204, 14650 Lee Road, Chantilly, Va. 22021.
D. (6) $18,000.

A. Joan L. Huntley, 955 L'Enfant Plaza North, SW., Washington, D.C. 20024.
B. The Boeing Co., P.O. Box 3707, Seattle, Wash. 98124.
D. (6) $189.75. E. (9) $63.90.

A. John F. Hussey, 1101 17th Street NW., Suite 604, Washington, D.C. 20036.
B. Monstanto Co., 800 North Lindbergh Boulevard, St. Louis, Mo. 63166.
D. (6) $94.94. E. (9) $272.50.

A. Philip A. Hutchinson, Jr., 475 L'Enfant Plaza, SW., Suite 2450, Washington, D.C. 20024.
B. Volkswagen Manufacturing Corp. of America, 7111 East 11 Mile Road, Warren, Mich. 48090.
D. (6) $750.

A. Philip A. Hutchinson, Jr., 475 L'Enfant Plaza, SW., Suite 2450, Washington, D.C. 20024.
B. Volkswagen of America, Inc., 818 Sylvan Ave., Englewood Cliffs, N.J. 07632.
D. (6) $250. E. (9) $50.

A. Institute of Foreign Bankers, 489 Fifth Ave., New York, N.Y.
D. (6) $119.49. E. (9) $88.34.

A. International Union of Operating Engineers, 1125 17th Street NW., Washington, D.C. 20036.
E. (9) $4,275.

A. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.Y. 10022.
E. (9) $42.

A. David L. Ivey, National Parking Association, 1101 17th Street NW., Washington, D.C. 20036.
B. National Parking Association, 1101 17th Street NW., Washington, D.C.
D. (6) $2,791.66. E. (9) $124.75.

A. Glenn Jackson, 644 Massachusetts Avenue NE., Washington, D.C. 20002.
B. National Taxpayers Union, 325 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $2,535. E. (9) $200.

A. Deborah Jacobs, 706 Seventh Street SE., Washington, D.C. 20003.
B. National Abortion Rights Action League, 706 Seventh Street SE., Washington, D.C. 20003.
D. (6) $230.76.

A. Gary Jarmin, 422 First Street SE., Washington, D.C. 20003.
B. American Conservative Union, 422 First Street SE., Washington, D.C. 20003.

A. Herbert N. Jasper, 520 North Capitol Street NW., No. 800, Washington, D.C. 20001.
B. Ad-Hoc Committee for Competitive Telecommunications, 520 North Capitol Street NW., No. 800, Washington, D.C. 20001.
D. (6) $12,115.39.

A. Bruce T. Johnson, Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $3,308. E. (9) $3,124.

A. Nicholas Johnson, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Citizens Communications Lobby, P.O. Box 19101, Washington, D.C. 20036.

A. Wilson S. Johnson, National Federation of Independent Business, 150 West 20th Avenue, San Mateo, Calif.
B. National Federation of Independent Business, 150 West 20th Avenue, San Mateo, Calif. 94403.
D. (6) $2,000. E. (9) $1,400.

A. Bruce O. Jolly, Independent Bankers Association of America, 1625 Massachusetts Avenue NW., Suite 203, Washington, D.C. 20036.
B. Independent Bankers Association of America, 1625 Massachusetts Avenue NW., Washington, D.C. 20036.
E. (9) $1,300.

A. Jones, Day, Reavis & Pogue, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Pacific Southwest Airlines, 3225 North Harbor Drive, San Diego, Calif., 92101.
D. (6) $1,000. E. (9) $175.

A. Oliver H. Jones, Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street N.W., Washington, D.C. 20005.
D. (6) $4,500. E. (9) $15,661.

A. Ardon B. Judd, Jr., 1100 Connecticut Avenue NW., Suite 310, Washington, D.C. 20036.
B. Dresser Industries, Inc., 1100 Connecticut Avenue NW., Suite 310, Washington, D.C. 20036.

A. Gene Karpinski, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $2,000.

A. Anthony R. Katz, Burson-Marsteller, 1800 M Street NW., 750–S, Washington, D.C. 20036.
B. Gould Inc., Electric Motor Division, 1831 Chestnut Street, St. Louis, Mo. 63166.
D. (6) $6,497.50. E. (9) $895.58.

A. Everett E. Kavanaugh, The Cosmetic, Toiletry & Fragrance Association, 1133 15th Street NW., No. 1200, Washington, D.C. 20005.
B. The Cosmetic, Toiletry & Fragrance Association, 1133 15th Street NW., Washington, D.C. 20005.
D. (6) $1,000. E. (9) $50.

A. Ty Kelley, 1911 Jefferson Davis Highway, Arlington, Va. 22202.
B. National Association of Chain Drug Stores, 1911 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $500.

A. James J. Kennedy, Jr. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express and Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express and Station Employes, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $7,000. E. (9) $1,276.

A. Kenyon & Kenyon Reilly Carr & Chapin, 59 Maiden Lane, New York, N.Y. 10038.
B. Estate of Bert N. Adams et al., 1461 West 16th Place, Yuma, Ariz. 85364.
E. (9) $5.

A. T. Michael Kerr, 1625 L Street NW., Washington, D.C. 20036.
B. American Federation of State, County, and Municipal Employees, AFL–CIO, 1625 L Street NW., Washington, D.C. 20036.
D. (6) $5,207. E. (9) $1.65.

A. Richard F. Kibben, 405 Lexington Avenue, New York, N.Y. 10017.
B. The Business Roundtable, 405 Lexington Avenue, New York, N.Y. 10017.

A. Gibson Kingren, 900 17th Street NW., Suite 1014, Washington, D.C. 20006.
B. Kaiser Foundation Health Plan, Inc., 900 17th Street NW., Suite 1014, Washington, D.C. 20006.
D. (6) $1,125. E. (9) $431.

A. Alan G. Kirk II, Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20068.

B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20068.

A. Roger Klein, One World Center, Suite 4665, New York, N.Y. 10048.
B. Public Securities Association, One World Trade Center, New York, N.Y. 10048.
D. (6) $2,116.

A. C. F. Knight, c/o Ramsay D. Potts, 1800 M Street NW., Washington, D.C. 20036.
B. Emerson Electric Co., 8100 Florissant, St. Louis, Mo. 63136.

A. John S. Knox, Jr., 166 16th Street NW., Atlanta, Ga. 30318.
B. The Coca-Cola Bottler's Association, 166 16th Street NW., Atlanta, Ga. 30318.
D. (6) $50.

A. William G. Kopit, 1900 M Street NW., Suite 730, Washington, D.C. 20036.
B. American Association of Professional Standards Review Organization, American Association of Foundations for Medical Care.
D. (6) $1,000. E. (9) $30.

A. Louis C. Kramp & Associates, 1819 H Street NW., Washington, D.C. 20006.
B. Holiday Inns, Inc., 3742 Lamar Avenue, Memphis, Tenn. 38118.
D. (6) $600.

A. Louis C. Kramp & Associates, 1819 H Street NW., Washington, D.C. 20006.
B. National Association of Homes for Children, 200 South Tryon Street, Suite 1500, Charlotte, N.C. 29202.
D. (6) $1,100.

A. Philip Kugler, American Federation of Teachers, AFL-CIO, 11 Dupont Circle NW., Washington, D.C. 20036.
B. American Federation of Teachers, AFL-CIO, 11 Dupont Circle NW., Washington, D.C. 20036.
D. (6) $7,725. E. (9) $556.33.

A. James S. Krzyminski, National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $1,384. E. (9) $110.

A. Ralph D. B. Laime, National Education Association, 3140 Valley Lane, Falls Church, Va. 22044.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,214.74. E. (9) $75.

A. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.

A. Lane & Edson, Suite 400 South, 1800 M Street NW., Washington, D.C. 20036.
B. National Leased Housing Association, Suite 400 Suite, 1800 M Street NW., Washington, D.C. 20036.
D. (6) $450. E. (9) $450.

A. R. Josh Lanier, 1745 Jefferson Davis Highway, Suite 511, Arlington, Va. 22202.
B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $1,600. E. (9) $350.

A. Clifford LaPlante, 955 L'Enfant Plaza North SW., Washington, D.C. 20024.
B. Boeing Co., P.O. Box 3707, Seattle, Wash. 98124.
D. (6) $900. E. (9) $231.21.

A. Robert B. Laurents, 7205 Reservoir Road, Springfield, Va. 22150.
B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
D. (6) $2,475. E. (9) 300.

A. Clark R. Layton, 1030 University Village, Salt Lake City, Utah 24108.
B. Intermountain Power Project, P.O. Box BB, Sandy, Utah.
D. (6) $1,400. E. (9) $745.50.

A. Charles W. Lee, 148 Duddington Place SE., Washington, D.C. 20003.
B. Committee for Full Funding of Education Progress, 148 Duddington Place SE., Washington, D.C.
D. (6) $35.

A. Robert J. Leigh, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
D. (6) $225.

A. Dale Lestina, National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,266.80. E. (9) $129.25.

A. Joseph A. Letorney, National Education Association, 112 Union Street, South Weymouth, Mass. 02190.
B. National Education Association, 1201 16th Street NW., Washington, D.S. 20036.
D. (6) $3,762.70. E. (9) $75.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Cooperative for American Relief Everywhere, Inc., 660 First Avenue, New York, N.Y. 10016.
D. (6) $70.

A. Leva Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. National Beer Wholesalers' Association of America, 6310 North Cicero Avenue, Chicago, Ill. 60646.
D. (6) $4,500. E. (9) $568.14.

A. Morris J. Levin, 1620 I Street NW., Washington, D.C. 20006.
B. Association of American Railroads, American Railroad Building, Washington, D.C.
D. (6) $1,000.

A. Stuart A. Lewis, 1800 M Street NW., Suite 1010, Washington, D.C. 20036.
B. Association of Reserve City Bankers, 1800 M Street NW., Suite 1010, Washington, D.C. 20036.
D. (6) $200.

A. Liberty Lobby, Inc., 130 3d Street SE., Washington, D.C. 20003.
D. (6) $54,797.05. E. (9) $41,828.36.

A. Pamela Lippe, 620 "C" Street SE., Washington, D.C. 20003.
B. Friends of the Earth, 620 "C" Street SE., Washington, D.C. 20003.
D. (6) $1,860.

A. Charles Lipsen, 706 7th Street SE., Washington, D.C. 20003.
B. National Abortion Rights Action League, 706 7th Street SE., Washington, D.C. 20003.
D. (6) $5,000.

A. Andrew Litsky, 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $937.

A. Nellie L. Longsworth, Preservation Action, 2101 L Street NW., Suite 906, Washington, D.C. 20037.
B. Preservation Action, 2101 L Street NW., Suite 906, Washington, D.C. 20037.
D. (6) $3,378. E. (9) $3,969.18.

A. William F. Ludlam, P.O. Box 5282, Virginia Beach, Va. 23455.
B. ARBA Licensees Association, P.O. Box 10, Cocoa Beach, Fla. 32931.
E. (9) $68.50.

A. C. Lance Lujan, National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $4,521.78. E. (9) $207.40.

A. Christian J. Lund; United Technologies Corp., 1125 15th Street NW., Washington, D.C. 20005.
B. United Technologies Corp., United Technologies Building, Hartford, Conn. 06101; 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $7,500. E. (9) 944.33.

A. James E. Lyons, International Federation of Professional & Technical Engineers, AFL–CIO, 1126 16th Street NW., Washington, D.C. 20036.
B. International Federation of Professional & Technical Engineers, AFL–CIO, 1126 16th Street NW., Washington, D.C. 20036.
D. (6) $435. E. (9) $200.

A. Leonard W. Mall, 1425 K Street NW., Suite 900, Washington, D.C. 20005.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Suite 900, Washington, D.C. 20005.
D. (6) $140.

A. Michael J. Manning, 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Petroleum Resources Co., P.O. Box 631, Cushing, Okla.; Oil & Gas Futures, Inc., 2200 South Post Oak Road, Houston, Tex.; Greenbriar Operating Co., P.O. Box 297, Dallas, Tex.; Farmlands International Energy Co., 1212 First City East Building, Houston, Tex., Rainbow Resources Inc., Denver, Colo., and Casper, Wyo.
D. (6) $19,890. E. (9) $4,107.96.

A. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Suite 511, Arlington, Va. 22202.
D. (6) $19,811.20. E. (9) $19,811.20.

A. Phillip M. Marinovich, National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $1,306.85. E. (9) $108.49.

A. John C. Marlin, Coalition On American Rivers, P.O. Box 2667, Station A, Champaign, Ill. 61820.
B. Coalition On American Rivers, P.O. Box 2667, Station A, Champaign, Ill. 61820.
D. (6) $2,505. E. (9) $675.15.

A. C. Travis Marshall, 1776 K Street NW., Suite 200, Washington, D.C. 20006.
B. Motorola, Inc., 1776 K Street NW., Suite 200, Washington, D.C. 20006.
D. (6) $500. E. (9) $185.

A. John B. Martin, National Retired Teachers Association/American Association

of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington D.C. 20049.
D. (6) $542.77. E. (9) $25.50.

A. Reynaldo L. Martinez, National Education Association, 1330 Gaylord Street, Suite 707, Denver, Colo. 80206.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,214.74. E. (9) $100.

A. Maryland Savings-Share Insurance Corp., 901 North Howard Street, Baltimore, Md. 21201.
E. (9) $53.37.

A. Mastrom, Inc., P.O. Box 7147, Asheville, N.C. 28807.
E. (9) $995.

A. Charles H. Mauzy, National Education Association, 3951 Snapfinger Parkway, Decatur, Ga. 30032.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,214.74. E. (9) $75.

A. F. Stephen McArthur, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.
B. American Israel Public Affairs Committee, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.
D. (6) $3,850.02.

A. William C. McCamant, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $300.

A. Richard M. M. McConnell, National Association of Federal Credit Unions, 1156 15th Street NW., Suite 329, Washington, D.C. 20005.
B. National Association of Federal Credit Unions, 1156 15th Street NW., Suite 329, Washington, D.C. 20005.
D. (6) $300.

A. John L. McCormick, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $2,799.99.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. Big Prairie Farms, Inc., c/o J. J. White, 100 State Street, Beardstown, Ill. 62618.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. The First National Bank of Chicago, One First National Plaza, Chicago, Ill. 60603.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. Iowa Beef Processors, Inc., Dakota City, Nebr. 68731.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $2,100. E. (9) $809.50.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. Peoples Gas Co., 122 South Michigan Avenue, Chicago, Ill. 60603.
D. (6) $1,000.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
E. (9) $22.03.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. Trans Union Corp., 90 Half Day Road, Lincolnshire, Ill. 60015.
D. (6) $4,500. E. (9) $500.04.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. Trustees Under Will of Warren Wright, c/o The First National Bank of Chicago, One First National Plaza, Chicago, Ill. 60670.

A. Darryl D. McEwen, Society of American Florists, 901 North Washington Street, Alexandria, Va. 22314.
B. Society of American Florists and Ornamental Horticulturists, 901 North Washington Street, Alexandria, Va. 22314.

A. Stanley J. McFarland, National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $6,030. E. (9) $604.56.

A. Thomas H. McGannon, Chemtex Fibers, Inc., 850 3rd Avenue, New York, N.Y. 10022.
B. Chemtex Fibers, Inc., 850 3rd Avenue, New York, N.Y. 10022.

A. Ellen M. McGovern, 1411 K Street NW., Washington, D.C. 20005.
B. National Women's Political Caucus, 1411 K Street NW., Washington, D.C. 20005.
E. (9) $13,226.89.

A. Joseph B. McGrath, National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $7,875. E. (9) $952.50.

A. John J. McHale, Jr., 1318 North George Mason Drive, Arlington, Va. 22205.
B. Consolidated Rail Corp., P.O. Box 23451, L'Enfant Plaza Station, Washington, D.C. 20024.
D. (6) $1,500.

A. Robert McIntyre, Public Citizen's Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.
B. Public Citizen's Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.
D. (6) $1,000.

A. James D. McKevitt, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Association of Women's and Childrens Apparel Salesmen (NAWCAS), 515 Peachtree, Palisades Building, Atlanta, Ga. 30309.
D. (6) $2,000. E. (9 $45.

A. James D. McKevitt, National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
D. (6) $3,500. E. (9) $65.

A. L. Bradley McNally, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Blue Cross Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $400.

A. Margaret E. McNamara, 100 Maryland Avenue NE., Washington, D.C. 20002.
B. Council for a Livable World, 100 Maryland Avenue NE., Washington, D.C.
D. (6) $2,707.18.

A. Brian M. McNeeley, 1911 Jefferson Davis Highway, Arlington, Va. 22202.
B. National Association of Chain Drug Stores, 1911 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $215.

A. Carl J. Megel, American Federation of Teachers, AFL-CIO, 11 DuPont Circle NW., Washington, D.C. 20036.
B. American Federation of Teachers, AFL-CIO, 11 DuPont Circle NW., Washington, D.C. 20036.
D. (6) $7,000. E. (9) $215.

A. Louis L. Meier, Jr., American Society of Civil Engineers, 1625 I Street NW., Washington, D.C. 20006.
B. American Society of Civil Engineers, United Engineering Center, 345 East 47th Street, New York, N.Y. 10017.
D. (6) $870. E. (9) $791.

A. Nanine Meiklejohn, 1625 L Street NW., Washington, D.C. 20036.
B. American Federation of State, County, and Municipal Employees, AFL-CIO, 1625 L Street NW., Washington, D.C. 20036.
D. (6) $5,262. E. (9) $114.75.

A. Robert L. Melbern, Route No. 3, Gatesville, Tex. 76528.
B. National Association of Farmer Elected Committeemen, c/o Tom B. Cunningham, Sr., R.R. No. 5, Darlington, S.C. 29532.
E. (9) $52.76

A. Faye L. Mench, National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $142.62. E. (9) $9.70.

A. Ted H. Meredith, 6030 Warwick Court, New Orleans, La. 70114.
B. Southern Forest Products Association, P.O. Box 52468, New Orleans, La. 70152.
D. (6) $2,862.51.

A. Edward L. Merrigan, 6000 Connecticut Avenue NW., Washintgon, D.C. 20015.
B. Klineman Associates, Inc., 1345 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $3,750.

A. Edward L. Merrigan, 6000 Connecticut Avenue NW., Washington, D.C. 20015.
B. National Association of Recycling Industries, Inc., 330 Madison Avenue, New York, N.Y. 10017.
D. (6) $9,375. E. (9) $144.33.

A. John A. Merrigan, Suite 1000, 1660 L Street NW., Washington, D.C. 20036.
B. Small Producers for Energy Independence, Suite 970, Fourth Financial Center, Wichita, Kans. 67202.
D. (6) $4,642.50. E. (9) $150.

A. Clinton R. Miller, National Health Federation, 212 West Foothill Boulevard, Monrovia, Calif. 91016.
B. National Health Federation, 212 West Foothill Boulevard, Monrovia, Calif. 91016.
D. (6) $500. E. (9) $696.

A. Deborah Imle Miller, National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $1,512.53. E. (9) $91.26.

A. Harriet Miller, National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $487.50. E. (9) $50.

A. Lester F. Miller, National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $891. E. (9) $32.

A. Paul J. Miller, 8000 Sears Tower, Chicago, Ill. 60606.
B. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.Y. 10022.

A. Pamela Rich Minier, 620 C Street SE., Washington, D.C. 20003.
B. Friends of the Earth, 620 C Street SE., Washington, D.C. 20003.
D. (6) $1,950.

A. David Mintz, Television Station KVOS, 1151 Ellis Street, Bellingham, Wash. 98225.
B. Wometco Enterprises, Inc., P.O. Box 2440, Miami, Fla. 33101.
D. (6) $1,048.32.

A. Marian E. Moe, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $2,000.

A. John S. Monagan, Suite 1010, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Shimano American Corp., 1133 Avenue of the Americas, New York, N.Y. 10036.
D. (6) $2,100. E. (9) $143.14.

A. Michael Monroney, 2030 M Street NW., Suite 800, Washington, D.C. 20036.
B. TRW, Inc., 23555 Euclid Avenue, Cleveland, Ohio 44117.
D. (6) $1,000.

A. John Morgan, Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.
D. (6) $588. E. (9) $47.44.

A. Morris Associates, Inc., 1346 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Council of Community Mental Health Centers, 2233 Wisconsin Avenue NW., Washington, D.C. 20007.
D. (6) $12,680.85. E. (9) $15,083.56.

A. Walter L. Mote, Rocky Mountain Oil and Gas Association, 1155 15th Street NW., Suite 314, Washington, D.C. 20005.
B. Rocky Mountain Oil and Gas Association, 950 Petroleum Club Building, Denver, Colo. 80202.
D. (6) $1,800.

A. John J. Motley, National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
D. (6) $2,250. E. (9) $300.

A. Karen Mulhauser, 706 Seventh Street SE., Washington, D.C. 20003.
B. National Abortion Rights Action League, 706 Seventh Street SE., Washington, D.C. 20003.
D. (6) $496.92.

A. Rosemary G. Murray, 1800 K Street NW., No. 900, Washington, D.C. 20006.
B. Pan American World Airways, 1800 K Street NW., No. 900, Washington, D.C. 20006.
E. (9) $573.16.

A. Kenneth D. Naden, National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $1,750. E. (9) $97.

A. National Abortion Rights Action League, 706 Seventh Street SE., Washington, D.C. 20003.
D. (6) $71,221.92. E. (9) $16,914.60.

A. National Association for the Advancement of Colored People, 1790 Broadway, New York, N.Y. 10019.
D. (6) $24,826. E. (9) $22,702.

A. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
D. (6) $65,401.37. E. (9) $12,036.67.

A. National Association of Chain Drug Stores, 1911 Jefferson Davis Highway, Arlington, Va. 22202.
E. (9) $274.89.

A. National Association of Furniture Manufacturers, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.
D. (6) $1,750. E. (9) $1,230.

A. National Association of Home Builders of the United States 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $54,447.89. E. (9) $60,557.74

A. National Association of Railroad Passengers, 417 New Jersey Avenue SE., Washington, D.C. 20003.
D. (6) $22,220.85. E. (9) $21,396.06.

A. National Citizens Communications Lobby, P.O. Box 19101, Washington, D.C. 20036.
D. (6) $76. E. (9) $392.55.

A. National Clean Air Coalition, 620 C Street SE., Washington, D.C. 20003.
E. (9) $8,468. 34.

A. National Coal Association Coal Building, Washington, D.C. 20036.
D. (6) $867,493.42. E. (9) $5,346.29.

A. National Council of Agricultural Employers, 237 Southern Building, 1425 H Street NW., Washington, D.C. 20005.
D. (6) $7,010. E. (9) $2,200.

A. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $59,378. E. (9) $82,918.

A. National Council To Control Handguns, 810 18th Street NW., Washington, D.C. 20006.
D. (6) $58,296.99. E. (9) $7,051.45.

A. National Education Association, 1201 16th Street NW., Washington D.C. 20036.
D. (6) $64,083.03. E. (9) $17,967.93.

A. The National Federation of Business & Professional Women's Clubs, Inc., 2012 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $314,455. E. (9) $3,557.46.

A. National Federation of Independent Business, 490 L'Enfant Plaza SW., Washington, D.C. 20024.
B. National Federation of Independent Business, 150 West 20th Avenue, San Mateo, Calif. 94403.
D. (6) $49,400. E. (9) $49,400.

A. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $8,784. E. (9) $10,416.26.

A. National Leased Housing Association, Suite 400 South, 1800 M Street NW., Washington, D.C. 20036.
D. (6) $450. E. (9) $450.

A. National Organization for the Reform of Marijuana Laws, 2317 M Street NW., Washington, D.C. 20037.
D. (6) $46,239. E. (9) $103,821.

A. National Parking Association, 1101 17th Street NW., Washington, D.C. 20036.
E. (9) $4,093.81.

A. National Rehabilitation Association, 1522 K Street NW., Washington, D.C. 20005.
D. (6) $8,272. E. (9) $964.17.

A. National Rural Letter Carriers Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $3,936. E. (9) $5,185.

A. National Solid Wastes Management Association, 1120 Connecticut Avenue NW., Suite 930, Washington, D.C. 20036.

A. National Taxpayers Union, 325 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $276,724.08. E. (9) $280,048.04.

A. National Telephone Cooperative Association, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
E. (9) $7,120.

A. National Wool Growers Association, 1776 F Street NW., Suite 5, Washington, D.C. 20006.
D. (6) $9,982. E. (9) $15,331.44.

A. Nazario & Ortiz-Daliot, 1028 Connecticut Avenue NW., Suite 520, Washington, D.C. 20036.
B. Municipality of Mayaguez, P.R., Mayaguez, P.R. 00708.
E. (9) $200.

A. A. S. Nemir Associates, Suite 1230, Pennsylvania Building, Washington, D.C. 20004.
B. Brazilian Sugar & Alcohol Institute, Rio de Janeiro, Brazil.
D. (6) $3,000. E. (9) $869.

A. Frank Newham, National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.

A. Harold Frank Newman, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Foundation Health Plan, Inc.
D. (6) $7,509.61. E. (9) $1,500.

A. The Newspaper Guild, AFL–CIO, 1125 15th Street NW., Suite 835, Washington, D.C. 20005.
E. (9) $5,438.76.

A. Robert W. Nolan, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
D. (6) $100.

A. Julia J. Norrell, National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $4,499.99. E. (9) $686.96.

A. North American Telephone Association, Inc., 1030 15th Street NW., Washington, D.C. 20005.
D. (6) $19,142.90. E. (9) $378.60.

A. Hubert K. O'Bannon, 1318 North George Mason Drive, Arlington, Va. 22205.
B. Consolidated Rail Corp., P.O. Box 23451, L'Enfant Plaza Station, Washington, D.C. 20024.
D. (6) $1,200.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Aircraft Engine Business Group, General Electric Co., 777 14th Street NW., Washington, D.C. 20005.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Exxon Co. U.S.A., P.O. Box 2180, Houston, Tex, 77001.

A. John A. O'Donnell, 1001 Connecticut Avenue NW., No. 716, Washington, D.C. 20036
B. Philippine Sugar Institute.
D. (6) $3,000. E. (9) $250.

A. Charles J. Orasin, National Council to Control Handguns, 810 18th Street NW., Washington, D.C. 20006.
B. National Council to Control Handguns, 810 18th Street NW., Washington, D.C. 20006.
D. (6) $1,615.38.

A. The Organization for the Management of Alaska's Resources, Inc., Box 516, Anchorage, Alaska 99510.
D. (6) $13,400. E. (9) $16,500.

A. J. Denis O'Toole, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $6,981.38. E. (9) $998.35.

A. Vicki Otten, ADA, 1411 K Street NW., No. 850, Washington, D.C. 20005.
B. Americans for Democratic Action, 1411 K Street NW., No. 850, Washington, D.C. 20005.
D. (6) $2,500.03.

A. J. Allen Overton, Jr., American Mining Congress, 1100 Ring Building, Washington, D.C.
B. American Mining Congress, 1100 Ring Building, Washington, D.C.
D. (6) $996.93. E. (9) $135.25.

A. Paraplegia Cure Research, 100 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $2,979.05. E. (9) $951.44.

A. Joel B. Paris, III, Georgia International Services, Inc., 25 Pine Island Court, Roswell, Ga. 30076.
B. Northrop Corp., Suite 1208, 1701 North Fort Myer Drive, Arlington, Va.,
D. (6) $500. E. (9) $105.

A. William H. Patterson, General Electric Co., 777 14th Street NW., Washington, D.C.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn.
D. (6) $175.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Computer Sciences Corp., 6565 Arlington Boulevard, Falls Church, Va. 22046.

A. Peabody, Rivlin, Lambert & Meyers, 1150 Connecticut Avenue NW., Suite 1200, Washington, D.C. 20036.
B. Longines-Wittnauer Watch Co., 145 Hugenot Street, New Rochelle, N.Y. 10810.

A. Peabody, Rivlin, Lambert & Meyers, 1150 Connecticut Avenue NW., Suite 1200, Washington, D.C. 20036.
B. Westinghouse Electric Corp., Westinghouse Building, Gateway Center, Pittsburgh, Pa. 15222.

A. Elana H. Pecker, Sierra Club, 800 Second Avenue, New York, N.Y. 10017.
B. Sierra Club, 800 Second Avenue, New York, N.Y. 10017.
D. (6) $2,250.

A. John Joseph Pesch, 3422 Stoneybrae Drive, Falls Church, Va. 22044.
B. Northrop Corp., 1701 N. Fort Myer Drive, Arlington, Va. 22209.
D. (6) $6,249. E. (9) $3,052.38.

A. A. Harold Peterson, 715 Cargill Building, Minneapolis, Minn. 55402.
B. National R.E.A. Telephone Association, 715 Cargill Building, Minneapolis, Minn. 55402.
D. (6) $3,333.33. E. (9) $1,555.66.

A. Charles B. Peterson, the Newspaper Guild, 1125 15th Street NW., Washington, D.C. 20005.
B. The Newspaper Guild, AFL–CIO, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $2,598.45. E. (9) $1,511.90.

A. Richard W. Peterson, Independent Bankers Association of America 1625 Masachusetts Avenue NW., Suite 203, Washington, D.C. 20036.
B. Independent Bankers Association of America, Sauk Centre, Minn. 56378.
E. (9) $4,100.

A. Rafe Pomerance, 620 C Street SE., Washington, D.C. 20003.
B. Friends of the Earth, 620 C Street SE., Washington, D.C. 20003.
D. (6) $2,400.

A. John Post, 1801 K Street, Suite 811, Washington, D.C. 20006.
B. The Business Roundtable, 405 Lexington Avenue, New York and 1801 K Street, No. 811, Washington, D.C.
D. (6) $200. E. (9) $40.

A. Richard M. Powell, International Association of Refrigerated Warehouses, 7315 Wisconsin Avenue, Washington, D.C. 20014.
B. International Association of Refrigerated Warehouses, 7315 Wisconsin Avenue, Washington, D.C., 20014.

A. William I. Powell, American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C.

A. Prather, Seeger, Doolittle, Farmer & Ewing, 1101 16th Street NW., Washington, D.C. 20036.
B. Bankers' Association for Foreign Trade, 1101 16th Street NW., Washington, D.C. 20036.
D. (6) $2,000.

A. Prather, Seeger, Doolittle, Farmer & Ewing, 1101 16th Street NW., Washington, D.C. 20036.
B. Boyd Lumber Corp., P.O. Box 112, Sedro Woolley, Wash. 98284.
D. (6) $3,490.

A. Prather Seeger Doolittle Farmer & Ewing, 1101 16th Street NW., Washington, D.C. 20036.
B. First National Bank of Chicago, 1 First National Plaza, Chicago, Ill. 60670.
D. (6) $2,000.

A. Preservation Action, 2101 L Street NW., Suite 906, Washington, D.C. 20037.
D. (6) $3,378. E. (9) $3,969.18.

A. Public Citizen's Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.
D. (6) $2,745.64. E. (9) $2,745.64.

A. Public Securities Association, 1 World Trade Center, New York, N.Y. 10048.
D. (6) $409,250. E. (a) $12,843.

A. Quintana Refinery Co., P.O. Box 3331, Houston, Tex. 77001.
E. (9) $4,685.87.

A. Calvin L. Rampton, 800 Walker Bank Building, Salt Lake City, Utah 84111.
B. Northwest Pipeline Co.
D. (6) $4,480. E. (9) $919.09.

A. Donald A. Randall, 1000 Connecticut Avenue NW., Suite 1201, Washington, D.C. 20036.
B. Automotive Service Councils, Inc., Suite 112, 188 Industrial Drive, Elmhurst, Ill. 60126.
D. (6) $4,000. E. (9) $2,147.50.

A. Sydney C. Reagan, 6815 Prestonshire, Dallas, Tex. 75225.
B. Southwest Peanut Shellers Association, 6815 Prestonshire, Dallas, Tex. 75225.
D. (6) $150.

A. Patricia S. Record, Sierra Club, 444 West Main, Room 10, Madison, Wis. 53703.
B. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.
D. (6) $2,700. E. (9) $938.71.

A. Recording Industry Association of America, Inc., 1 East 57th Street, New York, N.Y. 10022.
D. (6) $36,000. E. (9) $38,549.94.

A. Recreation Vehicle Industry Association, P.O. Box 204, 14650 Lee Road, Chantilly, Va. 22021.
E. (9) $18,000.

A. Thomas J. Reese, 1225 Otis Street NE., Washington, D.C. 20017.
B. Taxation With Representation, 2369 North Taylor Street, Arlington, Va. 22207.
D. (6) $266.84.

A. J. E. Reinke, 1030 15th Street NW., Washington, D.C. 20005.
B. Eastern Air lines, Inc., 1030 15th Street NW., Washington, D.C. 20005.
E. (9) $5,437.

A. Mark Reis, 620 "C" Street SE., Washington, D.C. 20003.
B. Friends of the Earth, 620 "C" Street SE., Washington, D.C. 20003.
D. (6) $1,860.

A. Reproductive Freedom League, Inc., P.O. Box 11921, Lexington, Ky. 40511.
D. (6) $422.27. E. (9) $411.87.

A. Reserve Officers Association of United States, 1 Constitution Avenue NE., Washington, D.C. 20002.
D. (6) $1,447.31. E. (9) $2,102.26.

A. Harry H. Richardson, 335 Austin Street, Bogalusa, La. 70427.
B. Louisiana Railroads, 335 Austin Street, Bogalusa, La. 70427.

A. Russell W. Richardson, Lear Siegler, Inc., Suite 1002, 1911 Jefferson Davis Highway, Arlington, Va. 22202.
B. Lear Siegler, Inc., Aerospace/Electronics Group, 3171 South Bundy Drive, Santa Monica, Calif. 90406.
D. (6) $90. E. (9) $26.15.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.
B. The Kellogg Co., Battle Creek, Mich.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.
B. W. K. Kellogg Foundation, Battle Creek, Mich.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.
B. Volume Footwear Retailers of America, 51 East 42d Street, New York, N.Y. 10017.

A. John Riley, National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C.

B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $1,126.70. E. (9) $30.85.

A. RJR Industries, Inc., 401 North Main Street, Winston-Salem, N.C. 27101.
E. (9) $8,316.52.

A. James C. Roberts, 422 First Street SE., Washington, D.C. 20003.
B. American Conservative Union, 422 1st Street SE., Washington, D.C. 20003.
D. (6) $3,750.

A. Perry A. Roberts, 8100 Florissant, St. Louis, Mo. 63136.
B. Emerson Electric Co., 8100 Florissant, St. Louis, Mo. 63136.

A. Reuben B. Robertson III, 2000 P Street NW., Washington, D.C. 20036.
B. Public Citizen, Inc., P.O. Box 19404, Washington, D.C. 20036.

A. Jerome Robinson, 500 Three Islands Boulevard, Hallandale, Fla. 33009.
B. Florida Restaurant Association, 1077 N.E. 125th Street, North Miami, Fla. 33161.

A. Ronn Robinson, National Education Association, P.O. Box 558, Mercer Island, Wash. 98040.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,214.74. E. (9) $100.

A. Howard W. Robinson, 3903 Franklin Street, Kensington, Md. 20795.
B. Consolidated Rail Corp., P.O. Box 23451, L'Enfant Plaza Station, Washington, D.C. 20024.
D. (6) $2,250.

A. Ted V. Rodgers, Suite 304, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Nationwide Insurance Companies & Affiliates, 246 North High Street, Columbus, Ohio 43216.
D. (6) $2,500. E. (9) $113.50.

A. Mitch Rofsky, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $2,750.

A. June A. Rogul, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.
B. American Israel Public Affairs Committee, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.
D. (6) $2,749.98.

A. James C. Rosapepe, 101 North Columbus Street, No. 400, Alexandria, Va. 22314.
B. Rosapepe & Associates, 101 North Columbus Street, No. 400, Alexandria, Va. 22314. For Interfaith Center on Corporate Responsibility, 475 Riverside Drive, Room 566, New York, N.Y. 10027.
D. (6) $1,700. E. (9) $250.29.

A. Albert B. Rosenbaum III, 1616 P Street NW., Washington, D.C. 20036.
B. National Tank Truck Carriers, Inc., 1616 P Street NW., Washington, D.C. 20036.

A. Harry N. Rosenfield, 1735 DeSales Street NW., Washington, D.C. 20036.
B. American Chiropractic Association, 2200 Grand Avenue, Des Moines, Iowa 50312.
D. (6) $1,990. E. (9) $205.

A. Eugene F. Rowan, J. C. Penney Co., Inc., 1156 15th Street NW., Washington, D.C. 20005.
B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $112. E. (9) $55.72.

A. Ross Sandler, 15 West 44th Street, New York, N.Y. 10036.
B. Natural Resources Defense Council, 12th floor, 15 West 44th Street, New York, N.Y. 10036.
D. (6) $100. E. (9) $100.

A. George Saunders, 8223 Dr. Craik Court, Alexandria, Va. 22306.
B. PRN, Inc., 158 East Altamonte Drive, Altamonte Springs, Fla. 32701.

A. Jennifer Sauve, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $4,453.16. E. (9) $231.59.

A. Henry Schacht, California Canners & Growers, 3100 Ferry Building, San Francisco, Calif. 94106.
B. California Canners & Growers, 3100 Ferry Building, San Francisco, Calif. 94106.
D. (6) $2,850. E. (9) $1,159.94.

A. S. Jacob Scherr, 917 15th Street NW., Washington, D.C. 20005.
B. Natural Resources Defense Council, Inc., 917 15th Street NW., Washington, D.C. 20005.
D. (6) $192.20. E. (9) $650.

A. Allan D. Schimmel, 639 South Carolina Avenue SW., Washington, D.C. 20024.
B. Consolidated Rail Corp., P.O. Box 23451, L'Enfant Plaza Station, Washington, D.C. 20024.
D. (6) $3,625.

A. Jacques T. Schlenger, 1800 Mercantile Bank & Trust Building, Two Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland Savings-Share Insurance Corp., 901 North Howard Street, Baltimore, Md. 21201
E. (9) $53.37.

A. Stephen I. Schlossberg, International Union, United Automobile, Aerospace & Agricultural Implement Workers of America, 1125 15th Street NW., Suite 600, Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace & Agricultural Implement Workers of America (UAW), 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $9,986.92 E. (9) $480.34.

A. Terry L. Schmidt, Terry L. Schmidt Associates, Inc., 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American College of Emergency Physicians, 3900 Capital City Boulevard, Lansing, Mich. 48906.
D. (6) $900.

A. Terry L. Schmidt, Terry L. Schmidt Associates, Inc., 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Hadley Memorial Hospital, 4601 Martin Luther King Avenue SW., Washington, D.C. 20032.

A. David Schoenbrod, 15 West 44th Street, 12th floor, New York, N.Y. 10036.
B. Natural Resources Defense Council, Inc., 15 West 44th Street, New York, N.Y. 10036.
D. (6) $54.23.

A. Marsha Schramm, 1130 17th Street NW., Washington, D.C. 20036.
B. Domestic Petroleum Council, 1130 17th Street NW., Washington, D.C. 20036.
D. (6) $1,800.

A. Robert I. Schramm, 1725 K Street NW., Suite 909, Washington, D.C. 20006.
B. The Superior Oil Co. & Superior Farming Co., 1725 K Street NW., Washington, D.C. 20006.

A. William H. Schweitzer, 818 Connecticut Avenue NW., Washington, D.C. 20006.
B. Baker, Hostetler, Frost, & Towers, 818 Connecticut Avenue NW., Washington, D.C. 20006 (for: The Soap & Detergent Association, 475 Park Avenue South at 32d Street, New York, N.Y. 10016.

A. Seventh Pro-life District Action Committee, P.O. Box 204, Moundville, Ala. 37474.

A. Yvonne L. Shafer, National Education Association, c/o Classroom Teachers of Dallas, 3816 San Jacinto Street, Dallas, Tex. 75204.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $2,530.76. E. (9) $100.

A. Lloyd D. Shand, Monsanto Co., 1101 17th Street NW., Washington, D.C.
B. Monsanto Co., 800 North Lindbergh Boulevard, St. Louis, Mo. 63166.
D. (6) $55.

A. Harry D. Shapiro, 1800 Mercantile Bank & Trust Building, Two Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland Savings-Share Insurance Corp., 901 North Howard Street, Baltimore, Md. 21201.
E. (9) $53.37.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Washington, D.C. 20036.
B. Emerson Electric Co., 8100 Florissant, St. Louis, Mo. 63136.
D. (6) $840. E. (9) $7.90.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Washington, D.C. 20036.
B. Investment Counsel Association of America, Inc., 127 E. 59th Street, New York, N.Y. 10022.
D. (6) $42.

A. Shearman & Sterling, 53 Wall Street, New York, N.Y. 10005.
B. Citibank, National Association, 399 Park Avenue, New York, N.Y. 10022.
D. (6) $75,000. E. (9) $4,795.69.

A. Shearman & Sterling, 53 Wall Street, New York, N.Y. 10005.
B. Citibank, National Association, 399 Park Avenue, New York, N.Y. 10022; White, Weld & Co., 1 Liberty Place, New York, N.Y. 10006.
D. (6) $8,500. E. (9) $1,500.

A. John P. Sheffey, National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.

A. Nelson T. Shields, National Council to Control Handguns, 810 18th Street NW., Washington, D.C. 20006.
B. National Council to Control Handguns, 810 18th Street NW., Washington, D.C. 20006.
D. (6) $1,700. E. (9) $390.

A. Shimano American Corp., 1133 Avenue of the Americas, New York, N.Y. 10036.
E. (9) $2,243.14.

A. Richard H. Siemsen, c/o Ramsay D. Potts, 8100 Florissant, St. Louis, Mo. 63136.
B. Emerson Electric Co., 8100 Florissant, St. Louis, Mo. 63136.
E. (9) $269.25.

A. Mark S. Sigurski, 1776 K Street NW., Suite 200, Washington, D.C. 20006.
B. Motorola, Inc., 1776 K Street NW., Suite 200, Washington, D.C. 20006.
D. (6) $300. E. (9) $270.

A. Marcus W. Sisk, Jr., 1775 K Street NW., Washington, D.C. 20006.

B. Tosco Corp., 10100 Santa Monica Boulevard, Los Angeles, Calif. 90067.
D. (6) $1,450. E. (9) $37.10.

A. John M. Snow, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.
B. National Association of Furniture Manufacturers, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.
D. (6) $500. E. (9) $30.

A. Julius Pariser Sommer, 89–31 161st Street, Jamaica, Queens, N.Y. 11432.
B. Federation of the Italian-American Democratic Organizations of New York State, Inc., 89–31 161st Street, Jamaica, Queens, N.Y. 11432.

A. Leland R. Sorteberg, National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $891. E. (9) $13.

A. Southern Forest Products Association, P.O. Box 52468, New Orleans, La. 70152.
D. (6) $20,507.76. E. (9) $20,507.76.

A. Southwestern Peanut Shellers Association, 6815 Prestonshire, Dallas, Tex. 75225.
D. (6) $150. E. (9) $150.

A. Robert A. Spelman, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.
B. National Association of Furniture Manufacturers, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.
D. (6) $500. E. (9) $30.

A. David E. Stahl, National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $2,437.50. E. (9) $106.15.

A. Robert H. Starkey, National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $891. E. (9) $16.

A. Gloria Starks, National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,291. E. (9) $244.13.

A. George E. Steele, Jr., Steele & Utz, 1225 19th Street NW., Suite 700, Washington, D.C. 20036.
B. Zoological Action Committee, Inc., 1225 19th Street NW., Washington, D.C. 20036.
D. (6) $7,000. E. (9) $7,000.

A. Mrs. Frank R. Stewart, R.F.D. 5, Box 109, Piedmont, Ala. 36272

A. Robert B. Stewart, 1701 Pennsylvania Avenue NW., Washington, D.C. 20005.
B. Getty Oil Co., 3810 Wilshire Boulevard, Los Angeles, Calif. 90010.
D. (6) $5,563.50. E. (9) $314.30.

A. Sarah Jane Stewart, 706 Seventh Street SE., Washington, D.C. 20003.
B. National Abortion Rights Action League, 706 Seventh Street SE., Washington, D.C. 20003.
D. (6) $2,000.

A. Travis B. Stewart, Hoffmann-La Roche Inc., 1775 K Street NW., Washington, D.C. 20006.
B. Hoffmann-La Roche Inc., 340 Kingsland Street, Nutley, N.J. 07110.
D. (6) $800. E. (9) $200.

A. Richard B. Straus, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.
B. American Israel Public Affairs Committee, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.
D. (6) $4,400.

A. Stroock & Stroock & Lavan, 1150 17th Street NW., Suite 600, Washington, D.C.
B. J. Aron & Co., Inc., 160 Water Street, New York, N.Y. 10030.

A. R. Keith Stroup, 2317 M Street, NW., Washington, D.C. 20037.
B. NORML, 2317 M Street NW., Washington, D.C. 20037.
D. (6) $3,889.

A. Susman, Stern, Heiftz, Lurie, Sheehan, Popkin & Chervitz, 7733 Forsyth Boulevard, Suite 2201, St. Louis, Mo. 63105; 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. American Inland Waterways Committee, 7733 Forsyth Boulevard, Suite 2201, St. Louis, Mo. 63105.
D. (6) $30,000.

A. A. D. Sutherland, 104 South Main Street, Fond du Lac, Wis. 54935.
B. William Gresenz (court appointed trustee for bondholders of the Joint Stock Land Bank of Milwaukee, Wis.), 55 South Reserve Avenue, Fond du Lac, Wis.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. American Industrial Clay & Georgia Kaolin Division of Yara Engineering Corp., 511 Westminster Avenue, Elizabeth, N.J. 07207.
D. (6) $1,000. E. (9) $45.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Anglo-American Clays Corp., P.O. Box 471, Sandersville, Ga. 31082.
D. (6) $1,000. E. (9) $45.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Engelhard Minerals & Chemicals Corp., 299 Park Avenue, New York, N.Y. 10017.
D. (6) $1,000. E. (9) $45.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Equifax Inc., P.O. Box 4081, Atlanta, Ga. 30302.
D. (6) $1,000. E. (9) $300.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Freeport Kaolin Division of Freeport Minerals Co., 161 East 42d Street, New York, N.Y. 10017.
D. (6) $1,000. E. (9) $45.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. J. M. Huber Corp., Thornall Street, Edison, N.J. 08817.
D. (6) $1,000. E. (9) $45.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Mutual of Omaha Insurance Co., Dodge at 33d Street, Omaha, Nebr. 68131.
D. (6) $500. E. (9) $100.

A. Sutherland, Asbill & Brennan, 1666 K Street N.W., Washington, D.C. 20006.
B. Thiele Kaolin Co., Kaolin Road, Sandersville, Ga. 31082.
D. (6) $1,000. E. (9) $45.

A. Glenn A. Swanson, Independent Bankers Association of America, 1625 Massachusetts Avenue NW., Suite 203, Washington, D.C. 20036.
B. Independent Bankers Association of America, Sauk Centre, Minn. 56378.
D. (6) $48,146.50. E. (9) $15,128.62.

A. Robert A. Swanson, 2275 Broadway, San Francisco, Calif. 94115.
B. Genentech, 475 Sansome Street, 15th floor, San Francisco, Calif. 94111.
E. (9) $2,220.

A. Noble J. Swearingen, American Lung Association, 101 Second Street NE., Washington, D.C. 20002.
B. American Lung Association, 1740 Broadway, New York City, N.Y. 10019.
D. (6) $1,000.

A. John L. Sweeney, 13931 Esworthy Road, Germantown, Md. 20767.
B. Consolidated Rail Corp., P.O. Box 23451, L'Enfant Plaza Station, Washington, D.C. 20024.
D. (6) $6,000.

A. Robert D. Swezey, Jr., 1150 17th Street NW., Washington, D.C. 20036.
B. MCI Communications Corp., 1150 17th Street NW., Washington, D.C. 20036.
D. (6) $896. E. (9) $55.23.

A. Task Force Against Nuclear Pollution, Inc., P.O. Box 1817, Washington, D.C. 20013.
D. (6) $5,704.20. E. (9) $12,268.70.

A. Taxation With Representation, 2369 North Taylor Street, Arlington, Va. 22207
D. (6) $6,019.85. E. (9) $5,567.53.

A. Stephen M. Thomas, CLW, 100 Maryland Avenue NE., Washington, D.C. 20002.
B. Council for a Livable World, 100 Maryland Avenue NE., Washington, D.C.
D. (6) $2,623.70.

A. Fred D. Thompson, Thompson & Crawford, First American Center, 15th floor, Nashville, Tenn. 37238.
B. Aircraft Engine Business Group, General Electric Co., 777 14th Street NW., Washington, D.C. 20005.

A. Fred D. Thompson, Thompson & Crawford, First American Center, 15th floor, Nashville, Tenn. 37238.
B. Westinghouse Electric Corp., 1801 K Street NW., Washington, D.C. 20006.
D. (6) $5,790. E. (9) $1,513.39.

A. Samuel Thurm, 1725 K Street NW., Washington, D.C. 20006.
B. Association of National Advertisers, 155 East 44th Street, New York, N.Y. 10017.

A. Patrick Tobin, International Longshoremen's and Warehousemen's Union, 417 4th Street SW., Washington, D.C. 20001.
B. International Longshoremen's and Warehousemen's Union, 118 Franklin Street, San Francisco, Calif. 94109.
D. (6) $4,790.

A. H. Willis Tobler, 1735 I Street NW., Washington, D.C. 20006.
B. E. A. Jaenke & Associates, Inc., 1735 I Street NW., Suite 610, Washington, D.C. 20006.
D. (6) $750.

A. Joseph P. Trainor, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employees, 815–16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express

& Station Employees, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $5,250. E. (9) $1,351.21.

A. W. M. Trevarrow, 976 National Press Building, Washington, D.C. 20045.
B. American Motors Corp., 27777 Franklin Road, Southfield, Mich. 48076.
D. (6) $4,250. E. (9) $436.50.

A. Paul E. Trimble, Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.
B. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.

A. Jerry R. Tucker, United Automobile, Aerospace & Agricultural Implement Workers of America (UAW), 1125 15th Street NW., Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace & Agricultural Implement Workers of America (UAW), 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $5,989.06. E. (9) $721.90.

A. 25th Congressional District Pro-Life Action Committee, 26 Helena Avenue, Mohegan Lake, N.Y. 10547.

A. U.S. Maritime Committee to Turn the Tide, Suite 420, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
D. (6) $956,850.50. E. (9) $885,049.33.

A. John A. Vance, Pacific Gas & Electric Co., 1050 17th Street NW., No. 1180, Washington, D.C. 20036.
B. Pacific Gas & Electric Co., 77 Beale Street, San Francisco, Calif. 94106.
D. (6) $1,770. E. (9) $2,101.34.

A. Richard F. Vander Veen, 666 Old Kent Building, Grand Rapids, Mich. 49503.
B. Citibank, 399 Park Avenue, New York, N.Y. 10022.
D. (6) $16,825. E. (9) $900.53.

A. Richard F. Vander Veen, 666 Old Kent Building, Grand Rapids, Mich. 49503.
B. Consumers Power Co., 212 West Michigan Avenue, Jackson, Mich. 49201.

A. R. Dick Vander Woude, National Education Association, 1718 Yahara Place, Madison, Wis. 53704.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,214.74. E. (9) $75.

A. Rudolph A. Vignone, 1800 K Street NW., Suite 800, Washington, D.C. 20006.
B. Goodyear Tire & Rubber Co., Akron, Ohio 44316.

A. David K. Voight, National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaza East SW. Suite 3206, Washington, D.C. 20024.
D. (6) $2,250. E. (9) $400.

A. Volkswagen Manufacturing Corp. of America, 7111 East 11 Mile Road, Warren, Mich. 48090.
E. (9) $800.

A. Volkswagen of America, Inc., 818 Sylvan Avenue, Englewood Cliffs, N.J. 07632.
E. (9) $325.

A. Marcos von Goihman, 6700 Belcrest Road, Hyattsville, Md. 20782.
B. Guyana Airways Corp., 6700 Belcrest Road, Hyattsville, Md. 20782.

A. Leonard F. Walentynowicz, 4970 Sentinel Drive, Apt. 301, Sumner, Md. 20016.

B. Polish American Congress, 1200 North Ashland Avenue, Chicago, Ill. 60622.
D. (6) $2,163.47. E. (9) $181.07.

A. Alan S. Ward, 818 Connecticut Avenue NW., Washington, D.C. 20006.
B. Baker, Hostetler, Frost & Towers, 818 Connecticut Avenue NW., Washington, D.C. 20006 (for the Soap and Detergent Association, 475 Park Avenue South at 32d Street, New York, N.Y. 10016.

A. Carol Ann Ward, National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
D. (6) $400.

A. James L. Watts, 512 Washington Building, Washington, D.C. 20005.
B. National Association of Small Business Investment Co., 512 Washington Building, Washington, D.C. 20005.
D. (6) $600.

A. Ray Wax, c/o Tom B. Cunningham, Sr., R.R. No. 5, Darlington, S.C. 29532.
B. National Association of Farmer Eelected Committeemen, c/o Tom B. Cunningham, Sr., R.R. No. 5 Darlington, S.C. 29532.
E. (9) $68.10.

A. Paul S. Weller, Jr., National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $6,744. E. (9) $305.

A. Frances E. Welles, National Council to Control Handguns, 810 18th Street NW., Washington, D.C. 20006.
B. National Council to Control Handguns, 810 18th Street NW., Washington, D.C. 20006.
D. (6) $990.

A. William B. Welsh, 1625 L Street NW., Washington, D.C. 20036.
B. American Federation of State, County, & Municipal Employees, AFL–CIO, 1625 L Street NW., Washington, D.C. 20036.
D. (6) $12,500. E. (9) $100.

A. Carol Werner, 706 Seventh Street SE., Washington, D.C. 20003.
B. National Abortion Rights Action League, 706 Seventh Street SE., Washington, D.C. 20003.
D. (6) $4,494.

A. Western Railroad Association, 222 South Riverside Plaza, Room 1200, Chicago, Ill. 60606.
D. (6) $6,538.16. E. (9) $6,538.16.

A. White & Case, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Joseph E. Seagram & Sons, Inc., 375 Park Avenue, New York, N.Y. 10022.
D. (6) $200. E. (9) $19.70.

A. Evelyn J. White, 2301 Market Street, Philadelphia, Pa. 19101.
B. Philadelphia Electric Co., 2301 Market Street, Philadelphia, Pa. 19101.
E. (9) $2,665.

A. Anne Wickham, 620 C Street SE., Washington, D.C. 20003.
B. Friends of the Earth, 620 C Street SE., Washington, D.C. 20003.
D. (6) $2,320.

A. Williams & Jensen, 1130 17th Street, NW., Washington, D.C. 20036.

B. American Medicorp, Inc., 111 Presidential Boulevard, Bala Cynwyd, Pa.
D. (6) $500. E. (9) $25.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. American Physical Therapy Association, 1156 15th Street NW., Washington, D.C. 20005.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Bangor Punta Operations, Inc., 1 Greenwich Plaza, Greenwich, Conn. 06830.
D. (6) $20.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Brown & Root, Inc., Box 3, Houston, Tex. 77001.
D. (6) $2,100. E. (9) $50.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Domestic Petroleum Council, 1130 17th Street NW., Washington, D.C. 20036.
E. (9) $100.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Estee Lauder, Inc., 767 Fifth Avenue, New York, N.Y. 10022.
D. (6) $100. E. (9) $10.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Federal Express Corp., AMF Box 30167, Memphis, Tenn. 38180.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. IU International Management Corp., 1500 Walnut Street, Philadelphia, Pa. 19102.
D. (6) $650. E. (9) $65.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Krause Milling Co., P.O. Box 1156, Milwaukee, Wis. 53201.
E. (9) $55.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Litton Industries, Inc., 360 North Crescent Drive, Beverly Hills, Calif. 90210.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. The Louisiana Land & Exploration Co., P.O. Box 60350, New Orleans, La. 70160.
D. (6) $850. E. (9) $35.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Marion Laboratories, Inc., 10236 Bunker Ridge Road, Kansas City, Mo. 64137.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Martin Ryan Haley & Associates, Inc., 40 Central Park South, New York, N.Y. 10019.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Matilda Grey Trust, P.O. Box 20001, Lake Charles, La. 70601.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. National Association of Water Companies, Box 387, Washington, D.C. 20044.
D. (6) $100. E. (9) $10.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Northrop Corp., 1800 Century Park East, Los Angeles, Calif. 90067.
D. (6) $150. E. (9) $15.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.

B. The Superior Oil Co., First City National Bank Building, Houston, Tex. 77002.
E. (9) $55.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Truck Body & Equipment Association, Inc., Suite 1220, 5330 Wisconsin Avenue NW., Washington, D.C. 20015.
D. (6) $100.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Ward Industries, Inc., P.O. Box 849, Conway, Ark. 72032.

A. Wade S. Williams, 1620 I Street NW., Washington, D.C. 20006.
B. American Institute of Certified Public Accountants, 1211 Avenues of the Americas, New York, N.Y. 10036.

A. John C. Williamson, 1825 K Street, Suite 604, Washington, D.C. 20006.
B. Mortgage Insurance Companies of America, 1825 K Street NW., Suite 604, Washington, D.C. 20006.
D. (6) $4,000. E. (9) $401.80.

A. John C. Williamson, 1825 K Street NW., Washington, D.C. 20006.
B. National Apartment Association, 1825 K Street, Suite 604, Washington, D.C. 20006.
D. (6) $4,000.

A. Peters D. Willson, Zero Population Growth, Inc., 1346 Connecticut Avenue NW., Washington, D.C. 20036.
B. Zero Population Growth, Inc., 1346 Connecticut Avenue, Washington, D.C. 20036.
D. (6) $1,240. E. (9) $18.

A. Charles D. Wilson, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.
E. (9) $164.72.

A. Winston P. Wilson, 523 North Forrest Street, Forrest City, Ark. 72335.
B. Northrop Corp., 1701 North Fort Myer Drive, Suite 1208, Arlington, Va. 22209.
D. (6) $8,700. E. (9) $2,860.

A. Curtin Winsor, Jr., 900 17th Street NW., Washington, D.C. 20006.
B. The Chase Manhattan Bank, 1 Chase Manhattan Plaza, New York, N.Y. 10015.
D. (6) $67.50. E. (9) $23.51.

A. Melanie J. Wirken, Zero Population Growth, Inc., 1346 Connecticut Avenue NW., Washington, D.C. 20036.
B. Zero Population Growth, Inc., 1346 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $534. E. (9) $8.

A. Richard F. Witherall, Colorado Railroad Association, 420 Denver Club Building, Denver, Colo. 80202.
B. Colorado Railroad Association, 420 Denver Club Building, Denver, Colo.
D. (6) $650. E. (9) $1,850.

A. Frank R. Wolf, 1730 North Lynn Street, Suite 400, Arlington, Va. 22209.
B. Gerber Products Co., 445 State Street, Fremont, Mich. 49412.
D. (6) $600.

A. Frank R. Wolf, 1730 North Lynn Street, Suite 400, Arlington, Va. 22209.
B. Northwest Pipeline Corp., 315 East 200 South, Salt Lake City, Utah 84111.
D. (6) $3,000.

A. Kenneth Wollack, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.
B. American Israel Public Affairs Committee, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.
D. (6) $6,900.

A. Burton C. Wood, Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $4,667. (9) $9,928.

A. Wyatt & Saltzstein, 1300 Wyatt Building, Washington, D.C. 20005.
B. American Business Press, Inc., 205 East 42d Street, New York, N.Y. 10017.
D. (6) $2,687.50. E. (9) $125.

A. Donald Yarborough, Paraplegia Cure Research, 100 Maryland Avenue NE., Washington, D.C. 20002.
B. Paraplegia Cure Research, 100 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $1,125.

A. Leslie McKnight Yates, 1215 Lawrence Street, NE., Washington, D.C. 20017.
B. Washington Office on Africa, 110 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $456.78.

A. Jack Yelverton, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. Zero Population Growth, Inc., 1346 Connecticut Avenue, Washington, D.C. 20036.
D. (6) $2,674. E. (9) $2,481.

A. Ziontz, Pirtle, Morisset, Ernstoff & Chestnut. 208 Pioneer Building, 600 First Avenue, Seattle, Wash. 98104.
B. Confederated Tribes of the Colville Indian Reservation, P.O. Box 150, Nespelem Wash. 99155.
E. (9) $1,494.63.

A. Ziontz, Pirtle, Morisset, Ernstoff & Chestnut, 208 Pioneer Building, 600 First Avenue, Seattle, Wash. 98104.
B. Lummi Tribe of Indians, 2616 Kwina Road, Bellingham, Wash. 98225.
E. (9) $117.58.

A. Ziontz, Pirtle, Morisset, Ernstoff & Chestnut, 208 Pioneer Building, 600 First Avenue, Seattle, Wash. 98104.
B. Makah Indian Tribe, P.O. Box 115, Neah Bay, Wash. 98357.
E. (9) $2,904.77.

A. Ziontz, Pirtle, Morisset, Ernstoff & Chestnut, 208 Pioneer Building, 600 First Avenue, Seattle, Wash. 98104.
B. Metlakatla Indian Community, P.O. Box 8, Metlakatla, Alaska.

A. Ziontz, Pirtle, Morisset, Ernstoff & Chestnut, 208 Pioneer Building, 600 First Avenue, Seattle, Wash. 98104.
B. Northern Cheyenne Indian Tribe, P.O. Box 128, Lame Deer, Mont. 59043.
E. (9) $996.98.

A. Ziontz, Pirtle, Morisset, Ernstoff & Chestnut, 208 Pioneer Building, 600 First Avenue, Seattle, Wash. 98104.
B. Suquamish Indian Tribe, P.O. Box 556, Suquamish, Wash. 98392.

A. Zoological Action Committee, Inc., 1225 19th Street NW., Suite 700, Washington, D.C. 20036.
D. (6) $8,594. E. (9) $8,005.84.

A. Frances Zwenig, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $2,750.

SENATE—*Tuesday, November 15, 1977*

The Senate met at 10 a.m. on the expiration of the recess, and was called to order by the Honorable DALE BUMPERS, a Senator from the State of Arkansas.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O Holy Father, who of old hast led Thy children, we reverently pause before Thee to renew our vows. We thank Thee for changing seasons, for summer and winter, for night and day, for work and rest, for times in session and times in preparation. Show us that whatever the season or schedule Thou art with us and we are with Thee.

In this temple of democracy, we pray for strength for our burdens, wisdom for our problems, insight for our times, and vision which keeps our eyes on far horizons. Above all, undergird our faith with the assurance that—

"Under the shadow of Thy throne, still may we dwell secure,
Sufficient is Thine arm alone, and our defense is sure."

We ask it in that name which is above every name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., November 15, 1977.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable DALE BUMPERS, a Senator from the State of Arkansas, to perform the duties of the Chair.

JAMES O. EASTLAND,
President pro tempore.

Mr. BUMPERS thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE LEADERSHIP

The ACTING PRESIDENT pro tempore. The Senator from West Virginia.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Tuesday, November 8, 1977, and Friday, November 11, 1977, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the two nominations under "Department of Justice."

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

DEPARTMENT OF JUSTICE

The second assistant legislative clerk read the nomination of Gerald D. Fines, of Illinois, to be U.S. attorney for the southern district of Illinois for the term of 4 years.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

The second assistant legislative clerk read the nomination of Audrey A. Kaslow, of California, to be a commissioner of the U.S. Parole Commission for the term of 6 years.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that it be in order to move to reconsider en bloc the votes by which the nominations were confirmed.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I so move.

Mr. HANSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess for 2 minutes.

The ACTING PRESIDENT pro tempore. Will the Senator withhold his request so that the Chair can make an announcement?

Mr. ROBERT C. BYRD. Yes.

APPOINTMENT BY THE VICE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. BUMPERS). The Chair, on behalf of the Vice President, appoints the Senator from Kansas (Mr. DOLE) to attend the United Nations World Food Conference, to be held in Rome, Italy, November 12 to December 1, 1977.

AUTHORIZATION FOR RELEASE OF CERTAIN PAPERS AND INFORMATION IN THE CASE OF COMMON CAUSE AGAINST BAILAR

Mr. ROBERT C. BYRD. Mr. President, at the request of Mr. METCALF, I send to the desk a Senate resolution and I ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The clerk will report.

The legislative clerk proceeded to read the resolution.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that further reading of the resolution be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, pursuant to actions taken on November 4 with respect to Common Cause against Bailar by the Senate Democratic and Republican Conferences and leadership, this resolution authorizes submissions of specified materials to the court.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the resolution.

The resolution was agreed to.

The preamble was agreed to.

The resolution (S. Res. 325) together with its preamble, is as follows:

S. RES. 325

Whereas, in the case of Common Cause, et al. against Benjamin Bailar, et al. (Civil Action Numbered 1887–73), pending in the United States District Court for the District of Columbia, subpoenas have been issued and served upon employees of the Senate, including employees serving in the offices of Senators, directing them to appear and give testimony and produce documents, papers, or records;

Whereas, in response to matters not previously disposed of by resolution of the Senate, arising in connection with said subpoenas, which were pending as of 4 April 1977, the counsel for the subpoenaed Senate employees was authorized by S. Res. 136, considered and agreed to by the Senate on 29 April 1977, to furnish information or affidavits specified therein for *in camera* inspection by such court;

Whereas, after *in camera* inspection, the court has concluded that the materials furnished for such inspection by counsel for the subpoenaed Senate employees are needed to resolve the issues in this case; and

Whereas the dissemination of information by a Senator to his constituency concerning legislation proposed or enacted by the Congress, the administration of such legislation by the executive branch and the review of such matters by the courts is a part of the official business of a Senator under the Constitution of the United States:

Now therefore, be it

Resolved, That by the privileges of the Senate and by Rule XXX of the Standing Rules of the Senate, no officer or employee of the Senate is authorized to produce documents, papers, or records of the Senate but by order of the Senate, and information secured by officers and employees of the Senate pursuant to their official duties may not be revealed without the consent of the Senate.

SEC. 2. When it appears that testimony of employees of the Senate is needful for use in any court for the promotion of justice and, further, that such testimony may involve documents, papers, or records under the control of or in the possession of such employees in the course of their official duties, and communications, conversations, and matters related thereto, the Senate will take such order thereon as will promote the ends of justice consistently with the privileges and rights of the Senate.

SEC. 3. Therefore, the counsel for the subpoenaed Senate employees is authorized to furnish the following material previously

supplied for *in camera* inspection only under authority of S. Res. 136, for use in this proceeding without such restriction but subject to the protective provisions in the stipulation previously approved in this matter:

(1) Information on volume of mail for the year 1972 with the identity of the Senators coded, set out in the same fashion as the information previously authorized to be submitted to the court and to the plaintiffs for 1973, 1974, and 1975;

(2) Those copies of what are known as computer code counts, identifying the categories of codes maintained in the Senate computer by each Senate office and the number of names in each category, which were retained by the Computer Center in 1975, and the computer code count made near the close of 1976 for the Senate offices not included in the 1975 group, in each case with the identity of the Senators coded; and

(3) Each administrative assistant is authorized to submit by such counsel in a form that the identity of the Senator is coded consistent with the manner in which earlier information was submitted in this case, the meaning assigned to such codes to the extent that he may have that information in his possession, as well as such general or specific instructions which he has in his possession with respect to the use of the code categories maintained by that office, again with the identity of the Senator coded.

SEC. 4. The Senate also authorizes the counsel for subpenaed Senate employees to file the appropriate motions for leave to intervene on behalf of the Senate in order to protect and defend the duties, responsibilities, rights, and privileges of the Senate under article I of the Constitution.

SEC. 5. The Secretary of the Senate shall transmit a copy of this resolution to the United States District Court for the District of Columbia.

AUTHORIZATION FOR CERTAIN ACTIONS TODAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that Senators may have until 3 p.m. today to insert statements in the RECORD, introduce bills and resolutions, petitions and memorials, and that committees may have until 5 p.m. today to file reports.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT RECEIVED DURING RECESS

Under authority of the order of the Senate, messages from the President of the United States submitting sundry nominations were received on November 8, 11, and 14, 1977, during the recess of the Senate and were referred to the appropriate committees.

On November 14, 1977, a message was received withdrawing the nomination of Robert H. Mendelsohn, of California, to be an Assistant Secretary of the Interior.

PRESIDENTIAL MESSAGE RECEIVED DURING RECESS—REPORT ON FOUR DEFERRALS—PM 131

The ACTING PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was referred jointly, pursuant to the order of January 30, 1975, to the Committees on Appropriations; the Budget; Armed Services; Energy and Natural Resources; Human Resources; Foreign Relations; Commerce, Science, and Transportation; Environment and Public Works; and Finance:

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report four new deferrals totaling $908.6 million in budget authority. The deferrals affect the Departments of Defense and Energy, the National Science Foundation, and the Emergency refugee and migration assistance fund.

In addition, I am reporting revisions to five deferrals previously transmitted. Three of these revisions change the agency name and related identifiers of the deferrals from the abolished Energy Research and Development Administration to the new Department of Energy. The amount deferred for the Department of Energy's Plenum Fill experiment has also been increased by $0.8 million. In addition, two supplementary reports for deferrals in the Office of the Secretary of the Treasury report an increase of $26.3 million in the amount deferred.

The details of each deferral are contained in the attached reports.

JIMMY CARTER.

THE WHITE HOUSE, *November 10, 1977.*

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDING OFFICER laid before the Senate the following communications which referred as indicated:

EC–2265. A letter from the Attorney General of the United States transmitting a draft of proposed legislation to amend Chapter 2, title 18, United States Code, and sections 101 and 902 of the Federal Aviation Act of 1958, to implement the Convention for the Suppression of Unlawful Acts Against the Safety of Civil Aviation, and for other purposes (with accompanying papers).

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that EC–2265, a communication relative to the Montreal Convention for the Suppression of Unlawful Acts Against the Safety of Civil Aviation, be referred jointly to the Committees on Commerce, Science, and Transportation, and the Judiciary.

The PRESIDING OFFICER. Without objection, it is so ordered.

EC–2266. A letter from the Secretary of Labor transmitting, pursuant to law, the 1976 report of on the administration of the Employee Retirement Income Security Act of 1974 covering the period through December 31, 1976 (with an accompanying report).

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that EC–2266, a communication relative to the administration of the Employee Retirement Income Security Act of 1974, be referred jointly to the Committees on Finance and Human Resources.

The PRESIDING OFFICER. Without objection, it is so ordered.

EC–2267. A letter from the Acting Director of the Office of Management and Budget, Executive Office of the President transmitting, pursuant to law, the cumulative report on rescissions and deferrals for November 1977 (with an accompanying report); jointly, pursuant to the order of January 30, 1975, to the Committees on Appropriations; the Budget; Armed Services; the Judiciary; Governmental Affairs; Agriculture, Nutrition, and Forestry; Commerce, Science, and Transportation; Energy and Natural Resources; Finance; Environment and Public Works; and Human Resources, and ordered to be printed.

EC–2268. A letter from the Administrator of the Rural Electrification Administration transmitting, pursuant to law, a commitment to guarantee a non-REA loan in the amount of $722,000,000 to the Hoosier Energy Division, Indiana State-wide Rural Electric Cooperative, Inc., of Bloomington, Indiana (with accompanying papers); to the Committee on Appropriations.

EC–2269. A letter from the Acting Administrator of the Rural Electrification Administration transmitting, pursuant to law, the approval of an REA insured loan in the amount of $10,000,000 and a commitment to guarantee a non-REA loan in the amount of $10,225,000 to Minnkota Power Cooperative, Inc., of Grand Forks, North Dakota (with accompanying papers); to the Committee on Appropriations.

EC–2270. A letter from the Assistant Secretary of Defense transmitting, pursuant to law, a report of the value of property, supplies, and Commodities provided by the Berlin Magistrate, and under the German Offset Agreement, for the quarter July 1, 1977 through September 30, 1977; to the Committee on Appropriations.

EC–2271. A letter from the Administrator of the General Services Administration transmitting, pursuant to law, the Stockpile report to the Congress for October 1976 through March 1977 (with an accompanying report); to the Committee on Armed Services.

EC–2272. A letter from the Deputy Assistant Secretary of Defense transmitting, pursuant to law, a supplemental submission to the consolidated Defense Related Employment Report for fiscal year 1976 (with an accompanying report); to the Committee on Armed Services.

EC–2273. A letter from the Deputy Assistant Secretary of Defense, Installations and Housing, transmitting, pursuant to law, notice of 25 construction projects to be undertaken by the Army National Guard (with accompanying papers); to the Committee on Armed Services.

EC–2274. A letter from the Acting Comptroller General of the United States transmitting a secret communication concerning the Air Force's program to build a test facility entitled TRESTLE (with an accompanying report) (PSAD–77–159); to the Committee on Armed Services.

EC–2275. A letter from the Secretary of Housing and Urban Development transmitting, pursuant to law, the first annual report on the Urban Homesteading Program evaluating the Urban Homesteading Demonstration Program (with an accompanying report); to the Committee on Banking, Housing, and Urban Affairs.

EC–2276. A letter from the President of the Export-Import Bank of the United States transmitting, pursuant to law, a report on loan, guarantee and insurance transactions supported by Eximbank during September 1977 to Communist countries as defined in section 620(f) of the Foreign Assistance Act of 1961 (with an accompanying report); to the Committee on Banking, Housing, and Urban Affairs.

EC–2277. A letter from the Secretary of Housing and Urban Development transmitting, pursuant to law, a report on the determination that operation of the Flood Insurance Act of 1968 would be assisted mate-

rially by the Federal Government's assumption, in whole or in part, of the operational responsibility for flood insurance (with an accompanying report); to the Committee on Banking, Housing, and Urban Affairs.

EC–2278. A letter from the Acting General Counsel of the Department of Energy transmitting, pursuant to law, notice of two meetings related to the International Energy Program (with accompanying papers); to the Committee on Energy and Natural Resources.

EC–2279. A letter from the Deputy Secretary of the Interior transmitting, pursuant to law, a copy of the report on consumptive uses and losses in the Colorado River system for the period 1971–1975 (with an accompanying report); to the Committee on Energy and Natural Resources.

EC–2280. A letter from the Deputy Assistant Secretary of the Interior transmitting, pursuant to law, a copy of a proposed contract with Unidynamics/St. Louis, Inc., St. Louis, Missouri, for a research project entitled "Evaluation of the Construction of Fire Doors, Air Doors, and Bulkheads for Noncoal Mines" (with accompanying papers); to the Committee on Energy and Natural Resources.

EC–2281. A letter from the Secretary of the Interior transmitting, pursuant to law, a report of areas whose resources exhibit qualities of national significance and which may have potential for inclusion in the National Park System (with accompanying papers); to the Committee on Energy and Natural Resources.

EC–2282. A letter from the Assistant Secretary for Land and Water Resources transmitting, for the information of the Senate, information supporting the previous authorization request for appropriations for the Bureau of Land Management for fiscal years 1979 through 1982 (with an accompanying report); to the Committee on Energy and Natural Resources.

EC–2283. A letter from the Secretary of Health, Education, and Welfare transmitting a draft of proposed legislation to authorize an appropriation to reimburse certain expenditures for social services provided by the States prior to October 1, 1975, under titles I, IV, VI, X, XIV, and XVI of the Social Security Act (with accompanying papers); to the Committee on Finance.

EC–2284. A letter from the Assistant Secretary for Congressional Relations transmitting, for the information of the Senate, that the President will submit his report concerning the extent to which the Republic of Korea is cooperating with the investigation of the Department of Justice with respect to allegations of improper activities in the United States by agents of the Republic of Korea; on November 4, 1977; to the Committee on Foreign Relations.

EC–2285. A letter from the Assistant Legal Adviser for Treaty Affairs of the Department of State transmitting, pursuant to law, international agreements other than treaties entered into by the United States within the past sixty days (with accompanying papers); to the Committee on Foreign Relations.

EC–2286. A letter from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, a copy of Council Act 2–99, an Act to order the closing of a public alley abutting on Lots 63, 64, and 65 in Square 1192, bounded by 29th, K, 30th, and M Streets, N.W. (with accompanying papers); to the Committee on Government Affairs.

EC–2287. A letter from the Secretary of the Treasury transmitting, for the information of the Senate, a report of the latest experimental undertaking in applying accrual accounting to government (with an accompanying report); to the Committees on Governmental Affairs.

EC–2288. A letter from the Acting Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a follow-up report on the recommendations of the President's Council on Physical Fitness and Sports (with an accompanying report); to the Committee on Governmental Affairs.

EC–2289. A letter from the Acting Comptroller General of the United States transmitting, pursuant to law, a report entitled "The Challenge of Meeting Shelter Needs in Less Developed Countries" (ID–77–39, November 4, 1977) (with an accompanying report); to the Committee on Governmental Affairs.

EC–2290. A letter from the Assistant Secretary of Agriculture transmitting, pursuant to law, notice of the existence of a certain system of records (with accompanying papers); to the Committee on Governmental Affairs.

EC–2291. A letter from the Secretary of Transportation transmitting, pursuant to law, a report of contracts negotiated under 10 U.S.C. 2304(a)(11) during the period April 1, 1977, through September 30, 1977 (with an accompanying report); to the Committee on Governmental Affairs.

EC–2292. A letter from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, a copy of Council Act 2–100, an Act to establish a certificate of need program for health care facilities and services in the District of Columbia (with accompanying papers); to the Committee on Governmental Affairs.

EC–2293. A letter from the Acting Comptroller General of the United States transmitting, pursuant to law, a report entitled "New Methods Needed for Checking Payments Made by Computers" (FGMSD–76–82, November 7, 1977) (with an accompanying report); to the Committee on Governmental Affairs.

EC–2294. A letter from the Acting Comptroller General of the United States transmitting, pursuant to law, a report entitled "National Aeronautics and Space Administration Should Provide the Congress With More Information on the Pioneer Venus Project" (PSAD–77–65, November 7, 1977) (with an accompanying report); to the Committee on Governmental Affairs.

EC–2295. A letter from the Attorney General of the United States transmitting a draft of proposed legislation to provide explicit authority for the arrest of material witnesses (with accompanying papers); to the Committee on Governmental Affairs.

EC–2296. A letter from the Attorney General of the United States transmitting a draft of proposed legislation to restrict the possession and carrying of pistols, other firearms, and other dangerous weapons by members of the District of Columbia Department of Corrections for periods of time when they are on duty and authorized by the Director of the District of Columbia Department of Corrections (with accompanying papers); to the Committee on Governmental Affairs.

EC–2297. A letter from the District of Columbia Auditor transmitting, pursuant to law, a copy of a report entitled "Recoupment of Improperly Billed Medicaid Payments" and a report entitled "Mayor's Order 77–141a transferring CETA Public Service Employment Program from the Office of Budget and Management Systems to the Department of Manpower" (with accompanying reports); to the Committee on Governmental Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. SPARKMAN, from the Committee on Foreign Relations:

Without amendment:

S. 2152. A bill to amend the Bretton Woods Agreements Act to authorize the United States to participate in the supplementary financing facility of the International Monetary Fund (Rept. No. 95–603). Referred to the Committee on Banking, Housing, and Urban Affairs.

By Mr. KENNEDY, from the Committee on the Judiciary:

With an amendment:

S. 1566. A bill to amend title 18, United States Code, to authorize applications for a court order approving the use of electronic surveillance to obtain foreign intelligence information (together with minority views) (Rept. No. 95–604). Referred to the Select Committee on Intelligence.

By Mr. KENNEDY (for Mr. MCCLELLAN), from the Committee on the Judiciary:

With amendments:

S. 1437. A bill to codify, revise, and reform title 18 of the United States Code; and for other purposes (Rept. No. 95–605).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. ROBERT C. BYRD, from the Committee on the Judiciary:

Joseph N. Novotny, of Indiana, to be U.S. marshal for the northern district of Indiana.

By Mr. MAGNUSON. Committee on Commerce, Science, and Transportation.

Mortimer L. Downey III, of Virginia, to be an Assistant Secretary of Transportation.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. DOMENICI:

S. 2313, A bill for the relief of Michael Curran, his wife, Jennifer Curran, and their daughters, Caroline and Samantha; to the Committee on the Judiciary.

By Mr. KENNEDY:

S. 2314. A bill to repeal certain sections of title III of the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

By Mr. EAGLETON:

S. 2315. A bill for the relief of Savita Nandini; to the Committee on the Judiciary.

S. 2316. A bill to establish an actuarially sound basis for financing retirement benefits for policemen, firemen, teachers, and judges of the District of Columbia and to make certain changes in such benefits; to the Committee on Governmental Affairs.

By Mr. HEINZ (for himself, Mr. RANDOLPH, Mr. BAYH, Mr. GLENN, Mr. METZENBAUM, Mr. ANDERSON, Mr. STEVENSON, Mr. MOYNIHAN, Mr. PERCY, Mr. DECONCINI, Mr. SCHWEIKER, Mr. HATCH, and Mr. ALLEN):

S. 2317. A bill to amend the Antidumping Act of 1921, the Trade Act of 1974 and the Tariff Act of 1930 to improve procedures relating to the determination of certain unfair foreign trade practices; to the Committee on Finance.

By Mr. BAYH (for himself, Mr. HEINZ, Mr. RANDOLPH, Mr. ANDERSON, Mr. DECONCINI, Mr. SCHWEIKER, Mr. HATCH, and Mr. ALLEN):

S. 2318. A bill to amend title III of the Act of March 3, 1933, known as the Buy American Act, to require the heads of Federal agencies to issue certain regulations respecting the purchase of material made in the United States, to permit the States to give preference to such materials, to require that certain State purchases made with Federal funds be subject to the Buy American Act, and for other purposes; to the Committee on Governmental Affairs.

By Mr. BUMPERS:

S. 2319. A bill to amend the Internal Revenue Code of 1954, as amended; to the Committee on Finance.

STATEMENTS ON BILLS AND JOINT RESOLUTIONS

By Mr. DOMENICI:

S. 2313. A bill for the relief of Michael Curran, his wife, Jennifer Curran, and their daughters, Caroline and Samantha; to the Committee on the Judiciary.

Mr. DOMENICI. Mr. President, the private bill for Michael Curran, his wife, Jennifer, and their two daughters, Caroline and Samantha, which I introduce today is for their relief from immigration proceedings.

Mr. Curran's father became a U.S. citizen on August 20, 1974, in the Federal court in Albuquerque, N. Mex. Michael and his family came to this country in February 1974, and applied for permanent residence in September of 1974. Since that time, Michael has established himself in the community as a businessman and even participates as a reserve officer in the Bernalillo County sheriff's reserves.

However, today he and his family are to be excluded from this country because the term "child" as used in titles I and II of the Immigration and Naturalization Act as defined in section 101(b)(1) of the act applies only to unmarried persons under 21 years of age. Hence, Michael is not the son of an American citizen because he was married and 23 years of age when he made application for permanent residence. Michael's father is an American citizen—of that there is no controversy. The bill I introduce is meant to certify Michael as the "son" of an American citizen, his father. And in view of the language of the Immigration Act, this legislation is necessary to do so.

By Mr. KENNEDY:

S. 2314. A bill to repeal certain sections of title III of the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

Mr. KENNEDY. Mr. President, I am introducing today a bill to repeal or amend certain nationality and citizenship provisions in title III of the Immigration and Nationality Act, as amended.

The bill accomplishes three objectives. First, it helps to update and clarify the meaning and intent of our basic law on nationality and citizenship by repealing certain provisions which are no longer invoked or have been declared unconstitutional by the courts. Second, the bill remedies the onerous requirements of present law for the transmission of American nationality and citizenship to certain children born outside of the United States. And third, the bill removes the discriminatory treatment against these children in the retention of their American nationality and citizenship.

In the context of the need for a general reform of the basic immigration and nationality statute, these objectives are very modest. But for the thousands of people affected, the bill I am introducing today is of vital importance—especially for those who truly value their democratic heritage and their status as citizens of the United States.

The repeal of certain inoperable provisions on nationality and citizenship should be enacted, if only to remove some confusion and to update the law. Section 1 of the bill accomplishes this objective.

Section 2 of the bill remedies the onerous requirements concerning the transmission of American nationality and citizenship to certain children born outside of the United States, one of whose parents is an alien and the other a citizen of the United States. For the purpose of transmitting American nationality, current law requires that, prior to the birth of a child overseas, the citizen parent must have been "physicially present" in the United States for periods totaling "not less than 10 years, at least 5 of which were after attaining the age of 14 years."

When put in the context of other provisions relating to the transmission of American nationality and citizenship, this provision seems especially harsh. And over the years it has undoubtedly brought undue hardship to many families and needlessly denied American nationality to certain children born overseas. The time is past due to ease the requirements of current law and bring them more in line with related provisions in the basic statute. The bill I am introducing today accomplishes this objective, by reducing the "physically present" requirement for a citizen parent to a simple 2 years prior to the birth of a child overseas.

As to the retention of American nationality and citizenship by such children born overseas, current law states that a child shall lose his or her nationality and citizenship, unless the child is "continuously physically present" in the United States for at least 2 years between the ages of 14 and 28, or unless the alien parent is naturalized and "the child begins to reside permanently in the United States while under the age of 18 years."

Mr. President, these requirements have been causing some needless hardships to a growing number of American children born overseas, with only one citizen parent. Moreover, such requirements are discriminatory—even within a child's family. They do not apply, for example, to the child's brothers or sisters born within the United States, but living with the family overseas. Nor do such requirements apply to any other category of American citizen children born outside of the United States.

We must remove the discrimination against American children born overseas of mixed parentage. We must take some meaningful action in their behalf, so that their longtime rights to American nationality and citizenship are not placed in jeopardy by arbitrary decisions of outmoded law.

The bill I am introducing today accomplishes this third objective, by a simple repeal of the national retention requirements in section 301(b) of current law.

Mr. President, there is a great deal to be done in humanizing the basic immigration and nationality statute, the act of June 27, 1952. But pending the overall reform of this act, Congress should do what it can to bring legislative and administrative classifications to problem areas of immediate concern to many Americans.

The bill I am introducing today, and a similar but not identical bill recently introduced in the other body, contribute to this end.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsections (b), (c), and (d) of section 301; paragraphs (5), (8), and (10) of section 349; and sections 350, 352, 353, 354, 355 of the Immigration and Nationality Act, are hereby repealed.

SEC. 2. Section 301 of the Immigration and Nationality Act is amended—

(1) by striking out "(a)" after "SEC. 301.".

(2) by amending paragraph (7) to read as follows:

"(7) a person born outside of the United States and its outlying possessions of parents one of whom is an alien, and the other a citizen of the United States who, prior to the birth of such person, has had a residence in the United States or its outlying possessions and has been physically present in the United States or its outlying possessions for a continuous period of two years."

SEC. 3. Section 349 of the Immigration and Nationality Act is amended by inserting "(a)" after "Sec. 349.", and by renumbering paragraphs (6), (7), and (9) as paragraphs (5), (6), and (7), respectively.

By Mr. EAGLETON:

S. 2316. A bill to establish an actuarially sound basis for financing retirement benefits for policemen, firemen, teachers, and judges of the District of Columbia and to make certain changes in such benefits; to the Committee on Governmental Affairs.

Mr. EAGLETON. Mr. President, the Senate gave its final approval to home rule for the District of Columbia almost 4 years ago. While this step was long

overdue, it was not complete. After a century of Federal control—and, I hasten to add, neglect—this city was left a legacy of financial disarray that it is unable to overcome on its own.

One manifestation of this malaise is chaotic bookkeeping and a weak financial management system. In the last Congress, we passed legislation requiring the District to have an annual audit by an independent certified public accountant, and in partnership with the District provided the funds to get the books and records into an acceptable form. I am pleased to say that this project is moving along well. A number of substantive improvements have already been made in the District's accounting methods, and many of these are apparent in its most recent financial reports.

An equally serious problem, though one less susceptible to easy solution, is the poorly designed retirement system for employees of the District of Columbia. Here, too, we have a problem largely attributable to Federal action or inaction long predating home rule. And here, too, the solutions I am proposing call for a joint effort by the District and the Federal Government, permitting the fullest exercise of local self-government while safeguarding the continuing Federal interest in the viability of our Nation's Capital.

Mr. President, I am introducing today a bill to reform the retirement system for the policemen, firemen, teachers, and judges of the District of Columbia. Briefly, this bill will establish an actuarially sound basis for funding the pension system, provide Federal assistance in amortizing the current unfunded liabilities of these systems, and correct abuses in the current law by improved enforcement and technical improvements. This bill does not diminish any benefits already earned by any District employee or retiree, and it leaves the question of any change in benefits for new employees to the District government and the employees to negotiate among themselves. Even so, it will reduce pension costs in the future by up to 25 percent.

The important features of this bill are as follows:

Funding.—The method of funding is to be changed, gradually over a period of years, from the current pay-as-you-go system to a system based on advanced funding. The annual contributions to the fund established by this legislation will be sufficient to pay for all benefits earned after the date of enactment. This amount will be calculated as a fixed percentage of active duty payroll; the exact amount depends on what changes the District decides to make in the programs. The District will contribute, in addition, the annual interest (about $40 million) on its share of the existing unfunded liability. Although this advanced funding method does not eliminate the unfunded liability and thus causes somewhat higher costs in the future, it nevertheless is preferable to full funding be cause of current budgetary limitations and a number of technical factors.

Amortization of unfunded liability.—I have proposed that the Federal Government accept responsibility for paying the future benefits of all policemen, firemen, teachers, and judges who retired before the effective date of home rule (January 2, 1975). These benefits, to be paid out over the next 50 years or so, would require a fund of about $940 million in today's dollars. Rather than appropriating the amount in a single lump sum, the bill calls for 25 annual payments of $73.5 million (principal plus interest). The District would assume responsibility for everyone who retired since home rule and into the future. As mentioned before, this would consist of full funding after this bill is enacted plus interest on the District's share ($660 million) of the unfunded liability. These amounts include the cost savings which will flow from this bill, but are subject to further refinement as we get more data from our actuaries.

Disability retirement for policemen and firemen.—As in the House bill, my proposal: First, eliminates as a basis for disability retirement the aggravation of an off-duty injury: second, bases all disability retirements on a percentage of impairment; and third, provides for a reduction in annuities based on outside income earned. This benefit reduction, however, is calculated in a different manner to provide a positive incentive to return to limited employment where that is physically possible. For every dollar that the total of annuity plus earned income exceeds 70 percent of the current salary of the last position held, a retiree's annuity is reduced by 50 cents, and for every dollar in excess of 100 percent of the current salary equivalent, the annuity is cut another 20 cents. Thus the effective "tax rate" is reduced from 75 percent (in the House bill) to 50 percent or, in some cases, 70 percent. These changes apply to any policeman or fireman who is not already retired and to all new hires.

Other disability retirement changes.—All members retiring on disability (policemen, firemen, and teachers) and all those currently reitred on disability will be required to submit annual notarized statements of earned income, and to undergo an annual physical examination. These requirements will be waived in cases in which the disability is clearly of a permanent nature or when the retiree reaches age 50. While the benefits for current retirees are not being changed, the existing provisions of law are going to be enforced. For policemen and firemen, current law provides for a termination of disability benefits when the retiree's earning capacity has been substantially restored, as evidenced by outside income in excess of 80 percent of the current pay in the last position held. For teachers, the law will be amended to conform with Federal civil service provisions on disability retirement.

Cost-of-living adjustments.—Currently, retired policemen and firemen receive benefit increases equal in percentage terms to the pay increases granted to active employees in the position last held. Teachers and judges receive increases based on the Consumer Price Index, plus 1 percent. Henceforth, all cost of-living increases will be based strictly on the Consumer Price Index. This applies also to future cost-of-living adjustments for current retirees.

At this point, I would like to sketch the problems of the current system and mention some of the solutions which have been proposed. It should then become clear why the approach embodied in this bill is the preferable one.

THE PROBLEM

The retirement systems for policemen, firemen, teachers, and judges are funded on a "pay-as-you-go" basis. Although employees earn the right to larger pensions for each year they work, the city makes no provision for paying these moneys until the year they are due. This may postpone the day of reckoning, but, because of the compounding of interest on this unfunded liability, the amounts payable in the future add up higher and higher each year and become a staggering, if not impossible burden. The unfunded liability for these retirement system is estimated at $1.9 billion, which, by the turn of the century, will make the annual cost of pensions more than the salaries of those actively on duty in police and fire stations and in the classrooms.

Unfunded liabilities are a form of debt that eventually must be paid. This enormous outstanding obligation will, unless action is taken, make it increasingly difficult for the District to meet other legitimate needs and maintain adequate levels of public service in the future. It will make the sale of municipal bonds more costly. It will impose a back-breaking burden on the taxpayers of the city. And this burden, if not acted on with foresight and prudence now, could eventually fall totally on the Federal Government to finance a massive rescue mission in the future. This is not a matter of choice for the city; it is the law, a law passed by the U.S. Congress, and it is with Congress that responsibility lies to devise a reasonable and workable pension system.

THE SOLUTIONS

The defects of the present pay-as-you-go system have long been recognized. As long as 20 years ago, my predecessor as chairman of the Senate body with jurisdiction over the District of Columbia, Senator Alan Bible, expressed concern over the District's retirement systems and initiated a thorough study of them.

Five years ago, the Nelsen commission criticized the retirement plans and made suggestions for improvements. These suggestions were acted upon by then-Congressman Thomas M. Rees, who introduced reform legislation in 1974. As a consequence of Congressman Rees' diligence, a bill providing for major improvements finally passed the House of

Representatives earlier this year. During this period, the District government has also been working on reforms of the retirement systems.

This House bill, H.R. 6536, is now before the Subcommittee on Government Efficiency and the District of Columbia, as is an identical bill introduced in the Senate by my long-time colleague in these matters, Senator MATHIAS, of Maryland. These bills address virtually every detail of the pension programs from overall cost down to the minutest calculations of benefits under almost any conceivable set of circumstances. This is a commendable approach; I favor virtually all of these provisions in these bills and I hope that they are eventually put into place. But I do not think it is up to Congress to specify benefits and procedures in such myriad and microscopic detail.

I think my bill not only will be more effective in safeguarding the Federal interest, but is also more consistent with home rule and provides the District government with the flexibility it needs to achieve even greater savings in the future. My bill makes no changes in years of service, benefit calculations for normal retirement, or vesting even for persons not yet hired. The District is under a mandate to develop an independent personnel system for all of its employees by January 2, 1980. The precise form of retirement benefits should be worked out in negotiations between the District and its employees, and not preempted or imposed by Congress. Since they will eventually shoulder the full and continuing cost of the program, local taxpayers should participate through their now elected representatives on the scope and benefit of the retirement plans.

My bill, therefore, concentrates principally on Congress rightful interest, the Federal participation. It sets the bounds on what can be done, while leaving the internal structure to the District and its elected government. My bill authorizes Federal funds for the Federal share of the unfunded liability as of the date of home rule (January 2, 1975) and requires sound funding on a current basis of all benefits earned henceforth. We are saying to the District, we will atone for the Congress share of mistakes over the years in failing to put pensions on a sound footing, but we are going to try to keep you from repeating those mistakes in the future. Under this bill, any increase in benefits—even if not payable for 20 or 30 years—would have to be salted away in a trust fund beginning immediately. This will put a premium on sound financial management and could induce the District not to affect the benefits of present employees, which are among the highest in the Nation, but to scale them down for future employees.

In one area though, there is such widespread agreement on the need for improvement that the bill does address the details of the problem, and that is the disability retirement provisions. At present, more than 4 out of 5 retired policemen and firemen are retired on full disability and drawing up to 70 percent of the salaries they would be receiving today had they stayed on the force, and these benefits are tax free. The disability retirement for teachers is less generous and less abused, but still subject to improvement. My bill rationalizes the disability retirement provisions which will save millions of dollars annually, while not cutting any benefits for the retiree who is truly disabled.

Finally, the bill addresses a problem not anticipated when the current pension legislation was enacted: Runaway inflation. Under existing law, pensions have increased more rapidly than prices generally. My bill puts all future cost-of-living increases on a straight Consumer Price Index basis.

To reemphasize, my bill contains many of the same provisions as the House bill and Senator MATHIAS' bill on establishment and control of the retirement boards and retirement funds. As with these other bills, my bill provides for trust funds to manage and disburse the moneys for future pensions. Although my adoption of the House provisions indicates that I am generally in accord, I nevertheless intend to examine them closely in hearings to be held on these bills.

By Mr. HEINZ (for himself, Mr. RANDOLPH, Mr. BAYH, Mr. PERCY, Mr. GLENN, Mr. METZENBAUM, Mr. ANDERSON, Mr. STEVENSON, Mr. MOYNIHAN, Mr. DECONCINI, Mr. SCHWEIKER, Mr. HATCH, and Mr. ALLEN):

S. 2317. A bill to amend the Antidumping Act of 1921, the Trade Act of 1974, and the Tariff Act of 1930 to improve procedures relating to the determination of certain unfair foreign trade practices; to the Committee on Finance.

Mr. HEINZ. Mr. President, on September 28, 17 Senators convened in the Capitol at the invitation of Senators RANDOLPH, GLENN, METZENBAUM, and myself to form the Senate steel caucus. Our motivation at the time was the unprecedented crisis in the steel industry which was causing massive layoffs (over 20,000 to date), large losses and plant shutdowns. At that time, we resolved to take action to deal with the serious problems confronting the industry and to make sure they were brought to the President's attention.

We have clearly had results with respect to the latter, as the President met first with the organizers of the House and Senate caucuses, along with industry and labor leaders, and subsequently with a larger group of Senators and Congressmen, to learn about steel problems and discuss solutions. The President has appointed Treasury Under Secretary Soloman head of a task force to develop a plan for the steel industry, and I am confident that it will propose some useful initiatives when it makes its recommendations at the end of the month.

At the same time, however, we cannot simply sit and wait for the administration to act, as it has been demonstrably slow to do so in the past. Therefore, the caucus leadership has continued working together to develop legislative proposals. Today we are introducing the first two bills, and we anticipate more will follow.

My colleague, the Senator from Indiana (Mr. BAYH) has explained in his remarks today details of both the Buy American Act amendments which he is introducing along with Senators HEINZ, RANDOLPH, ANDERSON, DECONCINI, SCHWEIKER, HATCH and ALLEN; and the Trade Procedures Reform Act, which I am introducing along with Senators RANDOLPH, BAYH, GLENN, METZENBAUM, ANDERSON, STEVENSON, MOYNIHAN, DECONCINI, SCHWEIKER, HATCH, ALLEN, and PERCY.

The purpose of these bills is to deal in part with two of the industry's three critical problem areas. The latter bill, the Trade Procedures Reform Act, is intended to help us cope with trade and import problems by streamlining investigatory procedures and making the imposition of penalties swifter and surer. The bill does not expand the scope of existing trade statutes; if anything it simplifies those laws and strengthens them to make sure they, in fact, have the originally intended impact.

The second bill, the Buy American Act amendments, will help increase steel demand, the industry's second major problem. By extending the act and making some current practices statutory rather than administrative, the Government will have a stronger mandate to buy American, and thus will lead the way in increasing steel purchases. In introducing this bill we recognize that it is an imperfect product. We are convinced, however, that the Buy American Act amendments needs a careful examination and overhaul, and we regard this bill as a vehicle to help achieve that purpose. The bill will be referred to the Governmental Affairs Subcommittee on Federal Spending Practices, of which I am ranking minority member, and I have already obtained a commitment from the chairman, the Senator from Florida (Mr. CHILES), to hold hearings on the bill. As a result, my staff on the subcommittee will be looking at the Buy American Act in detail in preparation for those hearings, and I am hopeful we can develop a bill in subcommittee that will fully meet our objectives.

The third problem area we have not thus far dealt with is modernization. Suffice it to say at this point that caucus work in this area is continuing, and that we are looking at a variety of alternatives—tax incentives, rapid amortization, loans, loan guarantees, industrial development bonds, et cetera—as possible legislation. One basic principle we intend to adhere to, however, is to tie such assistance to existing sites and facilities. The Council on Wage and Price Stability study on steel showed clearly the bad economics of building "green-

field" plants, and we have no intention of assisting the industry in a way that will enable it to abandon the workers and communities who have stuck with it during the crisis.

These two bills obviously do not represent a total package. That will come. But they do represent a start, a responsible restrained beginning that will help to put the industry back on its feet. I am pleased at the support generated for these bills thus far, and I am hopeful for their quick consideration.

Mr. President, I ask that summaries of the two bills and the text of the Trade Procedures Reform Act be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2317

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Trade Procedures Reform Act".

SEC. 2. AMENDMENT OF ANTIDUMPING ACT OF 1921.

(a) Conditional Payment of Special Antidumping Duty.—Section 208 of the Antidumping Act, 1921 (19 U.S.C. 167) is amended to read as follows:

"CONDITIONAL PAYMENT OF ANTIDUMPING DUTY ON ENTRY

"(a) In the case of all imported merchandise, whether dutiable or free of duty, of a class or kind as to which the Secretary of the Treasury has made public an initial determination as provided in section 201, and delivery of which has not been made by the appropriate customs officer before such initial determination has been so made public, unless the person by whom or for whose account such merchandise is imported makes oath before such customs officer, under regulations prescribed by the Secretary, that he is not an exporter, or unless such person declares under oath at the time of entry, under regulations prescribed by the Secretary, the exporter's sales price of such merchandise, it shall be unlawful for such customs officer to deliver the merchandise until such person has paid to such customs officer the full amount of estimated special duty, if any, which would be imposed under this title upon such merchandise if such initial determination were, upon final determination, to be upheld, and has made oath before such customs officer, under regulations prescribed by the Secretary, that the merchandise has not been sold or agreed to be sold by such person that—

"(1) he will report to such customs officer the exporter's sales price of the merchandise within 30 days after such merchandise has been sold or agreed to be sold in the United States, and

"(2) he will furnish to such customs officer such information as may be in his possession and may be necessary for the ascertainment of such duty, and will keep such records as to the sale of such merchandise as the Secretary may by regulation prescribe.

"(b) If, upon final determination, the finding is not upheld, the amount of special dumping duty paid under subsection (a) shall be returned to such person with interest, from the date on which the duty was paid, allowed and paid at the annual rate established under section 6621 of the Internal Revenue Code of 1954 in effect on the date on which such duty was paid.".

(b) Appraisal on an Across-the-board Basis.—Section 209 of such Act (19 U.S.C. 168) is amended by adding at the end thereof the following new sentence: "The foreign market value, the constructed value, the purchase price, and the exporter's sales price, may be ascertained, estimated, and appraised on an across-the-board basis, taking into account all shipments of the same products, in any appropriate case, as determined by such officer.".

(c) Initial Assessment Data.—Section 202 of such Act (19 U.S.C. 161) is amended by adding at the end thereof the following new subsection:

"(d) In determining the amount of the special dumping duty which may be levied under subsection (a), the Secretary may use figures, amounts, and other data developed by the investigation under section 201 if such figures, amounts, and other relevant data are revised not less frequently than annually.".

(e) Elimination of Interim Injury Referral.—Subsection (c) of section 201 of such Act (19 U.S.C. 160(c)) is amended by striking out "(c)(1)" and inserting in lieu thereof "(c)" and by striking out paragraph (2).

(f) Simultaneous Investigation by Secretary and International Trade Commission.—Section 201 of such Act (19 U.S.C. 160) is amended—

(1) by striking out "determines" in subsection (a) and inserting in lieu thereof "makes an initial determination",

(2) by striking out "determine" in subsection (b)(1)(A) and inserting in lieu thereof "make an initial determination as to",

(3) by striking out "determination" in subparagraphs (B) and (C) of subsection (b)(1) and in paragraph (2) of subsection (b) and inserting in lieu thereof "initial determination", and

(4) by striking out "a determination" in subsection (b)(3) and inserting in lieu thereof "an initial determination".

(g) Annual Report.—Title II of such Act (19 U.S.C. 160 et seq.) is amended by redesignating section 213 as 214, and by inserting after section 212 the following new section:

"ANNUAL REPORT

"SEC. 213. The Secretary of the Treasury shall report to the Congress annually with respect to enforcement actions undertaken under the provisions of this title for the preceding year, including, but not limited to, the amount of special dumping duties collected and not refunded, the average length of time required for an investigation, the number of cases considered, the disposition of cases considered, the number of follow-up investigations conducted, and the status of such investigations.".

SEC. 3. CONGRESSIONAL REVIEW OF IMPORT RELIEF REDUCTION OR TERMINATION DECISIONS.

Paragraph (4) of section 203(h) of the Trade Act of 1974 (19 U.S.C. 2253(h)(4)) is amended to read as follows:

"(4) The President may reduce or terminate any import relief provided pursuant to this section if—

"(A) the President determines, after taking into account the advice received from the Commission under subsection (i)(2) and after seeking advice of the Secretary of Commerce and the Secretary of Labor, that such reduction or termination is in the national interest;

"(B) within 30 days after the receipt of all of the advice specified in subparagraph (A), the President transmits to the Congress a document setting forth his intention to reduce or terminate such import relief and the reasons for such proposed action, as well as the advice received from the Commission, the Secretary of Commerce, and the Secretary of Labor, and

"(C) both Houses of Congress (within the 30-day period following the date on which the document referred to in subparagraph (B) is transmitted to the Congress) have not adopted, by an affirmative vote of a majority of the Members of each House present and voting, a concurrent resolution disapproving the action proposed by the President in such document.

The President may not request a review of a particular section 201 decision more than once during any twelve month period.".

SEC. 4. CONGRESSIONAL PROCEDURES.

(a) Disapproval Resolutions.—Paragraph (2) of section 152(a) of the Trade Act of 1974 (19 U.S.C. 2192(a)(2)) is amended—

(1) by striking out "and" in subparagraph (A);

(2) by redesignating subparagraph (B) as subparagraph (C); and

(3) by inserting after subparagraph (A) the following new subparagraph:

"(B) in the case of a resolution referred to in section 203(h)(4), with the phrase "the action proposed by the President under section 203(h)(4) of the Trade Act of 1974; and".

(b) Special Rules.—Section 154 of the Trade Act of 1974 (19 U.S.C. 2194) is amended—

(1) by inserting "203(h)(4)(B)," after "203(b)," in subsection (a); and

(2) by inserting "203(h)(4)(C)," after "203(c)," in subsection (b).

SEC. 5. REVIEW OF CERTAIN ALLEGATIONS.

(a) Procedure and Schedule.—Paragraph (2) of section 301(d) of the Trade Act of 1974 (19 U.S.C. 2411) is amended to read as follows:

"(2)(A) Within 45 days after a complaint is filed by any interested party with the Special Representative for Trade Negotiations, the Special Representative shall begin a review of the alleged restriction, act, policy, or practice, and, at the request of the complainant, shall conduct public hearings thereon. The Special Representative shall have a copy of each such complaint published in the Federal Register.

"(B) Within six months after the initiation of the review of an alleged restriction, policy, or practice under subparagraph (A), the Special Representative shall conclude any such review and transmit its determination to the President along with recommendations, if any, for action under subsection (a).

"(C) The Special Representative shall issue regulations concerning the filing of complaints and the conduct of reviews and hearings under this paragraph, and shall submit a report to the House of Representatives and the Senate semi-annually summarizing the reviews and hearings conducted by it under this paragraph during the preceding 6-month period.

(b) Hearings.—Paragraph (2) of section 301(e) of such Act (19 U.S.C. 241(e)(2)) is amended to read as follows:

"(2) Upon request by any interested person, he shall provide for appropriate hearings with respect to the taking of action with respect to such product or service within 45 days after his receipt of determination under subsection (d).

SEC. 6. TIME LIMITS FOR INITIATING INVESTIGATION OF CERTAIN TARIFF ACT VIOLATIONS.

Paragraph (3) of section 303(a) of the Tariff Act of 1930 (19 U.S.C. 1303) is amended to read as follows:

"(3) In the case of any imported article or merchandise as to which the Secretary of the Treasury (hereafter in this section re-

ferred to as the 'Secretary') has not determined whether or not any bounty or grant is being paid or bestowed—

"(A) within 30 days after the filing of a petition by any person setting forth his belief that a bounty or grant is being paid or bestowed, or

"(B) within 30 days after the receipt of information presented to the Secretary or to any person to whom authority under this section has been delegated which warrants a formal investigation into the question of whether a bounty or grant is being paid or bestowed,

the Secretary shall initiate a formal investigation to determine whether or not any bounty or grant is being paid or bestowed and shall publish in the Federal Register notice of the initiation of such investigation.".

SEC. 7. TIME LIMIT FOR INITIATING CERTAIN INTERNATIONAL TRADE COMMISSION INVESTIGATIONS.

The first sentence of paragraph (1) of section 337(b) of the Tariff Act of 1930 (19 U.S.C. 1337) is amended—

(1) by striking out "shall investigate" and inserting in lieu thereof "shall commence an investigation", and

(2) by striking out "on" and inserting in lieu thereof "within 30 days after the receipt of a".

SUMMARY OF TRADE PROCEDURES REFORM ACT

In general, the purpose of the bill is to streamline the processes by which certain trade complaints are considered and to amend the Antidumping Act of 1921 to improve the timetables for both investigations and imposition of duties.

A. AMENDMENTS TO TRADE ACTS

(1) Although section 201 of the Trade Act of 1974 (escape clause section) provides for a two-House Congressional override of a Presidential decision, section 203, which permits the President to revise or revoke his earlier decision, has no override provision. This amendment creates such a procedure similar to that in section 201, and in addition (a) permits the President to make such a redetermination only once every twelve months, and (b) provides that the Presidential determination must be made within 30 days of receiving the required advice from the International Trade Commission (ITC) and Departments of Labor and Commerce.

This amendment is particularly relevant to the pending specialty steel case.

(2) Section 301 of the Trade Act of 1974, dealing with trade discrimination cases, currently contains no time limits. This amendment would give the Special Trade Representative 45 days to begin an investigation of a complaint, 6 months to finish it, and 45 days to begin hearings reviewing the STR determination. This amendment imposes no time limit on Presidential action pursuant to any STR determination.

(3) Section 303 of the Tariff Act of 1930, relating to countervailing duties, is amended by requiring that a Treasury investigation must begin within 30 days of receipt of a complaint or petition.

(4) Section 337 of the Tariff Act of 1930, relating to unfair methods of competition, is amended by requiring that any investigation begin within 30 days of receipt of a complaint.

B. AMENDMENTS TO THE ANTIDUMPING ACT OF 1921

(1) The Act is amended to require that after a tentative finding of dumping, instead of requiring a bond to cover prospective duties, the full amount of estimated dumping duties will be held in escrow pending a final determination. This will significantly increase the financial burden on the foreign manufacturer.

(2) The Act is amended to require that after a final determination of dumping, an across-the-board assessment of duties based on the fair value data compiled during the dumping investigation be conducted rather than the current system of case-by-case assessment based on new figures.

(3) This amendment changes the Act to speed up the investigatory process by making Treasury's 3 month final determination process and the ITC's 3 month injury investigation concurrent rather than consecutive. This would cut 3 months off the current 13 month investigatory process.

(4) The Act is amended to eliminate the possibility of interim referral to the ITC during the 6 month Treasury investigatory process (section 321(c)(2)).

(5) The Act is amended to require an annual Treasury Department report of its actions to enforce the Act and the results of those actions.

BUY AMERICAN ACT OF AMENDMENTS OF 1977

SUMMARY

This Bill will:

(1) Amend the 1933 "Buy America Act" to extend it to an contract, more than one-half of which is financed by appropriations, subsidies, loans or grants from, or loans insured or guaranteed by the United States or any agency or instrumentality thereof.

(2) Define an article, material or supply to have been mined, produced or manufactured in the United States if the costs of the components, mined, produced or manufactured in the United States exceeds 75 percentum of the cost of all components.

(3) Statutorily establish a preference floor of 15 per centum and a ceiling of 50 per centum of the value of the contract for articles, materials or supplies mined, produced or manufactured in the United States.

This provision of the bill will not be limited to the steel industry.

IMPACT

The importance of extending preferences to domestic materials in state and local procurements is highlighted by the partial listing of public works projects which receive substantial federal funding, but, because the procurements are handled by state and local public bodies, no preference for domestic goods is required:

PARTIAL LISTING OF PUBLIC WORKS PROJECTS

ENABLING STATUTE	FISCAL YEAR 1977 APPROPRIATIONS	PROJECTS
Public Works Development Act of 1976	$2.5 billion	Municipal office buildings, court houses, libraries, detention facilities, health centers, waste water treatment, and similar public facilities to be owned by state and local public bodies
Federal aid to highways	$6.6 billion	Interstate and state highway construction
Urban Mass Transportation Fund	$1.5 billion	Mass transit
Federal Housing Acts of 1949 and 1950	Over $1 billion	Urban renewal projects and housing for the elderly and disadvantaged
Housing and Urban Development Act of 1965	Over $350 million	Water and sewage facilities
Demonstration Cities and Metropolitan Development Act of 1966	Over $575 million	Model cities/urban renewal construction

Mr. GLENN. Mr. President, I join my colleagues, Senators RANDOLPH, BAYH, METZENBAUM, and HEINZ, in introducing the Trade Procedures Reform Act. The purpose of this act is to render our trade procedures consistent with the intent of our trade laws, and to make them responsive to the pressing problems of U.S. industry in the face of unfair foreign competition. This problem is particularly acute in the steel industry, and the bill, if enacted, would provide some relief for workers whose jobs are threatened by imports. The bill consists of procedural reforms that streamline the processes whereby certain trade complaints are considered, and provides for more effective penalties when violations are found.

The bill introduces badly needed reforms that will strengthen Federal procedures governing the investigation and prosecution of trade violations. It preserves the President's powers to negotiate complex international trade problems and strengthens congressional overview of the enforcement of our trade statutes. It clarifies and, where possible, reduces the time guidelines for the initiation, administration, and conclusion of trade procedures. In addition to providing for more responsive and vigorous enforcement of existing legislation, this bill changes the timing and amount of penalties applied to trade violations to enhance the effectiveness of these penalties as deterrents to unfair foreign competition.

In the course of our deliberations on this bill we consulted with representatives of the administration and with professional and legal representatives of industry. We found widespread agreement that our trade procedures are in need of reform and that a more aggressive approach to unfair trade practices is in order. Let me briefly outline my reasons for supporting the changes in existing trade procedures that are contained in this bill.

The Trade Procedures Reform Act amends the Anti-Dumping Act of 1921 to require that after a tentative finding of dumping, the full amount of estimated dumping duties will be held in escrow pending final determination. This requirement differs from existing procedures whereby a tentative finding of dumping requires the posting of a bond to cover prospective duties. This change in procedures establishes a deterrent to dumping that is more effective than that posed by current procedures.

This bill also insures that our anti-

dumping procedures operate in a timely fashion. Under current practices the full amount of dumping duties is not collected until after: First, the conclusion of Treasury's final determination of dumping; second, ITC's determination of injury to American industry as a consequence of dumping; and third, the Customs Service's calculation of duties to be assessed. The latter procedure requires an analysis of all import transactions involving the goods in question on a current price comparison basis. Thus, following the investigations and determinations by Treasury and the ITC, the Customs Service must gather new figures that take into account variations and/or changes in the costs of merchandising, advertising, and other factors of production that have arisen since the Treasury's tentative determination that dumping has occurred. These item-by-item price comparisons and adjustments slow down the duties assessment process and frequently result in the lowering or dissolution of dumping margins.

The Trade Procedures Reform Act addresses the problems of the timeliness and accuracy of our current procedures by requiring that the assessment of duties be based on the "fair value" data compiled during the tentative determination of dumping, and that these duties be applied across the board to all the import goods in question. It further accelerates the administration of anti-dumping procedures by requiring that the International Trade Commission and the U.S. Treasury Department conduct their investigations of alleged trade act violations and their injury to American manufacturers concurrently rather than consecutively.

The bill also renders our trade procedures more responsive to legislative intent by authorizing congressional override of Presidential decisions to lift or alter import quotas—section 203 of the Trade Act of 1974. This is consistent with the existing authority Congress has to override certain Presidential decisions relating to the imposition of those quotas in the first instance. The theory underlying this portion of the bill is that if Congress has power to act with regard to the initial imposition of quotas, it should also have power to act with respect to subsequent modifications of them. The bill also requires the various agencies dealing with trade matters to report to Congress their actions in the enforcement of our trade laws.

The bill streamlines other trade complaint procedures by establishing statutory time guidelines for the initiation of investigations relating to countervailing duties (section 303 of the Tariff Act of 1930) and unfair methods of competition (section 337 of the Tariff Act of 1930). The institution of such guidelines accords with the President's mandate that the various agencies handling trade complaints do so in an expedient manner. Moreover, it responds to the needs of American manufacturers for quick and fair relief from unfair trade practices.

In addition, the bill establishes time guidelines for the administration of trade complaints by the President's Special Trade Representative. Our amendments to the procedures administered by the Special Trade Representative recognize the special needs of this office. As a negotiating agency involved in sensitive international trade negotiations, the Special Trade Representative needs flexibility with regard to time guidelines and external pressures. We do not believe that this need is incompatible with the imposition of time guidelines on its investigations. Our proposed legislation leaves intact the President's and the Special Trade Representative's latitude for actions, and their timing, after any determination of unfair trade practices by the Special Trade Representative. It does prevent the Special Trade Representative from "burying" complaints and requires the Office of the Special Trade Representative to conclude its investigations within 6 months after their initiation. This insures that all valid complaints will receive a fair hearing and that such hearings will be concluded within a reasonable period of time.

Mr. President, the peaceful realization of the world's material ambitions demands the establishment and timely enforcement of rules of fair dealing. This bill brings us closer to the realization of that goal.

By Mr. BAYH (for himself, Mr. HEINZ, Mr. RANDOLPH, Mr. ANDERSON, Mr. DECONCINI, Mr. SCHWEIKER, Mr. HATCH, and Mr. ALLEN):

S. 2318. A bill to amend title III of the act of March 3, 1933, known as the "Buy American Act," to require the heads of Federal agencies to issue certain regulations respecting the purchase of material made in the United States, to permit the States to give preference to such materials, to require that certain State purchases made with Federal funds be subject to the Buy American Act, and for other purposes; to the Committee on Governmental Affairs.

TRADE PROCEDURES REFORM ACT AND THE BUY AMERICAN ACT AMENDMENTS

Mr. BAYH. Mr. President, today we are introducing legislation which I believe will ease the crisis now facing the steel industry. For Indiana, the problems of the steel industry are especially serious because my State is the second largest steel producer in the country. Some 70,000 Hoosiers are employed by the steel industry, and it is no secret to them that the steel industry in America is in trouble.

Nationwide, during this year alone some 90,000 steelworkers are reported to have lost their jobs. A number of factors have contributed to this situation and predatory pricing practices rank high among them. For this reason one of the bills being introduced today by my able colleague from Pennsylvania, Mr. HEINZ, is designed to streamline the processes by which certain trade complaints are considered and to amend the Anti-dumping Act of 1921 to improve the timetables for both investigations and imposition of duties.

The Trade Procedures Reform Act will make changes in the Trade Act of 1974, the Tariff Act of 1930 and the Anti-dumping Act of 1921 which, I believe, will provide more effective remedies for unfair trade practices of foreign competitors. Such improvements will encourage greater utilization by domestic firms of these remedies and enhance protection against illegal and unfair pricing policies by foreign competitors in a consistent and timely manner.

In addition to improving the effectiveness of remedies available to domestic industry, I also believe it would be helpful to take a careful look at the demand aspect of the steel problem since capacity underutilization is mentioned prominently as a factor in the present situation. The Buy American Act Amendments of 1977 which I am introducing concurrently with the Trade Procedures Reform Act will expand the present statute to State and local government agencies receiving in excess of 50 percent of Federal funding for their operations. In addition, this bill will set a statutory definition for a domestically manufactured product. It will also establish a preference differential of not less than 15 and not more than 50 percent regulating the use of public purchases involving Federal funds. These amendments will constitute a useful vehicle to determine the extent to which the Federal Government can assist the steel industry by making sure public funds do not go to purchase foreign products sold at less than fair market value prices.

The legislation we are introducing is an important part of the overall national commitment to get our steel industry back on its feet. The adjustments we must make will not be easy because of the nature of the world economy and the nature of the steel industry, itself. However, we have an obligation to the American steel producing community and consumers of the product to make positive recommendations and act as a full partner with the administration in the formulation of a comprehensive and comprehensible industrial policy which the American people can understand and support. While other issues such as capital formation necessary for plant modernization must also be addressed, we believe the initiatives taken today represent steps in the right direction toward an effective solution to the present crisis.

Mr. President, at this point I ask unanimous consent that the bill, a factsheet on the northwest Indiana Steel industry, summaries of the Trade Procedures Reform Act as well as the Buy American Act Amendments, and that copies of letters which I have written to Secretary of the Treasury Blumenthal and a letter to the General Accounting Office be inserted in the RECORD.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

Factsheet northwestern Indiana steel industry

State	Net tons	Percent
Pennsylvania	26,696,000	20.9
Ohio	22,419,000	17.5
Indiana	*22,178,000	17.3
Illinois	11,030,000	8.6
Michigan	10,382,000	8.1
All other States	35,295,000	27.6
Total	128,000,000	100.0

*The recent cutback of steel production in Ohio by Youngstown will make Indiana the Nation's No. 2 steel producing State.

The above figures represent only raw steel production. There are many steel companies in Indiana that produce and ship only finished steel products. For example, Midwest Steel in Portage shipped 1,300,000 tons of finished steel products in 1976.

EMPLOYMENT OF FIVE MAJOR STEEL PRODUCERS IN NORTHWEST INDIANA

U.S. Steel	23,570
Inland	22,700
Youngstown	9,000
Bethlehem	7,800
Midwest	1,850
Total	64,920

The combined annual payrolls of those five firms in 1976 totaled $1,157,000,000.

SUMMARY OF TRADE PROCEDURES REFORM ACT

In general, the purpose of the bill is to streamline the processes by which certain trade complaints are considered and to amend the Antidumping Act of 1921 to improve the timetables for both investigations and imposition of duties.

A. Amendments to Trade Acts.

(1) Although section 201 of the Trade Act of 1974 (escape clause section) provides for a two-House Congressional override of a Presidential decision, section 203, which permits the President to revise or revoke his earlier decision, has no override provision. This amendment creates such a procedure similar to that in section 201, and in addition (a) permits the President to make such a redetermination only once every twelve months, and (b) provides that the Presidential determination must be made within 30 days of receiving the required advice from the International Trade Commission (ITC) and Departments of Labor and Commerce.

This amendment is particularly relevant to the pending specialty steel case.

(2) Section 301 of the Trade Act of 1974, dealing with trade discrimination cases, currently contains no time limits. This amendment would give the Special Trade Representative 45 days to begin an investigation of a complaint, 6 months to finish it, and 45 days to begin hearings reviewing the STR determination. This amendment imposes no time limit on Presidential action pursuant to any STR determination.

(3) Section 303 of the Tariff Act of 1930, relating to countervailing duties, is amended by requiring that a Treasury investigation must begin within 30 days of receipt of a complaint or petition.

(4) Section 337 of the Tariff Act of 1930, relating to unfair methods of competition, is amended by requiring that any investigation begin within 30 days of receipt of a complaint.

B. Amendments to the Antidumping Act of 1921.

(1) The Act is amended to require that after a tentative finding of dumping, instead of requiring a bond to cover prospective duties, the full amount of estimated dumping duties will be held in escrow pending a final determination. This will significantly increase the financial burden on the foreign manufacturer.

(2) The Act is amended to require that after a final determination of dumping, an across-the-board assessment of duties based on the fair value data compiled during the dumping investigation be conducted rather than the current system of case-by-case assessment based on new figures.

(3) This amendment changes the Act to speed up the investigatory process by making Treasury's 3 month final determination process and the ITC's 3 month injury investigation concurrent rather than consecutive. This would cut 3 months off the current 13 month investigatory process.

(4) The Act is amended to eliminate the possibility of interim referral to the ITC during the 6 month Treasury investigatory process (section 321(c)(2)).

(5) The Act is amended to require an annual Treasury Department report of its actions to enforce the Act and the results of those actions.

BUY AMERICAN ACT AMENDMENTS OF 1977

SUMMARY

This Bill will:

(1) Amend the 1933 "Buy America Act" to extend it to any contract, more than one-half of which is financed by appropriations, subsidies, loans or grants from, or loans insured or guaranteed by the United States or any agency or instrumentality thereof.

(2) Define an article, material or supply to have been mined, produced or manufactured in the United States if the costs of the components, mined, produced or manufactured in the United States if the costs of the components, mined, produced or manufactured in the United States exceeds 75 per centum of the cost of all components.

(3) Statutorily establish a preference floor of 15 percentum and a ceiling of 50 per centum of the value of the contract for articles, materials or supplies mined, produced or manufactured in the United States.

This provision of the bill will not be limited to the steel industry.

IMPACT

The importance of extending preferences to domestic materials in state and local procurements is highlighted by the partial listing of public works projects which receive substantial federal funding, but, because the procurements are handled by state and local public bodies, no preference for domestic goods is required:

Enabling Statute	*FY 1977 Appropriations*	*Projects*
Public Works Development Act of 1976	$2.5 billion	Municipal office buildings, court houses, libraries, detention facilities, health centers, waste water treatment, and similar public facilities to be owned by state and local public bodies
Federal aid to highways	$6.6 billion	Interstate and state highway construction
Urban Mass Transportation Fund		Mass transit
Federal Housing Acts of 1949 and 1950	Over $1 billion	Urban renewal projects and housing for the elderly and disadvantaged
Housing and Urban Development Act of 1965	Over $350 million	Water and sewage facilities
Demonstration Cities and Metropolitan Development Act of 1966	Over $575 million	Model cities/urban renewal construction

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Guam, the Northern Mariana Islands, or any States;

S. 2318

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Buy American Act Amendments of 1977".

SEC. 2. Sections 1 and 2 of title III of the Act of March 3, 1933 (41 U.S.C. 10c and 10a), hereinafter in this Act referred to as the "Buy American Act", are amended to read as follows:

"SECTION 1. For purposes of this title—

"(1) the term 'State' means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, the Canal Zone, the Virgin Islands, other territory or possession of the United

"(2) the term 'material of domestic origin' means any material which has been mined, produced, or manufactured in any State unless the cost of the foreign products (if any) used in mining, producing, or manufacturing such material constitutes more than 25 per centum of the cost of all the products used in such material;

"(3) the term 'material' includes any article or supply; and

"(4) the term 'department or independent establishment' means any executive agency (as defined in section 105 of title 5, United States Code) or any military department (as defined in section 102 of such title).

"SEC. 2. (a) Notwithstanding any other provision of law, and unless the head of the department or independent establishment concerned shall determine it to be inconsistent with the public interest or the cost to be unreasonable, only materials of domestic origin shall be acquired for public use.

"(b)(1) The head of each department or independent establishment shall issue regulations which provide that, for purposes of subsection (a) of this section, the bid or offered price of any material of domestic origin shall not be deemed to be unreasonable if such bid or offered price does not exceed the sum of (A) the bid or offered price of like materials of foreign origin (including any applicable duty) and (B) the differential defined in paragraph (2) of this paragraph.

"(2) The differential referred to in paragraph (1) of this subsection is an amount (as determined by the head of the department or independent establishment) which is not less than 15 per centum and not more than 50 per centum of the bid or offered price of such materials of foreign origin (including any applicable duty).

"(c) This section shall not apply with respect to materials for use outside the United States or if materials of domestic origin of the class or kind to be used are not of a satisfactory quality or are not commercially available in sufficient quantities.".

SEC. 3. Section 3(a) of the Buy American Act (41 U.S.C. 10b(a)) is amended—

(1) by inserting "(1)" after "(a)";

(2) by striking out "in the United States" where it first appears and inserting in lieu thereof "in any State";

(3) by striking out ", shall use only such unmanufactured articles" and all that follows in such section and inserting in lieu thereof: "shall use only materials of domestic origin. However, if the head of the department or independent establishment making the contract finds that in respect to some particular material such requirement would unreasonably increase the cost, or if such person finds that materials of domestic origin of the class or kind to be used are not of a satisfactory quality or are not commercially available in sufficient quantities, an exception shall be noted in the specifications as to that particular material, and a public record made of the findings which justified the exception."; and

(4) by adding after paragraph (1), as so redesignated, the following new paragraph:

"(2) In determining whether the requirement described in paragraph (1) of this subsection would unreasonably increase the cost of the project, the head of the department or independent establishment shall apply the same standards as such person applies in determining for purposes of section 2 of this Act whether the bid or offered price of any material of domestic origin is unreasonable.".

SEC. 4. The Buy American Act is amended by redesignating sections 4 and 5 as sections 6 and 7, respectively, and by inserting after section 3 the following new sections:

"SEC. 4. (a)(1) Sections 2 and 3 of this title shall apply to the acquisition of materials for public use by any State or political subdivision thereof and to every contract entered into by any State or political subdivision thereof for the construction, alteration, or repair of any public building or public work if more than 50 per centum of the financing for such material, building, or work comes from any Federal financial assistance received after the date of the enactment of this section.

"(2) If paragraph (1) of this subsection makes section 2 or 3 of this title applicable to the acquisition by any State or political subdivision thereof of materials for public use or to any contract entered into by any State or political subdivision thereof for the construction, alteration, or repair of any public building or public work, the State or political subdivision concerned shall be responsible for making the determinations required under sections 2 and 3 of this title. Any such determination shall be made in accordance with the applicable regulations of the department or independent establishment which provides the largest share of Federal financial assistance for the particular material, building, or work. If any requirement imposed by the State (or by any political subdivision thereof) making such determinations provides for a greater preference for materials of domestic origin than is required by the regulations of such department or independent establishment, such requirement shall be applicable in lieu of such regulations.

"(b) The head of each department and independent establishment shall take such actions as may be necessary to notify each State and political subdivision thereof which receives Federal financial assistance of the provisions of this section.

"(c) Any State or political subdivision thereof which fails to comply with the requirements of subsection (a) of this section shall be liable to the United States for the repayment of any money spent in violation of such requirements. Any determination that any State or political subdivision thereof failed to comply with such requirements shall be made on the record by the department or independent establishment which provided such money to such entity after such department or independent establishment has provided such entity with an opportunity for a hearing.

"SEC. 5. The provisions of this Act shall not supersede the provisions of any treaty entered into by the Government of the United States on or before the date of the enactment of this section.".

COMMITTEE ON GOVERNMENTAL AFFAIRS, SUBCOMMITTEE ON FEDERAL SPENDING PRACTICES AND OPEN GOVERNMENT,
Washington, D.C., November 4, 1977.

Hon. ELMER B. STAATS,
Comptroller General of the United States General Accounting Office, Washington, D.C.

DEAR MR. STAATS: We are writing to ask the General Accounting Office to undertake a thorough review of the Antidumping Act of 1921, as amended, and the Treasury Department's administration of it.

Though we are interested in your evaluation of the entire Act and Treasury's performance in enforcing it, we particularly call your attention to:

(1) the length of time of dumping investigations and the number of occasions they have exceeded statutory limits;

(2) the bonding requirement pursuant to a tentative or permanent finding of dumping, whether the amounts required are sufficiently high, and whether the amounts of the bonds are consistent from case to case;

(3) problems associated with assessing dumping duties, particularly the time lag involved in the assessment process;

(4) the effect on retail or wholesale prices of merchandise which has been a) subject to a bond pursuant to a finding of dumping, or b) subject to dumping duties;

(5) the degree of cooperation from foreign governments in obtaining the data necessary to conclude a dumping investigation; and

(6) the frequency of revocation of dumping findings, if any.

As you will note, these questions concern both the adequacy of the statute and Treasury's administration of it. Although our concern is prompted by the crisis in the steel industry, we do not wish you to limit the scope of your inquiry only to those cases involving steel. However, the seriousness of the problems in that industry makes time an important issue, and we hope you can complete this task quickly.

Sincerely,

BIRCH BAYH,
JOHN GLENN,
H. JOHN HEINZ III,
HOWARD M. METZENBAUM,
JENNINGS RANDOLPH,
U.S. Senators.

By Mr. BUMPERS:

S. 2319. A bill to amend the Internal Revenue Code of 1954, as amended; to the Committee on Finance.

Mr. BUMPERS. Mr. President, I am today introducing a bill designed to eliminate an inconsistency in the Internal Revenue Code's treatment of pollution control facilities. The construction of pollution control facilities is encouraged primarily by section 103 and section 169 of the code. Under section 169, taxpayers who construct or acquire "certified pollution control facilities," as defined in the code, are entitled to rapid amortization and one-half of the investment credit. Under section 103, the interest from industrial development bonds is exempt from income taxes if the proceeds of the bonds are used to construct "air or water pollution control facilities."

The term "air or water pollution control facilities" is not further defined in section 103, but the Internal Revenue Service in its regulations—Treasury Regulations section 1.103-8(g)(2))—adopted a definition that is consistent with the definition of "certified pollution control facilities" as it existed prior to the passage of the Tax Reform Act of 1976. That act expanded the definition of "certified pollution control facilities" in section 169, so that, for example, a facility that prevents the creation or emission of pollutants is eligible for favored tax treatment. Unfortunately, the conference report states:

The conference agreement also provides that the broader definition of a pollution control facility which is eligible for the amortization election does not apply in determining whether a facility is a pollution control facility eligible for tax-exempt industrial development bond financing.

The effect of this language will be to restrict the availability of the tax exemption for pollution control facilities built with the proceeds of industrial development bonds. This is, it seems to me, a highly undesirable result. By any reasonable calculation, expenditures for pollution control are going to consume much of our available capital for the next decade and beyond. Special tax treatment for such expenditures is a proven method of reducing their burden on the economy. The 94th Congress, by reinstating and liberalizing the rapid writeoff provisions of section 169, and expanding its definition of eligible facilities, recognized this fact. The restriction on eligibility of facilities under section 103 is inconsistent with the broader vision otherwise apparent in the conference report's treatment of pollution control facilities. My bill would simply make clear that "pollution control facilities" are not to be defined more restrictively under section 103 than under section 169.

Mr. President, I make no claim that passage of my bill will have a sweeping impact on the construction of pollution control facilities; legislation of broader scope may very well be required. My bill would, however, eliminate an anomaly in the tax code and reaffirm Congress commitment to reversing the degradation of our environment.

ADDITIONAL COSPONSORS

S. 237 AND S. 239

At the request of Mr. BARTLETT, the Senator from Wyoming (Mr. HANSEN) was added as a cosponsor of S. 237 to amend the tariff schedules of the United States; and S. 239, to amend Public Law 88-482.

S. 242

At the request of Mr. CHURCH, the Senator from Oregon (Mr. PACKWOOD) was added as a cosponsor of S. 242, a bill to provide for consideration of the comparative productive potential of irrigable lands in determining nonexcess acreages under Federal reclamation laws.

S. 551

At the request of Mr. HUMPHREY, the Senator from New York (Mr. MOYNIHAN) was added as a cosponsor of S. 551, the Victims of Crime Act.

S. 1243

At the request of Mr. CHURCH, the Senator from North Dakota (Mr. BURDICK) and the Senator from Maine (Mr.

HATHAWAY) were added as cosponsors of S. 1243, a bill to amend title II of the Social Security Act to revise the provisions relating to automatic cost-of-living increases in benefits, and for other purposes.

S. 1726

At the request of Mr. NELSON, the Senator from New Hampshire (Mr. MCINTYRE) was added as a cosponsor of S. 1726, the Small Business Economic Policy and Advocacy Reorganization Act of 1977.

S. 1821

At the request of Mr. HUMPHREY, the Senator from Hawaii (Mr. MATSUNAGA) was added as a cosponsor of S. 1821, the Athletic Opportunities Assistance Act.

S. 1974 AND AMENDMENT NO. 849

At the request of Mr. NELSON, the Senator from Pennsylvania (Mr. HEINZ), the Senator from Ohio (Mr. GLENN), and the Senator from South Dakota (Mr. MCGOVERN) were added as cosponsors of S. 1974, the Regulatory Flexibility Act, and amendment No. 849 to S. 1974.

S. 2090

At the request of Mr. NELSON, the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 2090, the Economic Opportunity Amendments of 1977.

S. 2278

At the request of Mr. HUMPHREY, the Senator from Massachusetts (Mr. BROOKE) was added as a cosponsor of S. 2278, the International Emergency Food Reserve Act.

SENATE RESOLUTION 323

At the request of Mr. DOLE, the Senator from Wisconsin (Mr. PROXMIRE) and the Senator from Utah (Mr. HATCH) were added as cosponsors of Senate Resolution 323, a resolution, expressing the sense of the Senate with respect to the atrocities taking place in Cambodia.

SENATE RESOLUTION 300

At the request of Mr. DOLE, the Senator from Idaho (Mr. MCCLURE) was added as a cosponsor of Senate Resolution 300, a concurrent resolution expressing the sense of the Senate with respect to international cooperation in reducing the instance of airline hijackings.

SENATE RESOLUTION 326—SUBMISSION OF A RESOLUTION TO AMEND THE SENATE RULES

(Referred to the Committee on Rules and Administration.)

Mr. KENNEDY submitted the following resolution:

S. RES 326

Resolved, That rule XXVI of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"4. (a) Whenever the Committee on Finance reports a bill or joint resolution which, as reported, contains or extends one or more tax expenditure provisions, or whenever an amendment which contains or extends one or more tax expenditure provisions is proposed by floor amendment on behalf of, at the direction of or with the approval of the Committee on Finance, such bill or joint resolution or such amendment shall be referred to—

(1) the Committee on Appropriations, for consideration of the tax expenditure provisions contained or extended in such bill or joint resolution or such amendment; and

(2) each other committee of the Senate which has legislative jurisdiction over the subject matter of any tax expenditure provision contained or extended in such bill or joint resolution or such amendment, for consideration of such tax expenditure provision.

"(b) Each committee to which a bill or joint resolution or an amendment is referred under subparagraph (a), shall report it to the Senate, together with its recommendations, within 14 calendar days (or such lesser number of days as the Senate may order) after the day on which such bill or joint resolution or such amendment is referred to it. In the event that any such committee fails to report such bill or joint resolution or such amendment within the specified period, it shall automatically be discharged from further consideration of such bill or joint resolution or such amendment.

"(c) For purposes of this paragraph, the term 'tax expenditure provision' means any provision of the Internal Revenue Code of 1954, or of any other law, which allows a special exclusion, exemption, or deduction in determining liability for any tax or which provides a special credit against any tax, a preferential rate of tax, or a deferral of tax liability.".

TO COORDINATE SENATE COMMITTEE JURISDICTION OVER FEDERAL TAX SUBSIDIES

Mr. KENNEDY. Mr. President, I send to the desk a resolution to provide for more effective coordination of Senate committee jurisdiction over Federal spending through the tax laws, and I ask that the resolution may be appropriately referred.

The resolution requires that legislation recommending new tax spending programs or the extension of existing tax spending programs must be referred for a period of 2 weeks to both the Senate Appropriations Committee and the Senate authorizing committee that would were a direct expenditure instead of a tax expenditure.

In this way, before the Senate acts on new tax spending programs, we will have the views not only of the Finance Committee, but also of the other Senate committees which have long-standing expertise in the area for which the new Federal tax subsidy is being proposed.

The Internal Revenue Code contains a large number of so-called tax expenditures—more than 80 as recently defined by the Congressional Budget Office. Altogether, they will cost the Treasury $124 billion in the current fiscal year.

These tax subsidies have very little to do with the proper functions of the Internal Revenue Code. They are Federal spending programs, carried out through the tax laws and designed to encourage various social and economic goals of the Government.

Among the best known and most costly tax subsidies are those designed to encourage home ownership, better health care, gifts to charities, business investment, and production of oil and gas and have jurisdiction over the subsidy if it other natural resources. Many other worthwhile Federal goals are also subsidized through the tax laws.

But these goals are not tax goals of the Federal Government. They are spending goals, involving the expenditure of billions of dollars a year in Federal subsidies.

The dollars Congress is spending through the tax programs recommended by the Finance Committee are not "funny" dollars. They are as real as any other Federal dollars being spent in the spending programs recommended by other committees of the Senate.

Obviously, these Finance Committee spending programs in areas like energy, housing, investment and education directly overlap the jurisdiction of other committees, such as the Energy Committee, the Banking Committee, the Commerce Committee, and the Human Resources Committee. And they also overlap the jurisdiction of the Appropriations Committee, which has the responsibility for funding the spending programs recommended by the various authorizing committees.

Yet there is virtually no coordination in Congress between the spending programs recommended by the Finance Committee and the spending programs recommended by the authorizing committees and funded by the Appropriations Committee.

Most of us were surprised to find that the biggest of all the bills in the President's energy program was a Finance Committee bill. Earlier this year, at the beginning of the current session of Congress, we spent several weeks enacting a Senate resolution designed to improve the committee system by consolidating and coordinating the splintered and overlapping jurisdictions of our various committees. Although the resolution left much to be desired, the most important step we thought we had taken was the creation of a new Energy Committee with comprehensive jurisdiction in the area of energy. Now, we find that we didn't achieve that goal at all. The Finance Committee was essentially untouched by the resolution, and it is still the Senate's biggest energy committee.

In recent years, because of the growing impact of the Budget Reform Act, direct spending programs have come under significant restraint in the Congress. The free-wheeling days of direct Federal spending are over. Every dollar of direct spending now comes under the microscopic scrutiny of an authorizing committee, the Appropriations Committee and the Budget Committee.

But as the recent Energy Tax Act makes clear, the tax spending programs are still riding high in the Senate. As passed by the Senate, the bill created dozens of new and lucrative but ill-considered tax spending programs. As sent to the conference with the House, the bill will cost the Treasury $46 billion by 1985, and it has prompted the Secretary of the Treasury to label it as "less an energy plan than a simple raid on the Federal Treasury."

The resolution I am introducing today is an effort to fill the existing void. The

issue involved is not a new one. It has been brewing for many years, because of the obvious numerous overlaps between the Finance Committee and the other standing committees of the Senate.

The jurisdictional issue surfaced in its most visible form so far in the recent debate on the Senate floor in connection with the Energy Tax Act.

The issue arose on this measure because the act as recommended by the Finance Committee, contained a large number of so-called "refundable"* tax credits for both individuals and corporations, costing several billion dollars and ranging from tax credits for home insulation to tax credits for industrial coal-fired boilers.

Previously, the Senate had considered refundable tax credits on only rare occasions, involving isolated proposals of less far-reaching budget impact. There is only one refundable tax credit in existing law—the "earned income credit," which was enacted in 1975 on the recommendation of the Finance Committee and which provides a tax credit of up to $400 for low-income workers. If that credit had not been made refundable, most workers could not have received its benefits, since they would have had no tax liability to be reduced by the credit.

Although the earned income credit was called an income tax "refund," it was not actually a refund, since the intended beneficiaries were not paying taxes that could be offset by a refund. In effect, the credit was a new Federal spending program, appropriating funds for low-income workers. Ordinarily, such funds would have been authorized by the Human Resources Committee and approved by the Appropriations Committee.

During the debate on the Energy Tax Act, the Appropriations Committee asserted—and prevailed—on its claim of jurisdiction over the refundable tax credits proposed by the Finance Committee in the bill as reported to the Senate.

The precedent established was an unusual and dramatic one. On October 28, while the bill was on the Senate floor, the jurisdiction of the Finance Committee over the refundable portion of the tax credits was directly challenged by the Appropriations Committee, on the grounds that the "refund" is a tax fiction and that such credits are in fact appropriations of Federal dollars beyond the jurisdiction of the Finance Committee.

By voice vote, demonstrating the overwhelming support in the Senate for the precedent, the Finance Committee bill was referred to the Appropriations Committee. Although the bill was returned instantaneously to the Senate floor for further action, the parliamentary precedent was clearly established giving the Appropriations Committee jurisdiction over the refundable portion of the tax credits.

But if the Appropriations Committee has jurisdiction over the refundable part of such tax credits, it is illogical to deny jurisdiction to the Appropriations Committee over the nonrefundable part of such credits, since both parts are actually Federal spending programs in which the Appropriations Committee has a legitimate interest. It is also illogical to deny jurisdiction to the relevant authorizing committees over both parts of such credits. Yet this divided jurisdiction is the inconsistent "split-the-baby" position in which the Senate now finds itself as a result of its archaic and incoherent jurisdictional rules.

We could solve this jurisdictional dilemma in either of two ways:

First, following the logical of the precedent established in the energy tax debate, we could realine Senate committee jurisdictions so that the various authorizing committees, not the Finance Committee, would consider tax subsidies as parts of their jurisdiction. Under this solution, the Finance Committee would retain its jurisdiction over the so-called normal or structural parts of the tax laws—the tax rates, the rules for defining income, the administration of the income tax system, and other related aspects of the tax laws. But jurisdiction over tax subsidies—the special credits, deductions, and other tax incentives enacted to encourage particular economic or social activities would be shifted to the various authorizing committees.

In fact, that is where tax subsidies belong under a rational system of Senate jurisdiction. All other types of Federal subsidies, such as grants, loans, and loan guarantees, are already within the jurisdiction of the authorizing committee. It makes little sense for a separate Senate committee, the Finance Committee, to have jurisdiction over certain subsidies in these areas simply because the subsidies happen to take the form of tax incentives. It makes even less sense for the Finance Committee to have jurisdiction over the nonrefundable part of a tax credit while the Appropriations Committee has jurisdiction over the refundable part.

Second, we could take the less comprehensive, but still substantial, step of requiring that, before tax subsidies proposed by the Finance Committee are considered by the full Senate, they must be scrutinized by the other committees with expertise in the subject matter—the respective authorizing committees and the Appropriations Committee.

Under this approach, for example, the numerous energy tax credits and other energy tax incentives recommended by the Finance Committee in the recent bill would have been referred briefly to the Energy Committee for consideration, and the intercity bus credit would have been referred to the Commerce Committee. In addition, these tax credits would also have been referred to the Appropriations Committee.

The resolution I am introducing today follows the second route. By requiring greater coordination among Senate committees, without depriving the Finance Committee of its own current jurisdiction, we can take a significant step toward establishing a more rational system for Senate action on the complex issues involved in the wide range of Federal spending programs for energy, jobs, investment, health, education, commerce, housing, transportation and all the other critical issues we face.

We know the increasingly severe restrictions under which the Federal budget must operate. We cannot afford to spend our scarce Federal dollars in wasteful, inefficient, and duplicative ways. It is time that our massive tax spending programs received the same strict analysis and consideration that all other spending programs now receive.

*"Refundable" tax credits are a relatively recent innovation in the tax laws. They are intended to insure that tax subsidies are available even to individuals and corporations whose taxes are so low that they would not otherwise receive the full benefit of the credit. Thus, persons entitled to a refundable credit may use it to reduce their taxes to zero and then obtain a "refund" from the Treasury for the rest of the credit. Persons who owe no taxes get a refund in the full amount of the credit.

SENATE RESOLUTION 327—SUBMISSION OF A RESOLUTION RELATING TO THE EXPORT OF MILITARY WEAPONS TO UGANDA

(Referred to the Committee on Foreign Relations.)

Mr. DOLE submitted the following resolution:

S. RES. 327

Whereas the moral intent of United States foreign policy is comprised, in part, of efforts to advance international human rights observance;

Whereas the present Government of Uganda has been responsible for the brutal execution of thousands of political enemies, either real or imagined, since it came to power in January of 1971;

Whereas the United States Senate, on May 25, 1977, expressed its condemnation of the Ugandan atrocities by means of agreement to Senate Resolution 175; and

Whereas recent reports have revealed that some Ugandan officials are receiving technical assistance and training of a military, paramilitary, or police nature within the United States: Now, therefore, be it

Resolved, That the Senate calls upon the President—

(1) to prohibit the export of weapons and military, paramilitary, and police equipment from the United States to the Government of Uganda, until the President determines that such Government has demonstrated a proper respect for the rule of law and for internationally recognized human rights;

(2) to declare that the appropriate consular officer may not approve any visa application by any official or employee of the Government of Uganda for the purpose of military, paramilitary, or police training within the United States, unless the appropriate official of the Department of State in Washington has reviewed such application and determined that such Government has demonstrated a proper respect for the role of law and for internationally recognized human rights; and

(3) to instruct the United States Ambassador to the United Nations to submit to the General Assembly for consideration during the current session a resolution imposing a mandatory arms embargo on Uganda by all United Nations members.

RESOLUTION ENDORSING RESTRICTIONS ON UGANDAN ASSISTANCE

Mr. DOLE. Mr. President, last week the State Department confirmed that several dozen Ugandan Government officials are currently in the United States for train-

ing programs with private organizations. At least a dozen of these are enrolled in a training course for helicopter pilots run by an American helicopter company located in Texas. According to the report, the Ugandans are government employees training to pilot police helicopters.

There are two disturbing elements to this matter. First, the present Government of Uganda is notorious for its brutal and barbaric treatment of those individuals whom it perceives as political opponents. Both public and private executions have become the standard means for dealing with political opposition since Idi Amin came to power in January of 1971. Both Ugandans and non-Ugandans have suffered the wrath of this capricious dictator. Americans last week were jolted by the uneasy feeling that training programs within our own country may be directly assisting in the brutal repression that has terrorized Uganda.

Second, it is particularly disturbing to me, as I know it is to many of my colleagues, that entrance visas for the Ugandan Government officials were approved without the knowledge of State Department officials in Washington. It seems that visas for foreign government employees traveling in this country for official purposes have been routinely handled by U.S. consular employees in our embassies abroad. Although the State Department says that it has since "tightened up" its visa procedures for Ugandans, future policies in this regard seem uncertain at best. I believe it would be useful for the U.S. Senate to place itself on record with respect to future policy in this area.

For that reason, I am today introducing a Senate resolution which would clearly express the sense of this body with respect to the handling of visa applications submitted by Ugandan Government officials in the future. In addition, it calls for a mandatory embargo on the export of all American military police, and paramilitary equipment to Uganda; and it urges the U.S. Ambassador to the United Nations to present a resolution for consideration imposing a mandatory arms embargo on Uganda by all members of the United Nations. This would, of course, parallel similar action taken by the U.N. Security Council against the Government of South Africa 2 weeks ago.

EARLIER RESOLUTION OF CONDEMNATION

Mr. President, just 6 months ago, on May 25, the U.S. Senate unanimously approved Senate Resolution 175 condemning the brutal and inhumane actions of the current regime in Uganda. That resolution was introduced and skillfully advanced by the distinguished Senator from New Jersey, and ranking minority member of the Senate Foreign Relations Committee, Senator CLIFFORD CASE. The Senate action was, in my opinion, a commendable and highly justified expression of repugnance by this body for the human slaughter that has occurred in Uganda during the past 6 years.

In addition, the Republican National Committee, on September 30 of this year, adopted a human rights resolution at New Orleans calling upon the President to initiate action within the United Nations censuring Idi Amin for his "brutal butchering of political enemies, both real and imagined." That, too, was a commendable initiative emphasizing the need for consistent pursuit of the human rights principle in all our foreign policy endeavors.

A BARBARIC REGIME

Within the past several years, the world has become sadly aware of the unspeakable horrors of the Amin regime in Uganda. The rule of law in Uganda is nonexistent, and financial mismanagement is widespread. Idi Amin has declared himself "President for life" and has undertaken a bloody campaign to eliminate all potential opposition to his totalitarian government. The official intelligence network within the country constitutes a continuous form of harassment and intimidation for Ugandans in all walks of life.

Estimates of the number of Ugandan citizens who have been mercilessly killed since Amin came to power vary, but Amnesty International reports that between 30,000 and 300,000 Ugandans have fallen victim to this reign of terror.

In addition, we know that American businessmen and Church leaders residing in Uganda have been harassed and intimidated unmercifully. Discrimination against Christians and Jews has occurred regularly. For a few days in February of this year, Amin forbade Americans living in Uganda from leaving the country. A concerted international protest fortunately led to a rescission of that order on March 1.

SOVIET AND CUBAN INVOLVEMENT

In search of a source of diplomatic and military support, Idi Amin has turned to the Soviet Union for the purchase of fighter aircraft and tanks as well as Soviet instructors to accompany them. Amin's closest friends on the international scene are the leaders of Cuba and Libya, both international outlaws in their own right. Newspapers in neighboring Kenya have reported that large numbers of Cubans are entering Uganda, and Libya is providing Uganda with economic aid. It will not come as a surprise to many that the brutal Ugandan regime displays a definite pro-Marxist tendency in its foreign relations.

PURPOSE OF RESOLUTION

Mr. President, there are those who shrug their shoulders helplessly and say that there is little we can do to improve the barbaric situations that we know exist in nations such as Cambodia and Uganda today. But I do not subscribe to the theory that our limited capacities necessitate hopeless resignation on our part. I believe that the U.S. Government has a responsibility to speak out, and to continue to speak out against such brutal regimes, and to attempt to focus world attention on their gross violations of basic human rights.

In many cases, our action may be termed "symbolic" or "moralistic." In some cases, when we move to deny technical and military assistance to Uganda, others may fill the void. But I, for one, believe that moral principle and consistency of policy argue for such action in any case. Indeed, I believe the national interest is best served by a policy that encourages the isolation of repressive governments, and by the termination of assistance that directly strengthens the means of repression.

At this time, I believe it is most important that the U.S. Senate go beyond a simple expression of condemnation for the oppressive Ugandan Government. Three weeks ago, our President saw fit to place a mandatory U.S. arms embargo against the Nation of South Africa in response to human rights violations of a different scope and nature. I believe it is all the more important at this time for the United States to establish a mandatory embargo on the export of any military, paramilitary, or police equipment to Uganda. Similarly, the same restrictions should be encouraged among all concerned members in the United Nations. And U.S. visa regulations for Ugandan Government officials should be revised to prohibit technical training for repressive activities in Uganda.

I trust that the Senate Foreign Relations Committee will act expeditiously on this resolution.

Mr. President, I ask unanimous consent that a copy of the Washington Post article of November 9, 1977 be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UGANDANS TRAINING IN U.S. ESTIMATED AT SEVERAL DOZEN

(By Richard M. Weintraub)

Several dozen Ugandans are in the United States for training with private organizations, the U.S. embassy in Nairobi, Kenya, said yesterday. The disclosure added to the burgeoning issue of whether the United States has unwittingly been providing assistance for Idi Amin's government.

The State Department confirmed Monday that a dozen Ugandans were in a private training course for helicopter pilots run by Bell Helicopter Co. in Fort Worth, Tex., but department spokesmen yesterday were unable to add to a report from the embassy in Nairobi that as many as 40-to-50 Ugandans are in the United States for other private run training programs.

The State Department said Monday that it is "tightening up" on visa procedures for Ugandans since their travel to the United States is "possibly incompatible" with Uganda's record on human rights.

Rep. Michael T. Blouin (D-Iowa) charged yesterday that the helicopter pilots are "Idi Amin's agents of torture and oppression." He sent a letter to President Carter calling on him to revoke the visas for the Ugandan pilots.

Blouin's office said that more congressmen are expected to join in the appeal.

The White House press office had no comment yesterday on the visas for the Ugandans, but a White House source said that he "wouldn't be surprised" if the President's staff took up the issue.

There was some confusion over just what kind of visa the Ugandan helicopter pilots were issued.

The White House said it was under the impression that tourist visas were involved and one source said, "We're trying to figure out whether we've been had."

The State Department press office said yesterday afternoon, however, that the visas

were for government employees traveling for official purposes.

The department spokesman said that visas of this sort did not have to be cleared in Washington under the procedures in effect at the time. They were issued in late September. The embassy spokesman in Nairobi said.

"There is really nothing unusual about this. Because we do not have an embassy in Kampala we routinely handle official requests from the Ugandan government for visas in Nairobi."

The United States closed its embassy in Kampala, the Ugandan capital, in November 1973, but did not break diplomatic relations.

The State Department had no explanation yesterday as to why the question of human rights considerations had not entered into visa applications by Ugandans before the issue of the helicopter pilots' presence emerged in the press.

A department spokesman said, however, that "we have instructed our posts to refer to Washington for review all future applications for all Uganda officials and employees:"

The spokesman added that the department is reviewing the question of whether the 12 Ugandan pilots can be expelled under a provision that their presence could have "serious adverse effects on our foreign policy."

The State Department said it did not know how many Americans might be traveling or working in Uganda, aside from the 250 missionaries.

AMENDMENTS SUBMITTED FOR PRINTING

REVISION OF TITLE 18, UNITED STATES CODE—S. 1437

AMENDMENT NO. 1624

(Ordered to be printed and to lie on the table.)

Mr. KENNEDY (for Mr. McCLELLAN) submitted an amendment intended to be proposed to the bill (S. 1437) to codify, revise, and reform title 18 of the United States Code; and for other purposes.

NOTICES OF HEARINGS

COMMITTEE ON FOREIGN RELATIONS

Mr. ROBERT C. BYRD. Mr. President, on behalf of Senator SPARKMAN, I wish to announce that there will be a meeting of the Committee on Foreign Relations on Tuesday, November 29, 1977, to receive a briefing by Ambassador Paul C. Warnke on SALT negotiations. The meeting will begin at 10 a.m. in room S–116, Capitol.

SELECT COMMITTEE ON SMALL BUSINESS

Mr. NELSON. Mr. President, the Senate Small Business Committee will continue its hearings on the impact of rising product liability insurance premiums on small business, on November 22, at 9:30 a.m., in room 318, Russell Senate Building. At this hearing, chaired by Senator CULVER, Under Secretary of Commerce Sidney Harmon, will testify on the final report of the Interagency Task Force on Product Liability.

SUBCOMMITTEE ON GOVERNMENT REGULATION

Mr. NELSON. Mr. President, I wish to announce that the Subcommittee on Government Regulation and Small Business Advocacy of the Select Committee on Small Business and the Subcommittee on Economic Growth and Stabilization of the Joint Economic Committee will hold a joint hearing on Senate bill 1726. This bill would amend the Small Business Act so as to declare a national small business economic policy, and to provide for an ongoing program of advocacy and economic research and analysis for small business. It would also increase the exchange of pertinent information and the level of cooperation between the Small Business Administration and other departments, agencies, and instrumentalities of the Federal Government. The hearing will be held on November 21, 1977, beginning at 10 a.m., in room 424, Russell Senate Office Building. The Senator from New Hampshire (Mr. McINTYRE) will chair the hearing.

Further information can be obtained from the committee office, room 424, Russell Senate Office Building, telephone 224–5175.

SUBCOMMITTEE ON THE CONSTITUTION

Mr. BAYH. Mr. President, the Subcommittee on the Constitution has scheduled hearings on S. 1845 proposing legislation to protect the rights of individuals guaranteed by the Constitution of the United States and to prevent unwarranted invasion of their privacy by prohibiting the use of polygraph type equipment for certain purposes, for Tuesday and Wednesday, November 15 and 16, 1977, beginning at 9 a.m. in room 2228, Dirksen Building on Tuesday and 10 a.m. in room 1202, Dirksen Building on Wednesday.

Any persons wishing to submit written statements for the hearing record should send them to the Subcommittee on the Constitution, suite 102–B, Russell Senate Office Building, Washington, D.C. 20510.

ADDITIONAL STATEMENTS

HE NEVER STOPS GIVING

Mr. DOLE. Mr. President, recently the chairman of the National Advisory Committee on Scouting for the Handicapped, William P. McCahill, sent me an article about a most inspiring man. This man's name is Jesse K. Earl, and he has devoted much time and energy into Scouting programs for the handicapped.

Because of his interest in providing handicapped individuals with an opportunity to participate in Scouting, Mr. Earl organized the first troop for handicapped Scouts in the Nevada Area Council. That was in 1961. Since then, his troop has done well. One of Mr. Earl's proudest moments came when his own son became the first handicapped Eagle Scout in the council.

As we approach the holiday season, I think it important for us to recognize the gifts which persons like Jesse K. Earl give year around.

Mr. President, I ask unanimous consent that an article about Mr. Earl which appeared last year in the Ruralite magazine be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

KAY EARL: HE NEVER STOPS GIVING

(By Rich Parker)

Kay Earl has an unusual heart condition. For an ordinary man, it's extraordinarily large. As a result, it's his heart that motivates his day-to-day life.

He doesn't stand out in a crowd. His figure is more rotund than slim, his gray-flecked hairline has slowly moved upward, elongating his round face, and there is grease under his fingernails from "fixing everything from lawnmowers to diesels" at Kennecott Copper Corporation's Nevada Mines Division at McGill, Nevada, where he's lived for all but two of his 53 years, and worked for 29.

But he's hardly average. His smile is honest, and the twinkle in his hazel eyes, which are framed by gold-rimmed glasses, is sincere when he talks about the key to a happy life.

"There's much more satisfaction in giving than there is in receiving."

That's a popular theme at this time of the year. A lot of people mouth the words, but it's the exception, not the rule, who practice that theme.

Earl doesn't need a calendar to remind him it's time to polish up his Christmas spirit. His never gets dull. The only difference between December and June is a change of uniform.

During much of the year, it's the khaki of a scoutmaster's garb for a troop of "exceptional" Scouts. When the holiday season arrives, he switches to a bright red Santa Claus suit to entertain the youngsters and hear whispered heart's desires at the Ely, Nevada J.C. Penney store.

He does it because he loves kids.

Being Santa Claus isn't as easy as it appears on the surface. Youngsters possess that unique ability to see through the man into his heart. And they believe what they see.

"The more I play Santa Claus, the bigger thrill I get out of watching kids and seeing the expressions on their faces . . ."

Earl has been holding expectant youngsters on his knee for about 17 years. "I had to stop and think," he laughed, "it doesn't *seem* that long."

"I don't know why they picked me, but I thought it would be a lot of fun doing it. I like kids anyway."

He knows Christmas is for the young at heart. "It's the excitement of Santa Claus coming down the chimney or through the front door and leaving packages for them—the things they would like to have."

Experience has taught him the most exciting time when the magic of Christmas abounds is from ages 5 to 10.

"Those a little younger than 5 have an idea of what it is, but they don't know how to comprehend it. Over 10, they begin to suspect there isn't a Santa Claus and they're on the borderline of knowing it's somebody dressed up in a suit trying to be Santa."

He's heard happy requests, like a desire for a new baby brother or sister. "I tell them to go home and talk it over with mother and dad and then have *them* get hold of Santa Claus."

Then there was a brother and sister who asked Santa for a father for Christmas. There are no ready answers for the faith of a child.

"It makes you stop and think for a few minutes. . . . The only thing I can say in those cases is to keep hoping, and Santa will do the best he can."

But there's an inner reward in sharing the festivities with the young.

"There are times it makes me feel quite humble to know that I am giving gladness and joy to the young people. It rejuvenates me and makes me feel young again."

But his make-believe role at Christmas is only the holiday tinsel on his life.

Every Friday night, he calls the Scouts

of Troop 69 to attention in the Lane City School, where they attend special education classes during the weekdays.

"I first got into scouting in 1956 with Troop 63 in McGill." In 1961, he organized Troop 69.

"I did it because of Kenny's (the eldest of three sons) being handicapped. At the Lane City School, there were several children of Cub Scout and Boy Scout age who wanted to get in."

He's proud of the fact Troop 69 was the first and is the oldest handicapped troop in the Nevada Area Council.

For Earl, Troop 69 is another opportunity of "doing for people, that wouldn't ordinarily have the opportunity to—(and he stopped for a minute to think of the right words)—to have something that they would like to get into."

It's a labor of love which requires about "two or three hours a night" to prepare for the Scout meetings "to actually do a good job of it."

The results of his efforts and dedication are best exemplified in his son, Kenny. When he was 14, he set what some thought was an impossible goal of becoming an Eagle Scout.

"I told him if he wanted it, I would work with him as much as I could, but that he would have to work on his badges and do the best he could on them."

In 1973, Earl and his wife Ona, who is a 17-year Cub Scout worker (currently the Nevada State Cub Scout director and on the District Roundtable for Cubbing) pinned the silver, spread-winged eagle on their son's chest.

"I felt very humbled. That's about the only way I could say it. And it proved the handicapped could obtain that rank if given half a chance."

Kenny is the first and only handicapped Eagle Scout in the council. The pride radiated in Kay's soft voice. "Many people felt he couldn't do it and Kenny proved them wrong."

Kay Earl isn't a very complex man. He lives by a simple, but proven philosophy, that giving, not receiving is the secret to a happy and satisfying life.

If he has his way, he'll be Santa for "as long as they want me" and scoutmaster "for as long as I'm able."

He goes about his activities quietly and unobtrusively, neither seeking recognition nor reward. And he's found the elusive fountain of youth right under his nose—in the youngsters of White Pine County.

On the way to the door, he suddenly stopped as though he had just realized how many Christmases he'd enjoyed. He laughed. "You know, I'm 53 and I feel like I'm 29."

Everybody's journey through life causes a few tears to fall, but you have to believe in his case they've been tears of joy.

BRICKING UP AN ANTITRUST LOOPHOLE

Mr. KENNEDY. Mr. President, as chairman of the Subcommittee on Antitrust and Monopoly, I am pleased to report that the subcommittee has reported to the full Judiciary Committee antitrust legislation which would once again allow consumers, businesses, and Federal and State Governments to recover damages for antitrust violations. On June 9, 1977, the Supreme Court ruled in a case entitled Illinois Brick Co. against Illinois that only those parties dealing directly with an antitrust violator could recover damages. Consumers, governments, or businesses rarely purchase directly from the manufacturer. Consumers and taxpayers in every State were affected by this decision and will thus benefit from any legislation which Congress ultimately enacts.

For many years, antitrust law has allowed persons who purchased indirectly from price fixers (through some kind of middleman, distributor, or retailer) to sue the price fixer. Businessmen, farmers, producers, consumers, and the Federal and State Governments have benefited from this state of the law. State governments alone have collected over $300 million in such cases, and in just one case involving allegations of patent fraud, consumers and other indirect parties collected over $230 million.

However, on June 9, 1977, the Supreme Court held that the State of Illinois could not maintain a civil action for damages to the State against price fixing concrete block manufacturers because the State bought the blocks through a middleman. (The companies had already pleaded no contest in response to Federal indictments.) The State of Illinois had evidence that the middleman passed on to the State the amount of the price fix as part of the cost of the blocks but the court would not even permit proof of that fact.

Courts throughout the country have been interpreting this decision quite broadly. It has been interpreted, for example, to apply to more than just price fixing actions and to apply to sellers as well as buyers.

The States now have well over $200 million claimed in pending lawsuits as damages to the States themselves. The U.S. Government has another $200 million at stake in pending litigation. Well over 95 percent of these damages flow from indirect purchases, not direct. In fact, it is true that, like consumers in the store, the State and Federal Government rarely purchase things directly from their manufacturer or producers. Thus, if the Illinois Brick decision is allowed to stand, State and local governments, as well as the U.S. Government, will be without any remedy whatsoever to compensate for damages.

Many important private actions are also being dismissed or appear likely to be dismissed following the Supreme Court decision. One such case involves ranchers who are suing supermarkets for allegedly fixing the price at which they will buy beef. Because these cattlemen do not deal directly with the supermarkets, dismissal is now being threatened. The Illinois Brick opinion has thus apparently repealed the antitrust laws as far as the cattlemen are concerned, though damages have been estimated in their cases to be over $168 million.

A further irony of the majority's decision in Illinois Brick is that the middleman, the wholesaler, retailer, or contractor, may sue for the entire damages even though he passed on the illegal overcharge to his customer or the government. This is clearly an unfair windfall to the direct purchaser.

The decision in Illinois Brick also directly conflicts with the intent of the parens patriae section of the Hart-Scott-Rodino bill which was passed just last year. The clear purpose of the parens patriae amendment was to enable State attorneys general to act on behalf of ultimate consumers whose individual interests might be too small to justify separate individual lawsuits. Although the Illinois Brick decision did not deal directly with the parens patriae section, the majority opinion's restriction on consumer actions is flatly inconsistent with the whole purpose and spirit of the Hart-Scott-Rodino bill. Moreover, in a footnote, the Supreme Court interprets parens patriae actions as simply a new, procedural device to enforce existing damage claims. This interpretation together with the majority's opinion that most consumers have no existing damage claim because they are indirect purchasers means that the Illinois Brick decision effectively frustrates the clear legislative intent of Congress.

Thirty-six days after the Supreme Court announced its decision, Congressman RODINO, chairman of the House Judiciary Committee, and Senators DANFORTH, MORGAN, and myself introduced corrective legislation in both the House and Senate. Hearings were held over the next 3 months at which testimony was received from all interested parties, including representatives of the business community, the academic world, the judiciary, and antitrust practitioners, as well as State attorneys general. Chairman RODINO has chaired similar hearings in the House.

The record established in these hearings provided a basis for substantial improvement of the original bill. The version which was reported to the full Committee, without recommendation, goes a long way toward solving some of the problems seen by witnesses in the original bill.

The reported bill, like the bill originally introduced, contains a savings clause that would make the legislation apply to any action commenced under sections 4, 4A, or 4C(a)(1) of the Clayton Act which was pending on June 9, 1977 or filed thereafter. This means that by so acting, the subcommittee has provided the Federal district court judges assigned to the pending Government, State and private cases, a basis for deferring any rulings on motions to dismiss on the basis of the Illinois Brick decision pending final legislative action.

I am confident that legislation reversing Illinois Brick will be brought before the Senate for consideration early next session. Indeed, Mr. Justice White invited a legislative response in the majority opinion when he said:

> Should Congress disagree with this result, it may, of course, amend the section to change it.

Whatever the final shape of the legislation, this important first step indicates that the subcommittee believes that the status quo of the pending Government and private cases should be preserved while we continue work on precise statutory language.

It is clear to me that a majority of the Congress, like a majority of the Antitrust Subcommittee, believes that some legislation should be enacted, at least to ameli-

orate, if not completely overturn, the effects of the Illinois Brick case. We have taken the first step toward that goal.

Mr. President, I would also like to insert in the RECORD at this time two recent editorials on this subject.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Oct. 31, 1977]

PURSUING THE PRICE FIXERS

The Supreme Court, in an unfortunate decision last June, suddenly created a large new obstacle to the enforcement of the antitrust laws. Even if you can prove that you are the victim of a price-fixing conspiracy, the Court said, you cannot recover damages unless you dealt directly with the fixer. In an economy as complex as this country's, with its vast networks of distributors, that is an extremely serious qualification. In many kinds of industry, it effectively eliminates any risk of damage suits over price conspiracies.

This anomaly stands out clearly in the case that the Court heard. The state of Illinois sued the Illinois Brick Co., charging that it had conspired to rig prices of concrete blocks. The state government had let construction contracts, the contractors had hired masonry subcontractors, and it was the subcontractors who actually bought the blocks from Illinois Brick. They presumably passed the price on, through the contractors, to the state.

Since it's not illegal to pass a rigged price on, the state can't sue the middlemen. Legally, the middlemen could sue the manufacturer. But these subcontractors weren't hurt by the conspiracy, if there was one, and in any case they are unlikely to undertake prolonged litigation against their supplier. For all the Court knew, it might have been the grandest conspiracy in the history of concrete blocks. But nobody, under the Court's rule, would recover anything.

How in the world did the Court arrive at that decision? Well, six of the judges got tangled up in a misconceived effort to apply the logic of an earlier, different case to this one. They were worried, for one thing, about creating multiple liabilities for price fixers if everyone down the distribution chain could sue for triple damages. But trial judges have broad authority to consolidate cases and require plaintiffs to allocate damages among themselves. That, in fact, was what happened in these cases before the Court suddenly halted them.

Fixing prices is a crime, and people who engage in it risk criminal prosecution by the Justice Department. But the Justice Department cannot monitor every price tag or pursue every complaint of conspiracy. To keep markets free and competitive, there is great public interest in encouraging a second kind of enforcement—the civil suit by the consumer. It's the consumer who has the sharpest interest in fair pricing. Consumers can be individuals or corporations or, as in the Illinois case, governments. The effect of the Court's decision, if it stands, is to make price-fixing much less dangerous to the conspirator.

Corrective legislation has been drafted under the leadership of Sen. Edward Kennedy (D-Mass.), and the Carter administration vigorously supports it. The opposition is coming, as usual, from those business organizations that celebrate free competition in theory, but find objections to every attempt at actually enforcing it. The Court's decision is an aberration, with unhappy implications for the American economy. The remedy is a simple two-page bill, and it is needed urgently.

[From the New York Times, October 28, 1977]

BRICKING UP AN ANTITRUST LOOPHOLE

If an appliance store buys an air conditioner or a refrigerator or anything else and then discovers the price has been illegally fixed by manufacturers, it may sue for treble damages under the antitrust laws. But if it manages to pass the rigged price on to a consumer, the consumer is out of luck; he cannot sue.

That, in effect, is what the Supreme Court decided last June when it rejected a suit against an Illinois brick manufacturer. The brick company has allegedly fixed the price of building supplies that it sold to builders, and they in turn passed on the added cost to local governments for which they worked. As "indirect" purchasers of bricks, the Court ruled, the local governments had no right to sue for damages.

The Court's judgment was based on a fear that antitrust defendants might otherwise become liable many times over for the same offense. In a 1968 case, the Court ruled that middlemen—wholesalers, contractors—might still sue manufacturers for price-fixing damages, even if the middlemen had passed on every penny of the actual damage to consumers. Hence, Justice White argued, also to allow the indirect purchasers to sue would open the defendants to treble damage claims from several levels of product distribution.

The difficulty now is that the *Illinois Brick* decision threatens in practice to cripple antitrust enforcement, or to force the Justice Department to seek redress through criminal rather than civil suits. The best deterrent against price-fixing has been the civil suit, often by those wronged indirectly, because of the threat of treble damage payments. The Supreme's Court's ruling will also be devastating to class-action suits brought on behalf of groups of consumers by state attorneys-general. About 95 percent of such pending claims (totaling about $200 million) are based on indirect purchases.

The only remedy appears to be an amendment to the Clayton Antitrust Act, now being considered by both the House and Senate Judiciary Committees. It would restore the right of indirect purchasers to initiate suits—but under safeguards to protect defendants from false or frivolous claims. An individual indirect purchaser—who bought the air conditioner—could sue if it seems worth the time or trouble. State attorneys-general could sue on behalf of the whole class of consumers who bought the air conditioners. But private lawyers would not be able to sue on behalf of a random group of indirect purchasers. Moreover, in response to the Court's concern, the bill would make it impossible for claimants at different levels of product distribution to collect redundant damages.

Some argue that the law as it stands goes far enough. Direct purchasers, they contend, have a powerful incentive to sue conspiring sellers, even when they are able to pass on the excess cost to consumers. But that seems a strange argument, on grounds of equity alone: Why should damages go to middlemen rather than to the people who are actually wronged? In the real world, the direct purchasers are often under pressure to let a price-fix go unprotested. They may be wholesalers who depend on manufacturers for their supplies and fear the loss of distribution rights. Sometimes the wholesalers themselves are vulnerable to antitrust complaints and thus reluctant to risk legal action.

Another argument against the proposed amendment is that it would further complicate antitrust proceedings. In the wake of the *Illinois Brick* decision, the courts need only determine the price-fixing has been proved and then assess damages. The new amendment would give the courts the extra job of dividing the damage award among direct and indirect purchasers. Few antitrust experts, however, foresee much effect on the work load of the Federal courts; dividing damages used to be a routine part of settling antitrust cases. That is not sufficient reason to tolerate a giant loophole in the Clayton Act.

We need effective antitrust laws to deny price-fixers the fruits of their conspiracies and to dampen inflationary pressures on the economy. Overturning the *Illinois Brick* decision would help to achieve those goals.

COST-OF-LIVING INCREASE

Mr. SASSER. Mr. President, on November 4, I sponsored a conference on small business in Tennessee and I unavoidably missed taking part in the official Senate business. Of particular interest to me was an amendment offered by Senator CHURCH which provided for semiannual cost-of-living increases for social security recipients during times of rapid inflation.

I wish to state my support for the Church amendment (unprinted No. 1062). It is an idea which is humane, which makes commonsense, and which translates more clearly Congress intention that our senior citizens must not have their benefits decimated by inflation.

I commend the distinguished chairman of the Senate Special Committee on Aging for his continued concern for our Nation's elderly and I offer my hope that the Church amendment will be retained in conference and signed into law.

In addition, I wish to announce my support for the amendment (UP No. 1056) by Senators BAYH and DECONCINI concerning disability benefits for blind persons. Their efforts on behalf of the Nation's blind who courageously continue to work despite their severe physical handicaps will not be forgotten.

SOLARCAL: A PROPOSAL FOR A PUBLIC SOLAR ENERGY AUTHORITY IN CALIFORNIA

Mr. CRANSTON. Mr. President, developing new alternative energy sources is a challenge for us all. As President Carter stressed in presenting his energy plan last April—

> We need to rediscover the ingenuity and the efficiency which have made our nation prosper, rather than deepening our dependence on insecure imports and increasingly conventional energy supplies.

The State of California, the legislature, citizen groups, and individuals have responded to this challenge with new conservation programs, solar energy incentives, research projects, and proposals to commercialize alternative energy supplies.

One group in California, the California Public Policy Center, has developed a proposal for a public solar energy corporation to provide the economic framework for quickly establishing a broad-based solar energy industry in California and to install solar space and water-

heating systems in millions of homes and businesses.

This proposed Solarcal project is now being reviewed by citizen groups, the legislature, and the State administration. It is a unique approach which I believe will be of interest to the citizens of other States as well as California.

Therefore, Mr. President, I ask unanimous consent that the draft proposal for Solarcal, a public solar energy corporation, be printed in the RECORD.

There being no objection, the draft proposal was ordered to be printed in the RECORD, as follows:

SOLARCAL—A PROPOSAL FOR A PUBLIC SOLAR ENERGY AUTHORITY IN CALIFORNIA

SOLARCAL: MOBILIZING TO SOLVE A CRISIS

Solar energy is an idea whose time has come. It can be the first step in liberating America from the dangerous energy and economic future toward which we are heading.

Solar energy is the alternative to dependence on diminishing global energy supplies. It will create a permanent and plentiful source of energy and save us from the threat of world conflict over resources.

Even more important but less well understood, solar can be an economic alternative to patterns of inflation and joblessness which have haunted America and puzzled the experts for several years.

Skyrocketing energy prices are at the heart of these economic troubles. There is a major energy component in the cost of everything we buy, from food to petrochemicals to shoes. When energy prices rise, for example as natural gas prices have risen by 1000% since 1970, so does the cost of everything else.

Moving to liquefied natural gas or nuclear power will double or triple energy prices in the next decade, quite apart from the danger to the environment these strategies pose. As these costs skyrocket, we are investing precious capital in "energy colonies" abroad and in expensive, exotic technology at home, both of which require fewer and fewer workers.

We will be doomed to ever-increasing joblessness and inflation unless we can bring energy prices under control.

Solar energy means jobs, as tens of thousands are employed manufacturing, distributing and installing solar collectors.

Solar energy means economic growth, as billions of dollars are invested in local economies instead of being exported abroad.

Solar energy means less inflation, as solar costs decrease while conventional energy costs rise.

We have reached a new stage in history in which solar energy has become competitive with other fuels for the first time. The California State Energy Commission has reported that the use of solar energy for space and water heating needs is now "commercially feasible." Top government officials say that solar is "here and now" and the only issue is how, not whether, to speed commercialization.

We are also on the threshold of a major breakthrough in the generation of solar electricity from photovoltaic cells. A recent study sponsored by the Federal Energy Administration, for example, concludes that a $500 million federal purchase program could reduce the cost of solar photovoltaic cells to $2.00 per watt by 1985, comparing favorably to conventional electricity sources.

Although solar is now commercially feasible, we have a long way to go before it can provide a major answer to our economic problems.

The potential market for solar for space and water heating needs, for example, would include the two million housing units that will be built in California over the next decade, plus many of the existing seven million housing units. At present, solar is in place on less than 1,000 units in the state. A crash program to install solar on every feasible roof in California by 1990 would mean installing solar on hundreds of thousands of housing units per year over the next decade.

There also needs to be major technological breakthroughs in the purification and processing of silicon crystals to make the widespread commercialization of solar electricity through photovoltaic cells a reality.

There is no question that it is possible to make the breakthrough to a new solar energy age. Technically, it can be done. What is needed now is the political will to make it a reality.

We have made such an effort in times of crisis in the past.

In World War II, for example, we snapped out of a decade of depression, built tens of thousands of new bombers in one year, and put everyone to work at full production.

In the late 50's, in response to Sputnik, we decided to put a man on the moon, and achieved that goal in less than a decade.

If such national mobilizations are possible for war and outer space, why not for solar energy?

Today we face a threat to the very foundations of our society. Double-digit inflation and unemployment, coupled with decreasing social benefits from an over-taxed citizenry, are an explosive combination no reasonable person can welcome. And as our nation competes with others for declining global energy resources, we are bound to move closer to international confrontation and war.

The time has come for the same kind of mobilization around solar that we once mustered in times of other crises.

President Carter has called the energy crisis the "moral equivalent of war", but has yet to give solar the backing it needs. Only a citizens' movement can do the job.

This proposal for SolarCal, a public solar energy Authority to put solar on every feasible building in California, and to accelerate commercialization of solar electricity, is just this kind of response to crisis.

SolarCal's mandate is to foster a democratic, decentralized solar energy industry in California. SolarCal's goals are to (1) stimulate local economic development, (2) conserve energy and (3) create jobs.

It is an appropriate response to both the greatest challenge and the greatest opportunity of our generation.

THE SOLARCAL PROPOSAL

Section 1: General provisions

1. California faces an energy and economic crisis. A new solar energy industry can help solve this crisis by creating tens of thousands of jobs, conserving energy and stimulating local economic development. Solar energy helps labor, helps minorities, helps business and helps consumers.

2. A statewide "solar mobilization", designed to keep solar energy out of monopoly control and to create a democratic, decentralized solar energy industry, is crucial to solving both our energy and our economic problems.

The public needs to be involved in the solar sector, both to accelerate the development of solar energy and to keep as much of the industry under democratic, decentralized control as possible.

3. The people of California therefore create SolarCal, a cabinet-level state authority mandated to accelerate the development of a new solar energy industry in California. Coordinating the efforts of various state bodies presently designed to promote solar energy, SolarCal will also perform crucial investment functions necessary to make solar a major energy and job-creation alternative.

SolarCal is specifically mandated to encourage the growth of California-owned solar businesses, in as decentralized a manner as possible. SolarCal will support solar businesses serving a specific region, giving priority to those which follow accepted affirmative action and labor union criteria for employment. SolarCal will develop both "active" solar systems and such "passive" techniques as insulation and weatherstripping.

SolarCal does not simply "promote" solar energy. Its function is to oversee the transformation of California's space and water heating from its present reliance on precious natural gas and other fossil fuels to as complete a reliance on solar and other conservation options as possible. To this end, SolarCal will set goals, and coordinate planning and the generation of funds necessary to achieve them.

Section 2: The SolarCal authority

4. SolarCal is a cabinet-level Authority, headed by a Secretary appointed by the Governor, subject to legislative approval and approval by the SolarCal Board of Directors. Board members shall be from the public at large, and shall not have been previously employed by any utility or energy monopoly in the past.

5. The SolarCal Board of Directors, independent of the Secretary, shall consist of five members also appointed by the Governor. The Board shall have full powers over the selection or dismissal of the SolarCal Secretary and department heads. One Director shall be an officer of a labor union. One Director shall be an officer of a recognized consumer or environmental organization. One Director shall be an officer of a small solar business employing union labor and following affirmative action criteria. One Director shall be a tenant occupying low-income rental housing. One Director shall be an architect or engineer experienced in designing low and moderate income housing. The composition of the Board shall reflect the cultural and ethnic diversity of the state, including minorities and women.

Section 3: Planning

6. SolarCal's top priority is to engineer the transformation of California's space and water heating needs from dependence on fossil fuels to solar and other conservation options by 1990. SolarCal is hereby empowered to develop a program for the installation of solar or other conservation equipment for every feasible space and water heating use by 1990.

7. Within three months of enactment of SolarCal, the Authority will carry out a survey of the possibility of providing solar energy and other conservation options for all existing space and water heating needs in the state in:

(a) single-family residences;
(b) multi-family residences;
(c) commercial buildings;
(d) state buildings;
(e) swimming pools.

The Authority will also survey the possibilities of providing solar space and water heating and other conservation options for all new construction.

The Authority will also survey the possibility of providing solar energy for heating water for industrial uses, both for existing and new plants.

The survey will include but not be limited to:

(a) the number of units which can economically use solar to provide either water or space heating needs (cost/benefit analyses shall consider economic benefits to society as a whole);

(b) the cost of providing solar and other conservation options for multi-family, commercial and state buildings, swimming pools and industrial uses;

(c) a year-by-year breakdown of objectives which will result in all California's feasible space and water heating needs being met by

solar and other conservation options over the next decade.

The survey will include, but not be limited to, a list of the number of structures and swimming pools which can be retrofitted with hot water and water/space solar systems, the number of new structures that will be fitted with water and space solar systems, the number of industrial firms that will convert or be started with hot water solar systems.

8. Within six months of enactment of Solar-Cal. the Authority will produce a solar conservation program designed to implement the year-by-year objectives of its survey.

The program will include, but not be limited to:

(a) the costs of implementation which can reasonably be borne by the private sector;

(b) a recommendation of incentives necessary to stimulate the private sector to achieve the recommended objectives;

(c) the costs to be borne by the public sector to achieve those objectives which the private sector cannot reasonably be expected to meet;

(d) recommendations for means of financing the public costs of implementing the plan;

(e) recommendations for mandating solar and other conservation standards for all new construction.

9. Within twelve months of enactment of SolarCal, the Authority will present its program to the Legislature, after amendment through public input and comments by the Public Utilities Commission and Energy Resources and Conservation Development Commission.

10. After enactment of the SolarCal program the Authority shall have the further responsibility of monitoring year-by-year achievement of its objectives and presenting the Legislature with an annual up-date and recommendations for change.

Section 4: Loans to consumers

11. The SolarCal program will include provisions for direct loans to low- and middle-income consumers for whom tax credits and/or private loans will not be sufficient incentive to install solar. The program will seek to amend the charters of existing agencies like CalVet, the California Housing Finance Agency and the Pollution Control Finance Authority to permit them to extend loans to consumers for solar and other conservation equipment.

12. In those instances where existing agencies cannot meet the public needs, SolarCal is empowered to develop low-interest loan programs for consumers. SolarCal will loan at no more than four percent, with the addition of a service charge of less than one percent to be paid to private lending institutions servicing SolarCal loans.

13. The SolarCal program will include provisions giving priority to consumer loans used to purchase solar equipment from firms meeting as many of the following criteria as possible:

(a) solar firms located in the state of California;

(b) solar firms, engaged solely in solar and related services, employing less than one hundred persons engaged in the manufacture, distribution and installation of solar equipment;

(c) solar firms which are not subsidiaries, or partly owned, by larger companies with assets of more than ten million dollars;

(d) solar firms employing union labor and meeting affirmative action guidelines;

(e) solar firms giving priority to hiring persons who have been unemployed for six months or more.

14. Immediately upon enactment, to the extent provided by law, SolarCal will be empowered to extend direct, low-interest loans to cities or groups wishing to install solar as part of a rehabilitation program for public, low-income housing.

15. The years required to repay all SolarCal consumer loans shall be determined to ensure that consumers repay their debt in monthly installments no higher than their monthly utility bills (computed as an average of the twelve months preceeding receipt of a SolarCal loan).

Section 5: Loans to small businesses

16. In the event that existing manufacturing and distributing capability within the state of California is not sufficient to achieve SolarCal objectives, the SolarCal program will include measures to assist California's solar industry to expand. Such measures will include, but not be limited to, recommendations for direct SolarCal loans to California's solar industry.

17. Criteria for such SolarCal loans shall include provisions that loans are extended to:

(a) solar firms located within the state of California;

(b) solar firms engaged solely in solar and related services employing less than one hundred persons engaged in the manufacture, distribution and installation of solar equipment;

(c) solar firms which are not subsidiaries, or partly owned, by larger companies with assets of more than ten million dollars;

(d) solar firms employing union labor and meeting affirmative action guidelines;

(e) solar firms giving priority to hiring persons who have been unemployed for six months or more.

18. SolarCal will make recommendations for loans through existing state agencies like the Economic Development Agency and CalJobs Creation Board. SolarCal will also be authorized to extend direct loans in those cases where these agencies cannot meet the SolarCal objectives.

19. Immediately upon enactment, to the extent provided by law, SolarCal will be empowered to extend low-interest, direct loans to small solar businesses starting up in areas of over 20% unemployment and/or which employ more than 20% of those previously unemployed for six months or more.

Section 6: Loans to cities

20. The SolarCal program will include provisions for loaning to cities willing to implement solar space and water heating programs. SolarCal will loan to city agencies, such as city Water Departments, to purchase solar systems from manufacturers and install them for those customers wishing to purchase them.

21. SolarCal will encourage cities to issue their own municipal bonds, e.g. by offering loan guarantee programs, and will also consider direct loans to cities.

Section 7: Solar manufacture, distribution, and installation

22. In the event that SolarCal objectives cannot be met by the existing private sector, even with SolarCal assistance, SolarCal will itself be empowered to provide for the manufacture, distribution and/or installation of solar systems.

SolarCal may enter the solar business, however, only upon one or more of the following conditions:

(a) that it can demonstrate to the satisfaction of the Legislature that its entry will generate more California jobs and/or economic development than other alternatives;

(b) that it can provide solar systems for needs that will not be met by any other alternatives, e.g. for low-cost housing;

(c) that it can provide solar systems to the consumer for an appreciably lower cost than can be met by the private sector in a competitive bid situation.

23. Immediately upon enactment of SolarCal, the Authority will be empowered to begin a pilot program of manufacturing and/or installing solar systems on selected state buildings, at a cost of no more than one million dollars in the first year. This program will be carried out in conjunction with the appropriate state agencies to give SolarCal practical experience in setting standards, certification and training requirements. Solar systems used in this pilot project may not cost more than systems provided by the private sector.

Section 8: Training

24. The SolarCal survey will list all existing public, union and industry solar training programs being conducted in the state of California. The SolarCal program will include plans for any needed expansion of existing training facilities to meet SolarCal objectives. In addition, SolarCal will establish minimum standards which training institutions seeking SolarCal certification shall achieve.

25. As much as possible, the SolarCal program will include provisions for expanding training by existing public, union and industry institutions. If necessary, however, SolarCal will be empowered to provide funding for new public training institutions.

Section 9: Building standards

26. SolarCal, working with the Department of Housing and Community Development and the Energy Commission, will have the primary responsibility for designing proper statewide building codes for solar installation.

27. In addition, the SolarCal program will include specific provisions for designing incentives into the existing building permit process for builders and developers to "go solar".

Particular emphasis will be given to the enactment of standards for passive enrgy conservation systems.

Section 10: System and installation certification

28. SolarCal, working with the Energy Commission, shall have the responsibility for implementing criteria for testing laboratories certifying solar systems.

29. SolarCal, working with the Department of Consumer Affairs and its Board of Contractors, will have the responsibility of developing standards of certification for firms wishing to install solar equipment. It will also have the responsibility of supervising consumer protection programs involving consumer hot-lines, publications of consumer protection manuals, avoidance of fraud, etc.

30. Immediately upon enactment of SolarCal, the Authority will be empowered to implement such consumer protection measures as a consumer hot-line and a directory of known solar businesses.

Section 11: Solar electricity

31. The SolarCal program will include specific provisions for accelerating the commercialization of solar-generated electricity in the state of California. Particular emphasis shall be placed on encouraging decentralized electricity generation. Under no circumstances will SolarCal funds be used to develop centralized solar energy stations under utility control.

Section 12: Funding

32. The Solarcal program shall include provisions for funding those activities which neither the private sector nor existing public agencies can be expected to fund to achieve SolarCal objectives. Costs for SolarCal activities may include:

(a) a SolarCal consumer loan program;

(b) a SolarCal solar business loan program;

(c) a SolarCal direct manufacture distribution or installation program;

(d) a SolarCal city loan program;

(e) SolarCal training and certification programs.

33. The SolarCal program shall include annual estimates of financial needs for the achievement of its goals and proposals for

sources of funding that include, but are not limited to:

(a) the issuance of general obligation bonds;

(b) the issuance of revenue bonds;

(c) appropriations from the general fund;

(d) a surcharge on utility bills, which may be accumulated through excise taxes on fossil fuels:

34. The SolarCal program shall request specific legislative authority to raise the above funds, as necessary, to accomplish its goals.

35. During the first year of operation. SolarCal will be funded by an appropriation from the general fund of no more than ten million dollars.

HUMAN RIGHTS

Mr. HANSEN. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by the Senator from Arizona (Mr. GOLDWATER), and the attachment referred to therein.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

STATEMENT BY MR. GOLDWATER

On March 25th of this year, President Carter stated that "we have a right to speak out openly when we have a concern about human rights wherever those abuses occur." I thoroughly agree with his statement, but I believe this country has not only a right but a duty to speak out when abuses of human rights occur.

Apparently President Carter does not share my belief because we have not heard anyone in his Administration speaking out against the gross abuses of human rights which are occurring in communist China, Castro's Cuba, North Vietnam, North Korea, and Cambodia. He has adopted a national policy of selective criticism of human rights abuses which is downgrading the whole thrust of perhaps the most important element of his foreign policy stance.

In a recent article in the publication, *Commentary*, Senator Daniel P. Moynihan of New York, had some very important observations to make in an article entitled, "The Politics of Human Rights." Senator Moynihan concerns himself primarily with the handling of human rights problems in the United Nations. What he has to say in one particular passage I believe can also be applied to the performance of the Carter administration on this subject. Let me quote from Senator Moynihan's very scholarly and incisive article:

". . . the selective morality of the United Nations in matters of human rights threatens the integrity not merely of the United Nations, but of human rights themselves. There is no mystery in this matter. Unless standards of human rights are seen to be applied uniformly and neutrally to all nations, regardless of the nature of their regimes or the size of their armaments, unless this is done, it will quickly be seen that it is not human rights at all which are invoked when selective applications are called for, but simply arbitrary political standards dressed up in the guise of human rights."

Because of its importance to the members of this body, I include Senator Moynihan's article in the Record.

THE POLITICS OF HUMAN RIGHTS

(By DANIEL P. MOYNIHAN)

"There's an ideological struggle that has been in progress for decades between the Communist nations on the one hand and the democratic nations on the other. Mr. Brezhnev and his predecessors have never refrained from expressing their view when they disagreed with some aspect of social or political life in the free world. And I think we have a right to speak out openly when we have a concern about human rights wherever those abuses occur."—Jimmy Carter, March 25, 1977.

It is as simple as that. What needs to be explained is not why the United States has raised this standard, but why it has taken so long. Anthony Lewis remarks of the President:

He is giving into just Americans but people in the West generally a sense that their values are being asserted again after years of silence in the face of tyranny and brutality.

But again, what needs to be explained is how those "years of silence" came about, and what they signify. For there were reasons, and deep ones, and they could reassert themselves far more readily than any—perhaps especially the President—might suppose.

Human rights as an issue in foreign policy was by no means central to Jimmy Carter's campaign for the Presidency. It was raised in the Democratic platform drafting committee, and at the Democratic conventions, but in each instance the Carter representatives were at best neutral, giving the impression of not having heard very much of the matter before and not having any particular views.

This is understandable enough, for by 1976 those "years of silence" had done their work. As a tactical or strategic concern of foreign policy, human rights had disappeared so completely from the councils of the West that a newcomer to the field might well never have heard the issue even discussed. Given our celebrated penchant for promptly forgetting even the most recent history, it may serve to record just how nearly total this blackout on human rights had become.

On November 12, 1975, as Permanent Representative at the United Nations, I introduced to the Third Committee of the General Assembly a United States proposal for a worldwide amnesty for political prisoners. The General Assembly, our delegation argued, had already that year taken two important steps in such a direction. A resolution had been adopted calling for unconditional amnesty for all political prisoners in South Africa. The United States had supported that resolution. Further, a resolution had been adopted calling for amnesty for all political prisoners in Chile. The United States had supported that resolution as well. But, we now asked, was there any reason to stop there? There were 142 members of the UN. Were we not all bound by the same standards that bound Chile and South Africa? There were grounds for a concern with universality in this matter which struck us with special force:

The first is that the selective morality of the United Nations in matters of human rights threatens the integrity not merely of the United Nations, but of human rights themselves. There is no mystery in this matter. Unless standards of human rights are seen to be applied uniformly and neutrally to all nations, regardless of the nature of their regimes or the size of their armaments, unless this is done, it will quickly be seen that it is not human rights at all which are invoked when selective applications are called for, but simply arbitrary political standards dressed up in the guise of human rights. From this perception it is no great distance to the conclusion that in truth there are no human rights recognized by the international community.

This concern was not allayed to examining the list of sponsors of the resolutions already adopted on South Africa and Chile. According to the Freedom House Comparative Survey of Freedom, no fewer than 23 of the sponsors of the South African resolution and 16 of the sponsors of the Chilean resolution were countries which held political prisoners themselves.

Moreover, at the other end of the spectrum, but in a discernibly consistent pattern, that same General Assembly had adopted resolutions denouncing our own democracy for violation of human rights, and denouncing the Israeli democracy on the same score. Thus we came to the second of our concerns:

This is the concern not only that the language of human rights is being distorted and perverted: it is that the language of human rights is increasingly being turned in United Nations forums against precisely those regimes which acknowledge some or all of its validity and they are not, I fear, a majority of the regimes in this United Nations. More and more the United Nations seems only to know of violations of human rights in countries where it is still possible to protest such violations.

Let us be direct. If this language can be turned against one democracy, why not all democracies? Are democracies not singular in the degree to which at all times voices will be heard protesting this injustice or that injustice? If the propensity to protest injustice is taken as equivalent to the probability that injustice does occur, then the democracies will fare poorly indeed.

Now it might be supposed that the totalitarian nations would have gone to great lengths to suppress this American initiative. Not at all. There was no need. The other democratic nations did it for them.

There is a "Western" caucus of sorts at the U.N. Somnolent in most matters, it was roused to decisive action by the threat which the American resolution presented to the peace of the UN. A meeting was called. We were asked to explain ourselves. We said we were worried about the perversion of the language of human rights and its transformation into a weapon against democracy. We also said that we thought it a good idea for the democratic world to regain the ideological initiative after the defeat we had just suffered over the Zionism racism resolution. The explanation was greeted with a cold dismay that on the edges verged into anger. It was quickly agreed that if the resolution were somehow to pick up sponsors and to pass, the caucus would immediately insist on a formal undertaking to define the term "political prisoner." I asked would this be carried out along the lines of the recently completed exercise to define "aggression"? Yes. But that, I said, had taken from 1951 to 1974, nearly a quarter-century. Yes. But our resolution called for amnesty, a voluntary act of governments. Inasmuch as no one would be telling governments who their political prisoners were, no formal definition was necessary. The response remained cold the other democracies would not join in sponsoring our resolution. And there the matter ended.

Two points essential to an understanding of the issue of human rights and its political meaning are to be seen in this episode. The first is that the issue of human rights is nothing new to international politics in this age. To the contrary, *as defined by the totalitarian nations*—led in this as in so much else by the Soviet Union, no matter what other issues may divide them at one time or another—the issue of human rights has long been at the center of international politics. In fact, from the time the Soviets commenced to be so hugely armed that their "peace" campaigns lost credibility, and Khrushchev opted for Russian involvement in "liberation" struggles, this issue has been acquiring greater and greater salience. Which is to say that in human rights terms the Western democracies have been attacked without letup. The second point is that the Western democracies, having allowed themselves to be placed on the defensive, finally ceased almost wholly to resist. In the language of diplomatic instructions, this lack of resistance was known as "danger limitation." In truth it was something very like capitulation, a species of what Jean-Francois

Revel has called "Finlandization from within".

If anything is now to come of our initiative in human rights, these points will have to be far better understood. It needs to be understand, for example, that it was a British Labor government which was primarily behind the move in the Western caucus to disown the United States amnesty proposal. Earlier Labor governments would not in all probability have acted in this way. It was said of Ernest Bevin, Britain's first postwar Foreign Secretary, that he regarded Communism as a dissident faction of the Transport and General Workers Union—the point being that such familiarity bred contempt. By the mid-70's, a different kind of familiarity was at work. The Labor party in October 1976, for example, could invite the likes of Boris Ponomarev—head of the international department of the Soviet Communist party and a notorious vintage Stalinist—to London on a "fraternal" visit and arrange to have him received by the Prime Minister and the Foreign Secretary of a Labor government.

What was true of Britain was true of the West in general. Democratic regimes and values were under totalitarian assault in every region of the world, and resistance was everywhere weakening. The great exception was Israel, where Dr. Johnson's adage that the prospect of hanging wonderfully concentrates the mind still seemed to apply. In the West, however, the preferred contrivance for dealing with the prospect of hanging was denial. A stunning instance of just such denial was the Western response to the 1975 resolution of the UN General Assembly equating Zionism with racism. In this case, denial took the form of a refusal to recognize the extent to which Soviet inspiration lay behind the resolution.

A long-established propaganda technique of the Soviet government has been to identify those it would destroy with Nazism, especially with the racial doctrines of the Nazis. Following World War II, for example, pan-Turkish, Iranian, and Islamic movements appeared in the southern regions of the Soviet Union. They were promptly accused of Nazi connections and branded as *racist*. Jews escaped this treatment until the Six-Day War of 1967. The event, however, aroused sufficient pro-Israel, pro-Jewish sentiment within the Soviet Union to evoke the by now almost bureaucratic response. Bernard Lewis writes:

"The results were immediately visible in a vehement campaign of abuse, particularly in the attempt to equate the Israelis with the Nazis as aggressors, invaders, occupiers, racists, oppressors, and murderers."

Within a short period of time, and coincidentally with the introduction of "racist" into currency as a general term of abuse, Soviet propagandists began to equate Zionism *per se* with racism. In a statement released to the press on March 4, 1970, a "group of Soviet citizens of Jewish nationality"—making use of the facilities of the Soviet foreign ministry—attacked "the aggression of the Israeli ruling circles," and said that "Zionism has always expressed the chauvinistic views and *racist* [my emphasis] ravings of the Jewish bourgeoisie." This may well be the first official Soviet reference to Zionism as racism in the fashionable connotation of the term.

Steadily and predictably, these charges moved into international forums. In 1973 Israel was excluded from the regional bodies of UNESCO. In 1974 the International Labor Conference adopted a "Resolution Concerning the Policy of Discrimination, Racism, and Violation of Trade Union Freedoms and Rights Practiced by the Israeli Authorities in Palestine and Other Occupied Arab Territories." The charge of racism was now pressed. In June 1975 it appeared at the Mexico City Conference of the International Women's Year.

One must be present on those occasions to sense their intensity and their implications. It happens that the British critic Goronowy Rees was present at the moment the Third Committee of the General Assembly adopted the Zionism resolution. This is how it struck him:

"There were ghosts haunting the Third Committee that day: the ghosts of Hitler and Goebbels and Julius Streicher, grinning with delight to hear, not only Israel, but Jews as such denounced in language which would have provoked hysterical applause at any Nuremberg rally. . . . And there were other ghosts also at the debate: the ghosts of the 6,000,000 dead in Dachau and Sachsenhausen and other extermination camps, listening to the same voices which had cheered and jeered and abused them as they made their way to the gas chambers. For the fundamental thesis advanced by the supporters of the resolution, and approved by the majority of the Third Committee, was that to be a Jew, and to be proud of it, and to be determined to preserve the right to be a Jew, is to be an enemy of the human race."

Rees was right: evil was loose in that chamber on that day. And it is still abroad in the world. The Zionism resolution was adopted by the General Assembly in November 1975. The following February, the United Nations Commission on Human Rights found Israel guilty of "war crimes" in the occupied Arab territories. The counts read as if they could have come from the Nuremberg verdicts:

Annexation of parts of the occupied territories;

Destruction and demolition;

Confiscation and expropriation;

Evacuation, deportation, expulsion, displacement and transfer of inhabitants;

Mass arrests, administrative detention, and ill-treatment;

Pillaging of archaeological and cultural property; and

Interference with religious freedoms and affront to humanity.

In April 1976, in the Security Council, a representative of the Palestine Liberation Organization spoke of the "Pretoria-Tel Aviv Axis," making an explicit reference to the "axis" between Nazi Germany and Fascist Italy in the 1930's. In May, in the same body, the Soviet Union accused Israel of "racial genocide" in putting down unrest on the occupied West Bank of the Jordan River. The same month, in a General Assembly committee, a PLO document likened Israeli measures to Nazi atrocities during World War II:

"The sealing of a part of the city of Nablus is a violation of the basic human rights . . . reminiscent of the ghettos and concentration camps erected by the Hitlerites." . . .

That the purpose of all this was to delegitimize Israel in the interest of its Arab enemies was of course obvious to everyone. What should have been equally obvious was that assault on Israel—the most vulnerable of the democracies served a more generalized effort to deprive the democratic nations of their legitimacy as democracies. Salami tactics, as the Communists used to say—first one small unit of the democractic world, then the next. For in true Orwellian fashion, the free societies in the world were under attack precisely and paradoxically for not being free. They were attacked for violating human rights. The charge could range from genocide to unemployment, but it always followed the Orwellian principle: hit the democracies in the one area where they have the strongest case to make against the dictatorships.

Representatives of the Soviet Union and other Communist countries are not especially adept at this. But in a diplomatic maneuver which foreshadowed the military strategy of using Cuban troops as surrogates, they could sit back and allow most of the talking to be done by spokesmen from the Third World, some of whom were very good indeed at the Orwellian game. Of course, just as the Arabs had their own good reasons for attacking Israel, quite apart from any benefit to the Soviet Union, so these Third World regimes had their own good reasons for attacking democracy. With a handful of exceptions, the fourscore new nations which have come into the world in the last twenty-five years or so began their existence as constitutional democracies. By now the vast majority have succumbed to dictators and strongmen of one kind or another for whom the opportunity to attack any countries which have remained faithful to their constitutional vows is—to put it mildly—compelling.

Western policy has never seen the new nations in this light. For one thing, there was the tremendous investment of hope in what we saw as the small seedlings of our various great oaks and a corresponding reluctance to think, much less speak, ill of them. Then there was the trauma of Vietnam, which perhaps made it seem even more necessary that we should be approved by nations so very like the one we were despoiling. In consequence we were as thrown by these onslaughts from the Third World as we were when the Russians came up with the Cuban army as an extension of the same school of diplomacy. When in 1975 the Conference of the International Women's Year resolved that Zionism is a form of racism, the senior American diplomat present cabled Washington: "All essential American objectives have been achieved." If American diplomats could fail to recognize so egregious an attack on our own position, and were even unable to recognize that the attack had succeeded, is it any wonder that they were altogether incapable of understanding its general political significance?

Then, suddenly, everything changed. It would be hard to establish just why, but a useful axiom is that of Michael Polanyi: People change their minds. They wake up one day to find they no longer think as they did. Something like this happened in the case of human rights. One could see the evidence, for example, in the drafting committee for the 1976 Democratic platform. Sam Brown, representing what might be termed the McGovernite forces in the party, introduced a resolution demanding that all American military aid be cut off to regimes that did not respect human rights. Brown's resolution was directed against authoritarian regimes of the Right and was in the spirit of the Foreign Assistance Act of 1973 which called on the President to "request the government of Chile to protect the human rights of all individuals." I thereupon spoke for what might be called the Jackson forces in the party. The Jackson amendment to the Trade Act of 1974 was directed against certain policies of the same administration which in effect supported dictatorships of the Left. "To assure the continued dedication of the United States to the fundamental human rights," declared the amendment, no credits were to be extended to non-market economies which denied their citizens the right to emigrate on reasonable terms.

The Brown proposal, we suggested, was too much a convenience for those nations which get their hardware from Czechoslovakia, and want their soft loans from the United States. Why not oppose any form of aid? "We'll be against the dictators you don't like the most," I said across the table to Brown, "if you'll be against the dictators we don't like the most." The result was the strongest platform commitment to human rights in our history. Whether or not it was this commitment which directly influenced the new President to take the offensive on human rights, he began doing so from the very first, in his inaugural address.

The problem now is to sustain the initiative. For not everyone in America—or at any rate in the American government—has changed his mind. The President, unavoidably, is getting the same advice that led to the passivity of his immediate predecessors. The State Department is uneasy about Soviet anger. The cult of the Third World is, if anything, greater now than ever. It is entirely possible the whole initiative will come to nothing if we do not establish a sufficiently firm conceptual base to sustain the inevitable tremor and shock.

Four principles come to mind on which to construct such a base.

First principle: International law and treaty obligations are wholly on our side. That for so long a period we appear to have forgotten this gave an inestimable advantage to the totalitarians. The Soviet reaction to the signs that our memories are stirring has been angry. But this "surprising adverse reaction to our stand on human rights," as the President recently characterized it, will get worse, not better—they would be fools to respond in any other way. The more then should we know and understand that the law is on our side.

The United Nations Charter imposes two obligations on members. The first, which is well known, is to be law-abiding in their relations with other nations: not to attack them, not to subvert them, and so on. But there is a second obligation, which very simply is to be law-abiding in the treatment of one's own citizens. The United Nations Charter requires that members govern themselves on liberal principles, as these principles have evolved and are understood in the Western democracies.

Improbable as this may sound, it happens nonetheless to be true. The Charter, in the main, was drafted by British and American constitutional lawyers. The Preamble speaks of "fundamental human rights," of "the dignity and worth of the human person," of "the equal rights of men and women." Article 1 enjoins the members to promote through the UN:

"respect for human rights and for fundamental freedoms for all without distinction as to race, sex, language, or religion."

The meaning of these words, as lawyers say, is entirely discoverable. They mean just what any of us in the Western democracies would assume they mean.

The Russians knew what they were signing. We do well to remember that they began World War II as allies of Nazi Germany, partners in the conquest and partition of Poland. They had a true pro-Nazi past to overcome. In the early days of the United Nations they sought to do this by taking the lead in asserting that members had to be—liberal states! In the first year of the new organization, the question arose as to whether Spain should be admitted to membership. Absolutely not, said Andrei Gromyko in the Security Council: to the contrary, punitive measures should be taken against Spain. Then in December 1946, on the initiative of Poland, the General Assembly adopted a resolution directed to Spain providing that—

". . . if within a reasonable time there is not established a government which derives its authority from the consent of the governed, committed to respect freedom of speech, religion, and assembly, and to the prompt holding of an election in which the Spanish people, free from force and intimidation and regardless of party, may express their will, the Security Council consider the adequate measures to be taken in order to remedy the situation."

Poland and all the Communist members voted in the affirmative. (Spain was not admitted until 1955.)

Today there is not one member of the United Nations in five which can meet the standard of the Polish resolution. And yet it is those very nations who go about attacking members, who do maintain those standards. There is a term for this: the big lie. But clearly, as we have been seeing, a counterattack can be devastating.

This brings us to the second principle: *Human rights is a political component of American foreign policy, not a humanitarian program.* It is entirely correct to say (as was repeatedly said during all those "years of silence" in Washington) that quiet diplomacy is much the more effective way to obtain near-term concessions from totalitarian regimes with respect to particular individuals who seek our help. But the large result of proceeding in this fashion is that the democracies accommodate to the dictators. Concepts of human rights should be as integral to American foreign policy as is Marxist-Leninism to Soviet or Chinese or Yugoslav operations and planning. Yet it seems clear that this is not what the career officers in the State Department who make up the permanent government wish to see, and the signs already suggest that the Secretary of State is not resisting the permanent government.

At Law Day ceremonies on April 30, Cyrus R. Vance delivered his first public address since becoming Secretary of State, and chose for his subject "Human Rights and Foreign Policy." "Our human rights policy," he said, "must be understood in order to be effective." He would "set forth the substance of that policy, and the results we hope to achieve."

This effort was surely in order, for the policy was still singularly unformed. The President's single sentence in his inaugural address—"Because we are free we can never be indifferent to the fate of freedom elsewhere"—had led to press speculation, then queries, then to Andrei Sakharov, the meeting with the Soviet dissident Vladimir Bukovsky, and partial statements such as those in the address at the United Nations on March 17—but still nothing that could be described as a policy. The impression was that of a President responding at successively greater levels of approval, but with no very clear notions of where it would all come out. There is nothing much the matter with this in a democracy. But there comes a time when the agents of policy must be told what to do. This is a Secretary's task, and Vance undertook to perform it.

The result, it must be stated, bodes disaster. The Secretary's speech missed the whole point. For the entire thrust of his speech was to assert that human rights is not a political issue but rather a humanitarian aid program, a special kind of international social work. After rousing the rage of the Muscovite and the scorn of Latin American grandees, after stirring the timorousness of European allies and inducing something between anxiety and fear in smaller capitals around the world, it turned out that all we really intended was to be of help to individuals.

Freud's remark that anatomy is destiny has been used to suggest the importance of organization in government. The Ford administration established a "Coordinator for Human Rights and Humanitarian Affairs" in the office of the Secretary of State. The Coordinator had three deputies: "Refugee and Migration Affairs," "Prisoners of War and Missing-in-Action," and "Human Rights." To reflect the greater salience which these issues are now to have, the Carter administration has asked Congress to make the Coordinator an Assistant Secretary. However, in the past, when this kind of change has been made, it has in fact signaled that the Secretary of State was no longer that much interested in the issue involved, and was turning it over to the bureaucracy. Thus, only a few years ago, coordinators or special assistants for environmental affairs and population matters were to be found in the Secretary's office. But with the fading of those issues, they were turned over to the office of the Deputy Assistant Secretary for Environmental and Population Affairs, reporting to the Environmental and Scientific Affairs. Secretary Vance may not intend to relegate human rights to the destiny of departmental routine, but in organizational terms, this is what he has done.

Rounding out the pattern of a depoliticized conception of human rights, the Secretary in his speech announced:

"We are expanding the program of the Agency for International Development for "New Initiatives in Human Rights" as a complement to present efforts to get the benefits of our aid to those most in need abroad."

He added that the Department's Bureau of Educational and Cultural Affairs would also be involved. He declared our efforts would "range from quiet diplomacy . . . through public pronouncements, to withholding of assistance." We would meet at Belgrade in June to review the Helsinki accords and "to work for progress there on important human issues: family reunification, binational marriages. . . ." He mentioned "that many [*sic*] nations of the world are organized on authoritarian rather than democratic principles." He did not mention totalitarian governments. Nor might he, so long as the foreign service has its way. If the foreign service prevails, the Secretary of State will soothe the Soviet Union and only challenge Ecuador.

Can one already detect this influence not only in the Secretary's statements but even in the President's own more recent words? Only weeks ago, expressing his surprise at the "adverse reaction in the Soviet Union to our stand on human rights," Mr. Carter said: "We have never singled them out. I think I have been quite reticent in trying to publicly condemn the Soviets I have never said anything except complimentary things about Mr. Brezhnev, for instance." But the Soviets are *necessarily* singled out by any serious human-rights offensive—and they know it. They are singled out by the force of their arms: they are the most powerful opponents of liberty on earth today. And they are singled out by the force of their ideology which, since the passing of Nazism and the eclipse of fascism as a school of political thought (Franco Spain having been its last paltry bastion), remains the only major political doctrine that challenges human rights *in principle*. When the authoritarian regimes of the Right violate human rights nowadays, they generally do so not in the name of a different political creed but in the name of national security. They must torture, they say, to uproot guerrillas and terrorists; or they must keep political prisoners to protect themselves against armed subversion from without and within. Unlike the Soviets and their ideological progeny in other countries ruled by Marxist-Leninist regimes, these right-wing regimes do not deride liberty as a "bourgeois" illusion. They commit abominations in practice; the Communist countries commit abnominations on principle. Anyone who cares about human rights will know what type of abomination is the more destructive of those rights.

According to a presidential aide quoted by the New York Times, the President's human rights initiative, among other things, has alarmed the Soviet leadership. The Soviets had "viewed the United States under the Ford and Nixon administrations . . . as running a kind of defensive, rearguard foreign policy of retreat. . . . Mr. Carter and his advisers feel the Soviet leaders have been dismayed by the thought that their concept of the decline of the West might no longer

be valid."[1] If the human rights initiative turns out to be serious, the Soviets will have good cause to be dismayed at the stirring of a new American will to resist the advance of totalitarianism.

But here again, the permanent government can be expected to push in exactly the opposite direction—toward a policy of reassurance and accommodation. Indeed it already has, and with some success, to judge by the President's commencement address at Notre Dame, the first and still most comprehensive statement of the foreign policy of his new administration. The President begins in this speech by reaffirming "America's commitment to human rights as a fundamental tenet of our foreign policy." But when he goes on to explain what this commitment requires of us, he suddenly changes the subject:

"Abraham Lincoln said that our nation could not exist half-slave and half-free. We know that a peaceful world cannot long exist one-third rich and two-thirds hungry."

This is a most startling and extraordinary transition. The first sentence reminds us, truly, that the world today is half-slave and half-free. Out of four billion persons, something approaching a billion-and-a-half live in totalitarian Marxist states. We have come to think of this opposition as the East-West conflict. But then, having thus reminded us of it, the President immediately directs our concern away from this conflict to quite a different matter, that of relations between the industrial North and the developing South. He even calls on the Soviets, as part of the former group, to join in "common aid efforts" to help the latter (although the Soviets accept no responsibility whatever for the plight of the developing world: in their unwavering view it is all our fault).

The implication seems clear: we are to divert our attention from the central political struggle of our time—that between liberal democracy and totalitarian Communism and focus instead on something else. We can do this, says the President, because we are now "free" of the "inordinate fear of Communism" which led us at times to abandon our values for the values of the totalitarians. But was our fear of Communism "inordinate"? And is there nothing to fear from Communism today? Does the President mean to suggest that the military and ideological competition we face from the Soviet Union has declined? If so, why have the Soviets engaged in a massive military build-up? And why do they continue and even intensify their ideological offensive against the West?

Whatever his answer to these questions, the President does state explicitly that it was our "inordinate fear of Communism" which led us to the "intellectual and moral poverty" of the war in Vietnam. This casual connection can also be challenged. Some of us said at the time that the enterprise was doomed, because it was misconceived and mismanaged. Are we to say now—in this, echoing what our enemies say of us—that it was also wrong or immoral to wish to resist the advance of totalitarian Communism?

This brings us to the third principle: Human rights has nothing to do with our innocence or guilt as a civilization. It has to do with our survival. The President has staffed the Department of State and the Department of Defense with curiously opposite groups of persons who have attracted each other in a not wholly reassuring way. Put plainly, the leading foreign-policy and defense-policy officials of the administration are men who made their reputations running the war in Vietnam. The second echelon of officials made its reputation by opposing that war. There is something troubling in his cross-generational relationship. Put plainly once again, the top echelon seems to be seeking absolution from its juniors for what the President himself now calls the "moral and intellectual poverty" of its ideas in the past.

Of the Secretary of State, Hedrick Smith, chief of the New York Times Washington bureau, has reported:

"With the hindsight of history, Secretary of State Cyrus R. Vance, who as Deputy Secretary of Defense played a major role in the American buildup in Vietnam, has publicly said that he now feels that "it was a mistake to intervene in Vietnam." And those who know him well say that the Vietnam war is the single most important experience in shaping this current outlook."

One does not ask of the Secretary that he not be influenced by that experience: only that he be thoughtful about it. (At the University of Georgia Law School, where he spoke on Law Day, he shared the platform with Dean Rusk, a Secretary of State who came to office preoccupied with "the loss of China"—the opposite experience.) The Vietnam war was a mistake because we could not successfully halt a totalitarian advance there not at costs acceptable to a liberal society. But it did not end the expansion of totalitarianism, nor yet the need to resist. If anything, it added enormously to the importance of ideological resistance, and this precisely is the role of "Human Rights in Foreign Policy."

Guilt as a political weapon is but little understood. Still, it should be evident that it is used quite effectively within the United States and against the United States. Some years back Nathan Glazer observed that the political rhetoric of our age was capable of depicting a prosperous and tolerant and reasonably creative society such as our own as utterly detestable—and could persuade many of those best off in this society that this is exactly the case. In 1977 an Associate Justice of the Supreme Court declared in an opinion handed down from that bench that it were better never to be born than to be born an American and go to "second-rate" schools.

The President—any President—will face particularly subtle variations on the theme of guilt, a worldly ex-ambassadorial, Council-on-Foreign-Relations concern that we Americans are such inveterate moralizers. Washington is awash with former cold warriors (they were only *giving* orders) who, having failed so miserably in their monstrously misconceived adventure in Vietnam, have decided that the country really is hopeless, that it has no capacity to resist the advance of totalitarianism, and that the best thing to do is to accommodate and to appease.

There is no way to deal with this save to raise it to the level of awareness, and to repudiate it. Human rights is a weapon in the struggle for the survival of the nation—a nation partly right and partly wrong, as it ever has been and doubtless ever will be. That we have a right and a duty to survive ought to be too obvious to need saying explicitly. That it is not obvious to our political culture is a measure of how savagely our guilt is turned against us.

Guilt has among other things paralyzed us in our relations with the developing world—and this leads to the fourth principle of a sound human-rights policy. *The new nations must be made to understand that our commitment to them depends on their ceasing to be agents of the totalitarian attacks on democracy.*

Only a handful of these nations are Soviet satellites. But a Marxist might well say that time and again they *objectively* support the Soviet cause. The concept to objective political behavior is of course, a favorite debating device of Marxists. Thus, Lucio Lombardo Radice, a leading member of the Central Committee of the Italian Communist party, recently explained in an interview in *Encounter* how Stalin in the 1930's realized the dangers of Nazism and ceased attacking Western Social Democrats. "In the situation existing at the time, Stalin was, objectively speaking, supporting the struggle for freedom, democracy, and peace." The time has come to explain to the representatives of a great many nations for which on other grounds we have a good deal of sympathy that, "objectively speaking," they are supporting anti-Semitism, totalitarianism, and war.

An example was on display this past June at the International Labor Conference in Geneva. The American labor movement is one of the few groups to have sensed early on the drift of world events and Soviet tactics. In 1974, after the International Labor Organization passed a resolution denouncing Israel for racism, the labor movement, supported by the business community, asked that the United States give notice that we would withdraw if such intrusions of anti-democratic politics into the proceedings of ILO did not stop.

The ILO charter requires a two-year notice of intent to withdraw, and this was given in the fall of 1975. The letter made clear that the United States did not want to withdraw. We, after all, had helped to found the ILO at the Paris Peace Conference in 1919. We had joined it when we never joined any other of the League organizations. We have provided the great share of its funds, and it was we who helped turn its attention to the problems of developing nations which now almost exclusively concern it. All we asked was that it stay out of international politics of the kind associated with foul-mouthed excoriations of Israel. This position was characterized by *Trud*, the Soviet labor paper, as a demand by "reactionary circles, and primarily the U.S. delegation . . . to exclude . . . political questions connected with the people's struggle against imperialism, neo-colonialism, and racism."

We got our answer on June 3. "Using a procedural device," the New York *Times* reported, "the Communist and Third World countries blocked action on an American-inspired proposal that the assembly's rules be amended to screen out politically motivated resolutions." With a handful of exceptions, the Third World sided with the Communist world against the democratic world.

On June 22, the Secretary of Labor, Ray Marshall, told a press conference that the United States will now likely leave the International Labor Organization. It is a little heartbreaking to those who have cared much about this organization which once seemed to hold such promise. But why did it happen? Because the Third World *objectively* chose to back Communism against democracy. *They* know this. And they will make a distinct judgment about which way the world is headed depending on whether we make clear to them that we know it.

JEAN-FRANÇOIS REVEL puts the case at the most extreme in his new book, *The Totalitarian Temptation*.[2] He describes a world struggle between a truly revolutionary democratic model of society (to give Secretary Vance his due, he did quote Archibald Mac-

[1] June 26, 1977. The Times may not have known it, but it was onto a government secret here of possibly more interest than the Pentagon Papers. In the first half of the 1970's the Democratic opposition generally attacked the foreign policy of the Nixon-Kissinger-Ford era as aggressive, risk-taking and sometimes mindlessly anti-Communist. In truth, within the Republican administration itself, and at least within the more sophisticated circles of the Democratic opposition, it was understood that, to the contrary, what was going on was precisely a "kind of defensive, rear guard foreign policy of retreat. . . ." Moreover, it was understood that the Russians understood it this way.

[2] See the review by Stephen Haseler on page 79 of this issue.—ED.

Leish: "The cause of human liberty is now the one great revolutionary cause") and a "Marxist-Leninist-Maoist model, with all its little brothers," implementing a brand of totalitarian socialism which Revel calls "unofficial Stalinism." These, Revel writes, are the real reactionaries, but in his view they are winning, because more and more the world finds such regimes to be more attractive:

"Therefore . . . the new American revolution, or the new world revolution that started in America, will probably fail—not because of the United States but because the world steadily rejects democracy."

This is the "worst case," and there are those who are resigned to it and appear already to have made their peace with it. Thus, George Kennan in his new book, *The Cloud of Danger: Current Realities of American Foreign Policy*, asserts that democracy is a North Atlantic phenomenon, and in no way a "natural form of rule for people outside those narrow perimeters." It were folly and worse, he maintains, to go about correcting and improving "the political habits of large parts of the world's population."

This is an arguable point—does it not display a lofty disdain for what is after all a well-documented and universal human aspiration, namely, the desire to be free? But my point is a different one. I believe that Mr. Kennan underestimates the impact *on the democracies* of the totalitarian attack (for example: more than half a dozen *British* universities are now banning Jewish spokesmen from their campuses on the ground that Zionism is a form of racism). Most of the world is not free, and what we can do about that is problematic. But surely we can do something—surely we should do everything—to preserve that part of the world which *is* free. The point, Revel's point, in putting the case at its worst is not to become resigned to the present state of affairs but to elicit countermeasures that will prevent the worst case from coming true. And it is here that the issue of human rights becomes essential.

For the moment our first task is our own defense. An implacable, forceful, and unvarying counterattack—"castigating mercilessly the prevailing mendacity," as Walter Laqueur puts it[3]—whenever the issue of human rights and the nature of our respective societies is raised by our adversaries or their objective allies could yet save the democratic world from "Finlandization from within." Human rights is the single greatest weapon we have left for the defense of liberty. It would be calamitous if we allowed ourselves to be robbed of it by the voices of fear and guilt, inside the government or out.

SHOULD SENATORS BE LIMITED TO TWO TERMS?

Mr. CRANSTON. Mr. President, in the November 14 issue of U.S. News & World Report, the distinguished junior Senator from Missouri and I debate whether there should be a constitutional amendment limiting service in the Senate and the House to 12 years. I oppose such an amendment, Senator DANFORTH supports it. Our reasons are set forth in the article.

In anticipation of the magazine interview, I wondered how many Senators have been elected to three or more terms and whose service to the Nation would have been cut short had such a constitutional barrier been in effect.

There have been 189 such Senators—including 22 sitting Senators—since the birth of the Republic, according to the Congressional Research Service. As you might expect, the list includes many of the great names in Senate history.

Since the subject will be of great interest to my colleagues, I ask unanimous consent that the U.S. News & World Report article and a list of the 189 long-serving Senators—showing their political party, date they entered the Senate, and total years of service—be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

LIMIT A LAWMAKER'S TERM IN CONGRESS?

YES—ELECTED OFFICIALS SHOULDN'T BE "PERMANENT FIXTURES IN WASHINGTON"

(Interview with Senator JOHN C. DANFORTH, Republican, of Missouri)

Q. Senator Danforth, why do you favor a constitutional amendment prohibiting any person from serving more than 12 years in the Senate or the House?

A. It would accomplish two things:

First, it's important for elected officials who come to Washington to think of themselves as citizens who are only on leave to their Government—not permanent fixtures in Washington. A limitation on the length of service would say to a person who is elected: "Look, you are not a new resident of Washington—you are a resident of your own State or your own district. You are of the people who sent you here, and you will eventually, whether you like it or not, be returning to them."

The second thing that would be gained has to do with the human tendency to want to preserve yourself in a good job by saying "Yes" to everybody and "No" to nobody. That's one of the problems in Government now.

Q. Are you saying that lawmakers worry too much about getting re-elected?

A. Yes. I would hope that a limitation on service would create a greater sense of independence and a greater willingness to call them as we see them.

Q. But if every second-term Senator were a lame duck, ineligible for a new term, wouldn't the Senate's responsiveness to the public be reduced?

A. No. First of all, the people I know here who have already announced they're not going to be returning have just as great a sense of responsibility to their electorate as those who want to keep running, running and running.

You don't really elect people to be just walking public-opinion surveys. You elect them to exercise their best judgment on behalf of the people who sent them here. So I don't think that there is anything necessarily beneficial about being consumed with the need to touch every base and remain popular on every issue just to get re-elected.

Too many politicians have said "Yes" to too many people for too long. They have attempted to aggregate support from one interest group after another in order to stay here forever.

Q. In most fields, it is assumed that experience sharpens a person's skills. Isn't this true of Government service, too?

A. I had always been told that when you come to the Senate as a freshman, you're supposed to be seen but not heard. But I haven't found that to be true at all. We are expected to start acting like Senators the day we arrive.

Secondly, we've already crossed this bridge with respect to the Presidency. Presidents, as a matter of constitutional law, are to serve no more than two terms.

And third, I wonder if being a Washington type is the kind of experience a person really should have. There is at least as much wisdom spread throughout the country as there is here. I am one who does not believe that Washington has some monopoly on intelligence or on the right kind of experience.

Keeping contact with "real world"—

Q. Even so, shouldn't it be up to the voters to decide whether a legislator deserves another term, instead of mandating a lawmaker's retirement after 12 years?

A. I think there is a trade-off—and the gain would be substantially greater than what would be given up. You would be removing the possibility of one person serving in perpetuity, but in the State of Missouri, for example, there are thousands of people who are fully competent to serve in the United States Senate. This would result in a very minimal reduction in the pool of qualified people.

The gain, again, is the reduced incentive for a member of Congress to try to promise the world. The limitation on terms would change the perception of the job. No matter how much you promised, no matter how good your public relations might be, you know that you would be returning to the workaday world as a matter of constitutional requirement.

That is precisely the kind of message that people here should be given: It is certain that you are going to have to return to the real world and live with the laws you helped enact.

Q. In effect, then, you want to abolish the "professional legislator"—

A. Yes. There's a real problem today in the notion of a professional legislature, and we seem to keep furthering that notion.

Congress is almost always in session. We have just enacted in the Senate an ethics code which, in effect, says that we don't want Senators involved in the workaday world. In the name of ethics, we want them to free themselves from practice of law or practice of medicine or business so they will be available here full time.

I think that is probably moving in the wrong direction. We should view Government as a citizens' army, as made up of citizens who are performing public service for a limited period of time.

Q. Some people say that the perquisites of office, such as newsletters, a staff allowance and ready access to the press, come close to guaranteeing incumbents' re-election—

A. Right. I think the statistics are pretty clear that it's much easier for an incumbent to be re-elected than for a challenger to defeat him. This is another argument for limiting terms, although it is not an argument I rely on.

Q. Do any local or State governments have the kinds of limits on legislative service that you propose?

A. I don't think so. There are limits in some States on Governors serving more than one or two terms, but such limits are not found in the legislative branch.

Q. What are the prospects for your proposal?

A. It's not going to get anywhere unless there's a public outcry for it. The pressure is going to have to come from the people.

NO—"COMPULSORY RETIREMENT IS A WASTE OF TALENT AND KNOW-HOW"

(Interview With Senator ALAN CRANSTON, Democrat, of California)

Q. Senator Cranston, why do you oppose limiting service in the Senate or the House to 12 years?

A. There's a contrary move now in our country to do away with compulsory retirement in most occupations, and I think that's a very, very sound direction for us to take.

Compulsory retirement in private industry is an inefficient waste of talent, know-how and productivity. It is bad for society and bad for business. Much the same could

[3] "The Issue of Human Rights," COMMENTARY, May 1977.

be said about compulsory retirement from Government service.

It should be left up to the voters to decide who can best represent them. If the voters are satisfied with the performance of a Senator or a Congressman, they should not be deprived of his services and experience—nor should the country—by any arbitrary rule.

Q. We have placed a two-term limit on the Presidency. Why shouldn't a similar limit be applied to Congress?

A. Every rule has its exception, and the one exception that I make to the rule of leaving it up to the voters is the two-term limit on the Presidency.

A President who could serve endlessly would have a great opportunity to develop many of the attributes of a dictator. We've had trends toward one-man rule in our country in recent times. The two-term limit is a very solid barrier against that.

We have as much to fear from Government as we have to gain from Government. And the thing to fear from Government is too much power in too few hands. But Congress, given its makeup, will never be a dictatorship. The question does not apply to Congress, where so many people share authority and responsibility.

Q. Advocates of a limitation on service argue that if we did away with "professional legislators," Congress would be more responsive to the needs and wishes of the voters—

A. There are those who say that we've relied on the citizen soldier as the mainstay of our defense, and so we should now rely on the citizen politician in our legislative process. Actually, because of the sophisticated technology of modern warfare, our defense has to depend on highly trained professionals more and more.

Similarly, our Government has grown so complex that the concept of the inexperienced citizen politician is somewhat outmoded—at least to the degree that we shouldn't depend solely on inexperienced legislators. There should be a blend of the old and new in office, and under the present law we have that blend.

Q. So you see a clear need for people with many years of legislative experience—

A. Yes. In matters that involve public affairs and human relations, experience is a vital, indispensable part of the learning process. You learn not only what Government can do, but what it can't do. New Senators sometimes spin their wheels trying things that are impossible, or trying to launch vast spending programs that just won't work. With experience, you learn to focus your efforts where you can accomplish something significant.

John Sherman introduced the Sherman Antitrust Act in his 29th year in Congress. Paul Douglas introduced the Voting Rights Act in his sixteenth year. Clinton Anderson introduced the Medicare Act in his sixteenth year. Jacob Javits, a Republican, introduced the War Powers Act—very significant piece of legislation in the post-Vietnam era—after serving more than a decade and a half in the Senate. Sam Ervin led the Watergate hearings in his nineteenth year in the Senate. Robert Wagner served 22 years; Robert Taft, Sr., 14 years; Stephen Douglas, 14 years; Henry Clay, 27 years; Robert La Follette, 20 years; George Norris, 30 years. All of these careers would have been cut short, and the nation would have been the loser, if we'd had the limit that is proposed.

Problem of the lame ducks—

Q. Don't legislators sometimes get out of touch with the people back home after many years in Washington?

A. If they do, they get tossed out by their constituents. The basic principle of representative democracy is that you elect people who are supposed to be responsive to the people they represent—not necessarily to always do what the people want, but to solicit their views, understand their problems, stay in touch and serve their best interests. Now, if you're in your final six-year Senate term, and the law says you can't run for reelection, you could become totally unresponsive to the people you serve.

Also, a lawmaker who is a lame duck would be less able to accomplish things. If somebody is on his way out, less attention is paid to his leadership. A Senator would be at his peak of capacity only in his first six years, and then he would lose his clout—and so would his constituents—in his second six years.

Q. It is sometimes argued that incumbents have advantages, such as newsletters, staffs and ready access to the press, that come close to guaranteeing re-election. How true is this?

A. I do have concern that incumbents have advantages. I think there are other ways to deal with the problem. On the bill to provide public financing for congressional-election campaigns, I voted to provide challengers more money than incumbents, for example.

Even so, there are plenty of incumbents knocked off on each go-around. It is noteworthy that several of the advocates of a limit on service recently defeated incumbent Senators. We do have new people coming in with new ideas. More than 50 per cent of the House has been here less than six years. More than half of the Senate has been here less than 10 years.

There is no demonstrative need for anything as radical as changing our Constitution to make retirement after 12 years in office mandatory. The voters themselves have been doing a good job of keeping a healthy mixture of "new blood" and experienced "old hands" in Congress.

MEMBERS OF THE U.S. SENATE HAVING 18 OR MORE YEARS

George Aiken, Rep., 1941, 33 years.
Nelson Aldrich, Rep., 1880, 30 years.
William Allison, Rep., 1872, 36 years.
Gordon Allot, Rep., 1954, 18 years.
Clinton Anderson, Dem., 1948, 24 years.
Henry Anthony, Rep., 1858, 26 years.
Henry Ashurst, Dem., 1912, 28 years.
Augustus Bacon, Dem., 1894, 20 years.
Alben Barkley, Dem., 1926, 23 years.
William Bate, Dem., 1886, 19 years.
Wallace Bennett, Rep., 1950, 24 years.
Thomas Hart Benton, Dem., 1820, 30 years.
James Berry, Dem., 1885, 21 years.
Alan Bible, Dem., 1954, 20 years.
Joseph Blackburn, Dem., 1884, 18 years.
William Borah, Rep., 1906, 34 years.
Frank Brandegee, Rep., 1905, 19 years.
Henry Bridges, Rep., 1936, 25 years.
Jesse Bright, Dem., 1844, 18 years.
Matthew Butler, Dem., 1876, 18 years.
Harry F. Byrd, Sr., Dem., 1933, 32 years.
Robert Byrd, Dem., 1958 to present.
Wilkinson Call., Dem., 1878, 18 years.
James Cameron, Rep., 1877, 19 years.
Simon Cameron, Rep., 1844, 19 years.
Howard Cannon, Dem., 1958 to present.
Homer Capehart, Rep., 1944, 18 years.
Arthur Capper, Rep., 1918, 30 years.
Frank Carlson, Rep., 1950, 18 years.
Clifford Case, Rep., 1954 to present.
Zachariah Chandler, Rep., 1856, 19 years.
Dennis Chavez, Dem., 1935, 27 years.
Frank Church, Dem., 1956 to present.
Clarence Clark, Rep., 1894, 22 years.
Francis Cockrell, Dem., 1874, 30 years.
Richard Coke, Dem., 1876, 18 years.
Thomas Connally, Dem., 1928, 24 years.
John Sherman Cooper, Rep., 1946, 20 years.
Norris Cotton, Rep., 1954, 20 years.
John Crittenden, Whip, 1816, 20 years.
Charles Culberson, Dem., 1898, 24 years.
Shelby Cullom, Rep., 1882, 30 years.
Albert Cummins, Rep., 1908, 18 years.
Carl Curtis, Rep., 1954 to present.
Charles Curtis, Rep., 1907, 19 years.
John Daniel, Dem., 1884, 26 years.
Henry Dawes, Rep., 1874, 18 years.
William Dillingham, Rep., 1900, 23 years.
Everett Dirksen, Rep., 1950, 19 years.
Paul Douglas, Dem., 1948, 18 years.
James Eastland, Dem., 1941 to present.
George Edmunds, Rep., 1866, 25 years.
Allen Ellender, Dem., 1936, 36 years.
Sam Ervin, Dem., 1954, 20 years.
Duncan Fletcher, Dem., 1908, 28 years.
Lynn Frazier, Rep., 1922, 18 years.
William Frye, Rep., 1881, 30 years.
J. William Fulbright, Dem., 1944, 30 years.
John Gaillard, Dem., 1804, 22 years.
Jacob Gallinger, Rep., 1890, 28 years.
Peter Gerry, Dem., 1916, 24 years.
Walter George, Dem., 1923, 33 years.
Carter Glass, Dem., 1920, 26 years.
Barry Goldwater, Rep., 1952 to present.
Albert Gore, Dem., 1952, 18 years.
Thomas Gore, Tenn., 1907, 19 years.
Arthur Gorman, Dem., 1880, 22 years.
Theodore Green, Dem., 1936, 24 years.
Eugene Hale, Rep., 1880, 30 years.
Frederich Hale, Rep., 1916, 24 years.
Hannibal Hamlin, Dem., 1848, 24 years.
Henry Hansbrough, Rep., 1890, 18 years.
Isham Harris, Dem., 1876, 21 years.
Byron Harrison, Dem., 1918, 23 years.
Philip Hart, Dem., 1958, 18 years.
Vance Hartke, Dem., 1958, 18 years.
Joseph Hawley, Rep., 1880, 24 years.
Carl Hayden, Dem., 1926, 42 years.
Bourke Hickenlooper, Rep., 1944, 24 years.
Lister Hill, Dem., 1938, 30 years.
George Hoar, Rep., 1876, 28 years.
Spessard Holland, Dem., 1946, 24 years.
Timothy Howe, Rep., 1860, 18 years.
Roman Hruska, Rep., 1954, 22 years.
Hubert Humphrey, Dem., 1948 to 1964 and 1970 to present.
John Ingalls, Rep., 1872, 18 years.
Henry Jackson, Dem., 1952 to present.
Jacob Javits, Rep., 1956 to present.
Edwin Johnson, Dem., 1936, 18 years.
Hiram Johnson, Rep., 1917, 28 years.
Olin Johnston, Dem., 1944, 21 years.
James Jones., Dem., 1884, 18 years.
John Jones, Rep., 1872, 30 years.
Wesley Jones, Rep., 1908, 24 years.
Henry Keyes., Rep., 1918, 18 years.
Rufus King, Federalist, 1788, 20 years.
William King, Dem., 1916, 24 years.
William R. King, Dem., 1819, 27 years.
Nehemiah Knight, Dem., 1821, 19 years.
Robert LaFollette, Rep., 1906, 19 years.
Robert LaFollette Jr., Rep., 1925, 21 years.
William Langer, Rep., 1940, 19 years.
Henry Cabot Lodge, Rep., 1892, 32 years.
Russell Long, Dem., 1948 to present.
Warren Magnuson, Dem., 1944 to present.
Willie Mangum, Ind., 1830, 18 years.
Michael Mansfield, Dem., 1952, 24 years.
Thomas Martin, Dem., 1894, 25 years.
Patrick McCarran, Dem., 1932, 22 years.
John McClellan, Dem., 1942 to present.
Porter McCumber, Rep., 1898, 24 years.
Gale McGee, Dem., 1958, 18 years.
Kennth McKellar, Dem., 1916, 36 years.
George McLean, Rep., 1910, 18 years.
Charles McNary, Rep., 1917, 27 years.
John McPherson, Dem., 1876, 18 years.
John Mitchell, Rep., 1872, 22 years.
Almer Monroney, Dem., 1950, 18 years.
John Morgan, Dem., 1876, 31 years.
Justin Morrill, Whig, 1866, 32 years.
Wayne Morse, Rep., Ind., Dem., 1944, 24 years.
Frank Moss, Dem., 1958, 18 years.
Karl Mundt, Rep., 1948, 24 years.
James Murray, Dem., 1934, 26 years.
Edmund Muskie, Dem., 1958 to present.
Matthew Neely, Dem., 1922, 26 years.
Knute Nelson, Rep., 1894, 29 years.
George Norris, Rep., 1912, 30 years.
Gerald Nye, Rep., 1925, 19 years.
Joseph O'Mahoney, Dem., 1934, 24 years.
Lee Overman, Dem., 1902, 28 years.
John Pastore, Dem., 1950, 26 years.
James Pearce, Whig, 1842, 20 years.

Boies Penrose, Rep., 1896, 25 years.
George Perkins, Rep., 1893, 21 years.
Key Pittman, Dem., 1913, 27 years.
Orville Platt, Rep., 1878, 27 years.
William Proxmire, Dem., 1957 to present.
Jennings Randolph, Dem., 1958 to present.
Joseph Ransdell, Dem., 1912, 18 years.
Matt Ransom, Dem., 1872, 22 years.
James Reed, Dem., 1910, 18 years.
A. Willis Robertson, Dem., 1946, 20 years.
Joseph Robinson, Dem., 1912, 25 years.
Benjamin Ruggles, Dem., 1814, 18 years.
Richard Russell, Dem., 1933, 38 years.
Leverett Saltonstall, Rep., 1944, 22 years.
Eli Saulsbury, Dem., 1870, 18 years.
Hugh Scott, Rep., 1958, 18 years.
Morris Sheppard, Dem., 1912, 29 years.
John Sherman, Rep., 1860, 32 years.
Henrik Shipstead, Farm Labor, 1922, 24 years.
Furnifold Simmons, Dem., 1900, 30 years.
George Smathers, Dem., 1950, 18 years.
Ellison Smith, Dem., 1908, 36 years.
Margaret Chase Smith, Rep., 1948, 24 years.
Samuel Smith, Dem., 1802, 22 years.
Reed Smoot, Rep., 1902, 30 years.
John Sparkman, Dem., 1946 to present.
John Stennis, Dem., 1947 to present.
William Stewart, Rep., 1864, 28 years.
Charles Sumner, Rep., 1850, 24 years.
Claude Swanson, Dem., 1910, 22 years.
Stuart Symington, Dem., 1952, 24 years.
Herman Talmadge, Dem., 1956 to present.
Henry Teller, Rep., 1876, 30 years.
Elbert Thomas, Dem., 1932, 18 years.
John Thomas, Dem., 1926, 24 years.
Strom Thurmond, Dem. and Rep., 1954 to present.
Benjamin Tillman, Dem., 1894, 24 years.
Park Trammell, Dem., 1916, 20 years.
Lyman Trumbull, Rep., 1854, 18 years.
Millard Tydings, Dem., 1926, 24 years.
Arthur Vandenberg, Rep., 1928, 23 years.
George Vest, Dem., 1878, 24 years.
Daniel Voorhees, Dem., 1877, 19 years.
Benjamin Wade, Rep., 1850, 18 years.
Robert Wagner, Dem., 1926, 23 years.
David Walsh, Whig, 1918, 26 years.
Thomas Walsh, Dem., 1912, 21 years.
Francis Warren, Rep., 1890, 37 years.
Daniel Webster, Federalist, 1826, 20 years.
Burton Wheeler, Dem., 1922, 24 years.
Wallace White, Rep., 1920, 18 years.
Alexander Wiley, Rep., 1938, 25 years.
Harrison Williams, Dem., 1958 to present.
John Williams, Rep., 1946, 24 years.
Henry Wilson, Rep., 1854, 18 years.
Milton Young, Rep., 1945 to present.

A COMPREHENSIVE TEST BAN

Mr. BARTLETT. Mr. President, during the next year, the Senate will undoubtedly be debating the merits of a comprehensive nuclear test ban treaty which may prohibit all nuclear testing by the United States and the Soviet Union. The goal of such a comprehensive test ban (CTB) is to restrict the growth of the nuclear technologies of both superpowers. Ratification would require a judgment by the Senate that this ban on testing is in the national interest and that the provisions for verification will be sufficient to insure that the Soviet Union cannot circumvent restrictions to its advantage.

Adequate verification is vital to the success of any arms limitations agreements with a closed, totalitarian society such as the Soviet Union. In the case of a comprehensive test ban, inadequate verification procedures could permit the Soviet Union to conduct those small, routine nuclear tests which permit nuclear powers to maintain confidence in their existing nuclear stockpiles and to prove new concepts. The United States, an open and democratic society, would be less likely and less able to conduct such illegal tests. Over time, secret testing by the Soviet Union could alter the military balance significantly in its favor.

Confidence in the "high technology" nuclear weapons stockpile of the United States requires continuous monitoring of the stockpile by experienced nuclear engineers. Nuclear testing is required to maintain the proficiency of these experts.

To solve a significant fraction of the problems discovered in our nuclear stockpile. The effect of even minor changes in a nuclear weapon, which cannot be avoided in the repair and replacement of stockpiled nuclear devices, is often unexpected and adverse. Therefore, since nuclear tests results often reveal that predictions based upon calculations and laboratory experiments are inaccurate, confidence in our nuclear weapons would decline during a testing moratorium. If the Soviet Union were also unable to test, the quality of their weapons would also be degraded.

From outside the Soviet Union, the Western world is able to detect Russian nuclear explosions in the range of 5 to 10 kilotons if they are conducted in hard rock. In softer soils, the United States might not be able to detect tests five times that size. Thus, without strict verification measures requiring the cooperation of the Soviet Union, Soviet abstention from tests below 10 or so kilotons would have to be taken on faith by the United States.

Unfortunately, Soviet tests below this verification threshold would be adequate for technology maintenance, stockpile repair or renewal, weapons effect tests, and theater weapon development.

This is possible because the problems that arise in the nuclear stockpile generally involve the "fission trigger" used in strategic thermonuclear weapons. Tests of fission triggers and also small theater weapons usually involve yields in the range where the tests would not be observable outside the Soviet Union. Such tests would permit the Soviet Union to maintain its technology, solve problems in its stockpile, and conduct limited research and development.

For these reasons, any test ban treaty must insure that the United States is not limited to testing levels that are lower than those that can be verified. A comprehensive test ban which did not also guarantee that the Soviet Union could not conduct secret, low yield tests would not be in the national security interests of the United States and probably would face serious opposition in the Senate during the ratification debate. In the event that verification could not be nearly absolute, a more limited test ban would be far less dangerous to international stability. Such a limited test ban might lower the test threshold—perhaps down to 15 kilotons or to whatever level could be detected with certainty. This would insure that no nation would obtain a dangerous advantage through circumvention of the testing moratorium.

Preventing the Soviet Union from gaining an advantage during a comprehensive test ban will be vital in the next few years. At the present time, the Soviet Union is continuing to MIRV its large ICBM force and is improving its accuracy. Since SALT I was negotiated, the Soviet Union has deployed four new ICBM's and is in the process of developing an additional four. Certainly, no comprehensive test ban treaty should be ratified by the Senate until after we see what limits SALT II and MBFR will put on Soviet nuclear forces.

With or without SALT II, our Minuteman ICBM force will be seriously threatened in the early eighties. Thus, the United States is likely to be in need of new strategic weapons systems in the next decade—systems such as cruise missiles, MX, and Trident II, which would require at least limited testing of warheads. A comprehensive test ban treaty could greatly hinder these programs and prevent the United States from maintaining parity with the Soviet Union, even if both sides complied with the test ban. Soviet secret testing, or a massive Soviet testing program conducted immediately upon termination of the ban, would make the situation even worse.

The United States must not commit itself to any test ban agreements which would prevent the United States from maintaining the strategic nuclear balance in the face of the massive Soviet buildup, and it must not commit itself to any agreement which cannot be adequately verified. The Senate should begin now hearing testimony concerning the ongoing comprehensive test ban (CTB) negotiations in order to prepare itself to evaluate these questions so vital to our national security.

JOBS AFFECTED BY ENERGY POLICY

Mr. DOLE. Mr. President, several times in the last months you have heard me say that conservation alone will not be enough to solve this Nation's energy problem. We all agree that decreasing our imports is necessary to hold down our balance-of-payments problem. Furthermore, we all agree that a program to decrease imports if designed properly, can result in more jobs at home and a continued healthy American economy.

DECREASED CONSUMPTION CAUSED FEWER JOBS

I emphasize that such a program must be designed properly. The fact is that because of pressures from outside, we have already decreased our consumption over the last few years. But that decrease in consumption was accompanied by a loss of jobs. I am sure that none of us wants a Government program that would result in a repeat performance of that experience. In 1974, we consumed 72.9 quads and we employed 85.9 million people in this country. In 1975, we consumed 71.1 quads and our employment dropped to 84.8 million. We do not need a Government program that will drive imports down and drive unemployment up at the same time.

Since 1974, at least, there has been a direct correlation between the amount of energy consumed in this country and the health of our economy as reflected in GNP and employment. The task before

us is to change that pattern as much as we can through more efficient use of energy, and after that, to maintain our economic health.

PRODUCTION MEANS JOBS

After we have achieved the savings we can through efficiency, there is indeed an acceptable way to decrease our imports. We can simply substitute domestic production for imports. This will result in reinvestment of that saved capital and it will increase the number of jobs in this country.

Now the administration has finally come around to admitting that production might be an important part of a comprehensive energy program, but they have yet to decide what they want to do about production. Certainly there is no provision for increasing production in any of the legislation that the administration has proposed. And I say this fully aware that it is a direct contradiction of what the President continues to tell the American people.

The answer is to deregulate newly discovered oil and newly discovered gas. But the administration proposes neither.

ADMINISTRATION POLICY WILL INCREASE IMPORTS, CONTINUE LOSS OF JOBS

While we have yet to see whether the administration's program will decrease oil imports, and there is reason to think that it will not, we already see the effect of continued regulation of new gas. This country is presently embarked on a road toward dependence on Algerian, Indonesian, and possibly Russian gas. It is frightening to think that our domestic pricing policies have caused a need for foreign gas, in direct conflict with the proposed purpose of the "comprehensive energy program."

I wonder how many jobs will be lost when we are importing a trillion cubic feet of foreign gas at a price of $3.50 per thousand cubic feet, the equivalent of $20 per barrel of oil. And I wonder how many jobs we are creating overseas by funding the construction of the gas plants that will lock us into this new level of energy dependence.

MORE JOBS MEANS A BALANCED PROGRAM

We can decrease our imports and at the same time we can create jobs at home and keep our economy healthy. But it takes a truly comprehensive energy program to do that. What we have is half an energy program. And if we implement half a program, it will effect our economy in a way that will look all too familiar after what we have been through since the embargo. It will result in a loss of jobs to the extent that decreased consumption comes merely from curtailment. It will result in a loss of jobs to the extent that we buy our way into dependence on new overseas sources of gas.

BRIGHT FUTURE FOR GASOHOL

Mr. EAGLETON. Mr. President, for many years alcohol has been used in various blends with gasoline to power internal combustion engines. In many respects it is superior to gasoline and it can be made from just about any kind of organic matter, from garbage to timber. I was pleased to cosponsor with my good friend and colleague from Indiana (Mr. BAYH) a bill to authorize farmers to grow crops for alcohol production on set-aside acreage. I think this is a subject that ought to have the priority attention of this Congress. An article by Jeanne Schinto entitled "Alcohol for Gasoline" appeared in the November 1977 issue of the Progressive. While I do not necessarily subscribe to some of the allegations made in the article, I do think it provides an excellent review of the gasohol issue. I ask that the text of the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ALCOHOL FOR GASOLINE

(By Jeanne Schinto)

U.S. energy policymakers claim to be developing alternative fuels for the future, but they deliberately sidestep a fuel that could be substituted for gasoline today.

Alcohol, or alcohol and water, will run current automobiles whose engines have been slightly modified. A blend of 10 per cent alcohol and 90 per cent unleaded gasoline will run engines without any modifications at all. Alcohols are, in most ways, better fuels than gas—more powerful, more fuel-efficient, delivering better auto performance. Cooler burning, they slow engine wear. Less explosive, they are safer to handle.

Nationwide use of alcohol as fuel would provide significant rewards. It would not only lower American dependence on imported oil and free domestic supplies for production of fertilizers, certain useful plastics, and life-saving drugs, but would also reduce air pollution from auto exhausts—by more than 90 per cent, according to tests of straight alcohol conducted at Stanford University. Experiments at the Massachusetts Institute of Technology show that replacing gasoline with only 5 per cent to 30 per cent alcohol could lower carbon monoxide emissions by 14 to 72 per cent. Such blending of alcohol and gasoline requires no special, energy-intensive process. The two substances need not be heated, cooled, or in any other way altered before they will mix readily. Nor does any significant pollution result from alcohol fuel processing.

Alcohol used as a gasoline substitute, or as an additive, could help solve America's mobile energy problems while providing such bonuses as cleaner air.

Alcohol fuels are readily available. Ethanol (best known as "grain alcohol") and methanol ("wood alcohol") can be made from virtually anything that is now, or was once, alive. The most suitable raw materials include farm crops, farm waste (such as corn stalks), trees and wood waste (pulp and sawdust), ocean kelp, garbage, even sewage.

Nor are alcohol motor fuels anything new. Some of Henry Ford's first automobiles ran on alcohol and most racing cars run on alcohol today. In the 1920s, methanol was used for fuel injection in piston aircraft. During the Great Depression of the 1930s, service stations in Kansas, Nebraska, Missouri, and Illinois sold Agrol, a gasoline and grain-derived ethanol blend. During World War II, American troops fought against Germany's alcohol-propelled war machine.

There are even more international examples. In addition to Germany, more than a dozen countries have used alcohols to a significant degree over the past fifty years. These include Austria, Brazil, China, Cuba, Czechoslovakia, Egypt, Finland, France, Ireland, the Philippines, Poland, Spain, Sweden, and Yugoslavia. In fact, three nations—Brazil, Sweden, and West Germany—have recently moved toward a total switch from gasoline to alcohol.

Brazil, the world's largest producer of sugar cane, an excellent ethanol source, intends to convert 75 per cent of its motor fuel use to alcohol by the year 2000, this year alone, it has budgeted more than $500 million to help meet that goal. All cars in Brazil now run on 2 to 10 per cent alcohol. Next year, government officials say, the blends will be up to 20 per cent.

But in the United States, the Energy Research and Development Administration (ERDA) claims it will take eight to ten years to complete work on any alternative fuel source, and another decade to develop the industry that will produce the fuel. E. Eugene Ecklund, head of ERDA's alternative fuels branch, admits when pressed that the use of alcohols is already feasible, but the agency continues to fund research to prove just that point. In fiscal 1977, the branch spent $1.5 million on basic alcohols testing; this year, it will spend about the same.

U.S. oil companies fiercely oppose these fuels, of course. Exxon and Chevron, especially, raise technical arguments supposedly based on unbiased research. Their claims, however, are easy to counter. Richard Merritt, an alcohols advocate who worked for the auto manufacturers, including Ferrari, for twenty years before the energy crunch took his job away, says, "What the oil companies are doing is taking a chicken and boiling it, waiting until all the meat falls off the bones, then checking the bones for nutrition and saying, 'Nope, no nutrition there. Chicken must be no good.' "

Engineers for Volvo, Volkswagen, and Mercedes-Benz can readily show how minor modifications to present-day fuel and ignition systems will resolve any technical difficulties the oil company researchers may encounter with straight alcohol. Since it has been amply shown that no modifications are needed to operate automobiles on blends of up to 10 per cent alcohol, industry research which identifies problems in that range can only be viewed as self-serving. Ironically, some of the best evidence comes from the oil industry itself: The gasoline that Atlantic-Richfield sells at Arco service stations is 5 to 7 per cent alcohol, added because it enhances engine performance. Arco, however, declines to discuss it.

The basic assumption underlying the oil industry's research is that alcohol fuels can not be used efficiently. That is hardly surprising. What is surprising—astonishing, in fact—is that part of the industry's alcohols research is paid for by ERDA money—"which is like giving the tobacco industry money to study lung cancer," Richard Merritt notes.

In other questionable moves, ERDA has put all its funding into methanol, not ethanol, research, and has concentrated on methanol made not from renewable resources but from fossil fuels—coal and shale oil. This preference raises questions for three reasons. First, the oil industry has formidable coal-mining and the shale deposit holdings; second, making methanol from those materials would entail high-cost, capital-intensive ventures which only the rich oil companies could easily undertake, finally, a mobile energy economy based on methanol made from fossil fuels alone would be just as inflexible and uncertain as our present system.

The U.S. auto industry also slights the potential of alcohol fuels. A case in point is the abrupt cancellation of a research project at MIT after *Science* magazine published its early findings under the title, "Methanol: A Versatile Fuel for Immediate Use." Dr. Thomas Reed, the scientist who headed the 1973 project, asserts it was canceled because MIT yielded to oil *and* auto company interests, and *Science* cautiously tends to concur. Pointing to the "attendant circumstances," which included "the active involvement of an Exxon employe as well as the fact

that the laboratory had received $1 million in grants from Exxon and Ford," *Science* sees the termination in "an ambiguous, and perhaps suspicious, light." (MIT claims the project was killed because it was technically weak and inappropriate for a university, according to *Science*.)

If the project had been allowed to continue, a fleet of 200 cars would have been tested over a period of months—a move that would certainly have drawn significant attention in the national news media and enhanced the credibility of methanol fuel.

It is easy to see why oil companies would oppose an alternative fuel. The rationale behind the auto industry's resistance is less obvious. As alcohol proponents see it, plausible reasons range from the opinion that the auto companies are dinosaurs, opposed to any and all change, to the idea that they are in cooperation and collusion with the oil companies. Auto interests may also oppose alcohols because of the modifications and government control that the transition would necessarily entail. Whatever their motivation, it is the American auto manufacturers who seem to see insurmountable technical difficulties with alcohols, while the European manufacturers—Volvo, Volkswagen, and Mercedes-Benz—do not.

As Dr. Reed of the MIT project has said, "The use of methanol as a motor fuel is no longer a technical question but a political one with implications for our national energy policy." The National Energy Plan submitted by President Carter to Congress last April suggests that the Administration not only ignores or avoids but also misrepresents the alcohol fuels solution. The plan, outlined in a 103-page booklet, contains only one sentence on methanol and not a word on ethanol. The lone methanol reference projects not into the immediate future but into the dark hinterlands of energy thought beyond 1985, along with such exotic technologies as hydrogen fuel, which we know can be made from water but which we have yet to make cheaply, use safely, store and transport efficiently, or adapt to today's autos.

By way of contrast, the National Energy Plan submitted to Congress by Franklin D. Roosevelt thirty-eight years ago devoted two pragmatic chapters to the alcohols. Such fuels were never truly marketable in Roosevelt's time, however, because gasoline was so cheap. Today, the economic arguments raised against alcohols are no more valid than the technical ones.

Maine state researchers, for example, estimate that they can get 2,250 gallons of methanol from one acre of commercial timberland. Accordingly, 10 per cent (or ten billion gallons) of our total yearly gasoline consumption could be replaced by methanol made from less than 1 per cent of our total commercial timber. Working with such quantities, the Maine researchers estimated early in 1975 that the base cost of the fuel would be as little as fourteen cents a gallon. At the time, the base cost of gasoline was exactly twice as much.

The alcohols can be made from other, less valuable, raw materials, however—the 35 per cent of timber used in paper and lumber production that goes completely to waste, for example. (By late 1976, the Maine Office of Energy Resources had hoped to have a pilot plant in operation, producing methanol made from both timber and wood waste, to be utilized not only for mobile energy but for heating fuel as well. However, Maine also hoped to raise the funding for the project from private rather than public sources, and it has not been successful. Consequently, the plant, which would cost $10 million to $30 million, remains frozen in the planning stage.)

"When people quote prices of a dollar and more a gallon for ethanol, they are talking about pharmaceutical alcohol in an extremely high state of purity," says Richard Merritt. "What we need is the cheapest rot-gut kind of alcohol we can get. The cheaper, the less pure, the better it will run your engine." This "rot-gut" quality ethanol can be made from wet, moldy, frost-spoiled, or otherwise below-grade crops.

During some years, the country could make fuel from its surplus farm products. In 1977, for example, eighty million acres of wheat-growing land yielded two billion bushels of wheat, but many farmers still had in storage as much as three-quarters of the massive harvest of the summer before. If distilleries had been built to accommodate the 1977 yield, more than four billion gallons of ethanol could have been produced, and the wheat farmers would have been paid by consumers for what they grew, not by government for what they couldn't sell. And the possibility of many future bin-busting harvests of wheat and other farm crops has been, and continues to be, greatly increased by the development of new, high-yielding plant varieties.

The plants with the best production capabilities are not the grains, however, but sunflowers, sugar beets, and eucalyptus trees. The Senate Agriculture Committee has determined that a city of 250,000 whose residents each drive 10,000 miles a year would need to plant only seven square miles of sunflowers to meet its total annual motor fuel needs.

The presently stored 530 million pounds of unsold tobacco, representing $647 million in price stabilization loans to tobacco farmers, could also be used to run the nation's cars. Much of the surplus is "bottom leaf," the low-grade product picked from that part of the plant which is closest to the ground. Demand for such leaf has declined sharply in the last few years, and growers are wondering if it can ever be sold.

Other sources are even more promising. Union Carbide has been making alcohol from unsorted garbage at an experimental plant in West Virginia—the first of its kind anywhere. And Dr. Reed of MIT has calculated that the solid waste presently generated in the United States could supply about 8 per cent of our total transportation fuel needs.

What the alcohols promise, then, is a highly flexible energy system which could bend and stretch to suit prevailing economic conditions—even personal ones: In a pinch, any of us could make these fuels in our own backyard. Alcohols would also create new and needed markets for farm surpluses and a new use for waste; stimulate small business; provide jobs; clean up the environment, and make the United States energy-independent. In fact, virtually every segment of society would stand to gain from the switch. Only alcohols' opponents would stand to suffer.

But it becomes abundantly clear that energy questions have little to do with complexities in science, technology, and economics, and much to do with one-dimensional politics. Why has the Government yielded to oil and auto interests? It is well documented that the corporations push not only from the outside in but from the inside out. Industry is well represented in ERDA, the Federal Power Commission, the Federal Energy Administration, and the White House.

The situation presents a good case for nationalization. Nationalization explains why Brazil's energy crisis is subsiding. Its alcohol and gasoline are mixed by Petrobras, the government-owned company which has almost full responsibility for finding, producing, and refining Brazilian petroleum. However, given the realistic assumption that nationalization of oil, autos, or any other U.S. industry will not soon be achieved, we can only hope that those who champion alcohols as well as other alternative fuels will not give up.

Would industry retaliate in some way if alcohols were pushed? There is little doubt that the oil companies would try, and they are in a good position to succeed. While they may not have the means of producing alcohols, they do have the means of distribution—their service stations. And production may also be within their reach. The research that the oil companies undertake not only works to postpone our utilization of the alcohols as industry scientists presume to wrestle with technical difficulties and then pass their findings on to government. By pretending to work toward the feasibility of alcohols, the companies have also in effect reserved their right to announce a "breakthrough" and move into manufacture of the fuels whenever they find it advantageous. The industry also has the capital to build distilleries rapidly and, consequently, to monopolize the mobile energy business once again. Finally, there is the fear that the industry would simply buy up any alcohol fuel companies, not for the purpose of selling the alcohol, but to get it off the market.

"The oil companies could sabotage the program very easily," says Scott Sklar, a special assistant to Senator Jacob Javits, a supporter of the alternative source of energy. That is why Sklar and others believe alcohols must be carefully legislated into the American industrial scene.

On Capitol Hill, alcohols appear to be gaining favor. Legislators from the farm states and the Maine delegation are among supporters. Hawaii supports the fuels because the sugar cane business is ailing and alcohols could put it back on its feet (without putting more sugar down anybody's throat). North Carolina is supportive because of the tobacco angle, and Kentucky because it has many inactive bourbon distilleries.

As a result, both the House and Senate have approved legislation, attached to the Agricultural Act of 1977, allocating $24 million for more alcohol research and $15 million for the construction of four pilot distilleries. The victory means little, however, Congress still has not sprung the alcohols from their drawing-board status; it still has not passed legislation encouraging—indeed, mandating—the fuels' production and use, and it has done nothing to defuse the oil industry's awesome powers.

In theory, at least, alcohol legislation on the state level has been somewhat more progressive. In California, a bill was introduced in 1975 to require methanol-gasoline sales by 1980, but it was strongly opposed, and eventually killed, by oil and auto lobbyists. In Nebraska, that same year, successful legislation provided a three-cent-per-gallon reduction in the gasoline tax on Gasohol, which is 10 percent grain-derived ethanol and 90 per cent unleaded gas. Accordingly, the mixture was sold for only five cents more than straight unleaded gas. Since Gasohol delivered 5 to 7 per cent better mileage, its price could be considered equal to, or a little lower than, that of its competitor. That, too, was an experiment, though; Nebraska sells no Gasohol now.

Meanwhile, the Carter White House continues to be safely vague, inexcusably uninformed, or both. Energy Secretary James R. Schlesinger will only say, through spokesman Donald Creed, that he "looks forward" to studying the alcohols "more intensely," but "has made no commitments to any specific projects." And George Hall, another Schlesinger aide, supposedly the alternative fuels expert, when asked by an alcohols proponent last April about Carter's intentions regarding the gasoline substitute, replied, "What's alcohol fuels?"

RESOLUTION OF THE CITY COUNCIL OF TEMPE, ARIZ., SUPPORTING A STRONG CIVIL DEFENSE PROGRAM

Mr. HANSEN. Mr. President, I ask unanimous consent to have printed in

the RECORD a statement by the Senator from Arizona (Mr. GOLDWATER) and the attachment referred to therein.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

STATEMENT BY MR. GOLDWATER

Reliable reports about Soviet efforts in the field of civil defense are beginning to arouse considerable concern throughout the United States over the indifference of our national government toward our own civil defense posture. Just recently the City of Tempe in my home state of Arizona went on record to express its concern over apathy and indifference at the federal level.

Without objection, I should like to present a resolution adopted by the Tempe City Council for printing at this point in the Record.

RESOLUTION 1463

Whereas, the City of Tempe, Maricopa County, the State of Arizona and the cities of Phoenix, Scottsdale, Mesa, Glendale and Chandler are concerned with the apathy and indifference of our national government toward our Civil Defense posture, and

Whereas, this lack of leadership is reflected in the absence of any stated national policy or guidance. and the success of any local Civil Defense program depends to a large measure on the support and emphasis at the national level, and

Whereas, the Defense Civil Preparedness Agency budget has steadily declined causing erosion of existing programs and a loss of credibility of local as well as national programs, and

Whereas, if we are to preserve freedom and security in the United States today the need for balanced forces of both an offensive and defensive nature is apparent, and

Whereas, a widespread training and education program is needed to inform both the public and industry concerning survival, and

Whereas, the national government as stated in the U.S. Constitution is responsible that its citizens are defended from enemy attack in a manner that will minimize loss of life and property,

Now, therefore, be it resolved by the City Council of the City of Tempe and the chief elected officers of the incorporated cities of Phoenix, Scottsdale, Glendale, Mesa, and Chandler that the Congress of the United States should take the following actions in order to provide the national leadership, guidance and direction necessary for the continued functioning of a viable Civil Defense program for protection of the population and the industrial base:

1. Make known to the public national estimates regarding the probability of occurrence and likely effects of a nuclear attack on this country.

2. Formulate and make public a national policy on passive defense and declare an intent to vigorously support a viable and realistic Civil Defense program in order to restore credibility to the overall program.

3. Ensure that sufficient funds are made available to the Defense Civil Preparedness Agency so that the ongoing programs can be maintained and other programs initiated.

Be is further resolved that the Governor of Arizona indicates his support of this position by taking action in the form of a similar resolution to the Congress of the United States and also by in-state activities which will reflect firm and continued support of a strong Civil Defense Program.

Passed and adopted by the City Council of the City of Tempe, Arizona, this 3rd day of November, 1977.

THE HUMPHREY-HAWKINS BILL

Mr. KENNEDY. Mr. President, I welcome the White House announcement of support for legislation which would bring about a full employment economy. This legislation will be embodied in a modified form of the Humphrey-Hawkins bill, of which I am a cosponsor.

An economy which provides a job for all those who can work must be a fundamental goal of our society. The ramifications of a full employment economy are legion—from increased productivity, to alleviating the plight of the unemployed, to reducing expenditures for unemployment insurance and welfare.

We in Congress have tried to provide the tools to meet this goal. In the last few years, several of my colleagues and I have sponsored major pieces of legislation aimed at reducing the shamefully high unemployment rate. We have passed and expanded CETA job programs, youth employment programs and public works projects. But the unemployment rate remains too high. We need to undertake a full scale attack on this problem, using monetary and fiscal tools and more job creation programs. I applaud the commitment that President Carter is making in this area.

I note that the plan also calls for anti-inflationary measures, and I believe that this is a very good and very feasible idea. Both problems can be conquered. We can have an unemployment rate which is lower than 7 percent and an inflation rate lower than the 6.7 percent of the past 12 months, as well. In the sixties the economic policies of President Kennedy and Johnson brought the unemployment rate down from 6.7 percent to 3.6 percent while the Consumer Price Index averaged just 2.4 percent a year, dropping as low as 1.2 percent.

With the President's support, I hope and believe we can make similar progress on problems now facing our economy. As a member of the Senate Human Resources Committee, I will work for the enactment of full employment legislation.

SALTING AWAY SOVIET NUCLEAR SUPERIORITY

Mr. HATCH. Mr. President, when the SALT talks began, the United States had nuclear superiority. Now after years of negotiation, the Soviet Union has nuclear superiority. Was the function of the SALT talks to legalize Soviet nuclear superiority? I ask unanimous consent that editorials from the November 1 and November 9 issues of the Wall Street Journal be included in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

INVITING A CRISIS

Even as President Carter tries to reassure the nation he has no new initiatives up his sleeve, he is stumbling into a battle likely to dwarf energy, Panama and the rest of his current troubles. Indeed, the emerging strategic arms agreement is likely to provoke the sharpest treaty battle since the epic bitterness over the League of Nations.

While the Soviets are trying to squeeze out a few more drops of blood in the current talks at Geneva, the concessions they won in the Carter-Gromyko bargaining a month ago already insure major opposition in the Senate. The concessions go far beyond anything the Russians would have dreamed of winning from former Secretary of State Kissinger. The draft provisions are open to a whole series of objections, any one of them serious enough to call for a treaty's defeat.

Crucial limitations would be utterly impossible to verify for instance, allowing the Soviets to cheat with impunity. The terms already agreed to would limit the American cruise missile so sharply the promising weapon might not even be worth developing. The treaty would undercut the administration's commendable efforts to revitalize the NATO alliance, instead insuring the further demoralization of our European allies. It would guarantee the Soviets an advantage in missile throw weight in the order of 10–1, posing a severe threat to the American Minuteman missile while precluding substitutes such as the proposed MX missile. Each of these points deserves extended discussion.

The most immediately worrisome aspect of the new agreement, though, is the message it conveys to the Soviets about Mr. Carter and his administration. Last March the administration offered what it regarded as sensible arms control measures. The Soviets rejected these proposals out of hand. The administration's response was to go limping back again and again with new and successively weaker proposals. On the most important issues on the table, the Soviets stonewalled for six months while the Americans caved.

Take, for example, the issue of heavy missiles. The Soviets have 308 heavy missiles, each about seven times the payload of a Minuteman. The U.S. has no such huge missiles, and under the treaty would be prohibited from building any. Since it's difficult to see the utility of such weapons for any purpose except a first strike against the other side's missiles, the Carter administration set out in March to get some limit on this threat in return for concessions on the cruise missile.

In March the U.S. asked for a limit of 150 Soviet heavy missiles, asking them to tear down half the force. By May, the U.S. was willing to allow them to keep the whole force, provided only 190 heavy missiles carried multiple warheads (MIRV). Since this is about the current number of heavy missiles with MIRV, the U.S. in essence asked for a freeze on heavy missiles. When the Soviets rejected the 190 number, the U.S. tried a heavy MIRV limit of 220. With that rejected, it tried 250. Finally, when Mr. Gromkyo arrived in town, the U.S. dropped the whole idea.

Similarly, in March the U.S. insisted on specific treaty provisions on how the Soviets could use their Backfire bomber, which they insist is not an intercontinental weapon though it can fly from the Soviet Union over the U.S. to Cuba without refueling. By September the U.S. agreed to keep Backfire out of the treaty if the Soviets would make a separate promise not to increase its production rate, even though they refuse to say what the current production rate is.

To buy the limits on heavy missiles and Backfire sought last March, the U.S. offered a cruise-missile concession limiting the range of air, land and ground-based cruise missiles to 2,500 kilometers. Bombers carrying cruise missiles would not have been counted against the agred number of MIRV missiles. In the September agreements, if the U.S. builds more than about 120 such bombers it must tear down Miuteman or submarine MIRV missiles. And land-based and sea-based cruise missiles would be limited to a practically useless range of 600 kilometers. In return for scrapping the concessions asked of the Soviets, the Americans are giving larger concessions of their own.

The March proposals were in themselves open to serious question, so the September agreements are drawing serious opposition as they are explained to the Senate. But putting aside the effect on the strategic posture in 1985, the collapse of the American negotiating

position raises dangers in 1977. The lack of resolution Mr. Carter displayed to the Soviets between March and September invites them to try pushing him around throughout the world.

LEAKING SALT

For over a month now we have been reading the secret details of the strategic arms agreement more or less reached by President Carter and Foreign Minister Gromyko. But only in the last few days have we heard anyone complaining about "leaks."

Time magazine had the first scoop on the Carter-Gromyko agreements in its Oct. 10 edition—i.e., the one that appeared on Oct. 3. A suspicious competitor might note that Time's former diplomatic editor is now press spokesman for the National Security Council. The Times article, which provoked no complaints about leaks of sensitive information, was headlined, "SALT: Toward a Breakthrough; the Kremlin changes nyet to da, raising new hopes for detente."

Nor were there complaints about leaks after The New York Time's Oct. 11 story, lined "Major Concessions by U.S. and Soviet on Arms Reported." The Times said that "administration officials" described the concessions to its reporter. The U.S. concession was that no new limits would be placed on the Soviet heavy missile force. The Soviet concession was that the new limits placed on the U.S. cruise missile would be only temporary, pending the next round.

The concern about leaks started Nov. 1, when former arms negotiator Paul H. Nitze released a document with further details of the agreement. Few publications deemed the additional detail worth much newsprint, and indeed devoted more space to the subsequent complaints by treaty advocates, notably Sen. John Culver. It takes no genius to see that the real source of the complaints is not worry about classified information, but worry about Mr. Nitze's clear-eyed interpretation that there were no Soviet concessions, that the "breakthrough" consisted of U.S. capitulation and that the agreement condemns the U.S. to strategic inferiority.

It is telling, though, that advocates of the treaty are suddenly obsessed with "leaks." If in their hearts they felt they had a case, they would be glad to strip away the veil of secrecy and let the public know what has been negotiated in its name.

SUGAR PROGRAM FINALLY TO BE IMPLEMENTED

Mr. CHURCH. Mr. President, some weeks ago, I intended to introduce a sense of the Senate resolution calling on the administration to implement the sugar program mandated by the Food and Agriculture Act of 1977.

The program contained in the farm bill called for a floor price of 13.5 cents a pound. Although I was disappointed that the floor price was lower than the 15¼ cents a pound proposed in the bill I had introduced some weeks before, I supported the farm bill because I felt it offered Idaho's sugar beet growers some protection from distressed-price foreign imports.

Unfortunately, the program envisioned by Congress, a program of import restrictions, was not imposed by the administration upon the signing of the farm bill into law. Instead, a new version of the direct payments program was employed to achieve the floor price. That was not what Congress had in mind when it passed the farm bill.

A number of Senators expressed their dismay over the administration's failure to carry out the directive of Congress and Senators INOUYE, LONG, MATSUNAGA, METCALF, JOHNSTON, and CRANSTON were prepared to join me in introducing a sense of the Senate resolution.

However, we received assurances from the administration that an interim program of import restrictions would be put in place by November 8 and, as a result, did not introduce the resolution. Today such a program is in effect.

Mr. President, I ask unanimous consent that the text of the resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas the domestic sugar industry has suffered from distress-priced foreign sugar being dumped into this country;

Whereas foreign sugar is continuing to pour into this country to the detriment of domestic sugar producers;

Whereas the Congress intended that some form of import restriction be imposed on foreign sugar to bring the domestic price up to not less than 13.5 cents a pound when it established a sugar program in the Food and Agriculture Act of 1977;

Whereas the Department of Agriculture has failed to implement a sugar program as Congress intended despite having had over two months to do so;

Whereas an International Sugar Agreement will not achieve the price objectives established by the Congress before late 1978; and

Whereas domestic producers need assurance that the sugar program and the price objectives established by Congress will be achieved if they are to plant sufficient sugar acreage to maintain a viable domestic sugar industry: Now, therefore be it

Resolved, That the Senate of the United States—

(a) strongly urges the Department of Agriculture to immediately implement the sugar program established by the Food and Agriculture Act of 1977 in a manner consistent with the expressed intent of the Congress.

Mr. CHURCH. Although I am pleased that the administration has agreed to take action to help our growers, I realize that this is not the end of the problem. The program the administration will announce shortly is, at best, only a stop gap. A long-term cure for our ailing domestic sugar industry now demands our attention.

What form will that cure take? The administration has just successfully negotiated an International Sugar Agreement which it feels offers a possible solution to the problem of our domestic industry. The State Department has supplied me with a summary of the ISA and I ask unanimous consent that it be printed in the RECORD following these remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. CHURCH. Although I hope that the agreement will work, I think at the very least, our Nation's sugar producers should be assured that in the event an International Sugar Agreement collapses, not an unlikely prospect in view of the history of such commodity agreements, a fall-back domestic program will remain available to maintain a price floor that insures a viable domestic sugar industry.

The farm bill provides a sugar program of 2 year duration. The International Sugar Agreement is to last 5 years. It is clear that the protection offered by the Farm Bill will not be sufficient.

When the administration sends the International Sugar Agreement to the Senate for ratification, I hope that they will transmit a sugar package. Such a package should include the agreement, implementing legislation, and some form of domestic fall-back program to go into effect should an ISA fail to achieve its goals.

The Subcommittee on Foreign Economic Policy, which I chair, has jurisdiction over the ISA and I intend to expedite hearings on the agreement. However, it would be difficult to consider the agreement without reference to the other pieces of the package so that the Senate might be able to consider the agreement in its proper context.

I hope that the administration will clarify its intentions in this regard in the near future so that Congress may begin work on the long-term solutions to the problems facing our domestic sugar industry at the beginning of the next session of Congress.

EXHIBIT 1

THE INTERNATIONAL SUGAR AGREEMENT—1977

SUGAR IN WORLD TRADE

Sugar is among the most important exports of developing countries.

In 1976, total world trade in sugar amounted to over $7 billion, of which almost $5 billion was from developing countries.

U.S. imports amounted to $1.6 billion, 20 percent of total world imports.

U.S. imports amounted to almost 30 percent of the free market trade covered by an International Sugar Agreement.

SUGAR EXPORTERS

Based on 1976 exports to the free market the largest exporters include Australia, the Philippines, Cuba, Brazil, Thailand, the Dominican Republic, India, and South Africa.

Mauritius, Belize, Cuba, and the Dominican Republic rely on sugar for over 50 percent of their export earnings.

Guyana, Barbados, the Philippines and Fiji rely on sugar for over 25 percent of their export earnings.

Thirteen developing countries depend on sugar for over 10 percent of their export earnings.

BACKGROUND

The United States has been a member of previous International Sugar Agreements (ISAs), including the first Agreement of 1937, but was not a member of the 1968 ISA. Previous agreements were designed to deal with the consequences of world sugar surpluses and to provide supply assurance to importing members. The last full fledged Agreement was negotiated in 1968 and was scheduled to expire in 1973. The agreement has since been extended annually in order to provide statistical data and a forum for negotiations of a new agreement, although its economic provisions have been suspended.

Negotiations for a new agreement began in Geneva in April of 1977, but were recessed without conclusion. Talks were resumed on September 12 and final agreement was reached on October 7, 1977. A total of 74 countries participated in the negotiations, including 33 sugar exporting nations.

WORLD SUGAR MARKET IN 1977

The world sugar market today is considerably changed from 1968 or even 1973. The expiration of the U.S. Sugar Act in 1974, the conversion of the Commonwealth Sugar Agreement into the EC–ACP arrangement, and the reduced Cuban role in the world market have transformed the character of the market.

World sugar production, stimulated by the extraordinary prices of 1974 and 1975, has expanded to nearly 89 million metric tons this year. Consumption is around 86 million tons. There has been a surplus of supply over demand in each of the past three years, and prices have fallen below the cost of production in nearly all countries.

A further surplus is faced in the 1977/78 crop year. This situation is accentuated by the increased consumption of substitute sweetners derived from corn (High Fructose Corn Syrup) which can be produced at highly competitive prices. Furthermore, the European Community has been exporting its own surplus production under the Common Agricultural Policy and re-exporting sugar purchased from the ACP countries, adding to the downward pressure on world prices.

THE PURPOSE

The International Sugar Agreement seeks to stabilize the world market price of sugar between 11 and 21 cents per pound. This translates into a price range of 13.5–23.5 cents within the U.S. when transportation and duty are included.

HOW THE AGREEMENT WORKS

A. To defend the price floor, the Agreement relies on a system of export quotas.

The Agreement will come into force with quotas in effect. Quotas will be set initially at 85 percent of a reference tonnage, which is based approximately on each country's recent export performance to the free market.

If the price fails to reach 11 cents (world basis) within three months, an additional quota reduction totaling 2.5 percent will be made.

No countries will be allowed to export sugar in place of those who cannot fulfill their quotas (shortfall redistribution) until the price reaches 12 cents.

Quotas will remain in effect until the price rises to 15 cents per pound. In the 11-15 cent range, however, quotas will be gradually increased until they are suspended at 15 cents.

Quotas will be reintroduced at 14 cents when the price falls back to that level.

B. When the price is between 15–19 cents, the free market will operate.

C. To defend the ceiling price, the Agreement uses a system of nationally-held reserve stocks.

These stocks will be accumulated when quotas are in effect in the lower part of the price range. The stocks will total at least 2.5 million tons, and will be fully in place no later than three years after the implementation of the Agreement.

When the price reaches 19 cents per pound, one-third of the stocks will be released and shipped to the free market.

At 20 cents a further third will be released. If the price should continue to rise, the final third may be released at the ceiling price of 21 cents per pound.

D. Quota adjustments and stock dispcsals described above may be altered by action of the Council of the Agreement. Votes on the Council allow the U.S. and any one other major consuming country to block propcsals that might be detrimental to U.S. interests.

FINANCING FOR THE AGREEMENT

Exporting countries holding stocks will be loaned funds to defray their storage costs.

These loans will be extended by a Stock Financing Fund which will be part of the Agreement. The loans will be made at a flat rate of 1.5 cents per pound annually of sugar stored.

The Stock Financing Fund will be constituted through the sale of "certificates of contribution." These will be sold at the intial rate of 0.28 cents per pound. The certificates must accompany other customs documents when the sugar is entered into consuming countries. The certificate may be purchased by the importer or the exporter.

NON-MEMBER PROVISIONS

The U.S. and other consuming countries will limit their imports from non-members to 75 percent of recent imports from such countries. This percentage will be reduced to 55 percent if the price is below 11 cents.

BENEFITS FOR U.S. PRODUCERS

The Agreement provides for a 3.7 million ton reduction in exports of member countries. At the minimum quota level, medium and large sugar exporters may ship only 13.1 million tons. This compares with projected 1978 exports from these countries of 16.8 million tons.

This reduction, together with the clear inability of some countries to fulfill even their minimum export entitlements should bring the world sugar market into rough supply/demand equilibrium.

The equilibrium should serve to put the price of sugar into the Agreement price range, which is equal to or above the U.S. domestic support price under the 1977 Farm Bill.

Over the life of the five year Agreement, we would expect the price to average at or about the midpoint of the price range.

BENEFITS FOR CONSUMERS

The Agreement has a large reserve stock to prevent the repetition of the sixty cent plus sugar prices of 1974.

Recent experience has also shown that while sugar prices increases are passed on to consumers, price decreases often are not. Consumers will thus substantially benefit from a stabilized price in terms of what they will have to pay in the future for products containing sugar.

THE UNSETTLED QUESTION OF THE EUROPEAN COMMUNITY

The EC, a major exporter of refined sugar, attempted to join the Agreement on a special basis. Their proposal was not considered adequate. Negotiations between Agreement countries and the EC are likely to be held early in 1978. The Agreement can function effectively without the EC, but would benefit from EC adherence both in terms of export restraint and additional reserve stocks.

EFFECTIVE DATES

The Agreement is due to run for five years, with quotas to be renegotiated at the end of the second year.

Senate ratification of the Agreement will be required. Implementing legislation will also be required.

The quota provisions of the Agreement, however, can begin to function when countries which account for half of the world sugar exports and imports, indicate their provisional acceptance.

The Agreement should begin to operate provisionally on January 1, 1978.

THE COST OF UNEMPLOYMENT: WHAT WE COULD HAVE HAD—AND WHAT WE STILL CAN GET

Mr. HUMPHREY. Mr. President, there are many points of understandable difference between conservatives and liberals, between business and labor, and between Republicans and Democrats.

But for the life of me there is one disagreement reported in the press that makes no sense.

That is, does full employment pay? We hear it reported in the Washington Post that reaching 4 percent unemployment, as called for in the Full Employment and Balanced Growth Act, would entail large expenditures with reference to benefits.

But I suggest the converse is, without question, true. Full employment pays and always has. It is sustained, hardcore unemployment that really costs. The expenditures in programs to get people working and give them the skills to keep working are the same as investments by businessmen. A tractor "costs" a farmer thousands of dollars, but he buys it, because of what it pays in return; the logic of full employment advocates is that simple. As with the farmer, the expenditures for employment gains must be in advance of the benefits.

And what is the evidence?

I cite an excellent new study by Associate Professor of Economics Steven Sheffrin of the University of California at Davis. Published by the Exploratory Project for Economic Alternatives, the brightest new think-tank on the Washington scene, the study chronicles the value of production this country has permanently foregone in the past due to great unemployment—and relates a specter of future loss, still avoidable, if our resolve to lessen unemployment is not established now, and firmly pursued.

Professor Sheffrin questions why the United States cannot sustain an unemployment rate comparable to that prevalent in Europe, usually 2 to 3 percent. But because many doubt the achievability of such a rate in the United States, he also examines what would have happened had we maintained a simple 4-percent growth in GNP over the past 20 years, sufficient to keep unemployment at the average 4.1 percent it was in 1956—a year, incidentally, without war, and before the great productivity increase in the population embodied in the post-Sputnik education surge.

Mr. President, I ask unanimous consent that the results of this exercise be printed, in tabular form, at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

TABLE I.—ANNUAL GNP, ACTUAL AND POTENTIAL, 1956–76

[Dollar amounts in billions]

	European range [1]		4-percent trend [2]		Actual [3]
1956	(4.1)	$911.11	(4.1)	$911.11	(4.1)	$894.79
1957		956.48		946.97	(4.3)	910.98
1958		1,004.11		984.69	(6.8)	909.10
1959		1,054.12		1,024.16	(5.5)	963.82
1960		1,106.62		1,065.24	(5.5)	985.76
1961		1,161.73		1,108.18	(6.7)	1,010.52
1962	(2.0)	1,219.58		1,152.07	(5.5)	1,069.12
1963		1,268.36		1,198.49	(5.7)	1,111.39
1964		1,319.09		1,246.66	(5.2)	1,169.86
1965		1,371.86		1,296.56	(4.5)	1,238.76
1966		1,426.74		1,348.20	(3.8)	1,312.48
1967		1,483.81		1,402.52	(3.8)	1,348.20
1968		1,543.16		1,458.58	(3.6)	1,407.20
1969		1,604.89		1,516.51	(3.5)	1,443.33

Footnotes on following page.

TABLE I.—ANNUAL GNP, ACTUAL AND POTENTIAL, 1956–76—Continued

[Dollar amounts in billions]

	European range [1]	4-percent trend [2]	Actual [3]
1970	1,669.08	1,576.84 (4.9)	1,438.64
1971	1,735.84	1,640.00 (5.9)	1,481.72
1972	1,805.28	1,705.09 (5.6)	1,566.81
1973	1,877.49	1,773.92 (4.9)	1,650.17
1974	1,952.58	1,844.96 (5.6)	1,619.80
1975	2,030.69	1,919.49 (8.5)	1,587.28
1976 (2.0)	2,111.92 (4.1)	1,996.27 (7.7)	1,706.50

[1] European range: Unemployment lowered from 4.1 percent in 1956 to 2 percent in 1962; unemployment held at 2 percent by 4 percent GNP growth from 1962 onward.
[2] 4 percent trend: Unemployment held at 4.1 by 4 percent GNP growth.
[3] Actual: Actual average annual GNP growth of 3.2 percent, producing various unemployment rates.

Note: Unemployment rates shown in parenthesis.

TABLE II.—ANNUAL GNP GAPS, 1956–76

[In billions of 1976 dollars]

	Gap [1]	Gap [2]
1956	16.32	16.34
1957	45.50	35.99
1958	95.00	75.59
1959	90.29	60.34
1960	120.85	79.47
1961	151.21	97.67
1962	150.46	82.95
1963	156.96	87.10
1964	149.23	76.80
1965	133.09	57.80
1966	113.72	35.72
1967	135.61	54.32
1968	135.96	51.38
1969	161.56	73.18
1970	230.44	138.87
1971	254.12	158.27
1972	238.47	138.87
1973	227.32	123.76
1974	332.79	225.17
1975	443.41	332.20
1976	405.42	289.77
Cumulative gap	3,651.77	2,290.88

[1] Gap$_1$: European range GNP less actual GNP.
[2] Gap$_2$: 4-percent trend GNP less actual GNP.

Mr. HUMPHREY. Mr. President, what these tables show, for example, is that in 1976 alone, we washed away forever $290 billion worth of products and services by following outmoded economic theories.

Professor Sheffrin's further research also shows how much tax revenue has been lost. In 1976, for example, the Treasury would have had $98 billion more for the services necessary in a decent and civilized 20th century society. This is, as this Chamber has been repeatedly reminded, due to increased collection from a larger earnings base in the population.

Mr. President, I do not blame the economists—at least not all of them. Professor Sheffrin, for example, is a credit to the emerging schools within that old profession. As with Socrates, it can be said, he makes us think.

Will thinking make us act? The door is open to passage of the revised Humphrey/Hawkins Full Employment and Balanced Growth Act which places the most powerful Government ever on the face of the Earth on record for compassion and commonsense.

Professor Sheffrin's projections show that by the year 2000, reaching the European range 2 percent—which I believe can be done if our sons and daughters are wiser than we have been—would mean $500 billion greater GNP in 1976 dollars than sustaining only a 6.5-percent rate. I respectfully ask all of my colleagues to think of this carefully and in human terms.

Mr. President, I ask unanimous consent that two newspaper articles on the new study be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, Nov. 6, 1977]

THE COST OF STAGNATION

(By Tom Wicker)

Unemployment rose again last month, from 6.9 to 7 percent. But back in 1956, with the Eisenhower Administration in office and about to be reelected, unemployment in America averaged only 4.1 percent. Had that rate been maintained during the last two decades:

Production of goods and services would have risen by a total of $2.3 trillion, measured in 1976 dollars.

In 1976 alone, the equvalent of 17 percent of that year's actual production would have been added to the Gross National Product.

During roughly the same period (1959–1976), most European unemployment rates (adjusted to United States measurement concepts) were far below the United States average of 5.3 percent: France, 2.5 percent; Sweden, 1.9 percent; West Germany, 1.2 percent; Japan, 1.4 percent. Had American unemployment been reduced to these ranges for the period 1056-1976:

Production of goods and services in the United States would have risen by a staggering total of $3.8 trillion, in 1976 dollars.

Federal tax revenues in the same two decades would have increased by $750 billion.

In 1976 alone, Federal tax revenues would have been almost $100 billion more than they were at the actual 7 percent unemployment rate.

All these calculations have been made by Steven Sheffrin, an economist at the University of California at Davis, in a study prepared for the Washington-based *Exploratory Project for Economic Alternatives*. In an introduction to the study, the project's co-directors, Gar Alperovitz and Jeff Faux, point out how that extra $100 billion in 1976 revenue might have been used:

Anti-poverty programs—16 billion; raising the rate of public anti-pollution spending to $18 billion a year, with a view to cleaning up the environment by 1985; establishing complete national health insurance, at $64 billion a year.

Not many economists today are willing to accept the idea that the United States could achieve a "European range" of unemployment—about 2 percent—and maintain it with stable prices. Mr. Alperovitz and Mr. Faux believe it could be done—but only if the United States could be weaned from an economic strategy that relies mostly on maintaining high unemployment in order to hold down inflation. That strategy isn't working anyway, they argue, and has caused a "tragic loss of needed goods and services that is represented by millions of ablebodied Americans out of work."

In their view, the national debate has been illogically focused on "how high an unemployment rate we must accept, rather than on how low a rate we could achieve were we to make it our priority." And they recall that as late as 1959 a Bureau of Labor Statistics study found that with allowances for those only briefly or seasonally out of work "full employment" would be reached at a 2.1 percent unemployment rate.

Further B.L.S. studies have shown only a small rise in that estimate, to 2.5 percent in the 1967–75 period. And in 1972, the Congressional Joint Economic Committee took testimony from numerous economic authorities that validated a 2.5 percent unemployment rate as a "realistic goal" for full employment in the following decade.

But as unemployment began to rise in the late 1950's, Presidential definitions of "full employment" did too—for example, the Kennedy Administration's "interim goal" of 4 percent in 1962. The Nixon Administration still had a target of 3.8 percent in 1970, but by 1973 a stagnant economy had pushed that up to 4.9 percent. Under President Ford, the "full employment" level was thought to be "perhaps closer to 5.5 percent." Jimmy Carter, who began his campaign in 1975 calling for 2 percent unemployment, has set his Presidential goals at 5.2 percent in 1980 and 4.8 in 1981.

This upward trend in the full-employment definition reflected, to some extent, the increased presence of women and youths in the work force—but Mr. Alperovitz and Mr. Faux believe it also resulted for changing political and economic conditions, particularly the surge of inflation owing to the Vietnam War, worldwide oil and food price increases and other economic "jolts." Now, they argue, the definition of "full employment" is more nearly set by the fear of inflation than by the capacity of the economy.

They contend that if an effective attack were launched on inflation—particularly in energy, food, health and housing costs—by means other than high unemployment, the Federal Government could make a realistic commitment to "full employment"—say, 2.5 or 3 percent unemployment—then take the necessary steps to bring it about through something like the Humphrey-Hawkins bill. Mr. Sheffrin's study suggests the enormous benefits such a policy could yield.

[From the Washington Post, Nov. 7, 1977]

CARTER'S JOBLESS RATE SEEN AS TOO EXPENSIVE

(By Hobart Rowen)

Unless the Carter administration changes its employment policy objectives, the U.S. could lose up to $15 trillion in national output and as much as $3 billion in taxes by the year 2000.

That is the conclusion of a new study of the economic fall-out of high unemployment published yesterday by the Exploratory Project for Economic Alternatives, a Washington research group.

The study said that President Carter had steadily raised the estimate of unemployment that he considers tolerable from 2 per cent to something over 5 per cent. A main conclusion is that the federal government should not accept a jobless rate higher than 2 to 3 per cent.

The study consists of an analysis by assistant professor Steven Sheffrin of the University of California at Davis, and a commentary by project co-directors Gar Alperovitz and Jeff Faux.

Alperovitz and Faux have published other studies recently focusing on new ways of tackling basic economic problems. Their proposals would concentrate an anti-inflation program on price increases for food, housing, energy, and health care that they say affect 70 per cent of the average family budget.

The thrust of the study on unemployment is that the definition of "full" employment has gradually "slipped upward" since the mid-1950s. In 1955–57, the most successful years of the Eisenhower era, unemployment averaged only 4.3 per cent, and the argument was over how low the rate could be pressed. A 2 per cent rate was not thought impossible, the authors recall.

"Our national debate today," says Alperovitz and Faux, "is focused on the sad question of how high an unemployment rate we must accept, rather than how low a rate we could achieve were we to make it our priority."

The authors recount that Carter, in the early stages of his campaign when he was a "Washington 'outsider'", said his goals were 2 per cent unemployment, 2 per cent inflation and a 2 per cent interest rate. Their argument is that a 2 per cent unemployment rate is "not nearly as unrealistic as some may think."

Carter later set 4.5 per cent as a full employment target for 1980, but the mid-year budget review raised the projection to 5.2 per cent.

Taking what he terms a "modestly optimistic" forecast of an average of 5.5 per cent unemployment over the next 25 years, Sheffrin's study shows a loss of $6 trillion in gross national product and $1.3 trillion in taxes, compared to a 2 per cent unemployment yardstick. The $15 trillion loss represents a "worse case" scenario, based on an unemployment rate of 9.9 per cent.

Since 1956, Sheffrin calculates, the failure to maintain the 4.1 per cent rate of the mid-Eisenhower period has cost the nation $2.3 trillion in lost production.

In general, the argument has been made in the last several years that the 4 per cent "interim" unemployment target established by President Kennedy's Economic Council in 1962 as the equivalent of full employment had to be raised to avoid inflation.

Studies by the Brookings Institution, notably one by economist George Perry, suggested that with more women and teenagers in the labor force, serious inflationary pressures would be experienced around a 5 per cent rather than 4 per cent unemployment level.

The last (1976) economic report of the Ford administration said that when the effects of unemployment benefits and welfare payments were considered, full employment was probably in the range of 5.5 to 6.0 per cent.

Columbia economist Philip Cagan, in a study published this past summer by the conservative American Enterprise Institute, said "an effective policy against current inflation gives little leeway for reducing unemployment below the mid-1977 rate of 7 per cent." That level as a definition of full employment has also been endorsed by President Nixon's Economic Council chairman, Herbert Stein.

Alperovitz and Faux argue for a restoration of "the common sense of the years before Richard Nixon took office." Instead of consciously allowing unemployment to rise as a way—probably useless—to attack inflation, they reiterate their plan for "micro" measures to deal with basic price pressures. They also argue for job-training programs of the kind contained in the Humphrey-Hawkins bill.

Without such an approach, they warn that, despite Carter's disavowals, "wage-price controls may be inevitable over the next years."

CAMBODIA: ESCALATION OF BARBARITY

Mr. HATCH. Mr. President, I join with Senator DOLE as a cosponsor of Senate Resolution 323 in protest of the mass murder and total disregard for human rights by the state power in Cambodia. We hear a great deal about human rights and never seem to fail to respond to calls to protest their violation, unless they are committed by Communist states. It seems only a year or two ago that various of our allies recalled their ambassadors from Spain because five terrorist murderers were tried and executed. Apparently states that murder by the hundreds of thousands, instead of by twos and threes, are immune from criticism. I know that Cambodia has its apologists, as does Vietnam, but I am not one of them. I do not believe that the cause of human rights is advanced by our hypocrisy. We cannot be concerned about the situation in South Africa and ignore the situation in Cambodia without lending our support to the strong Communist effort to politicize in their interest the human rights issue. I as unanimous consent that the lead editorial from the November 9 issue of the Wall Street Journal on this subject be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

LORD OF THE FLIES

Soon after the National United Front of Kampuchea took control of Cambodia in April of 1975, reports began to emerge of extensive executions by the teen-age army newly in power, of forced marches into the countryside and of slave labor exacted under literally killing conditions.

For a time it was possible to think that the panic of the moment exaggerated the reports, and that what we were seeing was simply the kind of political vengeance that the world has already gotten very much used to. But all through this year new information has been surfacing to confirm that the early reports were not much of an exaggeration, and the early deaths were not just a single shot of youthful revolutionary exuberance. Even to an international community that we thought had seen just about everything, the new Cambodian regime is emerging as a genuine horror.

First, there's the matter of the sheer numbers of Cambodians who have died at the hands of their new rulers since the spring of 1975. Figuring the real level of deaths there is simply impossible, since upon taking power the NUF simply cut off communications with the outside world to an extent almost unmatched in modern times. But the estimates that have emerged so far seem based on honest and careful attempts to generalize from interviews with refugees, and they are fairly consistent: The ones we've seen range from 800,000 "peace" dead to up to two million. Even most of those observers who refuse to speak of numbers won't discount figures of this order of magnitude.

Then there's the matter of the manner of death. The shootings are unpleasant enough to hear about, familiar though they may be; but seemingly more common has been a slower death from a blow to the back of the neck with an axe or hoe handle, not to speak of even more bizarre indigenous methods. And for every Cambodian who died by immediate murder, observers agree that more have died from their forced labor in the country—from exhaustion and starvation and the fact that the regime refused to provide its people with even rudimentary medical aids, or even to accept such aids from outside.

The Khmer Rouge are reported to have a rationale for this sort of treatment, believing as they seem to that "we can lose one million or two million if we must to create the new Cambodia, and the people whom we lose are those same elements who opposed us in the past or whose minds have been brainwashed by what happened in the past." But just as damning, in its way, is what has happened to those who have survived. The reports only grow grimmer over time as they accumulate detail: The country has become a place of unfathomably systematic brutality. According to one report by Henry Kamm of The New York Times, families have been broken up and see one another only rarely; adult men and women are assigned to separate work groups, children to yet another.

Adults spend 16 hours a day at hard labor. There are no doctors, no schools to speak of, no money and almost no communication among parts of the country. Instead there are stories of children being killed for trying to visit their families or beaten with bicycle wrenches for stealing food.

Witnesses point out how difficult it is to think of what to do with a regime such as this: The government has isolated itself too well for other countries to have much immediate leverage over its actions. But we should be talking to those countries that are beginning to establish contacts with the place. The United Nations shouldn't be permitted to deal with human rights without having put before it the question of Cambodia. And Cambodian government representatives shouldn't be allowed to speak in international forums without being publicly reminded of what they have become. We should have learned by now that it is not permissible to keep quiet when we see emerging signs of holocaust.

NEW URBAN POLICY REQUIRES A DEVELOPMENT BANK WITH EFFECTIVE LENDING AUTHORITY

Mr. HUMPHREY. Mr. President, on November 7, 1977, the New York Times ran an article on the draft report of the administration's Urban and Regional Policy Group.

I agree wholeheartedly with the report's analysis that solving urban problems requires interconnected, complex, and difficult political actions.

Recently, I chaired hearings on issues related to creation of a National Domestic Development Bank. I am dismayed by the reluctance of the administration to create an institution to lend to cities. An urban bank that does not lend to cities on at least an experimental basis does nothing more than add to EDA's existing authority. It is not a step in a new direction.

Change is always difficult. But this administration must take bold steps to bring about change by offering an alternative to the municipal bond market.

Mr. President, I ask unanimous consent that the New York Times article be inserted in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNITED STATES REPORT URGES LARGER COMMITMENT TO CITIES AND POOR

(By Robert Reinhold)

WASHINGTON, November 6.—A broad series of recommendations that would strongly influence Federal programs in favor of distressed cities and the poor they house has been made by Government officials concerned with devising a national urban strategy.

The recommendations are contained in a 111-page "working staff draft" that has been forwarded to the White House. The draft, a copy which has been obtained by The New York Times, was prepared by the staff of the Urban and Regional Policy Group, a Cabinet-level panel headed by Patricia Roberts Harris, the Secretary of Housing and Urban Development.

The recommendations have not yet been approved by the Cabinet members or the White House, and they are expected to undergo further discussion and refinement before President Carter announces his promised urban policy early next year.

However, if the basic strategy is accepted, it will represent a turning point in the nation's commitment to its ailing older cities, in the view of the officials who prepared it. As such, the recommendations are likely to

encounter stiff political opposition from various quarters, for they would alter some time-honored practices by which the Federal Government distributes its largess and does business.

Fundamentally, the report would have the Government re-evaluate almost all of its programs and "retarget" them to make them more sensitive to "cities and people in distress."

"Our national urban policy must be a seamless web," the document says, in which employment, economic development, housing and other programs are all "tilted toward strengthening urban America."

While the report deals with a broad array of "options," it lays its heaviest stress on creating jobs for the poor and promoting the economic development of center-city areas. It also urges that strong incentives be devised to encourage states and cities to cooperate better on land use, transportation and other urban concerns.

Confirming earlier reports, the recommendations contain few suggestions for new social programs, despite intense lobbying on the part of black leaders and some mayors.

There is, for example, no direct mention of reducing crime, a factor that many urban leaders say deters economic development in their cities. Also, the report steered clear of two thorny issues—property tax reform and the sharing of tax bases between rich suburbs and declining cities—that are fraught with political problems.

A PRODUCT OF COMPROMISE

The document, which advances proposals in seven broad areas, appears to be the product of compromise after months of sometimes intense debate among officials representing six Cabinet departments. It avoids any "simple centerpiece urban program," saying urban problems are complex and require "a sustained, multiphrased, multipurpose, coordinated Administration response." The report gives no estimate of the price of its proposals, but a source close to the deliberations said that expanded or new programs would probably cost about $10 billion or more.

In recent weeks, the panel has stressed policies that would provide immediate jobs, income and services to the poor, blacks and other members of minority groups. Earlier thinking had largely been preoccupied with long-term economic development of cities.

Among the proposals advanced to help the "hard-core unemployed trapped in our cities" were the following:

Expansion and modification of the existing Comprehensive Employment and Training Act, or C.E.T.A., through which local governments provide public jobs with Federal money. The plans would expand the program by $4.7 billion to enlarge the number of jobs from 725,000 to 1,200,000 nationally by the end of the 1979 fiscal year.

The designation of urban minority unemployed as a "special target group" under C.E.T.A. Under this proposal, $1 billion would be channeled through community-based organizations to create jobs.

A $1 billion Commerce Department program of "soft public works" in neighborhoods. This would go for small-scale maintenance, weatherizing, rehabilitation and other activities that would both upgrade neighborhoods and provide jobs.

INEXORABLE ECONOMIC FORCES

But in the long run, the report said, something must be done to reverse the inexorable economic forces that have left the cities in such poor economic health. "Nothing less than a comprehensive shift in the whole arsenal of Federal actions affecting cities is required if city economies are to function and provide the wealth and work opportunities needed to support local institutions and people," the document stated.

In the past, it said, urban commercial renewal programs have been negated by "new highways carrying wealth and economic activity to the suburbs" and by "a Federal tax law bristling with incentives for employees to leave behind older buildings and machinery in cities for new replacements in suburbs."

"We must eliminate and reverse the suburban tilt which now exists in Federal taxing and spending decisions and other policies which indirectly and unnoticed have hurt cities," the report declared.

As one means of doing this, the officials urged the creation of a new public entity, an urban development bank, or "urbank" in government jargon, with an initial appropriation of $2 billion for its first year. The details of such a bank have been a matter of sharp debate between the Treasury Department and H.U.D. for some time. The version recommended appears to be a compromise between the limited narrow notion embraced by the Treasury and the broad, ambitious program preferred by the housing department.

NO HIGH-RISK LOANS PERMITTED

Under the proposal, the bank would make loans to local governments or private business to develop both manufacturing and service industries in urban areas. It would not be authorized to make "soft," or high-risk loans. That function would remain with the various Federal agencies already equipped to do so. Nor would it be used to provide an alternate source of credit for cities to build sewers and other parts of their "infrastructure."

As for cities that run into credit squeezes, as New York has, the panel urged a "standby" band guarantee authority separate from the urban bank.

The draft also urged a number of revisions in the Federal tax code to redress what it called the "bias" against older cities. Among the suggestions were an additional tax credit of 1 percent to 10 percent for private investment in distressed cities, doubling or tripling of tax deductions for industries operating in cities, elimination of tax advantages enjoyed by single-family homeowners and tax credits for urban homesteaders.

The document also urged the Administration to endorse a "tough policy" concerning the relocation of Federal installations, saying a Government building could be an important catalyst for urban redevelopment. It urged changes in Government procedures so that more such buildings went to distressed areas and fewer left.

It also strongly seconded efforts by the Carter Administration to better "target" money from the massive community development block grant program to needy areas.

ADDRESS BY SENATOR GOLDWATER TO THE NATIONAL COMMITTEE FOR MONETARY REFORM

Mr. HANSEN. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by the Senator from Arizona (Mr. GOLDWATER), and also the attached address which he delivered to the National Committee for Monetary Reform on November 10, 1977, in New Orleans, La.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

STATEMENT BY SENATOR GOLDWATER

I believe I can say without fear of contradiction that the world at the present time is living in what amounts to a monetary nightmare. In fact, the international monetary system has become so extraordinarily complex and so bewildering that I doubt if there is a single human being capable of explaining all of its intricacies. But out of the mess one thing, I believe, is undeniably true: that unsound paper money is at the very core of the economic and monetary problems confronting most of the nations of the world.

I certainly do not hold myself to be an expert in monetary affairs. However, I do have some observations concerning the role of gold in the present state of affairs. I outlined these on November 10th at a meeting of the National Committee for Monetary Reform in New Orleans, Louisiana. Without objection, I should like the contents of that speech printed in the Record at this point.

ADDRESS BY SENATOR GOLDWATER TO NATIONAL COMMITTEE FOR MONETARY REFORM

The national and international monetary system has become so extraordinarily complex and so bewildering, I do not intend to become involved in its intricacies. Indeed, pity the poor legislator who has to thread his way through the current monetary mess in an effort to find a cure for the nation's devastating inflation and monumental indebtedness, or to achieve a balanced budget. I do propose, however, to make a few fundamental observations that may not be ignored without peril to our nation's future.

The moral issue, and I cannot emphasize this too strongly, is basic. Our monetary trouble began, we may now clearly say, due to the influence of two Cornell professors who persuaded President Franklin Roosevelt to raise the price of gold on the premise that this would lift the nation out of a serious depression on the ground that a close relationship existed between the commodity price level and the price of gold. This relationship is true to an astonishing degree. Even today, with the price of gold in the open market about $160 per ounce, the current commodity price level reflects that comparatively high gold price and the inflation plaguing us.

President Roosevelt's action required a confiscation of the gold holdings of citizens and then the raising of the price from $20.67 per ounce to $35.00, a price I understand was selected by the toss of a coin! In any event, it generated a handsome profit for the government of about two billion eight hundred million dollars, but it didn't cure the depression. The step taken was, of course, a devaluation of the dollar, the modern sophisticated version of the ancient reprehensible practice of "coin clipping."

Now, I come to the moral issue, for the devaluation of the dollar impaired the sanctity of many contracts with gold clauses. Senator Carter Glass termed the government's action a "dishonor." When the serious monetary issue reached the Supreme Court, four minority justices, in a scathing denunciation, characterized the devaluation as "counterfeiting." They went on to state that the "loss of reputation for honorable dealing will bring us unending humiliation; the impending legal and moral chaos is appalling." How prophetic! The monetary chaos has been growing for years and is still here with a vengeance. The late Adrian Massie, former chairman of the Chemical Bank, called the devaluation one of the greatest tragedies in American finance. *I agree.*

It is noteworthy that the Roosevelt administration marked the beginning of a parade to Washington of intellectuals drawn from our universities generally infused with a devotion to the still popular Keynesian medicine to cure a depression and to achieve full employment. Keynesianism is a bit subdued nowadays but it is still around.

Another milestone was the commencement of the attack on gold and the gold standard. The restriction on gold ownership, imposed by the "New Deal", took forty years to remove. I am delighted that my party spearheaded this drive in the Congress to restore a basic American freedom. As you undoubtedly know, the President signed into

law recently legislation enabling the use of the gold clause in contracts. This is a logical extension of the right to own gold and marks another important step toward a sound dollar free of wicked inflation. It actually establishes the means of creating a private gold standard! I do not expect any immediate rush to the use of the gold clause which will have to be carefully negotiated in each contract, but I anticipate its growth as a refuge from modern greenback money, as long as it persists.

No one knows how long it will take to return to the gold standard in full flower. Strange as it may seem, gold continues to be a basic measure for other values, particularly in this fiat money age. I am convinced the gold standard is absolutely essential for free enterprise which requires dependable money to function efficiently.

The extraordinary, and to me inexplicable, effort being made nationally, and to a lesser degree internationally, to reduce gold to a purely commodity status has been singularly futile. I have examined available statistics on the gold reserves of nations, and as I anticipated, the overall change in the past three years, or longer, has been trivial. Apparently nations are not being influenced by the anti-gold propaganda.

The reason is probably simple. The inescapable truth is that for thousands of years people have distinguished good money from bad. Gold has a store-of-value quality as money which fiat money does not possess, and quality is even more important than monetary quantity. Gresham's law, that bad money drives out good, is beyond the power of governments to control. Imprisonment and the threat of the guillotine did not assist France with its historic fiat money experience.

Domestic hue and cry to get rid of gold as money is also not meeting with any discernible success. The gold stock of the United States has not changed for many months and at the end of August, the last month for which I could obtain the amount, it stood at 11 billion 658 million dollars when valued at $42 per ounce.

It is not generally known that the Federal Reserve Bank acts as a gold depository for foreign governments. That earmarked gold is not a part of the United States gold reserve. You may be surprised to learn that it amounts to 16 billion 179 million dollars, (also at the $42 rate), which is *much larger than the United States gold reserve.*

I dare say the earmarked gold rests here as a refuge from possible confiscation, European turmoil, and possible war, but the point I wish to make is that this is additional evidence that governments are apparently making no effort to eliminate the precious metal as money, the fervent desire of some in Washington. Please note, too, that the valuation of those gold stocks would be ever so much higher if based upon the open market, now about $160 per ounce. The great potential profit in the event of current sales is obviously no inducement. I don't wonder, as still higher prices may occur as inflation in the dollar persists.

Should the dollar once again become redeemable in gold one might expect the earmarked stock, which bears no interest, to be converted into Treasury bonds, which do. Incidentally, earmarked Treasury securities have risen from 55 billion dollars at the end of 1974 to 75 billion dollars at the end of July of this year, an indication of the esteem in which our fiat dollar is held, fortunately.

Gold is being sold by auction every month by the International Monetary Fund, a sixth of its holdings. The proceeds are being used for the benefit of underdeveloped nations experiencing balance of payment trouble. The International Monetary fund occupies a growing importance internationally. It comprises both hard money and fiat money advocates. The fiat money influence prevailed in the establishment, a few years ago, of special drawing rights, a completely goldless monetary unit to facilitate the adjustment of international trade balances. Behind all the International Monetary Fund's activities is a view sometimes expressed that it should ultimately become a world bank. This bears watching but I doubt that objective can be reached with purely fiat money.

The world is living in a period of monetary irresponsibility. Uncritical acceptance of governmental remedies for unemployment or business and trade difficulties is widespread. One of these, vastly important, I have already mentioned. It is the devaluation of currencies now grown completely respectable and fashionable. Our own government has actually spent taxpayer funds in advertisements, nationally, extolling the virtues of a devalued dollar for the exporter—which is true, of course. A few months ago the Secretary of the Treasury and an Undersecretary of State, pleaded with Japan and Germany to do the reverse—revalue their currencies, so as to reduce exports. They were rebuffed. This would imply that, as might be expected, domestic sovereignty rules supreme. Local interests are overriding. They stand in the part of the creation of a new world currency. Actually, we don't need one. Gold has functioned in that capacity for centuries.

Another fashionable monetary practice is the adoption and promotion of floating currencies. Even though floating introduces a business risk difficult to appraise, I note little, if any, objection from industry. Some companies have, skillfully or luckily, profited from floating, while others have lost. Exxon, for example, showed a loss of 44 million dollars in one quarter recently from currency translation. It had profited earlier. The unexpected devaluation of the Mexican peso with an enviable record of exchange stability, caused losses to many American enterprises—and so it goes. I cannot understand the attitude of businessmen generally, who could not possibly function without rigid standards of all kinds of measurement, yet who endorses fluctuating monetary bases.

Now let me turn to something closer to home. I refer to the fact that we seldom applaud, or reflect upon, the reason for the nation's phenomenal strength and prosperity. It is, of course, the unimpeded commerce between fifty states in the development of their boundless agricultural and mineral resources under free enterprise. There are no floating dollars between, say, Maine and California, or other states. John Exter has pointed out that, thanks to the operation of the Federal Reserve System of twelve regional banks, each with its own distinctly identifiable designation on its Federal Reserve notes, we have a magnificent example to the world of the gold standard at work. Each Federal Reserve Bank settles its accounts with other Federal Reserve Banks through a gold settlement fund at the Federal Reserve Bank of New York, in which each bank participates. In the face of this experience, I cannot understand the desire to substitute naked political power internationally—that is fiat money—for gold.

One serious consequence of the imprisonment of gold is that we Americans have lost the power of the purse. We are virtually helpless in trying to control government expenditures and in trying to achieve a balanced budget. When the dollar was redeemable in gold, citizens were able to express their displeasure over government extravagance by redeeming their paper dollars into gold, thereby diminishing the size of the gold reserve upon which the credit structure of the nation rested.

With fiat dollars there is no need to worry about a balanced budget. The dollar printing press will supply the funds for more social objectives. Of course, this may increase the public debt but that is no obstacle, for the Congress has been raising the public debt limit each year for many years. But the penalty is all around us. It is continuous inflation and possibly an ultimate crash.

Incidentally, a sharp contrast exists between the ease with which the Federal government pays its bills with fiat money, and the predicament of many states and municipalities which lack the power to issue dollars and are compelled to live within their means. This situation forecasts a rush to Washington for aid or relief.

As the dollar, by comparison, is the world's leading currency, it has the grave responsibility of setting an example for soundness and integrity. Prior to World War I, when the gold standard flourished, the pound sterling cleared the commerce of the globe with only a small amount of gold as a reserve. Inflation was absent, or negligible. In recent years a new monetary unit has been created to facilitate trade and the adjustment of balances between nations. It is the completely goldless special drawing right of the International Monetary Fund. As I said earlier, the Fund holds a large amount of gold, a lot of it being sold each month, by auction, to furnish proceeds for the use of underdeveloped nations. Some gold is being returned to the original subscribers. I can only conclude that the International Monetary Fund is also permeated with a desire to eliminate gold as money and that it hopes to become a world bank ultimately on a purely paper monetary base, not surprising in this fiat money age.

I am intrigued by the spectacle of trade among nations regardless of their political composition. Obstacles and monetary differences are readily overcome if the profit possibility is attractive. Oddly enough, while United States policy currently is to downgrade gold, the socialist nations are apparently advocating a return to the gold standard. Who would have believed it, in the light of Lenin's declaration that the way to communize a country was to corrupt its currency and do away with gold; And why not? International commerce requires clearance with money of the highest quality. Gold is still number one.

It is hoped that the Congress will eventually examine our experience after the Civil War, one hundred years ago, when greenbacks prevailed, and the nation was undergoing the depression of 1874, a rather long one. Thanks largely to the courage and initiative of Senator John Sherman, the greenbacks were made redeemable in gold in 1879. Instead of a rush to convert greenbacks into gold, as might have been anticipated, the citizenry actually returned gold to the banks. The story is too long to relate here but it is a challenging one, especially as the sequel was to send the nation on a period of remarkable growth and prosperity until World War I broke out.

The monetary nightmare in which the world is living makes it very difficult for free enterprisers to plan ahead for expansion and the consequent creation of new jobs. What will the dollor be worth a few years from now? No wonder the stock market has been going downhill. It is giving a clear indication that something fundamental is wrong with our economy. I consider it to be a lack of confidence in our dollar, and an apparent unwillingness to submit to monetary discipline on government spending. How does a nation achieve such indispensable discipline? The answer has been admirably given in a study of the Institute of Economic Affairs of Great Britain, entitled "Gold or Paper." It concludes that "Down the centuries no government has maintained the value of its currency without external discipline, of which

the best is the obligation to convert currency into gold. The world has a long way to go before it learns to manage its moneys without gold. A return to gold is not fanciful. The gold standard was not created by international agreement; it grew spontaneously and could do so again—perhaps in the European Economic Community."

This is a good place to stop. I go back to my introductory comment that a serious moral issue is before the nation. I am disturbed over the growth of crime, the tragic immorality, or corruption, exposed in both government and business. But perhaps I should not be surprised, as Andrew Dickson White, in his classic study of fiat money inflation in France, recorded that corruption grew "as naturally as fungus on a muck heap" from the breakdown of the morals of the country at large.

Our founding fathers designed our Constitution and our democratic and republican form of government to guard against the concentration and abuse of power. I fear the growing power within our own government's structure that slowly but surely undermines the morality of the people and even their ability to understand what is happening to their precious freedom before it is all gone.

The wrong use of power has destroyed more governments and deprived more people of freedom than any other action in the history of mankind. In this connection, I fully agree with those who have stated that freedom's silent and most powerful weapon is gold money.

The world will never be crucified on a cross of gold, as William Jennings Bryan once warned, but it could easily drown in a flood of unsound paper currency.

STOP THESE SECRET TAX HIKES

Mr. GRIFFIN. Mr. President, on April 29 of this year, I introduced a bill, S. 1431—the inflation neutralizer—which would automatically adjust personal income tax rates to reflect increases in the cost of living.

Although the inflation neutralizer has yet to receive serious consideration by the Senate, I would like to take this opportunity to point out that it is receiving serious consideration by the public.

Recently, the Reader's Digest published a most incisive article by James Lynn, former Director of the Office of Management and Budget, in which he examines this problem.

I ask unanimous consent that Mr. Lynn's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STOP THESE SECRET TAX HIKES

(By James T. Lynn)

WASHINGTON.—To pay for its current and newly proposed spending, the federal government has programmed a series of regular tax increases that, each year, will add from $350 to $450 to the average family's income-tax bill. These increases will continue indefinitely. In five years, the average family's income tax will increase about 35 percent. . . .

The above is an important story and, even though it has never appeared in your newspaper, it's real. These unannounced tax increases have been occurring year after year for decades. From them, just since 1971, the government has raked in a secret tax windfall of $36 billion. This year alone, it has quietly taken an extra $6 billion out of our paychecks and, by 1980, it will gobble up $40 billion more. Yet these tax increases go unnoticed because they are extracted with marvelous subtlety—as an integral, if unintended, part of U.S. tax law.

At the root of these secret tax hikes is the insidious old numbers game of inflation. While our paychecks may look as if they have been growing—there are higher dollar figures printed on them—every bill in the mail, every ring of the supermarket cash register tells us that the value of these dollars has fallen.

But at the same time, the federal income-tax tables are inflexible, oblivious to inflation. Since the last revision of the tax brackets took place in 1964, the real value of the dollar has been cut almost in half. Personal exemptions and standard deductions have been made more generous—in fixed dollar amounts—but for most families these changes have not offset the declining value of the dollar.

Meanwhile, as Americans have had more inflated dollars added to their incomes, they have moved into higher and higher tax brackets, paying not only more dollars but a greater percentage of their income to the federal government. At the same time, many have found their wage increases entirely eaten up by inflation (which rose by 80 percent in just the past decade). The grim bottomline fact: even though their real before-tax income has not risen, these families have been paying more real taxes.

President Carter has called the U.S. tax system a "disgrace," and his Administration is pushing forward a "tax reform" package that will close some loopholes—while inevitably opening others. But nowhere in this package is what many economists consider the single most fundamental, lasting and useful reform of all—one that deserves the support of Republicans and Democrats alike, one that would benefit literally every taxpayer.

This most vital proposed reform is called "indexing." It is ingeniously simple: Tie the dollar amounts specified in the tax code—the personal exemption, the standard deduction, the low-income allowance, and the brackets themselves—to the Consumer Price Index. If the cost of living goes up ten percent in a given year, the indexed tax brackets would be adjusted accordingly by the Internal Revenue Service, and a family whose increase in income merely kept pace with inflation would not move automatically into a higher tax bracket. This family would continue to pay the same tax percentage each year as long as its real income (measured in constant dollars) remained the same.

Under such a system of indexing, the federal Treasury would still get increased revenues, in proportion with "cost-of-living" income raises. But it would not get the windfall profits it now collects through tax tables that are insensitive to inflation.

To comprehend fully what indexing would mean, consider the present plight of a typical young wage earner with a wife and two children. In 1975 he made $10,000, on which he paid $709 income tax. In 1976 he received a $700 raise, and in 1977 a $750 raise. Meanwhile, inflation increased at a rate of better than seven percent. Let's say this man receives steadily increasing raises amounting to seven percent of his base salary each year until 1980, while inflation continues at seven percent (which is not unlikely, many economists feel). In 1980 he will be making $14,000 a year, but he will have moved to a higher tax bracket and:

His effective tax rate will be 10.2 percent (up from 7.1 percent in 1975).

His actual tax due—$1428—will be more than double what he paid in 1975.

His income after taxes in real dollars (adjusted for inflation) will therefore be $8981—$310 less than it was in 1975.

Thanks to government-caused inflation and to the IRS's remorseless tax structure, this citizen—while receiving five raises and increasing his income by almost half—will wind up 2.5-percent poorer, in terms of real dollars, than he was five years before. That 2.5 percent could feed his family for six weeks.

The fact is that unless we stop inflation—a prospect that unfortunately seems very dim right now—the tax structure will continue gnawing away at our standard of living. And low-income families trying to get by on a minimal standard of living are hit hardest.

A number of countries, including Canada, France, West Germany, Brazil and Denmark, have applied indexing to their income-tax structures. Their experience indicates it has a generally stabilizing influence on the economy. Nobel Prize-winning economist Milton Friedman says that indexing in this country "would largely immunize the income tax from inflation, a result clearly desirable on grounds of equity. But it is even more essential in order to reduce 'taxation without representation'—higher taxes imposed on the citizenry year after year without legislation."

If indexing of income taxes is so simple, so obviously appealing to the taxpayer and voter, why didn't Congress vote such a measure into law years ago? The answer can be found on Capitol Hill, all tied up to the penchant for big spending and the proclivity for political survival.

Rep. Robert Bauman (R., Md.), who has sponsored an indexing bill, notes: "Let's face it. Many of my colleagues see the present system as a goose, hidden away from the public eye, laying golden eggs to help cover the cost of vast new programs. Under the present setup, government rakes in a huge dividend from inflation."

Adds Sen. Robert Griffin (R., Mich.), another indexing advocate: "The wage earner moving into higher tax brackets—with no increase in purchasing power—pays an inflation penalty which Congress does not debate or vote upon."

Without this built-in inflation dividend, Congress knows, sooner or later it would have to slow down its spending increases—either that or vote a tax increase. Experience has shown that the likelihood of either of these things happening is as small as a mosquito's eyelash. Over the past 15 years the federal budget doubled, and by next year it will have doubled again. Yet in all that time there has not been a *single permanent tax increase* voted.

Indexing has failed to arouse some Congressmen because, if passed, it would end one of their favorite vote-garnering activities: legislating illusory "tax cuts." Regularly, with great tumult and shouting, Congress, like the cavalry rides to the rescue of the beleaguered taxpayer with a variety of piecemeal remedies, rollbacks and rebates. For most of the population, these "cuts" never go deep enough to get through the fat of inflation and affect real income.

Look at the Tax Reduction Act of 1975, a measure many lawmakers like to point to as evidence of how they have helped the taxpayer. It was supposed to counteract the 1974–75 recession and "stimulate" the economy by eliminating "excessive" taxes. Actually, the amount of excess taxes cut, $12 billion for individual taxpayers, was almost precisely the amount taxes had gone up on the inflation escalator during the preceding two years. There was no real cut at all.

The public deserves better than tax-cutting charades. Indexing is a simple measure that will redress a subtle but monstrous imposition on the American taxpayer. It is not a cure for inflation; only a halt to deficit spending by the government, plus intensive investment by the private sector, can bring that happy relief. But indexing *is* an important step toward equity for the citizen and accountability for Congress.

NEEDED CHANGES IN FOOD GRADING

Mr. HUMPHREY. Mr. President. Recently the board of the congressional Office of Technology Assessment (OTA) released an assessment report entitled "Perspectives on Federal Retail Food Grading." This assessment constituted the first comprehensive study of our present food grading program. The request for the assessment was made by my good friend and colleague, Senator GEORGE MCGOVERN, chairman of the Select Committee on Nutrition and Human Needs. The objective of the assessment was to try to establish how the Federal food grading program could convey more information to consumers, especially information on the nutritional value of the product.

Today, the grading of food products is receiving much attention. Consumers are asking for more information to help them in making wise puchasing decisions with their limited food dollars. Grading is viewed as a vehicle to provide that information. However, consumers find that the present program is not helpful. There are no standard food grades, such as A, B, C, and there is little relationship between nutrition and grade.

These problems OTA highlighted have been a source of many recent articles on this topic. Recent articles by Goody Solomon, Washington Star; and by Dr. Jean Mayer and Dr. Johanna Dwyer, in their weekly syndicated column appearing in the Washington Post reach to the heart of the issues:

As it now stands, the government's present food grading system rates a D-minus. From the consumers' standpoint, the basic defect in the present system is the assumption that looks alone are enough—that the best looking food should be given the best grade. But this is simply not true; indeed foods with less than perfect appearance may be just as nutritional (or even more so, than those that are prettier).

Regarding the grading of meat which was highlighted in the OTA assessment report, Dr. Mayer and Dr. Dwyer state that—

The grading of red meat is perhaps the most misleading. There are eight grades of meat—U.S. prime, choice, good, standard, commercial, utility, cutter and canner. Only the first three are sold in most stores, and they are based on the age of the animal and degree of marbling—the flecks of fat with the lean portions.

Obviously, there is little relationship between nutrition and this type of grading; in fact, many of us who are involved with good nutrition are concerned about the amount of fat in meat, especially fat that cannot be trimmed away. But this grading system makes it appear that a high fat content is desirable . . .

There's little wonder then that the OTA report did not give the government's food grading system very high marks, but the question is what should be done about it. In this respect, the report offers some very sensible suggestions.

Mr. President, this OTA report is an excellent example of a congressional committee, in this case the Senate Select Committee on Nutrition and Human Needs, working together to call to the attention of Congress an emerging issue of concern to the people of this country. Before this OTA assessment and report, little was heard. Now, the talk of action to overhaul the U.S. food grading program is common. I urge the U.S. Department of Agriculture to step up their review of the food grading program and take into account the concerns expressed in the OTA report. It is worth noting that the U.S. Department of Commerce is in the process of redesigning the classification and grading system for fish. They are using the report from this assessment as a guide for this task as well as some of the food grading panel members.

Mr. President, I ask unanimous consent that the series of articles written by Goody Solomon and the article written by Dr. Jean Mayer and Dr. Johanna Dwyer on this very timely and important topic be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Star, Sept. 21, 1977]

WHY WE NEED FOOD GRADING, AND WHAT KIND

(By Goody L. Solomon)

This is the second of two articles on grading tomatoes. Do we really need food grades considering their shortcomings? For one, multiple terms (A, AA, Fancy, No. 1, Prime and so on) confuse us about which items are the best. For another, the criteria for food grades put a premium on beauty rather than on food values. Then, too, because the system is voluntary, many foods are graded at wholesale but not so labeled at retail and many more are not graded at all.

Yes, we do need food grades, say consumer advocates, but of a different sort from what we have now. They have suggested reforms which the U.S. Department of Agriculture (USDA) consistently rejected for more than a decade.

No more. Assistant Secretary Carol Foreman, herself a former consumer advocate, is in charge of food grades and has started moving toward the long-sought revisions They are:

Make the system mandatory.

Adopt uniform terms for all products—for example, A, B and C or 1, 2 and 3.

Provide for public participation in the establishment of grading criteria.

Create a system for classifying foods by their nutritional values and use it concurrently with the one based on sensory traits such as size and color.

Rod Leonard, executive director of the Community Nutrition Institute, thinks that in time, as people learn to choose foods by nutrition and economy, good looks will no longer merit higher prices.

None of the changes will come quickly or easily. Among the obstacles, before nutritional grades could be formulated, researchers need to analyze individual products and then put their findings into measurements that consumers understand. In addition, uniform terms will be adopted gradually on a product by product basis. And, each broad category (fresh produce, processed foods, dairy items and meats) has its special set of complicated problems.

Furthermore, some of the reforms necessitate authorization and appropriations from Congress. That's where industry objections will get in the way. Especially from processors. Their products are probably the most difficult to grade—and, the advocates say, most in need of the grading—because of the variety of ingredients and because of how processing affects foods.

The National Canners Association argues for the status quo this way: Food grades aren't needed by shoppers since most of them make selections according to their own subjective views of flavor, color, smell and the like. But grading sometimes does aid supermarkets in their wholesale purchases. Nutrition grades are especially unnecessary because we now have that information on labels, which although voluntary, is increasing and already appears on 50 percent of all canned fruits and vegetables. Finally, given these arguments, the extra cost of a mandatory system is unacceptable.

(Under the present voluntary setup, companies pay inspection fees to state and federal governments. These come to an estimated $30 million and $45 million a year, respectively, said a USDA official. With compulsory grading, Uncle Sam would pay for all the administrative and inspection work—an estimated total exceeding $500 million.)

A report by the Office of Technological Assessment (OTA), an arm of Congress, scored a number of deficiencies of current food grades but bolstered the arguments against mandatory requirements. OTA wrote: "For processed foods, OTA's analysis indicated that a mandatory system probably would not produce a positive net consumer benefit. Brand names partially substitute for retail grades. They have allowed society to exercise its perception of quality by selection of one brand name over another. A mandatory grading system would largely duplicate the information brand names currently provide."

Not true, contend consumer advocates. They reason this way:

First off, grading must allow shoppers to make nutritional comparisons. The current scheme of nutritional labeling falls short in what it tells For example, labels list carbohydrates but not sugar and starch; they show data about trace elements that are essential to health despite their tiny amounts. Grading, as Leonard put it, "could become a shorthand way of giving nutrition information."

Next, to be truly useful grades must be required on all products. As for the contention that brand names are a substitute, Leonard said, "Brand names are a device to segment the market. They create oligopolies and oligopolistic pricing (which is) supported by advertising. There's no nutritional difference among brands." But with compulsory grading, he added, the brand name maker would be compelled to find a real distinguishing quality.

[From the Washington Star, Sept. 14, 1977]

GRADING CANNED, STEWED TOMATOES

(By Goody L. Solomon)

The U.S. Department of Agriculture (USDA) has issued a proposal to establish two grades of canned stewed tomatoes. Grade A would contain tomatoes, onions, celery and green peppers that have good color and are free of blemishes. The tomatoes, in particular, would hold their shape. Grade B would be less attractive and perhaps a bit mushy. The aim, said a USDA staffer: to foster uniformity.

But will it? And will the grading help us comparison shop in the supermarket? Consumer leaders think not. In fact, for a long time, they have found so much wrong with all federal food grades that they have been asking for a total revamping of the system.

The issue is beginning to get attention from Congress: Its Office of Technological Assessment (OTA) has issued a report, "Perspectives on Federal Retail Food Grades," which discusses the problems and proposed solutions. Among other things, OTA found "confusing nomenclature for grades and a general lack of information conveyed by them to consumers." Moreover, "Grade designations imply rank," OTA wrote. "One objection to the implication of rank is that a

second or third grade product may in fact be superior to the top grade, depending on its use or relative price."

Those deficiencies are illustrated by the proposal for canned stewed tomatoes. It extols such aesthetic features as color, shape and size, for which we will pay a premium without knowing whether a less attractive product is more nutritious. The grades won't reveal, for example, whether the tomatoes come from California and have less calcium than those grown in the Midwest which, in turn, have less vitamin C. (With peas, to cite another example, small ones win high grades and prices but mature ones offer more food value. And with beef, we pay for extra fat and waste on prime cuts.)

In addition, while the top grade for stewed tomatoes will be A, on other foods it is Fancy, Extra Fancy, No. 1, Extra No. 1, AA, or prime. We have to remember all the food grades (of which, by one estimate, there are more than 400 covering fresh produce, canned and frozen fruits and vegetables, dairy items and meat) in order to recognize when Grade A signifies first class. To further confuse the picture, canned fruits and vegetables had the option of using either Grade A or Fancy and either Grade B or Choice. Two years ago, USDA decided to use only the A and B designations. However, the change is taking place very slowly as individual standards are revised.

Drawbacks of grading also stem from the fact that it is voluntary. One manufacturer may elect to use it while another may not. And the manufacturer who uses it may do so only for his wholesale transactions, never putting any grade on his retail package. Meanwhile, most chain stores have their own criteria for their higher-price vs. lower-priced private labels. Large companies selling nationally advertised brands similarly stay out of the grading program, claiming to have their own quality standards instead. So, we're pretty much on our own to test brands by trial and error.

From the start, food grades were developed to serve agriculture and industry; consumer assistance was an afterthought. Back in 1917, when the first grades were set for fresh potatoes, according to OTA, "the government hoped the grading system would encourage farmers to grow higher quality produce, reasoning that since high quality food would sell at higher prices, the farmer would receive more for what he produced and therefore would be persuaded to grow better quality food."

But more important, said OTA, grading aimed at making wholesale transactions simple and more efficient. It was hoped that cost reductions might lower retail prices.

Over the years, as grades were set for specific products, the Agriculture Department allowed each industry considerable latitude in deciding their grade names as well as the criteria for the grades; thereby encouraging the diversity and confusion that exist today.

Because they primarily serve industry and agriculture, it is not surprising that grades are more widely used at wholesale than at retail. As an illustration, among the most extensively graded products at wholesale are frozen fruits and vegetables, yet at retail we see few if any of those grades.

Even at wholesale, however, grading has been on the decline. For several reasons. (1) The cost charged by USDA for inspecting and grading food products has increased. (2) Under a 1975 agreement, USDA promised to inform the Food and Drug Administration (FDA) of products that did not meet the minimum standards for a grade. As a result, FDA might learn of companies that failed on sanitation counts. Unwilling to take that risk, many companies simply stay out of the grading program. (3) Large processors have not been buying on the open market as they used to because they contract for farmers' total harvests.

Where grades are used, their incorporation into state and federal marketing orders for certain fresh fruits and vegetables further aid business at the expense of the consumer. Florida is a case in point. Its market orders for oranges and tomatoes require that blemished fruits be sold to processors. They cannot be sold at retail and cannot be exported out of the state. The marketing orders also set limits on the size and appearance of fruits shipped out of state. Therefore, large quantities are left to rot on the ground.

That situation puts farmers growing fruits organically at a special disadvantage since, without chemicals, their products don't look quite so pretty. A group of those farmers have been trying to change the marketing order requirements, with no success so far.

To correct the shortcomings of food grades, what specific reforms do consumer advocates recommend? What counterarguments stand in the way? More about that next week.

[From the Washington Post, Sept. 22, 1977]

NUTRITION

(By Dri Jean Mayer and Dr. Johanna Dwyer)

With the start of a new school year, many of us are once again preoccupied with grades and report cards, which in many schools are now much more complicated than the ABC's we got as children. But even though the new grading systems may be harder to understand, they still are based on school performance, and not something as superficial as looks.

When the federal government sets about to grade the food products we buy, the opposite happens: The grades have little or nothing to do with nutritional value or wholesomeness or safety, but are mostly based upon how foods look.

Sen. George McGovern (D-S.D.), chairman of the Senate Select Committee on Nutrition and Human Needs, recently asked the Office of Technology Assessment (OTA) to look into the federal food-grading programs. That agency has just released its report, which clearly shows that congressional action to make food grading more meaningful to consumers is long overdue.

As it now stands, the government's present food-grading system rates a D-minus. From the consumer's standpoint, the basic defect in the present system is the assumption that looks alone are enough—that the best looking food should be given the best grade. But this is simply not true, indeed, foods with a less than perfect appearance may be just as nutritional (or even more so, than those that are prettier).

Actually food grades are not really designed to be helpful to consumers but to simplify pricing structures for the food wholesaler. To further confuse the issue, there are no standard food grades, such as the ABCs of school report cards. Instead many have designations such as "U.S. fancy," "U.S. Prime" and so forth.

The grading of red meat is perhaps the most misleading. There are eight grades of meat—U.S. prime, choice, good, standard, commercial, utility, cutter and canner. Only the first three are sold in most stores, and they are based on the age of the animal and the degree of marbling—the flecks of fat within the lean portions.

Obviously, there is little relationship between nutrition and this type of grading; in fact, many of us who are involved with good nutrition are concerned about the amount of fat in meat, especially fat that cannot be trimmed away. But this grading system makes it appear that a high fat content is desirable.

Why should well-marbled fat be considered "prime?" At one time it was argued that the marbling made meat tender, juicy and flavorful. But now, there are many ways to improve the tenderness of lean beef. There's little wonder then that the OTA did not give the government's food-grading system very high marks, but the question is what should be done about it. In this respect, the report offers some very sensible suggestions.

In judging fresh produce, things like color, shape and smooth, undamaged skins should be important. But only one system should be used, says the report, and consumers would know that it is not a judge of wholesomeness or nutritional value. In addition, more complete nutritional labeling and information should be provided on these products.

As for meat, a system should be devised to provide both a grade and a fat designation, or complete nutrient labeling.

Since there doesn't seem to be an easy way to combine nutritional labeling with grading criteria, the OTA suggests giving A, B, and C grades on the basis of how much meat is left after external fat is trimmed away. But since the amount of fat within the meat also is important, this proposed system is not perfect.

Nutritional labeling for meat is still another possibility, but this is probably a long way off, thus making a meaningful grading system even more important for consumers.

How can you help? For one thing, you can urge your congressman to read the OTA report and to act to simplify the confusing food-grading system. You also can urge him to support the nutritional labeling of more foods.

ERISA REPORTING REQUIREMENTS

Mr. WALLOP. Mr. President, it has come to my attention that the Labor Subcommittee of the Senate Committee on Human Resources is holding oversight hearings on certain pension related issues including the Employee Retirement Income Security Act, ERISA. Several letters to my office have suggested that reporting requirements for small businesses are costly and have resulted in many such businesses terminating retirement plans that they once created for the benefit of their employees.

ERISA requires employers to publish a summary plan description (SPD) which fully describes retirement plans that apply to employees. Lincoln National Life, a Fort Wayne, Ind., insurance company has published a 17-page booklet which provides guidelines for the preparation of SPDs by its customers, but even with such guidelines, legal assistance is often required to comply with the law. In rural States like Wyoming, that assistance is just not available, and even where it is available, it is extremely expensive.

In a thoughtful letter, a constituent of mine has suggested one way of relieving much of the paperwork that ERISA SPD requirements generate: Provide an exemption from the requirement to complete SPDs for employers with fewer than 100 employees. I fully endorse this suggestion and urge that as the Labor Subcommittee looks into ERISA reform, it consider a rules change such as this one which could relieve small businesses from needless burdens.

Because he makes the problem clear, and because his letter provides a good insight into the problems faced by a small businessman, I ask unanimous

consent that a letter I received from George Bryce of Casper, Wyo., be printed in the RECORD. His comments are constructive and deserve full consideration.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CASPER, WYO., *October 6, 1977.*

Re: Summary Plan Descriptions of ERISA and Related Problems

Senator MALCOLM WALLOP,
Dirksen Building,
Washington, D.C.

DEAR SENATOR WALLOP: ERISA was passed to accomplish at least one major objective: To force employers to communicate benefits to their employees. This has led to the Summary Plan Description which must be given to all participants of group insurance programs. My insurance company has issued guideline summary plan descriptions via a 17-page pamphlet which clients are now attempting to digest.

It is difficult for me to believe that it was the intent of Congress to force all employers to put out the attached "ERISA Statement of Rights (required by Federal law regulation)" as part of the Summary Plan Description.

If I were an employer paying for programs of this nature out of profits, I would be insulted by the notion of distributing this type of useless report to my employees. This would be especially true if I had paid money to print booklets and used company time for meetings to have these benefits explained. The statement encourages plan participants and beneficiaries to doubt the decisions rendered by people operating an employee benefit plan. It encourages people to run to Federal courts and Governmental offices when they have questions.

Furthermore, I have a difficult time disagreeing with an employer who wishes to terminate this plan because he is fed up with the paperwork barrage that has been created by ERISA. In fact, the financial summary of the plan does not even exist for 99% of all the plans and requires yet another report to be prepared. This backlash will cause employees to go without quality benefits or eventually further the union cause.

One of my clients with 12 employees paid $5,000 to bring his plan in compliance with ERISA. He will by paying additional fees to have the Summary Plan Description and the Statement of Rights printed and distributed to all his employees. He will be saddled with EBS–1 forms, the 5500 Series forms, annual financial reports, and no one knows what else the non-elected officials in the Department of Labor and the Treasury Department are likely to create. There must be an easier way! Another client sent out ERISA required notices to more than 5,000 negotiated plan participants and former participants. More than ⅔ of the notices were undelivered and returned. The same thing will happen with the Summary Plan Description mailing.

I urge you to do anything in your power to provide for an exemption from both the Governmental forms and the Summary Plan Description of ERISA for employers with fewer than 100 employees.

Very truly yours,

GEORGE BRYCE.

NATIONAL FAMILY WEEK

Mr. HUMPHREY. Mr. President, during the week of November 20–26, we honor our most cherished American institution—the family.

The role of our families has changed dramatically in the history of our country. During America's past, the family fulfilled most physical, social, and emotional needs. A family literally produced food, clothing and shelter for its members, provided education for its children, and defined a framework for social behavior.

If I go back only as far as my own childhood, I can remember examples of how the family served as our primary social institution.

When I was growing up in a small town in South Dakota, parents and children knew each other well. It was natural for children to learn the lessons of life in their most useful form—by observation and participation. I was at my father's elbow constantly, watching him, listening to him; eventually debating with him. It was the finest legacy he could have left me.

Today the family has assumed more of a supplemental role in satisfying basic physical and social needs. In our cities, it often takes a special effort to get the whole family together. Parents at work and in their social lives are often strangers to their children, and their children are strangers to them.

The breakdown of the family unit is occurring at an unprecedented rate throughout this country. According to the most recent data compiled by the National Center for Health Statistics, the divorce rate of our population has doubled in the last decade.

And the extended family in this country is all but extinct. According to a major study, in 1900, 50 percent of the households in Boston included parents, children, and at least one other relative. Today the comparable figure is 4 percent. This is truly a sad occurrence.

Long ago we should have asked: What has been the effect of urbanization on our homes, families, and neighborhoods?

There are many reasons for the breakdown of the family unit—looser morals, a highly mobile society, and an advanced economy that reduces family reliance on its members.

Colin Turnbull, the anthropologist, suggests a theory for the general upheaval we have recently seen in our whole society, of which family disintegration is a part:

"The sorry state of society in the civilized world today, is in large measure due to the simple fact that social change has not kept up with technological change," which is "carrying us with it in an unknown direction leaving our old form of society behind. . . ."

Mr. Turnbull sounds the alarm to an accelerating trend we are beginning to recognize in our society.

However, I do not believe we are as far down the path as Mr. Turnbull fears. We can create and redesign institutions to encourage renewed personal concern among our families and among the bigger family of our society. We can also reaffirm our commitment to the family on an individual level.

The family is the basic moral and economic element of society. It is vital to human development. It is imperative, therefore, that we recognize its importance and accept the responsibility for taking whatever steps are necessary to preserve the family as our most fundamental social institution.

CHANGING THE RULES FOR ERA

Mr. HATCH. Mr. President, ever since the proposal to extend the period for ratification of the Equal Rights Amendment became known, my office has been deluged with letters from across the Nation urging my opposition to such a resolution. This mail, disproportionately from women, expresses strong sentiment, and I think indicates citizens' concern not only for the implications of ERA, but more so for the entire process by which our Constitution can be amended. I believe this Congress would be grossly in violation of basic constitutional principles and procedures if we pass this extension for ERA; we should not legislate last minute rule changes to accommodate a minority viewpoint.

In the November 14 issue of Newsweek, columnist George Will has an excellent commentary on this constitutional issue. I commend it to my colleagues' attention. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the commentary was ordered to be printed in the RECORD, as follows:

STACKING THE DECK ON ERA

(By George F. Will)

It is, perhaps, fitting that advocates of the Equal Rights Amendment want to rig the ratification process. The amendment itself radiates impatience with essential constitutional values, such as respect for the political process and representative institutions.

On March 22, 1972, Congress sent ERA to the states to be ratified or rejected by March 22, 1979. Many states ratified with unseemly speed. But opposition soon crystallized, and the campaign for ERA slowed, then stalled. Thirty-five states have voted for it, three short of the required three-fourths; and three of the 35 have voted to rescind ratification; and there may be more states inclined to rescind than to ratify. Faced with failure, ERA supporters want to change the rules in the ninth inning. They want Congress to allow another seven years for ratification, and they want votes to rescind ratification declared void. This attempt to stack the deck is evidence that ERA lacks the kind of support the Constitution requires for amendments.

The Constitution places a substantial burden on those who would alter it, for the same reason it requires large majorities for treaty ratifications and impeachments: some important decisions should not rest on slender majorities. The essence of this nation's constitutional morality is that amendments should be proposed sparingly, and should succeed only if a predetermined period of deliberation produces a consensus that is (in the Supreme Court's words) "sufficiently contemporaneous" to reflect the will of three-fourths of the states "at relatively the same period." The Court has said Congress is responsible for seeing that the states vote an amendment up or down "within some reasonable time after the proposal." A reasonable span is long enough for ample debate but short enough that the states' decisions will be "contemporaneous."

FOURTEEN YEARS?

The first ten amendments were ratified in 27 months. The average time for subsequent amendments has been nineteen months. No ratification has taken even four years. The most recent amendment, lowering the voting age, took less than four months. Yet ERA advocates demand at least fourteen years.

When the Senate passed ERA its report said a seven-year limit (part of every amendment in the preceding 50 years) "assures that

a ratification reflects the contemporaneous views of the people." It is not clear that Congress can now change the limit. Neither the text nor the history of Article V of the Constitution clarifies the proper extent of Congress's powers in the amending process. ERA advocates say Congress can suddenly revise the ratification rules under which states thought they were operating. But it is more plausible that Article V establishes a process wherein Congress is divested of all power over an amendment once it is submitted to the states. Surely Article V should be construed in the way that makes a "contemporaneous" set of state decisions necessary for amendments. So even it, in the silence of Article V, Congress can assert the unprecedented power to fiddle with ERA's deadline, it would be wrong to do so.

If (and it is a big "if") the 95th Congress need not respect the traditional seven-year limit that the 92nd Congress affirmed, surely one session of a state's legislature should not bind all subsequent sessions from reflecting about and reconsidering ERA *as time allows*, as long as the question is before the nation. ERA supporters dislike this idea because the longer ERA has been debated, the weaker support for it has become.

RUSH TO RATIFICATION

Many ratification votes were perfunctory, even irresponsible. ERA floated through the U.S. House (354–24) and Senate (84–8) with majorities of the sort that do not normally occur when complexities are considered. Most of the 22 states that rushed to ratify it in 1972 did so without any hearings. Hawaii passed it the day it left Congress. Nebraska, scrambling to be second, passed it the day after Hawaii, but did it wrong and had to pass it again six days later. Within three months twenty states had passed it, cavalierly (in several senses of that word). Idaho, Nebraska and Tennessee have rescinded ratification.

ERA advocates say all ratifications, however stale or slapdash, are irrevocable. They say any legislature should be able to reconsider rejection of ERA for *thirteen straight years* (Illinois and Florida have defeated ERA repeatedly), but no legislature should *ever* be able to reconsider ratification. Under that rule, a few late-ratifying legislatures could ram into the Constitution an amendment which, by then, at least three-fourths of the states might *disapprove*. That rule mocks the idea of "contemporaneous" consensus, which can *only* be guaranteed by permitting states to rescind. Dragging out ratification over fourteen years, and dragging states into a "consensus" by disregarding their desire to rescind, produces a sham consensus.

Some, perhaps most, ERA supporters regard it as primarily a "symbol" of a vague national "commitment." Without dwelling on the inadvisability of cluttering the Constitution with symbols, it is important to note that ERA is a symbol of the proverty of "progressivism."

ERA says: "Equality of rights under the law shall not be denied or abridged by the United States or by any state on account of sex."

COURTS VS. INSTITUTIONS

What would it do? That would depend on the judges construing it. Would women be subject to military conscription? Could they be restricted from combat? Could there be different treatment of the sexes to protect women with regard to alimony and other divorce matters? Could the sexes be treated differently in insurance and pension plans because of actuarial evidence about sex-related differences regarding health problems and life expectancy? No one can answer these or hundreds of similar questions in advance of the flood of litigation ERA is designed to trigger. ERA means either that *no* legal distinctions based in sex are constitutional, or that such distinctions must be justified by important reasons. If ERA means the former, it is absurd. (Women *must* be conscripted *equally?* They cannot have lower insurance premiums because of longer life expectancy?) Obviously it means the latter, and would confer upon the judiciary power to write a detailed code governing treatment of the sexes, removing from representative institutions the making of important judgments about society's values.

ERA is part of a pattern. Today "progressives" rely on litigation rather than legislation. They pursue goals (forced busing, abolition of capital punishment, abolition of restrictions on abortion and pornography, expanded rights for defendants in criminal trials) in courts, not in the political process. The attempt to rig the ratification of ERA, like ERA itself, is characteristic of a political movement that is anemic and impatient and reckless, too weak to win in representative institutions and unwilling to accept defeat.

BRAD MORSE'S EXCEPTIONAL RECORD AS UNDP ADMINISTRATOR

Mr. HUMPHREY. Mr. President, when former U.S. Congressman Bradford Morse assumed his duties as Administrator of the United Nations development program, he inherited an important development agency which was experiencing serious financial difficulties. This was just 2 years ago.

Yet, in 2 years' time, under Brad's aggressive management style, UNDP has made a dramatic recovery.

As reporter Pranay Gupte noted in the November 6 New York Times:

Last year alone he (Morse) raised more than $26 million to help end the program's deficit, and this week he scored yet another achievement—at an annual pledging conference here the agency was able to raise $570 million in voluntary contributions for next year's budget, a record.

Not only has Brad been particularly effective at raising additional contributions to UNDP, he has implemented management practices which have been impressively successful in cutting back the waste and inefficiency of the agency.

As the article pointed out:

. . . He hired a consulting concern to suggest improvements in administration and reductions in costs. This year administrative expenses were lowered by more than 6 percent while personnel cutbacks amounted to 13 percent. Staff travel was severely restricted, Mr. Morse said, and first-class travel eliminated.

Since I view UNDP as an important development agency and one which deserves the strongest support from the United States, I want to take this opportunity to commend Brad Morse for the impressive job he has done over the past 2 years.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Nov. 6, 1977]

EX-CONGRESSMAN BRINGS U.N. AGENCY FISCAL HEALTH

(By Pranay Gupte)

UNITED NATIONS, N.Y., November 5.—After years of severe financial problems incurred largely through overcommitments to the third world, the United Nations Development Program has made a dramatic fiscal recovery through management reforms and an aggressive fundraising campaign.

The key figure in the recovery, according to diplomats and other officials here, has been Bradford F. Morse, a former Republican Representative from Massachusetts, who is the administrator of the agency. Last year alone he raised more than $26 million to help end the program's deficit, and this week he scored yet another achievement—at an annual pledging conference here the agency was able to raise $570 million in voluntary contributions for next year's budget, a record.

BUDGET IS ENTIRELY VOLUNTARY

Almost all the major contributors increased their allocations, with the sharpest increase from the United States, which will give $15 million more, or a total of $115 million for 1978.

The budget is wholly voluntary, so according to officials here, the increase in pledges reflects renewed confidence that major contributors seem to hold for the program.

In addition, diplomats here noted that the American increase came at a time when President Carter announced the controversial withdrawal of the United States from the International Labor Organization. As a result the I.L.O. will be losing $20 million, or 25 percent of its annual budget, next year.

Diplomats speculated that the American increase would be one way of offsetting the withdrawal of funds from the I.L.O. perhaps modifying critics at the United Nations who have condemned President Carter's decision to leave the oldest specialized agency connected with the United Nations.

The development program is the single largest international agency to help developing countries not only devise ways for a better economic and social life but also assist them in increasing their output of raw materials and manufactured items. Other officials familiar with the operations of the program also report that it has been plagued by administrative woes and waste. The Food and Agriculture Organization of the United Nations gave a $10 million loan to help it tide over its immediate problems.

Mr. Morse said that his initial task when he took over in January 1976 was to restore the agency's fiscal health. He traveled widely and helped persuade governments to increase contributions, which resulted in raising the more than $26 million last year. The most persuasive argument, Mr. Morse said, was that the program's credibility was at stake.

At the same time he hired a consulting concern to suggest improvements in administration and reductions in costs. This year administrative expenses were lowered by more than 6 percent while personnel cutbacks amounted to 13 percent. Staff travel was severely restricted, Mr. Morse said, and first-class travel eliminated.

The agency, which was formed 12 years ago through a merger of the United Nations expanded program of technical assistance and the United Nations Special Fund, works with more than 140 nations and about 25 international agencies. It supports 8,000 projects in agriculture, industry, education, power production, communications, health, housing and, promotion of women's participation in development.

The agency, which has its headquarters here, makes 80 percent of its assistance available to countries with a per-capita income of less than $600. This has helped to develop new strains of fast-growing, high-protein wheat, corn and rice in 125 nations; a social-security system and a pension plan for a million workers in Pakistan and job-training programs for more than two million men and women in Colombia.

RATESETTING BY STATE UTILITY AGENCIES

Mr. LEAHY. Mr. President, as my distinguished colleague from Louisiana knows, I am greatly concerned about a section of the public utilities portion of H.R. 8444, which deals with ratesetting by State utility agencies. This section, section 515, states that—

> The rates of any electric utility which is a state agency shall be, consistent with section 511(a), based on the total costs of all electric energy generated by all facilities of the entire system of such utility, and all electric energy purchased by such utility which is sold by such utility.

This section defines "State utility agency" as "an agency of a State (not including any political subdivision or agency thereof) which is an electric utility." The reason for my concern stems from the fact that my State buys a substantial amount of hydroelectric power from the Power Authority of the State of New York (PASNY) which is a State utility agency as defined under this section. Section 515 would force PASNY to substantially alter the manner in which the authority sets its rates.

Electricity produced by PASNY is generated from a number of sources. Hydroelectric power represents just one of these sources, and it is the cheapest and most environmentally acceptable source. Currently, PASNY's customers pay for the electricity they buy only according to the cost of the source which generates that electricity. Thus a customer who buys electricity generated by hydroelectric power, which is relatively inexpensive to produce, pays low rates. Another customer who buys electricity generated with oil, which is more expensive to produce, will pay higher rates. Under section 515, PASNY would be required to charge all of its customers one uniform "postage stamp" rate, regardless of what kind of power they actually buy, and regardless of how much that power cost to produce. Thus a customer who bought only electricity that was generated with inexpensive hydroelectric power would be forced to pay for the cost of producing more expensive oil- or nuclear-based electricity in another part of the PASNY system. Is this my distinguished colleague's understanding of this provision?

Mr. JOHNSTON. Yes it is.

Mr. LEAHY. This provision could cost the State of Vermont as much as $10 million in increased power costs, and would obviously have a severe impact on the State's economy. I have already corresponded with my distinguished colleague from Louisiana who chairs the Senate subcommittee that is meeting with the House to address these and other utility rate reform issues. I ask unanimous consent that this exchange of correspondence be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., September 20, 1977.

Hon. J. BENNETT JOHNSTON,
Chairman, Subcommittee on Conservation and Regulation of the Committee on Energy and Natural Resources, Russell Building, Washington, D.C.

DEAR BENNETT: As you know, language has been included in H.R. 8444, the National Energy Act, which would substantially alter the manner in which the Power Authority of the State of New York (PASNY) sets its rates.

Section 515 of the Act provides that the rates of any electric utility which is a state agency be based upon the "average system costs" of electric power generated or purchased for resale by that utility. This provision could cost the State of Vermont, which purchases a substantial amount of hydroelectric power from PASNY, as much as $10 million in increased electric power costs.

I would like to voice my strong opposition to including any such language in the Senate version of the bill, and in any final version of the bill reported by a committee of conference. I would be eager to be of assistance in any way that I can in this effort, and hope that you will not hesitate to call upon me.

Sincerely,

PATRICK J. LEAHY,
U.S. Senator.

COMMITTEE ON
ENERGY AND NATURAL RESOURCES,
Washington, D.C., October 18, 1977.

Hon. PATRICK J. LEAHY,
U.S. Senator,
Washington, D.C.

DEAR PAT: Thank you for your letter of September 20, 1977 concerning section 515 of H.R. 8444, the House version of the National Energy Act. The Subcommittee on Energy Conservation and Regulation heard testimony which was quite critical of this provision during our hearings on public utility rate reform.

Accordingly, S. 2114 as reported by the Committee on Energy and Natural Resources did not contain any provisions similar to section 515. Moreover, no provision of this nature was added on the Senate floor, and if one had been offered the Committee position would have been one of strong opposition.

In view of this I can say with certainty for myself, and with some degree of confidence with respect to the members of the Subcommittee that we will not look with favor on section 515 during the upcoming House-Senate conference on the public utilities portion of the National Energy Act (H.R. 4018).

Thank you for your views on this matter.

Sincerely,

J. BENNETT JOHNSTON,
Chairman, Subcommittee on Energy Conservation and Regulation.

Mr. LEAHY. At this time I again urge my colleague to oppose the inclusion of section 515 in the final version of the bill reported by the conference committee, and offer my assistance in this effort.

Mr. JOHNSTON. I thank my distinguished colleague from Vermont. I assure him that my position with regard to section 515, as stated in my October 18 letter to him, remains unchanged. The bill originally reported by my subcommittee contained no provision similar to section 515. No such provision was added to the bill on the Senate floor. Thus, I think I can say with confidence that the members of the subcommittee will not look with favor on section 515 during the House-Senate conference that will deal with this issue.

Mr. LEAHY. I thank the Senator from Louisiana.

THE FEDERAL GOVERNMENT AND CIVIL RIGHTS

Mr. HUMPHREY. Mr. President, Mr. Drew S. Days III, Assistant Attorney General in the Civil Rights Division of the Department of Justice, recently gave a speech in Chicago before the NAACP Legal Defense and Educational Fund, Inc. In his speech, Mr. Days raised a critical question regarding the activities of the Federal Government to insure civil rights for all.

He pointed out that the Federal Government has frequently assumed the role of defendant in civil rights cases, seeking exemptions from the same anti-discrimination standards it enforces in the State and private sectors. I agree with his view that the Federal Government should, rather, serve as model and leader in advancing the course of civil rights. Public skepticism is justified about the Federal Government's sincerity when it exempts itself from goals it establishes. History has shown that merely passing laws to guarantee equal protection is not enough; affirmative actions are needed to achieve real equal opportunity. Certainly the Federal Government has not demonstrated an absence of need for affirmative actions.

Mr. President, I ask unanimous consent that Mr. Days' speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

WHY NOT THE FAIREST?
(By Drew S. Day III)

The Legal Defense Fund and the Department of Justice seem to share a number of defendants in litigation designed to vindicate civil rghts in America. In fact, when I was appointed by President Carter, I had to disqualify myself in over forty cases in which the Civil Rights Division and LDF were representing the interests of black plaintiffs. But there is one defendant we do not have in common: The federal government. It is about this violator of civil rights that I would like to talk tonight. Posed simply, the question I want to raise is this: "Is the federal government holding itself to the same civil rights standards it enforces in the private and public sectors?"

The federal government is one of the largest employers in the nation; federally-assisted programs receive billions of dollars each year; and countless federal laws and regulations affect every citizen's life. Therefore, it has the highest responsibility to ensure that equal opportunity laws applicable to federal employees and funding programs are enforced in an effective manner.

There was a time when the federal government was looked to as a leader in implementing equal opportunity guarantees. Then with passage of the new civil rights laws in the 1960's, the focus of our efforts was naturally directed outward to the systemic

problems of state and private discrimination. The irony is that while the federal government was placing tremendous pressure on the non-federal sector to comply with federal civil rights requirements, efforts and resources directed toward resolving similar problems "at home" may have been inadequate.

I want to focus on three problem areas in the federal sector which the Carter Administration considers to be primary targets for improvement and the efforts already being made to correct them. They are:

(1) failure to eliminate discrimination against federal employees

(2) failure to ensure that federal funds are not used in discriminatory manner

(3) failure to revise federal laws and regulations which have proven to be sexually-biased.

In 1972 Congress extended the protections of Title VII of the 1964 Civil Rights Act to federal job applicants and employees in the executive agencies, military departments, and in competitive job positions in the legislative and judicial branches. Section 717 of the 1972 Equal Employment Opportunity Amendments provides that "All personnel actions affecting such persons" must be free from any discrimination based on race, color, religion, sex or national origin.

If the Civil Rights Division were to review federal employee statistics as we do in the average Title VII investigation of state and local government employers, suspicions of systemic racial and sex discrimination would be immediately aroused. For instance, there is a total federal work-force of 1.4 million general schedule (GS) ("white collar") employees in the executive agencies. 43 percent are female, 13 percent black and 2.6 percent hispanic. However, when one looks at the grade levels of these groups, the distribution of women and minorities differs considerably from their representation in the total work-force. Whereas only 51 percent of all white collar federal employees are in grades 1–8, 81 percent of the women, 76 percent of the blacks and 66 percent of the spanish-surnamed employees are concentrated in those grades. Comparing these statistics to the upper GS-Grade range, (GS 13–15), we find only 1.8 percent of the women, 4 percent of the blacks and 6 percent of the hispanics in those grades, whereas 14 percent of the total work-force hold GS 13–15 positions.

Between 1972, when Title VII became applicable to the federal government, and 1976, the government was rightfully accused of "working both sides of the street" with respect to Title VII legal standards. While pursuing a vigorous enforcement policy as plaintiff, as defendant we set up a series of inconsistent defense in Title VII suits filed by federal employees against executive agencies. For instance, as defendants, we argued that federal employees were not entitled to a trial de novo in federal court; that all members of a class must have exhausted their administrative remedies prior to filing suit, that federal employees had a greater burden of proof to justify back pay awards; and that retaliation against a federal employee for filing a charge of discrimination was not unlawful under Title VII. This last defense was based on a technical construction of the statute rather than its spirit, and was ultimately struck down by the courts.

On August 31, 1977, Attorney General Bell issued a memorandum for all U.S. Attorneys and agency general counsels putting them on notice that in the future the Department of Justice will take the same position in interpreting Title VII in defense of federal employee cases as it has taken or will take in private or state and local employee cases. Judge Bill stated, ". . . [A]s a matter of policy, the federal government should be willing to assume for its own agencies no lesser obligations with respect to equal employment opportunities than those it seeks to impose upon others." In conjunction with this new policy, the U.S. Attorneys' practice manual on Title VII is undergoing a thorough revision. Thus, a review of the merits of each case rather than an automatic raising of technical defenses will be the focus of our litigation efforts.

Turning to the administrative complaint and adjudication process, we find some more rather disturbing statistics.

The Civil Service Commission reports that in 1976 over 7,000 formal complaints of discrimination were made by federal employees, about half on racial grounds and another 22 percent on sexual grounds. The complaint alleged denial of promotion on the basis of discrimination. Nearly 4,000 investigations and over 1,000 hearings were conducted by the Civil Service Commission in 1976 resulting in approximately 300 findings of discrimination.

Civil Service Commissioner Campbell has been taking an active role in a review of the EEO complaint process, federal affirmative action programs and other civil service procedures by the "Federal Personnel Management Project." He is also examining the impact of the Veteran's preference system on female employment in the civil service. A major issue on the reorganization agenda is finding a structure that will accommodate the two often conflicting interests of the CSC—as employer and as protector of the employees' rights.

Within the Justice Department, we are doing what we can to ensure that no women or minorities are denied equal employment opportunity. The statistical pattern we found in January was less than impressive. As of December 1976, females constituted only 11.5 percent of all Department attorneys. At policy making levels, there were only three women out of a total of 417. Minority attorneys were only 4.0 percent of the entire Department staff; five minorities were in policy-making positions. In May of this year, the Department created an Employment Review Committee charged first with reviewing the files of minority and female attorneys in grade beyond the requisite time who had not been promoted to determine whether discrimination was responsible for the lack of promotion. Secondly, it is authorized to review for a two-year period all proposed employment of attorneys and all promotions of attorneys to GS–13 or above (GS–11 is the normal entry level for attorneys). Contrary to reports published shortly after its creation, the Committee was not established to prevent white male attorneys from being hired or promoted for two years. But it is a serious effort, chaired by Assistant Attorney General Barbara Babcock, head of the Civil Division, and myself to ensure that everyone in the Department gives more than lip-service to affirmative action. I am certain that we will be able to point with pride to a markedly improved pattern by January, 1978.

Title VI is the major statute requiring federal agencies to prevent and eliminate discrimination in federally-assisted programs. Title VI is limited to prohibition of racial and ethnic discrimination, but other special statutes of similar nature cover sex discrimination, e.g., the Revenue Sharing Act and the 1968 Crime Control Act, which authorizes funding by LEAA to law enforcement agencies.

A major problem in the Title VI area has been the historic lack of coordination of federal compliance efforts. Although the Attorney General was assigned a coordination role by executive order, until recently he had minimal "clout" to effect consistent policies.

Throughout the agencies, Title VI responsibilities often were relegated to an undermanned and poorly funded staff which was given ineffective or no training, thereby resulting in ineffective compliance reviews of recipients of federal funds.

A recent survey of agencies with Title VI responsibilities indicates that although they dispense over 80 billion dollars in federal assistance, and spend $40,000,000 to enforce Title VI, only 92 fund termination proceedings have been conducted in the past five years; eighty-six of those proceedings were brought by HEW against local school districts.

Nor have agencies made effective use of their authority to refer matters to the Department of Justice for litigation when voluntary compliance efforts have failed. Another problem has been that for those referrals we did receive, it was frequently necessary to re-investigate because field compliance investigators were inadequately trained in fact-finding and the law.

Evaluating the federal government's Title VI responsibilities from another angle, private plaintiffs have sued federal agencies on numerous occasions, charging inadequate enforcement of Title VI or actual complicity in discriminatory practices. One of the landmark cases of this nature was the Gautreaux case in which HUD was found to have violated Title VI and the Constitution by knowingly sanctioning and assisting the Chicago Housing Authority's racially discriminatory site and tenant selection practices with respect to the Public Housing Program. Another is LDF's Adams litigation alleging failures by HEW to enforce Title VI in the school desegregation area.

In the past year, a number of significant policy changes have been implemented which should greatly improve the federal government's enforcement of Title VI and related statutory provisions.

With respect to Justice's coordination role, President Carter issued a memorandum on July 20, 1977 to the heads of all executive departments and agencies firmly committing this Administration to Title VI enforcement. The memorandum directs agency heads to exert firm leadership in this regard and to insist that their staffs cooperate fully with Department of Justice staff in developing strong and consistent enforcement procedures. The President stated there:

"Title VI of the Civil Rights Act of 1964 writes into law a concept which is basic to our country—that the government of all the people should not discriminate on the grounds of race, color or national origin. There are no exceptions to this rule; no matter how important a program, no matter how urgent the goals, they do not excuse violating any of our laws—including the laws against discrimination."

In late 1976, the Department of Justice issued detailed regulations to provide guidance to agencies enforcing Title VI. We also publish a quarterly Title VI newsletter which provides agencies with up-to-date information on policy changes and significant events.

Last month (September 26–29, 1977), the Civil Rights Division held a Title VI Conference in Washington which offered workshops on various facets of the enforcement process. New Title VI practice manuals were distributed to the participants for the purpose of improving the consistency of enforcement procedures among the numerous Title VI agency or offices.

The Civil Rights Division also is in the process of surveying each Title VI agency to evaluate its compliance efforts. Our findings are then published and we work with the individual agency to eradicate any deficiencies.

Various amendments enacted by Congress to "Title VI-like" legislation are also providing us with increased enforcement powers. For example, in suits brought by the United States for discriminatory use of LEAA funds, termination of funds will occur automati-

cally within 45 days of filing unless otherwise directed by the court. In addition, Title VI litigation brought by the Justice Department under the revenue-sharing statutes should be strengthened as a result of a new agreement with the FBI to investigate alleged violations.

In the manner in which HUD handled the Gautreaux case is symbolic of old federal government ways, the Resident Advisory Board case in Philadelphia represents, in my estimation, a new sensitivity to our civil rights responsibilities. In November, 1976, a trial court found Philadelphia and HUD officials guilty of Fair Housing Act violations. In early January, HUD officials urged Justice to appeal that ruling. After consulting in February with newly-confirmed Secretary Harris, HUD withdrew its request. Instead, HUD subsequently filed a friend-of-the-court brief in the case on behalf of black plaintiffs urging an affirmance. The court of appeals recently affirmed.

A final problem area with respect to the federal government's law enforcement responsibilities concerns the existence of miscellaneous archaic and stereotyped statutes and regulations which result in unequal treatment or benefits on the basis of sex. Some of the major U.S. Code titles in need of reform deal with the military, taxation and social security benefits.

The previous Administration recognized these problems and directed the Justice Department (in 1976) to devise a comprehensive plan to identify and revise discriminatory provisions. A central purpose behind this effort was to speed up the remedial process in advance of final ratification of the ERA. A Sex Discrimination Task Force was created in the Civil Rights Division a year ago to begin the review process. It was funded, however, only in April of this year at the request of the Carter Administration. The Force has a Director and a start-up staff that will shortly reach about 24. We anticipate that its work will not be completed until 1980.

In expressing his support for the work of the Task Force, President Carter stated:

"Federal law should be a model of nondiscrimination for every state and for the rest of the world. The federal government which is actively involved in eliminating sex discrimination in many areas, should not be upholding it in others."

In addition to proposing revisions of statutes containing sex-stereotyped terminology and presumptions, the Task Force is concentrating on several areas where major reform are needed —such as social security as noted above. As recommendations are completed, they will be submitted to the Congress for consideration.

The federal government has a long way to go before it gets out of the business of being a defendant in civil rights cases. But I think the changes I have just described in the areas of employment, federal funding and sex discrimination are strong evidence that this Administration is firmly committed to re-establishing the federal government as the leader in civil rights compliance. We are committed because it is right and because it is absolutely necessary if we are to enjoy any further success in our efforts to end discrimination elsewhere in our nation.

We do not think it unreasonable at all to ask of the federal government, to borrow a favorite locution of President Carter: "Why Not The Fairest?"

SOCIAL SECURITY

Mr. BAYH. Mr. President, one of the most difficult decisions that elected officials must face is the question of increasing the taxes their constituents must pay. In this time of economic uncertainty, we are all painfully aware of the potential impact of assessing more tax dollars that otherwise might have gone to buy the essentials of life—food, clothing, housing, and schooling. At the same time, as responsible legislators, we must address the crippling financial crisis facing the social security system and those retired citizens who depend upon its benefits. It is for this reason that I voted for the Social Security Financing Amendments of 1977.

Under the present law, social security is facing severe financial crises, both in terms of short term funding and long range financing. The social security trust funds do not have current income sufficient to meet the obligations made to beneficiaries. Indeed, the trust funds, if present law were to be maintained, would run a deficit of $5.5 billion a year for 1977 and 1978.

Extensive deliberations by the Senate Finance Committee established that this financial crisis has been brought upon us by three conditions: First, a continuing high unemployment rate; second, a period of soaring inflation; and third, a mechanical problem of overindexing social security benefits for future beneficiaries.

In addressing this fiscal crisis, the Senate Finance Committee sought to accomplish several goals. These goals include protecting the social security system from any threats of bankruptcy, keeping future benefit levels on a par with today's benefits, and renewing the American public confidence in the social security system itself. In trying to reach these goals, the Finance Committee examined three basic methods to reduce short range and long term deficits in the social security system: First, increasing revenues by adjusting the social security payroll tax and the wage base upon which these taxes are assessed; second, reducing social security benefits for future retirees; third, infusing general revenue funds into the social security program.

After examining the pros and cons of these various approaches, the Finance Committee recommended the first of these three policy options as the appropriate fiscal solution for this point in time. The committee rejected the second approach as untenable and the third as impractical. The committee's recommendations, later approved by the full Senate by a vote of 42 to 25, consisted of four basic changes in the current law. First, the amount of earnings subject to employer tax would be gradually increased. Under current law, the employers' share of the social security payroll is collected on the first $16,500. This amount would be raised to $50,000 in 1979 and then increased to $75,000 in 1987. The base will remain at $75,000 until the employee tax base reaches $75,000 at which time the two bases would be equal and would rise together in relation to increases in the average wage.

Second, the amount of earnings subject to employee or self-employment would be increased. Under this provision, there will be a total of $2,400 in employee wage base increases over and above the present law. Four separate $600 increases are scheduled for 1979, 1981, 1983, and 1985. Third, these changes include an increase in the payroll tax rate to 9.20 percent in the year 2011. This is a 1.75 percent increase over existing law.

Lastly, the social security tax rate for self-employment would be increased to 1½ times the rate for employees effective 1981. When earnings from self-employment were made subject to social security tax in 1950, the rate was set at 1½ times the employee rate. This formula was maintained until 1973 at which time the rate for the self-employed was frozen at 7 percent. The action of the Senate would return this rate to its original formula.

While I cast my vote in favor of the committee's proposals, I did so with reservations. Personally, I would have preferred that the committee and the Senate as a whole give more serious consideration to the original Carter administration proposal to ease the fiscal crisis through the partial use of general revenue funds, particularly during times of high unemployment. I would prefer the use of general revenue funds to a straight increase in payroll taxes because I have grave reservations about the impact of these tax increases on both unemployment and the rate of inflation. Most importantly, I am concerned that the burden of these increases in tax may fall on the shoulders of our Nation's workers and small businessmen who can least afford it. My concern is only slightly mitigated by assurances from the Finance Committee that the tax increases have been designed to impact most heavily on those in the higher income bracket.

Despite my deep reservations, I voted for the committee bill. I did so because I want to be able to assure all Americans of a sound and secure social security system. Under the provisions of the legislation as approved by the Senate, the short term deficits facing the social security trust funds will be eliminated. The legislation will place social security cash benefits programs in actuarial balance for the next 75 years based upon current economic and demographic assumptions. No present beneficiary will suffer a reduction of benefits; nor will a future retiree be denied equitable benefits. This is the minimum we can guarantee our citizens.

CAREER EDUCATION CONFERENCE REPORT

Mr. HATHAWAY. Mr. President, I am pleased today to file in behalf of the Senate conferees the conference report on the Career Education Incentive Act. My good friend and distinguished colleague, the chairman of the House Committee on Education and Labor (Mr. PERKINS) is similarly filing an identical version of this report in the House today.

It is my understanding that the Senate will be prepared to approve this conference report at its session next Tuesday, November 22, and that the House will act shortly thereafter, thus clearing the measure for the President's signature during this calendar year.

My colleagues who unanimously approved the Senate version on this measure on October 20 will be pleased to know that virtually all of the features of that bill have been retained through the conference by the conference committee and that the bill which has emerged will thereby lead to fruitful implementation of career education throughout our Nation's schools.

The conferees agreed to the higher funding levels in the Senate bill, to the higher minimum allotment for small States, to the greater emphasis to be placed on elimination of stereotyping on the basis of race, sex, or handicap, and to a specifically funded evaluation of component, to name a few of the differences. Also included is authority for model grants to exemplary career education projects and for dissemination of career education information.

Most important in my view was the retention of the Senate provisions dealing with postsecondary career education demonstration projects. The retention intact of this $15 million annual authorization for discretionary grants to demonstrate the most promising career education programs at this level of education is of critical importance if our students are to receive the skills and information they need to make intelligent and productive career choices.

I appreciate the cooperation of all of the conferees in producing the best possible bill. I am particularly grateful to the distinguished chairman of the Subcommittee on Education, Arts, and Humanities (Mr. PELL) for his steadfast support of career education and for his constant assistance throughout the legislative process.

THE FUTURE OF UNITED STATES-CUBA RELATIONS

Mr. CHURCH. Mr. President, as a member of the Committee on Foreign Relations, I visited Cuba last August. I have recently filed my report on that visit. For the information of the Senate, and other readers of the RECORD, I ask unanimous consent that an excerpt from the report be printed in the RECORD.

I also ask unanimous consent, Mr. President, that several editorials commenting upon the future of United States-Cuban relations be printed in the RECORD. These editorials come from the Idaho Statesman in Boise, Idaho; the Washington Post, the Boston Globe, and the Boston Evening Globe.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DELUSIONS AND REALITY—THE FUTURE OF UNITED STATES-CUBA RELATIONS

I. INTRODUCTION

Today, 90 miles off the coast of Florida lies a land of mystery to most Americans, led by a charismatic politician who is a major figure on the world scene. American citizens regularly obtain more information about developments in China, halfway around the globe, than about events on this island where nearly 10 million people live closer to our shores than Puerto Rico.

Until recently, from the break in relations with Cuba in January 1961, our policy toward Fidel Castro has been to treat his government as a political pariah, unfit for membership in the community of nations. As a consequence, American eyes and ears have been closed to Cuba. However, today the blinders are being lifted and the earplugs removed. Our citizens may now travel to Cuba. The flow to us of first-hand information is increasing.

As a member of the Senate Committee on Foreign Relations, charged with the responsibility for weighing matters governing the course of United States-Cuba relations, I have long felt a need to see Cuba's society and to talk to its leaders on a personal basis. An invitation from Fidel Castro, extended through Cuba's mission to the United Nations, coupled with a congressional recess, enabled me to do so from August 8 to 11, 1977.

No visit of 4 days to any country qualifies a visitor as an expert. But there is much wisdom in the old saying that to see something once is better than to hear about it a hundred times. This report is neither a travelog on Cuba nor a definitive study of the issues of concern to our two nations. Rather, it is a summary of what I saw and heard that I consider pertinent in pondering the future course of U.S. policy.

In my opinion, the cordial reception extended to my party was intended as a clear signal of President Castro's desire for a new era in United States-Cuba relations. Several factors bear this out. The Air Force plane, on which we flew to Havana, was the first U.S. military aircraft to land at a Cuban airport since 1960, I was told. ("Flown in legally, that is," President Castro later remarked.) While there, I was permitted an unprecedented 32 hours with Castro, much of that time while he acted as a highly knowledgeable tour guide, journeying by jeep, car, boat, and helicopter, through the Cuban countryside and adjacent waters. These signs, coupled with Castro's granting of my request to allow island-bound American citizens married to Cubans to return to the United States, together with their families, are all suggestive of his desire to commence removing the barriers that have separated our two countries for the last 17 years.

While in Cuba, I had the opportunity to travel widely through the Havana area and the western end of the island, visiting farms, ranches, schools, and many other facilities, along with the Bay of Pigs, and President Castro's island retreat. On the basis of my observations, the conclusion is inescapable that the Castro revolution is no longer an experiment; it is an established fact. Any new U.S. policy must be based on that reality.

Following the Bay of Pigs fiasco, American policy was built on the delusion that by economic and political pressures, the United States could isolate Cuba and thus bring Castro to his knees. From diplomatic armtwisting to assassination plots, from the imposition of trade embargoes to covert operations designed to sabotage and subvert his regime, American policy sought to stamp out his Marxist society so close to our shores. The policy, however, has failed monumentally. Instead of isolating Cuba from the world at large, we have managed only to isolate ourselves from Cuba.

II. SOME REALITIES IN CUBA TODAY

Cuba, to begin with, remains a regimented state. Cuban jails harbor political prisoners, and Cuban politics are dominated by one man, one party, and one ideology. No organized opposition exists. All public information is controlled by the Government. Cuban newspapers resemble Pravda or Izvestia and are just as dull. Restricted to the dogmatic repetition of the party line, they lack interest, humor or wit. Freedom, as we know and enjoy it in the United States, is conspicuously absent. Furthermore, one wonders whether a totalitarian society, in which the highest political virtue is solidarity, can ever evolve into a free society in which solidarity gives way to individual liberty.

Nevertheless, the evidence of strong popular support for Fidel Castro and his revolutionary goals is too abundant to be denied. We Americans know what ails Cuba, but we have precious little knowledge or understanding of what makes it work.

The perspective with which one views Cuba's society depends on how the water glass is measured, as half full or half empty. Judged by American levels, the average Cuban's glass is half empty. But, to a Cuban, compared with the remembered privation of the past, the glass seems half full and filling rapidly. As one old man put it simply: "You should have seen what it was like before the revolution."

For example, there is no evidence on the streets of beggars, drunkenness, drug addiction, or the prostitution for which Havana was once infamous. In contrast with other Communist nations I have visited, few policemen or soldiers are to be seen. Although there are exhortative slogans on billboards here and there, no posters of Castro appear in public places. Constructive activity abounds in Havana and throughout the countryside, much of it new housing for the expanding population, which has increased from 6 million to 9.6 million since Castro came to power. Housing appears to be adequate and inexpensive. An apartment costs a worker 10 percent of his or her salary regardless of family size. One hundred thousand new housing units are being built this year, we were told.

Self-contained satellite towns are being developed around major cities. We visited the Alamar complex outside of Havana where workers at nearby industrial sites also work part time in constructing new, functional apartment buildings. Nowhere in our travels did we see the huge and hideous slums so often in evidence elsewhere in the developing world, particularly in the major cities of Latin America. Indeed, the contrast between the average dwelling in Cuba and the hovels endured by millions in other Latin nations was striking and, I suspect, instructive as to why Castro enjoys such evident popular approval.

Education and health are now given priority in Cuban development planning. "Five years ago, the military received the highest priority," one Cuban said, "now it is education and health." We were told by education officials that at the time of the revolution, nearly half the adult population was illiterate; now illiteracy is less than 4 percent, consisting essentially of those too old to learn. Schooling is compulsory to age 12, but young people are encouraged to continue in school until they are 17. Adult education is stressed with the objective that, regardless of age, Cubans might always be involved in some type of study program. Physical work is combined with study at the secondary levels. All education, including higher education, is free.

The countryside is dotted with boarding schools, all built alike to save construction costs, where, during weekdays, students combine study with farming, returning to their homes on weekends. These work-study schools are a key element in Cuba's plan to put idle rural land to productive use. We visited, for example, the Empressa Picuara Genetica de Matanzas, started from scratch 7 years ago, lunching there on excellent fish raised as a regularly harvested crop in a farm lake nearby.

Another such school-farm which we visited was an 190,000-acre citrus orchard, Plan Especial de Jaguey, being developed on land that was once rocky and unproductive by students who attend 45 schools scattered throughout the area. Begun 10 years ago, the development, which will not be completed

until 1985–90, already produces more citrus fruit than all of Cuba before the revolution. The entire output is sold to Communist countries.

These were not isolated showplaces. One could see similar developments everywhere while traveling through the countryside. We did visit one showplace, however, the Picadura Valley Granja, a cattle-breeding farm run by Castro's older brother, Ramon. There, Cuban cattle are being crossed with Holsteins to upgrade production of both beef and milk.

Throughout the rural areas there was electric power, produced by oil-fired generators, and many water tanks used for irrigation. It was said that about 45 percent of Cuba's sugarcane crop is now harvested by machine, with more than a third grown on irrigated land.

Still, many foodstuffs are rationed, even sugar (4 pounds a month). But allotments are purported to be ample and designed primarily to insure fair distribution. Prices of basic commodities are subsidized, financed in part by heavy taxes on luxuries. Consequently, there is no inflation in basic food prices. A quart of milk costs less than 20 cents, meat averages 60 cents per pound, rice 18 cents per pound, oil 26 cents per pound, bread 20 cents per pound—and so on. Although Cuba still produces much rum—10 million liters a year are exported, 6 million of that to the Soviet Union—little is consumed in Cuba.

Castro's sense of priorities and his intimate knowledge of details are illustrated by what he related to me about Cuba's lobster production. Cuba, he said, produces 10,000 tons of lobsters a year, all for export markets. "I can buy a ton of powdered milk for $350 and it has 2½ times as much protein as a ton of lobsters. And for each ton of lobsters we sell, I can buy fifteen tons of powdered milk."

Wages for the average factory worker are said to be 160 pesos per month, or about $200 at the current exchange rate. There are significant differences in wage levels between workers and professionals—a doctor makes four times as much as a shop or factory worker—but the system, it is claimed, guarantees a decent standard of living to the lowest paid. Both parents usually work. Health care, like education, is free; medicines are low priced; and public transportation is cheap—bus fare in Havana is 5 cents. Gasoline is rationed and costs 65 cents per gallon for the rationed amount and $2 per gallon for any purchased over that—"to soak up money," it was said. Textiles are also rationed, but new plants are under construction. However, many young people dress stylishly. Mini skirts abound. American music dominates on the radio stations and old American movies are shown on television.

As to transportation, many 1950's vintage American cars are still seen on Havana's streets. However, there are large numbers of cars of more recent vintage as well, including some built in U.S.-owned plants in Latin America. Buses appear adequate but crowded. Many new trucks lumber along the streets and highways. Obviously, attention is being given to improving transportation.

It must be a shared pride in these accomplishments that accounts for Fidel Castro's undoubted popularity. Previous Cuban dictators, such as Batista and Machado, were despised. But criss-crossing the island with Fidel, as I did, is an experience not to be faked nor easily forgotten. He has more facts and figures in his head, and a greater curiosity to acquire still more, than nearly anyone I have ever met. Ranging from an intimate knowledge of Ernest Hemingway's writings to the latest experiments in cattle breeding, his grasp of detail is astounding. He takes to the road like an eager campaigner. He obeys the signal lights, jokes with the pedestrians crossing at the intersections and waves amiably to the people who call out to him as he passes by. Wherever he stops there is pandemonium, as crowds gather around to ask questions, register complaints, or just talk. The people react to him more like a father figure than a head of state. In their faces I could not detect a trace of fear.

One incident will convey something of the flavor of these exchanges. Stopping beside an outdoor basketball court, Castro began to banter with the players. He spotted a short boy, perhaps 12 years old, and shouted to him, "You're too short for basketball."

The boy blanched and I watched him elbow his way forward. Just before we pulled away, the boy gripped Castro's arm, his eyes flashing. "I may be short," he said, "but I can jump."

The President nodded solemnly, holding back his laughter until we left. Then he turned to me and said approvingly, "There's a champion in the making."

Perhaps this easy relationship with the people can be better understood if one takes into account the bitter history of Cuba. It was the last of the Spanish colonies in the Western Hemisphere to win independence, its struggle long and bloody. Before the turn of the century, Castro told me, there were 30,000 Spanish troops stationed on the island—1 soldier for every 3 Cubans. After independence, Cuban governments were corrupt and dictatorial. Batista is thought to have had $100 million on deposit in foreign banks at the time he fled Cuba. Moreover, mammoth foreign ownership of the land left the peasants destitute, while Havana became a haven for the Mafia. Now all this has changed. It is small wonder that the Cuban people see their glass as half full today and believe in Castro's promise of a full glass tomorrow.

III. THE STATE OF UNITED STATES-CUBA RELATIONS

"Those who cannot remember the past are condemned to repeat it," Santayana wrote. As American policymakers measure how far Cuba has come since the Castro revolution, so must they also keep in mind the earlier history of United States-Cuban relations.

Before Castro's rise to power, we regarded Cuba much like a colony. Following American occupation after the Spanish-American War, the United States wrote the Platt amendment into Cuba's Constitution, giving the United States the right to intervene in the island's affairs whenever we saw fit. That amendment stood until 1934. American capital dominated Cuba's economy. It is estimated that during the last year of the Batista regime, U.S. interests controlled 80 percent of Cuba's utilities, 90 percent of its mines and practically all of its oil refining and distribution facilities; 65 percent of its trade was with the United States, while 85 percent of all foreign investment was American. As for Cuba's principal crop, sugar, 40 percent of the sugarcane fields were also American owned. In many ways, the U.S. ambassador was as important as Cuba's own President.

This subordination to foreign ownership was no small element in the growth and appeal of Castro's revolution. And after he marched into Havana in 1959, subsequent U.S. policies may well have been a major—if not the compelling—factor in pushing Castro so far into Soviet hands.

With the expropriation of American-owned properties, the U.S. Government took quick reprisal. Starting with our cancellation of the Cuban sugar quota, we soon obtained, through the Organization of American States, a quarantine of Cuba, endorsed by most Latin governments. In April 1961, the United States sponsored the ill-fated invasion of the Bay of Pigs by Cuban exiles. The dangerous missile crisis involving the Russians came 18 months later.

To be sure, Castro is now—and was during that time—a grassroots Communist. But, as Senator Fulbright warned President Kennedy in arguing against the Bay of Pigs invasion, the Castro regime "is a thorn in the flesh; but it is not a dagger in the heart." Strangely, we still seem to find it simpler and more important to maintain trade and diplomatic relations with such Communist titans as China and the U.S.S.R., than to deal with an island less than 10 minutes by air from Key West.

Beginning in 1974, there have been attempts to break away from this stubborn, self-defeating policy. In August 1975, President Ford lifted the embargo on trade with Cuba by U.S.-owned corporate subsidiaries abroad. The results of this policy are evident in the number of Argentine-made Chevrolets seen today on the streets of Havana. President Carter has stepped up the momentum by removing the ban on U.S. travel to Cuba, stopping the overflights of our surveillance planes and allowing American tourists to purchase $100 semiannually in Cuban goods. Both countries have recently entered into fishing and maritime agreements and opened diplomatic interest sections in each other's capital. Thus a start has been made toward improved relations. But many hurdles remain to be surmounted.

Cubans regard the trade embargo (the "blockade," they call it) as the primary impediment to normalized relations. The origins of the embargo go back to the early sixties when the United States severed diplomatic and economic relations in final retaliation against the expropriation of American-owned property and Castro's growing friendship with the Soviet Union. At the urging of the United States (and later Venezuela), the OAS subsequently helped to legitimatize our embargo by adopting its own sanctions resolution in 1964. That resolution remains on the books, but its edge was taken off in July 1975, when the OAS approved a "freedom-of-action" resolution permitting member nations to reestablish normal ties with the Havana government. The United States supported this resolution and it was then, in the aftermath of its passage, that President Ford authorized overseas subsidiaries of American corporations to trade with Cuba.

Although earlier this year the Senate Foreign Relations Committee approved legislation to permit one-way sales of medicine and food from the United States to Cuba, that provision was deleted from the parent bill in the full Senate when it became clear that even this modest step, which could only work to our advantage, would precipitate an emotional debate with an uncertain outcome. It is generally estimated that, if the whole embargo were lifted, it would result in a two-way trade of about $600 million annually. Immediate study should be given to ways to ease the embargo on a step-by-step basis.

Although Cuba exports about 60 percent of its sugar, 3.5 million tons per year, to the Soviet Union under a long-term, highly advantageous, sales arrangement which currently brings Cuba 30 cents per pound, compared with a world price of 8 cents, and allows the island to buy oil at half the world price, Cuba is still interested in participating in an international sugar agreement. Castro told me that he believed such an agreement, stabilizing the world price at a level above world production costs, would benefit all sugar-producing countries alike, including the United States and Cuba. The positions of our two countries on an acceptable price range appear to be moving in the direction of convergence.

According to the Department of State, there are 751 individuals in Cuba with valid claims to U.S. citizenship; of these, only 84

are exclusively Americans. The remaining 667 are dual nationals. The 84 have been free to leave Cuba but did not do so because the Cuban Government would not allow them to take their families with them. A major objective of my visit was to break the deadlock on this problem. When I raised the matter with Castro in a late night conversation aboard his boat, the *Aguarama*, he responded immediately and positively saying, "if there are 50 or 100 or 300—they may leave with their families and children and uncles and aunts. We have no problem with that. Just give us a list."

All of the 84 individuals in Cuba with exclusive claims to American citizenship were later queried by registered letter, sent by the U.S. interest section in Havana, as to whether they desired to return to the United States. The first 19, along with 36 of their relatives, had been brought to the United States by the time this report was written. It is significant that, notwithstanding that 6 of the 55 were of military age, they were also allowed to leave. All were permitted to take their savings and personal belongings with them. This humanitarian gesture on Castro's part was intended, as he put it, "to continue the positive direction of relations" on which both countries have now embarked.

National television covered the arrival of the first plane from Havana at Homestead Air Force Base, Fla. I am sure that the American people watching the event shared the sentiments of one of Washington's most distinguished ambassadors, Ardeshir Zahedi, of Iran, who wrote to me:

"It was a wonderful and heartening experience to see so many American and Cuban families reunited after so long a period of separation, and the joy and happiness that they so clearly manifested was in turn reflected in the hearts of all of us who had the good fortune to watch their reunion on television."

I also raised the question of Americans in Cuban jails. Of the 23 known Americans in Cuban jails at the time of our visit, including hijackers, drug smugglers and others, the Department of State classifies seven as "political prisoners." Although President Castro said he could not release these prisoners at that time, he told me that he would review their sentences on a case by case basis.

Shortly after our return to the United States, Cuban authorities did release one American prisoner, Byron Moore, who was not classified as "political" but whose release I had requested on humanitarian grounds. Mr. Moore's boat, the "Nita Sue," had been seized in Cuban waters with marijuana aboard.

Subsequently, on October 12th, I was informed by the American Interest Section in Havana that the first American political prisoner and the only woman among the group, Mrs. Maria del Carmen y Ruiz, had been released by the Cuban Government and had appeared at the Interest Section where she spoke briefly with American staff members. Mrs. Carmen y Ruiz was arrested in 1969 and sentenced to 20 years in prison on espionage charges.

These actions, including the first release of an American political prisoner, indicate that Castro is serious in seeking improved relations with the United States.

Perhaps the most complex issue separating us and the Cubans is our claim for compensation for properties expropriated in the revolution. The U.S. Foreign Claims Settlement Commission has approved claims against the Cuban Government totaling $1.8 billion, of which $1.5 billion are held by corporations. With interest, the figure increases to $3.5 billion, or about one-third of Cuba's GNP. The Castro government has indicated that, at the appropriate time, it will present a counterclaim for damages inflicted by the embargo and the Bay of Pigs invasion. Neither Castro nor I dealt at any length with the expropriation issue in our conversations. Since it will require extensive negotiations, no good purpose would have been served by doing so.

As the number of hijackings to Cuba increased in the early 1970's, the United States worked out an antihijacking agreement with Castro's government, providing for the return of hijackers or their prosecution by the receiving country. Since the signing of the agreement on February 15, 1973, there have been no hijackings to Cuba.

On October 15, 1976, Castro announced that the hijacking agreement would be allowed to expire in accordance with its 6-month termination provision. The turnabout was occasioned by the terrorist bombing a few weeks before of a Cuban airliner which cost the lives of all aboard, including members of Cuba's champion fencing team. The bombing so grieved the Cuban people that over a million attended the funeral. Even though Castro agreed with me that President Carter, whom I described as a "good, moral, religious man," would never countenance CIA participation in such a mass murder, he thought it was done by terrorists who had received their training years ago from the CIA. This was also generally believed by the Cuban people, he said, and made it necessary for him to terminate the treaty. Nevertheless, he made it clear that he intended to continue to deal with hijackers as required by the agreement. There would be no substantive changes on Cuba's part, he assured me.

At no time did Castro raise the issue of the Guantanamo Naval Base, although it remains an outstanding problem. The United States continues to send a check to the Cuban Government each year, in accordance with the 1934 lease in "perpetuity," for an annual payment of 2,000 gold dollars. These checks have not been cashed.

IV. BUILDING A NEW RELATIONSHIP

The wall the United States tried to build around Cuba has crumbled. At last count, the Cuban Government maintained regular commercial and diplomatic trading relations with 86 nations. It is high time for us to discard a policy which the world community views, at best, as unworthy of a great nation and, at worst, as petulant and self-defeating.

Cuba's economy did not collapse under our embargo, nor did her people rise up to welcome the American-sponsored invaders at the Bay of Pigs. Instead of dangling at the end of its rope, the Cuban economy appears to be thriving. Wherever we traveled, much activity was evident: new factories, housing schools, hospitals, and roads.

At home and abroad, Castro has consolidated his position as a renowned leader. American opposition has catapulted him into a legendary prominence, as the David who stood off mighty Goliath. Just as the Bay of Pigs solidified public support for Castro at home, so too did our continued harassment of Castro bestow on him an aura he could never have otherwise acquired. Largely because of a blind and obstinate U.S. policy, Castro's stature and influence in the third world has grown far beyond the modest size of the country he governs.

There is a lesson to be learned here. A grand delusion underlaid our former policy toward Cuba. As the new administration attempts to steer a different course, it is essential to avoid still another delusion; namely, that Cuba will pay a heavy price for the restoration of normal relations with the United States. Apparently, there are those who feel that Castro has not shown "proper" appreciation for the steps President Carter has so far taken. In his conversations with me, Castro observed that it was impossible for him to respond in kind. Obviously, Cuba has not engaged in surveillance overflights of the United States, nor has it imposed a trade embargo against us.

If, in order to trade with the United States, anyone expects Fidel Castro to change colors; to abandon his role in Africa; to sever his close ties with the Soviet Union and to pay us in full for our expropriated property, that person has simply exchanged one delusion for another.

To be sure, the restoration of normal relations with Havana, including the lifting of the American embargo, would give certain advantages to both countries. The United States could obtain a share of Cuban purchases of tractors, trucks, farm machinery, rice, medicine and other commodities. We would also begin to exercise a moderating influence in Cuban affairs. Castro, on the other hand, might anticipate selling certain products in the United States, such as nickel, rum and cigars, while saving transportation costs on merchandise purchased and shipped from nearby American ports, as compared, say, to Japanese.

To obtain these benefits, along with an attendant restoration of greater acceptability among the governments of the hemisphere, I believe Fidel Castro may be willing to make further concessions, especially in the field of human rights. He may release, on a case-by-case basis, those six Americans remaining in Cuban jails whom we regard as "political prisoners"; he may consider opening the exit gates to those residents of dual citizenship, American and Cuban, who wish to leave and take their families with them; and he may, following a relaxation of the embargo, agree to negotiate our claims for compensation.

Beyond this, I have serious doubts. As for Africa, Castro views his role there as that of a liberator. His justification for Cuban intervention in Angola reminded me of the arguments I had heard so often from the lips of Dean Rusk and Henry Kissinger, back in the Johnson-Nixon years, defending our own intervention in South Vietnam. Castro appears to be caught up in the same sort of fervor and I was unable to convince him that Angola—like Vietnam—would ultimately prove to be a baited trap. Having found a role on the African stage, Castro is loathe to forsake it.

By the same token, there is no rational basis for believing that Castro will break his immensely beneficial connection with the Soviet Union in order to trade with the United States. His current trading arrangements with the Russians generate about $1.2 billion in subsidies to Cuba each year, according to our own estimates. Cuba receives almost four times the world price for the sugar it sells to the Russians and buys oil from them at $6 per barrel. Under the agreement, if the price of oil goes up, the price of sugar goes up proportionately. "It is," Castro said to me, "the best agreement any developing country could get." Although Cuba is obviously interested in acquiring U.S. technology, its trade with other industrial nations enables it to obtain most of what it needs and can afford.

Accordingly, I do not expect that concessions from Castro in the future are likely to exceed the marginal gains he can reasonably anticipate from the restoration of normal relations with the United States. To demand more than this, is to base our evolving policy toward Cuba on a new delusion.

For nearly two decades, the fractured relationship between the two countries has been exacerbated by offenses on both sides. As with any aggravated wound, the healing process will be gradual. Castro put it this way:

"We are pleased with the development of relations between Cuba and the United States since President Carter took office. We understand realistically that the process of improving relations must be a slow process. There cannot be dramatic changes overnight, but for our part we intend to continue the

positive direction of relations so that eventually Cuba and the United States can solve their problems."

V. RECOMMENDATIONS

Both President Carter and Fidel Castro have now taken the first steps toward better relations. Momentum has been created. It should not be allowed to slacken. By his decision to permit Americans to leave with their Cuban relatives and possessions, Castro has made a good-faith gesture to which the United States should respond. I recommend the following steps worth considering:

1. Expand cultural, sports, educational, and scientific exchange.—There are many opportunities to further mutual interests through exchanges. In November, an American all-star baseball team will tour Cuba; in the spring the Cuban National Ballet will perform in the United States. There should be more such visits. Medical personnel and scientists of both countries, for example, have much to learn from each other.

2. Seek cooperation on antidrug traffic activities.—Smugglers moving cargoes of drugs from Latin America to the United States by boat often travel close to Cuban waters and get caught. There is much common ground here for cooperation in curbing the international drug traffic.

3. Relax the trade embargo.—Careful study should be given to a step-by-step approach to relaxation of the trade embargo.

4. Aggressively pursue antiterrorist activities.—Government agencies should take aggressive action to insure that terrorist activities against Cuba, originating in, or controlled from, the United States, are stamped out.

5. Reciprocal opening of press offices.—Allow a Cuban press office (Prensa Latina) to be established in the United States in exchange for the opening in Havana of press offices of U.S. news organizations.

Such steps, on our part, taken over the next year or two, coupled with reciprocal action on the part of the Cuban Government, will move the healing process along.

When Castro was asked what one ingredient was most needed, he said, "Time."

I agree.

[From the Idaho Statesman]

FRANK AND FIDEL

Sen. Frank Church's trip to Cuba appears to have accomplished a great deal despite the absence of tangible, in-hand agreements. Perhaps the greatest benefit was the chance for Church, a respected, thoughtful participant in the development of America's foreign policy, to take a personal measure of the Cuban leader. This moves Church's thoughts on Cuba away from the abstract and into the realm of first-hand knowledge. Indirectly, President Carter gained in the same way through the information Church relayed to the President.

Castro also benefited in the same manner, both from being able to size up Church as an American foreign-policy leader, and indirectly in being able to gain in his understanding of the Carter administration through Church.

A second benefit derives from the discussions Church and Castro held on problems in the international sugar market. No agreements were even attempted, but the friendly discussions give both sides a better understanding of the problems to be resolved in meetings scheduled later for London. Hopefully, the Church-Castro talks laid a foundation of goodwill that will continue in London without discounting the difficulties to be overcome.

Church also gained Castro's agreement to allow Cuban members of some 80 to 100 families to come to the U.S. where they can be reunited with their families. This gesture of goodwill by Castro again illustrates that progress on normalized relations between the United States and the island nation.

Difficult problems remain between Cuba and the United States, including Castro's insistence on military involvement on the volatile African continent. But the only way these differences can be overcome is by putting one foot in front of the other and seeking reconciliation. Church's trip was one such important step.

Let us hope the process continues. We can only have a positive influence on the actions of Cuba if Castro believes the United States is not out to do him in. To ignore or vilify the Cuban leader is to push him toward behavior that is inimical to our goals in international trade and foreign policy.

[From the Washington Post, Aug. 16, 1977]

AMERICAN-CUBAN LIMITS

Fidel Castro continues to lavish on American visitors what is still one of Cuba's principal assets: his time. The most recent recipient was Sen. Frank Church, on whom the Cuban leader bestowed several days. They seem to have struck a fair bargain. In effect, Mr. Castro decided to let the Cuban families of some 80 American citizens leave Cuba, in return for the respectability conferred by the Church party. He also released two Americans whose boat had recently been captured. Such gestures cost Havana little. They provide a substantial return in "humanitarian" image. And, of course, they transform the lives of the individuals involved.

Sen. Church is a good man to have gone to Cuba. He understands foreign policy and, though personally of a liberal outlook and also the man who disclosed the CIA's attempts to kill Mr. Castro, he is politically in touch with the conservatives who oppose Cuba's Communist regime. He warned his Cuban host that, though small steps are possible and desirable, normalization is a long way off. This is sound advice. Things are moving: Cuba is about to open, on a reciprocal basis, an "interests section" in Washington. But the agreements reached so far touch mainly areas of convenience (fishing, hijacking). Broad support is still lacking here—and perhaps also in Cuba—for full and friendly ties.

In fact, the two countries may be on the verge of running out of easy gestures. Mr. Castro could release the 20 or so Americans in Cuban jails. Mr. Carter could lift the trade embargo partially to permit the sale of food and medicine. Then would come the hard part: a range of steps that would require an American decision to accept the Cuban revolution as authentic and permanent and a Cuban decision once again to act primarily as a member of the inter-American community. Only these steps would lead to a stable and productive long-term relationship.

So long as Cuba remains a treaty partner of the Soviet Union and deploys troops across Africa, it is idle to suggest that Fidel Castro is close to returning to the inter-American fold. But is the United States prepared to extend Havana the economic and political concessions that would signify acceptance of the Cuban revolution? A new Potomac Associates survey raises serious doubts. The American public, it says, "is receptive in the abstract to engaging the Cubans in negotiations about a diplomatic rapproachment, but wants to do so only on terms likely to be unacceptable to Havana." Some Americans see reconciliation as a test of their own maturity but most see it as a process in which benefits flow largely from north to south. Therefore, in the public view, major concessions—in foreign policy and domestic practice—must come from Cuba. It is probably just as well that in neither Washington nor Havana is the improvement of relations the No. 1 priority, for in neither place is that likely to happen soon.

[From the Boston Globe, Nov. 1, 1977]

THE ROAD BACK TO HAVANA

Sen. Frank Church is correct in recommending that the United States end its attempts to ostracize Cuba. The embargo on trade has done nothing to topple the government of Fidel Castro or to reduce his influence with developing countries in Latin America and Africa. It has only succeeded in making him appear the martyr, able to blame economic problems in Cuba on the embargo rather than shortcomings in his style of government.

There has been some progress, as Church noted Sunday in an interview. Fishing agreements have formalized our new 200-mile territorial limits in the strait between Cuba and Florida. And legations have been set up in the two countries as a prelude to a possible exchange of ambassadors.

The Carter Administration has been reluctant to push faster on the trade question, partly because it is trying to restrict Cuban influence in Africa and partly because of the broader question of human rights, frequently abused by the Castro government, according to our standards of political behavior.

But the United States maintains normal relations with scores of countries that do not satisfy our human rights standards. And the United States itself is less than ideally situated for throwing stones on the question of using influence in other countries.

Benefits might accrue to us from normal trade relations. There would be obvious economic gains to both sides from reopening markets. Politically, the Castro government would no longer be able to blame us for its own difficulties. And the regular passage of people and goods should help prevent unpleasant incidents that are common everywhere along closed borders.

One of the problems in the United States is that the business community is divided on how to normalize trade relations. One group contends there should be no resumption until the Castro government comes to terms with those companies whose property was expropriated by the Castro government in 1961. These claims amount to about $4 billion when one includes a claim for a six percent payment of interest on the property taken 16 years ago.

Another business group is willing to press ahead, immediately with normal trade and wait to see what happens on reimbursement. This second group includes some companies that lost property in 1961 but may be willing to waive the claims in part or whole in order to reestablish commerce.

It seems highly unlikely that any more than token claims could be paid under the best of circumstances, since Cuba has piled up enormous international debts—$6 billion to the Soviet Union alone. The lone hope for any compensation seems to lie in expanding Cuba's trade with the rest of the world, including the United States. At some point in the future, normalization seems inevitable. It should come sooner rather than later.

[From the Boston Evening Globe, Aug. 15 1977]

GESTURE FROM HAVANA

Fidel Castro's decision last week to allow some 80 Cuban families of American citizens to leave the island if they choose to do so seems clearly to be a gesture in search of a response.

A likely and appropriate response might be further relaxation of the 17-year-old trade embargo imposed by the US in reaction to Cuban expropriation of American property and other political actions associated with Cuba's socialist revolution.

However, relations between Havana and Washington still seem destined to a slower evolution than many people would like.

That prospect was emphasized by Premier Castro's refusal to budge from his position on several issues during last week's three-day unofficial visit of Sen. Frank Church (D-Idaho) and representatives of the American press.

Castro reportedly told Church that Cuban military activity in Africa would continue. The expeditionary force which took part in last year's power struggle following decolonization in Angola remains in that West African country. Cuban forces are in Ethiopia and at any time could enter the armed struggles along the Rhodesia-Mozambique border.

Despite UN ambassador Andrew Young's assertion to the contrary, Cuba's army in Africa can be destabilizing force to the extent that it is beyond the control of diplomacy.

And most Americans concerned about relations with African countries would prefer to see solutions to the continent's post-colonial problems settled by negotiation rather than war.

Beyond the Cuban military issue, Castro showed no sign of willingness to release Americans held in Cuban prisons, nor was there any word—at least no public word—concerning the standing of people whom both the US and Cuba claim as their citizens.

In the end the small steps should give way to large ones, and ordinary relations between the US and one of the Caribbean region's most influential and dynamic countries will resume.

Castro observed to our reporter in Havana that time is the biggest obstacle to progress. But as long as a willingness exists on both sides to move in positive, cooperative directions, time is less an obstacle than an opportunity for restoring normal Cuban-American relations.

THE RETURN OF THE CROWN OF SAINT STEPHEN TO HUNGARY

Mr. HUMPHREY. Mr. President, the decision by President Carter to return the Crown of Saint Stephen is one which I applaud as being entirely appropriate at this time.

While some controversy has developed as a result of this decision, I think the view of former Hungarian Prime Minister Ferenc Nagy, who was overthrown by the Communists in 1947, places this gesture in its proper perspective. Mr. Nagy, in the November 9 issue of the Washington Post, stated:

> The legitimacy of the regime of which I consider myself the number one enemy, was recognized by the United States long ago. The crown will be given back not to the regime as such but to the Hungarian people . . .

The Crown of Saint Stephen does belong to the people of Hungary. It does represent the people of Hungary. I just do not believe the United States should be in the business of confiscating.

Nobody can deny that Hungary has achieved an impressive record of liberalization in recent years. It is the most liberalized of the Eastern bloc countries, and the average Hungarian does enjoy a remarkable degree of religious, speech and economic freedom.

In June of this year, I wrote to Secretary of State Cyrus Vance, urging that the crown be returned to the people of Hungary. I noted in that letter:

> I believe the time has come to address the question of the return of the Crown to the Hungarian people. After all, it is their national symbol. The American people should welcome this positive, friendly gesture.

I think the President should be commended for his decision.

Mr. President, I ask unanimous consent that a copy of my letter to the Secretary of State be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., June 28, 1977.

Hon. CYRUS VANCE,
Secretary of State,
Washington, D.C.

DEAR MR. SECRETARY: I want to urge that serious consideration be given to returning the Crown of St. Stephen to the people of Hungary.

The Crown, Hungary's most important national symbol, has been in the safekeeping of the United States since the close of World War II. The U.S. Government has repeatedly acknowledged that it is the property of the Hungarian nation and that the question of its return will be addressed in light of improved U.S.-Hungarian relations.

There can be little doubt that U.S.-Hungarian relations have improved markedly in recent years. We have entered into a Consular Convention to protect American travelers in Hungary. Hungary has settled all claims of American citizens and has paid all its debt arrearages to the U.S. Government, including those from the World War I era. A cultural and scientific exchange agreement was recently signed by our two governments.

The two reports by the Executive branch to the Commission on Security and Cooperation in Europe reflect the fact that Hungary is in the forefront among the Warsaw Pact nations in implementing the Helsinki Final Act, including such Basket Three provisions as divided families, binational marriages and travel.

I believe the time has come to address the question of the return of the Crown to the Hungarian people. After all, it is their national symbol. The American people should welcome this positive, friendly gesture.

Thank you for your consideration in this matter.

Sincerely,

HUBERT H. HUMPHREY.

PANAMA CANAL TESTIMONY

Mr. ALLEN. Mr. President, on October 28, 1977, the Subcommittee on Separation of Powers received the testimony of Mr. Karl Bendetsen on the subject of the Panama Canal Treaties. Mr. Bendetsen is well-known to many Senators, but I might mention that he was Under Secretary of the Army during the administration of President Truman and was for a period of many years Chairman of the Board of the Panama Canal Company. Mr. Bendetsen, after his service in Government, returned to private industry where he became chairman of the board and director of Champion International Corp., a company with facilities in many States and a company employing many thousands of American citizens. Mr. Bendetsen is both a lawyer and an engineer, and his life typifies the best in public service and private initiative.

Mr. Bendetsen's testimony before the Subcommittee on Separation of Powers is, in my judgment, the best existing statement of all of the facts which ought to be considered in assessing the Panama Canal Treaties. The study he has given to this topic is truly remarkable, and the contribution he is making to the public discussion of this issue is invaluable.

Accordingly, Mr. President, I ask unanimous consent that the statement of Mr. Karl Bendetsen be printed in the RECORD so that it will be easily available to the Congress and to interested members of the public.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT RE PROPOSED CANAL ZONE TREATIES

(By Karl R. Bendetsen)

I. INTRODUCTION

By way of introduction, between 1948 and 1952, I served as Under Secretary of the Army. Among my many duties was that of Chairman of the Panama Canal Company. By delegation from The President of the United States to the Secretary of the Army and from him to me, I was made the responsible agent for supervising the reorganization of the Canal Zone and its activities pursuant to an Act of Congress, Public Law 841, 81st Congress, 2nd Session (64 Stat. 1038) approved September 26, 1950. This Act, adopted under the leadership of former Congressman Clark W. Thompson of Texas, constituted the first basic change in the permanent Canal operating organization from that originally established in 1914 pursuant to the Panama Canal Act of 1912.

Under the Act of 1912, in time of peace, the Canal was operated on an appropriations basis, under a single civilian agency as an interoceanic public utility headed by a governor. In war, that Act placed the Canal Zone and all of its functions under the supreme control of the Commanding General of the U.S. Army on the Isthmus.

The concept of the Act of 1950 was significantly different from that of the Act of 1912. A new corporation was chartered by the Congress known as the Panama Canal Company. The Panama Railroad Company, a New York corporation, was merged into the Panama Canal Company. The new company was placed under the control of a Board of Directors under a Chairman. The President of the Company became the general manager of business operations on the Isthmus. The Governor of the Canal Zone serves ex-officio, as President of the Canal Company.

The Panama Canal Company was charged with the operation of all of the transit, toll-making, navigational and commercial activities on a self-sustaining basis. It became the sole taxpayer and was required under the Act to fund all governmental functions in the Zone which were strictly separated from the public utility functions.

Following my resignation as Under Secretary of the Army in the late fall of 1952, I was requested to remain as Chairman. This request was repeated by President Eisenhower in 1953 and I remained as Chairman until the end of that year when the pressure of my other obligations and those associated with the chairmanship of the Canal Company came into conflict, simply because of the unavailability of adequate time to do both.

I will first set forth briefly some important highlights bearing upon the historical background which culminated in the Isthmian Canal Convention between the United States of America and the Republic of Panama signed at Washington November 8, 1903. Having briefly described the streams of influence which converged in that Convention, I will then arrange a series of observations and

comments relative to the pending Panama Canal Treaties.

Immediately upon ratification, and wholly without any consideration whatever, these treaties would:

(a) Extinguish United States jurisdiction in the Canal Zone;

(b) Terminate its juridical, legal and national presence there;

(c) Terminate the all-inherent rights of the United States under the 1903 Convention;

(d) Place all U.S. citizens there resident, including members of the Armed Forces of the United States and their dependents, under Panamanian jurisdiction;

(e) Convey all U.S. right, title and interest in all of the land and all of the fixed installations and property there except for certain temporarily excluded properties; and

(f) In thirty months, terminate all police power and all vestiges of governance, both executive and judicial.

II. HISTORICAL BACKGROUND

A. The treaty of 1846 with Colombia (New Granada)

On December 12, 1846 at Bogotá, a new American chargé d'affaires, Benjamin Allen Bidlack of Wilkes Barre, Pennsylvania, acting entirely without instructions of any kind, on his own initiative, negotiated and signed a treaty. This treaty which he negotiated with the President of New Granada, Sr. Tomás Cipriano de Mosquera, proved to be critical and important. Its vital section was Article XXXV. Under the provisions of this Article, New Granada guaranteed to the United States the exclusive right of transit across the Isthmus of Panama (the State of Panama, a province of New Granada) "upon any modes of communication that now exist, or that may be hereafter constructed." In exchange, the United States guaranteed "positively and efficaciously" the "perfect neutrality" of the Isthmus and New Granada's rights of sovereignty there. It was this agreement by which the Panama Railroad was to be made possible.

The United States Senate did not act on ratification for a year and a half and then only when a new and special envoy was sent to Washington, the very able Pedro Alcantára Herrán to lobby for the agreement. The Bidlack Treaty, as it has been commonly called, was Bidlack's only diplomatic triumph. He died seven months after the treaty was ratified. Prior to Bidlack's appointment as an envoy to Bogotá, he had served briefly as a member of Congress.

B. The Discovery of gold in California and the war with Spain

Although there were dreams and visions of a waterway connecting the Atlantic and Pacific Oceans through some pathway across the Isthmus connecting North and South America, Central America nevertheless remained a backwater until January of 1848, when gold was discovered in California at Sutter's Mill.

There were only three routes to California. They were the Plains across, the Horn around, or the Isthmus over. Thousands chose the "Isthmus over." It was a bruising experience. Many never made it at all—neither the men nor the mules. Uncounted men died of snakebite, cholera, yellow fever and malaria, and of a thousand hardships and miseries. But on they came. After all, it was 13,000 miles around the Horn from New York to San Francisco. It was 5,000 miles by way of the Isthmus. Those who went from New Orleans to San Francisco across the Isthmus were to save 9,000 miles.

So it was the discovery of gold in California that first heightened intensively the interest of the United States in a route across the Isthmus. Ultimately, however, it was not gold; it was the war with Spain and the dramatic voyage of the battleship *Oregon* from the west coast of the United States around the Horn. Our first true battleship, the *Oregon*, was in San Francisco when the *Maine* blew up in Havana harbor and victory in the Caribbean was said to depend on her. Every American was caught up in the excitement. She was a fine vessel and she got there in time to play a part in the Battle of Santiago Bay, but it took her almost seventy days. This was the great catalyst. But much was yet to happen.

C. The Panama Railroad

It was a man named John Lloyd Stephens who visited Nicaragua and the State of Panama. He became convinced that Panama was where the future lay. He organized the Panama Railroad Company, a New York corporation. The railroad was begun in 1850. It was finished five years later at a cost of $8 million, six times beyond anyone's estimate. It was the world's first transcontinental railroad, the most expensive line on earth. A one-way ticket at that time was $25 in gold. It was a bonanza.

Panama had been known as a pesthole since its earliest Spanish settlement. Horror stories came out of Panama as the railroad was pushed ahead. Probably more than 6,000 or maybe even twice that number died in the effort to build it. They died of cholera, dysentery, yellow fever, malaria, smallpox. There was then no cure known for any of them.

Thanks to Benjamin Bidlack and Article XXXV of his treaty, to U.S. initiative, the Isthmus at Panama was spanned. And the United States was obliged, as well as privileged, under the treaty to keep the railroad open and to protect it against all comers, by force of arms if need be. U.S. naval vessels customarily stood off at Colon and Panama City.

D. President Grant

Surprisingly to many who may still think that President Grant had no initiative, it was he who directed a series of practical investigations seeking to find the most advantageous route for an interoceanic canal. He considered such a canal absolutely essential to the future of the United States and of great benefit to the whole world. Grant authorized and directed under the leadership of Admiral Ammen (a friend since boyhood) seven expeditions to Central America between the years 1870 and 1875. Throughout the nineteenth century there had been many theoretical and conjectural claimants to knowledge about where a canal should be built but none of them really knew what he was talking about. Remarkably however, as early as 1552, a Spanish priest designated Panama, Nicaragua, Darien and Tehuantepec as providing the best choices. Among these, he thought Panama and Nicaragua to be favored. The Grant expeditions were carefully done. President Grant commended to the people of the United States "An American Canal, on American soil."

E. The French effort

Much has been written about the French effort led by Ferdinand de Lesseps. He was the hero of Suez, a sea-level canal bearing no real relationship to the gigantic problems at Panama. He organized an International Congress which met in Paris in 1879 to consider an Interoceanic Canal. The Congress wrestled with the problems of which route and whether it should be a sea-level or a lock canal. However, de Lesseps "railroaded" through a decision for a sea-level canal, despite the fact that a French engineer, Adolphe Godin de Lepinay, presented a plan for a lock canal which turned out to be almost exactly the precise canal which the United States ultimately built. It was his plan that was eventually adopted in 1906 by John F. Stevens, the Chief Engineer of the Isthmian Canal Commission appointed by President Theodore Roosevelt. Congress by an Act approved June 29, 1906 formally approved the recommendations of John Stevens after protracted and lively debate on the merits of Lepinay's concept.

The French effort collapsed in 1889 and the Panamanian Isthmus returned to the jungle.

F. The canal at Panama was second choice

In 1899, the United States established the Isthmian Canal Commission for exploration purposes. Rear Admiral John G. Walker was President of the Commission. The objective was to recommend a route somewhere across the Isthmus as well as the type of canal to be built.

Nicaragua was recommended. It had popular support across the United States and very strong support in the Congress, particularly in the Senate under the leadership of then Senator Morgan.

G. The Spooner Act

A period of intensive struggle known as the Battle of the Routes was waged. Finally, however, Congress on June 28, 1902 passed the Spooner Act to provide for the construction of a canal connecting the waters of the Atlantic and Pacific Oceans. This Act favored the route across the Province of Panama.

The President of the United States was directed to acquire from the Republic of Colombia "perpetual control of a strip of land" not less than six miles in width from the Caribbean Sea to the Pacific Ocean and thereupon to excavate, construct and "perpetually maintain, operate and protect thereon a canal," which would afford convenient passage of ships of the greatest tonnage and draft then in use. The President was also directed to provide for the perpetual maintenance and operation of the Panama Railroad and to have "jurisdiction over said strip and the ports at the ends thereof to make such police and sanitary rules and regulations as may be necessary to preserve order and preserve the public health thereon and to establish judicial tribunals as may be agreed upon thereon as may be necessary to enforce such rules and regulations."

When the French effort collapsed, a new French company was created by the French to obtain what might be salvaged out of the wreckage of the French effort. The name of this company was the New Panama Canal Company (Compagnie Nouvelle). The Spooner Act provided in Section 3, that when the President had acquired the necessary territory for the United States from the Republic of Colombia, he was authorized to pay the French company $40 million for its rights and equipment and "to the Republic of Colombia such sum as shall have been agreed upon."

It is important to recall however that Section 4 of the Spooner Act provided for an alternative. If the President proved to be unable to obtain for the United States "control of the necessary territory of the Republic of Colombia" he, *the President, was authorized to obtain control by treaty of the necessary territory from Costa Rica and Nicaragua for the construction and the perpetual maintenance, operation and protection of a canal via the Nicaraguan route.*

There followed the adoption of the Spooner Act, after months of arduous negotiation between then Secretary of State Hay and Tomas Herran, charge d'affaires, a very favorable canal treaty for the United States. The treaty was concluded and signed January 22, 1903 and ratified by the United States Senate on March 17 of that year. Colombia did not act.

Communications between Washington, D.C. and Bogota were difficult at best. It took three arduous weeks to reach Bogota over land and the cable connection was intermittent. The Colombian Senate was called into

session on June 20, 1903 to consider ratification of the treaty. However, things did not go smoothly and the Colombian Senate ultimately declined to ratify the treaty. One of the reasons not generally understood was because the rights of the New Panama Canal Company (Compagnie Nouvelle) were due to expire in the course of several months and the Colombians naturally had in mind that upon the expiration of those rights, Colombia would be eligible to receive the $40 million payment scheduled to go to the French company in addition to the $10 million specified in the pending treaty.

It is important to underscore here clearly that the treaty called for a payment of $10 million *and an annuity of $250,000*. Many people have called this annuity rent and many members of the State Department have currently so described the annual annuity as rent. It is not. The $250,000 payment was to be made in lieu of the annual annuity paid to Colombia by the Panama Railroad Company which was itself to be acquired by the United States. It is this same $250,000 annuity, later increased to $2,300,000 which has been paid to Panama.

There were a number of unfortunate misunderstandings between Colombia and the United States which also contributed to the rejection of the treaty. Herran so devoted himself to bringing the ill-fated Colombia treaty to a successful conclusion that sheer exhaustion cost him his life.

H. Was the Panama Canal Treaty forced upon Panama?

A great body of outrageous propaganda has been fabricated and a web of falsehoods has been spun by the Department of State and loudly declaimed by Panama's dictator, all designed to generate false impressions—impressions which many people erroneously entertain.

These false notions are that the Canal Zone was wrested from the Panamanians under duress; that the U.S. Naval forces were brought to bear to obtain the treaty with Panama by which she ceded the Canal Zone in perpetuity. The State (or Province) of Panama seceded from Colombia eagerly and avidly. The leaders knew what they were doing. They sought their own enrichment and the vast benefits they knew would accrue to the new nation by selling and ceding the Zone in perpetuity. They were zealous in their efforts to dissuade the United States from dealing with Nicaragua and Costa Rica to acquire a Canal Zone and construct a canal across the Isthmus there. She seceded. The United States recognized the Republic of Panama. The United States sheltered and defended the fledgling Republic from Colombia after secession.

It is errant nonsense to contend that force was used against the State of Panama soon to become the Republic of Panama to secede from Colombia. It is total fabrication to assert that the Panamanians did not want the treaty.

It is true that Dr. Manuel Amador and Sr. Federico Boyd raised initial objections; it is true that Secretary of State Hay observed that there are provisions to which some Panamanians might object and it is also true that on behalf of Panama the treaty was not signed by a Panamanian. What treaty between nations has ever been unanimously hailed? Very few. This one was unanimously ratified by the Panamanian Parliament before the United States Senate did—Amador and Boyd joined.

I. Was Panama under duress?

Eight men made the Republic of Panama. They were José Augustín Arango, Dr. Manuel Amador, Federico Boyd, Nicanor de Obarrio, Carlos C. Arosemena, Manual S. Espinosa, Tomás Arias, and Ricardo Arias. They knew that following the rejection by the Colombian Senate of the Treaty which had been negotiated with Colombia, the United States would switch rapidly and inexorably to the favored Nicaraguan route.

These men, all citizens of Colombia resident in the State of Panama, desired for themselves and their associates the enormous and continuing benefits to be derived from the United States, from the payments that would be made, the mighty undertaking of construction and the successful operation of the canal. The first meeting of the movement to secede was held July 25, 1903. Following this, Arango, Amador and Arosemena became the nucleus of the conspiracy against Colombia. The people of Panama had a low regard for the government in Bogota.

It should be remembered that under the treaty with Colombia of 1846, pursuant to Article XXXV, the United States had a duty to guard the neutrality of the Panama Railroad. The conspirators never had direct word from any agent of the United States that if they conducted a revolution and seceded from Colombia they would be protected from an attack from Colombian troops, but they believed that this would be the case, as indeed it was.

On November 2, 1903, Commander Hubbard, the Captain of the U.S.S. Nashville, received secret and confidential orders via the American Consul at Colon to:

"Maintain free and uninterrupted transit. If interruption threatens by armed force, occupy the line of the railroad. Prevent landing of any armed force with hostile intent, either government or insurgent, either in Colon, Portobello or other point. Send copy of instructions to the senior officer present at Panama on arrival of U.S.S. Boston. Have sent copy of instruction and have telegraphed Dixie to proceed with all possible dispatch from Kingston to Colon. Government force reported approaching Colon in vessels. Prevent their landing if in your judgment this would precipitate a conflict. Acknowledgment is required."

The uprising occurred at 6 p.m. on the evening of November 3, 1903. The presence of the ships of the United States standing off Panama and Colon prevented Colombia from retaking the Province of Panama. The Panamanians had seceded in order to obtain the Canal and the beneficence of the United States. No pressure had been applied to them at any time. No United States troops were landed. Some Colombian troops joined the rebels. The others voluntarily withdrew. There was no engagement. No shots were exchanged or fired.

The conspirators now having formed a provisional government designated Philippe Bunau-Varilla as their *"Envoy Extraordinary and Minister Plenipotentiary near the Government of the United States of America."* By November 8, 1903, he was installed in Washington ready to negotiate. The conspirators had designated Bunau-Varilla because they felt he was in a position to secure their objective. They were entirely correct. He served them well. They and he had a mutual interest in the outcome and so a pervasive understanding.

At the signing ceremonies of September 7, 1977, Torrijos observed of the 1903 treaty: "It was never signed by a Panamanian."—another blatant effort to generate false impressions and erroneous inference.

The treaty was signed by Secretary of State Hay and Bunau-Varilla November 18, 1903. Its text was cabled to the provisional government and also sent by ship. On November 26, 1903, the provisional government stated that the treaty would be ratified. It was unanimously approved by the provisional government of the New Republic of Panama on December 2, 1903, even though Amador and Boyd had previously and only temporarily been opposed to it for reasons which are not clear. The United States Senate ratified the treaty on February 23, 1904, by a vote of 66 to 14.

J. The treaty

The United States was empowered to construct a canal through a zone ten miles in width. Colon and Panama City were not to be a part of the zone. However, sanitation, sewerage, water supply and maintenance of public order in these terminal cities were placed under United States control. Four little islands in the Bay of Panama—Perico, Naos, Culebra, and Flamenco—were granted to the United States. In addition, the United States had the right to expropriate any additional land or water areas "necessary and convenient" for the construction, operation, sanitation or defense of the Canal. In return, the United States guaranteed the independence of Panama. The treaty granted to the United States *"all the rights, power and authority * * * which the United States would possess and exercise if it were the sovereign of the territory * * * to the exclusion of the exercise by the Republic of Panama of any such sovereign rights, power or authority."* The State Department contends that this did not put the United States in the place of the sovereign. This amounts to stating that no nation—neither the Republic of Panama nor the United States is sovereign.

The questions of sovereignty and title were presented squarely before the United States Supreme Court in the case of Wilson vs. Shaw, 204 U.S. 24 when it ruled on these questions. In its opinion, the Court stated *inter alia: "It is hypercritical to contend that the title of the United States is imperfect and that the territory described does not belong to this nation * * *."* The territory whereby the Canal Zone was ceded to the United States was ratified by an Act of Congress (33 Stat. 2234).

The Panama Republic had been born under the protection of the United States. It brought the conspirators what they most wanted not only for themselves but for all the people of Panama. Manuel Amador, its first president, inaugurated February 20, 1904, presided over what he described as boom times and an end to centuries of plague. A new nation had been born free of debt. It was a nation with an endowment in the form of $10 million in gold. The government set aside $750,000 for working capital; $2 million for public works. Six million was invested profitably in first mortgages on New York City real estate, the income from which provided adequate revenues for the Republic.

III. THE PENDING TREATIES—THE PANAMA GOVERNMENT AND DEFENSE

A. What would be their immediate effect?

The American people thus far, to the extent that they have been informed at all, have been given the impression that the treaties would be gradual in application. In what amounts to the most important respect of all, in my opinion, this is not so.

If the Panama Canal Treaties were to be ratified by the United States Senate, chief among the immediate results would be:

(1) Article I would provide that the Isthmian Canal Convention between the United States of America and the Republic of Panama signed in Washington November 18, 1903 would be immediately terminated and totally superseded. Whatever rights in and to the Canal Zone which the United States would have following the effective force of the treaty would rest entirely upon new and limited grants made by Panama to the United States.

Clearly there is no moral basis on which to predicate Panama's demand for surrender of the Canal Zone and termination of the 1903 Treaty. Let us now turn to the practical aspects.

(2) The United States would acknowledge the Republic of Panama as sovereign over the territory of what is now the Canal Zone.

(3) The Canal Zone would cease to exist.

(4) United States citizens in the former Canal Zone (employees, military personnel and their dependents) would no longer be under United States jurisdiction. All of them would be under the civil and criminal jurisdiction of Panama. Unless waived by Panama, offenses by any of them would be tried and upon conviction sentenced by Panama.

(5) The United States would cease to have police power in the former Canal Zone.

(6) All police, fire protection, street maintenance, street lighting, street cleaning, traffic management and garbage collection in the former Canal Zone will be provided by Panama. (United States pays ten million dollars per year for this, adjusted upward for inflation in Panama.)

(7) Defense of the Canal becomes joint under a combined Board of senior military officers of equal numbers of Panamanian and U.S. officers.

(8) The Panama Railroad and all other land and fixed properties (not specifically otherwise delineated in the implementary agreements for the life of the new treaty) become the absolute property of Panama at once.

(9) Article III provides that the Republic of Panama, as territorial sovereign, grants to the United States the rights to manage, operate and maintain the Panama Canal in accordance with the terms of the Panama Canal Treaty and its related agreements.

(10) Article XI provides that upon the coming into force of the treaty:

"The Republic of Panama shall resume plenary jurisdiction over the former Canal Zone."

During a 30-month transition period, Panama would *permit* the authorities of the United States to have the primary right to exercise criminal jurisdiction over United States citizen employees of the Panama Canal Commission and their employees and over members of the United States forces and civilian components and their dependents:

(i) for an offense committed during the 30 months within the former Canal Zone and (ii) for any offense committed prior to the effectiveness of the treaty. For the 30-month transition period, the United States shall retain police authority and maintain a police force in the former Canal Zone. The courts may continue to function during the 30-month period except that such courts may not take any new civil cases but may only dispose of pending civil cases."

B. What about the transfer of property?

Article XIII provides that upon termination of the new treaty "The United States of America transfers, without charge, to the Republic of Panama, all right, title and interest the United States of America may have with respect to all real property including nonremovable improvements thereon, not already so transferred when the new treaty becomes effective."

The United States not only receives no compensation, it pays the Republic of Panama for having created the Canal. The treaty states that during the period the new treaty is in force, the United States will provide Panama with a "just and equitable return on the national resources which it has dedicated to the operation, maintenance, protection and defense of the Panama Canal." These payments from revenues require 30 cents per net ton adjusted upward for any increases in tolls over the years. This would amount to from $50 to $60 million per year. In addition, a fixed annuity of $10 million which will constitute a fixed expense of the Panama Canal Commission—over and beyond this, an annual amount of $10 million additional to the extent that operating revenues exceed the expenditures of the Panama Canal Commission. If in any year the expenses do exceed the revenues, this unpaid additional $10 million or any unpaid portion thereof is cumulative, and so that in any year when the operating surpluses exist, such surplus shall be applied to the cumulative backlog. What Panamanian resources?

C. What about defense?

Article IV—Protection and Defense appears to stipulate that the United States during the life of the treaty has the primary responsibility to protect and defend the Canal. As stated above, defense is to be joint. It will NOT be as it is now.

The rights of the United States to station, train and move military forces within the Republic of Panama are very specifically limited by another agreement. This agreement is entitled *"Agreement and Implementation of Article IV of the Panama Canal Treaty."* This collateral agreement which is not called a treaty but which nevertheless would be carried into force by the treaty defines the legal status of our armed forces, the use of areas and installations and the movement of our forces.

With respect to our armed forces, Article VI of this collateral agreement provides *inter alia* the authorities of the Republic of Panama shall have criminal jurisdiction over the members of the Forces (U.S. Armed Forces), the civilian component thereof and their dependents. Within the perimeter of a defense site, offenses committed by such personnel which are criminal acts according to the United States law are by permission of the Republic of Panama subject to the United States. In other cases, Panama also would agree to waive, subject to review, criminal jurisdiction when an act committed off the base is solely against the property or security of the United States.

Acts committed off the base arising out of an official act or an omission in the course of an official act are subject to Panamanian criminal jurisdiction unless waived. The joint committee will review a certificate of the United States that such an offense was committed in line of duty but there is no provision as to what happens if the joint committee does not agree. Quite obviously, the offense would be subject to Panamanian criminal jurisdiction.

The agreement and implementation of Article IV with certain exceptions is not unlike agreements entered into by the United States governing *"Status of Forces"* with nations in which we have stationed our forces on bases in a host country, such as for example the Philippines or the Federal Republic of Germany, Italy or Spain, and to some extent the agreement with Japan. Such agreements can work only if the host country so wishes and so desires. In reading this long supplemental agreement of XXII Articles, it would require an exceptional abundance of goodwill on the part of Panamanians to work at all.

Some provisions such as Article XVIII are somewhat ludicrous, for example. It provides that the United States may furnish educational, sanitary and medical services to the members of its armed forces, their civilian components and dependents. For the most part, it is we who have undertaken to teach sanitation to the Panamanians and it is quite difficult to understand why on a military base for the duration of the main treaty it must be by permission. I do not think this is the case in other Status of Forces treaties, some of which in the past I have negotiated myself for the United States.

D. Other defense aspects of importance

Of the fourteen military bases now in the Canal Zone, only four will remain available to the United States and these will be under direct Panamanian civil and political jurisdiction. As previously noted, Article IV of the agreement and implementation of Article IV of the treaty indicates that whereas the U.S. forces have responsibility for control of entry to defense sites, the Republic of Panama may share in the exercise of this control in a manner to be agreed upon in the Joint Committee. Any signs which delineate the existence of a defense site used by the United States are to be in English and Spanish and on each sign it will be necessary to say and state in both languages that "The sign is erected under the authority of the Republic of Panama."

The emplacement of any type of nuclear armament whatsoever is prohibited to the United States under paragraph 6 of Article IV of the agreement and implementation of Article IV of the treaty.

Even within defense sites, the Panamanian flag occupies the position of honor and is flown on each of them. Flying the flag of the United States is permitted but the joint committee will determine the manner of displaying the flags. *At the entrance to a defense site, only the flag of Panama will be flown.*

E. There is no right to intervene after treaty expiration

Much has been said by the State Department and by The President concerning long-term defenses. It has been unequivocably asserted that even following the expiration of the proposed new treaty, the United States will have the right to defend and protect the neutrality of the Canal.

It is alleged that a grant of right to the United States to this effect is contained in the auxiliary agreement entitled "Treaty Concerning the Permanent Neutrality and Operation of the Panama Canal." *No such right is granted and no such right would exist authorizing the United States to intervene for the defense or the neutrality of the Canal after the pending treaty expires.* All it says in this regard is found in Article IV: "The United States of America and the Republic of Panama agree to maintain the regime of neutrality established in this treaty, which shall be maintained in order that the Canal shall remain permanently neutral * * *."

F. What about enemy, ships in time of war?

Whereas now in time of war, as in the past, the United States could deny entry and passage of the vessels of any nations with whom we might be in a state of war, once this treaty and its collateral and subordinate agreements have been ratified, no such right will exist. The proposed agreements specifically authorize the passage of the vessels of war and auxiliary vessels of any and all nations in peace or war.

Dr. Romulo Escobar Bethancourt declares that the United States has no right to deny passage to an enemy vessel. He denies that the United States has any right to guarantee the neutrality of the Canal. He denies that the United States may say when the neutrality of the Canal has been violated. He stated publicly:

"We did not want that with the excuse of neutrality, the United States would maintain a guarantee over the State of Panama. This was another cause of discussion that kept the negotiations detained until the United States gave up on the idea of having a guarantee of neutrality over the Canal."

United States officials say that we have some sort of an "understanding" with the Panamanians that Article IV means that the United States does have a "right." Dr. Escobar, the chief negotiator, and the real center of power in Panama says this is not so.

It will be recalled by many that Mr. Kissinger said that he had an understanding with the Soviets as to the meaning of a certain critical provision of the SALT I Treaty.

It developed, however, that the Soviets denied that there was any such understanding and certainly did not restrain themselves from action respecting strategic weapons and missile sites that would have been a direct violation of the alleged "understanding."

G. Does this treaty generate friendly relations with Panama?

If we have opened up a new era of cordial relations with Panama, how is it that Dr. Escobar continues to defame and slander the United States before his own people in Panama at every conceivable opportunity? With combustible rhetoric he continually incites the students into confrontation and does so with regard to the period after the treaties take effect. He characterizes the United States as a reluctant and imperialist nation. On August 12, 1977, he advised these students that if they are disenchanted with what he described as some of the "ugly features" of the new treaties, they should strike out on their own. In this enlightening address, Dr. Escobar said to the students:

"In the past when we set bombs against our oligarchy (in Panama), when we challenged the regimes established in our country we never asked anyone for permission, you have never asked anyone for permission * * *. When one wants confrontation, one puts his knapsack on his back, his bomb at his waist and goes to stage the confrontation."

The United States personnel (military, civilian and dependents) will be totally subject to the sovereign power and jurisdiction of the Republic of Panama. Fixed installations and the property not temporarily and specifically otherwise designated will be immediately theirs.

There is nothing in any of the treaties that could possibly prevent the Panamanians from nationalizing the entire operation whenever it chose as did Egypt, contrary to its obligation in the case of Suez. When Britain, France and Israel undertook to enforce the commitments of Egypt, it was the United States that prevented these nations from so doing. We thus laid the foundation not only for what is happening to us now but for that which will lie ahead whenever the Panamanians consider it in their special interest to do so. The Panamanians largely despise the United States. They remember the precedent of Suez.

As noted, the treaty provides for joint defense under a joint Board composed of equal numbers of Panamanian and U.S. officers, No one is in command. As in all such cases, the host country which will also be the sovereign possesses the absolute power of decision. This would seem to place a high premium on friendly relations, shared objectives and philosophies, and an abundance of goodwill. Is it there? Consider the following:

At Fort Cimmaron, there is a Panama National Guard Training Center. The soldiers in training have a chant. Perhaps for them, it is similar, for example, to the chant of U.S. Army Airborne units: "Airborne, Airborne All the Way." It is different, however, in Panama. It goes like this:

"Que Muera Gringo
Gringo Abajo
Gringo Al Paredon"

translated into English, this means:

"Death to the gringo
Down with the Gringo
Gringo to the wall"

Mutual trust? Joint defense: A friendly climate with an abundance of goodwill?

When Torrijos was returning from the treaty signing ceremonies convened with such fanfare, he had something else on his mind other than a feeling of warmth and cooperative friendship with the United States. The English translation of a message sent to Castro as reported by the Spanish news agency on September 10, 1977 follows:

"In returning to my country and flying over the sky of Cuba, I salute you with my everlasting friendship; I wish that the Cuban people under your well-aimed direction will continue its forward march towards progress. In Latin America, your name is associated with the sentiments of dignity that is channeled to the termination of all forms of shameful colonialism."

The friendly words of the head of the Panamanian government? Friendly to the United States, that is?

IV. OTHER VITAL CONSIDERATIONS

A. We are assured that the canal is or soon will be obsolete—not so

We are soothingly assured that the Canal in reality is obsolete and really is not important to our security or our economy. It is true that our thirteen largest aircraft carriers cannot transit the Canal. All the rest of our surface and undersea naval ships can do so and plans for future construction of frigates, cruisers and destroyers will all remain canal-configured.

The Canal is one of the four vital choke points of the world. The Canal as a U.S. waterway which we are free to use and deny to our enemies in wartime gives the United States a striking, strategic advantage that Russia can never have. Geography dictates that the Soviets divide their navy into four separate fleets incapable of mutual support or reinforcement. Only between the Indian Ocean and the Mediterranean via the Suez Canal can the Soviets shift warships as they frequently do.

We have relied heavily on the Panama Canal in every serious military crisis of the century as a means of concentrating our fleet in areas of greatest danger. We need the anchorage facilities there that we now have. We need the airfields there.

I have heard it argued that it is obsolete because supertankers cannot transit the Canal. Supertankers? No supertanker can even enter any port of the United States. Supertankers were designed expressly to go around the Cape of Good Hope. If we were relegated to Drake Passage around Cape Horn or through the Straights of Magellan through the Tierra del Fuego, a very hazardous route, our defense would be impaired as would our sealane life lines. Our Alaskan oil will go through the Panama Canal. Very large tankers, in fact most of the tankers afloat in the world, can transit the Canal. The first Alaskan oil cargo will shortly transit the Canal.

B. What do the Soviets say about the canal?

I quote from the edition of the Weekly Review of the Intelligence Digest of August 24, 1977 published by Intelligence International Ltd., 17 Rodney Road, Cheltenham, Gloucestershire, England:

"Perhaps the most revealing insight into Communist strategy involving the Panama Canal has come from a Soviet Army officer, a Major Sergei Yuworov, writing in the official Soviet military organ Red Star. As reproduced in the Cuban magazine Bohemia, Major Yuworov wrote: 'Due to its privileged location as the juncture between South America and the rest of the continent, including the Canal that permits United States warships to operate simultaneously in the Atlantic and Pacific, it—the Canal Zone—must be considered by the Soviet Union as a priority Zone. A second zone (from which to attack Panama) is the Central American Isthmus, located to the north of Panama. The Canal itself can be attacked as well from Colombia.' As a third choice, Yuworov points to 'converting Cuba, and implicitly Puerto Rico, into bases from which Moscow's plan can be consummated.'"

Quite a mouthful from a Soviet officer writing in the Red Army's official journal!

On the question of defense, it is absurd to say that by ceding the Canal to the Panamians, our capacity for defending the Canal and guaranteeing its security will be increased. With the property in the hands of an irresponsible government or a government dominated by Marxists as Panama's government is, it could decide to close the Canal to our ships of war, to our navy, and where would we be then? The proposed treaty as already stated specifically permits the ships of a nation in a state of war with the United States to transit the Canal.

C. Will the new treaty protect from or expose canal to sabotage?

One of the forcefully repeated arguments made by The President and the State Department is that if we do not surrender the Canal through this treaty, Panamanians will sabotage the Canal, whereas the new treaty will eliminate this hazard. Well, this type of reasoning should expose itself to real question. Sabotage by whom? There are far left radical students in Panama today who object to the proposed treaty and there was a crazed Panamanian in Stockholm who immolated himself simply because the treaty gives to the United States the right to manage it and underwrite the costs until 1999 and provides for a limited U.S. presence there. It is very difficult now to sabotage the Canal. It will not be difficult after the pending treaty is ratified and the Zone ceases to exist. It is almost impossible now. It will be easy if the treaty is ratified. Certainly after the treaty is approved, they would have a far better opportunity to sabotage the Canal than now when we give up substantially all of our police power in the Zone because there will be no Zone—it will all be Panama.

If Panamanians with or without the tacit approval of its Marxist-dominated government were to sabotage the Canal, it would cut off about 25% of Panama's gross national product. The indirect benefits flowing to Panama now are at this level. The Panamanians know that their livelihood depends upon the continued operation of the Canal as it stands now. Attempts at sabotage in the past have been thwarted by our own police and security forces which under this treaty we will no longer be able to maintain. So, in fact, for those radical students who consider the United States an imperialist power, as does Dr. Escobar, this treaty increases the opportunity for sabotage and surrenders a vital, strategic and tactical defense instrumentality of the United States which we cannot afford to surrender.

The Panamanians themselves have enjoyed nearly the highest standard of living on the average of any other nation in Latin or Central America due to the beneficence of the United States, and they know it. Most Panamanians who are fearful to speak out—they are afraid of their dictatorship—know that their government could not effectively operate the Canal anyway, but their lips are sealed by their fear.

D. Who is Omar Torrijos and how did he come to power?

Omar Torrijos did not seize power from the old oligarchy nine years ago. That coup was led by Majors Boris Martinez, a subordinate of Torrijos, who was kept innocent of the coup because of his excessive drinking problem. Major Martinez was an active, determined Communist.

When the Communist party of Panama, however, headed by Romulo Escobar Bethancourt, Juan Materno Vasquez and Marcellino Jaén decided on March 6, 1969 to purge Martinez, Jaén, who is married to Torrijos' sister Toya, persuaded Bethancourt and Vasquez to make Torrijos the head of the national guard, and later in 1972 the chief of government. Martinez was purged because he wanted to move too fast, faster than Bethancourt, the brains of the Communist party in Panama, thought they should move. He felt they could obtain much more by moving more slowly and not risk a countercoup.

Torrijos has been frequently described as the son of rural schoolteachers. This is correct. Both his mother, Joaquina, and his father, José, have been identified as founders of a Communist cell in Veraguas Province. It is now the most powerful and influential cell in Panama.

Omar Torrijos was a member of the Marxist organization of "Young Veraguas" when he attended the normal school of the Province of Veraguas. Drew Pearson on November 19, 1968 later identified him as a member of the Communist party of Panama. During July 1977, a Soviet economic mission to Panama confirmed a treaty establishing a free zone for the Soviet Union in Panama. A discussion took place at that meeting in which the Soviets stated they would consider financing and constructing a new sea-level canal for Panama across the Isthmus.

E. What about a sea-level canal? Is one needed for defense?

Immediately after World War II, the idea of a sea-level canal was thought to have great urgency from a defense standpoint during the immediate reaction to the atomic bomb. Many studies since then have established that both a lock canal and a sea-level canal are obviously equally vulnerable to atomic attack and that both require extensive protection with air cover and sea forces, antisubmarine, surface and submarine. For all of this, we need the air fields in the Zone and we need the bases there over which we are surrending control.

A sea-level canal across the Isthmus would be a foolhardy undertaking because of the geology of the Isthmus, let alone the nature of the Panama government. The uniquely intractable geologic formations were primarily the cause of the French collapse. It was only because of the superior capabilities and resources of the United States that we were able successfully to excavate the main channel known as the Culebra (Gaillard) cut. Not only that, it would be foolhardy to undertake it after this treaty goes into effect, if it does go into effect, given the characteristics of the Panamanian Marxist dictatorship with its axes with Moscow and Havana.

F. We should not agree to refrain from negotiating for and creating a new canal in Nicaragua

What is even more foolhardy about the treaty if it is ratified is that *we commit ourselves not to construct another canal between the oceans anywhere else during the life of the treaty. We also agree not to negotiate with any third state for a new route in the western hemisphere (Article XII).*

If the United States were to undertake to establish a canal which would accommodate vessels of deeper draft and broader beam, it should be created in Nicaragua, not Panama. The geology is different and though the distance from shore to shore is longer, the land bridge is no longer than the narrow neck of the Panamanian Isthmus. In Nicaragua, either a sea-level or a lock canal could be built.

Because of the Pacific sea snake and other marine life indigenous to the Pacific Ocean, a sea-level canal might well imperil the important food fisheries of the Atlantic. There is no mixing of the seas now.

G. Would this usher in a new era of cordial and friendly relations with all of the nations of Latin America?

The President, Secretary Vance, negotiators Bunker and Linowitz and other spokesmen endlessly repeat the theme that the proposed treaties would establish an era of good feeling, of friendly, cordial and constructive relations with all of the nations of the western hemisphere. There is no doubt that this is in fact NOT so.

These assertions have been made because of the presence in Washington for the signing ceremonies of most of the heads of government or chiefs of state of Latin America at President Carter's invitation extended through the Secretary General of the Organization of American States to attend the signing ceremony. Their presence is not evidence which supports these extravagant claims.

Only four Latin American states have supported Panama's demand for this treaty. Torrijos knows it too. He has so stated.

In May of 1977, very likely around May 15, twenty Mexican women journalists visited Panama and were received by Torrijos. Among these journalists was one, Marlise Simons, a Dutch journalist now living in Mexico City. Ms. Marlise Simons was once on the staff of the Washington Post.

On May 19, 1977, the Washington Post printed a byline article by Marlise Simons with regard to the mentioned interview with Torrijos. *In it she quoted Torrijos as having stated to the twenty Mexican women journalists that he was supported by only four Latin American nations in his quest for the Panama Canal. He named them as Venezuela, Colombia, Costa Rica and Mexico.*

The news stories of these twenty journalists were widely reported in the Latin American press.

It is well known that the chiefs of state and heads of government of our Latin American neighbors do not feel themselves in a position to have declined the President's invitation regardless of their feelings regarding the proposed treaty. To my knowledge, to my certain personal knowledge, there are several Latin American states, the governments of which are against these treaties. They can hardly bring themselves to believe that the United States government could bring itself to do this. They consider that it will foster an increase and not a decrease in terrorist and subversive activities in their own states. They consider that Panama and Cuba form an axis with Moscow. They consider that their own security will be diminished by these actions. I wish I could quote which nations, but it should be evident that I am not in a position to do so. I should add that they consider that these treaties will be followed by an insistent demand on the part of Fidel Castro that the United States abandon its naval base in Guantanamo. When one has in mind the Soviet view of the Caribbean Sea, the Panama Canal, the entire Isthmus, we would do well to avoid any action which would increase the pressure on the United States to abandon Guantanamo.

They cite an article in the Washington Evening Star of twenty years ago in May of 1957 which carried a story that the Soviet Union had launched a propaganda offensive against the United States and Central America to incite Panama into demanding control of the Panama Canal. It worked.

They wonder why Linowitz was appointed as a negotiator in view of his general reputation as favoring unilateral disarmament by the United States.

When Bunker and Linowitz returned from Panama in triumph to be received by President Carter on a Sunday, it was later learned that the treaties had not yet been drafted, and that there were great complexities and difficulties with language translation that would take many days before the general agreements which had been initialed could be put into treaty language. Yet within a few days after their return, it was announced that The President had read every word of the treaties and stated that he was well satisfied. *How could The President have read every word of nonexistent treaties?*

According to the World Bank, Panama's external debt is in excess of $1,600 million. The rank and file of Panamanians have not benefited. Where has the money gone? Who are the principal lenders? And who did benefit?

In any event, Panama is close to bankruptcy. The proposal is that we yield to unjustified demands wholly devoid of any moral basis by a nearly bankrupt, Marxist-oriented, Communist-affiliated, Yankee-hating nation.

H. To whom is it proposed we surrender?

Is the Senate of the United States familiar with the recent statement of Marcellino Jaén, a Marxist and a member of the ruling Marxist triumvirate who installed Omar Torrijos? He is, as it will be recalled from the foregoing, a brother-in-law of Omar Torrijos. On July 19, 1977 when Panama signed an economic pact with the Soviet Union, he stated publicly and I quote:

"With the signing of this document that constitutes the final draft of an agreement in which the governments of the U.S.S.R. and Panama have participated, is an event of deep historic significance, not only for our country but for the American continent as well, who are always facing strong forces that represent a philosophy that is contrary to the destiny of Latin America."

Let us remember, it is not really Omar Torrijos, a man with a heavy drinking problem with whom we are dealing—it is Romulo Bethancourt Escobar, Marcellino Jaén and the Leninist-Marxist party of Panama supported by Cuban agents of Fidel Castro with whom we are dealing. *It should also be noted that it was reported that during the negotiations with U.S.S.R. completed on July 19, 1977 as stated above, that there was an extended discussion on July 16, 1977 not only for the financing and construction for Panama of a new sea-level canal by the U.S.S.R. but also for the establishment of a Soviet naval base in Panama.* In Article XII of the proposed treaty, it will be recalled, the United States may not negotiate with any other state to create a new canal. Panama undertakes NO reciprocal obligations.

We are frequently admonished that we must appease the Panamanian demands or face violence. *In 1974, the then Ambassador of Panama to the United States said that if Panama is unsuccessful in its demand for the Canal and the Zone, "there will be no canal for anybody, not for us, not for the United States, not for the world."*

Is it not clear that we propose to surrender in order to appease? In so doing, we do not enhance our security and defense—we critically impair both. And we would create conditions wherein sabotage would be easy, whereas it is difficult—next to impossible now except by a transiting vessel.

I. What about Colombia?

There are those who say that if any nation has a reason to be critical of the United States it is Colombia by reason of the events of 1903. What should be realized is that in 1922 the United States and Colombia amicably settled their differences in a treaty negotiated during the Wilson Administration. Under it, Colombia obtained certain transit rights through the Canal and it referred to the Canal Zone *"title to which is now vested entirely and absolutely in the United States."* Under that treaty, the United States paid Colombia $25 million in five annual installments as an indemnity for the loss of Panama in return for Colombia's agreement to recognize the independence of Panama. The $25 million was paid and accepted. Any legal question about our acquisition in 1903 was put permanently at rest. So also was any moral question.

J. Do we pay rent to Panama? Absolutely not

Members of the State Department and other government officials seeking to push the American people into a misunderstanding, hopefully to obtain ratification, cite as "proof" of the fact that the Canal Zone does not belong to the United States that the United States has always paid rent to Panama. The fact is—the United States is not

and never has been obligated to pay rent. The $250,000 per year required by the original treaty of 1903 was in lieu of the $250,000 per year annuity which had been agreed to be paid to Colombia in the Hay-Herran treaty, in consideration of the grant by Colombia to the United States of the right forever to operate the Panama Railroad. Inasmuch as the Panamanian conspirators who seceded from Colombia were aware of this, they expected and received not only the $10 million payment which Colombia would have received but also the $250,000 railroad operating annuity which Colombia would have received. The annuity over the years has been increased but it is not and never has been at any time rent. It is now $2.3 million.

K. What about the watershed which is essential to the operation of the lock system of the canal?

The canal lock system cannot operate without a constant and abundant supply of huge quantities of fresh water. These water sources are Madden, Miraflores and Gatun Lakes and the Chagres River. Protection of the watershed unquestionable and certain is indispensable to the future operations of the Canal. Without such assured protection, the requisite availability of vast amounts of flowing fresh water would vanish. Approximately two-thirds of this vital watershed lies in the Canal Zone itself. As you know, upon the coming into force of this pending treaty, the Canal Zone would wholly cease to exist and would become Panamanian property under its sovereignty and jurisdiction with small parts by permission of Panama set aside for use and occupancy by the United States in carrying out its "management contract" to operate the Canal until the year 2000 at the sole cost and expense of the United States.

The contiguous land area portion of this watershed lies outside the Zone in Panama. This important one-third portion of the watershed which lies outside of the Zone boundary has been virtually destroyed by a relentless assault on the flora. By whom? By Panamanian peasants and farmers living in these areas. The Government of Panama knows about this and does nothing about it. When the Canal Zone ceases to exist as it will, these assaults may well continue and be carried forward into the remaining two-thirds of the watershed. In that case, and there is nothing in the treaty to prohibit this, the jungle will disappear as it has in the other thirds and the Zonian two-thirds of this irreplaceable watershed will progressively become desertized as the contiguous one-third is becoming.

While Article VI entitled *Protection of the Environment* provides for a joint commission on the environment to be established with equal representation from both sides, the Commission only concerns itself with the implementation of certain provisions of the treaty and does not concern itself with that which would then be going on within Panama (in what was formerly the Canal Zone) as the implementation of the treaty by the parties relates only to those areas temporarily reserved for the use and occupancy of the United States for housing, for military bases, some training and for canal operations. This Article has no application specifically to the protection of the watershed, all of which will lie in Panama and none of which would come under the active care of either party once the treaty goes into force. These lakes and the river now in the Zone—those portions now in the Zone—would survive by themselves if left alone, but will not survive at all if they are treated in the same way as the portions of the watershed which have always been in Panama have been treated during the years since the Canal commenced operation. So the treaty has no protective environmental provisions in this regard—certainly no enforceable ones—and Article VI by its plain language clearly does not have this subject in mind.

L. What about the allegations of the vulnerability of the Panama Canal to sabotage or the threats of sabotage if the proposed treaty is not ratified?

On September 12, 1977, General Omar Torrijos said that the Canal "is as indefensible as a newborn baby." Is this true? The answer is "No, it is not true." Since 1942, the Canal has been provided with protective and with emergency devices capable of putting ships through the Canal even if every gate and every lock were to be destroyed. A bomb, a conventional bomb, that is, could not disrupt Canal traffic for an extended period of time. Neither could a ship which exploded within the locks stop traffic for extended periods. The dams also have special protection from outside attack. So long as the Canal Zone continues to exist, sabotage of the lock system is next to impossible in such a manner as to put the Canal out of commission for an extended period. When the Canal Zone ceases to exist, which it will upon the coming into force of this treaty, these protective devices will themselves become vulnerable. Present jurisdiction plus the included police power and the protective shield of the ten-mile wide zone are essential.

The treaty makes no provision for the continuation of the Zone in order to assure or more particularly to avoid the creation of a vulnerable situation which will arise when both the Zone and U.S. police power become extinct. The treaty, if approved, will extinguish both. This is a fatal flaw. Contrary to the contentions of the proponents, the continued existence of the Canal Zone and our jurisdiction assure the security of the Canal. The treaty will strip away that security and render the Canal vulnerable to the attack of saboteurs and terrorists.

M. The Protocol of 1914 to the 1903 treaty

If the proposed treaty is confirmed by the Senate, the United States will no longer have a treaty right to deny passage to belligerent ships. To the contrary, the United States will be obligated to allow such vessels to transit the Canal if they can reach its approaches. The United States now possesses that right and always until now considered it to be a valuable right. Soviet naval power is multiplying and over the last 25 years ours has been steadily diminishing both relatively and absolutely. Why would we then agree to forego this valuable treaty right?

On October 10, 1914, an agreement between Panama and the United States was signed whereby belligerent ships could be denied the use of Panamanian waters and Canal Zone waters. Ships using Panamanian waters would be denied the use of Canal Zone ninety days. This would make more attractive to such belligerent vessels to sail around the Horn.

This agreement indirectly had the effect of modifying the neutrality provisions of the 1903 treaty and I am told with the tacit consent to Britain with whom in 1901 the second Hay-Pauncefort Treaty superseded the first treaty upon assurance to Britain who surrendered her rights to construct a canal in return for a promise that ours would be neutral and open. *I might add, by the way, that the words of neutrality in the 1901 Hay-Pauncefort Treaty with Britain are not dissimilar from those incorporated in the neutrality treaty which the Administration contends gives the U.S. the right to intervene in defense of the Canal after the year 2000.* I have never heard anyone contend that the Hay-Pauncefort neutrality treaty with Britain in 1901 gave Britain the right to intervene in the Canal Zone which is U.S. territory. In an agreed minute to the principal pending treaty which minute has reference to paragraph 1 (c) of Article I (covering abrogation of prior treaties and the establishment of a new relationship) this 1914 agreement would cease to exist. It would be expressly abrogated and the United States would lose its existing treaty rights whereby belligerent vessels can be denied the use both of Panamanian and Canal Zone waters. This is a very important treaty right which should be preserved and carried forward perpetually.

N. The transfers of property and the payments to Panama

The proposed treaties would cede and surrender and transfer to Panama without consideration vast properties outright, including the Panama Railroad. This would be done immediately upon the coming into force of the principal treaty, if it is confirmed by the Senate. The Railroad is vital to Canal operations, maintenance and Canal emergencies. Also included in the immediate transfer to Panama and its sovereign jurisdiction to the exclusion of the United States would be all of the land areas of the Zone. These land areas which were ceded to the United States are U.S. territory subject to the exclusive right of the United States to exercise sovereignty over them. Not only that—lands within the Zone which was ceded by the 1903 treaty in perpetuity were later purchased by the United States from the individual Panamanian owners who owned land within the ten-mile wide Zone.

Between the coming into force of the treaty and the year 2000 and perpetually thereafter, all of these lands will belong to Panama from the beginning. The United States will have the use and occupancy, not the title, and no jurisdiction of limited small areas for housing and Canal transit operations in order to carry out "the management contract" which the United States undertakes in the form of this treaty—at its own sole cost and expense. The transfer of title is not delayed until the year 2000.

The Canal Zone immediately ceases to exist. We cede it lock, stock and barrel immediately. These valuable properties become Panama's free, including the important Panama Railroad which the United States should continue to operate so long as the United States has the obligation to operate. Certainly the Canal Zone as is in all respects, including U.S. jurisdiction, should remain intact until the year 2000.

Not only are lands an extensive operating asset given forthwith without any consideration whatsoever, but also under paragraph 4 of Article XIII, the United States is committed to pay annually over the 22-year period to Panama $60 million or more out of revenues and $10 million a year for the municipal services Panama will undertake to provide. *This latter $10 million per year is indexed to the rate of Panamanian inflation!* This paragraph goes on to say that all of this is "a just and equitable return."

These payments which could aggregate $1.6 billion over the 22-year period are in accordance with the treaties stated to be in addition to all of the other transfers of property which in and of themselves are made wholly without consideration to provide in accordance with paragraph 4 of Article XIII "a just and equitable return on the national resources which it [Panama] has dedicated to the efficient management, operation, maintenance, protection and defense of the Panama Canal * * *" What management? What operation? What maintenance? What protection and defense? It should be borne in mind that these required payments which are cumulative may not be generated from tolls because in the year 1976 after increases in tolls between 1974 and 1976 of approximately 50%, the operations were in deficit. Unless tolls are increased still further by substantial percentages, which would not seem to be justifiable, and the tolls do not generate the payments that Panama expects and the treaty provides, the deficit will be paid nevertheless by the U.S. Treasury.

This means, of course, it will be paid by U.S. taxpayers; by your constituents out there—in the south, in the midwest, in the mountain states, in the far west, in the northeast. These people already have to be either very rich or very poor even to be sick or to help send their sons and daughters to college today. Not only that, of course the investment of the United States in the Canal Zone, presently between $5 and $6 billion, will also be on the backs of the U.S. taxpayers—never to be recovered as was intended by Congress and promised to the American citizens by the Act of 1950.

Traffic through the Canal is estimated to grow at 3% to 3½% per year. This percentage is very probably substantially below the rate of inflation which the United States will endure by reason of the monetization of the Federal deficits and therefore without substantial increases in toll rates, a growth of 3½% per year in the volume of traffic would not ever overcome the current deficit which will be further increased by these cumulative payments which over time would aggregate $70 million per year. The treaty imposes upon the United States all of the burdens and accords none of the benefits. At the same time, it gravely impairs the security of the Canal, rendering it highly vulnerable to acts of sabotage whenever these seem to be in the interest of radical students of terrorists or of unstated Marxist reasons approved by Moscow.

There are no provisions to insure any sort of good faith performance upon the part of Panama. There are no adequate provisions to protect the operations there and adequately to secure the Canal during the 22-year period when the United States bears the burden at its own sole cost and expense under conditions wherein the United States assumes great responsibility but surrenders to Panama all of its authority. Panama becomes the exclusive sovereign over the entire area. It becomes the host country, the host nation. The United States has a management contract responsibilities without commensurate authority which cannot be successfully discharged.

O. What about the assertions that if this treaty is not ratified, the United States will face another Vietnam?

There have been repeated allegations from official sources in the Administration that the United States will face another Vietnam in Panama if the proposed treaty is not ratified. The President has stated that if the treaty is not ratified, he will defend the Canal Zone even if it requires 100,000 troops. At a later time, this figure was raised to a higher number. It was said that the Canal would be defended even if it requires 200,000 troops. Is there any validity to such allegation?

Panama is a relatively small country of approximately 1.5 million people. Its resources are limited. A major guerrilla war comparable to Vietnam is wholly beyond her resources. She could not mount such an operation unless she were to be substantially and continuously supplied with vast quantities of ammunition, weapon systems, communications equipment, an elaborate guerrilla command structure and huge numbers of personnel. These would have to be provided by another nation. Do the proponents of this treaty seriously assert that a major offensive of this nature would be launched against the U.S. Canal Zone, that is to say, against U.S. territory with the direct support of another nation or nations? By whom?

It is not clear that if some other nation or nations provided the support for such a major attack upon U.S. territory that it would risk the beginning of World War III? Does it not seem that it is an imposition upon the citizens of the United States to induce them to support the Senate of the U.S. in ratifying the proposed treaty by suggesting that the United States will face another "Vietnam War" in Panama if it is not ratified?

P. The proposed treaty cannot be considered in isolation from our past defeat in Vietnam and from other aspects of U.S. credibility

If we are induced to approve this treaty by a Marxist-dominated government, this would be another building block in the structure which the Soviets have been successfully and relentlessly erecting to fence in the United States and subject her to Soviet will. As every Russian knows, and as every member of the Politburo and Soviet Aparatchik believes devoutly, all non-Marxist social and governmental systems are anathema to the Soviet Union and the United States is the enemy. Somehow there are many people in the United States and seemingly within the government of the United States who apparently do not understand this. *They do not understand or appreciate that we are at the mid-stage of a shift in relative power and influence to the Soviet Union that is of historic proportions, and which promises, unless arrested severely, to have enduring significance.* The rise in Soviet standing in the world can be traced almost exclusively to the increase in relative Soviet military capabilities. *She has projected her power through Cuba to Panama.*

There are many other ways of dealing fairly and equitably with Panama as a neighboring state short of immediately surrendering the U.S. territory embodied in the Canal Zone and simultaneously terminating our jurisdiction there.

If we are induced by the will-o'-the-wisp of wishful thinking that Marxists can ever be appeased by the proposed treaty or by anything less than our surrender to their will, we will have crossed the Hubicon and will expose the Canal to whatever may be the Marxist design. Whether ratification is approved or refused will make no difference in Marxist objectives and designs. However, it will make a *quantum* favorable difference in the capacity of the United States to retain its independence if ratification is declined. The United States will have the respect of most of the nations in the western hemisphere and of western Europe and of our allies in the far east if we otherwise deal fairly and equitably with Panama while declining absolutely to surrender our territory as proposed by the pending treaties in reliance upon Marxist promises.

The proposed treaty is wholly against our national interest. The consequences will be wholly adverse. There is no such thing as world opinion. On the other hand we are being closely watched by our remaining friends and allies. To them the proposed treaty cannot be brewed in isolation. If confirmed, it will be viewed by friends, neutrals and foes alike as yet another U.S. surrender. No observer will regard it as an act of noble purpose and of magnanimity.

Q. If the canal is to be transferred to Panama on December 31, 1999 certain amendments are essential

If the Senate in its wisdom ultimately decides that the Canal should be nevertheless transferred to Panama at the end of 1999, then these considerations are vital:

First, that the watershed be protected;

Second, the necessity for providing protection of the Canal from sabotage and acts of terrorism;

Third, the maintenance of the right to deny passage to belligerent ships;

Fourth, the necessity that the United States be free to negotiate for and build a canal elsewhere on the Isthmus;

Fifth, the requirement that the United States have authority commensurate with its responsibility between now and the end of 1999 which in turn requires that the Canal Zone and U.S. protection continue to exist until then. Neither the Canal Zone nor any of the fixed or operating properties should be given to Panama until the end of the 20th century.

Meanwhile, progressive measures would be taken to train and employ Panamanians so that at the end of the century Panama would man all positions and be in a position to take over. At that time, U.S. protection would come to an end. The Zone would be existinguished. All properties would be conveyed. Thereafter, the United States should be prepared to accept the Canal at risk and whatever other consequences might ensue. With these considerations in mind, the treaties should be amended as follows:

1. No transfers of jurisdiction, authority or property should occur until December 31, 1999 and the Canal Zone should remain intact, with all and in full the properties and the facilities, under the authortiy of the United States to the exclusion of the exercise of jurisdictional authority by Panama during the 22-year transitional period.

2. During this period and until December 31, 1999, the 1903 treaty as amended by amendatory treaties, minutes, notes, understandings and executive agreements prior to the signing of the proposed treaties and their minutes, notes and subordinate agreements would remain in full force and effect.

3. The treaties should be amended further to provide that Panama agrees that she will not grant or accord to any other nation any military, naval or air bases in Panama or in Panamanian waters and that she will not permit the stationing of naval, air or military forces or of quasi or paramilitary forces of any other nation in Panama or of such individuals or units, other than individual diplomatic personnel, except as agreed to by the United States during the transition period ending December 31, 1999.

4. Article XII, paragraph 2(b) should be deleted. The United States should be free to negotiate for and build an Isthmian Canal if it so desires outside of Panama.

5. The neutrality treaty should be amended to make clear that the United States may take such measures as it believes necessary for the defense of the Canal at any time after the year 2000 and to this end as in the case with other friendly countries, Panama should in the mutual defense interest of the parties, provide after the year 2000 air, naval and military bases in order to give meaning to the defense of the Canal following its surrender at the start of the year 2000.

6. The treaties should be further amended for the payment of an increased annuity to Panama during the transition period but no other payments should be made. Accordingly, Article XIII, paragraph 4, should be deleted.

7. Specifically, the protocol of 1914 which provides the United States with treaty rights to deny belligerent ships of any class or nature, whether warships supporting logistic ships, maintenance ships, fleet trains, etc. the use of the waters of Panama and of the Canal, should remain in full force and effect. To this end, the treaty should be amended so as to strike the provisions by amending Article I, paragraph 1, as follows:

Strike the words "Upon its entry into force," substitute therefor "On January 1, 2000."

Strike Articles III, IV, V, VII, VIII, IX.

Amend Article X by striking paragraph 1 thereof and substituting therefor the following: "During the transition period ending December 31, 1999, the United States agrees to provide for an orderly phasing-in to all positions of Panamanians so that as of January 1, 2000 all operations will be conducted by Panama and by Panamanian em-

ployees or other personnel hired by Panama. To this end, the United States will progressively establish during the transition period employment and labor regulations which will contain terms, conditions and prerequisites for all categories of employees of the Panama Canal Company whose positions will be fully absorbed when the Panama Canal Company ceases to exist on January 1, 2000.

The foregoing amendments necessitate in addition that the following additional amendments be made in order that all remaining provisions be compatible with each other:

Strike Paragraph 8 of Article X.

Strike from Paragraph 9 of Article X the words "Panama Canal Commission" wherever it appears therein or elsewhere in the treaty and substitute "Panama Canal Company."

Strike Article XI.

Strike Article XII.

Strike Article XIII.

8. Add an additional Article providing that all minutes, executive agreements, implementation agreements, letters of understanding and all other understandings associated with the pending treaties, including the agreements and implementation of Article III and Article IV are to be set forth in detail as an attachment to the proposed treaties and incorporated by reference in the Panama Canal Treaty so that any and all amendments to any of the foregoing will require the advice and consent of the Senate of the United States of America.

V. RECAPITULATION

A. While the treaty of 1903 was not signed by a Panamanian as Torrijos stated during the signing ceremonies in the Pan American Union on September 7, 1977, it was signed by a duly appointed *Minister Extraordinary and Plenipotentiary* designated by the government of the New Republic of Panama, namely Philippe Bunau-Varilla. The Panamanian government ratified the treaty December 2, 1903. The United States Senate did not ratify it until February 23, 1904.

B. Thereafter, Tomás Arias, the Secretary of the new government of Panama sent a note to the United States government:

"The Government of the Republic of Panama considers that upon the exchange of ratifications on February 26, 1904 of the treaty for opening an interoceanic canal across the Isthmus of Panama, its jurisdiction ceased over the Zone."

C. As cited above, in 1907 the U.S. Supreme Court ruled that the Canal Zone was "ceded" and that the United States owned it absolutely.

D. The presence of the U.S. Naval forces off of Colon and Panama City were to prevent the landing of Colombian troops. No United States troops were landed. Panama was neither under duress nor coerced. It sought independence and avidly sought the treaty. In fact, some Colombian troops joined the Panamanians.

E. In 1936 and 1955, the 1903 treaty was expressly reaffirmed in further treaties which made certain minor adjustments to the treaty of 1903. The amendatory treaties were duly ratified.

F. One expects remarks from Torrijos such as he made during the September signing ceremonies that "United States recognized the need to correct an error instead of prolonging for an eternity an injustice and to correct an historical mistake." This is the kind of language he uses to fire up his people.

What error? What injustice? What historical mistake?

Where would Panama be today were it not for the events of 1903? Probably still a part of Colombia. If thinking Panamanians were really aware of their history, they would feel gratitude toward the United States. Both Panama and Colombia have derived tremendous benefits from the Canal. So has the rest of the world.

G. Shortly after the Wilson Treaty with Colombia mentioned above which was not ratified until 1922, and sometime during 1923, Charles Evans Hughes, then Secretary of State, said

"It is an absolute futility for the Panamanian government to expect any American administration, no matter what it is, any President, or any Secretary of State, ever to surrender any part of these rights which the United States has acquired under the treaty of 1903."

H. CLOSING SUMMARY

Congress in 1902 in the Spooner Act empowered President Roosevelt to acquire from Colombia land across the Isthmus of Panama for a ship canal if Colombia would grant perpetual control.

A treaty for a 10-mile wide zone was negotiated by the plenipotentiaries of Colombia and the United States but the Colombian Senate rejected the treaty in August of 1903 for several reasons cited heretofore. Later on, when it was too late, Colombia wanted to accept it.

On November 3, 1903, Panama, a restless province of Colombia, started a revolution, wholly bloodless as it turned out. President Roosevelt, to protect the Panama Railroad and to protect American citizens from imminent violence, kept Colombian troops at a distance with a nearby show of gunboats and marines. No United States forces were landed. Some Colombian troops joined the revolution.

A new Panamanian government was formed on November 4, 1903. Two days later, on November 6, 1903, Secretary of State John Hay officially recognized the Republic of Panama. No pressure whatsoever or of any kind had been put upon Panama by the United States.

On November 18, 1903, Secretary Hay concluded and signed a treaty with the Panamanian Minister Extraordinary and Plenipotentiary in Washington, D.C. on substantially the same terms and on identical money terms previously offered Colombia. It guaranteed the independence of Panama.

The treaty was unanimously ratified by the new Panamanian government on December 3, 1903; the U.S. Senate gave its advice and consent to the treaty on February 23, 1904.

The United States under the treaty paid $10 million for the 10-mile wide zone across the Isthmus and an annuity for the right to operate the Panama Railroad (as explained heretofore—not in any sense rent) of $250,000. This annuity was increased in a 1955 treaty to $2,300,000. The treaty describes the zone as "lands granted" to the United States. Panama has repeatedly stated that the zone was "ceded."

The U.S. Supreme Court in 1907 ruled the Canal Zone was ceded and that the United States had perfect title.

Under Articles VI and XV of the 1903 treaty through a Joint Commission, the United States bought the land from the owners of the land within the Zone and acquired title in all cases in fee simple. Substantial amounts of money were paid to these owners.

Having first rendered the disease-infected Canal Zone habitable by a three-year sanitation program that conquered both the death-dealing yellow fever and malaria (largely) the United States completed the Canal in 1914 at a then cost of $366,650,000. The first ship passed on August 3, 1915. The United States has an investment there now of approximately $6 billion.

In 1922, Colombia, the nation that felt aggrieved by the events of 1903, made a complete settlement fully adjusting all differences in a treaty negotiated during the Wilson administration and ratified in 1922 for which the United States paid Colombia $25 million.

Before closing, I comment on the report concerning the alleged bugging of the Panamanian negotiations. Thre was no finding that such did NOT occur. If it did and if pressure was applied by the Panamanians to Bunker and Linowitz upon discovery of the bugging by the Panamanians, who could be naive enough to suppose that either Bunker or Linowitz would reveal that they have been blackmailed into proposing the pending treaties and implementing agreements in their present form? Incidentially, the latter can be freely amended so as to modify the treaties themselves once the treaties are ratified.

During his 1976 camapign, President, then candidate, Jimmy Carter, stated unequivocally:

"I would never give up complete control or practical control of the Panama Canal Zone."

The proposed treaties would immediately extinguish all U.S. control, practical or other. Panama would forthwith become the sovereign, exercising all sovereign power and control. Sovereign power and control are inseparable. If we surrender power as the treaty provides, we lose control.

In effect, we have a management contract at our expense for the next 22 years with the same responsibilities we now have for canal operations but with no control or authority. The latter would be vested in the host country—Panama—as it always is. Over that period, we have the privilege of disbursing to them somewhere between $70 and $80 million per year while underwriting all costs of operation, maintenance, repair and rehabilitation. Over and beyond these amounts, collateral agreements not covered by the treaties for economic aid and other purposes could, over the 22-year span, aggregate as much as $2.2 billion. Panama's population is 1.5 million. This aggregate would approximate nearly $1467 per capita for each Panamanian. On a per capita basis for the United States, this would be the equivalent of a payment of $322 billion.

Arguments that technically the United States is not the sovereign, notwithstanding that it now possesses in perpetuity the exclusive right to exercise sovereign power (to the exclusion of the exercise of such power by Panama) are meaningless and border on the absurd. These arguments are neither germane nor sensible. *Unless the present power of the United States over the Canal Zone (and therefore over the Canal itself) remains undiminished, the government of the United States would place itself in the untenable position of accepting responsibility without authority.* This we must *not* do. There can be no compromise here. It would not work. It never has whenever it is required to work.

The proponents contend that the language in the neutrality treaty which states that the parties will maintain "the regime of neutrality" gives the United States the right of intervention if necessary. These words are similar to those of the Hay Pauncefort Treaty of 1901 between Great Britain and the United States. No one has ever contended that this gave rise to any British intervention rights. And as noted hereinbefore, Dr. Escobar flatly denies that the words confer on the United States any such rights and he also *flatly denies that the United States may decide what would constitute a breach of neutrality.* In the premises, the word "neutrality" in Panamanian eyes would apply to everybody as the treaty itself states. So that the Soviets or their proxies, the Cubans, can be provided with naval base facilities at Colon or Panama City or both, and Panama undertakes no obligation not to be "neutral" in favor of Cuba and the U.S.S.R. Soviet naval facilities in Panama were discussed as recently as July 16, 1977 as hereinbefore mentioned, while the Soviet delegation was in Panama to conclude an economic treaty with Panama—naval facilities *and* a sea-level canal.

The real issue, the real choice, is whether we should stay or leave altogether. The answer should be clear. We cannot leave. We cannot surrender in the face of threats and duress even if there were an explosion if the treaties are not confirmed. But there will also be violence if the treaties are confirmed. The Panamanian radicals, encouraged by Escobar, promise this already. United States influence in this vital area is seriously impaired by the extension of Communist power and influence outward from Cuba and by our past defeats and retreats. The western world and our allies in the far east already doubt our resolve and will to defend ourselves. And so too, perhaps, do the Soviets.

There is ample room to deal fairly and equitably with other but much less important problems on the Isthmus without these treaties.

IMPROVING CLIMATE OF SOVIET-AMERICAN RELATIONS

Mr. KENNEDY. Mr. President, on November 2, Soviet President Brezhnev made an important report to the Supreme Soviet, marking the 60th anniversary of the Bolshevik Revolution. I join with the administration in welcoming his positive statements on foreign issues and his promising initiatives to cease the testing of all nuclear explosives.

Since President Carter's address at Charleston, S.C., which I strongly supported last August, we have witnessed a steady upturn in Soviet-American relations. This upturn has been reflected in the policy statements of both sides and in the recent discussions of Secretary Vance and Foreign Minister Gromyko.

In my view, President Brezhnev's speech is the latest confirmation of this important trend. I believe we can all agree with him that—

International Relations are now at a crossroads, as it were, which could lead either to a growth of trust and cooperation, or to a growth of mutual fears, suspicion, and arms stockpiles. Both sides must opt for the cooperative road, the road of peace and not war.

I observe particularly that President Brezhnev calls for agreement on a moratorium covering nuclear explosions for peaceful purposes along with a ban on all nuclear weapons tests for a definite period. This is an important step forward, to be welcomed by all supporters of a comprehensive test ban, including in particular those of us who have cosponsored Senate Resolution 124 under consideration in this Chamber. This welcome development makes it very timely for the United States, United Kingdom, and the Union of Soviet Socialist Republics to complete the CTB negotiations underway in Geneva. The Congress should assist this process by acting favorably on our CTB resolution, and its counterpart in the House, early next year.

In pressing our CTB negotiations to an early conclusion, it will be important for us to remove the dangerous distinction between so-called peaceful nuclear explosions and nuclear weapons, if we are not to undermine vital efforts to prevent the spread of all nuclear explosives. There is new hope that this may now be possible—and that we can move to an early CTB agreement in Geneva serving as the basis for a permanent and comprehensive prohibition of all nuclear tests. We must always bear in mind the fact that PNE's cannot be distinguished from weapons: both can be used for military purposes.

If we can successfully conclude not only a CTB but a new SALT agreement, we will have made a major contribution to nuclear arms control and to the future development of our bilateral relationship. I welcome the important progress made in the Vance/Gromyko discussions, I commend the administration for its careful consultations on their results for arms control, and I am hopeful that the Senate will support the new SALT accords when they are submitted for ratification.

By demonstrating through actions their opposition to military superiority and their support of the approximate equilibrium of military strength, the Soviets can make an important contribution to the confidence of the American public in these accords.

Beyond our vital security interests will be our continued concern for human rights, including freedom of expression and movement. I believe that we should pursue this legitimate concern both bilaterally and at the Belgrade meetings on European security and cooperation—constructively, consistently and without confrontation. Our efforts will inevitably be helped by the positive atmosphere and substance of relations which is developing between us.

Mr. President, I request unanimous consent that the foreign policy section of President Brezhnev's report be printed in the RECORD, so that all Members will have an opportunity to make their own judgment about its content and significance.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

THE FOREIGN POLICY OF THE USSR AND INTERNATIONAL RELATIONS

The Soviet Government was born under the sign of Lenin's Decree on Peace, and ever since then our country's foreign policy has been one of peace. Objective historical conditions have dictated its concrete content: peaceful coexistence of states with different social systems.

In our day the principles of peaceful coexistence have taken fairly firm root in international affairs as the only realistic and reasonable principles. This is a result of the changed correlation of forces in the world—above all, of the increased might and international prestige of the Soviet Union and the entire socialist community. It is also a result of the successes of the international working-class movement and the forces of national liberation. It is, finally, a result of the acceptance of the new realities by a definite segment of the ruling circles in the capitalist world.

At the same time, it is a result of the tremendous work done in recent years by the Soviet Union and the other countries of the socialist community to reorient international relations toward peace.

The salutary changes in the world, which have become especially appreciable in the 1970s, have been called international detente. These changes are tangible and concrete. They consist of recognizing and enacting in international documents a kind of code of rules for honest and fair relations between countries that erects a legal and moral-political barrier to those given to military gambles. They consist of achieving the first—if only modest, for the present—understandings blocking some of the channels of the arms race. They consist of a ramified network of agreements covering many areas of peaceful cooperation between states with different social systems.

The changes for the better are most conspicuous in Europe, where good-neighborly relations, mutual understanding and the mutual interest of the nations and their respect for one another are gaining in strength. We highly appreciate this achievement and consider it to be our duty to safeguard and consolidate it in every way. Therefore, we attach great significance to cooperation with such countries as France, the Federal Republic of Germany, Britain and Italy—with all the European states, large and small, belonging to a different social system.

It is natural, too, that we attach great significance to relations with the United States. There is much that divides our countries—from the socioeconomic system to ideology. Not everyone in the United States likes our way of doing things, and we, too, could say a great deal about what is going on in America. But if differences are accentuated, if attempts are made to lecture each other, the result will only be a buildup of distrust and hostility, useless to our two countries and dangerous to the world as a whole. At the very inception of the Soviet state Lenin made it clear to the American leaders of the time that "whether they like it or not, Soviet Russia is a great power" and "America has nothing to gain from the Wilsonian policy of piously refusing to deal with us on the grounds that our government is distasteful to them" (*Lenin Miscellany*, Vol. XXXVII, p. 254, in Russian). This was true half a century ago. It is all the more true today.

Life itself requires that considerations of a long-term character, prompted by a concern for peace, be decisive in Soviet-American relations. This is the course we follow, and this is what we expect in return. There is no lack of will on our part to continue developing relations with the USA on the basis of equality and mutual respect.

International relations are now at a crossroads, as it were, which could lead either to a growth of trust and cooperation, or to a growth of mutual fears, suspicion, and arms stockpiles, a crossroads leading, ultimately, either to lasting peace or, at best, to balancing on the brink of war. Detente offers the opportunity to choose the road of peace. To miss this opportunity would be a crime. The most important, the most pressing task now is to halt the arms race which has engulfed the world.

Regrettably, the arms buildup continues and acquires ever more dangerous forms. New modifications and types of weapons of mass destruction are being developed, and it is well known on whose initiative this is being done. But every new type is an equation with several unknown quantities in terms of political as well as military-technical or strategic consequences. Rushing from one type of arms to another—on the strength, evidently, of the naive hope of retaining a monopoly on them—only tends to step up the arms race, deepen mutual distrust and hamper disarmament measures.

In this connection I would like to reiterate, most forcefully, something I said earlier. The Soviet Union is effectively looking after its defense capability, but it does not, and will not, seek military superiority over the other side. We do not want to upset the approximate equilibrium of military strength existing at present, say, between East and West in Central Europe, or between the USSR and the USA. But in exchange we insist that no one else should seek to upset it in his favor.

Needless to say, maintaining the existing

equilibrium is not an end in itself. We are in favor of starting a downward turn in the curve of the arms race and gradually scaling down the level of the military confrontation. We want to reduce substantially and then eliminate the menace of nuclear war, the most formidable of dangers for humanity. That is the objective of the well-known proposals of the Soviet Union and other socialist countries.

Today we are proposing a radical step: that agreement be reached on a simultaneous halt in the production of nuclear weapons by all states. All such weapons—whether atomic, hydrogen or neutron bombs or missiles. At the same time, the nuclear powers could undertake to start the gradual reduction of existing stockpiles of such weapons and move toward their complete, total destruction. The energy of the atom for peaceful purposes exclusively—that is the call the Soviet state is making in the year of its sixtieth anniversary to the governments and peoples.

There is another important problem that has a direct bearing on the task of reducing the danger of nuclear war, namely, that of seeing through to the end the work of banning nuclear weapons tests, so that no such tests are conducted underground as well as in the atmosphere, in outer space, and under water. We want to achieve progress in the negotiations on this matter and bring them to a successful conclusion. Therefore, we state that we are prepared to reach agreement on a moratorium covering nuclear explosions for peaceful purposes along with a ban on all nuclear weapons tests for a definite period. We trust that this important step on the part of the USSR is properly appreciated by our partners at the negotiations and that the road will thus be cleared to concluding a treaty long awaited by the peoples.

The Soviet Union is confidently following the road of peace. It is our active and consistent stand that the contest between socialism and capitalism should be decided not on the field of battle, not on the munitions conveyors, but in the sphere of peaceful work. We want the frontiers dividing these two worlds to be crossed not by missiles with nuclear warheads, but by the threads of broad and diversified cooperation for the good of all mankind. By steadfastly pursing this policy, we are carrying out one of the main slogans of the October Revolution and behests of Lenin: Peace to the Peoples!

If it should prove possible to solve the major problem—that of preventing another world war and establishing durable peace—new vistas would open for the inhabitants of the Earth. The preconditions would appear for solving many other vitally important problems that are arising before mankind as a whole in our day.

What are these problems?

One such problem, for example, is that of providing enormous masses of people with food, raw materials and energy sources. It will be borne in mind that, according to available estimates, the population of the Earth will have increased from four billion to six billion by the end of the century. Another problem is that of ending the economic backwardness left by colonialism in the Asian, African, and Latin American countries. This is necessary for the normal future development of the relations between states and in general for the progress of humanity as a whole. Last but not least is the problem of protecting man from the many dangers with which further uncontrolled technological development threatens him, in other words, the preservation of nature for man.

These are very real and serious problems. With every new decade they will become more acute, unless a rational collective solution is found for them through systematic international cooperation.

In our day the world is socially heterogeneous—it is made up of states with different social systems. This is an objective fact. By its inner development and by its approach to international relations the socialist part of the world is setting by its approach to international relations the socialist part of the world is setting a good example of the lines along which the major problems arising before mankind can best be solved. But, needless to say, it cannot solve them for the whole of humanity. What is needed here are purposeful efforts by the people of every country, broad and constructive cooperation by all countries, all peoples. The Soviet Union is wholeheartedly for such cooperation. In this—if one looks deeper—lies the essence of the foreign policy course that we call the course of peaceful coexistence.

WHY WE CAN'T LEAVE KOREA—WITHDRAWAL FROM THE KOREAN PENINSULA HAS FEW, IF ANY, PLUSSES

Mr. HUMPHREY. Mr. President, earlier this year when President Carter announced his intention to begin withdrawing U.S. troops from Korean soil over the next 5-year period, I expressed serious misgivings over the soundness of this policy. Having studied the policy over the past months since it was announced, I am even more convinced that it poses serious problems for us.

This concern was heightened after I read an article which appeared in the October 2 New York Times magazine. The article, entitled "Why We Can't Leave Korea," was written by Donald S. Zagoria, professor of Government at Hunter College.

In my estimation, what the President hopes to avoid in Korea—the potential for another ground war in Asia—will only be enhanced by his withdrawal policy.

I urge my colleagues to study carefully Professor Zagoria's views on this important matter. I think he spells out very effectively the implications of this policy decision.

During August of this year, at my request, the Foreign Assistance Subcommittee sent two staff members to Korea and a number of countries in Asia to study the implications of the President's decision. That report should be available soon, and I must advise my colleagues that the staff trip did nothing to allay my concern.

As my colleagues are well aware, I have tremendous respect for the President and have found myself in agreement with most of his policies. However, I must respectfully express my disagreement with his policy on Korea. I think it raises more questions than it answers and, after all, the foreign policy of the United States should be one in which there should be no uncertainty whatsoever as to what our intentions are.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times Magazine, Oct. 2, 1977]

WHY WE CAN'T LEAVE KOREA

(NOTE.—South Korea is not South Vietnam, and pulling our troops out, as President Carter wants to do, would intensify rather than diminish the risk of becoming involved in another Asian land war.)

(By Donald S. Zagoria)

Albert Wohlstetter once remarked that not the least of the tragedies of Vietnam would be the "lessons" we learned from it. More dryly, historian James C. Thomson made the same point. The only lesson we should learn from Vietnam, he said, is never again to fight a nationalist movement dominated by Communists in a former French colony. Unfortunately, all the indications are that President Carter's sudden and fateful decision to withdraw the United States Second Infantry Division from South Korea stems from a Vietnam trauma that still has the President and many of his younger aides in its grip.

For the past quarter of a century, Korea has been without war. During this period, the 36 million people of South Korean have enjoyed some of the fastest economic growth of any nation in history. South Korea today is one of just a few developing countries with an income distribution more equal than Sweden's; rural poverty has been drastically reduced; and, because of this spectacular economic progress, the continuing hostility of North Korea and the unnerving effect of the South Vietnamese collapse, President Park Chung Hee has won gruding acceptance of his authoritarian rule from a majority of South Korean citizens.

Much of this success story has been made possible by the presentence of one American division in South Korea, positioned squarely between North Korea and Seoul and giving strong credence to the American pledge to defend the South against any new attack from the North. Yet on Jan. 16, 1975, two weeks after leaving the Statehouse in Atlanta and barely a month after declaring his intention to run for President, Jimmy Carter told a group of newspapermen that he favored pulling American troops out of South Korea. And in January 1977, scarcely more than a week after President Carter took office, Vice President Mondale announced during a visit to Japan that American ground troops would be withdrawn from the Korean peninsula.

There had clearly been no time for a review of this crucial decision by the Joint Chiefs of Staff, the American military in Korea, the State Department or the President's own top security advisers. Anyone even noddingly acquainted with the strategic views of Zbigniew Brzezinski, the new head of the National Secrity Council, will find it difficult to believe that Brzezinski could have favored the move. It was very much Carter's own idea.

At top levels of government, the President's appointees were too new in office to offer much criticism. The new Director of Central Intelligence, Adm. Stansfield Turner, did oppose the decision in private, according to reports, and, tempering his views in public, told The Boston Globe: "My position is that we have a balance of deterrence [between North and South Korea] today; when you withdraw forces, that in some measure diminishes it." At intermediate levels, there was little enthusiasm for the plan. At a meeting of Asian scholars and governmental experts that was held at the State Department shortly after the withdrawal announcement, Stanley Karnow, a journalist with long experience in Asia, asked why the decision had been made in such haste. He was answered with the embarrassed refrain than this was the President's policy. Similarly, at a meeting of the Council on Foreign Relations early this year, a Pentagon Asian specialist who had previously favored keeping troops in Korea until there was a stable peace, and who was now supporting their withdrawal, replied, when I asked him why he had changed his mind: "One does

not argue with the President of the United States."

Among the American military, the shock produced by the decision was even greater. Gen. John K. Singlaub, chief of staff of the United States forces in Korea, spoke up against the policy in public. He was promptly transferred to another post. Yet in mid-July, the chairman of the Joint Chiefs of Staff, Gen. George Brown, testified before Congress that the Carter pullout was in "fundamental" conflict with the chiefs' recommendation that only 7,000 of the 33,000 ground troops in South Korea be withdrawn over the next five years.

And in Congress, the decision has by no means won the popular approval Carter had apparently expected. The Senate, by a vote of 79 to 15, refused to endorse the plan. In the House, the Armed Services Committee is considering legislation to block the withdrawal.

The unfavorable reaction within the American Government was rooted in the widespread expert opinion that the North Korean dictator, Kim Il Sung, is still determined to reunify Korea on his own terms. For that same reason, the reaction among American diplomatic and military officials was nothing compared with the dismay in Japan. Korea is separated from Japan by a narrow strait, barely wider than the distance between New York and Philadelphia. The strategic peninsula has been the object of wars among neighboring powers, including Japan, in 1895, 1905, 1945 and 1950. Should South Korea fall to the North, Japan would be as shocked as the United States was when Castro agreed to let the Russians place nuclear missiles in Cuba.

Virtually the entire Japanese defense and foreign-policy establishment opposes Carter's decision. In April, seven legislators of both major parties sponsored a resolution declaring that the pullout would be "an invitation to instability in the Korean peninsula . . . and Northeast Asia as a whole." One high-ranking Japanese defense official told me last June that while American credibility in Asia had been diminished in Vietnam, the Korean pullout plan had finished it off. What especially bothers the Japanese is that Carter made the decision without consulting them—even though, as a Presidential candidate, he had made a big issue of President Nixon's failure to inform the Japanese of the switch on China in 1972.

The biggest shock of all, of course, was to South Korea itself. While Americans enjoy the fruits of détente and are separated by two oceans from any potential enemy, the South Korean capital lies in the shadow of North Korean artillery, 25 miles away. The flying time between the demilitarized zone (DMZ) and Seoul is three minutes. Ever since the 1953 armistice agreement, South Koreans have been living under a state of siege. As of last July 16, North Korea has been charged with no fewer than 40,662 violations of that compact. In 1968, Northern commandos penetrated to within 150 yards of the Presidential Palace in Seoul. In 1974, a North Korean agent killed President Park's wife as she stood beside him.

Moreover, few South Korean families have forgotten the Northerners' brutality during the Korean War. Seoul changed hands four times in the course of the hostilities; whenever the North held the city, it carried out mass roundups and executions; countless families in the South were affected. The millions of refugees who fled the North during the war have bitter memories of their life in that Communist country. They may be ambivalent about President Park—as are many South Korean intellectuals—but they have no mixed feelings about Kim Il Sung.

South Korean consternation over the prospects of American withdrawal was expressed succinctly by Dr. Kim Junyop, director of Korea University's prestigious Asiatic Research Center, a man respected by the Government and the opposition alike. Kim wrote: "First of all, to an outsider, it is not clear at all what the purpose of withdrawal really is. . . . I do not believe that Washington has yet offered a satisfactory explanation of why the troops had better be withdrawn. To save money? To improve security? To support democracy? To promote détente? To appease Pyongyang? To please Korea's critics? What conceivable, rational purpose could be really served by withdrawal is a question I find impossible to answer."

Even our principal adversaries in Russia and China must be uncertain about the plan. Russian officials have privately described Kim Il Sung to me as a "hot potato," and when I warned against the possibility of Kim's sucking them into a new war, they would often reply that the presence of massive American power on the Korean peninsula acted as a deterrent on Kim. The Russians are bound to be ambivalent about a weakening of that deterrent. As for the Chinese, they warned Kim Il Sung against any new adventures when he journeyed to Peking, looking for Chinese support, in the promising era he saw opening up after the fall of South Vietnam. The American presence in South Korea appears to have been viewed in Peking as an indication of American willingness to fight—with consequences costly to North Korea and China alike. An American withdrawal would deprive the Chinese of this argument and would weaken their leverage on their troublesome ally.

What, then, is the reasoning behind President Carter's surprising decision? One can only guess. A debate within the Administration would have given some insight into the President's thinking, but the casual manner in which the decision was sprung makes it more difficult to fathom.

The case for the Administration was stated authoritatively last June 10 in testimony before the House International Relations Committee by Under Secretary of State Philip Habib. In the first place, he said, there was no need to prolong the stationing of American ground forces in South Korea because the country, with its impressive economic growth, was increasingly capable of defending itself. Moreover, American naval, air and key support units would remain in the general area or in position to strike swiftly, if need be, and that would provide sufficient deterrent against any miscalculation on North Korea's part. In addition, the Administration would ask Congress to offset the pullout of the Second Division by authorizing compensatory sales of $1.8 billion in military equipment to Seoul. Finally, Habib argued, the general international situation favored a withdrawal at the present juncture, inasmuch as it would not be in Russia's or China's interests to encourage or support actions by Pyongyang that would increase the risk of war.

So much for why, in the Administration's official view, it would be safe to put an end to the American troop presence that has spanned a quarter of a century. But what of the positive case for withdrawal? Why does the Administration consider it to be to our advantage to terminate the arrangement at this time? Habib was asked that question by a committee member, Lee Hamilton of Indiana, and his answer, in full, was: "I don't think it is necessarily desirable to keep people in place when they don't necessarily serve the purpose that you have them there for. I think also that you are better able to maintain your commitments not only in Korea but elsewhere in Asia if you can demonstrate that what you are doing is, what you might say, necessary to maintain commitments not additional to or just because it has been done before. I think our credibility with the Congress and with the public, and the credibility of our deterrent, will be increased if we maintain it at the level necessary and adequate."

There may be another and more fundamental reason—the President's intense desire to avoid being drawn into yet another land war in Asia. Neither Carter nor the State Department has publicly advanced this explanation—it would hardly serve American interests in that part of the world to do so—but a variety of evidence points that way.

Carter appears to have been influenced to considerable degree by an argument for withdrawal presented to him at a January 1975 meeting at the Brookings Institution by Barry M. Blechman, a Brookings researcher. Blechman characterized the American ground forces in Korea as a dangerous tripwire likely, if sprung, to get the United States automatically into war; he told Carter that "we should take out the nukes right off and phase out the ground troops over four or five years." Carter, as President, told his energy chief, James Schlesinger, one evening that President Truman, President Johnson and President Nixon were all prevented from concentrating on more urgent problems because of Asian land wars, first in Korea and then in Vietnam, and that he was determined not to repeat their mistake. If North Korea did attack South Korea, he said, he would certainly respond with American air and naval forces, and he could not understand why there should be any doubt about his intention to do so. Still more recently, press leaks of certain secret documents suggest that one reason for the withdrawal is to give the Administration greater flexibility in deciding whether to intervene against a Communist invasion should one occur.

The problem is that avoiding a new land war in Korea and deterring the North Koreans from starting such a war are opposite sides of the same coin: By striving to insure the first, Carter weakens the second. American air and naval forces cannot provide the same deterrent as ground troops. As one American official in Korea put it, "Warplanes are like geese. They can honk and fly away." If we rely on air power alone, it will raise questions about our true intentions in case of a new Korean conflict. Such ambiguity could well increase the risk of war by tempting Kim Il Sung into some new venture.

Kim Il Sung runs one of the most repressive, militarized and capricious political systems in the world. He is aging. His words and actions, and the stupefying cult of personality in which he basks, contain a strong hint of paranoia. He may well be emboldened to try to take over the South once and for all before he dies.

One factor pressuring him to act soon, if he is to act at all, is economic. By 1981, if present economic trends continue, South Korea's gross national product will be six times that of the North. The Northern economy is in grave difficulties because of balance-of-payment problems that have forced the North to default on its international obligations. If these difficulties persist, the strain of maintaining the North's commanding lead over the South in arms production may prove too great—to say nothing of the political consequences of a visible and ever-widening gap in economic growth. It is generally believed that when the North called off a dialogue with the South begun in 1972, it was partly because too many Northerners were going south and witnessing for themselves the impressive results of South Korea's economic development. According to one anecdote, a Northern visitor said to his Southern host in 1972 that the South must have had a hard time importing all the cars in Asia into Seoul in order to impress the Northerners. Not so, was the response. What was difficult was bringing in all the tall buildings.

As the North falls farther and farther behind economically, the temptation for Pyongyang to achieve a "final resolution" of the Korean problem will grow. And, in fact, there is much hard evidence that Kim Il Sung is actively preparing for the war option. Since the middle of the 1960's, Pyongyang has been spending huge sums on developing a modern war industry. Since 1970 alone, Pyongyang has tripled its tank strength and enlarged its air force by one-third. As of 1972, North Korea ranked second in the world in the number of men under arms in proportion to the total population. In recent years, the North has constructed a massive network of underground tunnels and bases in order to harden its defenses against air attack, and it has dug invasion tunnels under the DMZ.

Since 1973, the North Koreans have redoubled their efforts to achieve an independent capacity to manufacture key weapons systems, such as tanks and heavy artillery, so as to make them less dependent on Russia or China in the event of war. Even before this extraordinary effort, the North had a clear advantage over the South in tanks, artillery, aircraft and naval vessels; now it is manufacturing its own tanks, rockets, cannon, armored cars, submarines and high-speed gunboats.

Kim Il Sung recently told an American professor of Korean origin that the international situation is developing in North Korea's favor, that South Korea was becoming increasingly isolated, that "revolutionary forces" in the South were growing, that the South was in the process of disintegration, and that serious "contradictions" between the United States and South Korea were inevitable. The statement would be less disquieting if it reflected nothing more than ignorance or misjudgment, but it seems to be a product of Kim Il Sung's extraordinary optimism that, one day, all Korea will be his.

Down the years, Kim Il Sung has adamantly opposed all American, Japanese and South Korean efforts to stabilize the situation on the Korean peninsula. He opposes the American and South Korean notion of having both Koreas join the United Nations; he opposes Kissinger's idea of a four-power conference to draw up a permanent peace agreement; he warns his allies Russia and China not to recognize South Korea, even though the United States and Japan are prepared to recognize North Korea in exchange; and he contends that North Korea is the "sole sovereign state" in the Korean peninsula, a position so outrageous that not even the Russians have bothered to endorse it. Could there be any clearer indication of Kim Il Sung's ultimate goal?

Once American ground forces are gone, a blitzkrieg attack by North Korean armor and infantry against Seoul could well be successful, even against American air opposition. In 1950, the North captured Seoul in three days; if the South Korean capital fell again, the United States would be faced by agonizing decisions. Would we bomb Seoul and risk destroying it completely? Would we bomb other targets in North Korea and invite almost certain Soviet and Chinese intervention? Or would we advise the South Koreans to press for the best cease-fire terms they can get? The latter course would, in all likelihood, be urged by many prominent Americans, even though it would surely lead to the subjugation of the South by the North. Obviously, the least dangerous and painful course for us is to continue to deter the North from starting a war.

Apart from the risk of hostilities, there are other serious hazards involved in removing American combat forces from Korea:

(1) By such a move, we would tell the people of Asia that while we are prepared to shed American blood for Europeans, we are not prepared to do the same for Asians. Apart from the racist overtones of such a signal, it would contribute to Asian suspicions that the United States has no long-term interests in the Pacific and is not a reliable partner for any Asian nation.

(2) Japanese doubts about American readiness to honor the mutual-security pact binding the two nations would intensify. The Japanese reaction would almost certainly be a nationalistic lurch to the right or the left, followed by rapid rearmament or an accommodation with the Soviet Union.

(3) China would have increasing reservations about the dependability of the United States as a Pacific power willing and able to help counterbalance growing Soviet strength in that region. This could undermine Chinese interest in normalizing relations with the United States, and it could increase the chances of a Sino-Soviet accommodation.

(4) South Korea and North Korea would be locked in a new arms race over which we would have less and less control. The South has already allocated a whopping 30 percent of its next year's budget for arms. Eventually, the South would seek to develop a nuclear-weapons capability. That, in turn, would almost certainly trigger similar efforts on the part of North Korea, Taiwan and Japan.

(5) The Soviet Union, sensing the decline of American power in the region, would become more active, both politically and militarily.

There is another aspect to consider. By withdrawing our pro quo, the Administration removes an excellent bargaining chip which could have been used to coax the North Korean leadership into accommodation with the South. We will never know what Kim Il Sung might have paid for this withdrawal because we never bothered to ask. There is, after all, the possibility that Kim, beset as he is by chronic economic difficulties, might be forced into an accommodation with Seoul if our policy gave him no other alternative—particularly if he got American and Japanese trade and credits in return. Many South Koreans and other Asians simply cannot understand why, if we are really concerned about South Korean security, we would throw away the biggest bargaining advantage we have for bringing about a political settlement. Is it any wonder that many of these Asians conclude that we are just looking for a way out of our moral and contractual commitment?

The advantage of a pullout that appears to weigh so heavily with the President—that it will deacrease the risk of "another Vietnam"—can thus be seen, on closer examination, to be illusory: Its more likely effect will be to increase the risk of involvement in a new Asian land war. What other positive advantages to us may withdrawal be said to offer, the hapless Philip Habib's rambling answer aside?

Would it save us money? The Pentagon estimates that South Korea would need as much as $8 billion in additional equipment to offset the withdrawal, and that about $2 billion of this would have to come from the pockets of American taxpayers.

Would it improve the "human rights" situation in South Korea? Park rewrote the Constitution and gave himself emergency powers in the early 1970's after President Nixon removed the Seventh Division from Korea; Park's argument was that greater internal control was necessitated by the resultant increase in the danger of war with the North. Removal of the Second Division would enable Park to rationalize even more extreme measures against his domestic opponents. Representative Donald Fraser of Minnesota, a leading American critic of Park's authoritarian rule, favors a continued American troop presence in South Korea in order to maintain American leverage on Park. For similar reasons, virtually the entire South Korean opposition, including the most vocal of the dissidents, want the Americans troops to stay.

Would our withdrawal make South Korea more self-reliant? The basic psychological and geopolitical realities of the Korean peninsula make self-reliance difficult for any South Korean government allied to the United States. Both Russia and China have a common border with North Korea that would make it easy for them to supply Pyongyang with troops, supplies and advanced weapons in the event of war, and neither great power could afford to let their Korean ally be totally defeated. The United States, on the other hand, is thousands of miles away; many prominent Americans argue that South Korea is of little strategic importance, and the American press projects an image of South Korea that can hardly give the American people a strong attachment to that country's defense. Any South Korean who felt "self-reliant" in these circumstances would have to be an extraordinary optimist. As a matter of fact, the efforts that, we now know, were made in certain South Korean quarters to bribe members of the United States Congress, so as to be sure of continued American support, are rooted in this sense of insecurity. If the South Koreans involved had been out for personal profits, they would have concentrated on American businessmen, not on American Congressmen.

What of the "quagmire" argument? This is the notion that we should not commit ourselves to the defense of an unpopular authoritarian regime in South Korea because, if it came to war, we would become hopelessly bogged down, as we were in Vietnam. Related to this is the argument that the South Korean Government is just as bad as the North's, and that we should have little to do with either.

These arguments lose sight of certain basic realities. To start with, South Korea is not South Vietnam. Park's rural-oriented development strategy and the land-reform program of many years ago have made the South Korean countryside prosperous, conservative and impossibly poor soil for rural insurgency. In the 1971 election, the last time a genuinely free vote was held in South Korea, Park carried the countryside by considerable margins, even though the opposition candidate, Kim Dae Jung, got 45 percent of the overall vote; Park's most vociferous opponents concede that the countryside is still solidly in his camp. In contrast to the situation that obtained in South Vietnam, the South Korean opposition, located largely in the urban areas, is militantly anti-Communist and would unite with Park and the army to fight a Northern invasion.

And the Seoul regime is not comparable to the Communist state in the North. On that score, the South Korean scholar Kim Jun-yop had this to say: "To be sure, I, for one, am far from being enthusiastic about much of what happens [in South Korea]. But it is one things to be critical of aspects of a society and altogether another matter to denounce and condemn a country completely. I happened to have seen North Korea a few years back. The difference between Seoul and Pyongyang is profound, consistent and structural. Anyone who is sensitive at all in matters of relative moral values would have little doubt about the work of preserving South Korea as against North Korea." That a scholar such as Kim can function in South Korea is, in itself, evidence of the difference he speaks of. No one in North Korea has ever written to the North Korean press to say he was "not enthusiastic" about "much of what happens" in Kim Il Sung's domain.

South Korea is a relatively open society. More foreign travelers come through Seoul's Kimpo Airport in a day than have visited Pyongyang in the past five years, and, in the

South, foreigners can go anywhere they please. In Pyongyang, foreign visitors are kept isolated in the International Hotel, unable to walk the streets without official escort. A recent visitor to Pyongyang, the American scholar of Korean origin mentioned earlier, asked if he could visit the home where his wife was born; after long negotiations, permission was granted. But when he arrived at the site with his official guides, he found the street closed off for two blocks in both directions so as to prevent contact with ordinary citizens. No country in the world, except Cambodia and Albania, is more closed off than North Korea.

There is a basic distinction to be drawn between totalitarian regimes, such as the one in North Korea, and military regimes, such as the one in the South. In totalitarian countries, control reaches into every sphere of life. In military dictatorships, the rulers monopolize only political power, giving freer play to economic, cultural, intellectual and private activities. In South Korea, the press, the courts, the universities, the church and the business community continue to maintain a degree of autonomy from the Government that would be unthinkable in the North. There is also, in the South, an active political opposition, with its quota of dissidents, that manages to gain access to the American press. These are not the features of a totalitarian society.

In sum, it is difficult to see any advantage to President Carter's plan for withdrawing all American combat troops from South Korea. The risks, on the other hand, are great. Perhaps those risks are becoming more apparent in the White House: The Administration has recently postponed the removal of two of the Second Division's three brigades until 1982. It would have been better if all three brigades remained. But since the President cannot be expected to abandon his pet project altogether, it would be wise, at this point, to take another step. The President ought to change his plan for *unconditional* withdrawal to a policy of *conditional* withdrawal. Some American combat troops should stay behind, without a cut-off date, until relations between North and South are normalized and the shaky armistice is replaced by a peace treaty. What we want in Korea is a "German" solution—stable coexistence of two governments in a divided nation. We can obtain such a solution only by standing firm.

The same need for firmness applies to East Asia as a whole. We must overcome our historical tendency to oscillate between involvement and disengagement to the distress of our Asian friends and allies, who rely on us to act like a great power. We have interests in the Pacific that are every bit as important as those in the Atlantic; if we do not carry out our responsibilities in the region, we can be certain that our adversaries will fill the vacuum created by our neglect.

On the subject of foreign dictatorships, we must come to understand that the best we can hope for in many authoritarian countries, such as South Korea, is not a change to instant democracy but *movement* toward a more liberal and open society. We should use whatever influence we have to accelerate such movement, provided we do it discreetly; frontal challenges to the systems we try to reform are bound to do more harm than good. We must also learn that dictatorships come in different varieties. To act as if we were indifferent to, or ignorant of, the substantial differences between North and South Korea, or between South Korea today and South Vietnam under President Thieu, will not win us high marks for moral sensitivity or political sagacity.

Finally, it is important for us to stop short of hypocrisy in our concern for human rights abroad. We went to the defense of South Korea in 1950 not to preserve Korean democracy but to protect our own interests against what we rightly perceived to be an expansionist power, and we continue to have a strategic stake in South Korea today, much as we have in many authoritarian countries. In recognizing this situation, we should also recognize that much of the repression in South Korea results from a state-of-siege mentality. We need only recall our own violations of the human rights of American citizens of Japanese ancestry during World War II to realize that overreaction to danger is a common national response.

The wish to disengage from Korea that underlies the President's decision owes its precipitate quality, it seems to me, to an overly idealistic view of the American role in the world. Until Vietnam, many American liberals believed it was our moral duty to conduct an anti-Communist crusade. Since Vietnam, many of the same people have come around to the view that almost any use of American power, except for self defense, is morally wrong. The common denominator is a tendency to regard foreign policy as the expression of general moral principles and to avoid facing the relationship between those principles and fundamental questions of security.

Vietnam was a great national tragedy for us, and an incomparably greater tragedy for the Vietnamese people. But we will lay the groundwork for even greater tragedies if we do not take the time to view the Korean situation on its own terms, rather than through the residue of guilt and fear left over from Vietnam.

THE SENATE'S ACCOMPLISHMENTS ON ENERGY LEGISLATION

Mr. BAYH. Mr. President, the Senate has now completed its preliminary action on the last of a long series of energy bills we have considered this year, and the President's energy package is in the hands of the House-Senate conferees. Concerted action on the energy front is long past due. One of the most striking failures of Government in the 1970's has been the inability of both the executive and legislative branches to formulate a comprehensive, coordinated national energy policy.

We have had more than enough warning signals over the past few years to spur us to action. We have been through the Arab oil embargo and suffered the economic consequences of skyrocketing oil price increases by the OPEC nations. We have also witnessed successive winters of natural gas curtailments, the most severe last winter, which threw millions of people out of work and closed down factories, schools, hospitals, and other essential community institutions.

The actions the President and Congress are now taking are long in coming. Part of this delay was due to strong differences between past administrations and the Congress. But action was also slowed by the need to reach at least tentative agreement on the goals of a national energy program. I think we have now reached some consensus on these questions. We must reduce U.S. dependence on foreign imports, which drain our financial resources and render us vulnerable to threats by a handful of nations whose interests sometimes diverge from our own. We must slow down our ever-increasing rates of energy consumption, use declining oil and gas reserves only for essential purposes, and convert as speedily as possible to abundant, domestic, and renewable energy sources. Finally, we must strive to accomplish these objectives without disturbing our fragile economic recovery, hurting future economic vitality, or unfairly putting the burden of an energy plan on one or two sectors of our society.

Mr. President, this year the Congress and the President have given these issues top priority. In the Senate, we have worked long and hard to start the necessary, if sometimes painful, steps to make America a less wasteful and more energy self-sufficient society. Our job is not yet done, and many of the measures we have passed will not produce immediate results. However, I do believe that we have laid a good foundation for the future and much of what we have done will have significant payoffs over the next decades.

As the conferees continue their meetings on some of the measures we have passed, I would like to share some thoughts with my colleagues about decisions we have made to date, and those still before us.

NATIONAL ENERGY PLAN

Mr. President, I am pleased with the Senate's action on the regulatory aspects of the President's energy plan. I think we have responded to his recommendations responsibly, laying the groundwork for conversion to alternative fuels and a declining rate of energy consumption. However, I have great concern about the Senate's mood on energy pricing questions and the administration's all-out effort to slap heavy taxes on our citizens and business community with little hope of any payoff. I submit to my colleagues that creating artificially high prices for energy is not an answer to our long-term energy problems, but will have disastrous effects on our economy and will turn control of energy prices over to a handful of OPEC government officials.

COAL CONVERSION AND CONSERVATION BILLS

S. 977, the Coal Conversion Act, is a key component of the national energy plan because greater utilization of coal is essential if this Nation is to approach energy self-sufficiency. Right now, coal is America's major alternative to oil and gas. It will play a crucial role in the transition from dependence on foreign petroleum products to reliance on adequate supplies of domestic energy.

Currently, about one-fourth of all oil consumed in the United States is burned by utilities and industrial facilities, and 60 percent of all natural gas is consumed in a similar fashion. Oil and gas are essential for only a limited fraction of these uses, and conversion of such facilities to coal—our most abundant domestic energy resource—could significantly reduce the Nation's oil and gas consumption.

The coal conversion bill which passed the Senate sets the foundations for this shift by requiring new utilities and industrial facilities, as well as existing plants which are capable of burning coal, to switch to this alternative fuel. Exemptions are provided when necessary for environmental, economic, or logistical reasons. The oil and gas savings pre-

dicted as a result of this program equal the equivalent of 500,000 barrels of oil per day.

To ease the transition, the Senate has provided for loans and loan guarantees to cover the costs of conversion. In addition, an amendment which I cosponsored passed the Senate to assist railroads in dire financial straits. It would make up to $100 million available to strapped railroads serving coal transport needs, for rehabilitation of branch and spur rail lines, if the railroads cannot obtain private financing. Adequate rail transit is a crucial ingredient for coal conversion in nonproducing areas, like the Northeast, which are heavily dependent on imported petroleum and lacking local coal resources.

S. 2057, the Energy Conservation Act, puts the Senate's stamp of approval on the need to end wasteful uses of energy. The United States is the world's most profligate user of energy, with a per capita consumption rate that far exceeds that of other industrial nations, including those with standards of living equally as comfortable as our own. It is essential that we change our habits, both through voluntary conservation efforts and by adopting measures that will make our homes, buildings, machines, and automobiles as energy efficient as possible.

The Senate conservation bill addresses all of these concerns by requiring utilities to assist their customers in home insulation efforts; by establishing efficiency standards for new industrial equipment, automobiles, and home appliances; and by requiring the Federal Government itself to set an example for the Nation by practicing that it preaches in the Federal Establishment. Measures such as these should permit continued economic growth at the same time we are reducing our historic rates of increasing energy consumption.

ADMINISTRATION TAX PROPOSALS

President Carter has called for several heavy taxes in order to conserve energy. These include a tax on domestic oil at the wellhead, a gas-guzzler tax to encourage purchase of fuel-efficient automobiles, and a heavy tax on industrial users of oil and gas, to encourage conversion or conservation efforts on the part of those who cannot convert. By the early 1980's, these taxes would be draining an estimated $65 billion annually from the economy without, I fear, any significant impact on U.S. energy consumption.

The President has called the wellhead tax the centerpiece of his energy package, and has made no secret of his hope to secure such a tax from the energy conferees, despite the lack of votes for it in the Senate. The administration's rationale for the wellhead tax, which would equal the gap between domestic and world oil prices, is the need to force Americans into dramatic conservation efforts by raising domestic energy prices to OPEC levels.

Mr. President, I submit that this is a case of the tail wagging the dog. There is nothing in the history of the past few years to indicate that further increases in energy prices will significantly reduce our use of energy, but everything to indicate that it will, if passed, only aggravate our economic difficulties.

Oil prices have tripled since the onset of the OPEC cartel, and gas prices have increased 900 percent since 1968. Most of the energy savings likely to result from price increases have already taken place, or will take place on their own accord, as a result of price hikes dictated by the expense of developing harder-to-reach oil and gas and new energy sources.

Slapping a $30 million tax on top of these costs would likely have a minimal impact on energy usage, but would have a pervasive effect on the economy, increasing prices for a myriad of products which inescapably use oil and gas in the manufacturing process, and taking money from consumers who have no choice but to drive their cars to work or heat their homes with oil and gas.

The Library of Congress has estimated that the President's proposed wellhead tax could cost up to $25 billion per year by 1981, and $30 billion by 1985. Further, this tax is classically regressive and insensitive to very real differences in individual, regional, and industrial needs. It will fall hardest on lower and fixed-income groups, rural communities, and others who have seen their incomes decline steadily over the years as the price they pay for heating and lighting their homes and purchasing petroleum based products soar.

This simultaneous increase in prices and decrease in consumer purchasing power will to a great degree reproduce the situation we encountered in 1973, when OPEC arbitrarily raised oil prices on us, and lay the seeds for another round of ruinous stagflation. And for what purpose, Mr. President? The Congressional Budget Office has testified that the wellhead tax will reduce our oil imports, at most, by 200,000 barels of oil per day—or 3 to 4 percent of the President's goal of 6 million barrels per day. Mr. President, reluctant as I am to disagree so strongly with my President. I must say that the wellhead tax is a wrong-headed notion, and I urge my colleagues to reject it should the energy conferees send it back to us, as many of us would have done if we had voted on it in the Senate.

My opposition to this tax is strengthened by the fact that it is likely a prelude to full-fledged oil price decontrol, and will be sold to the Senate, not on its merits, but by linking it to projects dear to the hearts of many Senators.

This strategy was made quite clear during our consideration of the tax bill. At that time, the Senate defeated attempts, which I supported, to delete a section of the bill that virtually gives the Finance Committee a blank check to rewrite our tax bill in conference, by noting that any taxes raised by the bill must be deposited in an "energy trust fund," the bulk of which will be handed over to the major oil and gas producers. Mr. President, this trust fund is a rehash of the Rockefeller proposal which died in this body when the last administration proposed it, because everyone recognized it as a giant subsidy to marginal projects which could not succeed on their own merit. I hope the conferees will not accept it merely as a means of securing passage of the President's wellhead tax.

To his credit, the President proposed rebating the wellhead tax to the public, to my mind a cumbersome, but at least equitable, use of the proceeds. A large number of House Members have likewise publicly committed themselves to rejecting a wellhead tax if it is not rebated to the public.

However, Senators on the Finance Committee have said they will not accept a wellhead tax unless it is accompanied by further tax subsidies and handouts for producers. Frankly, I hope the resolution of this conflict is the death of the wellhead tax; but, should it pass, I urgently hope it will not be levied as a back door means for funneling even more of the public's hard earned money to the major oil companies.

The Senate has proposed two reasonable alternatives to President Carter's other major tax proposals—a revised industrial users tax and minimum mileage standards for individual automobiles. The Senate version of the industrial users tax, which I cosponsored as a reasonable means of reducing our oil imports in the short run, would penalize only coal capable facilities continuing to burn oil or gas instead of coal, and new facilities which ignore the need to switch to alternative fuels and choose to continue to use oil or gas for nonessential purposes. The Senate version of the tax exempts essential uses such as certain manufacturing processes, or agricultural operations, from the tax, as well as facilities making a good faith effort to comply. I urge the Senate conferees to fight hard to retain this version of the tax, which will cost less than one-tenth of the President's proposal, save 80 percent of the oil and gas projected to flow from the administration's tax, 1.2 million barrels of oil per day, but have a negligible impact on prices.

Finally, Mr. President, I am hopeful that the conferees will not accede to the President's wishes on the gas guzzler tax. I agree totally with the President that American automobiles consume far too much petroleum, over 50 percent of total use, and are responsible for a huge percentage of our imports. But, rather than giving people a chance to buy their way out of what should be a national effort by paying a gas guzzler tax, I much prefer to just ban gas guzzling cars outright. The Congress accepted this approach when it mandated maximum fleetwide averages several years ago, and our move to establish minimum mileage standards for individual cars this year is consistent with our prior action. Substituting standards for taxes, Mr. President, is consistent with the President's energy conservation goals, but more equitable, because it would prevent our more affluent citizens from continuing to buy true gas guzzlers, while less fortunate American families would be confined to cars inadequate for their family needs due to restrictively high prices.

OIL AND GAS PRICE CONTROLS

Finally, Mr. President, I would like to address myself to the conferees' treatment of oil and gas pricing policy. As we are all aware, the Senate voted to

deregulate natural gas prices, against the President's wishes, and started down the road toward oil price decontrol, until it became clear that a string of amendments to raise oil prices would result in a lengthy debate on these issues—better known as a filibuster—on the order of what some of us tried in order to defeat gas deregulation when this issue was before the Senate.

Anyone who has followed the progression of energy price increases over the past few years must realize that the major oil and gas companies of this country will not be content until they are getting OPEC prices for their products. If those supporting natural gas and oil deregulation are successful, it is clear to this Senator that we will not get more energy, but will merely jeopardize our economic recovery, force consumers to fork over excess profits to the energy producers, and turn control over domestic energy prices to the OPEC cartel.

Mr. President, there is no question that we have an obligation to lessen our dependence on unpredictable sources of imported energy. However, the cold, hard fact is that we are probably going to continue to be dependent on imported oil for at least the next decade or so. Handing over more and more dollars to the major oil companies, who already are enjoying massive profits and extensive tax loopholes, is not going to solve our problem.

The proponents of deregulation are perpetuating a myth by arguing that higher prices are necessary to provide this country with adequate energy supplies. The fact is that domestic natural gas prices have tripled over the past 2 years, and increased more than 900 percent since 1968. Oil prices have also tripled since the formation of the OPEC cartel in 1973, and coal, uranium, and other alternative fuel prices have kept constant pace with OPEC levels. Profits of the top 40 companies rose 92 percent from 1971 to 1976, and increased 19 percent between 1975 and 1976.

In response to ever higher prices and profits, exploration and development investments and drilling activity by the majors have skyrocketed. Capital investments have risen from $6.2 million in 1972 to a budgeted figure of $14.5 million in 1977. Rotary rigs in operation have risen from an average of 1,107 in 1972 to 1,657 in 1976 and figures from this past summer show 2,066 rigs in operation, virtually all of those available. In fact, the major obstacle to increased drilling right now is lack of drilling rigs, not lack of financial incentives.

Mr. President, I will vote against any conference report that comes back to the Senate that removes current Government controls over domestic energy prices. The Senator from Indiana has always favored a free market to Government regulation, but if it was not clear before, it must be clear now, that American energy producers will not be content to stop raising prices until they get what the OPEC nations are getting. The price of unregulated stripper well oil has risen to world levels. The price of deregulated gas in the intrastate market has risen to the Btu equivalent of OPEC energy prices. The same trend is evident for coal and uranium.

We do not have a free market in energy, Mr. President, but one which is governed by the OPEC nations. The chairman of the Energy Committee, Senator JACKSON, has indicated that his committee will be reviewing the issue of appropriate prices for truly high cost energy in the near future. The Senate always has the prerogative of lifting controls, of increasing regulated prices, for energy resources which cannot be profitably developed under the current pricing system, but which could significantly reduce our dependence on foreign oil. I believe this is the proper way to proceed. I also strongly believe that once we reduce our use of gas for nonessential purposes, and establish the same gas pricing system for the interstate and intrastate markets, as the President's proposal would do, we will not continue to have surplus gas in the producing States when factories and schools in the consuming States are forced to shut down due to curtailments.

ORGANIZATIONAL CHANGES

Mr. President, before concluding my remarks, I wanted to address a few other energy matters that have, perhaps, not received sufficient attention.

While most of the public's attention has been focused on congressional consideration of the President's energy plan, it is important to recognize that we have taken two major organizational steps this year which are an essential complement to the national energy plan.

First, we have established a Cabinet-level Department of Energy to bring under one roof the many agencies and functions that have, in the past, been scattered throughout the Federal Government. A long succession of so-called energy czars in previous administrations have been unable to coordinate the far-flung energy bureaucracy that has developed in Washington over the past decades. This long overdue reorganization should facilitate coherent policy-making at the Federal level and remove bureaucratic obstacles to implementing a consistent national energy policy.

In creating the Department of Energy I was extremely pleased that the Senate took action to assure the Government better information on the continuing monopoly of the energy industry by a handful of mammoth, vertically integrated, multinational corporations and to make sure that specific groups especially hard hit by our energy problems are represented within the Department.

One clear responsibility of the new DOE will be to collect information denied the Government in the past, in order to develop a financial profile of the oil and gas industry, and examine the anticompetitive effects of both vertical and horizontal integration in the energy field.

It has been clear for some time now that the stranglehold the major oil companies have over every aspect of the petroleum industry—from drilling to refining to transportation to retail sales—has resulted in lack of competition at the expense of the American consumer, and behavior on the part of the majors that is not in the national interest.

We have seen our major oil and gas companies cooperate with the OPEC cartel to raise profits and restrict supplies in order to assure themselves huge profits, a guaranteed world market and a continued supply of oil; we have seen them sink their profits back into overseas drilling and hold down domestic exploration and production because it is the profitable thing for them to do; we have seen them participate in an international uranium cartel that has driven the price of uranium sky high; we have seen coal production drop when major oil companies have acquired coal reserves; and we have seen major oil companies refuse independent refiners access to their pipelines, or charge independent service stations unfair prices, to squeeze them out of business and eliminate price competition at the gas pump.

These very same companies are now spreading their control to future sources of energy—coal, uranium, and even solar and other developing technologies—to the point that they soon will control all of the resources America needs to keep its homes heated and engines running. Faced with this prospect, it seems to me that we will be left with but two alternatives—either increasing regulation to prohibit these abuses—with its inevitable redtape and inefficiencies—or divestiture of these giants into their component parts, in order to tame their abuses by the vigorous test of competition in the free marketplace.

I have always favored restraints on business springing from competition to the heavy hand of Government regulations. While the efforts of myself, and other Senators, to establish an Assistant Secretary for Competition and Consumer Affairs in the Department were not successful, I was gratified to see the Senate assign responsibilities in this area to an Assistant Secretary and mandate the Department to assemble and analyze a financial profile of the industry. I urge the Department to take its responsibilities in the antitrust area seriously, and I hope the Department will support pending bills on horizontal and vertical divestiture that I have sponsored with others of my colleagues on the Senate Antitrust Subcommittee.

Another Senate improvement to the Department of Energy bill was its addition of language instructing the Department to pay special attention to the needs and views of the agricultural sector, small business community and minority groups in its deliberations. I supported efforts by Senators LEAHY and MCINTYRE to establish representation within the Department for the first two of these groups, and was very gratified that the Senate and energy conference committee supported my amendment for the establishment of an Office of Minority Economic Research and Development within the DOE. These provisions should assure that these groups can participate fully in the national effort to deal with energy problems.

In addition to this revamping of energy functions in the executive branch, we have set our own house in order here in the Senate by setting up an Energy Committee, with jurisdiction over all aspects of the energy question. This will provide the Senate with one forum for dealing with the variety of concerns we must confront in the legislative process.

ORDERLY DEVELOPMENT OF NEW DOMESTIC ENERGY RESOURCES

The Senate has also taken several significant steps this year to permit orderly development of our most promising sources of future domestic energy.

STRIP MINING

After almost a decade of debate, we have passed a strip mining bill, ending the uncertainty the mining industry has lived with for years, and assuring that increased coal production will not result in the ravaging of our land, or a scarcity of food, water, and recreational areas in the 21st century.

The environmental protections incorporated into this legislation are urgent, as we turn toward coal to help meet our energy needs. In 1976, over 60 percent of the coal produced in the United States came from surface mines, disturbing some 1,000 acres of land each week. As demand for coal grows, the acreage disturbed will increase further. This certainly makes the need for balanced, uniform national standards and special protections for unreclaimable lands more important than ever. Once damaged, our nonrenewable natural resources—farmlands, water, parks, and wilderness areas—cannot be restored.

OUTER CONTINENTAL SHELF

The Senate has similarly ended years of deadlock between the executive and legislative branches over an economical and environmentally sound policy for developing our offshore oil and gas reserves. The U.S. Geological Survey has estimated that reserves of 10 to 49 billion barrels of crude oil and natural gas liquids and 42 to 81 trillion cubic feet of natural gas exist on Federal lands off our coasts. Thus far, most offshore activity has been in the gulf coast, with additional limited drilling activity around the California coast. We are now on the verge of developing vast new tracts in the Gulf of Alaska and off the Atlantic shore.

The Senate's bill should permit expeditious development of these new offshore areas in an economically and environmentally sound manner, in cooperation with coastal States and communities. The legislation also includes provisions for innovative bidding and leasing policies to encourage drilling by independents, as well as the major oil companies, and authority to enable the Government to gather independent information on actual OCS reserves. These aspects of the bill should promote increased competition between energy producers in developing our offshore reserves, and permit the Government to monitor the industry's progress on timely development of these reserves, as well as better assess the return the Government should be getting from the leasing of the public's resources.

RESEARCH AND DEVELOPMENT

The Department of Energy's research and development budget also strikes off in new directions. Sizable authorizations for conservation research, development of solar energy, funds for coal liquefaction and gasification research and loan guarantees for synthetic and renewable energy resources have all been approved. While these efforts are unlikely to have a dramatic impact overnight, they may well lead to developments that will be essential within the next few decades.

ALASKAN ENERGY

Finally, the Senate has moved to tap the vast energy reserves of the State of Alaska, most of which lie under federally owned lands. As my colleagues know, I have long been interested in delivering Alaskan oil and gas to the lower 48 States in an economical, equitable, efficient, and environmentally sound manner. The Alaskan oil pipeline, first approved by the Congress in 1973, has now started operations, and the first barrels of Alaskan oil have reached our shores. Unfortunately, as some of us predicted back in 1973, the choice of an Alaskan route for the oil pipeline has resulted in a temporary surplus of oil on the west coast, with transportation to the interior energy-starved parts of our Nation possible only through the Panama Canal, a cumbersome, wasteful, and expensive process.

Early this month, the Senate took the first corrective steps to ameliorate this situation, by passing legislation that I sponsored with Senator MELCHER. Our legislation will expedite several initiatives underway in the private sector to make efficient transportation of Alaskan oil to Midwest and northern tier refineries possible. The legislation is aimed at cutting bureaucratic redtape and facilitating the Federal review and permit process which must be performed before these projects can proceed. I urge the conference committee to retain this language in the final energy bill it sends back to the Senate.

My own State of Indiana is in the enviable position of benefiting from several of the pipeline proposals which have been advanced, and I am anxious to let these companies get on with the job. Timely action by appropriate Federal agencies will permit construction of these pipelines at the earliest possible date.

Mr. President, the proven reserves in Alaska's North Slope have been estimated at 10 billion barrels of oil. In all likelihood, there is probably closer to 30 billion barrels there. At a rate of 1 million barrels per day, one-sixth of the President's goal for import reductions by 1985, that oil will last us for at least 90 years. We must act immediately to get this oil to sections of the country in desperate need of it and to reduce our dependence on unstable sources of foreign oil.

In addition to taking steps toward efficient transportation of Alaskan oil, the Congress has just recently approved the construction of a gas pipeline to bring Alaska's natural gas reserves south. These reserves can also make a significant contribution to preventing energy curtailments in the future until such time as we decrease our reliance on conventional oil and gas.

The natural gas discovered at Prudhoe Bay on the North Slope of Alaska is estimated to exceed 20 trillion cubic feet of gas, which can provide, at a very minimum, 5 percent of American natural gas consumption for the next 25 years. Experts believe that there are other undiscovered reserves elsewhere in Alaska, and that these could run as high as 72 to 185 trillion cubic feet.

A reliable, safe, and efficient transportation system for moving this gas south, to the parts of the country in need of it, could impact significantly on future American shortages. For this reason, I have actively supported the construction of a gas pipeline from Alaska throughout this session of the Congress. I was very gratified by the President's recommendation and congressional approval of the trans-Canada Alcan pipeline proposal, which will bring Alaskan gas to the central part of our country, for equitable distribution both east and west of the Rockies.

By giving a green light to this project, we will likely begin receiving additional Canadian natural gas during the winter of 1979–80 and Alaskan gas in the winter of 1982–83, and in the parts of the country, like my State of Indiana, which are in desperate need of it. In addition, by facilitating Canadian access to her frontier reserves, approval of the trans-Canada Alcan proposal will offer the possibility of continued Canadian exports of gas into the 1990's—exports which would have to be curtailed if Canada's frontier areas are not developed.

CONCLUSION

In closing my remarks, Mr. President, I would only say that we cannot expect to solve our energy problems overnight. Change takes time, and I am sure that we will be back at the drawing board pretty soon for some midcourse corrections. What is important is that both the executive and legislative branches have made a major effort this year to educate ourselves on these issues and dedicate ourselves to their solution. We now have a Department of Energy and a Senate Energy Committee, staffed by talented and concerned public servants, to monitor our progress, and have given the DOE its marching orders. We have accomplished a good deal in a short period of time and I, for one, will do all I can to keep us on course.

EQUAL RIGHTS AMENDMENT

Mr. LEAHY. Mr. President, much has been written on the need, or lack of it, for the equal rights amendment. Proponents argue that the force of the U.S. Constitution is necessary to finally bring equality of opportunity to women in this country. Opponents argue that we already have more than enough laws on the books to protect a woman's right to equal opportunity in employment, access to education and financial resources, and a host of other areas.

But the fact is that although there are a number of important statutes that

should guarantee women an equal place in our society, they are just not being enforced. The reasons vary, but the bottom line is always the same: women continue to be discriminated against in every phase of life.

Mr. President, I would like to bring to the attention of my colleagues an excellent editorial from the Barre-Montpelier Times-Argus on this subject. The editorial, which is entitled "'Equal Rights Haze," addresses the questions raised by ERA thoughtfully and objectively. It is especially pertinent at a time when consideration is being given to extending the deadline for ratification of the equal rights amendment, an effort which I hope will be successful.

Mr. President, I ask unanimous consent that a copy of the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WOMEN'S RIGHTS HAZE

One of the most difficult challenges still facing women's rights activists at the state and local levels is to convince policy makers, lawmakers, and, in many cases, women themselves, that there is a real problem.

One of the most hollow arguments against the Equal Rights Amendment, often voiced by women, is that there is no real need for a special constitutional amendment for women because: 1) there are already individual laws on the books designed to do the same thing, or 2) problems ERA supporters talk about don't affect a real majority of women.

In believing this, women's rights critics are too often overreacting to the worst of the radical rhetoric in the women's rights movement, and paying too little attention to their own very real problems as women.

Pointed examples of this can be found in the International Women's Year survey conducted in Vermont at the organization's Women's Town Meeting in February, and separate findings just released by the American Bar Association involving the law's discriminatory treatment of female juvenile offenders.

The federally financed International Womens Year survey was answered by 283 of the approximately 1,000 women attending the Montpelier meeting, more than a respectable response rate for a survey of this kind. The findings generally reinforced the belief that women are suffering more personal abuse in silence than they are ever willing to talk about to police authorities or even to their own friends and families, and that an even greater number of women in Vermont have never even attended a meeting specifically addressing women's problems. Of those women responding to the survey, 10 per cent reported having been raped at some time in their lives, 10 per cent said they had been beaten by their spouses, 17 per cent had had abortions, 45 per cent said they had never attended a women's meeting before.

Moreover, a full 85 percent of those responding were 25 years old or older, with the largest percentage—67 per cent—in the volatile 25–44 age category.

Take issue with the scientific accuracy of this sampling if you want to, but also consider this: Never has a survey like this been conducted on a statewide, anonymous basis in Vermont.

Is it any wonder that the public has such a hard time perceiving a women's rights problem in Vermont when so many women are reluctant to report their troubles in public, avoid organizations that might help them talk about their problems, and have never been extensively surveyed on a statewide, anonymous basis about what their problems are?

Given this information gap, it's no wonder either that the more limited surveys that are conducted—such as the International Women's Year Poll—look so much like just the tip of the iceberg.

The information problem is compounded in Vermont by the fact that Governor's Commission on the Status of Women has never had enough financial support to make an extensive survey of this kind in Vermont.

Reinforcing the value of comprehensive surveys, meanwhile, is the American Bar Association's just-released national survey showing judicial discrimination against female juvenile offenders continues unabated in the courts. This survey confirmed earlier findings that a larger proportion of female juveniles than males is likely to be sentenced to confinement for the same juvenile offenses, and that females are more likely to serve their time in a jail rather than in a juvenile rehabilitation program.

Disregard for a minute the stridency and over-blown emotionalism of big-city radical feminists and ask yourself this: How can Vermont view its women's rights problems as minimal when Vermont has never asked enough women * * *.

HELMS CASE

Mr. MCGOVERN. Mr. President, on Sunday, November 13, the New York Times carried a most insightful article by my colleague on the Senate Foreign Relations Committee, DICK CLARK.

Senator CLARK makes a number of points of which I think my colleagues ought to be aware concerning the case of Richard Helms. First, Senator CLARK notes that no conflict in fact existed between Mr. Helm's oath of secrecy to the CIA and the oath to tell the truth to the Foreign Relations Committee. Second, Senator CLARK points out that Mr. Helms had a number of alternatives open to him other than deception. Third, he observes that acceptance of the "conflicting oath" argument has far-reaching ramifications for those of us concerned about maintaining a proper balance of executive-legislative power.

I most emphatically agree with my colleague Senator CLARK that "the cost of not trying the case may have been far greater" than the cost of trying it. I ask unanimous consent that Senator CLARK's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THAT HELMS "BADGE OF HONOR"

(By Dick Clark)

WASHINGTON.—President Carter's affirmation that the former Director of Central Intelligence, Richard Helms deserves "no badge of honor" for deceiving the Senate Foreign Relations Committee was well taken. What is remarkable is that, for all the public debate over the sentencing of Mr. Helms, there has been remarkably little challenge to Mr. Helms' basic contention that "I found myself in a position of conflict." He had argued that his oath to the Central Intelligence Agency to protect secrets was fundamentally irreconcilable with his oath to tell the truth to the Senate Foreign Relations Committee. I do not accept this.

First, Mr. Helms' C.I.A. secrecy oath did not contain an absolute prohibition against disclosure. It expressly allowed disclosure "in the performance of [his] official duties and in accordance with the laws of the United States."

One such law authorizes each standing committee of the Senate "to take such testimony . . . as it deems advisable."

Among Mr. Helms' duties, presumably, was to testify truthfully before Congressional committees that have valid legislative or oversight jurisdiction. If this were not the case—if Mr. Helms' secrecy oath prohibited the disclosure of any C.I.A. secrets—then he violated that oath on the 15 earlier occasions when he testified before the Foreign Relations Committee on equally sensitive and highly classified subjects. Further, the "conflicting oath" argument is one that Justice Department prosecutors apparently never took seriously, since at no point during their negotiations that resulted in his pleading nolo contendere (no contest)—in reality an admission of guilt—did they procure a copy of the secrecy oath from him or the C.I.A.

Second, if a conflict did exist between the two oaths, then Mr. Helms ought not to have sworn to speak truthfully to the committee, or he ought not to have answered the specific questions he found objectionable. No national-security secrets would have been imperiled had he chosen to join the narrow issue of whether the committee had a right to the information in question. If he believed that the committee did not, he should have confronted the matter squarely, and let then President Nixon take the responsibility for a challenge to the Congress and the courts.

Nor was Mr. Helms to choose between deception and disclosure to the entire world. He testified before the committee twice regarding United States involvement, in efforts to block Dr. Salvador Allende Gossens from becoming Chile's President in 1970—on March 6, 1973, in closed session, and on Feb. 7, 1973, in open session. When asked about it in that open session, he could have suggested reconvening in closed session—a common practice among executive-branch witnesses when sensitive issues arise. His 15 earlier closed-session meetings with the committee provided no grounds for believing that such testimony would have been leaked. Nonetheless, he chose both times to deny United States involvement, although a Federal judge later determined that he had been fully aware of extensive C.I.A. activities.

Third, I doubt that the ramifications of Mr. Helms's position are fully appreciated by many who accept it. Every C.I.A. employee has taken a secrecy oath. Is every intelligence officer therefore exempt from testifying truthfully before Congressional committees that have legitimate jurisdiction? If so, Congressional oversight of the intelligence community has effectively ended and the blueprint has been drawn—in the form of a simple secrecy oath—for a major shift in the balance of executive-legislative power.

Willful deception under oath of a Government body conducting a fact-finding proceeding undermines the integrity of our legal process. To imply that such deception is inconsequential—as the Justice Department did by charging him only with two misdemeanors and by recommending the minimum $100 fine for each (which Judge Barrington Parker rejected in fining him the maximum $1,000 on each count, and giving him a two-year suspended prison term) further erodes the integrity of that process.

The lenient treatment, in addition, provides an inadequate deterrent to other executive-branch officials who might be inclined to mislead Congress under similar circumstances.

The Justice Department argued that the "trial of this case would involve tremendous cost to the United States and might jeopardize national secrets." On the contrary, the cost of not trying the case may have been far greater. For the C.I.A.'s operations abroad are

conducted to protect the United States and its democratic institutions. Yet on the theory that those operations are themselves sacrosanct, the Justice Department has elected to sacrifice the dignity of the very democratic institutions it exists to protect.

If anything is more ironic than the sight of Mr. Helms parading as a candidate for a "badge of honor," it is the sight of the Department of Justice proceeding to subvert democratic institutions, in the name of saving them.

A LETTER TO BREZHNEV—THE SOVIET UNION AT 60

Mr. HUMPHREY. Mr. President, the Soviet Union recently celebrated its 60th anniversary under Communist rule. One cannot help but be impressed by the tremendous economic and social gains achieved in the Soviet Union since the Bolsheviks seized power in 1917.

Yet, this success has not been achieved without a price—a price the average Russian citizen endures on a daily basis. One of the most piercing insights into the Soviet Union of 1977 can be found in an article which appeared in the New York Times magazine of November 6. Entitled "A Letter to Brezhnev," the article was written by Boris Rabbot, who served as secretary of the social science section of the presidium of the Academy of Sciences and adviser to the Central Committee of the Soviet Communist Party, before being granted a visa to immigrate to the United States.

After 200 years of existence, we in the United States continue to grapple with the problems of inequality, hunger, poverty, and illiteracy. Yet, there is hope for our people. We have made significant strides in integrating all peoples into the mainstream of our social and economic life. Much needs to be done and we must never lose sight of the goal of complete justice and equality for all our citizens. In our society, we debate our problems with an openness and candor which leaders of totalitarian states fear.

That is why I found Mr. Rabbot's article so interesting, for it should give Americans from all walks of life an added incentive to work at enhancing the quality of life and opportunity for all our citizens. Mr. Rabbot's cataloging of internal problems within the Soviet Union serves as a comprehensive comparison between our two systems of government. While he points out the serious weaknesses of the Soviet Union, the article should also challenge us to strengthen our system to be more responsive to the needs of all our people. In essence, the competition between the Soviet Union and the United States is not in the area of military power. The competition is between two systems of government. And the strongest government is the one which has nothing to fear from its own citizens, but welcomes criticism and candor.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A LETTER TO BREZHNEV

(By Boris Rabbot)

(The author is the highest-ranking Soviet official to be permitted to emigrate from the Soviet Union in recent years. As secretary of the social-science section of the presidium of the Academy of Sciences and adviser to the Central Committee of the Soviet Communist Party, he had access to the political entourage of the party's Secretary General, Leonid Ilyich Brezhnev. In the following open letter, he writes his former boss to warn against what he sees as the potentially disastrous course of Brezhnev's foreign and domestic policies.)

DEAR LEONID ILYICH: I never expected to be writing you from New York. This letter, in fact, is one I often thought of sending you when I was still working for you and your colleagues in the Kremlin. But the more I thought about it, the more impediments to such communication arose. Having left Russia, I find that the way to you may be shorter from New York than from Moscow.

I do not write out of spite, or to settle old scores, even though your ideas, in conflict with mine, are what finally brought me here—forced into exile from Russia, which I love; having to start life all over again, from scratch, at the age of 47. Nor do I regret the modest role I played in your activities; few in America know what a struggle you had to wage against your opponents at the top to set Soviet policy on a path of peace. No—I address you publicly in the hope that this unexpected word from the political consultant whose views, at one time, you found not without merit will cause you to re-examine those concepts that you defended in our disagreements—and that have brought you, at length, to your present impasse.

And what better time to address you than now, the 60th anniversary of the October Revolution, an occasion, under current circumstances, more for stocktaking than for celebration?

Those in your—and, until recently, my—country who hold up the standard of détente are prone to blame your problems on your predecessors. But the most cursory backward glance at post-revolutionary Russia throws doubt on this facile view. True, Russia's top leaders after 1917 left much to be desired. First Lenin, with his sincere but dilettantish notions of reconciling the irreconcilable—social equality and dictatorship. Then the logical culmination of his dictatorship in Stalin's brutal despotism, which enslaved an entire people and snuffed out 13 million lives. Khrushchev's peasant common sense helped subvert my fellow citizens' fanatical faith in orthodox Stalinism—and, having created this mess, dumped it into your lap. What have you been able to make of it?

You wanted to bring about order and discipline after Khrushchev's "chaos" and "disorder"; instead, dissidents crop up like mushrooms after the rain. You wanted to reassert control of the international Communist movement; instead, you find yourself sandwiched between the Chinese heresy and the challenge of Eurocommunism. You wanted to stabilize relations with the West and fend off old-fashioned Stalinist excesses at home; instead, your détente policy is falling apart and you are presiding over a drift to neo-Stalinism. To use the Leninist phraseology to which you are accustomed, you have taken Russia one step forward and two steps backward. And from your complaint to Giscard d'Estaing in Paris—that Carter is violating the "rules of the game"—it seems that you and your supporters don't understand that, taking the long view, the fault lies not in the new American President's attitude toward human rights but in your conception of détente.

Look back, Leonid Ilyich, to 1965, when you had just taken over the leadership. Remember Aleksei Rumyantsev. You thought—because of your work together years before in the Ukraine—that he was your creature, in spite of his status as a member of the party's Central Committee since 1952. You brought him back from Prague, made him editor in chief of Pravda, and began to entrust him with some of your most important and delicate decisions. I was appointed his political adviser.

What you did not know was that Rumyantsev's years in Czechoslovakia had given him a glimpse of a more humanist kind of socialism, which squared well with his sincere belief in the ideals of the Russian revolutionaries of 1917. Back in Moscow, he spoke up for our liberal intelligentsia, tried to help Solzhenitsyn and fought for economic reform. I did all I could to help him. He was far from subscribing to those principles of contemporary Western European socialism, on the French and West German model, that I hold to—and that I think would be best for Russia in the long run—and I never tried to press such notions on him, or on you. But he and I shared the conviction that Russia had long been ripe for liberalization of the Yugoslav or Hungarian type, and, as you may remember, hopes were high then that you would continue with the reforms that Khrushchev had begun in the 50's and had been forced by his opponents to squelch in the early 60's. It was in the hope of contributing to such an evolution that I kept busy writing resolutions for the Central Committee on experiments in material incentives for industry and agriculture; memorandums on détente, Eurocommunism and the Chinese question; speeches to be delivered by you, Kosygin and Podgorny; articles to appear over Rumyantsev's name in Pravda, Izvestia and Kommunist, and other work. When, in 1967, the Academy of Sciences elected Rumyantsev vice president for social science and I was made his section's secretary, my workload doubled.

It was good that I did not expect gratitude from the top, for, unlike the apparatchiks and high-level academic experts, I never got any material benefits, or a day off, or even a "thank you." But you did reward me, in a way, by permitting, in 1968, through Rumyantsev, the establishment of the Institute of Sociology. For a long time I had hoped to contribute to a strengthening of my professional field, political sociology, by giving the Soviet population broad access to real sociological information of the kind available in the United States. The new institute, with me as the head of its Department of Experimental Research, was an important step in that direction.

At that point, however, you went into reverse. I had assumed that internal liberalization and outright disavowal of Stalinism had been recognized by you as preconditions for real détente; instead, you embraced a logic that made liberalization an obstacle to détente. This produced a deep cleavage between domestic and foreign policy—the left hand doing one thing, the right hand another. That left hand subjected my institute to a purge, made it impossible for me to go on publishing, working as an honest scholar or living as a decent human being, and, finally, forced me to leave the country. That same left hand has now pushed you into your present predicament.

You're really not a bad man, Leonid Ilyich. You are not, for instance, a racist or an anti-Semite. You don't affect that sham austerity that so many of your colleagues wear like a mask. At the same time, for someone who can help himself to anything he sets his mind on, you are quite modest

in your wants. Except for your palatial residence at Zavidovo outside Moscow, where you spend most of your time, and for those fancy foreign cars in your garages, you permit yourself few luxuries. Nor can your children inherit that residence, which belongs to the party. Though highly ambitious, you are rather phlegmatic and prefer stability and the status quo to bold experiment. You rarely lose your temper or make rash moves.

Maybe you're not what some would call an intellectual—you don't have time for newspapers or books, and a big evening at your home will, more often than not, consist of the screening of a pop American movie—but you also have some rather engaging human qualities, and the fact that you and Kissinger shared a fondness for jokes about the fair sex made me somehow easier about the state of East-West relations. I liked your penchant for driving your own motorcycle to Sheremetevo Airport, complete with helmet, to greet foreign Communist leaders, even though some of your colleagues thought it undignified. I, on the contrary, thought it showed a nice spontaneity for a man of your rank. The question is, why weren't these and other positive traits of more help to you as you struggled with your political inheritance?

Basically, you confronted the same problem that faced Khrushchev—the problem of Stalin. While Khrushchev hated Stalin with all his heart, he remained, in his mind, Stalin's faithful student. The result was that, having begun reforms he could not finish, he became too liberal for Stalin's followers and too conservative for Stalin's critics. You, too, still fear Stalin the way pagans fear their idols. You respect him for winning the war, creating a huge empire and expanding Communism's influence throughout the world. Under your regime, "governmental person" and "mature person" returned as pompous euphemisms for the preferred type of yes man. Within the Politburo, you narrowed the circle of people on whom you placed your reliance; these proceeded to make all the major decisions in secret, turning the Politburo into a rubber stamp.

To tell you the truth, the inefficiency of your governing apparatus is incredible. First, there are these inherited mechanisms of distrust and secrecy. No one here would believe that the Central Committee of the Communist Party of the Soviet Union is run without the use of computers or, as a general rule, of photocopiers. I remember how Rumyantsev had to rush through his reading of the sealed documents that were handdelivered to him by a K.G.B. courier in the morning, so he could hand them back to the same courier the same evening. Some Central Committee members rarely see a secret document. Then there is the atmosphere of intrigue among your colleagues. Even your closest aides must scheme to outmaneuver their more orthodox rivals if they want to get anything done.

This last has a lot to do with the housecleaning of the Politburo you carried out after you became General Secretary. In your anxiety to "stabilize" the domestic situation, the "ultraleft" and the "ultraright" had to go. You were on good terms with Kosygin, but when he spoke up for resuming progress on economic reform, you used that stupid hack Podgorny to push him aside. Now Podgorny himself is out, because of his opposition to you over détente. The only politically literate persons left in your immediate entourage are the vetern Andrei Gromyko and the chairman of the K.G.B., Yuri Andropov, whose liberal views—in the Soviet context—would surprise people in the West.

What stands out in all this reshuffling is that the leftists had their heads cut off and the rightists just got slapped. Liberals like Rumyantsev and the late Aleksandr Tvardovsky, the editor of Novy Mir,* were forced into retirement, while unwanted rightists were "demoted" to cushy jobs. Thus, Vladimir Yagodkin, the ideological overseer of the Moscow party organization, who in 1974 had wanted to publish an article warning against the debilitating effects of détente with the Americans, is now Deputy Minister of Education of the Russian Republic of the U.S.S.R.

Then there is your treatment of the best of your consultants. Take that perceptive journalist Aleksandr Bovin, who was one of the first to urge you to adopt a policy of détente. Finding him bright and a good conversationalist, you cultivated his company, grew to like him and took him on your hunting trips. Bovin was indiscreet enough to tell others he had gone hunting with you; this aroused the envy of the Central Committee staff, who cannot tolerate personal relationships within their circle, and they told you he was shooting off his mouth about your private life. Whereupon you felt you had to fire him. It is frightening to think that you, a head of state, can't permit yourself the luxury of having a pleasant and useful person around you; that any of your experts, no matter how knowledgeable and hard to replace, can be banished overnight by these party drudges.

And what about the treatment of Jews in official life? Under your regime, those Jews who are even more politically orthodox than the Russian conservatives are assigned the ideological dirty work. To get a decent job in the ideological field or the social sciences and move up in the system, a Jew must not only be an orthodox Marxist-Leninist but an immoral scoundrel. I was the only Jew to be an assistant to a Central Committee member. I saw what kind of behavior I would have to adopt to keep my job. I found that unacceptable. That's one reason I'm here.

Finally, Jewish or not, how do you think a Soviet scholar feels when academic positions are handed out to virtual ignoramuses as rewards for political services to you? Georgi Arbatov, whose reward was his appointment as director of the Institute of the U.S.A. and Canada and, later, as a member of the Academy of Sciences, never wrote a serious scholarly work in his life. These bureaucrats have their works written for them by real scholars, who not only get no credit for it but must then see their ideas distorted to incorporate other people's notions, so that no expert can ever claim he wrote a specific work. (Why are there so many semiliterate boors among today's political leaders? At least, in the 1920's, Soviet politicians wrote and published their own work.) In these circumstances, do you think your advisers use their own initiative and tell you what they really think? They don't. They only propose what they think will find favor with you. They bend Marxist-Leninist formulas this way and that, taking a lead from you, so as not to irritate some of your colleagues.

Such cynicism is catching; it has, by now, infected broad segments of the population. Young people begin by believing in the ideals of Communism, taking at face value the official guarantees of freedom of speech and of the press, trying to be creative in their work and in their lives. By the time they're 20, they generally come to realize that they are being stifled by an entrenched bureaucracy opposed to any sign of innovation. They become aware of the unbridgeable gap between what the Soviet regime says it believes and what it really stands for.

This widening and ever more obvious gulf is the biggest reason for the growth of dissidence in the U.S.S.R. And I am not talking only of the young activists, or of the writers, poets and painters. Far more dangerous to you is the development of hidden dissidence on higher levels, closer to the pinnacle than you might think. For the first time in 40 years, there is a strongly developed opposition in the U.S.S.R., including liberal Marxists and radical democratic, national and religious groupings, many with their semilegal and illegal gatherings and journals. You could, of course, jail them all, but that would mean putting a good part of the scientific and intellectual elite behind bars, and then what would you do for advanced technology and sophisticated armaments?

Another result of the "double-think" that pervades so much of the country's political and social life is the spiritual corruption of those who must or still wish to serve the system. No one except a few at the top knows what is really going on in regard to the vital issues, and the only way to find out is through a drinking bout, in which vodka or cognac breaks down constraints and loosens tongues. It is a joyless kind of drinking, sought for relief from a bad conscience, or from despair, or from the schizophrenic split between a public life, all posturing and righteousness, and a private life in which the truth must be faced.

Reality in the form of information from the West has a devastating effect on the pretensions of Soviet make-believe. All the more so when the information is come by personally, in trips abroad. It did not take me long, during my 1968 trip to the United States, to realize that the American officials, translators, students and professors surrounding me were not only not highly trained C.I.A. agents but had little tolerance for that breed. Consider, then, how repugnant to me was the necessity, while offering reciprocal hospitality to my new American friends in Moscow, of submitting to the unwanted company of a K.G.B. escort.

All of this traces back to your own leanings toward Stalinism. These leanings became clear to me only gradually. I remember a meeting of the working group that wrote your speech for the 24th Party Congress in 1971—how one of your principal advisers, Aleksandrov-Agentov, asked you three times, "Should we include criticism of Stalin?" and how you finally snapped, "I'm fed up with your bothering me about Stalin and the cult of personality!" Of course you were: You were restoring Stalin's cracked image as a model of sorts for a personality cult of your own, which you felt you needed to confirm your authority. Then came the attacks on Novy Mir, the purges of historians and sociologists who approved the Eurocommunism, the exiling of Solzhenitsyn. That was the second stage. The third stage—the one we're in now—began with the crackdown on the dissidents, the wave of arrests, harassment of cultural-exchange participants, and so on. All at a time when you would have done much better to concentrate on the economic problem.

The key to the Soviet Union's economic crisis is so obvious—decentralizing the unwieldy state apparatus and implementing other Khrushchevian reforms—that a foreign observer must wonder why you don't use it. You did make a hesitant start in 1965, but by 1969 it was all scrapped. One reason is that economics is not your strong suit; you have never progressed beyond the rather primitive Stalinist economic concepts you absorbed as an engineer in the 1930's and as a local party secretary in Dneprodzerzhinsk. The second reason goes deeper.

As you know from secret Soviet economic data, the acute and persistent inadequacy of living standards in the Soviet Union springs largely from the fact that about two-thirds of the total number of Soviet indus-

*The journal that first published Aleksandr Solzhenitsyn and served in the 60's as an outlet for the more liberal Soviet faction.

trial enterprises are engaged in military production. You and most others in the Soviet leadership are afraid to risk any fundamental industrial reorganization because that might cause severe dislocations in the militarized segment, resulting in large numbers of people being thrown out of work. Widespread unemployment could lead to public restiveness and disorders in the streets. That happened in Yugoslavia in the 1950's. To you and your closest colleagues, with your obsession with "discipline" and "order," that kind of social disturbance is a nightmare. What would all these jobless do? Where would they go? To temporary jobs in the West, as was the case in Yugoslavia? But then they would fall under the influence of the Western way of life, and return with dangerous ideas. They could even take military secrets out with them!

Rumyantsev, you may remember, tried to put all this into more rational terms with his proposal for a Ministry for Professional Retraining and Redistribution of Labor, but your fear of unemployed crowds, ripe for revolt, stopped your ears. And so the Soviet Union is still strapped to that overcentralized, overbureaucratic system that tells every plant what and how much to produce, and that will always contrive an excess of one item and a shortage of another because it can never keep up with a whole country's shifting demands—that sacred plan that will continue to be sabotaged at every turn by managers who are forced to obtain materials through illegal channels, settle for poor quality and fiddle with statistics in order to survive. The Soviet economy will continue to be corrupted by an enormous black market in goods and services—a whole parallel, unofficial, illegal economy with its own laws and norms and its crop of Soviet underground millionaires. Are you fully aware how anarchic the Soviet economy has become under these pressures—that, for instance, only 15 percent of the orders for goods placed by the State Committee on Material-Technical Supply are actually filled? Julius Caesar himself, though reputed to have been able to read, write and listen at the same time, would have been hard put, in your place, to cope with a system like this!

And do you realize the moral effect on the public of keeping living standards at this artificially low level? That, one might say, is the economic aspect of "double-think"—on the one hand, the official doctrine of honesty, integrity and respect for socialist property, and, on the other, the well-nigh irresistible pressure on people in all walks of life to resort to illegal ways of supplementing their abysmally low salaries. The result is a painful split in the citizen's psyche. I recently interviewed some Soviet émigrés in Italy; I asked them why they had left the U.S.S.R. One of their main reasons was this constant feeling of being a potential criminal. This seemed to have weighed even more heavily on those who had been relatively well off. While they knew that in the West they might not have the cars and dachas they owned in Russia, they also knew they could sleep peacefully in the knowledge that they would not have to cheat or engage in black-market activities.

But, you will retort, there are goods in plenty in Soviet stores. Of course there are clothes, shoes and other basic consumer goods, but of such low quality and lack of variety that everyone would rather buy imported goods, if he can find them, and you have the paradox of huge lines forming outside a major Moscow department store for East German toilet paper while Soviet sputniks circle the earth. As you know, there is a popular theory that these service and production problems are deliberately created so as to distract people from the larger political issues. I don't believe that, but I do think that reforms of a kind that would raise productivity—give people stronger motivation to work at producing higher-quality goods for which there is greater demand—would chop down the power over a lethargic labor force that is now enjoyed by all those local party secretaries and plant directors.

And so, confronted by your economic dependence on the military sector and by this built-in resistance to basic overhauls in the civilian sector, you turn to large-scale imports of Western technology as a means of achieving the needed increase in productivity rates. That, in fact, is one of your major expectations of détente. Some of your top party ideologists have worked out what amounts to a new doctrine. Détente is their technocratic revenge against Khrushchev; it is Stalinist Restoration plus Western computers.

But these hopes of yours are bound to be disappointed. The Soviet press is full of reports of expensive foreign equipment lying around and deteriorating at various state enterprises. Why? Because no one is particularly interested in installing it and putting it to work. Consider—why should a Soviet worker be eager to take on foreign equipment, which is more difficult to operate, when he knows that in spite of his extra efforts his pay will remain at the same miserly level? This endemic state of economic demoralization is your biggest problem, Leonid Ilyich.

Now let me tell you something about myself that you probably don't know, though you could doubtless find it in the files of the K.G.B. One day, at the age of 18, I was summoned by the K.G.B. and ordered to inform on a group of my friends who, along with me, were suspected of being "anti-Soviet." When I refused to do so, my interrogators beat me and broke several of my vertebra. Passing out was what probably saved me from "confessing" or signing something. That experience, and the spinal pain it left me with for the rest of my life, armed me with patience for the struggle to reform the Soviet system from within. So the man you came to know as Rumyantsev's assistant in 1965 was not, I will confess now, without the seeds of dissidence in him. What I came to be in the following years was one of those "hidden dissidents" I referred to earlier. I thought I could do more for the cause of liberalization as a member of the party establishment than as an outsider. For a while, you gave me reason for hope.

When, in 1968, Rumyantsev and I returned from our American trip with our plans for developing social-science exchange programs with the United States, we were pleasantly surprised by your positive reaction. The document we submitted, one of the first of the détente period, came back from your office within 3 days, without a comma changed. You went further and permitted us to expand the work of the Institute of the U.S.A. and Canada and other entitles within the Academy of Science, and finally, to establish the Intitute of Sociology. Here, we thought, was, at last, a place where Soviet sociologists would be able not just to collect facts but to evolve sociological theory, since the technique and methodology you were ready to borrow from the West cannot be applied without theoretical ramifications. Now was an opportune time for a book that would survey the field for social-research experiments that was opening up before us, and I wrote such a book. Everything looked promising. And then your decision to tighten up domestically in order to protect the system against the "corrupting" influences of détente—the decision I was so reluctant to recognize—began to destroy everything we had begun to build.

The first intimations came over the "nationality question." I was not unaware of the difficulties of being a Jew; that was the reason I was rejected, on the first try, both as an undergraduate and as a graduate at the Moscow State University, and succeeded both times only through persistence. At the Institute of Sociology, the problem arose because, of the 10 people in my sector, three, in addition to me, were Jews. They were competent sociologists hired by me on the basis of ability, but it had been unheard of, ever since Stalin's time, for a well-placed Jew at an institute like ours to hire other Jews. Your "hidden Jews," like Georgi Arbatov—or even Boris Ponomarev, the Central Committee secretary, who is only married to a Jew—are so deathly afraid of being "discovered" that they try to avoid hiring Jews, except for the showcase ones who declaim on television and in Pravda that there is no anti-Semitism in the U.S.S.R.

The fact is that your revival of Stalinism has revived all those Stalinist restrictions on Jews in professional, academic and political life. This is probably one of the major factors behind the desire, in recent years, of so many Jews to emigrate. I repeat, I know that you personally are not an anti-Semite, but many of your satraps are—to such an extent that they identify all liberals with Jews. One of your group of experts, though there isn't a Jew in the lot, is known in the Central Committee as "that kikish bunch." And so, those who were concerned with the work of our institute accused me of "incorrect personnel selections." I often wonder, Leonid Ilyich: What would *you* consider the "correct" quota of Jews, if 40 percent is too high? Thirty percent? Twenty percent? None?

I had already felt the breath of neo-Stalinism in the purge of the Institute of World History. There, as you may remember, a group of talented historians headed by Mikhail Gefter were placed under attack by the science department of the Central Committee because they opposed the rehabilitation of Stalin; besides, their thinking was suspected of being too close to Eurocommunism. Did you know that it was no other than Andropov of the K.G.B. who called Rumyantsev in 1967 and asked him to come to the historians' defense? For three years, Rumyantsev and I did what we could, submitting proof that the attackers were making false allegations and using falsified documents. Yet, in the end, the neo-Stalinists got their way, and the historians were censured for subverting party morale and dismissed. Small wonder: The worst enemy of new ideas in the social sciences was—and is—one of your very closest friends, the head of the Central Committee's science department, Sergei Trapeznikov.

And now, in 1971–73, the assault was broadened to include the sociologists of our own institute. We came under attack in the Central Committee for disseminating "bourgeois sociology." You supported a move to have Rumyantsev replaced as vice president of the Academy of Sciences. As a result, he had to resign as director of the Institute of Sociology. He was replaced by that executioner of Soviet sociology, Mikhail Rutkevich, also known for his lecherous pinching of any skirt that happened to pass by, bourgeois or proletarian or in between. Yagodkin, the arch enemy of détente, labeled me a bourgeois apologist and had my book banned. His flunkies ordered the book recycled as waste paper. The institute's workmen took the easier course of burning it in the courtyard. No, I didn't see the display. I preferred to stay home. But some of my friends saw it.

Rumyantsev, long since out as editor of Pravda, and now out as director of the Institute of Sociology, was clearly in political disgrace. What wounded him as deeply as anything else was your refusal even to receive him. He was not re-elected to the Central Committee in 1976, and I elected to emigrate. The study of so-called bourgeois theory, which for 20 years had been my major interest, had long since made me, in spirit, a citizen of the West. I am grateful to you for letting me go.

It is of little consequence—except to myself—that the playing-out of your chosen policies has left me an émigré in New York. It is of greater moment that the same policies have undermined your own long-range position. The fatal process you may be unaware of goes back to your original conception of détente.

The idea of advancing cooperation with the West beyond the limits reached by Khrushchev and Eisenhower was not yours, you will agree, but that of people in the Academy of Sciences and the international department of the Central Committee, who wanted to strengthen the Soviet position vis-a-vis the Chinese threat by improving relations with the United States. You went for the idea because you saw it as a way of obtaining economic aid and foreign technology, principally from the United States. You were willing to pay the price of slowing down the arms race, despite its role in sustaining domestic employment, because you were intelligent enough to see that it took a terrible toll of the Soviet economy and increased the risk of nuclear war. But you also had reason, you felt, to fear détente: The Czechoslovak experience of 1968 made you all the more leery of the influence of Western ideas on the Communist system. And so, for you, the precondition for détente was the strengthening of barriers against such influence in Russia and the satellites.

I am not discounting the humanist motivation that went into your policy decision. As Andrei Sakharov has said, the atomic threat draws all mankind closer, and it is to your credit that, with détente, you at least moved the Soviet Union away from total stand-still on nuclear arms. Your mistake was in thinking that you could achieve an arms-limitation accord with the Americans and obtain important American technological assistance—and, at the same time, pursue a tough line at home.

This double-pronged policy produced a strange spectacle. American management techniques were superimposed on Soviet industrial enterprises without regard for the missing part that makes these techniques work—a free market. Current Soviet "Americanophilia" is Western shoe polish applied to ragged Soviet boots, with the toe sticking out.

The trouble is, you never understood the Americans. There are plenty of businessmen here who are not averse to making profits in commercial dealings with the Soviet Union. But profits alone will never draw this country into the kind of large-scale, long-term, normal economic relationship you need. This is a society that likes to operate from a broad consensus based more or less on what it conceives to be its moral principles—however hypocritical such attitudes may seem to foreigners like you, and however clearly Americans themselves may recognize their failure to live up to their ideals in particular instances. As a general proposition, it was not in the cards for the Americans to grant you the kind of economic and technological concessions you require, so long as they saw in your internal policies a continuation of the totalitarian, unprincipled and unfathomable regime they regarded as their mortal enemy during the cold war.

As it happened, your expectations of normal trade credits from Washington foundered on the reaction of large numbers of Americans to the cruel spectacle of Soviet Jews running up against your Stalinist restrictions against emigration from the Soviet Union. But if it hadn't been the Jackson-Vanik and Stevenson amendments, it would have been something else. Some aspect of your refusal to liberalize your system—of your determination, in fact, to tighten the screws, or, as you have put it, "preserve the purity of Marxism-Leninism"—would have convinced the Americans that Russia was not taking the hoped-for turn to political and economic reform, was not becoming a nation like other nations, and had better still be kept at arm's length.

Leaving aside the psychological effect created when writers, scientists and others speaking up for basic human rights are exiled, jailed or cast into "psychiatric wards," what impression do you think you make when you discard the economic reforms begun by Khrushchev and retain such overwhelming primacy for your enormous war industry? Why—except for a few of the bolder enterpreneurs—should Americans respond with help that, under your present system, can only go predominantly to strengthening your military machine? Who can be sure what you intend to do with this machine when there is no development of democratic checks on the Soviet leadership's secretive and arbitrary power? One thing about American banks—when you ask them for a loan, they want to know what you want it for.

The circumstances that render your regime untrustworthy to the opinion makers of this country have conspired to damage your personal credibility at home. You had gone around promising Defense Minister Andrei Grechko and his successor, Dmitry Ustinov, expanded credits and technological resources, and assuring the managers of the civilian economy of their fair share, and now you must eat your words: The expansion of commerce with the West faltered no sooner than it had begun. Meanwhile, the hardliners you forced out of the Politburo and the conservatives still in your regime feel you have stuck the country with the concessions you had to make to get détente going—less jamming of Western radio broadcasts; more cultural exchanges; more dissident literature percolating back into Russia after being spirited abroad; a breach in the emigration barriers; more Americans; more American ideas.

As you seek to clamp the lid back on, Western distrust of you will grow, and the hand of those in the United States who push for qualitative superiority over Russia in nuclear weapons will be strengthened. Given America's commanding technological lead, the eventual outcome is not difficult to foresee. Not only will your policies be exposed to your domestic critics—both conservative and liberal—as having failed to spur economic growth and ease the burden of the arms race, but they will be seen to have left the country militarily, and hence politically, weaker in relation to the United States.

You were probably sorry to see Ford lose the American election, since I know you regarded him as honest, sincere but not too bright, and, therefore, easy to deal with. You did not comprehend that the problem went deeper than Gerald Ford. All that Carter has tried to make clear to you is that a sustained, productive, real détente can come about only on the basis of reformist liberalization of the Soviet system.

At this point, I can imagine you leaning back and saying: "Why are you bothering me with the Americans and with domestic liberalization, when you know very well that the real problem is China?" Your fear of China grows out of a national phobia rooted in 200 years of the Mongol yoke. You and your colleagues are afraid that if liberalization leads to the kind of domestic turmoil you foresee, 800 million Chinese will take advantage of the disorders to grab for themselves the Siberian lands they claim to be historically theirs.

Isn't it surprising that a mere 60 years after the Russian Revolution, the leaders of the Soviet Union cannot comprehend the nature of the revolution that has taken place next door. Why is it so hard for you to accept that the Chinese acquired nuclear weapons in fear of pre-emptive attack by either the Soviet Union or the United States—and at a time when the idea of a pre-emptive strike was being seriously put forward in both Moscow and Washington? You fear that if you cut back too much on your strategic-arms program in your negotiations with the Americans, the Chinese will catch up with you in 10 to 15 years. But surely the only way to get the Chinese to moderate their own nuclear development is in the framework of a Soviet-American arms agreement that could draw the Chinese—and the French and the Indians and all the other nations that are standing on the threshold of nuclear capability—into a global accord, and that could lead, in time, to global political accommodation.

So China, Leonid Ilyich, is not a rational bar to internal Soviet reform. Rather, it is your Chinese complex that inhibits you from going forward toward the renewal—the renaissance—of Soviet society, and, on that foundation, toward real détent with America and toward SALT III.

Do you have the imagination, and the stomach, for such a venture? I used to think you did; now, frankly, I don't. Yet if your détente policy does not develop along the only lines open to it, it will fail. I know you are afraid it has failed already. I suspect you understand that if it goes, you may well go with it. What would happen then?

In the Soviet leadership, you represent the moderates, standing between the liberals, like Gromyko and Shcherbitsky, and the neo-Stalinists, like Suslov and Ustinov. If the liberals took over, they would support some limited reforms but could accomplish little in their lifetimes, being old. If the neo-Stalinists took command, all hope of reform would disappear, Soviet-American relations would deteriorate even further, and Russia would retreat into total isolation—all the efforts of moderates like you undone. In either case (and even if you managed to hang on) the ominous split between two camps—the official establishment and the open and hidden opposition—would continue to widen. Whether you know it or not, there is more and more despair in Russia of seeing a gradual and legal restructuring of the system. Among the masses, the old Russian tendency to anarchy, violence and terrorism is on the rise. Does my country really have to suffer yet another revolution?

I know you have, on a few occasions, broached the question of leaving office; you once called in Arvid Pelshe, of the Politburo, told him you had heard rumors you were no longer in a condition to govern, and asked him if he thought you should retire. You have, as I have noted, rendered Russia and the world the inestimable service of at least placing Soviet policy on the path of peace. If you are capable of moving forward along that path, more power to you. If not—if you feel you cannot resist the forces that would push Russia backward—perhaps the best last service you can render your countrymen is to resign and nominate a fit successor from among younger leaders capable of the breakthrough you could not achieve.

Put an end, Leonid Ilyich, to this temporizing that has Russia sliding into a situation rife with potential danger for itself and for the world. Create a mechanism for an orderly transfer of power in the Soviet Union. Lenin and Stalin ruled until death; Khrushchev was kicked out; is there really no other method of succession for the government of a great, talented and idealistic people? Your voluntary departure would create a profound impact that in itself could do much to improve the political and moral quality of the Soviet system. You could stay on as honorary

chairman of the party, a good position from which to exercise your—I predict—enhanced authority as patriot and leader, far more influential, in a real sense, than the personality cult you sought to borrow from a feared and unregretted tyrant.

Allow me, as your former political consultant, to offer you this as my last piece of advice. I feel sure that by following it, you would take Russia off its collision course with renewed isolation and the reactionary darkness it would bring on. And you would preserve the respect of those who saw, and still see, the good that is in you, including

Your sincere well-wisher,

BORIS RABBOT.

NOTIFICATION OF PROPOSED ARMS SALES

Mr. ROBERT C. BYRD. Mr. President, on behalf of the chairman of the Committee on Foreign Relations, Mr. SPARKMAN, I ask unanimous consent to have printed in the RECORD three statements and the attachments referred to therein.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

STATEMENT BY MR. SPARKMAN ON PROPOSED ARMS SALES

Section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $25 million or, in the case of major defense equipment as defined in the act, those in excess of $7 million. Upon such notification, the Congress has 30 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is immediately available to the full Senate, I ask unanimous consent to have printed in the RECORD the notification I have received.

[Transmittal No. 78-2]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective Purchaser: Nigeria.

(ii) Total Estimated Value:

	Million
Major, Defense Equipment *----------	$41.6
Other ----------	3.9
Total ----------	45.5

(iii) Description of Articles or Services Offered: Seven (7) Model 161 CH-47C helicopters and support equipment.

(iv) Military Department: Army.

(v) Sales Commission, Fee, etc. Paid, Offered or Agreed to be Paid:

A. Boeing-Vertol Co, Boeing Center, PO Box 16858, Philadelphia, PA 19142 has agreed to pay a fee of $150,000 per helicopter sold to Nigeria pursuant to this case.

B. The Company to receive the fee is Anasam International, PO Box 358, Apapa-Logos, Nigeria.

C. The fee of $150,000 per helicopter to be paid at the time Boeing-Vertol Co. is paid by the U.S. Government.

D. Same as paragraph iii above.**

(vi) Date Report Delivered to Congress: October 17, 1977.

* As included in the U.S. Munitions List, a part of the International Traffic in Arms Regulations (ITAR).

** E. The information contained in paragraph (v) consists of proprietary data within the meaning of 18 U.S.C. 1905 and accordingly may not be disclosed except pursuant to the provisions of the Code.

STATEMENT BY MR. SPARKMAN ON PRELIMINARY NOTIFICATION PROPOSED ARMS SALES

Section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that Act in excess of $25 million, or in the case of major defense equipment as defined in the Act, those in excess of $7 million. Upon receipt of such notification, the Congress has 30 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the Chairman of the Foreign Relations Committee.

Pursuant to an informal understanding, the Department of Defense has agreed to provide the Committee with a preliminary notification 20 days before transmittal of the official notification. The official notification will be printed in the Record and accordance with previous practice.

I wish to inform Members of the Senate that 2 such notifications were received on November 1. 1977.

Interested Senators may inquire as to the details of these preliminary notifications at the offices of the Committee on Foreign Relations, Room S-116 in the Capitol.

WASHINGTON, D.C.,
November 1, 1977.

In reply refer to: I-10646/77ct.

Mr. WILLIAM RICHARDSON,

Professional Staff Member, Subcommittee on Foreign Assistance, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. RICHARDSON: My letter dated 18 February 1976 indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notification.

The Department of State is considering an offer to a NATO country tentatively estimated to cost in excess of $25 million.

Sincerely,

H. M. FISH,

Lieutenant General, USAF Director, Defense Security Assistance Agency and Deputy Assistant Secretary (ISA), Security Assistance.

WASHINGTON, D.C.,
November 1, 1977.

In reply refer to I-9790/77ct.

Mr. WILLIAM RICHARDSON,

Professional Staff Member, Subcommittee on Foreign Assistance, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. RICHARDSON: My letter dated 18 February 1976 indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notification.

The Department of State is considering an offer to a NATO country for major defense equipment tentatively estimated to cost in excess of $7 million.

Sincerely,

H. M. FISH,

Lieutenant General, USAF, Director, Defense Security Assistance Agency, and Deputy Assistant Secretary (ISA), Security Assistance.

STATEMENT BY MR. SPARKMAN ON PRELIMINARY NOTIFICATION PROPOSED ARMS SALES

Section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that Act in excess of $25 million or, in the case of major defense equipment as defined in the Act, those in excess of $7 million. Upon receipt of such notification, the Congress has 30 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the Chairman of the Foreign Relations Committee.

Pursuant to an informal understanding, the Department of Defense has agreed to provide the Committee with a preliminary notification 20 days before transmittal of the official notification. The official notification will be printed in the record in accordance with previous practice.

I wish to inform Members of the Senate that such a notification was received on November 8, 1977.

Interested Senators may inquire as to the details of this preliminary notification at the offices of the Committee on Foreign Relations, Room S-116 in the Capitol.

WASHINGTON, D.C.,
November 8, 1977.

In reply refer to: I-10790/77ct.

Mr. WILLIAM RICHARDSON,

Professional Staff Member, Subcommittee on Foreign Assistance, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. RICHARDSON: My letter dated 18 February 1976 indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notification.

The Department of State is considering an offer to a Southeast Asian country tentatively estimated to cost in excess of $25 million.

Sincerely,

H. M. FISH,

Lieutenant General, USAF, Director, Defense Security Assistance Agency, and Deputy Assistant Secretary (ISA), Security Assistance.

NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. ROBERT C. BYRD. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

Alexander O. Bryner, of Alaska, to be U.S. attorney for the district of Alaska for the term of 4 years, vice G. Kent Edwards, resigned.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Tuesday, November 22, 1977, any representations or objections they may wish to present concerning the above nomination with a further statement whether it is their intention to appear at any hearing which may be scheduled.

NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. ROBERT C. BYRD. Mr. President, the following nomination has been re-

ferred to and is now pending before the Committee on the Judiciary:

Larry R. McCord, of Arkansas, to be U.S. attorney for the western district of Arkansas for the term of 4 years vice Robert E. Johnson.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Tuesday, November 22, 1977, any representations or objections they may wish to present concerning the above nomination with a further statement whether it is their intention to appear at any hearing which may be scheduled.

RECESS FOR 2 MINUTES

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess for 2 minutes.

There being no objection, the Senate, at 10:06 a.m. recessed until 10:08 a.m.; whereupon the Senate reassembled when called to order by the Acting President pro tempore (Mr. BUMPERS).

ORDER FOR RECESS UNTIL 10 A.M. FRIDAY, NOVEMBER 18, 1977

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 10 a.m. on Friday, November 18, for the purpose of a pro forma session only, with no morning business to be transacted, and with the Senate to be recessed immediately after convening.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. The Senate will recess over until Friday, in order to conform with the requirements of the Constitution.

ORDER FOR RECESS FROM FRIDAY TO 10 A.M. ON TUESDAY, NOVEMBER 22, 1977, RECOGNITION OF LEADERSHIP, AND TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the end of the pro forma session on Friday, November 18, the Senate stand in recess until the hour of 10 a.m. Tuesday, November 22; provided further, that on November 22, the majority and minority leaders have not to exceed 10 minutes each for the purpose of making any announcements for the information of the membership at that time; provided further, that during that session space be provided in the RECORD for the transaction of routine morning business; namely, the introduction of statements by Senators, bills and joint resolutions introduced, and reports of committees. There will be no rollcall votes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR THE PRINTING OF LEGISLATIVE AND EXECUTIVE CALENDARS EACH MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the legislative and executive calendars be printed each Monday with Tuesday's date until further notice.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR RECESS FROM TUESDAY, NOVEMBER 22 UNTIL 10 A.M. FRIDAY, NOVEMBER 25, 1977

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business on Tuesday, November 22, it recess over until Friday, November 25, at 10 a.m. for the purpose of a pro forma session only with no morning business to be transacted, and with the Senate to be recessed immediately after convening.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR RECESS FROM FRIDAY, NOVEMBER 25, to 10 A.M. TUESDAY, NOVEMBER 29, 1977

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the end of the pro forma session on Friday, November 25, the Senate stand in recess until the hour of 10 a.m. on Tuesday, November 29.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RECESS SUBJECT TO CALL OF THE CHAIR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess awaiting the call of the Chair.

There being no objection, the Senate, at 10:11 a.m., recessed subject to the call of the Chair until 10:21 a.m.; whereupon, the Senate reassembled when called to order by the Acting President pro tempore (Mr. BUMPERS).

AUTHORITY FOR COMMITTEES TO REPORT ON NOVEMBER 18, 22, AND 28, 1977, UNTIL 3 P.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that committees may have until 3 p.m. to report on the following days: Friday, November 18; Tuesday, November 22; and Monday, November 28.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RECESS UNTIL 10 A.M. FRIDAY, NOVEMBER 18, 1977

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until 10 a.m. on this coming Friday, November 18, 1977, for the purpose of a pro forma session only, with no morning business to be transacted.

The motion was agreed to; and at 10:24 a.m., in accordance with the previous order, the Senate recessed until 10 a.m. on Friday, November 18, 1977.

NOMINATIONS

Executive nominations sent to the Senate on November 8, 1977, pursuant to the order of the Senate of November 4, 1977:

DEPARTMENT OF STATE

Thomas J. Corcoran, of the District of Columbia, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Burundi.

David T. Schneider, of Maryland, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of Bangladesh.

Executive nominations sent to the Senate on November 11, 1977, pursuant to the order of the Senate of November 4, 1977:

DEPARTMENT OF JUSTICE

Larry R. McCord, of Arkansas, to be U.S. attorney for the western district of Arkansas for the term of 4 years, vice Robert E. Johnson.

DEPARTMENT OF COMMERCE

Ernest Ambler, of Maryland, to be Director of the National Bureau of Standards, vice Richard W. Roberts, resigned.

NATIONAL SCIENCE FOUNDATION

Joseph Mayo Pettit, of Georgia, to be a member of the National Science Board, National Science Foundation, for a term expiring May 10, 1982, vice Robert Henry Dicke, term expired.

IN THE AIR FORCE

The following officer for promotion in the Regular Air Force, under the provisions of chapter 835, title 10, United States Code, as amended. The officer is subject to physical examination required by law:

LINE OF THE AIR FORCE

First lieutenant to captain

Simms, James D., [redacted].

The following officers for promotion in the Air Force Reserve, under the provisions of sections 8376 and 593, title 10, United States Code:

MEDICAL CORPS

Lieutenant colonel to colonel

Jones, Robert T., [redacted].

Major to lieutenant colonel

Christman, James E., [redacted].
Winer, Bernard A., [redacted].

The following officers for appointment in the Regular Air Force, in the grades indicated, under the provisions of section 8284, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated, and with dates of rank to be determined by the Secretary of the Air Force:

MEDICAL CORPS

To be major

Erickson, Gerald I., [redacted].
Poitrast, Bruce J., [redacted].
Rainess, Alan E., [redacted].

DENTAL CORPS

To be major

Salzman, Jacob A., xxx-xx-xxxx.

To be captain

Lemar, Mark E., xxx-xx-xxxx.

To be first lieutenant

Hatfield, John H., xxx-xx-xxxx.
Joyner, Harry N., III, xxx-xx-xxxx.

The following persons for appointment as Reserve of the Air Force, in grades indicated, under the provisions of section 593, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated:

MEDICAL CORPS

To be colonel

Haff, Roderick C., xxx-xx-xxxx.

To be lieutenant colonel

Anderson, Daniel H., xxx-xx-xxxx.
Anton, Achilles P., xxx-xx-xxxx.
Griffin, Robert P., xxx-xx-xxxx.
Mickel, Edwin A., xxx-xx-xxxx.
Montalvo-Rodriguez Roque, xxx-xx-xxxx.
Morgan, Howard W., Jr., xxx-xx-xxxx.
Pye, Stephen A., Jr., xxx-xx-xxxx.
Stanton, Eugene S., xxx-xx-xxxx.
Wolkoff, Aaron S., xxx-xx-xxxx.

The following person for appointment as a Reserve of the Air Force in the grade indicated, under the provisions of section 593, title 10, United States Code:

LINE OF THE AIR FORCE

To be lieutenant-colonel

Koch, William K., xxx-xx-xxxx.

The following officer for appointment as a Reserve of the Air Force (ANGUS), in the grade indicated, under the provisions of sections 593, 8351, and 8392, title 10, United States Code:

LINE OF THE AIR FORCE

To be colonel

Funderburk, Laverne G., xxx-xx-xxxx.

The following persons for appointment as a Reserve of the Air Force (ANGUS), in the grade indicated, under the provisions of sections 593 and 8351, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated:

MEDICAL CORPS

To be lieutenant colonel

Rosen, Leonard E., xxx-xx-xxxx.

VETERINARY CORPS

To be lieutenant colonel

Smith, Malcolm C., Jr., xxx-xx-xxxx.

The following named Air Force officer for reappointment to the Active List of the Regular Air Force, in the grade of lieutenant colonel, Regular Air Force, under the provisions of sections 1210 and 1211, title 10, United States Code, with active duty grade of temporary colonel, in accordance with sections 8442 and 8447, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duty indicated:

DENTAL CORPS

To be lieutenant colonel

Lord, Hunting J., Jr., xxx-xx-xxxx.

IN THE MARINE CORPS

The following-named male officers of the Marine Corps for temporary appointment to the grade of lieutenant colonel under the provisions of title 10, United States Code, section 5769:

Herbert M. Sanchez
Joseph J. Dzielski
Robert L. Mitchell
Fred W. Anthes
Howard A. Franz
Morris R. Roberts
James E. Rickmon

The following-named women officers of the Marine Corps for permanent appointment to the grade of major under the provisions of title 10, United States Code, section 5771:

Ingrid M. Pranger
Kyoko Pentz
Alice B. Speizman
Helen D. Kruger

The following-named male officers of the Marine Corps for temporary appointment to the grade of major under the provisions of title 10, United States Code, section 5769:

James R. Acreback
Jerald R. Agenbroad
Gary R. Albin
Lester E. Amick III
Robert D. Amos, Jr.
Gary D. Andresen
James F. Andrews III
Russell E. Appleton
Bruce R. Archer
Rodney A. Arena
Michael D. Ashworth
George B. Atkinson
Paul C. Bacon
Ronnie J. Bailey
Wheeler L. Baker
William J. Baker
Charles Balchunas
David W. Baldwin
James E. Barksdale
James J. Barta
Allen C. Bartel
Richard J. Bartolomea
John M. Basel
Edmund Bauernfeind
Arthur S. Bausch
Hugo T. Beck
Emil R. Bedard
Charles A. Bellis, Jr.
Guiseppe A. Betta
John L. Bilodeau
Willie R. Bishoff, Jr.
David L. Bjork
William B. Blackshear, Jr.
James R. Blanich
Billy R. Blocker
Michael P. Boak
Robert J. Boardman
George J. Bolduc
James N. Bonner
Michel A. Boyle
Sevath A. Boyum
Clifford A. Brahmstadt
Leo A. Brandenburg
Ian Brennan
Robert R. Brewton
James Brigadier
James A. Brinson, Jr.
Thomas F. Broderick
George M. Brooke III
Kenneth H. Bruner
James F. Buchli
Robert J. Buechler
Mark C. Bunton
Victor L. Burgess
Edward B. Burrow, Jr.
James P. Byrnes
Carl P. Campbell
Edgar M. Campbell
Robert A. Cardell
George A. Carlson
Michael R. Cathey
Richard Chandler III
Roger G. Charles
Jonathan C. Chase
Maurice L. Chevalier
Jimmie W. Childs
James M. Clarke
Michael G. Coe
John R. Cole
Charles A. Collins
Clelland R. Collins, Jr.
Newton A. Collyar
Gary E. Colpas
Richard A. Combs
William L. Cooper
Dennis Copson
Gary M. Costello
Walter S. Cover
Timothy J. Coyle
Bradford L. Craddock
James P. Craig II
Jimmy R. Cranford
Richard R. Crawford
John R. Cress
Clifford J. Crews
James E. Cripps
James C. Crockett
Stephen Cucchiara
David J. Cummings
Edward B. Cummings
John T. Cummins, Jr.
Homer S. Cutlip
Paul P. Darling
Dellwyn L. Davis, Jr.
Robert C. Debussey
Michael P. Delong
John R. Dempsey
Charles F. Depreker
Michael J. Dineen
Richard Dinkel
Elmer H. Davis, Jr.
Stephen J. Dlugos II
Paul D. David
Carson R. Day
Donald L. Dickerson
Charles J. Dey
Alfred M. Doktor, Jr.
William R. Donnelly, Jr.
Robert C. Dopher, Jr.
Jefferson D. Dorroh III
Dennis L. Doyle
Wayne C. Doyle
Doyle D. Dudley
Donald L. Dziggel
Robert L. Earl
Max B. Eaton
Thomas B. Edwards III
Jay L. Elliott
Ketron H. Ellison
Don D. Enloe
John S. Evans, Jr.
William C. Evans
Walter R. Fabinsky
Michael J. Ferguson
Patrick J. Finnernan, Jr.
John W. Fitch
Thomas F. Fitzpatrick Jr.
Charles W. Fleischer, Jr.
Arturo Flores
John R. Fogg
John J. Folan, Jr.
Edwin C. Ford, Jr.
James L. Foresman
Robert W. Fout
Stephen P. Freiheer
Claude R. Fridley
Douglas D. Frisbie
Leonard R. Fuchs, Jr.
James L. Furgerson
Tony R. Gain
Joe D. Garrett
Algimantas V. Garsys
David M. Gee
George F. Getgood
John F. Gimber
Robert E. Gleisberg
Richard S. Glenzer
Daniel M. Glynn
James A. Goebel
Robert L. Graler
Maurice O. Green V
Theodore W. Griggs III
Allen D. Guins, Jr.
Steven P. Hadar
John R. Hagan
David C. Hague
Charles G. Haley
William H. Hamlin
Barry L. Hanchett
Edward Hanlon, Jr.
Jeffrey T. Hansen
David W. Haughey
Paul Hayes
Jerry T. Harber
Roosevelt Harrelle
John T. Hart
Franklin J. Heacock
Harvey R. Hegstrom, Jr.
Joel K. Helm
Howard L. Helms
Wallace Q. Henderson
Edward W. Hermansen, Jr.
Richard L. Herrington
Robert T. Hickinbotham
Geoffrey B. Higginbotham
William R. Higgins
Klaus P. Hille
Thomas A. Hobbs
Harold D. Hockaday
James C. Hodges
Charles O. Hoelle, Jr.
William H. Hoff
Richard J. Hogan
Thomas W. Holden
John M. Holladay
Joseph R. Holzbauer
Franz H. Honeycutt
Raymond A. Hord
Joseph R. Horton, Jr.
Patrick G. Howard
William C. Howey
Lewis E. Hoyt
John M. Hudock, Jr.
Lucien N. Hudson, Jr.
Richard B. Hudson
James W. Hust
Robert P. Isbell
Peter M. Iverson
James W. Jackson
Albert E. James Jr.
Herman R. Jennette, Jr.
Joseph M. Jewett
Kenneth D. Johnson
Ronald P. Johnson
Russell L. Johnson
William J. Johnston III
Kenneth W. Jones
Lee D. Kane
Michael R. Kanne
George M. Karamarkovich
William W. Kastner III
Wayne S. Keck
Joseph A. Kelleher
Joseph J. Kelly
Edwin C. Kelley, Jr.
John A. Kieffer, Jr.
John P. Kiley
Charles W. King
Richard L. Kline, Jr.
Manfred A. Koebig, Jr.
Nicholas L. Kopchinsky
Douglas M. Kruse
Leo E. Krusemark, Jr.
Richard H. Kunkel, Jr.
Richard C. Kurth
Gregory S. Kuzniewsk
Don C. Lacey
Robert B. Lambdin
Howard W. Langdon, Jr.
Michael J. Larson
Jerry V. Lasher
John R. Laurent II
Luther L. Lawson III
Fitzhugh B. Lee
John S. Leffen, Jr.
Larry G. Lephart
Edward G. Lewis
Tyrone L. Lewis
Dennis L. Lister
Lawrence H. Livingston
Arron K. Lockyer
Horace L. Logan III
Gary L. Loomis
Troy A. Lucas
Forest L. Lucy
Peter Lynch
Theodore H. Lyons
John G. MacNutt
Edward F. McCann
Dennis M. McCarthy
Frederick McCorkle
Orval W. McCormack
Thomas H. McDermott
James L. McDonnell, Jr.
Gregory M. McDonough
Frank W. McDuffee
Arthur L. McGinley
Mack L. McGlumphy
George R. McKay
James H. McKelligon
Daniel P. McKnight
James R. McNeece
William D. McSorley III
John C. Malinowski, Jr.
Mark H. Mallett
Wesley R. Marks, Jr.
Philip M. Marrie
Bobby O. Martin
Kenneth W. Martin
Justin M. Martin II
Francis A. Mauro, Jr.
George B. Mayer, Jr.
David E. Melchar
William R. Melton
Russell S. Michaelsen
Patrick A. Michel
Rodney A. Miller
John R. Mills
Edward H. Mills
Michael R. Mohr
Cecilio Montoya
John A. Morrison
Larry S. Mueller
Peter S. Morosoff
Michael R. Mullen
John J. Munn
Stephen D. Murray
John K. Narney
Richard O. Neal
Rafael Negron, Jr.
Robert B. Newlin
Howard B. Nielsen
Oliver L. North
Thomas G. Nulty
James M. O'Brien, Jr.
Brian A. O'Neill
Edward M. Oshaughnessy
Jerry G. Paccassi II
Anthony J. Pack
Robert A. Packard, Jr.
Paul D. Parker II
Anthony J. Paruzynski
Richard E. Peasley
James M. Pendergast
David L. Percy
George Philip III
Willie R. Phillips
David R. Pia
Bernard T. Polentz
Alfred J. Ponnwitz
Richard J. Popps

David R. Powers
Ronald E. Pruiett
Kenneth R. Ptack
Norman H. Rackley
Sepp D. Ramsperger
William E. Ransbottom
David G. Ray
John D. Reed
Richard C. Regan
Johnny D. Restivo
Richard L. Reuter
Lawrence G. Richard
Clyde A. Rilea
Durwood W. Ringo Jr.
Francis A. Ritchey III
Donald F. Ritenour
Michael G. Roach
Larry E. Roberson
Linton R. Roberts
John K. Robinson
Raymond A. Roll
Wayne E. Rollings
Robert N. Roman
Michael G. Roth
Theodore E. Roth
Randolph C. Rounds, Jr.
James E. Royds
James R. Ryan
Michael D. Ryan
Claude H. Ryan, Jr.
Zebedee L. Rush
Daryl L. Russell
James C. Sanborn
Steven R. Sanford
Andrew R. Sargent
Edward A. Saunders
Richard D. Schaub
John D. Schessler
Charles W. Schillinger
Charles J. Schoener III
Joel N. Schuette
Richard S. Scivicque
James D. Selim
Michael M. Sheedy III
Kermit H. Shelly, Jr.
Michael F. Shields
Michael R. Shuttleworth
Jasper V. Simpson
Jeffrey B. Sinclair
Richard C. Slack
Robert M. Slater
Clinton A. Smith
Daniel M. Smith
Franklin B. Smith
Michael D. Smith
Ray L. Smith
Thomas A. Smith
John S. Snowden
Kenneth A. Solum
Robert R. Spitze
Martin R. Steele
Edward R. Stepien
James R. Stewart
Bert A. Stevenson
Keith H. Stivers
Carl C. Stoehr II
Gerald A. Stone
Milton D. Stonebarger, Jr.
John B. Strange
Cecil L. Strouth
Joseph E. Sturtevant, Jr.
John J. Sullivan, Jr.
Donald R. Swaby
Eugene Swidonovich
Victor E. Taber
William J. Tehan III
Richard F. Thayer
William G. Thrash, Jr.
Dale S. Town
Edward C. Traasdahl
Clyde R. Trathowen
William W. Treon
Thomas R. Trompeter
William M. Tucker
David J. Turner
Colin B. Tweddell
John M. Valovich
Richard F. Vercauteren
David A. Vetter
Donald D. Visnick
John R. Voneida
Thomas A. Voth
Bob C. Walker
Richard W. Walker
Samuel J. Ware
Robert C. Watkins
Charles G. Weaver
Arthur S. Weber, Jr.
Harry R. Weber III
Larry D. Webster
Ronald A. Weigand
William C. Weinmann
Joseph R. Welsh, Jr.
George E. Wetmore III
Kenneth J. Wilkinson
Richard F. Williams
Roger S. Williams II
Leon Williamson
James R. Wingerter
John H. Winslow
John D. Wintersteen
Pasquale Wojciechowski
Terry L. Wojcik
Anthony A. Wood
Peter A. Woog
Carroll L. Wright
Thomas F. Wunderlich
George A. Zahn, Jr.

The following-named women officers of the Marine Corps for permanent appointment to the grade of captain under the provisions of title 10, U.S. Code, section 5771:

Sylvia M. Ford.
Virginia G. Handelsman.

The following-named male officers of the Marine Corps for temporary appointment to the grade of captain under the provisions of title 10, U.S. Code, section 5769:

Garland G. Aaron
Michael L. Adams
Mitchel N. Ahlers, Sr.
John W. Ailshire
Mark E. Albritton
Michael E. Aldridge
Duff E. Alger
Homer L. Allen
Constantine G. Ambrose
Martin B. Ancellotti
James L. Anderson
Steven D. Anderson
Paul A. Andres
Clarke F. Ansel
Gregory M. Anthony
Robert E. Apple, Jr.
Ferdinand J. Appl, Jr.
Levon S. Asadoorian
Peter L. Aseritis
Donald H. Atchison
John B. Atkinson, Jr.
Robert J. Avila, Jr.
Joseph R. Ayala
Bruce M. Bachman
Leland W. Bacon
Winston E. Baggs
Donald L. Bailey
Johnny P. Bailey
Martin P. Bailey
Robert H. Bailey
William F. Bain
Charles L. Baker
Ernest N. Balignasay
Reno C. Bamford II
Richard A. Bandlow
William M. Bann
Walter C. Bansley
Paul R. Barlock
Larry B. Barnes
Edwin C. Barnett
Richard G. Barr
Charles D. Barrier
Theodore H. Barrow
Richard M. Barry
William M. Barth
Robert L. Bartley
John E. Barton
Richard K. Bartzer
Stephen B. Baumann
Dave Beasley, Jr.
Kenneth E. Beaton
Robert L. Beatty, Jr.
Bill R. Beauchamp
Paul E. Beckhart
David L. Beeman
Brian L. Behl
Richard G. Bell, Jr.
Wayne T. Bell
David C. Bender
Mark E. Bennett
Kenneth Berger
Robert F. Bickford
Mark H. Biser
Bruce M. Black
James Black
Matthew W. Blackledge
Charles H. Blackwell
Anthony D. Blice
Bruce K. Bohnker
Robert W. Borek, Jr.
John E. Borley
Robert W. Bostwick
Charles T. Botkin
William F. Botkin
Carl R. Bott
Carl S. Bourne, Jr.
Stephen F. Bouton
Reganold A. Bowser
John C. Boyd
Joseph S. Boyd
Raymond A. Boyd, Jr.
Rodell N. Branford, Jr.
Boyce A. Brasington, Jr.
Philip E. Bray
Glenn A. Brewer
Michael C. Bridges
Ronald G. Brogdon
Roderick L. Brotherton
Allen D. Broussard
Mark J. Brousseau
Jerry L. Brown
Scott L. Brown
Murray W. Bryant
Richard A. Bryant
Andrew J. Budka
John R. Bukowski
Mark A. Bultemeier
John D. Burell
David S. Burgess, Jr.
Joseph E. Burke, Jr.
Ted M. Burkhart
Jay E. Burzak
Terrance G. Buschelman
Curt C. Buss
James A. Bussiere
Ervin E. Cade III
Lee R. Cain, Jr.
Thomas R. Calkins
Charles J. Callaghan
Robert J. Cameron
James H. Campbell III
Mark F. Cancian
Paul B. Cannon
William G. Carey
Gary R. Carlson
Robert C. Carlson, Jr.
Roger W. Carlson
Albert R. Carmoney, Jr.
Robert A. Carnot
Edgar B. Carr
Charles R. Carrigan
Michael E. Carroll
Jere J. Carroll
Brett M. Carter
Charles D. Carter
Nearlin Carter, Jr.
James M. Casey
John M. Cassady, Jr.
Douglas M. Catlett
John D. Cauble, Jr.
Carroll L. Cawyer
James H. Charest
Madison C. Chisum, Jr.
Richard W. Christiansen
Jeffrey C. Christman
Thomas J. Christofk
Stephen L. Claiborne
Gary B. Clark
Gerald M. Clark, Sr.
Jackie K. Clark
James G. Clark, Jr.
Michael J. Clark
William M. Clark
John A. Clauer
Randall B. Claybourn
Robert L. Click
David R. Clifton
Sylvester P. Clymer, Jr.
Quentin M. Cole
Melvin Collins
Kenneth L. Collyer
Joseph H. Compton
James R. Conner
Robert E. Cook
Paul H. Coovert
Joseph G. Corbin
Carl H. Corby, Jr.
William B. Corley, Jr.
Robert B. Cory
Mark A. Costa
Wayne R. Cote
James A. Cothran
John W. Cox
Oscar E. Creech, Jr.
Lyn L. Creswell
Victor T. Cronauer
Craig C. Crowley
William S. Culler
Thomas J. Cummins
Daniel E. Curfiss
Stephen W. Dade
Joseph F. Dalton, Jr.
Walter W. Damewood, Jr.
Eddie A. Daniels III
Carmen M. Darminio
John W. Davenport
John S. Davidson
Alphonse G. Davis
Arthur H. Davis, Jr.
Charles M. Davis
Dequincey A. Davis
Herbert L. Day
Amo R. Debernardis
Raymond J. Decker, Jr.
George F. Deckert III
Jeffrey R. Degraff
Oscar Delargarza, Jr.
Charles C. Delorme
Enrico G. Delpuppo
Bruce A. Denault
James A. Dentinger
Mark F. Devane
Robert C. Dickerson, Jr.
John J. Dicks
Thomas E. Dillard, Jr.
Brian S. Dinwiddie
Donald L. Doggett
Arthur D. Doherty, Jr.
Robert L. Domina
Stanley Domino
Robert S. Donaghue
Patrick E. Donahue
Scott E. Donaldson
Steven B. Donnell
Edward J. Donofrio
Terrance S. Doran
David G. Dotterrer
Thomas C. Douglas
Thomas J. Doyle
Peter J. Dubuisson
Terrence P. Dugan
Patrick J. Dulin
Frank D. Dunn
Billy D. Dunsmore
John A. Dzierzak
Edmund D. Eaton, Jr.
Gary H. Ebanks
Andrew F. Eble
Dana A. Eckel
James M. Edgerton
Ralph H. Files
Robert W. Elflein
John R. Elliott
Kenneth E. Elsbury
Ronald S. Eluk
Hugh T. Elwood
Homer R. Empey
Donald T. Eskam
Vincent P. Everman, Jr.
Roland W. Falana
Daniel C. Farina
Lloyd A. Feldman
Dennis G. Felhoelter
Kenneth P. Ferguson
William G. Fiegener
Barney J. Fisher
Daniel F. Fennell, Jr.
Patrick M. Flanagan
Richard W. Fleet
Ronald R. Fleming
Timothy H. Foley
James G. Fongemie
Ronald F. Franks
Robert R. Frederickson
Mark P. Freeman, Jr.
David D. Fulton
Larry G. Fulton
David A. Galati
Michael Gambino
Michael W. Gaston
Roger L. Gemar
John D. Genduso
Alan J. Genteman
Timothy F. Ghormley
John R. Giberson
Christopher P. Gieser
Ross C. Gildersleeve
Steele H. Glenn
John E. Glover
Joseph F. Gomes, Jr.
Gerold W. Graham
John W. Graham P.
Sammy C. Graham
Peter V. Gray
Robert L. Green
Richard L. Gregg
Elie S. Griffiin, Jr.
Dennis H. Grimm
Steven P. Grohsmeyer
Albert J. Guidotti
Harry W. Gullett
Joseph A. Gunnels, Jr.
Gregory F. Gustin
Jackie W. Guthrie
Gerald L. Haden
Ralph D. Haddock
William J. Haffey
Lynn W. Hale
Ronald H. Haley
Edward A. Hall
John L. Hall
Dennis A. Halterman
James L. Hampton
Stephen D. Hanson
James A. Harler
Roger H. Harlow, Jr.
Samuel T. Harrelson, Jr.
Gregory Harrison
Dennis E. Haskins
Michael D. Haynes
Dennis L. Heider
Samuel T. Helland
Jacky C. Henderson
Douglas O. Hendricks
Leif H. Hendrickson
Terry W. Hendrix
Lawrence M. Hennebeck
Marvin W. Henry
Elvin W. Hensley
Ronald L. Herda
Leonardo G. Hernande
Timothy W. Hill
Rex L. Hinman
David L. Hoagland
Gerald P. Hogan
Michael B. Hogan
Clifford B. Holbrook
Roy J. Hollingsworth
Harry L. Holloway III
Daniel D. Holstein
Luther E. Holt, Jr.
John C. Hoogerwerff
Alan M. Hoover
William J. Horan, Jr.
David L. Horton
James F. Houston
Richard J. Huchel
William T. Huff, Jr.
James E. Hull
William C. Hurst
James R. Huston
John P. Hutchings
Michael J. Hutchinson
Gary R. Ing
Michael L. Inman
Donald A. Innis
Robert D. Iverson
David K. Jackson
Dennis M. Jackson
James E. Jackson, Jr.
Lowell B. Jackson
Raymond T. Jackson
Joseph M. Jacobs
George G. Jacobson
Peter A. James
Edgar W. Jatho, Jr.
John A. Jauregui
Donald S. Jefferson
Darrell K. Jenkins
David L. John
Andrew L. Johnson
Billy P. Johnson
Charles A. Johnson
Francis A. Johnson III
Kenneth D. Johnson
Patrick M. Johnson
Richard F. Johnson
Richard C. Jonely
Danny R. Jones
Jimmy B. Jones
Larry W. Jones
William M. Jones
Harold A. Juhl
Charles M. Justice
Thomas W. Kaldy
Stephen C. Kanaga
Michael W. Karnath

Edward M. Kasica, Jr.
Charles J. Kathrein
Frank L. Kebelman III
Martin P. Keeley III
John A. Keenan
Harold A. Keith
Dennis G. Keller
Jack I. Kelley
Sean Kelly
Michael B. Kennedy
William B. Kennedy
Earl L. Kent III
Gary J. Kenter
Thomas N. Kerigan
George Kerlek, Jr.
Michael B. Kessler
Richard K. Ketler
Roger D. Kirkpatrick
John B. Kiser
Chester H. Kittrell
Thomas G. Klappert
Lynn Klinefelter
Richard W. Knipp
Kerry A. Knowles
Richard C. Koch
Thomas H. Koger
George E. Kondreck, Jr.
Rudolph B. Kowalcyk
Richard S. Kramlich
George D. Krebs
Al Kris
Ray D. Kroeschen
Richard A. Krogh
Wayne E. Krout
Raymond L. Kunkle
Frederick G. Kuss
William J. Lademan
Robert N. Lafreniere
George C. Lake III
Richard L. Landis
Franklin D. Lane
Francis P. Lanzer
Robert L. Larkin, Jr.
Timothy R. Larsen
Leonard W. Latour
Harold W. Laughlin, Jr.
Howard J. Laurie
Thomas L. Laws
Charles A. Leader III
Michael J. Leahey
Patrick R. Lederer
Lawrence E. Leggett
Michael R. Lehnert
Stanley J. Lehto
John A. Lemoine
Alberto S. Leonardo
Miklos Lestyan
Michael W. Lindberg
Forrest R. Lindsey
George W. Lindstrom
David C. Ling
William F. Linnehan
William M. Lipsmeyer
Dennis E. Long
David M. Lumsden
David W. Lutz
Steven C. MacAllister
Gary D. MacFadden
John H. MacGhee
Merle E. Mackie, Sr.
Donald C. Mahler
Emile Manara III
Harry Manchester, Jr.
Bruce H. Marquardt
Benjamin A. Marsh
William E. Marsh
Chez Marshall III
Robert W. Martin
William F. Martin
Arthur Martinez, Jr.
William L. Maruchi, Jr.
William J. Marvin
Jack D. Mathis
Robert C. Maywhort, Jr.
John M. Mcaffe
Clifton, McAllister
Francis A. McBride III
John C. McCalla
Brad A. McCanna
Arthur R. McDaniel
Chance E. McDonald, Jr.
Michael F. McDonald
Michael M. McDonough
George M. McDowell
James S. McElhiney
James L. McGowan
John L. McGowan
Peter R. McGrew
James P. McGrory, Jr.
Edward A. McGuigan, Jr.
Daniel M. McHale
Charles E. McKeone
Edward P. McLyman
Robert A. McMichael
Wilburn E. Meador, Jr.
Andrew D. Mehling
Marlen B. Meierdierks
Gene Menke
Eric J. Mercer
Richard P. Meserve
Charles L. Meyer
Leslie A. Meyer
Deniel E. Miller
Donald E. Miller
Gary W. Miller
John E. Miller
Mark R. Mitchell
Michael C. Mitchell
Steven R. Mock
Lawrence W. Moczulski
George E. Monarch III
Monte G. Montgomery
Bertram E. Moore, Jr.
John T. Moore
Ralph F. Morgan
Robert J. Morgan
Marion K. Morgan
Allen R. Morris
Harey D. Morrow
James L. Morton
Mark S. Moses
Dirk P. Mosis
James M. Mulholand
John R. Murphy
Harry L. Myers, Jr.
Mark H. Naster
Richard F. Natonski
James P. Naughton
Rex E. Nelsen
Lance C. Newby
Clark C. Nielsen
Dennis E. Norman
Edward J. Novicki
Daniel C. O'Brien
Dennis A. O'Brien
Jeremiah J. O'Brien
Thomas M. Ochala
Sam G. Ochoco
William P. O'Donnell
John F. Ogden
Warren T. O'Hara III
William F. O'Hara, Jr.
Rudolf S. Olszyk
David P. O'Neil
James L. O'Neill
James V. Orlando III
Bryant C. Orr
Paul W. O'Toole, Jr.
Charles T. Owen
Huey S. Pace, Jr.
Vincent J. Palancia
Roland N. Pannell, Jr.
Dale M. Papworth
Angelo S. Parise
Larry R. Parks
Robert L. Parnell III
James L. Patterson
Roger C. Patton
Ronald W. Peck
Troy D. Pennington
Stephen W. Perkins
Michael P. Perry
Douglas T. Peters
Jimmie F. Peters
Charles L. Peterson
Christopher D. Peterson
James R. Philson
Richard F. Piasecki
Lawrence J. Pietropaulo
James W. Piggott
Paul R. Plante
Richard L. Plautz
Mark M. Pollitt
James E. Pons
Angus M. Prim
Dale A. Prondzinski
Rodney N. Propst
Lee C. Pugh
Joseph J. Quaglia, Jr.
Steven R. Quentmeyer
Anthony J. Quinn
Michael P. Rainey
Cecil E. Ralston, Jr.
Ronald E. Randolph
David G. Ranowsky
Bryan G. Ramey
David A. Raper
David J. Rash
Louis F. Rave
Robert W. Reese
Douglas C. Redlich
Joseph S. Regan
Arlen D. Rens
David M. Renzelman
Ronald R. Rhoads
Virgil G. Rhoads
Gordon A. Rice
Stephen M. Rich
Linwood D. Richards III
Edmond T. Richardson, Jr.
Steven M. Ritacco
William L. Riznychok
Richard W. Roan
Mark E. Robbins
Donald E. Roberson
William J Robinson
David B. Roche
Lowell R. Rogers
Theron D. Rogers
Christopher J. Ross
Richard K. Rothell
Otis E. Rowland
Donald R. Ruch
Ronald W. Ruescher
Robert A. Rufo
Timothy J. Ryan
Joseph M. Sackett
Donald L. Sammons
Juan B. Sanchez
Richard F. Schalk
Walter A. Schartmann
Norman G. Schlaich
Michael F. Schlueter
Eddie R. Schmalz
Walter C. Schmick, Jr
Joseph H. Schmid
Nolan D. Schmidt
Robert L. Schmitt
Jerry O. Schutt
Walter R. Schuette
Arlon T. Schuetz
Robert W. Semmler
Charles C. Senn, Jr.
Steven W. Shaulis
Gary D. Shaw
Howard D. Shea
Donald R. Shepherd
James L. Shipman, Jr.
Larry K. Shipman
Donald P. Shirk
George C. Siller, Jr.
Theron, Simpson, Jr.
Wilbert O. Sisson
Robert W. Skaggs
Larry W. Slaugh
Barry L. Smith
Charle R. Smith III
David L. Smith
Guilford V. Smith, Jr.
Paris G. Smith, Jr.
Stephen L. Smith
William W. Smith, Jr.
Franklin J. Sofio
Steven B. Sonnenberg
Dennis C. Sorrell
Linwood W. Sparrow
Roger K. Spencer
William X. Spencer
Glenn C. Spradling
Marc A. Spurgeon
Philip A. Stanley
Clinton D. Stannard
Thomas S. Stanmore
John F. Stastny
William H. Steele
Craig M. Steenberg
Frank D. Stephens
Keith L. Stephens
Michael K. Stevens
John F. Stewart
Paul A. Stewart, Jr.
Richard A. Stewart
Clayton E. Stillings
Robert D. Stockman
Robert T. Stockman
Douglas M. Stone
Romuald A. Stone M.
Randall C. Stout
Thomas M. Strait
Joseph J. Streitz
Michael L. Stroud
James A. Stuart III
Roger G. Sturgis
Jerry L. Suenaga
Donald E. Summers
Jesse O. Sunderland
Larry A. Sunn
Mark E. Swanstrom
Tommy D. Sweatt
John M. Taska
Don W. Tatone
Chester M. Taylor
Norman B. Taylor
Richard A. Teeter
James G. Teskey
Charles A. Teubert
Mark C. Thoman
James E. Thomas
Johnny R. Thomas
Kenneth E. Thomas
Thomas H. Thomiszer
David L. Thompson
Gary O. Thompson
Gregory E. Thompson
Bruce P. Thompsonbowers
Ernest C. Threadgill III
Steven M. Timm
Eugene R. Timothy
James R. Tomlinson
Billy W. Tongate
Garvin O. Tootle
Stephen P. Toth
Francis V. Treybal III
Lawrence E. Troffer, Jr.
Donald R. Troutt
Barry W. Trudeau
Robert K. Tucker
Glenn H. Turley
Gregory P. Turner
William M. Twaddell
Dudley W. Urban
Robert J. Urban
John R. Vandrasek, Jr.
Edward B. Vanhaute
James W. Vaught
Servando J. Velarde III
Jose Villanueva, Jr.
Geramon W. Vinup
Peter R. Vogt
Charles P. Voith
Joel R. Voneida
Daniel D. Vuilleumier
Terry R. Wade
Larry D. Walden
Frederick M. Waller, Jr.
Thomas A. Walliser
Francis R. Walker
Edward E. Waltrip
Michael B. Warlick
Gregory S. Warner
Albert A. Washington
Gene D. Watson M.
John H. Watson
William P. Watson III
Randel A. Webb
Loyd T. Weeks
Walter W. Weigle
Paul R. Weigley, Jr.
Robert D. Wetzel
Tait K. Wheeler
Dickie J. White
Richard H. White
Thomas B. White III
Harold E. Whitney, Jr.
Michael G. Whitten
Wayne E. Wickman
Clifford N. Wildsmith
Cornell A. Wilson, Jr.
Gregory V. Wilson
Timothy T. Wilson
Arthur P. Williams
Glenn R. Williams
Herlis A. Williams, Jr.
Lloyd E. Williams
Thomas J. Williams
Lance Wismer
Carl H. Wohlfeil, Jr.
Robert Wolf
Robert L. Wolf
Gary E. Wolfe
Richard K. Wolfe
Franklin P. Wood
John D. Woods
Billy E. Wright
Gregory R. Wright
William A. Wright III
John M. Yencha, Jr.
David H. Yound
Brett N. Younkin
Robert F. Zurface

The following-named (Naval Reserve Officer Training Corps) graduates for permanent appointment to the grade of second lieutenant in the Marine Corps, pursuant to title 10, U.S. Code, section 2107, subject to the qualifications therefor as provided by law:

Jesse R. Barker
Michael A. Corcoran
Frank M. Kenny
Peter W. Langevin
Michael M. Mascarena
Stephen P. O'Hara
Omar M. Rashash

The following-named (Marine Corps enlisted commissioning education program) graduates for permanent appointment to the grade of second lieutenant in the Marine Corps, pursuant to title 10, U.S. Code, section 5583, subject to the qualifications therefor as provided by law:

James V. Aldrich
Willie M. Beardsley
Gregory S. Berger
Russell A. Demeyere
Donald Z. Dillon
Michael A. Glass
Ronald D. Jacob
Thomas D. Laboube
Daniel L. McManus
David M. Meyers
Dorel A. Nanna
Raymond J. Ponnath, Jr.
Michael C. Rakaska
Bernard A. Reimondo
Ernest L. Schrader
Michael W. Thomas
Charles G. Wheeler, Jr.

The following-named (Navy enlisted scientific education program) graduates for permanent appointment to the grade of second lieutenant in the Marine Corps, pursuant to title 10, U.S. Code, section 5583, subject to the qualifications therefor as provided by law:

Thomas D. Olson
Robert D. Madison
Robert J. Watson

Executive nominations sent to the Senate on November 14, 1977, pursuant to the order of the Senate of November 4, 1977:

Department of Commerce

Andrew E. Manatos, of Maryland, to be an Assistant Secretary of Commerce (new position).

Department of Justice

John H. Cary, of Tennessee, to be U.S. attorney for the eastern district of Tennessee for the term of 4 years, vice John L. Bowers, Jr.

Board for International Broadcasting

The following-named persons to be members of the board for International Broadcasting for the terms indicated:

Rita E. Hauser, of New York, for a term expiring April 28, 1980, vice John P. Roche, resigned.

Frank Markoe, Jr., of New Jersey, for a term expiring May 20, 1980, vice Foy D. Kohler, term expired.

NATIONAL COUNCIL ON THE ARTS

The following-named persons to be members of the National Council on the Arts for the terms indicated:

Maureen Dees, of Alabama, for the remainder of the term expiring September 3, 1978, vice Rosalind Russell Brisson, deceased.

Jacob Lawrence, of Washington, for the remainder of the term expiring September 3, 1978, vice Judith Jamison, resigned.

Theodore Bikel, of Connecticut, for the remainder of the term expiring September 3, 1980, vice Thomas Schippers, resigned.

IN THE ARMY

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. Richard Greenleaf Trefry, xxx-... xxx-xx-x... Army of the United States (brigadier general, U.S. Army).

IN THE ARMY

The following-named officers for appointment in the Regular Army of the United States to the grade indicated under the provisions of title 10, United States Code, sections 3284 and 3307:

To be major general

Maj. Gen. George S. Patton xxx-xx-xxxx, Army of the United States (brigadier general, U.S. Army).

Lt. Gen. DeWitt C. Smith, Jr., xxx-xx-xxxx xxx-... Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Homer D. Smith, Jr., xxx-xx-xxxx xxx-... Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Eugene P. Forrester, xxx-xx-xxxx xxx-... Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Philip R. Fein xxx-xx-xxxx, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Joseph P. Kingston, xxx-xx-xxxx xxx-... Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Robert C. Kingston, xxx-xx-xxxx xxx-... Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Gerd S. Grombacher, xxx-xx-xx... xxx-... Army of the United States (brigadier general, U.S. Army).

Lt. Gen. Eugene J. D'Ambrosio, xxx-xx-x... xxx-... Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Ennis C. Whitehead, Jr., xxx-xx-x... Army of the United tSates (brigadier general, U.S. Army).

Maj. Gen. Robert L. Kirwan, xxx-xx-xxxx, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. George L. McFadden, Jr., xxx-xx-x... xxx-... Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Julius W. Becton, Jr., xxx-xx-xx... xxx-... Army of the United States (brigadier general, U.S. Army).

Maj. Gen. R. Dean Tice, xxx-xx-xxxx, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Harry A. Griffith, xxx-xx-xxxx, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Richard L. Prillaman, xxx-xx-xx... xxx-... Army of the United States (brigadier general, U.S. Army).

Maj. Gen. David E. Grange, Jr., xxx-xx-xx... xxx-... Army of the United States (brigadier general, U.S. Army).

Lt. Gen. Arthur J. Gregg xxx-xx-xxxx, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Bennett L. Lewis, xxx-xx-xxxx, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. John A. Wickham, Jr., xxx-xx-x... xxx-... Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Wallace H. Nutting, xxx-xx-xxxx, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Richard G. Trefry, xxx-xx-xxxx, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. James M. Lee, xxx-xx-xxxx, Army of the United States (brigadier general, U.S. Army).

Lt. Gen. Volney F. Warner xxx-xx-xxxx, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Charles F. Means, xxx-xx-xxxx, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. John J. Koehler, Jr., xxx-xx-xxxx, Army of the United States (brigadier general, U.S. Army).

Lt. Gen. Eivind H. Johansen xxx-xx-xxxx, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. William R. Todd xxx-xx-xxxx, Army of the United States(brigadier general, U.S. Army).

IN THE NAVY

The following temporary rear admirals of the U.S. Navy for permanent promotion to the grade of rear admiral, pursuant to title 10, United States Code, sections 5780 and 5781.

LINE

Robert W. Watkins	Bryan W. Compton, Jr.
Kenneth L. Shugart, Jr.	Guy H. B. Shaffer
Henry A. Hoffmann	Douglas F. Mow
James D. Murray, Jr.	Edward A. Burkhalter, Jr.
George E. Jessen	Paul D. Tomb
James H. Morris	Leland S. Kollmorgen
Robert C. Conolly II	Joseph Metcalf III
Edward J. Otth, Jr.	James R. Lewis
Robert J. Eustace	Robert F. Dunn
Eugene S. Ince, Jr.	David M. Cooney
Robert C. Mandeville, Jr.	Carol C. Smith, Jr.
Sumner Shapiro	Sayre A. Swarztrauber
John J. Ekelund	Robert T. Kirksey
Karl J. Bernstein	Peter K. Cullins
Gordon H. Smith	Ralph R. Hedges
George B. Shick, Jr.	Lawrence C. Chambers
Cecil J. Dempf	David M. Altwegg
	Nils R. Thunman

MEDICAL CORPS

Henry A. Sparks	Walter M. Lonergan
Dudley E. Brown, Jr.	Joseph T. Horgan

SUPPLY CORPS

Charles W. Rixey	Van T. Edsall

CIVIL ENGINEER CORPS

Neal W. Clements

DENTAL CORPS

Julian J. Thomas, Jr.

CONFIRMATIONS

Executive nominations confirmed by the Senate November 15, 1977:

DEPARTMENT OF JUSTICE

Gerald D. Fines, of Illinois, to be U.S. attorney for the southern district of Illinois for the term of 4 years.

Audrey A. Kaslow, of California, to be a Commissioner of the U.S. Parole Commission for the term of 6 years.

The above nominations were approved subject to the nominees' commitments to respond to requests to appear and testify before any duly constituted committee of the Senate.

WITHDRAWAL

Executive nomination withdrawn from the Senate November 14, 1977:

Robert H. Mendelsohn, of California, to be an Assistant Secretary of the Interior, vice Ronald G. Coleman, resigned, which was sent to the Senate on May 5, 1977.

EXTENSIONS OF REMARKS

WASPS WIN

HON. NEWTON I. STEERS, JR.

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, xxx-x...

Mr. STEERS. Mr. Speaker, I would like to call to the attention of my colleagues an article by Paul Fanlund that appeared in the Montgomery County, Md., Sentinel on November 11 with reference to congressional action affording veterans benefits to the Women Air Force Service Pilots. Having previously met with representatives of the women pilots who reside in the Eighth Congressional District of Maryland, and as a sponsor of the bill, I applaud passage of this important legislation.

The article follows:

AFTER 33 YEARS WASPS TOAST A VICTORY

(By Paul Fanlund)

They sat in a Capitol Hill restaurant one evening last week toasting a victory that had taken them 33 years to achieve.

These women—World War II military pilots who are now mostly in their fifties—had just been voted veterans benefits by Congress.

Despite having faced apparently baseless opposition from the male-dominated House of Representatives for years, the women's voices harbored no bitterness. They laughed at the suggestion they were early feminists because they took the lead in entering the male dominion of military flying. Aglow with victory, they discouraged any portrayal of having a role in women's rights.

But these WASPS (Women Airforce Service Pilots)—12 of whom reside in Montgomery and Prince George's counties—have literally flown in the face of traditional male-female roles all their lives.

Some quit flying after the war, but the majority carried through with families and a variety of professional careers.

Some WASP members, in fact, have attained national notoriety. One is a federal judge in Arizona, one of only six women in that position in the country. Another is a full professor and department head at the University of Arizona. WASP alumni roles also include a full colonel in the Air Force, a publisher, a Federal Aeronautics Administration examiner, and a former speed skat-

ing and international amateur golf champion who is now a breeder of thoroughbred horses.

The WASP program had been born out of necessity in 1942. Although some of the women did eventually ferry airplanes into combat zones, the bulk of WASP service was dedicated to test flights and ferrying missions within the United States. Thirty-eight died in service.

It took a state of national emergency to prod the military into using the women. England, which had been using women pilots for years, began importing highly-qualified American women pilots. Faced with a critical shortage of pilots of its own, the U.S. began two programs (one for an elite corp of pilots and the other for less experienced ones) which were eventually combined to form the WASPS.

There were 1,097 WASPs during the peak years of the war and all received traditional military training at the same air base in Texas. (WASP headquarters is still in touch with about 850). After training, they were scattered around the country, in most cases serving on the same air crews as men. As he did for other units, Walt Disney designed an emblem for the WASPs, the "Order of Fifinella" patch that the women wore on their flying suits.

Their treatment by men, according to several WASPs, was splendid. "We were with the boys all the time," says Jane Straughan, of Silver Spring, who had a commercial pilot's license before the war. "We were very well accepted."

Others say there were occasional jokes, but—as one WASP says—1942 and 1943 was no time for chauvinism. "I for one never heard anybody mention anything about it (flying with a woman pilot)," says Iola Magruder of Rockville, who later became a schoolteacher. "There was a war on, you know."

One factor that may have made things easier on the WASPs is that they entered service far more qualified than many of their male counterparts. Standards for male pilots were being consistently lowered as demands grew, while the WASPs came in as experienced pilots. That might have made it a little difficult on the male ego to make jokes, several WASPs noted with more than a hint of satisfaction.

All of those interviewed, however, seem amused and amazed that anyone might see them as forerunners of the modern-day feminist. "That never entered my mind," says Irene McLeahy, of Silver Spring. "It was just something we all could do."

"It is true that piloting was considered a very macho, male, gung-ho thing to do," says Lee Wheelwright, of Bethesda. "And to some extent you could say we broke down that stronghold," she says. If that were the case, though, it was by coincidence rather than design, she adds.

"None of us wanted to be a man, says Patricia Hughes of Chevy Chase, who writes for The Stars and Stripes, a national military newspaper. "There was no option. We were at war."

Six months after D-Day and with war's end in sight, the WASPs were deactivated in 1944. At the time they were disbanded, the group sought to be militarily sanctioned by Congress, thus qualifying members for disability and other benefits. Other military groups such as the Navy women (WAVES) were eligible, but the WASPs had never been classified as formal military.

DRIFTED APART

Gen. Henry "Hap" Arnold, commander of the U.S. air forces during the war, had been a major proponent of the WASPs and was in favor of benefits. At the time of the vote in Congress, however, Arnold was overseas and Congress brushed it quickly aside, turning attention to more pressing wartime matters.

The WASPs drifted apart after the war, keeping in touch only through an annual directory of members and an occasional reunion. Two years ago, however, the WASPs cornered William Bruce Arnold (his father "Hap" had died soon after the war) at a reunion and solicited his support in a renewed fight for the benefits.

Arnold, a retired colonel who is a lobbyist for a major defense contractor, donated office space and guidance as the WASPs, particularly those in the Washington area, began the tedious process of passing legislation in Congress.

Finally last week, behind the support of congressional women led by Rep. Margaret Heckler, R-Mass., (and strongly pushed by local Reps. Newton I. Steers, R-8th-Md. and Gladys N. Spellman, D-5th-Md.) the WASP benefits passed in an amendment to a G.I. education allowance bill.

Money hadn't been the issue on the amendment, WASP members say, pointing to figures projecting total costs between $80,000 and $126,000. Rather it was a case of some stubborn men in important committee positions who just refused to budge, they say. In the face of Pentagon support for the WASPs and mountains of evidence that the women pilots fulfilled all requirements of being "military," opponents acquiesced.

"We're all excited (about the decision)," says Hughes, adding that they are happy not only for the financial help (many will need it, she says) but also because it is a symbol. "I guess we did prove that women are good for something besides having babies and pouring tea."

A TEACHERS GUIDE TO TELEVISION

HON. ALBERT H. QUIE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. QUIE. Mr. Speaker, we have all been hearing how violence on television can adversely affect our children. And in fact, a recent court case was based on the correlation between violence on TV and real life.

But, an organization called "Teachers Guides to Television" is now depending on television as a positive force in our lives. This group, begun 10 years ago by Edward Stanley, former public affairs director of NBC, previews television shows on commercial and Public Broadcast Stations (PBS).

One Minnesotan, Roger Tanquist of Fairmont, is so excited over the results of the group that he is exploring the possibility of offering the workshops on cable television to reach a wider audience.

The organization sponsors a parent participation TV workshop where parents and children discuss television shows as a means of helping families to deal with their problems. The organization publishes a guide twice each year to aid in the parent participation TV workshops.

I commend to my colleagues a more detailed explanation of this organization:

An exciting innovation in education and television is taking place in Minnesota and all across the nation.

At Parent Participation TV Workshops, parents are learning to use television to open communication with their children, to encourage them to develop values, learn to make decisions, discover how to handle conflict, explore life purposes and careers, acquire the individual responsibility by which democracy lives. In short, to think for themselves, and discover who they are and who they can become.

At a Parent Participation TV Workshop parents come to school, or church, or a community group to watch a television broadcast with their children. Discussion leaders then lead a cross-generation discussion, demonstrating for parents how to use television at home to help their children fulfill their full humanity. TV need not be only a babysitter for passive young viewers losing precious hours of their growing years.

The Parent Participation TV Workshops are a Teachers Guides to Television project, built this year, around the NBC Special Treats series.

Among the major city school systems now inaugurating Parent Participation TV Workshops are Minneapolis, New York, Chicago, Los Angeles, San Francisco, Portland, Houston, Dallas, Washington, D.C., Philadelphia, Newark, Boston, Baltimore, Charlottesville, Atlanta, Tulsa, Phoenix, Indianapolis, Albuquerque, and Lincoln.

In addition, many smaller school systems, schools, church groups, PTA groups, and others are running workshops.

In Fairmont, Minnesota, Roger Tanquist, AV Coordinator for Independent School District 454, reports that he has found so much interest in the community—ranging from the Ministerial Association to Child Study Groups, Home Extension groups, and classroom teachers and students—that he is now exploring the possibility of offering the Workshops on cable television to reach this wide audience.

In New York City, the Board of Education ran a Parent Participation TV Workshop on WYNE-TV, the Board of Education station, immediately after the November 1st NBC telecast of "Five Finger Discount," permitting parents, children, and teachers throughout the city to observe the parent-child discussion about teenagers' temptation to shoplift, following the drama they had just seen on television. The Archdiocese of New York broadcast its November 1st Workshop three times, and will make its tape available to the entire Catholic Television Network.

The General Mills American Family Report, based on a national survey conducted by Yankelovich, Skelly and White, points out that among ten-to-twelve year-old children, 62 percent know children who have taken something that didn't belong to them, and 44 percent know children who have been in trouble with the police.

The American School Board Journal on page 16 of the April 1977 issue reports that in Illinois, fully a third of all juveniles have committed a serious crime. According to researchers, 50 percent of the young people admitted to shoplifting, 40 percent said they have kept stolen property, and 13 percent confessed to participating in a robbery.

It is not easy for a parent to simply jump into a discussion of such sensitive subjects at the family dinner table. Indeed, two out of three parents, the American Family Report reveals, find it difficult to communicate about sensitive subjects with their children. But parents who learn to take advantage of the opportunities television offers them to open communication with their children will find opportunities for family discussions that can make a tremendous difference in their children's lives.

It is heartwarming to see how the wide diversity of American families is taking this new idea and making it their own.

Here in Washington, D.C., Ann Champ-Wilson, a young black mother who first heard about the Workshops at the General Mills American Family Forum on "Parenting—The Crucial Years" organized a Workshop on November 1st at the Madeline Lecke School. Forty eight parents and children, from 19 families, were present. She encouraged two deaf children to attend, and is working to have the Parent Participation TV Workshop Handbook printed in Braille.

A juvenile judge from La Crosse, Wisconsin, present at the same forum, is exploring the possibility of mandating the Workshops for the juvenile offenders and parents under his supervision.

In Wisconsin, the Workshops are being conducted by the University of Wisconsin Extension Service. County agents report that this has been one of the most enthusiastically received projects they have ever had. Thirty counties expressed immediate interest.

As far away as Fairbanks, Alaska, a mother is working to establish a Workshop for parents of children with learning disabilities; in Hawaii, the Hawaii Council of Churches has responded to the idea; in Jackson, Mississippi, the PTA president is involved; in Boston, Massachusetts, the Parents Advisory Council, which has secured the help of Boston University.

Research documented in 30 countries around the world, by Dr. Benjamin Bloom of the University of Chicago, has now proved that parents working with their children can have a significant effect on school achievement. In September, 1976, a Gallup Poll found that 77 percent of those queried wanted schools to give courses for parents on how to help their child at school. Fifty-one percent were willing to pay additional taxes for such courses.

Nielsen statistics have shown that the average American family spends 6¼ hours daily watching TV.

TV is a tool that even the least literate parent can use to help his child, once he has been shown how.

I commend the groups cooperating with Teachers Guides to Television to encourage Parent Participation TV Workshops:

The American Association of School Administrators.

The Association for Supervision and Curriculum Development.

The National Association of Elementary School Principals.

The National Association of Secondary School Principals.

The National Council for the Social Studies.

The American Association for Colleges for Teachers Education.

The American Federation of Teachers.

The National Education Association.

The Association for Educational Communications and Technology.

The National School Public Relations Association.

The American Library Association.

The National PTA.

The National Council of Teachers of English.

The National Catholic Educational Association.

The Southern Baptist Radio and Television Commission.

The Board of Discipleship of the United Methodist Church.

The Boy Scouts of America.

I hope others will wish to join NBC in expanding this constructive use of television and that parents everywhere will share in this effort to use television to help our children. A mass effort by the nation's parents to use constructively the good programs on the networks could build the ratings that would bring more good programming for children. I hope other interested groups will contact Teachers Guides to Television, which will provide the Parent Participation TV Workshop Handbook without charge to any school, church, or parent group committing itself to conduct a workshop and report on its progress (Write to Teachers Guides to Television, P.O. Box 564, Lenox Hill Station, New York, New York 10021).

There are TV sets in 73 million American homes. The American Family Study found that the amount of time children spend in front of television sets, and the programs they watch, are among the major sources of friction and argument in American families.

Here is a way to turn family friction into family participation and to use the most powerful communication tool man has ever known to help our children grow.

REPRESENTATIVE BARBARA JORDAN ELECTED TO BOSTON UNIVERSITY BOARD OF TRUSTEES

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. MOAKLEY. Mr. Speaker, I am happy to report that a most distinguished Member of the House, Representative BARBARA JORDAN, has just been elected to the Boston University Board of Trustees. It is good to know that this honor will bring Representative JORDAN up to New England on a regular basis.

I would like to place a portion of an article, from the October 27, 1977, issue of the Boston University Spectrum, which announces Representative JORDAN's election to the board, in the CONGRESSIONAL RECORD.

JORDAN, KRUPSAK, BARRECA, ABRAMSON ELECTED TO UNIVERSITY BOARD OF TRUSTEES

Congresswoman Barbara Jordan (D-Tex.) is among four persons scheduled for election today to the University's Board of Trustees, University President John R. Silber has announced on behalf of the Trustees. Others to be elected are the lieutenant governor of New York state, the executive counsel to General Electric and a leading Wellesley businessman.

The Board is holding its annual meeting today (Oct. 27) on campus.

Also elected to the Board were Mary Anne Krupsak, lieutenant governor of New York, General Electric Executive Council Christopher A. Barreca, and Herbert A. Abramson, president of Silver Lake Dodge in Wellesley. All are Boston University graduates.

Representative Jordan, a 1959 graduate of the Boston University Law School, "has emerged as the most respected and admired woman in American politics" as a result of her service as a state legislator, a Congresswoman, and keynote speaker at the 1976 Democratic convention, President Silber said.

"She is respected by young people all over America, and she is a source of strength and reassurance to older generations of Americans.

"By electing her to our Board, the Trustees say to our alumni, students and their parents, and to prospective students that the ideals and principles she stands for and has articulated are the principles and objectives of this University.

"Every university is judged ultimately by the quality and achievement of its students, and there is no better way to focus the attention of our student body and prospective students on the quality of our University than by electing to its governing board the most outstanding of its graduates," President Silber said.

Other members of the Congress serving as University trustees are Senators Edward Brooke and Edward Kennedy.

Representative Jordan, who attracted national attention as a member of the House Judiciary Committee during the Watergate affair's climax in the summer of 1974, has served in the Congress since 1973. Prior to that she was a member of the Texas state senate for six years, serving as the chairman of two committees and as president pro tem. She has been admitted to the bar in Massachusetts as well as in Texas. She studied as an undergraduate as Texas Southern University (B.A. magna cum laude). In 1969, she received an honorary L.LD. degree from Boston University.

In the Congress, Representative Jordan serves on the Judiciary and Government Operations committees, and is a member of the steering and policy committee of the House Democratic Caucus.

OHIOANS SMASH EASY FRAUD REGISTRATION BILL

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. ASHBROOK. Mr. Speaker, the citizens of Ohio have given us their opinions on election-day voter registration. By a large margin Ohio voters repealed a law enacted earlier by the Democratic-controlled legislature.

The Ohio plan, of course, is virtually identical to the federal scheme proposed by the Carter administration. The usual requirement of advance registration would be done away with and people could just walk in on election day and cast their ballot.

Such a system has a tremendous potential for fraud. The head of the Justice Department's Election Unit, Craig Donsanto, has written the following in an internal memorandum:

A person could successfully wander from precinct to precinct and cast as many ballots as he dares . . . with election officials being powerless to stop him, provide he was willing to execute the required affidavit.

Among those best qualified to gage the effect of an election-day voter registration plan are the secretaries of state or the election commissioners in each State. A poll conducted of these officials has shown overwhelming opposition to such a plan. This opposition, moreover, comes from both Democratic and Republican officials.

Typical of the opinions expressed is that of my good friend Ted W. Brown, secretary of state for Ohio. According to Brown:

I feel that this plan represents a regression to the days of bought and bartered votes and stolen elections which an effective voter registration program has helped put far behind us.

I urge Congress to heed the advice of the people of Ohio and of secretaries of states across the Nation. Election-day voter registration should be rejected once and for all.

Following is an excellent editorial on this subject from the November 10 Washington Star.

A MESSAGE FROM OHIO

Ohio voters have sent the Carter administration a message.

They voted, in a referendum, to repeal Ohio's election-day voter registration law. Even a good many who used the instant registration plan to vote in Tuesday's election may have voted against it.

President Carter has proposed that Congress impose instant registration on the entire country for federal elections, expecting the states ultimately to apply it to all elections.

Despite on-the-spot campaigning by Vice President Mondale in favor of retaining the law, a majority of Ohio voters obviously were of the opinion that instant registration is fraught with the danger of fraud.

We hope the White House gets the message from Ohio and will give the bill it sent to Congress several months ago, which is twisting somewhere in the legislative wind, a decent burial.

THE PLIGHT OF THE HESS FAMILY OF MINSK

HON. MARC L. MARKS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. MARKS. Mr. Speaker, the opening of the Belgrade Conference has focused world opinion and attention on the intensification of the Soviet Union's campaign to suppress political dissent. Deep concern has been expressed for many political "refusniks" during the conference now in its sixth week of work.

A case which has been brought to my attention is the Hess family of Minsk. The Hess family; Grigori, his wife Elena, and their two young daughters, Margaret and Galia, applied for visas more than 5 years ago in March 1972. They only desired to be reunited with Elena's parents who now live in Israel. They have been refused to be allowed to emigrate, and since their first application to leave was dismissed, the Hess family has suffered terribly.

Following this refusal, Grigori was arrested on trumped-up charges for a nonexistent crime. He spent 1 year in the horrifying conditions of a Russian prison. An electrical engineer, Grigori was dismissed from his position as soon as he applied for a visa, and has been unable to find work in his chosen field ever since. Both Grigori and Elena work whenever and at whatever jobs they can find.

Since Grigori's release from prison in 1973, the Hesses have been subjected to continual surveillance and harassment by the KGB. They have been arrested many times, their apartment searched, their telephone disconnected. Listening devices have been installed in their neighbors' apartments to overhear the Hesses, and they are photographed in the streets as are common criminals.

The Hesses have now been threatened with severe reprisals if they do not desist in their efforts to emigrate. Because their town of Minsk has experienced a wave of severe anti-Semitism. the Hesses now fear for their lives and the safety of their children. Yet this incredibly brave young family remains steadfast in their determination to rejoin Elena's parents in Israel, and live freely as Jews.

The Soviet Union must understand that we do not look favorably upon this type of behavior. We must all take a firm stand in support of people such as the Hess family who have withstood terrible pressures and indignities. I condemn actions by the Soviet Union which prohibit freedom of movement, discourage the reunification of families, and refuses emigration visas to those wishing to leave the Soviet Union.

It is essential that we continue to demonstrate our interest in these "refusnik" families in order to obtain Soviet adherence to the basic principles of human rightes. I join with the pleas of their family in Israel, and peoples throughout the world concerned with human rights, that the Hesses be allowed to emigrate and join their relatives in Israel.

VIETNAM

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. WOLFF. Mr. Speaker, I have read with interest the extension of remarks by our colleague, the Honorable C. W. "BILL" YOUNG of Florida on November 2. While he and I joined in an effort to prohibit assistance to Vietnam based upon the entire history of events; the Nixon-Kissinger letters et al., which had promised more than $5 billion of aid to Vietnam, the subsequent hearings held by the Subcommittee on Asian and Pacific Affairs that resulted in our joint amendment that precludes reparations based upon a breach of prior agreements reached; therefore, I feel that I must put into its proper perspective the statements of United States U.N. Ambassador Wells during the vote on economic assistance for Vietnam. I am now serving as a U.S. delegate to the U.N. and maintaining a watchful eye over the proceedings by the U.S. delegation. I was close to the situation when Ambassador Wells made her remarks before the committee. Her remarks were in total consonance with the legislation our colleague, Mr. YOUNG, and I had passed in an amendment to the Foreign Assistance Act. I should like to share those remarks with my colleagues for upon reading the news story in the New York Times together with the statement included in the record, one might be led to have questions as to the Ambassador's performance of her duties in connection with this amendment. I want to reassure my colleagues in this connection that there was a strong representation made by Ambassador Wells in support of the House position. I would like to quote from the record which included the Second Committee, Fifth Committee, and the Plenary Session of the General Assembly:

My delegation wishes to state that we do not participate in this consensus. U.S. legislation prohibits any U.S. aid to the Socialist Republic of Vietnam, and the U.S. Government does not consider that it has any obligation to provide aid.

As the U.S. has stated in another context in the United Nations, we look forward to working with Vietnam to help bring about a new era of peace, cooperation and friendship.

This second paragraph is a stated purpose of resolving the deep differences between our two nations, bringing about a resolution of the problem of the MIA's, and a return to real peace in the area.

I can reassure Members of Congress of Ambassador Wells' deep dedication to the performance of her duties as well as strict adherence to the legislation which BILL YOUNG and I supported.

SPECIAL INTERESTS AND SOCIAL SECURITY

HON. TOM HAGEDORN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. HAGEDORN. Mr. Speaker, the Fisher amendment to H.R. 9346, the Social Security Financing Amendments of 1977, illustrates well what Prof. Allan Meltzer has called the "flaw in the system of representative government," and what Nobel prize-winning economist Milton Friedman has blamed for the inability of Congress to resist the appeals of special interests.

The group which stands to gain immediate benefit as a result of some Federal subsidy, appropriation, exemption, or privilege is invariably more vocal and more passionately intense in presenting their case to Congress than is the rest of the country which stands, individually, to lose only a very little if the subsidy, appropriation, exemption, or privilege is approved. As Professor Meltzer puts it—

The government grows faster than the private sector whenever the costs of government can be diffused and the benefits concentrated. Diffusing costs while concentrating benefits creates incentives for expansion and disincentives for reduction in the size of government.

In the case, nearly 100 million workers, mostly in the private sector, will have to ante up an additional $100 to $200 per year—on top of social security taxes which are expected to triple as a result of H.R. 9346—so that 6 million public employees, mostly with the Federal Government, can continue to remain outside this program.

If compulsory social security coverage is good for the 100 million, it is also good enough for the people who are most responsible for drafting and administering social security law—including Members of Congress.

I would like to insert into the RECORD an excellent editorial from the Mankato Free Press which points out the fundamental inequity of what Congress has done:

WE WILL ALL PAY: FEDERAL FREELOADING

Taxpayers and employers whose Social Security deductions will rise sharply over the next several years will know who to thank: six million government workers, that's who.

It was inevitable that Social Security taxes

had to go up, sooner better than later, to stave off bankruptcy in the system.

The possibility of bankruptcy has dual origins. First of all, more money has been getting paid out, with no compensation made in terms of making sure the money's there to be paid out; and second, as the median age of the nation edges ever-upward, a proportionately smaller and smaller corps of active, full-time workers will find itself staggering under the burden of supporting a much larger number of Social Security beneficiaries.

So Social Security deductions simply had to be raised.

But they wouldn't have had to be raised as much as they were, were it not for the profound lobbying efforts of government employees, who would prefer having their cake and eating it, too, to paying anything remotely resembling their fair share.

Succumbing cravenly to such lobbying pressures, the U.S. House last week did not bring uncovered employes into the Social Security fold. The employes, on their side of the issue, note that they are not now required by law to participate in Social Security; and argue that it is their prerogative to choose private retirement programs—most of which, they claim, perform better than Social Security.

That is not all of the story, however. As Rep. Sam Gibbons, D-Fla., pointed out, "The reason public employes don't want to come into Social Security is that they can get in anyway. A person can pay as little as $111 into Social Security during his lifetime and then collect $114 in benefits per month." Another representative, from Texas, said "100 million people are going to have to pay additional taxes because you want to appease a few million federal employes."

That those employes want to be kept out of Social Security is one thing; fine. But there is no earthly reason why the average taxpayer or employer should have to see his deductions double or triple over the next 10 years to simply assure public workers the continued, astounding right to indulge in double-dipping—not only that, but double-dipping with the least possible pain of personal investment on their part. Their indignation is bred of hypocrasy—and nothing more.

Before the Congress abandons all reason to the winds, on this issue, it should at the very least insist on holding public employes to their avowed preference: If they don't want in, don't let them in—ever. For if they're not willing to pay now, there's no reason why, by tossing a few bucks into the kitty along the way, they should be able to collect in a big way later. Things will be bad enough, without having to contend with a bunch of freeloaders.

The federal/public employes' lobby must be countered with an even stronger one: That of outraged citizens who'll have to pay the piper for Congress's weak-kneed kowtowing to a well-entrenched special interest group, many of whose members already are assured inflation-proof salaries, by virtue of automatic cost-of-living adjustments and other perquisites.

CARTER, GET YOUR ACT TOGETHER

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. DERWINSKI. Mr. Speaker, while we pause to await the completion of the conferees' deliberations over the provisions of the energy bill, the President's recent nationwide address naturally received much press comment from all over the country.

A succinct but very appropriate editorial in the Chicago Daily News of November 10, rated Mr. Carter's performance, in what I consider a very practical and accurate fashion:

CARTER, GET YOUR ACT TOGETHER

Last spring, when President Carter first attacked the nation's energy problem, he did so with a cry of "Fire!" Nobody, or too few anyway, moved. Americans continued to consume oil at a prodigious rate, and Congress split sharply on his legislative package, the House voting to give him most of what he wanted, the Senate spinning off in other directions.

Tuesday night the President came back to the people with another address, and this time, instead of sounding alarms, he whispered, "Let's be reasonable." Raymond R. Coffey, our Washington Bureau chief, reports the speech is not sending congressmen flying into each other's arms to reconcile their divergent positions.

It is hard, indeed, to understand why Carter felt compelled to speak at all. The time might have been more usefully invested in getting his own act together. He and his men have hurt their own energy cause on Capitol Hill by standing aloof when damage was being done to his proposals, and even by undercutting his congressional supporters. Head-knocking on his own team this time might have served better than words.

GREECE AND THE NEUTRON BOMB

HON. CHRISTOPHER J. DODD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. DODD. Mr. Speaker, I would like to bring to the attention of my colleagues correspondence I have had with the Government of Greece concerning its position with respect to enhanced radiation tactical nuclear weapons.

Though funding for enhanced radiation weapons was included in this year's ERDA national security appropriations, actual production of the weapons still awaits a final Presidential decision and additional consultation with our NATO allies.

Our eventual production and deployment decisions will have a major impact on our force posture in Europe and our relations with both our allies and with the Soviet Union.

The response of the Greek Government follows:

EMBASSY OF GREECE, THE
DEFENSE AND MILITARY ATTACHÉ,
Washington, D.C., November 7, 1977.

The Honorable CHRISTOPHER J. DODD,
Member of Congress,
Washington, D.C.

DEAR MR. DODD: In reply to your letter dated July 13, 1977 regarding the position of the Greek Government with respect to the enhanced radiation tactical nuclear weapons, it is my pleasure to provide you with the following views of my Government on the subject:

"The formulation of a final opinion on the 'neutron' bomb presupposes an assiduous study not only of the technical data, but also of the general political repercussions which the production or use of such bomb might have.

On the basis of an initial evaluation it is deemed that from a military standpoint, the bomb strengthens the Alliance deterence and increases the capabilities of choosing suitable counteractive measures, while from the standpoint of harmful effects in terms of space, it causes less damage than the regular atomic bomb.

It is understood that the use of the bomb, under no circumstances should be beyond the control of the Civilian Authorities".

Please accept, Sir, the assurances of my highest esteem.

Sincerely yours,

Brig. General A. SOUNDIAS,
Defense and Military Attaché.

PERSONAL EXPLANATION

HON. TOM CORCORAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. CORCORAN of Illinois. Mr. Speaker, due to my emergency appendectomy, I was unable to be present to cast my vote in the House of Representatives on several important issues. In order that my positions on these legislative matters will be a part of the public record, I insert the following voting record covering the period from October 31 through November 4 in today's RECORD:

OCTOBER 31

Rollcall No. 716: On suspending the rules and passing H.R. 6782, raisin marketing provisions, "yea."

Rollcall No. 717: On suspending the rules and passing H.R. 9710, regulation Q extension, "yea."

Rollcall No. 718: On suspending the rules and passing H.J. Res. 611, Federal Reserve Bank Authority extension, "yea."

Rollcall No. 719: On suspending the rules and passing House Resolution 871, Select Committee on Ethics extension, "yea."

Rollcall No. 720: On suspending the rules and passing House Resolution 868, urging Korean Government cooperation, "yea."

Rollcall No. 721: On suspending the rules and passing House Concurrent Resolution 388, expressing concern about recent acts of repression by the Government of the Republic of South Africa, "yea."

Rollcall No. 722: On a motion by Mr. MCCLOSKEY to recommit S. 1019—the conference report on Maritime Authorizations for fiscal year 1978—to the conference committee with instructions that House conferees insist on immediate effectiveness of antirebate language, "yea."

Rollcall No. 723: On final passage of H.R. 7073, Federal Insecticide, Fungicide, and Rodenticide Act amendments, "yea."

NOVEMBER 1

Rollcall No. 725: On ordering the second to the motion to suspend the rules and pass H.R. 9282, congressional pay deferral, "nay."

Rollcall No. 726: On suspending the rules and passing H.R. 3384, conscientious objection to joining a labor organization, "yea."

Rollcall No. 727: On suspending the rules and passing S. 1306, Small Business Emergency Drought Disaster Loan Act of 1977, "nay."

Rollcall No. 728: On suspending the rules and passing House Resolution 315, House beauty shop employee benefits, "yea."

Rollcall No. 729: On suspending the rules and passing House Resolution 784, Commission on Domestic and International Hunger and Malnutrition, "yea."

NOVEMBER 2

Rollcall No. 731: On final passage of H.R. 9544, revenue bonds for private colleges and universities in the District of Columbia, "yea."

Rollcall No. 732: On the conference report to accompany S. 1339, Energy Research and Development Administration Authorization Act of 1977 and 1978, military application, "yea."

Rollcall No. 734: On an amendment by Mr. CRANE to H.R. 9179 (Overseas Private Investment Corporation Amendments Act of 1977) which sought to prohibit OPIC loans or guaranties for the National Finance Corporation of Panama without prior congressional approval, "yea."

NOVEMBER 3

Rollcall No. 736: On an amendment by Mr. LONG of Maryland to H.R. 9179 (OPIC) which sought to require that at least 50 percent of all insurance, reinsurance, guaranties, or financing activities go to U.S. small businesses, "yea."

Rollcall No. 738: On consideration of House Resolution 893, the rule providing for the consideration of the conference report to accompany H.R. 7555 (Labor-HEW appropriations for fiscal year 1978), "yea."

Rollcall No. 739: On a preferential motion that the House agree to the Senate amendment to the House amendment to the Senate amendment No. 82—dealing with abortion language in the bill—"nay."

Rollcall No. 740: On consideration of House Resolution 892, the rule providing for the consideration of House Joint Resolution 643—making further continuing appropriations for the fiscal year 1978 which included moneys for the Department of Labor and HEW and the government of the District of Columbia—"yea."

NOVEMBER 4

Rollcall No. 742: On a motion to approve the Journal of the proceedings of Thursday, November 3, "yea."

INCREASING THE EARNINGS LIMITATION FOR THE HANDICAPPED

HON. MARTHA KEYS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mrs. KEYS. Mr. Speaker, I am today introducing legislation to increase the earnings limitation for the blind and disabled under the Social Security Act.

Present law severely limits the amount which a blind or otherwise disabled person can earn and retain his eligibility for disability insurance benefits under title II or his eligibility for supplemental security income under title XVI of the Social Security Act. As a result, the handicapped face a significant work disincentive.

Work plays an important role in the rehabilitation of many blind and disabled persons. Without appropriate incentives, many persons will never have the opportunity to increase their skills or to provide for their own livelihood.

Statistics indicate that 24 percent of SSI recipients who are blind or disabled and 21 percent of title II recipients have employment potential. Yet, very few actually have earnings. SSI figures for 1975 show that only 6 percent of the blind and about 3 percent of the disabled who are eligible for SSI had earnings in that year. The reason for the large discrepancy between those who have employment potential and those who actually have earnings results from the disincentives to work found in the current structure of title II and title XVI.

To be eligible for blindness or other disability benefits under title II, an individual must demonstrate that he is unable to engage in substantial gainful activity. The Secretary of Health, Education, and Welfare has by regulation determined that anyone earning more than $200 a month is engaged in substantial gainful activity and is therefore ineligible for disability benefits. He is also subject to loss of his medicare benefit.

The logical consequence of this provision has been to discourage the handicapped from taking a job. Faced with such a low earnings ceiling, the handicapped have been forced to remain in jobs paying meager wages or to reject employment altogether.

Additional adverse consequences flow from the application of the same SGA test to the disabled under SSI. When an individual exceeds the SGA test under title XVI, he may be subject not only to the loss of his SSI benefits but also to loss of related benefits such as medicaid and the title XX social services.

The impact of carrying over the SGA definition for the disabled only has been to restrict the disabled more severely than either the blind or the aged under SSI. For purposes of computing SSI benefits, the aged, blind, and disabled are all permitted an earnings disregard of $780 a year plus 50 percent of all earnings above that figure until the individual reaches his maximum SSI benefit. However, the application of the SGA test to the disabled prevents them from receiving the full benefit of this provision.

A blind or aged individual eligible for for the maximum SSI benefit of approximately $2,100 a year could earn over $5,000 before his SSI benefit was phased out. A disabled individual, on the other hand, could earn only $2,400. If he exceeded that figure, he would no longer be defined as disabled and would therefore lose all eligibility.

Increasing the earnings limitation will have the dual advantage of eliminating the present "notch" effect on the disabled under SSI and improving the work opportunities for both the blind and the disabled.

The legislation I am introducing adjusts a number of other provisions in an effort to elminate the work disincentives for the handicapped. It increases the trial work period from the present 9 months to 18 months to offer the handicapped a chance to secure a stable job at an adequate wage. To compensate for increases in the cost-of-living, raises the $780 a year basic disregard to $1,900. Similarly, it makes adjustments in the assets test and the unearned income limit. Finally, it extends to the disabled the same disregard for work-related expenses now afforded to the blind.

Following is a section-by-section description of the bill:

SECTION-BY-SECTION DESCRIPTION

SECTION 101—SUBSTANTIAL GAINFUL ACTIVITY EARNING TEST

Present law

Section 223(d)(4) of the Social Security Act empowers the Secretary of Health, Education and Welfare to issue regulations prescribing criteria for determining when earnings or services performed demonstrate that an individual is able to engage in substantial gainful activity. The Secretary has set $200/month as the maximum rate at which an individual can earn without losing his blindness or disabilty determination.

Proposed legislation

The bill ties the substantial gainful activity limitation to the retirement earnings test. Thus, it provides that the Secretary may not find that a person is able to engage in substantial gainful activity unless his earnings exceed the earnings limit set for the aged under Section 203(f)(8).

Explanation

The effect of this change is to enable persons who otherwise meet the tests of blindness or disability to retain earnings equal to those which the aged are allowed to retain under Social Security retirement.

SECTION 102—TRIAL WORK PERIOD

Present law

Section 222(c) of the Social Security Act limits to 9 months the period during which a blind or disabled person can work without his earnings rendering him ineligible for benefits.

Proposed legislation

The bill would increase the trial work period from 9 to 18 months.

Explanation

The change would remove the strong disincentive to work found in the present law. The increased time period will permit blind and disabled individuals to seek a stable job paying an adequate wage without immediate threat of losing their benefits.

SECTION 201—SUBSTANTIAL GAINFUL ACTIVITY EARNINGS TEST UNDER SSI

Present law

Under SSI, the blind, aged and disabled have an income disregard of $780 a year of earnings plus 50 percent of earnings above that level until the amount so excluded equals the SSI benefit level. However, the SSI law carries over the definitions of substantial gainful activity found in Title II of Social Security law for the disabled. The limitation does not carry over into SSI for the blind. The result is that the blind and aged have the benefit of the earnings exclusion up to the level of their SSI benefit while the disabled are limited by the $200/month SGA earnings test.

Proposed legislation

The bill would provide the disabled with the same exclusion as the aged and the blind.

Explanation

The purpose of SSI is to provide a minimum income to the aged, blind and disabled. The use of earnings as a definitional element for the disabled under SSI is therefore inappropriate. The only important factor is that the individual meets the poverty tests and has a medically determined physical or mental impairment lasting longer than 12 months. The application of the SGA earnings test under SSI only has the effect of limiting the amount of earnings a disabled person may retain when compared to the blind and aged.

SECTION 202—TRIAL WORK PERIOD UNDER SSI

Present law

The 9 month trial work period is carried over into SSI for the disabled.

Proposed legislation

The bill would expand the trial work period for SSI from 9 months to 18 months.

SECTION 203—WORK RELATED EXPENSES EXCLUSION UNDER SSI

Present law

The blind are presently permitted to deduct from income any expenses reasonably related to the earning of income.

Proposed legislation

The bill would provide the same work-related expenses deduction for the disabled as is now provided for the blind.

SECTION 204—INCREASE IN EARNED INCOME EXCLUSION FOR THE BLIND AND DISABLED UNDER SSI

Present law

Section 1614(a)(4) presently provides for a basic exclusion from income of $780 of earnings plus 50 percent of earnings above that level.

Proposed legislation

The bill would increase the basic exclusion from $780 to $1,900.

Explanation

The $1,900 figure is the result of indexing the level set in 1962 for increases in the cost of living.

SECTION 205—INCREASE IN ASSETS TEST

Present law

Section 1611(a)(1)(B) limits SSI eligibility to person having less than $2,250 in assets.

Proposed legislation

The bill would increase the assets limitation to $5,000.

Explanation

The provision takes into account the inflation which has occurred since 1972 when the present assets limitation was established.

SECTION 206—EXCLUSION OF UNEARNED INCOME UNDER SSI

Present law

Section 1612(b)(2)(A) provides a $240 unearned income disregard for SSI recipients.

Proposed legislation

The bill would provide an exclusion of $240 or 20 percent of unearned income, whichever is higher.

Explanation

The provision would allow those who must live on limited resources to retain more of their unearned income.

MANDATORY RETIREMENT

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. DERWINSKI. Mr. Speaker, it is regrettable that conflicts have developed over the House-Senate conference on the legislative amendments to the mandatory retirement laws. Certainly this subject should receive our attention when we return to full-scale session on November 29.

A very forceful editorial, broadcast over Chicago Radio Station WBBM on November 8, addresses this subject in a very effective manner. The editorial follows for the attention of the Members:

[Chicago Radio Station WBBM Editorial]

The arguments for allowing senior citizens to work past age 65 are so compelling that we wish the U.S. Senate and House of Representatives would stop bickering and pass the law that would permit people to work at least until they are seventy.

Forced mandatory retirement at age 65 is a subject we've discussed several times before. We don't approve of it for the simple reason that not all people age at the same rate. Thousands of Americans 65 or older are willing able to make a contribution to the work force and, in turn, earn their own way and continue to have the dignity their working brings them. Others, of course, are happy to leave the work force at 65 and some should because they can't work as well as they once could. But those who can work and want to certainly should not be prohibited from participating.

We don't think there should be an age limit on retirement at all. But this 70-year limit the Congress is considering is a step in the right direction. What the two legislative bodies are hung up on is the question of whether federal employees can be made to retire at all and whether college professors and people who earn pensions over $20,000 a year should be exempted and still made to retire at 65. The latter proposed exemptions don't make much sense to us, frankly, and we think the committee conference members should scrap them and send the bill out for final votes and passage.

As the Social Security chaos so recently illustrated, the people in this country can't afford—in any sense of the word—to ignore the growing elderly population any longer. We need imaginative ways to deal with old age. Allowing people to work till age seventy is really only a basic step, but it must be taken.

That's our opinion. We'd welcome a reply.

GI BILL IMPROVEMENTS ACT OF 1977

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. WOLFF. Mr. Speaker, Members of this body were asked on November 3, 1977, to give their unanimous consent to a compromise agreement worked out between the staffs of the Senate and House Committees on Veterans' Affairs with respect to H.R. 8701, the GI Bill Improvements Act of 1977. Unfortunately, my appointment by President Carter to serve as a member of the U.S. mission to the United Nations precluded my attendance in the House during consideration of this unanimous-consent request. I have, however, been vitally concerned with the plight of our Vietnam veterans and I would like to share by thoughts on H.R. 8701 with my colleagues.

I will limit my comments to the accelerated payments provision of H.R. 8701. But before I begin, I would like to touch upon the procedures used to reach this compromise. On September 12, 1977, under suspension of the rules, the House passed H.R. 8701 without any provisions relating to accelerated entitlement. Following this by 3 days, the Subcommittee on Education and Training, of which I am the ranking majority member, held 2 days of hearings on H.R. 2231, which I introduced, and H.R. 8419, as well as related measures. These proposals were introduced with the objective of restructuring the GI bill so as to grant those veterans confronted with high-tuition cost educational institutions the opportunity to utilize their GI bill benefits. The underlying premise for these bills was the fact that veterans living in certain States—notably those living in the Midwest and Northeast—are greatly limited in their ability to choose between attending low- and high-cost schools by virtue of the fact that low-cost public institutions of higher education do not exist in these States to the extent they exist in other regions of the United States. Veterans in these States find themselves in a situation where they have great difficulty in obtaining an education because after the deduction of educational expenses, insufficient funds remain to enable the veteran to significantly contribute to the subsistence of themselves and their families. In short, these veterans find that they cannot "afford" the education. These bills, however, were introduced with a second objective in mind. The present GI bill, because of its payment structure, is designed to assist veterans desiring to pursue a 4-year liberal arts education. What many of these veterans need and want is an education and readjustment which will provide them with meaningful career opportunities. For these veterans the answer lies in trade, technical, and vocational institutions. The cost of this type of training, however, is extremely high, while the duration of these programs is short, generally taking far less than 2 years to complete. As such, the present GI bill is not geared to encourage pursuit of this type of training, because the educational costs of such institutions again leave the veteran with very limited funds to contribute to the subsistence of himself and his family. The Comprehensive Veterans' Readjustment Assistance Act of 1977 (H.R. 2231), which I have introduced with 93 cosponsors, as well as H.R. 8419. would have restructured the GI bill to cure these deficiencies.

On October 19, 1977, the full Senate unanimously approved H.R. 8701 after adopting a series of amendments including an accelerated payments provision. As amended, this legislation was transmitted to the House. The following day I sent a letter to subcommittee Chairman TEAGUE urging, in view of the significant differences between the House and Senate versions of H.R. 8701, that a conference be called to resolve the differences. I have been told that several of my colleagues on the subcommittee made similar requests to the committee leadership. Needless to say, no conference was ever convened, and I have not received a written response to my letter.

As I said before, what we were asked to give our unanimous consent to was a compromise agreement reached by the committee staffs. At no time during the so-called compromise negotiations was my office apprised of their progress or asked to participate in, or observe, these negotiations. Although a sketchy summary outline of the agreed upon compromise was sent to my office the evening of November 2, 1977, followed by an analysis of the compromise delivered late in the morning of November 3, 1977, at no time was there a prior distribution of the acutal language of the compromise legislation. This is, indeed, a strange way for this body to legislate. I see no reason why an open conference on the issues at hand could not be convened in the 2 weeks which transpired between the final Senate action and the unanimous-consent request. I think my colleagues would be interested in learning that after it became obvious that the committee would not request a conference on this matter, Mrs. HECKLER (ranking minor-

ity member of the Subcommittee on Education and Training), Mr. CORNELL, Mr. HANNAFORD, Mr. EDGAR, and myself circulated a letter to committee members. The purpose of this letter was to call for the special meeting of the full Veterans' Affairs Committee to consider the question of asking the Senate for a conference. By the end of business on October 31, 1977, a total of 13 members of the full Veterans' Affairs Committee had signed this letter. Unfortunately, since a majority (15 members) of the committee must sign such a letter in order to call a special meeting of the committee, and since we were unable to obtain two more signatures on this letter, no meeting was ever held to discuss the question of going into conference with the Senate over the differences in H.R. 8701. Staff negotiations has already commenced by this time. The actual language of the compromise was not finished until 4 a.m. on November 3, 1977, the same day the unanimous-consent request was made.

With all candor, I find it difficult to believe that more than just a few of my colleagues on the committee knew the actual language of the compromise prior to the unanimous-consent request. I, for one, did not; nor did my staff.

Having outlined the procedures by which this compromise was reached, it is no small wonder that the compromise with respect to accelerated payments will be completely ineffectual in addressing the concerns which prompted its inclusion by the Senate, and which are the same reasons why over 100 Members of the House have joined in cosponsoring H.R. 2231 and the other bills with similar objectives. The original Senate amendments, through the existing loan provisions, would have permitted veterans to receive accelerated benefits equal to two-thirds of the amount by which their educational costs exceeded $700 per school year. For example, a veteran wishing to enroll in a trade, technical, or vocational institution with tuition of $1,900 would have received an additional $800 in benefits (two-thirds of $1,900 less $700). The additional $800 would be charged against their existing entitlement. In addition to helping the veteran meet the high cost of this type of education, these additional funds would go a long way in supplementing the veteran's bare subsistence requirements for himself and his family. The same would hold true for a veteran without access to low-cost public institutions of higher learning who finds he must attend a high-cost institution or none at all. While this Senate provision would be available to all veterans regardless of where they live, it would have significantly assisted those veterans living in the Northeast and Midwest, where their ability to pursue low-cost public education is severely limited.

The compromise provision instead permits a hit-or-miss form of acceleration for the amount of educational costs in excess of $700 per school year. The veteran would receive a loan (up to $2,500 per school year), and would be solely liable for repayment of the first $700. Liability on the amount of the loan representing actual educational costs in excess of $700 is theoretically divisible into three parts: The veteran is liable for one-third, and the Veterans' Administration would discharge (forgive) up to one-third, *on the condition that* the State (or unit of local government) in which the veteran is enrolled paying to the Veterans' Administration up to one-third of the loan for the veteran. Therefore, if the State makes no provision for discharging any of the loan, the veteran remains solely liable for the entire amount of the loan representing educational costs in excess of $700. The amount of the loan in excess of total tuition costs would be the sole liability of the veteran.

This complicated mechanism raises what I consider to be three fundamental questions. First, the administration of veterans' affairs has historically been one of Federal responsibility—and rightfully so. This position was stated as recently as October 25, 1977, by the chairman of the Subcommittee on Education and Training, Mr. TEAGUE, when he said:

> . . . the relationships to be established are and should continue to be between the individual veterans and the Federal government, without any intermediaries (*Congressional Record*, October 25, 1977, page E-6531).

The compromise on accelerated payment does extreme violence to this principle by injecting the States as intermediaries in the veterans' educational benefits program. This sets what may turn out to be a dangerous precedent to other veterans' programs: Hospitals and pensions. If this precedent is allowed to stand, will we soon see required State matching participation in these programs as well? The entire concept of veterans' programs is to provide veterans with assistance by virtue of their service to their country; it is a responsibility of the Federal Government. When we find that we have reason to expand the veterans' education program—and this legislation is clearly a recognition of that need—then we should do it in the context of a wholly Federal program and not one involving the States.

Second, it has been said that the guiding principle behind veterans' benefits is the maxim "equal benefits for equal service." To my mind, the maxim should be "equal opportunities for equal service," because equal benefits are, of course, meaningless if they are insufficient to enable a veteran to pursue a program of education. However, by injecting the States as intermediaries, as this compromise envisions, great violence is done to both of these maxims. I do not believe it unreasonable to state for the record at this time that many States will not see fit—for whatever reason—to enact the necessary legislation to provide for the State payment of up to one-third of a veterans' educational expenses in excess of $700. This being true, the maxim "equal benefits for equal service" becomes meaningless.

As I already noted, our prime objective should be to open up educational opportunities to those veterans who, for whatever reason, find that they are not able to pursue an education under the present structure of the GI bill. That most of these veterans live in the Northeast and Midwest is amply demonstrated by the low participation rates of veterans in these States. It is also true that many of the States comprising the Northeast and Midwest regions are experiencing unprecedented budgetary difficulties. What we are now foolishly asking then, is for these same States to make room in their budgets to fund a veterans' educational program. I strongly suspect that many States in the Northeast and Midwest, which are already bearing heavy burdens, will be unable to do so. And nor should we expect them to as the welfare of this Nation's veterans is a Federal matter, and not one of State responsibility. Just as geographic location plays a significant role in determining whether a veteran can presently utilize his GI bill benefits, geographic location will help determine which States will be able to enact the necessary legislation to provide for the loan discharge as contained in the staff compromise. The residence of a veteran should have absolutely nothing to do with whether or not he may utilize his GI bill, utilize acceleration, or receive an education.

A further problem with the compromise stems from the requirement that it is the responsibility of the State (or unit of local government) in which the veteran is enrolled to discharge up to one-third of the portion of the loan representing educational costs in excess of $700. Many veterans attend (or may wish to attend) institutions outside their State of legal residence. I find it entirely likely that even if a State were to make provision for discharge of the loan, it would limit its application to its own residents attending school within the State. Why, after all, should Texas subsidize the education of a New York veteran-student attending school in Texas? What does such a situation do to the principle of "equal benefits for equal service"? Additionally, I also suspect that many States would be reluctant to subsidize the education of veterans attending the proprietary trade, technical, and vocational institutions. We may well find that we have created a program which discourages, rather than encourages, veterans from pursuing programs of education designed to train them for a meaningful career. If this turns out to be the case, we will have done our veterans a great disservice. I need not remind my colleagues that more than 500,000 Vietnam-era veterans are presently unemployed.

The third issue raised by the staff compromise concerns the oversight responsibility of the Congress, and the Veterans' Affairs Committees of both the House and the Senate. The staff has constructed a program calling for the States to take action. It may be several years until we will have the information necessary to determine to what extent the States are willing to shoulder this newly—and hastily—imposed responsibility to veterans. State legislatures, not unlike the Congress, are often slow to act. What this means is that we have created a program the effectiveness, or even potential effectiveness, of which will remain unknown for perhaps several years. But our veterans need our assistance now because as each year passes thousands upon thousands of Vietnam

veterans are delimited and no longer eligible for educational benefits. Not only have we avoided our responsibility to these veterans by passing the buck to the States, we have undertaken to create a program which may well take considerable effort in years hence to straighten out. It is, indeed, ironic that other aspects of H.R. 8701 were deemed necessary to correct flaws in Public Law 94–502. Many will recall that this law was passed in the final moments of the 94th Congress and has been the subject of bitter criticism throughout this year. If history repeats itself we will find ourselves here again trying to correct the inequities in the present staff compromise.

The veterans of this Nation, as well as the people of this Nation, have the right to expect better of its elected representatives. We should expect more from ourselves. President Carter, in his Veterans' Day address, said that we as a people owe a "special debt of gratitude" to our Vietnam veterans. This staff compromise is not in furtherance of this policy; it stands opposed to it.

Mr. Speaker, the distinguished chairman of the Subcommittee on Education and Training, Mr. TEAGUE, has posed some 18 questions to those members who support the concept of accelerated entitlement. As the ranking majority member of the subcommittee, and the author of the Comprehensive Veterans' Readjustment Assistance Act of 1977 (H.R. 2231 and identical bills), I welcome the opportunity to respond to these questions. However, before going on to the questions, I think a few comments would be in order.

It has been said that those members supporting accelerated entitlement do so not out of their concern for Vietnam veterans, but rather for the purpose of coming to the rescue of nonpublic institutions of higher education. Nothing could be further from the truth. My sole objective—and I am sure it is shared by the over 90 Members of the House who have joined with me by cosponsoring my bill—is to provide our Vietnam veterans with the educational opportunities they rightfully earned by virtue of their service to their country. That these opportunities have been denied to thousands of veterans is well documented by the low participation rates in many of our States. As my testimony before the subcommittee illustrated, there is strong evidence of a direct correlation between low veteran participation and the limited availability of (access to) low-cost public institutions of higher education. That many veterans would perhaps be able to go to school, because of acceleration, and the fact that perhaps many would enroll in private institutions, does not mean that those supporting acceleration do so with the goal of assisting private educational institutions.

It has also been alleged that acceleration is designed to assist those veterans who choose to attend high cost schools rather than low cost schools. To say this is nothing less than a failure to recognize the fact that many thousands of Vietnam veterans simply do not have the ability to choose between low and high cost schools because low cost—public—institutions of higher education are not readily accessible to them. For these veterans the pursuit of an education under the GI bill is extremely difficult, if not impossible, because the high educational expenses they must meet leaves them with too little money left over to significantly contribute to the maintenance of themselves and their families. To foreclose educational opportunities to those veterans with but limited access to low cost schooling is unjustifiable and directly contrary to the express purpose of the GI bill.

While space limitations do not permit a reprinting of Chairman TEAGUE's questions, they can be found accompanying this debate or in the CONGRESSIONAL RECORD of October 25, 1977, pages 35090–91. I am responding to these questions in the context of the accelerated tuition assistance provision approved unanimously by the Senate on October 20, 1977. The Senate provisions would have permitted needy veterans to accelerate their GI bill entitlement to pay for two-thirds of the cost of their tuition in excess of $700 per year while reducing their total entitlement dollar for dollar. It is important to recognize that this is not a new entitlement, but merely the removal of the major structural inequity in the present GI bill which limits effective access to readjustment assistance to veterans living in areas with low cost public educational systems.

First. It is not our intent to provide a "saving grace" for small private colleges. Our intent is to insure that the veteran has an opportunity to attend an institution that will provide him with effective readjustment assistance of his choice within the parameters of his earned entitlement.

The World War II GI bill paid the full cost of "educational expenses" at almost every public and private educational, technical, trade, vocational, or professional institution in America. Regardless of a veteran's lack of financial resources, or place of residence, a World War II veteran needed only to meet the admissions requirements of an educational or training institution in order for the GI bill to pay his educational expenses up to $500 per year. According to the VA, the $500 paid to World War II veterans is equivalent to more than $3,000 in 1977 constant dollars. In addition to having his educational expenses paid for by the GI bill, the World War II veteran received a monthly living allowance. This provided all World War II veterans with an equal opportunity to attend the educational or training program of their choice. Under the current GI bill, most of the private colleges, universities, and proprietary trade, technical, and vocational institutions that educate World War II veterans are closed to Vietnam-era veterans who cannot afford their high cost, because they would be left with too little on which to support themselves and their families.

The current GI bill pays for only a monthly subsistance allowance out of which a veteran must pay both his educational expenses as well as his living expenses. If a Vietnam-era veteran cannot pay the educational expenses necessary to enter an educational or training institution he will receive none of the readjustment benefits to which he is entitled. Because a veteran must pay his educational expenses out of his GI bill monthly check, many veterans are forced to attend low-cost institutions of minimal utility or marginal readjustment assistance or forgo using their benefits at all. Numerous surveys and studies, including a Harris survey commissioned by the Veterans' Administration, indicate that veterans' readjustment needs would be better served if effective access to all forms of education and training was provided, rather than by restricting their participation to low-cost liberal arts institutions. This is particularly true with respect to the educationally disadvantaged veteran who often would be far better served by a short-term high-cost trade, technical, vocational, or professional training program.

Second. The veteran, the economy, and the Nation would all benefit from accelerated tuition assistance which would add to the strength of our work force. Educational institutions would incidentally benefit as a result of increased veteran participation in the GI bill.

Third. It does not follow that one supporting acceleration believes that veterans receive an inferior education, because they attend low-cost public institutions of higher education rather than the more costly private institutions. The fact is that veterans without geographic access to low-cost public institutions are often forced to go without a readjustment education and this is what is inferior about the current law.

Furthermore, for many veterans the greatest benefit to be derived from the accelerated tuition assistance program will be the opportunity to acquire a trade, technical, vocational, or professional skill that is the key to a productive career in today's labor market. Many veterans lack college preparatory backgrounds and would be ill advised to pursue college level programs. And it must be recognized that most Vietnam combat veterans would be delimited before they could complete a 4-year college level program.

Fourth. Accelerated entitlement provides no additional entitlement but merely removes the structural impediment from the current law. The guiding concept of this change is equal opportunities for equal service. Equal benefits for equal service is a meaningless principle if the benefits are insufficient to provide a veteran with a meaningful education merely on the basis of where he happens to live.

Fifth. There are substantial safeguards in the accelerated tuition assistance provisions which would preclude abuse. Abuses occur because current law is improperly enforced. While abusers should be punished, veterans must not be denied an opportunity to use their benefits, because some veterans or unscrupulous institutions might attempt to exploit the program. On the other hand, accelerated tuition assistance would probably result in a substantial reduction of abuses, be-

cause veterans who are being "ripped off" by correspondence courses would have the opportunity to attend reputable proprietary institutions.

Sixth. The premises set forth in question six are largely irrelevent to a program of accelerated tuition assistance. Veterans participating in an accelerated tuition assistance program will be required to make a greater contribution to their educational expenses than the majority of veterans participating in low cost schools under the current program. The requirements for supplemental living expenses under acceleration will be greater than for those veterans participating under the current program. Veterans utilizing accelerated tuition assistance would be accorded a greater degree of equality with those veterans with access to low cost public institutions. They would not, however, receive any advantage over them.

Accessibility and entrance requirements will continue to be a problem for many veterans. And an effective counseling program would be invaluable in assisting veterans to choose a readjustment program best suited to their particular needs and aptitudes.

The law precludes charging veterans tuition in excess of that charged nonveterans. The number of veterans in private institutions is too small to provide any incentive to these schools to raise tuitions for an entire student body.

The accelerated tuition assistance provisions fall within the parameters of the budget allocated to the Veterans' Affairs Committee and other programs will not be eliminated or affected by its enactment.

Seventh. Veterans and the economy of most congressional districts would benefit from a better skilled work force. Educational institutions would incidentally benefit to the extent that more veterans would have the ability to enroll in educational programs.

Eighth. My office has received a considerable amount of correspondence from veterans across the country in support of accelerated entitlement. The bulk of the correspondence received from educational institutions was supportive of changing other aspects of the GI bill, most notably the so-called 85–15 and 2-year rules. Furthermore, it should not be incumbent upon the veteran to develop the law governing readjustment programs. This is the responsibility of the Veterans' Affairs Committee and the Veterans' Administration. It should be remembered that it was the World War I veterans who made sure a meaningful readjustment program was accorded to veterans of World War II so that they would not have to endure the same hardships World War I veterans faced upon their return. It is highly unlikely that over 500,000 unemployed Vietnam veterans are satisfied with their current situation. Many of them would certainly prefer to be enrolled in meaningful training programs preparing themselves for secure careers through accelerated tuition assistance.

Ninth. The survey referred to asked veterans in low-cost and free public institutions the following question:

State your preference between (1) having separate tuition allowance *with reduced subsistence*, or (2) continuing the present payment plan [emphasis added].

Certainly no one would support a proposition that would result in a reduction of benefits and such a question has no validity with respect to the establishment of an accelerated tuition assistance program.

Tenth. Under accelerated tuition assistance a veteran would have to contribute far more to attend an expensive school than a veteran attending a low cost school under the current program. There is certainly no objection to his contributing to his education as such contributions serve as a valuable incentive to serious pursuit of a program of education. Such contributions also act as a safeguard against the abuse of the GI bill because the veteran has a tangible stake in the success of his education.

Eleventh. The GI bill is a readjustment program that has failed to fulfill its intended purpose for many of the Nation's most needy and deserving veterans. Accelerated tuition assistance will restore meaningful readjustment opportunities to tens of thousands of veterans and do so within the parameters of their existing earned entitlement.

Twelfth. The accelerated tuition assistance provisions are fully compatible with the philosophy set forth in question 12. Accelerated tuition assistance does not contemplate a division in the benefits payments; all benefits would still be received directly by the veteran.

Thirteenth. Less than 25,000 VA loans have been approved, primarily due to the VA's—and the current law's—stringent administrative requirements. Loans will, of course, still be a necessary element to many veterans pursuing an education under accelerated entitlement, as will the VA work-study program. Most veterans will require between $200 and $300 a month in supplemental income to support their families while pursuing accelerated tuition assistance programs. While the loan program will continue to be helpful, it will not be adequate in the case of many veterans.

Fourteenth. The Veterans' Administration reports that—

Junior college training has expanded faster than other types of college level training. One reason for this is that the benefit for veterans is a fixed amount per month to assist with tuition and subsistence expenses and training in low tuition public junior colleges enables veterans to retain more of the benefit for subsistence purposes. (Source: VA DVB IB 20–76–3).

In its proper perspective, this statement means that veterans without access to low-cost public institutions retain less of the benefit for subsistence purposes. And in many cases the amount left for subsistence is such that the veteran cannot afford to go to school because he cannot support himself and his dependents.

Fifteenth. The direct benefits available under the World War II GI bill were more generous than the current direct benefits program. I know of no other group of individuals that the Government has a greater obligation to than the Nation's veterans through effective readjustment and rehabilitation programs. The current GI bill is only generous to those who can take advantage of it—those with access to low cost educational institutions. It is of little use to veterans who are unable to enter meaningful readjustment programs under the current structure of the GI bill.

Sixteenth. Most abuses can be avoided by enforcing the laws and regulations enacted to prevent them.

Seventeenth. The veteran should have the best opportunity to realize his full academic potential. For different veterans different types of schools do offer greater opportunities than others. Under the current GI bill the opportunity for the best education is often denied the good student, and particularly the student who would greatly benefit from trade, technical, vocational, or professional training. The problem is that veterans in many States simply do not have access to low cost schools.

Eighteenth. The Senate passed accelerated tuition assistance provision, because it utilizes the existing loan program as a vehicle, includes limitations on earnings.

Mr. Speaker, I would now like to insert for the RECORD some additional materials relating to this issue:

[From the American Legion Magazine, June 1974]

THE SORRY STATE OF VIETNAM VET'S EDUCATION AND WHAT TO DO ABOUT IT

(By Robert E. L. Eaton)

In recent months, newspapers and TV stations have begun to make the public more aware of the plight of thousands of Vietnam veterans in attempting to go to college under their GI Bill.

Many of them (typically those most in need of help) cannot go to school at all.

Their GI Bill benefits, which are far short of the WW2 benefits in the education they can buy, are too meagre for them to make out.

Each Vietnam vet who wants to go to school on his GI benefits but can't represents a failure of the program, but a windfall for the government.

Last year, the Vietnam GI Bill benefits for a full-time, single, college student came to $220 a month or about $55 a week—known as a subsistence allowance. For a normal nine-month college program, this came to $1,980. For each Vietnam veteran who could see no way to pay for his tuition, books, college fees, room, board and transportation on $55 a week for nine months, Uncle Sam simply saved himself the whole $1,980, while the Vietnam vet got no allowance and no education.

The chief difference between the WW2 GI Bill education program and the Vietnam benefits is that in addition to a subsistence allowance, the WW2 veteran got up to $500 toward his tuition, books, etc. In those days, this covered the entire cost of tuition and books at most colleges.

The American Legion estimates that a similar allowance, not to exceed the actual cost of tuition, fees, books, etc., and with a ceiling of $1,000, would serve fairly well under today's soaring education costs.

But Vietnam veterans get no such allowance at all. Their subsistence allowance is their entire GI benefit. If they can't pay for their tuition, books, fees, etc. out of their $55 a week "subsistence" they can forget about school unless they have ample means from other sources.

The average cost for books and miscellaneous fees at most colleges today is put at about $216, or just about one month's Vietnam GI "subsistence." Tuition fees range all up and down the scale, and are going up. In some states universities, tuition is free for veterans of that state, which is a real break for as many resident veterans as they'll accept. In others, it is as high as $890 for residents and $1,000 or more for non-residents. Private colleges and universities may charge up to $5,000 or more with no break for state residents. Some purely technical schools below college level charge over $2,000 in tuition. Tuition in the neighborhood of $700, which is quite common and due for a further raise next fall, would take every cent of 13 weeks subsistence allowance.

Small wonder that TV stations have had little trouble finding Vietnam veterans to put on the air to make cynical remarks in the order of: "Yeah, I could make it to college if I didn't eat, and slept in the gutter."

Nevertheless, the program has worked "well" enough to permit a large number of rosy statements from government sources citing its "success." Large numbers of Vietnam veterans have been able to use their GI benefits. But citing the raw numbers hides the discrimination against the neediest veterans that is built into the meagreness of the Vietnam education program to date.

The $55 a week has been of great value to those veterans who have enough money of their own to make up for its inadequacy, or whose parents can afford them substantial help, or who have been able to qualify for substantial scholarships or loans, or who are lucky enough to live in those states with the most progressive state university programs for their young citizens.

State aid seems to account for a large percentage of college attendance by Vietnam veterans for which the federal government has tended to credit the Vietnam veteran's GI benefits. California, with an excellent state university program, seems to have a veteran enrollment of about 37%. Vermont, whose state program is no match for California's shows about 14.2% veteran enrollment. West Virginia, Indiana and quite a few others don't show a great deal more. This situation has been continuous since the first substantial number of Vietnam veterans began to be discharged nearly ten years ago.

Many borderline Vietnam veterans (financially) are going to college but can hardly be considered a success for the GI program. They have made it by shopping around for the cheapest course in the cheapest college, often abandoning the course of study they preferred because it wasn't offered in the schools they could afford to attend. Any WW2 vet who was accepted for admission could have made it to Harvard Business School financially, in 1946, granted he would take the usual student jobs if he was personally on his uppers. His GI Bill was sufficient to scratch through somehow. This is impossible for a Vietnam veteran if his chief asset is his GI benefits.

The worst situation by far, however, is the plight of the Vietnam veteran without other resources, who simply cannot go to school at all.

It is remarkable that a nation which expresses a great concern for the needy has for years gone along with a GI education program whose workings favor those veterans with the most means and deny any benefits at all for those with the least.

I am hopeful that the sudden interest of the news media will help push forward a speedy reform. The Legion has been seeking improvement for some years but without much support from other segments of the public. Two years ago the Harris poll took an interest. It reported, after a survey, that 59 percent of Vietnam veterans didn't apply for GI school benefits, and as many as 83 percent of these indicated that there was no point in applying because there was no way they could afford college even with their GI benefits.

The media have as yet largely failed to pinpoint where the trouble has been or what the remedy is. Some TV programs have done an excellent job of portraying the plight of the veterans, but have then explained that it was the fault of the public, of the viewers, of you and me, because we just had too little sympathy for Vietnam veterans and were "turned off" on their war.

The nub of the problem is quite simple. Vietnam veterans need a tuition and book allowance on top of their subsistence payments. The TV viewers never did anything to prevent it. Only the Congress and the President can provide it. Neither President Johnson nor President Nixon ever gave Administration support for GI tuition and book allowances. News programs sometimes blame the Veterans Administration. The VA has consistently opposed tuition payments while issuing statistics about the success of the present benefits. It does this as an arm of an Administration which is opposed to tuition aid. But the VA cannot grant tuition allowances until the Congress enacts authorization, and if it does, the VA then must pay the allowances. The Congress has never approved tuition allowances and has rejected the appeals of Vietnam students and the Legion, working together.

Not until the 7th of April of this year have I seen any of the media indicate where the center of resistance has been in Congress. On that day, William Greider reported in the Washington Post that Rep. Olin E. Teague, of Texas, has opposed veterans' tuition allowances since 1950 when, as a young member of the House Veterans Affairs Committee, he led an investigation of the rackets which colleges, universities and their faculties made of the tuition and book allowances granted WW2 veterans.

This is an old story to the Legion. Rep. Teague rose to be Chairman of the House Veterans Affairs Committee, and held the chairmanship until quite recently, when he voluntarily left it to head a different committee. During his years he did a great deal for veterans, but he became a stone wall of opposition to tuition allowances for Vietnam veterans. In his powerful position he refused to report out any bill authorizing them.

In 1971, Gil Moody, the state Legion Commander in Rep. Teague's own state of Texas, wrote him beseeching him to report out some kind of tuition payment to Vietnam veterans. The answer was a flat no, because the colleges had cheated the government after WW2 by abusing the tuition allowance as it was then administered.

In 1972, when Legion National Commander John Geiger was trying desperately to get tuition payments authorized, the Legion's Director of Rehabilitation and Veterans Affairs, Edward Golembieski, advised in a letter of Jan. 2, that there was almost no point of the Legion even putting in a tuition bill "in view of the Chairman's adamant opposition." We did put it in, and, as predicted, it was never reported out.

What we were able to get was a gradual increase in the subsistence allowance to the $55 a week in effect last year. The House of Representatives has recently approved a 13% increase for next year, bringing the weekly allowance for a single, full-time student to about $62. Though any increase would help, this would hardly solve the problem. In fact, its chief effect would be to keep the present situation from getting worse in the face of mounting educational costs, every aspect of which is rising faster than the cost of living.

It is ironical to think that it was the sins of the colleges and universities a generation ago which have been invoked to deny an education to the Vietnam veterans who need help the most—and not the nature of the Vietnam war, as many have said.

It is entirely possible for Congress to devise a program granting tuition which the colleges could not so easily abuse, and I am happy to report that the Senate Veterans Affairs Committee is now considering several bills to provide a tuition allowance to Vietnam vets. I had the pleasure on April 9 of discussing it in person with the Chairman, Sen. Vance Hartke of Indiana, and the next day our representatives testified before a Senate sub-committee, offering our recommendation that a tuition allowance of up to $1,000, but not to exceed the actual cost, should be authorized.

Since there is no such provision in the House bill—while the President and the Veterans Administration actively oppose tuition—I hope that the public will now get in the act and write vigorous letters to their Representatives and Senators to support such a measure. I hope the media will keep it up, too, and will do more to spell out what their audiences can do to help. It isn't very hard to do. Demand reasonable tuition and book allowances for Vietnam veterans, so that the neediest veterans can benefit as much as those with more ample resources.

[From the Washington Post, Sept. 27, 1977]

VIETNAM VETS: WHO LISTENS TO THEM IN WASHINGTON?

(By Colman McCarthy)

In earlier trips this year to Washington, Jim Bombard brought along some fellow Vietnam veterans to help tell his story. Bombard, who lives in Port Jefferson, is the director of veterans' affairs at Queensborough Community College in Bayside.

Last spring, he and three of his students met with an official in the White House's public liaison office. In June, Bombard came down from Queens with one student to testify at hearings before the Senate.

Both occasions were used to make the case that veterans are being victimized by unfair provisions in the GI Bill, that unemployment among them is severe and that they are demoralized and embittered. Bombard and his veterans pleaded with Washington—the Carter administration and Congress—to wake up to the injustices and suffering being endured by large numbers of the 9 million Vietnam-era veterans.

On his most recent visit to the Capitol—Sept. 15, to testify before the House subcommittee on education and training—Bombard came alone. He said that he couldn't go through the heartless routine again: bringing veterans to Washington, seeing their hopes rise as they made the rounds but then going home to seethe at the inaction that inevitably followed. Vietnam veterans, Bombard says, are worn out and talked out. They are frustrated by what they see as a lack of response to their problems from the Carter administration and by the fact that only a few in Congress stick with them.

LITTLE RESPONSE

Veterans need no search parties to uncover the indifference. At the subcommittee's hearings on two bills to increase the GI Bill, fewer than half of its 11 members were on hand; weeks earlier, when the subcommittee discussed denying benefits to dishonorably discharged veterans, nearly everyone came. The full House also had its chance to reveal its priorities: On Sept. 12, when two pieces of veterans' legislation came to the floor for debate, fewer than 30 members appeared. As for the White House, Bombard left behind a detailed memo on veterans' problems. An official in the liaison office promised a substantive reply, but all that ever came was a brief note saying the material was being passed along. And that was that.

The hearings on Sept. 15 involved two proposals to broaden the GI Bill. Most of the witnesses—from a university president to a veteran in a wheelchair—found it shameful that all the Carter administration and the leadership of the committee could offer was an across-the-board increase that would continue the inequities of overpaying veterans in some states and underpaying them in others. Instead, the witnesses argued for proposals that would take into account the varying costs of tuition.

One situation to be corrected was described by John R. Silber, president of Boston University: "The higher the tuition price in a state or region, the lower the use by eligible veterans." Rep. Albert Quie (R-Minn.) said that "the current program seems to be built on the notion that an equal amount of dollars to all veterans is the same as equal education opportunity . . . I disagree. That is almost like saying that the avearge shoe size for all military personnel is size 9½ and therefore everyone will get size 9½."

THE VETERANS LEGISLATOR

Silber and Quie addressed their thoughts to subcommittee chairman Olin Teague (D-Tex.), the House's most decorated war veteran. His colleagues call him "Tiger," in honor of his past war valor which is regularly praised by witnesses appearing before him. Teague is a favorite of veterans' organizations whose members go back to World War II and Korea. He socializes with them and attends their conventions. They, in turn, back Teague's legislative proposals.

From Vietnam veteran groups, however, Teague receives the weakest of salutes, if any at all. He is seen as being so out of touch as not to understand even the obvious: that Vietnam was a different war that led to different readjustment problems in a different America. Teague is resented as being one of those who supported the war in Vietnam but who now refuses to support those who fought it, or were shattered by it.

Recently, he was able to bring his legislation (the across-the-board increase approach) to the floor under a suspension of the rules. That meant no amendments and limited debate. The bill passed. But then, with his own plan home free, Teague held hearings three days later on the two bills that he opposed. Because the House had already passed legislation, the hearings had all the urgency of a parade rest.

As if that weren't enough to people like Jim Bombard—who dismisses an across-the-board increase as irrelevant to the lives of the veterans he sees every day—Teague inflicted still another wound. Several times during the hearings, he asked why he seldom heard from individual veterans about their views on legislation. For Teague, the silence suggested that all was well: No letters, no problems.

PAST BEGGING

Following the hearings, several veterans spoke with a reporter to express discouragement about Teague's thinking. One said that veterans are so cynical about the government, after being burned so often, that writing a letter is an act of hope far beyond them. Another said that Teague was blaming the vets for their problems, as if to say that, since they weren't lobbying and exerting pressure, why should anyone else get excited? A third said that Teague has a case of vanity gone wild: Unless his subjects beg him for relief, he ignores them. But the veterans are long past begging. It has gained little, so why continue?

Any gains made now, at least politically, will have to come from the president, the Democratic leadership and all those in Congress who actually benefited from the GI Bill following World War II or Korea.

The issue is not generosity to the veterans—though a case can be easily argued on that ground—but fairness. Congress may not want to look over its shoulder at the senselessness that was the lost war in Vietnam, much less at its own enthusiasm for the war as it got going. But it does have to confront the young men who survived those years between 1961 and 1975.

For many veterans, a chance at college or training school is still playing a long shot that an education can make a difference in resuming normal living. But to be given no chance at all—because one lives in the "wrong" state, where education is costly—is to aggravate the pain that, for many veterans, began in Vietnam.

[From the Washington Post, Oct. 11, 1977]

WHAT ABOUT THE VIETNAM VETERAN?

I have just read the Sept. 27 op-ed article by Colman McCarthy, "Vietnam Vets: Who Listens to Them in Washington?" regarding Vietnam-era veterans and the government's failure to respond to their most pressing needs. Since my return from Vietnam in the summer of 1968, I have been involved personally and professionally with the problems facing Vietnam veterans.

Mr. McCarthy's comments regarding the difficulties Vietnam vets have encountered with Rep. Olin Teague, chairman of the House subcommittee on education and training, are accurate.

It has been the policy of this and previous administrations to ignore educational, vocational and readjustment needs of the Vietnam-era veterans. This lack of sensitivity toward the particular problems encountered by our most recent combat veterans has been perpetuated by a public that is more than willing to forget a tragic Vietnam experience. The obvious discrepancies between the VA educational program for World War II veterans and the Vietnam era is an indicator that the sacrifice our younger veterans made are regarded as not as great.

The World War II GI educational bill allowed those veterans access to any institution by paying full tuition fees and books plus a monthly stipend. The Vietnam-era veteran is paid only a monthly stipend that is approximately equal to the buying power of the World War II stipend. The failure of the government to absorb the tuition and book costs for the Vietnam-era veteran has limited his ability to attend college in most states that have high tuition costs.

The World War II program allowed the veteran to attend even the most costly and prestigious institutions. This is made evident by the fact that the enrollment at schools such as Harvard during the post-World War II era was above 40 percent. Today, Vietnam-era veterans represent only 0.5 percent.

The attitude of our elected and appointed officials is to delay, frustrate and, whenever possible, co-opt Vietnam-era veterans. The logic behind this strategy is that by paying lip service to the needs of Vietnam veterans, they will give up and cease to be a problem.

BRIAN MCDONNELL,
President, New York State Collegiate and Concerned Veterans Association.

(The following is the text of the letter to Chairman Roberts which was not sent because it lacked the requisite number of signatures from Committee members)

Hon. RAY ROBERTS,
Chairman, Committee on Veterans' Affairs, Cannon House Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: As you know, the Senate has completed action on H.R. 8701, making substantial changes in the legislation which passed the House of Representatives on September 12, 1977. Both the House and Senate versions of the legislation contain important provisions affecting the level of monthly educational benefits, as well as modifications in the "85/15" requirement, the "two-year" rule regarding institutional eligibility, and the power of attorney. However, the House and Senate versions of the legislation differ significantly in that the Senate bill contains a number of provisions having no counterpart in the House bill. Among these provisions is the establishment of a program of accelerated entitlement, a limited extension of the delimiting date, and the grant of veterans' benefits to WASPS.

We are well aware that it has been the traditional practice of the Committee to seek an informal meeting with the Senate, primarily at the staff level, to resolve disagreement between the two Houses. We believe, however, that the issues involved in the two versions of H.R. 8701 are too important and too complex to be left to informal staff discussion. We therefore respectfully request that you convene a special meeting of the full Committee on Veterans' Affairs so that the Committee may vote on the question of requesting a conference with the Senate on H.R. 8701.

We well remember the unhappy experience this Committee and the House had last year when S. 969 came to the House in the last hours of the 94th Congress. Because of the shortness of time, the House was faced with the options of accepting the Senate language or allowing the bill to die. Public Law 94–502 was the result. It is indeed ironic that H.R. 8701 is intended in part to correct many of the weaknesses of that hastily enacted legislation. We believe that an open conference with the Senate on H.R. 8701, in which members of the Committee of both chambers can work out the substantial differences in the bill, is preferable to either an informal staff discussion or to waiting until time pressures once again require one chamber to accept the language of the other in toto.

Because the end of the present session is rapidly approaching, we request, pursuant to Rule XI (2)(c) of the Rules of the House of Representatives, that the Committee on Veterans' Affairs be convened in special session on Tuesday, November 1, 1977 at 9:30 a.m., in Room 334 Cannon, to consider the question of requesting a conference with the Senate on this legislation.

Your cooperation in assisting this effort to create an open, responsible forum to resolve the House-Senate differences over H.R. 8701 is most appreciated.

[From the Washington Post, Nov. 2, 1977]

A FULL DEBATE FOR THE GI BILL

Representatives Margaret Heckler (R-Mass.), Lester Wolff (D-N.Y.), and Robert Cornell (D-Wis.) are trying to alert the members of the House Veterans Affairs Committee that the committee's leadership is about to take into its own hands what rightly belongs in the hands of the full committee and the whole Congress. The issue is whether pending legislation to correct the GI Bill should be debated by a Senate-House conference committee, in view of the public and those veterans whose lives will be affected by the outcome of the debate, or whether it should be worked out at the staff level in informal discussions. Mrs. Heckler and at least 13 other committee members are asking—correctly, in our view—that Chairman Ray Roberts (D-Tex.) convene a special meeting of the full committee to discuss the reasons for requesting a conference with the Senate. A vote would occur in such a meeting.

The Senate has passed a bill with a number of useful proposals. These include an accelerated payment plan by which a veteran could use his benefits at a faster rate to meet high tuition costs for college and technical training. It extends benefits for two additional years to veterans whose eligibility began about a decade ago when payments were actually lower than World War II benefits.

Thanks to an amendment by Sen. Barry Goldwater (R-Ariz.), it would also end the long-standing discrimination against some 800 members of the World War II WASPs (Womens Airforce Service Pilots) by making them eligible for veterans' benefits. The fear expressed by many observers is that Chairman Roberts and Rep. Olin Teague (D-Tex.) (the latter is the bill's floor manager) may attempt today to bring legislation to the House floor on the consent calendar. This means that not only has the House committee not participated but also there will be limited debate and no amendments on the floor.

This isn't the first time that the Roberts-Teague tandem has used this legislative maneuver to impose upon the House its particular perception of the needs of America's veterans. In September the pair engineered the passage of a bill that called for an expensive and wasteful cost-of-living GI Bill increase. Mr. Teague might have grounds for his no-debate approach if all along he had shown a full understanding of the complex problems faced by Vietnam veterans.

He persisted in arguing, for example, to the full House that the GI Bill "has always treated veterans on an equal basis." In fact, today's GI Bill overpays some veterans and puts others at an unfair disadvantage. Last week, Mr. Teague said that "under our present program, a veteran can go to virtually any state school and have money left over." According to figures from a survey made by the College Entrance Board, the high costs of many state colleges would leave veterans with significant deficits if they relied solely on their GI Bill.

Mr. Teague's thinking has alarmed many in the Congress; Mrs. Heckler and 13 others on the committee have asked for a conference meeting. One more supporter is needed for a majority. Because the legislation involves the expenditure of close to $7 billion in the next several years, and because the futures of hundreds of thousands of Vietnam veterans are involved, we think an open and full discussion of this measure is called for.

NATIONAL BIBLE WEEK

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. MAZZOLI. Mr. Speaker, National Bible Week will be observed the week of November 20–27.

The purpose of National Bible Week is to stimulate interest in the Bible as a contemporary moral resource.

The Bible has formed the basis of Western man's legal and social values. These values are as important today as they were centuries ago. We must continue to look to the Bible as a source of inspiration and guidance in our everyday lives.

Bible Week is sponsored by the Laymen's National Bible Committee. This committee was founded in 1940 to encourage church, synagogue, and Sunday school attendance, to promote a better understanding among all people, and to stimulate religious thinking. It is an organization made up of business and professional leaders of all faiths who want to promote the reading and study of the Bible.

Working with the Laymen's National Bible Committee in its efforts are: The Greek Orthodox Archdiocese, the Jewish Committee for National Bible Week, the National Council of Churches, the U.S. Catholic Conference, the Christian Scientists, and the Church of Jesus Christ of Latter Day Saints.

I ask my colleagues to remember and celebrate National Bible Week, and to bring its observance to the attention of their constitutents.

SPEECH OF MR. FRED SCHWENGEL AT DEDICATION OF LINCOLN LIBRARY AND MUSEUM AT LINCOLN MEMORIAL UNIVERSITY IN HARROGATE, TENN.

HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. DUNCAN of Tennessee. Mr. Speaker, I would like to recommend to my colleagues the following speech delivered by the Honorable Fred Schwengel, president of the U.S. Capitol Historical Society, at the dedication of the Lincoln Library and Museum at Lincoln Memorial University in Harrogate, Tenn.

Lincoln Memorial University has one of the finest collections of Lincoln memorabilia in the Nation and is an outstanding institution of higher learning. It is indeed a fitting memorial to a great man.

I am sure that Mr. Schwengel's words will be as inspiring to my colleagues as they have been to me.

SPEECH OF MR. FRED SCHWENGEL

Thank you Mr. Bartee, President Welch, members of faculty, students, my fellow countrymen.

I'm glad to be back on the Lincoln Memorial University campus and to be a part of this historic day. It is a real thrill to see the fruition of a noble idea—a very special Lincoln Library and Museum.

I feel humble and in some respects inadequate to meet the challenge of this day. The occasion is, for me, piled high with difficulty. I will try to rise to the occasion.

The occasion, it seems to me, calls for discussion on some vital questions for students. I have chosen to talk briefly on education, on books, on libraries, the importance of history and the dilemma of our time.

LINCOLN ON EDUCATION

Lincoln with less than 12 months formal education was moved to say:

"Upon the subject of education, not presuming to dictate any plan or system respecting it, I can only say that I view it as the most important subject which we as a people can be engaged.

"That every man may receive at least a moderate education and thereby be enabled to read the histories of his own and other countries, by which he may duly appreciate the value of our free institutions, appears to be an object of vital importance, even on this account alone, to say nothing of the advantages and satisfaction to be derived from all being able to read the scriptures and other works, both of a religious and moral nature for themselves.

"For my part I desire to see the time when education—and by its means, morality, sobriety, enterprise and industry—shall become much more general than at present, I should be gratified to have it in my power to contribute something to the advancement of any measure which might have a tendency to accelerate that happy period."

Elbert Pike a great southernor, statesman, and I am sure, a man Lincoln knew of said, "It is our business to make other men wiser and better whenever we can find or make opportunity to do so." The founders of this university responded to this and you the members of the faculty, the board of trustees and friends have responded by not only keeping this institution alive and effective but growing and prospering. You are making other people wiser and better. Now with this fine new addition your opportunities for achieving your goals will be greatly enhanced.

ON HISTORY

Lincoln called for education, as already noted, to enable us to read the history of our own and other countries so that we could better evaluate our free institutions. Carl Sandburg said it very well when he noted "Whenever a people or institution forgets its early hard beginnings it is beginning to decay." Here on this campus are many more reminders of our ennobling history and of America's most American American—Lincoln, that can be found in any of the over 2,000 college campuses in America.

CAN A BOOK CHANGE OR HELP YOUR MIND?

Can a book change your mind? Yes, it can broaden it, enlighten it, challenge it, bring it insights, fill it with new ideas . . . get rid of old ones, and, on occasion, "boggle" it.

A personal policy should be to get and read books that really say something. For balanced mental training, all citizens should know about history-makers, opinion-molders, myth-killer, curiosity-quelcher, mind-openers. Important biographies, revealing memoirs, and meaningful fiction books are being published today. Here you now have more biographies of Lincoln than can be found in any educational institution in the United States of America. As Lincoln experienced, we note that good authors will turn you on to what was happening (or not happening!) in our society and the environment of the 1950 and 1960's. Since Lincoln's time politics, the arts, science, education, communication has developed with the extension of the freedoms beyond the fondest hope of Lincoln's time. There are people who are not only capable of changing your mind, but exciting it with new ideas. Exposing it to new concepts. Absorbing it in new interests. Lincoln excites more people and encourages them to higher goals than any other in our history.

America needs more people who know about our hard beginnings, our mistakes and progress, people who know about and appreciate the moral base of our society and people who want to make all people wiser and better as they can find or make the opportunity to do so. You can do this better now with this new library and museum.

From its beginning this has been the accent of this university, greatly enhanced with this new facility, the Library—All hail to those who made it possible—How will you be remembered—You will forever be recorded as the giver to this building but far more importantly, the more enduring memorial will be in the hearts and minds of the students who used it, indeed all who love liberty unselfishly for all mankind.

THE DILEMMA

. . . America faces such problems as inflation, conservation of resources, and overpopulation, not because we have progressed so little, but because we have accomplished so much in such a relatively short period of time. Unfortunately, solving our problems effectively and—hopefully—conclusively will take time. Doing so demands the total cooperation of the administration, the Congress, and the public alike . . .

American institutions have created the most prosperous and educated society in history; 40% of the world college graduates will be graduates from American universities and colleges. These institutions are very often denounced by people who, however intellectual, know the least about them. It is also these people who are the most apathetic toward the one process that best begins to improve society, the political process. New institutions and new approaches are, of course, necessary, not as replacements, but as supplements to our present organizations . . .

Realistically, I may not see all of the necessary solutions discovered and implemented in my lifetime. However, optimism is a creative attitude, and I would be in the wrong business if I did not have faith in this country, its people, and the human future in general.

WHY LIBRARIES

Literature gives us a record of most of the thoughts, knowledge, experience and expressions of the past. In this literature we find the grandest ideas of the greatest minds from everywhere. Once written they can and should be preserved for all of us and for posterity. The thoughts of centuries, the noblest and best theories and vast collections of data that help us to understand and act intelligently have been stored away in libraries, schools, and in our homes. They form a precious treaty in our heritage.

Through reading the literature in books we can talk with Homer and learn anew how permanent are the virtues of courage and nobility. We can absorb wisdom almost as old as time from the ancient Hebrews. We can hear again the early Saxons as well as the thinkers of our time. As wisdom accumulates, each generation must read from its collection, ponder well on it, and select therefrom what seems best for itself and then add its own to the treasure of knowledge. This pondering on; adding thereto, and acting reasonably on both will assure the continuity and gradual expansion of freedom that will make possible an even greater spiritual, and material abundance for the future.

There is no college or university in the world now where there is better prospects to catch something of the fire and spirit of Lincoln, a spirit that burned in the heart of this man who was the greatest torch bearer of freedom for this country and the world, than this new library and museum.

Now as we leave this auditorium and go to the Lincoln Museum to cut the ribbon and signal its opening I join with all of you in dedicating it to the memory of Lincoln, the objectives of the university and this cause of freedom in all its aspects—This will enhance our upward journey to higher goals.

PRESERVATION OF ALASKAN WILDERNESS

HON. DOUGLAS WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. WALGREN. Mr. Speaker, I would like to take this opportunity to express my support of Representative UDALL's proposal on Alaskan lands.

If we act now, we can preserve for future generations some of our most bountiful and scenic wilderness. Our record in the past has not been a good one in this regard, but now we have an opportunity to set aside areas of timeless beauty. Such an opportunity in our last frontier will never come again.

Although the Udall plan includes a large amount of land, there remains ample opportunity for commercial development of scarce and necessary resources. Logging and grazing on lands designated as national forests will be permitted and management of the national petroleum reserve—formerly known as the Naval Reserve No. 4—is provided.

I believe this proposal is a balanced approach to the task of prudent management—and preservation—of the Alaskan wilderness. I urge my fellow Members to support the Udall proposal.

A LETTER TO THE PRESIDENT ABOUT ENERGY

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. SYMMS. Mr. Speaker, I just received in my office a letter to President Carter from Mr. Merlin M. Witte, president of McCulloch Oil Co. Mr. Witte's letter so thoroughly illustrates the realities of the energy production crisis and the real substance of the Carter energy bill that I want to share it with my colleagues in Congress:

MCCULLOCH OIL CORP.,
October 31, 1977.

President JIMMY CARTER,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: You have proposed one of the largest tax bills in the history of mankind and mislabeled it an "energy program."

You have established a Department of Energy with an initial annual budget of $10.6 billion dollars—a budget that is 40 percent more than total $7.5 billion cost of the Alyeska Pipeline. The enclosed list of twenty-five well known energy companies combined did not earn $10.6 billion in 1976.

We face critical energy problems because of federal government interference with the simple laws of supply and demand. You have proposed even more regulation despite hard evidence that price regulation creates shortages by discouraging investment and exploration.

Artificially low prices for natural gas have created a shortage of natural gas. Congress virtually eliminated the depletion allowance and then imposed artificially low prices for crude oil, thus encouraging a U.S. shortage and ever-growing oil imports. Our U.S. balance of payments deficit grows larger and every citizen of our country grows poorer.

New energy supplies are vitally needed—the key point your energy program largely ignores. Massive amounts of risk money are required to explore for and develop new sources of energy.

Mr. President, it is time for the federal government to be logical and objective about energy. We in the oil business are not politicians—we are producers. We want to produce our nation's needed energy with your moral support and cooperation. Government bureaucracy must cease being the principal hindrance. It is time to permit a free market to provide the energy we all need if our great democracy is to survive.

Sincerely,

MERLIN MICHAEL WITTE.

Mr. Speaker, by and large, the Senate has passed a much better energy bill than has the House. On most points, especially in the areas of taxes and regulations, I think that the House should yield to the Senate language in the energy bill.

THE 120TH ANNIVERSARY OF ST. JOHN'S LUTHERAN CHURCH, SAN ANTONIO, TEX.

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. GONZALEZ. Mr. Speaker, on December 26, 1857, just 21 years after the Alamo massacre, a small group of Lutheran Christians gathered together and founded the first Lutheran Church in San Antonio, Tex., St. John's Evangelical Lutheran Church.

The Reverend Philipp Friedrick Zizelmann had made an earlier attempt in 1852 to establish a congregation, but indifference on the part of the emigrant 49ers, and ill health forced him to leave the area for the time being. Pastor Zizelmann returned to San Antonio from Fredericksburg at the request of the Synod of Texas and on Palm Sunday, April 5, 1857, confirmed a class of 10 young people. On organization day, December 26, 44 members signed the constitution and a total of 64 became charter members of the congregation.

In December 1859 a building site was purchased on East Nueva in downtown San Antonio, and on Monday, March 5, 1860, the cornerstone for the first church was laid. It carried the inscription, "Gott allein die Ehre—1860," the German translation of "Soli Deo Gloria," "To God Alone the Glory."

By 1876 a tower had been added to the church. A gilded weathercock topped the new spire. It evoked varied comments from San Antonians. Some were amused. Others recognized its deeper significance as a reminder of Peter's denial of the Master on Maundy Thursday. St. John's soon became known as the "Rooster Church," a name which has held to this day.

As St. John's continued to grow the need for a larger church became apparent. A new church was constructed around the old building and on August 8, 1886, the second house of worship was dedicated to the glory of God. The weathercock was replaced with a cross.

The continued need for English teaching and preaching led to a decision in September 1913 to call an assistant for Pastor Ossian W. Hartmann. Pastor August L. Wolff, a 1910 graduate of Wartburg Seminary, Dubuque, Iowa, came to San Antonio and in 1915 at the death of Pastor Hartmann, became the senior pastor.

Dr. August Wolff's ministry left an indelible print on St. John's. A deeply consecrated pastor, a brilliant Bible scholar and teacher, he dedicated his life to giving his people at St. John's in preaching and example a solid Christ-centered faith and life. Much of what is fundamental in the plans and programs St. John's has today is the result

of his foresight and conservative, yet progressive planning.

In 1932, the beginning of the Great Depression, the congregation broke ground and completed construction of its present church building. It was dedicated on December 18, 1932, just 8 days before the 75th anniversary of the congregation.

Following Dr. Wolff's death in 1949, his son-in-law, the Reverend Vernon Mohr, former vicar and then assistant pastor, accepted the call to become senior pastor. With the assistance of the Reverend John Meyer and later, the Reverend Herbert Brokering, a strong evangelism program brought the congregation to the peak of its membership—about 3,000.

In 1956, Pastor Mohr accepted the election and call of the Texas district to become its president, a position he holds today in the Southern District of the Lutheran Church. Shortly thereafter, the congregation entered into another extensive building program. Under the leadership of Pastors Herbert Brokering, John Meyer, and Arthur Holm, the educational facilities were completely modeled and extended.

In 1960, the year of the merger of the American Lutheran Church with the Evangelical and United Evangelical Lutheran Churches, Pastor Brokering accepted a new role, and St. John's extended a call to Dr. Roald Braulick, former administrative assistant to Dr. Henry Schuh, president of the American Lutheran Church, to be its pastor.

Shortly after his arrival in late 1960, the present educational building and the Wolf Memorial Chapel were dedicated. Pastor Holm remained as an associate pastor, and the congregation called a third pastor, seminary graduate Clifford D. Schmidt in 1962.

Today St. John's stands as a metropolitan church in downtown San Antonio. It draws its members from every sector of the city. It has served and continues to serve not only its own members, but, because of its location hundreds of visitors, including servicemen and women, not only on Sunday but throughout the week.

Mr. Speaker, it is not generally known outside of the San Antonio area just how rich the city and surrounding communities are in German heritage.

The German colonizers, including the German Lutherans, have contributed greatly to the development of the San Antonio area.

I am proud to pay tribute to the members of St. John's Lutheran Church on the 120th anniversary of the founding of their congregation, and to all the wonderful German immigrants to our country who founded St. John's and made other contributions to our development.

NO AID OR TRADE WITH CUBA

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. ASHBROOK. Mr. Speaker, on several occasions the House of Representatives has overwhelmingly adopted amendments that I have offered to prohibit aid or trade with Cuba. Despite this sentiment, the Carter administration is moving along its own merry way.

Dr. Peter Bourne, special assistant to President Carter, recently announced that the United States would be expanding its health ties with Cuba. The United States would allow Cuba to buy 22 embargoed drugs and medicines as part of "increasing cooperation" with that nation in health.

The trade in medicine, moreover, is just the start. According to Bourne, the Carter administration wants to use cooperation in health "as a leading edge" toward broader relations in general with Cuba.

This is not the end of the bad news. Bourne also stated that President Carter intends to use health programs as a means to open relations with a number of nations with which we currently have no diplomatic relations. Specifically mentioned in this caegory is the People's Republic of China.

I remain adamantly opposed to aid or trade with Cuba. I see no reason why the United States should provide economic benefits to the Castro dictatorship.

Following is an article from the Washington Post on the expansion of ties with Cuba:

UNITED STATES EXPANDING HEALTH TIES WITH CUBA

(By Victor Cohn)

"Within a few weeks" the United States may offer to let Cuba buy 22 embargoed drugs and medicines as part of "increasing cooperation" with that nation in health, Dr. Peter Bourne, special assistant to President Carter, said yesterday.

Bourne also disclosed that he and Dr. Julius Richmond—surgeon general and assistant secretary of health, education and welfare—will visit Cuba soon to plan other efforts, including exchanges of health workers for training.

"The program will by no means be a one-way street," he said. "We've got something to learn from the Cubans. They've developed a highly effective health delivery system to guarantee basic care to everyone."

Teams of health workers provide care to Cubans at their jobs and homes as well as at public clinics. The system has been widely praised by American professors of public health and other experts who have visited there. But Bourne's praise may be the first by so high-placed an American official.

The Carter administration wants to use cooperation in health "as a leading edge" toward broader relations in general with Cuba, Bourne said.

In an address Monday night to the American Public Health Association and in an interview, he said President Carter wants to use health and humanitarianism to try to open relations with several of the 14 nations with which the United States has no diplomatic ties.

He said he could name only two, because of "sensitive" talks now going on with some of them.

The United States and the People's Republic of China are discussing an "extensive" program in health, going far beyond the tourist-style exchange visits that American and Chinese delegations have been making so far, he reported.

He said he will soon visit Iraq, following up a late-1976 trip, to arrange "a broad exchange program" that will include training Iraqi health workers here.

"What we're going to do with Cuba exemplifies what we're trying to do with many countries," he said. "We want to use health and humanitarian areas to transcend political problems, and try to ease those problems too."

Bourne was visited at the White House in late September, he disclosed, by Dr. Jose Gutierrez-Muniz, Cuban health minister, who was here for a Pan American Health Organization meeting.

Bourne said the cabinet minister gave him a list of drugs manufactured only in the United States that Cuba would like to buy. The list includes the anti-cancer drug, methotrexate; Lilantin, an anti-convulsive drug used in epilepsy, and the antibiotic actinomycin.

Cuba's trade minister has said Havana wants trade restrictions ended on everything, not on only a few products like drugs. But "I'm optimistic on our offering the drugs," Bourne said, and "I think they'll accept—certainly their health ministry would like to do so."

Bourne said the Cubans also want access to American medical journals and medical libraries, including computer systems that speedily comb the medical literature for facts.

"Right now," Bourne said, "their doctors publish articles in American journals, then can't get the journals."

A TRIBUTE TO MR. WILLIAM R. HEWLETT

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. MINETA. Mr. Speaker, it gives me great pleasure to rise today in honor of a man whom I have come to know over the past few years, and for whom I have a tremendous amount of respect and admiration: Mr. William R. "Bill" Hewlett.

Bill Hewlett is indeed a remarkable individual. Together with his engineering classmate, Mr. David Packard, he formed the Hewlett-Packard Co. in 1939, out of a small garage in Palo Alto, Calif., with an initial capital investment of $538. Their first product was a resistance capacity audio oscillator, designed by Bill.

Today, Bill Hewlett is president and chief executive officer of Hewlett-Packard Co.: A company manufacturing 3,500 different products, from hand-held calculators to hospital computers. The company is the Nation's largest manufacturer of electronic testing and measuring equipment with sales of over $1 billion a year.

Recognized as an industrial leader throughout the United States, Bill Hewlett has been called upon by many business and scientific groups to share his experience and expertise. A partial listing of his activities would include:

Director, the Chase Manhattan Bank.

Director, the Chrysler Corporation.

Director, Kaiser Foundation Hospital and Health Plan Board.

Director, the San Francisco Bay Area Council.

Trustee, California Academy of Sciences.

Trustee, Carnegie Institution of Washington.

Member, National Academy of Engineering.

Member, Rockefeller University Council.

Fellow, American Academy of Arts and Sciences.

Honorary Lifetime Membership, Instrument Society of America.

Life Fellow Membership, The Franklin Institute.

Member, National Academy of Sciences.

Member, President's General Advisory Committee on Foreign Assistance Programs.

Member, President's Science Advisory Committee.

Member, San Francisco Regional Panel of the Commission on White House Fellows.

Trustee, Mills College.

Trustee, The RAND Corporation.

Trustee, Stanford University.

Past President of the Board, Palo Alto-Stanford Hospital Center.

With his involvement in the business and scientific community, one would think that Bill would have little time left for other activities; yet, he has maintained strong ties to his hometown of Palo Alto, Calif. He has demonstrated many times through the generosity of his time and money that he is not only a resident but a caring citizen.

Concerned about the environment, Bill Hewlett has made every effort to assure that Hewlett-Packard does not disrupt the natural environment of the area he loves so much.

Last year, Bill took the responsibility of chairing the Santa Clara County United Way fund drive. Looking at the disparity between the county's buying power and the percentage of giving as compared to other United Way communities, Bill established a 20-percent increase in giving as his goal. Although the gifts fell short of the ultimate goal, the year set a record increase for community giving.

Mr. Speaker, on Tuesday, November 22, 1977, Mr. Hewlett will be honored by the Santa Clara County Council, Boy Scouts of America as recipient of its Annual Distinguished Citizen Award.

I ask you and my colleagues to join me today in congratulating and giving best wishes to Mr. William R. "Bill" Hewlett.

COMMUNICATIONS TECHNOLOGY

HON. LIONEL VAN DEERLIN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. VAN DEERLIN. Mr. Speaker, the face of European society changed completely after Gutenberg invented the printing press. A comparable revolution in the way humanity understands itself is happening now—and again, communications technology is the agent.

We must think hard about the role of communications, because present choices will shape the future. The free flow of information will emphasize the dynamic and imaginative aspects of American society, while inhibiting the flow of information will help set the status quo in concrete.

As our Subcommitte on Communications looks toward an overhaul of the Federal Communications Act, we shall need advice from farsighted people in all walks of life. Harold W. McGraw, Jr., is one such person, exemplifying the best of business thinking on communications problems. In the following speech, delivered to the Financial Executives Institute, he challenges the business community to think more deeply about information issues. If the solutions to these issues have the profound effects I expect, we might all profit from Mr. McGraw's comments:

TALK BY HAROLD W. MCGRAW, JR., ON BUSINESS' RESPONSIBILITY IN AN INFORMATION SOCIETY, OCTOBER 17, 1977

Today, I would like to share with you my concern about an emerging problem which is only now beginning to be recognized as a critical national issue. The problem is a product of today's information revolution, and it is already having a real impact on every corporation in America. It is a matter of concern not only for the information business but also for each of you, regardless of what kind of business you're in.

I do not have to tell you how dependent American business has become on the efficient handling of information. In part this is due to every company's increasing need for information about its own operations. And as corporate enterprises have become larger, more complex, more far flung geographically, their effective management requires a more and more extensive flow of carefully analyzed information.

That's internal information. But the need for external information is equally important. Sensitive and timely awareness of changes in tastes, markets, resources, government regulations, economic trends, and competitors' strategies can make possible the success of any enterprise. And a failure to achieve that awareness can determine its failure.

Nor do I have to describe the electronic miracles that have revolutionized the handling of data and helped us to meet those information needs.

This meeting of information needs and advanced information technology has produced a true revolution. Unfortunately, that revolution has had to take place within a framework of laws, regulations, and governmental policy dating to a past generation. The Federal Communications Act goes back to 1934, before television or the computer or the satellite. Until January 1, we will still live under a copyright law passed in 1909—and even the new law makes no effort to deal with the computer.

Bringing our mass of law, regulation, and policy into accord with the technological and operational needs of this new information society is a complex job which is going on right now, all around us. It is taking place in court cases, in Federal Communications Commission proceedings, in Congressional committee hearings, in Executive Branch actions, in the decisions of private corporations. As a result, some of the decisions are contradictory; most are made without coordination. By and large, the only companies which have risen to speak their minds have been the information companies themselves, such as the broadcasting networks and Ma Bell—each with its own special interests to protect. What we urgently need is the point of view of business in general, of executives like yourselves, who may not be in the information business, but who depend on that business for the vital daily needs of their own companies.

Out of the dozens that could be listed, there are just three problems, or groups of problems, I want to discuss with you this morning.

One is what sort of basic structure of communication—for example, postal and telephone services—are we going to have in the United States.

The second is what the policies of the federal government will be with regard to the availability and dissemination of its own enormous stores of information.

The third is the role of private-sector information companies, and the relation of government regulation and government competition to the ability of those companies to serve the public.

Let's look first at the postal service and the telephone system.

For a long time the Postal Service had a near monopoly of intercity transportation of messages, publications, and parcels. As long-distance telephone service became cheaper and cheaper, it has taken over much of the personal and business communication that once would have gone by first-class mail. One result is that today the principal use of first-class mail relates to money—invoices, statements, bills, checks, the stuff of your functions.

Meanwhile the Post Office is required to offer a universal service reaching into the smallest village and the most remote home. Competitive enterprises, by confining themselves to the more profitable routes and types of material, can offer that limited service more efficiently and economically than the Post Office.

The Postal Service is now under a mandate to break even, relying on user charges with the minimal possible subsidy. It has respond to this mandate by cutting service and sharply raising rates. The predictable result is the diversion of more of the second; third-, and fourth-class mail, to private carriers. Cutting service and raising rates is a self-defeating policy. Its only outcome can be a bankrupt and collapsing Postal Service.

It is obvious we face critical decisions about its future. An efficient Postal Service remains an absolute necessity for business as well as for American society. I think we have to face the fact that a totally or nearly totally user-supported Postal Service is a mirage. We must recognize that the social values of a universal service carrying the widest range of materials to every corner of the country is going to have to be sustained by adequate public support.

The telephone system, like the Postal Service, is facing the problem of maintaining a universal, or nearly universal, service while meeting the competition of special services over high-density routes. Once the telephone system was concerned only with conventional voice transmission.

But now we have the need for a wide variety of high-density computer-based data transmission services. Those services cannot be provided independently of the telephone network because of the need to use the network's facilities to distribute messages to individual recipients.

The basic policy question is whether this enormous and increasingly indispensable new area of service will be the exclusive responsibility of the present telephone system or whether other carriers and producers of equipment will have a major role. The consistent policy of the FCC in recent years has been to encourage competition.

The Bell system has objected vigorously, claiming that connection with non-Bell equipment for specialized intercity data transmission services threatens the technical degradation of service, and that selective competition confined to high-density operations and routes will force it to raise rates on the less profitable low-density and residential services.

Independent carriers and producers, however, strongly assert that only the entry of a variety of competitors into the data communications field can assure American society, and especially the business community, of the flexibility and diversity of service and the innovative equipment and techniques

that our new world of information will require.

These issues are now being fought out before Congress and in the courts in antitrust actions as well as before the FCC. I feel sure that we must protect the integrity of the telephone system and also build up a variety of special services. It will take wisdom to reconcile these needs—wisdom in Congress, in the FCC, and in the Executive Branch offices concerned with telecommunications policy. And it will take a thorough understanding of the business community's needs for efficient, high-quality, specialized data communications services.

There is a common denominator in the decisions we must make in regard to our basic communications networks. How can we make maximum use of all available contributions to efficient information handling while preserving the strength and integrity of our basic systems? The resultant balanced total system will have to serve the needs of American society generally—government, the educational system, the individual consumer as well as business.

In many ways the set of policy issues in the information field with the greatest importance to the business community is the set of policies relating not to the government's role as rule maker and umpire of the information game, but rather to its role as the principal player in that game. The federal government is by far the largest creator, collector, and consumer of information in the country. In addition, the federal government is the great collector of data of our time. In its files are collected literally hundreds of billions of facts about every aspect of the American economy.

We have a dual problem. Access to this enormous treasury of information is essential to the intelligent conduct of our business affairs.

At the same time, much of the material in government files—tax returns, investigative reports, confidential data submitted by business firms—is essentially private. Its revelation by government could be destructive of the rights of individuals and seriously damaging to corporations through the exposure to competitors of confidential proprietary information.

The Freedom of Information Act and privacy legislation are obviously in tension. But I think the fundamental policy lines are reasonably clear. Except for certain obvious confidential matters, records of the government's own conduct of affairs should be open to all.

The general principles may be clear, but their application to particular cases may present real difficulties. One case in point is the present preceding before the Federal Power Commisison looking toward closing to the public the hitherto available detailed record of fuel purchases by utilities. In this, the utilities, joined by the FTC and the antitrust division of Justice, seek to ban the publication of this information from a fear that it may support collusion or price-fixing about fuel suppliers; other interests believe, on the contrary, that it is essential this information be available to monitor prices, to justify utilities costs figures for rate-making, and to oversee energy problems.

What we need, what the government needs, is input from the business community as to the guidelines that should control the government's policies and decisions throughout the whole areas of freedom of information and privacy.

When we are dealing with such enormous masses of data as those in the government's keeping, it is not a matter of access alone.

We of the business community need a watch service that can scan this endless flow of information, select the items of real interest, look behind them for their full meaning, analyze and interpret them, correlate them with other data from both public and private sources, bring them to the attention of those tens and hundreds of thousands of firms and executives in the business community.

This is the job the private-sector information companies, like our own and dozens of our competitors, undertake to perform. We do it in numbers of ways. One is by thorough investigative, interpretive journalism in publications like The Wall Street Journal and Business Week, and in more specialized magazines such as Chemical Week or Coal Age.

Another way is by newsletters, giving very fast, "insider" news on specific areas of special interest, or even faster daily newswires

Still another is by preparing bibliographies, indexes, abstracting services, and other guides to government material, arranged to serve the interests of the user.

A third way is by reformatting government material so that, for example, it may be available in a more compact and less expensive microfilm or microfiche form.

A fourth is obtaining or creating machine-readable tapes of government data and offering on-line access to them through privately prepared programming.

Yet this private-sector information industry exists, in a sense, on government sufferance. The government may block its efforts by withholding information.

Even more frequent is the case when a government agency decides to go in the other direction, disseminating data to the public in ways directly competitive with services in which there has already been a substantial private investment. For example, a private company, Congressional Information Service, offers all customers microfiche of Congressional hearings, reports, and other hard-to-get documents—a valuable and, because it's valuable, a profitable service. Now the Government Printing Office is planning a duplicate expense by offering similar microfiche to the 600 key "depository" libraries for public documents, leaving the rest of the market unsupplied—yet taking, with tax-subsidized prices, so much of Congressional Information Service's core market as to make questionable its ability to offer the service to the remaining libraries, including corporate libraries.

I am not inviting sympathy for private-sector information companies, at least for the larger ones like ourselves.

My concern here is a much more fundamental one. I believe very deeply that the control and management of information will become the major component of power in American society. Effective access to an efficient information system will be indispensable to the success of any business enterprise and indeed to any of the educational, governmental, or other enterprises of our society. The federal government already bestrides the world of information like a colossus.

Moreover, the government lays down the laws, determines the regulations, decides the policies under which all private-sector businesses operate. It is both ruler and competitor. It is capable of drawing to itself the enormous power that derives from the control of information.

I do not mean to suggest that this potential authority is exercised with any evil intent. On the contrary, I think most of those who are responsible for public policy went a governmental information policy that genuinely serves the public interest and is open to the operations of a healthy private-sector information economy.

The next two or three years will be filled with decisions that will go far to shape our whole information structure for many, many years to come. I've already touched on the decisions facing us in the postal and telephone fields as well as government's role in the information field. There are others. A general revision of the Federal Communications Act is being proposed. International negotiations to allocate the broadcast spectrum are just ahead. The security and freedom of transnational communication is an increasingly critical problem which we are only now beginning to face up to. These are only a few samples of the information policies which must soon be addressed.

In reaching these decisions, it is essential that there be leaders in the government who are aware of this whole range of problems and of their interrelation, are dedicated to maintaining a free flow of information, and to strengthening a vital private-sector information industry.

Through recent discussions with key members of the Executive Branch, my colleagues and I are optimistic that there is such awareness, there is dedication to freedom, and appreciation for private-sector information services. Perhaps most important, they are interested in and open to your views. The Executive Branch, the Congress, and the FCC are hearing from companies with special interests in the information field. They are not getting input from businessmen generally to help them assess the impact of policy decisions on the business community as a whole.

The challenge is ours. I hope that in your respective corporations, within this Institute, and within other general business organizations there will be thoughtful consideration of these problems. And I hope you will bring your own views to appropriate decision-makers throughout government with energy and conviction.

A revolution need not be chaotic and destructive. It can represent a positive step forward. We are in the midst of an information revolution. Its outcome depends in good measure on how intelligently all of us approach it. That is the challenge facing us today.

THE POLES WON'T LET US FORGET

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. ZABLOCKI. Mr. Speaker, a few weeks ago Mr. Franklin Wallick, managing editor of the UAW Washington Report, published by the United Automobile Aerospace and Agricultural Implement Workers of America, had the unique experience of seeing the industrial economy of Poland first-hand, touring its factories and talking with both managers and workers. His impressions and candid observations were succinctly published in the UAW Washington Report, dated October 31, 1977.

I believe this brief report not only is interesting reading but also provides a valuable insight into the motivations and aspirations of the people of Poland. The common view of freedom we share provides a historical basis for the special relationship between the American people and the Polish people. For that reason, I would like to share that report with my colleagues, as follows:

THE POLES WON'T LET US FORGET

CRACOW, POLAND.—Poland's 30 million people are bursting with energy—ready for a spectacular economic takeoff. But there is one thing they insist on—a visitor can't forget "we're the biggest cemetery in Europe." Four million people—most of them Jews—

were murdered by Hitler's Nazis in the concentration camps of Auschwitz and Birkenau. As you walk through the halls of the camps where men, women, and children were butchered in cold blood, it is impossible to picture the enormity of the horror.

"They killed the intellectuals, teachers, clergymen, union leaders—we had to start over when the war was over," is how a young Polish idealist tries to sort out the past in explaining it to an American.

Poland is filled with contradictions—

A communist official who makes the sign of the cross before mealtime;

John Wayne movies with Polish dubbing on the state-owned television network;

Raw Polish farm boys coming from the cornfields of southern Poland to supervise automatic welding machines for the production of new Fiats for which the nation clamors.

Poland is the only nation in the world where workers have toppled two governments in a single generation. Three Soviet military divisions stay out of sight, and there are Polish officials who swear that NATO helps Poland stay independent.

"There are three groups who run this country," said a longtime observer of the Polish scene, "—the Communist party, the Catholic church, and the workers." There is no other eastern European nation where such quite and open dissent is permitted as in Poland today. The ruling regime doesn't like opposition, but it does tolerate street demonstrations where government policies are challenged.

The emotional ties to the United States are strong, even though Poland is far away at the very eastern edge of Europe. Everybody seems to have a cousin or uncle in Buffalo, Milwaukee, or Hamtramck. Polish radio played songs of Bing Crosby when he died a few weeks ago, and Elvis Presley songs are as popular among Polish teenagers as among Americans—maybe more so.

Polish art is both superb and exciting. Good-looking young Polish women with Dorothy Hamill haircuts whisk along the streets of Warsaw and Cracow, and even Polish charwomen wear stylish eye-shadow. A secretary to a high Polish official wears jeans and looks like a page out of Glamour magazine.

What are Poland's problems? Flats, more flats—and then cars (mostly Fiats that skim along the highways dodging horse-drawn wagons). Again and again these are what people seek most of all.

Housing (the ever present search for flats) seems to be the most pressing need. Food prices are heavily subsidized and thus the cost of living for average Polish workers is unrealistically low.

Meat is in short supply, but a government official hastens to say: "We'd rather have meat lines than job lines." Most farms are small and privately-owned, and Polish agriculture has suffered four bad crop years. Even a party official sighs at this and says, "We'll need help from the almighty to feed our people."

The Polish auto industry dates from a humble beginning 25 years ago, and is now set for enormous leaps forward within the next few years. In only 20 years the auto output in Poland has risen by ten times, with roughly 4 million cars and trucks produced by 1977.

"We're the 10th largest industrial country in the world," cites Eugeniusz Martyna, head of the Silesian meatworkers in Katowice, in the rich coal and steel country along the Czech border, 200 miles south of Warsaw.

"That's Polish gold," he boasts, pointing to a working coal mine. Coal exports to hard currency countries helps Poland from defaulting on huge loans and those far-flung trade deals Poland hopes will move the nation still further along in the industrial world.

Martyna is one of those naturally likeable people who could be elected in any country on any ticket any place in the world. He grumbles about kids who want all the material things without getting their hands dirty or without working up any sweat. It is he who takes the bouquet of flowers to the spot in Auschwitz where firing squads shot down Polish leaders.

An emotional and yet strong man, he typifies the struggles of modern Poland to fight for its place in the sun.

The devastation of World War II is beyond belief—six million Polish citizens died, one of five killed, 340,000 in Warsaw alone killed—80 percent of Warsaw levelled.

"My father and mother had nothing after the war—only their shoes and clothing, and my fathers' stamp collection," tells Czestaw Bilinski, a young film maker, who can rattle off details of Polish history as he recalls the names of American film directors better than any U.S. film buff. "Now I'm about to get a fiat, a car, and the whole world is opening up."

He exudes national pride as he tells about the wonderful places he can go freely as a Polish citizen, anyplace in the world. But he always yearns to come home to Poland.

Piotr Czerwinski, is a 27 year old Polish tractor assembler, who makes 6200 zlotys per month—roughly $200, depending on the rate of exchange you use to calculate.

With his wife and child he makes do well enough because he has a flat, walks to work, has free medical care, and food prices are quite cheap—7 cents for a kilo of bread, 45 cents for a quarter kilo of butter, and meat prices ranging from 90 cents to $1.80 depending on the cut (and all based on the normal rate of exchange of 3 cents for a zloty).

A light suit costs 1500 zlotys, shoes are 300 zlotys, a man's sweater is 1200 zlotys, the cheapest black and white TV is 4500 zlotys. A new Fiat, if your name comes up on the waiting list, comes to 65,000 zlotys, with the prices on the upswing.

The Polish metalworkers, hosted a visit during mid-October for the UAW Washington Report. They have wide contacts in Europe, both east and west. European workers, whatever their political persuasion, feel a moral duty to avert war.

Poland is a unique bridge between east and west—an open communist society which permits disagreement, but with geographical and ideological links to the Soviet Union. Americans and eastern tourists pour into Poland each year, and the Poles reciprocate. Poland won't let the world forget the past, and it hopes for better tomorrows.—*F. W.*

SEA-LEVEL CANAL STUDY NEEDS UPDATING

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. MURPHY of New York. Mr. Speaker, in 1970, the Atlantic-Pacific Interoceanic Canal Study Commission concluded that major foreign policy and national defense benefits to the United States would flow from the construction of a sea-level canal across the Americas. The Canal Study Commission Report, which culminated 6 years of intensive investigation and the expenditure of millions of dollars, received limited public attention and did not lead to any congressional action.

Today, when the future of the Panama Canal and, in fact, the U.S. relationship to any interoceanic canal is a major issue, the public and the Congress need the most up-to-date information on the benefits and costs of possible construction of a sea-level canal across the Americas. That is why I am introducing today legislation to provide for an updating of the 1970 report I mentioned earlier.

There have been several important events since 1970 which could affect the advisability of constructing a sea-level canal. For example, it has become ever more clear that there will be available Alaskan energy supplies which will greatly exceed the needs of the west coast of the United States, and therefore will have to be transported to the gulf and east coasts for distribution.

In updating the 1970 report on a sea-level canal, there is no reason the United States should expend excessive sums in those cases in which the public record needs no further elaboration. Thus, in the legislation I introduce today, there is a clause which will limit the sea-level update to a discussion of the practicability of non-nuclear canal excavation. In 1970, the Canal Study Commission determined that neither the technical feasibility nor the international acceptability of nuclear excavation permitted the application of nuclear excavation technology. Nothing has changed with respect to this technique since 1970, and it is therefore inadvisable to spend millions of dollars studying the alternative.

The Congress needs to determine as a matter of important public policy, just what work needs to be done with respect to determining the value of constructing a sea-level canal. Accordingly, it is important that a full public hearing on this legislation be held as soon as possible so that the issues concerning a possible sea-level canal can be addressed in a timely fashion. For the information of all those interested in the canal question. I am submitting for the record a copy of the recommendations included on the 1970 report. This will help to focus discussion on a matter that has recently received too little attention:

1970 CANAL STUDY COMMISSION REPORT

RECOMMENDATIONS

The Atlantic-Pacific Interoceanic Canal Study Commission* recommends that:

1. Any new canal treaty arrangement with the Republic of Panama provide for:

a. Creation of an Isthmian canal system including both the existing Panama Canal and a sea-level canal on Route 10, operated and defended in an equitable and mutually acceptable relationship between the United States and Panama.

b. Canal operating and defense areas that include both the existing Panama Canal and Route 10.

c. Effective control of canal operations and right of defense of the canal system and canal areas by the United States, with such provisions for Panamanian participation as

*Chairman Robert B. Anderson, because he is also Special Representative of the United States for United States-Panama Relations, disassociated himself from Recommendation 1, which concerns new treaty arrangements with the Government of Panama.

are determined by negotiation to be mutually acceptable and consistent with other recommendations herein.

d. Acquisition of the Route 10 right-of-way by the canal system operating authority as soon as practicable.

2. The canal system be operated to provide an equitable share of revenues and other economic benefits for Panama consistent with efficiency of canal operations, financial health of the enterprise, and maintenance of toll levels that permit effective competition with alternatives to the canal.

3. Other nations be encouraged to participate in financing the canal system, if such multi-national participation is acceptable to the Government of Panama.

4. Subject to the priority of more important national requirements at the time, the United States initiate construction of a sea-level canal on Route 10 no later than 15 years in advance of the estimated saturation date of the present canal, now projected to occur during the last decade of this century.

5. When the rights and obligations of the United States under new treaties with Panama are established, the President reevaluate the need for and desirability of additional canal capacity in the light of canal traffic and other developments subsequent to 1970, and take such further steps in planning the construction of a sea-level canal on Route 10 as are then deemed appropriate.

6. Modernization of the existing canal to provide its maximum potential transit capacity be accomplished, but no additional locks be constructed.

7. The United States pursue development of the nuclear excavation technology, but not postpone Isthmian canal policy decisions because of the possible establishment of feasibility of nuclear excavation at some later date.

8. The following studies initiated in the course of the Commission's investigation, if not otherwise completed beforehand, be continued to completion by the control authority of the new canal system if such an authority is established and the Route 10 right-of-way acquired:

a. Investigation of the subsurface geology of the proposed trace of Route 10 to permit selection of the exact alinement for design purposes.

b. Investigation of slope stability applicable to Route 10 geologic conditions.

c. Investigation into the hydrodynamics of large ships moving through confined waters with variable currents.

9. A permanent agency of the Executive be designated to support and coordinate public and private research activities that could contribute to the evaluation of the potential environmental effects of a sea-level canal, and if the decision is made to initiate its construction, advise the President as to the organization for and funding of such additional research as might be required to reach definitive conclusions.

STEEL AND THE 24TH

HON. MARC L. MARKS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. MARKS. Mr. Speaker, as a member of the Congressional Steel Caucus I am very concerned about the impact the steel crisis is having on the 24th District, the State of Pennsylvania, and the Nation. I would like to take this opportunity to relate my thoughts on this issue and the actions I and my Steel Caucus colleagues have taken to bring this matter to the attention of the President so as to expedite the solution to this grave problem.

There are roughly 8,500 steelworkers in the 24th District, 5,500 of whom are engaged in the production of specialty steel. I wrote the President in August, urging him to maintain the specialty steel import quotas for their full term until June of 1979. I also testified before the International Trade Commission on this same issue, cohosted a briefing to bring this matter to the attention of other Members of the House, and cosponsored House Resolution 761 to maintain the quotas. Most recently, I accompanied labor leaders and specialty steel industry representatives to the White House to deliver the thousands of petitions from steelworkers all over the country, calling on the President to maintain the specialty steel import quotas.

Along with 171 of my colleagues in the House, including Speaker O'NEILL, I am a member of the Congressional Steel Caucus and serve on its constitution and bylaws committee. In the past months I have been to the White House numerous times both as a member of the Steel Caucus and the Pennsylvania congressional delegation. At each meeting, I have reiterated my support for the specialty steel quotas and stressed to the President the need for immediate action to aid our steel industry.

Too many jobs have already been lost, almost 20,000 to this point, with 70,000 workers certified for trade adjustment assistance. The steel industry is a vital concern to this Nation and we cannot afford to let it deteriorate at the hands of foreign competition.

Due to a number of factors the United States has slipped from its postwar eminence to a position where we are second to the Russians in steel production per year and we are the world's largest importer of steel because we can no longer satisfy total domestic demand. This decline has occurred while steel industries in Japan and the European Economic Community have advanced in technological and productive capacity to the point that imports worth $2.8 billion made up 15.4 percent of the U.S. market in the first 6 months of 1977. Last year steel imports of $4 billion were 14 percent of U.S. shipments and 75 percent of the imports came from Europe and Japan. Predatory pricing, border tax rebates, manipulation of exchange rates, serve to favor the highly subsidized, government-supported foreign producers.

Steel's problems are linked to the general economic problems of the last few years. The 1974–75 recession had a major impact on worldwide demand for steel from which the industry has never recovered. At present Japan is only producing at 70 percent of capacity, Europe 60 percent, and the United States at 78 percent. New industrial investment which is normally 40 to 50 percent of steel demand has lagged badly and could continue to lag in the foreseeable future. Even traditionally strong markets are shrinking, for example automobiles are getting smaller and using less steel.

Labor, fuel, and environmental costs have risen rapidly. The industry has experienced an inflation rate 33 percent higher than that of other industries in recent years. Energy costs, which account for one-third of the industries total expenditures, have increased 166 percent since 1972. At the same time, materials have increased 100 percent and labor costs have risen 82 percent.

Government regulations have also caused problems. There are presently 5,600 Government regulations the steel industry must observe. From 1975–76 the industry spent $940 million on environmental equipment, that is 30 percent of capital spending over that time period. This has hurt the industry's profitability; for the first half of 1977 steel profits after taxes were only 1 cent for every $1 worth of sales. In 1976 the same figure for all manufacturing was 5 cents on the $1. One major survey indicated that out of the 27 major industries, steel profits in the third quarter of 1977, as compared to the same quarter in 1976, fell more than any other industry, that is 49.1 percent. By comparison, the industry with the second greatest loss, retail food stores, showed a drop in profits of 17.1 percent. Of the 27 industries, only 7 reported any loss at all.

High environmental compliance costs and low profitability have resulted in the United States lagging behind Japan and other countries in modernization of facilities. Some American plants were built in the 1890's and we are still behind the Japanese in replacing the old open hearth furnaces with the more efficient basic oxygen furnaces. Eighty percent of Japan's steel is produced from oxygen furnaces compared with 63 percent of American steel.

To combat this situation I have cosponsored H.R. 9316, a measure to provide for an alternative amortization period for pollution control facilities. It would allow companies to write off the cost of pollution control equipment in 1 year as a regular business expense, instead of the present 5 years. Since pollution control equipment does not relate directly to increasing production, it should not receive the same tax treatment as capital investment for expanding or modernizing the firm's productive capacity would receive. The bill is intended to help companies finance the cost of meeting environmental safety standards, while encouraging real capital formation and reducing the impact of inflation on recovered costs.

Until recently, a certain amount of buckpassing and a lack of planning have characterized the actions of the Federal agencies involved with the steel problem. The Department of Labor, concerned with health and safety standards, points to import restrictions as the answer to steels problems. The Treasury Department, concerned with free trade, favors tax breaks. IRS, concerned with loss of revenue, points to mergers to create economies of scale. The Justice Department, concerned with the anticompetitive effects of mergers, favors a modernization policy.

I think it is imperative that this hodgepodge means of coping with the problem stop. That is why I and my colleagues in the steel caucus have stressed to the President the need for high level policy planning and coordination on this issue. I think we have succeeded in these initial steps. The President appointed Treasury Under Secretary Anthony Solomon to head a multiagency task force to study the issue and report back to him.

In the meantime, there are certain steps the President as policymaker can take. I think the Trade Act of 1974 needs to be strictly and speedily enforced to prevent foreign dumping of steel on our domestic markets. There have been some encouraging signs in this regard. The Treasury Department recently made a tentative finding of dumping against five Japanese producers in the Gilmore case and has ordered them to post bond pending the final outcome of the case. On specialty steel, the International Trade Commission advised the President to leave the import quotas on for their full term until June of 1979. Government action in these areas can be effective if we utilize existing laws.

Tax incentives for modernization of plant and machinery could also help an industry where capital turnover is so very slow. Accelerated depreciation writeoffs, even replacement cost accounting methods would improve the industry's cash flow and enhance its ability to attract capital for future growth. I have cosponsored two bills in this area. The Investment Tax Credit Act of 1977, H.R. 4987, provides an extra 10-percent investment tax credit for modernizing older manufacturing plants—over 25 years old—or for building new ones in nearby locations—within 10 miles of an existing facility. I have also cosponsored H.R. 8414, the Investment Policy Act of 1977 to insure adequate investment capital for our future economic growth. The act requires the council on wage and price stability to submit to Congress an annual investment policy report, monitor present programs, and recommend future measures to promote the generation and use of investment capital. I think this type of action can help the steel industry and the economy overall.

It is time Government and business ended their adverse relationship. Cooperation will be needed to solve this problem and prevent the further loss of jobs. The solution to the steel crisis will not be simple or easy. A coordinated multifaceted approach must be used to combat the problem and no option should be disregarded by the President or his special trade negotiator Robert Strauss in an attempt to rectify this situation.

Along with my colleagues in the steel caucus I will continue to press the President to maintain the import quotas on specialty steel and enforce existing statutes to prevent foreign dumping and insure fair competition. We must make sure that free trade is fair trade.

CONGRESSIONAL SALUTE TO THE HONORABLE IRENE DiMARCANTONIO OF PATERSON, N.J., DISTINGUISHED CITIZEN AND OUTSTANDING COMMUNITY LEADER

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. ROE. Mr. Speaker, on Saturday, November 12 residents of the city of Paterson, my congressional district, State of New Jersey, joined with the officers and members of the St. Francis DePaul Society in honoring a distinguished citizen, community leader and good friend, the Honorable Irene DiMarcantonio of Paterson, N.J., whose dynamic and energetic endeavors in community improvement and development and dedicated service to her fellow citizens have earned her the highly coveted award of distinction of the St. Francis DePaul Society.

Irene will be the first woman to have achieved the society's annual recognition of exemplary achievement and it is significant to note that her late husband Ralph had been so honored as the society's "man of the year" in 1971.

Mr. Speaker, I know that you and our colleagues will want to join with me in sharing the pride of the DiMarcantonio family and extending our warmest greetings and felicitations to Irene; her daughter, Mrs. Barbara Stracco; her son, Ralph; and her four grandchildren, Michael and Scott Stracco, and Michelle and Brian DiMarcantonio on this most joyous occasion.

We are proud to boast that Irene was born in the first ward of Paterson, N.J.; is a graduate of our local schools, Public School No. 12 and Central High School; and a highly active member of the congregation of St. Gerard's R.C. Church.

In 1951 she joined with her husband Ralph in a partnership endeavor where the excellence of their expertise, impeccable character, the way of doing business earned them the confidence and esteem of all of us. The month of September 1977 marked the 26th anniversary of Belmont Liquors as a highly respected entity of the commercial and business community. Irene is also a member of the Ed Englehardt Association and the North Jersey Package Dealers Association.

The quality of her leadership and personal commitment to the economic, social and cultural rebirth of the city of Paterson, and particularly the first ward of Paterson, was fully endorsed by the voters during January of 1976 when she ran in a special election to fill the unexpired term of her late husband as a councilman on the governing body of the city of Paterson. Not only did she win that special election but achieved a substantial majority of victory in her reelection as councilwoman 4 months later in May 1976.

Mr. Speaker, as a lifelong resident of the city of Paterson, Irene and her family have endeared themselves to us as good neighbors and we applaud her lifetime of dedicated public service in always caring and seeking to be of help to all of our people. My good friend Irene is never too busy to be of aid to those in need. Her compassionate and benevolent way of life has been a shining example to all of us. She has served as chairperson of the Paterson Fire Department, as the liaison for the city council with the Paterson Task Force, on the Health Advisory Committee and the Great Falls Festival Committee.

The attainment of the St. Francis DePaul Society's annual award of excellence is an outstanding achievement and a great honor for the recipient. The St. Francis DePaul Society is a most prestigious fraternal organization whose current roster of officers and trustees is comprised of the following leading citizens from the private, public, civic, and business sectors of the community:

The Honorable James Pasquarillo, president; James E. Onorato, vice president and secretary, Pasquale Parese, finance secretary; James Tarsitano, treasurer; Guido Rocco, trustee; Alex Portella, trustee; Joseph Cosentino, trustee; Michael Portella, trustee; and Frank Frega, orator.

Mr. Speaker, I am pleased to join with the St. Francis DePaul Society in commendation of Irene and all of her efforts on behalf of our people. I appreciate the opportunity to seek this national recognition of Irene's good works and take this moment with you and our colleagues in saluting a great lady. Her standards of excellence and distinguished public service on behalf of the public safety, good health, and well-being of our people as well as the preservation and enhancement of the historic treasures of Paterson, N.J., have contributed to the quality of our way of life and truly enriched the educational and cultural endeavors of our community, State, and Nation. We do, indeed, salute the Honorable Irene DiMarcantonio of Paterson, N.J.

CARDINAL MINDSZENTY FOUNDATION URGES U.S. RETENTION OF THE HOLY CROWN OF ST. STEPHEN

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. KEMP. Mr. Speaker, last week I submitted testimony to the House International Relations Committee urging President Carter to reconsider his ill-conceived decision to give the Holy Crown of St. Stephen to the Communist government now in control of Hungary.

Today I would like to insert into the CONGRESSIONAL RECORD the testimony at the hearing by the Cardinal Mindszenty Foundation, a national nonprofit association dedicated to "preserving freedom under God and to opposing atheistic communism through educational programs." The Foundation is named after

perhaps this century's greatest humanist and holy man, Josef Cardinal Mindszenty, who was released at age 79 by the Communists in Hungary after 23 years of imprisonment and confinement for espousing Christianity in an atheistic state. I was extremely honored to be able to meet the Cardinal when he was in Washington 3 years ago and to receive from him the coveted Cardinal Mindszenty Freedom Medal. I want to remind this House that the Cardinal literally gave his life for Hungarian freedom and independence, and he begged this Nation to keep the Crown in the Free World. In his memory and for the sake of Hungarian freedom let us keep the faith with our pledge to keep alive this symbol of Hungarian Christianity.

The statement of the Cardinal Mindszenty Foundation follows:

STATEMENT OF MISS ELEANOR SCHLAFLY, EXECUTIVE SECRETARY OF THE CARDINAL MINDSZENTY FOUNDATION, ST. LOUIS, MISSOURI

Mr. Chairman and Members of the Committee:

My name is Eleanor Schlafly and I am the Executive Secretary of the Cardinal Mindszenty Foundation, Inc., a national nonprofit educational organization with members in all 50 states. For the past 19 years our activities have been dedicated to preserving freedom under God and to opposing atheistic Communism through educational programs. The Foundation is named for Cardinal Mindszenty of Hungary who is a saintly hero for all those who cherish freedom and human rights. Our Council is comprised of distinguished clergy who have experienced firsthand the horrors of Communism in various countries of the world and are eminently qualified to advise us.

On November 4, 1956 Soviet tanks and troops poured into Budapest and brutally murdered and enslaved the young Freedom Fighters, the rescuers of Cardinal Mindszenty and the people of Hungary.

On November 4, 1977 the U.S. State Department announced that the Crown of St. Stephen—the ancient symbol of Hungarian Christianity and nationhood—will be handed over to the illegitimate Communist government of Hungary by Secretary of State Cyrus Vance in December.

We believe that this is a cynical betrayal of America's commitment to freedom and human rights.

The Crown was placed on Hungary's first King, Stephen, in the year 1000 by Pope Sylvester II. Since then it has been the most precious relic of the Hungarian nation. What General Patton's troops rescued from the Soviets in 1945 and what the United States has preserved ever since in safekeeping from Soviet desecration, is now being handed over to the Communists.

Every United States President since the end of World War II has honorably abided by the original promise to keep the Crown in safety until Hungary is free. President Nixon personally promised Cardinal Mindszenty in 1970 that our government would never return the Crown to the Communists. Last year President Ford announced that the Crown would remain in the United States. Today the government of Hungary is as much Soviet installed and controlled as it was in 1947 and 1956, and it is kept in power by the presence of 200,000 Soviet troops. It was Janos Kadar who suppressed and stifled the Freedom Fighters of 1956 and who continues to stifle freedom of religion and human rights.

Why should United States policy on the Crown of St. Stephen change now? Why should we dignify this godless regime with a Holy relic symbolic of Christianity and freedom?

The Communists know the Hungarian tradition that says no state ceremony is considered legitimate and no ruler is legitimate without the Crown. The Communists want to be considered a legitimate government despite a long record of taking power by force and violence. That is why over the years the Communists have steadily pressured our State Department and officials for the return of the Holy Crown of St. Stephen to give Dictator Kadar the appearance of legality. They want to be considered legitimate and cover up their sins of naked aggression, murder and inhumanity.

We became keenly concerned about the Crown of St. Stephen in 1971, for it was then that His Eminence Joseph Cardinal Mendszenty, at age 79, was finally released by the Communists after 23 years of imprisonment and confinement due to his belief in God and God-given human rights. We visited him, received his blessing, approval and encouragement in the Foundation's activities, and then he made his first requst of us. He said, and I quote: "Action is very necessary to keep the Holy Crown in freedom. It must never be returned to the Communist government. Ask your members to help save it." Unquote.

We are asking you, Mr. Chairman and your Members to save the Holy Crown of St. Stephen. We sincerely hope and pray that your Committee will take all necessary steps to see that the Crown remains in the United States until Hungary is once again a free nation.

STEVE BIKO

HON. CHARLES W. WHALEN, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. WHALEN. Mr. Speaker, the Christian Science Monitor last week carried a most poignant and revealing interview. It was an interview given last July by Steve Biko, who died in police custody in South Africa barely 2 months ago.

Mr. Biko acknowledged the indebtedness of the black consciousness movement in South Africa to the development of black thought in the United States in the 1960's. As a member of the Anglican Church, he discussed the confusion existing in missionary teachings between Chritianity and certain Western mores.

Biko predicted an escalation of conflict and the increased intransigence on the part of the Afrikaner regime. And he spoke of "mysterious deaths in backrooms of police stations."

I believe the Members of this body will be interested in the surprisingly sophisticated and realistic appraisals of Soviet imperialism in Africa; of how the United States might contribute meaningfully to the necessary transition in South Africa (by putting pressure on the government there to guarantee freedom of the press and freedom of movement; by economic sanctions, and by urging American industry in that country to eliminate all job and wage disparities between black and white); of the South African policy of separate black homelands; and in some of the history of the black consciousness movement—or the Black People's Convention.

Biko said:

We within the BPC have made up our mind that we must operate within the confines of the law or we will not operate at all . . . an above-ground movement must have an element of compromise about it.

The world community was shocked at the death of this important leader. We wonder, too, whether the South African Government will again find so moderate, and so reasonable an opposition with which to deal in the future.

At this time I would like to make the interview between Steve Biko and Bernard Zylstra a matter of record:

SOUTH AFRICA: STEVE BIKO'S SCENARIO

(Steve Biko, who died in police custody in South Africa barely two months ago, is recognized as the key figure behind the five-year-old black consciousness movement in his troubled country. Three weeks ago, the Black People's Convention—of which Mr. Biko had been honorary president—and all other movements under the black consciousness umbrella were banned by the South African Government. Simultaneously the other known leaders of the movement were arrested.

(Last July, Bernard Zylstra, who teaches political theory at the Institute for Christian Studies in Toronto, interviewed Mr. Biko just outside King William's Town where he was living under a banning order—virtual house arrest. Dr. Zylstra made a record of the interview at the time but has refrained from publishing it until now lest by so doing he might have harmed Mr. Biko. This is part of Dr. Zylstra's record in which, he says, 'I have tried to follow Steve Biko's words as faithfully as I could.' It is given herewith in question-and-answer form.)

What is black consciousness?

By black consciousness I mean the cultural and political revival of an oppressed people. This must be related to the emancipation of the entire continent of Africa since the second world war. Africa has experienced the end of white invincibility. Before that we were conscious mainly of two classes of people: the white conquerors and the black conquered. The blacks in Africa now know that the whites will not be conquerors forever.

I must emphasize the cultural depth of black consciousness. The recognition of the end of white invincibility forces blacks to ask the question: "Who am I?" "Who are we?" And the fundamental answer we give is this: "People are people!" So black consciousness says: "Forget about color!" But the reality we faced 10 to 15 years ago did not allow us to articulate this. After all, the continent was in a period of rapid decolonization, which implied a challenge to black inferiority all over Africa.

This challenge was share by white liberals. So for quite some time the white liberals acted as the spokesmen for the blacks. But then some of us began to ask ourselves: "Can our liberal trustees put themselves in our place?" Our answer was twofold: No! They cannot." And: "As long as the white liberals are our spokesmen, there will be no black spokesmen." It is not possible to have black spokesmen in a white context.

This was realized quite quickly in many black countries outside of South Africa. But what did we have here? Society as a whole was divided into white and black groups. This forced division had to disappear; and many nonracial groups worked toward that end. But almost every nonracial group was still largely white, notably so in the student world. Thus here we were confronted with the same shortcoming: the context of getting rid of white-black tensions was still a white context. So we began to realize that blacks themselves had to speak out about the black predicament. We could no longer depend upon whites answering the question: "Who are we?" There had to be a singleness of purpose in that answer. The white trustees would always be mixed in purpose.

At this time we were also influenced by the

development of a black consciousness movement in the United States. There were differences, of course, because the political context simply was not the same. The conflicts in South Africa were—and are—much sharper. I'll come back to that later, but I do want to acknowledge the indebtedness of the black consciousness movement in South Africa to the development of black thought in the U.S.A. in the 1960s.

What about black consciousness and Christianity?

I grew up in the Anglican Church, so this matter is an important one for me. But it is a troublesome question. For in South Africa, Christianity for most people is purely a formal matter. We as blacks cannot forget the fact that Christianity in Africa is tied up with the entire colonial process. This meant that Christmas came here with a form of culture which they called Christian but which in effect was Western, and which expressed itself as an imperial culture as far as Africa was concerned.

Here the missionaries did not make the proper distinctions. This very important matter can easily be illustrated by relatively small things. Take the question of dress, for example. When an African became a Christian, as a rule he or she was expected to drop traditional garb and dress like a Westerner. The same with many customs dear to blacks which they were expected to drop for supposed "Christian" reasons while in effect they were only in conflict with certain Western mores.

Moreover, the responsibility for church affairs was exclusively white. This meant that the nature especially of the main-line churches was hardly influenced by the black fact.

It cannot be denied that in this situation many blacks, especially the young blacks, have begun to question Christianity. The question they ask is whether the necessary decolonization of Africa also requires the de-Christianization of Africa. The most positive facet of this questioning is the development of "black" theology in the context of black consciousness. For black theology does not challenge Christianity itself but its Western packages in order to discover what the Christian faith means for our continent.

WHAT IS THE BLACK PEOPLE'S CONVENTION?

Let's return to the main line of development. In the 1960s, the African National Congress (ANC) and the Pan-Africanist Congress (PAC) had been banned. So the main realities we were confronted with were the power of the police and the leftist noises of the white liberals. Faced with these realities, we had to solve the question how a new consciousness could take hold of the people. The government controlled the schools. There was a low output from the schools as far as black consciousness was concerned. We knew that we had to seek for participation among the intelligentsia. But we also knew that the intellegentsia quite quickly looks upon the masses as tools to be manipulated by them.

So the change of consciousness among graduates of the black universities that we sought focused on an identification of intellectuals with the needs of the black community. Here lies the origin of SASO—the South African Student Organization. It challenged the injustice of the existing structures, but it did that in a new way. As a matter of fact, since we stressed black consciousness and the relation of the intellectuals with the real needs of the black community, we were at first regarded as supporters of the system. The liberals criticized us and the conservatives supported us. But this did not last very long. It took the government four years before taking measures against us.

Even today we are still accused of racism. This is a mistake. We know that all interracial groups in South Africa are relationships in which whites are superior, blacks inferior. So, as a prelude, whites must be made to realize that they are simply human, not superior. The same with blacks. They must be made to realize that they too are human and—in their case—not inferior. For all of us this means that South Africa is not European, but African.

Gradually this began to make sense. Black consciousness gained momentum. But we were still faced with the practical issue that the people who were speaking were mainly students and graduates. There was not broad debate. For this reason we had to move from SASO to the organization of the Black People's Convention (BPC) so that the masses could get involved in the development of a new consciousness. The BPC was established in 1972. It was then that the government began to get into action. It banned individual leaders of the BPC. But today the BPC is getting wide support. The people are willing to sacrifice for it, with their money and with their time—as you can see from the packed courtrooms at trials of black leaders and inquests into their "mysterious" deaths in backrooms of police stations.

In a sense, the Black People's Convention is the most powerful organization among blacks.

Yet this is hard to tell since the ANC and the PAC are banned as organizations, which means that they have a kind of generation-gap problem. There is a whole generation now that has not been influenced by the ANC and the PAC.

In any case, the actual identification of people with the BPC is strong. When I put it this way, I do not want to give the impression that the relation between these organizations is one of competition. There will be one movement of revolt against the system of injustice. To be sure, there are the usual divisions due to geography, background, etc. But in terms of the revolution there is unity.

What about the government's policy of separate black homelands? And are you faced with a generation gap?

Some blacks support the government policy of separate development in the homelands for the sake of peace but not as a movement. Here we will have to look carefully into the kind of support that [Zulu leader] Gatsha Buthelezi gets. He has a tribal following among the Zulus. He has managed to combine many elements as a traditional chief in a nonurban setting. For a long time he opposed apartheid, but today he is the government-paid leader of the Zulus. In this way he managed to gain a following.

We oppose Gatsha. He dilutes the cause by operating on a government platform. Because of this I see the danger of division among blacks. But we hope to avoid a real split on the basis of the BPC's great appeal to the younger generation. Gatsha is supported by "oldies," for good reason, since Gatsha protects the stability that the older persons need. But we are young. We do not look upon the solution to injustice as an expectation but as a duty. Here lies the dilemma of the old: between duty and bread.

Where is the evidence of support for BPC among the young?

In one word: Soweto! The boldness, dedication, sense of purpose, and clarity of analysis of the situation—all of these things are definitely a result of black consciousness ideas among the young generation in Soweto and elsewhere. Indeed, this is not quantitatively analyzable. For the power of a movement lies in the fact that it can indeed change the habits of people. This change is not the result of force but of dedication, of moral persuasion. This is what has gotten through to the young people. They realize that we are not dealing with mere bread-and-butter issues. In view of this the real momentum is on their side.

What lies ahead?

This again is a difficult issue. I am now getting to the position where I expect an overall escalation of the conflict. Just consider the various angles. To begin with, the Afrikaners. They have maneuvered themselves into an extremely vulnerable position. They have made up their minds that sharing of political power with the blacks is out of the question. Since a sharing of power is imperative if we are to have a just society, this position of the Afrikaners makes conflict inevitable.

Can the Afrikaners change?

In part, yes. But they need 50 years, and that simply is too long.

In the light of these factors what can one expect of the government?

I expect an escalation of conflict, also on the part of the police. And if the Afrikaner regime will become even more intransigent, then we as blacks will have to reassess our strategy. It is true that the government is very powerful and that it can last a long time. But percisely because it, too, is aware of the escalation of conflict on all sides, the sobering effect of force (at the borders and in the urban townships), the pressure from international public opinion, and a change of attitude among whites—all of these factors combined may well make the Afrikaner regime change its mind.

What about pressure for a one-man, one-vote political system of representation, especially from abroad?

Today the one-man, one-vote "solution" would spell disaster, economically, for the black masses. For the white man it would be the greatest solution. For it would encourage competition among blacks. And it would eliminate the most important ground for critique from abroad of the present regime. But it would not change the position of economic oppression of the blacks. That would remain the same.

Why cannot the blacks do today as the Afrikaners did in the '40s and '50s and dramatically improve their economic position?

Because the Afrikaners had an organized vanguard. The blacks need this before a transition is possible. Hence restraint among blacks today is necessary. The frustrating difficulty lies herein, that the situation does not allow blacks to develop an organized vanguard. This is not only a result of the fact that many of our leaders are imprisoned or banned but also because of the fact that blacks are excluded from many of the essential disciplines needed for the formation of a vanguard: the natural sciences, engineering, and many other areas. This must change. Without a competent, organized vanguard the black population cannot properly assume the responsibilities which by right they ought to exercise.

But if the future transition is not to end in chaos, the white population must also be prepared for radical change within their midst. The whites will have to accept a political constellation in this country in which the blacks have full participation.

What about communism?

We within the BPC have made up our mind that we must operate within the confines of the law or we will not operate at all. This means that the BPC is not a communist organization. We feel that we must always operate. To some extent this can be done underground, but for our kind of organization it is much more effective to work above ground. Moreover, an above-ground movement must have an element of compromise about it. We look upon that as an advantage. Moreover, a Communist in South Africa today will be an instrument of Moscow, not of the black people.

Furthermore, the BPC is nonviolent. If it were anything else, we couldn't exist.

What about the Soviet Union?

While critical of the economic self-interest of American capitalism, I have no illusions about the Soviet Union. It is as imperialistic

as America. This is evident in its internal history as well as in the role it plays in countries like Angola. But the Russians have a less dirty name; in the eyes of the third world, they have a clean slate. Because of this, they have had a better start in the power game. Their policy seems to be acceptable to revolutionary groups. They are not a "taboo." Here we are probably faced with the greatest problem in the third world today. We are divided because some of us think that Soviet imperialism can be accepted as purely an interim phase, while others—like myself—doubt whether the Soviet Union is really interested in the liberation of the black peoples.

What can the United States and other nations do to contribute meaningfully toward the necessary transition?

Here are a few suggestions.

In the first place, if our struggle is to be forthright, well-directed, and consistent, the blacks need proper literature and freedom of mobility. If the Carter administration means business in its human-rights policy, it should put pressure on South Africa to guarantee freedom of the press for blacks and freedom of movement for blacks.

In the second place, Washington can exert such economic pressures on South Africa that it will become considerably less profitable to invest in South African industries. The argument is often made that loss of foreign investment would hurt blacks the most. It would undoubtedly hurt blacks in the short run, because many of them would stand to lose their jobs. But it should be understood in Europe and North America that foreign investment supports the present economic system and thus indirectly the present system of political injustice. We blacks are therefore not interested in foreign investment.

Moreover, the United States Government should exert pressure on American-owned firms in South Africa to do justice to blacks employed by them by eliminating job reservation and wage disparities between blacks and whites, by encouraging on-the-job training, and by negotiating with black labor unions. A final suggestion in the economic sphere: foreigners should quit purchasing South African products.

In the diplomatic arena it would be a tremendous psychological boost for the blacks in this country if the U.S.A. would downgrade its diplomatic presence in South Africa from the ambassadorial level to the consular level. That would have to be done in piecemeal fashion. Moreover, the U.S. should never use its veto power in the UN Security Council in favor of the present regime in Pretoria. South Africa must learn that it is losing friends in the West.

WHAT CAN INDIVIDUAL FOREIGNERS OUTSIDE SOUTH AFRICA DO?

They can provide analytical information about South Africa to their own constituencies and possibly to their governments.

Within South Africa, foreigners should gently share their thoughts, inclinations, and diagnoses with both blacks and whites, especially with the Afrikaner intellectuals who are perhaps the only persons willing to consider change in the community that constitutes the political base for the present regime. Whether they will listen? That is for you to find out.

Foreigners can of course also help the blacks. In the first place, there are several community programs that are in need of financial assistance. Since these programs are not welfare agencies but institutions that emphasize self-reliance among blacks, a relatively small amount of financial aid goes a very long way. But because of the income inequities which the blacks suffer, we do need outside help.

Foreign intellectuals can help us with materials, with simply maintaining ties with us, and by supplying us with political and economic models for the restructuring of an unjust society.

IS NOT THE CONTRIBUTION OF THE FOREIGNER INEVITABLY ONE OF WHITE IMPERIALISM?

That all depends. When we receive financial aid from abroad, we must be able to do with it what we think is best for the community, what contributes most to its self-reliance. When we receive intellectual assistance with respect to alternative models, we must be able to maintain our independence in working with them. We do not want any more paternalism. But we do need help.

THE CARTER ADMINISTRATION SALT PROPOSALS—AN ANALYSIS, PART 3

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. SYMMS. Mr. Speaker, on November 3 and 8 I discussed, for the RECORD, an analysis of the current SALT proposals by the Carter administration. This analysis was prepared by Congressman ROBIN BEARD, of Tennessee, and it reveals that the present Carter SALT proposals would not be in the best interest of American security or world stability.

Mr. Speaker, part I of this indepth analysis discussed on November 3 covers the areas of Carter administration strategic policies, SALT objectives and the generalities of SALT II. Part II of the series, in the RECORD for November 8, discussed specific negotiating points and issues surrounding SALT II. Today, Mr. Speaker, the third and final part of the Beard analysis discusses the Soviet ICBM threat and makes some comparison of stated U.S. strategic objectives with actual U.S. force capabilities under the terms of the SALT proposals.

ANALYSIS BY CONGRESSMAN ROBIN BEARD

SOVIET ICBM THREAT

Let me emphasize this point:

"The present and projected accuracy of Soviet ICBM systems, in combination with the yield of their warheads, is such that they are on the verge of gaining the ability to neutralize the U.S. Minuteman force. Moreover, the improvements in guidance the Soviets are making to their present generation of ICBM systems are such that could not be verifiably restricted by a SALT agreement, including a proposal like the U.S. comprehensive March package, which included flight test restrictions."

Now, ignoring the Soviet breakout potential with the unrestricted SS-20, which can be modified for intercontinental use with or without the SS-16s third stage, and ignoring the Soviet ICBM reload capability, it is clear that the Soviet is posturing his forces for what the joint Chiefs of Staff have called a strategic war-fighting, war-winning capability.

In a preemptive attack, the Soviet could hope to destroy Minuteman, at least that half of our submarine fleet in dock, and that portion of the bomber/cruise missile force that cannot escape the initial attack.

I might mention, parenthetically, that a primary motivation for the B-1 was its improved pre-launch survivability over the B-52.

The U.S. retaliatory capability, in response to a Soviet attack, clearly does not look impressive under the projected U.S.-Soviet force levels of SALT II. We can set aside the problem of potential Soviet breakouts; we can set aside the threat of further attrition of surviving U.S. systems, as they attempt to deliver weapons to target; we can set aside the compromise of operational U.S. submarines through ASW—a subject the Administration dismisses out of hand, despite the fact that potentially serious problems exist. We can set aside all of these potential problems and I believe it is seriously questionable whether the projected U.S. retaliation force of the next decade can satisfy present U.S. defense and deterrence objectives.

If it sounds as if I am making an unbashed plea for a balanced Triad of strategic forces, I profess to be so guilty. Without question, a diverse strategic force structure that precludes overreliance on any one Triad element seems to me to be the best way to deny the Soviets any perceived or real advantage from initiating a preemptive attack. In particular, I believe it is essential that we preserve a viable and highly survivable ICBM, since it is the only system in U.S. strategic forces that can be used against the total spectrum of Soviet targets.

The Soviet objective to achieve a war-fighting, war-winning capability, rests on the desire to gain the ability to eliminate the most destructive elements of our Triad and protect their society—through active and passive defense measures (including high performance air defense and civil defense programs for population and industrial protection) from the consequences of any U.S. retaliatory attack. Five out of six U.S. retaliatory weapons will be SLBM warheads in the middle of the next decade according to Secretary Brown. Because of the accuracy and yield combination of these weapons, if the Soviet civil defense program is implemented, the Soviets would likely suffer less population casualties than he did in WW II, and we would not be able to delay economic recovery capability in terms of present U.S. objectives. Additionally, U.S. SLBM warheads could not be effectively used against hardened military targets, and, in particular, they would be ineffective against Soviet silos. Parenthetically, I might add, one of the most potent weapons against a hardened and dispersed Soviet target base is the bomber, but as you know, the President has proposed that the U.S. unilaterally forgo the deployment of the B–1.

When we discuss the security of our nation, and what is necessary to maintain that security, the debate often degenerates into emotional arguments and personal attacks. This problem is magnified when we talk about the strategic capabilities. Nuclear war is, and should be, a macabre—unthinkable—subject. Indeed, if there were no survivors after a nuclear war, it would matter less who dominated the world after the exchange. However, if there are many more survivors than fatalities or injuries, those surviving would be greatly concerned.

To the extent that the mistaken beliefs concerning overkill are gradually being revealed for what they are I believe we are making progress. Only if we come to grips with understanding the nuclear threat in real and factual terms can we hope to maintain an adequate defense posture which will hopefully keep nuclear war "unthinkable". In that regard, I was pleased that Mr. Brzezinski, unlike his predecessor, acknowledges that nuclear superiority, even under contemporary conditions, is not meaningless. In response to the question of whether nuclear war would be the end of mankind, Mr. Brzezinski responded:

"Well, first of all, that really is baloney. And I do emphasize the importance of the deterrent effect, namely that no one should ever calculate that they can launch a nuclear attack on someone without suffering the consequence. That's essentially important. As far as human society and all that is concerned, it sounds great in a rally. The fact of

the matter is—and I don't want this to be understood as justifying the use of nuclear weapons, because we don't want to use them and we're not going to use them first in an attack—the fact of the matter is that if we used all our nuclear weapons and the Russians used all of their nuclear weapons, about 10% of humanity would be killed. Now this is a disaster which is not morally justifiable in whatever fashion. But descriptively and analytically, it's not the end of humanity. It's not the destruction of humanity. People like to use slogans and therefore one of the most frequently used slogans is that the U.S. and Soviet Union have in their power to decimate, to destroy humanity."

I think this statement by Mr. Brzezinski is important. I think it illustrates why the Soviet believes he can posture his military for a war-fighting, war-winning capability. Thus, if we are to keep nuclear war unthinkable, we must deny him any illusion that he could achieve this objective. For that, and other reasons, then, relative strategic capability between the U.S. and Soviet Union is important. For that reason, any arms control agreement which adversely contributes to strategic stability is deleterious. Therefore, and it appears that SALT–II will do nothing to significantly redress this threat, if the Soviet has the capability to neutralize the U.S. ICBMs and a major portion of our other offensive strategic forces; if he can protect himself against the lower yielding and less accurate weapons of our projected retaliatory force structure in the next decade; if he can use a small portion of his offensive weapons to destroy a large portion of our forces and thus hold a significant amount of forces for post-attack deterrence—under those circumstances, which American President would retaliate knowing he would suffer many times and more economic and population damage and still face a superior Soviet force? I do not believe any rational man would. Thus, is it not likely that a U.S. President, in a crisis and facing such odds, might back down? Is that unlikely—does it sound far-fetched? What was the Cuban Missile Crisis? Is such a scenario not merely a Cuban Missile Crisis in reverse? So, the likelihood is we might not suffer nuclear conflict, but we would see an erosion in our power, in our alliance structure, in influence in the Third World; the process would be one of slow attrition. The costs and the consequences would be far more severe than an adequate U.S. defense effort at present. At best, we would see a world less sympathetic to American interests and the risk and danger of accidental or miscalculated conflict would increase.

I would like to conclude by reiterating just a few brief points:

It is my belief that projected U.S. strategic forces under the proposed SALT–II agreement will result in the dramatic degradation of the U.S. ability to meet presently prescribed U.S. defense and deterrent objectives and will not redress the Soviet objectives of achieving a war-fighting, war-winning capability over the U.S.

Present U.S. strategic policy, in accordance with Presidential Decision Memorandum 18, essentially reaffirms the objectives expressed earlier in NSDM–242, but the Administration is not developing a strategic force structure to support these objectives and the proposed SALT–II Treaty is not consistent with these objectives.

It is present U.S. policy to deny any adversary the incentive to strike first by precluding him from the opportunity to gain a real or perceived relative military advantage from such a strike. Moreover, present U.S. policy continues to dictate that the U.S. be able to maintain escalation control and crisis stability. Should nuclear war ever erupt, we should be able to terminate the hostility on terms most favorable to the U.S. and preclude any adversary the opportunity to recover more quickly than the U.S. so that he could not hope to dominate the post-war environment.

Secretary of Defense Harold Brown recently described these U.S. objectives as follows:

"First, that the Soviets do not see their strategic nuclear forces as usable instruments for political leverage, diplomatic coercion, or military superiority;

Second, that nuclear stability, especially in a crisis, is maintained;

Third, that any advantages in force characteristics enjoyed by the Soviets are offset by other U.S. advantages; and

Fourth, that the U.S. posture is not in fact, and is not seen as, inferior in performance to the forces of the Soviet Union.

The specific conditions of equivalence will undoubtedly vary with time and the success of the SALT negotiations. But, at all times, they should include the capabilities to perform the following tasks:

Provide timely warning and assessment of any nuclear attack;

Absorb a full-scale, well-coordinated, surprise attack by the Soviets and still complete all essential missions.

These missions should include the ability to:

Inflict unacceptable damage on the USSR after an all-out Soviet first strike;

Implement a range of selective options so as to control escalation, limit damage insofar as feasible, and end an exchange on the most favorable terms possible;

Maintain the command and control necessary to execute these options as well as full-scale responses;

Hold a secure force in reserve for possible use in the wake of a major nuclear exchange;

Permit adequate surveillance and control of U.S. Airspace; and

Ensure research and development of active strategic defenses (including ABMs) sufficient to assess and respond to Soviet defense programs, as appropriate".

I submit to you, ladies and gentlemen, that the presently proposed terms of SALT–II will not permit the U.S. to achieve prescribed U.S. policy unless we drastically revise projected U.S. strategic deployment programs.

I submit further that by allowing the ICBM leg of the U.S. strategic forces to become vulnerable to a Soviet first strike we are acting contrary to our deterrence principles because the credibility of that system will be tied to a preemptive or launch-on-warning strategy when, in fact, the credibility of that system should be in a highly survivable second-strike role. The present SALT-II proposals will in no way diminish the Soviet threat to U.S. ICBMs and the principles established for SALT-III negotiations, if accepted, would also fail to redress this threat. At best, a SALT-III package, based on the principles of SALT-II will achieve the force levels of the Administration's Comprehensive March package, and this is in my view was inadequate. It will be made even more inadequate at the time of SALT-III because the Soviets will be able to use the tremendous throw weight advantages enjoyed by their ICBM force to further MIRV their systems. I thus doubt whether at SALT-III under the proposed formula, we would see a reduction in actual Soviet ICBM warheads or capabilities. Thus, I see the MX as the presently most realistic way to negate this Soviet threat and restore strategic stability. Indeed, in my view, we are entering a very dangerous period where the Soviet will enjoy substantial throw weight or damage effectiveness advantages over the U.S. even if the U.S. were to strike first—an option that is totally contradictory to U.S. policy. The Soviet would still retain superiority over the U.S. Thus he might come to view our deterrent as deterred, and I suspect we would then witness an increasingly aggressive and emboldened Soviet foreign policy.

I submit further that the U.S. at relatively little cost—something on the order of $2 to $4 billion more annually—could adequately maintain and envelop those forces necessary to maintain U.S. national security and meet our strategic objectives and requirements, including the development and deployment of the B–1 and MX systems. This figure is a far cry from the $20 billion more annually the American public, according to the recent American Security Council opinion poll, would be prepared to spend to maintain an adequate U.S. national defense.

With regard to our SALT efforts, I therefore believe that we should not lose sight of the fact that the purpose of arms control is to enhance strategic stability. The presently proposed SALT II agreement, in my view, would not accomplish this objective. On the contrary, it appears to be a political treaty for ill defined political objectives. And if the Administration believes the treaty is necessary for this purpose, it should so state and allow Congress to assess the Treaty on the merits related thereto; it should not be clouded or enveloped in esoteric terms of contribtuing to "strategic stability."

The proposed treaty, in my view, is fraught with insuperable verification difficulties and will be a continuing source of instability; it is lopsided in favor of the Soviet Union and it makes significant concessions beyond those recommended as advisable by the Joint Chief of Staff.

The Joint Chiefs in advance of Mr. Carter's meeting with Soviet Foreign Minister Gromyko had recommended no further U.S. concessions beyond those already proposed. They further recommend that no more than 100 Soviet Backfire bombers be excluded from the total count of any strategic nuclear delivery vehicles, that the range of the air launched cruise missile not be restricted to less than 3,000 kilometers initially, and 3,500 kilometers with continued improvements in Soviet air defenses.

In the absence of a limit to ensure the survivability of the U.S. Minuteman force, the JCS recommended that the permitting and counting of mobile ICBMs be explicitly provided in the SALT–II agreement. The President chose to make additional concessions and rejected each of the proposals made by the JCS.

From an original U.S. proposal that the Soviets be permitted no more than 150 ICBMs of the size of the SS–18, we conceded 190, then 220, and even 250. The Soviets will now be permitted 308 such systems as provided by the terms of SALT–I; there will be no Soviet concession.

The U.S. rejected the Soviet demand that ALCM carrying bombers be counted as MIRVed systems. Not only will these bombers count as MIRVs, but the ratio of 10 ALCMs equalling one MIRV will significantly affect U.S. capabilities. This, despite the fact that members of the House Armed Services Committee, during their visit to SAC, were told that it would take "thousands" of cruise missile warheads to compensate for the damage expectancy the B–1 bomber would have provided.

The result of our SALT negotiations to date indicate to me that we should be prepared to accept the fact that the Soviets might not be prepared to negotiate a SALT–II treaty which is based on equality at the present time. Therefore, it is worth emphasizing, as those of my colleagues who share my concerns have, that not all possibly negotiated agreements are better than no agreements at all, and that the failure to presently obtain an equitable agreement does not foreclose the opportunity to obtain one in the future. Indeed, only if the U.S. remains firm in its position that SALT–II be balanced and equitable

will it be possible to achieve an agreement to limit strategic arms which will contribute to long term stability and stand the test of time.

It clearly will not serve as incentive to the Soviets to negotiate a more balanced treaty unless they recognize that we have firm convictions in support of our SALT posture and that we are prepared to forego an agreement until they are prepared to accept an equitable one.

In this context it would appear that the Administration was prepared to forego the deployment of the Trident I missile and only the existence of the new Soviet SSN–X 18 system saved the Trident I system.

It is my firm conviction that we must proceed with those strategic programs necessary to maintain our own security. We must avoid any mistaken hopes about the realizable accomplishments of a SALT agreement, which if inadequately appreciated, would adversely impact on adequate U.S. policy responses to the growing Soviet strategic threat.

As a final word, I think it is important to dispel the myths regarding the proposed U.S. land-based ICBM follow-on to Minuteman, the MX.

Contrary to those who argue that the MX is a destabilizing weapon which would place the hair trigger on nuclear war by giving the U.S. a first strike capability against Soviet ICBMs, I submit that the MX program will redress a significant strategic imbalance, and negate precisely that Soviet threat against U.S. ICBMs which domestic critics attribute to the MX.

Furthermore, contrary to those who argue that the MX signifies a shift in U.S. strategic doctrine from deterrence to a war-fighting, war-winning capability, I submit that the MX would provide a significant contribution to strategic stability, and hence deterrence.

The MX, according to recent DOD studies, can be constructed to be verifiable by National technical means.

I should point out that the Soviets, at SALT, reportedly have never raised the issue of verification and appear confident that they can adequately assess U.S. strategic system deployment levels by National technical means of verification, in addition to the many other means available to them because of the nature of our open society and of our political process.

The MX can be deployed at levels sufficient to guarantee an adequate second strike capability without posing a disarming first strike threat to Soviet ICBMs. Further, the MX, deployed in a multiple aim point mode would deny the Soviets any incentive from ever striking U.S. ICBMs first because they would not gain any real or perceived relative military advantage from doing so. Unlike U.S. submarine missiles, the MX would have sufficient yield and accuracy to go against the most hardened Soviet targets, including silos, thus diminishing any Soviet hope to be able to retain significant reserve forces.

I submit further that the U.S. deployment of MX would result in the Soviets deploying a mobile ICBM. This would not only force them to reduce the throw weight of their heavy missiles, if they wanted to deploy them in a mobile mode—thus better aligning U.S.-Soviet throw weight—a central U.S. SALT objective—it would also provide both nations with a secure second strike capability in forces that could be effectively used against the total spectrum of each nation's targets. Thus, a war-winning capability would be denied either nation, and stability would therewith be greatly improved. Under those conditions, I believe the Soviets would be prepared to recognize the folly of an arms race and be prepared to accept an equitable SALT agreement which would contribute to long term strategic stability and world peace.

In conclusion, Mr. Speaker, I strongly encourage my colleagues in the House of Representatives, the U.S. Senate, and the American people to obtain as much information regarding the Carter SALT proposals as possible. I would encourage the Congress of the United States to obtain several good independent analyses of the proposals as to their effects on the strategic balance. Unfortunately, Mr. Speaker, the Carter administration appears less than enthusiastic about providing the Congress with this type of data—information that is necessary if the Congress is to make an intelligent decision on the SALT agreements.

PRESIDENT CARTER AND THE TRILATERAL COMMISSION: ARTICLE VI

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. McDONALD. Mr. Speaker, an informed electorate must be aware of the special interest groups seeking to influence government decisions and policies at all levels. A powerful, well-organized group of industrialists, financiers, academics and politicians, the Trilateral Commission, has recently been the subject of considerable investigation in the mass media. I hope this process continues, and to assist it I have placed several of the more outstanding articles on the Trilateral Commission into the CONGRESSIONAL RECORD.

The new administration includes some 17 members of the Trilateral Commission in top policymaking positions. A leading conservative political analyst, Gary Allen, was the first to provide comprehensive examinations of the public record of activities by the new Cabinet members, who include a noticeable preponderance of Trilateralists, and was able to predict with a high degree of accuracy the administration's sharp break with longstanding policies of the United States. The planned giveaway of the Panama Canal and the support for Marxist forces in South Africa and Rhodesia are examples of that policy change in foreign affairs. Mr. Allen's article first appeared in the February 1977 issue oi American Opinion. Excerpted for length, the article follows:

CARTER BRINGS FORTH A CABINET

(By Gary Allen)

Had Jimmy Carter ventured onto the national scene in quest of the Presidency in any other year he probably would not have made it beyond the Hushpuppy Curtain, if indeed he survived to get that far. But 1976 was a very special year; a year in which the general public was, thanks primarily to Watergate, fed up with professional politicians in general and Republican politicians in particular. This allowed the man with the Howdy Doody smile literally to come out of nowhere to capture the Presidential grail. He did it by promising "I will never lie to you" and proclaiming that he would bring forth "a new generation of leaders" to replace the political operators who have been setting policy in Washington for decades.

Before the Cabinet was named, Carter's campaign manager Hamilton Jordan declared: "If, after the inauguration, you find a Cy Vance as Secretary of State, and Zbigniew Brzezinski as head of national security, then I would say we failed. And I'd quit. But that's not going to happen. You're going to see new faces; new ideas. The government is going to be run by people you have never heard of."

Well, Vance and Brzezinski are now in those positions, and while Jordan may have blushed he has not turned in his uniform. As it developed, of the twenty top appointments, only four went to *bona fide* newcomers to political Washington, and three of those are to posts of lesser importance.

What is especially interesting, and hopeful, is that this year, for the first time, a number of leading journals have begun to point out that the Carter team came straight from the Establishment. These publications, from all parts of the political spectrum, are finally treating the Establishment not as a state of mind created in elitists by Ivy League universities, but as a conspiracy with a tangible organizational structure. It is, if you will forgive us for saying so, *about time!*

In 1962 the distinguished commentator Dan Smoot published *The Invisible Government*, an extremely important book which presented concrete evidence that the Council on Foreign Relations, an organization controlled by the Rockefeller family, had long been manipulating the foreign policies of both the Democratic and Republican parties in an effort to bring about World Government. This theme has been further researched and greatly expanded upon by other Americanists in the intervening years. But, until recently, the role of the C.F.R. in American government and foreign policy has been ignored by the general media. No more. Exhibit A is W. E. Barnes, political analyst for the *San Francisco Examiner*, who wrote in that journal for December 12, 1976:

"Mounting evidence suggests that Jimmy Carter is less an establishment outsider than many people thought, and than he himself led voters to believe during his campaign." Barnes says that one characterization of Carter's appointments can no longer be disputed; they are "old-line establishment" types. Under the caption "Carter had link to insiders all along," Barnes continues: ". . . Carter's ties with this establishment date back three years—to his membership in one of the most exclusive establishment fraternities in the country, an organization called the Trilateral Commission . . . a preponderance of Carter's choices for high-level position are members of the commission."

The Trilateral Commission is an avatar of the Rockefeller family's Council on Foreign Relations. Members usually refer to this organization as "The Council," while outsiders call it the C.F.R. David Rockefeller, chairman of the C.F.R., created the Trilateral Commission to bring in Europeans and Japanese for international political and economic planning. The T.C., like its C.F.R. parent, is financed by the Ford Foundation and the Rockefeller Brothers Fund. As Barnes describes it:

"The organization has 80 members each from Western Europe, North America and Japan, hence the name Trilateral. It was founded in 1973 under the aegis of David Rockefeller, chairman of the Chase Manhattan Bank.

"Zbigniew Brzezinski, a Rockefeller protégé and a Carter advisor, was selected as its first director, and George Franklin, a Rockefeller associate, was named North American secretary. Brzezinski, the leading candidate to be Carter's national security advisor, served as director of the commission until early this year, when he resigned to devote more time to advising the Carter campaign on foreign policy matters. . . .

"The Trilateral Commission is a true elite, comprised of what many have called America's 'shadow government'—leaders in business, industry, international finance and law. They move easily in and out of high positions in the private sector and government through a network of school, club, and business associations."

New York magazine for December 13, 1976, tells us a little more about the founding of the Trilateral Commission in an article by Aaron Latham entitled "Carter's Little Kissingers." According to Latham: "The Trilateral Commission began as a jingle in David Rockefeller's bank of ideas." He continues: "Then David Rockefeller went to a meeting of the Bilderberg Group[1]—an organization set up by Prince Bernhard of the Netherlands, later a suspect in the Lockheed payoffs scandal . . . The Chase Manhattan Bank chairman trotted out his idea once more for old times' sake. The Bilderberg members loved it. Soon thereafter the Trilateral Commission was conceived . . ."

Virtually all the hierarchy of the Bilderbergers and Trilateral Commission are also members of Rockefeller's C.F.R. This, in turn, is composed of some seventeen hundred of the elite from the top of international finance, the multinational corporations, the major mass media, the Ivy League universities, and the major foundations. Membership is by invitation only and meetings are secret. Those in policy-making positions have repeatedly stated that the goal of The Council is to create a World Government. Regular readers of this magazine know that the key members of every Administration since F.D.R, whether the Democrats or Republicans were in power, have come from the Rockefellers' Council on Foreign Relations. With the advent of the Trilateral Commission we now have a third organization to watch.

Last spring, in the *Washington Post,* Laurence Stern told of how Carter met with David Rockefeller in London and was invited to join the then fledgling T.C. Aaron Latham tells us: "Carter attended the commission's first meeting in New York City. This was his induction into the world of the invisible countergovernment. It was not quite a secret world, for that is inhabited by spies. But it was a semi-secret world. A world few people know about or care about. Yet a potentially [*sic*] powerful world. And a world about as different as it could be from the small world of Plains. Carter continued to attend commission functions faithfully until he began giving all of his time to his presidential campaign . . ."

At which time he loaded his campaign staff with advisors from the Trilateral Commission and the Council on Foreign Relations, giving the lie to his anti-Establishment promises. But the vast majority of Americans know nothing about either of these secretive *Insider* organizations, so the tune still played in Peoria. The Carter bandwagon now contained such T.C. and C.F.R. Establishmentarians as Zbigniew Brzezinski, Cyrus Vance, Paul Warnke, Robert Roosa, Averell Harriman, A. W. Clausen, Paul Nitze, Ted Sorensen, Richard Holbrooke, Anthony Lake, Leonard Woodcock, Michael Blumenthal, and Harold Brown. And when it came time to pick a running mate, Carter reached out and tapped Walter Mondale—of the Trilateral Commission and the Council on Foreign Relations. All of which led W. E. Barnes to close his report in the *San Francisco Examiner* with the observation that "it is now fair, in light of Carter's appointments and statements, to ask whether they are the thinking of a politician who campaigned as 'Mr. Outside,' but was really 'Mr. Inside' all along."

The key positions in the new Cabinet were passed out to reliable C.F.R.-T.C. types. The good-old-boy loyalists are mostly window dressing. But, given the embarrassment caused Hamilton Jordan by his early assurance that there would be no Brzezinskis or Vances in the Carter Administration, it seems reasonable that even Jimmy Carter's closest staff had no idea that their boss had traded his independence for the support of David Rockefeller and the Establishment *Insiders.*

The Cabinet and related top appointments received most of the publicity. But it should be kept in mind that by the time Jimmy Carter assumed office there were twenty-two hundred jobs to be filled. It's the old game of out go the ins and in go the outs. These are the people who do much of the actual policy making and Carter put together a committee of eleven to "suggest" appointments. Of the eleven, five are members of the Council on Foreign Relations of the Trilateral Commission. They included Vice President Walter Mondale; the Reverend Theodore Hesburgh of Notre Dame; Lane Kirkland, secretary-treasurer of the A.F.L.-C.I.O. and widely believed to be George Meany's likely successor; Irving Shapiro, chairman of the board of the DuPont Company and board chairman of the *Insider*-dominated Business Roundtable; and Patricia Harris, a D.C. lawyer and former Ambassador to Luxembourg.

According to *Time* for December 20, 1976, a total of seventeen members of David Rockefeller's Trilateral Commission, or about one-fourth of the North American membership, were actively involved in stocking the Carter Administration. One does not have to plumb the depths of the Carter clambake to find the Establishment *Insiders* among their choices. As syndicated columnist Patrick Buchanan has observed: ". . . the foundation, business and media elite are well wired in. There are two directors of the Rockefeller Foundation in the cabinet, three directors of IBM. Counting Carter and Mondale, there are six top government officials who belong to the David Rockefeller subsidiary known as the Trilateral Commission. The lawyer for the *Washington Post* sits in the new cabinet, as does one director from the *New York Times.* Of the 12 cabinet members, no fewer than six are lawyers, and four PhDs. Looking over Carter's appointments, can anyone tell me how his New Populism differs from the Old Liberalism of Hubert Humphrey rejected in the election of 1968, repudiated in 1972, and, one thought, buried forever with the primary victories of a peanut farmer from Plains, Georgia?"

Zbigniew Brzezinski, the David Rockefeller lieutenant who gave up his position as head of the Trilateral Commission to become Carter's chief foreign policy advisor during the campaign, has of course been appointed national security advisor. This is the position initially held by Henry Kissinger in the Nixon Administration, and the parallels are not coincidental. As Murrey Marder observed in the *Washington Post* for December 17, 1976:

"Nelson A. Rockefeller became the powerful patron of Kissinger in the so-called Eastern establishment and in the Republican political arena. His brother, David Rockefeller, chairman of Chase Manhattan Bank, became a Brzezinski patron and co-promoter with Brzezinski of the Trilateral Commission. . . . The commission recruited Carter, then governor of Georgia, among its members, launching the Brzezinski-Carter link that has produced abundant dividends."

The Rockefellers have assets and business interests in over one hundred twenty-five nations and therefore take an inordinate interest in international affairs. It is not without meaning that Brzezinski is often labelled as "Carter's Kissinger." The appellation fits for a number of reasons. Like Kissinger, "Zbig" is foreign born (Poland) and a naturalized citizen, both have been university professors and were even classmates at the Harvard graduate school, and both speak with a Dr. Strangelove accent. Both are Bilderbergers and members of the Rockefellers' C.F.R. hierarchy. There even appears to be a little jealousy over the patron. Zbig told Playboy's Robert Scheer: "Henry worked for Nelson as an employee and I work with David as an associate."

Brzezinski does not openly claim to favor "World Government," because the term is a little stark for most people. Rather, like other Insiders and their agents, he speaks in coded words and phrases—talking about "World Order" and "World Community" to communicate with the illuminated while not panicking the public. What it would mean is that decisions involving the United States of America, its defense, its trade policies, its natural resources, and its taxes would be determined in part or in whole by foreigners. Promoting the Rockefeller line that we cannot have a free and independent United States, Brzezinski proclaims that "the fiction of sovereignty . . . is clearly no longer compatible with reality."

In his book Between Two Ages, Zbigniew Brzezinski writes that a "global consciousness" must precede solutions to global problems. Carter advisor Richard Gardner, Brzezinski's close colleague at Columbia, the C.F.R. and the T.C., has spelled out what this means in Foreign Affairs, official journal of the Council on Foreign Relations. In "The Hard Road To World Order," an article in the issue for April 1974, Gardner states:

"Few people retain much confidence in the more ambitious strategies for world order that had a wide backing a generation ago—'world federalism,' 'charter review,' and 'worldpeace through world law.' [Yet if these] do not provide the answers, what hope for progress is there? The answer will not satisfy those who seek simple solutions to complex problems, but it comes down to this: The hope for the foreseeable future lies, not in building up a few ambitious central institutions of universal membership and general jurisdiction, as was envisaged at the end of the last war, but rather in the much more decentralized, disorderly, and pragmatic process of inventing or adapting institutions of limited jurisdiction and selected membership to deal with specific problems on a case-by-case basis, as the necessity for cooperation is perceived by the relevant nations. . . . In short, the 'house of world order' will have to be built from the bottom up rather than from the top down. It will look like a great 'booming, buzzing confusion,' to use William James' famous description of reality, but an end-run around national sovereignty, eroding it piece by piece, will accomplish much more than the old-fashioned frontal assault."

Hence the need, as the Establishment conspirators around Carter see it, for the Trilateral Commission and the trilateral approach. The plan seems to be to bring about World Government on a *regional* basis, piece by piece, starting with the industrially advanced nations and working backwards.

Professor Henry Paolucci analyzes Brzezinski's version of the Gardner thesis as follows:

"It was spelled out in his *Between Two Ages: America's Role in The Technetronic Era* (1970) and sharply refined in subsequent monographs, *Foreign Affairs* articles, and Trilateral Commission reports. According to his avowedly Marxist-humanist-technetronic philosophy of histor[y] . . . the Western peoples, since their identifiable beginnings in the feudal era, have advanced through three great stages and are now entering a fourth and culminating stage.

"The first stage was that of religion. . . .

[1] A group of top Establishmentarians from Western Europe and America who meet secretly once a year under armed guard.

The second stage was that of nationalism. . . . In the wake of Western nationalism has come Marxism, which, says Brzezinski, 'represents a further vital and creative stage in the maturing of man's universal vision.' But progress by no means stops there. Beyond religion, nationalism, and Marxism, we now have, he tells us, his emerging technetronic-age ideal of rational humanism on a global scale.

"Rational humanism as Brzezinski represents it is to be the result of evolutionary transformations in the U.S. and the U.S.S.R. . . ."

This is the old Marxist dialectic of thesis, antithesis, and synthesis. The U.S. and the Soviet Union are to be synthesized in a New World Order. In *Foreign Policy* for Winter 1975–1976, Brzezinski stated: "It is clear that both an institutional, as well as a political, reorganization is required."

Indeed. Which is what Jimmy Carter's demand for a total "reorganization" of the U.S. Government is all about. The Carter "reorganization" scheme was planned by Zbig and David Rockefeller long before Carter became a Presidential candidate. As early as 1970, Brzezinski called openly for the destruction of the U.S. Constitution. In his book *Between Two Ages* he forecast the April 1976 Philadelphia meeting to write a new U.S. Constitution. The Trilateral director wrote: "The approaching two-hundredth anniversary of the Declaration of Independence could justify the call for a national constitutional convention to reexamine the nation's formal institutional framework. Either 1976 or 1989—the two hundredth anniversary of the Constitution—could serve as a suitable target date for culminating a national dialogue on the relevance of existing arrangements, the workings of the representative process . . . and of streamlining the administrative structure."

Brzezinski said 1976 or 1989 "would provide a suitable occasion for redefining the meaning of modern democracy" for the purpose of "setting ambitious and concrete social goals."

All of this is to be related to the international scheme. Brzezinski admitted in *Foreign Policy* magazine for Summer 1976 that any such "new economic order" seriously threatens "the traditional American values of individualism, free enterprise, the work ethic, and efficiency." But the Trilateral and C.F.R. director stated that "the desire for a 'new economic order' is symptomatic of the new global mood."

The *New York Times* for August 1, 1976, reported that Carter "would give priority to international economic questions, particularly between poor and industrialized states, sharing the resources of the seas, food and natural resources." This news report correctly sums up the Carter-Trilateral objective of stripping America of food and resources for shipment to the Third World nations and the Soviet Union. Brzezinski observed that it is too bad many Americans still see this "as a claim on their resources and as portending the confiscation of the fruits of their labor . . ." Which, of course, it is.

The *Times* also says that, advised by Zbigniew Brzezinski, Jimmy Carter "has established a consistent theme in his foreign policy statements: 'We must replace balance of power politics with world order politics.' " Since Brzezinski holds that the "nation-state as a fundamental unit of man's organized life has ceased to be the principal creative force," what will replace it? He gives us a hint when he states: "International banks and multi-national corporations are acting and planning in terms that are far in advance of the political concepts of the nation-state." You can see why David likes Ziggy. The Rockefellers and their fellow *Insiders* want to replace the nation-state, including our own, with a New World Order dominated by international banks and multinational corporations.

Once the industrialized nations of the West have been successfully chained together, the next move anticipated by the C.F.R.-Trilateral crowd involves bringing in the Communists. Princeton's Professor Richard Ullman, director of the C.F.R.'s "1980's Project," states in his article "Trilateralism: 'Partnership' For What?" in the October 1976 issue of *Foreign Affairs*: ". . . over the next decade, as the shared characteristics which set the trilateral states off from the other members of the community of nation-states become less distinct . . . the ranks of the industrialized countries will include not merely the democratic, market-economy nations on the one hand and the Soviet Union and its East European allies on the other . . ."

Meanwhile, until the Great Merger can be made in the 1980s, Brzezinski wants to do everything possible to aid the Communists so they can be brought into the New World Order on a more equal basis. The Big Z has been playing this tune for a long time. In *New Republic* for August 31, 1963, he wrote: "The aim should be to improve the standard of living and the way of life in the Communist states. . . ." He justifies this by denying that the Communists have any aggressive intentions. As far back as 1967, Brzezinski wrote: "Communism, the principal and until recently the most militant revolutionary ideology of our day is dead." Since he pronounced Communism a corpse, the Reds have taken Vietnam, Cambodia, Laos, Angola, and Mozambique. Brzezinski's reaction is to want to improve their standard of living. You get the picture on Zbigniew when you read in the December 17, 1976, issue of the *Los Angeles Times*: "Asked his views on *détente* with the Soviet Union, he said he favored 'accommodation' with the Russians." Accommodation through merger.

According to the *Washington Post* of December 17, 1976: "The incoming President described Brzezinski yesterday as 'the key advisor for me' in global affairs while 'I have been an eager student in the last two or three years' in what amounted to a private tutored course." The voice of Carter is the voice of Brzezinski. Which is the price Carter was willing to pay to become President of the United States. When Jimmy Carter speaks on foreign policy his lips will be moving, but it will be Zbigniew Brzezinski speaking—just as Kissinger did for Nixon and Ford—while the Rockefellers pull the strings.

Cyrus Vance: If you liked Zbigniew Brzezinski as Director of National Security, you'll love Jimmy Carter's Secretary of State. *Newsweek* says Vance is a "well-bred, Yale-polished insider described by one mostly admiring academic as 'the epitome of the Eastern Establishment.' "

James McCartney of the Knight News Wire tells us of Cyrus Vance: "He is chairman of the board of trustees of the Rockefeller Foundation, which helped to spawn both Henry Kissinger and Dean Rusk, and he sits on the board of the *New York Times*. In addition, he is on the board of I.B.M., Pan Am World Airways, and the One William Street Fund." Vance is a partner in the law firm of Simpson, Thatcher and Bartlett, which is closely tied to the international banking operation of Lehman Brothers. And, but of course, he is vice chairman of the board of the Council on Foreign Relations and a member of the Trilateral Commission.

Newsweek tells us: "For years, Cyrus Roberts Vance had been biding his time," waiting for the big plum. Now came the payoff. Vance, over whom Hamilton Jordan swore he would quit, is no stranger to Washington. He started his Washington career twenty years ago, working for Senator Lyndon Johnson. Lloyd Shearer reports in *Parade* magazne for June 23, 1968, that Cyrus soon became a special protégé of Secretary of Defense Robert McNamara (C.F.R.). And, according to Shearer, "There is little doubt that McNamara has influenced Vance more than any other individual in government."

Cy Vance climbed the governmental ladder like a hyperactive monkey. He went from general counsel to the Defense Department to Secretary of the Army to Deputy Secretary of Defense. It was Vance and McNamara who supervised the sending of six hundred thousand Americans off to the war in Vietnam. Once Vance and his C.F.R. allies had pumped Vietnam full of Americans, the New York lawyer took his distance and became a leading dove. He joined with Dr. Clark Kerr (C.F.R.) and his National Committee for a Political Settlement in Vietnam and began propagandizing for an American pullout. Vance was soon serving with fellow C.F.R. *Insider* Averell Harriman at the prolonged Paris Peace Conference with North Vietnam.

As Aaron Latham observes in *New York*: "When Carter campaigned as 'a leader for a change,' most Americans did not think that by 'change' he meant bringing back the men who gave us Vietnam. . . ."

We are being told that Brzezinski will be the creative genius in foreign policy and that Vance will be the administrator. Cyrus Vance will have no problem following the Rockefeller-Brzezinski line, having observed that "the national interest of the U.S. is international." According to *Time*: "Vance shares Carter's belief that the U.S. must collaborate more closely with its European allies and Japan." By now you recognize the Trilateral theme.

Nobody to our knowledge has ever accused Vance of being an anti-Communist. He would doubtless consider the label a slur. And *U.S. News & World Report* informs us that the Soviets were not exactly depressed at his appointment: "The Kremlin wants to speed the pace of détente. So Vance's appointment is seen as a sign that Carter is opting for negotiation, not confrontation. Carter, himself, remains an enigma to the Kremlin. But the feeling in Moscow is that if the President-elect really intended to get tough with the Russians, he would have picked a different Secretary of State."

Vance is especially anxious to continue American disarmament. *Newsweek* informs us: "Cyrus Vance thinks that the most urgent foreign policy priorities for the new Administration will fit into two principal categories—international security matters and global economic problems. There is nothing more important in his judgment than 'getting SALT out of the doldrums.' "

According to *Human Events*, weekly tabloid of Conservative Republicans in Washington, "Those who have seen Vance in action say he's 'actually far more dovish than some of his more recent statements would indicate.' An indication of this 'softness' filtered through a Washington *Post* dispatch from Moscow. Commented the *Post*'s Peter Osnos: 'Vance, in a recent report sponsored by the United Nations Association, advocated disarmament measures also featured in principle by Moscow. This made him the Soviets' favorite candidate among names that had been mentioned. . . .' Most ominous of all of Vance's positions, in the view of many observers, is that . . . he is not particularly opposed to coalition governments in Western Europe which include the Communists. . . ."

Human Events continues: "Indeed, Vance, Carter and Zbigniew Brzezinski . . . all seem to favor experimenting with such "coalition" governments. As some caustic critics remark, they believe that the best way to deal with termites is to invite them into your woodwork.

"Vance appears to lean left in a lot of other areas as well. He seems eager to complete a strategic arms limitation agreement with the Soviets at almost any cost; appears

tied to the Kissinger-Ford policy of relinquishing U.S. control over the Panama Canal; wants to phase out U.S. troops from South Korea; and believes in pressuring such pro-Western governments as South Africa into granting black majority rule. Vance, for instance, favors a return to the Kennedy-Johnson policy of completely freezing U.S. arms and military hardware sales to South Africa."

Obviously when you add Vance it spells more American retreat.

Harold Brown: Although he does not mention it in his Who's Who biography, Secretary of Defense Harold Brown is a member of both the Council on Foreign Relations and the Trilateral Commission. In addition, Brown is a director of I.B.M. and the Times-Mirror Corporation which publishes the powerful Los Angeles Times.

A native New Yorker, age forty-nine, Harold Brown sat out the Nixon Administration as president of Cal-tech. He had been one of the original McNamara Whiz Kids and served as Defense Department director of research from 1961 to 1965, Secretary of the Air Force from 1965 to 1969, and became an advisory member of the American SALT team in 1969.

Many Conservatives would prefer to have Mary Poppins in charge of our defense. While "Liberals" have doubts about Brown because, like Vance and Brzezinski, he was a hawk early in the Vietnam War, when it comes to dealing with the Soviets the only question is whether he is a dove or a pigeon. According to Phyllis Schlafly of Copley News Service our military leaders are critical of Brown because of his soft stance toward the Soviets during two and a half years of SALT I negotiations in Helsinki. This is completely in accord with the C.F.R.–T.C. strategy. Cynics are saying that Brown's actions mark him as a man who should be called "Secretary of Unilateral Disarmament" instead of Secretary of Defense.

Michael Blumenthal: As with Brzezinski, Vance, and Brown, Secretary of the Treasury Michael Blumenthal enjoys dual membership in the C.F.R. (of which he is a director) and the Trilateral Commission. As chance would have it, he too is a close friend of David Rockefeller.

Blumenthal was not born and bred into the Establishment. His family fled Germany in 1939 and spent the war in Shanghai. Blumenthal arrived in San Francisco in 1947 at age twenty-one with sixty dollars in his pocket. He worked his way through the University of California at Berkeley, in part by acting as a shill gambling with house chips at a Lake Tahoe Casino. He earned two masters degrees and a Ph.D. in economics and public administration at Princeton.

Another familiar face, Blumenthal entered the New Frontier in 1961 as Assistant Secretary of State for Economic Affairs. From 1963 to 1967 has was based in Switzerland as a special trade ambassador and head of the U.S. delegation for the so-called "Kennedy Round" of international tariff negotiations. In 1967 this poor boy who made good as a bureaucrat joined Bendix and rose to chairman of the company in only five years. He is obviously a man whom Destiny has touched. Destiny in the form of the Establishment *Insiders*.

Newsweek of December 20, 1976, describes Blumenthal as "A liberal who relishes taking progressive stands on social issues." The same source also tells us he is often described as "arrogant" and "overly aggressive."

One of the most disturbing things about Michael Blumenthal is his membership in the Initiative Committee for National Economic Planning, an organization dedicated to government takeover of the American economy. This suggests that there will be enormous pressure on Carter to push the Humphrey-Javits "Balanced Growth And Economic Planning Act." It would create a new super-government agency, the Economic Planning Board, which would produce a set of Soviet-style economic plans. In short, this bill would establish *de facto* corporate socialism of the sort pioneered by V. I. Lenin, Benito Mussolini, and Adolf Hitler.

Says the Committee for National Economic Planning, of which Blumenthal is a member, "The means of influencing economic decisions are already familiar to us. Some, such as tax incentives and disincentives, and traditional monetary and fiscal policies, influence individual actions indirectly. Others, such as selective credit controls, guidance of basic capital flows, limits to the use of air, water and land, and mandatory resource allocations, affect individual actions directly."

The Blumenthal group notes that all of the measures listed above have been employed in times of war, particularly World War II. But they have been used only in "a haphazard fashion, with no view to their overall effect." However, if the Humphrey-Javits bill is passed by Congress and signed by Carter, then these controls will be imposed on a permanent basis. They include control of money, credit, natural resources, food, water, land, air, *etc.*

Blumenthal will be operating internationally as well. Reuters quotes him as saying: "Problems of inflation, devaluation and petrodollars intimately bind our economy and that of other nations into a common system. We are very much, all of us, involved in these problems and have to work on them together." Michael Blumenthal will work with his C.F.R. and T.C. confederates to further the cause of the New World Order.

* * * * *

The pattern here is obvious. The Cabinet called forth by Jimmy Carter is neither anti-Establishment nor full of new leadership as we were repeatedly promised by the man who swore he would never lie to us. The Carter Administration will be up to New World Order business as usual. But we shall see how long the American people, fast awakening to the conspiracy, will stand for it.

SOCIAL SECURITY SYSTEM FACES BANKRUPTCY

HON. JIM LLOYD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. LLOYD of California. Mr. Speaker, the social security system, the Nation's oldest and broadest supplemental retirement plan, is facing bankruptcy. Because of long-term changes in the birthrate and age composition of the American population, it has become clear that the disability fund will be exhausted by 1979 and the old age and survivor's fund will run out of money sometime in the early 1980's.

My vote for the Social Security Financing Amendments of 1977 (H.R. 9346) was a response to this need. Basically, the choices were limited: raise taxes, raise the wage base, take moneys from the general fund, or all three. All of these factors were included in the recent legislation.

RAISE IN TAXES

This provision of the bill provides for a graduated social security tax raise. We are increasing the rate at which the tax is now levied to get more money into the system. The following chart illustrates the rise in tax rates:

[In percentages]

Years	Present law	H.R. 9346
1977	5.85	5.85
1981	6.30	6.55
1985	6.30	6.95
1986	6.45	7.10
2011	7.45	7.65

Let's look at the effect this bill would have on the average wage earner in my district:

Years	Present law	H.R. 9346	Actual increase
Tax for $10,000 wage earner:			
1977	$585	$585	0
1981	630	655	$25
1985	630	695	65
1986	645	710	65
Tax for $25,000 wage earner:			
1977	965	965	0
1981	1,380	1,638	258
1985	1,575	1,738	163
1986	1,613	1,775	162

WAGE BASE

The wage base is the maximum amount of payroll that can be taxed for social security. The wage base on which social security taxes are paid was raised to eventually cover 90 percent of the work force by 1981. In 1937, when the social security system was introduced, the system covered 92 percent of the work force. The following table shows the wage base projections under the present law and the recently passed House bill.

Years	Present law	H.R. 9346
1978	$17,700	$19,900
1979	18,900	22,900
1980	20,400	25,900
1981	21,900	29,700
1982	23,400	31,800
1983	24,900	33,900
1984	26,400	36,000
1985	27,900	38,100
1986	29,400	40,200
1987	31,200	42,600

Basically, the increase occurs during the years 1978 through 1981. After this period, the base is automatically adjusted in the same way the wage base is adjusted under the present law.

TRANSFER OF FUNDS

This bill authorizes automatic loans to the social security trust funds from Federal general revenues if the assets of the trust funds drop to a certain level. This would occur if the assets of the fund drop below a 25-percent level in relation to the annual outgo for that year. However, with the provisions of the increase in tax rates and wage base, this transfer would not be required. This provision of the bill simply insures funds that have been paid into the social security system.

There was also an authorization for a transfer of money from the hospital insurance trust fund to the disability and old age and survivor's trust fund. The provisions for the transfer of funds, the increase in tax rates, and the increase in the wage base will insure the continuation of the social security payments for the next few years. Without these provisions, the funds could go bankrupt.

INCLUSION OF FEDERAL EMPLOYEES

Originally, the bill included all Federal, State, and local governmental employees. However, the Fisher amendment was passed which will explain the aftereffect of the integration of social security on Federal retirement systems. This legislation requires that HEW present a detailed analysis to Congress no later than January 1, 1980. At this time Congress will then review a complete and responsible proposal. Eventually, I think that all workers within Federal, State, and local governments will be included within the social security system.

My vote on these amendments was not easy, but we must keep the fund solvent to meet our commitments.

RED BARON SCORES AGAIN—SNOOPY WHERE WERE YOU?

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. HANSEN. Mr. Speaker, Red Baron is still flying and still setting records. Red Baron is a flying service in Idaho Falls, Idaho, and a nationally known racing team which has established world records in both propeller-driven and jet aircraft.

In late October Red Baron pulled off a big one by taking the world low-altitude jet speed record away from the U.S. Navy. Darryl Greenmyer streaked through the measured course four times for a record 1,000 miles per hour in his homemade RB–104 Starfighter which took him 12 years of trading with manufacturers and scrounging for parts to build.

Idaho Falls potato farmer and businessman Ed Browning, who own Red Baron, also holds speed records with his counterrotating propeller-driven P–51 World War II fighter plane souped up with a Rolls Royce engine. For backup and fun and aerial demonstration he also has a snappy version of the P–51 called the Flying Undertaker. Whoever said potato farming is not glamorous?

Mr. Speaker, I include for the RECORD a detailed account of this magnificent achievement by courageous, adventurous, and resourceful men as it appeared in a series of articles in the October 30, 1977, edition of the Idaho Falls Post-Register, written by staff writer D. J. Wilson.

ATTEMPT AT BETTERING WORLD RECORD PAYS OFF FOR GREENAMYER

TONOPAH, Nev.—Twelve years of hopes and dreams, and thoughts of success were with Darryl Greenamyer Monday last as he settled himself in the tiny cockpit of his stubby-winged Starfighter.

In 1965 starting with a $15 surplus aileron-trim jackscrew, Greenamyer, then 29, began building his "toy" RB–104 Starfighter, the Lockheed military jet which cost $3 million and was dubbed "the widowmaker" by the West German Air Force because they crashed so often.

Over the years, while he worked as a civilian test pilot for the Lockheed Aircraft Corp., flying such exotic planes as the U–2, YF–12A and SR–71, Greenamyer slowly assembled his very own RB–104, a plane he could not legally buy, but could obtain parts for—the wings for example from Lockheed for $2,500, because they were small enough to escape the Department of Defense "scrap clause." Last September an anonymous benefactor lent him a $50,000 J79–GE–10 engine and the plane was complete.

PREPARED FOR SUCCESS

As he lit the engine Monday forenoon and taxied for take-off over the rough tarmac of the Tonopah airport, which last saw frequent service as a military base in World War II, Greenamyer was preparing for success in the face of failure to break the 1,000 mph barrier the day before.

On Sunday afternoon he had clocked an unofficial 987 mph, good enough to break the current record, held by the U.S. Navy at just under 903 mph in an F–4 Phantom, but not good enough for personal satisfaction. He had to get at least the 1,010 mph he flew last year, another unofficial record since incorrect film exposure failed to show the plane at the gates, and the speed could not be certified by the National Aviation Assn.

Sunday's ride was bumpy, Greenamyer said, the wind and hot air rising from the whitish dry bed of Mud Lake about 12 miles south of Tonopah, too turbulent for an ideal run at the record.

He would try again Monday. A third but confident Ed Browning, potato farmer-turned-aviation-businessman, nursing a whiskey in the Copper Lounge of Tonopah's Silver Queen Motel Sunday night, said "we'll do it tomorrow."

Now was tomorrow.

The needle-nosed red-and-white RB–104 (for Red Baron) climbed off the runway and disappeared over the stark desert hills.

On the lake bed, private planes, an old B–25 World War II bomber, a DC–3 with National Aeronautics and Space Agency friends of Greenamyer, and a Lear jet with a camera crew lined up along the course.

STRIPED GATES

Black-and-white striped gates marked the limits of three kilometers (1.86 miles). Timing crews from California were ready, Pennzoil was there to film the run for a 30-minute film for national distribution, and to make a commercial.

The radio link with Greenamyer cracked: "I'm nine miles out."

Seconds later someone shouted: "There he is." Out of the southeast a tiny speck of red and white looked miles away. Then it was over the lake bed, over the first gate, over the second. Like a dart thrown with a velocity only a Paul Bunyan could muster, Greenamyer's craft sliced through the course 30 or 40 feet above the ground in silence.

Spectators stopped chatting; some looked around to make sure their car doors were open or the windows down. Everyone knew what was coming next.

As Greenamyer curved upward and out of sight on a 24-mile loop to get in position for the second run everyone braced themselves. A shock wave like a shotgun blast in the eardrum hit six seconds later, suddenly, foretold, but still without warning.

What seem like minutes go by; the Starfighter out of sight 12 miles on a horizontal arc to attempt a second pass. This time the tiny speck melds with the dark backdrop of the gate before anyone spots him.

Four times, the last electronically timed at 1,119 mph, Greenamyer's home-made, self-wired, $200,000 craft speared the thick air over the lakebed in dead silence followed by a thunderous, deafening report. The jet curved away, its 1,050 gallons of fuel nearly spent, and headed straight for the Tonopah Airport strip.

With perhaps $15,000 spent to underwrite the two days of flying at Tonopah, the record was in the bag. Or was it? Back at the airport there was consternation for an hour. Rumor had it that one of the cameras had not functioned properly on the west gate. Greenamyer went to see.

Browning rubbed his eyes in the hot midday and said they'd run again in two hours if they had to. They didn't. The cameras worked all right. The record would be set.

What the speed would be, no one knew for sure. Greenamyer and Browning said 1,030 mph seemed about it.

Browning issued a challenge to the military. The only civilian-owned supersonic craft in the country had beaten the Navy F4H Phantom's record of 902-plus mph, set in 1961. They're going to take on the Russians in the altitude record next, he winked.

Assured the cameras had worked, Greenamyer, 41, and his pretty young wife Terri, 22, the former Terri Croft of Idaho Falls (who worked at the airport's general aviation area, met Greenamyer and married him in January) supervised the towing of the jet to the Tonopah Airport hangar, then headed for the tiny cafe for a drink and a bite to eat.

Terri, like the wives of racing drivers, says she doesn't worry about her husband's antics in his jet toy, so long as it appears to be running well. "I have so much confidence in him," she says.

It has to take confidence. While the RB–104 was streaking silently across the lakebed so low that he stirred up a creamy dust cloud, Greenamyer was flying by the seat of his pants, not instruments. A tiny movement, a tiny misjudgment at that speed and altitude would either have sent him fireballing into the desert floor or rocketing skyward off the course. There was no time to glance at altimeters.

A day later Bob Reichart of California, trying to set propeller engine airplane speed records in his "Mr. Mulligan" plane, misjudged his altitude and smashed into the lakebed, killing himself and his wife, whom he had taken along as a passenger.

The RB–104 was flown back to Mojave, Calif., where the Greenamyers reside, to be worked on and readied for the altitude record attempt sometime next spring. To support himself, Greenamyer will resume his activities in the real estate business.

The mirage-like appearance of his four runs through the shimmering desert heat had established a new world record in a category once dominated by the military. He will tweak the military's nose once more in the spring if he can fly more than 23 miles high in his "junkyard" creation.

ALTITUDE LIMITATIONS MADE FLIGHT DIFFICULT

TONOPAH, NEV.—Anyone acquainted with the speeds of modern aircraft—including, for example, the Concorde—knows that speeds higher than those attained by Darryl Greenamyer are flown every day.

That does not lessen Greenamyer's achievement however. Those planes fly those speeds at high altitude, where the air is thin and the temperature cool.

Greenamyer's sleek Starfighter had to fly almost on the surface of the earth, and even at the 5,400 elevation at Tonopah, the air is dense. He had to fly at less than 100 meters (328 feet) in altitude over the course and could not go over 500 meters (1,640 feet) on the turns (to avoid anyone trying to get a diving start at the run). National Aviation Assn. observers in Cessnas at either end of his turns were stationed at the correct altitude to see Greenamyer didn't exceed it.

The stress and strain on the plane are vital factors on the aircraft at this altitude, especially when speed factors are combined with the heat.

Greenamyer checked the rivets every time he landed.

TIMING ATTEMPT AT RECORD TOO MUCH FOR HUMAN SKILLS

TONOPAH, NEV.—The human eye, linked to a finger on a stopwatch, would have about as much chance of accurately timing the blistering speed of Darryl Greenamyer's jet plane as it would counting precisely the number of strokes of a hummingbird's wings.

For timing such events special equipment must be used to insure accuracy.

Richard Freeborg of Instrumentation Marketing Corp., Burbank, Calif., explained Greenamyer's four runs were timed using Photosonic 16–1PL cameras which run 200 frames per second. On each frame a timing system inside the cameras prints the time of day down to a milli-second (one thousandth of a second).

Started manually about three seconds before the jet passes over the gates, placed three kilometers apart on the flat dry lake bed, the camera records the point at which the needle-nose passes over the first gate and the point at which it reaches the second gate. By simply developing the film and comparing the beginning gate and ending gate frames, the elapsed time can be seen on the film.

This system was backed up by a second camera system which used a serial timing sequence, Freeborg said.

Using cameras from the manufacturer, Instrumentation Marketing Corp. did the work at Tonopah gratis, Freeborg commented.

The delay in getting the results stemmed from the fact that company personnel, traveling in a motor home, had other events to time before arriving back at the processing laboratory at Burbank.

CARTER VERSUS ISRAEL

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. ROUSSELOT. Mr. Speaker, an article appeared in the November 1977 issue of Commentary which I would like to bring to my colleagues' attention. "Carter vs. Israel: What the Polls Reveal" examines the current state of public opinion with regard to U.S. support for Israel. The article discusses what degree of sympathy President Jimmy Carter would receive should he attempt to rally the American public against Israel.

There is no question that Israel is backed by a politically potent minority of Jews and non-Jews alike who are willing to vote their convictions and work strenuously to defeat candidates who do not represent a pro-Jewish viewpoint. Aside from this politically aware and active group of Israel supporters, there seems to be, according to numerous studies cited by the article's authors, Seymour Martin Lipset and William Schneider, substantial pro-Israel sentiment among the American public in general.

"Carter vs. Israel" is an important examination of the Israel/Arab question as it relates to American opinion. I urge my colleagues to read this article which will begin in today's RECORD and be concluded in Friday's issue:

CARTER VS. ISRAEL: WHAT THE POLLS REVEAL

(By Seymour Martin Lipset and William Schneider)

Even before the furor over the new Soviet-American declaration on the Middle East, there was considerable interest in the White House on the state of American public opinion on the Middle East conflict. For as the Carter administration was moving closer and closer to support of a separate Palestinian state which would probably be dominated by the PLO, it was also moving closer and closer to a confrontation with Israel and therefore also with the friends of Israel in the United States. What the administration has wanted to know is how great the political costs of such a confrontation would be. What would happen if Jimmy Carter appealed to public sentiment in an open conflict with Israel? Would public opinion rally behind him and against the Israelis, or would he lose more ground politically than he would gain?

National samples of Americans have been questioned by myriad organizations about their attitudes toward Israel and its Arab opponents from the founding of the state in 1948 down to the polls taken from the White House by Pat Caddell this past summer. These surveys show certain clear patterns. First, there has never been a poll which has found more support for the Arabs than for the Israelis, no matter how the question has been asked. Many Americans have on different occasions told interviewers they did not know enough about the situation to make a choice. But among those who felt that they did know enough to form an opinion, sympathy for Israel has always predominated. Various surveys taken between February 1948 and March 1949, at the time of the first Arab-Israeli war, indicated that more than a third sympathized with the Israelis, while between 11 and 16 per cent said they favored the Arabs. Again, during the crisis which led to the Sinai War in 1956, surveys found two to three times as many people blaming the Arabs generally or the Egyptians in particular as blamed Israel.

In the next ten years, there was comparatively little interest in the Middle East, but the outbreak of the Six-Day War in June 1967 led to a groundswell of sympathy for Israel among the American public. According to a Gallup poll taken during the war, 48 percent said their sympathy lay more with Israel than with the Arab states, as compared with only 4 percent who replied that their sympathies lay with the Arabs. The findings of the Harris poll during the same period were 41 percent sympathetic to Israel and only 1 percent to the Arabs. In the months following the Six-Day War, the American public evidently became even more pro-Israel, if their answers to questions dealing with the future of Jerusalem were any indication. The Harris survey found that the percentage saying, "Let Israel keep control of Jerusalem" increased from 10 in July to 43 in September, while those who favored making Jerusalem an "international city" dropped from 70 to 33 percent.

Since 1967 questions concerning sympathy in the Middle East conflict have been asked on a fairly regular basis by several national polling organizations: Gallup (1967–77), Harris (1967–75), Roper (1974–77) and Yankelovich, Skelly, and White (1974–77). In the twenty-seven national polls which we have located, taken between 1967 and 1977, sympathy for Israel has ranged between 35 and 56 percent, and sympathy for the Arabs between 1 and 9 percent, with the remainder saying "neither side," "both sides," or "don't know."

Thus, support for the Arabs among the American people in the past ten years has been consistently low, averaging only 6 percent. There has been considerably greater variation in pro-Israel sentiment. But whenever support for Israel has fallen, it has done so not because sympathy for the Arabs has increased, but because of a rise in indifference. Moreover, sympathy for Israel over the Arab states has been much greater since 1967 than before—despite the oil crisis which developed in tandem with the Yom Kippur War and despite the apparent increase in isolationist sentiment following on the American fiasco in Vietnam. Many friends of Israel feared that distance from the Holocaust and from the events that led to Israel's founding, as well as the increase in opposition to Israel in other countries and the concern over oil supplies here, would lead to a decline in American sympathy for Israel. But this has simply not happened. On the contrary, support has greatly increased in recent years. The reason seems to be admiration for the way a small democratic nation, allied to the United States, has been able to stand off and defeat the massive onslaughts of Arab armies.

The quality or depth of feeling about Israel has also been tested by pollsters in a more extreme fashion by asking how people would react to Israel's destruction. Thus Harris inquired in the winter of 1974–75: "If there were another war in the Middle East and Israel were overrun by the Arabs, would you be very upset, mildly upset, mildly pleased, or very pleased?" His findings were 44 per cent very upset and 34 per cent mildly upset as against 2 per cent mildly pleased, and only 1 per cent very pleased. More recently, Yankelovich touched on similar sentiments when he asked in March 1977: "If Israel were destroyed by the Arabs and ceased to exist as an independent state, would this leave you indifferent, sorry but not personally affected, or feeling a deep sense of personal loss?" Only 13 per cent replied "indifferent," 27 per cent said they would feel a "deep sense of personal loss," while the remaining 60 per cent indicated "sorry but not personally affected." Many of the latter group, however, were clearly pro-Israel, since 66 per cent of all those queried in the same survey agreed that "the continuation of Israel as a Jewish state is important to our country and people like yourself," while only 27 per cent replied "not important."

If large numbers of Americans feel warmly toward Israel, there is some evidence to suggest that a significant minority has negative, close to racist, attitudes toward the Arabs. This conclusion is suggested in the results of a poll taken by Pat Caddell's Cambridge Survey Research organization in the summer of 1975. Caddell gave respondents a list of images and asked them: "Does each word apply more to the Arabs or more to the Israelis?" Nearly half or more said that the terms "greedy," "arrogant," and "barbaric" apply to the Arabs; relatively few described the Arabs as "peaceful," as "honest," as "friendly," or as "like Americans," while a majority used these terms to describe the Israelis.

Israel does even better in competition with the Palestine Liberation Organization. In surveys conducted by Yankelovich in 1975, 1976, and 1977, respondents were asked to react to a number of statements about the PLO and Israel, and their answers revealed overwhelming preference for Israel in every case. In the most recent survey (March 1977), 88 per cent said that "we can get along" with Israel, while only 23 per cent said the same for the PLO. Four-fifths replied that the PLO was "anti-U.S.," while only a tenth had comparable opinions about Israel. Over 70 per cent believed that Israel was "democratic," while only 7 per cent thought the same about the PLO.

Israel has steadily bettered its comparative standing in these three studies, while the PLO has steadily fallen. But what is even more significant, American opinion has grown more and more sympathetic to Israel's refusal to negotiate with the PLO. When asked by Yankelovich in January 1975 whether "Israel is doing the right thing in refusing to negotiate with the PLO," only 27 per cent said Israel was right, 36 per cent felt it was wrong, and 35 percent were not sure. A year later, the responses were slightly

more positive from Israel's point of view, with 31 per cent saying Israel was right, 31 wrong, and 38 not sure. But in March 1977 Yankelovich found a plurality in Israel's favor, with 40 per cent saying Israel is right in not negotiating with the PLO as compared with 21 per cent who think this policy is wrong.

There is some indication in recent surveys that Americans differentiate between the Palestinians as a group and the PLO or the Arabs. They are more likely to express sympathy for the Palestinians than for the Arabs or the PLO. For example, while sympathy for the Arabs ran between 5 and 9 per cent, Harris found 14 per cent voicing sympathy for the Palestinians in his winter 1974–75 Middle East survey. Respondents were evenly split over the statement, offered by Harris, that "Israel has mistreated the Palestinian refugees and that is wrong" (29 per cent agreed, 28 per cent disagreed, while even more—41 percent—responded "don't know"). In the Yankelovich survey taken in March 1977—before Begin's election—the 61 per cent of respondents who said they had heard of the PLO were asked: "Do you think the Palestinian refugees have any legitimate complaints against Israel?" Over half of these—55 per cent—said yes, while only 18 per cent felt that the Palestinians had no legitimate complaints. Only 16 per cent of the same informed respondents, however—agreed that "the Arabs have a strong moral case against Israel which deserves more attention than we give it," a finding in line with the other evidence that Americans distinguish between "Arabs" and "Palestinians."

The point at which sympathy for the Palestinians ends is the PLO. In Harris's winter 1974–75 Middle East survey, a plurality of Americans labeled Yasir Arafat as an "extremist" and a "terrorist" and a man "responsible for the outrageous slaughter of innocent children." Americans tended to reject the notion that Arafat "has become more moderate in his demands lately" (29 to 19 per cent), that he "wants to work out a peaceful settlement in the Middle East" (30 to 19 per cent), that he has made a good impression at the United Nations (32 to 17 per cent), or that he should be a permanent observer at the United Nations (35 to 18 per cent).

The record seems clear. By whatever measure or question one uses, and whatever opinion poll one consults, American sympathy for Israel has remained relatively constant since 1967, and many more Americans have been supportive of Israel than of the Arabs.

Sympathy for Israel does not, however, translate directly into support for U.S. military aid to Israel. A review of ten polls taken by the Gallup, Harris, and Yankelovich organizations between 1967 and 1977 shows opponents of military aid outnumbering supporters in six polls, and supporters outnumbering opponents in four. In most cases, the two sides were almost evenly balanced.

Yet however limited the support we find for U.S. military aid to Israel, support for U.S. military aid to the Arab nations is consistently lower. In October 1973, just after the Yom Kippur War, Gallup asked those who had heard or read about the conflict whether the U.S. should supply arms and materiel to Israel and, in a separate question, to the Arabs. While military aid to Israel was opposed by a margin of 49 to 37 percent, military aid to the Arabs was opposed by the much more decisive margin of 85 to 2.

The issue here, then, would seem to be not Israel versus the Arabs, but military aid itself. Foreign aid is not a particularly popular program, and military aid is even less so. In the 1974–75 Harris survey Americans were overwhelmingly favorable (93 percent) to "our giving emergency food and medical supplies to other nations in cases of natural disasters such as floods and earthquakes" and by a margin of 53 to 38 they also favored "our giving economic aid to other nations for purposes of economic development and technical assistance." But when the survey turned to the issue of military rather than economic aid, public support collapsed. Asked "On the whole, do you favor or oppose our giving *military* aid to other nations?" (emphasis in questionnaire), only 22 percent said they favored it, with fully 75 percent opposed. Americans were even hostile (53–35) to the idea of selling arms abroad. In fact, when respondents were given a list of thirteen federal programs and asked whether each should be expanded, cut back, or kept the same, economic and military aid to other nations emerged as the two least popular policies: 70 percent felt that military aid to other nations should be cut back and 56 percent felt that foreign economic aid should be cut back.

Another piece of evidence that Americans are against military aid in general rather than aid to Israel is the finding that those who oppose military aid to Israel tend to oppose military aid to other countries as well, including the Arab countries. Thus, in October 1974 the Yankelovich poll asked respondents whether they thought the United States should send arms to each country in a list of ten. Those who opposed military aid to Israel were also likely to oppose it for South Korea, Greece, Italy, South Vietnam, Turkey, Ireland, and Yugoslavia, as well as for Jordan and Saudi Arabia.

In its winter 1974–75 survey, the Harris organization interviewed a sample of over 3,000 Americans for an average of 73 minutes on the subject of Israel, the Middle East conflict, and anti-Semitism. The Harris survey included four questions relating to U.S. military aid to Israel. Two of these questions were worded in a "positive" way, that is, offering cues favorable to U.S. military aid: "In general, with the Russians arming Egypt and Syria, do you think the U.S. is right or wrong to send Israel the military supplies it needs?"; and "If war broke out again in the Middle East between the Arabs and Israel, would you favor or oppose the U.S. continuing to send military supplies, not troops or personnel, to help Israel?" On both questions, 65 per cent of the sample favored military aid, with only 21–24 per cent opposed, an unusually high level of support for Israel. One might suppose that such strong support was due to the bias in question-wording ("with the *Russians* arming Egypt and Syria," "the military supplies [Israel] *needs*," etc.). But the survey included two other questions which were worded with a negative bias toward Israel: "We need Arab oil for our gasoline shortage here at home, so we had better find ways to get along with the Arabs, even if that means supporting Israel less"; and "If it came right down to it and the only way we could get Arab oil in enough quantity and at lower prices were to stop supporting Israel with military aid, would you favor or oppose such a move by this country?" Sixty-eight per cent opposed cutting off military aid to Israel in order to get more Arab oil at lower prices. Thus, on all four questions, the winter 1974–75 Harris survey showed a consistent 63–68 per cent of Americans in favor of U.S. military aid to Israel.

These figures are considerably more favorable to Israel than those obtained in other surveys taken at about the same time. Inspection of the Harris questionnaire reveals the likely explanation. Virtually the entire interview dealt with Israel and the Middle East, thus establishing a definite context in the minds of the respondents. Moreover, the first question concerning support for U.S. military aid was asked after a sequence of Middle East conflict (53 per cent for Israel); estimated chances for a Middle East peace settlement (only 16 per cent "excellent" or "pretty good"); blame for starting the October 1973 war (Arabs 42 per cent, Israel 10 per cent); assessment of which side won the 1967 war (Arabs 5 per cent, Israel 43 per cent) and the 1973 war (Arabs 10 per cent, Israel 27 per cent); and a guess as to who would win "another war in the Middle East" (Arabs 20 per cent, Israel 35 per cent). This sequence of questions clearly established *Israel*, rather than military aid, as the focus of attention. Moreover, the questions leading up to the one on military aid suggested a pattern of increasing Arab military success, from the 1967 war to the 1973 war to a possible future war.

On the other hand, whenever military aid to other countries is the focus—as in the Yankelovich poll of October 1974—support for aid to Israel falls considerably. Yet even in the Yankelovich interview, more Americans supported military aid to Israel than to any of the other nine countries listed.

A similar pattern is apparent in a November 1976 Roper survey which asked respondents whether they thought the U.S. should sell arms to each country in a list of eleven. Americans were favorable to selling arms only to two countries, England and France. Next came Israel and West Germany, where support and opposition were about even (37 per cent in favor, 42–43 per cent opposed). By contrast, rather strong pluralities opposed the sale of arms to Japan, Spain, South Korea, Turkey, and Greece, while the greatest opposition was expressed in the cases of Iran (55 per cent opposed) and Saudi Arabia (61 per cent opposed).

Thus, the data indicate positive public sentiment toward Israel, negative public sentiment toward military aid, and, when the two are combined, stronger public support for military aid to Israel than for military aid to other countries, with the exception of our major West European allies.

If there is one idea more negatively regarded than military aid, it is the involvement of American troops. "Suppose it looked as though the Arabs, with the help of the Russians, were going to take over Israel in the Middle East. Would you favor or oppose sending U.S. troops to keep Israel from being taken over?" Opposed, 52 per cent; in favor, 25 per cent (Harris, 1971). "If it looked as though Israel were going to be taken over by the Russians and Arabs, do you feel that the United States should do everything to save Israel, including going to war, or do you think the United States should avoid getting involved with our own troops, even if Israel were going under?" Avoid involvement, 51 per cent; favor involvement, 34 per cent (Harris, 1973). The two winter 1974–75 Harris polls, which differed widely in public support for military aid to Israel, showed quite similar results in questions involving the use of American troops. In the survey primarily concerned with Middle East issues, 55 per cent felt that the U.S. should not send troops even "if it looked as though Israel were going to be overrun by the Arabs in another war" (23 per cent supported the use of U.S. troops). In a general foreign-policy survey carried out by Harris on behalf of the Chicago Council on Foreign Relations, 50 per cent opposed U.S. military involvement, "including the use of U.S. troops," "if Israel were being defeated by the Arabs" (27 per cent favored U.S. involvement).

But opposition to U.S. troop involvement is not limited to Israel or the Middle East. The Harris poll for the Chicago Council on Foreign Relations listed twelve circumstances which "might justify U.S. military involvement, including the use of U.S. troops." Only one circumstance called forth more support for than opposition to the use of American

troops—"if Canada were invaded." Opinion was about evenly divided over the use of U.S. troops "if Western Europe were invaded." Opposition to U.S. military involvement outweighed support by about 10 per cent "if the Russians took over West Berlin" and "if Castro's Cuba invaded the Dominican Republic." Opposition outweighed support by 23 per cent "if Israel were being defeated by the Arabs," and by 35 per cent "if the Arabs cut off the oil supply to Western Europe." In the other six circumstances, support for U.S. troops ranged between 10 and 20 per cent and opposition varied between 58 and 73 per cent: "if Communist China invaded Taiwan," "if Communist China attacked India," "if the Arabs cut off the oil supply to Japan," "if North Korea attacked South Korea," "if the Soviet Union attacked Yugoslavia after Tito's death," "if North Vietnam launched a major attack against Saigon."

Clearly, Americans are willing to fight for the security only of neighboring Western Hemisphere countries and of our principal allies in Western Europe. Gallup found in polls taken in 1971 and 1975 that a plurality of Americans favored sending U.S. troops if either Mexico or England were attacked "by Communist-backed forces." This sentiment did not apply, however, to West Germany, Israel, Japan, India, Thailand, Brazil, Taiwan, or Turkey.

In the first eight months of his Presidency, Jimmy Carter has pressured Israel on a number of issues—the occupied teritories, the legitimacy of the Palestinians' claim to a homeland, negotiation with the PLO. To what extent do President Carter's positions find support in the public as a whole?

Just this past August, Pat Caddell's Cambridge Survey Research asked a national sample of Americans to react to the Carter peace package in the following terms: "The President has outlined several key elements of a Middle East Peace Agreement: an expressed willingness by the Arabs to recognize Israel's sovereignty and to normalize relations with Israel; phased Israeli withdrawal from occupied territories, combined with effective security measures; a homeland for the Palestinians. Do you think this represents a fair basis of settlement?"

This question referred in general terms to all the elements that have been demanded by each side of the other. Not surprisingly, a plurality of Americans agree that obtaining all this would be desirable. Almost half, 48 per cent, said "Yes," 13 per cent replied "No," while 39 per cent were "Not sure."

It is, of course, impossible to tell what the respondents felt about any given element of the proposed agreement, whether they most favored recognition of Israel, phased Israeli withdrawal in return for "effective security measures," or a Palestinian homeland. We do, however, know from other surveys what Americans think about some of the individual parts of the President's package. On the question of the occupied territories, for example, there is very little public feeling that Israel is holding them unfairly and should simply give them up. The most straightforward question was asked in the Harris Middle East survey of December 1974–January 1975: "Israel should give back the territory it gained from the war of 1967." Americans disagreed with this proposition by a ratio of two to one. Support for Israel's hold on the occupied territories became even stronger when these same respondents were offered a slightly different proposition: "Israel should just give up the occupied Palestinian Arab territory and let Arafat rule it." In this case 54 per cent disagreed and 11 per cent agreed—a ratio of five to one.

Most relevant to the current situation, perhaps, was the public's response to the proposal that "The U.S. should not pressure Israel to give back all the Arab lands that were obtained in the 1967 Middle East war and in the latest war." Americans agreed with this position, 54 to 19 per cent, although it is possible that the specification of "all" the Arab territories may have seemed extreme to many Americans (Jerusalem, for example, would have been included). In March 1977, Yankelovich presented respondents with a proposition that was more moderate in scope: "The United States should reduce its support of Israel unless the Israelis are willing to compromise and give back some of the land they took from the Arabs during the recent wars." Still, 45 per cent of Americans were opposed to a reduction of American support and only 26 per cent favored it.

The essence of American opinion on the occupied territories is revealed by a question which the Roper poll has asked every year since 1973: "Ever since the Six-Day War, Israel has occupied territory that formerly belonged to the Arab nations. Which one of these statements comes closest to expressing how you feel about this?" The results show a remarkable stability of opinion over the last four years. Only a small percentage of respondents (6–7) have felt that "The territory Israel has taken in the last two wars didn't belong to her and she should not be allowed to keep it under any circumstances."

The most hard-line position, "Israel should keep all of the territory she has won in the last two Arab-Israeli wars," is not very popular either; it is endorsed by only 13–16 per cent of the public. In all four polls, a majority of Americans took one of the two "intermediate" positions. About a quarter of the respondents endorsed the "soft" intermediate poistion, that "Israel should give up all or most of the territory she has taken in the last two wars—but only if a satisfactory treaty can be negotiated with the Arabs that will guarantee her existence as a state." The "hard" intermediate position—"It is time for Israel to make some concessions, but it is important that she keep what territory is essential to her defense"—is somewhat more popular, with about 30 per cent of Americans favoring that option. This last position was the one most frequently chosen in all four polls.

The only trend one can detect in the answers to the Roper question over the past four years is a slight increase in the percentage of Americans taking the two harder-line positions. Since the latest Roper figures were obtained from a survey administered after the Begin election, the data gave no indication of impatience with the new Israeli government on the part of the American public.

On the issue of a "Palestinian homeland," both Yankelovich and Roper have found considerable support for a position similar to the President's. Thus, in the March 1977 Yankelovich survey, 52 per cent agreed that "the Palestinians have a right to a homeland as much as the Jews do." But when the PLO is brought into the picture, support for the idea of a Palestinian homeland falls precipitously. In July, Roper asked: "As you may know, the Palestine Liberation Organization in the Middle East, known as the 'PLO,' wants to establish a homeland for Palestinian refugees in territory once held by the Palestinians but now held by Israel. Do you think the PLO is right or wrong in wanting to establish a Palestinian homeland in Israel, or haven't you paid much attention to it?" To this question 21 per cent said that the PLO is right in wanting to establish a Palestinian homeland and 20 per cent said that it is wrong. An additional 9 per cent volunteered the response that the goal of a Palestinian homeland is right, but the methods of the PLO are wrong. (On this, as on most other questions dealing with the Palestinian issue, a large proportion of respondents, here 50 per cent, said that they "didn't know" how they felt or "hadn't paid attention" to the issue.)

THE AMERICANS WHO OPERATE AMERICA'S CANAL

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. McDONALD. Mr. Speaker, the wishes and feelings of the thousands of Americans who work on the canal and live there has been largely ignored by the Nation's media in the debate on the proposed treaty. It is a sizable number of people who earn their livelihood in this way—some 34,000 of them. Mr. Egon Tausch recently wrote an article on them which appeared as a "Report from Panama" under the auspices of the U.S. Industrial Council dated October 14, 1977. I commend it to the attention of my colleagues that they may broaden their knowledge of this aspect of the Panama Canal treaty issue:

REPORT FROM PANAMA: THE AMERICANS WHO OPERATE AMERICA'S CANAL

(By Egon Tausch)

(EDITOR'S NOTE.—The author of this article is an author and attorney who spent his formative years in Latin America. Mr. Tausch served as an officer in Vietnam, taught at West Point, and has published in *National Review* and other journals. He recently visited the Panama Canal Zone to gather material for this report.)

One factor in the Panama Canal controversy which has been deliberately ignored by both the State Department and the media is the problem of the Canal Zone residents, or "Zonians."

There are about 34,000 U.S. citizens living in the Zone, most of whom are directly connected with Canal operations. It is a remarkably stable population, made up for the most part of children, grandchildren, and great grandchildren of Canal workers. Many have married Panamanians and others are naturalized U.S. citizens themselves. There is no labor-management dissension, unemployment, welfare, race issue, or crime problem in the Zone.

The Zone is not a duty assignment for its residents; it is their home which they have quite rightly believed would always be part of the United States. For obvious reasons, the State Department would like to forget about them.

Much has been made of the fact that the Canal will be turned over to Panama gradually; the Panamanians will not have full control until the year 2000. This has obscured the fact that the Zone itself, as distinct from the Canal, will be turned over within 30 days after the treaty is ratified. The Zonians have lived next door to the Panamanian police state and do not relish the thought of living under it. Their attitudes must be taken into consideration before ratifying the treaties: Any timetable for the transition to Panamanian control of the Canal depends entirely upon the willingness of Zonian employees to stay and work after the Zone is under the jurisdiction of the *Guardia Nacional*. If they won't, the Canal will close down quickly and disastrously, regardless of any agreements to the contrary that U.S. and Panamanian negotiators might have made.

The Zonians have no intention of being ignored. They were the victims of the 1964 riots, sporadic violent incidents since then, including the bombings of American automobiles in November, 1976, and harassment by the Panamanian *Guardia Nacional* and secret police.

Now they find themselves an embarrassment to the U.S. Embassy in Panama, which has refused to permit the rights of these American citizens to strain relations with the Panamanian dictatorship.

"When we go into Panama to use their airport—we aren't allowed to use our own military field anymore—and get detained by the Guardia, we're all alone," says Mrs. James Fulton, president of the Pacific Civil Council in the Zone. Patrolman William Drummond adds, "If we get into any kind of trouble, we now know better than to call on our own embassy. We call the British. They don't have to pretend we don't exist."

Drummond, president of the Police Union and legislative chairman of the Central Labor Union and Metal Trades Council, had his two automobiles bombed in the terrorist attacks of 1976. The incident was attributed to the G-2, the intelligence arm of the Panamanian secret police. The U.S. Embassy in Panama speculated publicly that Drummond might have bombed his own cars to gain sympathy for the plight of the Zonians, a change proven false when the other bombs went off and the terrorist notes were discovered. The Embassy never apologized to Drummond.

On February 11, 1977, Drummond was arrested by the G-2 at the Panama airport when he was on his way to testify in Washington on union business. He was detained and questioned in downtown Panama City for three hours. His release was obtained only because the arrest was reported by the protocol officer from the embassy, who had happened to witness it. The Ambassador decided not to make a point of such arrests for fear of endangering the treaties.

Shortly before the negotiators completed the treaties they authorized Gov. H. R. Parfitt of the Canal Zone to release a list of fifteen "assurances" to U.S. citizens in the Zone—points that were to be in any proposed treaty.

Among them was the following assurance concerning criminal justice: "In connection with offenses arising from acts of omission punishable under the laws of the Republic of Panama, United States Citizen employees and their dependents will be entitled to specific charges, cross-examination of witnesses and legal representation of choice."

Also, the State Department announced, a status-of-forces agreement would be included in the treaty, which would permit U.S. civilians to be tried by their own courts as is done by the military in other foreign countries. These assurances were repeated by every level of government and were even incorporated into a Department of Defense directive to the military.

In reality, the State Department negotiators were aware that Torrijos had consistently refused to consider any such assurances. These clauses had already been omitted from the early draft treaty at Torrijos' insistence.

The final treaty gives all authority over criminal justice—procedural and substantive, crimes of commission and crimes of omission—directly to Torrijos, with no safeguards for U.S. citizens, other than the right to serve their sentences in America if Panama agrees at a later date.

In the face of his repeated failure to get Panamanian agreement on these points, Ambassador Bunker continues to push the treaties by promising that a status-of-forces agreement will be forthcoming, somehow.

The residents of the Canal Zone feel a personal sense of betrayal by the U.S. government. They can vote only in presidential general elections, so their interests are centered on one issue—foreign policy. Secretary of State Henry Kissinger was profoundly disliked in the Zone, and the last television debate between Carter and Ford led the Zonians to believe that Dr. Kissinger's policies would be reversed by a Democratic administration. The Zone went solidly for Jimmy Carter. Now the President's representatives encounter only hurt hostility from the residents.

The Zonians have held rallies protesting the proposed treaties. More than 2,600 appeared at the last one before the treaties were signed. If any Zonians favor the treaties, they have yet to speak out. Despite their expert knowledge of Canal operations and of conditions in the Zone, the residents have not been interviewed by the major U.S. news media. The Canal Public Information Office complains that it gives a representative list of Zonians to every reporter who calls on the office, but none bother to visit the locals.

Some of the American reporters have resorted to denouncing the Zonians' stilt bungalows and commissaries-without-discounts as "unfair" luxurious living. Unlike other Americans, the Zonians are expected by the press to live a Spartan existence, in return for the privilege of working on the Canal.

In actuality, the architecture and scenery of the Zone differs from that of Panama only in that it is kept clean and in good repair. The attack on Zonians is reflected in Time Magazine's report of a Canal pilot who "refuses to work for a dictator." The quote is preceded by the magazine's categorical opinion: "The Zonians' basic objections to the treaty range from chauvinistic to sentimental to mercenary."

State Department officials counter Zonian opposition to the treaties by calling the U.S. citizens "colonialists" or "racists," a charge which labor leader Drummond refers to as the last ditch effort of desperate bureaucrats. He, like many Zonians, is married to a Panamanian national.

Speculation about the evacuation of the Zone continues, without evidence of U.S. concern for keeping the Canal going.

Federal District Clerk Doris McClellan feels protective of her courthouse in the Zone. The daughter of Sen. John McClellan (D-Ark.) knows her way around Washington. "What right," she asks, "does the State Department have to abolish or give a federal court over to a foreign jurisdiction? We're under the Justice Department, not Foggy Bottom!" A Southern lady of the traditional mold, she gets angry when she envisions the future of her beloved courthouse under the rule of Gen. Torrijos and his henchmen of the Guardia. Indeed, the general will have little use for a court of justice within a governmental system which recognizes no civil rights whatever.

Miss McClellan is taking no chances with the historical honesty of the future occupiers of the Zone—she is sending all the deed records which prove ownership of the land, north for safekeeping.

Washington seems in no hurry to appoint a new federal judge for the Canal, making do with visiting judges in an obvious ploy to prepare for the turnover in case the treaties are ratified.

"What do they think they'll do with us? Send us home? Where is our home, if not here?" asks William Benny, a control house operator on the Canal. He and his wife were born in the Zone, and have no ties with other parts of the U.S. Benny will have to make his own plans for his family, and they won't be based on a timetable prepared in Washington.

The Governor of the Canal Zone and President of the Panama Canal Company is an Army general on leave of absence. The Zone Government and the Canal Company both operate under the general supervision of the Secretary of the Army. After completing his term, Gov. Parfitt will return to active duty, with a promotion if he hasn't made waves. He is prevented by his office from voicing Zonian complaints about the State Department or taking any position in regard to the proposed treaties. Nevertheless, his testimony before Congress during earlier hearings must have been unwelcome to those among his superiors who favor a gradual Panamanian takeover of the Canal.

Gov. Parfitt is painfully aware that the Canal must be closed if there are not enough U.S. employees who are willing to remain at a temporary job in a place that is no longer to be their home, under a repressive foreign regime, and with little or no support from their own embassy. The Governor testified that fear of the future was affecting the work force even before the treaty agreement was reached. Since the 1974 Kissinger announcement of the Joint Statement of Principles, resignations have increased by 60%.

"Although the number is not of such magnitude as to cause great concern, what we are concerned about is the trend—the fact that this could snowball and ultimately seriously affect our ability to perform the Canal's mission. . . . Prospective employees are wary in seeking employment with the Panama Canal when doubt exists as to the future security and tenure of their positions and the conditions which might prevail under a new treaty."

Even if other Americans were paid enough to induce them to move to Panama, they would require extensive training to become familiar with the 1910 technology of the Canal, simple as it is. And they would have to be integrated slowly into the regular workforce. If the treaties are ratified, there won't be a regular workforce to ease them in to.

The U.S. Civic Councils, organizations of Canal Zone community representatives, polled 285 U.S. citizens about their plans. 62.8% said that they would not consider remaining if the Zone is given to Panama. "Many of our people now tell us that 'the day that the Canal Zone Police go, we go,' and also, more alarmingly, 'when the U.S. workers see the day getting closer that jurisdiction will be handed to Panama, you can expect to see the Canal shut down.'"

The only labor trouble that the Canal ever faced was a "sick-out" in March of 1976, which was a response to rumors of a new Canal treaty. As the Civic Councils reported, "Morale at that time was extremely low; this year we have to say honestly that our people are so demoralized that they are ready to give up and quit—a shutdown of the Canal, if it occurs, will not happen over a labor issue. It will result from apprehensive employees, who in their fear for their physical security, will simply leave their jobsites, go home and pack their suitcases . . ."

"The trouble with the State Department," concludes Pat Fulton of the Pacific Civic Council, "is that they want a new treaty as a 'symbol'. But the Canal is a *thing!*" Ideology and nationalism will not change the fact that if the Americans leave, the Canal will be dependent on Panamanian mechanical skills.

The Canal mechanism is simple, but it requires upkeep. There is no regular maintenance system in Panama. Pride is based on acquisition; maintenance is work performed for no visible result. The elaborate daily lake dredging and cleaning and lubricating procedures employed on the Canal are objects of amazement, and sometimes derision, among Panamanian visitors.

For years the United States has given preference in hiring, training, and promotion to Panamanian nationals. At the present time only two of the ship pilots are Panamanians, and not many others of that nationality have risen above menial labor positions. Far fewer than the quota provided for by the program apply for training; fewer still complete it.

Recently the United States acceded to Panamanian requests and gave up control of Bayano Dam, a source of energy and a necessary control valve on the lake which supplies the locks with water. The daily inspections of the dam ceased immediately after Panama took possession. Within a few months the dam became inoperable. Torrijos could find no Panamanians with the knowledge and skills to repair it and was forced to fly in a team of Yugoslavian engineers and mechanics. Since the repair of the dam, new cracks have appeared.

Panama has never conquered the problems of mechanical and administrative efficiency. The garbage collection system in Panama City is practically nonexistent; heaps of refuse rot in the tropical sun. Modern buildings have no hot water systems built in. Torrijos bought a new fleet of buses from Germany, but made no arrangements for mechanics or replacement parts. A year later, less than one-third of the buses were still running; the others were cannibalized for their parts and the bodies left abandoned along the streets.

The treaty negotiators could not entirely ignore the possibility of Zonian flight and the lack of skilled Panamanians to replace the American employees.

Consequently, the U.S. Embassy in Panama contracted the services of Mr. John L. Jackle to do a study of the impact of a new treaty on Canal Zone residents and how they might be convinced of its benefits. The political branch of the embassy worked with Mr. Jackle. The final report indicates that the methods of the Panamanian dictatorship are not completely alien to the State Department: "a lot of good press would be essential for success: in this situation we would make good use of the controlled press situation on the Isthmus. If it does not work, no propaganda will sell it. But it can be given at least an initial breath of promise through skillful manipulations of the available media."

Later the report adds, ". . . we would have to work closely with the Government of Panama to insure that their share of the participation would be handled with our goals in mind. We would not want a Government of Panama speaker who is going to rant about how glorious Panama's demands are; we would want someone who could communicate on a low-key level and who would be very reassuring."

Even such sophisticated Madison Avenue techniques might not work with Bill McConaughy, Senior Control House Operator and a highly respected mechanic. McConaughy has worked on the Canal all his adult life, as have his two brothers, their father, their grandfather, and their great grandfather, who helped build the Canal and whose Theodore Roosevelt Medal the descendants treasure. Bill's pride in the Canal is second only to his pride in America for having created it.

"Short of working on the Moonshot there's nothing I'd be prouder to do than what I'm doing here. We all feel that way, and it doesn't wear off with time." After thinking a moment, he adds, slowly, "As long as the Canal is American."

AMTRAK—PART 2

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. VENTO. Mr. Speaker, since I last addressed my colleagues on Amtrak and its responsibilities to the public and to this Congress, I have received another letter from Amtrak, a letter which I am sure many of my colleagues have also received.

This letter announces that because Congress did not agree to Amtrak's full request for $56.5 million in supplemental appropriations, further review for possible cutbacks would be necessary.

This letter raises many questions about the future viability of any national rail passenger service. In a letter to Amtrak, I have stated my concerns about recent developments and have raised some issue that could well determine the fate of Amtrak. I would like to bring this letter to the attention of my colleagues by inserting it into the RECORD. I urge you to read it and to consider three of the points that I raised. What was the intended purpose of the $56.5 million in Amtrak's request for supplementary funding? Originally Amtrak indicated that these funds were to be used to restore previous cutbacks and now the funds are needed to prevent further cutbacks. Why does Amtrak respond to specific questions from Congressmen with general and vague answers? As my previous comments on Amtrak illustrated, I have been unsuccessful in gaining any meaningful information from Amtrak. Why does Amtrak refuse to allow the public an opportunity to participate in their decisionmaking process? After all, the public is the user of the service that Amtrak provides.

I am hopeful that Amtrak will become more responsive to this Congress and to the American people. For until a dialog is opened, our hopes for a viable national rail passenger system will not be realized.

The letter follows:

WASHINGTON, D.C., *November 10, 1977.*

Mr. BRUCE PIKE,
Vice President—Government Affairs,
National Railroad Passenger Corporation,
Washington, D.C.

DEAR MR. PIKE: I have received your letter of November 9 in which you discuss Amtrak's belief that further cut backs of passenger train service may be necessary.

I find many aspects of your proposal to be very discouraging. Initially, Amtrak claimed that the supplementary appropriation was needed to restore all previous cut backs, now, however, these identical funds are needed to prevent further reductions. What did Amtrak intend to do with these funds: restore previous service or prevent more cut backs? They cannot serve both goals.

In our previous correspondence, I have stressed the importance of holding public hearings on your proposed cut backs. To proceed with your evaluation process without hearing from the users of the service is inconceivable to me. For any thorough and meaningful evaluation, it is necessary to consider many factors besides the profitability of a particular route. Other factors, such as the economic impact on the communities and individuals along the route, passenger needs, and a commitment to passenger rail service, are all as important in any decision that you may reach. However, these factors cannot be determined by adding or subtracting dollars and cents, they can only be found by talking with the public that you serve.

I have stated a desire to understand how Amtrak reaches any decisions; that is, what criteria do you use to determine where any route restructuring or discontinuances shall occur. At this point in time, I have yet to receive any substantive answer to this request. I would like to know the procedures for the route and service criteria process; the steps you follow; the criteria that you judge a route by; and the thresholds that a route must overcome to survive. I am aware that your procedures are available in printed form, what I would appreciate receiving from Amtrak would be a meaningful summary of the process.

In your letter, you mentioned various routes that you would be reviewing during this process. Why were these particular routes chosen for review? How many other routes does Amtrak operate and where are these routes located? Will you be considering what impact further cut backs will have on the integrity of the national passenger rail service?

Previously you have stated that Amtrak plans to install new cars on routes such as the *Empire Builder* and *the North Coast Hiawatha*. Why, on the one hand, do you plan to upgrade services while you are also considering cut backs and discontinuances on these same routes? I am certain that your passengers would prefer the present service in older cars rather than reduced or no service in newer cars.

I noticed that you have included the *Empire Builder* and *the North Coast Hiawatha* in your new review process. It seems that since these two lines have just suffered from a cut back in services, that they would need time to adjust to their new service schedules. Has the fact that a line has already suffered a cut back influenced your decision making process at all?

I hope that Amtrak will reconsider their decision on the role of public participation in your decision making process. Not only are you denying the beneficiaries of Amtrak's services a voice in the decisions that you make but you are also denying yourselves the advice of a very knowledgeable source, the Amtrak passenger. The customer may not always be right but often he can add some facts or insight that lay beyond the realm of economics.

The Amtrak "modus operandi" in its dealings with Congress, based on my recent requests, leaves a good deal to be desired. Frankly, the credibility of the entire rail passenger subsidy program and the good intentions of Congress to maintain service for public convenience hangs in the balance. I sincerely hope that the misunderstandings between Congressional policy and the Amtrak administration can be substantially improved prior to any decisions on discontinuances.

Sincerely,

BRUCE F. VENTO,
Member of Congress.

"NO" TO HUMPHREY-HAWKINS

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. ASHBROOK. Mr. Speaker, the White House and congressional supporters of the Humphrey-Hawkins bill have reached agreement on a revised version of this legislation. Despite the revisions, however, there is growing public opposition to the bill.

Editorial after editorial is criticizing the new plan. The New York Times has headlined its November 11 lead editorial "The Hollow Promise of Humphrey-Hawkins." According to the Times, the bill is no answer to the unemployment

problem. Rather "it is a mandate without a method."

The November 12 Washington Star warns that the bill would "run the risk of all utopian legislation: committing the government by law to an official policy that no one knows for sure how to achieve without a terrific run of good luck."

The November 13 Washington Post points out that a bill setting an illusory unemployment goal is of no help. The Post goes on to say:

Mr. Carter has spoken much of his concern to re-establish the good faith of the national government and citizens' trust in it. He will not advance that purpose with legislation setting an unemployment target that neither he nor any other President can hit. The remedy for unemployment is the slow, difficult tedious process of lifting the pace of economic growth. That's doing it the hard way, but there isn't any other way.

I strongly agree with the position taken on this bill by newspapers such as the New York Times, the Washington Star, and the Washington Post. Humphrey-Hawkins is a bad piece of legislation and it should be defeated.

Following are the editorials from the New York Times, the Washington Star, and the Washington Post:

[From the New York Times, Nov. 11, 1977]

THE HOLLOW PROMISE OF HUMPHREY-HAWKINS

The so-called Humphrey Hawkins Full Employment bill, which is about to be embraced by the White House, the Congressional Black Caucus and the nation's leading liberal politicians, is not the grand achievement of modern economic policy that its proponents proclaim. It is a gesture from a Government overly enchanted with symbols, a promise from a Government that should mind its promises, a flag for politicians to wave when next they need to demonstrate concern for the unemployed. It will not, however, solve the nation's unemployment problem.

"There is no easy answer to the unemployment question," President Carter said yesterday at his news conference. He might have added that the legislation being prepared by his staff and Congressional leaders is not the answer either.

The measure is no longer the ambitious commitment its sponsors intended in 1975. Senator Humphrey and Representative Hawkins at first proposed that the Government become the employer of "last resort" for anyone who wanted work—an idea that struck many as inflationary and most as unmanageable. It was meant to reduce unemployment to 3 percent within 18 months. The latest Humphrey-Hawkins bill proclaims a more realistic job target—4 percent unemployment within five years of passage. It will probably speak of every citizen's right to a job, but it will do little to guarantee that right.

The bill is an echo of the Employment Act of 1946, which required the Federal Government to "provide maximum employment, production and purchasing power." That law, in a different time, charged the Government to manipulate the economy, when manipulation was still suspect, by aiming at full production and fighting against the rhythmic ups and downs of the business cycle. But it was a mandate without a method.

Unemployment, especially in recent years, has been far above any reasonable "maximum." Inflation has soared. Production is still hobbled by periodic recessions—sometimes bordering on depression, as in 1974. The problem is not a lack of will to improve this record; Government simply does not know the way. The new legislation goes further than the old by providing a specific numerical target for unemployment. But like its predecessor, it is a mandate without a method.

There may be a need for assigning new responsibility in Washington for the planning of a full-employment strategy. The bill may provide this. But insofar as it pretends to produce jobs or to guarantee jobs as a right of citizenship, it is a hollow promise. Senator Humphrey deserves a better tribute.

[From the Washington Star, Nov. 12, 1977]

DECREEING FULL EMPLOYMENT

On Capitol Hill, they've been tinkering with the fine print of the Humphrey-Hawkins job bill again and we are promised another unveiling soon.

The purpose of this bill, in theory and fact, continues to escape us. It is not as if the government were officially against full employment, after all. By the 30-year-old Employment Act of 1946, the government is committed to seek maximum employment along with price stability. Nothing, at least semantically speaking, can exceed a maximum. Yet the espousal of that lofty goal by an earlier Congress did not, needless to say, arrest economic fluctuations, nor repeal the business cycle, nor find everyone a job. Nor did it furnish government economists with new theoretical tools for even trying. It is not to praise for the nine years of the past quarter century when unemployment was 4 per cent or less; nor is it to blame for 14 years during that period of higher than 4 per cent unemployment. In short, it was a bit, as Mr. Lincoln said of a famous proclamation prematurely urged on him, "like the pope's bull against the comet."

That there is pressure on President Carter to endorse a revised Humphrey-Hawkins bill—a bill aspiring to decree specific economic conditions—suggests that hope, if not maximum employment, springs eternal.

In its original form, the bill was very ambitious. It would have "required" the White House to tune policy to a goal of 3.8 per cent unemployment by 1980 and chartered a new agency in the Labor Department to furnish public jobs when the private sector fell short. The possible inflationary toll was not estimated.

The latest revision is said to be less demanding. It would set a goal of 4 per cent unemployment within five years and authorize, though not mandate, programs to achieve it. There would also be an anti-inflation proviso, and neither it nor the jobs goal could be changed without congressional consent. It would establish that a job is a basic "right" for everyone who wants work.

The question, perhaps, is whether the bill is mandatory or precatory. We learned the latter word from Gov. Jerry Brown of California and it is a handy if somewhat unwieldy one. A "precatory" bill, according to our dictionary. is one that "expresses entreaty" and trusts that words will do the trick. If what is intended is a statement of ideals or goals of government policy—a kind of wish index—you would have to be Scrooge-like to oppose it. If what is intended is a curtailment of the executive's authority to set economic policy goals, then such a bill would raise grave questions about checks and balances and a president would be remiss in duty to support or sign it.

Which of the two the Humphrey-Hawkins bill is now we haven't the faintest idea, but the point ought to be cleared up. If the bill simply means the government disapproves of 7 per cent unemployment and wishes to reduce it to 4 per cent, it would be harmless at worst.

But even in that—precatory—form it would run the risk of all utopian legislation: committing the government by law to an official policy that no one knows for sure how to achieve without a terrific run of good luck. In fact, we know of no party or faction or economic school that is against low unemployment combined with slight inflation. The prize for legislative ingenuity awaits the writer of a bill that can show us the way to achieve—and, more problematical, reconcile—both goals.

[From the Washington Post, Nov. 13, 1977]

HUMPHREY-HAWKINS, AGAIN

The Humphrey-Hawkins employment bill, as it emerges from the latest compromise, amounts to a get-well card for the American economy. To the unemployment rate, the bill would offer best wishes for a speedy recovery; to the inflation rate, it would extend every hope for a rapid return to health. The bill is full of nice thoughts. But its practical effect, in behalf of people who need jobs, would be zero. That's why the bill ought not to be passed. It is wrong for the U.S. government to make public promises that it knows very well it cannot fulfill.

The bill's main support has been in the Congressional Black Caucus. Its authors were trying to reach a genuinely compelling social evil, an unemployment rate among blacks that is twice the rate for the rest of the population. During the Ford presidency, they felt that the administration would do little that it was not compelled by law to do. The years of experimentation in manpower training had produced little in the way of dramatic success. The first version of the Humphrey-Hawkins bill was an attempt to force the unemployment rate down by legislative command.

In that original draft, the bill gave every citizen a legally enforceable right to a job. It established the government as the employer of last resort, requiring it to hire anybody who couldn't find work elsewhere. For those public jobs, it established wildly inflationary wage rates that would have sucked labor out of private industry. The bill contained economic short-circuits that would have blown the fuses in the American labor market, not to mention those in the federal budget.

Since that first draft, the bill has undergone round after round of compromise and excision as its sponsors struggled to win endorsements for it. Most of the implementation disappeared. But as the bill lost substance, it gained momentum as a symbol.

For President Carter, the bill set two crucial constituencies at odds with each other. Mr. Carter could not have been elected without heavy support among black voters. But neither could he have been elected without heavy support among voters who fear further inflation. He as attempted to extricate himself from this dilemma by imposing an ultimate round of compromises on the bill. Now, evidently, the last vestiges of new program authority have been dropped and an anti-inflation pledge has been written in.

The main point of the bill, in its present form, is to set a 4 per cent unemployment rate as a goal to be achieved over five years. How? The bill doesn't say. Why 4 per cent? Because, until recently, that was the conventional definition of full employment. It was the level below which the rate could not be pushed without a surge of wage inflation, as employers bid against each other for scarce manpower. Unfortunately, that threshold has shifted upward in recent years. In terms of inflationary risk, an unemployment rate of 5 or 5.5 per cent currently is the equivalent of 4 per cent in the 1950s.

If there were a way to reduce unemployment by merely passing a bill, every American would have a moral duty to support that bill. But a bill setting an illusory goal isn't going to help. Mr. Carter has spoken

much of his concern to re-establish the good faith of the national government and citizens' trust in it. He will not advance that purpose with legislation setting an unemployment target that neither he nor any other President can hit. The remedy for unemployment is the slow, difficult, tedious process of lifting the pace of economic growth. That's doing it the hard way, but there isn't any other way.

UNCLE SAM THE INDIAN GIVER—FARMERS HANG ONTO YOUR SCALPS

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. HANSEN. Mr. Speaker, we all know the confusion and difficulty which faces our citizens as they attempt to make a proper accounting with the Internal Revenue Service. This is especially true with farmers in relation to the money they receive from the Federal Government in the various drought and relief programs. Although proper professional advice is essential and necessary when handling the details of each case, the following article, by Laura Lane, in the November 1977 Farm Journal provides an excellent overview which should give all interested farmers an important reference point in dealing with their taxes for next year:

HOW TO HANDLE TAXES ON MONEY YOU GET FROM UNCLE SAM

The odds are good that part of your 1977 income will come from the government. For that reason you need to know the income tax status of funds you get this year as CCC loans, target price payments or disaster assistance.

In the explanations which follow, we will assume that you file a tax return for the calendar year and that you use the cash-basis method of accounting—98 percent of all farmers do.

COMMODITY CREDIT LOANS

First question to answer: Have you ever had a CCC loan in the past? If you answer yes, you've already made an "election" on how the loan money will be treated for tax purposes.

If you made no "express statement of election" at the time, then you made a choice by not doing anything. In such cases, your taxable income from the CCC loan is deferred until the year the loan matures or the crop is sold. Eventually this could hurt you by greatly increasing income in one taxable year.

You cannot make an election on tax treatment of CCC loans on an amended return or change your election (even if it was accidental) without the approval of the Secretary of the Treasury or his "delegate." Requests to change will need to be filed through district directors of IRS.

But suppose you put corn under seal in 1971 and elected to include the loan money in your gross income the taxable year you received it. Then you'll have to follow the same tax procedures in 1977 and all subsequent years, unless you get approval to change from IRS.

If you've never received a CCC loan before, this is your year of decision. You can make the election to take the CCC loan as income in 1977 by attaching a statement to your tax return. Declining to take income now will defer income, but it could be "bunched" later on if loans for two crops mature in a single taxable year. Another disadvantage: You lose the opportunity to "level" income year after year, which usually is the best income tax strategy.

Fees for storage of your grain paid you by CCC are self-employment income to a farm operator in the year received. If you are a landlord, this is rental income to you, unless you, "materially participated" in management of the farm. IRS interprets that to mean you paid self-employment tax on that income.

TARGET PRICE PAYMENTS

If in early December you get 65 cents a bushel on part of your 1977 wheat as a target price payment, that money will be taxable as part of this year's income. When you collect from ASCS is the key to when the income is taxed. You report this income on Form 1040F under "Agricultural Program Payments." Incidentally, ASCS notifies IRS about this disbursement to you.

CROP INSURANCE

Suppose you lost all or part of a crop this year and received insurance proceeds for the loss. You have a special "disaster election" in reporting income, and the option is geared to your normal marketing practice.

For example, if you normally sell the crop in the year following the growing year, you can "elect" to defer reporting the crop insurance until that year.

You make this election by attaching a statement to your tax return in the year the crop insurance is received. This isn't a "forever-after" decision. The election binds you for one year only. Treatment of crop insurance you get in future years can be decided at that time—unless tax law on the subject changes.

SALE OF DROUGHT-DISTRESSED CATTLE

If you had to sell cattle because of drought and are a cash-basis farm taxpayer, you can defer reporting income from the sale for one year. But to get this option, you must be in a federally designated disaster area, and drought must have forced the sale earlier than you would market cattle under your normal business practice.

OTHER FEDERAL "DISASTER" MONEY

Suppose you get "disaster deficiency payments" for wheat, feed grains, rice or upland cotton for which you have an allotment. You can defer reporting income for one year under rules similar to those covering crop insurance—that is, you have a choice of reporting the gross income in 1977 or in 1978. You don't have to be in an official disaster area for this assistance, if you couldn't plant a crop or yield was abnormally low (below 60 percent of normal yield) because of a "natural disaster."

Under the new Farm Law, farmers without allotments or those who overplanted beyond their allotments and suffered abnormally low yields may be eligible for payments based on the number of acres actually planted for harvest in 1977. ASCS offices are accepting applications for deficiency payments.

You can also choose to defer reporting money from ASCS Emergency Feed Program under the disaster rules. Eligibility for this cost-sharing assistance in buying feed you normally would raise is restricted to official "disaster" counties.

What if you received money under the Drought and Flood Conservation Program (DFCP)? The money paid directly to you is income and must be reported in the year you receive it. But the big question for you is: Are conservative expenses you incurred this year deductible?

If you've gotten money for conservation practices on your farm since 1954, you've already made an "election"—knowingly or unknowingly—either to currently deduct certain expenses or to treat them as capital expenditures. There is a ceiling on deductible expenses of 25 percent of your gross income from farming in any one year.

If there's an excess to deduct, you can carry it forward to a future year—within the 25-percent limitation.

Any change in your original election—or any first election to deduct conservation expense on a new farm—requires consent of your District Director of IRS.

You need to keep in mind, however, what is deductible and what is depreciable, if you've made the election to deduct expenses. Deductible at present are expenses for earthmoving, building earthen dams, ditching, terracing or contour furrowing your land, etc. You depreciate pumps, pipes, tile—any facilities where cement, tile, wood or metal are used.

The details are too complicated to cover here, so you need to discuss the implications with your tax adviser.

Remember, there's no deduction for income you didn't get—your tax savings come about because of reduced gross income. Other advantages from government disaster programs may be low interest on loans or liberal repayment plans and not tax savings.

GOVERNMENT EMERGENCY LOANS

What about government loans other than those from CCC? "For tax purposes, you treat SBA and FmHA emergency loans just like other loans even though their eligibility requirements are not consistent," says Charles R. Pugh, North Carolina State Extension economist. "Interest is deductible, of course, but repayment of principal is not."

If you expect an operating loss for 1977, visit your tax adviser before year-end and do a dry run on your tax return. You probably need to consider early whether it's necessary to carry net operating losses backward to get tax refunds or carry them forward to reduce future taxes.

But don't show a net loss unless you have to. The reason is that you lose family and non-business deductions and capital gains advantages. When you pass up a deduction that you could have had, you will pay tax on that amount some time.

At the same visit, see if you'll have any unused investment credit that can be carried back for three years or carried over for seven.

BAD DEBTS ARE DEDUCTIBLE

If you make a loan to a friend to help him over the tough times, be businesslike about it. If it goes bad, you want to be able to take it as a tax deduction, warns Julian Block, Research Institute of America.

Ask the borrower to sign a note, spelling out the amount borrowed and the dates and amounts of repayments. Charge a realistic interest rate, say, the going rate in a bank.

This may sound like a rough way to handle a friend, but IRS routinely throws out deductions for "hand shake" deals.

DR. ATHENS CLAY PULLIAS

HON. ALBERT GORE, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. GORE. Mr. Speaker, Dr. Athens Clay Pullias is a distinguished Tennessean who has made great contributions to his community and State, to his church, and to the cause of education.

For more than 30 years, Dr. Pullias served as president of David Lipscomb College in Nashville. He retired from this

position on August 31, but I am glad to say that he continues his devotion to education. He has agreed to serve as chairman of the board of directors of Cumberland College, which is located in Lebanon, Tenn., in the congressional district which I represent.

Dr. Pullias has been an active evangelist for his church since 1926 and served as minister of churches in Alabama and Tennessee before he began his career in education. And he has also been active in community and State affairs, having served on a number of government boards and commisions.

In addition to his new duties at Cumberland College, Dr. Pullias has begun writing a weekly column for a Nashville newspaper, the Tennessean. In his first column, published October 29, Dr. Pullias examines the role of the United States in the world today. He concludes with the important message that hard work and sacrifice are needed from all of us if the United States is to see the realization of the American dream: "A world of freedom, equality, prosperity, and peace for all."

I think that message is important for all of us here in Washington and I commend Dr. Pullias' column to my colleagues:

THE UNITED STATES IS COMING OF AGE

(By Athens Clay Pullias)

In the last few years the United States has come of age as a nation. The ability to adjust to this changed situation will determine the future.

The settlers at Jamestown and Plymouth Rock found a land of vast natural resources. Dreams, hard work and heroic sacrifices produced an era of unmatched development.

The American Revolution was an expensive experience, yet out of it came a new nation dedicated to the then startling proposition "that all men are created equal." The Republic enjoyed expanding wealth, population and power.

The War Between the States was a time of extraordinary stress. The cost in blood, suffering and treasure defies definition. Out of that war came spectacular growth, invention and expansion.

The American people came to believe that anything could be done, that our national resources were without practical limit and that all mankind could be brought into an era of peace and democracy.

Swept up by the power of this dream, the United States entered a "war to end war"—"to make the world safe for democracy." The plan, speeches and parades were actions of a rich, powerful and young nation setting forth to create an ideal world.

Even in the aftermath of the First World War and the Great Depression, this assumption of invincibility flourished. In the Second World War the old confidence remained. VJ Day brought a time of unrestrained rejoicing and glowing hopes for all mankind. The war in Korea announced again that America would fight and die for human freedom—for the dream of liberty, equality, prosperity and peace.

President Kennedy gave eloquent voice to this noble purpose in his inaugural address:

"Let every nation know, whether it wishes us well or ill, that we shall pay any price, bear any burden, meet any hardship, support any friend, oppose any foe, in order to assure the survival and the success of liberty."

This was the America of old. Whatever needs to be done can be done.

Then came Vietnam with its endless stream of frustrations and failure. This mighty nation was bitterly divided, tearing at itself in blind and helpless fury, unable, or unwilling, to win on the battlefield. College campuses exploded. Cities were burned and looted by rioting mobs. A general state of crisis was created. The dream of our fathers seemed in shambles.

This time there were no new frontiers to open. Generations of trying to police and support much of the world had drained our strength and weakened our will. Once boundless natural resources were nearing exhaustion in critical areas. The record of growth that started with the first colonists reversed itself by sharp decline in the number of children born each year. The United States had come of age, facing awesome responsibilities at home and abroad and with limited resources upon which to call.

The new situation was clear recognition by President Carter in his inaugural address: "The American dream endures. . . Our commitment to human rights must be absolute . . . We have learned. . . that even our great nation has its recognized limits and that we can neither answer all questions nor solve all problems. We cannot afford to do everything. . . we must simply do our best."

His comments on energy pinpoint the reality of change. He called upon the American people to recognize this new situation, while reaffirming our nation's historic faith in human rights. In doing so he follows the best traditions of this nation's past in providing moral leadership for mankind.

While the leaders of our country have often differed on how the goals of freedom, equality, prosperity and peace can be achieved, there has been almost no disagreement about the goals themselves. Where is the leader who would speak out against these principles?

The ideal embodied in the American Dream has been accepted. In this lies our brightest hope for a better tomorrow. Realization of the dream will come slowly, but come it has, and come it will, to improve the quality of of life for the human race.

It is essential that the United States work for a better world—a world of freedom, equality, prosperity and peace for all. The point is that this time we must do it the hard way—plan carefully, work diligently and sacrifice generously in order to build a better tomorrow. Maybe, there was never any other way.

FREE TRADE VERSUS UNFAIR TRADE

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. ANDERSON of Illinois. Mr. Speaker, I would like to bring to the attention of my colleagues an analysis of the import problem faced by the American machine tool industry—its development, its causes, and the possible remedies. The analysis is contained in a speech given by James A. Gray, president of the National Machine Tool Builders' Association. Mr. Gray makes a clear and vivid case for the necessity of vigorous enforcement of our existing antidumping laws.

I would be among the first to rise in support of the merits of free trade. However. I am deeply disturbed when I read reports where a Japanese machine tool company is selling a machine in the United States for $390,000 and is selling that same machine in Canada for $750,000. To quote Mr. Gray:

They are either shafting the Canadians—or they are dumping on us!

Instances like this make sense with the fact in mind that many companies in Western Europe and Japan are under severe political pressures from their governments to export. These overseas economies have severe, oil-induced, balance-of-payments problems, as well as unemployment rates of 200 to 400 percent greater than normal unemployment levels. No wonder they are looking elsewhere for markets. America is an ideal target and imports have grown dramatically.

Obviously, the machine tool industry can not fight this battle alone. What is needed is a change in our own Government's attitudes toward dumping and predatory practices by foreign companies. It is interesting to note, as Mr. Gray points out, that one phone call from a disgruntled employee will bring an OSHA or EEO affirmative action inspector to a plant. But, when an American industry is being damaged by unfair international trade practices and thousands of people are thrown out of work, tens of thousands of dollars often have to be spent to absolutely prove that unfair practices exist before the agencies of the U.S. Government will even consider looking into the matter. We must change this and adopt new regulations that defend Americans with the vigor of OSHA or the EEO. If the fullest intentions of our trade laws were enforced and unfair and predatory practices by foreign companies were ended, then fair trade and free trade would be synonymous.

Here is the text of James Gray's speech:

REPORT OF THE PRESIDENT NATIONAL MACHINE TOOL BUILDERS' ASSOCIATION

INTRODUCTION

Good morning, members and guests of the National Machine Tool Builders' Association. With this meeting we will conclude our 75th Anniversary celebration. Over the past 75 years the machine tool industry built its Association into one of the most dynamic and best respected trade associations in the nation.

Throughout the years your Association has reflected the image of the American machine tool industry. While the machine tool builders of America were developing revolutionary new products to serve American industry, they were also striving to develop a strong Association to serve their own industry. For example, at your 25th Anniversary party in 1927, your first General Manager, Ernest DuBrul, reported on the success of our first machine tool show.

Twenty-five years later, on our 50th Anniversary, while one of the industry's greatest innovations, numerical control, was first being demonstrated, the Association's General Manager, Tell Berna, and representatives of NTMBA, went overseas to study an awakening foreign machine tool industry; and predicted that they would become a formidable competitor.

Unfortunately that prediction was correct and on our 75th Anniversary, there are clouds on the horizon; clouds that are coming from Europe and Japan as these nations continue to accelerate their drive for exports—with the American market as their number one target.

CHANGING NATURE OF IMPORTS

Now this import threat is not new. Our industry has been talking about it for several years, and while we have been talking, many of you have been hurt by these imports. In fact, some companies have been forced to drop entire product lines. But recently the dimensions of the problem began changing and the long-term impact of imports on our domestic markets could be ruinous if domestic builders do not respond quickly and effectively.

In the past our foreign competitors concentrated on the U.S. market for standard general-purpose machine tools. They did not try to compete with our NC, CNC, and other more sophisticated machine tools. During the past year or so your reports and complaints about unfair foreign trade practices have changed. The foreigners have recently drawn a bead on the low-cost end of the NC and CNC market; and I believe that this new effort is only the first step in a well-designed program aimed at our domestic market for sophisticated machine tools.

So in the past several months the volume of machine tool imports skyrocketed and the type of machine tools that are being marketed in America by overseas builders has begun to change. Accordingly not only do we have to read between the lines we've got to look behind the paragraphs because the hard rock of reality is that we are seeing only the beginning of the problem. All of the signs point to the fact that during the next two years machine tools imports will be more of a challenge than at any time in our history.

As unpleasant as this may be this morning, it is time to take a hard look at America's machine tool imports. It is time to make a commitment—a commitment to do everything possible to bring the unfair import problem under control.

I hope that our guests will listen with particular care because I am going to call a spade a spade. What I have to say this morning is not just meant for the ears of the machine tool industry; they already know. It is meant for each of the news media, the government, our customers, and for every other American who wishes to see the U.S. remain strong and healthy.

HOW IMPORTS HAVE GROWN

Let's begin with some recent history. Over the past 18 years machine tool imports have followed the ups and downs of the American business cycle, driven by the changes in machine tool backlogs and capturing an ever-larger share of our domestic market.

These are the dollars that are really being spent by American companies for machine tools made overseas. They are somewhat larger than the government's import figures because we have included such additional costs to the customer as freight, tariff, insurance, and dealers' commissions. By using our best conservative estimate of the actual value of imports, we obtain a more realistic comparison between imports and backlogs.

The way our imports respond to backlogs has changed and the change is alarming. Indeed, it casts a long shadow on the future of this industry.

In the 1960's imports were slow to respond to growing backlogs, lagging the upturn in backlogs by two years. Furthermore, when backlogs turned down in 1967, imports began falling only one year later. The problem seemed to be under control, and there was little cause for alarm throughout the American machine tool industry.

Then the entire character of the relationship between backlogs and imports changed. When backlogs rose in 1972 the increase in imports was simultaneous. Then, to make matters even worse, when our backlogs fell two years ago, imports did not fall. Their growth rate merely paused, re-accelerating after our backlogs rose last year. There is no doubt that our growing backlogs have had an effect on imports. But now, today, there are some other important factors at work.

WHY IMPORTS HAVE GROWN

Since the recent world-wide recession, the U.S. economy has been stronger, and growing faster, than the economies of Western Europe and Japan. Before 1972, these overseas economies were growing faster than ours. Consequently, world demand for machine tools was growing at a rapid rate, absorbing most of the capacity increases of the European and Japanese machine tool builders. Today, these foreign economies are suffering from growth rates that are both below ours and well below their own traditional growth rates.

Unemployment has become a specter in Europe and Japan. The English, Germans, and Japanese unemployment rates are 200 to 400 percent greater than their normal unemployment levels. Couple this with their severe, oil-induced, balance of payments problem and it is easy to see why European and Japanese manufacturers are under severe political pressure to export. The pressure built up slowly at first, but now it is exploding. And, because we are the largest potential market, the explosive charge is aimed at America.

So, there you have it! We are faced with an import invasion that is unparalleled in our history. Since 1971 imports have been soaring, taking an ever-increasing share of our domestic machine tool market.

IMPORTS' MARKET SHARE GROWING

During the first wave of imports, foreign machine tools increased their actual market share from 7½% in 1959 to 12% in 1967. Then, after holding steady throughout the backlog decline of the late 1960's, imports began chewing up a growing share of our domestic business. Today they have a firm grasp on more than 20% of the U.S. machine tool market.

Recently we have been hearing a great hue and cry about steel imports from Japan and how they have damaged a basic American industry by capturing 14 percent of the market. Let me tell you something: machine tools are a basic American industry, too, and imports have gobbled up more than 21 percent of our market.

The growth in the share of our machine tool markets held by imports has been staggering. Almost everyone has lost a big chunk of his domestic market to foreign competitors.

SOURCE OF IMPORTS

Now, let us see where the imports originate. West Germany and Japan are our major suppliers of imported machine tools. That probably does not surprise anyone.

The combined total U.S. sales by Great Britain, Switzerland, and Canada almost equal Japan's alone; while the sales of all of the other nations that export machine tools to the U.S. total about one-fourth of our imports.

TYPE OF MACHINE TOOLS IMPORTED

But, what kinds of machines are coming in? Lathes and metalforming machines dominated the import market last year. The relatively high dollar value of imports in the "Other Metalcutting" category emphasizes the recent dramatic growth in that segment of the U.S. market, while the fourth-place ranking of boring machines underscores the large share of this market that foreigners have captured.

Germany and Japan are the leading suppliers, and lathes and metalforming machines are the major imported products. And, when we looked at the detailed statistics, they showed that the Germans supply the metalforming machines, and the Japanese supply the lathes. Together they account for almost one-sixth of U.S. machine tool imports.

Now, we have often said that we welcome foreign competition so long as it is fair competition and so long as we are allowed to compete on an equal basis in the world market. But the question is: Have we been able to compete on an equal basis?

The answer is a ringing no!

TRADE BALANCE DECLINING PRECIPITOUSLY

As a result, our machine tool balance of trade surplus has declined from an average of 5-to-1 fifteen years ago to about 1-to-1 today, and that is an alarming decline—one that absolutely must be reversed. Furthermore,the metalcutting trade balance has already gone into the red. Just as it did in 1968. But, as I pointed out earlier, all indications are that it will get worse, much worse, before it gets better. And, if our industry's downward trend continues, the total industry surplus will almost disappear next year and, for the very first time in the history of the American machine tool industry, we will have a negative trade balance in 1979—perhaps as much as 25 percent.

Here's why that is possible. First, the prospects for a rapid increase in the economic growth rates of Europe and Japan, during the next two years, are slim indeed. Therefore, their governments will keep the export pressure on. Their governments will continue to refund Value Added Taxes; their governments will continue the direct subsidies; their governments will continue the export promotion subsidies; their governments will continue to finance the working capital needs of their exporters at preferential rates; their governments will continue to bail out bankrupt builders; and, their governments will continue the many other aids, both direct and indirect, which amount to subsidies for foreign industries.

In short, throughout foreign industry, what we might call predatory export policies will probably continue for at least the next two years. We will continue to see offers of free coolant, free cutting tools, free vacations to foreign lands, no down payment purchases, deferred payments without interest, and the other export gimmicks that are not practiced in the foreigners' home markets.

Therefore, we must do everything legally possible to challenge unfair imports, increase exports, and keep our trade balance in the black.

SOLUTIONS

As I have preached in these semi-annual sermons, there is plenty that we can do. For example, we can do what our foreign competitors do—give someone else an import problem by increasing our exports. After all, exports are one side of the balance of trade scale.

If we can get our exports back up to a level that is four or five times the value of our imports, then our industry will be significantly stronger, less affected by the gyrations of our domestic market, and threatened less by foreign competition. So, let's give our foreign competitors a dose of their own medicine.

Most important, however, we must compete strongly with imports by meeting the needs of our customers for prompt deliveries. If we are going to keep the imports down, we must keep backlogs down. In other words, backlog control. With accurate foresight, forecasting, and fortitude, we can anticipate changes in order rates and be prepared to respond quickly with prompt deliveries. We must plan for future changes in the demand for our products, and then have the fortitude to act upon that plan.

Those of you who attended the NMTBA Forecasting Conference three weeks ago already have an advantage over those that stayed at home. If you missed the Forecasting Conference, I hope that todays' discussion of the dimensions of the import threat will encourage more of you to become more involved in learning to forecast your orders.

Another strategy for competing with imports is outstanding service. One place where our industry can excel is in the backup and service we are able to provide our domestic customers. We should make certain that we provide complete support for our customers' needs so that, after a machine is put in place, it provides all of the savings and productivity increases our customers expect.

Again, NMTBA is ready to help. Our Service Management Workshops and Serviceman Training Programs are designed to help you understand your customers' needs. In addition, NMTBA's Sales Training and Sales Management Seminars tackle the subject from a sales perspective so that every member of your staff who deals with your customers will be aware of the importance of outstanding service and its value in competing with foreign competition.

Those are the things that we as machine tool builders can do to maintain our balance of trade in an atmosphere of free trade. And, if trade is truly free, the American machine tool industry can compete and regain its position in the world market.

UNFAIR TRADE PROBLEM

The American machine tool industry has been an outspoken advocate of free trade. We have steadfastly supported the principle of free and fair competition among the machine tool builders of the world. And, we still firmly believe in free trade. But, free trade is not our problem. Our problem is unfair trade. We must find a way to combat the apparently illegal and predatory practices of foreign builders and their governments.

Frankly, I am afraid that too many of our American customers will be lured by the siren-song of apparent bargains from exotic lands only to find later that performance, parts, and preferential prices have faded away. We must convince our customers that a machine tool purchase is an investment for the future and, hence, the behavior of the machine tool supplier is an important justification factor.

EXAMPLES

How can a sophisticated Japanese machine tool company, one that is known throughout the world, continue to sell a machine in the U.S. for $390,000 that it sells in Canada for $750,000? They are either shafting the Canadians—or they are dumping on us!

Here are some more examples of Japan's ostensibly predatory practices. 15 horsepower, 20- to 24-inch, CNC lathes with 2 turrets and a tailstock, are marketed in America by U.S. builders for $110,000 to $125,000. To get a foothold in our market, one Japanese company is selling a similar machine for only $65,000.

That's startling, but listen to this. After paying large dealer commissions, freight, tariffs, and insurance, that Japanese company must be netting less than $50,000 for its lathe. And, that net sale price is less than the value of the purchased materials and components alone in the equivalent U.S. machine tool.

Here are more examples. A small CNC or microprocessor controlled, 10 horsepower, vertical mill is sold by U.S. builders for about $130,000. The Japanese machines are selling in the U.S. for $65,000 to $75,000.

At the 1977 SME Show, a Japanese company offered a 15-tool, 7½ or 10 horsepower machining center, with a table travel of 20 inches by 40 inches, for just under $65,000. The U.S. machines sell for between $100,000 and $120,000.

There is a strong odor here, and the scent has been around for some time. But, now it is getting more pungent and more unpleasant. It smells like dumping, and you may be assured that NMTBA will follow the scent until it is clearly identified and neutralized.

NMTBA has already requested evidence of the alleged dumping practices of our foreign competitors. We sent you a bulletin outlining the facts and evidence that are necessary to bring a dumping action, and you are already responding. If the facts show that the Japanese, or any other foreign builders, are dumping their machines in America, then we must spend whatever resources necessary to take the legal steps to bring it to a halt.

NEEDED CHANGE IN GOVERNMENT ATTITUDES

But, the machine tool industry can't do it alone. There must be a change in our own government's attitudes toward international trade. What is really needed to counter the immediate threat is vigorous and sympathetic application of the existing laws and regulations that govern international trade in America.

Why is it that one phone call from a disgruntled employee will bring an OSHA or EEO affirmative action inspector to your plant? But, when an American industry is being damaged by unfair international trade practices and thousands of people are thrown out of work, tens of thousands of dollars often have to be spent to absolutely prove the unfair practice before the agencies of the United States Government will even consider looking into the matter.

The law does not require documented proof from an injured industry, it only requires reasonable information. It's the officials who have promulgated the practices that make an anti-dumping action so difficult. We must change that and get new regulations that defend Americans with the vigor of OSHA or the EEO.

If these officials who are responsible for enforcing the laws governing imports would enforce them vigorously, then fair trade and free trade would be synonymous.

But, it won't happen without prodding from American industry. If we are to change the attitudes of the officials, we must educate them. NMTBA will be continuing its vigorous programs of contacts with key people in all of the federal agencies and departments that affect our foreign trade. We will be showing them the facts of the situation, and impressing them with the benefits of free trade and the damage that unfair imports have done to our industry.

But we need your help, too! You must talk with your Congressmen and Senators. Show them how unfair imports and restrictive export regulations have hurt your company and eliminated jobs for Americans. Tell them about the Commerce and Defense Department's unfair application of the COCOM regulations. Tell them about your export financing problem and how the Export-Import Bank can be helpful. Tell them about the advantages of DISC and its favorable effect upon your company's exports. Tell them what I've told you today.

Then, ask them to investigate. Ask them to ask the officials what they are doing to stop the unfair trade practices that will be sending shock waves throughout the U.S. economy if action is too long delayed.

CONCLUSIONS

In short, you must help us do everything legally possible to stop the unfair and predatory export practices that are hurting our industry.

In closing, I want to say—Enough is Enough!

The foreign machine tool industries have been sheltered too long. They are mature enough to compete on a fair and equal basis, and we should no longer tolerate unfair competition in the United States.

And so, I am asking you again to assemble the facts, gather all of the information you have about what you consider to be a dumping practice or an illegal subsidy, and, I promise you, it will be administered—like a sacrament.

INFLATION CAN WRECK INVESTMENT BENEFITS

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. McDONALD. Mr. Speaker, Prof. James L. Green, of the University of Georgia, wrote a graphic column in the Sunday Journal and Constitution of October 2, 1977, on the ravages of inflation. Professor Green, who is a professor of economics, pointed out how the twin devils of high inflation and high taxes have created a disincentive for people to save or invest in the stock market. The progressive income tax, plus growing Federal deficits, have insured that even though you might have doubled your income since 1955, you are in fact worse off in purchasing power. I commend this column to the attention of my colleagues:

[From the Atlanta Journal and Constitution, Oct. 2, 1977]

INFLATION CAN WRECK INVESTMENT BENEFITS

(By James L. Green)

A prerequisite of the work ethic, the willingness to save and the incentive to invest is an assurance that the individual can retain and benefit from the income he produces. If the earnings from his labor or his capital ownership are regularly taken from him by robbers, the tax collectors or by inflation, the individual's incentive is deadened. His work attitude suffers. He simply stops investing.

Since 1970, particularly, individual investors have abandoned the stock market. There is simply no income security in an economy ravished by historically high rates of inflation and a rising tax burden.

Time was, in the 1950s, before taxes soared and inflation mounted, that a typical American household could save $1,000 a year and did so because the incentive was there. Over a 45-year work life this amount of savings, with compound interest at 6 per cent, would accumulate to a hefty $230,000. When you reached retirement, this amount of principal, at 6 per cent, would provide you an annual income of $13,800 without ever touching your principal.

When inflation rose to 6 per cent in the late 60s and continued at that rate and higher in the 70s it canceled out the 6 per cent return on your savings. Now each $1,000 saved returns only $1,000 in relative effective purchasing power. Projected over a 45-year worklife an individual saving $1,000 per year would accumulate only $45,000 in effective, real purchasing power.

Upon retirement this $45,000 of accumulated principal at 6 per cent, would provide an income of $225 per month or $2,70C annually. This represents a loss to inflation of $11,100 annually at the time of retirement. This also represents a confiscation of some $185,000 of your purchasing power by inflation.

When inflation rises above the 6 per cent obtainable from putting savings on deposit at your neighborhood savings institution or from government or top-rated industrial bonds the process of capital confiscation becomes more distressing.

Inflation cuts the individual loose from any bedrock economic base. Inflation destroys his ability to provide an adequate income for retirement. Inflation confiscates his accumulated capital, decimates his insurance protection and dilutes his income security. The only gainer is the tax collector.

As a reference point, assume your family of four had earned $15,000 in 1955. Your tax payment on this income was $1,540. Now, let's

assume further that your income kept exact pace with the rising rate of inflation through 1976. You would have an annual income of $32,900. This would give you the same real purchasing power you had in 1955. There is, however, one significant difference.

During the ensuing 21 years your income tax obligation due the IRS rose to $6,609. As your dollar income rose you moved into progressively higher marginal tax brackets. Your after-tax effective purchasing power in 1976 was 11 per cent below the spending power you had in 1955. The tax collector gained, you lost.

The federal debt has doubled in the last ten years. Massive deficits are now the name of the game. This fiscal year's deficit is projected at $61.4 billion. Total federal debt and contractual obligations exceed $7 trillion. Of this your individual share is over $150,000. In order to pay this mounting debt, inflation will continue to confiscate savings and the tax bite will rise further.

The arithmetic is easy. But think about it.

AMTRAK

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. VENTO. Mr. Speaker, when the conference committee agreed to give Amtrak an $8 million supplemental appropriation on November 3, the issue did not come to an end. While some of the proposed service cutbacks were rescinded, others, such as the cutback in frequency on the Chicago-Seattle run, will continue and more cutbacks seem imminent.

The actions surrounding Amtrak's decision has raised many serious questions, questions that deserve our close scrutiny and that are integrally tied to the future of national rail passenger service.

Mr. Speaker, the Members of this Congress, in cooperation with the executive and the general public, must determine what is to be the future of Amtrak. We must decide whether we are to expand or contract our Nation's passenger rail services, who will be responsible for those decisions, and what criteria will be used. We must formulate the role that railroads are to play in our Nation's energy conservation program and we must be willing to make all the necessary commitments to insure that our decisions are brought to fruition.

In order for us to study this matter and to make sound decisions, we need the full cooperation of Amtrak officials and an openness in their responses. Unfortunately Mr. Speaker, based on my correspondence with Amtrak during the past 3 months, I have serious doubts that we will receive the cooperation and openness so necessary for our success.

One of the first routes that Amtrak decided to cut back service on was the Chicago-Seattle route via St. Paul-Minneapolis. Since many of the employees of Amtrak live within the Twin Cities area and since the city of St. Paul is committed to building a new and much needed passenger rail facility, one would assume that Amtrak would contact the Congressmen of the affected districts. However, to the best of my knowledge, none of my colleagues ever received any notification from Amtrak of the impending cutbacks. It was only through the efforts of one of my constituents that I learned of the proposal.

In an effort to gain some insight into the criteria and processes for Amtrak's decisions, I and the rest of the Minnesota delegation sent a letter to Amtrak asking questions on ridership levels, possible impacts of the proposal, future plans, and provisions for public input into this decision.

The basic purpose behind our letter was to begin a dialog with Amtrak, a conversation that would be open and informed and that would result in the best possible decision for all concerned parties; even if this decision was to be a cutback in service. However, for any dialog to occur, two parties must be willing to discuss the issue. The reply that we received from Amtrak was so vague, general and at times nearly belligerent that it was impossible for us to pursue this matter in an informed manner. Amtrak stated that this cutback would result in a savings of $7.5 million and that there would be no negative impacts by this action. However, other than these statements of fact, Amtrak did not provide us with any documentary materials and did not even bother to explain how they reached their conclusions or decisions. In response to the question as to what input the public had in this decision, Amtrak replied:

> No public hearings were held because Amtrak is not required to hold public hearings on frequency reductions.

Assuming that the original delegation letter had been misinterpreted or improperly answered, I sent a second letter to Amtrak and reiterated and expanded upon my questions. I was still seeking to gain some explanation of the decisionmaking process of Amtrak, a process which Amtrak officials give the impression has some mystical connotations that are above the grasp of a Congressman.

In response to this letter, I received a form letter from Amtrak regarding their request for a supplemental appropriation of $56.5 million. I am certain that many of my colleagues received this letter and are familiar with the request of Amtrak and their mention of the results of any delay in action. While I do not object to the fact that I received a form letter, I would have appreciated some effort to respond to my questions. For if I was to make any decisions on this request it would be based on documented facts and not vague generalities.

Only after I had written a strongly worded letter to Amtrak, questioning their practice of responding to congressional inquiries with generalized promises of renewed services and further vague threats of cutbacks, did I receive a response from Amtrak that addressed my concerns. Unfortunately, Amtrak once again replied to my questions by stating "facts" without providing me with any documentary materials. The only change in their approach was that public hearings were dismissed as too costly or as Amtrak stated:

> The time delay caused by public hearings would mean that, to save the same amount of money, we would have to end up cutting even more service.

I am grateful that not all of our Federal agencies dismiss public input as readily as Amtrak. I would rather see a few more dollars spent to insure reasonable public participation than to have it ignored or dismissed.

That, Mr. Speaker, is the status of my communications with Amtrak. A correspondence that has been marked by a distortion of public participation in the decisionmaking process and be a refusal to respond to my questions with substantive answers. However, Mr. Speaker, I am apparently blessed. Many of my colleagues have also written to Amtrak and are still waiting for some type of reply.

Mr. Speaker, when this Congress does review our program of national passenger rail service and Amtrak's future, there are some questions which Amtrak should be asked. These questions do not concern the relative profitability of certain specific routes nor the energy savings that can be accomplished by a strong rail service but I feel that they are as crucial to any final decision that we may make. I believe that we must ask Amtrak whether it considers itself as a public service organization and if so, what role does it believe that the public, the users of the service, should have, and what sort of information should we, their elected representatives, receive on Amtrak services. If Amtrak replies by word or by action that the public deserves no input and that Congress should receive only the most general and self-serving types of information, then I believe that we should seriously reexamine our commitment to Amtrak.

AN EDUCATOR'S OPINIONS ON THE EDUCATIONAL BUREAUCRACY

HON. JAMES R. JONES

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. JONES of Oklahoma. Mr. Speaker, I want to take this opportunity to share with my colleagues the insightful views of Donna Cobb, president of the Oklahoma Education Association, concerning the relationship between the educational bureaucracy and the educational process.

Ms. Cobb's comments, based on her own experiences and those of other Oklahoma educators, are constructive and thoughtful. Provided within this statement are recommendations for reform which I feel should be carefully considered as we consider President Carter's proposal for a Department of Education and other reform measures designed to make the education bureaucracy more responsive, efficient, and effective.

The article follows:

STATEMENT OF DONNA COBB

Initially, we appreciate the fact that these regional hearings are being conducted. Vice President Mondale's direction that HEW hold

hearings to seek teacher opinion was announced by him when he spoke to the 7,500 Delegates attending the annual Assembly of the National Education Association last July.

Teachers have screamed, then cried in vain for many years that no one gives a damn what they think could be done to improve educational opportunity for children. This, then, is possibly a refreshing opportunity . . . time will tell.

Before departing from these introductory remarks, permit one further observation. We strongly support federal participation in the funding of education and indeed wish it reached the level of one-third of the overall cost. The Congress is as aware as we are that an overwhelming majority of voters across the nation support federal educational spending. We also support the Congressional enactments which abated discrimatory practices employed against racial groups and men and women, either student or professional.

On the other hand, the general public is not aware that bureaucratic feather-bedding, bungling, incompetence, insensitivity to children and flagrant disregard of constructive use of teacher time is the rule, not the exception, when a teacher, school administrator or school system deals with federal agencies charged with responsibility to implement enacted educational laws.

Without question, there was a day when State Department of Education knowingly countenanced discriminatory treatment of students. We are ashamed that timid public officials placed their personal political survival ahead of duty to assure equal educational opportunity. Oklahomans, both through state and federal taxation, now pay for that political folly in increased welfare and prison costs. The day of political tolerance for discriminatory treatment of students has passed. Frankly, we earnestly wish and so advise our Congressional Delegation, that the legions of bureaucrats who stand between a desirable Federal Law and a teacher in the classroom no longer benefit students, and that indeed, it so distracts from time and energy which teachers desire to spend working with students, we more often describe federal funding as destructive rather than constructive.

We are buried under the forms bureaucrats demand; teacher creativity is stifled by the regulations you adopt; we are absolutely astonished by the incredible lack of understanding that prompts bureaucratic demands to "drastically alter major school priorities and training experiences 'today' between midnight and 6 a.m."

It is fair as well as accurate to summarize by saying, "the hope" teachers feel when a new educational funding law is enacted, turns to "hopelessness" in your hands.

The legions of paper shufflers, do gooders, and all-knowing university professorial types who inhabit your countless offices and buildings, although once necessary, are no longer an asset or even an aid to educational improvement and student progress.

Independently organized teachers, not beholden to any other skill trade or professional group and with sufficient political astuteness are not about to let educational opportunity lapse back to the days of yore, in your absence.

In short, we used to love you but we no longer do.

We recommend:

1. That the Congress recognize that an originally responsible intent has been diverted;

2. That the President take steps immediately to reduce by at least one-half the executive agency staff which administers, regulates and develops educational guidelines;

3. That the accounting staff of the Department of Education remain; we suspect but at this point cannot prove massive dollar waste from this ineptness;

4. The creation of a separate Cabinet Level Department of Education, free from the political string pulling which the current massive structure shields;

5. An extension of trust to State Department of Education for deployment of education dollars within a state based on federal law but free from federal bureaucratic bumbling.

The Oklahoma Education Association, representing approximately 29,000 of Oklahoma's 33,000 teachers, today, and for tomorrow, believes involved educators in our state can better determine priorities and can better serve every child's learning potential in this manner.

RENEGOTIATION REFORM ACT

HON. JOSEPH G. MINISH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. MINISH. Mr. Speaker, enactment of H.R. 5959, Renegotiation Reform Act, is vital in the second session of this Congress if we are to prevent defense contractors from pocketing excessive profits at the expense of the American taxpayer.

As my colleagues in the House are aware, defense contractors and their allies have mounted a high-pressure lobbying effort to defeat this much-needed reform. They allege that renegotiation is a process designed for wartime use, unnecessary in peacetime. This allegation simply is not true. The military procurement budget in dollar figures was higher for fiscal year 1976 than it was for any of the Vietnam war years. Because of our high volume of military spending, the economic justification for renegotiation exist in peacetime as well as wartime. Since the great majority of defense contracts are not awarded on a truly competitive-bid basis—in 1976, 57 percent were awarded to sole sources—there is little market pressure to keep prices and profits at a reasonable level.

My bill and a companion measure introduced by Senator PROXMIRE on the Senate side would extend the life and authority of the Renegotiation Board to 1982 and close most of the loopholes in the present statute. The major intent of these amendments is to shift the emphasis of renegotiation to the large corporations who do most of the defense business. In the past, the law has focused on the smaller companies in the defense industry. H.R. 5959 helps these smaller businesses by requiring renegotiation by division and major product line and by exempting from scrutiny all companies who do less than $5 million worth of renegotiable business. The legislation also eliminates a number of unjustifiable exemptions in the present law and requires audits of the financial statements submitted to the Renegotiation Board by defense contractors.

As I have stated, this legislation has been violently opposed by the defense industry through its lobbyists and some misinformed Members of Congress. Although my bill was favorably reported by the House Banking Committee and given a rule, its Senate companion has not been as successful thus far. The opponents of a fair system of renegotiation succeeded in passing a bill in the Senate Banking Committee which would wipe out the Board. The intent of the Senate bill is to remove any independent check on the excessive profits which accrue to the defense contractors. Ironically, however, the defense industry representatives who lobbied so hard against renegotiation with the help of Members of Congress who have no regard for the public interest have managed to saddle themselves with a much tougher law limiting their profits.

When the authority of the Renegotiation Board to take new cases expired in September 1976, another law, the Vinson-Trammell Act, came into effect. Enacted in 1934, in response to the blatant profiteering which took place during World War I, Vinson-Trammell puts flat limits on profits of 10 percent on contracts for naval vessels and 12 percent on contracts for aircraft. The profit limitations are imposed on a contract-by-contract basis, thus allowing no offsetting among high and low profits. Vinson-Trammell has been on the books since 1934, but was superseded by the Renegotiation Act, and, therefore, has not been in effect since the late 1940's. However, when the authority of the Renegotiation Board to take new cases expired, Vinson-Trammell automatically came back into effect.

Renegotiation, especially as amended by H.R. 5959, would give a fair shake to both the defense industry and the taxpayers. However, in the interim before final passage, Vinson-Trammell is the only thing that stands between the defense corporations and the taxpayers' wallets. Clearly there must be some check on the money spent for our legitimate defense needs and the only means left to us at this point is Vinson-Trammell.

For this reason, I am calling upon the Treasury Department to make sure that Vinson-Trammell is administered fairly and vigorously. As chairman of the subcommittee which has jurisdiction over profit limitations, I intend to maintain strict scrutiny over its implementation.

It is unfortunate that we have not yet enacted a statute that reflects the reforms proposed by H.R. 5959, but the taxpayers have to be protected. When they decided to oppose renegotiation, the defense contractors figuratively jumped out of one of their own planes at 30,000 feet without parachutes. I wish them well on the way down.

WIRING FIRE HAZARD TO HOMES

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. DOWNEY. Mr. Speaker, the consumer product safety commission recently filed suit in an attempt to publish 500,000 booklets warning consumers of

the potential danger of aluminum wiring to 1½ million homeowners in New York, California, Texas, and Maryland whose houses were built between 1964 and 1971.

A major manufacturer of aluminum wiring has blocked the commission from issuing the warning booklet by legal action so I ask permission to insert the CPSC's material in the RECORD so that consumers can put this critical material to good use.

The article follows:

WIRING FIRE HAZARD TO HOMES

HAZARDS OF ALUMINUM WIRE SYSTEMS

A fire hazard may exist in your home if it is wired with 15–20 AMP. aluminum wire. On April 28, 1974, two members of a family died when their home in Hampton Bays, New York burned. Local fire officials determined that a faulty aluminum wire system caused the fire. Since this tragic incident, government officials have investigated numerous complaints from homeowners throughout the nation whose houses have aluminum wire electrical systems. Many of these complaints involved electrical outlets burning, smoking, or glowing. Investigation by the government in one county showed that a large percentage of homes using aluminum wire systems have outlets with dangerously high temperatures. As a result of these investigations the Consumer Product Safety Commission, an agency of the U.S. Government, has filed an action requesting that aluminum wire electrical systems used in homes be declared imminently hazardous consumer products.

THE PROBLEM WITH ALUMINUM WIRE SYSTEMS

Dangerous overheating may occur where aluminum wire connects to outlets or switches. This can happen on normal household circuits of 15 and 20 amperes and may make switches or outlets glow or smoke. When this happens, fire is a possibility. House wiring to appliances such as dishwashers, room air conditioners, and refrigerators may also share the same problem.

IF YOUR HOME OR APARTMENT HAS A 15 AND 20 AMP. ALUMINUM WIRE SYSTEM THERE MAY BE A FIRE HAZARD

Signs of trouble are:

Cover plates on switches and outlets which are warm or hot to the touch.

Smoke coming from outlets or switches.

Sparks or arcing at switches and outlets.

Strange odors, especially the smell of burning plastic, in the area of outlets or switches.

Lights which flicker periodically (in some cases, faulty appliances or other unrelated causes may result in lights flickering).

Outlets, lights, or entire circuits which fail to work.

* * * fire may still be present. It can even occur at an outlet which has nothing plugged into it. This happens because some electrical circuits can pass current through several outlets and junctions to an outlet at the far end of the circuit. When an appliance plugged into that outlet is turned on, the current passing through each of the outlets on the same line may cause one of those to overheat. In addition, even if you have lived in your house for several years and have had no trouble with your wiring, a fire hazard may later arise. This happens because the condition which causes aluminum wire to become dangerous can take a long time to develop.

WHAT HOMES ARE IN DANGER

If your home or apartment was built before 1965, there is little chance that aluminum wire is present.

Property built between 1965 and 1973 or any additions to homes made during that time may very well have aluminum wire. One estimate shows that up to two million homes may be involved.

If you added or replaced wiring in your home between 1965 and 1973, aluminum wire may have been used.

In 1972, manufacturers altered both aluminum wire and switches and outlets to make aluminum electrical systems safer. If your house was built after 1972, this does not mean that the system in your home has the newer equipment, since the sale of the old types of wire, outlets, and switches continued after 1972.

SIMPLE WAY TO CHECK YOUR HOME FOR ALUMINUM WIRE

If you think that your home may have aluminum wire, you should follow these steps:

Do not remove cover plates on switches or outlets.

Do not try to check the wiring in electrical panels or boxes.

Do not try to check the wiring on your appliances.

YOU MAY RECEIVE A DANGEROUS CR EVEN FATAL SHOCK

If there are areas in the basement, attic or garage where the wiring is open to view, check to see if the letters AL or the word ALUMINUM is printed or stamped every few feet on the outside jacket of the wire insulation.

If neither of these is used, the wire is probably not aluminum.

Since some houses are partly wired with aluminum and partly with copper wire, be alert for signs of trouble described above, even if you do not find either marking.

If no wiring is visible, call the electrical contractor who wired your home, and ask him if the wiring is aluminum.

The builder of your home may be able to supply the name of the contractor.

You can also find out if you have aluminum wiring by having a qualified electrician come to your home to make a visual inspection.

If you live in an apartment, ask the resident manager or maintenance man if the unit has aluminum wire.

WHAT TO DO IF YOU HAVE ALUMINUM WIRING AND SEE ANY TROUBLE SIGNS

Call an electrician. If your home has aluminum wire, you should have a qualified electrician check and repair the wiring. This is especially important since skill and proper tools are needed to hook up aluminum wire correctly and to tighten terminal screws to the right torque. If these repairs are not done properly, the hazard of fire may still remain. Please give the electrician this booklet when he arrives. The last three pages contain step-by-step instructions for professional use showing how to repair an aluminum wire system.

Do not try to make repairs yourself.

Do not try to inspect or adjust the wiring in switches and outlets or to make any electrical repairs.

You could receive a serious or fatal electric shock.

You could void the fire insurance on your home. Instead, seek an electrician's help.

WHAT THE ELECTRICIAN CAN DO

The electrician may have to replace switches and outlets with new ones specially designed for use with aluminum wire. These are known as CO/ALR devices.

The electrician may have to "pigtail" or splice a piece of copper wire to the aluminum wire with a special connector, and then connect the copper wire to a switch, outlet, or appliance.

In all cases, the electrician should check and, where necessary, tighten all terminal screws in the service panel.

The electrician should also check all light fixtures, permanently wired appliances (such as dishwashers, garbage disposals, furnace blowers), and junctions on household circuits where 15 and 20 AMP aluminum wire is attached.

WHAT YOU CAN DO YOURSELF

If a circuit or outlet shows signs of a problem:

Turn off the power to that circuit at the circuit breaker or fuse box in your home. To do this, turn the circuit breaker switch to "off" as shown on the next page. If you have a fuse box instead of a circuit breaker, unscrewing the fuse turns off the electricity in the circuit controlled by the fuse.

Make sure that you have turned off the electricity in an outlet. To do this, plug in a lamp which you are sure is working properly and turn it on. If the lamp goes on, the wrong circuit breaker was probably shut off or the wrong fuse removed. Go back to the service box and switch on the circuit breaker that was turned off or replace the fuse that you removed. Turn off the power in another circuit by removing another fuse or switching off another circuit breaker. When the lamp goes off, the power in that circuit is also off.

All homes especially these with aluminum wire systems, should have smoke detectors and fire extinguishers. Make sure you have an extinguisher designed for use against electrical fires handy. Dry chemical or carbon dioxide extinguishers can be used for this purpose.

Move any furniture or fabric which might burn (beds, sofas, curtains) away from outlets. Never store any flammable products like gasoline, charcoal lighter, or cleaning fluids near these areas.

WHAT IS BEING DONE TO ELIMINATE THE FIRE HAZARD IN ALUMINUM WIRE SYSTEMS

The government is continuing to study the hazards of aluminum wire systems and ways for making such systems safe. One method under study employs a special connector used in aircraft wiring. Until the skill and tools needed for this method become available to residential electricians, the repair program suggested in this booklet should be followed.

Aluminum wiring. Recommendations for electricians—not for use by persons without electrical training.

Reminder: Turn off electrical power in the circuit being serviced to avoid serious or fatal shock.

Never used unmarked devices or old stock devices marked AL/CU.

Never use "push-in" connections or other "quick-wiring" or "back-wiring" techniques with aluminum wire.

Connect aluminum wire only to wrap-around wire binding terminal screws on receptacles and switches marked CO/AIR.

For a CO/AIR device to be effective, it must be installed correctly following the directions below:

Remove the wire insulation to obtain a fresh surface of wire without nicking the wire.

Wrap the wire the proper distance and direction around the terminal screw.

Use the proper torque to tighten the terminal screw.

Reposition the wires within the outlet box to avoid loosening the new terminal connections.

FOLLOW THESE DIRECTIONS TO CONNECT ALUMINUM WIRE TO CO/ALR DEVICES

A. Connect aluminum wire only to binding screw terminals on switches and outlets marked CO/ALR. A CO/ALR device may also be used with copper or copper clad wire.

B. Always strip the wire far enough back so that it can be wrapped at least ¾ of the way around a terminal screw. Do not strip the wire so far that it can overlap when wrapped around the terminal screw.

C. When stripping, be careful not to nick the wire. Use the right size stripping tool to avoid nicks.

D. Wrap the stripped, unnicked end of the wire ⅔ to ¾ of the distance around a termi-

nal screw. Wrap the wire clockwise and do not let the end overlap.

E. If you use a screw driver that gives torque readings, tighten the terminal screw to 12 inch pounds.

F. If you do not use a torque reading screw driver,

(a) tighten the screw until the wire is snugly in contact (1) with the bottom of the screwhead and (2) with the contact plate on the CO/ALR wiring device.

(b) to make firm contact, tighten the screw an additional ½ turn to flatten the wire between the screwhead and contact plate.

G. Position the wires behind the wiring device to prevent the problem of terminal screws loosening when the CO/ALR device is fitted into the outlet box.

NOTE.—Although not universally recommended, some jurisdictions require that a method called "pigtailing" be used to repair aluminum wire connections. Pigtailing involves connecting a short piece of insulated copper wire with a special connector between the aluminum wire and the contact screws of a switch or outlet. Check your local electrical code to determine whether "pigtailing" is required.

SCORE VOLUNTEERS CAN HELP MANAGE HOME HEALTH CARE

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. PEPPER. Mr. Speaker, I am today reintroducing legislation I had offered previously in the 84th Congress to amend the Domestic Volunteer Service Act of 1973 to provide that volunteers serving in the Service Corps of Retired Executives may provide services to certain home health organizations. This greater Federal support of health-related services in the homes of medicare patients would allow many elderly persons to remain in their own homes, rather than being institutionalized in hospitals or nursing homes.

The Domestic Volunteer Service Act of 1973 authorized SCORE, the volunteer corps of retired business professionals organized under the Small Business Administration, to extend its free counseling services to struggling business enterprises. My bill will not alter the broad intent of SCORE's statute nor will it vest any special duties or responsibilities with agency administrators. It is, however, my intention that the areas of home health care and health maintenance be singled out as areas of importance in fulfilling our national commitment to provide at least a minimum package of health services to medicare recipients. To achieve the goal of a national system of integrated health services easily accessible to all, we will need the types of management consultant expertise that SCORE is uniquely suited to provide.

Conceived in 1964 as a nonprofit, tax-exempt, and politically nonaligned agency, SCORE is comprised of some 5,500 volunteer executives embodying a wider range of specialized business knowledge. Together with its companion agency ACE—Active Corps of Executives—which consists of 2,500 actively engaged business persons, nearly 250,000 needy business operations have received consultation services. An agency of national scope, SCORE maintains ongoing operations in 50 States and offers an invaluable perspective rich in experience for the struggling and the growing business. Whether it be a stagnating enterprise, a firm experiencing growing pains or simply a newcomer with an "idea," SCORE's team of veteran practitioners is ready to pitch in and help.

It is in the spirit of cooperation and with the recognition that a special outreach by these dedicated executives would go a long way toward advancing home health services nationwide, that I introduce this legislation.

I include at this point the text of the bill:

H.R. 10088

A bill to amend the Domestic Volunteer Service Act of 1973 to provide that volunteers serving in the Service Corps of Retired Executives may provide services to certain home health agencies

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title III of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5031 et seq.) is amended by adding at the end thereof the following new section:

"HOME HEALTH SERVICES

"SEC. 303. (a) Any volunteer in the Service Corps of Retired Executives may provide assistance to any home health agency which provides home health services.

"(b) For purposes of this section—

"(1) the term 'home health services' has the meaning given it by section 1861(m) of the Social Security Act (42 U.S.C. 1395x(m)); and

"(2) the term 'home health agency' means any private nonprofit agency or organization which—

"(A) is primarily engaged in providing skilled nursing services and other therapeutic services;

"(B) has policies, established by a group of professional personnel (associated with the agency or organization), including one or more physicians and one or more registered professional nurses, to govern the services (referred to in subparagraph (A)) which it provides, and provides for supervision of such services by a physician or registered professional nurse;

"(C) maintains clinical records on all patients;

"(D) in the case of an agency or organization in any State in which State or applicable local law provides for the licensing of agencies or organizations of this nature (i) is licensed pursuant to such law; or (ii) is approved, by the agency of such State or locality responsible for licensing agencies or organizations of this nature, as meeting the standards established for such licensing; and

"(E) meets such other conditions of participation as the Director may find necessary in the interest of the health and safety of individuals who are furnished services by such agency or organization.".

ANDREW YOUNG AT THE U.N.—A NEW KIND OF U.S. DIPLOMAT

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. WOLFF. Mr. Speaker, my new and added responsibilities as a U.S. Ambassador to the United Nations has reached almost the half-way point of what is a 3-month tour of duty. During that time my experience there has been simultaneously satisfying, informative, and, at times, frustrating. But one of the most consistently rewarding aspects of my activities at the U.N. has been the opportunity to work hand-in-hand on a daily basis with our former colleague and now chief of the U.S.U.N. mission, the Honorable Andrew Young.

In a variety of ways the chance to see Andy Young in action convinces me that he has met this challenging diplomatic assignment with distinction. That fact was ably reflected in Milton Benjamin's recent Washington Post profile on Mr. Young. Because it presents a fair, balanced and accurate picture of Andy Young's style and substance, I am pleased to recommend it to the reading of my colleagues and insert it into the CONGRESSIONAL RECORD:

[From the Washington Post, Nov. 6, 1977]

YOUNG: A NEW KIND OF U.S. DIPLOMAT

(By Milton R. Benjamin)

UNITED NATIONS, Nov. 5.—Late one night, the dignified, white-haired ambassador from Mauritius, Radha Krishna Ramphul, found himself down on his hands and knees, crawling about the floor of U.S. Ambassador Andrew Young's apartment.

"We were playing cowboys on the carpet," Ramphul recalls with a chuckle. "Andy's son kept shooting me." Later that night over white wine, however, the two United Nations envoys talked about serious things as well. "This kind of informal exchange," declares Ramphul, "can be very important."

Stories like this abound at the United Nations these days, where Andrew Young is radically changing the world's concept of a U.S. ambassador.

Even those celebrated early remarks that led some Americans to wonder how long his old friend Jimmy Carter would put up with him—the off-the-cuff comments about the Cubans being a stabilizing force in Africa, and the British and Swedes being racists—appear to have contributed to Young's success.

"Some have questioned his style. Some have said he was being too frank at times—that he was not being 'diplomatic,' " observes Tanzania Ambassador Salim A. Salim. "But I think he has brought a very refreshing type of approach."

"American ambassadors always had this kind of loftiness which the small nations of the Third World used to resent," adds Dramane Ouattara, ambassador of the Organization of African Unity. "They had the type of patronizing attitude that was characteristic of Patrick Moynihan, or the kind of Buddhistic coldness characteristic of John Scali."

Young's personality reflects a dramatic change that has taken place in the past year in Washington's policy toward the United Nations.

Where the Nixon and Ford Administrations tended to view the U.N. as essentially a forum for waging propaganda warfare with the Third World, the Carter Administration has opted to work with the nations that make up a majority of the world body.

The appointment of Young to the U.N. post symbolized this new approach.

"Everyone sees Andrew Young as the perfect antonym of Patrick Moynihan," says Ambassador Mahmoud Mestiri of Tunisia.

"The personal touch—the way he has gone out of his way to be friends, to have a personal relationship with the African, Latin American, Eastern European diplomats—has interested everybody," says Ambassador Leslie O. Harriman of Nigeria. "I can assure you now that the United States has more friends all over the world than ever before."

That is not to say that Andrew Young gets uniformly high marks for his first 10 months in diplomacy. His casual, some say "happy-go-lucky," style may appeal to much of the Third World, but it grates on the nerves of career envoys of America's more protocol-conscious European allies.

Third World delegations—where Young has scored his most impressive gains—also find plenty to criticize in his performance.

"At the beginning particularly, a lot of us felt that he tended to go too much for personal publicity," says Nigeria's Harriman. "Also, he talked from the top of his head."

"A lot of us see him as a one-issue man—Africa," observes the envoy of a major, Middle Eastern country. "Many of us have been struck by his ignorance of such problems as disarmament, and the North-South dialogue."

Even Africans express exasperation over Young's "preconceived ideas" about their continent, and are particularly distressed by his constant references to his days in America's civil rights movement.

"I have told him on a number of occasions, you cannot compare the experiences of the civil rights movement in Atlanta with the experiences in South Africa," sighs Tanzania's Ambassador Salim.

But most of Young's critics concede, that his performance has been improving across the board in recent months.

"Obviously, he's learning," says Nigeria's Harriman. "I notice that these days, he's more careful about his pronouncements. He reads his statements carefully.

"I think he is doing his homework," says Tanzania's Salim. "He knows what he's talking about. He's not talking nonsense."

Beyond that, Third World ambassadors keep coming back to the matter of style. Andy Young, they say repeatedly, is not an "ivory tower" ambassador. Whatever his other pluses or minuses, Young has courted tiny countries that never had so much as a nod in the hallway from a U.S. envoy before—and it clearly matters.

Within hours of being sworn in as U.N. ambassador, in fact, Young was on his way to the Organization of African Unity's office in New York to meet a group of six African envoys. It was the first time that an American envoy had ever come to them.

"That may not sound important, but it was very important for the people of Africa," says Ouattara. "Moynihan never came to see us. We used to get to see the number two or the number three from the U.S. mission."

Nigeria's Harriman was even more pleasantly surprised when he invited Young out to his official residence in Tarrytown, N.Y., 35 miles from Manhattan, to meet members of the Committee Against Apartheid—and Young readily accepted.

"I could not imagine in previous years being able to get an American ambassador to meet that committee on my home grounds," Harriman says.

As U.N. ambassador, Young has opened up a dialogue with a number of countries and liberation groups that had previously been virtually ignored.

Mfanafuthi Makatini, U.N. representative of the African National Congress, says he had tried unsuccessfully for years to talk to U.S. ambassadors. The closest he came to making contact was a handshake in a U.N. corridor. "I had more or less given up," Makatini says.

At 3 o'clock one morning last week, Makatini found himself seated at the U.S. ambassador's breakfast table, having a plate of ham and eggs with Young and his family. Observes Makatini: "It's a fresh development."

But for all Young's willingess to meet with—to listen to—virtually anyone, few harbor any illusions that he can turn about American policy overnight.

"Initially, there were people who said, 'Well, now with Young, we'll be able to have a number of more positive policies'," recalls Salim. "Now, they realize that he's not here as Andy Young of Georgia, who was an ally of Martin Luther King. He's here as Andy Young, ambassador of the United States."

Nigeria's Harriman says that after Young vetoed three African resolutions last week that called for sweeping economic as well as military sanctions against South Africa, people asked him: "Weren't you shocked to see Andrew Young raise his hand to cast those vetoes?"

"We're not such fools," Harriman responds angrily. "Andrew Young might be black, but Andrew Young cannot act except within the framework of the foreign policy of his country."

But while Young may not make policy, most of his colleagues at the United Nations believe he strongly influences it—an impression Young fosters with frequent conversational references to his relationship with President Carter.

"When we talk, he mentions, three or four times, 'The President told me,' or 'I told the President'," an Arab envoy says. "Everybody knows that Young is in touch with Carter. Everybody's happy about it, because they all want to have somebody here who's in touch with the President."

But has Young's detente with the Third World—a dramatic change from the days when U.S. ambassadors were taking the floor in the United Nations to denounce the "tyranny of the majority"—actually made a difference on any votes? Many delegates say the answer is "Yes."

"This final resolution imposing the arms embargo on South Africa," says the OAU's Ouattara. "We dont' like it. But Andy Young did his best. We let it go because of the general effort which has been deployed by people like Andy Young."

Nigeria's Harriman also credits Young's lobbying for the General Assembly's adoption by consensus last week of the toughest U.N. condemnation yet of airline hijacking. Measures like this in the past have traditionally been opposed by a number of Third World countries because of their support for liberation movements.

"But with the gentle words of Andrew Young," says Harriman, "Many of us were able to persuade our friends, 'Why should we be awkward about things like this'?"

Some Third World delegates, however, have mixed feelings about their warm new relationship with America's U.N. envoy.

"We Africans tend to be sentimental about brotherhood," says the African National Congress's Makatini. "Young gets away with a hell of a lot more than Moynihan could ever get away with."

Makatini cited Young's statement a week ago favoring continued U.S. nuclear cooperation with South Africa, adding:

"If that statement had been made by Moynihan, the Africans would have been up in arms."

But for all their doubts and reservations, U.N. diplomats almost unanimously agree that the arrival of Andrew Young has been on balance a net plus.

"As far as Africa is concerned, as far as the Third World is concerned, as far even as the United Nations is concerned," says Tunisia's Mestiri, "I have no doubt about it."

ANALYSIS OF THE TORRIJOS CAMPAIGN LITERATURE FOR RATIFICATION OF THE PROPOSED PANAMA CANAL TREATIES

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 15, 1977

Mr. HANSEN. Mr. Speaker, I have recently received a copy of the campaign literature Panamanian dictator Omar Torrijos used and distributed to all Panamanian citizens prior to the national plebicite for ratification of the proposed Panama Canal treaties.

It is very obvious from General Torrijos' literature that the Panamanian citizens are being given a completely different picture than President Carter is giving to the American public. I strongly urge all of my colleagues in the House and the Senate as well as the American public to carefully study the contents of this material. The following is a cursory analysis of the Torrijos propaganda:

General Torrijos claims that in 1903 when the Hay/Buneau-Varilla Treaty was signed no Panamanian official signed it. It is common knowledge that Phillip Buneau-Varilla had received a commission from the young Panamanian Government to act as its sole representive in treaty negotiations with the United States concerning the possibility of an inter-oceanic canal.

Contrary to popular belief our present treaty is not antiquated and over 74 years old. The original 1903 treaty was renegotiated in 1936 and again in 1955. Therefore our present treaty is a mere 22 years old.

The Panamanians admit that the 1903 treaty gave the United States property rights in perpetuity for a 10-mile-wide zone for construction of a canal and whatever else they might want to use it for.

The 1903 treaty gave the United States the right to control the operation, maintenance, and protection of the zone forever.

The Panamanians claim that the United States used force in installing 14 military bases within the zone and forming a strategic military command there as well under auspices of the 1903 treaty. Our military bases were established in Panama solely to insure the permanent neutrality and continued operation of the canal in times of peace as well as in times of war. Presently we have over 31,000 troops committed to the defense of the Panama Canal. The entire military force of the Republic of Panama consists of 9,000 national guardsmen. It is quite impossible to imagine that 9,000 Panamanians could accomplish what the Carter administration officials claim 31,000 American troops cannot.

Unlike the 1903 treaty which had American citizens as well as Panamanian nationals under jurisdiction of the U.S. courts in the Canal Zone, the new treaty would put all U.S. citizens presently in the Canal Zone under the jurisdiction of the Panamanian courts. In light of the blatant lack of concern for human rights by General Torrijos, we would soon be faced with a situation where many innocent American would be incarcerated in yet another foreign prison. Our two systems of justice are not equal in any way. Take for example the current prisoner situation in Mexico and Bolivia.

Contrary to Carter administration beliefs that the Canal Zone divides the heart of the country, I must point out that the majority of the Panamanian population lives on the North American side of the canal and that portion of land on the South American side of the

canal consists of mostly uninhabited jungles.

Under the proposed treaties, the Panamanians would eliminate all jobs for Americans, therefore, requiring the U.S. Government to repatriate all citizens presently in the zone and find jobs for them under our current situation of 7 percent unemployment. Such a move could only fuel the high cost of unemployment and inflation already present in this country.

Under the present treaty Panama received $2.3 million annually in compensation for loss of revenues incurred by the Panamanian Railroad. This is not rent as Panamanian officials and members of the Carter administration would have the American public believe. The Panamanians claim that they do not want charity or millions of dollars. They simply want justice. In my view justice does not equate with giving the Panamanians a multibillion dollar canal and paying them, as they claim, $80 million a year to take it. Our State Department says annual payments will amount to a maximum of $50 million. Who is right? Is there a possibility of $30 million a year that the American public knows nothing about.

The Panamanians have admitted that the United States under the 1903 treaty has the unilateral right to intervene in Panama on matters affecting the security and neutrality of the canal. However, according to their interpretation of the proposed treaties (an interpretation which occurred after the so-called Carter-Torrijos clarification) the United States has no right and cannot intervene in political activities and internal affairs of Panama (internal affairs means the operation of the canal).

Under the 1903 treaty the United States does not have to pay any tariffs associated with free use of Panamanian ports located at either end of the Panama Canal or for the services of the Panamanian Railroad. Under the proposed treaties the United States will not only have to pay port fees but it will have to additionally pay for the Panamanian Railroad, a railroad which the United States presently owns. It is obvious that the Panamanians would have the United States pick up the major operating expenses of the canal.

Under the 1903 treaty the canal was declared to be a neutral entity, however, during World War II the United States closed the canal to the Axis Powers. Under the new proposed treaties for United States would no longer be able to exclusively utilize the canal for its national defense. We would have to sit by and allow our enemies equal access to the canal. Can you imagine us sitting by in World War II and allowing supply ships from so-called neutral nations to steam through the canal to assist the Japanese or Germans.

Defense of this vital waterway under these circumstances would be virtually impossible. It would be relatively easy for a ship to accidentally sink in the waterway thus shutting down operation of the canal during a time when we needed to use it. For example, what would have happened if the canal were inoperable during the Russian missile crisis when numerous elements of our Pacific Fleet hastily utilized the Panama Canal to reinforce the Atlantic Fleet.

I think that it is extremely important to note that the Panamanian views of the proposed treaties differ radically from those of the Carter administration. There are wide differences on various questions which are vital to our defense and economic well-being. In light of these factors I believe it is extremely important that these treaties be rejected by the House as well as the Senate in their consideration next year. For the benefit of my colleagues I am enclosing the text of General Torrijos' campaign literature. The article follows:

TREATIES 1903-77—WHY THE PEOPLE WILL SAY YES.

[Page 1]

(Hay-Bunau)

On that infamous night, the disgraceful treaty of 1903 is signed. The treaty no Panamanian signed! They abuse a new born country!

[Page 2]

Treaty of 1977 (Torrijos-Carter). Victory is finally ours. We will bury the treaties of 1903, 1936, 1955, plus bury all prior agreements and tons of words about the Panama Canal. With a yes vote on Oct. 23, we will bury them and nobody will cry.

People's power.

[Page 3]

Treaty of 1903 (Hay-Bunau). The United States takes in perpetuity a 10-mile-wide zone for construction of a canal, and for whatever else they might want it for!

This is the end of that nuisance!

[Page 4]

Treaty of 1977 (Torrijos-Carter). The Torrijos-Carter treaty sets a date for the gringos to get out of Panama. In 23 years they'll all be gone.

Who's crying now! Only those who were short circuited!

[Page 5]

Treaty of 1903 (Hay-Bunau). The United States in perpetuity, takes over the operation, maintenance, and protection of our canal—forever!! Perpetually!

[Page 6]

Treaty of 1977 (Torrijos-Carter). Panama concedes to the United States the right to manage and maintain the canal until 1999. After that, the Panamanians will be alone.

Remember Sam only until 1999!

[Page 7]

Treaty of 1903 (Hay-Bunau). The canal is exclusively administered by the United States for life! Perpetually!

What a bunch of shysters!

[Page 8]

Treaty of 1977 (Torrijos-Carter). Panama has an increasing participation in the administration.

After the year 2000 the canal belongs to Panama.

[Page 9]

Treaty of 1903 (Hay-Bunau). By force they installed 14 military bases and a strategic command in the heart of Panama.

Oh! And all that is to protect who! ? ?

[Page 10]

Treaty of 1977 (Torrijos-Carter). Progressively eliminates the presence of North American troops in Panama and increases the participation of Panamanians troops until 1999.

[Page 11]

Treaty of 1903 (Hay-Bunau). Panamanians come under jurisdiction of North American courts.

Court of Balboa.

Two years for harvesting mangos in the zone.

[Page 12]

Treaty of 1977 (Torrijos-Carter). In all Panamanian territory the only laws which govern will be Panamanian.

Uncle Sam "I promise to obey Panamanian laws."

[Page 13]

Treaty of 1903 (Hay-Bunau): . . . We have to put up with a foreign flag in the heart of Panama . . . indefinitely!

To take my goods I have to cross another country?

I think so—there are shysters there and I can't understand what they say!

[Page 14]

Treaty of 1977 (Torrijos-Carter). In all national territory only one flag will fly. Panamanian!

Bravo Omar!

[Page 15]

Treaty of 1903 (Hay-Bunau). All high paying, privileged jobs are in the hands of the Americans in the Zone.

[Page 16]

Treaty of 1977 (Torrijos-Carter). As time progresses more Panamanians will work on the Canal . . . fewer Americans!

[Page 17]

Treaty of 1903 (Hay-Bunau). Panama's share is less than $2 million annually. Ridiculous annuity!

Here is your annuity.

We don't want charity or millions. We want justice!

[Page 18]

Treaty of 1977 (Torrijos-Carter). Panama will receive as compensation 80 million balboas (dollars) yearly.

That sum will be utilized for the development and progress of our country!

[Page 19]

Treaty of 1903. The gringos (Americans) may intervene in the internal affairs of Panama. They say it's to keep the peace!

[Page 20]

Treaty of 1977 (Torrijos-Carter). North Americans cannot intervene in political activities and internal affairs of Panama.

[Page 21]

Treaty of 1903 (Hay-Bunau). "The United States in respect to both port entrances, stated they are free at all times, and consequently will pay no tariffs or government taxes—art. IX" and for that matter, no other tariffs or taxes!

"Panama concedes to the United States the rights it has today, and which may later acquire as property rights—of the railroad company"—art. VII.

[Page 22]

Treaty of 1977 (Torrijos-Carter). How much will Panama have to pay for the ports and the railroads?

Both the ports and railroad will belong to Panama free of cost and the gringos will pay for this service.

Panama will have the responsibility to operate, manage, and maintain the ports of Balboa, Cristobal—Art. V (in accordance with the executions of Art. III of the Panama Canal Treaty).

[Page 23]

Treaty of 1903 (Hay-Bunau). "The canal . . . and its entrances shall be perpetually neutral"—Art. XVIII."

During World War II, only United States vessels could use the canal.

[Page 24]

Treaty of 1977 (Torrijos-Carter). Panama declares the neutrality of the canal, so that in time of peace—as in time of war—it will be permanently secure and open for Pacific transit of all ocean vessels from all nationalities on a basis of equality.

The neutral protocol, supported and respected by all countries, will guarantee equal treatment to all canal users.

[Page 25]

Treaty of 1903 (Hay-Bunau). All poblin services and governmental functions solely in the hands of North Americans.

[Page 26]

Treaty of 1977 (Torrijos-Carter). Public services and government functions in the hands of Panamanians.

[Page 27]

A NEW REVOLUTIONARY ADVANCE

The agreements recently reached through negotiation dealing with new treaties on the Panama Canal represent not only the culmination of a new stage in the struggle for our people's liberation, but also a summation of important deeds that signal a gradual, constant and permanent eradication of all forms of colonialist domination of our territory.

The Panamanian revolutionary concept of Total Sovereignty for which generations in the years 1925, 1947, 1958 and 1964 gave their lives, has constantly given force to the articles that make up the new Torrijos-Carter treaty.

Our Government and people have undertaken the delicate task of studying and analyzing the new instrumentalities of the revised relations between Panama and the United States, relations which will bring new basis of understanding for Latin America and the world. All citizens should realize the impact and importance of what has occurred. With the help of massive support from our people, the Torrijos-Carter treaty is a treaty fundamental to our very own existence and future.

We have achieved one of the objectives on the road to total reclamation of what is ours, but there is much remaining to do on the path of revolution. Since 1903, and before that time, generations of Panamanians have shed their blood in heroic acts to see our isthmus free. These heroic acts have become more profound and enduring with the passage of generations. These generations have seen light shine upon our land to help us perfect our independence.

Time has come, demonstrating our sense of responsibility and faith, to be constant in our fight for liberty, and to defend what we have earned to date, and to maintain firm determination to reach our ultimate goal: Eradication of the presence and system of colonization in our territory.

[Page 28]

I like the treaty and I will defend it because it would be dishonest not to defend that which one has signed. I like it, it is good. Have I changed the concept of perpetuity? Do you know how perpetuity is symbolized? With a figure 8 that lies on its side. (∞) that is the symbol of infinity, and it is undisturbed. I have left you 23 years until the eradication of colonialism on our 23 kilometers (length of the Canal Zone). If on these 23 kilometers you permit what we have conquered to be snatched away from you, you do not deserve to be called Panamanians. You will be F*&!#!G Suckers (X-rated Spanish: "Pendejos").

OMAR.

Finally, Mr. Speaker, I would like to add that due to the limitations of the printing in the CONGRESSIONAL RECORD I was unable to include the numerous drawings that were contained in the campaign literature. However, for the benefit of my colleagues I will maintain a copy of this literature and make it available for their inspection and copying.

HOUSE OF REPRESENTATIVES—*Friday, November 18, 1977*

The House met at 10 o'clock a.m.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

The Lord will give strength unto His people; the Lord will bless His people with peace.—Psalms 29: 14.

Dear Lord and Father of Mankind,
Forgive our foolish ways;
Reclothe us in our rightful mind;
In purer lives Thy service find,
In deeper reverence, praise.

Drop Thy still dews of quietness,
Till all our strivings cease;
Take from our souls the strain and stress,
And let our ordered lives confess the
beauty of Thy peace.

O Lord, let Thy peace rest upon us and abide within us making us instruments of peace in our Nation and in our world. May our work this day be good and do good for our people, for the people of other lands, and for Thee.

In the spirit of the Prince of Peace we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

REHABILITATION COST ASSISTANCE ACT OF 1977

The SPEAKER. Under a previous order of the House, the gentleman from Vermont (Mr. JEFFORDS) is recognized for 30 minutes.

Mr. JEFFORDS. Mr. Speaker, on June 6, 1977, I introduced H.R. 7626, authorizing $6 billion to carry out the purposes of section 504 of the Vocational Rehabilitation Act of 1973. Section 504 bars discrimination against the handicapped by any recipient of Federal money. On September 7, I reintroduced the bill along with Congressmen QUIE, NOLAN, CONTE, PEPPER, PURSELL, MARKEY, BADILLO, HARRINGTON, MURPHY of Pennsylvania, and EILBERG, Congresswoman OAKAR, Congressmen DOWNEY, FAUNTROY, and PRESSLER. Both of these bills are pending before the Select Education Subcommittee which will consider them early next year when it takes up the extension of the Rehabilitation Act.

On September 9, 13, and 16, the subcommittee held oversight hearings on 504. Everyone who testified supports the intent of 504. Those who represent the handicapped called 504 their bill of rights. Those who have to comply with the regulations, while endorsing the rights, also expressed concerns that there might not be enough money available to do everything that needed to be done. Typical of many who testified was William Anderson, State architectural barriers specialist who works with the Governor's committee on employment of the handicapped in the Vermont State Human Services Agency. Mr. Anderson, who travels the State as the Governor's man giving advice on how to implement the 504 regulations, said:

The first question I am asked is, "Where is the money coming from to implement Section 504?" The reason for the question is that Vermont is a small state and there are many small towns in Vermont and only three population centers of significant size. When a small town (population of 2,000 or less) is faced with an expenditure of $10,000 to $15,000 or more, there is a significant impact on the tax rate in that community and the expenditure becomes the concern of every taxpayer. Then the question is asked, as to whether it is fair to spend so much money to accommodate such a small percentage of our population. But if the handicapped had been considered by our society as part of our society many years ago, and not neglected or ignored for so long, we would not be faced with expenditures of this size at this point in time.

Although there is no question that there will be costs involved in order to fully implement this provision of the law, the hearings indicated that there is still great uncertainty about specifically how much full implementation will cost.

Over the past few months I have had extended discussions with Secretary Califano, many concerned individuals and organizations throughout the country and other Members of the House and Senate on this issue. I was gratified to note on November 4 that the Senate recognized the problem and introduced a bipartisan bill, entitled "The Rehabilitation Cost Assistance Act of 1977." The cosponsors were Senators RANDOLPH, STAFFORD, EAGLETON, MAGNUSON, MATHIAS, and HATCH. Essentially what the Senate bill does is authorize $15 million for States to conduct a survey, within 120 days after enactment of the legislation, to determine the costs of implementing section 504 in the field of education. The second part of that act authorizes such sums as may be necessary to implement the findings of the State's studies.

I take this opportunity to strongly commend the Senate for recognizing the responsibility of the Congress, as well as the executive branch, to help State and local jurisdictions clearly identify the costs of complying with the Federal law. I say this because I believe that such action will go a long way toward helping the handicapped throughout the Nation.

Today I am introducing what could be called a companion bill to the one introduced in the Senate, but with several important changes. The Senate bill focuses only on education-related expenditures under section 504. The bill that I am introducing today permits a State to survey all institutions, agencies, organizations, or governmental jurisdictions within each State, to measure the

impact of 504. It also permits reimbursement to any Federal fund recipient for costs incurred in complying with the 504 regulations. This is necessary, because section 504 does not apply only to education, but to every entity that receives Federal assistance. This means that not only are recipients of HEW funds obligated to comply with section 504, but so are recipients of Agriculture, Labor, Defense, HUD, and so on throughout the Federal Government. Therefore, I have removed any specific reference to education, but I must emphasize that education is still covered.

Another change expands the purposes of the study as well the availability of funds. When some people talk about section 504, they describe it as a mechanism for removing architectural barriers to the physically handicapped. While certainly this is a goal I support, it is surely not the only value of 504. If section 504 is really to work for all handicapped people, it must seek to remove architectural barriers where they exist for the physically handicapped, communication barriers where they exist for the deaf, and attitudinal barriers where they exist for the blind and all other disabled groups. Section 504 is intended to give all of them an equal opportunity to compete in society.

The final change from the Senate bill is in the authorization for State studies. The Senate authorizes $15 million, but I have only requested $5 million for this purpose. If when we begin hearings on the bill it can be shown that fewer dollars are needed, I would be willing to modify that figure.

As I said when the bill was introduced originally on June 6, I normally do not advocate big spending by the Federal Government. In this case, however, if the Federal Government really means what it says about ending discrimination against the handicapped and if money is needed to help bring about equality for this segment of our population, then we cannot expect the total obligation to be borne by local and State governments as well as public and private organizations who receive Federal funds. If our words are sincere, then I feel it is necessary for the Federal Government to put its money where its mouth—and regulation—is and provide a major share of the costs of implementing this new Federal mandate.

With this bill, and I hope speedy action on the Senate version, the Federal Government will get moving to obtain the information on what needs to be done across the country. Then we can act to fund the last section of the bill, providing the money necessary to fully implement 504.

Following is the text of the bill:

H.R. 7626

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Rehabilitation Cost Assistance Act of 1977".

SEC. 2. The Congress finds that—

(1) section 504 of the Rehabilitation Act of 1973 requires that programs be accessible to handicapped persons,

(2) it may be necessary to modify existing structures, facilities and programs in order to comply with section 504, and

(3) in order to meet this national goal it is first necessary to determine the cost of achieving accessibility.

SEC. 3. (a) The Secretary is authorized to make grants to States to reimburse (in whole or in part) the cost of an independent study for each such State designed to assess the cost complying with the provisions of section 504 of the Rehabilitation Act of 1973.

(b) No grant may be made under the provisions of this section unless—

(1) each state desiring to receive a grant under this section makes an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require; and

(2) each state provides assurances that the study for which reimbursement is sought under this section will be completed within 120 days after the date of enactment of this Act.

SEC. 4. Not later than 180 days after the date of enactment of this Act, the Secretary shall prepare and submit to the Congress a report on the cost of complying with the provisions of section 504 of the Rehabilitation Act of 1973 based upon the information developed pursuant to section 3 of this Act.

SEC. 5 (a) The Secretary is authorized to make grants to pay the cost of assisting in removing achitectural, communications, and attitudinal barriers in order to comply with the provisions of section 504 of the Rehabilitation Act of 1973.

(b) No grant may be made under the provisions of this section unless—

(1) each agency, organization, institution, or governmental jurisdiction which receives funds from the Federal government desiring to receive a grant under this section makes an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require;

(2) such agency, organization, institution, or governmental jurisdiction which receives funds from the Federal government provides assurances that the project for which the application is made meets the requirements of section 504 of the Rehabilitation Act of 1973, and provides for the removal of architectural, communications, and attitudinal barriers in a timely and economic manner in accordance with such section;

(3) such agency, organization, institution, or governmental jurisdiction which receives funds from the Federal government provides assurances that the title to the site on which the project for which assistance is sought is in accordance with the regulations of the Secretary, and that the agency, organization, institution, or government jurisdiction will use the facility, structure or program to which the project relates for purposes of assisting handicapped persons, and

(4) such agency, organization, institution, or governmental jurisdiction which receives funds from the Federal government provides assurances that Federal funds received under this section will be used solely for the Federal share of the cost of removing barriers described in the application, and that such agency, organization, institution, or governmental jurisdiction will pay from non-Federal sources the remaining cost of carrying out the provisions of the application.

(c) The Secretary shall not approve any application under the provisions of this section unless—

(1) he determines that the requirements of subsection (b) are met; and

(2) he considers the appropriate State study conducted pursuant to section 3 of this Act or a similar State study relating to the cost of making facilities, structures, or programs accessible to handicapped individuals.

(d) The Federal share for the purpose of this section shall be 80 percent in each fiscal year.

SEC. 6. Notwithstanding any other provision of this Act no payment for reimbursement under this Act to any State shall exceed 12 per centum of the aggregate payments to all States under this Act.

SEC. 7. For the purpose of this Act the term—

(1) "Secretary" means the Secretary of Health, Education, and Welfare; and

(2) "State" includes each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

SEC. 8. (a) There are authorized to be appropriated such sums not to exceed $5,000,000 to carry out the provisions of section 3 of this Act.

(b) There are authorized to be appropriated such sums as may be necessary for each fiscal year prior to October 1, 1980 to carry out the provisions of section 5 of this Act.

WHAT THE OIL COMPANIES REALLY NEED: LET THE FACTS BE KNOWN

The SPEAKER. Under a previous order of the House the gentleman from Ohio (Mr. VANIK) is recognized for 10 minutes.

Mr. VANIK. Mr. Speaker, discussion of the crude oil equalization tax in the energy tax conference committee has produced repeated cries of oil company poverty. Enough claims of the dire necessity of the oil companies for investment credit incentives are circulating to make one believe that they have no funds available for energy exploration, research, or development.

If we look at the facts, however, Mr. Speaker, we can see that these claims simply are not true. A study that I requested from the Joint Committee on Taxation shows that the cash flow of oil companies has doubled since the OPEC price increase of 1973, and I believe these figures are conservative. These statistics provide blatant proof of the real wealth of the oil companies.

SELECTED LARGE OIL COMPANIES NOTES TO SCHEDULE OF FUNDS AVAILABLE FOR CAPITAL INVESTMENT AND DIVIDENDS, FISCAL YEARS 1969, 1972, 1974, AND 1976

The purpose of this schedule is to show, for certain years, the funds available to selected large oil companies for capital investment or the payment of dividends to shareholders. "Funds" is defined as net current assets (i.e., the excess of current assets over current liabilities). Although sound business practice normally requires a company to maintain some level of liquidity in the form of net current assets, this schedule does not attempt to allocate funds available between liquidity requirements and those available for dividends and non-liquid investments. The term "net capital investments" as used in the schedule does not include those costs of exploring or drilling for oil or gas which are charged against income currently. In addition, such term does not necessarily mean investment in fixed assets related to a company's oil or gas business. (For example, in a number of cases the caption includes investments in the stock of subsidiaries not involved in the oil or gas business.) Annual reports to shareholders do not contain a detailed breakdown of a company's investment in property, plant and equipment between its oil and gas related

businesses and other businesses with which it may be involved.

1. The principal non-cash charges deducted in arriving at net income are the annual provisions for depreciation, depletion and amortization, and non-current deffered income taxes. Other charges and credits include the minority interest in income or loss of consolidated subsidiaries and the equity in undistributed income or loss of unconsolidated subsidiaries and affiliates.

2. Net funds borrowed is the net increase in long-term debt from the beginning to the end of the year.

3. Other funds provided include a number of miscellaneous sources, which generally fall within one of the three categories: Issuance of equity interests in the company (through sale or reorganization); liquidation of non-current assets; or receipt of advance payments.

4. Net capital investments generally is the total of expenditures for property, plant and equipment reduced by the book value of property, plant and equipment sold during the year. This amount generally represents only expenditures for tangible assets, or stock in subsidiary companies. It does not include intangible drilling costs associated with dry holes, which have been charged against income currently.

5. Other funds used include a number of miscellaneous items, which generally fall within one of three categories: Acquisition of outstanding equity interests in the company (through purchase or reorganization); acquisition of non-current assets; or liquidation of non-current liabilities(including any net reduction in long-term debt).

6. Net funds available at year end is the excess of current assets over current liabilities as of the close of the company's fiscal year. No attempt is made to determine the amount of such funds which are necessary to meet liquidity requirements and that which is available for dividends and non-liquid investments.

SELECTED LARGE OIL COMPANIES, FUNDS AVAILABLE FOR CAPITAL INVESTMENT AND DIVIDENDS

[In millions]

Company and year	Net income (a)	Noncash charges or credits to income (note 1) (b)	Total funds provided by operations (a+b) (c)	Net funds borrowed (note 2) (d)	Other funds provided (note 3) (e)	Currently generated funds available for capital investment and dividends (c+d+e) (f)	Net capital investments (note 4) (g)	Dividends (h)	Other funds used (note 5) (i)	Net increase (decrease) in funds (f−g−h−i) (j)	Net funds available at year end (note 6) (k)
COMPANIES WITH SIGNIFICANT INTERNATIONAL OPERATIONS											
Exxon:											
1969	1,243	914	2,157	91	29	2,277	(1,627)	(844)	(52)	(246)	1,845
1972	1,532	1,321	2,853	0	0	2,853	(1,938)	(893)	(91)	(69)	2,391
1974	3,142	1,967	5,109	381	0	5,490	(2,381)	(1,174)	(101)	1,834	5,321
1976	2,641	2,038	4,679	246	168	5,093	(3,950)	(1,273)	0	(130)	4,531
Mobil:											
1969	435	365	800	0	16	816	(661)	(228)	(10)	(83)	1,059
1972	574	467	1,041	0	26	1,067	(1,102)	(269)	(51)	(355)	639
1974	1,047	885	1,932	642	0	2,574	(2,154)	(326)	(37)	57	621
1976	943	640	1,583	1,047	282	2,912	(2,160)	(364)	0	388	1,311
Standard Oil (Indiana):											
1969	321	318	639	72	0	711	(618)	(163)	(63)	(133)	535
1972	375	412	787	33	45	865	(703)	(167)	(10)	(15)	683
1974	970	589	1,559	438	0	1,997	(1,470)	(234)	(18)	275	1,050
1976	893	800	1,693	49	6	1,748	(1,284)	(338)	(87)	39	1,072
COMPANIES WITH PRINCIPALLY DOMESTIC OPERATIONS											
Shell Oil:											
1969	291	383	674	0	0	674	(606)	(162)	(22)	(116)	530
1972	261	408	669	189	0	858	(560)	(162)	0	136	668
1974	621	519	1,140	0	9	1,149	(891)	(165)	(24)	69	800
1976	706	689	1,395	0	124	1,519	(1,379)	(150)	(123)	(133)	811
Cities Service:											
1969	133	141	274	74	0	348	(235)	(61)	(19)	33	291
1972	112	188	300	0	19	319	(223)	(57)	(17)	22	268
1974	204	239	443	0	108	551	(411)	(61)	(30)	49	327
1976	217	312	529	0	67	596	(489)	(71)	(64)	(28)	445
Pennzoil:											
1969	66	45	111	0	55	166	(148)	(28)	(57)	(67)	(14)
1972	59	96	155	35	130	320	(148)	(27)	(34)	111	148
1974	127	113	240	208	47	495	(290)	(40)	(67)	98	193
1976	148	40	188	18	0	206	(153)	(37)	0	16	226

As the table illustrates, Exxon's currently generated funds available for capital investment and dividends (column f) increased only 25 percent in the 3 years before the OPEC price increase (1969–72), but went up 92 percent in 2 years (1972–74), during which the price increase was instituted. Moreover, this figure showed an increase of 124 percent from 1969 to 1976. Comparable figures for Mobil show increases of 141 percent for the 2 years during which the price increase occurred, but only 31 percent for the 3 years prior to the increase. These funds increased 257 percent from 1969 to 1976.

The three multinationals shown had aggregate increases in their currently generated funds available for capital investment and dividends of 110 percent from 1972 to 1974, compared to only 26 percent from 1969 to 1972, before the OPEC price increase.

OPEC price policies also seem to have been beneficial to principally domestic oil companies. Before the price increase, the currently generated funds available for investment and dividends increased only 26 percent in 3 years. However, they jumped 47 percent from 1972 to 1974, and the increase from 1969 to 1976 was 95 percent.

Mr. Speaker, I am not saying that the petroleum industry should not have these funds available for capital investment; but where are the funds going? Why are the oil companies crying for more? I have asked the Department of Treasury to provide the conference committee with more precise figures of the cash flow of the top 15 oil companies to give us a sounder basis on which to decide what benefits these companies need.

I am for exploration by the oil companies. I am for their researching alternative sources of energy. However, when the evidence indicates the staggering amount of funds available to these companies, I seriously question the propriety and the very need of the special tax benefits in the Senate version of the energy tax bill.

COMPUTER WASTELAND, U.S.A.

The SPEAKER. Under a previous order of the House, the gentleman from North Carolina (Mr. ROSE) is recognized for 5 minutes.

Mr. ROSE. Mr. Speaker, the Federal

Government is the largest user of computers in the world, spending upward of $4 billion and employing some 150,000 in its automated data processing operations—ADP.

The effective use of this technology is a subject that should concern every Member of this body, because every agency, to some degree, is locked into a computer system that impacts its operations for good or ill.

A highly critical assessment of the Government's ADP operations appears in the October and November issues of Infosystems magazine. The "horror stories" as well as the potential for improvement are laid out in great detail.

I commend these articles to my colleagues and ask that they be reprinted at this point in the RECORD:

COMPUTER WASTELAND USA

(By Victor Block)

PART NO. 1 (OCTOBER 1977)

The federal government is the largest user of computers and related hardware and software in the world. By all indications, it is also the largest misuser. Investigation reveals that poor systems planning and procurement practices plus haphazard application of equipment have resulted in untold millions of dollars being squandered annually on what government terminology labels "automatic data processing," (ADP).

According to the Office of Management and Budget (OMB), the government will spend over four billion dollars and employ some 150,000 people in its ADP program during this fiscal year. Other sources indicate that $10 billion would be a "conservative" estimate of annual ADP expenditures. Whatever the actual figure, it represents a significant percentage of the total federal government budget.

The General Services Admin.'s (GSA) latest inventory of ADP equipment in the federal government as of May 31, 1977, lists 10,282 computers. It is not realistic to expect any program of this magnitude to be error-free or lacking entirely in examples of waste and inefficiency. The question that must be asked and answered is whether the federal government's acquisition and application of computer is so rife with instances of misspending and misuse that it represents nothing short of a major scandal and a challenge to proper functioning of the government.

Take the following examples:

In an effort to upgrade its operations, the Federal Aviation Administration initiated development of several automatic data processing systems, to be supported by two computers and periperal equipment purchased at a total cost of $3.1 million. The primary justification for the acquisition was that existing DP equipment was incapable of handling the anticipated growth of the workload. Seventeen months after installation of the new equipment, however, the combined workload of the computers including program testing was only 7.3 percent of capacity.

The Defense Supply Agency uses a number of automatic information systems to provide logistical support of common supplies to the military services and other federal agencies. Shortcomings in the logic systems have led to overspending, inaccuracies and a lack of controls. One example of inadequacies in the software program: when requisitioned material stored at central supply centers was grouped for shipping, no consideration was given to the destination. As a result, individual parcel post and air or motor freight shipments were made concurrently to the same customer, or to customers in the same area of the country. Had such shipments been combined and sent together as freight, an estimated one million dollars a year could have been saved.

When the Social Security Administration (SSA) needed 64 tape drives for a new IBM 370/165 system, it didn't want to go through the process of obtaining the required procurement authority from the General Services Admin. (GAO). To circumvent the regulation, SSA ordered only 10 of the tape drives, thus staying within the maximum order limitation without having to seek authority. The other 54 were diverted from existing SSA systems, although they were supposed to be returned to IBM and replaced with drives obtained competitively.

A similar subterfuge was employed by the Veterans Admin. (VA) to purchase 129 IBM keypunches, although the established federal schedule included a caveat regarding purchases of new rather than used equipment. To get around that provision, the VA rented the devices for one day before buying them.

As isolated instances, these stories of the mis-acquisition and misuse of DP equipment by the federal government would be disturbing enough. As the type of examples that are far too frequent, they take on a more important meaning, especially in view of the ADP now at various stages of acquisition. For example, the Dept. of State is in the process of seeking bids for the purchase of up to 300 mini computers. They are intended for use in US embassies and consulates throughout the world, to process visa applications by foreign citizens planning to visit this country. The acquisition, 80 computers initially, with options for an additional 220 will be one of the federal government's largest single bids for minicomputers.

The Dept. of Commerce last June issued the first of what will be regular quarterly forecasts of projected computer procurements by bureaus and offices within that agency. A partial listing of planned procurements by this single federal department includes the following:

A computer network for the National Marine Fisheries Service, with small computers at Seattle, WA, and Auke Bay, AK, and terminals at a number of Alaskan and northwestern US locations.

A communications front-end processor for Bureau of Census Univac 1100 series computers, to be followed by acquisition of extended memory and data storage, and retrieval systems.

General purpose systems for the Bureau of Economic Analysis and the Patent Office, to replace older Honeywell equipment currently in use.

A small computer system for the Maritime Administration, to support 12-display terminals for on-line data entry.

A remote processor system for tidal data for the National Ocean Survey, to be linked with a National Oceanic and Atmospheric Admin. computer in Washington, D.C.

Spending for automatic data processing has escalated rapidly, so quickly in fact, that estimates vary widely. During hearings last year on the procurement if DP resources by the federal government, Rep. Jack Brooks (D–TX), chaairman, House committee on government operations, commented on the difficulty of arriving at a precise or even general figure for federal spending on computers. "Apparently, no one has developed reliable cost figures. Estimates ranging from $3 billion to $15 billion have been suggested. If the higher estimate is correct, that means we are spending about four percent of our entire federal budget on ADP resources." Even at the minimum figure, computer use represents about one percent of the total federal government budget.

This evaluation was supported by Donald L. Scantlebury, director, Financial and General Management Studies Div., GAO. He referred to an estimate of federal DP spending for fiscal 1974 totaling "in excess of $10 billion annually. We know that costs are continuing to grow and, in our opinion, we consider $10 billion annually to be a conservative estimate."

It is no overstatement to suggest that the federal government could not function as it does today without the benefit of support DP equipment. In the words of the GAO's Scantlebury: "Computer systems have become an integral part of the government process by performing many of the operations and applications that, in the past, were not done at all or were done manually. Some agencies would find it impractical, if not impossible, to accomplish their missions without computers." He requires only a few isolated examples to support this observation: ". . . the National Aeronautics and Space Admin. could not carry out its space programs and the Federal Aviation Admin. could not control aircraft effectively without computer assistance.

Many computer systems are used by the Social Security Administration to create checks for social security payments of over $84 billion annually. The Internal Revenue Service also uses computer systems to process about 152 million income tax returns each year." The staff of the Senate committee on government operations was more succinct in a study of federal computer programs released earlier this year: "To a significant extent the true measure of which no one knows the US government could not function, as presently organized, without computers."

The growing role of computers in government and its dependence upon effective and efficient DP procurement and operations led to enactment in 1965 of Public Law 89–306, called the "Brooks Bill" after Rep. Jack Brooks. The conditions that led to enactment of this law are outlined by Rep. Charles G. Rose III (D–NC) chairman, computer policy group, House administration committee. Prior to enactment of the Brooks Bill, he recalls, "agencies had leased or purchased equipment based on their individual needs without regard for other government requirements, at a cost of millions of dollars to US taxpayers. Waste was apparent; inefficiency was rampant. Four hundred million unused ADP hours were only a fraction of the problem."

The goal of the Brooks Bill is "the economic and efficient purchase, lease, maintenance, operation and utilization of automatic data processing equipment by Federal departments and agencies." Under the law, the Office of Management and Budget (OMB) is to exercise fiscal control and policy guidance over DP equipment procurement and use; the General Services Admin. is responsible for computer equipment procurement and maintenance functions, and the National Bureau of Standards (NBS) in the Dept. of Commerce is to provide technological advisory services and develop automatic data processing standards.

On paper, the law passed in 1965 seemed a well-thought-out approach to providing guidance and over-all management to the burgeoning use of DP equipment by the federal government. Furthermore, it was placed on the books before mismanagement of DP had an opportunity to become deeply ingrained in the vast federal bureaucracy and the sheer size of computer operations had a chance to negate efforts to establish controls. Despite these facts, the Brooks Bill as it has been applied cannot be termed an over-all success.

A House government operations subcommittee last year conducted oversight hearings on the administration of Public Law 89–306 in the more than a decade since its enactment.

Rep. Brooks summarizes briefly recent

trends in federal DP programs that were brought out during the hearings: "We have found what appears to be a growing trend in the noncompetitive procurement of ADP resources, as well as the procurement of unneeded resources and the inefficient utilization of resources."

The conclusion of the subcommittee on legislation and national security: "the Brooks Act (Bill) has been neither administered nor implemented in accordance with intentions of Congress." The subcommittee in its report went on to offer a litany of failings:

"GSA has repeatedly authorized noncompetitive procurements which were not adequately justified.

"GSA has failed to enforce regulations and restrictions in ADP procurement authority delegated user agencies. (Note: Testimony during the hearings revealed the GSA's ADP Procurement Div. had only "about six people" to review all requests for proposals (RFP) and invitations for bids (IFB) and to issue some 300 delegations of procurement each year.)

"GSA has not provided adequate management guidance to user agencies.

"OMB has failed to establish concise, clearcut policy.

"OMB has not provided adequate direction in the enforcement of those policies it has established.

"NBS has failed to provide necessary hardware and software standards.

"Federal user agencies have consistently failed to cooperate with GSA.

"Federal user agencies have shown a general reluctance to adhere to the purpose and intent of the Brooks Act."

Recalling that agencies of the federal government "strongly resisted enactment" of the Brooks Bill, the House committee said that since its passage "they have shown little willingness to comply voluntarily with the law." The panel placed the blame for failure to fully apply the statute upon all three agencies with primary responsibility "GSA for failing to administer the Act effectively, OMB for failing to provide adequate policy direction, NBS for failing to establish standards." Sharing this responsibility, it continued, are "user agencies" of the federal government. While they have the most to gain from effective implementation of the law, the House committee charges, they have "resorted to every possible means to avoid full compliance with it."

The committee went on to list a number of specific recommendations in areas of procurement, administration and technology aimed at increasing adherence with the Brooks Bill and upgrading the federal government's ADP operation. These recommendations included among other things:

Direct the Office of Management and Budget to issue "clear policy guidelines" upholding the authority of the General Services Admin. to determine what DP resources best meet the requirements of user agencies.

Call on the GSA to issue and enforce "concise and clearcut" regulations governing delegation of procurement authority.

Say federal agencies must develop long-range plans governing their DP needs "based upon realistic utilization reviews."

Call for competitive procurement of DP systems in accordance with functional specifications, except when overriding national interest considerations require the use of equipment specfiications instead.

Say the National Bureau of Standards must develop both hardware and software standards.

Call for maximum conversion of DP programs to higher level languages. Following is a look at some of the failings and shortcomings in the federal government's DP programs that have led to these far-reaching recommendations.

Misuse. Some critics charge that efficient implementation of computers by the government has fallen far behind the increasing rate of acquisition. They claim that a lack of knowledge and imagination on the part of planners has kept DP equipment humming away at relatively basic tasks, rather than being used in more sophisticated applications.

One such critic is Ernest C. Baynard, who, for more than 10 years (1962–1973), served as staff director of the Houst government activities subcommittee under Chairman Jack Brooks. Baynard had direct responsibility under Brooks for investigating federal procurement and use of computers. Baynard's evaluation: "Except for a limited number of applications in defense, space and energy, government use of computers is rudimentary, payrolls, inventories and the like. There is no meaningful effort to use computers in the decision-making process. There are only isolated efforts to develop simulation techniques. Few agencies have management information systems worthy of the name."

Baynard is not alone in this indictment. Frank B. Ryan, PhD, who resigned last spring as director of the House Information Systems (HIS) for the US House of Representatives, recalls the situation in Congress when he joined the HIS in 1971. (He came from a 12-year all-star professional quarterback career with the Los Angeles Rams, Cleveland Browns and Washington Redskins.) The Senate, Dr. Ryan laments, had a large IBM computer that was used solely to produce mailing lists. "The pathetic thing was that they only recognized that application as a way of using data processing, although they had the computer two-to-three years." The House had an NCR Century 100 computer used to produce its payroll, and was in the process of transferring that system to a 360/50 that had just been acquired.

A flagrant misapplication also is detailed by a salesman for one of the largest mainframe companies. The Dept. of Defense has many requirements for transmitting data between computers, using secure lines to scramble and then unscramble information for security reasons. The high cost of running secure lines throughout the Pentagon, a heavy backlog of requests for such work and the availability of an unused computer led to the use of DP equipment to circumvent the need to run additional wires each time a new intercommunication was required. Instead, a leased machine was wired into a single existing line to serve as a multiplexer. In effect, it took over the job of 20 secure lines that otherwise would be needed to transmit data between computers "a $200,000 wire," in the words of the disgruntled salesman.

Obsolescent Equipment. The painfully slow procurement process followed by the federal government which will be examined in detail in the next issue of Infosystems seems almost purposely designed to dictate early obsolescent of much equipment shortly after it comes on line. Baynard estimates that most computer system procurements require two-to-three years, while "acquisition periods, from the time the new requirement is established, may cover several years." He blames this "snail's pace" on the apparent fact that "the fear of making errors overrules other considerations."

Former Rep. Sam Steiger (R-AZ), in the House government operations committee report last year on administration of the Brooks Bill, wrote that "the current procurement process can take from three to six years." A salesman for Honeywell Information Systems, asked to compare his experience in dealing with both government agencies and private firms, says the government's procurement process takes four times as long. He added, "At that point, with a normal government procurement cycle for a new computer technology of about three years, the system guarantees that they will buy nearly obsolescent equipment." Computer and Business Equipment Manufacturers Association former president Peter F. McCloskey has pinpointed the excessive cost to the government and taxpayers resulting from the acquisition and use of obsolescent equipment. He repeats the charge that the federal procurement process "frequently results in th procurement of technology that is already obsolete because of the length of the time it takes to implement the purchase." The cost of this built-in obsolescence, he continued, "can be measured in any number of ways: in excessive personnel expenses; in poor utilization of space; in subpar performance of the basic mission, and so forth." Taking up the first factor, he points out that "47 percent of all federal dollars spent for APD represents personnel costs; the comparable figure in the private sector is only 33 percent. This reflects a huge waste in manpower and dollars, caused by what we believe is a mistaken attempt to economize by delaying the modernization of ADP systems."

COMPUTER WASTELAND USA

PART 2 (NOVEMBER 1977)

Many of the worst horror stories about the use—or misuse—of computers which are repeated in the marble halls of federal agency buildings in Washington, D.C. deal with procurement of equipment. The list of shortcomings compiled by those responsible for oversight of DP acquisition is varied: too many inadequately justified non-competitive procurements; procural requirements that are too lengthy and complicated; procurements of unneeded excess capability; failure to share present DP equipment so as to avoid unnecessary procurements.

Peter F. McCloskey, former president of the Computer and Business Equipment Manufacturers Assn. and who was recently named president of the Electronic Industries Assn., summarizes complaints about government ADP procurement in this way: "Everyone familiar with this process agrees that it takes too long, costs too much, is too complex and, accordingly, is frequently avoided by user agencies, thus leading to its general ineffectiveness. All of us also agree that it is one of the primary causes for the obsolescence of the federal inventory. Federal automated data processing equipment procurement has evolved into an ineffective patchwork that fails to reflect the realities of the computer industry or the user agencies." Because of these shortcomings, McCloskey charges, "the procurement process has greatly impaired the federal government's use of computer technology."

Rep. Jack Brooks (D-Tex.), chairman, House Committee on Government Operations, likens government agencies longing to build up their DP inventories to eager children compiling a birthday gift list. "They sound like one of my little children. He is going to have a list this long for his birthday. I think that's the way agencies are. They have a long list which they give to the General Services Administration and Office of Management and Budget of things they want. And it doesn't have any relation whatsoever to what they need."

In some instances, costly mistakes have been averted only because of intervention by a "watchdog" agency that has blown the whistle. The U.S. Department of Agriculture (USDA) planned to establish a department-wide automatic data processing system. Total estimated cost of the program including $106 million for equipment and software, plus operating costs over an eight-year period was $398 million. The Agriculture Department based its need for the acquisition upon a well-documented workload analysis. A subsequent examination of USDA's need for the system by the General Accounting

Office, however, uncovered a number of glaring shortcomings. The GAO revealed the USDA had developed its total departmental need primarily from a workload analysis of only one of its 29 agencies and users; it had not conducted economic studies to evaluate the benefits of the proposed project, or cost implications of alternative designs; the locations and communications needs of system users were not identified; no analysis of security requirements to safeguard sensitive and personal data had been performed. Following a recommendation by the GAO, the Agriculture Department terminated the procurement.

The Veterans Admin. has been trying to obtain a computer system for use in servicing files on veterans' pensions, education benefits and other payments. Plans called for a main computer located in Illinois, three regional computer terminals, 79 minicomputers and some 2,500 terminals in regional VA offices. Estimated total cost: $39 million.

Earlier this year, a House appropriations subcommittee looking into the procurement received government and industry documents indicating that the total cost of the system really would be $122-million. The panel also was told that the system was so poorly designed it would be obsolescent by the time it was fully installed.

A major goal of the 1965 Brooks Bill (Public Law 89–306)—landmark legislation passed to serve as a guideline for federal DP policies—is to save taxpayers money by increasing the use of competitive DP procurement by the federal government. Despite this goal, a high percentage of DP equipment still is obtained through non-competitive sole source acquisitions. During the years 1968–1975, up to 60 percent of all DP system procurements by the government were competitive. For fiscal 1975 (the 12 months ending June 30, 1975) the figure fell to 36 percent. And this figure did not include a large number of non-competitive delegations relating to renewals of leased equipment, which make the percentage of non-competitive procurements even higher.

Federal officials themselves charge that this continued high incidence of non-competitive procurements results in over-expenditure of millions of dollars. Donald L. Scantlebury, director, Financial and General Management Studies Division, General Accounting Office, has reported that GAO review of federal DP acquisition "revealed that millions of dollars could be saved through competitive procurement."

One of the hottest flaps in years concerning procurement of DP equipment involves a proposed sole source Air Force contract with IBM to acquire 370/168 computers for a depot maintenance management system known as "Project Max." Cost estimates for the total project incredibly range from $40–$45 million put forth by the Air Force Chief of Staff David C. Jones to $847 million suggested by Sen. Thomas F. Eagleton (D-Mo.), a member of the Senate Defense Appropriations Subcommittee that has been investigating the planned acquisition. The Senate panel has been told that the sole-source procurement was cancelled last December by then-Secretary of Defense Donald Rumsfeld, who directed the Air Force to reexamine the entire project.

Lloyd Mosemann, deputy assistant secretary, Air Force, for logistics, explained to the Senate subcommittee that he supported the sole source acquisition from IBM because the new computers could be installed quickly, taking over software already being run on older generation IBM equipment at Air Force depots. Since the Air Force was under orders not to expand its computerized logistics system without prior approval of Congress, Mosemann said the service feared revelation of the sole-source IBM bid would cause "political repercussions." Heating the controversy still more have been revelations of notes written by Major General Robert L. Edge, Air Force assistant chief of staff, Computer Resources. Included are such notations as, "I'm not overly concerned about 'unapproved' work" on Project Max. In addition, a hand-written memorandum by General Edge indicated that Air Force officials continued their effort to acquire the new computers even after Defense Secretary Rumsfeld acted to cancel the sole source procurement. This has prompted Reps. John E. Moss (D-California) and Charles Rose (D-North Carolina) in bluntly worded letters to President Carter and Secretary of Defense Harold Brown, to term the incident; "a classic example of contempt here on the part of the Air Force for the Congress."

"Among the most frustrating experiences in Government is the acquisition of a new, large computer . . . acquisition of large systems can take years with the likelihood of severe criticism from Congress, investigations by the Comptroller General and cries of anguish from the computer industry." This is the word-picture drawn by Ernest C. Baynard, former staff director, House Government Activities Committee with responsibility for investigating federal procurement and use of computers.

The view from industry is similar, according to Vico Henriques, vice president, Computer and Business Equipment Manufacturers Association, when asked to pinpoint the reasons for the long procurement cycle by government, he cited two major problems: First, "the necessity for multilevel approvals, both in the user agency and in the central agencies," and second, "the lack of a stratified or modular procurement system." This, he says, means so many procurements are forced through the same system that "it gets clogged up."

A computer salesman who deals solely with federal agencies estimates that the procurement cycle could be reduced "at least 50 percent. You have to remember that the number of protests in federal procurement relating to DP equipment is probably two-to-three times higher than for other government procurements. Each large procurement involves millions of dollars, and can get extremely complex. Government workers don't want to sign anything because they don't want to be the one who may be challenged. By and large, the government is afraid of DP procurements. Everyone involved with them would much rather be buying nuts and bolts, that's nice and simple! Instead, they have to deal with a specification that can be hundreds of pages long and weigh 20 or 30 pounds."

The problem of delays is by no means confined to large equipment. Procurement policies and regulations by and large were established about a decade ago, when the range of available products was limited. As a result, they often are inappropriate for the far wider selection of computer resources (including minicomputers) that is available today. A study of DP acquisition problems by the Navy Department, pointed out that delays were caused by both General Services Administration regulations and internal Navy requirements. The study indicated that the cost of meeting these requirements was so large it represented a major portion of the cost of the DP resource itself and "this is particularly true for low cost ADP" equipment.

The study cites a case of overspending in an effort to avoid the delays created by cumbersome regulations. In this instance, a given task could have been performed by either flexible minicomputer based gear costing $17,000 or by single-purpose hardwired gear at a cost of $21,000. The decision was made to buy the single-purpose equipment, even though the minicomputer-based gear cost less and could do more. The reason: this would avoid the difficulties of the DP procurement process, and allow the system to be installed without delay.

Contrary to the usual problem represented by lags in the procurement process, some federal DP acquisitions take place sooner than needed or desirable. These fast acquisitions have just as much potential for unnecessary expenditures. When the Air Force sought to obtain computers for its Advanced Logistics System, an Air Force scientific advisory board recommended that no procurement take place until a prototype could be thoroughly tested and evaluated. Despite this suggestion, the Air Force went ahead to acquire and install computer systems at all five of its air logistics centers and at headquarters—with the knowledge that there were serious problems regarding both the computer equipment and software. Congress subsequently directed the Air Force to terminate development of the system, but not before a total expenditure of approximately $250 million. In the words of the GAO's Donald Scantlebury, the cost to the government "could have been much less if the Air Force had not acquired the hardware prematurely."

The Bureau of the Mint spent $4-million to install an IBM 370/155 computer system in its San Francisco facility. Yet, nearly a year later, only one-third of the productive capacity was being used to handle a single major application, the Numismatic Coin Operations System. Learning of this unused capacity, the Treasury Dept. cancelled a request from the U.S. Customs Service to acquire its own IBM 370/155, directing Customs to utilize the Bureau of the Mint's computer instead. As a result of this enforced doubling up on a single computer, which had been acquired before it could be fully utilized, the government saved approximately $325,000 over a two-year period.

A different problem arose when an interservice defense communications agency went ahead and ordered a computer only to find out it had nowhere to house the equipment. In an effort to overcome at least part of the procurement delay, DP manufacturers sometimes initiate production on a computer once it becomes clear that a federal agency intends to place an order but before the paperwork has been finalized. In fact, it is not unheard of for a piece of equipment to be installed and operating before the final order has been placed. In such cases, the acceptance testing period begins once the ordering process has been completed, followed by the start of lease or purchase payments.

This process became fouled up when an employee of the General Services Administration, the government's housekeeping agency, took an unexpectedly long time to negotiate a lease for space to house the new computer in a privately owned office building in Washington, D.C. Not only did negotiations for the space drag on for more than six month, but just as they reached a crucial point the federal employee went on vacation. Finally, after a somewhat testy letter from the Secretary of Defense to the Administrator of the GSA, the lease was finalized and the equipment could be installed. In the meantime, the $1.5 million computer has been stored for about four months in crates in the hallway of the building.

"Congressman Brooks is concerned with the number of sole source procurements. There's also concern with what looks like a competitive bid, because there's more than one bidder, but in fact the specs are written in such a way that only one firm can meet them."

Question: "Is a payoff involved?"

Answer: "You never know. Maybe someone leaves the government and goes to work for a firm a year or two later. It happens all the time."

Question: "Is this prevalant?"

Answer: "Often I think it's more a feat of salesmanship on the part of a vendor who becomes entrenched. So when you look at figures on sole source procurements by the government, even they don't tell the whole story. There's probably a lot more that is disguised."

Answering questions is a high-ranking official who helps to direct DP programs for a major government agency. His observations on "wiring in" by writing restrictive specifications are repeated by others who have observed the practice.

A salesman for a major mainframer: "There are RFPs that only one company *could* respond to. There's no doubt about it, and that's often reflected in the response. Often nobody else will touch them." One reason for this situation, he charges, is that "the government is rife with people who can't write computer specifications. They throw open their office to a particular company, those with adequate resources in terms of marketing people and technical support that actually writes the specifications. The specs go out over the signature of the government employee who has responsibility for preparing the RFP."

"Government Executive," April 1977 (a privately published management magazine for high-level federal employees): "To its credit, GSA does try to foster competition. What is poorly perceived is that by controlling the technical specifications of ADP you can control or strongly influence which company wins a given procurement. What is a legitimate technical or operational requirement and what is a rigged specification? GSA has become the referee."

A.G.W. Biddle, president, Computer and Communication Industry Association: "It has been our experience that agencies often come to GSA with 'trumped up' specifications which are often prepared with the assistance of the larger vendors' on-site systems engineers. In some cases, these vendors have actually been found to have written the specifications themselves. Thus a Delegation of Procurement Authority (DPA) comes through GSA with loaded specs which can only be met by one particular manufacturer's product. Without adequate technical oversight, GSA is unable to determine that the DP product or the service being sought is readily available from several other vendors and probably at a lower cost."

The Office of Management and Budget, in a policy letter issued late last year, sought to clarify the GSA's data processing procurement functions with regard to other federal agencies and, at the same time, implied that wiring in has become a major problem in federal DP procurement. The letter points out that specifying acquisition of a particular make and model of DP equipment when other sources of supply can satisfy an agency's needs could undermine the competitive goals of the Brooks Bill. "Overly restrictive specifications could reduce the economic benefits of competition, diminish the opportunity for savings achieved through sharing compatible excess DP capacity of other agencies, limit the economic advantages of bulk purchases or lead to specifications by an agency of equipment requirements beyond those needed to effectively carry out their missions and programs." To overcome these objections, OMB directed agencies to express their DP requirements in terms of functional performance rather than equipment specifications."

Problems in federal procurement are paralleled by shortcomings in the personnel picture. The excessive personnel costs of government DP programs, compared with private industry, has been cited earlier. Robert V. Head, assistant director, Office of Automated Data Systems, U.S. Department of Agriculture, is in a good position to compare the over-all competence of DP personnel in the government and private industry. Before coming to USDA in 1971, he served as an information systems consultant, was with IBM for four years, and worked as a manager and programmer for General Electric and UNIVAC. Some federal systems programmers, he believes, "are more advanced than their counterparts in industry. For example, some of the basic work on computer performance measurement is done by government people in several agencies".

The total picture he paints, however, is far different. "Personnel is an area where the government doesn't compare favorably at all with private industry. We spend an incredible amount of money on training, sending people to schools, conferences and seminars. The problem is that we're trying to retread people who are serving under Civil Service regulations, so they can't easily be terminated. They keep undergoing training, but not benefiting very much. A lot of these people would not last very long in a private firm. This causes problems in getting the government's work done".

As part of its effort to control the skyrocketing cost of the federal government's procurement program, the Office of Management and Budget has issued a directive (Circular A–76) forbidding agencies from acquiring in-house capabilities unless services obtained from outside concerns would be more than 15 percent more costly.

OMB offers a simply stated explanation of the reasoning underlying its directive: "For many of the federal data processing requirements, we do not believe it makes sense for us to establish more and more computer facilities in the government (with all the attendant costs of operation, maintenance and obsolescence) when the services can be obtained from the private sector".

Despite this fact, the government continues to build up its own DP resources at an even-increasing pace. Head says, "One hope for improving DP performance in the government would be to rely more on outside contractual service". He adds, however, that the OMB directive "has never really been enforced".

Furthermore, the Carter Administration has indicated it doesn't necessarily agree that contracting out government DP and other functions to private industry automatically is less costly than acquiring in-house capabilities. OMB last June directed federal agencies to put a lid on outside contracting while it reviews the comparative costs of acquiring outside services.

If the picture of the federal government's computer procurement and use programs is confusing, it seems clear when compared with efforts to devise solutions to the problems. Like the proverbial multitude of cooks who spoil the broth, there are almost as many recommendations as those who believe they know "the" best way to deal with the situation.

A major problem, it seems clear, is the lack of adequate, centralized oversight and guidance. There is no single source nor even several well-coordinated bases of strong oversight function. There is a myriad of rules and regulations, but no objective overseer to monitor how well or even if they are being applied. As is so often true with regard to the massive federal bureaucracy, much more concern is paid to following (or in some instances trying to avoid) the precise letter of the law than to asking how logically and beneficially the law is operating.

Even with all obstacles he faces in selling to the federal government, a successful sales representative of a major mainframer charges that the absence of "any real audit of the use of computers is the weak link. The assumption is that they need a particular computer, and are using it well."

The allegation is repeated by the Dept. of Agriculture's Head. "How do we know that all these computers are being productively used? The fact is that we don't." When asked about the effectiveness of intra-agency and General Accounting Office auditors, he passed off their potential for meaningful oversight: "This varies a lot from one agency to another. A lot of these people just don't possess the background to audit computer functions. Further, auditing is done on a sample or spot-check basis." Concludes Head: "If anybody wants to make a case that there are inefficient installations that are underproductive and underutilized, that just has to be conceded."

But inefficient utilization of computers, like other aspects of the government's DP program, actually represents a symptom rather than a cause of the underlying problem. The basic weakness was underscored last year at an Interagency Automated Data Processing Planning Conferenec in a speech by Theodore D. Puckorius, then commissioner, Automated Data and Telecommunications Service, General Services Administration. In his words, "There is no one source for ADP policy within the federal government. Rather, there are a number of vested interests, striving for impact, oversight, control and successes to their own objectives. Congress is interested in the privacy considerations, effective operations and the effective use of dollars. OMB effectively dictates their centralization concept and reduced resources in-house for greater effectiveness. The House Government Operations Committee, chairman Congressman Brooks, is interested in effective computers, procurement practices and greater centralization of ADP management and procurement. The agencies served are still chafing at over-control and over-sight and GAO is more involved than ever in conducting procurement reviews and auditing procurement practices. Net result—there is no single source for ADP policy."

It is clear that what is needed is a strong push from a single source with enough clout to force people agencies to listen and to *act*. The office of Management and Budget last June launched a major DP reorganization project aimed at improving the government's application of computer technology; upgrading acquisition and management of data processing resources, and eliminating duplication and overlap in agency jurisdictions. Among those providing input are Congress, federal user and management agencies, the computer industry, the public and other sources. Recommendations are contemplated in several areas:

* New regulations and policies for issuance by OMB, the General Services Administration and National Bureau of Standards.
* Structural reorganization of DP functions to be considered in reorganization studies of individual government departments.
* Legislative proposals, if required.
* Possibly an over-all reorganization proposal.

A major possible problem might be that it is somewhat akin to asking the fox to recommend ways of increasing security in the chicken coop. The OMB itself, as already established, has been a target of criticism for failing to adequately establish and enforce policies.

Asked his reaction to the OMB task force study, Rep. Brooks told Infosystems he welcomes it. "Without OMB's vigorous endorsement and enforcement of the Brooks Act," he went on, "there's little hope that major economies can be achieved in expenditures on ADP resources, now amounting to approximately four percent of the entire federal budget." However, Rep. Brooks recalled, a look at past practices reveals "a history of ADP procurement and operations in which OMB was found to be a prime factor in agencies' failures to comply with the law."

If the OMB, by means of its current reor-

ganization project, can come up with meaningful recommendations—and see that they are implemented—it is possible that many of the failings in the federal government's DP program can be ameliorated. If not, then a push will be needed from another source.

And the most promising push would seem to be that of the American Federation of Information Processing Societies, Inc. (AFIPS). A special panel, chaired by Dr. Stephen S. Yau of Northwestern Univ., and consisting of 13 members was established by AFIPS to comment on the reorganization of computer-related groups in the federal government. The panel has recommended the establishment of an independent agency to have cognizance over all federal procurement and management functions related to data processing and communications.

With ADP accounting for such a large and growing share of the government's total budget—and with the documented mismanagement of the program—it does not seem far fetched to suggest that the White House should involve itself directly in the picture.

President Carter since his election and inauguration has assigned assistants to examine the operations of various government departments and agencies in an effort to seek out and reduce inefficiencies, and find simpler, lower cost ways of operating. Perhaps a White House-appointed task force or individual "czar" from outside the agencies that are directly involved in federal computer programs is the only step that ultimately can lead to the type of concerted action that is required.

It is possible that a strong show of interest, and a word, for the Oval office of the White House itself may be needed to bring an end to the interagency jealousies, inertia and built-in problems that threaten to keep automatic data processing from operating within the government as it should and indeed must!

HARTFORD PUBLIC MEETING OF CONCERN IN MIDEAST

The SPEAKER. Under a previous order of the House, the gentleman from Connecticut (Mr. COTTER) is recognized for 10 minutes.

Mr. COTTER. Mr. Speaker, more than 500 of my constituents met in the Greater Hartford Jewish Community Center on October 10 to "create better understanding of the issues and to preserve the longstanding, good relationship between the United States and its loyal and dependable ally, the State of Israel."

I have shared the petition they signed that night with President Carter, and now I would like to have it published in the RECORD with my recent position paper on the Middle East:

STATEMENT OF CONGRESSMAN WILLIAM R. COTTER ON MIDDLE EAST POLICY

1. As long as the Palestine Liberation Organization is dedicated to the destruction of the state of Israel (as set forth in their national covenant), there can be no question of an American connection with the P.L.O. or of any P.L.O. role at a Geneva peace conference. In my opinion, the Israeli Government is right to oppose the participation of P.L.O. representatives, although I share Israel's position that non-P.L.O. Palestinian representatives could be present in an Arab delegation, since the issues to be discussed at Geneva would affect their lives. I do not believe that a terrorist organization devoted to the destruction of one of the negotiating parties would have an constructive role to play at a peace conference.

2. On the issue of a Palestinian state, I would oppose the creation of such a state if it endangered Israel's territorial security or could be used as a base for future terrorist operations against Israel. If any proposal were made at Geneva to establish any Palestinian entity, such as a State federated with the Kingdom of Jordan, it would have to be proven to Israel that, first realistic international guarantees would safeguard the security of Israel's frontiers and that any Israeli pullback from the West Bank would leave her with defensible borders, and second, that such a state would not fall into the hands of the P.L.O. There are moderate elements among the West Bank's Arab population who sincerely want to live at peace with Israel, and I do not believe that a P.L.O. state should be forced down their throats or imposed on Israel.

3. In this connection, I wrote President Carter on October 11 to protest the joint Soviet-American policy statement on the Middle East. I was disturbed by that resolution's failure to include United Nations resolution 242 and 338 as the basis for future negotiations. I also asked for clarification of the Administration's policy on the P.L.O. The first issue has since been the subject of an Israeli-American declaration that the two U.N. resolutions must form the basis for negotiations, including the Geneva conference, but my second question has not yet been answered. The White House has assured me there will be a detailed response to my letter.

4. I have always supported Israel in Congress partly because I believe the United States has a responsibility to help any democratic ally. This would certainly apply to Israel, whose friendship is above question. But in Israel's case, there is a second reason I believe American support is necessary. Israel represents a victory over the insanity of the Holocaust, a vindication for those who survived. If the United States Government was silent when Nazi Germany exterminated six million European Jews, it cannot afford to be silent now. So I feel very strongly that America has a special moral responsibility to support Israel.

ISRAEL TASK FORCE OF THE HARTFORD JEWISH FEDERATION'S COMMUNITY RELATIONS COMMITTEE CONSENSUS RESOLUTION

1. Our community has been shaken by the course of recent administration statements on the Mideast.

2. We support the convening of the Geneva Conference based on the texts of U.N. Security Council Resolutions 242 and 338, and the original letter of invitation sent out by the U.S. and USSR, as joint convenors.

3. We call upon our government to honor, by word and deed, the solemn agreements made by it with the state of Israel in September, 1975, filed with the U.S. Congress, which (A) prohibit any new party to the Geneva Conference without the prior consent of all the original parties (B) affirm the U.S. position of not recognizing or negotiating with the P.L.O. so long as the P.L.O. does not recognize Israel's right to exist *and* does not accept U.N. Security Council Resolutions 242 and 338.

4. We are dismayed by the substance, the timing and the manner in which the joint Soviet-American statement on the Mideast was adopted on October 1, in that

(A) There was insufficient prior consultation with Israel.

(B) It enhances, without any appreciable quid-pro-quo, the Mideast role of the USSR which is an ally of the Arab states, their primary supplier of arms and does not even maintain diplomatic relations with Israel.

(C) It fails to refer to either U.N. Resolution 242 or 338, the cornerstones of the Geneva Conference.

(D) It fails to mention the essential terms of a meaningful peace treaty as agreed upon by Israel and the United States.

(E) It fails to refer to the need for secure and recognized borders or the freedom of international waterways in the area.

(F) It elevates the Palestinian problem to the central forces of the Mideast and tends to solemnize the concept of the "Legitimate Rights of the Palestinians", which has become a code word for the destruction of Israel.

(G) It tended to break down the relationship of trust and confidence between Israel and the U.S., which has served both Nations so well in the past and which may well have to be an essential ingredient of any meaningful peace negotiations in the future.

5. While we applaud the subsequent clarification which appeared in the joint U.S.-Israel statement of October 5, we call upon President Carter and his administration to alter its zig-zag course of the past year, which has alternated between strong statements of support and understanding for Israel's position and numerous statements which have tended to enhance the position of the P.L.O. raise the expectations of the Arab states, reduce Israel's bargaining posture and blur the largest barrier to peace in the Mideast, namely, the failure of the Arab states to recognize the state of Israel.

6. We further call upon all friends of Israel and of true peace in the Mideast, from all religious backgrounds, to communicate our concerns to President Carter, our congressional representative, State officials and to the American people at large, in an ongoing effort to create better understanding of the issues and to preserve the long standing, good relationship between the United States and its loyal and dependable ally, the state of Israel.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

The following Members (at the request of Mr. MILLER of Ohio) to revise and extend their remarks and include extraneous material:

Mr. JEFFORDS, for 30 minutes, today.

The following Members (at the request of Mr. BRADEMAS) to revise and extend their remarks and include extraneous material:

Mr. PEPPER, for 5 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. GONZALEZ, for 5 minutes, today.
Mr. VANIK, for 10 minutes, today.
Mr. COTTER, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

The following Members (at the request of Mr. MILLER of Ohio) and to include extraneous matter:

Mr. STEERS.
Mr. ROUSSELOT.
Mr. CORCORAN of Illinois.
Mr. DERWINSKI in two instances.
Mr. SCHULZE.
Mr. HAGEDORN.
Mr. FINDLEY.
Mr. SYMMS in three instances.

The following Members (at the request of Mr. BRADEMAS) and to include extraneous material:

Mr. LEDERER.

Mr. MINETA.
Mr. HUCKABY.
Mr. ANDERSON of California in three instances.
Mr. GONZALEZ in three instances.
Mr. THOMPSON.
Mr. PIKE.
Mr. MILFORD.
Mr. MCDONALD in three instances.
Mr. VANIK in two instances.

BILLS PRESENTED TO THE PRESIDENT

Mr. THOMPSON, from the Committee on House Administration, reported that that committee did on November 15, 1977, present to the President, for his approval, bills of the House of the following titles:

H.R. 422. To amend the Tariff Schedules of the United States to provide duty-free treatment of any aircraft engine used as a temporary replacement for an aircraft engine being overhauled within the United States if duty was paid on such replacement engine during a previous importation.

H.R. 2661. For the relief of Patricia R. Tully.

H.R. 4049. To amend the Regional Rail Reorganization Act of 1973 to authorize additional appropriations for the United States Railway Association, and for other purposes.

H.R. 7074. To provide improved authority for the administration of certain National Forest System lands in Oregon.

H.R. 8175. To amend the Veterans' Administration Physician and Dentist Pay Comparability Act of 1975, as amended, in order to extend the authority to enter into special-pay agreements with physicians and dentists; to amend title 38, of the United States Code to modify certain provisions relating to special-pay agreements; and for other purposes.

H.R. 8701. To amend title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowance paid to eligible veterans and persons, to make improvements in the educational assistance programs, and for other purposes.

ADJOURNMENT

Mr. BRADEMAS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 4 minutes a.m.) under its previous order, the House adjourned until Tuesday, November 22, 1977, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2703. A letter from the Attorney General, transmitting a draft of proposed legislation to provide explicit authority for the arrest of material witnesses; to the Committee on the District of Columbia.

2704. A letter from the Chairman, Indian Claims Commission, transmitting the Commission's final determination in docket No. 226, *Caddo Tribe of Oklahoma, et al., Plaintiff,* v. *the United States of America, Defendant,* pursuant to section 21 of the Indian Claims Commission Act; to the Committee on Interior and Insular Affairs.

2705. A letter from the Acting Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b; to the Committee on International Relations.

2706. A letter from the Chairman, Board of Foreign Scholarships, transmitting the Board's 14th annual report, covering calendar year 1976, pursuant to section 107 of the Mutual Educational and Cultural Exchange Act of 1961; to the Committee on International Relations.

2707. A letter from the Secretary of Health, Education, and Welfare, transmitting the 1976 report on the health consequences of smoking, pursuant to section 8(a) of Public Law 89–92, as amended (84 Stat. 89); to the Committee on Interstate and Foreign Commerce.

2708. A letter from the Administrator, National Aeronautics and Space Administration, transmitting the annual report on scientific and engineering positions established during fiscal year 1977 under the authority of section 203(c)(2)(A) of the National Aeronautics and Space Act of 1958, as amended, pursuant to section 206(b) of the act of October 4, 1961; to the Committee on Post Office and Civil Service.

2709. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a report on the number of NASA employees in each General Schedule grade as of September 30, 1976, and September 30, 1977, pursuant to section 1310 of the Supplemental Appropriation Act of 1952; jointly, to the Committees on Appropriations, and Post Office and Civil Service.

2710. A letter from the Comptroller General of the United States, transmitting a report on the U.S. chemical defense program (PSAD–77–105, November 18, 1977); jointly, to the Committees on Government Operations, and Armed Services.

2711. A letter from the Comptroller General of the United States, transmitting a report on the Navy's multimission carrier airwing (LCD–77–451, November 16, 1977); jointly, to the Committees on Government Operations, and Armed Services.

2712. A letter from the Comptroller General of the United States, transmitting a report on the Department of Defense value engineering program (PSAD–78–5, November 16, 1977); jointly, to the Committees on Government Operations, and Armed Services.

2713. A letter from the Comptroller General of the United States, transmitting a report on the need to repeal provisions of various laws that permit retiring Federal employees and new Federal retirees to benefit from cost-of-living increases which occur before they retire (FPCD–78–2, November 17, 1977), jointly, to the Committees on Government Operations, and Post Office and Civil Service.

2714. A letter from the Attorney General, transmitting a draft of proposed legislation to amend chapter 2, title 18, United States Code, and sections 101 and 902 of the Federal Aviation Act of 1958, to implement the Convention for the Suppression of Unlawful Acts Against the Safety of Civil Aviation, and for other purposes; jointly, to the Committees on the Judiciary, and Public Works and Transportation.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BROOKS: Committee on Government Operations. House Resolution 827. Resolution to disapprove Reorganization Plan No. 2 of 1977 (Rept. No. 95–818). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FINDLEY:

H.R. 10099. A bill to amend the Federal Power Act for the purpose of requiring that a determination that a utility selling electricity at wholesale is subject to Federal ratemaking regulations be based on more than the fact that such utility has electric facilities which are physically connected with electric facilities of any other utility to the Committee on Interstate and Foreign Commerce.

By Mr. JEFFORDS:

H.R. 10100. A bill to provide for a study of the cost of achieving accessibility to handicapped persons in certain programs, and for other purposes; to the Committee on Education and Labor.

By Mr. RODINO (for himself and Mr. DANIELSON):

H.R. 10101. A bill to authorize an appropriation to reimburse certain expenditures for social services provided by the States prior to October 1, 1975, under titles I, IV, VI, X, XIV, and XVI of the Social Security Act; jointly, to the Committees on the Judiciary, and Ways and Means.

By Mr. ROE:

H.R. 10102. A bill to require an employer which assumes the ownership or operation of a business to honor the terms and conditions of a collective-bargaining contract; to the Committee on Education and Labor.

H.R. 10103. A bill to provide recognition to the Women's Air Forces Service Pilots for their service to their country during World War II by deeming such service to have been active duty in the Armed Forces of the United States for purposes of laws administered by the Veterans' Administration; to the Committee on Veteran's Affairs.

H.R. 10104. A bill to amend the Social Security Act to authorize international agreements with respect to social security health insurance benefits; to the Committee on Ways and Means.

By Mr. SEIBERLING:

H.R. 10105. A bill to amend title 28 of the United States Code to authorize the awarding of attorneys' fees in civil actions before the Federal courts where the interests of justice so require, and for other purposes; to the Committee on the Judiciary.

H.R. 10106. A bill to authorize the awarding of attorneys' fees to prevailing plaintiffs in actions brought under the National Environmental Policy Act of 1969, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H.R. 10107. A bill to amend the Internal Revenue Code of 1954 to provide for the refunding of so much of a taxpayer's investment credit as exceeds his liability for income tax; to the Committee on Ways and Means.

By Mr. VANDER JAGT:

H.R. 10108. A bill to amend the Internal Revenue Code of 1954 to permit a taxpayer to claim a credit for amounts paid as tuition to provide education for himself, for his spouse, or for his dependents, and to provide that such credit is refundable; to the Committee on Ways and Means.

By Mr. DENT:

H.J. Res. 659. Joint resolution to authorize and request the President to issue annually a proclamation designating the fourth Sunday of November of each year as National Grandparents' Day; to the Committee on Post Office and Civil Service.

By Mr. EVANS of Colorado (for himself, Mr. ULLMAN, Mr. MCKAY, Mr. SISK, Mr. ANDERSON of California, Mr. BURGENER, Mr. DON H. CLAUSEN, Mr. JOHNSON of California, Mr. KETCHUM, Mr. LUJAN, Mr. MCFALL, Mr. RUNNELS, Mr. RUDD, Mr. MCCORMACK, Mrs. SMITH of Nebraska, Mr. WHITE, Mr. STUMP, Mr. RHODES, Mr. BAUCUS, and Mr. RONCALIO):

H.J. Res. 660. Joint resolution relating to the excess land provisions and residency requirements of the Federal reclamation laws, as amended and supplemented; to the Committee on Interior and Insular Affairs.

By Mr. DERWINSKI:

H. Con. Res. 413. Concurrent resolution expressing the sense of the Congress with respect to the incorporation of Latvia, Lithuania, and Estonia into the Union of Soviet Socialist Republics; to the Committee on International Relations.

By Mr. RANGEL:

H. Con. Res. 414. Concurrent resolution calling upon the President to impose an embargo on trade between the United States and the Republic of South Africa; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. KEMP:

H.R. 10109. A bill for the relief of Martina Navratilova; to the Committee on the Judiciary.

By Mr. ROGERS:

H.R. 10110. A bill for the relief of Miss Margaret Louise Curtin; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

338. By the SPEAKER: Petition of the Peace Council of the German Democratic Republic, Berlin, relative to the neutron bomb; to the Committee on Armed Services.

339. Also, petition of Advocates for Utah Handicapped, Salt Lake City, relative to policy development in the administration of the Utah State plan for vocational rehabilitation; to the Committee on Education and Labor.

340. Also, petition of the city council, Cleveland, Ohio, relative to real estate taxes owed by Penn Central; to the Committee on Interstate and Foreign Commerce.

341. Also, petition of the city council, Cleveland, Ohio, relative to protection of the domestic steel industry; to the Committee on Ways and Means.

SENATE—*Friday, November 18, 1977*

(Legislative day of Tuesday, November 1, 1977)

The Senate met at 10 a.m. on the expiration of the recess, and was called to order by the Acting President pro tempore (Mr. METCALF).

The ACTING PRESIDENT pro tempore. Pursuant to the previous order, the Senate now recesses until Tuesday, November 22, 1977, at 10 a.m.

RECESS UNTIL 10 A.M. TUESDAY, NOVEMBER 22, 1977

Thereupon (at 10 o'clock and 5 seconds a.m.) the Senate recessed untill Tuesday, November 22, 1977, at 10 a.m.

EXTENSIONS OF REMARKS

AND "A GOOD DEAL THAT IS POSITIVE"

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 18, 1977

Mr. DERWINSKI. Mr. Speaker, there has been a great deal of interest, but in my judgment, unbalanced coverage involving the situation in South Africa. Like the abortion issue, gun control, the Middle East crisis, the neutron bomb, and the Panama Canal, the dispute over South Africa is raging more from emotion and righteous indignation rather than from facts that should be presented to the public.

Christiaan Barnard, the world renowned heart surgeon and native South African, has had little direct involvement with the politics of his country, but his article appearing in the New York Times of Friday, October 21, is the type of commentary that should be studied by those who wish to reach conclusions based on objectivity:

AND "A GOOD DEAL THAT IS POSITIVE"

(By Christiaan Barnard)

CAPE TOWN, SOUTH AFRICA.—Human rights is a complex issue that is in danger of becoming just a politically useful slogan. I should personally be very distressed to see this valuable concept reduced to sanctimonious political cant.

Members of President Carter's Administration have emphasized their determination to champion "human rights." Their devotion to this cause is laudable. No one with a sense of human sanctity would question the importance of their mission or the need to bring the issue of human dignity and human rights into sharp and urgent focus.

In the context of the African continent, it is, I submit, unwise and dishonest to dissociate government by the people from government for the people. One simply cannot expect to find credibility or solutions in attitudes that insist upon "by" and refuse to recognize achievements in the "for" department. As one of many whose life's work has been concerned with the provision of services for my fellow South Africans, I may be unduly sensitive on this point, but the facts, I believe, give me reason to be.

According to the Food and Agricultural Organization of the United Nations, Africa has the resources to become one of the world's greatest producers of food, yet only South Africa and Kenya were net exporters of grains other than rice.

According to a November 1976 article in Africa magazine, only nine African countries out of 53 produced more food per capita in 1974 than 10 years previously. These were the Ivory Coast, Libya, Madagascar, Malawi, Morocco, South Africa, Tunisia, Zaire and Zambia. In the rest of Africa, food production has declined to below the average from 1961 to 1965.

Some of the reductions were of alarming proportions—as for example 54 percent in Niger, 59 percent in Algeria, and an incredible 82 percent in Burundi, one of the world's poorest countries.

In South Africa, on the other hand, food production has increased at an appreciably faster rate than has the population (3.8 percent versus 2.7 percent, respectively). As a result, the Republic can assist other states on the African continent not only with food but with expertise.

At the end of World War II, South Africa's cities were disfigured by slums. Almost no slums now remain. Since 1950, more than 430,000 houses have been built under the black public-housing program. If a country like France were to have made comparable housing efforts in terms of its gross national product, it would have had to build about 3.5 million such houses.

It might be argued that, although the South African Government has provided food and housing for the black population this group on the whole earns so much less than the white South Africans that there are instances were they are unable to afford these basic essentials. This defect has long been recognized, and most employers and all employer associations have accepted the principle of rate-for-the-job and have undertaken to close the black-white wage gap through the application of this principle allied to comprehensive training programs. Average wages in the economically active black groups have risen by 92 percent since 1972; in the white counterpart, the corresponding figure is 43 percent.

Black wages in the mining industry have risen over 500 percent from 1970 to 1975, while the average income for black households in Johannesburg increased by more than 100 percent between 1970 and 1975.

A major industrial concern employing 10,000 black workers pays blue-collar workers an average of nearly 200 rands [$230] per month, a figure considerably in excess of the various calculations for subsistence levels for households of five in an urban area in this country.

It has been pointed out that in 1974, 26 million Americans earned less than the average active black man in South Africa.

At the more advanced level of public responsibility, the recent South African record, although not perfect in the absolute sense, has a good deal that is positive in its favor. Data are available to document the considerable and effective contributions that have been made to providing education, opportunities for employment, medical services, cultural and recreational facilities, and legal advice for blacks.

All in all, then, the South African Government has not been guilty of irresponsible ad-

ministration of its people's affairs. This is a good deal more than can be said for a number of other states in Africa.

The reported attitudes of the Carter Administration to the implementation of human political rights in Africa are also disappointing for their reliance upon the slogans and stereotyped half-truths regarding Southern Africa and their apparent reluctance to encompass the whole truth.

Why, for example, is "black majority rule" implicitly equated with "political freedom" when the facts show plainly that there is no justification for this equation?

There are 21 one-party regimes; 13 dictatorships; 6 military dictatorships; and only 12 multiparty states, some of which are de facto one-party states or are in the process of "drawing up new constitutions"!

Why not recognize the fact that the South African Government, in its present unwillingness to accept the Western model of democratic government for its peoples, has reasons to suspect that this form of government is not, in the light of recent African experience, necessarily the most suitable?

Why not give some recognition to the bona fides of South African, South-West African or Rhodesian attempts to find African solution to African problems? Other countries have certainly been permitted to deviate from the American ideal without too much in the way of criticism!

If Mr. Carter has the genuine interest of all inhabitants of Southern Africa at heart, and if he, like so many of us, wishes to eliminate the degrading effects of racial discrimination, my advice would be to take a scholarly and constructive approach that recognizes the responsible conduct and positive achievements of so-called "white regimes" in Southern Africa. Military and economic confrontations simply do not work.

COAL CONVERSION TAX

HON. DALE MILFORD

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 18, 1977

Mr. MILFORD. Mr. Speaker, the editorial below, which appeared in the Fort Worth Star-Telegram on Wednesday, November 14, 1977, correctly points out why I feel we are considering a tax bill rather than an energy bill.

Industry came to Texas because there was plenty of natural gas and oil available—and it was inexpensive. As a result, Texas is heavily dependent on oil and gas for primary fuels.

However, in the last few years, primarily because of the increasing price of unregulated intrastate natural gas and State guidelines, substantial conversion to coal and nuclear energy has already been initiated particularly in the electric utility industry. It is projected that by 1985, two thirds of Texas electrical production will be from coal and nuclear power. By 1990, oil and natural gas will contribute only 10 percent of electrical production.

Texas does recognize the need to convert to other sources of energy and is already taking steps to that affect. But apparently that is not good enough or fast enough. We are getting taxes that will result in tremendous capital costs to industry—estimated to total $30 to $50 billion, higher consumer prices, and continued inflation. Instead of working on a program that will increase the production of our proven domestic energy supplies, we end up with more Federal bureaucracy, regulations, and taxes.

I commend this editorial to the attention of my colleagues:

COAL CONVERSION TAX

Texans are about to begin paying a penalty for an infraction of rules which they can do nothing about.

That is because House-Senate energy conferees have agreed upon a coal conversion measure that calls for a tax on industrial use of gas and oil. The tax is designed to prod conversion.

Texas Electric Service Co. President William Marquandt estimates the measure will add an extra $280 to the annual electric bill of each customer.

That is because TESCO is converting as fast as it can to coal and nuclear energy. The coal conversion tax will do nothing to speed the conversion. It will serve only to penalize the utility and its customers.

Any thinking person can agree, in view of the world energy situation, that America must douse the gas flames under boilers, which can consume huge amounts of natural gas better used for other purposes.

So it is appropriate that Congress should order that new industrial or electric utility plants be required to use something other than natural gas as a boiler fuel.

It is appropriate that those existing boilers with a capability of burning something other than oil or natural gas be required to do so.

A deadline on national compliance—1990—even seems within reason.

But to tax, in the meantime, those who cannot possibly convert overnight the systems which a few years ago were the model of good energy management is to unfairly penalize Texans and those in other regions where natural gas has historically been the economical way to go.

Even Rep. John Dingell, D-Mich., who led House conferees on the topic, acknowledged, "It will have a different impact depending on where in the country you live."

It will hit hardest Texas, the Southeast and the Southwest, where natural gas is the predominant fuel, and most plants and utilities are caught with plants geared to that fuel.

Convert, they must.

But they shouldn't be penalized for not doing the impossible.

If immediate, universal conversion is possible, Congress should outline the method before voting penalties.

Coal conversion is a worthy destination, but our arrival there will have little meaning if we find we've wrecked the economic machine that got us there.

NORTH PHILADELPHIA YOUTH ORGANIZATION

HON. RAYMOND F. LEDERER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 18, 1977

Mr. LEDERER. Mr. Speaker, during a time when some people find it very difficult to compliment young people, I think it is fitting that I relate a story to my colleagues in the House of one example of young people pulling together for the good of their community. This is also a good example of how community action can make a difference.

For a long time, a full square block of vacant land near the North Philadephia Reading Railroad Station was covered with foot-high weeds and rubbish. That was until about 100 youths, along with their coordinator, Ms. Shirley Smith, contacted a member of my staff for assistance in changing the lot from a rat infested eyesore into something the community could be proud of.

The youths set out to clear the land and with the assistance of my staff obtained several hundred loads of dirt to cover the field. The city administration was persuaded to supply bulldozers, backhoes, and other equipment to remove large rocks and to grade the land.

Trees were donated by the city's highway department; large pieces of granite have been donated by a Philadelphia contractor which will be used to sculpture figures which will be placed around the grounds. With the help of members of the art museum, youths of the community have designed and painted, what is probably the largest mural in the country. It measures 50 by 100 feet.

The 100 youths have now been organized into a group called the North Philadelphia Youth Organization. Through the community, word of mouth made the dream of the North Philadelphia Youth Organization become a reality, a little each day. All the grass seed, labor, and trees came from the people.

Projects of this type also have their share of tragedy.

Lem Holeman, a young football player, who worked diligently with the youths on this project was found to have contracted cancer. His leg has been amputated, however, the cancer has been diagnosed as terminal.

In honor of young Holeman, the park has been dedicated to him and will carry his name.

Today, this once trash strewn, rat infested lot stands as monument to diligence, perseverance, and hard work. For what was once an eyesore that brought shame to the community is now a neighborhood play area that would cost upward of $200,000 to duplicate.

FATHER THOMAS McMAHON

HON. MARTY RUSSO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 18, 1977

Mr. RUSSO. Mr. Speaker, after 43 years of priestly life, Father Thomas McMahon is retiring from the pastorate on January 1. The last 14 of those years have been spent at St. Jude the Apostle parish, my home parish in South Holland, Ill. On November 27 we will hold a retirement dinner for the father as well as a birthday party, for he will be 70 years young on this occasion.

At the dinner we will honor a remarkable person, one who has given freely of himself to countless people through his years of selfless services to his church, his neighbor, his country.

I think Wordsworth was right when he said that the best portion of a good man's life is his little nameless, unremembered acts of kindness and of love. Certainly there is no counting system available that could chronicle Father McMahon's deeds, but the evidence of his work is clear: People are touched by him and their lives changed. His generous spirit, his warm laughter and his compassion enrich those lives. And the twinkle in the eye has reassured many an errant child that Father Tom was a man to be respected, but not feared.

In his years of service to our church, Father McMahon has also proven himself to be a talented administrator and financial expert. He is an organizer, an energetic "prodder" who demanded that we be the best we could be at St. Jude's.

And to the young people, a great joy to him, he brought his talent for leadership and inspiration. He was instrumental in the formation of the Catholic Youth Organization in his first parish, St. Andrew's, directed a community center at St. Sabina's and directed basketball and boxing tournments along with numerous other activities. The young have been blessed to have such a friend in their corner.

We are not going to say "goodby" to Father Tom. We simply would not let him get too much rest, even retired. But we are going to say "thank you" and "happy birthday," and I know my colleagues join with me in commending Father McMahon for years of dedicated service and wishing him continued joy in the future.

As a wise man once said:

There never was any heart truly great and gracious, that was not also tender and compassionate. Father McMahon has such a heart.

THE 95TH CONGRESS—1ST SESSION

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 18, 1977

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for November 18, 1977, into the CONGRESSIONAL RECORD:

THE 95TH CONGRESS—1ST SESSION

Despite many attacks against it, the 95th Congress has had a productive first session and it stands a good chance of being one of the better Congresses if it handles well some of the hot issues that it postponed until 1978. On a scale of one to ten it might not earn a perfect score, but a seven or eight is a totally defensible rating.

National publicity has focused on the deep differences and the wrangling within the Congress on the energy legislation. The President has insisted, mistakenly I believe, that both he and the Congress should have their performance judged solely on the basis of the energy legislation. Fashioning an energy bill designed to reduce the nation's dangerous dependence on foreign oil has proven to be a formidable task, in large part because many Americans are not even convinced there is a problem. At this writing the Congress has not completed its work on the energy bill, but contrary to many predictions of a failure to write a bill, my own judgment is that comprehensive legislation will be enacted.

It is also true that this session of the Congress has pushed into 1978 some rough fights over tax and welfare reform, and ratification of the Panama Canal treaties. All this may give the impression of an inffectual Congress, but I do not believe that is a fair judgment.

In January of this year there were high hopes of a new spirit of harmony between the President and the Congress which led many persons to believe that agreement on how to resolve the country's problems would come easily. But such expectations, if held, were quite unrealistic and did not take into account the realities of American government, including the separation of powers, the lack of discipline in American political parties and the absence of a consensus in the country on many of the nation's problems.

Even so, major legislation has been passed this year. The Senate and the House adopted new rules of ethics, including limiting the outside income members were allowed to earn. The President received broad authority to reorganize the executive branch and to create a Department of Energy. The tax cut, accelerated public works, and job programs stimulated the economic recovery. The environment came in for special attention with a Surface Mining Control and Reclamation Act and a Clean Air Act which averted a possible shutdown in the automobile industry and yet permitted orderly growth. A sagging farm economy was helped with increased price supports for corn and wheat, major new assistance was made available to small business, and increases in compensation were provided for disabled veterans. Tighter controls were placed on food stamp programs, and tougher enforcement of penalties for medicare and medicaid fraud and abuse were provided. The saccharin ban was postponed and a new minimum wage level established.

In foreign affairs, the Congress took major initiatives to make foreign aid more efficient and to promote human rights, but it voted against automatic cut-offs of foreign aid to nations that violated human rights, leaving those decisions to the President's discretion. This Congress provided for a strong national defense with the largest defense effort ever, and it made a major decision to develop the cruise missile and the neutron bomb. However, the Congress denied funds to produce the B–1 bomber.

The Congress turned down public financing of Congressional elections, common situs picketing and instant voter registration. A major disappointment was the rejection by the House of a modest reform proposal requiring the House to appoint an administrator and an auditor to run the sprawling business of the Congress in a business-like way. The Congress is still at work on bills to raise the retirement age to 70, improve social security financing, to prohibit the sexual exploitation of minors, to overhaul the bankruptcy laws, to control further water pollution, and to increase veterans pensions and education benefits.

Once again, the Congress showed itself to be tighter fiscally than the President by cutting $6½ billion from the President's request.

Two other points are worth noting. In compiling its legislative record, members of Congress spent upwards of 12,000 hours in approximately 3,750 committee sessions, worked nearly 850 hours on the floor of the House in full session and took more record votes than during any previous session of the Congress. Finally, it should not escape notice that there has been only one presidential veto this year, compared with a 109 vetoes in the preceding eight years.

THE 50TH ANNIVERSARY OF THE STOWE OLD TIMERS BASEBALL ASSOCIATION

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 18, 1977

Mr. SCHULZE. Mr. Speaker, in October 1928, a group of mostly semiprofessional baseball players met in the West End Fire Company Hall, Stowe, Pa., for the purpose of forming a permanent organization. They had as their objectives the encouragement of community youth to participate in the "national pastime," and the formulation of plans for an annual reunion to provide support for local ball clubs.

Thus there came into being the Stowe Old Timers Baseball Association. The new organization commenced activities with the appointment of a permanent ways and means committee, two of whose members, A. Edward McEvoy, 78, and Leonard Hartline, 84, still remain active today.

The association's first annual banquet was held in the fire company hall on November 9, 1928. More than 100 persons attended, marking the establishment of what has come to be widely recognized as the oldest organization of its kind in America.

A list of former big-league greats who have honored the association over these many years reads like a "Who's Who" of the baseball world: Connie Mack, Jimmie Foxx, Mickey Vernon, Frank Fritsch, Danny Murtaugh, and many others.

Mr. Speaker, the Stowe Old Timers Baseball Association marks their 50th anniversary with a dinner at the West End Fire Hall on Saturday, January 21, 1978. To all the past and present members of this fine organization, dedicated to public service and the enrichment of our Nation's youth, I extend my hearty congratulations and best wishes for another 50 years of incomparable excellence.

WORLD STEEL TRADE HEARINGS: SUMMARY OF TESTIMONY

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 18, 1977

Mr. VANIK. Mr. Speaker, on September 20, the Subcommittee on Trade of the Committee on Ways and Means held

an all-day hearing on the subject, "World Steel Trade: Current Trends and Structural Problems." The subcommittee received wide-ranging testimony from panels of administration, academic, and private experts. Because of the timeliness and importance of this subject, I would like to include in the RECORD an analysis and summary prepared by the staff of the Subcommittee on Trade, of the administration, and management, labor, and importers' testimony:

WORLD STEEL TRADE HEARINGS: SUMMARY OF TESTIMONY

ADMINISTRATION TESTIMONY

The Administration has not formulated a clear and comprehensive policy on steel imports, nor is there evidence of unanimity on what approach should be followed. However, based on the testimony presented by the Administration, the possible outlines of a three-pronged program can be distinguished.

1. First, and apparently considered most immediate, is action to improve the international economic climate, which is seen as largely responsible for thee depressed situation in the domestic steel industry. The Administration is committed to gradual non-inflationary stimulation measures, and is actively encouraging our trading partners to adopt the same. The Administration is also said to be considering moves to improve the economic picture in the steel industry in particular, such as new tax measures to facilitate investment, and "rationalizing" of environmental regulations.

2. The second approach seems to be increased utilization and streamlining of currently-existing lawful remedies. Foremost among these are the antidumping procedures. Several complaints based on this Act are currently being investigated by the Treasury. Other avenues of legal recourse to which the industry also has access are the following: import relief petitions, countervailing duty actions, unfair foreign trade practice petitions, and unfair import practice petitions. The USITC has also initiated its own study of conditions of competition in the western U.S. steel markets, and the Council on Wage and Price Stability is studying the competitiveness of U.S. steel. Finally, trade adjustment assistance is available in cases where reduction of employment has occurred, although Administration proposals for an improved adjustment assistance program are still being developed.

3. The third approach involves the negotiation of new international approaches to the monitoring of world trade. Through international conferences, mechanisms will be discussed for handling problems in the steel sector as they arise. One proposal would be the development of an international fair pricing system to assess costs and, on that basis, assign reasonable market prices.

All of these approaches were mentioned by one or more of the Administration witnesses.

The following are brief summaries of each Administration witnesses' analysis of the steel situation and proposed remedies:

Ambassador Robert Strauss, Special Representative for Trade Negotiations

Inadequate recovery from the worldwide recession is the primary cause of the steel problem. All producing countries are suffering from excess capacity, and are likely to remain so for some time. LDCs are increasingly becoming net exporters of steel products, and this is likely to have significant effect on world markets.

Quotas are an inappropriate remedy for these problems. Antidumping actions, while technically complex, are much preferable. Quantitative restrictions on carbon steel imports are not desirable at present; domestic law remedies should be pursued first. MTN should develop a mechanism to handle "crisis situations." Eventually, a permanent international group will be needed "to monitor developments in the steel industry and facilitate cooperation among governments in dealing with problems that arise." OECD is planning to discuss this approach.

Mr. Frank Weil, Assistant Secretary of Commerce for Domestic and International Business

The steel industry needs considerable capital for modernization, but is currently unable to find it because of low profitability—among the worst of all U.S. industries. Steel is not benefiting from the gradually improving economic picture because of import penetration and the trend toward switching to other metals.

The best approach to the problem is to attempt to negotiate, through GATT or MTN, a "bill of rights in pricing internationally," a uniform international pricing system that would obligate all steel producers to include in their selling prices all the factors involved in production: capital, energy, labor, etc.—i.e., full cost recovery. Antidumping procedures are one step toward implementation of this system. The steel industry believes that adoption of full cost pricing would at least make them competitive in the U.S. with foreign producers.

Mr. Howard Samuel, Deputy Undersecretary of Labor for International Affairs

The other major steel producers (England, France, Japan and Germany) see an important social stake in maintaining steady employment in the steel industry, immune from fluctuations of the marketplace. Each of these nations utilizes different means in order to achieve this goal, but the net result in each case is inflexibility of the companies to fine-tune employment to the economic situation, and a strong incentive to maintain high output regardless of demand, since labor costs remain fixed. This results, in times of recession, in considerable excess production, which must be disposed of through exports.

The United States does not have such an employment maintenance program. Adjustment assistance has been helpful in easing the pressures created by slackening demand and lay-offs, but beyond this it is not clear what can be done about the problem from the labor perspective.

Mr. William Nordhaus, Member, Council of Economic Advisors

The steel industry is plagued by the general sluggishness of the economy and stagflation, which creates uncertainty and cautious investment policies. Governments are afraid to use fiscal policy to stimulate demand because of inflation fears. EC and Japanese mills are operating at an even lower percent of capacity than ours. The major problem in the steel industry specifically is the alarming rise in the costs of production, due to skyrocketing fuel costs, high labor costs (highest in any manufacturing industry), and to a much lesser extent, pollution abatement expenditures, which are a burden shared by foreign producers. Domestic steel prices also are unresponsive to market conditions; they tend to rise regardless of the economic situation, unlike those of foreign companies.

The solution on the Administraiton's part is a commitment to sustaining recovery at home, and an effort to convince other governments to expand their economies. The industry must improve its cost structure, adopt more realistic pricing, and modernize plants. The government will assist with new tax measures, and rationalized environmental policy. Protective trade policies only perpetuate uneconomic practices, further weakening the industry.

Mr. William Barraclough, Deputy Assistant Secretary of State for International Trade Policy

Governments are increasingly resorting to bilateral agreements to deal with the depressed steel market. We have expressed our concern to the EC that these agreements may disrupt world trade, lead to diversion of excess steel to our market, and reduce the ability of international institutions to deal with the problem.

Worldwide, government ownership is not a major factor in steel production today, although it is likely to increase in importance in the future. However, there is no evidence that government ownership improves production. Government planning is significant in the steel industries in LDCs. In the EC and Japan, there exists a close relationship between business and government, which reduces economic uncertainty and helps coordinate industrial expansion with overall government fiscal policy. While government financial assistance to industry is substantial, it is not clear whether it is of net benefit to industry.

The most important part of the solution is putting the economy back on the track of vigorous, non-inflationary growth. Import restrictions, in steel or other areas, are self-defeating.

Mr. Robert Mundheim, General Counsel, Treasury Department

Antidumping law will only be effective if it provides prompt relief; therefore, the Treasury is dealing with complaints as quickly as possible. Although some time lag is necessary, it should not affect the quality of redress under the statute. Countervailing duty law is extremely complex, and it is difficult to apportion the costs of production equitably. Treasury has determined that rebate of indirect export taxes does not constitute a bounty or grant. However, situations involving companies owned, wholly or partially by governments create massive difficulties, because governments can create favorable business climates in many ways, which may or may not be classed as grants. Treasury is grappling with these problems. The industry has not made full use of these tools for eradicating artificial trade distortions.

INDUSTRY TESTIMONY

Mr. William Verity, Jr., President, Armco Steel

The American steel industry is caught in a severe cost-price squeeze brought on by unfair trade practices of foreign competitors. It is not true that the steel industry has been unwilling to invest in new equipment; in fact, they have doubled their investments over the last ten years, and now have the most modern facilities in the world, excepting Japan. The real problem is that government-subsidized companies, who can produce steel more cheaply, are stealing our market. In contrast, our government burdens the steel industry with excessive regulation (especially environmental), fragmented and inconsistent energy policy, and tax structures which discourage capital investment.

The short-term solution to this problem must involve immediate import limitations on steel, and retention of specialty steel quotas. A possible alternative to quotas would be on unemployment adjustment surcharge, assessed on imports above a fixed level, to compensate for job displacement and unemployment benefits caused by those imports. The President also should appoint a broadly-based emergency task force "to recommend . . . those actions which should

be taken to preserve the economic health of the steel industry."

LABOR TESTIMONY

Mr. John Sheehan (for Mr. Lloyd McBride), United Steelworkers

The steelworkers are concerned that social policies of other nations are endangering employment here. Foreign nations' commitment to maintaining high employment in the steel industry at any cost creates a trade imbalance which pure competition cannot resolve. Obsolete facilities which are low productivity rates put the industry at a disadvantage and must be closed, but they must also be replaced. Industry cannot be permitted to retrench at the expense of thousands of jobs.

Immediate relief is needed so that the industry can modernize without losing markets. Voluntary agreements must be negotiated to limit import penetration, and unfair trade practices must be stopped. The quota on specialty steel in particular should not be dismantled. In the long-term, there must be an "international mechanism to monitor steel flow and to provide safeguard relief against market disruption." In the meantime, Trade Adjustment Assistance must be extended to all workers who require it.

STEEL IMPORTERS' TESTIMONY

Mr. Kurt Orban, President, Kurt Orban Co., Wayne, N.J.

Foreign steel must have a considerable price of reliability advantage before importers will use it, because of the problems associated with its use. Thus a large increase in the consumption of imported steel in the U.S. is unlikely unless the domestic industry has been largely responsible for the switch to imported steel. By predicting a shortage in 1973 and 1974, they encouraged steel users to negotiate contracts with foreign producers. The industry has created deliberate shortages in some areas, and arbitrarily cut back allocations to some users. Moreover, their artificial and inflexible pricing policies have not enabled them to meet the competition.

The domestic steel industry is hamstrung by high investment costs and obsolescent plants. A program of modernization, with government assistance, should be undertaken. The industry's pricings should not be interfered with by the government, as they have every right to make a profit if they remain competitive. However, import controls "would remove all incentives for the domestic industry to once again become cost competitive, and . . . would be a disservice to the American steel consumer and to the U.S. economy in general."

MHD IN THE TIME OF TIMIDITY

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 18, 1977

Mr. SYMMS. Mr. Speaker, Dr. Arthur Kantrowitz, president of Avco Everett Research Laboratory, a very distinguished scientist and a pioneer in the field of plasma physics and magnetohydrodynamics (MHD), spoke last week to a meeting of the National Energy Resources Organization here in Washington. Dr. Kantrowitz's topic was "Magnetohydrodynamics (MHD) in the Time of Timidity." In his presentation Dr. Kantrowitz made the point that we are now in a period of "timidity" in the development of energy technology. I agree with his observations, and I think that the timidity Dr. Kantrowitz is referring to is a direct result of the "zero energy growth" lobby.

I commend the Kantrowitz statement to my colleagues:

MHD IN THE TIME OF TIMIDITY

In 1959 we proposed to the American Electric Power Company, then led by Philip Sporn, that we undertake jointly the development of MHD. Sporn and his people analyzed MHD and confirmed our expectations that it would prove to be a more efficient way to convert the energy of coal into electricity. Because they agreed with this they led about 11 percent of the utility industry to move forward in backing the development of MHD. This study has been repeated dozens of times since then everywhere in the industrial world—always yielding the same answer. Typical of these results is a result gotten for the NASA–ECAS study by G.E. As you see, MHD is the cheapest and, more important, more efficient than all advanced systems studied. As I said, this conclusion was also reached in 1959 by AEP and 11 percent of the industry was persuaded to help finance the early development of MHD.

MHD development proceeded vigorously, though on quite a small budget, for six years. By that time we passed all the milestones which AEP had set which would justify a pilot plant. In June of 1966 we proposed such a pilot plant, collected half of the money privately and asked the Interior Department to provide the other half. This proposal was rejected. However, the Russians at about the same time went through a similar assessment of MHD, and although they had done very little work in comparison with what had been done in the United States, they made the decision to go ahead with the U–25. They built this pilot plant. It has operated not quite to full specifications, but they are confident it will operate to full capacity this fall, and they will then be in a position to make a demonstration of a commercial size.

In the meantime, what has happened in the United States? We have gone through a period in which in spite of the fact that Senator Mansfield gave MHD his full backing and Congress provided rapidly growing funds for MHD, we have very little in the way of progress to record. This has been a period of timidity's triumphs. We have learned how to utilize procurement delays to avoid taking courageous steps, we have learned how to take the small steps that avoid criticism. In fact, these forward steps are now so small that if we continue this way we will never get there. In particular, timidity has developed the finding of artificial difficulties into a fine art. We have learned to find something which, to the uninitiated, seems like a milestone that ought to be passed before we go forward. One such milestone which has been absorbing a lot of money is the so called enthalpy extraction experiment. Let me talk about this some because it is typical of timidity in action.

The purpose of an MHD generator is to turn energy of very high temperature heat into electrical energy. The gases in an MHD generator are so hot that only highly cooled surfaces can survive the contact. The function of an MHD generator is to take this high temperature heat which cannot be utilized in other systems and to extract the energy with the aid of an electromagnetic field. A fraction of up to about 1% is extracted for about every meter of length of the MHD generator. A commercial machine must extract at least 20% of the enthalpy as electricity to be economically practical. Thus, it must be at least 20 meters long. It is also necessary that most of the gas not lose its energy by thermal contract with the cooled walls. Thus, if it is going to be 20 meters long, it must be 2 meters in diameter. This, of course, is a very large machine, larger than anyone has built anywhere. Therefore, timidity's cunning was exhibited by saying we must extract 20% before we go ahead with the pilot plant. The artificial difficulty has appeared. This artificial difficulty is nothing but a Catch-22. It says you cannot build a pilot plant until you show that something much bigger works.

What should be done about MHD. First, we should rectify as soon as possible the glaring error made in 1966 when the American proposal for a pilot plant was turned down. If we move vigorously now it would take five years and cost two hundred million (constant 1976 dollars) to build a pilot plant. I can predict what will happen when we first turn it on. It won't work. We will never have enough information to make it work the first time. We will have to correct errors in design in order to make it work, a process I estimate would take about two years and would involve some retro-fitting. But if it is designed by people who have been working in these problems for some time, I think these corrections will be small compared to the size of the original plant. Then it will work, and we can move on to a commercial demonstration plant and begin to save the billions of dollars which are available from the high efficiency and low electricity cost offered by MHD.

In a time of timidity you do not proceed with anything unless you have certainty, thus, you are very careful never to do anything new. In this way you commit few errors, but consider what you omit. The energy economy of the United States has always depended on vigorous and courageous technological adventures. In that period while we still had courage we could continuously enlarge our available fuel supplies by bringing new fuels into our reserves. Thus, we brought oil, uranium, thorium, maybe someday will bring deuterium, into view as new fuels. In a time of timidity where the country doesn't do anything new it is inevitable we will run out of everything. I submit that although in a time of timidity you will commit few mistakes, you will omit the spirit of adventure which is essential to survival. MHD represents our energy problems in microcosm. In this time of timidity how often has this frustrating experience been repeated across the energy spectrum?

IMPROVING THE QUALITY OF WORKING LIFE

HON. TOM CORCORAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 18, 1977

Mr. CORCORAN of Illinois. Mr. Speaker, I would like to call to the attention of my colleagues an excellent article which appeared in the November 13 Washington Post. The article, written by staff writer Helen Dewar, is entitled "Humanizing Life on the Assembly Line." It is the first of two articles.

This article describes the efforts of General Motors and the United Auto Workers in increasing productivity and the quality of working life by cooperatively involving management and labor in "projects aimed at making work more satisfying by giving workers a voice in

determining what they do and how they do it."

Particularly in view of the present sluggish American economy, our slow productivity growth rate, and increasing foreign competition, it is important that American labor and management cooperate for their mutual benefit. This article describes one area where such labor-management cooperation is taking place.

While I think that this effort should be primarily a private sector responsibility, I have joined Congressman STANLEY N. LUNDINE, of New York, in cosponsoring H.R. 8065, the Human Resources Development Act of 1977, which would encourage this kind of effort through limited Federal funding.

I commend both GM and the UAW for their cooperative efforts in this area and would encourage other members of labor and management to consider this type of approach. Last July 16, in cooperation with the National Center for Productivity and Quality of Working Life and the Federal Mediation and Conciliation Service, I sponsored a labor-management seminar on productivity in Aurora, Ill., which is in my district. Through this seminar for local members of labor and managment, I have attempted to encourage labor-management cooperation and am pleased that one of the Nation's most important corporations and one of the Nation's most important unions are cooperating in this way. I hope that others follow their lead.

Mr. Speaker, I commend this article to the attention of my colleagues:

GM IS PUTTING BRAINS TO WORK—HUMANIZING LIFE ON THE ASSEMBLY LINE

(By Helen Dewar)

DETROIT.—When auto pioneer Henry Ford introduced the assembly line, he described it as a "haven for those who haven't got the brains to do anything else," a mind-numbing notion that has dominated the American workplace for most of the 20th Century.

Now the auto industry, which gave the world the robot-theory of mass production, is pioneering in the dismantling of the system it did so much to create—largely by inviting workers to put their brains as well as muscles to work.

Surprisingly enough, a leader—perhaps the leader—is none other than the biggest assembly line operator of them all: the General Motors Corp., the nations' largest auto manufacturer and its biggest industrial employer, with 560,000 employees at 112 plants in 35 divisions spread over 18 states.

In cooperation with the United Auto Workers, GM is encouraging scores of so-called "quality of worklife" projects aimed at making work more satisfying by giving workers a voice in determining what they do and how they do it.

The projects vary in size, scope and practical application, ranging from small offices to entire assembly plants, from flexible scheduling of work hours to redesign of jobs, production areas and whole patterns of decision-making.

Many plants are still operating largely under old rules, the number of workers who can claim that their work is substantially different is still modest, and corporate and union gurus of the movement are careful not to proclaim the arrival of a new industrial millennium.

But the very fact that GM is involved at all—considering its size, corporate complexity and historical identity with the development of mass production techniques—gives a powerful new impetus to a movement that has more often been associated with ivory towers than corporate board rooms and union halls.

"It's slow and evolutionary, but it's become the norm at GM," says Delmar L. Landen, GM's director of organizational research and development.

"In terms of scale, I don't know of any other corporation that has as much going as GM," says Irving Bluestone, international vice president of the United Auto Workers in charge of its GM division.

Sidney Harman, who championed the work improvement concept as chief executive of Harman International Industries before becoming Under Secretary of Commerce earlier this year, shares the view that something important is happening at GM.

"Over the past couple of years there's been a very significant change in the form of a new awareness by chief executive officers of large corporations who in the past regarded quality-of-worklife programs with skepticism if not wry amusement," said Harman in a recent interview. "Now many of them are taking a lead. There is no better example than Tom Murphy"—GM's Board Chairman and Chief Executive Officer.

Another key element—some say the key element—has been the dogged determination of Bluestone, whom Landen describes as a "visionary" in the field.

Bucking the suspicions of many union leaders, including some within the UAW, that such ventures will necessarily undermine unions, the scholarly soft-spoken Bluestone believes that work improvement programs can benefit everyone if they are built upon strong collective bargaining relations, operate independently of them and involve the union as well as management at all levels. Bluestone believes unionization is a necessary prerequisite, although some others disagree.

To Bluestone, the new way is a negation of the authoritarianism and regimentation of the old way, rather than a new set of rules, procedures or goals. A joint GM-UAW committee exists to encourage experimentation but "the cardinal principle is that ideas must come from the bottom up," he says. Precise mechanisms are less important than a continual effort to involve workers more deeply in all decisions affecting their jobs. "There's no rule, there's no limit," says Bluestone. "It's a constant process of cut and try, cut and try . . . limited only by the ingenuity of man."

"In every case where I've participated," said Bluestone recently, "the union has benefited, the worker has benefited, and there is greater strength."

One of the most far-reaching GM projects resulted in reorganization of 2,300 supervisors, technicians and production workers at the Fisher Body Plant No. 2 in Grand Rapids, Mich., into semi-autonomous business teams, with members jointly setting goals and sharing responsibility for them. Decisions normally made unilaterally by management, such as whether to do work in a plant or contract it out, are now made jointly.

At a big assembly plant in Tarrytown, N.Y., a problem with breakage in the glass installation department led to special training in problem-solving techniques for the department's 60 employees. It has now been extended to all 3,400 workers, with a noticeable decline in grievances and rise in productivity, according to GM's Landen.

In a 1976 corporate report, GM also told of a car division where 250 production workers overhauled blueprints for relocating their work area, altering traffic flow and modifying hoist facilities—resulting in reduced overtime and what the report called "improved working relationships among managers and employees."

Also, grievances in GM's 18 assembly plants, where labor-management relations tend to be most difficult, plummeted from an annual rate of 55,000 to 12,000 between 1973 and 1976—largely the byproduct, Landen says, of the work improvement programs.

According to George B. Morris Jr., vice president in charge of GM's industrial relations staff, there has been a gradual reversal of the long-entrenched corporate priorities.

Before, the emphasis was on organizational efficiency, Morris told the Society of Automotive Engineers last March "We saw improvements in the work climate as naturally flowing from these efforts. I think now we have reversed those objectives. Our primary objective now is to improve the quality of worklife. We feel that by concentrating on the quality of worklife and wisely managing the systems that lead to greater job satisfaction and feelings of self-worth that improvements in the effectiveness of the organization will follow."

Or, as Harman put it, only semifacetiously, "they've decided that what's good for General Motors workers is good for General Motors."

This is a far cry from the image of GM that emerged, fairly or unfairly, from the highly publicized Lordstown, Ohio, strike in 1972. At least partly in protest against the automation-like roles that they were programed to fill, auto workers, many of them young, greeted the opening of a "model," super-efficient new GM assembly plant by shutting it down—the ultimate revenge of the robots.

The genius of the old system—so long as it functioned productively—was that it required so little genius to operate. Workers were extensions of the machines they manned, interchangeable parts programed by production standards, time-motion studies, time clocks, shop rules, foremen, union stewards and more recently even computers. They were Henry Ford's self-fulfilling prophecy: it didn't take much brainpower to stand in the same place eight hours a day, pulling the same lever 200 times an hour, 1,600 times a day.

Even off the assembly line, in white-collar as well as blue-collar jobs, the regimentation of work stood as a major exception to what textbooks taught about basic American precepts of free choice, individualism and creative enterprise. Where machines did not dominate, bureaucracies prevailed.

Strains in the system began to emerge during the ferment of the '60s, reflected a rising absenteeism and job turnover rates, concern over lagging productivity and sloppy quality of work and talk of worker alienation—the "blue collar blues" and "white collar woes," a malady especially pronounced among better educated younger workers who drew larger lessons from Bob Dylan and the Beatles than they did from the Depression and breadlines.

Thus the quality-of-work-life movement took root, a sort of greening of the workplace that captured the imagination of idealists and sent a tremor through the ranks of traditionalists, union and management alike. It followed lines already developing in Western Europe, particularly Scandinavia, although differences were and continue to be as pronounced as similarities.

More was involved than a blossoming of humanism, however. Pragmatists saw opportunities for reduced costs and higher productivity that stemmed from a happier and more creative work force.

Michael Maccoby, a leading theorist of the work humanizing movement, points to other factors too: an increasingly sophisticated technology that requires more decision-making on the part of workers, and foreign competition, coupled with rising costs of energy and raw materials, that has intensified pressure for greater utilization of human resources. "Put it all together and it was a powerful motor," said Maccoby recently.

What Maccoby sees now is a "period of experimentation, with the bad projects shaking out." Many have flowered and then failed; others have endured.

Besides GM, other big corporations that have undertaken quality-of-work life projects include the Weyerhaeuser timber products company, the Harman automotive division and the Nabisco food processing firm, with Xerox and the American Telephone and Telegraph Co. not far behind, according to Ted Mills of the Washington-based American Center for the Quality of Work Life.

In Jamestown, N.Y., work improvement became a civic project, a joint effort by government, employers and unions to save recession-threatened jobs that evolved gradually into an imaginative community campaign to enhance job satisfaction. Similar projects are now under way in communities ranging from San Bernardino, Calif., to Cumberland, Md. The state of Massachusetts has also set up an office to foster such programs.

Several city governments, including San Diego, Calif., and Columbus and Springfield, Ohio, are experimenting with their own bureaucracies. So is the Tennessee Valley Authority. Even the federal government is sticking its toe in the water with plans on the drawing boards for agencies ranging from Action to the U.S. Postal Service.

At Commerce, Harman has committed the department to a work improvement effort, beginning with a worker-controlled newspaper and a print shop experiment in which workers redesign their work.

Meanwhile, legislation is pending in Congress—sponsored by Democratic Rep. Stanley N. Lundine, the former mayor of Jamestown, N.Y., and sparkplug of the Jamestown experiment—to provide up to $40 million in federal grants for demonstration projects dealing with job preservation and quality of worklife experiments.

Where is it all leading? The UAW's Bluestone, for one, isn't sure. "One of the problems," says Bluestone, "is those who are looking for instant success, for the parameters within which success can be achieved . . . It's a slow process, and we're only touching the surface." And, in a riposte to Henry Ford, he added: "How do you circumscribe the genius of the mind?"

ACTIONS OF EUROPEANS ON TEXTILES THREATEN WORLD TRADE

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 18, 1977

Mr. VANIK. Mr. Speaker, world trade in textiles and apparel is largely governed by an international agreement known as the multifiber arrangement (MFA). The MFA establishes general guidelines for allowing developing nations to expand gradually their trade in textiles, but under controls designed to prevent excessive disruption and unemployment in developed countries, such as the United States and the European nations. The specific level of imports and the categories of clothing that can enter a country are determined by a series of bilateral agreements negotiated between the various exporting and importing countries.

The MFA, which is adhered to by about 50 nations, expires the end of this year.

The United States has proposed a 4-year extension of the MFA and is inviting other nations to begin signing on December 15 a protocol to extend the MFA.

The nine nations of the common Market, however, have resisted signing an extension of the MFA until such time as they "successfully" negotiate some 25 bilateral agreements with the various developing nations exporting textiles and apparel to Europe.

The Europeans are insisting that major textile exporting nations, such as India, Brazil, Korea, and Hong Kong, roll back their exports to Europe to 1976 levels. I understand that the EC draft bilaterals contain an import penetration standard that would allow unilateral application of restraints if there is even a "risk of market distortion." Such a provision is in my view totally inconsistent with the MFA safeguard article. Provisions that aim at actual reductions from recent base levels of imports also fly in the face of the MFA. Further, I understand that the exporting countries are being threatened by the EC with unilateral restraints to 1973 import levels if they don't "sign up".

Restrictive European bilaterals would undoubtedly result in the unfair diversion of developing country exports from Europe to the United States, causing increased problems for our own, already hard-pressed industry.

In view of other serious trade problems that we face, the need to continue the MFA as the only existing instrument of international discipline over textile trade, and the need to conclude meaningful Tokyo Round negotiations, I do not believe that the community should be allowed to pursue such an outrageous approach toward the textile supplying countries. I feel that the result of this EC policy could well be the end of the MFA and a return to disastrous unilateral actions by importing countries to control textile trade.

In short, a potential major world crisis in textiles and apparel trade is developing, directly affecting many nations and millions of workers and consumers. This is a result of the Europeans pursuing one of the most protectionist policies in world textile trade in recent memory.

The concerns of the United States and the other nations of the world must be expressed to the Common Market immediately, forcefully, and at the highest levels.

CRECCO'S OF TRENTON

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, November 18, 1977

Mr. THOMPSON. Mr. Speaker, New Jersey is famous for many things. Good, wholesome food—the growing, production, and preparation of it—is high among those things. And none of our fine foods is more palatable than New Jersey's own Italian food.

It is the good fortune of my district to be the home of one of our best Italian restaurants, Crecco's, of Trenton. An excellent commentary on that fine restaurant appeared in New Jersey Magazine's "Dining Out" column, by Anthony Dias Blue.

Mr. Speaker, I respectfully submit excerpts from the article:

[From the New Jersey Magazine, April 1977]

DINING OUT

(By Anthony Dias Blue)

More than any other foreign cuisine, Italian cooking appeals to the American palate. Its simpler forms, such as pastas and pizza, have become tasy staples in even the most thrifty households: in its sophisticated incarnation, Italian food has the delicacy and variety to compete in gourmet restaurants with the finest French offerings.

As with other national cuisines, that of Italy changes from region to region. Pasta and olive oil are common in the south, for instance, but butter and rice are more popular in northern cities such as Venice. There are any number of pasta sauces besides the classic tomato ones. Basil, parsley, oregano, and rosemary play as important a role in seasoning as does garlic. Italians have a fetish for freshness, and many of their vegetable, seafood, and meat dishes are meant to only delicately enhance natural flavors.

New Jersey is fertile territory for connoisseurs of Italian food. Thanks to our large Italian-American population, there may be more Italian restaurants per square mile here than anywhere but Bologna.

CRECCO'S, TRENTON

Crecco's has been an institution in Trenton for thirty years, for a very good reason: it is not only one of the best restaurants in the state, but also among the best Italian restaurants in the country. It would take at least twenty visits to sample all 101 dishes on the menu, . . . this would be a truly extraordinary dining place even if it were not hidden away in a semi-residential area of Trenton.

Most Italian restaurants have five or perhaps ten Italian wines on their lists; Crecco's has no less than sixty-three, twenty-seven of which are also available in half-bottles. Based on the four I tried, these wines are from the best years, and have been stored with loving care. If you want California wines, Crecco's offers ten from Robert Mondavi, one of Napa Valley's most prestigious vintners. French, German, Spanish, and Portuguese wines are also included on the 115-bottle list. Better still, prices run only a dollar or two over store prices, instead of the usual fifty percent mark-up. For example, a rare bottle of Bolla Amarone, $10 when you can find it in a store, costs only $12.50 here.

The menu is as pleasurable to contemplate as the wine list. Perhaps the most surprising group of dishes offered are the homemade pastas. I never expected to taste such fresh pasta outside Italy, but Crecco's has no less than twelve varieties.

Service by the all-female staff is friendly and professional. The price of dinner at Crecco's, including a drink, appetizer, pasta, main course, wine, dessert, and coffee, will come to about $20 a person before the tip.

The walls of the bar, one of the two pleasant rooms where diners are seated, are covered with pictures of Louis Crecco posing with some of the nation's best known celebrities and politicians. This leads me to believe I'm not giving away any secret when I say Crecco's is a superior restaurant.

HEW HOSPITAL GUIDELINES

HON. TOM HAGEDORN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 18, 1977

Mr. HAGEDORN. Mr. Speaker, I have submitted the following statement to the Department of Health, Education, and

Welfare indicating my concern about their proposed national guidelines for health planning. At best, these guidelines are in need of major surgery:

STATEMENT OF REPRESENTATIVE TOM HAGEDORN OF MINNESOTA ON THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE'S PROPOSED NATIONAL GUIDELINES FOR HEALTH PLANNING PUBLISHED IN THE FEDERAL REGISTER OF SEPTEMBER 23, 1977

The National Health Planning and Resources Development Act of 1974 (P.L. 93-641), in an effort to provide better coordination for existing health-care facilities, established a single new program of State and area-wide health planning and development. The more than 200 Health Services Agencies created under the Act were to be given primary responsibility for implementing guidelines for national health planning policy to be developed by the Secretary of Health, Education, and Welfare. The guidelines were to include standards with respect to the appropriate supply, distribution, and organization of specified national health priorities.

On September 23, 1977, HEW issued an advance notice of proposed rules designed to satisfy the requirements of section 1501 of NHPRDA. The most significant of the provisions would require that the number of hospital beds within each HSA (subject to narrowly defined exceptions) be no more than four per thousand persons, with overall occupancy rates of at least 80%. Other proposed standards relate to the availability of obstetrical units, and levels of medical technology considered appropriate for hospitals.

As a Member of Congress from the 2d District of Minnesota, a largely rural district in the southern portion of the State, I would like to comment briefly on what I believe will be the detrimental impact of these standards upon this and similar districts.

There is no dispute that the cost of health care in this country, particularly hospital costs, has risen substantially during the past decade. As President Carter has noted, Federal health care outlays have more than tripled during the past eight years, with State and local Medicaid expenditures having increased from $3 billion in 1971 to $7 billion in 1976. Hospital costs absorb an estimated 40% of these costs and have been increasing at an average annual rate of more than 15% in recent years. In the past twelve years, the cost of the average hospital stay has risen from slightly more than $300 to slightly more than $1200. This reflects roughly a 300% increase during a period in which consumer prices as a whole have risen by roughly 75%.

While these figures are somewhat misleading because they fail to credit the contribution of improved quality of medical services to increased prices, they do suggest the seriousness of the problem at hand.

To recognize the problem, however, is not necessarily to recognize the solution. The HEW guidelines (as well as parts of President Carter's Hospital Cost Containment legislation) are more likely to threaten levels of health care quality, particularly in rural America, than they are to do anything substantial to reduce levels of health care costs. They are solutions which strike more at the symptoms of problems than at the root causes.

The HEW guidelines represent a retreat from what have been some of the basic political lessons learned over the past decade They would impose new, complex Federal regulations at a time when the counterproductiveness of so many earlier regulatory efforts has become clear. And they would impose uniform, inflexible Federal standards at a time when the difficulties of doing this effectively in as diverse and expansive country as the United States are increasingly well appreciated.

Rather than recognizing the distortions in health care delivery caused by earlier Federal policies, the guidelines would take us further down the road of Federal intervention by focusing solely upon the most visible non-Federal components of health care costs.

As Professor Martin Feldstein has observed, there is no "technically correct" approach by which to set maximum quality standards for health care. What HEW, through its guidelines, have given the world are essentially arbitrary criteria based vaguely upon assorted statistical data and averages. If the guidelines are desirable for some HSA regions (and I have no doubt that they are), this is only through coincidence. They are not desirable for the HSA regions in my district of Minnesota, and they are apparently not desirable in quite a few other HSA regions, judging by Congressional and public reaction.

HEW itself has noted, for example, that many regions are already being adequately served by 'beds to population' ratios of 2.5 per thousand, far under the national standards promulgated by HEW in its guidelines. If this is true, why has HEW chosen to permit these regions to utilize 60% more beds than are necessary? If there are factors in the make-up of these regions which allow them to provide adequate health care to their populations with fewer beds than HEW standards, why is it not also possible that the unique characteristics of other regions may require 'beds to population' ratios in excess of HEW norms?

HEW statistics which indicate that community hospital in-patient days per thousand population vary from a low of 443 to a high of 2197 would seem to suggest difficulties with guidelines that present one basic health care standard for the entire country.

The diversity and distinctiveness of the many regions of our country are not accommodated, as HEW seems to feel, by the mere inclusion of several narrowly-drawn exceptions which allow qualifying regions to meet slightly less stringent standards (Minnesota, for example, which ranks high in the nation in the percentage of its population over age 65 would not qualify under the exception based upon the percentage of elderly persons). Neither the guidelines nor the exceptions to the guidelines respect the often subtle differences that may exist between regions with respect to transportation, occupational characteristics, health care expectations and norms, personal life-styles, demographic make-up, and the nature and quality of existing health care facilities.

These differences are often far from subtle when urban and rural areas are being compared; it is clear that the HEW guidelines represent a basically urban solution to the hospital cost problem. Those areas with potential for bed expansion—including New York, New Jersey, Maryland, and Connecticut—are located primarily in the urban Northeast; those areas which will be hardest hit are the sections of rural America which have exerted the strongest efforts in the past to provide their residents with adequate levels of health care facilities.

I find this particularly ironic at a time when Congress is making major efforts to promote rural development and retard the population migration and economic dislocation that has overcome many parts of rural America. Only last month, it overwhelmingly approved the Rural Health Clinic Services Amendments (H.R. 8422) designed to facilitate health care delivery in more remote sections of the country. HEW's guidelines would ensure that development in rural America would, in the future, occur despite levels of health care facilities, and that new hospital construction would always lag behind population increases and new non-hospital development.

While there remains a great deal of dispute about the specific implications of HEW's guidelines upon my own district, a staff analysis done by the Region 9 Development Commission in Mankato, Minnesota estimated that the bed reductions which would be required by HEW under their guidelines would result in nearly 1000 of the existing 2416 beds being closed down in Minnesota Health Systems Agency Number Six. In a region characterized by large numbers of smaller community hospitals, a reduction of this magnitude would inevitably necessitate the closure of many entire hospitals.

The impact of the guidelines will not only be felt through reduced levels of emergency care (the forty-five minute maximum transportation time suggested by HEW is likely to be small comfort to rural Minnesotans unfortunate enough to be stricken during winter conditions), but also through reduced incentives for persons to obtain proper amounts of preventive medical care.

In their study on the access to medical care in the United States, Aday and Anderson concluded that the longer the distance a person has to travel to receive medical care, the less likely he is to have a regular source of care. Guidelines which will ensure that health care facilities become less convenient for a portion of the population will just as certainly ensure that this portion of the population obtains preventive health care on a less frequent basis. While more than 93 percent of the rural, non-farm population, and more than 86 percent of the rural, farm population currently have travel-times to their regular sources of care below 45 minutes, the HEW guidelines would effectively impose this as a norm for rural America, and as a reasonable goal for achievement by its HSA's.

This should be disturbing even from the perspective of the cost-controllers' in Washington who view these guidelines as laying the groundwork for some form of comprehensive national health insurance. Nothing will undermine NHI any quicker than the failure to substitute relatively inexpensive preventive medical care, for relatively expensive remedial care.

While one can easily envision cost-savings resulting from limits placed upon new hospital construction (something that would have developed naturally in the absence of the Hill-Burton Act), it is difficult to understand the source of the "billions of dollars" in savings that HEW Secretary Joseph Califano contends will result by requiring hospitals to cut back on existing beds. At least 60 percent of total hospital costs are fixed costs and will not be reduced by eliminating individual beds. In fact, the fewer the beds that remain, the greater will be the burden of the fixed costs that each of them will have to bear. Further, as John A. McVeety, the Administrator of the Worthington Regional Hospital (Minn.), notes,

"We try to keep the lid on costs and in our hospital we don't change linen on an empty bed. No meals are served to an empty bed. No supplies are delivered to an empty bed. We don't hire staff to take care of an empty bed."

I believe that proponents of the guidelines over-estimate potential savings resulting from bed reductions (short of entire hospital closures) and fail to give sufficient consideration to the cost implications of the sort of non-bed investments that would alternatively be made by hospitals.

Too little consideration, in my opinion, has also been given to wisdom of excluding certain Federal-government owned hospitals from the guidelines; the energy cost implications of requiring a sizable segment of rural America to have to travel much further distances for their medical care; possible incentives for hospitals to manipulate occupancy rates by creating health care demand where none currently exists; how to treat obsolescent hospital facilities in the guidelines' "number game" during interim periods when new construction is taking place; the

contribution of accelerating hospital labor costs to health care cost increases; and the impact of the guidelines upon smaller, general practitioners in rural areas.

Far more importantly, however, is the continued failure by HEW to recognize the contribution that it and the Federal government have made toward the crisis that it now purports to solve. As John McVeety again observes,

"I'm the chief manager of a hospital that employs a lot of people and when they're not filling out government forms, dealing with government guidelines, talking on the phone with government workers, attempting to get our patients covered by government insurance—we take care of people . . . One major area of hospital costs is government. Hospitals are probably the most regulated organizations in America. Hospitals have to put up with an enormous burden of red tape in dealing with various bureaucracies. Hospitals in Minnesota must contend with nearly 40 different agencies which govern over 60 different areas of the hospital. One hospital had to throw away $30,000 worth of doors and replace them at a cost of $50,000 to meet compliance with government regulations. The cost of filling out Federal paperwork exceeds $4 per patient per day."

HEW and the Federal government, if genuinely determined to restrain health care costs, might profitably look at a number of other of its own policies before attempting to shift the blame to the hospitals. These would include (1) wastefully, unnecessary Federal hospital construction subsidies in areas of the country already adequately serviced; (2) Federal medical reimbursement policies which reward inefficiency, and encourage purchases of excessively extravagant medical technologies; (3) Federal programs and incentives which have encouraged reliance upon third party payors, and diminished the direct relationship between the provision of medical services, and payment for those services; (4) Federal programs which have artificially increased the demand for medical services, while discouraging increased supplies of those services; and (5) general Federal economic policies which have promoted inflation in the domestic economy, and distorted pricing mechanisms.

In conclusion, I would respectfully suggest that HEW seriously reconsider its proposed guidelines and, at a minimum, start seeking the input from other organizations and agencies—such as the National Council on Health Planning and Development—that it was directed to do in the original Health Planning Act. The comment period on these regulations should, further, be extended so that individuals, communities, and associations that are just becoming aware of their implications will be given an opportunity to have their views heard. The impact of the guidelines on the future of medical care delivery in this country is too important to allow them to become effective without full opportunity for public debate and consideration. Congress, too, is entitled to determine whether or not the guidelines are consistent with the legislative mandate of the 1974 Act, and whether or not they are consistent with what is being done by Congress with the Administration's Hospital Cost Containment bill.

Rural areas of the country, as well as urban areas, need better health care opportunities, not the skeletal health care structure that the guidelines would impose upon the country. Just as importantly, however, they need to be able to manage their own affairs without the central direction of Washington and HEW.

It is important that health care costs be cut. Many states, including my own state of Minnesota, have implemented programs designed to accomplish this. Such cost cutting, however, should be the cost-cutting of economic efficiencies and individual responsibility, not the cost cutting of diminished levels of health care services. This latter cost cutting philosophy will, in the long run, be far too costly for the country.

AN EMBARRASSING LOOPHOLE IN THE SUGAR PROGRAM

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 18, 1977

Mr. FINDLEY. Mr. Speaker, I wish to call attention to a somewhat pressing problem which has arisen in President Carter's implementation of the sugar support program mandated in the recently enacted Food and Agriculture Act of 1977.

Due to an error committed in drafting the proclamation imposing import fees on sugar a loophole exists which could cause considerable harm to America's domestic sweetener producers and the general economy.

I have urged President Carter to take action to correct this error and I hope he does so promptly despite possible embarrassment and without waiting a period to determine where the blame lies.

I have written President Carter as noted in a press release reprinted below, urging him to correct the proclamation. I am pleased to note that an article from the Wall Street Journal of November 17, reprinted below, indicates that there is concern in the administration about this matter.

The material follows:

SUGAR PROGRAM GOES SOUR

WASHINGTON, D.C., November 18, 1977.—A Presidential proclamation that may give more than a 3¢ a pound advantage to foreign sugar refiners while reducing domestic jobs in sugar refining was protested today by Congressman Paul Findley (R-Ill.) a senior member of the House Committee on Agriculture.

In a letter to President Carter, Findley urged that the proclamation signed at the White House on November 12, 1977, entitled "Import Fees on Sugar, Syrups, and Molasses" be corrected.

Findley said, "The proclamation could result in the government accumulating huge stocks of sugar without raising the market price of sugar to 13.5¢—the original aim of the sugar amendment to the 1977 Farm Act.

"I opposed the sugar amendment to the Farm Bill when it was offered on the floor of the House on July 22, 1977. No hearings had been held on such an amendment, and this potentially serious error in the Administration's implementation of the sugar program is further evidence of the inadvisability of legislating on the floor of the House.

"When speaking against the floor amendment, I said it would again put the U.S. government massively in the sugar business as was the case under the Sugar Act which expired about 3 years ago.

"This Presidential Proclamation, if not soon corrected, will not only put the government back in the sugar business on a high scale, but it may well make everybody unhappy—domestic sweetener producers (it may drive their prices down); unions and employees (it will cause unemployment in the refining industries); and taxpayers (who will have to pay the expense of huge inventories of sugar in government stocks).

"The Administration's handling of the sugar imbroglio has been a series of blunders. First, the Administration tried to implement a direct payment program to sugar producers. I asked the Comptroller General to review that decision. It was found to be illegal.

"The Administration then instituted an interim program for sugar producers in September, 1977. I believe it is mistaken in its intention to make retroactive payments for Hawaiian sugar—some of which no longer exists.

"The Administration has now implemented a sugar program mandated by the 1977 Farm Bill that contains loopholes through which trucks full of Canadian sugar and shiploads of European sugar can pass.

"I strongly urge President Carter to review and correct Proclamation 4538 to plug its gaping loopholes. If they are left uncorrected, immeasurable harm will befall America's domestic sweetener producers, and the general economy."

The text of Rep. Findley's letter to the President follows:

DEAR MR. PRESIDENT: This refers to Presidential Proclamation 4538, signed on Saturday, November 12, 1977, relating to import fees on sugar. It is my understanding that the effect of this proclamation is to give in excess of 3 cents per pound price advantage to imported refined sugar over domestically refined or processed sugar. Apparently, there is a large over-supply of refined sugar in the European community which could find its way into our markets under the Administration's program. Moreover, it appears that refined sugar imported from Canada would have a substantial price advantage over domestically refined sugar.

If, as reported, the Administration contemplates extending loans on domestically produced sugar as part of its sugar program, it would appear that the government ultimately may wind up owning a substantial portion (up to 2 million tons) of the domestically produced sugar if Proclamation 4538 is not corrected. Meanwhile, the additional result of the Proclamation is to offset the intended effect of the amendment added to the 1977 Farm Act, which was designed to raise the price of domestically produced sugar. If large amounts of refined sugar find its way into this country, it appears it would also have a considerable adverse effect on employment in the domestic sugar refining and processing industries.

I urge you to review and reexamine the recently issued Presidential Proclamation imposing import fees on sugar and, hopefully, you will agree with my appraisal of the situation and take prompt action to correct your recent Proclamation.

Sincerely,

PAUL FINDLEY.

[From the Wall Street Journal, Nov. 17, 1977]

CARTER PROCLAMATION ON SUGAR TARIFF TURNS FACTS RED—PROGRAM, AIMED TO PROTECT DOMESTIC GROWERS, HAS EMBARRASSING LOOPHOLE

(By Karen Elliott House)

WASHINGTON.—President Carter's proclamation imposing tariff increases on foreign sugar is causing a lot of administration faces to turn beetred.

The reason: The document he signed doesn't do what it's supposed to do.

Officials have discovered a gaping hole in the President's new program to protect domestic sugar growers by keeping cheap imported sugar out of the U.S. Unless the legal loophole is plugged, as much as two million tons of unwanted foreign sugar could flood into this country, driving down sugar prices and forcing the government to pay up to $540 million to U.S. sugar growers this year.

"It looks like a bad bust," says James Agnew, an Agriculture Department sugar expert who helped design the program.

"We're studying ways to close the loophole," says Lynn Daft, the White House staff adviser on agriculture, "but I'm not very happy and the President won't be either when he finds out."

This latest foul-up is especially embarrassing because it is the second time the White House has flubbed efforts to help financially ailing sugar growers. The President announced a program to subsidize growers' incomes last spring only to have it declared illegal a few months later. That program was scrapped.

But it won't be so easy to repair this mistake. Indeed, no one is yet certain how to close the loophole. Lawyers for the departments of State, Agriculture, and Justice, as well as attorneys in the Office of the Special Trade Representative, are all working overtime to try to figure out what to do.

"I'm confident the ingenuity of the American bureaucratic mind can come up with something," says one official.

Adds Mr. Daft, "We'll close the loophole. I just want to make sure we do it without causing new problems."

Officials are trying to find some way to patch things up short of asking the President to amend his proclamation. Because the tariff will be collected by the U.S. Customs Office, officials hope they can correct the problem by a directive to customs officials. But, if that doesn't work, Mr. Carter may have to sign another proclamation amending his earlier proclamation. "That won't please him." Mr. Daft said.

No one will publicly say who is to blame, but officials privately accuse the Agriculture Department of a colossal goof. "Agriculture should have caught it, no question," says one critic.

The President signed two proclamations. One, drafted by the Special Trade Representative's Office, imposed a duty of 2.81 cents a pound on imported sugar. The other, drafted by Agriculture Department officials, imposed an additional 3.3-cent-a-pound fee on imports. It is the later proclamation that contains the error.

Under the proclamation, imported raw sugar that costs 10 cents a pound or more would be exempt from the 3.3-cent fee. That's because officials assumed that the 2.81-cent duty, plus the cost of transportation, would be sufficient to raise the price of such sugar to 13.5 cents a pound, the price the administration is trying to achieve for raw sugar through its program. Refining that sugar would add another 3.5 cents to four cents a pound to its cost to a processor such as Coca-Cola.

The loophold is that the proclamation doesn't distinguish between raw and refined sugar. So refined sugar also will be exempt from the 3.3-cent fee. This means that refined sugar that costs 10 cents a pound would increase to about 13.5 cents with the import duty and transportation cost. But because it wouldn't have to incur the cost increases of refining, it would cost 3.5 to four cents a pound less than domestic sugar or imported raw sugar that is refined here.

Because current quota limits will allow another two million tons of refined sugar to reach the U.S. without the added tariff, replacing a like amount of domestic sugar the government would have to buy for 13.5 cents a pound, the slip-up could prove very expensive.

So to keep it short and sweet, the government is going to have to find a way to refine the sugar tariff program.

GRASSLEY FIGHTS HEW HOSPITAL PLANS

HON. CHARLES E. GRASSLEY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 18, 1977

Mr. GRASSLEY. Mr. Speaker, the Department of Health, Education, and Welfare has published in the Federal Register an advanced notice of proposed guidelines for health planning. These proposed regulations are of great concern to persons involved with and dependent upon small community hospitals.

It is generally conceded that prior Federal efforts to regulate and thereby improve the quality of American life have been a miserable failure. Comes now the Department of HEW to mandate more of the same with a new set of inflexible Federal standards. The lessons of the past have, apparently, either been forgotten or ignored.

In response to the above proposed guidelines, I have written HEW to outline my views and concern. The letter follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., November 7, 1977.

DANIEL I. ZWICK,
Associate Administrator, Planning, Evaluation, and Legislation, Health Resources Administration, Hyattsville, Md.

DEAR MR. ZWICK: These comments are submitted in response to the advance notice of proposed rulemaking concerning National Guidelines for Health Planning. Reference is made to pages 48502 through 48505 of the September 23, 1977, Federal Register, volume 42, number 185.

Provisions of Public Law 93-641 (National Health Planning and Resources Development Act of 1974) passed prior to my coming to Congress require that the Secretary of Health, Education and Welfare issue guidelines concerning national health planning policy. The allocation of health services and resources is, and should be, a matter of public concern and debate.

Making high quality medical care available to all Americans, while keeping costs as low as possible, is a worthy objective. No one could quarrel with a policy, federal or otherwise, which would bring this about. Nonetheless, I believe that, however well intentioned, these September 23rd regulations are misguided. If implemented, they will cause a decline in the quality of health care and services delivered to the more rural, nonmetropolitan regions of the United States. The information at hand indicates that my state of Iowa will be especially hard hit.

The proposed guidelines would, among other things, mandate (1) a reduction in the number of non-Federal, short-term beds to four per one thousand persons in a health service area; (2) an average annual occupancy rate of at least 80 per cent for such hospital; and (3) the closing of obstetrical units which, depending upon location and population do not have either 500 or 2,000 deliveries per year.

There are, to be sure, exceptions to the above standards, but these are simply not adequate under the circumstances. For example, the age correction exception to the four bed per thousand guideline states, in part:

Bed-population ratios for health service areas in which the percentage of elderly people is significantly (more than 33 per cent) higher than the national average may be planned at a level higher than 4.0 per 100 (sic) persons.

Consider the State of Iowa. The percentage of Iowa's population which is 65 years of age and older is the third highest in the United States. It is, however, only 21 per cent above the national average and thus would not qualify for the exception. The effect of small hospital closings upon Iowa's senior citizens who currently comprise approximately 12.6 per cent of the State's population, would be devastating.

I would strongly suggest that the Secretary take the following factors into account when revising and redrafting the National Guidelines for Health Planning:

1. Studies have demonstrated that smaller rural hospitals are less expensive than those located in metropolitan areas. Yet, these are the very facilities that would be closed should the September 23rd guidelines be enforced.

2. The closing of small hospitals will lead to an exodus of physicians, technicians and medica support personnel from small communities. The problems encountered by small towns and less-populated areas in attracting and retaining doctors have been well documented. They have found it necessary to embark on physician recruiting campaigns. Programs designed to bring medical practitioners to non-metropolitan areas have been initiated. The guidelines, if implemented as written, would fly in the face of these ongoing efforts and aggravate the shortage of rural doctors. An already bad situation would be made worse.

3. The benefical effects of a patient being in close proximity to friends and family cannot be disputed. Spending time confined in an institution can be a lonely and frightening experience. Visits from friends and family are a valuable treatment tool and should accompany direct medical care and services. Removing an individual from his or her community, friends and family could be detrimental to such a person's chances for recovery.

4. Closing small hospitals, or eliminating the services by such facilities, would increase gasoline consumption as patients and visitors travel to and from the next closest care center. This would tend to negate current and future efforts to conserve energy.

5. Reference is made to language in the proposed guidelines permitting certain exceptions when residents would be more than 30 or 45 minutes travel time from a hospital. Consideration should be given to what winter snowstorms, not all that uncommon in the northern parts of the United States, do to road conditions and automobile travel time. A normal fifteen minute trip can turn into a two or three hour nightmare assuming, of course, that the roads are passable. Even a 30 or 45 minute trip can lead to increased death and suffering.

There are a few other aspects surrounding both the substance of the guidelines, and the way they're being promulgated, which disturbs me. As I understand it, Public Law 93-641 requires that the Secretary, or his designates, consult with various health planning agencies, health provider organizations, and others in carrying out the provisions of the Act. I am advised that such meeting to facilitate the exchange of ideas did not take place. The result is top-down, as opposed to bottom-up restructuring of health care delivery in the United States. This will engender bitter opposition from hospital personnel, physicians, and the general public. You should know by now that the American people don't like being told how to order their affairs and run their lives by the Federal government. Any program designed pursuant to Public Law 93-641 must have the support of the above persons if it is to succeed.

The sixty day period for public comment on the proposed guidelines is clearly inadequate under the circumstances. More time is required for concerned groups and individuals to study and comment upon the impact of the September 23rd advance notice of proposed rulemaking. For that reason, I have written Secretary Califano asking that the November 22 deadline be extended. Hasty action on this most vital matter can only lead to repentance in the years to come.

In conclusion, let me make the following suggestions:

1. The deadline for comment by the public should be extended.

2. A thorough review of the comments you've received and will continue to get from those affected by the guidelines should precede publication of the actual proposed regulations.

3. The guidelines should be redrafted and more flexible so as to take into account the geographic and demographic diversity of the United States.

4. The needs of rural states and regions should be given more consideration.

5. State health service agencies (HSA's) should only be required to give "appropriate consideration" to the federal guidelines. Their plans should not have to be "consistent with" H.E.W.'s determinations on the various matters.

Failure to make the appropriate corrective changes could well lead to the Congress being forced to get the job done through legislation affecting reauthorizations and appropriations. The people, through their elected representatives, will not stand idly by and permit the quality of health care in the United States to deteriorate.

With kindest regards,

Sincerely,

CHARLES E. GRASSLEY,
Member of Congress.

A COMMONSENSE ANALYSIS OF CARTER'S MIND BOGGLING ENERGY BILL

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 18, 1977

Mr. SYMMS. Mr. Speaker, yesterday I received a copy of a letter from Mr. Myron Anderson, a certified public accountant in Midland, Tex., that was addressed to our Appropriations Committee Chairman, GEORGE MAHON. In his letter Mr. Anderson makes some well thought-out observations on the "economics" of the Carter energy program. I commend Mr. Anderson's letter to my colleagues in Congress:

MIDLAND, TEX.,
November 14, 1977.

Hon. GEORGE H. MAHON,
House of Representatives,
Washington, D.C.

DEAR MR. MAHON: Oil from wells drilled prior to 1974 and producing more than ten barrels a day carries a price ceiling imposed by government of $5.25 per barrel, but only $4.37 in California. Oil from such a well means income for the people who operate it, who furnish supplies, replacements, services, fuel, and other requirements. When a well is plugged, these benefits all cease.

When production from the well declines to a point where $5.25 (or $4.37) will not pay operating costs, the well and thousands like it are being plugged annually. The government will not permit a price increase to the operator, stating he would realize unreasonable profits. Where else must one pay $14.60 per barrel (weighted average price per FEA delivered in the USA) for foreign oil to replace oil the government says the producer cannot sell for more than $5.25 (or $4.37) per barrel? In our moral equivalent of war, it should be an offense to buy foreign oil when it can be purchased at home at no greater cost.

The whole arrangement boggles the mind.

Refiners who buy this "old" $5.25 oil at a cost considerably below the market price of all other oil are supposed to pay into a kitty an amount equal to the difference. This additional amount (called an entitlement) is then distributed among other refiners so that all refineries would pay the same price. The small refiners felt something could be done to improve this arrangement: enter Joseph A. Califano, Jr.

Mr. Califano is now our Secretary of HEW, but at that time was a practicing attorney, undoubtedly the most effective lobbyist since the days of Tommy the Cork who moved freely inside the inner circle of government when Franklin D. Roosevelt was President. The small refiners asked Mr. Califano to obtain for them an exemption from the requirement to pay an entitlement in order to buy "old" oil. Mr. Califano knew just how to do this and persuaded Congress to grant an exemption to the small refiners. This means they pay less for their oil than all other refiners.

Mr. Califano's disclosure of his personal financial affairs showed he earned more than $500,000 from his law firm in 1976. Being allowed to buy oil for less than market price meant a saving of $55 million a month to the small refiners, most of which is profit. But the oil operator who found and produced the oil received a huge increase in the cost of producing it. Most of the increase in costs was also due to the acts of Congress that bring on inflation.

This arrangement boggles the mind.

Take an obvious but simple and necessary step. Let the selling price of oil from "old" wells rise to the new oil price simply by eliminating the $55 million dollars a month price differential the small refiners enjoy by requiring them to pay to the producer the same price all other refiners pay. This would have little if any effect on the price of petroleum products since the bias the small refiner enjoys is borne by the other refiners and already appears in the cost of petroleum products.

The administration proposes a tax on gasoline to enforce conservation by increasing prices. It is proposed to disburse a portion of this tax to the oil companies to encourage energy conservation and increase production. The funds disbursed would be the amount remaining after paying the millions of dollars it would cost to collect the tax and then return it to the source from which it came.

This boggles the mind.

The administration proposes the tax to raise prices and enforce conservation—and encourage the search for new forms of energy, but by withdrawing huge amounts of money from the economy. Why not accomplish the same objectives by removing price ceilings to permit industry growth, in turn creating new taxes needed under either plan. One system takes away, the other creates. Growth in the oil industry will mean a beneficial and welcome lift to practically all industry in our country.

A man can't save himself rich. First he must earn big.

Respectfully submitted.

MYRON ANDERSON.

CARTER VERSUS ISRAEL

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 18, 1977

Mr. ROUSSELOT. Mr. Speaker, on Tuesday, I brought an article concerning American public opinion and support for the State of Israel to my colleagues' attention. Today I am inserting the final installment of that article which appears in the November issue of Commentary.

It is important that Members of the House realize that any initiative on the part of the President and our State Department must be examined and considered by Congress. "Carter Versus Israel," by Seymour Martin Lipset and William Schneider, is a major contribution to our understanding of the Israel-Arab question.

The conclusion of the article follows:

[From Commentary, November 1977]

CARTER VERSUS ISRAEL

In addition to pressuring Israel, the administration has been making no secret of its belief that Israeli "intransigence" is the major obstacle to peace. Does the public agree? All extant survey data suggest that it does not. Thus the March 1977 Yankelovich poll indicated that a majority viewed both sides as obstreperous, but over 70 per cent felt that the Arabs' refusal to recognize Israel and to sit down at a negotiating table with it was a major obstacle to peace, as contrasted with 55 per cent who believed that "Israel's refusal to negotiate with the Palestinians" was an obstacle. In earlier Yankelovich surveys, a majority of Americans said that "the Arab nations are not interested in making peace but rather in destroying Israel" (53 per cent in 1975, 56 per cent in 1976, with only 17-19 per cent expressing the opposite view). A poll taken by Cambridge Survey Research in the summer of 1975 showed three times as many Americans blaming the Arabs for the Middle East crisis (32 per cent) as blamed Israel (10 per cent). When asked to rate six Middle Eastern countries in terms of their "sincerity" in looking for a peaceful solution to their problems, Israel was ranked as very sincere by 26 per cent, followed by Egypt with 12 per cent, Jordan with 11 per cent, and Saudi Arabia with 10. And finally, Yankelovich surveys asked a key question relating to purported Israeli intransigence: "In the current situation, do you feel that the Israelis are doing everything possible to achieve a peace settlement or do you feel that their attitudes and demands are unreasonable?" In August 1975, Yankelovich showed 37 per cent of Americans claiming that Israel's demands were unreasonable, with only 23 per cent saying that Israel was doing everything possible to achieve peace. By March 1977, however, that attitude had reversed. Thirty-nine per cent now said that Israel was "doing everything possible to achieve a peace settlement," and only 29 per cent felt that Israel was being unreasonable.

On this issue, as on others, the evidence points to a trend in Israel's favor. Unfortunately, there have been no major polls dealing with this question since the new Israeli government took office. We have no basis, therefore, for assuming that the trend has continued. All the data suggest is that at the time of the May 1977 vote, American public opinion continued to see the Arabs as more intransigent, more reluctant to come to the peace table or to agree to the necessary conditions, than Israel.

In assessing the implications of these data, one has to take into consideration not only how many can be counted for and against, but also who they are. Which groups in the population are strongest in their support for, and opposition to, Israel? Our review of the distribution of public opinion reveals a persistent relationship: in virtually all surveys, support for Israel has tended to increase with higher levels of education, income, and occupational status.

The winter 1974–75 Harris survey found 65 percent of those who had attended college sympathetic to Israel, compared with 51 percent among the high-school-educated

and 47 percent among those whose education had not gone beyond grammar school. Over half the college-educated, 54 percent, agreed that the United States has a special stake in seeing that Israel is not overtaken militarily, while only 38 percent of those who had not gone beyond high school and 30 percent of the grade-school-educated felt the same way. In Gallup's 1976 survey of national ratings, 77 percent of those who had been exposed to higher education gave Israel a favorable rating, while 62 percent of those with a high-school education were of the same opinion, but only 50 percent of the grade-school-educated felt the same way. In January 1977, Roper reported that 54 percent of those in executive and professional occupations were sympathetic to Israel compared with 50 percent of white-collar and 46 percent of blue-collar workers. By income, the range of sympathy for Israel ran from 55 percent pro-Israel among those earning $18,000 a year or more to 41 percent among those with family incomes of $6,000 or less. The March 1977 Yankelovich poll found that 75 percent of college graduates regarded Israel as a friend and ally of the United States, compared with 46 percent among high-school graduates and only 34 percent of those with less than a high-school diploma. Sympathy for the Arabs on these and other questions varied little by socioeconomic status and education: all groups were equally unenthusiastic, with the less advantaged more likely to give "don't know" responses.

These findings, consistently showing greater support for Israel among the better educated, the more affluent, and those in executive and professional positions, suggest that Israel has strong backing among the elite sectors—those who are more active politically and presumably more influential. The results of a number of studies of such groups confirm this assumption.

Thus, in winter 1974–75, Harris compared the opinions of a national sample of 3,377 persons with those of 491 "leaders," selected from among people who "have impact within their community." The leaders' sympathies were more with Israel than the Arabs by a ratio of over eleven to one, 56 to 5 per cent, as contrasted with the general public's seven-and-a-half to one, 52 to 7. Three-quarters of the leaders favored sending military supplies to Israel if war breaks out, a position taken by 66 per cent of the general public. When asked how they would feel if "Israel were overrun by the Arabs," 44 per cent of the general sample said "very upset" in contrast to 65 per cent of the leaders. The leaders and the public both overwhelmingly disageed with the statement that "We need Arab oil for our gasoline shortage here at home, so we had better find ways to get along with the Arabs, even if that means supporting Israel less." The leaders, however, felt this way by a ratio of 78–15 per cent, while the public took the same view by a somewhat lower one, 68–20. In a January 1977 survey, Roper found that fully 60 per cent of the 12 per cent of his respondents who were classified as "high" on a scale of political and social activism were sympathetic to Israel, as compared with 40 per cent of the sample as a whole. Both groups showed little sympathy for the Arabs, 6–7 per cent.

There is little doubt, then, that most Americans support Israel, and that support is strongest among the well-educated, activist, and influential social strata. But even knowing something about the distribution of public opinion does not give us everything we need to assess the political effectiveness of an issue. We have to make some estimate of the *salience* of opinion among those on both sides of an issue: is the attitude measured by the polls a "mere opinion" with little intensity of conviction, or is it a passionate conviction which dominates the respondent's political activity?

It is hardly news that for Jews, Israel is just a salient issue. In the past, there have been several sources of anti-Zionist sentiment within the Jewish community: socialist anti-Zionism, which rejected Zionism as a species of bourgeois nationalism; religious anti-Zionism, which saw no theological justification for reestablishing the state of Israel at this time; and assimilationist anti-Zionism, which feared that the charge of "dual loyalty" would retard the full acceptance of Jews by the larger secular society. Nevertheless, in the winter 1974–75 Harris poll, fully 95 per cent of the national Jewish sample proclaimed a sympathy for Israel in the Middle East conflict (0.2 per cent—precisely one Jewish respondent out of 506—favored the Arabs). Ninety-four per cent agreed that "The Arabs are determined to destroy Israel, so Israel is justified in building itself up militarily to defend itself." The same percentage—94—said that they would be "very upset" if there were another war in the Middle East "and Israel were overrun by the Arabs." Fully 96 per cent favored the U.S. sending military supplies to Israel, and a similar percentage opposed the U.S. lowering its aid to Israel in order to obtain more Arab oil at lower prices. "Israel," as Nathan Glazer has said, "has become the religion of American Jews."

It is difficult to gauge passion in the relatively dispassionate atmosphere of a survey interview, but several questions indicate the intensity of this Jewish commitment to Israel. Fully 81 percent of the Jewish sample felt that "Jews who live in the United States have a special obligation to support Israel with funds and other aid" (17 percent disagreed). And an astonishing 83 percent said that they had given "financial contributions to [an] organization which is supporting Israel" during the previous twelve months; only 15 percent of the Jews said that they had failed to contribute. And while only 37 percent of the Jews had relatives living in Israel and 45 percent had friends there, 71 percent said that they felt a "special desire" to visit Israel because they were Jewish.

Are there any anti-Israel constituencies as intense in their antagonism as the Jewish community is in its support? If one looks through survey data for the single "simply defined group" which is least supportive of Israel, the answer one finds, in most cases, is the blacks. In twelve of the thirteen different surveys taken between 1970 and 1977 asking respondents whether they sympathized with Israel or the Arabs, blacks were less sympathetic to Israel than whites—by an average of 13 percent. Black support for Israel was, moreover, lower than that of whites at every level of education and at every age level.

Generally, across the whole range of questions asked about Israel in the 1974–75 Harris survey, white Protestants were the most supportive (58 percent) and blacks the least supportive (31 percent), with white Catholics (47 percent), and Hispanic-Americans (49 percent) in between. While most surveys use samples that are too small to allow for any analysis of Hispanic-Americans as a group, the Catholic-Protestant difference was fairly consistent across thirteen different surveys On the average, Catholics were 7 percent less sympathetic to Israel than Protestants. Finally, it is important to point out that for blacks and Hispanics, relatively low support for Israel was accompanied by relatively high levels of "domestic" anti-Semitism, even after educational differences had been taken into account.

These ethnic effects are interesting, but they do not amount to evidence that blacks, Hispanic-Americans, or Catholics constitute a "veto group" passionately committed to a program of anti-Zionism and organized to help or hurt a politician depending on how he stands on this issue. The relative differences among the major racial and religious groups are noticeable and consistent, but one must also look at their absolute levels of support for Israel or the Arabs. Very few claim actually to sympathize with the Arabs: pro-Arab sympathy in the 1974–75 Harris poll was expressed by 5 percent of white Protestants, 9 percent of white Catholics, 11 percent of Hispanic-Americans, and 12 percent of blacks—hardly a passionate commitment. The same thirteen surveys that showed blacks, on the average, 13 percent less favorable to Israel than whites did not show a comparable difference on the pro-Arab side; blacks were on the average only 3 percent more pro-Arab than whites.

The rest of the difference consisted of more black respondents saying "don't know," or favoring "both sides" or "neither side" in the conflict. When offered the statement, "Israel is a small, courageous, democratic nation, which is trying to preserve its independence," agreement was expressed by 89 per cent of whites but also by 72 per cent of Hispanic-Americans and 68 per cent—two-thirds—of blacks.

In comparison with whites (46 per cent for Protestants and 41 per cent for Catholics), fewer blacks (35 per cent) and Hispanic-Americans (37 per cent) said they would be "very upset" if Israel were overrun by the Arabs. But very few said they would be "pleased" by such an eventuality—only 4 per cent in each group, compared with about 2 per cent of whites. Again, the major difference was the higher proportion of blacks and Hispanics who said "don't know." Opposition to U.S. military aid to Israel was expressed by 22 per cent of white Protestants, 28 per cent of white Catholics, 22 per cent of Hispanic-Americans, and 31 per cent of blacks. But more blacks (47 per cent) favored military aid than opposed it. Similarly, a reduction in U.S. military aid to Israel in return for lower oil prices was favored by 16 per cent of white Protestants, 22 per cent of white Catholics, 25 per cent of blacks, and 26 per cent of Hispanics. But blacks opposing such a measure outnumbered those who favored it by 41 to 25 percent, with Hispanic-Americans rejecting the same measure by 52 to 26.

In short, while the evidence does indicate a higher level of anti-Israel feeling among blacks, Hispanic-Americans, and (to a lesser extent) white Catholics, it does not indicate anything close to a passionate anti-Israel conviction among any of these groups.

Another source of anti-Israel sentiment is often said to consist of ideological liberals and radicals. But survey research does not confirm this much-publicized impression. Thus, a Yankelovich survey carried out in October 1974 showed self-described liberals as slightly more sympathetic to Israel than self-described conservatives (by a difference of 6 per cent), even though these liberals were considerably (15 per cent) less supportive of U.S. military aid to Israel—or to any other country tested. In the winter 1974–75 Harris poll, liberals were only slightly less likely than conservative to support U.S. military involvement, including the possible use of troops, "if Israel were being defeated by the Arabs." Some 1975 results reported by Cambridge Survey Research show self-described conservatives more pro-Israel than liberals, but only marginally.

The March Yankelovich survey revealed some interesting and suggestive age differences. The young—those under thirty-five—were less likely to claim a strong indentification with Israel, less likely to agree that, "the Israelis are doing everything possible to achieve a peace settlement," and more likely to say that Israel's demands are unreasonable. Using the raw data from the winter 1974–75 Harris survey, we decided to determine whether these positions were really connected with age. The Harris survey did not include a question asking respondents to classify themselves as liberals, moderates,

or conservatives, but respondents were asked how they had voted in the 1972 presidential election two years before, for Nixon or for McGovern. We looked at whites only, in order to remove the major confounding effect of large numbers of blacks and Hispanic-Americans voting for McGovern and at the same time expressing anti-Israel attitudes for—possibly—different reasons.

What we found was illuminating. McGovern voters were somewhat less supportive of Israel and a good deal less supportive of U.S. military aid to Israel than were Nixon voters—but this was true only among younger voters, that is, voters under the age of forty. Among those forty years of age or older, there was no consistent ideological difference between Nixon voters and McGovern voters; if anything, the older Nixon voters were slightly less supportive of military aid to Israel than were the older McGovern voters. On five questions eliciting sympathy toward Israel, younger McGovern voters averaged 5 per cent less sympathetic than younger Nixon voters, but there was no difference between Nixon and McGovern voters over the age of forty. On questions dealing with U.S. military aid to Israel, McGovern voters under forty averaged 21 percent less favorable to such aid than Nixon voters under forty. Again, there was no consistent difference between Nixon and McGovern voters over the age of forty.

All this suggests that disaffection with Israel is more characteristic of younger liberals (New Politics, New Left) than of older liberals (New Deal, Fair Deal). Older liberals grew up convinced that support of Israel was a legitimately liberal policy, given the experience of the Holocaust and the predominance of the socialist movement in Israeli politics. Younger liberals tend to doubt the legitimacy of Israel's liberal credentials—and they certainly tend to challenge the motivations behind American military aid to other nations.

Suggestive though these differences are, they do not point to the existence of a significant body of opinion hostile to Israel, and they give no evidence of a "passionate conviction" in any sense comparable to that of the Jewish community on the other side. One would have to go to a very fine level of detail—probably among younger blacks and radicals—to find deep-seated anti-Zionist convictions. To pursue the analysis at this level would require the tools not of survey research but of investigative reporting.

There can be little doubt, then, that the only "veto group" in the American electorate concerned with the Middle East is composed of those dedicated to the survival of Israel. This group, which includes almost all Jews along with many non-Jews, has been ready to bombard Congressmen and the administration with letters, telegrams, phone calls, and personal visits to present their case. Many of them have been willing to contribute generously to the campaign funds of politicians who support Israel. Conversely, they will vote against those who oppose Israel, a fact of which officeholders are well aware.

It may, of course, be argued that Jews constitute only 3 per cent of the population and that they can therefore be ignored by politicians who are not in areas of high Jewish concentration. In fact, however, Jews have a much higher rate of electoral participation than other groups. Close to 90 per cent of them vote in national elections, compared with 53 per cent of the electorate as a whole. Last summer, in a discussion, Pat Caddell estimated that outside of the South, Jews constitute not 3 but 7 per cent of the voters. If one adds to this figure the additional 20 per cent or so of non-Jews whom the opinion polls show to be as passionately pro-Israel as the Jews, it is clear that Israel enjoys the backing of one of the largest veto groups in the country. Hence, actions which antagonize or attract this body of opinion can affect the electoral fortunes of many candidates, including those running for President.

How important is public opinion, as revealed by the various national-opinion surveys, in the making of foreign policy? So far as the Middle East goes, in a recent piece in the New York *Times*, Terence Smith concluded: "In the final analysis, Pat Caddell, the President's pollster, and his other domestic political advisers may have a decisive voice in determining whether Mr. Carter takes on the Israelis. They will assess the political cost of such a campaign and advise Mr. Carter whether public concern at the possibility of another Arab oil embargo is enough to justify a confrontation with Israel."

If Mr. Smith is right that Jimmy Carter's policies on the Middle East will be deeply affected by judgments about public opinion, we would hope that the President examines the entire body of evidence, not simply the few questions asked by Caddell. For Caddell's most recent query is presented in the context of conditions for peace, an outcome fervently desired by most Americans, and it is worded in a manner bound to elicit support for the President's position. But examining all the evidence in hand, "public concern at the possibility of another Arab oil embargo" is not great enough "to justify a confrontation with Israel." The polls on the oil crisis suggest that the American public is still sanguine (overly so in our judgment) about the energy situation. Most of them do not feel that a genuine crisis exists. They believe that the oil companies and the government are exaggerating the problem.

Israel, it is fair to say, is still seen as a brave, small state, composed of people "like us," surrounded by wealthy, powerful, hostile neighbors, some of whom cooperate with the Communist world. And the past use by the Arabs of the oil weapon and their forcing up the price of oil have reinforced the negative image held of them by most Americans. Overt pressure by the United States against Israel could very well be perceived by many as a form of bullying one of America's closest friends in order to appease states which have hurt us and helped our enemies.

Beyond whatever opinion the majority holds on specific issues like oil, Israel is fervently backed by a politically potent minority, including a very large number of non-Jews, who are prepared to punish at the ballot box those who seek to undermine the unique America-Israel relationship. Already, according to a Harris poll taken in late September, President Carter's popularity in the country at large has slipped for the first time below 50 per cent. Most of this decline is surely attributable to factors other than the administration's Middle East policy, yet just as surely that policy plays a part—especially for Jews, among whom Carter has fallen from July's standing of 57–37 per cent positive to a low of 60–37 per cent negative. (Jews, normally among the Democrats' most loyal supporters, were less favorable to Carter in this poll than blacks, Catholics, and unions, and over 10 per cent less favorable than the public as a whole.) But again, it is not only Jews who are concerned with the President's recent record on Israel and the Middle East. George Meany, interviewed on *Face the Nation* (October 2), warned that "I don't think the American people as a whole want to see Israel . . . compelled through strong diplomatic pressure." When asked what the consequences of such a policy might be for President Carter's reelection prospects in 1980, the labor leader replied, "Well, I don't know what it's going to do to him in 1980, or 1978, or any other time, but I know politically it's going to be a great big minus for him. I'm sure of that."

What our examination of the opinion polls reveals, then, is that a confrontation with Israel will create a deep conflict within the United States, one that could very well parallel the Vietnam controversy in its bitterness, and that could have a devastating effect on the popularity and the chances for reelection of those responsible.

CROWN OF ST. STEPHEN

HON. NEWTON I. STEERS, JR.

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, November 18, 1977

Mr. STEERS. Mr. Speaker, I would like to bring to my colleagues attention testimony given before the House International Relations Committee regarding the return of the Crown of St. Stephen to the present Communist Government of Hungary. I am a cosponsor of a bill that would have permitted this decision to be made by the Congress, but this is no longer possible in light of the administration's decision.

This issue is an extremely emotional one to many of my constituents who fled Hungary to become American citizens. They have a very big stake in this question, and I think that the issue should have been decided by the Congress, with public hearings and discussion.

The testimony of Mr. John M. Szostak follows:

STATEMENT OF MR. JOHN M. SZOSTAK

Mr. Chairman: As a concerned citizen and on two occasions the personal photographer to the late Cardinal Jozef Mindszenty (when he toured Washington, D.C., in 1974), I have been asked by several Hungarian Federations and former Hungarian Freedom Fighters to represent their cause in our Nation's Capitol.

To return the Crown of St. Stephen to the present government that was imposed by force would be considered a defilement of its intrinsic meaning. When the Communists took over Hungary, one of their first acts was to do away with the Crown of St. Stephen as the nation's emblem. The Crown of St. Stephen symbolized genuine religious and political freedom In justice, how can such a sacred symbol of authority and legitimacy be returned to a government that is totally opposed to what the Crown symbolizes.

The only reason why the government of Hungary wants to repossess this sacred national symbol is to show to the free world that the present government, although imposed by brutal force, is the legitimate authority in Hungary today. It also seeks to lay claim to the same honor that was handed down to rulers since the year 1001 AD when Pope Sylvester II bestowed the Crown to King Stephen of Hungary.

The action to return this national treasure would betray the promise that was given to the Hungarian people in 1945 by the United States Government. In essence, this would be a reoccurrence of the so-called "Sonnenfeldt Doctrine" Carter style; give lip service to human rights, and give the Soviets what they want.

The late Cardinal Jozef Mindszenty, while on tour of the United States in 1974, pleaded with the American people not to desecrate the beloved Crown of his people by turning it over to a brutal, atheistic society. A society that has tortured and murdered thousands of its people, whose only crime was their fidelity to the Crown of St. Stephen, the symbol of genuine religious and political freedom.

In conclusion, I support legislation that would cause the Crown of St. Stephen to remain in the custody of the U.S. Government.

I propose that the Crown of St. Stephen be put on public display for all freedom loving people to view as one of the world's enduring symbols of Democracy. If all efforts to retain the Crown of St. Stephen in the United States fail, I propose that the Crown be turned over to the Vatican from where it originated. Above all else, this sacred symbol of religious and political freedom must not fall into the hands of a government that has proclaimed itself absolutely opposed to these basic human rights.

THE SPECTER OF EUROCOMMUNISM

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 18, 1977

Mr. DERWINSKI. Mr. Speaker, last Friday, I inserted an excerpt from an article by Robert Moss on the growth of "Eurocommunism" in Western Europe. His article, "The Specter of Eurocommunism," is an informative commentary on the nature and characteristics of the Western European Communist community.

In the following excerption, Mr. Moss counters the statement that Eurocommunists will respect "the rules of the democratic game." Despite claims to the contrary, the guiding force of Eurocommunist parties, he maintains, is the doctrine of democratic centralism, which is incompatible with political liberties as we know them. The hostile attitude displayed by Eurocommunists toward civil liberties, especially freedom of speech, provides insight into what their policies will be if they assumed power.

In conclusion, Mr. Moss finds that the radical changes in economic and social structures that the Communists would bring are not only designed to be irreversible but are incompatible with political pluralism. He recommends that the United States should not adopt a policy of benign acceptance toward Eurocommunism but should make it clear that we would regard a Communist government in a NATO nation as incompatible with the aims of the alliance. He offers several "postdisaster" policy options for NATO if such an event should come to pass.

I would like to insert the commentary at this time:

THE SPECTER OF EUROCOMMUNISM

(By Robert Moss)

SCENARIOS FOR TAKEOVER

Despite the similarities in their recent public posturing, the Communists in France, Italy and Spain face very different political situations and their tactics for acquiring power will diverge in important ways.

In Italy, the Communist Party tactic is to support a lameduck Christian Democrat government with only minority support in Parliament while the Communists themselves expand their power within regional government, the media and the labor unions.

While the structural power—and the broad spread of support—that the Italian Communist Party can command make it the most serious long-term threat to NATO, it is the French Communist Party that appears to have an immediate chance of participating in government. With the forces of the center and the right in France divided, against a backdrop of rising unemployment, the Union of the Left has a fair chance of taking control of the French National Assembly in the 1978 elections.

Without doubt, the accession of the Communists to power in Paris would have two inevitable consequences. The first would be financial panic, with huge sums of money being transferred or smuggled abroad, bringing in its train the collapse of the French currency and the fatal weakening of France as a partner in the EEC. Economic crisis would inevitably spill over into a political crisis, in which the claimed necessity to impose import controls and other state regulations could be used to rapidly expand the powers of a left-wing central government. Second, the possibility of any continued, though limited, French involvement in NATO would vanish.

In Spain, the Communists have a long march ahead of them, but will stand to gain from any deepening of the economic crisis (the Suarez government has been running a deficit of some $4 billion) and can count on consolidating their alliance with other groups on the left. What would no doubt suit Communist Party interests based in Spain would be some abortive attempt at a coup from the right that would enable them to posture once again as the defenders of the republic. They have expressed their reluctant acceptance of the monarchy for the time being, but would seek to abolish it as soon as they gained any position of influence.

Communist Party tacticians in all three countries must have been studious readers over the past three years of the series of blueprints for Communist takeovers that have been issued from Moscow, mostly in the guise of re-appraisals of what went wrong in Chile.

Since Boris Ponomarev published his celebrated article on the lessons of Allende's downfall in *World Marxist Review* in 1974, the Russians have not ceased to lecture the world Communist movement on the tactics that future Allendes, in Western Europe, will need to adopt in order to avoid the same fate. The most authoritative recent statement on this theme comes from two Soviet specialists called M. F. Kudachkin (who is a senior officer of the International Department of the Central Committee of the CPSU, which Ponomarev controls) and N. G. Tkachenko. They have co-authored a book entitled *The Chilean Revolution—its Experience and Meaning* and an article in the November/December 1976 issue of the Soviet historical journal *Novaya i Noveishaya Istoriva*.

Kudachkin's main conclusion is that Allende failed to understand soon enough that he would be unable to achieve full socialism in Chile by legal means. He observed that the strategy of the Chilean Communist Party—in contrast to that of ultraleftist groups which demanded a more revolutionary policy—was based on the belief that it was possible to avoid an armed conflict. He maintains that this was the right approach but that the Chilean Communists committed a serious error in overestimating the democratic character of the armed forces and the bourgeois state system.

Kudachkin, following Lenin, insists that in similar situations the Communists must be prepared "to take all necessary steps, such as armed suppression of insurrection, measures against sabotage, controls and other means of compulsion" in order to maintain themselves in power. The danger of over-commitment to the peaceful road to socialism, in his view, is that it will allow time for the "reactionary" forces to organize themselves and will encourage the emergence within the Socialist camp of "elements of right-wing opportunism."

He regrets that in Chile, the Allende government allowed the opposition considerable freedom, so that the "reactionaries" were able to use their strength in the National Assembly, the Civil Service, the courts and the security forces to prevent the government from carrying through fundamental revolutionary changes. By implication, Kudachkin's advice to the Eurocommunist parties is that, once elected to power, they should not feel inhibited by the constitution which enabled them to assume office but to proceed as rapidly as possible to purge the armed forces and the Civil Service of politically unreliable elements and to clamp down on opposition parties.

Kudachkin insists that the Marxist experiment in Chile again demonstrated that the decisive factor in any revolutionary process is the leading role of the Communist party. The message to the Eurocommunists is plain: It is that no Western Communist Party should allow itself to get into a position where it may have to play second fiddle to its tactical allies. It could also be read as a warning not to seek political responsibility, before the Communist Party has acquired sufficient power throughout society as a whole, to bring about those radical transformations which it advocates.

WHEN OPEN-MOUTH DIPLOMACY WORKS

The policy of many Western governments, that do not have to deal with strong Communist Parties, toward the advance of Eurocommunism can be summed up as accommodation in advance. It was not an uplifting spectacle to see the Socialist governments of Western Europe dropping heavy hints to the Spanish government that it would never gain entry to the EEC or be recognized as fully democratic unless it legalized the Communist Party.

But it is the attitude of the U.S. government that is all-important. It is worth noting the effects of the major policy changes that have taken place since Dr. Kissinger left the State Department. Instead of warning against the effects of Communist successes in Southern Europe, President Carter compliments his team on having lost the "inordinate fear of Communism" and declares that "European citizens are perfectly capable of making their own decisions in the free election process." American diplomats trot along to see Jean Kanapa at the French Communist Party's palatial headquarters at 2, Place Colonel-Fabien; Italian Communists like Elio Cabbugiani, the mayor of Florence, are given U.S. visas and invited to speak before the Council on Foreign Relations.

And, as a former Labor Party Member of the Greater London County Council, Dr. Stephen Haseler, points out in another article in this journal, there is now increasing pressure upon the U.S. State Department to grant visas to so-called Soviet "trade-unionists" to visit the U.S. in their false capacity as elected representatives of workers. This, of course, lends credence to their pronouncements and gives them an acceptability they do not deserve.

The AFL–CIO, to its lasting credit, has staunchly opposed such visas for any Communist "trade-unionists" and in a forthcoming article in the Summer 1977 issue of *The Journal of International Relations* (Washington, D.C.), Mr. Jay Lovestone, a senior foreign policy adviser to George Meany, explains why the trade unions have taken this stand.

It is striking that while Carter's spokesmen on foreign affairs are enthusiastic practitioners of open-mouth diplomacy in relation to anti-Communist governments in the Third World, they fall strangely silent when it comes to discussing the possible consequences of Eurocommunism. Dr. Kissinger recently warned that "we do our friends in Europe no favor if we encourage the notion

that the advent of Communists and their allies into power will make little or no difference to our own attitudes and policies." [1]

Kissinger is right on this. It makes no sense to criticize the policies of governments in sympathy with the U.S. if the U.S. administration is not also prepared to speak out in favor of the democratic, pro-western forces in Europe. While it might be argued that, by criticizing the Communists in France or Italy, the U.S. may risk being accused of intervention in the internal affairs of those countries, there is a far greater danger that, by letting it seem that the election of Communists to Government would *not* produce far-reaching economic and political reactions, the U.S. will assist European Communist Parties to re-assure their own electorates that they would be able to comfortably co-exist with the rest of NATO.

This is *not* the case, and there is no reason for not making it crystal clear that this is so. The reluctance of some West European governments to point out the dangers of a Communist victory helped the Italian Communist Party to make major gains in the June elections last year. Comments made by the late British foreign secretary, Anthony Crosland (in a supposedly off-the-record press conference) about how the Italian Communist Party did not—in his view—pose any major problem for NATO were given major exposure in the Communist press in Rome.

Is it too much to ask that Mr. Carter, and the non-Marxist governments of Europe, should publicly dissociate themselves from parties that are biologically opposed to the survival of a mixed economy and parliamentary institutions? No NATO member can offer to adopt a posture of studied neutrality on the eve of the 1978 elections in France. This is one of those occasions when open-mouth diplomacy is not only acceptable; it becomes a necessity.

POST-DISASTER POLICY OPTIONS FOR NATO

The emergence of a "popular front" government including Communists anywhere in Western Europe would pose a major challenge to Western security interests. The argument that the Communists' coalition partners would be able to "domesticate" them is not entirely plausible; it is salutary to remember the rapid moves that were made by the French Communist Party, in an earlier post-war coalition, to colonize those sections of the civil service that came under its control—and notably the ministry of aviation. It would be impossible to avoid giving Communist Party members key cabinet portfolios if a coalition including Communists emerged in France or Italy.

What options would be open to NATO in such an event? The question would be most acute in the case of Italy, since—unlike France—Italy remains a full member of the military alliance, including the NATO Nuclear Planning Group, and the home for important NATO facilities, as well as the NATO Defense College in Rome. It is clearly impossible to devise general guidelines that could be applied in situations as diverse as Italy (a full member of the military alliance), France (which was removed from NATO's integrated command structure in accord with De Gaulle's strategy of *tous azimuts* in 1966) and Spain (until now kept outside NATO itself, but the site of important U.S. air and naval bases). But it may not be too misleading to suggest some of the alternatives that might well be considered in the case of a Communist Party victory in Italy, some of which might also apply in the case of France—or even Spain. Five post-disaster options may be summarized as follows.

1. The "so-what" policy

This is actively canvassed in Washington by two contrasting schools of thought. Thus it is argued either that NATO could live with Eurocommunism (and that, in view of the uncertain future of neighboring Yugoslavia and possible fear of Soviet disciplinary action, Berlinguer may be serious in his desire to keep Italy in NATO) or that Southern Europe is as good as "lost" anyway, and was never vital to U.S. interests. The second argument can be extended to justify the withdrawal of U.S. forces from Western Europe on the grounds that "it is not the business of the United States to defend Communists against Communists." The isolationist option does not need to be seriously discussed, except by those who imagine that the U.S. could live with a Communist international world order.

2. Quarantine within NATO

A Communist Party government in Rome would be excluded from sensitive NATO discussions, but base facilities would be maintained and Italy would remain a formal NATO member. This could be extended to the doctrine that *countries* may remain members of NATO even if their governments are excluded—the so-called "empty chair" policy. In the event of a continued radicalization of the new government, the NATO bases might be retained rather as Guantanamo in Cuba has been retained by the U.S.

3. Expulsion from NATO

Either by formal vote of the other members, or by making it plain to the suspect country that it was no longer wanted, so that it would finally withdraw.

4. A new defense pact

As an alternative to NATO in its present form. This would include the remaining countries in Western Europe that are unequivocally anti-Soviet. It might also embrace countries farther afield that share the same security interests—e.g., Iran and Brazil.

5. The carrot-and-stick approach

A system of incentives (e.g., economic aid, debt rescheduling, EEC tolerance for import restraints) and deterrents (e.g., denial of credits, trade restrictions) to induce a future "Eurocommunist" government to respect the political liberties of its own citizens as well as Western security interests. This might involve strict instructions on the exclusion of Communists from sensitive posts in the cabinet and the civil service, notably the defense and interior ministries.

This seems to me the most promising approach, and one that might be applied in the case of either Italy, France or Spain. It would involve drawing detailed lists of the areas of political and social life that could provide an index of how democratic or "European" the new government was proving to be. One of the easiest gauges would be its attitude toward freedom of the press—which, according to the Ponomarev school of thought, is a dangerous weapon of the bourgeoisie which must be taken away as quickly as possible.

It would be useful for the Carter Administration and for private study-groups to undertake in-depth research into how such guidelines might be established and how a subsequent policy of sanctions and rewards might be put into effect. It would be foolish to expect that the EEC would continue to function for long in its present form in the event of a Communist triumph in France or Italy.

There is, of course, a further option: direct intervention on behalf of the anti-Communist forces in a country threatened with revolution via the ballot-box. But after Chile, it looks as if the U.S. has little appetite for covert action to support anti-Communists. The Soviets are not troubled with scruples of this kind. Not only are the Russians prepared to use the Red Army to maintain ideological purity on their side of the Iron Curtain, but they are making a heavy investment in subversion and espionage in Western Europe. The French and Italian Communist Parties are less directly dependent on Soviet financing than in the past, since they are in a position to make sizable profits through their privileged position as brokers for East-West trade and through their control of local government councils. But the arm of the Soviet Union is always there to lean on.

Raymond Aron ends his most recent book, *Plaidoyer pour L'Europe Decadente*, with a chapter entitled "Two Specters Haunt Europe—Liberty and the Red Army." Eurocommunism is not a middle choice. There is no reason to believe that it would prove compatible with liberty. And there is no reason to believe that it would not be overshadowed by the Red Army.

[1] Dr. Kissinger in the same speech lucidly analyzed the credibility of the French Communist Party's new-found belief in democracy: "We are entitled to certain skepticism about the sincerity of declarations of independence which coincide precisely with electoral self-interest. One need not be a cynic to wonder at the decision of the French Communists, traditionally perhaps the most Stalinist party in Europe, to renounce the Soviet concept of dictatorship of the proletariat without a single dissenting vote among 1,700 delegates, as they did at their party congress in February 1976, when all previous party congresses had endorsed the same dictatorship of the proletariat by a similar unanimous vote of 1,700 to nothing."

CONGRESSMAN OTIS G. PIKE REPORTS TO HIS CONSTITUENTS ON 1ST SESSION, 95TH CONGRESS

HON. OTIS G. PIKE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 18, 1977

Mr. PIKE. Mr. Speaker, although the House of Representatives has not quite finished its legislative work for the 1st session of the 95th Congress, only a few issues remain to be voted on and the House is currently in recess awaiting the action of the conferees on the energy bill, the largest remaining piece of business to be completed. Accordingly, I am taking advantage of this recess period to prepare and mail my 17th annual report to the voters of the First Congressional District.

It is appropriate that the energy legislation is the largest single issue remaining to be confronted by the Congress. The Congress, unfortunately, is truly representative of the American people with all of their strengths and weaknesses and the energy problem is probably the most controversial major issue confronting the American people. The difficulty which Congress is having in developing a viable energy program is representative of the Nation's difficulty in agreeing on what they want to see done. What they want, of course, are larger supplies at lower prices and that will never happen. First, a few facts—there is no shortage of energy in America. There is a shortage of petroleum and natural gas in America. The available alternative sources of energy all have

great disadvantages compared to petroleum and natural gas. Coal, which we have in abundance, is dirtier, bulkier, harder to handle and, if we try to produce and burn it faster, will cause environmental and health problems for all Americans, but especially for those Americans who produce it. It will also become more expensive as we try to produce it faster, clean it, and make it environmentally acceptable.

Nuclear power is technologically available, but has its own problems—especially that of waste disposal, and this is a problem which must be confronted at the Federal level. Solar energy is coming, some of the technology is there, but it remains very expensive in relation to the other forms of energy production. The more exotic forms of energy generation such as the use of the winds, the tides, geothermal springs, and ocean temperature gradients are thus far even more expensive and technologically difficult.

Whether the Congress acts on an energy program or fails to act on an energy program—the problem will get worse before it gets better. The cost of energy will continue to rise. Inflation will continue. Our balance of payments with the OPEC nations will get worse.

With one major and a few minor exceptions, I have supported President Carter's energy program and will continue to do so. The major exception is voting for decontrol of the price of natural gas. I will support the program passed by the House of Representatives as opposed to the program passed by the Senate. The principal emphasis on the administration's program is greater conservation and this is where it should be, in my judgment. Americans are the most wasteful consumers of energy in all of the world. From our gas-guzzling automobiles, through gasoline-powered chain saws, lawn mowers, snowmobiles, and boats to our electric tooth brushes, carving knives, hair dryers, and shaving cream heaters, we have been on an energy consuming binge in this Nation so long that we consider as natural rights what most of the people on this planet would deem incredible luxuries. Some progress has been made. Detroit has been dragged, kicking and screaming, into producing better mileage cars. On the production side, the completion of the trans-Alaska pipeline and the beginning of shipments of Alaskan crude oil to the west coast has caused a temporary glut there. Much remains to be done.

The energy issue has many other side effects. To a significant extent, the rate of inflation in America is in the hands of the oil cartel. Energy intensive industries are put in a poor competitive position—even our national defense can be endangered by the cartel.

Other issues confronted by the Congress during the last session had some energy ramifications. For much of the Nation, the most brutally cold winter within memory resulted in acute shortages of natural gas and the closing of schools and industries. Large segments of the country were proclaimed as disaster areas as a result of record cold and Congress had several votes on the subject of temporary relief.

During the course of the year, we probably had more individual votes on the broad subject of job creation than any other issue. We attempted to create more jobs in many ways—through housing programs, economic development programs, helping States, towns, cities, and school districts finance public works projects, and through such direct job creating programs as the Manpower Training Act, the Comprehensive Employment Training Act, and the summer jobs program. We have done it indirectly through tax relief for both businesses and individuals.

During the course of the year, the effort to create jobs was bound to run directly counter to the effort to balance the budget. With an unemployment rate hovering around 7 percent and with a multitude of programs aimed to reduce it and another multitude of plans aimed to provide direct relief to the unemployed, the Nation's deficit for the fiscal year 1977 which ended on September 30, was $45 billion. For the year which began on October 1, it is projected at $61.3 billion.

During the past year I have been privileged to serve on the three most important economic committees available to a Member of Congress—the House Ways and Means Committee, the Budget Committee, and the Joint Economic Committee. Perhaps because of the brutal statistics with which we have been confronted in those committees every day of the session, you will note in the voting record which follows more "nay" votes than you have ever seen before. I simply do not believe that either our form of government or our economic system can long survive when in a period of relative prosperity (and this is a period of relative prosperity) our Nation is operating at an annual deficit of over $60 billion and paying $40 billion merely in interest on our national debt. Our debt is estimated to reach $785 billion at the end of this fiscal year—compared to $467 billion in 1969, the last year in which the Federal Government operated at a surplus. We have watched what happened to New York City for living beyond its means. We have seen the citizens of New York State become the most heavily taxed citizens in America in order to live within their means, at the same time that they provided a very high level of social services and public works. In turn, this became counterproductive as business and individuals moved out of the State causing a continuing loss of jobs. What has happened to the city and the State can, and in my judgment, will happen to the Nation unless Congress demonstrates the courage to stop creating new programs and to get existing programs under control.

The revenue sharing program beloved by Governors, county executives, mayors, and supervisors has permitted local governments (most of them far more solvent than the Federal Government) to embark on a myriad of projects which local taxpayers would reject or had already rejected. The Economic Development Act has been more of the same. The current drive for welfare reform is largely spearheaded by the same coalition of Governors, county executives, mayors, and supervisors whose idea of reform is to have the Federal Government rather than the local government finance the welfare program. Governments never pay bills. Taxpayers always pay bills. As with every federally funded program, taxpayers from more affluent areas pay more than the taxpayers from less affluent areas and we will always pay more than we get for our average incomes are above the national average.

While this is one reason for opposing such programs, it is not my most fundamental reason for opposing such programs. Basically, I believe that government is best when it is closest to the people. Local taxpayers should decide what level of tax they should pay to provide what sort of schools, police forces, highways, townhalls, libraries, social services, and the like. To the extent that we end local responsibilities and substitute a mad scramble for "free" Federal money, we have become fiscally irresponsible. Accordingly, you will find your Congressman voting "no" against such politically popular issues as tripling the amount of the emergency public works program; providing a new pension program for World War I veterans; spending $20 billion for "economic stimulus," a new Federal program of loans to consumer cooperatives; a new tax credit for college and vocational school tuition; a new Federal program to pay money to the victims of crime. Every one of those programs gets votes for a Congressman. Every one of them also increases the deficit and this Congressman has simply concluded that the time has come to call a halt to new Federal programs which we cannot pay for. You will also find a few "nay" votes on old programs which I have long felt should not be financed by deficit spending such as our foreign aid program and agricultural price support program.

Putting the year in perspective, it started as soon as the new Congress was sworn in with the inauguration of a new President and a couple of nice pieces of symbolism. The new President and his wife walked hand-in-hand and unprotected down Pennsylvania Avenue to the White House and their solar-heated reviewing stand for the Inaugural Parade did not provide enough heat. The President started off with the traditional honeymoon with the Congress. All of his nominees for Cabinet positions were rapidly approved by the Senate—too rapidly, perhaps—and his initial legislative requests, largely for tax relief and other measures to stimulate the economy, were rapidly passed. As the year wore on, the honeymoon ended. Public works programs which the President wanted to eliminate were passed over his objections; labor legislation which he supported was defeated by the barest of margins Congress sustained his efforts to kill the B–1 bomber program. This was an effort started by your Congressman many years and several billion dollars ago. Differences between the President and the Congress over building an electric-generating breeder reactor at Clinch River

resulted in the first Presidential veto and at the moment the Congress is giving a very poor reception to the President's comprehensive energy program.

The House continued its efforts to improve its own image without apparent results in the public opinion polls where its image remains remarkably low. We passed a comprehensive "ethics package" which should have helped and we sneaked ourselves a magnificent pay raise which should not have helped. The pay raise issues has been interesting for your Congressman. I have never hesitated to vote for moderate cost-of-living increases for Congressmen and did so just before the last election when it failed. I thought 29 percent was too much after the election and moved to cut the money out of the budget. While the motion passed, it was not binding. The one that counted came on June 29 in the bill to actually appropriate the money for the legislative branch of Government. We got our pay raise.

In summary, we have been in session fewer days than during the first year of any Congress since 1961, but we are not done yet. Already we have had more record votes than any Congress in history—a huge number of which were trivial or unnecessary. For example, we had 14 record votes on the question of approving the journal of the previous day's meeting, 26 record votes merely on the procedural motion of going into committee to consider a bill. We had 26 votes on which the vote was unanimous and 83 more on which less than 10 of our 435 Members voted "no." In other words, we have reformed ourselves and reformed ourselves, but we still waste a great deal of time on trivia. Of the 676 votes we have had this year, your Congressman was present and voting on 659. Seventeen votes is the largest number I have ever missed, but we had more than ever before, and it still leaves me at better than 97 percent.

It is absolutely impossible to list all of the votes we have conducted this year in this annual report and as noted above, they would constitute a tremendous bore. The following voting record does not purport to be all inclusive, but I have tried to list the most important ones, the most controversial ones, and the ones most likely to get me in trouble.

As always, it has been a great privilege to represent the people of the First Congressional District of the State of New York. Our office has worked hard at serving their needs. The Congressman has worked hard at representing them, and we hope you will not find the record all bad.

DATE, ISSUE AND PIKE VOTE

1977

Jan. 4—For election of the Speaker of the House of Representatives for the 95th Congress the nominees were Rep. Thomas P. O'Neill, Jr. and Rep. John J. Rhodes. O'Neill was elected 290–142—O'Neill.

Feb. 1—Natural Gas Emergency. Authorize the President to allocate interstate natural gas through April 30, 1977, and to allow emergency sales at higher prices than usual, but still controlled. Motion agreed to 367–52—yea.

Feb. 2—Keep the Select Committee on Assassinations to inquire into the deaths of President John F. Kennedy and Dr. Martin Luther King, Jr. Adopted 237–164—nay.

Feb. 8—Resolution giving congressional approval to international fishery agreements negotiated with foreign countries in accordance with 200-mile limit. Passed 353–35—yea.

Feb. 9—Resolution authorizing and directing the Committee on Standards of Official Conduct (ethics) to determine whether any members of the House or their immediate families or associates accepted anything of value from the South Korean government or representatives thereof. Adopted 388–0—yea.

Feb. 9—Bill to raise the ceiling on Small Business Administration loans and investments in fiscal 1977 to $8 billion from $6 billion and bring more small businesses under the programs. Passed 381–0—yea.

Feb. 23—Resolution revising binding levels for fiscal 1977 to provide for revenues of $348.8 billion, budget authority of $477.9 billion, outlays of $419.1 billion and a deficit of $70.3 billion. Adopted 239–169—yea.

Feb. 24—Bill to raise the authorization level to $6 billion from $2 billion for the emergency public works employment program. Passed 295–85—nay.

Mar. 2—Resolution to require comprehensive financial disclosure by House members, ban private office accounts, increase official office allowances, ban gifts from lobbyists, limit outside earned income and impose other financial restrictions on members. Adopted 402–22—yea.

Mar. 3—Resolution appropriating $200 million in additional disaster relief funds in fiscal 1977 to help alleviate the hardships caused by severe cold weather in the eastern U S Passed 411–4—yea.

Mar. 8—Bill to provide for a refund of 1976 individual income taxes and other payments, to reduce individual and business income taxes, to increase the individual standard deduction and to simplify tax preparation. Passed 282–131—yea.

Mar. 10—Authorize an additional $407.6 million for housing assistance programs for low- and moderate-income families. Adopted 380–30—yea.

Mar. 14—Halt the importation of Rhodesian chrome in order to bring the U.S. into compliance with United Nations economic sanctions imposed on Rhodesia in 1966. Passed 250–146—yea.

Mar. 15—Appropriate $23.3 billion of supplemental fiscal 1977 funds for a variety of federal programs, including the components of President Carter's economic stimulus package. Passed 281–126—yea.

Mar. 17—Authorize $4.05 billion for the National Aeronautics and Space Administration for fiscal 1978. Passed 38–44—yea.

Mar. 21—Extend for one year, through March 1978, a 13-week program of supplemental unemployment insurance to provide a maximum of 52 weeks of benefits in states and local areas with high unemployment rates. Passed 327–63—yea.

Mar. 22—Resolution protesting human rights violations in the Soviet Union, including harassment of Soviet Jews and other minorities. Adopted 400–2—yea.

Mar. 23—Permit a labor union with a grievance with one contractor to picket all contractors on the same construction site. Rejected 205–217—yea.

Mar. 24—Authorize $868 million in fiscal 1978 for operations of the National Science Foundation. Passed 378–29—yea.

Mar. 30—Continue the Select Committee on Assassinations to inquire into the deaths of President John F. Kennedy and Dr. Martin Luther King, Jr. for the duration of the 95th Congress. Adopted 230–181—nay.

Mar. 31—Extend for one year, through fiscal 1978, the National Library of Medicine, the national cancer program, the national research service award program and the national heart, blood vessel, lung and blood program at an overall authorization level of $1.5 billion. Passed 385–4—yea.

Mar. 31—Extend for one year, through fiscal 1978, the health services programs of maternal and child health and crippled children services, community health centers, family planning, comprehensive health services, community mental centers, migrant health centers, hypertension programs, home health services, hemophilia treatment centers, blood separation centers and sudden infant death syndrome programs at an authorization level of $1.1 billion. Passed 376–4—yea.

Apr. 4—Prohibit debt collection agencies from engaging in certain practices alleged to be unfair to consumers. Passed 199–198—yea.

Apr. 5—Amend and extend the Federal Water Pollution Control Act 1972 (PL 92–500) including authorizations of $17 billion through fiscal 1979. Passed 361–43—yea.

Apr. 6—Authorize the U.S. to contribute $5.2 billion to certain international financial institutions, including the World Bank, International Finance Corporation, International Development Association, and the Asian and African Development Banks. Passed 194–156—nay.

Apr. 19—Authorize $313 million for fiscal 1978 research and development activities of the Environmental Protection Agency. Passed 358–31—yea.

Apr. 20—Revise U.S. export controls on sensitive materials and to prohibit U.S. firms from complying with certain aspects of the Arab boycott against Israel. Passed 364–43—yea.

Apr. 21—Conference report on the bill to provide supplemental appropriations of $29 billion in fiscal 1977, including $13.1 billion for housing assistance, $3.2 billion for higher education and $2.05 billion for military and civilian personnel pay raises. Adopted 264–142—yea.

Apr. 25—Authorize appropriation of $35.9 billion for weapons procurement and military research programs of the Defense Department in fiscal 1978. Passed 347–43—yea.

Apr. 26—Pike amendment to reduce budget authority and outlays by $7 million in fiscal 1978 in order to delete funds for a pay raise for members of Congress. Adopted 236–179—yea.

Apr. 27—Amendment to increase budget authority and outlays by $500 million each to provide for pensions for World War I veterans. Adopted 329–73—nay.

Apr. 27—Provide for fiscal 1978 budget targets of revenues of $398.1 billion, budget authority of $505.7 billion, outlays of $466.7 billion and a deficit of $68.6 billion. Rejected 84–320—yea.

Apr. 28—Provide $2.5 million for the expenses of the investigations and studies to be conducted by the House Select Committee on Assassinations. Adopted 213–192—nay.

Apr. 29—Bill to regulate strip mining operations and to acquire and reclaim abandoned mines. Passed 241–64—yea.

May 2—Authorize $4.9 billion in fiscal 1977 funding for the Energy Research and Development Administration for non-nuclear research programs. Agreed to 360–30—yea.

May 3—Authorize $14.6 million for the operations of the U.S. Arms Control and Disarmament Agency for fiscal 1978. Passed 395–15—yea.

May 4—Conference report on the bill to provide $20,101,484,000 in fiscal 1977 supplemental appropriations for a variety of federal programs, including components of President Carter's economic stimulus package. Adopted 326–87—nay.

May 5—Adoption of the budget resolution setting fiscal 1978 targets of revenues of $398.1 billion, budget authority of $502.3 billion, outlays of $464.5 billion and a deficit of $66.4 billion. Adopted 213–179—yea.

May 9—Authorize $1.1 billion for fiscal

1978–82 to extend certain programs under the Education for All Handicapped Children Act. Motion agreed to 376–2—yea.

May 11—Authorize $12.45 billion for the community development program for fiscal years 1978–80 and to authorize more than $2 billion for federally assisted, public and rural housing. Passed 369–20—yea.

May 12—Authorize $1.7 billion for fiscal 1978 for foreign economic aid programs. Passed 252–158—nay.

May 13—Extend for an additional year, through fiscal 1978, a program of "countercyclical" grants to help state and local governments avoid cutbacks in employment and public services and to authorize a maximum of $2.25 billion for the programs. Passed 243–94—Absent.

May 17—Expand job and training opportunities for unemployed youth by establishing a new program to employ young adults in conservation projects, guaranteeing part-time jobs and summer jobs to disadvantaged high school students. Agreed to 334–61—nay.

May 17—Authorize $1.239 billion through fiscal 1979 to continue construction of Army Corps of Engineers flood control and navigation projects in 18 river basins. Motion agreed to 310–89—nay.

May 23—Raise the authorization for the U.S. Commission on Civil Rights for fiscal 1978 to $10,540,000, from $9,450,000 in fiscal 1977. Motion agreed to 365–34—nay.

May 24—Authorize $3.2 billion in foreign military security aid and weapons sales credits for fiscal 1978. Passed 242–163—nay.

May 26—Set new standards for automobile exhaust emissions, regulate new sources of pollution in clean air areas including national parks and allow limited industrial expansion. Adopted 326–49—yea.

June 1—Limit to 68,910 the total number of dolphins that could be accidentally taken during 1977 commercial tuna fishing operations. Passed 334–20—nay.

June 1—Authorize $81 million in fiscal 1978 for activities of the Peace Corps. Passed 305–43—yea.

June 3—Create a Cabinet-level Department of Energy. Passed 310–20—yea.

June 6—Authorize $3,508,560,000 for military construction projects of the Defense Department for fiscal 1978. Passed 351–24—yea.

June 7—Revise the 1939 Hatch Act to allow federal civilian and postal employees to participate in political activities and to protect such employees from improper political solicitations. Passed 244–164—yea.

June 8—Appropriate $7,522,028,000 for fiscal 1978 operations and programs of the Treasury Department, Postal Service, Executive Office of the President and various independent agencies. Passed 359–45—yea.

June 8—Appropriate $14,047,570,000 for the operations and programs of the Transportation Department and related agencies for fiscal year 1978. Passed 391–11—yea.

June 9—Appropriate $9,545,741,000 for fiscal 1978 for activities and programs of the Interior Department and related agencies. Passed 395–7—yea.

June 13—Appropriate $7,606,119,500 for fiscal 1978 operations and programs of the Departments of State, Justice and Commerce, the Judiciary and related agencies. Passed 353–42—yea.

June 14—Appropriate $10,186,746,000 for fiscal 1978 water and power public works of the Army Corps of Engineers, Department of the Interior and several independent offices, and for most programs of the Energy Research and Development Administration. Passed 356–54—yea.

June 15—Appropriate $70,241,683,000 for fiscal 1978 operations and programs of the Department of Housing and Urban Development and various independent agencies, including the Veterans Administration. Passed 374–32—yea.

June 16—Prohibit the use of federal funds for busing students beyond the schools nearest to their homes. Adopted 225–157—yea.

June 17—Prohibit the use of federal funds to finance or encourage abortions. Adopted 201–155—yea.

June 21—Appropriate $12,658,830,000 for fiscal 1978 operations and programs of the Department of Agriculture and related agencies. Passed 380–35—yea.

June 21—Appropriate $2,819,501,000 for fiscal 1978 military construction programs of the Department of Defense. Passed 391–16—yea.

June 23—Appropriate $7,046,454,000 for fiscal 1978 foreign aid programs, international financial institutions and the operations of the State Department. Passed 208–174—nay.

June 27—Extend the Legal Services Corporation for two years, with authorization of $217 million for fiscal 1978 and $275 million for fiscal 1979. Passed 267–103—yea.

June 28—Delete $1.5 billion from the defense appropriation bill for production of five B–1 bombers. Rejected 178–243—yea.

June 28—Procure 96 rather than the 144 A–10 attack planes recommended by the administration and approved by the Appropriations Committee. Rejected 122–299—nay.

June 29—Amendment to prohibit use of funds appropriated in the legislative appropriation bill to pay for the 29% pay increase for high-level federal officials that took effect March 1, 1977. Rejected 181–241—yea.

June 29—Appropriate $928,335,800 for fiscal 1978 operations of the legislative branch and related agencies. Passed 250–161—nay.

June 30—Delete $26 million from defense appropriation bill for the development of a new engine for the Navy's F–14 fighter plane. Rejected 122–282—nay.

June 30—Appropriate $110,097,296,000 for programs and operations of the Defense Department for fiscal 1978. Passed 333–54—yea.

July 12—Provide a 7% cost-of-living increase in benefits for all veterans and eligible survivors and to provide an additional 25% increase to eligible widows, age 78 and over, of non-service-connected disabled veterans, effective January 1, 1978. Motion agreed to 403–0—yea.

July 14—Authorize $500 million in federal seed money for a bank to make loans to consumer cooperatives and $250 million for a Self-Help Development Fund to help inner-city residents start cooperatives. Passed 199–198—nay.

July 14—Establish a permanent House Select Committee on Intelligence. Adopted 227–171—nay.

July 15—Bill to toughen mine health and safety standards and enforcement procedures by applying the same set of regulatory processes to both coal and noncoal mines. Passed 244–88—yea.

July 18—Authorize $8,123,000 for the operations of the Federal Election Commission for fiscal year 1978. Motion agreed to 383–22—yea.

July 18—Reduce from 12 years to 5 years the length of service required of a federal employee to be eligible to retain health and life insurance benefits during retirement. Motion agreed to 373–37—nay.

July 19—Withhold veterans' benefits to Vietnam-era servicemen who received upgraded discharges under President Carter's review program. Motion agreed to 251–160—nay.

July 26—Reduce the price support for peanuts to $390 per ton for the 1978 crop from $420 a ton each year. Rejected 207–210—yea.

July 27—Prohibit use of food stamps to purchase non-nutritional foods. Rejected 185–337—yea.

July 27—Allow families of strikers with children under 16, elderly or disabled dependents to be eligible for food stamps. Rejected 190–227—yea.

July 28—Establish a price support program for sugar beet and cane producers. Adopted 246–165—nay.

July 28—Extend and increase support payments for wheat, feed grains, cotton and rice for four years, through fiscal 1981, extend the federal food stamp program for four years, amend the peanut support program. Passed 294–114—nay.

Aug. 3—End federal controls on the price of new onshore natural gas retroactive to April 20, 1977, and on new offshore natural gas beginning April 20, 1982, and to extend the Emergency Natural Gas Act of 1977 for 3 years. Rejected 199–227—yea.

Aug. 4—Increase the federal gasoline tax by 4 cents, with revenues to support programs for research, mass transit and state highways. Rejected 52–370—yea.

Aug. 5—Passage of the bill to establish a comprehensive national energy policy. Passed 244–177—yea.

Sept. 8—Reduce revenues by $175 million to provide for tax credits of up to $250 per year taken against tuition of full-time college and vocational school students. Adopted 311–76—nay.

Sept. 9—Designate a federal agency responsible for a multi-agency, national earthquake hazards reduction program, and to provide $210 million for fiscal 1978–80 for scientific and engineering research on earthquake prediction. Passed 229–125—nay.

Sept. 12—Authorize $301,950,000 in fiscal 1978 for activities of the Nuclear Regulatory Commission. Motion agreed to 396–2—yea.

Sept. 12—Add 1,170,372 acres from 16 national forest areas in eight western states to the national wilderness preservation system. Agreed to 380–18—yea.

Sept. 12—Increase the liability of those who cause oil spills, and to set up to a $200 million fund to pay for oil spill cleanup and damages. Agreed to 332–59—yea.

Sept. 15—Delete procedures in the Minimum Wage bill for automatic adjustment, or "indexing" of the minimum wage. Adopted 223–193—yea.

Sept. 15—Permit employers to pay only 85% of the minimum wage to young workers under age 18 during their first six months on a job. Rejected 210–211—yea.

Sept. 15—Raise the minimum wage from $2.30 an hour to $2.65 on Jan. 1, 1978, to $2.85 on Jan. 1, 1979, to $3.05 on Jan. 1, 1980, and make other changes in minimum wages and overtime coverage. Passed 309–96—yea.

Sept. 16—Appropriate $436,466,000 in federal funds and $1,401,662,700 in local funds for the District of Columbia in fiscal 1978. Passed 298–64—yea.

Sept. 19—Liberalize the black lung benefits program and shift more of the costs from the federal government to the coal industry. Passed 283–100—yea.

Sept. 20—Increase the rental allowance for district office space for House members from 1,500 sq. ft. to 2,500 sq. ft. Adopted 215–193—nay.

Sept. 20—Authorize only $33 million, instead of the $150 million in the bill, for construction of the Clinch River Breeder Reactor Project. Rejected 162–246—yea.

Sept. 21—Authorize $28 million for federal purchase of solar photovoltaic systems and to initiate studies on increasing their use to help meet the nation's energy needs. Adopted 227–179—yea.

Sept. 23—Authorize $6.6 billion in federal civilian energy research and development program for fiscal 1978. Passed 317–47—yea.

Sept. 23—Control fraud and abuse in the Medicare and Medicaid programs by establishing stricter penalties, strengthening oversight by local medical review organizations, requiring greater disclosure of infor-

mation from medical institutions and making other administrative changes. Passed 362–5—yea.

Sept. 23—Raise to 70, from 65, the upper age limit for protection of non-Federal workers from age-based discriminatory practices, including mandatory retirement, and to eliminate the upper limit for most civilian federal employees. Passed 359–4—yea.

Sept. 26—Extend the Child Abuse Prevention and Treatment Act for five years, and authorize $142.5 million to carry out the programs. Motion agreed to 375–12—yea.

Sept. 26—Provide that the U.S. Postal Service was not to reduce the frequency of mail delivery below that in effect June 1, 1977. Motion agreed to 377–9—yea.

Sept. 27—Admit for permanent residence certain refugees from Vietnam, Laos and Cambodia. Motion agreed to 390–22—yea.

Sept. 28—Establish a select committee of the House to make a study during the 95th Congress of the causes and effects of changes in world population and of U.S. options on global population policies. Adopted 258–147—nay.

Sept. 28—Raise the temporary debt limit to $773 billion through Sep. 30, 1978. Passed 213–202—yea.

Sept. 29—Prohibit the use of appropriated funds for development or production of enhanced radiation weapons—"Neutron Bombs." Rejected 109–297—nay.

Sept. 29—Authorize $2,674,650,000 for military-activities of the Energy Research and Development Administration for fiscal 1978. Passed 330–78—yea.

Sept. 30—Establish a federal program to reimburse up to 25 percent of the awards paid by states to victims of violent crime for their medical expenses and losses of pay due to absence from work arising from the crime. Passed 192–173—nay.

Oct. 6—Bill to aid union organizing and bargaining by streamlining regulatory procedures and stiffening penalties against employers who violated labor laws. Passed 257–163—yea.

Oct. 12—Rule providing for House floor consideration numerous changes in House rules and procedures dealing with employee discrimination in Congress, committees, congressional travel and perquisites and House administration. Rejected 160–252—nay.

Oct. 13—Streamline certain Federal Trade Commission procedures and to authorize congressional veto of FTC rule and regulations. Adopted 279–131—yea.

Oct. 13—Authorize $432 million for a new Locks and Dam 26 on the Mississippi River and to phase in a 6 cents per gallon tax on gasoline bought by inland waterway users. Passed 331–70—nay.

Oct. 14—Authorize $11.8 million in fiscal 1978 for marine protection, research and sanctuaries programs, including $4.8 million for the Environmental Protection Agency's regulatory program, $6.5 million for National Oceanic and Atmospheric Administration ocean dumping research and $500,000 for Coastal Zone Management Office marine sanctuaries. Passed 359–1.—yea.

Oct. 17—Delay the Food and Drug Administration's proposed ban on the artificial sweetener saccharin for 18 months unless new evidence appeared to prove that it was a substantial risk to public health, Motion agreed to 375–23—yea.

Oct. 17—Modernize the processing and inspection of commercial imports, to simplify customs procedures for noncommercial imports and raise the duty-free limit to $250, from $100. Agreed to 386–11—yea.

Oct. 19—Guarantee U.S. flag ships a 9.5% share of the country's oil imports. Rejected 165–257—yea.

Oct. 20—Appropriate an additional $625 million for the Small Business Administration disaster loan program. Adopted 318–102—nay.

Oct. 25—Prohibit the use of minors in producing or promoting pornography for interstate or foreign commerce and to prohibit transportation of minors for prostitution. Motion agreed to 420–0—yea.

Oct. 25—Raise the share of federal operating assistance for commuter rail services in the Northeast to 80%, from 50%. Agreed to 308–106—nay.

Oct. 25—Implement treaties providing for the exchange of prisoners between foreign countries. Agreed to 400–15—yea.

Oct. 25—Appropriate $7,182,602,000 for programs of various federal departments for fiscal 1978. Agreed to 313–98—yea.

Oct. 26—Delete provisions extending Social Security coverage to federal, state, and local government workers and employees of non-profit organizations. Adopted 386–38—yea.

Oct. 26—Delete provisions for standby loans to the Social Security system from the Treasury when trust fund reserves dip below certain specified levels. Rejected 196–221—yea.

Oct. 27—Passage of the bill to raise Social Security payroll taxes, above scheduled levels, by increasing the taxable wage base for employers and employees starting in 1978 and increasing employer and employee tax rates starting in 1981, and to make various adjustments in benefits schedules. Passed 275–146—nay.

Oct. 27—Authorize the Speaker to provide live broadcast coverage of House proceedings to members, to make broadcasts available to the media. Adopted 342–44—yea.

Oct. 31—Extend the life of the Select Committee on Ethics until the completion of its official business during the second session of the 95th Congress. Agreed to 385–22—nay.

Oct. 31—Express the sense of the House that the government of the Republic of Korea should extend full and unlimited cooperation with the investigation being conducted by the House Committee on Standards of Official Conduct into illicit South Korean lobbying activities and House members' involvement. Agreed to 407–0—yea.

Oct. 31—Denounce the government of South Africa for repressive acts against its people. Motion agreed to 347–54—yea.

Nov. 1—Postpone future congressional pay raises until the beginning of the Congress following the Congress in which they were approved, and to prohibit amendments that would deny funds for pay increases. Defeated 167–233—nay.

Nov. 1—Exempt from having to join or contribute to labor unions members of a religious sect that had conscientious objections to supporting labor unions. Agreed to 400–7—yea.

Nov. 3—Concur in a Senate amendment relating to abortion that prohibited the use of federal funds to pay for abortions except in cases of danger to the life of the mother, rape, incest, or when childbirth would cause a woman "severe and long-lasting physical health damage." Rejected 17–193—yea.

SALT DISASTER

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 18, 1977

Mr. SYMMS. Mr. Speaker, newspaper columnist Anthony Harrigan recently released one of the better statements on the current SALT negotiations with the Soviet Union. Mr. Harrigan provides an excellent background and overview of SALT. For example, he quotes from a speech made by Prof. Charles B. Marshall in an address at the Naval War College in which he pointed out that "preeminence in strategic nuclear power was abdicated voluntarily by the United States in a decision dating from many years ago." Mr. Harrigan's column reads as follows:

SALT DISASTER

(By Anthony Harrigan)

Concern is growing—and properly so—over the outlines of a new Soviet-American accord limiting strategic arms. The fear in Congress and the armed services is that the United States once again will end up with the short end of the stick.

Eight years of SALT talks with the Soviet Union have left the United States in a much worse position than America was before the arms limitation negotiations began.

The tragedy, of course, is that the United States has yielded strategic nuclear superiority whch it enjoyed for many years.

Prof. Charles B. Marshall, in an address at the Naval War College last summer, pointed out that "preeminence in strategic nuclear power, the anchor of the strength conveyed by grant and pledge to countries far and wide—was abdicated voluntarily in a decision dating from roughly 10 years ago."

Dr. Marshall explained that the "idea behind relinquishing the strategic nuclear advantage—by tapering off and letting the Soviet Union catch up—was to open a way to establish an equilibrium of pessimism about the outcome of war between the superpowers." This absurd option was the brainchild of former Secretary of Defense Robert S. McNamara. His notion led to the halt in the production of new missile-firing submarines for the U.S. Navy, for example.

Things have gone from bad to worse since then. Former Secretary of State Henry Kissinger made as many errors of judgment as McNamara. In the SALT I agreement, Kissinger yielded to Soviet negotiating pressure and accepted higher levels of strategic arms for the USSR.

The Soviet Union simply never accepted the idea of nuclear parity or a standoff in strategic arms. It consistently pushed for strategic nuclear superiority. The recent development of a Soviet satellite killer, announced by Secretary of Defense Harold Brown, is further evidence of the Soviet Union's determination to reduce the United States to military inferiority.

Prof. Marshall stated last June that "Nuclear strategic superiority for the United States is probably irrecoverable. The important thing now is to avoid descent into nuclear strategic inferiority."

Unfortunately, the U.S. SALT negotiating team, headed by Paul Warnke, reportedly is prepared to accept a 1,200-mile limit on the new cruise missile developed by the United States, while respecting a Soviet promise to show restraint in the use of an advanced bomber known as the Backfire. If this report is correct, the United States will be compounding its errors. It will give up the full benefit of its qualitative advantage, while trusting the Soviets who can't be trusted.

This course of action on the part of the U. S. government can only lead to most serious military inferiority for the United States and the gravest threat to America's freedom.

If the Carter administration were realistic and resolute, it would adopt a posture of militant diplomacy in arms negotiations. At the same time, the United States would look to even more advanced defensive systems than nuclear missiles—weapons such as lasers and particle beam weapons. Unfortunately, the Carter administration is grossly deficient in strategic insight.

IRANIAN REVOLUTIONARIES VIOLATE HUMAN RIGHTS IN WASHINGTON

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 18, 1977

Mr. McDONALD. Mr. Speaker, several thousand masked and hooded demonstrators, most of them Iranian citizens residing in the United States to attend universities and members of four rival revolutionary Marxist organizations, descended on Washington, D.C., this week. For 2 days they roamed the city's streets, Federal parks, and other property under the jurisdiction of the U.S. Park Police, and the grounds of the U.S. Capitol openly armed with clubs, ax handles, sharp-pointed paper shears, and other weapons.

On Tuesday, November 15, fanatical contingents of masked revolutionaries, almost all of them young adult males, broke through a thin Park Police line on the Eclipse despite valiant and courageous efforts on the part of individual officers, and viciously clubbed an orderly group of women and men which also included many elderly persons and children, who were peacefully assembled with banners welcoming the Shah of Iran on his state visit to this country. The police used tear gas to control the mob of berserkers, but the tear gas also affected the peaceful victims of the onslaught. The tear gas drifted onto the White House lawn and visibly affected the Shah and Empress of Iran and the President and First Lady during welcoming ceremonies. A small handful of revolutionary demonstrators were arrested for assaulting the Park Police. At the emergency room of George Washington University Hospital where both the victims of the radicals' assault—one man with a fractured skull—and some demonstrators who had been injured in battles with police were taken for treatment, new fighting erupted.

This entire episode is a disgrace and a blot upon our national honor; but what is worse is that the brutalization of peacefully assembled people is directly due to White House interference with the law enforcement agencies in Washington responsible for crowd control who were told by the White House to maintain a low profile by placing the minimum of police in the area. This decision was taken despite the long record of violent demonstrations by the anti-Iranian revolutionary groups and their open ties to terrorist groups in Iran and other countries.

On three previous occasions I have provided documented reports to my colleagues on Iranian revolutionary groups operating in this country which have carried out terrorist activities in Iran and Europe. These reports have documented their ties to Iranian terrorist groups that are backed by the Soviet Union, which borders on Iran for some 10,000 miles; Red China and the various factions of the terrorist Palestine Liberation Organization (PLO). [See CONGRESSIONAL RECORD of April 25, 1977 (page 12145); October 20, 1975 (page 33235); and May 22, 1975 (page 16171)].

American citizens, both military officers and civilians, have fallen victim to Iranian terrorists whose cadres frequently have been radicalized via the Iranian Student Association (ISA), the U.S. branch of the Confederation of Iranian Students (National Union) (CISNU), and related splinter groups such as the Organization of Iranian Moslem Students (OIMS), and Moslem Youth Organization (MYO). It is significant that the Iranian Government's extensive scholarship programs provide the funds for a large number of these students to study in America. When these students first arrive here from Iran they are rarely Marxists; however, after exposure to the U.S. universities in which Marxist-Leninist totalitarians of all factions have free rein to recruit and subvert the young, a shocking number of Iranian students can be found roaming the streets in hoods prepared to club senseless anyone who disagrees with their tactics or goals.

Preliminary reports from several cities and campuses with Iranian Marxist groups indicated that the demonstrating groups were preparing for violent confrontations with police and pro-Iranian groups in order to disrupt the Iranian leader's U.S. visit. Stockpiles of lumber for clubs and plexiglass shields were being loaded into vans for transport to Washington, D.C. Even as the Iranian student radicals prepared as far away as California and Texas to riot in Washington, pro-Iranian groups were planning to travel here to show their support for social and economic advances made during the past two decades under the Shah's government. With this clear probability of violent confrontation, there were continuing reports, including some in the press, confirming that no extraordinary preparations or precautions were being taken by Washington's federal and local law enforcement agencies. Therefore, I assigned my staff to monitor the demonstrations from various locations and provide me with full reports.

Despite the availability of public information on the Iranian Students Association (ISA) and its splinter revolutionary groups like the Young Muslims Organization (YMO) which set forth their violent records, high ranking Park Police maintain they were completely unaware of the nature of the anti-Iranian demonstrators. They attributed Park Police ignorance of the anti-Iranian demonstrators' tactics to the fact that they are not permitted to collect advance information—intelligence—on groups engaging in public demonstrations. They also said that the demonstration permits had been obtained for all anti-Iranian groups by a lawyer for the American Civil Liberties Union (ACLU) and excused avoidance of arrests on the grounds that ACLU would file lawsuits against the police for arresting disorderly or riotous demonstrators.

As the militant groups of anti-Iran demonstrators began to assemble, they were seen to be carrying posters mounted on 4-foot lengths of construction lumber, metals poles, sharpened broomsticks and the like. Several demonstrators were observed to be carrying long sharp shears and camping hatchets on their persons, particularly in the inside pockets of their parkas which were open because of the mild weather. Many of the posters on sticks were used to cover plexiglass shields for use in hand-to-hand battles with police. The appearance of armed demonstrators at past confrontations has been an immediate signal for police officers to summon reinforcements so as to prevent public disorder and attacks on peaceful citizens. However, clearly the White House decision for a low police profile was the deciding factor. Not only were additional Park Police officers not interposed between the radicals and the pro-Iran group, but the Metropolitan Police Department was not requested to send its experienced riot-equipped crowd control units to the assistance of the Park Police despite their immediate availability.

The rank and file revolutionary demonstrators all wore hoods or masks. The appearance of large numbers of unidentifiable hooded demonstrators armed with clubs and otherwise dressed alike in blue jeans and nondescript jackets was clearly designed to both intimidate the pro-Iranian groups and to make the perpetrators of violence unidentifiable to their victims and to the police.

My office contacted both the U.S. Park Police and the Metropolitan Police Department to inquire whether there were regulations applicable against the wearing of masks, hoods or disguises at public demonstrations as can be found in most State, county, and municipal jurisdictions and were designed specifically to prevent the unlawful intimidation of citizens by unidentifiable masked thugs. Both insisted there were no regulations that could be applied to stop the wearing of masks. My office asked whether these officials were aware of any Federal statutes applicable; again both said there were none. My office then drew their attention to title 18 of the United States Code, section 241, a provision of the Civil Rights Act which provides that:

> If two or more persons go in disguise on the highway or on the property of another with intent to prevent or hinder his free exercise of any right or privilege secured to him by the Constitution or laws of the United States • • • they shall be fined not more than $10,000 and or imprisoned not more than ten years or both.

Clearly the revolutionaries of the ISA, OIMS, MYO and their allies were in disguise; plainly by their weapons and statements—"Death to the Shah's Supporters:" "Shah is a Murderer, Death to the Shah"—and by their banners supporting the Iranian terrorist movements such as the Organization of Iranian People's Fedayee Guerrillas (OIPFG), the Organization of Mujahedin of the People of Iran (OMPI) and the Revolutionary Organization of Tudeh (ROT), they intended to both prevent and hinder the free exercise of rights and privileges guaranteed by the Constitution and by U.S. laws. And very obviously, the anti-Iranian demonstrators had prepared for their felonious violation of the Civil Rights Act in various parts of the country, crossing State lines

to fulfill their agreed plan. They were prepared, organized, and equipped for violent resistance to lawful order.

Mr. Speaker, conspiracy charges have been brought and proved on considerably less evidence; yet on this occasion only a few arrests on minor charges took place.

The Organization of Iranian Moslem Students (OIMS), which listed an address on its leaflets of P.O. Box 401, Willmete, Ill. 60091, marched in tightly disciplined contingents with the Young Muslims Organization. Banners and placards displayed supported the Organization of Iranian People's Fedayee Guerrillas (OIPFG) and the Organization of the Mojahedin of the People of Iran (OMPI), both Marxist terrorist organizations. Other banners displayed read "Victory to the PLO (Palestine Liberation Organization)," "Down With Zionism," and assorted insults directed at the Shah personally.

A 1977 English language pamphlet entitled "Iran: The Struggle Within," distributed and published by the Support Committee for the Iranian People's Struggle, P.O. Box 671, New York, N.Y. 10011, provides a history of the OIPFG and OMPI. Both OIPFG and OMPI base their revolutionary activities on the blend of Marxism and Islamic fundamentalism exemplified by the 1951–53 Iranian National Front government of Mossadegh, overthrown by the return of the Shah to power. Mossadegh's portrait was featured on the placards carried by the OIMS and YMO contingents.

According to the pamphlet, which had been previously published in Persian by the Organizations of the Iranian National Front (Middle East Section), OIPFG was founded by two talented revolutionary Marxists named Amir Parviz Pouyan and Masoud Ahmad-Zadeh. OIPFG "has become the most militant, intellectually advanced, and decisive Marxist organization in the history of Iran," it boasts. "Its first armed action took place on Feb. 8, 1971, at Siahkal, a village in the woods of northern Iran. Militarily it was unsuccessful * * *."

The Organizations of the Iranian National Front pamphlet continues outlining how revolutionary terrorism will continue to be the main form of struggle:

* * * the armed struggle has been going on unceasingly, * * *. Currently urban guerrilla warfare is the particular type of struggle taking place. At some point this movement will have to extend to the countryside since peasants form the majority of the population of Iran.

The OIPFG pamphlet stresses that its movement is Communist:

Contrary to similar warfare in Latin America and elsewhere, *the movement in Iran started on a strictly ideological basis, from the beginning aiming toward the formation of a communist party.* OIPFG has been and continues to be a Marxist organization and considers itself the nucleus of a communist party in Iran (emphasis in original).

OIPFG also provided an analysis of the OMPI which describes that group's amalgamated ideology of Islamic precepts and Marxism-Leninism:

Shortly after the launching of armed struggle by the OIPFG, another organization known as the Organization of the Mojahedin of the People of Iran (OMPI) started its urban guerrilla activities. This organization was founded in 1965, * * *. They went through a series of changes and transformations similar to the other movements. However, they kept their belief in Islam and have tried to combine the Islamic revolutionary spirit with the Marxist method of analysis and class outlook. They are a large organization and are responsible for numerous armed actions.

It is important to observe OMPI with care, their ideas and methods have been analyzed elsewhere. It is the first systematic attempt to extract the teachings of the Islamic revolution in the seventeenth [sic] century and reconcile them with scientific socialism.

The two largest organizations, the OIPFG and the OMPI, are on very good terms with each other. Plans have been made to increase their cooperation in a united form, while keeping their separate identities and organizations intact.

This pamphlet, originally published in 1975, then noted that the OMPI had recently announced that it had "joined the Marxist-Leninist movement of Iran, 'after 10 years of underground struggle, 4 years of political-military work, and 2 years of ideological struggle within the organization.' "

These Iranian revolutionary terrorist organizations have close ties with the Palestine Liberation Organization (PLO), and George Habash, head of the PLO Rejectionist Front hardliners and leader of the Popular Front for the Liberation of Palestine (PFLP) which invented the tactic of airplane mass hijackings and airport massacres, provided an introduction commending the OIPFG's efforts to overthrow the Iranian Government as part of the general Middle Eastern struggle "against our common imperialist, Zionist, and reactionary enemy" which he specified as the "reactionary puppet Arab regimes" (like Jordan and Saudi Arabia); the "aggressive military system of Zionism in our land" (by which he meant Israel); and "the puppet Shah's regime."

It is noted that the Organization of Iranian Moslem Students and Young Muslims Organization contingents carried many placards with the portraits of martyrs to the Shah's repression. These so-called martyrs were in fact terrorists who had been killed in shootouts with Iranian security forces, had killed themselves accidentally making homemade bombs, or had been executed following conviction for major crimes.

OIMS leaflets which were handed out on the streets were quite frank in their support of terrorism excused as revolutionary armed struggle. For example, after citing Amnesty International's attack on Iran, OIMS described as a typical violation of human rights in Iran the nearly everyday murdering of armed revolutionaries on the streets are just routine practices of the Shah's brutal secret police—SAVAK.

It is noted that the OIPFG terrorists have supporters in the United States among extreme left groups. The U.S. Communist newspaper, the Guardian, which is currently sponsoring KGB agent Wilfred Burchett's U.S. lecture tour, provides publicity to Iranian revolutionaries such as Ashraf Dehghani, a fighting member of the OIPFG who had been arrested in 1971 but escaped from jail in March 1973. Her prison diary written to see the whole thing in the light of Marxist theories was held up as an example for U.S. revolutionary women in an interview earlier this year.

The Iranian Student Association (ISA), which is predominantly Maoist in ideology, works regularly with other groups of revolutionary Third World students in this country including the Organization of Arab Students, Eritreans for Liberation, the Zimbabwe African National Union (ZANU), the Organization of African Students, et cetera. The ISA receives support from U.S. revolutionary and terrorist support groups ranging from the Revolutionary Communist Party (RCP) through the Workers World Party (WWP) and the National Lawyers Guild (NLG), the principal U.S. organization of revolutionary attorneys who had sent John Thorne to observe and report on trials of terrorists in Iran, to such Washington area anti-imperialist support groups as the Middle East Resource Center; the Community for Creative Nonviolence formed by associates of Daniel and Philip Berrigan and their draft board raiders; Clergy and Laity Concerned (CALC), which has provided valuable support to the Vietcong and North Vietnamese; the Sojourners Fellowship; and Liberty to the Captives.

The Iranian Students Association is the U.S. section of the Confederation of Iranian Students (National Union) (CISNU), with headquarters in Frankfurt, West Germany. Until recently, the ISA contained many competing Marxist factions. However, a Trotskyite Communist group associated with the Socialist Workers Party (SWP) and led by Babak Zahraie was expelled in 1974. Zahraie and Iranian poet Reza Baraheni head the SWP front group called the Committee for Artistic and Intellectual Freedom in Iran (CAIFI) in which many non-Iranian SWP Trotskyites are active; however, the SWP also organized a small group called the Sattar League, which is now the Iranian section of the Fourth International, the main international coordinating body for Trotskyite Communists.

The tone and style of ISA rhetoric is set by such CISNU publications as Iran Report, a quarterly journal published in West Germany and distributed by the ISA, P.O. Box 2310, Berkeley, Calif. 94702, and by the ISA New York City chapter, 339 Lafayette Street, New York, N.Y. 10012. This 1975 sample is typical:

The march of history in Iran has witnessed many courageous, brave liberation fighters who have taken the banner of revolution into their own hands, and who have stepped forward to give their lives so that the toiling masses and all the revolutionary people of our country may enjoy a free, democratic, open and progressive Iran. * * *

Today is no different. As a matter of fact, in this period of Iranian history, when the anti-imperialist progressive movement of the Iranian people has placed as its number one priority the task of annihilating the puppet regime of the Shah of Iran and the privilege of expelling all imperialist forces, we are witnessing an ever-increasing emergence of revolutionary fighters who place their lives on the line in order to defend the interests of the Iranian people.

The Iranian Student Association and the CISNU have undergone additional splitting and factionalization since the expulsion of the Trotskyites in 1974. At the August 1975, ISA national convention in Chicago, a split between the Maoist Communist faction allied with the Revolutionary Organization of Tudeh (ROT) and the National Front faction that supports the OIMFG, OMPI and smaller terrorist groups Mojahedin Khalgh (People's Struggle) Organization took place. The split resulted in formation of two rival U.S. organizations both using the name Iranian Students Association, and in CISNU, headquartered in West Germany.

The CISNU organization which operates from Postfach 190150, 6000 Frankfurt 19, West Germany and which has as its U.S. affiliate the Federation of Iranian Students in the United States (FISUS), P.O. Box 2310, Berkeley, CA 94702, held a 17th CISNU Congress from April 24–28, 1977, in Frankfurt. The rhetoric was strongly Maoist, with strong influences from the Albanian Communists. The conference featured attacks on the pro-Moscow Communist party in Iran, the Tudeh (masses) Party, and its student group, the Organization of the Democratic Youth and Students in Iran (ODYSI) and its newspaper, Arman.

Solidarity messages were received from the Zimbabwe African National Union (ZANU), Popular Front for the Liberation of Oman (PFLO), Revolutionary Anti-Fascist Front of Spain and other terrorist revolutionary groups. U.S. revolutionary groups sending support messages included the August 29th Movement (ATM) of Los Angeles, and Central Committee for Marxist-Leninist Organizations in Chicago.

The Confederation of Iranian Students (National Union) which operates from Postfach 2403, 3, Hanover 1, West Germany, has as its principal U.S. office the ISAUS, P.O. Box 4000F, Berkeley, CA 94704; and ISA, P.O. Box 4002, Berkeley, CA 94704 (415/848–3372).

This group describes itself as an anti-imperialist organization working to mobilize international public opinion in support of the just struggle of the Iranian people. A July 1977 publication by this group contains an account of its delegation to the Palestine Liberation Organization's 12th Anniversary of Struggle celebrations last January and photographs and biographies of six of their comrades, founding members and others of CISNU, who have been killed in fighting with Iranian security forces. Their martyrs listed as poets, workers, physicians and so forth included principally members of the Maoist Revolutionary Organization of Tudeh.

Members of the CISNU were arrested in Paris, France, last November and were charged with having shot and wounded an Iranian diplomat in an attempted assassination. One of the men charged, Nader Oskoui, had been studying in this country and was active in the ISA. More than 90 ISA activists were arrested in Houston in a demonstration at the French consulate in which they battled police while protesting the arrests in Paris. Then this year, hundreds of ISA members descended on the small Texas town of Corsicana to protest Navarro College student policies. They had no demonstration permits, and attacked police who came to remove them. Finally, once in jail, the ISA members vandalized the premises causing extensive damage.

From my observations in Washington, D.C., this week, it was obvious that large groups of these revolutionary Iranian students gathered here from across the country with the intent to disrupt the normal procedures of a state visit by violence. Once here, our police were inhibited from properly handling the situation by what appears to be a senseless image-building interference from the White House transmitted orally to the Department of the Interior, thence to the U.S. Park Police and others. Such restrictions on the professional judgment of veteran police officers should not be allowed since it places the lives of law-abiding people in jeopardy.

As will be seen from the small list of people arrested that follows, it was the police who were handcuffed and beaten, not the demonstrators.

Events of this week, which I have just detailed, bring into sharp focus the present perilous state of our law enforcement intelligence gathering system and the totally inadequate measures available for monitoring the revolutionary, violence-prone activities of foreign students residing in our country.

As the events of this week made plain, the monitoring of self-admitted revolutionary groups with open links to terrorist organizations, and who seek to abuse the provisions of our Constitution and laws to deny by violence others their constitutional rights, is necessary to prevent the denial of human rights to law-abiding people. I am contacting the Attorney General and the Director of the Immigration and Naturalization Service to ascertain what measures will be taken to control these ideological berserkers now that they have dispersed, for the moment, to campuses across the United States.

DATE, CHARGE, AND PLACE

NOVEMBER 15, 1977

Daneshi, Keramat; disorderly conduct; and 1600 Pennsylvania Avenue.

Abbas, Bahran; disorderly conduct; and 1600 Pennsylvania Avenue.

Kochak, Mahmood; disorderly conduct; and 1600 Pennsylvania Avenue.

Mobarez, Ali; disorderly conduct; and 1600 Pennsylvania Avenue.

Ahmadi, Ali; disorderly conduct; and 1600 Pennsylvania Avenue.

Momen, Saeidhh; assaulting a police officer; and 1600 Pennsylvania Avenue.

Sonnaty, Ali; disorderly conduct; and 1600 Pennsylvania Avenue.

Mobaraz, Ahamb; disorderly conduct; and 1600 Pennsylvania Avenue.

Lewis, Peter G.; disorderly conduct; and 1600 Pennsylvania Avenue.

Mohmae, Reazay Poor; disorderly conduct; 1600 Pennsylvania Avenue.

Doe, Jane; disorderly conduct; and 1600 Pennsylvania Avenue.

NOVEMBER 16, 1977

Shahaby, Hossein; larceny of Government property; E. Executive Ave. and E St.

Ghaili, Magred; larceny of Government property; E. Executive Ave. and E St.

NATIONAL HEALTH INSURANCE FORUM

HON. JERRY HUCKABY

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 18, 1977

Mr. HUCKABY. Mr. Speaker, national health insurance is one of the most complex and important issues this Congress is expected to address next year, and the public discussion of the subject should be as extensive as possible.

Apparently, the Department of Health, Education, and Welfare agrees with the principle of extensive discussion of this issue, but fails to follow it in practice. On October 20, 1977, HEW sponsored a National Health Insurance Forum in Baton Rouge, La., ostensibly to generate public debate. But incredibly, the Louisiana State Medical Society, which represents a group of people who will be profoundly affected by any health insurance program, was denied the opportunity to present its views fully.

Because I believe that this organization should be given a chance to have its views considered—regardless of what those views are—I call to your attention the following statement prepared by Dr. James H. Stewart, secretary-treasurer of the Louisiana State Medical Society. The statement was prepared for the National Health Insurance Forum in Baton Rouge, but was not allowed to be presented:

[From Capsules, Oct. 28, 1977]

CONSUMER INTEREST AND NATIONAL HEALTH INSURANCE

(By James H. Stewart, M.D., LSMS Secretary-Treasurer)

THE FULL TEXT OF THE TESTIMONY HEW TRIED TO SILENCE

Madame Chairman, members of the panel, ladies and gentlemen.

The Louisiana State Medical Society, like every other group that is here to testify before you, is a special interest group.

As such, we bear a heavy responsibility. A responsibility to be unselfish. A responsibility to serve humanity. A responsibility to offer you opinion and counsel which will enlighten and lead.

For that reason, we have chosen to forgo the opportunity to assume an adversary role in these proceedings.

The question of national health insurance has for too long provided the politician with an emotional and passionate foundation for demagoguery. For too long, there has been a massive apparatus of stimuli at work to divide this nation . . . to make the question of national health insurance appear to be one of class or economic status.

Consider the number of speeches made in Congress and by those who aspire to be in Congress . . . all to show how intrepid an advocate the speaker could be on behalf of the constituency he seeks to beguile.

Consider how few of the many who help give direction to general sentiment—how few in either house of Congress—what a handful of editors and writers and commentators—have ventured to match the oratory of the demagogues . . . or even to whisper to hush or divert the pelting of critics who seek to enhance their own, unrelated careers.

And then determine whether you believe it possible that America—a reading and curious and emotional people—hearing nothing, reading nothing but one incessant and vehement appeal to compassion and pity and even shame—determine whether or not a

people can go through all of this and not be the worse for it.

No. We will not contribute to the consequences of an adversary position. Instead, it is time for the facts.

We seek to accomplish three objectives with this testimony.

1) We will demonstrate the factual consequences of governmental intervention into health care.

2) We will demonstrate the financial burden that such intervention imposes on the American taxpayer.

3) We will offer for the consideration of the panel the views of the citizens of Louisiana. View—not as interpreted by the Louisiana State Medical Society or any other special interest group—but as determined by an independent survey research firm.

Government intervention and health care

Medicine is a profession structured on a foundation of ethics; government regulation is an instrument of politics . . . and politics has no code of ethics. Every bureaucrat is a creature of a politician. He is controlled, either financially or administratively or by both means, by the whims of his political masters.

The three leading causes of death among persons 55–64 are heart disease, cancer, and strokes . . . all partially the consequence of an imprudent lifestyle. One of major components of this imprudent lifestyle is tobacco, an addictive drug. Yet, the politician and his servant bureaucrats provide tobacco growers millions of dollars in subsidies every year. The government even finances research to help the tobacco farmer develop new and more efficient ways to grow more and more tobacco with less and less effort. At the same time, government has proven a less than benevolent benefactor of cancer research.

If government is to regulate health care, how will it reconcile this conflict?

Heredity and the environment are two other major determinants of mortality and morbidity rates. Yet, we know that one of the worst polluters of our environment is the government. The Federal government needlessly cuts our trees, dumps pollutants into our waters and exposes millions of Americans to radiation risks.

We permit hundreds of supersonic military flights in our atmosphere and deny the same right to a handful of supersonic passenger planes. Only 35 percent of all municipalities are in compliance with the Federal Water Pollution Control Act and federal violators comprise 25 percent of all installations requiring discharge permits.

If the government is to regulate health care, how will it reconcile these conflicts?

The health care of the American Indian has been the responsibility of our government since 1832. Yet, all measures or indices show their health status is inferior to that of the general population. Life expectancy among the American Indians, for example, is 7 years below the national average.

The reason for this differential is that the Federal government has made a political decision not to allocate sufficient resources to provide quality health care to the American Indian. Other interests and programs have taken precedence with our politicians.

If the government is to regulate health care, how can it reconcile this type of conflict?

The physician-patient relationship plays an important role in the efficacy of health care. The patient must have sufficient confidence and trust in his physician that the prescribed treatment will be accepted; the physician must know that the prescribed treatment can be delivered. Yet, the Federal government has already determined, and the Supreme Court has concurred, that consumers have no right to receive the care prescribed or even to select their own doctor if the government pays any portion of the consumer's health care costs.

If the government is to regulate health care, how will it reconcile this conflict?

The relationship between education and health has been the subject of several studies. Such studies show these two elements have an even more powerful cause and effect relationship than do income and health. Iron deficiency anemia and infection-related hearing losses, for example, are inversely related to the educational level of the mother and bear no correlation with the family's economic status. The economic barriers to health care that proponents of national health care seek to eliminate are thus, in many cases, not sufficient in themselves to explain health care problems.

Another problem with establishing indices as the criteria for determining the quality of our health care is that most are misread or misunderstood. Too often, we hear the example of this nation's infant mortality rate compared to that of others as demonstrative of inferior care.

Yet, such figures can not be used for comparative purposes. While the United States records all live births for statistical purposes, many nations do not record births until infants are one or two months, or even a year old. Furthermore, it may be that advanced technology and expertise in this country enables us to bring a birth to term that would otherwise be lost to miscarriage.

In many such cases, the baby will die shortly after birth. In other nations, the baby would never have been born.

Thus, the politicians and their servant bureaucrats who would assume responsibility for this nation's health care will be forced to demonstrate their leadership by pointing to indices that often do not respond to health care programs and sometimes do not reflect our true comparative status.

If the government is to regulate health care, how can it reconcile this type of conflict?

National health insurance will not in itself improve access to health care. It will not increase the number of physicians; other nations with nationalized health care have had the opposite experience. It will not increase access to health care; indeed, only one hospital was constructed in England between 1963 and 1976 and 50 percent of their beds are now in antiquated and inefficient buildings constructed before 1900.

Thus, in 1971, the mean waiting time for non-emergency hospital treatment in England was about fourteen weeks and today's average waiting period for a tonsillectomy is 18 months according to the information office of the British Embassy in Washington.

This concern as to access should not be dismissed without proper debate. Indeed, regulations published in the September 23 issue of the Federal Register clearly demonstrate that the federal government is already attempting to limit access to medical care and especially access to quality medical care.

If the government is to regulate health care, how can it reconcile this conflict?

Reviewing the impact of governmental regulation of health care, we have found:

That control is being promoted through political demagoguery.

That medicine must be practiced through a strict observance of ethics, while political control offers no ethical framework to guide medical care providers.

That some governmental programs unrelated to health care are in conflict with the desire to improve the health status of Americans.

That the government has a history of establishing lower standards for its own operations in some areas, such as the environment, than it would impose on the private sector.

That in those areas where government already is responsible for health care, recipients have a lower life expectancy and demonstrate other indices of inferior care.

That the government has already served notice it will not respect the physician-patient relationship and is prepared to suffer the consequences of this callous disregard.

That many indicators for health care are neither reliable nor indicative but are nevertheless used to justify political ends.

And that the government is already moving to ration access to the health care system.

A national health insurance program would only exacerbate these conclusions. Politicians are clearly not interested in quality or access as it relates to health care.

It is fair to conclude, then, that their only concern is the cost of health care. This concern is shared by any fair American. But, when this concern is transformed into action, what are the results?

The Government and health care costs

If politicians have failed the nation as to access and the quality of health care, their attempts at cost containment have been even more disastrous.

One need not point to the postal system to demonstrate the bureaucrat's total incompetence. Unfortunately, the government has already established a track record of inept and counter-productive attempts to administer health care programs.

Even the Government Accounting Office has found that the Social Security Administration's processing of Medicare claims demonstrates the bureaucrats' "higher salaries and lower productivity" is the reason private insurance carriers can perform the same function at one half the cost.

Perhaps the frustration implied in this GAO report can best be demonstrated by examining that series of events which led to our testimony before this panel.

When the Louisiana State Medical Society first heard of these hearings, we wrote the HEW regional office in Dallas requesting them to appear and present our findings. A Mr. S. H. Clarke replied on August 26 that: "Your letter of August 15, 1977, is sufficient notification for this office to schedule time for your statement at the meeting."

On Oct. 3, we had still not heard from the HEW office, and so we called to inquire as to the delay. We were told Mr. Clarke is no longer with the office. Instead, we were referred to a Mrs. Johnson.

Mrs. Johnson's office said, no, she was not handling the hearings, and referred us to a Mr. Dan Reed.

Mr. Reed disclaimed any responsibility and referred us to a Mr. Forest Stokes.

Mr. Stokes said he was not in charge of the hearing and informed us that HEW would not be in charge of the meeting. Instead, the project had been contracted to a Mr. Donald Moore of the Health Systems Agency in New Orleans.

When we finally contacted Mr. Moore, he apologized for the fact that our organization had somehow been dropped from the mailing list informing participants of the details of this hearing. He also stated that the ground rules outlined by Mr. Clarke were no longer operative: our testimony would not be scheduled. Participants would be scheduled in the order they registered.

Given the fact that HEW is not even able to assume responsibility for a public hearing, the following examples of the department's cost effectiveness should not be surprising.

The negative impact of government regulation is both direct and indirect. In Fort Wayne, Indiana, for example, hospital construction contracts totaling $27 million were let this year. The original application for these projects was submitted to the local Health Systems Agency in 1974.

Although approved by the local HSA, the state level approving agency objected on several minor points such as the number of

beds involved, whether or not they should be provided by existing or new facilities, and other questions.

After three years of adjusting the proposals submitting them to the HSA for reexamination and repeating the process, the applications were approved.

The net result was that inflation had added six million dollars to the original cost . . . $21 million.

Consumers, of course, will be expected to pay for this waste caused by bureaucratic delay.

Consumers are the victims of other examples of the regulators' indifference to the consequences of their meddling. For example:

The federal government, in an effort to control its own costs, refuses to pay the full cost of treating patients covered by the Mediplans. Thus, the deficit must be passed on to other patients. The Memorial Hospital Medical Center in Los Angeles has calculated this "surtax" to average $392 per hospital stay.

Last year, HEW issued 600 regulations affecting health care. Eight of these regulations . . . only eight . . . have added $22 to the bill presented the consumer as he is discharged from the hospital.

Consumers at the Los Angeles, California Medical Center recently discovered they are paying $10.75 per patient care day merely to compensate for the $807 thousand that hospital must spend in administrative costs each year in order to comply with federal regulations.

Using a figure of 8.8 days as the average hospital stay, these last three items add $509 to each patient's bill as he is discharged. Using an average cost per hospital stay of $1500, these last three items represent 33.9 percent of every consumer's hospital bill.

Given an HEW estimate of total annual health care costs of $139,312,000,000, and another HEW estimate that 39.8 percent of all health care costs are hospital charges, we find that $55,446,176,000 is the total of all hospital fees. This figure multiplied by 33.9 percent (the cost of government intervention shown by the same three items above) shows this small example of the cost effectiveness of government regulation to result in a net loss to the consumer of $18,796,253,664.00.

The purpose, obviously, is not cost saving . . . or even compliance with the law. The Ochsner Clinic in New Orleans has been ordered to provide HEW with the percentage of black patients admitted to that facility. The compilation of this statistic is against the law. The purpose is political control.

But, there is more.

One hospital administrator has pointed out that it will cost his institution $400 thousand dollars to comply with the new Life Safety Code and additions for the handicapped. However, if the Carter Administration's new cost containment legislation is passed, this hospital will be allowed to spend only $360 thousand for all capital expenses. Compliance would thus be impossible.

In an effort to reduce hospital overstays, the government has mandated review of all hospital based care for patients receiving Mediplan benefits. Experience with this law at the New York Hospital—Cornell Medical Center has shown this review process costs $34,212 for each claim disallowed. Only six such claims are discovered per year, the average length of stay has not been reduced, and hospital costs have increased.

The Institute of Medicine, in another study of this same review program, has reported to Congress that: "At the level of quality assurance expenditures anticipated for Fiscal Year 1977, the total costs (sic) of hospital and ambulatory review could exceed $1,250,000,000 annually if extrapolated to the entire U.S. population." Thus, the cost of the PSRO program, while identifying minuscule waste, is adding more than a billion dollars onto the consumers' hospital fees.

At the same time, HEW is trying to discourage hospitals from purchasing CAT X-Ray Scanners. This policy is pursued despite the fact that recent studies have shown the CAT Scanner could, if available in every hospital and used as a first-choice procedure on an outpatient basis, save the American consumer one billion dollars.

Thus, while the government pursues a PSRO program whose costs are estimated at one and one-quarter billion, it denies consumers access to a medical device that could save them one billion dollars.

Interestingly, if the government would forgo its review program and decide on a one time expenditure of the programs' annual cost, it could purchase a CAT Scanner for nearly every hospital in the nation . . . saving consumers $2.25 billion every following year.

Why, if the federal government is to demand that private facilities reduce their average hospital stay, do federal hospitals in Louisiana keep patients an average 12.24 days compared to 6.9 days in our 151 general hospitals and 8.8 days for all hospitals in Louisiana?

And why, if the government is to be the great savior of the American health care dollar, does it cost $2,000 per person to deliver health care to those in its care—the American Indian, patients in the Veterans Administration system and the military—as compared to $600 per person if delivered through private medical care?

The United States Census Bureau places our population at 216,817,000 as of July 1. If you wish to recommend national health insurance to the consumer, consider that this figure multiplied by $2,000 would result in total health care costs to our taxpayers of $433,634,000,000. Since a telephone call to HEW this week placed current costs at $139,312,000,000, this means national health insurance could increase the consumer-taxpayer burden by almost $300 billion dollars.

The only rational explanation for a political imposition of national health insurance, then, is that—true to form—the politician must pursue his raw lust for power.

The question is: Is America ready for such a power grab? I beg you to consider the response of Louisiana citizens.

National Health Insurance and the Louisiana citizen

Residents of Louisiana were polled regarding National Health Insurance in a series of questions posed to them in March of 1977. These questions were designed and presented in respondents' homes by Civic Service, Inc., a St. Louis, Mo. based public opinion and survey research analysis organization.

The project was directed by Rev. Roy Pfautch, President of Civic Service. The academic consultant was Dan Nimmo, Ph.D., Professor of Political Science, University of Tennessee, and Mike Mansfield, Ph.D., of the Political Science Department at Baylor University was the computer analysis consultant.

Permission is hereby given to contact Rev. Pfautch and verify any of the facts I am about to present.

Respondents were asked whether they agreed or disagreed with the statement: "I would not want socialized medicine in America." More than 54 percent agreed, while 34.4 percent disagreed. The same question was asked in another form: "I am against National Health Insurance." This time, 47 percent agreed while 33 percent disagreed.

It is interesting to note the results of the cross tabulations in regard to the question of socialized medicine. The older one gets, the more opposed they are to the concept. Those 20 and younger are the exception, opposing socialized medicine by a margin of 55 percent to 30 percent. In the 21–29 age bracket, 37 percent oppose it; in the 30–44 bracket 52 percent oppose it; in the 45–59 bracket 58 percent oppose it; and in the 60–64 bracket, 77 percent oppose it.

That group which has the most experience with government guaranteed health care, those 65 and over, register the most opposition . . . some 83 percent being hostile to the idea.

Those who would presume to speak for members of unions might be interested to know that union members in Louisiana oppose such a program by a ratio of 45 percent to 33 percent. All blue collar workers, whether members of unions or not, are in opposition by a ratio of 48 to 36 percent.

For purposes of comparison, white collar workers oppose by a ratio of 56 to 31 percent while business owners stand against the program by a ratio of 53 percent to 34 percent.

Incidentally, Louisiana citizens hold the two terms, "socialized medicine," and "National Health Insurance" to be synonymous by a ratio of more than three to one.

Respondents were also asked whether they agreed or disagreed with the statement: "There are many other programs on the national level which should be enacted before National Health Insurance . . . like education, conservation, job development, etc."

Here, 68.9 percent agreed that any NHI program would have a lower priority than other problems. Only 22.7 percent disagreed.

Again, union members registered strong opposition agreeing by 66 percent to 28 percent on the question of priority. All blue collar workers agree by 66 percent to 29 percent. The figures for white collar workers and business owners are 66 percent to 26 percent and 74 percent to 26 percent respectively.

The politicians may also wish to consider the obligations they will assume through a program of National Health Insurance. Those questioned were asked whether they agreed or disagreed that: "National Health Insurance means the government will guarantee any such person gets medical care." I would like to emphasize that 55.7 percent of the people in Louisiana believe that an NHI program would guarantee . . . and I stress guarantee . . . that they would get health care.

People were also asked whether or not they agreed that: "The federal government is likely to make as big a mess of National Health Insurance as it has of the postal service or foreign aid." By a margin of 3 to 1, or 67.2 to 22.9 percent, people agree that politicians and bureaucrats are not competent to manage the health care system. An even greater percentage of union members agreed with this point, some 78 percent compared to 13 percent who disagreed.

Another question may reveal their reasoning for this thinking. They were asked if they agreed that: "If the federal government handles National Health Insurance, the average patient will see little of the real benefits as there will be tremendous tax dollar waste." This criticism was agreed to by 73 percent versus 19.1 percent who disagreed. Again, union members register even stronger distrust of the politician's management capability, with 78 percent in agreement.

Despite the one-sided clamor for NHI by those in the public sector, a majority of the people in Louisiana can see the true problem. They were asked if they agreed: "Federal red tape and bureaucracy are ruining American medical care and depriving patients of service they would get if the government would get out and let doctors alone." Here, 48 percent agreed while 33.8 percent disagreed.

Again, union members are even more critical with 51 percent agreeing and only 26 percent disagreeing.

Given this attitude, it should come as no surprise that the people in Louisiana agree, by 44.8 percent to 37.6 percent, that: "It's time to get the federal and state govern-

ments out of health and medical care before they destroy the fine system we have."

I would like to emphasize again that, despite the posturing of the national union bosses, the rank-and-file union members in Louisiana are even more opposed to federal, bureaucratic control over health care than the general population. They want government out of the health care business by a margin of 53 percent to 33 percent.

The people in Louisiana are not fooled when the politician and his servant bureaucrats . . . whether employed by a PSRO or HEW or a health systems agency . . . the people in Louisiana simply do not believe you when you point an accusing finger at hospitals and physicians and dentists and other professionals . . . blaming us for the cost of health care.

When asked to name what is responsible for increased costs, here were their replies:

13.7 percent said the cost of basic services in hospitals is ever-increasing.

6.4 percent said labor costs are increasing.

4.4 percent said it is caused by advances in science and medicine.

2.3 percent said it is caused by increased equipment costs.

And 1.5 percent said that medicine and drugs are costing more.

Every one of the above causes can be translated into one word: inflation. This means a total of 94.3 percent of the people in Louisiana perceive inflation to be the major cause of increasing health care costs.

Only 3.1 percent assigned the blame to physicians.

In summary, the people in Louisiana are not deceived by the social planners who would seize control over every enterprise, every profession, and every labor. They recognize National Health Insurance to mean socialized medicine . . . and they want no part of it.

Not the professional . . . nor the union laborer. Not male . . . nor female. Not the teenager . . . nor the aged citizen. Not black . . . nor white. Not those in the northern part of the state . . . nor in the bayous.

If you care to listen to them, the people, independent of all the special interests, will say no to National Health Insurance.

Conclusion

In conclusion, I would like to say that I am not so naive as to believe that the politicians, and especially the bureaucrats, will listen to the people. In fact, these very hearings are nothing but a sham . . . a fraud on the American people.

When HEW Secretary Joseph Califano formed the NHI Advisory Committee in April, he said its purpose was, and I quote, "to advise the Secretary on alternative proposals . . ." End of quote. Within a few weeks, Califano told the committee that an NHI bill will go to Congress next year, and again I quote, "without recommendation, consensus, or vote" of the committee.

Make no mistake: the content of the bill is already known . . . it is written in stone.

The only purpose for this hearing, which is costing the taxpayers $3,000 and is only one of 100 such meetings, is to win publicity and favor for a political attempt to seize control over the health care of every man, woman and child in the United States.

By circularizing the "suggested" topics for discussion at this meeting, you hoped to make every person who appeared here your pawn in this game.

I quote from a report of the President's Council on Wage and Price Stability:

"It is all too apparent that right now, with current programs and the ubiquitous and often conflicting morass of regulations, that the government, instead of being a part of the solution, is part of the problem of rising health care costs. This sorry state of affairs has come about despite the best intentions of the government. To add yet another layer of cost-raising regulations, which would inevitably accompany any federal effort, would only be to compound the existing problem."

The politician—and the bureaucrat—stands condemned. Not only by physicians . . . not only by the American people . . . but even by his own. The government has been destructive of the quality of, the access to, and the cost of health care.

How can you possibly ask for even more power to be abused?

PRESIDENT CARTER AND THE TRILATERAL COMMISSION: ARTICLE V(B)

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 18, 1977

Mr. McDONALD. Mr. Speaker, the influence of organized special interest groups over Government, whether local, State, or Federal, is more and more becoming an issue for public discussion. A conservative political journalist, Gary Allen, has analyzed the recent flurry of articles on the Trilateral Commission, a powerful, well organized and internationally active special interest group of financiers, industrialists, academics, and politicians working to influence our Government's foreign and domestic policies to its own benefit. His article appeared in the November 1977 issue of American Opinion. The article follows:

THEY'RE CATCHING ON

(By Gary Allen)

The servants in charge of keeping David Rockefeller's scrapbooks must be working overtime this year. And you can bet that the banking Insider is not in the least pleased at having his clandestine political operations made the subject of exposure in national magazines with circulation reaching into the millions. Avant-garde magazines like Penthouse and Oui are one thing. Such serious journals as Atlantic and Harpers are, however, quite another. One article which you may wage David Rockefeller found very disturbing indeed appears in the October 1977 issue of Harper's, a magazine widely read by academics and serious "Liberals." Written by Harvard graduate Roger Morris, formerly of the National Security Council, it is entitled "Jimmy Carter's Ruling Class: The Shared Ethic of the Carter Cabinet is an Accommodation with the Interests of the Wealthy." Morris begins his essay with this February 17, 1976, quotation from Jimmy Carter:

"I can tell you that there is a major and fundamental issue taking shape in this election year. That issue is the division between the "insiders" and the "outsiders." . . . The people of this country know from bitter experience that we are not going to get these changes merely by shifting around the same group of insiders . . . the insiders have had their chance and they have not delivered. And their time has run out. The time has come for the great majority of Americans—those who have for too long been on the outside looking in—to have a President who will turn the government of this country inside out."

Focusing on the fact that Carter turned around and selected a Cabinet of "insiders," Mr. Morris observes of these appointments that: "They turn out to be patrons and protégés who have been governing us for some time, if not directly from the Potomac, then from corporate headquarters, venerable law firms, university vice-royalties, or the special-interest niches of Congress and local government. All that was apparently familiar enough, even congenial. The New York Times, Newsweek, and Time took it easily in stride. No indignant mobs marched on the White House. . . . those people constitute a kind of political, social, and economic class. Given their considerable power in Jimmy Carter's Washington, it's a ruling one."

Morris, you see, still cannot bring himself to use that horrid word "conspiracy." Perhaps the idea still elicits titters at the cocktail parties of his Harvard chums. So he neatly pours the conspirators and their flunkies into a class . . . which is an acceptable word on the "Liberal" cocktail circuit. But of course Mr. Morris is not writing for us. He is writing for the "Liberals" and academics who read Harper's. And even some of them are more than likely to get the idea that Roger Morris is writing about conspiracy and conspirators.

Elsewhere, Morris comes right out with it, discussing David Rockefeller's Trilateral Commission and its control of the Carter Administration. Claiming that the chief power of a ruling class is its ability to name successors (which means, of course, that he is not talking about a class at all but about a conspiracy), Morris illustrates with this quotation from George Orwell's "Nineteen Eighty-Four":

"The Party is not concerned with perpetuating its blood but with perpetuating itself. Who wields power is not important provided that the hierarchical structure remains always the same."

That is, provided that the conspiracy continues to operate. Which means that David Rockefeller does not care who is President—Jimmy Carter, Gerald Ford, or Joe Glutz—as long as David and his fellow "Insiders" hold ultimate control. Morris explains: "Having the same people in policy positions, or at least the same kind of people, helps answer the quadrennial public puzzle as to why elections don't seem to change government policy all that much . . ." Or, as George Wallace expressed it, it explains why "There ain't a dime's worth of difference."

The melancholy and disillusionment with which this former member of the National Security Council ends his piece is a certified downer: "Like most ruling classes, ours is probably entrenched until, by degeneration, it drives itself from power. At least in that sense, 1984 is not only the date of the next probable shuffle of offices; it is a state of the Union that is already here."

While Mr. Morris is all but fatally depressed, being aware of how late he has come to resist all of this, and how much is involved in stopping it, your correspondent sees great hope in the fact that the nature of the conspiracy is now being widely explored by such men of otherwise divergent commitments. It is research long pioneered by this magazine, and we cannot begin to tell you with what joy we note that others are at last catching on.

Consider the July 1977 issue of Atlantic, a "Liberal" institution, which carries on its cover a cartoon of Jimmy Carter and Nelson Rockefeller, bathing together in a wooden tub with their arms around each other. And all of this to promote the magazine's lead article, "Jimmy Carter Revealed: He's a Rockefeller Republican," by Christopher Lydon—who covered the 1972 and 1976 Presidential campaigns for the New York Times and is now a commentator on public television. More clever than Roger Morris, Lydon deals with the conspiracy taboo by employing irony:

". . . I observe here the ban on conspiracy theories in mainstream American journalism and political discussion. So unfashionable are conspiracy theories that if indeed a photograph had been preserved from 1973

or 1974 of the several American members and aides of David Rockefeller's Trilateral Commission—such men as Richard Holbrooke, now an assistant secretary of state; Warren Christopher, the undersecretary of state; their immediate superior, Cyrus Vance (who had been, among other things, chairman of the trustees of the Rockefeller Foundation); Treasury Secretary Michael Blumenthal; Defense Secretary Harold Brown; National Security Council Director Brzezinski and the NSC's analyst of Soviet intentions, Samuel P. Huntington; also then senator, now Vice President, Walter F. Mondale; and a formerly obscure but promising Georgia governor, now President, Jimmy Carter—if, as I say fancifully, some indisputable record had been preserved from three or four years ago of these men signing blood oaths to remember and honor their fellowship if and when one of them came to power, most editors, commentators, and indeed politicians would have clucked disparagingly that only nuts think power works that way in America. Maybe they are right. In any event we will not get into conspiracy theories here. . . ."

Of course not. Which is why Lydon continues: "I stumbled blindly on the Rockefeller clue in the spring of 1976 and I admit I didn't know what to do with it when I found it . . . . Every clever, coldhearted, main-chance operative in Democratic politics was jumping aboard the Carter opportunity, but that didn't explain what made it work. Some more fundamental combination of forces rallying around Jimmy Carter had yet to be accounted for. That was when the Rockefeller theory occurred to me, and I hadn't even been looking for it . . . . I didn't want to find a conspiracy. Yet at least three main elements in the Carter engine looked like spare parts from the Rockefeller shop."

Lydon describes the clues: "One was *Time* magazine, which gave Carter early prominence with a flattering cover portrait in 1971. Through 1975, *Time's* advertising in other magazines for its own campaign coverage looked more like an ad for Jimmy Carter: A half-page picture presented the candidate in a Kennedyesque rocking chair under the caption: 'His basic strategy consists of handshaking and street-cornering his way into familiarity.' Through 1976 and into 1977, *Time's* hagiographers were hard to separate from the Carter promotional staff . . . ." As the campaign continued, says Lydon, he became aware that *Time* featured "even gushier accounts of Carter and his men." Mr. Lydon notes "I couldn't remember the weekly newsmagazine extending itself that way in the past except for the more eastern and international (or Rockefeller) wing of the Republican party . . . ."

All of this was of course being carefully reported in AMERICAN OPINION. Perhaps Christoper Lydon was reading us. At any rate, he now says, "the second Rockefeller connection—more obvious, less noted—was the Trilateral Commission. The Trilateral Commission was David Rockefeller's brainchild, a somewhat more energetic young cousin of the elite Bilderberg Conferences at which Prince Bernhard of the Netherlands had been gathering senior bankers and political figures from Europe and the United States since the mid-fifties. Should the Trilateral Commission be viewed as a cabal of multinational financiers—indeed, as the first step toward a multinational government? Should it be seen simply as David Rockefeller's foreign policy toy? This debate has barely begun."

On the contrary, the debate began long ago. Christopher Lydon and his friends just came in late. But they learn fast. Lydon says "The Trilateral Commission's executive director, Zbigniew Brzezinski, became quite literally Jimmy Carter's tutor, and now, of course, directs the White House foreign policy staff, as Henry Kissinger did in the first Nixon term. Perhaps all David Rockefeller hoped for in assembling the American delegation, a Trilateral colleague mused the other day, was to be sure he included the prospective secretary of state in the era following Nixon's. How could he have guessed that his Trilateralists would staff all major policy posts in the new government—including, as if by a miracle, the vice presidency and the presidency? How indeed?"

Because Carter had absolutely no base within the power centers of the Democrat Party, and had no chance of obtaining any, the Establishment Insiders had to deliver the electronic media—something they, alone, could do. Lydon informs his audience that "when barely a dozen small states had started picking up convention delegates, Richard Reeves was developing in New York magazine what struck me as a bizarre theory: that Carter's early string of first-place finishes (however inconclusive his pluralities, however modest the net of delegates) had secured a huge investment of television's credibility in his continued success. In essence, once Walter Cronkite had announced on half-a-dozen Tuesday nights in late winter that Jimmy Carter had won another caucus or primary, how could the network explain in July that he was losing the nomination—that all the primary coverage hadn't mattered? What Reeves (and, I'm sure, Carter) saw was that in 1976 a media base was much more important than the demographic base I knew he'd never get. Sure enough, when Jerry Brown whipped Carter over and over, east and west, in May and June, the networks looked the other way. . . ."

But Atlantic for July was not finished. It also carried an article by Jeremiah Novak entitled "The Trilateral Connection." Added to the commentary by Lydon, one could not miss the conspiracy message. In fact Novak tells us openly that the goal of the Trilateralists is a New World Order under their control. Consider:

"For the third time in this century a group of American scholars, businessmen, and government officials is planning to fashion a new world order. Discouraged by UN inadequacies, disheartened by chaos in the Bretton Woods institutions (IMF and the World Bank), and worried about the United States' waning strength, these men are looking to a 'community of developed nations' to coordinate international political and economic affairs.

"After every major war in this century Americans sought a new world order. Wilson pushed the League of Nations; Roosevelt and Truman constructed the UN-Bretton Woods system; and now, after Vietnam, Jimmy Carter gives us the Trilateral plan.' So said C. Fred Bergsten, assistant secretary of the treasury and one of sixteen top Carter appointees who belong to the Trilateral Commission. All sixteen represent a deeply internationalist tradition that is part of the eastern American establishment."

Then Novak drops the myth that the New World Order is based upon idealism: "The Trilateralists' emphasis on international economics is not entirely disinterested, for the oil crisis forced many developing nations, with doubtful repayment abilities, to borrow excessively. All told, private multinational banks, particularly Rockefeller's Chase Manhattan, have loaned nearly $52 billion to developing countries. An overhauled IMF would provide another source of credit for these nations, and would take the big private banks off the hook. This proposal is a cornerstone of the Trilateral plan. . . ."

Novak concludes by telling us about a three-pronged attack on American independence and sovereignty. All three tines, as it happens, are attached to a Rockefeller fork, the family having been responsible for putting up the silver to create each of the three organizations named. According to Jeremiah Novak:

". . . the Trilateralists' internationalist stance is being lobbied for in Congress by a new organization called New Directions. The group was founded at the instance of Theodore Hesburgh, president of Notre Dame University and chairman of the Rockefeller Foundation. Hesburgh, with the support of Vance and Paul Warnke (a Trilaterilists and Carter's chief arms limitation negotiator), was able to recruit John Gardner, chairman of Common Cause, and others to form the new lobby group. Essentially, the group's "Approved Action Program" reinforces Trilateral positions on expansion of international financial institutions, increased development assistance for poor nations, a strong plan for conservation of energy, and reduction of arms sales.

"The alliance of Common Cause and New Directions with Trilateral thinking gives the Trilateralists two formidable companion organizations. It was Harlan Cleveland, a member of the board of governors of New Directions, who, on July 4, 1976, [promoted] a 'Declaration of Interdependence' for the Bicentennial program in Philadelphia. He also published a paperback called 'The Third Try At World Order.'"

The author makes it perfectly clear that while David Rockefeller may be sponsor of the parade toward New World Order, Carter is his parade marshal. "Jimmy Carter, as President, 'presides over this new internationalism," writes Novak. "Indeed, it is said that when he faces Congress he goes as an internationalist; and when he travels to Western Europe and Japan he is welcomed as a brother Trilateralist. In the last analysis, it is Carter who directs the third try for a new world order."

Quite right, of course. And who would have believed a year ago that the "Liberal" Atlantic would be telling its serious academic audience about the conspiracy back of the New World Order? It is simply astonishing, and it is part of a developing national concern. While the information presented in the five articles we have reviewed here is unique for having recently appeared in mass-circulation magazines edited for both popular and academic audiences, almost none of it is new to readers of American Opinion. In fact, in a number of instances, American Opinion was clearly the source of leads that caused these authors to pursue their investigations. The September 1977 issue of Esquire, however, contains an article which breaks some intriguing and possibly important new ground in conspiracy study.

The Esquire article, by Ron Rosenbaum, is entitled "The Last Secrets of Skull and Bones." It deals with a secret society at Yale which is highly reminiscent of the classic Glen Ford television movie, "The Brotherhood Of The Bell." Rosenbaum says Skull and Bones has existed at Yale for nearly a century and a half, and he calls it "the most influential secret society in the nation." That is more than a bit hyperbolic, but Bonesmen are "the leading lights of the Eastern establishment—in old-line investment banks (Brown Brothers Harriman pays Bone's tax bill), in blue-blood law firms (Simpson, Thacher & Bartlett, for one), and particularly in the highest councils of the foreign-policy establishment . . ." Some of their more famous members include Averill Harriman, Henry Stimson, Henry Luce, John Hersey, Justice Potter Stewart, McGeorge Bundy, J. Richardson Dilworth, William F. Buckley Jr., George Bush, Archibald MacLeish, and William Sloane Coffin.

Rosenbaum reveals that his interest in this group was triggered when he was an undergraduate at Yale living in a dorm close to the "huge, windowless secret society tomb" where Skull and Bones meets. One

night each spring, fifteen juniors are tapped to be initiated into the secret society. The author's research showed that much of the membership is hereditary:

"A reading of the lists of Bonesmen selected over the past one hundred forty-five years suggests that like the secret society of another ethnic group, certain powerful families dominate: the Tafts, the Whitneys, the Thachers, the Lords, for instance. You also get the feeling there's a lot of intermarriage among these Bones families. Year after year there will be a Whitney Townsend Phelps in the same Bones class as Phelps Townsend Whitney. . . ."

In addition, Skull and Bones will often initiate the student body president, the editor of the school newspaper, the captain of the football team, and a brilliant scholar or two. Rosenbaum makes it clear that joining Skull and Bones is not just something to occupy your senior year in college. Alumni take a very active part in the running of the secret society, and joining is a lifetime commitment. Each intiate reportedly receives fifteen thousand dollars in cash, and there is much more:

"In the late summer following his initiation, right before he begins his senior year, the initiate is given a gift of greater value than any putative fifteen-thousand-dollar recruitment fee: his first visit to the private resort island owned and maintained by the Russell Trust Association in the St. Lawrence River. There, hidden among the Thousand Islands, the reborn intiate truly finds himself on an isle of the blessed. For there, on this place called Deer Island, are assembled the active Bones alumni and their families, and there he gets a sense of how many powerful establishment institutions are run by wonderful, civilized, silver-haired Bonesmen eager to help the initiate's establishment dreams come true . . . ."

Bonesmen grab their degrees and head for the big international banks, Wall Street law firms, or promising posts in Washington, D.C. A curious number apparently wind up as "spooks" for the C.I.A. Rosenbaum writes: "Consider the case of once gung-ho C.I.A. Bonesman William Sloan Coffin, who later became a leader of the anti-war movement. A descendent of an aptly named family with three generations of Bonesmen, Coffin headed for the C.I.A. not long after graduation from Bones. And the man Coffin tapped for Bones, William F. Buckley, Jr., was himself tapped by the C.I.A. the following year."

And, speaking of "spooks," here comes the spooky part. According to Rosenbaum:

". . . I do seem to have come across definite, if skeletal, links between the origins of Bones rituals and those of the notorious Bavarian Illuminists. For me, an interested but skeptical student of the conspiracy world, the introduction of the Illuminists, or Illuminati, into certain discussions (say, for instance, of events in Dallas in 1963) has become the same thing that the mention of Bones is to a Bonesman—a signal to leave the room. Because although the Bavarian Illuminists did have a real historical existence (from 1776 to 1785 they were an esoteric secret society within the more mystical free-thinking lodges of Freemasonry), they have also had a paranoid fantasy existence throughout two centuries of conspiracy literature. They are the imagined megacabal that manipulated such alleged plots as the French and Russian revolutions. . . . Silly as it may sound, there are suggestive links between the historical, if not mytho-conspiratorial, Illuminists and Bones."

A century ago a rival group, File and Claw, broke into the Skull and Bones mausoleum-like structure on the Yale campus and liberated some interesting documents which were later published. It seems from these papers that the secret society was founded by William H. (later General) Russell in 1832. Russell had been initiated into a German secret society while studying in Deutschland. Rosenbaum informs us:

". . . Well, according to the File and Claw break-in crew, 'Bones is a chapter of a corps of a German university. It should properly be called the Skull and Bones chapter. General Russell, its founder, was in Germany before his senior year and formed a warm friendship with a leading member of a German society. The meaning of the permanent number "332" in all Bones literature is that it was founded in '32 as the second chapter of the German society. But the Bonesman has a pleasing fiction that his fraternity is a descendant of an old Greek patriot society founded by Demosthenes, who died in 322 B.C.'

"They go on to describe a German slogan painted 'on the arched wails above the vault' of the sacred room, 322. The slogan appears above a painting of skulls surrounded by Masonic symbols, a picture said to be 'a gift of the German chapter.' 'Wer war der Thor, wer Weiser, Betler oder Kaiser? Om Arm, ob Reich, im Tode gleich,' the slogan reads, or, 'Who was the fool, who was the wise man, beggar or king? Whether poor or rich, all's the same in death.'

"Imagine my surprise when I ran into that very slogan in a 1798 Scottish anti-Illuminist tract reprinted in 1967 by the John Birch Society. The tract (Proofs of a Conspiracy by John Robison) prints alleged excerpts from Illuminist ritual manuals supposedly confiscated by the Bavarian police when the secret order was banned in 1785. . . .

"Now consider a haunting photograph of the altar room of one of the Masonic lodges at Nuremburg that is closely associated with Illuminism. Haunting because at the altar room's center, approached through an aisle of hanging human skeletons, is a coffin surmounted by—you guessed it—a skull and crossed bones that look exactly like the particular arrangement of jawbones and thigh-bones in the official Bones emblem. The skull and crossbones was the official crest of another key Illuminist lodge, one right-wing Illuminist theoretician told me."

What does all of this mean? Rosenbaum says he doesn't himself believe it, but "One possibility is that the Bircher right—and the conspiracy-minded left—are correct: the Eastern establishment is the demonic creation of a clandestine elite manipulating history, and Skull and Bones is one of its recruiting centers." Maybe William F. Buckley Jr. of Skull and Bones, the C.I.A., the Council on Foreign Relations, and the Bilderbergers will tell us the truth in the next issue of National Review. Mr. Buckley could run his confession right after his next editorial recommending that America give away the Panama Canal.

Frankly, I am myself having a severe problem with all of these revelations about conspiracy that are now appearing on the newsstands. It is that soon we conspiracy hunters might have to adjust to being respectable. Your correspondent might even be asked once again to speak to the local Republican Women's Club. After his last speech, they impeached the program chairman because of the terrible things he said about Richard Nixon and the Rockefellers. The way public awareness is growing, that program chairman might even get her job back.

SENATE—*Tuesday, November 22, 1977*

(Legislative day of Tuesday, November 1, 1978)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the Honorable ROBERT C. BYRD, a Senator from the State of West Virginia.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Let us pray.

Almighty God, ruler of men and nations, we thank Thee for every promise of peace on Earth, for the increase of good will which promotes peace, for every token of understanding and every act of cordiality, for the improved climate of trust essential to peacemaking, and for the untold thousands who pray for peace.

We beseech Thee, O Lord, to make us part of the solution and not part of the problem as here we strive for a better nation in a better world.

Grant to us pure hearts that we may fitly observe our National Day of Thanksgiving.

Through Him who gave His life for all mankind. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., November 22, 1977.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable ROBERT C. BYRD, a Senator from the State of West Virginia, to perform the duties of the Chair.

JAMES O. EASTLAND,
President pro tempore.

Mr. ROBERT C. BYRD thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE LEADERSHIP

The ACTING PRESIDENT pro tempore. The Senator from Alaska.

THE JOURNAL

Mr. STEVENS. Mr. President, I ask unanimous consent that the Journal of the Proceedings of Tuesday, November 15, 1977, and Friday, November 18, 1977, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(Thereupon, Mr. MATSUNAGA assumed the chair.)

PROSPECTS FOR A NEW GENESIS FOR PEACE IN ANCIENT LANDS

Mr. ROBERT C. BYRD. Mr. President, together with millions of people around the world, and in hope and cautious optimism, I watched by television the almost unimaginable encounters that took place in Jerusalem this past weekend. For three decades, Israel has lived in a state of war with her neighbors; throughout the course of her life as a modern nation, she has known no real security and only glimmering moments of fitful peace. Against such a background, the outpouring of admiration and gratitude shown by the Israeli people toward President Anwar el-Sadat of Egypt during his brief visit to Israel was understandable and, indeed, contagious.

The diplomatic initiative and action taken by President Sadat required enormous courage, and he deserves the esteem of men of good will in every nation. Passions in the Middle East are deep and unpredictable. A number of political figures have paid the extreme price in the past quarter-century in that region because they valued statesmanship over irrationality.

But President Sadat evidenced in his bravery that he realizes the truth articulated by Albert Einstein, who said, "Peace cannot be kept by force. It can only be achieved by understanding."

Prime Minister Begin is likewise to be commended for recognizing the opportunity that President Sadat made possible, and grasping the hand of peace that was extended to him. He has displayed an enviable degree of wisdom and diplomatic vision that should bode well for the future of Israel and the whole Middle East.

Several observers have remarked that little of substance was achieved by the speeches before the Knesset and the private conversations in Jerusalem. Perhaps these commentators missed the truth underlined by Plato when he said, "The beginning is the most important part of the work." Egypt and Israel have broken through the psychological barrier of suspicion and hostility. Their leaders and vast numbers of their people have demonstrated that a will for peace has displaced a will for war in two previously hostile nations in that volatile region of the world. That fact in itself is an auspicious occasion after a generation of bloodshed and conflict.

Prior to the tentative link that was forged last weekend between Egypt and Israel, the only real common denominator that existed between those two nations was their friendship with the United States. For many years, the leadership of this Nation has sought to end the tortured stalemate that has prevailed between the Arabs and Israelis. I commend the present administration and previous administrations for pursuing avenues of mutual understanding with Egypt, while continuing to honor the sincere and profound commitment that America has held toward Israel since its inception. The exercise of this balanced policy in recent years may have helped Egypt to avoid the debilitating and limiting encumbrances that she might have been forced to follow had her only recourse been toward reliance on Soviet aid and diplomatic resources. If the seed of genuine peace was planted in Jerusalem this past weekend, we can take some pride and satisfaction in the fact that that seed was sown in soil long cultivated and tended by American diplomacy.

Experience reminds us that we cannot allow our anxiety and strong desire for a resolution of the Middle Eastern conflict to render us oblivious to the hard requirements that a lasting peace will exact. But a positive step has been taken, and we can all share the joy of the Israelis and the pride of the Egyptians at this moment in history. The late John Foster Dulles once remarked that one has to take chances to obtain peace, and that is what President Sadat and Prime Minister Begin appear willing to do.

I hope that this important initial step will be supported by all other nations in the Arab world.

CAREER EDUCATION—CONFERENCE REPORT

Mr. ROBERT C. BYRD. Mr. President, on behalf of Mr. HATHAWAY, I submit a report of the committee of conference on H.R. 7 and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The report will be stated.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 7) to authorize a career education program for elementary and secondary schools, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The ACTING PRESIDENT pro tempore. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD.)

Mr. HATHAWAY. Mr. President, the conference report on the Career Education Incentive Act represents a significant and much-needed reform to our Nation's educational system, and I strongly urge my colleagues to support it.

This measure as it emerged from conference very closely resembles the provisions of S. 1328 as reported out of the Committee on Human Resources, and subsequently approved unanimously by the Senate on October 20 of this year.

The provisions of this legislation will insure that at every level education will be more closely related to the world of work and to the career preferences of individuals. It will help provide students with the awareness, exploration, and decisionmaking skills they so urgently need regarding career opportunities and requirements. In this way, the legislation intends to promote equal opportunity among all students, with particular attention to the elimination of bias and stereotyping on account of race, sex, age, economic circumstance, or handicap.

The bill calls for a short-term Federal commitment to elementary and secondary career education implementation which will peak and then decline over its 5-year life. At the end of this time frame, all Federal involvement will cease and career education programs will be conducted solely with State and local resources. It authorizes for K–12 implementation, up to $50 million in fiscal year 1979, $100 million in 1980 and 1981, $50 million in 1982, and $25 million in 1983. These funds are to be allocated among the States on the basis of their population aged 5 to 18, except that each State shall receive a minimum of $125,000. Over this 5-year time period, required State matching payments gradually increase.

Further, from these authorizations, 5 percent is reserved to the Commissioner of Education for the purpose of administering the programs at the Federal level and for making model grants. One percent is reserved for career education information activities, and one-half of 1 percent is reserved over the 5 years for a one time national evaluation. Also, 1 percent is reserved for allocations to outlying territories.

The bill requires each State education agency to utilize not more than 10 percent of the Federal funds it receives each year for State leadership activities. In fiscal year 1979 it may utilize not more than 10 percent of the Federal funds for State level staff, and in the following years, not more than 5 percent. All of the remaining Federal funds received must be passed through to the local educational agencies. All States, except the minimum allotment States are required to employ a full-time career education coordinator, an expert in antistereotyping activities, and a guidance and counseling expert, at least on a part-time basis.

Permissible State-level uses include the conduct of inservice training institutes for teachers, the dissemination of career education materials, the conduct of State-level evaluation, the collaboration with various elements of State and local communities, and the modification of teacher-training curriculum.

Uses by the local education agencies include instilling career education concepts into the classroom, implementing comprehensive career guidance and counseling programs, fostering collaborative relationships with various elements of the local community, implementing work experience programs, employing local coordinators, providing inservice training, conducting institutes for parents, members of school boards and community leaders, purchasing materials, operating career education resource centers, and conducting evaluations.

Each State applying for funds is required to submit an initial application and by July 1, 1979, a one-time State plan, and subsequent amendments to the

plan as necessary. The State educational agency is the administering agency.

The bill also provides an annual authorization of $15 million for postsecondary education demonstration projects, through grants, contracts, or other arrangements to postsecondary institutions, public agencies, or private nonprofit entities. Such projects must have national significance or unusual promise in promoting career education at the postsecondary level.

The bill requires a comprehensive evaluation by the Commissioner of Education to determine those methods of career education that best fulfill the broad purposes of the act, that best promote career skills, that eliminate stereotyping, and which do so on the most cost-effective basis.

The Office of Career Education in the U.S. Office of Education is the administering unit at the Federal level. The National Institute of Education and the National Advisory Council on Career Education are encouraged to continue their prior efforts in career education.

Mr. President, I am pleased to report to my colleagues that the conferees agreed to the higher funding levels in the Senate bill, to a greater emphasis on the elimination of stereotyping on the basis of race, sex, handicap, age, or economic status, and to a specific evaluation component, all of which were included in the Senate version.

Additionally, authority for model grants to exemplary career education projects, and for dissemination of career education information, as included in S. 1328, were incorporated into the final version of the legislation.

But most important in my view was retention by the conferees from S. 1328 of the $15 million annual authorization for post-secondary career education demonstration projects.

Many students and their families are devoting considerable resources and time to the pursuit of post-secondary education, and then discovering that inadequate or nonexistent job opportunities result. Their education of course has a priceless inherent value in terms of fostering self-awareness, and awareness of the world around them. But these students often feel embittered about participating in a process which pretended to promise them significant and financially rewarding career opportunities, and failed to deliver to the level of that expectation. With an increased focus on available career opportunities and requirements, and increased attention to career skills, this situation could be greatly improved.

NEED FOR CAREER EDUCATION

As our schools are subjected to increased criticism, and as the youth of our Nation are victims of intolerable levels of unemployment, it is clear that we must move as forcefully and expeditiously as possible to make career education a reality for every American.

A number of criticisms have been leveled at our educational system from a variety of sources. A large number of them center around the failure of education to relate more satisfactorily to the world of work and to career needs. The National Advisory Council on Career Education, established by section 406 of the Special Projects Act, has summarized these criticisms as follows:

First. Too many persons leaving our educational system are deficient in the basic academic skills required for adaptability in today's rapidly changing society.

Second. Too many students fail to see meaningful relationships between what they are being asked to learn in school and what they will do when they leave the educational system. This is true of both those who remain to graduate and those who drop out of the educational system.

Third. American education, as currently structured, best meets the educational needs of that minority of persons who will someday become college graduates. It fails to place equal emphasis on meeting the educational needs of that vast majority of students who will never be college graduates.

Fourth. American education has not kept pace with the rapidity of change in the postindustrial occupational society. As a result, when worker qualifications are compared with job requirements, we find overeducated and undereducated workers present in large numbers. Both the boredom of the overeducated worker and the frustration of the undereducated worker have contributed to growing worker alienation in the total occupational society.

Fifth. Too many persons leave our educational system at both the secondary and collegiate levels unequipped with the vocational skills, the self-understanding and career decisionmaking skills, or the work attitudes that are essential for making a successful transition from school to work.

Sixth. The growing need for and presence of women in the work force has not been reflected adequately in either the educational or the career options typically pictured for girls enrolled in our educational systems.

Seventh. The growing needs for continuing and recurrent education of adults are not being met adequately by our current systems of public education.

Eighth. Insufficient attention has been given to learning opportunities which exist outside the structure of formal education and are increasingly needed by both young and adults in our society.

Ninth. The general public, including parents and the business-industry-labor community, has not been given an adequate role in formulation of educational policy.

Tenth. American education, as currently structured, does not adequately meet the needs of minority or economically disadvantaged persons in our society.

Eleventh. Post high school education has given insufficient emphasis to occupational educational programs in harmony with academic programs.

Each of these criticisms has some validity, and a number of disturbing statistics and phenomena lend support and credence to such criticisms.

Although the average American already changes careers five to seven times in the course of his or her working life, a February 1977 study of the national assessment of education progress showed that of 17-year-olds surveyed, only 36 percent could correctly complete a job application and only 54 percent could identify correctly the training and qualifications required for certain occupations. An HEW-commissioned study indicated that perhaps as many as one in five adults is functionally illiterate in basic coping skills necessary to perform simple daily tasks.

The American college testing program assessment found that 78 percent of 11th grade students indicated a need for increased career guidance and counseling assistance. Over three-fourths of all secondary school students are enrolled in a college preparatory course of study while only 2 out of every 10 jobs between now and 1980 will require a college degree. Data indicate that one-fourth of a typical high school class drops out before graduation and 50 percent of those who enter college do not receive a bachelor's degree.

Current unemployment levels among all teenagers, and particularly among black teenagers, are at intolerably high levels. August 1977 statistics showed unemployment among teenagers was 17.5 percent and among black teenagers was 40.0 percent.

An analysis of unemployment figures in the spring of 1977 showed that over 3 million Americans between the ages of 16 and 24 were unemployed. This total represented half of the Nation's unemployment at that time, and offers further evidence that this age group is unskilled and unprepared for the job market.

A Rhode Island study found that although there are over 30,000 job titles, most young people could barely identify 100 jobs. The chamber of commerce testified before the committee that in 1930 approximately 30 percent of all jobs were unskilled, but that today only 5 percent fit this characteristic. The chamber further predicted that of the youngsters first entering school today two out of three will when they enter the labor market take jobs which do not now exist.

At the postsecondary level of education, students and their families often devote a great deal of financial resources and years of effort toward achieving certification and training to engage in particular professions and occupations only to find out at the conclusion of such activity that realistic opportunities either do not exist, and may in fact never have existed, or that they are inadequately qualified to achieve their goals.

Of course, I do not wish to denigrate the value of the pursuit of higher education in terms of self-fulfillment. At the same time, however, a 1972 Gallup poll found that, when asked why they wanted their children to "get an education," 44 percent of the parents responded, "to get better jobs" and 38 percent said "to make more money, achieve financial success." Given this expectation from education, the results have often been disappointing, both from the perspective of parents and students.

For example, a Department of Labor study found that of the 55,000 students graduating from college with bachelor's

degrees in psychology last spring, only 4,500 would find jobs related to their field. Similar, though not quite so dramatic examples could be found with regard to students who study law and other fields. At the same time, opportunities are readily available in other fields such as health-allied paraprofessional fields, but often go unfilled, to the detriment of society as a whole.

All of these phenomena are not the result of any failure of education but rather are symptomatic of more widespread changes in our society as a whole, which education by itself may be unable to rectify. Further, these examples do not lead to a conclusion that educational systems are necessarily doing a worse job than in the past, but rather are more likely the result of an overall situation that requires more from education at every level in our rapidly changing society.

This legislation calling for implementation of career education at the elementary and secondary levels and demonstration at the postsecondary levels, will make all of these difficulties and market misallocations to disappear. Further, career education is not intended to push students out of unpromising or unlikely career pursuits through any sort of mandatory procedure of allocating slots or determining occupational quotas. To do so would clearly be contrary to principles of freedom of choice and equality of opportunity.

On the contrary, career education is intended to open opportunities and broaden awareness among students of all ages, and particularly among students who in the past have been victimized by stereotyping or bias in terms of perceived career opportunities.

But at the same time providing all students with a much more complete picture of available career options, with a clearer understanding of the range and opportunity within those options, and with the skills and awareness to competently pursue those options, can only serve to minimize individual disappointment and misdirection, and thereby promote successful pursuit of individual career preferences.

ACCOMPLISHMENTS OF CAREER EDUCATION

Approximately $200 million in Federal funds have been utilized in these pilot programs and demonstrations since 1972. Over this time period States and local educational districts have demonstrated a strong interest and commitment to such programs, within the constraints of limited resources.

By 1976, two-thirds of the States had formal career education policies, and 14 had enacted specific legislation for career education; 55 out of 57 States and outlying areas had appointed career education coordinations and in 36 of these States, the career education coordinator was a full-time official supported solely from State and local resources. Very recently, a number of States have gone ahead at drawing out 5-year State plans for the implementation of career education throughout their school systems.

Within limited budgets, States and local districts have averaged per student expenditures, of $1.89 per student for career education, according to an Office of Education national survey. But for those States with a formalized career education policy this total rose to $2.71. In these areas, 40 percent of the expenditures for career education were from State funds, 37 percent from local funds, and 22 percent from Federal funds.

This same OE survey determined that in 1975 52 percent of all students in the country were in districts in which nearly all of the students in at least one grade level were involved in career education activities and concluded that career education had permeated all geographic regions equally.

In testimony heard both in Washington, D.C., and in Maine, there was a very high level of enthusiasm expressed with respect to the past accomplishments and future prospect of career education by teachers, other educational personnel, students, parents, and those from the community at large. This enthusiasm is buttressed by evaluation results which demonstrate that these programs have increased career awareness and skills.

A recent monograph of the Office of Education, titled "A Review of Career Education Evaluation Studies" summarized some of the results obtained thus far in career education programs.

Programs throughout the Nation have been found to increase the awareness of students at all grade levels of career opportunities and requirements. For example, in Prince George's County, Md., students at grades 6, 7, 11, and 12 who were enrolled in career education programs demonstrated a significantly higher knowledge of the world of work than those in a control group. Similar results were shown in studies in Monroe, N.C., and Wichita, Kans.

In career decisionmaking skills, a Pima County, Ariz., study found that students with a high exposure to career education were able, in much greater numbers and degree, to recognize and demonstrate decisionmaking skills associated with various occupational roles and could at the same time recognize the degree of responsibility in those jobs. Similar results were obtained in Georgia, Nevada, and New Jersey.

Other evaluations have been similarly positive. A National Institute of Education review of 13 career education evaluations conducted between 1972 and 1974 found that career education promoted work attitudes, occupational information, career maturing, and self-concept. A Partners in Career Education study conducted by Dr. Elvis Arterbury showed dramatic results in the State of Vermont. This study found that prior to initiation of a career education program the students affected were below the national norms on all 15 career skill areas included in a work values inventory test. After 1 year in a career education program, these students exceeded national norms in two-thirds of the areas measured. An evaluation of Lincoln County, W. Va., programs found that students in the career education curriculum scored 18 percent higher in occupational awareness tests than their regular curriculum counterparts.

While the direct purpose of career education is to foster these types of skills and abilities, it is also clear that the methods and techniques of career education can have a positive impact on basic educational skills.

The most promising evaluation results indicate a positive relationship between the degree to which career education concepts have been implemented and the performance of students with respect to tests measuring basic educational skills. A May 1977 Office of Career Education analysis found that of 38 studies reviewed which measured this relationship, half showed a statistically significant relationship, and 16 showed a moderate relationship.

In recent testimony before the Subcommittee on Education, Arts and Humanities, Willard Wirtz, former Secretary of Labor, and chairman of the College Board Advisory Committee which issued the report on the decline in SAT scores, indicated that his committee had found that students who work part time between 6 and 15 hours per week have scored higher and have shown less decline in their scores on the scholastic aptitude test than their colleagues.

While the direct purpose of career education programs is to foster awareness, exploration and decisionmaking skills, it is likely that a heightening of these skills would have a spillover benefit of increasing individual academic motivation and performance. Further, the teaching of basic skills, particularly the three R's, with reference to real world situations, seems to be especially successful among students who have had prior difficulties in these areas. For example, an Indiana State Department of Education study evaluated a career education program for 40 11th grade students with so-called hard-core reading problems. These students evidenced such a dramatic reversal of their attitude about reading that the district involved has subsequently supported the program solely with local funds. We do not pretend that career education by itself is a panacea for all educational problems, but find these results most promising and look forward to further evaluation.

Based on the demonstration of career education thus far, the public appears to support this new instructional strategy by an overwhelming margin. While no recent national polling has occurred, a 1973 Gallup poll asked whether schools should "give more emphasis to study of trades, professions, and businesses to help students decide on a career?" Ninety percent said yes.

NEED FOR A MORE EXTENSIVE FEDERAL EFFORT

Despite the positive achievements and experience with the pilot programs funded thus far, and the willingness of a number of States to implement career education on their own, there are a number of factors which indicate the need for further Federal funding of a catalytic, short-term nature.

While 52 percent of the Nation's students are in districts where at least one of the career education goals has been implemented, only 21 percent are in districts where over half of these 15 goals have been implemented, and only 3 percent in districts where all the goals have been implemented. Over 15 million ele-

mentary school children have yet to be exposed to career education.

Teachers are in need of inservice training and career education materials. Over half the school districts have some program of staff development but these programs involve only one-fifth of the teachers in such districts, and in 1974 only 8 percent of teachers nationwide had experienced inservice training.

As pointed out in testimony by Mrs. Marion Bagley, career education coordinator for the State of Maine:

> Teachers are ready and anxious to become involved . . . they appreciate that Career Education is the key to helping us better attain the basic goals and purposes of education, but the story I hear throughout the State is, "Where do I find material? How do I infuse the concept into all my subject areas?"

Teacher training educational institutions are in particular need of assistance. Recently only 10 percent had developed a formal policy and less than half offered any sort of inservice training relating to career education. And less than 7 percent of the budgets of these institutions were allotted to career education.

A glaring need for special attention and Federal assistance is that of special student population. The OE survey found that larger districts were 50 percent more likely to have implemented career education than smaller districts the need of minority groups must be addressed.

The OE survey indicated that only 25 percent of elementary school pupils and 36 percent of high school students are in districts making special provisions for efforts to eliminate sex bias in career education, and only 49 percent with respect to the handicapped.

Current career education materials require further attention to begin to address these needs on a comprehensive basis. OE survey data show that 58 percent of commercially available career educational material evidenced some race bias, and 75 percent some sex bias. There is very little material available specifically related to the handicapped.

Given all these needs, additional Federal funding of a catalytic, "boostershot" nature would appear to be necessary and desirable. While some States are prepared to go ahead on their own, and a number of local districts are already involved in implementation, there is a need to provide for a short-time Federal initiative to provide the remaining States and local districts with a portion of the needed start-up funds to achieve implementation.

Further, the need for post-secondary educational emphasis on career education is acute and growing.

If career education is going to be successful and to be "infused" into each classroom, this policy goal must be implemented at the grass-roots level and ultimately State and local funds, and direction must be relied upon. But then at the same time there is a proper Federal role for providing initial funding for these activities, for coordinating the development of State and local planning, and for evaluating and disseminating the results obtained.

S. 1328 is structured to guarantee that the Federal involvement will be a productive and short-lived one. The authorization funds are purposely structured to phase in, build up to a certain level, and then phase out. Meanwhile, the non-Federal portion of funding is gradually increased. At the end of 5 years the program will be run solely with non-Federal funds.

The ratio of funding already utilized in areas which have ongoing programs shows that this is feasible and likely to succeed. The State of Arizona has already demonstrated its willingness to devote over $22 million to career education.

We are on the verge of implementing a fundamental reform to our American system of education—we can and should return it to a focus on the skills and attitudes necessary to make our young people equipped to enter the world of work.

Career education recognizes the proposition that this can only be accomplished by introducing them to that world of work at a very early stage in their educational career, and by providing them with an understanding as their education progresses of how that world works.

Career education has a number of definitions, all of which boil down this process.

Career education is, of course, not a panacea to our Nation's unemployment problems for youth. Nor does it promise to solve all of our educational difficulties.

But, as pointed out by Ken Hoyt, head of the Office of Career Education, it does offer a promising beginning and a strong hope for achieving both of these goals. It does this by requiring that our children receive in school the basic skills they need to be employed, by requiring that education be more directly linked to available employment opportunities and by giving students the job-seeking and job-holding skills they need to cope with change.

Career education has an additional, and equally important, dimension which has been inadequately emphasized up to this point in the literature explaining it.

Career education offers great potential to improve the lives and productivity of our children, but at the same time it has an important role for all adults and for parents, senior citizens, and others who are not students and are not teachers.

By involving employers in conducting part-time seminars for high school students, by having retired citizens explain their prior jobs and present activities to junior high school students, and by having elementary school students visit work sites, it is clear that those imparting the knowledge involved can benefit just as much as those receiving it.

We have known for a long time that education is too important a matter to be left solely to the teachers, administrators, and students. But in career education we have a means to mobilize and leverage the resources of an entire community to provide and have a stake in the education of its children.

As a result of this process, it is clear that these individuals and their communities will retain a greater appreciation for and understanding of our educational system—and that system will be far better for their involvement.

IMPLEMENTATION OF CAREER EDUCATION

After having been directly involved in the enactment of section 406 of the Special Projects Act, and in the Senate's approval last year of a 5-year implementation proposal, and in authoring and introducing S. 1328, I am greatly pleased to see the Senate on the verge of clearing this comprehensive measure for final action by the House.

I appreciate the assistance I have received in this endeavor from all of my colleagues, but particularly my fellow members of the Committee on Human Resources who joined in unanimous cosponsorship of the measure as reported from that committee. Special thanks are due to the distinguished chairman of the committee (Mr. WILLIAMS) and the ranking minority member (Mr. JAVITS) for their support and their interest. The distinguished ranking minority member of the Subcommittee on Education, Arts, and Humanities (Mr. STAFFORD) was likewise of great assistance.

Finally, I am particularly grateful to the distinguished chairman of the Subcommittee on Education, Arts, and Humanities (Mr. PELL) who provided both constant support and innumerable suggestions for improvement of this legislation.

This legislation represents a fundamental, necessary, and appropriate refocusing of our national, State and local educational priorities on an increasingly complex world of work, and on providing our children with the skills, information, and abilities to cope successfully with that world.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the conference report.

The conference report was agreed to.

KISSINGER ON THE MIDDLE EAST

Mr. STEVENS. Mr. President, I commend the majority leader for his comments upon the historic visit of President Anwar Sadat to Israel.

Mr. President, on Sunday, November 13, Dr. Henry Kissinger spoke before the American Jewish Congress which was presenting the Stephen S. Wise award to Golda Meir.

Dr. Kissinger's remarks are especially timely in light of Anwar Sadat's historic visit to Israel this past weekend, and I commend the address to my colleagues.

I ask unanimous consent that Dr. Kissinger's speech be printed in the RECORD at this point.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

EXTRACTS FROM REMARKS DELIVERED BY HENRY A. KISSINGER

We meet in the midst of another debate about peace in the Middle East. Given my own involvement in the conduct of foreign policy over eight years, I have thought it inappropriate since January to participate in a discussion of day-to-day tactics. But I would like to use this occasion to articulate a few general principles.

First, the desirability of peace can never be at issue. No people has suffered more from

the absence of peace than the people of Israel, every square mile of whose country is drenched with the blood of its pioneers and whose existence has never been recognized by any of its neighbors. No people can be more aware of how fragile, and how precious, are the restraints that make men and nations civilized.

No people knows more vividly that morality must be more than a theory—it must be a constant in human conduct. And no group of men and women understands more acutely that peace depends ultimately not on political arrangements but on the conscience of mankind. History is often cruel, and rarely logical and yet the wisest of realists are those who recognize that fate can indeed be shaped by human faith and courage. These qualities are what brought the state of Israel into being. This spirit and pride must be nurtured by all friends of Israel for they are the ultimate guarantee of Israel's future.

But faith and courage are not enough. The people of Israel have seen too much of the transitoriness of human intentions to entrust the destiny of their nation entirely to professions and reassurances however sincere and honestly intended. A peace to be lasting must be founded on the self-interest of all the parties and for peace to be secure it must leave Israel strong enough to protect its future by its own efforts.

Second, the intentions or purposes of the government of the United States cannot be at issue. No President would knowingly risk the future of Israel. Nor would he make a deal to undermine Israel's future for some global considerations. My own acquaintance with President Carter, Secretary Vance and their senior advisors convinces me that this Administration would not deliberately put Israel's security at risk. But there is always the danger that actions undertaken in good faith may inadvertently produce unforeseen consequences. If such a miscalculation took place either Israel would become totally isolated or diplomacy would become abruptly deadlocked. The art of diplomacy is to move events carefully and shape them toward achievable ends so that neither the United States nor Israel ever face such a stark, impossible choice. A coordination of policies between Israel and the United States is therefore imperative.

Third, the perspective of a superpower and those of a small country may occasionally differ. The United States has enormous strength; Israel has a much narrower margin of safety. The United States can survive trial-and-error diplomacy, because we can always rectify mistakes by redoubling our efforts. But Israeli leaders cannot experiment; they have only one try. If they guess wrong they risk the survival of the nation. We therefore owe the people of Israel an understanding of its special circumstances—all the more so as the country has known only war or the threat of war since its founding. At the same time, Israelis must understand the importance of Middle East peace to the global concerns of the United States and the Western world, which are indeed the essential underpinning of Israel's own security.

Fourth, an over-all solution is of course the ultimate prize. But realism forces us to recognize that to achieve it involves issues of enormous complexity and parties with an unequal commitment to peace. It also requires a process that is bound to be protracted. Thus while striving for an over-all settlement, we must take care not to foreclose other opportunities that may arise to ease tensions and to enable the peoples of the area to build confidence. We must not give a veto to the most intransigent elements within the area. We must not permit outside powers to emerge as the advocates for a point of view that penalizes moderation.

Fifth, some structures develop their own momentum that cannot be judged by formal declarations or abstract blueprints. A Palestinian state on the West Bank is bound to be an element of instability both for Jordan and for Israel; it will compound the crisis not solve it. Such a state—whatever the professions or guarantees—must have objectives that cannot be compatible with the tranquility of the Middle East. It cannot be an accident that no attempt to create such a state was ever made during the twenty years of Arab rule in that territory.

Sixth, any peace settlement must of necessity involve guarantees. But they must be worked out with great care and with a sense for their limits. History should teach us that guarantees by themselves are *not* a substitute for security. No nation should be asked to abdicate its judgment of the requirements of its survival. Care must be taken that guarantees do not provide a pretext for an outside power to intervene constantly in the affairs of the area. With respect to bilateral U.S.-Israeli treaty arrangements there is the danger that the ratification process may produce a debate that paradoxically hazards the friendship and close cooperation which has served so well for a generation. In short, guarantees require the most careful reflection and study; at best they reinforce, they can not bring about security.

Seventh, whatever the views about the desirability of beginning the process of negotiations with a Geneva conference, so much effort has been invested in it that it has become the touchstone of the prospects of peace. All parties therefore have a stake in bringing such a conference into being. At the same time we must recognize that when it is finally assembled Geneva will be an important achievement, but its primary significance will be procedural. Ahead of us will be complex negotiations about frontiers, commitments to peace, security arrangements, and other issues which will test the wisdom and commitment of the parties.

These issues cannot be left to the pressures of a conference; it is not too soon to explore them actively with the parties. We cannot wait for Geneva to resolve all the complexities that range from the relations of sub-groups to the main conference to the concrete outlines of a definition of peace. Especially as far as Israel is concerned it is incompatible with our historic relationship to deal with issues of such gravity in an atmosphere of self-imposed deadlines. And it does not help those Arab leaders who have had the wisdom and the courage to begin the journey towards peace to raise expectations that cannot be fulfilled.

Geneva will be successful to the extent that Israel and the United States end the cycle of fear and reassurance, of outraged protest and soothing generalities and turn to the elaboration of a common concrete approach. This requires a willingness on one side to give the benefit of the doubt and a readiness on the other to understand the anguish of a people whose historic suffering precludes the abdication of its own judgment, but whose martyrs guarantee that the search for peace, while painful, will be dedicated and committed.

I am convinced that the problems that form the headlines of the day are soluble. In all my efforts in the Middle East, whatever the temporary disagreements, we never failed to devolp a common position with our friends in Israel. It was during Golda's term as Prime Minister and that of her distinguished successor, that the steps were taken that give us hope for even greater progress now. I have every confidence that the present Israeli government will do no less. And in my experience, at the end of the day, Israel has never rejected a chance to make progress towards a settlement, or to run risks for peace. I have no doubt that we will find a willing—if complicated—partner in a dialogue that emphasizes substance not procedure and in a quest that defines specific objectives, not theoretical blueprints. The Jewish people has not survived through the millenia by being found wanting of vision in its hours of need. And the American people have not been the hope of mankind through their history by subordinating moral values to tactical experience.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, if it is agreeable with the distinguished acting Republican leader, the minority whip (Mr. STEVENS), I ask unanimous consent that the Senate go into executive session to consider the two nominations under new reports which were reported from the committees on November 15.

Mr. STEVENS. Mr. President, I am informed that these matters have been cleared on our side. There is no objection.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

DEPARTMENT OF TRANSPORTATION

The second assistant legislative clerk read the nomination of Mortimer L. Downey III, of Virginia, to be an Assistant Secretary of Transportation.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the nominee was confirmed.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

DEPARTMENT OF JUSTICE

The second assistant legislative clerk read the nomination of Joseph N. Novotny, of Indiana, to be U.S. marshal for the northern district of Indiana.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the nominee was confirmed.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask that the President be immediately notified of the confirmation of the nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AUTHORIZATION FOR CERTAIN ACTION UNTIL 5 P.M. TODAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that Senators

have until the hour of 5 p.m. today to insert statements in the RECORD, introduce bills and resolutions, petitions and memorials, and for committees to report.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT RECEIVED DURING RECESS

Under authority of the order of November 4, 1977, the Secretary of the Senate on November 17, 1977, received a message from the President of the United States submitting the nomination of Thomas Arny Rhoden, of Mississippi, to be U.S. marshal for the southern district of Mississippi, which was referred to the Committee on the Judiciary.

Under the authority of the order of November 4, 1977, the Secretary of the Senate on November 21, 1977, received messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations received on November 17 and November 21, 1977, see the end of the proceedings of today.)

MESSAGE FROM THE HOUSE RECEIVED DURING RECESS

Under authority of the order of the Senate of November 4, 1977, the Secretary of the Senate on November 15, 1977, received a message from the House of Representatives that the Speaker has signed the following enrolled bills and joint resolution:

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

S. 1750. An act to require studies concern-carcinogenic and other toxic substances in food, the regulation of such food, the impurities in and toxicity of saccharin, and the health benefits, if any, resulting from the use of nonnutritive sweeteners; to prohibit-for eighteen months the Secretary of Health, Education, and Welfare and taking certain action restricting the continued use of saccharin as a food, drug, and cosmetic; to require labels and notices for foods containing saccharin; and for other purposes;

H.R. 422. An act to amend the Tariff Schedules of the United States to provide duty-free treatment of any aircraft engine used as a temporary replacement for an aircraft engine being overhauled within the United States if duty was paid on such replacement engine during a previous importation;

H.R. 2661. An act for the relief of Patricia R. Tully;

H.R. 4049. An act to amend the Regional Rail Reorganization Act of 1973 to authorize additional appropriations for the U.S. Railway Association, and for other purposes;

H.R. 7074. An act to provide improved authority for the administration of certain National Forest System lands in Oregon;

H.R. 8175. An act to amend the Veterans' Administration Physician and Dentist Pay Comparability Act of 1975, as amended, in order to extend the authority to enter into special pay agreements with physicians and dentists; to amend title 38 of the United States Code to modify certain provisions relating to special pay agreements; and for other purposes;

H.R. 8701. An act to amend title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowance paid to eligible veterans and persons, to make improvements in the educational assistance programs, and for other purposes; and

S.J. Res. 81. A joint resolution to express the sense of the Congress that, in the light of history, the third Thursday in December 1977, would be a most appropriate day for designation as the "National Day of Prayer for the Year of 1977," and respectively to request that the President, under the provisions of Public Law 82-324, issue a proclamation designating such date as a "National Day of Prayer for the Year 1977."

The enrolled bills and joint resolution were subsequently signed by the Acting President pro tempore (Mr. METCALF).

ENROLLED BILL AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on November 15, 1977, he presented to the President of the United States the following enrolled bill and joint resolution:

S. 1750. An act to require studies concerning carcinogenic and other toxic substances in food, the regulation of such food, the impurities in and toxicity of saccharin, and the health benefits, if any, resulting from the use of nonnutritive sweeteners; to prohibit for eighteen months the Secretary of Health, Education, and Welfare from taking certain action restricting the continued use of saccharin as a food, drug, and cosmetic; to require certain labels and notices for foods containing saccharin; and for other purposes; and

S.J. Res. 81. A joint resolution to express the sense of the Congress that, in the light of history, the third Thursday in December 1977, would be a most appropriate day for designation as the "National Day of Prayer for the Year 1977," and respectively to request that the President, under the provisions of Public Law 82-324, issue a proclamation designating such date as a "National Day of Prayer for the Year 1977."

PETITIONS

Petitions were laid before the Senate and referred as indicated:

POM-402. A concurrent resolution adopted by the Legislature of the State of Michigan; to the Committee on Foreign Relations:

"SENATE CONCURRENT RESOLUTION No. 249

"Whereas, The Vietnam War ended in 1972; and

"Whereas, During the conflict untold thousands of Americans joined in battle to defend, guard, and protect the hallowed traditions of liberty and freedom, of right and justice for a people trapped by poverty and threatened by revolution; and

"Whereas, Many of our comrades who are at rest, in some forgotten corner of North Vietnam, gave of themselves so that others may live out their lives in purpose and fulfillment; and

"Whereas, Two thousand five hundred of our fellow Americans are still unaccounted for and seven hundred are listed as "missing in action"; and

"Whereas, The Federal Government has indicated a willingness to normalize relations with North Vietnam even though the irresistible tide of history has left deep wounds and scars on our minds and in our hearts; and

"Whereas, While action is taken to bring about a reconciliation with North Vietnam, every American "missing in action" and unaccounted for must be found in order to help us bind the wounds among us and let us become once again brothers and countrymen; now, therefore, be it

"Resolved by the Senate (the House of Representatives concurring), That the Legislature hereby memorialize the President and the Congress of the United States to obtain an accurate accounting of American service personnel and civilians listed as missing in action as a result of military participation in Indochina while action is taken to normalize relations with Vietnam; and be it further

"Resolved, That a copy of this resolution be transmitted to the President of the United States, the President of the Senate the Speaker of the House of Representatives, and the Michigan Congressional delegation."

POM-403. A resolution adopted by the Legislature of the State of Ohio; to the Committee on Finance:

"RESOLUTION

"Whereas, The members of the 112th General Assembly of Ohio join in memorializing Congress to adopt the amendment proposed by Virginia Congressman Joe Fisher, striking from H.R. 9346 the House Ways and Means Committee's ill-conceived and premature recommendation to require the mandatory participation of federal, state, and local employees in the Social Security system. The Fisher Amendment would alternatively provide for the continuation of the current optional participation provision and the implementation of a United States Department of Health, Education and Welfare feasibility study into the advisability and most advantageous means of implementing a mandatory requirement; and

"Whereas, Hasty and without regard to the complex nature of existing federal, state, and local retirement systems, the mandatory participation provision contained in H.R. 9346 would require Congress to enact the mandate into law, while leaving the details as to how the systems would merge unspecified and subject to later determination; and

"Whereas, Successful integration of the existing pension plans into the Social Security system, if feasible at all, will take time and careful planning. The pension systems are innately different in character from the Social Security system—the first having been developed to provide public employees with retirement benefits, while the latter exists merely to ensure a minimal subsistence level to those citizens caught without adequate retirement or disability income; and

"Whereas, The National Conference of State Legislators and most other knowledgeable and informed observers have stated that the implementation of H.R. 9346, in its present form, would create a substantial economic burden on state and local governments by forcing, in effect, the existence of dual retirement systems—one on top the other—the burden of which the governments, and ultimately the taxpayers, would be forced to bear. It is estimated that the cost to state government in Ohio to implement the mandatory participation provision for Ohio's state employees alone would range between fifty and one hundred million dollars annually; therefore be it

"Resolved, That we, the members of the 112th General Assembly of Ohio, in adopting this Resolution, memorialize Congress to reject the proposal requiring mandatory inclusion of federal, state, and local employees in the Social Security system and instead, adopt the careful and thorough approach set forth in the Fisher Amendment to H.R. 9346; and be it further

"Resolved, That the Legislative Clerk of the House of Representatives transmit duly authenticated copies of this Resolution to the Speaker of the United States House of Representatives; to the President of the United States Senate; and to the members of Ohio's Congressional Delegation."

POM-404. A resolution adopted by the General Assembly of the Presbyterian Church in America, to reconsider withdrawing ground forces from South Korea and to

continue to maintain our military presence there; to the Committee on Foreign Relations.

POM-405. A resolution adopted by the Legislature of the State of Michigan; to the Committee on Human Resources:

"HOUSE RESOLUTION No. 245

"Whereas, Many of the citizens of Michigan are employees as defined by the National Labor Relations Act and, as such, are entitled to all the rights and protection spelled out in that Act as the public policy of the United States; and

"Whereas, That policy, adopted forty-two years ago, is to encourage "the practice and procedure of collective bargaining . . . by protecting the exercise by workers of full freedom of association, self-organization, and designation of representatives of their own choosing, for the purpose of negotiating the terms and conditions of their employment or other mutual aid or protection"; and

"Whereas, Fulfillment of that guarantee has become diluted by rulings, delays and appeals so as to give limited value to legal rights of workers; and

"Whereas, The National Labor Relations Board which administers the labor law is confronted by a mounting backlog of unheard cases which limits its effectiveness; and

"Whereas, President Jimmy Carter has urged Congress to enact a series of labor law reforms that spell out a sound and sensible reorganization and stream-lining that would restore the Wagner Act's promise and guarantee of prompt and predictable treatment under law; and

"Whereas, Legislation that embodies the President's labor law reform package is now before both houses of Congress, H.R. 8410 by Representative Frank Thompson, Jr., of New Jersey, and S. 1883 by Senator Harrison A. Williams of New Jersey and Senator Jacob K. Javits of New York; and

"Whereas, Prompt consideration and passage of President Carter's labor law reform package is in the interest of every citizen of this State; now, therefore, be it

"Resolved by the House of Representatives, That the Congress of the United States is urgently requested to approve S. 1883 and H.R. 8410, President Carter's labor law reform; and be it further

"Resolved, That copies of this resolution be transmitted to the President and Vice-President of the United States, the Speaker of the House of Representatives, and to each member of the Michigan delegation to the Congress of the United States."

POM-406. A concurrent resolution adopted by the Legislature of the State of Michigan; to the Committee on Human Resources:

"SENATE CONCURRENT RESOLUTION No. 239

"Whereas, Many of the citizens of Michigan are employees as defined by the National Labor Relations Act and, as such, are entitled to all rights and protection spelled out in that Act as the public policy of the United States; and

"Whereas, That policy, adopted forty-two years ago, is to encourage 'the practice and procedure of collective bargaining . . . by protecting the exercise by workers of full freedom of association, self-organization, and designation of representatives of their own choosing, for the purpose of negotiating the terms and conditions of their employment or other mutual aid or protection'; and

"Whereas, Fulfillment of that guarantee has become diluted by rulings, delays and appeals so as to give limited value to legal rights of workers; and

"Whereas, The National Labor Relations Board which administers the labor law is confronted by a mounting backlog of unheard cases which limits its effectiveness; and

"Whereas, President Jimmy Carter has urged Congress to enact a series of labor law reforms that spell out a sound and sensible reorganization and streamlining that would restore the Wagner Act's promise and guarantee of prompt and predictable treatment under law; and

"Whereas, Legislation that embodies the President's labor law reform package is now before both houses of Congress, H.R. 8410 by Representative Frank Thompson, Jr., of New Jersey, and S. 1883 by Senator Harrison A. Williams of New Jersey and Senator Jacob K. Javits of New York; and

"Whereas, Prompt consideration and passage of President Carter's labor law reform package is in the interest of every citizen of this State; now, therefore, be it

"Resolved by the Senate (the House of Representatives concurring), That the Michigan Legislature urgently requests that the Congress of the United States approve S. 1883 and H.R. 8410, President Carter's labor law reform; and be it further

"Resolved, That copies of this resolution be transmitted to the President and Vice-President of the United States, and to the President of the Senate, the Speaker of the House of Representatives and to each member of the Michigan delegation to the Congress of the United States."

POM-407. A resolution adopted by the council of the city of Willoughby Hills, Ohio, urging defeat of the proposed amendments to the social security law (H.R. 9346); which was ordered to lie on the table.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. MATSUNAGA) laid before the Senate the following letters, which were referred as indicated:

EC-2298. A letter from the Deputy Assistant Secretary of Defense transmitting, pursuant to law, a proposal on a new system of records, in accordance with the Privacy Act (with accompanying papers); to the Committee on Governmental Affairs.

EC-2299. A letter from the Acting Comptroller General of the United States transmitting, pursuant to law, a report entitled "The Naval Audit Service Should Be Strengthened" (FGMSD-78-5, November 11, 1977) (with an accompanying report); to the Committee on Governmental Affairs.

EC-2300. A letter from the Acting Comptroller General of the United States transmitting, pursuant to law, a report entitled "The Office of Minority Business Enterprise Could Do More To Start and Maintain Minority Businesses" (CED-77-136, November 10, 1977) (with an accompanying report); to the Committee on Governmental Affairs.

EC-2301. A letter from the Acting Comptroller General of the United States transmitting, pursuant to law, a report entitled "The Air Force Audit Agency Can Be Made More Effective" (FGMSD-78-4, November 11, 1977) (with an accompanying report); to the Committee on Governmental Affairs.

EC-2302. A letter from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, a copy of Council Act No. 2-96, an Act to establish a property tax exemption for single-family residential and cooperatively-owned property in the District of Columbia, and to provide additional circuit breaker relief to homeowners and renters in the District of Columbia who are over 62 years of age, blind or disabled (with accompanying papers); to the Committee on Governmental Affairs.

EC-2303. A letter from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, a copy of Council Act No. 2-98, an act to establish the real property and the personal property tax rates for tax year 1978 (with accompanying papers); to the Committee on Governmental Affairs.

EC-2304. A letter from the Secretary of Housing and Urban Development transmitting, pursuant to law, a report on a new system of records, in accordance with the Privacy Act (with accompanying papers); to the Committee on Governmental Affairs.

EC-2305. A letter from the Acting Comptroller General of the United States transmitting, pursuant to law, a report entitled "Withdrawal of the U.S. Forces From Thailand: Ways to Improve Future Withdrawal Operations" (LCD-77-446, November 1, 1977) (with an accompanying report); to the Committee on Governmental Affairs.

EC-2306. A letter from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, a copy of Council Act No. 2-92, an Act entitled "District of Columbia Transit Fare Payment Act of 1977" (with accompanying papers); to the Committee on Governmental Affairs.

EC-2307. A letter from the Acting Comptroller General of the United States transmitting, pursuant to law, a report entitled "Government Specifications for Commercial Products—Necessary or A Wasted Effort?" (PSAD-77-171, November 3, 1977) (with an accompanying report); to the Committee on Governmental Affairs.

EC-2308. A letter from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, a copy of Council Act No. 2-97, an Act to amend the District of Columbia Revenue Act of 1937 and title 32 of the District of Columbia Rules and Regulations to provide for the registration as "Historic Motor Vehicles" of motor vehicles which are at least twenty-five years old, and for other purposes (with accompanying papers); to the Committee on Governmental Affairs.

EC-2309. A letter from the U.S. Commissioner of Education transmitting, pursuant to law, the final report on part-time financial aid counselors in institutions of higher education (with an accompanying report); to the Committee on Human Resources.

EC-2310. A letter from the Chairman of the Board of Trustees of the Harry S. Truman Scholarship Foundation transmitting, pursuant to law, the annual report of the Harry S Truman Scholarship Foundation for 1976-1977 (with an accompanying report); to the Committee on Human Resources.

EC-2311. A letter from the Assistant Secretary for Indian Affairs of the Department of the Interior transmitting, pursuant to law, a proposed plan for the use and disposition of the judgment funds in two awards of the Indian Claims Commission entered in favor of the Potawatomi Tribe or Nation of Indians as it existed during the treaty-making period 1795 to 1833 (with accompanying papers); to the Select Committee on Indian Affairs.

EC-2312. A letter from the Commissioner of the Immigration and Naturalization Service transmitting, pursuant to law, copies of orders entered in 949 cases in which the authority contained in section 212(d)(3) of the Immigration and Nationality Act was exercised in behalf of such aliens (with accompanying papers); to the Committee on the Judiciary.

EC-2313. A letter from the President of the Jewish War Veterans U.S.A. National Memorial transmitting, pursuant to law, the annual audit report of the Jewish War Veterans, U.S.A., National Memorial, Inc. (with an accompanying report); to the Committee on the Judiciary.

EC-2314. A letter from the Commissioner of the Immigration and Naturalization Service transmitting, pursuant to law, 715 reports covering the period October 17 through October 31, 1977 concerning visa petitions (with accompanying papers); to the Committee on the Judiciary.

EC-2315. A letter from the General Counsel of the General Accounting Office transmitting, pursuant to law, a report on the re-

lease of certain budget authority; jointly pursuant to order of January 30, 1975, to the Committees on Appropriations, the Budget, Energy and Natural Resources, and Commerce, Science, and Transportation.

EC–2316. A letter from the Assistant Secretary for Food and Consumer Services of the Department of Agriculture transmitting, pursuant to law, recommendations for evaluating the nutrition and health benefits of the Special Supplemental Food Program for Women, Infants, and Children (with an accompanying report); to the Committee on Agriculture, Nutrition, and Forestry.

EC–2317. A letter from the Secretary of Agriculture transmitting, pursuant to law, the initial revision to the regulations governing operations under title I of the Agricultural Trade Development and Assistant Act of 1954, as published in the Federal Register (with accompanying papers); to the Committee on Agriculture, Nutrition, and Forestry.

EC–2318. A secret communication from the Assistant Secretary of Defense transmitting, pursuant to law, 45 selected acquisition reports and the SAR summary tables for the quarter ending September 30, 1977 (with accompanying papers); to the Committee on Armed Services.

EC–2319. A letter from the Deputy Assistant Secretary of Defense, Installations and Housing, transmitting, pursuant to law, notice of a construction project to be undertaken by the Air Force Reserve (with accompanying papers); to the Committee on Armed Services.

EC–2320. A letter from the Chairman of the Securities and Exchange Commission transmitting, pursuant to law, the Report of the Advisory Committee on Corporate Disclosure (with an accompanying report); to the Committee on Banking, Housing, and Urban Affairs.

FOREIGN INTELLIGENCE SURVEILLANCE ACT OF 1977—REPORT NO. 95–604, PART II

Mr. ABOUREZK (for Mr. KENNEDY), from the Committee on the Judiciary, submitted a supplemental report to accompany the bill (S. 1566), to amend title 18, United States Code, to authorize applications for a court order approving the use of electronic surveillance to obtain foreign intelligence information, which was ordered to be printed.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

Monroe G. McKay, of Utah, to be U.S. circuit judge for the tenth circuit.

Herman Silas, Jr., of California to be U.S. attorney for the eastern district of California.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. MATSUNAGA:

S. 2320. A bill for the relief of Yee Leong Ching; to the Committee on the Judiciary.

By Mr. CULVER:

S. 2321. A bill for the relief of Amala; to the Committee on the Judiciary.

By Mr. PERCY (for himself and Mr. RIBICOFF):

S. 2322. A bill to amend title 5 of the United States Code to elevate the status and salary of certain executive positions in certain independent regulatory agencies; to the Committee on Governmental Operations.

By Mr. PERCY (for himself, Mr. MCCLELLAN, Mr. THURMOND, Mr. RIBICOFF, Mr. JACKSON, Mr. NUNN, and Mr. JAVITS):

S. 2323. A bill to amend chapters 25, 113, and 203 of Title 18 of the United States Code to prevent illegal traffic in lost, stolen, forged, counterfeit, and fraudulent securities; to the Committee on the Judiciary.

By Mr. GLENN (for Mr. RIBICOFF) (by request):

S. 2324. A bill to provide for the appointment of a Commissioner of Food and Drugs, and for other purposes; to the Committee on Governmental Affairs.

By Mr. HUMPHREY:

S. 2325. A bill for the relief of Miss Girlette Emelda Roberts; to the Committee on the Judiciary.

By Mr. ANDERSON:

S. 2326. A bill for the relief of Anupama Alis Chandrakala; to the Committee on the Judiciary.

By Mr. MELCHER:

S. 2327. A bill to amend the Internal Revenue Code of 1954 to allow the payment of income tax on certain income support or deficiency payments to wheat and feed grain producers to be made in the year when the income normally received from the crops have been reported; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PERCY (for himself and Mr. RIBICOFF):

S. 2322. A bill to amend title 5 of the United States Code to elevate the status and salary of certain executive positions in certain independent regulatory agencies; to the Committee on Governmental Operations.

STATUS OF TOP OFFICIALS OF INDEPENDENT REGULATORY COMMISSIONS

Mr. PERCY. Mr. President, I am pleased to introduce today, and be joined by Senator ABRAHAM RIBICOFF in introducing, a bill to elevate the status and salaries of the top administrative positions in 10 independent Federal regulatory agencies. Currently, the chairman of these agencies hold executive level III positions (at $52,500 per year) and the Commissioners hold executive level IV positions (at $50,000 yearly). This bill would move each up one step in status to more appropriately reflect the tremendous importance of these positions.

This measure was the first recommendation made by the Committee on Governmental Affairs in its "Study on Federal Regulation: The Regulatory Appointments Process," volume I. The committee undertook this study pursuant to Senate Resolution 71, passed in July 1975.

The chairman of the Governmental Affairs Committee (Mr. RIBICOFF) and I originally suggested this measure as an amendment to the Interim Regulatory Reform Act of 1977. It was felt at the time, however, that it should be offered as a separate piece of legislation at a later date, so that the measure could be expanded to cover independent regulatory agencies outside the scope of the 1977 act. In addition to the six agencies covered by the legislation (the CAB, FCC, FTC, ICC, Consumer Product Safety Commission, and the Federal Maritime Commission), this measure would affect the other remaining independent regulatory agencies; namely, the SEC, NLRB, the Federal Energy Regulatory Commission, and the Commodity Futures Trading Commission.

This legislation is designed to improve the quality of appointments to high-level Federal regulatory positions in the following respects:

ACCESS

Compared to the relatively lesser status of the heads of independent regulatory commissions, Cabinet secretaries are listed at executive level I ($66,000 yearly) and deputy secretaries at level II ($57,500). This disparity in status levels reportedly makes it difficult for heads of independent regulatory agencies consistently to obtain the access they need to decisionmakers. Passage of this legislation would tend to give them a voice in policy formulation more commensurate with their weighty responsibilities, while at the same time making these positions more attractive to potential appointees.

PRESIDENTIAL PRIORITIES

Approval of this legislation would also increase Presidential awareness of the importance of these jobs. In staffing the Federal bureaucracy, a President and his advisors tend to offer the higher ranking posts to the more qualified candidates. If the official status of the Chairmen and Commissioners were raised to more accurately reflect the significance of their duties, Presidents would tend to channel only the most highly qualified candidates into these posts. Moreover, a President would probably become more directly and personally involved in the selection process.

ATTRACTIVENESS OF THE POSITIONS

Attracting the most qualified and experienced administrators to fill these independent commission positions is a recurrent problem for a President and his aides. Almost without exception, an able regulator can command a higher salary in the private sector than in a Federal agency. To be sure, salaries in Government will probably never equal those in business and industry. But for many able men and women, it is not the compensation but the significance of the position and responsibilities which determines whether they decline or accept a regulatory appointment. Elevating the official status of these posts would do much to attract outstanding people to fill them.

Mr. President, passage of this bill would go a long way toward bringing the status and salary levels of these critical positions more into line with the responsibilities and authority of the officials holding them. It would also help to improve the quality of appointments made to these positions. I look forward to early consideration of this bill in the

Governmental Affairs Committee and urge my colleagues to join in supporting it.

I ask unanimous consent that the text of the bill be printed in the RECORD at the close of Senator RIBICOFF's remarks.

There being no objection, the statement and bill were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR RIBICOFF

I am pleased to join with my colleague, Senator Percy, in introducing this legislation to increase the position level of the top officials of the independent regulatory commissions. In brief, this bill would increase the Executive Level of those commission chairmen from Level III to II, and of commissioners from Level IV to III. The bill concerns the officials of ten independent commissions. Two other such agencies, the Nuclear Regulatory Commission and the Board of Governors of the Federal Reserve System are not included because their members are at present within the higher Executive Levels.

Introducing this bill is another step in the implementation of the recommendations of the Committee's regulatory reform study, conducted pursuant to S. Res. 71. Volume I of that study, concerning the quality of regulatory appointments, originally advanced this proposal this past February.

It is true that the proposed Level increase will incidentally move the heads of the independent commissions into higher salary brackets. But increasing the salary is not by any means the motivation for this legislation. It instead results from a conviction that appropriate steps should be taken to assure that the status of the leadership of the independent commissions is commensurate with the significant responsibilities they exercise.

It is important to recognize that major aspects of the national economy affecting interstate commerce—including airlines, business practices, communications, consumer products, energy and natural gas, securities, shipping, trucking—are all but exclusively regulated at the federal level by officials which are the subject of the bill we introduce today.

I believe that raising the Executive Level of these offices will result in making such appointments more attractive to highly qualified individuals, and will tend to strengthen their positions in their interaction with officials of other Federal agencies and departments. All of which will contribute to more effective regulation at the national level. And it is for those reasons that I join Senator Percy in introducing this legislation.

S. 2322

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 5313 of title 5, United States Code, relating to positions in level II of the Executive Schedule, is amended by adding at the end thereof the following new paragraphs:

"(24) Chairman, Civil Aeronautics Board.

"(25) Chairman, Federal Communications Commission.

"(26) Chairman, Federal Trade Commission.

"(27) Chairman, Interstate Commerce Commission.

"(28) Chairman, National Labor Relations Board.

"(29) Chairman, Securities and Exchange Commission.

"(30) Chairman, Federal Maritime Commission.

"(31) Chairman, Federal Energy Regulatory Commission.

"(32) Chairman, Consumer Product Safety Commission.

"(33) Chairman, Commodity Futures Trading Commission.".

(b) Section 5314 of such title, relating to positions in level III of the Executive Schedule, is amended by adding at the end thereof the following new paragraphs:

"(66) Members, Civil Aeronautics Board.

"(67) Members, Federal Communications Commission.

"(68) Members, Federal Trade Commission.

"(69) Members, Interstate Commerce Commission.

"(70) Members, National Labor Relations Board.

"(71) Members, Securities and Exchange Commission.

"(72) Members, Federal Maritime Commission.

"(73) Members, Federal Energy Regulatory Commission.

"(74) Members, Consumer Product Safety Commission (4).

"(75) Members, Commodity Futures Trading Commission.".

SEC. 2. (a) Section 5314 of title 5, United States Code, as amended by subsection (b) of the first section of this Act, is amended by striking out the following paragraphs:

(1) (16), relating to the chairman of the Civil Aeronautics Board.

(2) (18), relating to the chairman of the Federal Communications Commission.

(3) (22), relating to the chairman of the Federal Trade Commission.

(4) (23), relating to the chairman of the Interstate Commerce Commission.

(5) (24), relating to the chairman of the National Labor Relations Board.

(6) (25), relating to the chairman of the Securities and Exchange Commission.

(7) (29), relating to the chairman of the Federal Maritime Commission.

(8) (21), relating to the chairman of the Federal Energy Regulation Commission.

(9) (59), relating to the chairman of the Consumer Product Safety Commission.

(10) (61), relating to the chairman of the Commodity Futures Trading Commission.

(b) Section 5315 of such title, relating to positions in level IV of the Executive Schedule, is amended by striking out the following paragraphs:

(1) (54), relating to members of the Civil Aeronautics Board.

(2) (57), relating to members of the Federal Communications Commission.

(3) (61), relating to members of the Federal Trade Commission.

(4) (62), relating to members of the Interstate Commerce Commission.

(5) (63), relating to members of the National Labor Relations Board.

(6) (64), relating to members of the Securities and Exchange Commission.

(7) (67), relating to members of the Federal Maritime Commission.

(8) (60), relating to members of the Federal Energy Regulatory Commission.

(9) (98), relating to members of the Consumer Product Safety Commission.

(10) (103), relating to members of the Commodity Futures Trading Commission.

SEC. 3. The amendments made by this Act shall apply with respect to the first pay period beginning on or after the date of the enactment of this Act.

By Mr. PERCY (for himself, Mr. MCCLELLAN, Mr. THURMOND, Mr. RIBICOFF, Mr. JACKSON, Mr. NUNN, and Mr. JAVITS):

S. 2323. A bill to amend chapters 25, 113, and 203 of title 18 of the United States Code to prevent illegal traffic in lost, stolen, forged, counterfeit, and fraudulent securities; to the Committee on the Judiciary.

FRAUDULENT SECURITIES AND ORGANIZED CRIME

Mr. PERCY. Mr. President, I am today introducing legislation, entitled the Securities Protection Act, which is designed to insure the vigorous pursuit, arrest, and prosecution of those involved in fraudulent securities transactions.

Joining me in this effort as principal cosponsors are Senator John L. MCCLELLAN, the distinguished chairman of the Criminal Laws and Procedures Subcommittee of the Judiciary Committee, and the highly esteemed ranking minority member of that committee and subcommittee, Senator STROM THURMOND.

I am also pleased to be joined by Senator ABRAHAM RIBICOFF, chairman of the Governmental Affairs Committee, Senators HENRY JACKSON and SAM NUNN, the chairman and vice chairman of the Permanent Subcommittee on Investigations, and by Senator JACOB JAVITS, the ranking Republican on the Human Resources Committee.

The need for this legislation was well documented during the 1971–74 hearings concering the connection between organized crime and the trafficking in stolen and counterfeit securities, held before the Permanent Subcommittee on Investigations of which I am the ranking minority member. Those hearings were chaired, first by Senator MCCLELLAN, and later by Senator JACKSON. Expert witnesses testified that more than $50 billion of worthless securities could be found in the Nation's brokerage houses, banks, and other financial institutions.

Testimony also indicated that the Federal Government's efforts to prosecute the organized criminals who specialize in this type of activity had been hampered by ineffective laws and by a lack of coordination on the part of Federal investigators and prosecutors. It was clear that the banks and brokerage houses, the public, even the Federal Government barely understood the magnitude and scope of this problem or the potential for catastrophic consequences if it were not adequately remedied.

Recently, Attorney General Griffin Bell announced a major crackdown by the Justice Department on white-collar and organized crime. I heartily endorse such action. The resources of these criminals and the interstate character of so many of their transactions, often overwhelm the ability of State and local law enforcement officials to effectively respond to this serious threat to our society.

The illicit trade in fraudulent securities is a major source of income for organized crime. Billions of dollars of stolen and counterfeit securities are being used to defraud legitimate businessmen and prop up phony corporations.

The problem is national in scope and demands a strong response by the Federal Government. Congress must do what it can to insure that confidence men dealing in stolen or fraudulent securities are dealt with swiftly and harshly by the law. To this end, the bill provides stiff penalties of up to 10 years imprisonment and/or a fine of $50,000 or three

times the value of the fraudulent security, whichever is greater.

Mr. President, my staff has prepared a detailed memorandum explaining the major provisions of the measure. I would, however, like to note briefly a few significant aspects of the bill.

The scope of the Securities Protection Act would be broader than present Federal criminal laws in this area. For instance, the legislation offered today brings complete Federal criminal sanctions to all aspects of the issuing and passing of counterfeit securities of a corporation or of a State or municipal government, regardless of whether such securities were transported in interstate commerce.

The use or attempted use of a stolen or counterfeit security at a financial institution or entity would be prohibited. This would encompass not only those institutions partially covered under present Federal law, such as federally insured banks, savings and loan associations, credit unions, and employee benefit funds, but also brokerage firms, broker-dealers registered with the SEC, and insurance companies. In this way, we will leave no loopholes for the dealer in stolen and counterfeit securities.

Technological advances have created now problems in securities protection. The recently developed color copier, capable of copying on both sides of any kind of paper, poses a substantial threat to the integrity of our financial transactions. The potential for fraud is enormous. Even the rank amateur can produce convincing forgeries. This legislation would ban the color copying of any marketable security.

Another significant change that this legislation would work in the Federal criminal law is to prohibit the possession and dealing in stolen U.S. Government marketable securities. This would be applicable without regard to the circumstances of the theft.

Mr. President, one of the most important issues considered at the hearings on stolen and counterfeit securities was how to insure that banks, brokerage houses, and other members of the financial community take strong steps to validate the securities they accept. In the 94th Congress, Senator JACKSON introduced an amendment to Public Law 94–29, designed to deal with the need for authenticating the billions of dollars of securities that are traded daily in this country. That measure was signed into law in June 1975.

Pursuant to its provisions, the SEC has formulated regulations for reporting and inquiring about lost, stolen, or missing securities. The reporting provisions went into effect in October; the inquiry requirements are to begin in January. These steps mesh perfectly with the legislation being offered today. They create a mechanism whereby all data concerning missing, lost, or stolen securities will be stored in one place. Persons engaging in certain securities transactions will be required by law to authenticate the securities through the SEC.

It is my hope that these regulations will lead to effective cooperation among the financial community, the SEC, and other regulatory agencies, as well as law enforcement officials in establishing a securities validation system which will serve the needs of all the separate interests concerned, and the Nation as a whole.

The legislation being introduced today will provide a strengthened mandate to those law enforcement agencies charged with protecting the integrity of marketable securities and combating organized crime. I am confident that it will play a significant part in lessening the threat that the use of stolen and counterfeit securities poses to the fundamental health of the financial institutions of this country.

Mr. President, I ask unanimous consent that this bill be printed in the RECORD, together with a detailed explanatory memorandum.

There being no objection, the bill and memorandum were ordered to be printed in the RECORD, as follows:

S. 2323

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Securities Protection Act".

FINDINGS AND PURPOSES

SEC. 2. (a) The Congress finds that:

(1) the theft, forging, counterfeiting and trafficking of marketable securities, even where intrastate in nature, directly affects interstate and foreign commerce, and that currently, there are not adequate criminal sanctions against individuals and organized crime syndicates involved in these illicit activities;

(2) organized crime, in particular, has been active in fraudulent securities transactions and, by means of its widespread, sophisticated operations, has substantially enlarged its unlawful gains and influence in this society;

(3) the incidence of fraudulent securities transactions has increased precipitously over the last decade, and the resources, sophistication, and interstate activity of the white collar criminal and organized crime syndicate involved in securities frauds have outpaced the ability of State and local law enforcement officials to control that activity;

(4) traceable losses from the theft, forging, counterfeiting and trafficking of marketable securities run into the billions of dollars, significantly exceeding monetary losses from armed robberies of financial institutions and other violent crimes;

(5) the use of these stolen, forged, counterfeit, and fraudulent securities at financial institutions which are federally insured damages the integrity of the securities market and investor confidence, and that this in turn impairs the ability of the United States to issue such securities as are necessary to coin money, to pay its debts, and to borrow money on credit.

(b) It is the purpose of this Act to provide adequate criminal sanctions against individuals and organized crime syndicates involved in fraudulent securities transactions, in particular those connected with the trafficking in stolen, counterfeit, forged and fraudulent marketable securities. This legislation is intended to fill serious gaps in the present law by increasing criminal penalties, eliminating certain legal technicalities, and expanding Federal jurisdiction over fraudulent securities transactions. For these reasons, the Congress determines that the provisions of this Act are necessary and proper for the purpose of carrying into execution the powers of Congress to regulate commerce with foreign nations and among the several States, to pay debts of the United States, to borrow money on the credit of the United States, to establish secure post offices and postal operations, and to coin money and issue securities of the United States.

SEC. 3. Chapter 25 of Title 18 of the United States Code is amended by adding after section 509 the following new sections:

"SEC. 510. FORGING OR COUNTERFEITING OF MARKETABLE SECURITIES AND POSSESSION THEREOF.

"(a) Whoever with intent to defraud or having reason to believe his act will facilitate fraud makes, alters, forges, counterfeits, prints, or in any manner executes any engraving, print, or impression in the likeness of any marketable security or any part thereof, or who with like intent or belief possesses, receives, exchanges, transfers, sells, delivers, buys, or conceals any such marketable security, shall be fined not more than $50,000 or three times the value of the marketable security, whichever is greater, or imprisoned not more than ten years, or both;

"(b) Whoever knowingly photostats, reproduces, duplicates, or in any manner executes a copy of any marketable security or any part thereof without the written approval of an authorized official of the issuing corporation, business, or Government shall be fined not more than $5,000 or imprisoned not more than one year, or both:

"(c) Nothing contained in subsection (b) shall be deemed to prohibit the true owner, legal custodian, or authorization official of a financial institution or entity, as defined in 18 U.S.C. 2321, from making a photostatic noncolor copy of any marketable security for the purposes of recordkeeping or validation.

"(d) Whoever with intent to defraud or having reason to believe his acts will facilitate fraud possesses, safeguards, controls, sell, gives, or delivers any tool, implement, plate, negative, photograph, or other things used or fitted to be used in making, altering, forging, counterfeiting, or printing any marketable security shall be fined not more than $10,000 or imprisoned not more than ten years, or both;

"(e) As used in this section, the term—

"(1) 'marketable security' means—

"(A) any note, stock, treasury stock, bond, interest coupon, treasury bond, debenture, certificate of deposit, any other form of debt instrument bearing interest, or any blank certificate of any of the above, other than currency, which is issued by any corporation, business, or foreign government; and

"(B) any bond, interest coupon, note, or other obligation issued or guaranteed by any State, possession, commonwealth, or territory of the United States or by any political subdivision of a State, possession, commonwealth, or territory or by any public instrumentality of one or more States, possessions, commonwealths, or territories;

"(2) 'value' means the face, par, or market value, whichever is the greatest, and the aggregate value of all marketable securities referred to in a single count of an indictment, information, or civil complaint shall constitute the value thereof.

"(f) In addition to any other remedy at law, any corporation, business, or government whose marketable securities are made, altered, forged, counterfeited, or printed in violation of paragraph (a) of this section, shall have the right to recover, in a civil suit brought in a United States district court from any person who violates paragraph (a) damages equal to three times the value of such securities in addition to reasonable attorney fees and court costs.

"(g) Any printing equipment used in the commission of an offense set forth in subsection (a) or subsection (c) shall be forfeited to the United States; the provisions of the third paragraph of section 492 of

this title shall be applicable to a forfeiture under this subsection.

"(h) Investigations for violations of this section relating to marketable securities of a foreign government or of a bank or corporation of a foreign government shall be conducted by the United States Secret Service. In all other situations, including marketable securities of a non-governmental foreign corporation, investigative jurisdiction under this section shall be with the Federal Bureau of Investigation.

"SEC. 511. POSSESSION OF STOLEN UNITED STATES MARKETABLE SECURITIES.

"(a) Whoever receives, possesses, passes, delivers, sells, or offers for sale or attempts to receive, pass, deliver, sell, or offer for sale any marketable security of the United States knowing the same to be stolen, converted, or obtained by fraud—

"(1) shall, if the value of the securities exceeds $100, be fined not more than $50,000 or three times the value of the securities, whichever is greater, or imprisoned for not more than ten years, or both; or

"(2) shall, if the value of the securities is $100 or less, be fined not more than $5,000 or imprisoned for not more than one year, or both.

"(b) As used in this section, the term—

"(1) 'marketable security' means any obligation which earns interest, either by discount or accrual, including any bond, interest coupon, Treasury note, Treasury bill, or other similar obligation, which is issued or guaranteed by the United States, any agency or territory thereof, or any person controlled or supervised by and acting as an instrumentality of the United States pursuant to authority granted by Act of Congress.

"(2) 'value' means the face, par, or market value, whichever is the greatest, and the aggregate value of all marketable securities referred to in a single count of an indictment or information shall constitute the value thereof.

"(c) Investigations for violations of this section shall be conducted by the United States Secret Service.".

SEC. 4. The chapter analyses of Chapter 25 of Title 18, United States Code is amended by adding at the end thereof the following:

"Sec. 510. Forging or counterfeiting of marketable securities and possession thereof.

"Sec. 511. Possession of stolen United States marketable securities.

SEC. 5. Section 3056 of Title 18, United States Code is amended to insert ", 511" after "509" and before "and 871.".

SEC. 6. Chapter 113 of Title 18 of the United States Code is amended by adding at the end thereof the following new sections:

"SEC. 2319. THEFT AND UNLAWFUL POSSESSION OF MARKETABLE SECURITIES.

"(a) Whoever steals, embezzles, purloins, or fraudulently converts to his use or the use of another, or attempts to steal, embezzle, purloin or convert to his use or the use of another, any marketable security belonging to or in the care, custody, control, management or possession of any financial institution or entity—

"(1) shall, if the value of the securities exceeds $100, be fined not more than $50,000 or three times the value of the securities, whichever is greater, or imprisoned for not more than ten years, or both; or

"(2) shall, if the value of the securities is $100 or less, be fined not more than $5,000 or imprisoned for not more than one year or both.

"(b) Whoever buys, receives, possesses or conceals any marketable security which has been stolen, embezzled, purloined, or converted from a financial institution or entity, knowing the same to be stolen, embezzled, purloined, or converted—

"(1) shall, if the value of the securities exceeds $100, be fined not more than $50,000 or three times the value of the securities, whichever is greater or imprisoned for not more than ten years, or both; or

"(2) shall, if the value of the securities is $100 or less, be fined not more than $5,000 or imprisoned for not more than one year or both.

"SEC. 2320. USE OF STOLEN OR COUNTERFEIT MARKETABLE SECURITIES AT A FINANCIAL INSTITUTION OR ENTITY.

"(a) Whoever tenders, presents, delivers, sells, pledges, assigns, accepts, or attempts to tender, present, deliver, sell, pledge, assign or accept any stolen, counterfeit, falsely made, altered, or forged marketable security, knowing the same to be stolen, counterfeit, falsely made, altered, or forged, at any financial institution or entity—

"(1) shall, if the value of the securities exceeds $100, be fined not more than $50,000 or three times the value of the securities, whichever is greater, or imprisoned for not more than ten years, or both; or

"(2) shall, if the value of the securities is $100 or less, be fined not more than $5,000 or imprisoned for not more than one year or both.

"(b) Investigative jurisdiction for violations of this section shall be with the United States Secret Service in regard to any counterfeit, falsely made, altered, forged, or falsely endorsed marketable security of the United States, or a foreign government, or of a bank or corporation of a foreign government. In all other cases investigative jurisdiction under this section shall be with the Federal Bureau of Investigation.

"SEC. 2321. DEFINITIONS FOR SECTIONS 2319 AND 2320.

"As used in sections 2319 and 2320 the term—

"(1) 'financial institution or entity' means:

(A) a bank with deposits insured by the Federal Deposit Insurance Corporation;

(B) a member of the Federal Reserve System including any Federal Reserve Bank;

(C) an institution with accounts insured by the Federal Savings and Loan Insurance Corporation;

(D) a credit union with accounts insured by the Administrator of the National Credit Union Administration;

(E) a member of the Federal Home Loan Bank System, and any Federal home loan bank;

(F) a member of or business insured by the Securities Investor Protection Corporation;

(G) a broker-dealer registered with the Securities and Exchange Commission pursuant to section 15(a)(1) of the Securities Exchange Act of 1934;

(H) any employee benefit plan subject to any provision of title I of the Employee Retirement Income Security Act of 1974; and

(I) any insurance company registered under the law of any State, District of Columbia, possession, commonwealth, or territory of the United States and any foreign insurance company doing business directly or indirectly within the territorial jurisdiction of the United States;

"(2) 'marketable security' means—

(A) any note, stock, treasury stock, bond, interest coupon, treasury bond, debenture, certificate of deposit, any other form of debt instrument bearing interest, or any blank certificate of any of the above, other than currency, which is issued by any corporation, business, or foreign government;

(B) any obligation which earns interest, either by discount or accrual, including any bond interest coupon, treasury note, treasury bill, or other similar obligation, which is issued or guaranteed by the United States, any agency or territory thereof, or any person controlled or supervised by and acting as an instrumentality of the United States pursuant to authority granted by Act of Congress; or

(C) any bond, interest coupon, note, or other obligation issued or guaranteed by any state, possession, commonwealth, or territory of the United States or by any political subdivision of a state, possession, commonwealth, or territory or by any public instrumentality of one or more states, possessions, commonwealths, or territories.

SEC. 7. Section 2311 of chapter 113 of title 18, United States Code is amended by inserting "or information" after "indictment" and before "shall in the definition of value".

SEC. 8. The chapter analysis of chapter 113, title 18, United States Code, is amended by adding at the end thereof the following:

"2319. Theft and unlawful possession of marketable securities.

"2320. Use of stolen or counterfeit marketable securities at a financial institution or entity.

"2321. Definitions for Sections 2319 and 2320."

SEC. 9. The first sentence of section 308(f) of the Emergency Home Finance Act of 1970 (12 U.S.C. Sec. 1457(f)) is amended to read as follows:

"The terms 'obligation or other security', 'obligations or other securities' and 'marketable security', whenever used (with or without the words 'of the United States') in sections 471–476, both inclusive, and sections 492, 511, 2319, 2320, and 2321 of such Title 18, are extended to include any obligation or other security of or issued by the Corporation."

SEC. 10. Section 308(d) of the Emergency Home Finance Act of 1970 (18 U.S.C. 1457 (d)) is amended to read as follows:

"(d) The term "bank", as used in subsection (f) of section 2113, and the term "financial institution or entity" as defined in section 2321 and used in sections 2319 and 2320 of such Title 18, shall be deemed to include the Corporation, and any building used in whole or in part by the Corporation shall be deemed to be used in whole or in part as a bank or financial institution or entity within the meaning of such sections 2113, 2319, 2320, and 2321."

SUMMARY AND EXPLANATION OF THE SECURITIES PROTECTION ACT

Listed below is a capsule summary of the five sections this measure would add to Title 18 of the United States Code. This is followed by an explanatory memorandum of certain provisions.

Sec. 510. Forging or counterfeiting of marketable securities and possession thereof—

(a) Prohibits making, trafficking in, and possessing counterfeit securities.

(b) Prohibits unauthorized copies.

(c) Permits authorized non-color copies.

(d) Prohibits trafficking in counterfeiting implements.

(e) Definitions.

(f) Civil remedy.

(g) Forfeiture.

(h) Investigative jurisdiction.

Sec. 511. Possession of stolen United States marketable securities—

(a) Prohibits trafficking in and possession of stolen United States government securities.

(b) Definitions.

(c) Investigative jurisdiction.

Sec. 2319. Theft and unlawful possession of marketable securities—

(a) Prohibits thefts from a financial institution or entity.

(b) Prohibits possession of stolen securities.

Sec. 2320. Use of stolen or counterfeit marketable securities at a financial institution or entity—

(a) Prohibits use at financial institution or entity.

(b) Investigative jurisdiction.

Sec. 2321. Definitions for sections 2319 and 2320.

EXPLANATION OF THE LEGISLATION

1. Section 2319(a) of this legislation makes it a federal crime to steal marketable securities from a financial institution or entity. Brokerage firms and insurance companies will receive the same protection as federally-insured banks, credit unions and savings and loan associations now receive under 18 U.S.C. 2113 and 656. The bill increases the existing penalties contained in 18 U.S.C. 664 for theft of securities from an employee benefit plan.

2. The bill removes the burden of proving "interstate commerce" in prosecutions for stolen securities. Currently, significant time delays between the theft and the use of stolen securities confront the prosecutor with the problem of legally proving that a security was in interstate commerce and had not come to rest. Courts have never expressly ruled that a stolen security remains in interstate commerce until received by a holder-in-due-course.

Congress has the authority to remove this element of the crime. The extensive hearings conducted by the Senate Permanent Subcommittee on Investigations showed that even where the misuse of securities is purely intrastate in character, it substantially affects interstate and foreign commerce.

3. This measure makes the act of counterfeiting securities of a corporation, or of a state or municipal government a federal crime. It would no longer be necessary to prove that the counterfeit security crossed state lines, as under present law.

The possession and trafficking in counterfeit corporate or governmental securities also would be a federal crime, whether or not they are transported in, moving as, or are technically a part of interstate or foreign commerce (as presently required under 18 U.S.C. 2314 and 2315). Sec. 510 prohibits the counterfeiting, trafficking and possession of counterfeit securities. Sec. 2320 prohibits use of them at a financial institution or entity.

4. Section 511 prohibits possession and trafficking of stolen United States government securities, regardless of from whom they were stolen. The Federal Bureau of Investigation's records presently show more than $196 million of these securities reported lost, missing or stolen. U.S. savings bonds compose the overwhelming majority of these items. This section will diminish losses to the United States Treasury incurred by double payment on stolen securities.

Informants frequently advise the Secret Service that fences possess stolen securities. But currently, no federal violation exists for mere possession absent other factual developments such as interstate transportation or forgery.

5. Criminal penalties for the theft, fencing, and use of stolen and counterfeit securities will be severe. Maximum imprisonment is ten years. A fine of $50,000, or three times the value of the security, whichever is greater, also may be imposed.

6. In proving the elements of possession in section 2319(b), the prosecutor must show the possessor knew the securities were stolen. He need not prove the possessor has knowledge of the actual source of the stolen securities. The Government would still have to prove that securities were stolen from a financial institution. This section is similar in its knowledge requirement to 18 U.S.C. 1708 (mail theft) and 659 (interstate shipments).

7. Section 2319(a) is applicable both to outsiders, and to employees of the financial institution. It also covers thefts by insiders of the financial institution's own securities.

8. The designation "financial institution or entity," defined in section 2321, covers all major organizations which have substantial dealings in securities. Along with credit unions, savings and loan associations, and banks (including all members of the Federal Reserve System and each Federal Reserve Bank), the bill includes brokerage firms, employee benefit plans, and insurance companies. This ensures federal prosecution of the dealer in fraudulent securities wherever he strikes.

9. The definition of marketable securities found in 18 U.S.C. 510, 511, and 2321 is intended to be all-inclusive. It would encompass all corporate stocks and bonds, state and municipal bonds, and United States and foreign government securities which bear interest either by the accrual or the discount method, including interest coupons. It does not cover currency.

10. The "use" provision, 18 U.S.C. 2320, prohibits the attempted or actual use of a stolen or counterfeit security at a financial institution. Presently, 18 U.S.C. 1014 and 2315 are applicable in certain instances.

Section 1014 prohibits making false statements to a bank official, but carries a maximum penalty of only two years. As noted above, section 2315, which prohibits the use of stolen or counterfeit securities, includes the element of "moving as . . . interstate or foreign commerce." If there is no evidence of interstate movement close in time to the actual use, the Government might fail in its proof. This element is not found in section 2320.

The "use" section prohibits use of stolen securities no matter from where they were stolen. The theft need not have been from a financial institution; it covers theft from interstate shipments, the mail, a corporate office, or a private residence.

The "use" may be a pledging of collateral for a loan, a deposit into any type of account (including a trust account) or a sale of the security. As in section 2319, the ban extends to employees of the financial institution. Anyone who knowingly accepts fraudulent securities could be convicted under this section.

Section 2320 applies both to already existing securities and to those which may be stolen or counterfeited after enactment of this measure.

11. Sections 2319(a), 2319(b), and 511 all have misdemeanor provisions when the value of the securities is $100 or less. The maximum penalty would be one year in prison and/or a fine of $5,000.

12. Section 510, substantially increases the penalties for making or possessing counterfeit foreign securities (see 18 U.S.C. 478–481). This kind of criminal activity is on the rise, and has serious detrimental effects on this nation's financial institutions.

This section covers situations which the sale of counterfeit securities, 510(a), or the tools and implements of counterfeiting, 510 (d), is made to an undercover agent. Although the agent buyer actually is not defrauded, the seller "(has) reason to believe his act will facilitate fraud."

The section does not apply to securities of the United States government. They are adequately covered in 18 U.S.C. 471 to 477.

13. A misdemeanor provision, 18 U.S.C 510 (b), makes it a crime for anyone to make an unauthorized copy of a security. The maximum penalty is one year in prison and/or a $5,000 fine.

Section 510(c) allows a financial institution or entity to make a non-color photostatic copy for record-keeping or validation purposes. Color copying would not be authorized. The color copier, with its "duplexing" capability—copying both sides of an instrument on any sheet of paper—gives counterfeiting ability to the rank amateur, and lends itself to misuse by corrupt employees.

Neither of these subsections lessen sanctions against the person who duplicates securities with fraudulent intent.

14. Section 510(f) provides a civil remedy for any government or private entity whose securities are counterfeited. They may bring civil suit in a district court against the counterfeiter for damages equal to three times the value of the securities. They would also be entitled to attorney fees and court costs.

15. Investigative jurisdiction is divided in section 510, and 2320. The Secret Service will be responsible for investigations of the making, trafficking, and possession of counterfeit securities of foreign governments in section 510. It will investigate the use at a financial institution of counterfeit or falsely endorsed securities of the United States government or of a foreign government in section 2320. This accords with its enumerated duties in 18 U.S.C. 3056. The FBI will be responsible for matters involving the counterfeiting, trafficking, possesion and use of private securities, both domestic and foreign.

Under 511, the Secret Service will have sole responsibility for investigations involving the possession of United States marketable securities. The FBI will have complete jurisdiction in 2319 for the theft of securities from financial institutions and possession thereof.

16. Under section 511, the Secret Service will not be obliged to begin active investigation of every matter involving the theft of United States government securities. Emphasis will be on the "fence," the person who receive stolen securities from numerous criminal sources and then attempts to dispose of them. Thefts from private parties will continue to be a local crime.

17. Some overlap exists in sections 511 and 2319(b). Under 2319(b), the FBI has the mandate to investigate the possession of marketable securities taken from a financial institution. Traditionally, the FBI has been responsible for the safety of banks and other lending institutions vital to the nation's economy. However, when United States government securities are stolen, subsequent possession would also come under Sec. 511. (There would be no overlap when the securities involved were not taken from a financial institution. The $196 million worth of U.S. securities currently listed as lost, missing or stolen would be beyond the purview of 2319(b).)

Section 511 has a different purpose. It is designed to protect the United States Treasury against financial loss, to ensure the integrity and negotiability of Government securities, and to maintain investor confidence in the United States. Traditionally this has been the function of the Secret Service.

Cooperation between the two agencies will be necessary to avoid duplicative efforts. The Department of Justice will have to avoid bringing unfair charges against defendants. The courts, through their constitutional authority and sentencing powers, will prevent any attempt to punish someone twice for the same crime.

18. A potential overlap also exists in sections 510(a) and 2320 regarding the traffic king of counterfeit securities. Section 510(a) is not directed against use at a financial institution. It is directed at transactions in the criminal underground. A counterfeit item might pass or brokerage house. It is contempated that prosecutions for use at a financial institution will be brought under Section 2320.

19. This measure does not reduce the investigative authority of any law enforcement agency. Where concurrent jurisdiction exists, cooperation is, of course, necessary.

In practice, a theft from a financial institution or the counterfeiting of a private security would lead to an FBI investigation. Thefts from the mail and the use of the mails to promote fraudulent activity would continue to be the prerogative of the U.S. Postal

Service. Where the mail is not used, the counterfeiting and fencing of United States and foreign government securities would be the province of the Secret Service. The Attorney General should provide such additional coordination as may be required.

By Mr. GLENN (for Mr. RIBICOFF) (by request):

S. 2324. A bill to provide for the appointment of a Commissioner of Food and Drugs, and for other purposes; to the Committee on Governmental Affairs.

COMMISSIONER OF FOOD AND DRUGS

Mr. GLENN. Mr. President, Senator RIBICOFF could not be present today and has requested that I put some materials in the RECORD for him. The first of these is a bill which he is introducing at the request of the administration which relates to the position of the Commissioner of the Food and Drug Administration. I ask unanimous consent that Senator RIBICOFF's introductory statement, the letter requesting this legislation from Secretary Califano, information accompanying that letter, and the text of the bill be included at this point in the RECORD.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR RIBICOFF

At the request of the Secretary of Health, Education and Welfare, I am pleased to introduce this legislation, which has two major purposes: First, it provides that the Commissioner of the Food and Drug Administration will be appointed by the President with the advice the consent of the Senate. Second, it increases the Executive Level of that position from Level V to Level IV.

The purpose of this legislation is to underscore the importance of this agency, by making its top official a Presidential appointment subject to Senate confirmation, and by increasing the Executive Level of that position. At present the FDA Commissioner is appointed by the Secretary of Health, Education and Welfare without the requirement of Senate confirmation.

According to information provided by Secretary Califano, all of the other eleven major regulatory agencies are headed by officials selected by the President, and subject to Senate confirmation. In addition the top officials in each of these agencies are placed at a higher Executive Level than the FDA Commissioner. I have attached a copy of that information to this statement.

Secretary Califano has asked for prompt consideration of this proposal. I am introducing this legislation. It merits serious consideration by the Senate.

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
October 6, 1977.

Hon. WALTER F. MONDALE,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed for consideration by the Congress is a draft bill "To provide for the appointment by the President of the Commissioner of Food and Drugs by and with the advice and consent of the Senate and for compensation for the Commissioner at the rate prescribed for Level IV of the Executive Schedule".

Enactment of this draft bill would contribute in an important way to our efforts to enhance the capability of the Department to attract leadership from the scientific community to the Food and Drug Administration (FDA). Presidential appointment of the Commissioner of Food and Drugs, with confirmation by the Senate, at Level IV of the Executive Schedule, would underscore the importance of the FDA as a scientific regulatory agency.

As can be seen in the enclosed table, of eleven other Federal regulatory agencies surveyed, all are headed by officials subject to Senate confirmation and at a higher level than level V of the Executive Schedule, the present level of the Commissioner of Food and Drugs; six of the eight with deputy heads have that position above a level V; and three of the eleven agencies even have directors of operating units at the same or a higher level than that of the Commissioner of Food and Drugs. Nine of the eleven agencies have smaller workforces than, and seven have budgetary authority less than that of the FDA.

We therefore urge that the Congress give the draft bill its prompt and favorable consideration.

We are advised by the Office of Management and Budget that there is no objection to the presentation of this draft bill to the Congress from the standpoint of the Administration's program.

Sincerely,

JOSEPH A. CALIFANO, Jr.,
Secretary.

Enclosures.

COMPARISON OF SELECTED FEDERAL REGULATORY AGENCIES

Agency	Head of agency grade level	Presidential appointee with advice and consent of Senate	Deputy head of agency	Directors operating units	Total number of employees full time on board fiscal year 1978	Fiscal year 1978 budget authority estimate (millions)
Environmental Protection Agency	Ex-2	Yes	Ex-3	Ex-4	9,698	$5,303
Federal Aviation Administration	Ex-2	Yes	Ex-4	GS-18	58,078	2,708
Federal Energy Administration	Ex-2	Yes	Ex-3	Ex-4	3,666	1,802
Nuclear Regulatory Commission	Ex-2	Yes	Ex-4	Ex-4/Ex-5	2,695	292
Consumer Product Safety Commission	Ex-3	Yes	GS-18	GS-15/GS-16	928	40
Federal Communications Commission	Ex-3	Yes	None	GS-17/GS-18	2,177	60
Federal Power Commission	Ex-3	Yes	Ex-4	GS-18	1,462	43
Federal Trade Commission	Ex-3	Yes	None	GS-18	1,668	60
Interstate Commerce Commission	Ex-3	Yes	Ex-4	GS-17/GS-18	2,193	62
Securities and Exchange Commission	Ex-3	Yes	None	GS-18	2,098	58
Occupational Safety and Health Administration	Ex-4	Yes	GS-18	GS-16/GS-17	2,717	135
Food and Drug Administration	Ex-5	No	GS-18	GS-16/GS-17, CC-7/CC-8[1] and PL-313[2]	7,491	279

[1] CC is Commissioned Corp of the Public Health Service:

	Base salary	Quarters and allowances	Total
CC-7	$34,340	$8,600	$42,940
CC-8	39,492	3,600	48,092

CC also receive free medical/dental care and do not contribute to retirement system.

[2] Public Law 313 United States Code title 5, sec. 3104, (Employment of specially qualified scientific and professional personnel). Runs from equivalent GS-16 to GS-18 depending upon qualification of individual and job being filled.

S. 2324

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) title VII of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 371 et seq.) is amended by adding at the end thereof the following new section:

"COMMISSIONER OF FOOD AND DRUGS

"SEC. 710. There shall be in the Department a Commissioner of Food and Drugs who shall be appointed by the President by and with the advice and consent of the Senate.".

(b) The individual serving on the date of enactment of this Act in the non-statutory office of Commissioner of Food and Drugs shall continue in such office until the appointment, qualification, and entry into service of the individual appointment pursuant to section 710 of the Food, Drug, and Cosmetic Act as added by subsection (a) of this section. Nothing contained in this section shall be construed as precluding the nomination or appointment to the office of Food and Drugs of the individual serving in the non-statutory office of Commissioner of Food and Drugs.

(c)(1) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(120) Commissioner of Food and Drugs, Department of Health, Education, and Welfare.".

(2) Section 5316 of title 5, United States Code, is amended by striking out paragraph (43).

(3) The amendments made by paragraphs (1) and (2) of this subsection shall take effect on the day on which the first individual appointed to the Office of Commissioner of Food and Drugs established by subsection (b) of this Act takes office.

By Mr. MELCHER:

S. 2327. A bill to amend the Internal Revenue Code of 1954 to allow the payment of income tax on certain income support or deficiency payments to wheat and feed grain producers to be made in the year when the income normally re-

ceived from the crops have been reported; to the Committee on Finance.

DEFERRAL OF TAX ACCOUNTING FOR DEFICIENCY PAYMENTS ON WHEAT AND FEED GRAINS

Mr. MELCHER. Mr. President, the Department of Agriculture will soon start distributing deficiency payments to wheat producers which are due them on their 1977 wheat crop. The payments are 65 cents per bushel produced on allotment acres, or the difference between the wheat loan of $2.25 and the target price of $2.90 enacted by Congress and approved by the President.

Much of any crop of wheat is marketed by the producers in the calendar year following its production. Many farmers realized their income from their 1976 crop of wheat when they sold it in 1977. If they are required to report as income in 1977 the deficiency payments they will soon be getting on their 1977 wheat crop, then they will have to pay 1977 taxes on income from two crops.

In recognition of the unfairness of such a concentration or doubling of income in 1 year, we have already provided that producers may report crop insurance payments and disaster payments on their crops in the year that the crop would customarily be harvested.

I have just introduced a bill which would provide for the same treatment of deficiency payments, allowing them to be reported in the year that the crop is marketed if that is different than the year of receipt.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2327

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AMENDMENT OF 1954 CODE

That in the case of a taxpayer using the cash receipts and disbursements method of accounting, certain income support or deficiency payments on wheat and feed grains received pursuant to the Food and Agriculture Act of 1977, as amended, would be included in the taxable income of the taxpayer, at his election, in the year in which the income normally received from the crops would have been reported. This provision is to apply only to such payments received as a result of the implementation of (1) title IV, section 107A(b)(1)(A) of Public Law 95-113 which authorizes the Secretary of Agriculture to make available to producers of payments for each of the 1977 through 1981 crops of wheat in the amount computed as provided in that subsection; and (2) title V, section 105A(b)(1)(A) which authorizes the Secretary of Agriculture to make available to producers payments for each of the 1977 through 1981 crops of corn, grain sorghums, and if designated by the Secretary, oats and barley, in the amount computed as provided in that subsection.

EFFECTIVE DATE

SEC. 2. This provision shall apply to payments received after December 31, 1976.

By Mr. MATSUNAGA:

S.J. Res. 99. A joint resolution to require improvement and expansion in the collection, analysis, and publication of statistical data relating to women in the professional, technical, and managerial occupations; to the Committee on Government Operations.

DOES THE CENSUS BUREAU CHEAT THE WORKING WOMAN?

Mr. MATSUNAGA. Mr. President, demographic trends play a vitally important role in the division of national resources. Over $10 billion in Federal aid is distributed each year to various political subdivisions according to formulas based on population and housing data. Under revenue sharing programs, funds are distributed to States on the basis of a formula involving State and national population figures. Both the Congress and the State and local governments rely on the U.S. Census Bureau to provide reliable estimates of present and future trends for use in population planning, economic forecasts, and the development of new or revised programs to serve the people of the United States.

One of the most significant demographic trends in this century has been the population shifts which occurred following World War II—from rural areas to the cities and then from the cities to the suburbs. For many years, the Federal, State, and local governments failed to recognize these important changes. On the State level, in particular, sparsely populated rural areas were often overrepresented, while the burgeoning cities had to fight for every vote in the legislatures and for every dollar of public funds. Finally, with the Supreme Court's historic "one man, one vote" decision in 1964, and the growing "home rule" movement on the local level, the situation began to change. In the late 1960's, long after the trend was first established, a Federal Department of Housing and Urban Development was established to help meet the needs of the cities.

While all this was happening, a second, and no less significant demographic change was occurring. It started in the 19th century when our society became industrialized. Its impact on the lifestyle of the average American may ultimately be even greater than the rural to urban population shift. And, yet, this change has been largely ignored by government at all levels, except in recent years when its pace accelerated. I am speaking of the entry of women into the national labor force.

Women are now in the majority in our society. They make up over 51 percent of the population. The percentage of women in the national work force has increased from about 20 percent in 1900 to 41 percent today. In my State of Hawaii, workingwomen are an even more important factor in the economy. They make up 49 percent—nearly one-half—of the State's work force.

Moreover, and perhaps more importantly, the profile of the typical workingwoman has changed significantly in the last 77 years. In 1900, she was young, single, and most likely employed in a factory. Only 2 out of every 10 married women sought employment outside of the home in 1900. Today, the American workingwoman is typically married, older by several years, very often a mother, and works not only in factories but in offices, stores, schools, hospitals, on ships—in short, almost anywhere men work. The average workingwoman spends a much greater portion of her life in the labor force today, often returning to work after the birth of her children, or when they enter school. Labor Department surveys reveal that women work for the same reasons men work—to support families and to obtain the personal satisfaction that comes from a successful career. Six out of ten workingwomen are single, widowed, divorced, or separated, or married to men who earn less than $7,000 per year. In nearly one-half the Nation's families, both husband and wife are employed outside of the home. More than one-half of the Nation's schoolchildren have working mothers. Many of these workingwomen contribute substantially to the family income. As long ago as 1972, about one-fourth of the Nation's working married women earned as much or more than their spouses. Moreover, the number of one-parent families, supported solely by a woman, is on the increase.

There is every indication that women will continue to seek employment in record numbers. Moreover, as additional women enter the work force, they will be seeking better jobs in the professions and in management. Almost one-fourth of all beginning medical students today are women, and, in some of the Nation's most prestigious law schools, more than one-third of the entering students are women. The number of women seeking degrees in engineering has increased by 250 percent in the last 5 years.

Despite the ample evidence of change, the trend has not yet been reflected in the Federal Government's census and population reports. The lack of adequate data in a usable format is hampering planners on the State and local level, and, in the next 20 years, may have a major impact on Federal spending for programs such as job training, child care, housing, and education. It is already affecting the administration's economic forecasting. How many new jobs will be needed to assure full employment in 1985? It is a question which can be answered only if we have adequate data about the employment and employment aspirations of women.

The procedures used by the Census Bureau in collecting and publishing data have long been a matter of concern to me. As a Member of the House of Representatives, I introduced legislation which would require the Census Bureau to establish better procedures for collecting and publishing information with respect to Asian and Pacific island Americans. In the face of well-documented allegations that Asian Americans and Pacific islanders were undercounted in the 1970 census, the Bureau moved to establish an advisory committee to explore the subject and help meet their needs in time for the 1980 census. An equally serious problem, still under consideration within the Census Bureau, is the fact that Asian Americans, who constitute a majority of the population in Hawaii and a substantial minority in certain other States such as California and New York, are classified as "other" in the publication of census statistics. The lack of a more de-

tailed statistical breakdown has stymied efforts to identify social services needed by specific groups including recent immigrants from Indochina and the Pacific Basin.

Nevertheless, as familiar as I am with these problems in the Census Bureau's publication of statistical reports, I was surprised and dismayed to learn that working women in the State of Hawaii are treated in much the same manner. The situation was brought to my attention earlier this year by members of the Hawaii State Commission on the Status of Women and the Commission on the Status of Women of the city and county of Honolulu. Task forces of both organizations have encountered obstacles directly related to the lack of adequate census data in their studies of inequality in the labor force. For example, the commissions found that 70 percent of Hawaii's professional women are not reported by occupation or industry as male professionals are, but classified as "other." Further research revealed that separate earnings tables are used for male and female professionals, making it nearly impossible to compare earnings. A check with the Census Bureau confirmed that separate occupational listings are not published for professional and management-level women employed in education, health professions, museums and libraries, personnel and labor relations, and social and recreation work in Hawaii, and that the same practice is followed in other States where significant numbers of women are employed.

The Census Bureau regards this compression of a variety of occupations and industries into one category labeled "other" as a means of saving time and saving space in their publications. However, the shortcut has created numerous problems for planners and for those charged with enforcing antidiscrimination laws, among others. Thousands of workingwomen are being shortchanged because public officials do not have enough information to identify their needs and propose needed programs.

I am, therefore, introducing today a Senate joint reolution which calls upon the Census Bureau to provide an equitable statistical breakdown relating to women employed in professional, technical and managerial fields. My resolution will not guarantee economic equality to the workingwomen or solve all of her other problems; however, it will, if enacted, remove one more obstacle in her path. Moreover, the additional information provided by the Census Bureau would improve our projections with respect to population, employment and the economy, and it would help prevent wasteful Federal spending on programs which are not needed, while we overlook other pressing needs. I ask unanimous consent that the text of my resolution be printed in the RECORD at this point.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 99

Whereas the percentage of women in the national work force has increased from 20 percent in 1900 to 48 percent at present;

Whereas the increasing numbers of women seeking employment will have a profound impact on population planning, family-oriented policies of the Federal, State, and local governments, national economic planning, and national employment policies;

Whereas available evidence indicates that working women are victims of economic discrimination, that they earn only 58 cents for every dollar earned by working men, and that women are still denied entry into the higher paying professional, technical, and managerial occupations; and

Whereas proper planning and improved administration and enforcement of existing equal employment opportunity and equal pay laws have been stymied by the lack of adequate statistical data relating to women employed in professional, technical, and managerial occupations: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Department of Commerce, in cooperation with the Department of Labor, shall develop methods for improving and expanding the collection, analysis, and publication of labor force characteristics relating to women in the professional, technical, and managerial occupations.

SEC. 2. The Secretary of Commerce shall insure that the Bureau of the Census, in its data collection activities and in the publication of statistical tables relating to the employment of women in professional, technical, and managerial occupations, provides a statistical breakdown of the data equal to that provided in the case of men employed in professional, technical, and managerial occupations.

ADDITIONAL COSPONSORS

S. 1249

At the request of Mr. MATHIAS, the Senator from Montana (Mr. MELCHER) and the Senator from Alaska (Mr. STEVENS) were added as cosponsors of S. 1249, a bill to provide for grade retention benefits for certain Federal employees whose positions are reduced in grade.

S. 1396

At the request of Mr. HUMPHREY, the Senator from Minnesota (Mr. ANDERSON) was added as a cosponsor of S. 1396, the National Domestic Development Bank Act.

S. 1748 AND S. 1749

At the request of Mr. MATHIAS, the Senator from Montana (Mr. MELCHER) and the Senator from Alaska (Mr. STEVENS) were added as cosponsors of S. 1748, a bill to provide Federal employees under investigation for misconduct the right to representation during questioning regarding such misconduct, and S. 1749, a bill to guarantee to each employee in the executive branch who has completed the probationary or trial period, the right to a hearing, a hearing transcript, and all relevant evidence prior to a final decision of an agency to take certain action against such an employee.

S. 2036

At the request of Mr. STEVENS, the Senator from Hawaii (Mr. MATSUNAGA) was added as a cosponsor of S. 2036, a bill to promote and coordinate amateur athletic activity in the United States, to provide for the resolution of disputes involving national governing bodies, to create certain rights and privileges for U.S. amateur athletes, and for other purposes.

S. 2193

At the request of Mr. ANDERSON, the Senator from North Carolina (Mr. MORGAN) and the Senator from Connecticut (Mr. RIBICOFF) were added as a cosponsor of S. 2193, to amend the Communications Act of 1934.

S. 2227

At the request of Mr. HARRY F. BYRD, JR., the Senator from Colorado (Mr. HASKELL) was added as a cosponsor of S. 2227, a bill to postpone the effective date of the carryover basis provisions of the Internal Revenue Code of 1954.

S. 2243

At the request of Mr. GRIFFIN, the Senator from Michigan (Mr. RIEGLE) was added as a cosponsor of S. 2243, a bill for the relief of Rohini.

S. 2309

At the request of Mr. STEVENS, the Senator from Utah (Mr. GARN) and the Senator from Ohio (Mr. METZENBAUM) were added as cosponsors of S. 2309, a bill to amend title 38, United States Code, to provide that a member of a Reserve component of the Armed Forces shall not be denied certain employment because of membership in such Reserve component.

SENATE JOINT RESOLUTION 98

At the request of Mr. MATHIAS, the Senator from Massachusetts (Mr. KENNEDY) was added as cosponsor of Senate Joint Resolution 98, a joint resolution to authorize and request the President to issue a proclamation designating May 21, 1978, as "National Fallen Heroes Day," and for other purposes.

SENATE RESOLUTION 242

At the request of Mr. HATCH, the Senator from Wyoming (Mr. WALLOP) was added as a cosponsor of Senate Resolution 242, relating to changes in IRS policy toward fringe benefits.

NOTICES OF HEARINGS

SUBCOMMITTEE ON FEDERAL SPENDING PRACTICES AND OPEN GOVERNMENT

Mr. CHILES. Mr. President, the Subcommittee on Federal Spending Practices and Open Government will be holding oversight hearings on the Government in the Sunshine Act on Tuesday, November 29, 1977.

The hearing will be chaired by Senator LAWTON CHILES in room 1114, Dirksen Senate Office Building at 10 a.m. Please direct any questions to Mr. Ronald A. Chiodo, subcommittee chief counsel and staff director (22-0211).

NOMINATIONS

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I wish to give notice that a public hearing has been scheduled for Friday, December 2, 1977, at 10:30 a.m., in room 2228 Dirksen Senate Office Building, on the following nominations:

George C. Carr, of Florida, to be U.S. district judge for the middle district of Florida vice Charles R. Scott, retired.

A. David Mazzone, of Massachusetts, to be U.S. district judge for the district of Massachusetts vice Frank J. Murray, retired.

Any persons desiring to offer testi-

mony in regard to these nominations shall, not later than 24 hours prior to such hearing, file in writing with the committee a request to be heard and a statement of their proposed testimony.

This hearing will be before the full Judiciary Committee.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. SASSER. Mr. President, I wish to announce that the Committee on Governmental Affairs will hold a hearing on November 29, 1977, on H.R. 2176, the Federal Banking Agency Audit Act. The hearing will be at 11 a.m. in room 6202 of the Dirksen Senate Office Building.

INTERSTATE TAXATION ACT—S. 2173

Mr. STEVENS. Mr. President, at the request of the Senator from Maryland (Mr. MATHIAS), I wish to announce that public hearings will be held by the Committee on the Judiciary on S. 2173, the interstate taxation bill. This bill provides for Federal judicial review of the application of jurisdictional guidelines for State taxation of interstate commerce and for apportionment among the States of income received from interstate commerce. The hearings will be held on December 5, 1977, in the main courtroom and post office building at Main and Jackson Streets in Biloxi, Miss., beginning at 9 a.m.

Those who wish to testify or submit a statement for inclusion in the record should communicate as soon as possible with the committee office, 2226 Dirksen Senate Office Building, telephone (202) 224–5225.

SELECT COMMITTEE ON SMALL BUSINESS

Mr. NELSON. Mr. President, I wish to announce that the hearing of the Select Committee on Small Business, originally scheduled for November 7, 1977, in St. Paul, Minn., which was postponed, will be held on January 9, 1978, beginning at 9 a.m. in room 584 of the Federal Building at 316 North Robert, in St. Paul. The subject of the hearing will be small business problems of the upper Midwest. Further information on the hearing is available from the Small Business Committee office at 424 Russell Senate Office Building at extension 4–5175.

NOMINATION

Mr. GLENN. Mr. President, the Committee on Governmental Affairs will hold hearings on Tuesday, November 29, on the nomination of Simeon M. Bright, to be a Commissioner of the Postal Rate Commission. The hearings will be held at 9:30 a.m. in room 3302 Dirksen Senate Office Building.

AGRICULTURAL RESEARCH AND GENERAL LEGISLATION SUBCOMMITTEE

Mr. LEAHY. Mr. President, on Tuesday and Wednesday, December 13 and 14, 1977, the Agricultural Research and General Legislation Subcommittee will hold hearings on "Protection of Workers' Health in Pesticide Production."

These hearings are necessary because of the recent incidents with Kepone, Lepthophos, and DBCP. In each situation, the production of a pesticide created serious occupational and environmental hazards. These incidents raise questions about regulation of pesticides. Specifically, a question raised is whether the regulation of pesticides as a unique class of chemicals inhibits prevention of occupational and environmental hazards.

The hearings will especially focus on the use of the health and safety data submitted in the pesticide registration process. Specifically, certain aspects will be addressed: How is the health and safety data used to prevent pesticide production hazards; are the data collected the right kind necessary to prevent health hazards in pesticide production; are the data available to regulators of occupational health, if so, are they in forms useful to the regulators; and how are these data used by these regulators?

The issues will be addressed on two levels: First, specific pesticide production problem cases—DBCP, Lepthophos, Kepone; and second, the general problems of pesticide production and regulation.

These hearings will be held in room 322, Russell Senate Office Building, starting each day at 9 a.m. Questions about the hearings should be directed to Liam Murphy of my staff at 224–4242.

SELECT COMMITTEE ON SMALL BUSINESS

Mr. NELSON. Mr. President, I wish to announce that the Select Committee on Small Business will convene 2 days of hearings on December 20 and 21. The hearings will be held in Washington in room 424 of the Russell Senate Office Building beginning at 10 a.m. each day. The subject of the hearings will be agricultural labor certification programs and small growers. Senator PACKWOOD of Oregon will chair the hearings. Those desiring further information on the hearings should contact John Cross of the committee staff at 224–2130.

ADDITIONAL STATEMENTS

LESSONS FOR AMERICANS FROM THE BRITISH EXPERIENCE

Mr. STEVENS. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by the distinguished Senator from Arizona (Mr. GOLDWATER), and the material attached thereto.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

STATEMENT BY SENATOR GOLDWATER

It was my pleassure recently to read a brilliant analysis of influences in British society which have nearly destroyed the long and proud legacy of political and economic greatness marking their past history.

This account of the present British condition was not published to condemn or mock the British people, but to alert Americans to the relevance of the British experience to our own situation.

The article that so impressed me is written by Arthur A. Shenfield who is well qualified to appraise both the British and American situations, having served as economic director of the Federation of British Industries, the Confederation of British Industry and the British Industrial Policy Group and then as a visiting professor at Rockford College, Illinois, at the graduate schools of business at the University of Chicago and Temple University and presently at the University of California at Davis.

The author makes it clear that the British economy, and with it the British political system, are suffering. There is no question about it.

British illnesses include low productivity, a falling currency, high inflation, and stunning taxation.

The questions are: How did it happen? And how we prevent it from happening here?

Actually, what the British experience gives us, according to Professor Shenfield, is a warning against creeping socialism. Those who propose centralized governmental planning of the economy, and who look to the government as the first recourse for every human complaint, would do well to take a look at where this road leads.

The British have adopted as national policy all the rubric that both British and our own left-wingers preach about the supposed virtues of public ownership and control. The British have already nationalized several industries. The list includes gas, railroads, steel, and telephone.

These industries have produced a return on investment in the last 25 years of less than 6%. This despite the fact that they enjoy monopoly status. All government-run industries taken together in Britain have produced only $145 million in taxes returned to the government treasury.

In comparison, the hard-pressed private sector in Britain, suffering as it is from governmental intervention, has produced a return on net assets of 11 to 19%. In the last ten years alone, private businesses have paid $30.6 billion in taxes.

Although government nationalization has failed in Britain, Marxist politicians are trying to make private industries so unprofitable as to insure their extinction. First they use governmental red tape, high taxes and incredible work practice restrictions to bring on failure to the private sector. Then they use this very weakness in performance as the need for nationalizing even more of the economy.

Huge sums have been invested in expensive equipment for British industries, but the facilities are left unused, or under-used, because of big union resistance.

The message we should get from the unchecked spending practices and complete submission to organized labor that has occurred in Great Britain is this: We are fast travelling the same irresponsible route in America, and there is nothing but disaster ahead unless we change our course.

We must reject union power-grabbing schemes such as the so-called labor reform legislation currently before Congress and turn down efforts by organized labor to repeal 14(b) of the Taft-Hartley Act.

In short, we must wake up to the dangers we are facing.

I have attached to this statement the excellent article by Arthur Shenfield entitled "Lessons from the British Experience," which appeared in the April 1977 issue of "Imprimis," the journal from the Center for Constructive Alternatives.

[From Imprimis, April, 1977]

LESSONS FROM THE BRITISH EXPERIENCE

(By Arthur Shenfield)

There is a family in England which claims to be descended from a collateral branch of the Hapsburgs. But the claims is of uncertain validity, and so the family is popularly known as the Perhapsburgs. I recount this circumstance because until fairly recently the British people enjoyed and understood the legacy of a political and economic system of a long, legitimate, and intellectually and morally noble lineage. But now the British people and everything around them are encircled by a great question mark, a great perhaps; and the political and economic system that they have allowed themselves to become enmeshed in is of extremely doubtful legitimacy. Of course this is painfully familiar to most of us, and I am sure to most of you. Hence if I rehearse the more obvious causes of this calamitous change in British fortunes, I shall do so not because I think

that you are not aware of them. I know that you are. I shall do so only to take note of them and their possible relevance to the American situation, so that I may then proceed to elements in our situation which I believe are not so easily perceived.

Of the obvious, and obviously injurious, influences which have changed the British situation in the past generation or two, there are in my judgment five principal ones, all resulting in policies of a fatefully destructive character. All are familiar to you. Some are to be found in America in an even more virulent form than in Britain itself. Some, fortunately for you, are not.

First, the tremendous waste caused by the nationalization of great industries. The British case has been one of immense and growing losses by those industries which were nationalized under the illusion that control of them would enable the whole economy to be planned and thus raised to unprecedented heights of prosperity, or under the sister illusion that control of them would give the people, not capitalists, control of their economic destiny. Loss, waste, inefficiency, and above all the absence of control, are the story of what nationalization has really brought to the British people. For the most part you have not had this experience. Not that there are not some elements of the American economy which are nationalized, and not that they are not wasteful; consider, for example, the United States Post Office. With us the Post Office not only carries letters and parcels; it also runs the telephone service. Consider what kind of telephone service you would have, and what it would cost you, if it were run by your Post Office.

However, the really important point about nationalization is not that it produces waste on an immense scale, but that it is fraudulent in its essential nature. Bear this in mind if it ever happens that the voices now to be heard urging the nationalization of your oil industry, or of parts of it, command a big response from the voters. The fact is that so-called public ownership is private ownership in its most vicious form; or, perhaps more accurately, in its only vicious form. The public has nothing properly described either as ownership or as control over, say, the railways or the coal mining industry in Britain, nor would they in comparable cases in America. Once nationalized these industries become the private property to all intents and purposes of the bureaucrats who run them and of the labor unions which run the workers in them—perhaps more the latter than the former.

The only functions of the public are to pay the take-it-or-leave-it prices imposed upon them and to pick up the tab when the losses have to be met. The power of the concept of nationalization arises from the captivating falsehood that public ownership means public ownership when in fact it means private ownership of this vicious form. This semantic confusion is perhaps well illustrated by the story of a youthful Chinese Emperor who was walking in the countryside with his tutor, when they passed some sheep in a field. The tutor, seeking to test the knowledge of his charge, said, "What are those animals?" and the Emperor said, "They are pigs." His tutor said, "The Son of Heaven is of course entirely right. However I have to point out that this particular species of pig is normally called a sheep." Now if President Carter, who possibly is at the young Emperor's stage in economic education, were to become enamored of public ownership of any part of the oil industry, it would be well for his mentors to say, "The anointed of the people is of course entirely right. However it is necessary to point out that this species of public ownership is properly called private ownership." Here endeth the first British lesson.

Secondly labor union power. I need not dwell on this at length. You are familiar with it, since you have the same phenomenon here, though not yet in as virulent a form as we have. More than anything else the power of the labor unions is destroying the British economic system, and perhaps also, which is worse, the political system of constitutional, Parliamentary, and liberal democracy. You are not as unlucky as we are because your unions are not as deeply infected with mindless opposition to wealth—creating free enterprise. But the important point about the labor union is that the people should realize that every man, woman and child in this country, as in Britain, carries a ball and chain on his or her feet which represents the cost of union power. That applies to the members of even the most privileged unions because they also carry a ball and chain which represents the cost to them of the power of other unions; and in anything beyond a short run the net cost is great even to them. Here too semantics sow confusion; for hardly anything is more powerful than the well-judged misuse of language. Millions of people believe in labor unionism because they think that it is merely a form of marketing agency for people's labor. What's wrong with that? Or that it represents the inalienable right of free association. What's wrong with that? Or that it stands for the defense of the weak bargainer, the worker, against the strong bargainer, the employer. What's wrong with that? The truth is in each case different, as you will see brilliantly expounded in the writings of Professor W. H. Hutt. Labor unionism is a curse to Western civilization, which has thus nurtured a viper in its bosom for a century and more, mainly under the influence of these erroneous beliefs which I have mentioned. The essential truth is that the labor union is a power structure which first climbs on the worker's back, and from that favored position climbs on the back of the whole society. It serves the interest not of the workers but its own power holders. Our ball and chain is bigger than your ball and chain, but your ball and chain can grow. Indeed there is a feature of this past Presidential election which suggests that it may have already grown, or be about to grow, politically in a most ominous manner. I shall return to this point shortly.

Thirdly, state welfare. There is a tremendous welfare mess in Britain. Yet in my judgment the welfare mess in America is worse. On this you do not have to learn a lesson from the British experience, except in relation to certain elements in it. Rather it is we who have to learn a lesson from your experience. However, though both countries have the welfare mess, the welfare mix is different, and so in qualified form each country has a lesson to learn from the other.

In our mix there is the National Health Service, wasteful, hypocritical, oppressive, and destructive of the whole system of medicine that has grown up with civilization since Hippocrates. It is perhaps a bigger ball and chain than any other that the British people have fastened upon themselves. Its true character is not yet apparent to a sufficient number of British people, but it will be as its bankruptcy becomes more and more evident. Though with Medicare and Medicaid you have begun to slide down our road, you do not yet have a comprehensive national health service. Perhaps Senator Kennedy and others will repair that omission for you. If they do, I venture to suggest that the waste, oppression, and undermining of professional standards in this country will be monumental, and will lead to the bankruptcy of the system faster than it has in Britain. For when the National Health Service was instituted, the inherited qualities of the British people were more conducive to success for the service, if success were possible, than those of any other nation. But success was impossible. And failure in this, as in other socialistic quests for the rainbow's end, has gone far to erode the very national qualities needed for success in anything.

In your mix there are other forms of the welfare mess which are worse than ours. Of course you can afford more waste than other nations, and if you undermine the spirit of self-help, your destruction may take longer than that of other people. But the ultimate results will be the same. If you include public education in the welfare system, as you should for it is an essential part of it, then in my judgment the mess is far worse in America than in Britain; though unfortunately we are now fast slipping down your road in public education. Public education is essentially a system in which the American people as taxpayers spend a dollar to get a dime's worth of education, or worse, perhaps a dollar to get a dollar's worth of miseducation. This is difficult for Americans to grasp because early in American history the people correctly decided that education was a good thing and therefore worth buying. Unfortunately this has led them to fantastic error as taxpayers. When education was bought privately, then by and large a dollar spent got a dollar's worth of true education. When it was bought publicly but under the typical control of very small local authorities which were close to the taxpayers, then also a dollar spent probably reaped a dollar's true worth.

But not now, with the immense public system ranging from the first grade to the Behemoth University, against which Russell Kirk directs his well-timed bolts and arrows. Such a huge system serves not education, but the private interests of the educationists. Thus here we are again at the phenomenon of nationalization, which serves private, not public, interests. The same applies in the relief of poverty, which serves the interest of the poverty-fighting administrators more than those of the poor. To return to education, I suggest with the utmost confidence that if all public education were abolished and all education were bought voluntarily and privately, the American people would be a much better educated people and they would spend less for a superior education than they now spend for an inferior one.

Fourthly, intervention by the government or governmental authorities in the affairs of industry. In America this intervention is mainly through the agency of regulatory bodies, such as the ICC, the CAB, the FCC, the FTC, the FPC, the FMC, the FDA, the CPSC, the EPA, the OSHA, etc. Through these agencies you have done great harm, and are doing growing harm, to American industry and thus to American prosperity. Most of what these agencies do is also done in Britain, but not in the same way and usually in a more flexible and less heavy-handed way. Yet governmental intervention in Britain is disastrous to the nth degree, and it presents many lessons to you and others on what should not be done. Our interventions are a marvelous example of the blind, the lame, and the halt, in the shape of the government, insisting on leading the sighted, the swift, and the hale, in the form of successful private industry. It is now a canon of policy for the British government to interfere with this, that and the other; to support lame ducks; to infuse the taxpayers' money into unsuccessful businesses so that the successful businesses must support them and thus become less successful themselves. Of course you have always done this very thing by means of the tariff on imports, but owing to the enormous free trade area within the United States the effect has been far less destructive than what is now happening in Britain. But wait and see what Mr. Carter may do in pursuit of the mirage of "full employment." If the pursuit is really determined, and the Humphrey-Hawkins Bill is an ominous portent of it, it will produce the same economic debility that is now familiar in Britain.

The most prominent and most devastating form of the non-regulatory type of interven-

tion goes under the name of incomes policy, that is, wage and price controls. You are familiar with these, but fortunately you abandoned the most serious attempt to impose them. We have been less wise and less fortunate. The British used to declare with pride that they were of the bulldog breed. When they got their teeth into something, they never let go. Or, if they had to admit that they could muddle, they claimed that they always muddled through. They often lost the first battles in war, but they always won the last. If at first they did not succeed, they tried, tried, and tried again. However, if you seek to make pigs fly, you will have to try, try, and try again for evermore. So too with wage and price controls. They always fail because they must fail. Before any incomes policy succeeds, the oceans will freeze, the moon will turn to green cheese, and two and two will make five. Wage and price controls are the most insidious and destructive form of governmental intervention there is, and it is this that Britain has foolishly tried, tried, and tried again to make effective. When President Nixon instituted wage and price controls on August 15, 1971, he began to do more harm to the American people than he or his lieutenants did in 1972 with that third-rate burglary that we have heard so much about. Fortunately the controls were unwound. But if one looks at the economic outlook of those now in the ascendant in Congress, and perhaps soon to be in the White House, one must reckon with the possibility that the controls will come again. After spending billions of dollars "to put the American people back to work," as Jimmy Carter and Walter Mondale have urged you to let them do, they may attempt to hide the untoward effects as British governments have done. First you step on the expenditure accelerator to get full employment, and then you say to the people "don't worry, the result will not be inflationary," because with your left foot you are going to step on the brake, and the brake is the wage and price controller. But it turns out that the left foot not only fails to halt the acceleration; it also damages the mechanism of the car. If your new rulers are in a mood to spend and spend and spend, tax and tax and tax, elect and elect and elect, á la Harry Hopkins, you had better get your storm windows up soon.

Fifth, excessive taxation. There is no need to dilate on this. It is an almost universal phenomenon in the Western world. It is the expression both of the excessive intrusion of the state into the citizen's affairs, which is eating at the vitals of the free society, and of the redistribution of wealth and income demanded by the worship of the fetish of "social justice"; which, so far from being justice of any kind, is only the self-serving cry of the mentors of political majorities with the power to rob political minorities. This latter element in excessive taxation is especially prominent in Britain and has very much to do with our debility. It is strong and rampant in America also, and there can be few greater duties for the good citizen than to expose the true character of "social justice" and of those who ride to fame or power under its banner.

All these influences together lead to the governmental clipping of the currency, namely that very inflation which governments pretend to dislike and now and again offer to control. The destructive effects of this inflation are the most frightening features of the British scene. In so far as the same causes of inflation operate in the United States, the lesson from the British experience should be a pressing and penetrating one.

Now there are features of the British scene which are perhaps not so obvious as the influences which I have described, and it is to these that I now turn. The first is this, What is happening to Britain is happening to a country of former outstanding achievement. It is not pleasant for an Englishman to talk about what is going on in his country. It is not pleasant to awake every morning and read the newspapers to see what new idiocy the government has perpetrated or permitted, what new failure it has displayed, that cranky nonsense some churchman or other prominent public figure has expressed, what Alice-in-Wonderland economics some labor union leader has enunciated while bringing his fist down on the table, what new item from Animal Farm or 1983 comes true to life, and so on; even though all this is partly offset by the still remaining admirable features of British society, the still breathing culture, the still unsubmerged civility, decency, respect for law, and standards of personal behavior among politicians and civil servants, though unfortunately these are not what they were. The point to be borne in mind is that if this is the account of the decay of a nation, it is the decay of an A–1 nation. This is not a dropout who is flunking his examinations as expected. This is the one who used to be top of the class.

This is the nation which once displayed the highest level of political and economic understanding. This is the nation from which the pioneer economists and many of the greatest political philosophers once sprang. This is the nation which once developed the most mature treatment of political problems with the highest degree of common sense and tolerance. This is the nation which bequeathed to you the ideas which inspired the marvelous Constitution which has blessed you for nearly 200 years and which still survives even the wrecking activities of the Supreme Courts of the past 40 years. If socialism can destroy this A–1 nation it can destroy any A–1 nation. This is an ominous truth that Americans, who rightly regard their nation as par excellence of A–1 character, should read, mark, learn and inwardly digest.

Secondly, a special reason for the decay of political standards and skill in Britain has been supplanting of the old Liberal Party by the Labor Party, which is the party organized and financed by the labor unions. When the two great parties were the Conservatives and the Liberals, the labor unions gave their support to one or the other according to the advantages they offered. This was bad, sometimes very bad, as in the case of 1906 when the Liberal government gave the unions a unique and unprecedented exemption from the normal laws of contract and tort. Pressure from sectional interests is always bad. But it did not then tie half of the political power indissolubly to the most menacing sectional interest in the nation. So too in the days of Sam Gompers and for many years after, American unions threw their weight in favor of Republicans or Democrats according to what they could extract from them, but carefuly avoided attaching themselves to one party, except for a time in Wisconsin. But now the AFL–CIO boasts of the grip which it has on the Democratic Party. To the extent that it converts the Democratic Party into the counterpart of the British Labor Party, it will grip the American people into the same vise that the British people are now in. To have one of the two great parties a plaything or a financial client of the union power structure, the interests of which are in sharp conflict with those of the whole society, is a prescription for political disaster. If the AFL–CIO merely claimed that in the particular circumstances of 1976 it supported the Democratic party for what might prove to be passing reasons, that would be one thing. But if it so closely attached itself to that party as to become its permanent paymaster, and manipulator, that would be a very different thing. It would repeat a major disastrous element in the British experience, which thus presents a lesson of the first importance to Americans. Even those who would reject my view of the character of labor unions, and would view them with a more benevolent eye, should in my judgment be fearful of this particular development.

Thirdly, the behavior of conservatives when a society is on a downward run. If, when they take office in socialist interludes, conservatives seek more than to hold the position left to them against further decline, then the downward run will continue. Since the last war the British Conservatives have been in office for nearly seventeen years as against about fourteen and one-half for the Labor party. Yet essentially we have been ruled by the ideas and policies of the Labor party for almost the whole thirty-one and one half years. It is not just a case of me-tooism, which is familiar amongst "liberal" Republicans in America. It is much more a case of lack of courage to undo the work of their enemies which they know to be wrong. They believe themselves to be better managers than their enemies, and therefore able to make a tolerable result even of their enemies' own system. Of course what Britain needs, and what America will need, is a party that will roll back the work of socialism, not make the best of the bad job it produces. But that will require courage and resolution of a kind that few conservatives have shown in our time.

Fourthly, the need to know and understand one's enemies. We cannot defend our civilization against the baleful forces which are now rotting it without knowing our enemies. Where our enemy bears the face of the great imperialist power of Russia, this is not difficult, though even there many love to delude themselves with vain hopes of peaceful and reliable accommodation. But in the field of ideas it is much harder. It is ideas, not interests, that rule the world. Even when it looks as if men are moved principally by their interests, they are not. For then they are moved by what they think their interests are, and what they think their interests are is determined by their ideas. Now in the civilized world which developed in the 18th and 19th centuries, and conspicuously in Britain, one treated one's ideological opponents as worthy men. One shied away from the argumentum ad hominem because it debased debate. One wrangled with one's opponents on the footing that they had as much attachment to truth as oneself; that they were mistaken but not dishonest. In many cases this is now a dangerous illusion. We cannot close our eyes to the fact that many modern ideologues wish to subvert the only political and economic system in which the competitive search for truth, and tolerance for differing views on truth, are possible. In these cases it is a delusion to believe that there can be a bridge of tolerance between them and us, except in the sense that freedom of speech belongs to them as much as to us. When they advocate the destruction of our society, we are not obliged to assume that they are merely mistaken. We are entitled to examine their motives, and to expose their ugly nature as much as the mere error of their ideas.

Nor, in an age when every journalist or television "personality" obliges us with his views on economics, and when the faculties of the grossly expanded universities are flooded with "economists" and "sociologists" whose competence is little better than that of the journalists or television "personalities," are we obliged to extend to every self-appointed or university-appointed pundit the courtesies of civilized debate. Thus when Professor John Kenneth Galbraith makes his name and fortune by means of a sustained sneer at those whom he envisages as "establishment economists," we ought not to be backward in laying bare the true character of his work. We have heard Professor B. A. Rogge describe Galbraith as arrogant and wrongheaded. True, but there is more to it than that. In the groves of academe one sometimes comes across men who are

arrogant and wrong headed but yet, in an eccentric way, are respectable scholars. In all Galbraith's popular works there is hardly an idea of note which is not an affront to scholarship. The run-of-the-mill bad economist seeks truth but, being a bad economist, fails to find it. Galbraith is a bad economist of a different stamp. The quest for truth is not outside his purview, but it is not his primary concern, which is to have an effect.* As Professor Scott Gordon has pointed out, he will sometimes leave a clever or well-turned sentence to stand when retooling it would serve his argument better.**

Here there is an important lesson to be learned from the British experience. It is ideas that have undermined the splendid British society of yesteryear. And who propagated these ideas? Of scholars of integrity like Tawney, who were only the propagators of honest error, very few. Beatrice Webb was not above cooking the evidence for her intellectual positions, as late in life she confessed; and both she and Sidney were aware of the Stalinist horrors when they wrote their paean of praise to the "new civilization" of Soviet communism. Bernard Shaw was unrestrained in his admiration for those who ruled with jackboot and whip, but he could not forebear to complain publicly about the heavy personal taxation which he, as a very rich man, had to bear in wartime Britain, that very Britain of mildness, decency, and consideration for others which he despised. Harold Laski could not restrain his pen from his habitual and silly little lies when corresponding with Justice Holmes. When dealing with political questions Bertrand Russell was as fickle in his attachment to truth as to his wives. Kingsley Martin thought that his nose might be taken to be Jewish, and so prepared for a cosmetic operation when it seemed possible that the Nazis would invade Britain. The socialist intellectual movement in Britain abounded in contemptible men, and we suffer now because they were not perceived as such.

There is a lesson here especially for the American businessman. There is a remarkable dischotomy in his attitude to ideas. On the one hand he is suspicious of ideas. He deals in facts, he believes. This is a survival from the old tradition that writers and talkers were inferior to doers, that college perfessors should keep out of practical affairs, and that a man had to meet a payroll before he knew what made the world go round. On this side of his mind the businessman must learn the truth expressed in Geothe's Faust, namely that "the most important thing to understand is that facts are themselves theories." If the businessman does not learn to understand the importance of ideas, he will find himself the slave of the ideas of his enemies. But on the other hand he is fatally ready to accommodate himself to his enemies' ideas, and even to finance their propagation, if they are presented with an attractive varnish of appeal to good citizenship. Thus see how he goes half way to accept his enemies' position when he defends business profit. And see how readily he swallows the fraudulent concept of the "social responsibility of business," which is one of his enemies' best weapons for breaking down his defenses. See also how he will make munificent gifts to universities and foundations whose faculties or staffs are busily engaged in undermining the free enterprise system. The American businessman needs to acquire an understanding respect for ideas, and he needs to learn how to distinguish between those ideas which will sustain him and those which will betray him. There are dangers in urging him to support the former with his money, but at least we whose trade is ideas should move heaven and earth to dissuade him from supporting the latter.

My account of the British condition has been a sad one. But the condition is not irremediable. It is much too early to say that the British are no longer a great people. There is much evidence that at the deepest levels of intellectual discourse in Britain healthy ideas are in the ascendant. There is therefore good reason for hope of a national regeneration. Then perhaps as we go up again, we shall meet you coming down, but I hope not. Rather I hope that you too will resume your once unhampered upward progress. Then I shall be content if we catch up with you.

*See the self-revealing article by John Kenneth Galbraith in *Fortune*, December 1962.

**See Scott Gordon: "The Close of the Galbraithian System," p. 636, the *Journal of Political Economy*, Vol. 76, July-August 1968.

AN ERA OF SERVICE DRAWS TO A CLOSE

Mr. ROBERT C. BYRD. Mr. President, after nearly 35 years of service in the U.S. Senate, Senator JOHN L. MCCLELLAN of Arkansas yesterday announced that he will retire at the end of his present term. JOHN MCCLELLAN will indeed be missed, by the Members of this body and by the people of America, for his career has been marked by statesmanship, patriotism, service, dignity, and honor.

Senators are often called "solons." That is a term which aptly describes Senator MCCLELLAN, for, like the legendary Greek lawgiver Solon, who lived nearly 2½ millenia ago, JOHN MCCLELLAN has loved the law, and has shaped it with wisdom, maturity, and vision. He has been the author and an active supporter of numerous pieces of legislation that have made life safer and more secure for millions of Americans. Senator MCCLELLAN realizes, with Albert Einstein, that the best defense of a civilization or nation lies not just in its armaments, its sciences, or its ability to hide from evil; its best defense is in positive law and order and justice.

As chairman of the Permanent Investigations Subcommittee and the Labor Rackets Committee, JOHN MCCLELLAN effectively exposed and helped to combat the forces of organized crime and individual illegality that have infected many areas of American life in the past. As a result, the citizens of this country are able to conduct their lives and their business with greater assurance, trust, security, and freedom from anxiety.

As the chairman of the Senate Appropriations Committee, Senator MCCLELLAN has sought to allocate our Federal fiscal resources wisely and judiciously. He has been a guardian of the public treasury, urging responsibility and vigilance in spending the money that belongs to the citizens of this Nation.

Senator MCCLELLAN will be 82 years old next year. During the span of his more than four-score years, he has seen this country transformed from an essentially frontier nation in the era of the horse and carriage to the leading space-age power of the modern world. He has observed and participated in the many tides that have carried us to the center of the world stage in this century. Among us, he has been the embodiment of a code of values and a philosophy of life that are not easily, if ever, replaced in this age. He has exemplified the self-reliance, self-dependence, and self-respect that have made the United States the leader of the Western world. His love for America and his sense of patriotism are so deep and profound, because he has contributed so much of his own talent, intelligence, skill, wisdom, and passion to the building of this Nation.

As Senator MCCLELLAN has earned the respect and gratitude of the people of America and of Arkansas, he has likewise earned the right to the years of reflection and happiness that lie before him with his gracious and charming wife, Norma. When he leaves this body, he shall go accompanied by the warm friendship, affection, and appreciation of all his colleagues in the Senate.

PATRIOTISM AND THANKSGIVING

Mr. HATCH. Mr. President, I was most inspired last week when I read a letter from one of my constituents, Verna Davis from Ogden, Utah, and I want to share her fine and exemplary attitude with my colleagues in the Senate.

Mrs. Davis wrote,

> I am opposed to raising taxes on the workers of America for social security, even if it means I lose mine * * *. Business should not be saddled with these taxes either.

I am grateful for her unselfishness and pray that this kind of patriotism could permeate every special interest barrier in this country.

Issues in America have kept pace with developing technologies in terms of complexity. This trend has generated a Nation whose citizens are losing their identity as individuals and are instead thinking of themselves as members of one or more "groups". We no longer advance causes for the good of independent people, but instead for big business, small business, labor unions, religious organizations, conservatives, liberals, energy producers, environmentalists, Nader's Raiders, men, women, children, ethnic minorities, teachers, doctors, farmers, Western States and Eastern States to name only a few. Our citizens feel compelled to band together in this fashion in order to gain sufficient political strength to promote particular points of view, and we are fortunate that we have this freedom in the United States. We, in Congress, receive dozens of letters a day from a variety of organizations espousing opinions backed up by the solidarity of their memberships.

But Verna Davis reminded me of America's true patriotic character. Forgetting she was part of specific interest groups, she was willing to sacrifice for the adoption of a policy she believes is in the best interests of all Americans, not just the groups which would be most affected by this legislation. On this particular issue, I, for one, will be giving special attention to measures which will alleviate the structural problems within social security so that, back on sound financial footing, no American will lose his or her retirement savings. Hopefully, no person will have to forfeit in this way.

As Thanksgiving nears, I will publicly state that I am thankful for my family, friends, my health, and the opportunity

to serve Utah in the U.S. Senate. Most of all, I am thankful for the spirit of America, represented by citizens like Verna Davis, for these people exemplify the kind of individualism which is our heritage and vital to our future.

CONFIRMATION PROCESS NEEDS IMPROVEMENT

Mr. GLENN. Mr. President, I ask unanimous consent that a statement by Senator RIBICOFF regarding the Senate confirmation process for Presidential appointments be printed in the RECORD together with accompanying materials submitted by the Senator.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

STATEMENT BY SENATOR RIBICOFF

The Senate confirmation process needs to be improved. More thorough information on nominees should be made available to the Senate and all nominees should be evaluated according to a set of established standards.

These goals would be achieved with the passage of Senate Resolution 258. With Senators Percy and Javits, I introduced the Resolution on September 8, 1977.

It is our belief that Senate Resolution 258 will enable each Senate Committee, and the Senate as a body, to carry out more effectively the responsibilities that accompany the confirmation process.

The Resolution provides the resources and procedures to help each committee assess the qualifications of any nominee before it.

Nominees would be required to submit certain financial and biographical information.

In addition, each committee would be assured of access to information gathered on the nominee by investigative work conducted within the Executive Branch.

A Senate Office on Nominations would be created to assist each committee in the exercise of this strengthened confirmation process.

Resolution 258 was referred to the Senate Governmental Affairs Committee. Hearings will be held on the measure next year.

Common Cause, calling for a more assertive role for the Senate in the confirmation process, endorsed the concept of a Senate Office on Nominations on November 12, 1977.

In a November 13, 1977 *Washington Post* article, "Confirmation Hearings: Playing Charades," David S. Broder reported on the Common Cause endorsement.

Susanna McBee, also writing in the *Washington Post* of November 13, reported on the proposed Senate Office on Nominations in an article headlined, "Senate 'Rubberstamp' Confirmations Hit."

I ask that these two articles be printed in the Record.

I ask that an excerpt from the Common Cause study of the confirmation process, released November 12, be printed in the Record.

The attachments ordered to be printed in the RECORD are as follows:

[From the Washington Post, Nov. 13, 1977]

CONFIRMATION HEARINGS: PLAYING CHARADES

(By David S. Broder)

The Lance affair is yesterday's headline, and as everyone knows, nothing is more outdated than that. But before you flip complacently to the next topic, note these two sentences from a just issued study by Common Cause, the public-interest organization:

"If it had not been Bert Lance and the Committee on Governmental Affairs, it would have been another nominee and another committee. The Senate confirmation process was a national disaster waiting to happen."

Strong words, but the harsh judgment would not be denied by many Senators, especially those involved in the Lance affair. The Common Cause study provides a powerful prod for the passage of the kind of remedial legislation proposed by Sens. Abraham A. Ribicoff (D-Conn.) and Charles H. Percy (R-Ill.) to spare themselves the embarrassment of another Lance affair.

Lance was an embarrassment to the Senate, as well as the administration, because the financial practices that eventually caused him to resign went undetected in the charade that passed for a confirmation hearing last January.

Yet the Common Cause study shows that the Lance hearing was a model of procedural purity and care compared to those in which most of President Carter's senior appointees were confirmed. Lance's confirmation met 6 of the 11 criteria suggested for a full, fair test of an appointee's suitability. Only 2 of the 11 cabinet members had even as rigorous an examination as did Lance. And in some cases, the procedure can hardly be dignified with the name of confirmation process.

If you want an example of that process, take the case of Bob Bergland, the practicing farmer and member of the House of Representatives who was named as Secretary of Agriculture. So far as is known, Bergland has no Lancetype problems. Common Cause is careful to say it is not passing judgment on his qualifications to run the farm programs.

But the Senate Agriculture Committee, which confirmed him after a one-day hearing, did not put him under oath; did not make public his financial disclosure statement; did not require any public resolution of his potential conflict of interest as a farm owner; did not require him to discuss in public his past or future political activities.

The committee posed no written policy questions to him in advance. It issued no formal report explaining why it recommended his confirmation. It did not even make the hearing transcript available in print to other senators or the public until six weeks after Bergland had been confirmed. There was no record vote in committee or on the Senate floor on his approval.

Nor was this unusual. Of the first 50 major Carter appointees who went before the Senate, Common Cause, says only 14 were required to make public financial disclosures. Only 10 (including Lance) had more than one day of hearings. Only 6 had their hearing transcripts in print at the time the Senate confirmed them.

That kind of record merits the Common Cause comment that, "The Senate confirmation process is a rubber stamp machine."

The remedies, some of which are embodied in the Ribicoff-Percy bill, are as obvious as they are overdue. The Senate needs to develop a uniform disclosure form on both finances and political activities of nominees. Only a few committees now have such forms.

It needs to conduct its own careful investigation of the background and qualifications of presidential appointees. Ribicoff, Percy and Common Cause believe this task is beyond the capacity of existing committee staffs. They propose creation of a new Office of Nominations to do this work for all the Senate committees.

Whether such an addition to the burgeoning Senate bureaucracy is really needed may be debatable. But there can be no argument about the need for an independent appraisal of the nominee's qualifications—not just a passing nod at the President's recommendations.

Finally, the process of confirmation needs to be made more deliberate so that questions can be asked, reports written, transcripts read and reactions weighed—before the Senate gives its assent.

Those changes will not draw the headlines the Lance affair received. But they could prevent its recurrence, and that would be a good day's work for the Senate and the country.

[From the Washington Post, Nov. 13, 1977]

SENATE "RUBBERSTAMP" CONFIRMATIONS HIT

(By Susanna McBee)

Common Cause said yesterday the Senate process of confirming presidential nominees is a "rubberstamp machine" that needs a comprehensive overhaul.

The lobbying organization, which has advocated reform of the process since 1973, recommended that nominees be required to complete full and detailed questionnaires on their personal, financial and political background.

It also recommended that the Senate set up an office on nominations to make an independent background study of the prospective appointees, including FBI checks. Such an office has been proposed by Sens. Abraham A. Ribicoff (D-Conn.), Charles H. Percy (R.-Ill.) and Jacob K. Javits (R.-N.Y.).

Common Cause said the Senate has traditionally based its confirmation judgment on a "negative standard—is the nominee clearly disqualified to serve?"—when it ought to "make a finding that the nominees are affirmatively qualified to serve."

It also suggested that since "time is an essential element in a deliberative confirmation process," the Senators should allow enough time for proper scrutiny of the nominees' backgrounds.

Common Cause said the recent confirmation of Energy Secretary James R. Schlesinger Jr. took the Senate only six hours and 50 minutes.

"This short process for the secretary of a major new department makes a mockery of the system," said Common Cause President David Cohen in releasing a 150-page study of the confirmation process of 50 of President Carter's most important appointments.

Senate committees should prepare written, substantive reports on nominees they approve and explain why the approval was given, the report said.

It suggested that senators' votes be recorded in committee and on the floor for all nominees to policy-making positions.

"The prime failing of the present process" is "the lack of a systematic approach," the study found. The committees have a "hodgepodge of procedures and practices for dealing with nominations. While most of the committees have some useful practices, none do a thorough job."

Cohen referred to former Budget Director Bert Lance, who was confirmed in January after only cursory hearings and investigation and who resigned Sept. 21 after disclosures about his banking background.

"The Lance controversy in part resulted from a confirmation process that is haphazard and leads to senators acting and voting out of ignorance," Cohen said. "If it had not been Bert Lance and the Committee on Governmental Affairs, it would have been another committee and another nominee.

"If the Senate is not willing to learn the lesson of the Lance affair by improving its confirmation process, then we are sure to face the same kind of problems in the future."

The Common Cause study found that:

In 18 cases the committee approved the nominee on the day of the nomination hearing.

Only 10 hearings went beyond a single day; only two exceeded two days.

In only six cases did committees prepare substantive reports explaining their recommendations.

Printed hearing records were available to senators before the votes in only six cases.

Committee votes of individual senators were recorded in only half the cases.

Recorded Senate floor votes were taken on only six nominations.

In only 17 cases were nominees required to make public a statement of political activities and recent contributions to political candidates.

Financial disclosure statements were made public by committees in only 14 cases.

[Excerpt from a Common Cause study of the U.S. Senate's confirmation process, November 1977]

THE SENATE RUBBERSTAMP MACHINE

SUMMARY

The Constitution gives the President the power to appoint the principal officers of the federal government "by and with the Advice and Consent of the Senate." Historically, the Senate confirmation process has been perfunctory. Presidential nominees have been routinely confirmed by the Senate with little scrutiny and no standards for judgment. In recent years, the Senate has begun to take its confirmation responsibilities somewhat more seriously. But as the controversy over the confirmation of Bert Lance makes clear, the Senate's confirmation process is far from the effective tool that it was meant to be.

The data presented in this study demonstrate the need for a comprehensive overhaul of the confirmation process. The data show that Presidential nominees are hastily considered in an extremely comfortable atmosphere without the benefit of a full record or tough scrutiny. No clear standards have been established by which Senators judge whether or not to confirm nominees.

Common Cause surveyed the confirmation process of fifty of President Carter's most important nominations. The forty-seven men and three women in our sample include nominations made from January 20 through April 30, 1977 to Cabinet positions, the second ranking officials in each executive Department, the Secretaries of the Air Force, Army, and Navy, and the principal officer in other executive agencies. The sample also includes all Presidential appointees to federal regulatory agencies and commissions submitted to the Senate prior to July 1, 1977.

The data contained in the study deal with procedural aspects of the confirmation process only. The data do not relate to judgments as to whether or not the Senate should have confirmed certain nominees.

The study found that the fourteen Senate committees surveyed had a hodge-podge of procedures and practices for dealing with nominations. While most of the committees have some useful practices, none do a thorough job.

As of October 12, 1977, forty-eight of the fifty nominees have been confirmed. Not one has been rejected, although one was withdrawn by the President. A Summary of Findings appears in chart form on pages 26–27. Highlights of the Common Cause study follow:

"Only ten of the forty-nine hearings on these nominees extended beyond a single day; only two beyond two days. Hearing records range from the mammoth 759 page record on the nomination of Griffin Bell to be Attorney General to the skimpy 176 word hearing on the nomination of Robert Carswell to be Deputy Secretary of the Treasury, in the course of which the Finance Committee heard and approved the nominee. The Carswell record was closer to the median.

"Printed hearing records were available to Senators before votes on nominations in only six of the cases surveyed.

"In only six cases did committees prepare written, substantative committee reports explaining their recommendations on nominations.

"The votes of individual Senators on nominations were recorded in committee in one-half of the cases.

"Recorded floor votes were taken on only six nominations.

"The lack of any established time-table for nomination proceedings has allowed for Senate approval without any real deliberation. Energy Secretary Schlesinger was confirmed within six hours and fifty minutes of the Senate's receipt of his nomination. In eighteen of the cases in our survey, the committee approved the nominee on the same day as the nomination hearing.

"In only fourteen cases did committees make public financial disclosure statements submitted by the nominees.

"In only seventeen cases were nominees required to make public a statement of political activities and recent contributions to candidates for political office."

The results of the Common Cause survey of the fifty confirmation proceedings document the widespread belief that the confirmation process is perfunctory. The study suggests that the confirmation process could be used to up-grade the quality of Presidential appointments and to establish a basis for continuing Congressional oversight on substantative policy matters. The study urges the Senate to carry out its constitutional responsibility as an institution independent of the President.

The Common Cause study finds that it is the lack of a systematic approach that is the prime failing of the present process. The study recommends a series of procedural reforms designed to establish the institutional arrangements necessary for a sound confirmation process. While sound procedures will not guarantee real scrutiny in the absence of a strong commitment on the part of the Senate, a quality confirmation process is highly unlikely without the proper institutional arrangements.

Common Cause believes that the principles of an improved Senate confirmation process are clear. First, a full public record must be developed on all nominees. Second, time must be taken to allow a deliberative confirmation process. Third, Presidential nominees should be judged by their affirmative qualifications for office. The Common Cause recommendations are discussed in detail in section IV beginning on page 34 and are summarized beginning on page 60. Common Cause believes these recommendations are conditions precedent to informed Senate judgments on Presidential nominees. Highlights follow:

"Nominees should be required to complete a uniform personal, financial, and political background questionnaire similar to that required by the Committee on Commerce, Science, and Transportation. The questionnaire should be submitted before the hearing on the nomination and made part of the printed public record.

"The Senate should establish an Office on Nominations to provide an independent capacity to review the backgrounds of nominees as proposed by Senators Ribicoff and Percy. The Office would supplement rather than substitute for the work of the Senate committees.

"Committees should prepare written, substantive committee reports on nominations for all policymaking positions providing background information and explaining why the committees approved the nominees.

"The Senate should establish a time-table for consideration of nominees that allows time for a proper scrutiny of the nominees and adequate deliberation by the Senate. The time-table should not be routinely suspended and should be suspended only by recorded majority vote.

"Senators' votes should be recorded in committee on all nominees for policy-making positions. Roll call votes should be taken on the Senate floor on all nominations for Vice-President, Supreme Court Justices, Cabinet officers, regulatory commissioners, and controversial nominations to other positions.

The Senate should establish standards for confirmation and should make findings that Presidential nominees are affirmatively qualified to serve in the positions to which they have been appointed."

FIFTIETH ANNIVERSARY OF UNIVERSITY OF CHICAGO MEDICAL CENTER

Mr. PERCY. Mr. President, the University of Chicago Medical Center celebrated its 50th anniversary last week.

The celebration was a tribute to an institution that provides outstanding medical education and patient care. Every Chicagoan is indeed proud of the University of Chicago Medical Center. It is a model institution with a national and worldwide reputation for excellence.

The week-long event included the dedication of the new Surgery-Brain Research Pavilion. This $21.5 million building will provide laboratories, offices, and other facilities for expanding clinical and research work in the neurosciences, and will house new operating rooms and laboratories for the department of surgery.

The celebration also featured a benefit concert by the Chicago Symphony Orchestra, a downtown Chicago civic dinner, an open house at the University of Chicago Hospitals and Clinics, a special convocation and numerous scientific and medical seminars.

I ask unanimous consent that a brief history of the University of Chicago Medical Center be printed in the RECORD.

There being no objection, the history was ordered to be printed in the RECORD, as follows:

BRIEF HISTORY OF THE UNIVERSITY OF CHICAGO MEDICAL CENTER

The University of Chicago Medical Center's Fiftieth Anniversary commemorates the November 1, 1927 dedication of the Albert Merritt Billings Hospital, the first facility in the present medical complex. This ceremony officially opened the University's clinical services as part of its medical school program.

The University of Chicago Board of Trustees in 1916 approved plans for the construction of a medical school and hospital wholly under the control of the University. Because of the intervention of the war, construction of the first facility in the present medical complex, Billings Hospital, did not begin until 1925. From 1897 until 1924, the University had been in an affiliation with the Rush Medical College to provide medical education.

Today the University of Chicago Medical Center is operated by the University's Division of the Biological Sciences and the Pritzker School of Medicine. The Pritzker School of Medicine was the first medical school in the nation with a full-time clinical teaching staff. Each faculty member devotes full time to teaching, research and patient care; no full time faculty member maintains an outside practice.

At the University of Chicago Medical Center today, approximately 20,000 inpatient admissions, 210,000 outpatient and 100,000 emergency room visits are recorded each year. More than 2,700 babies are born annually at Chicago Lying-in Hospital, which in 1931 became a part of the complex of buildings making up the Hospitals and Clinics of the University.

Other hospitals in the University's medical center and their opening dates are:

The Bobs Roberts Hospital for Children, established in 1930 as a memorial to the son of Colonel and Mrs. John Roberts. The following year the Chicago Home for Destitute Crippled Children, which had been in existence since 1893, was relocated on 59th Street,

east of Billings Hospital, in facilities that comprised the Gertrude Dunn Hicks Memorial Hospital and the Nancy McElwee Memorial Hospital. In these wings adult orthopedic, ear, nose and throat (ENT), eye, and oral-surgery inpatients are now treated.

In 1947 the Nathan Goldblatt Memorial Hospital, with beds for surgery patients was opened.

In the spring of 1953 the Argonne Cancer Research Hospital, now named the Franklin McLean Memorial Research Institute, and operated for the U.S. Energy Research and Development Administration by the University, was formally opened. The third and fourth floors are occupied by hematology and surgery patients.

The Charles Gilman Smith Hospital was opened in the fall of 1953. The adult Emergency Room facilities are located on the first floor of this building. The upper floors are occupied by general medicine and psychiatric patients.

Four major additions were made in the 1960's. In 1961 the Clarissa C. Peck Pavilion of the Chicago Home for Incurables, which provided facilities for research in, and treatment of patients with such chronic illnesses as liver ailments, diabetes and kidney dysfunction, was completed. The Ben May Laboratory for Cancer Research is also located in this building.

In June of 1961 the Goldblatt Outpatient Pavilion was opened. It joins Billings Hospital to Chicago Lying-in Hospital and is the center for appointments for the adult outpatient clinics.

The Philip D. Armour Clinical Research Building, opened in 1963, allowed expansion for research in radiology, surgery, dentistry, ophthalmology and otolaryngology.

The Silvian and Arma Wyler Children's Hospital, operated by the Home for Destitute Crippled Children, has replaced the Bobs Roberts, the Hicks and the McElwee Hospitals as the center for pediatric care and research. Opened in 1967, Wyler also houses the Joseph P. Kennedy, Jr. Mental Retardation Clinic and Research Laboratories.

The Surgery-Brain Research Pavilion, which was dedicated on Tuesday, November 15, is the newest addition to The University of Chicago Medical Center.

FREEDOM HOUSE ENDORSES RATIFICATION OF THE PANAMA CANAL TREATIES

Mr. HUMPHREY. Mr. President, last week the president of Freedom House, John P. Richardson, Jr., announced the support of that organization for ratification of the Panama Canal Treaties.

The announcement, on behalf of the board of trustees of Freedom House, is particularly significant because it is that organization's comparative survey of freedom which is cited by opponents of the treaties as a major reason for the Senate to deny our advice and consent to ratification.

The announcement noted that if the treaties were not ratified:

The immediate winners will be the communist parties of Latin America and the Caribbean, and Marxist regimes throughout the Third World.

The board of trustees also pointed out one of the most interesting dichotomies in the current debate over the treaties, noting that—

South American communists as well as North American conservatives oppose the treaties.

The board of trustees also stated:

The proclaimed U.S. concern for human rights will have been disavowed by our refusing to restore rights in the canal area to the sovereign, meaning Panama.

The board said there had been an improvement in human rights in Panama which was attributable to the national referendum on the Treaties.

Ratification, according to Freedom House would:

Also demonstrate that a major power can negotiate as an equal with a smaller nation, yield to the latter those rights which are inherently its own, and yet retain for the large power the fundamental advantages which it is in their mutual interest to reinforce.

While concern has been expressed over the state of human rights in Panama, it should be pointed out also that the record of the United States in the Canal Zone has been less than exemplary. The same comparative survey of freedom cited by opponents of the treaties, which was published in the January-February 1977 edition of "Freedom at Issue," lists the Canal Zone, which is governed by the United States, as partly free.

On a scale of one to seven, with one being the highest, the Canal Zone rates a poor five in political rights, and three in civil rights. Of all the territories and dependencies of nations around the world, only the Cocos Islands under the jurisdiction of Australia, Maco under the jurisdiction of Portugal, Easter Island and Juan Fernandez under the jurisdiction of Chile, the Canary Islands under the jurisdiction of Spain, and Namibia under the jurisdiction of South Africa, have lower overall ratings than the Canal Zone under the jurisdiction of the United States. Some 11 nations are responsible for 49 territories and dependencies. Yet, the Canal Zone rates 43d in political and civil rights.

I would say we have not really set a very good example for human and civil liberties in the Canal Zone for the nations of Central and South America to emulate.

Mr. President, I ask unanimous consent that the news release from Freedom House be printed in the RECORD.

There being no objection, the news release was ordered to be printed in the RECORD, as follows:

FREEDOM HOUSE URGES APPROVAL OF CANAL TREATIES DESPITE PANAMA'S "DEPLORABLE" HUMAN RIGHTS RECORD

NEW YORK, November 17.—John Richardson, Jr., president of Freedom House, today released a board advisory calling upon the United States Senate to ratify the Panama Canal treaties, despite "the deplorable record on human rights of the present regime in Panama." Ratification, said the human rights group, "would best protect American interests and maintain the security of the Canal."

The organization released a 1,000-word analysis and advisory on the treaties.

"This advisory was approved by the Board of Trustees of Freedom House after extensive study and review, and an overwhelmingly favorable vote," declared Mr. Richardson. "Expressing their views to their colleagues on our board were some of the principal supporters and an opponent of the treaties," said Mr. Richardson, until January an assistant secretary of state.

"Zbigniew Brzezinski, national security advisor to President Carter, on leave from our board, expressed his views to us, as did Gale McGee, U.S. ambassador to the Organization of American States. Both supported the treaties. We also received an extensive opposition memorandum from our colleague, Karl R. Bendetsen, former under secretary of the army and chairman of the Panama Canal Company, which presently controls the canal zone," Mr. Richardson added.

The advisory said that if the treaties are not ratified, "the immediate winners will be the communist parties of Latin America and the Caribbean, and Marxist regimes throughout the Third World." The cry of "Yankee imperialism" would be raised again, Freedom House predicted. It noted that "South American communists as well as North American conservatives oppose the treaties."

The organization declared that the "proclaimed U.S. concern for human rights will have been disavowed by our refusing to restore rights in the canal area to the sovereign."

Freedom House acknowledged that it is supporting the treaties despite the organization's "frequent analyses and reporting of the deplorable record on human rights of the present regime in Panama." The organization conducts year-round surveys of human rights in every country. Its latest finding reveals a "recent improvement attributable to the national referendum on the treaties." Freedom House concluded, however, that "the level of political rights and civil liberties in Panama is still low."

The advisory added that "most Panamanian governments, however, regardless of ideology or political or civil practices, have sought a new treaty with the United States." In considering ratification, the United States does not now face "a real choice," if it is "to recognize the severe losses we would almost certainly suffer from rejecting thirteen years of responsible negotiations by both Panama and the United States."

The advisory said that by ratifying the treaties "we will demonstrate that we not only support a higher world order based on the advancement of human rights and collaborative international agreements, but that we act on those moral commitments."

This action, the statement continued, would "also demonstrate that a major power can negotiate as an equal with a smaller nation, yield to the latter those rights which were inherently its own, and yet retain for the large power the fundamental advantages which it is in their mutual interest to reinforce."

The treaties, signed by President Carter and Brig. Gen. Omar Torrijos, have been approved by a national referendum in Panama but must be ratified, presumably in January, by two-thirds of the U.S. Senate.

Under the treaties, Panama would immediately share control of Canal Zone facilities and services. The U.S. would have primary responsibility to protect the Canal until the year 2000. After that, the U.S. would indefinitely have the right to defend the Canal's neutrality, with "expeditious" use of the waterway assured.

The organization maintained that the United States "is not yielding what it owns, as would be the case with Alaska or Louisiana." The government of Panama "has been the sovereign over the Canal and the surrounding zone" since 1903, said the statement.

A FREEDOM HOUSE ADVISORY IN SUPPORT OF PROMPT RATIFICATION OF THE TREATIES RELATING TO THE PANAMA CANAL

The relevant history

Since the United States built the Panama Canal in 1903 the government of Panama has been the sovereign—over the Canal and the surrounding zone. Under terms of the earlier treaty, the Canal Zone and the waterway became "territory of the Republic of Panama under the jurisdiction of the United States." The U.S. Supreme Court in 1948 described the Canal Zone as "territory over which we do not have sovereignty."

The United States, therefore, is not yielding what it owns—as would be the case with Alaska or Louisiana. Instead, this country in a mature, indeed wise decision in 1964—since renewed by three successive administrations—recognized that policies acceptable for a major power at the turn of the century were no longer defensible, morally or even militarily.

The security of the canal

The present status of the Canal increasingly has generated disapproval throughout Latin American and the Caribbean. The Canal has become the focal point of political attacks and, fourteen years ago, anti-U.S. riots which resulted in the death of 20 Panamanians and four Americans. Negotiations culminating in the present treaties began shortly thereafter, and there has been relative calm since the treaty talks opened. Some attacks on the American presence may have been exacerbated and exploited by foreign or domestic communists. Antipathy to the American presence, however, was rooted in incontrovertible facts:

1. Panamanians long resented the splitting of their country in two, and the carving out of 550 square miles on which to maintain a foreign enclave.

2. No Panamanian ever signed the 1903 treaty.

3. Under that treaty, in exercising U.S. jurisdiction in the Canal Zone, the U.S. operates the schools, courts, prisons and police force.

4. Though the tide of anti-U.S. feeling has ebbed and flowed throughout Latin America and the Caribbean, the Canal has always been a symbol of North American intrusion into the sovereignty and affairs of southern America.

By the manner in which the U.S. secured and retained control of the area, the considerable technological and medical achievements of the U.S. in constructing and operating the Canal have been overshadowed. We continue to perform a great service to the international maritime and trading communities. That service should not be diminished by anachronistic political arrangements.

For indeed the old political arrangements, continuing into this era, serve to undermine rather than bolster the security essential to the protection of the Canal.

There have been negotiated two agreements. The Panama Canal Treaty sets forth the terms for a new political relationship between Panama and the United States, and describes new operating procedures. For the remainder of this century, the U.S. shall have primary responsibility to protect and defend the Canal. After the year 2000, the second treaty—on the Permanent Neutrality and Operation of the Panama Canal—will give the U.S. the right to continue to defend indefinitely the Canal's neutrality. The treaty also guarantees U.S. warships "expeditious" use of the waterway. Neutrality of the Canal—certainly in the best interest of America and of all maritime nations—is explicitly defined in the treaty. No limit is set on the means the U.S. can use to guarantee the Canal's neutrality. We are free to interpret unilaterally when the Canal's neutrality is violated or threatened.

Will the canal function as efficiently?

The basic treaty provides for the training of Panamanian specialists and administrators. They would move into responsible positions and ultimately operate Canal installations. If both countries agree, a new sea-level canal or a third lane of locks may be constructed to expand the present facilities. Approximately $60–$70 million in revenues will be paid Panama at the onset. The proper, uninterrupted operation of the Canal is patently in Panama's national interest. Revenues from the Canal will become a mainstay of Panama's economy.

The dangers of nonratification

Without question, if the present Canal treaties are not ratified by the U.S. Senate the immediate winners will be the communist parties of Latin America and the Caribbean, and the Marxist regimes throughout the Third World. The cry of "Yankee imperialism!" will once again be raised. Curiously, South American communists as well as North American conservatives oppose the treaties. The proclaimed U.S. concern for human rights will have been disavowed by our refusing to restore rights in the Canal area to the sovereign.

We support the ratification of the treaties despite Freedom House's frequent analysis and reporting of the deplorable record on human rights of the present regime in Panama. Despite a recent improvement attributable to the national referendum on these treaties, the level of political rights and civil liberties in Panama is still low. Most Panamanian governments, however, regardless of ideology or political or civil practices, have sought a new treaty with the United States.

Does the United States face a real choice?

If we are to recognize the severe losses we would almost certainly suffer from rejecting thirteen years of responsible negotiation by both Panama and the United States, we do not now face a real choice.

The gains in ratifying the treaties promptly are, we believe, apparent:

We will demonstrate that we not only support a higher world order based on the advancement of human rights and collaborative international agreements—but that we act on those moral commitments.

We will also demonstrate that a major power can negotiate as an equal with a smaller nation, yield to the latter those rights which were inherently its own, and yet retain for the large power the fundamental advantages which it is in their mutual interest to reinforce.

Because we are convinced that these treaties would best protect American interests and maintain the security of the Canal, we warn against any Senatorial recommendations that would force the reopening of negotiations, a return to an uncertain *status quo*, and thereby fuel political and paramilitary attacks on the American presence in the Canal area.

Freedom House believes that the U.S. Senate, after full and careful study of the history of the Panama Canal, the extensive negotiating process, and the texts of the agreements already signed, should act promptly to ratify the Panama Canal treaties now before it.

THE NEW SPIRIT OF '76—AMERICA'S HORIZONS

Mr. STEVENS. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by the distinguished Senator from Indiana (Mr. LUGAR).

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

STATEMENT BY SENATOR LUGAR

I call to the attention of my colleagues a most noteworthy speech. The speech was written by Kevin Armstrong. Kevin, a 16-year-old Boy Scout from Washington, Indiana, finished first place in the national Reader's Digest—Boy Scouts of America public speaking contest. The contest involved more than 3,000 young men and women. The speech follows:

"THE NEW SPIRIT OF '76—AMERICA'S HORIZONS"

It was early Autumn of 1787, in the City of Philadelphia, Pennsylvania. A man by the name of Benjamin Franklin was completing his strenuous day's work at the Constitutional Convention, when he was approached by an aging woman. "Mr. Franklin," she energetically asked, "what kind of a government have you given us?"

Mr. Franklin's reply was short, yet it carried a strong message. "A republic, Madam—if you can keep it."

Perhaps that is a question we today should ask ourselves. Nearly 190 years later, how have we kept that republic? During this great nation's first 200 years, we have been involved in a civil war where brother fought against brother. Our ancestors have participated in two world wars; where they fought, they died, and they stayed until it was over—over there. In each of these wars and numerous other conflicts, there has been a unique spirit which has aided us in struggling through them. Some call it a "New Spirit of '76," and I disagree. I believe it is the original Spirit of '76, used by our ancestors. The only difference is that, during these tragic times, and even in times of despair such as the recent Watergate Era, that spirit has been revitalized and restructured to fit the present day needs.

Now as we stand at the threshold of a new era of peace, we ourselves must use this peace—to renew the spirit, as we enter into America's third century. It seems that all too often we hear of those who wish only to find the wrong in America, those who are skeptical about America's future. But I can guarantee you that there are many Americans who are willing to work to continue to make this country the most generous, the most creative, and probably the most responsible country in the world. Why, you might ask? Because they realize that America is in her adolescent stage, and, just as a child, she needs help as she grows old. I can only hope that there will be many more leaders like them as America matures.

A few moments ago I used a four-letter word which makes some people tremble when they hear it—that word, "work." But we must remember, America was built by work, not by shrugging responsibility and taking the attitude that "I'll just let the other guy take care of that." America was built by people, not by welfare. We, today, must give of ourselves in return for all of the great opportunities which we have received because, in doing so, we can renew the faith in our government and in our leaders, as well as become a beacon of hope to other lands.

Yes, we have come a long way, and we have even farther to go, for horizons are endless. As we look back to that early morning of July 4, 1776, when that fierce storm ended, when the sky cleared, and when a new day of freedom dawned—have not been fulfilled—yet, but they can be. And I believe that they will be if we will only accept the challenge.

There's an anecdote told of an aged tribal chieftain, who was going to give his daughter's hand in marriage to any young brave who could deceive him. One such brave came to the chief with a bird in his hand. He said, "Sir, is this bird dead or alive?" For he knew if the nearly blind man said that it was dead, he would open his hands and let it fly away. And if he said it was alive, he would crush it, until it was dead. The old man pondered a moment, and then he simply replied, "Son, its future is in your hands." So let us remember those words—as we blaze the trail for generations to come—as we strive to maintain that great republic which Benjamin Franklin spoke of. America's future is in our hands.

S. 2227 AND THE NEED TO DEFER CARRYOVER BASIS FOR 2 YEARS

Mr. HARRY F. BYRD, JR. Mr. President, I would like to bring S. 2227 to the Senate's attention.

S. 2227 would defer for 2 years, from December 31, 1976, to December 31, 1978, the carryover basis provisions of the 1976 Tax Reform Act.

Many of my colleagues, I am sure, may

not now realize the far-reaching ramifications of carryover basis.

Carryover basis operates so that the property of a decedent retains its original cost basis when it is passed to the decedent's heirs, a dramatic departure from pre-1976 law whereby the basis of property acquired by a person was stepped-up to its fair market value at the individual's date of death.

My colleagues in the Senate have a good reason to be unfamiliar with the carryover basis concept as it was never considered by the Senate or the Senate Finance Committee. Instead, carryover basis was added to the 1976 tax bill during the conference between the House and Senate.

Thus, there were no hearings on this far-reaching change in the tax law.

In 1976, the Senate concentrated upon revisions in the estate tax law to assist farmers and small businesses, the very people who now are being hurt by carryover basis.

There was nothing in the Senate bill having to do with carryover basis, nor was carryover basis a part of the initial House bill which was sent to the Senate. This far-reaching concept was drafted by a conference committee and sent back to both the House and Senate as part of the overall conference report.

S. 2227 is designed to provide the Senate an opportunity, for the first time, to look at carryover basis.

Such a review is desperately needed.

First, a review of this nature would let the Senate decide whether or not it wishes to retain carryover basis. Carryover basis creates severe liquidity problems for small businesses and farm and place a tremendous recordkeeping burden upon taxpayers.

Carryover basis adds an additional level of complexity and additional administrative burdens to tax laws which are already complex and difficult to administer. The cost to taxpayers is not just in terms of tax dollars which must be paid but also professional fees and recordkeeping costs necessary to comply with the law. These costs and problems will continue as long as carryover basis stays in the law.

Second, even if carryover basis is to be retained as part of our tax law, the current law is totally unworkable and needs extensive revisions to be both fair and capable of being administered.

One example of the current unfairness of the present carryover basis law is the so-called fresh start adjustment.

The effect of the fresh start adjustment is to discriminate against assets which are not marketable and do not have a readily ascertainable fair market value as of December 31, 1976. Because these nonmarketable assets must apply the fresh start formula, which prorates the appreciation in an asset over the life of the asset, the basis as of December 31, 1976, for these assets is constantly declining the longer the taxpayer owns an asset. A taxpayer is caught in the situation that the longer he lives the lower will be his cost basis for pre-1976 assets and the higher will be his tax.

The law is also currently unworkable because of the severe recordkeeping problems which it presents. Persons who had no notice that records would be required now must search for basis information for assets which were acquired many years in the past, when the old law did not require such information.

Furthermore, the person who owned the assets is dead. This means that relatives, friends, and lawyers and accountants must try to reconstruct the decedent's personal financial history. This includes not only investment assets but also antiques and other household effects which may have appreciated over time.

Third, the effective date of carryover basis should be deferred and S. 2227 quickly enacted because any attempt to make carryover basis workable will require time, study, and deliberation.

One step toward eliminating some of the practical problems associated with carryover basis today is to bring all assets purchased before December 31, 1976, under the old law. The so-called "grandfathering" of pre-1977 assets would eliminate some of the recordkeeping problems and complexity of the current law.

It would be a true "fresh-start" for taxpayers who would be on notice that they must keep detailed records of financial affairs and would eliminate the present discrimination against persons who hold assets which do not have an easily ascertainable market value. The idea of grandfathering pre-1977 assets, is just one of many approaches that need to be explored to attempt to make carryover basis more workable.

To do so, is a very complex matter and S. 2227 will permit the Senate the time necessary to look closely at proposed revisions in the current law.

A final point which can be made in support of S. 2227 is that the revenue loss associated with deferring the effective date of carryover basis from 1976 to 1978 will be negligible according to estimates by the Joint Committee on Taxation. No great revenue loss will be associated with deferring carryover basis.

I might also add that carryover basis does not appear to be a measure designed to raise revenues in the near future. Joint Tax Committee estimates show that in 1979 only $36 million will be raised through the carryover basis tax. In 1980, the revenues are $93 million, and in 1981, $162 million. It seems for this relatively small amount of revenue, the cost to the taxpayer in terms of recordkeeping and professional fees is not justified.

I emphasize again that this very fundamental change in the tax laws was done without committee hearings or Senate consideration.

The following organizations have urged repeal of the carryover basis provision of the tax laws:

GROUPS OPPOSED TO CARRYOVER BASIS

American Institute of Certified Public Accountants.
American Bankers Association.
American College of Probate Counsel.
American Farm Bureau Federation.
American National Cattlemen's Association.
Forest Industries Committee on Timber Valuation and Taxation.
National Livestock Tax Committee, American Cattlemen's Association.
National Livestock Feeders' Association.
National Wool Growers Association.
Pennsylvania Bankers Association.
Iowa State Bar Association.
National Realty Committee.
International Council of Shopping Centers.
National Association of Realtors.
American Bar Association.
Colorado Bar Association, Taxation Section.
The Authors League of America.

This list does not include individuals, banks, and other corporations who have expressed a desire for repeal of carryover basis.

WELFARE ABUSE BY ALIENS

Mr. PERCY. Mr. President, I recently received a report which I had requested from the U.S. General Accounting Office (GAO) showing that abuses of the Nation's welfare system by aliens cost taxpayers as much as $72 million a year in five States alone.

The report shows that over three-fifths of all aliens who collect payments under one of the major Federal welfare programs—supplmental security income (SSI)—do so within 1 year of entering the United States, even though entry nominally requires that aliens not become public charges.

Highlights of the report include the following:

Of aliens who collect welfare under the SSI program an estimated 8 percent enroll within 30 days of arrival in this country, 41 percent enroll within 6 months of arrival, and 63 percent enroll before residing in this country for one year. All totalled, 96 percent of those who enroll do so within 3 years of arrival.

Of all aliens over 65 entering this country between July 1, 1972, and June 30, 1975, one out of three was collecting welfare payments under the SSI program by the end of 1976.

In a five-state breakdown of the SSI program alone:

In California, 12,027 aliens collect a total of $31.6 million annually under the program.

In Florida, 12,342 aliens collect $19.5 million annually.

In Illinois, 2,980 aliens collect $4.5 million annually.

In New York, 6,444 aliens receive $11.3 million annually.

In New Jersey, 3,718 aliens receive $5.4 million annually.

In these five states alone, over 37,000 aliens collect SSI welfare payments of $72.3 million annually.

Experts agree that nearly all of these aliens qualify because of age or previous disability, not because of disabilities sustained in this country.

These estimates resulted from a 6-month study of the SSI program which I requested in April. It was conducted by General Accounting Office with assistance from the Immigration and Naturalization Service in the Department of Justice and the Social Security Administration in the Department of Health, Education, and Welfare. GAO experts analyzed over 23,000 individual cases and then used sophisticated statistical techniques to arrive at overall estimates. Mr. President, I ask unanimous consent that the letter report be printed in the RECORD at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. PERCY. Mr. President, these dollar figures are probably low, because they do not include medicaid payments Enrolling for SSI generally makes an alien automatically eligible for medicaid.

SSI is a Federal-State welfare program which distributes over $6.4 billion annually. The program provides payments for low-income persons who are aged, blind, or disabled. Individuals are eligible for payments of up to $177.80 monthly. Current law permits aliens legally admitted for permanent residence to begin collecting SSI 30 days after arriving in the United States if they otherwise qualify.

The American taxpayer simply cannot be expected automatically to support persons who have never contributed significantly to the American economy. The abuses by some aliens and their sponsors reflect badly on the overwhelming majority of aliens who add so very much to our society and seek nothing more than the opportunity to become U.S. citizens.

Many aliens apply for welfare at the urging of their American sponsors who are often relatives and intend to use welfare payments as part of the family income.

As revealed earlier this year in a CBS–TV "60 Minutes" exposé, sponsors often openly admit to signing an affidavit of support for an alien while intending to enroll the alien for welfare soon after arrival.

In one case, a New York City psychiatrist signed an affidavit promising to support her elderly mother if admitted into the United States. Six months after obtaining permanent resident status, the mother applied for $154 a month in assistance from the New York City Department of Social Services, because she said her daughter could no longer support her.

When H.R. 7200, the Public Assistance Amendments of 1977, reaches the Senate floor for consideration, I will propose changes to correct abuses of the SSI program by aliens. These will include a 3- to 5-year residency requirement for SSI eligibility and a requirement to make sponsors' affidavits of support legally enforceable. It is time to place the responsibility for an alien's support squarely on the shoulders of the person who promises support—the alien's sponsor—not the American taxpayer.

Mr. President, I ask unanimous consent that a summary of the advantages and disadvantages of various solutions to this problem be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

ADVANTAGES AND DISADVANTAGES OF THE FOUR PRINCIPAL METHODS OF REGULATING ALIEN ELIGIBILITY FOR SSI

I. IMPUTING SPONSORS' INCOME AND RESOURCES TO ALIENS

Advantage

Aliens will not receive SSI payments or will have their SSI payment reduced when the sponsor has sufficient income to support the alien.

Disadvantages

1. This alternative only covers the SSI program and does not address Medicaid, AFDC, and State and local public assistance programs.

2. Administrative difficulties may arise in attempting to determine the sponsor's available income and resources.

3. This plan has the potential for leaving some legally admitted aliens with no means of support: they would be ineligible for SSI and yet have no legal recourse for enforcing the sponsor's affidavit of support.

4. The assistance burden may be shifted to States which do not impute a sponsor's income.

5. This alternative enforces immigration law regarding public assistance through the Social Security Act.

II. REDEFINING "PUBLIC CHARGE" IN THE IMMIGRATION AND NATIONALITY ACT TO INCLUDE PERSONS RECEIVING PUBLIC ASSISTANCE, THUS QUALIFYING THEM FOR DEPORTATION

Advantages

1. All assistance programs, State and Federal will be covered.

2. The burden of assistance will not be shifted to the States and local governments.

3. Immigration policy will be enforced through the Immigration and Nationality Act and not through the Social Security Act.

4. Aliens will be reluctant to abuse the various assistance programs because the Immigration and Nationality Act subjects them to deportation for becoming public charges.

Disadvantages

1. The financial integrity of the SSI program would not be as well protected as under the residency alternative because newly arrived aliens would receive some assistance before the Immigration and Naturalization Service could take appropriate action under the Immigration and Nationality Act. (Note: A redefinition of "public charge" combined with a residency requirement would eliminate this disadvantage.)

2. Deportation may be too extreme as an across-the-board remedy.

III. SSI RESIDENCY REQUIREMENT FOR NONCITIZENS

Advantages

1. This is the most straightforward alternative for ensuring that aliens will not receive SSI shortly after arriving.

2. It is the easiest approach to administer.

Disadvantages

1. This alternative only covers the SSI program. It does not cover AFDC, Medicaid, or State and local public assistance programs.

2. The burden of public assistance for newly arrived aliens might be shifted to the States which are prohibited from establishing residency requirements.

IV. MAKING THE SPONSOR'S AFFIDAVIT OF SUPPORT LEGALLY ENFORCEABLE

Advantages

1. The sponsor would be contractually obligated to support aliens.

2. Sponsors would only agree to support aliens to the extent of their available resources.

3. State and local assistance programs could recover from the sponsor benefits provided to the alien.

4. In many cases, the Immigration and Naturalization Service will be able to avoid the deportation of aliens and its concomitant expense and ill will.

Disadvantages

1. The Immigration and Naturalization Service and the State Department will have to more closely certify the affidavit of support when it is prepared to ensure that, if a claim against the sponsor becomes necessary, the sponsor will have sufficient resources to satisfy the claim.

2. Difficulties may arise in determining responsibility and administering penalties for failure to meet obligations pursuant to the affidavit of support. However, these difficulties should not be greater than those of any other civil contract.

EXHIBIT 1

U.S. GENERAL ACCOUNTING OFFICE,
Washington, D.C., November 1, 1977.

Hon. CHARLES H. PERCY,
U.S. Senate.

DEAR SENATOR PERCY: Enclosed are statistics we developed in conjunction with your April 20, 1977, request concerning aliens that receive Supplemental Security Income benefits before they have been in the United States 5 years (newly arrived aliens).

A staff member on the Permanent Subcommittee on Investigations, Senate Committee on Governmental Affairs, asked that we provide you this information at this time for assessing H.R. 7200 provisions concerning aliens. Should you have any questions concerning the enclosed material, please call Mr. Michael Zimmerman of my staff on 301–594–4025.

Our report in response to your April 20, 1977, request will be issued in the near future.

Sincerely yours,

GREGORY J. AHART,
Director.

Enclosure.

ESTIMATED NUMBER OF NEWLY ARRIVED ALIENS RECEIVING SUPPLEMENTAL SECURITY INCOME AND ESTIMATED AMOUNT OF BENEFITS PAID ANNUALLY

[In millions of dollars]

State [1]	Estimated number of newly arrived aliens receiving SSI	Estimated amount paid annually to newly arrived aliens
California	12,027	$31.6
Florida	12,342	19.5
Illinois	2,980	4.5
New Jersey	3,718	5.4
New York	6,444	11.3
	[2] 37,511	[2] 72.3

[1] We estimate that about 4,450 newly arrived aliens were receiving SSI in 20 other States. However, for these States, our sample was not large enough to provide statistically reliable data by State.

[2] At our request, SSA assisted us in identifying aliens in its SSI quality assurance files for the period July 1 through December 31, 1976. These files represent a statistical sample of about 23,000 SSI recipients selected randomly from about 4.2 million recipients receiving benefits during this period. On the basis of this data and other information obtained, we estimate that our statistics on the total number of newly arrived aliens receiving SSI is accurate within plus or minus 6,787 and that the total amount of benefits paid aliens during this period is accurate within plus or minus $14.9 million at the 95 percent level of confidence. The estimated amount paid annually to newly arrived aliens includes Federal Supplemental Security Income benefits and federally administered State supplementation.

ESTIMATED NUMBER OF ALIENS RECEIVING SSI ACCORDING TO LENGTH OF TIME BETWEEN ENTRY INTO THE UNITED STATES AND APPLICATION FOR SSI [1]

Length of time	Estimated number of aliens receiving SSI between July 1 and Dec. 31, 1976	Percent of total	Cumulative percent of total
Less than 1 mo	3,035	8	8
1 to 6 mo	12,399	33	41
6 mo to 1 yr	8,169	22	63
1 to 3 yr	12,409	33	96
3 to 5 yr	1,499	4	100
Total	37,511	100	

[1] These estimates are based on aliens receiving SSI benefits in California, Florida, Illinois, New Jersey, and New York. We have not determined the statistical reliability of these estimates.

COMPARISON OF NEWLY ARRIVED AGED ALIENS OVER 65 WHEN THEY ENTERED THE UNITED STATES WITH NATIONAL ESTIMATE OF THESE ALIENS RECEIVING SSI BETWEEN JULY 1 AND DEC. 31, 1976

Entry date [1]	Aged aliens who entered the United States [2]	Estimated number receiving SSI [3]	Percentage receiving SSI
July 1, 1972, to June 30, 1973	11,228	3,323	29.6
July 1, 1973, to June 30, 1974	11,042	5,025	45.5
July 1, 1974, to June 30, 1975	12,051	3,451	28.6
Total	34,321	11,799	

[1] The information to make this analysis was only available for these periods.
[2] Based on 1975 annual report, "Immigration and Naturalization Service," p. 53.
[3] We have not determined the statistical reliability of these estimates.

INTERNATIONAL TRADE AND AGRICULTURE

Mr. HUMPHREY. Mr. President, the importance of agriculture to our international trade is widely appreciated by the Members of this Chamber. In this year, our exports will total $24 billion, a volume that has brought strength to the dollar and has improved the position of the United States in international markets. Our agricultural exports have expanded dramatically in the past 5 years, a performance that has been made possible by a liberalization of trade policy and by some very hard work by both the private and public members of the American agricultural community.

Many people interested in agriculture are beginning to look to the future, to wonder where future trading gains may be made. I personally believe that we can improve our trade with the nonmarket economies and have introduced legislation which would remove some of our self-imposed restrictions on trade with that particular group. There is considerable support for this approach, which I intend to pursue in the next session of Congress.

Regardless of the locale of potential trade, there is concern that we need to expand our trade. As a general rule, we have expected that our agricultural exports would offset the cost of our oil imports. Given the possibility that our demand for foreign oil is likely to increase as our domestic supplies diminish, we will have to gain added exports wherever possible to offset this increasing expense. If we are unable to properly finance these imports, the dollar will have serious problems in international money markets, with a corresponding decline in the role of America in the world economy.

Mr. President, as the members of this chamber think about future prospects for agriculture in international trade, they might choose to read a speech given recently by Thomas R. Saylor, Associate Administrator of the Foreign Agricultural Service at the Department of Agriculture. This speech, which Mr. Saylor gave at the Department's 1977 Food and Agriculture Outlook Conference on November 15, contains some very thoughtful comments on trade policy matters.

Mr. President, I would like to share a portion of Mr. Saylor's comments with the members of this body. Therefore, I ask unanimous consent that a portion of Mr. Saylor's speech be printed in the RECORD.

There being no objection, the comments were ordered to be printed in the RECORD, as follows:

SELECTED COMMENTS

What it all adds up to is that for the first time in eight years, U.S. agricultural exports are not expected to show a value increase.

Despite the prospects of a slight decline, we still are expecting U.S. agricultural exports of more than $20 billion for the fifth straight year. And to put this future into a longer term perspective, I should remind you that this is a level over three times greater than the average of the 1960's.

Most of us are familiar with the history of that dramatic growth: rising world income, crop shortfalls, devaluation and other factors that triggered an upsurge in export demand to which U.S. farmers responded quickly.

There is more to the story, however—an aspect we tend to overlook. It is that the sharp growth in the seventies came from a solid foreign-marketing base laid in the 1960's. There was market development work, begun in the fifties; there was a shift toward export marketing in U.S. farm program pricing policies; there were major trade negotiations, including the achievement of a zero-duty binding on soybeans to the European Community, and there was the growth of U.S. agriculture's reputation as a dependable supplier.

Those elements remain largely intact as we stand on what appears to be a plateau in export growth. The question as we move into the final two years of the hectic 1970's is how best to use these resources to build for new growth under new conditions.

Things have changed in international agricultural trade since the 1960's. Competition has increased, particularly in oilseeds. The European Community continues as our traditional and most important market, but its relative importance has declined as other markets have emerged. While U.S. agricultural exports to the Community were going up by 2.7 times from 1970–72 to 1976, to $6.4 billion, exports to the rest of the world went up even faster—by 3.3 times, to $15.8 billion.

Japan, for example, crossed the billion-dollar mark as a U.S. agricultural customer in 1970, and last year bought more than $3.5 billion worth as our most important single country market. West Germany and the Netherlands, traditionally near the top, were second and third last year, but the fourth largest market was the Soviet Union, an indication of the increasing role played by the centrally-planned economies in U.S. agricultural export trade.

Between 1970 and 1976 the share of U.S. agricultural trade represented by these nations grew from 2.5 percent to 10.5 percent, on a value basis.

The value of U.S. exports to the developing countries has grown by about three times since 1970, but the most significant thing about these shipments is the change in the mix from concessional to commercial sales.

Export commodity components also have been changing. Growth has been most rapid for feed grains and soybeans—products that support the production of livestock products. There have been notable gains in fresh fruits and other higher cost food items. But the center of this growth has been shifting from Western Europe to Japan, and, for feed grains, to the USSR, Eastern Europe, and, to some extent, to the higher income developing countries such as South Korea and the Republic of China on Taiwan.

Wheat trade patterns also are changing. Wheat trade to the developed countries has grown little in the seventies, but the demand for wheat in the developing world is growing. Since 1974, more than one-half of world wheat imports have been by developing countries, and recent studies project their food grain import needs to be possibly double the 30 to 45 million tons of 1970–75 by 1985.

The People's Republic of China also appears to be emerging as a regular buyer of large amounts of wheat. You will recall that we sold the Chinese 5.1 million tons of wheat in 1972–74. Then they quit buying from us, but not from others. It is expected that they will import at least 9 million metric tons this year—from Canada, Australia and Argentina.

What all this suggests to me is that U.S. export strategies for the future must be based on where we can sell a commodity as well as how we can sell it. It suggests that economic development programs in poorer countries can be as important as sales promotion campaigns among the prosperous, that credit facilities and most favored nation treatment can be as potent as the shrewdest trade negotiator in laying the base for solid, sustained growth in U.S. agricultural exports.

It suggests a total approach to U.S. market development that takes account of the three distinct markets that have emerged during the hectic period of the 1970's. There are the developing countries, in which poverty keeps the lid on effective demand from a huge and rising reservoir of food needs. Then there are the centrally planned economies, where States have decreed more meat, milk and eggs for the people, but foreign exchange and weather are the keys to how fast and how far the increases will go. Finally, there are the developed countries, where import barriers imposed largely to support domestic agricultural programs serve to restrain the demand for higher-priced foods resulting from the economic growth of the sixties and the early seventies.

The task of export expansion is to put together an approach adapted to each of these markets and to do so with the objective of tapping the demonstrated long-term potential in each.

Perhaps it seemed appropriate for the times, but I think the United States in the past has focused too hard on immediate problems in agricultural trade—the ad hoc "quick fixes" that spawned embargoes, trade, wars, and other aberrations from which nobody gained. In this regard, the problems of steel, shoes and TV sets are, in part, the problems of American agriculture, for the means by which the problems are resolved have profound implications for our own ability to keep export channels open and to seek expanded markets.

However our focus should be on the very evident future growth of world demand for agricultural products and on ensuring our share of that growth.

I do not think it is an overstatement to suggest that we have reached a watershed in U.S. trade policy. The sluggish world economy as well as long-term structured developments in that economy have given rise to a new pattern of protectionism. And in such a context, we must be cautious that the policies we take do not contribute to the weakening of the GATT framework within which world trade has expanded over the past several decades.

It is easy to find actions on the part of other countries to expand their trade position in contravention of established trade rules. We must resist the tendency to emulate such actions both for the interest of our economy and the expansion of world trade. Otherwise we may contribute to a snowballing effect where the structure, imperfect as it may be, for the orderly expansion of trade is replaced by efforts of nations to maximize short term gain regardless of the long-term effects.

A good case in point is the export subsidy. Through sustained efforts, we have been able to limit its use against our own exports to third markets. But in periods of oversupply we continue to feel domestic pressures to return to such subsidies ourselves. Yet while a subsidy might provide some cosmetic relief, we have not been able to develop evidence

that the subsidy can be effectively used to preserve market share over any sustained period. Rather, the only effect we can be sure of is that a subsidy will result in a loss of income on the part of all producing countries.

I think it would also be appropriate at this point to discuss the question of bilateral trade agreements. The Soviet grains agreement has been useful in regularizing our grain trade with the USSR and in providing an avenue of communication with the Soviet Union on their import requirements. However, we should recognize that even in the area of information-sharing gains are going to be of an incremental nature. We feel that the Soviets understand that improved sharing of information is as important to them as it is to us. I believe they recognize that extremely disruptive buying patterns could lead to further restrictions on their access to our markets. But I would also hope that this agreement, which was shaped in a time of tight supply, does not become a restriction, in itself, on regular and expanded trade with the Soviet Union.

The case of the Soviet Union is somewhat exceptional. It is one of an open system selling to a closed system and a system which accounts for the major share of variability in world grain trade. I do not, however, see bilateral trade agreements and greater structuring of world trade replacing the basic principles of trade which have guided its expansion over the past forty years.

We have entered into informal agreements with a few other countries but more structured agreements would not be in the interest of our own export trade over the longer term. To structure that pattern of world trade, in our view would not only inhibit agricultural adjustment which might be in our interest but would contribute to greater instability of world markets.

The race for supply/purchase agreements can be expected to be limited by the size of the market in an average year. That means there will be a residual market which is subject to accentuated supply and demand pressures. We feel, therefore, that to enourage the modification of such agreements to structure trade is a risky strategy and one which would undermine the basis upon which we have enjoyed greatly expanded trade through our comparative advantage.

The Department has launched a course of action to implement this policy of stable, sustainable growth in agricultural exports through its market development programs and international negotiations.

As in the case of market development in general, trade negotiations require long term strategies. We must look to realistic growth potential before spending negotiating chips.

The economic climate for the current round of trade negotiations is not very favorable, but the negotiations must show progress in the rationalization of trade. The alternative is an acceleration of the current tendency to try to solve short-term economic stress and chronic productivity problems with trade restraints.

We have tabled a tariff plan for industrial goods—a tariff formula that is intended to be indicative for reductions in agriculture. We have tabled our trade requests of other countries. Proposed codes on subsidies and other trading mechanisms are to be tabled December 15, and offers in response to requests are to go down January 15. Then the hard negotiating can begin

As to our objectives in the MTN, a top priority, certainly, is to preserve our existing rights in the major markets.

And we will continue to press hard for improved access to markets. But we will do so more selectively. In the context of market potential as well as current buying power, and in terms of what is possible as well as what is desirable. Each chip shoved on the table will be weighed for its contribution to the primary objective of enhancing the long-term global opportunities for stable, sustained U.S. agricultural export growth.

As one aspect of the search for this objective, the United States is participating in discussions regarding the negotiation of an agreement to replace the current International Wheat Agreement. In October, the United States tabled a specific proposal which would provide for greater security of world food supplies, moderation of extreme price fluctuations, the expansion of international trade in wheat, and assured food aid to developing countries.

While a general consensus seems to be emerging among participating countries along the lines of the U.S. proposal, there continue to be some differences of view as to how the stabilization of wheat prices is to be achieved. The next step is a meeting of the Council itself November 29 to December 2 to review the work of the last two preparatory Group meetings. It is likely that a drafting group will meet in early December to revise the Secretariat's draft. Then a special Council session may be called in early January to consider that draft and decide whether to convene a negotiating conference in mid-February.

The U.S. view continues to be that an effective wheat Agreement is needed to reduce the wide price swings that have disrupted world markets repeatedly since 1972.

We will not, however, accept an agreement which would require an alteration of our marketing system. We will not accept a pricing system which would make our grains less competitive in the world market. In other words, any wheat agreement that we become a party to must permit our markets to function—so that efficient producers have an opportunity to compete in a world market not bound within rigid price limits.

The United States took an active role in negotiation of the International Sugar Agreement, to become provisionally effective January 1. We believe the Agreement will contribute to long-term solution to a very troublesome world sugar instability.

World demand for agricultural products is growing, and it will continue to grow. It will grow in different ways for different commodities, and at different rates. The challenge in export expansion is to encourage the fulfillment of that demand by sustainable, stable growth in world trade, and to insure that U.S. agriculture gets its share.

We must, therefore, continue to build the strongest case we can for the expansion of, not protection against, world trade.

We must make better use of the resources, public and private, to facilitate long-term growth of markets for U.S. farm commodities, not just for short-term cosmetic stimulation of trade.

And we must maintain our faith in the strength of our traditional marketing system and the principles which have encouraged orderly world trade over the past half a century.

WATERWAY USER CHARGES: THE VIEW OF THE EDITORIAL WRITERS

Mr. STEVENS. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by the distinguished Senator from New Mexico (Mr. DOMENICI), and the material attached thereto.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

STATEMENT BY SENATOR DOMENICI

Within recent weeks, a number of newspapers from throughout the Nation have carried editorials analyzing the issue of waterway user charges. The most recent one to come to my attention appeared the other day in the New York Times. The Times editorial expresses the newspaper's strong support for the Senate-passed provisions on waterway user charges.

Other newspapers that have written recent editorials on the issue include the Topeka Parsons Sun, the Houston Chronicle, the Arizona Republic, the Washington Post, the Youngstown Vindicator and the Birmingham News. Because of the significance of this broad spectrum of editorial support for legislation like my amendment No. 1460 to H.R. 8309, I have attached this material for the information of my colleagues.

[From the New York Times, Nov. 12, 1977]

A LOAD THE BARGES SHOULD CARRY

Railroads build and maintain their own tracks. Truckers pay fuel taxes and tolls to compensate government for the use of the highways. The barge industry, by contrast, pays nothing for the use of 15,000 miles of deep-channel inland waterways operated by the Federal Government at an annual cost of hundreds of millions of dollars.

The free ride is about to end, however, thanks to the Carter Administration and a strong lobbying effort by the railroads. Some charges for the use of the waterways are almost certain to be enacted by Congress; separate bills have already been passed by both houses. The remaining controversy is over how much of the Federal cost should be paid by the waterway users and how the charges should be apportioned among them. We much prefer the Senate version, which approaches the ideal of matching individual customer charges to the cost of providing their individual benefit.

The railroads have been protesting for decades that subsidies to the rapidly expanding barge industry are diverting freight traffic that would otherwise be carried by rail. According to a study by the Congressional Budget Office, about 29 percent of the cost of moving freight by barge is paid by Federal subsidies to operate dams and locks and to clear navigable channels on the nation's rivers.

The protests did not move Congress, however, until the President indicated he would veto further capital spending on the river system unless steps were taken to charge the cost to the users. So the barge users, to rescue some badly needed improvements—particularly a $400-million dam on the Mississippi at Alton, Ill.—beat a tactical but insufficient retreat. With their tacit support, the House passed a 6-cent-per-gallon tax on fuel that is purchased for use on the inland waterways.

The concession, however, was more symbolic than real. The tax would recoup only 10 to 15 percent of the cost of maintaining the waterways. It would also tax all barge traffic equally, whereas the benefits conferred by the subsidies vary greatly. This method of apportioning charges is politically as well as economically important to the industry because efforts to raise the tax as costs increase would then be resisted with equal force by barge operators on both high-cost and low-cost waterways.

An Administration plan, sponsored in the Senate by New Mexico's Peter Domenici, provides for fees whose total amount would cover all maintenance costs for existing facilities plus half the cost of new construction. They would be levied from a schedule drawn by the Department of Transportation and would in effect be tolls for every segment of the massive waterway system, with rates geared to match the costs of each segment.

This approach has the obvious virtue of further reducing the gap between Federal waterway expenditures and income. But it also has two other advantages. By making each segment nearly pay its own way, barges and railroads would be left to compete on equal footing. Where the cost of maintaining the waterways is small, barges would be virtually untaxed. Where the costs are extremely high, traffic would be diverted to rail,

perhaps even allowing the Federal Government to shut down expensive locks and dams. And the law would force barge operators to think carefully before proposing additional river improvements.

A workable system of user charges would be just one step in re-establishing a free market in the overregulated transportation industry. Congress might then be persuaded to ignore the pleadings of other special economic interests. And that would be significant indeed.

[From the Topeka (Kans.) Parsons Sun, Oct. 15, 1977]

PLACE TO START

A new chapter is on the way in federal water policy, one that is long overdue.

The U.S. House this week approved a bill levying a fuel tax on commercial users of inland waterways.

The Senate earlier passed its own version. The two houses are in agreement on principle. They should be able to resolve their differences.

Enactment of this legislation, urged by President Carter, will mark the first time in history that barge users eventually will pay 100 per cent of the annual costs of operation and maintenance of federal waterways.

The water crowd has ridden free all these years. Barge operators, some of the biggest owned by large corporations, have enjoyed a handsome subsidy from the taxpayers and got by without paying a cent.

There really is nothing novel about user fees except that the water lobby has successfully resisted them for many years.

Rep. Joe Skubitz, the 5th District congressman from Kansas, told the House during the climactic debate that "we've had 19 studies over the years on this issue and presidents back to Franklin D. Roosevelt have recommended user fees."

The clock clearly has struck for user fees and now it is time to follow up with added fees for big trucks that regularly punish highways.

Railroads pay their own way with taxes on rights of way which they also own. Competing forms of transportation should be placed on an equal footing. Inland waterways in which billions of tax dollars have been invested were the place to start.

[From the Houston Chronicle, Aug. 18, 1977]

WATERWAY USER FEE WOULD BE ONLY FAIR

Every president since Franklin D. Roosevelt has recommended that those who use the nation's inland waterway system help pay for that system.

And just as traditionally, that proposal has made no headway in Congress.

The barge industry therefore gets a free ride on the nation's waterways. Those canals and locks and dams were built with public funds at a cost of more than $4 billion. In the current year, about $400 million is being spent to build, operate and maintain the waterway network. It seems only fair that those who profit from using this system pay a share of the costs.

A new effort is being made in Congress by those who agree user fees are appropriate. In the Senate, a user fee requirement was attached to a bill that authorizes the replacement of Locks and Dam 26 on the Mississippi River at an estimated cost of $421 million. The amendment orders the transportation secretary to develop a plan for user charges that would recover 50 per cent of the cost of building navigation aids, such as locks, and 100 per cent of the federal cost of operating and maintaining inland waterways. The fees would be phased in over a 10-year period.

The linking of these two factors—the new construction and the user fee—served to win Senate passage after some rather bitter debate. Transportation Secretary Brock Adams says that unless a user fee along the lines proposed is approved, he will recommend a presidential veto of the entire package.

Those opposing a user fee sought to delay by calling for a study. That suggestion flies in the face of the fact that there have been 14 such studies since 1970.

In the House, a committee has come up with the compromise suggestion of a fuel tax on barge operators. The administration opposes this plan, saying it would produce only 10 per cent of the total sought.

The House committee action was a breakthrough, however, in that it indicates some form of user charge may make its way through Congress this session.

The barge industry has been the only major transportation mode that doesn't pay for maintenance of its rights of way.

It has long been an established economic rule that there is no such thing as a free lunch. It's only logical that there also be no free ride.

[From the Arizona Republic, Aug. 10, 1977]

NO MORE FREE RIDE

The barges that ply the nation's inland waterways have been getting a free ride for years, but they won't much longer.

Congress has finally decided to make the barge companies pay a user charge, as eight successive presidents have urged.

The only question that still must be decided is: How much?

The Senate has passed a bill directing the Department of Transportation to devise a system of tolls and fees that would be increased gradually until they were high enough to cover part of the cost of constructing the facilities the barge companies use, as well as the cost of maintaining them.

The underlying premise of the Senate bill is that, if the barge companies have to pay for what they use, they won't keep putting heat on Congress to expand and improve the waterways.

The House Ways and Means Committee has another idea, but not, we think, a better one. It has voted out a bill that would impose a tax of 6 cents a gallon on the diesel fuel the barges use.

The rationale for this is that it's the way trucking companies help finance the interstate highway system.

This is true but irrelevant. The 6 cents a gallon tax wouldn't begin to finance the maintenance of the facilities, no less part of the cost of constructing them. It would take a 40 cents a gallon tax for that.

This means the pressure for more locks and dams would continue unabated.

Naturally, the barge companies prefer the Ways and Means Committee bill. And it's not quite a coincidence that Rep. Al Ullman, chairman of the committee, comes from a district bordering the Columbia River in Oregon, where the companies do a roaring business hauling farm products.

The best that can be said for the Ways and Means Committee bill is that it would at last require the barge companies to pay something, however little, for what they have been getting free of charge.

[From the Washington Post, July 30, 1977]

TOLL THAT BARGE

It now appears that Congress, at long last, is going to impose a user charge on the barges that ply the inland waterways. Even the barge companies, after fighting the idea for more than 35 years, seem reconciled to the fact that the votes needed to pass the legislation are there. So it is not surprising that the struggle has shifted to the question of what kind of charges there will be.

The bill passed by the Senate two months ago seems to us to have been on the right track. It would direct the Department of Transportation to devise a system of tolls and fees for the use of the waterways. They would increase gradually until they were high enough to pay some of the costs of constructing the facilities the barge companies use as well as paying for the maintenance and operation of the system. This bill rested on two important premises. One was that the charges paid by each barge company should be related to the cost of supplying the particular facilities it happened to use. The other was that the constant pressure for expansion and improvement of the waterways would be reduced if part of the construction costs came out of the pockets of those who now apply most of that pressure.

Unfortunately, the House Ways and Means Committee has now abandoned both of the ideas that lay behind the Senate bill. Its version of the barge bill would simply impose a tax of 6 cents a gallon on the diesel fuel used on the waterways. While this approach does spread across the barge industry the burden of paying for the waterways, it eliminates the idea that each company should pay part of the costs of the facilities it uses. Instead, each company's payments would be based on its fuel usage. Much of the barge industry finds the tax more palatable than the toll arrangement, particularly the part that uses the Columbia River and transports farm products out of the congressional district represented by Al Ullman, the Ways and Means Committee chairman.

While there may be some merit in the tax approach adopted by the House committee—trucking companies pay their share of the interstate highway system that way—the level at which the tax was set destroys the rest of the rationale underlying the Senate version. At 6 cents a gallon—and the House committee gave no indication it expected that rate to increase—the revenue generated will never cover the government's maintenance and operating costs, let alone begin to pay part of the costs of construction. Indeed, the estimates are that the fuel tax would have to reach 40 cents a gallon to match the eventual tolls proposed by the Senate. That means the pressure for more locks and dams will continue unabated, since the construction of them would bear no relationship to the user charges paid by the barge companies. We would prefer the Senate's approach, while conceding that the House version is better than nothing—which is all that Congress has been willing to do in the past for the eight Presidents who asked for user charges of this kind.

[From the Youngstown Vindicator, July 27, 1977]

INLAND WATERWAY SUBSIDY

One of the big post-war public works projects was Oklahoma Senator Robert Kerr's "big ditch," which turned Tulsa and Oklahoma City into seaports connected to the Gulf by the Arkansas and Mississippi rivers. This brought the Middle West the advantage of tax-paid freight transportation costs previously limited to other inland waterways. Barge lines operating on the heavily subsidized waterways have had a free ride for more than 150 years, with the taxpayers footing the bill for building new dams, locks and other facilities and maintaining the 25,000-mile inland waterway system. In contrast, the St. Lawrence Seaway isn't classed as an inland waterway and does not benefit.

This year the Senate made history with a 71-to-20 vote to impose user fees on the freight handlers and barge lines which would cover the cost of maintenance and operation of the system. The cost of building new facilities and canals would eventually be added to the proposed fee schedule.

Whether user charges have a chance of becoming law is doubtful, since they are opposed by vested interests, including the oil companies and the states all along the Mississippi, Missouri and Ohio rivers which have a stake in the barge lines. They have been

proposed unsuccessfully for at least 40 years by an unbroken line of presidents who felt that the barge owners should at least pay for maintenance costs. This industry is the only major form of transportation which does not contribute to federal maintenance, a form of discrimination worth millions to the owners and states along the way. The Senate Environment and Public Works Committee estimates that $8 billion has been spent on the system through the years. Another $3.4 billion is scheduled for facilities already authorized but not yet built.

President Carter's threat to veto the water projects bill was the inducement that led the Senate to vote for water-use charges. The House Ways and Means Committee objected on the ground of the constitutional requirement that all revenue bills must originate in the House and proposed a milder version of water-use charges in the form of a tax on fuel. Although the administration wanted a stiffer tax than the four cents a gallon levy authorized by Ways and Means the House bill can be expected to take precedence, and the administration should go along. It is worth considerable compromise to persuade Congress to take advantage of the first real opportunity in 150 years to enact a fair distribution of subsidies to the transportation industry.

[From the Birmingham (Ala.) News, July 13, 1977]

WATERWAY USER FEES

For many years efforts have been made in Congress to require the barge industry to pay reasonable fees toward the construction and maintenance of public waterways. Consistently, however, these efforts have been thwarted.

The barge industry has always had its friends in Congress, and there have been enough votes to parry every thrust on the subject.

Interestingly, though, every President since Franklin D. Roosevelt has favored user fees. Fourteen studies on the matter have been made since 1970. User fees as an issue certainly do not constitute a novel idea. And there is compelling logic behind requiring a major transportation system to help pay for its rights of way—particularly since the barge industry is the only one which doesn't.

Still, it is far from certain that the House will follow through on action taken by the Senate on June 22 when it voted user fees upon barges.

The House Public Works and Transportation Water Resources Subcommittee (whew!) held hearings on a waterway project in June prior to the Senate vote and reacted to peripheral discussions of user fees with a mixture of apathy and hostility. No hearings on user fees, per se have been scheduled by the subcommittee.

The House, though, would do well to follow the Senate's example on user fees. The fees would not be ruinous to the barge industry and might even go a long way toward taking heat off major projects underway to open up new navigational systems. As long as other modes of transportation feel victimized by total public subsidization of water rights of way they will be inclined to litigate.

The public subsidy for the barge industry runs about 40 per cent of the industry's yearly revenues. This contrasts with one per cent for trucking and air carriers and three per cent for railway freight. The imbalance here is obvious.

More studies and more delays will not change simple economic fact: The barge industry is getting a free ride.

This newspaper supports expanded waterways. Water transportation is inherently cheaper than other modes and is essential to any well-rounded national transportation system. The proposed user fees would be phased in gradually beginning in 1980; the economic impact would be graduated and should not precipitate any grave injury to the industry.

Simple equity demands user fees sooner or later, and the sooner they are instituted the sooner the inequity which now exists will be rectified.

THE NEED FOR A "NONCRIMINAL STANDARD"

Mr. ABOUREZK. Mr. President, the report on S. 1566, the Foreign Intelligence Surveillance Act of 1977, has just been printed. It is Senate Report No. 95-604, and includes my minority views.

Due to an oversight, the appendix to my minority views, which is referred to in footnote 3 on page 83 of the report, was not printed.

The appendix consists of six hypothetical cases supplied by the Justice Department to support the claimed need for a "noncriminal standard" in S. 1566, along with an analysis of each done by the Washington office of the American Civil Liberties Union.

I ask unanimous consent that this appendix to my minority report be printed in the RECORD.

There being no objection, the appendix was ordered to be printed in the RECORD, as follows:

APPENDIX: THE JUSTICE DEPARTMENT HYPOTHETICALS

In response to questions posed by Senator James Abourezk, Attorney General Griffin Bell sent a letter to the Senate Judiciary Committee wherein he outlined six hypothetical cases which Justice Department officials contend warrant a departure from a criminal standard in the Foreign Intelligence Surveillance Act of 1977. According to the Justice Department, these cases could not be reached under current espionage laws. After studying the cases, it is our contention that in three of the cases outlined, a judge would issue a warrant under current espionage laws and that in the remaining three cases, a judge would not issue a warrant even under S. 1566 as currently drafted. In sum, the Administration has not made a case for departing from the criminal standard in this Act.

CASE NUMBER 1

"*Spinelli*-qualified[1] informant reports that A has, pursuant to a foreign intelligence service's direction, collected and transmitted sensitive economic information concerning IBM trade secrets and advanced technological research which ultimately would have a variety of uses including possible use in a sophisticated weapons system, but which is not done pursuant to a government contract. A is placed under physical surveillance and is seen to fill dead drops which are cleared by a member of a Communist Bloc embassy suspected of being an agent of its foreign intelligence service."

Comment: This case turns on whether commercial information such as an IBM trade secret which might be used in a sophisticated weapons system constitutes "national defense" information or information "relating" to the national defense under 18 U.S.C. 794. The Justice Department contends that it may not. However, the Supreme Court, in Gorin v. U.S., 312 U.S. 19 (1941), stated: "National defense . . . is a 'generic concept of broad connotations, referring to the military and naval establishments and the related activities of military and naval establishments and the related activities of national preparedness.' We agree that the words 'national defense' in the espionage act carry that meaning." *Id.* at 28. Thus, if a court found that a person fit all of the other criteria of 2521(b)(2)(B) and that the information being gathered was from an industrial source, it still would have no difficulty finding that there was probable cause to believe that 18 U.S. 794 was being violated.

CASE NUMBER 2

"Pursuant to the physical surveillance of a known foreign intelligence officer, B is seen to clear dead drops filled by that officer. On the second Tuesday of every month B drives by the officer's residence, after engaging in driving maneuvers intended to shake any surveillance. Within one block of the officer's residence B always sends a coded citizen's band radio transmission. B is discovered to have cultivated a close relationship with a State Department employee of the opposite sex specializing on matters dealing with the country of the intelligence agent."

Comment: First it is not clear who the government wants to place under electronic surveillance. Unless the vague "conspiracy" section, 2521(b)(2)(iii) remains in the bill, the state department employee could not be wiretapped. Of course, the conspiracy section should be stricken from the bill. The Justice Department does not believe it has probable cause to tap B under S. 1566. However, it would also have the authority to seek a warrant if 18 U.S.C. 794 were the standard.

The Justice Department seems to assume that it is necessary to know precisely what the content of the information is to establish what law is being violated, if any, in order to secure a warrant. However, the fact that the information is being passed to a "known foreign intelligence officer" should be sufficient to establish probable cause under 794. Moreover, 2521(b)(2)(B)(i) does not appear to require that the court find that a particular statute will be violated but only that the activities "involve or will involve a violation of the criminal statutes of the United States." And given the very broad interpretation of the phrase "national defense" by the Supreme Court, it is doubtful that any court would pause to inquire into the contents of the material before issuing a warrant. Certainly since all other elements required by S. 1566 have been met, a court would have probable cause to believe that a conspiracy to violate 18 U.S.C. 794 was underway.

CASE NUMBER 3

"C, using highly sophisticated equipment developed in a hostile foreign country, taps and data transmissions lines of several electronics corporations. These lines do not carry communications which can be aurally acquired, nor do they carry classified information, but the information carried, which is not available to the public, when put together, can give valuable information concerning components which are used in United States weapons systems."

Comment: This case, like Case Number One, turns on the meaning of "national defense" and "related" information in current espionage laws. Nothing in Section 793 of Title 18 limits such information to data that is classified or developed pursuant to contract. Again, given the Court's broad reading in *Gorin*, the "valuable information concerning components which are used in United States weapons systems" would be covered under 18 U.S.C. 794. Since all the other elements under 2521(b)(2)(B) have been met, there would be probable cause to find that a conspiracy to violate Section 794 of Title 18 existed.

CASE NUMBER 4

"D, a headwaiter in a fashionable Washington, D.C. restaurant acts as a bookmaker and

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[1] *Spinelli* v. *United States*, 393 U.S. 410 (1969), states the requirements by which the reliability of an informant and his information must be tested for purposes of obtaining a search warrant.

procurer for several well known and highly placed customers. A *Spinelli*-qualified informant reports that D has been instructed by a foreign intelligence service to relay all embarrassing and personally damaging information about these customers to a resident agent of the foreign intelligence service in Washington. The informant reports that at least one customer has been blackmailed in his job as a Government executive into taking positions favorable to the nation for which the resident agent works."

Comment: No warrant could be issued either under section 794 of Title 18 or under S. 1566. D is not collecting or transmitting information of the kind referred to by S. 1566 or section 794 of Title 18. If the Justice Department's argument is that by getting one kind of information, D could trade it for another, then the Justice Department is interpreting S. 1566 in a way which eliminates the safeguards built into it. Moreover, one should also ask if it is necessary to tap this person. For example, his contact at the embassy could be tapped under the "foreign power" provision of S. 1566 and D could be surveilled by less intrusive means. Those who come into contact with D could be warned.

CASE NUMBER 5

"A *Spinelli*-qualified informant reports that E has, pursuant to the direction of a foreign intelligence service, engaged in various burglaries in the New York area of homes of United States employees of the United Nations to obtain information concerning United States positions in the U.N."

Comment: First of all, U.S. employees at the U.N. do not have advance information on U.S. positions at the United Nations. In any case, this situation is trivial. Such information should not be in an employee's home and E could be arrested for burglary. Or is the Justice Department assuming that E discusses his burglary targets on the phone?

CASE NUMBER 6

"A telephone tap of a foreign intelligence officer in the United States reveals that F, acting pursuant to the officer's direction, has infiltrated several refugee organizations in the United States. His instructions are to recruit members of these organizations under the guise that he is an agent of a refugee terrorist leader and then to target these recruited persons against the FBI, the Date County Police, and the CIA, the ultimate goal being to infiltrate these agencies. F is to keep the intelligence officer informed as to his progress in this regard but his reports are to be made by mail, because the U.S. Government cannot open the mail unless a crime is being committed.

Comment: As in Case Number Four, no tap would be permitted under S. 1566. This is not the kind of information contemplated under the Act. A tap would not be permitted under section 794 of Title 18 as well. If F is to report in "by mail" is F going to do his recruitment by telephone? Does the Government plan to read S. 1566 to permit the refugee organizations to be wiretapped to find out if they are infiltrated? These are dangerous readings of S. 1566. The proper action is to allow the FBI, having this much information, to foil F's scheme.

In sum, the Justice Department is "reaching" for the exceptional case to establish the need for a deviation from the criminal standard. Contrary to all experience with judicial warrants in the wiretapping area, the Department presumes "strict construction" by judges will hamper legitimate intelligence. The Justice Department should be reminded that only seven judges, picked by the Chief Justice of the U.S. Supreme Court, will review these warrant requests. Of course, this does not give the Justice Department any certainty that all applications will be approved. But the criminal standard does not appreciably make the process more risky for the government. On the other hand, the non-criminal standard is a dangerous precedent for abuse.

MINORITY BUSINESS ASSISTANCE PROGRAM FALTERING

Mr. PERCY. Mr. President, anyone who believes that equal opportunity has been afforded to the minorities in this country need only look to the Office of Minority Business Enterprise in the Commerce Department to see how wrong they are.

In 1969, when OMBE was established by Executive order of the President, only 4 percent of U.S. businesses were controlled by minorities, who at that time made up 17 percent of the population. Even more disturbing, while minority members may have owned 4 percent of American businesses, they accounted for less than 1 percent of gross business receipts. It was for these reasons that I applauded the establishment of OMBE and have continued to vote funds for OMBE's continuation. Over the 7 fiscal years of its existence, OMBE has spent more than $248 million.

Unfortunately, as a recent report on OMBE's operation by the General Accounting Office makes clear, the noble goal of helping more members of this substantial minority into the management end of America's free enterprise system is far from being achieved.

Some of the problems uncovered by the GAO report are as follows:

The contractors selected by OMBE to assist would-be minority businesses generally fail to learn the needs of their clients in any detail.

These contractors, many of whom are solely dependent on OMBE for financing, fail to provide followup assistance to companies once they start up in business.

OMBE has no reliable data on the fate of companies it has assisted.

Perhaps the most serious flaw GAO detected in the program is that "OMBE's assistance program does not appear to appreciably affect OMBE's program objective of closing the gap between the minority population/business ownership ratio."

I deeply regret this apparent failure on the part of OMBE to do a better job in the minority business development field. Because of the importance of the excellent GAO study to the future improvement of minority business development in the United States, I ask unanimous consent for relevant portions of that report to be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

[Report to the Congress by the Comptroller General of the United States]

MINORITY BUSINESSES RECEIVED LITTLE BENEFIT FROM OMBE'S MANAGEMENT ASSISTANCE

Generally, OMBE's contractors did not provide the amount and frequency of management assistance needed by minority clients. The contractors generally were not familiar with their clients' indepth needs, had no plans for providing assistance, and did not keep track of clients after initial assistance was provided. The contractors argued that they generally did not have the time or resources to give clients a comprehensive assistance program because OMBE emphasized serving a large number of clients.

CONTRACTORS' RECORDS NOT ALWAYS COMPLETE

We encountered problems which limited the degree to which OMBE's management assistance program could be evaluated. Contractors' record reviews coupled with contractor personnel interviews generally allowed determination of what had happened to contractors' clients in broad terms. However, the records often lacked certain specific data.

For example, contractors generally did not follow their clients' progress after initial assistance was provided and did not obtain periodic information about the clients' financial status. As a result, it could not be determined whether clients were succeeding (expanding) or whether they were failing (deteriorating).

FEW BUSINESSES BENEFITED FROM OMBE'S PROGRAM

OMBE stated that the final program test must be measured by sales, profits, and jobs created. However, the clients' business expansion could not be determined because contractors' records generally did not show clients' financial status. OMBE suggested to some contractors and required of others that they obtain clients' financial statements to measure financial milestones, but contractors failed to do this. As a result, a large gap exists in the information needed for program results evaluation—

There is a serious lack of information about what has happened to clients still in operation. As will be discussed, one reason this happens is that contractors are not following their clients' progress after initial assistance is provided.

OMBE's assistance program does not appear to appreciably affect OMBE's program objective of closing the gap between the minority population/business ownership ratio.

Followup

OMBE considers followup extremely important. OMBE guidelines specify for some types of contractors and suggest for others that contractors obtain at least monthly business and financial information and use that information to analyze businesses' financial status and health. The contractor should determine if management assistance is needed to prevent significant problems from arising in the client's business and assure its survival and growth. OMBE's guidelines stress the need to provide continual assistance until the business can operate profitably without Federal assistance.

BUSINESS PLANS USUALLY NOT PREPARED

Contractors for two-thirds of their clients did not prepare business plans and those prepared were usually incomplete, as shown below:

Client objectives	Total	Plan prepared	Percent of prepared plans in total	Plan not prepared
To start business	169	58	34	111
To expand business	175	59	34	116
Total	344	117	34	227

PLANS USUALLY INCOMPLETE WHEN PREPARED

OMBE's guidelines call for complete business plans as part of the process to assemble viable businesses. SBA also greatly stresses business plans. SBA advises small businessmen to prepare and use a business plan as a profitability guide. SBA states that plans must be complete because items not planned for will create additional costs, and if enough items are left out the business is headed for disaster. These incomplete plans illustrate

the one-time nature of OMBE's assistance programs; contractors do not seem concerned about their clients' long-term growth and success.

CLIENTS' PROGRESS NOT FOLLOWED

After providing initial assistance, contractors did not normally follow their clients' progress and clients were usually left on their own. We believe contractors need to utilize systematic procedures for determining when their clients are encountering severe problems.

Contractors attempted to follow only 21 of the 200 clients in business. These attempts were sporadic and generally did not result in any follow up assistance. Only 1 of the 21 attempted contacts was directed toward the 70 clients that had failed or could not be located. Obviously, many of these clients encountered severe business problems that led to their failure. Without following clients' progress, it is doubtful that contractors would be aware that these businesses were troubled and needed assistance.

FINANCIAL STATEMENTS NOT OBTAINED

OMBE's guidelines state that local business-developed organizations should obtain the necessary business and financial information to determine the business health from each client at least once a month. Construction-contractor assistance centers are also required to obtain annual financial statements for clients assisted in starting, saving, or expanding a business in order to evaluate the clients' effectiveness. However, only 4 of the 344 files contained statements showing clients' progress.

Contractors apparently were not seriously trying to obtain periodic financial statements. Contractor officials said that it was very difficult to obtain statements because:

Contractors do not have the leverage to require clients to submit statements.

Clients are often incapable of preparing such statements or do not have the time or motivation to do so.

Clients hesitate to prepare statements for fear they will disclose discrepancies in their tax returns.

However, 57 of the 118 clients contacted were asked whether they had prepared financial statements. Fifty-three said they did; four said they had not. The clients with statements generally appeared willing to provide them to contractors.

We found no evidence that contractors were seriously trying to persuade clients to submit statements. For example, there was no documentation to indicate that contractors were even requesting that clients submit statements.

OMBE STRESSES ACTIVITY RATHER THAN PERFORMANCE

OMBE's contractors did not provide clients a comprehensive assistance program because contractors were devoting most of their resources to meeting OMBE's quantitative performance goals. In general, OMBE did not give its contractors the proper incentives to prepare business plans, provide comprehensive management assistance, and follow client progress.

OMBE places primary emphasis on contractors' production levels—the number of clients assisted and the amount of financial assistance obtained—when contracts are being renewed. For example, OMBE has previously expected that most contractors would help clients obtain loans and contracts in an amount totaling 10 times the contractors' contract amounts. OMBE still considers return on investment to be a major factor in evaluating contractors. Evaluation criteria and regional office goals focus on comparing financial aid obtained for clients with the contractors' funding levels.

Contractors know they are spreading their resources too thin but they feel constrained to do so if they are to meet OMBE's expectations and obtain refunding. OMBE's method of setting goals and evaluating performance is at odds with its objective of providing clients a comprehensive assistance program to meet all their needs.

REPORTED ACCOMPLISHMENTS CAN BE MISLEADING

In reporting accomplishments for its management-assistance program, OMBE typically concentrates on activity levels, showing the total clients assisted and number and amount of loans and contracts obtained. OMBE's reports do not show whether the management-assistance program is effective. OMBE reports the number of businesses started but does not show how many expanded or failed.

OMBE reported that 24,683 clients had been assisted in fiscal year 1974 and 33,137 in fiscal year 1975. These statistics can be misleading because high activity levels and growth in activity can create an illusion of success. They also do not distinguish between clients not in business and those in business; our sample showed that 169 clients were not in business when they approached OMBE. Also, OMBE's statistics do not show that some clients were not given assistance—of the 344 clients in our sample, 127 clients (37 percent) were not given management assistance.

OMBE's statistics should distinguish between clients not in business and in business and should clearly state that only partial program results data is available.

OMBE should qualify published accomplishments by stating that program results data is generally not available so that observers are kept from drawing unduly optimistic conclusions from the fact that activity levels are growing.

THE PANAMA CANAL TREATIES—ADDRESSING THE OPPOSITION ARGUMENTS

Mr. HUMPHREY. Mr. President, for nearly 3 months now, the opponents of the new Panama Canal Treaties have, almost on a daily basis, attacked various aspects of the treaties in the CONGRESSIONAL RECORD.

I would like to take this opportunity to address some of the concerns expressed by my distinguished colleagues. On September 16, the distinguished junior Senator from Alabama (Mr. ALLEN) noted that Panamanian Planning and Economic Policy Minister, Nicki Barletta, had made a speech before the Panamanian National Assembly in which he cited economic benefits to Panama totaling $100 million a year under the terms of the treaties. Senator ALLEN contrasted this sum with the lower costs given in the analysis presented by our own Government officials.

Both Mr. Barletta's figures and those of the U.S. Government are estimates, since under the treaty the level of revenues to Panama depends mostly on the amount of traffic utilizing the canal. Minister Barletta reportedly stated that by the end of the century, Panama's 30 cents-per-ton share of canal tolls would bring in $70 million a year and that, in addition, Panama would receive an annuity of $20 million, the payment of half of which would depend upon the level of canal tolls.

The State Department estimates that initially Panama will receive $40 to $50 million a year, depending on the level of canal traffic, from the payment of 30 cents per ton that will be Panama's share of canal toll revenues. Panama will also receive, under the treaty, a fixed annuity of $10 million a year only to the extent that there is a surplus of revenues. Finally, Panama will be reimbursed for the cost of certain Government services in the amount of $10 million, but the United States realizes savings in excess of that figure by no longer being required to perform those services.

Finally, the package of loans and guarantees outside of the treaty involves no grant payments to Panama. The majority of loans will be used for the purchase of American goods, an arrangement which makes good business sense.

On September 20, my distinguished colleague (Mr. ALLEN) referred to an article in the Wall Street Journal, written by former U.S. Ambassador to the U.S.S.R., George F. Kennan. Senator ALLEN noted that Mr. Kennan had come to the conclusion that the plan for joint United States-Panamanian operation of the canal was unworkable. Mr. Kennan had, however, recommended our immediate and total withdrawal from the canal.

Senator ALLEN characterized as a "certainty" the prospect for disagreement between the United States and Panama over canal operations and warned that, as the Panamanians had not been conciliatory in the negotiation of the treaties, they could not be expected to be conciliatory with regard to the operation of the canal. He also expressed the view that, if the Canal Zone was now indefensible, it would be even more so when the U.S. military presence was reduced to four bases and "limited, more or less regardless of the circumstances, to present strength."

While I appreciate the distinguished Senator's concern in this matter, I think it is important to look at the following facts: First, the United States and Panama have been working together successfully for three-quarters of a century; second, throughout the treaty period, the United States retains ultimate control of canal operations; and, third, the Panama Canal treaties give Panama such a large stake in the success of canal operations so as to encourage them to cooperate with the United States even more fully than in the past.

I do not think it is particularly accurate to say the Panamanians were not conciliatory in the negotiations. They did bargain hard, but from my understanding they were, indeed, responsive to U.S. concerns and interests as demonstrated in the treaty texts themselves.

Insofar as the physical vulnerability of the canal is concerned, the situation will not be changed by the treaties. However, the political and psychological climate should be materially improved when the treaties take effect, and the likelihood of violence would be diminished significantly.

Nothing in the treaties restricts the number of U.S. troops that may be brought in, should an emergency arise. On the contrary, article IV of the Panama Canal Treaty states that—

To the extent possible consistent with its primary responsibility for the protection and defense of the Panama Canal, the United States of America will endeavor to maintain its armed forces in the Republic of Panama in normal times at a level not in excess of that of the armed forces in the territory of the former Canal Zone immediately prior to the entry into force of this treaty.

Further, the implication that a massive reduction in U.S. bases will occur as a result of the new treaty is incorrect. The number of bases in the existing Canal Zone can be described as anything between 3 and perhaps 20, depending on how one counts them, since there are bases within bases. The key point is that under the new treaty we will retain the military facilities and areas needed for the defense of the canal.

Again, on September 21, my distinguished colleague (Mr. ALLEN) alleged that the support given by the Joint Chiefs of Staff to approval of the treaties was generated primarily "by a desire for job security and personal advancement rather than out of loyalty to the national interest of the United States." He also contrasted the Joint Chiefs' position with that of four former Chiefs of Naval Operations, who had made known their opposition to the treaties before the negotiations were even concluded.

This allegation does cause significant concern on my part, because it impugns the integrity of our entire active-duty Military Establishment. In addition, if a career military officer achieves the level of a member of the Joint Chiefs of Staff, what possible career advancement could be more meaningful than this position?

In a statement before the Senate Foreign Relations Committee on September 26, Gen. George S. Brown, Chairman of the Joint Chiefs, in response to a question by Senator CLARK, challenged the claim that his support was less than sincere. As he put it—

I have personally worked for four years to achieve these treaties . . . we have worked hard for this treaty because we believe it is right.

It should be noted also that the Department of Defense and the Joint Chiefs were involved in the treaty negotiations throughout, and that their input is reflected in numerous provisions of the treaties, particularly the Neutrality Treaty, which gives us defense rights in perpetuity.

Insofar as the alleged contrast between retired military leaders and active-duty military personnel with respect to their views on the treaties is concerned, the situation is much more complex than Senator Allen suggests. Among prominent supporters of the treaties who once held high military positions and who are now retired are Gen. Matthew Ridgway and Maxwell Taylor, and Adm. Elmo Zumwalt.

On September 21, my distinguished colleague from South Carolina (Mr. THURMOND) inserted a news article in the CONGRESSIONAL RECORD, which was written by John Chamberlain and published in the Florida-Times-Union. Mr. Chamberlain alleged that "Marxists of every stripe regard the fight over the treaty as a test of will" and that, once we have given up the Panama Canal Zone, "will surely be raising the question of our Caribbean base in Guantanamo." He also noted that some Canal Zone employees would lose their jobs and that U.S. citizens generally would would find it "unpleasant" to take jobs in Panama without PX and Army commissary privileges. Finally, he characterized as "arrant nonsense" the claim that the treaty "must be accepted if Latin America as a whole is to be appeased" and suggested that an honest poll of Latin American opinion "might disclose a yearning for a users control of the canal after 2000."

Chamberlain's contentions are—to use his own phrase—"arrant nonsense." Radical leftists in Panama did not favor approval of the treaty. They were joined by ultra-nationalists, many of whom are from the political right, in opposing the treaties. Whether or not the treaties are approved, it may be predicted that Fidel Castro will raise the question of the Guantanamo base as he has done so many times in the past. Continued U.S. use of Guantanamo will depend upon the development of overall United States-Cuban relations and the U.S. interests involved, not on the conclusion of the Panama Canal Treaties.

True, some current U.S. citizen employees in the Canal Zone may lose their jobs, but they will be able to continue their careers with the U.S. Government until retirement. In many countries where U.S. Government employees are stationed, PX's and military commissaries do not exist. In fact, U.S. citizen employees of the Panama Canal Company and the Canal Zone do not now have PX and military commissary privileges, even though they will enjoy such privileges during the first 5 years of the new treaties. The treaties permit the U.S. Government to give additional remuneration and other benefits to employees recruited outside Panama, and the Secretary of the Army has stated he will seek appropriate adjustments to compensate for the higher cost of living in Panama.

On September 22, in a speech before the Senate, Senator ALLEN stated that General Torrijos is "without argument titular head of one of the world's worst dictatorships" and that one reason for opposing the treaties was that their approval "will tend to darken and prolong the night of tyranny and oppression in Panama." He also criticized the provision of the Panama Canal Treaty that prohibits the United States from negotiating with any state other than Panama for the right to construct a sea-level canal and cited the Soviet-Panamanian agreement of July 19, 1977, as evidence that Torrijos is "bent on forging an alliance with the world's bloodiest and most tyrannical imperial power," that is, the U.S.S.R.

Though the present Panamanian Government is not a democracy on the U.S. model, neither is it an absolutist regime lacking any constitutional basis. The Constitution of 1972, which was drafted by a national commission of 25 Panamanians from all sectors of society and approved by an elected assembly of 505 municipal representatives, provides the legal basis for the Government. The Constitution also guarantees fundamental rights and freedoms, and there is an independent judiciary to help assure this observance.

While the Panamanian Government's record on human rights is less than perfect, it is better than that of many other regimes in the Western Hemisphere. Such violations of human rights as have occurred took place largely between 1968 and 1972. After 1972, there was a sharp drop in the number of incidents. General Torrijos has invited the Inter-American Human Rights Commission to visit Panama and its prisons. It should be noted that Amnesty International does not list Panama as a problem country.

It was not our purpose in negotiating the treaties to strengthen or weaken the Torrijos regime but rather to update the existing arrangements for the canal's operation in such a way as to best protect our interests. Our conclusion of a treaty with the Government of Panama does not mean that we either approve or disapprove of that Government. All evidence indicates, moreover, that the vast majority of political and other interest groups in Panama share the Panamanian Government's position on the treaties.

During the negotiations, Panama agreed that no new canal would be built in Panama except with U.S. participation or consent. The United States, for its part, agreed not to seek to construct a sea-level canal outside Panama. By this exchange, we obtained an effective monopoly on canal construction and operation in Panama, while accepting a limitation that has very little meaning, considering the fact that the two most practicable routes by far for a sea-level canal excavated by conventional means are both in Panama.

Insofar as can be determined by the State Department, no formal agreements resulted from the July 19 visit to Panama of five Soviet foreign trade specialists. The two sides discussed a number of possible Soviet initiatives in the economic field, including the setting up of a factory to repair heavy-duty equipment and to manufacture spare parts for sugar-processing equipment, the construction of a hydroelectric plant, and the opening of a bank in Panama; no concrete action has followed these discussions. Currently, Panama and the U.S.S.R. do not maintain diplomatic relations, and trade between the two countries is inconsequential.

On September 23, my distinguished colleague, Senator HARRY F. BYRD, JR., inserted in the CONGRESSIONAL RECORD a column by former U.S. Ambassador to Switzerland, Henry J. Taylor. The column charges that Castro is moving troops into Panama and that Panama is threatened by Communist guerrillas based in Costa Rica and Colombia. Senator BYRD stated that he believed these charges should be investigated.

The report of Cuban troop movements in Panama cited by Mr. Taylor is unfounded. These charges have been in-

vestigated, and there is no evidence that there are any Cuban troops in Panama, nor does there appear to be any type of guerrilla movement in Panama, Cuba-supported or otherwise. Groups of Communist guerrillas are, in fact, operating in several Central American countries and in Colombia. However, these groups are small and weak and do not represent a serious threat to their own governments, much less to foreign states such as Panama.

On September 27, in a speech before the Senate, Senator ALLEN declared that, by approving the treaties, we would be "dismantling" our own country in order to satisfy the "insatiable appetite" of the international banks for profit.

The contention that the Panama Canal Zone is part of our own country is, of course, without foundation. Even in 1903, the United States did not insist on full and sovereign rights to the territory but merely acquired "all the rights, power, and authority * * * which (it) would possess and exercise if it were the sovereign" of the zone. Thus, Panama has always held legal sovereignty over the zone, despite the fact that the United States has exercised full control.

Like many developing countries, Panama has borrowed heavily to finance its development program. Partly as a consequence of the world recession of the mid-1970's, Panamanian public debt at at present totals about $1.5 billion. The service on this debt is large, but Panama has met its financial obligations. Moreover, Panama is taking measures designed to deal with its fiscal problems and to stimulate private sector investment.

It is, of course, up to Panama to determine what use it will make of the annuities it will receive under the Panama Canal Treaty, but we understand they will be employed mainly for development purposes. In addition to the annuities, Panama will benefit from a U.S. Government economic program of loans, guarantees, and credits of up to $295 million over a 5-year period. The purpose of this program is to promote Panama's economic development. Neither the treaty payments nor the economic program can be regarded as a bailout for American or other international banks.

EXPERTS CONTINUE TO SPEAK OUT AGAINST PANAMA CANAL TREATY

Mr. HATCH. Mr. President, the Panama Canal Treaty has become a political issue, but that does not mean that it is nothing but a political issue. Experts are pointing out that the treaty is faulty regardless of the issue whether we should, or should not, turn the canal over to Panama. I would like to call the attention of my colleagues to two articles by Paul B. Ryan, a research associate at the Hoover Institution on War, Revolution and Peace, established by the late President Hoover at Stanford University. Mr. Ryan points out that the treaty is defective because it is a case where both negotiating teams assumed that the real meaning of the terms of the treaty could be safely debated after both nations had won ratification from their respective governments. We certainly have had ample evidence of two governments outwardly claiming an agreement, but offering different interpretations of what the agreement is.

I ask unanimous consent that Mr. Ryan's articles from the New York Times and the San Diego Union be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, Sept. 11, 1977]

THE CANAL TERMS, ARGUED FROM DIFFERENT PREMISES

(By Paul B. Ryan)

STANFORD, CALIF.—In his frenetic blitz to gain public approval of the two Panama Canal treaties, President Carter has stressed that he wishes to dispel misinformation by laying out the facts. Thus, he and his chief negotiators, Ellsworth Bunker and Sol M. Linowitz, repeatedly have assured the public that the United States would have the permanent right to defend the canal by sending troops into Panama in time of crisis. Additionally, the White House says that United States warships would have "the permanent right to transit the canal expeditiously and without conditions, for an indefinite period."

But does this ostensibly forthright interpretation of treaty terms, which presumably protect vital United States strategic interests, coincide with that held by Panama? The answer is no, if you listen to its chief treaty negotiator, Dr. Rómulo Escobar Bethancourt, who analyzed the treaty's provisions at a news conference in Panama City on Aug. 24.

Dr. Escobar's comments were broadcast by radio and subsequently published in the Daily Report of our Government's Foreign Broadcast Information Service. Surprisingly, Dr. Escobar's astonishing views, which directly contradict the White House's, appear to have been given very little publicity or entirely overlooked by the United States news media.

Dr. Escobar roundly rejects the Carter Administration's claim that the United States may send in troops. 'The treaty does not establish that the United States has the right to intervene [that is, send in troops] in Panama," he said. He denied that the treaty gives the United States the right to decide when neutrality is violated or not. Neither, in his view, do United States warships have the right of expeditious transit without conditions.

As Dr. Escobar inelegantly put it: "If . . . the gringos with their warships say, 'I want to go through first,' then that is their problem with the other ships there." Presumably, Panamanian officials would look idly on while United States Navy captains, during an international crisis, haggled with merchant skippers for a place at the head of the waiting line of ships. So much for the United States right to unimpeded-transit and the defense of the waterway!

Were these wildly different interpretations known to the United States negotiators during the talks? As Dr. Escobar told the newsmen, these points had been thrashed out with the Americans but Panama had stood firm against their demands.

Faced with Panama's refusal to allow "privileged passage," the Americans finally accepted the term "expeditious transit," in order, said Dr. Escobar, to "sell" the treaty to the Pentagon. "Now they [the United States diplomats] could explain that this means privileged passage. . . . Do not believe that we mean that," he emphasized.

Placed side-by-side, Mr. Carter's reassuring assessment and Dr. Escobar's belligerent and cynical evaluation present the apparent paradox of two Governments outwardly reaching an agreement but secretly retaining entirely different perceptions of its provisions. Or is it a case where both negotiating teams assumed that the "real" meaning of the terms could be safely debated after both nations had won ratification from their respective Governments?

Plainly, such a treaty is fraught with peril for future United States operations involving canal transits. The danger of jeopardizing the Navy's use of the waterway was apparent to Presidential candidate Carter and he implied as much during his televised debate on Oct. 6, 1976, with Gerald R. Ford. Mr. Carter said, "I would not relinquish practical control of the Panama Canal Zone at any time in the foreseeable future."

As a former naval officer, Mr. Carter understands, probably better than most people, the need for the United States to retain such "practical control" to permit its Navy to carry out missions worldwide in support of United States diplomatic policies and strategic objectives.

This is particularly true in an era when international tension, as well as mini-wars of the Angola type, are much more likely to occur than an all-out war.

In the light of Dr. Escobar's dismissal of United States treaty rights, can President Carter really mean what he says?

A poor treaty is worse than no treaty at all. United States diplomacy must serve the national interest, as we have recently been reminded. The Carter Administration should clear up these glaring ambiguities at once. As matters now stand, the American people have no guarantee from Panama for the protection of United States defense and security interests in the Canal Zone.

[From the San Diego Union, Oct. 23, 1977]

STRATEGIC ROLE REQUIRES KEEPING PANAMA CANAL

(By Paul B. Ryan)

The Panama Canal is one of the world's chief maritime "choke points," equal in strategic significance to the Suez Canal, the Strait of Gibraltar, the Persian Gulf and others. These critical maritime passages are vital in linking the United States with its overseas allies and in maintaining access to vitally needed raw materials. Proponents of the treaties under consideration seem to be ignoring the degree to which the maritime and naval postures of the United States will be adversely affected if these treaties are approved as presently drafted.

The Soviet Union, using a combination of naval strength and political-military maneuvers, seeks to establish a presence in the areas surrounding these strategic choke points. To the degree it is successful, the U.S. Navy's ability to maintain control of the sea lanes is proportionately weakened. You can be sure that Soviet naval planners understand the global strategic importance of the Panama Canal.

The United States has 41 allies overseas. Much of our ship traffic with these countries crosses the Caribbean-South Atlantic sea routes. This strategic area is uncomfortably close to Soviet ship and aviation bases in Cuba, and to potential bases in southern Africa. Furthermore, Cuba's Fidel Castro has established "aid" missions in Jamaica and Guyana, relatively near the canal. The Cuban Embassy in Panama City has grown to 60 staff members—far more than normally considered necessary.

Meanwhile, the Kremlin must be careful in its dealings with Panama not to upset relations with Washington on such matters as the SALT and Middle East negotiations. Soviet bases in Cuba, coupled with Russian political and economic penetration of Latin America (particularly Panama), represent a visible threat to the fate of the canal in the years ahead. This Soviet presence in Cuba is alone sufficient to justify continued U.S. operational control over the waterway, without which our naval ship transits could not

be guaranteed when they would be most needed.

Why should we worry about such considerations when the Administration and other proponents of the treaties claim that the United States is assured rights of intervention to preserve the canal's neutrality and of priority in ship-transits? The main reason is that there is much doubt that the U.S. interpretation of the treaties can be upheld. For example, General Omar Torrijos, in September 1977, declared: "If the United States interprets this (right to preserve neutrality of the canal through intervention) as a right to intervene, then this is just the interpretation of a major power which intervenes not only in Panama but throughout the world."

We must keep in mind that the history of 60 years of U.S.-Panama relations shows that Panama has continually employed negotiating devices of setting forth demands, getting agreement from Washington, signing a pact, and then presenting more demands.

The pitfalls of joint-defense arrangements with Panama are as evident in 1977 as in 1940–41. At that time, Panama delayed, for over a year, Washington's request that Panama provide defense sites outside the Canal Zone as "guaranteed" by the treaty of 1936. U.S. Army forces finally had to occupy the sites, without any agreement by Panama, just eight months before Pearl Harbor.

We should recognize that the Soviets will use their naval power in maneuvers short of war to support political and economic objectives in the Caribbean-Latin American area. Moscow's goal is to isolate the United States from its allies and its sources of raw materials by measures short of all-out war. There is no easier way to gain domination over the United States.

Whether the treaties of 1977 are approved or rejected, all signs point to the unhappy likelihood that the political future of the Torrijos regime will be stormy and possibly chaotic. It seems only prudent for the Senate to ensure that any new diplomatic pact with Panama must include iron-clad rights of the United States to maintain operational control of the canal and its surrounding land and water areas. To do otherwise will lead inevitably to U.S. military incursions into Panama with somber consequences.

General Torrijos' regime seized power by a military coup in 1968. His hold on the populace is undoubtedly tenuous. For the U.S. government to conclude two treaties, which, in effect, relinquish complete U.S. control of the canal and the Canal Zone, in the hope that these treaties will best serve our national security interests by "guaranteeing" unimpeded use of the waterway, is unrealistic and unsupportable by the historical record. In the light of all these factors, the United States should not allow the canal, a major strategic asset, to pass from our operational control.

CRIME IN AMERICA

Mr. EAGLETON. Mr. President, as we know, in the past decade the explosion of crime has become a problem of national—and alarming proportions. To paraphrase a magazine article that I would like to call to your attention, "all anyone knows with any certainty about crime is that there is a lot of it and that everyone cares a lot about it, especially those holding or running for office."

It is on this premise that a September 26, 1977, article in the New Yorker magazine by writer Richard Harris begins in examining the problems of crime in New York City; problems, the writer suggests, that are of a greater magnitude than the published crime statistics would ever indicate. As Mr. Harris notes:

Considering the extremely small chance, statistically speaking, that one will be punished for committing a given crime, it is not surprising that thousands of young recruits go into the crime business every year.

It is a bleak picture he paints, of crime in New York and of crime in America. But out of the bleakness, and this is the thrust of this enlightening article, there is room for hope. Although little is being done to remedy the causes of crime, much has been done lately in New York, for example, to bring under control the comparatively small number of criminals who commit most of the crimes afflicting residents of that city.

I would ask that your attention, then be directed to selected passages of this recent article, in which the writer reports his interviews with five of New York's leading law enforcement officials in that city's battle against crime.

In the words of Michael J. Codd, the police commissioner of New York City:

[T]he basic problem in narcotics is the same as in the rest of our crime. That problem is delay in the criminal justice process, and the solution is speedy disposition of criminal cases, swift and certain justice . . . [T]he prime factor is that criminals perceive little danger of incarceration or any meaningful penalty being meted out to them if they commit a crime.

The future, Commissioner Codd says, is hopeful.

There is a closer working together of the different parts of the criminal justice system in New York City than we've ever had before. We used to stand in corners and point fingers at one another. That's not so much the case now . . . We're meeting together, talking with one another, and working more cooperatively on the problems of crime and law enforcement in this community.

Robert M. Morgenthau, former U.S. attorney for the southern district of New York and district attorney of New York County, echoed Commissioner Codd's analysis of the basic problems of the justice system:

The goal of our criminal justice system should be prompt disposition on a fair and certain basis. That's the only true deterrent to criminal behavior.

To this end, Mr. Morgenthau related that his office had instituted procedures allowing assistant district attorneys to concentrate their efforts on the repeat offenders. In his words:

We are finding that a relatively small number of criminals seem to commit a very large proportion of the serious crimes in this city. If we can control them—probably by putting them away for long periods—we'll have time to pay sufficient attention to lesser crimes . . . I think the serious repeater of violent crimes should be treated very severely . . . I don't see what to do with him except to take him off the streets for a very substantial length of time.

Mr. Morgenthau then directed the writer's attention to what he saw as the relationship between white collar crime and street crime:

One reason people get involved in crime is their feeling that the economic and social system is unfair. They figure that if you learn the ropes you can steal and not get caught, that if you reach a high enough status you are beyond the reach of the law. To a certain extent they're right. Slum kids . . . read in the tabloids about business crooks, big-business crooks. And they see rich men driving big cars, wearing fancy clothes, going into expensive restaurants with beautiful women—the works . . . Kids don't know how to get into the big time, but they know they can learn to pick a pocket, or snatch a purse, or break into an apartment and steal a TV set or mug somebody. They figure that if they start that way, they'll learn the rest, make contacts, hit the big money . . .

To discourage this attitude among the city's younger criminals, Mr. Morganthau said vigorous prosecution of white collar crimes is vital:

Prosecution of white collar criminals demonstrates the evenhandedness of the law. Without that, we'll have no faith in our law-enforcement system, and without faith we'll just have more crime everywhere.

To insure speedier justice, David Ross, the administrative judge of the city of New York, instituted almost revolutionary docketing procedures that won the support of colleagues throughout the city's justice system.

I discovered that half of all the cases in supreme court [which handles serious crimes] ended up as misdemeanors, which should never have been there. They were clogging up the supreme court calendar and causing most of the backlog . . . So I decided to frontload the court system, instead of backloading it as before, by settling minor cases at the time of arraignment, the first step in the court process. Now we get rid of roughly half of all arrests at the time of arraignment . . . The impact on the D.A., on corrections, on the supreme court has been tremendous, because now everyone can concentrate on dealing with serious offenders. . . . [S]erious crimes have declined because district attorneys are concentrating on serious offenders, and we're sending more and more of them to prison for longer terms . . . We're reducing the relatively small number of violent criminals, the repeaters, who commit most of the serious crime here.

The concentration of effort on the repeat offenders, the "heavy hitters," as Benjamin J. Malcolm, New York's Commissioner of Correction called them,

. . . is the only solution. It certainly has changed the corrections business. There used to be prostitutes, pimps, addicts, shoplifters in prison, but very few misdemeanants end up there now. The theory is that the new approach reduces the crime-school effect of prisons. The people we're putting away now already know just about everything bad there is to know.

But what can be done with these "heavy hitters" once they leave the corrections system, Commissioner Malcolm was asked.

I would set up an industry-supported, labor-supported plan to have training programs for work on the outside. . . Everyone would be in a work-release program. . . That way, each man would have a chance to become a member of a family and a community and a work force—a chance to become a man, maybe for the first time, and to have some confidence in himself. As it is now, we just send them out blazing with anger, without hope, ready to rip off the first person they can. . . Work-release programs and halfway houses are the only answer.

Nicholas Scoppetta, New York's Deputy Mayor for Criminal Justice, drew encouragement from the changes in the courts and the district attorney's office:

We are trying to coordinate these separate approaches, so that the most serious cases are treated most seriously. It is proving to

be a very attractive approach and may be the only solution; the only way to attack the dreadful scourge that has plagued our city. . . If we focus on career criminals—the violent repeaters—and keep them out of society, that would greatly reduce the crime that most frightens people. It would let us all breathe more freely again. Our strategy really looks as if it will work. But if it doesn't prove to be cost-effective we're going to be in real trouble.

In conclusion, I should say that these selected passages I have shared with you give us but a glimpse of the problems facing New York's law enforcement agencies and of some of the relatively creative solutions their top officials have devised to remedy those problems. New York's problems with crime, however, are not unique, and for that reason I urge each of you to read this worthy article in its entirety.

Mr. President, I ask unanimous consent that the Harris article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New Yorker, Sept. 26, 1977]

A REPORTER AT LARGE: CRIME IN NEW YORK

All anyone knows with any certainty about crime in New York City is that there is a lot of it. While specific crime statistics are continually cited to demonstrate how serious the crime rate here is—for instance, the Police Department states that 658,147 felonies were reported to it last year—no one knows how many crimes were actually committed, what kinds of crimes were committed, who committed them, or who the victims were. No one knows because the crimes that were reported have a wholly uncertain relation to the crimes that were committed. It is often said that only one out of every three crimes is reported, but it is impossible to say whether that estimate is even remotely accurate. Studies conducted in confidence over the past six years among residents of Phoenix House, which runs centers for rehabilitating addicts, revealed that some of the young people there had been arrested only once for every hundred and twenty-five crimes they had committed, and had been convicted only once for every six arrests. In other words, they had committed seven hundred and fifty crimes for each conviction. Since half of all the felonies that are reported here are committed by people under the age of twenty-one, the Phoenix House studies raise the possibility that all earlier estimates of the crime rate have been astronomically out of whack.

The cause of the disparity between reported and actual crime is probably to be found in one verifiable statistic: three-quarters of the murders reported here are committed by nonwhites against nonwhites. In all likelihood, the great majority of lesser unreported crimes are committed within the same group. Poor people have always been reluctant to call on the police when they are in trouble, because for them the police usually mean more trouble. Black and Hispanic poor people have even greater reason to be reluctant. For one thing, they believe it is a betrayal of their own kind to run to the Man, who is held accountable for most of their misery, when that misery is increased by a colored person. For another, some of the victims are illegal aliens from the Caribbean and Central America and want no contact with officialdom. For still another, getting involved with the police and courts means a loss of time and is often purposeless. And, finally, since so few criminal acts end in imprisonment, anyone who reports a crime and identifies the criminal must be prepared for vengeance.

As long as the crime rate was relatively low and as long as relatively few whites were victims, the whites who were in charge of law enforcement were not hard pressed politically. But with the explosion of crime in the past decade or so the white share has grown proportionately, and now everyone cares a lot about crime—especially anyone running for or holding office. Considering the extremely small chance, statistically speaking, that one will be punished for committing a given crime, it is not surprising that thousands of young recruits go into the crime business every year—although considering the large number of crimes they commit individually, it is also not surprising that almost all of them are bound to be arrested and imprisoned sooner or later.

What is most surprising is that there aren't more young criminals, since the basic causes of crime—poverty, disintegration of family life, poor education, unemployment—get worse every day. Perhaps the most encouraging aspects of the crime problem are, first, that most young people who resort to crime to get money, experts say, give up that pursuit as they get older, and, second, that apparently a comparatively small, and possibly controllable, number of criminals commit most of the crimes that afflict residents of this city.

Although little is being done in New York City (or in the United States) to remedy the causes of crime, there are some new and concerted efforts being made here to control criminals, as I learned in the course of several talks that I had during the past few months with the five top law-enforcement officials in the city, starting with Police Commissioner Michael J. Codd. Any police commissioner of New York City has an unenviable job. Hammered at on one side by an apprehensive public and by the mayor, who appoints him, he is pummelled on the other side by the most benighted municipal union in town, the Patrolmen's Benevolent Association. When I met Codd—a tall man of about sixty with yellowish-gray hair, a very Irish face, and a slow, deliberate manner—he looked as if he would happily settle for a beat in Canarsie.

As we sat down opposite each other at a coffee table in his spacious office in the new Police Headquarters building, not far from City Hall, I asked him what he was currently occupied with.

He gave me a weary look and said, "The Son of Sam. It's like looking for a needle in a haystack, except we don't even know where the haystack is." The search for the capricious murderer known as the Son of Sam seemed to me a good example of the effects of political pressure on the Commissioner—pressure largely generated by the daily press. I asked Codd how he felt about having to assign several hundred police officers to the needle-in-an-unknown-haystack task of finding the murderer, when, say, a hundred of those officers might have been assigned to track down a major narcotics dealer who had been responsible for thousands of robberies, assaults, and deaths. The Commissioner gave me an even wearier look and shrugged.

There are said to be at least seventy thousand heroin addicts in this city, and they are said to spend an average of fifty dollars a day apiece to support their habits—some three and a half million dollars daily, or one and a quarter billion dollars a year. Since much of the money they spend on drugs is believed to be obtained illegally, the drug problem here obviously must have a lot to do with the crime problem here. Ordinarily, police departments would give up their guns before they would surrender any of their powers, but last winter Commissioner Codd called on federal law-enforcement officials to help New York police control the narcotics trade—a clear admission that local authorities couldn't cope with it. I brought this up, and the Commissioner said, "The truth is that the major drug—heroin—is not indigenous to this country. It is the federal government's responsibility to stop production of heroin at the source, by persuading foreign governments to cooperate. That failing, it's up to the federal government to stop it at the gates of this country. And the federal government also has a distinct responsibility on the local level, since street sales of drugs are as much federal offenses as smuggling is. We should also have harsher penalties for the sale of hard drugs. The dudes aren't being punished, and everybody on the streets knows it."

Not long before, I had seen a report on the effects of the stiffest law ever enacted in this country to punish drug offenders—the so-called Rockefeller Drug Law, which was passed in 1973. The study showed that in the three-year period after the law went on the books, and after seventy-six million dollars were spent on implementing it, heroin use was as widespread as it had been before, serious drug-related crimes had increased sharply, and, despite mandatory sentences for repeaters, the risk of imprisonment for second-felony offenders was lower after the law was put into use than before. I mentioned this report's findings, and Codd said, "It's not the penalties that are wrong. It's that the courts demand such strict proof before they will impose the penalties. That's why we're hamstrung."

A few days earlier, I had walked through Washington Square Park and had seen at least two drug transactions take place in no more than five minutes. I described my experience, and the Commissioner nodded.

"That's true," he said. "You can see that every day of the week. People looking out windows from buildings on the park or people walking through the park and seeing what you saw think that since they can see these transactions taking place the police must see them, too, but just look the other way.

However, what these citizens see is not evidence. It's enough to convince *them* that illegal drug sales are taking place, and it's enough to convince *us*, but it's not enough to convince *judges*. It's not evidence. Evidence is very, very difficult to obtain, because a police officer must hand over marked bills and receive the drugs before he can make an arrest, and most pushers will sell only to addicts they know. What's more, to show that a pusher is a real pusher, and not just a one-sale amateur or one junkie selling the stuff to another junkie, the police have to buy drugs from the pusher more than once."

The Commissioner paused for a moment, then went on, "Part of the drug problem is that in some of the neighborhoods where drug use is prevalent people out on the streets are regarded as brothers by the people who live there and who won't turn them in or try to stop them because of this feeling of brotherhood. But in the past year or year and a half, there have been signs of a turnaround in this attitude. More and more parents have begun to see the effects on their children—the effects of affluence among peddlers and the effects of addiction among users. This has resulted in a greater awareness among parents of the problem we are trying to deal with and thus greater cooperation with us and greater interest in our being aggressive. I think the main remedy for the drug problem, aside from keeping the stuff out of this country, is public education about the results of narcotics use. The glamour has to be taken out of it. For a kid in Harlem, a pusher in a Cadillac is glamorous. We even see pictures in papers and magazines of jet-setters with tiny silver spoons hanging on necklaces. What does this do but

glamorize drug use? Most of any educational effort will have to be aimed at parents, so they can stop the glamour from filtering down to their kids. But the basic problem in narcotics is the same as in the rest of our crime. That problem is delay in the criminal-justice process, and the solution is speedy disposition of cases, swift and certain justice."

The telephone rang, and Commissioner Codd got up to answer it. When he returned to his seat, I asked him to expand on this point. "There is a nationwide, a worldwide increase in crime," he said. "There is also an increase in crimes by people under twenty-five. There are also more arrests. Why is all this so? Part of the reason may be the large increase in population. But I think the prime factor is that criminals perceive little danger of incarceration or any meaningful penalty being meted out to them if they commit a crime.

The criminal who is arrested sees it only as a misfortune that he was caught, and if he is finally punished the delay before he is punished is so great that he sees little relationship between his act and the punishment for it. It is absolutely crucial that the system be speeded up, so that within a reasonable time frame the criminal sees punishment as the inevitable result of his conduct. Then he won't be let out to commit more crimes while waiting for his case to be disposed of, the victim will see quick vindication, and society will find the system credible."

In 1973, Abraham Beame promised in his mayoralty campaign to hire three thousand more policemen. By 1977, Mayor Beame had got rid of five thousand police. More than three thousand of those laid off were from the precinct patrol force, which the department considers its front line in the war on crime. Still, between sixty-five hundred and seven thousand police officers out of the patrol's remaining sixteen thousand are on the street every day—the same number as before the reduction. Commissioned Codd made up for the layoffs in the precinct patrol by transferring policemen from desk jobs and by adding ten days a year to the duty time of every policeman in the department. Ten additional days means one million six hundred thousand more hours on duty a year for the police force as a whole. In 1976, the year following the layoff of one-tenth of the city's police force, the rate of the most serious kinds of violent crimes here declined for the first time in many years. One wouldn't have known it from the local press. The Times, for instance, ran a front-page story, with a four-column overrun on a rear page, under the headline:

SHARP RISE REPORTED FOR SERIOUS CRIMES IN ALL FIVE BOROUGHS—1976 FELONIES SET A RECORD

The article—by Selwyn Raab, a Times crime reporter—contained fifty paragraphs. In the forty-fourth paragraph, Raab wrote, "Violent crimes, which are murder, rape, robbery and assault, climbed by 1.5 percent last year. All categories decreased except robbery, which was up 3.6 percent. Robbery is considered by criminologists and law enforcement experts as the most accurate measurement of violent street crime." While crime experts may consider robbery the most accurate measure of violent street crime, the people who were not murdered, raped, or assaulted last year—one thousand twenty-two fewer than were murdered, raped, or assaulted the year before—might think otherwise. Of course, the public fears these most violent crimes most of all, and the decline in them was the real news. Apparently, though, the Police Department along with those who report on it are not anxious to reveal that its task is getting even a little lighter.

In any event, I heard that the changes in the Police Department had made it leaner and more efficient, and asked the Commissioner if this might have contributed to the decline in such violent crimes. He shook his head and answered, "The decline is a reflection of our anti-crime programs—that is, specific programs utilizing plainclothes officers dressed to blend with the local scene." I gathered that he meant the department's decoy operation, in which police officers disguise themselves as old people, drunks, and helpless-looking young women, and wait to be attacked while backup teams of other police officers hide nearby. The decoy program was started here in 1971, and now has two hundred and fifty officers working with it and an arrest record of twenty thousand assailants in six years, ninety per cent of whom have been convicted. That is an extremely high conviction rate, and may be explained by the fact that both the victims and witnesses are police officers. In New York City last year, the police force as a whole arrested a hundred thousand people on felony charges, but only twenty thousand of them, or twenty per cent, were indicted for committing felonies, and only twelve thousand six hundred of them were convicted.

I mentioned this disparity, and asked the Commissioner whether his men had made a large number of bad arrests that grand juries threw out for insufficient evidence.

"Those weren't bad arrests," he said firmly. "Possibly not all the evidence was there at the time the grand jury was considering the offense. Or possibly the arresting officer didn't have the time or the staff to present the best case to the grand jury. It's a question of not having infinite resources."

As I got up to go, I asked Codd how the future looked to him.

"In the current time frame, I look forward to a good year—that is, a better year for law-abiding citizens and a worse year for law-breakers," he said. "That's mainly because there is a closer working together of the different parts of the criminal-justice system in New York City than we've ever had before. We used to stand in corners and point fingers at one another. That's not so much the case now. There's been a marked change. We're meeting together, talking with one another, and working more cooperatively on the problems of crime and law enforcement in this community. I'm very hopeful."

Robert M. Morgenthau was United States Attorney for the Southern District of New York for nine years and has been District Attorney of New York County for three years. A slender man in his late fifties, Morgenthau has a rather drawn face, gray hair that is thin on top and bushy in back, and old-fashioned horn-rimmed glasses. He is soft-spoken and has the shy smile of a small boy, and he is known as a very tough prosecutor. "Crime in New York City is a blight and a great public concern," he said to me as we sat in an enormous conference room just off the smaller room that he uses as his office, in the Criminal Courts Building, at 100 Centre Street, a couple of blocks from Police Headquarters. "But, compared with Detroit or Washington or even Atlanta, this is a relatively safe place to live. Most people here have no contact with crime. The greatest threat to the residents of this city is still crossing the street." I was about to ask him if he was referring to white residents and comparing street accidents with reported rather than actual crimes when he continued, "Crime here is mostly committed against poor people. They are frequently the victims of crime. But the continuing rise in crime, its increasing spillover into the white community, and the failure of our criminal-justice system to cope with the problem adequately have created apprehension and fear among a great many citizens, black and white. What frustrates and angers them most is that someone commits a crime and before that crime is disposed of within the system the defendant commits another crime. When that happens, as it does over and over and over, the politicians want to solve the problem by assigning more police. That way, there are more arrests, but the politicians never think about who is going to prosecute these additional defendants, or who is going to judge them, or who is going to hold them in prison. For instance, last year the State Legislature passed a law enabling the police to make arrests of women loitering and soliciting for the purposes of prostitution. We get maybe a hundred and twenty-five arrests a week under this law, or more than six thousand arrests a year. I said at the time it was passed that we'd need five hundred thousand dollars more a year to enforce it. They gave us nothing. Then, there's the Mayor's Midtown Task Force, which was set up to get rid of the massage parlors and pornography shops in the Times Square area. We got a federal grant of fifteen thousand dollars to handle hundreds of these cases. Impossible.

It's the same story again and again. Every study—half a dozen made in the past few years—has pointed out this problem. But nobody does anything about it. So there are more arrests, more defendants sent back to the streets before they can be prosecuted, more crimes, more public frustration and cynicism. The trouble is that the public and the Legislature look at the opening of the tunnel but not at the middle or the end of it. The goal of our criminal-justice system should be prompt disposition on a fair and certain basis. That's the only true deterrent to criminal behavior. Almost everything I've been doing is to speed up the system here. We've made a lot of progress, but we have a long way to go."

Morgenthau paused to light a large cigar, and once he had it going he examined the lighted end of it for a moment, puffed a couple of more times, and then said, "Above all, we need more resources. The total budget for the city last year was thirteen and a half billion dollars. The total criminal-justice budget was about ten per cent of that. Of *that* sum, a billion and a quarter dollars went to the police. The Manhattan District Attorney's Office got seven million dollars, or much less than one per cent of the total criminal-justice budget. If we hadn't got another three and a half million dollars from the state and federal governments, we would have had to let at least a third of our staff go. We have around two hundred assistant district attorneys, who handle over a hundred thousand cases a year, or more than five hundred cases per assistant. That's a crushing case load. The average policeman costs the city thirty thousand dollars a year, while the average assistant D.A. costs the city eighteen thousand dollars a year. Arresting people won't solve the crime problem. They have to be tried and imprisoned, too. Citizens say they want something done about crime. Well, not enough will be done until they force the city and state governments to provide realistic funds for somebody besides the police."

Since the city and state governments have done little so far to combat crime, and seem unlikely to do much more in the future, I asked Morgenthau what he could manage to do within the narrow financial limits imposed on his office.

"Actually, we're making rather surprising progress, considering those limits," he answered. "There's been a decline in our backlog of felony cases, a higher conviction rate, more cases tried, fewer cases dismissed in court, less time spent per case, and a rise in the number of convictions that result in imprisonment. This office once handled cases on an assembly-line basis, with some assist-

ants handling only complaints, others handling only arraignments, and still others handling only trials.

Now we have what I call 'vertical integration,' under which each assistant handles cases from complaint on through final disposition. That has speeded things up tremendously. For instance, in 1974 there was an average delay on felony cases between arraignment and disposition of forty-four weeks. Now the delay is seventeen weeks. We set up an 'early case-assessment bureau,' or ECAB, in May of 1975, which helped greatly, too. With ECAB, we can determine at the start what kind of charge will be brought against a defendant at arraignment. By this means, we've been able to settle sixty per cent of our cases at that stage. This has made it possible for the courts to develop their own special procedures to speed up cases there. But the most important innovation here is that we are now concentrating much more than before on serious crimes and on repeaters of serious crimes, instead of on building a statistical record. For example, take the case we handled recently where two guys followed a seventy-two-year old woman into her apartment, at Broadway and Seventy-third Street. They grabbed her and put a pillowcase over her head and tied her up with a light cord. Fortunately, they didn't hurt her. All they found in the place was nine dollars in her handbag. They took the money and left. In the past, that would have been treated as a perfunctory case. But we checked the defendant's records, and found that one of them had twenty-five arrests and the other had twenty-six arrests and neither of them had ever been locked up for more than sixty days. So we treated the case as a serious offense, and each of them got three to six years in prison. I think that the serious repeater of violent crimes should be treated very severely. I have come to this conclusion reluctantly, but I don't see what to do with him except to take him off the streets for a very substantial length of time. Of course, our new policy of concentrating on the most serious crimes means that lesser crimes aren't getting the attention they deserve. Since there are far more of these crimes—small burglaries, shoplifting, obscene behavior, car theft—there are more victims to get mad at us, and in the end public anger toward the system is probably greater than ever. But our policy is working. We are finding that a relatively small number of criminals seem to commit a very large proportion of the serious crimes in this city. If we can control them—probably by putting them away for long periods—we'll have time to pay sufficient attention to lesser crimes. Our success is encouraging. Of the people who have been indicted for felonies, seventy-eight per cent are now being convicted. This is far higher than in Manhattan in past years. We also send a higher percentage of convicted defendants to state prison than any other county in the state."

I raised the issue of drug control, and the District Attorney said, much the same as the Police Commissioner had said, "The trouble is in obtaining admissible evidence on the sale of drugs. Observation of narcotics sales will not stand up in court under most circumstances. And even if the police get very strong evidence, we don't have the resources to try these cases promptly. Say a narcotics case is held up for nine months. That's a long time for a drug seller. During that time, he's out on bail, back on the street selling more drugs."

It has long been popularly believed that organized-crime syndicates are behind the drug trade in this country, and I asked Morgenthau if his experience bore this out.

"They're involved in it, but not to a great extent—at least, not to the extent they used to be," he answered. "Organized crime does affect the lives of the people directly or indirectly in a number of ways, though. Most thefts are fenced through organized-crime outlets, which, of course, encourages thieves. Organized crime is involved in labor racketeering, which affects wages and prices. And organized crime is deeply involved in gambling and loan-sharking, in trucking and carting, and in various other lines. They've tried to get into legitimate business and commit white-collar crimes, but fortunately they're not very smart."

His cigar had gone out, and he paused to relight it, reexamine it, then puff on it thoughtfully in silence for a minute or two. "Speaking of white-collar crime," he said finally, "I've always thought there was a relationship between that kind of crime and street crime. One reason people get involved in crime is their feeling that the economic and social system is unfair. They figure that if you learn the ropes you can steal and not get caught, that if you reach a high enough status you are beyond the reach of the law. To a certain extent, they're right. Slum kids know that the numbers racket and the narcotics racket are being run by someone up above. They don't know who it is, but they know someone's got to be running things and getting away with it. Then they read in the tabloids about business crooks, big-business crooks. And they see rich men driving big cars, wearing fancy clothes, going into expensive restaurants with beautiful women—the works. The kids figure it's the same thing—that somebody's raking off plenty in so-called legitimate business. To a certain extent, they're right again. Kids don't know how to get into the big time, but they know they can learn to pick a pocket, or snatch a purse, or break into an apartment and steal a TV set, or mug somebody.

They figure that if they start that way they'll learn the rest, make contacts, hit the big money. Whenever I speak to business groups, they always want to hear about street crime and I always want to talk about white-collar crime. When I was U.S. Attorney here, I frequently spoke at banking conferences. They wanted me to tell them how to protect their banks against robberies, and I wanted them to tell me about far more serious crimes, such as the transfer of illegal funds through their banks. I'd say, 'You handle funds from organized crime—huge sums of cash that were almost certainly obtained illegally—and I wish you'd tell us when that happens.' But they won't. Nine out of ten businessmen know when they are dealing with criminals, but nine out of ten businessmen do nothing about it. That encourages crime—in this case, organized crime. And that encourages white-collar crime. And both encourage street crime. We do our best here to prosecute white-collar criminals, but it takes a special effort. We have homicides, rapes, robberies, assaults by the tens of thousands in this city, and when the police hand us evidence of such crimes and the people who supposedly committed them, we have to proceed. Nobody brings us white-collar crimes. We have to take the initiative. It's very hard work—there's no corpus delecti, no fingerprints, no buttons or hair, just a lot of financial records—and it produces few statistics. Still, I think that prosecuting such crimes is vital. Their cost to society is enormous—upward of fifty billion dollars a year, it's said. But, most important, prosecution of white-collar criminals demonstrates the evenhandedness of the law. Without that, we'll have no faith in our law-enforcement system, and without faith we'll just have more crime everywhere."

Morgenthau went on to say that the alarming rise in crimes committed by young people—especially impoverished young people—had made youth crime one of his most pressing concerns. He pulled a loose-leaf notebook from the bottom of a pile of books and papers on one corner of a table nearby, and opened it. "Take homicides in New York," he said. "Last year, sixteen hundred and twenty-two people were murdered here. Half of them were killed by people between the ages of sixteen and twenty-five. Then take other felony crimes. Fifty per cent of all felonies in New York City last year were committed by people under the age of twenty-one. A basic change that has just been made in our state law was amending the prohibition against letting judges see the police records of juvenile offenders—kids under the age of sixteen—who came before them.

Many of these kids are very tough, hardened criminals by that age. Judges should have had their records all along, so they could see who were the repeaters and treat them accordingly at the time of sentencing. These kids are dangerous. With the amended law, the courts are beginning to deal with the serious juvenile offenders much more seriously." He paused for a moment, then went on, "Prosecution—especially in the case of kids—is a very imperfect way of dealing with criminal conduct, because it's after the crime. I wish there were more one could do in this job to keep people from getting involved in crime. Take these kids who go wrong. There is now thirty-five to seventy per cent unemployment among teen-agers, depending on the area they live in and the time of the year. If they don't have any way of earning money, many of them are bound to steal. Something has to be done to give them jobs. But other things have to be done, too. I guess I'm a frustrated social worker. I've been involved in youth work for twenty-five years. I've been president of the Police Athletic League since 1962. It's the one organization I've ever been connected with that I feel if it had twice as much money it would do twice as much, maybe three times as much, good. Eighty thousand kids are enrolled in PAL programs here—fifty playstreet programs that some twenty thousand kids participate in, another twenty thousand in track, and many more thousands in eight hundred basketball teams, seven hundred hardball teams, five hundred softball teams, six drum-and-bugle corps, twelve libraries, twenty-five full-time and part-time recreation centers, photography clubs, glee clubs, drama clubs. We take kids no other organization will have. They're the ones who need help most."

A few minutes later, I got up to go, and at the door the District Attorney said, "What we're trying to do here most of all is make punishment of the guilty and release of the innocent faster and more certain. We make every effort to be sure that defendants are treated fairly. They are being treated much more fairly than they were ten years ago, and get much better legal representation at an earlier stage now. If defendants aren't treated fairly, they will never be rehabilitated. Resentment is a great creator of crime. But we still don't treat victims and witnesses as we should. More citizens see their government in action in courtrooms than anywhere else. It's small wonder that most of them go away disgusted. We shouldn't call victims and witnesses time after time and push them around and then send them away because of some delay that's no fault of theirs, then call them back to go through the whole unpleasant business again.

The present treatment discourages people from coming forward and reporting crimes or offering to testify as witnesses. That's a very serious shortcoming, because every time someone gets away with a crime, that encourages more crime."

I asked Morgenthau what he thought the ratio between reported crimes and actual crimes might be, and he shrugged. "We have no idea—none whatever," he said. "Anyway, we would decrease the ratio, whatever it is, if we treated victims and witnesses better. We have a two-person victim-aid bureau to help people who need compensation as a re-

sult of crimes. It was privately funded, but the money ran out and the federal government wouldn't subsidize it. It was about to expire, but then we got some money from the city for it, and have been able to continue the program. It not only is humane but it has had a very direct effect on the willingness of people to come forward. We also now have a separate waiting room for victims, so they don't have to sit in the intimidating atmosphere of the court or mill around in the halls until their cases come up. I tried, but failed, to get money for a Volkswagen bus, so we could drive victims home if they had to stay until dark to appear in court. They come down here and spend all day after being hit on the head by some mugger, and then they have to take a long subway ride and walk the dark streets to their homes. We should do more to help them. Justice should be more decent."

When I went to see David Ross, the Administrative Judge of the City of New York, I found him to be an energetic man in his mid-fifties with brown hair, a sandy mustache, black-rimmed glasses, and a big cigar. He got up from behind the desk in his modest office and waived a sheaf of papers at me. "Statistics! Statistics!" he cried. "I'm not a statistician, I'm a lawyer, but we spend half our time here on statistics. We've got to find out where the problems are numerically before we can deal with them humanly." I had been thinking about the bureaucratic misuse of figures—what might be called the statistical lie—to make records look better. Of all the statistical lies produced in this city, probably the greatest whopper is the Police Department's practice of claiming that an arrest made is a crime "cleared"—which suggests to the layman that it was solved. In other words, since the police arrested a hundred thousand people last year on felony changes, the implication is that they solved a hundred thousand cases. Actually, as I knew, only twenty thousand of the accused felons were indicted, and only about twelve thousand of them convicted. In sum, around twelve per cent of the felony cases that the police claimed to have "cleared" were really solved.

I brought up these figures, and asked if this sort of misrepresentation prejudiced the public against the courts, since so many arrests were made and so few of those arrested were convicted.

"Absolutely," Judge Ross said. "Take the police claim that they arrested a hundred thousand felons. It is not up to the police to determine the gravamen of a case—whether a crime is a felony or a misdemeanor and what grade felony or misdemeanor. That is the task of the district attorney and the grand jury. If they find that an arrest is a bad arrest, it is their duty to throw out the case. People who accuse the courts of coddling criminals simply don't know, or ignore, the facts. One fact is bad arrest. Another fact is that New York City and the rest of New York State each have about the same number of indictments, but the latest report from the state correction office shows that of the seven thousand five hundred commitments to state prisons in 1975 more than five thousand came from New York City. So we send more than twice as many people to prison as they do in the rest of the state. Or, to put it another way, a person who commits a serious crime here is more than twice as likely to go to prison as a person who commits a serious crime elsewhere in the state. Still another fact is the comparison between plea bargaining here and plea bargaining in the rest of the state. The key to whether a sentence is heavy or light is the extent of plea bargaining—that is, the greater the plea bargaining in the system the shorter the sentences handed down. In recent years, the use of plea bargaining here has been constantly going down, and the number of cases tried has been constantly going up. Last year, about two-thirds of our dispositions were by plea. The plea figure for the rest of the state was three-fourths. So our sentences were higher, too."

I asked the Judge what conclusions could be drawn from the statistics compiled in his own office, and he answered, "That there is no such thing as a criminal-justice system here. I'm a justice of the state supreme court, and I took over, in January of 1971, as administrative judge of the criminal courts in New York City. They're the lowest criminal courts, and deal ultimately with misdemeanors. The first question I asked when I got here was how many cases we had. It turned out that no one knew! Now, I'm a simple guy from the South Bronx, and I don't believe in computers. I believe in people and plain arithmetic. I told my staff to begin counting. When they reached sixty thousand, I called a halt. We were in a state of shock. No one had dreamed there were that many cases.

We never found out how many there actually were. Anyway, I had to find out where the problems were, what was causing this immense backlog, so I began observing arraignments evenings, weekends. I would watch a rather low-gravamen case go through the process—say, somebody was arrested for smoking in the subway—and eight weeks later a five-day sentence or a fine was handed out. On a cost-accounting basis alone, it made no sense. The cost to the public was tremendous. Every time a case is put over—because the lawyer isn't there, or the arresting officer isn't there, or a witness isn't there, or the defendant isn't there, or the prosecutor has two cases to try at the same time, or some official papers are missing—eight or nine court employees are involved and a lot of paperwork has to be processed. This is not to speak of the poor quality of justice being meted out. Then I found that if a criminal-court judge wasn't able to decide the gravamen of a case, it was sent on to a grand jury as a probable felony, then there was an indictment, then a supreme-court hearing was held, then the case was put on the supreme court calendar, then when it came up for trial all too frequently the D.A. would tell the judge, 'This is actually a Class A misdemeanor, not a felony.' So it never should have been in supreme court at all. It should have been tried in criminal court—probably a year before. More likely than not, the defendant was detained in jail unjustly during that year, because he couldn't raise the high felony bail. I discovered that half of all the cases in supreme court ended up as misdemeanors, which should never have been there. They were clogging up the supreme court calendar and causing most of the backlog. The greater the backlog, of course, the longer the delay, the worse the effect on the defendant, who gets more resentful, tougher, more skilled in the ways of crime every day he spends behind bars. Also, the longer the delay the less likely he is to be finally convicted, because witnesses' memories fade, people move away, victims give up and drop charges. In short, the longer the delay the more the system fails."

Judge Ross took the wrapper off a fresh cigar and lighted it. He puffed contentedly for a minute, then went on, "After I saw what was happening, I asked myself, 'Why not dispose of small cases at once?' So I decided to frontload the court system, instead of backloading it as before, by settling minor cases at the time of arraignment, the first step in the court process. We began disposing of low-gravamen cases—say, Class B misdemeanors, which means six months or less in jail, and smaller cases—by way of fines, probation, and suspended sentences. Now we get rid of roughly half of all arrests at the time of arraignment.

That figure is for the whole city. In Manhattan, it's around sixty per cent. The new system works remarkably well, and it's now accepted as the norm, as if we had always done it that way. Before, trial judges couldn't hope to handle cases fairly, but now that we have cut their case load in half they have a lot more time to try each case. Today, we dispose of cases in criminal court in an average of three to three and a half weeks, and we're cut the backlog down to fewer than twelve thousand pending cases. The impact on the D.A., on corrections, on the supreme court has been tremendous, because now everyone can concentrate on dealing with serious offenders."

I mentioned that the Police Commissioner had attributed last year's decline in the most serious offenses—murder, rape, and assault—to the police decoy program, and that a newspaper story I had read recently had reported that there had been a further decline in serious crimes during the first six months of this year but that the police were at a loss to explain it.

Judge Ross smiled. "I know," he said, leaning back in his chair and smiling more broadly. "They just can't figure out what's happened." Suddenly he sat forward and said, "I'll tell you what's happened. Those serious crimes have declined because district attorneys are concentrating on serious offenders, and we're sending more and more of them to prison for longer terms. So there aren't as many of them on the streets as there used to be. We're reducing the relatively small number of violent criminals, the repeaters, who commit most of the serious crimes here. That's why the rate of serious crimes has fallen." He puffed angrily on his cigar for a few moments, then went on, more calmly, "Of course, to accomplish this we had to revise the work of the supreme court, too, since that's where serious crimes are handled. In 1974, I was made administrative judge of all the trial courts in the city. I found that we had quite different problems in supreme court. Fellows charged with serious crimes were being detained ten, twelve, fourteen months before trial. It was often hard to find those who were out on bail because of their great numbers. We tried to use in supreme court the principle we had developed and used in criminal court. But the problem was different. Obviously, you can't dispose of a serious crime—murder, for instance—at the arraignment stage. We had to cut down on delays and get rid of the backlog somehow. My solution was to create teams of judges. One judge up front was in charge of the general trial calendar for his team of three or four trial judges. He handled all the administrative work—the legal bookkeeping, so to speak.

Then, when a defendant and his lawyer and the prosecutor appeared, after all the hearings and paperwork were out of the way, this judge could say, "You're ready? O.K., go across the hall to courtroom such and such." The judge there would greet the principals and tell his clerk, "Impanel a jury." It works. We're disposing of our felony indictments now in an average of twenty-three to twenty-four weeks, or less than six months. But that figure is an average, and we haven't reached our goal of no more than six months for *every* case. When we reach that, I'll make the goal five months. We're on our way.

I recalled occasionally reading newspaper articles about defendants still being held for over a year before trial, and when I mentioned this, Judge Ross nodded. "One of our worst problems was that our old cases were getting older and older," he said. "So we devised a special program for long-term detainees, who are invariably the most serious offenders. We had three hunderd and fifty of them, equally split among Manhattan, Brooklyn, and the Bronx. The main cause of delay, I discovered, was that we had too few

judges. The number of supreme-court judges is fixed by the state constitution, so I took some lower-criminal court judges and some civil-court judges and made them acting supreme-court judges. Before I could do that, though, I had to get some more money, and finally I got a five-million-dollar grant from the Law Enforcement Assistance Administration. With it, we set up three extra court parts in each of these three boroughs, complete with judges, court personnel, assistant D.A.'s, correction officers, and so on. By the time we got the operation running, in June of 1976, we had over four hundred long-term detainees. Now there are only thirteen left. All in all, we're succeeding. Never have our courts, with less fiscal capacity, been doing as much as they're doing today."

I asked what that capacity is at present, and he answered, "Eighty-five million dollars a year, or less than one per cent of the city's budget. The claim that we have three coequal branches of the government is nonsense. As long as the executive and legislative branches control the judicial budget and dole money out to us as they please, we won't be coequal. And as long as the so-called criminal-justice system is a funnel, with tens of thousands of cases pouring into the top and then inevitably clogging up at the narrowest part down near the bottom, we'll always have a serious crime problem. There's no question that crime can be dealt with—if the government's priorities, which are all backwards now, are sensibly revised.

In our case, the solution may not be more courts and more judges. Most of all, we need more nonjudicial personnel—the back-room staff. Second, we need a greater trial capacity. Even if a courtroom is empty part of the time it's essential that it be there, ready for use. If trial courts are full, defense lawyers, knowing there will be a delay, which is almost always to their clients' advantage, ask for trials. On the other hand, if trial courts are available the same lawyers will take a plea rather than go to trial. That speeds up dispositions, reduces the detainee load on corrections, deters defendants out on bail, and satisfies victims and the public in general. Severity of sentence has absolutely nothing to do with deterrence. It's not the severity, it's the celerity that counts. Third, when a new law is passed, we should be given the capacity to carry it out as intended. Fourth, the state corrections system has to be enlarged. It's bursting and simply can't keep up with us. If there were enough prison beds we could cut court delay below six months easily. As it is, there's no room for the guys we're sending them now. Most of all, we should reopen the Tombs, which was closed in 1974 after a federal judge ruled that that place was so awful that incarceration there constituted cruel punishment. If the Tombs were fixed up and reopened, we'd have a real handle on crime in this city. What's being done now is economic madness, and will cost far more than renovation of the Tombs. There are about nine hundred beds in the Tombs, but most detainees are being held way out on Riker's Island, up in the East River. Instead of simply being brought from the Tombs, across the street, into the court building, prisoners now have to be transported all the way from Riker's. The wrong prisoners are brought, the vans are late—delay, delay, delay. All of this could be solved if the public cared. It's entirely up to the people of this city. When they really want the crime problem solved, it will be solved."

Benjamin J. Malcolm, the Commissioner of Correction—a powerfully built light-skinned black man in his mid-fifties, with sloping shoulders, a large bald head, horn-rimmed glasses, and a mustache—told me that in the course of last year around fifty-four thousand people were held prisoner by the Department of Correction, most of them on Riker's Island and the rest in smaller houses of detention in the Bronx, Queens, and Brooklyn and in prison wards at city hospitals. A third of them were sentenced prisoners serving less than a year, and two-thirds were detainees held for varying periods while waiting for the courts to dispose of their cases. "We probably suffer most for all the mistakes made in the criminal-justice system here," Malcolm said. "We're the only ones who have no control over who comes in when or who goes out when.

Back in 1972, we had an average daily census of thirteen to fourteen thousand inmates, or twice our cell capacity. Overcrowding is a prime cause of riots, and we had a couple of bad ones. But then Judge Ross made his brilliant move to frontload the court system. That reduced our enormous prison load, which now average six to seven thousand inmates. The overall concentration on the heavy hitters in crime—in the D.A.'s office, the courts, and here—may be the only solution. It certainly has changed the corrections business. There used to be prostitutes, pimps, addicts, shoplifters in prison, but very few misdemeanants end up there now. The theory is that the new approach reduces the crime-school effect of prisons. The people we're putting away now already know just about everything bad there is to know."

I remarked that a couple of the officials I talked with had said that there is no criminal-justice system.

"That's right," Malcolm said. "We have a criminal-justice industry. A whole mob of us make livings out of this non-system. Out of a total Correction budget of ninety-two and a half million dollars last year, seventy-seven million dollars went for personnel. It costs twenty-two thousand five hundred thirty-eight dollars and seventy-five cents to keep one prisoner at Riker's for a year. And since 1970 we have spent over a hundred million dollars on new corrections facilities. In short, it's a very expensive system. What does it accomplish? It holds people. It is a warehouse system. Our purpose should be to prepare inmates to live within the community outside without assaulting it. Do we do that? Emphatically, no! In this country we are still living in the nineteenth century, penologically speaking. In fact, we are just getting around to pushing ideas that were advocated by Benjamin Rush and Cesare Beccaria in the eighteenth century. In Europe, they are much more advanced than we are. I went over there to study prison reform, and found they're making real progress. In West Germany, government officials, businessmen, and trade-union leaders got together and set up prison plants to manufacture highly intricate automobile and aircraft equipment. Union workers trained prisoners, who proved that they could do the most complicated kind of precision work. It's been a great success. But here you couldn't persuade either businessmen or unions to go along with that. Both are too afraid of losing money and power.

Not long ago, I discovered an 1896 state law that prohibits the sale of any commodities made within the prison system outside that system. We didn't have much in the way of unions then, so it was a businessmen's law. But now the unions are even worse. Let's say we repealed that law, and then trained inmates in marketable skills. The next thing would be to give them union cards, so they could get jobs. But you can't do that. Unions won't allow it, so politicians won't even listen to such a proposal. Three or four years ago, I wrote City Hall and said we have a bakery at Riker's Island and if you can arrange with union bakers to come in and train inmates, we'll supply all the bread for city hospitals, school-lunch programs, and so on. All we need is an agreement with the bakers' union. I never got an answer. Therein lies the root of recidivism. Union members in this country have to make a choice—either accept a slight risk to their job security or accept the increasing likelihood that they or members of their families will be victims of criminals whom they prevented from getting jobs. People blame crime on prisons, but it isn't the prisons that are at fault. It's the people themselves. I was a parole officer for more than twenty years, and I saw thousands and thousands of men destroyed by this system—men who wanted only a chance to go to work at an honest job but were denied it."

I asked Commissioner Malcolm if he would place the blame for the failure to rehabilitate prisoners chiefly on unions, and he quickly and vigorously shook his head. "That's just one symptom of public indifference," he said. "Take the resources that are allocated for so-called corrections—around one per cent of the total city budget. If people were serious about doing something to reduce crime, they would do something. As it is, this is purely a punitive system. That seems to be what the people want. Why don't they admit it? Why be such hypocrites? After all this time, it's clear that punishment makes most criminals worse criminals. So if we lock them up, give them practically no training that they can use on the outside, then release them—and ninety-five per cent of them get out at some point—it is inevitable that they will assault society again. They have little choice, because there is simply no way for them to survive otherwise. Which does the greatest damage to the inmate—what's done to him inside prison or what's done to him when he gets out? Of the three Ps—prosecution, punishment, and persecution—the last does the greatest harm. We persecute ex-convicts forever. Unions say, 'This guy has a record, we can't trust him.' We say, 'But he's paid his debt to society. He's a well-trained bricklayer or carpenter. He deserves a chance to remake his life.' When we deny him that chance, we drive him back to a life of crime. I've heard so many ex-cons say this. It's society that has to change.

While it would cost more in the short run to make our system truly corrective, it would save immense sums of money and huge amounts of human pain in the long run. But the people don't want that. They want punishment. And in the end they are punished, too."

Since Commissioner Malcolm probably had more direct experience than the other officials I had interviewed with the fastest-growing and most alarming group of criminals in the city—youthful criminals—I asked what hopes he had of turning them away from careers in crime.

"The ones we have in the system now are the hard core," he answered. "I'd be the last one to let them out. Last January, we took a sample census of eleven hundred prisoners who were between sixteen and twenty years old. Ninety to ninety-five per cent of them were there for murder, assault, armed robbery. Twenty-four per cent were in for murder. The courts, until very recently, were too lenient with kids. It's only been in the past year that courts and legislators have begun to take stock of the youth role in crime—that is, the flood of youth crime. In 1976, almost seventeen thousand kids under the age of sixteen were arrested here for committing very serious crimes. At least ten per cent of them should be held in secure facilities. The Juvenile Justice Reform Act, which went into effect last February, was based on the legislature's new awareness of how serious many youth crimes are, and it gave judges the authority to commit the more violent juvenile criminals to secure facilities for one year. But we have only two hundred and seventy-five beds in the whole state for them. Of course, it didn't take long to use up the few vacant beds there, so judges had to go back to applying the old law to juvenile criminals."

"What would you do to reform the correctional system if you had the money and the authority?" I asked.

The Commissioner stared off toward a window for a minute or two, then turned back to me. "I would have two different systems—one for detainees, one for sentenced inmates," he said. "Take detainees first. We've found that nowadays sixty to seventy per cent of them are hard-core criminals. They must be brought to trial speedily, within ninety days. If a defendant is innocent or there isn't enough evidence to prove him guilty, let him go. If he's guilty, satisfy the victim and society.

During the ninety-day waiting period, we must have educational programs really intensive programs. It's pointless to try to train someone in vocational skills in such a short period. But we could have intensive courses in reading, writing, simple arithmetic. We've got to bring prisoners up to the equivalent of high-school graduates, so they can function outside. The program should be conducted seven days a week, instead of five days as now, in order to obtain maximum results and also to stop riots, which usually occur on weekends, when prisoners have little to do. All in all, I would do just as much as possible to get detainees out of the prison system as fast as possible. Next, take sentenced inmates. Anyone coming into the prison system should be given enough time to do him some good—six months at a minimum, maybe even a year. Those now being given thirty days should get six months. Those now being given six months should get a year. I would set up an industry-supported, labor-supported plan to have training programs for work on the outside. To reduce the cost of the program, I would set up a series of residential, or halfway, houses in communities where inmates intend to live and work after release. Under the law, I should have the authority to execute warrants to withdraw good time earned by inmates who don't behave. Everyone would be in a work-release program. Say a man has a one-year sentence. He would spend eight months being trained in prison and four months on work-release outside. We would pay him for his work during the last four months, so that when he goes back on the street he will have a bankbook with several hundred dollars to help him start again, and he would have a skill to start with. We would give him heavy attitudinal counseling. When he's ready to go out, we would help him get a job, find a place to live, and take additional training if he needs it. That way, I would have a group of men who would know, from Day One, what the contract is and what violation of it means. That way, each man would have a chance to become a member of a family and a community and a work force—a chance to become a man, maybe for the first time, and to have some confidence and pride in himself. As it is now, we just send them out blazing with anger, without hope, ready to rip off the first person they can. And we could set up a large part of this program on our current budget. Say we have a thousand inmates and each stays an average of two hundred days. If we cut the stays of detainees, who make up two-thirds of our inmate population, down to a hundred days, that would cut housing and overhead costs by more than half. Then we would use the money we saved to pay for work-release programs for sentenced inmates.

We'd probably need more funds to provide real training programs in the prison system as a whole, but the cost would be small compared to the social savings over the long haul. Work-release programs and halfway houses are the only answer. And they'd be much cheaper, once set up, than the warehouse system we're running now. All this may sound idealistic, but we've got to strive toward such an ideal if we're going to save our society. Otherwise, it will be swamped, simply swamped, by crime."

Last winter, Mayor Beame appointed Nicholas Scoppetta, an experienced prosecutor and the city's Commissioner of Investigation, to be Deputy Mayor for Criminal Justice. Shortly after he had settled into the job, I went to see him. Scoppetta—a pleasant man in his mid-forties, with receding, dark hair and a rather plump face—met me at the door to his large office, at 130 John Street, and led me to a pair of chairs facing each other beside a wall of windows overlooking the East River. We sat down, he lighted a huge cigar, and, once he had it going, he said, "The chief power of this office is that the coordinator, or deputy mayor, has the duty to make the recommendations to the mayor on budgets for the criminal-justice system. There were two hundred and twenty thousand arrests in the city last year, but there was, and is, no system to deal with them comprehensively. Actually, we learned this through the fiscal crisis. The cutback in city funds forced us to examine the criminal-justice system for the first time, to see where we could save money and do things more efficiently. That's how we discovered that there was no system—just a great hodgepodge of people running around in the dark bumping into each other."

The statement seemed to me an astonishing admission of bungling on the part of the city government, which had spent untold millions of dollars over many years to deal with the crime problem, and which had then learned what the basic problem was only because it had to stop spending so much money on the problem. Before I could bring this up, Scoppetta went on, "Of course, each part of the system needs more resources. For instance, there's talk in Washington about disbanding the Law Enforcement Assistance Administration, and if that happens we'll have to fire a third of our assistant D.A.'s. And the courts need more judges. If we increased court time by just one hour for each court part, we would have the equivalent of three dozen more court parts, which would speed up our disposition of cases greatly."

On the other hand, Judge Ross had said that he wasn't at all sure he needed more judges, and after my talk with him I had learned that although crime in New York was increasing, the time supreme-court judges in the city spent on the bench had been decreasing. In Manhattan and Brooklyn, a study of the court system revealed, these judges sat for less than half of their official working day, which is only six and a half hours as it is. After the study was distributed among court administrators—including Judge Ross, I assumed—the judges began spending more time on the bench, and the backlog began decreasing. What is more, I had read in the *Times* that Mayor Beame had left twelve criminal-court and seven family-court judgeships vacant for periods ranging up to a year—reportedly because he hadn't been able to find the appointees who would provide the best political balance. These vacancies constituted an eighth of the normal complement of judges on the criminal courts, which handle more than two hundred thousand cases a year, and a fifth of the normal complement of judges on the family courts, which handle all juvenile crimes. While the other officials I had spoken with wanted more money for their parts of the system, each of them had convinced me that his own part was working better than ever before on less money. In fact, the system was beginning to function more as a system largely because reduced resources had compelled them to find better ways to do their jobs. The Police Department seemed to be operating more effectively with fewer police officers; the Manhattan District Attorney's office was handling more cases more rapidly with more convictions and more criminals being imprisoned; the courts had greatly reduced delay in disposing of cases; and the Department of Correction had been able to concentrate on fewer and more serious accused and convicted criminals. All in all, I found what I had learned encouraging, and it seemed, at best, misguided for officials to want more money when they acknowledged that, to a significant degree, they hadn't known what they were doing with the money already in their budgets. But I sensed that the Deputy Mayor for Criminal Justice might not wish to endorse the salutary effects of reduced budgets for criminal justice, so I let it pass.

"What we need is more coordination," Scoppetta continued. "Most of all, we need a computerized criminal-justice information service. There's one being used now in the District of Columbia, called the Prosecutors Management Information System, or PROMIS. It provides an enormous range of services. For instance, with a PROMIS system we could find out in seconds when defendants have more than one case pending—a search that now may take days. If a witness calls and wants to know when he is to come to court and what courtroom, with our present system it's very, very difficult to find the information. The PROMIS system can notify witnesses automatically when the date for their appearance approaches, and can tell them which courtroom to go to. It could help courts by printing calendars for upcoming cases. Also, it would provide invaluable assistance to judges by providing defendants' past records for use at the time of sentencing." (As it happens, District Attorney Morgenthau had applied for a federal grant to enable him to install a PROMIS system three years ago, and it has finally been installed and is now being tested.)

"Given our present non-system," Scoppetta went on, "any rational approach to all these daily time-consuming problems is impossible. As it is, we don't know what we're doing. We don't even know what to do with the resources we have. Speaking of sentencing, that's a big topic of discussion in criminal-law circles these days, but it's only recently that it was addressed at all. Punishment for the same crime may range from a suspended sentence to eight years in prison. Of course, that's a fundamental inequity. Prisoners have known about it for a long time—in fact, it seems to be one of the basic causes of resentment among them—but we've just begun to examine it in a serious way. This morning, we had a meeting here to figure out how we could get convicted prisoners out of the city system more quickly—that is, speed up the time between conviction and sentencing. All prisoners should be sentenced within four weeks of conviction, but delays in presentencing reports and the courts' jamup in general extend the period to as long as three months. That's intolerable—especially for the prisoners who are going to get suspended sentences or probation and be set free."

I said I had been wondering whether bureaucratic inefficiency might be the cause of many of the problems afflicting the criminal-justice operation, and Scoppetta thought for a few seconds, while he trimmed the ash of his cigar on an amber-colored ashtray beside him, then nodded slowly. "That's true to a degree," he said. "For instance, we have such an enormous number of cases that the police are tied down much of the time in court—often, we learned, unnecessarily.

In a study we made of the situation in Manhattan and Brooklyn, we found that twenty-two per cent of the felony arrests were cases that would be held for grand juries—that is, they were actually felonies. The total was thirteen thousand cases. We knew from earlier studies that an arresting officer spends an average of four hours in court at the time of arraignment. In felony cases, there is no need for the arresting officer to be in court, because a grand-jury indictment determines the arraignment. So after Morgenthau's success with the early case-assessment bureau, one was set up in each D.A.'s office to decide who should be

prosecuted on what charge. Now, when the D.A. has a case come in, his ECAB studies it and determines whether it's a felony. When it is, the arresting officer doesn't go to court for arraignment, so in Manhattan and Brooklyn alone we can save fifty-two thousand on-duty hours for the police. Citywide, it would be at least double that."

A little later, we got onto the subject of crimes committed by addicts. "What do we do about narcotics violators?" Scoppetta said. "We don't know what to do. We tried to contain the spread of heroin by dealing with new addicts, who preach the joy of being a user after their first high. That didn't work. Then we tried cracking down and putting more drug pushers away. Last year, we sent twice as many pushers to prison as the year before, but we have found that there is very little ripple effect from jailing sellers. There are thousands waiting to take their places. So that didn't work. We have to deal with the problem, but how?"

I asked whether any consideration had been given to using the English system of providing addicts with drugs at low cost to keep them from stealing to pay for drugs at high cost.

Scoppetta shook his head, and answered, "The English approach would be impossible here politically, because it would be called genocide if we kept addicts, most of whom are black, permanently addicted. What we need most of all is a greater federal effort. For instance, three per cent of the federal government's expenditures for drug controls is spent in New York City, which has half the country's addicts." (According to the National Institute on Drug Abuse, New York City has only about one-eighth of the country's addicts.) "Ultimately, it will probably be up to Washington to find some way of keeping the stuff out of the country altogether—just as it is up to Washington to control guns. If we could get rid of drugs and guns, we could cut crime here by half."

I asked Deputy Mayor Scoppetta what he had found to be most encouraging in the work he had done so far in his new job.

"Look at crime citywide and ask what is the kind of crime that is having a major impact on the quality of life in New York," he said. "Of course, it's crime in the streets—violent crime. And that's precisely what we are going after most vigorously and most successfully. We have a major-offense bureau here, which is in line with District Attorney Morgenthau's and Chief Judge Ross's major-felony approach. We are trying to coordinate these separate approaches, so that the most serious cases are treated most seriously. It is proving to be a very attractive approach and may be the only solution, the only way to attack the dreadful scourge that has plagued our city. We are close to confirming a big discovery—that only twenty to twenty-five per cent of the criminals here commit around eighty per cent of all our serious crimes. So the crime problem may not be as big, or as insoluble, as it once appeared. If we focus on career criminals—the violent repeaters—and keep them out of society, that would greatly reduce the crime that most frightens people. It would let us all breathe more freely again. Our strategy really looks as if it will work. But if it doesn't prove to be cost-effective we're going to be in real trouble."

RICHARD HARRIS.

GLENN WATTS ON THE ENERGY CRISIS

Mr. PERCY. Mr. President, I would like to call the attention of my colleagues to an excellent article on the energy problem written by Glenn E. Watts, a member of the board of directors of the Alliance to Save Energy and president of the Communications Workers of America. This short, concise article contributes valuable insights into our national debate on energy policy. While Mr. Watts expresses reservations about certain aspects of President Carter's energy plan, he gives a ringing endorsement to the President's emphasis on conservation.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ENERGY CRISIS IS FOR REAL

(By Glenn E. Watts)

Recent actions, and mostly inaction, by Congress in the field of energy have forced President Carter to take the case for his energy program to the people. This is good in many respects, for the issue is an extremely important and complex one and deserves general airing and broad debate.

And I believe it is likely that the public may show a greater wisdom in recognizing the true nature of the energy crisis than their elected representatives have to date.

For the energy crisis is real, it is still with us and it will be for a long time. President Carter knows this, and he knows that a comprehensive, on-going energy program is absolutely essential.

The President has correctly emphasized the need for energy conservation as an important aspect of national policy, a concept which Congress so far has not taken very seriously. Efforts such as those called for by the private sector Alliance to Save Energy, of which I am a member, will have to be undertaken by industry and by citizens or else we are going to be in real trouble in the future.

The reason is that our reserves of fossil fuels are indeed finite, and in the case of petroleum and natural gas, we are dangerously near to exhausting the supplies which can be readily developed. The U.S. is still much too dependent upon foreign petroleum sources, and the outlook for the future in this respect is not good.

Thus, the emphasis on more production at the expense of conservation, taken by the petroleum industry and by the Congress, is short-sighted. The President's description of the attempt to deregulate oil and gas prices as a monumental "ripoff" is an accurate one, I believe.

In fact, the price of "new" gas rose by nearly 450 percent between 1972 and 1976. During this period, gas production actually *decreased* by 12 percent, giving the lie to industry's argument that ever higher prices are needed as incentive for new explorations.

How much incentive is needed, a 2,000 percent increase? That's exactly what the producers are seeking with deregulation, a price equivalent to the monopoly price set by OPEC.

The energy industry lobbyist have outgunned the American consumers so far, and their arguments and interests seem of much concern to members of Congress. It's time for the average citizen to get into the act, for American consumers to start writing to Congress and expressing their point of view.

When the President outlines his energy program on national television, as he plans to do shortly, we must all listen carefully and thoughtfully. We may not like all that we hear, for some aspects undoubtedly will involve a personal sacrifice for everyone. And the nature of such sacrifice will and should be debated thoroughly, such as the question of whether and how a tax on so-called gas guzzlers can be imposed without unfairly penalizing working people who often must drive long distances to work.

I have mixed feelings about some of the points in Carter's program at the moment, but I believe the main thrust of his program is in the proper direction. Most important, he is dramatizing the serious nature of the energy crisis, and insisting that we must have a comprehensive and long-range national policy to deal with it.

THE SURVIVAL OF A FARM

Mr. HUMPHREY. Mr. President, the November issue of Atlantic Monthly magazine contains a very interesting article, "Making Milk: The Survival of a Farm," by Mark Kramer.

I would like to share this article with my colleagues because it provides a description of a segment of agriculture that has changed dramatically during the past decade, the business of dairving. Our dairy farmers must be both hard working and innovative to survive today's competitive markets. The dairy farmers of Minnesota are among the most productive of the world. Through the use of a wide range of modern technology, Minnesota has experienced a surge in total output, despite a sharp decline in the number of dairy cattle.

Even with the advances of science and technology so evident in dairying, the life of a milk farmer is much the same as it was early in this century. To a large degree, existing dairy farmers milk approximately the same numbers of cows twice-a-day in family operations. There are exceptions to this, but not many.

Mr. President, I have seen few articles with as much insight as "The Survival of a Farm." To further the understanding of American agricultural practices, I would like to share this essay with my colleagues. Therefore, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MAKING MILK: THE SURVIVAL OF A FARM

(By Mark Kramer)

Leland Totman appears, a sort of agricultural centaur, head and then tractor rising up from behind a hill. He is far down the roadway that climbs from the bottomland at the fork of the South and Deerfield rivers, up through a grandstand of pastures and mowings and cornfields to the dooryard of his farm. Surrounding him, all along the road, are the fields that feed the cows that make the milk that he sells. The nearest mowing needs to be mowed again. It looks like a roughly overgrown lawn, rolling downhill for a few acres. It ends abruptly at a field of tall corn whose leaf-tips have browned from a touch of early frost. This is corn-chopping season in Conway, Massachusetts, time to make silage, and there is a corn-chopper hitched on behind Lee's tractor. Its bulky green metal housing sprouts silvery tusks and a yellow sheet metal snout like an elephant's trunk lifted to trumpet. A sharp October breeze blows straight up the road, and the air smells sweet and thick from the day's work.

The tractor arrives, stops, and Lee leaps to the ground. He is short, broad, blond, and blue-eyed, built ruggedly and in the shape of a trapezoid, wide end up, narrow end down. He carries himself heartily. He is forty-three. He flashes the mischievous, conspiratorial, and boyish grin of a twelve-year-old who has just set into motion a complex practical joke.

It's the grin of someone amused with what he knows.

Among other things, Lee Totman knows how to farm. For years, like his father before him, he has grown better corn, made better hay, bred more judiciously, planned more carefully, and spent money more efficiently on buildings and equipment than have most other farmers in the region. He is Massachusetts Outstanding Dairyman of the Year. When the agricultural extension agents came to tell him of the award, he told them their program didn't make much sense to him. His cows give more milk than those of other farmers in Franklin County. He would be at home in a small crowd of master farmers anywhere in the country. He has always been in the forefront in accepting new machinery and practices. Dick Mayer, a first-rate farmer and Lee's neighbor, once explained to me, "Farmers basically compete with one another to do things the most productive way, and the smart farmer is the one who adopts the coming methods five years before his neighbors do. Lee is like that. His dad was too. They're farmers' farmers."

In every rural New England county there are a few families that so clearly seem "elect" that it is easy to imagine the palpability to the citizens of Plimoth Plantation of that regal Puritan notion of inborn elitism. What is especially amazing about this generation of the Totman family is that the farm thrives and improves while New England agriculture as a whole is in sharp decline. Like horses so good that they win races while carrying extra weight, a few New England farmers seem to improve under the strain of adversity.

In these modern times almost everything once grown here can be grown more cheaply somewhere else. Less than a sixth of the farm families in business on the eve of World War II are still farming in Massachusetts; fewer than 5000 farms remain in the entire state. Tractors available now are so huge that while they are practical on large fields farther west, they don't pay on small, hilly, widely separated New England fields. The coming of milking parlors, of automatic feeding, and of high-production breeding have made efficient herd sizes far greater than can usually be justified by the low density of farmable land in New England hill country. A supply system geared to national supermarket chains favors larger and larger units of output. High energy costs, high shipping costs, and competition from the world marketplace all make it less economically feasible than it once was to grow grain in Iowa and feed it to cows in Massachusetts. As the number of farms dwindles, farm suppliers and food processors also go out of business.

Yankee farming today takes place in an atmosphere of siege. The banker is always near at hand. Only the sleekest, most business-minded operations can compete at all in New England. Yankee farmers who are barely scraping by, and who therefore think of themselves as chumps and half-foolish hangers-on, nevertheless farm more efficiently than the worst farmers still surviving in favored dairy areas of the country such as Wisconsin and upper New York. The very best Yankee farmers—the ones who, like Lee Totman, have combined the luck of owning some of the good farmland that is scattered about with the wit, vigor, and application to manage complex modern farming operations well—these fine farmers are among the best agricultural practitioners in the United States.

It is fitting to introduce Lee on his road because years ago, in fact the first time I ever heard the name of Totman, the subject of the local gossips was the roadway. What I'd heard was a tale of a "crazy young fellow down to Conway" who had taken the family jewels and pawned them for a superhighway through the family farmstead.

It's a private road, yet it is a better road than some of the public dirt roads in this hill country. It is nearly a mile long, is graveled on the leveler sections, and is actually tarred and ditched like a suburban driveway along the steeper grades. The road, as it turns out, is not a superhighway, but it is something special, the like of which is not to be found on any other farm in Franklin County. It represents a timely philosophy of capital investment out of step with the more desultory management tactics practiced on most of the sidehill Yankee farms left in the region.

The tractor arrives, stops, and Lee leaps to the ground. He is grinning his grin and I grin back. I comment on the road, on how unusual it is, how I've seen other farmers on lesser crosslots roads wallowing in muck when they would have preferred to be out working, and Lee says—rather sternly, grin notwithstanding—"I've been in their shoes. That's why the road's like this now."

I say I actually had expected, from the tales I'd heard, that it would be a broad tarred boulevard. "People blow things up. Aren't a hundred yards of tar the whole length of it?" Lee seems a bit testy hearing about these rumors. "It didn't cost me much—saved me plenty. I'm thinking of days we used to spend bogged down along the old road. Now you can get through here during mud season. Everything that goes from field to barn or the other way passes over this road. That's a lot of tonnage and a lot of dollar value."

Lee starts up the tractor again. I chase him on foot as he drives around to the silos by the barn. I arrive as he maneuvers a silage wagon up to a silage blower. He starts the blower and the chopped corn, ears, leaves, and stems alike, all in spoon-sized bits, hurtles up sixty feet inside a tall stovepipe, then topples down into the nearer of the two big round cement towers.

"City people may not realize it," says Lee, "but hay isn't simply hay, and corn silage isn't simply corn silage." That may be about as close as a real Yankee can approach boasting—it's certainly the closest I ever heard Lee come. Hay can be stemmy, old, and leafless, moldy, rained on, and composed of lackluster, naturally seeded weed grasses. But the hay stored in Lee's barn is young, charcoal-green, succulent, and tests to a high leaf-to-stem ratio. It consists of the choicest planted alfalfa, ladino clover, timothy grass, and red clover. It is likely to contain 12 to 15 percent protein, while the hay in lesser barns may test out to only 8 or 9 percent protein.

And the same is true of the corn now blowing up into Lee's silo. A few roads away is a farm with a lopsided wooden silo into which is grudgingly dumped silage chopped from the meagerest of corn stands, intertwined with morning-glory vines. The corn is waist-high, spindly stemmed, its leaves pale from want of nitrogen and streaked with purple from want of phosphorus. It is mostly leaf and stem, with the occasional ear that does venture to mature scarcely filling out and never growing very long.

The corn Lee has hauled up the farm road behind the tractor is fare fit for regal cows; it is cut from fat corn plants that have tasseled out higher than a tall man can reach, that have borne long full ears of squat, deep-kerneled corn—plants the bright deep green of a child's crayon drawing of a corn plant, corn harvested in the prime of "hard dent," when the sugar content and the nutrition are at their best.

The good corn, like Lee's good road, reflects his unusual attitude toward capital investment. Today it takes money to make money farming. Once in early June I saw Lee plowing under a stand of alfalfa and timothy that any other farmer in the county would have been proud to grow up and harvest. Lee said, "There didn't seem to be quite enough Alfalfa in it." When he finished plowing and disking and liming and fertilizing, he reseeded the mowing again with just the mixture he wanted to see growing there. If the hay has been cut but it seems likely that it will be rained upon, Lee will chop it green and make grass silage out of it rather than feed his animals rained-on hay. Few farmers in this rainy state have set themselves up with that flexibility, though losses of hundreds and even thousands of dollars of feed value may ride on an afternoon thundershower. When at a busy time of year, some of Lee's hay did get rained on, he dried it out, baled it up, and gave it away. I asked him why he didn't sell it, and he said, "I sell milk, I'm not in the hay-selling business." By the same token, when Lee culls a cow from his herd, he always sells it as beef, even though it might be brought back to health by a patient farmer and has a genetic milk-producing capability exceeding that of most cows in the region. "I'm not in the breeding business," Lee says, "I'm in the milking business. I can't see saddling some other farmer with my problems."

Lee Totman is good at making milk. Since taking over from his father, he has built new silos and a new barn, cleared acres of prime bottomland, expanded the herd, and raised the herd milking average by over 6,000 pounds per animal a year. His cows now average over 19,000 pound of milk—about 9,500 quarts—each. They give nearly a ton more milk apiece per year than do the cows of the county's next-best farmers, nearly four tons more than the average cow in the state, and nearly five tons more than the average cow in the nation.

I have tried to understand his phenomenal success. His virtuosity, though, is startling in a way that is hard to communicate to nonfarmers. He is more than just a good farmer. He is *right there.*

He doesn't waste moves. He is always set up for the job he needs to do. He plans only as much as his equipment and help permit. He takes shortcuts where they pay and lavishes attention where that pays better. His manure truck is an old, unregistered jalopy; his equipment shed is made of old telephone poles and sheet tin. But his milking time is usually about twenty minutes longer than it need be, and he spends hours in seeming idleness, just watching his cows carefully. Things are well set up. When Lee's tractor does get stuck in the mud, he laughs. The right equipment is always near at hand to get it out quickly and easily. He has, for the multitude of chores which make up a farmer's day, the sort of sense of essential motion that a Chinese calligrapher might bring to the drawing of letters.

Lee is always at work. He wakes up at half past five and starts right in. He finishers evening milking at nine each night. He is nearly always on the farm; when he needs something he has it delivered. When he does have to voyage the dozen miles into Greenfield, he goes for as short a time as possible—he says the buildings seem to shake as he passes between them. On Mother's Day and on his wife's birthday, he drives to Deerfield—all of six miles—and gets chocolates from the local pharmacy.

At work he is as happy as a hog with a full trough, obstinate, single-minded, and intent on the chore of running the farm right. In spite of his seeming hard-headedness, he brings to each day's plan an alertness, a flexibility in dealing with the animals, the weather, and the machines, that combines a realistic comprehension of the cost and benefits of his choices with the drive to do what he finds ought to be done. He does this with a stern consistency, with a seemingly carefree, silent, and smiling staunchness, day after day, decision after decision. He dwells in the world as one who fully accepts responsibility for each of his actions; it is the world of the just, which, by the way, he sleeps the sleep of.

My suspicion is that Lee stays home and makes things work because he *can* do it;

the perfection of the farm expresses and proves his being; away from the farm things must seem both irrelevant and unsatisfactorily wild. As a consequence of his success in building a world that yields to his logic and his effort, he doesn't give much of a damn what other people think and say about him. He has a few friends with whom he and his wife dine out once in a while. They are people like himself, and he finds in them good cause for admiration.

"Some folks like to be ahead," Lee's father once explained to me, "but they prefer not to show it—that's characteristic of the Yankee breed as a whole. None of them will admit prosperity, and yet they may be reasonably successful."

The silage wagon is empty now, and Lee draws it back through the dooryard and parks it in the machine shed, shouting over his shoulder as he drives past that I should step down to his house and "grab a bite to eat" with him, then come back up to the barn for milking time. "But first things first," he adds, shutting off the tractor, "and there are a few chores to do up here first. The cows eat before we do, up here."

We walk into the barn. It is long, red, and wooden, as barns are meant to be, although an alarming proliferation of modern barns seem to be aquamarine, and stamped out of steel by the thousand in some midwestern factory. It is only a single story high. Hay is kept in a shed behind the barn, rather than in a loft on top of it—electric elevators and pumps and scrapers have done away with the reason for building the beautiful tall barns of the last century. The two fat cement silos rise against it. Lee calls the barn's great hall the "loafing shed." Not a cow in sight in the farthest corners of the hangar-sized room. It is cool in here and it does smell of cows—a hint of silage and sawdust, tinged with the orders of manure and of leather. It is spotless, the walls whitewashed, the floor scraped clean and new sawdust bedding added since the last cow wandered out to pasture this morning.

The cows are spending these autumn days out in pasture. They won't come in to stay for another two weeks, until the silo is capped and sealed and the new harvest of chopped corn within has had a fortnight to ferment. When the silage is ready—about the last week in October—the sixty or so milking daughters, their young and growing progeny, one scrub bull used to "clean up" problem breeders, and one Holstein-Angus steer, half-grown and destined for the family freezer, will be herded inside for the winter—about a hundred animals in all.

Lee fills the hayracks on the walls of both sides of the barn with his beautiful hay, glances into the troughs offering mineral supplement, then counts the salt licks strewn about the long central trough. He opens the door leading to the base of the farther silo, reaches in, and closes a big switch. A motor whines, chains clank, belts slap into motion as, far overhead, an automatic unloader starts to work its way around the top of the tower of silage. A conveyor delivers a stream of feed—nearly a ton each mealtime—to a hopper with a spout. It scoots along, suspended from an overhead rail, dishing out supper all along the central feed bunk.

"What I hope every afternoon is that the commotion of the silo unloader will begin to attract the cows from the barnyard. They are pretty well trained to know that food is being served up here about now. Some farmers still feed silage by the wheelbarrow load. Takes them an hour to do it and they have to holler after the cows as well. That big motor up in the silo usually makes enough noise to interest them. Some of the girls are anxious to be milked, too. It usually works." As Lee talks, a few cows do indeed amble up to the open door of the loafing shed. They bridle for a moment when they see me.

Cows are upset by anything that isn't the same as it was yesterday. After a moment they step on in and over to the feed bunk. Lee watches intently as the cows gather, taking in details of gait, vigor, aggressiveness, hunger, thirst, any changes in the strong pecking order of the herd, cows riding other cows, which they do when they're in heat. It is a beautiful herd, large, clean, coats shining, and what cattle judges call "dairyness"—the indefinable look of an animal that means business when it comes to milking time—emanating from every beast. Lee wanders among them as they straggle in. He is talking now and then in an odd voice, a flat, monotonic sound made while tucking his chin into his chest. It seems to come from deep in the throat, as if he is imitating a voice heard over the telephone. Eventually I realize it isn't me he's talking to like this. He is greeting his favorite cows.

"Hey *bos, bos, bos,* there girl," he is muttering. "Don't you look fine, girl."

An aside to me, *bel canto*: "Just calved."

To the cow, *sotto voce*: "You're a pretty good one. Hey, Wendy, hey, Dinah girl there."

"Why do you say, 'Hey *bos, bos, bos*'?" I ask Lee as he closes the barnyard gate behind the last cow in.

"I've always called cows that way," he says.

"Who'd you learn it from?"

"Learned it from my dad, I guess." Lee has fully recovered the use of his own pleasant baritone.

"Your dad—he must have learned it from his dad, too?"

"Never seen it in a book, I'm sure." *How to Call a Cow,* I think to myself, or perhaps, *Cow Calling Self-Taught.* Lee goes on, "No, all the farmers around here call their cows by saying *bos, bos, bos.* Why?"

"You know the Latin name for the cow?" I ask.

"Don't happen to, offhand." He has remembered his grin now.

"Bos. Bos taurus typicus primigenius."

"I guess my dad's grandpa's grandpa must have heard the word from some Roman, then. Never knew that."

While we are chatting, we are walking back through the loafing shed to a part of the barn older farmers still call—from the time when it was a separate structure by the road, with a cool spring running through it—the "milk house." We enter a dark hallway, noisy with the roar of the compressor that cools a stainless steel milk tank the size of a car. Milk is stored there until picked up by a big tank truck that comes every other day.

Inside the milk house in racks all about the room rest spotless pails, hoses, lengths of stainless and plastic pipe, milking machines, all washed in nearly boiling water, disinfected, dried, and ready to be reassembled for the coming milking. On the wall are two separate sinks as per state regulation—one for milking equipment, one for the sullied hands of the farmer. The lawmakers no longer leave the farmer to his own devices. Lee tells the tale of one irate fellow who didn't feel he needed a separate sink for his hands. The fellow read the law through and discovered that while he was required to have the second sink, its height above floor level was not stipulated. "He put it up about ten feet in the air, and I guess he enjoyed the inspector's next visit pretty well," Lee concludes the tale.

He goes to work now reassembling the milking machines. Most farmers in the area still call the milking equipment "milking dishes," from the days a hundred years back when cream for butter-making was settled out from the milk in shallow pans right in the milk house. Nowadays, whole milk is shipped to large centralized processors, and the dishes aren't pans at all, but piping, glass measuring jugs, yards of stainless steel tubing leading directly from cow to bulk cooling tank, and claws of rubber milking "inflations" dangling from fist-sized transparent pods—floppy, juggling sheaths of soft rubber that fold around the four teats of each cow, and draw milk from her in gentle wet pulses engineered and improved in a hundred subtle ways to adore each teat and more pleasingly resemble the mouth of a feed calf.

Modern cows have been bred so strenously for milk production that their mammary systems are always stressed. Properly designed and regulated milking equipment is for Lee the difference between a profitable herd and one whose milk is contaminated with widespread mastitis.

There is an elegant, one is almost tempted to say "political," explanation for dairy cows' tendency to develop chronic mastitis. Because barns, animals, feed, labor, machinery, and operating capital all cost so much nowadays, and because farmers compete with one another to make milk as cheaply as possible, dairy cows are pushed hard. They are always in a delicate condition.

Lee Totman's herd of sixty milkers usually includes a cow or two suffering antibiotic treatments for mastitis, or whose subclinical mastitis is controlled by careful handling. If this weren't the case, it would be a sign that the herd was not economically viable, that it wasn't being pushed hard enough, wasn't bred highly enough for modern times. Too much mastitis, of course, is ruinous. But, in a curious way, so is too little. The fine art of capitalism, cows teach us, includes the art of maintaining complex biological-mechanical-financial systems in a state of sleekly managed, slight debility. It does not seem to be enough to stop just before this point is reached, either. The press of modern financial life forces farmers to continue striving for greater productivity until just after stress becomes manifest. It is a sign that everything is operating in a commercially acceptable way.

For the most part, cows exhibit their competence to participate in this system by going about their business briskly. They are team players, with the program all the way. Cows' main business these days is eating. The wild cows of yore had to find food and to keep themselves out of danger as well. But with humans in charge, the food is delivered and the danger is institutionalized. Eating's the only job left, and the cows in Lee's barn are going about it with a will. As we walk back through the assembled herd, Lee looks them over carefully again. Every one of them is eating. "A bite to eat for us, too," he says.

Lee invites me into his kitchen. There's no one else home. Lee's son, Gary, a skilled golfer, is away at college, majoring in physical education. His daughter, Karen, is out at a basketball game. "She wants to get a van, after high school, and drive across the country. My wife wouldn't like to hear me say it—but I can see where that would be one whale of a good time. I never did anything like that. Never left here." Lee's wife, Betty, is away at a church gathering. She is involved with the church, traveling twenty miles to a Baptist meetinghouse in Colrain several times each week because she likes the seriousness with which the minister there takes his mission. She has left a fine supper for us in the refrigerator—chicken salad, potato salad, fruit salad, and cupcakes, lavishly iced. We wash down the food with raw fresh milk, and we chat.

"A fellow was all but forced to milk twice as many cows in the same length of time, once milking machines came along," I say. "Had to trade in the horses for a tractor. Automatic cleaning and feeding are practically a must, too, not that they don't make life easier. But as soon as farmers had time and power to get more done, they had to go right ahead and do more just to pay for all the labor-saving devices. And you know what?"

"What?" Lee dutifully asks. He's grinning even as he eats.

"That's it for the good old days. No more farm communities in New England. What little farming we have, a few farmers can handle. Everybody else works out, forgets farm ways altogether."

"I'll bet you think that's too bad." Lee is grinning broadly now. "But to me that's business, free enterprise—all that, isn't it? The ones who go out must think it's better to go do something else—go on welfare maybe, or else the state makes so many regulations they are forced out. And another thing. You think everybody who doesn't farm ends up on welfare or working in a factory? Look at my brother, Conrad. He's a college professor. If there were no milking machines or tractors or artificial insemination or automatic gutter scrapers, you know what Conrad would be doing? He'd be in the barn with a shovel."

Lee finds a cupcake, eats the icing first, like a young boy enjoying himself. The discussion goes no further. I think we've come to an understanding. It may be that alienation is nearly pervasive nowadays, that no one does any whole thing, that people arrange to have things happen, or work on fragmented and disconnected chores that may earn them living wages but that don't seem to be useful, that don't seem to contribute to the whole scheme of their survival.

All that may be true, but Lee Totman doesn't have such problems. He does something useful; he turns grass into milk, and he does it wonderfully well. He drinks the milk now as if to emphasize the point. He is the last of unalienated labor. In a national context his attitude is vestigial, an antique even in the universe of farmers. But the fact is clear: even now the system still works for Lee. There is no point in talking to him about my own politics. They don't make sense here; his do.

On the Totman farm, there survives the wholesome "Can do, sir!" atmosphere of a Horatio Alger novel. In this place the rules still do apply. Probity dominates. Success indeed still turns out to be the reward for goodness on this farm. He who is the disciple of self-discipline here is fate's friend.

Lee is an apotheosis of capitalistic America. If he is admirable for his organization, his concentration, his focus, and his death-defying outpouring of constructive energy, and if for these qualities he seems to some to be endowed with a mystical aura of certainty, of instinctual correctness in every act, there is a wonderful irony of that very thought, and it is this: Lee Totman's organizing precept, central referent, the wellspring of his ways, mother lode, thumb and trunk lines, his straight, his narrow, his guiding angel, his fund of wisdom, his polestar, is one single elegant question—*What's the payoff?*

He does not seem to be an avaricious man. It is a spiritual question. And if the answer looks good, he goes to work. "I'm not so ambitious," he is fond of saying "that I like to take extra steps. There is to much else to do. Routine is what's important around here. Perhaps I'm good at routine, and if I am it's because I'm lacking in imagination. I see that some of the very intelligent people I know concentrate on many goals—they should never farm because it would restrict them too much. I'm pretty happy just working at this one thing." As we walk back up to the barn we trade stories about haying with rain on the way. The cows have finished supper, too. He sets to work, still grinning.

This is the payoff. Everything is ready and waiting. The milking parlor is a small room, walled with ceramic glazed tile. "We got a bunch of seconds—new tile costs an awful lot," Lee says when he sees me taking in the parlor construction. He swings open a pair of heavy metal entrance doors by drawing down on a rope that hangs from pulleys over one end of his waist-deep working pit. The race begins. The lead cows are in a hurry. They have heard the sound of the sweet grain supplement falling into the tin troughs—about seventeen pounds of grain per milking per cow. It sounds like hail on a tin roof. The troughs are mounted at the front end of each of the parlor stalls, three feed bowls heading up three stalls on either side of the central pit. As the cows charge into their stalls, Lee names them, using the same telephone voice he used before supper to greet them when they came in from pasture to barn. "Hey, Terry, hey, Judith, hey Karen," he intones as the huge animals lurch into place and stop suddenly, each bushel-sized head dunked into its own private world of luxury, immersed in all the grain it can devour in ten minutes of hard eating.

The stalls are arranged so that Lee, without stooping or stretching, can work at chest height on the udder of each cow in turn. Now he starts on the three cows to his right, first washing each animal's full bag with warm water and a sponge. It takes about a minute for an animal to "let down" her milk—the washing is a stimulus to which a first-calf heifer is conditioned as soon as she enters the milking string for the first time.

By the time Lee has washed the third cow the minute is up, and he returns to the beginning of the line and attaches a milking claw, then does the same with the second and third cows. The milk spatters and dances as it is drawn in spurts through the plastic tubing connecting claw with collection bottle. Lee moves around to the three cows waiting and eating grain frantically on the opposite side of the pit. He repeats the same procedures while the first three cows are milking out.

The milk moves from cow to bulk cooler, onto the tank truck, and into the processing plant untouched by human hands. In Lee's gleaming and aseptic milking parlor, the milk always has a low bacteria count. Cleanliness, for all its proximity to the deity, is an accomplishment of procedure, as workaday as loading up the dishwasher after supper. The rubber and stainless steel calves that draw milk from bovine mothers enter each milking a forbodingly disinfected desert for microscopic flora and fauna. The machines do, however, still make a sound very similar to the sound of his calves suckling; they pulse with the slow and imperious rhythm of living things. It's a steady and hypnotizing sound that breathily repeats itself with about the frequency of a healthily beating heart.

Dairy engineers have long dreamed of a device that would evacuate the milk in one steady and unpulsing stream from the cow, because modern milking parlors are expensive. If the length of time each cow had to be in place could be substantially reduced, the parlor could handle a greater number of animals for the same capital investment. To date, the beast has been victorious, reacting—rather sullenly—with prohibitively increased rates of infection when milked "unnaturally." The beast's victory may be a victory for New England farmers as well, because if the handling capacity of existing parlors were to double, say, the result would almost certainly not be that twice as many cows would then be milked or that farmers would enjoy twice their prosperity. Rather, the most competitive farmers would milk twice as many cows, and the rest would close up shop, because there's a demand for only so much milk. Obviously, the farmer with acreage around his barn to grow hay, corn, and grain for his entire herd, and a climate permitting it, has an advantage over a farmer who must travel long distances between scattered fields and a distant barn. The industrialization of agriculture favors Wisconsin, California, Florida, Michigan, New York State—anyplace where the bedrock isn't showing.

However, dairy farming, fortunately for New England, is among the least successfully industrialized sectors of the agricultural economy. In terms of hours per million calories, per million grams of protein, per number of families supplied, the fact that a cow has to be harvested twice a day while a wheat field has to be harvested only once a crop spells a tremendous difference in efficiency. Milking time is still a factor limiting herd size.

By some inexorable working out of the laws of economics, milking time on the family farm seems to be about an hour and a half. It was an hour and a half for Lee's grandfather to milk out ten cows by hand; it was an hour and a half when that was time enough for Ray Hotman, working three portable milking machines in a stanchion barn, to milk out a herd of forty-eight animals. It is about the time it takes Lee Totman, working in his double-three herringbone parlor, to milk out his herd.

A new invention is being marketed which threatens to decrease drastically the number of dairy farmers, especially New England dairy farmers, whose operations are least suited to adapting the new tool. Agricultural scientists have developed a device, replete with space-age sensors, that removes the milker automatically, opens the exit gates allowing the milked-out cow to leave the parlor, opens the entrance gate to admit a new cow, and turns on and off a grain delivery auger that meters out to the new cow her correct ration. It translates into a very small savings in time per cow per milking—about twenty seconds a farmer doesn't have to spend doing these chores. The result is that the farmer adopting this new technology—at the moment, a very costly new technology—spends less than half a minute with each cow and has free time on his hands. His next step is to expand the size of his herd and the size of his parlor, to milk all the cows he can in order to defray the cost of the new setup.

Many dairy farmers here will be faced with the need to increase herd size to a level that is simply beyond the limits of geographical practicality in New England. And it seems no longer a question, as it was earlier in our agricultural history, of simply switching to a more labor- or capital-intensive crop and going right on farming. Except for a few specialty items, milk is the most intensively farmed crop.

For the moment, though, disaster through technological advancement seems a distant threat in Lee Totman's milking parlor. There's not an automatic take-off milking setup in all of Massachusetts, although about 50 percent of the dairy cows in California and Arizona—where dairy farms are very large—have come to be milked with them in the past few years.

Milking time seems here to be the antithesis of change. Every other farming chore varies with the weather, the stage of the crops, the state of the equipment, and the caprice of the farmer. Milking, though, is routine, as fixed in its crucial outcome as the hauling in of a fisherman's nets, or the walking of a trapline. It is therefore a time for a dairy farmer to brood upon an overabundance of querulous information about each animal, to plot further tampering with the life of the herd. And when that's done for long enough, there is time left twice a day for thinking, and for not thinking, about life and the state of things in the world. It's a time of solitude and repetitiveness, a meditation on a milky mantra, a compulsory trafficking with motherhood in its mammary, incarnadine quintessence.

Lee takes the milking machines from the first three cows. He sprays twelve teats—three cows' worth—with a little bottle marked "Test Dip, Disinfectant," then opens the gate on one side of the parlor. The three cows swagger out into an exit lane leading back into the loafing barn. Lee lets in three new cows, washes their udders, turns around, detaches three milkers from the cows finishing on the other side, puts them on the new cows, turns back and sprays the milked-out teats, lets out the old cows, lets in more cows. It's allemande right and left for the next hour and a half as milk, at ten dollars the hundredweight, gathers in the bulk tank.

Lee is alone and he forgets himself, lost in the intricate and familiar chore at hand. His is a laborious, exacting, and tedious stewardship, rewarding in satisfaction and increasing numbers on net worth statements rather than in glory, pocket money, and time to spend it. The consuming nature of the profession makes dairy farmers themselves a breed apart—a people who dwell amidst a passage of events of immense importance to their own well-being, but so intricate, picayune, private, and absorbing as to be incomprehensible to most outsiders. Lee Totman's vocation insulates him from all but a few close neighbors and family members in the same trade. He entertains himself as he works.

As the cows come past, as he works in his well-set routine, he watches the cows. Peril is in heat; she is a bit fretful. Jake is limping and wants her hoofs trimmed. There is a terrible noisiness—compressors, pumps, and that calf-sucking sound. Lee says that for him it is the comforting noise of the routine, the din of a clockmaker's shop, the sound that says nothing unusual is going on. Occasionally he mutters endearments or an observation ("Good girl," or "Keep that tail over there, you") as each cow comes in, stays a few minutes, and moves on. He uses that telephone voice, naming the cows as he handles them—playful names such as Red Ric, To Rose, Rabbit, Auntie Boo, Tippy Tu, Mighty, Bighty and Oozy. There are a whole bevy of bovine relatives called Pig Tail, Pighead, Piggyback, Pig Pug, and Piggly Wiggly.

As the second hour of milking starts, Ray Totman comes into the parlor. He nods a greeting down into the pit, toward his son. His entrance has been orchestrated and he has arrived just as Mimi is being milked. She is a fresh cow, has calved only a day ago, and she is still giving thick colostrum milk which can't be marketed but contains antibodies newborn calves need. Ray places a bucket under a collecting jar and drains the milk off into it. The young calves live just behind the milking parlor. He leaves, lugging two full pails of milk. Lee has barely acknowledged the old man.

Ten minutes later, pails empty and rinsed, Ray comes back into the parlor. He places one, open end up, on the steps leading down into the working pit, and sits on it. Lee nods to him. Ray watches Lee milk for a few minutes.

I think to myself that Ray must see so much in those motions without even being aware of it, having milked for half a century.

"That calf's come around," Ray finally says. Lee nods. More silence.

"Bearing's beginning to sound rough—ought to last one more day of corn-chopping, though. Should be through for the year this time tomorrow," Lee offers.

"Ground's going to soften up some this weekend—rain due," Ray says. He sits for another few minutes, just taking in the scence. As he leaves, Lee calls out, "See you tomorrow." Lee milks nine more cows, then cleans up. He leaves the barn at 9:20 p.m., nearly sixteen hours after he began his working day. He walks the quarter-mile back down the hill past his parents' now darkened house to his own. He helps himself to a bowl of maple nut ice cream. He turns on the TV and soon falls asleep in front of the Monday night football game. He dreams (he tells me later) only that it is tomorrow, and that he is out chopping corn again.

LARGE-SCALE GRAIN PRODUCTION IN ALASKA?

Mr. STEVENS. Mr. President, in the past few years we have heard a great deal of concern expressed about the world's nonrenewable resources. In the future, the American economy will become more dependent on the renewable resources that are avaliable. These include aquaculture, silvaculture, and agriculture.

Much of Alaska's economy is dependent upon the fishing and forest industries. There are, however, a number of studies currently in progress that address the possibility of developing Alaska's agricultural potential. The food supply situation in the world, and this year's disastrous drought in the country's West and Midwest, have made the need to develop Alaska's agriculture industry even more pressing. Alaska has hundreds of thousands of acres which are highly suitable for farming, grazing, and crop production.

In the Big Delta area of Alaska, which is about 100 miles southeast of Fairbanks, there is a 64,000-acre tract which is currently under study as a possible area for barley production. This area could supply a large portion of the grain to support Alaska's livestock. There is also a strong possibility that, with proper technical and research assistance, Alaska could export barley to the U.S. Pacific Northwest and to the Orient.

For the information of my colleagues, today I am submitting to the RECORD an article by Cleveland Anschell which appeared in the magazine Agritrends. The article discusses Alaska's agricultural potential and how it may prove to be a great asset to the world's food production needs.

I ask unanimous consent to have this article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LARGE-SCALE GRAIN PRODUCTION IN ALASKA?

(By Cleveland Anschell)

Surprising is it may seem to many in the Lower 48, the possibility of major barley production in interior Alaska has been discussed for several years by technical experts and officials. Increases in world grain prices since 1972, the relative closeness of the potentially huge Japanese market, a small but growing Alaskan market, availability of Alaskan land suitable for quick-maturing crops, and advances in agricultural technology—all have made more realistic the idea of a substantial agricultural sector in the Alaskan economy.

A principal problem is the lack of an adequate infrastructure to support agricultural development. This includes all the various factors of transportation, marketing, drying and storage, provision of equipment and supplies, and a trained labor force. Another problem is the lack of suitably large pieces of tillable land to provide economies of scale. Further, some costs will necessarily be higher in Alaska than elsewhere, because of higher basic transportation, fuel and labor costs.

These considerations and many others were analyzed in detail by a group of Alaska State and University technicians in a recent draft report, "Potential Barley Production in the Delta-Clearwater Area of Alaska." The authors examined a 64,000 acre tract of land near Delta Junction, about 100 miles southeast of Fairbanks. They concluded that, subject to a number of qualifications, barley production on this land might be economically feasible. An earlier report, "Agriculture in Alaska: 1976–2000 A.D." by Dr. Wayne Thomas of the University of Alaska (one of the authors of the Delta-Clearwater study) points up the same conclusion within a more generalized analysis of Alaskan agriculture.

There has been a rather long history of agricultural development in Alaska under government sponsorship. In the 1890s, the U.S. government established agricultural experiment stations at three Alaska points to adapt plants and livestock to local conditions. Following the gold rush at the turn of the century, the government brought in Siberian reindeer herds, which flourished and reached a peak in 1932, when they began a steady decline. In the mid-1930s, the government brought a group of farmers to the Matanuska Valley, near Anchorage, where farming still continues. In the late 1940s and 1950s, the U.S. military encouraged local agricultural production to lessen dependence on outside sources.

Since 1960, however, with improved transportation to the Lower 48 and high local costs, Alaskan agriculture has tended to stagnate. Total value of Alaskan agricultural production in 1974 amounted to only $5,641,000. Almost half of this was milk, with the remainder fragmented in numerous categories. No crops of any kind are grown on a large scale in interior Alaska.

Grain production, notably barley, appears to provide an opportunity for diversification of the Alaskan economy, now highly oriented to exploitation of nonrenewable mineral resources and heavily dependent on outside food sources. Grain production would supply local markets, including feed for the surprisingly large number of horses in Alaska. It also would encourage further development of dairy and meat animal production. In the form of barley, it would yield high protein values for an increasingly protein-short world.

Alaskan-grown grain would have especially bright prospects in the Japanese market.

That mountainous island country's growing population, forced to depend heavily on outside grain supplies, would face a shorter shipping distance from Alaskan ports than from most current sources of supply. Finally, grain growing would utilize Alaskan land resources that are not now economically productive.

PROPOSED TEST PROJECT

The current proposal is to clear approximately 64,000 acres of land near Delta Junction and to make the land available to private individuals for farming. The land, all state-owned, is currently dominated by stands of spruce and a thick moss cover. Of the total area, about 53,000 acres would be prepared for tillage, with the rest mostly left for open space and recreational uses.

The following assumptions were made in the Delta-Clearwater study quoting that report directly:

1. The land tenure system will involve the transfer of only agricultural rights to private owners; the state will retain ownership of all other rights.

2. Agricultural rights will be transferred to private ownership through lease, purchase, or a lease-purchase agreement.

3. The value of the land in terms of agricultural rights will be zero at the time of transfer to the first private owner. This valuation is based on the premise that agricultural production from the land prior to clearing and breaking is zero.

4. The purchase price paid by the first private owner will cover all costs, plus interest incurred in clearing, breaking, and surveying the land and in administering the sale.

5. Interest charges will be 6 per cent annually for intermediate and long-term loans and 9 per cent annually for short-term loans. An interest rate of 6 per cent annually is currently charged for intermediate and long-term loans by the Alaska Agricultural Revolving Loan Fund.

6. Clearing and breaking of land developed for the project will be completed within two years.

7. Land developed for the project will be in full agricultural production within five years.

8. A marketing system for barley will be created, but participation in the marketing system by individual farmers will be entirely voluntary.

9. All Alaskan farmers will be eligible to participate in financing and marketing systems developed for the project.

10. Involvement in the project by state and federal government will be kept at a minimum.

The following projections were made as to the staging of the project (again quoting directly from the report):

From the time the clearing begins, a five-year cycle to full production is expected. In the first two years, the clearing will be completed. Appropriate financing to cover these expenses will be necessary. After breaking is complete, the farmer will be able to get on the land and manage it as he/she sees fit.

Probably several fertilizer applications will be necessary before cropping can begin. The farmer will have to bear this fertilizer expense as a part of the farm's development costs.

No later than in the second year of clearing, construction should begin on the local elevator/dry/cuber system. The first crop should be harvested in the third year and by the end of the fifth year full production should be possible.

Financing for the clearing, breaking, fertilizer and elevator will have to be arranged in the first years of the project. Acceptance by all parties of the approach necessary to bring this about may be the most difficult aspect of the entire project.

COST VERSUS MARKET PRICES

The study makes an intensive analysis of soils, land clearing, plant varieties, cropping systems, production costs, marketing, financing, public services and impact upon the Alaskan economy.

Perhaps the most significant finding is the following: with the assumptions stated above, on a 3,000-acre farm unit, using a one-half fallow production cycle, it is estimated that the farm operator can break even on all costs at a per-bushel price at Delta Junction of somewhere between $1.90 and $2.30. Further price reduction might be possible, the report indicates, with reductions in costs of equipment and supplies that might come through development of better supply channels.

For comparison, the Portland cash market price for No. 2 western barley as of the end of January, 1977, was $110 per ton, approximately $2.64 per bushel. During the two-year period 1975–76, the Portland price had varied from a low of $94 to a high of $143 (January, 1975), but was generally under $115.

Delivered cost from Delta Junction adds only an estimated 37¢ per bushel to Anchorage, but 69¢ to Seattle and $1.01 to Japan. Delivery costs from Seattle to Japan are slightly lower. Thus Alaskan barley would probably have a substantial advantage within the small Alaskan market, but a more dubious prospect in the Japanese market. Actual sales opportunities there would depend heavily on such imponderable factors as variation in crop production by region and country, and tradeoffs with other grains.

CONCLUSION

The reports cited here do not present, or attempt to present, any firm determination that large-scale barley production in Alaska is economically viable. They do, however, present strong evidence that the subject is worth further investigation, and that Alaska's agricultural potential might be a highly valuable asset for an expanding world population.

TELEPHONE ADVERTISING

Mr. ANDERSON. Mr. President, on August 26, 1977, a petition was filed with the Federal Communications Commission (FCC) asking for an investigation of the problems posed by commercial telephone solicitation. The FCC invited the public to respond to the petition by submitting comments before November 14, 1977.

More than 475 comments were received by the FCC in response to the telephone solicitation petition. The comments were nearly unanimous in their opposition to unsolicited commercial telephone calls. Because I introduced the Telephone Privacy Act, S. 2193, within this same time period, I find the comments received by the FCC of particular interest.

One of the comments filed is especially noteworthy. It was drafted by three members of "Working Against Telephone Solicitation (WATS)," a public interest group made up of George Washington University Law School students. The comment's authors, Pamela Rogers Melton, Nancy Warren, and Donald Abramson, have done a remarkable job examining the social costs of unsolicited commercial telephone solicitation. In addition, their comment examines the question of the FCC's authority to regulate in this area and whether the FCC has jurisdiction to control intrastate telephone calls.

Mr. President, as the Senate chief sponsor of the Telephone Privacy Act, I am grateful to WATS for the time and effort expended on this project. WATS' findings and conclusions clear up some of the questions concerning the legal basis for the Telephone Privacy Act. Since I think the WATS comment will be useful to my colleagues as we deliberate on S. 2193, I ask unanimous consent that the text of the comment be printed in the RECORD.

There being no objection, the comments were ordered to be printed in the RECORD, as follows:

[Before the Federal Communications Commission, Washington, D.C. 20554, RM 2955]

In the matter of the use of automated dialing devices to present unsolicited recorded messages over the public telephone network.

COMMENT OF WATS—"WORKING AGAINST TELEPHONE SOLICITATION"

ABSTRACT

WATS supports the issuance of a rule restricting telephone advertising and sales. Unsolicited commercial calls exact tremendous social costs, contributing to health problems, creating safety hazards, and diminishing the quality of life. The Federal Commission's Commission by virtue of its broad authority over communications—interstate and intrastate where necessary—is uniquely suited to formulating a solution to this problem.

WATS,
PAMELA ROGERS MELTON.
NANCY WARREN.
DONALD ABRAMSON.

The National Law Center, George Washington University, 2000 H St., N.W., Suite 301, Washington, D.C. 20052 ((202) 659–4310.)

INTRODUCTION

Unsolicited commercial calls are a problem. More than a minor annoyance in a great number of cases, these "junk" calls exact tremendous social costs and diminish the quality of life for the average citizen. Unwanted telephone advertising compounds some kinds of health problems, like heart disease and nervous or emotional disorders. For the elderly, the physically handicapped, the parents of small children, people who work at home or sleep during the day because they work at night, unsolicited commercial calls create special problems. Taking the phone off the hook or getting an unlisted number are poor solutions. They merely add to the inconvenience, the burden of the victim, with no inconvenience, to the aggressor. The best solution would give each subscriber a choice of whether or not to receive commercial calls. The responsibility should be on the party making the advertising or sales call to refrain from calling those who inform their telephone company that they do not wish to receive commercial calls.

The Federal Communications Commission has broad authority in the area of communications. It has extensive substantive powers over common carriers. The power of the Commission extends to intrastate communications where necessary for the safety and efficiency of the interstate network. Furthermore, the Commission has a duty to act in the public interest. Some restrictions on the rule and intrusive practice of unsolicited telephone advertising and sales is clearly in the public interest.

I. Unsolicited commercial calls exact tremendous social costs and diminish the quality of life

My mother and father suffered lingering illness and we were constantly harassed by these telephone solicitors day and night. Caring for my parents, we had to catch our rest in short naps but were nearly always interruped by telephone sales constantly.

We complained to various agencies but were only told to get an 'unlisted number' which we did but within a week our phone was ringing again. The telephone company denies giving our number out but it is soon public property . . . .

I believe this constant harassment by telephone solicitors helped put my parents in their graves and contributed to a later illness for me. For heart attack patients who need rest, the constant telephone harassment is devastating.—L.E.M., California.

This comment urges the Federal Communications Commission to inquire into the problem of unwanted commercial telephone calls and to establish regulations which would curtail an obtrusive, unhealthy, and at times hazardous practice.

The typical unsolicited telephone call is presently conducted by a human operator. Yet low cost automatic dialing machines utilizing recorded messages are currently employed as a marketing technique. The potential for the proliferation of these fully mechanized solicitation devices breathlessly blossoms as cost trends favor the telephone over the mails as a means of advertising and selling.

Such a blossoming bears very bitter fruit. Although lower private costs to soliciting firms may indeed warrant more extensive use of the telephone, the present social cost of both human and automated solicitation is immense. Unwelcome intrusions into the privacy of millions of people interrupt the sleep, the family activities, and the quiet life so fervently sought in the refuge and sanctuary of the American home. Yet no deliberate, formal attempt has been made to inquire into the scope and breadth of the problem andthe possibilities for accommodation of the conflicting interests of privacy and economics.

A. Health problems are exacerbated by unwanted telephone solicitation

Yesterday I had got into a tub of warm water to relax me after an especially bad coughing spell. The phone rang and of course I tried to hurry out . . . [W]hen I got to the phone some automatic voice kept 'blabbering' on. I said 'Is this a recording?' Of course it just went on. I hung up, thoroughly agitated and upset which made me have another coughing spell. This is absolutely intolerable . . . This may not seem momentous, but it is vital to some of us.—E.P.L., Minneapolis, Minnesota.

The letter which introduces this comment reveals only one of the many aggravations and hardships that those with diseases and disabilities face because of unwanted telephone solicitation. The ringing of the telephone, the summons to answer, and the content of the message conveyed separately and jointly produce an unwelcomed and often unhealthy response from those in society who are least resistant to an attack upon their privacy.

The telephone subscriber with heart problems is faced with a true Hobson's choice. He may either deny himself the benefits of telephone usage to avoid unsolicited calls or use a telephone and be forced to answer calls that he would not have chosen to answer had he known that a commercial solicitor was on the other end. The alternative of an unlisted number provides little protection against solicitors with lists of names and numbers and no protection against automatic dialing devices. When he receives an unwanted call, the subscriber with heart problems has needlessly been exposed to the shock from (1) the sudden, jolting ring of the bell, (2) the anxiety that the call is conveying bad news, and (3) the anger and frustration over the interruption of a self-chosen activity and the exertion of effort and nervous energy required to answer what proves to be an unwanted commercial call. This shock results in temporary increases in pulse rate and blood pressure contribtuing to a result which is never salutary, often detrimental, and sometimes fatal. Freedom from commercial telephone calls would not eliminate all calls, of course, but it would lessen the incidence of these shocks. But: [w]hen strangers call . . . the inconvenience cannot be mitigated by a prior relationship nor is there a relationship that might be endangered if the call is objectionable. Strangers who attempt to sell undesired products often cause the individual anger, annoyance, or emotional trauma which is in no way justified.

Comment, "Unwanted Telephone Calls—A Legal Remedy?," 1967 Utah L. Rev. 379, 380 (1967).

An individual who suffers from nervous or emotional disorders is similarly exposed to a harm that has, for him, no concomitant benefits and that is susceptible to alleviation by Commission action. The harm to a person with emotional or nervous disorders, while less severe than the dangers to a heart patient, is nonetheless substantial because of his peculiar vulnerability to the disruption.

The physically handicapped also suffer from unsolicited commercial telephone calls. Each trip to the telephone becomes a trying journey; each unnecessary call becomes an arduous burden without any benefit. When a hoped-for call from a friend turns out to be from a vendor of discount cemetery plots the quality of life is diminished not just for the sick and disabled but for everyone.

B. Unsolicited Telephone Calls Create Problems of Prolonged Annoyance and Dangerous Inaccessibility

As a business person I spend eight hours per day answering three telephone lines—the last thing I need when in the privacy of my home is another telephone call for soliciting purposes. . . .

I will not buy any product or patronize any merchant that promotes by telephone, not even if it were something I might otherwise be interested in buying. I do take time to inform callers of my feelings on this. . . . F. B., Bloomington, Indiana

The annoyance expressed above indicates that even if there is no immediate harm to health, unwanted telephone solicitation taxes the telephone-owning population heavily in other ways. For that one-third of the workers in most major industrial centers who work at night, an unsolicited telephone call disrupts needed sleep. To them, this call is like one made to a day-time worker at 3 a.m. Lost sleep can reduce efficiency and alertness, creating a safety hazard for that worker and his fellow workers.

For the widow who has just lost her husband, the unsolicited commercial call for the recently deceased becomes a brutally tactless reminder of the death of a beloved. And for the family which shares an evening meal or recreational activity after a day apart, the unwanted commercial telephone call, made typically between five and nine p.m., destroys the mood of family unity and harmony for a significant period of time during and after the call. Further, this hindrance to the development of a peaceful homelife casts a much uglier pall when emergency calls cannot be answered or made. A barrage of solicitors, particularly those with automatic dialing mechanisms, could flood the phone lines and prevent emergency messages from being conveyed. Even one solicitor with an unfortunate sense of timing could presently tie up the line with an extended sales pitch while an urgent call for medical attention or fire protection is prevented from being made. If the call would otherwise be unwanted, it could prevent help from arriving in time to save life or property.

C. Scope of the Problem Extends Beyond Special Groups

The special types of problems arising from unwanted commercial telephone solicitation mentioned above add up to a very significant number of serious objections. However, the important questions raised by these special groups and situations must be combined with the complaints expressed by the mass of Americans who want to see an end to the unrestricted practice of commercial telephone solicitation. It is difficult and perhaps impossible to get a precise picture of how the people of the United States feel on this matter, but it is suggested that a tabulation of relevant letters sent in to Ann Landers, a newspaper columnist with a reading public estimated at 60 million, will provide a rough but reliable indication of national sentiment. According to Marcy Sugar, secretary of Ann Landers, within the five weeks before November 1, 1977* an estimated 10,000 letters had been sent in, 99% of which opposed telephone solicitation. Ms. Sugar estimated that 1,000 letters were sent in to Ann Landers daily. These figures indicate that during this time period approximately one-third of her mail was directed against telephone solicitation. Telephone conversation with Marcy Sugar, November 1, 1977.

This comment urges the Commission to respond to the demonstrated yearning for the curtailment of unwanted commercial telephone calls. As will be discussed in greater depth below, the Commission has the power to provide each telephone subscriber with a choice. Letters to the Commission illustrate the evils better than we can; therefore, the remainder of this comment will limit itself to illustration of the legal bases for jurisdiction and a sketch of an effective, but accommodating solution.

II. The statutory scheme embodied in the Communications Act of 1934 constitutes a broad grant of authority over interstate communications to the Federal Communications Commission.

A. The Commission was created to make available an efficient nationwide communication service

Section 1 of the Communications Act, 47 U.S.C. § 151, (1962 & Supp. 1977) establishes the Federal Communications Commission for the purpose of regarding interstate and foreign commerce in communications by wire and radio so as to make available ". . . a rapid, efficient, Nationwide, and world-wide wire and radio communications service with adequate facilities at reasonable charges." The act provides that the FCC's jurisdiction "shall apply to all interstate and foreign communications by wire." 47 U.S.C. § 152(a). This general grant of authority has been interpreted broadly, as an expansive rather than a restrictive grant. *United States* v. *Southwestern Cable Co.*, 392 U.S. 157 (1968), *National Broadcasting Co.* v. *United States*, 319 U.S. 190 (1942).

The Act itself amplifies the extent of the Commission's power by providing that the jurisdiction includes not only the actual communication but anything incidental to communication by wire. 47 U.S.C. § 153(a). Finally, broad rule-making and regulatory powers are vested in the Commission: The Commission may perform any and all acts, make such rules and regulations, and issue such orders, not inconsistent with this chapter, as may be necessary in the execution of its functions. 47 U.S.C. § 154(i).

B. The Commission has extensive substantive powers over common carriers

Common carriers, under the Act, are defined in pertinent part as persons "engaged as a common carrier for hire, in interstate . . . communications by wire. . . ." 47 U.S.C. § 153(h). Sections 201–205 describe the substantive powers of the Commission over these common carriers. The Commission can require carriers to connect with other carriers where necessary. 47 U.S.C. § 201(a). *Ward* v. *Northern Ohio Telephone Co.*, 300 F.2d 816 (6th Cir. 1962).

Furthermore, the Commission has a large degree of control over the general operation of the carriers. For example, carrier-proposed tariffs and regulations are subject to FCC approval. In Re Carterfone, 13 FCC 2d 420 (1968). Just and reasonable "charges, practices, classifications, and regulations for and in connection with . . . communication service" may be prescribed by the Commission. 47 U.S.C. § 201(b). *Hush-a-Phone Corp.* v. *U.S.*, 99 U.S. App. D.C. 190, 238 F.2d 266 (1956).

Section 220(a) gives the FCC the authority to "prescribe the forms of any and all accounts, records and memoranda to be kept by carriers. . . ." 47 U.S.C. § 220(a). Pursuant to this authority, the Commission, for example, has required that all carriers use a unified accounting system. *A.T. & T.* v. *United States*, 299 U.S. 232 (1936).

*The response was triggered by a letter printed in Ann Landers' column complaining about the lack of courtesy paid to telephone solicitors.

Carriers may classify their subscribers according to the use they make of the rented facilities. The Communications Act § 201(b), 47 U.S.C. § 201(b) declares that "different charges may be made for the different classes of communications." Id. Where the Commission finds that the classes determined by the carriers are unwarranted or unreasonable, it may prescribe "just, fair and reasonable classifications." 47 U.S.C. § 205.

All of the aforementioned substantive powers, together with the broad jurisdictional basis, fully equip the Commission to deal with the problem of telephone solicitation. We suggest that the Commission use these powers in the following manner. The telephone companies should be required to keep a list of subscribers who inform them that they do not wish to receive commercial calls. Those who used telephone facilities for the purpose of advertising and selling would be classified as a group. Tariffs would require these commercial users to acquire the telephone company list and to refrain from calling numbers on the list as a condition of their use of the facilities. The Supreme Court, in *Ambassador, Inc.* v. *United States*, 325 U.S. 317 (1944) held that regulations concerning the terms upon which the use of facilities are extended were binding on individual phone subscribers, id., at 324, especially where "the subscriber's business consists of retailing to patrons a service dependent on its own contract for utility service." Id. Thus, the business subscriber who retails telephone advertising could be bound by regulations limiting his commercial solicitation to persons not on the list. The cost of maintaining the list should be reflected in the charges applicable to that class or subclass of business subscribers.

Moreover, the F.C.C. should require a system for registering and investigating complaints. The problems encountered in enforcement of the harassment statute, 47 U.S.C. § 223 (Supp. 1977)—tracing calls and identifying callers—would be minimized, if not eliminated, because the commercial call would have little value unless the caller identified himself somehow. Commercial users who call listed subscribers in violation of the regulations could have their service terminated and, as a minimum, be enjoined from further violation by a court. See, *Ambassador, Inc.* v. *U.S.*, supra. The injunction, of course, would be backed by the contempt power of the court.

This comment does not propose to describe in detail answers to the questions raised by telephone solicitation. It is intended instead to demonstrate that the Commission is uniquely suited to explore the facets of and select appropriate solutions to this problem. Furthermore, the egregious harm demonstrated in this comment compels the Commission to exercise its power.

III. The Commission's power extends to intrastate communication facilities where necessary to the safety and efficiency of the interstate network and when in the public interest

A. The Commission has jurisdiction over telephone facilities in intrastate communication when necessary

As early as 1947, the Commission expressed surprise at the argument that its jurisdiction only extends to facilities which are exclusively interstate:

"The Commission can hardly believe that at this late date in the history of Federal regulation, the Bell system is seriously attempting to remove practically all of its facilities from the jurisdiction of this Commission, but the logical result of the above test proposed by it, 'facilities which are exclusive (sic) interstate,' would do just that."

Use of Recording Devices, 11 FCC 1033, 1048, n. 12 (1947). The telephone companies, defendants in the above case, had argued that section 221(b) of the Communications Act excluded the Commission from regulating intrastate telephone exchange service where only a portion of the service was interstate. The argument did not prevail.

Jurisdiction over connecting carriers—those predominantly intrastate telephone exchanges which provide no interstate service except through physical connection with regulated carriers—has consistently been exercised where necessary. Use of Recording Devices, *supra; Jordaphone Corp. of America* v. *A.T.&T.*, 18 FCC 644 (1954); *Hush-a-Phone Corp.* v. *A.T. &T.*, 22 FCC 112 (1957); A.T.&T., Railroad Interconnections, 32 FCC 337 (1962); A.T.&T.–TWX, 38 FCC 1127 (1965); *Fallon Travelodge* v. *Churchill County T & T*, 14 FCC 2d 972 (1968); *GTE Service Corp.* v. *FCC*, 474 F.2d 724 (2d Cir. 1973); and *U.S. Department of Defense* v. *General Tel. Co.*, 38 FCC 2d 803 (1973). In *GTE Service Corp.* v. *FCC*, supra, the court held connecting carriers to be subject to regulation because they are "indisputably a necessary part of the national telephone network." Id. at 736.

The intrastate argument has persisted long after it should have been settled. However, the FCC's primary authority over equipment used for both interstate and intrastate calls was definitely established in *North Carolina Utilities Commission* v. *FCC*, 552 F.2d 1036 (4th Cir.), cert. denied, 45 LW 3257 (October —, 1977) (hereinafter cited as North Carolina II).

North Carolina II involved an FCC regulation which established a registration program for independent manufacturers of telephone equipment, enabling their customers to use that equipment free of state regulation. The state utilities commission, which had set up a tariff permitting the use of non-carrier supplied equipment only through carrier supplied intermediary devices, objected to the FCC regulation as an interference with state authority. The Fourth Circuit Court of Appeals, in upholding the regulation, employed a test virtually the opposite of that posed by the telephone company in use of recording devices, supra. Exclusive state jurisdiction was limited to those facilities "separable from and . . . not substantially affecting the conduct of development of interstate communication." North Carolina II, supra at 1046, reaffirming their earlier holding in *North Carolina Utilities Commission* v. *FCC*, 537 F. 2d 787, 793 (1976) (North Carolina I). Further, the Court rejected the notion that even "predominantly local use" barred FCC control. Noting that 97% of all telephone use is purely intrastate, the Court dismissed any argument which amounts to an assertion that Congress created a regulatory scheme that depends on the calling habits of telephone subscribers to determine the jurisdictional competence of the FCC versus state utility commissions. North Carolina II, supra at 1046.

Basing its holding on the "statutory policy of centralizing FCC control over interstate communications, the otherwise plenary jurisdiction conferred by §§ 201–206 and the recognition by § 410(c) of federal supremacy of rate base allocations," id., the Court thus gave the FCC predominance over the states wherever evident statutory conflict exists.

The state utility commission argued that since almost all telephone service involves dual-use facilities (i.e., intra and interstate), the statutory reservations of power to the states in §§ 221(b) and 151(b) are rendered meaningless.

The Court effectively countered this argument by pointing out that the term "intrastate facilities" is meaningless not because exclusively intrastate facilities cannot be built or imagined (indeed, some are already in existence), but because state commissions prefer to avoid the economic and political costs of forcing the general consumer to buy two sets of terminal equipment. North Carolina II, supra at 1049.

Even the fact that dual-use terminal facilities are subject to much state regulation does not prevent the FCC from claiming jurisdiction "should the need for federal action arise." Id., at 1050.

If existing state regulations are not a bar to federal action where the Commission sees a need, a fortiori the lack of any state regulation poses even less objection. There are no state statutes specifically dealing with the problem of telephone advertising and selling at the present time. Action on that subject by the Commission, therefore, seems both appropriate and desirable.

B. The Commission has authority to make regulations which are binding on third parties relating to their use of interstate telephone facilities

North Carolina II, supra, dealt with the Commission's power to prescribe regulations binding on third parties, relating to the use of interstate telephone facilities. Manufacturers of terminal equipment could sell and install their product without the use of carrier-provided interconnecting devices only if the equipment was registered with the FCC. To be registered the equipment must meet certain technical requirements. Unregistered equipment may be used, but carrier intermediary devices are necessary. North Carolina II, supra at 1041. The Court found that this scheme did not constitute "an impermissible regulation of independent manufacturers." Id. at 1050. The fact that manufacturers may be induced "to comply in order to compete effectively with registered products" was deemed immaterial. Id. They could just as easily have chosen not to register if that had been in their economic self-interest.

Of course, there are criteria to be met with any regulation. The FCC has no authority to regulate industries not dealing in some way with communication. The area regulated must be "reasonably ancillary to effective performance of the Commission's various responsibilities." *U.S.* v. *Midwest Video Corp.*, 406 U.S. 649 (1971); *U.S.* v. *Southwestern Cable Corp.*, 392 U.S. 157 (1967). And the regulations themselves must be "just and reasonable." 47 U.S.C. 201(b).

With those criteria in mind, the Commission has exercised jurisdiction over, inter alia, the use in connection with telephone facilities of recording devices, use of recording devices, supra; attachments to carrier equipment, *Hush-a-Phone Corp.* v. *U.S.*, supra; computers and data-processing facilities, *GTE Service Corp.* v. *FCC*, supra; and customer-provided terminal equipment, Telerent Leasing Corp., 45 FCC 2d 204 (1974), North Carolina II, supra.

Where the Commission sees a need to promulgate regulations to protect the safety and efficiency of the interstate communication network, it has broad power to do so. North Carolina II, supra at 1046–47; *Philadelphia Television Broadcasting Co.* v. *FCC*, 359 F.2d 282 (D.C. Cir. 1966). Since Automatic Dialing and Recorded Message Players (ADRMPs) are hooked into the telephone system, technical and other requirements on their use would seem, under the rationale of North Carolina II, to be reasonably ancillary to the Commission's responsibilities. And just and reasonable regulations can be formulated after hearing from all interested parties. North Carolina II, supra at 1051; U.S.C. § 205(a).

C. The Commission has a duty to act in the public interest

The underlying policy of the Communications Act "is the securing and protection of the public interest." *WOKO, Inc.* v. *FCC*, 109 F.2d 665, 667 D.C. (Cir. 1940). Where great public concern about a practice is evident, no actual abuse need have occurred before the Commission may institute rule-making

proceedings. *GTE Service Corp.* v. *FCC*, 474 F.2d 724 (2d Cir. 1974). Nor must the Commission "await some definitive action by a State or a carrier . . ." *Telerent Leasing Corp.*, 45 FCC 2d 204, 213 (1974). This is especially true where the Commission is moving into an "area of new policy" affecting large numbers of carriers. *GTE Service Corp.* v. *FCC*, supra at 732.

Rapid expansion in an area of communication technology has frequently justified investigation by the Commission and regulation where necessary. For example, in *GTE Service Corp.* v. *FCC*, supra, the Commission prescribed the terms on which common carriers could offer data processing services to the public. The Second Circuit Court of Appeals stated that the burgeoning data processing activities of the common carriers posed . . . a threat to efficient public communications services at reasonable prices and hence regulation was justified under [the Commission's] broad rulemaking authority.

Id. at 730. The Supreme Court also cited unfettered growth of the cable television industry as a factor which made FCC regulation of that industry reasonable. *U.S.* v. *Midwestern Video Corp.*, 406 U.S. 649 (1971).

Telephone solicitation has increased greatly in the last few years. With the development of the ADRMPs which make the practice cheaper and more efficient, rapid expansion of the industry seems inevitable. See petition for issuance of notice of inquiry, RM 2955 at 3. The Commission should focus on this problem before the practice becomes entrenched and any regulation only remedial. Id. at 10.

Mr. Baer's petition is not a legal brief, nor was it meant to be. It was, however, an expression of carefully considered views in a matter of great public concern of which the Commission has been appreciative in the past. In re Carterfone, 13 FCC 2d 420, 426 (1968). That this is a matter of great public concern is evidenced by the response to the petition. Over two hundred letters from individuals have been sent to the Commission, all but a small number urging action. Television editorials have cited so-called "junk calls" as a problem and have elicited support for Mr. Baer's petition; *e.g.*, Editorial, WJAL-TV (Wash. D.C.), October 27, 1977. Even the White House has taken the position that unsolicited commercial calls raise "serious questions concerning the infringement of individual privacy," "Comment of the Office of Telecommunications Policy," RM 2955, and has urged inquiry into all forms of the practice.

Letters from citizens annoyed and upset by commercial calls reveal that for them the utility of the telephone system is impaired. See § I supra. Many have resorted to unlisted numbers at increased cost and inconvenience to themselves. Others threaten to terminate their telephone subscriptions if all else fails. Where termination of telephone service becomes a viable solution to the problem, the effectiveness and utility of the telephone network is placed in jeopardy. The Commission has a duty to investigate the situation. As one court has said:

"Regardless of the formal status of a party, or the technical merits of a particular petition the FCC 'should not close its eyes to the public interest factors' raised by the materials in its files."

Retail Store Employees Union, Local 880, AFL–CIO v. *FCC*. 436 F. 2d 248, 254 D.C. Cir. (1970), quoting *Southwest Publishing Co.* v. *FCC*, 100 U.S. App. D.C. 251, 254, 243 F.2d 289, 832 (1957).

CONCLUSION

This comment has endeavored to show that the Commission, pursuant to the Communications Act of 1934, has jurisdictional authority to deal with the problem of unsolicited commercial calls. The Commission has the power to prescribe regulations binding on the telephone companies. *A.T. & T.* v. *U.S.*, 299 U.S. 232 (1936). Further, the Commission has the power to prescribe regulations binding on the users of interstate telephone facilities for the purpose of telephone advertising and selling. North Carolina II, supra. The Commission has this authority even though the majority of these calls may be intrastate. Id. Finally, this comment has shown that it would be in the public interest to exercise this jurisdiction, because unsolicited commercial calls create or contribute to more than minor annoyances. They can exacerbate health problems such as heart disease or emotional and nervous disorders, they interrupt the sleep of night workers, reducing their efficiency and alertness thereby creating safety hazards. These calls create an unwarranted burden on the physically handicapped; they disrupt the flow of family life; they are, in fact, a serious and inexcusable invasion of privacy.

A workable solution can be devised. Individual subscribers should be given the opportunity to choose whether or not to receive unsolicited commercial telephone calls. The responsibility should be on those who make unsolicited commercial calls to refrain from telephoning those subscribers who notify their telephone company that they do not wish to be solicited.

The telephone network is a boon to society. It must not be an instrument of injury.

Respectfully submitted,

PAMELA ROGERS MELTON.
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(The National Law Center George Washington University, 2000 H St., N.W., Suite 301, Washington, D.C. 20052 (202) 659–4310.)

DEPARTMENT OF TRANSPORTATION ACTS TO ALLEVIATE UNSAFE TRUCKING VIOLATIONS

Mr. PERCY. Mr. President, I recently wrote to Secretary of Transportation Brock Adams urging tighter and more efficient enforcement of Federal truck safety regulations. These regulations are often not obeyed and are rarely enforced.

I am pleased by Secretary Adams' timely response. He demonstrates both an understanding of, and a concern for, the dangerous situation that now exists on this Nation's highways.

Specifically, Secretary Adams responded to my four suggestions for combatting speeding violations and preventing violation of the 10-hour maximum time limit for a single trucking run. The Secretary promised to develop specific instructions for DOT field staff to insure the reliability of test checks on trucking runs which approach the 10-hour limit. He also pledged to convene a series of meetings with various groups in the trucking industry to discuss ways to improve trucking safety.

Secretary Adams said he would study two other requests I made in my letter. One would be to set specific mileage limitations for maximum trucking runs. This would greatly reduce the necessity to exceed the 55-mph speed limit. The second would be to require trucking firms to post the results of DOT safety investigations in order to alert drivers to company violations.

"Steps will be taken," concluded Secretary Adams, "to reduce the apparent deterioration in safety of operations of large trucks on the highways."

Mr. President, the issue of highway safety cannot be overemphasized. An Illinois trucker recently informed me of a warning he received from his employer for failing to complete his scheduled run within the legal 10-hour limit. This trucker must haul over 45,000 lbs. up and down hills for 500 miles. He insists that it is impossible to complete this run within 10 hours if the 55-mph speed limit is to be maintained. Nevertheless, his employer warned him that unless he finished his runs within the allotted time, he would be "further disciplined up to and including discharge."

Such flagrant abuse of Federal safety laws by a few trucking firms is inexcusable. Forcing truckers to break the law endangers both the truckers themselves and all other motorists on the road. I am encouraged by Secretary Adam's commitment to alleviate this problem.

Mr. President, I intend to introduce a comprehensive truck safety program in the Senate early next year. It would enhance the ability of State and Federal enforcement agencies to combat violations of trucking safety regulations.

I wish to commend the Chicago Tribune and the St. Louis Globe-Democrat for their timely efforts to bring attention to bear on this important issue.

I ask unanimous consent that my letter to Secretary Adams and his response to me be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., September 17, 1977.

Hon. BROCK ADAMS,
Secretary, Department of Transportation, Washington, D.C.

DEAR MR. SECRETARY: I am disturbed to learn that the Department of Transportation's Bureau of Motor Carrier Safety (BMCS) is failing to adequately enforce a critical provision of the Motor Carrier Safety Regulations (49 C.F.R. 392.6). The regulation specifically provides that "No motor carrier shall schedule a run . . . between points in such period of time as would necessitate the vehicle being operated at speeds greater than those prescribed by the jurisdictions in or through which the vehicle is being operated."

The Bureau has determined that no run may be scheduled which cannot be completed in ten hours without exceeding the legal 55 miles per hour speed limit. However, the BMCS has not effectively enforced that provision. As a result, many motor carrier firms and independent truckers are instituting runs that cannot possibly be completed at legal speeds within the ten hours. Drivers frequently have no choice but to speed in order to complete the excessively long and resultingly illegal runs which they have been assigned.

Inadequate enforcement of this regulation has created other unsafe conditions on our nation's highways. Excessive speed by truckers forces them to tailgate other vehicles. And the chance for tire and brake failures, and more serious accidents and injury, is also greater at such higher speeds.

At a time when the Congress and the Department of Transportation are making serious attempts to correct many of the maladies of our national transportation system, the alarming existence of unsafe and illegal trucking practices must be dealt with forthrightly. I strongly urge that you personally, and the Department, consider the following recommendations:

Criteria should be established to make D.O.T. test runs more realistic in ascertaining the time necessary to complete a specific

trip. The truck should be of the same quality as that normally used on the run and should be loaded in the usual manner. Such conditions as routing, weather, terrain, and urban driving congestion should be taken into consideration when assessing compliance with the ten-hour limit. Further, a company should be required to certify prior to a test that all test standards have been met; in this way, the BMCS would have less trouble meeting the legal requirements of proof of a company's knowing or willful violation of the law.

Runs greater than 450 or 475 miles should be prohibited. I am reliably informed that this is the maximum distance a trucker can safely and legally negotiate in under ten hours.

Companies should be required to post notice of the Bureau's findings after an investigation. Drivers would then be alerted to possible violations of the law and would be better able to protect themselves from possible employer intimidation.

A conference with representatives of trucking fleets and independents should be convened promptly in order to seek greater voluntary compliance with the law. As you know, the speeding problem is of such proportions that merely increasing enforcement against violators would be insufficient in effecting a remedy.

An exceptionally well-documented task force investigation and report (attached) on trucking safety, by the staff of the Chicago Tribune, just last week revealed frightening abuses of federal and state laws. These abuses have resulted in countless deaths and serious injuries. Motorists who obey such laws as the 55 mile per hour speed limit should not be hounded off the road or harassed simply because they are law-abiding citizens; nor should truckers be compelled to willfully break the law in order to avoid confrontations with company management, thereby risking their jobs. BMCS has within its power the authority to correct these violations. I urge that the law and related regulations by vigorously enforced.

I look forward to receiving from you a timely report on the specific measures that the Department of Transportation proposes to take in dealing with this issue.

Sincerely,

CHARLES H. PERCY,
U.S. Senator.

SECRETARY OF TRANSPORTATION,
Washington, D.C., October 21, 1977.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

DEAR CHUCK: This refers to your letter of September 17, which I acknowledged on September 22, relating to your concerns over unsafe trucking practices on our Nation's highways.

I share your concern for the need to improve the safety performance of motor carriers and appreciate your thoughtful suggestions for effecting improvements.

The question of the adequacy of the efforts of the Federal Highway Administration's Bureau of Motor Carrier Safety to enforce the existing provisions of the Federal Motor Carrier Safety Regulations that relate to length of runs, speeding, tailgating, and other unsafe acts on the highway is one that has been under study by the Department of Transportation since the issuance of the General Accounting Office's critical report on its review of the effectiveness of the Bureau's activities over the last decade. As pointed out in that report, the problem is one of inadequate resources and a need to improve internal management.

Both of these issues are receiving active consideration. We will deal with the resource issue through the traditional budget channels, and with the necessary internal improvements through upgraded procedures and practices by the Bureau.

With respect to your specific suggestions for improvements, the Federal Highway Administration and its Bureau of Motor Carrier Safety agree that they are quite timely and will:

1. Develop specific instructions to their field staff for the conduct of test checks on lengthy runs.

2. Examine the feasibility of establishing a specific mileage limitation for runs, and evaluate the benefits and disbenefits.

3. Consider revising its rules of practice in disposing of compliance cases, by requiring posting of their findings after an investigation.

4. Convene a series of meetings with high level common motor carrier officials, spokesmen, or leaders of independent truckers, and leaders of the private carrier segment of the industry.

We certainly appreciate your interest in dealing with the safety problems of motor carriers of property, and assure you of our intent to take steps to reduce the apparent deterioration in safety of operations of large trucks on the highways as reported by the investigative reports by the Chicago Tribune reporters.

Sincerely,

BROCK ADAMS.

CCC EXPORT CREDIT

Mr. HUMPHREY. Mr. President, Secretary Bob Bergland announced last week in Rome that the administration is going to increase the fiscal year 1978 budget for financing sales of U.S. agricultural commodities under the Commodity Credit Corporation (CCC) export credit sales program.

The administration has wisely decided to increase original funding for this fiscal year from $750 million to $1.5 billion.

The Secretary's announcement, which was made last week at the biannual Conference of the Food and Agriculture Organization (FAO) of the United Nations, is extremely timely. This decision will permit us to expand our agricultural exports by making American food more competitive in foreign markets.

During this past year, our agricultural exports earned this Nation $24 billion, the fifth consecutive year that we achieved at least $10 billion in food exports. This is particularly impressive in view of the depressed price situation that affects our principal export commodities, wheat and feed grains.

While this increase in the amount of CCC credit available will allow us to reach new commercial markets that are not now accessible, this level of funding will also enable some developing nations to make the transition from long-term credit agreements under Public Law 480 to the short-term, commercial CCC credit program.

Mr. President, I think it is important to point out that the CCC credit program is not a concessional sales program; rather, all credits are at market rates of interest. This is particularly important in that a number of people continue to believe incorrectly that this is a concessional credit program.

Mr. President, I applaud the administration's leadership in this area.

THE JOY OF PLAYING BALL

Mr. STEVENS. Mr. President I ask unanimous consent to have printed in the RECORD a statement by the distinguished Senator from Maryland (Mr. MATHIAS), and the material attached thereto.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

STATEMENT BY SENATOR MATHIAS

Sports fans thrilled time and again to the superior play of Brooks Robinson during his long and lustrous baseball career. He was a stellar attraction on the field and is a gentleman of high character who would be a credit to any sport, in fact, to any career.

Now, he has added another outstanding performance. In the November 4 Baltimore Sun, an article by Brooks Robinson, titled "The Joy of Playing Ball," explains clearly the reluctance of a player to leave the game.

It is a moving account by one of the sports world's all-time greats, a brief article that I would like to share with my colleagues.

[From the Baltimore Sun, Nov. 4, 1977]

THE JOY OF PLAYING BALL

(By Brooks Robinson)

During the year leading up to my retirement, I heard a lot of comments about "older athletes" from numerous friends and fans. I have been credited with not pushing my career too long and retiring at the right time.

It wasn't an easy decision for me; it's not an easy decision for any of us.

In fact, up until mid-season of this year, I wanted to continue to play as long as possible.

Perhaps I did retire at the right time and at the right place, but I feel that it is important for people to know that decisions like those of Willie Mays and Johnny Unitas to continue playing are as justified as those decisions like mine to retire.

I have never met a professional athlete, or, for that matter, anyone who even desired to be a professional athlete, who hasn't wanted to play the game more than anything else.

There is a special joy and happiness to giving your best in playing a professional sport and to sharing your best and your experiences with the fans you build up over the years.

Professional sports can be a good life that allows you to do what you love to do all of the time and at the same time provides support for yourself and your family.

But it is important to understand what goes on in a professional athlete's mind during his brief playing career.

To most of us, making money is secondary—we just want to play.

By our late twenties, we are precision professionals. At 30, we hear ourselves described as aging members of our profession. By age 35, we hear ourselves called aged or "over the hill." Athletes who are still producing beyond age 35 can become insensitive to the characterization of the aging process.

By the time they reach 40, as I did this year, it's difficult to respond rationally to suggestions they are finished.

Rather, such claims only stir up reactions, stored up since the beginning of the "aging process" at 30, to prove to the world that they can continue to do what they love to do best.

As I have learned, my body underwent changes by age 40 that made it difficult for me to make the clutch catch or hit the long ball in my old style.

This was especially true during one long week in June when I was put into the lineup and it was hard to perform after only two months of inactivity following spring training.

But then, there was that one early season, 11th-inning, 3-run homer—it could just as

well have been a touchdown in the last 30 seconds—that reminds us we are professionals and can still do the job we love best. It's a part of the mentality that we develop over the years from playing the game.

Bodies may change, and weaken in some ways, but the desire to play the game is much more difficult to relinquish than anyone who hasn't played can imagine.

While I have been praised for having finished my career when I did and here in Baltimore, Johnny Unitas has been criticized for prolonging his career and finishing in San Diego.

But Johnny Unitas, as was demonstrated several Sundays ago, has the same affection for Baltimore and its people as I do.

Baltimore is his home. He left it not because his affections diminished, but because to him, as to all true professional athletes, happiness is playing the game. He couldn't give up that last opportunity to play.

He, like I, has given up that happiness we lived for.

Our games today are limited to those with our children, because they bring us a new happiness, and our families have become the inspiration to find a productive life and happiness outside the game.

(NOTE.—The author is the former player for the Baltimore Orioles who retired this year after astounding millions of baseball fans and demoralizing opponents for some two decades with miraculous defensive plays at third base and clutch hits at the plate. Just ask the 1966 Dodgers whose defeat in four straight World Series games, against all odds.)

FREEDOM OF THE PRESS

Mr. ANDERSON. Mr. President, Thomas Jefferson, an architect of American democracy, once wrote:

> The basis of our government being the opinion of the people, the very first object should be to keep that right; and were it left to me to decide whether we should have a government without newspapers, or newspapers without a government, I should not hesitate a moment to prefer the latter.

The Founding Father's observation underscores the critical importance of a vigorous free press in the United States. A free press creates an informed electorate which assures a government of, by, and for the people. Freedom, however, also carries burdensome responsibilities; a delicate balance must be struck between a free press and a self-restraining, responsible one.

Over the years, many commentators have attempted to define the degree to which the government can act to assure that the press accept its responsibilities. The first amendment wisely protects against very much government action at all.

Recently, I was privileged to hear from my good friend and colleague from across the aisle, Senator CHARLES MATHIAS, examine the delicate balance the first amendment imposes upon the press in his speech before the Anti-Defamation League of B'nai B'rith. One of the oldest and leading human relations agencies, the Anti-Defamation League is dedicated in purpose and program to translating this country's heritage of democratic ideals into a way of life for all Americans in our time.

The league honored itself when it invited Senator MATHIAS to Minneapolis last month to be the featured speaker at the annual first amendment freedoms award dinner, Senator MATHIAS' address, "The First Amendment: Freedom and Responsibility," furthers the purpose of the league and somberly reminds us all to cherish our free press as an essential cornerstone of American democracy.

Mr. President, I feel that many benefit from the penetrating thoughts of the esteemed Senator from Maryland. I therefore ask unanimous consent that the text of his address at the Anti-Defamation's League's first amendment freedoms award dinner be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE FIRST AMENDMENT: FREEDOM AND RESPONSIBILITY

The two men we honor here—John Cowles and John Cowles, Jr.—interpret the First Amendment to the Constitution exactly as I think the framers of the Constitution intended. They recognize and accept the responsibility inherent in the broad grant of freedom the First Amendment gives the press.

John Cowles has said that "a good newspaper should be a university on your doorstep". He and his son have acted on that belief. They have built and run a communications network that actually tries to inform, not just to amuse, the public. For this, they richly deserve the Anti-Defamation League's "First Amendment Freedoms Award". As James Madison observed:

> "A popular Government, without popular information, or the means of acquiring it, is but a prologue to a farce or a tragedy or perhaps both. Knowledge will forever govern ignorance: and a people who mean to be their own governors must arm themselves with the power which knowledge gives."

This week the question of the responsibility of the press in a free society is very much in the news. On Sunday we learned for the first time the details of an effort by former CIA Director William E. Colby to suppress the Glomar Explorer story on the grounds of national security. So tonight it seems particularly appropriate to examine with you the very fragile relationship between press freedom and press responsibility which is central to our democracy and which the Cowles family has understood so well.

The preeminent place given to freedom of the press in the Bill of Rights—its placement, along with freedom of speech, in the first of the amendments to the Constitution—reflects its central role in the functioning of our republic. The founders of our republic considered the free expression of informed citizens to be the foundation of representative government. They far preferred the risk that a free press might abuse its freedom to the risks implicit in regulating the press.

The language of the First Amendment is simple and clear: "Congress shall make no law . . . abridging the freedom of speech, or of the press . . ."

The men who wrote the Constitution were not blind to the possibility that the press might abuse or misuse its power. Indeed, George Washington was one of the first public figures to feel the sting of a vicious, irresponsible press. But, even in the face of attack, Washington stuck to his conviction that no matter how the press might abuse its privileges, he considered it vital for the survival of democracy that press freedom not be curbed.

Here, in a letter to a friend Thomas Jefferson explains the view of the enlightened American leadership:

> "No experiment can be more interesting than that we are now trying, which we trust will end by establishing the fact that man may be governed by reason and truth.
>
> "Our first object should be therefore to leave open to him all avenues of truth. The most effectual hitherto found is the freedom of the press. It is therefore the first shut up by those who fear the investigation of their actions.
>
> "The firmness with which the people have withstood the late abuses of the press, the discernment they have manifested between truth and falsehood shew that they may safely be trusted to hear everything true and false and to form a correct judgment between them."

I don't think there's a better statement anywhere of our founders' conviction that the essential safeguard to free government was an alert public informed by a free press. A sublime confidence in the good sense of the citizenry is what brought about our experiment in democracy.

The notion that the press has a role to play in the process of government was not unique to America. When Louis XVI was forced to call into session the Estates General in France after more than 100 years of autocratic rule, he summoned the three estates—the nobles, the clergy and the commoners. But there was another group in France then that, since the invention of the printing press, had become powerful enough to be considered a Fourth Estate. That group was the press.

Although the Fourth Estate never quite made it into the Estates General or its successor the National Assembly, it did become part of our language. The Western world acknowledges, by its use of the quaint expression "the Fourth Estate", that the press plays a significant role in government.

If we accept the proposition that the Fourth Estate is a part of practical government, then we must look for the place in which it fits in our geometric constitutional pattern. Our constitutional system of checks and balances is more than a simple separation of powers among the three branches. There is a delicate balance of powers, in which the executive is checked by the legislative, the legislative by the judicial, the judicial by the executive, and so on. It is a system in which the exercise of fragmented power is often an exercise in frustration. But, we must remember that it was deliberately designed that way.

The authors of the Constitution were extremely sensitive to human frailties. Even Jefferson, despite his abundant confidence in the people as a whole, was wary of power and its ability to corrupt. "In questions of power", he wrote, "let no more be heard of confidence in man, but bind him down by the chains of the Constitution."

The men who devised our Constitution were not content with a simple separation of powers among the three branches of the new government. They actually gave each branch a hand in the other's business. Although some specific powers were reserved peculiarly or preeminently to each branch, there was a great deal of overlapping and intermingling of jurisdictions within the three formal and established branches of government.

The history of our government, in fact, can be seen with some justice as a series of boundary disputes, of advances and retreats, between the various branches. Let us look at the way it has worked.

For example, the Constitution gives the President "power, by and with the Advice and Consent of the Senate, to make treaties . . ." George Washington, at first, was very direct in seeking the "Advice and Consent of the Senate". Thanks to the journal kept by Pennsylvania Senator William Maclay, we know that President Washington astounded the Senate on a humid Saturday in late August 1789 when he arrived at the Senate chambers, "was introduced, and took

our Vice President's chair . . . rose and told us bluntly that he had called on us for our Advice and Consent to some propositions respecting the treaty to be held with the Southern Indians".

The Senate thought Washington was trying to railroad the treaty through and gave him a cool reception. The President, miffed that his overture had been rebuffed, left in what Maclay describes as a "violent fret" and never again appeared in person to ask the Senate for "Advice and Consent".

Since then, as far as I know, no other President has appeared in person looking for "Advice and Consent" of the Senate either. President Carter, in fact, was signing the Panama Canal Treaty at just the same time as the Senate was first considering its text. But the point is that, no matter how the relationship between the President and the Senate changes, the Constitution assigns each a specific role in the treaty process and one acts as a check upon the other.

But where in this rather precise geometric construction of checks and balances is the Fourth Estate? The check which applies to that branch of governance we call the Fourth Estate is the First Amendment, which is a check on government unilaterally. The First Amendment prohibits interference with press activity just as much as the doctrine of separation of powers prevents the legislative, executive and judicial branches of government from invading each others' jurisdictions.

But what of the other side of the equation? The First Amendment is only a one-sided check and does not provide balance. The other side doesn't exist. And, because there is no balancing factor as in the case of the other three Branches, we end up with a paradox. We restrain government in its relations with the press, but we don't restrain the press in its relations with government.

There's good reason for this. The restraints which we impose on the executive, legislative and judicial branches of government cannot be imposed upon the press without endangering the democratic process itself. Freedom of the press is an area too sensitive and too delicate to sustain external regulation. And, as Chief Justice Burger has noted:

"A responsible press is an undoubtedly desirable goal, but press responsibility is not mandated by the Constitution and like many other virtues cannot be legislated."

It seems to me that the only restraint on the press that is permissible in a democracy is the restraint the press imposes on itself. The press, in a very real sense, is a part of the government. By providing much of the information on which the electorate makes its judgments, the press plays an essential role in determining how, and how well, we govern ourselves. If we are to govern ourselves intelligently, then the media must be free to gather information and to disseminate it without hindrance. But, it is not enough that the media be free to do their job, they must also be willing to do it responsibly.

We cannot force the media to exercise self-restraint. But we can commend outstanding examples of media responsibility as you are doing here tonight. And organizations such as the Anti-Defamation League can encourage responsible journalism.

In April 1735, John Peter Zenger established for the first time in an American court the right of the press to criticize the government. Since then that right has been confirmed and reconfirmed in the courts. We have, in the words of Justice Brennan:

"...a profound national commitment to the principle that debate on public issues should be uninhibited, robust and wide-open, and that it may well include vehement, caustic, and sometimes unpleasantly sharp attacks on government and public officials . . ." (*New York Times Co.* v. *Sullivan*)

I am sure all here would agree with me that the press has more than earned its First Amendment protection these past four years. The word "Watergate" alone conjures up memories of press heroics that will not soon be forgotten. And the media have bolstered our liberties in many other areas as well.

But what I think we do tend to forget in the glow of so many recent Fourth Estate victories is that there is always someone lying in wait for a chance to clip the wings of the press.

It is worth remembering that only nine years after the Bill of Rights had been adopted, Congress passed the infamous Alien and Sedition Act of 1798. Or to bring the story closer to this time and this place, let me read you what Vice President Spiro Agnew said of the press right here in Minneapolis less than five years ago:

". . . some prestigious media spokesmen can be read and heard almost daily expressing fear for the future of the First Amendment. They assert that the American people are being kept in the dark by a deceptive government. A national network newsman has referred to an Administration 'conspiracy' against the people's right to know. It is hard to find any factual basis for this hysteria. Almost nothing goes on in government that is not examined, re-examined, plumbed, analyzed, guessed about, criticized and caricatured by the media.

". . . The fact is that the Nixon Administration is no more desirous of nor more capable of curtailing freedom of the press in America than any of its predecessors. . . ." (Before Minnesota Newspaper Association, Minneapolis, February 23, 1973)

The Administration conspiracy against the people's right to know which Agnew dismisses here as press hysteria, was, of course, real. Even with all the forces of the Nixon Administration arrayed against them, however, the "natering nabobs of negativism", to borrow Agnew's own idiom, won the day.

But next time we may not be so lucky. If our luck is to hold, it is important that the media remain alert to their unwritten responsibilities under the First Amendment. And it is important that we, as a people, remain sensitive to efforts to curtail the freedom of the press.

After all, as David Brinkley once said:

"There are numerous countries in the world where the politicians have seized absolute power and muzzled the press. But there is no country in the world where the press has seized absolute power and muzzled the politicians."

GREEK ELECTIONS

Mr. BROOKE. Mr. President, those interested in close and fruitful relations between the United States and Greece must be heartened by the decision of the Greek voters to return Premier Constantine Karamanlis to a second 4-year term of office. Those of us who have had the privilege of discussing matters of mutual concern with Premier Karamanlis know well the great service he provides his country. His has been the steady hand at the helm in a very difficult time for Greece.

Premier Karamanlis had sought and has now received a renewed popular mandate to continue his efforts to bring Greece into the Common Market, to encourage a just settlement of the Cyprus problem and to work out Greek-Turkish differences over access to the resources of the Aegean Sea. These pressing problems, along with the need to revitalize the Greek economy, are a severe test for the Greek Government. The friends of Greece who respect and admire the tenacity of the Greek people and their love of democracy stand ready to assist in every appropriate way.

One of the tasks ahead for both the Greek and American Governments is the finalization of new agreements regarding U.S. access to military base facilities in Greece. In my conversation with Premier Karamanlis a year ago he gave great stress to the need to modernize Greek-United States military agreements while at the same time evidencing a great desire to continue the close relationship that both countries have profited from for so many years. There should be no doubt as to the desire of the United States that this relationship be continued and strengthened.

Mr. President, I can think of no more pressing matter for the United States than the preservation of our ties with the other democracies of the world. Open governments and free societies are far too few in number. Greece, where the concept of democratic rule has much of its origins, is today a functioning democracy. Even through a long dark night of authoritarianism its people held close their desire for freedom. And, once having restored it in their land, they have guarded it jealously. The government they have now returned to office is unequivocal in its allegiance to the ideals of democracy. Premier Karamanlis and his government will continue to serve the Greek people well. As they do so, I have no doubts that the bonds between the United States and Greece will be strengthened. That is a mutual goal we share with the Government of Greece.

NAVY'S TOP HERO PICKED FOR HIGH JOB

Mr. GLENN. Mr. President, in August of this year, President Carter nominated Adm. James Stockdale to be President of the Naval War College, a most important position.

I am proud to have known Jim Stockdale as a friend since we both went through the same class in test pilot training in 1954, and I have kept in touch with him and his wife, Sybil, since that time.

A newspaper clipping from the Cleveland Press of last August, written by Scripps-Howard writer Alan Horton, needs no explanation, and I only wish it could be read by everyone who feels our country somehow lacks the will and devotion to retain free world leadership in these perilous days.

Jim is a great man, in my book, and I am glad to have the opportunity to bring his devotion to his country to the attention of all my colleagues.

Mr. President, I ask unanimous consent that the news account be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Cleveland Press, Aug. 17, 1977]

NAVY'S TOP HERO PICKED FOR HIGH JOB

(By Alan Horton)

WASHINGTON.—The late Ian Fleming never heard of James Bond Stockdale when he wrote "From Russia with Love" and the other James Bond stories.

And because Fleming's super spy hadn't

yet been created in 1923, the senior Stockdales couldn't know that their new son would grow up to be compared favorably to the fictional Bond.

Yesterday Defense Secretary Harold Brown named Rear Adm. James B. Stockdale president of the Naval War College and nominated him for a third star as vice admiral. The Senate must confirm him and will quickly do so, once back from its August vacation.

Stockdale, 53, is the Navy's top hero. Seventeen months ago President Ford presented him the nation's highest award, the Congressional Medal of Honor. Coincidentally, Stockdale was an Annapolis classmate of Jimmy Carter and CIA Director Stansfield Turner, a former president of the Naval War College.

Stockdale won the Medal of Honor for "conspicuous gallantry and intrepidity at the risk of his life above and beyond the call of duty on 4 September 1969 while senior naval officer in the prisoner of war camps of North Vietnam."

The citation read: He deliberately inflicted a near-mortal wound to his person in order to convince his captors of his willingness to give up his life rather than capitulate. He was subsequently discovered and revived by the North Vietnamese who, convinced of his indomitable spirit, abated in their employment of excessive harassment and torture toward all of the prisoners of war."

Stockdale's personal decorations include two Distinguished Service Medals, the Legion of Merit with Combat "V", four Silver Stars, two Bronze Stars with Combat "V", two Distinguished Flying Crosses, 10 Air Medals, two Purple Hearts and numerous campaign medals and unit awards.

Stockdale walks with a limp. After his A4 Skyhawk jet was shot down Sept. 9, 1965, Vietnamese villagers stripped him naked, rolled him down a street and beat and kicked him. He could offer little resistance because his shoulder was broken when he ejected from his plane. The beating broke his knee.

As bad as his first day in North Vietnam was, he endured worse. Four of his 7½ years in North Vietnamese prisons were spent in solitary confinement.

His body was so twisted with ropes in torture sessions that his feet were stuffed into his mouth; his face was battered; his bad leg was kicked and infected with raw sewage: he was confined in his own filth in stocks and leg irons for weeks; he was "cooked" in what was nicknamed the "Bathhouse" and then cooled in a dank cell day after day; he was led, blindfolded, on a leash and nearly choked.

Stockdale cut his own scalp and pounded his face with a stool so he would be too disfigured to be used for propaganda pictures and films. Once he slashed his wrists so he would not be forced to implicate fellow American prisoners. That incident won the Medal of Honor.

Once back from North Vietnam, Stockdale brought charges against two prisoners who had willingly made anti-American propaganda statements. Those two officers were retired and censured but not court-martialed.

DOGMA AND THE NUCLEAR DEBATE

Mr. PERCY. Mr. President, Prof. Henry Rowen of Stanford University has written an illuminating article on the nuclear power debate in the November 8 issue of the Wall Street Journal. I feel his analysis is well worth sharing with my colleagues.

Professor Rowen perceptively shows how both pro- and anti-nuclear commentators use hyperbole and doomsday rhetoric, yet all too frequently fail to address the most forceful argument against the unconstrained spread of nuclear technologies—the proliferation of nuclear explosive capability. Professor Rowen's discussion of this crucial aspect of the nuclear power debate is excellent. I fully share his call for a stance of intelligent moderation, for "stopping and thinking before committing ourselves to dangerous inessentials, proceeding step by step, and giving ourselves the chance to make better informed choices later on."

Mr. President, I ask unanimous consent that the text of Mr. Rowen's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Nov. 8, 1977]

DOGMA AND THE NUCLEAR DEBATE

(By Henry S. Rowen)

Nuclear power in this country hasn't had an easy time of it. Despite more than 30 years of government support, its promise has tended to recede, mirage-like, as time advances. In 1945, several pioneers predicted that nuclear power from breeders might not be commercially available until as late as 1949. (The breeder reactor is designed to produce not only electricity but also large amounts of plutonium, which can then be used to fuel other reactors.) The power in fact didn't arrive until the early 1960s, and then not from breeders at all.

When nuclear electric power finally came, the event touched off a new round of exuberant predictions. But, after a short-lived euphoria caused by the 1973 oil crisis, there's been a bust instead of a boom—with few new orders for reactors, many slippages and some cancellations. Installed nuclear power estimates for the year 2000 are now down by a factor of three from peak Atomic Energy Commission judgments.

There is now a raging debate on nuclear power, and it is rapidly generating a sizable literature. According to one school of authors, like Ralph Nader and John Abbotts in "The Menace of Atomic Energy" (Norton, 414 pages, $10.95) and Peter Faulkner and his collaborators in "The Silent Bomb" (Random House, 382 pages, $10.95), nuclear power should be banned altogether. It threatens dangerous accidents, releases excessively damaging amounts of radiation to the environment, promises radioactive hazards for eons and poses intolerable risks from the creation of the nuclear explosive material plutonium.

DOOMSDAY PREDICTIONS

These authors are unrelenting and indiscriminate in their opposition. "If it involves nuclear fission, it must be bad," seems to be their guiding principle. So it's not surprising that their case is shaky. Take, for example, the question of reactor safety. They say that catastrophic accidents loom from the meltdown of reactor cores and the release of large quantities of radioactivity. They like to cite various estimates of several thousand "early" deaths from this, more "late" ones, tens of thousands of injuries and billions of dollars in property loss.

But for those of us who don't consider energy from sources other than sun and wind inherently immoral, the question remains: "How dangerous is nuclear power compared with the alternatives?" For instance, coal is now the main alternative to nuclear power; but coal extraction and burning cause an estimated 3,000 or more deaths a *year* in the U.S. through mining accidents and air pollution. And beyond this comparative question, the critics don't seem to realize that predicting the dangers from nuclear power doesn't end the debate; we need to see whether we can design a control system able to detect and fix inevitable flaws before catastrophic failure occurs. We've learned to do this for civilian aircraft. In the same way, what nuclear power needs is not necessarily to be wholly free of danger but for us to be able to limit that danger.

Similarly, the critics distort the problem of the escape of radioactive materials. Standards for these releases have already been set very low in relation to the radiation that occurs in nature or comes from other human activities; the authors simply don't show that further—and uncertain—benefits at the margin from even tighter standards are worth the cost.

On the question of managing radioactive wastes over the ages, the authors also stack the deck beyond credibility. For instance, in what is now the nation of Gabon, nature created a nuclear reactor about two billion years ago and ran it for hundreds of thousands of years. The fact that its plutonium still remains in place gives us reason to think we might be able to find similarly stable and secure sites for nuclear operations; but nowhere in these books is this well-known and illuminating natural experiment even mentioned.

Finally, these opponents argue that nuclear power has been artificially subsidized by government R&D, special liability limitations and assured rates of return on its high capital investment. And they say nuclear power costs have escalated steeply in spite of all this. True enough, and deplorable. But government has also subsidized competing oil and natural gas plants through price controls, and their costs also have escalated.

Another cast of characters, the pro-nuclear authors like Peter Beckmann in "The Health Hazards of Not Going Nuclear" (The Golden Press, 190 pages, $5.95) and Fred Schmidt and David Bodansky in "The Fight Over Nuclear Power" (Albion, 154 pages, $4.95), expose the weaknesses in the arguments of the antinuclear crowd but reveal some crucial ones of their own. To them, "if it involves nuclear fission, it must be good" is pretty close to the mark.

Where these proponents are most vulnerable—and, oddly, where the opponents most obviously miss their chance—is on what may be the real Achilles' heel of nuclear power: the fact that you can't have a reactor without using or making nuclear explosive materials. The opponents do mention the threat from terrorists who might steal plutonium or highly enriched uranium—a danger that warrants serious attention. But they hardly notice (a bare mention in Faulkner, a short chapter in Nader and Abbotts) the much larger dangers in the international spread of nuclear technology. And the pro-nuclear authors, unimpeded by a serious attack against them on this point, pooh-pooh the danger.

In fact, by spreading civilian nuclear technology the U.S. government has, to put it bluntly, been in the vanguard in spreading the capacity to make the bomb. This began in earnest in 1953 when President Eisenhower announced the Atoms for Peace Program, one of the most mindless undertakings in the annals of American government.

Secretary of State Dulles was sure he was not distributing a weapons-making capacity (the Russians were more skeptical). Twenty years later, India took plutonium from a Canadian-supplied research reactor containing American heavy water and made its first nuclear explosive from it. In the name of peace we encouraged nuclear power and plutonium recycling in countries for whom it was uneconomical; we accepted inadequate controls over our materials and usually did not even insist on a pledge to forgo nuclear explosives. As a result, around 40 countries—

some unstable, some engaged in intense regional disputes will within a decade or so be able to move quickly to acquire nuclear explosives.

The Carter administration, which at first seemed pledged to a strong nonproliferation policy, is now waffling in response to pressures. Indeed, if as reported the administration is giving American concurrence to a contract allowing France to reprocess Japanese spent fuel and ship back plutonium, its antiproliferation policy is in serious disarray.

Enthusiasts say we can rely on various safeguards, like international monitoring and accounting systems, to prevent people from getting weapons. "Safeguards" in a world filled with massive quantities of nuclear explosives may be useful, but patently cannot by themselves produce results that are "safe" in any meaningful sense of the word.

The advocates' other arguments aren't terribly persuasive either. They say that the way to deal with the dangers of plutonium is to dispose of the stuff by putting it back into reactors; but when equilibrium is reached in the recycling process, there still remains about half as much plutonium as there is in spent fuel that hasn't been recycled—and other long-lived radioactive products have been produced as well, and also need to be isolated from the environment.

U.S. WEAKNESS WON'T HELP

Some nuclear industry spokesmen say that U.S. efforts to stop the spread would be useless anyway, since other nuclear-fuel-supplying governments won't cooperate. But perceptions on this front are changing: For example, the German and French governments have recently said that they'll make no further deals to export reprocessing plants. It doesn't help the speed of movement in this direction to have some American telling the Europeans that the Carter administration will fold and telling the Americans that the Europeans are adamant.

What's perhaps most interesting about the shape of the nuclear debate is how much the advocates and the opponents resemble one another. Each side exhibits dogmatic certainty, insisting that we must decide wholly for or against nuclear energy right now; each side thinks that there are not natural stopping places. A decision to develop the breeder somehow necessarily entails commitment to deploy it; deferring a commitment to recycle plutonium or opposing the rapid push to the Clinch River Breeder is tantamount to abandoning nuclear power. The critics would have us stop nuclear power now; the enthusiasts would have us commit ourselves now to the most dangerous and nonessential nuclear technologies.

The structure of costs and benefits in this area is different from what either side makes it out to be. The risks of not proceeding at all with nuclear power are substantial, given the uncertainties and hazards of alternative energy sources; the risks of plunging into a world with relatively unconstrained access to nuclear explosive materials are perhaps even greater. Under the circumstances, the rest of us should prefer a middle way, stopping and thinking before committing ourselves to dangerous inessentials, proceeding step by step and giving ourselves the chance to make better-informed choices later on.

OECD TO HOLD YOUTH EMPLOYMENT CONFERENCE IN DECEMBER

Mr. HUMPHREY. Mr. President, despite almost 2½ years of recovery the problem of youth unemployment continues to plague the economies of the industrial world. The steady reduction in the overall rate of unemployment has masked staggeringly high levels of unemployment for young people.

The American problem has been stark—a mixture of minority group, urban, and teenage problems have combined to make the question of unemployed youth a national scandal. But the problem is not just a matter of America's history of racial prejudice or the product of big city life. Throughout the industrial world, record levels of youth unemployment have demanded government action.

Different countries have responded in a variety of ways. In the United States, we have summer youth programs and recently committed $1.5 billion to develop jobs for young people under the aegis of a new Youth Employment Act. Overseas, Britain is giving subsidies to private companies that accept 16- to 18-year-olds for at least 6 months of training. In Italy, where there are 400,000 unemployed under the age of 25, the Government has allocated $400 million in subsidies to companies that hire the young.

All the individual efforts, however, have not given a clear indication as to which policy works best in what circumstances. What we desperately need is an opportunity for the policymakers of the industrial West to meet, compare notes, and freshen their policies with the experience of others.

Many Senators joined me last February in writing a letter to the President that urged an international conference on the youth employment problem. Following hearings in April, the Joint Economic Committee strongly recommended the holding of an OECD-wide Youth Employment Conference in the late fall.

At the same time, the President, and many within the administration, were working toward similar goals. The joint effort has borne fruit at last. I am very pleased to note that just such a conference will be held this December in Paris under the auspices of the OECD.

The makeup of the Conference reflects America's concern and leadership in the field of youth employment. The conference has been set at a ministerial level with our own Ray Marshall, Secretary of Labor, in the chair.

The advantage of a ministerial conference is that the men who make the policy have an opportunity to look closely at a problem and how it has been attacked elsewhere. There is, however, the danger that ministerial protocol could impede the work of our gathering. But substance, not ceremony, will control the youth employment conference. A day prior to the Conference—the 14th of December—representatives of labor and industry will meet to exchange their own views on prospects for providing more jobs for young people. At the Conference itself, a brief morning of formal statements will be followed by a day and a half of working sessions. The focus of the Conference will be on three different areas—the varieties of national experience with youth employment programs, the transition from education to work, and the consideration of new programs.

Mr. President, after years of public service I am well aware that a single conference, an isolated program, or even a solitary piece of legislation seldom solve a social problem. The Conference is only one step, but a solid step, in the right direction. What pleases me most is that America is once again leading the fight for social justice.

Mr. President, with just a brief nod at the historical record, I ask unanimous consent to append to my remarks the original letter from my colleagues and myself to President Carter as well as the strong recommendation for a Youth Employment Conference made by the Joint Economic Committee.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[Letter]

JOINT ECONOMIC COMMITTEE,
Washington, D.C., February 28, 1977.

THE PRESIDENT OF THE UNITED STATES,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: One of the most distressing problems confronting the American economy today, as well as the economics of many of the industrialized nations of western Europe, Japan, Canada and Australia, is the current excessively high rate of unemployment among our young people.

This problem, which has been with the United States for more than a decade, has only recently begun to beset other industrialized economies. However, for many nations the problem has become just as complex and intractable as it is here. Although none of the industrialized economies elsewhere has yet matched the twenty percent unemployment rate experienced last year by American youths sixteen to nineteen years old, many have seen youth unemployment double and triple during the past few years. In such countries as Italy and Canada, for example, the problem is approaching American proportions, with Sweden and Australia not far behind.

In our own country, youth unemployment has been the result of complex changes that have occurred in the economy since World War II. The number of small businesses, which have traditionally offered youths their first jobs, has declined. Sophisticated new technologies and the increased capital-intensity of many industries have reduced the number of low-skilled entry-level jobs available to youths. The decline of our central cities and the movement of jobs to the suburbs has left behind a large number of youths with only the bleakest employment outlook, both as youths and as adults. And for many youths, our educational system has failed to provide the basic skills needed for even the most rudimentary job.

As a result, Mr. President, we are tragically misusing the enthusiasm, time and energy of millions of our nation's young people. Joblessness denies them the opportunity to learn the rewards and responsibilities of productive and useful work. It denies them the opportunity to gain work experience and develop job skills. It denies them the opportunity to begin moving up the employment ladder to more productive, interesting and rewarding jobs, and to take part in the material rewards of our economy. Joblessness tells these young people that they have no productive role to play in our economy, that they are not valued by our society. It contributes to emotional damage and alienation, to crime and drug abuse. It makes future workers less skilled and less productive. It strains Federal, State and local resources, and increases taxes.

Until recently, these problems have been largely ours. But many western economies

have been catching up with us, and now consider youth unemployment as one of their most critical economic and social problems.

Despite our own country's long experience with the problem of youth unemployment, many European countries are ahead of us in developing effective methods for alleviating it. Great Britain, France, Sweden, and the Netherlands all offer private employers an incentive to hire and train young workers. Several countries have provided mobility allowances to help young workers migrate to where the jobs are. And several countries, including Great Britain, Denmark and Italy have enacted youth jobs programs modeled after our own Civilian Conservation Corps experience.

Because the problem of youth unemployment is so complex, because it represents a tragic waste of the enthusiasm and the productive capacity of young people, and because it has become a common problem shared by the industrialized nations, it may well best be solved by pooling the knowledge, ideas, and resources of all the industrialized nations, rather than through the uncoordinated and individual actions of each one. We have much to learn from other countries and they have much to learn from us.

Mr. President, one of the most important initiatives you could undertake at this time to alleviate the problem of youth unemployment would be to call a Conference on Youth Unemployment for the member nations of the Organization for Economic Cooperation and Development (OECD) to be held under its auspices.

With the participation of members of the executive and legislative branches of government from each member country, and of local government officials, business and labor leaders, youth service workers, members of the educational community from each member country and spokesmen from among our young people, an OECD Conference on Youth Unemployment during the spring of this year could provide an excellent forum for the exchange of information and the coordination of policy among nations suffering the tragedy of high unemployment among youths.

We would hope, Mr. President, that you would chair such a Conference on Youth Unemployment yourself, or that you would designate the Vice-President as your representative, to emphasize your concern over this issue and your dedication to its solution.

With best wishes.

Sincerely,

Hubert H. Humphrey, Wendell R. Anderson, Jacob K. Javits, James A. McClure, Howard W. Cannon, Edward M. Kennedy, George S. McGovern, James S. Abourezk, Henry Bellmon, Pete V. Domenici, Orrin G. Hatch, Spark Matsunaga, Robert T. Stafford, Birch Bayh, Dick Clark, Mike Gravel, Charles McC. Mathias, Jr., Donald W. Riegel, Jr., Howard M. Metzenbaum.

REPORT OF THE JOINT ECONOMIC COMMITTEE, CONGRESS OF THE UNITED STATES, MAY 4, 1977

STRUCTURAL UNEMPLOYMENT

All of the industrial countries are suffering from high levels of structural unemployment. As a first step, the problem of youth unemployment should be explored at an OECD-wide conference to be held in the fall of 1977.

As the industrial structures of the developed countries have become more similar, so have the economic problems—persistent inflation, falling levels of investment, and high overall rates of unemployment. Throughout the industrial world there are large pockets of unemployment that are structural in nature, particularly among women, minorities, and young people. This problem does not respond readily to fiscal stimulus or eased monetary policy. There is one unemployment problem common to all the developed countries the severity of which demands immediate attention—jobs for youth. Senator Humphrey and 18 other United States Senators have joined in sending a letter to President Carter calling for an OECD-wide conference on youth unemployment. Such an OECD conference could provide fresh impetus to reduce structural unemployment.

RESTRAINT AND COOPERATION NEEDED IN SEARCH FOR MIDEAST PEACE

Mr. CASE. Mr. President, President Sadat of Egypt has now completed his historic and courageous trip to Israel and has begun a process of bilateral discussions and negotiations with the leaders of that country. This most important breakthrough is to be commended as a major step toward building up the mutual trust needed to achieve a meaningful and lasting settlement in the Middle East.

Because of the past great turmoil and other problems in the Middle East, peace in that area will require not only the good will of the nations directly involved, but also the assistance of the United States. The American role now should be to help the parties, as requested, in finding a common ground.

Now, more than ever, we must refrain from trying to write the contract for them.

WHAT WOULD THE HUMPHREY-HAWKINS BILL DO?

Mr. HUMPHREY. Mr. President, what would the Humprey-Hawkins Full Employment and Balanced Growth Act do? That important quesion was asked and answered by the Washington Post's preeminent economic commentator and scholar, Hobart M. Rowen, in a recent column. I always respect Mr. Rowen's opinion; today, I both respect and agree with him.

What would the bill do? According to Mr. Rowen, it would not solve the economic woes of the country; only the people and the Nation's political leaders can do that. It would restructure the policymaking process to maximize the prospects of the people and leaders making the bold decisions necessary to combat unemployment and inflation.

It would commit the President and Congress to provide all Americans able and willing to work with a decent job at decent wages as soon as possible, a basic human right too long ignored in law. It would not mystically assure that right in and of itself.

The bill does reject the misbegotten Phillips curve "tradeoff" between unemployment and inflation, specifying instead primary reliance upon certain delineated policies which mutually reinforce progress in both areas. It does not impose unattainable and inflexible goals, should the President and Congress determine, 3 years after passage, that economic circumstances demand revision of the employment target to bring ambition in line with reality. But it does establish a presumption that the goals will be met if humanly possible, thus disciplining policymakers to go the extra mile to achieve them, even at the expense of political comfort and expedience.

Lowering unemployment below the rate that would presently induce tight labor markets and unacceptable wage increases cannot be done with monetary and fiscal medicine alone. It can be accomplished with substantial, selective investment in the productivity of the work force, as Mr. Rowen suggests.

Mr. President, as Mr. Rowen notes, the revised and improved Humphrey-Hawkins bill, which President Carter heartily endorses, has been subjected to mistaken interpretation by some of the press, including the Post itself. Some editorials appeared before the text was final and released, and one editorial, in a major national newspaper, acknowledged that the editors had not read the bill's language.

I invite my colleagues to read, side by side, the January 1977 version of the full employment bill, and the revised bill. You will see that nothing central to the institutional reforms and mechanisms for achieving prosperity has been substantially altered. The members of the constituency groups forming a tight coalition for full employment understand this. The bill is now shorter, clearer, and more precise. It is not any less of a mandate. Far from a "watered-down Humphrey-Hawkins bill," it remained a beefed up Employment Act of 1946.

The cynics, who ascribe malevolent motives and impotence to Government, will not support this effort under any conditions. The realists will.

Mr. President, I ask unanimous consent that Mr. Rowen's insightful and stimulating column be printed in the RECORD, followed by a summary of the Full Employment and Balanced Growth Act of 1977 as revised.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Nov. 17, 1977]

WHAT HUMPHREY-HAWKINS WOULD DO

(By Hobart H. Rowen)

There is more than meets the eye in the compromise Humphrey-Hawkins "full employment" bill that President Carter—after careful negotiation by his lieutenants with congressional leaders—has decided to accept.

It is likely to pack a punch that will contradict the critics who mistakenly jumped all over it as a bit of cloudy rhetoric designed to assuage Carter's black constituency, promising much and yielding little.

Indeed, the vigor of the attack on this latest Humphrey-Hawkins version should suggest to the careful observer that the proposal would, in fact, have an important impact on the economy and the way economic policy is made.

What the bill does is to make a renewed commitment, long overdue, to a national goal of reducing unemployment (within five years of adoption) to 4 per cent. The unemployment level in October was 7 per cent.

Within that overall target, the goal is to reduce adult (20 and over) unemployment to 3 per cent. Also implied, but unstated, is another ambitious goal: a sharp cut in the staggering rate of teenage unemployment. At present it is about 17 per cent, with black teenage unemployment running well over 40 per cent.

The compromise bill does not dictate to the President the precise mix of tax, spending,

monetary, manpower or other measures he must take to get unemployment down. Moreover, an order of priorities is set out for job expansion that puts the private sector first and government "last-resort jobs" at the end of the line.

But the essential point is that the President—while he could choose his approach and tactics—would be committed to attaining the full-employment goals. Complying with the targets and the timetables would not be optional.

The President would be required to spell out each year in the economic report numerical targets for employment, unemployment, production, real income and productivity. The budget message would show the expenditure and receipt projections consistent with those annual targets. And the Federal Reserve would have to tell Congress the shape of the monetary policy it intended to follow that would be compatible with the presidential targets.

Sensibly, the bill would allow the President, after two years, to recommend changes in the 4 per cent full-employment objective if economic realities dictated such a step. But the burden of proof would be on any politician who found it necessary to settle for higher unemployment.

As Vice President Mondale has been telling friends, the significance of the Humphrey-Hawkins bill is that by setting out numerical goals, it would place real pressure on any President and Congress. If there's a shortfall in performance, they'd have to explain why.

The old "interim" 4 per cent target set by the Kennedy administration has been allowed to slip backward as a consequence of economic mismanagement by Democrats and Republicans alike.

The Brookings Institution liberals say that inflationary pressures now begin at 5.0 to 5.5 per cent unemployment. If that's true, then the answer to reducing the jobless rate is to rely more on specific microeconomic measures (training and education, for example) and less on the general economic tools (tax cuts and easy money).

Moreover, economists who contend that a low unemployment rate guarantees a high inflation rate are ignoring the history of the last decade, which has proved the trade-off theory a failure. We have had unacceptable inflation, ranging from the present 6 per cent level to double digits a few years ago, side by side with unemployment ranging from 7 to nearly 10 per cent.

The conventional liberals, as well as right-wingers like Herbert Stein who treat 7 per cent unemployment as the proper target for "full employment," are putting forth a dangerous dogma. And while the Humphrey-Hawkins bill is no ultimate remedy, and may require the nation to show more guts in controlling incipient inflation problems, it ought to shatter the respectability that lately has attached itself to the idea that society can tolerate high unemployment rates.

The Humphrey-Hawkins bill, as it emerges now, with Carter's cooperation, is worthwhile. Getting to 4 per cent unemployment by 1983 will surely be difficult. But the President can no longer ignore the legitimate demands of the black community for a stronger jobs commitment. The time has come to recognize, as a matter of national policy, that the U.S. economy is really two economies—one affluent white, the other poor black—and to do something about it.

Highlights and Discussion of the Major Provisions of the Full Employment and Balanced Growth Act of 1977, as Revised November 1977

PREMISES

The bill is based on the commitment to translate into practical reality the right of all Americans able and willing to work to have a job paying decent wages and under decent working conditions. For the first time, that right would be affirmed in law. However, there is clearly no right to sue for legal protection of the right to a job. Further, the bill recognizes that this objective is possible only in conjunction with achieving balanced growth, full production, growing real incomes, price stability, and adequate growth of productivity. In pursuing these objectives, the conviction is expressed that policies mutually reinforcing price stability and employment are available and should be used. Additionally, monetary and fiscal policies are declared insufficient alone to achieve a healthy economy.

EMPLOYMENT, PRODUCTION, REAL INCOME, AND BALANCED GROWTH

1. Employment target: The initial interim target is an average adult—over age 19—unemployment rate of 3 percent, and overall rate of 4 percent during the fifth calendar year after passage. The President may suggest revision of this target in his third annual Economic Report after enactment, but such a change would require approval by the Congress. After reaching the interim target, the long-term objective shall be achieving and maintaining full employment as soon as practicable.

2. Other numerical objectives: Five year numerical targets shall also be set annually for production and real income.

3. Policies: Those policies which mutually reinforce employment and price stability shall be relied upon. Primary reliance is placed upon the expansion of conventional, private sector jobs and all programs under the act shall be consistent with this purpose.

4. Job Reservoir: There is no authorization for new temporary public service employment programs to keep the economy on track. Rather, provision is made for expansion of existing programs, primarily CETA, as necessary. New programs, the bill explicitly says, will require Congressional authorization, and may be suggested as appropriate by the President. However, if we are failing to meet our unemployment goals, the President is required to expand existing job creation programs, and/or propose to Congress new programs.

5. Other employment provisions: Other provisions of the bill specifically call for intensified programmatic efforts to deal more effectively with cyclical unemployment problems, including budget problems of State and local government, regional economic development problems, youth unemployment and job training and counseling needs.

6. Labor market discrimination: The bill recognizes that the best way to obviate the effects of discrimination is to have an overall tight labor market. To the extent that differential unemployment rates result from labor market imperfections or discrimination, the Secretary of Labor shall analyze the problem, and make recommendations annually in the already existing Employment and Training Report of the President. The bill sets a commitment to reduce the differential between the unemployment rate of minorities, teenagers, women and other labor market groups, and the overall rate.

7. Labor Standards: The bill institutes the principle of equal pay for equal work for the same employer, subject to wages no lower than the minimum wage, for any employment programs authorized or expanded pursuant to the Act; again, no one so employed shall perform work for which the Bacon-Davis Act was designed.

CAPITAL FORMATION

In a new section, the President is required to identify in his Economic Report, obstacles to adequate private sector and public sector capital formation, including Federal tax and regulatory policies, and to make recommendations to remove such obstacles. This section finds that a major cause of inadequate capital investment has been slow growth and high unemployment.

PRICE STABILITY

As in past versions, a number of specific anti-inflation policies, consistent with attaining full employment, are required to be included in the Economic Report. These do not include wage and price controls or restraints in any form, but do include:

1. An effective information system to monitor inflation;

2. Programs for increasing supplies, with emphasis on basic commodities;

3. Agricultural stockpiles to meet emergency needs and stabilize prices, consistent with adequate income to farmers;

4. Voluntary labor-management cooperation to increase productivity and assure production incentive;

5. Strengthening and enforcement of anti-trust laws; and

6. Curtailment of Government regulations and red tape which add to costs.

THE ECONOMIC POLICY PROCESS

No new bureaucracy is established in the bill. The procedure, which bears some similarity to well proven budgetary practice, is structured to enhance the expression of democratic decisions, and not to supplant the judgment of elected leaders. Clearly stated is the limitation that "no provisions of the Act shall be used, with respect to any portion of the private sector of the economy, to provide for Government control of production, employment, allocation of resources, or wages and prices, except to the extent authorized under other legislation."

The essential elements of the process are:

1. President's Economic Report: The numerical objectives, and other analysis and recommendations mentioned earlier will be included in the President's Economic Report, which already exists, and is sent to Congress every January. No separate planning document, as envisioned in earlier versions of the bill, is required. In addition to those items already mentioned which are covered, the Report will present, in outline form, budgetary policy for the next five years as it relates to the primary economic objectives of the bill.

2. Federal Reserve Report: For the first time, the Federal Reserve will have to submit to Congress within a month of the President's Economic Report, a statement of how its intended policies over the next two calendar years are likely to affect the President's stated numerical goals. Thus, we shall concentrate upon those economic objectives in which we are really interested, rather than solely on monetary policy for its own sake.

3. Congressional Review: As under present law, the President's Report shall be sent to the Joint Economic Committee which shall seek the views, through hearings, of the various legislative committees, State and local officials, and the public-at-large. Within 3 months, the Members of the JEC shall report a concurrent resolution to their respective chambers, modifying as appropriate the President's numerical targets, policies and programs, and recommending alternatives where needed. The JEC shall also report to the Budget Committees about the relation of their recommendations to the First Concurrent Budget Resolution, and that report shall become part of the Resolution with such changes as the Budget Committee deem appropriate. The Budget Committees shall provide their reasons to Congress for such changes.

4. Disposition of Concurrent Resolution: The national economic goals and policies to achieve them, as embodied in the concurrent resolution adopted by Congress, shall "serve as a longterm guide to the Congress with respect to legislation relevant to the

goals, priorities, policies, and programs recommended" therein. This new process will offer moral and political discipline in policy formation which is now clearly missing.

CRISIS LINE OF WILL COUNTY

Mr. PERCY. Mr. President, as we approach the Thanksgiving holidays, I would like to call to my colleague's attention a group of men and women in Joliet, Ill., who are making a significant and intimate contribution to their community.

I am speaking of the people of the Crisis Line of Will County, a telephone hotline system that is available to that county 24 hours a day, 7 days a week. It offers counseling, information and referral, emergency services, and reassurance for the elderly. To my knowledge, it is the only comprehensive hotline system in Illinois, and the second in the Nation that offers around the clock service.

It was founded in August 1976, by Sister Mary Frances Seeley, a very gracious and hardworking individual. Crisis Line is funded by the local United Way, CETA, teamship moneys, and private donations. Sister Mary Frances, who continues to serve as the executive director, is aided by volunteer operators, who are trained in nondirective, nonjudgmental techniques of counseling.

Each of the volunteers is trained and schooled for this service during an 8-week, 16-session course in normal and abnormal psychology, role playing, personal screening and interview. Specialists, in each of these fields, serve as tutors.

Volunteers work 4 hours a week. They are assigned code names to protect their anonymity; but among the workers is a cross section of persons from the community. There are Ph. D's, educators, engineers, scientists, attorneys, nurses, and professional social workers. They range in age from 18 years to 75 years old.

Some people call just to have someone to talk with because they are lonely or depressed.

Crisis Line not only receives calls, but makes them as well. Senior citizens, the handicapped, and the homebound are part of a program Crisis Line calls "Sunshine Service." Every day, the person receives a call, at a time convenient for them, from Crisis Line.

The volunteer and the person discuss batting averages, recipes, the weather, visits from grandchildren, the news. The operators inquire about their health and other concerns. Birthday cards, valentines and holiday greetings are sent to add to the communication.

If there is no answer when a vounteer calls, a neighbor is phoned, and the matter is investigated. No one is left unattended in the event of an emergency.

I mention all of this now, because I find it particularly pertinent to this time of the year. It is a season for giving and for thanksgiving. But the remarkable thing about Crisis Line of Will County, is that after Thanksgiving and Christmas are over, when the celebrations have ended, Sister Mary Frances and her devout group of volunteers will still be serving.

LOCK AND DAM 26

Mr. EAGLETON. Mr. President, soon after the Senate returns for the second session of the 95th Congress in January, we will consider H.R. 8309. This bill authorizes the construction of a new lock and dam 26 on the Mississippi River—a vitally needed structure—and imposes for the first time a fuel tax on commercial users of the Nation's waterways, at a rate of 4 cents per gallon beginning in 1979, going to 6 cents per gallon in 1981.

It has been said that this is a minimal tax which will only return about 10 percent of the cost of the inland waterways.

There is, of course, no intention at this time to match the costs and the tax. Whether there should be a matching of cost and tax is a major policy question which H.R. 8309 requires to be studied in depth over the next 4 years.

Where the ultimate beneficiary of a program of Federal investment is the general public, it is usually the policy of Congress to rely on the general tax fund in financing projects and make no use charge.

But nevertheless this tax is no token tax, particularly when we include, as we should, the yield from the tax on gasoline consumed by recreational boaters who use the locks far more than the commercial operators.

Allowing for the normal growth of barge traffic, we can assume about $50,000,000 in revenues from the tax in 1981 at the 6 cent level, and about $60,000,000 in revenues from recreational boaters. We are thus talking about revenues equivalent to at least 25 percent of the $400,000,000 we expect to spend annually on the waterways.

The decision to impose the tax at all is a major step.

A commitment for revenues that will match 25 percent of the cost without any study of impact is a major step.

There is a lot of risk in this for the barge lines and the shippers and consumers who have relied on their ability to deliver the most efficient form of transportation in the world.

The biggest risk was expressed very well by the New York Journal of Commerce in a recent editorial. Let me quote from that editorial:

> We recognize, as do all parties having a direct interest in H.R. 8309, that it is more difficult to get Congress to establish a precedent than it is to expand on that precedent, once established. . . .
>
> Once the concept of special taxes on users of inland waterways gets on the statute books, it will be relatively easy for Congress to vote increases in the tax rates; much easier than getting the precedent established. So if the barge lines and their customers are a bit uneasy over the price they are paying for Dam 26 and the new locks at Alton, we think they have reason to be. Once Congress gets accustomed to the idea that it can legislate barge rates up to almost any levels, it is any man's guess what it will do.

This bill establishes the precedent for a tax on the inland waterways. Where the level of that tax will go after 1981, nobody can tell, but the risk is that it will go higher—and possibly much higher.

But the tax is a compromise. It does not satisfy railroads who believe it should be higher or the water carriers who believe no justification has been made for a tax that singles out bargelines and lets the railroads off without any tax, despite the billions of Federal money being used to aid the railroads. But it will unblock the present stalemate over the much needed reconstruction of locks and dam 26. Therefore this is a good compromise and merits support from all.

NATIONAL FAMILY WEEK

Mr. WALLOP. Mr. President, from legislative enactment of National Family Week on August 15, 1977, the idea has spread to several States which have in turn issued proclamations designating November 20–26, 1977, as National Family Week within their State.

Gov. Ed Herschler, of Wyoming, issued such a proclamation on November 4, calling for a statewide observance of National Family Week in Wyoming during the Thanksgiving holidays.

I ask unanimous consent that the Governor of Wyoming's proclamation be printed in the RECORD and commend him for helping to publicize the positive contributions of the American family in our society.

There being no objection, the proclamation was ordered to be printed in the RECORD, as follows:

PROCLAMATION

Whereas, our nation's freedom was born in the families that formed our thirteen colonies; and

Whereas, the family is the birthplace of order, justice, and faith; and

Whereas, harmony will return to our land when families have practiced tolerance, patience, understanding, and affection to their own and to others; and

Whereas, history is never more clear than in its evidence that honorable family devotion to love, faith, duty, and industry have forever been the first earthly foundation for noble and spiritually great societies; and

Whereas, in this nation—history's most dramatic examples of the extension of family values to the total pattern of existence—we are suffering from American neglect to these standards;

Now, therefore, I, Ed Herschler, Governor of the State of Wyoming, do hereby proclaim the week of November 20 through 26, 1977, as National Family Week in Wyoming and pay tribute to the vital role the American family plays in the preservation of our free society.

In witness whereof, I have hereunto set my hand and caused the Great Seal of the State of Wyoming to be affixed this ninth day of November, 1977.

ENERGY: FACING THE PROBLEMS

Mr. PERCY. Mr. President, I would like to draw the attention of my colleagues to an excellent article written by Mr. C. L. Sulzberger in the New York Times, dated November 13, 1977.

Mr. Sulzberger points out that the excessive U.S. petroleum imports are not

only hurting this country's foreign trade position and weakening the dollar but also cutting into the potential oil resources "available to allied industrial nations a decade or so hence."

This situation has forced the European Community nations to turn increasingly to nuclear power and plutonium to keep their economies running, a trend which is contrary to responsible nuclear policy. Mr. Sulzberger rightly states that—

The very least we can do is to initiate truly bold and sweeping conservation, an idea that is as politically unpopular as it is essential both to our own survival and that of our allies.

Mr. President, I ask unanimous consent that Mr. Sulzberger's article from the New York Times be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ENERGY: FACING THE PROBLEMS

(By C. L. Sulzberger)

It was a normal Presidential tactic for Jimmy Carter to plan a whizz-bang trip abroad to focus the nation's mind on foreign policy right after the Bert Lance affair. John F. Kennedy acted similarly following the Bay of Pigs when he flew to Europe for a successful talk with de Gaulle in Paris and an unsuccessful talk with Khrushchev in Vienna.

The trouble this time is that the entire journey had to be put off, if not eventually canceled. Mr. Carter is right to give energy his highest priority; but he and his advisers were wrong in forecasting the time and difficulties that would be involved in getting through Congress a bill that was at least minimally satisfactory.

The President showed acumen in fixing his Administration's order of priorities but considerably less in forecasting their achievement. And the initial victim of this misconception was the projected quadri-continental tour whose deferment produced bruised feelings in more than one foreign capital.

The energy problem facing the United States has enormous ramifications, internal and external. There is argument—even within the Government—about forecasts of the precise amount of fuel this country will require over the next decade and its probable sources and cost. But two things are certain:

(1) United States petroleum imports are steadily increasing at an excessive rate, thus not only hurting this country's foreign trade position and weakening the dollar but also cutting into potential oil resources available to allied industrial nations a decade or so hence.

(2) A direct effect of this trend is to force Western Europe, which has distinctly limited energy supplies (despite North Sea petroleum, Dutch natural gas, British and German coal), to depend ever more strongly on nuclear power. Consequently, in opposition to Mr. Carter's announced policy, Europe feels forced to build more rather than fewer breeder reactors and thereby move into the "plutonium age" Washington so much fears.

We cannot avoid this equation. Europe must manufacture, export, or die. Its factories need energy. It is impossible to have our cake in the form of avoiding breeders while eating it in the form of excessive oil imports. The very least we can do is to initiate truly bold and sweeping conservation, an idea that is as politically unpopular as it is essential both to our own survival and that of our allies.

Moreover, there is another related factor entirely separate from the quintessential problem of keeping Western industry's wheels turning to provide jobs and supplies; this is the strategic factor. Many astute observers both in this country and in Europe believe the Soviet Union seeks slowly to undermine the West through the developing third world.

All kinds of raw materials on which Europe depends even more than the United States—not just oil and natural gas—originate in third-world countries or pass along trade routes skirting sensitive areas like the African coasts. And while the West virtually knows for a certainty that given existing extrapolations, it faces a fuel shortage within a decade, the Russians are not so vulnerable. They produce relatively more energy, conserve more, consume less.

Moreover, they are now playing the third-world game more cleverly than a few years ago—in southern Africa and possibly even in the Horn where, if Ethiopia can turn events about in its Somalian war, Moscow stands to regain crucial geographical ascendancy.

In 1973 there were disputes in the West on how to face the OPEC oil embargo even before there was a fuel shortage. What will happen a decade hence if a fuel shortage arrives without a concerted policy? Meanwhile, redistribution of world money and the accumulation of unspendable funds in Arab countries create a new equilibrium, at Western industrial nations' expense.

The third world has more raw materials than it requires itself and, in several instances more capital than it can invest. Moreover, the human poverty still existing within its confines allows it to use new industries being established to compete successfully against industrialized lands with high wages and living standards.

All these problems are facets of an energy policy to which the President has wisely chosen to address himself as the first priority of his Administration's business, even if caught up in the miscalculations of his sometimes maladroit staff. These miscalculations may momentarily make White House faces red, but this is less embarrassing than the prospect of white faces a decade hence.

ADDITIONAL DISTRICT AND CIRCUIT JUDGES—S. 11

Mr. STEVENS. Mr. President, I ask unanimous consent that a statement by the Senator from Utah (Mr. GARN) in relation to S. 11, a bill to provide for the appointment of additional district and circuit judges, along with the attachments thereto, be printed in the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

STATEMENT BY SENATOR GARN

On February 25, 1977, the Junior Senator from Utah, Mr. Hatch, and I introduced amendment no. 52 to S. 11, a bill to provide for the appointment of additional district and circuit judges (the Judgeship Bill). Amendment no. 52 simply provided that the President would appoint, by and with the consent of the Senate, one additional district judge for the district of Utah.

In my introductory remarks I referred to the work done by the Senate and House Judiciary Committees during the 94th Congress and commended the work of the members of these committees on the difficult task of apportioning judges. I cited the four criteria established by the Senate Committee which, if met, would justify another judgeship and I showed that the Utah district essentially met the objective criteria. I also cited the language of the House report to show the necessity of going beyond the quantifiable criteria of raw or weighted case filings, terminations and bench time to identify the realistic needs of a district. ". . . [L]ike the Senate," stated House Report 94–1705, "the House Committee did not itself apply the formula strictly to each district. Rather, in some cases it was necessary to reach behind the screen of statistics to find a true picture of the needs of a particular district."

On the basis of the objective qualifications of the Utah district and the well-known and valid subjective problems of the Utah court I argued for a third judge. I closed my remarks of that day with the following statement:

The Judicial Conference and the Senate and House Judiciary Committees must use the established criteria as a beginning point. From that beginning point the committee must consider additional factors. • • •

Utah surpasses several districts [that were recommended for an additional judge] in workload but has not been recommended for an additional judgeship. Utah has unique, and unfortunate, administrative problems. Problems of which many members of the Judiciary Committee are aware and for which hearings were held last year. . . .

The Senate Judiciary Committee reported S. 11 on May 3 after having accepted the amendment for the Utah district. The Committee report (S. Rpt. 95–117) contained the following statement about the additional judge:

Utah—Western district

"The Judicial Conference's threshold standard was 400 filings per judge. In Utah, the weighted case filings were 386 per judge in 1976. Due to unusual circumstances in the Utah court, the U.S. Attorney files certain civil cases in State courts, even though the United States is the party plaintiff. In addition, these circumstances have prompted the U.S. Attorney to leave in the State courts some cases in which the United States is the party defendant rather than remove them to Federal court. Thus, the committee concludes that the Utah judicial business is, in fact, sufficient to meet the Judicial Conference's standard of 400 filings per judge. It should also be noted that the judges in Utah average 154 days per year on the bench, which is among the highest such activity in the Nation. Creation of a third judgeship will increase the efficiency of the court and will permit a better use of the U.S. Magistrate positions in that court. Therefore, the committee has recommended an additional judgeship for the district of Utah."

S. 11, as amended, passed the Senate May 24, 1977, and was referred to the Subcommittee on Monopolies and Commercial Law of the House Judiciary Committee. On June 16, 1977, Chairman Rodino and others introduced H.R. 7843 which was the House subcommittee's "clean" Judgeships Bill. That bill did not provide a third judge for Utah, but Section 5 of the bill did contain a repeal of a "grandfather clause" under which the chief judge in the Utah district has continued to serve as chief judge well beyond the standard and statutory age of seventy years. The relevant part of the House bill is:

SEC. 5. Section 3 of the Act entitled "An Act to provide that chief judges of circuit courts and chief judges of district courts having three or more judges shall cease to serve as such upon reaching the age of seventy" (Public Law 85–593, approved August 6, 1958 (72 Stat. 497)) is amended by striking out ", except that the amendment made by section 136 shall not be effective with respect to any district having two judges in regular active service so long as the district judge holding the position of chief judge of any such district on such date of enactment continues to hold such position.".

The full Judiciary Committee is now marking-up the Judgeships Bill but the bill will probably not be reported until next year. However, on November 9, the Committee did adopt an amendment offered by Representa-

tive Jim Santini (D-Nevada) that will provide some help for the Utah court. The Santini amendment reads:

"The President shall appoint, by and with the advice and consent of the Senate, one additional district judge for the district of Utah. The next vacancy in the office of the most senior active judge in the district of Utah occurring after the effective date of this Act shall not be filled."

The House bill now contains both the Santini amendment and the repeal of the grandfather clause. The Senate bill has the third judge. Under either bill, Utah will get some greatly needed relief with its caseload and a long overdue adjustment in the status of its chief judge.

I am extremely pleased by these developments and can report that many Utahans are also gratified to see the United States Congress responding to their pleas for justice and judicial restraint. I assume that the full House will accept H.R. 7843 in substantially the form in which the Judiciary Committee reports it, at least as far as the sections immediately relevant to Utah are concerned. Certainly any weakening of the House provisions would be unacceptable.

I am still hopeful that the conference committee will approve the Senate version of the bill which grants the unconditional third judgeship, and I will continue to work toward that end. Regardless of the form of the final act though, I want to thank colleagues on both sides of the aisle and both sides of the Hill for their genuine concern about the situation in the Utah district and for their courage in acting on their convictions.

With the creation of a third judgeship in Utah, we need to turn our attention to the method of selecting that judge. Fortunately, we live in time when additional attention is being paid to the methods of judicial selection and the qualifications of judges.

I particularly commend the American Judicature Society (AJS) for their work with judicial nominating commissions. Their letters have been helpful to me as I have considered the creation of a Utah commission. A member of my staff telephoned AJS on May 11, 1977, and told them of our initial plans and they offered their help and encouragement.

The American Bar Association of course continues its tradition of concern in these matters and the House of Delegates of the ABA adopted the following recommendation of the Special Committee on the Coordination of Federal Judicial Improvements and the Standing Committee on Judicial Selection, Tenure and Compensation at its meeting held August 8–10, 1977. The resolution reads in pertinent part:

RESOLUTION

Be it further resolved, That the American Bar Association reaffirms its resolution of August 26, 1958, and which in pertinent parts reads as follows:

Resolved, That, judicial appointments should be completely removed from the area of political patronage and made only from those lawyers and judges, irrespective of party affiliation and political consideration, who possess the highest qualifications.

That suggestions for nominations should originate in an independent commission established as an agency of the President, to advise with the President on appointments, and to receive from outside sources and from all segments of the organized Bar, suggestions of names of persons deemed highly qualified for appointment as judges in their respective jurisdictions.

That the "nominations" of all persons to serve as members of the federal judiciary should rest solely in the President of the United States; and the United States Senators in a spirit of unselfish public service should restrict themselves to their constitutional duty of conducting thorough investigations, and expressing their considered judgment, on the qualifications of the nominees.

That to avoid any suggestion of partisanship to make the courts truly non-partisan or bi-partisan, it is desirable that there should be some recognition of a general principle that a substantial percentage of the members of any federal court should be from the ranks of a party other than that of the president who is to make the appointment.

Further resolved, That the American Bar Association expresses its gratitude for the confidence of the United States in the Standing Committee on the Federal Judiciary of this Association in enlisting its advice and recomendations of those being considered for appointment and confirmation.

The Utah State Bar has wholeheartedly supported a selection commission and I may say that I have very much appreciated the co-operation of the Utah Bar on this matter and on other matters of mutual interest. In this latter regard, I have in mind the establishment of a Presidentially-appointed selection panel for the Tenth Circuit. The Utah Bar was very concerned about the procedures the President was following and we were able to convey some of these concerns to the White House where they were quite well received.

In a letter dated November 3, 1977, James B. Lee, President, Utah State Bar, made the following recommendation:

". . . [T]hat a commission be established consisting of 11 members: four would be appointed by Senator Garn; four by Senator Hatch; and three by the Utah State Bar.

"If this concept is acceptable to you I would recommend and request that representatives of your office meet with representatives of the Utah State Bar to establish such a merit selection commission with respect to Federal District Judges in the State of Utah."

I was extremely pleased that the Utah Bar responded so quickly to the actions of the House Judiciary Committee, and I thought the specific recommendation of the Bar had much merit. My response to Mr. Lee was dated November 16, 1977, and is as follows:

LETTER TO MR. LEE

JAMES B. LEE,
President, Utah State Bar, Salt Lake City, Utah.

DEAR MR. LEE: Two days ago, I received your letter of November 3, 1977 regarding merit selection for federal district judges and I enthusiastically endorse the establishment of a merit selection panel.

Shortly after the Senate passed S. 11 on May 24, 1977, my office contacted several prominent members of the Utah Bar regarding this idea and I am extremely pleased that now that the House Judiciary Committee has also included a third Utah judge in its bill that the Utah State Bar and others are making firm commitments to the creation of a merit panel.

I propose that the commission be composed of 13 members, four to be appointed by each Senator, three by the Utah State Bar, and two by the Governor. I also recommend that of the four appointed by the senior Senator, at least one will be a non-lawyer and one will represent the faculty or administration of a Utah law school. Of the four appointed by the junior Senator, at least one will be a non-lawyer and one will be appointed from the Utah Supreme Court. Of the two the Governor recommends, at least one will be a non-lawyer.

I believe this plan will enable us to establish a competent, nonpartisan commission to find, review, and recommend the most able candidates for appointment to the Federal bench. A commission established as I have proposed will have members representing lawyers and non-lawyers, Republicans and Democrats and independents, practicing lawyers, judges, and academicians.

This is a preliminary proposal and I will be happy to receive additional recommendations on the nature and appointment of the judicial selection panel, but I trust we can move ahead promptly with the establishment of a commission and the appointment of commissioners.

Sincerely,

JAKE GARN.

In the next section of this statement I will propose a specific plan for a judicial selection committee in Utah. I am convinced that the concept of merit selection is valuable and I propose to use it, but I do not see it as an elixir for all our ailments and, in fact, recent experiences demonstrate that we have a long way to go in efforts to establish methods of judicial selection that conform to our aspirations. I am convinced that a healthy dose of skepticism sufficient to calm unrealistic expectations is helpful and at this point I insert a column by Edwin M. Yoder, Jr. from the Washington Star of November 17, 1977. It is my most earnest hope that we can avoid "bootlegging the new politics onto the appellate courts while piously pretending to eschew the old politics" in the Utah situation. My concern is with Constitutional principles and judicial excellence, and not with finding candidates who hold fashionable or unfashionable views:

COLUMN OF EDWIN M. YODER, JR.

Politics of "merit" in judicial selection

The Justice Department is discouraging the association of the word "merit" with what is sometimes called the "merit system" of selecting new federal judges. It has adjusted the nomenclature on the sensible ground that the word might imply, to some, an odious comparison between judges chosen under the dirty old political system (whose ranks once included the present attorney general) and judges chosen under the clean new system favored by candidate Jimmy Carter last year and now, under Executive Order 11972, being implemented around the country.

Merit selection, I gather, was pushed for years by the estimable American Judicature Society before Mr. Carter took up the cry. It has much to be said for it in principle. In practice, its adoption by the Carter administration illustrates an unfortunate tendency to borrow political trouble.

Consider a situation familiar to this writer—the replacement of the late Judge Braxton Craven Jr. on the U.S. Court of Appeals for the Fourth Circuit (Maryland, Virginia, West Virginia and the two Carolinas).

Judge Craven, courageous and conscientious judge, died a few months ago while playing tennis in Richmond. Since Judge Craven was the only North Carolinian on the Fourth Circuit bench, it was made known that his successor would also come from that state. Under Mr. Carter's executive order, a screening panel—composed, it must be said, of names enjoying somewhat less than household currency—sat down to consider candidates and forward no more than five names to the president, via the attorney general's office.

In the bad old days, these distinguished judicial appointments often went to men of political as well as legal prestige. Atty. Gen. Griffin Bell, before his elevation to the Fifth Circuit, had managed John Kennedy's effective 1960 campaign in Georgia. The late J. Spencer Bell of North Carolina (no kin, as far as I know) was among the first of a handful of Southern delegates to endorse Mr. Kennedy at Los Angeles. He became a judge on the Fourth Circuit.

The unspoken implication of "merit" selection, however, is that if timely support of a presidential candidate (or other party labors)

is not an absolute disqualification, neither is it the bargaining chip of old.

A certain political asepsis was no handicap in the Fourth Circuit screening. The five names forwarded to Washington are not, I believe, officially released but are known. They include three academics (two former law school deans and a professor of constitutional law), a federal district judge (James McMillan, whose busing plan for the Charlotte schools was upheld in a landmark Supreme Court case) and a prominent black lawyer, Julius Chambers, the first black to edit the University of North Carolina law review—all able but none politically prominent.

It was not the five choices, it was the pointed exclusions that puzzled and disgruntled political observers in North Carolina. For reasons not disclosed, the panel excluded all candidates from the state bench, including two who were popular and prominent: Sam Ervin III, the son of the former senator; and Justice James G. Exum Jr. of the North Carolina Supreme Court.

Justice Exum, the brightest young state jurist to emerge in North Carolina since Richardson Preyer (now the Sixth District congressman), would have made a superb successor to Judge Craven: an undergraduate president of Phi Beta Kappa, a former Root-Tilden scholar at NYU law school, and in his early forties the youngest Supreme Court justice in over half a century. He has been a judge for about 10 years and before that a state legislator. (He is also, I must disclose, and old and valued personal friend).

Guidelines issued to the circuit selection panels by Associate U.S. Atty. Gen. Michael J. Egan listed a number of "considerations" including "integrity and good character," "sound physical and mental health," "outstanding legal ability," "legal experience," "judicial temperament," "the current needs of the court," and personal stamina and sensitivity.

But the experience of at least one candidate—Justice Exum, not to be coy—was baffling. The panel asked no questions about his attitudes toward the judicial process, or tending to reveal judicial temperament. He was, however, asked for personal views on substantive questions: abortion women's rights, "state sovereignty," and the Bakke case.

He explained that while he had personal reservations about the morality of abortion, the law had been settled by the Supreme Court and he would be bound by it; that he could not pronounce on the Bakke case without considering the facts first-hand; that, in his view, states enjoy "sovereignty" within their own spheres, not inconsistent with the U.S. Constitution. He had the impression that his responses agitated and annoyed some panelists because they disagreed. One academic political scientist squirmed impatiently in his chair during the exposition of Exum's unfashionable views on state sovereignty.

If the procedures of the Fourth Circuit panel are representative—and they may not be—judicial merit may be confused here with a fashionable political outlook. What is the gain if "merit" selection—to use again the forbidden word—bootlegs the new politics onto the appellate courts while piously pretending to eschew the old politics? And if this is what the new wrinkle amounts to, is it worth the political price?

At this point I insert a proposed Agreement Relating to the Federal Judicial Nominating Commission of Utah:

AGREEMENT RELATING TO FEDERAL JUDICIAL NOMINATING COMMISSION OF UTAH

Consistent with the provisions of the Constitution of the United States of America and the requirements of 28 U.S.C. 133, the United States Senators from Utah do hereby establish the Federal Judicial Nominating Commission of Utah.

Section 1. Establishment of the Commission.

(a) There is hereby established the Federal Judicial Nominating Commission of Utah (hereinafter referred to as the "Commission").

(b) The Commission is established to:

(1) Assist the United States Senators from Utah in performing their Constitutional and statutory duty to provide advice and consent to the President in appointing federal district judges;

(2) Help ensure that only the most qualified, conscientious, and temperate individuals are appointed to the federal bench; and,

(3) Protect and promote the independence of the Judicial Branch of government by reducing or eliminating partisan considerations in the selection process and using merit as the sole determining factor.

Section 2. Membership. The Commission shall consist of thirteen members appointed as follows:

(a) The Senior Senator from Utah will appoint four members. Of these four, at least one will be a non-lawyer and at least one will be a member of the administration or faculty of a Utah law school. The four members shall represent both Utah Congressional Districts.

(b) The Junior Senator from Utah will appoint four members. Of these four, at least one will be a non-lawyer and at least one will be a member of the Utah Supreme Court. The four members shall represent both Utah Congressional Districts.

(c) The Utah State Bar will appoint three members. These members shall be appointed by the Commissioners of the Utah State Bar in accordance with its own rules and regulations.

(d) The Governor of Utah will appoint two members. Of these two, at least one shall be a non-lawyer.

(e) Commission members shall be appointed without regard to race, religion, national origin, ethnic background, sex, or political affiliation.

(f) No member of the Commission shall be an officer of a political party at the state, Congressional district, or county level, nor shall any member be an officer of a political action committee.

Section 3. Commission procedure.

(a) All questions shall be determined by vote of Commission members, and no question shall be agreed to but by concurrence of a majority of members then appointed.

(b) Upon the request of any two members, votes shall be taken by secret ballot.

(c) The members of the Commission shall elect a chairman and vice chairman who shall have such duties and powers as herein granted and conferred by vote of the Commission.

(d) The Commission may devise its own internal procedures, so long as such procedures are not inconsistent with this agreement. Such procedures must be written and available for inspection at the offices of the Utah State Bar and copies of such procedures shall be mailed to both U.S. Senators and the Governor.

Section 4. Function of Commission. The Commission shall begin functioning when the Senior United States Senator from Utah notifies the Chairman that he desires the Commission's assistance in aid of the Senate's Constitutional and statutory duty to advise and consent to the nomination of a United States District Judge. Upon such notification, the Commission shall:

(a) Give public notice of the vacancy within the State of Utah, inviting suggestions as to potential nominees;

(b) Conduct inquiries to identify potential nominees and invite those so identified to submit application;

(c) Conduct inquiries to identify those persons among the potential nominees who are well-qualified to serve as United States District Judge.

(d)(1) Report in writing to the United States Senators, the Utah State Bar, and the Governor within sixty days after notification of the vacancy, the results of its activities and the names of no more than five persons who the panel considers best qualified to fill the vacancy. The names of those considered best qualified shall be listed in alphabetical order and shall be made public by the Chairman; no rating or ranking of the finalists shall be made public. The Chairman's public announcement should make clear that all finalists were considered well-qualified for appointment to the federal district bench.

(d)(2) Upon receipt of the Commission's letter of recommendations, the Senior United States Senator shall transmit those recommendations to the President, without prejudice.

Section 5. Standards for selection of proposed nominees.

(a) Before transmitting to the Senior U.S. Senator the names of the persons it deems best qualified to fill an existing vacancy, the Commission shall have determined:

(1) That those persons are members in good standing of the Utah State Bar.

(2) That they possess, and have reputations for, integrity and good character;

(3) That they are of sound physical, mental, and emotional health;

(4) That they possess, and have demonstrated, outstanding legal ability and commitment to the Constitution and laws of the United States;

(5) That their demeanor, character, and personality demonstrate that they will exhibit judicial temperament if appointed to the position of United States District Judge.

(b) To implement the above standards, a panel may adopt such additional criteria or guidelines as it considers appropriate for the identification of potential nominees for United States District Judge.

Section 6. Ineligibility of Commission Members. No person shall be considered by the Commission as a potential nominee while serving as a Commission member or for a period of one year after termination of such service.

Section 7. Termination of Commission. The Commission shall terminate on December 31, 1978, unless sooner extended by mutual agreement of the Senators, the President of the Utah State Bar, and the Governor.

Section 8. Constitutional prerogatives. Nothing contained in this agreement is intended to impair or delegate the Constitutional and statutory powers, duties, and prerogatives of the President of the United States or the United States Senate.

I will send copies of this proposal to Senator Hatch, the Utah State Bar, Governor Mattheson, Congressmen McKay and Marriott, the Utah Supreme Court, and other interested parties. I expect to be able to begin discussions with these people and others that will lead to a final Agreement.

CULVER ENDORSES PANAMA CANAL TREATIES

Mr. CULVER. Mr. President, on November 11 I announced that I intend to vote for ratification of the new Panama Canal treaties. I ask unanimous consent that my statement on that occasion be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR JOHN CULVER REGARDING THE PANAMA CANAL TREATIES

The controversy over the Panama Canal treaties has been going on for many months. Judging from public opinion polls in Iowa and from my own constituent mail, the tide

of public opinion in our state still runs heavily against ratification of the treaties, although a trend of increasing support is now emerging. Thoughtful citizens have raised serious questions about the precise implications of the treaties that needed to be answered before a final judgment was made.

In my judgment, these questions have now been answered, and the time has come to unite in a diplomatic move that is in the moral, national security and economic interests of our country.

Our primary interest in the canal is not in ownership but in keeping it open to use under fair and peaceful conditions. I believe that careful study of the terms of the treaty and of the sensitive international issues involved will show that the gradual ceding of U.S. control of the canal to Panama under terms of the treaties is the best way of achieving that end.

The first concern of most people about the treaties is what effect they will have on our national security. In a letter to me, dated Oct. 7 Gen. George S. Brown, chairman of the Joint Chiefs of Staff, answered this question in response to my request.

"United States military interests in the Panama Canal," he wrote, "are in its use, not in its ownership. Specifically, the Joint Chiefs of Staff wanted to be assured that the canal would remain neutral, that is, secure and open to ships of all nations and that the United States naval ships would be guaranteed expeditious passage through the canal.

"Those requirements have been met in the new treaties. Under the new Panama Canal Treaty, the United States will have primary responsibility for defense of the canal in conjunction with Panamanian forces during the period the United States operates the canal. The new treaties provide the basis for the development of a cooperative relationship between the U.S. and Panama, and are of significant importance in insuring that the Panama Canal will be available to the United States when needed. A permanent joint guarantee of neutrality assures that the U.S. can act to protect its interests indefinitely."

Two of the most important questions asked about the treaties relate to the interpretation of terminology in key provisions. Does the statement that the U.S. and Panama shall maintain the "neutrality" of the canal mean that the United States can move our military forces in to defend the canal as needed?

And does the statement that warships of either country would be entitled to "expedited treatment" mean that in case of emergency our ships would go to the head of the line?

A joint "statement of understanding" issued last month by President Carter and Panama's head of state, Gen. Omar Torrijos Herrera formally answers these questions in the affirmative.

The "correct interpretation," they said, is that each country shall defend the canal against any aggressive act or other threat to its neutrality and shall make sure that it remains "open, secure and accessible." The "expedited treatment" phrase, according to the statement, means "head of the line."

Some critics have been bothered by the provision that the U.S. has "no right of intervention in the internal affairs of Panama," but on reflection, I believe that no reasonable person believes that we either want or are entitled to that privilege, which is quite distinct from intervening to defend the canal.

I think it is quite significant that, despite the balance of opinion against granting control of the canal to Panama, the American people recognize the overriding importance of U.S. access and use. In a national survey last month conducted by the New York Times and CBS News, 63 percent of the people polled said they would approve the treaties if they felt that the United States could always send in troops to keep the canal open to the ships of all nations. In other words, if it can be made clear, as I believe the facts justify, that the United States has the clear right to act militarily if necessary to keep the canal open, public opinion will support these treaties.

Another point raised by the critics of the treaties that is of particular importance to Iowa is the concern that tolls for farm products will go up if the treaties go into effect. It is true that tolls for shipping will go up—whether or not the treaties are ratified—because of higher operating costs. But the cost of shipping farm products through the canal still will be economically favorable to farmers, even if the fees go up to add an expected five percent to shipping costs.

The main point for farmers is to keep the canal open and operating in peace and security. According to the U.S.D.A., one-fifth of total U.S. corn exports move through the canal, a fourth of soybean exports and nearly half of grain sorgums exports. The canal is Panama's principal industry, and even after the year 2000, the Panamanians will have a strong self-interest in maintaining tolls at a level that will not turn traffic away to other competing modes of transportation.

I think those who oppose the treaties do not fully appreciate the dangers and disadvantages of rejecting the arrangement and trying to continue the status quo in peace and security. Rejection could result in serious disruption or even closure of the canal well before the year 2000. According to our military authorities, protecting the canal in a hostile environment could require 100,000 troops, and even this would not guarantee the use of the canal against sabotage and terrorism.

It is equally important to take a clear look at what we gain. Not the least of our gains will be the respect and trust we will win in Latin America and throughout the world. The Panama Canal and Canal Zone are not and never were actually "ours" in terms of legal ownership. If we take a position of refusing to cede back their own land to the people of Panama by the year 2000, our standing as a moral leader among nations will be discredited not only among our Latin American neighbors, but in the entire world community.

Part of the debate over the treaties has concerned communist influence in Latin America, and also our standing in the world since the withdrawal from Vietnam. These treaties are to our advantage on both scores, I believe. A continuation of the status quo in the Canal Zone gives Latin American communists by far their strongest issue, and could greatly increase their popular standing. On a worldwide basis, the reasonable United States approach to this difficult issue can be seen as a striking example of the strength and self-confidence of the United States, and can be favorably compared with the foreign policies of other nations.

I respect the views of the critics of the treaties. They have raised questions that needed to be raised and that have added to our understanding of the extremely complex issues involved. But now the evidence is in. Four U.S. presidents, secretaries of Defense and State—both past and present—the Joint Chiefs of Staff and leaders in industry and labor have supported the negotiation of new treaties as being necessary and in the national interest.

I sincerely hope that the people of Iowa, when they have examined all the facts, will reach the same conclusion.

NATIONAL HEALTH COSTS

Mr. EAGLETON. Mr. President, the subject of escalating health care costs has been one of continuing concern to Congress and the American people. According to the National Journal, in 1976, the Nation's health expenditures totaled $139.3 billion, or 8.64 percent of the gross national product. By fiscal 1980, HEW estimates, expenditures will total $227.5 billion, or 8.9 percent of gross national product. The most inflationary component of the health sector is the hospital. From 1950 to 1976, the average cost per patient-day for hospital care rose by more than 1,000 percent, eight times the rise in the Consumer Price Index. The time has come to examine indepth what has become an intolerable situation and to control the Nation's rapidly rising health care costs.

On Sunday, October 30, the CBS news program "60 Minutes" included an excellent segment on health care costs. The story dealt with the rising cost of kidney dialysis, a cost which is directly subsidized by the taxpayers under the medicare program. I commend this story to the attention of my colleagues, and ask unanimous consent that a transcript of the story be printed in the RECORD.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

WHAT PRICE MEDICINE?

SAFER. President Carter has made National Health Insurance one of his major goals, meaning that the government would take care of the bills whenever you got sick. The fly in the ointment is, of course, money . . . What price medicine? Well, there's one group of patients whose bills are being paid by the government. They're victims of kidney failures, and since 1973, Medicare has been paying 80 percent of the costs of keeping them alive mostly by an expensive procedure called dialysis. It's the government's first experiment with paying the bills in case of catastrophic illness . . . and some people think it's a catastrophic price to pay.

Most patients with kidney failure come for treatment to a dialysis center, a kind of outpatient clinic where it costs about twenty-five thousand dollars a year to keep one patient alive.

And with some thirty-seven thousand patients the total costs are rapidly approaching a billion dollars a year, four times the original estimates.

What's more, some of the staunchest supporters of the idea of the government footing the bill are unhappy about the way things are turning out.

Dr. Belding Scribner of Seattle is one of the pioneers of dialysis.

When you testified in front of Congress you said "What started out in 1960 as a noble experiment gradually has degenerated into a highly controversial billion dollar program riddled with cost overruns and enormous profiteering." Who's profiteering?

Dr. SCRIBNER. Well, the people that have recognized that dialysis is a very expensive treatment and they were positioned in the right place at the right time when the federal program came into existence, and because of the enormous expenses involved, they're making a big profit off the treatment.

SAFER. By running——

Dr. SCRIBNER. By running, by selling dialysis to the government.

SAFER. For Dr. Scribner, what's evolved under the government's kidney program is particularly ironic. Because in many ways,

he's the father of it all and he envisioned something quite different.

Back in 1960, Dr. Scribner with the help of colleagues at the University of Washington Medical School, devised a way of making it simple to hook up a patient to a dialysis machine. As a result, the world's first dialysis center was opened in Seattle. A place where patients came two and three times a week to have an artificial kidney take over the work that diseased kidneys could no longer perform.

The machine removes impurities from the blood. But in the beginning, there were only a few machines . . . and many applicants.

So a committee was formed composed of anonymous citizens who undertook the awesome burden of deciding who should get the machine and who should not. Who should live and who should die.

MAN. All in favor of accepting Mr. D say "Aye."

GROUP. Aye.

SAFER. But even with a limited group of patients, the high cost of running a center was too great a drain on the community and an alternative had to be found.

VIDEOTAPE VOICE. Rinse out a three cc. syringe three times with a sample in the test tube.

VIDEOTAPE VOICE. Stop the tape and do this step.

SAFER. Gradually, a program evolved to teach patients to dialyze themselves at home.

VIDEOTAPE VOICE. Mark the step as completed on the check list.

SAFER. It turned out that with proper training the mechanics of the machine could be mastered even by non-mechanical people like Betty Barnes.

Mrs. BARNES. I'm sixty-five and I found no problem in it . . . whatsoever, as long as you read your instructions and follow them.

SAFER. It also turned out that doing it yourself was, indeed, a lot cheaper than dialyzing at a center. About thirteen or fourteen thousand dollars a year at home in Seattle compared with close to twenty-five thousand dollars a year at a typical center. What's more, dialyzing in a home environment actually seemed to be a better way of doing it. So what started out as an expedient, ended up as being a philosophy . . . . at least in Seattle.

Dr. SCRIBNER. The whole problem with learning to adjust with to chronic illness is to get back your independence and get back your ability to act purposefully and get on with your life, in spite of your chronic illness. And the closest you can come to that is—is to do it at home and not be involved in an institution.

SAFER. Virgil Mahaffey was among the first in Seattle to be trained for home dialysis.

MAHAFFEY. And after a month they said: "We're ready for your critique." And I said: "Gee, it's hard to critique somebody who just saved your life." And they said: "No, we really want you to tear us apart. Tell us what's wrong?" And so, my suggestions weren't original, I'm sure that they just confirmed their own beliefs. But one of the major things I said was stop taking care of people like they're sick. This isn't a broken leg. This isn't a cold or the flu. This is forever, Charlie.

SAFER. Although Virgil Mahaffey's illness is forever, it doesn't prevent him from leading a full life. He left Seattle some years ago and is now Vice President of an electrical manufacturing firm in Trenton, New Jersey.

As head of marketing he travels regularly around the country. And has even made several trips abroad.

He tires a little more easily than he used to but it still doesn't interfere with his tennis.

Three times a week Virgil Mahaffey has a date with his machine. He's dialyzed in many different hospitals during his travels, but he finds that there's no place like home.

MAHAFFEY. I prefer to dialyze at home because I can work the dialysis around my life instead of of my life around dialysis. There's always birthdays, there's anniversaries, or there's ballgames, there's something where you want to adjust the schedule and the hospital just simply can't do that.

Mrs. MAHAFFEY. How's the whipcream?

MAHAFFEY. It's all right.

If I want to go out and have Mexican food which I dearly love, and it's salty and you shouldn't do it, I can come back here and jump on the machine and have it out before my body knows the difference.

SAFER. In Seattle where it all began, home dialysis is alive and flourishing. Eighty-three percent of all patients under the care of Seattle's Northwest Kidney Center treat themselves at home.

So if home treatment works so well in Seattle, how come in the rest of the country more than eighty-five percent of patients go to places like this, to a dialysis center, where the treatment is more costly?

Well, one reason is that in 1973 when Medicare began picking up the tab, it was easier to build centers than to train people to dialyze at home. Also, many doctors claim, home dialysis just doesn't work very well. . . .

Dr. SCRIBNER. If the doctor has some bad experiences with home patients or if he gets off to a bad start because of a poor home training program and training is crucial to the success of home dialysis, any number of things can happen to color his experience. And there are family environments where home dialysis just is impossible. But I think it's a question of percentages. And in our view, the percentage is extremely small.

SAFER. Another reason why dialysis centers have flourished is old fashioned free enterprise. With an abundance of patients and an assured flow of cash from Uncle Sam, dialysis has become a very good business. Many centers are owned by doctors or doctors may share in the profits.

What disturbs Dr. Scribner is that when centers are run for profit, it's hard to tell the difference between doctors who genuinely oppose home dialysis and those who are interested in the money.

Dr. SCRIBNER. Because some doctors really, really believe that home dialysis is bad. I think it's difficult when they also own a center to separate it out and that makes it—that's the kind of jeopardy that shouldn't exist. I just don't think doctors ought to be involved in making profit on the same thing that they're doing as doctors. It's like doctors owning drug stores and things like that. I'm against it.

SAFER. When you say they sell their service to government, you're not saying that they're selling a poor service?

Dr. SCRIBNER. No. The quality of care in most of the center programs is excellent. The dialysis is excellent.

SAFER. But if they were treating them at home would it be greater value for money?

Dr. SCRIBNER. Of course it would. It's better treatment and it costs about half as much.

SAFER. Dr. John DePalma of Los Angeles, is Medical Director of several privately owned dialysis clinics, so-called "Limited Care Centers." He doesn't believe home dialysis is feasible for most patients, but he shares Dr. Scribner's concern about conflicts of interest.

Dr. DEPALMA. There are patients who must be on home dialysis and there are patients who must be on limited care. But there are a great many that are in the gray zone. And it's in this area that it's hard to say that the patient's being kept in any particular place because of a physician's whim or financial interest. I think that area is fairly large and fairly gray.

SAFER. Supposing it would be much the same for a patient to be dialyzed at home and dialyzed in a clinic, what do you think his doctor would recommend to him if the doctor owned a share of the clinic?

Dr. DEPALMA. If it's pretty much the same, then I would say, and my understanding of the human nature, that the physician would keep him in the center because there was profit for him and for the corporation. And I would, in a sense, again deplore that.

SAFER. But what sort of profits are there to be made?

Dr. SCRIBNER. Well, the major company that's been involved in dialysis, an offer was made to buy that company for a hundred and forty million dollars in a stock transfer. The offer was later withdrawn. But that gives you an idea of the kind of money that's involved. And the company started five or six years ago as maybe a ten million dollar operation, basic capitalization.

SAFER. The company that Dr. Scribner is talking about is National Medical Care. It's by far the largest in the business with some seventy centers around the country taking care of almost one patient out of every five.

We tried to interview the doctors who are the principals of National Medical Care but they declined to participate or to let us film in one of their centers.

But the corporation is a public one listed on the New York Stock Exchange and there's a fair amount of information about them in this report by the Forbes Investors Advisory Institute.

Forbes is bullish on National Medical Care. Here's what they say: "An intriguing opportunity? You bet it is. In earnings and sales growth National Medical Care has one of the most impressive records among New York Stock Exchange Companies. What's exciting here is not only National's growth, but the fact that this growth is not dependent on the course of the economy."

In other words, National has a guaranteed supply of federally subsidized customers demanding their product.

National is also financially attractive to doctors. And Forbes says here that "many kidney specialists desiring their own clinics join National, getting from National what is, in effect, a franchise for certain areas. National takes on the massive paperwork and other business chores. The doctor is thereby able to practice his specialty and get twenty percent of the center's net as his reward."

As far as home dialysis is concerned, Forbes doesn't see this as a significant factor. "Even though dialysis at home," it says, "would be cheaper and more convenient for many people, patients have shown a great reluctance to take on that responsibility."

Dr. SCRIBNER. It's got to be a pretty brave patient who will go against the doctor and try and go home anyway. And there are a few of those even. So the physician's attitude and how it's developed is crucial to this whole question.

The thing that worries me about all this is that we're getting up well onto a billion dollars a year in this program and it could go to two billion. And this is one tiny segment of the medical population. And one of these—somewhere down the line somebody's going to look at this and say, "You know, is this really worth it? Can we afford to spend two billion dollars on fifty thousand patients when we could spend the same two billion and do all kinds of things with the money?"

And if we're using the more expensive form of treatment when they take that hard look, then, I think, we're in much less defensible position.

SAFER. You think somebody's really going to blow the whistle on this one?

Dr. SCRIBNER. Maybe not on this one but you know what's happening to the cost of medical care in general and this could be held up as Exhibit A kind of thing, you know. And if we're going to be held up as Exhibit A, if this is the forerunner of the next step which could be catastrophic health insurance

and they look at the cost overruns and the fact that we're all going into the center, whereas the rest of the world is going into the home, it's not going to look good.

SAFER: It was Congress that began the government's kidney program, and now Congress is considering new legislation to remedy some of the defects. A bill has been proposed that would control some of the costs and some of the profits, and also would encourage home dialysis. It's already passed the House and is now being considered by the Senate. Congressman Charles Vanik, former chairman of the House Health Subcommittee has said, "The present system is probably one of the most massive cases of potential conflict of interest in the medical community today."

RESOURCES WATCHDOG COUNCIL IS NEEDED

Mr. MELCHER. Mr. President, on November 4, I introduced S. 2303, a bill to declare a national policy on conservation, development and utilization of resources and to establish a Council of Resources and Conservation Advisers to the President and Congress in the White House.

The urgent need for such an agency is supported, in my opinion, by remarks of Dr. Harold Breimyer of the University of Missouri at a recent energy conference in St. Louis.

Dr. Breimyer told the conference that we are coming to the end of large, virgin supplies of depletable resources and are going to have to live with short supplies. That means to me that we urgently need to keep on top of approaching supply problems and deal with them before we run into another energy type crisis in the field of minerals, timber, land, or any other resources.

Dr. Breimyer thinks we are at a period of menopause when a historical change is occurring in relation to resources, outmoding both some of our social attitudes and economic theory.

He said:

We are changing from a period in history when increased production was obtained, miraculously, at decreasing cost. From now on, production will come at increasing cost. The U.S.—and the whole Western World—is going through a day of reckoning.

I agree with Dr. Breimyer and I think our National Government would do well to have a council of the best minds in the resources field monitoring our growing problems, reporting them to us and suggesting courses of action to meet those problems, as proposed in S. 2303.

I ask unanimous consent, Mr. President, to print a story from the St. Louis Post-Dispatch of November 7, in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"DAY OF RECKONING," SOCIAL CHANGE PREDICTED FOR U.S. ECONOMY

(By Brad Riesenberger)

The energy crisis is pushing the nation into a "menopause," a historical change of life marred by outmoded social attitudes and obsolete economic theory.

That's the view of the chairman of a campuswide energy education committee at the University of Missouri at Columbia.

"We are changing from a period in history when increased production was obtained, miraculously, at decreasing cost. From now on, production will come at increasing costs," said Harold F. Breimyer, professor of agricultural economics.

"The U.S.—and the whole Western industrialized world—is going through a day of reckoning. We have finished mining and exploiting the most virgin resources and are going to have to live with short supplies of depletable materials," he said at an energy conference here.

Breimyer emphasized that depleting energy resources does not mean sudden catastrophe or an imminent doomsday. But increasing scarcity of world energy reserves poses challenges not only to scientists and technicians, but also to economists who are clinging to antiquated theories in trying to solve the energy puzzle.

"The problem economists are having—and this is really a traumatic shock to them is that when the setting changes, our doctrines have to change. Most of us are having a little trouble making the transition," Breimyer told a group of academic and industry energy conferees at the University of Missouri at St. Louis.

Breimyer said economic doctrine used today was developed at a stage in history when fuel resources were plentiful. But now, as the world is being forced to look toward complicated and expensive energy sources from processes such as nuclear fusion and coal liquefication, economic range of vision must adjust.

"The economics of raw materials is no longer the economics of just delivering them. Most of the energy that exists cannot be obtained except by using more energy than you get when you do the extracting, he said. The economics of ladling out a fixed supply of a depletable product is 100 percent different from the economics of producing a nondepletable good."

Breimyer said the whole idea of what a market economy means will be under a great deal of stress in the future, and "if we let sharply rising prices be the sole allocator of scarce energy resources, the rich will live in comfort and the poor will freeze. It is harsh, but that is the fact of the matter.

"Moreover, we cannot look forward to a steadily rising standard of living. As a matter of fact, we have not had a rising standard of living for about a decade—we have been deceiving ourselves by inflating dollar incomes."

Average weekly earnings of nonfarm persons in the last eight years has shown zero increase in buying power, the economist said. During that time, the dollar value rose 63 percent, against a cost-of-living increase of the same amount.

"This is what is known as a static society," Breimyer said. The economist said successful energy action must be a joint government-commercial effort and that cries from business over tightening regulation are ill-advised, because total deregulation of the industry would direct all public energy protests to business and not to government.

"One of these days we must stop shouting and start thinking. If the various political and business factions don't get together pretty soon, they will find themselves playing with social catastrophe."

NOTICE CONCERNING NOMINATIONS BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

Thomas Arny Rhoden, of Mississippi, to be U.S. marshal for the southern district of Mississippi for the term for 4 years (reappointment).

Michael H. Walsh, of California, to be U.S. attorney for the southern district of California for the term of 4 years vice Terry J. Knoepp.

Edward G. Warin, of Nebraska, to be U.S. attorney for the district of Nebraska for the term of 4 years vice Daniel E. Wherry.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Tuesday, Tuesday 29, 1977, any representations or objections they may wish to present concerning the above nominations with a further statement whether it is their intention to appear at any hearing which may be scheduled.

PROGRAM

MR. ROBERT C. BYRD. Mr. President, on next Tuesday, the Senate will convene following a pro forma session on this coming Friday. The Friday session will be strictly pro forma and will be conducted only to comply with the requirements of the United States Constitution. But on next Tuesday, The Senate will meet, and also on Wednesday of next week. That is about as far as I can see into the future at the moment.

For the information of Senators, and I have discussed these prospects with the leadership on the minority side, it would appear that the following measures may be ready for action:

The Nuclear Regulatory Commission conference report, S. 1131. At the present time, a rollcall is not anticipated, but it is always possible, of course, that such could occur.

The endangered species conference report, S. 1316. I am informed that the House will act shortly after noon on the 29th, which is Tuesday, on the endangered species conference report and, of course, the Senate could act as soon as the papers come over that day. I do not anticipate any rollcall vote on that item, but, again, one never knows.

The rural health clinic conference report, H.R. 8422. The House is expected to act shortly after noon on the 29th, and the Senate then could act as soon as the papers come over on that day. No rollcall vote is expected.

The legal services conference report, H.R. 6666. The House will likely act on it on Tuesday, November 29, and the Senate could act on it if the House completes action early enough. I am informed that a rollcall vote is expected on that conference report.

The clean water conference report, H.R. 3199. The House acts first on that conference report. I am led to understand that the House cannot be ready on the 29th or 30th, but, if the report is completed and the papers are ready and if the Senate could get the official papers from the House and by mutual understanding act first, the Senate might do so on the 29th or 30th.

I have been given indications that a rollcall vote is not anticipated on the clean water conference report. However, that cannot be guaranteed.

Mr. President, will the distinguished minority whip yield me some of his time?

Mr. STEVENS. I yield the leader whatever time we have remaining.

Mr. ROBERT C. BYRD. I thank my friend.

Mr. President, on the supplemental appropriations conference report, H.R. 9375, the House action is scheduled for Wednesday, November 30, and the Senate can act as soon as the papers come over. A rollcall vote may be anticipated in the Senate on that conference report.

As to a further continuing resolution on the District of Columbia appropriations, if there is a continuing resolution, the House will, of course, originate it. I would not anticipate a rollcall vote in the Senate on that measure. As for the Labor-HEW conference report, however, a rollcall vote probably would occur on any new language to complete action on the Labor-HEW conference report.

There may also be action on a disapproval resolution on Executive Reorganization Plan No. 2, which deals with the USIA and the State Department. Other conference reports may also be ready by Tuesday or Wednesday about which I have no information today.

Mr. President, that is about the outline of the program for next Tuesday and Wednesday, as I am able to see it at this point. As I say, rollcall votes can be anticipated. There may be none, but I think it would be, perhaps, wise for our colleagues to anticipate rollcall votes on Tuesday and/or Wednesday, the 29th and 30th, on some of the measures to which I have alluded. If all business is concluded by the close of Wednesday, the Senate will continue its 3-day recesses awaiting further action on conference reports when they are ready.

Mr. STEVENS. I might say to the majority leader, I discussed with him the last time I was in the city the proposed trip to Panama that some of us had scheduled to leave on Friday, and we are grateful to the majority leader for announcing the possible action for the 29th and 30th.

I would say, though, in view of the problems of rescheduling that trip, that it is my intention to continue that trip and would like to indicate that there will be at least three of us gone on that trip for the time the Senator from West Virginia has discussed.

Mr. ROBERT C. BYRD. Mr. President, I would like to express the hope that Senate and House conferees will continue to work diligently to clear all other matters that are still in conference as rapidly as possible.

There are several measures in conference, other than the energy measures, and it is hoped that all possible speed can be made in the deliberations there, so that from time to time the Senate, when it comes in, can take up the conference reports and dispose of them.

ORDER FOR RECESS FROM FRIDAY, NOVEMBER 25, 1977 TO TUESDAY, NOVEMBER 29, 1977, AT 1 P.M.

Mr. ROBERT C. BYRD. Mr. President, in view of the fact that the House will be acting first on most of the conference reports that have been referred to, and probably will not be acting until after noon on Tuesday, I think it may be well if the Senate came in about 1 p.m. that day, which would give it ample time to take up the conference reports and dispose of them after the House sends the papers over.

Mr. President, I ask unanimous consent that when the Senate completes its pro forma session on this coming Friday, it stand in recess until the hour of 1 p.m. on next Tuesday, the 29th.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RECESS TO 10 A.M. FRIDAY, NOVEMBER 25, 1977

Mr. ROBERT C. BYRD. Mr. President, with the understanding that the forthcoming Friday session will be strictly pro forma, with no morning business, no transaction of business, and no speeches, I now move, in accordance with the order previously entered, that the Senate stand in recess until the hour of 10 a.m. on Friday, November 25. I wish a Happy Thanksgiving to all.

The motion was agreed to; and at 10:22 a.m., the Senate recessed until Friday, November 25, 1977, at 10 a.m.

NOMINATIONS

Executive nomination received by the Senate November 17, 1977, pursuant to the order of the Senate of November 4, 1977:

DEPARTMENT OF JUSTICE

Thomas Arny Rhoden, of Mississippi, to be U.S. marshal for the southern district of Mississippi for the term of 4 years (reappointment).

Executive nominations received by the Senate November 21, 1977, pursuant to the order of the Senate of November 4, 1977:

THE JUDICIARY

George C. Carr, of Florida, to be U.S. district judge for the middle district of Florida, vice Charles R. Scott, retired.

A. David Mazzone, of Massachusetts, to be U.S. district judge for the district of Massachusetts, vice Frank J. Murray, retired.

IN THE NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

Subject to qualifications provided by law, the following for permanent appointment to the grades indicated in the National Oceanic and Atmospheric Administration:

To be captain

Archibald J. Patrick	Sigmund R. Petersen
Bruce I. Williams	Ralph J. Land
R. Lawrence Swanson	C. William Hayes
James Collins	Darrell W. Crawford
Robert A. Trauschke	Freddie L. Jeffries
Francis D. Moran	Robert A. Ganse
Donald J. Florwick	Michael H. Fleming
Walter L. Bradly	Richard E. Newell

To be commander

Robert V. Smart	Abram Y. Bryson, Jr.
William R. Daniels	Paul M. Duernberger
Floyd Childress II	Carl R. Berman, Jr.
Charles N. Whitaker	Robert D. Hopkins
Kenneth E. Lilly, Jr.	David J. Goehler
Richard S. Moody, Jr.	Martin R. Mulhern
Warren K. Taguchi	Donnie R. Spillman
Lowell R. Goodman	

To be lieutenant commander

Jon M. Barnhill	John A. Murphy
Harold B. Arnold	Alan J. Potok
Donald D. Winter	Christopher B. Lawrence
Dan E. Tracy	Richard H. West
William A. Wert	Thomas A. Bergner
Richard P. Floyd	Peter E. Gadd
Willis C. Blasingame	Paul B. Loiseau, Jr.
Alan D. Kissam	John J. Kineman
Thomas E. DeFoor	Stephen J. Kott
H. Bruce Thelen	Edward E. Seymour, Jr.
Dirk R. Taylor	Chris J. Nelson
Patrick D. Harman	Gary L. Johnson
Mark A. Miller	Roger W. Mercer
Kurt X. Gores	Garth W. Stroble
Michael S. Bohle	Andrew M. Snella
Pamela R. Chelgren	Alan H. Yanaway
Andrew A. Armstrong, III	Kenneth M. Holden, II
Gregory V. Segur	Thomas G. Russel
John L. Oswald	
Alan D. Anderson	

To be lieutenant (junior grade)

Joseph G. Gofus, III	Stanton M. Ramsey
Ted I. Lillestolen	James F. McGough, Jr.
Mark F. Sullivan	George E. Leigh
John C. Osborn, Jr.	Michael S. Sagalow
Alan R. Bunn	David K. Howard
Guy B. Stanke	William W. Pearson II
John M. Tokar	Barry E. Merritt
Edward M. Clark, Jr.	Virginia E. Newell
Maureen R. Kenny	David M. Goodrich
Robert G. Mann	John C. Person
Roger L. Parsons	Donald R. Rice
Michael J. Kretsch	Patrick J. Rutten
Bryce M. Scott	Charles E. Gross
Kent A. Doggett	Gerald E. Wheaton
Kenneth G. Vadnais	Howard A. Jemison III
Patrick M. Woods	David H. Minkel
Warren T. Dewhurst	John P. Rubino
Elwood S. Varney	Walter P. Latimer
Neal G. Millett	Susan J. Ludwig
Dean L. Smehil	Stephen C. Jameson

To be ensign

Douglas D. Smith	George J. Kuzmak
Thomas H. Flor	Felix J. Jackson
Mark J. Cappola	Martin K. Smith
Michael A. Classick	George W. Hynes, Jr.
David D. Mattison	Jane F. Demuth
Joseph P. Quinlan	Alan T. McClelland
Gregory A. DaSilva	Donna L. Stotler
Terri L. Bainbridge	Douglas C. Schultz
John V. Yennie	Kathleen D. Edwards
Teresa C. E. Bowles	Jeffrey W. Greene

IN THE AIR FORCE

Gen. Felix M. Rogers, U.S. Air Force, (age 56), for appointment to the grade of general on the retired list pursuant to the provisions of title 10, United States Code, section 8962.

The following Air National Guard of the United States officers for promotion in the Reserve of the Air Force under the provisions of section 593(a), title 10 of the United States Code, as amended:

LINE OF THE AIR FORCE

To be lieutenant colonel

Maj. David L. Ahrens, [redacted].
Maj. John Anderson Jr., [redacted].
Maj. David T. Arendts, [redacted].
Maj. Armando Arvizu, [redacted].
Maj. Donald E. Barnhart, [redacted].
Maj. Frederick L. Bonney, [redacted].
Maj. Joseph M. Byrne, [redacted].
Maj. Enos N. Chabot, [redacted].
Maj. Willis I. Crumpler, [redacted].
Maj. David R. Cummock, [redacted].
Maj. George A. Duncan, [redacted].
Maj. Thomas R. Emmett Jr., [redacted].
Maj. George A. Fisher Jr., [redacted].
Maj. James D. Flick, [redacted].
Maj. Charles P. Ford, [redacted].
Maj. Richard L. George, [redacted].
Maj. Jule V. Goehring, [redacted].
Maj. William R. Greer, [redacted].
Maj. Joe K. Griffin, [redacted].

Maj. Harold L. Gustafson, [redacted].
Maj. John M. Hubbard, [redacted].
Maj. Fred N. Larson, [redacted].
Maj. James D. McKay, [redacted].
Maj. Dan R. McKinney, [redacted].
Maj. Jon M. McMahon, [redacted].
Maj. Frederick A. Moore, [redacted].
Maj. Irtalis Negron, [redacted].
Maj. James W. Piercy, [redacted].
Maj. Raymond A. Prince, [redacted].
Maj. Neal T. Reavely, [redacted].
Maj. John F. Ruby, [redacted].
Maj. Ralph W. Sirek, [redacted].
Maj. Nicholas C. Sivo, [redacted].
Maj. William H. Snead, [redacted].
Maj. Carleton B. Waldrop, [redacted].
Maj. Stanley F. Wied, [redacted].
Maj. Robert Wilbur, [redacted].
Maj. John F. Williams Jr., [redacted].
Maj. Charles F. Wood, [redacted].
Maj. Howard A. Zike, [redacted].

Judge advocate

Maj. Bennett W. Cervin, [redacted].
Maj. Harry Lee, [redacted].

IN THE NAVY

The following-named lieutenants (junior grade) of the U.S. Navy for temporary promotion to the grade of lieutenant in the line and staff corps, as indicated, pursuant to title 10, United States Code, section 5769 (line officers) and 5773 (staff corps officers), subject to qualification therefor as provided by law:

LINE

Coome, Barry.
Jones, Stephen D.

SUPPLY CORPS

Bradshaw, Richard N.

CIVIL ENGINEER CORPS

Nelson, Curtis A.

The following-named lieutenants of the line, of the U.S. Navy for appointment in the various staff corps, as indicated, as permanent lieutenants (junior grade) and temporary lieutenants, pursuant to title 10, United States Code, section 5582(b), subject to qualification therefor as provided by law:

SUPPLY CORPS

Conover, Richard P.
Gormly, Richard B.
Griffin, Dorsey W.
Hughes, David J.
Keating, Charles L.
Lechleitner, Matthew J.
Schmidt, Colman A.

CIVIL ENGINEER CORPS

Salmond, Charles N.

The following-named lieutenants (junior grade) of the line, of the U.S. Navy for appointment in the various staff corps, as indicated, as permanent ensigns and temporary lieutenants (junior grade), pursuant to title 10, United States Code, section 5582(b), subject to qualification therefor as provided by law:

SUPPLY CORPS

Budd, William V.
Cowley, Robert E. III
Lauro, Frank J.
Neff, Christopher K.
Nostrant, Keith R.

CIVIL ENGINEER CORPS

Brubaker, Thomas E.
Wurst, James P.

Lt. Comdr. Dwight H. Short, II, Medical Corps, of the Reserve of the U.S. Navy for temporary promotion to the grade of commander in the Medical Corps of the U.S. Navy as a reserve officer, pursuant to title 10, United States Code, section 5505, subject to qualification therefor as provided by law.

James D. Flaningam*, formerly a lieutenant commander in the U.S. Navy for temporary and permanent appointment to the grade of Chief Warrant Officer, W–4, in the U.S. Navy, pursuant to title 10, United States Code, section 6383, subject to qualification therefor as provided by law.

Lt. Comdr. Francis S. Taylor, III*, Chaplain Corps, U.S. Navy, for appointment in the line as a permanent lieutenant commander, pursuant to title 10, United States Code, section 5582(a), subject to qualification therefor as provided by law.

Lt. Comdr. Richard R. Ratzlaff, U.S. Navy, an officer of the line, for appointment in the Judge Advocate General's Corps as a permanent lieutenant commander, pursuant to title 10, United States Code, 5578(a), subject to qualifications therefor as provided by law.

The following-named lieutenants of the U.S. Navy for permanent promotion to the grade of lieutenant in the line and staff corps, as indicated, pursuant to title 10, United States Code, section 5780 (line officers) and 5782 (staff corps officers), subject to qualification therefor as provided by law:

LINE

Hurley, Allen L.

NURSE CORPS

Smith, Kate I.

The following named lieutenants (junior grade) of the line, of the U.S. Navy for appointment in the various staff corps, as indicated, as permanent lieutenants (junior grade), pursuant to title 10, United States code, section 5582(b), subject to qualification therefor as provided by law:

SUPPLY CORPS

Hahndorf, Fred R.
Kidder, Ronald D.
Ledford, Kevin J.
Lyon, Michael N.
Pearsall, Gregory H.
Reid, Bradley L.
Tomlinson, Donald H.

CIVIL ENGINEER CORPS

Lisse, Stephen D.

The following-named ensigns of the line, of the U.S. Navy for appointment in the various staff corps, as indicated, as permanent ensigns, pursuant to title 10, United States Code, section 5582(b), subject to qualification therefor as provided by law:

SUPPLY CORPS

Curry, Michael S.
Dowling, Richard D.
Hazell, Jeffrey P.
Heuay, Terrence A.
Hogan, Brian N.
Huwe, Lawrence J.
Kayes, Dean H.
McGrath, Christopher M.

CIVIL ENGINEER CORPS

Watson, Marc A.

Lt. Ronald D. Huddleston, U.S. Navy, an officer of the line, for appointment in the Supply Corps as a permanent lieutenant, pursuant to title 10, United States Code, section 5582(b), subject to qualification therefor as provided by law.

*Ad Interim.

CONFIRMATIONS

Executive nominations confirmed by the Senate November 23, 1977:

DEPARTMENT OF TRANSPORTATION

Mortimer L. Downey III, of Virginia, to be an Assistant Secretary of Transportation.

DEPARTMENT OF JUSTICE

Joseph N. Novotny, of Indiana, to be United States Marshal for the Northern District of Indiana for the term of four years.

The above nominations were approved subject to the nominees' commitments to respond to requests to appear and testify before any duly constituted committee of the Senate.

HOUSE OF REPRESENTATIVES—*Tuesday, November 22, 1977*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Have no anxiety about anything, but in everything by prayer and supplication with thanksgiving let your requests be made known to God.—Philippians 4:6.

Almighty God, our Father, from whom all good thoughts proceed, grant unto us the presence of Thy spirit that we may walk humbly before Thee this day.

We thank Thee for our homes and for the inspiration and love they give to us. We thank Thee for our churches and for the freedom to worship as we desire. We thank Thee for our schools and universities and for the growth of body, mind, and spirit they provide for our children, our youth, and our adults. We thank Thee for our Nation, for the light of liberty which is ours and for the spirit of democracy which pervades our land. May we use these blessings for the good of all Thy children.

Above all help us to be aware of Thy presence and to keep ourselves in Thy hands that through us there may flow righteous judgments, just dealings, peaceful endeavors, and good will for all. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7) entitled "An act to authorize a career education program for elementary and secondary schools, and for other purposes."

LEGISLATIVE PROGRAM

(Mr. RHODES asked and was given permission to address the House for 1 minute.)

Mr. RHODES. Mr. Speaker, I take this time to inquire of the distinguished acting majority leader as to the program for the balance of the week and for the following week, if he is in a position to tell the House.

Mr. HAMILTON. Mr. Speaker, will the gentleman yield?

Mr. RHODES. I yield to the gentleman from Indiana.

Mr. HAMILTON. I thank the gentleman for yielding.

The program for the week of November 28 is as follows: The House is not in session on Monday.

On Tuesday the House will meet at noon. The first item will be the conference report on H.R. 7, which is the Elementary and Secondary Career Education Act of 1977. The second item is agreeing to Senate amendments to H.R. 9794, Approve International Fisheries Agreement with Mexico. The next item is agreeing to Senate amendments to H.R. 8159, International Safe Container Act. The next item is House Resolution 827, Executive Reorganization Plan No. 2 of 1977.

For Wednesday and the balance of the week, the House meets at noon on Wednesday and at 10 a.m. on Thursday and Friday. The items to be considered are as follows:

The conference report on S. 1316, the Endangered Species Act authorization through 1980. Next is the conference report on H.R. 8422, rural health clinic services. Next is the conference report on S. 1585, Protection of Children Against Sexual Exploitation Act of 1977. Next is the conference report on H.R. 9375, supplemental appropriations, 1978. Next is S. 1340, the Energy Research and Development Administration, that being subject to a rule being granted.

Finally, we have appropriation measures, including Labor-HEW and the District of Columbia appropriation bill.

Mr. RHODES. Mr. Speaker, may I inquire of our distinguished acting majority leader as to whether there is any word he might give the Members as to the probabilities or the possibilities of the conference report on the energy bill being scheduled, either from my friend from Indiana or from the Speaker?

Mr. HAMILTON. Will the gentleman yield?

Mr. RHODES. I yield.

Mr. HAMILTON. I am informed that we probably will not have a conference report until the week of December 12, and possibly December 19.

Mr. RHODES. Is it possible to inform the House as to the appointment of conferees on the social security bill?

Mr. HAMILTON. If the gentleman will yield further, we hope to do that on Tuesday or Wednesday of next week.

Mr. RHODES. I thank the gentleman.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield?

Mr. RHODES. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, I just wanted the gentleman to yield to me so that the record may show that the gentleman from Maryland is here today, and not in the Middle East.

I thank the gentleman for yielding.

Mr. RHODES. The gentleman from Maryland is always on the floor of the House when the House is in session.

REPREHENSIBLE PROCUREMENT PRACTICE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. HARSHA) is recognized for 60 minutes.

Mr. HARSHA. Mr. Speaker, before I charged the Navy Ships Control Center, Mechanicsburg, Pa., with violation of section 1001 of title 18 of the United States Code, details of which appeared in the CONGRESSIONAL RECORD, section II, August 3, 1977, my staff examined over 400 different documents including those contrived and falsified by Government contracting officials in the procurement of repair parts for the AN/SRC-20(A) radio. Among the papers I received were letters which were either registered or hand carried to the Office of the Secretary of Defense during the period June, July, and August 1976. These addressed the subject of a criminal conspiracy to defraud the Government, and bribery of a high-ranking Navy official in addition to the AN/SRC-20(A) radio parts procurement at NSPCC. This second case involved contracts for an electronic communications control system purchased by the Navy for use in air traffic control. Only two firms manufacture this equipment in the United States, one of which is being forced into bankruptcy by actions of the other in a conspiracy involving bribery of Navy civilian personnel. The general outline of this triangle was reported to Secretary Rumsfeld on July 12, 1976, who ordered details and facts be reduced to writing and submitted to Mr. Alan Woods, the Special Assistant at OSD.

The complaint was summarized in a letter dated July 19, 1976, and was hand delivered to OSD by the contractor-victim, together with a copy of the sworn statement previously made to Navy Investigator Jonathan Thatcher providing specific information on the conspiracy, how it worked, and who was involved. Most important, however, was the name of a Chicago-based former employee of the other manufacturer who was actually present at the time the initial $500 bribe was passed to the Navy civilian. After receiving immunity from the Department of Justice, this witness did testify as to his part in the conspiracy. This story was confirmed as true by the Navy civilian who admitted receiving the money, but claimed later to have returned it without reporting it, and beyond this, he refused to take a polygraph test. Both of these problems, one at NavElex and one at Mechanicsburg, were referred to the Secretary of the Navy for action by Mr. H. Robert Ferneau, then Special Assistant to the Secretary. Before either of these two cases could be resolved, Secretary Rumsfeld and Robert Ferneau left the Pentagon in the change of administration. Within the time he had while he was still in office, Mr. Ferneau did pursue both of these cases, but was unable to penetrate the barrage of persiflage ballooning from the lower elements of the Navy.

As a result, literally, nothing was changed. The victim-contractor in the NavElex affair still holds a multimillion-dollar contract which had been terminated for default by inspectors who classified minor corrections as major deficiencies. Although the preproduction equipment has been reinspected and found acceptable, the contract has not yet been reinstated, while Adm. E. B. Fowler, Commander, Naval Electronic Systems Command has superimposed millions of additional dollars in new production contracts on the victim's competitor, and concluded his investigation of the bribery charge with a letter of reprimand in the personnel jacket for no one to read. In the Mechanicsburg case, the victim is a firm known as Poli-Com Inc., Dayton, Ohio, who was denied $1.3 million in contracts for the SRC-20(A) radio repair parts, after which the Navy surreptitiously negotiated the same requirement into $1.7 million with a firm in Oklahoma whose claim of minority ownership and operation was just determined to be not valid by the Small Business Administration. The president of PCI, Mr. P. J. Kanistros, described by the Dayton Journal Herald as a hard-driving ex-marine, has recently informed me he is in receipt of a "10-day-cure" letter from the Navy requesting reasons why one of his still current contracts should not be terminated for default under circumstances where, he reports, the delays incurred are totally Navy caused.

Recently contacted by the Dayton Journal Herald about the PCI problem, Mr. Ferneau is quoted as saying "What they're (the Navy) doing to Kanistros * * * because he blew the whistle * * * is they're trying to find everything in the world to make things tough for him." I must agree with Mr. Ferneau here, however, I must point out that in my review of the Mechanicsburg SPCC procurement procedures, I have found clear violation of the law coupled with an arbitrary unilateral change in the Armed Services Procurement Regulation, one outrage after another. You do not have to be an ex-prosecutor to see that without law enforcement, any law becomes no law at all. Since the laws are specific and the violations clear, I have directed my staff to discontinue the search for additional supporting documents, and to package the material already assembled by my office for immediate delivery to the Honorable Earl J. Silbert, U.S. attorney, U.S. District Court, Third and Constitution Avenue NW., Washington, D.C. 20001. Although the violation of Federal statutes occurred in Mechanicsburg, Pa., the officials responsible for these actions are located in the Navy Crystal City complex very close to the National Airport here in Washington, and I feel the U.S. attorney here should have jurisdiction.

Mr. Speaker, today, I want to focus attention on the Navy Ships Parts Control Center in Pennsylvania, and I must say at the outset that the Commanding Officer, Rear Adm. T. J. Allshouse (SC) USN, has provided me with misinformational-half-answers, no answers, and all the delay he can muster, forcing me to the conclusion that it is manifestly useless to continue the exchange of correspondence with an agency-leadership determined to obfuscate, conceal, or deny that which is obvious even to the most disinterested observer. I am confident that the grand jury can get to the truth, and very quickly. Specifically, in connection with SPCC procurement of spare

parts for the AN/SRC–20(A) radio, the record will show how these Navy officers and civilians caused to be uttered and uttered ficticious documents citing false statements as facts in order to justify the limitation of bids to an elite list of firms invoking an exception to the Armed Services Procurement Regulation which otherwise demands open, competitive bidding under formal procedures. It is interesting to note that there are approximately 17 such exceptions to ASPR, and through these, SPCC personnel drives over 90 percent of its entire $600 million-plus annual expenditures for spares. In the case of 4 out of 5 different solicitations for SRC–20(A) spares, when the wrong face appeared in the winner's circle, the Navy officials proceeded to cancel the procurement action by falsification of yet other documents, effectively cheating a Dayton contractor out of $1.3 million, following which, the SPCC people secretly processed a contract on a noncompetitive basis for over $1.7 million to Oklahoma Aerotronics based on the allegation that that firm was minority-owned-and-operated qualified under the SBA 8(a) program. This is the same firm that was immediately disqualified under that 8(a) program after Senator CHILES of Florida questioned their eligibility during Federal Spending Subcommittee hearings July 6, 7, and 8 past. The record will also show that these same SPCC officers and civilians conspired together to remove the PCI name from the mailing list altogether, then altered routine reports to the Department of Commerce in order to suppress advance notice of new procurement leaking to the business community in general. Coupling malfeasance with nonfeasance, they eliminated any possibility of protest from PCI as they conducted public business for unclassified equipment in secret, behind closed doors. The record will finally prove that the SPCC officials conspired together to rig procurement documents to obviate any and all possibility of PCI gaining for itself any future contracts for this equipment by accident of chance being low bidder in a knowledgeable position where he could demand the award. This last trick was accomplished by a unilateral and illegal modification of ASPR 2–501 (ii) to change regulation-required formal bids to "informal negotiations" subject to another round of secret bid-opening and price changes on a Navy-wired roulette wheel where the outcome could be absolutely predicted. The final stroke of military genius was to set the wheels in motion to terminate the currently uncompleted contracts by a default action against PCI where, in almost every instance, the delay has been Navy-inspired.

Mr. Speaker, I will not burden the record with all the material I am forwarding to the U.S. attorney as there are multiple examples of falsification of official documents which are similar in nature, and the essential statistics are dreary enough as it is. As a way of introduction, the record should show the history of the AN/SRC–20(A) radio itself, and this is important because it shows the absolute absurdity of SPCC official certification as to the lack of adequate data for manufacturing purposes in order to restrict competition up to a point where competition was eliminated altogether.

The AN/SRC–20(A) radio operates on any one of 3,500 channels spaced across the frequency range of 225.0 to 399.9 Mhz to provide communication with aircraft, ships, and shore installations from ships and fixed installations ashore. The system consists of the AN/URC–9( ) radio plus the AM–1565 amplifier and the C–2384 control and a mount. The AN/SRC–21( ) radio consists of the URC–9 plus the C–2384 control and a mount. I have been informed by sources outside Navy that the first public record of this equipment appeared in August 1956 under Contract NObsr–72622 which was awarded to Collins Radio, Cedar Rapids, Iowa, for $159,250 covering 4 models of the URC–9( ) radio to be in accordance with Specification Ships–R–980(B). This contract was returned to the Navy by Collins with exceptions, after which the award was cancelled by the Navy stating the "requirement no longer exists." In January 1957, NObsr–72650 was awarded Collins for R. & D. covering design, development, and testing 2 units AM–1565 per Ships–A–2469 at $395,345. At this point, earlier development was by Collins for the URC–9(XN–1) and already funded under NObsr–63366. Also NObsr–75188 $578,178; NObsr–87290 March 1962 $4,407,418.88, and NObsr–89509 June 1963 starting $700,000 including units and revised manufacturing drawings.

NOO600–11–64, October 1963, Navy solicitation covered the first open, competitive procurement for this equipment—bids opened October 16,1963—and resulted in the award of Contract NObsr–91068 to Stewart Warner bidding 161 units SRC–20 at $9,025, and 135 units SRC–21 at $5,100. The Government-furnished equipment included microfilm 27195 covering manufacturing drawings, plus technical manual NavShips 94695 and a unit of the AN/SRC–20() radio, plus other ancillary items.

NObsr–91149 awarded April 1964 to Dubrow Electronics under informal solicitation 627D4–36192/.1 covering a combined quantity of 295 units of the SRC–20/21 radio sets for a total contract price stated to be $2,155,050.

NObsr–91284 awarded Teledyne Systems Corp., (DBA) Dubrow Electronics Industries, 235 Penn Street, Burlington, N.J., June 1964, for a total $1,158,914 bidding 78 units of the radio SRC–20 at $6,910; 122 units SRC–21 at $3,880; and 51 units URC–9 at $2,874.

NObsr–93164 negotiated with Teledyne for a total starting price of $1,912,117 approximately January 1965 for AN/SRC–20/21 radio sets, quantity and price information not available.

NOO600–333–66 December 1965, open, formal, competitive solicitation resulted in apparent low bid from Teledyne and award to that firm at $5,532,767 bidding 427 units SRC–20 at $7,389, plus other equipment.

Mr. Speaker, the above summary is to provide a general idea as to the procurement history of this workhorse of a communication system, in order that we all may better understand what followed.

March 16, 1967: Under Navy Purchasing Office Invitation NOO600–67–B–0402–S bids opened in Washington for requirements of the AN/SRC–20() radio which resulted in the following bids which were recorded publicly under formal conditions, after which, the Navy canceled the solicitation, repackaged the requirements and awarded the package to Teledyne-Dubrow. The low-bidder, Dayton Electronic Products, where Mr. P. J. Kanistros—now president PCI—was then president, protested the cancellation to the General Accounting Office under B–161199.

Name of firm bidding IFB 67–0402 and terms offered:

	Total w/options
1. Dayton Electronic Products Inc., Dayton, Ohio, Terms Net	$11,416,859
2. Teledyne Inc., Dubrow Electronic Industries, Burlington, N.J., w/prepro	11,728,894
3. Arvin Industries, Columbus, Ind., Net	11,760,454
4. Teledyne Inc., Dubrow Electronics, alternate bid w/o preproduction model	*12,288,086
5. Stewart Warner Electronics, 300 N. Kostner, Chicago, Net	13,797,310
6. Collins Radio, Cedar Rapids, Iowa	15,975,016

*NOTE.—Teledyne apparently reversed numbers in their submission, quoting a lower price with the preproduction requirement and a higher price without preproduction, reversing the usual juxtaposition of numbers which is usually the opposite. Also note Stewart Warner failed to return bid bond, also bidding higher without bid bonds: Electrospace, Decitron, Teledata and Electronic Communications.

Protest GAO B–161199: The above 67–B–0402 was canceled subsequent to opening of bids. On May 5, 1967, Navy secretly issued NOOO24–67–R–3599(S) to Teledyne revising delivery schedule from March 1968 to August 1969 (specified for prior producers initially in 67–B–0402), to April 1968 to November 1969 in the resolicitation 67–R–3599 to meet urgent military requirements which could not have been met in the original schedule. In their 9-page 3,000-word summary, the GAO concluded:

> In the light of these reported facts, we cannot reject the Navy's conclusion that the delivery and other requirements in the negotiated solicitation are realistic and represent the actual needs of the service. Accordingly, we see no legal basis for objection to an award being made under the negotiated solicitation in accordance with established procedures. For the reasons stated, your protest is denied.

Mr. Speaker, the Navy used ASPR 3–507.2—the use of short 10-day opening date—to conceal any advance notice through the Department of Commerce Business Daily of the secret, negotiated 67–R–3599(S) with Teledyne, eliminating Depco from the action. In side Navy contacts altering Depco as to the Navy's course of action failed to change the situation and while the contract to Teledyne was awarded June 30, 1967, it was not until August 3, 1967, the Navy announced in the Commerce Business Daily PSA 4366 that contract NOOO24–67–C–1478 had been issued to Teledyne for $8,781,–910, whereas, in fact, the award was

actually for $11,177,892 carrying Teledyne prices for SRC–20 at $7,874; SRC–21 at $4,724; URC–9 at $3,826; C–3868 at $144; and C–2383 at $82. The quantities were slightly revised and reduced from the competitive solicitation making the Teledyne contract roughly $557,144 more than Depco bid prices under the 67–B–0402 action, and $334,138 more than the Teledyne bid under the solicitation for identical equipment 3 months earlier. No independent audit was made to ascertain whether or not the delivery schedule was maintained or altered under contract 67–C–1478. This is in interesting point to make because in subsequent procurement of identical equipment under invitation 72–B–0257, the contracting officer, G. Marmarellis, stated a mandatory delivery schedule in the solicitation, any deviation from which would make the bidder nonresponsive; however, after the contract was awarded Admiral Systems—details of which follow—the same contracting officer actually doubled the time allowed for preproduction delivery, while extending 19-month production schedule to 40 months after date of contract.

October 15, 1968: Under Navy formal solicitation NOOO39–69–B–1004 and 69–B–1005, radio sets in accordance with Mil–R–24181 and Mil–R–24182 plus the latest amendment resulted in the following bids and award of three contracts—69–C–1550 Teledyne December 12, 1968, $184,000; 69–C–1557 to Depco February 21, 1969 at $417,185; 69–C–1553 to Depco $3,916,259 on January 3, 1969:

	89 units, SRC–20	129 units, SRC–21	218 units, URC–9	105 units, C–3868	16 units, F.C. kit
Name of firm bidding 69–B–1005:					
1. Dayton Electronic Products, Dayton, Ohio	$8,315	$4,725	$3,650	$195.00	$100
2. Teledyne Electronics Division, Burlington	9,000	5,500	4,000	200.00	300
3. Teledyne bids without preproduced unit	10,000	6,000	4,000	200.00	300
4. Stewart Warner Electronics, Chicago	10,154	5,713	4,359	130.56	2,375

	47 units	134 units	25 units	48 units	Total
Name of firm bidding 69–B–1004:					
1. Dayton Electronic Products, Ohio	$8,190.00	$4,565.00	$3,487.00	$149.00	$1,090,967
2. Teledyne Electronics, Burlington	8,215.00	4,625.00	3,550.00	195.00	1,103,965
3. Stewart-Warner Electronics, Chicago	10,154.00	5,713.00	4,359.00	130.56	1,358,021
4. Oklahoma Aerotronics, Oklahoma	9,370.67	5,919.18	4,745.41	47.68	[1] 957,835

[1] Reason for Navy rejection of apparent low bid here not available at time of this review; also note Dayton Electronics Products quoted optional units, non-set-aside and set-aside units same price, and $1,000 increase for 3500 channel modification. Teledyne quoted non-set-aside and set-aside units same, optional units $10,000, $6,000, $5,000, $400, and $300 increase for 3500 channel modification.

December 10, 1971: The Navy Department, Naval Electronics Systems Command, Washington, D.C., in their letter this date, File ELEX 02/JSS:cmc SER 185–02X signed by L. E. Hopkins, Director of Contracts, addressed to Dayton Electronic Products, Dayton, Ohio, exerted pressure on DEPCO for delivery of the manufacturing drawings required under the terms of Contract 69–C–1553 awarded above:

DEPCO must also appreciate that the Navy's intent in buying the drawing package under the current contract for $177,208, was to permit a completely competitive procurement to be made in February 1972. That date is now being seriously questioned since the drawings which you were scheduled to deliver on November 23, 1971, have not, as yet, been delivered to the government.

March 30, 1972: The manufacturing drawings referred to above by Hopkins were, of course, delivered to the Navy and formed the technical data package supplied by the Government to all bidders for use in estimating proposals under Invitation NOOO39–72–B–0257 which opened in public March 30, 1972, and resulted in award of contract 72–C–0292 to Admiral Systems Corp., for $3,735,155 including optional quantities. Complete tabulation of all bids recorded under 72–B–0257 appeared in section II of the CONGRESSIONAL RECORD dated August 3, 1977. Admiral quoted 108 units of the SRC–20(A) at $10,872 and 108 optional units to $7,925 each. It is important to note that Mr. G. Marmarellis, Contracting Officer, stated on March 20, 1972, in reference to 72–B–0257, prior to the opening of bids, that the delivery schedule as set forth in the solicitation reflects "the minimum needs consistent with Government planned and program objectives, and, as a result, it cannot be realined to provide a different delivery."

Mr. Speaker, on page No. 38 of that same solicitation (72–B–0257) Marmarellis—the contracting officer—stated that any offer involving a deviation in the delivery schedule would automatically be considered "nonresponsive and will be rejected." At that time, preproduction—first article offered for test purposes—was to be within 270 days after date of contract (ADC) and production was to begin within 19 months ADC. The 72–C–0292 contract was awarded to Admiral Systems on June 15, 1972. The delivery schedule which Marmarellis could not possibly realine back in March 1972, was realined June 11, 1973, allowing 420 days for preproduction and production to begin in 20 months ADC. Then, on March 16, 1976, this same G. Marmarellis, again realined the production schedule to begin within 40 months ADC which, in fact, actually doubled the delivery schedule originally specified as mandatory. Apparently this total relaxation of delivery was a manifestation of Navy good will since there is no evidence of any consideration for the account of the U.S. Government being given by Admiral for this favor. This contract was the last major procurement of the complete radio system. Subsequent requirements for repair parts were handled by the Navy Electronics Supply Office, Great Lakes, Ill., until the Navy decided to close that facility approximately 1974, after which the procurement cognizance for fleet requirements of spare parts for the SRC–20(A) went to the Navy Ships Parts Control Center, Mechanicsburg, Pa.

Mr. Speaker, hundreds of hours have been spent in the review of this SRC–20(A) radio and its procurement history, and while a lot of this may seem boring, I felt it imperative to delineate the multiple awards and production sequence of the entire radio in order to demonstrate more dramatically the absurdity of SPCC actions which follow. As this incredible scenario unfolds, what might, at first, appear to be stupid or mindless acts by bureaucratic cretins, slowly the focus sharpens and a design is apparent. Mr. Ferneau is quoted as saying that the Navy is doing everything in the world to make it "tough" for PCI and that this entire affair is a "miscarriage of justice" but I believe it is more than that. I believe there are more powerful forces operating here. This is not just a dinky vendetta by Navy officers and civilians against a small Dayton contractor. It took overt and illegal actions to accomplish what has already been done, and while it cannot be undone, it also cannot be ignored.

January 8, 1975: S. Rusack, $24,528 per annum contracting officer, Navy Ships Parts Control Center, signed determinations and findings No. NOO104–75–R–VQ29 to restrict bidding under procurement procedures other than formal bidding in a solicitation for price and delivery of 20 units, plus optional 30, 40, or 50 units of power amplifier part of the SRC–20(A) radio described as 4G 5820–00–861–3550 to be in accordance with drawing 548–8765–005 Revision N. Rusack certified that:

Use of formal advertising is impractical because the data available is not adequate to assure that the part or component will perform the same function in the equipment as the part or component it is to replace.

In view of the long history of procurement and production of the SRC–20(A) Radio, any statement as to lack of manufacturing data is manifestly false and a clear violation of section 1001 title 18 of the U.S. Code. After uttering this counterfeit document, Rusack supervised or ordered the following action.

January 17, 1975: Solicitation NOO-104–75–R–VQ29 was released to a restricted list of bidders requesting price quotations for each of 20, 30, 40, or 50 units as specified above. The date established for "closing" was listed as February 17, 1975. Bids were opened in secret. No award was made.

December 1, 1975: Solicitation NOO-104–75–R–VQ29—which had already "closed"—was modified by amendment 0001 changing the quantity to 255 units and establishing a new closing date as December 17, 1975 that with the admonition the Navy was seeking "best and final offers." This apparent second round of bidding, Admiral Allshouse informed me that only two bids were recorded.

Teledyne Lewisburg $3,119.00 and PCI $3,510, total Teledyne $795,345, total PCI $895,050. I had requested from SPCC a complete tabulation of all bids recorded under 75–R–VQ29, and attempts to clarify this area by correspondence and telephone to Navy have been met with silence. It is important to remember the price range quoted here, in view of the prices paid in subsequent deals to Teledyne and Oklahoma Aerotronics by Allshouse.

September 1, 1976: Solicitation NOO-104–75–R–VQ29 was modified by amendment 0002 to "cancel" the entire transaction under the allegation that specifications were undergoing review. This was one of five transactions covering different components of this same radio, all of which were canceled with the allegation that "technical specifications are defective * * * requirements will be resolicited after correction."

Mr. Speaker, during this period of time, from January 17, 1975, to September 1, 1976, the SPCC officials directed the Commander DCASD Dayton, Defense Electronics Supply Center, Building 5, Dayton, Ohio, to conduct a pre-award survey on Poli-Com Inc., then located at 3120 North Main Street, Dayton. This immediately alerted Mr. P. J. Kanistros that the PCI submission was the low bid, and he prepared to demonstrate to DCASD inspectors that his firm was capable of delivering the same kind of components they have been successfully manufacturing for years. Unknown to PCI, in a secret report issued by DCASD to SPCC dated April 6, 1976, Survey NOO104–76–R–0547 serial S3605A–62004(N) signed by Maj. Thomas A. Jones, Chief Production Division, summarizes the general overall situation with regard to pre-award recommendations:

The Board met to discuss this pre-award, and after an evaluation of all the points, the Board unanimously agreed to a "no award." There was no complete government controlled data package with the pre-award and numerous phone calls have been made to SPCC to no avail. The following comments summarize the evaluation:

From a production standpoint, the proposed contractor, Poli-Com is capable of providing the item as quoted. However, without adequate data package, or detailed clarification of the current data in Navy files, the U.S. Navy will be faced with undue administrative delays, requests for clarification and deviations and the high possibility of justified claims.

Mr. Speaker, ominous overtones come into play here because of the fact that a subsequent request in PCI interest filed under the Freedom of Information Act, Cdr. L. R. Lines, working with Rusack the $24,528-per-annum contracting officer, and B. Share, GS–15, $38,293-per-annum lawyer charged $61.55 for a 157-page package, or almost $0.40 per page instead of the $7.85 price at the $0.05 per page rate listed in the Department of Defense Directive, while, simultaneously, carefully, meticulously, and precisely removing the above documents signed by Maj. Thomas A. Jones and others of equal importance. The 157-page package was stuffed with unrequested and unwarranted PCI correspondence, while the specific documents which were requested were withheld, a violation of the spirit if not the language of the Freedom of Information Act. In a request for refund by the customer, Admiral Allshouse explained the invoice included $48.75 for professional search time at $13 per hour, plus $4.95 clerical time, and $7.85 printing, citing SECNAVINST 5720.42B without commenting on the vital material which he authorized to be removed before the package was sold sight-unseen to the unsuspecting customer. In light of my own experiences with Admiral Allshouse, I would say this is just another outrage to be added to a long list of outrages perpetrated by SPCC personnel on taxpayers, contractors, and Congress. You see, even an official letter from a Member of Congress manifesting an interest in the PCI affair, resulted in the $38,293-per-annum-share demanding $851.25 from PCI before the data would be released. Needless to relate, PCI did not pay this insulting invoice, and the congressional request for information, which in no way invoked the Freedom of Information Act, was denied.

Mr. Speaker, after all this time, all this delay, all this long, involved exchange of correspondence between PCI, DCASD and SPCC, Mr. Kanistros learned of the SPCC intention to cancel the solicitations for which his firm had been evaluated in the pre-award surveys. Since the critical information on the current status of the overall pre-award survey was withheld from PCI, Kanistros, shooting in the dark, submitted a letter to the General Accounting Office protesting the cancellation of these procurements. One by one, the five solicitations were canceled anyway. In a meeting held December 21, 1976, in the office of Mr. Richard Martin, attorney for the GAO, seven Navy representatives confronted PCI's president, P. J. Kanistros. Actually six Navy people signed the attendance sheet. They are identified as Murphy, Share, Chronister, Lines, Rusack, and Johnson. The seventh mystery man slipped into the conference room after the meeting began, sat mute in a chair by the door, and without being identified to PCI, disappeared immediately after the meeting was over. He appeared to be welcome by silent recognition of the other six, and PCI only presumed him to be a Government employee. I am informed that Kanistros made a wry comment that the mystery man might well have been the sales representative of a competitor who came over to take the entire Navy Department out to lunch, and only sat in on the meeting to have a good laugh. Subsequent developments made that small jest almost ironic. Unknown to PCI the morning of December 21, a letter from the Secretary of Navy dated December 16, 1976, signed by Mr. H. Robert Ferneau, the special assistant to the Secretary, was in the mail and would be delivered that very afternoon. In my August 3, 1977, charge against the Navy, SPCC, I stated that "unknown to the participants in that December 21, 1976, meeting, a letter from . . . Ferneau . . . was in the mail." In a 14-page document on blank, unsigned, undated paper, what is obviously a "rebuttal" to my charges prepared by SPCC personnel, I was astonished to read the following statement. This is what the Navy said:

Also untrue is the statement that the participants knew nothing of Mr. Ferneau's letter. In point of fact, Mr. Ferneau's letter had been drafted by Mr. R. Davis of the SUP 02 Staff and had been read to L. Lines (et al) in draft form. Ships Parts Control Center Purchase personnel had taken issue with the draft letter regarding the mentioning of a possible 8(a) contract, because the consideration of an 8(a) approach to get material on the shelves was, at that time, exploratory only and considerably more SPCC effort was required in order to develop a comprehensive procurement plan. Further, Mr. P. Murphy has stated to SPCC personnel that he had briefed Mr. Martin on Mr. Ferneau's letter prior to the GAO conference.

Mr. Speaker, this is a small point, but a big difference. Mr. Kanistros reports that he had arrived at the General Accounting Office early the morning of December 21, and was detained by the guard until Mr. Martin could come down and personally escort him to the conference room where they waited together the entire time until the Navy (6) representatives arrived 20 minutes late for the prescheduled 10 a.m. meeting. At no time did Murphy speak privately to Martin. When questioned on this point later, Mr. Martin, the GAO attorney, confirmed this fact, but added Murphy had mentioned "a letter" very casually in a brief private conversation after the meeting had terminated, although he said he did not understand at that time what impact such a letter would have on PCI. The before or after factor is very important here. It represents the kind of subtle outrage nobody should have to tolerate. I am informed, however, that industry representatives are confronted with this kind of situation often enough to convince thousands of manufacturers that they should never accept prime contracts from the Government. The Navy falsely records in an unsigned, undated document on blank paper, that the GAO was notified of the contents of the Ferneau letter before the conference, whereas, in fact, only a slight passing reference was made of it after the conference, and no mention was made of it during the conference which would certainly have terminated on a different note altogether if the explosive contents had been revealed as general knowledge.

Mr. Speaker, as I said in my August 3 charge against SPCC, and is well worth repeating here, the Ferneau letter dated December 16, 1976, said, in part, as follows:

SPCC with the assistance of NavElex has now located a complete microfilm set of these drawings in the files of the Naval Ship Engineering Center, Hyattsville, Maryland, and is initiating procurement action on the items involved in the cancelled solicitations as well as other SRC–20 parts whose procurement was held up pending resolution of the data question. The Small Business Administration has expressed interest in supplying these AN/SRC–20 parts under its Minority Business Enterprise Contracting Program pursuant to Section 8(a) of the Small Business Act. SPCC anticipates a solicitation for the AN/SRC–20 parts with SBA.

Mr. Speaker, the terrible part about trying to conduct business with official liars is the frustration that wells up in your throat as bitter as gall, and the PCI position here should be easy to under-

stand since Rusack, Share and Lines, in concert, on December 21, repeated and repeated again that the data package was not adequate for procurement of SRC–20 parts, and even as they spoke, they knew the drawings had been located and the contract PCI was seeking would soon be handed off under a noncompetitive arrangement under an 8(a) program to a manufacturer with a $32 million record of sales, soon to be disqualified under that very program as not being minority owned and operated. Still, the worst part is the fact that the SBA representative in SPCC Mechanicsburg whose name is unpronounceable remains invisible throughout this entire episode since he had to know this line of action was definitely against SBA policy and OPI–20 brochure which specifically states:

The SBA will not accept subcontractual opportunities whenever a small business concern may suffer a major hardship if a procurement is offered to the 8(a) Program.

This single individual is as guilty of nonfeasance as the others with their overt acts are guilty of malfeasance, and I intend to point this out to the U.S. Attorney. You will note that the Ferneau December 16 letter cited the fact that the "SBA expressed an interest" and right at that point, the conspiracy jells. Contacts I have established over the years whisper a name that also appears nowhere in the documents I now possess in my office, an individual identified as the possible central character, the one individual who was capable of orchestrating this entire symphony of sadness for Dayton, an ex-Government contracting officer educated in the tricks of the trade at the U.S. Army Electronics Command, Fort Monmouth, N.J. I have supplied this name also to the U.S. Attorney.

Mr. Speaker, secretly, the SPCC personnel met in Mechanicsburg and awarded on May 17, 1977, Contract NOO104–77–C–3774 to Oklahoma Aerotronics, Hartshorne, Okla., which, according to information from SBA was for $1,703,202.80, as compared to the $883,952.85 total which Admiral Allshouse told me it was in reply to a direct question on the subject. This is what the contract covered, quantity involved, unit prices and total prices paid, according to SBA which I must accept as accurate since I cannot obtain a copy of the contract from Admiral Allshouse:

Item	Nomenclature or description of unit	Quantity (units)	Unit price	Total
1	Rotary capacitor 553–1868–003A	199	$169.47	$33,724.53
2	Modulator receiver-transmitter 593–7931–004C	659	505.23	332,946.57
3	Mechanical actuator 548–8900–005F	312	409.71	127,829.52
4	Electrical subassembly 528–0255–005G	801	368.93	295,512.93
5	Receiver subassembly 553–1776–004C	875	453.07	396,436.25
6	Amplifier I.F. D–6239–C	63	453.06	28,542.78
7	Amplifier I.F. 593–1766–003A	129	355.84	45,903.36
8	Power amplifier 548–8765–005H	62	5,223.18	323,837.16
9	Switch radio frequency D–6220	30	3,948.99	118,469.70
	Total			1,703,202.80

It is important to pay attention to small details in dealing with the SPCC Mechanicsburg actions. It is vital to regard what they do not do, as well as what they do. In the case of the above award to Oklahoma Aerotronics. The regulations require that such negotiations be reported in the U.S. Department of Commerce Business Daily in a preaward announcement, and after-the-fact notice as to the award and dollar value. If Admiral Allshouse did not give the specific order to not release the information either before or after the fact, the question remains to be answered as to who did. Naturally, such a release to the Department of Commerce would be observed by PCI employees, and protested forthwith. Moreover, attention is invited to line item No. 8 above, the power amplifier 548–8765–005 rev. H at a unit price over $5,000 which is not understood by my staff since the price range was over $3,000 in an earlier solicitation for 255 units that SPCC canceled where the units were to be in accordance with the same drawing only revision N whereas the Oklahoma contract specifies revision H covering an older and possibly obsolete part, certainly not the latest drawing revision applicable to the unit. Admiral Allshouse refuses to deliver a copy of the procurement document by continued delay, and phone calls are of no avail, as so aptly put by DCASD Dayton in the PCI preaward survey.

Mr. Speaker, what Admiral Allshouse did announce in the May 3, 1977, issue of the Department of Commerce Business Daily is the fact that he had awarded contract NOO104–77–C–0187 to Teledyne Lewisburg, Lewisburg, Tenn. for $58,296. What this proved to be was an award for only six units of the power amplifier 548–8765–005 revision N at a unit price of $9,716. In my August 3, 1977, charge against SPCC actions, I mentioned that the officials ignored the $3,510 PCI quotation submitted under the earlier 75–R–VQ29, while I pointed out the fact that the entire radio was being produced by Admiral for $10,872. The following is what Admiral Allshouse has to say in rebuttal:

PTWA44/6258/0747 was a requisition from the Republic of China (Taiwan) for 6 power amplifiers, which was processed under the Foreign Military Sales Act 22 USC 2762. The SPCC computer generated an automated small purchase request, and a set of preprinted and preaddressed automated requests for quotations (RFQ), to the SPCC Automated Small Purchase Section, based on information in the computer files. Automated requests for quotations were mailed to Rockwell International/Collins Radio (OEM); DEPCO (Dayton Electronic Products Company, formerly operated by Mr. Kanistros of PCI); and Teledyne Lewisburg. In the returns, DEPCO did not respond; Rockwell/Collins declined to quote, saying the item was no longer in production and not available; Teledyne Lewisburg quoted $9,716 each. Faced with a single quote far in excess of the initial estimate, the FMS buyer solicited two additional companies by telephone: ASC (Formerly Admiral Systems Corporation), and Shefford Electronics. Shefford declined to quote on the small quantity. ASC who was still in production on a NAVELEX/NPO Washington contract for AN/SRC–20(A) Radio sets, quoted $12,059.00 each.

Mr. Speaker, you can see that Admiral Allshouse makes the clear implication that the procurement documents were untouched by human hands since everything is "automated" to such an extent the "computer" provided three names, Collins, DEPCO, and Teledyne, coupling two names—Collins and DEPCO—of firms that never, if ever, bid on small components of the SRC–20(A), with the one firm that bids practically every time—Teledyne. Admiral Allshouse would have us believe this mindless R2D2 Robot waddles about the Mechanicsburg Depot helter-skelter rigging bids to make the appearance of competition when, in fact, there was none. However, he continues with his rebuttal of my charges:

Queried by the buyer as to why they quoted $12,059 for a component when they had sold the entire system to the Navy for $10,872.96 under Contract NOOO39–72–C–0292, ASC officials replied that the specific component was out of production and would require complete new manufacture. Parenthetically, it is noted that ASC officials had advised SPCC procurement officials that ASC had lost about $10,000 per unit on each radio set furnished under Contract NOOO39–72–C–0292. The FMS buyer had no knowledge of the $3,510 offer from PCI under another solicitation. However, the buyer was aware of difficulties with PCI under other open contracts, and PCI was not among those solicited.

Mr. Speaker, if I did not know these statements were Navy-issued, I would not believe it possible any rational human being would say such things to a Member of Congress. They say the FMS buyer was not aware of the $3,510 offer under another solicitation at the same agency which they canceled in September 1976, but that the buyer did know all about the ASC contract 72–C–0292 over 5 years old with another agency altogether. This is incredible, but it gets worse. The Navy, in their "search for alternatives"—a search to place contracts with other than PCI—found they could exercise an option under 72–C–0292 contract with ASC, and "requirements were computed and limited to quantities which reasonably could have been expected to have been computed as initial systems provisioning quantities * * * and * * * the contract option was exercised." I am afraid to ask for how much money. Even in their 14-page "rebuttal" the Navy states that ASC quoted $12,059 for the power amplifier and "explained" the high price was due to an "uneconomical start-up since the item was not in production." The primary purpose of an option for provisioning of basic systems under the prime contract for the entire radio is to provide the advantage of economy of a lower unit price in a larger quantity. Here the ASC contract, over 5 years old, is completed, and the SPCC re-enters the field with another sole-source noncompetitive award disguised as an "option" under the earlier contract to purchase equipment subject to "uneconomical startup costs." The very worst part about this entire situation is the fact that Admiral Allshouse attempts to cover up these lunatic procurement practices, saying ASC lost $10,000 per radio in a contract for 216 systems would make the loss over $2 million on that single contract which was awarded, as I said before, in June 1972. The Renegotiation Board advises the unaudited submission

by ASC for 1971 indicated a total sales of $9,728,000, and a profit of $313,000; 1972 sales were $3,904,000, profit $611,000; 1973 sales $7,538,000, profit $477,000; and 1974 sales $2,390,000, profit $654,000. Admiral Allshouse, Commanders Lines, Rusack, and Share should be removed from their positions of authority and trust immediately. LaPointe Industries, the ASC parent company, is right this very moment in litigation at the U.S. Court of Claims with the Renegotiation Board attempting to recapture excess profits under three separate actions unearthed by the Federal Bureau of Investigation. Perhaps the Allshouse statement as to the $10,000 loss per radio suffered by ASC only provides a more powerful indictment of the fact that if the $10,000 loss were true, certainly the spare parts business dispensed by Allshouse's Sharkeys makes up the deficit.

Mr. Speaker, this unending farce under the command of Admiral Allshouse continues. SPCC issued a procurement document on February 23, 1977, covering nine line items of repair parts for the SRC–20(A) Radio including the ever-popular power amplifier 548–8765–005 revision N. You will note this drawing number is identical to that specified in solicitation 75–R–VQ29 issued January 17, 1975, and then cancelled September 1, 1976. This new solicitation carried an identification number 77–R–WR79 and was a letter request for technical proposals issued as phase I of a two-step action under which all firms are required to submit a very-expensive-to-prepare technical proposal to qualify in a pretrial before price competition is authorized. This is a procedure described by 2–501, 2–502, 2–503 of the armed services procurement regulation. Regulation 2–503.2 requires that upon completion of step one, a formally advertised procurement will be conducted with only those firms surviving phase I. This new solicitation (77–R–WR79) was released by J. F. Minahan, contracting officer, and the buyer is listed as R. H. Brydon A/C 717–766–8511 extension 3035. Again, the SPCC people state:

> The government's previous experience in the procurement of components of the AN/SRC–20 Radio has proven that the drawings, specifications and technical data in the government possession are insufficient. . . .

Mr. Speaker, precisely contrary to the provisions of the ASPR, Admiral Allshouse includes the following paragraph in this solicitation:

> Pricing will not be submitted with the technical proposal. This will be requested on a subsequent Request for Proposal (RFP) issued to those offerors who have submitted an acceptable technical proposal consisting of all the required documentation.

Mr. Speaker, when I questioned Allshouse about this particular piece of lunacy, I get doubletalk and more delay. I asked for a list of similar procurement situations which involved informal pricing action in phase II of a letter request for technical proposal, and all I got in return was three pages of doubletalk. Needless to relate, the SPCC has now altered the solicitation to provide for a negotiated, informal solicitation where the bids may be opened in secret, changed in secret and awarded in secret to any firm of SPCC choice. The terrible ramifications of this procurement situation in Mechanicsburg are unending. Since Oklahoma Aerotronics entered the picture with the May 17, 1977 award for $1.7 million, additional developments have been recorded. Certainly known to the SBA representative in SPCC the Federal Spending Subcommittee of Government Operations Committee held hearings on July 6, 7 and 8, 1977. The following is taken from the record:

> Senator CHILES. Mr. Jim Rice . . . was found by an SBA surveillance team to be in sole operating control of his company, Oklahoma Aerotronics Inc. Although a divestiture agreement existed whereby disadvantaged employees were to hold 55 percent of the stock, they have no control over the company's operation. None of the disadvantaged employees is in any sort of managerial position according to the report. How can we say this company meets 8(a) criteria?
>
> Mr. STEPHENS. This is a little more complex, Senator. The firm probably was approved for program participation as far back as 1970 or 1971, under existing criteria. There was an employee's stock trust agreement which formed the basis for determining that even though the firm was being operated by management on a day to day basis, by other than a disadvantaged person, did establish the firm was eligible under the criteria that existed then. The agreement, the employees stock trust agreement was reviewed by general counsel, the firm was found to meet program criteria at the time and they have continued in the program.
>
> Senator CHILES. Does it meet program criteria now?
>
> Mr. STEPHENS. The subject is under review now. The firm has been notified of its termination from the program and they have appealed. The 8(a) board of contract appeals will be meeting shortly on the appeal of a termination.
>
> Senator CHILES. You mean your criteria is set up such that I can set up one of these companies and as long as I can get 55 percent of the people are minorities, to set up a trust agreement within, if I don't have anything to do with the management or operation of this plan, I can get these contracts without any bids. . . . Can't we stop him in the program at any time? Can't we keep him from getting any new contracts at any time?
>
> Mr. STEPHENS. As I indicated, sir, the region has attempted to, and they have terminated the firm from the program.

Mr. Speaker, a contract was made with Berkley Boyd in the SBA 8(a) program (653–6549) to ascertain the following facts. Oklahoma Aerotronics was "qualified" under the minority-owned-and-operated 8(a) program on October 19, 1971. This firm was "disqualified" on August 10, 1977. During that period of time, they took $32.5 million as follows: Army $13.1, Navy $2.9, Air Force $15.5 and DOT $1.8 million. Because of its importance, the following must be included in the record:

September 26, 1977: Department of Commerce Business Daily PSA 6918, award F41608–77–C–0025 covering production AN/PRC–90( ) Radio for $2,186,940 to Oklahoma Aerotronics by SBA under SB–6128(A)–77–C–0730 from San Antonio Air Logistics Center, Kelly AFB, Tex. Inquiry by my staff of SBA revealed that the unit price for this radio was $362.24, more than double the price of $152.91 paid Florida Communications & Electronics, Clearwater, Fla., under the initial competitive procurement for this portable pilot's survival radio.

The AN/PRC–90( ) Radio is described as a pilot survival set, compact, rugged, light-weight, battery-powered microelectronic transceiver designed to provide a modulated beacon tone so that searching ships or aircraft can locate downed air-crewmen. The unit generates a swept-modulated tone on MCW or voice transmission 243.0 MHz plus an additional 282.8 MHz channel for rescue operations. Early development work by Sylvania with Naval Air Systems Command included AN/PRC–63( ) and AN/PRC–90 for approximately $15 million involving development and production. The first open, competitive, formal procurement for this equipment appeared June 9, 1971. Under Wright Patterson AFB F33–657–72–C–0167, a requirement from 1,000 to 8,000 units in incremental quantities shown below resulted in the following bids and award of 72–C–0167 to Florida Communications & Electronics, Clearwater, Fla., bidding a unit price of $152.91. The Air Force preaward survey team was quoted by Col. John J. Shaughnessy, USAF, Chief, plans group, legislative liaison that the:

> PAS team is satisfied that the firm can perform on this contract. Air Force engineering and pricing personnel on the PAS team reviewed major direct changes for components, labor and material and are satisfied that the bid is realistic. The team found no evidence of deliberately buying-in. The company is a small business firm with a low overhead rate and their performance on two existing government contracts has been satisfactory.

Name of firm bidding WPAFB, June 1971	1,000–1,500	1,501–3,000	3,001–5,000	5,001–8,000
1. Florida Communications & Electronics	$192.73	$171.47	$162.98	$152.91
2. Baltimore Electronics, Baltimore, Md	484.51	484.51	235.36	199.24
3. Emerson Electric, St. Louis, Mo	324.00	297.00	283.00	266.00
4. Micropac Industries, Garland, Tex	399.00	339.00	292.00	279.00
5. Cosmos Industries, Long Island, N.Y	439.00	388.00	310.00	281.00
6. Bristol Electronics, New Bedford, Mass	575.00	495.00	399.00	338.00
7. Henry Products, Inwood, N.Y	379.00	365.00	359.00	348.00
8. Leigh Systems, Syracuse, N.Y	665.00	620.00	448.00	390.00
9. Arvin Systems Inc., Dayton, Ohio	455.67	435.34	422.40	307.75
10. GTE Sylvania, Buffalo, N.Y	542.00	476.00	441.00	414.00

Note: Other bids higher: ACR $632 to $421; Magnavox, Fort Wayne $837 to $425, etc.

Mr. Speaker, these tiresome numbers have to end somewhere, and I will conclude this presentation shortly; however, I feel that this is important. I have difficulty dealing with abstract theory. I listen to economists quote the gross national product which seems somehow to prove that the United States of America is the richest country in the world as they point to record shattering statistics covering consumer products or other goods and services. This all sounds very nice, but I remain with that uneasy feeling in the pit of my stomach that the heritage we leave our children's children will be disaster. In reality, I know that I cannot spend more money than I ever hope to earn without courting that final accounting of an enormous overdraft. We all

seem to take pride that our Government will pay any price for anything, ignoring the basic premise that the cancerous difference between what we pay out and what we take in is simply added to the already staggering national debt. The United States owes more money than every other country in the world put together, and we are hard pressed just to pay the interest on the indebtedness without giving any thought to the possible reduction of principle. Unless we are prudent and resourceful, some day in the dim and misty future, our towering National Debt may topple our government into a currency chaos of economic rubble from which could possibly emerge that much-feared third political party swept into office spouting that specious allegation of something for nothing for everybody. To win the cold war, the Communists do not have to blow our country away or ruin our beautiful cities with bombs. To lose, we must default our debts into bankruptcy. It is for this reason that I despise waste in Government spending. Each incident increases the debt, and each year, the debt is higher. This year, the debt ceiling will go from 688 to 700 billion.

Mr. Speaker, these matters demand the attention of the U.S. attorney holding appropriate jurisdiction, and I am forwarding the information to that office forthwith.

LASTING PEACE SOUGHT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. DODD) is recognized for 5 minutes.

Mr. DODD. Mr. Speaker, the events of the past week in the Middle East signal a breakthrough toward peace in that region troubled by war for the past three decades. In a most courageous move, Egypt's President Anwar Sadat embarked on a mission of peace by deciding to commence direct negotiations with Israel. In an equally commendable fashion, Israel's Premier Menahem Begin responded to the challenge and greeted President Sadat with a reception that warmed the heart of millions throughout the world.

The meetings in Jerusalem this past weekend are especially significant because they mark the first time that an Arab nation has expressed its willingness to accept the existence of a Jewish state in the Middle East. Unfortunately, the reactions of certain other Arab nations and the Palestine Liberation Organization have been less than encouraging in this regard.

There are many critical issues which comprise the Middle East problem, but in my view there is one central issue—the willingness of the nations in the region to live in peace with each other within secure and recognized borders.

The steps taken by Israel and Egypt this weekend indicate that the two most important adversaries in the Arab-Israeli dispute are ready to forgo war as an instrument for settling their differences. I fervently hope that Israel, Egypt, and the other parties to the conflict will move as quickly as possible to establish a lasting and fruitful peace in the region.

Mr. Speaker, I believe that the House should offer its congratulations to the peoples of Egypt and Israel for the remarkable steps taken these past few days. I also believe that we shoud urge all the states of the Middle East to follow their example and begin direct negotiations leading to peace treaties that will establish permanent peace and full normalized relations in the Middle East.

Accordingly, I am submitting the resolution which follows below. I urge all of my colleagues to join me in cosponsoring this resolution, and I urge its adoption:

RESOLUTION OF CONGRATULATIONS TO THE PEOPLES OF EGYPT AND ISRAEL

Whereas the people of the United States earnestly hope that peace may be negotiated in the Middle East; and

Whereas President Anwar Sadat and Premier Menahem Begin have shattered the barriers separating Egypt and Israel by commencing direct negotiations; and

Whereas the two parties have agreed to continue their dialogue, paving the way toward negotiations resulting in the signing of peace treaties in Geneva between Israel and all the neighboring Arab states; therefore be it resolved that:

It is the sense of the House that the United States offer its congratulations to the people of Egypt and Israel, and that the United States encourage all the states of the Middle East to follow their example in beginning direct negotiations leading to peace treaties that will establish permanent peace and full normalized relations in the Middle East.

ACTION NEEDED TO HALT $2 BILLION FRAUD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. PEPPER) is recognized for 5 minutes.

Mr. PEPPER. Mr. Speaker, as you will recall, last year, in response to the ever-increasing litany of abuses revealed in the medicaid program, Congress created an Office of the Inspector General (OIG). This Office was charged with the responsibility of consolidating fragmented program integrity efforts, and to assure that Government programs were protected from cheats and frauds. The House Select Committee on Aging, which I have the privilege of chairing, shares this priority—protecting the fiscal integrity of health and welfare programs affecting millions of older Americans.

In a move to put teeth into their publicized desire to wipe out fraud, Congress allocated special funds to staff the HEW effort. Mr. Thomas Morris was confirmed as the first HEW Inspector General in U.S. history. Shortly thereafter, HEW Secretary Joseph A. Califano, Jr., announced that the OIG would initiate "Project Integrity," a first step designed to ferret out fraudulent practitoners in the medicaid program.

The project would have three phases. Phase one would consist of collecting computerized medicaid payment tapes from the States. These tapes were then run against certain fraud scales and suspect cases would be identified.

Phase 2 of the project would consist of sending investigators to the field to check on these suspect cases. Their investigations would include detailed examinations of records, and interviews of appropriate individuals. In short, a determination would be made as to whether or not referral of the case to prosecutors would be warranted.

Phase 3 would consist of civil and/or criminal actions by U.S. attorneys, States attorneys, and district attorneys on behalf of the Government. Their task would be to obtain convictions of those who were taking advantage of the medicaid program.

On October 12, 1977, the Secretary reviewed the status of Project Integrity. He stated that since April, the Office of the Inspector General, after examining nearly 250 million bills, had been able to uncover some 47,000 cases of suspicious and potential fraud. The Secretary indicated that of these 47,000 cases, his department had decided to take 2,500 of the most suspicious for investigation and potential referral to justice authorities.

The Secretary's statement, and the efforts of those involved in Project Integrity should be lauded. This is the first administration to engage in a serious and aggressive effort to ferret out fraud and abuse. In a very real sense, the administration's move is just short of being of historic proportions. As you know, Congress could not in good conscience proceed with new, major national health legislation until the administration had demonstrated both the willingness and the capability to protect the integrity of our existing programs.

Just as the administration deserves credit for its bold actions, so the Congress deserves credit for the foresightedness it demonstrated by creating the Inspector General's office. Were it not for this legislation which consolidated and provided initial funding for the Inspector General's office, the administration may not have had the vehicle it needed to pursue fraud.

Unfortunately, while from Washington the Congress and the administration have clearly sounded their intent to stop fraud, a careful examination of these efforts illustrates that we have only begun the job and that even more resources will be needed before we can be assured of a reasonable level of program integrity. Several points are illustrative:

First. While the administration announced it had uncovered nearly 47,000 suspect cases, it will, at this point in time, actively pursue only 2,500 of the most serious cases. It was an arbitrary cutoff, arrived at because, on the average, it represents approximately 50 cases in each of the 50 States. Only 5 percent of these 47,000 suspect cases will be fully investigated at this time. And assuming that of that number, a certain percentage will not be prosecutable for one reason or another, as few as 2 percent of the wrongdoers may be punished. This is hardly a significant deterrent to those who may consider engaging in fraud in the future.

Second. The 47,000 suspect cases were discovered by a review of medicaid payments to only two categories of service providers: medical doctors and pharmacists. These 47,000 cases did not

include a review of payments to other provider groups such as dentists, chiropractors, nursing homes, hospitals, ambulance companies, home health agencies, or any other special medical provider group. Based upon previous testimony received at congressional hearings, we are forced to conclude that these other, yet unexamined groups of providers are as apt to engage in fraudulent practices as those currently under review. It is difficult to estimate how many new cases could be uncovered, but it can be stated with some certainty that the figure could easily rise into the hundreds of thousands.

Third. Finally, while enforcement efforts are costly on a short run basis, there is strong evidence suggesting that in the long run, these expenditures actually return more money to Government coffers than they spend. Numerous documented examples verify this fact. Probably the most illustrative is the statement by Charles Hynes, New York State's special prosecutor, that a single auditor can routinely uncover up to $3,000 in fraudulent payments for every day he is at a field site. Similarly, Secretary Califano, in his recent appearance before the House Subcommittee on Health and the Environment estimates that—

$12.00 (are) saved for every $1.00 it will cost to put controls into effect . . .

Responsible members of the administration and of the Congress cannot help but realize that there is much more to be done. They cannot help but ask, how can we do more?" That kind of question. when asked in the past, has usually meant more staff, more money, and a greater strain on the Federal budget. Historically, Congress has been reluctant to pursue this path especially with former administrations that have not demonstrated a serious and competent effort in this area. This administration, however, has established a radically different track record. It has shown that existing allocations to fight fraud have been put to good use and that more resources are needed to complete the job at hand. The Secretary has reported that—

We can realize a total of over $2 billion in savings in the next three fiscal years . . . or twelve times more than we will spend to implement them.

Mr. Speaker, the committee staff has met and been in consultation with the Inspector General, Mr. Morris. It is clear that there is a specific and real need to increase funds available to support the outstanding work his office has begun. The committee has learned that if the Inspector General's budget were increased by an amount less than $4 million he would be able to increase the percentage of cases brought to prosecution as well as expand his work into new areas of health fraud. This amount represents the maximum expansion this office can effectively handle over a years' period of time.

Mr. Speaker, by increasing the budget of the Inspector General, we will help to create an effective deterrent to those who seek to cheat and defraud public programs. Today, therefore, I am introducing a bill which calls for an additional appropriation of less than $4 million for the Office of the Inspector General. Secretary Califano also supports an increase of this amount. Finally, it is a small sum to invest to help plug a $2 billion leak in our Federal health and welfare programs. It is the kind of appropriation which careful scrutiny will justify.

Congress, by creating this office, took a major first step toward establishing integrity in our health and welfare programs. The correctness of that step is witnessed by the outstanding track record the Inspector General has achieved to date. It is now time for Congress to take the second step down this difficult but vital road—a road which once traveled should assure hundreds of thousands of our poor, sick, and elderly that every dollar spent for their welfare will be used for the care and services they so desperately need—and to assure the American people that their hard earned tax dollars do not go to line the pockets of unconscionable profiteers.

Mr. Speaker, I am pleased that Representative EDWARD R. ROYBAL, chairman of the House Aging Subcommittee on Housing and Consumer Interests, an important member of the Labor-HEW Appropriations Subcommittee, is a prime cosponsor of this bill. I am also pleased that Representative WILLIAM S. COHEN, ranking minority member of the House Aging Subcommittee on Health and Long Term Care has agreed to be a prime cosponsor of this bill as well.

I would now like to include a document prepared at our request by the Inspector General. It details how the funds appropriated by my bill would be utilized:

[Office of Inspector General]

Requirements for supplemental budget fiscal year 1978

Unit	Positions authorized	Positions unable to finance
Immediate office	10	1
Audit agency	900	52
Investigations	114	14
Health care and systems review	40	23
Total	1,064	90

In addition:

Audit has had a long standing deficit of over 1,300 staff-years—and has diverted 160 staff-years to new projects (Integrity and Match). Propose contract out 30–40 audit staff-years in 1978 to States and CPA's—more in 1979.

Investigations workload has skyrocketed—now 2-year backlog. We should double the professional staff by adding 100 positions.

Systems Review must be brought up to authorized strength to meet requirements of 94–505 in Health Care.

Proposed supplemental

[In thousands]

	3-Month level (OMB)	6-Month level (desired)
Make whole	552	1,104
100 for investigations	818	1,635
Audit contracts	1,000	1,000
Total	2,370	3,739

Secretary Califano has indicated support for the 6-month level.

I insert at this point the text of the bill:

H.R. 10117

A bill making supplemental appropriations for the Inspector General of the Department of Health, Education, and Welfare

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is appropriated for the fiscal year ending September 30, 1978, out of any money in the Treasury not otherwise appropriated, the sum of $3,739,000 for the Inspector General of the Department of Health, Education, and Welfare, to carry out the provisions of title II Sec. 203(a)–(d) of the Act of October 15, 1976 (P.L. 94–505; 42 U.S.C. 3521–3527).

DR. RUSSELL PETERSON

(Mr. MILLER of Ohio asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MILLER of Ohio. Mr. Speaker, we are pleased that Dr. Russell Peterson has accepted the post of Director of the Office of Technology Assessment, effective January 16, 1978.

Dr. Peterson brings to the office the kind of executive ability, experience and intellect that will add significantly to the resources and direction of OTA.

He is a past Governor of Delaware, and a former Chairman of the Council on Environmental Quality, was the director of research and development for DuPont and is currently director of New Directions, an organization focusing on global problems.

OTA was established in 1972 as an arm of Congress to provide early indications of the probable beneficial and adverse impacts of the applications of technology and to develop other information which may assist the Congress.

It was designed to provide Congress with a new and effective means for securing competent, unbiased information concerning the physical, biological, economic, social, and political effects of the application of technology.

A Technology Assessment Board, composed of six Senators and six Representatives from both parties, directs OTA operations.

In its short life OTA has had some notable accomplishments and generated respect from the Congress and the scientific world. Recent assessments, performed in response to congressional requests, have enhanced the stature and reflected well on OTA and its staff. Three of these studies were "The Application of Solar Technology to Today's Energy Needs," "The Analysis of the Proposed National Energy Plan," and "Nuclear Proliferation Safeguards."

We are confident that Dr. Peterson will continue this course and carry OTA to even greater accomplishments.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the re-

quest of Mr. CONABLE) to revise and extend their remarks and include extraneous material:)

Mr. HARSHA, for 1 hour, today.

(The following Members (at the request of Mr. GUDGER) to revise and extend their remarks and include extraneous material:)

Mr. DODD, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. PEPPER, for 5 minutes, today.

Mr. DINGELL, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. CONABLE) and to include extraneous material:)

Mr. BROWN of Ohio in two instances.

Mr. WHALEN.

Mr. RHODES.

Mr. HANSEN in eight instances.

Mr. SYMMS.

Mr. LENT.

Mr. DERWINSKI in two instances.

Mr. CORCORAN of Illinois.

Mr. FRENZEL in three instances.

Mr. FINDLEY.

Mr. CONABLE.

(The following Members (at the request of Mr. GUDGER) and to include extraneous material:)

Mr. DENT.

Mr. ANNUNZIO in six instances.

Mr. ANDERSON of California in three instances.

Mr. GONZALEZ in three instances.

Mr. BROWN of California in 10 instances.

Mr. VENTO in two instances.

Mr. PHILLIP BURTON.

Mr. ERTEL.

Mr. DINGELL.

Mr. MCKAY in two instances.

Mr. GEPHARDT.

Mr. REUSS.

Mr. FISHER.

Mr. KOSTMAYER.

Mr. THORNTON.

Mr. CONYERS.

Mr. MCDONALD in two instances.

Mr. ZABLOCKI in two instances.

Mr. LEHMAN.

Mr. MILFORD.

ADJOURNMENT

Mr. GUDGER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 9 minutes p.m.), under its previous order, the House adjourned until Friday, November 25, 1977, at 10 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2715. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a list of contract award dates for the period November 15, 1977, to February 15, 1978, pursuant to 10 U.S.C. 139(b); to the Committee on Armed Services.

2716. A letter from the Director, Defense Security Assistance Agency, transmitting a report on the impact on U.S. readiness of the Army's proposal to sell certain defense equipment to the Federal Republic of Germany (transmittal No. 78–5), pursuant to section 813 of Public Law 94–106; to the Committee on Armed Services.

2717. A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting proposed final regulations to govern the program of research grants on organizational processes in education, pursuant to section 431(b)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

2718. A letter from the Director, Hoover Institution on War, Revolution, and Peace, transmitting a report on the expenditure of funds on the Herbert Hoover Federal Memorial Building by the Hoover Institution during the period July 1, 1976, to September 30, 1977, pursuant to section 4 of Public Law 93–585; to the Committee on House Administration.

2719. A letter from the Acting Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b; to the Committee on International Relations.

2720. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Army's intention to offer to sell certain defense equipment to the Federal Republic of Germany (transmittal No. 78–5), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on International Relations.

2721. A letter from the Secretary of Health, Education, and Welfare, transmitting the first report on the supply and distribution of and requirements for nurses, pursuant to section 951(b) of Public Law 94–63; to the Committee on Interstate and Foreign Commerce.

2722. A letter from the Director, Federal Judicial Center, transmitting the Center's annual report for fiscal year 1977, pursuant to 28 U.S.C. 623(b); to the Committee on the Judiciary.

2723. A letter from the Comptroller General of the United States, transmitting recommendations for improving congressional oversight of programs (PAD–78–3, November 22, 1977); jointly, to the Committees on Government Operations, and Rules.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 2539. A bill pertaining to land consolidation and development of the Umatilla Indian Reservation; with amendment (Rept. 95–819). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 2540. A bill pertaining to the inheritance of trust or restricted lands on the Umatilla Indian Reservation; with amendment (Rept. 95–820). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK:

H.R. 10112. A bill to amend the Internal Revenue Code of 1954 to allow a taxpayer to deduct, or to claim a credit for, amounts paid as tuition to provide an education for himself, for his spouse, or his dependents; to the Committee on Ways and Means.

By Mr. DINGELL (for himself, Mr. APPLEGATE, Mr. CUNNINGHAM, Mr. EILBERG, Mr. GOODLING, Mr. RAHALL, and Mr. WALGREN):

H.R. 10113. A bill to reduce unemployment, stimulate fair and free competition in world steel trade, provide temporary relief from unfair trading practices for the domestic steel industry, and for other purposes; to the Committee on Ways and Means.

By Mr. HARRINGTON (for himself, Mr. BOLAND, Mr. CONTE, and Mr. MOAKLEY):

H.R. 10114. A bill to authorize the creation of the Energy Corporation of the Northeast and to authorize the Secretary of the Treasury to provide guarantees for the obligations of such corporation and other financial assistance to such corporation; jointly, to the Committees on Interstate and Foreign Commerce, Banking, Finance and Urban Affairs, and the Judiciary.

By Mr. HARRINGTON (for himself, Mr. EILBERG, Mr. NOWAK, and Mr. STANTON):

H.R. 10115. A bill to authorize the creation of the Energy Corporation of the Northeast and to authorize the Secretary of the Treasury to provide guarantees for the obligations of such corporation and other financial assistance to such corporation; jointly, to the Committees on Interstate and Foreign Commerce, Banking, Finance and Urban Affairs, and the Judiciary.

By Mr. MCKINNEY:

H.R. 10116. A bill to amend the District of Columbia Income and Franchise Tax Act of 1947 to impose an income tax on income derived from sources within the District of Columbia by individuals who are not residents of the District of Columbia and to remove the franchise tax on the income of unincorporated businesses; to the Committee on the District of Columbia.

By Mr. PEPPER:

H.R. 10117. A bill making supplemental appropriations for the Inspector General of the Department of Health, Education, and Welfare; to the Committee on Appropriations.

By Mr. STEERS (for himself, Mr. FISHER, Mr. HARRIS, and Mrs. SPELLMAN):

H.R. 10118. A bill to establish a commission to study the adequacy of the annual Federal payment to the District of Columbia; to the Committee on the District of Columbia.

By Mr. WHALEN:

H.J. Res. 661. Joint resolution authorizing the President to proclaim annually a week during the first 10 days in May as Pacific/Asian American Heritage Week; to the Committee on Post Office and Civil Service.

By Mr. BEDELL (for himself, Mr. KAZEN, Mr. MAHON, Mr. JOHNSON of Colorado, Mr. ABDNOR, Mr. SANTINI, Mr. MATHIS, Mr. SKELTON, Mr. CEDERBERG, Mr. AMMERMAN, Mr. WAGGONNER, Mr. THONE, Mr. GRASSLEY, Mr. D'AMOURS, Mr. MARLENEE, Mr. MAGUIRE, Mr. CHARLES WILSON of Texas, Mr. EILBERG, Mr. BAUCUS, Mr. SYMMS, Mr. DERRICK, Mr. HARRINGTON, Mr. WATKINS, Mr. CORCORAN of Illinois, and Mr. NOLAN):

H. Con. Res. 415. Concurrent resolution to assure equal access to quality health care for populations located in rural areas; jointly, to the Committees on Interstate and Foreign Commerce, and Ways and Means.

By Mr. RYAN:

H. Con. Res. 416. Concurrent resolution denouncing the acts of repression by the Government of Ferdinand Marcos of the Philippines and urging the President to terminate security assistance to that Government; to the Committee on International Relations.

By Mr. DODD:

H. Res. 914. Resolution of congratulations to the peoples of Egypt and Israel; to the Committee on International Relations.

By Mr. HAMILTON (for himself and Mr. FRASER):

H. Res. 915. Resolution authorizing funds for the investigation of Korean-American relations being conducted by the Subcommittee on International Organizations of the Committee on International Relations; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

Mr. BAUMAN (by request) introduced a bill (H.R. 10119) for the relief of Marjorie H. Bruno, which was referred to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

342. By the SPEAKER: Petition of the Association of the United States Army, Washington, D.C., relative to sustaining the strength of the Army; to the Committee on Armed Services.

343. Also, petition of the council of the city of New York, N.Y., relative to reducing the interest rate on emergency loans to New York City; to the Committee on Banking, Finance and Urban Affairs.

344. Also, petition of the American Trucking Associations, Inc., Washington, D.C., relative to labor unionization procedures; to the Committee on Education and Labor.

345. Also, petition of the Southern Legislative Conference of the Council of State Governments, Atlanta, Ga., relative to Federal aid programs; to the Committee on Government Operations.

Petition of the Combined Jewish Philanthropies, Boston, Mass., relative to the U.S. policy in the Middle East; to the Committee on International Relations.

EXTENSIONS OF REMARKS

FDA FAILS TO ALLOW MARKETING OF VALUABLE EPILEPSY DRUG

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 22, 1977

Mr. SYMMS. Mr. Speaker, a massive effort to obtain marketing approval of a valuable drug to treat epilepsy hit another bureaucratic roadblock recently when the Food and Drug Administration failed to accept a recommendation from its professional advisory committee to approve sodium valproate for marketing in the United States. Although the FDA's own Neurologic Drugs Advisory Committee unanimously recommended immediate approval for marketing, the agency instead approved sodium valproate on a limited investigational basis.

Although the FDA claims it is not the bottleneck that has kept this drug from Americans for 10 years after it was available in other countries, the delay with sodium valproate is an example of the widespread drug lag in the United States, caused by excessive regulatory authority given this agency. Many companies simply cannot afford to develop and obtain FDA approval of new drugs, regardless of the promise the drug may show. Sodium valproate is only one example of a problem that has seriously hampered development of new drugs in this country for the past 15 years.

Senator JESSE HELMS, Republican, of North Carolina, and I have introduced resolutions calling for speedy consideration of sodium valproate by the FDA. Additionally, the Epilepsy Foundation of America is continuing its fine efforts to secure approval of this valuable drug. James A. Autry, president of the foundation, recently contacted a number of elected officials about sodium valproate, and I commend his comments to my colleagues in the House:

EPILEPSY FOUNDATION OF AMERICA,
Washington, D.C., November 10, 1977.

DEAR CONGRESSMAN: We are requesting your assistance in urging the U.S. Food and Drug Administration to make a prompt decision on the marketing of sodium valproate in this country. Sodium valproate (valproic acid, Depakene) is an especially effective antiepileptic drug which was first marketed in France in 1967, is available in fourteen other countries, including England, Germany and Japan, but still is not approved for use in the U.S. More than 120,000 patients receive the drug each day and more than 200 studies and articles on the drug have been published in the scientific literature. Sodium valproate has the advantage over the drugs used in this country of effectiveness in a wide spectrum of seizure disorders combined with only rare occurrences of serious side effects.

The marketing of sodium valproate in this country has been under consideration since 1974 when Abbott Laboratories, the firm licensed to market the drug in the U.S., filed an investigational new drug application with the Food and Drug Administration. During this three-year period, Abbott Laboratories began testing the drug. On April 15, 1977, at a hearing before the U.S. Commission on the Control of Epilepsy and Its Consequences, testimony was heard from physicians, consumers, the drug industry, and the U.S. Food and Drug Administration. The common thread throughout the day-long hearing was agreement that sodium valproate is a very necessary drug for the treatment of epilepsy; that it has in the last ten years benefited many epilepsy patients outside of this country; and that the sole reason for its not being available in the U.S. was that Abbott Laboratories had not presented proof of its safety and effectiveness to the Food and Drug Administration.

On July 18, 1977, in an interview on NBC's "Nightly News", Dr. Donald Kennedy, FDA Commissioner, stated, "Everything I know derives from the experience of people who are clinically competent and for whom I have great scientific respect and everything that they tell me suggests that it's (sodium valproate) an excellent drug." Dr. Kennedy further stated that, "The FDA is not the bottleneck in this situation." On that same day, the FDA requested Abbott Laboratories to submit all available data on sodium valproate to FDA for evaluation of the drug's safety and efficacy by an independent panel of experts, FDA's Neurologic Drugs Advisory Committee.

On October 12, 1977, the FDA's Neurologic Drugs Advisory Committee evaluated the scientific data on the drug and unanimously recommended that FDA approve sodium valproate for marketing in the U.S. Instead of following its usual procedure of accepting the advice of its advisory committee, the FDA has failed to act on this unanimous scientific recommendation. Rather, it has asked Abbott Laboratories to furnish yet additional data and most patients with epilepsy can expect still more delays from the Food and Drug Administration before sodium valproate is made available.

The Administration recognizes the problem of lengthy delays in the introduction of new drugs to the U.S. market. On October 5, 1977, Secretary Califano of the Department of Health, Education and Welfare, in a speech before the Public Citizens Forum, stated that, "There is the problem of lengthy—and often repetitive—review procedures to get a drug on the market. Applications for approval of new drugs average 34 volumes, take years to process and cost millions of dollars to complete. The current law also requires a new manufacturer of a drug to submit new and expensive studies to prove the safety and effectiveness of a drug—even if other manufacturers have proved the same chemical safe many times before."

In the case of sodium valproate, which is successfully used in fourteen other countries, all of these factors have worked to deny a very necessary, safe and effective treatment to two million Americans with epilepsy. Once the hurdle of the manufacturer's tardy schedule in submitting data to the FDA had been overcome, the FDA has evidenced, despite Dr. Kennedy's statements to the contrary, that it is acting as a bottleneck to the marketing of sodium valproate in the U.S. Scientific data has been evaluated by FDA's independent experts and despite their unanimous recommendation that the drug be approved, FDA has not done so. Instead, they have requested yet more scientific data, an example of administrative action that Secretary Califano pointed out as denying improved health care to Americans.

Congress was earlier alerted to this problem by Senator Helms and Representative Symms, who introduced concurrent resolutions (S. Con. Res. 41 and H. Con. Res. 315) calling for rapid action by the Secretary of Health, Education and Welfare to speed the Food and Drug Administration's consideration of sodium valproate. Senator Helms' resolution was referred to the Human Resources Committee and Representative Symm's legislation was referred to the Subcommittee on Health and the Environment.

In view of the great need for epilepsy patients in this country to have the opportunity to achieve better control of their seizures, we ask that you lend your assistance by urging Donald Kennedy, Ph.D., Commissioner of the U.S. Food and Drug Administration, to immediately act on the recommendations of FDA's Neurologic Drugs Advisory Committee and approve the marketing of sodium valproate.

Sincerely,

JAMES A. AUTRY,
President, Epilepsy Foundation of America.

REDWOOD NATIONAL PARK IN CALIFORNIA

HON. PHILLIP BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 22, 1977

Mr. PHILLIP BURTON. Mr. Speaker, the House Interior and Insular Affairs Committee has favorably reported out H.R. 3813, a bill to expand Redwood National Park in California. This legislation is of very high priority because logging is creating a rapidly deteriorating situation in the Redwood Creek area of the park, where the Tall Trees Grove is located. William K. Wyant, Jr., of the St. Louis Post-Dispatch, recently wrote three articles—based on first-hand experience—about the problems of the park and the controversy surrounding the park expansion issue. I ask that these articles be published in the CONGRESSIONAL RECORD so that Members can be as well informed as possible.

I would like to underscore the urgency of passing H.R. 3813 by presenting the latest information on the cutting in the Redwood Creek Basin. In 1977 the companies put forward 47 logging plans. Of these, 24 were active in June, and 38 are active now, with some 20 in the area proposed for park expansion. For 1978 the companies have recently proposed 54 additional logging plans. Each week that we delay more Redwoods are cut adjacent to a very fragile area of Redwood National Park, and we stand to lose the chance to preserve for future generations our unique and irreplaceable Redwood heritage.

The articles follow:

[From the St. Louis Post-Dispatch, June 19, 1977]

REDWOOD HIGHWAY TO "SAWDUST TRAIL"

(By William K. Wyant, Jr.)

ORICK, CALIF.—North of San Francisco along the foggy and beautiful Pacific Coast, United States Highway 101 is called "The Redwood Highway" because in places it winds through what remains of a once immense forest of tall and stately trees—the famous Sequoia sempervirens, or coastal redwood.

Another appropriate name for U.S. 101 might be "The Sawdust Trail," because of the procession of lumber trucks that are seen tooling along the highway with their freight of huge logs shedding gobbets of red bark, and because of the controversy over Redwood National Park.

These redwoods evoke strong emotions. To the poet and the naturalist, they are the eternal tree—noble, tremendous, overpowering. To the logger, who may well share the poet's delight, they are the world's best softwood lumber, a green treasure to be harvested and made into houses, picnic tables, and other useful things.

The present struggle over the redwoods, some specimens of which are more than 2000 years old, promises to be a classic example of the politically difficult task of measuring the longterm national interest against the shortterm economic interests and attitudes of a locality.

It is a struggle in which Jimmy Carter, the Department of the Interior, and environmentalists are determined to enlarge the 1968-established Redwood National Park by absorbing more private timber land, while the timber companies and local residents—apparently a preponderance of them—stand opposed.

Traditionally, a national park encloses and protects a large area of extraordinary beauty and interest. It conveys a sense of permanence and security, of things being kept more or less the way they are for the benefit of this and future generations. Quiet may prevail.

At Redwood National Park, magnificent groves of trees have been set aside at great cost—the United States has already paid $172,000,000 in cash and in swapped land for 28,000 federal acres taken from private owners in 1968 and faces claims for another $109,000,000—but in many places, the park-like illusion is shattered by the sight and sound of timber activity.

In fact, trying to enjoy the redwoods in the federal park as it now stands is a little like being in a corral of federally protected buffalo while hunters are busy slaughtering the remainder of the herd outside.

On April 19, Secretary of the Interior Cecil D. Andrus, touched off a furor in this beautiful Pacific Coast country when he formally advocated that Congress expand the park by 48,000 acres at an additional cost of $359,000,000.

Andrus, a former Idaho lumber man, had the blessing of President Carter. In last year's presidential campaign, Carter taxed then-President Gerald R. Ford with "callous indifference" to the fate of the Redwoods and pledged, if elected, to do something to protect the trees.

"The public," Andrus said, "has purchased a national park whose prime assets are being destroyed by logging on privately owned land just outside its borders. Accelerated erosion is killing a unique and vulnerable environment within the park."

The visitor to the spectacularly beautiful Lady Bird Johnson Grove turns off U.S. Highway 101 at Orick, about 45 miles north of the Humboldt county seat of Eureka, and drives two miles up the steep, winding Bald Hill road, which, as the National Park Service notes in its brochure, is "heavily used by logging trucks."

Heavily is the right word. Every five minutes or so, a big diesel truck laden with massive redwood logs comes screeching down the road and passes beneath the handsome redwood pedestrian bridge leading from the parking apron to the grove a half mile away. This traffic shatters the ethereal silence of the great trees, almost as if Park Avenue at rush hour were routed through Westminster Abbey.

Having inspected the chilly, woodland-carpeted glades of Lady Bird Grove, the visitor encounters the trucks again at the foot bridge and then may drive south and mostly upgrade along Bald Hill road through 3½ miles of park to the boundary beyond which the timber operations are taking place.

Beyond the boundary is the logging devastation, called a "moonscape" by Representative Phillip Burton (Dem.), California, who is proposing that the park be enlarged by 77,000 acres. The road runs along a ridge, and no vegetation obstructs the view at either side. There is an eerie, no-man's-land quality to the scene.

Clear-cut in large areas and torn by heavy machinery, the terrain is churned and scarred as if by artillery. The devastation was caused partly by early logging and partly by logging since the park was established nine years ago.

In the current furor over expansion of Redwood National Park, a proposal bitterly opposed by the timber industry and some area residents including loggers and other workers, the focus is on the federally owned Redwood Creek Trail area and on the much larger Redwood Creek watershed including and extending far upstream from the trail.

The trail is just that, a trail. It occupies a corridor half a mile wide and nearly eight miles long that runs down into privately owned timber lands like a vermiform appendix. This corridor, called "the worm," was included by Congress so that the park would encompass and provide access to several of the world's tallest known trees. The tallest is 367 feet.

There is no way the public can get to the Tall Trees Grove along Redwood Creek except by walking a round trip of 16 miles. A sign warns visitors that wading at high water is hazardous, and says that inasmuch as surrounding lands are in private ownership, "you will see cutover forest and may see or hear logging in progress."

Redwood Creek is 61 miles long and has a watershed of 280 square miles, or 180,000 acres, of which the park's segment is only about 10 per cent. At the time the park was established, about 60 per cent of the acreage remaining in private hands had already been cut over, but there were about 40,000 acres of virgin "old growth" trees left.

Now the virgin timber in the watershed outside the park, the kind of trees that visitors come to northern California to see and experience, are thought to be down to about 12,000 acres. This could be expected to disappear in 12 to 14 years at the present rate of harvesting.

Naturally, the three big timber companies owning property in the lower or northern part of the Redwood Creek drainage near the Federal Government's "Worm" have proceeded with logging on their own land. They are the Arcata Redwood Co., the Louisiana-Pacific Corp. and the Simpson Timber Co.

These companies are in the business of producing lumber. They have heavy investments in land and in machinery and mills for handling and sawing up the heavy logs. They have a duty to their stockholders and their work force.

The great old-growth trees—500 years old or more—are exceedingly valuable commercially. Asked how much an average size old-growth redwood is worth, a timber expert estimated $6000, conservatively.

Despite the esthetic impact of logging near the national park in the Redwood Creek drainage, the degrading park quality is not legally chargeable to the timber companies under present law. The companies insist that the cutover ground is being carefully replanted and that the redwoods, which are fast-growing and tenacious of life, will grow back in due course, reaching substantial size in 70 or 80 years.

In any event, different people tend to react very differently to the life or death of a redwood tree that has been standing in the forest since long before Columbus discovered America.

"There is this beautiful silence, and then you hear the whine of a saw," said a National Park Service official at San Francisco in describing how he felt about the redwoods.

"But," the official pointed out, "a lumberman looks at a redwood and it's a beautiful sight when it's lashed to a truck. An environmentalist looks at it standing there growing, and he wants to put his arms around it and hug it."

What worries proponents of park expansion as much as the esthetics is the threat, specifically in the vulnerable Redwood Creek area, of actual physical damage to the federal park and to its tallest trees.

Studies by Richard J. Janda of the Interior Department's Geological Survey have indicated that activities such as recent logging, combined with heavy rains and storms, had thrown an unusual amount of debris into the creek and raised the streambed in places. He expressed concern about cutting what is left of the old-growth redwood, most of which, he said, is on steep, unstable hillslopes near major stream channels.

Federal and California officials have voiced concerns that the park's tallest trees growing along Redwood Creek could be jeopardized by a massive slug of gravel and other material already in the streambed, when new storms come. The source of much of this, it

is generally conceded, is runoff from lands far upstream from the present and proposed park boundaries.

On the issue of physical as contrasted with esthetic damage to the park, the companies maintain that what they are doing now poses no threat. The park, they say, is well protected. They point out that all cutting is in conformance with California's Forest Practice Act of 1973, considered the toughest in the nation.

The three big operators, which form a united front in opposing expansion even though they would be compensated if the Government took their land, recall that last November they signed an agreement with the Department of Justice calling for close review and surveillance of timber activities adjacent to the park.

In general, clear-cutting of the redwoods is now done in small patches and the big logs are "yarded' 'by cables that haul them aloft rather than by heavy tractors that chew up the ground in moving them off the logged terrain.

The companies also point with satisfaction to a statement made by the Geological Survey's Janda on Feb. 9 before the House government operations subcommittee headed by Representative Leo J. Ryan (Dem.), California, a proponent of expansion.

"I personally do not feel," Janda testified, "that there is any logging going on that poses an immediate threat to the timber, soil or water of the park. The esthetics of the park are clearly being modified.'

Ironically, the struggle over expansion today is in large part a repetition of the pulling and hauling between conservationists and commercial interests that preceded Congress's establishment of the park in October 1968, late in the Johnson Administration when the Vietnam war was at its height.

At that time, the noble stands of Sequoia sempervirens along the foggy, rainy northern California coast had long been a wonder of the world. For many years, the Save-the-Redwoods League and the Sierra Club chapter at San Francisco, and other organizations, had been struggling to save a decent remnant of them.

Conservationists urged a larger federal park than was ultimately carved out, but disagreed among themselves as to what tracts should be included. They warned about watershed problems. Congress harkened also to the timber lobby, finally turning out a compromise bill and a park that has turned out to be an administrative nightmare.

What emerged was a federal-state shish-ka-bob of a Redwoods National Park extending 46 miles along the coast and a maximum of seven miles inland. Congress authorized the park for a total of 58,000 acres, but that includes 27,468 acres already protected in three California state parks established in the 1920s.

The plan was that California would donate its parks to the national park, which would be administered by the National Park Service as a unit. But after nine years the turnover has not been made. The state still is running its own parks—Jedediah Smith on the north. Del Norte a little down coast, and Prairie Creek at the south end near the federal Lady Bird Johnson Grove.

What the state is waiting for, apparently, is for the National Park Service to produce a master plan and pull the act together. Meanwhile, the state parks appear to be well managed. They unquestionably contain some of the finest redwoods now being safeguarded.

The federal contribution thus far consists chiefly in the purchase of 28,000 acres of private timber lands at an anticipated cost approaching a quarter billion dollars, the erection of a handsome redwood headquarters building at Crescent City, and the Interior Department's effort to keep the timber companies at bay.

Secretary Andrus's expansion proposal, which would better insulate the park's "Worm" in the Redwood Creek watershed, recognized that his plan would cost Humboldt and Del Norte counties 1000 to 1200 jobs in the first year. Other estimates have run much higher. Andrus outlined federal efforts to mitigate the impact of loss of jobs and income in the area, which has been in economic decline.

As evidenced by demonstrations at congressional hearings at Eureka and San Francisco, not to mention the well-publicized redwood convoy to Washington in mid-May, opposition to expansion of the park is strong among loggers, labor unions, merchants and their political leaders.

There is genuine worry of unemployment. Local conservationists and politicians taking a favorable or moderate view about the park have run into resentment and hostility. The hullaballoo at a congressional hearing in April at Eureka was such that conservationists thought it wise not to testify.

Despite all this, a reasonable expectation is that Congress will decide this year to expand the park by taking in more timber land, if only to protect the public's already massive investment.

Senator James Abourezk (Dem.), South Dakota, visited the Tall Trees Grove along Redwood Creek early in May and looked at a tract recently clearcut, adjoining the park boundary. With him was an officer of the company that did the cutting.

"How could you have been so politically naive," the Senator asked the timber man, "knowing how environmentalists and Congress would probably react?"

[From the St. Louis Post-Dispatch, Aug. 10, 1977]

IT TURNS ON "THE WORM": CLASSIC CONSERVATION CONFLICT CONTINUES OVER REDWOODS PARK

(By William K. Wyant, Jr.)

We are the music-makers
And we are the dreamers of dreams,
Wandering by lone sea-breakers,
And sitting by desolate streams;
World-losers and world-forsakers,
On whom the pale moon gleams:
Yet we are the movers and shakers
Of the world forever, it seems . . .

SAN FRANCISCO, August 10.—These lines from Arthur O'Shaughnessy's poem "Ode," an inspiration to the dreamers and poets who care about the earth, come to mind as one contemplates the sometimes tense and bitter controversy over the proposal to expand Redwood National Park, more than 300 miles north of here.

"We do not now have a viable park," says Dr. Edgar Wayburn, the Georgia-born, Harvard-trained physician who at age 70 has twice headed the Sierra Club and is now among the most formidable advocates of President Jimmy Carter's plan to add 48,000 acres to Redwood Park.

"Unless something is done, the Worm is doomed to destruction," he said.

The Worm is a finger-like appendage only half a mile wide that projects eight miles upstream along the Redwood Creek area into privately owned logging country. The creek area, south and east of Orrick, is the heart of the present battle of the giants.

President Carter, the Department of the Interior, the National Park Service and conservationists contend that the Federal Government must take a broader span of the Redwood Creek watershed to safeguard the narrow corridor. On the other hand, the timber companies insist that the park is safe, as is.

In the logging area, there is fear of economic loss—of losing jobs. And the loggers' concerns seem genuine enough.

Odell Roberts is a good example. Roberts, a 44-year-old Oklahoman, has worked for the Louisiana-Pacific Corp., since 1959 and is now a logging foreman and member of Local 2592, Lumber and Sawmill Workers. He says that he and his wife may have to sell out and move to Tyler, Tex., where there is logging going on.

"I don't know any other trade but logging," Roberts said. At a San Francisco hospital, he said, he once told a nurse that he worked in the woods around Eureka and was astonished when she "tore into me" for hurting the redwoods. He says that people do not realize that the ground is replanted and trees grow back.

Mrs. Sarah Parsons, a member of the Humboldt County Board of Supervisors, in the logging country, said, "Up here, it seems you can't be moderate on this at all."

In general, the timber interests are fighting expansion now just as they fought establishment of the federal park nine years ago. Conservationists, on the other hand, are repeating arguments that they made in 1968 for a bigger, better and more generously conceived Redwood National Park.

Standing tall in the controversy is the world's tallest known tree—a 367-foot redwood—as well as the second, third and fourth tallest trees. They stand in the Tall Trees Grove, on an oxbow of the sinuously winding Redwood Creek.

The three big lumber companies whose lands would be seized by the government with due compensation in the park enlargement—Arcata Redwood Co., Louisiana-Pacific Corp. and Simpson Timber—are doing what they can to persuade Congress not to proceed with it.

At present, the legislation is moving through the House and Senate. Virtually identical bills have been introduced, and the one in the House, H.R. 3813, was approved by the Interior Committee just last week.

Although the park is far north of here, along California's wet and foggy coast, San Francisco is the ideological center for the efforts to increase the size of the remnant of virgin-growth redwoods threatened by the whining chainsaw.

Here are the national headquarters of the famed Sierra Club, long a terrier at the throat of environmental dinosaurs in the United States, and the Save-the-Redwoods League, formed in 1918.

Both organizations have labored for years to protect the best remaining stands of primeval, old-growth redwoods. Both were encouraged when Carter called on Congress in April to enlarge the park by adding lands that include about 10,000 acres of virgin timber.

The enlargement would nearly triple the size of the federal redwoods purchase for the park at a cost of $359,000,000. This would be in addition to $172,000,000 in cash and swapped land outlays made by the United States for less than 28,000 acres already taken under the 1968 authorization act, with $109,000,000 more in claims still outstanding.

What finally emerged from Congress in 1968 was a compromise authorizing a 58,000-acre federal park, including 27,500 acres of state parks that California was to donate but has not donated yet.

When Dr. Wayburn was president of the Sierra Club in 1963, the club published a memorable illustrated book called "The Last Redwoods." It told how the Government in the nineteenth century sold redwoods timberland for $1.25 an acre, much of it going into private hands by outright fraud. The book asked how long it would be before little but stumps were left in a desolate, logged-over terrain.

By way of contrast, the National Park Service Director, Gary E. Everhardt, reported to Congress last February that the old-growth redwood land that federal officials now want to buy would cost up to $25,000 an acre, and land that had been harvested would be $400 to $500.

Dr. Wayburn expressed the sense of loss and urgency felt by admirers of Sequoia sempervirens—the coastal redwood—as he reminisced about visits that he had made to unspoiled parts of Redwood Creek not many years ago, when a hiker could see an "unbroken lawn" of magnificent trees stretching for nearly 22 miles.

"That, unfortunately, is no more," he said. Congress nine years ago included only about 10 per cent of the Redwood Creek drainage in the park, leaving old growth estimated at 40,000 acres in private hands. Three quarters of that have now been chewed up, it is estimated. Much of what remains is on steep, wet, relatively unstable slopes.

Redwoods are fast-growing trees and regenerate rapidly, as loggers are fond of pointing out, but the like of the virgin timber—500 years or more old—will not be seen again. The oldest second-growth stands in and around the park are said to be about 25 years old. At twice that age, they may average 100 feet in height.

"The tradition has been to cut out and get out," Dr. Wayburn said, with reference to the lumber industry generally. "They have logged their way across the country. The difference now is simply that this is the last forest, and the greatest forest."

On Sansome Street in San Francisco, a few blocks away, is the headquarters of the Save-the-Redwoods League and its energetic young executive director, John B. DeWitt, 40. He is a career conservationist, a graduate of the University of California at Berkeley. He joined the league's staff in 1964.

"If Congress had gone along in 1968, we wouldn't be in the mess we're in now," DeWitt said in an interview at his office.

Last year, DeWitt said, the league offered Arcata $1,000,000 for an attractive holding near the Tall Trees Grove in Redwood Creek but the company declined, replying it could not afford to lose any more of its precious supply of old-growth timber. The timber was cut.

He pointed out that the companies must pay a capital gains tax if they sell their land, but not necessarily if it is taken by condemnation. They are about out of virgin timber in the area, he said, and in 10 years or so all the old growth outside the park will be gone with the wind.

Since 1918, the Save-The-Redwoods League has raised $23,000,000 to help the State of California buy 135,000 acres now protected in 28 redwood state parks. About 65,000 acres of that is classified as old growth.

DeWitt said that the league's program, from 1963 to the present, had resulted in acquisition for the state of about 31,000 acres of redwood land, including 9,000 acres of virgin timber, for about $30,000,000.

In marked contrast, in the same period, the United States under the Redwood National Park legislation of 1968 has taken over something short of 30,000 acres—11,000 of it virgin—for which the price tag may approach a quarter billion dollars before it is all over.

Gordon Robinson, consulting forester for the Sierra Club, who used to help manage Southern Pacific's land grant timber in northern California and now lives across San Francisco Bay in Sausalito, has a suspicion that the administration of former President Richard M. Nixon dealt too softly with the redwoods industry.

Be that as it may, redwood lumber is exceedingly useful and valuable. As Congress contemplates buying another 48,000 acres or more, it is inevitable that an element of money-changing will intrude into "God's first temples," as the poet William Cullen Bryant termed such groves of trees.

Apparently regardless of the price, the three affected companies say that they do not want to give up their land. The Carter proposal, they say, would take about 27,000 acres from Louisiana-Pacific, 11,000 from Arcata, and 7,800 from Simpson. They say that they need the logs to feed their mills, keep their people working, and operate on a sustained-yield long-range basis.

Is logging damaging the existing park? On that crucial issue, the timber industry insists that no damage from current operations has been demonstrated. The interior Department says that it has spent more than $1,000,000 to assess the impact, with a finding that damage has indeed occurred from erosion caused by timber harvesting.

The debate is about actual physical damage—things like the increase in Redwood Creek's streambed elevation, a speed-up in bank erosion, the loss of trees. There can be no argument about esthetic damage, which is obvious to any park visitor. The companies point out that the trees will grow back.

"It all boils down to esthetics," said a young Arcata logging engineer. "You give that ground a little time and it's going to look beautiful out there."

A day's drive north of San Francisco at the lumber center of Eureka, not far from the park's southern edge, the Sierra Club's music makers and dreamers of dreams are not very popular. Neither is Representative Phillip Burton (Dem.) of San Francisco, who would expand the park by 78,000 acres.

At Eureka and roundabouts, there is fear of unemployment and economic loss. Business elements and organized labor have joined the timber interests in beating the drums against a further federal taking. They profess no great faith in federal efforts to cushion the economic impact.

Odell Roberts, the logging foreman for Louisiana-Pacific Corp., said, "You can't kill a redwood . . . We are proud of our country out here, believe it or not.

"There are some places where I work—some trees, it does not seem right for them to be cut. But it's going to grow back, and it's my job to cut. If I thought they would never grow back, I'd say to heck with it, let's move."

Jack C. Feigal, president of the Eureka Chamber of Commerce and head of the Humboldt Federal Savings and Loan Co., said that there was no doubt that clearcutting of timber is offensive to the eye, but he pointed out that when land is put into parks it goes out of production forever.

The lumber concerns and other employes have been "damned good citizens," Feigal said in an interview in his office.

"I think these modern lumber companies are paying for what the older companies did," he said.

Feeling ran high at Eureka Memorial Auditorium in April when Representative Burton, chairman of the House interior subcommittee on national parks and insular affairs, held a hearing on park expansion. The crowd booed him and other advocates. Some conservationists though it best not to testify.

Among those booed was Mrs. Parsons, who in January became the first woman elected to the five-member Humboldt County Board of Supervisors. She is the only member supporting enlargement of the park. She said that she believed a great many people thought as she did.

Another local park expansion advocate not easily discouraged is Mrs. Lucile Vinyard, chairman of the Redwood Chapter of the Sierra Club. She lives in a small house overlooking the Pacific at Moonstone Beach, near Trinidad.

"What we live with here," she said, "is the terrible fear, the hysteria, that the lumber companies have implanted in their employes."

Mrs. Vinyard, a Californian, said that she and another conservationist had withdrawn their names from the witness list because of the atmosphere at the Burton hearing, which, she said, turned out to be a farce. She said that she had been getting anonymous telephone calls.

"They're venting all this anger and the Sierra Club is a dirty word around here."

"I feel the whole nation has been cheated because it will never see the redwoods as I saw them."

[From the St. Louis Post-Dispatch, Aug. 31, 1977]

UNITED STATES FIGHTING HIGH COSTS FOR REDWOOD PARK EXPANSION

(By William K. Wyant, Jr.)

WASHINGTON, August 31.—In the light of evidence that the taxpayers paid through the nose in acquiring the original Redwood National Park as authorized in 1968, Congress is trying to avoid pitfalls as it considers buying an additional 48,000 acres for park expansion.

"The companies that fought the establishment of the original park, and who are now opposing expansion of the park, have literally cried all the way to the bank," says Representative Leo J. Ryan (Dem.), California.

Ryan is chairman of the House government operations subcommittee on environment, energy and natural resources. He thinks that the park in northern California must be enlarged but is upset about what he regards as excessive costs thus far.

The General Accounting Office, at Ryan's request, racked up the figures in mid-August. It reported that through the end of July the Federal Government's total land acquisition cost was about $190,000,000, of which $181,000,000 went to four large timber companies.

These payments, all relating to the park as authorized in 1968 and not to the proposed expansion, do not include more than $68,000,000 in claims still outstanding. Thus the payments, plus the claims not yet settled, amount to more than a quarter billion dollars.

Whether the federal payments eventually approach a quarter billion, they obviously exceed the wildest expectations of Congress when, nine years ago, the lawmakers authorized only $92,000,000 for the acquisition of 28,800 acres of privately owned land.

The 1968 act limited the park to 58,000 acres, including the private land the Federal Government would buy, 27,900 acres already owned by the State of California, and 1,300 acres already in federal hands.

To put a halt to further timber cutting, Congress provided that the Government could take immediate title and possession of privately owned lands, primarily about 23,000 acres owned by Arcata National, Georgia-Pacific, Simpson and the Harold A. Miller timber companies.

This was a "legislative taking," with just compensation in cash or federally owned land. If agreement could not be reached, the companies could sue in the United States Court of Claims, which they did. Congress allowed interest of 6 per cent, from the date of taking to date of settlement.

Under this arrangement, the GAO reported, federal payments in cash and exchanged land to the four companies as of July had totaled $180,811,062, with the end not in sight. In return, the Government got 22,948 acres of land—some of it prime redwood timber—for the park.

The total payments through July included $98,839,156 in cash, $52,056,900 in land exchange, a staggering $27,292,807 in interest, and $2,622,199 in "severance"—a term defined as any loss in value to remaining property caused when part of the property is taken.

The biggest transaction growing out of the 1968 law involved Arcata, a leading printer of books and magazines. The Weyerhaeuser lumber people are large stockholders. Arcata yielded 11,015 acres and received total land and cash payments of $115,324,386.

Arcata's payment included $50,632,251 in cash, 10,568 acres of the Northern Redwood Purchase Unit owned by the Government and valued at $40,000,000 about $22,192,135 in interest, and $2,500,000 in severance.

The Federal Government appraised the land taken from Arcata at only $57,800,000 and the company sued in the Court of Claims, asking $121,585,000 for its land and $5,000,000 in severance. In 1974, after much wrangling, the court allowed $96,632,251 plus interest and the Justice Department settled for $93,132,251.

One of the points raised by the GAO was that Arcata got the Government's swapped land at a reduced value, or discount, whereas the trial judge rejected the Government's effort to obtain a comparable discount on the value of Arcata's land taken by the Government for the park. This decision, the GAO said, added more than $22,000,000 to the cost.

Georgia-Pacific, the next largest contributor to the park in terms of land value, gave up 3368 acres and has received $45,842,022 but is in the Court of Claims for an additional $51,300,000 in severance damages. The federal estimate of such damage is only $1,800,000.

The Simpson Timber Co., yielding 5918 acres for the park, received $5,874,513, including the value of 788 acres of swapped federal land. Miller, yielding 2647 acres, has been paid $13,770,140, including 1874 acres of swapped land. Miller is suing for $17,524,726, plus severance damages of $1,833,000.

Severance damages cover such things as loss of advantage in sawmill sites, loss of roads and rights of way.

Far from trying to play down the heavy federal outlays for the original Redwood National Park, Arcata and other logging concerns are playing them up as they seek to prevent the park expansion bill now making its way through Congress.

Arcata's vice president William D. Walsh said last April that Representative Ryan was trying to make it appear, through the GAO inquiry, that the timber companies had been paid too much. He said that Ryan's objective was to minimize the cost of the proposed expansion and thereby ease its way on Capitol Hill.

"We would be more than glad to buy back the lands the Government took from us in 1958 at the price they paid us plus interest," Walsh said, "and at a better rate of interest than they paid us."

On the other hand, the advocates of park expansion argue that the Government's redwood holdings must be enlarged if the large investment by taxpayers in the existing inadequate park is to be protected and a decent segment of great trees preserved. They promise that mistakes of the past will not be repeated.

The expansion bill seems to be doing well. Before the August recess, the House Interior Committee reported it favorably and action by the full House appears likely next month. The Senate Energy and Natural Resources Committee will begin hearings when the recess ends next week.

Calling for acquisition of another 48,000 acres for the park in the crucial Redwood Creek area, the bill carries a price tag of about $411,000,000. It includes $359,000,000 for buying the land, $12,000,000 for rehabilitation of ravaged country and $4,000,000 for a jobs program.

Ryan said that the GAO report "provides solid evidence that the timber companies, particularly Arcata, received more than fair value for their land and timber in the Redwood Creek basin."

Under the proposed expansion bill, claims would be decided by federal district courts rather than the Court of Claims. Advocates say that this will prevent accruals of interest and permit the Secretary of the Interior to sue timber companies, not possible before.

ABORTION POLICY PENALIZES THE POOR

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 22, 1977

Mr. LEHMAN. Mr. Speaker, a recent editorial published in the Miami Herald expresses very well my own views on our current abortion dilemma. I believe that my colleagues will also benefit from this discussion of the consequences of denying federally financed abortions to low-income women.

The editorial follows:

ABORTION POLICY PENALIZES THE POOR

Now that the House and Senate have called a short truce in the battle over Medicaid abortions, it would be well to consider the consequences of the proposed legislation. Either version would deprive most poor women of free abortions. The debate centers over a relative handful.

The House version would deny federal financing of all abortions except those necessary to save the mother's life. The Senate is attempting to add pregnancies resulting from rape or incest and those which would lead to "severe and long-lasting physical health damage."

If the choice is between the two, and we fear it will be, the Senate version is preferred, although it, too, is outrageously narrow. Congress seems determined to foster economic discrimination in one of its cruelest forms.

Women who can afford them will continue to have abortions. Only the poor will be denied what has become the nation's most frequently performed surgical procedure. The victims in the main will be young women, teenagers, even some children. Most do not know how to cope and are ill-equipped to protect themselves. To brush aside their plight with the claim that these women will be able to find help in the private sector is to ignore the facts. The service simply is not available.

Deprived of safe, free abortions, many welfare women will submit to cheap back-alley butchery. Others will bear the children they are ill-prepared to raise. In 1975 about 300,000 low-income women had abortions that were paid for by the federal government, at a cost of about $45 million.

But money is not the root of the controversy. It is a matter of religion and philosophy.

A full-scale anti-abortion campaign is being carried out by such groups as the National Right to Life Committee and the Roman Catholic Church, which are furious over the 1973 Supreme Court decision which upheld a woman's constitutional right to choose to have an abortion.

In their effort to bring all women to conformance with their beliefs, the anti-abortionists will be able to affect only the most helpless, the very ones most in need of the service.

The rhetoric of the "right to life" lobby would be more palatable if it were more humanitarian, if it showed as much concern for life after birth as it does for life in the womb. We do not observe these interests rallying behind broadscale social programs which would provide effective assistance to helpless mothers and children. Yet it is absence of such help that prompts many women to have abortions.

To compare the cost of financing welfare abortions with the cost of rearing welfare children is, to us, entirely too odious. A better yardstick is the degree of human suffering and the threat to the general public welfare which will result if the poor are deprived of their rightful options.

A TRIBUTE TO JOSEPH P. LaNASA

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 22, 1977

Mr. VENTO. Mr. Speaker, Joseph LaNasa has served St. Paul and Ramsey County these many years faithfully and well. In addition to his long service as clerk of district court, he has been involved in countless civic and cultural efforts aimed at a better community and a fuller life for all residents of the area. Joe has also played a significant role in the St. Paul Chapter of UNICO and with our fine Italian-American Community. I want to bring to the attention of my colleagues this good man and his many attributes. Below is a resolution adopted by the Ramsey County Board of Commissioners which explains in detail the many accomplishments of Joe LaNasa:

IN APPRECIATION: JOSEPH P. LANASA

Whereas, Joseph P. LaNasa for many years conducted a successful business in the City of St. Paul and Ramsey County, and

Whereas, Joseph P. LaNasa has served with great distinction, in leadership roles, in many important Civic and Charitable organizations, such as: Knights of Columbus; Past President, St. Therese's Mens Club; Past Treasurer, St. Paul Chapter of UNICO International; Past President and Chairman, Board of Directors, Highland Park Little League Association, for which he received the Harold Shapiro award in 1966 for outstanding contributions to area youth, and

Whereas, Joseph P. LaNasa has received various citations and awards including an award from Cretin High School for his continued interest and support of that institution of learning and citations from the American Cancer Society, the March of Dimes, the United Fund compaigns, and the American Legion, and

Whereas, Joseph P. LaNasa, after serving with distinction as Purchasing Agent for the City of St. Paul, was appointed in 1954 Deputy Controller for the City of St. Paul, serving in that position until 1969 at which time he was appointed Clerk of District Court, a position to which he was subsequently elected in 1971 and has continued to serve with distinction in that capacity until the present time; Now, Therefore, Be It

Resolved, That the Board of Ramsey County Commissioners hereby extends its sincere gratitude to Joseph P. LaNasa, on behalf of all the citizens of Ramsey County, for his over twenty-five years of dedicated, distinctive, and dignified public service, and for his unusual generosity, which is recognized by all who know him; and Be It Further

Resolved, That the Board of Ramsey County Commissioners wishes Mr. LaNasa and his family many years of good health, good fortune and unlimited contentment on the occasion of his retirement from governmental service.

Dated November 30, 1977.

OHIO CRUSHES INSTANT VOTER REGISTRATION

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 22, 1977

Mr. HANSEN. Mr. Speaker, I took great pleasure in the recent demise of instant voter registration in the State of Ohio. On election day, Tuesday, November 8, the Ohio electorate wisely voted 62 to 38 percent in favor of abandoning same-day registration.

Mr. Speaker, it is well known that the Ohio results would have great effect on the administration's instant voter registration bill. Thankfully the "Buckeye" vote also sealed the doom of the national proposal for the rest of the 95th Congress and hopefully for good. The American public would not buy the administration's scheme to stack the election day ballots and further push the Nation into a one-party system. I for one say good riddance to his misconceived and unjust bill.

Mr. Speaker, to better illustrate the story of what happened I offer for the RECORD the following article by Susan Marshner of the Committee for the Survival of a Free Congress:

OHIO VOTERS CRUSH CARTER'S INSTANT VOTER REGISTRATION IDEA

Organizations opposed to Ohio's instant voter registration law won a major victory this past Tuesday, when the electorate voted, 62% to 38%, in favor of abandoning same-day registration. What surprised so many observers in Ohio, including Secretary of State Ted Brown, was not only the large percentage by which voters rejected the law, but also the fact that the largely urban and labor-dominated areas of the state rejected it by far greater margins than did the traditionally more Republican areas. A Columbus Dispatch poll published on November 6 had shown those opposed to instant registration trailing, 49% to 51%. Secretary Brown, a leader of the effort to change the law, stated after the vote, "This should be a message to some of the members of the general assembly and the so-called reformers in Washington that the people will accept nothing less than fraud free elections." President Carter's open letter urging rejection of changes in the law, which was released shortly before the election, seemed to have no effect on the outcome. In fact, the Dayton Journal Herald blasted the letter in an editorial on October 31, calling it, "disappointingly shallow."

Cong. Charles Whalen, who was co-chairman of Citizens to Save the Right to Vote, a coalition opposing efforts to change the law, told the Report, "I think this vote would kill it (the national bill) for the 95th Congress." Whalen added that in his view the bill was already dead in Congress even before the Ohio vote. Indications from the Democratic leadership in both the House and Senate have been otherwise, however, Ohio AFL-CIO Secretary-Treasurer Warren Smith quoted Cong. Frank Thompson as saying, "If it loses in Ohio, it (the federal bill) is dead." Vice President Mondale, who campaigned heavily to keep the Ohio law, also commented to the media during one visit that if the voters would approve of the state law, the national law could well be revived in Congress.

From all indications, both national labor and Ohio labor organizations have suffered a set-back as a result of this Tuesday's vote. Ohio AFL-CIO spokesman John Thomas was reluctant to give an exact dollar figure to the labor effort, but he estimated the cost at $550,000, with $300,000 coming from Ohio AFL-CIO and $250,000 from the UAW. He said that national labor organizations also contributed, including COPE and the internationals. Some observers believe Thomas may have underestimated labor's expenditures. Speaking of the national bill, Thomas was a good deal more pessimistic than Cong. Whalen. "I expect we won't see see another instant registration effort for the next 20 years." Asked whether the election results would hurt labor's credibility, Thomas explained, "we're under no illusions about what labor's image is. We know it has low credibility generally. We try to keep our members informed through our educational efforts but that doesn't mean they will follow us and agree with us on every issue." He continued, "it was a labor issue and it wasn't. Same day registration was Ohio AFL-CIO's top legislative priority this year. We got it through the legislature, but when it came down to the initiative campaign, it didn't really stack up as a labor issue. It came out as a 'good government' issue." Ohio AFL-CIO Secretary-Treasury Warren Smith was quoted in the November 9 Dayton Daily News as saying that the vote would "hurt" similar federal legislation being offered by the Carter administration. He added that labor would perhaps have to take a more cautious approach to other issues, including public employee collective bargaining. In the same vein, CSFC Director Paul Weyrich also warned, "labor has been saying it will seek retribution against certain Members of Congress in the 1978 elections. This vote is a warning that even they can go too far."

An analysis of election returns clearly shows that in areas where labor would have expected the strongest vote in support of the Ohio law, it actually did the worst. One Ohio observer told the Report that apparently labor's get-out-the-vote effort was successful (a record 3.1 million voters went to the polls), but it had no control on how the people voted. In Cuyahoga county (Cleveland), a strongly Democratic and labor area, voters rejected the law by an incredible margin of 110,000 votes. The returns could also mean problems for St. Sen. Tony Hall, the law's prime sponsor in the legislature. Hall, who is expected to be the Democratic nominee for the 3rd congressional district, may have difficulty if his opponents can successfully raise the issue against him in 1978. In Montgomery County (Dayton), Hall's electoral base, voters rejected his proposal by 64% to 36%. The third district is being vacated by Cong. Chuck Whalen in 1978.

David Frank, a staff counsel for the Republican leadership in Ohio, is one of many observers who believe that this Tuesday's vote will have "very significant political implications." Concerning Tony Hall, he commented, "I think the vote will substantially damage his chances." "It's fair to say that the election statistics indicate that Democrats, Republicans, and Independents alike are very much concerned about their election system and realized the tremendous potential for fraud in the instant registration proposal," he said. Frank added that the vote may also damage the chances of gubernatorial hopefuls, Lt. Gov. Richard Celeste, House Speaker Vernal Riffe, and Senate Majority Leader Oliver O'Casek. Both Riffe and O'Casek had filed suit in an effort to prevent the issue from being placed on the Ohio ballot.

The cost of the effort by conservatives was estimated by a spokesman for Ohioans for the Preservation of Honest Elections at 300,000 to 400,000 dollars. The group conducted a heavy and, according to Ohio AFL-CIO spokesman Thomas, "outstanding," TV campaign during the last week, which has, however taken it into debt. CSFC worked with the Honest Elections group from the beginning, and was responsible for coordinating the trip of Cong. Bob Dornan into and around the state on the weekend before the election. Dornan, who took with him five phony ID cards with Ohio addresses campaigned against the Ohio law on the basis that it invites fraud. AFL-CIO spokesman Thomas called Dornan's visit "particularly distasteful," and labelled Dornan an "(expletive deleted) Bircher." Dornan is not associated with the Birch society. CSFC staffers Elaine Hartman and Barbara Baroody accompanied Dornan on his trip.

Cong. Chuck Whalen told the Report that, according to preliminary figures, 9% of the voters state-wide registered on election day, under the law then in effect, and then voted.

DICK MANTIA

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 22, 1977

Mr. GEPHARDT. Mr. Speaker, the world has been spectator in recent days to the bringing together of peoples separated by differences so deep that reconciliation has seemed impossible in our lifetime. But Jerusalem and Cairo have moved closer today because a few courageous men saw the need for harmonious relations. The future, they said, depended on our ability to communicate and understand one another's points of view.

In St. Louis, as in all urban areas, we understand that the goals and aspirations of business and labor must be similarly communicated if the metropolitan area is to continue to be a vibrant area of growth. Dick Mantia, who began his involvement with the St. Louis labor movement in 1947 as an apprentice in Asbestos Workers Local 1, has worked tirelessly to bring together the divergent and often conflicting views of labor and management through the auspices of PRIDE, an organization of labor and management whose acronym means Productivity and Responsibility Increases Development and Employment. Many cities have recognized the need for such groups to facilitate discussions that ease labor management tensions. In St. Louis we are fortunate to have men of the caliber of Dick Mantia, who has been instrumental in turning the good intentions of both management interests and labor organizations into agreements that form the foundation of economic and social stability in our community. St. Louis has just enjoyed a very good construction season due in large part to the more than 20 labor agreements negotiated which would have expired within months of one another.

The entire St. Louis community is aware of the debt of gratitude owed to Dick Mantia for his tireless work and his vision of cooperation for the future.

I am sure my colleagues in Congress will agree that the world needs more men like Dick Mantia who are not content to let the past be our only guide to tomorrow.

BARRY GOLDWATER CHAIR OF AMERICAN INSTITUTIONS

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 22, 1977

Mr. RHODES. Mr. Speaker, on October 24, a great occasion took place in my home State of Arizona. On this day, Arizona State University in Tempe received an endowed professorship from the private sector. This new visiting professorship is created and will be known as the Barry Goldwater Chair of American Institutions.

Mr. Speaker, this high honor to my good friend BARRY GOLDWATER came about through thousands of individual contributions making it possible for the chair to be established at Arizona State University in perpetuity.

The chair will allow distinguished men and women to come to Arizona and teach in such fields as economics, law, history, and political science.

Mr. Speaker, the significance of the event and the meaning of this chair is well explained in the public remarks which Dr. John W. Schwada, president of Arizona State University, made on the occasion of the dedication of the Goldwater Chair, and I ask unanimous consent to insert his remarks in the RECORD:

REMARKS ON THE OCCASION OF THE DEDICATION OF THE BARRY M. GOLDWATER CHAIR OF AMERICAN INSTITUTIONS

(By President John W. Schwada, Arizona State University)

On behalf of Arizona State University, I accept with pleasure the Barry M. Goldwater Chair of American Institutions.

The trustees of the Chair deserve congratulations for their foresight and skill in encouraging the contributions which support the Chair. The donors, both present and absent, deserve our warm appreciation.

Though we commend the trustees and the donors, the fact is that the contributions which make this Chair possible are more nearly the product of the esteem in which the Senator is held by a wide constituency who respect and admire him.

The Chair of American Institutions provides continuing recognition for the Senator, who for many years has been a vigorous and powerful voice in shaping American institutions at the local, state and national levels.

He has not always, or perhaps even often, been a member of the majority or in agreement with the results of policy discussions. He has, however, raised the issues which demand attention and which have brought a new dimension to questions of national concern. He has never been hesitant, nor has his meaning ever been in doubt, which is refreshing in an era marked by political double-talk.

This Chair not only honors Senator Goldwater, but it honors Arizona State University.

The donors and others deserve to know something about the University in which the Chair is located.

It is, of course, a public university, it is large, it is relatively youthful, it has experienced an extraordinary growth, it has strength in many areas, and a number of programs and professional colleges which are nationally recognized for their quality.

It has a diverse student body, representing every racial and ethnic group, and coming from every state in the union and from around the world. Students come with strong academic qualifications and interests, and are successful not only in their academic careers but in their chosen occupations and professions.

It has a relatively young faculty, but a dedicated one with increasing recognition in the academic world.

It is also chronically in need of funds, particularly funds for the encouragement of excellence in teaching and research. As at all great universities in this country, this need must often be met through private giving—as exemplified by the establishment of endowed chairs such as the Barry M. Goldwater Chair of American Institutions.

In summary, I cannot overemphasize the importance of gifts of this magnitude to a university. We appreciate your support.

Senator Goldwater, it is difficult to further recognize one who has received so many of our nation's high honors, but we wish to present you with this plaque honoring you on this occasion.

TRIBUTE TO JAMES J. MANDERINO

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 22, 1977

Mr. DENT. Mr. Speaker, I rise to pay tribute to an outstanding young man and legislator from southwestern Pennsylvania, the Honorable James J. Manderino, majority leader of the Pennsylvania House of Representatives.

For the past 11 years Jim Manderino has been representing the good people of his district with honor and distinction. Early in his career he gained a well deserved reputation for his ability to grasp complicated public issues to which he applies progressive legislation. Jim Manderino's legislative acumen has placed him in the forefront of the Nation's State legislators, and his advocacy on behalf of the common people has made him a champion of their rights and wellbeing. Jim Manderino's work in the Pennsylvania House of Representatives has left a permanent mark which the history of the Commonwealth will surely record.

Jim Manderino was born and raised in the little steel town of Monessen, the son of hard working and loving parents. He knew hard times first hand but prevailed and went on to a distinguished career as a lawyer and legislator. Jim Manderino never forgot where he came from, and his sensitivity to human needs has guided his legislation through the shoals of the State Capitol.

On Saturday, November 26, 1977, Jim Manderino will be honored by a grateful community for his work on behalf of the less fortunate; the poor, the unemployed, the sick and the aged. No award can better describe Jim Manderino than "the Humanitarian Award" presented by the Westmoreland County Conference for Economic Opportunity. Westmoreland County and the Commonwealth of Pennsylvania are indeed fortunate to have such a humanitarian, and as his Congressman, colleague, and friend, I am pleased and honored to salute Jim Manderino for a job well done.

FUTURE OF FULBRIGHT SCHOLARSHIP PROGRAM

HON. RAY THORNTON

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 22, 1977

Mr. THORNTON. Mr. Speaker, I am very deeply concerned about the future of the Fulbright scholarship program, which the administration has recommended folding into a new Agency for International Communications.

If the President's Second Reorganization Plan is accomplished, we will witness a consolidation of the USIA's international communications programs with the State Department's international cultural and educational activities, of which the Fulbright program is one of our finest examples.

Although the proposed merger reflects a recognition of how important an impact such a relatively small effort as the Fulbright program can have on international understanding, I believe that tying it to necessary, but unrelated, information dissemination efforts would be a serious mistake.

While the reorganization plan might facilitate the administration's efforts to broaden our informational, educational, and cultural exchanges with the world, any benefits or any small savings in dollars which might result would be more than offset if foreign countries were led to believe that the Fulbright scholarships were being submerged into an information dissemination operation of our foreign policy. Such a perception could seriously damage this fine program of scholarships.

Because of my grave concern about the future of the Fulbright scholarship program under the Second Reorganization Plan, I sincerely hope that this plan will be disapproved by the House and that the proposal to remove the international cultural and educational activities from the Department of State will be deferred for a year to allow a full and complete study of the consequences of this action. This can be accomplished by voting for House Resolution 827 to disapprove the Second Reorganization Plan.

Mr. Speaker, I would like to share with the other Members of the House the following article by Haynes Johnson, which appeared in the Washington Post on Sunday, November 13. I believe it underscores our need to preserve the separate identities of our Government's international communications and educational programs.

[From the Washington Post, Nov. 13, 1977]

TEMPERING AGGRESSION WITH KNOWLEDGE

(By Haynes Johnson)

During the poisonous Vietnam period, long after the optimistic "light-at-the-end-of-the-tunnel" phase, J. William Fulbright conducted Senate hearings into the psychological aspects of the war. In particular, the hearings raised questions about why we, as a nation, found it so difficult to disengage from so obviously a losing venture.

At one point a lengthy exchange between Albert Einstein and Sigmund Freud was recalled. They were wrestling—intellectually

of course—over the weighty question of whether there was any possibility of delivering mankind from the menace of war. Not much, Freud believed. But if there was any hope it lay in the cultural disposition of man; man is capable of learning. He is not inherently aggressive.

Fulbright, now a Washington lawyer after three decades in Congress, remembered that exchange the other day when reading a review of a new book by the respected scientists Richard Leakey and Roger Lewin on man's origins and evolution. He was particularly pleased to read: "They [the authors] offer as a recurrent theme a fairly blistering and successful attack on the idea that hunting and aggression are identical and the view that aggression is more a component of human nature than cooperation."

The writers had come down squarely with Freud.

"I thought the point they made is so correct," Fulbright was saying, warming to the subject. "Man isn't inherently destructive. That is, he isn't inherently destructive in his genes. He isn't inherently trying to destroy his own kind. And we're capable of learning and acting differently from the way we've acted for 10,000 years. That's what Leakey and Lewin are saying.

"The destruction comes from the culture. We have engaged in these self-destructive things, but being limited in our capacity for destruction, so far we've survived. But now, with nuclear weapons, if our destructiveness is in our genes there certainly isn't any hope. There's a hell of a difference between that belief and the idea that we can learn to be different.

"Now when I say that to most people, I'm sure they say, "Good God, how presumptuous. How could that damn stupid fellow ever think he could do anything about human nature." But there's got to be something new, there's got to be a better approach. That's what I think this program means.

"It's a possible way to reach the attitudes of the coming generations in countries around the world, and a hope they will do anything to try to prevent us from falling into that pattern which civilization has fallen in the last several thousand years. It's an attempt to find some way of reconciling our differences other than war. Now that's the long-term significance to me. That's why it can be extremely important if it's successful and is carried on."

Fulbright was referring to a federal program that bears his name and now has become a part of the English language—a common noun carried in the dictionaries as *fulbright*, denoting a grant to finance educational exchanges of students, scholars, and leaders in government and the arts around the world. In the 30 years since the program began there have been about 150,000 beneficiaries scattered throughout some 100 countries. But the real significance of the Fulbright program can't be measured by statistics.

Even Fulbright hardly dreamed of the effects his program would achieve. A small example: although after World War II America had clearly emerged as the most powerful nation in history, it was a nation about which little was known and even less was taught. Scarcely any universities in Europe taught American history, except as an appendage to the history of Europe. Elsewhere, the situation was the same.

The Fulbright program directly changed that. Within a generation after the war, every country in Western Europe offered American studies, and many universities had established chairs in American history, literature, or civilization. It had become a program which a noted Oxford don described as being "responsible for the largest and most significant movement of scholars across the earth since the fall of Constantinople in 1453." And one which a President, John Kennedy, called "the classic modern example of beating swords into plowshares."

Now, quietly and with hardly any public notice the Fulbright program is about to merge with the functions of the United States Information Agency—an agency, that during the Cold War period, and particularly the Vietnam war, was deeply involved with dispensing government propaganda. Not surprisingly, this move has stirred concerns about preserving the integrity and independence of the Fulbright exchanges. In other words, do government information programs and scholarship mix?

One month ago, President Carter sent to Congress his second governmental reorganization plan. It would create a new agency. The grandly sweeping, but vague, name would be the Agency for International Communication. In reality, the plan means the functions now performed by the State Department's Bureau of Education and Cultural Affairs would be folded into those of the USIA. The new agency's director would oversee the government's international information and cultural exchange activities, and report directly to the President.

That plan now has been cleared by committees in both houses of Congress. It becomes law Dec. 11 unless either House strikes it down. There has not been a word in the press about this; it hasn't been news, it seems.

Carter's people say one of the primary concerns was not shuffling governmental boxes to claim increased efficiency. It was, indeed, to put the old information/propaganda wing on a new course, to free it of its political past and give it a solid base of independence and integrity. The Carter people also were fully aware of the concerns that this move could compromise—or destroy—the independence of the Fulbright program. As one of them put it. "We recognized the danger that a precious national asset was at stake, and we are determined to guarantee its integrity."

There still remains doubt and, in some quarters, muted cynicism about the ability of the erstwhile propagandist to stop practicing their brand of official truth. The question is not over the motives of the Carter administration. It's just that this case, a case of good intentions launched by good guys, stirs uneasy memories of how government power and government information have been abused in the past. And the structure they are creating will fall into different hands later.

Bill Fulbright was talking about the program and trying to assess what it had accomplished over the years. This is a small program," he said. "very shall. Since the beginning we have spent on it maybe half as much as one Trident submarine would cost. Not more. And it's hard to evaluate these things. I say it has good long-term political implications, but then, of course, I'm prejudiced."

He had been in Japan meeting with the editorial board of a famous publication there. To his astonishment, 15 members of the board had had Fulbrights to study in America. "Now that doesn't make them think we're perfect," he reflected, "But it gives them a means of understanding us. The chances are that could be very important in the long-term relations between these countries. After all, we had a war with them 30 years ago, and it wasn't a very pleasant war. Now, if you can project that on into Eastern Europe and eventually to Russia . . ."

Fulbright was still dreaming, still believing that by bringing a little more knowledge, a little more reason, a little more compassion into world affairs nations might learn to live in peace.

Those may be, as he says, reflections of a foolish man of 72. And, besides, Freud, Leakey and Lewin notwithstanding, that question about man's inherent destructiveness really hasn't been settled yet.

ISRAELI-EGYPTIAN AGRICULTURAL COOPERATION URGED; PLAN CONCEIVED TO SUPPORT "SPIRIT OF JERUSALEM"

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 22, 1977

Mr. FINDLEY. Mr. Speaker, responding to the courageous visit of President Sadat of Egypt to Israel, I have asked President Carter to apply provisions of the famine prevention law to an Israeli-Egyptian joint food development program that could enhance the prospects of regional peace.

Cooperation of Israelis and Egyptians to achieve agricultural progress would be a timely and appropriate sequel to the Jerusalem summit.

Such a program would enable Egyptians to perceive Israelis not as militarists but as farmers, irrigationists, reclamation experts, and rural health physicians.

With Senator HUMPHREY, I was the sponsor of the famine prevention program, title XII of the Foreign Assistance Act. It is in the spirit of that legislation that I am asking President Carter to take steps to consolidate the peaceful process started by President Sadat in Jerusalem. Israel could help make the deserts blossom in Egypt as they have in Israel.

The American people are determined to end world starvation in accordance with the philosophy of title XII. This initiative would be a good start. It would also help foster the "Spirit of Jerusalem."

The text of my letter to the President follows:

HON. JIMMY CARTER,
The President, The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I wish to communicate my agreement with your support of the courageous peace initiative demonstrated by President Sadat and propose that the United States facilitate peaceful progress through a timely American-sponsored program of joint Israeli-Egyptian agricultural cooperation.

As cosponsor, with Senator Humphrey, of the Famine Prevention Program, Title XII of the Foreign Assistance Act of 1975, I urge that the United States support President Sadat by applying this law in ways that could quickly make Egypt more productive. We should offer a program to link America's food abundance and our great system of agricultural education with new regional cooperation to make the desert blossom in Egypt as it has in Israel.

The United States can now increase the momentum toward peace in the Mideast by proposing a practical way in which Israel and the United States can help Egypt. Such an immediate American initiative, especially with Israeli support, would dramatize to all Egyptians the benefits of Sadat's statesmanship.

The United States can provide abundant supplies of wheat and other grains for immediate needs and a unique system for educating farmers for long-term improvement in Egypt's food supply.

Israel, more than any other nation, has developed modern know-how to make desert

areas productive and can cooperate directly with the United States in making the Famine Prevention Program work in Egypt. Accordingly, I urge you to instruct the State Department and the U.S. Agency for International Development to mobilize the resources of the Famine Prevention Program and the Food for Peace Program so that the United States, as a friend of both Egypt and Israel, can help them continue to transcend the psychological barrier between Arabs and Israelis by regional scientific cooperation in farming, irrigation, reclamation and rural health.

As Egypt and Israel move toward direct negotiation and peace to transcend a bitter legacy of strife, the United States must encourage both countries to work together. The humanitarian aspects of Judaism, as a great faith, should encourage Israeli technology to help Egyptian farmers feed the hungry masses.

Many Members of the House, myself included, will support your initiative to negotiate with Israel and Egypt to evolve a regional cooperation compact, even in advance of a formal peace treaty. The momentum now available can translate today's possibilities into tomorrow's food on the tables of Egypt's hungry masses. Nothing would do as much to promote brotherhood and the consolidation of peace.

Sincerely yours,

PAUL FINDLEY,
Representative in Congress.

CBS NEWS SPECIAL ON THE PANAMA CANAL FALLS SHORT ON DEPTH AND OBJECTIVITY

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 22, 1977

Mr. HANSEN. Mr. Speaker, the mark of a truly great newsman lies in his ability to fairly and objectively present the two sides to every issue in his report to the public whether it be in the newspaper, on the radio, or on television. In this respect I was extremely disappointed in the quality of the CBS program concerning the Panama Canal aired on the evening of November 1.

Bill Moyers' dialog sounded like an old State Department speech. I had sincerely hoped that the program would be a nonpolitical assessment of the current situation concerning the proposed Panama Canal treaties. Not only was the Moyers' report obviously biased, but it also lacked depth.

There are many more problems being raised concerning the proposed treaties than the question of defense—questions that are vital to the American public. Will we have a full-time canal under the treaties in light of the very real possibilities of water diversion programs or destruction of watershed areas in the Canal Zone? Will the United States have to offer some form of subsidies to Panama after the year 2000 by toll manipulation, military leasing agreements or loans to keep the canal operating? Will the Panamanians be able to resist the temptation and political pressure to "tap the till" which holds canal upkeep funds to divert assistance to programs such as low income housing, national health care, and so forth? And what will Panama do for payments on its national debt when the United States is no longer paying General Torrijos $50 million a year?

Mr. Speaker, many questions remain unanswered and I sincerely hope that in the future if ABC and NBC decide to do special news reports on the Panama situation that they will attempt some measure of fairness and completeness in their presentation of the facts. To further illustrate my point I include for the RECORD the following copy of a letter to the editor of the November 4, 1977 Wausau Wisconsin Herald from Mr. Ron Ostrander. The article follows:

TV PROGRAM WAS SLANTED

EDITOR: The TV program presented Tuesday night on Channel 7 "CBS Reports" was a cleverly slanted and highly biased report on the Panama Canal Treaties. It is not surprising that the report was slanted in favor of the treaties since Bill Moyers was the editor. When CBS hired Moyers, they should have made provisions for rebuttals of any of his reports. Although some time was given to presentation of opposition to the treaties, this was kept to the minimum and was selectively less effective. Moyers gave strong play to the theme that Panama was trying to throw off the yoke of colonialism, drawing comparisons with the struggles of this country for independence. This is an invalid comparison and nothing could be further from the true facts.

Panama enjoys one of the highest standards of living in Latin America and solely because of the revenues it receives from the Panama Canal and American taxpayers. Moyers avoided the facts that Torrijos is a Communist, has strong ties with Russia and Cuba's Castro and apparently is tied in directly with highly organized drug traffic into the United States. Moyers failed to show those Panamanians who want the Canal to remain in the hands of the United States. He failed to mention that the Panamanians who negotiated the treaties deny that the United States can defend the neutrality of the Canal or that our naval vessels will have priority rights to passage through the Canal. He failed to mention that Panama is heavily in debt to banks to which Sol Linowitz (our negotiator) is closely connected and that Panama needs our tax dollars to pay off those massive debts.

Theodore Roosevelt saw the Canal as "the indispensable path to global destiny for the United States." And so it was. Today timid men whose vision of American destiny has so shriveled that they pursue a policy of worldwide retreat to avoid "confrontation" want us to surrender the Canal. What it is that they plan to give away is "a masterpiece of design and construction" built to benefit all mankind.

Although our military leaders who are still on active duty must defend the treaties or suffer the ignominies thrust upon General Singlaub for expressing his honest opinion, the retired military leaders, like Admiral Thomas Moorer, have come out strongly against surrender of any of our sovereignty over the Canal Zone. It would require equal time to present all the counter-arguments against the treaties. Since I am not allowed that time or space, I close with the statement that we should retain the Panama Canal and all our sovereignty over the Canal Zone.

UPDATE: ILYINKA "REFUSENIKS"

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 22, 1977

Mr. LENT. Mr. Speaker, on July 27, 1977, I included in the RECORD a partial list of 120 families in the village of Ilyinka in the U.S.S.R. At this time, I would like to take this opportunity to add to that list additional names of Soviet Jews in Ilyinka. The names are as follows:

1. Mikhial Shmuelevich Kazhokin, son of Shmuel Semyonovich and Riva Mikhailovna.
2. Mikmail Yakovlevich Kazhokin, son of Yakov Iosifovich and Dvora Mikhailovna.
3. Kazhokin, Abram Mikhailovich; wife—Sepfora.
4. Kazhokin, Haim Yakovlevich, b. 1935; wife—Dina Abramovna; seven children.
5. Kazhokina, Maria Vasilyevna. Children: Dina, Sofia.
6. Kazhokin, Mikhail Yakovlevich, b. 1939; wife—Lydia Yevgenyevna; children: Rita, Galya, Lenoid, Igor. Mikhail's father, Yakov Maximovich lives with them.
7. Kazhokin, Shlim Iosifovich, b. 1931; wife—Rakhel Yakovlena. Children: Venyamin (in army), Dina, Luba.
8. Matveev, Boris Isaevich, b. 1951; wife—Leya. Two daughters.
9. Matveev, Isaak Ivanovich; wife—Sara.
10. Matveev, Mikhail Borisovich; wife—Dina.
11. Matveev, Veniamin Danilovich, b. 1933; wife—Mira. Luba, Yakov, Alexander.
12. Piskaryov, Isak Abramovich, b. 1932; wife—Leya. Children: Mikhail, Yakov.
13. Piskaryov, Mikhail Abramovich, b. 1942; wife—Leya. Tamara, Alexander, Chana, Raya.

TROUBLED WATERS CLOUD CANAL PACT

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 22, 1977

Mr. FRENZEL. Mr. Speaker, recently the St. Paul Pioneer Press carried a Sunday feature on the Panama Canal which was written by Marjorie Burns Shanard. Mrs. Shanard was the first and only woman Director of the Panama Canal Company's Board serving from 1969 to 1977. Previously she resided in Panama from 1958 to 1962, and revisted the country from time to time until her appointment to the Board.

Mrs. Shanard has provided what I think is a balanced analysis of some of the problems surrounding the treaty. I found her article of great value and therefore commend it to all Members.

The article, including two corrections made personally by the author, follows:

[From the St. Paul Sunday Pioneer Press, Nov. 13, 1977]

TROUBLED WATERS CLOUD CANAL PACT

(By Marjorie Burns Shanard)

Too many people have made up their minds for or against the Panama Canal treaties on the basis of too little knowledge of the facts and issues.

The country is suddenly awash with instant experts with simplistic answers to the very complex issues involved. There are instant experts who once transited the Canal on a cruise ship, those who have had one-day briefings in Washington, congressmen who have spent two days in Panama and the Canal Zone and those whose Uncle George was stationed in the Canal Zone during World War II.

There are some good reasons to support ratification of the treaties and some good reasons to oppose the treaties. The public really isn't hearing these. The whole ratification process has turned into one big public relations effort waged by the pros and cons. And few hard facts are emerging.

The State Department has set up "an information center," has sent kits to 3,000 newspapers and sent all congressmen ready-made answers to questions most likely to be asked by constituents.

The President has been flying in people from all over the country for briefings and has administration officials in the hustings making speeches. These are some of the efforts to swing public opinion to a more favorable view of the treaties than opinion polls have shown. At least two conservative groups are waging massive campaigns against the treaties. They are soliciting funds on a large scale to finance newspaper advertising in targeted cities and are saturating the mails with pleas to citizens to write their senators.

Even the Panamanian government has gotten into the public opinion influencing act in the U.S. It hired a U.S. public relations agency to make suggestions. One of the agency suggestions was for President Carter to form a committee of nationally prominent people favoring the treaties.

This has been done. Most of this frantic public relations activity would be unnecessary if the big push to get the treaties signed and ratified as far ahead of the 1978 elections as possible had not been a foremost consideration.

But out of all this have come simplistic cliches and time-worn moralistic pronouncements.

"We bought it, we paid for it and we are going to keep it" and "the U.S. took advantage of Panama in 1903 and should now make amends so all of Latin America will admire us for our fairness and largesse." These and other often-repeated arguments are not valid reasons for favoring or opposing the treaties.

One of the best reasons for favoring new treaties is that the present treaties put the U.S. in the position of supporting a colonial enclave which is inconsistent with this country's long-enunciated and practiced policy opposing the former colonial enclaves of other countries. Another is that the existing treaties are not completely satisfactory to anyone.

But there is no need to breastbeat and decry the horrors the U.S. has thrust upon Panama. By and large the Panama Canal has been very good for Panama. It represents one-half of Panama's gross national product, it provides Panamanians with the highest per capita income in Central America and it pumped $243 million into the Panamanian economy in 1976. Panama also receives the highest per capita aid from the U.S. of any country.

The Panamanian economy has burgeoned—that small country of 1.8 million people has 71 banks—largely because the currency there is based on the U.S. dollar and Panama has thus avoided the astronomical inflation experienced by other Latin American countries. Panama's official monetary unit is the balboa but it is tied directly to the dollar. Panama does not even print paper currency, it just uses U.S. bills.

As for the "we bought" etc. idea, the State Department has this to say: The U.S. has good title to the land originally held by the Panama Railroad. This land we bought from the French after they had purchased it from the American company that built the railroad. This constitutes approximately one-third of the Canal Zone. Another approximately one-third of the Canal Zone is land for which we paid damages to private owners. The remainder of the Canal Zone is that which we gained the right to use in perpetuity under the 1903 treaty. However, at this point nobody knows exactly which land is which.

The phrases "in perpetuity" and "as if sovereign" are the most controversial in the 1903 treaty.

"In perpetuity' seems like a long time to play by the same rules and there is logic in the argument that the 1903 treaty would not say "as if sovereign" if the U.S. really were sovereign.

There seem to be four basic reasons for the persisting problems between the U.S. and Panama:

(1) The U.S. has never had any sensible policy with any continuity in regard to Panama. The U.S. just reacted to events. The Panamanians would riot and kill a few Americans and the U.S. would make concessions. That taught the Panamanians something about the U.S.—and it was not respect. Many problems could probably have been avoided if the U.S. had acted coluntarily, fairly and firmly on points of controversy.

(2) Problems are inherent when land controlled by one country bisects another country. A similar situation would exist if France controlled five miles on each side of the Mississippi River and Minnesotans had to go through that French-controlled land to get from St. Paul to Minneapolis.

(3) The U.S. has over the years expanded its activities in the Canal Zone to include things that are neither in the treaty nor necessary—things like running commissaries. Hundreds of American businessmen and their families live in the Republic of Panama and manage to eat well without access to U.S.-run commissaries.

(4) Panama just plain wants more of the action and it is seeing developing countries all over the world getting it. And like most countries—and people—the more they get the more they want.

Having said that new treaties could be fairer and advantageous to both countries,, it should be pointed out that the best reasons for opposing the treaties now under consideration are that they are sloppy and ambiguous. It seems inexplicable that treaties under negotiation since 1973 could be so carelessly drawn and signed with such last-minute haste.

After Latin American heads of state were invited for the signing ceremony on Sept. 7 and all the hoopla planned, the treaties were just barely printed in time. (The State Department would probably officially deny this but it is confirmed by an official involved in the negotiating group.) And the related agreements were not printed at that time. The related agreements are important for they include much of the nitty-gritty important items, such as land and water rights.

The main canal treaty mentions "related agreements" as determining provisions 31 times. Also, these important related agreements are executive agreements and are merely signed by the heads of state and are not subject to Senate ratification.

They not only contain some dubious provisions but also contain errors. In two different places, because of omission of words, they indicate that U.S. employees of the Canal entity are exempt from U.S. taxes. The two treaties themselves comprise 15 pages. The related agreements cover 64 pages.

And in the related agreements, including implementation agreements, annexes, minutes and notes, the phrase "more precise identifications and exact boundaries shall be agreed upon as soon as practicable" appears often. This highlights the impreciseness of these treaties and the haste with which they were thrown together at the last minute despite years of preliminary negotiations.

The lack of precise language had led to a controversy over whether the U.S. has the right to defend the Canal after expiration of the treaty in the year 2,000 and over what is meant by expeditious passage for U.S. naval vessels."

Brig. Gen. Omar Torrijos, the Panamanian chief of state, stopped off in Washington en route from Europe to Panama on Oct. 14 to confer with President Carter in an attempt to clarify the ambiguities over passage and defense. After the conference the U.S. treaty negotiator, Sol Linowitz, issued a statement. The state indicated that Carter and Torrijos had agreed that the U.S. could defend the Canal but not interfere in the internal affairs of Panama and the U.S. naval vessels could "go to the head of the line" in transiting the Canal in times of emergency.

Torrijos was not present at the Linowitz press briefing but returned immediately to Panama. Upon arrival in Panama he announced: "I signed nothing, not even an autograph." That leaves us with no clarification, and many naval experts deem priority passage for U.S. naval vessels essential.

The related agreements contain some potentially troublesome provisions. Each ship requires 52 million gallons of water to transit because of lock requirements. Water used for these transits is stored in two U.S.-made lakes, Madden and Gatun, where the U.S. dammed up the Charges River. Under the proposed treaties the U.S. retains possession of the dams while it is responsible for the operation of the Canal for the duration of the treaties. Prudence would seem to indicate that the U.S. should also retain the lakes. However, it has only the "use" of those lakes and the land between Madden Lake and the Canal through which the water flows.

The terminal ports of Balboa and Christobal are also turned over to Panama in the agreements as soon as the treaties become effective. With the ports will go such activities as bunkering, stevedoring and repair, which are revenue producing as well as integral parts of an efficient Canal operation.

These are merely examples of many installations and facilities that will be removed from U.S. control at the same time this country remains charged with the efficient operation of the Canal (until the year 2000.) Most close observers of the Canal enterprise predict that it will be extremely difficult, if not impossible, for the U.S. to operate the Panama Canal for the duration of the treaties at a standard of efficiency approaching that of the last 63 years. And it should be remembered that the chief executive will be a Panamanian after 1990.

It also appears that the Canal entity will have financial problems under the terms of the new treaties. The U.S. will operate and maintain the Canal while losing some of its operations that generate revenue and at the same time will be paying Panama $62 to $72 million annually.

The board of directors, which oversees the operation of the Panama Canal Company, the U.S. government entity which operates the Canal under the present treaties, is charged with running the Canal at no cost to U.S. taxpayers. Because of inflation, worldwide recession, fall-off in transits at the end of the Vietnam war and the reopening of the Suez Canal, revenue decreased and the board was forced to raise tolls approximately 50 percent over the past three years, the first toll increases in the history of the Canal.

A management research agency with a national reputation forecast in a survey of the sensitivity of traffic to tolls that the Canal could raise tolls 75 percent before they would become counterproductive. Fifty percent of that increase now has been implemented. An updated survey is underway with completion scheduled for January.

Canal management predicts that under terms of the new treaties tolls will have to be immediately increased 25 percent to 40 percent. The increase will depend mainly upon how much Alaskan oil goes through the Canal. If the projected 1.3 oil tankers transit daily, the increase could possibly be held to 25 percent. However, terms of the treaty provide that Panama receive 30 cents for each Panama Canal ton transiting. This is estimated to amount to approximately $42 million annually. Panama also will receive an annual annuity of $10 million, plus an ad-

ditional $10 million annually for public services such as street maintenance and garbage collection.

It is difficult to determine how this $10 million for services will balance out against the present cost of the Canal Zone government, which is abolished under the new treaties. The Canal Zone government now includes schools and hospitals, which will be transferred to military control. The new Canal entity will be relieved of that overhead. It will continue to be a U.S. expense but not one that anyone seems to be included in cost estimates.

There is a further provision in the treaties giving to Panama an additional $10 million annually if revenues exceed expenditures. There also is a provision that in the event revenues in any year do not produce a surplus sufficient to cover this payment, the unpaid balance shall be paid from operating surpluses in future years. This seems to preclude accumulation of funds for capital improvements, the cost of which will rise with inflation.

Outside the treaties, the U.S. also has promised Panama $345 million in various types of loans and aid over a 10 year period.

The U.S. negotiators have assured Congress that the treaties will not result in a cost to the taxpayers. That will involve the hat trick of the year.

Although most Latin American countries sent representatives to the treaty signing, at least four have indicated reservations. These reservations are based on toll increases, which their economies cannot afford, but which will be necessary immediately, according to official sources. It is understandable that a country such as Ecuador, 73 percent of whose import-export trade is Canal-oriented, would have some ambivalence regarding the proposed treaties.

It should be noted in discussing financial conserns that, according to the State Department figures, the present day replacement cost of Canal facilities would be $9.818 billion. Of that total, $1.245 billion consists of military installations. Most of these facilities go to Panama in the year 2000.

The sea level canal provisions of the treaty just come under the heading of "nice to have" items. A sea level canal was at one time considered both necessary and inevitable and a route parallel to the present canal in Panama was determined the most feasible location. Those determinations were based on the use of nuclear excavation methods. The nuclear ban has made costs prohibitive. Scientists also are unsure of the ecological effects of the intermingling of marine life in the Atlantic and Pacific oceans.

Furthermore, the present Panama Canal is now considered adequate at least until 2000. Contrary to views expressed by some sources, 96 percent of the U.S. merchant fleet and 98 percent of the U.S. Navy vessels can transit the Canal, according to Maj. Gen. Harold Parfitt, president of the Panama Canal Company and governor of the Canal Zone. He also states that in 1976, 68 percent of the commercial cargo transiting the Canal either originated in the U.S., was destined for the U.S. or was intercoastal cargo. That represents 12 percent of the total U.S. seaborne commerce.

Passage of the plebiscite on the treaties in Panama puts the ball squarely in the U.S. Senate court. A 67 percent favorable vote would be considered a landslide in the U.S. But in Panama the fact that one-third of the voters in a dictator state (where no elections or votes of this sort have been held since 1968) would vote against the government is remarkable. The ballots were color-coded so it was obvious how votes were cast. The government had predicted a 90 percent favorable vote. Panamanian sources say the results indicate a sizeable vote from the business community, which has frequently opposed Torrijos.

Although the Torrijos government has exercised strict press censorship for years, it allowed opponents to make public statements to the press prior to the plebiscite. Panamanians are making bets on how long this easing of censorship continues.

Updated treaties seem necessary but the presently proposed treaties pose potential problems. Whether the treaties are ratified or rejected, it seems likely that radical Panamanian students will foment trouble. They do not like the proposed treaties because Panama does not get the Canal tomorrow. But if the Senate does not ratify they will consider it an affront to their nationalistic ambitions.

The Canal always has been an easy target for sabotage and always will be. Panamanians know, however, that it is their principal national asset. And Uncle Sam has always been the scapegoat when Panamanian politicians fail to solve Panamanian needs.

New treaties seem a reasonable response to the problems but the possibilities of remedying the deficiencies and ambiguities of the currently proposed treaties seem now to depend on Senate Majority Leader Robert Byrd and Minority Leader Howard Baker.

By March, when it is expected that the treaties will be voted on, hopefully, a lot of people will know a lot more about the treaties and their problems and viable solutions can be worked out.

It is about time the U.S. came to grips with this festering problem with Panama in a manner advantageous to both this country and Panama.

IN OBSERVANCE OF NATIONAL FAMILY WEEK

HON. GUNN McKAY

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 22, 1977

Mr. McKAY. Mr. Speaker, in observance of this National Family Week I feel it important that we take time to recognize that America's families are truly choice and indispensable national assets.

I therefore would like to share with my colleagues the winning essays in a recent contest for young people sponsored by the Daily Herald of Provo, Utah. The three winners were selected from 230 entries. All wrote to the theme, "What my home and family mean to me." Each does a commendable job, I believe, in conveying the joyful and enduring essence which should be at the heart of family life:

FIRST PLACE—SCOTT SANTIAGO

"F" is for fifteen years ago when this essay began with my birth. Fifteen beautiful years with my family. Fifteen years that have been spent in shaping my personality, my attitudes toward life, my likes, my dislikes, my religious ideals, my knowledge of good and bad. Fifteen years that I have been a member of my family.

"A" is for All the happy times that have made great memories that will live a lifetime. My family laugh together, cry together, play together, pray together, live and love together. Every night is a family night in our home.

"M" is for Many members of our family: five boys and one girl and two loving parents. They all stick by me through thick or thin, rain or shine. "M" also has to stand for the money that is shared with me.

"I" is for the Individual attention I receive from my family. If I need help with school work, my parents become teachers. If I need help with athletics, they become coaches. When I become sick, they become doctors. There is always that reassuring voice in the background saying, "That's my boy." Whatever the situation, I know that I can count on them.

"L" is for all the Love I feel from my family toward me. Even though tempers may flare, it always ends in an "I love you brother or sister." It is great to know that if I make a mistake, I am still loved and helped on my way. The warmth I feel from a smile, the guidance I see from loving eyes, the fantastic taste of a brownie are ways my family say "I love you, Scott."

"Y" is for all the happy Years to come for me with my family. I know that even though I will not always be with them, the bond of love and friendship will continue on.

My family is a very special part of my life and always will be. For the never ending love and support they give me. I am very thankful and hope that I can show them how I feel by the way I act and things I do.

SECOND PLACE—JOLENE OSTLER

The rocking chair creaks as the mother rocks back and forth during the long night trying to comfort her sick baby. With cotton candy in his hand, a father goes round and round with his delighted three-year-old son on the ferris wheel at the school carnival. A grandfather, supported by the arm of his teenage granddaughter, strolls through the sunny park, trying to understand the world through her eyes. Each of these scenes of experience is from the volume of family life.

Family life is a process of passing keys of experience from one generation to another. In my family I'm learning and preparing for the time when I will be a parent. When I become a parent, I will help my children gain experience for the time when they will become parents. The beauty of a family is in the simplicity of how one generation helps the next in gaining experience to reach their full potential.

The relationships I'm developing in my family and the memories of times well spent are those held dearest in my heart. The core of my life is my family. I venture out into other areas, but these are all related back to the core, my family. Those things I accomplish add glory to my family and especially to my parents.

The changing of these roles is done with the same smoothness that the night changes today. I know that I can have an influence that will be carried into other lives. A part of my parents is passed on to me and a part of me will be passed on to my children.

THIRD PLACE—JONATHAN LYSENKO

Throughout the ages, the family has been the cornerstone of society. A high code of ethical behavior, a sense of loyalty between members, and a certain degree of prestige and honor have always been associated with the family. Stories of knights fighting to defend family honor remind us that the family name, in certain generations, was held in high sacred esteem. The world is different today. Great emphasis is now placed on things outside of the home, and many people are suggesting that the family is losing its significance in our modern society. I argue this view, for my family is very significant to me. It is the cornerstone of my life.

In my family, I've always been encouraged to maintain a high code of ethical behavior. "Work before pleasure" is something my Dad has always stressed; consequently, work always comes before free-time on Saturdays.

The members of my family are very loyal to each other. Like families of old, we support each other whenever we can. Mom often drives me to school when the weather is bad, and I, in turn, baby-tend for her when she must be away from home. Whenever members of our family are playing soccer or base-

ball, at least part of the family is out there cheering them on.

I consider it an honor to be a member of my family. My father and my grandparents were born in Russia. They suffered many hardships before coming to America. I love and appreciate them for without their sacrifices I could not live in a land of freedom today.

Like families throughout the ages, my family is indeed the cornerstone of my life. I am proud of my heritage and my name, and I would, like the knights of old, fight to defend the honor of my family.

THE CARTER ADMINISTRATION

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 22, 1977

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for November 23, 1977, into the CONGRESSIONAL RECORD:

THE CARTER ADMINISTRATION

In recent days President Carter has run into trouble.

It is no secret that the President has his problems in such areas as energy, the Panama Canal treaties, tax reform, water projects, welfare reform, the Clinch River nuclear reactor, and social security legislation. He also has problems with a long list of special interest groups. If President Carter, however, is indeed in deep trouble for the first time since he has been in the White House, it is only fair to say that it is primarily because he has had the audacity to face up early in his administration to the most difficult national and international problems.

A number of complaints about the Carter Administration persistently crop up. The President is taken to task for trying to do too much at once and for not being willing to delegate sufficient decision-making authority so that he can lead rather than merely administer the government. His compromises, the Lance affair, the off-again, on-again history of the arms sales, and his initial waivering on the Middle East suggest to some that his actions lack a broad philosophical underpinning. His staff is criticized for being too insular, too inexperienced, too Georgian and there is some suggestion of ineptness. His congressional relations are perceived as being poor and there are many complaints that he and his staff do not really follow-through on their proposals.

There are answers to most of these charges, but the real reckoning will be in the results. President Carter may yet attain most of what he has sought. If he gets results on the energy bill, the Middle East crisis, Panama, SALT and on other recent legislature initiatives, his problems of recent months will be forgotten for the most part.

Although the jury is still out, the Carter Administration has had some impressive wins. The B–1 bomber was cancelled, the strip mining bill was passed, a first-rate economic stimulus package was enacted, the President was granted reorganization powers, a Department of Energy was created, and welfare reform is being seriously considered. He has also had his defeats: public financing of congressional elections and instant voter registration. Although President Carter has run virtually into a stone wall in his efforts to develop a viable anti-inflation program, his administration has done far better in terms of economic growth, inflation control and unemployment than was generally predicted last January.

One of the most surprising features of the Carter Administration has been the President's great interest in foreign policy. He has put our relations with the Russians back on the track toward an arms control agreement. He has taken steps toward reconciliation with Vietnam and Cuba. He has given very strong leadership in the Middle East. He has emphasized his belief in human rights.

The Carter Administration's record may be better than most people think. It is a record of modest success in dealing with intricately hard problems. Little of its achievement, however, has been recognized and a lot of the performance has been upstaged by unredeemed promises. To a large extent President Carter faces a challenge in communicating his record and his goals—a challenge that no recent administration has handled effectively.

I do have some suggestions for the President. He certainly needs to improve his working relationship with the Congress. He needs a lot more advance coordination and consultation before sending major legislative packages to the Hill. He has got to continue to work to build close relationships with key members of Congress. He needs to list and communicate his legislative priorities more carefully and delay some measures when appropriate, rather than try to force a barrage of major bills through the Congress. He also has to spend more of his time and effort in selling his own programs. He has given the nation very quickly a lot of complicated legislation on taxes, energy, the environment, consumer protection, public works, and foreign affairs. He cannot simply give a few speeches as he did with the energy proposal and then let a matter drop. There has to be follow-through.

The President recently signaled a change in his presidency by declaring that the legislative activism of his first year would be followed by a period of consolidation. He said he would make few if any major new legislative proposals in the next two years in order to give Congress, business and the public a breathing spell. He says that he cannot think of any new issues that he would be addressing and that he thinks that the major debates are already underway. It seems to me that this new direction in his presidency is wise, it reflects a growing maturity in his administration, and it probably represents a tacit acknowledgement that some of the criticisms of his administration have merit.

SUPPORT FOR U.N. SPECIAL SESSION ON DISARMAMENT

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 22, 1977

Mr. BINGHAM. Mr. Speaker, the Riverdale chapter of the United Nations Association has long been an extremely active chapter.

I should like to call to the attention of my colleagues the following resolution, which was adopted at a meeting of the chapter's board of directors on October 18 and with which I heartily agree:

Emerging from the United Nations Day celebration sponsored by the Riverdale Chapter of the United Nations Association of the United States of America, on October 16, 1977, held at Manhattan College on the burning issue of the escalating conventional arms race and the nuclear weapons proliferation, the Board of Directors, recognizing the concerns expressed at the meeting, approved the following resolution at its regular monthly meeting on October 18, 1977:

Be it resolved that the Board of Directors supports the United Nations in its forthcoming Special Session on Disarmament in the spring of 1978 and the President of the United States in his efforts to reduce and control the spread of nuclear and conventional weapons around the world and urges that a significant portion of the 350 billion dollars spent on armaments this year be diverted to the alleviation of human need.

JOBLESS NUMBERS

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 22, 1977

Mr. CONYERS. Mr. Speaker, the unemployment statistics for October were: 7 percent overall; among black adults, 13.9 percent; among teenagers, 17.3 percent; and among black teenagers, 37.9 percent. Two things are worth noting about these figures. There has been no change during the past year; and these "official" figures are highly inaccurate.

To be counted as "employed," an individual has to report he or she worked at least 1 hour with pay during the preceding week of the survey. To be counted as "unemployed," an individual has to be either laid-off or else actively seeking work. BLS excludes from its count the so-called discouraged worker, who has given up searching for work, and the involuntarily part-time worker, who cannot find full-time jobs. On the basis of numerous survey of "hidden unemployment." it is estimated that the true jobless rate is one-and-a-half to two times higher than the "official" rate.

Mr. Speaker, it is positively scandalous that with all its personnel, financial, and technical resources the Federal Government cannot find the means to uncover the real dimensions of unemployment. A great many Federal programs allocate funds on the basis of unemployment rates. In addition, as the effort continues within the economics established to redefine "full employment" or "natural unemployment" at higher and higher levels, it becomes all the more important for Government to report accurately the full extent of joblessness.

Recently I came across an exceptional analysis of the distortion of current unemployment data that appeared in the October issue of Dollars & Sense. Begun 3 years ago and published in Sommerville, Mass., Dollars & Sense has quickly emerged as a leading publication on economic affairs. I recommend to my colleagues their analysis, "Federal Rates Fuzzy, Local Rates Laughable":

FEDERAL RATES FUZZY, LOCAL RATES LAUGHABLE

In August, the unemployment rate was 7.1 percent up from 6.9 percent in July. These widely quoted statistics suggest to the unsuspecting listener that only about 7 percent of the people who want jobs can't find them. In fact, the official figures are based on peculiar and narrow definitions of unemployment. The true unemployment rate is probably one-and-a-half to two times as high.

The July figure was based on a finding by the Labor Department's Bureau of Labor Statistic (BLS) that 6.7 million workers were out of a job. Two important groups, however, were not counted: involuntary part-time workers and discouraged workers.

As little as one hour a week of paid labor qualifies you for the title of an "employed person." One-fifth of the people counted as "employed" in July were actually working only part time. And of these 18.3 million part-time workers, according to BLS surveys, 4.4 million wanted more work but couldn't get it; on average they were working about half-time. Counting each of these involuntary part-time workers as a half-unemployed person would raise the number of unemployed to 8.9 million and the rate to 9.1 percent.

Discouraged workers (unemployed people who have quit looking for jobs but would work if jobs were available) are described by the BLS as "not in the labor force," and therefore not officially unemployed. To be in the labor force, an unemployed person must have looked for a job within the last 28 days.

It's hard to say how many of the 59.2 million adults not in the labor force in July were discouraged workers. About one-third of them were over 65 (some probably anxious to work if someone would hire them); most of the rest were women described by the BLS as "keeping house."

Many of these women would take paying jobs if they were available. A study based on March 1974 data shows that only 28 percent of women under 65 who who are "not in the labor force" have children under six.

So what's the real unemployment rate? One 1970 study estimated that counting discouraged workers would increase the official unemployment rate by one-half. This would mean a 3.5 percent increase in the July rate. Added to our 9.1 percent rate which includes involuntary part-timers, that gives us a real July unemployment rate of 12.6 percent, as compared to the BLS figure of 6.9 percent.

Employment and unemployment, July 1977

[All figures are in millions of people]

Civilian noninstitutional population, 16 and over	156.6
Labor force:	
Employed	90.6
Unemployed	6.7
Subtotal	97.3
Not in labor force:	
65 and over	19.5
Women under 65 "keeping house"	24.8
All other	14.9
Subtotal	59.2

Source: Employment and Earnings, August 1977.

HARD TIMES IN NEW BRUNSWICK

A detailed local survey taken in New Brunswick, New Jersey, suggests that even this may be too low. A group of Rutgers University sociologists surveyed the city in the winter of 1975–76 and, using the BLS definition, found 15 percent unemployment. A partial correction based on discouraged workers they found in their survey raised the rate to 23 percent—half again as high as by the BLS rules.

Yet this correction did not include some important categories of discouraged workers: it left out all married women, retired people, and students, even those who said they would like to work. So a complete count of discouraged workers would raise the unemployment rate by more than half.

The New Brunswick study also found 22 percent of the population working part-time; a majority said they wanted to work more hours than they did. Finally, it calculated that 43 percent of the city's people had been unemployed at some time during 1975.

Besides revealing how many unemployed people are ignored by the official definition, this local study suggests yet another problem with the BLS figures. Remember, it found that according to the BLS rules, New Brunswick's unemployment rate stood at 15 percent. How does this square with the figures for New Brunswick released by the federal government?

As it turns out, there is no such thing as a meaningful federal figure for New Brunswick. The BLS does publish a rate for New Brunswick and two similar adjacent cities, which averaged only 9 percent for the period of the study. This 9 percent rate, though, does not come from actual observation of anyone in the cities in question.

Like most BLS unemployment figures for cities and states, the figure is based only on a mathematical model which predicts what unemployment should be in places like New Brunswick. Yet a total of $16 billion a year in federal funds for public service jobs and public works is distributed to cities and counties on the basis of these figures.

The only BLS unemployment figures that are based on actual observation, besides the monthly national rates, are annual averages for states, large metropolitan areas, and selected central cities. (Before 1976, small states were not even included.) Annual averages for smaller cities and areas, and all monthly data for states, areas and cities, are the result of fancy guesswork.

THE 70-STEP SHUFFLE

This guesswork starts with the number of people collecting unemployment compensation—a very partial measurement of unemployment since many jobless people are new workers, worked in jobs not covered by compensation systems, or have already used up their benefits. The BLS attempts to correct this fault through a complex estimate which relies mainly on one piece of hard data, which is employers' reports about how many employed people there are; the BLS describes this monthly magic trick as "the 70-step method."

Of course, the monthly estimates for states and big cities produced by this device never add up to equal the annual figures based on actual surveys. When these annual figures come out, the BLS goes back and recomputes all the past monthly averages according to a further series of prescribed manipulations. Any resemblance between the published monthly figures for your town and the number of people out of work last month is purely coincidental.

In response to local criticism, the BLS is no longer even publishing its monthly guess at New York City unemployment. But this figure, too, will continue to be duly entered in the budget formulas of Washington bureaucrats who decide how much aid to send to New York.

Unemployment figures become even less reliable, if that is possible, on a more local level. Massachusetts provides an example of the method used by many states.

The only Massachusetts unemployment rates based on actual survey data are the BLS annual averages for the whole state and for the Boston metropolitan area. The state Division of Employment Security produces more local figures by applying the hallowed 70-step method to each of the twenty-six "labor market areas" into which it has divided the state. Then it readjusts all these rates to make them add up to the correct yearly total for the state.

Within each of these twenty-six areas, the DES creates rates for individual cities and towns by assuming that each city has the same percentage of the employed and unemployed people in its labor market area as it did in 1970. Neighborhoods may have been torn down, luxury towers built, factories come and gone; no matter. The estimates come out month after month in complete ignorance of these facts. If you want to know about changing unemployment patterns in a big city compared to its suburban neighbors, for instance, you're out of luck.

As a community organizer once told a reporter who asked if he had seen the latest unemployment figures, "I don't need figures. I know who's out on the street." Counting noses just might be your best bet.

YOU CAN'T GIVE BACK THE PANAMA CANAL

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 22, 1977

Mr. HANSEN. Mr. Speaker, a close observer of the continuing debate surrounding the Panama Canal controversies as well as a noted historian on the issue, David McCullough, who spent 5½ years working on his current bestseller, "The Path Between the Seas: The Creation of the Panama Canal, 1870–1914," stated in a recent interview with People magazine that "I feel that they can't give the Canal away, because it belongs to me."

Mr. Speaker, I must point out that Mr. McCullough's credentials in this area are beyond reproach. His astute and lengthy study of the Panama Canal has made him one of the leading historians in this area.

Mr. McCullough's interview is very revealing and I feel that his reservations concerning the proposed treaties will be of vital interest to my colleagues in the House and the Senate as well as the American public. He said:

I'm not satisfied that it's necessary to be as generous financially as the treaty calls for. And I'm constantly annoyed by people who talk about giving the Canal back to Panama. You can't give back something that never belonged to them in the first place.

In light of Mr. McCullough's bestseller and renowned acceptance as an authority on the Panama Canal, I find his thoughts very enlightening and highly recommend to all concerned Americans a careful analysis of his interview as follows:

[From People magazine]

"IF I WERE A U.S. SENATOR," SAYS PANAMA CHRONICLER DAVID MCCULLOUGH, "I WOULDN'T KNOW HOW TO VOTE"

This month, with full diplomatic panoply and in the presence of most of the hemisphere's Latin American leaders, President Carter and Chief of Government Omar Torrijos Herrera of Panama signed two treaties which will if ratified, give control of the Panama Canal to the Republic of Panama by the year 2000, while guaranteeing the canal's neutrality. But ratification by the U.S. Senate, which requires a two-thirds vote, is far from assured. A close observer of the continuing debate is 44-year-old Yale graduate David McCullough, who spent 5½ years working on his current best-seller, The Path Between the Seas: The Creation of the Panama Canal 1870–1914 (Simon and Schuster, $14.95). Working out of West Tisbury on Martha's Vineyard, McCullough reads his manuscripts to his wife of 22 years, Rosalee, 44, when she is not keeping an eye on their five children, ages 21 to 8. Recently McCullough talked about the canal's history and the ongoing debate with Gail Jennes for People.

INTERVIEW

Why did the United States decide to build the Panama Canal?

A passage through the land mass of the Americans is the oldest dream in American history, dating back to Columbus and the search for a passage to India. But what dramatized the tremendous potential saving in time and distance of a canal was the voyage of the battleship U.S.S. *Oregon* during the Spanish-American War. It took 67 days to steam from San Francisco round the Horn in savage weather, but it arrived in time for the Battle of Santiago Bay in Cuba. The voyage covered 12,000 miles vs. only 4,000 miles by way of an isthmian canal. As a demonstration of the military importance of a canal, the voyage of the *Oregon* was made to order.

But the U.S. did not start the canal?

No, it took the Frenchman Ferdinand de Lesseps, and advances in hydraulics including the steam engine, to launch the canal. About a third of the work on the Panama Canal was done by the French and they lost some 20,000 lives there before the French company went bankrupt in 1888.

Why was the Canal Zone "the hardest-won 50 miles in history"?

Five hundred people died for every mile in building the canal. It involved more men, money and equipment than any prior human undertaking on earth, except war. Every bottle of quinine, locomotive, steam shovel, all the cement and dynamite had to be shipped there. Those locks surpassed anything ever built, including the pyramids. Rainfall is measured in feet, not inches. Disease was so prevalent, it was worth your life to set foot there: malaria, yellow fever, cholera, typhoid fever, even bubonic plague. Including the French effort, the cost was $639 million in turn-of-the-century dollars. For 1977 dollars, you would have to multiply by a factor of about 10.

You have said the "root causes" of the present canal controversy are in the past. What are they?

The engineering of the Panama Canal is a triumph of human intellect and perseverance. But the diplomacy was imperfect. Had Roosevelt been a little more patient, a little less impulsive and not seen the Colombians as a second-class power, we would have had a sound treaty with Colombia, and our canal today would be in the province of Panama in the Republic of Colombia.

Then U.S. support of the Panama revolution in 1903 was a grave disservice to Colombia?

Our implicit support of the Panama revolution did Colombia the greatest disservice in its history. Having lost its most important province and one of the world's great crossroads, Colombia had every right to bitterness toward the U.S. The disservice to Panama was our haste to sign a treaty written and pushed by its special representative, Bunau-Varilla, who was not Panamanian but French, even before Panama's representatives arrived in Washington. The treaty was decidedly in our favor.

What was the U.S. role in the Panamanian revolution?

We shouldn't have any great guilt about it. Without our implicit support, the revolution would never have been tried or succeeded. But there were no shots fired or blood shed, except the death of one man in a laundry when a Colombian gunboat lobbed a token shot into the city of Panama. The revolution was not a White House plot. We simply let it happen. Many feel we perpetrated a terrible wrong back then which we can right by giving the canal to Panama. Logically we should probably give it to Colombia. Whether the canal goes to Panama is vital, but not from some misty sense of guilt.

Did Teddy Roosevelt "take" Panama?

Many years after he left office, TR said: "I took Panama and let Congress debate me, and while they were doing that, I built the canal." It was partly in jest; it got a big laugh. Actually, McKinley, Roosevelt, Taft and Woodrow Wilson built the canal, which opened in 1914. But Roosevelt put his stamp on everything. He stepped in to assure the success of the revolution. He decided against the sea-level-canal idea in favor of man-made lake and locks; otherwise the canal might have been a failure. He backed Dr. William Gorgas in the extermination of yellow fever and malaria mosquitoes. Finally, as the first President to leave the U.S. while in office, he went to Panama in the worst of the wet season. Teddy splashed around in the mud, tramped through the rains and had a glorious time. From then on there was no problem about the popularity of the canal. It had become a great American crusade. It really is the Roosevelt canal.

What about the Canal Zone today?

This 10-mile-wide strip is a U.S. government reservation in which only employees of the Panama Canal Co. and their families can live. It's a company town, with no representation in the U.S. government or any of its own. Most of those who wish to keep the Zone as it is are conservative, but it is a model socialistic state: stores, transportation, employment, schools—everything is under the control of the U.S. government.

How important is the Panama Canal to the U.S. and the world?

President Carter used the correct word: "vital." People could argue endlessly as to its importance now in contrast to when it was finished. But transits have been increasing steadily and now total about 12,000 ships a year, and by the year 2000 will probably be between 17,000 and 20,000 ships. When the canal was shut down last year during the pilots' strike, the estimated daily loss was $2 million. Some aircraft carriers cannot go through the canal; they are too large for the locks. But our missile-firing destroyers can. About 70 percent of the strategic material in Vietnam went through. And now so does Alaskan oil.

What is your reaction to the two current treaties?

If I were a U.S. Senator, I could not tell you at this point how I would vote. I think we must have a new treaty. The original was badly engineered. But we must not replace it with another flawed one.

What are some of your reservations?

The important thing is to keep the canal operating and serving the world. Making Panama a full partner in that operation is essential. But our participation should not cease entirely; our right to defend the canal if necessary must be maintained. I am not sure this new treaty is the one we should sign, but it would dissolve a potentially explosive situation with the Panamanians. I can see a tremendous disadvantage in our relations with Latin America if we don't sign it. But I don't think we will be loved instantly all over Latin America if we do.

What other reservations do you have?

I'm not satisfied that it's necessary to be as generous financially as the treaty calls for. And I'm constantly annoyed by people who talk about giving the canal back to Panama. You can't give back something that never belonged to them in the first place.

There have been warnings that Panama could nationalize the canal, demand that we leave, and thus open the door to Castro or Soviet influence.

There's an element of reality in those concerns. People against change in Panama are generally better informed than people who have given at least lip service to the new treaties.

Will the treaties pass the U.S. Senate?

I think if the vote were today the treaties would not pass. We must keep an open mind in the months ahead, because this is a very complex subject which must be approached with intelligence and fairness. It will be unfortunate if it becomes an ideological shouting match. This current controversy involves American pride in what we built at Panama, which is justified. It involves Panamanian pride in their nationality, sovereignty, their place in the sun, which is also justified.

ALL THE NEWS THAT IS FIT TO SLANT

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 22, 1977

Mr. McDONALD. Mr. Speaker, almost 20 years ago, the New York Times disgraced the profession of journalism by publishing Herbert Matthews' propaganda articles in support of Fidel Castro. The Times told us then that Castro was not a Communist. His movement was painted in terms reminiscent of Robin Hood. Years later, Cuban exiles, the victims of Castro's Communist regime published a picture of Castro with the cynical caption, "I got my job through the New York Times."

On October 26, 1977, the Times carried an article in the Herbert Matthews tradition. It was entitled "Nicaraguan Rebels Deny Marxist Aim" and was written by Times correspondent Alan Riding. Riding repeated all of the propaganda slogans of the Communist terrorists in Nicaragua the Sandinist National Liberation Front (FSLN). As the headline indicated, he even believed the Communists when they denied being Communists.

I contacted the New York Times on the day that Riding's article was published, and not receiving any assurances that a correction would be made, spoke to Mr. A. O. Sulzberger, the publisher, on the following day. On that day I supplied him with an article citing the facts about the Castro organized terrorist operations against the people of Nicaragua. He agreed to consider this article for publication in order to provide a balanced account. Despite several telephone calls to Mr. Sulzberger it is clear that at this late date my article will not be published, and that the pro-terrorist propaganda will be allowed to stand unchallenged as a matter of record. I am therefore making the article available to my colleagues so that they may know that once again the Times has not printed all the news, but only that which serves the cause of the left.

The article follows:

New York Times and its correspondent Alan Riding have lent themselves to a new Castroite propaganda ploy. On October 26th, Riding's dispatch entitled "Nicaraguan Rebels Deny Marxist Aim" is shot through with documentable untruths. Riding takes at face value claims by the Castroite Sandinist National Liberation Front (FSLN) that they will not impose a Communist system immediately. This is sadly reminiscent of Herbert Matthews' interview with Castro almost 20 years ago.

For example, the split in the FSLN revolutionaries does not involve one faction rejecting Marxism. As the three FSLN communiques released early this month in Managua to the press show, the split was tactical with the larger group supporting flexible tactics combining terroristic "armed struggle" with political agitation and the smaller "guerrillaist" faction relying solely on "armed struggle."

Contrary to the assertation of Mr. Riding, the FSLN continually has been involved in terrorist actions against the Nicaraguan people. In public court testimony, FSLN leader Tomas Borge Martinez admitted kidnappings and murders of peasant farmers and members of their families who refused to cooperate with the FSLN, murders of rural magistrates and other civilians in Nicaragua.

Riding's article attempts to play down the FSLN Cuban connection. Both Mr. Riding and the Times editors should be aware of the public record of Cuba's unabated support for the FSLN. In December 1974, two dozen FSLN members flew to refuge in Havana with $1 million cash ransom after a raid on a Managua social gathering in which three persons were killed. Several of those FSLN guerrillas who later returned to Nicaragua with Cuban help have been shot in gunfights with the National Guard. Captured FSLN leaders have confessed that recruits and leaders receive intensive courses in guerrilla warfare and tactics in Cuba, with money from the 1974 raid and from bank robberies, weapons are purchased in other countries and smuggled in small batches into Nicaragua. On September 26, Costa Rican security officials announced the seizure of arms destined for the FSLN which were clandestinely operating in Costa Rica along the border with Nicaragua, and arrested several persons in connection with the arms smuggling, including the son of the Costa Rican Communist Party boss.

The Times must certainly also be aware of the publicly reported "Nicaraguan solidarity week" activities in Havana. Radio Havana announced on February 18, 1977, that FSLN member Jacinto Suarez had given a lecture on the history of the Nicaraguan revolutionary movement in which he had "expressed gratitude for the support and solidarity of the Cuban people for the Nicaraguan people." The following day Havana broadcast an interview with the FSLN's principal representative in Havana, Jose Benito Escobar.

On February 21, the anniversary of Sandino's death, the Cuban government held a rally at a sugar mill named after the old Nicaraguan guerrilla leader. Speaking along with FSLN leader, Jose Benito Escobar at the rally was Rene Rodriguez, president of the Cuban Institute for Friendship with Peoples (ICAP). This Institute has been identified repeatedly in Senate testimony as a "cover" organization for the Cuban espionage agency, the DGI, which since the late 1960's has been under the control of the Soviet KGB. And also at the FSLN support rally was Cuba's veteran chief of subversive political and terrorist operations in the Western Hemisphere, Manuel Piniero Losada, chief of the Americas Department of the Cuban Communist Party Central Committee.

Piniero was the DGI director until 1970 when Castro made him chief of the Directorate of National Liberation responsible for coordination of all Castroite subversive, revolutionary and terrorist adventures in the Western Hemisphere.

On June 5, 1977 the newspaper El Cronista of Tegucigalpa. Honduras published an interview with FSLN leader, Pedro Arauz Palacios. In answer to a question about relations between his movement and the Cuban regime, he stated, "The FSLN's attitude toward the Cuban people is one of respect, admiration and solidarity with the glorious Cuban revolution, which is an example and stimulus for the liberation struggle of all peoples of the world and mainly for Latin America. . . . We have tremendous respect and total confidence in the Cuban people and their revolution, and we do not doubt their combative solidarity with all the peoples of the world who are struggling for liberation and their firm convictions of the internationalism of the proletariat, of which they have given more than one example to humanity. Angola is an example of the revolutionary integrity of Marti's heroic people."

Arauz Palacios received terrorist training in both Cuba and at Palestine Liberation Organization (PLO) camps. He has made frequent trips to Cuba, his first trip was in November 1969 when he hijacked an airliner, his most recent visit was in March 1976 when the present terror campaign was organized. Arauz Palacios served as the director of terrorist activities in Nicaragua until he was killed on October 17, 1977, in a fire fight with a National Guard unit.

The answer to the question of why Nicaragua, a small country with only two and a half million people, has been targeted for Marxist subversion was set forth in an article by Alejandro Bendana in the U.S. revolutionary weekly, the Guardian, in March. He wrote:

"The overthrow of Somoza by a popular anti-imperialist movement may well prove a critical turning point in the regional struggle for national liberation. U.S. imperialism and its allies are all too aware of their fragile grip on this strategically vital area—of the explosive situation in Panama, the strength of the progressive forces in Costa Rica, the deep unrest in El Salvador * * *, the organized revolutionary movement in Honduras and Guatemala, the nationalist surge in the Caribbean, and, of course, the towering influence of socialist Cuba."

This, of course, is the "domino theory," or more correctly, "the domino fact." The Bendana article saw the same role for the Carter administration's human rights campaign as the FSLN spokesman—to undermine the present Nicaraguan government and facilitate the goals of the FSLN and its Cuban allies.

SOCIAL SECURITY FINANCING AMENDMENTS OF 1977

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 22, 1977

Mr. McKINNEY. Mr. Speaker, it is always difficult to be in the position of opposing legislation which has been portrayed to the general public as the instrument of reform. Such is the situation in which I find myself with respect to H.R. 9346, Social Security Financing Amendments of 1977. I fully realize that the social security system is central to the retirement plans of virtually all Americans and that prompt action is necessary to protect the integrity of the program. Today, the two main social security trust funds face bankruptcy: within a year the disability insurance fund is expected to approach an exhaustion point, to be followed a few years later by the old age and survivors insurance fund. Continued public support for the social security program depends on confidence in its solvency.

However, while Congress has the responsibility to act to remedy the financial problems confronting the social security program, at the same time such action must be responsible and responsive to the citizens the program serves. H.R. 9346, in my opinion, fails to meet these criteria. It is bad legislation, hastily conceived, embodying the all too traditional method of solving problems by raising taxes. It does not contain any of the structural reforms that we know must be forthcoming, as politically unpopular as they may be. Rather, the legislation takes a band-aid approach to the problems and will not resolve either the long- or even the short-range solvency problems of the social security system. It is a stop-gap measure that merely buys time and, as one of my colleagues put it, "it is an awfully expensive way to buy that time."

The House wisely deleted the Post Office and Civil Service Committee amendment, section 302 of H.R. 9346, and replaced the provision with the Fisher amendment by a vote of 386 to 38. Section 302 required the 6–7 million Federal, State, and local government employees plus employees of nonprofit organizations to be covered by social security. The Fisher amendment, offered by Congressman JOSEPH FISHER, Democrat of Virginia, in addition to striking universal coverage, requires a complete and thorough study to be made jointly by the Department of Treasury, Department of Health, Education, and Welfare, and the Office of Management and Budget on the feasibility of coordinating social security with existing retirement programs. It should be stressed that the coordination must come about in such a way as not to compromise vested pension rights accrued in other programs. While I believe a universal coverage program is inevitable for the future if a viable social security program is to survive, I joined my colleagues in supporting the Fisher proposals.

Legislation which affects approximately 100 million people now under social security and close to 7 million people under other systems should not be hastily embraced without careful study. Section 302 simply did not allow for a qualified and objective investigation of its effects on the existing retirement systems. However, once a well-thought-out plan has been produced, one that will carefully consider the integration of social security with the other existing retirement systems, my conviction in the need for this to occur will require me to vote for it.

To practically double the payroll tax, dramatically broaden the taxable wage base, require mandatory coverage of public employes, raise the level of allowable income for retirees, and permit automatic loans to the social security trust fund from the general revenues—as the Ways and Means Committee bill did—may assist in stabilizing the system in the short run. But at what cost to the wage earner and to the employer? And at what cost to the economy? As has been repeatedly pointed out, ultimately the social security system of this country is totally dependent upon the economic growth of our Nation. To raise the marginal tax rates of all Americans by 13 percent can only discourage the workers and savers and further taxpayer resistance to the program. To absorb such a tax increase, employers will be left with no recourse but to raise the price of goods and services, moves counterproduc-

tive to our drive to stimulate the economy. It is my view that the committee cannot help but feed inflation, stymie capital formation efforts, and prove a dampening effect on employment at a time when the jobless rate is already running at 7 percent.

In addition, increasing the wage base is counterproductive in that it gives the illusion of trust-fund wealth. Certainly more money is pumped into the funds immediately, but revenues generated through wage-base increases must be paid out in later years in the form of higher benefits. Therefore, there is no long-run gain to the social security system.

The irony of these shortsighted solutions is that many citizens will be deluded into believing that the financing problems of the social security program have been solved and that simply is not the case. For, while adversely affecting the Nation's economic outlook and the taxpayer's pocketbook, H.R. 9346 still has a long-range deficit of $880 billion—a figure far larger than the public debt, and a most unfortunate bequest to our children and grandchildren. And what assurances do we have today that by raising taxes the deficits in the social security system will be eliminated? What assurances do we have that once the social security tax barrier is broken that we won't be asked again and again to add new taxes?

Essentially, H.R. 9346 does not provide the long-range, comprehensive reforms that are needed to restore overall soundness to the social security system and which adequately reflect today's social and economic conditions. Indeed, we have been told that the remaining long-range deficit will be dealt with "at a later time when more is known about how the economic and demographic factors affecting the system develop." But we know the trends which have placed the current system in jeopardy and which will continue to undermine the program: high rates of inflation and unemployment and the demographic trends of falling birth rate and increasing longevity. In particular, this combination of a sliding birth rate and advancing longevity is producing another financial crisis for social security. When the system was established, there was a worker-beneficiary ratio of 10 to 1; the present ratio is 3 to 1; by 2015, the ratio will be 1 to 1. The demographics are clear. What is not clear is how long before a comprehensive congressional review is made of the social security program.

Just as in the past we have been bold with benefits, now we must be bold in solutions with which to fund them. Rather than attempt to patch over the problems of the social security system, Congress must examine the underlying objectives which the program was designed to meet and the ever-expanding array of social programs which have been appended to these basic objectives. As originally conceived in 1935, the social security system was intended to be an insurance program for the elderly. Today the system provides a wide range of benefits, including survivors, disability, hospital, and education payments. While it is apparent that the current structure of the social security system can adequately support the income security programs for the retired and most of the survivors' benefits, it is equally clear that the fund cannot continue to support the nonretirement programs. This is not to deny the value of these programs nor the fact that they should be supported by Government funding. However, I think it is absolutely essential that we take a long, hard look at the entire program, to decide whether what was created in the thirties and which has been added to over the years will serve the needs of Americans for years to come, or whether we need a completely new type of national retirement, disability, and survivor system, one that reflects the changes in the living and working patterns of both men and women which have occurred in our society.

I do not pretend to know the answers but I do know that adequate consideration was not given in committee deliberation to other proposals to best assure the solvency of the social security program, such as separation of the nonretirement programs out of the system and to fund these programs by means other than payroll taxes; restructuring the payroll tax; changing the contribution/benefit formula, to name but a few. Changes will be forthcoming and I believe it is time for Congress to express a practical national retirement policy that will take effect far enough in the future so that our citizens may be prepared for the change without breaking our promise to those who have earned vested rights under the present program.

While I believe the bad points of H.R. 9346 far outweigh the good and hence voted against the bill, I would like to point out some provisions of the measure that I support for they provide needed improvements in the social security program. Notable among these is the sound decoupling provision which eliminates the present double adjustment of benefit increases by indexing benefit levels to increases in wages only. Other provisions which I endorse are the elimination of a variety of sex discriminatory practices and provisions which improve the treatment of women under the system, and the freeze of the much abused minimum primary benefits which should go to those who need it but do not under present law.

IMPROVING THE QUALITY OF WORKING LIFE—PART 2

HON. TOM CORCORAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 22, 1977

Mr. CORCORAN of Illinois. Mr. Speaker, I would like to call to the attention of my colleagues an article which appeared in the November 14 Washington Post. The article, written by staff writer Helen Dewar, is entitled "Going Home When the Work Is Done." It is the second of two articles on labor-management cooperation.

This article describes one effort to encourage labor-management cooperation, in this case, between the automotive division of Harman International Industries and the United Auto Workers. This particular case involves a 1,200-employee manufacturer of automobile rear-vision mirrors located in Bolivar, Tenn., and its union, the United Auto Workers. I commend both Harman International Industries and the UAW for their cooperative efforts in this area and would encourage other members of labor and management to consider this same type of approach.

Mr. Speaker, I commend this article to the attention of my colleagues and ask that it be printed in the RECORD:

GOING HOME WHEN THE WORK IS DONE

(By Helen Dewar)

BOLIVAR, TENN.—When you ask about the future of the American workplace, you're inevitably told to come here and visit the automotive division of Harman International Industries.

But be prepared for a surprise.

Instead of a futuristic design you'll find a down-at-the-heels complex of World War II quonset huts producing rear-vision mirrors with an array of machinery that would have pleased Rube Goldberg.

Instead of a turned-on, tuned-out or laid-back work force, you'll find a group of pleasant, easy-going farm folk who are proud to hail from what they call the "buckle of the Bible Belt."

And instead of a visionary scheme for making work meaningful or consciousness-raising, you'll find Lillie Gatewood's explanation of what the highly publicized "Bolivar Project" means to those who participate in it.

"I don't know if people enjoy work any more than they did," the friendly, middle-aged Harman worker told a visitor recently, "but they sure do like going home when it's done."

Going home when the work is done. That sounds simple, but you won't find it many other places in American industry, with its fixation on time clocks and the eight-hour day. Nor will you find quite the same process by which the system evolved or a comparable openness in discussing it—which helps explain why people in search of the future come to this small west Tennessee town.

Corporate empires as large as General Motors, along with a hodge-podge of smaller companies, municipal governments and even enclaves in the federal bureaucracy, are experimenting with "quality-of-worklife" projects, which attempt to break down the tedium and regimentation of work by giving workers a voice in how they do their jobs. Many don't like to talk about what they're doing, or do so in hazy abstractions. The beauty of Bolivar people is that they talk about it in human terms, warts and all.

The idea of "earned idle time"—which, roughly speaking, means quitting when production quotas are met regardless of what time it is—was not concocted by a humane management or won by a hard-driving international union, although both were involved in the evolution of the plan.

Rather, it was devised by the plant's workers under the guidance of a union-management "working committee." Operating channels, it sets general policy, attempting, as much as possible, to involve workers in decisions about their own jobs that are normally made unilaterally by their bosses.

It started in the early 1970s with the coming together of three unusual people: Sidney Harman, who was then chief executive of Harman International and is now Under Secretary of Commerce; Irving Bluestone, an international vice president of the United Auto Workers, and Michael Maccoby, a social psychologist and director of the Harvard Project on Technology, Work and Character.

They shared a belief that increasingly well educated workers offered creative resources

that were untapped in the mechanized, regimented, bureaucratized world of work, and they shared a concern over its degrading effect on the human spirit.

They teamed up and bore down on Bolivar, acting largely as catalysts to encourage experimentation by the 600 (now 1,150) workers at the plant, which Harman had acquired earlier and operated in typical rule-book fashion until the project started in 1973.

The "earned idle time" idea came out of the polish and buff department and soon spread through most of the rest of the plant. Production quotas were set based on what could be expected from an eight-hour day, and teams of workers devised plans, subject to approval of the working committee, for meeting these quotas in less time. What they did after they finished their work was their own business.

Classes ranging from ceramics to chemistry, from basic literacy to piano and choral conducting, were offered—attracting roughly half the plant's employees at one time or another. However, most workers simply went home, often to their farms, after finishing their quotas, sometimes as much as three or four hours early.

A newspaper, The Harman Mirror, was established by the workers and serves as an outlet for new ideas. Meetings are constantly going on all over the place, with decisions sometimes made informally and sometimes bucked up to the working committee. There is some job redesign, but not much. Mainly there is more time at home and a better climate at the plant, workers say. "Things like having people smile at you when you walk by," said Arthur McCarver, the general manager.

There are more tangible benefits as well. Production, in both quantity and quality, is going well, management says. Formal grievance charges are way down, according to the union. The last UAW-Harman contract was settled three months before the previous one expired.

There are problems, though.

For instance, on some workers' jobs it's hard to accumulate earned time, and there is some resentment as well as reluctance to take on jobs that can't be done in less than eight hours.

At a recent working committee meeting, the shipping department tried to come up with a plan so they could participate. Management representatives expressed concern that the plan would impede production. Gus Howard, the union president, worried that it would overburden other workers. It was McCarver, the plant manager who appeared to have the final say, asserting that "it's just not earned time." There were no votes, no bargaining in the traditional sense.

McCarver said it was not a management veto, only an articulation of consensus about a basic principle. Whatever it was—and there was no dissent from the union-appointed half of the committee—his viewpoint prevailed. The shipping workers were sent back to try again.

Another problem is that some middle-level management people feel left out or squeezed, a difficulty shared by many work improvement projects. "It's been a headache for me," said Francis Nelson, supervisor of the salvage department. "When people don't make idle time, they get upset."

After four years, the Bolivar Project has arrived at what the UAW's Bluestone calls a "state of pause . . . a time for assessment." Bob and Maggie Duckles, the young couple associated with Maccoby who act as resident consultants, are due to leave shortly and it has not been decided whether, or with whom, to replace them. Interestingly, the workers don't feel the project is independent enough to continue without outside help, according to Howard and others.

When Sidney Harman went to Washington, his business was taken over by Beatrice Foods, the Chicago-based conglomerate that produces everything from Samsonite luggage to Dannon yogurt and LaChoy Chinese food. Beatrice has been encouraging so far, but the absorption process is still underway.

No big innovations are in the works, but changes are constantly being made.

Take the "drop-in lunch" for the trim department, for instance. It started spontaneously several weeks ago and now appears to be a regular affair, with workers and supervisors grabbing some food from a machine and sitting down in a conference room off the cafeteria to discuss whatever is on their minds.

One recent topic was the mysterious disappearance of the little mechanical devices that are put on machines to count production. Several workers wanted Mack Scobey, the trim department superintendent, to replace the lost counters, even suggesting formation of "snitch committees" to help him find them. Scobey said they'd only disappear again. Finally it was decided that (1) Scobey would buy one more round of counters and (2) no one would complain again if they disappeared. Everyone appeared to leave happy.

Some Bolivar watchers from outside say the fact that the project hasn't moved beyond this stage is a sign of stagnation, of trouble. Maccoby views it differently. "It's a question of whether you want democracy," he said recently, "or what the intellectuals think democracy should produce."

A TRIBUTE TO RAY GONEAU

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 22, 1977

Mr. VENTO. Mr. Speaker, since 1940 Ray Goneau has acquitted himself well as police chief of Roseville, Minn. Prior to that, Ray worked for 14 years as a St. Paul patrolman, and a plainclothes officer.

Chief Goneau is much loved in both the St. Paul and Roseville areas, not only for his police activities but for his many civic contributions as well. I join his many, many friends in saluting this fine man on the occasion of his retirement and wish him well in his future endeavors. A tribute to this outstanding citizen was published in the Roseville, Minn., Sun on November 16, 1977 as follows:

A TRIBUTE TO RAY GONEAU

(EDITOR'S NOTE. The following tribute to Roseville Police Chief Ray Goneau, who will be retiring at the end of the year, was written by Harriet Olson Hannon, of the Roseville Police Department.)

In 1948 Raymond Arthur Goneau started his police career as a "rookie" cop on the St. Paul Police force. After graduation from his required training, his first job was a motorcycle cop in the East 7th Street area—known as "The Bluff".

After six weeks on the motorcycle, Goneau moved up and worked a squad car as a relief man . . . in different areas of St. Paul. He worked wherever they needed a replacement sometimes in a squad but often on foot patrol. This detail lasted three months and he was reassigned with a partner, Bill Schmidt, until 1930.

Goneau and Schmidt worked in "Squad 316". At first Goneau was disappointed with the assignment but the West Side proved to be most interesting and he made many friends in the minority sector across the Robert and Wabasha Street bridges. He worked Squad 316 until 1943 when he started further police training that proved to be invaluable as groundwork for his chosen vocation in Roseville.

Ray started investigative training with St. Paul and more than four months studying morals—burglary and auto theft. Bill Schmidt was in class also—studying in robbery, homicide and sex divisions.

Following their graduations in the investigative segment both were assigned to the plain-clothes division in an unmarked squad—No. 561. They were called The Internal Security Squad. They worked out of Chief Tierney's office all over St. Paul on auto theft, burglary, rape or whatever cases that required special investigation.

On days off he was especially busy—those were lean years and he wanted to earn extra money—so he embarked on his own business—"Appliance Dealers' Refinishing" because he knew how to refinish kitchen appliances. He set up his spray-painting business in his parents' garage in the Rice Street area. He decided to expand his business to insure his family's security and took a leave of absence in 1959.

Police work, if you like it, gets into your blood and Ray found that he missed it. Roseville Councilman Harry Carlson approached him in 1954 and asked him to give deep consideration to starting a police department in Roseville. Though his business was doing well he could not resist the challenge of police work in Roseville, where he lived.

It was Feb. 23, 1954 that Ray accepted the Council's request to organize a police force. He worked part time for $100 a month. The office was in a corner of the old Village Hall at 2701 N. Lexington. Ray recruited the following: Art Johnson, Roy Cote, Ken Fabyanske and Jack Schwartz. The men used their own cars the first six weeks before a squad car was bought and equipped. The department grew and many were added to the roster. In 1957 it went full-time.

Under the Chief's leadership the Roseville Police Department has developed into an efficient operation that makes Roseville a better city to live in.

A dinner and party exceptionale is planned. There will be a "Roast the Chief" testimonial. Thirty persons are working on the event to make it as interesting as possible.

Ray has been police chief for more than 22 years and considered a leader in the community. He's one of a kind—loved by many and has few enemies.

The party will be Wednesday, Nov. 30 at Paul's Place Inn. A sit-down dinner will be served promptly at 7:45 p.m. Night owls are invited to stay for an evening of dancing following the dinner and program.

Tickets are $15 each including tax, gratuities and gift donation.

Chairman Harriet Olson Hannon at 484-3371, Ext. 265 or Lowell Sullivan, co-chairman at 483-3643 are taking reservations. All interested friends are invited to the affair.

PSYCHIATRIC TERROR IN SOVIET UNION

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 22, 1977

Mr. DERWINSKI. Mr. Speaker, there is much speculation as to the relationship of the United States and the Soviet Union, and especially as it relates to the U.S.S.R.'s dealings with the neophyte Carter administration.

It must be recognized that the Soviet Union is a dictatorship with long-term

foreign policy goals that are quite visible. It must also be noted that the domestic policy of the Soviet Union has been conducted with tragic consistency for many years.

These points are properly commented on by Allan C. Brownfeld in an article appearing in the Anaheim Bulletin of October 29, and as I believe this article is worthy of attention, I wish to insert it at this time:

PSYCHIATRIC TERROR IN SOVIET UNION

(By Allan C. Brownfeld)

For many years it has been charged that the Soviet Union was using psychiatry for political purposes, that it was placing dissidents in mental institutions, and often using what can only be termed barbaric methods against them.

Slowly, during the past decade, more and more documented evidence of this abuse has made its way to the West. The Soviet Union has vigorously denied using psychiatry in this way, and when the issue first came before a meeting of the World Psychiatric Association in Mexico City in 1971, no action was taken. It was argued at that time that the data was insufficient to make a judgment, even though on March 10, 1971, more than 150 pages of documentation, including what were claimed to be exact copies of the official forensic reports on six Soviet dissenters were released to the press by a French group, the International Committee for the Defense of Human Rights. Finally, in 1977, at its meeting in Hawaii, the World Psychiatric Association did pass a resolution criticizing the Soviet Union, although it was passed very narrowly.

Now, there can be no doubt of the Soviet government's role in this area. A just-published book, "Psychiatric Terror" (Basic Books, 1977) by Sidney Bloch, a lecturer in psychiatry at Oxford University, and Peter Reddaway, Senior Lecture in political science at the London School of Economics, will convince even the most skeptical. For the first time, they have presented in encyclopedic detail the full horrifying story of the Soviet government's misuse of psychiatry and mental hospitals to suppress political dissent. The volume is based on years of meticulous research and extensive interviews. Soviet dissident Vladimir Bukovsky, in the foreword, notes that, "Without doubt, Bloch's and Reddaway's book will be a kind of encyclopedia, an indispensable source for all those interested in the problems of psychiatric abuse. Among its merits are the impeccable documentation, the detachment of the analysis, and the combination of a scientific method and fluent, readable style."

Hundreds of political dissidents in the Soviet Union have been labeled "schizophrenic" by teams of government appointed psychiatrists, and then have been condemned to either ordinary or psychiatric hospitals, or "special" hospitals, which are more reminiscent of medieval prisons. The kinds of "schizophrenia." In this illness one leading Soviet psychiatrist, Professor Lunts, contends that "well defined psychotic phenomena such as delusions and hallucinations are not characteristically present." Indeed, he declares, in this form there are "no clear symptoms." Such a diagnosis is, of course, convenient for labeling sane people insane—and is used repeatedly in this way.

Authors Bloch and Reddaway, in this connection, note that, "The Soviet view of schizophrenia as an irreversible, deep-seated illness with extremely broad diagnostic criteria leads to serious results for a large number of people who are labeled as suffering from it."

What are the hospitals like to which sane political dissenters are sent? Consider the case of Andrei Dubrov. In October, 1972, aged 22, he and his mother received permission to emigrate to Israel. At the last minute the permission was revoked on the grounds that he had to do his army service. He refused to comply and was dispatched to Psychiatric Hospital No. 3. He described the hospital this way:

"I looked around. A big ward, or cell, with 20 beds. Bars on the windows. Naked men lie on the beds, tied down, writhing in convulsions, issuing wild cries. From time to time, an orderly comes up and gives them a hefty punch in the stomach. . . . From morning to night almost all of them are injected with several doses of Aminazin (a tranquilizer)... The ward is permeated by a sickening smell of rotting; the patients perform their natural functions on the beds they are tied to..."

There are discussions of case after case of perfectly sane men and women being committed to psychiatric institutions for simply expressing opposition to one or another government policy. Internationally known biologist Zhores Medvedev, for example, was in 1970 forcibly held in the regional psychiatric hospital at Kaligula. His illness, of course, was "schizophrenia." A psychiatrist explained it this way: "To engage in 'Publicist' writings in addition to one's normal professional work, scientific or other, was a sign of a 'split' or 'disassociated' personality, an obvious symptom of illness."

To such a diagnosis, Bloch and Reddaway respond that, "The notion of a 'split' personality—engagement in two unrelated activities—as a criterion of mental illness is ludicrous, and has given rise to the ironic term, the 'da Vinci syndrome.' We would be obliged to certify as insane countless brilliant men and women who have pursued multiple, diverse interests."

Or consider the commitment of Gennady Shimanov. His offense was becoming a Christian. He explained his conversion in what the authors call a "palpably shrewd" manner, referring to the faith of Shakespeare, Tolstoy, and Dostoevsky. Were all these writers crazy because they believed in God? The psychiatrists, however, were ready. Dr. Maslyayeva declared, "If you had grown up in a religious family or had lived somewhere in the West, well, then we could have looked at your religiousness in another way. . . . But you were educated in a Soviet school, and were brought up in a family of non-believers . . . All Soviet people are Marxists; everyone acknowledges only a scientific philosophy; but you believe in God, so you are out of harmony with society."

Professors Bloch and Reddaway compare the Soviet abuse of psychiatry to Hitler's similar abuse of medical practice. They conclude that, "We are convinced that the treatment of dissenters in Soviet medical hospitals is not only barbaric and degrading but sinister. Attempts to extract recantations with the aid of drugs bring Soviet psychiatry to almost the same moral territory as that occupied by the Nazis. . . ."

UNITED STATES PAYING A HEAVY RANSOM TO GIVE AWAY PANAMA CANAL

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 22, 1977

Mr. HANSEN. Mr. Speaker, as the controversy over the Panama Canal treaties rages on, it becomes increasingly apparent that the American people will need a strong foundation of the basic facts concerning the canal to successfully face the onslaught of the administration's massive propaganda campaign. For the benefit of my colleagues and their constituents across the Nation I offer for the RECORD the following excellent article from the Washington Weekly of November 10, 1977, by retired Army Lt. Gen. Daniel Graham:

COMMON SENSE AND THE PANAMA CANAL

For those who are saddled with the problem of agreeing or disagreeing with the Panama Canal Treaty, there are really only a few gut questions. These are:

1. What does the United States get out of the new treaty?

2. Should U.S. citizens feel guilty about ownership of the Canal?

3. Can we defend the canal against Panamanian guerrilla attacks?

The Washington establishment is undertaking an almost unprecedented propaganda campaign to convince Americans that the treaty should be ratified. To the question of "what does the United States gain?", the bureaucrats answer, "Latin American good will"; to the question of U.S. "guilt" for having control of the canal in the first place, the Carter Administration answers, "Yes, feel guilty. The Panamanians resent U.S. power and influence in the Canal Zone". To the question "Can we defend the Canal?" the Administration answers. "The Chairman of the Joint Chiefs of Staff says that he cannot guarantee the Canal against sabotage efforts of guerrillas."

Fine. But let's look at these answers. What does the U.S. get out of the new treaty? Nothing. In fact, the U.S. loses control over a vital seaway through which a large percentage of support to efforts in the Far East (Korea and Vietnam) flowed. The new treaty makes it possible for the Panamanians—whether under a Marxist leader like Torrijos or a later brand of totalitarian—to halt or to seriously impede the movement of U.S. goods, military or civilian, between the Atlantic and Pacific Oceans. We also incur a debt. We are required to pay General Torrijos a ransom of at least 604 million dollars to dissuade his support of sabotage efforts against the Canal.

Essentially, the United States gets nothing from this treaty. The proponents declare that we get "good will" from Latin America—hence the display of diplomats and heads of state at the Carter-Torrijos signing in Washington. These Latin American leaders were present because antiyanquism is a potent factor in the politics of all Latin American countries. It makes no sense at all for Latin American leaders to court opposition to themselves by opposing U.S. retreat even when they know it is against their countries' interest. The fact is that the proposed treaty caters to the radical Leftist factions in most Latin American states to the extent that it forces all Latin American governments to support it.

The second argument of the Administration tries to make all Americans feel guilty that the Canal belongs to the U.S. Bugaboo words like "colonialism", "imperialism" and "jingoism" are tossed about in the effort to make all of us feel guilty. Rubbish. Panama would not even be a nation were it not for the United States. Panama has enjoyed the highest per-capita foreign aid from the U.S. of any country in the world. The Canal has been operated by the United States so as to help all Latin American countries expand their commerce and has never used control of the Canal as a punitive lever against any Latin American state. U.S. citizens in the Canal Zone are not even allowed to own their homes or any land.

Finally, the Administration tries to frighten us into buying this treaty. "The Joint Chiefs of Staff cannot guarantee the safety of the Canal against guerrilla attacks from Panama." True. But the JCS cannot

guarantee the capitol in Washington against attacks by the Weathermen either; they have occurred. The fact is that the Canal is much more defensible than most U.S. interests abroad, for these reasons: (1) It takes a large concealed effort to really damage the Canal—certainly "one Panamanian with a hand grenade" cannot do serious damage; (2) the well-being of Panama depends on the continued operation of the Canal and only fanatic Leftists would see advantages in sabotage; (3) and finally, the kind of effort required to sabotage the Canal would be mounted by elements who consider the current draft treaty a "sellout to the U.S. imperialists", that is, those elements in Panama now denouncing the treaty. Can General Brown, Chairman of the JCS, guarantee the Canal against attack by these antitreaty elements? Of course not.

Common sense Americans are unlikely to buy the spurious arguments of the Administration for ratifying the Canal Treaty. They might buy a treaty which turned over defense of the Canal to a consortium of Western Hemisphere nations, but not to a Marxist totalitarian regime such as now exists in Panama. Nor are Americans likely to agree with retreat in the face of threats of violence from a tiny fraction of a country of only one and one half million people. Americans are not imperialists or jingoists, but they are not guilt-ridden defeatists either. They know that the turnover of the vital Panama Canal to a two-bit Marxist dictator—and paying a heavy ransom for the privilege of doing so—is simply unworthy of a nation so great as theirs.

HUMAN RIGHTS, DUE PROCESS AND THE WILMINGTON 10

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 22, 1977

Mr. McDONALD. Mr. Speaker, the Soviet Union is resorting to its customary Big Lie technique to try to divert the attention of the world public from the sustained 60-year record of systematic repression under the Communists. The Soviet Communists claim that America is the real oppressor, and have been offering the case of the "Wilmington 10" as their best example. While the Wilmington 10 case is being headlined in the U.S.S.R.'s efforts to blunt the criticism of Soviet repression from the administration and this Congress, the Communists have been giving support to the Wilmington 10 defendants since their arrest in 1971.

The Communist Party, U.S.A. (CPUSA), through its front groups such as the old Southern Conference Educational Fund and the newer National Alliance Against Racist and Political Repression (NAARPR) have organized legal assistance, raised money and distributed extensive literature and leaflets in support of the Wilmington 10 defendants. More than a year ago, the World Peace Council (WPC), an internationally active Soviet-controlled Communist front which provides support for Marxist terrorist groups while pressing for Western disarmament, took up the case and sent messages of solidarity to the Wilmington 10.

On March 11, 1977, Moscow TASS wrote under the headline, "Wilmington Ten: Will Justice Prevail," that:

> The Wilmington Ten are a group of American political prisoners detained in jails of the state of North Carolina and sentenced to a total of 282 years of imprisonment. The pretext for their frameup was the racial unrest, which flared up in Wilmington in 1971, as a result of the disorder and provocation staged by the local racialists against the black residents, * * *.
>
> Ten militant civil rights champions, headed by Benjamin Chavis, were charged at a court in Raleigh (September, 1972) with setting fire to a grocery store, owned by a white merchant. The testimony of . . . one criminal, Allen Hall, was enough to pass sentences.

Continuing in that vein, TASS on March 16 continued denouncing the "false charge of arson," and continued:

> It is a deliberate silence that surrounds the case of the 'Wilmington Ten' in the United States. It is known that certain circles in the United States have started lately a clamour about mythical 'violations of human rights' in socialist countries under the cover of 'concern' for the fulfillment of the Helsinki accords. Are we not facing a situation when these circles, while fabricating all sorts of concoctions about the Soviet Union and other socialist states, are trying to divert the public's attention from real and, let us add, crying facts of arbitrariness and lawlessness in the United States where champions of human rights and opponents of racial discrimination are languishing behind bars?
>
> Will justice triumph in the case of the 'Wilmington Ten'? The Soviet and international public is waiting for an answer to this question.

Other TASS reports featured an interview with one of the Wilmington 10 who is presently serving his prison sentence in North Carolina, Rev. Ben Chavis, who is also a founder and officer of the CPUSA's National Alliance Against Racist and Political Repression front and which has been a major publicist for Chavis and the others. TASS correspondent Harry Freeman interviewed Chavis in McCain prison. Chavis gave the Soviet Government news representative a copy of a letter he had written to the President protesting his prison sentence and conviction.

"Political prisoner" Chavis is quoted as telling the Soviet representative that the Wilmington 10 were "condemned to jail not because of any crime that we committed, but simply because the authorities are trying to silence us and keep us from organizing the struggle against racism." Chavis was also quoted by TASS as stating from prison that he had "seen with my own eyes prisoners being forcibly held down by guards and injected with mind-twisting drugs."

TASS did not see the irony in their accusing the United States of frameups and repression while at the same time convicted felons are permitted to give unhindered interviews in prison to representatives of Communist propaganda mills, and to participate from their prison cells in Communist Party front activity—indeed in Chavis' case to serve as an officer of the NAARPR front. Western newsmen who have no government intelligence or propaganda functions who attempt to interview Soviet dissidents in their own homes are picked up by the KGB, grilled and expelled. The contrast between the two systems is telling.

With ample funds and with full benefit of counsel of their choice, the Wilmington 10's appeals have been rejected by the North Carolina Supreme Court and by the U.S. Supreme Court which found no error in the trial. Now Amnesty International (AI) has taken up the case of the Wilmington 10 and several other felons convicted of crimes of violence as examples of U.S. political prisoners.

Amnesty International has charged a broad range of Western countries with blatant repression of political dissidents. AI's targets include Great Britain in Northern Ireland, Nicaragua, Argentina, and various other nations which have been subjected to concerted attacks from Marxist terrorist organizations. In its early years, Amnesty International developed a reputation for reasonable accuracy; however, a broad range of Marxists soon saw that AI could be useful for their own purposes and have become so influential in the organization that it seems the AI definition of "political prisoner" would include any person prosecuted for an act of violence so long as that act had been motivated by revolutionary Socialist ideals. Amnesty International's involvement with the Wilmington 10 case will prove a useful measuring stick for Americans to judge the worth of their condemnations of other free world countries.

To set the record straight on the Wilmington 10 case, I would draw the attention of my colleagues to a letter to the American Bar Association publication, Barrister, from a distinguished North Carolina attorney, William W. Taylor, Jr., of Maupin, Taylor and Ellis in Raleigh:

> MAUPIN, TAYLOR, & ELLIS, P.A.,
> *Raleigh, N.C., October 26, 1977.*
>
> Mr. EDWARD SHEA,
> *Editorial Board, Barrister, American Bar Association, Chicago, Ill.*
>
> DEAR MR. SHEA: A younger member of our firm has shown me his copy of the Fall, 1977, edition of "Barrister" in order that I might read the article entitled "How Due Process Died in Wilmington, North Carolina." He was shocked to find such an article in what should be a responsible professional magazine published by the American Bar Association. His reaction is shared by all the members of our firm.
>
> The so-called Wilmington 10 were tried before an able and fair judge. They were represented by counsel of their own selection. They had ample funds with which to prepare and present their case. They were found guilty by a mixed jury of whites and blacks drawn from a different county from that in which their alleged crimes were committed. Their case was considered on appeal by the North Carolina Court of Appeals, which found no error in their trial, and was further reviewed on the record by the North Carolina Supreme Court, which declined to grant defendants' petition for certiorari (287 N.C. 261, 214 S.E. 2d 433), as did the United States Supreme Court (423 U.S. 1080).
>
> Their appeals for executive clemency have been turned down by a liberal Governor. U.S. Magistrate Logan Howell, an experienced lawyer and a disinterested Federal official, after reviewing the records in this case, has declined to grant habeas corpus.
>
> Judge Robert Martin, who tried the case, and Judge George Fountain, who presided over the post-conviction hearing, have long been considered as outstanding judges of our court of general jurisdiction. Judge Martin is now a member of the North Carolina Court of Appeals. Judge Fountain has been a Su-

perior Court judge for more than 20 years. Although eminently qualified, he is not a member of the Supreme Court, as your article incorrectly stated.

Your publication of this article will be taken by your readers as indicative of your approval of the "facts" and views expressed by the author, a newspaper reporter.

Have you read the 56-page opinion in this case written by Honorable Walter E. Brock, Chief Judge of the North Carolina Court of Appeals, as reported in 24 N.C. Court of Appeals Reports 148 *et. seq.*, 210 S.E. 2d 555 *et seq.*? The testimony at the trial as recited by the Court of Appeals should be very enlightening to those who rely on a liberal press as a basis for their views on the innocence and mistreatment of the defendants. Judge Brock concluded his opinion with this language:

"In our view defendants had a fair trial before an impartial, patient, and courteous judge and by a competent, unbiased jury. They have been accorded every reasonable request. The State's evidence was clear, and overwhelmingly tended to show the guilt of each defendant of the offenses with which he was charged. In the trial we find no prejudicial error."

Are you aware of the fact that the defendants not only did not take the witness stand in their own behalf at their trial, as was their constitutional right, but, also, they did not testify at their post-conviction hearing in which the burden of proof was on them? So far the court records show, they have never made any statement under oath denying that they were guilty as charged. I am informed that they have refused, when interviewed, to discuss the merits of the case.

Has any member of your editorial staff sought the views of responsible members of the Wilmington or New Hanover County bar who had no connection with this case? Have you made any effort to interview officers of the National Guard which was called out to restore order and to protect property?

In publishing this article, you have reflected on the integrity and competence of the courts of this State and some of its ablest judges.

Due process is not dead in Wilmington or in the State of North Carolina. However, if the American Bar Association approves of or condones the publication of such inflammatory articles and continues its steady shift to the left, then, in my opinion, the Association will have sounded its own death-knell as a responsible national organization of lawyers. Its membership will and should decline drastically.

This letter will no doubt be viewed as local reaction to your disclosure of North Carolina "racism and injustice" of such massive proportions as to require intervention by concerned members of the bar throughout the nation. However, in order that you may, I hope, have some conception of the fact that we are not totally lacking in objectivity, I refer you to the biographical section of Martindale-Hubbell for background information on this firm. You will note that it includes lawyers who were born or reared in California, Michigan, New York, Ohio, Delaware, West Virginia and Miami, Florida. Their educational experience includes such schools as Dartmouth, Yale, Pomona College in California, George Washington University in Washington, D.C., University of Virginia, University of West Virginia, University of Miami (Florida), U.S. Naval Academy, and schools in this State.

Among our firm members are past presidents of both the North Carolina State Bar and the North Carolina Bar Association; a former member for many years of the House of Delegates of the ABA; a fellow of the American Bar Foundation; two former State Chairman of the ABA Membership Committee and the current State Chairman of that committee; and two former long-time members of the American Judicature Society.

I write to protest your article and to suggest to you the need for editorial responsibility in publications that are going to lawyers throughout the United States, especially to younger members of the bar. Such articles as this will not promote the rule of law. On the contrary, they will tend to bring able and distinguished courts into disrepute. The American Bar Association and its publications should be working to uphold a respect for law and the courts, not to destroy them by this type of inflammatory journalism.

Very truly yours,

W. W. TAYLOR, JR.

MONETARY POLICY MUST EMPHASIZE ECONOMIC GROWTH

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 22, 1977

Mr. REUSS. Mr. Speaker, Prof. James Tobin of Yale suggests in a thoughtful article in the New York Times, November 20, 1977, that the Federal Reserve state its objectives for the upcoming year in terms of increases in the gross national product, rather than in terms of the money stock alone. He says:

After all GNP growth is the bottom line; money stock control is means, not end.

The Federal Reserve Reform Act signed by the President on November 16, 1977, reflects a similar view on the part of Congress. It requires that the Federal Reserve, in stating its targets for growth of the monetary aggregates, "take account of past and prospective developments in production, employment, and prices."

I commend the article by the distinguished former member of the Council of Economic Advisers to the attention of my colleagues:

CAN CARTER AFFORD ARTHUR BURNS?

(By James Tobin)

In January President Carter will have a chance, the only chance during his term, to influence the monetary and credit policies of the government over which he presides. Those policies will be pervasive, powerful—even decisive—determinants of the course of the economy: production, unemployment, profits, inflation, interest rates, stock prices. They will affect the fortunes of most workers, businessmen and investors more significantly, if less visibly, than almost all the legislation and administration that commands the attention of Congress, the executive branch and the public.

As Mr. Carter is well aware, the electorate holds him responsible for the performance of the economy. He is bound, therefore, to take most seriously his designation of a chairman of the board of governors of the Federal Reserve System to serve from Jan. 31, 1978, not at the President's pleasure but for a full four years.

The Fed makes monetary policy. Specifically, its decision-making body is the Federal Open Market Committee, which meets monthly in Washington and sometimes more frequently by telephone. The members of the committee are the seven governors (of whom one is the designated chairman) and five of the 12 presidents of district Federal Reserve banks. The governors are appointed by the President and confirmed by the Senate for 14-year terms. One vacancy occurs every two years; the next one, not that of the current chairman, also occurs at the end of January.

The district bank presidents are only in the remotest sense Federal officers. They are appointed by the boards of directors of the banks, subject to approval by the board of governors in Washington. They are not subject to Presidential approval or Senate confirmation; they serve indefinite terms; they are paid more like private bank executives than Government officials. All 12 participate in meetings of the Open Market Committee; of their five votes, the New York president always has one and the four others are rotated.

No representative of the President of the United States—not the Secretary of Treasury, not the chairman of the Council of Economic Advisers—is allowed to attend the committee's meetings even to observe and listen, much less to express views or to vote. This bizarre apparatus dates from the Banking Act of 1935, amending the Federal Reserve Act of 1913. Neither law anticipated that the agenda of central banks would become so central of the economic policies of democratic governments.

The chairman of the Fed has only one vote in the Open Market Committee, but in practice the committee almost invariably follows his lead. There are several reasons: fear that open dissent will imperil the independence of the Fed, the chairman's role as public spokesman and his command over the administrative and research staffs, the chairman's influence in appointments of new governors and district bank presidents and the chairman's personal and intellectual force.

President Carter has inherited a chairman and a board appointed by his Republican predecessors; 10 of the 12 bank presidents also assumed office since 1969. A new chairman will not find it easy to change policy, especially if the outgoing chairman stays on the board.

These are the reasons why the designation of a chairman is the only real opportunity Mr. Carter will have to influence an agency whose actions are crucial to his economic goals and to the record by which he will be judged. If he replaces Arthur F. Burns, he will not be threatening the Constitution or even the independence of the Federal Reserve System. The statute deliberately sets the chairman's term at four years to give the President this limited power, with no presumption that incumbents will be retained. Designating a new chairman would not politicize a technical professional position; the office is political, in the sense that high policy is at stake. Mr. Burns' professional distinction and long career of dedicated public service are not in question; they do not entitle him to life tenure.

In a similar situation in 1962, it is true, President Kennedy reappointed William McChesney Martin. Like Mr. Burns today, Mr. Martin enjoyed great support in financial and business circles suspicious of a new Democratic Administration, and his retention helped to reassure them. But there is a significant difference. After some early polemics, Mr. Martin had reached a modus vivendi with the new Administration. Under his leadership the Fed broadly supported the Kennedy-Johnson economic strategy throughout the 1961–65 recovery. In his Oct. 26 speech at Spokane, Mr. Burns called for a similar fiscal strategy today, but he gave no indication that he would satisfy the monetary needs of an expanding economy as Mr. Martin did in the early 1960's.

How has the Fed exercised its responsibility during Mr. Burn's tenure as chairman? In the future history of monetary policy, two principal themes will stand out: First, during this period the Fed changed significantly its way of defining, formulating and executing monetary policy. Second, begining in 1974 the Fed undertook a crusade against inflation and gave it priority over other economic goals.

The first change reflected the influence of Milton Friedman and other monetarists although they have not been entirely satisfied. Previously the Fed had geared its policy to general economic and financial condi-

tions; explicit formulas were not used, much less announced.

During Mr Burns's tenure, the Open Market Committee began to formulate and announce its policy in terms of target ranges for growth of several monetary aggregates, notably M–1, the narrow money stock—currency and demand deposits held by the nonbank public. Each quarter year-ahead targets are announced; the range for M–1 is currently 4 to 6½ percent.

The Fed's marksmanship is imperfect because it does not directly control M–1 or other aggregates. The Fed buys and sells Treasury bills, usually under repurchase agreement. There are many loose joints in the linkage between these operations and M–1. Fed operations can, however, directly control the interest rate on Federal funds, overnight loans between banks. The M–1 outcome then depends on how banks and depositors all over the country respond to that rate and to a myriad of other events. Each month the Open Market Committee M–1 reconsiders its operating target for the Federal-funds rate, raising it if M–1 is too high, lowering if M–1 is too low. Predicting these moves from weekly monetary statistics, volatile and erratic as they are, has become an obsessive Wall Street pasttime, generating ridiculous weekly gyrations in stock prices.

Yet investors have been quite right this year to fear that M–1 could be held to target only by sharply higher interest rates, damaging both the discounted value and the prospect of future corporate earnings. The Fed has raised the funds rate 200 basis points in 1977. Though higher short-term interest rates induce the public to makedo with less cash, money growth still exceeds the target.

It never seemed likely that M–1 growth of 4 to 6½ percent was consistent with 11 to 12 percent growth of dollar gross national product (5 to 6 percent higher production plus 6 percent higher prices). It would have taken an extraordinary increase in the efficiency with which the public uses the money stock to produce such a big increase in velocity (G.N.P. divided by M–1). Velocity did rise significantly in 1975 and 1976, reconciling the Fed's moderate money stock targets with growth in G.N.P. without an upward trend of interest rates. But interest boosts in 1977 have already damaged the prospects for G.N.P. growth next year; and the further increases needed to return M–1 promptly to target range would bring about a recession as surely as the Fed's double-digit interest rates did in the spring of 1974. The Administration is certainly right to ask the Open Market Committee to place the economy's health above the Fed's self-imposed money stock targets.

The problems just discussed, arising from short-run volatility of money stock statistics and from variability of velocity, could be avoided if the Fed's year-ahead targets were ranges for growth of dollar G.N.P. (money stock times velocity) rather than for M–1 (or other monetary aggregates) alone. After all, G.N.P. growth is the bottom line; money stock control is means, not end. G.N.P. growth targets would also facilitate consistency with the economic projections and objectives adopted in the budget decisions of the Administration and Congress. It is unfortunate that, under Mr. Burns's leadership, the Fed has elevated money stock growth rates to much greater symbolic significance in the public mind than they deserve.

The deeper purpose of current Fed policy is to conquer inflation, and its premise is that the battle can be won by—and only by—reducing monetary growth rates. The Fed has no direct handle on prices and wages. Even if it successfully controls the growth of money supplies and total spending, the Fed cannot determine the way spending splits between production and prices or between employment and wages. Six percent price inflation and 8 percent wage inflation are, for historical reasons, solidly entrenched in United States industry today. Experience since 1974 confirms that these hard-core trends melt very slowly even when unemployment and excess capacity are high. If, for example the Fed contrives for 1978 a 9 percent growth in dollar spending instead of 11 percent growth, the result will not be 4 percent inflation instead of 6 percent; it will be much closer to 3 percent production growth instead of 5 percent. Maybe Mr. Burns's slow monetary cure for inflation is the right choice even though it implies protracted stagnation with unemployment 7 percent or higher. But President Carter's goals—full employment, budget balance, many others—would be doomed. Whether he reappoints Mr. Burns or not the President will surely wish to take this unique opportunity to come to some understanding about the future course of monetary policy and its place in the general economic strategy of the Government.

NATIONAL FAMILY WEEK

HON. GUNN McKAY

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 22, 1977

Mr. McKAY. Mr. Speaker, in accord with a joint resolution of the Congress, President Carter has proclaimed this week, "National Family Week."

I am pleased for the opportunity this observance affords us to recognize, and appropriately so during this week of Thanksgiving, this most basic of the institutions of our society.

It is impossible to overstate the importance of the family to the cohesion, durability, and well-being of this Nation, but perhaps the images often invoked to describe that relationship are helpful: "building block," "foundation," "cornerstone," "thread in the fabric of society." Healthy families make for mature individuals, stable communities, strong nations.

The family is that rare institution which confers worth upon its members solely on the basis of their membership, instilling them with the self-confidence and awareness of place and purpose which all of us need for happiness and fulfillment in adulthood.

I think more and more it is understood that many forces, not all of them sinister, are at work today eroding the integrity of the family. These factors can be as evident as degrading pornography pandered from small shops, or as subtle as market influences in the consumer economy. But whatever the causes, the strains on the family are reflected throughout our society in such things as crime statistics and myriad other indices of our societal health.

Recently, Mr. Carlos S. Whiting brought to me a timely and intriguing proposal in this regard. Mr. Whiting suggests relatively minor government action which could have far-reaching significance to the future of the extended family in America. The extended family, even more so than the nuclear family, today is an institution under siege and in danger of collapse.

I see much merit to Mr. Whiting's proposal and commend it here to my colleagues for their consideration:

EXTENDED FAMILIES—A NATIONAL ASSET IN NEED OF PROTECTION?

(By Carlos S. Whiting)

Anthropological evidence indicates that hierarchial family organizations evolve in many diverse societies through ecological convergence.* Families seem to take a form that best responds to and satisfies individual and societal requirements. The ecologist or sociobiologist might add that family social structure is dictated by genetic inheritance of individuals, helping them to find satisfying and viable places in their ecosystem.

The "natural" family is the extended family. The extended family helps provide economic self-sufficiency and gives greater maneuverability.

There are other advantages.

Extended families provide children greater continuity in formative years and thereby security than nuclear families. Children learn to relate and respond to people of different ages and experience, and are often relieved of tensions and frustrations which may result from tight disciplinary and personality demands of one or both parents.

Eulah Laucks, writing for the Center for the Study of Democratic Institutions, adds, "A stifling exclusivity can be generated within a small biological family."

Also of special interest is the advantage offered extended families to build and operate autonomous farmsteads, traditional family businesses, trades such as boatbuilding, and otherwise demonstrate alternatives to people seeking relief from sterile or unsatisfying "family life" as it is increasingly seen in America.

Extended-family living is not for everyone, nor for every stage of an individual's life. It takes a degree of maturity and altruism to live with others, although one of the best places to learn these and other virtues is in the extended family.

Modern nuclear families have increasingly lost control of factors governing their lifestyles, economic situation, and options for the future. They have been responding passively, more often than positively, to social and economic forces usually too vague or too big for most individuals to understand. Some factors, such as poverty and inequality, of course, are only too well understood. Others are subliminally perverse, such as TV programing and advertising. This latter point has been emphasized by Laucks, who says that the modern economy, which generates much modern symbolism, is not oriented to the family. False images carried by most media, in advertising, and by installment buying provide the idea of "instant gratification . . . lessening individual capacities for discipline and self-sacrifice." For business and profits, she implies, the family is often considered a hindrance.

There may be other forces opposed to family life, and the extended family in particular.

What are these forces? Who is thinking about them? What can be done to strengthen the traditional family? Is it in the national interest to provide economic and other incentives to promote the extended family?

THE "LIMITED FAMILY ORGANIZATION"

One possible legislative action to strengthen the family is creation of a new legal entity, say, a "Limited Family Organization," having some elements of a corporation, cooperative, partnership and family circle.

By making it possible and advantageous for family members to pool their resources, dedicate their homes, farms or family busi-

*See Ecologist, January-February issues, 1976, "The Family Basis of Social Structure," by E. R. Goldsmith.

nesses to such an entity the Limited Family Organization (LFO) would invigorate the extended family as a socially and economically desireable unit of the American social fabric. Over a period of time, a reasonable, limited amount of assets, especially homes and farms, would grow as an incentive to keep families together.

Many of the advantages of a family organization can derive from an informal family arrangement, or, where necessary, through a conventional corporation. However, there are special advantages to be gained from creation of the Limited Family Organization as a special class of legal entity.

It is not intended that the LFO be merely a substitute for a conventional corporate structure to hold equities or real property. Generally, the LFO should be subject to real estate, income and other taxes. However, it has long been demonstrated that tax regulations work against the perpetuation of a family farm and the preservation of the family home. Therefore, some progressive change seems necessary in our tax laws and this could be accomplished by a Family Organization Act, encompassing the concept of the Limited Family Organization.

Certain unique provisions should be written into a LFO law to ensure (among other things) the protection of individual rights while providing for the over-riding interest of the family group. These provisions could include requirements for due notice of actions or meetings, some degree of unanimity in decision making, and "exit" rights.

The family organization should demonstrate in its formal or legal name that it is a Limited Family Organization subject to all provisions and limitations of the law. The words, "family" or "families" should be included in the name, as well as the designation, "limited." For example:

The Carlose S. Whiting Family, Ltd., or Oppenheimer and Harris Families, Ltd.

The LFO law should provide for such basic things as common, mutual ownership of homes, dwelling complexes, vehicles, and certain types of traditional family businesses.

The law should provide for the LFO to receive title to properties held by family members subject to gift of inheritance tax rules recognized by the Internal Revenue Service, as may be revised to accommodate an LFO law.

In the formation of a Limited Family Organization, each individual should be permitted to make a "once-in-a-lifetime" contribution of $60,000 in cash, real property, or other equities. There should be a specified provision so that a husband and wife, acting together, could contribute up to $120,000 while retaining joint ownership (with right of survivorship) of any equity share obtained in the LFO. A parent should be permitted to make a contribution of not more than this proposed $60,000 once-in-a-lifetime gift for each child or legally recognized dependent.

Grandparents, single-status siblings, spouses of children of the principles organizing the LFO, and perhaps others, to be specified in the law, could participate in the family organization and make contributions. Such participants would obtain a pro rata share in the LFO properties as may be provided in the law.

Some provision should be made so that equities and properties of the organization could be subdivided to new family organizations without tax penalty if within certain limits, so as to encourage the formation of new family organizations. Other "exit" provisions should be made for individuals who may be disaffected or divorced. The law should spell out how any sale of LFO properties should be taxed, whether at full value at the time of sale or less the value as originally contributed.

A Federal "family organization bank" might be established to provide for reasonable loans to family organizations attempting to purchase a dwelling complex or to fund a small business or farm and to give financial and technical advice.

The LFO should be authorized to own and operate certain types of traditional family businesses. These should include small to moderate-size farms, husbandry enterprises, handcrafts, artistic expression, and personal service businesses. The law should provide a maximum level of land size, as well as a dollar limitation on gross business or profit, to determine eligibility of the family organization for any benefit under a Family Organization Act.

The law should provide for penalties if the LFO is used for the acquisition of large-scale properties or to evade tax laws. Limitations should be placed to prevent building up such things as fleets of trucks, major retail establishments, large-scale restaurants, factories and the like. Businesses should not be larger than can be handled by the day-to-day involvement of family members (plus some hired help on the periphery of things), and should not be considered essentially as "investments."

It is not intended that a Federal bureaucracy should be established to administer a new Family Organization Act, but some addition to staff in some existing agency would be inevitable. This can be justified in that informational and technical assistance of many kinds may be required to strengthen and support families, particularly where church and other local support and leadership do not now exist. A "sunset" provision should be written into the law to thwart indefensible bureaucratic growth in its administration.

Passage of a national Family Organization Act, with provisions for Limited Family Organizations, would recognize and more firmly establish the national concern for strengthening and supporting the family as the basic organizational unit in American life. Many of the provisions then could serve as models for similar laws which could be enacted by the states.

MAKING THE CLINCH RIVER BREEDER REACTOR VETO STICK

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 22, 1977

Mr. BROWN of California. Mr. Speaker, it has been more than 2 weeks since President Carter vetoed the ERDA authorization bill because of the Clinch River breeder reactor project. During this time there have been additional comments about this President's first veto, and whether he really means it. I find such speculation to be quite astounding, given the care and attention President Carter has given nuclear energy matters, in both the domestic and foreign policy fields.

Neither President Carter, nor his personal staff have waivered in their opposition to the construction of the proposed Clinch River breeder reactor. The reasons have been explained before, and the symbolic nature of this project as the first Carter veto need hardly be noted. Suffice it to say that the President has both the will and the means to guarantee that this veto sticks.

The veto message itself made the President's intention quite clear.

In vetoing S. 1811, I intend to pursue the authority at my disposal to terminate construction of the Clinch River facility. Further expenditure on the Clinch River facility should be ended in an orderly fashion, and I intend to analyze all available options, including those under the Congressional Budget and Impoundment Control Act of 1974, to ensure that no further unnecessary expenditures on this facility are made.

Mr. Speaker, in spite of this unambiguous position by President Carter, I find that many people, both in and out of Government still believe that somehow, someway, this project will be built. Uncertainty seems to persist for only one reason, and that is because the pending supplemental appropriations bill contains $80 million for the CRBRP. This money is in this bill because supporters of the Clinch River project believed it would make the ERDA authorization bill veto proof. The argument was that President Carter would now have to veto two bills to stop the CRBRP, instead of only one bill, and this he would not do, so he would veto neither. Obviously, President Carter did not follow the line of reasoning in this political theory, and because of the Clinch River project the supplemental appropriations bill is now subject to a veto. The supporters of the Clinch River project have now inconvenienced all Members in an unsuccessful effort to by-pass the constitutional right of a President to veto acts of Congress. Now, because of his ineffectual political tactic, the Congress will probably have to reconsider two bills in order to authorize and appropriate funds for a wide variety of projects that nearly all of us support.

Mr. Speaker, we in the Congress should recognize reality on this subject. Regardless of one's past vote on cancellation of the CRBRP, the present circumstances clearly show that the most the supporters of this project can expect is another year of uncertainty on whether funding will continue for that year. It is extremely improbable to expect new funding to survive continued Presidential opposition, even if by chance the funds already in the pipeline could be spent. The CRBRP is dead, and we would all make better use of our time if we officially recognized this fact.

The Wall Street Journal, in a belated editorial, has called the Clinch River breeder reactor, "the biggest economic turkey since the SST." They praised President Carter for his veto, not only for foreign policy reasons, but for economic reasons, which is a subject they take a great interest in. As the Wall Street Journal said,

> The breeder and reprocessing technologies are much less economically viable power sources than they are scientific toys, or bureaucratic toys, or military programs. The question is whether in 1990 or so it will be cheaper to fuel power reactors with plutonium made in breeders or uranium dug from the ground. The huge and rapidly escalating capital costs of facilities to make plutonium are pricing it out of the energy market. By cutting back to modest research instead of trying to force-feed commercial development as at Clinch River, the United States can follow an antiproliferation policy and save money too.

It is surprising to see that the Wall Street Journal can so strongly agree with President Carter on this major policy matter, yet still doubt that the President means what he says. I, for one, do not doubt that President Carter will make this veto stick.

Mr. Speaker, at this time I insert the November 15 editorial from the Wall Street Journal and the November 10 editorial from the New York Times in the CONGRESSIONAL RECORD:

[From the Wall Street Journal, Nov. 15, 1977]

A COSMETIC VETO

We have supported a strong policy to curb nuclear proliferation, and additionally think the Clinch River Breeder Reactor is the biggest economic turkey since the SST. So we were happy to see President Carter veto the breeder authorization bill. But we are disturbed that he left so many people with the mistaken impression that the veto stops the project. This only adds to our worry that his much-touted antiproliferation policy is merely cosmetic.

The spread of nuclear weapons will almost certainly be accelerated when and if electric power reactors are fueled with plutonium. Unlike the slightly enriched uranium now used as fuel, plutonium can be used directly in a bomb. But since it both fuels nuclear reactions and is created in them, it has always been a tempting theoretical source of energy. It is possible to reprocess spent fuel from present reactors, separating the plutonium it contains. And the breeder is a reactor specially designed to produce more plutonium than it consumes.

The essence of antiproliferation policy is to restrict the spread of reprocessing and breeding technologies, as well as the enrichment technology used to make the pure forms of uranium used in bombs. Mr. Carter has stopped U.S. development of reprocessing, and says he wants to stop the breeder, to give us a better chance of persuading our allies to stop exporting these technologies. A freeze on these technologies would not stop nuclear power, since present reactors could still be used. It would not absolutely stop a determined nation from developing nuclear weapons, but at least the present nuclear powers would not be running around the world peddling bombs.

Admittedly this is a somewhat iffy foreign policy goal, and might not be worth any huge economic sacrifice. But in fact the breeder and reprocessing technologies are much less economically viable power sources than they are scientific toys, or bureaucratic toys, or military programs. The question is whether in 1990 or so it will be cheaper to fuel power reactors with plutonium made in breeders or uranium dug from the ground. The huge and rapidly escalating capital costs of facilities to make plutonium are pricing it out of the energy market. By cutting back to modest research instead of trying to force-feed commercial development as at Clinch River, the U.S. can follow an antiproliferation policy and save money too.

Mr. Carter has repeatedly announced his intention of doing this, but he has arrayed against him a powerful set of forces. There is the nuclear industry lobby, much strengthened in Congress by the President's own the-sky-is-falling talk about the energy outlook. There are our allies, who suspect the whole thing is an attempt to freeze them out of the nuclear business. There is the State Department, relentlessly representing its clients—the foreign nations that want to buy bombs and the foreign nations that want to sell them. So the policy has been slipping backwards.

Not only did the administration lobby for weaker rather than stronger language in congressional antiproliferation measures, but it has been unwilling to exercise the contractual U.S. right to control the use of spent fuels from reactors running on American-supplied fuel. Because Japan's Tokai reprocessing plant had already been built, the U.S. felt it had to acquiesce. It has also given several nations the right to send small amounts of spent fuel for reprocessing abroad. Now the Japanese have signed a contract in effect financing a large expansion of the French reprocessing facility at La Hague, and are negotiating a similar venture with the British. The time to make clear that the necessary U.S. approvals will not be forthcoming is now. But the administration is silent, if not tacitly approving.

It is against this background that Mr. Carter's Clinch River veto must be seen. While he vetoed the authorization, surely he knew that the separate appropriations bill is written with a bit of parliamentary flim-flam so that the money can be spent even without an authorization. Since the appropriations bill also contains many things Mr. Carter wants, he is unlikely to veto it as well. Our Albert R. Hunt spotted this in his initial story on the veto, and wrote that the move "may prove merely symbolic." But most of the headlines, and even some later commentary, went to Mr. Carter's courage in killing the breeder.

This coverage was of course a reflection of Mr. Carter's veto rhetoric. The net effect on proliferation policy will be negative, since our allies' suspicions will be heightened when they learn that despite the ballyhoo the breeder goes on. What Mr. Carter is pursuing here, it seems to us, is not serious antiproliferation but neat political symbolism: The antibreeder folks get their veto, and the probreeder folks get their breeder.

[From the New York Times, Nov. 10, 1977]

SAYING NO TO THE BREEDER AND MEANING IT

Repeatedly during its freshman year, the Carter Administration has taken positions that started out as heroic and ended up as, well, flexible. When the President proposed abolishing the Electoral College, he described it as "an issue of overriding governmental significance." Congress yawned and the issue has been put over till next year. Likewise, a bill to hold down hospital costs, which Mr. Carter called "one of my most important priorities," has foundered. But when the President announced "a major change" in nuclear policy—renouncing American use of plutonium as a fuel—he meant it. Congress, again, did not go along. It voted continued funding for an experimental plutonium breeder reactor at Clinch River, Tenn. But now Mr. Carter has stuck to his guns and fired off his first veto. He was right, memorably right, to do so.

Few goals of Mr. Carter's Presidency are as significant as his effort to hold back the worldwide spread of nuclear weapons. But if the world is to rely on plutonium as a nuclear fuel, that goal would probably become unattainable. Plutonium that starts as fuel can readily be converted to plutonium for weapons. But is there no other source of nuclear fuel? Mr. Carter is convinced that other sources can be found. And 38 nations have now joined in a two-year international study, proposed by the President, to speed alternative technologies—and to persuade the world that they really exist.

The halt in developing the Clinch River breeder is a symbol of the American commitment to this cause. It demonstrates that Washington is not motivated by commercial considerations, as some Europeans have charged. The fact that a few nations are going ahead with small demonstration plants—and that France is even proceeding with plans for the world's first commercial-size breeder—are not good reasons for the United States to continue work on a breeder reactor that is already regarded as obsolete, unduly expensive and probably unnecessary.

Mr. Carter had to veto a $6.7 billion energy research and development bill to block the $80 million authorized for Clinch River, and he made it plain that he would use all his powers—including the controversial one of impounding funds—to prevent the plutonium breeder from going forward. That took political courage. It will go a long way toward persuading the nuclear industry (which lobbied successfully for the breeder bill), Congress and the world that this time President Carter means what he says.

TRIBUTE TO MR. EARL R. WILLIAMS

HON. ALLEN E. ERTEL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 22, 1977

Mr. ERTEL. Mr. Speaker, on November 27, on the occasion of the fourth annual Christmas concert, the Repasz-Elks Band will pay a special tribute to Mr. Earl R. Williams. Mr. Williams will be honored for his many years of long and devoted service to the Repasz-Elks Band. To fully appreciate the contribution Mr. Williams has made, you should know a little of the history of the Repasz-Elks Band.

In August of 1831, the Williamsport Band was founded. Starting as a very small organization, the Williamsport Band grew in numbers and ability until it became a well-known band. Most of this growth was spearheaded by a man named Daniel Repasz, in whose honor the band was renamed in 1859.

The Repasz-Elks Band, as it is known today, has been in existence now for 146 years. The band claims the distinction of being one of the oldest bands in continuous existence in the United States. During its long history the Repasz-Elks Band has played an important role in the evolution of band music in this country.

The band's first appearance on a national occasion was in 1841. While still known as the Williamsport Band, they accompanied the Pennsylvania Whig delegation to the convention in Baltimore which nominated Henry Clay for President of the United States.

Also in 1841, the band made a concert tour of the major cities and towns of Pennsylvania. This was possibly the first major concert tour undertaken by any community band in the United States.

The Repasz Band saw considerable service in the Civil War. At various times throughout the war, the band was attached to the 11th Regiment Infantry, the 29th Regiment Pennsylvania Infantry, and the 8th Regiment Pennsylvania Cavalry. During its third enlistment, which was with the 8th Pennsylvania Cavalry, the Repasz Band was in attendance at Appomattox Courthouse on the occasion of Lee's surrender. They played "The Star Spangled Banner" and "Rally 'Round the Flag," alternating with a Confederate band which played "Dixie" and "The Bonnie Blue Flag."

In 1896, the Repasz Band was honored by having the "Repasz Band March" written for them. This march has be-

come well known to many bandsmen and has been played by bands throughout the world. It is used to this day as the theme song of the Repasz Band.

The reputation of the band attracted the National Guard, and the Repasz Band once again became a military band. They became the official band of the 12th Regiment, 3d Brigade, National Guard of Pennsylvania in 1903. The Repasz Band served three enlistments with the National Guard, finally retiring from military duty in 1912. During its military service with the National Guard, the Repasz Band marched in the inaugural parades of Theodore Roosevelt and William Howard Taft.

The year 1935 saw the merger of the Williamsport Elks Band and the Repasz Band, forming the Repasz-Elks Band. The merger was brought about by a need by both bands for a permanent rehearsal "home" and also for financial support.

The Repasz-Elks Band, however, was beginning to have problems. Rehearsals were not held on a regular basis and membership was dwindling. By the late 1950's, the band was playing very few engagements. The band which had become a well-known institution in the band world was in very bad trouble and in danger of extinction.

This fact troubled Mr. Earl R. Williams, a member of the band. In 1960, he became the business manager of the Repasz-Elks Band and immediately began a one-man crusade to bring this American institution back to life. He was not content to "let the other guy do it."

The first thing Mr. Williams did was to schedule rehearsals on a regular basis throughout the year every Tuesday evening. This in itself was a drastic step since the Repasz-Elks Band had been rehearsing approximately once a month. Mr. Williams then determined, from the attendance at these regular rehearsals, exactly who was to be considered a regular member on the band. From this list he set up a roster of active members, and contacted all former members and personally collected their uniforms if they were no longer interested in playing in the band.

Mr. Williams' next step was to begin working on ways to bolster the membership rolls of the band. He personally contacted the local high school band for student members to fill vacancies in the various sections of the band. One of the methods he used to bolster attendance was the Repasz-Elks Band's Annual Youth Concerts. These began in 1962 and were held annually for 5 years. These concerts resulted in much renewed interest in the band, as well as many new members for the band.

Mr. Williams was concerned about the relative inactivity of the band during the winter months. He reasoned that if the band was going to rehearse on a year-round basis, they should present performances all year around. In 1954, Mr. Williams instituted the first annual Winter concert by the Repasz-Elks Band. Due largely to Mr. Williams' publicity efforts for this event, the audience for this concert numbered about twelve hundred people.

In every band, there is a large amount of nonmusical work to be done, such as transporting heavy equipment to performance sites, settting up chairs and equipment at rehearsals, keeping track of band uniforms and equipment, and untold other things. These jobs are usually handled by a number of members of the organization in most groups, but in the Repasz-Elks Band, Earl R. Williams takes care of these jobs too. In addition to this work, he is constantly on the phone calling members of the band to check on their attendance at a rehearsal or a performance. He also is constantly in contact with sponsors of performances by the band, and literally sees the performance through personally from the very start to the very end. With all of this, he is still a member of the band and an accomplished clarinet player.

Many of us believe that it is through this one man's singular efforts that the Repasz-Elks Band is still in existence after 46 years. Many of the services he performs for the band are above and beyond, by the wildest stretch of the imagination, any of his duties as business manager. Because of his unselfish and dedicated work, I am pleased to pay Mr. Earl R. Williams a very special tribute and to thank him for his years of service to the Repasz-Elks Band and the community as a whole.

THE 50TH ANNIVERSARY OF THE CLERGY-LAITY ASSEMBLY OF THE SERBIAN ORTHODOX CHURCH OF AMERICA

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 22, 1977

Mr. ZABLOCKI. Mr. Speaker, the faithful of the Serbian Orthodox Church of America celebrate this year the 50th anniversary of the national Clergy-Laity Assembly, which was first held in 1927 at the St. Sava Monastery in Libertyville, Ill. At that first assembly, the original constitution of the Serbian Eastern Orthodox Diocese for the U.S.A. and Canada was adopted under the presidency of the Blessed in Repose Bishop Mardary Uskokovich, the first Bishop of the new diocese.

The Clergy-Laity Assembly was the culmination of many years of exemplary missionary work by both bishops and priests sent by the Serbian Orthodox Church as a result of the Serbian immigration to the United States in the 1890's.

The Serbian Orthodox Church has grown dramatically from its first parish, established on the American continent in 1894, in Jackson, Calif. Today, there are 82 churches, 4 monasteries, and 83 clergy serving an estimated 250,000 faithful who practice the Serbian Orthodox Christian faith in America. The bishops that currently head the three American dioceses are: Right Reverend Bishop Dr. Sava in the Eastern American and Canadian diocese; Right Reverend Bishop Dr. Firmilian, in the Midwestern diocese; and Right Rev. Bishop Gregory in the Far Western diocese. The important role of the laity is underscored by the fact that in these three dioceses the administration of all properties and regulation of the temporal affairs are conducted through a joint national Clergy-Laity Assembly.

It is indeed a privilege that I number among my constituents the congregation of St. Sava Serbian Orthodox Cathedral, whose history predates the national Clergy-Laity Assembly by some 15 years. Early in 1912 the St. Sava congregation began by conducting its worship services in rented halls and private homes. Its first permanent church was a converted residence. Very Reverend Father Archimandrite Joanikije Markovich was the first permanent pastor. Over the years he was succeeded by the Reverend Fathers Milan Jugovich, Pavle Veljkov, Joanicije Kukuljevich, Milan Mrvichin, Marko Komnenich, Matija Stijacich, George Petrovich, Milan Brkich, Sava Vujkov, and Milan Markovina.

In the years since 1912, the Serbian community in Milwaukee increased threefold and now numbers about 7,500. As the religious and social needs of the congregation grew, a new and larger church became necessary and other community facilities were provided as well. The Cathedral of St. Sava, with a capacity of 700, was dedicated in 1958 under the pastorship of Very Reverend Milan D. Brkich. The Serb Hall, a memorial to the Serbs of Milwaukee who gave their lives in World War II, was built in 1950 and has served the entire south side community. Among its guests have been the late President John F. Kennedy, then Vice President Hubert H. Humphrey, and, most recently, President Carter met throngs of well-wishers there during his campaign visit to Milwaukee.

Very Reverend Father Milan Markovina has served as dean of St. Sava Cathedral for the past 8 years. Trained at St. Sava Seminary, Libertyville, Ill., and Carnegie Mellon University, Pittsburgh, Pa., Reverend Markovina served congregations in Ohio, California, and Pennsylvania prior to assuming the pastorship of St. Sava Cathedral. Under his pastorship, the cathedral built the Serbian Orthodox Cultural Center to further serve its congregation and the community.

Like many other national immigrants to the United States, Mr. Speaker, the Serbian people have contributed to the well-being of our country. Committed to ideals of the Christian faith, its traditions, and its values, they have contributed to the spiritual and moral sustenance of our country. In so doing, the Serbian people have served our country most ably in many diverse walks of life. For example, in the defense of our country and the preservation of our principles of individual freedoms and liberties, four Serbian Americans have received the Congressional Medal of Honor: Jake Mandusich, Louis Cukela, the only man

to win two of them in World War I, Mitchell Paige, and Lance Sijan, in whose memory the Sijan building was just recently dedicated at our Air Force Academy in Colorado Springs, Colo.

It is therefore fitting, Mr. Speaker, on this occasion of the 50th anniversary of the Clergy-Laity Assembly of the Serbian Orthodox Church in America, to recognize this event along with the many contributions made by the Serbian people to the well-being of our Nation. Undoubtedly the rich heritage of the Serbian Orthodox Church will serve as an incentive for future generations to emulate and build upon. To that end, I extend my personal best wishes and those of the constituents of my district. May the Good Lord shower continued blessings and divine guidance.

CARTER ADMINISTRATION ATTITUDE TOWARD FEDERAL CIVIL SERVICE

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 22, 1977

Mr. DERWINSKI. Mr. Speaker, while attention in the Congress is being riveted upon the legislative activity of the energy bill, social security, and HEW reform conflicts, there is a growing concern over the Carter administration's attitude toward Federal Civil Service.

Joseph Young, the widely read Federal columnist of the Washington Star, comments upon two very pertinent developments which affect Civil Service employees in his articles of November 3, and November 15, and I insert them at this time for the review of the Members:

[From the Washington Star, November 3, 1977]

FEDERAL COLUMN: CSC SEEKING LOWER JOB ENTRY STANDARDS FOR MINORITIES AND WOMEN

(By Joseph Young)

The Civil Service Commission is circulating a proposal that blacks, members of other minority groups and women be placed in government jobs by bypassing regular civil service exam procedures. The proposal would apply also to handicapped and economically disadvantaged persons.

The plan was formulated by CSC Vice Chairman Jule M. Sugarman and has been sent to the various departments and agencies to get their reactions. The CSC is to hold a meeting a week from tomorrow to discuss the plan with various cabinet officers and agency heads.

CSC Chairman Alan K. Campbell says he favors the plan in principle although the commission hasn't made a formal decision on its adoption or implementation.

The Sugarman plan is designed to open up federal job opportunities and opportunities for advancement to minority group members, women, the handicapped and the economically disadvantaged. They would not have to compete with other persons under regular civil service exams and job registers.

The proposal to bypass regular civil service exam procedures and registers is a revolutionary one and is bound to create controversy.

Sugarman, however, feels that only through special procedures can these people get a fair shake in federal employment.

The plan advocates using the excepted schedule A for such placement purposes. Schedule A has been sparingly used in the past and then only when the CSC has determined that the jobs in question pose difficult recruitment problems.

The proposed plan, however, would use schedule A in a wide variety of federal jobs.

The plan would use schedule A in situations where studies show that blacks and other minority members, women, the handicapped, etc., are less represented in particular occupations than the rest of the adult population. Also, the percentage of college graduates among them in relation to other graduates and the type of occupations filled would be considered.

Sugarman's proposal calls for "strict limitation" on the use of schedule A, e.g., where studies show a pattern of not utilizing the abilities of these various groups.

The schedule A authority would be given to agencies for five years and would be revoked before then if it is determined that conditions have improved sufficiently.

Appointments made under schedule A would be limited to a two-year period. If individuals successfully completed two years of service, they would be entitled to conversion to a career conditional appointment. Then in another year they would receive full permanent career status.

The plan states that agencies would be barred from taking into account political affiliation or endorsement in making these appointments.

[From the Washington Star, Nov. 15, 1977]

FEDERAL COLUMN

(By Joseph Young)

Carter administration officials have begun orchestrating their demands that some of their agencies' key career jobs be taken out from Civil Service coverage.

Jay Solomon, chief of the General Services Administration, asked the Civil Service Commission to take the 10 GSA regional administrator jobs out of the career service and placed in political schedule C so he could appoint his own choices to these jobs.

The CSC turned him down, so Solomon has now asked President Carter to issue an executive order to place the jobs under schedule C.

In an interview with The New York Times, Solomon said he finds civil service rules too restrictive to operate the 35,000-employee agency the way he would like.

Solomon said he feels he is entitled to have around him people with "some loyalty" to him. He also said he "wants to bring some fresh ideas into government" and that this requires "fresh people." In addition Solomon said he was eager to bring more women and minority-group members into his agency. He said he only has at his disposal 21 jobs that are exempt from civil service.

Solomon is not the only government agency head making public his displeasure over Civil Service job rules.

Joan Claybrook, administrator of the National Highway Safety Administration, and Carol Tucker Foreman, assistant secretary of Agriculture for consumer and nutrition services, have been quoted in the press on their dissatisfaction and frustration with the bureaucracy and the restrictiveness of Civil Service rules.

All this is putting pressure on the Civil Service Commission to relax Civil Service rules so that the Carter administration can make more non-Civil Service appointments.

And the CSC seems to be getting the message. For example, the plan now being floated by the CSC, which was first disclosed by us, would get around Civil Service job rules nicely, thank you, by bypassing or lowering Civil Service requirements for minority-group members and women. They would be appointed under the until-now rarely used schedule A for which no exams need be given. Bun Bray, executive director of the National Association of Supervisors, Federal Government, calls it "a political patronage move pure and simple and a sophisticated version of the infamous Malek manual (issued during the Nixon administration) whose main purpose is to get political appointees on the Federal payroll."

PROTESTS MOUNTING AGAINST RETURN OF CROWN OF ST. STEPHEN—LEGISLATIVE HEARINGS SHOULD BE HELD

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 22, 1977

Mr. ASHBROOK. Mr. Speaker, as I noted in the CONGRESSIONAL RECORD of November 11, the move by this administration to return the Crown of St. Stephen, a deeply religious and political symbol and relic, to the militantly antheistic Communist Government of Hungary, should be reviewed by Congress through legislative hearings on bills now before both the House and the Senate. In the November 11 insertion, testimony by an expert on the history of the Crown, Mr. Stephen A. Koczak stated that he had received communications from people associated with various nationalities including Bulgarian, Byelorussian, Cossack, Croatian, Georgian, Polish, Russian, Slovak, Slovenian, and Indian. Regions represented by these diverse expressions of interest included Roman Catholic Orthodox, autocephalic churches, Hindu, Jewish, Moslem, Sikh, and Buddist.

To demonstrate the mounting protests which are occurring in connection with this unfortunate policy, last Friday Rev. Charles Ancrum, the pastor of Timothy Baptist Church and its black congregation flew to Washington for the candlelight procession before the White House. He led those present in praying that the Crown be retained in the United States until Hungary is truly free again.

Next Tuesday the White House will again witness the expressions of concern by various Hungarian groups who will visit Washington expressly to protest the return of the Crown. Permits have been issued, I understand, for the Capitol steps and the White House in order that these visitors from Cleveland, New York, and other areas may petition Congress and make their feelings known to the President.

One press account reported that approximately 50,000 communications have been received by the White House opposing the return of the Crown.

In today's New York Times mention is made of a letter to the President by Mr. George Meany, president of the AFL–CIO, stating that he opposes the return of the Crown until Hungary is again free.

These are samplings of the expressions of concern by a wide variety of people

against the return of the Crown. As I stated before, the move to return the Crown is not the first effort to do so. The effort by the Nixon administration in 1971 was thwarted as should be the present attempt.

As this administration waited until Congress was about to recess before making public its intentions, and in view of the wide concern over this ill-conceived policy, legislative hearings should be held in the House and the Senate on legislation now before both Houses.

ANNOUNCING THE DEATH OF HON. CARLETON J. KING

HON. BARBER B. CONABLE, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 22, 1977

Mr. CONABLE. Mr. Speaker, it is my sad duty to inform the House of the death of our former colleague and dear friend, the Honorable Carleton J. King of Saratoga Springs, N.Y.

Mr. King, who was 73, died last Saturday in Bradenton, Fla., where he had undergone stomach surgery.

I know I speak the hearts of all the House when I extend our profound sympathies to his wife, Constance, and to their two children.

A special order will be sought next week so that all the Members may have a more suitable opportunity to remember Carleton King by their eulogies.

SENATE COMMITTEE MEETINGS

All committees, subcommittees, joint committees, and committees of conference are required to notify the Office of the Senate Daily Digest of the time, place, and purpose of all meetings when scheduled, and any cancellations or changes in meetings as they occur.

The Office of the Senate Daily Digest will periodically prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD.

MEETINGS SCHEDULED

NOVEMBER 28

9:00 a.m.
Judiciary
Improvements in Judicial Machinery Subcommittee
To hold hearings on S. 2266, to provide greater protection to consumers in bankruptcy proceedings.
2228 Dirksen Building

10:00 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on the nomination of Thibaut de Saint Phalle, of New Jersey, to be a member of the Board of Directors of the Export-Import Bank, and H.J. Res. 386, the Bicentennial Medals Resolution.
5302 Dirksen Building

Conferees
On H.R. 4018, to encourage overall energy conservation in electric and gas utility systems, and to encourage equitable rates to the consumers of such services.
2123 Rayburn Building

2:00 p.m.
Conferees
On H.R. 5263, to provide tax incentives for the production and conservation of energy.
1102 Longworth Building

NOVEMBER 29

9:00 a.m.
Commerce, Science, and Transportation
To hold hearings on the nomination of Andrew E. Manatos, of Maryland, to be an Assistant Secretary of Commerce, to be followed by hearings on the nomination of R. David Pittle, of Maryland, to be a Member of the Consumer Product Safety Commission.
235 Russell Building

Judiciary
Improvements in Judicial Machinery Subcommittee
To continue hearings on S. 2266, to provide greater protection to consumers in bankuptcy proceedings.
2228 Dirksen Building

9:30 a.m.
Governmental Affairs
To hold hearings on the nomination of Simeon M. Bright, of West Virginia, to be a Commissioner of the Postal Rate Commission.
3302 Dirksen Building

10:00 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold oversight hearings on U.S. international aviation policy.
5110 Dirksen Building

Foreign Relations
To meet in closed session to receive a briefing on the current status of SALT II negotiations from Ambassador Paul C. Warnke.
S-116, Capitol

Governmental Affairs
Federal Spending Practices and Open Government Subcommittee
To hold oversight hearings on the implementation of the Sunshine Act (P.L. 94-409).
1114 Dirksen Building

11:00 a.m.
Governmental Affairs
To hold hearings on H.R. 2176, the proposed Federal Banking Agency Audit Act.
3302 Dirksen Building

2:00 p.m.
Conferees
On H.R. 3454, to designate certain endangered public lands for preservation as wilderness.
S-146, Capitol

NOVEMBER 30

8:30 a.m.
Energy and Natural Resources
To hold hearings on the nomination of Lynn R. Coleman, of the District of Columbia, to be General Counsel of the Department of Energy.
3110 Dirksen Building

9:00 a.m.
Judiciary
Improvements in Judicial Machinery Subcommittee
To continue hearings on S. 2266, to provide greater protection to consumers in bankruptcy proceedings.
2228 Dirksen Building

9:30 a.m.
Governmental Affairs
To hold hearings on the nominations of Frederick H. Weisberg and Carlisle E. Pratt, each to be an Associate Judge of the Superior Court of the District of Columbia.
3302 Dirksen Building

Select Intelligence
To hold a closed business meeting.
S-407, Capitol

10:00 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To continue oversight hearings on U.S. international aviation policy.
5110 Dirksen Building

DECEMBER 2

10:30 a.m.
Judiciary
To hold hearings on the nominations of George C. Carr, of Florida, to be U.S. District Judge for the Middle District of Florida, and A. David Mazonne, of Massachusetts, to be U.S. District Judge for the District of Massachusetts.
2228 Dirksen Building

DECEMBER 13

9:00 a.m.
Agriculture, Nutrition, and Forestry
Agriculture Research and General Legislation Subcommittee
To hold hearings on the safety of workers in the production of pesticides.
Until 5:00 p.m. 322 Russell Building

10:00 a.m.
Judiciary
Constitution Subcommittee
To hold hearings on S.J. Res. 67, proposing an amendment to the Constitution with respect to the proposal and the enactment of laws by popular vote of the people of the United States.
2228 Dirksen Building

DECEMBER 14

9:00 a.m.
Agriculture, Nutrition, and Forestry
Agriculture Research and General Legislation Subcommittee
To continue hearings on the safety of workers in the production of pesticides.
Until 2:30 p.m. 322 Russell Building

10:00 a.m.
Banking, Housing, and Urban Affairs
To hold oversight hearings on the New York City Seasonal Financing Act.
5302 Dirksen Building

Commerce, Science, and Transportation
To hold hearings on the nomination of Ernest Ambler, of Maryland, to be Director of the National Bureau of Standards.
5110 Dirksen Building

Judiciary
Constitution Subcommittee
To continue hearings on S.J. Res. 67, proposing an amendment to the Constitution with respect to the proposal and the enactment of laws by popular vote of the people of the United States.
2228 Dirksen Building

DECEMBER 15

9:00 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee.
To hold hearings on the United Nations conference on science and technology for development in 1979.
Until 5:00 p.m. 5100 Dirksen Building

10:00 a.m.
Banking, Housing, and Urban Affairs
To continue oversight hearings on the New York Seasonal Financing Act.
5302 Dirksen Building

DECEMBER 16

10:00 a.m.
Banking, Housing, and Urban Affairs
To continue oversight hearings on the New York City Seasonal Financing Act.
5302 Dirksen Building

HOUSE OF REPRESENTATIVES—*Friday, November 25, 1977*

The House met at 10 o'clock a.m.

The Chaplain, Rev. Edward G. Latch, offered the following prayer:

We know that in everything God works for good with those who love Him.—Romans 8: 28.

O Lord, our God, in all reverence we open our hearts and lift our minds unto Thee praying for guidance and wisdom as we face these hours and live through these days. May Thy spirit come to new life in us that worshipping as we work we may reach the higher levels of fellowship with Thee and with one another.

Bless the Members of this House with strength, wisdom, and good will. So live in their hearts and in the hearts of our people that all of us may be strong in Thee and loyal to the best in life as we seek to keep our Nation great in goodness and good in her greatness.

In the spirit of Him who makes life great and good we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

SOCIAL SECURITY AND VETERANS' BENEFITS

The SPEAKER. Under a previous order of the House, the gentleman from Ohio (Mr. WHALEN) is recognized for 10 minutes.

Mr. WHALEN. Mr. Speaker, both the House and the Senate have surprised a lot of critics and in a timely fashion passed essential legislation to insure the future financial integrity of the social security system. While the two Houses are at variance on several issues, and numerous amendments adopted by the Senate must be addressed by a conference committee, the Congress nevertheless has provided responsible solutions to the current dilemma faced by social security whereby payments to eligible beneficiaries exceed income to the system.

In one respect, however, the Senate version of the Social Security Amendments of 1977 (H.R. 9346) is unquestionably preferable to the House version. Thus, I urge the conferees to give full consideration to the amendment introduced by Senator THOMAS MCINTYRE, and accepted in the Senate by a vote of 68 to 20, which would prohibit reduction of veterans' pensions as a result of annual social security cost-of-living increases.

Presently, at the beginning of each new year when the Veterans' Administration reassesses eligibility for veterans' benefits, many persons who qualify for both veterans' pensions and social security too often find that the automatic cost-of-living increase in social security—enacted in 1972—had not "passed through." That is, they find that their veterans' checks have been reduced or eliminated due to an increase in aggregate income attributable to the cost-of-living increase in social security which was received the previous July. Mr. Speaker, when enacting provisions for upward adjustments in social security benefits during periods of inflation, I would submit that it was never the intent of Congress to give with one hand and take away with the other in such a fashion.

During the 94th Congress, 144 Members introduced bills designed to correct the existing injustice which affects elderly persons living on small veterans and social security income. In the 95th Congress, over 200 Members have cosponsored such legislation. Since the House conferees for H.R. 9346 have not been designated, many of us have expressed our concern to the chairman of the House Ways and Means Committee in the following letter:

HOUSE OF REPRESENTATIVES,
Washington, D.C.

Hon. AL ULLMAN,
Chairman, Committee on Ways and Means, U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: As you know, by a margin of 68–20 the Senate approved an amendment to H.R. 9346 which would prohibit reduction of veterans' pensions as a result of annual, automatic Social Security cost-of-living increases.

Acceptance of the Senate provision by the Conference Committee on the Social Security Financing Amendments would correct a serious injustice in the present system whereby many persons who receive both veterans' pensions and Social Security find their pensions seriously curtailed or even eliminated after they are granted an adjustment in Social Security benefits.

We believe that Congressional intent should be clarified and that we must eliminate the existing situation where the government gives with one hand and takes away with the other. Many of us have cosponsored legislation designed to attack this recurring injustice which permits individual cutbacks in any of seven Federal assistance programs which are based on need. In our view, adoption of the present amendment at this time would go far toward correction of a serious flaw in current law.

Thus, we strongly urge you and the conferees from the Committee on Ways and Means to agree to the Senate provision prohibiting the reduction of veterans' benefits as a result of cost-of-living increases in monthly Social Security benefits.

Sincerely,

John F. Seiberling, Charles W. Whalen, Jr., Harold E. Ford, Clifford Allen, Robert J. Cornell, David F. Emery, Edward P. Boland, Thomas J. Downey, Newton I. Steers, Jr., Joseph A. Le Fante, Les AuCoin, Norman E. D'Amours, John M. Murphy, Leo C. Zeferetti, Gerry E. Studds, Mike McCormack, Samuel S. Stratton, Stephen L. Neal, Martha Keys, Benjamin A. Gilman, Romano Mazzoli, William Clay, James C. Cleveland, Peter W. Rodino, Jr., Clement J. Zablocki, Joe Moakley, Jim Leach, Thomas N. Kindness, Paul N. McCloskey, Jr., John J. Burton, Richard L. Ottinger, Bob Stump, Mark Andrews, Tom Corcoran, Parren J. Mitchell, Claude Pepper, Melvin Price, Baltasar Corrada, Joe Skubitz, Henry J. Hyde, James Weaver, Mark W. Hannaford, Keith G. Sebelius, Millicent Fenwick, Stanley N. Lundine, Charles E. Grassley, John J. LaFalce, Christopher J. Dodd, Helen S. Meyner, Michael Harrington, Donald M. Fraser, and Donald J. Pease.

Mr. Speaker, this problem has been with us since enactment of the Social Security Amendments of 1972. A problem of dual jurisdiction complicates the matter. Credit is due the House Veterans' Committee which has attempted to obtain more information on this and various aspects of veterans compensation programs from the Veterans' Administration. However, as the chairman of the House Subcommittee on Veterans' Compensation, Pension, and Insurance, GEORGE V. MONTGOMERY, stated on November 3:

Over the years the Committee on Veterans' Affairs has experienced difficulty in obtaining information and data from the Veterans' Administration necessary for the committee to carry out its oversight and legislative responsibilities. Every effort has been made to get the agency to place a higher priority on various studies and surveys directed by the Congress and designed to give us data so essential for the conduct of our affairs. For unknown reasons, response by the VA has not been good; and it would appear things may be getting worse.

On July 12 of this year, during consideration of the veterans non-service-connected disability and death pension programs—which are of great importance to our less fortunate veterans and their widows and orphans—I brought up the matter of social security and veterans benefits on the floor of the House. That exchange follows:

Mr. WHALEN. Mr. Speaker, I take this time to direct a question to the gentleman from Mississippi (Mr. MONTGOMERY) who is managing the bill. Am I correct in understanding that there is no passthrough provision in this measure? To put it more specifically, if there is an increase in social security benefits to recipients of veterans' benefits, what would be the effect?

Mr. MONTGOMERY. Mr. Speaker, will the gentleman yield?

Mr. WHALEN. I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. I thank the gentleman for yielding.

The gentleman is correct; there is no passthrough in this legislation. However, we hope that by the way we have drawn up the legislation no persons who are drawing pension checks at this time will be cut off of the rolls because of social security increases.

The gentleman from Ohio brings up a very important problem. In some cases where we have given the pension raise to the pensioners some do not get the full raise because their social security increase has pushed them above the income limitation. We have requested and it is in the law that the Veterans' Administration will have to report back to the Congress by October 1 to make recommendations so that we can correct the situation the gentleman has just mentioned. We hope by 1978 that we can make some of the corrections that the gentleman has mentioned to correct the problem that when some of the pensioners are given these raises they do not get the benefit because of the effect on their total income. The gentleman has raised a good point.

Mr. WHALEN. As the gentleman from Mississippi undoubtedly knows, there are over 100 Members of this body who have co-

sponsored bills to provide that veterans pensioners would not be penalized by getting a raise in their social security benefits. So do I understand that the gentleman from Mississippi is saying that this measure will be given consideration by the committee?

Mr. MONTGOMERY. That is correct and I appreciate the gentleman bringing up this important point.

Mr. WHALEN. I thank the gentleman from Mississippi for that assurance.

I do not support H.R. 7345 as proposed.

To date the results of that study, due no later than October 1, have not been received—and are not anticipated before the first of the year. Thus, this study perhaps will not even be received before the annual reassessment of eligibility for veterans' benefits is effected on January 1. Again, many Americans now living on a pittance will see their small veterans' pensions cut back. In my view, the time for studies in this area is long past. Letters received from my constituents in the Third District of Ohio convince me of the urgency that this situation be promptly remedied. At this point, I include a small sampling of letters to me from citizens of Dayton which reveal poignantly the implications of further delay:

DAYTON, OHIO,
April 14, 1977.

DEAR SIR: Two years ago or more, I wrote you about how they cut my widow's pension every year that we get a cost of living raise in our Social Security.

I received a very favorable reply from you, saying you had already introduced a bill to counteract that.

I've never yet seen or heard what became of the bill and my pension is now cut down to $5.00 per month and if we get a raise in Social Security this coming July, away will go even that tiny sum of $5.00.

I am a poor widow. Have only Social Security. I need so badly to have my eyes examined, haven't had that done for 4 years. I lost so much weight when my husband passed away and I very badly need new dentures.

Do you have any recommendation for help?

Would appreciate much hearing from you.

The Government can spend thousands of dollars building a silly "Baseball Bat" and erecting it on the Social Security Building. But they can't and won't help the needy.

They can spend money everywhere to help but won't help their own.

Tell President Carter this.

Thanking you.

DAYTON, OHIO,
February 21, 1977.

DEAR SIR: About 1965 or 1966 I was awarded a monthly disability payment of $83.00 per month. When my wife died in 1972 it was reduced to half (more or less). With each increase in Social Security it was further reduced until, as you can see by the copies of letters attached from the Veterans' Administration herewith, it now amounts to $6.25 per month.

I am now 78 years of age and a veteran of World War I, I don't know how many more monthly payments I will receive, but if Congress should instruct the V.A. to discard that outdated scale they use in determining monthly payments, and create a new scale more in keeping with the financial conditions of the times, then when Congress tries to help by voting an increase in social security, it won't result in a reduction by the V.A. in payments to the Veteran.

The V.A. advises that Congress makes the rules, and they only administer them. If this is so, then it is little enough for this change in scale to be enacted by Congress for the sake of all benefits granted to Veterans like myself who find it difficult to exist on this amount.

Any assistance you can render will be gratefully appreciated.

Yours most truly,

—— ——.

[Enclosed V.A. form 20-8270-2]

Monthly rate $9.16; Effective date 01-01-76.
Monthly rate $6.25; Effective date 01-01-77.

This is based on our determination that your net countable income for 1977 will be $3107. We consider your expected income for 1977 of $0 earnings, $3404 social security, $0 annuity, $44 other sources, and all allowable exclusions and deductions. This reflects the provisions of the recent law, effective 1-1-77, which also raised all annual income limits.

DAYTON, OHIO,
February 11, 1977.

DEAR CONGRESSMAN WHALEN: I am a widow of a war veteran. I was receiving $48.00 per month since he passed away, Aug. of 1975. On Jan. 31st, I received a notice that because I had received a raise in Social Security last year I was not eligible for the $48.00 check. They sent a $5.00 check to the bank Feb. 1 of this year. I had an award last year that I would get this $48.00 through Feb. of this year. I only have my Social Security check. I have no other income. I have doctor and medical bills. This check took care of my prescriptions. Have heard on T.V. that there is a $13,000 raise for people in Government. I just wonder if there really is any fairness for older people. I am 68 years old. Have a heart condition and rheumatoid arthritis. What good was the $16.00 raise I got if, as they say, I will no longer get any more $48.00, just $5.00. Can you explain to me how Social Security raises have anything to do with a small pension from V.A. It has depressed me very much as it is very hard to make ends meet. My husband died of cancer which lasted from 1973 to 1975. You have very little left and are very lucky if you have a roof over your head. It has done me good to write this to you. We elderly people need all the help we can get. I have never asked for welfare in my lifetime. I'll make it some way. Thank you for reading this and maybe you can explain some things to me.

Respectfully Yours,

—— ——.

FEBRUARY 6, 1977.

DEAR CONGRESSMAN WHALEN: Since 1972 I have been writing you about what I consider the greatest rip-off of a minority group by our government. I refer to the fact that pensions to veteran's of World War I are reduced every time Social Security benefits are increased. From your letters I am of the belief that you are in agreement but nothing tangible has resulted.

To me it is beyond comprehension that nothing would be done if the members of both houses were made aware of the situation. I believe that this is due to the fact that no one in the legislative branch have any real feeling on the subject as any one who fought in that war would be at least 77 years old and I don't think that any members of Congress are that old. Our group therefore has no one to push the matter.

I can use my own case as an example. Last summer my wife and I received about $20 a month increase in Social Security benefits, January 1st of this year my Veterans' pension was reduced by $16. At one time I was receiving about $75 monthly but was penalized every time Social Security rates were increased. I have never received full benefit of the Cost of Living increases to which I feel I am entitled and can not understand why the situation has not been corrected.

Social Security and Veterans Affairs have nothing in common. Social Security is a form of income insurance part of the premium being paid by the individual and the balance by the employer. Veteran's pensions are the means of helping veterans in their old age to a bare living. I enlisted in the Army just as I became old enough and served faithfully. As it stands now, a person of my age that made no effort to help the country during World War I gets full benefit of Cost of Living increases while I am penalized because I served.

It seems to me that a law to correct the injustices already made and with provision to protect the future would be passed by a voice vote both in the House and the Senate if any member would make certain that the rank injustices were fully explained. Can't I depend on you to make this effort?

Yours very truly,

—— ——.

COURAGEOUS MOVE TOWARD PEACE BY PRESIDENT SADAT

(Mr. WRIGHT asked and was given permission to address the House for 1 minute and to proceed out of order.)

Mr. WRIGHT. Mr. Speaker, during the past 2 weeks a delegation of the House was in the Holy Land. We visited with President Sadat prior to the finalization of his trip to Jerusalem. It was quite apparent to us that he was deeply intent upon this bold and courageous move. Our entire meeting, by his decision, was covered by press and television. We tried to ask him the kinds of questions that would open up the dialog and make clear to others throughout the Middle East the deep sincerity which he felt.

Two days later we were in Jerusalem in a meeting with Premier Begin at the time the formal announcement was made of the arrangements for President Sadat's trip. That announcement was made to our delegation and through us to the world by Premier Begin that President Sadat indeed would be arriving in Jerusalem on Saturday night and would address the Knesset on Sunday afternoon. Premier Begin later called and insisted that our congressional delegation remain, along with certain others who were there on other delegations, such as the gentleman from Illinois (Mr. YATES) and the gentleman from Illinois (Mr. PAUL SIMON). Together we, at the insistence of Premier Begin, sat in the Knesset and heard this unprecedented appeal for peace on the part of an Arab leader.

It was an event certainly without precedent in modern history, perhaps without precedent in all of history, for the head of one combatant state to be invited to speak to the legislative body of another combatant state. We believe that it was a quantum leap forward in the destruction of those walls of long lingering hostility, suspicion, and hatred which have made impossible the sitting together of representatives of these two cultures and two nations.

Now that those walls have been torn down, we believe that the fresh air of direct mutual communication will produce an earnest understanding and that earnest agreement will find a solution. We pray that it will.

We felt that we were present at an epochal event in the history of humankind, and on future days I am sure that members of that delegation will seek the opportunity to share with Members of

the House our impressions that we gained and the hopes that we hold for peace in the Middle East.

VISIT OF PREMIER SADAT TO ISRAEL

(Mr. SIMON asked and was given permission to address the House for 1 minute and to proceed out of order.)

Mr. SIMON. Mr. Speaker, I had not intended to say anything, but I sincerely want to add my appreciation, since I had the privilege also of being in the Middle East and of traveling by myself with one staff member of the House Budget Committee, taking a trip through the Middle East with no idea that we were going to be there on such a momentous occasion.

The thing that hit me as we traveled through Egypt and the Arab countries, and as we sat through the Knesset meeting, was the incredible courage of President Anwar Sadat. Many Arab leaders told me that they did not think he would live to set foot on Israeli land. He did it.

Rarely do we see dramatic moves for good. We see the dramatic in a negative way: in assassinations and in bombings and such things. Most positive things are incremental, step-by-step things. But here was a high step forward by a man who showed this incredible courage.

Even if the Geneva meetings do not take place—and we hope and pray that they do take place—those barriers have been broken down between the largest Arab state and Israel.

It is inconceivable today, just 10 days or 2 weeks after this first announcement, that under any circumstance Egypt would attack Israel or Israel would attack Egypt. We have made, in the words of our majority leader, a quantum leap forward toward peace in our modern world.

I think on this day after Thanksgiving we have much to be thankful for that the world has had a leader of the courage of Anwar Sadat.

Mr. GRADISON. Mr. Speaker, will the gentleman yield?

Mr. SIMON. I yield to my distinguished colleague from Ohio.

Mr. GRADISON. I thank the gentleman for yielding to me.

Mr. Speaker, I just want to indicate to both of the distinguished gentlemen who have just spoken how appropriate I believe it is that this body was so well represented at that historic moment. As a citizen and as a Member of this body, I took great satisfaction in watching on the television when the assembled audience was shown, and felt a great deal of pride, very frankly, in seeing the distinguished delegation from the House of Representatives present in the Knesset on that day.

I just want to compliment the gentlemen who have just spoken for their remarks, as well as for the extraordinary and able way in which they represented all of us at that important time.

Mr. SIMON. I thank the gentleman from Ohio. I would like to take no credit for having chosen the time to be there. I was scheduled to be there anyway. In the case of Representative JIM WRIGHT and his delegation, they stayed over. I think they have done our House and the cause of world peace a good turn by staying over and representing our country on that occasion.

But, it has been a rare thing to see this positive step forward, and I hope that momentum can keep going, and that in the year 1978 we will see in this tinder box in the Middle East, where there is more potential for confrontation and explosion between the two great powers and between other powers than any other area in the world, that we will see real peace established.

Mr. KILDEE. Mr. Speaker, before I make the motion to adjourn, I want to say that I am immensely proud that the visit of Mr. WRIGHT, of Texas, and his colleagues was the occasion for the reiteration of Mr. Sadat's willingness to visit Israel and speak to the Knesset in Jerusalem. History has touched this House in some special way by the fact that our colleagues were there during this very momentous time in history.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. GRADISON), to revise and extend their remarks and to include extraneous matter:)

Mr. WHALEN, for 10 minutes, today.

(The following Members (at the request of Mr. KILDEE), to revise and extend their remarks and to include extraneous matter:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ. for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. GRADISON), and to include extraneous matter:)

Mr. RHODES.

Mr. DERWINSKI.

Mr. BROWN of Ohio in three instances.

(The following Members (at the request of Mr. KILDEE), and to include extraneous matter:)

Mr. MAZZOLI.

Mr. ANDERSON of California in three instances.

Mr. GONZALEZ in three instances.

Mr. MCKAY.

ADJOURNMENT

Mr. KILDEE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 12 minutes a.m.), under its previous order, the House adjourned until Tuesday, November 29, 1977, at 12 o'clock noon.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII,

Mr. SLACK introduced a bill (H.R. 10120) to amend the Internal Revenue Code of 1954 to allow a taxpayer to deduct, or to claim a credit for, amounts paid as tuition to provide an education for himself, for his spouse, or for his dependents, which was referred to the Committee on Ways and Means.

SENATE—*Friday, November 25, 1977*

(Legislative day of Tuesday, November 1, 1977)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by Hon. ROBERT C. BYRD, a Senator from the State of West Virginia.

Mr. ROBERT C. BYRD. Pursuant to the previous order, the Senate has convened today following a recess; and in compliance with the requirements of the U.S. Constitution, the Senate met for that purpose today only, the recess having already been in effect for 3 days. Pursuant further to the previous order, the Senate will now stand in recess until 1 p.m. on Tuesday next.

RECESS TO 1 P.M., TUESDAY, NOVEMBER 29, 1977

Thereupon (at 10 o'clock and 33½ seconds a.m.), the Senate recessed until Tuesday, November 29, 1977, at 1 p.m.

EXTENSIONS OF REMARKS

TUITION TAX RELIEF PLANS NEED STUDY

HON. WYCHE FOWLER, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 25, 1977

Mr. FOWLER. Mr. Speaker, a number of bills have been introduced to allow a tax credit or deduction for parents who are sending their children to private schools. As attractive as this idea may be, these bills require careful study because of their costliness, their constitutionality, and their implications for our efforts to develop a fairer tax code. Some of these implications are well articulated in an article in the Friday, November 4, 1977, Washington Post, which I would like to share with you:

[From the Washington Post, Nov. 4, 1977]

TUITION TAX BREAK MAY BE UNSTOPPABLE

(By Art Pine)

In the push to eliminate tax "loopholes," the most frequent targets are the tax breaks for the rich. The special treatment of capital gains is one break often mentioned.

Another is the new faster depreciation write-off for big corporations.

But many of the biggest "loopholes" in the tax code aren't slipped in by lobbyists or corporations. They are there by popular demand. An example is the deduction for home mortgage interest. Ask President Carter: Try to end the break and you bring on an uproar.

Now momentum is building to add still another big tax break, and the support is so widespread that it may be impossible to stop it. The proposal is for a tax credit for parents to offset burgeoning college tuition expenses. Some say it's only a matter of time before it becomes law.

The major proposal in the area has been a bill by Sen. William V. Roth (R-Del.). The measure would enable parents to reduce their taxes by up to $250 of the amount they spend on each child's college tuition and books. The maximum would be raised to $500 after four years.

And recently Sens. Daniel P. Moynihan (D-N.Y.) and Bob Packwood (R-Ore.) have gone Roth a step further, proposing to extend the writeoff to cover elementary and secondary schools as well. Their bill also would provide a cash payment for families too poor to take a credit.

At first blush, the move seems a natural. As many parents can testify, college costs are soaring dramatically. Everyone agrees that education is a worthy social goal. What nobler cause than to send your son or daughter to college? It's as American as gooseberry pie.

But the issue becomes more mottled when the bill is examined closely. For one thing, it's exceptionally expensive: The Roth bill alone would cost $1 billion next year, with the revenue loss leaping to $2.3 billion by 1981. The Moynihan-Packwood plan would cost a whopping $4.7 billion.

(For comparison, the deduction for home mortgage interest will cost $4.6 billion this year, rising to an estimated $5 billion in 1978. And all government spending for student grant programs now totals only $3 billion.)

More important, however, the breaks would go mainly to the well-to-do. A study by the Congressional Budget Office shows 60 per cent of the credit's benefits would go to families earnings $25,000 a year or more—a group that amounts only to about 12 per cent of the taxpaying population.

Although parents complain a lot, there's no evidence the extra aid actually is needed. While college costs have jumped 65 per cent between 1967 and 1975, the median income of families in the $25,000-and-over bracket has soared by 80 per cent—more than enough to make up the difference.

Moreover, critics question how much a $250 tax break means to a high-income family in a day when college costs are running $4,700 a year or more. Sure, opponents concede, when you're sending a kid to college every little bit helps. But is a little bit really worth $4.7 billion a year?

As a result, some tax experts charge the tuition credit proposal amounts to little more than an income-transfer program, such as Social Security or veterans' payments—only this time a costly one aimed mainly at the rich. Taxation With Representation, a liberal group, brands it "a disaster."

Finally, some critics fear that the Moynihan-Packwood version, which would extend the credit to elementary and secondary schools, would revive another thorny issue—whether it's legal to provide federal aid to parochial schools. A court ruling a few years ago barred most forms of aid.

To be sure, there are some compromises. A bill by Rep. Abner J. Mikva (D-Ill.) would replace the credit with a provision allowing parents to defer payment of taxes equal to their childrens' college costs—effectively converting the credit into a long-term government loan.

But tax experts warn the Mikva plan would be difficult to administer (the Internal Revenue Service would have to keep tabs on the deferred portion of a parent's taxes for up to 10 years). And the "loan" still would be channeled through the tax system—a roundabout way of subsidizing anything.

Because of these problems, tax planners consistently have tried to thwart the tuition credit. Both the Treasury and key congressional staffers flatly oppose it. And the House Ways and Means Committee has avoided even considering the measure, for fear a vote would mean sure passage.

But the bill has garnered increasing majorities in the Senate in recent years—most conspicuously in last year's so-called Tax Reform Act, where it was included with a spate of other giveaways before being dropped in a House-Senate conference committee.

And congressional strategists say it's almost certain the measure will become law sometime in the next few years. Besides enjoying broad support from middle-income taxpayers, the bill is being pushed by the well-heeled education lobbies, which view it as a new avenue for increased aid.

Ironically, many of the people behind the credit are the same ones who are calling for elimination of other "tax loopholes" that they complain benefit the rich and the big corporations. Which all goes to show that, as the tax planners put it, one man's loophole is another man's incentive. Or tuition credit.

COURAGE OF SADAT AND BEGIN

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, November 25, 1977

Mr. MAZZOLI. Mr. Speaker, President Anwar Sadat of Egypt and Prime Minister Menachem Begin of Israel presented to the world an act of statesmanship and courage that is worthy of consideration for the Nobel Peace Prize.

Both men have a long history of involvement in the war and turmoil that has beset the Middle East. Mr. Begin was a freedom fighter in the early days of the Israeli state and Mr. Sadat guided Egypt through the 1973 war.

Both men have seen the tragedies that the Arab-Israeli war have inflicted on their countries and their people. Egypt's economy suffers and her people go hungry as staggering amounts of money are spent on arms. Israel has lost many sons and daughters in the fighting.

Both men are patriots and have great pride in their countries. Mr. Sadat has steered an independent course for Egypt, moving her away from the Soviet sphere and into an independent stature in the Arab world. Mr. Begin was elected in a campaign that focused on his devotion to the biblical origins of his Israel.

But, most importantly, both men are men of peace. It was their desire for peace that brought them together over the weekend. It was their desire for peace that so animated their public actions. It is their desire for peace that gives hope to all of us that the Middle East will soon see peace for the first time in a generation.

It would be fitting and proper that the Nobel Peace Prize for 1978 be awarded jointly to Anwar Sadat and Menachem Begin.

ARTHUR W. ARUNDEL

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 25, 1977

Mr. FISHER. Mr. Speaker, for the past 15 years Arthur W. Arundel has been a leader in the provision of all-news broadcasting in the Washington metropolitan area and in the Nation.

Unfortunately for us all, he has decided to leave all-news broadcasting. I want to share with my colleagues his last editorial broadcast over WAVA. His commentary will be missed:

A VIEW OF NEWS BROADCASTING

(By Arthur W. Arundel)

To people in Washington over the years it has probably always seemed that their own times were the worst, the pressures on leadership and the burdens of power never greater. We journalists here, along with government leaders, have not always been immune from exaggerated notions of our self-importance to the national destiny.

But stone age man probably also thought that he bore in his hands the fate of all living things when he invented the hatchet, as did Martin Luther when in another time he declared that with gunpowder man had finally developed the ultimate weapon. And less than a century ago, leaders in Britain, then the world's leading power, were appalled at the burden of human survival they carried when Lord Kitchener first used the machine gun to mow down the Hordes of the Mad Madullah in the Sudan.

SINCE VIETNAM

It has been different in Washington since Vietnam, perhaps our last ground war, and Watergate. In the quieter, laid back early months of President Jimmy Carter visible and newsmaking military combat seems all the more on the way to being replaced by the weapons of nuclear warfare. In nuclear energy man is equally capable of either limitless good or of quickly flattening civilization to a pile of dust and rubble.

So perhaps people in Washington today are indeed not just another generation consumed with indulging their own self-importance. We all, politicians and journalists alike, possess human frailties. But our generation also possesses this capacity by the mere pressing of a button to change all of human destiny. There is something less in this than Armageddon, but there is also more than Chicken Little seeing the sky falling.

After some 20 years here with CBS news and all news broadcasting in Washington, I am now selling all news WAVA to move on into new fields of journalism and public affairs. But from the experience I have a few thoughts on the shape of broadcasting and broadcast journalism.

THE VAST WASTELAND

Many will remember FCC Chairman Newton Minow's much publicized reference to television 15 years ago as a "vast wasteland". He was right about that then and, while we can be proud of the occasional rays of brilliance in broadcast news and specials he would be right about that today. Television programming continues to sink toward the lower common denominators of the public taste.

And even as television has replaced radio as the nation's principal live entertainment medium, radio has made a shotgun marriage to become essentially the promotional loudspeaker of the record industry. Going across the radio dial today, from classical to rock music stations—modern radio can be measured as little better than a glorified jukebox, spitting out just so much news and public

service material as will keep Federal Broadcast regulators off its back. There are brilliant exceptions, WMAL radio here and three all news stations among them in Washington.

RATINGS TYRANNY

The most frustrating part of my own 20 years experience in both television and radio has been to see this industry sinking measurably deeper into lockstep with the audience ratings numbers. It is not that TV has not changed, it is that new and imaginative programming is strangled in its birth by the tyranny of the ratings. Over these years of putting WAVA all news on its feet, I have awakened at night feeling much like those people in the recent book and film about broadcasting, "Network", who one evening threw open their windows to shout, "I'm mad as hell, and I'm not going to take it any more".

We have an extraordinary thing in this country with private broadcast station ownership. In most of the rest of the world, radio and television is owned and programmed by the government. Yet out of our very stupid failure to do better with private ownership, we are inviting our own government to move into the gap with its now growing support of Public Broadcasting networks and educational television and radio stations. It may be heresy to think such thoughts, but if private ownership does not get off its tail and do better by the native intelligence of the American people then the government is going to do it for us. And that would be worse.

ALL NEWS RADIO

WAVA made its break from the cacophony of radio music to begin something we then call "all news" broadcasting in this Washington area in January 1962. It seemed to me then a simple enough idea, with some 40 radio stations here doing news on the hour, that there ought to be one place on the dial where you could just push a button and get the news anytime. Advertisers laughed at the idea. It was a long gamble for us, for me as the young new owner with all the family eggs in one basket—told then that no one would listen to continuous news. But we made it. And, with success, the concept gradually spread to other stations across the nation. The imitation was flattering.

Then six years later, the Washington Post announced that it would change its WTOP to all news. We didn't need that much flattery, the Post company possessing the huge combined network news, audience promotion and financial resources of the area's largest daily newspaper, Washington's CBS television station, Newsweek magazine, as well as Washington's most powerful 50,000 watt radio station.

Yet WAVA and WTOP together survived six years of all news competition. Then two years ago WRC radio entered all news here backed by the added resources of NBC television and radio. These two corporate network giants became good tough competition for independent WAVA. It made all of us work harder.

LAID BACK TIMES

But looking at our success in all news radio now, I have realized one very special thing which both helped make all news radio succeed and which challenges it today. It is that all news was born here in the high exhilaration of the early 1960's with John F. Kennedy and grew in years of nearly continuous national anguish with the Cuban missile crisis, assassinations, Vietnam, Lyndon Johnson's withdrawal, more Vietnam. Nixon, China and Watergate. If Jimmy Carter means quieter times he also means people are recovering from a prolonged state of something like national war nerves. It is better for the country, if slower for the news daybook.

Reports of the death of all news are premature. It simply presents a sharp new challenge to all news broadcasters to adapt all news radio to quieter times. It can be done.

NEW IDEAS

We find, and I found at WAVA, that everything has not yet been discovered. The horizon, we have learned, is not the boundary of the world. Somebody is always finding out that it isn't and being very successful by doing what he believes in.

The star I have tried to follow in this game, Edward R. Murrow, once said that "the trouble with broadcasting in this country is that it underestimates the native intelligence of the American people". But I have found that broadcasting in fact still lives more by the advice of the late H. L. Mencken who said that "nobody ever went broke underestimating the taste of the American people". There are innovators and there are cowards in this industry, and they may be identified largely by which advice they follow. If you reach for the stars at least you won't get a handful of mud.

Perhaps if WAVA's success says anything, it is that opportunity for new things is still out there and that you don't have to drop to the next lowest common denominator of the public taste to prove it. If there is pride, even arrogance in that, there is also truth.

Once in a while in this industry we have got to put a principle before a buck, to reach for our dreams as journalists and play to the higher grounds of the native intelligence of the American people. Each man owes something more than a paycheck to the upbringing of his own profession.

THE THREE-MARTINI LUNCH

HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 25, 1977

Mr. BROWN of Ohio. Mr. Speaker, misleading attacks on the "three-martini" lunch add little to the national debate on tax reform. In an effort to combat myth with facts, I offer the following reprint from the Washington Post and recommend it to my colleagues:

RESTAURATEURS SCOTCH THREE-MARTINI LUNCH MYTH

(By Jack Egan)

NEW YORK, November 1.—In an effort to counter President Carter's attack on the three-martini lunch, the National Restaurant Association today released a survey that it said puts to rest a number of myths about expense account meals.

The survey claims that the most popular expense account lunch consists of a hamburger, salad, french fries and coffee.

Of 10 beverages ordered at expense account meals, cocktails—which would include martinis—are ordered at only 3 per cent of the occasions, ranking higher only than beer, wine and other beverages, according to data supplied by Chain Restaurant Eatingout Share Trends (CREST).

Coffee, the most popular beverage, is ordered at 27 per cent of such occasions followed by soft drinks (17 per cent), hot or iced tea (14.4 per cent) and milk (7 per cent).

As for main courses, the hamburger, regular (14.4 per cent) and the hamburger, large (13:5 per cent) are followed by the other sandwich (12.6 per cent) in popularity, and clearly outdistance steak (2.7 per cent), roast or sliced beef (3.2 per cent) and other presumably more expensive entrees.

President Carter, in his attack on supposedly extravagant expense account meals which are deductible as business expenses, has painted an emotional picture that has no relation to fact, according to Victor Rossellini, president of the association which is meeting in New York.

He said the average expense account meal amounts to $3.93, which he said is in line with the average restaurant customer's check.

Rossellini, in a speech called Three-Martini Folly, painted his own picture of high unemployment and a depressed restaurant industry if the proposals that have been floated by the Carter administration to cut down expense account meal deductions are enacted.

THE FAMILY—THE FOUNDATION OF OUR SOCIETY

HON. GUNN McKAY

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Friday, November 25, 1977

Mr. McKAY. Mr. Speaker, I have taken the opportunity during this National Family Week to share with my colleagues ideas and observations about the family as the foundation of our society.

In this same spirit, I was pleased to be able to present to Vice President WALTER F. MONDALE earlier this week a special volume of the "Family Home Evening Manual," published annually by the Church of Jesus Christ of Latter-day Saints (Mormon). This year more than 800,000 copies have gone to families within and without the church.

The Mormon Church always has stressed development of strong families and to this end encourages its members to hold weekly "Family Home Evenings." This concept of one night each week set aside for family activities increasingly is being adopted by other sects and organizations, and it is easy to grasp its increasing importance in our fast-paced society.

Too often, the family is the loser in competition with other organizations' claims on our time. Other institutions have elaborate means of exacting their toll of time from our schedules; not so the family.

Our families need and deserve the time and attention of their members in order to function properly. To assure this, we must take stock of the quality and quantity of "family time," identify excessive time demands beckoning from outside the home and reconcile those with family needs. One watchword should be, "Put the family first." Another was put forward by a recent president of the Mormon Church, the late David O. McKay. President McKay said,

No success can compensate for failure in the home.

Today I would like to include in the RECORD excerpts from an article, "Strategies To Strengthen the Family," by Mrs. Teddie Wood Porter of Berlin, West Germany. The article appeared December 1975, in "Exponent II," a journal of thought, literature, and opinion published in Cambridge, Mass., and Provo, Utah, by Mormon women. It is not an official publication of the Mormon Church.

I find that Mrs. Porter has stated the problem well and laid forth several helpful remedies. I commend it here to the attention of my colleagues:

STRATEGIES TO STRENGTHEN THE FAMILY

(By Teddie Wood Porter)

A high rate of absenteeism from the family by either parent during potential blocks of family times—evening and weekends—often weakens marriages, undercuts parent-child relationships, and unfairly denies the parent in attendance at home opportunities to develop non-domestic skills. The family, as one of the smallest modern organizations, must compete with elaborate and very powerful goal-seeking organizations for the time, energy, and dedication of its members. The family whose members are unaware that competition is taking place is most likely a loser. We all are members of various combinations of organizations and at times our fragile family organizations and our marriages themselves fail to claim their fair share of time and energy. I suggest that the family must aggressively compete for and insist on time and attention from its members for developing quality family relationships. That time and that attention are necessary and legitimate.

The powerful organizations in the society with which the family organization competes are those in which we earn money, produce goods or provide services, worship, study, govern and defend ourselves, and seek health, recreation, friendship, knowledge, credentials, and self-esteem. There are many other functions as well. In our highly organized society, the individual family is dwarfed by the corporation, the county government, or the university, is simultaneously cooperating with, coping with, and competing with those powerful organizations. Most families can do a better job of competing effectively and to survive successfully must do so.

We need to understand the organizations with which our families compete and perhaps adopt some of their techniques. First, organizations are goal-seeking, and the most common goal which organizations seek is their own preservation and expansion. To achieve their goals, such as profit-making through the production of goods or selling services, successful organizations exert tremendous energy, characteristically applying impressive teams of talented people, sophisticated technology, and wealth to solve problems. Goal-seeking within these organizations is not casual or spontaneous, but conscious, deliberate, and calculated.

I suggest that the family organization must similarly rely less on love, prayer, and spontaneity alone to make it a strong organization. Family members, and especially parents, must create quality family life in a very conscious, deliberate, and calculated way. Doing what comes naturally is simply not enough, and the family taking a casual approach may well find itself steam-rollered by other organizations whose activities will fill the vacuum created by passivity.

Too often, a somewhat disorganized family acquiesces to the rigorous demands placed on its members, even when these demands are unreasonable. Each family will, of course, have to determine what constitutes a reasonable demand on its members by the other groups. The family need not settle for scraps of time, especially the Mormon family which has developed a strong enough sense of self-worth and integrity to resist unreasonable demands. The family, of course, cannot withhold its participation from outside groups. But other organizations seek first their own survival and well-being. The family must aggressively and creatively do likewise.

While other organizations may not be intentionally hostile to the family, they may not be particularly friendly to it either. The Mormon Church is in some ways a notable exception in our time. It vigorously teaches the value of close family ties. Even the Church, however, must maintain its own elaborate network or organizations, requiring countless people-hours out of potential family time from its adult members in order to do so. A normal, if painful, tension exists between the needs of the family and the needs of the Church's numerous programs and organizations. Families must accept that fact and cope effectively with that tension.

I suggest that the best intentioned organizations in the society cannot be expected to look out for the best interests of any particular family. Only the parents can set family goals and protect the family's interests from excessive incursions. If the parents do not look after those interests, no one will.

Following are eight strategies which work for some families struggling to maintain a balance in family life.

1. *Unique family goals should be set.* Goals should be specific and few and should include both short and long range goals which the family can agree on. Goals should be reviewed and renegotiated from time to time. No member should set goals for the group. Mutually held goals help families to achieve a sense of unity and purpose over time.

2. *External and internal problems should be identified.* Certain types of occupations pose specific problems to family life. Just as the family's expectations regarding a working member's available time must be realistic, a working parent must not give her paid work an inappropriately high priority thereby robbing the marriage and family of its share of that parent's time and attention. A satisfactory balance, or something near to it, must be negotiated. And no one should be permitted to pull rank on the others by virtue of her particular occupational activity or status.

3. *Parents should avoid distance in commuting patterns and do paid work at home when possible.* Greater geographical distance almost inevitably results in fewer personal contacts, reducing opportunities for communication within the group. At one time we lived across the street from our places of paid work so that we could easily have lunch with the children or bring friends home to lunch. Many people simply expect to live a considerable distance from work, which automatically has a fragmenting effect. While a twenty-minute drive to work may seem manageable, it results in a forty-minute round trip—usually enough to eliminate occasional lunches together.

Although it is impossible for many, some of us can arrange to work out of offices at home, at least occasionally. A physician I know lives in an apartment above the office, intentionally integrating career and family as much as possible. Most of us are far removed from that familiar pattern out of the past when families lived above the family store or worked side by side on the family farm. Yet our homes in the isolated residential suburbs have cost us the advantages of a greater integration of family life and paid work. Neighborhood piano teachers have long practiced this strategy, giving lessons in their homes. The partial integration of work and family life requires self-discipline in order to give each adequate emphasis, but many of us suffer more from contemporary fragmentation than from a stifling sense of unity in our lives.

4. *Family time should come first.* We should avoid leaving the family the leftovers of time and effort. If we believe that family relationships and the development of individual family members is the most important activity we can be engaged in, our family should have first claim on our time and effort. Each parent should allocate adequate time and energy to family matters. Time and energy won't in themselves be sufficient to develop close personal ties, but a parent's presence and interaction with family members simply cannot be delegated to anyone else.

Parents who are away during the day can agree not to accept regular evening and weekend commitments away from home without knowing the specific requirements entailed and getting agreement from all concerned. I emphasize the importance of knowing the specific requirements because organizations often underestimate the claims they will make while enlisting help.

Parents must realistically and equitably divide their limited time and energy outside as well as within the family, taking into account that at certain times in the family circle, both parents may need to contribute more time and energy at home. Some of us in our generosity fail to recognize that our time and energy are limited.

5. *A family calendar should be established.* This is undoubtedly the most useful of the eight strategies. Instead of fitting our lives into the calendars and agendas of other organizations, we should schedule family events first. The family, in general, should not automatically accommodate the calendars of other groups. A reasonable number of formal and informal blocks of family time with attractive events can be set up and stuck to. If the calendar of family activities is not appealing, the enticing events of other groups will most likely pull members away regularly. Unfortunately, many parents are accustomed to abandoning the family when other organizations request their participation.

Those eager to improve their present situation might keep an accurate log of each family member's activities in other organizations for a month. An analysis of the facts might be surprising.

A prominent Church educator spends Saturday of each week with his children. The entire Saturday of each week is dedicated to day-long projects with them. His rigid rule was not urged upon him by anyone else, and although opportunities to forfeit that time for other duties at school, work, Church, or in the community are numerous, his attitude is that the family deserves 100% of every Saturday.

Sometimes a child can accompany a parent on a trip or go to meetings where he can observe his parent at work. Some employers discourage children from visiting places where adults work. Discretion, of course, is essential. Often a child's presence after work hours is acceptable. Rather than spend a summer alone on a project in Boston, my husband took our seven year old son along. Both enjoyed the experience for many reasons. Several people were amazed that the trip could be worked out.

Short husband and wife vacations, family trips, retreats, and second homes hidden in the mountains extricate the family from the demands of other groups at certain times. Even day trips away from the house and telephone can be delightful. One family spent certain Saturdays in the public park of a neighboring city, just out of reach. Another family posts a do-not-disturb sign on the front door and takes the telephone off the hook for special reading sessions together.

6. *No one person should be the family servant.* Casting one parent in the role of family or house servant with little opportunity to develop his or her other talents should be avoided, regardless of willingness. Each parent, just as each child, should consistently be encouraged to develop numerous and diverse talents.

7. *The strengthening of "family" as a value within your other organizations should be actively promoted.* Some organizations are surprisingly willing to cooperate. One person requested, as a business expense, regular long distance telephone calls to his family while on business trips. The request was honored.

8. *Family members should talk to and listen to each other.* Meaningful conversation takes considerable time and must be cultivated. Television viewing, house and yard work, and other activities may have to be

cut down if they interfere with family talk. Conversations about ideas and values may be difficult to initiate, but they are vital to developing close personal relationships.

Many people find family contact unpleasant or painful. But others of us enjoy family life and believe David O. McKay's declaration that no other success compensates for failure in the home. We believe that quality family life is a challenging adventure and is central to our personal development. We value family relationships as a delight, even with their impressive demands and inevitable disappointments.

Quality family relationships require that a family organize itself, set goals, develop leadership, and devise strategies for meeting its own needs and achieving its goals. Love, good-will, prayer, and deliberation are also required. In addition, a great amount of time and considerable hard work must be contributed by each family member. Other organizations are vigorously competing for our limited time and energy. The family is obligated to protect its own interests and compete effectively for that limited time and energy.

MINORITY EMPLOYMENT PLAN

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 25, 1977

Mr. DERWINSKI. Mr. Speaker, the Federal Times, a widely read publication, provides concentrated coverage on issues affecting Federal employees. This publication serves its special audience with commendable preciseness and spirit.

I direct the attention of the Members to the lead editorial in the November 28 edition of the Federal Times which discusses the very controversial minority employment plan under consideration by the Civil Service Commission. This is a hard-hitting, objective editorial that deserves the Members' attention:

DISCRIMINATION PLAN

We are not convinced that Jule Sugarman's new hiring plan for Schedule A is a good idea. Indeed, we call it a bum one.

As outlined on Page 1 last week, and in further detail on Page 7 this week, what the vice chairman of the Civil Service Commission wants to do is to give women and members of minority groups federal jobs without benefit of civil service examination. He calls it "A Plan for Special Emphasis Employment Program." We call it discrimination.

At this time, everyone receiving a Schedule A position is chosen largely on the basis of a test, the Professional and Administrative Career Examination, known as PACE.

Sugarman wants to do away with the test for all women and for all minority group members. Only white males need be tested, apparently.

This would enable the federal government to hire more minorities and more women for professional, administrative and technical jobs. And it would make it much easier for the federal government to practice what it preaches in terms of hiring minority people and female people.

Sugarman's plan is supported by Secretary of Labor Marshall and—as our Page 7 story notes—by all who testified on behalf of federal departments and agencies at the open meeting on this matter before the Civil Service Commission.

Now we agree that there are certainly not enough women in professional and administrative positions in the federal government. And the same is true for blacks, American Indians, Hispanics, and members of other minority groups. And we support equal opportunity programs to change this.

But any kind of employment policy that forces only white males to take entrance examinations while telling others they need not take such exams simply because they are women or members of a minority group is certainly not equal employment opportunity. To suggest that such is the case is patently absurd.

One who opposes Sugarman's plan, Bun Bray, the executive director of the National Association of Supervisors—Federal Government, insists that the no-test idea adds up to a quota system which is incompatible with the merit system. And, to our mind, Sugarman's plan could surely lead to a quota system which is obviously, by definition, incompatible with a merit system.

Sugarman denies that his proposal embraces a quota system, and says the plan involves an experimental program which preserves the merit system.

"I don't think the government could legally impose a quota system," Sugarman said. "Rather, the plan is based on competition designed to overcome adverse impact."

We do not understand what Sugarman is saying here. What's "adverse impact" mean? We know he can speak more plainly than that.

Putting all such explanatory gobbledygook aside, we say that when white males applying for a job must take a test but others—being female, black, whatever—can get that job without taking a test, the federal government will be, ipso facto, officially favoring everyone else over white males.

Sugarman's plan, inherently, treats job applicants unequally.

We say either give PACE to all applicants or to none.

We remain strongly in favor of equal employment opportunity. For all people: whether white, black, brown, beige, male or female.

Ah yes, we know, some will view our position on Sugarman's plan as racism or male chauvinism.

So let them call it that if they will. We call it support of democratic equality, the idea that every person should be treated alike and given equal opportunity to make something of himself or herself for the common good.

We reject the idea that some people are more equal than others.

We think Sugarman's instinct to help women and minority group members is fine but that his plan ought to be deposited in File 13.

LATE HON. CARLETON J. KING

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 25, 1977

Mr. RHODES. Mr. Speaker, I was saddened to learn of the passing of one of our former colleagues, Carleton J. King. He served in the House from 1960 to 1974, representing with distinction three upstate counties of the State of New York.

I was privileged to work with Mr. King during his 14 years in Congress. He was a staunch believer in fiscal integrity and a strong defense system for America and took great interest in foreign policy affairs. Carleton King was a conservative and supported the free enterprise system as the keystone of our economic success.

He was a good friend, a good Republican, and a fine Congressman. I join my colleagues in expressing our regrets at his passing and our condolences to his family.

LOCAL EXECUTIVE TAKES PRIDE IN PHILADELPHIA

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 25, 1977

Mr. EILBERG. Mr. Speaker, one of the real pleasures I have in being a Member of Congress is telling my colleagues about my home city of Philadelphia. It is a city rich in history and culture, proud of its unique collection of neighborhoods and striving to become an even better place to live and work.

The pride that Philadelphians take in their city, Mr. Speaker, is well expressed in the following article by Mr. Alfred J. D'Angelo, a native of the city and one of its civic leaders, which was printed in the December 1977 issue of Destination: Philadelphia, published by the Philadelphia Port Corp.

The article follows:

PHILADELPHIA IS A GREAT CITY—LET'S TELL THE WORLD ABOUT IT

(By Alfred J. D'Angelo)

As a life-long resident, I am proud to be part of this thriving and vigorous city. Though I have traveled to many other cities, I remain convinced none of them possess the diversity of activity, the mixture of old and new, and the surprising contrasts of Philadelphia.

Part of Philadelphia's spirit is contained in the traditions of the city. The populace contains many ethnic peoples and their tastes are reflected in their homes, neighborhoods and lifestyles. Look for soft pretzels, scrapple and pepper pot soup anywhere else and you'll have a hard time finding them. Even though cosmopolitan conveniences like air travel accommodations and housing continue on the upgrade, neighborhoods reinforce their own traditions with what might be termed staunch parochialism.

Another Philadelphia tradition is its 200-year dedication to higher learning. The University of Pennsylvania dates back to 1751 and there are 33 centers of higher education here—more than in any other city.

As a graduate of the Philadelphia College of Pharmacy and Science, and having attended the Universities of Pennsylvania and Temple, I take personal pride in the city's six medical schools which, reportedly turn out one in every five doctors in the world. Philadelphia can also be proud of its many prestigious pharmaceutical firms which produce a large percentage of medical preparations used throughout the nation.

Obviously the home is important to Philadelphians and residents have many opportunities to heighten this love of family life.

Family members can visit some 15 museums including the Academy of Natural Science, where you are encouraged to "please touch" and the Art Museum, on 10 acres and housing over 100,000 works of art. Then there's Fairmount Park with 4000 acres—the biggest city park in America; Boat House Row; and the new Penn's Landing that is still growing. The 9th Street Market is fascinating with its array of items and the Mummer's Parade and Museum extravaganzas are unequalled anywhere in the world.

Sports in Philadelphia is a major league all the way. For the Flyers, the 76ers, the Phillies and the Eagles we have Veterans Stadium and the Spectrum.

A common occurrence while visiting another city is to strike up a conversation with someone who turns out to be "Philly born and bred."

Not only do my personal roots belong here

but my business associations, too, have always been connected with places familiar to most Philadelphians, to one degree or another.

My working career has been spent with two fine organizations: Smith Kline Corp., where I served 40 years and, presently, the Keystone Organization. In my present position as Board Chairman and Chief Executive Officer, I look with great satisfaction to Keystone's contributions to the area.

Philadelphia and Keystone Automobile Club have come a long way together. It was at the Hotel Flanders in 1900 that seven men gathered to form the Automobile Club of Philadelphia, meant to protect the rights of motorists.

A year later, the Club incorporated and later became a charter member of the American Automobile Association. Dues were set at $6 and membership limited to 50—a far cry from today's 300,000 plus.

Keystone has labored diligently over the last three-quarters of a century to help make life easier, safer and more pleasant for motorists, bicyclists and pedestrians. Aside from numerous motoring-related services extended to its members, the Club's legislative efforts, educational safety programs and campaigns either directly or indirectly benefit everyone who lives in Philadelphia and the surrounding counties.

It is important that Philadelphia—at once a great metropolis and a village green—remain a viable and thriving city because America cannot continue as a world leader without stable urban municipalities.

We are all deeply grateful at Keystone to be part of the city's life and growth. We believe in Philadelphia and its inhabitants. And we are confident that, with the people behind us, we will continue to grow and help this great city do the same.

WHO WILL BE OUR "RACE-CERTIFIER"?

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, November 25, 1977

Mr. MAZZOLI. Mr. Speaker, the Supreme Court, in the much-publicized Bakke case, is presently deciding the legality of racial quota systems. While the Supreme Court is deciding the legality of these systems, one question remains: Who will decide the definition of race?

With interracial marriages becoming more prevalent, and America becoming increasingly more of a "melting pot," who will accept the responsibility of saying one person is more Chicano, more black, or more Asian than another?

I commend to the attention of my colleagues the following thought-provoking editorial by George F. Will which appeared in the November 6 Washington Post.

The article follows:

WHO WILL BE OUR "RACE CERTIFIER"?

(By George F. Will)

At an Ivy League law school, two students recently fell to arguing about which of them is more "chicano."

One justified her "more-chicano-than-thou" attitude because she satisfies the "Spanish surname" criterion. The other argued that, although he is burdened with an Anglo-Saxon name, he has as high a percentage of "Spanish heritage" ancestors as the other law student has, and comes from a home where Spanish was spoken. He, unlike the other student, speaks Spanish.

The argument was academic. Nothing—no entitlements—turned on it. But ethnic certification is not an academic problem. And advocates of quotas and other forms of reverse discrimination for government-approved minorities must answer this question: When they have achieved the administration's aim of saturating the law with "race consciousiness," who will play the indispensable role aof Herman Goering?

When Goering wanted Erhard Milch, whose father was Jewish, appointed as the Third Reich's Secretary of State for Air, Goering allowed Milch's mother to sign a declaration that she had conceived her son with a non-Jewish lover. Goering declared: "I decide if anyone is a Jew!"

Who will play Goering's role in an America that allocates much money and opportunity according to membership in approved groups? Who will decide who is black, chicano or whatever?

The Office of Management and Budget says you belong to a "minority group" if at least one grandparent was (to name just a few approved possibilities) Alaskan native, Filipino or Samoan. There is precedent for considering grandparents the key. The Nazis, who were diligent race-certifiers, generally worried about grandparents.

(The Nazis' lunatic "biologists" produced elaborate criteria for defining racial groups. One "professor" said Dresden streetcar drivers had more "northern blood" than the conductors had, but bureaucrats thought more in terms of grandparents.)

In a fascinating article in the Oct. 15 issue of "The New Republic," Eliot Marshall suggests that someday there may be "ethnic-review courts" to settle "disputed identities," and that the Supreme Court will decide such supreme questions as: "Can a person qualify as black if his only black relative was a grandmother listed in the official records as 'mulatto'?" Certainly as government allocates more wealth (contracts, grants) and opportunity (broadcast stations, university admissions) to approved groups, government must guard against ersatz Eskimos and Samoans-of-opportunity.

Marshall reports that when Los Angeles began shuffling teachers so that schools would have the "correct" percentage of "minority" teachers, some teachers began to fib in official reports in order to escape the shuffling. Some persons seceded from the "white" category and declared themselves members of minority groups. Some persons previously listed as members of minority groups declared themselves white.

School officials fought fibbing by creating ethnic-review committees to consider cases of teachers with ethnic discrepancy reports." An official told Marshall the committees are composed of two members from the ethnicity that people want to change from and three from the group they wish to change to."

The official said that when a teacher's documents do not decisively establish lineage, "the committee has a conversation kind of thing" to determine if the teacher's desire for a new "ethnicity" certification is "valid."

Such loathsome thinking, such disgusting talk, such hateful procedure—this reduction of identity, by law, to racial fractions and ethnic abstractions—is, regrettably, as American as apple pie. More precisely, it is as American as American slavery. It should call to mind Mark Twain's description (in "Pud-d'nhead Wilson") of the slave Roxy:

"From Roxy's manner of speech a stranger would have expected her to be black, but she was not. Only one-sixteenth of her was black, and that sixteenth did not show. . . . Her complexion was very fair. . . . To all intents and purposes Roxy was as white as anybody, but the one-sixteenth of her which was black outvoted the other fifteen parts and made her a negro. She was a slave and salable as such. Her child was thirty-one parts white, and he too, was a slave. . . ."

Government certification of race and the allocation of opportunity accordingly, is a "progressive" goal today. But it is a practice with an appalling pedigree.

PURCHASES BY TURKEY FROM THE NATO MAINTENANCE AND SUPPLY AGENCY

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 25, 1977

Mr. HAMILTON. Mr. Speaker, I would like to bring to the attention of my colleagues some correspondence I have had with the Department of Defense relating to purchases by Turkey of military equipment and supplies from the NATO Maintenance and Supply Agency (NAMSA) during the last 3 years at a time when the Congress has imposed initially a complete, and subsequently a partial, embargo on arms purchases by Turkey because of its invasion and occupation of parts of Cyprus.

During the period of the embargo, purchases by Turkey through NAMSA have increased from $100,000 in calendar year 1973 to $28.6 million in calendar year 1976. While the Defense Department argues that technically the purchases through NAMSA are not a violation of the embargo provisions, there can be no doubt that they violate the spirit of the law and tend to reinforce impressions by some here that efforts to comply with the embargo provisions may not have been rigorous enough.

The Defense Department has indicated that it is making changes in procedures to insure that future FMS purchases through NAMSA that do not involve partnership agreements with other NATO nations will be included under the FMS statutory ceilings.

While this problem may not appear to be significant in overall dollar terms, it has arisen at a time when we are all anxious to heal past wounds, rebuild confidence in all our relationships in the eastern Mediterranean, achieve progress on a Cyprus settlement, lift the embargo on Turkey, and affirm our military ties with both Turkey and Greece. It is hoped that the process can continue its important course and that nothing is done to recreate misunderstanding and bad feelings which have characterized much of this debate in Congress over the last few years.

The correspondence with the Defense Department follows:

COMMITTEE ON INTERNATIONAL RELATIONS,

Washington, D.C., September 21, 1977.

Hon. HAROLD BROWN,

Secretary of Defense, Department of Defense, The Pentagon, Washington, D.C.

DEAR MR. SECRETARY: Over the last few weeks, my staff has reviewed a series of ma-

terials relating to the organization, operations, and procurement procedures of the NATO Maintenance and Supply Organization (NAMSO) and the NATO Maintenance and Supply Agency (NAMSA). It would appear that the Government of Turkey's FMS purchases through NAMSA are a violation of the spirit, if not the letter, of the law imposing an embargo on the sale of defense articles and services to Turkey if those FMS transactions through NAMSA were not included in legislated ceilings.

I would appreciate your providing me with the following information: a detailed description of NAMSA's operations, including a history of Turkey's participation in them; the types and amounts of equipment procured through FMS and U.S. commercial channels by NAMSA which were and are destined for Turkey, over the last five years, including an estimate for fiscal year 1977; a description of the types and amounts of FMS transactions to NAMSA intended for Turkey that are included in existing statutory ceilings for fiscal years 1976 and 1977 (estimated) and the types and amounts of FMS NAMSA transactions to Turkey which are not included in the ceilings for those years; and an explanation of what appropriate actions are being undertaken to ensure full compliance with legislated ceilings in the future and why such actions were not taken in the past to ensure full compliance. I also would like a list, including types and amounts, the existing weapons systems partnerships which Turkey supports under the NAMSO charter, and an explanation of the legal basis for not counting FMS cases in support of such partnerships against the ceilings imposed on Turkey.

It is essential that the Government of Turkey fully comply with both the spirit and the letter of the law. It is equally important that the U.S. Government agencies, responsible for overseeing and monitoring arms sales, embargoes and ceilings, do so to ensure full compliance with the laws passed by Congress.

The apparent laxness in our monitoring of such transactions in the past could provide an additional impediment to a potential total lifting of the embargo on arms sales to Turkey or to a further raising of the ceiling on sales in future fiscal years. Therefore immediate full compliance is essential.

With best regards,

Sincerely yours,

LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East.

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., November 19, 1977.

Hon. LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East, Committee on International Relations, House of Representatives, Washington, D.C.

DEAR CHAIRMAN HAMILTON: This is in reply to your letter of 21 September to the Secretary of Defense regarding Turkish purchases from NAMSA. I sincerely regret the delay in getting this information to you.

The NATO Maintenance and Supply Agency (NAMSA) is the operating arm of the NATO Maintenance and Supply Organization (NAMSO), a subsidiary body within the NATO framework responsible directly to the North Atlantic Council. Its primary functions are maintenance and supply management, technical assistance, and procurement, all in promotion of materiel readiness, logistics efficiency, and savings to the benefit of the Alliance and the common defense.

NAMSA performs limited in-house maintenance and stocks spare and repair parts in support of "weapons system partnerships": collective arrangements under the NAMSO charter for the logistics support of systems common to the inventories of participating nations. There are thirteen such partnerships, each established in accordance with separate formal agreements and cost sharing formulas. Turkey is a member of seven. (A complete list is attached.) NAMSA also acts as a broker on behalf of its members and contracts for materiel not normally carried in stock and for maintenance services not within its own in-house capability. It does not, however, deal in major end items.

NAMSA procures materiel and services from all sources: foreign sources, US commercial sources, and the US Foreign Military Sales (FMS). In all procurement actions to replenish stocks or respond to country requisitions for items not in stock or maintenance beyond its capability, NAMSA reserves the sole right to determine the specific source. NAMSA does not extend credit. Terms are cash with order or payment within 60 days.

Letters of Offer/Acceptance (LOA) for FMS cases with NAMSA do not specify whether they are intended to satisfy stockage requirements or are in support of country requisitions for materiel or services not normally maintained in stock or performed in-house. Furthermore, single FMS cases requested by NAMSA are often intended to satisfy both stockage and brokerage requirements for more than one country. Therefore, we did not focus on a possible relationship between Turkish purchases from NAMSA and FMS ceilings in PL-329 until the matter was brought to attention by a Congressional inquiry earlier this year.

According to information provided by NAMSA, following are the annual totals of Turkish participation in NAMSA FMS cases for calendar years 1972-1976: 1972—$.1 million; 1973—$.4 million; 1974—$.5 million; 1975—$2.6 million; and 1976—$28.6 million. ("Participation" means the degree to which a specific FMS case has been or is intended to be used by NAMSA to fill a country requisition for brokerage requirements or anticipated stockage requirements based on empirical experience.) Of these annual totals, the following amounts were related to partnerships programs: 1972—$.1 million; 1973—$.1 million; 1974—$.4 million; 1975—$.6 million; and 1976—$1.2 million. NAMSA has advised that information on Turkish participation in NAMSA FMS cases for 1977 will not be available until early next year, when full 1977 country participation is known. We will provide you with this upon receipt.

In our view, unlike FMS transactions between the US and Turkey, FMS transactions between the US and NAMSA are technically not subject to the relevant provisions of PL 94-329, even though Turkey may purchase from NAMSA materiel or services included in these cases. From a legal standpoint, since NAMSA reserves the sole right to determine its sources of procurement, a NAMSA decision to procure through FMS cannot be equated with a Turkish decision to procure through FMS, and thus Turkish purchases from NAMSA of materiel or services of FMS origin should not be applicable to statutory FMS ceilings on Turkey. Also, to the best of our knowledge, and according to NAMSA, neither the US nor any other NATO country has ever placed any restrictions on purchases from NAMSA by NAMSO member nations.

In spite of the foregoing, we do see where FMS cases with NAMSA where Turkey purchases supplies or services not covered by a formal partnership agreement with other members could be construed as being inconsistent with the spirit of the statutory ceilings. Therefore, until such time as statutory provisions related to FMS transactions with Turkey are lifted, or otherwise revised, we are applying the following policy: (1) future FMS cases with NAMSA for Turkey which are not in support of existing partnerships under the NAMSO charter will be deducted from the FMS statutory ceilings in PL 94-329 and PL 95-92; and (2) the amount of Turkish participation in FMS cases in support of existing partnerships under the NAMSO charter will not be counted against the statutory ceiling. The anticipated significant effect that this policy will have on future Turkish purchases of FMS-origin materiel or services from NAMSA can be seen by comparing the annual totals of Turkish participation with the amounts related to partnership programs. At the same time, this policy avoids an adverse impact on NAMSA partnership programs, the core of the NAMSA efforts to help promote the readiness of NATO. For us to take any steps which might force a country out of a partnership would require the remaining partners to renegotiate the arrangement, leading to the possible dissolution of effective cooperative logistics efforts serving common goals. This would be contrary to our longstanding support of NAMSO, an organization which we inspired in 1958.

As a means to implement this new policy, we have asked NAMSA to identify the intended recipient of materiel or services in future requests for FMS cases. The US member on the NAMSO Board of Directors has also been instructed to scrutinize proposals for new partnerships, ensure that they meet the criteria normally applied, and to inform us if there is any question on that point.

Sincerely,

JAMES V. SIENA,
DASD, European NATO Affairs (ISA).

WEAPON OR EQUIPMENT SYSTEMS SUPPORTED AND USERS

SYSTEM	BE	CA	DE	FR	GE	GR	IT	LU	NE	NO	PO	TU	U.K.	U.S.	Shape	Namfi
1. Nike	•		•		•	•	•		•	•		•				•
2. Hawk	•		•	•	•	•	•		•							•
3. Lance	•				•		•		•				•			•
4. Tow		•	•		•	•	•	•	•	•		•				
5. Sidewinder	•		•	•	•	•	•		•	•	•	•				
6. Nadees	•		•	•	•	•	•		•	•		•	•		•	
7. Ace High/FSS															•	
8. Satcom															•	
9. F-104 G	•				•		•		•			•				
10. Drone					•		•						•			
11. FH-70					•		•						•			
12. Torpedoes				•	•	•	•		•	•	•	•				
13. Crypto	•		•	•		•	•		•	•	•	•			•	

SYSTEM DESCRIPTIONS

1. Fixed, surface-to-air guided missile system.
2. Mobile, surface-to-air guided missile system.
3. Mobile, surface-to-surface tactical guided missile system.
4. Mobile, tube launched, optically tracked, wire guided surface-to-surface and air-to-surface antitank missile system.
5. Air-to-air infrared homing passive missile.
6. NATO Air Defense Electronic Environment System (includes NADGE).
7. Ace Tropospheric Forward Scatter Communications System.
8. Satellite Communication System.
9. Single-seat all-weather tactical strike and reconnaisance fighter.
10. Battlefield reconnaissance Drone AN/USD 501.
11. Field Howitzer, 155 mm.
12. Mark 37, submarine or surface vessel launched antisubmarine and antisurface vessel torpedo. Mark 44, Aircraft, helicopter, surface vessel launched antisubmarine torpedo.
13. Self-explanatory.

NOTES

In addition to the above, the following users are supported for their specific requirements:
Major NATO commands for NATO Integrated Communication System.
COMIBERLANT (Commander Iberian Atlantic area) communication centre.
Northag (Northern Army Group) communication center.
NATO Programing Center.
CEOA (Central European Operating Agency), limited stockage of 8-in pipeline materiel.
NAMFI (NATO Missile Firing Installation), NAMFI instrumentation equipment.
USAF, specific overhaul/Iran.
NATO countries and/or organizations for all their brokerage requirements.

FOUR CASES UNDERWAY AGAINST ALLEGED NAZI WAR CRIMINALS

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 25, 1977

Mr. EILBERG. Mr. Speaker, one of my major concerns as chairman of the House Judiciary Subcommittee on Immigration, Citizenship and International Law has been to find out why, for the past 30 years, our Government has built such a pathetic record in locating and bringing to justice Nazi war criminals who live in the United States.

Just recently, the U.S. Immigration and Naturalization Service scheduled deportation and denaturalization hearings against four alleged war criminals. I am hopeful that at long last, we are seeing the beginning of a real effort to root out these persons who have left such a terrible scar on mankind with their crimes against humanity.

Further, Mr. Speaker, I believe that actions against alleged Nazi war criminals should be carried out in full view of the American people. It was the Nazis, and it has been other totalitarian regimes, which operated behind closed doors. One of the hallmarks of our American system of government is that we operate out in the open, so that the whole world can see the way in which justice is administered fairly and fully.

In one of the current cases, in New York City, Federal District Judge Richard Owen summed it up quite eloquently in a ruling he made to open one case to the general public.

"The public," Judge Owen said, "should be able to see for itself that justice is being done."

I commend to the attention of my colleagues the following November 9, 1977 article from the New York Times, which describes Judge Owens' ruling:

BAN ON SPECTATORS AT ALLEGED NAZI'S HEARING UPSET

(By Arnold H. Lubasch)

An immigration judge's decision to bar the public from a deportation hearing for an alleged Nazi war criminal was overturned in Manhattan yesterday by Judge Richard Owen of Federal District Court.

"The public," Judge Owen said, "should be able to see for itself that justice is being done."

In a decision last month, Immigration Judge Francis J. Lyons excluded the public from the deportation hearing for Boleslavs Maikovskis, a 73-year-old Long Island man accused of having selected Jews for execution in Nazi-occupied Latvia in World War II.

The judge permitted the press to attend the hearing, but he barred the public to protect Mr. Maikovskis from possible "terrorists" or other dangers that he said might arise from the heated emotions generated by the case.

TWO CHALLENGE RULING

The exclusion of the public was challenged successfully in a suit filed by Bonnie Pechter and Larraine Schumsky, two Jewish Defense League members, who were represented by David Rudenstine of the New York Civil Liberties Union.

The deportation hearing, which remained in recess to await a "ruling on the public's exclusion, is expected to resume soon in a hearing room of the Immigration and Naturalization Service at 26 Federal Plaza in Foley Square.

"In this case," Judge Owen said in his 13-page decision, "Judge Lyons has taken the position that the public's right to know is adequately protected if the press is free to enter.

"However, in the ordinary case, just as the general public should not be required to rely upon the representations of the Government that a trial was fully and fairly prosecuted, so, too, it should not have to rely upon the representations of the press."

Judge Owen said that a move to exclude members of the public even for a valid reason, required a judge to take "only the most limited action necessary."

PROPER SECURITY POSSIBLE

Although Mr. Maikovskis may be in some danger, Judge Owen said, it is possible to assure "appropriate security" in the hearing room to provide adequate protection for him "without sacrificing the openness that is so fundamental to our system."

Judge Owen added that the Immigration Service, which did not support the immigration judge's decision to exclude the public, had assured him that it could guard the deportation hearing room with the same protective measures that used to prevent violence in Federal courtrooms.

Therefore, he concluded, Judge Lyons "abused his discretion" in barring the public from the hearing room in this case.

SWEDISH SICKNESS

HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 25, 1977

Mr. BROWN of Ohio. Mr. Speaker, the country most often held up as a model by those who extol the virtues of the social welfare state is Sweden. There is now increasing evidence that social welfare brings "social malaise" and declining economic health. An excellent exposition on this theme is provided by columnist Leonard Silk in the following article from the New York Times, which I include here for the benefit of my colleagues:

[From the New York Times, Nov. 10, 1977]

THE "SWEDISH SICKNESS": GLOOMY ECONOMIC PICTURE

STOCKHOLM.—A prophecy that troubled economists and political leaders here three decades ago has finally come to pass. The warning was that the national goals of full employment, improved social programs, more equality in the distribution of income and rising living standards would all be undermined unless Swedish industry remained competitive in world markets.

At the end of World War II, the authors of a postwar program for Swedish labor were afraid that the prices of Swedish exports might go so high in relation to those of foreign competitors as to threaten unemployment in export industries and in import-competing industries as well. Similar developments in domestic versus foreign prices had caused Sweden's depressions in the early 1920's and in the early 1930's.

If that took place again, Sweden's postwar planners decided, it would be better to devalue the krona, rather than try to depress prices to world-market levels and depress employment in the process.

Curiously enough, the reverse situation proved to be the case after the war. Sweden's prices remained relatively stable, while prices in most other countries jumped. Consequently, Sweden did alter its exchange rate on July 5, 1946, but in the opposite direction, cutting the value of the dollar, the pound and most other foreign currencies by 14 percent.

The appreciation of the krona helped to keep Swedish inflation in check. And in the following years, with the strong growth of productivity, Sweden did not lose ground in foreign markets, vital to a country dependent on business abroad for about one-third of its national income.

But the vigorous productivity growth on which Sweden's price competitiveness rested has gradually eroded. Meanwhile wages and prices have marched upward inexorably, and the country's growth has halted.

An outstanding Swedish economist, Prof. Assar Lindbeck of the University of Stockholm, who is a Social Democrat in politics, believes that the root causes of the "Swedish sickness" are those against which Prof. Friedrich Hayek had warned during the Depression: that the welfare state, with its burgeoning social benefits and high taxation, would in the end arrest the dynamism of the economic system. But he does not think the threat is to democracy, as did Prof. Hayek, but to the "pluralism" of the society on which an effective economic performance rests.

Professor Lindbeck sees Swedish companies losing their innovativeness, and he believes that the United States, whose Government controls are less pervasive, and centralization is much less advanced, remains a more "adaptive" society.

Sweden's high rates of taxation are seen here—and not only by industrialists—as a major cause of the loss of initiative both on the part of business and individual workers as well. Marginal rates of taxation for typical workers with incomes of about $12,000 a year, exceed 70 percent. The nominal marginal tax

rate at that level of pay is 62 percent, but in addition workers who use above that level lose housing subsidies and extra allowances for their children's schooling, bringing the effective marginal tax rate above 70 percent.

The strong Swedish blue-collar and white-collar labor unions, to stay ahead of inflation and also to get a larger share of national income, obtained huge wage increases from employers in 1975 and 1976. The cumulative rise in wages in those two years came to 42 percent. This put intense cost pressure under Swedish prices and hurt their competitiveness in world markets.

To prevent businesses from failing, and unemployment from rising, the Swedish Government provided subsidies to many companies, in steel, mining, shipbuilding and textiles. And this week the Government announced plans to merge the country's biggest steel producers into one company in which the Government would have a half interest.

Granting subsidies to failing industries is not a guaranteed route to industrial verve. Nor does production without buyers constitute an unemployment solution that can last very long.

Officially, Sweden's unemployment remains less than 2 percent, but some economists figure that the true unemployment rate is more like 7 percent, if disguised unemployment, in the form of workers kept on private payrolls by Government subsidies, is taken into account.

Unemployment is particularly high in Sweden among the young and, as in Italy, is producing social malaise and resentment toward "the establishment," including the labor unions.

The new, relatively conservative Government headed by Prime Minister Thorbjörn Fälldin is no more willing than were the Social Democrats before him to let unemployment rise, as the price of bringing inflation under control.

Instead, it is following the old postwar Social Democrat prescription of devaluing the krona as a means of bringing down Sweden's export prices and improving the home market of Sweden's import-competitive industries. In two jumps this year, the Government has devalued the krona by 16 percent.

To counteract the effect on Swedish industry of higher import prices, Mr. Fälldin has announced abolition of the general payroll tax, with the first step cutting the tax from 4 to 2 percent, to be taken on Jan. 1, 1978. He also has announced plans to trim personal income taxes.

And to curb the inflationary impact of devaluation, prices were frozen until Oct. 31 of this year, but will be kept under "intensified surveillance from now on."

The Government, which in Sweden has hitherto stayed out of wage bargaining is now moving into the labor market.

Yet the rate of inflation remains high—about 13 percent.

Nor is there yet much evidence that Swedish economic growth is reviving. Sluggish world demand is helping to hold Sweden down. The country's real gross national product dropped 2 percent this year, and the National Institute of Economic Research forecasts that it will grow by a mere 1 percent in 1978—not enough to keep true unemployment from rising.

Sweden's balance of payments on current account is showing a deficit of $3.45 billion this year, and the Institute's forecast is that this deficit will rise about $300 million higher in 1978.

Swedish businessmen grow gloomy when they see their share of the world market shrinking. The reason, said the Prime Minister, is "not only higher labor costs per manhour but also a weak improvement in productivity." This, he added, "has to do with the fact that Sweden's technological lead in the world has been reduced; too few new enterprises have been established; and the technological renewal has not had the depth or the breadth it should have had."

When the salt has lost its savor, what will restore it? That's the problem worrying Swedes today, as they consider their lack of drive and their loss of innovation and industrial leadership.

SENATE—*Tuesday, November 29, 1977*

(Legislative day of Tuesday, November 1, 1977)

The Senate met at 1 p.m. and was called to order by Hon. PATRICK J. LEAHY, a Senator from the State of Vermont.

PRAYER

The Reverend Dr. Richard Lyon Stinson, rector, St. James' Episcopal Church, Mount Vernon, Va., offered the following prayer:

Almighty Father, we pause to acknowledge Your gracious presence among us, and to thank You for the beginning of another day in the service of You and of our fellow men. We ask that by Your grace, these Your servants, the Senators of this Nation, may be equipped for continuing their work for the common good of the people of this land and of the world. May Your great Spirit inspire and enlighten their minds, warm and enlarge their hearts, and stir up and direct their wills. May their lives and their work reflect an ever-growing sense of Your sovereignty and love, and may the people of our Nation, and the Members of this Senate rejoice in the words of the Psalmist, "Behold, how good and joyful a thing it is, for brethren to dwell together in unity." Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., November 29, 1977.

To the Senate:

Under the provisions of rule I, section 3 of the Standing Rules of the Senate, I hereby appoint the Honorable PATRICK J. LEAHY, a Senator from the State of Vermont, to perform the duties of the Chair.

JAMES O. EASTLAND,
President pro tempore.

Mr. LEAHY thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF LEADERSHIP

The ACTING PRESIDENT pro tempore. The Senator from West Virginia.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that any previously unapproved portions of the Journal of the proceedings be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I now yield such of my time that he deems necessary to the distinguished Senator from Arkansas (Mr. BUMPERS).

Mr. BUMPERS. Mr. President, I thank the distinguished majority leader.

DEATH OF SENATOR JOHN L. McCLELLAN, OF ARKANSAS

Mr. BUMPERS. Mr. President, it is my sad duty to inform the Senate that Senator JOHN L. MCCLELLAN passed away Sunday night at his home in Little Rock, Ark. The Nation and the people of Arkansas have lost a distinguished statesman.

I suppose that the friendships which normally develop between members of any State delegation to Congress are special ones. It is easy to respect a man of Senator MCCLELLAN'S commitment and leadership. It becomes even easier when that man is as helpful and kind as JOHN MCCLELLAN was to me. When I came to the Senate in January 1975, Senator MCCLELLAN and his entire staff were extremely accommodating. Senator MCCLELLAN also was most helpful to me in connection with committee assignments.

A listing of his major achievements would be a monumental task. Yet, as an Arkansan and a colleague, I would like to mention a few of his accomplishments.

As chairman of the Subcommittee on Criminal Laws and Procedures, Senator MCCLELLAN was the guiding force behind every major piece of law enforcement legislation in the past decade. Even today, the Senate is considering another of his landmark bills, one that will revise and codify the entire body of Federal criminal law, S. 1437. Such an ambitious undertaking, never successfully carried out in the past, bears witness to JOHN L. MCCLELLAN'S uncompromising commitment to a secure and free society.

Senator MCCLELLAN'S contributions to this country were by no means limited to the law enforcement field. He played a major part in the establishment of programs to revitalize the Nation's rural areas and was active in congressional efforts to reorganize and streamline the Federal Government.

I will probably best remember his contributions as chairman of the Senate Appropriations Committee. He worked to insure the proper funding of energy, public works, and defense budgets while maintaining a hard line against wasteful spending.

His actions in other areas helped bring prosperity to his home State. He was instrumental in securing $1.2 billion for development of the Arkansas River navigation system. That system, which now

bears his name, has been a boon to the south-central region of the country, and will accommodate nearly 9 million tons of cargo this year.

Mr. President, this cursory review of what JOHN L. MCCLELLAN did for his State and his country cannot do full justice to his record. But, then, how can one properly summarize the contributions of a man who helped mold the Nation's policies for more than 35 years? Many men strive for eminence; JOHN L. MCCLELLAN achieved it. I am fortunate to have served with him.

I know all Senators and their wives join Mrs. Bumpers and me in expressing our profound sorrow to Mrs. McClellan and the other members of the Senator's family.

Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The resolution will be stated.

The legislative clerk read as follows:

S. RES. 328

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of the Honorable John L. McClellan late a Senator from the State of Arkansas.

Resolved, That the President of the Senate appoint a committee of which he shall be a member, to attend the funeral of the deceased Senator.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That when the Senate stands adjourned or in recess today, it do so as a further mark of respect to the memory of the deceased.

The ACTING PRESIDENT pro tempore. Without objection, the resolution is considered and unanimously agreed to.

Under the provisions of Senate Resolution 328, the Chair, on behalf of the Vice President, appoints the entire membership of the Senate as the committee on the part of the Senate to attend the funeral of the late Senator JOHN L. MCCLELLAN, of Arkansas.

Mr. BUMPERS. Mr. President, I send an additional resolution to the desk and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The resolution will be stated.

The assistant legislative clerk read as follows:

S. RES. 329

Resolved, That the Secretary of the Senate is hereby authorized and directed to pay from the contingent fund of the Senate the actual and necessary expenses incurred by the Committee appointed to arrange for and attend the funeral of the Honorable John L. McClellan, late a Senator from the State of Arkansas, on vouchers to be approved by the chairman of the Committee on Rules and Administration.

The ACTING PRESIDENT pro tempore. Without objection, the resolution is considered and agreed to.

AN UNFORGETTABLE LIFE HAS ENDED

Mr. ROBERT C. BYRD. Mr. President, all the Members of the Senate and millions of Americans were saddened this week by the passing of the distinguished Senator from Arkansas, JOHN L. MCCLELLAN.

The Senate is an institution unique in human history. Among its membership over many generations have been numbered some of this Nation's greatest men. Each State has the opportunity to share with its sisters the best of its citizenry. In JOHN MCCLELLAN, Arkansas sent to this Chamber one of its indisputably finest sons.

Alfred Lord Tennyson, in eulogizing the Duke of Wellington, wrote that the path of duty was often the way to glory in the annals of English history. This is a recurring experience for all mankind, and Senator MCCLELLAN's example was a vivid confirmation of that truth.

JOHN MCCLELLAN spent more than half a century in public service to his community, State, and Nation. His sense of duty was innate. Throughout his career, the recognition, honor, and respect accorded him never diminished his commitment to the people of Arkansas, nor diverted him from the responsibilities that he had accepted in behalf of the citizens of the United States.

He never lost touch with his modest but honorable origins, nor betrayed the simple but noble code of values that had nourished his conscience and character as a youth. To know him was to have the privilege of a personal acquaintance with values that are foundational in American life. His integrity was legendary, and every man knew that his word was his bond. For him, right and wrong were objective realities, inherent and imbedded in the structure of life itself. Likewise, religious faith was a real and living matter that continually inspired and strengthened him.

Life was intensely personal for JOHN MCCLELLAN. Through his own joy and satisfaction, he understood the happiness of others; through his suffering and disquietude, he could also comprehend the pain and anxiety of his fellow man. This yielded in his heart a deep sense of compassion. He would have agreed with the poet Virgil, who said, "I have known sorrow and thereby have learned to aid the wretched." The tragedies that touched his life, through the loss of members of his own family, made him an even more valuable U.S. Senator and a deeply understanding friend.

His vision of America was basic and fundamental. Indeed, one might say that he was a keeper of the American dream and a guardian of our patriotic heritage, as he understood it. He believed that part of his responsibility was to enhance and preserve those standards that mark and promote decent and lawful relationships among people in civilized human society, and toward this end he worked tirelessly. For his investigations and exposures of crime and corruption in American life, every law-abiding citizen in this Nation owes JOHN MCCLELLAN a genuine debt of appreciation and gratitude.

JOHN MCCLELLAN was part of the life of each of us, and a vital part of the Senate. He has left a rich legacy by which to be remembered, which includes not only a treasury of accomplishments over the more than three decades that he served as a Senator, but the challenge of his character as well. We shall miss our friend and our colleague, and we shall never forget the contributions that he made to us as men and women and as Americans.

My wife, Erma, joins me in extending our deepest sympathy of Senator MCCLELLAN's gracious wife, Norma, and the members of their family in this time of sorrow.

Mr. President, I yield to the distinguished minority leader.

The ACTING PRESIDENT pro tempore. The Senator from Tennessee.

TRIBUTES TO SENATOR JOHN L. MCCLELLAN

Mr. BAKER. Mr. President, the citizens of Tennessee and Arkansas share not only a common border on the Mississippi River, but also a number of similar traits and sentiments. Today, I know the most significant sentiment we share is our sense of loss and our abiding affection and deep respect for the late senior Senator from Arkansas, Senator JOHN MCCLELLAN.

Perhaps because he knew poverty, he strived more for success. And perhaps because he achieved success through sacrifice and diligence, he had more compassion than most for the efforts of others. But he knew no compassion at all for the efforts of organized crime or abuses within the labor movement. Throughout his congressional career, law and order was a top priority. His involvement in combating organized crime earned him the respect of the Nation and the reputation as the Senate's crime fighter.

JOHN MCCLELLAN spent over 40 years representing Arkansas in the House of Representatives and the Senate. His career was dedicated to representing his home State in the highest degree of public service and his constituents recognized his ability to represent them by voting his return to office for 6 terms. Only eight Members have ever served longer in the Senate.

Last week Senator MCCLELLAN announced his retirement, and it seems only fitting, therefore, that he was able to spend this one particular Thanksgiving at home in Little Rock receiving the accolades he had earned from the friends and constituents he had served for so many years. Somehow, I think Senator MCCLELLAN would have preferred to receive his final tributes in just that very manner.

Mr. President, we mourn his death in the Senate today, but rejoice in the prayerful hope that those penultimate days in Arkansas were among the most satisfying and justly rewarding of a long and devoted career.

Mr. THURMOND. Mr. President, will the distinguished Senator yield?

Mr. BAKER. Mr. President, I yield to the Senator from South Carolina.

The ACTING PRESIDENT pro tempore. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I shall not at this time attempt to pay tribute to our distinguished colleague who has just passed, the honorable JOHN

L. McCLELLAN, of Arkansas, except to say that the Senate has lost one of its ablest and most distinguished Members, a man of character, a man of courage, a man of capacity, and a man of compassion. He will be truly missed.

Our Nation is indebted to the great State of Arkansas for sending this able man here to represent that State and our country.

I extend my deepest sympathy to his beloved widow and to the members of the McClellan family.

JOHN L. M'CLELLAN—1896–1977

Mr. RIBICOFF. Mr. President, it was with deep sorrow that I learned of the death of JOHN L. McCLELLAN, the distinguished senior Senator from Arkansas. He was my colleague and friend and I will miss him very much. Mrs. Ribicoff and I extend our most heartfelt sympathies to Senator McCLELLAN's widow, Norma, and to other members of the family.

Senator McCLELLAN was a giant in the Senate. He was such a major voice in Congress, for so many years, that it is difficult to imagine the Senate without him.

Plagued by tragedy in his personal life, including the untimely deaths of his three sons, JOHN McCLELLAN was a complex, compassionate main, outspoken, unwavering and courageous in support of his own strongly held beliefs, yet fair, impartial and judicious in his desire to let every Senator have his say.

JOHN McCLELLAN was a legend for stamina, dedication, legislative genius, and intelligence. This body is diminished by his passing.

First elected to the Senate in 1942 after two terms in the House of Representatives, Senator McCLELLAN won national attention for his work in carrying out the legislative investigative oversight function.

Few Senators in American history shaped and exercised the congressional investigative process as effectively as did Senator McCLELLAN.

As chairman of the Senate Government Operations Committee and its Permanent Subcommittee on Investigations from 1955 to 1973 and as chairman of the Select Committee on Improper Activities in the labor or management field from 1957 to 1960, Senator McCLELLAN was a tenacious, energetic, and responsible investigator.

Because of the decisive role he played in the continuing inquiries of the Permanent Subcommittee on Investigations, the subcommittee came to be known simply as the McClellan committee, an unofficial but appropriate title reflective of the strong and effective leadership Chairman McCLELLAN provided.

When, in August of 1972, he became chairman of the Senate Appropriations Committee, Senator McCLELLAN brought to his new position the same qualities of dedication to duty and a high sense of responsibility.

JOHN McCLELLAN was a fine chairman of the Appropriations Committee, presiding over the Senate appropriations process in a very competent, even-handed and fair manner.

His service on the Senate Judiciary Committee was also outstanding. He was chairman of two of its subcommittees—the Subcommittee on Criminal Laws and Procedures and the Subcommittee on Patents, Trademarks, and Copyrights.

From his Subcommittee on Criminal Laws and Procedures, Senator McCLELLAN was working hard and effectively to revise and reform title 18 of the United States Code.

This effort to improve the Federal criminal justice system will be noted as one of JOHN McCLELLAN's most important contributions to the Nation.

Trying to reconcile the often sharply differing views of other Senators on how best to achieve reform of Federal criminal law, Senator McCLELLAN tirelessly pursued the goal of more coherent and comprehensive statutes and, one day, when reform is achieved it will be, in large measure, due to Senator McCLELLAN's leadership, his enthusiasm for attaining this much needed goal and his willingness to accommodate the wishes of Senators with dissimilar views.

As a leading advocate of improved law enforcement, Senator McCLELLAN played a preeminent role in winning congressional approval for many significant laws and programs.

These include the landmark Omnibus Crime Control and Safe Streets Act of 1968 and 1970; the Organized Crime Control Act of 1970; and a series of other laws relating to drug abuse and the rehabilitation of drug addicts.

In 1976, Congress enacted the first complete revision of the U.S. copyright laws since 1909, a measure which Senator McCLELLAN supported.

Always striving to improve Government efficiency and eliminate wasteful practices in Federal programs, Senator McCLELLAN was a member of the Hoover Commission and drafted many of its recommendations to reorganize the executive branch.

Accordingly, he sponsored the bill which created the General Services Administration and was the principal author of the Federal Property and Administrative Services Act of 1949, under which billions of dollars worth of surplus Federal property has been donated to the States for health and educational purposes.

It was in his role as the Senate's most assertive investigator that many millions of Americans will remember him most vividly.

Senator McCLELLAN's record in investigative work will probably never be rivaled. It has been estimated that from 1955, when he became chairman of the permanent Subcommittee on Investigations, he conducted 2,803 hours of hearings over 831 hearing-days and received testimony from 3.283 witnesses.

Under Senator McCLELLAN's leadership, some of the most significant investigations since World War II were conducted.

These included investigations into corruption and criminal activities in the labor-management field; organized crime; the TFX aircraft contract; the failure of a number of banks insured by the Federal Deposit Insurance Corporation; the theft of securities from brokerage houses, insurance companies, banks, and registered mails and the traffic in these securities; profiteering in defense contracts for missile procurement; and urban riots.

In 1969, 1970 and 1971, I worked closely with Senator McCLELLAN when he appointed me acting chairman of the Investigations Subcommittee in our examination of allegations of misuse of non-appropriated funds in military installations in the Republic of Vietnam and elsewhere in Southeast Asia and the black market in currency in Vietnam.

In the Vietnam inquiry, as well as other investigations I participated in as a member of the committee, Senator McCLELLAN was a good chairman, receptive to the views of other members and determined to see that each inquiry and hearing was conducted in a professional manner and according to the subcommittee's established rules of procedure.

Senator McCLELLAN insisted that all aspects of any investigation he chaired be conducted according to proper procedures. He knew instinctively that a fundamental principle of sound congressional inquiry is proper procedure and he would not tolerate procedural sloppiness.

A summary of the work of the permanent Subcommittee on Investigations under Senator McCLELLAN, including the labor-management inquiry, was prepared by the subcommittee staff shortly before the Senator gave up the chairmanship when he became Appropriations Committee chairman.

Mr. President, I ask unanimous consent that excerpts from this summary be printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

EXCERPTS

Senator McClellan has been Chairman of the Senate Permanent Subcommittee on Investigations since January of 1955, and was concurrently Chairman of the Senate Select Committee on Improper Activities in the Labor or Management Field during the period 1957–1960. During his years as Chairman, the Subcommittee has conducted 106 separate series of hearings in which 3,204 witnesses testified during 805 bearing days which encompassed 2,729 hours of hearings. Unofficial staff study indicates that no other chairman of a Congressional investigating committee in the history of the United States Congress has approached Senator McClellan's records for length of tenure, number of investigations, hours and days of hearings, number of witnesses heard, and other statistical factors.

This memorandum does not purport to summarize the 106 investigations. Rather, it compiles certain nationally significant and far-reaching results and accomplishments of Senator McClellan's chairmanship. Each item is limited to a sentence or two. Further, not all results and consequences are included, by any means. To prepare a comprehensive and accurate listing of all results of Subcommittee and Select Committee hearings would keep a qualified staff person busy for a month or two and the ensuing report might total 100 pages.

In certain Subcommittee investigations, results were achieved without the necessity for public or executive hearings. These are included in the following compilation.

RESULTS OF INVESTIGATIONS DURING SENATOR M'CLELLAN'S CHAIRMANSHIP

1955

After the investigation of the Army service of Irving Pereas, the U.S. Army took 19 cor-

rective measures on dealing with security cases.

After the investigation of the Domestic Grain Bin Program, the Department of Agriculture and the Naval Inspection Service undertook 21 corrective measures.

In the Military Textile Procurement fraud case, the Subcommittee's investigation led to Federal recovery of hundreds of thousands of dollars, the dismissals of two Army, one Navy and one Treasury employee, the resignation of an Air Force officer, the suspension of 12 persons and corporations from doing Government business, and the debarment of two corporations. New procurement procedures saved the Government large sums of money.

In the Pakistan Grain Elevator case, the Subcommittee's inquiry resulted in savings to the Government of about a million dollars.

In conflict of interest cases, Harold E. Talbott resigned as Secretary of the Air Force and Hugh W. Cross resigned as Chairman of the Interstate Commerce Commission.

1956

Further hearings on Military Textile Procurement resulted in tightened regulations by the Pentagon and the savings of many hundreds of thousands of dollars. Nine former Government employees and contractors were indicted for conspiracy to defraud the Government. Six were convicted in 1957.

The Subcommittee initiated a major study of the adequacy of existing law governing labor unions and their pension and welfare funds.

1957

The Subcommittee's investigation into a conflict of interest situation involving Robert Tripp Ross, Assistant Secretary of Defense for Legislative and Public Affairs, resulted in his resignation.

Hearings on supply excesses and waste in the Northeast Air Command resulted in Air Force corrections which saved large sums of Federal funds.

As a direct result of the Subcommittee's study of labor racketeering, the Senate established the Senate Select Committee on Improprieties in the Labor or Management Field (hereinafter called the Labor Rackets Committee.)

The Internal Revenue Service opened numerous tax cases to recover large sums of unpaid taxes from labor union leaders, including Dave Beck ($320,000) and Frank Brewster of the Teamsters. Dave Beck, former President of the Teamsters, was convicted of larceny by embezzlement, as a result of disclosures by the Subcommittee.

1958

An investigation of the Civil Air Patrol resulted in the recovery of money embezzled by one of its officers and new Air Force regulations were formulated to provide audits for the CAP.

A Subcommittee investigation resulted in strengthened security measures by the Air Force Technical Information Agency, after documents had been purloined by an employee.

Robert A. McDonald, Deputy Assistant Secretary of Defense, resigned as a result of a Subcommittee inquiry into a conflict of interest.

Four corrupt officials of the Butchers Union resigned as a result of Subcommittee disclosures. Four corrupt officials of the Hotel & Restaurant Workers Union resigned as a result of the Subcommittee's hearings.

Numerous tax cases were opened in 1958 against labor leaders who were subjects of hearings of the Labor Rackets Committee.

1959

The investigations of the Labor Rackets Committee were largely responsible for the enactment of the Labor Management Reporting and Disclosure Act of 1959.

The Chairman was the author of "A Bill of Rights for Labor," which is Title I of the Labor Management Reporting and Disclosure Act.

Other overall results of activities of the Labor Rackets Committee:

1. The Teamsters and other unions were expelled from the AFL–CIO.

2. The AFL–CIO adopted a "Code of Ethics for Labor."

3. IRS made recoveries of unpaid taxes from many labor leaders.

4. Corrupt labor leaders by the dozens resigned from their positions.

5. Corrupt labor leaders by the dozens were indicted, convicted and sent to prison following the Subcommittee's disclosures.

6. Organized crime's role in labor racketeering first came to national attention.

7. Reform movements led by honest members swept many unions free of corruption and criminal practices.

8. The effects of the Labor Rackets Committee's investigations carried through subsequent years.

In 1959, the Subcommittee on Investigations exposed waste, inefficiency and laxity of management in the Foreign Aid Program in Bolivia.

The Subcommittee's study of procurement of Naval Aviation spare parts in Philadelphia led directly to contract terminations which saved $2 million.

The National Stockpile Program security procedures were tightened as a result of a Subcommittee investigation.

The Subcommittee's disclosures of corruption resulted in further debarments from Government business in the textile field.

Subcommittee investigation of shipments abroad of household effects by the State Department resulted in a new system of competitive bidding and savings of at least $200,000 annually by the State Department.

1960

The National Lead Co. sold nickel products owned by the U.S. Government to foreign countries on behalf of the U.S. Government, contravening Federal policy. The sales stopped after the Subcommittee's inquiry.

The U.S. Army rescinded contract awards for water purification plants when the Subcommittee disclosed that the lowest responsible bidder had been denied the contracts.

The Welfare and Pension Plans Disclosure Act was enacted by the Congress, as a direct result of the hearings of the Labor Rackets Committee.

1961

The Subcommittee investigated charges of bribery and corruption relating to the Military Sea Transportation Service. These were the results: (1) the Navy revised its filing and contract procedures; (2) several Navy employees resigned and one was dismissed; (3) the Navy barred certain contractors from future business; (4) two IRS agents resigned; (5) IRS instituted several tax cases.

The Subcommittee's investigation of work stoppages at missile bases brought these results: (1) an immediate sharp decrease in man-days lost; (2) the formation of the Missile Sites Labor Commission; (3) revision of labor practices to eliminate waste and featherbedding.

The first important group of statutes dealing with organized crime were the direct result of the Subcommittee's hearings on organized crime and gambling in 1961. The new laws, sometimes known as the "interstate racketeering" statutes, provided: (1) prohibition of interstate transfer of wagering information; (2) prohibition of interstate transportation of gambling equipment; (3) prohibition of interstate and foreign travel or transportation in aid of racketeering enterprises. These laws have been used to convict many organized crime figures.

1962

A very important Subcommittee case was "Pyramiding of Profits and Costs in the Missile Procurement Program." Briefly, the investigation showed that companies acting as "weapons systems managers" were generating profits on costs incurred by all subcontractors, and that the sub-contractors were generating profits on their sub-contractors, so that Western Electric, for example, was taking profits on Douglas Aircraft work, while Douglas was taking profits on the work of its numerous sub-contractors. The Defense Department took these actions, among others, as results of this case: (1) early procurement of sub-systems by the Government directly; (2) effective and timely use of incentive contracts; (3) realistic bases for the establishment of fees and profits for work performed by the prime contractor.

In the Billy Sol Estes hearings, relating to cotton allotments, the Department of Agriculture was shown to be suffering from disorganization, indecision, inefficiency, and complacency in areas in which Estes conducted his business enterprises. Numerous reforms were instituted by the Department. Estes was indicted, tried, convicted, and served a prison term.

Evasion of income tax and social security laws, coercion, prostitution, and other crimes were shown to exist within the purview of the entertainment union, the American Guild of Variety Artists. Actions by the Immigration Service and the Internal Revenue Service followed the Subcommittee's hearings, and, as a result of the investigation, the union leadership was supplanted by a reform movement of high-principled persons in the entertainment business.

1963

The testimony of Joseph Valachi, in the "Valachi hearings," provided the nation with its first comprehensive picture of the inner workings of organized crime in the organization commonly known as the Mafia, called "Cosa Nostra" by Valachi. The results of the hearings are so numerous and intricate that they cannot be listed here at length, but in general terms, law enforcement agencies throughout the nation received extremely important information about practices, policies, structure and operations in organized crime. An important result of the Valachi hearings was the introduction by the Chairman of a number of bills aimed at organized crime and its operation. While these bills were not acted upon immediately by the Congress, it is significant to note that most of their provisions, as amended and improved, are integral parts of the Chairman's crime legislation in the late 1960's and in 1970, which is now the law of the land. For example, the immunity law and the wiretapping law first came to national public attention as legislative proposals in the Valachi hearings.

The TFX investigation was opened in 1963. It was one of the most important cases ever undertaken by the Subcommittee. Ultimate results will be summarized in this memorandum as they occurred in subsequent years.

1964

In a series of hearings related to the Valachi hearings of the previous year, the Subcommittee disclosed the international narcotics traffic, from the poppy fields of Turkey and Burma to the "pusher" on the streets of our cities. The Subcommittee's report was termed "the most significant document of its kind" by former Narcotics Commissioner Harry Analinger.

The Chairman announced that the total amount of tax loss to the Federal Government disclosed in hearings of the Subcommittee and the Labor Rackets Committee was more than $29 million. He stated that the money, according to IRS, has been recovered or was in the process of recovery. In the case of one labor leader (Dave Beck) the total recovery was $352,000. The total of $29 million was many times the total combined budgets of the Subcommittee and the Select Committee for the 10 years of the Chairman's

tenure at that time. Further, the Chairman announced that in the Military Sea Transportation Service case alone, the Government had recovered almost $4 million.

1965

In the hearings on Federally insured banks in 1965, the Subcommittee, by disclosing many questionable practices in the banking industry and in the Federal agencies governing banking, affected many changes of procedure and policy relating to the nation's banks and brought about immediate policy revisions by both the banks and the agencies. A considerable number of persons were convicted of crimes relating to banks following disclosure of their activities by the Subcommittee.

The Subcommittee's investigation of the activities of George Barasch and his cohorts in Teamsters Local 815 and the Allied Trades Council, in New York, brought the return to the welfare funds of the unions of approximately $4 million which Barasch had transferred to overseas "educational" foundations over which he had sole control.

The Subcommittee once again entered the matter of work stoppages at missile bases, which had once more started to increase sharply in the years since the first hearings on this matter. With further public hearings in the offing, the labor leaders involved took action within their unions, and the work stoppages again declined.

1966

The investigation of small business investment companies (Small Business Administration) showed that administration had been lax, abuses existed, and SBA could not tell how much it stood to lose in such investment loans. In one instance, the Subcommittee information enabled the SBA to recover $400,000 that it might otherwise have lost. As a result of the investigation, SBA policies and procedures were completely revised in the investment program, and other corrective actions were taken.

Labor racketeering in New York was a Subcommittee subject; strikes by captive unions were arranged by labor consultants and then the labor consultants stepped in to settle the strikes for a fee. Jack McCarthy, head of the two labor consultant firms involved, subsequently went to prison as a result of conviction for criminal activity first disclosed by the Subcommittee.

The Subcommittee was directly responsible for the recovery of $246,000 misused in a Federal housing project in New York.

As a result of the Subcommittee's banking hearings in 1966, the Congress enacted into law the Financial Institutions Supervisory Act of 1966, which embodied a number of the recommendations made by the Subcommittee's report of those hearings.

As a result of the Subcommittee's hearings on narcotics traffic in 1964, the Congress enacted the Narcotics Rehabilitation Act of 1966, which contained a number of provisions recommended by the Subcommittee's report of those hearings.

1967

In 1967, the Subcommittee staff made a comprehensive study of urban riots which is considered the most complete factual accounting of statistical data compiled before or since relating to the disorders.

In 1967, 1968, and 1969, the Subcommittee's hearings on riots and campus disorders furnished the most complete record that has been made of the turbulence and devastation that swept the country in the late 1960's.

On July 14, 1967, Senator McClellan chaired an Appropriations Committee hearing on the Navy version of the TFX—the F–1119. The Chairman and the Investigations Subcommittee staff worked for weeks to provide precise and thorough data on the technical deficiencies of the Navy plane. The documented record was a principal factor in the action of the Congress later in 1967 in denying the Navy's original request for $208.8 million for the F–1113, and in reducing it instead to $147.9 million with the stipulation that the carrier suitability of the aircraft had to be proved before the production program began. Since the Navy plane was cancelled the following year, the reduction, directly related to this Subcommittee's disclosures of the technical problems of the F–1113, represented a direct saving to the taxpayers of about $61 million.

Legislative proposals relating to small business investment companies which were first generated by the Subcommittee's hearings in that field in 1966, were enacted into law in 1967.

The Subcommittee's hearings on the Agency for International Development (AID) program in Vietnam led directly to the elimination of shipments of worthless and unnecessary products to Vietnam and to drastic revision of AID procedures for funding its commodity program.

About $250,000 was recovered by AID from American pharmaceutical firms as a result of the Subcommittee's investigation.

In 1967, a Subcommittee inquiry into the award of an Air Force contract for computers at a price of $114 million, resulted directly and immediately in the withdrawal of the award, new bidding, and another award totalling only $60 million for the same computers. Thus the Subcommittee saved the taxpayers $54 million.

In 1967, the Renegotiation Board ordered Western Electric Co. (Pyramiding of Profits investigation of 1962) to return $7.9 million in excessive profits as a result of the Subcommittee's disclosures.

1968

The Subcommittee discovered and disclosed evidence of fraud and forgery in the operation of an OEO grant of almost $1 million to two Chicago street gangs. As a result of the Subcommittee's hearings, the OEO announced that it would fund no more such programs. Subsequently, 23 members of the Blackstone Rangers, a Chicago street gang, were indicted for fraud and forgery.

During 1967 and 1968, the Subcommittee cooperated closely with other committees of the Senate and the House of Representatives on the F–111 program. When the Navy version of the plane was canceled in 1968, the contributions of the Subcommittee, derived from one of the most thorough and painstaking investigations ever conducted, were instrumental and helpful to the deliberations which led to the decision to cancel the Navy program. The cancellation saved about $2.5 billion and considerable time in the development of a new Navy plane. The Subcommittee's work was a primary instrumentality in the cancellation which effected those savings.

As a further consequence of the Subcommittee's hearings on AID programs in Vietnam, the agency made a considerable number of changes to its regulations and administrative policies. In the matter of recoupment of funds, AID estimated that it would seek to recover about $2 million from pharmaceutical firms.

Through Chairman McClellan's work over a period of years, the Omnibus Crime Control and Safe Streets Act of 1968 was enacted by the Congress. Certain of the provisions of this act were first recommended to the Congress in the Subcommittee's reports on Organized Crime and Narcotics Traffic, issued in 1965.

1969

As a result of the Subcomittee's Vietnam investigations, the Army's Criminal Investigation Division (CID) was completely reorganized for more adequate operation.

Major General Carl Turner, former Provost Marshal of the U.S. Army, resigned from his position as Chief Marshal of the United States when it became apparent that he had dealt illegally in certain firearms. He was indicted, convicted, and imprisoned as a result of information developed in the Subcommittee's investigation.

1970

In 1970, after 8 years, the TFX investigation came to its end in a series of important hearings. Senator McClellan had proved that the Subcommittee's inquiry into the program was not only justified but essential in view of the mistakes made by the Department of Defense. He was proved correct during the hearings of 1970.

A Subcommittee staff study, introduced in evidence in the 1970 hearings on bombings and terrorism, was the first comprehensive compilation of national data relating to the proliferation of bombings and attacks upon law enforcement officers during recent years.

1971

The Subcommittee's multi-year investigation of Military Club Fraud and Currency Manipulations, under the acting chairmanship of Senator Ribicoff by direction of the Chairman, was completed in 1971. A large number of results of this case already are apparent. There were so many direct results, as a matter of fact, that in its forthcoming report, the Subcommittee lists 60 of them, comprised principally of: administrative and regulatory actions by the armed forces; tax actions; criminal indictments and convictions; resignations and dismissals of military officials and civilian personnel; debarments from doing business with the Federal Government; banning of slot machines from military posts, and restructuring of certain activities of the armed forces, including centralization of procurement for nonappropriated fund activities. All of these results stem from the Subcommittee's investigation.

A few specific examples taken from the 60 detailed in the Subcommittee's report are:

1. An order for regular audits for clubs and messes.

2. A large number of criminal and civil tax investigations conducted by IRS of persons involved in the case.

3. The exchange rate for Vietnamese currency was revised to eliminate the black market in Military Payment Certificates.

4. The Army's CID was centralized in the Pentagon.

5. Slot machines were banned throughout the world by the Air Force, and from Vietnam by the Army.

6. Passage by the Congress of the Financial Recordkeeping and Currency and Foreign Transactions Reporting Act of 1970, deterring use of secret foreign bank accounts for illegal purposes.

7. Formation of a U.S. task force to help the Vietnamese fight the black market in currency.

The Subcommittee's investigation of organized crime's role in the stolen securities field has already resulted in the tightening of security at airports against thefts of registered mail; a Department of Justice study of appropriate legislative suggestions which would be designed to deter the traffic in stolen securities; suspension of a judge in New York; the first use of the new immunity statute in Congressional hearings.

Since Senator McClellan assumed chairmanship of the Subcommittee in 1955, a current total of 128 persons who were involved in investigations conducted by the Subcommittee have been convicted of crimes related to the matters investigated by the Subcommittee.

SENATOR JOHN M'CLELLAN

Mr. DOLE. Mr. President, the people of Arkansas and the Members of the U.S. Senate lost a valued friend and dedicated public servant when our colleague JOHN MCCLELLAN passed away.

For half a century, JOHN MCCLELLAN served his State and Nation as a World War I military officer, prosecuting attorney, Member of the U.S. House of

Representatives, and for the past 35 years, as U.S. Senator. JOHN MCCLELLAN was an articulate advocate for the people of his State and for the principles in which he believed. As chairman of the Permanent Investigations Subcommittee, he courageously sought out crime and corruption during the 1950's. And, as chairman of the Senate Committee on Appropriations, he has been a constant voice for fiscal responsibility.

A Member of this body since 1943, his achievements will not soon be forgotten. However his many years of service did not diminish his willingness to listen to the views of younger Members. Coming to this Chamber as a freshman Senator in 1969, I noticed very early in my own Senate career that he was always extremely courteous and solicitous of the views of everyone.

Courteous, hard working, dignified—a true legislative giant—Senator MCCLELLAN was the picture of what the Senate should be. His tolerance for the views of others, including newcomers, was only one example of his style and demeanor.

His industriousness, his dedication to principle, and his leadership will be sorely missed. I join all of my colleagues in the Congress in expressing condolences to his wife, Norma, and his entire family.

Mr. HATHAWAY. Mr. President, the death of a man makes us pause, remember, and then, mindful of the fleeting way of life, resolve to redouble our efforts so as to accomplish all that we may in the time allotted to us.

Our late colleague, JOHN MCCLELLAN, was one of the giants of the Senate, and the occasion of his passing is a profound moment for the Members of this body.

JOHN MCCLELLAN'S achievements are legion. Known especially well for his leadership in the investigation into organized crime, Senator MCCLELLAN'S contributions to the fight against all crime and for better laws have made the United States a safer place in which to live and work.

As chairman of the Senate Appropriations Committee, JOHN MCCLELLAN'S activities touched the lives and institutions of every American living today. And part of JOHN MCCLELLAN'S legacy to us is found there—with the American people.

It is also found in his contributions to the strength and stability of our Republic and its Senate.

Most remarkable, of course, is the fact that the laws and institutions of our country are even stronger than the men and women who run them, even when the void left by the death of a man of JOHN MCCLELLAN'S stature is as large as it is.

But that phenomenon of our country confers a unique opportunity on those who serve it in the U.S. Senate. Where the institution is sound, all one's efforts may be directed to its improvement and for the public good. And in his long term of service in the Senate, JOHN MCCLELLAN gave unstintingly of himself for the benefit of Arkansas and the Nation.

He leaves the Nation a better, stronger place; and we shall miss him.

Mr. TALMADGE. Mr. President, I deeply regret the untimely and tragic passing of JOHN MCCLELLAN, the distinguished senior Senator from Arkansas. I extend my heartfelt sympathy to Mrs. McClellan and all the family.

I will miss JOHN MCCLELLAN as a good friend. He will be missed in Congress as an outstanding U.S. Senator for more than three decades. He will be missed as a great American and a fine man.

Senator MCCLELLAN served his State and Nation in the House of Representatives as well as the Senate. He was a man of hard work and leadership which characterized his entire life. He had a distinguished career in law and was admitted to the Arkansas bar in 1913 at the age of 17, the youngest lawyer in the United States at that time. He served some 2 years in the U.S. Army and following his discharge in 1919 began pursuing a political career and served for 4 years as a district prosecuting attorney. He was first elected to the U.S. House of Representatives in 1935 and to the Senate in 1942. His Senate record is one of leadership and great accomplishment. He was chairman of the Committee on Government Operations for 22 years and currently served as chairman of the important Appropriations Committee.

As chairman of the Senate Permanent Subcommittee on Investigations for almost 20 years, Senator MCCLELLAN conducted some of the most important and significant investigations in the Nation's history. He was almost universally respected for his thoroughness and fairness.

The Senate and the Nation owe JOHN MCCLELLAN a debt of gratitude. As the history of the Senate and the United States is written, he will be accorded a place of prominence and his memory always will be honored.

I join the Senate in mourning his passing.

Mr. HANSEN. Mr. President, the United States of America has lost one of its truly dedicated and effective legislative leaders with the death of the distinguished Senator from Arkansas, Mr. MCCLELLAN.

His valued and valuable leadership will be deeply missed in the U.S. Senate. I will miss him as a valued friend who was a model of personal integrity and ethical behavior. His guidance will be difficult to replace.

There is a highly significant list of achievements surrounding JOHN MCCLELLAN'S 50 years of legislative activity, almost 40 of which were in the U.S. House of Representatives and the U.S. Senate.

Besides his outstanding performance as chairman of the Senate Appropriations Committee, his work on the permanent Subcommittee on Investigations of the Government Operations Committee in the late 1950's as it related to the probe of racketeering in organized labor meant a great deal to the citizens of our country.

As chairman of the Senate Judiciary Committee's Subcommittee on Criminal Laws and Procedures, Senator MCCLELLAN worked unceasingly on the revision of our statutes having to do with our criminal laws. The first enactment of this legislation, after so many years of effort, will stand as a fitting monument to JOHN MCCLELLAN'S legislative skills and powers of persuasion.

Yet, despite the tremendous breadth and scope of Senator MCCLELLAN'S accomplishments over his nearly 40 years in the U.S. Congress, perhaps the true measure of his greatness was his honesty, his integrity, his warmth, and his loyalty.

There is a story often told of the time in his youth when JOHN MCCLELLAN was playing for the Sheridan, Ark., baseball team. Leading 4–3 in the bottom of the ninth inning with two out, Senator MCCLELLAN'S team was in the field when a runner attempted to steal third. The umpire signaled that JOHN MCCLELLAN had tagged the runner out. Yet JOHN MCCLELLAN knew better. He told the umpire that he had missed, the runner was safe. The other team went on to win the game.

This is the man I knew as the senior Senator from Arkansas. His accomplishments loomed large in every area he touched. Yet his character was always larger still.

Mr. President, it was just 1 week ago that JOHN MCCLELLAN announced he would not be a candidate for reelection in 1978. Because his announcement, made in Little Rock, Ark., tells us so much about the man, because it evokes much of his inner strength and steadfastness of purpose, I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the announcement was ordered to be printed in the RECORD, as follows:

POLITICAL ANNOUNCEMENT OF SENATOR JOHN L. MCCLELLAN

(Monday, Nov. 21, 1977, Little Rock, Ark.)

We are told by Divine authority: "To every thing there is a season, and a time to every purpose under the heaven: . . ."

This all-inclusive pronouncement, when translated and made applicable to politics, means that there is a proper time to aspire, a time to achieve, and a time to retire.

Upon the expiration of my present term in the United States Senate, January 3, 1979, I will have served fifty years—half a century—in public office, including forty years in the Congress—thirty-six years in the Senate and four in the House of Representatives.

Thus, I have been privileged to serve longer in the Congress of the United States than anyone else from Arkansas. Out of some 1,700 Senators in the history of our Nation, when my term expires only four of them will have served longer than I have. In light of these achievements, and other prevailing factors, I have concluded that the "season" for my retirement from public office is at hand. I, therefore, shall not seek reelection.

To emphasize the full implication of this action I am taking, I should like to paraphrase from the refrain of one of Stephen Foster's popular sentimental folk songs of many years ago—a song entitled "Uncle Ned." By this formal announcement today, I hang up the fiddle and the bow of political ambition; and at the end of my present term in the Senate, I shall lay down the shovel and the hoe of all public responsibilities.

These many years of public service have been arduous, difficult, and challenging, but the opportunities they afforded me and the honors they conferred have indeed been abundantly rewarding and highly gratifying. All of my political ambitions have been fully achieved—they have been extended and satisfied far beyond my earliest aspirations and expectations.

So, to the people of Arkansas, to all of those who have so faithfully supported and reposed their confidence in me throughout the years, I am deeply grateful; and, all of my family join me in expressions of profound thanks and appreciation.

And, I gratefully acknowledge the devotion, the courage, and the wise counsel of my wife, Norma, who has constantly been to me a helpful, comforting, and sustaining influence in the pursuit of my political goals and in the performance of all my official duties.

And, to my staff of competent, dedicated, and loyal men and women who have so faithfully served and assisted me in my office and on committees during my Senate career, I am deeply indebted and grateful.

Politics is a rugged and exacting occupation. It is one of contest, contention, and controversy. In the course of political campaigns, verbal blows are sometimes struck and other actions taken that inflict emotional injuries which often fester and linger far too long after the campaign has ended.

But, notwithstanding the turbulence and sometimes harshness of political life, when I finally retire I expect to do so with malice in my heart towards no one; but with charity for all.

A TRIBUTE TO SENATOR JOHN M'CLELLAN

Mr. DECONCINI. Mr. President, it is with great sadness indeed that we mark the passage of a great man from our midst. Senator JOHN MCCLELLAN died in his sleep Monday night.

He had been seriously ill in recent months, but his influence on all of us—most notably in the codification of Federal criminal law—was as strong and as vigorous as ever. His qualities of mind and character which gave special distinction to his many years of service to the American people are all too rare. Our Nation—indeed, any nation—can ill-afford the loss of a statesman of his caliber. His leadership, his unflinching devotion to the public good, and his unstinting hard work have been an inspiration to every Member of this Congress.

Those of us who were privileged to know him as a colleague and a friend mourn not only the passing of a statesman, but the passing of a genuinely decent and fair-minded man. As a freshman Senator, I had the good fortune to serve on two committees with JOHN MCCLELLAN. I thus had an extraordinary opportunity to learn firsthand what effective legislative leadership demands. His performance as chairman of the Appropriations Committee and ranking member of the Judiciary and Governmental Affairs Committees set a standard of excellence and dedication that few will ever equal. He was always generous with advice and counsel, especially to a newer Member, and ready to lend a helping hand.

The people of Arizona owe Senator MCCLELLAN a special debt. His years of friendship with former Senators Hayden and McFarland enabled our State to receive the Federal assistance that has been so vital to our economic development, particularly in the area of water resource development. Senator MCCLELLAN extended the same hand of friendship to me, and continued his efforts on behalf of Arizonans to the very end.

Words are never sufficient to describe or do proper honor to a man whose contributions span many decades and touch so many areas of our national life. His impressive legislative achievements will stand as both monument and testimony to his indominatable will and outstanding character. The Senate and the American people have lost a friend and a leader.

TRIBUTE TO SENATOR M'CLELLAN

Mr. HATCH. Mr. President, I join my colleagues in expressing deep personal sorrow at the passing of our friend and colleague Senator JOHN L. MCCLELLAN.

While I did not know Senator MCCLELLAN as long or as well as many who have been here for a longer time, his passing is particularly painful for me. As a freshman Senator, I was privileged to serve with him on the Senate Judiciary Committee where he befriended me immediately and spent many of his valuable hours educating me in the ways of the Senate. He instilled in me an uncompromising sense of respect for the Senate as a public institution which he loved and held sacred for his 35 years of service to the Nation. Our relationship was in essence that of a mentor-student, where the wise and experienced professor takes a fledgling under his wing to provide direction and guidance. JOHN MCCLELLAN was in all ways a "professor emeritus" who represented, under all circumstances, the best and noblest traditions of the Senate.

I can think of no finer tribute that could be paid to him than to say that I for one will remember him and his work throughout my lifetime and view his achievements in this body as a benchmark of excellence which I will strive to emulate in my career in the Senate.

Mr. KENNEDY. Mr. President, it is with great sadness that I join my colleagues this afternoon in paying tribute to one of our finest friends and colleagues. The death of JOHN MCCLELLAN deprives the Senate, the Nation, and the people of Arkansas of a great and devoted public servant. He graced this Chamber for 35 years. He taught us all by his example, by his unsurpassed integrity, and by the skill and dedication with which he pursued the deep convictions he held and the causes he served.

He was a Senator of large achievements. For many years, as chairman of the Government Operations Committee and then of the Appropriations Committee, he held two of the most powerful positions in the Senate. His racketeering and organized crime investigations were historical milestones in the Senate and the Nation. As chairman of the Criminal Laws Subcommittee, he was responsible for all the landmark anticrime legislation of the past two decades. He was also a dedicated servant of the people of Arkansas, and the successful passage of the Arkansas River navigation project was a tribute to his legislative skill and to his concern for the State he loved.

I have known and respected JOHN MCCLELLAN as an outstanding colleague and leader since I was first elected to the Senate in 1962. For the past 15 years we have served together and worked closely together on the Senate Judiciary Committee. No person I have ever known had a greater love or respect for the law than JOHN MCCLELLAN.

Over the past 3 years, I have especially enjoyed the extremely close friendship that we developed in working together on the Criminal Laws Subcommittee on the legislation to reform the Federal Criminal Code. The result of that effort is now pending on the Senate Calendar as S. 1437. the newest measure on our calendar, and one of the most important pieces of legislation that our Judiciary Committee has ever sent to the Senate floor.

I had hoped JOHN would be here on the floor to guide this bill through the Senate debate, as he skillfully guided so many other measures during his long career. But he will be with us in spirit, and as Attorney General Bell noted yesterday, its passage will be a monument to his leadership in making possible this essential and long overdue reform of the Federal criminal laws.

In closing, I would add that my brothers, Jack and Bob, both had great affection and respect for Senator MCCLELLAN. Jack served with him on the Permanent Subcommittee on Investigations in the 1950's, when Senator MCCLELLAN, as chairman, rescued the subcommittee from the morass of the McCarthy years and turned it into a superb and now legendary investigating subcommittee.

My brother Bob was a staff counsel on the subcommittee under Senator MCCLELLAN. In the acknowledgments to Bob's book, "The Enemy Within," he paid tribute to the chairman in these words:

> To Senator McClellan, for whom I have worked for seven years and for whom I have the greatest affection and admiration, I am extremely grateful. For his courage, understanding, perseverance and patience, under the most trying circumstances, the people of this country owe him a great debt.

JOHN MCCLELLAN lived by those virtues all his life. Throughout the half century of his brilliant career in public service, he stood as a pillar of the finest American tradition of service to the people of his State and Nation. His name will always be linked with some of the most important legislative achievements of the past four decades. The memory of his integrity and commitment will remain in the minds of all of us who were privileged to know him and to serve here with him. He is one of the finest Senators Arkansas ever had, and I will miss him as a colleague and a friend.

Mr. MATHIAS. Mr. President, I know that every Member of the Senate is both shocked and saddened by the news of the death of Senator MCCLELLAN. He brought to the Senate an extraordinary and pragmatic ability. He was a practical man, a man of commonsense. In a way, he viewed his own situation with the same kinds of objectivity and pragmatism that he brough to judgment of public affairs.

Several months ago I met him in one of the corridors of the Capitol and asked him how he was feeling.

He said, "Well, to tell you the truth the old machine is just worn out."

Of course, I attempted to persuade him otherwise. He said, "No, that is the case."

Unhappily, time has proven that on that question, as on so many other questions, JOHN MCCLELLAN was right.

But it was that ability of his to look at facts, to look at events, which all of us could see, but to look at them in a way that he could make judgments and draw conclusions that not all of us have been able to do.

He had clarity of vision. That clarity of vision, I believe, brought him to a high degree of personal humility and modesty.

I served with him on both the Judiciary Committee and the Appropriations Committee. I had many occasions to consult with him about matters of committee business. He was often very urgent in his desire to have a committee reach a decision and conclude the necessary public business, but he had a clear sense of what his role was.

He would often say, "Well, I have no stake in this." In fact, sometimes, I suspect with undue modesty, he would disclaim expert knowledge of the subject. But he would insist that the committee's work be done, that the committee not be contentious, that the public welfare should not suffer because of unnecessary disputes within the committee, between members of the committee.

So, Mr. President, I know I join with every other Member of the Senate in expressing a deep sense of loss at the death JOHN MCCLELLAN, a sense of gratitude for the fact that, during his long service in the Senate, he contributed so much in such a unique way; and a sense of sympathy for his family, who, I know, feel even more keenly the sense of shock and loss that we all suffer today.

FUNERAL ARRANGEMENTS FOR WEDNESDAY AND EXPRESSION OF EULOGIES ON THURSDAY

Mr. ROBERT C. BYRD. Mr. President, the Senate, according to the schedule announced a few days ago, was going to be in tomorrow. Out of further respect to the memory of our late departed colleague, Mr. MCCLELLAN, when the Senate completes its work today, it will go over until Thursday.

Members and wives attending Senator MCCLELLAN'S funeral will leave the Capitol tomorrow at 10 a.m. and will leave Andrews Field at 10:45 a.m.

The funeral will be conducted at 2 p.m. in Little Rock, Ark., after which the Members will return to Washington and should arrive at Andrews at about 7:30 p.m.

The Senate on Thursday will conduct some business. Members may express eulogies on Thursday.

And for the information of the Senate at this time I announce that on Thursday there will be time set aside for eulogies, at the close of which eulogies I should seek unanimous consent that the RECORD be kept open for 10 days so that Senators who may not be here Thursday may be accorded the privilege of expressing eulogies and then that those eulogies will all be compiled together in a single bound volume and printed as a Senate document.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a brief period for the transaction of routine morning business to accommodate Senators who may wish to speak on various and sundry matters and that statements made during that period not exceed 5 minutes each.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Is there morning business?

PEACE IN THE MIDDLE EAST

Mr. BAKER. Mr. President, I was pleased to learn that the administration intends to accept the invitation of President Sadat to participate in the discussions to be held in Cairo this weekend. It is altogether fitting and proper that the United States, which for so long has carefully nurtured the trust and respect of the states involved in the conflict, support without reservation the attempts of at least two of the parties to begin the process toward peace.

After nearly 30 years of rhetoric, formulas, preconceived ideas and nonnegotiable demands, the events of the past 2 weeks and the forthcoming discussions in Cairo offer an opportunity of historic proportions. We can have nothing but praise and admiration for President Sadat's bold initiatives and Prime Minister Begin's equally bold receptiveness. By simply deciding that the only way to begin was to begin, they have made a stunning contribution to the prospects for peace.

Mr. President, with the foreknowledge of our Department of State, I communicated to representatives of both the Governments of Egypt and Israel my admiration and enthusiasm for their leaders and for the brave and courageous efforts of their Governments.

I encourage the administration to provide every assistance to the Governments of Israel and Egypt in their attempt to negotiate in a meaningful and constructive fashion the beginnings of peace in the Middle East. I would hope that the United States is making every effort to encourage those who have refused President Sadat's invitation to Cairo to reconsider and to take advantage of the opportunity he has offered.

In any event, Mr. President, the discussions in Cairo offer a fascinating project; for even if Israel and Egypt are the only confrontation states who attend, whatever progress is made there will be ample demonstration of the futility of continuing the rhetoric of confrontation or further radicalization of the Arab world.

Mr. President, I commend President Carter, Secretary Vance, and all those involved for agreeing to attend the meeting in Cairo and offering this Government's support of those efforts of two brave and courageous countries to find peace in that troubled part of the world.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. BAKER. I yield.

Mr. ROBERT C. BYRD. I wish to associate myself with the remarks just made by the distinguished minority leader. I too want to commend the administration for its decision to have representation at the upcoming meeting in Cairo.

I also want to associate myself with the remarks of the distinguished minority leader in commending President Sadat and Prime Minister Begin on the courageous, bold developments that have occurred as a result of the actions of President Sadat in going to Israel, and Prime Minister Begin in receiving President Sadat so graciously.

I feel that President Sadat's visit was a historic one and, indeed, it may, and hopeful will, open up the way for further negotiations leading to a Geneva conference.

In the final analysis, the parties have to get together and talk to one another, and I think that is the credo which guided President Sadat and Prime Minister Begin in the meetings which were held in Israel.

Finally, I join with my friend from Tennessee in expressing the hope that the other Arab countries, especially those that have expressed opposition to the meeting in Cairo and to the previous meeting in Israel, will think again and will come to different conclusions and, in the final analysis, will throw their support behind this effort which is important not only to the Arab countries and to Israel but to the future peace of the world.

Mr. BAKER. Mr. President, I thank the majority leader for his additional remarks.

Mr. SCOTT. Mr. President, will the Senator yield?

Mr. BAKER. I would be happy to yield.

Mr. SCOTT. Mr. President, we have had the majority leader and the minority leader expressing their personal views with regard to the Middle East, but somehow I feel that when we have them speaking as they did today with regard to this specific question, even though the matter is not before the Senate, that they were speaking for the membership of the Senate because I believe all of us want to see a peace, a just peace, in the Middle East.

So I would commend our leadership for the statements they have just made.

Mr. ROBERT C. BYRD. I thank the distinguished Senator.

Mr. BAKER. I thank the distinguished Senator from Virginia for his generous remarks.

Mr. President, I have no further use of my time during the morning hour.

The ACTING PRESIDENT pro tempore. Is there further morning business? The Senator from Virginia.

SENATOR SCOTT'S TRIP TO SOUTHERN ASIA

Mr. SCOTT. Mr. President, a few days ago a comic strip, the "Wizard of Id," showed a reporter seeking an interview with the King of Id who told his knight to tell the reporter that he had gone fishing. The knight protested that the King could not just leave the reporter waiting, alleging that he would get angry, that he would make up all kinds of stories and insinuations; that he would castigate the King and would rip him apart. The King said, "So let him." But the knight fell to his knees, crying on behalf of his Sovereign and the King patted him on the head and said, "There, there, kid, freedom of the press is not a pretty thing."

Now Mr. President, this cartoon was

intended to be humorous but it does have a degree of truth; and that perhaps adds to the interest.

Only recently I returned from a trip to Southern Asia and learned of the denunciation and misrepresentation of the trip by some of the media. It would appear that because they did not know all of the facts, the worst possible assumptions were made. Some repeated untrue or distorted allegations from the past by young reporters attempting to gain recognition by sensational statements.

The trip was authorized by Senator EASTLAND, not in his capacity as chairman of the Judiciary Committee but as President pro tempore of the Senate. It related to investigating allegations that the Soviet Union might seek to realize its long held desire for a warm water port by fomenting trouble in the Pakistan/Afghanistan area to gain direct access to the Indian Ocean.

In my judgment, the visit was highly successful. Not only did I confer with the Defense Minister and Acting Secretary of Foreign Affairs in India but with the Presidents and principal Ministers and Secretaries in both Pakistan and Afghanistan. They were advised that my visit was factfinding only and that the information would be made available to the Armed Services Committee in closed session. Of course their confidence must be respected.

Mr. President, circumstances have dictated my traveling abroad more this year than usual. However, since election to Congress in 1966, I have made a total of 10 official trips abroad. These 10 visits in 11 years have sometimes been exaggerated by adding together all of the countries visited, and a serious trip made subject to ridicule, with the headline, "Senator Scott To Conquer Khyber Pass."

The facts are, Mr. President, that I had no intention of traveling through this pass when the visit was authorized; but one of our Ambassadors suggested the 200- to 300-mile trip by automobile rather than air, knowing it to be the most direct land route between the capitals of Pakistan and Afghanistan, where I met with officials and also believing it would add to my knowledge of the northern portions of the two countries.

Perhaps I should add, Mr. President, that most of the trip was on C–141 cargo planes, on regular schedules, loaded with freight, although seats were placed in the front portion of the plane for a number of individuals. The Department of the Army is to let me know the fare allocated for my wife, and I will, of course, forward a check for that amount when a statement is obtained. I have already paid her fare for the portion of the trip by commercial aircraft. No staff member or military escort accompanied me.

It appears that there is an abundance of criticism of congressional travel although we are called on to pass on a $400 billion annual budget while Cabinet officers and sub-Cabinet officials may travel with large staff contingents and even send an advance limousine to be available for their use at their destinations generally without adverse comment from the press.

Of course, Mr. President, under our system the press has a right to report facts and to make fair comment. But, in my judgment, it has no right to make and repeat untrue statements; or without knowledge of the facts to subject elected officials to contempt and ridicule. I agree with the King of Id—freedom of the press, as used by some segments, is not a pretty thing. Without infringing on first amendment rights, the media might do some self-examination to avoid excesses while continuing to inform.

The ACTING PRESIDENT pro tempore. Is there further morning business?

COMMITTEE MEETING

Mr. ROBERT C. BYRD. Mr. President, this request has already been cleared on the minority side. I ask unanimous consent that the Subcommittee on Improvements in Judicial Machinery of the Committee on the Judiciary be authorized to meet during the session of the Senate today, to conduct hearings on the bankruptcy reform bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nominations on the Executive Calendar under "New Reports."

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will state the first nomination.

Mr. BAKER. Mr. President, before the clerk reports, if the majority leader will permit me, I might say that the items under "New Reports" for the judiciary and Department of Justice are cleared on this side, and we have no objection to their confirmation.

Mr. ROBERT C. BYRD. I thank the minority leader.

THE JUDICIARY

The assistant legislative clerk read the nomination of Monroe G. McKay, of Utah, to be a U.S. circuit judge for the 10th circuit.

THE JUDICIARY

Mr. HATCH. Mr. President, I am pleased to again express my unqualified support for the nomination of Prof. Monroe G. McKay, of Provo, Utah to be a judge on the U.S. 10th Circuit Court of Appeals to fill the vacancy created by the retirement of Chief Judge David T. Lewis.

I have been personally acquainted with Monroe McKay since the days when we both attended Brigham Young University as undergraduates. I am also familiar with his many noteworthy accomplishments which have distinguished him as a student, as a practicing attorney, and as a law professor. He has already rendered impressive service to his community, his country, and his church, and he is a devoted husband and father of seven children.

I am confident that Monroe McKay has the capacity to excel on the Federal bench just as he has in every area in which he has been involved. From law school days as managing editor of the University of Chicago Law Review, through a clerkship with the Arizona Supreme Court followed by private practice, through a stint as director of a Peace Corps contingent in Africa, to his present assignment as a law professor at Brigham Young University's J. Reuben Clark Law School, Monroe McKay has exhibited the highest personal and professional qualities. He brings to the bench a standard of ethics and morality that is above reproach. He has a reputation of being truly selfless; and, while he is certainly very able in his own right, he also has that ability to bring out the best in his associates. These fine qualities will be put to good use by Mr. McKay as a member of the Federal judiciary.

I enthusiastically support this nomination and commend this distinguished nominee to my colleagues. He will provide great strength to the already distinguished bench of the 10th judicial circuit in the tradition of the well-respected Chief Judge David T. Lewis who has so ably represented Utah on the court for more than 20 years.

Thank you, Mr. President.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. BAKER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

DEPARTMENT OF JUSTICE

The assistant legislative clerk read the nomination of Herman Sillas, Jr., of California, to be U.S. attorney for the eastern district of California.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT RECEIVED DURING RECESS

Under authority of the order of November 4, 1977, the Secretary of the Senate on November 22, 1977, received messages from the President of the United States submitting sundry nominations which were referred to the Committee on the Judiciary.

Under authority of the order of November 4, 1977, the Secretary of the Senate on November 23 and November 28, 1977, received messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(For nominations received on November 22, November 23, and November 28, 1977, see the end of the proceedings today.)

MESSAGES FROM THE HOUSE

At 2:40 a.m., a message from the House of Representatives delivered by Mr. Hackney, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 8422) to amend titles XVIII and XIX of the Social Security Act to provide payment for rural health clinic services, and for other purposes.

The message also announced that the House has agreed to the following concurrent resolutions, in which it requests the concurrence of the Senate:

H. Con. Res. 417. A concurrent resolution commending Anwar el Sadat, the President of Egypt, and Menachem Begin, the Prime Minister of Israel;

H. Con. Res. 418. A concurrent resolution directing the Clerk of the House of Representatives to make corrections in the enrollment of H.R. 8422; and

H. Con. Res. 419. A concurrent resolution directing the Clerk of the House of Representatives to make technical corrections in the enrollment of H.R. 7345.

At 3:30 p.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the House has agreed to Senate Concurrent Resolution 26, expressing the sense of Congress that action should be taken to focus national attention on the extent and consequences of and the need to find a cure for amyotrophic lateral sclerosis.

The message also announced that the House agrees to the amendment of the Senate to the bill (H.R. 8159) to establish uniform structural requirements for intermodal cargo containers, subject to the jurisdiction of the United States, designed to be transported interchangeably by sea and land carriers, and moving in, or designed to move in, international trade, and for other purposes.

The message further announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 7) to authorize a career education program for elementary and secondary schools, and for other purposes.

The message also announced that the House disagrees to the amendments of the Senate to the bill (H.R. 9418) to amend the Public Health Service Act to require increases in the enrollment of third-year medical students as a condition to medical schools receiving capitation grants under such act, and for other purposes; agree to the conference requested by the Senate on the disagreeing votes of the two Houses thereon; and that Mr. STAGGERS, Mr. ROGERS, Mr. PREYER, Mr. SCHEUER, Mr. WAXMAN, Mr. CARTER, and Mr. BROYHILL were appointed managers of the conference on the part of the House.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following communications, which were referred as indicated:

EC-2321. A communication from the Chairman, Indian Claims Commission, transmitting, pursuant to law, a report in docket No. 226, Caddo Tribe of Oklahoma, et al., Plaintiff, v. The United States of America, Defendant (with an accompanying report); to the Committee on Appropriations.

EC-2322. A communication from the Administrator, Rural Electrification Administration, Department of Agriculture, reporting, pursuant to law, approval of an REA insured loan in the amount of $14,905,000 to Sunflower Electric Cooperative, Inc., of Hays, Kansas, for the financing of certain transmission facilities (with accompanying papers); to the Committee on Appropriations.

EC-2323. A communication from the Deputy Assistant Secretary of Defense (Installations and Housing), reporting, pursuant to law, on construction projects to be undertaken by the U.S. Army Reserve (with accompanying papers); to the Committee on Armed Services.

EC-2324. A communication from the Assistant Secretary of Defense, reporting, pursuant to law, contract award dates for the period November 15, 1977 to February 15, 1978 (with accompanying papers); to the Committee on Armed Services.

EC-2325. A communication from the Director, Defense Security Assistance Agency, and Deputy Assistant Secretary (ISA), Security Assistance, transmitting, pursuant to law, information concerning the Department of the Army's proposed letter of offer to Germany for defense articles estimated to cost in excess of $25 million (with accompanying papers); to the Committee on Armed Services.

EC-2326. A communication from the Secretary of Health, Education, and Welfare, transmitting, pursuant to law, a report on "Health Consequences of Smoking" (with an accompanying report); to the Committee on Commerce, Science, and Transportation.

EC-2327. A communication from the Chief Commissioner, U.S. Court of Claims, transmitting, pursuant to law, a report concerning the allowance of attorney expense claims in proceedings conducted pursuant to the act in docket No. F-15, Davis, Wright, Todd, Riese & Jones (with an accompanying report); to the Committee on Energy and Natural Resources.

EC-2328. A communication from the Acting Assistant Secretary of the Interior and the Acting Deputy Assistant Secretary of Agriculture, relating to recommendations for livestock grazing fees on lands administered by the Forest Service and the Bureau of Land Management; to the Committee on Energy and Natural Resources.

EC-2329. A communication from the Secretary of Commerce, transmitting, pursuant to law, a report on "Ocean Dumping Research," January through December 1976 (with an accompanying report); to the Committee on Environment and Public Works.

EC-2330. A communication from the Acting Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, agreements other than treaties entered into by the United States (with accompanying papers); to the Committee on Foreign Relations.

EC-2331. A communication from the Acting Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, agreements other than treaties entered into by the United States (with accompanying papers); to the Committee on Foreign Relations.

EC-2332. A communication from the Chairman, Board of Foreign Scholarships, transmitting, pursuant to law, a report on exchanges (with an accompanying report); to the Committee on Foreign Relations.

EC-2333. A communication from the Acting Assistant Administrator for Legislative Affairs, Agency for International Development, Department of State, transmitting, pursuant to law, the second semiannual report (with an accompanying report); to the Committee on Foreign Relations.

EC-2334. A communication from the Administrator, General Services Administration, transmitting a draft of proposed legislation to establish the Federal Information Centers (with accompanying papers); to the Committee on Governmental Affairs.

EC-2335. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on the five service academies, a followup report (with an accompanying report); to the Committee on Governmental Affairs.

EC-2336. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on "Uranium Enrichment Policies and Operations: Status and Future Needs" (with an accompanying report); to the Committee on Governmental Affairs.

EC-2337. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on "An Evaluation of the Use of the Transfer Income model—TRIM—To Analyze Welfare Programs" (with an accompanying report); to the Committee on Governmental Affairs.

EC-2338. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on Department of Defense consideration of West Germany's Leopard as the Army's new main battle tank (with an accompanying report); to the Committee on Governmental Affairs.

EC-2339. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on "The Navy's Multimission Carrier Airwing—Can The Mission Be Accomplished With Fewer Resources?" (with an accompanying report); to the Committee on Governmental Affairs.

EC-2340. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on "FBI Domestic Intelligence Operations: An Uncertain Future" (with an accompanying

report); to the Committee on Governmental Affairs.

EC–2341. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on "Department of Defense Value Engineering Program Needs Top Management Support" (with an accompanying report); to the Committee on Governmental Affairs.

EC–2342. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on "Sharing Cardiac Catherization Services: A Way to Improve Patient Care and Reduce Costs" (with an accompanying report); to the Committee on Governmental Affairs.

EC–2343. A communication from the Acting Director, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report on "Presidential Advisory Committee Recommendations," November 1977 (with an accompanying report); to the Committee on Governmental Affairs.

EC–2344. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a secret report on the threat of Soviet chemical attack, readiness of U.S. forces to defend themselves, and costs associated with an adequate defense (with an accompanying report); to the Committee on Governmental Affairs.

EC–2345. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on "Air Force Maintenance Depots—The Need for More Responsiveness to Mobilization as Well as Peacetime Efficiency" (with an accompanying report); to the Committee on Governmental Affairs.

EC–2346. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on "Cost-of-Living Adjustments for New Federal Retirees: More Rational and Less Costly Processes Are Needed" (with an accompanying report): to the Committee on Governmental Affairs.

EC–2347. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on "Finding Out How Programs Are Working: Suggestions for Congressional Oversight" (with an accompanying report); to the Committee on Governmental Affairs.

EC–2348. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a list of reports of the General Accounting Office for the previous month (with an accompanying document); to the Committee on Governmental Affairs.

EC–2349. A communication from the Inspector General, Department of Health, Education, and Welfare, transmitting, pursuant to law, the second quarterly report, July 1, 1977–September 30, 1977 (with an accompanying report); to the Committee on Governmental Affairs.

EC–2350. A communication from the Administrator, National Aeronautics of Space Administration, reporting, pursuant to law, on the number of individuals in each General Schedule (GS) grade (including those in the GW category) employed on September 30, 1976, and September 30, 1977, by the National Aeronautics and Space Administration under chapter 51 and subchapter I'II, chapter 53 of 5 U.S. Code (formerly Classification Act of 1949, as amended); to the Committee on Governmental Affairs.

EC–2351. A communication from the Deputy Assistant Secretary of the Interior, transmitting, pursuant to law, a negative annual report on disposal of foreign excess property for the Department of the Interior for fiscal year ending September 30, 1977 (with an accompanying report); to the Committee on Governmental Affairs.

EC–2352. A communication from the Administrator, National Aeronautics and Space Administration, transmitting, pursuant to law, a report of positions established during the fiscal year ending September 30, 1977 (with an accompanying report); to the Committee on Governmental Affairs.

EC–2353. A communication from the Director, Hoover Institution on War, Revolution, and Peace, transmitting, pursuant to law, a report of expenditures from July 1, 1976, to September 30, 1977 (with an accompanying report); to the Committee on Human Resources.

EC–2354. A communication from the Acting Executive Secretary, Department of Health, Education, and Welfare, transmitting, pursuant to law, a report of final regulations for student consumer information services (title IV, part F, subpart 1 of the Higher Education Act of 1965, as added by Public Law 94–482) (with an accompanying report); to the Committee on Human Resources.

EC–2355. A communication from the Executive Secretary, Department of Health, Education, and Welfare, transmitting, pursuant to law, final regulation for career education and career development programs (Education Amendments of 1976, Public Law 94–482, title III, part C, sections 331–335) (with an accompanying document); to the Committee on Human Resources.

EC–2356. A communication from the Executive Secretary, Department of Health, Education, and Welfare, transmitting, pursuant to law, a report on "Program of Research Grants on Organizational Processes in Education, National Institute of Education—Final Regulations" (with an accompanying report); to the Committee on Human Resources.

EC–2357. A communication from the Executive Secretary, Department of Health, Education, and Welfare, transmitting, pursuant to law, a report on final regulation for training for higher education personnel, section 153 of the Education Amendments of 1976 (with an accompanying report); to the Committee on Human Resources.

EC–2358. A communication from the Secretary of Health, Education, and Welfare, transmitting, pursuant to law, a report on the "Supply and Distribution of and Requirements for Nurses" (with an accompanying report); to the Committee on Human Resources.

EC–2359. A communication from the Under Secretary of the Interior, transmiting, pursuant to law, a proposed plan for the use and distribution of Three Affiliated Tribes of Fort Berthold Reservation Judgment Funds in dockets 350–C and D before the Indian Claims Commission (with accompanying documents); to the Select Committee on Indian Affairs.

EC–2360. A communication from the Executive Secretary, National Music Council, transmitting, pursuant to law, an audit report for the National Music Council for the fiscal period ending April 30, 1977 (with an accompanying report); to the Committee on the Judiciary.

EC–2361. A communication from the Secretary of Commerce, transmitting proposed legislation to amend the fee provisions of the U.S. patent and trademark laws (with accompanying papers); to the Committee on the Judiciary.

EC–2362. A communication from the Chairman, Administrative Conference of the United States, transmitting, pursuant to law, Recommendation 77–1: Legislative Veto of Administrative Regulations (Adopted September 15–16, 1977) (with accompanying documents); to the Committee on the Judiciary.

EC–2363. A communication from the Chairman, Federal Election Commission, transmitting, pursuant to law, correspondence which it has sent to the Office of Management and Budget (with an accompanying document); to the Committee on Rules and Administration.

EC–2364. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on "Examination of Financial Statements, Government Printing Office, Fiscal Year 1976" (with an accompanying report); to the Committee on Rules and Administration.

EC–2365. A communication from the Under Secretary of Defense, Research and Engineering, transmitting, pursuant to law, the report of the Department of Defense Procurement from Small and Other Business Firms for October 1976–May 1977 (with an accompanying report); to the Select Committee on Small Business.

PETITIONS

The ACTING PRESIDENT pro tempore laid before the Senate the following petitions, which were referred as indicated:

POM–408. A resolution adopted by the City of Cleveland, Ohio, relating to Penn Central's offer of a settlement on accrued taxes due to the City of Cleveland and requesting the Federal Government to secure the bonds issued by the successor corporation to Penn Central; to the Committee on Banking, Housing, and Urban Affairs.

POM–409. A resolution adopted by the City of Cleveland, Ohio, relating to the regulatory, investigative, and enforcement actions under the Trade Act of 1974, and to preserve the domestic steel industry; to the Committee on Finance.

POM–410. A resolution adopted by the Eastgate Development and Transportation Agency, State of Ohio, urging a national steel policy; to the Committee on Finance.

POM–411. A concurrent resolution adopted by the Legislature of the State of Michigan; to the Committee on Human Resources:

"SENATE CONCURRENT RESOLUTION No. 239

"Whereas, Many of the citizens of Michigan are employees as defined by the National Labor Relations Act and, as such, are entitled to all the rights and protection spelled out in that Act as the public policy of the United States; and

"Whereas, That policy, adopted forty-two years ago, is to encourage "the practice and procedure of collective bargaining . . . by protecting the exercise by workers of full freedom of association, self-organization, and designation of representatives of their own choosing, for the purpose of negotiating the terms and conditions of their employment or other mutual aid or protection"; and

"Whereas, Fulfillment of that guarantee has become diluted by rulings, delays, and appeals so as to give limited value to legal rights of workers; and

"Whereas, The National Labor Relations Board which administers the labor law is confronted by a mounting backlog of unheard cases which limits its effectiveness; and

"Whereas, President Jimmy Carter has urged Congress to enact a series of labor law reforms that spell out a sound and sensible reorganization and streamlining that would restore the Wagner Act's promise and guarantee of prompt and predictable treatment under law; and

"Whereas, Legislation that embodies the President's labor law reform package is now before both houses of Congress, H.R. 8410 by Representative Frank Thompson, Jr., of New Jersey, and S. 1883 by Senator Harrison A. Williams of New Jersey and Senator Jacob K. Javits of New York; and

"Whereas, Prompt consideration and passage of President Carter's labor law reform package is in the interest of every citizen of this State; now, therefore, be it

"Resolved by the Senate (the House of Representatives concurring), That the Mich-

igan Legislature urgently requests that the Congress of the United States approve S. 1883 and H.R. 8410, President Carter's labor law reform; and be it further

"Resolved, That copies of this resolution be transmitted to the President and Vice-President of the United States, and to the President of the Senate, the Speaker of the House of Representatives, and to each member of the Michigan delegation to the Congress of the United States."

PETITIONS TO REPEAL THE WITHHOLDING TAX LAW

Mr. BAKER. Mr. President, I have received petitions requesting repeal of the Federal withholding tax from five of my constituents, Mr. Frank Gentry, Mr. Ed Moore, Dr. Joe Chambers, Mr. Jim McMackin and Mr. Kent Roller. These Tennesseans have requested that I present their petitions to the Senate, and I now submit them for appropriate referral.

The ACTING PRESIDENT pro tempore. The petitions will be received and appropriately referred.

POM-412. A petition seeking repeal of the withholding tax law; to the Committee on Finance.

POM-413. A petition seeking repeal of the withholding tax law; to the Committee on Finance.

POM-414. A petition seeking repeal of the withholding tax law; to the Committee on Finance.

POM-415. A petition seeking repeal of the withholding tax law; to the Committee on Finance.

POM-416. A petition seeking repeal of the withholding tax law; to the Committee on Finance.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. RIBICOFF, from the Committee on Governmental Affairs; unfavorably, without amendment:

S. Res. 293. A resolution disapproving Reorganization Plan Numbered 2 (together with additional views) (Rept. No. 95-606).

ENDANGERED SPECIES AUTHORIZATIONS—CONFERENCE REPORT (REPT. NO. 95-607)

Mr. CULVER, from the committee of conference, submitted a report on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1316) to authorize appropriations for fiscal years 1978, 1979, and 1980 to carry out State cooperative programs under the Endangered Species Act of 1973, which was ordered to be printed.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. BAKER (for Mr. HANSEN):

S. 2328. A bill to amend Private Law 95-21 to make a technical correction therein; considered and passed.

By Mr. HANSEN:

S. 2329. A bill to amend the Fort Laramie National Monument Act; to the Committee on Energy and Natural Resources.

By Mr. McGOVERN (for himself and Mr. ABOUREZK):

S. 2330. A bill to name a certain Federal building in Huron, South Dakota the "Hubert H. Humphrey Building"; to the Committee on Environment and Public Works.

By Mr. DOMENICI:

S. 2331. A bill to amend the Act entitled "An Act to promote the development of Indian arts and crafts and to create a board to assist therein, and for other purposes", approved August 27, 1935; to the Select Committee on Indian Affairs.

By Mr. STONE:

S. 2332. A bill to permit the Department of Transportation to proceed with a highway project in Lee County, Florida, without regard to section 106 of Public Law 89-665 or procedures developed under section 1(3) of Executive Order No. 11593; to the Committee on Energy and Natural Resources.

By Mr. BURDICK:

S. 2333. A bill for the relief of James Edward Slowey, Carole Anne Slowey, and Christopher James Slowey, Elaine Margaret Slowey, and Carole-Ann Slowey; to the Committee on the Judiciary.

By Mr. PROXMIRE:

S. 2334. A bill for the relief of Hessameddin and Tajolmolouk Ziaian; to the Committee on the Judiciary.

By Mr. DOLE:

S.J. Res. 100. A joint resolution to authorize and request the President to issue a proclamation designating December 1, 1977, as "National Quiet Day"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HANSEN:

S. 2329. A bill to amend the Fort Laramie National Monument Act; to the Committee on Energy and Natural Resources.

Mr. HANSEN. Mr. President, I introduce legislation today to revise the boundaries of Fort Laramie National Monument and also change its name.

Fort Laramie National Monument was established by Presidential proclamation on July 16, 1938. A later act of Congress revised the boundary and changed the name to Fort Laramie National Historic Site on April 29, 1960. The present boundary contains 571.36 acres. The Fort is located on the Laramie River near its confluence with the North Platte River in southeastern Wyoming.

The fort is situated on the flood plain of the Laramie River. Bluffs approximately a half mile to the north and south form the sides of the river valley. Grasslands surround the entire area and dominate the vistas. Most of the historic structures and ruins are situated on the first stream terrace from 10 to 16 feet above the present flood plain of the Laramie River. Several historical structures were placed on the upper margin of the flood plain. A number of historic structure sites lie on the present flood plain, but future upstream river control may largely eliminate flood danger.

There are many cultural resources at Fort Laramie, and they can be divided into four broad categories: First, remnants of prehistoric aboriginal occupation known to exist in the immediate Platte and Laramie River valleys; second, the material remains and contextual information associated with the premilitary ownership from 1834-39; third, the archival, contextural, and material remains of the military years, 1849-90; and, fourth, the historic data and physical remains of the post-military period, 1890-1938. Many of the cultural resources of the national historic site remain archeological in nature.

The migration west brought Fort Laramie into national prominence, as it is the best representative area of the pioneer trails (the Mormon, the California, and the Oregon Trails). This was the jumping off point for the winning of the West. The long, tough slog over the Continental Divide was made possible by the staging and supply functions that existed at Fort Laramie. It is interesting to note that today visitation to the fort is just a little more than passed through it on the way West over 100 years ago.

A need to adjust the boundaries at Fort Laramie has become apparent, and I quote from the draft environmental analysis dated September 1977, done by the National Park Service:

These alternatives are considered in relation to the question of a boundary change at Fort Laramie National Historic Site. At present, the Historic Site contains 571 acres and is roughly U-shaped. The boundary change would add the land within the open part of the "U" to the National Historic Site. The boundary expansion would include approximately 295 acres in four parcels. Parcel sizes and uses are: 220 acres, agricultural and unused commercial campground; 68 acres, agricultural and residence; 3 acres, unused; 4 acres, unused.

I recognize that the proposed expansion removes approximately 250 acres from agricultural production and there is possible loss of some land tax revenue to Goshen County. However, it enables the preservation of a historic scene on land surrounded on three sides by the National Historic Site. The loss of agricultural production cannot be mitigated. Loss of tax revenue will be partially offset by recent legislation which permits full payment in lieu of taxes for 5 years, thereafter reduced payments in lieu of taxes.

The gain to the national good is in the saving of the historic setting, including the possible site of the first Fort Laramie, and an unknown quantity and variety of historic artifacts that lie buried on the properties that would be included in the expansion. It is my understanding that the property owners are willing to have their properties assumed by the Park Service.

So it is with great pleasure, Mr. President, that I introduce this bill and urge that the Committee on Energy and Natural Resources give it speedy consideration.

I ask unanimous consent to have printed in the RECORD correspondence from the Legislative Counsel, Department of the Interior, concerning the bill and letters from the National Park Service concerning the proposed boundary changes.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF INTERIOR,
Washington, D.C., April 5, 1976.

Hon. CLIFFORD P. HANSEN,
U.S. Senate, Washington, D.C.

DEAR SENATOR HANSEN: Thank you for your letter of March 18 concerning the possible acquisition of land in connection with the Fort Laramie National Historic Site.

The 220-acre tract that Western Horizons,

Inc., has offered to sell the National Park Service is entirely outside the authorized boundary of the national historic site, and there is no recommendation for expansion of the site at this time.

Superintendent Richard H. Maeder has advised us that commercial development of this tract could adversely affect the fort. A boundary study is being initiated that will deal with this question. Should this study result in a recommendation for a boundary change, it would be sometime before authorization and funding would permit land acquisition. We will advise you of our progress in this matter.

We appreciate your continued interest in, and support of, the National Park Service and its programs.

Sincerely yours,

IRA WHITLOCK,
Acting Associate Director.

U.S. DEPARTMENT OF THE INTERIOR,
Washington, D.C., September 29, 1977.
In Reply Refer To: L58(170)
Hon. CLIFFORD P. HANSEN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HANSEN: Thank you for your letter of August 2 to the National Park Service about the acquisition of certain lands at Fort Laramie National Historic Site.

The study you mention, which assesses, among other things, the need for additional lands at Fort Laramie, will be released sometime in October. A copy of this document will be sent to your office as soon as it becomes available. Following its release, a period of public review and comment will be provided. As a result, we do not expect any recommendations to be forthcoming until the report is in final form, which will be about the middle of next year.

We reviewed the possibility of using Public Law 95-42 as the vehicle for authorizing land acquisition at Fort Laramie and concluded that it cannot be applied in this situation. Under this law boundary changes must occur within 10 years of the enactment of the legislation establishing the original boundary. Since the boundaries of Fort Laramie were last set in 1960, the site falls 7 years short of this requirement.

We are, consequently, enclosing draft legislation authorizing the acquisition of lands adjoining Fort Laramie, as requested in your letter. Since the draft has not been cleared by the Office of Management and Budget, you will understand, I am sure, that we can make no commitment at this time concerning the position of the Department on this measure.

Sincerely yours,

JOHN M. POWELL,
Legislative Counsel.

U.S. DEPARTMENT OF THE INTERIOR,
Washington, D.C., October 19, 1977.
Hon. CLIFFORD P. HANSEN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HANSEN: We are pleased to transmit for your consideration the Draft Environmental Analysis for Fort Laramie National Historic Site, Wyoming.

This document seeks to provide an assessment of feasible alternatives relating to the visitor center and administration building, along with associated developments and boundary adjustments recommended for Fort Laramie.

Comments on the draft environmental analysis will be accepted through December 5, 1977. Any comments that you or your constituents might wish to offer should be submitted to the Superintendent, Fort Laramie National Historic Site, Fort Laramie, Wyoming 82212.

Your interest and support for the National Park Service are appreciated.

Sincerely yours,

———— ————,
Acting Director.

By Mr. McGOVERN (for himself and Mr. ABOUREZK):

S. 2330. A bill to name a certain Federal building in Huron, S. Dak., the "Hubert H. Humphrey Building"; to the Committee on Environment and Public Works.

HUBERT H. HUMPHREY FEDERAL BUILDING IN HURON, S. DAK.

Mr. McGOVERN. Mr. President, today I am introducing, along with my colleague from South Dakota, Senator ABOUREZK, legislation to name the new Federal building in Huron, S. Dak., the Hubert H. Humphrey Building, in honor of my distinguished friend, Senator HUMPHREY, who lived and worked in the city of Huron for many years.

That city, as well as the entire State of South Dakota, has always been proud to acclaim HUBERT HUMPHREY as one of our most outstanding citizens. The beautiful, new Federal building in downtown Huron stands in the same area where the Humphrey Drug Store still serves the people of the city and the surrounding countryside. The drug store stands as a witness to the endurance of the Humphrey family during the years of the Depression, and the Federal building would be a tribute to the man who accomplished so much, served so many, and fought so hard for this country in the years after he left Huron.

Senator HUMPHREY has been honored many times over the years and in the past few weeks. These honors have been well earned. Political differences have been set aside, as they should be, and, as HUBERT said in a recent interview:

I've also learned from life to be tolerant, forgiving, understanding. You cannot go around and keep score . . . Because if you remember everything that's happened to you, you generally remember that which is the most unfortunate.

Through my years of friendship with HUBERT, I know that he applies this philosophy liberally. His constant advocacy of civil rights reform, full employment, health, nutrition, and education programs; his political career itself—from mayor to Senator to Vice President and Presidential nominee—made opposition and conflict a part of his life. Yet, he has continued to do what he felt had to be done and made the country better because of it.

I know that his compassion is a part of his memories of the hard times he experienced in Huron as a young man. In his autobiography, "The Education of a Public Man," HUBERT recounts those depressing years when dust storms crushed the economies of rural States. His memories, though, have been tempered by time, and he has returned many times to speak to and with his old friends in Huron, Doland, and in his birthplace, Wallace. South Dakotans recognize his visits to the State as a distinct honor. He has worked for them and with them—for the young, the old, the disadvantaged, the farmers, the business people—and he became a great political leader who reflected their needs and fought long and hard to fulfill those needs.

I recently dedicated the Federal building in Huron, and the response to my announcement of the coming introduction of this legislation to name the building for Senator HUMPHREY was overwhelmingly supportive. The people of Huron agree, the people of South Dakota agree, that immediate and positive action should be taken to make the Hubert H. Humphrey Building, in Huron, S.D., official. Congressman JAMES ABDNOR of South Dakota, who was with me during the dedication ceremony, not only shared in securing the Federal Building for Huron but has enthusiastically agreed to lend his support to the naming of the building in honor of Senator HUMPHREY.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2330

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Office Building, located at 200 Fourth Southwest, in Huron, South Dakota, shall hereinafter be known as, and is hereby designated as, the "Hubert H. Humphrey Building". Any reference in any law, regulation, document, record, map, or other paper of the United States to such building shall be considered to be a reference to the Hubert H. Humphrey Building.

By Mr. DOMENICI:

S. 2331. A bill to amend the act entitled "An Act to promote the development of Indian arts and crafts and to create a board to assist therein, and for other purposes", approved August 27, 1935; to the Select Committee on Indian Affairs.

Mr. DOMENICI. Mr. President, this amendment to the Indian Arts and Craft Act which I submit is intended to extend the scope of the original act to provide for loans and grant funds to aid designated associated Indian museums. Such associated museums are Indian owned and dedicated to the preservation of Indian culture and Indian arts and crafts.

In New Mexico we have such a center. The Indian Pueblo Cultural Center was established by 19 Pueblos for the purpose of preserving Pueblo culture and Pueblo arts and crafts training.

It also serves as a base to assist contemporary Indians in acquiring the skill and experience of managing business enterprises on their own reservations.

The cultural center has become one of the most popular public facilities in Albuquerque attracting tourists, school groups and the local public.

This museum and others like it are affirmative and positive statements of the relationship between the Native American and our present cultures. Such centers need to be promoted and assisted to insure the retention of the Native American contribution to our national heritage.

By Mr. STONE:

S. 2332. A bill to permit the Department of Transportation to proceed with a highway project in Lee County, Fla., without regard to section 106 of Public Law 89-665 or procedures developed under section 1(3) of Executive Order No 11593; to the Committee on Energy and Natural Resources.

Mr. STONE. Mr. President, today I am introducing legislation to permit U.S. 41 in Estero, Fla., to be widened along the existing right-of-way, by exempting this

highway project from the Historic Preservation Act. U.S. 41 in the present alignment runs through the Koreshan Settlement Historic Site, and it has been determined that the act prohibits the four-laning of the highway through this area. However, the directors of the Koreshan Unity organization never intended that the historic site designation interfere with the widening of the highway along the present corridor and, in fact, had received payment from the State of Florida for the right-of-way to four-lane U.S. 41, 21 years ago.

The directors are concerned that the necessity of widening U.S. 41 might force the relocation of the highway from its present route. They rightly contend that the two proposed alternatives to the west and east would have a greater adverse effect on the historical significance of the Koreshan community than if the highway was widened along the present right-of-way. In addition, relocating the highway along either alternate route would add at least $1 million to the cost of the project, while possibly delaying its completion by 2 years. It should be pointed out that this highway in its present condition has claimed many lives. Therefore, I am hopeful that early action can be taken on this bill, so the widening of this highway can be completed without unnecessary delay.

Mr. President, I ask unanimous consent that a resolution by Koreshan Unity, Inc. on this subject be printed at this point in the RECORD, followed by the bill.

There being no objection, the resolution and bill were ordered to be printed in the RECORD, as follows:

RESOLUTION OF KORESHAN UNITY, INC., REGARDING FOUR LANING OF U.S. HIGHWAY 41

Whereas, it was the desire of the Koreshan Unity, Inc. to perpetuate the history of its work by deeding three hundred five (305) acres of Koreshan property to the State of Florida as a State Park and Historical Botanical Monument; and

Whereas, the Koreshan Unity, Inc. retained its land east of U.S. Highway 41 and its land west of the highway contiguous to the State Park for its own educational, business and industrial purposes and uses; and

Whereas, the most important historic buildings would rarely be seen by the general public if the highway were relocated and any relocation of U.S. Highway 41 would result in diminishing the historic significance of the Koreshan Unity, rather than increasing public awareness thereof; and

Whereas, in all of its dealings with the State of Florida regarding the historic settlement, the four laning of U.S. Highway 41 and the State Park, the Koreshan Unity, Inc. has been assured that its property rights will not be violated; and

Whereas, relocations of the U.S. Highway 41 corridor west of the present alignment would result in further taking of lands now owned by the Koreshan Unity and in splitting the Koreshan Cemetery and all its historic significance from the remainder of the Koreshan Unity Community; and

Whereas, relocation of the U.S. Highway 41 corridor east of the present alignment would result in major revisions in Koreshan Unity's plans to construct an historic library on their own lands; and

Whereas, the Koreshan Unity received payment from the State of Florida for the right-of-way to four lane U.S. Highway 41 twenty-one (21) years ago; and

Whereas, notwithstanding their kindest of intentions the dilemma regarding rerouting U.S. Highway 41 was brought about by actions of persons or organizations not a part of the Koreshan Unity; and

Whereas, it was never the intention of the Koreshan Unity, Inc. that governmental historic designation interfere in any way with the four lane construction of U.S. Highway 41 through Estero, and it has never received legal documents or maps showing the proposed boundaries of the Historic District or information regarding adverse effects of Federal/State historic designation on the U.S. Highway 41 four laning efforts; and

Whereas, we, the Directors of the Koreshan Unity, Inc., as citizens and tax payers, object to the expenditure of an additional two million dollars ($2,000,000.00) and a delay of an additional eighteen (18) months in the long awaited four laning program; now, therefore,

Be it resolved that we, the Directors of the Koreshan Unity, Inc.,

(1) Are in favor of the four laning of U.S. Highway 41 through Estero on the existing alignment; and

(2) Urge the President of the United States and the United States Department of the Interior, and any other officials, executives or agencies of the United States government or private enterprise to take whatever steps may be necessary to facilitate the four laning of U.S. Highway 41 on the existing corridor through the Estero community, in Lee County, Florida.

Be it. further resolved that the Directors of the Koreshan Unity, Inc. will be available as consultants to see that the boundaries for any historic designation of the Koreshan Unity property authentically represents the background of the Unity movement.

S. 2332

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 106 of an Act entitled "an Act to establish a program for the preservation of additional historic properties throughout the Nation, and for other purposes," approved October 15, 1966 (Public Law 89-665, 16 U.S.C. 470f), and any procedures developed by the Department of Transportation under section 1(3) of Executive Order No. 11593, issued May 13, 1971, shall not apply to Federal Aid Project No. F-301-2(8), a project to widen U.S. Route 41 in Lee County, Florida.

ADDITIONAL COSPONSORS

S. 642

At the request of Mr. NELSON, the Senator from Minnesota (Mr. ANDERSON) was added as a cosponsor of S. 642, a bill to amend the Federal Food, Drug, and Cosmetic Act, as amended, to prohibit the use of any name in connection with any prescription drug other than the official name designated for such drug by the Secretary of Health, Education, and Welfare.

S. 1437

At the request of Mr. THURMOND, his name was added as a cosponsor of S. 1437, a bill to codify, revise, and reform title 18 of the United States Code, and for other purposes.

S. 1974

At the request of Mr. NELSON, the Senator from Arizona (Mr. DECONCINI) was added as a cosponsor of S. 1974, the Regulatory Flexibility Act, and amendment No. 849, intended to be proposed to S. 1974.

S. 2066

At the request of Mr. MATHIAS, the Senator from Georgia (Mr. NUNN) was added as a cosponsor of S. 2066, a bill to complete and protect the Appalachian Trail.

S. 2197

At the request of Mr. STONE, the Senator from Utah (Mr. GARN), the Senator from South Carolina (Mr. THURMOND), and the Senator from New Jersey (Mr. WILLIAMS) were added as cosponsors of S. 2197, a bill to amend title 38 of the United States Code in order to provide mortgage protection life insurance to certain veterans unable to acquire commercial life insurance because of service-connected disabilities.

S. 2227

At the request of Mr. DOLE, the Senator from Indiana (Mr. LUGAR) was added as a cosponsor of S. 2227, a bill to postpone the effective date of the carryover basis provisions of the Internal Revenue Code.

S. 2236

At the request of Mr. RIBICOFF, the Senator from Maryland (Mr. MATHIAS), the Senator from Utah (Mr. GARN), the Senator from New Hampshire (Mr. McINTYRE), the Senator from New Mexico (Mr. SCHMITT), the Senator from Ohio (Mr. METZENBAUM), and the Senator from South Dakota (Mr. McGOVERN) were added as cosponsors of S. 2236, the Omnibus Anti-Terrorism Act of 1977.

S. 2304

At the request of Mr. HELMS, the Senator from Oklahoma (Mr. BARTLETT), the Senator from Nebraska (Mr. CURTIS), and the Senator from New Mexico (Mr. SCHMITT) were added as cosponsors of S. 2304, a bill to require that the Hungarian Crown of Saint Stephen and other relics of the Hungarian royalty remain in the custody of the U.S. Government and that they not be transported out of the United States, unless the Congress provides otherwise by legislation.

S. 2317

At the request of Mr. BAKER (for Mr. HEINZ), the Senator from Indiana (Mr. LUGAR) and the Senator from Colorado (Mr. HASKELL) were added as cosponsors of S. 2317, the Trade Procedures Reform Act.

ADDITIONAL STATEMENTS

A VIEW OF NEWS BROADCASTING

Mr. HARRY F. BYRD, JR. Mr. President, after 20 years with CBS News and all-news broadcasting in Washington as owner of radio station WAVA, Arthur W. Arundel is moving into new fields of journalism and public affairs. Mr. Arundel pioneered "all-news broadcasting" in January of 1962, nearly 16 years ago.

As he leaves the radio field Mr. Arundel delivered a final commentary over WAVA, which he captioned "A View of News Broadcasting."

Mr. Arundel's views are most interesting and informative. I ask unanimous consent to have his commentary printed in the RECORD.

There being no objection, the commentary was ordered to be printed in the RECORD, as follows:

A VIEW OF NEWS BROADCASTING

(By Arthur W. Arundel)

To people in Washington over the years it has probably always seemed that their own times were the worst, the pressures on leadership and the burdens of power never greater. We journalists here, along with government leaders, have not always been immune from exaggerated notions of our self-importance to the national destiny.

Mr. Arundel, who pioneered all news broadcasting in the United States, has recently sold WAVA on which this final commentary was heard.

But stone age man probably also thought that he bore in his hands the fate of all living things when he invented the hatchet, as did Martin Luther when in another time he declared that with gunpowder man finally developed the ultimate weapon. And less than a century ago, leaders in Britain, then the world's leading power, were appalled at the burden of human survival they carried when Lord Kitchener first used the machine gun to mow down the Hordes of the Mad Madullah in the Sudan.

SINCE VIETNAM

It has been different in Washington since Vietnam, perhaps our last ground war, and Watergate. In the quieter, laid back early months of President Jimmy Carter visible and newsmaking military combat seems all the more on the way to being replaced by the weapons of nuclear warfare. In nuclear energy man is equally capable of either limitless good or of quickly flattening civilization to a pile of dust and rubble.

So perhaps people in Washington today are indeed not just another generation consumed with indulging their own self-importance. We all, politicians and journalists alike, possess human frailties. But our generation also possesses this capacity by the mere pressing of a button to change all of human destiny. There is something less in this than Armageddon, but there is also more than chicken little seeing the sky falling.

After some 20 years here with CBS news and all news broadcasting in Washington, I am now selling all news WAVA to move on into new fields of journalism and public affairs. But from the experience I have a few thoughts on the shape of broadcasting and broadcast journalism.

THE VAST WASTELAND

Many will remember FCC Chairman Newton Minow's much publicized reference to television 15 years ago as a "vast wasteland". He was right about that then and, while we can be proud of the occasional rays of brilliance in broadcast news and specials, he would be right about that today. Television programing continues to sink toward the lower denominators of the public taste.

And even as television has replaced radio as the nation's principal live entertainment medium, radio has made a shotgun marriage to become essentially the promotional loudspeaker of the record industry. Going across the radio dial today, from classical to rock music stations—modern radio can be measured as little better than a glorified jukebox, spitting out just so much news and public service material as will keep Federal Broadcast regulators off its back. There are brilliant exceptions, WMAL radio here and three all-news stations among them in Washington.

RATINGS TYRANNY

The most frustrating part of my own 20 years experience in both television and radio has been to see this industry sinking measurably deeper into lockstep with the audience ratings numbers. It is not that TV has not changed, it is that new and imaginative programing is strangled in its birth by the tyranny of the ratings. Over these years of putting WAVA all news on its feet, I have awakened at night feeling much like those people in the recent book and film about broadcasting, "Network", who one evening thru open their windows to shout, "I'm mad as hell, and I'm not going to take it any more".

We have an extraordinary thing in this country with private broadcast station ownership. In most of the rest of the world, radio and television is owned and programmed by the government. Yet out of our very stupid failure to do better with private ownership, we are inviting our own government to move into the gap with its now growing support of Public Broadcasting networks and educational television and radio stations. It may be heresy to think such thoughts, but if private ownership does not get off its tail and do better by the native intelligence of the American people then the government is going to do it for us. And that would be worse.

ALL NEWS RADIO

WAVA made its break from the cacophony of radio music to begin something we then called "all news" broadcasting in this Washington area in January 1962. It seemed to me then a simple enough idea, with some 40 radio stations here doing news on the hour, that there ought to be one place on the dial where you could just push a button and get the news anytime. Advertisers laughed at the idea. It was a long gamble of us, for me as the young new owner with all the family eggs in one basket—told then that no one would listen to continuous news. But we made it. And, with success, the concept gradually spread to other stations across the nation. The imitation was flattering.

Then six years later, the Washington Post announced that it would change its WTOP to all news. We didn't need that much flattery, the Post company possessing the huge combined network news, audience promotion and financial resources of the area's largest daily newspaper, Washington's CBS television station, Newsweek magazine, as well as Washington's most powerful 50,000 watt radio station.

Yet WAVA and WTOP together survived six years of all news competition. Then two years ago WRC radio entered all news here backed by the added resources of NBC television and radio. These two corporate network giants became good tough competition for independent WAVA. It made all of us work harder.

LAID BACK TIMES

But looking at our success in all news radio now, I have realized one very special thing which both helped make all news radio succeed and which challenges it today. It is that all news was born here in the high exhilaration of the early 1960's with John F. Kennedy and grew in years of nearly continuous national anguish with the Cuban missile crisis, assassinations, Vietnam, Lyndon Johnson's withdrawal, more Vietnam, Nixon, China and Watergate. If Jimmy Carter means quieter times he also means people are recovering from a prolonged state of something like national war nerves. It is better for the country, if slower for the news daybook.

Reports of the death of all news are premature. It simply presents a sharp new challenge to all news broadcasters to adapt all news radio to quieter times. It can be done.

NEW IDEAS

We find, and I found at WAVA, that everything has not yet been discovered. The horizon, we have learned, is not the boundary of the world. Somebody is always finding out that it isn't and being very successful by doing what he believes in.

The star I have tried to follow in this game, Edward R. Murrow, once said that "the trouble with broadcasting in this country is that it underestimates the native intelligence of the American people". But I have found that broadcasting in fact still lives more by the advice of the late H. L. Mencken who said that "nobody ever went broke underestimating the taste of the American people". There are innovators and there are cowards in this industry, and they may be identified largely by which advice they follow. If you reach for the stars at least you won't get a handful of mud.

Perhaps if WAVA's success says anything, it is that opportunity for new things is still out there and that you don't have to drop to the next lowest common denominator of the public taste to prove it. If there is pride, even arrogance in that, there is also truth.

Once in a while in this industry we have got to put a principle before a buck, to reach for our dreams as journalists and play to the higher grounds of the native intelligence of the American people. Each man owes something more than a paycheck to the upbringing of his own profession.

JOHN DELLENBACK TO HEAD CHRISTIAN COLLEGE CONSORTIUM

Mr. HATFIELD. Mr. President, I wish to take note of a new development in the career of a gentleman known and highly regarded by many of my colleagues.

John R. Dellenback, a fellow Oregonian and close friend with whom I worked closely during his four terms in the House of Representatives and his recent tenure as Director of the Peace Corps, has been elected president of the Christian College Consortium and of the Christian College Coalition. Those familiar with Mr. Dellenback's capacities, interest in education, and Christian commitment will applaud these two distinguished, affiliated groups for their auspicious choice.

The following article from the Houghton College Star in Houghton, N.Y., outlines Mr. Dellenback's new responsibilities. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Houghton Star, Oct. 21, 1977]

FORMER DIRECTOR OF PEACE CORPS ASSUMES PRESIDENCY OF CONSORTIUM

WASHINGTON, D.C.—John R. Dellenback, immediate past director of the Peace Corps, has been elected president of the Christian College Consortium here by the presidents of the 14 evangelical colleges comprising the consortium.

He also was elected president of the Christian College Coalition, which includes the 14 consortium schools and 21 other evangelical colleges around the country. In both posts, he succeeds Dr. Gordon R. Werkema who has been named executive vice president of Seattle Pacific University. The change for both men becomes effective Nov. 1.

Commencing on his election to head the two groups, Mr. Dellenback said: "The Christian college has from the beginning of our country's history made important contributions to the development of the nation and its people. At a time like today, it is more essential than ever that tomorrow's leaders have available to them colleges where Christian faith and learning are integrated.

"Raw knowledge without a solid base of faith and values," he said, "will produce ineffective policies and leaders incapable of dealing with today's and tomorrow's terribly complex challenges in times of crisis. The colleges of the consortium and the coalition have a challenge from Christ to use their talents and their opportunities wisely and effectively."

Mr. Dellenback, who served four terms as a congressman from Oregon prior to becoming director of the Peace Corps in 1975 and is an attorney by profession, has also been an active Presbyterian layman.

He was a moderator of the Oregon Synod of the United Presbyterian Church, chairman of the National Prayer Breakfast, Washington, in 1975 and was also chairman, vice chairman and secretary at various times of the House of Representatives Prayer Breakfast Group during his years in Congress (1967–74).

While in Congress, he served on a number of House committees and subcommittees, including the Education and Labor Committee, Special Subcommittee on Higher Education and General Subcommittee on Education. He was chairman of the House Republican Research Committee's Task Force on Education and Training. Prior to his service in Congress, Mr. Dellenback served three terms in the Oregon House of Representatives (1961–66), and he practiced law in his hometown of Medford, OR, from 1951–66. He was an instructor and assistant professor of business law at Oregon State University from 1949–51.

Currently, he is a member of the boards of trustees of Howard University, Washington, and Lewis and Clark College, Portland, OR.

A Phi Beta Kappa graduate of Yale University (bachelor of science in applied economic science), Mr. Dellenback also holds a juris doctor degree (Order of the Coif) from the University of Michigan Law School.

He has honorary doctor of laws degrees from Biola College, La Mirada, CA, and New Haven (CT) University, and a doctor of humane letters degree from Warner Pacific College, Portland, OR.

Serving four years' active duty in the Navy during World War II, he was discharged as a lieutenant commander. He has since traveled to scores of countries, especially during his directorship of the Peace Corps (March 1975 to May 15, 1977).

Married, he and his wife, the former Mary Jane Benedict, have three adult children, Richard, David and Barbara. Mr. and Mrs. Dellenback live in Northwest Washington.

SENATOR HELMS SPEAKS ON THE GOLD CLAUSE FREEDOM LEGISLATION

Mr. STONE. Mr. President, recently my good friend, the distinguished Senator from North Carolina, spoke to the annual meeting of the National Committee for Monetary Reform, in New Orleans, La.

The occasion of his meeting was opportune, because his speech on November 12 came just 15 days after President Carter signed into law a bill that included S. 79, which Senator HELMS authored and I cosponsored. This law states that from the date of enactment, October 28, 1977, Americans may once again enter into financial obligations calling for payment in gold or in dollars measured in a certain amount of gold. The bill also has the effect of removing the prohibition against obligations denominated in an amount of foreign currency.

The importance of this measure is that it will make available to individual Americans and American businesses another important means of avoiding the destructive effects of inflation. If people can enter into arrangements which allow business transactions in a noninflationary medium, it makes business more honest. Some have speculated that it will make capital formation easier, and thus help solve our Nation's capital shortage.

Senator HELMS addresses these issues in his speech, and he acknowledges organizations such as the Institute on Money and Inflation which provided much valuable research on this important topic. He deserves a lot of credit for this piece of legislation, and I am proud to have been a cosponsor.

Mr. President, I ask unanimous consent that Senator HELMS' remarks to the National Committee for Monetary Reform be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR HELMS TO THE NATIONAL COMMITTEE FOR MONETARY REFORM, NOVEMBER 12, 1977

I do want you to know that I deeply appreciate the privilege of being with you tonight.

It's not idle flattery for me to suggest that this group, more than any other with whom I've met, understands not only the economic malady that is epidemic in America, but the only real cure for the disease as well.

Certainly, the Congress of the United States seldom, if ever, shows any signs of understanding.

It often occurs to me that the most appalling economic ignorance in America is to be found in Washington, D.C.

The mentality there reminds me, so often, of a character in one of Disraeli's books—a character described by Disraeli as being "distinguished for his ignorance, because in all of his life, he had but one idea—and that one was wrong."

I could wander all over the lot on the subject of ignorance in Washington, D.C.

And my purpose in coming here is somewhat more precise than that. Sam Ervin likes to tell the story about the town drunk in his home town of Morganton, who woke up one morning behind bars.

He could remember nothing about the night before.

So, he asked the jailer: "What am I in here for?"

The jailer stared at him for a moment, then replied: "For drinking, that's what you're in here for."

"Great," said the poor fellow, "let's get started."

So, let's get started:

Back in 1974, Jack F. Bennett, then Deputy Under Secretary of the Treasury, proclaimed that legalizing gold ownership would be "a major catastrophe, of the same magnitude as a Martian invasion or a nuclear attack."

Well, Mr. Bennett notwithstanding, the "War of the Worlds" did not take place on January 1, 1975.

Then, when I introduced a bill in 1976 to legalize gold clause contracts by repealing the old 1933 Joint Resolution, I got a letter from the Treasury Department warning that gold clause contracts might "call into question the strength of the dollar, and undermine our efforts to control inflation and maintain confidence in our currency."

I should also add that the Treasury Department feared that somehow gold clause contracts could mean that gold might "again assume a monetary role through widespread use in private transactions."

I don't know how widespread use of gold clause contracts will become. I do know, however, that the Treasury again is wrong. Gold clauses will not undermine efforts to control inflation. Gold clauses will not undermine confidence in the currency. The politicians have cornered the market in that sort of activity.

What the gold clause freedom enables Americans to do is basically what international bankers and multi-national corporations have been able to do for years—try to outguess American money managers. (Perhaps I should say, the Federal debt managers; for it is how the massive Federal debt is handled that dictates the rate at which the U.S. dollar inflates.)

With the gold clause freedom, Americans will be able to say to one another, "let us put our financial agreement in a medium we both trust more than dollars."

It is an act of patriotism for Americans to exercise this "economic vote." By doing so, those who denominate their contracts in gold, in dollars measured in gold, or in a foreign currency or its equivalent, are saying to the Senate, to The House of Representatives, to the President, "Give us back a money system worthy of the name."

Money that does not serve the functions of money needs to be reformed.

Money that inflates and does not serve as a valid standard-of-value, or store-of-value, should be reformed.

Money that irregularly but relentlessly depreciates is not a good medium of exchange, it is a stealthy medium of deceitful taxation.

The tax of inflation destroys the stability of the economy. It damages the relationship between employer and worker, buyer and seller, debtor and creditor.

Inflation hurts people. It only helps politicians. For it hides the real cost of big government and it taxes Peter to pay Paul—with the big-spending politicians claiming great compassion for the people by being liberal with everybody's money except their own.

Gold clauses, as a possible means of avoiding the effects of inflation, can indeed frustrate those politicians whose intent it is to use the monetary system as a political tool. Gold clause freedom can also cause some problems for the agents of Congress whose job it is to implement the policies of the inflationists.

I may be too optimistic. There is always the possibility that the regulators may attempt to thwart the intent of this legislation. It is a federal fact of life that the bureaucrats will attempt to do things as they have always done them.

They interpret legislation in their own ways, and the massive Federal Register is daily proof of the exercise of regulatory power. We must be watchful of what actions are taken by the Federal Reserve Board, by the Comptroller of the Currency, by the IRS, by the SEC, and others who have a hand in saying how our nation's economic system is run.

I will, of course, take every step I properly can to fight any attempt at regulatory "repeal" of this legislation.

Then again, if gold clauses are widely used, it may be possible for government to disrupt gold markets by dumping gold, and thus effectively discourage further use of gold clause contracts. These are possibilities to watch.

Finally, if we come to the sad situation where Government again imposes foreign exchange controls, it may be impossible for Americans to utilize the new freedom of multi-currency contracts to advantage.

Some of the newspaper articles on my bill raise the important question about the remonetization of gold. Some reporters have come to the conclusion that the gold clause freedom is a "De Facto return to the gold standard."

I believe that a sound dollar, disciplined by gold, would have a tremendous healthy impact on our nation. But, my bill doesn't accomplish that goal yet. The gold clause freedom is a way-station between paper-backed money and real money.

In a recent issue of the "Bulletin" of the Institute on Money and Inflation, an orga-

nization that provided great assistance to me in preparing the background material on the gold clause issue, Dr. Donald Kemmerer was quoted as saying, "Repeal of the Joint Resolution of June 5, 1933, means that individuals can link their personal financial agreements to gold. It doesn't mean that government has adopted that standard—however desirable that might be."

Dr. Kemmerer is right.

The dollar is a government-endorsed and government-issued means of exchange. Unless and until government accepts the responsibility to establish a firm and unchanging relationship between gold and dollars, we will not have a gold standard. If two or more individuals enter into a financial agreement, in which gold is used as the measure of value received and given, then one might say that a personal gold "standard" has been established.

As I mentioned, I have also heard that, in view of the fact that the dollar has fallen on international markets, the gold clause freedom is a bad omen. I submit that the bad omen is not the new freedom. The bad omen is the rate of expansion in our money supply. The bad omen is the $60 billion deficit for fiscal year 1978. The bad omen is the hobbling of the U.S. economy by new energy taxes, social security taxes, and business taxes.

To say that gold clause contracts could hurt the value of the dollar is a little like blaming the thermometer for the fever.

I will never understand the psychological aberrations of international money speculatos. If they sell dollars when the Secretary of the Treasury says one thing about the exchange rate, and then buy dollars when he says another, it is a measurement of the volatility of the market—not the real value of the dollar.

Now, if the Secretary of the Treasury should announce that he would push with all his might to balance the budget and cut taxes, then we all would understand that speculators would buy dollars.

But gold clause contracts? No, they might be an indicator, and I am convinced that widespread use of gold clause contracts will bolster the position of those in Congress that want to strengthen the dollar.

Gold clause financial obligations may make more people interested in avoiding the effects of inflation. The more people try to avoid it, the more people may realize that inflation is not inevitable. When people realize that, those who believe that the dollar should be restored to stability, are not far from victory.

I have a final word of caution on what we may expect. The Treasury Department commented, in its letter on my gold clause bill, that use of gold as a measure of value by people in private transactions would have "undesirable monetary effects."

If the widespread use of gold clause contracts awakens more people to the economic damage and basic error of inflation, and gets them to do something about inflation, that is not "undesirable."

As a result, I think we should stand ready to fight efforts by the Treasury, or others, to curb the new freedoms.

I know you have heard many good speakers talk on this subject. They can tell you in more detail what the economic effects will be.

But I would like to conclude with a few comments on an area in which I have a little more expertise—politics.

I feel at home here because you know what I mean when I talk about gold clauses. When someone mentions "real" money around here, they do not mean paper with green ink.

In Washington that is not the case.

My lesson is this: Just because the political arena is not filled with people who share all our beliefs, it does not mean that we cannot win, and it certainly doesn't mean that we should not fight.

The principles—the moral principles of sound and honest money—are absolutely essential to honest politics. The success we have had with restoring gold ownership, and now with restoring gold clause freedom, proves that we can win.

We can win if we will unite to do the needed backup work: When organizations like the National Committee for Monetary Reform, the Committee for Monetary Research and Education, the Institute on Money and Inflation and others work to spread the word.

For the purpose of illustration, let me review how politics came into play on the gold clause freedom bill.

In the course of Congressional consideration on the International Monetary Fund bill—a $2 billion giveaway slush fund for overpaid international bureaucrats—I saw an outside chance to repeat what was done in 1974 when gold ownership was won. That is, put a good conservative piece of legislation on a liberal bill which was going to be signed into law.

Well, toward the end of the 94th Congress, it became very clear that there was not enough time to have a very long debate on the Senate floor over the IMF bill. In other words, if some Senators wanted to talk about the bill for a few days, it simply would not be passed before adjournment. It was, however, clear that if the bill were brought up again in January, the advocates had the votes to cut off debate and pass the bill.

The Treasury Department wanted the bill very badly, however, and after a small amount of explanation, they came to understand that the gold clause freedom bill should go on the bill.

On the very last day of the session, we found out that if the Senate changed the bill at all, the House would not be able to clear it and send it to the President before adjournment. As a result, the Senate had to pass the bill as approved by the House and send it to the White House.

Treasury Secretary Bill Simon was in Manila, and he called from the IMF meeting there. We were in somewhat of a difficult situation, so we talked things over and obtained a promise from the Senate leadership that assistance would be given in the 95th Congress to pass this bill. As a result, the IMF bill was allowed to pass without the gold clause freedom bill.

When, on October 11 of this year, the Senate took up H.R. 5675, I walked over to Senator William Proxmire who was managing the bill. I reminded him of our agreement of last year about the gold clause bill. In a few minutes, the Senate approved my amendment, and then passed the bill.

My able associate, Howard Segermark, then contacted the staff of the members of the House of Representatives and notified them of the action. It was agreed that the House leadership would attempt to take up the bill under a unanimous consent agreement, pass it, and send it to the President. On Friday, October 14, that is exactly what happened.

So, what lies ahead? The first priority in achieving for sound money is to see to it that gold clause contracts are treated fairly. From there, I believe we should work legislatively to see to it that the gold reserves of the United States are not used in a way that will undermine the use of gold clause contracts, or the stability of gold markets.

For other initiatives, I hope you will give me your advice.

Getting from where we are to where we should be can be accomplished in small increments.

We will never win if we try to get rid of 40 years of Keynesian economics overnight. Frankly, the effectiveness of conservatism, in my judgment, lies in unrelenting opposition to radical change. I favor evolutionary change to do what must be done.

And we must make some changes away from the direction our nation is heading. The present course will lead to economic stagnation and collapse; and, I fear, the loss of the moral and spiritual values we share.

My message is this—that we can achieve successes; that we can get others to see the truth if we keep pointing out that the naked emperor has no clothes.

With the help that you and others have given me and other advocates of sound money, we can win more battles.

Get active in this next year's political campaigns. Write your Congressmen and Senators. And support and keep in touch with the organizations that are fighting the good fight.

I am very proud of you, and I am grateful for your dedication to the Miracle of America.

God bless all of you.

ADDRESS OF DR. KISSINGER

Mr. BAKER. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by the distinguished Senator from New York (Mr. JAVITS), and the material attached thereto.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR JAVITS

On November 13 Dr. Henry Kissinger addressed the American Jewish Congress at the presentation of the Stephen S. Wise Award to Golda Meir. Dr. Kissinger spoke on the subject of peace in the Middle East, and his remarks provide a most insightful analysis of some general principles in the debate over this issue. I think my colleagues will find the extracts of Dr. Kissinger's statement to be valuable, and I would commend this to their attention.

EXTRACTS FROM REMARKS DELIVERED BY HENRY A. KISSINGER

We meet in the midst of another debate about peace in the Middle East. Given my own involvement in the conduct of foreign policy over eight years, I have thought it inappropriate since January to participate in a discussion of day-to-day tactics. But I would like to use this occasion to articulate a few general principles.

First, the desirability of peace can never be at issue. No people has suffered more from the absence of peace than the people of Israel, every square mile of whose country is drenched with the blood of its pioneers and whose existence has never been recognized by any of its neighbors. No people can be more aware of how fragile, and how precious, are the restraints that make men and nations civilized.

No people knows more vividly that mortality must be more than a theory—it must be a constant in human conduct. And no group of men and women understands more acutely that peace depends ultimately not on political arrangements but on the conscience of mankind. History is often cruel, and rarely logical and yet the wisest of realists are those who recognize that fate can indeed be shaped by human faith and courage. These qualities are what brought the state of Israel into being. This spirit and pride must be nurtured by all friends of Israel for they are the ultimate guarantee of Israel's future.

But faith and courage are not enough. The people of Israel have seen too much of the transitoriness of human intentions to entrust the destiny of their nation entirely to professions and reassurances however sincere and honestly intended. A peace to be lasting must be founded on the self-interest of all the parties and for peace to be secure it must leave Israel strong enough to protect its future by its own efforts.

Second, the intentions or purposes of the government of the United States cannot be at issue. No President would knowingly risk the future of Israel. Nor would he make a deal to undermine Israel's future for some global considerations. My own acquaintance with President Carter, Secretary Vance and their senior advisors convinces me that this Administration would not deliberately put Israel's security at risk. But there is always the danger that actions undertaken in good faith may inadvertently produce unforeseen consequences. If such a miscalculation took place either Israel would become totally isolated or diplomacy would become abruptly deadlocked. The art of diplomacy is to move events carefully and shape them toward achievable ends so that neither the United States nor Israel ever face such a stark, impossible choice. A coordination of policies between Israel and the United States is therefore imperative.

Third, the perspective of a superpower and those of a small country may occasionally differ. The United States has enormous strength; Israel has a much narrower margin of safety. The United States can survive trial-and-error diplomacy, because we can always rectify mistakes by redoubling our efforts. But Israeli leaders cannot experiment; they have only one try. If they guess wrong they risk the survival of the nation. We therefore owe the people of Israel an understanding of its special circumstances—all of the more so as the country has known only war or the threat of war since its founding. At the same time, Israelis must understand the importance of Middle East peace to the global concerns of the United States and the Western world, which are indeed the essential underpinning of Israel's own security.

Fourth, an over-all solution is of course the ultimate prize. But realism forces us to recognize that to achieve it involves issues of enormous complexity and parties with an equal commitment to peace. It also requires a process that is bound to be protracted. Thus while striving for an overall settlement, we must take care not to foreclose other opportunities that may arise to ease tensions and to enable the peoples of the area to build confidence. We must not give a veto to the most intransigent elements within the area. We must not permit outside powers to emerge as the advocates for a point of view that penalizes moderation.

Fifth, some structures develop their own momentum that cannot be judged by formal declarations or abstract blueprints. A Palestinian state on the West Bank is bound to be an element of instability both for Jordan and for Israel; it will compound the crisis not solve it. Such a state—whatever the professions or guarantees—must have objectives that cannot be compatible with the tranquility of the Middle East. It cannot be an accident that no attempt to create such a state was ever made during the twenty years of Arab rule in that territory.

Sixth, any peace settlement must of necessity involve guarantees. But they must be worked out with great care and with a sense for their limits. History should teach us that guarantees by themselves are not a substitute for security. No nation should be asked to abdicate its judgment of the requirements of its survival. Care must be taken that guarantees do not provide a pretext for an outside power to intervene constantly in the affairs of the area. With respect to bilateral U.S.-Israeli treaty arrangements there is the danger that the ratification process may produce a debate that paradoxically hazards the friendship and close cooperation which has served so well for a generation. In short, guarantees require the most careful reflection and study; at best they reinforce, they can not bring about security.

Seventh, whatever the views about the desirability of beginning the process of negotiations with a Geneva conference, so much effort has been invested in it that it has become the touchstone of the prospects of peace. All parties therefore have a stake in bringing such a conference into being. At the same time we must recognize that when it is finally assembled Geneva will be an important achievement, but its primary significance will be procedural. Ahead of us will be complex negotiations about frontiers, commitments to peace, security arrangements, and other issues which will test the wisdom and commitment of the parties.

These issues cannot be left to the pressures of a conference; it is not too soon to explore them actively with the parties. We cannot wait for Geneva to resolve all the complexities that range from the relations of sub-groups to the main conference to the concrete outlines of a definition of peace. Especially as far as Israel is concerned it is incompatible with our historic relationship to deal with issues of such gravity in an atmosphere of self-imposed deadlines. And it does not help those Arab leaders who have had the wisdom and the courage to begin the journey towards peace to raise expectations that canont be fulfilled.

Geneva will be successful to the extent that Israel and the United States end the cycle of fear and reassurance, of outraged protest and soothing generalities and turn to the elaboration of a common concrete approach. This requires a willingness on one side to give the benefit of the doubt and a readiness on the other to understand the anguish of a people whose historic suffering precludes the abdication of its own judgment, but whose martyrs guarantee that the search for peace, while painful, will be dedicated and committed.

I am convinced that the problems that form the headlines of the day are soluble. In all my efforts in the Middle East, whatever the temporary disagreements, we never failed to develop a common position with our friends in Israel. It was during Golda's term as Prime Minister and that of her distinguished successor, that the steps were taken that give us hope for even greater progress now. I have every confidence that the present Israeli government will do no less. And in my experience, at the end of the day. Israel has never rejected a chance to make progress towards a settlement, or to run risks for peace. I have no doubt that we will find a willing—if complicated—partner in a dialog that emphasizes substance not procedure and in a guest that defines specific objectives, not theoretical blueprints. The Jewish people has not survived through the millenia by being found wanting of vision in its hours of need. And the American people have not been the hope of mankind through their history by subordinating moral values to tactical expedience.

WELFARE REFORM—TALMADGE WIN PROGRAM

Mr. TALMADGE. Mr. President, we have had a lot of talk about welfare reform. President Carter has sent the Congress a proposal which is the result of much thought and hard work.

Recipients of welfare want welfare reform. Every Member of Congress wants welfare reform. Taxpayers especially want reform. However, it is obvious that few are talking about the same "welfare reform." Nonetheless, I think everyone would like to see such proposals taken out of the conference room and put into action.

The only real welfare reform I have seen since coming to the Senate is the Talmadge work incentive program (WIN). It helps welfare recipients find jobs, and keep them. It encourages businessmen, through tax credits, to hire welfare recipients. For every dollar invested in WIN, over $2 are saved in taxpayers' money. In Georgia alone, nearly $6 million in welfare payments will be saved this year. Nationwide, the total savings amount to hundreds of millions of dollars.

But WIN will not solve the welfare mess by itself. If we continue to provide free gimmicks, if we give people who do not work greater income maintenance than people who do work, that is not welfare reform. That is welfare expansion.

When we have countless millions of people who find it attractive not to work, something is fundamentally wrong in America. When half the citizens of this country work and pay taxes to support the other half who do not work and do not pay taxes, something is going haywire. And when a city such as New York is virtually devastated by its own citizens when the lights go out, we suffer from some kind of national sickness.

If we are to survive as a great nation, a land of opportunity and a place where our children and grandchildren can grow and prosper, we must get back to some of the old-fashioned American virtues. One such value is that able-bodied people ought to work for a living.

The Carter administration and Congress must toughen their resolve. The time has come for welfare reform that will make it more attractive to work in America than it is to loaf.

The WIN program does just this and I think it is essential that WIN concepts, if not the actual WIN program, be included in any welfare reform proposal on which the Congress acts.

Specifically, Mr. President, the work incentive program is a mechanism designed by the Congress to help AFDC recipients find and keep jobs. The program provides manpower training, employment services, and opportunities and supportive services, including child care for WIN families.

The WIN program was originally enacted by the Congress in 1967 for the purpose of reducing welfare dependency through the provision of manpower training and job replacement services.

In 1971, the Congress adopted amendments and proposals aimed at strengthening the administrative framework of the program and placing greater emphasis on immediate employment instead of institutional training, thus specifically directing the program to assist individuals in the transition from welfare to work.

In the same year, Congress also provided for a tax credit for employers who hire WIN participants, equal to 20 percent of the wages paid for a maximum of 12 months employment. Adult members of AFDC families who were capable of employment, with certain exceptions such as mothers caring for preschool age children, are required to register for participation in the work incentive program, established under title IV(c) and to accept training for employment offered through that program.

Federal funding for the WIN program, including the cost of necessary supportive services, is provided at 90 percent maximum rate. This program is subject to annual appropriations, and is presently funded at a level of $365 million.

Legislation enacted early this year, Public Law 95–30 authorized additional appropriations up to $435 million for fiscal years 1978 and 1979 to be used without any non-Federal matching requirement. No funding under that provision has yet been appropriated.

I believe that it is important to keep in mind the important role that employment and earnings have in the lives of welfare recipients. We hear all too often that welfare recipients are unemployable, that moving them into the labor force is an unreasonable and unattainable goal.

I disagree with that assessment. I believe that there is strong evidence to back up my views.

First of all I would like to point out that many AFDC mothers, fathers, and youths who are working and earning incomes to support their families, they find jobs, either through their own initiative or through the work incentive program. The last survey of AFDC recipients show that in the month of March 1975, about 16 percent of AFDC mothers were employed either full or part-time.

The experts estimate that in the course of a year, as many as 40 or 50 percent of the mothers on AFDC have earnings. In my judgment, many of our present recipients could improve their employability and raise family income even more than they are currently doing if we provide the proper kind of incentive.

Despite the economic recession, the WIN program has been working effectively, particularly in the service sector of the economy. Recent economic dislocations have hit manufacturing, construction, and related industries the hardest, resulting in high unemployment rates in those sectors. However, the service sector has expanded and created jobs for those in a position to take advantage of them.

WIN participants have been getting those jobs. Statistics have suggested WIN successes.

In fiscal years 1973 through 1975, 297,000 WIN registrants entered employment. Of these 139,000 and their families were taken off welfare rolls and 158,000 remained on welfare but received smaller grants as a result of WIN-found employment. Also, welfare spending, both Federal and State for those fiscal years, was reduced by nearly $400 million.

In addition, in fiscal year 1976 and the following transitional quarter, another 237,000 WIN registrants entered employment. Of these 105,000 individuals, plus the children of these individuals, went off welfare completely.

Statistics for the first quarter of the fiscal year 1977 indicate that the success is continuing. In that brief period, 59,000 AFDC recipients entered employment, and 30,000 of them finally left welfare as a result of sufficiently high earnings.

Mr. President, at this time I want to point out President Carter's statement dated May 2, 1977, on welfare reform. It cites as one of his objectives that "incentives should always encourage full-time and part-time private sector employment." I believe this gives WIN-type programs the go-ahead if not an endorsement.

Mr. President, an article in U.S. News & World Report of July 18, 1977, discusses in detail welfare programs by States for welfare recipients and the effects of a steady step-up of the Federal Government's work incentive program and its role of finding jobs for welfare recipients.

For example, WIN placed more than 230,000 individuals in jobs last year. This is more than twice the number it placed in the entire first 4 years of its life, from 1968 through 1971.

I ask unanimous consent that this article be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From U.S. News & World Report, July 18, 1977]

LABOR: WHEN STATES TELL PEOPLE THEY MUST WORK FOR WELFARE

Utah's "workfare" program has blazed a new trail. Now many other States are testing plans aimed at the same goal: putting people on relief to work.

The idea that able-bodied people should be required to work for their welfare money is spreading rapidly across the U.S.

One such "workfare" program attracting nationwide attention is operating smoothly in Utah.

So successful is the Utah plan in moving people off relief rolls that half a dozen other States are taking a look at it as a possible model for programs of their own. Some believe it might even be useful to the Carter Administration in its search for national welfare reforms.

Besides Utah, at least 16 States have stiffened their work requirements or added new work incentives in the last two years. A number of other States and many cities have some kind of program aimed at putting relief recipients to work. And the Federal Government's Work Incentive Program—known as WIN—is steadily stepping up its pace in finding jobs for welfare recipients.

ON THE JOB, ON THE DOLE

The Utah plan is unique in several respects. It is sterner and goes further than most other programs. It is mandatory. And it doesn't just train people for future jobs. It actually puts them to work while they are still drawing welfare payments.

In most places, such work requirements apply only to people on programs financed by State or local funds, such as "general assistance" or "direct relief."

Utah's plan applies to those who receive Aid to Families with Dependent Children (AFDC), a huge, nationwide program that draws heavily upon federal funds. Utah officials say theirs was the first work requirement approved by the Department of Health, Education, and Welfare for application to AFDC.

"Utah is the first State where people earn their welfare grants," claims the program's co-ordinator, Usher T. West.

Officially, Utah's method is called a work-experience and training program. But its training is not the usual type done in classrooms. Trainees learn to work by actually working. If private employment cannot be found for them, they are put to work for public agencies, doing jobs that are needed by State or local governments. They serve as teachers' aides in their neighborhood schools or plant trees in public parks, for example. They work three days a week but remain on the welfare rolls until they find regular jobs.

Only ill, aged or disabled persons or mothers with children under 6 years of age are exempted. All others are told to take one of the jobs offered to them or lose all or at least a part of their welfare payments.

Those who participate in the program are helped by the State to find jobs in private industry. Many are doing so.

In one six-month period, from July through December of last year, 782 people were assigned to the work program. Of that total, 311 were removed because they did not perform as required. But 11 people were hired by the sponsors who gave them their training jobs, and 218 found other kinds of employment. In addition, 109 mothers found enough work to reduce the amount of welfare funds needed to support their families.

"FEELING GREAT"

A 32-year-old mother of two children was hired recently as a full-time office worker in Salt Lake City's assistance-payments administration, the same office that handed her welfare checks for 13 years before she took job training for two years. During the instruction period, she says, "even though I was getting welfare I felt I was working for it." And now, she adds, "With my new job I am barely making ends meet. But I feel great because I am making it on my own."

Utah officials point out that communities as well as individuals benefit from the program. Some agencies, such as private nonprofit organizations that are constantly short of funds, report that the services of welfare recruits have been invaluable.

One self-help agency in Salt Lake City, for instance, had the funds to buy insulation for the homes of elderly poor people, but lacked money to hire workers to install it. Welfare trainees have been assigned to the job. Another self-help group put trainees to work repairing the homes of elderly Salt Lake City residents.

A QUESTION OF LEGALITY

Some cities charge that Utah's job-training effort is nothing more than a thinly disguised public-works program that uses under-paid welfare recipients in place of regular employees.

Legal-services lawyer Lucy Billings says she is considering filing a court suit against the program on the ground that it violates federal regulations that people cannot be required to work for their welfare payments.

It took Utah three years to get its program approved by the U.S. Department of Health, Education, and Welfare. For 18 months, HEW withheld federal contributions to Utah's program for Aid to Families with Dependent Children. It cost the State almost a million dollars to make the AFDC payments entirely from State funds. But many Utah people feel that it was well worth the cost.

Utah officials concede that their program might not work so well in other parts of the country, especially in big cities where population is denser and welfare rolls are much larger. Of Utah's nearly 1.2 million residents, only 39,000 are getting money grants of aid. Also, it is suggested, labor unions in more-industralized States might oppose welfare people being given jobs that might be sought by union members.

But in view of Robert W. Hatch, a field director for the Utah assistance-payments administration, public acceptance of the idea that welfare recipients should work for their money is spreading throughout the nation. Says Hatch: "I think that in time, putting welfare clients to work will become a common practice."

In fact, a trend in that direction is already apparent.

Oklahoma has a 2-year-old work-experience program that was passed by the legislature at the urging of Governor David Boren.

It requires that anyone 18 or older in a family receiving Aid to Families with Dependent Children must visit the local employment office and sign up for a job that's available.

In 1975, there were 2,300 persons participating in the Oklahoma program. Many worked in State institutions, hospitals or in county offices for $5 a day to offset expenses, plus their regular AFDC checks.

"They are usually placed in jobs where they can early be trained and hopefully be picked up by the business community," says a State spokesman. Last year, more than 700 persons were placed in permanent positions outside the government.

THE RISK OF REJECTING WORK

The Texas legislature recently passed legislation to supplement the Federal Government's Work Incentive Program. Welfare recipients must register for work, and if they reject a job without a good reason, their benefits may be cut off after an administrative review.

North Carolina's legislature this year passed a law requiring welfare recipients to register for work.

As the law's sponsor, State Senator E. Lawrence Davis of Winston-Salem, explains it: A family head who fails to register is taken off the rolls. But aid to his or her children will continue as "protective payments" made through some other person or perhaps an agency, such as a church. Since the law did not take effect until July 1, it's too soon to tell how effective it will be.

A PART-TIME WORK FORCE

In the State of New York, all employable persons receiving general welfare-assistance payments have, since May 1, been required to work three days a week in a local-government agency if jobs are available.

There are about 60,000 such persons, and State Social Services Commissioner Philip Toia says: "We're hoping to develop jobs within local-government agencies for at least 30,000 of those employables within the next three months. We're hoping that, when faced with working three days a week, many will go out and get a full-time job."

One problem is that four fifths of the employables covered by the program are in New York City, where in the last two years thousands of public employes have been laid off in the city's effort to cope with a financial crisis. "I anticipate some complaints from the municipal workers' unions," says Assistant Welfare Commissioner Irwin Brooks. However, acording to a *New York Daily News* poll published May 23, about 87 percent of residents in the New York metropolitan area approve of the new workfare program.

Work-for-welfare bills similar to New York's are pending in several States, including Connecticut and New Jersey.

Massachusetts is one of the States studying the Utah plan of mandatory work for heads of AFDC families. Since 1975, Massachusetts has barred all employable persons from direct relief or general-assistance rolls. The State of Rhode Island followed suit last September, cutting its relief case load by more than 20 percent.

MILLION-DOLLAR SAVINGS

Bridgeport, Conn., started last year a plan requiring employable people receiving welfare to work one or two days a week, depending on the amount of their aid. About 300 persons out of a case load of 1,300 are now working. If they fail to work for a period of two weeks, their benefits are automatically terminated.

Result: Bridgeport's case load has been cut 45 percent in a year's time, with a million-dollar reduction in the city's welfare budget.

Milwaukee County, Wis., has a locally run pay-for-work program requiring all able-bodied welfare recipients to take specially created jobs in municipal or county departments. They are paid $2 an hour for a 32-hour workweek.

One experiment being watched closely is a "supported work" program run by the Manpower Demonstration Research Corporation, a nonprofit, tax-exempt organization set up with the support of the Ford Foundation and five Federal Government agencies—principally the Department of Labor.

It has 15 projects in 13 States that provide jobs, monthly with public or nonprofit agencies, for more than 2,000 marginally employable people, including AFDC mothers. Instead of welfare checks, they get paychecks at minimum-wage rates.

A mixture of welfare funds and grants is used to finance the program. The workers will be helped to find permanent jobs in private industry once they have developed the necessary skills.

Many towns and some States have found that the administration of work-for-aid programs is too costly to justify the small numbers put to work. But the search for practicable systems goes on—and widens.

In the words of Fritz Kramer, a manpower specialist with the Labor Department: "A number of States are exploring ways to provide jobs in either the public or the private sector to get people off the welfare rolls."

Mr. TALMADGE. Finally, Mr. President, there is a very informative article from the November 8 Wall Street Journal entitled "Off the Dole: Efforts To Switch Poor From Welfare to Jobs Make Some Headway," that I ask unanimous consent to be printed in the RECORD. I trust that my colleagues in Congress will take careful note of my comments today and the facts backing them up before acting on welfare reform legislation.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OFF THE DOLE: EFFORTS TO SWITCH POOR FROM WELFARE TO JOBS MAKE SOME HEADWAY

(By Jonathan Spivak)

NORTH BILLERICA, MASS.—Last December, 36-year-old John Michaud lost his plumbing job and went on welfare to support his family on $173 a month. But now, after retraining, he is holding down a $305-a-week job as a railroad-car repairman here at Boston & Maine Corp.'s freight yard, and he's delighted: "I'd much rather be working here; the money is good."

Mr. Michaud is the beneficiary of a little-noticed federal program, known as WIN, that seeks to move people from the welfare rolls to private payrolls. Thus it's a forerunner of President Carter's proposed welfare overhaul, which emphasizes the same goal. After a sluggish start, WIN (it's short for Work Incentive Program) is gaining some victories that raise hopes for success of the Carter idea.

Last year, WIN projects placed 230,000 welfare recipients in jobs paying an average of $3.10 an hour, well above the federal minimum wage of $2.30. Two-thirds of the workers stayed on the job long enough to escape welfare entirely or at least to have their grants reduced. "In two years, we've increased private-sector employment (of WIN beneficiaries) by 50%," boasts Merwin Hans, the U.S. Labor Department official who runs the show.

The 10-year-old, $300 million-a-year WIN program, which gives employers federal subsidies to train and hire welfare recipients, is currently the main channel for the welfare-to-work switch. But lesser efforts in Massachusetts and some other states are also offering glimmers of hope.

PROJECTS IN MASSACHUSETTS

In Cambridge, Mass., a federal project known as the Job Factory requires relief recipients and other unemployed to spend 40 hours a week looking for work. They are taught how to conduct a job search, including writing of resumes; the need for promptness and good grooming is emphasized. Of an initial group of 107, some 60% landed jobs, and earn an average of $3.80 an hour.

In Boston, the nonprofit Transitional Employment Enterprises Inc. relies on another approach: converting a welfare recipient's grant into a paycheck while he or she learns a job. A carefully calculated system of incentives, regarding attitude, appearance and other self-improvement efforts, permits participants to earn an extra $40 a month. Among other skills, they learn typing, printing, light construction and welfare casework. So far six mothers taking part have graduated to regular jobs in the Boston welfare department. This venture "gives people a chance that never had a chance," rejoices one 25-year-old woman participant.

As these projects demonstrate, some welfare recipients can be coaxed off the relief rolls. And many of them, particularly mothers with dependent children, are eager to work. "I don't want to make a career out of welfare," vows a 29-year-old typist at Transitional Enterprises. (A prominently displayed note from her nine-year-old son helps illustrate the psychic awards. It reads: "Mother's got a job. She gets paid and she got a good job and there are nice people at her job.")

CARTER'S AMBITIOUS PLAN

The promise of these work projects has encouraged Carter administration planners to propose an ambitious $8.1 billion jobs and training program as the leading edge of their proposed welfare overhaul. Besides providing cash supplements for the working poor, the program would roughly double the number of public-service jobs to 1.4 million and would seek to install relief recipients in those jobs. Washington would also underwrite education and training intended to turn these government dependents into taxpaying workers The long-range goal: to assure every family head a job that would keep him or her out of poverty and off welfare.

As many as half of the nation's welfare recipients might move into jobs with this sort of help, some experts calculate. Carter administration officials offer a more precise prediction: that 43% of the mothers getting aid to families with dependent children would seek jobs, since they would make more money by working than by staying on welfare. Those mothers make up most of the adult welfare population.

But other analysts, including union and big-city officials, are skeptical of such forecasts. They say the administration may be overoptimistic in assuming the availability of adequate day-care services and of part-time work for women with young children. Besides, it may be difficult to generate all the additional public-service jobs planned and to fill the total number with welfare recipients. The plan assumes that current holders of public jobs can be moved onto private payrolls—a shaky assumption with unemployment at 7%.

EARLIER DISAPPOINTMENTS

Moreover, manpower experts recall disappointments in some past efforts to put welfare recipients to work. Employers have found that many, with low skills and poor work attitudes, have failed to stick at jobs after training.

But Labor Secretary Ray Marshall, who designed the welfare work provision, is confidently pushing ahead. He has strong backing, not only in Washington but around the country, for putting welfare recipients to work. It's partly a matter of philosophy, partly icy practicality.

"Every man and woman who is willing and able to work is entitled to a job," declares Gov. Michael Dukakis of Massachusetts. Notes Joan Willis, a jobs expert at the National Governors Association, "There's strong work-ethic feeling."

That feeling runs especially high among conservatives in Congress. Though they bitterly assail the $31 billion-a-year price tag on the Carter welfare plan, they are enthusiastic about planned employment efforts. So, too, are state and local officials; they see a chance to cut the welfare costs burdening their budgets.

And while union chiefs worry about low-wage competition for their members, some employers see the able-bodied adults on welfare as a potential pool of labor. Experiences with WIN have encouraged them.

Recently the B&M rail yard here, short of workers to unload some new autos, called the nearby office of the WIN program and within hours had 11 qualified candidates to choose from. "It's given us the ability to do things we otherwise wouldn't have been able to do," Alan G. Dustin, B&M president, says.

STATE PROGRAMS

So, with diverse support it's getting, the Carter proposal for putting welfare recipients to work is likely to command serious congressional consideration even if other parts of the welfare plan languish.

Whatever happens in Washington, some state governments are moving ahead on their own. In 1974, Utah started a mandatory work program for able-bodied welfare recipients. They work three days a week in such public jobs as highway maintenance and spend two days looking for permanent private employment. State officials figure that in two years the plan has reduced the welfare rolls by 16 percent and saved $341,000.

In New Hampshire, a unique program known as Women for Higher Education is enabling 208 welfare mothers to earn college degrees and a chance to enter the working world. More than half who graduate leave the welfare rolls, taking jobs as nurses, social workers, teachers and secretaries. New Hampshire will save a modest $107,000 this year in welfare costs, but the real winners are the women who manage to escape the so-called cycle of dependency, in which families are stuck on welfare for generation after generation. "We want to break the cycle, provide people lifelong options," explains Susan O'Brien, project coordinator.

Among other states, Massachusetts, Connecticut, Florida and California are examining the potential of programs that require welfare recipients to work at public or private nonprofit jobs. Recently, officials of the Labor and Health, Education and Welfare departments in Washington gave tentative approval to a request from Massachusetts Gov. Dukakis to begin a pilot "workfare" program for 2,000 unemployed fathers currently on welfare; the federal officials promised to pay up to $2 million of the cost. The plan requires special approval because of Washington's concern that work requirements might violate the concept of giving welfare benefits without any strings.

The 2,000 Massachusetts fathers would go to work three days a week at public agencies or private nonprofit institutions such as day-care centers. On the other two days, they would get counseling and job-referral aid. The plan is being presented as a way to determine which relief recipients are employable and which aren't. It also symbolizes a tough-minded approach toward welfare that appeals to taxpayers.

LIBERAL OPPOSITION

But the opposition from liberals is running strong. "Impressed labor," snorts Paula George, coordinator of the Massachusetts Coalition Against Welfare. The jobs would be "demeaning," argues Frank Gullini, head of a job training center in Springfield; he contends the recipients would be "further entrapped in welfare." State Rep. Barney Frank demands: "How are you going to check to see that sponsors aren't exploiting these people?" The critics say similar "workfare" experiments in the past have been costly and unrewarding.

The WIN program is another matter, however. Massachusetts, with welfare outlays of more than $500 million a year squeezing the state budget, has mounted probably the most determined effort to make WIN work in cutting welfare costs. In the past year, about 5,400 jobless fathers, more than half the number on the welfare rolls, have been placed in private and public jobs, saving the state an estimated $10.5 million annually. Gov. Dukakis credits this achievement to better administration, though the stronger economy certainly helped.

For a closer look at one of WIN's successes, see what United Technologies Corp.'s Pratt & Whitney Aircraft group is doing at its huge 20,000-employee jet-engine plant in East Hartford, Conn. The plant hires 5 percent to 10 percent of its new employees through WIN; in return, the company gets some $200,000 a year in tax credits. Pratt & Whitney executives say the local WIN office does a better job of selecting workers than does the regular federal-state Employment Service. The welfare graduates start work at $4.50 to $4.73 an hour and 70 percent of them stay on the job, a rate equaling or exceeding that for other employes. Their motivation is strong. "Most of them like to forget there was a time they needed to be on welfare," William Gilson, personnel manager says.

BELGRADE CONFERENCE

Mr. DOLE. Mr. President, as a member of the Commission on Security and Cooperation in Europe, I participated last week in the Conference now underway in Belgrade, Yugoslavia, together with my fellow Commissioners, Senator PELL and Congresswoman FENWICK.

For the past few months, the delegates have been systematically and thoroughly reviewing all the provisions of the Helsinki Final Act and have now moved into the next stage, that of examining and tabling new proposals and language.

In addition to attending the meetings of the working groups or baskets, as they are called, during the week, it was my privilege to address the plenary session of the Conference on Friday, November 25, 1977, and I ask unanimous consent to have the full text of my remarks printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR DOLE AT THE PLENARY SESSION

Mr. Chairman, I wish to extend my gratitude to the government of Yugoslavia for the excellent job they have done in hosting this historic meeting. Although my duties in the Senate of the United States have prevented me from spending as much time here in Belgrade as I would have liked, I, along with my colleagues in the Congress, have followed these proceedings very closely and with great interest. The Chairman of my delegation, Ambassador Goldberg, has articulated the views of our government and our people on many occasions during this meeting in a frank and forthright manner. He has expressed the particular concerns of our country that the human rights provisions of the Helsinki Final Act be implemented and observed. In doing so, he speaks for all Americans.

My delegation, however, is not only concerned with the human rights provision of the Final Act. We are dedicated to the fulfillment of all its provisions. Quite frankly, great doubts were expressed by many Americans about the Final Act at the time it was signed in August of 1975. It was not all some Americans wanted and more than others cared for. President Ford was criticized for his participation at Helsinki and the Final Act was a matter of some contention in last year's Presidential election.

To his credit, President Carter not only continued, but personally strengthened America's commitment to implement the Final Act. Just last week, Vice President Mondale reaffirmed this resolve. American commitment to the implementation of the Final Act is across the Board, it is strong, it is bipartisan.

Mr. Chairman, I am sure that whatever is accomplished here will be the result of compromise and cooperation. It is significant, however, to note that whatever the end results, there has been a review of the Final Act and there is a consensus for additional meetings. This, in itself, is progress—painfully slow as it may be.

POLITICS OF HUMAN RIGHTS

Without a doubt, it is popular politically speaking, to pursue the quest for human rights. In most cases, it is also highly appropriate. Some, of course, would have you believe they discovered the dignity of man, while others are quick to condemn but slow to self-examine.

Ambassador Goldberg and other United States delegates have been specific and to the point. They have properly stated our case. Therefore, it is not my purpose to confront, or posture, or pound anyone over the head. Specific "human rights" cases which have been called to my attention have been passed on to appropriate officials. I shall hope for expeditious handling and favorable disposition. My delegation does not seek to confront but to cooperate and we do not seek to confuse but to clarify and not to weaken but to strengthen.

A NATION OF IMMIGRANTS

We are a nation of immigrants, people who have come from all over the world to participate in the promise of America. Most of our population come from European backgrounds. They have cultural and ethnic identity with most of the participating states in this meeting. They actively maintain their interest in their heritage and in their former homelands.

They express their interest through associations and organizations throughout America. For example, I have met with representatives of organizations such as the National Confederation of American Ethnic Groups, the Czechoslovak National Council of America, the Congress of Russian Americans, the Polish American Congress, the Hungarian Organization in North America, the Ukrainian National Association and the Joint Baltic American National Committee—and many others. They have expressed their concern not only about the human rights provisions of Basket II and Principle VII, but also about the right of self-determination of all peoples.

It is a fact that the United States has never recognized the Soviet incorporation of Lithuania, Latvia, and Estonia and U.S. official policy of non-recognition was not affected by the results of the European Security Conference. This long-standing principle is the policy of the United States and is supported by the Congress of the United States.

I cite these groups and their concerns not to be provocative or confrontational. I merely wish to clarify and explain the reasons for the strong concerns of my delegation and my government in the field of human rights. There is—in my opinion—a direct connection between the public perceptions of the integrity of the Helsinki Process and the ability of governments in the West to carry on the process

of detente. Public trials of political dissidents, for example, could have a profound impact on pending or subsequent bilateral and multilateral agreements. Most members of the Congress of the United States believe, in my opinion, that human rights cannot be subordinated to development, cooperation, and security.

Our basic goal is to promote genuine understanding and relaxation of tensions between the participating states, greater respect for human rights, freedom of religion of self-determination of all peoples. We view CSCE as an important step toward achieving these objectives. We also understand that ours is not a perfect system—that we too have our own problems and failings—but we are making efforts to do better, and we will continue our work toward full implementation of all the provisions of the Final Act in our own country.

AMERICAN PROPOSAL

Finally, it is in this spirit that the American delegation, with the support of other delegations, will put forward a proposal which will, among other things, recognize the importance of the CSCE process and its continuation. The proposal will resolve to implement unilaterally the relevant provisions of the Final Act relating to human rights and fundamental freedoms and to ensure their implementation bilaterally and within the context of the CSCE and other multilateral fora.

December 10 is Human Rights Day, Anniversary of the U.N. General Assembly's adoption of the Universal Declaration of Human Rights in 1948. May it serve to remind all nations of how far we have come and the distance yet to travel as we strive for future cooperation and security in Europe.

KAISER ALUMINUM AND WBOY–TV, ON THEIR 20TH ANNIVERSARIES, PROVIDE POSITIVE PROOF OF WEST VIRGINIA'S PROGRESS

Mr. RANDOLPH. Mr. President, on November 17, 1957, the first aluminum was produced at Kaiser Aluminum's giant Ravenswood reduction plant. This metal was the very first trickle of what now totals 6 billion pounds of aluminum produced at Ravenswood. It marked the first time that aluminum had been poured in the Ohio Valley and in West Virginia.

Twenty years later, on November 17, it was my privilege to return to the Jackson County site—once a barren cornfield along the Ohio—and tour the huge plant which has 110 acres of production area under roof. It is the largest manufacturing plant in West Virginia.

Ravenswood works manager L. J. McAdams and Warren Cooper, manager of Midwestern regional public affairs for Kaiser Aluminum in Charleston, recounted to me the spectacular growth of the plant as we visited the production areas.

Coincidentally, on that same date another West Virginia industry marked its 20th anniversary. At Clarksburg, Harrison County, I participated in a special birthday program marking the two decades of operation of WBOY–TV, channel 12.

Both the aluminum and television industries are relative newcomers to this modern age of technological development. So 20 years of operation is a record worthy of note.

WBOY–TV was founded on November 17, 1957, as a sister station to WSTV, channel 9, Steubenville, as part of the Friendly Group. The station started with modest studio facilities, but today it is housed in a modern facility. The station has 129,000 watts of power on a 600-foot antenna—highest in central West Virginia. It covers 10,000 square miles of viewing area, and serves four States through a CATV system. Its maximum potential coverage ages is an estimated 750,000 individual viewers.

Principal owner of WBOY–TV is Birney Imes, a highly successful businessman and publisher of Columbus, Miss. The management and production staff includes Skip Sims, general manager; Bob Toothman, operations manager; Joe Wright, chief engineer; Bob Phillips, news director; Frank Gregg, sales manager; and John Pratt, public affairs director.

WBOY and its staff have received a number of awards for public service over the years, including on several occasions around-the-clock broadcasting in natural disasters.

In recognition of the two anniversaries I have described, I ask unanimous consent that a news article which appeared in November 20 edition of the Ravenswood News be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Ravenswood News]

SENATOR RANDOLPH TOURS KAISER'S RAVENSWOOD WORKS

Senator Jennings Randolph reviewed the growth of Kaiser's Ravenswood Works at the plant Thursday and said, "I have reason to believe there will be further expansions in the future."

Randolph toured the giant aluminum-producing facility—one of 40 such operations in the world—on the 20th anniversary of the start of production there.

"Twenty years ago," he observed, "Kaiser Aluminum gave a tremendous boost to the West Virginia economy in start production with 1,300 workers. Today, there are 3,800 workers at the plant—an increase of 2,500 industrial jobs since 1957."

Randolph toured the 110 acres of production area, met with employees during a shift change, and commented:

"Everyone I meet, the managers and employees, tell me this is the best aluminum plant in the world."

The West Virginia senator recalled that he had introduced the late industrialist, Henry J. Kaiser, when he was toastmaster at a community banquet in Ravenswood on May 30, 1955. "He said then that the plant would be located in West Virginia because of the spirit of its people. Henry Kaiser had a philosophy that it was more important to build people than plants, and that has paid off handsomely for Jackson County and for West Virginia."

It is that spirit, Randolph added, which has created a "bright new chapter in our state's industrial history." He noted that within the past half-dozen years Jackson County has grown in population by six percent.

"This is a story of tremendous opportunity and growth, of progress and prosperity," Randolph concluded. "It is a story that you, the employees of Ravenswood Works, are continuing to write today. I congratulate the employees of Kaiser Aluminum, and the people of Jackson County."

Earlier Thursday, Randolph participated in another 20th anniversary celebration, at WBOY–TV in Clarksburg. During an interview, he recalled that his son, Jay, now a nationally known sports broadcaster, got his start in television with the Clarksburg station.

CTX AIRCRAFT PROCUREMENT

Mr. BAKER. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by the distinguished Senator from Arizona (Mr. GOLDWATER), and the material attached thereto.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR GOLDWATER

On November 3, I wrote to the Secretary of Defense about Navy's decision to procure the CTX aircraft on a sole source basis without benefit of open competition. I asked the Secretary of Defense to look into this matter and to give me his views as to whether this type of procurement, that is sole source, is to be the standard for the Department of Defense in future procurements. I have also asked that after he reviews this intended procurement, he advise the Navy that it should proceed with an open competition for the CTX aircraft.

I have not yet received a reply from Secretary Brown but I hope he will see fit to direct Navy to procure the CTX only through open competition.

On November 18 I responded to the Secretary of the Navy's letter of October 31 in which he advised me that he had decided against acquiring the CTX through open competition. I had placed Secretary Claytor's letter of October 31 in the Record of November 1, 1977. The essence of my most recent letter to Secretary Claytor is that I do not accept his decision as being final and that I intend to pursue this matter as long as I can to do everything that I can to get Navy to acquire the CTX through competitive procedures.

COMMITTEE ON ARMED SERVICES,
Washington, D.C., November 3, 1977.

Hon. HAROLD BROWN,
Secretary of Defense,
The Pentagon,
Washington, D.C.

DEAR MR. SECRETARY: On November 1, I received a letter from the Honorable W. Graham Claytor, Jr., Secretary of the Navy, advising me that the Navy was going to acquire its CTX aircraft without benefit of open competition. I am enclosing a copy of Secretary Claytor's letter, along with three extracts from the Congressional Record, which outlines quite clearly my interest in this particular matter.

I am most disturbed that the Department of Defense would allow the purchase of this aircraft without competition, since I have always felt this is the best way to get both price and quality. I wanted to bring this matter to your attention to have your views on whether this type of procurement is the standard for the Department of Defense. I hope after you review the material relating to this case, you will see fit to advise the Navy to proceed with an open competition.

Sincerely,

BARRY GOLDWATER.

COMMITTEE ON ARMED SERVICES,
Washington, D.C., November 18, 1977.

Hon. W. GRAHAM CLAYTOR, Jr.,
Secretary of the Navy,
The Pentagon,
Washington, D.C.

DEAR MR. SECRETARY: This is in response to your letter of 31 October in which you advised that you had decided against acquiring the CTX through open competition.

As I stated on the floor of the Senate on 2 November, I am deeply disappointed that you have decided to proceed in this manner.

To me, your decision to go against the principle of open competition in the acquisition of this aircraft is just not understandable and I fail to see how you can believe, as you stated in your letter, that it is in the best interest of the Navy to acquire this aircraft through other than open competitive procedures. Frankly, I do not accept your decision as being final and I do not intend to let up on my insistence that this should be a competitive procurement.

As I said in my floor statement of 2 November, I am exploring the possibility of asking the General Accounting Office to examine whether or not this procurement falls within the guidelines of the ASPR. In addition, in the near future I will be requesting the Department of the Navy to provide me with a list of all contracts that were let sole source in fiscal years 1977 and 1978, along with an explanation of why such a sole source contract was necessary. When appropriate, I then intend to put this information in the Congressional Record.

I very much regret that you have elected to acquire the CTX through sole source procedures. However, as I said in my letter to Secretary Brown of 3 November (copy enclosed), I hope he will see fit to direct Navy to proceed with an open competition.

Sincerely,

BARRY GOLDWATER.

REDUCTION OF CUSTOMS DUTIES

Mr. TALMADGE. Mr. President, 3 weeks ago, my colleague from South Carolina introduced a resolution which would place the Senate on record opposing any reduction of customs duties on textile, apparel, or fiber products during the Tokyo round of multilateral trade negotiations in Geneva.

I wish to congratulate and commend the Senator for offering this resolution. It addresses a problem which confronts a great part of this Nation. The matter of textile and apparel imports, specifically the subject of textile tariffs, is important to my State, for many States in the Union and, in fact, for the entire Nation.

In introducing his resolution, Senator HOLLINGS placed before this Senate specific details of a situation that cannot be ignored. Each Member of this body, and each official of the executive branch who has responsibility in the area of international trade policy must take notice.

When the interests of the U.S. textile industry are threatened by imports and may be further jeopardized by international negotiations to which we, as a nation, are a party, it is time for us in the Senate to take stock of the situation.

Therefore, Mr. President, I would like to take a few minutes to respond to those who would propose to reduce textile and apparel tariffs during the Tokyo round exercise. For them, some pertinent points need review.

It has been 20 years since the textile industry of this country has enjoyed a favorable balance of trade. Last year the textile trade deficit represented $3 billion of our Nation's $9 billion total trade deficit. The situation has deteriorated even more in 1977. Based on the first 9 months of this year, the projected year-end textile trade deficit will be $3.2 billion. In equivalent terms, the 1976 deficit was $2.8 billion.

This fact, in itself, is sufficient reason for demanding no reductions in textile tariff rates. But the condition of our balance of trade in textiles has broader implications than a tally sheet shows.

The textile/apparel complex is the largest employer of manufacturing labor in the United States—large enough to include one out of every eight manufacturing jobs. Of this total work force, a great percentage are either women or members of minority groups—both very critical sectors of our economy. Both of whom make up a disproportionate share of our Nation's unemployment problems.

Present unemployment in textiles is 7 percent; 10 percent in the apparel sector. When you consider that many of these jobs are in central cities and rural towns where no realistic employment alternatives exist, these figures take on added importance.

As you probably know, the textile industry's impact on our economy is dramatic. It is a $40 billion a year business. Its effective Federal income tax rate alone is 40 percent. Only one other U.S. manufacturing industry has a higher rate.

Textiles is also a consumer of other American products, such as cotton, wool, and manmade fibers.

In terms of what it produces, who it employs, where they work, the U.S. textile industry is vital to the fundamental well-being of our Nation.

In terms of national defense, the industry also assumes great importance. In defense of our country, textiles has been rated second only to the steel industry.

Yet, this crucial industry today faces a real threat from high rates of imports. And, as we know so well, a high rate of foreign imports means a great loss of American jobs. And a great hardship on our people. A hardship they should not have to bear.

For those who would propose throwing textile tariffs on the bargaining table, consider that textile imports in the past 5 years translate into a loss of 400,000 American jobs.

Consider, too, that there have been two dozen closings of textile plants this year alone.

I do not believe we can continue to condone the exportation of American jobs, American dollars, American technology, so that other nations can profit at the expense of all Americans.

Mr. President, perhaps no other nation has so completely embraced the concept that a man who can build a better mouse trap deserves to sell that mouse trap in a fair and free market anywhere in the world. This has been an American goal since the dawn of history.

Unfortunately, the real world has proved far different than the world of the idealists. Free trade will never be, as long as we are willing to give away jobs and our industrial capacity to any country that comes along and wants it. Yes, the ideal would be a free-trade world. But to be free, trade must also be fair. The word "trade" itself implies reciprocity of action. In order to receive, we must be willing to give. By the same token, in order to afford to give, we must exact a reasonable return for our contribution. So far, the United States has been a loser on all counts.

It is not enough to simply open the American market to the world without inflicting the same restrictions on foreign producers that we inflict on our own companies and businesses.

When foreign governments subsidize their manufacturers, offer a variety of incentives and bonuses, which our own domestic manufacturers lack, then I question where the equity is.

Likewise, it is not fair to allow foreign producers to enjoy advantages in the American market that our own manufacturers do not have.

Take wages for instance. The average American textile worker earns $4.03 per hour. In some less-developed countries, the wage rate is 25 to 50 cents an hour. In many of these low-wage countries, children work in textile mills where working conditions would shock and disgust any American. And that brings about another point.

The U.S. textile industry today faces the probability of spending literally billions of dollars to improve safety and health conditions in their plants, already the most modern and efficient in the world. An expenditure that our foreign competitors do not bear. An expenditure that amounts to a reverse subsidy favoring foreign textile producers who would sell in the American marketplace.

If anyone thinks that is free trade, they are kidding themselves. It does, however, emphasize the fact that if we cannot have free trade, then orderly and regulated trade is the only compromise.

In the last decade, textile imports have grown at an average rate of 5.5 percent annually, or a total of 71 percent. The U.S. textile market, however, has grown only 2.5 percent per year, or 28 percent overall.

These figures do not point to orderly and equitable trade. They pinpoint the fact that the American textile industry is on a collision course with disaster.

Another figure adds to the concern. The GATT multifiber arrangement which is expected to be renewed at the end of this year will apparently include an annual, allowable import growth rate of 6 percent. This will permit textile imports to capture an even greater portion of the U.S. market which has been expanding at less than 3 percent per year. Certainly, more American jobs will be lost.

Yet, we hear reports about the possibility of deep cuts in U.S. tariffs on textiles and apparel. Even though current tariffs do not limit access into the U.S. market, we hear talk of cutting those tariffs somewhere between 44 and 60 percent.

Such action would serve only to compound an already complex situation. It would only serve as an open invitation, courtesy of the U.S. Government, for an unwarranted surge of foreign textiles into the U.S. market. A 6-percent decline in import prices, if domestic prices remained unchanged, could boost imports of fabric by an average 700 percent. A 50-percent cut in tariffs would result in a loss of 2.2 million American jobs by 1985,

approximately 600,000 jobs from the textile and apparel industry and 1.6 million jobs in other businesses and industries, due to a "ripple" effect.

Mr. President, I join the Senator from South Carolina in saying that the American textile industry cannot withstand the shock of that situation. Nor should it have to, given its importance to our economy.

For that reason, I urge each of my colleagues in the Senate to support resolution 324. There should be no reduction of U.S. tariff rates on textiles and apparel imports. Textile, apparel, and fiber products should be fully excluded from the Tokyo round of multilateral trade negotiations.

American's textile industry and its 2,300,000 employees deserve no less.

PITTSBURGH STEEL CONFERENCE

Mr. SCHWEIKER. Mr. President, during the November recess I had an opportunity to address the Pennsylvania Steel Conference in Pittsburgh. This important meeting of business, labor and government officials was called by Governor Shapp because of the critical and growing crisis in the domestic steel industry.

Because of the wide-ranging impact the steel industry has on the national economy, I ask unanimous consent that the text of Governor Shapp's significant keynote address to the conference be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

The present steel slump could trigger a major recession in the United States unless effective national and State programs are quickly developed to deal with the core problems.

The purpose of this conference—being held in the nation's steel capital—Pittsburgh—is to analyze the major causes of the present crisis and to develop programs of action to deal effectively with these problems.

This is a crisis which, although years in the making, suddenly has become the focus of national attention. The President has appointed a task force to recommend new policies; foreign trade experts are closely examining the steel imports issue; and more than 100 Congressmen and Senators have formed a steel caucus to coordinate legislative actions.

We in Pennsylvania, and in steel states and communities across the Nation, must also respond. We will be the ones most directly affected by policies that the President and Congress develop. We must also respond because there are many States and local programs and policies which have direct impact on the steel industry.

Thus I want to suggest three objectives for this conference and for the activities which will be taken to follow-up today's session:

First is fact-finding. I am hopeful that each of the task forces today will develop a statement of facts and issues which reflects the situation here in Pennsylvania and in States and communities across the Nation.

Second, I am hopeful that the conference and succeeding activities will yield a thorough review of State and local policies and program as they affect the steel industry. Six of my cabinet officers will participate in the task force sessions scheduled for today. Their purpose is to expedite recommendations for State action, which may range from retraining programs for laid-off steel workers to investment in public works to aid directly the industry.

Third, I think the conference must focus on national policies and programs. Rather than being the recipient of unforeseen impacts of policies conceived in Washington, we as Pennsylvanians should state our problems and recommend solutions that will benefit all citizens of the commonwealth and of the Nation.

Pennsylvania has much at stake. We are the leading steel-producing State in the Nation. Though the steel problem is national—in fact, international in scope—our State, the home base of the largest American steel companies, accounts for more than 20 percent of all American steel production, and thus, is the State that is hardest hit by the present crisis.

All kinds of reasons are being advanced as the causes of this current situation—foreign imports, obsolete American steel plants, the general slowdown in the American economy, less steel needed by automobile manufacturers, fall-off in highway, bridge, and housing construction projects; large capital outlays needed by steel manufacturers to meet environmental standards, high labor costs, and the low productivity of our steel plants, et cetera, et cetera, et cetera.

Each of these reasons has some validity, thus the solution for our steel manufacturing problems is not simple.

But effective programs must be developed or there is a grave danger this nation could slip into a depression period of major depth and length.

In Pennsylvania, 10,000 steel workers have been laid off in the past three months alone. Twice that number of jobs have been lost in the steel industry in our State in the past three years and five times that number in the last decade. The ripple effect is even more devastating on our economy.

For example, when Bethlehem laid off 3,500 employees in Johnstown after the flood in August, 1,800 coal miners in the area also lost their jobs. Another 5,000 jobs are being whittled away in wholesale and retail businesses, in transportation and other sectors of the economy. The costs of the Johnstown layoffs include annual income reduction of nearly $150,000,000 and loss in tax revenues to the State and local government of over $5,000,000 a year. These layoffs will also cost at least $18 million just in unemployment compensation.

These same losses have occurred across the Commonwealth in recent months: In Philadelphia where the curtailment or closing of the Alan Wood, Midvale, and Phoenix Steel Companies have cost 7,000 jobs . . . In Bethlehem where 1,500 have been laid off . . . in the Mon Valley where several large facilities are struggling to maintain viability . . . in New Castle, Sharon, and Farrell where the layoff of 5,000 workers from the nearby Youngstown, Ohio mill has boosted unemployment substantially . . . and in a score of smaller communities.

We are now paying, in the form of lost jobs, lost income, lost tax revenues, and inflated unemployment compensation and social costs, for the failures of past policies to maintain demand for steel and to stimulate, on a continuing basis, modernization investments in the steel industry. These same dollars which are now committed to the nonproductive support of the unemployed, and to the payment of trade adjustment assistance to industries could be targeted to programs to increase demand for steel and to modernize the productive capacity of the industry.

Many suggestions have been advanced to cure the ailing American steel industry—from imposing import quotas to granting investment credits to steel companies for modernization purposes.

In your panel meetings at this conference, undoubtedly you will be discussing these issues. But I would like to present for your consideration what I consider to be the key program for action to revive the steel industry in America—an issue that unfortunately, has not received as much attention as it deserves.

We should be developing major public sector investment programs in the United States that would directly stimulate significant new demand for steel products and, through such programs, also greatly increase demand for steel in the private sector.

For example, in 1974, I advocated that the Federal Government establish a rail trust fund similar in nature to that of the revolving highway trust fund. We all know the dilapidated condition of our American railroads. There is no way we can possibly fulfill President Carter's national energy objective to increase coal production to a billion tons a year without modern, high-speed rail service in the Appalachian, Midwest, mid-Atlantic and New England States.

The rebuilding of our railroads calls for an investment of approximately $20 to $22 billion. This investment could be repaid by adding a small surcharge on the rail freight bills. The concept is not new. The 4 cent per gallon Federal Gasoline Tax has already brought many billions more dollars back to the United States Treasury than the amount invested in building the Interstate Highway System.

To rebuild rail roadbeds throughout the nation will require more than five million tons of steel. New locomotives and freight cars and electrification of main lines in order to cut energy requirements by at least a third will demand many additional millions of tons of steel.

Congress adopted the principles of the rail trust fund program in the 1976 Rail Act, setting aside $1 billion for rail improvements, including electrification, with the money to be advanced to the railroads and repaid to the Federal Treasury over a period of years.

This is not nearly enough money to do the job, but to date neither the U.S. Transportation Department, nor the railroads has fully implemented even this program. I think it is time to re-examine this plan, for it attacks the triple problem of our energy shortage, deteriorating railroads and the steel crisis.

Mass transit construction is another area that could utilize tremendous quantities of steel simultaneously while reducing this Nation's reliance upon imported oil. The present funding available to urban areas is ridiculously low in view of the massive transportation plight of almost every major city in the Nation. Here again, enormous quantities of steel could be put into constructive use.

In another public works area, it is estimated that a staggering number of more than 100,000 bridges in the nation (3,000 in Pennsylvania alone) are unsafe and badly in need of major repair or replacement. The tonnage of structural steel needed to make our bridges safe in America could be a major additional source of demand. By undertaking a sincere effort to repair these bridges, we would not only be aiding the steel industry, but also helping protect the lives of countless motorists. Highway construction and maintenance is also in the doldrums in Pennsylvania and many other States because of lack of funds.

In Pennsylvania this problem is acute because of the dire fiscal condition of our State motor license fund which finances all highway construction and maintenance. Right now, new construction of State highways and bridges is at a standstill, and maintenance has been curtailed because inflation and more efficient automobiles have reduced to a critical point the funds available for highway and bridge programs.

If the Pennsylvania General Assembly accepts my recommendations for increasing the revenues to the motor license fund, and if this were coupled with essential new Federal programs to support maintenance of the interstate highways in Pennsylvania and the other States, this would stimulate demand for steel to make vitally needed highway improvements which in turn would help the national economy.

In another area, the slump in building construction has cut steel shipments in this sector by more than 40 percent over the past 3 years. Yet major cities continue to decay and millions of our people are ill-housed.

There are many programs needed to stimulate the construction industry, but one simple one would be to allow builders a fast tax write-off on new construction. For example, if a builder could recapture his investment through depreciation in 5 or 10 years, this would give great impetus to the construction and steel industries. Safeguards would have to be written into the law or regulations to prevent such depreciation from being used more than once, but this would not be difficult.

Such a tax program would be more effective to stimulate the steel industry than granting direct investment credits to the steel industry itself since at the present time, with demand for steel so weak, it is not likely that such tax credits would serve as leverage to attract capital for new construction investments.

In a number of other areas, targeted public investments could have the same effects. Water and sewer construction, reconstruction of dams, and construction of energy research facilities are just some examples of investment projects which not only would stimulate demand for steel, but also would yield large social benefits.

Stimulating demand is a far more positive solution than one that calls for the erection of trade barriers. I know that industry, labor and Members of our congressional delegation have called for stronger import restrictions on foreign steel. The 3-year import restriction on specialty steel seems to have revived this industry somewhat, and I can sympathize with current efforts to extend those restrictions.

I certainly agree that dumping—that is, the selling of foreign steel in this country below cost—is a practice that should and can be stopped by enforcement of our international trade agreements.

However, we are gravely mistaken if we believe that an end or even a major curtailment of dumping will completely solve the current steel crisis. Foreign steel has made inroads into our domestic market through production in modernized and more efficient plants.

American labor has been unfairly maligned as a costly factor in American steel production. But, steel workers in Japan and the major European steel-producing countries have steadily narrowed the percentage gap between what they and American workers earn. These nations have absorbed rising labor costs through increased production and sales. We can do the same.

On the other hand, we cannot expect industry to invest in new production capacity unless there is increased demand for steel. As I said, much of that demand can be created by targeting public funds for long-neglected public works programs.

There are those who complain that our national and State anti-pollution laws have siphoned-off much of the steel industry's investment capital. There is some validity to this claim. However, it is clear that if we fail to cleanse our air and water and to protect our land, the social costs to this Nation will far outweigh the minimum capital that might be freed for the industry.

Unfortunately, the Nation's pollution problems were ignored for too many years and recent efforts to control pollution have proven a sudden, heavy expense. Therefore, we should explore methods of financing pollution programs that do not severely penalize our manufacturers, particularly those with older facilities. This can be done through tax incentives including more rapid write-offs—perhaps even immediate write-offs—on investments for anti-pollution equipment.

In this statement, I have merely skimmed the surface of the range of problems facing our steel industry and outlined what I believe are some basic programs that offer the greatest hope of recovery.

You will delve into these problems in greater detail at your sessions today. As you do, I would remind you that time is running against America and that a comprehensive agenda for positive action is needed now.

We will make our recommendations to Washington. But there is much we can do at the State level too. You, the representatives of industry and labor, have direct access to me, to my cabinet and to other key officials in our State government. Let us work together on a swift and effective course of action, for none of us can afford to let the problems of our steel industry remain unresolved.

WOMEN IN HIGH-LEVEL POSITIONS

Mr. DURKIN. Mr. President, I rise to commend the administrator of the General Services Administration, Jay Solomon, for having taken seriously the campaign pledge of President Carter to open the processes of Government for women. It recently came to my attention that of the 11 top level positions that are immediately subordinate to him, he appointed three women. They are Ms. Janice K. Mendenhall, who started with GSA as a summer intern in the 1960's and is today the Director of Administration, a GS–17 position. Ms. Allie Latimer, an attorney who has been with GSA for 20 years and is the first black woman appointed general counsel of a major Federal agency. Mr. Solomon's appointment of Ms. Latimer puts her in charge of a staff of over 140 lawyers. Lastly, Jay Solomon appointed Rilla Moran Woods, Director of Public Affairs for this agency which employs over 35,000 citizens. Ms. Woods is one of the highest ranking women in Government public relations today.

In the next tier of top level positions with the agency are those of confidential or special assistant. Jay Solomon appointed 6 women out of 20 employees. In addition, I am informed on August 26, 1977, he issued a "plan to increase women in managerial and midlevel positions" to all of the GSA services and staff offices, reiterating his "interest and commitment to insure equal opportunity in all of our agencies to insure the equal treatment of women."

The Solomon plan calls for increasing the number of women at GS 12–15, the senior level of Government service, to 33 percent of the work force in the next 3 years. I was particularly struck by the statement attributed to Mr. Solomon in response to a question when he was addressing a group of employees in the Midwest as to whether he was really serious about his intentions. Mr. Solomon said:

I certainly am and I cannot emphasize too strongly my intention to see that women get an equal opportunity.

As you know, Mr. President, I have been publicly critical of Dr. Schlesinger's lack of commitment to the administration's pronouncement concerning equal opportunity for women and minorities. I think it might serve a very useful purpose if Dr. Schlesinger would put down his pipe and bird guide and follow the example of his other colleagues in the top echelon of Government such as Ray Marshall, the Secretary of Labor, and Jay Solomon, the Administrator of GSA. It would appear that we have an administration in which all the members are not necessarily pulling on the oars together. If the ship of state is to flow through the waters of domestic concern smoothly, then their equal degree of commitment is a prerequisite by the Members of the Cabinet. I do not know Mr. Solomon, but I am increasingly encouraged by what he is doing to improve the image of a rather moribund agency in the short period of time since he has been in Washington. But it is not image alone that impresses me, but, rather concrete results which are capable of being measured in a concrete way.

A SALUTE TO HUBERT H. HUMPHREY

Mr. CASE. Mr. President, I wish today to salute my comrade in arms, the distinguished Senator from Minnesota, HUBERT H. HUMPHREY.

Senator HUMPHREY and I have worked closely together for a number of years. Specifically, I think of our struggles in behalf of civil rights legislation, nutrition legislation, foreign aid, disarmament and of our time together as colleagues on the Foreign Relations Committee.

Senator HUMPHREY is a man who embodies the best in our country's long liberal tradition. He is a tireless worker, an enthusiastic spokesman and a great humanitarian.

I can think of no better tribute to him than the establishment of the HUBERT HUMPHREY Institute of Public Affairs at the University of Minnesota.

I wish this effort every success.

ECONOMIC EFFECTS OF STATEHOOD FOR PUERTO RICO

Mr. JOHNSTON. Mr. President, today I am releasing a Library of Congress study on the economic effects of statehood for Puerto Rico from the standpoint of Federal tax and expenditure programs. The study is an excellent one and provides the first in-depth data on this subject which I have seen. The conclusions are persuasive and well documented and all of the questions are answered definitively.

Perhaps the most important conclusion of the study is that tax exempt subsidiaries of U.S. corporations operated under section 936 of the Internal Revenue Code in Puerto Rico would sustain a net loss estimated at almost one-half billion dollars annually. Losses of this magnitude would inevitably result in a total reevaluation of investment opportunities in Puerto Rico. Although no one can ac-

curately predict how these businesses would react, there would be disastrous consequences for the Puerto Rican economy if ongoing investments (and employment) were substantially reduced. This possible reaction of business, and its effect upon jobs and the Puerto Rican economy, should be studied more carefully before any policy changes are made.

The study further shows that the government of Puerto Rico would receive about the same amount of revenues (including taxes, excise and duties) and transfer payments under full State treatment as it does under the commonwealth arrangement. This conclusion is of particular interest in view of the claims made by the participants of the Puerto Rican status debate. They have alleged, on the one hand, that statehood would cost the Government of Puerto Rico nearly $1 billion in lost revenues (due to higher Federal taxes) and, on the other hand, that statehood would add about $800 million annually to Puerto Rican revenues (due to increases in Federal transfer and grant programs).

According to the study, individuals in Puerto Rico as a whole would have about the same amount of "after tax income" under State treatment as they have now. However, under statehood, fiscal treatment would lead to a sizeable shift of income from higher to poorer income segments of the population. This shift would result from increases in Federal grants and transfer programs which benefit primarily the poor—for example, supplemental security income (SSI) and aid to families with dependent children (AFDC), and also because the Federal Government's superior tax collection system would eliminate tax evasion problems.

For the last 77 years, the political status of Puerto Rico (independence, commonwealth, or statehood) has been hotly debated. I have followed this issue closely since 1973 when I was appointed to the ad hoc advisory group on Puerto Rico. This group was established pursuant to the 1967 status plebiscite which reaffirmed the Puerto Rican people's overwhelming commitment to the existing commonwealth arrangement. During my tenure on the ad hoc group, the members sought to update our 25-year-old relationship, and in 1975 we transmitted to the President of the United States and to the Governor of Puerto Rico a draft for a new compact based on the free association model. The Senate Interior Committee held some preliminary hearings on our proposal, but no further action was taken on it during the 94th Congress.

The status question again came to the forefront as a result of President Ford's surprise January announcement supporting Puerto Rican statehood, followed shortly thereafter by Cuba's United Nations resolution on the subject. The growing dissatisfaction with our current arrangement has been well documented in the press.

The question of the status of Puerto Rico provokes intense and emotional debate. It is quite apparent, however, that the fiscal and economic effects of a change in status should be seriously studied and understood before such changes are urged upon either the Puerto Rican people or the Congress. This study represents a first big step in providing the information for this consideration and I ask unanimous consent that the analysis be printed in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

TREATING PUERTO RICO AS A STATE UNDER FEDERAL TAX AND EXPENDITURE PROGRAMS: A PRELIMINARY ECONOMIC ANALYSIS

I. INTRODUCTION AND SUMMARY OF FINDINGS

Puerto Rico was ceded to the United States in 1898 in partial settlement of the Spanish-American War. Ever since, the political status of the island has been the subject of considerable interest and controversy. During the first two years of possession Puerto Rico was governed by a military administration. In 1900 the island was placed under a civilian government with the key officials appointed by the President. Puerto Ricans became United States citizens in 1917 and the same year chose their first elected legislature. In 1948 the office of Governor became an elected position. And in 1952 Puerto Rico was changed from a "territory" to a "commonwealth" with its own constitution.

Twenty-five years later the question of the political status of Puerto Rico is still at issue. In the last Puerto Rican election, in which one of the primary campaign issues was the positions of the political parties on the question of political status, the pro-statehood New Progressive Party defeated the incumbent pro-commonwealth Popular Democrats, who had governed the island for 36 years. On January 1, 1977, in the final days of his administration, President Ford proposed that Puerto Rico be granted statehood. President Carter has responded that he will support the desires of the Puerto Rican people, but the initiative must come from them. A number of bills on the subject have been introduced in the U.S. Congress, including H.J. Res. 54 (95th Congress) which would grant independence to Puerto Rico; H.R. 11200 (94th Congress) which would revise the commonwealth status of Puerto Rico (the Puerto Rican Compact); and H.R. 2201 (94th Congress), which would establish a procedure leading to Puerto Rican statehood. Most recently the issue of the political status of Puerto Rico has been debated before the Special Committee on Decolonization of the United Nations.[1]

Of course, this issue has many dimensions: political, cultural, social, and economic. One of the central economic questions which has been vigorously debated with regard to the status issue is whether the Puerto Rican economy would be viable under statehood status, or whether it requires the special economic relations with the United States which characterize the commonwealth arrangement. This paper provides a preliminary analysis of one of the key elements of this question, specifically: what would be the economic impact of treating Puerto Rico as a state under Federal tax and expenditure programs? Sections II and III summarize the present applicability of U.S. tax laws to Puerto Rico and the Puerto Rican tax structure. Section IV provides a brief analysis of the relevant economic conditions in Puerto Rico, and sections V, VI and VII analyze the impact of full state fiscal treatment of Puerto Rico.

At the outset it should be stated what this paper does not do. It does not provide an economic analysis of statehood. Full State fiscal treatment of Puerto Rico could occur independently of statehood;[2] it is this possibility which is examined in the present analysis so as to focus on the effects of the fiscal changes in isolation from other effects that might result from the political transformation to statehood. Secondly, this paper does not analyze the impact of full application to Puerto Rico of all U.S. laws which have economic impacts. For example, the U.S. minimum wage laws have limited and specialized applicability in Puerto Rico and the present analysis does not explore the impact of removing this special treatment.

Rather, this paper focuses on the economic impact of fully treating Puerto Rico as a State under Federal tax and expenditure programs, assuming no other political or economic changes. The analytical technique is to examine the year 1975 (the last year for which necessary data are available) and compare the actual situation with estimates of what would have occurred had full State fiscal treatment been in effect. This "comparative statics" approach does not take into account any potential reaction ("feedback effect") to an immediate transition from the present status to full State fiscal treatment, nor does it consider the possibility of a gradual or "phased-in" transition to full State fiscal treatment.[3] Such an analysis would require speculation regarding economic reactions and/or potential future political arrangements about which little or no information is presently available. Thus, the analysis herein is highly preliminary in nature.

Summary of findings

Even such a "first-run" examination, however, can provide valuable insight into the potential economic effects of a major policy change, thus enabling a sharper focus of subsequent research and discussion. For example, the present analysis reveals two major policy concerns which would result from full State fiscal treatment of Puerto Rico: (1) while the individual and government sectors of the Puerto Rican economy, on balance, would gain about as much from increased Federal transfers as they would lose from increased Federal taxes, the distribution of gains versus losses would cause a redistribution of personal income from upper-income to lower-income groups and may force a realignment of government expenditure programs, and (2) the most crucial issue to the viability of the Puerto Rican economy under full State fiscal treatment is the reaction of the business sector—most importantly, U.S. corporations operating under section 936 of the Internal Revenue Code—to the loss of full tax exemption on their Puerto Rican operations. These two policy areas require further study before the economic effects of full State fiscal treatment can be completely understood.

II. THE PRESENT APPLICATION OF U.S. TAX LAWS TO PUERTO RICO[4]

The U.S. Internal Revenue Code contains several special provisions which treat individuals and businesses in Puerto Rico differently than the treatment which applies in the States. For U.S. citizens who are bona fide residents of Puerto Rico during an entire tax year, Puerto Rican source income, except income earned as an employee of the U.S. Government, is exempt from the U.S. individual income tax. This exemption does not apply to income earned from sources outside Puerto Rico. Deductions which would be attributable to the exempt income (including deductions for subnational taxes) are disallowed in computing any individual income tax liability. If a U.S. citizen has been a bona fide resident of Puerto Rico for at least 2 years and moves from Puerto Rico, Puerto Rican source income attributable to

Footnotes at end of article.

the period before the move qualifies for the exemption.

The U.S. social security tax and unemployment insurance tax apply fully in Puerto Rico. The Federal estate and gift taxes apply to persons in Puerto Rico except those who acquired U.S. citizenship solely by virtue of being a Puerto Rican citizen or by birth or residence in Puerto Rico. U.S. customs duties apply to goods imported into Puerto Rico from foreign countries, and U.S. excise taxes apply to goods produced in Puerto Rico for sale in the States (goods produced in the States for sale in Puerto Rico are exempt from U.S. excises if they can be identified), however, both of these collections are paid from the U.S. to the Treasury of the Commonwealth of Puerto Rico.

The U.S. corporate income tax may be avoided on Puerto Rican income earned by qualifying corporations, which may be subsidiaries of U.S. corporations, under section 936 of the Internal Revenue Code. Corporations which elect to operate under this section are generally referred to as "possessions corporations" (or "section 936 corporations") because the tax provision applies to U.S. possessions (except the Virgin Islands) as well as Puerto Rico, which is a Commonwealth (section 936 of the tax code defines the word "possession" to include the Commonwealth of Puerto Rico for purposes of this section).

To qualify as a possessions corporation at least 80 percent of the corporation's gross income must be from sources within a possession for the three-year period preceding the end of the tax year (or the life of the corporation, if less), and at least 50 percent of the corporation's gross income must be from the active conduct of a trade or business within a possession. A Domestic International Sale Corporation (DISC) or former DISC, as well as corporations holding stock in DISCs or former DISCs, may not qualify as a possessions corporation. Once possessions corporation status is elected, the election must remain in effect for at least 10 years unless the Secretary of the Treasury consents to an early revocation, which is to occur only in cases of special hardship and where no tax avoidance results.

A possessions corporation receives a full tax credit for U.S. income taxes which would otherwise be due on possessions source income regardless of the amount of taxes, if any, paid to the possession. This credit is entirely separate from the normal foreign tax credit and is computed independently. The possessions corporation credit applies against only the income tax and not the minimum tax, the accumulated earnings tax, or the personal holding company tax. The possessions corporation credit does not shelter from taxation income earned within the United States or foreign source income. Additionally, if a possessions corporation pays foreign taxes on income which is counted as possessions source income, and for which the corporation receives a section 936 credit,[5] it is not allowed to claim the foreign tax credit with regard to this income. A possessions corporation may not join in the filing of a consolidated return, and, thus, possessions corporation losses may not be used to offset taxable income of affiliated corporations. However, dividends received by a domestic corporation from a possessions corporation qualify for the intercorporate dividend deduction.

III. THE PRESENT PUERTO RICAN TAX STRUCTURE

The present Puerto Rican tax structure in many ways resembles that of a nation rather than that of the States of the United States. The Puerto Rican individual income tax applies to the worldwide income of Puerto Rican residents, who include all U.S. citizens having resided in Puerto Rico for at least one year. Individuals who are not residents of Puerto Rico are taxed only on their Puerto Rican income. A credit is allowed against the Puerto Rican tax for taxes paid to the United States, U.S. possessions, and foreign countries.

The structure of the tax base for the Puerto Rican individual income tax is similar to that of the U.S. tax, but particular items differ. As examples: (1) winnings from the Puerto Rican lottery are not taxable income, (2) tenants may deduct 10 percent of their rent, up to $240, on their personal residence from their income in determining taxable income, and (3) the size of the standard deduction and personal exemptions are different from those in the U.S. tax code. The Puerto Rican tax rates are steeply graduated, ranging from 12.6 percent of taxable income below $2,000 to 82.95 percent of taxable income above $200,000, and are generally higher than the U.S. rates except for low levels of taxable income.[6]

The Puerto Rican estate and gift tax is similar in structure and application to the U.S. estate and gift tax prior to the Tax Reform Act of 1976. The tax applies fully to Puerto Rican citizens; for nonresident U.S. citizens, and resident U.S. citizens who acquired U.S. citizenship by reasons other than their Puerto Rican citizenship, birth, or residence, the Puerto Rican estate tax equals the maximum allowable foreign death tax credit under the U.S. tax code.

Puerto Rico also has a series of excise taxes on commodities and transactions. The excises apply to such items as alcoholic beverages, cigarettes, petroleum products, motor vehicles, matches, appliances jewelry, hotel accommodations, and admissions. The Puerto Rican excise tax rates are not uniformly higher or lower than rates imposed in the States. The Puerto Rican excise tax on automobiles has a graduated tax rate schedule, from 14 percent to 85 percent, depending on the horsepower and weight of the vehicle. However, most of the Puerto Rican excises are structured similarly to the U.S. State excise taxes. In 1975 Puerto Rico first imposed a "general excise tax", but the tax produced little revenue.[7] Puerto Rico does not impose a general retail sales tax.

The Puerto Rican corporate income tax is structured somewhat similarly to the U.S. tax except for the rates, depreciation system, and the allowance of special industrial incentive exemptions. The tax applies to the worldwide gross income, less allowable deductions, of Puerto Rican corporations; it applies to Puerto Rican income of foreign corporations. Allowable deductions are similar to those allowed under the U.S. tax code except that Puerto Rico allows use of a "flexible depreciation" system which permits, subject to certain limitations, complete flexibility in the amount of qualifying property which can be depreciated each year. Thus, under this system a taxpayer may deduct up to 100 percent of the cost of qualifying property in the first year, or may schedule depreciation charges in any way to meet the needs of the business. However, the total amount of depreciation claimed under this system in any year cannot exceed 50 percent of the net income of the business before depreciation.[8] An 85 percent dividends received deduction is allowed (there is no 100 percent deduction similar to the U.S. provision), and a foreign tax credit is allowed.

The Puerto Rican corporate income tax has a graduated rates schedule. The tax rate on the first $25,000 of taxable income is 22 percent, and the rate increases through seven income brackets to a rate of 45 percent which applies to taxable income above $300,000. In addition, there is presently a 5 percent income surtax which is scheduled to expire this year, and the announced policy is that it will be allowed to terminate.[9]

Beginning in the 1940's Puerto Rico adopted a series of economic development programs under the general heading of "Operation Bootstrap", which are designed to attract and promote businesses engaged in manufacturing, tourism, and exporting. Prominent among these programs is the Industrial Incentives Act which offers tax exemptions to qualifying businesses. Under this Act businesses can be granted total tax exemption for periods of 10, 15, 25, or 30 years, with the longer exemption periods being available in geographic areas which are more economically depressed. As an alternative, a qualifying business can choose to be partially tax exempt for a period twice as long as the allowable total tax exemption period. The tax exemption applies not only to the corporate income tax, but also to the property tax, municipal license taxes, excise taxes on materials and equipment used by an exempt business, and the individual income tax on dividends paid by an exempt corporation.[10] Puerto Rico also imposes a withholding tax on dividends paid from income exempt from the Puerto Rican income tax to foreign corportations, mainly U.S. parent corporations of Puerto Rican subsidiaries.

IV. THE ECONOMIC SETTING

Puerto Rico's economic history in this century is one of a poor agrarian economy which has undergone rapid industrialization and economic growth, but which remains relatively low-income.

Prior to 1940 the economy of Puerto Rico was based largely on agriculture; the little industrial development which occurred was devoted mostly to processing the agricultural products, primarily sugar, tobacco, and coffee. Beginning in the 1940's and accelerating in the 1950's Puerto Rico began a program of incentives [11] for industrial development under the general heading of "Operation Bootstrap." An important part of Operation Bootstrap has been the exemption from taxes for substantial periods of time for new enterprises, the exemption period depending on the location of the business on the island. The program also includes other incentives including government financing, availability of buildings under lease or purchase arrangements, and training for employees. The incentives program, together with other attractions for industry such as relatively low wage rates, has been successful in leading to substantial industrialization of the Puerto Rican economy and improvement in economic conditions. However, Puerto Rico still suffers from certain economic maladies and the industrial development program has been accompanied by several deficiencies.

One measure of the effects of industrialization is that in 1950 agriculture provided about 25 percent of national income and in 1975 provided only 5.5 percent. Manufacturing, mining, and construction, which in 1950 accounted for less than 20 percent of national income, in 1975 amounted to 37 percent. Table 1 provides some basic economic indicators for the Puerto Rican economy over the last 25 years. As is clear from the table the Puerto Rican economy experienced rapid real economic growth and improvement in personal income between 1950 and 1970. However, the recent recession has had a major impact on the island's economy, considerably reducing the growth in real GNP. Growth in real personal income per capita has been severely cut since the beginning of the decade due to slower economic growth compounded by abnormally high population growth (Puerto Rico usually experiences substantial in-migration from the U.S. mainland when the U.S. unemployment rate is high [12]).

Footnotes at end of article.

TABLE 1. REAL GROSS NATIONAL PRODUCT AND PERSONAL INCOME FOR PUERTO RICO, 1950-75

[In constant 1975 dollars]

Year	Gross national product (millions)	Annual rate of change (percent)	Personal income (millions)	Population (thousands)	Personal income per capita	Annual rate of change (percent)
1950	$1,877		$1,743	2,218	$786	
		5.3				3.27
1960	3,145		2,661	2,360	1,127	
		6.8				6.3
1970	6,056		5,628	2,716	2,072	
		3.3				1.1
1975	7,117		6,797	3,113	2,183	

Note: GNP data are adjusted by the GNP deflator; personal income data are adjusted by the consumer price index. Price adjustments by author.

Source: Puerto Rico Planning Board, Socioeconomic Statistics of Puerto Rico; fiscal years 1940, 1950, 1960, and 1962 to 1975.

A major factor in Puerto Rico's rapid economic growth and industrialization has been the ability to offer virtually complete tax exemption to new businesses locating in Puerto Rico. The Economic Development Administration, called "Fomento", is the agency which oversees the tax exemption program. Over half of all the manufacturing plants in Puerto Rico are Fomento promoted, and these plants provide 81 percent of the jobs in manufacturing. Of the Fomento promoted plants, 64 percent are of U.S. ownership, and these provide 85 percent of the employment in promoted plants.[13] Among the U.S. corporations in Puerto Rico are over 400 plants owned by 120 of the Fortune 500 companies.[14]

However, despite rapid industrialization and economic growth severe economic problems remain. Industrialization has not solved the chronic unemployment problem and has brought with it an increased vulnerability to cyclical economic fluctuations. The vulnerability to economic cycles is also a function of extremely high reliance on foreign trade, an inevitable condition for an island economy with limited resources. In 1975 with a GNP of $7.1 billion Puerto Rico had imports of $4.95 billion, and exports of $3.14 billion. The vast majority of this trade—60 percent of imports and 85 percent of exports—is with the United States. This close interrelationship with the U.S. economy means that U.S. economic cycles have a magnified effect on the island. Unemployment, which normally averages 10 to 12 percent (despite "exportation" of approximately 50 percent of the island's potential unemployment to the U.S. mainland through migration [15]) reached levels above 20 percent during the 1975 recession and inflation reached 19 percent. Additionally, the island remains extremely poor; per capita personal income is still 64 percent below the U.S. average and 48 percent below the level in Mississippi, the poorest state.[16]

Puerto Rico's heavy reliance on industrialization for economic growth, combined with the fact that Puerto Ricans have been net dissavers for the past 30 years, has forced a heavy reliance on outside capital. As a result, a large portion of the capital assets of the Puerto Rican economy is owned by outside interests, primarily interests on the mainland United States. One recent estimate indicates that Puerto Rican residents own less than half of the island's capital assets.[17] In addition to the political ramifications of substantial outside ownership of the means of production, there are important economic implications. For example, over $1 billion per year in profits and interests is earned by mainland owners and creditors of Puerto Rican businesses,[18] not an inconsequential sum in an economy with a GNP of just over $7 billion.

The "typical" operating pattern of a U.S. Puerto Rican subsidiary, described well in the recent *Report to the Governor* of the Committee to Study Puerto Rico's Finances, is illustrative of the impact of foreign ownership.

"The new firm, today more likely to be in pharmaceuticals or electronics than textiles or apparel, begins with a physical investment provided by its Mainland parent. Since the operation has been established as much, or more, for the exemption from Federal and local taxes as for the low-cost labor or other advantages of Puerto Rico, there are large profits. The Mainland corporation has strong reason to locate in Puerto Rico those of its interdependent operations which are the most profitable. Federal tax regulations currently prevent profits from being returned at once to the Mainland parent. Therefore the subsidiary begins to accumulate financial assets. The income from these assets will also be exempt from Federal taxes if the investments are in U.S. territories, and this explains the popularity of high-interest certificates of deposit in banks in Guam. By the time its Puerto Rican tax-exemption period expires, the subsidiary holds substantial financial wealth as well as its depreciated operating capital in Puerto Rico. The assets are then sold, the subsidiary is liquidated, and the accumulated profit of the entire operation is absorbed into the Mainland parent, free throughout of both Puerto Rican and Federal taxes. The physical facilities are still in Puerto Rico, of course. They will be operated only if some firm, perhaps a new child of the old parent, finds them profitable, and this in turn may depend on whether or not a new tax exemption can be arranged." [19]

Some of the particulars of this example have been changed by the Tax Reform Act of 1976 and the Puerto Rican reaction to it. The Federal tax regulation which prevented profits from being returned at once to the mainland parent was the provision that dividends from a possessions corporation did not qualify for the dividends received deduction, and therefore were fully taxable. The 1976 Act, among other changes, made dividends from a possessions corporation eligible for the dividends received deduction and thus reduced the incentive to accumulate possessions corporation profits. However, to partially offset the potentially large outflow of capital which could result from this change in U.S. tax law, Puerto Rico adopted a 10 percent withholding tax on dividends paid from income exempt from Puerto Rican income tax to U.S. parent corporations.

Historically little of the profits earned by U.S. owners of Puerto Rican subsidiaries have been reinvested in the Puerto Rican economy. Typically as much as 80 percent of the assets of a mainland subsidiary on the island are held in financial form, e.g. bonds, securities, and certificates of deposit.[20] Prior to the Tax Reform Act of 1976 substantial portions of these financial assets were foreign investments because they qualified for U.S. tax exemption under the previous possessions corporation section. The Tax Reform Act of 1976 restricts possessions corporation treatment to investments in the possession and thus has been responsible for a substantial repatriation of earlier Puerto Rican earnings to Puerto Rico. This inflow of funds has already reached approximately $1.5 billion and may reach $4 billion in the near future.[21] However, the inflow is having a depressing influence on interest rates due to limited investment opportunities on the island. Eventually, an equilibrium will be reached between Puerto Rican investment returns and the 10 percent "tollgate tax" on dividends paid to the mainland. The equilibrium will probably leave Puerto Rico with a somewhat higher level of reinvested profits.[22]

Unfortunately, the nature of the private investment occurring in Puerto Rico is undergoing an important and adverse change. In the past, U.S. investment flowed to the island to take advantage of both tax exemption and low wage rates. Investments were predominantly in industries with low capital-output and low capital-labor ratios, such as textiles and apparels, and thus provided relatively high levels of economic growth and employment. However, more recently Puerto Rican wage rates have increased relatively faster than skill levels, thus making Puerto Rican labor less attractive to investors. The result is that recent Puerto Rican investment is concentrated more heavily in the high capital-output and high capital-labor ratio industries, such as chemicals and pharmaceuticals, and thus provides less economic growth and employment. Hence, tax exemption is increasingly the main reason for outside investment on the island, and the resulting investment is providing reduced benefits to the island. As a result of these trends the recent *Report to the Governor* of the Committee to Study Puerto Rico's Finances recommends some drastic policy revisions to restrain wage increases and restructure the tax exemption program toward a higher level of job-creating investment.[23]

Thus, the Puerto Rican economy is characterized by a recent history of rapid economic growth which has failed to overcome the severe poverty and unemployment on the island. Additionally, the contemporary Puerto Rican economy suffers from several important problems which heighten the sensitivity of the economy to external disturbances and point to an uncertain economic future. Given such a setting, the potential economic effects of possible changes in the special political and economic relationships which have existed between the United States and Puerto Rico are obviously of crucial importance.

V. THE IMPACT OF FULLY TREATING PUERTO RICO AS A STATE UNDER FEDERAL TAX LAWS

This section presents estimates of the fiscal impact of fully treating Puerto Rico as a State for purposes of Federal taxation. The estimates are based on the assumption that if confronted with full State tax treatment by the Federal government, Puerto Rico would adopt a tax system more similar to that of the states. The estimates are based primarily on information provided by the U.S. Department of Treasury,[24] with adjustments and additions as noted. The fiscal impact estimates are derived from a comparative statics analysis based on fiscal year 1975 data (the last year for which full data are available). In other words, the analysis assumes a change in the Federal and Puerto Rican tax structures, but does not take account of any economic changes which would be expected to result from the different tax treatment. A discussion of the economic changes which would be anticipated is contained in section VII. The estimates are also based on the assumption of immediate full imposition of all the tax changes, rather than phased-in state-like taxation.

The fiscal estimates of the impact of full State tax treatment of Puerto Rico are shown in Table 2. Puerto Rican receipts in 1975 amounted to $1,232 million, excluding Federal grants-in-aid. Of this total, $1,133 million was produced by taxes and customs duties, and $99 million was generated by

Footnotes at end of article.

licenses (alcoholic beverages, cigarettes, motor vehicles, gasoline etc.) and miscellaneous sources such as permits, fees, fines, and a lottery.

Of the revenue produced by taxes and duties the largest revenue source is the excise taxes, which produce a total of $493 million. Nearly one-fourth of the excise tax receipts, $112 million in 1975,[25] are Federal excise taxes on alcoholic beverages and tobacco products produced in Puerto Rico for sale in the United States; under the present arrangement these taxes are collected by the Federal Government and paid ("covered over") to the Treasury of the Commonwealth. The most productive excise taxes in Puerto Rico apply to gasoline and petroleum products ($103 million in 1975),[26] alcoholic beverages ($87 million), tobacco products ($63 million), and motor vehicles ($54 million).

The Puerto Rican individual income tax produced $324 million in 1975, despite an underreporting of taxable income which has been estimated at approximately 40 percent.[27] The income tax on nonresidents, which is collected via a withholding tax on payments to nonresidents, generated $23 million in 1975. The Puerto Rican corporate income tax, which applies only to corporate taxable income not exempt under the Industrial Incentives Act, yielded $163 million. The $73 million of property tax receipts shown in Table 2 reflects only collections by the Commonwealth from this source; the Puerto Rican local governments collected an additional $129 million from this tax. The receipts from customs duties reflect U.S. customs collected by the Federal Treasury on imports into Puerto Rico from foreign countries; these receipts are "covered over" to the Puerto Rican Treasury just as Federal excise tax collections are.

Footnotes at end of article.

TABLE 2.—ESTIMATES OF THE FISCAL IMPACT OF FULL STATE TAX TREATMENT OF PUERTO RICO, FISCAL YEAR 1975

[Millions]

Source	Commonwealth status			State status			Change	
	Puerto Rican receipts	U.S. Treasury receipts	Total	Puerto Rican receipts	U.S. Treasury receipts	Total	Puerto Rican receipts	U.S. Treasury receipts
Individual income tax	$324	$10	$334	$105	$460	$565	−$219	+$450
Corporate income tax	163	0	163	18	562	580	−145	+562
Nonresident income tax	23	0	23	7	0	7	−16	
Sales tax	0	0	0	179	0	179	+179	
Excise taxes	[1] 493	30	523	310	257	567	−183	+227
Estate and gift taxes	12	0	12	3	9	12	−9	+9
Property tax	73	0	73	132	0	132	+59	
Customs duties	45	7	52	0	52	52	−45	+45
Total taxes and duties	1,133	47	1,180	754	1,340	2,094	−379	+1,293
Licenses and miscellaneous	99	0	99	99	0	99		
Total	1,232	47	1,279	853	1,340	2,193	−379	+1,293

[1] Includes Federal excise taxes "covered over" to the Commonwealth ($112,000,000) and Puerto Rican excise tax collections earmarked for highways and the port authority ($81,000,000).

Sources: U.S. Treasury estimates and CRS estimates as described in the text.

Present U.S. Treasury receipts from Puerto Rico are virtually negligible. The Federal Government in 1975 collected $10 million from the individual income tax applied to non-exempt Puerto Rican income, $30 million from excises on products produced in Puerto Rico for the U.S. market ($28 million of which was derived from excises on petroleum products), and $7 million from customs duties. The amount from customs represents the cost of Treasury collections and administration, and is deducted before "covering over" the net proceeds of the customs duties to the Commonwealth.

If Puerto Rico were fully treated as a State for purposes of Federal taxation and adopted a tax structure more comparable to that of the States, it is estimated that Puerto Rican receipts (other than grants-in-aid) would diminish by approximately $379 million, and Federal receipts would increase by about $1,293 million. Thus, in total, it is estimated that under full State tax treatment $914 million in additional taxes would be generated by the Puerto Rican economy.

The estimates indicate that excise taxes would retain their predominance in the Puerto Rican revenue structure, although at a reduced absolute level. The reduction results from the loss of Federal excise taxes on alcoholic beverages and tobacco products presently "covered over" to the Commonwealth, as well as reductions in Puerto Rican excises assumed to occur to prevent the combined level of Federal and Puerto Rican excise taxes from rising dramatically above levels in the States. Puerto Rican receipts from the individual and corporate income taxes are also estimated to diminish substantially under State tax treatment, due to Federal "preemption" of these revenue sources. On the other hand, the estimates show that if Puerto Rico adopted a tax structure more similar to that of the States it could derive increased revenue from the property tax and a retail sales tax.

The estimate of total general revenue of Puerto Rico under a "state-like" tax structure implies a per capita level of total "State and local" taxes for fiscal 1975 of $297.20, which is considerably below the level in any of the States—the lowest state figure for 1975 was $405.26 per capita for Arkansas—and far below the national average per capita State and local tax revenue of $663.77. On the other hand, the Puerto Rican collections under this "state-like" system would imply a relatively high tax effort compared to the level of personal income; the Puerto Rican total "State and local" taxes per $1,000 of personal income would equal $153.67, compared to a national average of $122.84. This pattern of ranking higher in tax effort compared to personal income than in tax effort on a per capita basis is typical for low-income States.

The estimates of Federal revenue from Puerto Rico under full State tax treatment indicate an increase of almost $1.3 billion in Treasury receipts. This new revenue would result primarily from ending the Puerto Rican exemption from the U.S. individual and corporate income taxes and secondarily from the full application of Federal excise taxes in Puerto Rico.

A brief indication of the assumptions underlying the estimate and the source of the estimate for each tax follows:

INDIVIDUAL INCOME TAX

Puerto Rican Receipts: The estimate assumes Puerto Rico would adopt a State income tax which would generate revenues equal to 2 percent of personal income excluding transfer payments. This effective tax rate would be higher than some of the poorest States, but lower than the average rate for the ten lowest income states and lower than the national average. The estimate also assumes full reporting of income on Puerto Rican tax returns (compliance would probably increase once Federal income taxes applied because most States use the Federal tax return computer tapes in their audit program).

Source of estimate: U.S. Treasury.

Federal Receipts: The estimate was derived by reprocessing Puerto Rican tax return data to show potential tax liability under the Federal individual income tax. It assumes a compliance level on par with experience in the states.

Source of estimate: U.S. Treasury.

CORPORATE INCOME TAX

Puerto Rican Receipts: The Treasury estimate of Puerto Rican corporate income tax collections under full State tax treatment is $115 million. However, this estimate assumes a 10 percent Puerto Rican corporate income tax, which would be higher than the rate in all but five States and substantially higher than the rates in the low-income States, and also assumes immediate termination of the Industrial Incentives Act tax exemption program. Given the state of the Puerto Rican economy and the heavy dependence on externally financed industrial investment, such a drastic reversal of policy seems implausible. Additionally, since the grant of tax exemption under the Industrial Incentives Act is a contractual agreement between the Commonwealth and each tax-exempt corporation, there is controversy over whether and under what circumstances the tax exemption may be terminated. For these reasons, the estimate in this study assumes a 5 percent Puerto Rican corporate income tax and continuation, at least in the short-run, of the Industrial Incentives Act Tax exemptions. Under these circumstances the total tax liability (Federal and Puerto Rican) on corporations which presently are not exempt would increase only slightly. The total tax liability for exempt corporations, of course, would substantially increase despite the continued Puerto Rican exemption because of the termination of section 936 treatment.

Source of estimate: Congressional Research Service adjustment of U.S. Treasury estimate.

Federal Receipts: The Treasury estimate of Federal corporate income tax collections in Puerto Rico under full State tax treatment is $515 million. This figure has been adjusted upward to reflect the lower deductions attributable to the CRS estimate of Puerto Rican corporate tax collections under State treatment (see discussion above). The Treasury estimate is based on an assumed effective corporate tax rate of 48 percent which may overstate the potential revenue somewhat because of the investment tax credit. However, because of the considerable uncertainly in the data base for this estimate

(taxable income of the exempt corporations is difficult to estimate) a high degree of precision is unattainable.

Source of estimate: Congressional Research Service adjustment of U.S. Treasury estimate.

NONRESIDENT INCOME TAX

Puerto Rican Receipts: The estimate assumes a reduction in income tax collected from nonresidents proportionate to the reduction in individual income tax collections from residents.

Source of estimate: Congressional Research Service.

Federal Receipts: None.

SALES TAX

Puerto Rican Receipts: The estimate assumes Puerto Rico would adopt a general retail sales tax if confronted with full State tax treatment by the Federal Government. The sales tax is the largest single source of revenue in the States. It is an especially productive and appropriate revenue source for States with substantial tourism. In fiscal year 1975 the ten lowest-income States derived sales tax revenues which averaged 3.06 percent of 1974 personal income. The estimate assumes a Puerto Rican sales tax would yield 3.0 percent of personal income.

Source of estimates: Congressional Research Service.

Federal Receipts: None.

EXCISE TAXES

Puerto Rican Receipts: The estimate assumes the Federal excise tax collections on Puerto Rican alcoholic beverages and tobacco products sold in the U.S. would no longer be "covered over" to the Commonwealth Treasury. The estimate is also based on assumptions about rates and levels for each excise tax. Basically, the estimate assumes that for those Puerto Rican excise taxes which are presently as high as or higher than the highest combined Federal State levels in the States, the Puerto Rican excise tax would be reduced to offset the newly applicable Federal tax. For those cases in which the imposition of the Federal excise would not increase the total Federal-Puerto Rican tax beyond the highest levels of combined taxes in the States, the Puerto Rican taxes are assumed to remain at their present levels.

Source of estimate: U.S. Treasury.

Federal Receipts: The estimate assumes the Federal excise tax collections on Puerto Rican alcoholic beverages and tobacco products would no longer be "covered over" to the Commonwealth Treasury, and that all other Federal excises would be fully applicable within Puerto Rico. The estimates for each excise tax are based on present Puerto Rican excise tax collection data where available.

Source of estimate: U.S. Treasury.

ESTATE AND GIFT TAXES

Puerto Rican Receipts: The estimate assumes that Puerto Rican estate tax collections under State tax treatment would equal 20 percent of Federal collections; this is slightly lower than the average ratio in the States. The estimate also assumes the present Puerto Rican gift tax would be retained.

Source of estimate: U.S. Treasury.

Federal Receipts: The estimate is based on present Puerto Rican estate and gift tax collections, and allows for a credit for Puerto Rican collections under a State-type system.

Source of estimate: U.S. Treasury.

PROPERTY TAX

Puerto Rican Receipts: There is evidence that Puerto Rico presently underutilizes the property tax,[28] however, estimating potential revenue from a more "typical" reliance on the property tax is fraught with ambiguities. Puerto Rico presently derives a higher ratio of revenue compared to personal income from the property tax than the average for the poorest States, but the Puerto Rican average is below the national average. On the other hand, on a per capita basis the Puerto Rican property tax collections appear extremely low. In fiscal 1975 the per capita Puerto Rican property tax revenue amounted to $65.76 whereas the average for the five lowest-income States was $126.91 (Alabama, the State with the lowest per capita amount, had a level of $52.95; Arkansas, the second lowest, was at $89.60), the average for the ten lowest-income States was $116.78 and the U.S. average was $241.60. Based on these observations, the estimate assumes, rather arbitrarily, that Puerto Rico could increase its property tax revenue to a level of $85 per capita. This would still leave Puerto Rico with a lower per capita level than any State but Alabama. The estimate shows the entire increase in property tax revenue in the column "Puerto Rican Receipts", even though most of the increase would probably go to the municipalities (which collected $129 million from the property tax in 1975). This is because the increased municipal property tax collections would substitute for "State"-local transfers, and thus benefit the Commonwealth by an equal amount.

Source of estimate: Congressional Research Service.

Federal Receipts: None.

CUSTOMS DUTIES

Puerto Rican Receipts: The estimate assumes Federal customs collections on foreign imports into Puerto Rico would no longer be "covered over" to the Commonwealth.

Source of estimate: U.S. Treasury.

Federal Receipts: The estimate assumes Federal customs collections on foreign imports into Puerto Rico would no longer be "covered over" to the Commonwealth.

Source of estimate: U.S. Treasury.

LICENSES AND MISCELLANEOUS

Puerto Rican Receipts: The estimate assumes there would be no change as a result of State tax treatment.

Federal Receipts: None.

VI. THE IMPACT OF FULLY TREATING PUERTO RICO AS A STATE UNDER FEDERAL GRANT AND REVENUE PROGRAMS

This section provides estimates of the increase in Federal funds which would flow to Puerto Rico if it were fully treated as a State for all Federal grant and revenue programs. Tables 3 and 4 show the present Federal grants and transfers to Puerto Rico in fiscal year 1975. Total Federal grants to Puerto Rico amounted to $464.5 million and net transfer receipts of Puerto Rican individuals totaled $606 million.

For purposes of most Federal grant programs Puerto Rico is already treated as a State. Of course, like the States, Puerto Rico does not presently receive all of its potential funding under every possible Federal grant program because some programs are less applicable to the needs of the area, some available Federal funds go unused because of a failure to file grant applications, and some Federal funds are not claimed due to insufficient local matching funds. However, there are some twenty-two significant Federal grant-in-aid programs, most of which flow through the Department of Health, Education and Welfare, which contain statutory restrictions on funding levels for Puerto Rico.[29]

TABLE 3.—TRANSFER PAYMENTS FROM FEDERAL GENERAL REVENUES AND TRUST FUNDS TO INDIVIDUALS RESIDENT IN PUERTO RICO, FISCAL YEAR 1975

[In millions of dollars]

	Total receipts of individuals resident in Puerto Rico	Associated payments by or on behalf of individuals resident in Puerto Rico	Net receipts of individuals resident in Puerto Rico
Food stamps	350	98	252
OASDI	480	390	90
Medicare	50	8	42
Unemployment compensation	110	79	31
Veterans benefits	183	----------	183
Civil service retirement	22	14	8
Total	1,195	589	606

Source: Office of the Secretary of the Treasury Office of International Tax Affairs.

TABLE 4.—*Federal grants to Puerto Rican Governments, Fiscal Year 1975*

[In millions of dollars]

	Amount
Department of Agriculture	$57.0
Civil Service Commission	0.3
Department of Commerce	12.2
Community Services Administration	14.9
Corporation for Public Broadcasting	0.3
Department of Defense	3.5
Environmental Protection Agency	9.4
Federal Power Commission	[1]
Funds Appropriated to the President	11.2
Department of Health, Education, and Welfare	185.5
Department of Housing and Urban Development	55.6
Department of the Interior	2.1
Department of Justice	11.7
Department of Labor	82.9
National Foundation on the Arts and Humanities	0.2
Department of Transportation	17.4
Miscellaneous	0.4
Total	464.5

[1] Less than $50,000.

Note: Excludes customs duties and excise taxes "covered over" to the Puerto Rican Treasury.

Source: Office of the Secretary of the Treasury, Office of International Tax Affairs.

U.S. Department of the Treasury, Federal Aid to States: Fiscal Year 1975.

Additionally, Puerto Rico does not receive Federal revenue sharing funds under present law. Table 5 presents estimates for 1975 of the increases in Federal funding levels which would result from fully treating Puetro Rico as a State under the most important Federal grant and revenue programs which are presently restricted or inapplicable. The estimates have been provided by the Department of Health, Education, and Welfare and the Department of the Treasury and are used here without evaluation.[30] The estimates indicate that under full State treatment, Puerto Rican governments could have received up to an additional $370.3 million in 1975, principally from revenue sharing, AFDC, and Title I of the Elementary and Secondary Education Act. Puerto Rican individuals could have received increased net transfers of $378.4 million, primarily from Supplemental Security Income. Receipt of these increased funding levels would not be entirely costless, however; Puerto Rican governments and individuals would have to increase matching funds and personal pay-

Footnotes at end of article.

ments by a total of $49.1 million to receive the full increased benefit levels. This implies the possibility of receiving less than the full funding amounts, if Puerto Rican matching and payment levels do not rise sufficiently, and also implies a possible shift in the mix of government programing under State fiscal treatment.

TABLE 5.—ESTIMATED INCREASES IN FEDERAL FUNDING LEVELS FROM FULLY TREATING PUERTO RICO AS A STATE UNDER FEDERAL GRANT AND REVENUE PROGRAMS IN 1975

[In millions of dollars]

Program	Increase in Federal funds	Puerto Rican matching requirement or payment
To governments:		
Revenue sharing	200.0	----
AFDC	76.3	21.6
Title XX of SSA	30.0	10.0
Title I of ESEA	64.0	----
Subtotal	370.3	31.6
To individuals:		
Medicaid	61.9	17.3
WIN	6.5	.2
SSI	300.0	----
Prouty amendments	10.0	----
Subtotal	378.4	17.5
Total	748.7	49.1

Sources: Revenue sharing estimate: Unofficial estimate of U.S. Department of Treasury.

Other estimates: Author's adjustments to year 1975 of estimates provided by Office of the Secretary of the Department of Health, Education, and Welfare from, "Report of the Under Secretary's Advisory Group on Puerto Rico, Guam, and the Virgin Islands," October 1976, p. 26 (all estimates except title I of ESEA) and from the National Center for Education Statistics.

VII. A PRELIMINARY ANALYSIS OF THE ECONOMIC IMPACT OF FULLY TREATING PUERTO RICO AS A STATE UNDER FEDERAL TAX AND EXPENDITURE PROGRAMS

The previous two sections provide estimates of the potential fiscal impacts of fully treating Puerto Rico as a State for purposes of Federal taxation and expenditure programs. This section presents an indication of the potential implications of these estimates for the Puerto Rican economy.[31] The analysis is highly preliminary, and to some extent conjectural, because it is not based on econometric measures of the Puerto Rican economy, and ultimately rests on a question which requires further research.

Table 6 combines the data from the two previous sections to show the net flow-of-funds impact on the government, individuals, and corporations sectors in the Puerto Rican economy under full State fiscal treatment. The table indicates that under full State treatment the government sector in Puerto Rico would sustain a fiscal loss of approximately $8.7 million. However, the proper interpretation of this estimate is that State treatment would have a negligible impact on the revenues available to governments in Puerto Rico. This is because the estimates in Tables 2 and 5 are sufficiently imprecise that the $8.7 million figure in Table 6, which represents less than 1 percent of Puerto Rican-generated revenues in 1975, cannot actually be distinguished from a zero impact. Additionally, the estimates are based on a number of behavioral assumptions which may not be accurate, especially if fiscal balance could be achieved by relatively modest behavioral changes. For example, if indeed a small gap in available funds would develop under State treatment, Puerto Rican officials might increase matching funds for already available Federal matching grants, thus increasing Federal transfers to offset the shortfall.

Footnotes at end of article.

TABLE 6.—*Net impact of fully treating Puerto Rico as a State under Federal tax and expenditure programs in 1975*

[Amount in millions]

Governments:	
Loss: Reduced revenue receipts [1]	$379.0
Gain: Increased transfers from Federal Government [2]	370.3
Net impact	−8.7
Individuals:	
Loss:	
Individual income tax [1]	231.0
Sales tax [3]	143.2
Excise taxes [3]	35.2
Property tax [4]	29.5
Total loss	438.9
Gain: Increased transfers from Federal Government [2]	378.4
Net impact	−60.5
Corporations:	
Loss:	
Corporate income tax [1]	417.0
Sales tax [3]	35.8
Excise taxes [3]	8.8
Property tax [4]	29.5
Total loss	491.1
Gain: none.	

[1] Source: Table 2, p. 23.

[2] Source: Table 5, p. 35.

[3] Source: Table 2, p. 23. Assumes 20 percent of sales and excise taxes is paid by business.

[4] Source: Table 2, p. 23. Assumes 50 percent of property tax is paid by business. See: Significant Features of Fiscal Federalism, 1976–77 edition, vol. II—Revenue and Debt, Advisory Commission on Intergovernmental Relations, Table 70, p. 106.

However, while the aggregate revenue impact on governments in Puerto Rico of full State fiscal treatment may be negligible, the programmatic impact may be important. While some of the increased Federal revenue Puerto Rico would receive as a result of full State treatment would be general purpose revenue, such as revenue sharing, other revenue, such as AFDC and Title I funds, is earmarked for a specific purpose and may even require local matching funds to receive. Therefore, unless the revenue gain categories fit well into the present Puerto Rican expenditure pattern, a shift in the mixture of government programming or a change in the overall level of government services would result.

Table 6 reveals that under full State fiscal treatment Puerto Rican individuals would sustain an aggregate loss of slightly over $60 million, or less than 1 percent of personal income. This figure, like the estimated revenue loss for the government sector, is sufficiently small that the possibility that it may result from estimation error cannot be discounted. For example, the estimate of Federal individual income tax revenue which would be collected in Puerto Rico under full taxation (Table 2) is based on incomplete data and assumes a 40 percent underreporting of taxable income; considerable margin for error must be allowed in such an estimate. Additionally, changes in the Federal individual income tax since 1975, specifically the enlargement of the standard deduction and adoption of the general $35 per exemption credit and adoption of the earned income credit, may have reduced the relative fiscal impact of full Federal individual income taxation in Puerto Rico.[32]

Given the relatively small magnitude of the aggregate impact on individual income of full state fiscal treatment, a far more important effect is the income redistribution which would occur. The gains and losses experienced by individuals as a result of fully treating Puerto Rico as a State under Federal tax and expenditure programs would not be distributed evenly among the population. The increase in Federal transfer receipts would flow almost entirely to lower-income individuals whereas upper-income persons would bear a heavy portion of the increase in taxes, both through higher effective tax rates and improved collection procedures. Thus, full State fiscal treatment implies a sizeable redistribution of after-tax income from upper-income to lower-income individuals.

The increase in corporate taxes resulting full State tax treatment would not be offset by any increase in government transfers or grants. Thus, corporations in Puerto Rico would sustain a net loss of approximately $490 million per year under full State fiscal treatment. This potential loss and its consequences are probably the crucial issue surrounding State treatment.

The flow-of-funds analysis provided in Table 6 gives a comparative statics estimate of the "first-round" economic implications of full State fiscal treatment of Puerto Rico; it does not indicate the full potential economic effect of the changes once all economic reactions or "feedbacks" have occurred. While it has been observed above that the economic impact estimates in Table 6, with the exception of the corporate sector, are sufficiently imprecise that their magnitude is uncertain (and may, in fact, be negligible), it may nonetheless be instructive to explore the full potential economic impact of revenue losses of the magnitudes stated in Table 6.

The multiplier for macroeconomic changes in the Puerto Rican economy is probably rather low because of the extremely large foreign trade sector. The large volume of imports and exports dampens the domestic impact of demand-related economic changes (such as income or consumpton patterns) and magnifies the domestic impact of supply-related changes (such as wage or productivity levels). Thus, the economic multiplier for changes in personal income and government spending in Puerto Rico would be relatively low, perhaps in the neighborhood of 1.3 to 1.5. An additional factor which would moderate the multiplier effect of State treatment of Puerto Rico is that the change would involve a redistribution of income toward lower-income groups in addition to any changes in tht aggregate levels of income and government spending. Since individuals and families in the lower income brackets have a higher propensity to consume than higher-income people,[33] the reduction in aggregate economic activity would be smaller than if the loss of income were evenly distributed (of course, this implies a further reduction in the rate of savings in Puerto Rico, a consequence which worsens other problems. See section IV). Assuming a multiplier of 1.5 as reasonable for the Puerto Rican economy, the reduction in individual income and government spending indicated in Table 6 could eventually reduce Puerto Rican GNP by approximately $105 million below otherwise attainable levels, a reduction of approximately 1.5 percent. Thus, the estimates of revenue losses to the government and individuals sectors in Table 6, to the extent that they are accurate, imply a small, though not inconsequential, reduction in GNP.

Unfortunately, the impact on the Puerto Rican economy of the change in the taxation of corporations cannot be analyzed by simple multiplier techniques. On the one hand, the approximately $490 million reduction in after-tax profits that Puerto Rican corporations would sustain as a result of full State tax treatment does not equate to a withdrawal of that amount from the Puerto

Rican economy, because little of these profits is presently reinvested in Puerto Rico. On the other hand, the change in corporate taxation which would result from full State treatment of Puerto Rico—for most corporations a change from complete tax exemption to full taxation—has significance far beyond the reduction in funds available for immediate reinvestment in the Puerto Rican economy. Such a tax change would cause a total reevaluation of the investment climate in Puerto Rico by the business community and could cause fundamental changes in business activity.

To the extent that Puerto Rico's attractiveness to investors depends on tax exemption, full State tax treatment would have a serious negative impact on the economy;[34] not only would a reduction in ongoing investment occur, but an exodus of existing firms might also develop over a period of time. A loss of investment attractiveness to some types of firms, particularly those interested in Puerto Rico solely for the tax exemption and those which make little contribution to the Puerto Rican economy (see discussion in section IV), would not be disastrous. However, an across-the-board reduction in business investment and operation would have serious implications.

Detailed up-to-date information on the importance of tax exemption to investment in Puerto Rico and the consequences of reduced investment attractiveness does not exist. The last in-depth study of the issue was performed by the Commission on the Status of Puerto Rico in 1966.[35] That study which included economic and financial analysis of business locations in Puerto Rico along with interviews of U.S. and Puerto Rican manufacturers and industrial promotion officials, reported in part the following conclusions:

"(a) tax exemption has been of primary importance in attracting industrial investment to Puerto Rico in the past; (b) it will continue to be required in the immediate future because of the present state of development of the economy; but (c) this form of investment incentive will diminish with continued economic growth. It is not possible, however, to predict just how fast the present dependency on tax exemption will diminish, particularly in the case of highly capital-intensive industries. The loss of the ability to grant exemption from taxes of all kinds will, as a consequence, always entail some risk to the continued economic growth of Puerto Rico.[36]

"Between two-thirds and three-quarters of the pattern of past industrial growth which took place under Commonwealth would have been adversely affected, and perhaps would not have even occurred, in the absence of the minimum wage and tax exemptions.[37]

"Based on its analysis of the combined effects of wage and tax exemption, the program of economic studies concludes that some 25 years would have to elapse before a Puerto Rican economy without fiscal autonomy is likely to be able to achieve the same rates of growth in income and employment as the average State." [38]

To what extent these conclusions remain valid today is unknown. However, this question remains the central issue in understanding the potential economic impact of full state tax treatment of Puerto Rico. If full state treatment would substantially diminish the investment attractiveness of Puerto Rico to business enterprises—largely U.S. corporations operating under section 936 of the Internal Revenue Code—then state treatment could have disastrous consequences for the Puerto Rican economy. However, if state treatment would not seriously curtail investment in important business sectors in Puerto Rico, or if any potential negative impact could be delayed or offset by gradually phasing in full taxation or by development of more vigorous local investment, then state treatment could be accomplished without serious economic disruptions. Because of its crucial importance to the viability of the Puerto Rican economy, this issue should be carefully reviewed once again prior to any serious consideration of state fiscal treatment for Puerto Rico.

FOOTNOTES

[1] Puerto Rican Factions Hit Island Status, Washington Post, August 19, 1977. pp. A1, A16.

[2] For example, H.R. 588 (95th Congress) would appeal section 933 of the Internal Revenue Code, which provides the exclusion from taxable income for Puerto Rican source income received by residents of Puerto Rico.

[3] See the statement of the Honorable Baltasar Corrada, Congressional Record, July 25, 1977, pp. 24835–24837, for a suggestion of the form such a transition might assume.

[4] This section and the next draw heavily on two sources: 1) *What You Should Know About Taxes in Puerto Rico*, Office of Economic Research, Department of the Treasury, Commonwealth of Puerto Rico, 1976 Edition; and 2) *Business Operations in Puerto Rico*, Barry A. Woods, Tax Management Inc., 1977.

[5] Such income may arise if, for example, a possessions corporation manufacturers goods in the possession and markets the goods in a foreign country. The corporation may pay taxes on the foreign source income to the foreign country, but the income would also qualify for a section 936 credit because it results from the active conduct of a trade or business within the possession.

[6] The Puerto Rican marginal tax rates are higher than the U.S. rates for taxable income levels above $4000, however, as indicated above the definitions of taxable income are different.

[7] Apparently one of the reasons the tax produces little revenue is poor enforcement. See Andic, Fuat M. and Arthur J. Mann, Redesigning Puerto Rico's Tax System: An Overview, Bulletin For International Fiscal Documentation, May 1975. p. 188.

[8] The flexible depreciation system is optional. Taxpayers for which this limitation would be restrictive may use ordinary depreciation methods.

[9] The Christian Science Monitor, Thursday, April 21, 1977. p. 10.

[10] These provisions combined with the exemption of Puerto Rican corporations from Federal taxation under section 936 provide for virtually complete tax exemption.

[11] For an econometric analysis of these incentives see Woodward, Robert S., The Effectiveness of Intra-Island Industrial Incentives in Puerto Rico, National Tax Journal, Vol. XXVII, No. 2, June 1974, pp. 261–273.

[12] See Maldonado, Rita M., The Economic Costs and Benefits of Puerto Rico's Political Alternatives, Southern Economic Journal, October 1974. p. 275.

[13] Statement of Honorable Jaime Benitez, Resident Commissioner of Puerto Rico, in Hearings before the Committee on Finance, U.S. Congress, on Tax Reform Act of 1975, March 29, 1976. p. 1045.

[14] Industrial Development, January/February, 1975. p. 19.

[15] See Maldonado, op. cit. pp. 274–276.

[16] However, there is evidence that the distribution of income has become somewhat more equal. See Maldonado, op. cit. pp. 268–269.

[17] Report to the Governor, The Committee to Study Puerto Rico's Finances, December 11, 1975. pp. 62–63.

[18] Ibid., p. 15.

[19] Report to the Governor, op. cit. p. 43.

[20] Report to the Governor, op. cit. p. 44.

[21] The Christian Science Monitor, April 22, 1977. p. 14.

[22] The Governor of Puerto Rico has proposed to reduce the tollgate tax to 7 percent on 75 percent of current earnings if the remaining 25 percent of profits is invested in Puerto Rican government issues. See The Journal of Commerce, May 31, 1977, p. 1. This recommendation, along with other measures designed to increase reinvestment in the Puerto Rican economy, has passed the Puerto Rico legislature in H. 377. See Taxes, August 1977. p. 505.

[23] Report to the Governor, op. cit., see major recommendations 1, 5, 6, 7, and 8.

[24] The information is contained primarily in two documents: Sammons, Robert L., Potential New Federal Taxes in Puerto Rico, June 4, 1975, a paper prepared for the Treasury; and a series of four tables updating the Sammons estimates released on April 20, 1976 by the Office of International Tax Affairs, Office of the Secretary of the Treasury. The author also wishes to acknowledge the helpful comments and suggestions of James Nunns of the Office of International Tax Affairs.

[25] This figure represents actual Federal collections from this source, not Puerto Rican receipts. Puerto Rican receipts were slightly higher because a portion of prior year collections were "covered over" in FY 1975.

[26] This amount includes $81 million in collections which is earmarked for the Highways Authority and the Port Authority.

[27] Sammons. op. cit. p. 5. See also Andic and Mann. op. cit. p. 196.

[28] See for example, Report to the Governor, The Committee to Study Puerto Rico's Finances, December 11, 1975. Major Recommendation number 2.

[29] McManis Associates, Inc., Analysis of Utilization of Federal Funds in San Juan and Puerto Rico, July 1976. See especially p. II–5.

[30] A detailed study of increased funding levels under full state treatment of Puerto Rico is presently underway in the Congressional Research Service and will be available at a later date.

[31] The economic impact on the Federal Government is also of interest and is readily determinable from Tables 2 and 5. The estimates indicate that fully treating Puerto Rico as a State under Federal tax and expenditure programs would yield a net annual increase in Federal revenues of approximately $545 million. Of course, if full State treatment were phased in, or had a severe negative impact on the Puerto Rican economy, this figure would be reduced.

[32] This point is addressed in, McManis Associates, op. cit. pp. I–5 to I–7. However, the McManis estimates of the magnitude of this impact appear considerably overstated.

[33] For estimates of family savings rates at different income levels for Puerto Rico see *Report to the Governor*, op. cit. p. 29.

[34] Additionally, Federal minimum wage laws presently do not have full applicability in Puerto Rico. Full State treatment under the minimum wage laws would further reduce incentives to invest in Puerto Rico.

[35] Commission on the Status of Puerto Rico, Status of Puerto Rico, House Document No. 464, 89th Congress, 2d Session. August 4, 1966.

[36] Commission on the Status of Puerto Rico, op. cit. p. 73.

[37] Ibid. p. 75.

[38] Ibid. p. 76.

ADDRESS OF LEONARD STRELITZ, UJA GENERAL CHAIRMAN

Mr. SCHWEIKER. Mr. President, during the November recess I had the honor to address the Southwest Regional Inaugural of the United Jewish Appeal in Dallas, Tex. I was preceded in my remarks by Leonard Strelitz, UJA's general chairman.

In the belief that Mr. Strelitz' stirring words will be of interest to my colleagues,

I ask unanimous consent that the full text of his speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

"THE COST OF FREEDOM"

(By Leonard R. Strelitz)

Mr. Chairman, Leon Brachman, Senator Schweiker, Friends:

For the last four days we have been together, American Jewry assembled: to plan, to program and rally for the coming years.

Yesterday, after hearing Golda, and then listening to Simcha Dinitz, the 25 UJA college reps at this Conference caucused, for they understood that our giving is a test of our commitment . . . that only when you give of yourself can you feel like a Jew . . . and for those students, as it should be for all of us, that means doing more now.

They raised $3,800 . . . over $100 each. What an example for us here tonight!

Senator, one line by Golda Meir expresses the feelings all of us bring here tonight: she said yesterday at the CJF General Assembly, that for the Jewish people, Israel is more than just another little democracy. For Israel has given new meaning to being a Jew.

Indeed, without Israel, there would be no viable, thriving Jewish community . . . and without Israel, life on this planet would be different for all of mankind, especially the Jewish people.

So that is why we are here tonight. Because, as Americans and as Jews, we know and understand that freedom must be won and rewon in every generation . . . and that there are no easy victories.

Our rights cannot be inherited . . . or transmitted. They must be continually safeguarded and renewed. If we ever lost sight of this lesson, we shrink from principle, and this we will never do.

As an American Jewish community, the Senator should understand that our creed is very clear: it is shaped by 2,000 years of adversity . . . that if you believe in something, you fight for it . . . you live by your faith . . . you live up to your vision of yourself and your people . . . and you have the will to stand fast.

And for us, this principle begins with our inheritance: our obligations as Jews . . . especially today, when we are being tested . . . when our rights are again being challenged . . . when Israel is being pushed into a corner in a world where oil seems to be the new morality . . . in a world seeking peace at the price of freedom.

Senator, that little land that we all love, Israel, is approaching her 30th anniversary. How much these people have done. How much they have toiled. And how much they have sacrificed in the name of freedom.

They never ask us to sacrifice our blood, but our bond—our partnership—is something very special.

They live a life of constant tension . . . a burden which drains their wealth and saps their genius . . . a wasting of strength that defies all logic . . . yet they go on, and live and raise families and produce scientists and doctors, and their children paint scenes of peace in Jerusalem, while their youth stand watch in the Sinai and along the borders.

Yes, every weapon Israel produces, every plane launched, every rocket fired in the Golan . . . takes from some child, some immigrant family, a better home, a better school, a better future.

Each time Israel responds to a terrorist attack or prepares to defend her borders, she is spending the wealth of her people, wasting the promise of her youth, delaying opportunity for her lifeblood: the new immigrants.

Israel is grateful for American aid . . . it is indispensable. But a besieged people pay a high price for their vigilance: servicing an F–15 frustrates human expectations . . . patrolling along the Lebanese border defers progress in development towns . . . and yes, maintaining the state of readiness is one of the reasons we must admit, that after 30 years of partnership, we still cannot say that all children in a Jewish State receive a free and compulsory education through high school.

Yes, the cost of defending freedom in a Jewish State means that after one generation, those who escaped the violence of Arab lands still live in the shabby homes constructed in the early days of the State . . . and that their children, those youth needed to fly those F–15s, still are struggling to "make it" in a modern, Jewish nation.

Yes, the cost of freedom is prohibitive, but do we have any other choice? So the real cost comes down to what we can do, what our continued obligation will be.

Because, these are our people: and just freeing them from tyranny, from want, from persecution . . . and providing a haven in Israel is not enough.

After living in fear for decades, you just do not wipe away the scars by saying: okay, now you are free. Now you can do as you please.

It is not enough. Our people in Israel must have the ability to excel . . . to thrive . . . and to live as Jews and as free men while they are daily sacrificing and putting their lives on the line.

And that, my friends, means we must do much more. For the forces at work in the world today which oppose Jewish values, and Jewish life, and everything that Israel stands for, are smarter, better organized and better financed than ever before.

It's as simple as that. Since we live in the most bountiful, financially-secure Jewish community in the world, we have a very special obligation—a moral responsibility—for those trustees of our Jewish legacy living in Israel.

So let us meet the test with our commitments . . .

Let us give Senator Schweiker tonight a message that he can take back:

And then, nobody will be able to say, that here was a Jewish community which shirked its responsibility . . . that here was a Jewish community which doubted its right . . . that here was a Jewish community which could—but did not—meet the test.

But instead, the message will be much, much more affirmative: that here indeed, was a Jewish community . . . remembering, never forgetting, acting from strength . . . standing as one . . . for all Israel . . . themselves and their children's future . . . a Jewish community fiercely proud to be American and Jewish.

LOUIE ISRAEL MARTEL KNIGHTED INTO THE KNIGHTS OF THE HOLY SEPULCHER IN JERUSALEM

Mr. DURKIN. Mr. President, the elected representatives of the State of New Hampshire are blessed with so many outstanding citizens to whom we could pay tribute, that we could spend each and every day doing nothing else. That is why I am sometimes hesitant to call attention to any particular achievement, because each time I do so, I implicitly ignore so many others.

Nevertheless, Louie Israel Martel, one of my outstanding constituents and friends, has recently received an honor so notable that no other citizen of New Hampshire can be jealous having that award noted. In fact, all citizens of New Hampshire will be proud that Louie Martel, a tremendous credit to our State and this country, has recently been knighted into the Knights of the Holy Sepulcher in Jerusalem.

Louie's knighting on September 25 in Notre Dame Cathedral in Montreal, Canada, indicates a recognition at numerous levels of his tremendous contributions to the Catholic Church and his community. Louie was recommended for this honor after he served in his usual distinguished fashion as head of the French-speaking part of the 41st Eucharistic Congress held recently in Philadelphia. That position alone speaks volumes for Louie's talents, but his new mantle makes it clear that throughout his church and his community, Louie has earned tremendous respect.

The Knights of the Holy Sepulcher into which Louie has entered is a confraternity of persons bound together solely by the pious custom of receiving knighthood. The foundation of the Knight is attributed to Godfrey de Bouillon, one of the leaders of the first Crusade. Many consider the Knights of the Holy Sepulcher the oldest of the religious knighthoods.

I know Louie, a resident of Manchester, N.H., well enough to realize that this honor will be carried well. And I know that I and all of Louie's other friends will say with pride to him, "Welcome Knight Louie Martel."

AN EXAMPLE OF TRIUMPH OVER HANDICAPS

Mr. BAKER. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by the distinguished Senator from New York (Mr. JAVITS).

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR JAVITS

I call to the attention of my colleagues the following account that illustrates so well an example of triumphing over handicaps, of perseverance after many years of struggle to achieve a long-sought goal.

Here in the United States Senate, Mr. President, we so often deal with issues of great moment to this Nation, to the world. And while we debate, back home, in our States and communities, other great things are happening. The people whom we serve themselves are proving time after time that their spirit and fortitude is the real strength of our Nation.

I have an example of just that kind of fortitude and perseverance that I would like to share with my colleagues. It involves the Staten Island Club of the Deaf, which has won the Eastern Athletic Association of the Deaf softball championship. This team of young men has been trying for 24 years to reach this plateau, and never once quit trying.

As an aside, I am proud to say that the championship game, which was played at Bridgeport, Conn., was between two New York City teams. Staten Island proved victorious over a team from Brooklyn.

You would think, Mr. President, that after 24 years of frustration, the Staten Island team would be downhearted going into the last inning of the championship game losing 7 to 3. That, indeed, was the scenario for these young men on the day they finally won their championship.

Rather than cave in to the pressures, these men showed themselves as capable as any American, handicapped or not, to rise above adversity, to fight long odds and come out victorious.

Player after player in that last inning came to bat and struck blows for their team that carried it to an 8 to 7, comeback victory. It was a stirring moment to experience, a grand moment of exhilaration that proves anew that man's spirit cannot be dampened by physical handicap.

The Staten Island Club of the Deaf has reiterated an important lesson for our nation, one that I have frequently mentioned as I spoke about the handicapped. And that is that we too often are guilty of not taking advantage of the contributions to our society that can be made by those who are physically impaired one way or another. Our society would be richer if it more fully utilized the skills, the talents, the creativity of all our citizens.

We are today moving in the direction of a better life for our citizens who have some physical impairmen., a life with greater opportunities to earn a decent living, to contribute for the good of the community, but we have not achieved yet the goal of full partnership in society for all Americans with handicaps.

As we strive to reach this plateau, then, it is important to recount achievements such as that by the Staten Island Club of the Deaf. It is important to recognize the individual efforts of the men who brought that championship to Staten Island for in them we can see another example of the indomitable will that has made our nation strong. That's why at this time I would like to name the players and their manager and the others on this team that helped bring about this championship.

The manager is Charles Maucere. The players are Adam Milcznski, Bob Ferrance, John Krause, George Oraschin, John Werner, Bob Loeffler, Des Hitchman, Bill Nelson, Ray Sturm, Bob Marinaro, Bob Scarna, Bob Vallario, Steve Williamson, James Ginis, Tony DeVito, David Tropp, Steve Bioty. The coach is Vincent Dotti. Dominick Marinaro is general manager, Richard Hester the batboy, Bob Loeffler also is director of athletics and scorekeeper, Vito Mazzola and Sam Gino are patrons, and the publicity director for the team is Tom Cooney.

TAXING CAPITAL GAINS

Mr. TALMADGE. Mr. President, I would like to call to the attention of my colleagues an excellent article which recently appeared in the Wesleyan Christian Advocate.

The author, Bishop William R. Cannon, is bishop of the Atlanta area of the United Methodist Church, which includes the entire State of Georgia. He is an outstanding Georgian and a great American who has devoted his life and energies to the betterment of our society and the spiritual enrichment of our citizens.

It was my privilege to attend school at the University of Georgia with Bishop Cannon, and I know him to be a man who speaks his own mind, and who is a forceful and articulate advocate of responsible government in America.

His article provides a clear and concise appraisal of one of the most complex tax issues before our Nation. I commend Bishop Cannon on his thoughtful remarks, and ask unanimous consent that his article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE BISHOP'S CORNER

(By William R. Cannon)

Taxes affect the lives of all of us. At the same time, taxes affect the institutions we build in our society. Therefore, as the government considers a revision of the tax structure, we need as citizens to give careful attention to whatever is proposed. We would be wise to consider some of the issues now, well in advance of what Congress undertakes to do. What we think is bound to influence those who represent us, especially if we let them know our opinions.

One of the most important issues the nation will face in tax revision is the tax on capital gains. Say a person purchases a piece of property for $25,000 and then sells it for $50,000. He has realized a 100 percent return on his investment.

As the law reads now, he must pay in capital gains tax about 25 percent of his profits—one-fourth, more or less, of what he has made on his investment.

This amounts to about $6,200. This is an excessive amount of money.

The United States has already the highest return on capital gains of any other large nation in the free world. Many nations do not tax capital gains at all. Yet, there are some people who are recommending that it be taxed on the same basis as regular income. If this should happen, it would be very difficult for people to build up an estate or accumulate anything beyond insurance and social security for their old age.

The populace would be reduced to living on its income and the interest on small savings accounts put aside for a rainy day. Those who had estates from an earlier time would have to leave them intact. They would be hesitant to sell out and reinvest, for what they would have to reinvest would be only a pittance of their former wealth.

This, in turn, would stifle business transactions, greatly impair real-estate sales, and reduce the stock market to a standstill. There would not be sufficient money for business expansion, the improvement of plants and machinery, and American industry with its products would take a further step backward in relation to its competition on the world market.

More than that, what we take to be capital gains is not really capital gain at all in the inflationary environment in which we now live. A house or building that cost $45,000 about five years ago will cost $80,000 to $90,000 to purchase today. Then, after the government tax, as it now is, we will have less to buy the equivalent of what we now have when we sell a piece of property. If our sale is taxed on the basis of regular income, we would not have enough left to buy anything at all. Indeed, we will be forced to use that capital as if it were regular income.

The capital gains tax in any form is the most unfair and unjust tax there is. We have already paid tax on the money we earned when we made the investment. Then, we pay tax again on that same money when we change the investment to something else.

Philanthropy—public charity that supports our churches, hospitals, schools, colleges, and other Christian agencies—has been the glory of our society. Much, indeed most, of this has been done through financial benefits achieved through these investments. High taxes on capital gains would place much of this in jeopardy.

Therefore, when we revise the tax structure, I hope the government will abolish, or at least greatly reduce, taxes on capital gains.

TRANSPORTATION SUBSIDIES: THE BARGE COMPANIES HAVE RECEIVED MORE THAN OTHER MODES COMBINED

Mr. DOMENICI. Mr. President, earlier this year, the Congressional Research Service of the Library of Congress published a study entitled "Federal Aid to Domestic Transportation."

The Research Service examined the subsidies provided to four modes of transportation: Rail, air, highways, and inland waterways. A basic conclusion of the study:

Inland water navigation has received more net Federal aid than rail, buses, large trucks, and air carriers combined.

The study computed the level of total Federal aid, then subtracted such items as tax revenues or other direct benefits recovered by the Federal Government. For example, the Federal Government recovered user charges and transportation-related excise taxes from trucks, buses, and air carriers, and received nearly a century's worth of free and reduced-rate transportation from the land-grant railroads. The Federal taxpayer, however, received nothing back from the inland barge companies.

Says the CRS:

According to the data available to this study, in the low estimate, inland water navigation has received more net Federal aid than rail, buses, large trucks and air carriers combined. In the high estimate inland water navigation has received $640 million less than rail, buses, large trucks and air carriers combined when Federal aid to intercity rail passenger service is included as an aid to railroads and $360 million more than rail, buses, large trucks and air carriers combined when it is excluded.

This is just one of the recent analyses on the major subsidies to the big barge companies. The Congressional Budget Office earlier this year made its own study of the taxpayer subsidies to the barge industry, in comparison to other modes. CBO found that the barge subsidies were many times greater, as a percentage of revenues, than those provided to other modes. CBO's estimate of Federal subsidy as a percentage of revenues:

(In percent)

	F.Y. 1974	F.Y. 1975	F.Y. 1976
Air carriers	1	1	1
Highway transportation	--	--	--
Railroad freight	1	2	3
Inland barges	47	44	41

Mr. President, to add to the perspective of my colleagues on this issue, I ask unanimous consent that the CRS table be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Summary of Net Federal Aid to Railroads, Inland Water Navigation, and Commercial Highway and Air Carriers, 1835–1977 [1]

(Billions of dollars)

Description	Low estimate	High estimate
Intercity buses (1957–76)	$0.04	$0.04
Railroads (1835–1977)	[2] (.7)	[3] 2.2
Large trucks (1957–76)	2.5	2.5
Air carriers (1957–76)	.7	5.0
Inland water navigation 1957–76) [4]	9.0	9.0

[1] Net Federal aid refers to Federal aid reduced by land-grant transportation provided to the Government in the case of railroads; and the estimated underpayment in the case of buses, large trucks, air carriers and inland water navigation.

[2] The parenthesis indicates a net benefit to the Federal Government.

[3] This amount includes $1.1 billion Federal aid to intercity rail passenger service. As discussed in Chapter II, there is considerable discussion as to whether aid to intercity rail passenger service should properly be considered Federal aid to railroads.

[4] Since separate amounts for recreational users and commercial users has not been determined, the estimate includes benefits to both. The estimates include National Weather Service expenditures for the period 1972–76 only, Coast Guard expenditures for the period 1971–75 only, and Corps of Engineers expenditures for the period 1957–75.

JUDICIAL AWARD OF ATTORNEY FEES

Mr. BAKER. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by the distinguished Senator from Wyoming (Mr. WALLOP) together with the material attached thereto.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR WALLOP

I ask that the testimony presented by Senator DOMENICI before the House Subcommittee on Courts, Civil Liberties and the Administration of Justice on November 16, 1977 be inserted into the RECORD. As a cosponsor of the amendment to the legal services corporation bill offered by the Senator from New Mexico which would provide equal access to the courts to individuals and small businesses, I would also like to associate myself with his statement at this time.

HOUSE JUDICIARY COMMITTEE SUBCOMMITTEE ON COURTS, CIVIL LIBERTIES, AND THE ADMINISTRATION OF JUSTICE

SUBJECT OF HEARING: JUDICIAL AWARD OF ATTORNEY FEES

Mr. DOMENICI. Mr. Chairman, I appear before this committee to express my concern that our judicial system is losing its capacity to act as a balancing factor against arbitrary and capricious Government action.

This observation is based on my personal experience as an attorney whose clients have endured the unfortunate experience of litigating against inexhaustible Government resources in both administrative and judicial proceedings. Also, as an elected representative of the people of New Mexico, the majority of my constituent correspondence is composed of letters from citizens who express a feeling of helplessness and frustration in dealing with an institution as large and complex as the United States Government.

Pollsters have indicated that American people consider the major domestic problem to be the size and unresponsiveness of the Federal bureaucracy. We have entered the age of federal regulation and there are few elements of life, commercial or otherwise, where the Federal Government does not have some role to play.

Mr. Chairman, I have viewed this problem not from the philosophical perspective of whether or not fees should be awarded successful litigants, but rather from the view that because of the cost of court litigation and agency proceedings, many issues of importance in defining the relative rights of government in a free society are not being tested. The reason is that in the usual case, a party has to weigh the high cost of litigation or agency proceeding against the value of the rights to be asserted. It is often only the most wealthy who can afford to challenge the government's regulations. Individuals and small businesses are in far too many cases forced to knuckle under to arbitrary interpretations and regulations of Federal functionaries because they cannot afford to take the matter to court. or challenge the administrative action. The result is denial of a notion that we hold so dear—namely, equal justice under the law.

There is testimony to the effect that the policy of the government has been to litigate "test cases" against small businesses and individuals in order to set a precedent. This precedent can then be applied to all similar cases and even expanded in corollary cases. The reason for this policy in disputing meritorious claims against small business and individuals is obvious. They do not have the resources that large groups or corporations possess and the Government can proceed in expectation of outlasting its adversary.

The government channels thousands of dollars and a vast number of attorney hours in the presentation of a case. Surely society has an interest in insuring that such a case be decided pursuant to a fair presentation of the issues to the Court or the administrative agency responsible for the interpretation of the law or regulation. But how can this be accomplished? We must combat the impact of escalating legal and related costs deterring Americans from defending and enforcing their legal rights against the federal bureaucracy. We must redress the balance between the government and the individual. The average American must be made to feel that he can stand up and fight arbitrary overregulation. Small business must not feel they have to "cave in" to the government because alternative proceedings, even though they have a direct and substantial impact on the economic interest of the business, are prohibitively expensive.

Mr. Chairman, I have sponsored an amendment to the Legal Services bill which has cleared the Senate. I'm certain the members of this Committee are aware of this legislation as they are the House Conferees who will decide whether or not the legislation becomes law. The purpose of my amendment is to provide that when a small business or individual with assets of less than one million dollars and income of less than one hundred thousand dollars for the preceding five consecutive years, prevails in civil litigation to which the United States is a party, they will be entitled to attorney fees and related costs.

The theory of justice that is implicit in our system is that litigation is an advisory process and that is the way we resolve disputes. I am firmly convinced that equal justice is not available when one cannot afford to fight.

The purpose of my amendment is to build a little enthusiasm in the average American. Today, his attitude toward protecting his rights from bureaucratic encroachment is if I win in court, I still lose because of the cost. And when they give in, the strength and vigor of arbitrariness grows larger and stronger.

My bill would stop that. It gives an individual the ability to fight the government regulations which affect him. If he feels these regulations are overbroad or arbitrary, he may turn to the courts for assistance. If he prevails, it would be at small financial expense.

Once again, the small businessman and individual would feel able to stand up and not be overwhelmed by his government: once again, the courts and the judicial system would be effective in checking the power of the administrative branch.

The time has come to examine the awarding of attorneys' fees and related costs of court litigation. It is my view that this is necessary in cases to which the United States is a party because of the advantage it has in relation to small businesses and individuals. However, I stress that to be awarded costs and fees, the litigant must prevail or partially prevail. This will prevent spurious suits and insure the contesting of meritorious disputes.

I must also stress, that while this amendment was intended to compensate the average American and the small businessman for legal costs in protecting his rights, it is also a bill which will put skids under arbitrary regulation and rule-making.

In fact, I was tempted to put another clause in to the amendment requiring that the agency of the government which lost the litigation pay the cost out of its budget. However, it was not inserted and the costs will come from general appropriations.

How much will those costs be? I am not terribly concerned if it ends costing millions of dollars. If that is the price to end frustration in dealing with the government and put a stop to over-regulation, it is money well spent. And, as agencies re-examine their policies and interpretations to be sure they are reasonable, the amount of litigation will be reduced every year. Only those disputes which are meritorious will be litigated and then from a more equitable posture.

Mr. Chairman, it has been a privilege to be with you today, and to share my views on this important issue. Thank you.

JOBS FOR WOMEN

Mr. DURKIN. Mr. President, during consideration of nominations for the Department of Energy, I pointed out the underrepresentation of women among the current DOE appointees. Mere token representation is a disappointment not only in view of promises by President Carter to seek greater equity, but also in terms of accomplishing necessary long-range goals. For the DOE to confront hard issues head-on, it will need the support of all citizens and adequate representation is necessary to this support.

The Boston Globe recently published an article noting that the administration's record on appointing women to high-level positions leaves much to be desired. People in this country expected a step forward, not backward, in efforts to include all groups in Government. I recognize that the President has not yet made all his appointments and I am hopeful that his future choices reflect his early commitment to fair representation.

I ask unanimous consent that the Boston Globe article of October 31, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Boston Globe, Oct. 31, 1977]

CARTER TRAILS FORD'S RECORD IN TOP-LEVEL JOBS FOR WOMEN

(By Stephen Hess)

For those who expected Jimmy Carter to bring a new deal in the appointment of women to high-level Federal offices, there is bad news today. His record is now worse than Gerald Ford's.

Of those top jobs—the type that usually require senatorial confirmation—the percentage held by women in the Carter Administration is 11; the percentage of women given similar jobs by Ford was 14. Women comprise about a third of the fulltime adult work force.

Most often the Carter Administration's women are lawyers. The second major pool of talent is the public-interest movement, such as Ralph Nader's empire. (Some of these women are lawyers, too.) They tend to be less experienced and younger, perhaps by 10 years, than the men who hold comparable positions. (The Carter women are often in their 30s.) They are highly motivated and in general, extremely bright.

Some of the appointments were made for the same reasons that Presidents always make appointments—to reward campaign supporters or to find places for out-of-work politicians. Thus at the State Department, Patt Derian, a former Democratic National Committeewoman from Mississippi, is now human rights coordinator, and former Rep. Patsy Mink of Hawaii has been given the assistant secretary's job with the longest title and the least power. She is Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs.

However, women who got their jobs primarily for these reasons are fairly rare in the Carter Administration. And some were hired because they are clearly outstanding experts. For example, Eileen Shanahan, a respected reporter in the Washington bureau of the New York Times, has been made the HEW Assistant Secretary for Public Affairs, a post that handles departmental contacts with the news media.

The most hopeful sign in the President's record to date is the appointment of so many women to general counsel jobs. Women are now the top lawyers in four Cabinet departments; Deanne Siemer, Defense (where she supervises 5,000 lawyers); Ruth Prokop, HUD; Linda Kamm, Transportation; and Carin Ann Clauss, Labor. Moreover, there are women general counsel at the Environmental Agency (Joan Z. Bernstein) and at the Department of the Army (Jill Wine Volner, the former Watergate assistant special prosecutor).

This is an important development for two reasons. The post of general counsel, because of its across-the-board involvement in all agency matters, can be the stepping stone to the Cabinet in two-term administrations. And the job is a perfect entry to lower Federal judgeships, where there are about to be a great many openings.

Strangely, if Carter has a good record in some areas where there has been a notable absence of women in the past, such as general counsel, his appointments have been unusually sparse in many places where there is considerable talent available. He has appointed a woman to direct the Children's Bureau and as HEW Assistant Secretary for Education, but there are no women yet as heads of the bureaus in the Office of Education, or in the top jobs at the National Endowments for the Arts and Humanities.

The Carter appointments have not drawn heavily on the women's movement. (Indeed there is massive hostility toward Carter from this quarter. Women activists used to say, "At least we have a friend in Betty." They do not feel this way about Rosalynn.) Rather, many of the women Carter has picked seem to be a Ladies' Auxiliary of the "Old Boy Netwook"—partners and associates in the great establishment law firms. When women are to get a post for the first time, there is no doubt that it is reassuring in Washington circles to appoint a lawyer, the traditional accrediting profession for political executives. Academics are far more suspect, and women corporate executives are harder to find.

Are women bosses more sensitive to the appointment of women? Interviews with people in a position to judge give mixed answers. Commerce Secretary Juanita M. Kreps gets consistently high marks. HUD Secretary Patricia Roberts Harris is placed in the middle. One high-level civil servant, a women, reports that her new agency director, a woman, bends over backwards to pick men as her deputies.

The one effort by women in the Administration to take joint action proved to be a total disaster if measured by impact on policy. This was a letter to the President in July protesting his stand on abortion. As a result, the President's inner circuit are now less convinced that the women are good "team players." But because of the letter there is also a feeling in the feminish movement that there are women in the Administration who will stand up for their concerns. For Midge Costanza, the assistant to the President who organized the abortion letter, this could be a dubious tradeoff.

Whether Carter will improve his record importantly relates to pressure politics. How uncomfortable will he be made to feel when his advisers assess his reelection chances? For others it is a matter of equity, which so far does not seem to be high on Carter's list of priorities.

ANALYST MAKES STUDY ABOUT WESTERN COAL

Mr. HANSEN. Mr. President, a number of persons are turning their attention to the question of developing coal in the West.

There are advantages and disadvantages to developing western coal and it is important that the Congress understand some of the underlying factors involved with this question. To that end, Duane A. Thompson, analyst, Environment and Natural Resources Policy Division, Congressional Research Service, the Library of Congress, has prepared a study, at my request, which deals with the question of development.

If I could sum up part of his findings it would be that the new outlook for coal development, while not as brisk as was predicted a year or two ago, will continue apace. But it is also clear that the prospect of producing as much coal as the administration said would be needed by 1985 seems absolutely unattainable.

I am pleased to submit the Library of Congress information on the advantages and disadvantages of developing western coal.

The once overwhelming advantages to the development of western coal are now being overshadowed by disadvantages resulting primarily from increased government regulation related to the opening of surface mines in the West.

Although the basic legislation for leasing coal on the public lands was set by the Minerals Leasing Act of 1920, there was no strong interest by the coal mining industry in the procurement of western coal reserves until about 1960. At that time mining companies began to accumulate large blocks of coal lease lands but, as permitted by lenient provisions in the 1920 Minerals Leasing Act, did not develop them. This permitted speculation by those prospective developers that were farsighted enough to realize the value of large reserves of low-sulfur coal. The number of coal leases on public lands during the 10-year period from 1961 to 1970, however, increased drastically to the point where the total number of leases during each of the 5-year periods of the 1960's was almost equal to the number of leases awarded from 1920 to 1960.

Despite the large number of leases awarded during the 1960's, the tonnage of coal being produced from the public lands during the same period was insignificant compared to total U.S. production. A contributing factor for the overall lack of production could have been the big push for environmental controls on the sulfur emissions from electric utilities by coal.

Statistics on the consumption of coal by the electric utility industry in 1975 illustrate this decline in the use of coal for electric power generation. According to the figures in the following table, the percentage of power generated by coal peaked at 70.8 percent of total power generated in 1956 and the figure has been falling continuously since that time with the exception of 1972 when there was a slight increase in the amount of electricity generated from coal. I ask unanimous consent that the table be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

GENERATION BY FUEL—TOTAL ELECTRIC UTILITY INDUSTRY,[1] BY YEARS AND KINDS OF FUEL

[Kilowatt-hours in millions]

Year	Total thermal generation [2]	Coal	Percent of total	Fuel oil	Percent of total	Gas	Percent of total	Nuclear	Percent total
1975 [3]	1,613,181	852,837	52.9	288,765	17.9	299,656	18.6	171,923	10.6
1974 [4]	1,562,806	829,842	53.1	299,306	19.1	319,931	20.5	113,727	7.3
1973	1,582,292	845,704	53.4	312,805	19.8	340,449	21.5	83,334	5.3
1972 [3]	1,472,812	770,617	52.3	272,482	18.5	375,682	25.5	54,031	3.7
1971 [3]	1,346,756	714,756	53.1	218,162	16.2	375,939	27.9	37,899	2.8
1970	1,283,271	706,102	55.0	182,488	14.2	372,884	29.1	21,797	1.7

See footnotes at end of table.

GENERATION BY FUEL—TOTAL ELECTRIC UTILITY INDUSTRY,[1] BY YEARS AND KINDS OF FUEL—Continued

[Kilowatt-hours in millions]

Year	Total thermal generation [2]	Coal	Percent of total	Fuel oil	Percent of total	Gas	Percent of total	Nuclear	Percent total
1969	1,191,055	706,001	59.3	137,847	11.6	333,279	28.0	13,928	1.1
1968	1,106,142	684,905	61.9	104,276	9.4	304,433	27.5	12,528	1.2
1967	992,215	630,483	63.5	89,271	9.0	264,806	26.7	7,655	.8
1966	949,072	613,475	64.6	78,926	8.3	251,151	26.5	5,520	.6
1965	860,943	570,926	66.3	64,801	7.5	221,559	25.8	3,657	.4
1964	806,565	526,230	65.2	56,954	7.1	220,038	27.3	3,343	.4
1963	750,742	493,927	65.8	52,001	6.9	201,602	26.9	3,212	.4
1962	683,803	450,249	65.8	46,983	6.9	184,301	27.0	2,270	.3
1961	639,969	421,871	65.9	47,120	7.4	169,286	26.5	1,692	.2
1960	607,660	403,067	66.3	46,105	7.6	157,970	26.0	518	.1
1959	572,071	378,424	66.2	46,840	8.2	146,619	25.6	188	(5)
1958	504,662	344,366	68.3	40,372	8.0	119,759	23.7	165	(5)
1957	501,108	346,386	69.1	40,500	8.1	114,212	22.8	10	(5)
1956	478,487	338,503	70.8	35,947	7.5	104,037	21.7		
1955	433,786	301,363	69.5	37,138	8.6	95,285	21.9		
1954	364,354	239,146	65.6	31,520	8.7	93,688	25.7		
1953	337,041	218,846	64.9	38,404	11.4	79,791	23.7		
1952	293,640	195,437	66.6	29,750	10.1	68,453	23.3		
1951	270,532	185,204	68.5	28,712	10.6	56,616	20.9		

[1] Alaska and Hawaii included since 1963.
[2] Excludes generation by geothermal, wood and waste.
[3] Preliminary.
[4] Revised.
[5] Less than one-tenth of one percent.

Source: Federal Power Commission. Edison Electric Institute Statistical Year Book of the Electric Utility Industry for 1975, table 13.1S, p. 22.

Mr. HANSEN. Mr. President, the decrease between the years of 1969 and 1970 was particularly sharp because the actual increase in the number of kilowatt-hours generated by coal was only 101 billion kilowatt-hours or an actual increase of 0.014 percent. Because electricity generated by other fuels steadily increased between the 2 years, however, the relative percentage of power generated by coal decreased from 59 to 55 percent. It is therefore difficult to determine precisely coal companies' motivation for acquiring western reserves at that particular time.

The physical characteristics of the coal in the Northern Great Plains was particularly attractive to the coal development companies. The average thickness of coal beds in the Eastern and Midwestern United States is about 4 to 5 feet thick, but the beds in the west average about 30 to 40 feet in thickness with some in the Eastern Powder River Basin ranging up to 90 and 100 feet in thickness. Furthermore, the thickness of the overburden in the Nothern Great Plains is much less than that associated with the coal beds in the Eastern United States. Surface mine operators in the East currently have to remove approximately 100 feet of overburden before they can mine the coal beds, while those in the Northern Great Plains, in many instances, have to remove only 30 to 40 feet of overburden. When combined with the thickness of coal being removed, the difference between the two stripping ratios, the ratio of the volumetric units of the material being removed per volumetric unit of coal being mined, is tremendous. In the East, the ratio is averaging approximately 15 to 1 whereas in the West oftentimes the ratio is less than 1 to 1. This relatively large stripping ratio in the East has been largely responsible for the introduction of surface mining equipment of large proportions which permits the exposure of more coal at a lower cost.

In the West, however, mine operators can resort to the use of smaller and more versatile stripping equipment often consisting of smaller draglines, large haul trucks, bulldozers, and scrapers to expose the coal. Surface mining in the East, especially on mountain slopes in the Appalachians, requires much greater efforts on the part of mine operators when they are required to backfill contour mining cuts and restore the approximate original contours of the mined areas.

Unlike the mining in the East, variances for the restoration of the original contour could be obtained for coal mining operations in the West which are carried on at the same location for a long period of time, which expose very thick veins of coal, and which disturb a relatively small area for the amount of coal being removed, thick-seam mining. A consequence of high production rate in the western mines is the much lower production cost. The differences in these costs are partially reflected in mine-mouth values of coal for the different areas. Although consideration must be made for the heat value of the coal, along with its sulfur, ash, and moisture content, generally speaking, the mine-mouth value of the coal is a direct reflection of the cost of production.

Statistics show that the value of coal produced from Eastern underground mines is considerably higher than coal produced from either Eastern or Western surface mines, and that the value for Eastern surface-mined coal is generally higher than that of Western surface-mined coal.

In order to get a clearer picture of production costs, direct labor costs, as a function of productivity must also be taken into consideration. The average productivity in tons-per-man-day for different types of mining in various geographic locations in the United States is enlightening. In order to illustrate the difference between the productivity of an Eastern underground mine and that of a Western surface mine, the figures provided for Montana and West Virginia can be used. The average productivity in tons-per-man-day for an underground mine in West Virginia is 8.24 whereas the average productivity for Montana is 127.25 tons-per-man-day. Even the surface mines in the Eastern United States do not generally produce as much coal per-man-day as those in the West. For example, the productivity for eastern Kentucky for surface mines is 22.30 tons-per-man-day. Wyoming also is another example of high productivity for surface mining with an average of 67.74 tons-per-man-day. This much higher productivity for the Western States is reflected in lower production cost since labor cost is the primary component.

Some of the primary disadvantages of developing Western coal include the following:

First. Much greater distances over which the coal must be shipped in order to reach the Eastern markets.

Second. Intricacies of the permitting systems necessary for the opening of a Western mine.

Third. High severance taxes on the lower-Btu coal being produced in some of the Western mines.

Fourth. Recent Best Available Control Technology (BACT) for stack gas emissions currently being considered in Congress.

Fifth. Current administration coal leasing policy.

In spite of the fact that the United States does possess vast quantities of coal, much of which is low in sulfur content, a great percentage of this energy resource is located far from existing markets. In the case of lignite, which can be considered an extreme, resource utilization must be located close to the mining operation for a number of reasons including the high moisture content of the fuel, the low Btu content, and the fact that lignite can spontaneously combust when shipped in conventional rail cars. Therefore, powerplants or coal conversion facilities using lignite will have to be either directly at or near the mine-mouth.

Prior to the consideration of best available control technology concept of emission control, a good case could be made for the shipment of Eastern Powder River Basin Coal into the Midwest and some parts of the East in order to substitute for Eastern higher sulfur coal being used in conjunction with scrubbers. If the concept of a best available control technology is applied, and utilities are required to install scrubbers regardless of the sulfur content of the coal being burned, however, coal consumers may

find it cheaper to continue using Eastern higher sulfur coal and avoiding the higher shipping cost of bringing Western coal to the East. Scrubber installation costs could then be recovered by using coal of a higher Btu value as close to the mine as possible and applying any savings on freight to this additional cost.

A report prepared by the Congressional Research Service earlier in the year, Western against Eastern Coal, concluded that, in the absence of scrubbers, Eastern coal could not penetrate much farther than 300 miles beyond its point of origin, whereas Western coal, because of its desirable low-sulfur properties, could penetrate markets as far away as approximately 1,300 miles from its point of origin. This condition could very likely change with the requirement that utilities clean all stack gases, regardless of the sulfur content of the coal being burned.

In the June, 1977 issue of the Coal Observer, Joel Price, a vice president in the investment banking firm of Dean Witter and Co., Inc., stated that coal consumption patterns in the near term were not likely to change because power stations with proper approval could continue using compliance coal.

However, as we reached out into the mid-1980's, compliance coal would lose its meaning, the premium over high sulfur shrinking materially to represent only the additional costs of sludge removal. At that point no more incremental Western coal would be shipped East of the Mississippi; there would be a lift in Midwestern coal to be employed in conjunction with scrubbers, no significant change in the state of the art was envisioned for some years.

Another drawback in the development of Western coal is the extremely complicated permitting system and its attendant requirements which has resulted from increased regulation at the local, State, and Federal levels. Industry spokesmen claim that the time required for permit application, application review, hearings when necessary, review of the hearings, preparation of the baseline environmental impact statement, and review of these statements has increased the lead time for the development of Western coal mines to approximately 10 years. If the coal mine is to be located on Federal land, the lead time can stretch to 12 years depending on the complications that arise during the application and review process.

Although the time actually used in the permitting and review processes may not be this long, when these delays are coupled with the lead times necessary for the ordering of mining equipment and the design and construction of electric utility boilers, which are often customized for the type of coal that will be burned, the total time being reported by the industry appears to be accurate. In order to shorten this lead time, some mine operators have begun to risk defaults on equipment and coal supply contracts in hopes that their permit application and mining plans will be approved rather than wait until all of the regulatory requirements have been satisfied before ordering their equipment and signing contracts for delivery of coal to the prospective utility.

As complex as the process appears, it must be taken into consideration that the procedure which is outlined assumes that the coal company already owns or has a legal right to mine on the property in question.

If the coal deposits were located on Federal lands, the requirements of the company in qualifying for a Federal coal lease could lengthen the process considerably. Furthermore, industry representatives who attended the recent National Coal Association Symposium in Louisville, Ky., expressed concern that, according to the provisions of the recently enacted Surface Mining Control and Reclamation Act, if a State does not meet the qualifications for an approved regulatory program within its boundaries, the Office of Surface Mining created by the act would assume the regulation of surface mining in the State.

Because of this Federal involvement in the regulatory program, the Interior Department, with the assistance of the company, could be required to file a regional environmental impact statement under the provisions of the National Policy Act of 1969 even if the mining operation was to be located on private land.

This concern seems to be unfounded, however, since section 702(d) of the law says that,

> Approval of the State programs, pursuant to section 503(b), promulgation of Federal programs, pursuant to section 504, and implementation of the Federal lands programs, pursuant to section 523 of this Act, shall not constitute a major action within the meaning of section 102(2)(c) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332).

In addition, the majority of the Western coal-producing States have imposed a substantial severance tax on the resource.

In its 1976 report on coal severance taxes and the distribution of revenues, the Council of State Governments provided the following breakdown by State and the estimated average total production taxes per ton of coal.

ESTIMATED AVERAGE OF ALL PRODUCTION TAXES ON COAL PRODUCED IN 1975 IN STATES WITH A SEVERANCE TAX ON COAL*

State	*Estimated average total production taxes per ton*
Montana	$1.73
Kentucky	.68
North Dakota	.52
Wyoming(a)	.52
Tennessee	.20
Alabama	.135
New Mexico(b)	.08
Ohio	.04
Arkansas	.02
Colorado	.007

* Source: The Council of State Governments and state departments of revenue.

(a) Estimated on 1975 production and prices to be collected in 1976.

(b) New Mexico ad valorem process based on production is in its first year and estimates of tax per ton are not available.

The State with the highest combination of taxes on coal was Montana with a total average tax of $1.73 per on. According to the report, this amount was 250 percent higher than Kentucky's 68 cent per-ton average and 33 percent higher than North Dakota's 52 cents per-ton average. The State with the lowest tax on coal was Colorado with an average levy of $.007 per ton. While the majority of the States included in the study levy a single severance tax on coal per ton, the two Western States earmarked for the greatest increase in production, Montana and Wyoming, levy a combination of taxes on coal produced. In Montana, the production taxes are:

First the Coal Mines Severance Tax

Second the Resource Indemnity Trust Tax, and

Third the Cross Proceeds Tax.

In Wyoming, the taxes are as follows:

First a Severance Tax, and

Second an Impact Tax (Privilege Tax).

Consequently, these two States already have a more complex mechanism in place through which they can tax production and which could serve as a disincentive to location of mining operations there, given the other adverse conditions already discussed.

Finally, one of the most crucial elements in the consideration of Western coal development is the attitude of the administration toward the leasing of reserves on the public domain. The policy of an administration can stimulate the development of Federal reserves of coal or conversely, it can retard this development. The current administration has overtly expressed its desire to discourage the development of public coal reserves in the Western United States. The most recent expression of that policy was contained in remarks by Secretary of the Interior, Cecil Andrus to the National Coal Association Conference in Louisville, Ky., on October 18, 1977.

In his keynote address, Secretary Andrus stated that with few exceptions, the Government would not lease Federal coal, the surface rights of which are in the control of private landowners.

Exceptions to this policy would be in cases where a coal company already owned the surface of the land overlaying Federal coal.

According to the Secretary, all other leases would be awarded on land where the Federal Government was in control of both the coal and the surface. Prior to the Secretary's remarks at the conference, numerous other articles in trade publications suggested that the administration would pursue the development of Eastern underground mineral reserves instead of Western coal.

While this course of action by the administration would provide more jobs within the industry because of the higher labor intensity of the underground mining industry, it would also require mine operators to cope with the much lower productivity of underground mines.

RELATIONSHIPS BETWEEN UNITED STATES AND NATO MILITARY COMMAND STRUCTURES

Mr. DURKIN. Mr. President, the size of the U.S. military force in Western Europe and the coordination between that force and the forces of our North Atlantic Treaty Organization allies are two of the most crucial matters defense planners in our country are facing today. As the Soviet Union and other Warsaw Pact countries have substantially increased the size and competency of their conventional forces in Europe during the past years, we have come to realize in this country that our ability to deal effectively and swiftly with any threat from the East must not be allowed to deteriorate.

Many observers of NATO have expressed some concern during the past year about the adequacy of our conventional forces to meet such a massive threat or even attack. One basis of that concern is a perceived lack of effective coordination on all levels between U.S. forces and NATO forces. It is clear that though numbers of forces are important in war, just as important is their ability to work effectively with one another.

In this regard, a recent study completed by the General Accounting Office entitled "Relationships Between United States and NATO Military Command Structures—Need for Closer Integration" is of major interest and importance. This report, an unclassified version of which was released October 26, 1977, suggests numerous alternatives to provide closer integration between United States and NATO command structures in peacetime that will enhance coordination during wartime, God forbid that occasion should arise.

I commend this study to my colleagues and all those interested in our conventional defenses in Europe against possible Soviet attack. Its general conclusion about the need for closer integration has been endorsed by the Department of Defense.

The report is too lengthy to include in its entirety in the RECORD, but I ask unanimous consent that its digest, conclusions, alternatives, and recommendations, and the comments of the Department of Defense be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL'S REPORT TO THE CONGRESS: RELATIONSHIPS BETWEEN U.S. AND NATO MILITARY COMMAND STRUCTURES—NEED FOR CLOSER INTEGRATION, DEPARTMENT OF DEFENSE

DIGEST

The United States participates in two commands in Europe—its own and NATO's Allied Command, Europe. The United States has a unified command; headquarters commands for the Army, Navy, and Air Force; and numerous subordinate command headquarters.

The U.S. and NATO command structures are similarly organized and have basically the same overall mission—to provide a combat-ready force to deter aggression from the Warsaw Pact nations. The close relationship of the two commands is best illustrated by (1) several U.S. commanders being also NATO commanders, (2) NATO assuming operational command of U.S. combat forces in a NATO war, and (3) NATO being heavily staffed with U.S. personnel in peacetime.

Over the years, the U.S. command structure has been studied and debated, both in the Congress and the executive branch; efforts have been made to identify, classify, reorganize, and streamline headquarters activities throughout the Department of Defense. These efforts were all intended to make more efficient use of resources by reducing the number, size, layering, and duplication of headquarters and by updating and streamlining command relationships. Prior efforts have resulted in reorganizations and consolidations of headquarters and headquarters functions. Several of these efforts and personnel cuts were initiated by the European commands. Therefore these commands themselves share the credit for the actions taken to date more fully integrating it with the NATO command structure.

There are at least two alternatives that should be considered in analyzing the U.S. command structure in Europe—alternatives that could improve U.S. participation in NATO and reduce the management layering that now exists. These alternatives are:

Integrate the U.S. unified command with NATO's Supreme Headquarters, Allied Powers, Europe.

Integrate component commands and the United States European Command.

GAO recommends that the Secretary of Defense reexamine the U.S. command structure in Europe and make changes as necessary to insure that the structure is optimally organized to perform its primary wartime mission. The examination should include evaluation of the potential benefits—both to U.S. staffing and a strengthened NATO—of taking the leadership in giving NATO greater authority and control over peacetime logistics support in order to facilitate the transition to and effectiveness of wartime activities.

GAO further recommends that the Secretary of Defense also take a leadership role in encouraging a multilateral study to identify ways in which closer integration of the command structures of all the NATO member forces with the NATO command structure can be achieved.

The Secretary of Defense was given an opportunity to comment on GAO's classified report. However, the classified report was issued without Defense's comments because they did not respond in time. Subsequently, however, Defense furnished GAO comments and supported GAO's general conclusion that closer integration between the U.S. and NATO command structures is needed.

CHAPTER 5. CONCLUSIONS, ALTERNATIVES, AND RECOMMENDATIONS

The increasing interdependence of the members of NATO underscores the need for a NATO command that can respond quickly in the event of an attack by Warsaw Pact forces, particularly an attack with little or no advance warning. Transition from a peacetime to a wartime structure should require minimal changes. The only practical way to accomplish this is through the close integration of the command structures of the member forces with the NATO command structure.

Integration of command is a key factor that must be achieved if NATO is to be capable of effective coalition warfare. An integrated command structure could be a first step in achieving greater NATO interoperability, standardization of weapons, improved communications facilities, and increased NATO responsibility for management of logistics support. A true partnership should start with the top management team that can function well in peacetime and wartime in achieving mutual goals.

Consequently, the United States should take a leadership role in encouraging a multilateral study to identify ways in which closer integration of the command structures of the NATO member forces with the NATO command structure can be achieved. Moreover, such a study should be initiated without delay to establish a sound basis for planning future outlays of funds. For example, plans have now been approved to [deleted]. Substantial funds will undoubtedly be necessary to accomplish this move. Without long-range plans that address the organizational structure necessary to accomplish the long-term objectives set forth in this report and the objectives for concerted multinational efforts emphasized by the Supreme Allied Commander, Europe, funds may be spent unwisely. This applies not only [deleted] but to other future facility and communications systems acquisitions.

There are also alternatives which the United States can initiate on its own, which not only would support the longer term objective of closer integration but also could strengthen the U.S. structure.

ALTERNATIVES AVAILABLE TO THE UNITED STATES

The foremost consideration in determining the optimum U.S. command structure in Europe is how best, and by whom, the following objectives can be accomplished.

Transition of U.S. forces to an operational role in the NATO command structure.

Management of logistics support for U.S. forces in peacetime and wartime.

Management of other U.S. unilateral responsibilities, actual or potential, in the event of a war in Europe.

The most practical and effective way to accomplish these objectives is to delegate responsibility for these functions to the lowest feasible level and to eliminate redundant planning for and monitoring of those functions by each higher level in the management hierarchy. Even if there is no precise duplication in the management activities at each level, a single manager with one principal overview level has been shown in past GAO reviews to be a better, more efficient, and less costly way of managing.

DOD has made progress in reducing headquarters levels in Europe. Most reductions have been across the board, on a horizontal basis. The horizontal approach does not analyze the need for the missions and functions themselves.

We believe that a functional analysis of the command structure, on a vertical basis, may offer potential for additional reductions, as well as assure that missions and functions are optimally located in the military chain of command. Responsibility for, and resources to perform a function should be placed in the most optimal location considering the U.S. wartime mission, as well as the ACE commands' roles and functions. At least two alternatives which come to mind should be considered in such an analysis—alternatives that could improve U.S. participation in the NATO structure and reduce the management layering that now exists in the U.S. command structure—without impairing the capability of the United States to meet its unilateral responsibilities.

Integrate USEUCOM with SHAPE

One way would be to integrate USEUCOM with SHAPE, both in peacetime and wartime, retaining a small nucleus of U.S. personnel to plan and manage those responsibilities that are peculiar to the United States, such as control over nuclear weapons. Such an alignment would be oriented more to the planning for and prosecution of a NATO war and would facilitate the transition of U.S. combat forces from U.S. command in peacetime to NATO command in wartime.

If European Command personnel were integrated into SHAPE as discussed on page 27, there would be a potential for reductions in the U.S. personnel now assigned solely to

SHAPE. For example, there would be no need to have separate groups of personnel doing war planning for both, as is now the case, because the function of war planning would be consolidated.

Under such an arrangement the service component commands would continue to have the responsibility they now have, both in peacetime and wartime, for logistics support of their troops.

The U.S. unified command would no longer monitor the logistics support activities of the components, leaving this task, resource allocation, and priority setting to the service departments and ACE. Crisis management could be handled by augmenting the small nucleus of U.S. personnel retained to manage U.S. unilateral responsibilities with personnel drawn from the service components to create a battle staff.

Integrate component commands and USEUCOM

Another way to organize the U.S. command structure in Europe would be to eliminate or reduce the service component command headquarters, with the Headquarters, USEUCOM, assuming primary responsibility for management of logistics support functions, in both peacetime and wartime. This seems particularly appropriate in the case of USAREUR since the two Army corps in Europe are essentially self-sufficient and capable of attending to their own needs.

In wartime most levels of the component commands go over to NATO control whereas the component command headquarters themselves do not. In peacetime most support activities are handled under a direct support system from the United States. Other peacetime activities pertaining primarily to wartime preparation, such as troop training and war planning, are also handled at lower levels and reviewed or monitored by Headquarters, USEUCOM; the service component commands; and NATO. Since responsibility for managing and performing these functions has been delegated to levels below the component command headquarters, it seems that one monitoring level could be established rather than the several levels that now exist. Such an arrangement would not preclude also integrating Headquarters, USEUCOM, with the service component commands, as discussed in the prior alternatives.

RECOMMENDATIONS

We recommend that the Secretary of Defense reexamine the U.S. command structure in Europe and make changes as necessary to insure that the structure is optimally organized to perform its primary wartime mission. The examination could include evaluation of the potential benefits—both to U.S. staffing and a strengthened NATO—of taking the leadership in giving NATO greater authority and control over peacetime logistics support, to facilitate the transition to and effectiveness of wartime activities.

We further recommend that the Secretary of Defense also take a leadership role in encouraging a multilateral study to identify ways in which closer integration of the command structures of the NATO member forces with the NATO command structure can be achieved.

AGENCY COMMENTS

The Secretary of Defense was given an opportunity to comment on our classified report. However, the classified report was issued without Department of Defense comments because they did not respond in time. Subsequently, however, the Department furnished us comments and supported our general conclusion that closer integration between the U.S. and NATO command structures is needed. An unclassified version of the Department's comments is included as appendix V.

APPENDIX V

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., August 29, 1977.

Mr. FRED SHAFER,
Director, Logistics and Communications Division, U.S. General Accounting Office, Washington, D.C.

DEAR MR. SHAFER: As requested, we have reviewed your draft report, "US and NATO Military Command Structures—An Analysis of Alternatives." The study provides an adequate description of the current relationships between US and NATO command structures. (OSD Case No. 4613)

We support the report's general conclusion that greater integration of national and NATO headquarters could facilitate peacetime command and control while improving NATO's ability to convert to wartime operations. [Deleted.]

The Department has been studying additional ways to further integrate the US wartime and peacetime component command structure with appropriate NATO headquarters to insure that those who must work together in war are also working together in peacetime. [Deleted.]

An implicit assumption in the report is that headquarters integration alone will improve transition to war. I agree; however, there is also an underlying need for greater functional integration among NATO nations in such areas as logistics, intelligence, and communications. Increased peacetime planning and resource management in these functions is vital to NATO's ability to convert efficiently to wartime operations.

As a result of US initiatives at the May 1977 NATO Summit and Defense Planning Committee (DPC) Ministerial meetings, NATO is undertaking both long and short-term defense programs in areas where collective action is urgently required. These programs will require all NATO Allies to coordinate more effectively on programs such as logistics and communications. Both President Carter and Secretary Brown have made the success of these programs top national defense priorities.

Sincerely,

JOHN P. WHITE,
Assistant Secretary of Defense, Manpower Reserve Affairs and Logistics.

ENERGY: OUR INVISIBLE CRISIS

Mr. BAKER. Mr. President, as we begin the closing weeks of this 1st session of the 95th Congress, most of our attention will be focused on the completion of the pending energy legislation. To my knowledge, no one has put the importance of that task more in the proper perspective than has my good friend and distinguished colleague. the senior Senator from Maryland (Mr. MATHIAS), in a speech delivered on the 20th of September in College Park, Md. As we attempt to devise legislation to meet the most serious challenge facing the Nation today, the Senator's remarks are most timely. I commend the wisdom contained in those remarks to my colleagues and ask that they be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

ENERGY: OUR INVISIBLE CRISIS

(Remarks by Senator CHARLES MCC. MATHIAS, JR., to the Prince George's Jaycees, College Park, Md., September 20, 1977)

Tonight I want to talk with you about energy—the most critical and least understood problem on our national agenda.

For several weeks now, the Senate has been debating President Carter's energy bill. It has 113 separate provisions. Some are complex; many are controversial; all require careful examination.

In order to master this legislative colossus as quickly as possible, we've adopted a very unusual, in fact, an unprecedented procedure. We've broken the bill down into sections and we're debating them piecemeal. Just as soon as we complete a section, we send it back to the House. In this way, conference committees can begin to reconcile the Senate and House versions of some sections of the bill, while others are still being debated.

Exactly a week ago tonight, for example, the Senate stayed in session until 10:30 to finish the Conservation section. The week before, we adopted the proposals on coal conversion. Both of these sections now can go to conference, while the Senate lingers over more controversial proposals such as natural gas pricing.

This procedure saves a lot of time. So, I think it's safe to predict that Congerss will enact compresensive energy legislation before it adjourns.

But, don't get the idea that this legislative package will be some sort of panacea for our energy problems. It won't. There is no such thing. It will be nothing more than a tentative first step toward a solution. Still, since even the longest journey must begin with a single step, let's be glad at least that we're finally about to get off of dead center on energy.

What happens next, what kind of a journey this first hesitant step will take us on, will depend on the American people—on each one of us.

We have been talking about an energy crisis in this country ever since the 1973–74 Arab oil embargo. Millions of words have been spoken and written about it. Hundreds of studies have been published. Countless arguments have been had. But, if you'll excuse the expression, the whole debate has generated more heat than light.

Highly qualified experts differ strongly on the nature of our energy problem and on what should be done about it. The public, too, is divided and confused. Many people don't believe there is a problem. Others, who recognize that a problem does exist, simply aren't ready to face up to it.

Frankly, I'm sick and tired of all the cant and hypocrisy about energy. There's so much talk about energy conservation and so little action that it's no wonder people are confused.

For more than four years now, the national speed limit has been 55 miles-an-hour. That limit was set because you get four miles more to the gallon at 55 than you do at 70. If any of you here tonight observe that 55 mile speed limit, then all I can say is that we've never traveled the same road at the same time. I try to stick to that limit and I could count on the fingers of one hand the number of cars I've been able to keep up with recently. As for passing a car—that's just a dim memory for me.

By now I'm used to cars hurtling by me on the highway, but last weekend I got a new shock. A Greyhound bus roared past me on the beltway so fast that my car and I both shuddered. To add insult to injury, as the bus disappeared in the distance, I just had time to read these words on the placard displayed in its rear window:

"Thanks for taking the bus and saving energy—

JIMMY CARTER."

That's a pretty good example of the problem we've got on our hands. Everyone knows the things we can do to save energy, but practically no one wants to do them.

Many different factors contribute to this national inertia. To my mind, the most significant factor is that energy experts and policymakers alike have tended to cast the energy problem in terms of the future. This has been a terrible mistake.

British novelist Aldous Huxley once told a friend: "I have peered into the future, and it doesn't work".

We may yet prove the pessimistic Mr. Huxley right, unless we begin now to refocus the energy problem in terms of what we must do in 1977–78 to make the future possible. If we lull ourselves into believing that major energy initiatives can wait until tomorrow, then the future certainly won't work very well, if it works at all.

We must wake up to the fact that our energy problem is different from, say, our crime problem, or our unemployment problem, or the problems of our cities. The energy problem challenges our entire civilization and threatens its survival. This distinction is crucial to understanding our present danger and to finding the necessary responses to it.

Energy is not just an aspect of modern society; it is society's life-blood. Energy is to modern man what wildlife was to primitive man. It sustains life. Our economy—food, jobs, industry, income, homes, health, transportation, recreation—all of these and more depend on energy.

When you add to this the fact that in the bitter winter of 1977 our oil imports reached 50 percent of our oil consumption, then there is just no way you can place the energy crisis in the future. It is definitely here and now. Incredible as it seems, however, polls show that half of the American people don't even know that we import oil. But, not only do we import vast quantities of oil, we spend $36.4 billion dollars a year on it. That much money going out of the country is a very large factor in our unemployment picture. It means thousands of jobs lost.

Another thing most people don't know is that without those bloated oil imports, we could wipe out our balance of payments deficit. Just imagine what that would do for the economy. Right now our deficit runs at about $25 billion a year. Cancel those oil imports and we'd have a healthy surplus.

The economic implications of our growing dependence on foreign oil are alarming. Its implications for our national security are even more serious.

Former Secretary of State Henry Kissinger recently recalled the havoc wrought by the Arab oil embargo of 1973 in these terms:

"These events . . . caused an immediate economic crisis both in this country and around the world. A drop of only 10 percent of our imported oil, lasting less than half a year, cost Americans half a million jobs and over 10 billion dollars of national output.

"The massive price increases of 1973 added at least five percentage points to the price index, contributing to our worst inflation since World War II.

"It set the stage for a serious recession, in this country and worldwide, from which we are only now recovering."

Since the time Mr. Kissinger describes, we have drifted into even more dangerous waters. The Federal Energy Administration forecasts that a one-year Arab oil embargo now—in 1977—would shear between $78 billion and $112 billion from our gross national product and put more than two million people out of work. Such an embargo would make the disruptions of 1973–74 look like child's play.

It's not hard to imagine the chaos here on the East Coast that would follow a disruption in the arrival of these oil tankers. New England, for example, now imports 80 percent of its industrial oil. The risks to national security inherent in this situation are obvious. How can we hope to pursue an independent foreign policy while we are at the mercy of foreign countries for the oil that sustains our economy?

It would be a fatal mistake to discount the possibility of another disruption of our oil supply. We must not delude ourselves on that score.

Saudi Arabia, which produces about a quarter of OPEC oil and is the only country capable of stepping up output to keep pace with increasing world demand, has been a very good and loyal friend to the United States. But, less than two weeks ago a Saudi newspaper, Al Madina, reported Saudi Oil Minister Sheikh Ahmed Zaki Yamani had told a visiting Japanese delegation that Saudi Arabia "will impose a production ceiling of 8.5 million barrels a day and will not lift it until real progress is made toward a settlement between Israel and its Arab foes".

This disturbing report may turn out to be apocryphal. I hope so. But, true or not, it underscores the bottom line of our problem. The energy crisis is with us now. It doesn't lie in wait for us sometime 20 or 30 years from now when we run out of fossil fuels. It began 30 years ago when we first had to import oil. And it has become more and more serious each year in direct proportion to our mounting energy needs.

As Walter Cronkite warned on the CBS energy special, "Energy is the invisible crisis—by the time we see it, it could be too late".

The picture I've drawn so far is pretty grim. But there is one strong element of hope. It is this: more than half the energy America uses is wasted and much of it could be saved through conservation.

Worldwatch Institute reports that: "More than one-half the current U.S. energy budget is waste". The Institute believes that for the next quarter century the United States could meet all its new energy needs simply by improving the efficiency of existing uses.

This forecast assumes that Americans won't change their lifestyles in any significant way. Much more dramatic savings are possible, "if we consider functions instead of technologies—ways, for example to eliminate the need for a certain type of transportation instead of merely ways to make it more efficient".

There are many simple ways we all can save energy now. Observing the 55 miles an hour speed limit is one. Carpooling is another. Cars are our largest single user of petroleum products and, at any one time, 75 percent of them carry only the driver. That's just plain crazy in the energy crunch we've got.

In 1974, we proved we could save energy if we tried. We were goaded into it by the embargo, but we did slash motor fuel consumption by almost four percent—the first drop in consumption in 40 years!

Now let's take a look at what's happened since then. When the embargo was lifted, although our vulnerability remained exactly the same, Americans stopped believing in the energy crisis. Consumption began climbing and this summer the American motorist burned up gasoline at record rates.

This record consumption came on the heels of a winter when energy shortages threw 1.2 million Americans out of work, so you can't help wondering what it's going to take to sober up this nation.

At the federal level, we have a Winter Emergency Task Force working on energy planning. At the state level, in Maryland at least, the Energy Policy Office of the Department of Natural Resources is framing a massive energy conservation program. But meanwhile back at the ranch, the average American suspects the energy program is a "ripoff".

Convincing the American people that the energy crisis is real is our number one national priority. If the leaders of this nation can't get that idea across, no amount of legislation is going to save us.

Clearly, we have a tremendous educational job to do and the President will have to take the lead in it. He must renew his efforts to explain the nature of our problem. He must identify it as contemporary, not project it into the future. And he must not hide any unpleasant truths. In a word, President Carter has got to do some strenuous jaw-boning.

Once the American people stop getting conflicting and confusing signals about energy, I am sure they will rise to the challenges ahead.

One of the conflicting signals Americans have been getting was come from the artificially low energy costs we pay. We're not used to getting scarce commodities cheap. We know from experience that if something's scarce, it's also expensive. So one of the first things we have to do is to begin to pay the true cost of the energy we use. The American people should know these costs. When they do, I believe they will respond with determination and resolve. Indeed, facing the economic realities of the market could be the force that will bring us at last to a rational energy future.

Putting the public in touch with reality on energy costs is easily done. But coming to grips with other forces that work to distort American perceptions about energy will not be easy.

Over the past several decades we have become a vocal advocate society. If you look back 25 or 30 years, you'll see that Americans pretty much believed in their society, in themselves and in the way things were going. Today, we no longer have that kind of tacit consensus.

Instead, we often disagree or are uncertain about where we are going, where we should be going and how we get there. Those who believe they have answers to these questions advocate their points of view more and more stridently, which leaves those who are uncertain more uncertain than ever.

Energy is a life and death issue in any industrial society, so it is proper and healthy to debate every aspect of it thoroughly. But that debate must lead to resolution; not to stalemate. There must be good will and mutual respect among the debaters. And ultimately, confrontations must give way to compromise.

A *New Yorker* cartoon several months ago put the problem nicely. It showed three prosperous businessmen sitting in a plush boardroom overlooking the smokeless chimneys of an idle factory. The caption read: "I mean, you can have the cleanest air in the world, but if you can't manufacture anything what the hell good is it?"

Up to now the forces which oppose each other on the energy question have spent much of their time disparaging each other. Conservationists take on public utilities; consumers groups dispute oil companies; oil companies mistrust the federal government, so do state and local governments. Too little time has gone to sorting out the truth so that we can somehow reach a consensus about purpose. Yet each of these advocate groups recognizes the problem and has a sincere interest in developing a coherent energy policy.

If we are to meet the energy challenge then, we must begin to bind the disparate forces of our society into a coalition of common purpose. The time for advocacy is past. We must have a new dynamic in American life—a new partnership between government, business and the people.

To dispel once and for all the myths and illusions that cloud our search for an energy

policy and retard our pursuit of energy independence, the President must act vigorously and urgently. He must bring together business leaders, scientists, representatives of government and private organizations in the same way labor and management routinely come together. They must sit down together at a White House Conference on Energy and bargain in good faith. When labor and management sit down together, each wants to win concessions but neither wants to put the company out of business. In that same spirit, with Presidential leadership, we can lick our energy problems.

The President, of course, can't be expected to go it alone. He'll need the help and support of every one of us. He must take the lead in giving people the facts, but groups outside of government, like the Jaycees, must be mobilized to join in a consensus-forming process.

This summer I participated in a symposium on energy that brought together representatives of the various factions I have mentioned here tonight. Our experience with one another encourages me to believe we can forge a national consensus. Each of us at that conference came to recognize that the other side, whatever other side it was, was more convincing than we had though at first. We ended our meetings on an optimistic note. I would like to end on the same note.

America has not been fully mobilized in more than 30 years, and it is an awesome sight when this country rolls up its sleeves and 200 million Americans tackle a problem. It is automatically bi-partisan if it involves the entire country and its needs. Energy does.

The stakes are high: The peace and progress of the world depend on how soon and how widely we as a nation can make up our minds about whether there is an energy problem, about what it is, whose it is, and what we are going to do about it—and then roll up our sleeves and get on with the job.

CLAIRA PIROZZI MONIER NAMED ONE OF TEN OUTSTANDING YOUNG WOMEN OF AMERICA FOR 1977

Mr. DURKIN. Mr. President, this month marked the sixth annual presentation of the Ten Outstanding Young Women of America Awards. These awards honor the professional and civic achievements of young women—between the ages of 21 and 36.

One of the recipients this year is an outstanding young woman from New Hampshire. Claira Pirozzi Monier exemplifies the commitment of young women to public service. Her involvement has been in both academics and State and local government. Her present position as executive director of the New Hampshire Council on Aging enabled her to bring youthful energy and many talents to rectify the problems of our senior citizens.

I congratulate her and the other recipients and ask unanimous consent that the following statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

CLAIRA PIROZZI MONIER OF GOFFSTOWN, N.H.

The Executive Director of New Hampshire's Council on Aging, Claira Pirozzi Monier has been named as one of the Ten Outstanding Young Women of America of the Year for 1977. Mrs. Monier is the daughter of Vincent and Janina Pirozzi of Bedford, New Hampshire.

Prior to her present position, Mrs. Monier served the Governor's office as Special Assistant—Citizens Services, as Director of Constituent Services and in the Department of Employment Security. She has represented the Governor's office at state, regional and national levels.

When not working for the state, Mrs. Monier instructed and lectured in geography at New Hampshire College, St. Anselms, Mount Saint Mary's and Lowell State. During her active teaching career, Mrs. Monier coauthored eight papers concerning environment, the Merrimack River Basin Community, geography as taught in New Hampshire and education for non-English speaking ethnic groups. For the past six years, Mrs. Monier has worked with New Hampshire's Community Education Council, the State Mental Health Advisory Council, the New England Gerontology Advisory Council and the Piscatoquog Watershed Association. For her own town of Goffstown, Mrs. Monier has served as Vice Chairman of the Republican Town Committee, Board of Library Trustees, on the Board of Adjustments and as President of the Tennis Association. She has received two grants to conduct a study of the day-to-day interactions of ethnic groups to identify their specific problems and to initiate programs to assist these groups to overcome them. The University of Akron has asked Mrs. Monier to lecture to their Urban Studies Department.

For her contribution to her state and its people, Claira Pirozzi Monier has been selected as one of the Ten Outstanding Young Women of America for 1977.

ADDRESS BY HON. CHARLES H. SILVER TO THE ALFRED E. SMITH MEMORIAL FOUNDATION

Mr. BAKER. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by the distinguished Senator from New York (Mr. JAVITS) and the address attached thereto.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR JAVITS

I would like to take this opportunity to share with my colleagues the fine views of Charles H. Silver. Mr. Silver delivered this address at the Alfred E. Smith Memorial Foundation Dinner on October 13, 1977 at New York's Waldorf-Astoria.

ADDRESS GIVEN BY HONORABLE CHARLES H. SILVER

Distinguished Guests. . . .
And all of you
Who have gathered to give life
To our beloved fellowship
And strength to the high principles of our Foundation

We have come together for this 32nd annual dinner in the presence of many makers of history and movers of world events . . . joining with some of the outstanding figures of our age . . . in a cause close to our hearts and to our beloved host . . .

His Eminence, Terence Cardinal Cooke

We gather in tribute to democracy's happy warrior . . . recalling once more the rate and splendid moral and spiritual values that shine forth when we "Look at the record" of his achievement.

We are met at a time when the world's great powers seem eager to join in a genuine pattern of lasting peace.

Despite unrest in most of the middle east and disturbing events in Ireland and Africa, no man or woman wearing the uniform of the United States is engaged in combat anywhere in the world.

Let's keep it that way!

The last best hope of banishing war lies in the classrooms of today.

That is where we can save mankind and fortify the next generation with ethical understanding, knowledge and humanity.

No one knows this better than our honored guest, that notable advocate of decent government . . . the able and courageous administrator of the greatest industrial, cultural and creative state in the union . . . The Governor of the State of New York . . . The Honorable Hugh Carey

A Nation . . . our great nation . . . that maps pathways to the distant stars . . . that performs miracles of progress for all mankind . . . We . . . of all people . . . can surely find the road to a lasting peace . . . to security and equality for all.

It is time to demand honest, inspired and farseeing leadership . . . to regain the moral fibre and self-respect that we so desperately need.

The healthy influence of ethical homes and excellent schools was never more vital than now. And, now, as never before, we must return to the House of God.

Let me quote the moving phrases of that inspired guardian of divine law and human welfare . . .

His Eminence Terence Cardinal Cooke.

These are the words of the Cardinal:

"By raising the confidence of the people, by helping to set the stage for the exercise of their abilities . . . in education, in opportunities for employment and in the very critical area of personal safety . . . all the elements of a community can be brought together in rewarding relationships.

The people can exercise control to stem decay and to provide an environment for truly human living, to serve courageously in faith and love, to the realization of their full potential."

The moving comments of Cardinal Cooke can spur us to a new crusade . . . to give fresh hope and trust to our troubled world . . . and to our troubled city.

For New York can look forward to a future as sound and firm as that of the nation. The fate of both are interlocked.

While there is a United States, there will be a New York City . . . and I am equally certain that as long as there is a New York City, there will be a United States.

Our city and our nation share the same rugged, brave human spirit that moved the pioneers and the patriots who won America's freedom. That spirit still lives in our land—and in our cities.

I know it lives in my heart, as it did in the man for whom this Foundation was named—and I am sure it lives in yours.

But federal neglect of New York in its most desperate hours could cripple the economy of every state in the union. It could deal a fatal blow to the union itself. The shock would quickly cross the seas and shake the furthest domains of human existence.

It is hard to imagine the immense impact and influence of New York as an industrial center and the focus of every world activity . . . not because it is the seat of the United Nations, but because it is the dynamo generating all phases of human energy and interest.

The collapse of New York is unthinkable and certainly not imminent.

The basically workable and fundamentally sound civic structure of the city will survive.

Future civic leaders must take inventory of the fine minds available in the city's great colleges and universities. Let them study and analyze municipal trends and events with scholarly, unselfish and caretaking eyes. A more dynamic community could surely result from the enormous intellectual, cultural and human vitality that abounds in New York.

The time has come for all good men to come, not to the aid of the party, but to the aid of our city . . . as constantly vigilant guardians of the New York we love . . . The New York we known as a place to live and to make a living.

Despite the crime in our streets, and the grime in our air, despite the grim happenings and glaring headlines, we can still save our cities.

We can banish poverty and despair.

We can build a brave new world of high moral principle and spiritual values . . . if we put our minds to it and our hearts, our strength and our faith.

We can do it . . . if we want to . . . and God knows we need to . . . but we had better begin right now.

You and I have come through the best of times and the worst of times. Not all our yesterdays can be recalled with pride . . . but there is always a tomorrow . . . and the hope and quality of that tomorrow rest in our hands.

GOVERNMENT SUPPORT AND FUNDING FOR THE ARTS

Mr. KENNEDY. Mr. President, while interest in the arts among the American people continues to grow, adequate financial support is still far from sufficient. In that respect, I urge my colleagues to take note of two interesting articles from the Washington Post of November 20 regarding Government support and funding for the arts.

William Glover's article outlines recommendations recently adopted by the American Assembly forum, an agency of Columbia University. At the meeting, representatives from all branches of the cultural community met to discuss such issues as the future of the Nation's arts resources and the role of the arts in education. Their recommendations, which in essence represent the beginning of an arts constitution, include a declaration that "the arts are an integral part of the life of every human being and should constitute an essential part of his education at all levels."

In addition, I call to the attention of my colleagues, an article by Jo Ann Lewis on the Canadian Art Bank, an exciting Canadian Government experiment aimed at providing government support for the arts. The article outlines the fascinating and imaginative Canadian approach, which could serve as a useful model for a similar effort in our country. I urge all those who are interested in the Nation's cultural institutions to take note of this important experiment.

I ask unanimous consent that the two articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

A CONSTITUTION ON THE ARTS

(By William Glover)

HARRIMAN, N.Y.—Just like the moon, the stars and the robins that sing, America's performing arts belong to everyone, according to a high-level panel of experts.

But unlike nature's delights, symphony, opera, dance and drama are rarely free.

That puzzlement—and how best to solve it—was one of many topics keenly debated at a recent American Assembly forum on the future of professional artistic enterprise.

The AA is a Columbia University agency that periodically poses broad public concerns for discussion. The university's hilltop campus in Harriman, N.Y., was the locale for this first-ever gathering of ranking representatives from all branches of the culture community.

Included were directors, managers, performers, trustees, critics, foundations and government officials.

A 20-point consensus declaration was thrashed out in four days of discussions, leavened with such occasional asides as biblical citations and references to the World Series prowess of Reggie Jackson.

"You could call this the beginning of an arts constitution," one participant said of the final conference statement.

With its recommendations "designed to protect and encourage the health of the performing arts and reassure the American people as to the future of these important resources," came a warning:

"At this period in American history and in the growth of public appetities, the economic stability of nonprofit groups is subject to disruption or even disarray."

Pinpointing one of the conference's touchiest, recurrent concerns—that the arts are a minority interest—the declaration said:

"The arts are an integral part of the life of every human being and should constitute an essential part of his education at all levels . . .

"While each of the performing arts may appeal to a particular segment of the citizenry, taken together they appeal to a broad spectrum of the populace."

The assembly could be regarded as having political significance since it was held while a national administration of grass-roots philosophy is still working out its attitude toward the arts.

Participants included Mary Ann Tighe, arts adviser in Vice President Mondale's office, and the two previous chairmen of the National Endowment for the Arts, Roger L. Stevens and Nancy Hanks.

Advice for President Carter—who plans a White House arts forum next year—was by inference only. The 60 panelists, however, criticized a bill introduced in Congress by Sen. Abraham Ribicoff (D-Conn.).

The measure would absorb the autonomous National Endowments for the Arts and the Humanities into the Department of Health, Education and Welfare or a new Department of Education.

In a plenary session address, Rep. Frank Thompson Jr. (D-N.J.), who in 1965 sponsored the act creating the Endowments, said he hoped the agencies eventually could be independent of "the umbrella under which they were put for very pragmatic political reasons."

Thompson also took exception to pejorative description of the arts as "elitist" rather than "populist."

"They are crude code words," he said. "Elitism is support for creative excellence and activity. Populism really means growing participation of Americans in the arts. When understood in this way, there is no conflict between the words."

In group discussions, several panelists sardonically noted that with three home runs in one game, Yankee slugger Jackson qualified as an elitist.

Genesis 2:19, wherein Adam named the Earth's animals, was cited by another member to demonstrate the arbitrary meaning of words.

The conference's summary declared "the most important mission of the artist and the performing arts institution is the creation and presentation of works of highly professional quality." Their wide dissemination and accessibility were rated of secondary priority.

A sharply critical attitude was taken about the quality of education in the arts and special programs for young people. "Funding of arts in education," the report stressed, "is primarily the responsibility of the field of education."

Another focal conclusion concerned management of performing groups, with chief authority assigned to the artistic director. His goals "should dominate and motivate" the board of trustees and the business manager.

To keep the arts dynamic, the conference urged "development and use of new materials and techniques . . . accompanied by recognition of the importance of contemporary infusions into the repertory of the performance arts.

"Young persons with evident artistic talent should be provided with categorical support from all appropriate funding sources."

W. McNeil Lowry, former director of the performing arts program of the Ford Foundation and director of the assembly, now has the task of preparing a summary volume, "Performing Arts in American Society."

CASHING IN ON THE ART BANK—COME UP TO THE OFFICE AND SEE OUR GOVERNMENT-SPONSORED ETCHINGS

(By Jo Ann Lewis)

Over the past decade, the U.S. government, as a sign of its cultural maturity, has set out to devise a complex support system to help its artists survive, chiefly through grants—direct grants, indirect grants, matching grants and occasional commissions. Though millions have been spent in this way to support artists, very little federal money has been spent simply buying what they make—which is their art.

The Canadian government five years ago, however, began a fascinating experiment in simplicity: buying $5 million worth of work by the best contemporary Canadian artists, putting it into an Art Bank, and, for a modest fee, leasing the work out to federal agencies in need of paintings, sculpture, prints, drawings and photographs to enhance office spaces.

To make the idea even more appealing, and to make the whole thing possible, the treasury issued a directive stating that henceforth fees paid for art rented from the Art Bank would be a legitimate item in the budget alongside chairs and paperclips.

The point of setting up the Art Bank was not to decorate government offices, but to help support Canadian artists by purchasing their work, instead of doling out more grants. In its five-year existence, Art Bank has purchased more than 7,000 works by 900 different artists for its permanent collection, well-established names as well as lesser-known, conservatives and way-outs.

The project has also had important spin-offs for artists, both in the form of a growing number of provincial and city art banks being set up throughout Canada, and through exhibitions which travel across the country and the ocean, thereby advancing reputations and affording precious new exposure.

Art Bank, the first such government effort in the world on this scale, was the brainchild of artist Suzanne Rivard Le Moyne, who saw the need and possibilities for such a project when she was Visual Arts Officer of the Canada Council—rough equivalent of our National Endowment for the Arts. In 1972 Le Moyne convinced the Canadian government to appropriate, through the Canada Council, $5 million dollars for five years to get the Art Bank started.

A large, high-security warehouse complex on the outskirts of Ottawa was designed and fitted out so that works could be matted, framed and mounted on the spot, and then stored in pleasant, open, easy-access storage spaces which potential leasees could visit to make their selections. The idea caught on not only in Canada, but throughout the world, and officials from Australia, India,

Germany and even the United States have been checking out the Canadian prototype with an eye to setting up similar programs. The project has just been funded for five more years at the same level, $1 million per year.

Though only government offices are currently using the Art Bank facilities, they are mandated to deal also with provincial government offices, hospitals, schools and, on a test basis, private corporations. Limitations of staff, however have made this expansion impossible thus far. Art Bank has only 17 employees, including secretaries and technicians, and only three liaison officers who go out and sell the program to various agencies and help choose and install the art.

"Our only criteria is quality," said Chief Liaison Officer Lise Cohen, who was in town last week to hang a small show of 20 varied and high-quality graphics from the Art Bank Collection at the Canadian Embassy's newly inaugurated Art Gallery at 1746 Massachusetts Ave. NW. "Our only requirement is that the artists be citizens or landed immigrants."

"The selection procedure is simple, and so far it has worked extremely well," says Cohen. "Any artist or dealer can send us slides which are submitted every six weeks to a jury of three art experts, critics, curators, etc.—the jury changes each time—and these juries decide which artists might merit a studio visit. Disgruntled artists can resubmit to a new jury every six weeks.

"When several artists from the same region have been selected, a trip is made to their studios by the Art Bank director who then assembles an ad hoc jury of three more people on the spot, including himself, one local and one non-local artist. They select the works for purchase. The only limitation is that not more than $23,000 can be spent on one artist in any year."

Does the Art Bank get a discount? "Absolutely not," says Mrs. Cohen, "they pay the going rate and deal both through dealers and with artists." The acquisitions budget is still close to 75 per cent of the $1 million allocated, which also has to be used for overhead and salaries. "We try very hard to keep costs down," she says, adding that because of the small staff new clients are now having to wait several weeks before a liaison officer can meet with them, see their space and help them draw up a budget and make a selection.

The fee structure is simple: Leasing costs are 12 per cent per year of the purchase price of the work of art. A painting valued at $3,000 would rent for $360 per year. Framed drawings and graphics valued at less than $1,000 rent for a flat $25 annual fee. "We cannot do installations of less than $200," says Lise Cohen, "we simply haven't got the time." The fee includes everything, installation, insurance and even transportation. CBC/Radio, the Department of Health and Welfare and Transport Canada are among the many regular borrowers. Canadian museums, hard pressed for acquisition funds, are also allowed to borrow long-term from Art Bank, but without a fee. They pay only transport costs.

Since the Art Bank charges leasing fees, can it ever be self-sustaining, or even profit-making? "It seems unlikely at this time," says Cohen, "chiefly because as the demand grows, the overhead costs increase, and we don't want to raise the fees. We are, after all, a service, not a business." Income is going up, however. During the first five years of the program, an average of $100,000 per year was returned to Art Bank in fees. Last year income was up to $170,000, which Art Bank gets to keep.

At the moment, the majority of works in the Art Bank, close to two thirds, is framed works on paper, including drawings and several commissioned graphics editions, which range from conservative to way out. Unblinkingly, there are several nudes. "There is no censorship of any kind, only quality," reiterates Lise Cohen.

There are also some very large and bold paintings, some of which were borrowed from the Art Bank for the Hirshhorn's Canadian show last season. The warehouse is also filled with large abstract and very contemporary sculptures for both indoor and outdoor use. Most new public buildings in Canada, however, as in the United States, have commissioned art integrated into the original architectural plan. In Canada up to one per cent is allocated for such art-in-architecture programs. The U.S. General Services Administration program provides one half of one per cent. Canada, not incidentally, is the third largest per capita art spender in the world, after Sweden and West Germany.

The perfection of the Art Bank idea suggests its inevitability everywhere in this culture-conscious civilization, and it seems only a matter of time until the U.S. government sets up a similar project. The General Services Administration already has the idea under scrutiny, according to Administrator Jay Solomon. "It's chiefly a matter of selling the idea to Congress," he says.

The larger question may be who should ideally administer such a program. Is GSA too politically sensitive to insulate the purchase of art from congressional interference? On the other hand, should the National Endowment for the Arts be given yet more arts power? Or, do we need a new set-up, independent of, but administered by NEA, or GSA, corresponding to the Canadian plan?

With luck these questions will be answered scon, at which time the United States can join its imaginative neighbor to the north in the best kind of artist support system yet devised by man—buying art.

FOREIGN MILITARY SALES MISMANAGEMENT

Mr. CULVER. Mr. President, for several years the Congress has endeavored to bring our burgeoning foreign military sales under closer legislative scrutiny and policy restraint. We have considered setting hard and fast ceilings, but have written into law only a "sense of the Congress" declaration in the Arms Export Control Act of 1976 that "the aggregate value of defense articles and defense services—in any fiscal year should not exceed current levels."

President Jimmy Carter deserves great credit for establishing a new arms sales policy which promises that the dollar volume of U.S. weapons sales in 1978 will be less than in 1977. The President and his administration are to be commended for setting these important policy objectives and for initiating talks on international cooperation with our Western European allies and with the Soviet Union. But the successful implementation of this policy depends upon the President, the Congress and the public having credible figures on foreign arms sales with which to work. And our own Government must properly implement the unilateral aspects of the President's policy if it is to have the support of the American people and serve as an exemplary basis for internationally agreed restraint.

It has always been difficult to get reliable and timely facts and figures on foreign military sales. As late as September 2 of this year, four days before the end of the fiscal year, my staff was provided information by the Director of the Defense Security Assistance Agency (DSAA) that the value of recorded FMS agreements so far in fiscal year 1977 was $6.3 billion. Nevertheless, officials continued to predict that the fiscal year 1977 figure would ultimately total $9.9 billion—an estimate unchanged from mid-July. There was stiff resistance to the demand that the $1.2 billion sale of AWACS aircraft to Iran be counted in fiscal year 1978, as the law and current regulations would otherwise have dictated. Reportedly, some elements in the bureaucracy did not want to be restrained by the much lower sales ceiling which would follow from counting AWACS in 1978.

Now, suddenly, the DSAA "discovers" that it had underestimated the fiscal year 1977 arms sales by $1.4 billion, thus raising the total to $11.3 billion.

The new estimate came as a result of a belated recalculation of sales figures under new accounting procedures for sales made as amendments to previously concluded agreements. Under the old system, such sales have been added to the totals for the year of the original agreement. Under the new policy, such additional sales will be included in totals for the years in which they actually are made.

This is an appropriate change in the foreign military sales accounting system, which should give us a more accurate picture of current sales, but it is also a change directed by President Ford on November 4, 1976.

Even though constructive changes in accounting procedures were ordered in 1976, there was an inexplicable time lag of an entire year in carrying them out. This is the kind of bureaucratic blunder that undermines the confidence of the American public and foreign governments in our national policies. The bulk of the sales which are now properly counted in fiscal year 1977 occurred before Jimmy Carter's inauguration. Moreover, construction contracts in Saudi Arabia are the largest single bloc of retabulated sales, and this is not the first time that such projects were added to a previously announced sales total.

The long delay in counting these sales in fiscal year 1977, and the consequent misleading of the Congress and the executive branch as to the actual level of sales, indicate serious mismanagement on the part of the Defense Security Assistance Agency. By a bureaucratic mistake of this size, DSAA has undermined the credibility of the President's pledge to reduce arms sales next year.

Since both the Congress and the executive branch relied on the lower figures in policy discussions in recent months, none of the $1.4 billion increase should be counted by the administration in determining next year's ceiling on weapons sales.

Mr. President, this example of delayed implementation of a clear Presidential directive raises other questions about the organization and role of the Defense Security Assistance Agency. DSAA was established in 1971 to implement approved military assistance programs and foreign military sales—"to direct, administer, and supervise, within the policies estab-

lished by the Assistant Secretary of Defense for International Security Affairs, approved Security Assistance plans and programs." DSAA was to provide centralized management for "nuts and bolts" arrangements and problems and remove these administration burdens from ISA's policy responsibilities. In theory, DSAA's function is policy implementation, but in practice it has come to play a major role in policy formulation.

An important reason for DSAA's undue influence in arms sales policymaking is that the DSAA Director also has been designated the Deputy Assistant Secretary of International Security Affairs for Security Assistance. The same officials are responsible for security assistance plans and requirements in both DSAA and ISA. This combination of nuts and bolts administration and a policy review role can give DSAA considerable operational control over the Defense Department's foreign sales activities.

Thus, under the present arrangement, personnel in top positions at the Defense Security Assistance Agency wear two hats, in that they administer and promote arms sales and at the same time they are involved in policy determinations on the wisdom of particular sales. This is a conflict of interest that should be speedily corrected. The Secretary of Defense should remove DSAA officials from ISA's policy review process and establish a separate civilian Security Assistance office under the Assistant Secretary for International Security Affairs.

We badly need an independent Defense Department review of arms sales proposals. The record to date indicates to me that important policy questions, such as the security of advanced U.S. technology, the capacity of developing nations to absorb and utilize sophisticated U.S. weapons systems without large-scale and long-term American technical assistance, and the arms control implications of major sales, have not been given adequate critical attention within the Department of Defense. For example, earlier this year, when 21 Senators asked for a thorough study of these questions in connection with the proposed sale of AWACS aircraft to Iran, DSAA prepared a technical "DOD Analysis of Alternative Systems for Iranian Air Defense" that rejustified the AWACS sale but did not address these important policy issues.

Under the premises of the President's new policy, arms sales are to be an exceptional foreign policy implement, to be used only when it can be clearly demonstrated that the transfer contributes to our national security interests; and the burden of persuasion is to be on those who favor a particular sale. This policy requires that the Defense Department conduct its own independent and critical review of arms sales policy questions, separate and distinct from the program managers and sales promoters in DSAA and the various Services.

The Congress recently authorized the establishment of a new Under Secretary of Defense for Policy, and I understand that responsibility for the Office of International Security Affairs will be given to the Under Secretary for Policy. Reorganization to accommodate this new position is a favorable time for the Secretary of Defense to set up a distinct, civilian Defense Department mechanism for policy review of arms sales proposals. This would eliminate any possible conflict of interest and coiceivably avoid the recurrence of any more $1.4 billion mistakes.

TAKING EXCEPTION TO THE ERA

Mr. HATCH. Mr. President, on November 21, 1977, a column appeared in the Washington Post taking exception to previous reports on the activities of women of the Mormon Church and the equal rights amendment. Mrs. Eleanor Ricks Colton, president of the Washington Stake (diocese) Mormon Relief Society, has eloquently addressed this controversial topic. In light of the outcome of the International Women's Year Conference held in Houston, Tex., last week, I would like to bring this timely article to the attention of my colleagues.

I ask unanimous consent that this column be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Nov. 21, 1977]

A MORMON WOMAN LOOKS AT THE ERA

(By Eleanor Ricks Colton)

With the drive to pass the Equal Rights Amendment stalled at 35 states—three short of the necessary 38—leading proponents of ERA are looking for scapegoats. A favorite target is the Church of Jesus Christ of Latter-Day Saints, the Mormons.

On Oct. 26, for example, Bella Abzug, in a Washington press conference, accused the Mormons of being among several "subversive" groups planning to "disrupt" the National Women's Conference in Houston.

The labeling by conference leaders of those who disagree with them as "subversive" is reminiscent of the McCarthy era. It was Voltaire who said, "I disapprove of what you say, but I will defend to the death your right to say it." That is the spirit that should prevail in a democracy—something that former Rep. Abzug should have no trouble appreciating.

It appears that what Abzug is really fearful of is not disruption but democracy.

Contrary to some reports—including Ellen Goodman's column in The Post on Nov. 7—there has been no organized effort sponsored by the Mormon church to defeat ERA. We have been instructed not to use church buildings either to promote or discourage political points of view. Individual members are expected to make their own decisions and determine their own degree of involvement in ERA and all other political and social issues.

Goodman charged that the church had "bussed 12,000 women to the state conference" in Utah. This is untrue. I have carefully double-checked with Mormon officials at church headquarters in Salt Lake City, who confirm that, while encouraging women to attend the conference, the church did not sponsor or pay for their transportation. Costs were left to the women themselves. They also were not instructed on how to vote, and indeed a minority of them voted for ERA, as was their obvious right.

There is no effort being made by the Mormon church to disrupt the conference in Houston. The church's membership includes individuals holding many different viewpoints, and it is unworthy of the conference's leaders to suggest that our church is a threat to the conference simply because its official position differs from theirs.

The church is not against women's rights. Utah women received the right to vote in 1870—50 years before the country at large.

The Relief Society, the women's organization of the church, was established in 1842 and is one of the oldest women's organizations in the United States. Its goals are strengthening motherhood and broadening women's learning, development and involvement in religious, compassionate, educational and community pursuits.

The leaders of the Mormon church, in a statement dated Oct. 22, 1976, said they felt there were better means to achieving rights for women than by this amendment. Their main concern was the adverse effect it could have on the family.

I resent being told I am against women's rights if I'm not for ERA. I am *for* women's rights. I am *for* correcting inequities.

My mother was widowed in the middle of the Depression and had to work night and day to rear five children. It is wrong for women not to receive equal pay for equal work. My daughter is planning on entering law school next year. I rejoice over the options that are open for her, and give due credit to those women who have worked constructively to guarantee such opportunities.

There has been a steady stream of legislation and judicial decisions to improve the legal status of women during the past 10 years. Enough, I feel, to prove that we can continue to make progress without locking ourselves into an amendment so vague even constitutional lawyers can't predict its consequences; so controversial that the only real guarantee we are given is that it will spawn endless litigation and vest the courts with a dangerous potential for policy-making. We can better correct inequities with specific legislation.

If we could put half the energy that's being expended on ERA into the enforcement of existing laws, women would be much better off.

Many who have worked long and hard for ERA hold it as a symbol for equal rights. What they refuse to see is that the symbol has been tarnished. To thousands of women, it is a symbol of divisiveness and polarization; instead of uniting us. it is tearing our country apart.

It is tragic that the attitude of the conference leaders has not been "come let us reason together"—but "come let us pass the goals that the International Women's Year commission feels women need." Whenever any group of people, whatever their political views, feel they are being outmaneuvered by an articulate minority, they naturally react.

When two such inflammatory issues as abortion and ERA were established as major goals of the commission—which was funded by $5 million of taxpayer money—citizens who value the sanctity of life or who feel there is a better and safer route than ERA to equal rights for women understandably were upset. Given these circumstances, how could IWY's leaders have expected all peace and love as they rolled toward Houston?

It is true that some of us are unhappy that $5 million of our tax money is going to rubber stamp many proposals with which we cannot agree. But few Mormons have earned the vindictiveness and label of "subversive radicals" showered on them by those claiming "the conference will be an opportunity for every point of view to be expressed."

COMMENDATION FOR THE NAVY AND AIR FORCE

Mr. PROXMIRE. Mr. President, on October 5, I asked the Secretary of the Navy and the Secretary of the Air Force to guard against high ranking officers using Government aircraft to fly into the Washington, D.C. area for the annual

Navy/Air Force football game. I made this request in advance of the game to head off misuse of Government aircraft which had occurred in prior years under similar circumstances.

The two service Secretaries have now responded to my letter and I am pleased to report that both the Navy and Air Force have relatively good records for this event. With one exception, there were no high ranking officers reported to have attended the game via free Government transportation. Aircraft were met as they landed to check on the plans of the passengers. In no case was any specific flight authorized for the purpose of transporting officials to the game.

Given this good record, I am happy to commend both services and both service Secretaries for their good judgment and concern over the proper use of tax dollars.

There is one exception to this pattern. Under a special Defense Department policy for football at the service academies, 536 cadets, faculty members and staff of the Air Force Academy, were flown to the game at a cost of $92,518. The Air Force states that this expenditure was approved only:

On condition that their movement be accommodated within the military airlift command training program, that training hours not be increased for this purpose, that the flights in fact provide valid training, do not increase the rates charged for industrial fund airlift services, and that MAC have ample fuel for its approved flying hour program.

Transportation of cadets and midshipmen to several football games a year is traditional policy for the Pentagon which claims that there is no additional charge to the taxpayer since the training flight would have occurred in any event.

Mr. President, I ask unanimous consent that the correspondence with the Air Force and Navy be printed in the RECORD.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE AIR FORCE,
Washington, D.C., October 19, 1977.

DEAR SENATOR PROXMIRE: Thank you for your October 5 letter to the Secretary of the Air Force concerning travel to the October 8 Air Force Academy game.

The use of transportation at taxpayers' expense by Air Force personnel attending this year's football game at Annapolis was carefully limited to those whose attendance was considered to be officially required. Only selected cadets, faculty advisors, and key staff of the Academy, in that status, used military aircraft to attend the game. A specific list of names and the official groups, numbers of aircraft and a cost breakdown, which responds to your specific questions, is attached.

The Department of Defense recognizes the importance of athletic contests among the service academies and has instituted a special policy for football. The airlift of cadets for interservice academy games is approved on condition that their movement be accommodated within the Military Airlift Command (MAC) training program, that training hours not be increased for this purpose, that the flights in fact provide valid training, do not increase the rates charged for industrial fund airlift services, and that MAC have ample fuel for its approved flying hour program. In the case of the game on October 8, these conditions were fully met.

The presence of the 536 cadets, their faculty advisors, and key staff at the Navy game enhanced morale and esprit de corps, provided the cadets visibility in the area as an aid to the Air Force recruiting effort, and contributed directly to the kindred spirit of friendly rivalry shared by the Naval Academy and Air Force Academy.

In addition to the above traffic, we monitored all military aircraft that landed at Andrews and other civilian and military airfields in the area, and all government-paid commercial transportation into the Washington area during the period of October 6 through 8. We found that all visits were for official business; we called the office of each high-ranking military and civilian and found that none remained to attend the game.

If I can be of further service to you in this or any other matter, please do not hesitate to contact me.

Sincerely,

CHARLES C. BLANTON,
Major General, USAF.

LIST OF PERSONS ATTENDING THE AIR FORCE AT NAVY FOOTBALL GAME, OCTOBER 8, 1977, WHO TRAVELED AT GOVERNMENT EXPENSE

Name/group, date of travel, type aircraft, and remarks.

Lt. Gen. Kenneth L. Tallman, Superintendent, USAF Academy, October 4,* CT-39.

7 officers, 2 NCO's, 4 cadets, October 5, USN C-9,** advance party from USAFA.

1 officer and 3 cadets, October 6, CT-39, advance party from USAFA.

7 officers, 6 NCO's, 475 cadets, midshipmen, October 7, 4 each C-141's, cadet color, guard, 100 man drum and bugle corps, Falcon handlers, et cetera.

Brig. Gen. Wm. T. Woodyard, 2 officers, October 7, CT-39, dean of faculty.

*Lt. Gen. Tallman traveled early to provide testimony to congressional committee.

**Navy C-9 not scheduled for AF cadet transportation. Arrived in Colorado on "Educator Visit Program" with room for 13 members of USAFA advance party. Use of opportune C-9 avoided more costly alternate plans. In addition to arranging AF cadet support, advance party visited 20 D.C. high schools in recruiting effort.

COST OF ABOVE TRANSPORTATION ARRANGEMENTS

C-141s, total of 58.5 flying hours at $1,331 per hour	$77,864
CT-39s, total of 26 flying hours at $317 per hour	8,242
C-9, total of 6.5 flying hours at $844 per hour	5,486
Vehicle support October 5-9	926
Total cost	92,518

Breakdown of flying hour costs

	C-141	CT-39	C-9
Fuel/Oil	$876	$141	$460
Depot maint. (variable)	121	62	148
Supplies	106	21	---
Per diem	29	20	4
Civ. pay	68	13	27
Depot maint. (fixed)	98	37	186
Other	33	23	19
Total	1,331	317	844

DEPARTMENT OF THE NAVY,
Washington, D.C., October 25, 1977.

The Honorable WILLIAM PROXMIRE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PROXMIRE: This is in response to your letter of October 5th requesting information concerning the use of government transportation in connection with attendance at the Navy/Air Force game at Annapolis on October 8th.

Each aircraft which landed at the Naval Air Facility, Washington, D.C. on October 7th and 8th was met by the Command Duty Officer. Interviews with the flight crews and passengers indicated that none of the persons embarked would attend the football game. The specific flight assessment is detailed as follows: Of the eighteen planes that landed during the two day period, five aircraft debarked Washington-based personnel. Eleven aircraft departed before the game leaving no passengers in the D.C. area. One aircraft stopped only to refuel, and one aircraft remained overnight. The one transit aircraft remaining overnight, and the only transit aircraft that could have had passengers go to the game, was a T-39 from VT-86 in Pensacola on a student naval flight officer training flight. The crew members, Capt. Graham, USMC, and Lt. Stefen, USN, were housed in the bachelor officers quarters at NAF Andrews. Neither they nor any other transit personnel who debarked intended to attend the game.

This survey included military aircraft only. No attempt was made to monitor people traveling to the Washington area on temporary additional duty or permanent change of station orders using commercial carrier.

I trust this information is appropriate and satisfies your inquiry.

Sincerely,

W. GRAHAM CLAYTOR, JR.,
Secretary of the Navy.

USE OF THE ARTS IN THERAPY FOR CREATIVE RESOLUTION OF PROBLEMATIC BEHAVIORS

Mr. BAKER. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by the distinguished Senator from New York (Mr. JAVITS) and the statement attached thereto.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR JAVITS

The New England Council of Creative Therapies, Inc., held its fifth annual conference November 5-6 in Durham, New Hampshire. The objective of this conference was to increase awareness of the diverse uses of expressive therapies in meeting the needs of our society. In accord with my longstanding commitment to the arts, I commend this organization for its valuable use of the arts in therapy as a means for creative resolution of problematic behaviors. I would like to call to the attention of my distinguished colleagues a very interesting and perceptive statement made by Ms. Connie Naitove, who is the President of the New England Council of Creative Therapies.

STATEMENT BY MS. CONNIE NAITOVE

The arts are both a human right and an essential component of education, physical and mental health. That the arts may be a means for ameliorating a broad spectrum of social problems is not a new concept. Historically the importance of the expressive arts to the earliest human cultures is evidenced in the multitudinous cave drawings and artifacts. Anthropologists, among others, also assure us that dance and drama, which most certainly were accompanied by sounds, rhythms and music, were also amongst the first cultural expressions. Developing societies regarded training in various arts to be essential to their survival. These overt demonstrations of emotions and basic needs as well as the celebrations of events, which might otherwise have been eternally locked inside the individuals or lost along with a particular culture, objectified these feelings,

needs and attitudes and constitute the essential body of information on social development available. Indeed, it has been said that all that remains of man is his art.

The arts have been used throughout history to educate and influence society as well as to compensate its members for the burdens imposed upon them by nature and governments. Social and religious decrees against arts practices have altered the forms of expression but have never successfully eliminated them. Rather, as history reveals, the creative arts became basic forms of communication unifying and providing the populous an opportunity to vent opinions.

In these times of "communications gaps" between individuals, generations, societies and nations, the arts have been relegated to a position of minor impcrtance. While artists and therapists, educators and physicians recognize the potentials of the arts to meet some of the educational and therapeutic needs of society and are applying their knowledge and experience to remediate certain social and educational problems, governments persist in a narrow perspective which ignores this body of information.

We recognize the historical value of the arts as providing essential records of man's existence, his struggles, and the common bond we share with all humanity; in that sense we regard the arts as a communication media. We have established museums and theatres to provide a sort of cultural warehouse to preserve those records of human progress and development. In the cause of eulogizing the arts and enshrining them, they have, in effect, been removed from personal attainment. Their importance to the individual has been subordinated to a general concept of edification.

Because of this historic and aesthetic focus on the arts, their academic application has been largely passive and inhibiting rather than participatory and creative. We have lost sight of the basic qualities of the arts as a mode of communication, as an enhancement of learning skills, as a socially acceptable mode of emotional release and as a means for gaining personal satisfaction through expression. Perceiving these personal values as inherent in the arts, painters, sculptors, dancers, pcets and dramatists have come to believe that somewhere within the creative process lies the key to providing a life of quality. Many of these innovative individuals have proceeded to develop therapeutic disciplines which are currently finding acceptance in the areas of education, rehabilitation, recreation, psychotherapy and personal growth development.

It is natural that these valuable skills should thrive in the more advanced metropolitan areas and in institutions of higher learning, but unfortunately they are not broadly recognized or understcod. Surveys conducted in various rural and metropolitan sections of the country by organizations in the arts and therapeutic disciplines reveal that the public has an overwhelming interest in developing its creative potential. Yet federal support in the forms of recognition and funds has been meager at best. Awareness of the established values and potential application of the arts therapies must be more fully disseminated.

Creative expression through the arts is a viable educational and therapeutic tool because of the innate flexibility of the arts to affirm the individual's sense of efficacy. It provides a visible, audible and tangible link between the student and the teacher as well as the distressed individual and the therapeutic team. The arts provide a means to objectify skills and emotions. The individual is encouraged to focus on the process of creating rather than the aesthetics of the product. This concept has a broader application to problem-solving; the essential issue is what the individual learns about himself and his own mode of learning through the use of art forms.

By avoiding the element of aesthetics in these therapies, the stigma of failure is removed. The issues of talent and skill, which frustrate so many of us, are avoided, and hesitancy and inhibition are readily overcome in both child and adult. Further, as an individual becomes cognizant of his own repertoire of creative arts expressions, he gains a sense of identity. The awareness of individual identity and efficacy can lead to a confidence necessary to cope with areas where risk of failure has been a deterent. This provides the confidence necessary for greater social participation and the strengthening of our entire cultural fiber. Thus, the joy of being creative becomes one of many cultural benefits to be derived from artistic expression.

Just as there are numerous modes of expression, there are several educational and therapeutic approaches being practiced by these highly skilled therapists, utilizing all possible techniques for assisting individuals and groups to lead more active and fulfilling lives. By focusing on self-expression and communication, the arts process transcends limitations and differences between people.

Art, dance/movement, music and mime comprise the non-verbal arts therapies. The correlations between these arts and emotional release or catharsis has been drawn continuously from Plato through Jung into the contemporary literature on art and psychology. Rather than being relegated exclusively to the remediation of emotional outbursts, these disciplines offer a socially acceptable alternative to the expression of anger, frustration and violence. Statistics have shown that high percentages (75–80% or better) of those incarcerated in penal and correctional institutions suffer from learning disabilities, poor coordination and a poor self-image. Dance, art and mime therapies increase self-awareness and coordination, and enhance learning skills as well as verbal communication. They clarify symbolic and body language and evident discrepancies in behavior. They deal with our responses to stimui and increase our sensory awareness.

Since we cannot escape our bodies or our perceptions, and because we are born with the rhythms of heart and lung, these disciplines restore an awareness of these functions and behaviors. The arts provide an opportunity for verification as well as expression or perceptions not otherwise available to the disturbed or handicapped. They are healthful, motivating and satisfying activities for young and elderly alike. They afford the creator a sense of control as well as providing a record of his progress.

The verbal therapies of drama and poetry are also process-oriented. They offer an opportunity to explore real-life situations in a safe, protected, constructive environment. They provide an opportunity to explore potentially threatening situations either by direct confrontation, as in psychodrama, or indirectly, as in other forms of creative drama. Poetry restores the joy inherent in the sound and meaning of language and teaches us that sound is meant to be listened to. It frees verbal expression and clarifies it; it restores the "me" in meaning.

This process-oriented approach to the arts belongs in education, rehabilitation, psychotherapy and recreation because it enhances self-awareness, provides an opportunity to objectify feelings in a socially acceptable manner, enhances the individual sense of efficacy and identity in an era of Future Shock, and augments and clarifies communication. It has been applied successfully in a variety of social settings and with a variety of populations but has not been adequately applied to our national needs.

The argument for applying the arts in this educational and therapeutic manner is direct and simple: over and over, educators and therapists have told us that the more ways a new form of learning is synthesized, the more complete is the understanding; the more complete the understanding, the greater the sense of self-assurance. The more assured the individual, the more willing and able he is to apply that learning. A process-oriented application of the arts in education can enhance the production of creative solutions to societal issues. A process-oriented application of the arts in therapy can enhance the creative resolution of problematic behaviors and the ability to cope creatively in sensitive areas of social encounter.

Everyone has the right to be creative, everyone has the right to artistic expression. Thus, we must recognize and advance the role of the arts as therapy.

TRIBUTES TO MARY CALDWELL, CURATOR, HISTORICAL SOCIETY MUSEUM IN NEW CASTLE, IND.

Mr. LUGAR. Mr. President, Mary Caldwell recently retired as curator of the Historical Society Museum in New Castle, Ind.

Mrs. Caldwell is a delightful person who has dedicated herself to the preservation of Indiana heritage.

She was honored recently at the 90th semiannual meeting of the Henry County Historical Society, and received heartfelt tributes to her years of service. I ask unanimous consent that portions of these tributes be printed in the RECORD.

There being no objection, the tributes were ordered to be printed in the RECORD, as follows:

Mr. Richard P. Ratcliff, Society Trustee:

Mary Caldwell was born Oct. 11, 1891 in Decatur County, a daughter of Chester and Leona King. In 1908 she was graduated from Sandusky High School. In 1909 she came to New Castle and took a job as a clerk in the Burgess China Store on Broad Street, where she remained for one and one-half years.

In 1910 she became deputy county recorder and held this position until she was appointed county recorder in 1921. In 1922 she was elected Henry County Recorder and was reelected in 1926. Mary was the first woman in Henry County and probably the first in Indiana to hold public office.

From the close of 1930 to 1934 she was elected county auditor, a position to which she was reelected in 1938, serving until 1943. Her elective political career ended in 1943 although she did serve for three and a half years in the early 1940's as the manager of the New Castle License Bureau and again for one and a half years in the early 1950's.

In 1911 she married Fred Caldwell. To this union were born two children: Dorothy Ellen, a school psychologist now residing in New Haven, Connecticut; and Charles, who resides in Leucadia, California, and is engaged in a transfer business. Mary has three granddaughters and two grandsons. Her husband, Fred, died April 2, 1929, leaving Mary the responsibility of raising two small children.

In 1965 Mary Caldwell was appointed curator of the historical society museum by the Henry County Commissioners and remained in that position until just a month ago.

Mary was and is a walking encyclopedia. There is virtually nothing she cannot tell you about Henry County and its residents. And while her knowledge simply overpowers many of us when we are discussing our county with her, we soon remember that we

are talking with a woman who first served the public 67 years ago. She knew personally those men and women who put New Castle and Henry County on the map.

Let me go on record tonight and say that I idolize Mary Caldwell. She is an excellent example of what a woman of advanced years ought to be.

Mary Caldwell is a beautiful example of someone who has stayed young despite advancing years. Oh, that we could all grow old as gracefully as this dear lady.

Mary, I have attempted to bring those assembled in your honor tonight a few highlights of your illustrious life.

You have been an inspiration and an example for so many of us. May God richly bless you in the days ahead.

And, another tribute by Mrs. Lee Kern:

You have just heard a listing of the many elections won and services performed in this community by our guest of honor. She reached her pinnacle of prestige because she was intelligent, capable, efficient and presentable.

Aside from her basic courtesy and her tremendous fund of historic lore, Mary Caldwell never neglected the business side of being curator of the Museum. She already knew about keeping records and financial accounting details with the Court House.

In 1971 I had the opportunity to nominate Mary Caldwell for the BPW Citizen of the Year Civic Award. She was an easy winner and accepted that honor with her usual grace and poise.

Just think how many hundreds of visitors to the museum have been welcomed by this gracious lady who made a tour of the museum seem like a pleasant visit with a genial hostess as well as an educational experience.

And so, with apologies to the songwriter back the road a piece, I want to para-phrase: "She walks like a lady walks; she talks like a lady talks—And her words: they are wisdom's pearls—To my mind, she's my kind of girl!"

Mary, you always have been, and always will be—Our Kind of Girl!

STANDARDS FOR RURAL HOSPITALS IN IOWA

Mr. CULVER. Mr. President, in the past few weeks, the proposed National Guidelines for Health Planning published in the September 23 Federal Register setting a national standard of four general hospital beds for each 1,000 persons and requiring an average occupancy rate of 80 percent have encountered great opposition in Iowa, as well as many other rural States.

The action taken by the Department of Health, Education, and Welfare to reduce the number of unnecessary hospital beds is a part of a continuing effort to curb the rapidly rising costs of medical care.

While I believe everyone agrees there is a need to eliminate wasted hospital space and reduce health care costs, there is a legitimate concern from Iowans that this approach to eliminating excess hospital beds will have serious, detrimental effects upon hundreds of small rural community hospitals not only in Iowa, but throughout the Nation. I do not think the goal of lowering medical costs should be, or even can be, accomplished at the expense of small, rural community hospitals.

Mr. President, access to health care in rural communities is a special situation. Rural hospitals do not and cannot operate under the same conditions as large metropolitan hospitals and therefore should not be expected to meet the same requirements and still maintain high quality, accessible health care. In Iowa, for example, the bed ratio should reflect the State's high proportion of elderly persons living in nonmetropolitan areas, the lack of mobility of these people, and the chronic physician shortage.

I have received hundreds of letters from concerned Iowans who, with good reason, fear that these proposed regulations will force the closing of many desperately needed community hospitals. Numerous newspaper items have also appeared protesting the proposed guidelines. I believe that an editorial from the Des Moines Register exemplifies the heartfelt concern for the survival of essential rural hospitals. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

STANDARDS FOR HOSPITALS

The furor over proposed federal hopsital standards could develop into a tug of war between state health agencies and the Department of Health, Education and Welfare (HEW).

The HEW proposals call for a base ratio of four beds per 1,000 population and an average occupancy rate of 80 per cent. The proposals set guidelines for maintaining certain services, such as obstetrical units with at least 500 births a year.

The Iowa Health Systems Agency (HSA) has countered with a "target" of 4.6 beds per 1,000 and an average occupancy rate of 77.4 per cent. John Ross, HSA executive director, said he fears that "the federal guidelines will be cast in concrete without any input being recognized from the HSA."

The HSA and similar review panels throughout the country were set up to assure that the health needs of different areas would not be overlooked in carrying out federal health policies. Whether that objective is being downplayed by the Carter administration is not clear.

Conditions vary. Iowa has a large rural population and a high proportion of elderly people. The proposed HEW rules might be reasonable for some areas but not for others.

Public involvement in deciding important health policies is guaranteed by the review procedures of the HSA and its local and area advisory committees. That kind of involvement, drawing on an understanding of how the policies would affect certain areas, would be nullified by rule-making by HEW officials that ignores local conditions.

Iowa health facilities need revamping to satisfy changes in modern medical treatment as well as the federal demand to reduce costly waste. Some Iowa hospitals should be closed. Others should be limited to certain types of services. Still others should be converted to other uses. Those decisions should come from an understanding of what kind of health services Iowans need, rather than a fixed standard set in Washington.

CAREER EDUCATION INCENTIVE ACT

Mr. SCHWEIKER. Mr. President, last Tuesday, November 22, 1977, the Senate unanimously passed the conference report on H.R. 7, the Career Education Incentive Act. As a cosponsor of this important legislation, I was particularly pleased that both Houses of Congress acted so quickly during the first session of the 95th Congress to ensure passage.

I have long been concerned over the lack of contact that students have with the world of work and the community around them while they are in school. Many cannot see a reason for staying in school. They cannot understand the relationship between the things they learn in school and the skills they will need to pursue a career when they leave school. Many times, a student's first work experience allows him greater insight into school and encourages his active participation in directing his education. Today, we are seeing a large proportion of our college students attending school partime or after working for a number of years. These students have a clear notion of the value of a good education and they appreciate their schooling because they know what it will mean in other areas of their lives. I feel that the Career Education Incentive Act will enable the States and local schools to develop programs which will give students a renewed persepctive on their schooling.

This legislation utilizes a method of funding which is particularly apt for this type of educational program. The Federal Government will fund model projects and provide technical assistance to the States and schools. States and local educational agencies will have Federal start-up money to begin implementation of their projects—eventually, career education programs will be completely integrated into the curricula of the local schools, and Federal involvement for anything other than special projects will end. It is important for the focus of the beneficiaries of these funds which will be available for the next 5 years, to turn inward.

This brings out another strength of this legislation—its emphasis on the role of the community and community-based organizations in establishing educational policy and programs. Our communities have a great number of resources, and the schools should be encouraged to develop contacts with community members. Too often they look to the State and Federal Government to supply answers, or expertise in different areas, when there is a great wealth of experience and knowledge around them.

In our own State of Pennsylvania, I was pleased that an organization which has served our Nation well in the field of youth training and employment, had developed a very successful career intern program (CIP) for use in large urban schools with poor minority populations. The Opportunities Industrialization Centers, Inc., a private, community-based organization with members from all walks of life, has demonstrated great leadership and creativity in its development of CIP. Very often, it is the poor minority student with which this organization works, who is at the most severe disadvantage in terms of career education or expectations.

Many of these students see no reason to continue their schooling or even plan for a career in the future. They are surrounded in many cases by poverty and unemployment, and without some help

will be caught in the circle of poverty for the rest of their lives. A career awareness and education program can give these students a chance to organize their lives with information and experience that would otherwise be impossible for them to obtain.

The Human Resources Committee cited this project in the committee report to the Career Education Implementation Act, saying:

. . . the Committee was impressed with recently released results on the Career Intern Program (CIP) funded by the National Institute of Education for the past 3 years as a model project. CIP, developed by the Opportunities Industrialization Corp., established a career education and awareness program in a Philadelphia high school in which a majority of the students chosen to participate came from low-income families and had experienced serious academic problems. After 2 years, 67 percent of the CIP students were either graduated or were attending schools. Only 13 percent of the Control group were in school or graduated. Projects such as CIP which involved cooperation between a community-based organization and a local educational agency should be used as models and encouraged for development by local, State and Federal Governments.

I hope that increasingly this type of community participation and involvement will grow in the field of education. The Career Education Incentive Act is an important first step in this direction, and will go a long way in improving the quality of education in our schools.

CONVERSION OF OIL AND NATURAL GAS TO COAL CRITICAL ENERGY NEED

Mr. RANDOLPH. Mr. President, conversion of existing fuel consumption from oil and natural gas to coal is of crucial importance to solving the Nation's energy problem. On October 28, 1977, during debate on the tax portion of the energy bill, the knowledgeable Senator from South Carolina (Mr. HOLLINGS), based on a Congressional Budget Office estimate, stated that the Senate's proposed coal conversion program was defective. He indicated it represented a 50-percent "windfall" to industries and utilities which would have converted without the Senate's tax credit program.

Senator HOLLINGS' comment was challenged by me, only briefly at that time. I felt it deserved a more thorough analysis. If the able Senator's data was determined to be incorrect, it would be necessary to alter any mistaken impressions which might have been created. In the interim since October 28, a more complete examination has been conducted by the diligent Senator from Kentucky (Mr. FORD) who is an effective advocate and supporter for coal development programs. The results indicate that the CBO estimate is questionable due to the specific aspects of the information base which was employed.

I ask unanimous consent on behalf of Senator FORD and myself that the analysis of the Congressional Budget Office's study, including pertinent correspondence, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

RESPONSE TO THE CONGRESSIONAL BUDGET OFFICE'S 50-PERCENT WINDFALL ESTIMATE FOR COAL CONVERSION

One of the difficulties of working in the United States Senate is that there is so little time to take a second look at our debates on the floor. On Friday, October 28, an exchange on the floor between Senator Hollings and Senator Randolph, prompted us to examine at length the issue being debated. Our motivation was clear. The debate covered an issue which is the linchpin of the entire national energy policy. We are, of course, referring to the conversion of industrial and utility fuels from oil and natural gas to coal. Without this conversion, the remainder of our legislative deliberations are meaningless. Without this conversion, and the concomitant savings of oil and natural gas, the American way of life and all that goes with it is impossible.

The positions in the October 28 debate were clear. Senator Hollings was opposed to tax credits as a means of encouraging energy savings through coal conversion. He maintained that the credit would go primarily to industries and utilities who would convert to coal even without the tax credit. To support his contention, Senator Hollings produced a letter from Congressional Budget Office Director, Dr. Alice Rivlin to Senator Muskie and the Senate Budget Committee, dated October 26. That letter stated that fully 50 percent of the coal conversion tax credit program would be a "windfall" because those units would have converted to coal without the incentive.

Senator Randolph was not convinced by Senator Hollings or the CBO letter. Senator Randolph cited the extreme reluctance of firms to convert in the past and noted particularly that "electric companies, the utilities of this country, and other units of power generation," had resisted strongly the move to coal even in the face of Congressional mandates. He concluded by establishing the fact that due to the inadequacy of the 1975 coal conversion legislation, the Congress found itself again in conference with a new coal conversion bill. With such a disappointing performance record, Senator Randolph believed the CBO's 50-percent windfall figure must be without merit.

The positions were clear on that Friday. Two colleagues, each trying to produce the fairest solution to the Nation's energy dilemma. Senator Hollings' position, in the form of Senator Magnuson's unprinted amendment number 1000 would have cut some $15 billion in tax refunds from the Senate's energy tax package. After extended floor debate, Senator Long moved to table the amendment. The tabling motion succeeded. However, we resolved then to examine this question further because the viability of any energy policy relies upon a successful conversion program.

Nine days have passed since the October 28 debate. Based upon a thorough examination of this issue, we are now prepared to say the CBO estimate of 50-percent windfall is inaccurate. This error and the impression it conveys must be corrected before the Senate completes the conference on coal conversion or begins the conference on the tax portion of the national energy policy. Following is a partial explanation of why the 50-percent figure is incorrect.

1. The CBO estimate is based upon information from a model known as PIES (Project Independence Evaluation System). That model, designed specifically for estimating on energy matters, is relatively good for some estimates, but it is reputed to be ineffective for estimates vis a vis coal.

After identifying the deficiency, the Office of Energy Policy and Planning, in the Executive Office of the President, developed a new model to deal specifically with coal, especially in the industrial sector. Until this new model (cf. Replacing Oil and Gas with Other Fuels in the Industrial Sector) was designed, there were no models of industrial coal use. Even though the new model is imprecise (models are speculative by definition), it represents a considerable improvement over the PIES model which the CBO chose to employ in developing their estimates. Indeed, the CBO has now asked the Office of Energy Policy and Planning to assist the CBO in the development of their own model.

In short, the CBO's assumptions and their base data are questionable. The information base CBO used for their computations is insufficient in accuracy and applicability for estimating windfall on coal conversion tax credits.

2. The CBO estimates, sent to Senator Muskie on October 26, 1977, was prepared with two days notice. Therefore, it is, of necessity, incomplete and less valuable than a fuller study, in which the CBO could have accounted more adequately for the variables crucial in coal conversion. For example:

a. The CBO estimate does not account adequately for what is termed the "hassle" factor. The handling of coal is considerably more difficult for industries than is oil or natural gas. Many firms will sacrifice in order to avoid the hassle of increased handling difficulties. Coal-fired plants require large holding areas contiguous to the plant for storage of coal. Substantial coal transportation problems to the site and on the site are encountered. Air quality presents a continual problem.

When a tax credit is offered, it changes the cost-benefit picture. What might not have been economically feasible before becomes more attractive with credit.

b. The CBO estimate does not indicate to what degree the Federal regulatory program on conversion was assumed to have succeeded. The second estimate affects markedly the first estimate.

c. The CBO estimate does not indicate specifically what level of industrial (as opposed to utility) use was anticipated. Clearly, the incentive provided contributes significantly to increased usage and, to some extent, increased supply.

d. The CBO estimate does not indicate, specifically, the manner in which it accounted for problems with coal availability. For example, difficulty with labor strikes and unions may impact fundamentally on a firm's decision to convert. The presence or absence of a tax credit incentive may be the determining factor in a firm's ultimate decision.

It was our concern about matters of this sort which prompted inquiries from Senator Ford's office to the CBO on Monday, October 31. Senator Ford asked about the methodology used in the CBO estimate and the assessment of specific variables. Mr. Richard D. Morgenstern, Deputy Assistant Director of CBO, responded on November 2 (a copy of that letter is attached). While the CBO's response did not include the aforementioned issues, it did refer to other items, which indicate further the potential inaccuracy of the CBO's 50 percent "windfall" figure. Permit us to indicate why the figure is questionable.

1. The CBO letter indicates that their estimate assumes that metallurgical coal would not be eligible for the proposed credit.

As the energy tax bill was amended on the floor, metallurgical coal is now eligible for the tax credit. Steel firms such as Lone Star Steel may be moved to convert to coal (and to cease use of, for example, natural gas) because the tax incentive has been revised to include metallurgical coal. Obviously, that incentive is not part of CBO's estimate.

2. The CBO letter refers to utility coal conversions not induced by, but still eligible for, the proposed tax credit. CBO's model is entirely a price model. It does not consider capital availability even though access to

capital is crucial to utilities. To the extent that more capital is available to a utility through a tax credit, the increased capital encourages the utility to build a new plant which would also be eligible for the credit. If a utility can be induced to convert to coal in a manner large enough to produce the expected economics of scale, then the utility is more likely to continue with coal for subsequent plants because the "hassle" factor has been reduced. However, without the tax credit, the point at which the total impact becomes economic is somewhat more remote.

3. The CBO letter refers to the Energy Supply and Environmental Coordination Act (ESECA). That act supposedly mandated conversion to coal. However, of those firms and utilities (approximately 70) ordered to convert, only one has done so. Indeed, they have found it more cost effective to oppose the order in court than to pay for plant conversion. With the tax credit, the additional incentive may serve as the critical economic stimulus to warrant conversion rather than court action.

4. The CBO letter omits any reference to the Metzenbaum oil and gas user amendment which passed the Senate before the CBO letter was written. That amendment includes both a tax and a tax credit which is believed to be the equivalent of 25 percent of the cost of conversion. Inasmuch as the Metzenbaum amendment is meant to be considered in concert with the Kennedy amendment (which reduces the tax credit from 40 percent to 15 percent), no accurate estimate of windfall can fail to consider its effect.

While the CBO could not have known about the Metzenbaum amendment before sending the October 26 letter to Senator Muskie, the CBO was aware of it before they sent their letter to Senator Ford's office on November 2.

In the final analysis, coal conversion induced by tax credits is an effective method of buying time to plan for the future. To be sure, any plan of this sort will include some plants which would have converted anyway. But that number is smaller than the CBO estimate.

The real danger of the CBO figure in the letter of October 28 is that it is not labeled as a rapidly devised speculation based upon soft data. Without such prefatory disclaimer, the CBO number encourages use by those who would mistake figures for facts. Such a mistake will lead to more tragic, irreparable mistakes: the failure to provide adequate incentives to spur conversions; and the failure to buy adequate time to develop new energy sources. If an inaccurate evaluation of tax credits for coal conversion succeeds in conference after failing on the floor of the Senate, the result may eventually be the precipitate exhaustion of finite oil and natural gas resources. If the Nation is caught unprepared the resultant economic dislocation will produce a profound disturbance in the American way of life. That is a result which is as dangerous as it is unacceptable.

CONGRESSIONAL BUDGET OFFICE,
Washington, D.C., November 2, 1977.

Dr. KEVIN GOTTLIEB,
Energy Aid, Dirksen Senate Office Building, Washington. D.C.

DEAR DR. GOTTLIEB: This letter is in response to your request for additional details on our October 26, 1977, letter to Senator Muskie, regarding a proposed 40 percent tax credit for coal conversion investments (the credit has since been lowered by floor amendment to 15 percent).

Investment tax credits are generally designed to stimulate investment beyond levels that would otherwise prevail. One frequent complaint about such credits is that much of the resulting tax expenditure accrues to those persons or firms which would have invested in the absence of the tax stimulus. This was one of the concerns regarding the 40 percent energy investment tax credit, and we were asked to estimate what portion of the investment eligible for the credit would have occurred anyway.

CBO's estimate of the oil import savings induced by the proposed 40 percent credit are almost identical to that provided by the Joint Tax Committee. CBO estimated savings of .9 MMBD by 1985, the staff of the Joint Committee estimate 1 MMBD.

But with or without that credit some utilities and factories would still turn to coal during the 1977–1985 period. To estimate this "non-induced" coal conversion we use the base case estimates [1] produced by the Administration in April 1977; that is, estimates of what would happen by 1985 in the absence of any new energy policies. The estimates are generally produced by the large computer model called PIES (Project Independence Evaluation System). Those estimates show that by 1985, without new energy policies, industrial coal use would increase by the equivalent of .8 MMBD. Some of that growth would involve metallurgical coal that would not be eligible for the proposed 40 percent tax credit. At least .45 MMBD, however, would be eligible and would therefore represent new coal users who would receive the tax credit even though they would have used coal in the absence of any additional stimulus.

In the utility sector there is an enormous increase in coal use expected—the equivalent of 3.3 MMBD by 1985. However, most of this would not be eligible for the proposed credit. Under the proposal, credits are available for new facilities only to the extent they replace existing oil or gas units. This is an appropriate restriction since new, large utilities built to meet expanded electricity demand would use coal anyway without additional stimulus.

PIES estimates about 20 gigawatts of oil and gas burning units would be replaced by new coal-fired units in the base case during 1976 to 1985. Using conservative assumptions about capacity utilization, these conversions translate into .35 MMBD oil equivalent. This figure represents utility coal conversions not induced by, but still eligible for, the proposed tax credit.

One other assumption significantly reduced our estimate of the non-induced utility coal conversion eligible for the tax credit. CBO assumed that existing power plants already ordered to convert under the current Energy Supply and Environmental Coordination Act (ESECA) would not receive the credit; the proposal as written does not include this restriction. If ESECA conversions are eligible, another .4 MMBD [2] would be added to the total of non-induced, but eligible conversions.

In summary, we expect 1.7 MMBD oil equivalent of coal conversion to qualify for the 40 percent tax credit. Approximately, .8 MMBD or 47 percent is likely to take place anyway, and thus we expect about the same portion of tax expenditure to accrue to those industries and utilities that would have used coal in the absence of the program. About .9 MMBD of conversions would be induced by the credit. If we included utility coal conversions ordered under ESECA in our non-induced, but eligible category, the portion would increase to 57 percent.

As noted about, the credit has been lowered from 40 to 15 percent since our letter was written. The lower credit may induce fewer coal conversions and would thereby lower the associated tax expenditure. At the same time, this change would increase the portion of the credit that will accrue to those who would convert to coal anyway.

If we can be of further assistance, please let us know.

Sincerely yours,

RICHARD D. MORGENSTERN,
Deputy Assistant Director, Natural Resources and Commerce.

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[1] See *The National Energy Plan*, April 29, 1977.

[2] See Executive Office of the President, *Replacing Oil and Gas With Coal and Other Fuels in the Industrial and Utility Sectors*. June 2, 1977.

MIDDLE EAST CAUTION ADVISED

Mr. MATHIAS. Mr. President, these are exciting times for those of us who have watched events unfold in the Middle East over the years. I know that I was certainly stirred by the picture of an Egyptian President being welcomed by the people of Israel. Anwar Sadat and Menachem Begin have taken a tremendous leap across the psychological chasm which has separated Arabs and Israelis in the Middle East for 30 years.

However, I throw out this cautionary note. These brave men are hanging onto the possibility of peace by their fingernails. President Sadat does not have the backing of a number of Arab leaders in his current efforts. Moreover, we must remember that the hard issues of final borders, the fate of the Palestinians, and the implementation of real peace remain to be negotiated.

We must encourage the efforts of the parties to continue the very hopeful beginnings registered in Jerusalem 10 days ago. The resolution we have before us today underlines the commitment of Congress to support the process of achieving a negotiated settlement of the Arab-Israeli conflict. I urge unanimous support of this resolution.

U.S. BANKS' INVESTMENT IN PANAMA

Mr. PROXMIRE. Mr. President, on October 25 I brought to the attention of my colleagues in the Senate information on the exposure of U.S. banks in Panama. That information was based on replies by the Federal Reserve Board and the Comptroller of the Currency to my request for the following data:

First. Total claims of U.S. banks—national banks only, in the case of the Comptroller's Office—including their foreign branches and subsidiaries, on Panamanian residents, broken down by maturity;

Second. The proportion of such claims which represent claims of U.S. and foreign bank branches in Panama, that is, excluding Panamanian banks and other Panamanian residents;

Third. For each of the 20 largest U.S. banks—national banks only, in the case of the Comptroller's Office—the percentage of total U.S.—or national—bank claims on Panamanian residents and the percentage of total U.S.—or national—bank claims on non-Panamanian banks in Panama, for each bank, but with the name, size and other identifying characteristics of the banks deleted;

Fourth. For each of the 20 largest U.S. national banks, total claims on Panamanian residents with more than 1 year remaining to maturity, as a percentage of total capital, but with the name, size and other identifying characteristics of the banks deleted.

Mr. President, I learned later that the data provided by the two agencies were not comparable. The Federal Reserve and the Comptroller's Office used completely different definitions of "total claims" on Panamanian residents in their responses to my request, despite the fact that both agencies were aware of my requests to each and collaborated in compiling the data used in their responses. The inability of the two principal Federal bank regulatory agencies to coordinate their replies and apply a common definition to a simple request for information is symptomatic of the confusion and inconsistency inherent in our fragmented Federal bank regulatory system. This incident points to the wisdom, and urgent need for adoption of S. 684, which would consolidate the bank regulatory functions of the existing agencies—the Federal Reserve, the Comptroller's Office and the FDIC—into a single Federal Bank Commission. I hope we will move promptly in the next session of Congress to adopt this critical reform measure before the three separate, uncoordinated agencies fumble more seriously their responsibilities relating to our banking system.

Mr. President, I regret any inconvenience to my colleagues and the public which may have been caused by misleading and erroneous material inserted in the RECORD on October 25 at pages 34964 and 34965. I ask unanimous consent that the new and corrected material received from the Federal Reserve Board and the Comptroller's Office, including tables, be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BOARD OF GOVERNORS,
FEDERAL RESERVE SYSTEM,
Washington, D.C. November 3, 1977.

Mr. ROBERT W. RUSSELL,
Counsel, Committee of Banking, Housing, and Urban Affairs, U.S. Senate, Washington, D.C.

DEAR MR. RUSSELL: Enclosed is the information you requested to supplement Chairman Burn's letter of October 11, 1977, to the Committee. The supplementary information shows the distribution among 20 large banks (11 National banks and 9 State member banks) of external claims on Panama, external claims being defined as all claims other than claims on Panamanian residents held by a U.S. bank's Panamanian office and payable in Panamanian Balboas.

Column 1 gives the precentage distribution of these claims showing how much is accounted for by the three banks having the largest amount of external claims, the next 3, etc. Column 2 shows what proportion of external claims on one group of borrowers, Panamanian offices of non-Panamanian banks, are accounted for by each group.

As Table 1 of the October 11 letter shows, external claims on Panamanian offices of non-Panamanian banks represent $463 million of the $1433 million in total external claims. Of the $1433 million in total external claims, $802 million is held by national banks and $631 million by State member banks.

It should be noted that the three banks having the largest amount of external claims are not the same banks as those having the largest amount of total claims, due to the varying amount of local office business conducted by banks. Therefore, the individual banks included in each three bank aggregate in this table are not necessarily the same banks included in each grouping in Table 3 of the October 11 letter.

Also enclosed is the listing of foreign branches of member banks which you requested.

Sincerely,

MICHAEL G. MARTINSON,
Foreign Banking Analyst.

Attachments.

TABLE 5.—EXTERNAL CLAIMS [1]

Banks	Col. 1: Total external claims (percent)	Col. 2: External claims on Panamanian offices of non-Panamanian banks (percent)
1, 2, 3	38	33
4, 5, 6	28	36
7, 8, 9	16	12
10, 11, 12	8	8
13, 14, 15	5	6
16, 17, 18, 19, 20	4	5

[1] External claims are defined as all claims on Panamanian residents other than claims that are payable in Panamanian Balboas and are held by a bank's office in Panama.

FEDERAL RESERVE SYSTEM,
Washington, D.C., October 11, 1977.

Hon. WILLIAM PROXMIRE,
Chairman, Committee on Banking, Housing and Urban Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I am pleased to respond to your letter of September 19 requesting information about U.S. bank claims on Panamanian residents.

Enclosed are four tables prepared by our staff which provide the information in question. These tables are derived from several different sources. Table 1 was prepared from data collected by the Federal Reserve as of year end 1976 from a group of approximately eighty U.S. banks; these data were published in a press release issued on June 3, 1977.

Tables 2, 3 and 4 were prepared from data as of mid-1977 collected in a new survey on bank exposure conducted by the Federal Reserve in cooperation with other bank supervisory authorities. Twenty large U.S. banks reported total claims on Panama amounting to $2.2 billion in this survey, compared with $2.8 billion of claims on Panama reported in the earlier survey noted above for a larger group of banks. Data collected in the new survey are still being processed by our staff and may be subject to further revision. If significant revisions should occur later in the course of the editing process, I will provide you with a revised set of tables.

Data in Table 3 have been combined into groups of three banks in order to preserve the confidentiality of data for individual banks.

I hope this information will be useful to your Committee. Please let me know if I can be of further assistance.

Sincerely yours,

ARTHUR F. BURNS.

Enclosures.

U.S. BANK CLAIMS ON PANAMA

TABLE 1.—*Total U.S. head office, foreign branch, and foreign subsidiary claims on Panamanian residents, December 31, 1976.*

[Millions of dollars]

Total claims	$2,831
One year or less	1,514
Over 1 year to 2 years	90
Over 2 years	323
Unallocated	904

SOURCE.—FR 2029. Report filed by approximately 80 banks.

TABLE 2.—*Claims on Panama of 20 large U.S. Banks, June 30, 1977*

[Millions of dollars]

Claims on banks	$589
Claims on banks with head offices in other countries (including branches or affiliates of U.S. banks)	463
Claims on private nonbanks	583
Claims on official institutions	261
Claims on private nonbank and official institutions externally guaranteed	314
Claims on Panama at local offices	[1] 729
Total claims on Panama	2, 162

[1] From the regular 502S statistical report, it is estimated that branches of U.S. banks in Panama had liabilities of $367 million to local residents as of June 1977.

Source.—Federal Reserve and Comptroller of the Currency Foreign Exposure Reports.

TABLE 3.—SHARES OF INDIVIDUAL BANKS IN LARGE U.S. BANKS' TOTAL CLAIMS ON PANAMANIAN RESIDENTS AND IN THEIR TOTAL CLAIMS ON PANAMANIAN OFFICES OF NONPANAMANIAN BANKS, JUNE 30, 1977

Bank	Shares of individual banks in total claims on Panama of 20 large banks	Shares of individual banks in total claims on Panamanian offices of non-Panamanian banks of 20 large U.S. banks
1		
2	50.0	34.9
3		
4		
5	25.1	26.6
6		
7		
8	13.3	9.3
9		
10		
11	5.6	8.0
12		
13		
14	3.4	6.5
15		
16		
17	2.6	5.2
18		
19		
20		

Source: Federal Reserve and Comptroller of the Currency foreign exposure reports.

TABLE 4.—*Claims on Panamanian residents with more than 1 year remaining to maturity as a percentage of capital for 20 large U.S. banks, June 30, 1977*

Bank:	[1] Percent
1	13.2
2	10.4
3	8.6
4	4.0
5	3.3
6	3.0
7	3.0
8	2.8
9	1.1
10	1.0
11	1.0
12	.8
13	.5
14	.5
15	.5
16	.4
17	0
18	0
19	0
20	0

[1] Included in these percentages are claims that carry the guarantee of a party outside Panama. The amounts of such guaranteed

Footnotes continued on following page.

claims cannot be precisely calculated for loans with more than one year to maturity. However, the total of nonguaranteed loans over one year to maturity does not exceed 4 per cent of capital for any bank on the list.

SOURCE.—Federal Reserve and Comptroller of the Currency Foreign Exposure Reports and FR 416.

COMPTROLLER OF THE CURRENCY,
Washington, D.C., November 1, 1977.

Hon. WILLIAM PROXMIRE,
Chairman, Committee on Banking, Housing, and Urban Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is an amended response to your letter of September 28, 1977, in which you requested information regarding the commitments of United States national banks in Panama. In our original response, dated October 12, 1977, our staff had misinterpreted the intent of several of your questions and thus, after further discussions with your staff, the following amended information is provided.

1. As of June 30, 1977, total claims, including foreign branches and subsidiaries, on Panamanian residents aggregated $1.692 billion, including $709 million in local currency claims. Maturity distribution of the foreign currency claims is: $607 million matures in less than one year; $289 million matures in over one year but less than five years; and $87 million matures over five years. No maturity breakdown is available for the local currency claims.

2. On June 30, 1977, the proportion of such claims which represented claims on United States and foreign bank branches in Panama, that is, excluding Panamanian banks and other Panamanian residents, totaled $295 million.

3. For each of the twenty largest United States National Banks, claims on Panamanian residents, as a percentage of total national bank claims on Panamanian residents, were:

Bank	Amount [1]	Percent [2]
A	$7	0.41
B	0	0
C	0	0
D	11	.65
E	22	1.30
F	1	0
G	215	12.71
H	14	.82
I	25	1.48
J	1	0
K	478	28.25
L	350	20.69
M	3	.18
N	14	.82
O	12	.71
P	253	14.95
Q	36	2.13
R	25	1.48
S	34	2.01
T	10	.59
Total	1,511	89.18

[1] In millions of U.S. dollars.
[2] Percentage of total claims on Panamanian residents.

FOR EACH OF THE 20 LARGEST U.S. NATIONAL BANKS, CLAIMS ON NON-PANAMANIAN BANKS AS A PERCENTAGE OF TOTAL NATIONAL BANK CLAIMS ON NON-PANAMANIAN BANKS AND RESIDENTS

Bank	Amount [1]	Percent [2]
A	0	0
B	$1	.34
C	0	0
D	6	2.03
E	0	0
F	37	12.54
G	0	0
H	0	0
I	36	12.20
J	0	0
K	0	0
L	20	6.78
M	0	0
N	0	0
O	6	2.03
P	0	0
Q	76	25.76
R	0	0
S	33	11.19
T	0	0
Total	215	72.87

[1] In millions of U.S. dollars.
[2] Percentage of total claims on non-Panamanian banks and residents.

For each of the 20 largest U.S. national banks, claims (1) on Panamanian residents with more than 1 year remaining to maturity, as a percentage of each bank's total capital, were:

Bank:	(2)
A	.46
B	0
C	0
D	1.10
E	0
F	0
G	1.83
H	0
I	8.38
J	1.45
K	0
L	2.85
M	0
N	.74
O	.31
P	1.03
Q	.41
R	2.89
S	2.51
T	.74

(1) Does not include local currency claims for which no maturity breakdown is available.

(2) Percentage of capital of total foreign currency claims on Panamanian residents with more than one year remaining.

We hope this has been responsive to your inquiries.

Sincerely,

JOHN O. HEIMANN,
Comptroller of the Currency.

COMPTROLLER OF THE CURRENCY,
Washington, D.C., October 12, 1977.

Hon. WILLIAM PROXMIRE,
Chairman, Committee on Banking, Housing, and Urban Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your letter dated September 28, 1977 requesting information regarding the commitments of U.S. national banks in Panama. cluding foreign branches and subsidiaries,

1. As of June 30, 1977, total claims, inincluding foreign branches and subsidiaries, on Panamanian residents aggregated $773 million with $403 million due in one year and under, $288 million maturing over one to five years, and $82 million due in five years and over.

2. On June 30, 1977, the proportion of such claims which represented claims cn United States and foreign bank branches in Panama, that is excluding Panamanian banks and other Panamanian residents, totaled $279 million.

3. For each of the twenty largest United States national banks, claims on Panamanian residents as a percentage of total national bank claims on Panamanian residents, were:

Bank	Amount (in millions of U.S. dollars)	Percentage of total claims on Panamanian residents (percent)
A	7	0.90
B	None	None
C	None	None
D	None	None
E	22	2.84
F	1	.13
G	163	21.08
H	None	None
I	5	.65
J	None	None
K	137	17.72
L	44	5.69
M	1	.13
N	87	11.25
O	12	1.55
P	94	12.16
Q	3	.38
R	25	3.23
S	34	4.39
T	4	.51
Total	639	82.61

FOR EACH OF THE 20 LARGEST U.S. NATIONAL BANKS, CLAIMS ON NON-PANAMANIAN BANKS AS A PERCENTAGE OF TOTAL NATIONAL BANK CLAIMS ON NON-PANAMANIAN BANKS AND RESIDENTS

Bank	Amount (in millions of U.S. dollars)	Percentage of total claims on non-Panamanian banks and residents (percent)
A	None	None
B	1	0.36
C	None	None
D	None	None
E	None	None
F	37	13.26
G	None	None
H	None	None
I	36	12.90
J	None	None
K	None	None
L	20	7.16
M	None	None
N	None	None
O	6	2.15
P	None	None
Q	76	27.24
R	None	None
S	33	11.82
T	None	None
Total	209	74.89

4. For each of the twenty largest United States national banks, claims on Panamanian residents with more than one year remaining to maturity, as a percentage of each bank's total capital, were:

Bank:	*Total*
A	0.46
B	None
C	None
D	1.10
E	None
F	None
G	1.83
H	None
I	8.38
J	1.45
K	None
L	2.85
M	None
N	0.74
O	0.31
P	1.03
Q	0.41
R	2.89
S	2.51
T	0.74

We hope this has been responsive to your inquiries.

Sincerely,

JOHN G. HEIMANN,
Comptroller of the Currency.

Mr. PROXMIRE. Mr. President, the data initially supplied by the Comptroller concerning the claims of U.S. nationally chartered banks on Panamanian residents did not include claims denominated in the local Panamanian currency, the balboa. I do not know the Comptroller's reasons for excluding these claims. They

are significant, amounting to $709 million as of June 30, 1977, and, because the balboa is by treaty permanently fixed at par with the dollar, claims in the two currencies are largely interchangeable.

Once local currency claims are included and the data on foreign currency revised the Comptroller reports that U.S. national banks had $1.7 billion in claims on Panamanian residents as of June 30; $1 billion of the total was in foreign currency claims, principally in dollars, with the remaining $700 million denominated in balboas. The 20 largest national banks held $1.5 billion, 89 percent, of these claims.

The revised data provided by the Comptroller make it clear that the U.S. banks most involved in Panama are nationally chartered banks not State-chartered banks as previously reported. The Federal Reserve Board reported that the 20 U.S. banks with the largest claims in Panama—which includes a few large State-chartered banks as well as the largest nationally chartered banks—had $2.162 billion in total claims as of June 30. Of the total, $1.432 billion was in foreign currency claims—principally dollars—and $730 million in local currency claims—balboas. By comparison the 20 largest U.S. national banks had $1.5 billion in claims on Panama, $802 million in foreign currency claims, and $709 million in local currency claims.

Mr. President, the revised submissions from the Comptroller's Office and the Federal Reserve Board contain few surprises. A few U.S. banks do most of the business done in Panama by U.S. banks. U.S. banks use Panama largely for short-term, interbank transactions and to book loans throughout Central America. When the maturities of the claims are considered no bank appears to have inordinate exposure in Panama. That conclusion must be tempered in the case of national banks, however, because the Comptroller does not collect data on the maturity structure of local currency claims, which are held principally by three or four large nationally chartered U.S. banks. It would behoove the Comptroller to collect data on the maturity structure of those claims.

PRESIDENT SADAT'S INITIATIVES

Mr. BROOKE. Mr. President, the recent initiatives of President Sadat of Egypt have been both courageous and astonishing. At great personal and political risk he has sought to set the stage for serious and direct negotiations for a lasting peace between Israel and the Arab States. His efforts have been reciprocated by Israeli Prime Minister Begin who has indicated that he, too, is willing to strive boldly to settle peacefully the differences that have caused so much sorrow for Arab and Israeli alike.

The efforts of the Egyptian President merit the strong support of the people of America and their Government. I have no doubts that the American people and the vast majority of their representatives in Congress are ready to give such support. But, for some unexplicable reason, the administration has been lukewarm at best to President Sadat's efforts; indeed, one editorial has characterized the Carter administration's enthusiasm for President Sadat's diplomacy as able "to freeze the Nile."

It is impossible at present to decipher accurately the motives for this cool response on the part of the administration. A New York Times editorial this morning suggested six possibilities, and which I ask unanimous consent to be printed in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BROOKE. Mr. President, the suggested possibilities are:

First. Administration officials may resent President Sadat's "diplomacy by surprise" because it reduces the administration's potential to influence the Egyptian President's decisions before they take place.

Second. The administration may also be cool toward the Sadat initiatives because of "* * * an excessive attachment to the preferred American path to negotiations, a Geneva conference offered to all the parties through considerable diplomatic labor."

Third. Present administration behavior might also be motivated by deference to Soviet sensibilities, reflecting, as the Times editorial suggests "* * * a conviction that peace in the Middle East will never be achieved or preserved without Moscow's participation and commitment."

Fourth. The administration may also be trying to signal certain Arab States such as Syria and Saudi Arabia and possibly even the PLO that American leadership is their best hope for attaining their interests.

Fifth. It could be that the administration is concerned for President Sadat's safety which is so intimately linked with Egypt's stability and is more fearful of the risks he is taking than he is.

Sixth. Finally, there is the risk of diplomatic failure that is inherent in President Sadat's initiatives.

This last point is, of course, a legitimate concern. A failure of the Sadat initiative could lead rapidly to deteriorating conditions and ultimately to war. That is the inevitable risk of any meaningful act by the parties directly involved in the conflict to cut through the decades of suspicion and hatred. But, rather than shrinking from being associated with that risk, as the administration has apparently done, the United States should be doing everything possible to follow the lead of Egypt and Israel in order to reduce the risk.

It is the right of Israel and Egypt and the other Arab States if they will, to formulate the procedural basis for negotiations that would hold promise of a settlement that would bring a lasting peace to the peoples of the Middle East. President Sadat and Prime Minister Begin are asserting that right and the United States should be fully supportive of them as they do so.

We do not have the option to be involved in the Middle East only if events suit our preconceived notions of how things should be done. And we cannot avoid having to make difficult choices that entail significant risks. The proper course of action for the United States at this time is to endorse without qualification the efforts of those in the Middle East who have evidenced by their actions a true desire for peace. Our representation at the Cairo conference should be of sufficient stature to leave no doubts that we are indeed willing to encourage Egypt and Israel, in face-to-face negotiations, to prepare the way for a settlement. And, if others in the Middle East or elsewhere evidence an unwillingness to come to grips with the central issue of true peace, we should not delude ourselves into believing that our interest is in appeasing them. There is a time for fundamental decisions regarding Middle East peace, and the courageous acts of President Sadat have accelerated the pace of events to where the choices for peace must be made.

EXHIBIT 1

[From the New York Times, Nov. 29, 1977]

THE UNITED STATES AS SPHINX

The Carter Administration's enthusiasm for President Sadat's diplomacy could freeze the Nile. It has been grudging, chilling and altogether unworthy of the United States, which should be cheering and rewarding every act of moderation in the Middle East.

For the second time this month, the Egyptian President has signaled his genuine acceptance of Israel and a desire to get on with the negotiations for an epochal settlement. Both times, despite formal words of support, Washington has chosen to emphasize the dangers instead of the opportunities in Mr. Sadat's enterprise, thereby contributing to the risks. Over a long weekend, the Administration hesitated to accept his invitation to a Cairo conference, preferring instead to consult with the Soviet Union and other recalcitrants and giving no help whatever to the moderate Arab parties now torn among contending forces. The still informal decision finally to accept and urge others to accept is hardly a vote of confidence.

Consider the possible motives for this strange behavior in Washington:

1. Resentment of Mr. Sadat's diplomacy-by-surprise, reflecting not just injured pride but a desire to influence his tactics before they take shape.

2. An excessive attachment to the preferred American path to negotiations, a Geneva conference offered to all the parties through considerable diplomatic labor.

3. A deference to Soviet sensibilities, reflecting a conviction that peace in the Middle East will never be achieved or preserved without Moscow's participation and commitment.

4. A desire to signal Syria or perhaps Saudi Arabia or even the Palestine Liberation Organization that their best interests lie in accepting American leadership in the Middle East negotiations.

5. A fear for Mr. Sadat's safety and Egypt's stability, taking more seriously than he does the threats on his life and position.

6. A fear of diplomatic failure unless Mr. Sadat is restrained, with bitter consequences for all parties.

The evidence suggests that all these calculations have figured in Washington's responses, but only the last is deserving of serious consideration. Resentment and inflexibility have no place in a situation that has frustrated all peacemakers for 30 years. The Middle East conflicts have always been the primary burden of Israeli and Egyptian societies. Do we dare ask, how dare they now take diplomacy into their own hands?

The Soviet Union in its way, and Syria and the P.L.O. in theirs, have contributed mightily to the hostilities over the years; they should be persuaded that they may be

missing a historic opportunity to press their interests at the conference table, not encouraged to avoid the table. And surely Mr. Sadat himself is a better judge than any American of his relations with Saudi Arabia, or of his chances of survival.

Fear that he may fail is reasonable enough, but it should have produced an extra measure of American support, rather than coolness. Mr. Sadat could fail if moderate Palestinians, Jordanians and Lebanese, though tempted to join him, are frightened off by the Soviet-Syrian campaign of rejection. Courage does not usually come in multiple doses. The United States should be celebrating Mr. Sadat's invitations to Cairo, urging their acceptance and promising to reduce the risks and enhance the rewards for those who agree.

Mr. Sadat could fail also if the Israelis harden the terms for their other neighbors, and perhaps even for him. That temptation will grow to the extent that other Arabs refuse even a gesture of comparable recognition of Israel, spurn direct negotiation and force the Egyptians to back down or risk a separate peace. Here again the American obligation is to help broaden the talks.

The hesitation in Washington suggests that the Administration has still not grasped—or accepted—the radical turn of events that took Mr. Sadat to Jerusalem last week. He served notice that he would neither wait nor fight again for any Arab party that refuses even to negotiate with Israel or which belabors procedural issues to the point where Israel does not have to negotiate seriously. He thus rejected the American approach to a Geneva conference, and particularly the Administration's deal with Moscow to make a Russian co-chairman of every future bargaining session. Better Begin than Brezhnev.

Mr. Sadat may have been too ambitious, or too daring, or too trusting of Israel's readiness to reciprocate a dramatic break with the past. We think not; Egypt and Israel have not only earned the right to define the patterns of accommodation, they also have the power to do so, provided only that they have the energetic support of the United States.

In any case, Mr. Sadat has made his break and is trying to create a continuing process of negotiation to escape the cycle of frustration in both war and diplomacy. The place for the United States is at his side and at Israel's, so that their noble effort may proceed. It is too late to play the Sphinx.

IOWA'S OPERATION SKY SCAN

Mr. CULVER. Mr. President, as Congress continues its consideration of legislation to create a national energy plan, it is good to remember that Government is not alone in its efforts to bring about a reduction in energy usage. More and more individual citizens were buying additional insulation for their homes and businesses even before President Carter declared war on the energy problem.

In Iowa, several utilities have encouraged those individual efforts by instituting Operation Sky Scan in which infrared photographs are taken of cities and towns from low flying airplanes. The photos clearly show which buildings are well insulated and which are not. The photos are made available so that utility customers can determine the heat efficiency of their homes and businesses.

In early tests the photos have seemed successful in encouraging a significant number of people to buy insulation, and Iowa is now becoming the first State to use such a project statewide.

Mr. President, we certainly need the efforts of both the public and private sectors in our battle to conserve energy. This project appears to be a useful approach which utilities in other States might also want to institute. I ask unanimous consent that a description of Operation Sky Scan contained in the November 1977, Iowa Energy Bulletin be printed in the RECORD.

There being no objection, the bulletin was ordered to be printed in the RECORD, as follows:

IOWA'S AERIAL ENERGY STUDY

THERMOGRAMS

Utility customers in more than 800 cities and towns will have the opportunity to see energy loss through the roof tops of residential homes and other buildings this winter because of inadequate insulation.

Operation Sky Scan, a thermogram survey, is being sponsored by Iowa's investor-owned natural gas and electric utilities.

A thermogram is a black and white photograph taken from an airplane by a temperature measuring scanner. The infrared film which is used detects energy loss by recording roof top temperatures.

Heat loss is demonstrated on the photograph in various shades of gray, with poorly insulated buildings being light in tone and well insulated structures shown in considerably darker shades.

The "picture of temperature" project is the first of its kind ever done on a state-wide basis, according to John M. Lewis, President of the Iowa Utility Association.

Texas Instruments, Inc., of Dallas will take thermogram photos on clear nights from a twin-engined plane flying at 1,600 to 1,800 feet. Outside temperatures must be below 35 degrees Fahrenheit and roof tops must be clear of snow.

Each participating utility will announce plans for making the thermograms available to its customers and Texas Instruments, Inc., will provide training to utility employees on how to interpret the photos.

Utilities sponsoring the project include: Interstate Power Company, Iowa Electric Light and Power Company, Iowa-Illinois Gas and Electric Company, Iowa Power and Light Company.

Iowa Public Service Company, Iowa Southern Utilities Company, Peoples Natural Gas and Union Electric Company.

Other privately owned utility companies participating in the program are Keokuk Gas Service Company, North Central Public Service Company and Minnesota Gas Company. Lewis said municipally-owned gas and electric utilities have also been invited to participate.

TRAGEDY IN INDIA

Mr. KENNEDY. Mr. President, one of the most devastating cyclones in over a century struck southern India last week, leaving in its wake a tragic trail of death and destruction. The loss in human life is almost beyond comprehension, and will perhaps never be fully known. The latest official estimates from the field indicate that the death toll will reach well over 20,000.

The cyclone washed away entire towns and villages, leaving more than 2 million people homeless. Estimates on the loss of property and crops now range well over $300 million. Within a few, tragic hours an already impoverished area was devastated, and millions of men, women and children dangerously close to malnutrition were left without food.

Despite many obstacles, not the least being the massive disruption of the area's transportation and communications system, the Government of India has moved urgently to meet emergency relief needs. International and voluntary agencies have offered a helping hand, as has the United States and other governments.

Hopefully, Mr. President, as the full scope of relief and rehabilitation needs become apparent—and the Indian Government assesses what, if anything, it may need from the international community—the United States will be prepared to draw upon available disaster relief funds to provide a significant contribution to India's recovery efforts. I stand ready, as I know others in Congress do, to offer special legislation, if necessary, to provide longer-term rehabilitation and reconstruction assistance.

In this connection, Mr. President, I commend to the attention of Senators an editorial in today's New York Times regarding measures that might be helpful in providing assistance for disaster preparedness. The United States, among other countries, has special experience in this area, and has already contributed to similar measures in Bangladesh—which is also subject to the devastating cyclones that come out of the Bay of Bengal. Hopefully the United States will offer its support for such disaster preparedness programs in southern India.

Mr. President, I know I speak for every American in offering deep sympathy and concern for the people of India who have suffered great tragedy. America's concern is already being expressed in the field through the actions of several American voluntary agencies, and I know it will be forthcoming when the Government of India identifies additional areas requiring rehabilitation and reconstruction assistance.

I ask unanimous consent that the New York Times editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times, Nov. 29, 1977]

CURBING THE CYCLONE'S TOLL

The numbers defy comprehension. Harassed Indian officials estimated 10,000—a convenient round figure—when asked how many died in a cyclone and tidal wave that struck in the state of Andhra Pradesh last week. The number of persons killed will never be known precisely. And, whatever it is, many more will die of diseases spread by polluted wells and the breakdown of sanitation facilities.

In the wake of such a calamity, attention naturally turns to relief for the injured and ruined survivors. Other nations and international agencies will contribute, but the heaviest burden will fall upon the Indian Government. Yet all should give at least equal attention to assuring that future storms do not take such a toll.

Some ways are known. Buried in all the numbing numbers is a hopeful contrast: Only a week earlier, a cyclone of nearly equal force struck the neighboring state of Tamil Nadu. But there, soldiers evacuated the residents of coastal areas and held the toll to 500 dead, although property damage was immense. In Andhra Pradesh army units were

summoned only after the cyclone hit, despite ample warning of its approach.

The contrast points up the importance of preparedness to blunt the impact of natural disasters. The first requirement is an emergency plan. Vehicles, radios, medical supplies and food must be stockpiled near disaster-prone areas. Ultimately, governments should prevent settlement of such areas. In the oft-ravaged coastal regions of India and Bangladesh, the land is seductively fertile. But ideally, those who farm there should have their homes inland on more secure ground.

Disaster preparedness is an area in which developing states can share experience. The Philippines has perhaps the most effective system for mitigating the toll of tropical storms. A good use for aid funds would be to send Philippine experts to other disaster-prone countries.

One obvious lesson too often ignored in calmer seasons is the connection between development and disaster preparedness. Because Andhra Pradesh was ill-prepared, India must spend vast sums on relief that it cannot easily afford. Preparedness costs money, but it saves still more money for other purposes.

U.S. LEADERSHIP IN HUMAN RIGHTS: REALITY OR RHETORIC

Mr. PROXMIRE. Mr. President, the United States is accustomed to seeing itself as the world leader in the struggle for human rights. In terms of publicity this is no doubt true, for I can think of no government which talks about the issue more than we do. However, I have real doubts about whether our actions always support our words.

In 1974, the Subcommittee on International Organizations and Movements of the House Committee on Foreign Affairs studied the U.S. track record in human rights. Their conclusions read as follows:

The human rights factor is not accorded the high priority it deserves in our country's foreign policy. Too often it becomes invisible on the vast foreign policy horizon of political, economic, and military affairs. Proponents of pure power politics too often dismiss it as a factor in diplomacy. Unfortunately, the prevailing attitude has led the United States into embracing governments which practice torture and unabashedly violate almost every human rights guarantee pronounced by the world community.

The subcommittee also analyzed several international treaties, and in particular the Genocide Convention. In doing so they upheld both the importance of the document and the importance of U.S. support:

U.S. ratification of the convention would help to enforce the terms of the convention and discourage those governments who might be tempted to commit genocide. The United States cannot be persuasive in urging other governments to respect the terms of a convention which we have failed to ratify.

The Senate's failure to ratify the Genocide Convention means that we have yet to accept international legal responsibility for the most heinous of human rights violations. It jeopardizes U.S. leadership and influence in the field of international human rights.

I could not agree more. Because our past track record in human rights has reflected expediency rather than commitment, our Government's sincerity and credibility have been put at stake. In short, several questionable foreign policy decisions have spoken much louder than our human rights rhetoric.

Since the time of the subcommittee's report, however, a new administration has come into office. An administration which has recognized our past inconsistencies, and has determined that the time for being a fair-weather friend of human rights has come to an end. I urge my colleagues to support President Carter's courageous stand and uphold the credibility of the U.S. Government by ratifying the Genocide Convention immediately.

ART MURPHY

Mr. CHURCH. Mr. President, Idaho has lost one of its most effective—and colorful—legislators, Art Murphy, the dean of the Idaho State Senate.

Art Murphy came from Idaho's mining country. He had the strength of the rock in him. He was universally admired by colleagues of both political parties, and was endowed with an abundant measure of commonsense.

As the Idaho Statesman of Boise editorialized, he was a "solid legislator."

He was that, indeed. He was my friend, and the friend of countless others. Idaho will miss him.

I ask unanimous consent, Mr. President, that the editorial which appeared in the Statesman on November 9, be printed in the RECORD, along with a news article from the Statesman of November 8.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Boise (Idaho) Statesman, Nov. 9, 1977]

"POPS" MURPHY

"Pops" Murphy is gone and the Legislature won't be the same.

Affectionately called Pops by his colleagues, Art Murphy of Mullan served almost three decades as an Idaho lawmaker. Unquestionably the dean of the Idaho Senate, the 79-year-old Democrat was loved and respected by members of both political parties. He was a solid legislator and a man who brought common sense and color to a body that sometimes seemed short on both. His death of cancer on Monday was mourned throughout the state.

Many of those who have risen to high places in or from Idaho politics learned a thing or two from "Pops" on the way up. He was the kind of man other men consulted before making important decisions. Interior Secretary Cecil Andrus, who this week called the Senate veteran "a great legislator," was a Murphy protege. Gov. John Evans referred to him as "my good friend and teacher." Senate Minority Leader Cy Chase, D-St. Maries, said everyone in the Senate leaned on his advice and experience.

Murphy compiled an impressive record of "firsts" during his legislative career. He introduced the first bill to set up the Idaho Fish & Game Commission, was the first to advocate year-around use of school classrooms, first to propose a vote-by-mail system, first to get a postcard registration bill through the Senate and led the Senate fight for the 19-year-old vote.

His last major legislative accomplishment was passage last winter of a "death with dignity" bill, which allows patients beyond hope to request termination of life-sustaining equipment.

Perhaps it was only appropriate. As Senate President Pro Tem Phil Batt put it, Murphy "protected the dignity of the Senate. He was a statesman."

He was that indeed. Idaho will miss him.

[From the Idaho Statesman, Nov. 8, 1977]

SENATOR ART MURPHY DIES OF CANCER

SPOKANE.—The dean of the Idaho Senate, Art Murphy of Mullan, died Monday in a Spokane hospital. He was 79.

Murphy, who was in the middle of his 15th legislative term (the last 11 in the Senate), was the only Idaho legislator ever to serve in both the majority and minority leadership of the House and Senate.

He was elected to the House in 1936 and served a total of 29 years.

Murphy, affectionately known as "Pops," was hospitalized near death from cancer in late 1973, but recovered and returned to the Legislature in 1974. He was hospitalized again Sept. 30 in critical condition, suffering from multiple myeloma, a form of cancer.

His death was mourned by political leaders of both parties Monday as the loss of a friend and a statesman.

"The state of Idaho has lost a great legislator and his family and I have lost a loved one," Interior Secretary Cecil Andrus said. "I hope those of us who follow in his footsteps remember the standards he set."

Andrus, a Murphy protege when he came to the Idaho Legislature in the early 1960s, made a special late-night trip to Spokane Oct. 28 to visit the ailing legislator. Andrus was in Idaho to speak at a water resource meeting and to dedicate the new Lewiston Hill portion of U.S. 95.

"He talked his way past a guard at the hospital (at 11:30 p.m.)," an Andrus aide said. "Ol' Pops was still awake, waiting. 'I knew you'd be here,' he told Andrus. They spent a little over half an hour together," the aide said.

It was Murphy who brought sudden tears to Andrus' eyes when the former governor was delivering his farewell State of the State address to the 1977 Idaho Legislature.

"I happened to glance over at a Republican legislator and saw tears going down his cheeks," Andrus said. "I thought 'Oh, no,' so I turned away quickly—and looked right smack into ol' Pop Murphy's eyes! That did it."

Sen. Frank Church, D-Idaho, said Murphy "was from mining country. He had the strength of the rock in him. He was my friend and I will miss him."

Gov. John Evans, who served several terms in the Idaho Senate with Murphy, said he was "deeply saddened at the death of my good friend and teacher. His passing is a loss to me personally, to the Idaho Senate, and to all the people in the state he loved so well.

"He left his mark on Idaho," the governor said. "His contributions over the many years will be remembered by history and future generations."

Senate Minority Leader Cy Chase, D-St. Maries, went to visit Murphy Monday. He arrived five minutes too late.

"We'll all miss him," Chase said later. "All of us leaned on him at times for advice and help, because he had such great experience and understood the legislative process so well. He never shirked, even though I know he was in a lot of pain at times. I think what kept him going as long as he did is that he enjoyed politics so much. It just seemed to pep him up when he could be involved."

When John Greenfield decided to seek election as chairman of the Idaho Democratic Party, the first man he contacted for advice and support was Art Murphy.

"I am saddened by his death," said Greenfield, who won the chairman's post in June. "His honesty and sound judgment have

guided all of us for many years. Art Murphy was especially good about involving younger people, including myself, in government and the political process. He was a wonderful man. We will all miss him very much."

The Senate's top Republican, President Pro Tem Phil Batt of Wilder, said Murphy was "a special friend. This is a deep personal loss to me, because we were 'partners' in many legislative ventures.

"He was particularly helpful to me in leadership, because sometimes when the two political factions would come to loggerheads, he'd lecture us both on the futility of being obstinate," Batt said. "He'd remind the Republicans that we had never been in the minority party, and remind the Democrats they had no license to be unfair. He always put the good of the Senate above political considerations."

Batt said Murphy, who towered over him by at least half a foot, was the man who dubbed him the "Little Giant" and called him his "little pardner."

"In general, he was one who protected the dignity of the Senate," said Batt. "He was a statesman."

Murphy was the first man to sponsor a slot machine bill, introduced the first bill to set up the Fish & Game Commission, was the first to advocate year-round use of school class-rooms, first to propose a vote-by-mail system, first to get a postcard registration bill through the Senate, and led the Senate fight for the 19-year-old vote.

Murphy once said he was "born on the wrong side of the Northern Pacific railroad tracks" in Sandpoint on May 18, 1898. He never completed high school, but started a professional baseball career during which he advanced as high as Oakland of the old Pacific Coast League, where he played on a pennant winner. He led the Timber League in 1926 with a .425 batting average, striking out only four times in 60 games.

Murphy, who served in the legislature under eight Idaho governors, represented District 4, which includes Shoshone County and part of Kootenai County. At the time of his death, he was Democratic caucus chairman, and also had served as chairman of half a dozen committees.

He served one term as House minority leader, one term as House majority leader, one term as Senate majority leader and one term as Senate minority leader. He also served seven years on the Legislative Council.

His last major legislative achievement was passage this year of a "death-with-dignity" bill, allowing terminally ill persons to request that they be disconnected from life-sustaining devices when there no longer was hope for recovery.

With Murphy's death, Sen. Richard Egbert, D-Tetonia, now is the oldest senator in terms of both age and legislative service. Egbert, 71, is halfway through his eighth term.

Under Idaho law, the governor must appoint Murphy's replacement from a list of three names submitted to him within 15 days by the District 4 Democratic chairman.

GUN CONTROL UPDATE

Mr. KENNEDY. Mr. President, last week Americans paused to give thanks for the blessings that have been bestowed on this Nation. During the same week many people in this country and around the world observed the 14th anniversary of the assassination of President John F. Kennedy.

The National Council for a Responsible Firearms Policy, an organization which for more than a decade has been a leading advocate of strict gun control, marked this 14th anniversary with a statement entitled, "Gun Control Update." The council said in its statement that 2½ million Americans have been victims during the past 14 years of their country's permissiveness regarding the ownership and possession of destructive weapons. Additionally, the statement points out that more Americans have been shot to death in the homes, the shops, and streets of America thus far in this century alone than have been killed in all the wars in this Nation's history. The council contends that strict gun control is not the sole answer to gun violence, but "it is an indispensable part of the answer that urgently needs to be found."

I believe that we must heed and be fully responsive to the imperatives of public safety as detailed in the council's article.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GUN-CONTROL UPDATE ON THE 14TH ANNIVERSARY OF THE ASSASSINATION OF PRESIDENT KENNEDY

Fourteen years have passed since President John F. Kennedy was shot to death with a mail-order rifle. It took the Federal government five years to muster enough determination to bring such shipments under strictest control. It would have taken even longer if the gun assassinations of Dr. Martin Luther King and Senator Robert Kennedy within a two-month period had not reopened the 1963 wound in the nation's conscience and made neglect of this problem all the more painful.

Major legislation was passed in 1968, but it was aimed only at controlling more effectively the commercial traffic in guns and ammunition and their purchase from bona fide dealers, Congress roundly rejected efforts to confine legal possession of guns to people tackle the rest of the problem—the need to confine legal possession of guns to people who have the basic credentials for responsible possession, and to hold such licensed gun owners strictly and legally accountable for the safe keeping, proper use and proper transfer of every gun in their possession. Thus, the assassins of John F. Kennedy, Martin Luther King and Robert F. Kennedy could just as easily now as then obtain the guns that fired those shots heard round the world.

Every year, thousands of less known but no less respectable Americans are attacked, wounded or killed with guns—statistics which the nation seems to accept as routinely as it does the ball scores and the stock market quotations.

In the 14 years since the murder of President Kennedy, 140,000 Americans have been murdered with guns. Another 140,000 have commited suicide with guns. Another million have been wounded with guns. Another 40,000 have been killed accidentally with guns, and another 1,500,000 have been robbed at gun point. Over 2½ million Americans in the past 14 years have thus been the victims of their country's permissiveness on who may have a gun and how this most destructive of personal weapons is kept.

More Americans have been shot to death in the homes, the shops and the streets of America thus far in this century alone than have been killed in all the wars in this nation's history. More Americans have been murdered by gunfire in their own country since the assassinations of Dr. King and Senator Kennedy in 1968 (the former with a rifle, the latter with a handgun) than were killed in Indochina during the entire period of U.S. military involvement there. Since the flow of all kinds of guns into all kinds of hands for all kinds of purposes remains largely unchecked, the danger to life and limb from the misuse of guns is greater now than when President Kennedy was killed—and gets greater with every passing day.

We live in a country where half the households have guns, and where there may be nearly as many guns as there are people. It is a country where no state or local government has a code of responsible gun ownership to keep guns out of unqualified and irresponsible hands, to insure that guns are kept cautiously not carelessly, and to hold every gun owner strictly and legally responsible for the safe possession, responsible use and legal disposition of each of his or her guns.

Existing Federal controls, dealing primarily with interstate commerce, use of the mails, and sales by licensed dealers, are too limited in purpose and too easily bypassed. The many thousands of state and local laws around the country are also inadequate and easily bypassed. Guns move easily into the hands of people who by any reasonable standard should not have them. Too often and with growing frequency the result is death or serious injury to innocent bystanders. The personal safety of every American, those who own guns as well as those who do not, is in jeopardy.

Strict gun control is not the only answer to the carnage of violence with guns—this man-made plague. But it is an indispensable part of the effective answer that urgently needs to be found. A government that does not face the facts of gun violence and face up to the urgency and stopping the easy accessibility of guns and ammunition to individuals not qualified to keep and use them responsibly deserves the strongest rebuke. Such a government is either inexcusably insensitive to the hard realities of violence in America or is playing shortsighted, shabby politics with the safety of the American people by subordinating their safety to the political expediency of appeasing a narrow-minded minority of the nation's gun owners.

The abysmal failure of the Federal government and virtually all state and local governments to adopt effective, reasonable and responsible gun-control policies in the overall public interest (in the interest of law-abiding Americans who own guns as well as those who do not) leaves America unsafe for its people, unsafe for their leaders, indeed unsafe for democracy itself. Freedom of expression, freedom of religion, freedom from want and freedom from fear are hallowed hallmarks of the American dream. A fifth freedom must now be added—freedom from violence and from the easy accessibility of most violent of weapons to those not qualified to use them responsibly.

Today on the 14th anniversary of the death of President Kennedy, the nation should ponder its failings regarding violence in general and gun violence in particular. The American people should then call on their leaders to lead the way to making this the safe country it urgently needs to be. The major responsibility is that of the President, who must put the power and prestige of his office behind a national firearms policy geared to the realities of late-twentieth-century America.

What statistic are we waiting for? The peril point has already been passed.

NOVEMBER 22, 1977.

DAVID J. STEINBERG,
Executive Director.

KEEPING THE SIKES ACT

Mr. CHURCH. Mr. President, the Resource Protection Subcommittee of the Senate Environment and Public Works Committee recently conducted a hearing to discuss reauthorizing the Sikes Act. That law, which is set to expire next year,

provides Federal land management agencies with additional authority to manage fish and wildlife habitat.

Because the Federal Government is such an extensive landowner in Idaho, it is important that critical habitat lands under the jurisdiction of the Forest Service and the Bureau of Land Management be kept in a condition that will support existing fish and wildlife populations. In fact, if these lands are managed wisely, existing populations could be significantly enlarged. With the ever growing popularity of fishing and hunting in my State and throughout the West, the prudent management of Federal habitat lands becomes much more consequential. It was in recognition of these facts that Congress approved the Sikes Act back in 1974, and I fully support its retention.

Mr. President, I ask unanimous consent that the testimony I presented to the Environment and Public Works Committee on November 23, in support of the Sikes Act be printed in the RECORD, along with the statement of the Idaho Fish and Game Department Director, Joseph Greenley, at the same hearing.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR FRANK CHURCH

Mr. Chairman, I appreciate this opportunity to testify before your subcommittee at this oversight hearing in support of retaining the fish and wildlife habitat management authority established with the enactment of P.L. 93-452.

The continuation of P.L. 93-452, the so-called "Sikes Act Amendment," is important to my state of Idaho. Two thirds of Idaho is federally owned. The two largest land management agencies—the Bureau of Land Management and the Forest Service—together have jurisdiction over 32 million acres within the state. Thus, the wildlife habitat programs and policies of these two agencies significantly affect the survival of Idaho's fish and game populations.

I have been a supporter of the Sikes Act amendment since its enactment in 1974. This legislation was aimed at meeting a pressing need, namely, the perpetuation and enhancement of adequate fish and wildlife habitat on federal lands. The need which prompted Congress to take this action over three years ago, is still with us in 1977. As each day goes by, it becomes ever more important for these federal agencies to begin the necessary work to stop the wildlife habitat losses which are forcing sharp reductions in game herds in Idaho and throughout the West. Unless some concrete steps are soon taken to improve the food and cover on which wildlife populations depend, then we may see the extinction of certain important herds. Wildlife experts all agree that Idaho's deer, elk, moose, antelope, bighorn sheep, and mountain goat populations can be greatly aided by habitat improvement and rejuvination. That's why we adopted the 1974 Sikes Act amendment.

The only problem so far with this law is that it has not yet been funded. In expectation of receiving Sikes Act funds in the fiscal year 1978 appropriation process, state agencies like the Idaho Fish and Game Department worked closely with the Forest Service and Bureau of Land Management in developing comprehensive plans for the improvement of critical habitats. However, when the appropriations were finalized, the wildlife habitat monies went to the general funds of these agencies instead of being earmarked for Sikes Act work. As the Director of the Idaho Department of Fish and Game, Joseph Greenley, pointed out in his testimony before the subcommittee earlier today, that is very upsetting to the Fish and Game Department. They feel very strongly that the Sikes Act should be given the opportunity to work. I concur in that opinion, and I would hope that your committee will reauthorize this long-overdue program, so that adequate habitat improvement programs can become a reality.

STATEMENT OF JOSEPH C. GREENLEY, DIRECTOR, IDAHO DEPARTMENT OF FISH AND GAME

Mr. Chairman, members of the committee, I appreciate your invitation to testify regarding the implementation of P.L. 93-452, commonly known as the Sikes Act Amendment.

Our interest in this subject is based on the fact that the amendment authorized wildlife management programs by the Bureau of Land Management and Forest Service, and these agencies are responsible for two-thirds of the land area in our State. We have agreements with both agencies pertaining to wildlife management which are to the effect that the Idaho Department of Fish and Game manages wildlife, and the land managing agencies manage the habitat.

And while the Idaho Department of Fish and Game is responsible for the protection and management of wildlife, we also recognize that in the long run wildlife depends not so much on the hunting regulations we might establish but upon the habitat for wildlife on the land—especially public lands administered by the Bureau of Land Management and Forest Service.

A chronic shortcoming in the past has been that while wildlife habitat management has supposedly been a part of these agencies' responsibilities, their funds for such programs have been critically inadequate, and we viewed the Sikes Act Amendment as the best approach yet developed to correct this deficiency.

Under terms of the Sikes Act Amendment and working closely with the Bureau of Land Management and Forest Service, many man hours were devoted to developing the cooperative agreements and specific on-the-ground project plans that were required before funds could be obtained for the actual implementation. Earlier this year I made a trip to Washington specifically to testify in support of the first appropriation request for the Bureau of Land Management and Forest Service under the Sikes Act.

The specific projects requested for Idaho were selected as the most pressing wildlife problems that could be solved by habitat developments under this Act.

For the Bureau of Land Management they included improvement of food and cover and management of the extremely critical isolated tracts of public land which remained as islands of native cover scattered throughout the highly developed irrigated farmland of southern Idaho. Pheasant habitat and, consequently, populations of our most popular game bird have been steadily declining due to changing farm practices on surrounding private land. Developing the full potential of the interspersed public lands would be a significant step toward reversing this trend.

The top Forest Service project was to restore, through controlled burning, the badly deteriorated winter ranges of our northern elk herds which have declined from a peak in the 1950's to about half their former numbers. Our Department had financed the research and, in cooperation with the Forest Service, conducted experimental burning on a limited scale. The studies are essentially complete, and all that remains is for adequate funding to apply the results and make the program operational.

Additional projects were to benefit other species, including anadromous fish and threatened or endangered species, with the total requests for Idaho programs amounting to $600,000 for the Bureau of Land Management and $2.5 million for the Forest Service.

At this point, we were optimistic that, after the considerable preparatory effort in cooperation with these agencies, actual on-the-ground implementation might actually begin in the near future.

We were dismayed to learn later that, although some funds for these wildlife programs were appropriated, they were channeled into their general authorization instead of under the specific authority of the Sikes Act and, further, that these agencies would not seek an extension of the Act. Their rationale, as we understand it, is that wildlife programs should be funded through their general budgets because seeking separate authorization under the Sikes Act would constitute duplicate requests and would not be practical.

Frankly, this is extremely disturbing to us. First, because after the efforts put forth with Bureau of Land Management and Forest Service personnel at their request to develop qualifying projects under the Sikes Act authorization. we feel this action is a serious breach of faith.

Second, the contention that wildlife plans developed under the Sikes Act effort will still be carried out, but under general appropriations, is not at all reassuring. Based on the track record of past wildlife funding by the Bureau of Land Management and Forest Service, all this means to us is that it's "business as usual" with wildlife in the general funding pot as before, inadequately funded to start with and doomed to the short end of it when the usual budget shifts and cuts occur.

We feel that if wildlife programs had been adequately funded in the past the Sikes Act Amendment would not have been needed, and it would not have been enacted by Congress.

The people of this nation, acting through Congress, clearly indicated that their intent was to provide badly needed supplementary funds to the historically weak wildlife programs of the federal land management agencies.

We feel this abandonment of the Sikes Act program is clearly counter to the original intent of Congress and extremely discouraging to cooperative efforts of the state wildlife agencies.

Mr. Chairman, the long and short of it is that there has been no implementation of the Sikes Act. Implementation has been thwarted at the critical budgetary stage by the agencies responsible for implementing it.

We can understand the administrative concern involved with budgeting for wildlife under two programs, but wildlife *needed* a supplementary program and still does. Regular channels were not satisfactory before, and we have seen little to assure us that they will be satisfactory in the future. The relatively new Organic Act and Resource Planning Act *may* improve the situation, but we feel this has yet to be proven.

The Sikes Act Amendment has not had a fair trial or any trial at all. Too much has gone into the planning spade work to stop before the first dollar is even appropriated for essential programs, and we would be happy to testify at any time regarding the importance of specific projects.

However, at this time our primary concern is for continuation of the amendment. For this reason, we respectfully urge that the Sikes Act Amendment be reenacted; that future funds be appropriated specifically under Sikes Act authorization for wildlife habitat projects developed in cooperation with the state wildlife agencies; and that the success of this program after five years of *funding* (not just five years of authorization) be evaluated at that time.

The wildlife record of the two agencies, after having operated for five years under the Organic Act and Resource Planning Act,

could also be reviewed and a determination made at that time whether the Sikes Act Amendment is still needed. To do so at this time would be premature.

Thank you, again, for the opportunity to testify.

PROGRESS ON WORLD FOOD

Mr. KENNEDY. Mr. President, it has been 3 years since the World Food Conference met in Rome, and we are now beginning to see some important signs of progress that the international community has indeed been awakened to the global crisis of food.

Not the least of this progress has been the creation and work of the World Food Council established upon the adjournment of the World Food Conference. The Council has been a high-level deliberative body reporting directly to the United Nations General Assembly. The Council has repeatedly sounded an international hunger alarm, and has continued the momentum started at the Rome Conference.

In addition, we have seen the creation of the International Fund for Agricultural Development—a $1 billion, very tangible result of the World Food Conference and the cooperative spirit engendered on this issue between the members of OPEC and Western nations.

The Conference also stimulated a wide-ranging review of our own Nation's policies toward food, and under the leadership of the new administration we have seen the first steps toward the creation of a world food bank, and a reordering of our food priorities and policies toward the Third World.

These and other signs of progress tell us what we have known all along—that wherever hunger and malnutrition exist, their eradication involves political decisions and risks, more than the lack of technology or skills. It is the political will to act that has been needed.

Mr. President, I commend to the attention of Senators two recent essays on the aftermath of the World Food Conference, that outline in more detail the initial progress that has been made as well as the tasks still before us. The first is an excellent summary from the New York Times by Clyde Farnsworth, and the second is a report prepared by the Interreligious Task Force on U.S. Food Policy.

I ask unanimous consent that they be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Nov. 6, 1977]

THREE YEARS AFTER THE ROME CONFERENCE: FOOD FOR THE HUNGRY

(By Clyde H. Farnsworth)

WASHINGTON.—As recounted in Genesis, "Joseph stored up grain in great abundance, like the sand of the sea, until he ceased to measure it, for it could not be measured." And when the famine came, the chronicler continues, "there was bread."

Today, three years after the World Food Conference in Rome, food security has improved for the half billion people who suffer from malnutrition—and the 15 million who die from it each year—as it did for the ancient Egyptians as a result of Joseph's grain reserve plan.

In the 1970's the world food economy has undergone perhaps its most far reaching transformation in history. There were huge food stocks and excess productive capacity as the 1970's began. Within a few years, as drought and famine again struck, as they had periodically through the centuries, the world was again struggling to survive from one harvest to the next.

Two years of good weather and record harvests are mainly responsible for the general lack of worry about food supplies today. India, for example, almost totally dependent on food aid three years ago, now has 20 million tons of grain brimming over in storage.

But the two-week conference in November 1974, which brought together 1,250 delegates from 130 countries, generated a momentum that is now working to increase food production in developing countries, establish a world food reserve, get more food aid to the poorest countries and improve nutrition.

Moreover, it has led to a rare cooperative spirit between members of the Organization of Petroleum Exporting Countries and the West, between the United States and the Soviet Union and even between China and other nations.

To coordinate all the follow-up machinery, the Rome conference established a high-level deliberative body known as the World Food Council, which reports to the United Nations General Assembly. Sayed Ahmed Marei, an Egyptian agricultural reformer who was secretary General of the food conference, became the first President of the food council. Last year he went back into Egyptian politics and was replaced by an energetic Filipino, Arturo Tenko, Minister of Agriculture in Manila.

Under Mr. Tenko, a dashing figure with an American wife, the council's ministerial conference last June in Manila began to move ahead on what is likely to be the most significant project to grow out of the food conference—a world network of food reserves.

There is to be a coordinated system of nationally held grain reserves and perhaps reserves of other commodities. The reserves would provide the main element of food security and could be used also as a buffer stock to moderate price fluctuations.

American farmers are not enthusiastic about the idea because they think a buffer stock could hold down prices. But consumers throughout the world would benefit, and the Carter Administration, siding with the consumers, has been pressing to get the project under way and has announced a first United States contribution to the reserve.

At the conference a total world reserve of 30 million tons was discussed; officials are now talking of a more modest 15 million tons, which would cost approximately $1.2 billion at present market prices. Annual storage and interest costs would be on the order of $110 million.

International negotiations are going forward on the food buffer stock, and some hope is being expressed that a preliminary agreement between the major producers and consumers will be reached by early next year.

If so there would finally be a modern parallel to the events described in Genesis, where Joseph, after interpreting Pharaoh's dream, gathered up all the food of the seven plenteous years to be ready for the seven years of famine.

Many of the Rome conference's activities have been slowed by the inevitable politicking, and foot-dragging that arise whenever new international organizations are created.

The work of the council itself in its first two years was viewed as a disappointment, largely because it became mired in the recriminatory bloc politicking of the North-South dialogue, the infinitely scoped debate between rich and poor countries over how to share the world's wealth more equitably. Developing countries, for instance, were uneasy simply because the two top officials in the council's secretariat were American.

Similarly, an argument over the funding, headquarters site and nationality of officers delayed the start-up of the International Fund for Agricultural Development (IFAD), a body that resulted from an Iranian initiative at the food conference. In fact, it will not really get under way until next month.

Run by a Saudi Arabian, Abdul Mushaim al-Sudeary, who holds a master's degree in water management from Arizona University, IFAD will operate from a Rome base; the Western nations and Saudi Arabia turned down the Shah of Iran's offer of Teheran.

IFAD now has more than $1 billion contributed by rich industrialized countries and members of the Organization of Petroleum Exporting Countries—in one of the few examples of cooperation between OPEC and the West. The funds will be spent over the next three years for irrigation and other agricultural development projects in the poorest countries.

"There is no doubt in my mind that the food conference was a plus," said Lester Brown, a global food specialist who heads the Worldwatch Institute here, which does research on worldwide resources.

He criticizes the conference, saying it ignored world population growth—the demand aspect of the food problem. Nevertheless, he says, as an educational event it won the world's attention and resulted in a number of contributions to greater stability—not the least of which was the grain agreement between the United States and the Soviet Union.

This five-year accord, negotiated just after the Rome conference, set up parameters in the United States-Soviet grain trade. They were designed to lower the possibility for any repeat of the disruptions and disarray caused in the 1972-74 period by sudden and enormous Russian purchases. Moscow, by acquiring up to 32 million tons in one year, contributed to the shortages and high prices—and virtual panic—that occurred in 1974, a lean year.

The food conference asked the United Nations Food and Agriculture Organization in Rome to set up a global information and warning system on food. The F.A.O. has done so, but so far neither the Soviet Union nor China, both conference participants, has cooperated with the F.A.O. Despite this, American and Soviet experts exchange visits in crop areas.

China has also turned more cooperative. For example, Peking has arranged an exchange program with a United Nations agricultural research center in Mexico City under which United Nations specialists now visit Chinese agricultural communes.

Even attitudes toward food itself were influenced by the Rome meeting, and new impetus was given to projects to change eating habits.

In Senegal's low-moisture soil it is practically impossible to grow wheat and rice. To avoid costly imports, this Sahelian country, one of the most severely affected by the 1972–74 drought, is now developing new ways to prepare the sorghum, millet and corn that can be cultivated. A tasty "instant" millet cous-cous is said to be growing in popularity. Millet flour is also being used in bread.

"We have a better focus now on food priorities and a better institutional framework to deal with them," said Edwin M. Martin, who led the American delegation to the Rome conference.

Mr. Martin now heads a consultative group on food production and investment in developing countries, another outgrowth of the conference. His group, cosponsored by the F.A.O. and the United Nations Development Program, links food production and investment to nutritional needs in projects it has

under way in Bangladesh, Senegal and Honduras. It is developing others in Haiti, Upper Volta and Tanzania.

Food, says Mr. Martin, is probably the most promising sector for cooperation between developed and developing countries. "It's the area where we have common interests," he commented. "Take food prices, for instance. The American consumer doesn't want high prices any more than the Indian consumer."

WORLD HUNGER AND POLITICAL WILL

The eradication of hunger and malnutrition, the bold goal affirmed by governments at the 1974 U.N. World Food Conference, is essentially a matter of political will. The major obstacles to its realization are, according to most observers, less technical than political. The missing link is not in knowing what needs to be done to end the chronic malnutrition of an estimated five hundred million persons, but rather in doing it.

Governments concerned with addressing chronic hunger face difficult political choices. Developing and developed countries must hold in tension the desirability for low food prices for consumers, particularly the poor, and the need for production incentives for farmers. Measures which generate welcome employment opportunities and which increase the purchasing power of the poor can at the same time fuel inflation.

Developing countries which seek within the limits of tight budgets to improve the quality of life in rural areas, where most hungry people live, must simultaneously cope with more visible needs and frequently more explosive situations in urban areas. Considerable political risk may be involved in undertaking such anti-hunger measures as democratizing land-holding patterns, extending agricultural extension and credit to small farmers, recognizing the rights of women and minorities, and mounting special programs for nutritionally vulnerable groups. Growing food crops for local consumption rather than cash crops for export runs the risk of alienating powerful land owners and trading interests.

Developed countries such as the United States have political problems of their own which constrain their would-be anti-hunger efforts. A difficult balancing act is required simultaneously to reduce unemployment and poverty in the U.S. and to allow the freer trade which developing countries need to reduce their unemployment; to find foreign markets for U.S. agricultural abundance and at the same time promote increased food production in poorer nations; and to increase spending for social programs in the U.S. and for development aid to other countries. The tensions between spending for hunger alleviation here and abroad on the one hand and for outlays for U.S. national defense on the other are well known.

Wherever hunger and malnutrition exist, their eradication involves political decisions and political risks. While hunger solutions are frequently complex, the central issue is for the most part not what governments should do, but whether they are willing. Hunger No. 12 examines the political willingness of governments to act—first, from the vantage point provided by the World Food Council and then as reflected in the Carter Administration's recent decision to create a national grain reserve and to limit U.S. planted acreage.

AN INTERNATIONAL VANTAGE POINT

The United Nations World Food Council provides probably the best international vantage point on world hunger and political will. An outgrowth of the World Food Conference, the Council monitors the changing world food scene, makes specific recommendations for action, and provides a forum where political will can be brought to bear on hunger-related issues. The Council, made up of 36 member governments and a small full-time professional staff, draws on the work of other intergovernmental agencies and reports to the United Nations General Assembly. Its annual sessions serve as a barometer of the state of international and national political will regarding hunger and malnutrition.

The World Food Council held its third annual meeting last June in Manila, the Philippines, with encouraging results. Taking stock of the continuing world food crisis, governments acknowledged the need to speed up changes in the global food system—a system which leaves at least one of every eight persons on the planet inadequately nourished. Governments also reaffirmed with a new seriousness the compact made at the World Food Conference among developing countries, developed countries, and international organizations to combat hunger and to improve nutrition. In the process, the World Food Council itself has begun to emerge as "The Little Engine That Could," generating political momentum on the unfinished hunger agenda.

STEMMING THE EROSION OF POLITICAL WILL

The Council sounded an international hunger alarm. Reviewing recent developments, governments concluded that the past several years of good crops world-wide have proved something of a mixed blessing. The crippling food shortages of 1972–74 have passed, the high prices of agricultural inputs have eased, more aid has been made available by wealthier nations, and world grain stocks have been substantially rebuilt. On the other hand, the diets of the chronically malnourished are not much improved. Food aid shipments have been inadequate both in tonnage and in nutritional impact. Food stocks are not yet managed in coordinated fashion. The financial resources for development are still not available either within poorer countries or in the form of outside aid. Recent food production gains could be quickly erased with the return of unhelpful weather. In short, the return of better crops has failed to bring durably improved nutrition to the world's poor. It has contributed instead to a reduced willingness on the part of governments to take difficult political steps to address the underlying causes of chronic hunger.

Faced with these ominous developments, the Council sought to rekindle languishing political will. It did so by persuading governments to renew their commitments to move against hunger. The "Program of Action to Eradicate Hunger and Malnutrition" adopted in Manila stressed direct action essentially along the lines agreed to at the World Food Conference in 1974. The Program is an integrated set of measures, the goals of which are to grow more food, particularly in developing countries; to establish national and international food reserves; to create more reliable and developmental food aid; to move toward a more open system of world food trade; and, through these and other measures, to improve nutrition for the chronically poor.

The goal of reaching a four percent annual growth rate for agricultural production in developing countries was reaffirmed, coupled with a call for the devotion of more resources to agriculture both in the budgets of developing countries and in development assistance flows. Countries with grain surpluses were urged to convert at least a portion of their stocks into consciously held and managed grain reserves, and international aid to developing countries for the purpose of building and maintaining reserves was called for. The need for national nutrition policies was again flagged.

How significant is the reaffirmation of commitments first made three years ago? There is hope in the fact that governments in Manila did not minimize the scale of the problem and in fact adjusted upwards their estimates of the cost of coping with it; that they singled out for special assistance in efforts to increase food production a group of "food priority countries"; that they gave new prominence to the need for an international network of national grain reserves; that they accentuated the need for more responsive food aid and for measures to trim post-harvest losses and to build better on-farm storage; and that they sought to energize United Nations food and development agencies.

Equally important, the Council adopted a "can do" approach to hunger. Developing countries played an active and constructive role, particularly in the person of the Council's new President, Philippines Agriculture Minister, Arturo R. Tanco, Jr. Agriculture Secretary Bob Bergland, the first Cabinet-level U.S. participant in a Council meeting, underscored President Carter's hunger concern and his own interest in having the U.S. play a leadership role. "Food must be an area of international cooperation, not international conflict," he told the delegates. "Problems of hunger and malnutrition must bring forth the best of our national political commitments. Food must not be regarded as a weapon or as an issue which divides us in either purpose or action." The Council itself thus became a new source of confidence in the international community's ability to address the hunger issue.

The true test, however, is not in what is said at international meetings. It is in the hard political steps each country, developing and developed, takes—or defers from taking—to put the chronically malnourished out of nutritional danger. And, of course, ultimately, the key is perhaps not so much what governments themselves do but what they encourage people to do, whether farmers or consumers, grain merchants or the poor, rural or urban citizens.

STEPS BY THE UNITED STATES

The Carter Administration announced on August 23 two actions of far-reaching importance. The U.S. is moving at once to develop national food reserves of 30–35 million metric tons and is encouraging U.S. farmers to plant 20% less wheat acreage during the 1977/78 crop year. An illuminating example of the positive application of political will to food problems, these decisions deserve careful review from the standpoint of their effect on U.S. and international efforts to eradicate hunger and malnutrition.

THE GRAIN RESERVES DECISION

The President's action on reserves appears to represent a major breakthrough, both within the U.S. and at the international level, toward creating an enduring system of world food security. The decision is widely expected to have a beneficial impact on a hungry world. It follows in large measure our reasoning and recommendations in Hunger No. 8, Grain Reserves (March, 1977).

Anticipating the legislative authority granted by Congress in the new omnibus farm farm bill,[1] the Carter Administration announced a policy which goes quite a way toward managing U.S. food stocks in a manner consistent with the need for assured food supplies at reasonably stable prices in this country and abroad. The reserve package has two features: an international emergency food reserve of up to six million metric tons and a separate market stabilization reserve of about 23–29 million metric tons. If reserves are built up to the maximum levels, about one third of U.S. end-year stocks would be incorporated into the reserve system.

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[1] The new farm legislation and other steps taken by the Congress this year are the subject of Hunger No. 11. Political Action for the Sake of the Hungry (August 1977).

The U.S. International Emergency Food Reserve, for which the Administration is requesting additional legislative authority, is to be comprised of grain purchased and owned by the U.S. government. Portions will be released as food aid in response to urgent need overseas, with the reserve replenished with newly purchased commodities. Carefully isolated from the U.S. market and from use in the country, the emergency reserve will assure the availability of U.S. food aid in time of short supply. It should also spur the creation of international emergency reserves, of which this would be the U.S. component.

The second feature of the Administration's reserve decision is the creation of a market stabilization reserve. It will be composed of wheat, feedgrains, and rice held under the price support loan program. Farmers are encouraged to take out loans from the U.S. government, using their grain as collateral. If the market price remains below a certain level when the loan comes due, farmers may forfeit their crops and keep the loan money. If market prices are above the loan level, farmers generally opt to repay the government in full, reclaiming their grain and then selling it in the market. The grain under loan remains owned by farmers, normally in on-farm storage. In order to build farmer-owned and managed reserves, farmers will now also be allowed to extend their loans for an additional three years. The government through a variety of devices can encourage or discourage the sale or non-sale of the grain. Grain forfeited to the government must also be managed by USDA according to pre-arranged ground rules.

By removing grain from the market when prices are low and releasing grain onto the market when prices are high, the market stabilization reserve should operate to avoid the wide price swings of recent years. By using farmer-held storage in privately owned facilities and by stipulating reasonably high release, the reserve plan seems likely to avoid the pitfalls of attempts in decades past to manage stocks through government ownership and with release at lower prices.

The Administration's decision to create reserves of these two sorts, says an Agriculture Department official, reflects "the President's desire to be a leader in the fight against world hunger." It makes constructive use of agricultural abundance which previous administrations of both parties had viewed as "burdensome surpluses." Coming at a time when action by other governments on reserves has been lacking, the decision may well energize negotiation of an international wheat agreement. That agreement would provide a global framework for a common approach to the management of individual national wheat stocks.

The acreage reduction decision

The Administration's second decision—to institute acreage set-asides designed to reduce next year's production by about 20 million metric tons—has proved more controversial. Is it wise to reduce U.S. grain production at a time when chronic malnutrition and localized food shortages still exist and when the behavior of the world's weather and its governments remains somewhat unpredictable? Our conclusion is that acreage restrictions of the sort announced do not represent a significant threat to a more equitable and just world food policy and may, in fact, be a positive step toward buttressing the food production base here and abroad. Since this conclusion runs counter to what many in the religious community might expect, we wish to review the objections of critics in presenting our own view.

Some critics of the set-aside decision say that average reductions are unnecessary. They point out that while current U.S. stocks look large, they are not significantly larger than those which existed in 1972/73, just prior to their rapid depletion following poor harvests in many countries. Other critics, while conceding that sagging farm prices do create hardships for U.S. farmers, hold that a set-aside far larger than 20 perecnt would be needed to have a salutary impact on farm income. Still others fear that a set-aside program by the U.S. is likely to have serious diplomatic repercussions abroad and to inflate food prices at home.

At the heart of the set-aside decision, in our view, is the need to put a firm floor under grain prices received by U.S. farmers and to curtail the erosion of the agricultural base in this country. U.S. farmers, having, experienced a collapse of grain prices in recent years, are in indisputably serious economic straits. Farm prices are now lower in real terms than in 1970. Farm operating expenses have risen by 61% in the 1970s; farm debt has grown from $59 billion to $94 billion in the same period. The pressure has been greatest on family farms, tens of thousands of which have gone out of business.[2]

A set-aside decision will not, to be sure, solve the problem of U.S. agriculture. Low farm prices are only one of several factors creating difficulty for U.S. farmers, and government programs themselves (perhaps including the newly announced set-aside decision) have traditionally benefitted larger farmers more than smaller ones. Nonetheless, large uncontrolled grain stocks, with resultant low prices, are likely to cause marginal producers to fail and might even threaten the family farm basis of U.S. grain production. The decision to reduce acreage is therefore at least potentially helpful to American producers and U.S. agriculture.

Acreage restrictions do not, of course, decrease the involvement of the U.S. government in American agriculture. Most farmers, however, seem ready to accept a set-aside in conjunction with other policy measures, including price support loans, target price payments, and (with adequate safeguards) the accumulation of reserves. Taken together, these measures represent for most farmers an acceptable group of policy tools. Even these various measures, exercised in concert during the coming year, may fail to bring farmers' operations out of the red. They represent, however, the beginning of a more balanced approach to U.S. agricultural policy, the benefits of which may be substantial in subsequent years.

Some critics feel that acreage set-asides are not necessary since the new farm legislation seeks to guarantee farmers their out-of-pocket production costs. In our view, however, the government has a legitimate interest in limiting its expenditures under the price support program. Even if the proposed acreage restriction does not move crop prices above target price levels, lower rather than higher federal price support outlays are preferable. Furthermore, while production costs vary widely from region to region and even from farm to farm, average costs of production may well be significantly higher than the figures incorporated into this year's farm legislation.

Is the set-aside decision a risky one, gambling away 20 million metric tons of the 30–35 million ton security newly afforded by the reserves decision? The Agriculture Department answers this question in the negative, basing its projections on weather conditions likely to occur in at least 19 years out of 20. Given the "most likely" weather, U.S. production levels which would result in "burdensome" stocks without a set-aside, would yield "adequate" stocks with the announced set-aside. Even after a year of weather worse than any in recent years, stocks would still be greater than those in any year since 1972/73. Successive years of unusually bad harvests worldwide could prove troublesome if acreage restrictions were in effect, but the set-aside has been announced for a single year and will be reviewed before it is extended.

The grain tonnage involved further minimizes the risk of the decision. The set-aside would reduce actual grain production (as opposed to planted acreage) by only an estimated 8 percent or 20 million metric tons. (Unofficial predictions foresee grain production reduced by only 3 percent as a result of the set aside.) Twenty million tons represents a small fraction of total annual world grain production of more than 1.3 billion tons. Even with the announced restrictions, U.S. grain stocks next year are not expected to be drawn down below current levels. In fact, a small build-up is expected, as is indeed desirable, to offset increased demand and population growth. The limited cutback in production is not expected to affect prices for consumers, among whom the poor are of particular concern. In any case, consumer prices are only indirectly related to prices received by farmers. Producers currently receive 3–5¢ for the wheat in a 60–70¢ loaf of bread. With all of this in mind, the set-aside seems unlikely to decrease food security as it limits increases in U.S. stocks.

Decision helpful to developing countries

What of the criticism that intentionally growing less food could prove a liability to the U.S. in its dealings with a still hungry world? Fence-to-fence production and excessive U.S. surplus stock accumulation not only pose a long-range threat to U.S. agriculture. They may also be a major disservice to developing countries. The decision to reduce U.S. acreage may thus be helpful in indicating to other governments, developed and developing alike, that the U.S. does not see itself functioning as the world's granary. Instead the U.S. seeks more equitable burden-sharing arrangements with other nations. It may also send a message to developing countries that U.S. food exports in the future will be available at more stable but higher prices. This message could stimulate local production in developing countries, production which otherwise might be discouraged by the availability of cheaper food from outside. U.S. setasides may also encourage other nations, both rich and poor, to build their own grain reserves rather than to rely on imports from the United States. Unless there is a wide sharing in food production increases and in the holding of reserve stocks, there will in the future as in the past be a widely uneven sharing in food shortages.

All of these considerations suggest to us that the Administration's acreage set-aside plan for wheat is reasonable. We clearly would not object to the accumulation of even substantially larger stocks of grain once international mechanisms are in place to distribute the carrying burden equitably. Without such mechanisms, it seems to us that producers in both developed and developing countries would disproportionately bear the costs of a further build-up of grain stocks. We recommend that the set-aside program be carefully reviewed during its year of operation in the light of the changing world agricultural picture before it is extended to any subsequent year.

We therefore applaud the Administration's decision on reserves and support its announced plan of acreage restrictions as an interim measure in a poorly functioning international food system. We urge the Administration to take complementary and supportive initiatives with respect to food aid, development assistance, and other U.S. economic policies. These measures together hold the promise of playing a major role in helping to make the world's food system work for everyone.

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[2] For a definition of "family farm" and more details on the changing character and structure of American agriculture, see Hunger No. 7, Family Farming and the Common Good (February, 1977).

THE PERSISTENCE OF HUNGER AMIDST PLENTY

What can be said of an international food system which allows the wide extremes of glut and want to exist side-by-side on a single planet? The system is simply not functioning adequately. World hunger is a major product of such malfunctioning and the world's hungry are the major casualties. What the world really needs is *more* food rather than *less*, coupled with more equitable distribution of existing food.

That is the message of the World Food Council. That is the context in which the twin U.S. decisions must be placed. U.S. grain reserves will help provide greater durable world food security. Acreage set-asides should be seen as a useful interim measure until production and consumption, human needs and effective economic demand can be brought into better balance.

Large supplies of grain, wherever located and however low in cost, are not by themselves an answer to world hunger. In the words of a recent study by the International Food Policy Research Institute, "only a development strategy whereby (food production) gains are widely shared through increased income for the poorer sections of the population can deal with the problems of inadequate food consumption." Increased food production in the developing countries must take place within the framework of overall development strategies which incorporate employment generation and other measures to increase the purchasing power of the poor. Improved delivery of rural services such as education, health and family planning, transportation, marketing, credit, and agricultural extension often must be accompanied by major structural reforms in matters such as land tenure, taxation, and political process. Perhaps most basically, the poor themselves must be involved as full participants in their own self-development. As noted earlier, such changes, while widely agreed upon in principle, can be politically troublesome in practice.

With such a broad and difficult agenda confronting the developing countries, it is important that U.S. policies help rather than hinder them in taking the political steps necessary to promote broad-based developments. Forthcoming U.S. policies, themselves involving an element of political risk, will be contingent upon the nurturing of a broadly based U.S. constituency for more wide-ranging and responsive efforts to eradicate hunger and malnutrition at home and abroad.

[NOTE: This issue was written by Larry Minear and Tim Atwater of Church World Service and Lutheran World Relief, by Don Reeves of the Friends Committee on National Legislation; and by Henry Brodie of the U.S. Catholic Conference. The section on the World Food Council is primarily the work of Larry Minear, who has regularly attended Council sessions for Church World Service and Lutheran World Relief as an accredited Non-Governmental Organization observer.]

NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

John H. Cary, of Tennessee, to be U.S. attorney for the eastern district of Tennessee for the term of 4 years vice John L. Bowers, Jr.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Tuesday, December 6, 1977, any representations or objections they may wish to present concerning the above nomination with a further statement whether it is their intention to appear at any hearing which may be scheduled.

NOTICE CONCERNING NOMINATIONS BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

Julian K. Fite, of Oklahoma, to be U.S. attorney for the eastern district of Oklahoma for the term of 4 years vice Richard A. Pyle.

Rex O. Presley, of Oklahoma, to be U.S. marshal for the eastern district of Oklahoma for the term of 4 years vice Laurence B. Beard.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Tuesday, December 6, 1977, any representations or objections they may wish to present concerning the above nominations with a further statement whether it is their intention to appear at any hearing which may be scheduled.

COMMITTEE ON THE JUDICIARY REPORT

Mr. EASTLAND. Mr. President, I ask unanimous consent that a report from the Senate Committee on the Judiciary pursuant to section 302(b) of the Congressional Budget and Impoundment Control Act of 1974, distributing the committee's allocations under the second concurrent resolution for the fiscal year 1978, be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

COMMITTEE ON THE JUDICIARY: REPORT TO THE SENATE PURSUANT TO SECTION 302(b) OF THE CONGRESSIONAL BUDGET ACT OF 1974; ALLOCATIONS OF 2D CONCURRENT RESOLUTION AMOUNTS FOR FISCAL YEAR 1978

[In millions of dollars]

Program function—	Direct spending jurisdiction: Budget authority	Direct spending jurisdiction: Outlays	Entitlements requiring appropriations action: Budget authority	Entitlements requiring appropriations action: Outlays
150—International Affairs				(1)
600—Income Security	2	1		
750—Law Enforcement and Justice		−6	104	103
800—General Government	228	228		
Committee total	230	223	104	103

[1] Less than $500,000.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. ROBERT C. BYRD. I ask unanimous consent that the Senate stand in recess awaiting the call of the Chair.

There being no objection, at 1:34 p.m. the Senate took a recess, subject to the call of the Chair.

The Senate reassembled at 2:57 p.m., when called to order by the Presiding Officer (Mr. MELCHER).

RURAL HEALTH CLINICS SERVICES—CONFERENCE REPORT

Mr. TALMADGE. Mr. President, I submit a report of the committee of conference on H.R. 8422 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 8422) to amend titles XVIII and XIX of the Social Security Act to provide payment for rural health clinic services, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of November 29, 1977.)

Mr. TALMADGE. Mr. President this report, approved by the House of Representatives earlier today, relates to the rural health clinic amendments to medicare and medicaid.

These amendments to medicare and medicaid are necessary to expand the availability of medical and nursing care to the old and to the poor in those rural areas where physicians are often few, far between, or not to be found.

Rural clinics legislation was originally sponsored in this Congress by Senators CLARK and LEAHY, joined by many of our colleagues.

Senators BENTSEN, DOLE, and I subsequently offered an essentially similar proposal in the Senate.

Basically, H.R. 8422 authorizes payment by medicare and medicaid for the reasonable costs of services provided by physician assistants and nurse practitioners in rural clinics which meet appropriate standards.

The bill requires general direction of a clinic's professional activities by a doctor but it does not require that he be physically present in the clinic when services are provided.

Mr. President, this bill will not solve all of the health care problems in underserved rural areas.

It will, however, help deal constructively and responsibly in answering some of those problems. If my distinguished ranking minority member has a statement to make, I shall yield for that purpose at this time. Then I shall move the adoption of the conference report.

Mr. DOLE. Mr. President, the distinguished chairman of our subcommittee, I think, has explained the legislation. Certainly, it was Senator TALMADGE's leadership that made this legislation possible. I commend him for his dedication.

The availability of health care to our citizens is of concern to each of us in this room. It is, however, of particular concern to those of us who represent rural populations, though the inner city areas of many major metropolitan cities are also experiencing a health care crisis. Currently, about 1,500 of the 3,000 counties in the United States and numerous subcounty areas are officially classified as medically underserved. More than 20 percent of the population lives in these areas. To people in these areas access to health care providers and facilities is of critical importance. Unfortunately, reliance on the traditional health care delivery system is not meeting the needs in many instances.

Rural areas have experienced increasing difficulties in recruiting and retaining physicians. In my own State of Kansas, there are approximately 52 primary care physicians per 100,000 population. Because of statistics such as this, we must continue to emphasize the need for more physicians in these areas and support programs such as the National Health Service Corps, but also look to other professionals who are qualified to provide high quality medical and nursing care.

Many States have turned to the utilization of nurse practitioners and physician assistants. This legislation is designed to encourage, and not inhibit, as present law does, this utilization. Of course, it is not our intention to supersede any State Nurse Practice Acts, Medical Practice Acts, or laws regulating the practice of physician assistants.

The contribution of nurses and physician assistants, as members of the health care team, to the well-being of the public has certainly been seen by many of us over the years. The citizens of Kansas have benefited from many of these individuals, such as Ruth Murphy, a well-known and respected Kansas Public Health nurse, and the recipient of the first American Nurses Association honorary nurse practice award.

There is no doubt that these professionals have a tremendous potential that, if utilized appropriately, could be of untold help to rural citizens.

This legislation has undergone a great deal of examination by many individuals. With the leadership of my distinguished colleague, Mr. TALMADGE, the Finance Health Subcommittee attempted to deal with many of the questions and concerns that were raised. It is my belief that this conference report incorporates these points.

I am particularly pleased that a variation of my amendment to reimburse clinics who, in the absence of a home health care agency, provide part-time or intermittent nursing services and related supplies, furnished by a registered nurse or a licensed practical nurse to homebound patients, was accepted by the conferees.

I am also pleased to note that my request for a study of the advantages and the disadvantages of extending medicare coverage to community mental health centers with the additional suggestion to include in the study centers for the treatment of alcoholism and drug abuse, was also agreed upon.

Many of these centers provide the only mental health care in a community. Insufficient study and discussion on what we expect of these clinics and how we believe the clinics should operate has taken place. Before we proceed with any legislation that would set forth new methods of reimbursement, we must have these answers.

Mr. President, I believe this legislation is a significant step toward providing health care to those who are medically underserved. I, therefore, with my distinguished colleague, urge favorable consideration of this conference report.

Mr. HATHAWAY. Mr. President, I rise in support of the conference report on H.R. 8422, the rural health clinics bill. The bill provides for reimbursement under medicare for services performed in rural health clinics, including those performed by nurse practitioners and physician assistants. It also mandates coverage of these services under medicaid.

Passage of this bill will mean greater access to medical services for our Nation's rural residents. Many of these people have been deprived of adequate medical care in the past due to critical shortages of physicians. To date, many small, isolated communities have not been able to attract or retain a physician. In Maine, for example, there are 70 communities which lack adequate coverage by doctors, according to Federal standards. The problem is magnified by the fact that rural populations have a higher proportion of elderly and disabled persons as well as more illness than those in urban areas. Many indicators of health status point up a serious and growing disparity in the health of rural Americans compared to that of the general population.

The unadjusted death rate for Maine, for example, is among the highest in the Nation. Infant mortality is high, although the last decade has shown some marked improvements. Death rates for heart disease, cancer, stroke, lung disease, and cirrhosis are all greater for Maine than for the Nation as a whole as well as for New England.

Because of physician shortages, residents of rural areas such as Maine have come to rely on clinics which do not necessarily follow the traditional model of physician delivery of medical services. Often, the clinics are staffed by nurse practitioners and physician assistants, frequently the only available medical personnel in the area. These health professionals are specially trained to provide primary medical care services traditionally performed only by physicians. There is physician supervision, but a physician is not generally physically present when the services are performed. Due to the activities of nurse practitioners and physician assistants, many Americans are able to receive the medical attention which they sorely need. The services performed by these professionals are extremely valuable and should be encouraged.

Unfortunately, however, current law has failed to provide this encouragement. At present, services performed by nurse practitioners and physician assistants are not reimbursable under medicare unless they are provided under the supervision of a physician on the premises and incident to his or her services. In addition, State medicaid plans are not required to cover the services of nurse practitioners and physician assistants, and many do not. The situation is further aggravated by the fact that private insurance coverage for these services has been unavailable or inadequate.

This lack of coverage has resulted in hardship for many of our Nation's rural residents. Many of these people depend on medicare and medicaid to help pay for their costly but essential medical bills. Since the only available services are not eligible for reimbursement under medicare and medicaid, they must be paid for out of pocket by the patient, supported through a grant, or treated by the clinic as a bad debt. The inability of rural health clinics to collect consistently from either medicare, medicaid, or private insurance has contributed greatly to their financial instability. Nearly all of these clinics face an uncertain financial future. In fact, many clinics have been forced to close because of difficulties in obtaining long-term funding. This leaves the rural residents without any medical care at all.

The legislation before us helps to remedy the situation by providing medicare coverage for rural health clinic services performed by nurse practitioners and physician assistants without requiring the physical presence of a physician. It also requires State medicaid programs to provide for such services. Of course, arrangements for physician supervision must be made and clinic policies must be developed to govern the delivery of covered services. Furthermore, the bill requires appropriate procedures for utilization review as determined by the Secretary of Health, Education, and Welfare. This will help to insure high quality health care, while avoiding unnecessary services, and, consequently, needless expenditures.

The rural health clinics conference agreement also permits medicare and medicaid coverage for certain home health services provided by rural health clinics, where there exists a shortage of home health agencies. Furthermore, the bill requires the Secretary of Health, Education, and Welfare to submit a report within 6 months on the advantages and disadvantages of extending medicare coverage to mental health centers. This report will include separate evaluations for centers for the treatment of alcoholism and drug abuse.

Mr. President, as a cosponsor of the rural health clinics bill and a member of the conference committee, I have been following the progress of this legislation with great interest. I am confident that its enactment will be a giant step forward in meeting the health needs of rural Americans. I urge my distinguished colleagues to approve this measure.

Mr. LEAHY. Mr. President, it has been my privilege to work with the distinguished Senator from Iowa (Mr. CLARK) on this landmark legislation. The hearings we held in Iowa, Vermont, and Washington demonstrate its need.

Mr. President, I ask unanimous consent that Senator CLARK's statement on this bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR CLARK

Nearly ten months ago, Senator LEAHY and I introduced a bill—S. 708—to provide Medicare payment to rural health clinics. Fifty-seven other senators joined us in this effort, demonstrating broad support from both parties and across the ideological spectrum. Today I am very proud that this effort has finally come to fruition.

With the passage of H.R. 8422, the rural health clinic bill, Congress has committed itself to the proposition that rural citizens deserve equity in federal health insurance programs. It represents a message to policymakers that all communities, no matter how small, should have some source of health care services and that these services should be compensated.

H.R. 8422 corrects a serious obstacle to primary health services in rural, medically underserved areas—those parts of this country that lack an adequate supply of health manpower and basic health services. Under existing law, medicare and most state medicaid programs fail to pay for services provided by nurse practitioners or physician assistants, unless a supervising physician is present. H.R. 8422 removes this requirement, while insuring that there is adequate physician supervision of the medical services offered by a rural health clinic.

The reimbursement problem, which translates into financial disaster for many clinics and which discourages the development of new ones, was brought to our attention through a series of hearings that Senator LEAHY and I have conducted over the course of the past 2 years in the Midwest and in New England. This culminated in a hearing by the Senate Rural Development Subcommittee in Washington last March, at which we heard testimony from citizens from every corner of the nation and from health association representatives.

Following these hearings, and after discussions with 20 organizations that supported the legislation, we and the Senate Finance Committee broadened the scope of S. 708 in a way that significantly improves it. This legislation, as passed, now applies to the medicaid programs in every state as well as to the federal medicare program. Also, H.R. 8422 authorizes a large-scale demonstration program in urban, medically underserved areas so that we have sufficient information to consider extending the permanent program to those areas.

For the remainder of my remarks, I intend to briefly discuss the contents of H.R. 8422 as approved by Congress.

PROVISIONS OF H.R. 8422

H.R. 8422—the Rural Health Clinic Bill—provides coverage under Medicare and Medicaid for rural health clinic services. These services include physician services, services and supplies that would be covered as an incident to a physician's service, and additional services provided by physician assistants or nurse practitioners as authorized by state law and policies.

Rural health clinics are designated as such if they meet a number of requirements to insure high quality health care. These requirements are: arrangements with physicians for the supervision of medical services; the preparation of protocols for medical care and treatment by physicians; the availability of physicians for referral, consultation, and emergency assistance; clinical records; arrangements with hospitals for referral or admissions; written management policies; appropriate drug policies; appropriate procedures for utilization review; routine diagnostic services; and emergency drugs.

Since the legislation is directed at addressing the access problems of those with the greatest needs, clinics must serve patients who reside in areas that have been designated by the Department of H.E.W. as "medically underserved areas": or as "primary medical care manpower shortage areas". Existing rural, non-profit clinics not located in these designated areas would also qualify.

"Rural" would be defined in such a way as to include all communities that would be commonly considered as rural by size and by other characteristics. All communities that are not classified as "urbanized" by the Bureau of the Census (those of 50,000 population or more) would be considered "rural".

This legislation has the potential of assisting 31.6 million Americans who live in small towns and rural areas which are "medically underserved", in that health clinics that serve or will serve these people can be more financially viable.

Federal reimbursement would be continued to clinics located in areas that lose their designations as "medically underserved" so that physician-shortage areas are not discouraged from attempting to attract doctors.

The bill defines "physician assistant" and "nurse practitioner" as health providers (including nurse midwives) who perform, under the supervision of a physician, such services as legally authorized by state law or regulations. Therefore, reimbursement would be permitted in all states, except for those that specifically prohibit the provision of health services by nurse practitioners and physician assistants.

H.R. 8422 would not invalidate any state law concerning the use of these health providers, although it would allow the Secretary of H.E.W. to require standards for reimbursement that go beyond what some states now prescribe by law or regulation.

Reimbursement under both Medicare and Medicaid would be related on a reasonable basis to the actual costs of providing the covered health services. It is my hope that the Department of H.E.W. will develop reimbursement procedures that do not produce administrative burdens upon the small health clinics that use nurse practitioners or physician assistants.

I am especially attracted to the concept of a prospective system of payment, which would relieve clinics and H.E.W. of much of the needless billing procedures that are associated with a retrospective approach.

The bill does instruct the Secretary of HEW to study the desirability and feasibility of replacing the present deductible and coinsurance provisions of Medicare with a co-payment approach.

Medicare and Medicaid would cover the following costs: reasonable compensation for the services of physician assistants and nurse practitioners and any full-time physicians; the cost of services or supplies provided as an incident to the services of a physician, nurse practitioner, or physician assistant; overhead costs related to the provision of the covered services; the cost of the required supervisory services of a physician; and the patient care services provided by part-time physicians at the clinic. Covered services would include those services provided within the clinic and those provided outside the clinic walls, such as in-home services and nursing home services.

While this legislation is primarily directed toward alleviating the problem of access to health services in rural areas, the Finance Committee wisely decided to authorize a large-scale demonstration project in urban, medically underserved areas. The project would permit Medicare payment, on a cost-related basis, for the health services of nurse practitioners and physician assistants in urban health clinics. Since several questions had been raised concerning the cost of an urban component of this reimbursement program and of its potential for abuse, the Committee required the Secretary of H.E.W. to submit by January 1, 1981 a report to Congress that will consist of recommendations for the continuation of the urban program.

H.R. 8422 would also help rural clinics become designated as home health agencies. If a clinic is located in an area that lacks a home health agency, it may be approved as such regardless of whether a physician accompanies the nurse practitioner, physician assistant, registered nurse, or licensed practical nurse during the provision of services.

Finally, H.R. 8422 authorizes an H.E.W. report on the feasibility of extending Medicare coverage to mental health centers in urban and rural areas, and of coverage of preventive services furnished by rural health clinics.

Assuming that the President signs H.R 8422 prior to December 1, this new program must begin no later than February 1, 1978. But to ensure that this program takes effect on that date, the regulations should be issued no later than the first week of January, and they must be simple and easy to follow. Most of the existing clinics already receive reimbursement on a part-time basis when a physician is present. HEW should build upon this current reimbursement system, rather than establish a complicated new procedure that would be administratively burdensome for clinics.

Mr. TALMADGE. Mr. President, I move the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. TALMADGE. I move to reconsider the vote by which the conference report was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CORRECTIONS IN ENROLLMENT OF H.R. 8422

Mr. TALMADGE. Mr. President, I ask the Chair to lay before the Senate a message from the House on House Concurrent Resolution 418 and ask for its immediate consideration.

The Presiding Officer laid before the Senate a message from the House of Representatives on House Concurrent Resolution 418 directing the clerk of the House of Representatives to make corrections in the enrollment of H.R. 8422.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TALMADGE. Mr. President, this resolution makes technical corrections in the enrollment of H.R. 8422, the rural health clinic bill, which has just been approved.

I move the adoption of the concurrent resolution.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution (H. Con. Res. 418) was considered and agreed to.

Mr. TALMADGE. I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. TALMADGE. Before yielding the floor, I want to salute my distinguished friend from Kansas, the distinguished ranking minority member on the Subcommiteee for Health, who worked hard and effectively on the legislation and the hearings thereon, also the markup of the bill and in the conference committee with the House.

I may say also that we had the complete and unanimous approval of every member of our committee on both sides of the aisle, Democratic and Republican.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a brief period for the transaction of routine morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF PRIVATE LAW 95–21

Mr. BAKER. Mr. President, I send to the desk a bill on behalf of the distinguished Senator from Wyoming and ask that it be considered.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee?

There being no objection, the Senate proceeded to consider the bill (S. 2328) to amend Private Law 95–21 to make a technical correction therein, which was read the first time by title and the second time at length.

Mr. HANSEN. Mr. President, this bill merely makes a technical correction of a typographical error in a bill passed earlier this month and signed into law on November 15, 1977.

On November 2, 1977, the Senate passed and sent to the House of Representatives H.R. 2501, an act to eliminate a conflict between the official survey and a private survey of the so-called Wold Tract within the Medicine Bow National Forest, Wyo. On November 3, 1977, the House approved H.R. 2501.

It was subsequently learned that, during the course of the various committee prints, a number contained within a legal description in the act was printed incorrectly as 1000.8 feet, rather than 100.8 feet. After a number of discussions with the Solicitor of the U.S. Department of Agriculture as well as legal experts in the State of Wyoming, it became clear that this error conveyed no more land than originally intended by the act. Under the rules of construction as well as other legal concepts, only the lands intended by the Congress will be conveyed.

The administration agreed with this assessment thus permitting H.R. 2501 to be signed into law on November 15, 1977, as Private Law 95–21.

While I believe amendment of this act, to remove the typographical error, is unnecessary, that action should be taken so as to eliminate any ambiguity which the error might cause. Thus I bring to the floor today, the bill—already cleared by both majority and minority members of the Senate Energy and Natural Resources Committee—to correct the typographical error in Private Law 95–21.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 2328) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1(1) of the Act entitled "An Act to eliminate a conflict between the official cadastral survey and a private survey of the so-called Wold Tract within the Medicine Bow National Forest, State of Wyoming", approved on November 15, 1977 (Private Law 95–21), is amended by striking "1,000.8 feet" and inserting in lieu thereof "100.8 feet".

"NATIONAL QUIET DAY"—SENATE JOINT RESOLUTION 100

Mr. DOLE. Mr. President, today I am introducing a joint resolution which requests the President to proclaim December 1, 1977, as "National Quiet Day." The reason for designating a quiet day is to call attention to urban and industrial noise, and its effect on hearing.

Mr. ROBERT C. BYRD. Mr. President, could we have quiet in the Senate Chamber?

Mr. DOLE. I think we have jurisdiction over this bill. The noise level in many American cities has been too high for a long time. Although some persons may learn to block out mentally this noise factor, there remains an element of danger.

The National Institute of Neurological and Communicative Disorders and Stroke reports that excessive noise can cause temporary, chronic, or permanent hearing losses. It further states that exposure to destructive noise may affect the development of speech and language, and listening skills. These facts carry even more import because the institute estimates that over 16 million Americans may be exposed to unsafe noise levels at their jobs. An additional 10 million city residents are also subjected to extremely high noise levels.

When faced with these facts, it is not surprising then that the most common chronic disability in the United States is impairment of hearing. Between 13 and 14 million Americans have hearing losses serious enough to affect their participation in everyday activities. Because of the magnitude of this problem, I think it appropriate that we set aside a special day to focus upon the consequences of noise pollution.

The Alexander Graham Bell Association for the Deaf has already proclaimed December 1 as "National Quiet Day." It is encouraging communities, schools, employers, and families to work together to identify extraneous noise, and to reduce or eliminate it. Not only is this an opportunity to protect children's hearing, but it is also a time to stress what can be done to compensate for hearing losses which have already been incurred.

I hope that my colleagues will support this resolution, and will join me in this effort to protect our Nation against the increasing incidence of hearing loss.

Mr. President, I had hoped that we might consider this resolution on Thursday, December 1, but after checking with the appropriate committees, I understand that that will not be possible; so I make the statement and introduce the joint resolution to support the efforts of the Alexander Graham Bell Association and others who are concerned about this noise as it affects our hearing.

Mr. President, I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. J. RES. 100

Whereas, urban noise is a major source of annoyance to both hearing and hearing impaired persons; and

Whereas, frequent exposure to loud noises may lead to a hearing loss; and

Whereas, it is appropriate to alert all citizens to the dangers of excessive noise and to the damage that can be incurred from noise pollution: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating December 1, 1977, as "National Quiet Day" and calling upon the people of the United States and interested groups and organizations to observe that day with appropriate ceremonies and activities.

DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE, AND RELATED AGENCIES APPROPRIATIONS, 1978

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 7555.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the House disagree to the amendment of the Senate to the amendment of the House to the amendment of the Senate numbered 82 to the bill (H.R. 7555) entitled "An Act making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending September 30, 1978, and for other purposes."

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that Mr. BROOKE be authorized to offer an amendment; that Mr. HELMS be authorized to offer a substitute amendment for the Brooke amendment; that a vote occur, up or down, on the substitute amendment by Mr. HELMS at 4 p.m. today; in the event that amendment does not carry, that Mr. HELMS be recognized to offer a second amendment; and that there be a time limitation thereon of 10 minutes, to be equally divided between Mr. HELMS and Mr. BROOKE; that a vote then occur on that amendment by Mr. HELMS; that upon the disposition of that amendment, a vote occur immediately without further intervening motion, amendment, or debate, on the amendment proposed by Mr. BROOKE.

Mr. BROOKE. Mr. President, reserving the right to object, I merely suggest to the majority leader that on the first amendment, the substitute amendment, that there be 1 minute for the Senator from North Carolina and 1 minute for the Senator from Massachusetts.

Mr. ROBERT C. BYRD. Mr. President, I so revise my request.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

(Later the following occurred:)

Mr. ROBERT C. BYRD. Mr. President, anent the unanimous-consent agreement that was entered into a moment ago with respect to the message from the House of Representatives on H.R. 7555, I ask unanimous consent that at 3:55 p.m. today the distinguished Senator from South Carolina be allowed to make a motion to recede with respect to the Senate amendment to the House amendment, which motion shall be decided without debate, and if that motion is agreed to Mr. BROOKE will then be allowed to move to concur in the House amendment with an amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, it is understood, is it not, that the remainder of the order that was entered a bit earlier continues in force in conjunction with the order that was just entered?

The PRESIDING OFFICER. That is correct. The Senator is correct.

Mr. ROBERT C. BYRD. I thank the Chair.

NUCLEAR REGULATORY COMMISSION APPROPRIATIONS, 1978—CONFERENCE REPORT

Mr. ROBERT C. BYRD. Mr. President, on behalf of Mr. HART, I submit a report of the committee of conference on S. 1131 and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. MELCHER). The report will be stated.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1131) to authorize appropriations for the Nuclear Regulatory Commission for the fiscal year 1978, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of November 1, 1978.)

Mr. HART. Mr. President, this authorization conference report represents the first legislation to come from the Senate Committee on Environment and Public Works under its newly acquired jurisdiction over nuclear regulatory issues. I believe it represents a useful first step as we exercise our legislative responsibilities over the agency. The Nuclear Regulatory Commission is charged with protecting public health and safety, and I am certain that this bill will enhance their ability to carry out that important mission.

I know I speak for all of the members of the committee in stating that the committee takes seriously its responsibility under this jurisdiction. And, as chairman of the Nuclear Regulation Subcommittee I am most grateful to all the Members who worked hard to bring this legislation to the floor.

In particular, I would like to thank the ranking minority member on the subcommittee, the distinguished Senator from Idaho, Senator MCCLURE, who spent many long hours in hearings and markup sessions on this legislation. I would also like to thank other members of the subcommittee, Senator GRAVEL, Senator MOYNIHAN, Senator ANDERSON, Senator BAKER, and Senator DOMENICI.

In addition, Mr. President, I would like to express special thanks to the distinguished chairman of the full committee and the ranking member, Senators RANDOLPH and STAFFORD whose leadership and support was most helpful.

Mr. BAKER. I would ask my distinguished colleague from Colorado if I am correct that there is no intention by this conference action to encroach upon the fiscal year 1978 DOE authorization in any respect?

Mr. HART. That is correct.

Mr. BAKER. Mr. President, I would ask the distinguished Senator from Colorado for a clarification of the language that appears in section 1(e) of the bill, which reads as follows:

(e) In the event that the license application is withdrawn or funding for the continuation of the Clinch River Breeder Reactor project is not authorized or appropriated, the total authorization in subsection (a) shall be reduced by $2,700,000.

I ask if I am correct when I interpret this section to say that there is no intention to determine the continuation of the Clinch River project through the vehicle of the authorization to the Nuclear Regulatory Commission?

Mr. HART. That is correct. The statement of the managers says that the conference report is completely neutral on the Clinch River project. If the Clinch River project continues, the language agreed upon by the conferees in section 1(e) is not intended, in any way, to restrict the activities of the NRC which are related to the licensing of the Clinch River breeder project. But if the Clinch River project does not continue, then it will be unnecessary for the NRC to continue related activities and therefore the conference report reduces the NRC authorization by the appropriate amount.

Mr. BAKER. The conference report slightly modified the language of the Senate bill, which previously said:

(e) In the event that the license application is withdrawn or the construction of the Clinch River Breeder Reactor Project is not authorized, the total authorization in subsection (a) shall be reduced by $3,700,000.

I ask my distinguished colleague from Colorado to state the intent of the modification of the language:

Mr. HART. The modified language is intended to emphasize the neutrality of the conference report on the Clinch River project. If the project continues to be authorized, related activities by NRC are expected to proceed. If funds for continuation of the project are appropriated and not contingent on a separate authorization, related activities by NRC are expected to proceed. However, if the Clinch River project does not continue, then related activities by the NRC are also expected not to continue.

Mr. BAKER. The President has vetoed the ERDA authorization bill (S. 1811) which contained $80 million for the Clinch River breeder reactor. It is very likely that the Senate will soon send the President a supplemental appropriations bill (H.R. 9375) which appropriates $80 million for the Clinch River project that can be spent without a separate authorization bill. Thus the $80 million contained in the supplemental appropriations bill is self-authorizing. Under these circumstances, the project will continue to be authorized under section 106 of Public Law 91–273, as amended.

I would like to ask the distinguished Senator from Colorado if the enactment of the supplemental appropriations bill, H.R. 9375 is sufficient to retain the $2.7 million referred to in section 1(e) of the Nuclear Regulatory Commission's authorization bill S. 1131.

Mr. HART. Yes, enactment of the supplemental appropriation bill, H.R. 9375, would be sufficient to continue funding of the nuclear regulatory research in support of the licensing of the Clinch River breeder reactor project.

Of course, until the supplemental appropriations bill becomes law its final form will not be clear, and it is not entirely clear whether that appropriation is self-authorizing.

Mr. SASSER. Mr. President, I plan to support the conference report on S. 1131, the authorization bill for the Nuclear Regulatory Commission. However, I would like to ask the distinguished chairman of the subcommittee, Senator HART, to clarify one point.

The President has vetoed the Department of Energy authorization bill, which contained authorization for $80 million for the Clinch River breeder reactor project. It will be some weeks before the Congress will have the opportunity to override or sustain that veto.

At the same time the supplemental appropriations bill is working its way

through the Congress. That bill has been approved by both the House and the Senate and contains $80 million in appropriations for the CRBR. The conference report for the supplemental must still be agreed to by the Congress before the measure is sent to the President.

I just want assurance that the language in the conference report before us relating to the Clinch River project does not prejudice any other act of the Congress. In other words, I am seeking assurance that this bill before us is neutral and does not circumvent in any way either the potential authorization or appropriation for the Clinch River project.

I ask the distinguished Senator from Colorado if I am correct that it is the intention of the conference report that if the appropriations for Clinch River are provided that there will be no reduction in funding of the NRC related to that project under the bill before us now?

Mr. HART. That is correct.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CORRECTIONS IN THE ENROLLMENT OF S. 1131

Mr. ROBERT C. BYRD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on House Concurrent Resolution 397.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution (H. Con. Res. 397) was considered and agreed to.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the House concurrent resolution was agreed to.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THIRTY-MINUTE RECESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess for 30 minutes.

There being no objection, the Senate, at 3:18 p.m., recessed until 3:48 p.m.; whereupon, the Senate reassembled when called to order by the presiding officer (Mr. HARRY F. BYRD, JR.).

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that it be in order to order at any time, with one show of seconds, rollcall votes on the two amendments by Mr. HELMS and on the amendment by Mr. BROOKE.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ENDANGERED SPECIES ACT AUTHORIZATIONS — CONFERENCE REPORT

Mr. ROBERT C. BYRD. Mr. President, on behalf of the Senator from Iowa (Mr. CULVER), I submit a report of the committee of conference on S. 1316, and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1316) to authorize appropriations for fiscal years 1978, 1979, and 1980 to carry out State cooperative programs under the Endangered Species Act of 1973, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the proceedings of the House of Representatives.)

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

DEPARTMENT OF LABOR AND HEALTH, EDUCATION, AND WELFARE AND RELATED AGENCIES APPROPRIATIONS, 1978

The Senate continued with the consideration of the message from the House of Representatives on H.R. 7555.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. HOLLINGS. Mr. President, I move that the Senate recede from its amendment numbered 82.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Carolina.

The motion was agreed to.

UP AMENDMENT NO. 1077

Mr. BROOKE. Mr. President, I move that the Senate concur in the House amendment with an amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Massachusetts (Mr. BROOKE) proposes an unprinted amendment numbered 1077:

None of the funds contained in this act shall be used to perform abortions—

Mr. BROOKE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In lieu of the matter inserted by the House, insert the following:

SEC. 209. None of the funds contained in this Act shall be used to perform abortions:

Except where the life of the mother would be endangered if the fetus were carried to term;

Or except for such medical procedures necessary for the victims of rape or incest, when such rape or incest has been reported to a law enforcement agency or public health service or its equivalent;

Or except in those instances where severe and long-lasting physical health damage to the mother would result if the pregnancy were carried to term.

Nor are payments prohibited for drugs or devices to prevent implantation of the fertilized ovum, or for medical procedures necessary for the termination of an ectopic pregnancy.

The Secretary shall promptly issue regulations and establish procedures to ensure that the provisions of this section are rigorously enforced.

The PRESIDING OFFICER. The Senator from North Carolina.

UP AMENDMENT NO. 1078

Mr. HELMS. Mr. President, I have an amendment at the desk which is in the nature of a substitute, and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from North Carolina (Mr. HELMS) proposes an unprinted amendment numbered 1078 in lieu of the language proposed by the Senator from Massachusetts (Mr. BROOKE).

In lieu of the language proposed to be inserted by the Senator from Massachusetts, insert the following:

SEC. 209. None of the funds contained in this Act shall be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term.

Mr. HELMS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HELMS. Is there a time limitation on this amendment?

The PRESIDING OFFICER. The agreement states there will be a 10-minute time limitation, with the vote to

occur at 4 o'clock which has already arrived.

Mr. HELMS. Mr. President, I ask unanimous consent that Carl Anderson, of my staff, be granted the privileges of the floor during the consideration of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I will not take up much time of the Senate in connection with this amendment in the nature of a substitute, except to point out that it is the Hyde amendment which the Senate adopted last year and which is presently in effect.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Carolina.

Mr. HOLLINGS. Mr. President, Chairman MAGNUSON has asked me to make it absolutely clear to the Members of the Senate and the administration that it is imperative that the Departments and agencies which are funded through this bill strictly follow the language contained in both the Senate report and the conference report.

Further, it is quite clear that the chairman concurs with the statements on abortion made by Senator BROOKE and fully endorses his interpretation of this important language.

Mr. BROOKE. I would direct several questions to the majority manager (Mr. HOLLINGS) of this bill because I believe it is vital we make clear the legislative intent of the provision we are acting upon. This is particularly necessary since HEW has refused to give us any interpretation in advance. We have been advised by the Department that they are looking to us to tell them the intent of the language we are recommending. We will be as precise as we can so that no doubt is left in Mr. Califano's mind as to what we intend. And we expect our intent to be carried out in the regulations the Secretary will issue.

The language makes an exception for providing "medical procedures necessary for the victims of rape or incest." It is our intention that "medical procedures necessary" not be viewed as a limitation on the length of time during which medical assistance will be available. We fully intend "medical procedures necessary" to include abortions. So long as the rape or incest has been reported to a law enforcement agency or to a public health service or its equivalent the woman is eligible for a publicly funded abortion. Am I not correct about our intent that "medical procedures necessary" does include abortions?

Mr. HOLLINGS. The Senator is absolutely correct. Moreover, I would like to make it very clear that a woman, who is a victim of rape or incest may have an abortion as long as she reports the incident.

Mr. BROOKE. The provision also requires a report to a law enforcement agency or public health service or its equivalent. Obviously a law enforcement agency includes the police—State, county, or city. But it is not exclusively these organizations. Since we are dealing with women who are victims of attack, we do not want to pile trauma upon tragedy by forcing them to go through a process that is more geared to criminals than to people who deserve our greatest sympathy. If, for example, there is a human relations division within a police department, the report could be made through such an office. A police chaplain's office could be assigned the job of receiving reports. We urge HEW, working on its own or through the Justice Department, to encourage law enforcement agencies to establish special bureaus with personnel who are trained to deal with rape or incest victims. Would you not agree this is the intent of this portion of the language on rape and incest?

Mr. HOLLINGS. That certainly is our intent. If the victims themselves make the report to a law enforcement agency, we want the arrangements to be as humane as possible.

Mr. BROOKE. Our language does not say who must make the report to the law enforcement agency or public health service or its equivalent. It is our intent that the report may be made by third parties, such as doctors, attorneys including, but not limited to legal services lawyers, rape center counselors, welfare agencies, poverty agencies or family members or relatives. Our only requirement here is that someone or some organization make the report to relevant authorities cited in the provision. Am I correct in my explanation of our intent on this matter?

Mr. HOLLINGS. The Senator is correct.

Mr. BROOKE. We also want to tell HEW what we mean by a "public health service or its equivalent." A public health service is one that serves the public in the immediate local area, or over a wider region. It could be a Government service and in many areas likely would be. But where such Government service does not exist, we intend that the private sector equivalent of such service would be eligible to receive the relevant report. Thus, in addition to services funded from public moneys we also would include services funded by a combination of public and private moneys, or even moneys totally from the private sector, if that is the best "equivalent" that can be found.

Thus, authorized recipients of reports would include, but not be limited to, family planning organizations, health maintenance organizations, rape crisis centers, health and counseling centers run by local charitable organizations, special phone-in counseling services, or any kind of neighborhood or other health or counseling center for people with problems.

We also intend that HEW make certain the health center alternative is, at a minimum, available to each community and within easy reaching distance. We do not want to find situations where HEW has not made a good faith effort to provide the alternative of reporting to a health center. Would the distinguished manager from the State of South Carolina agree with my definition as to what we mean by a "public health service or its equivalent"?

Mr. HOLLINGS. I emphatically do.

Mr. BROOKE. Mr. President, I would like to say in conclusion that we have voted on the Hyde amendment time and time and time again, and maybe more times than that. The Senate has rejected the Hyde amendment. I ask the Senate to do the same thing today. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Carolina. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Alabama (Mr. ALLEN), the Senator from Indiana (Mr. BAYH), the Senator from Iowa (Mr. CLARK), the Senator from California (Mr. CRANSTON), the Senator from Alaska (Mr. GRAVEL), the Senator from Colorado (Mr. HASKELL), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Washington (Mr. MAGNUSON), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from New York (Mr. MOYNIHAN), the Senator from Rhode Island (Mr. PELL), the Senator from Alabama (Mr. SPARKMAN), the Senator from Illinois (Mr. STEVENSON), the Senator from Delaware (Mr. BIDEN), the Senator from New Jersey (Mr. WILLIAMS), and the Senator from Nebraska (Mr. ZORINSKY) are necessarily absent.

I further announce that the Senator from Missouri (Mr. EAGLETON) is absent on official business.

I also announce that the Senator from Maine (Mr. MUSKIE) is absent because of illness.

I also announce that the Senator from Washington (Mr. JACKSON) is absent because of illness in the family.

I further announce that, if present and voting, the Senator from Delaware (Mr. BIDEN), the Senator from Missouri (Mr. EAGLETON), the Senator from Nebraska (Mr. ZORINSKY) would each vote "yea."

I further announce that, if present and voting the Senator from New Jersey (Mr. WILLIAMS), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Iowa (Mr. CLARK), the Senator from Rhode Island (Mr. PELL), the Senator from New York (Mr. MOYNIHAN), and the Senators from Washington (Mr. JACKSON, and Mr. MAGNUSON) would each vote "nay."

Mr. BAKER. I announce that the Senator from Oklahoma (Mr. BARTLETT), the Senator from Nebraska (Mr. CURTIS), the Senator from Utah (Mr. GARN), the Senator from Arizona (Mr. GOLDWATER), the Senator from Michigan (Mr. GRIFFIN), the Senator from California (Mr. HAYAKAWA), the Senator from Pennsylvania (Mr. HEINZ), the Senator from New York (Mr. JAVITS), the Senator from Nevada (Mr. LAXALT), the Senator from Oregon (Mr. PACKWOOD), the Senator from Illinois (Mr. PERCY), the Sena-

tor from Alaska (Mr. STEVENS), the Senator from Texas (Mr. TOWER), and the Senator from Wyoming (Mr. WALLOP) are necessarily absent.

I also announce that the Senator from Delaware (Mr. ROTH) is absent due to a death in the family.

I further announce that, if present and voting, the Senator from New York (Mr. JAVITS) and the Senator from Alaska (Mr. STEVENS) would each vote "nay."

The result was announced—yeas 21, nays 42, as follows:

[Rollcall Vote No. 633 Leg.]

YEAS—21

Byrd, Harry F., Jr.	Hatch	Randolph
Danforth	Hatfield	Schweiker
Dole	Helms	Stennis
Domenici	Johnston	Stone
Durkin	Lugar	Thurmond
Eastland	McClure	Young
Ford	Melcher	
	Proxmire	

NAYS—42

Anderson	DeConcini	Metzenbaum
Baker	Glenn	Morgan
Bellmon	Hansen	Nelson
Bentsen	Hart	Nunn
Brooke	Hathaway	Pearson
Bumpers	Hollings	Ribicoff
Burdick	Inouye	Riegle
Byrd, Robert C.	Kennedy	Sarbanes
Cannon	Leahy	Sasser
Case	Long	Schmitt
Chafee	Mathias	Scott
Chiles	Matsunaga	Stafford
Church	McGovern	Talmadge
Culver	Metcalf	Weicker

NOT VOTING—36

Abourezk	Griffin	Muskie
Allen	Haskell	Packwood
Bartlett	Hayakawa	Pell
Bayh	Heinz	Percy
Biden	Huddleston	Roth
Clark	Humphrey	Sparkman
Cranston	Jackson	Stevens
Curtis	Javits	Stevenson
Eagleton	Laxalt	Tower
Garn	Magnuson	Wallop
Goldwater	McIntyre	Williams
Gravel	Moynihan	Zorinsky

So Mr. HELMS' amendment (No. 1078) was rejected.

Mr. BROOKE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 1079

Mr. HELMS. Mr. President, I send an amendment to the desk and ask that it be considered.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from North Carolina (Mr. HELMS) proposes unprinted amendment No. 1079.

On line 7, insert the word "promptly" after the word "been" and before the word "reported".

The PRESIDING OFFICER. The Senate is not in order.

There is a 10-minute limitation on the amendment just offered by the Senator from North Carolina. Who yields time?

Mr. DOLE. Will the Senator yield for a unanimous-consent request?

Mr. HELMS. I am happy to yield.

Mr. DOLE. I ask unanimous consent that Sheila Burke of my staff may have the privilege of the floor during consideration of and vote on this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I yield myself such time as I may require. I ask the Chair if we may have a modicum of order.

The PRESIDING OFFICER. The Senate will be in order.

The Senate is not in order.

The Senator may proceed.

Mr. HELMS. I thank the Chair.

Mr. President, this is the simplest of all amendments. It adds one word, the word "promptly," to make the amendment of the distinguished Senator from Massachusetts read:

Except where the life of the mother would be endangered if the fetus were carried to term;

Or except for such medical procedures necessary for the victims of rape or incest, when such rape or incest has been promptly reported to a law enforcement agency or public health service or its equivalent;

Mr. President, Senators are fully aware, I am sure, of the disclosures of fraud and mismanagement in medicaid and other programs administered by the Department of Health, Education, and Welfare. Without the word "promptly," this amendment will be an invitation to additional fraud.

I cannot see how any Senator would oppose the insertion of the word "promptly" to the reporting requirement proposed by the Senator from Massachusetts. The word "promptly" before the word "reported" will eliminate the possibility that 2 or 3 months after the fact a supposed victim would claim to have been raped when, as a matter of fact, she had not. Although this proposed requirement of "promptness" applies to cases of both rape and incest this does not mean that what constitutes prompt reporting in a case of rape is identical with prompt reporting in a case of incest.

This takes away nothing from the rights of any individual and it certainly offers a measure of protection to the taxpayers of the United States.

Mr. President, I urge adoption of the amendment and I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. BROOKE addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. BROOKE. Mr. President, we have made compromise after compromise in an effort to resolve this very thorny issue which has prevented passage of the Labor-HEW appropriations bill for fiscal 1978 and the amendment of the distinguished Senator from North Carolina is just a further attempt to weaken the Senate's position.

The amendment which I have offered today is the result of still further compromises with the House of Representatives and is language which chairman GEORGE MAHON and I and several others worked on in an effort to resolve this conflict.

The Senate has never had a reporting provision in its language. So one of the compromises was that there be a report in cases of rape or incest to a law enforcement agency or public health service, or its equivalent.

That is the language which we had agreed upon, and what we are trying to do now is to send that language back to the House this evening so that they can act upon this finally and resolve this question.

I purposely did not permit others who wanted to strengthen the language, bringing it closer to the Senate language, to add an amendment. But we did enter into an agreement with the distinguished Senator from North Carolina to bring up these two amendments, one of which was the substitution of the Hyde language which the Senate has rejected time and time again, and rejected also today by an overwhelming vote.

The second one was to add another word which would further weaken our language on the reporting of rape or incest, which I hope the Senate will also reject by an overwhelming vote so that we can, at long last, Mr. President, send this language back to the House.

It is this language which has been keeping us from passing the Labor–HEW appropriations bill.

The House is there waiting now for the bill to be sent to them and, hopefully, they will take a vote on it.

The last vote where we made a compromise with the House relative to the health of the mother only failed of passage in the other body by 21 votes.

Since that time, we have made such further compromises that we feel, in all good conscience, we just cannot go any further than this and that the Senate should send it back to the House, as it has sent language back before, and hopefully the House will accept this compromise language.

I hope, Mr. President, that we will reject the amendment by the distinguished Senator from North Carolina, even though I am sure it is very well intentioned, and even though I have the greatest respect for how strongly he feels about this issue.

Mr. SCOTT. Will the Senator from North Carolina yield briefly?

Mr. HELMS. I yield to the Senator from Virginia.

Mr. SCOTT. Mr. President, I voted against my friend from North Carolina on his first amendment. I have a mixed reaction. I can see two sides on this overall abortion question.

But to ask that someone who has been molested, who has been raped, to report promptly seems like a reasonable thing.

So I would change my vote here and support the amendment of the distinguished senior Senator from North Carolina.

I think it is a reasonable thing to do and I hope that the other Senators might consider the reasonableness of the amendment.

Mr. HANSEN. Mr. President, will the distinguished Senator from Massachusetts yield?

Mr. BROOKE. Yes.

Mr. HANSEN. Mr. President, it has been a difficult time for all of us, certainly for the Senator from Wyoming. I will oppose the Helms amendment.

It seems to me that to require that the victim of incest report promptly just totally ignores what a situation is going to be. I think most of us have to recognize that only when pregnancy is likely to become obvious will the facts then be disclosed, that a little girl was the victim of incest.

I want to do everything I can. I want to be as cooperative as I can. But it seems to me, for exactly the opposite reasons, to require that a victim of incest report promptly what had happened belies the factual situation.

Mr. BROOKE. Mr. President, I thank the distinguished Senator from Wyoming. He is exactly correct.

In addition thereto, we found in many cases of rape or incest there is no reporting at all because there is a stigma attached to the victims of such incidents.

We have gone so far as to agree to have a reporting requirement written into the bill, and now adding further this word "promptly" would make the problem even worse for the victims.

Mr. HELMS. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. One minute.

Mr. HELMS. I yield the remainder of my time to the able Senator from Pennsylvania.

Mr. SCHWEIKER. I thank the distinguished Senator.

Mr. President, I want to compliment the Senator from North Carolina for his leadership in this area.

I rise in support of the Senator's amendment. I think it is a reasonable amendment to add the word "promptly" in terms of requiring reporting.

I think without this amendment, the rape provision becomes a loophole. As I read this language now, it would indicate to me that a woman simply has to go into an abortion clinic and say, "I have been raped," and that would fulfill the reporting condition here.

It does not say when a rape has to be reported, and I think that circumvents the whole concept.

I think requiring "prompt" reporting is a reasonable requirement.

I hope the Senate will support the amendment.

The PRESIDING OFFICER. All time on the amendment has expired.

The question is on agreeing to the amendment of the Senator from North Carolina. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT BYRD. I announce that the Senator from Alabama (Mr. ALLEN), the Senator from Indiana (Mr. BAYH), the Senator from Delaware (Mr. BIDEN), the Senator from Iowa (Mr. CLARK), the Senator from California (Mr. CRANSTON), the Senator from Alaska (Mr. GRAVEL), the Senator from Colorado (Mr. HASKELL), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Washington (Mr. MAGNUSON), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from New York (Mr. MOYNIHAN), the Senator from Rhode Island (Mr. PELL), the Senator from Alabama (Mr. SPARKMAN), the Senator from Illinois (Mr. STEVENSON), and the Senator from Nebraska (Mr. ZORINSKY) are necessarily absent.

I further announce that the Senator from Missouri (Mr. EAGLETON) is absent on official business.

I also announce that the Senator from Maine (Mr. MUSKIE) is absent because of illness.

I also announce that the Senator from Washington (Mr. JACKSON) is absent because of illness in the family.

I further announce that, if present and voting, the Senator from Delaware (Mr. BIDEN), the Senator from Missouri (Mr. EAGLETON), the Senator from Nebraska (Mr. ZORINSKY), and the Senator from Rhode Island (Mr. PELL) would each vote "yea."

I further announce that, if present and voting, the Senator from Iowa (Mr. CLARK), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Washington (Mr. JACKSON), the Senator from New York (Mr. MOYNIHAN), and the Senator from Washington (Mr. MAGNUSON) would each vote "nay."

Mr. BAKER. I announce that the Senator from Oklahoma (Mr. BARTLETT), the Senator from Nebraska (Mr. CURTIS), the Senator from Utah (Mr. GARN), the Senator from Arizona (Mr. GOLDWATER), the Senator from Michigan (Mr. GRIFFIN), the Senator from California (Mr. HAYAKAWA), the Senator from Pennsylvania (Mr. HEINZ), the Senator from New York (Mr. JAVITS), the Senator from Nevada (Mr. LAXALT), the Senator from Oregon (Mr. PACKWOOD), the Senator from Illinois (Mr. PERCY), the Senator from Alaska (Mr. STEVENS), the Senator from Texas (Mr. TOWER), and the Senator from Wyoming (Mr. WALLOP) are necessarily absent.

I also announce that the Senator from Delaware (Mr. ROTH) is absent due to a death in the family.

I further announce that, if present and voting, the Senator from New York (Mr. JAVITS) would vote "nay."

The result was announced—yeas 23, nays 42, as follows:

[Rollcall Vote No. 634 Leg.]

YEAS—23

Anderson	Hatch	Randolph
Danforth	Hatfield	Schweiker
DeConcini	Helms	Scott
Dole	Lugar	Stennis
Domenici	McClure	Stone
Durkin	Melcher	Thurmond
Eastland	Nelson	Young
Ford	Proxmire	

NAYS—42

Abourezk	Culver	Metzenbaum
Baker	Glenn	Morgan
Bellmon	Hansen	Nunn
Bentsen	Hart	Pearson
Brooke	Hathaway	Ribicoff
Bumpers	Hollings	Riegle
Burdick	Inouye	Sarbanes
Byrd, Harry F., Jr.	Johnston	Sasser
	Kennedy	Schmitt
Byrd, Robert C.	Leahy	Stafford
Cannon	Long	Talmadge
Case	Mathias	Weicker
Chafee	Matsunaga	Williams
Chiles	McGovern	
Church	Metcalf	

NOT VOTING—34

Allen	Haskell	Packwood
Bartlett	Hayakawa	Pell
Bayh	Heinz	Percy
Biden	Huddleston	Roth
Clark	Humphrey	Sparkman
Cranston	Jackson	Stevens
Curtis	Javits	Stevenson
Eagleton	Laxalt	Tower
Garn	Magnuson	Wallop
Goldwater	McIntyre	Zorinsky
Gravel	Moynihan	
Griffin	Muskie	

So Mr. HELMS' amendment (No. 1079) was rejected.

Mr. BROOKE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. HOLLINGS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the motion by the Senator from Massachusetts (Mr. BROOKE) to concur in the House amendment with an amendment.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Alabama (Mr. ALLEN), the Senator from Indiana (Mr. BAYH), the Senator from Delaware (Mr. BIDEN), the Senator from Iowa (Mr. CLARK), the Senator from California (Mr. CRANSTON), the Senator from Alaska (Mr. GRAVEL), the Senator from Colorado (Mr. HASKELL), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Washington (Mr. MAGNUSON), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from New York (Mr. MOYNIHAN), the Senator from Rhode Island (Mr. PELL), the Senator from Alabama (Mr. SPARKMAN), the Senator from Illinois (Mr. STEVENSON), and the Senator from Nebraska (Mr. ZORINSKY) are necessarily absent.

I further announce that the Senator from Missouri (Mr. EAGLETON) is absent on official business.

I also announce that the Senator from Maine (Mr. MUSKIE) is absent because of illness.

I also announce that the Senator from Washington (Mr. JACKSON) is absent because of illness in the family.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PELL), the Senator from Iowa (Mr. CLARK), the Senator from Washington (Mr. JACKSON), the Senator from New York (Mr. MOYNIHAN), the Senator from Minnesota (Mr. HUMPHREY), and the Senator from Washington (Mr. MAGNUSON), would each vote "yea."

I further announce that, if present and voting, the Senator from Delaware (Mr. BIDEN), the Senator from Missouri (Mr. EAGLETON), and the Senator from Nebraska (Mr. ZORINSKY) would each vote "nay."

Mr. BAKER. I announce that the Senator from Oklahoma (Mr. BARTLETT), the Senator from Nebraska (Mr. CURTIS), the Senator from Utah (Mr. GARN), the Senator from Arizona (Mr. GOLDWATER), the Senator from Michigan (Mr. GRIFFIN),

the Senator from California (Mr. HAYAKAWA), the Senator from Pennsylvania (Mr. HEINZ), the Senator from New York (Mr. JAVITS), the Senator from Nevada (Mr. LAXALT), the Senator from Oregon (Mr. PACKWOOD), the Senator from Illinois (Mr. PERCY) the Senator from Alaska (Mr. STEVENS), the Senator from Texas (Mr. TOWER), and the Senator from Wyoming (Mr. WALLOP) are necessarily absent.

I also announce that the Senator from Delaware (Mr. ROTH) is absent due to a death in the family.

I further announce that, if present and voting, the Senator from New York (Mr. JAVITS), and the Senator from Alaska (Mr. STEVENS) would each vote "yea."

The result was announced—yeas 44, nays 21, as follows:

[Rollcall Vote No. 635 Leg.]

YEAS—44

Abourezk	Church	Metcalf
Anderson	Culver	Metzenbaum
Baker	Dole	Morgan
Bellmon	Glenn	Nelson
Bentsen	Hansen	Nunn
Brooke	Hart	Pearson
Bumpers	Hathaway	Ribicoff
Burdick	Hollings	Riegle
Byrd, Harry F., Jr.	Inouye	Sarbanes
Byrd, Robert C.	Kennedy	Sasser
Cannon	Leahy	Schmitt
Case	Long	Stafford
Chafee	Mathias	Talmadge
Chiles	Matsunaga	Weicker
	McGovern	Williams

NAYS—21

Danforth	Hatfield	Randolph
DeConcini	Helms	Schweiker
Domenici	Johnston	Scott
Durkin	Lugar	Stennis
Eastland	McClure	Stone
Ford	Melcher	Thurmond
Hatch	Proxmire	Young

NOT VOTING—34

Allen	Haskell	Packwood
Bartlett	Hayakawa	Pell
Bayh	Heinz	Percy
Biden	Huddleston	Roth
Clark	Humphrey	Sparkman
Cranston	Jackson	Stevens
Curtis	Javits	Stevenson
Eagleton	Laxalt	Tower
Garn	Magnuson	Wallop
Goldwater	McIntyre	Zorinsky
Gravel	Moynihan	
Griffin	Muskie	

So the motion was agreed to.

Mr. BROOKE. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXTENSION OF TIME FOR FILING REPORT ON BLIND TRUSTS

Mr. RIBICOFF. Mr. President, I ask unanimous consent that the Governmental Affairs Committee have until February 1, 1978, to file the report on blind trusts required by section 311 of Senate Resolution 110 agreed to April 1, 1977.

The PRESIDING OFFICER (Mr. MATSUNAGA). Without objection, it is so ordered.

NO FURTHER ROLLCALL VOTES TODAY

Mr. ROBERT C. BYRD. Mr. President, there will be no more rollcall votes today.

ORDER FOR RECESS OUT OF FURTHER RESPECT TO THE MEMORY OF SENATOR McCLELLAN

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess, as a further mark of respect to the memory of our late depared colleague, Senator McCLELLAN, until 10 a.m. on Thursday.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR FILING CONFERENCE REPORT ON H.R. 6666 AT ANY TIME BEFORE 6 P.M. TODAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent for permission for the conference report on the legal services measure, H.R. 6666, to be filed at any time before 6 o'clock p.m. today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I yield to the distinguished minority leader.

SUBSTITUTION OF A CONFEREE

Mr. BAKER. Mr. President, I ask unanimous consent that the distinguished junior Senator from Missouri (Mr. DANFORTH) replace the Senator from Utah (Mr. LAXALT) as a conferee in the conference on the social security amendments (H.R. 9346).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. I thank the majority leader.

CONCURRENT RESOLUTION COMMENDING ANWAR EL SADAT, THE PRESIDENT OF EGYPT, AND MENACHEM BEGIN, THE PRIME MINISTER OF ISRAEL

Mr. ROBERT C. BYRD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on House Concurrent Resolution 417.

This request, before the clerk reports, has been cleared with the distinguished minority leader, and it is made on the basis that this is an international event that is of great moment, and in view of the fact that the House of Representatives has already passed the concurrent resolution and sent it over to the Senate.

If the Senate should defer action until January, then the importance of the resolution would have been diluted, and the action on the resolution by the Senate then would not have the impact that it would otherwise have, if taken at this time.

Mr. BAKER. Mr. President, will the majority leader yield to me briefly?

Mr. ROBERT C. BYRD. Yes, I yield.

Mr. BAKER. Mr. President, I concur with the remarks made by the distinguished majority leader. Both he and I have represented on this floor to our colleagues that no new matters would be taken up except conference reports, energy matters, and other matters of important national security import, as I recall the language we used in that colloquy.

To me, this is a matter of national security importance, and if we were not at this time to deal with it, especially after action in the other body, I think that would have a significance of its own. Therefore, I entirely agree with the majority leader, and have no objection to proceeding with the matter at this time.

Mr. ROBERT C. BYRD. In addition, it is considered noncontroversial.

Mr. BAKER. That is correct.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

Mr. CHURCH. Mr. President, reserving the right to object, and I shall not object, I wish to express appreciation to the majority leader and the minority leader for making it possible for the Senate to approve this resolution at this time.

Under normal circumstances this resolution would be referred to the Committee on Foreign Relations for consideration. The text of the resolution was, in fact, discussed at a committee meeting this morning which had been called to receive a briefing on progress in the SALT negotiations. All members at that meeting agreed that the extraordinary developments in the Middle East and the noncontroversial nature of the resolution warranted its consideration by the Senate without referral to the committee. This procedure has the full support of Senator CASE, the ranking Republican member.

For the record, I wish to state that I believe this should not be viewed in any way as a precedent for the future and would certainly not be done if the circumstances did not warrant immediate action by the Congress. The resolution is a very simple one which should have the support of every Member of this body, all of whom I know share my desire for achievement of an early settlement of the conflict in the Middle East. Let us hope that the courageous steps taken by

President Sadat and Prime Minister Begin will point the way to further progress in that direction.

For the record, I would like to state further that, in addition, to members of the Foreign Relations Committee, this resolution has the active support of Senators CRANSTON, KENNEDY, MATHIAS, DECONCINI, DANFORTH, HEINZ, and BROOKE.

The PRESIDING OFFICER. Is there objection?

Mr. KENNEDY. Mr. President, reserving the right to object, I, too, wish to thank the majority leader and the minority leader for their willingness to permit the Senate to consider this important initiative at this time.

TOWARD PEACE IN THE MIDDLE EAST

Mr. President, I am pleased to cosponsor the concurrent resolution before us today on the Middle East. It rightly commends President Sadat and Prime Minister Begin for their courageous efforts to achieve a comprehensive, just and durable peace in the Middle East. It supports what will be critical efforts to build the momentum for peace created by their meetings in Jerusalem and by subsequent events.

The events of the past weeks have dramatically reduced the atmosphere of distrust and misunderstanding between Egypt and Israel. Who would have predicted, even 1 month ago, that the President of Egypt and Prime Minister of Israel would meet directly with each other in Jerusalem, to talk about a genuine peace? I for one believe that these two leaders have reached a profound, mutual commitment to serious negotiations, rather than resorting to the conflict which has repeatedly ravaged the Middle East.

It was courageous for President Sadat to tell the Israeli Knesset that "We welcome you among us in security and peace."

I welcome Prime Minister Begin's response that "All of us are united in this one hope and longing to have peace" and his reassurance that "Everything is open to negotiation."

It is now essential to maintain the momentum for peace. It is essential not to waste the political vision and personal courage inherent in the new initiatives of President Sadat. The first opportunity to do this will be the multilateral meeting called by President Sadat in Cairo. We must all hope that this meeting will move us forward in the context of the Geneva Conference. The United States should actively pursue any and all possibilities which will move the negotiating process toward a peaceful settlement, which can be in the interests of all parties in the region.

Hopefully, other Arab governments will also come to recognize the wisdom of President Sadat's initiative for peace, and to work with Egypt and Israel in moving toward a genuine peace from which they can all benefit. Finally, we must expect the Soviets to behave responsibly as cochairmen of the Geneva Conference as well as cosigners of last month's joint statement on the Middle East.

Therefore, not only we but all our friends and allies should do all we can to encourage face-to-face and constructive negotiations among Israel and her neighbors. In an eloquent speech to the United Nations, Ambassador Young called for us to "capture the mood of change. Let us build on hope and good will."

I ask unanimous consent that Ambassador Young's speech, and Deputy Secretary Warren Christopher's important speech on the same subject—emphasizing the administration's intention to build on the momentum toward a just and lasting peace—be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AMBASSADOR YOUNG'S STATEMENT ON THE MIDDLE EAST—NOVEMBER 24, 1977

We are meeting to discuss the situation in the Middle East at a crucial and perhaps pivotal time in the history of that region. A remarkable event in the political life of the Middle East has occurred. We are all acutely aware that the politics of the area will never be as they were before Egyptian President Anwar Sadat visited Israel.

President Sadat came in peace, was welcomed in peace by Prime Minister Begin and the Israeli people, by that simple yet dramatic act, the prospects for a just and durable peace have been significantly advanced especially if all concerned have the vision and the will to recognize and build upon the psychological transformation it has made possible. My government urges all of the parties to maintain the new momentum towards peace.

We in the United States have long been convinced that all of the peoples of the Middle East would like to put the past behind them and to live peacefully together in the context of a just and agreed solution to their political differences. President Sadat's journey for peace and the wholehearted—yes, even emotional—response of the Israeli and Egyptian nations have emphatically confirmed that judgment.

It is important, however, to recognize that this was not just an isolated act of political vision, without a solid base in the recent past or significance for a future that is both desirable and attainable. President Sadat's visit was unexpected and unprecedented, but it was a logical extension of the solemn undertaking of all of the Arab states and Israel in the wake of the 1973 War that they would engage—immediately, we should recall—in negotiations aimed at implementation of Security Council Resolution 242. With their acceptance of Security Council Resolution 338, the Arab states and Israel agreed that they would seek to resolve their differences through discussion, compromise and mutual accommodation.

The decision in 1973 to engage in negotiations between the parties marked a major turning point in the Arab-Israeli dispute. The first Geneva Conference convened under the compulsion of effecting a military disengagement in a situation which threatened an imminent resumption of hostilities. While two subsequent disengagement agreements were effected, serious negotiation of the overall peace envisaged in Resolution 242 has yet to begin in earnest.

Since this assembly discussed this issue one year ago, the Middle East has been an arena of intense diplomatic activity aimed at a single and simple goal—the resumption of direct negotiations between the parties in order to achieve a comprehensive peace. While the setting of the goal—a Geneva Conference by the end of the year—was easy, achievement of that goal has proved elusive. All of the parties are agreed that the key substantive questions to be addressed were the nature of peace; Israeli withdrawal, agreement on final borders, and arrangements to make those borders secure; and the Palestinian question, for which representatives of the Palestinian people as well as of the governments concerned must be included in the negotiating process. Procedural problems remain to be resolved, but let us remember that procedural arrangements do not in themselves determine the outcome of negotiations—only the negotiations themselves produce agreements. I repeat that the momentum of the past week must not be allowed to slip away. Let us capture the mood of change. Let us build on hope and goodwill. If we do so, fundamental, serious and unconditional negotiations could begin in the very near future.

What do the events of the past weekend mean for us here in New York? President Sadat has reminded us that many of the obstacles to peace in the Middle East are psychological. Both President Sadat and Prime Minister Begin have demonstrated the need to shed the bonds of the past if we are to avoid repeating the mistakes which have led to so much suffering and violence. We believe that this General Assembly can contribute to the process of peace as it deals with the remaining items relating to the Middle East to be brought up for discussion this year. But we should measure our performance by a new standard. If some of those who are so directly involved can discuss their differences in reasoned tones in an effort to make progress, ought not the rest of us declare a moratorium on the extreme rhetoric of the past which breeds hatred and violence? If we genuinely want to support the search for a just and durable peace in the Middle East, can we afford to repeat the practice of passing resolutions to score phyrric victories regardless of their ultimate effect—resolutions that seek to prejudge issues which can only by resolved through negotiations between the parties, all the parties concerned?

We have seen a demonstration of rare vision which has caught the imagination of the world. Psychologically, peace seems closer to our grasp. If we demonstrate similar courage and readiness to break with the rituals and taboos of the past, we believe the United Nations can make the contribution the world expects of it.

REMARKS OF WARREN CHRISTOPHER, DEPUTY SECRETARY OF STATE

I am delighted to be back home in California and honored to be with you at this important moment in the history of Israel and of all the peoples of the Middle East. I am pleased to be able to discuss with you the prospects for peace between the Arab nations and the State of Israel.

These prospects are real . . . more real than at any time in the past 30 years of conflict. They must be nourished by evidence of tangible progress toward peace, to give those who speak for peace hope to sustain their efforts and to overcome the doubters, the cynics, those who remain prisoners of the past, and the opponents of peace who unhappily are still a force in the Middle East.

With all our hearts, we must pray that the opportunities now presented are not lost.

With courage and ingenuity, leaders of vision in the Middle East must seek to main-

tain the momentum now begun in the holy city of Jerusalem. We are prepared to use the good offices and full influence of the United States to help them.

All Americans share the emotions, the sense of excitement over the dramatic developments of the past days, developments which no one of us could have confidently expected just a short fortnight ago.

The leader of the largest of the Arab states has stood in the Knesset of Israel, has met face-to-face with political leaders whom a generation of Arabs refused ever to acknowledge.

President Sadat deserves not only our congratulations but our praise and respect for his courage in taking this step to break the frozen attitudes of the past and open new prospects for peace. Prime Minister Begin has also demonstrated his statesmanship in the warmth of his welcome for President Sadat.

At one stroke President Sadat's trip has broken through the psychological barrier of distrust and suspicion which previously had prevented the participants in this 30-year conflict from making peace. The speeches in the Knesset on Sunday, and the private talks which have followed in Jerusalem, dramatized beyond all doubt one single fact: the leader of the largest Arab state and the leaders of Israel are united in their genuine desire for peace.

In the words of President Sadat to his Israeli audience—"As we really and truly seek peace, we really and truly welcome you to live among us in peace and security, in fact and in deed."

We see this initiative as a beginning. It foreshadows the face-to-face negotiations which must come between all the participants in the conflict, if the vision and imagination displayed in Jerusalem over the past few days are to be translated into reality.

Many commentators have noted that the speeches to the Knesset have left open the basic issues to be negotiated. This of course misses the essential point.

It is the fact of the visit that is important. A new ingredient has come to the peace process. Both President Sadat and Prime Minister Begin have taken action to prove their determination to work for an overall settlement. They want to get to the forum which already exists for that purpose—the Geneva Middle East Peace Conference, where all the parties can be represented and peace treaties can be negotiated dealing with all the issues that separate Arabs and Israelis. What we know from the events of the past few days gives us hope that the momentum for reconvening that conference can continue to build.

I want you to know that President Carter, Secretary Vance, and those of us involved in making and executing this country's foreign policy believe that—despite all the pitfalls and difficulties—we now have the best chance since 1948 for real peace in the Middle East.

I mean the kind of peace which is not just a temporary, armed truce.

I mean the kind of peace which will safegard Israel's integrity and security and open the way to cooperation among all the peoples of the Middle East.

I mean the kind of peace in which new generations of parents in Israel and in the Arab countries will no longer live with the certainty that many of their children will be killed in a future Middle Eastern war.

The search for that kind of peace has been a long one.

All of us have vivid recollections of the drama of those momentous first years after the Second World War.

There was the rise of a national spirit among the survivors of the Holocaust, and there was the heroism of the years of immigration into Palestine.

There was the struggle, in this country and around the world, to gain support for the idea of a Jewish homeland. The outcome of that struggle, we all recall, often seemed very much in doubt, but against all odds Israel was born.

At midnight on May 14, 1948, the Provisional Government of Israel proclaimed a Jewish state. Only eleven minutes later, on President Truman's instruction, the United States gave recognition to the provisional government. Now, almost three decades later, we see a dramatic opportunity to move from a state of confrontation to a state of true peace.

This is what we want; this is what we are working for now. This is what we saw begin to happen last weekend.

It will be a long journey. We will have to pass many way stations. But we will persevere.

We are not undertaking our efforts in the misguided belief that we can impose a settlement of our own choice upon the nations invloved. In the end those nations themselves must achieve a settlement which satisfies their own, varied interests.

Now that the pace of Middle East diplomacy is clearly quickening, it is useful to pause a moment and review what this Administration has been trying to accomplish this year.

Our efforts began with Secretary Vance's trip to the Middle East last February, and continued with the meetings during the Spring between President Carter and the Middle Eastern heads of state.

This initiative achieved the following:

Agreement among the parties to seek an overall settlement of their conflict.

Their agreement to try to reconvene the Geneva Conference this year.

Their agreement that the settlement must resolve three core issues. First, the nature of the peace to be established between the parties; second, withdrawal of troops from occupied territories and agreement on secure and recognized borders for all the states, as set forth in UN Security Council Resolutions 242 and 338; and third, resolution of the Palestinian question.

In all our discussions, then and now, we have made clear that Resolutions 242 and 338 remain the agreed basis for the Geneva Conference.

On this foundation we began to move from the general to the specific, from defining the issues to seeking agreement on how to reconvene the Geneva Conference.

This endeavor has involved intensive, almost daily, contacts by President Carter and Secretary Vance with chiefs of state and foreign ministers of the affected nations regarding the procedures for reconvening the Geneva Conference. The endeavor to promote the negotiating process continues.

With all the difficult decisions and calculated risks this effort inevitably involves, one unchanging fact will remain the cornerstone of American policy. In pursuing negotiations, Israel can do so confident that America's commitment to its security is unshakeable.

That commitment goes beyond mere words of support; as Secretary Vance has said, it is a commitment of the heart as well as of policy.

Since 1973, the United States has provided almost 10 billion dollars in military and economic assistance to Israel. That aid is now running at $1.8 billion annually.

In the first six months of the Carter Administration, more than $500 million in new military equipment was authorized for Israel—bringing to $2.5 billion the total amount of military supplies running on schedule in the pipeline to Israel.

Israel need not fear any U.S. withdrawal of essential support—now, at Geneva, or in the future. We will not jeopardize Israel's security by trying to exert pressure through withholding military or economic assistance.

Against this backdrop let me discuss two matters which I know are of deep importance to you as well as to me:

The role of the Soviet Union in the forthcoming negotiations, and, our approach to the Palestinian issue.

It would be wrong and shortsighted in these weeks of intense diplomacy to pretend that the Soviet Union, as co-chairman of the Geneva Conference, does not have an interest in the Middle East. Or to pretend it does not have a role to play in the outcome of negotiations—a constructive role or a troublesome role.

That is why, through our recent joint statement, we sought to engage the Soviets on the most constructive basis at this most critical moment. We do not take lightly the Soviet commitments implied in that statement. As one co-chairman of the Geneva Conference, we continue to impress upon the other co-chairman the responsibility we both have to use our influence to help negotiations for a Middle East settlement to move forward.

Neither the Soviet Union nor the United States wants a new war in the Middle East which would carry with it the threat of confrontation between the two nuclear superpowers.

Recognition in certain Arab countries that this is the Soviet attitude should help hasten peace.

Just as we cannot avoid the reality of Soviet interest and participation, we cannot avoid the Palestinian question—not if we want a real chance for peace.

Israel recognizes, as we do, that the Palestinian issue must be addressed and, in time, resolved. It has agreed, in our discussions about a reconvened Geneva conference, that Palestinians should participate as part of a unified Arab delegation.

President Carter has endorsed the concept of a Palestinian homeland or entity. He has stated, however, that the United States does not prefer an independent Palestinian state, and that our preference would be for such an entity to be linked with Jordan.

Of course, this issue, like the others, is for the parties themselves to decide, but we believe that no negotiated settlement could endure if it did not offer the Palestinians the hope of a future better and more productive than their past.

Let me assure you at the same time of President Carter's and Secretary Vance's firm commitment that the legitimate rights of the Palestinians will not be realized at the expense of Israel's rights to sovereignty and security.

And, beyond that, there is the hope of peaceful economic cooperation . . . in which the land may be made more fertile . . . in which the money now spent on arms may be spent for homes and schools and human happiness. . . . Scarce water supplies of the desert could be fairly and fruitfully shared . . . and technology could be passed among all the region's peoples, for the betterment of their daily well-being.

That kind of peace will not be easy to achieve.

It can only be achieved by the countries and peoples of the Middle East themselves.

It will involve courage and sacrifice by all.

But, given the opportunity which now exists—and may not exist again soon—I believe we must pursue it.

The alternatives—ranging from continued tension and armed truce, to war of expanding proportions—are flatly unacceptable. I know you share that judgment.

The United States has a choice in this situation:

—We can make a passing try to support the efforts of the parties to bring about negotiations, but give up when the issues get difficult;

—Or we can make a determined effort to avoid all the human tragedy and material waste of another war; making the effort because it is right to do so, regardless of how difficult our way may be.

Speaking for myself, and for this Administration, let me say that we have made our choice.

We shall continue to be actively engaged, as the parties desire, in efforts to produce fruitful negotiations. While we are still assessing the full results of the historic meeting in Jerusalem, we believe it can advance the process of negotiations significantly. Both President Sadat and Prime Minister Begin have expressed the desire to pursue these negotiations as soon as possible through the existing forum of the Geneva Conference. With their encouragement, the President does not intend to miss this moment. He intends to build on the momentum of this weekend to help move toward the goal we share with Arabs and Israel alike—a just and lasting peace in the Middle East.

The PRESIDING OFFICER. The clerk will state the resolution by title.

The legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 417) commending Anwar el Sadat, the President of Egypt, and Menachem Begin, the Prime Minister of Israel.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 417) was agreed to, as follows:

H. CON. RES. 417

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that Anwar el Sadat, the President of Egypt, and Menachem Begin, the Prime Minister of Israel, be commended for the courageous steps they have taken to resolve the differences between their nations and to bring peace between Israel and her Arab neighbors through face to face negotiations in the context of a Geneva conference. We hope this will result in further face to face negotiations which will lead to a comprehensive, just and durable peace.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. BAKER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

DUTY ON INTRAVENOUS FAT EMULSION

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 1904.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the House agree to the amendments of the Senate numbered 1, 2, 3, and 4 to the bill (H.R. 1904) entitled "An Act to suspend until July 1, 1980, the duty on intravenous fat emulsion".

Resolved, That the House agree to the amendment of the Senate numbered 5 to the aforesaid bill with the following amendment:

In lieu of the matter proposed by the said amendment, insert:

SEC. 3. (a)(1) Notwithstanding the provisions of section 514 of the Tariff Act of 1930 (19 U.S.C. 1514) or any other provision of law, the entries listed in paragraph (2) covering certain musical instruments, shall be liquidated or reliquidated and, if appropriate, refund of duties made. Notwithstanding the provisions of General Headnote 3(e) of the Tariff Schedules of the United States (19 U.S.C. 1202) or any other provision of law, for purposes of the liquidations or reliquidations authorized by this subsection, such entries shall be appraised at invoice unit prices net, packed, and shall be subject to duty at the applicable rates set forth in column 1 of such schedules.

(2) The entries referred to in paragraph (1) are as follows:

Entry number:	Date of entry:
100284	July 14, 1972.
100607	July 27, 1973.
101233	August 18, 1972.
101426	September 1, 1972.
101756	September 14, 1972.
102217	October 15, 1973.
102394	October 7, 1971.
102483	October 15, 1971.
102687	November 15, 1971.
102708	July 8, 1973.
102711	November 17, 1971.
102781	October 20, 1972.
103117	December 16, 1971.
103252	November 8, 1972.
103275	December 28, 1971.
103576	November 22, 1972.
103638	November 27, 1972.
104335	December 21, 1972.
104601	March 8, 1972.
104920	January 16, 1973.
105205	April 10, 1972.
105998	May 15, 1972.
105998	March 2, 1973.
106002	May 15, 1972.
106730	June 21, 1972.
106731	June 21, 1972.
106888	June 29, 1972.
103114	December 16, 1971.
108444	June 11, 1973.

(b) In order to permit Jack R. Misner, of North Tonawanda, New York, to complete the renovation of the schooner Panda (entry numbered 902261, September 25, 1972) within the United States (which renovation has been delayed because of material shortages), the Secretary of the Treasury, notwithstanding the provisions of subpart 5C of schedule 8 of the Tariff Schedules of the United States (19 U.S.C. 1202), shall extend the expiration date of the temporary importation bond covering the schooner Panda until the close of September 18, 1977.

Resolved, That the House disagree to the amendment of the Senate numbered 6 to the aforesaid bill.

Resolved, That the House agree to the amendment of the Senate to the title of the bill.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate concur in the House amendment to the Senate amendment numbered 5.

The motion was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate recede from its amendment numbered 6.

The motion was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that it be in order to move to reconsider the vote by which both actions were taken.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I move that the votes be reconsidered.

Mr. BAKER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER TO CONVENE AT 11 A.M. ON THURSDAY, DECEMBER 1, 1977

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, when the Senate convenes on Thursday, it convene at 11 a.m. instead of 10 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, on Thursday it is anticipated that there will be consideration of a conference report on the supplemental appropriations bill (H.R. 9375). There may be other conference reports ready on Thursday, and they may necessitate one or more rollcall votes. We cannot be sure.

RECESS TO 11 A.M., THURSDAY, DECEMBER 1, 1977

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the order previously entered and as a further mark of respect to our late departed colleague, Mr. JOHN MCCLELLAN of Arkansas, that the Senate stand in recess until 11 a.m. on Thursday.

The motion was agreed to and, at 5:24 p.m. the Senate recessed until 11 a.m. Thursday, December 1, 1977.

NOMINATIONS

Executive nominations received after the adjournment of the Senate on November 22, 1977, pursuant to the order of November 4, 1977:

THE JUDICIARY

Paul A. Simmons, of Pennsylvania, to be U.S. district judge for the western district of Pennsylvania, vice Ralph F. Scalera, resigned.

DEPARTMENT OF JUSTICE

Andrew E. Gardner, of North Carolina, to be U.S. marshal for the western district of North Carolina for the term of 4 years, vice Max E. Wilson.

Edward P. Gribben, of South Dakota, to be U.S. marshal for the district of South Dakota for the term of 4 years, vice George L. Tennyson, resigned.

Executive nominations received by the Senate on November 23, 1977, pursuant to the order of the Senate of November 4, 1977:

DEPARTMENT OF ENERGY

Lincoln E. Moses, of California, to be Administrator of the Energy Information Administration (new position).

IN THE PUBLIC HEALTH SERVICE

The following candidates for personnel action in the Regular Corps of the Public Health Service subject to qualifications therefor as provided by law and regulations:

1. For appointment:

To be senior surgeon

Manuel Bustos
Lisa S. Chung
James D. Fett
George I. Lythcott
James W. Lorio
Jalal-Addin Najafi
Joost J. Oppenheim
Stephen C. Pugh
Pierre F. Renault
Arthur J. L. Strauss
Bernard Talbot
Arthur C. Ungerleider

To be surgeon

James M. Arrington
James E. Berner
George S. Bowen
George W. Brown
Jonathan L. Costa
William J. Cunningham
Elmer M. Cranton
Bienvenido E. DeLaPaz
Marlene E. Haffner
Barbara L. Krames
Joseph A. Merchant
Godfrey P. Oakley, Jr.
Frank M. Ochberg
Steven L. Shore
Theodore M. Winitsky

To be senior assistant surgeon

Russell N. Bingham
Jared J. Gardner
Steven D. Helgerson
Stephen P. Heyse
Virginia B. Kopelman
Jeffrey M. Newman
Dana O. Olson
Richard K. Rudy
Roland B. Williams
Loren A. Zech

To be senior dental surgeon

Gene P. Lewis

To be dental surgeon

J. David Erickson
Tommy N. Johnson
Clifford C. Scharke

To be senior assistant dental surgeon

Douglas W. Alderman
Anthony M. Battistella
Patrick C. Blake
Ronald P. Burakoff
Stephen B. Corbin
Richard D. Crockett
Dennis E. Doelle
Robert S. Enders
Douglas B. Fritz
James J. Jan
William R. Maas
Jay M. Marks
Jay B. Maxfield
Victor A. Palmieri
Robert J. Partak
John P. Rossetti
Jerome J. Savel
William A. Shaner III
Wallace G. Smith III
John W. Stahl
Rodney Wong

To be nurse officer

Alicia M. Blessington
Dorothy Deloof
Anne Gray
George A. Hanney
Gilda M. Martoglio
Ina C. Palmer
Dolores M. Staudenrau
Sadie J. Stout
Marilyn K. Vanderven

To be senior assistant nurse officer

Margaret Brady
William P. Emmerling
Richard I. Gerber
Kathleen A. Moore
Vona Poole
Claire A. Travis
Dea Weisman
Daniel J. Walz
Kathleen A. Weber

To be assistant nurse officer

Christine B. Kuehnle
Anne T. Gwiazdowski
James D. Smith

To be sanitary engineer

Gerald K. Falin
John M. Smith

To be senior assistant sanitary engineer

Bruce P. Almich
Alwin L. Dieffenbach
Larry S. Gaynor
Tobias A. Hegdahl
W. Robert Hutson, Jr.
Paul F. Kanitz
Thomas T. Kariya, Jr.
Richard H. Olsher
Carl A. Roth
Elliot A. Shefrin

To be scientist

Melvyn R. Altman
John J. Farmer III
Robert W. Gwadz
Harvey P. Stein
David G. Taylor
Reiko H. True
Charles A. Wells

To be senior assistant scientist

Charles K. Bowles
Laurence J. Doemeny
Donald D. Dollberg
A. Roland Garcia
Thomas B. Shope, Jr.

To be sanitarian

Gregory J. Glahn

To be assistant sanitarian

Kenneth W. Holt
Ervin L. Moore
Gary L. Rothfus

To be veterinary officer

Ronald S. Hines

To be senior assistant veterinary officer

Dennis D. Juranek

To be senior assistant pharmacist

Michael R. Ball
John A. Becher
Thomas M. Budge
Thomas H. Butler
Gary A. Erickson
Dennis R. Gillham
Terrance L. Green
George J. Grimes, Jr.
James W. Hall
Steven K. Halstead
Joseph C. Hostetler
Edwin J. Kirsch
Gary R. Lawless
Eddie R. Lee
Roger L. McGhee
Gregory G. Moeller
Frank J. Nice
Robert W. Pollock
Karl W. Schilling
William B. Sisco
William P. Sleasman
Wayne M. Turner
Paul L. Vance
David S. Weick
Ray D. Westerlage
Eric A. Wynkoop
John B. Young

To be assistant pharmacist

Richard A. Chambers
Roy S. Cram, Jr.
Joan C. Ginetis
Galen R. Goeden
Rodney W. Hill
Janet M. Jones
Paul G. Ketteridge
Nickola L. Kuhn
James W. Little
Robert B. Oshida
Larry A. Pfeifer
Bonnie L. Pitt
Gordon W. Reiter
Ronnie D. Thomas

To be dietitian

Carolyn C. Blackwood

To be senior assistant dietitian

Cynthia L. W. Chung

To be assistant dietitian

Therese E. Bradley
Frank T. Logiudice, Jr.

To be assistant therapist

Mark D. Stoff
Wayne S. Smith

To be health services officer

James H. Cavender
Gayland M. Erikson
Charles M. Kirk
John Rodak, Jr.

To be senior assistant health services officer

Robert N. Burns
Thomas R. Burns
Earl J. Damato
Norman E. Dodds
Lawrence Eldridge
Henry H. Knox
Thomas Loftus
Linda A. Loring
Joel A. Ludlam
Clyde E. Moss, Jr.
Robert J. Ostrowski
Fred M. Randall
Amos A. Slaymaker, Jr.
Cynthia H. Smith
Richard J. Smith III
John J. Whalen

To be assistant health services officer

Jack L. Christy
Paul Durand
Merrel V. Jones, Jr.
Kurt R. Maurer
John L. McCrohan, Jr.
Clifford L. Moseley
Ronald A. Reddick
Donald E. Simpson

IN THE PUBLIC HEALTH SERVICE

The following candidates for personnel action in the Regular Corps of the Public Health Service subject to qualifications therefor as provided by law and regulations:

1. For permanent promotion:

To be medical director

N. Burton Attico
Gerald D. Aurbach
Vincent H. Bono, Jr.
Richard L. Brent
Bertram S. Brown
Willard R. Brown
John L. Cutler
Delbert H. Dayton, Jr.
Vincent A. Discala
S. Paul Ehrlich, Jr.
W. King Engel
Leland L. Fairbanks
James P. Fields
James M. Gilbert
Lorenzo Guzman
John H. Hammann
Alfonso H. Holguin
Robert L. Kaiser
Leonard J. Karlin
James H. Kauth
Sun H. Lau
Edward L. Michals
Wandyr J. Moore
Bayard H. Morrison III
John B. Muth
Ernest V. Nau
Milton Z. Nichaman
Stuart C. Nottingham
Michael Ogden
Gerald H. Payne
James K. Penry
H. McDonald Rimple
James A. Rose
Wesley W. Sikkema
Richard A. Smith
Dean F. Tirador
Robert C. Vanderwagen
Frank L. Zwemer

To be senior surgeon

Charles D. Allen
Costan W. Berard
George R. Brenneman
Lionel H. DeMontigny
John M. Dyer, Jr.
Jack T. Ellis
Ernest Feigenbaum
Robert A. Gotshall, Jr.
Frederick C. Hoesly
Ernest J. Johnson
Albert C. Kolbye, Jr.
Floyd M. Kregenow
John M. Lane
George M. Leiby, Jr.
Richard T. Light
James B. Lucas
Joseph F. Piffat
Peter L. Putnam
Charles R. Stark
Emanuel Stein
Donald A. Swetter
Carl F. Szuter
Bruce D. Tempest
Leo H. Voneuler

To be surgeon

Thomas R. Bender
Michael P. Hudgins
Mark H. Jweig
John A. Knight, Jr.
Laurence J. Platt

To de dental director

Stephen J. Garza
Alfred Hamel
James E. Hamner III
Joe T. Hillsman
Herschel S. Horowitz
Samuel Kakehashi
Kenneth C. Lynn
James A. McTaggart
Joseph P. Moffa, Jr.
Donald C. Reel
Charles R. Robinson
George B. Spruce, Jr.
Theodore G. Strenski
Leo Trusewitsch
Daniel F. Whiteside

To be senior dental surgeon

William F. Bird
William B. Bock
James N. Bogden
Edward B. Dowd
Paul D. Frazier
Lester B. Hilborn
Winslow B. Lee
Rollie W. Lyman
Martin L. MacIntyre
Gerald S. Morrill
John H. Reiber
Emil L. Rigg
Glenn W. Smith
Thomas M. Tarpley, Jr.
Blair W. Thurgood

To be dental surgeon

C. Michael Beck
Stephen R. Curtice
John L. Drager
Howard L. Kelly
Channing D. Smith
John R. Sundell
Ronald M. Weitz
William J. Williams

To be nurse director

Marion N. Keagle
Mary R. A. Kennedy
Agnes M. Newell
Virginia K. Saba

To be senior nurse officer

Juanita M. Barkley
Rose A. Britanak
Bertha E. Bryant
Margaret J. Howe
Pauline R. Jones
Jane Ann Moretto
Barbara A. Rolling
Frances M. Snyder
Jerry L. Weston

To be senior assistant nurse officer

Carl P. Perilla

To be sanitary engineer director

Thomas N. Hushower
Paul A. Kenline
Delbert A. Larson
Leroy G. Martin

To be senior sanitary engineer

James R. Buchtel
Richard A. Coddington
Donald G. Fox
Floyd L. Galpin
Charles D. Larson
Rodger L. Leupold
Lee R. Lunsford
Donald W. Mantay
Ronald A. Popkin
John T. Talty
Ronald A. Venezia
William L. Wagner

To be sanitary engineer

David W. Alton
Francis W. Bennett
Bruce T. Ferris
Henry M. Holman
Douglas L. Johnson
Theodore Levin
William H. Stroup
Darryl D. Tyler

To be senior assistant sanitary engineer

Gordon H. Wilcox

To be scientist director

Richard L. Blanchard
Gerald D. Brooks
Richard W. Gerhardt
Stanley Glenn
George P. Healy
Billie E. Jones
Fortune V. Mannino
Peter B. Smith
Conrad E. Yunker

To be senior scientist

Bobby F. Craft
William P. Kirk II
Melvin J. Meketon
Frank A. Pedersen
Kenneth O. Phifer

To be scientist

Bobby D. Brayboy
Michael A. Ricciutti
Hugh S. Sloan, Jr.

To be sanitarian director

Ramon E. Barea
John L. Dietemann
Gerald I. Goldschmidt
Harold E. Knight
David S. Reid
J. W. Stacy
Charles S. Stanley
Robert A. Stevens
Robert W. Wilson

To be senior sanitarian

James M. Cox
Harry A. Doutt
Thomas A. Ford, Jr.
Richard W. Gillespie
Robert M. Hallisey
James H. Hensley
Matthew C. Lynch
Frank W. Mackison
Wendell C. McElwee
Eugene R. Meyer
David B. Moses
Stephen J. Pijar
David R. Snavely
Corwin D. Strong
Robert J. Weatherby

To be sanitarian

Wayne A. Bliss
Troy W. Cole
William A. Kingsbury
Truman L. McCasland

To be veterinary officer director

Everette F. Baker, Jr.
Robert P. Botts
Joe R. Held
Roy F. Kinard, Jr.
Paul D. Lambert
William T. London
Carl E. Miller
Walter Moore, Jr.
Carl D. Olsen
Jerry F. Stara

To be senior veterinary officer

George L. Clarke
Donald K. Hinkle
Arnold F. Kaufmann
William G. Winkler

To be veterinary officer

Francis W. Chandler, Jr.

To be pharmacist director

Donald B. Hare

To be senior pharmacist

Fred Angres
Norman L. Dunfee
John J. Lucas
Donald E. Mabry
William A. Millar II
Thomas B. Poux
Roger W. Tenney
Clair G. Wetmore

To be pharmacist

William H. Caldwell
John S. Cipriano
Charles W. Cook
James C. Cradock
Gayle R. Dolecek
Aubrie L. Duncan
Vincent J. Fierro
John T. Harlowe
James A. Keene
William H. Kehoe, Jr.
Mary L. Pengelly
Theodore B. Pukas
Jerome C. Short

To be senior assistant pharmacist

Alfredo Matiella, Jr.
David J. Morgan
Donald C. Peters
Robert M. Shelley
Gary E. Work
Tommy L. Worth

To be dietitian director

Esther C. Namian
Audrey J. Paulbitski

To be senior dietitian

A. Eileen Murnin
Elizabeth K. Witter

To be senior assistant dietitian

Cathy A. Tonjes
Mary P. Wolf

To be therapist director

John L. Echternach
Norma J. Ewan
Michael J. Oliva
Walter S. Sekiya
Donald E. Shipley

To be senior therapist

C. Douglas Billion
Kingsley M. Miner
Herbert R. Pruett
Frank H. Troske, Jr.
James L. Witt

To be therapist

Robert K. Baus
Judith V. Culver

To be senior assistant therapist

Harold W. Egbert
Andrew L. Smith

To be health services director

Karst J. Besteman
Lawrence D. Burke
Isom H. Herron III
Joseph K. Owen
John F. Roatch
Chandler C. Waggoner

To be senior health services officer

Richard H. Gaulke
Frederick E. Hamblet
James M. Hardin
Robert F. Hickman
Peter E. Kauffman
Ralph D. Myhre
A. Robert Polcari
Roger H. Schneider
Ronald L. Shearin
Richard L. Varner

To be health services officer

John C. Bernson
Joel G. Bostrom
Alfred H. Campbell
John H. Eilert, Jr.
James B. Gill, Jr.
Carl G. Leukefeld
Edwin A. Miller
Earl A. Pearson
John H. Peterson
Martiniano R. Sandoval
Donald R. Soeken
Wilbur F. Vanpelt
George J. Vasconcelos
David E. Weber

To be senior assistant health services officer

Ronald E. Basil
James M. Harmon
Alejandro R. Montanez
James F. Neighbors
Gary B. Utter
Gordon H. Wilcox

IN THE ARMY

The following-named officers for promotion in the Reserve of the Army of the United States, under the provisions of title 10, U.S.C., sections 3370 and 3383:

ARMY PROMOTION LIST

To be colonel

Abeyta, Salomon, xxx-xx-xxxx.
Acohido, Ben V., xxx-xx-xxxx.
Adams, Adran D., xxx-xx-xxxx.
Adams, Harold R., xxx-xx-xxxx.
Adams, James R., xxx-xx-xxxx.
Agersinger, Donald, xxx-xx-xxxx.
Aleixo, Edward F., xxx-xx-xxxx.
Alexander, William, xxx-xx-xxxx.
Andersh, Laverne, xxx-xx-xxxx.
Anderson, Chester M., xxx-xx-xxxx.
Anderson, Robert R., xxx-xx-xxxx.
Armstrong, Robert A., xxx-xx-xxxx.
Arnold, Charles E., xxx-xx-xxxx.
Arnold, Joseph R., xxx-xx-xxxx.
Ashmore, Charles B., xxx-xx-xxxx.
Ather, Stanley S., xxx-xx-xxxx.
Atwell, Charles A., xxx-xx-xxxx.
Aultman, Dorrance, xxx-xx-xxxx.
Austin, James K., xxx-xx-xxxx.
Baer, John Gilbert, xxx-xx-xxxx.
Baker, Arnold W., xxx-xx-xxxx.
Baker, Donovan J., xxx-xx-xxxx.
Baker, James, xxx-xx-xxxx.
Banchefsky, Howard, xxx-xx-xxxx.
Barker, George E., xxx-xx-xxxx.
Barnett, John C., xxx-xx-xxxx.
Barnette, Anderson, xxx-xx-xxxx.
Barrie, James W., xxx-xx-xxxx.
Barry, Dennis P., xxx-xx-xxxx.
Barry, Earl C., xxx-xx-xxxx.
Barry, Francis P., xxx-xx-xxxx.
Bartlett, Don W., xxx-xx-xxxx.
Barton, James R., xxx-xx-xxxx.
Barton, Thomas B., xxx-xx-xxxx.
Bartsch, Joseph F., xxx-xx-xxxx.
Bass, Harry I., xxx-xx-xxxx.
Bauman, Richard J., xxx-xx-xxxx.
Baumgartner, Edward, xxx-xx-xxxx.
Beckett, Eugene F., xxx-xx-xxxx.
Begasse, Bruce K., xxx-xx-xxxx.
Beill, Leo P., xxx-xx-xxxx.
Bell, Raymond E., Jr., xxx-xx-xxxx.
Bendl, Charles, Jr., xxx-xx-xxxx.
Bennet, William J., xxx-xx-xxxx.
Bennett, Wilmer L., xxx-xx-xxxx.
Berg, Wilbert Louis, xxx-xx-xxxx.
Best, Louis E., xxx-xx-xxxx.
Biediger, Paul N., xxx-xx-xxxx.
Birch, Robert D., xxx-xx-xxxx.
Bishop, Donald G., xxx-xx-xxxx.
Bissell, Allen H., xxx-xx-xxxx.
Bittelari, Thomas J., xxx-xx-xxxx.
Blackburn, Charles, xxx-xx-xxxx.
Blackwell, Robert E., xxx-xx-xxxx.
Bleese, Verle M., xxx-xx-xxxx.
Boals, Bruce R., xxx-xx-xxxx.
Boddington, David L., xxx-xx-xxxx.
Bogle, Robert L., xxx-xx-xxxx.
Bolz, Eric H., xxx-xx-xxxx.
Bonenfant, Norman H., xxx-xx-xxxx.
Bonnick, William A., xxx-xx-xxxx.
Borges, Hermogenes, xxx-xx-xxxx.
Bosse, Charles F., xxx-xx-xxxx.
Bottani, Aldo A., Jr., xxx-xx-xxxx.
Bowden, Reuben L., xxx-xx-xxxx.
Boyes, Arvid C., xxx-xx-xxxx.
Boyett, Donald L., xxx-xx-xxxx.
Branstetter, Charles, xxx-xx-xxxx.
Brewster, Richard E., xxx-xx-xxxx.
Briggs, Roy E., Jr., xxx-xx-xxxx.
Briney, James R., xxx-xx-xxxx.
Brokmann, Charles H., xxx-xx-xxxx.
Brown, Bruce L., xxx-xx-xxxx.
Brown, Clifford M., xxx-xx-xxxx.
Brown, James D., xxx-xx-xxxx.
Brown, William G., xxx-xx-xxxx.
Brown, William R., xxx-xx-xxxx.
Brownstein, Richard, xxx-xx-xxxx.
Broyles, Paul L., xxx-xx-xxxx.
Brumbaugh, G., xxx-xx-xxxx.
Brumfield, Darrell, xxx-xx-xxxx.
Brunett, Robert J., xxx-xx-xxxx.
Bryant, James C., xxx-xx-xxxx.
Bryson, William M., xxx-xx-xxxx.
Bugh, Ernest B., Jr., xxx-xx-xxxx.
Bulette, Warren C. J., xxx-xx-xxxx.
Burroughs, Clyde K., xxx-xx-xxxx.
Burrous, Reeford G., xxx-xx-xxxx.
Burstyn, Irving R., xxx-xx-xxxx.
Bushong, Stuart A., xxx-xx-xxxx.
Caldwell, Darrol D., xxx-xx-xxxx.
Califano, Leonard E., xxx-xx-xxxx.
Campbell, Alex B., xxx-xx-xxxx.
Capellen, Earle M. V., xxx-xx-xxxx.
Carlisle, Harold W., xxx-xx-xxxx.
Carnathan, Edward E., xxx-xx-xxxx.
Carranza, Jesus, Jr., xxx-xx-xxxx.
Carter, Carl V., xxx-xx-xxxx.
Carter, John A., xxx-xx-xxxx.
Carter, John L., xxx-xx-xxxx.
Carville, Lawrence, xxx-xx-xxxx.
Caserta, Anthony S., xxx-xx-xxxx.
Ceder, Robert W., xxx-xx-xxxx.
Chick, Charles E., xxx-xx-xxxx.
Choate, Ben P., Jr., xxx-xx-xxxx.
Clardy, James D., xxx-xx-xxxx.
Clark, Chapin D., xxx-xx-xxxx.
Clark, Thomas M., xxx-xx-xxxx.
Clark, William L., xxx-xx-xxxx.
Clawson, Dan Walter, xxx-xx-xxxx.
Cleary, Francis J. J., xxx-xx-xxxx.
Cleland, Charles H., xxx-xx-xxxx.
Clemons, Phillip L., xxx-xx-xxxx.
Cockett, Irwin K., Jr., xxx-xx-xxxx.
Cockrell, Paul J., xxx-xx-xxxx.
Codd, William C., xxx-xx-xxxx.
Codino, Albert, xxx-xx-xxxx.
Cody, William P., xxx-xx-xxxx.
Collier, William, xxx-xx-xxxx.
Collins, Paul G., xxx-xx-xxxx.
Collins, Thomas A., xxx-xx-xxxx.
Conner, Charles, Jr., xxx-xx-xxxx.
Coruthers, John M., xxx-xx-xxxx.
Cox, James A., xxx-xx-xxxx.
Craig, James T., xxx-xx-xxxx.
Craig, Kenneth R., xxx-xx-xxxx.
Craker, Philip E., xxx-xx-xxxx.
Cramer, William M., xxx-xx-xxxx.
Crowley, Robert F., xxx-xx-xxxx.
Cude, Horace G., xxx-xx-xxxx.
Culbertson, James G., xxx-xx-xxxx.
Cullen, Charles M., xxx-xx-xxxx.
Dacosta, Albert, xxx-xx-xxxx.
Dame, John H., xxx-xx-xxxx.
Dattilio, Anthony P., xxx-xx-xxxx.
Davis, Edward R., xxx-xx-xxxx.
Davis, Robert J., Jr., xxx-xx-xxxx.
Davis, Thomas W., xxx-xx-xxxx.
Day, John E., Jr., xxx-xx-xxxx.
Day, Richard K., xxx-xx-xxxx.
Dechert, Robert C., xxx-xx-xxxx.
Demasi, Henri A., xxx-xx-xxxx.
Demers, Norman R., xxx-xx-xxxx.
Desanti, Joseph A., xxx-xx-xxxx.
Dewhirst, William S., xxx-xx-xxxx.
Deyo, Donald J., xxx-xx-xxxx.
Dietz, James J., xxx-xx-xxxx.
Dillmeier, Robbert A., xxx-xx-xxxx.
Dixon, Julius C., xxx-xx-xxxx.
Doherty, Philip B., xxx-xx-xxxx.
Doitteau, Rafael, xxx-xx-xxxx.
Donarski, Steven F., xxx-xx-xxxx.
Donnelly, Clarence, xxx-xx-xxxx.
Doyel, Henry A., xxx-xx-xxxx.
Drew, David J., xxx-xx-xxxx.
Dubow, David A., xxx-xx-xxxx.
Dunham, Theo Karl, xxx-xx-xxxx.
Dworkin, Herman, xxx-xx-xxxx.
Eades, Jermoe W., xxx-xx-xxxx.
Eads, Ray A., xxx-xx-xxxx.
Eagerton, Charles W., xxx-xx-xxxx.
Eakes, Joe O., xxx-xx-xxxx.
Edmondson, Jack L., xxx-xx-xxxx.
Ehrhardt, Richard E., xxx-xx-xxxx.
Ehrlich, Bernard G., xxx-xx-xxxx.
Ellison, William R., xxx-xx-xxxx.
Erdahl, Ervin D., xxx-xx-xxxx.
Erickson, William F., xxx-xx-xxxx.
Estrella, John R., xxx-xx-xxxx.
Fallgren, John R., xxx-xx-xxxx.
Farmer, Thomas D., xxx-xx-xxxx.
Farr, Richard, xxx-xx-xxxx.
Farrell, Thomas J., xxx-xx-xxxx.
Fastabend, Robert E., xxx-xx-xxxx.
Feeney, Linwood K., xxx-xx-xxxx.
Feisley, James L., xxx-xx-xxxx.
Felton, John W., xxx-xx-xxxx.
Ferguson, Charles R., xxx-xx-xxxx.
Fields, William E., xxx-xx-xxxx.
Finck, John Andrew, xxx-xx-xxxx.
Fink, David Harris, xxx-xx-xxxx.
Fandro, Scott C., xxx-xx-xxxx.
Fleishman, Stuart J., xxx-xx-xxxx.
Fleming, David F., xxx-xx-xxxx.

Fleming, Samuel E. J., xxx-xx-xxxx.
Flesch, John J., xxx-xx-xxxx.
Follett, Don H., Jr., xxx-xx-xxxx.
Foreman, Johnnie J., xxx-xx-xxxx.
Fox, Daniel O., xxx-xx-xxxx.
Franck, Charles O., xxx-xx-xxxx.
Frank, Norman, xxx-xx-xxxx.
Franklin, Roosevelt, xxx-xx-xxxx.
Free, Woodrow A., xxx-xx-xxxx.
Frice, Gene Merrill, xxx-xx-xxxx.
Fruslone, Daniel, xxx-xx-xxxx.
Fukushima, Takeshi, xxx-xx-xxxx.
Fuszard, Richard G., xxx-xx-xxxx.
Gaffigan, William J., xxx-xx-xxxx.
Gairaud, Louis M., xxx-xx-xxxx.
Gallear, Darrell C., xxx-xx-xxxx.
Galloway, Joseph E., xxx-xx-xxxx.
Ganley, Paul L., Jr., xxx-xx-xxxx.
Garber, Lewis C., xxx-xx-xxxx.
Garber, Philip C., xxx-xx-xxxx.
Gardner, Matthew L., xxx-xx-xxxx.
Garner, James H., xxx-xx-xxxx.
Gaskins, Leonard L., xxx-xx-xxxx.
Gaston, Joseph Earl, xxx-xx-xxxx.
Gautier, Augusto R., xxx-xx-xxxx.
Gay, George A., xxx-xx-xxxx.
Gaydos, Theodore, xxx-xx-xxxx.
Geiger, Melvin H., xxx-xx-xxxx.
Geis, Donaldl F., xxx-xx-xxxx.
Gemmell, Thomas M., xxx-xx-xxxx.
Gerke, George L., xxx-xx-xxxx.
Gezelman, Ralph Lee, xxx-xx-xxxx.
Gibson, Robert P., xxx-xx-xxxx.
Gilmore, Harold L., xxx-xx-xxxx.
Gong, Chung C., xxx-xx-xxxx.
Gonzalez, Carlos, xxx-xx-xxxx.
Gordon, Charles E., xxx-xx-xxxx.
Gorton, Merl D., xxx-xx-xxxx.
Grady, Harold E., xxx-xx-xxxx.
Grass, Lucian J., xxx-xx-xxxx.
Gray, Joe Edwin, xxx-xx-xxxx.
Gray, Martin S., xxx-xx-xxxx.
Greco, Francis G., xxx-xx-xxxx.
Green, Carey W., Jr., xxx-xx-xxxx.
Grenci, Albert R., xxx-xx-xxxx.
Grossenbacher, Julius C., Jr., xxx-xx-xxxx.
Grove, James B., xxx-xx-xxxx.
Grzymkowski, Walter, xxx-xx-xxxx.
Gutzwiller, Clyde E., xxx-xx-xxxx.
Hackett, Stephen W., xxx-xx-xxxx.
Haile, Joseph F., xxx-xx-xxxx.
Hall, Daniel M., xxx-xx-xxxx.
Hall, Jack Richard, xxx-xx-xxxx.
Hall, Russell C., xxx-xx-xxxx.
Hallmark, Estle H., xxx-xx-xxxx.
Hanson, Harry C., xxx-xx-xxxx.
Hardman, Howard C., xxx-xx-xxxx.
Hardy, Donald C., xxx-xx-xxxx.
Harmison, Herbert A., xxx-xx-xxxx.
Harris, Compton T., xxx-xx-xxxx.
Harris, William I., xxx-xx-xxxx.
Hawkins, James C., xxx-xx-xxxx.
Heaton, Jerry W., xxx-xx-xxxx.
Hedges, Donald H., xxx-xx-xxxx.
Heiden, Charles V., xxx-xx-xxxx.
Helm, Lewis M., xxx-xx-xxxx.
Helmer, Robert D., xxx-xx-xxxx.
Hemken, Daryl D., xxx-xx-xxxx.
Henderson, Howard, xxx-xx-xxxx.
Henderson, Jimmy D., xxx-xx-xxxx.
Henderson, Lee A., xxx-xx-xxxx.
Heneman, Allen S., xxx-xx-xxxx.
Hennelly, W. P., xxx-xx-xxxx.
Herbert, Curtis B., xxx-xx-xxxx.
Hermann, James A., xxx-xx-xxxx.
Herner, Harlan C., xxx-xx-xxxx.
Herring, Marlin J., xxx-xx-xxxx.
Heyward, James R., xxx-xx-xxxx.
Hickey, Joseph A., xxx-xx-xxxx.
Higgins, Harold H., xxx-xx-xxxx.
Hill, Dennis C., xxx-xx-xxxx.
Hill, Edward H., xxx-xx-xxxx.
Hill, Walter L., xxx-xx-xxxx.
Hine, John M., xxx-xx-xxxx.
Hodgson, Joseph M., xxx-xx-xxxx.
Honick, Al B., xxx-xx-xxxx.
Hoo, Edmund Bung Ho, xxx-xx-xxxx.
Horgan, Francis J., xxx-xx-xxxx.
Howard, Robert Dean, xxx-xx-xxxx.
Howard, Willie T., xxx-xx-xxxx.
Hoyt, George W., xxx-xx-xxxx.
Hraha, Francis M., xxx-xx-xxxx.
Huber, James J., xxx-xx-xxxx.
Hyams, Harry T., xxx-xx-xxxx.
Hyatt, Ronald W., xxx-xx-xxxx.
Ikeda, Moss M., xxx-xx-xxxx.
Ing, Melvin G., xxx-xx-xxxx.
Innes, Von A., xxx-xx-xxxx.
Ishikawa, Richard, xxx-xx-xxxx.
Jackson, Alan R., xxx-xx-xxxx.
Jackson, Arthur G., xxx-xx-xxxx.
Jackson, Ray L., xxx-xx-xxxx.
Jambura, John W., xxx-xx-xxxx.
James, William T., xxx-xx-xxxx.
Janes, Robert P., xxx-xx-xxxx.
Jarvis, Dwight C., xxx-xx-xxxx.
Jenkins, Charles, xxx-xx-xxxx.
Johnson, Harold W. J., xxx-xx-xxxx.
Johnson, Jeremy W., xxx-xx-xxxx.
Johnson, Louis W., xxx-xx-xxxx.
Johnson, Milton R., xxx-xx-xxxx.
Johnston, John J., xxx-xx-xxxx.
Jones, Alvin W., xxx-xx-xxxx.
Jones, James W., xxx-xx-xxxx.
Jones, Roy L., xxx-xx-xxxx.
Jones, William M., xxx-xx-xxxx.
Joy, Sherwood H., xxx-xx-xxxx.
Kaardal, Elmer A., xxx-xx-xxxx.
Kachmar, Robert J., xxx-xx-xxxx.
Kane, Frank E., xxx-xx-xxxx.
Karrh, Tobe C., xxx-xx-xxxx.
Kass, Donald F., xxx-xx-xxxx.
Katz, Robert N., xxx-xx-xxxx.
Keller, Lawrence A., xxx-xx-xxxx.
Kelley, Timothy, xxx-xx-xxxx.
Kelly, Billy B., xxx-xx-xxxx.
Kelly, Samuel P., xxx-xx-xxxx.
Kennon, Floyd L., Jr., xxx-xx-xxxx.
Kent, James H., xxx-xx-xxxx.
Killian, Charles W., xxx-xx-xxxx.
Kimmel, Herbert R., xxx-xx-xxxx.
Kimura, Tom T., xxx-xx-xxxx.
Kinon, Marion H., xxx-xx-xxxx.
Kittelson, Walter G., xxx-xx-xxxx.
Knowles, Charles A., xxx-xx-xxxx.
Koehler, Rodney G., xxx-xx-xxxx.
Kone, Charles H., xxx-xx-xxxx.
Kotch, Joseph R., xxx-xx-xxxx.
Kottsick, Virgil R., xxx-xx-xxxx.
Koufos, George, xxx-xx-xxxx.
Krinke, Gordon C., xxx-xx-xxxx.
Kruger, Arthur J., xxx-xx-xxxx.
Kuba, William F., xxx-xx-xxxx.
Kurland, Bert, xxx-xx-xxxx.
Kurman, Edward S., xxx-xx-xxxx.
Kurtz, George W., xxx-xx-xxxx.
Laakso, Charles L., xxx-xx-xxxx.
Labuff, John B., xxx-xx-xxxx.
LaChance, Philip A., xxx-xx-xxxx.
Lakier, Saul W., xxx-xx-xxxx.
Lala, Angelo Peter, xxx-xx-xxxx.
Lambremont, Edward, xxx-xx-xxxx.
Lampman, Audis E., xxx-xx-xxxx.
Lander, Richard J., xxx-xx-xxxx.
Landstrom, Lyle G., xxx-xx-xxxx.
Langer, Milton F., xxx-xx-xxxx.
Larkin, Charles W., xxx-xx-xxxx.
Larsen, Robert W., xxx-xx-xxxx.
Larson, Harold L., xxx-xx-xxxx.
Layton, Gary E., xxx-xx-xxxx.
Leahy, Joseph F., xxx-xx-xxxx.
Leavitt, Charles W., xxx-xx-xxxx.
LeClaire, James F., xxx-xx-xxxx.
Lee, Charles W., xxx-xx-xxxx.
Lefebvre, Alton Ray, xxx-xx-xxxx.
Leon, Gustavo A., xxx-xx-xxxx.
Lett, Lincoln J., xxx-xx-xxxx.
Lett, Thomas E., xxx-xx-xxxx.
Lewis, Alvin John, xxx-xx-xxxx.
Lewis, John Earl, xxx-xx-xxxx.
Lewis, Robert O., xxx-xx-xxxx.
Linton, John Robert, xxx-xx-xxxx.
Lippert, Laverne F., xxx-xx-xxxx.
Listi, Eugene G., xxx-xx-xxxx.
Logue, Thomas Otto, xxx-xx-xxxx.
Lord, Carl W., xxx-xx-xxxx.
Lucas, Clarence A., xxx-xx-xxxx.
Lucas, Claude D., xxx-xx-xxxx.
Lucke, Arnold S., xxx-xx-xxxx.
Lundquist, Carl W., xxx-xx-xxxx.
Lurtey, Henry L., xxx-xx-xxxx.
Lyle, Richard E., xxx-xx-xxxx.
Lynch, Robert F., xxx-xx-xxxx.
MacBurney, Robert C., xxx-xx-xxxx.
MacFadden, Richard, xxx-xx-xxxx.
Machno, Edward J., xxx-xx-xxxx.
Mackert, William C., xxx-xx-xxxx.
Madigan, Edward F., xxx-xx-xxxx.
Mahach, Raymond J., xxx-xx-xxxx.
Mahoney, Francix X., xxx-xx-xxxx.
Mahoney, Harley R., xxx-xx-xxxx.
Maier, John A., xxx-xx-xxxx.
Mallett, Edmund I., xxx-xx-xxxx.
Maloney, James, xxx-xx-xxxx.
Mancini, Alfonso R., xxx-xx-xxxx.
Mangskau, Dale N., xxx-xx-xxxx.
Mann, Dean D., xxx-xx-xxxx.
Manutes, Nicholas J., xxx-xx-xxxx.
Marfull, Rene S., xxx-xx-xxxx.
Marholz, Duane J., xxx-xx-xxxx.
Marostica, Lawrence, xxx-xx-xxxx.
Martin, Robert D., xxx-xx-xxxx.
Martinez, Samuel A., xxx-xx-xxxx.
Mason, Theodore B., xxx-xx-xxxx.
Matuszewski, M. J., Jr., xxx-xx-xxxx.
Matyus, George R., xxx-xx-xxxx.
Mazzone, Thomas W., xxx-xx-xxxx.
McBarron, James F., xxx-xx-xxxx.
McClendon, Joe M., xxx-xx-xxxx.
McCluer, Leon J., xxx-xx-xxxx.
McCormack, Glen R., xxx-xx-xxxx.
McCullough, Joseph, xxx-xx-xxxx.
McDaniels, Homer A., xxx-xx-xxxx.
McDonald, Henry E., xxx-xx-xxxx.
McGillen, William D., xxx-xx-xxxx.
McHenry, Allen E., xxx-xx-xxxx.
McLeod, Claude H., xxx-xx-xxxx.
McMeekin, James L., xxx-xx-xxxx.
McMillan, David V., xxx-xx-xxxx.
McMullen, Harry A., xxx-xx-xxxx.
McPhaul, Elbert, xxx-xx-xxxx.
McPherson, Hubert L., xxx-xx-xxxx.
McWilliam, Robert, xxx-xx-xxxx.
Meekins, Eugene B. J., xxx-xx-xxxx.
Meilstrup, Jack E., xxx-xx-xxxx.
Meixner, Allan R., xxx-xx-xxxx.
Merchant, Robert L., xxx-xx-xxxx.
Merrill, Edwin F., xxx-xx-xxxx.
Mickelson, Dwane E., xxx-xx-xxxx.
Middleton, Charles, xxx-xx-xxxx.
Miller, Nicholas M., xxx-xx-xxxx.
Miller, Robert F., xxx-xx-xxxx.
Miller, Walter W., xxx-xx-xxxx.
Mills, Ralph F., xxx-xx-xxxx.
Mitchell, George, xxx-xx-xxxx.
Mitchell, James L., xxx-xx-xxxx.
Mixon, Earl L., xxx-xx-xxxx.
Modeas, Harry G., xxx-xx-xxxx.
Mohr, Charles G., xxx-xx-xxxx.
Moore, David P., xxx-xx-xxxx.
Moore, Ottie J., xxx-xx-xxxx.
Moore, William E., xxx-xx-xxxx.
Morgan, William D. J., xxx-xx-xxxx.
Morin, Remi, xxx-xx-xxxx.
Morris, William L., xxx-xx-xxxx.
Moseley, George H., xxx-xx-xxxx.
Mulvey, James J., xxx-xx-xxxx.
Murphy, Francis M., xxx-xx-xxxx.
Myers, Oliver W., xxx-xx-xxxx.
Myrick, Ronald F., xxx-xx-xxxx.
Nau, James J., xxx-xx-xxxx.
Neal, Joseph L., xxx-xx-xxxx.
Neer, Lawrence A., xxx-xx-xxxx.
Nelson, Arnold W., xxx-xx-xxxx.
Nelson, Dallas E., xxx-xx-xxxx.
Neuvar, Erwin W., xxx-xx-xxxx.
Newberry, Merwin R., xxx-xx-xxxx.
Newton, Malcolm M., xxx-xx-xxxx.
Nichols, Sherman E., xxx-xx-xxxx.
Nicholson, Brown, xxx-xx-xxxx.
Nielsen, Chris, Jr., xxx-xx-xxxx.
Nissen, Edward M., xxx-xx-xxxx.
Nix, James E., xxx-xx-xxxx.
Noll, Arthur W., xxx-xx-xxxx.
Nolley, Edwin F., xxx-xx-xxxx.
Norris, Robert O., xxx-xx-xxxx.
Nottingham, Paul T., xxx-xx-xxxx.
Obert, Karl A., xxx-xx-xxxx.
Olive, Charles E., xxx-xx-xxxx.
Oliver, James W., xxx-xx-xxxx.
O'Neil, John J., xxx-xx-xxxx.
Orphe, Wilson, xxx-xx-xxxx.
Orr, Norman E., xxx-xx-xxxx.

Pace, Everett L., xxx-xx-xxxx
Palmateer, Albert G., xxx-xx-xxxx
Panciera, Kenneth H., xxx-xx-xxxx
Parkhill, Roland L., xxx-xx-xxxx
Parks, Donald F., xxx-xx-xxxx
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Patton, Devon K., xxx-xx-xxxx
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Pavlow, George, xxx-xx-xxxx
Pedersen, Leonard M., xxx-xx-xxxx
Pelfrey, James A., xxx-xx-xxxx
Penton, Ben H., xxx-xx-xxxx
Pereira, Percival E., xxx-xx-xxxx
Perkins, Edward C., xxx-xx-xxxx
Petri, John, Jr., xxx-xx-xxxx
Pettit, Robert S., xxx-xx-xxxx
Pfeiffer, Thomas H., xxx-xx-xxxx
Phillips, James G., xxx-xx-xxxx
Pickerill, Everett, xxx-xx-xxxx
Pigg, Charles L., xxx-xx-xxxx
Pirrello, Mario, xxx-xx-xxxx
Plavnick, Robert L., xxx-xx-xxxx
Pleasant, Ernest R., xxx-xx-xxxx
Pobuk, John, xxx-xx-xxxx
Pogue, J. E., xxx-xx-xxxx
Pointer, Frank M., xxx-xx-xxxx
Pope, Walter V., xxx-xx-xxxx
Poston, Mendel L., xxx-xx-xxxx
Prater, John Luther, xxx-xx-xxxx
Proctor, Orval D., xxx-xx-xxxx
Psomiades, Harry J., xxx-xx-xxxx
Pulket, Arthur W., xxx-xx-xxxx
Pursley, Frank J., xxx-xx-xxxx
Purtle, Herbert G., xxx-xx-xxxx
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Queally, Justin M., xxx-xx-xxxx
Quigley, Maurice, xxx-xx-xxxx
Quimbey, Byron E., xxx-xx-xxxx
Ranald, Ralph A., xxx-xx-xxxx
Remich, Antone F., xxx-xx-xxxx
Reybold, William U., xxx-xx-xxxx
Rhoads, Russell E., xxx-xx-xxxx
Rhue, William A., xxx-xx-xxxx
Richard, Marland H., xxx-xx-xxxx
Richburg, Lonnie C., xxx-xx-xxxx
Rishel, Darrell F., xxx-xx-xxxx
Roberts, John L., xxx-xx-xxxx
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Robinette, Joe A., xxx-xx-xxxx
Robinson, Ernest P., xxx-xx-xxxx
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Rohena, Santos, Jr., xxx-xx-xxxx
Roland, Alan C., xxx-xx-xxxx
Ross, Charles F., xxx-xx-xxxx
Russell, Gordon C., xxx-xx-xxxx
Russell, J. Frank, Jr., xxx-xx-xxxx
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Ryan, James A., xxx-xx-xxxx
Sachse, Victor, xxx-xx-xxxx
Santelli, John O., xxx-xx-xxxx
Sarnecki, Aloysius, xxx-xx-xxxx
Saxton, Richard W., xxx-xx-xxxx
Schell, Richard L., xxx-xx-xxxx
Schmitz, Daniel C., xxx-xx-xxxx
Scholl, Edwin R., Jr., xxx-xx-xxxx
Schoonover, William, xxx-xx-xxxx
Schulman, Ellsworth, xxx-xx-xxxx
Schultz, Joseph W., xxx-xx-xxxx
Schumm, Brooke, Jr., xxx-xx-xxxx
Schweikert, James F., xxx-xx-xxxx
Scott, Harry A., Jr., xxx-xx-xxxx
Schribner, John C. L., xxx-xx-xxxx
Sharp, Edgar B., xxx-xx-xxxx
Shaw, Victor H., Jr., xxx-xx-xxxx
Sherrill, James W., xxx-xx-xxxx
Shields, Claude W., xxx-xx-xxxx
Shimkus, Daniel F., xxx-xx-xxxx
Shimp, William B., xxx-xx-xxxx
Shoemaker, Theodore, xxx-xx-xxxx
Shuler, Ashton A., xxx-xx-xxxx
Shyvers, Richard P., xxx-xx-xxxx
Sills, Donal J., xxx-xx-xxxx
Simmons, Ralph E., xxx-xx-xxxx
Simoneaux, Frank P., xxx-xx-xxxx
Simpson, James L., xxx-xx-xxxx
Simpson, William R., xxx-xx-xxxx
Sims, Robert E., xxx-xx-xxxx
Single, Robert M., xxx-xx-xxxx
Smith, Curvin C., xxx-xx-xxxx
Smith, Eugene P., xxx-xx-xxxx
Smith, Glenn, xxx-xx-xxxx
Smith, Jerald G., xxx-xx-xxxx
Smith, Jesse M., xxx-xx-xxxx
Smith, Thomas W., xxx-xx-xxxx
Snowden, James E., xxx-xx-xxxx
Snyder, Theodore A., xxx-xx-xxxx
Stanberry, Jim D., xxx-xx-xxxx
Stankewich, Joseph, xxx-xx-xxxx
Stansberry, Robert, xxx-xx-xxxx
Sterba, Richard R., xxx-xx-xxxx
Stevens, Louis A., xxx-xx-xxxx
Storer, Duane L., xxx-xx-xxxx
Stottlebower, J., xxx-xx-xxxx
Straus, James D., xxx-xx-xxxx
Strukel, Jack, Jr., xxx-xx-xxxx
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Sullivan, John F., xxx-xx-xxxx
Suveg, Zoltan Steve, xxx-xx-xxxx
Swan, Valentine A., xxx-xx-xxxx
Swearingen, Douglas, xxx-xx-xxxx
Sweeney, Jack W., xxx-xx-xxxx
Sweetman, Russell E., xxx-xx-xxxx
Szablewski, Stanley, xxx-xx-xxxx
Taylor, Harry R., xxx-xx-xxxx
Taylor, Henry, xxx-xx-xxxx
Taylor, Jess W., xxx-xx-xxxx
Taylor, Jesse R., xxx-xx-xxxx
Taylor, Otis C., xxx-xx-xxxx
Teale, Thomas A., xxx-xx-xxxx
Tenhoff, Marvin L., xxx-xx-xxxx
Teske, Herbert W., xxx-xx-xxxx
Thomas, Donald Jean, xxx-xx-xxxx
Thompson, Charles A., xxx-xx-xxxx
Thompson, Charles B., xxx-xx-xxxx
Thompson, Ralph E., xxx-xx-xxxx
Thompson, Robert D., xxx-xx-xxxx
Thorn, Richard E., xxx-xx-xxxx
Tierney, Raymond, xxx-xx-xxxx
Tilton, Russell F., xxx-xx-xxxx
Tollerson, Ernest J., xxx-xx-xxxx
Tollin, Milroy J., Jr., xxx-xx-xxxx
Torgelson, John W., xxx-xx-xxxx
Tosi, Peter D., xxx-xx-xxxx
Towle, James G., xxx-xx-xxxx
Treadwell, George W., xxx-xx-xxxx
Trivieri, Lawrence, xxx-xx-xxxx
Tucci, George L., xxx-xx-xxxx
Tucker, William E., xxx-xx-xxxx
Turley, Robert E., xxx-xx-xxxx
Turner, Hammond C., xxx-xx-xxxx
Turner, Robert L., xxx-xx-xxxx
Turnipseed, Ned L., xxx-xx-xxxx
Tutchton, Joseph T., xxx-xx-xxxx
Tuttle, Allen H., xxx-xx-xxxx
Tyson, Thomas H., xxx-xx-xxxx
Usiak, Leonard M., xxx-xx-xxxx
Valentin-Perez, E., xxx-xx-xxxx
Valentine, Robert G., xxx-xx-xxxx
Vanekeren, John H., xxx-xx-xxxx
Vanhaltern, Frank J., xxx-xx-xxxx
Van Lear, Jack, xxx-xx-xxxx
Vanloon, Donald E., xxx-xx-xxxx
Vass, Stanley C., xxx-xx-xxxx
Venanzini, Sante P., xxx-xx-xxxx
Vincent, Jack R., xxx-xx-xxxx
Vogel, August W., xxx-xx-xxxx
Vollnogle, James C., xxx-xx-xxxx
Vos, Francis W., xxx-xx-xxxx
Wall, Lynn A., xxx-xx-xxxx
Wallace, Raymond E., xxx-xx-xxxx
Wallach, Arthur E., xxx-xx-xxxx
Wallig, Thomas V., xxx-xx-xxxx
Ward, James H., xxx-xx-xxxx
Ward, Philip R., xxx-xx-xxxx
Wasil, James A., xxx-xx-xxxx
Watson, Glenn M., xxx-xx-xxxx
Watson, Richard, xxx-xx-xxxx
Weinberg, Richard G., xxx-xx-xxxx
Whidden, Theron D., xxx-xx-xxxx
White, Clardie A., xxx-xx-xxxx
White, Robert A., xxx-xx-xxxx
White, Shelly L., xxx-xx-xxxx
Whitehead, Jimmy L., xxx-xx-xxxx
Whypp, David A., xxx-xx-xxxx
Wilkes, Earl C., xxx-xx-xxxx
Williams, Howard S., xxx-xx-xxxx
Williams, Carl E., xxx-xx-xxxx
Williams, James L., xxx-xx-xxxx
Williams, Teddy E., xxx-xx-xxxx
Windle, Robert H., xxx-xx-xxxx
Withers, Warren A., xxx-xx-xxxx
Wood, Bobby G., xxx-xx-xxxx
Woollen, James M., xxx-xx-xxxx
Worthy, Thomas C., xxx-xx-xxxx
Woywod, George M., xxx-xx-xxxx
Wrage, Lyle, B., xxx-xx-xxxx
Wright, Peter, xxx-xx-xxxx
Yarbrough, John F., xxx-xx-xxxx
Yonker, John A., xxx-xx-xxxx
Yoshida, Richard N., xxx-xx-xxxx
Young, Arthur W., xxx-xx-xxxx
Young, Barry W., xxx-xx-xxxx
Zalopany, Peter E., xxx-xx-xxxx
Zimmerman, Donald A., xxx-xx-xxxx
Ziobro, Martin T., xxx-xx-xxxx

CHAPLAIN

To be colonel

Durkee, Robert M., xxx-xx-xxxx
Fitton, Walter A., xxx-xx-xxxx
Fleming, Martin M., xxx-xx-xxxx
Hallanger, F. T., xxx-xx-xxxx
Jaeger, James Carol, xxx-xx-xxxx
McEuen, William R., xxx-xx-xxxx
McGowan, Matthew, xxx-xx-xxxx
Miller, Leonard H., xxx-xx-xxxx
Nelson, Oral D., xxx-xx-xxxx
Norris, Eugene B., xxx-xx-xxxx
Patterson, Donis D., xxx-xx-xxxx
Russell, Paul E., xxx-xx-xxxx
Sensenbrenner, E. W., xxx-xx-xxxx
Spear, David A., xxx-xx-xxxx
Spraberry, Rufus B., xxx-xx-xxxx
Wagner, Ralph F., xxx-xx-xxxx
Wood, Thomas E., xxx-xx-xxxx
Wright, James E., xxx-xx-xxxx

WOMEN'S ARMY CORPS

To be colonel

Braun, Delores H., xxx-xx-xxxx
Roberts, Grace L., xxx-xx-xxxx

MEDICAL CORPS

To be colonel

Thomas, James H., xxx-xx-xxxx

The following-named officers for promotion in the Reserve of the Army of the United States, under the provisions of title 10, U.S.C., sections 3366, 3367, and 3383:

ARMY PROMOTION LISTS

To be lieutenant colonel

Anderson, Quentin W., xxx-xx-xxxx
Arevalo, Teodoro, xxx-xx-xxxx
Baiden, Arthur H., III, xxx-xx-xxxx
Barfield, Walter R., xxx-xx-xxxx
Batey, John E., xxx-xx-xxxx
Behan, James B., xxx-xx-xxxx
Bertolet, John R., xxx-xx-xxxx
Besselman, Joseph J., xxx-xx-xxxx
Bird, James E., Jr., xxx-xx-xxxx
Bosma, Stephen F., xxx-xx-xxxx
Botts, Julian F., xxx-xx-xxxx
Bouldin, Kenneth A., xxx-xx-xxxx
Bowman, James B., xxx-xx-xxxx
Bray, William E., xxx-xx-xxxx
Brox, Charles A., xxx-xx-xxxx
Budd, Alan L., xxx-xx-xxxx
Bundy, L. D. Lamar, xxx-xx-xxxx
Burns, Daniel T., xxx-xx-xxxx
Caron, Francis J., xxx-xx-xxxx
Carter, James E., xxx-xx-xxxx
Chin, Dick K., xxx-xx-xxxx
Comeaux, Roy D., xxx-xx-xxxx
Connelly, John E., III, xxx-xx-xxxx
Corey, Ronald T., xxx-xx-xxxx
Cowgill, Claiborne W., xxx-xx-xxxx
Daggett, Robert P., xxx-xx-xxxx
Dashnaw, Lloyd V., xxx-xx-xxxx
Dempsey, James C., xxx-xx-xxxx
Devaughan, Zed F., xxx-xx-xxxx
Diaz, Rodolfo, xxx-xx-xxxx
Donnelly, John H., xxx-xx-xxxx
Duddy, William J., xxx-xx-xxxx
Erdon, Robert W., xxx-xx-xxxx
Fine, Donald L., xxx-xx-xxxx
Fleenor, James R., xxx-xx-xxxx
Foley, James F., xxx-xx-xxxx
Ford, Wilbur E., Jr., xxx-xx-xxxx
Fortney, Kenneth R., xxx-xx-xxxx

Friegeri, Anthony, xxx-xx-xxxx
Gallahorn, James T., III, xxx-xx-xxxx
George, William P., xxx-xx-xxxx
Giller, Paul H., xxx-xx-xxxx
Glover, William L., xxx-xx-xxxx
Gove, Richard L., xxx-xx-xxxx
Griffith, Lebron D., xxx-xx-xxxx
Guglielmo, James L., xxx-xx-xxxx
Guidroz, Theodore J., Jr., xxx-xx-xxxx
Gunderman, George L., xxx-xx-xxxx
Hagopian, Carl F., xxx-xx-xxxx
Hannah, William J., xxx-xx-xxxx
Harlan, Daryl R., xxx-xx-xxxx
Harra, David E., xxx-xx-xxxx
Harris, Lee C., xxx-xx-xxxx
Henne, William G., xxx-xx-xxxx
Holcman, Louis, xxx-xx-xxxx
Hoover, William R., xxx-xx-xxxx
Jones, Clare A., xxx-xx-xxxx
Jones, Glenn W., xxx-xx-xxxx
Jones, Leamon F., xxx-xx-xxxx
Jones, Nova G., xxx-xx-xxxx
Kelly, Francis X., xxx-xx-xxxx
Kelly, Phil A., xxx-xx-xxxx
Kelly, William V., xxx-xx-xxxx
Kenny, Thomas P., xxx-xx-xxxx
Kozieja, Richard S., xxx-xx-xxxx
Kringle, Paul R., Jr., xxx-xx-xxxx
Lartigue, Fred, III, xxx-xx-xxxx
Lauber, William, xxx-xx-xxxx
Lee, James E., xxx-xx-xxxx
Leimer, Weldon H., xxx-xx-xxxx
Linthicum, Elmer J., xxx-xx-xxxx
Long, William H., xxx-xx-xxxx
Loscar, Donald D., xxx-xx-xxxx
Lowrie, Virgil A., xxx-xx-xxxx
Lutkus, John W., xxx-xx-xxxx
Lynn, James A., xxx-xx-xxxx
Lyons, Thomas J., xxx-xx-xxxx
Mahowald, Donald G., xxx-xx-xxxx
Makstenieks, Atis, xxx-xx-xxxx
Malone, Doyle R., xxx-xx-xxxx
Mason, Edward P., xxx-xx-xxxx
Mathews, William E., xxx-xx-xxxx
Mays, John E., xxx-xx-xxxx
McCarthy, Daniel M., xxx-xx-xxxx
McDonald, John D., xxx-xx-xxxx
McElwee, Claude W., xxx-xx-xxxx
McLaughlin, Hugh D., xxx-xx-xxxx
Melloy, James T., xxx-xx-xxxx
Meyers, Richard A., xxx-xx-xxxx
Miller, Forrest E., xxx-xx-xxxx
Milne, William B., Jr., xxx-xx-xxxx
Minton, James N., xxx-xx-xxxx
Mitsunaga, Jimi, xxx-xx-xxxx
Monger, Phillip A., xxx-xx-xxxx
Morris, Charles B., xxx-xx-xxxx
Mullis, William F., xxx-xx-xxxx
Negro, Paul D., xxx-xx-xxxx
Ne James, Emile A., xxx-xx-xxxx
Nelson, Darrell W., xxx-xx-xxxx
Nelson, Kenneth E., xxx-xx-xxxx
Norton, Donald V., xxx-xx-xxxx
Nutt, William E., xxx-xx-xxxx
O'Brien, Thomas P., xxx-xx-xxxx
O'Brien, William F., xxx-xx-xxxx
Outcault, Richard F., xxx-xx-xxxx
Padgent, Charles E., xxx-xx-xxxx
Pajak, John J., xxx-xx-xxxx
Pappalardo, Richard, xxx-xx-xxxx
Parker, Jack E., xxx-xx-xxxx
Payne, Larry C., xxx-xx-xxxx
Pendleton, Raymond, xxx-xx-xxxx
Pfeifer, Jack D., xxx-xx-xxxx
Rea, Patrick E., xxx-xx-xxxx
Reiter, William F., Jr., xxx-xx-xxxx
Rice, Norman C., xxx-xx-xxxx
Riley, William J., xxx-xx-xxxx
Ross, Martin S., xxx-xx-xxxx
Sample, Max E., xxx-xx-xxxx
Sasser, Joe D., xxx-xx-xxxx
Saunders, Charles R., xxx-xx-xxxx
Schlaeppi, James E., xxx-xx-xxxx
Scruton, Gordon L., xxx-xx-xxxx
Scully, John E., Jr., xxx-xx-xxxx
Sexton, Dennis W., xxx-xx-xxxx
Shankle, Joe B., xxx-xx-xxxx
Shires, James C., xxx-xx-xxxx
Simons, Donald S., xxx-xx-xxxx
Singleton, Harold W., xxx-xx-xxxx
Smith, Adrian, xxx-xx-xxxx
Smith, Harold G., xxx-xx-xxxx
Smith, Troy V., xxx-xx-xxxx
Smithson, Leland D., xxx-xx-xxxx
St. Clair, Edward B., Jr., xxx-xx-xxxx
Swing, Theodore R., II., xxx-xx-xxxx
Tetterton, Larry E., xxx-xx-xxxx
Toledo, Richard J., xxx-xx-xxxx
Vaughn, William A., xxx-xx-xxxx
Vongortler, Justin B., xxx-xx-xxxx
Wade, Billy C., xxx-xx-xxxx
Wells, William W., xxx-xx-xxxx
Whitlock, Myles W., Jr., xxx-xx-xxxx
Williams, Robert D., xxx-xx-xxxx
Wilson, Nicholas B., xxx-xx-xxxx
Wilson, Robert S., xxx-xx-xxxx
Winker, Maurice C., xxx-xx-xxxx
Wright, Arvin L., xxx-xx-xxxx
Ziegler, Lawrence D., xxx-xx-xxxx
Zinni, Gabriel J., xxx-xx-xxxx

CHAPLAIN

To be lieutenant colonel

Fuchs, Sylvester J., xxx-xx-xxxx
Goodner, James H., xxx-xx-xxxx
Greenspan, Alan M., xxx-xx-xxxx
Matz, Leo J., xxx-xx-xxxx
Musselwhite, Eugene, xxx-xx-xxxx
Swanson, Robert O., xxx-xx-xxxx
Toland, William L., Jr., xxx-xx-xxxx

DENTAL CORPS

To be lieutenant colonel

Schroeder, Robert V., xxx-xx-xxxx

MEDICAL CORPS

To be lieutenant colonel

Clement, Richard J., xxx-xx-xxxx
Matsuo, Yoshiro, xxx-xx-xxxx
Meikle, Alfred W., xxx-xx-xxxx
O'Dea, James E., xxx-xx-xxxx
Pandey, Madhukar B., xxx-xx-xxxx
Sapre, Arun B., xxx-xx-xxxx
Schmidt, Helmut S., xxx-xx-xxxx
Tendai, Myroslaw M., xxx-xx-xxxx
Willis, Isaac, xxx-xx-xxxx

MEDICAL SERVICE CORPS

To be lieutenant colonel

Buchanan, Jimmy W., xxx-xx-xxxx
Cannon, Wayne M., xxx-xx-xxxx
Edge, Jesse T., xxx-xx-xxxx

The following-named officers for appointment in the Reserve of the Army of the United States, under the provisions of title 10, U.S.C., sections 591, 593, and 594:

DENTAL CORPS

To be lieutenant colonel

Blakemore, James F., xxx-xx-xxxx
Goldstein, Herbert A., xxx-xx-xxxx
Hunter, Robert E., xxx-xx-xxxx
Vanderberg, James L., xxx-xx-xxxx

MEDICAL CORPS

To be lieutenant colonel

Alexander, Margart, xxx-xx-xxxx
Allport, Frederick W., xxx-xx-xxxx
Bradley, William B., xxx-xx-xxxx
Chalaire, Frank M., xxx-xx-xxxx
Gates, Davis F., xxx-xx-xxxx
Heitzman, Marvin, xxx-xx-xxxx
Humbert, Paul E., xxx-xx-xxxx
Keeney, Glenward T., xxx-xx-xxxx
Legg, Joseph S., xxx-xx-xxxx
Miller, Franklin C., xxx-xx-xxxx
Mills, Richard G., xxx-xx-xxxx
Neal, Gary L., xxx-xx-xxxx
Oktay, Aydogdu, xxx-xx-xxxx
Penzell, Yale, xxx-xx-xxxx
Prestine, Arthur P., xxx-xx-xxxx
Rasberry, James N., xxx-xx-xxxx
Siegel, Robert R., xxx-xx-xxxx
Stewart, Roger R., xxx-xx-xxxx
Taylor, James E., Jr., xxx-xx-xxxx
Visintine, Robert E., xxx-xx-xxxx
Webb, James A., xxx-xx-xxxx

VETERINARY CORPS

To be lieutenant colonel

Nytch, Thomas F., xxx-xx-xxxx

The following-named Army National Guard officers for appointment in the Reserve of the Army of the United States under the provisions of title 10, U.S.C. section 3385:

ARMY PROMOTION LIST

To be colonel

Brockman, Charles H., xxx-xx-xxxx
Codd, William C., II, xxx-xx-xxxx
Cox, Harold L., xxx-xx-xxxx
Frey, Archer C., xxx-xx-xxxx
Griffin, Howard L., xxx-xx-xxxx
Jackson, Arthur G., xxx-xx-xxxx
James, Vernon E., xxx-xx-xxxx
Lewis, Charles E., Jr., xxx-xx-xxxx
Shuler, Ashton A., Jr., xxx-xx-xxxx
Teale, Thomas A., Jr., xxx-xx-xxxx
Walker, Reginald G., Jr., xxx-xx-xxxx

MEDICAL SERVICE CORPS

To be colonel

White, William K., xxx-xx-xxxx

ARMY PROMOTION LIST

To be lieutenant colonel

Batchelder, Robert F., xxx-xx-xxxx
Blunck, Leo G., xxx-xx-xxxx
Cheney, John F., xxx-xx-xxxx
Day, Cloyd C., xxx-xx-xxxx
Deppey, Robert G., xxx-xx-xxxx
Faulkner, Charles B., xxx-xx-xxxx
Gaynor, John S., Jr., xxx-xx-xxxx
Gilman, Jean, III, xxx-xx-xxxx
Graham, James G., xxx-xx-xxxx
Gruselle, John C., xxx-xx-xxxx
Harrison, James T., Jr., xxx-xx-xxxx
King, Stanley R., xxx-xx-xxxx
Kohl, Delbert E., xxx-xx-xxxx
Livesay, James D., xxx-xx-xxxx
Lopez-Torres, Javier, xxx-xx-xxxx
Lumsden, John F., xxx-xx-xxxx
Morgan, Andy C., Jr., xxx-xx-xxxx
Morris, Earle E., Jr., xxx-xx-xxxx
Nathe, David M., xxx-xx-xxxx
Oura, Donald M., xxx-xx-xxxx
Page, Ralph S., xxx-xx-xxxx
Sealock, David D., xxx-xx-xxxx
Simon, Duane R., xxx-xx-xxxx
Small, Richard S., xxx-xx-xxxx
Sykora, Harold J., xxx-xx-xxxx
Tibbetts, Roscoe C., xxx-xx-xxxx
Whitley, Douglas B., xxx-xx-xxxx
Zaysoff, John, Jr., xxx-xx-xxxx

DENTAL CORPS

To be lieutenant colonel

Antario, Joseph P., xxx-xx-xxxx
Kaufman, Donald, xxx-xx-xxxx

MEDICAL CORPS

To be lieutenant colonel

Boas, Edward L., xxx-xx-xxxx
Gladue, Joseph R., xxx-xx-xxxx
Howard, Leonard R., xxx-xx-xxxx
Kistler, Henry E., Jr., xxx-xx-xxxx
Koss, George W., xxx-xx-xxxx
Miller, Leslie L., xxx-xx-xxxx
Mitchell, Andrew C., xxx-xx-xxxx

MEDICAL SERVICE CORPS

To be lieutenant colonel

Brooks, Richard A., xxx-xx-xxxx

Executive nominations received by the Senate on November 28, 1977, pursuant to the order of the Senate of November 4, 1977:

DEPARTMENT OF JUSTICE

Robert M. Thompson, of Wisconsin, to be U.S. marshal for the western district of Wisconsin for the term of 4 years, vice Leonard E. Alderson, resigned.

IN THE ARMY

The following-named Army Medical Department officers for temporary appointment in the Army of the United States, to the grades indicated, under the provisions of title 10, United States Code, sections 3442 and 3447.

To be major general, Medical Corps

Brig. Gen. Enrique Mendez, Jr., [redacted] Army of the United States (colonel, Medical Corps, U.S. Army).

To be brigadier general, Medical Corps

Col. Bernhard Theodore Mittemeyer, [redacted] Medical Corps, U.S. Army.

The following-named Army Medical Department officer for appointment in the Regular Army of the United States, to the grade indicated, under the provisions of title 10, United States Code, sections 3284, 3306 and 3307.

To be brigadier general, Medical Corps

Brig. Gen. William Sinclair Augerson, [redacted] Army of the United States (colonel, Medical Corps, U.S. Army).

CONFIRMATIONS

Executive nominations confirmed by the Senate November 29, 1977:

DEPARTMENT OF JUSTICE

Herman Sillas, Jr., of California, to be U.S. attorney for the eastern district of California for the term of 4 years.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate

THE JUDICIARY

Monroe G. McKay, of Utah, to be U.S. circuit judge for the Tenth Circuit.

HOUSE OF REPRESENTATIVES—*Tuesday, November 29, 1977*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Only fear the Lord and serve Him faithfully with all your heart; for consider what great things He has done for you.—I Samuel 12: 24.

Eternal Father, who has been with us in our going out and our coming in and has brought us together, this day we pray for wisdom and strength as we continue our work. In the midst of differences of opinions may there be no differences in relationships and though we disagree in part may we remember our agreements are greater and deeper. Beyond our personal likes and dislikes may we seek the highest good of our beloved country. Grant that Your Spirit may move mightily through our people that they and we may walk in Your way and be willing to do Your will.

We thank You for the splendid career of our beloved Senator MCCLELLAN who has gone home to be with You. Bless his family with the peace of Your presence and give them courage to live through the days that be ahead.

In the spirit of the Master we pray. Amen.

CALL OF THE HOUSE

Mr. ASHBROOK. Mr. Speaker, under rule I, clause 1 of the rules of the House, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. WRIGHT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 746]

Abdnor	Dicks	Krueger
Alexander	Diggs	Le Fante
Ambro	Dingell	Livingston
Andrews, N.C.	Eckhardt	Marienee
Applegate	Edwards, Calif.	Mazzoli
Armstrong	Fithian	McCloskey
Badillo	Flippo	McDonald
Beard, Tenn.	Ford, Tenn.	Meeds
Bedell	Giaimo	Mikva
Biaggi	Goldwater	Moss
Blouin	Gonzalez	Myers, Michael
Bolling	Harsha	Pepper
Bonior	Heckler	Quayle
Brodhead	Hillis	Roberts
Burke, Fla.	Holtzman	Roe
Burton, John	Hughes	Rose
Chisholm	Jenkins	Rosenthal
Cleveland	Jones, Tenn.	Rousselot
Cochran	Jordan	Ruppe
Conyers	Kasten	Santini
Cunningham	Kastenmeier	Scheuer
Davis	Kelly	Smith, Nebr.
Dellums	Kemp	St Germain
Dent	Koch	Teague
Tsongas	Walsh	Yatron
Udall	Whalen	
Van Deerlin	White	

The SPEAKER pro tempore (Mr. FOLEY). On this rollcall 355 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

TRIBUTE TO THE LATE HONORABLE JOHN L. MCCLELLAN

(Mr. THORNTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. THORNTON. Mr. Speaker, it is with a deep sense of personal loss that I report to my colleagues in the House of Representatives the death of Arkansas' senior Senator, JOHN L. MCCLELLAN.

Senator MCCLELLAN served in the House of Representatives during the 74th and 75th Congresses, representing the Sixth Congressional District of Arkansas which included the town of Sheridan, which was his hometown, and my own.

He died peacefully in his sleep yesterday, November 28, and in this moment of loss to our State and our Nation my thoughts are with Senator MCCLELLAN'S wife, Norma, and all his family. I know he had looked forward to his retirement which he announced last week because he truly enjoyed being with his family.

He was a great and good man who gave all he had to bring into reality the goals he believed to be worthwhile. The many achievements which resulted from his good works will long remind us of his strong and effective service to the people.

He was my friend and I will miss him very much.

Mr. Speaker, I yield to the dean of the Arkansas congressional delegation, our colleague JOHN PAUL HAMMERSCHMIDT.

Mr. HAMMERSCHMIDT. Mr. Speaker, I am pleased to join with my Arkansas colleagues in arranging for a special order later this week to honor one of the finest men ever to serve in the Congress: The late JOHN L. MCCLELLAN, of Arkansas. Today, our State mourns, deeply, the passing of this greatest of its sons. For more than 38 years, he served, faithfully and well, the people of Arkansas and the people of the United States—first in the House, and, later, in the Senate.

I would hope that all of my colleagues in this body will take this forthcoming opportunity to join in a special tribute to this very special man.

Mr. THORNTON. I thank the gentleman from Arkansas.

Mr. Speaker, I yield to my distinguished colleague from Arkansas, the Honorable JIM TUCKER.

Mr. TUCKER. Mr. Speaker, I thank my friend, the gentleman from Arkansas (Mr. THORNTON) for yielding.

Mr. Speaker, JOHN L. MCCLELLAN was a magnificent advocate for great principles. He believed in the importance and dignity of politics and government and spent 50 years of his life in that role. He was our U.S. Senator for my entire life. He was my employer. The first job I ever had in Washington was working for him. He was my colleague. I was proud I was able to serve my country with him for these past 11 months.

His loss leaves a great void for the State and the Nation and me personally.

I join my colleagues in mourning his loss and I look forward to joining them later in the week in the special order for that purpose.

Mr. THORNTON. Mr. Speaker, as has been previously stated, there will be a special order announced later during which Members of the House may express their respect for our colleague and friend.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE REPORT ON HOUSE JOINT RESOLUTION 662, CONTINUING APPROPRIATIONS FOR DISTRICT OF COLUMBIA FOR FISCAL YEAR 1978

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a report on the joint resolution (H.J. Res. 662) making further continuing appropriations for the District of Columbia for the fiscal year 1978, and for other purposes.

The SPEAKER pro tempore (Mr. FOLEY). Is there objection to the request of the gentleman from Texas?

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF S. 1340, ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION AUTHORIZATION ACT OF 1978—CIVILIAN APPLICATIONS

Mr. LONG of Louisiana, from the Committee on Rules, submitted a privileged report (Rept. No. 95–821) on the resolution (H. Res. 916) providing for consideration of the Senate bill (S. 1340) to authorize appropriations to the Energy Research and Development Administration for energy research, development, demonstration, and related programs in accordance with section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, as amended, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF HOUSE JOINT RESOLUTION 662, CONTINUING APPROPRIATIONS FOR THE FISCAL YEAR 1978

Mr. LONG of Louisiana, from the Committee on Rules, submitted a privileged report (Rept. No. 95–822) on the resolution (H. Res. 917) providing for consideration of the joint resolution (H.J. Res. 662) making further continuing appropriations for the fiscal year 1978, and for other purposes, which was referred to the House Calendar and ordered to be printed.

PERMISSION FOR SUBCOMMITTEE ON PROGRAM AND BUDGET AUTHORIZATION OF THE PERMANENT SELECT COMMITTEE ON INTELLIGENCE TO SIT TODAY UNDER THE 5-MINUTE RULE

Mr. BURLISON of Missouri. Mr. Speaker, I ask unanimous consent that the Subcommittee on Program and Budget Authorization of the Permanent Select Committee on Intelligence may be permitted to sit during today's proceedings of the House under the 5-minute rule.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

RESOLUTION COMMENDING ANWAR EL SADAT PRESIDENT OF EGYPT, AND MENACHEM BEGIN, PRIME MINISTER OF ISRAEL

Mr. WRIGHT. Mr. Speaker, I send to the desk the concurrent resolution (H. Con. Res. 417) commending Anwar el Sadat the President of Egypt, and Menachem Begin, the Prime Minister of Israel, and ask unanimous consent for its immediate consideration.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 417

Resolved by the House of Representatives (the Senate concurring), that it is the sense of the Congress that Anwar el Sadat, the President of Egypt, and Menachem Begin, the Prime Minister of Israel, be commended for the courageous steps they have taken to resolve the differences between their nations and to bring peace between Israel and her Arab neighbors through face to face negotiations in the context of a Geneva conference. We hope this will result in further face to face negotiations which will lead to a comprehensive, just and durable peace.

The SPEAKER pro tempore. The gentleman from Texas (Mr. WRIGHT) is recognized for 1 hour.

Mr. WRIGHT. Mr. Speaker, the concurrent resolution I offer today is cosigned by the minority leader, and it is self-expressive. It needs little additional elaboration.

I believe all of us feel strongly that the bold and courageous initiative taken by President Anwar el Sadat of Egypt and the gracious response on the part of Israel by Prime Minister Menachem Begin have constituted the greatest step forward in the last 30 years toward peace in the Middle East.

It seems appropriate, therefore, that we in the Congress express our commendations and our hopes that this bold step taken by these two leaders, and through them by their respective peoples, may lead to the kinds of negotiations that will result in a just and lasting peace in the Middle East.

The resolution is additionally cosponsored by approximately 50 other Members, whose names I would like to list at this point:

Brademas, Rostenkowski, Zablocki, Fascell, Rosenthal, Dodd, Bingham, Foley, Long of Louisiana, Yates, Fountain, Rooney, Alexander, Howard, Carney, Moakley, Danielson, Waxman, Blanchard.

Quillen, Skubitz, Hamilton, Carter, Hammerschmidt, Fraser, Cochran, Solarz, Wolff, Pepper, Zeferetti, Boland, Bonior, Thompson, Le Fante, Young of Missouri, Reuss.

Guyer, Ketchum, Corman, Marks, Hyde, Cornwell, Kildee, Flood, Conte, Edgar, Krebs, and Corrada.

Mr. RHODES. Mr. Speaker, would the distinguished majority leader yield?

Mr. WRIGHT. Of course, I yield to the distinguished minority leader.

Mr. RHODES. Mr. Speaker, I thank my distinguished friend.

Mr. Speaker, I welcomed the action on the part of the majority leader in introducing this resolution. I was most pleased to cosponsor it. I agree with the majority leader that the things which have occurred in the Middle East in the last 10 days constitute the most hopeful signs of a course toward peace that we have seen in that part of the world.

I am particularly pleased that the majority leader and several Members of this body were in the Knesset at the time the speech was made by the President of Egypt. I think it served more eloquently, perhaps, even than this resolution to signify the fact that this body is most interested in promoting peace in that part of the world.

We all take much satisfaction in the step the President of Egypt and the Prime Minister of Israel have taken. I hope that the initiative which has been taken by these two great statesmen will result in a momentum which will continue to a peaceful solution.

I am also pleased that the President of Egypt has called a conference for the purpose of discussing the ground rules for a Geneva Conference, so that many divisive and yet relatively unimportant matters of procedure could be taken care of before a plenary session of the Conference is convened.

I think that this is very definitely a step in the right direction, and I hope that the nations of the world will respond positively to the initiative of the President of Egypt.

Mr. CARNEY. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Ohio.

Mr. CARNEY. Mr. Speaker, it was my privilege and honor to be one of the Members, under the leadership of JIM WRIGHT, to be on this team. I think President Sadat and Prime Minister Begin are to be honored, but also I would be remiss if I did not say that great leadership was shown by our two leaders, Mr. WRIGHT, representing the majority party, and Mr. QUILLEN, representing the minority, resulted in a beautiful job in expressing the hopes and desires of the American people for peace, as well as those of the people in the Middle East.

I want to say that I think it was a wonderful trip, and I want to thank Chairman WRIGHT for his wonderful leadership.

Mr. WRIGHT. I thank the gentleman.

Mr. CARTER. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Kentucky.

Mr. CARTER. Mr. Speaker, I would like to commend the distinguished gentleman from Texas, who lead our delegation, for his wonderful work. I also wish to commend the gentleman from Tennessee, our ranking minority Member. Certainly, I want to commend Mr. WRIGHT for introducing this resolution, of which I am a cosponsor.

Further, I want to state that no man ever led a delegation more honorably, more astutely, or spoke as well to groups of varying beliefs, than the distinguished gentleman from Texas. He made the entire delegation proud of his actions.

Of course, during the time we were in Egypt and in Israel, we saw their great hopes for peace, and we trust that through the efforts of President Anwar Sadat and Prime Minister Begin, that in the future these hopes will become a reality. I thank the distinguished majority leader for yielding to me.

Mr. SKUBITZ. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Speaker, I want to join in commending the distinguished majority leader for the joint resolution he has brought up today. I am pleased to join him in cosponsoring the resolution and am proud of the role the United States has played in developing the atmosphere in which the latest Egyptian-Israel peace efforts are being conducted.

I believe it is important that Congress be aware of the major foreign policy developments in the world. For that reason,

I was pleased to be a member of the leadership delegation which met with President Sadat and Prime Minister Begin earlier this month. The bipartisan delegation was able to demonstrate congressional concern for peace in the Middle East at a very critical and historic moment. In addition, we came away with a much greater understanding of the difficult problems yet to be resolved before peace can be achieved in the Middle East.

I was disappointed to note that the Hutchinson News and the Ottawa Herald, the two major international news authorities in my State, found little of importance in the historic meeting and our leadership delegation except to criticize a Congressman from Kansas for being present.

Mr. BLANCHARD. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Michigan.

Mr. BLANCHARD. I thank the majority leader for yielding to me.

Mr. Speaker, I too want to commend our majority leader and our ranking Republican minority Member, Mr. QUILLEN, and all those on the mission committees, for the leadership they exercised. I particularly want to commend the majority leader for allowing some of the lesser known Members to go on the trip and to participate fully in all meetings and discussions.

I think it is noteworthy that our distinguished majority leader, representing the United States with eloquence in a way in which all of us would be proud, has followed up the mission with the resolution he has introduced today. I support the resolution, and thank the gentleman for yielding.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from New York.

Mr. GILMAN. I thank the distinguished majority leader, the gentleman from Texas (Mr. WRIGHT) for yielding to me. I rise to join with my colleagues and the distinguished minority leader in voicing support for this important, timely resolution supportive of the Middle East initiatives offered by the distinguished majority leader.

I, too, join with my colleagues in expressing appreciation to our majority leader and the members of his delegation for having represented the Congress in the Knesset at the time of this historic visit and address by President Anwar Sadat.

By initiating direct negotiations on Israeli soil between their respective nations, which have been the major antagonists in the Middle East through 30 years of war and shortlived peace, Prime Minister Begin and President Sadat have heralded a new era of optimism and diplomatic flexibility in which the Arabs and the Israelis can hopefully resolve the fundamental conflicts which have marked the constant turmoil between their two worlds. Not only has Egypt finally recognized the sovereignty of the State of Israel and its right to defensible borders, but has accomplished an enormous psychological breakthrough by making possible an ongoing, face-to-face dialog between Israel and the Arab world. President Sadat's visit to Israel has generated a momentum which will result in further negotiations, hopefully including the leaders of other Arab countries, and eventually could very well lead to a durable and lasting peace in the Middle East. At this time Jordan, the Sudan, and Morocco, Tunisia and Saudi Arabia have indicated their own tacit approval of these negotiations. At the very least, there now exists an opportunity to establish diplomatic and trade relations between Israel and Egypt.

Certainly, there are many tough decisions to be made, many compromises to reach, and innumerable historic walls to dismantle, but the first step has been taken. In the words of Abba Eban,

> The existence of a dialog doesn't insure success, but the absence of it insures failure.

In urging my colleagues to fully support this resolution, I hope and pray that this bold initiative will lead to a long-lasting harmony in the Middle East.

Mr. FOUNTAIN. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from North Carolina.

Mr. FOUNTAIN. Mr. Speaker, I would like to associate myself with the remarks made by the majority leader, the minority leader, and others who have spoken in support of this resolution, which I was happy to join in introducing.

Mr. Speaker, we have witnessed in the last 2 weeks one of the most notable events in the history of the world. The leaders of two principal nations involved in a major conflict of long duration have met face to face. Beyond that, one of them has traveled to the other country and spoken to that parliament in an appeal for peace.

Rarely before have two men acted so courageously in search of peace. One of the more encouraging aspects of this whole series of events is that they apparently represent the sentiments of their countrymen. Only a short time ago, many observers of the international scene would have predicted that their actions would have been fruitless at best—that they were working counter to the feelings within each country. In fact, both the Israeli and Egyptian people have demonstrated large measures of support for their leaders' initiatives in search of a settlement.

President Sadat and Prime Minister Begin deserve the wholehearted commendations and support of the people of the United States. We should appeal to the world to support the search for a permanent peace in the Middle East. The opportunity is now before us and we should take advantage of it.

Mr. ROONEY. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Pennsylvania.

Mr. ROONEY. I thank the gentleman for yielding.

Mr. Speaker, I want to commend the majority leader. Also, I would like to associate myself with the remarks made by the gentleman from Texas, and I am very pleased to be a cosponsor of this resolution.

Having shared with the majority leader and other of our colleagues the extraordinary opportunities for direct discussions with President Sadat, Prime Minister Begin, and many more key officials of Egypt and Israel, I am convinced that there exists today a real willingness on both sides of the Middle East dispute to reach agreements which can restore peace.

The fact that an American delegation headed by the majority leader of this House had scheduled visits to Egypt and Israel to meet with the principal officials of both, I am firmly convinced, helped bring about in such short order the startling visit to Israel by President Sadat.

Together, the leaders of those Nations have begun the critical first steps to negotiate peace. Their meeting provided some immediate results—restoration of telephone communication between Israel and Egypt, the presence of the Arab press in Jerusalem, a commitment of Egyptian help to restore a Mosque in Israel. Each of them is but a small development to be sure but of such tremendous importance in light of Israeli-Egyptian relations only 3 weeks ago.

Now, President Sadat has invited other Arab leaders and Israeli officials to come to Egypt this weekend to prepare for resumption of peace talks in Geneva. If the Arab nations are sincere in their desire to resolve the difficult issues which have disrupted the Middle East for three decades, this meeting in Egypt is their opportunity to demonstrate that sincerity. Sadat and Begin have taken bold initiatives and have shown determination to press toward productive negotiations. The rest of the Arab world is remiss if it fails to participate.

Mr. ZABLOCKI. Mr. Speaker, I rise in support of House Concurrent Resolution 417, commending President Anwar el Sadat and Premier Menachem Begin for their courageous efforts to bring peace to the Middle East.

The historic meeting between President Sadat and Premier Begin in Jerusalem on November 19 began a dialog, which, despite current divisions among the Arab nations, will hopefuly pave the way toward further fruitful negotiations in the context of the Geneva Conference—negotiations which, as stated in the resolution, will lead to a comprehensive, just and durable peace in that crucial area of the world.

It has been said that peace does not break out like war. Rather, peace comes as a result of accommodation and understanding amongst the parties concerned. The meeting in Jerusalem was a giant step for the people of the Middle East, and, indeed for the people of the world in that process. The meeting, however, was only a beginning. It is in the interest of all parties concerned that this beginning be nurtured and that the process toward a just and lasting peace be continued to a successful conclusion.

Mr. Speaker, I commend the distinguished majority leader and the distinguished minority leader for their efforts to being this resolution before us today and urge its adoption.

Mr. BINGHAM. Mr. Speaker, President Anwar Sadat's peace initiative is a

truly remarkable event. For so many years it has seemed that Arab rejection of Israel made peace an impossible dream. Then with a suddenness most often associated with a lightning military maneuver, Sadat was in Israel. The Israeli military band played the Egyptian national anthem and President Sadat stood at attention for the Hatikva. Sadat reviewed the Israel troops. Sadat and Prime Minister Begin visited Yad Vashem, the Holocaust memorial, together and then Sadat addressed the Knesset. Sadat and Golda Meir joked together and Begin and Sadat discussed their grandchildren. Not since man walked on the Moon have we seen images quite so remarkable, and, in that case, the sight was not so totally unexpected.

Those who say that the events in Jerusalem were of little consequence and that nothing has really changed are mistaken. Peace is still a long way off, but everything has changed. Today marks the 30th anniversary of the United Nations resolution which authorized the establishment of the State of Israel and in all that time Israel's existence has been in effect rejected by her Arab neighbors. Israel cannot be found on maps sold in Arab countries. There are no telephone communications. The short rail trip from Haifa to Beirut has not been made in three decades. The most terrible result of the Arab rejection of Israel was that Israel has been forced to fight incessantly for physical survival—with a loss of 10,000 men. Until the Sadat visit, there was every reason to believe that another war was likely, if not inevitable.

The Sadat mission was an effort to break out of the 30-year pattern of Arab threats, nonrecognition, and attacks. With wisdom all too rare, President Sadat recognized that to follow old paths could only bring his nation more widows, fatherless children, and continued erosion of Egypt's economic base. With the introduction of more and more sophisticated weapons to the Middle East, Sadat realized that without a bold initiative to bring peace terrible destruction loomed. Sadat made his move.

He met a joyous reception in Israel. That was no surprise. Israel's leaders have consistently called for direct negotiations with Arab leaders and have said that they would go anywhere in the cause of peace. The people of Israel cheered Sadat wherever he went. From his arrival at the King David Hotel where a thousand Israelis chanted "Sa-dat Sa-dat" to his departure route to Ben Gurion Airport which was lined with applauding Israelis, the people of that nation made it clear that for them Sadat was a hero. In their yearning for peace, they were willing to put aside memories of 30 years of hostilities and of the Yom Kippur attack of just 4 years ago which left 3,000 dead and the nation stunned.

Upon his return to Egypt, President Sadat was greeted by over 1 million of his countrymen. In the past 2 weeks cheering crowds have applauded Sadat and hailed him as the "man of peace." The Egyptian people has demonstrated that its desire for peace is as strong as that of the people of Israel. It is clear that President Sadat's initiative is not merely the product of the thinking of one farsighted leader but that it is a product of the feelings and aspirations of millions of his countrymen.

Nevertheless there are those in the Arab world who refuse to accept the Sadat initiative. Syria, Iraq, Libya, and the PLO have filled the Mideastern airwaves with denunciations and threats. Libya and Iraq have called for Arab summits to oppose Sadat. Spokesmen have called for Sadat's assassination, while the PLO's representative at the United Nations has warned that the people of Egypt will deal with Sadat. Other "rejectionists" have advocated an economic boycott of Egypt. It is all rather familiar. Arab extremists from Damascus to Tripoli are threatening to employ the same tactics against Sadat and Egypt that were used for 30 years against Israel. Interested not in a negotiated peace but in the annihilation of Israel, they will fight anyone who places obstacles on the road to war and destruction.

These violent attacks on Sadat's initiatives tend to vindicate Israel's longstanding refusal to negotiate with the PLO. Despite the PLO's much proclaimed concern for the Palestinian Arab people, it turns its back on a peace initiative that could well lead to a solution for the Palestinians. Israel has understood all along that peace could only become a real possibility when Arab leaders openly and unabashedly accept Israel as a neighbor. The PLO could never do that, but Israel was prepared to wait until legitimate Arab leaders could. In a real sense, Israel has been waiting for Sadat for 30 years. His journey to Jerusalem demonstrated that Israel was right in holding out.

The United States should do everything in its power to facilitate the success of the Sadat initiatives. I am pleased that the United States will join Israel and Egypt at the Cairo conference which is to lay the groundwork for Geneva. The road to a peaceful settlement, and even the road to Geneva, still appears long and hard. It is difficult to believe that the Arab States now vehemently denouncing Sadat for his Jerusalem journey would be serious negotiating partners at Geneva. The United States should continue to encourage all states to come to Geneva, but at the same time we must not underestimate the significance and value of the Israel-Egyptian process now underway. An overall settlement is a dazzling goal, but may be impossible at present. Certainly a resolution of the differences between Egypt and Israel, now clearly within reach, would be a long step in the right direction. The Sadat-Begin meeting began a process we must nurture with care, and as we do so let us not assume that "papa always knows best."

Mr. ROGERS. Mr. Speaker, I join my colleagues in this expression of support for the recent peace initiatives by the Governments of Egypt and Israel.

Last week the State of Israel played host to a momentous event in the history of the Middle East when President Anwar Sadat was welcomed into Jerusalem by Prime Minister Menachem Begin.

The reception of the Egyptian head of state in the historic capital of Israel was a bold action by both governments.

It was not an easy thing to do. Both governments acted in the context of a history of strife and conflict which has touched the lives of all citizens of both countries. In both countries, thousands of families have lost loved ones to this conflict.

In this joint action, the two governments have indicated that they place the goal of a lasting peace for their peoples above past bitterness. Under the most difficult of circumstances, they have cleared away obstacles to discussion of their differences.

Of course, these differences are substantial and deeply held. The road to peace must necessarily remain a difficult one. And for this reason, most have received the news with cautious optimism.

But all must recognize that with this bold action, the two governments have greatly increased the prospects for a just peace and recognition once and for all of the right of Israel to exist.

The world is grateful to them, and now we must pledge our continued support in the difficult negotiations to come.

Mr. ADDABBO. Mr. Speaker, I wish to associate myself with the resolution offered by the gentleman from Texas (Mr. WRIGHT) regarding the events in the Middle East. I too believe the world owes President Sadat of Egypt a debt of thanks for having the courage to end 30 years of bitterness and hate through the simple expediency of going personally to meet with Israeli leaders.

It was at one time a bold and courageous step which was desperately needed to break the impasse that has for so long frustrated all efforts to bring peace to that troubled section of the world.

All of us here hope that the parties in dispute in the Middle East go to Geneva and sit together and resolve their problems diplomatically, rather than resorting once again to the last resort that warfare represents.

Those of us who have long hoped for an end to the fighting in the Middle East have more reason for optimism today than we have had in years. Both the Israeli and the Egyptian Governments deserve our applause for the steps they have taken to bring peace a step closer. We urge the other Arab leaders to join with President Sadat in working to promote peace rather than hatred. President Sadat has taken a noble step forward that cannot be allowed to wither through intransigence. In supporting the Wright resolution today, the House has put itself on the side of justice and decency in the Middle East.

Mr. DON H. CLAUSEN. Mr. Speaker, I rise in support of the resolution and commend the majority leader and the other Members involved for their bipartisan efforts in advancing the cause of peace in the Middle East. All Americans have become greatly encouraged by the initiatives taken by President Sadat of Egypt and Prime Minister Begin of Israel, and while we realize this is only a tentative first step, and not the occasion to minimize the great problems which must be solved before true peace

can come to the Middle East, it is still a beginning.

While our hopes are high we must appreciate that conflicting interests in that region require we maintain a sense of realism, and not become overly optimistic. At the same time, we must not let down our guard, nor abandon our efforts to search for new avenues which provide a promise of peaceful settlement of disputes.

The Middle East is extremely important, not only to the United States, but to the peace and stability of the entire world.

I completely support the efforts made to enhance the prospects for peace.

Mrs. HOLT. Mr. Speaker, I believe the House should be aware of the contribution made by Chairman MELVIN PRICE of the Armed Services Committee to the search for peace in the Mid East.

Under his leadership, several of us recently journeyed to the Mideast to review the security needs of our allies in that troubled part of the world.

On November 10, the very day after Egyptian President Sadat announced that he would be willing to go to Israel in the quest for peace, we met with Israeli Prime Minister Begin. Mr. Begin knew we would be in Egypt the following day, and he urged us to tell President Sadat that he would be welcome in Israel, that Mr. Begin shared the desire for face-to-face negotiations.

Chairman PRICE carried that hopeful message to President Sadat and told him of Mr. Begin's sincerity. Because of President Sadat's confidence in Chairman PRICE and the Armed Services Committee we were able to make an important impact on the sensitive moves toward the historic meeting in Jerusalem.

The events I have described have reinforced my confidence and pride in Chairman PRICE. As our spokesman, his knowledge and skill had tremendous value. His leadership enabled us to have very rewarding discussions with Prime Minister Begin and President Sadat on many significant issues.

GENERAL LEAVE

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on this concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. WRIGHT. Mr. Speaker, I move the previous question on the concurrent resolution.

The previous question was ordered.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

HOLY CROWN OF ST. STEPHEN

(Ms. OAKAR asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. OAKAR. Mr. Speaker, today hundreds of Hungarian-Americans from across the country are uniting in Washington to let their views be known to Congress and to the President of the United States. They do not want the precious Holy Crown of St. Stephen, which symbolizes their religious and personal freedom, returned to a Communist regime which is the antithesis of human rights. These brave people have weathered the icy rain but their hearts are warm and they are right now exercising their freedom of expression in front of the White House, something that does not exist in the Communist countries. At 2 p.m. these people will be on the Capitol steps to greet Members of the House. I urge my colleagues to meet them and listen to their pleas.

MAYFIELD, KY., HIGH SCHOOL

(Mr. HUBBARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBBARD. Mr. Speaker, yesterday I attended a celebration at the high school in my hometown of Mayfield, Ky., in honor of the Mayfield High School football team. The team became class AA State champions last Friday by defeating Corbin, Ky.; high school 14–13 in a game played at Richmond, Ky.

I want to congratulate my hometown high school team, the Mayfield Cardinals upon winning this championship and attaining a 12–1 season record.

Among the very proud in Mayfield are School Superintendent Don Sparks and the school's principal, Ralph Colby.

Special congratulations to Head Coach Jack Morris and Assistant Coaches Louis McDonald, Joe David Smith, Doc Sanders, Paul Leahy, and Bob Counts.

Deserving congratulations also to the 27 players who participated in the championship game, namely: Jeff Boyd, Jeff Puckett, Joey Shelton, Greg Hawkins, David Wyatt, Richard Riley, David Slaughter, Tom Nelson, Jim Waldrop, Lee Lovelace, Jeff Jackson, Gary Hobs, Darrin McAfee, Bubba Hendley, Jesse Holder, Brad Sparks, Phil Sutherlin, Chet Wiman, Bob Isbell, Robert Hawkins, David Elliott, David Madding, George Taylor, Mark Brown, John Dillard, Craig Sims, and Brian Berhow.

A TRIBUTE TO THE TEXAS LONGHORNS

(Mr. PICKLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PICKLE. Mr. Speaker, and Members of the House, when the distinguished gentleman from Massachusetts, Speaker THOMAS P. O'NEILL and majority leader JIM WRIGHT came to Austin, Tex., on September 10 for the opening game of the 1977 college football season between the University of Texas and Boston College, not even the astute Speaker of the House realized that he was witnessing the launching of a national championship season for the Texas Longhorns.

The Longhorns beat Boston College 44 to 0 that day and with their combination of power and speed went on to win 10 more games, win the southwest conference championship and become the No. 1 ranked team in college football by both the Associated Press and the United Press International polls.

Two games after the victory over Boston College, the Longhorns shocked the Nation by defeating an excellent team from Oklahoma University. Perhaps it was then that the Longhorns, and everyone else, realized that this was a championship team.

They ended their regular season last Saturday by beating their traditional tough foes Texas A. & M. University by 57 to 28. In that game halfback Earl Campbell ran for 222 yards to make him the No. 1 ground gainer and scorer in the NCAA this season.

College football still brings as many thrills and chills as any other sport in our Nation. It is a good wholesome, American sport.

The No. 1 team—University of Texas—in that sport is composed of some of the finest young men that I have ever met including Earl Campbell, Randy McEachern, Ham Jones and Lam Jones, Alfred Jackson, Russell Erxleben, Brad Shearer, George James, Lance Taylor, Johnny Johnson, M. E. Michael, and many other young men who have worked hard together all season.

Coach Fred Akers has brought national honors to himself and the whole team. The Nation commends him and his team for their spirit and determination.

This year has been one of the finest in the history of Texas football and I am sure that the whole Nation will join in singing "The Eyes of Texas Are Upon You." Hook 'em Horns.

Mr. BRADEMAS. Mr. Speaker, I listened with some interest to the remarks of my distinguished colleague and valued friend from Austin, the gentleman from Texas (Mr. PICKLE), about the team that plays football down there, and I agree that it is a formidable outfit.

Indeed, I would remind the gentleman that he and I have engaged in wagers in respect to the outcome of Cotton Bowl games played between the University of Notre Dame and the University of Texas on two other occasions. Texas won once, and Notre Dame won once.

I want to take this opportunity to say that I think the Fighting Irish of Notre Dame are likely on the 2d of January next year to prevail again, and I am sure that my friend, JAKE PICKLE, and I can work out some suitable arrangement whereby he and I can once again do our part in insuring that the American people are made aware of which is the greatest football team in the United States.

Mr. PICKLE. Mr. Speaker, will the gentleman yield?

Mr. BRADEMAS. I yield to the gentleman from Texas.

Mr. PICKLE. Mr. Speaker, the last wager we had was a Texas football against an Irish shillelagh. That shillelagh was only about 4 or 5 inches long—a mighty weak and small item.

I would hope that the gentleman would come up with a better wager, and put more consideration into it.

Mr. ASHBROOK. Mr. Speaker, will the gentleman yield?

Mr. BRADEMAS. I yield to the gentleman from Ohio.

Mr. ASHBROOK. Mr. Speaker, I wonder whether my friend, the gentleman from Indiana (Mr. BRADEMAS), might take into consideration that the team from Indiana might not be playing that particular game.

Mr. BRADEMAS. Mr. Speaker, it certainly will not be Ohio State.

APPOINTMENT OF CONFEREES ON H.R. 9418, CAPITATION GRANTS FOR THIRD-YEAR MEDICAL STUDENTS

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 9418) to amend the Public Health Service Act to require increases in the enrollment of third-year medical students as a condition to medical schools' receiving capitation grants under such act, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia? The Chair hears none, and, without objection, appoints the following conferees: Messrs. STAGGERS, ROGERS, PREYER, SCHEUER, WAXMAN, CARTER, and BROYHILL.

There was no objection.

DECLARING STATE OF WAR AGAINST AMYOTROPHIC LATERAL SCLEROSIS

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the Committee on Interior and Insular Affairs be discharged from further consideration of the Senate concurrent resolution (S. Con. Res. 26), expressing the sense of Congress that action should be taken to focus national attention on the extent and consequences of and the need to find a cure for amyotrophic lateral sclerosis, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate concurrent resclution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

Mr. CARTER. Reserving the right to object, Mr. Speaker, I support Senate Concurrent Resolution No. 26 which calls attention to the disease amyotrophic lateral sclerosis—or ALS.

This resolution does not authorize any funds—but instead expresses the sense of Congress that action should be taken to focus national attention on this dread condition—and the need for finding its cure.

Mr. Speaker, ALS which is popularly known as "Lou Gehrig's disease" is a neurological disorder affecting adults, generally in the prime of their life.

ALS occurs in persons of every race and nationality but affects men three times more frequently than women.

This disorder is characterized by a degeneration of motor cells in the spinal cord and brain which leads rapidly to paralysis and ultimately death.

According to the Amytrophic Lateral Sclerosis Society of America more than 40,000 Americans have become victims of this condition and about 10,000 new cases are diagnosed every year.

To date no treatment has proven effective against ALS and the cause of this condition is still unknown.

However, important research is being conducted and supported by the National Institute of Neurological and Communicative Disorders and Stroke as well as by various private organizations.

The possibility that a virus might be the causal factor responsible for ALS is one idea which has been receiving considerable attention. Other research is in progress to determine additional factors which could cause the motor neurons to cease functioning. Moreover, the island of Guam which has a very high incidence of ALS has been one focus for research efforts.

Mr. Speaker, it is very important that research efforts in this field be continued and strengthened. If a cause-effect relationship could be established scientists would then have the basis for developing effective treatment for persons with ALS.

In conclusion I urge adoption of this resolution. It will help serve as an important rallying symbol for the concerned families, friends, organizations, and researchers who are devoted to finding a cure for this disease.

Thank you, Mr. Speaker.

Mr. STAGGERS. Mr. Speaker, will the gentleman yield?

Mr. CARTER. I yield to the gentleman from West Virginia.

Mr. STAGGERS. Mr. Speaker, Senate Concurrent Resolution 26 was introduced in the Senate on May 18, 1977 by Senator CRANSTON and referred to the Committee on Human Resources. It was favorably reported by that Committee on October 20 and passed the Senate on November 4, 1977. The resolution calls for action to focus national attention on the extent and consequences of the disease called amyotrophic lateral sclerosis—ALS—and on the need to find a cure for this disease. The House comparable resolution, H. Res. 302, was first introduced by Mr. SOLARZ on February 17, 1977 and now has 231 cosponsors. On November 8, Mr. SOLARZ and Mr. ROGERS introduced House Concurrent Resolution 410 to conform the language of the earlier House resolution to that of the Senate-passed resolution.

Senate Concurrent Resolution 26 makes no changes in existing law and does not commit the expenditure of any Federal funds. It seeks only to bring attention to the serious nature of ALS and its severe and negative impact on the quality of life of its victims and their families, including economic, social, and psychological hardships. It notes the failure of biomedical research efforts to date in finding a cause and cure for ALS and recognizes the need for the development of effective methods of treatment.

Mr. Speaker, today I am pleased to present Senate Concurrent Resolution 26 to the House for its consideration. It expresses the sense of the Congress that action should be taken to focus national attention on the extent and consequences of ALS—the disease amyotrophic lateral sclerosis—and on the need for finding a cure for it.

ALS is also called Lou Gehrig's disease. It afflicts an estimated 40,000 people in the United States, and claims 10,000 new victims each year. According to the Amyotropic Lateral Sclerosis Society of America, ALS may have as great an incidence as multiple sclerosis and perhaps four times the incidence of muscular dystrophy. This frightening and devastating disease attacks the motor nerve cells of the adult nervous system which support the brain and spinal cord. The resulting paralysis does not, however, destroy the victim's intellectual capacity. The patient remains mentally alert throughout the course of the disease. Most victims survive only 3 years after the disease is diagnosed. The economic, social, and psychological effect of ALS on its victims and their families is catastrophic. At present, ALS victims have no hope. No effective treatment has yet been developed, nor has a cure been discovered. Further research on ALS is greatly needed. The National Institute of Neurological and Communicative Disorders and Stroke—NINCDS—at the National Institutes of Health is involved in many ALS-related research activities. The ALS Society of America is also supporting vitally needed ALS research and it should be commended for this work. But much more needs to be done.

The total incapacitation experienced by victims of ALS completely bars them from participating as active members of society. Since this disease affects mostly adults, the ALS Society of America estimates that our economy loses approximately $200 million a year due to the victim's loss of earning power. This figure is based on an average income of $7,000 per year. Government transfer payments for welfare and for aid to dependent children represent another substantial loss to our economy of approximately $400 million. These are the public expenses of this disease. The private expenses of the ALS victim and family are much, much greater—depleting not just the pocketbook, but the social and psychological well-being as well.

The Senate passed Senate Concurrent Resolution 26 on November 4 of this year under the able leadership of Senator CRANSTON. The Senate passage of this resolution was a step forward in this Nation's fight against ALS, and I believe this is a battle which should be joined by the House. In fact, this body has already demonstrated its support of this resolution since a similar version, House Resolution 302, introduced by Mr. SOLARZ, was cosponsored by 231 House Members.

Senate Concurrent Resolution 26 does not authorize any additional expenditures of Federal funds. It does not change existing law respecting Federal biomedical research programs and activities. Rather, its purpose is to help educate the public on the seriousness of ALS and to help create an atmosphere of public concern and commitment toward research efforts to find a cure for ALS.

I would like to thank and commend the sponsor of the House Resolution, Mr. SOLARZ, for his valuable and dedicated work on this resolution. I would also like to commend Senator CRANSTON for his strong commitment and support of the Senate ALS resolution. In addition, I want to extend a particular thanks to

the gentleman from Florida (Mr. ROGERS) for his strong support and interest in the House ALS resolution. Finally, a special thank you is due to each of the 231 House Members who lent their support to this measure by adding their names as cosponsors to House Resolution 302.

Mr. Speaker, in conclusion, I urge all my colleageus in the House to join me in support of this resolution which addresses itself to a disease which constitutes a sizeable public health problem in the United States—amyotrophic lateral sclerosis. I know that it will do much for the morale of ALS victims throughout our Nation and they will be grateful for a favorable vote in the House.

Mr. CARTER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the concurrent resolution as follows:

S. CON. RES. 26

Whereas amyotrophic lateral sclerosis, or Lou Gehrig's disease, constitutes a serious health problem in the United States in that it afflicts thousands of Americans annually;

Whereas the complications of amyotrophic lateral sclerosis significantly decrease the quality of life and have a major negative economic, social, and psychological impact on the families of its victims;

Whereas biomedical research efforts to date have been unsuccessful in finding the cause of amyotrophic lateral sclerosis;

Whereas the development of advanced methods of treatment of amyotrophic lateral sclerosis deserves national priority; and

Whereas the citizens of the United States should have a full understanding of the nature of the human, social, and economic impact of amyotrophic lateral sclerosis and of the need to discover its cause and to develop a cure: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that action should be taken to focus national attention on the extent and consequences of amyotrophic lateral sclerosis and on the need for finding a cure for this disease.

Mr. ROGERS. Mr. Speaker, on November 4, the Senate passed Senate Concurrent Resolution 26, a resolution which calls for action to focus national attention on the extent and consequences of the disease amyotrophic lateral sclerosis and on the need to find a cure for this disease.

Amyotrophic lateral sclerosis is commonly referred to as ALS, or Lou Gehrig's disease. It is a highly intricate and complex disease which affects the adult nervous system, progressively weakening the brain and spinal cord until the muscle tissue is wasted. It does not, however, impair the brain's intellectual function, so that the victim is fully cognizant of his worsening and painful condition. ALS creates substantial economic, social, and psychological hardships which impact not only on the victim, but on his family as well. A person afflicted with ALS can expect to survive no longer than 3 to 5 years and no cure for it has yet been found. The resulting drain on a family's finances is extensive.

ALS also causes a drain on the national economy. The Amyorophic Lateral Sclerosis Society of America estimates that the total number of ALS victims stands at approximately 40,000 in the United States, with at least 10,000 new cases documented every year. The society estimated that the economy suffers a loss of earning power of approximately $200 million a year due to heads-of-households afflicted with ALS. The annual loss to the economy from Government aid to dependent children and welfare is estimated to be $400 million.

To date, no effective treatment for ALS has been developed. Although the National Institutes of Health, through its National Institute of Neurological and Communicative Disorders and Stroke—NINCDS—has research programs directed at uncovering the causes and remedies for this disease—and some progress has been achieved in the areas of virology, immunology, and brain chemistry—the highly intricate and complex nature of ALS has made it difficult to develop a clinical cure. NINCDS now has several ALS research programs underway. The Institute, in conjunction with the National Academy of Sciences, is planning an investigation of the role of environmental factors on American servicemen suffering from ALS. NINCDS scientists are conducting laboratory research aimed at identifying the cause of a broad range of neurological diseases. Such research might prove instrumental in uncovering the cause of ALS. The NINCDS is also conducting two clinical research programs aimed at gaining knowledge which may lead to methods of treatment for ALS. One of these programs is based at NIH's clinical center, where selected ALS patients, including atypical ALS patients, and those with disease symptoms closely resembling ALS, are accepted for research purposes. Finally, the NINCDS is investigating the possible involvement of metabolic conditions in the cause of ALS.

NIH is not alone in the field of ALS research. The Amyotrophic Lateral Sclerosis Society of America is also conducting research studies into the causes and cure of ALS. This year the Scientific Advisory Committee of the ALS society approved the allocation of $311,000 to cover a 3-year period, for ALS research grants. This society is to be highly commended for its dedication and activities in the fight against ALS.

Mr. Speaker, the House recognizes the serious nature of this disease and 231 House Members have cosponsored House Resolution 302, which is similar to the Senate-passed resolution. House Resolution 302 was introduced by Mr. SOLARZ for the first time in February of this year. More recently, Mr. SOLARZ and I introduced House Concurrent Resolution 410, which revises House Resolution 302 to conform to the language of the Senate-passed resolution.

I want to take this opportunity to thank the sponsors of this resolution in both the House and Senate. In particular, I want to thank and commend Mr. SOLARZ for his hard work, dedication, and leadership as the prime sponsor of this resolution. In addition, I want to thank the gentleman from West Virginia (Mr. STAGGERS) for his leadership in bringing this resolution to the House floor, and the gentleman from Kentucky (Mr. CARTER) for his interest and support of this resolution. Finally, I want to thank all the members of the Subcommittee on Health and the Environment, Mr. SATTERFIELD, Mr. PREYER, Mr. Mr. SCHEUER, Mr. WAXMAN, Mr. FLORIO, Mr. MAGUIRE, Mr. MARKEY, Mr. OTTINGER, Mr. WALGREN, Mr. BROYHILL, Mr. MADIGAN, and Mr. SKUBITZ for their interest in this resolution.

Mr. Speaker, Senate Concurrent Resolution 26 and the comparable House resolution, House Concurrent Resolution 410, are identical. These resolutions do not change existing law or authorize the expenditure of any Federal funds, but they do have an extremely important function—to focus national attention on ALS and on the need for finding its cure. I urge all my colleagues in the House to join me in support of Senate Concurrent Resolution 26.

Mr. SOLARZ. Mr. Speaker, I rise to applaud, salute, and thank my colleagues Mr. STAGGERS, Mr. ROGERS, and Mr. CARTER for their support of this important resolution.

As you may know, for nearly 3 years I have been actively involved in the fight against the dread disease amyotropic lateral sclerosis.

Last February I introduced a resolution which was an attempt to focus national attention on ALS and to highlights its deadly and debilitating effects. I am happy to say that this resolution was cosponsored by 231 other Members of Congress from both sides of the aisle.

In the Senate, Senator CRANSTON introduced a similar resolution and it boasted 60 cosponsors before passage as Senate Concurrent Resolution 26 on November 4, 1977.

Today we have the opportunity to pass House Concurrent Resolution 410 expressing the sense of the House, the Senate concurring, on the need for action to find a cure for ALS.

ALS, popularly known as Lou Gehrig's disease, is a neurological disorder affecting adults, generally in the prime of life. It is characterized by a degeneration of motor cells in the spinal cord and brain. This degeneration leads rapidly to paralysis and ultimately death. Over 10,000 adults are stricken with ALS each year for no apparent reason and with no real hope for recovery.

Like polio, ALS attacks the motor cells of the brain and spinal cord. Initially many patients show problems in speech, swallowing and chewing, while others have loss of strength in an arm or leg. The onset of the disease is slow but after a few weeks the patient is struck with violent twitching and painful cramps. Then he quickly sinks into a near full paralysis.

Initial diagnosis is quite difficult and often confused with multiple sclerosis. The expected lifespan for the postdiagnosis patient is a disturbing 3 or 4 years. Over 60 percent of the ALS patients are men who after a comparatively illness-free life suddenly are left useless and unable to move a single muscle.

This severe paralysis is responsible for more than the loss of one man or woman. It is a human problem of staggering magnitude. A simple calculation will demonstrate this clearly. There are at

least 10,000 new ALS cases in the United States every year. The patient is typically male, who is the head of a household and in most cases the large expenses associated with ALS depletes both the bank account and the spirit of the family. Based on an average income of only $7,000 per annum, an estimate of the loss of earning power to the economy is at least $200 million a year. In addition, a like amount in Government transfer payments for welfare and aid for dependent children realize a net loss to the economy of $400 million. Clearly a cure would be one of the great milestones in medical history.

This concurrent resolution asks for no money; asks for no special week, day or hour. This resolution simply shows the concern and care of the Congress for the suffering of tens of thousands of Americans who have ALS and their families.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate concurrent resolution just concurred in.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

PROVIDING FOR MANDATORY INSPECTION OF DOMESTICATED RABBITS SLAUGHTERED FOR HUMAN FOOD—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore (Mr. WRIGHT). The unfinished business is the further consideration of the veto message of the President of the United States on the bill (H.R. 2521) to provide for the mandatory inspection of domesticated rabbits slaughtered for human food, and for other purposes.

The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

The Chair recognizes the gentleman from Washington (Mr. FOLEY) for 1 hour.

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the message, together with the accompanying bill, be referred to the Committee on Agriculture.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

VACATING ORDER OF THE HOUSE OF WEDNESDAY, NOVEMBER 2, 1977, PROVIDING FOR THE HOUSE TO MEET ONLY ON TUESDAYS AND FRIDAYS

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the order of the House of Wednesday, November 2, 1977, providing for the House to meet only on Tuesdays and Fridays, be vacated and that when the House adjourns today, it adjourn to meet at noon on Wednesday, November 30, 1977.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, I wonder if the distinguished chairman of the Democratic Caucus could tell us what the plans are for the balance of this week and for the rest of the session. I have heard some suggestions that the House will again go into pro forma sessions, with the idea of fooling the public into thinking that we are going to have an energy bill before Christmas. If that is to be the case, then we could tie a red ribbon on it and put it under the Nation's Christmas tree. But if we are to have these sham sessions, then the gentleman from Maryland may insist there be a quorum present at all times, various international travel plans notwithstanding.

Mr. Speaker, I think what we ought to do would be to quit, shelve the so-called energy bill and be done with it for the year. We could save the taxpayers' nerves and pocketbooks.

Mr. FOLEY. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Washington.

Mr. FOLEY. Mr. Speaker, I would advise the gentleman from Maryland (Mr. BAUMAN) that it is the intention of the conference committee on energy to continue to meet and to attempt to resolve the differences between the House of Representatives and the Senate. We have very largely completed action on the utility rate negotiations, and that will probably be completed this week, and on conservation and coal conversion, that will probably be completed by the 2d of December. The remaining other two parts of the five parts of the President's energy program, which have been adopted in various manner by the House and the Senate that deal with gas pricing and other tax provisions, it is still the hope of the committee that the conference committee can conclude its work in order to bring a conference report back to the Senate and the House floor for action before Christmas.

I cannot speak for the leadership at this point, but I believe that there may be the intention following this week to go into the 3-day recess periods, hoping that the continued progress of the conference committee can result in the adoption of a conference report on energy before the holiday period.

Mr. BAUMAN. Mr. Speaker, further reserving the right to object. the gentleman from Washington (Mr. FOLEY) means before Christmas of 1977?

Mr. FOLEY. Christmas of 1977, the gentleman is correct.

Mr. BAUMAN. We will have an energy bill before that time?

Mr. FOLEY. That is the hope, that the conference could conclude its work prior to that period of time. Now what progress can be made on the two remaining parts in the next 2 weeks I think will be the critical test on whether it can be presented to the Members.

Mr. BAUMAN. Mr. Speaker, the gentleman from Maryland was under the misapprehension that November 29—is that not today's date—was supposed to be the day that the energy bill was to have been considered, and similar hope was expressed as to that date also?

Mr. FOLEY. But that hope, Mr. Speaker, unfortunately was dashed by the circumstances.

Mr. BAUMAN. Dashed indeed. So we will continue to have pro forma sessions up until Christmas Eve in the hope that we will perhaps have some grotesque ornament to hang on the national Christmas tree in the form of an energy bill?

Mr. FOLEY. I hope that the energy bill can be completed before Christmas because it would be a gift to the entire Nation, and it would be certainly wise public policy and therefore we hope for that conclusion.

Mr. BAUMAN. I thank the gentleman for his cheerful holiday explanation and withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

DISPENSING WITH BUSINESS IN ORDER UNDER THE CALENDAR WEDNESDAY RULE ON WEDNESDAY NEXT

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday, November 30, 1977, may be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

CONFERENCE REPORT ON H.R. 7, CAREER EDUCATION

Mr. PERKINS. Mr. Speaker, I call up the conference report on the bill (H.R. 7) to authorize a career education program for elementary and secondary schools, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of November 15, 1977.)

Mr. PERKINS (during the reading). Mr. Speaker, I ask unanimous consent that the further reading of the statement be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The gentleman from Kentucky (Mr. PERKINS) and the gentleman from Alabama (Mr. BUCHANAN) will be recognized for 30 minutes each.

The Chair recognizes the gentleman from Kentucky (Mr. PERKINS).

Mr. PERKINS. Mr. Speaker, I yield myself 7 minutes.

Mr. Speaker, the conference report on H.R. 7 which we are bringing to the floor today is the product of a very fruitful and cooperative conference committee. All the members of the committee reached unanimous agreement on all of these provisions so that what we have under consideration today is a bipartisan and unanimously supported conference agreement. I believe that this speaks well for the bill before us and for the work of all of the committee members.

I would especially like to commend the members of the Subcommittee on Elementary, Secondary, and Vocational Education who were conferees, especially Congressman BLOUIN who had his own career education bill and Congressmen KILDEE, LE FANTE, WEISS, and HEFTEL who took such an active part in writing this legislation. The committee's ranking minority member, AL QUIE, was also most helpful and diligent as always. Congressman JOHN BUCHANAN is also to be commended for his role in guiding this legislation through.

Mr. Speaker, the basic purpose of this bill is to encourage the Nation's schools to place a greater emphasis upon career awareness, exploration, decisionmaking, and planning. This means that we at the national level will seek to encourage, but not in any way require, our Nation's schools to broaden their offerings so that students will have a much better idea of the types of jobs available to them when they finish school, and of the types of skills needed to fill those jobs.

Today, unfortunately, many youngsters do not have this knowledge because their long years of schooling cut them off from the world of employment. To illustrate this point, I would like to refer to a recent survey conducted by the National Assessment of Educational Progress. This survey found that less than half of the 17-year-olds in the Nation could name more than one skill needed for the job they had tentatively chosen.

The bill before us today seeks to reverse that trend in order to provide our students with a better knowledge of jobs and of the skills needed for those jobs.

The bill contained in this conference report has three principal features which are meant to help carry out that basic purpose.

First, the conference report makes funds available for States to move from limited demonstrations of career education at the elementary and secondary levels to actual implementation in ways affecting all instructional programs and all teachers at these levels. To date, most of the Federal funding of career education has been for model and demonstration programs at the elementary and secondary levels. This conference report reflects the feeling of the conference committee that these model programs have shown their worth and that the time is right for a broadscale implementation of the ideas and practices learned from them.

Second, the conference report makes clear that the Federal role is to be of a very limited nature in this effort, both in terms of appropriations and in terms of the number of years these appropriations are to be provided. We are only authorizing $400 million over a 5-year period under this conference report, and these sums decline rapidly over the 5-year period so that there will be no doubt of the limited nature of the Federal assistance.

Third, the conference report respects the preeminence of the States and local school districts in this field by giving considerable flexibility in the types of career education activities which can be funded. The Federal role must be limited in terms of the requirements we impose, not only because of the limited dollars we will be appropriating, but also because the concept of career education itself is very diverse and is being implemented very differently in different States and school districts. Consequently, the Federal role emphasizes technical assistance to the States in carrying out their plans, and information gathering so that the States will have the best and most current information on jobs available to them when they are implementing this bill.

These features underscore how the Federal role is to be limited in this area in terms of the amount of assistance, in terms of the number of years this assistance will be provided, and in terms of the number of Federal requirements involved in receiving this assistance. Our whole purpose is to serve as a catalyst to the States to help them to carry through on their own plans for career education.

But, I do want to emphasize that by enacting this bill the Congress will be showing its concern that students not be isolated from the realities of the job market. Rather, we would hope that the schools could help by exposing their students to a variety of jobs, so that they will learn about jobs and the skills needed for them.

Mr. Speaker, for the information of the Members I would now like to go into more detail in describing this bill.

AUTHORIZATIONS

The legislation represents a new idea in categorical programs in that it calls for a short-term Federal investment which declines from fiscal year 1979 through fiscal year 1983. The authorization levels are $50 million for fiscal year 1979, $100 million for fiscal year 1980, $100 million for fiscal year 1981, $50 million for fiscal 1982, and $25 million for fiscal year 1983. After the fifth year, States and local districts are expected to take over the full costs of career education programs.

I believe this structured phaseout of Federal funds is particularly well suited to the concept of career education, since the goal of the legislation is the infusion of career education into the regular school curriculum. The accomplishment of this goal depends to a large extent upon retraining of existing education personnel and purchase of instructional materials rather than supporting large numbers of new staff in each district, and will not involve sizable costs to the States and local districts once the training procedures are established and the materials purchased.

STATE MATCHING REQUIREMENTS

In keeping with the notion of a limited Federal role, the bill also contains State matching requirements which increase over the 5-year period of the bill. For fiscal year 1979, the programs would be 100 percent federally funded. Funds for employing State-level staff would require 25 percent State matching in fiscal year 1980 and 50 percent State matching in each of the next 3 years. Other activities in the State plans would be 100 percent federally funded in fiscal year 1980, and require 25 percent State matching in fiscal year 1981, 50 percent in fiscal year 1982, and 75 percent in fiscal year 1983.

In hearings on H.R. 7, a number of witnesses testified that States and local districts are very supportive of the concept of career education (55 of the 57 States and territories have appointed career education coordinators), but that a small amount of Federal seed money is necessary to get a comprehensive effort started. Witnesses also testified to the far-reaching effects of Federal funds. This testimony indicated to committee members that States would be willing to assume some of the costs of career education programs, and that the benefits of the initial Federal investment would carry over into the years when the Federal funding begins to decline.

STATE PLANNING AND ACCOUNTABILITY REQUIREMENTS

The conference report incorporates a number of provisions intended to insure that States implement career education at the elementary and secondary levels in an orderly fashion with the commitment of all available resources. Each State desiring funds under the act must file an application and submit a State plan during fiscal year 1979. The State plan must set out explicitly the objectives the State seeks to achieve, how the funds will be used to achieve these objectives, and the criteria by which funds will be distributed within the State. In distributing funds, States must assure that payments will not be allocated solely on the basis of per capita enrollments and that the needs of private schoolchildren and of districts with high unemployment, sparse population, and few students have been given due regard. States must also assure they will maintain their own effort.

As a followup to the State plan States must file annual reports analyzing how these objectives have been met, unless the Commissioner deems such reports unnecessary. And, the U.S. Office of Education must report back to the States its analysis of each State's progress. This type of "feedback" ought to provide the States with the technical assistance they need to achieve the objectives they have set out in their State plans.

POSTSECONDARY CAREER EDUCATION DEMONSTRATION

Most funds for research and demonstration in career education since 1972 have been concentrated at the elementary and secondary level, and for that reason, the conferees feel that broad implementation is appropriate at those

levels. However, the concept of career education is in itself comprehensive and has implications for institutions of higher education.

Toward that end, the conference report authorizes $15 million per year for fiscal years 1979 through 1983 for postsecondary career education demonstration projects. However, the conference report also makes clear that no funds may be made available to institutions of higher education under the authority of section 406 (f) of the Education Amendments of 1974 in any year that this new authorization is funded.

We feel that this provision ought to aid in refining career education and its application to the postsecondary level, while making certain that any existing authorities for research and demonstration would not duplicate these efforts.

STATE LEADERSHIP

Each State receiving funds is required to employ staff with specific skills to administer and coordinate their career education programs. For fiscal year 1979, up to 10 percent of a State's grant may be used for employing State level staff, and for fiscal years 1980 through 1983, up to 5 percent may be used.

The conference report also permits States to use up to 10 percent of their grant each year for State leadership activities, including conducting inservice training and institutes, collecting and disseminating career education materials, conducting needs assessments, and engaging in collaborative arrangements with agencies and organizations representing business, labor, industry, and the professions.

The committee found that career education has widespread support among the general public, and works best when the entire community is involved, since the concept is so intrinsically related to the world of work. We see these collaborative arrangements as being especially important in fostering community involvement.

LOCAL USES OF FUNDS

As I mentioned before, the range of activities that can be funded under the act at the local level is broad. The types of activities that can be funded at the local level include inservice training, purchase of materials and supplies, instilling career education concepts into the classroom, collaboration with community groups, and the development of work experience and field trips for students exploring various careers. The only requirement imposed at the local level is that 15 percent of a State's grant must be spent for local programs in guidance and counseling.

I would like to point out that most students are sorely lacking in the kinds of career skills that these activities seek to provide. The National Assessment for Educational Progress recently found that less than half of the 17-year-olds in the Nation could name more than one skill needed for the job they had tentatively chosen. Over half had trouble writing a job application, and only 35 percent said they had talked to a guidance counselor about their career plans.

While the conference committee feels that these local activities are the backbone of the career education program and wishes to give districts as much flexibility as possible to meet their individual career education needs, we also feel that guidance and counseling is a crucial component in any career education program.

BIAS AND STEREOTYPING

During the committee's consideration of this legislation, we heard testimony that biased and stereotyped educational practices can reinforce stereotyping in the labor market. To prevent this from occurring, the conference report contains a number of amendments to assure that career education programs will be free of bias and stereotyping on account of race, sex, handicap, age, and economic status.

These provisions include collaborative arrangements with organizations representing women, handicapped, minority groups, and older Americans at the State and local level, hiring of a person familiar with the problems of discrimination at the State level, setting forth policies to assure equal access to career education in the State plan, and development of nonstereotyped career education materials.

ALLOTMENTS

The conference report provides that funds shall be allotted to the States including Puerto Rico on the basis of the population aged 5 through 18, with no State receiving less than $125,000 per year. One percent of the funds is set aside for grants to the outlying areas. States receiving the minimum allotment are exempted from complying with the requirements regarding State level staff.

FEDERAL ADMINISTRATION

The Office of Career Education in the Office of Education is charged with administering the act, performing a national leadership role, and providing technical assistance to participating States and territories upon request. The National Institute of Education is permitted to continue its research functions in the area of career education. The National Advisory Council on Career Education is charged with continuing its present functions, and the membership of the Council is expanded to include representatives of business and labor, and of organizations of handicapped, minority groups and women.

The Commissioner of Education is permitted to reserve up to one-half of 1 percent of the funds appropriated for a one-time national evaluation of the programs supported under the act.

MODEL PROGRAMS

The conference report also permits the Commissioner to reserve up to 5 percent of the funds for Federal administration and for making grants to support model programs in career education, including programs demonstrating the most effective methods and techniques in career education and exemplary projects designed to eliminate bias and stereotyping. In addition, no funds may be appropriated for grants or contracts with local educational agencies pursuant to section 406(f) of the Education Amendments of 1974, in any year that this provision is funded.

CAREER EDUCATION INFORMATION PROGRAM

The Commissioner is also permitted to reserve up to 1 percent of the funds to conduct a national career education information program. The Commissioner is charged with examining existing career information activities, including those of the National Occupational Information Coordinating Committee, examining the information needs of eligible organizations and individuals under the act, and furnishing and disseminating this information and information on exemplary career education programs.

In preparing for the Vocational Education Amendments of 1976, the committee was surprised by the lack of occupational information and of coordination between various agencies and bureaus using such information. I believe this provision ties well into existing efforts to improve our data base in this area.

For the sake of legislative history, I would like to point out that all three of these set-asides of funds to the Commissioner—for evaluation, model programs, and information—are meant to be taken from the appropriations before the State allocations are made. Otherwise, the purposes of these requirements may be thwarted by insufficient appropriations.

DEFINITION OF CAREER EDUCATION

Although the conference report affirms the comprehensiveness of the concept of career education and in its general definition of career education, we felt that for the specific purposes of funding under the act, career education ought to be defined so as to exclude those activities involving specific job skill training. In addition, the conference report includes amendments assuring that these career education programs will not be administered solely as part of the vocational education program.

I believe these particular provisions are necessary because some confusion still exists in the public mind regarding the concepts of career education and vocational education, and this language assists in clarifying that they are two distinct concepts. Also, funds for specific job skill training are already available under the Vocational Education Act and the Comprehensive Employment and Training Act; and, therefore, these limited funds ought not to be used for the purpose of actual training.

Mr. Speaker, I believe that this conference report is a well-balanced piece of legislation, encouraging but not requiring the adoption of career education in our schools. It stands in the long tradition of limited Federal funds being used as a catalyst to help States and local school districts bring about change and reform. I believe that the House should overwhelmingly adopt this conference report because it will provide the opportunity for thousands of our citizens to make better informed judgments on the types of careers they want to choose.

Mr. TREEN. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Louisiana.

Mr. TREEN. Mr. Speaker, I understand in the conference the total authorization was increased $50 million?

Mr. PERKINS. That is correct.

The SPEAKER pro tempore. The time of the gentleman from Kentucky has expired.

Mr. PERKINS. Mr. Speaker, I yield myself 3 additional minutes.

Mr. TREEN. Mr. Speaker, if the gentleman will yield further, it was $275 million for the program over 5 years in the House bill and now it is $325 million that the House has agreed to?

Mr. PERKINS. It is $400 million.

Mr. TREEN. $400 million?

Mr. PERKINS. Yes.

Mr. TREEN. The additional $50 million is for what purpose?

Mr. PERKINS. We have just spread it out over a period of 5 years, $50 million the first year, $100 million the second year and $100 million in the third year, and $50 million in the fourth year. Then the fifth year is down to $25 million.

Mr. TREEN. So there was an increase of $125 million by the conference?

Mr. PERKINS. Yes, if you do not consider the postsecondary funds earmarked under the House bill in the Carter Education Act.

Mr. TREEN. Can the gentleman tell me what will be the source of these funds, assuming they are appropriated?

Mr. PERKINS. Well, the funds, assuming they would be appropriated, will be disbursed on a population basis within the States according to the population ages between 5 and 18. The States will have the sole authority to expend the funds in ways to make these youngsters aware of career opportunities; but in no wise and in no way can the funds be utilized for specific jobs training purposes.

Mr. TREEN. My question was on the source of the funds. Assuming appropriations are made, will they be financed by additional taxes or additional deficits?

Mr. PERKINS. Let me say to my distinguished colleague that we are naturally running up deficits. I would hope to see the trend otherwise; but insofar as important legislation is concerned, we have got to go forward. It would be my hope that we could reverse the trend the gentleman is talking about and maybe put the operation of the Government on a pay-as-you-go basis. So far as I am concerned, I would like to cast a vote along that line myself.

Mr. BUCHANAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in suport of the conference report on H.R. 7, the "Career Education Incentive Act." This legislation originated in the House, and I was most happy the first day of the 95th Congress to join Chairman PERKINS, AL QUIE, and other colleagues on both sides of the aisle in introducing it. I think it is a tribute to Chairman PERKINS that the substance of this conference report is little changed from the original bill. It is an important piece of education legislation, one which can help bring about a much-needed emphasis in American education.

A significant factor in educational failure is the failure of students to see the relevancy of what is demanded in school to what is needed in life. For some, academic achievement is reward enough; for many, if not most, there needs to be a closer connection made between school and work—between what is learned in school and what is needed to build a career in a worthwhile occupation. Traditional school counseling has not provided this connection, even for the college-bound who traditionally have been the main targets of such counseling. Most of us can look back on our own school days and easily recall how little awareness we had of the variety of career choices and opportunities open to us. School counseling and guidance services are an important part of any total program of career guidance, but they cannot alone do the job.

The concept of career education—where career awareness infuses the entire curriculum and augments the entire educational process—is a sound one. Its value has been demonstrated in countless experiments and programs in schools all over the Nation. Both the National Institute of Education and the U.S. Office of Education have assisted in initiating and evaluating career education programs, but the largest part of the activity by far has been funded solely by State and local funds. I think it is important to understand that this educational program has wide support among educators, business, labor, community leaders, and parents in several thousand schools across the Nation.

In my area, in Jefferson County, Ala., with 73 participating schools and in Birmingham with 100 schools, we already have strong career education programs. Dr. J. Revis Hall, the Jefferson County superintendent of schools, and John Rogers, our director of career education, have given outstanding leadership. The same is true of Dr. Wilmer Cody, the superintendent of schools in Birmingham, and Marsha Walker, the director of career education. It is not possible in a brief time to describe all of the activities initiated in the two systems—and all of it without Federal assistance—but both systems have been building career education programs since 1972. One example of the kind of community activity involved is that for 3 years the two systems have participated in career guidance institutes conduced for teachers by the National Alliance of Businessmen. About 250 teachers have participated.

The State of Alabama has moved forward in developing career education programs. We have been fortunate in having the leadership of State Superintendent Wayne Teague and a State career education coordinator, Anita Barber. The enactment of this legislation—and its subsequent funding in appropriations for fiscal 1979 and the four succeeding years—would enormously strengthen their efforts and permit a successful culmination of them.

One particular thrust of the Senate version of H.R. 7—the elimination of sex bias and stereotyping in programs dealing with career choices—greatly strengthens the original bill. I want to call these provisions to the attention of program administrators at all levels.

The provisions of H.R. 7 as embodied in this conference report have been described in detail by Chairman PERKINS. I need not repeat them. But I would like to emphasize most strongly that the concept of career education is one which ties together student, school, community, and family in a program designed to help every single student to understand his or her career possibilities and to relate those in a meaningful way to the basic educational skills. It promotes understanding of the relevancy of both academic preparation for higher education and vocational education which may stop at the secondary level, or may also lead to postsecondary work. It makes the need for a sound education understandable to students who in large part have been cut off from the whole world of work and career development in schools which have stood apart from the broad economic community in which adults must function effectively in order to lead productive and satisfying lives.

Changed times and changed circumstances demand change in education. Education must at a minimum equip individuals to make a constructive contribution to the economic and social life of the community. This cannot be accomplished in isolation from the community. It cannot be accomplished when students are unable to relate their own interests, abilities, and aspirations to real life situations. Career education is not a panacea for all the problems of education, and is not offered as such. But it is a realistic approach to one of the basic problems of education, which I have attempted to describe in this statement. Accordingly, there is every reason to believe that this concept can make a major contribution to the solution of other problems.

I am proud to have been a sponsor of H.R. 7. I think we worked out a very good bill with the other body, and I urge adoption of the conference report.

Mr. DON H. CLAUSEN. Mr. Speaker, will the gentleman yield?

Mr. BUCHANAN. I yield to the gentleman from California.

Mr. DON H. CLAUSEN. Mr. Speaker, I rise in strong support of the final version agreed to by the House and Senate conferees on H.R. 7, the bill to authorize a career education program for elementary, secondary, and postsecondary schools.

I commend my colleagues on the House Education and Labor Committee for their untiring efforts to develop a comprehensive bill to insure that more emphasis is placed on career awareness, exploration, decisionmaking and planning in our schools. In particular, I congratulate the distinguished chairman of the committee (Mr. PERKINS) and the ranking minority member from Minnesota (Mr. QUIE) for their careful preparation of this legislation. I must also compliment the gentleman from Alabama (Mr. BUCHANAN) for his personal commitment to the legislation and his efforts to gain its final approval.

Career education programs can provide the important link for our young people between what is taught in school and what is needed to build a career in work of their choice; and, I feel the time is right to implement these programs in a comprehensive manner and on a broad national scale.

This legislation is consistent with our

goal of providing assistance to our local school systems without exerting unnecessary Federal control. The "no strings attached" approach of this bill allows the States greater flexibility in the use of the funds authorized and insures that the money is channeled into those areas with special needs. This is education at its very best as it leaves the educational decisions solely in the hands of those most familiar with the wants and needs of their school systems.

Specifically, the bill authorizes total grants to the States of $325 million over a 5-year period for elementary and secondary career education; $50 million for fiscal year 1979, $100 million for fiscal year 1980, $100 million for fiscal year 1981, $50 million for fiscal year 1982, and $25 million for fiscal year 1983. A minimum per-State allotment has been set at $125,000. In addition, $15 million is authorized for each of the 5 years to conduct postsecondary career education demonstration projects of national significance.

It is anticipated that after these initial 5 years, career education will have become a part of the regular education programs reaching all students and all teachers and that full responsibility for continuation of the programs will be assumed by the States.

I am convinced that this is the correct approach and that we are making a sound and very valuable investment in one of our greatest national resources—our youth.

I urge my colleagues to support this legislation.

Mr. BUCHANAN. Mr. Speaker, I yield 5 minutes to the gentleman from Louisiana (Mr. TREEN).

Mr. TREEN. Mr. Speaker, I hesitate to take the well to oppose a bill that has such a motherhood label as "aid to education," and I also do this reluctantly because of my great respect for the chairman of the Education and Labor Committee and for the ranking minority members of this committee. I want to make a disclaimer that I am not in opposition to the passage of this legislation because I oppose career education. Indeed, I think that in the schools of this country there has not been sufficient emphasis on education relating to careers.

My question, though, is whether or not the Federal Government needs to undertake this program. In some of our educational aid programs, we justify Federal involvement because the allocation formula helps certain areas of the country that are considered underfunded in educational programs. But, under this program, it is simply a doling out of money based upon the population in each State between 5 and 18 years of age. So, it has no redistribution purposes as between the different States, as so many education programs that were designed to help the South. The question I raise also is this: What sources of revenue are there in sight to pay for this program?

The President of the United States says that in 1981 we are going to balance the budget. Many of us in this House on both sides of the aisle would like to help him toward that goal. But, according to the conference report, we step up the authorization to $100 million by the year 1981.

I directed a question to the distinguished chairman of the committee as to where the revenues will come from. They will come either from additional borrowing, which means additional deficit, or they will come from additional taxes. Who in this House will get up and propose the additional taxes to raise the $400 million authorized by this bill? I know that today $100 million, which is the authorized level for 1980 and 1981, does not sound like much money. But that is one-tenth of $1 billion. And we have to start somewhere if we are going to achieve that promised balanced budget.

The Members have probably heard this question from their constituents: How are we going to balance the budget by 1981? I have had that question thrust at me time and time again. My response has been that it is very difficult to cut back on existing programs. The Members know that is true. It is very hard to cut back. I wonder if the Committee on Education and Labor is going to recommend any cut in authorization for educational programs for the year 1981. I understand the opposite will happen. The existing programs will rise in their authorization levels and in the appropriations levels. So where do we start? We start by looking at the new programs. This is not an old program. This is an entirely new program which passed this House under suspension of the rules, and only 14 Members voted against it.

Mr. Speaker, I say that if we are going to make a start on eliminating our monstrous annual deficits, we have to start by looking critically at every new program. Ultimately, of course, this new program will be financed by the taxpayers, whether we borrow temporarily or not to pay for it in 1981 and the other years. The taxpayers will pay for it. I say that the States are just as capable, and in many instances they are more capable, of raising the funds if they want this type of educational program in their States. They are the same people from whom we are extracting money when we levy a Federal tax as a State tax. Since there is no redistribution involved in this case—it is purely a program of extracting taxes and giving funds back to the States—I say that here is a perfect example of an instance where we should let the States do what they are perfectly capable of doing. Five percent of this money is just for Federal administration. So we see, right there, we have a 5-percent take from the money that would be used in this program. This is an admirable goal. But I say—and this I think is consistent with the words of both candidates who ran for president last fall—let us not do the things on the Federal level that the States are perfectly capable of doing. This is a good example. In my opinion, this is a place where we need to start to try to give the President that balanced budget in 1981.

Mr. BUCHANAN. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, there is nothing I would like better than to see the full load of education borne by State, by local, and by private agencies. But the fact is that this can no longer be the case in the United States. My own city of Birmingham is the only major city, to my knowledge, in recent years that has voted a new tax upon itself to finance education for its children. Given the amount of tax take in the form of income tax that the Federal Government consumes, this is the only level in which we can raise the revenues to make an increased investment in one of the highest priorities, the priority of education.

Mr. Speaker, I would point out to my distinguished friend, whom I deeply respect—and I also applaud his efforts toward a balanced budget and toward fiscal responsibility—that the money in this bill is for a limited time and a limited amount, and it constitutes the widow's mite spent by our Government which is spending a king's ransom for many other purposes.

Mr. Speaker, I would suggest to my friend that this is a good investment in our future.

Mr. TREEN. Mr. Speaker, will the gentleman yield?

Mr. BUCHANAN. I yield to the gentleman from Louisiana.

Mr. TREEN. Mr. Speaker, the gentleman talked about this being the only place where we can get the money. The money is coming from the people who live in Alabama, as well as from the people who live in New York, the people who live in Kentucky, and the people who live in Louisiana.

Those people are not any different, are they, when it comes to paying Federal taxes and State taxes?

Mr. BUCHANAN. Certainly not. But I would say to my friend, the gentleman from Louisiana (Mr. TREEN), that my State for example has already, with its own funding, done a good deal in career education. We have a good record in that field, and we are very proud of that.

This bill is providing a stimulus to States around the country to provide the same kind of vital opportunities for young people that are being provided by some funds which are purely State funds, and I really think this is a very good program.

Mr. TREEN. Mr. Speaker, will the gentleman yield further?

Mr. BUCHANAN. I yield to the gentleman from Louisiana.

Mr. TREEN. Mr. Speaker, is the gentleman saying that the Federal Government must do this because the States will not do it? Is that what it boils down to?

The dollars are not any more efficient because they come from the Federal Government; will the gentleman concede that?

Mr. BUCHANAN. Mr. Speaker, I do concede the dollars would not be any more efficient, but I think we must make this limited Federal investment in order to help secure and to help provide a broader long-term participation by all the States. I think that full participation by all the States will result in profound value to the country in career education, and it is my hope that this limited investment will accomplish just that.

Mr. Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. PURSELL).

Mr. PURSELL. Mr. Speaker, as a member of the conference committee, I would like to state that I wholeheartedly support this valuable piece of legislation.

I agree with all the Members who are concerned about national, State, and local government budgets. However, the Federal Government has historically usurped the local tax base to such an extent that the money is coming directly to Washington and the local governments are forced to rely on an antiquated property tax base to help finance schools.

If we look at the communities throughout the Nation that are organized municipalities or that have developed a national strategy for using Federal revenue sharing in cities, townships, and counties, we see that the educational community is split nationally and they do not have a real national strategy. Therefore, we spend only about $10 billion a year on educational programs out of a $400 billion Federal budget.

I share with most of the Members the feeling that we must invest for the future of our younger generation, and that we must maximize productivity and improve the quality of education so that we can achieve a better standard of living in America.

Mr. Speaker, I think this is a step in the right direction, and I share with both the Democratic and Republican members of the conference committee the feeling that we must support this legislation.

Mr. JEFFORDS. Mr. Speaker, H.R. 7 is an important and valuable step toward the goal of helping students of all ages to integrate their ideas about work with other aspects of their educations. Yet, the minimum allotments authorized for States under the act will not be sufficient to support adequate programs in small States such as Vermont and many others. The issue is clear: the fixed costs of starting an adequate program are greater than the minimum allotment.

H.R. 7 seeks to redress a widely recognized problem: Our educational system has not been able successfully to help students relate what they learn in school to what they will do when they leave school. Further, many students are unaware of the variety of careers open to them. Most are unable to match their individual talents to specific careers, in part because they do not receive adequate advice and counseling throughout their school years. The National Advisory Council on Career Education has listed 11 specific shortfalls of current educational programs, including the most basic problem:

Too many persons leave our educational system at both the secondary and collegiate levels unequipped with the vocational skills, the self-understanding and career decisionmaking skills, or the work attitudes that are essential for making a successful transition from school to work.

In order to meet the problems outlined by these criticisms and others, H.R. 7 mandates a number of activities at both State and local levels. For example, States are asked to provide leadership and action in:

(A) conducting inservice institutes for educational personnel;

(B) training local career education coordinators;

(C) collecting, evaluating, and disseminating, career education materials on an intrastate and interstate basis with special emphasis on overcoming sex bias and stereotyping;

(D) conducting statewide needs assessment and evaluation studies;

(E) conducting statewide career education leadership conferences;

(F) engaging in collaborative relationships with other agencies of State government and with public agencies and private organizations representing business, labor, industry and the professions and organizations representing the handicapped, minority groups, women, and older Americans; and

(G) promoting the adaptation of teacher-training curricula to the concept of career education by institutions of higher education located in the State;

Yet, States can spend only 20 percent of their funds in fiscal year 1979, and 15 percent in succeeding years, for all of these State-level purposes. Even if the act were to be fully funded, Vermont would receive only about $136,000 to accomplish all of these goals. Twenty percent of $136,000 is not adequate for State-level activities.

No matter what the good intentions on the part of each State, such amounts are not adequate to support effective programs. For example, the Vermont State career education office has developed a career education consortium of all institutions of higher education in the State. The members meet and contribute actively to the State career allotment plan. All of this takes money, yet the Vermont allotment under H.R. 7 would not be adequate to continue this project while also supporting other mandated activities under the act.

In addition, States must distribute funds under the act to local education agencies for a wide variety of classroom and other purposes. Eighty percent of $136,000, or $108,800, is not adequate to fund the 13 separate local activities mandated by H.R. 7 for all of the school districts in Vermont, or in any other small State.

Small, rural States face particular problems in mounting effective programs, because their populations are dispersed and the range of locally available career options is limited. A straight proportionate-to-population allotment schedule ignores the fact that effective programs require an adequate minimum expenditure unrelated to population. The minimum $125,000 allotment contained in H.R. 7 is not adequate, and we cannot expect small States to mount adequate career education programs at this funding level. I urge you to join me in supporting H.R. 7 because it promises to help States begin to solve a complex educational problem. I also urge you to join me in reconsidering the tiny minimum allotment allowed States under this act, and in future legislation providing more realistic funding for small States like Vermont to meet the basic, laudable goals of this legislation.

Mr. TEAGUE. Mr. Speaker, today we are considering a conference report on the Elementary and Secondary Career Education Act of 1977. I realize that the House may not amend a conference report and under the rules may only accept or reject the report. I have no problem with H.R. 7, the bill under consideration, and do not want my remarks to be considered as a criticism of the bill or the conference report accompanying the bill. My purpose for rising today is to bring to the attention of this body the continuing criticism which I hear and read with regard to education programs administered by the Department of Health, Education, and Welfare. You may recall that a Member of this body leveled a very serious charge when H.R. 8701, the GI Bill Improvements Act of 1977, was being considered on the floor following amendments by the Senate. In fact, the words used were that the VA education program is a mess. On November 11, I took the occasion to respond to the remarks of the gentleman who had called the VA education program a mess by pointing to recent newspaper stories about the enormous rate of unpaid student education loans which have become a major national scandal. The New York Times in a recent article emphasized that while the Federal Government shovels out billions of dollars every year to colleges and universities, there is no unifying policy in higher education, nor is there any central coordination.

During the recent recess, I came across another article about one aspect of the education program administered by the Department of Health, Education, and Welfare. The article pointed out that HEW manages 130 education programs and that this year the Federal Government will shell out a total of $19.6 billion for education. Another article that has been brought to my attention appeared in the November 1977 issue of the Washingtonian Monthly entitled "Tilting at Windmills." While I do not subscribe to the recommendations made by the article, it is another example of the serious concern of so many of our citizens with regard to the Federal Student Loan program and the apparent inability of the Federal Government to obtain repayments from students who have defaulted on the loans. As the article in the Washingtonian Monthly points out, 37 HEW officials making between $15,000 and $43,000 a year have failed to repay Federal student loans. When high-paid HEW officials thumb their noses at their obligations to repay Federal student loans, I feel it is fair to say that this program is in a mess. It is not a theoretical mess. It is not a rhetorical mess. It is a mess documented by the facts.

Mr. Speaker, at this time I would like to make as part of my remarks the Washingtonian Monthly article entitled "Tilting at Windmills" and a newspaper article in the November 27 issue of the Washington Post entitled "U.S. School Aid Extension: Hand-Wringing, Verbal Brickbats." In addition, I want to include as part of these remarks recent news items from the American Legion magazine and the Washington Star that bear on this subject.

Lastly, Mr. Speaker, the President has signed into law H.R. 8701, the GI Bill Improvements Act of 1977, which is now identified as Public Law 95–202, and I would like to include as part of my statement the remarks of the President

when he signed Public Law 85–202 on November 23. As the President indicated, the nearly $25 billion that we have spent on the current GI bill has been an excellent investment in the Nation's future. Can we say the same thing for the billions of dollars that have been poured into the educational programs administered by the Department of Health, Education, and Welfare? I, for one, will keep my eye on these programs and make sure HEW administrators are carrying out the intent of Congress. It appears that a sizable portion of America's taxpayers doubt they are getting their money's worth.

The articles follow:

[From the Washington Monthly, November 1977]

TILTING AT WINDMILLS

The cost of higher education is being recognized more and more as a serious national problem. The Washington Monthly got into it several years ago through a logical back door. One of our central concerns has been the extreme caution, often bordering on cowardice, of federal employees—their unwillingness to blow the whistle when they encounter wrong-doing, or to take risks to make sure their bosses are exposed to the right ideas and facts. Some of the reasons we've found for that caution are deeply ingrained in character and difficult to do anything about. But one seems easy to cure. It is the cost of college, a cause for caution most commonly found in people between 40 and 55 who feel that they can't take the slightest risk of losing the job that is paying their children's tuition—that indeed it would be selfish of them to seek the personal glory of courageous public service at the risk of denying their children a college education.

To us, then, a federal student loan program became an important way to deal with the fears of these government employees, and of course, as we thought about it, with the fears of non-rich parents throughout the country. But the present federal student loan program is a disaster. It needs to be taken out of the hands of the banks, made available to everyone who needs it, and made impossible for either schools or students to defraud. The way to do all this is to make the loans payable by the government directly to schools for tuition and directly to the students for living expenses, in installments as needed. If a student gets cheated, either he or the government should be able to sue the school or its head (so that he can't hide behind a corporate shield) for triple damages. So that the student won't fail to repay—as we recently learned 37 HEW officials making between $15,000 and $43,000 a year had failed to do—repayment should be withheld from earnings along with income taxes at a rate of 3 to 5 per cent annually. For once there is a reasonable simple solution to a pressing public problem. We hope Congress will get busy and enact it.

[From the Washington Post, Nov. 27, 1977]

U.S. SCHOOL AID EXTENSION; HAND-WRINGING, VERBAL BRICKBATS

(By Bill Peterson)

President Carter will shortly be forced to do something his administration has so far studiously avoided: set forth a policy on aid to education.

Within the next week, Carter and Health, Education and Welfare Secretary Joseph A. Califano Jr. will be given position papers on two of the most important educational issues they will face while in office; proposals to continue the largest single federal aid program for elementary and secondary schools, and whether or not to create a Cabinet-level Department of Education.

The issues have little popular appeal and have produced a minimum of public interest. But both hold far reaching implications for the federal role in education and have created an extraordinary amount of handwringing in Congress, education circles and inside the administration.

This is especially true of the extension of the Elementary and Secondary Education Act, the largest single federal aid to education program, which expires next year.

For months now, the heavies in the education world have been holding hearings, writing position papers, issuing studies and exchanging verbal brickbats over the program, which will supply $3.7 billion to the nation's schools this year.

They've spent more than $15 million doing so, and accumulated a bookcase full of official-looking documents.

Yet little breathtakingly different is expected to develop from the process, according to congressional and administration sources. The debate has been essentially over two basic issues: does federal compensatory aid to education do any good, and who should get federal dollars for what?

Carter is expected to submit his educational plans to Congress by mid-January. So far Califano and other policymakers have sketched only the broadest outlines of what these plans may be.

There is, however, general agreement in the administration and Congress that the heart of the ESEA, Title I, which is aimed at providing compensatory funds to disadvantaged children, should be continued with more federal dollars—20 per cent more under one proposal sent to the Office of Management and Budget.

The key question is how to divide limited funds. Money for education is tight. And any shift in emphasis—or even in the statistical data used to distribute funds—can touch off emotional political fights.

Califano, in a recent Chicago speech, gave the best insight into administration thinking. He proposed more Title I funds for high schools, more money for inner-city schools, more emphasis on parent involvement, making schools "social service centers," and expanding Title I programs into the summer.

The administration, he said, "will explore new ways to help Title I areas with especially large concentrations of needy children." Only 5 per cent of the nation's high school students now receive compensatory education, he added, "yet it is in the high schools where test scores in many areas are falling and where the dropout rates are the highest."

The other area Califano has expressed a strong interest in is testing to establish standards in basic reading, writing and arithmetic skills—an apparent reaction to the back-to-basics movement. In a speech last month, the secretary said he opposes a standardized national competency test, but "I believe that every state should have a program for developing and measuring basic skills that includes competency testing."

He also announced that HEW will throw its weight and dollars behind "a new emphasis on basic skills" and will finance a series of moves to support testing efforts.

A little background is in order here. When President Johnson signed the original ESEA legislation, a cornerstone of his Great Society program, back in 1965, he declared, "No law I have signed or will ever sign means more to the future of America."

Until that time, virtually the only assistance Washington provided for local schools was for impact aid, which gives money to districts with major concentrations of federal workers. ESEA, however, provided a major infusion of federal dollars to most of the nation's 16,000 school districts, aid that now amounts to 8 per cent of the budgets of the nation's elementary and secondary school systems.

It directed the major part of these funds, through the Title I program, toward instructional help for the nation's poorest schools and children.

Since that time, the federal role in education has expended by leaps and bounds; today, HEW manages 130 different education programs. And this year Uncle Sam will shell out a total of $19.6 billion for education.

Not all of this gets to public school systems, nor to education per se, however. The U.S. education budget, for instance, includes $2.8 billion this year for child nutrition and $1.6 billion for educating servicemen.

The diversity of the programs and a desire to create a stronger advocate for educational spending in Washington have led to a concerted push by the National Education Association and other groups this year for a Cabinet-level Department of Education.

Carter, while a candidate, pledged to work for such a department and has set up a task force to study the matter as part of his government reorganization project. But Califano opposes a new department, and the administration has been notably silent on the issue.

The education task force has completed the initial phase of its work and expects to give Carter its findings within the next two weeks, according to Pat Gwalting, who heads the effort. The group, she said, has looked at three options: leaving education in HEW and upgrading its status there; creating a new department to oversee just education programs; or making a broader new Cabinet post that would include education and human development programs.

Education programs are now scattered in more than 40 different agencies in the departments of HEW, Agriculture, Defense and Labor. Policy often conflicts; the policymaking apparatus is cumbersome.

The difficulty in coming up with an administration policy on the elementary and secondary education bill provides a case in point. Discussions on it have taken almost six months.

HEW has three separate power centers involved in the fray, complicating matters. One is in the office of Commissioner of Education Ernest L. Boyer, formerly head of the State University of New York and a skillful bureaucratic infighter; another comes under Assistant HEW Secretary of Education Mary Berry, an aggressive former chancellor of the University of Colorado, at Boulder, the third, and most powerful is Califano's immediate circle. Each has its own policy staff, its own turf and interest to protect.

Each of the eight separate programs under ESEA presented policy conflicts. In addition, charges of mismanagement and too much paperwork in some programs had to be dealt with. But Title I and bilingual education developed into the task force's two most controversial issues.

The problem with bilingual education was that the government had spent a half a billion dollars in nine years to help students with little or no command of English, but it had done very little to find if the program did any good. Yet the program has entrenched often vocal, constituencies, making it difficult to alter.

The evidence on Title I was conflicting. For almost a decade the evaluations of the program were poor. Charges of mismanagement on the federal, state and local levels were widespread.

But a National Institute of Education study, which came out in September, concluded Title I programs had dramatically increased reading and math abilities in first and third graders tested.

The study had a couple of holes. It didn't, for example, show that pupils retained what they learned through the summer during the school year. But the study told the administration and members of Congress what they wanted to hear.

The biggest single challenge to the status quo in Title I has come from Rep. Albert H. Quie, of Minnesota, the ranking Republican

on the House Education and Labor Committee. He has proposed that funds be distributed on the basis of low achievement rather than poverty.

"I believe that every child who has serious problems learning to read, write and count is in need of special help," he says.

Currently, Title I funds are distributed under a complex formula that uses the number of children from families with incomes below the federal poverty line and in homes that receive Aid for Dependent Children. Figures are based on the 1970 census.

Population, however, has shifted since 1970. The South, which has traditionally benefited more from Title I than other regions of the country, has grown more prosperous; the Northeast less so.

Critics say the Quie formula would take money away from poor school districts and give it to the middle class; thus it is frowned on by the administration.

[From the Washington Star, Nov. 13, 1977]

STUDENTS TURN DEAF EAR ON UNPAID LOAN QUERY

The Department of Health, Education and Welfare said yesterday it has received replies from only 1 percent of the 22,500 persons it contacted for being in default on student loans for at least four years.

Among the 121 replies analyzed—250 were received—only 49 persons promised to pay in full, said HEW Secretary Joseph Califano.

Califano said 35 persons refused to pay, 17 said they were unable to pay now, one asserted he is permanently disabled, which could result in the loan being forgiven, seven were dead, and 12 said they would visit an HEW office of discuss the debt.

Taxpayers have paid an estimated $413.6 million to cover government guaranteed loans to students who never paid them back. The Office of Education estimates one in six of the loans it guarantees is not paid back.

HEW mailed leters Oct. 30–31 to 22,500 of the 50,000 whose defaults are at least four years old. Letters also will be sent soon to the other 344,000 borrowers who have defaulted on federally insured loans.

HEW said the letter writing campaign is the first government effort since 1972 to reach student loan defaulters other than those employed by HEW.

The replies represent a good response rate, said Leo Kornfeld, director of student aid at HEW's Office of Education. He said many recipients quickly phoned HEW.

Kornfeld noted HEW regional offices have arranged with U.S. attorneys to prosecute defaulters.

[From the American Legion Magazine, November 1977]

U.S. CURBS THREATS OF BILL COLLECTORS, BUT DUNS STUDENT LOAN DEFAULTERS, AND INITIATES NEW WAR ON PAPERWORK

The Office of Education, meanwhile announced that it will call in a private collection agency—presumably, one of the more ethical ones—to track down student loan defaulters and collect the unpaid loans which had been federally insured.

Since the program began in 1967, some 390,000 student loans—out of approximately 4 million, have been left unpaid, leaving Uncle Sam responsible for $413 million in I.O.U.'s. Additionally, several thousand students wriggled out of their promise to pay back their tuition loans, amounting to $24 million, by going into bankruptcy.

In admitting that the collecting of the student debt was too much for his own dunning staff of 106, Leo Kornfeld, Deputy Commissioner for Student Financial Assistance, said that the decision to call in professional bill collectors is "rooted in our firm conviction that those who are able but unwilling to pay their debts do a grave injustice to the American public who provided them with an opportunity for education."

Mr. BLOUIN. Mr. Speaker, a little over 2 years ago, during the time the Subcommittee on Elementary, Secondary, and Vocational Education was conducting hearings over the reauthorization of the vocational education amendments, I began to feel there was something lacking—not so much with the concept of occupational or vocational education, but in the area of assisting students to know their interests; to know what their opportunities are; what career choices there were available to them.

This was the beginning—in my mind—of the career education concept. Since that time due to the initiative of the chairman of the Elementary, Secondary, and Vocational Education Subcommittee, my distinguished colleague and friend, the Honorable CARL PERKINS, the career education concept has developed into a piece of legislation which passed both the House and Senate in an almost unanimous fashion. I am pleased to have actively assisted the chairman in the development of this legislation and would like to commend him for being so receptive to my thoughts and ideas as the legislation was formulated for introduction last spring.

I do not feel there is a need to expound on all the components of the bill as the Members have already expressed their support for the bill during its initial passage in April. However, I do have some observations I would like to share with you prior to your vote on the conference report.

The House version was built around the principle that the bill's concept should be directed toward the elementary and secondary level. Postsecondary schools were not included as eligible recipients, however the House version did prohibit local education agencies from receiving any funds appropriated for career education demonstration projects under section 406(f) of the Education Amendments of 1974. Thus, restricting section 406(f) funds to postsecondary career education demonstration projects.

The version which passed the Senate, however, authorized $15 million for each of the 5 fiscal years of the act to be used for postsecondary career education demonstration projects, with a seemingly strong emphasis toward career placement guidance and counseling. In addition, there was no reference to section 406(f) funds.

The conference substitute kept the Senate language with the provision that "no funds may be authorized to be appropriated under section 406(f) of the Education Amendments of 1974 for postsecondary education projects in any year in which this provision is funded."

I supported the conference substitute, only because it carried a separate $15 million authorization. My reluctance was based on the fact that I see this legislation as a concept which must begin early in the elementary grades. The intent of career education—in my opinion—is that to be meaningful it must give students a more accurate picture of the workaday world. It should give them a better idea of the careers available to them in our society and it should grant them a better assessment of the skills, talents, and training they need to fill those jobs.

To be quite frank, the career education concept employed at the postsecondary level is after the fact, at least as I envision the concept. I am not opposed to the career education demonstration idea, however I would rather it would have been addressed through the vehicle contained in the House bill. The $15 million separate authorization does of course place additional emphasis on career education demonstration projects, thus I would hope that those postsecondary institutions utilizing these dollars will develop substantive projects which will be directed toward the original concept of the bill and not be used solely as dollars to assist the development of postsecondary placement services. A second observation is directed toward the 15-percent setaside for guidance and counseling, which was a part of the House-passed bill. The Senate bill contained no comparable provision, however the Senate receded to the House on this point, although the conferees wisely made clear in the conference report "that this requirement regarding a minimal expenditure for guidance and counseling activities is a requirement applicable to the State's allocation and is not a requirement which each local school district receiving funds must follow."

I actively supported the retention of the 15-percent setaside, as I believe that in order to truly develop an "integrated" career education program, guidance and counseling must be a vital component in its development. I would, however, like to direct a comment toward the guidance and counseling profession. The 15-percent setaside, grants them a specific responsibility in the development of an integrated career education program. As a Member who has actively supported the profession in the past, I will be watching for their leadership in the development of a meaningful career education program nationwide. It is a big responsibility, but one I feel confident they can master.

Mr. Speaker, my remarks thus far have been in the form of communicating the idea that those components who are mandated the responsibility of carrying out this legislation, have the responsibility of making it work—of making it a better program through demonstration projects and through the creation of innovative ideas.

I would be remiss in my words of caution, if I did not also mention that career education will not work if teachers and administrators, local school boards, business, labor, and civic officials do not help make it work. Individuals at the local level, both within and without the educational system have a wealth of background, knowledge, and experience which can be very valuable in the planning process for career education programs at the local level. That knowledge and experience will be essential in the implementation of successful career education programs. Once this legislation is enacted, I hope these individuals will accept the challenge and the responsi-

bility to assume a leadership role at the State and local level.

Mr. Speaker, I am proud to have been a part of this concept from its beginning and I urge the adoption of the conference report.

Mr. QUIE. Mr. Speaker, I have for many years urged that our schools do a better job of acquainting young people with the whole range of career opportunities open to them, and in the process involve the community and the home in that effort. There are many reasons for our unconscionably high rate of youth unemployment. but undoubtedly one is the gulf which exists between school and work. This gulf is more often bridged by vocational education, but the need for close linkages between education and work extends to all of education. It is particularly acute for our elementary and secondary schools, to which this bill is for the most part addressed.

I think it is most appropriate to recall the enormous contribution of Dr. Sidney Marland, who as U.S. Commissioner of Education and Assistant Secretary for Education in HEW brought national attention to the need for a career education emphasis in our schools. We also owe much to the original thinking and continued leadership of Dr. Kenneth Hoyt, who as Director of the Office of Career Education in the U.S. Office of Education has worked tirelessly and with great success in getting these programs started in the schools. Without their combined effort the Congress would not have moved as it has to initiate and implement a national program.

For several years now the U.S. Office of Education, operating with an appropriation of about $10 million a year, has financed model programs around the country which have demonstrated that career awareness can be successfully infused in the elementary and secondary school curriculum. Moreover, most States now have State coordinators of career education programs and thousands of school districts have made a beginning on such programs without Federal assistance. In Minnesota Ms. Phyllis Paul has been the consultant for career education in the State Department of Education and we have some outstanding programs involving schools, industry, the community, and institutions of higher education. However, we need the stimulous of Federal grants to the States to move this program beyond the project stage and make it an integral part of our total educational system.

H.R. 7 is designed for this purpose, and I am pleased to have joined Chairman PERKINS as one of its sponsors. But it is not just another authorization for Federal grants which will continue on the books for years long after the need for the initial stimulus is past. It has some unique features. For one thing, section 4(b) contains a "self destruct" provision in the authorization which will immediately test whether the Congress is serious about this program. No funds may be appropriated for any fiscal year after fiscal 1979 unless they had been appropriated for the immediately preceding fiscal year.

Thus, if no funds are appropriated for fiscal 1979, none are authorized thereafter. Also, the authorizations over 5 years start at a substantial $50 million the first year, raise to $100 million for each of the next 2, and then taper off to $50 million and $25 million for the last 2 years. This is to emphasize the conviction of our committee, which was shared in the other body, that this indeed should be a temporary program and that the very nature of the concept of career education is such that once it is firmly implanted in the educational system continued Federal assistance is unnecessary. Also, Federal grants used for paying State personnel and administrative costs may not total more than 10 percent in the first year or 5 percent thereafter. Federal funds used to pay the State staff must be matched with 25 percent non-Federal funds the second year and 50 percent thereafter; program funds have to be matched 25 percent in the third year, 50 percent in the fourth year, and 75 percent in the final year. This is intended to emphasize the declining Federal role as the program moves along.

Both versions of H.R. 7 were so structured that a very large percentage of funds going to each State—80 percent in the first year and 85 percent thereafter—will be allocated to local educational agencies for actually implementing career education programs. State leadership is important, but these Federal funds will be concentrated on funding actual programs in local school systems.

Mr. Speaker, there were not very many or very significant differences between the two versions of H.R. 7. The Senate had slightly larger authorization figures and a separate $15 million annual authorization for project grants to colleges and universities for career education programs, which we accepted. They accepted our rather unique provision for a self destructing authorization, which I have described, and for a definition of career education which stresses the relationship between work values and other life roles and choices, such as family life. They also agreed to our provision earmarking at least 15 percent of the funds not set aside for State level activities for counseling and guidance activities at the local level.

Finally, this bill authorizes support for a practical program in education for which the need is both apparent and universal, and which has been tested over a period of years. There is every indication that the stimulation which can be provided through H.R. 7 will be enough to move education in a direction which it should have taken long ago. I urge adoption of the conference report.

Mr. PERKINS. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore (Mr. SMITH of Iowa). The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. TREEN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device; and there were—yeas 372, nays 20, not voting 42, as follows:

[Roll No. 747]

YEAS—372

Addabbo	Eckhardt	Lagomarsino
Akaka	Edgar	Latta
Allen	Edwards, Ala.	Leach
Ambro	Edwards, Calif.	Lederer
Ammerman	Edwards, Okla.	Leggett
Anderson, Calif.	Eilberg	Lehman
	Emery	Lent
Anderson, Ill.	English	Levitas
Andrews, N.C.	Erlenborn	Livingston
Andrews, N. Dak.	Ertel	Lloyd, Calif.
	Evans, Colo.	Lloyd, Tenn.
Annunzio	Evans, Del.	Long, La.
Applegate	Evans, Ga.	Long, Md.
Ashley	Evans, Ind.	Lott
Aspin	Fary	Lujan
AuCoin	Fascell	Luken
Bafalis	Fenwick	Lundine
Baldus	Findley	McClory
Barnard	Fish	McCloskey
Baucus	Fisher	McCormack
Beard, R.I.	Flippo	McDade
Bedell	Flood	McFall
Beilenson	Florio	McHugh
Benjamin	Flowers	McKay
Bennett	Flynt	McKinney
Bevill	Foley	Madigan
Bingham	Ford, Mich.	Maguire
Blanchard	Ford, Tenn.	Mahon
Boggs	Forsythe	Mann
Boland	Fountain	Markey
Bonior	Fowler	Marks
Bonker	Fraser	Marlenee
Bowen	Frenzel	Marriott
Brademas	Frey	Martin
Breaux	Fuqua	Mathis
Breckinridge	Gammage	Mattox
Brinkley	Gephardt	Mazzoli
Brodhead	Gibbons	Meeds
Brooks	Gilman	Metcalfe
Broomfield	Ginn	Meyner
Brown, Calif.	Glickman	Michel
Brown, Mich.	Gonzalez	Mikulski
Brown, Ohio	Goodling	Mikva
Broyhill	Gore	Miller, Calif.
Buchanan	Gradison	Miller, Ohio
Burgener	Grassley	Mineta
Burke, Calif.	Gudger	Minish
Burke, Fla.	Guyer	Mitchell, Md.
Burke, Mass.	Hagedorn	Mitchell, N.Y.
Burlison, Mo.	Hall	Moakley
Burton, Phillip	Hamilton	Moffett
Butler	Hammer-schmidt	Mollohan
Byron		Montgomery
Caputo	Hanley	Moore
Carney	Hannaford	Moorhead, Calif.
Carr	Harkin	
Carter	Harrington	Moorhead, Pa.
Cavanaugh	Harris	Mottl
Cederberg	Harsha	Murphy, Ill.
Chappell	Hawkins	Murphy, N.Y.
Clausen, Don H.	Heckler	Murphy, Pa.
	Hefner	Murtha
Clay	Heftel	Myers, John
Cohen	Hightower	Myers, Michael
Coleman	Hillis	Natcher
Collins, Ill.	Holland	Neal
Conable	Hollenbeck	Nedzi
Conte	Holt	Nichols
Conyers	Holtzman	Nix
Corcoran	Horton	Nolan
Corman	Howard	Nowak
Cornell	Hubbard	O'Brien
Cornwell	Huckaby	Oakar
Cotter	Hughes	Oberstar
Coughlin	Hyde	Obey
D'Amours	Ichord	Ottinger
Daniel, Dan	Ireland	Panetta
Daniel, R. W.	Jacobs	Patten
Danielson	Jeffords	Patterson
Davis	Jenrette	Pattison
de la Garza	Johnson, Calif.	Pease
Delaney	Johnson, Colo.	Perkins
Dellums	Jones, N.C.	Pettis
Derrick	Jones, Okla.	Pickle
Derwinski	Jordan	Pike
Devine	Kastenmeier	Pressler
Dickinson	Kazen	Preyer
Dicks	Kemp	Price
Dodd	Ketchum	Pritchard
Dornan	Keys	Pursell
Downey	Kildee	Quie
Drinan	Kindness	Quillen
Duncan, Oreg.	Kostmayer	Rahall
Duncan, Tenn.	Krebs	Railsback
Early	LaFalce	Rangel

Regula	Slack	Vento
Reuss	Smith, Iowa	Volkmer
Rhodes	Snyder	Waggonner
Richmond	Solarz	Walgren
Rinaldo	Spellman	Walsh
Risenhoover	Spence	Wampler
Robinson	St Germain	Watkins
Rodino	Staggers	Waxman
Roe	Stangeland	Weaver
Rogers	Stanton	Weiss
Roncalio	Stark	Whitehurst
Rooney	Steed	Whitley
Rosenthal	Steers	Whitten
Rostenkowski	Steiger	Wilson, Bob
Roybal	Stockman	Wilson, C. H.
Rudd	Stokes	Wilson, Tex.
Runnels	Stratton	Winn
Russo	Studds	Wirth
Ryan	Stump	Wolff
Santini	Taylor	Wright
Sarasin	Thompson	Wydler
Sawyer	Thone	Wylie
Scheuer	Thornton	Yates
Sebelius	Traxler	Yatron
Seiberling	Trible	Young, Alaska
Sharp	Tsongas	Young, Fla.
Sikes	Tucker	Young, Mo.
Simon	Udall	Young, Tex.
Sisk	Ullman	Zablocki
Skelton	Vander Jagt	Zeferetti
Skubitz	Vanik	

NAYS—20

Archer	Crane	Schulze
Ashbrook	Hansen	Shuster
Badham	McEwen	Symms
Bauman	Myers, Gary	Treen
Burleson, Tex.	Poage	Walker
Clawson, Del	Satterfield	Wiggins
Collins, Tex.	Schroeder	

NOT VOTING—42

Abdnor	Diggs	Milford
Alexander	Dingell	Moss
Armstrong	Fithian	Pepper
Badillo	Gaydos	Quayle
Beard, Tenn.	Giaimo	Roberts
Biaggi	Goldwater	Rose
Blouin	Jenkins	Rousselot
Bolling	Jones, Tenn.	Ruppe
Burton, John	Kasten	Shipley
Chisholm	Kelly	Smith, Nebr.
Cleveland	Koch	Teague
Cochran	Krueger	Van Deerlin
Cunningham	Le Fante	Whalen
Dent	McDonald	White

The Clerk announced the following pairs:

On this vote:

Mr. Jones of Tennessee for, with Mr. McDonald against.

Until further notice:

Ms. Chisholm with Mr. Kasten.
Mr. Dent with Mr. Quayle.
Mr. Le Fante with Mr. Whalen.
Mr. Teague with Mr. Rose.
Mr. Shipley with Mr. Kelly.
Mr. Biaggi with Mr. Cleveland.
Mr. Milford with Mr. Goldwater.
Mr. Diggs with Mr. Ruppe.
Mr. Badillo with Mr. Rousselot.
Mr. Fithian with Mr. Cochran of Mississippi.
Mr. Koch with Mr. Armstrong.
Mr. Jenkins with Mr. Cunningham.
Mr. Giaimo with Mr. Krueger.
Mr. Gaydos with Mr. Blouin.
Mr. White with Mr. Beard of Tennessee.
Mr. Van Deerlin with Mr. Moss.
Mr. Pepper with Mr. Roberts.
Mr. John Burton with Mr. Alexander.
Mr. Dingell with Mrs. Smith of Nebraska.

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had adopted the following resolution:

S. RES. 328

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of Honorable John L. McClellan, late a Senator from the State of Arkansas.

Resolved, That the President of the Senate appoint a committee, of which he shall be a member, to attend the funeral of the deceased Senator.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That when the Senate stands adjourned or in recess today, it do so as a further mark of respect to the memory of the deceased.

GENERAL LEAVE

Mr. PERKINS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 7, the Elementary and Secondary Career Education Act of 1977.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

INTERNATIONAL FISHERY AGREEMENT WITH MEXICO

Mr. MURPHY of New York. Mr. Speaker, I move to take from the Speaker's table the bill (H.R. 9794) to bring the governing international fishery agreement with Mexico within the purview of the Fishery Conservation Zone Transition Act, with a Senate amendment thereto, and recede from the disagreement to and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, after line 8, insert:

SEC. 3. (a) Section 15 of the Coastal Zone Management Act Amendments of 1976 (15 U.S.C. 1511a) is amended as follows:

(1) Subsection (a) of that section is amended by striking out "Associate" each place it appears therein and inserting in lieu thereof in each place "Assistant".

(2) Subsection (b) of that section is repealed.

(3) Subsection (c) of that section is redesignated as subsection (b).

(b) There shall be in the National Oceanic and Atmospheric Administration a General Counsel appointed by the President, by and with the advice and consent of the Senate, who shall be compensated at the rate now or hereafter provided for level V of the Executive Pay Rates (5 U.S.C. 5316). The General Counsel shall serve as the chief legal officer for all legal matters which may arise in connection with the conduct of the functions of the Administration.

(c) Section 5316 of title 5, United States Code, is amended by striking out paragraph (140), and inserting in lieu thereof the following new paragraphs:

"(140) Assistant Administrator for Coastal Zone Management, National Oceanic and Atmospheric Administration."

"(141) General Counsel, National Oceanic and Atmospheric Administration."

"(142) Assistant Administrators (4), National Oceanic and Atmospheric Administration."

(d) Section 2(e) of Reorganization Plan Number 4 of 1970 (relating to the National Oceanic and Atmospheric Administration) (84 Stat. 2090) is amended—

(1) by striking out "three additional officers" in the first sentence thereof, and inserting in lieu thereof "four assistant administrators";

(2) by striking out "such officer" in the second sentence thereof, and inserting in lieu thereof "such assistant administrator", and

(3) by striking out "under the classified civil service," and inserting in lieu thereof "without regard to the provisions of title 5, United States Code, governing appointments in the competitive service,".

(e) The Secretary of Commerce may, in order to carry out the functions vested in the Secretary and carried out through the National Oceanic and Atmospheric Administration, establish, fix the compensation for, and make appointments to, eight new positions within the National Oceanic and Atmospheric Administration. Such positions may be established without regard to the provisions of chapter 51 of title 5, United States Code, and the compensation therefor may be fixed without regard to chapter 53 of such title 5, except the rates of compensation for such positions shall not exceed the maximum rate established from time to time for GS-18 of the General Schedule under section 5332 of title 5, United States Code. An appointment to each such position may be made by the Secretary without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and persons appointed to such positions shall serve at the pleasure of the Secretary. The positions authorized by this subsection shall be in addition to the number of positions otherwise authorized by law.

Mr. MURPHY of New York (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the Senate amendment be dispensed with and that it be printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FORSYTHE. Mr. Speaker, I demand a division on the question and the vote on whether to recede. On the House vote to recede, I will offer a privileged motion.

The SPEAKER pro tempore. The question will be divided.

The gentleman from New York (Mr. MURPHY) will be recognized for 1 hour.

Mr. MURPHY of New York. Mr. Speaker, the House passed H.R. 9794 on the first day of this month.

As passed by the House, H.R. 9794 would give congressional approval to the governing international fishery agreement with Mexico and it would waive the procedural requirements of the 200-Mile Fisheries Zone Act so that the agreement could go into effect immediately.

Mr. Speaker, the Senate passed H.R. 9794 with an amendment.

As passed by the Senate, H.R. 9794 retains the House-passed language of the bill—which has to do with the Mexican fisheries agreement—and it adds a new provision to the bill which would authorize the addition of new high-level positions in the National Oceanic and Atmospheric Administration—better known as NOAA.

Mr. Speaker, Reorganization Plan No. 4 of 1970 established NOAA to provide a focus for those Federal civilian programs dealing with the oceans and atmosphere. At that time the Federal efforts relating to the oceans were confined largely to scientific investigation and the provision

of ocean services such as mapping and the reporting of environmental data. Over the last 7 years NOAA has been assigned increasing responsibilities involving regulation, management, and protection of the resources of the sea.

However, the statutes that have expanded NOAA's role, such as the Fisheries Conservation and Management Act of 1976, the Marine Mammal Protection Act of 1972, and the Endangered Species Act of 1973, did not provide authority for NOAA to modify its management structure, particularly in view of its expanded mission.

Three executive level V positions established pursuant to section 2(e) of Reorganization Plan No. 4 of 1970 are in classified civil service, on the theory that their duties would be of a scientific and technical nature with a minimum of policy development. However, subsequent enactments have required NOAA to make a number of major policy decisions of a sensitivity far greater than those originally contemplated by Reorganization Plan No. 4. In the past few years, for example, NOAA officials have made several resource management and protection decisions which have vitally affected the entire U.S. fishing industry, including the tuna fleet and Indian and non-Indian salmon fishermen in the Pacific Northwest. The number and difficulty of these decisions will surely increase as the resources of the seas are further explored and developed.

Mr. Speaker, at the time the reorganization plan was submitted in 1970, it was acknowledged that NOAA development would have to be monitored and changes made in the plan as necessary. As Federal ocean programs and policy continue to develop, it may be that significant organization changes in NOAA will become necessary. However, there is a need at this time for certain less fundamental administrative changes to assure effective direction of its existing programs. The amendment to the bill provided by the Senate would give this much-needed flexibility to the Secretary to appoint needed policy-level personnel to assist in the design and implementation of the invigorated programs of NOAA.

First, the amendment would abolish the three existing civil service-level positions and replace them with four new policy-level positions to assure the Administrator the flexibility to form a team capable of vigorously confronting the challenges NOAA faces. This change is in keeping with the trend exemplified in the Coastal Zone Management Act Amendments of 1976 to exempt these types of policy positions from the classified civil service. Persons occupying the present level V positions, if not appointed to one of the new positions, would have the rights granted by title 5 of the United States Code to persons in the classified service affected by the abolition of an existing position.

Second, the amendment would make a technical change in the Coastal Zone Management Act Amendments of 1976 to change the title of head of that program from "Associate Administrator" to "Assistant Administrator" to match the title of others of the same rank.

Third, it would authorize a General Counsel to be appointed by the President, by and with the advice and consent of the Senate, to be compensated at a level V executive pay rate. The General Counsel would serve as the chief legal officer for all matters that may arise concerning NOAA when carrying out its functions.

Finally, the amendment would authorize the Secretary to appoint eight new positions in NOAA at pay rates not to exceed GS–18. While NOAA has been able, by virtue of special legislative provisions, to add high level scientific personnel, it is unable to add top-level career personnel with backgrounds in fields like economics, political science, resource management, law and regulatory policy. These skills are essential if NOAA is to respond to its increased responsibilities for enforcement, management, and policy development under the new legislation of the last 4 years.

Mr. Speaker, I urge the prompt passage of H.R. 9794, as amended by the Senate.

Mr. Speaker, at this time I yield to the distinguished gentleman from New Jersey (Mr. FORSYTHE).

Mr. FORSYTHE. Mr. Speaker, I thank the gentleman. If this is the appropriate time, I have a privileged motion at the desk and I ask for its consideration.

The SPEAKER pro tempore. The first question is, Will the House recede from its disagreement to the Senate amendment.

The House receded from its disagreement to the Senate amendment.

PREFERENTIAL MOTION OFFERED BY MR. FORSYTHE

Mr. FORSYTHE. Mr. Speaker, I offer a preferential motion.

The Clerk read as follows:

Mr. FORSYTHE moves to concur in the amendment of the Senate with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

SEC. 3. (a)(1) Section 2 of Reorganization Plan Numbered 4 of 1970 (relating to the National Oceanic and Atmospheric Administration, 84 Stat. 2090) is amended to read as follows:

"(e)(1) There shall be in the Administration a General Counsel and five Assistant Administrators, one of whom shall be the Assistant Administrator for Coastal Zone Management and one of whom shall be the Assistant Administrator for Fisheries. The General Counsel and each Assistant Administrator shall be appointed by the Secretary, subject to approval of the President, and shall be compensated at a rate now or hereafter provided for level V of the Executive Schedule Pay Rates (5 U.S.C. 5316).

"(2) The General Counsel shall serve as the chief legal officer for all legal matters which may arise in connection with the conduct of the functions of the Administration.

"(3) The Assistant Administrator for Coastal Zone Management shall be an individual who is, by reason of background and experience, especially qualified to direct the implementation and administration of the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.).

"(4) The Assistant Administrator for Fisheries shall be responsible for all matters related to living marine resources which may arise in connection with the conduct of the functions of the Administration."

(2) Subsection (a) of section 15 of the Coastal Zone Management Act Amendments of 1976 (15 U.S.C. 1511a) is repealed.

(b) Section 5316 of title 5, United States Code, is amended by striking out paragraph (140) and inserting in lieu thereof the following new paragraphs:

"(140) Assistant Administrator for Coastal Zone Management, National Oceanic and Atmospheric Administration.

"(141) Assistant Administrator for Fisheries, National Oceanic and Atmospheric Administration.

"(142) Assistant Administrators (3), National Oceanic and Atmospheric Administration.

"(143) General Counsel, National Oceanic and Atmospheric Administration."

(c) Section 5108(a) of Title 5, United States Code, is amended by striking out "3293" and inserting in lieu thereof "3301".

Mr. FORSYTHE (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the gentleman from New Jersey?

There was no objection.

The SPEAKER pro tempore. The Chair recognizes the gentleman from New York (Mr. MURPHY).

Mr. MURPHY of New York. Mr. Speaker, the gentleman from New Jersey has offered an amendment that was carefully worked out with the members of the Post Office and Civil Service Committee. The net effect of the amendment is to insure that NOAA has an Assistant Administrator of Fisheries as well as an Assistant Administrator for Coastal Zone Management. It would also add eight more supergrade positions to the civil service supergrade pool, with these eight new supergrade positions to be slotted to NOAA.

As I just mentioned, this legislation adds eight supergrades to the National Oceanic and Atmospheric Administration, but the amendment offered by the gentleman from New Jersey keeps it within section 5108(a) of title 5 of the United States Code, and these eight supergrades for NOAA come out of the civil service supergrade pool.

Mrs. SCHROEDER. Mr. Speaker, will the gentleman yield?

Mr. MURPHY of New York. I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. Mr. Speaker, I want to thank the gentleman from New York and the other gentlemen on the committee for listening and trying to correct this problem. I think we have all been concerned about the growth of supergrades, and we were worried about the Senate language before this amendment was offered. The Civil Service Commission lost all management over mushrooming numbers of supergrades because of people slipping them in everywhere.

If the Senate language held these eight supergrades would not be qualified under the merit system and would not come from the central supergrade pool Civil Service controls. This amendment insists the supergrades be qualified under the merit system and come from the pool by increasing the pool to include them. This allows Civil Service to oversee the growth of supergrades. Every agency wants more. There must be a check.

We are certainly hoping that the Civil Service Commission sees our legislative intent in that the eight additional slots in the supergrade pool are for NOAA. I

want to thank the committee for working hard to work out this problem.

Mr. MURPHY of New York. I want to thank the gentlewoman from Colorado for her contribution. The Committee on Merchant Marine and Fisheries is grateful to her and to Chairman Nix for their cooperation. I want to particularly thank the gentlewoman for her assurance that these eight supergrades are for NOAA.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. MURPHY of New York. I yield to the gentleman from Virginia.

Mr. HARRIS. Mr. Speaker, I must oppose H.R. 9794 today because of certain Senate amendments to the bill. When the Senate considered the bill, providing for fishing agreements with Mexico, it added several provisions creating new supergrade and executive level positions in the National Oceanic and Atmospheric Administration. I believe this action was wrong and will further perpetuate the hodge-podge process of creating top-level positions in the executive branch. Congress and all recent administrations have tolerated this practice for too long.

HARRIS-UDALL LEGISLATION WOULD CORRECT

I have introduced legislation, H.R. 832, and cosponsored H.R. 5544, introduced by Mr. UDALL, which will bring some order to this topsy-turvy growth of high-level jobs. These bills would restore the central supergrade pool with a top numerical limit and would repeal the many disparate supergrade authorities that have created supergrade jobs outside the pool. Additionally, my bill would "sunset" all current executive level positions and require the President to submit to the Congress a comprehensive plan for executive level positions in the executive branch. Both bills would require all legislation which designates certain supergrade and executive level positions to be referred to the House Post Office and Civil Service Committee which could exercise some central control over creation of top jobs and coordinate them in a rational plan. Hearings will be held on these bills in January and I will work to see that the bills are enacted into law.

CONGRESS CONTRIBUTES TO ERRATIC GROWTH

The problem has been that various congressional committees include in their legislation the authority for additional executive level and supergrade positions to carry out the law or program authorized by the main purposes of the bill. The unfortunate result has been that these jobs come into being almost randomly—with no central, overall control or plan. No one—not Congress, not the Civil Service Commission, not the Office of Management and Budget nor the White House—provides any central focus. In fact, the Civil Service Commission has indicated that it has difficulty just finding out how many there are.

This lack of control has meant much inconsistency throughout the various agencies. The Quadrennial Commission, for example, questioned why the Special Representative for Trade Negotiations should be an executive level I, the same level as a Cabinet secretary. They pointed out that the Administrator of the Federal Aviation Administration is at level II ($57,500), but probably should be at level III ($52,500). They reported that the Administrator of LEAA is at level III but the Administrator of NASA is at level II. They suggested that perhaps the Director of the FBI should be a level III, not a level II.

CONTROL OF GOVERNMENT NEEDED AT THE TOP

The creation of these positions comes about because of several motivations. One department may want a sixth assistant secretary because another department has six. Or creating an executive level slot may be a "plum" to an individual or group. I suppose it could also be a way to give someone a pay raise.

My point is that establishing top positions and designating their grade and pay level should be considered in light of the total structure of government and public need; coordination and direction is needed at the top.

I believe we must stop this senseless sprouting of top jobs. We have been fooling ourselves for too long thinking there is someone calling the shots at the top. In reality, the situation has been an uncoordinated series of disparate acts, in which we the Congress have been a partner. I think it is time we put a stop to this.

Mr. GLICKMAN. Mr. Speaker, will the gentleman yield?

Mr. MURPHY of New York. I yield to the gentleman from Kansas.

Mr. GLICKMAN. I would just ask, in connection with this NOAA reorganization, is there anything in the reorganization designating where these supergrades will go? Let me make my point clear. I am concerned about the fact that the National Weather Service is being relegated to much more subservient status than it has had over the last few years, and for that reason we may seeing deteriorating weather forecasts in this country.

Mr. MURPHY of New York. The Administrator of NOAA is assigning one of these supergrades to the overall supervision of climate. Climate, of course, and weather, which was a basic part of the agency which eventually became NOAA, was never really given the supervision that it should have. Now, however, climate and weather are going to have one of these supergrades with the necessary scientific oversight very carefully assigned to it. In addition, I would like to point out to the gentleman that the Administrator of NOAA promised in testimony before the Committee, that he would consult us in the establishment and filling of these supergrade positions.

Mr. GLICKMAN. I am glad to hear that, because I am extremely concerned. I am hearing from meteorologists that they are also concerned that the weather forecasting in this country by the National Weather Service is not being done as it should be done. In fact, improper weather forecasting may cost lives, and also may reap agricultural turmoil. So, I appreciate the gentleman's remarks.

Mr. FORSYTHE. Mr. Speaker, will the gentleman yield?

Mr. MURPHY of New York. I yield to the gentleman from New Jersey.

Mr. FORSYTHE. I thank the chairman for yielding to me. I would just like to point out that I believe that this reorganization really is trying to build NOAA to a point where it can be far more effective as an administrative operation, where it has in the past been largely a scientific operation. I do not think it is downgraded in the scientific effort of the Agency, but since we in this Congress have added substantial missions to the role of NOAA, I think the added necessity for administration is very evident.

I think this amendment and the reorganization amendment to the bill does that, and I urge its support.

Mr. MURPHY of New York. Mr. Speaker, I thank the gentleman from New Jersey for offering the amendment and for his help and cooperation.

Mr. DE LA GARZA. Mr. Speaker, will the gentleman yield?

Mr. MURPHY of New York. I yield to the gentleman from Texas.

Mr. DE LA GARZA. I thank the gentleman for yielding.

Mr. Speaker, the basic thrust of the initial legislation was to waive the 60-day period and to approve the International Fishing Agreement with Mexico. In order to show our spirit of cooperation and good will to Mexico, I endorse that part of the legislation we have here today. Hopefully, we will continue the consultation between our two countries and I look forward that our agreement with Mexico in relation to our fishing in the Mexican waters may be reconsidered in order to take care of what I consider an inequity against the shrimp industry in the United States.

Again, I repeat, to show our good faith and our spirit of cooperation in wanting to continue the consultation between our two countries in all matters which affect our two peoples, I think we should approve this legislation.

Mr. MURPHY of New York. Mr. Speaker, I move the previous question on the preferential motion.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the preferential motion offered by the gentleman from New Jersey (Mr. FORSYTHE).

The preferential motion was agreed to.

A motion to reconsider was laid on the table.

INTERNATIONAL SAFE CONTAINER ACT

Mr. MURPHY of New York. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 8159) to establish uniform structural requirements for intermodal cargo containers, subject to the jurisdiction of the United States, designed to be transported interchangeably by sea and land carriers, and moving in, or designed to move in, international trade, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

That this Act may be cited as the "International Safe Container Act".

SEC. 2. DEFINITIONS.

As used in this Act—

(a) The term "Secretary" means the Secretary of Transportation.

(b) The term "Convention" means the International Convention for Safe Containers, and the annexes thereto, done at Geneva, Switzerland, December 2, 1972.

(c) The term "container" shall have the same meaning as that term is defined in the Constitution.

(d) The term "international transport" means the transportation of a container—

(1) to any place within the jurisdiction of the United States from a place within a foreign country;

(2) by United States carriers between two points both of which are outside of the United States; or

(3) from any place within the jurisdiction of the United States to any place within a foreign country.

(e) The term "United States" includes the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Canal Zone, Guam, American Samoa, the United States Virgin Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

(f) The term "new container" means a container (other than a container specially designed for air transport) which is used or is designed for use in international transport, the construction of which began on or after September 6, 1977.

(g) The term "existing container" means a container (other than a container specially designed for air transport) which is used or is designed for use in international transport and which is not a new container.

(h) The term "owner" means a person who owns a container, or, if a written lease or bailment provides for the lessee or bailee to exercise the owner's responsibility for maintaining and examining the container, the lessee or bailee of a container, to the extent such agreement so provides.

(i) The term "safety approval plate" shall have the same meaning as that term is defined in annex I of the Convention.

SEC. 3. DUTIES OF AN OWNER.

(a) Beginning on the date the instrument of ratification is deposited by the United States in accordance with the provisions of article VII of the Convention, for new containers, and beginning on September 6, 1982, for existing containers, the owner of each such container—

(1) who is domiciled and has his principal office in the United States, shall have each such container initially approved in accordance with the procedure established by the Secretary or by the administration of another contracting party to the Convention; and shall, thereafter, have each such container periodically examined, as provided in the Convention, in accordance with the procedure established by the Secretary; and

(2) who is either domiciled or has his principal office in the United States, shall have each such container initially approved in accordance with the procedure established by the Secretary or by the administration of another contracting party to the Convention; and shall, thereafter, have each such container periodically examined, as provided in the Convention, in accordance with the procedure established by the administration of either the country where he is domiciled or has his principal office (so long as such country is a party to the Convention).

Any owner of either a new or existing container who is neither domiciled nor maintains a principal office in the United States, or in any other country which is a party to the Convention, may submit their containers for approval and periodic examination according to the procedure established by the Secretary.

(b) During the period beginning on the date the instrument of ratification is deposited by the United States in accordance with the provisions of article VII of the Convention, and before September 6, 1982, an owner of an existing container may have such container approved according to the procedure established by the Secretary, and have a safety approval plate affixed to it, if such container is found to meet the standards of the Convention.

SEC. 4. DUTIES OF THE SECRETARY.

(a) On and after the date the instrument of ratification is deposited by the United States in accordance with the provisions of article VII of the Convention, the Secretary shall enforce and carry out the provisions of the Convention, and, unless an earlier date is specifically provided, the provisions of this Act, in the United States.

(b) The Secretary shall, as soon as practicable after the date of enactment of this Act, promulgate, and from time to time, amend, those regulations he deems necessary for such enforcement. Such regulations, among other things, shall—

(1) establish procedures for the testing, inspection, and initial approval of existing and new containers and of designs for new containers, including procedures relating to the affixing, invalidating, and removal of safety approval plates for containers;

(2) establish procedures to be followed by owners of containers relating to the periodic examination of containers, as provided in the Convention; and

(3) provide a method for developing, collecting, and disseminating data concerning container safety and the international transport of containers.

(c) At any time after the date of enactment of this Act, the Secretary may—

(1) authorize the affixation of a safety approval plate to any container which, after examination, is found not to have a safety approval plate attached to it and which the owner has established meets the standards of the Convention;

(2) delegate and withdraw the delegation of authority to initially approve existing and new containers and designs for new containers, and to authorize the affixing of safety approval plates; and

(3) establish a schedule of fees to be charged and collected for services performed by the Secretary, or under authority delegated by the Secretary, relating to the testing, inspection, and initial approval of containers and container designs.

(d) Those delegations made under subsection (c)(2) may be made to any person, including any public or private agency or nonprofit organization. The Secretary before making any delegation under such subsection, shall promulgate regulations relating to—

(1) the criteria to be followed in selecting a person, public or private agency, or nonprofit organization as a recipient of delegated functions under such subsection;

(2) the manner in which such recipient shall carry out such delegated functions, including the records such recipient must keep, and a detailed description of the exact functions such recipient may exercise; and

(3) the review that will be carried out by the Secretary to determine that any recipient of delegated functions is performing properly the functions so delegated.

No recipient of authority delegated under such subsection may assess or collect, or attempt to assess or collect, any penalty for violation of any provision of this Act, the Convention, or any order of the Secretary issued under this Act, or issue or attempt to issue any detention or other order. Any records required to be kept by regulations promulgated by the Secretary under this subsection shall be available to the Secretary, for inspection, upon request. The name and address of the recipient, if other than the owner, together with the functions so delegated and the period of designation, shall be published in the Federal Register and otherwise publicized as appropriate.

(e) The Secretary shall, to the maximum possible extent, encourage the development and use of intermodal transport, using containers constructed to facilitate economical, safe, and expeditious handling of containerized cargo without intermediate reloading while such cargo is in transport over land, air, and sea areas.

SEC. 5. ENFORCEMENT.

(a)(1) On and after the date the instrument of ratification is deposited by the United States in accordance with the provisions of article VII of the Convention, to ensure compliance with this Act, and with the Convention, the Secretary may—

(A) examine, or require to be examined, new containers, and existing containers which are subject to this Act, in international transport, and test, inspect, and approve designs for new containers and new containers being manufactured;

(B) issue a detention order removing or excluding a container from service until the owner of the container establishes to the Secretary's satisfaction that the container meets the standards of the Convention, if the container is subject to this Act and does not have a valid safety approval plate attached to it, or if there is significant evidence that such a container bearing a safety approval plate is in a condition which creates an obvious risk to safety; and

(C) take whatever other appropriate action he deems necessary, including issuance of any necessary orders, to remove the container involved from service, or restrict its use, in those instances where he finds that a container is not in compliance with the provisions of this Act or the Convention but does not present an obvious risk to safety. The Secretary may permit the movement to another location of a container which he finds to be unsafe or which does not have a valid safety approval plate affixed to it, under whatever restriction he considers necessary and consistent with the intent of the Convention, for repair or other appropriate disposition.

(2) Beginning on September 6, 1982, the Secretary may examine or require to be examined any existing container in international transport.

(b) The owner of the container involved in any action taken by the Secretary under this section with respect to an examination of a container, shall pay for or reimburse the Secretary for expenses arising from such actions, except for the costs of routine examinations of containers or safety approval plates. In addition, the owner of containers submitted to the procedure established by the Secretary for testing, inspection, and initial approval, and the manufacturers who submit designs of containers to the procedures established by the Secretary for testing, inspection, an initial approval shall pay for or reimburse the Secretary for the expenses arising from such testing, inspection or approval. Funds received by the Secertary in reimbursement shall be credited to the appropriations bearing the cost thereof.

(c) A container bearing a safety approval plate authorized by a country which is a party to the Convention shall be presumed to be in a safe condition unless there is significant evidence that the container creates an obvious risk to safety.

(d) Whenever the Secretary issues a detention or other order under this section, he shall promptly notify, in writing, either the owner of the container subject to such order, his agent, or, when the identity of such owner is not apparent from the container of shipping documents, the custodian. The notification shall reasonably identify the container involved, give the location of the container, and reasonably describe the condition or situation which gave rise to the order. An order issued by the Secretary under this section

shall remain in effect until the container is declared by the Secretary, or under regulations promulgated by the Secretary, to be in compliance with the standards of the Convention, or until it is permanently removed from service, whichever first occurs.

(e) If there is reason to believe that a container to which there is affixed a safety approval plate issued by a foreign country was defective at the time of approval, the Secretary shall notify the country which issued the approval of such defect.

SEC. 6. PENALTIES.

(a) On and after the date the instrument of ratification is deposited by the United States in accordance with the provisions of article VII of the Convention, any owner, agent, or custodian who—

(1) has been notified of an order issued by the Secretary under section 6; and

(2) fails to take reasonable and prompt action to prevent or stop a container subject to that order from being moved in violation of that order;

shall be subject to a civil penalty of not more than $5,000 for each container so moved. Each day the container remains in service while the order is in effect shall be treated as a separate violation.

(b) The Secretary shall assess and collect any penalty incurred under this section, and, in his discretion may remit, mitigate, or compromise any such penalty. No penalty shall be assessed until after the person charged has been given notice and an opportunity for a hearing. In assessing, remitting, mitigating, or compromising a penalty the Secretary shall consider the gravity of the violation, the hazards involved, and the record of the person charged with respect to violations of this Act or of the Convention. Upon failure of any person to pay any penalty assessed against him by the Secretary, the Secretary shall request the Attorney General to begin an action in any district court of the United States to recover the amount of the penalty unpaid.

SEC. 7. EMPLOYEE PROTECTION.

(a) No person shall discharge or in any manner discriminate against an employee because the employee has reported the existence of an unsafe container or reported a violation of this Act to the Secretary or his agents.

(b) An employee who believes that he has been discharged or discriminated against in violation of this section may, within 60 days after the violation occurs, file a complaint alleging discrimination with the Secretary of Labor.

(c) The Secretary of Labor may investigate the complaint and, if he determines that this section has been violated, bring an action in an appropriate United States district court. The district court shall have jurisdiction to restrain violations of subsection (a) of this section and to order appropriate relief, including rehiring and reinstatement of the employee to his former position with back pay.

(d) Within 30 days after the receipt of a complaint filed under this section the Secretary of Labor shall notify the complainant of his intended action regarding the complaint.

SEC. 8. AMENDMENTS TO THE CONVENTION.

(a) The Secretary of State, with the concurrence of the Secretary, may propose amendments to the Convention or may request a conference for amending the Convention in accordance with article IX of the Convention. An amendment communicated to the United States in accordance with article IX(2) of the Convention may be accepted for the United States by the President, with the advice and consent of the Senate. The President may make a declaration that the United States does not accept an amendment.

(b) The Secretary of State, with the concurrence of the Secretary, may propose amendments to the annexes of the Convention, may propose a conference for amending annexes to the Convention and shall consider and act on amendments to the annexes of the Convention adopted by the Maritime Safety Committee and communicated to the United States in accordance with article X(2) of the Convention. If a proposed amendment is approved by the United States, the amendment shall enter into force in accordance with article X of the Convention. If any proposed amendment is objected to, the Secretary of State shall promptly communicate the objection as provided in article X(3) of the Convention.

(c) The Secretary of State, with the concurrence of the Secretary, shall appoint an arbitrator when one is required to resolve a dispute within the meaning of article XIII of the Convention.

SEC. 9. AUTHORIZATION OF APPROPRIATION.

Beginning with the fiscal year ending September 30, 1979, and for each fiscal year thereafter, there are authorized to be appropriated such sums as are necessary to carry out the provisions of this Act.

Mr. MURPHY of New York (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MURPHY of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 8159, a bill to implement the International Convention for Safe Containers, 1972, as reported by the Committee on Merchant Marine and Fisheries.

The bill represents a legislative proposal from the Secretary of Transportation which was referred jointly to the Committee on Interstate and Foreign Commerce and the Committee on International Relations. Subsequent to that time, discussions with the other committees and with the Parliamentarian's office resulted in a unanimous consent request by Chairman HARLEY O. STAGGERS of the Committee on Interstate and Foreign Commerce that the executive communication also be referred to the Committee on Merchant Marine and Fisheries, which has jurisdiction over the U.S. Coast Guard. The Coast Guard participated in drafting the proposal, was deeply involved in the drafting of the international convention which this proposal would implement, and will be the agency principally responsible for its enforcement.

This is new legislation to provide regulatory authority to govern the safe movement of intermodal cargo containers moving in international trade. International regulations were nonexistent and had been considered unnecessary due to the excellent safety record, achieved largely due to the effectiveness of principles developed in the U.S. private sector.

Notwithstanding this record, in recent years, a number of nations indicated their intention of developing unilateral regulations which would be applied to all containers crossing their borders. The convention signals concern and agreement by the international community that safe container regulations would best be developed on a common basis.

This legislation will enable the United States to ratify the convention, thereby permitting U.S. containers to continue to move freely in international trade. It will also provide the United States with the capability of carrying out a domestic program for approving containers, for issuing safety approval plates, for regulating and policing the approval process, and for removing defective containers from international trade. This authority will provide for control and enforcement measures to assure the continued safe movement of all containers.

The Subcommittee on Coast Guard and Navigation, the Subcommittee on Merchant Marine, and the Committee on Merchant Marine and Fisheries have endorsed the bill, as amended, by unanimous voice vote. The Committee on Interstate and Foreign Commerce and the Committee on International Relations, after considering the action taken as reported, elected not to hold hearings or to file separate reports on the bill. Instead, the chairmen of these committees forwarded letters to the chairman of the Merchant Marine and Fisheries Committee, endorsing the action which had been taken. Copies of those letters are included in the report and should serve the purposes of the rule for action by all the committees to whom the bill was jointly referred. I want to thank my colleagues for their expeditious endorsement and complete support.

I now call upon the House to favorably act on H.R. 8159 to enable the United States to become a party to the International Convention for Safe Containers at the earliest possible date.

Mr. TREEN. Mr. Speaker, will the gentleman yield?

Mr. MURPHY of New York. I yield to the gentleman from Louisiana.

Mr. TREEN. Mr. Speaker, I would like to join my colleagues in urging the House to agree to H.R. 8159, the International Safe Container Act, as amended by the Senate on November 4, 1977.

H.R. 8159 implements the International Convention for Safe Containers, and the annexes thereto, signed in Geneva on December 2, 1972. By its terms, the convention came into force internationally on September 6, 1977. The Senate gave its advice and consent to ratification on September 15, 1976.

The Safety Convention specifies the structural requirements which transport containers must meet to assure a high level of human safety in the normal handling, stacking, and transportation of such containers. H.R. 8159 provides that containers subject to the bill must meet the minimum safety standards prescribed in the convention.

Basically, the Senate amendment adds language directing the Secretary of Transportation to encourage the development and use of intermodal transportation by containers, specifies the duties of a container owner with regard to initial approval and periodic inspection of containers, and sets forth the conditions under which a delegation of authority to approve containers and to affix the safety

approval plate may be made. The amendment also extends the applicability of the civil penalty provision to include authorized corrective orders in addition to "detention orders," and moves the effective date provisions to each concerned section rather than one "effective date" section.

I believe this is a good bill, and urge the House to accept the Senate amendment.

The SPEAKER pro tempore. Is there objection to the first request of the gentleman from New York (Mr. MURPHY)?

There was no objection.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON H.R. 8422, RURAL HEALTH CLINIC SERVICES

Mr. ROSTENKOWSKI. Mr. Speaker, I call up the conference report on the bill (H.R. 8422) to amend titles XVIII and XIX of the Social Security Act to provide payment for rural health clinic services, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of November 1, 1977.)

Mr. ROSTENKOWSKI (during the reading). Mr. Speaker, I ask unanimous consent that the statement be considered as read.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER pro tempore. The gentleman from Illinois (Mr. ROSTENKOWSKI) will be recognized for 30 minutes, and the gentleman from Tennessee (Mr. DUNCAN) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Illinois (Mr. ROSTENKOWSKI).

Mr. ROSTENKOWSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to call up the conference report on H.R. 8422, a bill to provide medicare and medicaid coverage for services furnished in rural health clinics. Approval of this report represents the final congressional step toward enactment of a bill that has been of great personal interest to me since my colleague from Tennessee, Mr. DUNCAN, and I went into the mountains of Tennessee to observe the dedicated work of practitioners furnishing services in rural clinics.

I would like to commend my colleague, Mr. ROGERS, for his contribution to this legislation and the distinguished gentleman from Georgia, Senator TALMADGE, for paralleling our efforts in the Senate.

Mr. Speaker, the minor differences between the two bills were resolved in the conference in an expeditious manner.

With respect to eligible clinics, the conferees' agreement provided that clinics are eligible which are located in rural areas designated by the Secretary as having medically underserved populations under title XIII of the Public Health Service Act or designated as having a shortage of medical care manpower under title III of the Public Health Service Act. Rural areas are areas other than urbanized areas as defined by the Bureau of the Census. In addition to clinics located in the defined shortage areas, a private, nonprofit clinic which, as determined by the Secretary to have an insufficient supply of physicians, would be eligible for coverage as a rural health clinic.

The House conferees accepted the Senate amendment which deletes the term "primary care practitioner" and substitutes the terms "nurse practitioner" and "physician assistant." Members will recall that the term "primary care practitioner" was used in the House bill only because of the objections to the term "physician extender" used in the rural clinic as originally introduced. The use of the two distinct terms to describe the various types of practitioners covered under the bill appears to effectively resolve this issue.

The conferees also agreed to a modification of a Senate provision relating to home health services furnished by a rural health clinic. The agreement provides that, in areas without home health agencies, the services of a professional registered nurse or a licensed practical nurse furnished to homebound patients could be covered as rural clinic services.

The House provisions requiring clinics to furnish routine lab services and drugs necessary for emergency cases were accepted by the Senate conferees with the modification that the availability of emergency drugs would be mandatory only to the extent allowed by State and Federal law. The Senate also accepted the House provision which assures that rural clinics located in areas which subsequently lose their designations as rural or as having a shortage of medical services would continue to be eligible as a rural health clinic under medicare and medicaid.

The Senate conferees were unwilling to accept the House provision which would have directed the Secretary to provide medicare reimbursement on a demonstration basis for comprehensive mental health centers. The conferees instead agreed to a 6-month study of the merits of extending medicare coverage for mental health centers and centers for drug abuse and alcoholism.

Finally, the conferees agreed to a Senate amendment relating to the National Institute for Occupational Safety and Health after agreeing to a technical modification which conformed the amendment to a nearly identical provision previously approved by the House as part of a separate bill.

Mr. DUNCAN of Tennessee. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to rise in support of the conference report on H.R. 8422, that would provide coverage for services under the medicare and medicaid programs that are provided by rural health clinics. It has been more than a year since the chairman of the Ways and Means Health Subcommittee—my distinguished colleague from Illinois, and I visited two rural health clinics in my own State of Tennessee. At that time, we observed on a firsthand basis how physician assistants and nurse practitioners could provide primary and emergency care of extremely high quality to many citizens—young and old—who otherwise would not have access to such treatment.

A great deal of hard work and careful deliberation on the part of my colleagues on the Ways and Means Committee and the Interstate and Foreign Commerce Committee, of the staffs of those committees, and of numerous groups and individuals has gone into this legislation. I think that we have a fine product that reflects those endeavors. Through a great deal of cooperation on the part of many diverse parties, including our medical and nursing communities, the Appalachian Regional Commission, and the physician's assistants and nurse practitioners themselves, legislation has evolved that undoubtedly will pave the way to more equitable distribution of services, and access to medical care for citizens in our rural areas.

In addition to enabling rural health clinics to obtain additional funds with which to provide vitally needed services, the legislation contains a number of provisions to insure that the clinics will have adequate governing policies, provide important routine diagnostic services, have arrangements with hospitals for referral of patients who need services that are not available at the clinic and otherwise meet standards that the Secretary may determine are necessary to insure the health and safety of patients. We also will learn a great deal about appropriate methods for reimbursing clinics in medically underserved urban areas, that employ physician assistants and nurse practitioners in providing primary care.

I am also pleased to report the bill that the House overwhelmingly approved under suspension of the rules has, if anything, been strengthened in conference. Among other things, arrangements with respect to physician supervision will be improved through even greater coordination by physicians and the nurse practitioners and physician assistants with whom they will work; clinics will be required to have appropriate procedures for utilization review, as the Secretary determines may be "necessary and feasible"; and clarifying language will be provided with respect to the administering and availability of drugs and biologicals, to allow consistency with State and Federal law.

Mr. Speaker, I have been an advocate of this legislation for quite some time, because I am convinced that it is essential and will add stature to the health legislation of our country. I now strongly urge my colleagues to approve the conference report on H.R. 8422, so that we can do our part to provide the people with a law that is timely, cost-effective, and an important step toward providing access to high-quality care for all our citizens.

Finally, Mr. Speaker, I am hopeful that the Secretary of HEW will see that the entire department cooperates with the rural health clinics, to help them in providing the people whom they serve. In

particular, I am hopeful that we will not witness what we have unfortunately seen with so many other programs Congress has enacted; namely, the issuance of burdensome, confusing, unnecessary, and expensive regulations that frequently hinder and frustrate the fulfillment of the purposes of the bill. I am confident that, with the cooperation of HEW, this program will succeed and provide a model for the development of new, efficient methods of health care delivery.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida (Mr. ROGERS).

Mr. ROGERS. Mr. Speaker, I thank the gentleman for yielding.

First of all, I want to compliment the distinguished gentleman from Illinois (Mr. ROSTENKOWSKI), the distinguished gentleman from Tennessee (Mr. DUNCAN), and of course, the ranking minority member on my own committee, the distinguished gentleman from Kentucky (Mr. CARTER), as well as all of the members of the committee for working together to bring this conference report to the floor.

Mr. Speaker, the House can be proud of this conference report; I recommend it for several important reasons.

This bill will help insure that rural medicare and medicaid beneficiaries have access to primary health care services. For beneficiaries living near existing rural health clinics, the bill will mandate coverage of the services of the clinic; and for those beneficiaries living in areas without such services, the bill will encourage the development of primary care services.

The bill provides assurances that these rural health clinics will be staffed by well-trained individuals and will provide quality health care.

The bill is cost conscious. It authorizes reimbursement for nurse practitioners and physician assistants, who are capable of providing good quality medical care under the supervision of a physician, but whose salaries are far less than those of physicians. It also mandates reimbursement on a cost-related basis but gives the Secretary of HEW authority to insure that only necessary costs are incurred.

The bill recognizes the many dedicated consumers and providers of primary care services in the rural areas of our country who are working together to develop new primary care services.

And last, the bill recognizes the unique circumstances under which rural health clinics provide primary care services and tailors the reimbursement system to meet those well-defined circumstances.

Members will note that the conference report allows RN's or LPN's employed by a rural health clinic to provide intermittent nursing care to home-bound patients if there is a shortage of home health agencies in the area. It should be stressed that these services would be provided under a written plan of treatment approved by a physician. The physician would be responsible for that plan of treatment, and would, of course, exercise his personal judgment regarding the appropriateness and adequacy of care to be provided by the personnel available. Additionally, it should be stressed that the requirements of State law would continue to be applicable regarding the care delivered. If an LPN is allowed to provide care only under the supervision of an RN under a State law, this requirement would continue to be binding.

I would like to add that it is the expectation of the conference committee that the urban clinic demonstration will include physician-directed clinics which have part-time physicians as well as full-time physicians.

I urge adoption of the conference report.

Mr. CARTER. Mr. Speaker, will the gentleman yield?

Mr. ROSTENKOWSKI. I am happy to yield to the gentleman from Kentucky (Mr. CARTER).

Mr. CARTER. Mr. Speaker, I strongly support the conference report on H.R. 8422 which amends titles 18 and 19 of the Social Security Act to provide payment for rural health clinic services. This legislation means much to the rural areas such as I represent. I happen to have a hospital in my area which is rather unique in the United States in that in it there is a school of midwifery. The midwives from there work helping to deliver youngsters throughout the mountains of eastern Kentucky, as they have done over the years. This legislation will be of great help to them.

Moreover this measure provides demonstration authority to pay for comparable services in medically underserved urban areas—reaching several million more Americans. Thus the people in the ghettos will be able to receive decent medical care through physicians' assistants' and nurse practitioners' services.

Mr. Speaker, I take a special interest in this bill because I am personally familiar with the severe lack of accessible health services for many Americans living in rural areas.

As representative of a rural district in southeastern Kentucky and having practiced medicine for many years in that area before coming to congress I can assure my distinguished colleagues that this legislation is needed.

Because I felt that this problem was so important I introduced my own legislation, H.R. 6259, last April to provide a similar approach to reimbursing rural clinics.

I am pleased that many of the features of my legislation have been incorporated into the conference report provisions.

In particular I am pleased that the conferees agreed to reaffirm our committee's direction to the Department of HEW to conduct demonstration projects to provide coverage of preventive health services furnished by these clinics.

The concept of reimbursing preventive services was included in my original legislation, and I believe this demonstration approach will prove very fruitful.

It is my belief that provision of preventive health care will ultimately be cost-effective in the long run, and that such measures should be incorporated into our health care delivery system whenever possible. As we know, an ounce of prevention is still worth a pound of cure.

At this point, I would like to include for the RECORD an excerpt from pages 11–12 of the Commerce Committee's report on the Rural Clinics Legislation which describes in detail our committee's intent regarding the preventive services demonstrations:

DEMONSTRATION PROJECTS FOR PREVENTIVE HEALTH SERVICES IN RURAL AND URBAN HEALTH CLINICS

The committee recognizes that our present reimbursement system provides payment for the treatment of disease. The committee believes that mechanisms for paying for preventive health care services must be tested to determine whether the provision of such services will result in improved health status and will reduce health care cost. The committee believes that section 222 of the Social Security Amendments of 1972 provides broad authority for HEW to carry out demonstration projects to reimburse preventive health services. Because this authority exists the committee did not amend the bill, but it is the committee's intent that the Secretary will conduct demonstration projects in which rural health clinics covered by the bill and urban health clinics participating in the demonstration projects will be reimbursed on a cost basis for providing preventive health care. The committee intends for HEW to include a broad range of preventive health services and activities and expects that those services and activities will include:

(a) Physical exams and diagnostic services made in connection with such an exam for the purpose of assessing an individual's physical condition without regard to whether such individual has manifested symptoms of illness;

(b) Health education and counseling designed to prevent nutritional or other health problems of the individual, including counseling for conditions of terminal illness;

(c) Immunizations and services related thereto;

(d) Services for illness management designed to minimize handicapping and discomforting conditions due to a chronic illness;

(e) Preventive dental care; and

(f) Other activities carried out by clinic staff which promote health and well-being regardless of whether those activities are performed in the clinic, in local schools or in other public places in the community. The committee expects the demonstration project to be carried out on a broad enough scale to allow the Secretary to evaluate: (1) The effect on health status of providing such services; (2) the impact of providing such services on the rate of hospitalization, workdays lost and school absence; (3) the frequency and intensity of utilization of such services; (4) the appropriate staffing requirements of rural and urban health clinics for prover provision of such services; (5) the methods available for ensuring proper utilization and quality control of such services; (6) the extent to which services are considered and should be considered as preventive services; (7) the desirability of providing such services to individuals not eligible for medicare and medicaid; (8) the cost, including the cost per patient per year, projected cost, and cost effectiveness of providing preventive services to people who utilize rural and urban health clinics; (9) the appropriateness of cost base reimbursement and payment for such services; (10) the extent of payments made through private insurers for provision of such services; (11) present Federal and State funding for provision of such services; and (12) the appropriateness of including preventive services under title XVIII and XIX of the Social Security Act. The committee expects the Secretary to report

to Congress no later than January 1, 1981, including any recommendations for legislative change which the Secretary finds necessary and desirable as a result of carrying out this demonstration project.

Mr. Speaker, there are a few changes in this legislation from the House-passed version which I feel have improved this measure, and which I would like to mention briefly.

First, we adopted the Senate terminology of "physician assistant" and "nurse practitioner" to refer to those nonphysician personnel whose services will be covered by this legislation.

Second, the conferees agreed to include the services of nurse midwives furnished through the clinics, as eligible services for reimbursement through the clinic.

This provision is particularly important because I know through the work of the Frontier Nursing Service in my district what an outstanding job these nurse midwives can do.

Third, we adopted the Senate provision calling for a detailed study of the advantages and disadvantages of reimbursing comprehensive mental health centers under medicare and medicaid. This provision was accepted as a substitute for the House provision calling for demonstration projects. In my view, the study is a preferable approach, and I believe it will provide helpful information with regard to the types of mental health services which are available, and the costs of such services.

Mr. Speaker, I strongly support this legislation and urge its approval.

Mr. STAGGERS. Mr. Speaker, I rise in support of the conference report on H.R. 8422. I am pleased to join with my colleague, the gentleman from Illinois (Mr. ROSTENKOWSKI), in recommending the conference report on this legislation to provide medicare and medicaid payments to rural health clinics.

The spirit of accommodation and cooperation which characterized the working relationship between members of my own committee and members of the Ways and Means Committee, and the conferees from the Senate, in working out our differences on this legislation is a truly remarkable one. On this legislation, as on H.R. 3, the Medicare-Medicaid Antifraud Amendments which were signed by the President on October 25, this constructive working relationship resulted in a stronger and more comprehensive piece of legislation. I commend particularly the chairmen of the health subcommittees—PAUL ROGERS of the Commerce Committee and DAN ROSTENKOWSKI of the Ways and Means Committee—and the ranking minority members of the subcommittees, TIM LEE CARTER and JOHN DUNCAN, for their dedicated work to address the problems of rural health clinics and to bring legislation to fruition in this session.

The conference report has retained all of the essential features of the bill that passed the House. I am particularly pleased to note the retention of the provision which assures continued eligibility for medicare and medicaid funding for rural clinics once they have qualified for program payments. These clinics need assurance that they will not lose their status as qualified providers simply because the characteristics of the area within which they are located change, if they are to be economically stable.

I am also pleased that our accommodation with the Senate allowing payments to clinics in medical manpower shortage areas as well as areas with medically underserved populations which are not urbanized, and to existing nonprofit clinics which are operating in nonurban areas where the Secretary finds the supply of physicians insufficient, is quite similar to the position recommended by the Committee on Interstate and Foreign Commerce when it reported H.R. 8422 to the House.

This is a good conference report. The legislation will be of great assistance in bringing more adequate health care services to the residents of rural areas throughout the Nation. I urge the adoption of the conference report.

Mr. PREYER. Mr. Speaker, I am particularly pleased that the House has taken such a positive position in support of this legislation. The rural health clinic bill will go a long way toward increasing access to health care for millions of Americans.

I am satisfied with the bill before us today. The conference committee was fair and understanding, and the result is a bill which was unanimously acceptable to the conferees.

Many people will benefit from the conference language that guarantees that the presence of a clinic already in place is not grounds to decide that an area is not a shortage area. The clinics in Snow Camp, Carolina Beach, Westfield, and Saluda, N.C., which fit into this category, will be able to continue to provide the excellent service and care to which the rural citizens in these areas have been accustomed.

Mr. ROSTENKOWSKI. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that I may be permitted to revise and extend my own remarks, and also that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

DIRECTING THE CLERK OF THE HOUSE OF REPRESENTATIVES TO MAKE CORRECTIONS IN THE ENROLLMENT OF H.R. 8422

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent for the immediate consideration of the concurrent resolution (H. Con. Res. 418) directing the Clerk of the House of Representatives to make corrections in the enrollment of H.R. 8422.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 418

Resolved by the House of Representatives (the Senate concurring), That in the enrollment of the bill (H.R. 8422) to amend titles XVIII and XIX of the Social Security Act to provide payment for rural health clinic services, and for other purposes, the Clerk of the House of Representatives shall make the following corrections:

(1) In proposed subsection (aa) of section 1861 of the Social Security Act (as added by section 1(d) of the bill) (A) strike out "providing rural health clinic services" in paragraph (2)(A) and insert in lieu thereof "furnishing to outpatients services described in subparagraphs (A) and (B) of paragraph (1)"; (B) strike out "such clinic" in paragraph (2)(B); and (C) strike out "the services referred to in subparagraph (A) which it provides" in paragraph (2)(E) and insert in lieu thereof "those services described in paragraph (1) which it furnishes".

(2) In section 1(e) of the bill (A) strike out "of the Social Security Act, except for clause (i) of such section" and insert in lieu thereof "or section 1905(1) of the Social Security Act, except for clause (i) of section 1861(aa)(2)"; and (B) strike out "titles XVIII or XIX" and insert in lieu thereof "title XVIII or XIX, respectively,".

(3) In section 1(i)(4) of the bill insert "in the last sentence" before "and inserting".

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

DIRECTING THE CLERK TO MAKE CORRECTIONS IN ENROLLMENT OF H.R. 7345, VETERANS AND SURVIVORS PENSION ADJUSTMENT ACT OF 1977

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the concurrent resolution (H. Con. Res. 419) directing the Clerk of the House of Representatives to make certain corrections in the enrollment of H.R. 7345, to amend title 38 of of the United States Code to increase the rates of disability and death pension and to increase the rates of dependency and indemnity compensation for parents, and for other purposes, which passed the House Thursday, November 3.

The Clerk read the title of the concurrent resolution.

The Clerk read the concurrent resolution as follows:

H. CON. RES. 419

Resolved by the House of Representatives (the Senate concurring), That in the enrollment of the bill (H.R. 7345) to amend title 38 of the United States Code to increase the rates of disability and death pension and to increase the rates of dependency and indemnity compensation for parents, and for other purposes, the Clerk of the House of Representatives shall make the following corrections:

(1) In section 101(1) of the bill, strike out "section (b)(1)" and insert in lieu thereof "subsection (b)(1)".

(2) In the table in section 415(c)(1) of title 38, United States Code, as proposed in section 201(3) of the bill, strike of "3,700" and insert in lieu thereof "3,770".

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

Mr. HAMMERSCHMIDT. Mr. Speaker, reserving the right to object, and I do not plan to object, I yield to the gentleman from Mississippi, the distinguished chairman of the subcommittee, to explain this technical correction.

Mr. MONTGOMERY. Mr. Speaker, when we passed the pension bill, H.R. 7345, on November 3, we corrected some errors in the pension rate structure; however, in doing so, we inserted one wrong figure and this resolution will simply take care of that mistake. It changes one income limitation figure from $3,700 to $3,770.

I can assure my colleagues that the other body has agreed to this change.

Mr. HAMMERSCHMIDT. Mr. Speaker, I concur fully with the explanation of the gentleman, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

REORGANIZATION PLAN NO. 2 OF 1977

Mr. BROOKS. Mr. Speaker, pursuant to section 912 of Public Law 93–17, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the resolution (H. Res. 827), to disapprove Reorganization Plan Numbered 2 of 1977, and pending that motion, Mr. Speaker, I ask unanimous consent that general debate on the resolution be limited to not to exceed 2 hours, to be equally divided and controlled by the gentleman from New York, Mr. HORTON, and myself.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. BROOKS).

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. RUSSO. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 387, nays 2, not voting 45, as follows:

[Roll No. 748]

YEAS—387

Addabbo	Ammerman	Andrews, N.C.
Akaka	Anderson, Calif.	Andrews, N. Dak.
Allen	Anderson, Ill.	Annunzio
Ambro	Applegate	Archer
Ashbrook	Ashley	Aspin
Badham	Baldus	Barnard
Baucus	Bauman	Beard, R.I.
Bedell	Beilenson	Benjamin
Bennett	Bevill	Bingham
Blanchard	Boggs	Boland
Bonior	Bonker	Bowen
Brademas	Breaux	Breckinridge
Brinkley	Brodhead	Brooks
Broomfield	Brown, Calif.	Brown, Mich.
Brown, Ohio	Broyhill	Buchanan
Burgener	Burke, Calif.	Burke, Fla.
Burke, Mass.	Burleson, Tex.	Burlison, Mo.
Burton, Phillip	Butler	Byron
Caputo	Carney	Carr
Carter	Cavanaugh	Cederberg
Chappell	Clausen, Don H.	Clawson, Del
Clay	Cohen	Coleman
Collins, Ill.	Collins, Tex.	Conable
Conte	Corcoran	Corman
Cornell	Cornwell	Cotter
Coughlin	Crane	D'Amours
Daniel, Dan	Daniel, R. W.	Danielson
Davis	de la Garza	Delaney
Dellums	Derrick	Derwinski
Devine	Dickinson	Dicks
Dingell	Dodd	Dornan
Downey	Drinan	Duncan, Oreg.
Duncan, Tenn.	Early	Eckhardt
Edgar	Edwards, Ala.	Edwards, Calif.
Edwards, Okla.	Eilberg	Emery
English	Erlenborn	Ertel
Evans, Colo.	Evans, Del.	Evans, Ga.
Evans, Ind.	Fary	Fascell
Fenwick	Findley	Fish
Fisher	Flippo	Flood
Florio	Flowers	Flynt
Foley	Ford, Mich.	Ford, Tenn.
Forsythe	Fountain	Fowler
Fraser	Frenzel	Frey
Fuqua	Gammage	Gaydos
Gephardt	Gibbons	Gilman
Ginn	Glickman	Gonzalez
Goodling	Gore	Gradison
Grassley	Gudger	Guyer
Hagedorn	Hall	Hamilton
Hammer-schmidt	Hanley	Hannaford
Hansen	Harkin	Harrington
Harris	Harsha	Hawkins
Heckler	Hefner	Heftel
Hightower	Hillis	Holland
Hollenbeck	Holt	Holtzman
Horton	Howard	Hubbard
Huckaby	Hughes	Hyde
Ichord	Ireland	Jacobs
Jeffords	Jenrette	Johnson, Calif.
Johnson, Colo.	Jones, N.C.	Jones, Okla.
Jordan	Kastenmeier	Kazen
Kemp	Ketchum	Keys
Kildee	Kindness	Kostmayer
Krebs	LaFalce	Lagomarsino
Latta	Leach	Lederer
Leggett	Lehman	Lent
Levitas	Livingston	Lloyd, Calif.
Lloyd, Tenn.	Long, La.	Long, Md.
Lott	Lujan	Luken
Lundine	McClory	McCormack
McDade	McEwen	McFall
McHugh	McKay	McKinney
Madigan	Maguire	Mahon
Mann	Markey	Marks
Marlenee	Marriott	Martin
Mathis	Mattox	Mazzoli
Meeds	Metcalfe	Meyner
Michel	Mikulski	Mikva
Miller, Calif.	Miller, Ohio	Mineta
Minish	Mitchell, N.Y.	Moakley
Moffett	Mollohan	Montgomery
Moore	Moorhead, Calif.	Moorhead, Pa.
Mottl	Murphy, Ill.	Murphy, N.Y.
Murphy, Pa.	Murtha	Myers, Gary
Myers, John	Myers, Michael	Natcher
Neal	Nedzi	Nix
Nolan	Nowak	O'Brien
Oakar	Oberstar	Obey
Ottinger	Panetta	Patten
Patterson	Pattison	Pease
Perkins	Pettis	Pickle
Pike	Poage	Pressler
Preyer	Price	Pritchard
Pursell	Quie	Quillen
Rahall	Railsback	Rangel
Regula	Reuss	Rhodes
Richmond	Rinaldo	Risenhoover
Robinson	Rodino	Roe
Rogers	Roncalio	Rooney
Rosenthal	Rostenkowski	Roybal
Rudd	Runnels	Russo
Ryan	Santini	Sarasin
Satterfield	Sawyer	Scheuer
Schroeder	Schulze	Sebelius
Seiberling	Sharp	Shipley
Shuster	Sikes	Simon
Sisk	Skelton	Skubitz
Slack	Smith, Iowa	Snyder
Solarz	Spellman	Spence
Staggers	Stangeland	Stanton
Stark	Steed	Steers
Steiger	Stockman	Stokes
Stratton	Studds	Stump
Symms	Taylor	Thompson
Thone	Thornton	Traxler
Treen	Trible	Tsongas
Udall	Ullman	Vander Jagt
Vanik	Vento	Volkmer
Waggonner	Walgren	Walker
Walsh	Wampler	Watkins
Waxman	Weaver	Weiss
Whitehurst	Whitley	Whitten
Wiggins	Wilson, Bob	Wilson, C. H.
Wilson, Tex.	Winn	Wirth
Wolff	Wright	Wydler
Wylie	Yates	Yatron
Young, Alaska	Young, Fla.	Young, Mo.
Young, Tex.	Zablocki	Zeferetti

NAYS—2

AuCoin	Mitchell, Md.

NOT VOTING—45

Abdnor	Dent	Moss
Alexander	Diggs	Nichols
Armstrong	Fithian	Pepper
Badillo	Giaimo	Quayle
Bafalis	Goldwater	Roberts
Beard, Tenn.	Jenkins	Rose
Biaggi	Jones, Tenn.	Rousselot
Blouin	Kasten	Ruppe
Bolling	Kelly	Smith, Nebr.
Burton, John	Koch	St Germain
Chisholm	Krueger	Teague
Cleveland	Le Fante	Tucker
Cochran	McCloskey	Van Deerlin
Conyers	McDonald	Whalen
Cunningham	Milford	White

Mr. BROWN of Michigan changed his vote from "nay" to "yea."

So the motion was agreed to.

The result of the vote was announced as above recorded.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the resolution (H. Res. 827), with Mr. KILDEE in the chair.

The Clerk read the title of the resolution.

By unanimous consent, the first reading of the resolution was dispensed with.

The CHAIRMAN. Pursuant to section 912 of Public Law 95–17 and under the unanimous-consent agreement, the gentleman from Texas (Mr. BROOKS) will be recognized for 1 hour, and the gentleman from New York (Mr. HORTON) will be recognized for 1 hour.

The Chair recognizes the gentleman from Texas (Mr. BROOKS).

Mr. BROOKS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, today we have before us the second reorganization plan submitted to the Congress by President Carter which establishes in the executive branch a new International Communication Agency which will consolidate the function now exercised by the U.S. Information Agency and the Bureau of Educational and Cultural Affairs now in the State Department. The USIA and the Bureau will be abolished.

When he submitted the plan to Congress, President Carter said the purpose of the reorganization is "to broaden our informational, educational, and cultural intercourse with the world since this is the major means by which our Government can inform others about our country and inform ourselves about the rest of the world." He went on to say that the new agency "will play a central role in building these two-way bridges of under-

standing between our people and the other peoples of the world."

The plan was considered by the Committee on Government Operations, and it was reported to the House with a vote of 34 to 3. The committee concluded that the new agency will improve the administration of the laws relating to cultural and educational exchanges between the people of the United States and the people of foreign nations and it will facilitate the communication abroad of factual information about the United States.

During the course of our consideration of the plan, a number of questions were raised which resulted in amendments submitted by the President. It is our opinion that the amendments have improved the reorganization making it more acceptable to the House.

I call your attention to three matters which have aroused some concern. The first involves the integrity of the Voice of America. In submitting the plan to the Congress, the President referred to the charter enacted by the Congress which provides that "VOA news will be accurate, objective, and comprehensive," and that VOA will "present a balanced and comprehensive projection of significant American thought and institutions." He stated that under his administration the Voice of America "will be solely responsible for the content of news broadcasts—for there is no more valued coin than candor in the marketplace of ideas."

There has also been some concern about the relationship of the new International Communication Agency to the Department of State. The USIA is presently subject to policy direction from the Secretary of State. The plan makes no significant change in this status. We asked for further clarification on this point and were advised by the Executive Associate Director of the President's reorganization project that although the Secretary will provide the agency with general policy direction, including direction as to foreign policy, to assure that the actions of the agency are not inconsistent with such policy, the Secretary will have no operational role with respect to the budget, management, personnel, or general day-to-day operation of the agency. I might add that the reorganization enhances the status of the director of the new agency as he will serve as the principal adviser to the President, the National Security Council, and the Secretary of State on International Communication.

To assure that the objectivity of the exchange program is continued, the plan requires the director of the new agency "to insure that the scholarly integrity and nonpolitical character of the educational and cultural exchange activities vested in the director are maintained."

It was estimated by the Congressional Budget Office that the plan would result in no additional cost to the Government and may achieve a small cost saving.

It is our opinion that the plan meets the requirements of the Reorganization Act and that it will improve the administration of the programs to be carried out by the new agency. We, therefore, support this reorganization and urge the House to allow it to go into effect.

House Resolution 827 is the instrument by which we act upon the President's Reorganization Plan No. 2. Our recommendation to the House is that House Resolution 827 be rejected. Since the resolution reads that the House does not favor reorganization plan No. 2 of 1977, a vote to support the plan will be a "no" vote on the resolution. Those who oppose the plan will vote "yes."

I urge that the Members vote "no" on the disapproval resolution.

Mr. HORTON. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, while I intend to support Reorganization Plan No. 2 to establish a new International Communication Agency, I must admit that I do so with some apprehension. I am apprehensive about the plan because of the very "trying," to put it nicely, experience that our committee had with this plan. I would like to take just a few moments to expand on that remark.

Reorganization Plan No. 2 is actually just a simple consolidation of two agencies, the U.S. Information Agency (USIA) and the State Department's Bureau of Educational and Cultural Affairs, into a new agency called the International Communication Agency. In the field, both the information and cultural and educational affairs duties are performed by USIA personnel. It was only back in Washington that the two responsibilities were split. Therefore, this consolidation has been recommended for years and this particular plan should have been a very noncontroversial proposal. Unfortunately, the handling of this plan by the administration has caused our committee severe problems.

The main problem is the lack of specifics. The Reorganization Act of 1977 is very specific on what details should be in the message. Section 903(b) of the act states:

> The message shall also estimate any reduction or increase in expenditures (itemized so far as practicable), and describe any improvements in management, delivery of Federal services, execution of the laws, and increases in efficiency of Government operations, which is expected will be realized as a result of the reorganizations included in the plan.

However, this is what the President's message said regarding specifics:

> It is not practicable to specify all of the expenditure reductions and other economies that will result from the proposed reorganization and therefore I do not do so.

The second problem is that the message and the plan are not always similar. For example, in the message considerable emphasis is placed on a new mission of "listening" to others, and most of the administration witnesses stressed this point. However, there is no mention of this mission in the actual plan and under repeated questioning on how this new mission would actually be accomplished, adequate responses were not forthcoming.

The message also stated that two of the proposed four Associate Directors would be designated for the Voice of America and for Educational and Cultural Affairs, but these designations were not in the plan. This was finally corrected by an amendment from the administration, but nowhere in the message or plan is there any indication of what the other two Associate Directors will be doing. These are level IV personnel making $50,000, yet we do not know their responsibilities.

Also, it should be pointed out that under the old arrangement, there was one level IV as Assistant Secretary of State for Educational and Cultural Affairs, one level II as Director of USIA with a level IV as his Deputy. Under this new arrangement, we are doubling these executive level jobs with a level II as Director, a level III as his Assistant, and four level IV Associate Directors—again, two of which we are not sure of their position.

Perhaps the most important problem we had in the committee is that after reading the message and plan, after repeated questioning of the administration's witnesses, we are still uncertain of the relationship of the new agency with the State Department.

It should be pointed out that the administration did finally send up some background information that answered some, but not all, of the questions. Unfortunately, this material was received too late to be used in hearings and, as I previously noted, most of this information should have been in the original message.

Mr. Chairman, I understand that in the future we will be receiving reorganization plans on some very, very complex matters like retirement plans, civil rights, and legal services. If they handle these complex plans as they handled what should have been a simple plan, I will not be apprehensive at all—I will very forcefully oppose them. The new Reorganization Act of 1977 is very specific on what details should be supplied to Congress, and this act simply must be followed by the administration in any future reorganization proposals. If Congress continues to pass these plans under present conditions, we will not be performing our constitutional duty.

However, despite these apprehensions, I will support this plan because, as I mentioned earlier, the theory behind the consolidation of these two agencies is very sound. Since the functions were only split in Washington and not in the field, I anticipate that we will see a more efficient organization in the future.

Therefore, I urge my colleagues to support the plan by voting against the resolution.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. HORTON. Mr. Chairman, I yield myself 2 additional minutes.

Mr. ERLENBORN. Mr. Chairman, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from Illinois.

Mr. ERLENBORN. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, I would like to just reemphasize a portion of the remarks just made by the gentleman from New York (Mr. HORTON) and that is that this reorganization plan was handled very

haphazardly and in a very shabby fashion by the administration. I believe that many Members of the committee feel as I do, that, in their judgment, unless these reorganization plans are handled better by the administration in the future that they will face rough sledding in our Committee on Government Operations. In particular, I think many of us were offended by what has now become almost boilerplate language, not only of this administration but also of prior administrations both Democrat and Republican alike, and that is the statement that the OMB—the successor of the Bureau of the Budget—seems to like to put in in every one of these Presidential messages that it is not feasible to estimate the savings. In this particular case when the OMB and the Office of the President were asked specifically to identify the savings, it turned out those were not savings that they could identify, even though the President's message indicated that it was just not practical to identify them with particularity.

I believe the gentleman pointed out that the plan may actually cost more than the present administration and there are no savings whatsoever.

Mr. HORTON. I will agree with what the gentleman from Illinois (Mr. ERLENBORN) has said. As I stated in my opening remarks, section 903(b) of the act spells out specifically what we have asked for, and the fact is that the President said he would not give us this information.

If this happens in the future, we are not going to be willing to accept these reorganization plans. The Congress has the right to know whether there are going to be any economies that will result, and what measures are going to be taken in the reorganization plan insofar as improvements in management, delivery of Federal services, execution of the laws, and increases in efficiency of Government operations.

We are entitled to know this, and the administration ought to specifically emphasize what savings or additional savings will occur. We need this information.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. HORTON. Mr. Chairman, I yield myself 2 additional minutes.

Mr. Chairman, we need this information. We did not get it in this plan and we are serving notice on the administration that this type of information is going to be required in the future.

Mr. ERLENBORN. I thank the gentleman. I think the gentleman will recall that we on the committee inserted the language to which the gentleman is referring, seeking for particulars there in the message from the President. We did that when we extended the Presidential authority earlier this year.

It has been the purpose of our committee to try to get this President and past Presidents to specify with particularity the savings or what additional expenses may be incurred. This just has not been complied with, and I think it must be, and if it is not in the future then I think we must begin to reject some of these plans sent by the President and live up to what it is we are required to be doing.

Mr. HORTON. I thank the gentleman from Illinois.

I am sure the gentleman will agree with me—and he has been on the committee almost as long as I have and we have seen a lot of these reorganization plans—this is one of the few amendments that have been proposed. I realize we have not had amendments in the past, but certainly we do not want to have these plans sent up and then five or six amendments sent up later. If this work is done properly prior to the time the plan is sent up, there is no need for amendments.

The sending up of amendments creates problems, as it has done here, because we do not have an opportunity to go back and have hearings on the amendments after they are sent up. It is better to have the administration make decisions after consulting with the Congress before the plan is sent up. The fact that the plan was sent up and then amended indicates the plan was not very well thought out before it was sent up.

I do want to serve notice on the administration that we will hold them to this degree of specifics in the next reorganization plan that is sent up.

I thank the gentleman.

Mr. ERLENBORN. Again I thank the gentleman for yielding and I commend him for his statement.

Mr. CORCORAN of Illinois. Mr. Speaker, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from Illinois (Mr. CORCORAN).

Mr. CORCORAN of Illinois. Mr. Chairman, I commend the gentleman in the well and our colleague, the gentleman from New York.

Mr. Chairman, I rise in support of Reorganization Plan No. 2. I think it attempts to resolve some administrative problems within our international information system and for that reason I will vote against the disapproval resolution.

I would like to point out a problem with the plan which I think is a dangerous precedent for the future. During the lengthy debate over the extension of reorganization authority, a provision was added to the President's legislative proposal which requires an estimate of any cost reduction or increas in expenditure which would result from the adoption of the plan.

As the gentleman from New York (Mr. HORTON) has stated, the President's message explained that it was not practicable to specify all of the expenditure reductions and other economies.

Mr. Chairman, this statement meets the letter of the reorganization authority statute, but it does not comply with the spirit. It may very well be that there will be no cost savings as a result of reorganization plan No. 2. If that is the case, then the administration should so state. There is no requirement that they do so. But to leave the impression that there may be some when there is probably no possibility that such a savings will occur, is less than complete candor.

We have heard a great deal about the zeal of this administration to reorganize the Federal bureaucracy. Everyone supports that goal. But cosmetic changes which do not yield concrete results in improved efficiency, delivery of services, or savings of tax dollars should not receive the approval of the Congress.

I urge my colleagues to support reorganization plan No. 2. I respectfully suggest to the President that future reorganization plans should more accurately reflect the realities of the plan and not speculate about the possibility of benefits which are not likely to occur. Mr. Chairman, the compaign of last year is over. The time to govern is now.

Mr. HORTON. Mr. Chairman, I thank the gentleman from Illinois for his remarks.

Mr. BROOKS. Mr. Chairman, I yield 10 minutes to the gentleman from Arkansas (Mr. THORNTON).

Mr. THORNTON. Mr. Chairman, first I would like to thank the distinguished chairman for yielding and for the gentleman's able leadership in the House.

Mr. Chairman, I rise in support of House Resolution 827 and urge that we vote yes to disapprove this reorganization plan. I do so recognizing that the plan may, indeed, be more efficient, that it may result in some small, although not disclosed savings in dollars, and that it may in some way permit a more efficient administration of the programs which are to be combined; but efficiency is not the supreme good in government. A basic question must be resolved and I would like to ask that we turn our attention to that question. That question is whether these programs should be mixed, whether they are of the type which should require that they be co-administered or whether these programs are different in aim and objective, whereby a mixture of the programs could cause the programs to lose their effectiveness, resulting in the loss of the great advantage which has accrued to this Nation by the operation of the cultural and educational exchanges provided for by the Fulbright-Hays educational exchange program. While I certainly agree with the administration on the importance of building bridges between nations of differing traditions, ideologies and economic systems, I am deeply concerned that, if this plan goes into effect, we will actually impair one of the most effective means of increasing international understanding that has ever been conceived. By merging the USIA's unilateral information and publicity operations with the educational and cultural activities of the Department of State, we run a real risk of compromising the growth and effectiveness of the Fulbright-Hays educational exchange program.

The purpose of the Fulbright-Hays program as authorized by Congress, is "to enable the Government of the United States to increase mutual understanding between the people of the United States and the people of other countries." Under this program, grants are made to U.S. citizens and foreign nationals for a variety of educational activities, primarily university teaching, advanced research, graduate study, and teaching in elementary and secondary schools.

The Department of State, through the Bureau of Educational and Cultural Affairs, administers this program with the

assistance of over 40 binational educational commissions and foundations in countries which have an executive agreement with the United States for a continuing exchange program; about 40 U.S. embassies in other countries; and three major cooperating agencies in the United States. In addition, the President is empowered to appoint 10 distinguished Americans to sit on the board of foreign scholarships which develops policy, supervises the academic exchanges, and is responsible for the selection of students and educational institutions who participate.

During the past 30 years, about 120,000 individuals from the United States and more than 100 participating foreign nations have received grants under the Fulbright program. While some have become Presidents, Prime Ministers, and holders of other offices which enable them to mold national and world policies, others have made important contributions to humanity in such diverse fields as education, publishing, and health administration.

Since the inception of this program in 1947, the total amount of U.S. Government funds which has been invested in it through the end of 1976, is only approximately $500 million. This averages about $17 million per year. And although the Fulbright program was begun in the United States, participating foreign nations are increasingly sharing in the cost of its exchanges. Twenty-two of the more than 40 nations which have established binational commissions to assist in the administration of the program now share in its cost through direct financial contributions. In 1976, they provided nearly $3.5 million for its operation.

While I am certain that the Carter administration intends to maintain the integrity of this program, I think it is important to note that the committee report states that by means of the merger of the functions of the USIA with the Bureau of Educational and Cultural Affairs, the USIA's fiscal year 1977 budget of $264 million will be combined with the Bureau's $59 million and the USIA's current employment level of 8,500—of which 2,200 work for the Voice of America, and 4,400 are foreign nationals employed overseas—will be combined with the Bureau's current employment level of 250 persons. In making these comparisons, it seems to me that both in terms of budget and in terms of manpower, it will be difficult, even with the best of intentions, to keep the information programs from submerging the educational and cultural programs.

It seems to me to be clear that there is a very grave risk that in making this mix, we will submerge this tremendously effective educational program to the larger program of publicity and outreach by this Nation on a unilateral basis, confusing the purposes of an educational program with that of information dissemination. I submit that this is a mix that is mistaken.

Even though the President has amended the reorganization plan in order to reflect his consideration of some of the concerns that I have articulated here, in an attempt to preserve the scholarly integrity of the program, I am concerned that it is going to be difficult, if not impossible, to keep the program from being swallowed up in the larger, more expensive operation.

Mr. GARY A. MYERS. Mr. Chairman, will the gentleman yield?

Mr. THORNTON. I yield to the gentleman from Pennsylvania.

Mr. GARY A. MYERS. Mr. Chairman, I was swayed enough by the gentleman's argument to be concerned about the situation he described in his dear colleague letter. In all honesty, I felt that what I should do is check with the White House.

They have said that there will be a separate associate director for each one of the programs, and that this would insure the integrity of the Fulbright program. One other thing they did say was, in fact, the Fulbright program was being administered in some countries by USIA personnel because there are no other personnel to do it.

My concern was that foreign governments or people who have gone through a program such as this might be labeled with a USIA label, which would make them less effective in their own relationships later on. But, if in fact it is already being administered that way, it sort of weakened the concern on the side of the gentleman's argument.

I wonder if the gentleman has some response to the White House response to my questions?

Mr. THORNTON. I thank the gentleman for asking the question. It points out a very significant feature, it seems to me.

First of all, the White House has recognized the hazard which is involved in attempting to consolidate or combine the two programs. I do endorse the amendments which have been offered, but they do not get to the basic point as to whether the programs should be mixed or whether they should be administered together.

It seems to me we are dealing with two things here. First of all, how this country handles these programs administratively? The answer to that, it seems to me, is something that is particularly a matter of concern to this country, and efficiency goes into that question.

Another question is, how is it perceived overseas? What is the effect of combining these programs into one agency upon those nations which now participate bilaterally with us in this program? How do they perceive our mixing a program which has been a good, solid educational program, with a program which is information dissemination? If they perceive this program as becoming focused upon our own national goals and objectives, it may well be that they will be reluctant to participate as fully, and we will inadvertently damage the program.

I recognize that the White House has taken steps by amendment to try to correct this, but what they are doing, it seems to me, is trying to pull back from the mix. I suggest it should be pulled back entirely, and we should spend 1 year of study to determine exactly how this program can be best administered, and at the same time continue to meet the objectives of the Fulbright-Hays program.

Mr. GARY A. MYERS. Is the gentleman aware of any other opportunities to reorganize which could, in fact, achieve the objective the White House has in making an administrative improvement by combining with some other agency of the Federal Government that operates in the same sphere?

Mr. THORNTON. It would seem to me, without trying to articulate a reorganization plan of my own, that there are indeed a number of other agencies which are involved in information dissemination, such as Radio Free Europe, for example, or perhaps others which might be combined in an information dissemination program to achieve efficiency.

The CHAIRMAN. The time of the gentleman from Arkansas (Mr. THORNTON) has expired.

Mr. BROOKS. Mr. Chairman, I yield 3 additional minutes to the gentleman from Arkansas.

Mr. THORNTON. Mr. Chairman, it seems to me that the purposes of the cultural and educational exchange program could be carried forward by combining it with such things as scientific exchanges of information with other nations. Scholarship, it seems to me, is a matter which is very important. We are searching for knowledge and a better understanding of the world in which we live. And it is not appropriate to deal with that in an agency which is also directed to information dissemination.

Mr. GARY A. MYERS. Mr. Chairman, will the gentleman yield further?

Mr. THORNTON. I yield to the gentleman from Pennsylvania.

Mr. GARY A. MYERS. I thank the gentleman for yielding.

Mr. Chairman, has the gentleman made any of the suggestions to the White House as an alternate line of responsibility to protect the integrity of these plans?

Mr. THORNTON. This proposal came to my attention at a time when we were in recess, and I have not made such a proposal directly to the White House.

Mr. HORTON. Mr. Chairman, will the gentleman yield?

Mr. THORNTON. I yield to the gentleman from New York.

Mr. HORTON. I thank the gentleman for yielding.

Mr. Chairman, in answer to the question of the gentleman from Pennsylvania, we did ask these questions when the matter was first before the subcommittee, and as a result of our concern about the integrity of these plans, the amendments were sent up and received just prior to the time we went on recess.

As I indicated in my opening remarks, I was concerned that we did not have an opportunity to have hearings, but the time is running and we have to act on this now or else it will take effect by default. So in order to give the House a chance to vote, it was important for us to bring the resolution out on the floor now.

Mr. Chairman, I will yield additional time to the gentleman from Arkansas (Mr. THORNTON) if the gentleman runs out of time. The gentleman does not have to worry about his time.

Mr. THORNTON. I thank the gentleman.

Mr. HORTON. But I do feel it is important to point out that we were concerned in the subcommittee about this matter, and it was as a result of that con-

cern that the two amendments were sent up.

One of them says that the Director shall insure that the scholarly integrity and nonpolitical character of educational and cultural exchange activities vested in the Director are maintained.

The second amendment says that the Commission's reports to the Congress shall include assessments of the degree to which the scholarly integrity and nonpolitical character of the educational and cultural exchange activities vested in the Director have been maintained, and assessments of the attitudes of foreign scholars and governments regarding such activities.

Those amendments were sent up as a direct result of our concern in the subcommittee with regard to the very program the gentleman is talking about, the Fulbright exchange program.

Mr. THORNTON. Mr. Chairman, I do appreciate very much that these amendments were adopted out of a concern for the very issues I am talking about. I want to compliment the committee in approving these amendments. However, they do not resolve the basic issue as to whether these two functions should be mixed together.

The CHAIRMAN. The time of the gentleman from Arkansas (Mr. THORNTON) has again expired.

Mr. HORTON. Mr. Chairman, I yield 2 minutes to the gentleman from Arkansas (Mr. THORNTON).

Mrs. FENWICK. Mr. Chairman, will the gentleman yield?

Mr. THORNTON. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. I thank the gentleman for yielding.

Mr. Chairman, I share my colleague's concern, not only with the way in which the bureaucratic arrangements are structured, as our colleague explained so ably, but, more, how the program is perceived. I think there is a difference in being a scholar under the State Department and being a scholar under the U.S. Communications Agency. Something pertaining to information is so often construed to mean propaganda. We should really be quite careful in separating this from anything that is educational and cultural. I think the perception, despite the amendment, remains a very important element.

Mr. THORNTON. I thank the gentlewoman for her contribution.

Mr. PEASE. Mr. Chairman, will the gentleman yield?

Mr. THORNTON. I yield to the gentleman from Ohio (Mr. PEASE) who I believe is a Fulbright scholar.

Mr. PEASE. I thank the gentleman for yielding.

Mr. Chairman, I would like to associate myself with the gentleman's remarks and also those of the gentlewoman from New Jersey. Perceptions are equally as important as the actual facts of the situation.

This new agency is proposed to be called the International Communications Agency, and it will bring in the U.S. Information Agency, which is certainly appropriate in the area of information and communication, but the other agency that it brings in would be the Bureau of Educational and Cultural Affairs. I submit that is not appropriate for an agency that is titled as a communications agency.

The Fulbright scholarship program, involving scholars of nationalities other than our own, is a two-way street, because we have people coming back and forth. It does involve scholarships; it is not proselytizing, it is not propaganda in any way.

It is not appropriate to have scholars fulfilling a governmental communications function, as this reorganization plan perhaps does not provide, but it might leave people to believe that they were performing that function. Indeed, such a function would be incompatible with scholarship programs.

The CHAIRMAN. The time of the gentleman from Arkansas (Mr. THORNTON) has expired.

Mr. HORTON. Mr. Chairman, I yield 4 additional minutes to the gentleman from Arkansas (Mr. THORNTON).

Mr. PEASE. Mr. Chairman, will the gentleman yield further?

Mr. THORNTON. I yield to the gentleman from Ohio.

Mr. PEASE. Mr. Chairman, I thank the gentleman for yielding.

It is to me imperative that other nations not perceive the Fulbright scholarship program to be a part of our foreign propaganda effort. This is not the intent of this administration, I am sure, but it could be the actual result in the future. Surely that could at any time be the perceived result on the part of other nations, and we cannot control their presumptions.

This potentially dangerous course might be justified if there were overriding savings to be made and efficiencies of administration to be effected. But we are merely substituting one agency for another; we are not eliminating an agency. There are no appreciable dollar savings about which we have been told today, and for that reason it seems to me that this reorganization, with its built-in hazards, is not worthwhile.

Mr. Chairman, I believe we ought to vote yes for the resolution and ask the Carter administration to try again.

Mr. THORNTON. Mr. Chairman, I thank the gentleman from Ohio (Mr. PEASE).

If I may, I would like to make one additional statement.

I believe my concerns were best expressed by the author of this program, former Senator J. William Fulbright, in remarks he made on the occasion of the 25th anniversary of the Educational Exchange program between the United States and Norway, on March 7, 1975:

> If international education is to advance these aims—of perception and perspective, of empathy and the humanizing of international relations—it cannot be treated as a conventional instrument of a nation's foreign policy. Most emphatically, it cannot be treated as a propaganda program designed to "improve the image" of a country or to cast its current policies in a favorable light. Nor can its primary purpose be regarded as simply the cultivation of "good will," which may come as a by-product of serious educational activities but cannot be regarded as their direct objective.
>
> Nor can educational exchange properly be treated as an instrument of foreign policy in anything like the sense that diplomacy is such an instrument; it is indeed a corruption of the educational process—and one that is likely to fail besides—to try to use educational exchange as a means of advancing directly current political economic, or military projects. Education can be regarded as an instrument of foreign policy only in the sense that the cultivation of international perception and perspective are—or ought to be—important long-term objectives of a country's foreign policy.

Because I am deeply concerned that we may inadvertently be placing this educational exchange program in jeopardy, I urge you to support the resolution disapproving the second reorganization plan.

Mr. GARY A. MYERS. Mr. Chairman, will the gentleman yield?

Mr. THORNTON. I yield to the gentleman from Pennsylvania.

Mr. GARY A. MYERS. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, to put this in perspective, I think if a U.S. Congressman or Senator had visited South Korea, for example, under a South Korean informational services program and had gone through that program, he might find it a tremendous political liability to himself, whereas if he had participated in a cultural and educational exchange with the South Korean Government during that same period of time, the integrity of that program having been protected and well known throughout the world, clearly he would not have sustained the political damage that might otherwise have been done to him.

I think that is what we have to look at today. I am not bringing up South Korea today as a criticism against that country, but I merely suggest that currently there is a situation that exists that we must recognize which demonstrates a potential hazard in this move.

Mr. THORNTON. Mr. Chairman, I think that is a very clear illustration, one that puts this matter in perspective in a way that each of us can understand. I thank the gentleman for his contribution.

Mr. BROOKS. Mr. Chairman, I yield myself 1 minute and 30 seconds.

Mr. Chairman, I first want to say that I commend the gentleman from Arkansas (Mr. THORNTON), who is a very distinguished and able representative of his entire State, for his diligence and his concern, particularly about the Mutual Education and Cultural Exchange Act of 1971. I want to assure the gentleman that I now have a nagging feeling that perhaps we in the Committee on Government Operations have overlooked this entire area and ought to spend a little time in really evaluating the program from an objective standpoint.

Mr. Chairman, we are aware of the concern about the Mutual Educational and Cultural Exchange Act of 1961 which the gentleman from Arkansas has expressed.

I believe that the plan, as amended, provides adequate protection for this important program in a number of ways: First, the plan requires that one of the four Associate Directors of the new agency be designated as the Associate Director for Educational and Cultural Affairs. This high status assures that

there will be one identifiable individual who, by the way, will be subject to Senate confirmation—responsible for the Fulbright program and the other educational and cultural exchange programs in the ICA.

Second, the independent Board of Foreign Scholarships, which is appointed by the President and which in turn selects the American recipients of Fulbright grants, will be retained under the plan. The Board, which has an excellent reputation, and the 43 binational commissions overseas have provided strong leadership for the program over the years and we are sure that they will continue to do so in the future.

Third, the plan expressly requires that the Director of the ICA "shall insure that the scholarly integrity and nonpolitical character of educational and cultural exchange activities" of the agency be maintained.

Fourth, the Advisory Commission on International Communication, Cultural and Educational Affairs created by the plan will report at least annually to the Congress. Its reports must include—

Assessments of the degree to which the scholarly integrity and nonpolitical character of the educational and cultural exchange activities vested in the Director have been maintained, and assessments of the attitudes of foreign scholars and governments regarding such activities.

Finally, the American academic community has a strong and abiding interest in the Fulbright-Hays program. I have no doubt that they will be vigilant on its behalf and that they will not hesitate to make their voices heard if there is the slightest hint of impropriety in the conduct of these activities.

We do appreciate the gentleman's concerns, but we have concluded that they are fully addressed by the plan and have overwhelmingly recommended that the resolution of disapproval not be agreed to and the reorganization be put into effect.

We certainly appreciate the gentleman's concerns and those of our colleague, the gentleman from Ohio (Mr. PEASE), but we in the committee have concluded that they are fully addressed by the plan and have overwhelmingly recommended that the resolution of disapproval not be agreed to and we support the procedure by which the reorganization plan will be put into effect and ask the Members to vote "no" on this disapproval resolution.

Mr. THORNTON. Mr. Chairman, will the gentleman yield?

Mr. BROOKS. I yield to the gentleman from Arkansas.

Mr. THORNTON. Mr. Chairman, I thank the gentleman for yielding.

I must say that I am greatly pleased to have the assurances of the chairman with respect to his continuing interest in making sure that the integrity of this program is not compromised should this reorganization plan be approved.

I would like to suggest that it would also be possible for the committee to engage in this kind of oversight and review of the plan should the resolution be adopted and the reorganization plan disapproved. This would give an adequate time for study.

I thank the gentleman for his comments.

Mr. HORTON. Mr. Chairman, I yield 5 minutes to the gentleman from Alabama (Mr. BUCHANAN).

Mr. BUCHANAN. Mr. Chairman, I rise in opposition to House Resolution 827.

If we defeat this resolution and thereby permit Reorganization Plan No. 2 to go into effect, we will consolidate into one independent agency—the International Communication Agency—the functions of the U.S. Information Agency plus the separate but, I would insist, similar educational and cultural functions now performed by the Department of State.

Mr. Chairman, I share the respect of all Members here for our distinguished friend, who preceded me in the well. The chairman of the Committee on Government Operations has given him certain assurances about future oversight activities.

I would like to share with the gentleman some results of the study that has already taken place on this subject over a period of years. I am ranking minority member on the Subcommittee on International Operations. We have held a series of hearings over a period of years on this subject. Under the leadership of the distinguished chairman, the gentleman from Florida (Mr. FASCELL), we had extensive hearings on this subject this past spring and summer.

As a result of those hearings, the subcommittee recommended unanimously that a reorganization plan along the lines of that subsequently proposed by the administration be undertaken.

Mr. Chairman, the fact is that the basic situation with which we have been confronted for years is that of two bureaucracies having generals who give the orders to one set of foot soldiers in the field. That hardly could be characterized as logical Government organization.

Mr. Chairman, I think, as I shall try to make even more plain, that the basic program about which my colleagues have expressed concern will remain untouched and unscathed. However, we do here remedy a basic flaw of organization that I think has long needed such remedy.

Many of the witnesses appearing before our subcommittee had expressed support for a proposal similar to that which we recommended. I am a little intrigued, I must admit, at the charge that has been raised that removing the educational function from the Department of State will somehow make the Fulbright-Hays program more political.

During our hearings on this subject, both this year and in the past, we have heard repeated pleas from witnesses across the spectrum not to place the USIA in the State Department and combine it in that way, least it be tainted by political considerations—that is, the USIA.

I would again remind my friends that the word "propaganda" is not really appropriate for what our Government does.

I would invite all my colleagues to go right down the street to the old HEW building and to go into that building and see the actual operations of the Voice of America and to look at the displays pertaining to the operations of the USIA generally in the world.

This is an information agency and an increasingly fine information agency in part because of the dedicated efforts of one of my fellow Alabamians, Kenneth Giddens, and the equally dedicated commitments of the employees and of present Director Mr. Straus. I am confident that, even more than in the past the USIA shall gain credibility and respect around the world for being an objective information agency, telling the world the truth and the reality of the United States. That function is not by any means or in any sense the function of a propaganda agency.

The fact that there were witnesses who were unwilling for us to put the USIA into the Department of State because it would make USIA more political underlines the fact that the Department of State is, by its nature, a political organization. Its function is international politics.

The Fullbright-Hays program has operated well and it is the concern of our subcommittee, as has here been expressed, that it continue to do so. Among the recommendations which we did make was that the integrity of the educational and cultural programs be maintained. In my judgment, the plan here before us today does just that.

A number of steps have been taken in this plan to insure that this will be the case. They include: Elevating the person who will be responsible for educational and cultural affairs to Associate Director in ICA; requiring that the ICA Director "insure that the scholarly integrity and nonpolitical character of educational and cultural exchange activities vested in the Director are maintained"; requiring that the annual reports of the U.S. Advisory Commission on International Communication and Cultural Education Affairs include assessments of how well the integrity is maintained and of the attitudes of foreign scholars and governments on these programs.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HORTON. I yield 3 additional minutes to the gentleman from Alabama (Mr. BUCHANAN).

Mr. BUCHANAN. And last, but perhaps most important, retaining the Board of Foreign Scholarships.

As the Members know, the Board is charged with the responsibility of selecting students, scholars, teachers, and others to participate in the programs. The same people who have been providing this service in the past will provide it if the reorganization plan takes effect.

The real question here is whether the outstanding Fullbright-Hays program which has operated so well over so many years and which has been so beneficial, will continue to operate in this same responsible manner under Reorganization Plan No. 2. It is my considered judgment that it will. Why? Basically, the same people will be running it.

As I just mentioned, the Board of Foreign Scholarships will remain the same. The programs are administered abroad by USIA. These same people under ICA will provide the same function. Currently, USIA personnel serve on binational

commissions in countries abroad which work with this program. ICA personnel will continue to do so.

It is my hope that, rather than degrading the educational and cultural programs conducted by the United States, this reorganization plan will give additional emphasis to these programs. In my judgment, they are more important than ever and merit additional considerations.

Mr. Speaker, I have recently returned from Belgrade where I am a member of the U.S. delegation to the Belgrade followup conference on the Helsinki accords. In signing the accords, the United States committed itself to increased activities in areas of cultural and educational exchange.

We should increase such exchanges not only because we are committed to doing so, however, because such exchanges are in the best interest of the United States.

The peoples of the world and particularly behind the Iron Curtain are hungry for information about the United States. The USIA is one of the best instruments we had to convey the reality and the totality of the United States behind the Iron Curtain.

It is also one of the best means we have to reach millions of individuals in lesser developed countries where there is limited access to news sources, often little, if any electricity and few, if any, telephones.

This reorganization plan is not devised to save vast sums of money nor, in my judgment, should it. We are on the verge of a worldwide communications revolution. The United States has been a leader in so many developments. We ought to lead in this area as well.

Our subcommittee will continue to give close attention to the operations of the new agency and I would like to take this opportunity to assure those of my colleagues who are concerned about the Fulbright-Hays program that this particular program will continue to receive our closest scrutiny.

We are concerned that its integrity be maintained and we are committed to its maintenance.

Mr. Speaker, the United States has a story to tell the world about the kind of people we are, and I believe that story, once told, will help to create and expand friendships abroad and will contribute substantially to international understanding.

In my judgment this reorganization plan being considered here today will substantially augment our efforts toward that goal. I therefore urge my colleagues to vote against the resolution of disapproval and, by so doing, vote to approve Reorganization Plan No. 2.

Mr. BROOKS. Mr. Speaker, I yield 10 minutes to the distinguished gentleman from Florida (Mr. FASCELL).

Mr. FASCELL. Mr. Chairman, I rise in opposition to House Resolution 827 to disapprove Reorganization Plan No. 2 of 1977 relating to the U.S. Information Agency and the Bureau of Education and Cultural Affairs of the Department of State. I do so, both as a member of the Committee on Government Operations and as chairman of the Subcommittee on International Operations of the International Relations Committee, which earlier this year held extensive hearings on proposals to reorganize our public diplomacy programs. I am convinced that the organizational structure recommended by the President will provide a sound framework for strengthening our public diplomacy programs and for making our efforts more efficient and effective.

Mr. Chairman, the chairman of the Committee on Government Operations is to be commended for the dispatch with which he has handled this reorganization plan, coming as it did so late in the session. I believe that it is important that the House have this opportunity to discuss this plan, and I commend the gentleman from Texas for insuring that the House have this opportunity to debate the plan's merits.

The Committee on Government Operations report on the disapproval resolution quite accurately characterizes the primary objective of the reorganization plan when it states that, "efficiency rather than economy is the primary goal of the reorganization." This is a plan not directed fundamentally at reducing Government expenditures but at enhancing the management of the more than $320 million expended annually on public diplomacy programs. It is designed not only to consolidate diverse programs in a single agency, but in the words of the report, "to increase the independence, enhance the prestige, and thus expand the impact of the new agency's role in this vital field."

Both in the hearings of the International Operations Subcommittee and of the Government Operations Committee, a number of important issues emerged which continue to be of primary concern in any discussion of Reorganization Plan No. 2. Briefly, these issues are: First, the continuing integrity and independence of our education and cultural exchange programs; second, the integrity of the Voice of America; third, the relationship of the new agency to the Department of State and to the President; and fourth, the impact of the reorganization on employees. I would like to address myself briefly to each of these issues.

By far the single greatest cause for concern raised in connection with this reorganization plan has been its possible impact on the integrity and independence of our education and cultural exchange programs including the widely respected Fulbright-Hays program, which in the last academic year alone permitted almost 4,000 U.S. and foreign citizens to study, teach, or do research here or abroad. It was concern over this issue which led the Subcommittee on International Operations in a memorandum sent to the President on August 3, 1977, to stress the paramount importance of maintaining the integrity of our education and cultural programs, to urge continuance of an independent Board of Foreign Scholarships, and to recommend a strengthened role for the new agency's independent advisory commission in protecting the integrity and credibility of our exchange programs. Feeling as I do about the tremendous importance of these programs and convinced as I am about the absolute necessity for maintaining the program's scholarly integrity if it is to be effective, I very carefully reviewed the President's message to Congress, the reorganization plan which he submitted, and the amendments subsequently submitted as a response to congressional concern about the exchange program.

Having reviewed all these materials, I am convinced that the President has done all he can in the way of organizational safeguards to protect the integrity of this program. I do not believe that it is possible to totally prevent the application of political pressures to this or any other program no matter in which agency a program is placed. All that can be done is to put in as many safeguards as possible and to maintain vigorous congressional oversight of the program. President Carter and Congress have provided an adequate network of legal and structural safeguards, and I can assure the House that as long as I am chairman of the International Operations Subcommittee, we will make every effort possible to maintain the integrity which has characterized the Fulbright program in the past and which has made it so successful.

A second major source of concern about the reorganization plan relates to the independence and integrity of the Voice of America. There have been abuses of the Voice in the past, times when stories were killed or changed to suit the foreign policy needs of a particular moment. I think it is clear to this administration, at least, that such efforts are counterproductive, that they undermine the credibility of the Voice, are counter to the ethical basis of our political system, and in the long run simply do not work. Maintaining the integrity of the Voice of America was also a major concern of the Subcommittee on International Operations and we made the same kind of recommendations to the President about the Voice, which we made concerning our exchange programs. Here, too, I believe the President has gone as far as possible in his message, in the plan itself, and in subsequent amendments to safeguard the integrity of the Voice. Further protection can only be afforded by vigorous oversight by both Congress and the press and by the commonsense and goodwill of the principal officials of the executive branch. Both our subcommittee and other concerned committees of the Congress will continue to give this issue high priority and will urge the new advisory commission to develop means of more effectively monitoring efforts to interfere with the Voice's independence and to promptly advise Congress.

A third major concern over Reorganization Plan No. 2 has been the nature of the relationship which it envisions between the President and the Agency and the Secretary of State and the Agency. The Subcommittee on International Operations after 10 days of hearings reached the unanimous conclusion that the Bureau of Education and Cultural Affairs and the USIA be merged into a new independent agency which would work closely with the State Department, but have budgetary, personnel and administrative autonomy. We also urged that the Director of the new agency be

included in meetings of the National Security Council and the Cabinet.

Initially, the reorganization plan seemed to be ambiguous about these issues suggesting that the new agency would be subsidiary to the Department of State in ways, which I for one, considered to be completely unacceptable. However, materials subsequently submitted to the Committee on Government Operations clarified the intent of the plan. The submission of the Office of Management and Budget in this regard is summarized on page 7 of the committee's report. I believe that the plan as finally explained to the Government Operations Committee and as described in the committee's report (95–818) insures appropriate autonomy for the International Communication Agency and assigns to the Director the primary role he should play in advising the President, the National Security Council and the Secretary of State, on public diplomacy issues and programs.

One final major issue which has been discussed in connection with the reorganization plan has been that of employee rights. The President took note of the importance of this issue in his message to Congress accompanying the plan and the issue was raised by employee representatives in hearings before the Government Operations Committee. I have every reason to believe that the administration will faithfully carry out their responsibilities under the law for fair and equitable treatment of employees affected by the reorganization. This too, however, will be a matter of continuing concern to the Committee on International Relations as well as to other committees having jurisdiction in this area.

Mr. Chairman, this reorganization plan is not without its flaws, but in my opinion, it represents a reasonable and balanced approach to reorganizing our Nation's efforts to communicate effectively with the peoples of other nations. I am convinced that the plan contains maximum safeguards to protect against the misuse of either the Voice of America or our education and cultural exchange programs. I urge support for President Carter's Reorganization Plan No. 2 of 1977 and rejection of the resolution of disapproval.

Mr. THORNTON. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from Arkansas.

Mr. THORNTON. Mr. Chairman, I thank the gentleman from Florida for yielding.

Mr. Chairman, I would just like to submit that the fact that this program has worked well and has done a great job for the people of this country for 30 years in which it has not been reorganized and combined with another agency would seem to me to indicate that those people who objected to the reorganization were right in suggesting that it not be reorganized.

Mr. FASCELL. I can understand the gentleman's opinion on that and I cannot disagree with him about it. The conclusion is not accurate of course. It does not follow as a matter of logic. Nevertheless, I can appreciate the gentleman's feeling.

Let me assure the Members that the galactic luster which is now appended to Fulbright-Hays Act and the stellar sheen which it has carried all these years will not be dimmed one iota when it is reorganized as it will be now under this reorganization plan.

What are the advantages? I will tell the Members.

As the distinguished gentleman from Alabama, who is the ranking minority member on the subcommittee which I chair, has pointed out, over the years we have been following this program very closely and we have heard all these arguments before. Before the reorganization plan came up we held extensive hearings in our own subcommittee on matters of substance contained in the reorganization plan before it got to this stage, so we have been following this very carefully.

As a matter of fact, the distinguished Senator made his views known at that time, as did the academic community.

But this is one of the problems. The program, as it is now in state, with all the clout that it has and carrying the names of the two distinguished gentlemen it now carries, has been really just kind of floating along, and the reason is because it is buried in a budget of $1.2 billion.

Mr. THORNTON. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from Arkansas.

Mr. THORNTON. Mr. Chairman, I would like to suggest that what the gentleman has outlined, it seems to me, is a strong argument against reorganization on the basis that "if it is working, don't fix it. The program has worked well in the past."

Mr. FASCELL. Mr. Chairman, the point is we would like the program to be better. I submit to the gentleman from Arkansas that it has been very difficult to do better under the present administrative system.

The gentleman might be satisfied because the gentleman's distinguished colleague from Arkansas is obviously satisfied with the present system. But we hope that Fulbright-Hays is going to do better and not simply ride along at the same old levels.

I know I am not going to convince the gentleman, because the gentleman is committed to vote against the reorganization plan and I am committed to vote for the reorganization plan; but let me just say for the record that the USIA, as the distinguished gentleman from Alabama said, is not a propaganda agency. There are a lot of people in and out of Congress who do not understand the functions and purpose of the USIA. It is educational, and informational but it does not have a propaganda function in the generally understood adverse connotation of that word.

So I repeat that is not true, and it is not correct to say that the Voice of America is a propaganda agency. The U.S. Government has worked very hard to keep it independent and to protect its integrity. We have done that in this reorganization plan. We have raised the director of that agency to associate director for the same reason that we have made the director of education and cultural affairs an associate director; and that is to guarantee the Voice of America's integrity. Their job is to tell the news like it is, and to be a conduit for the explanation of U.S. foreign policy.

Finally, the programs at issue have been living together all of this time since they are administered in the field by one agency. I cannot see any reason to state, or even infer, that in some way there now would be some contamination because there is a merger of the Washington administrative units. That is a very unfair conclusion and a wrong statement to make with respect to the operations of either the USIA or its successor agency, the International Communication Agency.

Furthermore, USIA has been operating binational educational centers, which are quite separate and apart from Fulbright-Hays.Those centers are strictly educational. They have teachers, they have foreign students, and by and large those binational centers which are operated by the host country with U.S. cooperation—those binational centers with a binational board are some of the finest institutions to foster understanding and education for peoples of both countries involved. It is just unfair to suggest that, for some reason, because we are going to take the Washington level administration of the Bureau of Cultural Affairs in State and merge it into a new agency that in some way it is going to affect the operation in the field where that program has been operated in the field all of this time. That is just not a good conclusion, in my judgment.

The Subcommittee on International Relations has been all over the world in examining the operation of both the binational centers and the Fulbright-Hays scholarship program. I have found not the first scintilla of evidence from any country where the program is operating that in any way indicates that the program is being submerged; that in some way the program will be adversely affected or in some way their academic community is going to be tainted. That evidence simply does not exist.

So, I submit that while we should have reasonable concerns, what we need to do is what the gentleman from Arkansas has said, which is to maintain a continuing good program; see that it gets reasonably expanded; continue our oversight on it; make sure that it is administered at least as well as it has been administered in the past. I see that as no reason to vote against this reorganization plan when, admittedly, what it is going to do is increase efficiency. It may not save a lot of money because it will take some time by way of attrition to eliminate the duplications, but it is a good plan. I urge my colleagues to vote "no" on the resolution of disapproval which is pending and allow the plan to go into effect.

Mr. BROWN of California. Mr. Chairman, I rise in support of the President's proposed reorganization of the Federal Government's international communication, educational, cultural, and broadcasting activities. After 26 years of discussion, and nearly 50 reports and panels on this reorganization, we are at the point of decision on a plan which em-

bodies many of the recommendations made in the past.

But I see this reorganization as a starting point for change in our international cultural exchange and communication activities, and not as the culmination of past efforts. This organization will still be functioning under a statement of purpose issued by President Kennedy at the height of the cold war. This organization will still be prohibited from releasing its material within the United States, in a society that clamors for "government in the sunshine." Most importantly, this organization is being formed at the beginning of a new era in communications, at one of those crucial points of change in history where cooperation is replacing conflict, and yet it is still dominated by the politics of confrontation of the past. We still have much work to do.

Our society is entering an era of technological opportunity in communication that until a few years ago was only an image in the mind's eye of futurists, such as Arthur Clarke, and Buckminster Fuller. That era is now confronting us in the present and, as is usually the case with technological advances, confronting us before society has a chance to respond. As developed societies begin to leave the Mechanical Age and enter the Communications Age, less developed countries have only just begun to enter the age of industrialization and mechanization. As Professor Stonier of the University of Bradford in England states it, the developed countries are extending the human nervous system while the less developed countries are just learning to extend the human musculature. The technological gaps are still there and unless we respond in a more reasoned manner than we have in the past, the old conflicts will still be there also.

The Third World has begun to form its own news agency, claiming that the developed world has failed to respond to the Third World's information needs. Many countries are justifiably suspicious of our satellite communications capability and have shown their suspicion in lopsided votes in international conferences studying this issue. Some countries have threatened to close their doors to our news agencies, citing the bias of developed countries' reporting a need to control their own information dissemination. Our past communication and cultural policies have brought us to this present state. If we continue into the Communication Age with these same policies the situation will only get worse.

We must recognize the needs of the majority of the world's population and see their mutuality with our foreign policy goals and the potential of our massive information and communication industry. There are many tough questions to be asked. How does a country protect its culture and what are the basic human rights to impart and receive information and ideas? Does one country have the right to decide what will and will not be broadcast into another country without their approval? How do we best use our communication, cultural exchange programs, and information technology to assist other countries' development needs? What is in our best interest in the mutual exchange of information and culture?

The President has called for a new order in international communications, free from propaganda, free from covert activity, open and forthright, with integrity. He sees this new Agency laying a heavy emphasis on listening to others, a chance to demonstrate for this Nation a decent respect for the opinions of mankind. I applaud his vision and courage. We must now be equally bold to make the changes in law which will permit that vision to flower in the most humane and enabling manner we can as befits a great nation.

Mr. BROOKS. Mr. Chairman, I have no further requests for time.

Mr. HORTON. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will report the resolution.

The Clerk read the resolution, as follows:

H. RES. 827

Resolved, That the House of Representatives does not favor the Reorganization Plan Numbered 2 transmitted to the Congress by the President on October 12, 1977.

Mr. BROOKS. Mr. Chairman, I move that the Committee do now rise and report the resolution back to the House, with the recommendation that the resolution be not agreed to.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. ROSTENKOWSKI) having assumed the chair, Mr. KILDEE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the resolution (H. Res. 827) to disapprove Reorganization Plan Numbered 2 of 1977, had directed him to report the resolution back to the House with the recommendation that the resolution be not agreed to.

The Clerk reported the resolution.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. THORNTON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 34, nays 357, not voting 43, as follows:

[Roll No. 749]

YEAS—34

Archer	Jeffords	Pickle
Bellenson	Kindness	Railsback
Brown, Mich.	Latta	Simon
Caputo	Lent	Skelton
Devine	McClory	Stangeland
Emery	McCormack	Steed
Fenwick	Myers, Gary	Steiger
Goodling	Oakar	Thornton
Hall	Obey	Tucker
Hammer-schmidt	Ottinger	Waggonner
Holtzman	Pattison	Wydler
	Pease	

NAYS—357

Addabbo	Ammerman	Andrews, N.C.
Akaka	Anderson, Calif.	Andrews, N. Dak.
Allen	Anderson, Ill.	Annunzio
Ambro	Applegate	Ashbrook
Ashley	Aspin	AuCoin
Badham	Bafalis	Baldus
Barnard	Baucus	Bauman
Beard, R.I.	Bedell	Benjamin
Bennett	Bevill	Bingham
Blanchard	Blouin	Boggs
Boland	Bonior	Bonker
Bowen	Brademas	Breaux
Breckinridge	Brinkley	Brodhead
Brooks	Brown, Calif.	Brown, Ohio
Broyhill	Buchanan	Burgener
Burke, Calif.	Burke, Fla.	Burke, Mass.
Burleson, Tex.	Burlison, Mo.	Burton, Phillip
Butler	Byron	Carney
Carr	Carter	Cavanaugh
Cederberg	Chappell	Clausen, Don H.
Clawson, Del	Clay	Cohen
Coleman	Collins, Ill.	Collins, Tex.
Conable	Conte	Corcoran
Corman	Cornell	Cornwell
Cotter	Coughlin	Crane
D'Amours	Daniel, Dan	Daniel, R. W.
Danielson	Davis	de la Garza
Delaney	Dellums	Derrick
Derwinski	Dickinson	Dicks
Diggs	Dingell	Dodd
Dornan	Downey	Drinan
Duncan, Oreg.	Duncan, Tenn.	Early
Eckhardt	Edgar	Edwards, Ala.
Edwards, Calif.	Edwards, Okla.	Eilberg
English	Erlenborn	Ertel
Evans, Colo.	Evans, Del.	Evans, Ga.
Evans, Ind.	Fary	Fascell
Findley	Fish	Fisher
Flippo	Flood	Florio
Flowers	Flynt	Foley
Ford, Mich.	Ford, Tenn.	Forsythe
Fountain	Fowler	Fraser
Frenzel	Frey	Fuqua
Gammage	Gaydos	Gephardt
Gibbons	Ginn	Glickman
Gonzalez	Gore	Gradison
Grassley	Gudger	Guyer
Hagedorn	Hamilton	Hanley
Hannaford	Hansen	Harkin
Harrington	Harris	Harsha
Hawkins	Heckler	Hefner
Heftel	Hightower	Hillis
Holland	Hollenbeck	Holt
Horton	Howard	Hubbard
Huckaby	Hughes	Hyde
Ichord	Ireland	Jacobs
Jenrette	Johnson, Calif.	Johnson, Colo.
Jones, N.C.	Jones, Okla.	Jordan
Kastenmeier	Kazen	Kemp
Ketchum	Keys	Kildee
Kostmayer	Krebs	LaFalce
Lagomarsino	Leach	Lederer
Leggett	Lehman	Levitas
Livingston	Lloyd, Calif.	Lloyd, Tenn.
Long, La.	Long, Md.	Lott
Lujan	Luken	Lundine
McDade	McEwen	McFall
McHugh	McKinney	Madigan
Maguire	Mahon	Mann
Markey	Marks	Marlenee
Marriott	Martin	Mathis
Mattox	Mazzoli	Meeds
Metcalfe	Meyner	Michel
Mikulski	Mikva	Milford
Miller, Calif.	Miller, Ohio	Mineta
Minish	Mitchell, Md.	Mitchell, N.Y.
Moakley	Moffett	Mollohan
Montgomery	Moore	Moorhead, Calif.
Moorhead, Pa.	Mottl	Murphy, Ill.
Murphy, N.Y.	Murphy, Pa.	Murtha
Myers, John	Myers, Michael	Natcher
Neal	Nedzi	Nichols
Nix	Nolan	Nowak
O'Brien	Oberstar	Panetta
Patten	Patterson	Pepper
Perkins	Pettis	Pike
Poage	Pressler	Preyer
Price	Pritchard	Pursell
Quie	Quillen	Rahall
Rangel	Regula	Reuss
Rhodes	Richmond	Rinaldo
Risenhoover	Robinson	Rodino
Roe	Rogers	Roncalio
Rooney	Rosenthal	Rostenkowski
Roybal	Rudd	Runnels
Russo	Ryan	Santini
Sarasin	Satterfield	Sawyer
Scheuer	Schroeder	Schulze
Sebelius	Seiberling	Sharp
Shipley	Shuster	Sikes
Sisk	Skubitz	Slack
Smith, Iowa	Snyder	Solarz
Spellman	Spence	Staggers
Stanton	Stark	Steers
Stockman	Stokes	Studds
Stump	Symms	Taylor
Thompson	Thone	

Traxler	Wampler	Wirth
Treen	Watkins	Wolff
Trible	Waxman	Wright
Tsongas	Weaver	Wylie
Udall	Weiss	Yates
Ullman	Whitehurst	Yatron
Vander Jagt	Whitley	Young, Fla.
Vanik	Whitten	Young, Mo.
Vento	Wiggins	Young, Tex.
Volkmer	Wilson, Bob	Zablocki
Walgren	Wilson, C. H.	Zeferetti
Walker	Wilson, Tex.	
Walsh	Winn	

NOT VOTING—43

Abdnor	Fithian	Quayle
Alexander	Giaimo	Roberts
Armstrong	Gilman	Rose
Badillo	Goldwater	Rousselot
Beard, Tenn.	Jenkins	Ruppe
Biaggi	Jones, Tenn.	Smith, Nebr.
Bolling	Kasten	St Germain
Broomfield	Kelly	Stratton
Burton, John	Koch	Teague
Chisholm	Krueger	Van Deerlin
Cleveland	Le Fante	Whalen
Cochran	McCloskey	White
Conyers	McDonald	Young, Alaska
Cunningham	McKay	
Dent	Moss	

The Clerk announced the following pairs:

On this vote:

Mr. McDonald for, with Mr. Jones of Tennessee against.

Until further notice:

Ms. Chisholm with Mrs. Smith of Nebraska.
Mr. Dent with Mr. Abdnor.
Mr. Biaggi with Mr. Goldwater.
Mr. Giaimo with Mr. Rousselot.
Mr. Teague with Mr. Ruppe.
Mr. White with Mr. Whalen.
Mr. Koch with Mr. Armstrong.
Mr. John Burton with Mr. Gilman.
Mr. Alexander with Mr. Beard of Tennessee.
Mr. Conyers with Mr. Broomfield.
Mr. Moss with Mr. Cleveland.
Mr. Jenkins with Mr. Kasten.
Mr. Rose with Mr. McCloskey.
Mr. Roberts with Mr. Cochran of Mississippi.
Mr. Le Fante with Mr. Kelly.
Mr. McKay with Mr. Cunningham.
Mr. St Germain with Mr. Young of Alaska.
Mr. Stratton with Mr. Quayle.
Mr. Van Deerlin with Mr. Fithian.
Mr. Badillo with Mr. Krueger.

Messrs. DICKS, ANDREWS of North Carolina, MARLENEE, NOLAN, RISENHOOVER, CHARLES WILSON of Texas, and HAGEDORN changed their vote from "yea" to "nay."

Mr. STEIGER changed his vote from "nay" to "yea."

So the resolution was rejected.

The result of the vote was announced as above recorded.

GENERAL LEAVE

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the resolution just under consideration.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

NATIONAL HEALTH PLANNING GUIDELINES

(Mr. ROGERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROGERS. Mr. Speaker, I know that many of my colleagues have been receiving expressions of concern from their constituents regarding the recently issued national health planning guidelines. I, myself, have received hundreds of letters from citizens who are concerned that the guidelines do not recognize the unique characteristics of the areas in which they live and mistakenly believe that hospitals will be forced to close as a result. These concerns are unnecessary and result from a misunderstanding about the nature and the impact of the guidelines.

The primary misunderstanding is that the guidelines will be used to force hospitals, particularly in rural areas, to close. There is nothing in the health planning act that requires or authorizes the Health Systems Agency, the State Health Planning and Development Agency, or HEW to close hospital services or facilities. The application of the guidelines may identify unneeded facilities in an area, but changes in existing services must be brought about voluntarily as the law is currently written. This fact seems to be widely misunderstood.

When the National Health Planning and Resource Development Act was being considered in Congress, there was much discussion about the need to develop a statement of national policy to guide the health planning agencies to be developed under the act as well as providers of health services. This resulted in a provision in Public Law 93–641 that required the Secretary of HEW within 18 months to publish national health planning guidelines.

The guidelines are to be a statement of national health policy and to consist of planning goals and resource standards. As such, the guidelines should set forth the direction in which the Nation should head in order to provide equal access to quality health care at a reasonable cost to its citizens.

The guidelines should thus provide a framework for health planning at the areawide and State levels. They should not be seen as mandatory set of standards that must be met by each community. Health plans should set forth goals that take into account and are consistent with the direction set forth in this national health policy. Deviation from such policy is acceptable to the extent that it is responsive to the unique needs and resources of an area. I continue to think that such guidelines are an important part of the planning program. They provide a point of reference for local planners. At the same time they relieve each local health planning agency from undertaking all of the expensive, time consuming, and duplicative research necessary to develop such standards.

While the previous administration had failed to implement this section of the law, the Carter administration on September 23, 1977 published draft guidelines for inpatient services. Other guidelines for ambulatory, long term, and other services will be published next year. The Subcommittee on Health and the Environment held oversight hearings on these guidelines on October 19. While I was very pleased to see that guidelines were finally published for public comment, I as well as other members of the subcommittee criticized the fact that the guidelines only deal with inpatient services; the fact that there was not adequate consultation with the groups such as Health Systems agencies, specialty societies, and the National Council on Health Planning and Development as required by law; and, the fact that the guidelines and the exception process outlined lacked the flexibility envisioned when the law was enacted.

Following the hearings, I met with the Undersecretary and other HEW officials to further explore these concerns. As a result of that meeting we were able to agree on the following:

First, the Department will make greater efforts to get input in process of developing the guidelines from the National Council and others.

Second, the exception process will be made more flexible in the final regulations. It seems reasonable to me, for example, that an HSA which can make the case that it has special characteristics that justify a goal or standard that differs from that specified in the guidelines should be able to establish a different goal or standard. The burden for making this justification should fall on the local planning agency, but if the justification is adequate it should be accepted by HEW.

In order to further describe and clarify the purpose and impact of the guidelines, I have asked the Secretary of the Department of Health, Education, and Welfare to write each Member of Congress. I hope that this will be helpful to my colleagues as they discuss or explain this portion of the law to their constituents.

Mr. FASCELL. Mr. Speaker, will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from Florida (Mr. FASCELL).

Mr. FASCELL. Mr. Speaker, has the gentleman's subcommittee had an opportunity to review the problem on the allegations with respect to refusal of payment to those physicians or groups of physicians who have installed duplicative equipment, let us say for example a brain scanner, when the installation and acquisition of that equipment was not approved by the Regional Health Planning Agency?

Mr. ROGERS. When it is in an institution and not in a doctor's office?

Mr. FASCELL. I am talking about a related problem of refusal to pay on the Federal programs those physicians who have acquired duplicative equipment when it was not approved by the Regional Health Planning Agency.

That seems to be a growing problem. I wonder if the gentleman's subcommittee has addressed this problem yet in its hearings.

Mr. ROGERS. We have gone into the problem, but there is no current authority for the health planning agencies or the States to undertake such review, unless the State certificate of need law itself covers major medical equipment purchases in physician's offices so that there is no present mechanism for denying payment.

Mr. FASCELL. Mr. Speaker, if the gentleman will yield further, in other words, there is no basis now to deny payment

to a physician or a group of physicians who might by some chance have duplicative equipment.

Mr. ROGERS. That is right, unless authority is set forth in State law.

Mr. BEDELL. Mr. Speaker, will the gentleman yield?

Mr. ROGERS. I would be glad to yield.

Mr. BEDELL. Mr. Speaker, I take it from the gentleman's remarks that the gentleman agrees with the urgent need that is served by the hospitals in our small communities, that the gentleman would agree we do not offer any guidelines which would result in the closing of the hospitals which are so important, where one hospital serves a given community need; is that correct?

Mr. ROGERS. What we are trying to say here is that the guidelines are to be met where possible. There is nothing compulsory about it. This is the goal. In other words, it should be a goal to do away with beds that are not used, where it is expensive to keep that bed when it is not being used; but what we are saying is that the local planning group made up of local citizens are to look at their needs and see what those needs are and in doing so try to meet the guidelines; but if it does not meet the needs of that community, then that guideline should be modified.

Mr. BEDELL. By local, does the gentleman mean local community leadership?

Mr. ROGERS. I am talking about the health systems agencies in the health service areas, which may be made up of a number of counties.

Mr. BEDELL. Mr. Speaker, if the gentleman will yield further, I have a resolution which I have introduced which would help to say it is essential to Congress that we wish to preserve the services in the community where one hospital serves the needs of the individual community.

Mr. ROGERS. I think everyone would agree with that. However, if they are heavily overbedded, I would hope they take action to get rid of the excess beds or excess equipment.

Mr. BEDELL. I assume from the gentleman's remarks that the gentleman would be willing to go over this resolution with this Member and if it does what I have said, the gentleman would support it.

Mr. ROGERS. Certainly.

The SPEAKER. The time of the gentleman from Florida has expired.

(By unanimous consent, Mr. ROGERS was allowed to proceed for an additional 2 minutes.)

Mr. GRADISON. Mr. Speaker, will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from Ohio.

Mr. GRADISON. Mr. Speaker, I am happy that the gentleman has given us reassurance with regard to the effect of the guidelines in not forcing the closing of existing institutions.

I am concerned in my own metropolitan area that these guidelines may be interpreted as making it difficult, if not impossible, to replace existing outmoded inefficient facilities with an equivalent number of beds, or even less beds than there are today, and taking into account that we are currently within our health planning area in excess of the 4.0 beds. I wonder if the gentleman could enlighten us on the intention of the planning act in this regard.

Mr. ROGERS. I think we do not want excess beds constructed; however, where the replacement of beds is involved, I would think the HSA in its planning would have to consider the need for the replacement. The approval is left to the local agencies and the State in issuing a certificate of need, whatever their judgment is would prevail.

Mr. GRADISON. Mr. Speaker, if the gentleman will yield further, does the gentleman see these guidelines as additional to the administration's initiative with respect to hospital cost containment, or a possible substitute for them?

Mr. ROGERS. This is for planning purposes, basically to prevent and help reduce excess facilities and services and to make sure we have adequate facilities where they are needed. That is separate and apart from the cost containment approach; however, it should have a positive effect on proper planning and also to help hold down costs.

Mr. COHEN. Mr. Speaker, will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from Maine.

Mr. COHEN. Mr. Speaker, I would like to continue the colloquy of the gentleman from Florida whether a certificate of need is required to purchase equipment under existing law.

Mr. ROGERS. There is no such requirement.

Mr. SATTERFIELD. Mr. Speaker, will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from Virginia.

Mr. SATTERFIELD. Is the gentleman saying that these guidelines will not be mandatory on the health system's agencies?

Mr. ROGERS. I am saying that the guidelines are simply guidelines. It is a goal to reach. Hopefully, they can be reached, and hopefully they will be adhered to. But, if there is an unusual circumstance in the community so that the guideline is not appropriate for that community, then the local HSA should be able to make that judgment.

Mr. SATTERFIELD. Is it not a fact that as a part of these guidelines the Secretary is saying that every health system's agency must conform in plan within 1 year, and conform to the guidelines within 4 years thereafter?

Mr. ROGERS. I think the gentleman will find that the guidelines have not yet been finalized.

Mr. SATTERFIELD. We are talking about proposed guidelines. Of course, we do not have final ones.

Mr. ROGERS. I am referring to the proposed guidelines, and I think the gentleman will receive a letter—all Members will receive a letter from the Secretary either today or tomorrow, which should assure Members that these are just guidelines. They are goals to be met.

Mr. SATTERFIELD. Will the gentleman yield further?

Mr. ROGERS. Certainly.

Mr. SATTERFIELD. Does the gentleman know whether the Secretary also is going to inform the Members of Congress why he failed to conform to section 1501 in proposing these guidelines?

Mr. ROGERS. We have asked him to do that to the committee, not in a letter to Members.

Mr. SATTERFIELD. I think the Members ought to know that he did not conform.

Mr. ROGERS. We will be glad to make that available to the gentleman from the committee.

Mr. KAZEN. Mr. Speaker, will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from Texas.

Mr. KAZEN. I am happy that the gentleman has made this thing clear, because, as he knows, and as he has just stated, we are getting letters from all over this country. I cannot imagine any agency of this Government trying to hold hearings on guidelines that propose to close or curtail services being performed by certain rural hospitals in this country. Actually, it not only affects rural hospitals, but also a lot of metropolitan hospitals because of some silly guideline that they be within 45 minutes' reach of another facility.

Mr. ROGERS. Yet, I think the gentleman would agree that good planning is needed to cut down health costs.

Mr. KAZEN. Will the gentleman reassure us that the guidelines that will be promulgated will be strictly voluntary on the part of health service agencies?

Mr. ROGERS. What we are saying is that we hope that these guidelines can be accepted, but where there are unusual circumstances in the community, the HSA has the right to vary from them.

Mr. KAZEN. What is an unusual circumstance?

Mr. ROGERS. I hope we can leave that to the HSA's, but we are trying to make it as clear as possible. We will follow this closely, and we will be glad to be in touch with the gentleman.

Mr. CARTER. Mr. Speaker, will the gentleman yield?

Mr. ROGERS. I yield to my colleague from Kentucky.

Mr. CARTER. I thank the distinguished gentleman for yielding to me. It is my firm hope that the guidelines do not depart from the law which we write in the health system's agency, which would control an excessive number of beds. Certainly, it is true that the Secretary has no right to write guidelines which would have the force of law. Law is written here in this House, and I would hope that he would not attempt to subvert the legislation we have written.

Mr. ROGERS. I share that concern, and I think it is being made clear to the Secretary that the guidelines are as we intended.

Mr. CARTER. I thank the gentleman.

Mr. YOUNG of Texas. Mr. Speaker, will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from Texas.

Mr. YOUNG of Texas. I am sure the gentleman understands as well as anybody that the curtailment of services, particularly those in rural hospitals, is going to weigh heavily on our ability to get doctors to go to these rural areas and

to stay there. In connection with the letter which the gentleman says will be reaching us from the Secretary, I would hope that the gentleman in the well would use his influence with the Secretary to have him extend the time for comments on these guidelines beyond December 9, so that it will give Members of the House an opportunity to contact our constituents, who are so grievously concerned about this matter and want an opportunity to be heard on it after we get the explanation from the Secretary.

Mr. ROGERS. Yes. As a matter of fact, he has extended it to December 9. He has already given one extension here. I think that if it is necessary, additional time could be requested.

Mr. YOUNG of Texas. My information is that on the 18th he extended the time to December 9, but they hired a private firm to tabulate the comments. So if my information is correct, the comments are cut off right now.

Mr. ROGERS. We will check into that. I am sure we will have comments until December 9, and we will ask that they be considered, because I think we have had a great outpouring of concern. They have already had a lot of comments. Hospitals have been heard from in many communities. I think we have already received a range of feelings from people. For that reason, I was concerned, because I think many were misinterpreting what we intended the guidelines to be. I think this is now being straightened out, and I believe that as soon as the gentleman reads the Secreatry's letter, which should be coming to the gentleman, the gentleman, too, will feel that the law will be adhered to.

Mr. YOUNG of Texas. I have not seen the Secretary's letter. I look forward to receiving it. But I hope the hospitals and the doctors will be satisfied with that.

Mr. LEVITAS. Mr. Speaker, will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from Georgia.

Mr. LEVITAS. I thank the gentleman for yielding.

Mr. Speaker, I would like to first of all emphasize that this problem is not one which only pertains to rural areas. It also affects in a very significant way suburban and metropolitan health services, as well.

Second, I think the gentleman from Kentucky, Mr. CARTER, is absolutely correct in pointing out that the so-called guidelines go quite directly against the law that the Congress passed.

The third point I would like to make is that I find this entire discussion bizarre. I find it bizarre because here, the elected Congress of the United States, is crawling on bended knee, asking some unelected bureaucrat, who has never had the inconvenience of running for public office, to do what Congress said they should do in the first place.

Mr. ROGERS. I do not share the gentleman's feeling on that. I think it is a proper function. This is the way we expect them to function. We are now having an input. I realize the gentleman wants us to veto or not veto every action that the department may take. But I think we can always do that by a change in law. The gentleman can introduce a bill to veto an action at any time.

Mr. AMMERMAN. Mr. Speaker, will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from Pennsylvania.

Mr. AMMERMAN. I thank the gentleman for yielding.

Mr. Speaker, I would hope that the Chairman would be aware of the fact that in many of the small counties which are appended to larger cities in these service areas there really is no effective voice. When the gentleman says that the local community is going to have this decision to make, that is often not the case. This gives rise to very great concern to me, because I have very many small communities in my district.

Mr. ROGERS. May I say to the gentleman that the groups are selected locally, they are local people, and before they do take action they must hold hearings and have an adequate input from the local areas which are affected by any decision.

Mr. AMMERMAN. If the gentleman will yield further, it has been my experience that the people who are on some of these groups, who have axes to grind, are from some of the hospitals. They all are not represented, and there is a very real problem.

Mr. ROGERS. Mr. Speaker, we will be glad to look at that when we reconsider the health planning law. However, it is true that the law in regard to HSA's provides that a portion of them would be providers, but a majority would be consumers, so we should have adequate input.

Mr. AMMERMAN. Mr. Speaker, I thank the gentleman.

RECESS

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that the House stand in recess subject to the call of the Chair.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. MICHEL. Mr. Speaker, reserving the right to object, I take this time for the purpose of inquiring of the distinguished majority leader what the scenario would be following this proposed recess today. Also I would ask what program there would conceivably be for tomorrow and the balance of the week.

Many Members have inquired as to whether we will meet on Wednesday and the balance of the week, and have asked if there is any legislative business scheduled for next week. Would the distinguished majority leader enlighten us?

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the majority leader.

Mr. WRIGHT. Mr. Speaker, the purpose of the unanimous-consent request that we stand in recess subject to the call of the Chair is to permit the other body to complete action which is now in progress on the Labor-HEW appropriation bill. It is anticipated that then we might well conclude action on that bill, including some language which may find more general acceptance than any heretofore on the subject of limitations on abortions.

It is expected that the other body will conclude that action by perhaps 20 minutes before 5, or at the latest, perhaps 5 o'clock.

If the time permits, then we would expect to come back here and finish that business once and for all this evening. If that is done, then we believe we can finish our work for the week tomorrow.

Tomorrow we would come in at 10 o'clock, if we gain permission to do so. First, we would take up the question of appointing conferees on the social security bill; secondly, we would take up the supplemental appropriation bill, the matter involving the greatest controversy there being the proposed rescission of the B–1 bomber.

Then we would follow with whatever remains on the schedule. We would hope to conclude at a reasonably early hour tomorrow and then we would be finished for the week.

The SPEAKER. May the Chair say to the gentleman that the House also will consider a continuing resolution with regard to the District of Columbia.

Mr. WRIGHT. That is correct. I thank the Speaker for pointing that out.

Mr. MICHEL. Mr. Speaker, further reserving the right to object, that resolution involving only appropriations for the District of Columbia would be considered, assuming the HEW matter would be resolved later today?

The SPEAKER. The gentleman is correct.

Mr. MICHEL. Might I inquire further, Mr. Speaker, beyond tomorrow, if we are in a 3-day recess situation will we have a perfunctory session then on Friday and adjourn over to Tuesday next? Is that the plan?

The SPEAKER. The Chair would hope the pro forma sessions would be on Thursday and Mondays.

Mr. MICHEL. So, Mr. Speaker, we would meet then tomorrow and again on Thursday?

The SPEAKER. When the House completes the business this Thursday or Friday it would then meet next on Monday and then on the following Thursday.

Mr. MICHEL. And might I inquire further, that would continue, then, until what time in December?

The SPEAKER. That would continue until such time as the energy conference reports have been adopted by the Senate and are ready for the consideration of the House.

Mr. MICHEL. Mr. Speaker, further reserving the right to object, there has been a rumor to the effect that the target date is the 19th of December, which is just a few days before Christmas.

Will the Members get a little advance notice as to when we would reconvene to consider this so-called "energy package"? Might I also inquire of the majority leader, what would be his judgment as to when we would know for sure whether we are or are not going to

come back here on the 19th of December?

Mr. WRIGHT. Mr. Speaker, the Members would, of course, receive ample notice.

The SPEAKER. The Chair will respond to that question.

In the event that the conferees have come to a conclusion, it would take 3 to 5 days to write the reports, and then the reports would go to the Senate. Following adoption by the Senate, it would come to the House, and so all Members would have ample time to peruse the reports.

Mr. MICHEL. Mr. Speaker, what will happen if we do not reach any agreement? Do I assume then that we would allow the energy legislation to go over until next year,

Mr. WRIGHT. Mr. Speaker, we do not want to anticipate that contingency. We would like to anticipate success.

Mr. MICHEL. Mr. Speaker, might I also inquire, is it possible that we would consider the energy legislation right after Christmas eve?

Mr. WRIGHT. Mr. Speaker, all things are possible, but that is unlikely. I should think that the conferees will be proceeding vigorously.

I think that the newspapers may contain some information with respect to the actions of the conferees on the energy matter, and we know, as the Speaker has pointed out, that it would take about 3 days for the staff to make certain that it has everything in perfect order.

Then the other body would vote first, and then we would have ample notification. I should not think it would take the House any great length of time, after the other body had acted, to vote the bill up or down—and I should think it would be up.

Mr. MICHEL. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. BAUMAN. Reserving the right to object, Mr. Speaker, the request for a recess to permit us to discuss, possibly later this evening, the HEW appropriation seems to me precipitous.

The language the other body will act upon is not known to us at this hour. It may or may not be known at 5 o'clock.

The proposed language which I understand has been offered in the other body is without a doubt the broadest and most liberal proabortion language that this Member has seen throughout 2 years of deliberation on the issue.

Mr. Speaker, it seems to me that it might be well for the House to have a chance overnight to see this language so as to enable those who have voted upon this issue a number of times to formulate their judgment in a more judicious manner than 1 hour's time may permit.

I am just wondering whether or not copies will be available for all of the Members so that they can make their own judgments.

I know that there is a strong desire on the part of the leadership to get this issue behind us once and for all, as the gentleman from Texas (Mr. WRIGHT), who has not supported the Hyde amendment, has said repeatedly. I can assure the gentleman that the desire is not going to go away, but perhaps he might extend to those who have voted in this House on numerous versions of this issue the courtesy of permitting us time to consider this matter overnight.

What is the rush? Why not bring up the other legislation scheduled now and take the abortion issue up tomorrow at 10 o'clock so that at least we can consider it?

The SPEAKER. The Chair will inform the gentleman that there is a problem requiring that this matter come back this evening since the other body will not be in session tomorrow.

If we take this up tonight, we will know by tomorrow whether we will have to deal with Labor-HEW on the continuing resolution for the District of Columbia. If the issue is voted down this evening, the House will have to come in with a continuing resolution. We would have to have a session so as to bring the continuing resolution for Labor-HEW up tomorrow in order that the Senate may act upon it. Otherwise there would be the possibility of sessions next week if we do not have a continuing resolution.

Therefore, to expedite the matter, we can find out exactly how the Members feel on this issue tonight and expedite the program for the remainder of the week and probably the remainder of the session.

Mr. BAUMAN. Further reserving the right to object, Mr. Speaker, I think that is a reasonable explanation of the parliamentary predicament in which we find ourselves.

Is my understanding correct that we will be back here at 5 o'clock or is it the expectation that we will be held here, if the other body continues to debate, until 7 or 8 or 9 or 10 or 11 o'clock?

Mr. MICHEL. If the gentleman will yield, Mr. Speaker, it is my understanding that in the other body currently they are voting on a substitute, for all practical purposes, for the original Hyde language. Assuming that that would be turned down, if they vote in the same pattern that they have in the last several weeks, there would then be an amendment offered by the Senator from North Carolina (Mr. HELMS) with the wording which I would prefer. If that is not adopted, the Brooke language would then be considered. The gentleman does have a copy of that, I believe, in his hand. This Member will certainly make sure that if that is the language we are eventually going to be voting on, there will be copies of it available at the desk.

Mr. BAUMAN. Further reserving the right to object, Mr. Speaker, is the answer to my question that we will be held here indefinitely this evening or is there some possibility of going over?

Mr. WRIGHT. If the gentleman will yield, Mr. Speaker, we will not hold the gentleman hostage.

It would be our intent that we would come back at a reasonable hour; and I believe the other body intends—and we will fulfill that intention—to pass upon this matter promptly and expeditiously.

We would not expect to remain here indefinitely and, as the gentleman says, not give the Members time to read that language.

As the gentleman says, he has wanted time to study it fully; and it can do no harm, out of courtesy to the gentleman and others who want to study that language, to give them that opportunity.

Mr. BAUMAN. Further reserving the right to object, Mr. Speaker, it is not the gentleman from Maryland who needs time to read it. I think it is the membership generally who have voted eight or nine times in favor of the right-to-life position who need the time. I think that if they change their vote now, they ought to know the magnitude and scope of the pro-abortion sellout involved in the language which the other body suggested.

In view of the Speaker's comments and out of courtesy to him, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. MICHEL. Further reserving the right to object, Mr. Speaker, may I ask one further question: Whether we do or do not meet before Christmas, is it my understanding that our return date for the 2d session of the 95th Congress would be January 19?

Mr. WRIGHT. The gentleman's understanding is the same as that of the majority leader.

Mr. MICHEL. I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. The House will stand in recess.

The Chair will state that the bells will be rung 15 minutes before the House will resume its session.

Accordingly (at 4 o'clock and 21 minutes p.m.), the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 5 o'clock and 35 minutes p.m.

MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment concurrent resolutions of the House of the following titles:

H. Con. Res. 397. Concurrent resolution correcting the enrollment of S. 1131;

H. Con. Res. 418. Concurrent resolution directing the Clerk of the House of Representatives to make corrections in the enrollment of H.R. 8422; and

H. Con. Res. 419. Concurrent resolution directing the Clerk of the House of Representatives to make technical corrections in the enrollment of the bill (H.R. 7345).

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing

votes of the two Houses on the amendments of the Senate to the bill (H.R. 8422) entitled "An act to amend titles XVIII and XIX of the Social Security Act to provide payment for rural health clinic services, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1131) entitled "An act to authorize appropriations to the Nuclear Regulatory Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and section 305 of the Energy Reorganization Act of 1974, as amended, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1316) entitled "An act to authorize appropriations for fiscal years 1978, 1979, and 1980 to carry out State cooperative programs under the Endangered Species Act of 1973."

The message also announced that the Senate agreed to the House amendment to the Senate amendment numbered 82 with an amendment to the bill of the House (H.R. 7555) entitled "An act making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending September 30, 1978, and for other purposes."

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2328. An act to amend Private Law 95-21 to make a technical correction therein.

LABOR, AND HEALTH, EDUCATION, AND WELFARE APPROPRIATION ACT, 1978

Mr. FLOOD. Mr. Speaker, I move to take from the Speaker's desk the bill (H.R. 7555) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies for the fiscal year ending September 30, 1978, and for other purposes, with the amendment of the Senate to the amendment of the House to the amendment of the Senate No. 82, and disagree thereto.

The Clerk read the title of the bill.

The Clerk read the Senate amendment to the House amendment to the Senate amendment No. 82, as follows:

In lieu of the matter proposed to be inserted by the amendment of the House to the amendment of the Senate numbered 82, insert the following:

SEC. 209. None of the funds contained in this Act shall be used to perform abortions:

Except where the life of the mother would be endangered if the fetus were carried to term;

or except for such medical procedures necessary for the victims of rape or incest, when such rape or incest has been reported to a law enforcement agency or public health service or its equivalent;

or except in those instances where severe and long-lasting physical health damage to the mother would result if the pregnancy were carried to term.

Nor are payments prohibited for drugs or devices to prevent implantation of the fertilized ovum, or for medical procedures necessary for the termination of an ectopic pregnancy.

The Secretary shall promptly issue regulations and establish procedures to ensure that the provisions of this section are rigorously enforced.

PREFERENTIAL MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a preferential motion.

The Clerk read as follows:

Mr. MAHON moves that the House concur in the amendment of the Senate to the amendment of the House to the amendment of the Senate numbered 82.

Mr. BAUMAN. Mr. Speaker, I reserve the right to ask for a division of the question at the appropriate time.

The SPEAKER. The motion is not subject to division.

Mr. BAUMAN. Is not the motion to recede and concur?

The SPEAKER. The motion is to concur.

Mr. BAUMAN. I am sorry. I did not so understand.

The SPEAKER. The gentleman from Pennsylvania is recognized for 1 hour.

Mr. FLOOD. Mr. Speaker, I yield myself 30 minutes and I yield 30 minutes to the gentleman from Illinois (Mr. MICHEL).

I now yield 5 minutes to the gentleman from Texas (Mr. MAHON), the chairman of the committee.

CALL OF THE HOUSE

Mr. BAUMAN. Mr. Speaker, I would like to move a call of the House in view of the importance of the question involved here.

The SPEAKER. The Chair so recognizes the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 750]

Abdnor	Davis	Martin
Addabbo	Dent	Moorhead, Pa.
Alexander	Derwinski	Moss
Ambro	Devine	Nichols
Andrews, N.C.	Diggs	Pritchard
Archer	Dingell	Quayle
Armstrong	Drinan	Roberts
Ashley	Duncan, Oreg.	Rogers
Badham	Fithian	Rose
Badillo	Fraser	Ruppe
Beard, Tenn.	Giaimo	Sarasin
Beilenson	Goldwater	Shuster
Biaggi	Harsha	Sikes
Bingham	Heckler	Smith, Nebr.
Bolling	Jenkins	St Germain
Broomfield	Johnson, Colo.	Staggers
Brown, Calif.	Jones, Tenn.	Symms
Burton, John	Kasten	Teague
Butler	Kelly	Udall
Byron	Kemp	Van Deerlin
Chisholm	Koch	Whalen
Clay	Krueger	White
Cleveland	Le Fante	Wiggins
Cochran	Long, Md.	Wilson, C. H.
Conyers	McCloskey	Wilson, Tex.
Cornwell	McDonald	
Cunningham	Madigan	

The SPEAKER pro tempore (Mr. HUGHES). On this rollcall 355 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

CONFERENCE REPORT ON S. 1316, ENDANGERED SPECIES ACT AUTHORIZATIONS

Mr. MURPHY of New York submitted the following conference report and statement on the Senate bill (S. 1316) to authorize appropriations for fiscal years 1978, 1979, and 1980 to carry out State cooperative programs under the Endangered Species Act of 1973:

CONFERENCE REPORT (H. REPT. No. 95-823)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1316) to authorize appropriations for fiscal years 1978, 1979, and 1980 to carry out State cooperative programs under the Endangered Species Act of 1973, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

That section 6 of the Endangered Species Act of 1973 (16 U.S.C. 1535) is amended—

(1) by striking out the period at the end of subsection (c) and inserting in lieu thereof "; or", and by adding at the end of such subsection the following:

"that under the State program—

"(A) the requirements set forth in paragraphs (3), (4), and (5) of this subsection are complied with, and

"(B) plans are included under which immediate attention will be given to those resident species of fish and wildlife which are determined by the Secretary or the State agency to be endangered or threatened and which the Secretary and the State agency agree are most urgently in need of conservation programs; except that a cooperative agreement entered into with a State whose program is deemed adequate and active pursuant to subparagraph (A) and this subparagraph shall not affect the applicability of prohibitions set forth in or authorized pursuant to section 4(d) or section 9(a)(1) with respect to the taking of any resident endangered or threatened species."; and

(2) by amending subsection (i) to read as follows:

"(i) APPROPRIATIONS.—For the purposes of this section, there are authorized to be appropriated not to exceed the following sums:

"(1) $10,000,000 through the period ending September 30, 1977.

"(2) $16,000,000 for the period beginning October 1, 1977, and ending September 30, 1981.".

And the House agrees to the same.

JOHN M. MURPHY,
ROBERT LEGGETT,
DANIEL K. AKAKA,
DAVID E. BONIOR,
BO GINN,
PHILIP RUPPE,
EDWIN B. FORSYTHE,
Managers on the Part of the House.

JOHN CULVER,
EDMUND S. MUSKIE,
MALCOLM WALLOP,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the Senate and the House at the conference on the disagreeing votes of the two Houses on the

amendment of the House to the bill (S. 1316) authorizing appropriations for fiscal years 1978, 1979, and 1980 to carry out State cooperative programs under the Endangered Species Act of 1973, submit the following joint statement to the Senate and the House in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

The House amendment struck out all after the enacting clause and inserted a substitute text. The differences between the Senate bill and the House amendment are noted below, and the substitute agreed to in conference is discussed. Minor, technical and clarifying changes are not discussed.

REAUTHORIZATION OF THE SECTION 6 PROGRAM

Senate bill

The Senate bill is a simple extension of the State grant-in-aid program authorized under section 6 of the Endangered Species Act of 1973. A total of $12 million through fiscal year 1980 is provided for this purpose. Of this amount, $9 million is earmarked for the Secretary of the Interior and $3 million to the Secretary of Commerce.

House amendment

Paragraph (1) of the House amendment provides a total of $16 million through fiscal year 1981 for the section 6 program. No specific amount is made available to either the Secretary of the Interior or the Secretary of Commerce.

Conference report

The conferees agreed to adopt the House provision.

According to administration estimates, a $16 million authorization over a 4-fiscal-year period will best meet the States' projected funding needs for their endangered species conservation programs under section 6. In addition, a combined authorization for the Departments of Interior and Commerce will permit more flexibility in the expenditure of these funds.

The House and Senate conferees are dismayed that the Secretary of Commerce has not yet negotiated any cooperative agreements with the States for protecting threatened and endangered marine species under section 6. The Department of Commerce should intensify its effort in this regard to promote increased cooperation with State programs for the conservation of threatened or endangered species. In addition, the conferees urge the Office of Management and Budget to assure that sufficient funding is provided in the budget for the Department to initiate and maintain such programs.

QUALIFICATION BY THE STATES FOR FINANCIAL ASSISTANCE

Senate bill

No provision.

House amendment

The House amendment contains language to facilitate qualification by the States for financial assistance under section 6 of the Endangered Species Act.

Before a State may enter into a cooperative agreement with, and receive financial assistance from, the Federal Government pursuant to section 6, it must have the authority to conserve all resident species of fish and wildlife which the Secretary determines to be threatened or endangered. A number of State fish and wildlife agencies do not possess such broad authority and are, therefore, not eligible for these benefits. In certain instances, a State conservation agency may have authority only to protect certain categories of species, such as vertebrates, rather than all species. Under the House amendment such a State could qualify for cooperative agreement funds if it satisfies all other requirements set forth in the act and has plans to devote immediate attention to those species most urgently in need of conservation programs.

Conference report

The conferees wish to assure that adoption of the House language does not have the effect of withdrawing protection for species listed by the Secretary. Therefore, the conference committee has agreed to a modification which guarantees that applicable prohibitions set forth in or authorized pursuant to section 4(d) and 9(a)(1) of the Endangered Species Act with respect to the taking of resident endangered or threatened species remain in effect when a State enters into a cooperative agreement under the alternative language of the House amendment.

JOHN M. MURPHY,
ROBERT LEGGETT,
DANIEL K. AKAKA,
DAVID E. BONIOR,
BO GINN,
PHILIP RUPPE,
EDWIN B. FORSYTHE,
Managers on the Part of the House.

JOHN CULVER,
EDMUND S. MUSKIE,
MALCOLM WALLOP,
Managers on the Part of the Senate.

LABOR AND HEALTH, EDUCATION, AND WELFARE APPROPRIATION ACT, 1978

The SPEAKER pro tempore. The gentleman from Texas (Mr. MAHON) is recognized for 5 minutes.

Mr. MICHEL. Mr. Speaker, will the gentleman yield for a question.

Mr. MAHON. I yield to the gentleman from Illinois.

Mr. MICHEL. Mr. Speaker, does the chairman control the entire hour that he is allotted under the preferential motion?

Mr. FLOOD. Mr. Speaker, I had yielded 30 minutes to the gentleman from Illinois (Mr. MICHEL).

Mr. MICHEL. Mr. Speaker, I thank the chairman.

Mr. MAHON. Mr. Speaker, the House has demonstrated its intense interest in the subject matter which is before us for discussion at this hour.

For 5 months on the $61 billion Labor-HEW bill we have been struggling to come to a resolution of the issue relating to abortion between the House and the Senate. Vote after vote has been taken.

The other body has been somewhat inflexible. The House of Representatives has been very inflexible and adamant in the maintenance of its position in support of the Hyde amendment. I myself have supported the Hyde amendment through several of these months which have elapsed since the bill passed the House.

Mr. Speaker, as I was saying, the other body has been adamant in its attitude; the House of Representatives has been adamant in its attitude, but for the legislative process to work we have to get together. It seems to me that about 5 months is sufficient time for us to hold up final action on this $61 billion bill which is so vital to health, education, and many other areas of interest to the Nation.

Over the weeks some slight flexibility has demonstrated itself in the House, and some slight flexibility has demonstrated itself among the Senate conferees. On November 3, we had a conference report; and I myself, in an effort to bring this matter to a conclusion, offered a preferential motion, as I have today. By a vote of 172 to 193, my motion lost; and the matter has remained in status quo since that time.

We have been working with the other body and with members of the staff of the other body, and we have now a new proposal to submit.

Let me read that proposal:

None of the funds contained in this act shall be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term.

Or except for such medical procedures necessary for the victims of rape or incest . . .

We add here for the first time the following language, and I will read this portion again:

or except for such medical procedures necessary for the victims of rape or incest . . .

And here is the new language:

when such rape or incest has been reported to a law enforcement agency or public health service or its equivalent.

That is an additional safeguard.

Then we present this further language: "Or except in those instances"—in other words, abortions cannot be provided under the medicaid program—"except in those instances where severe and long-lasting physical health"—not mental health—"long-lasting physical health damage to the mother would result if the pregnancy were carried to term."

This seems to me not to be too unreasonable a proposal for the solution of this controversial problem.

The SPEAKER pro tempore. The time of the gentleman from Texas (Mr. MAHON) has expired.

Mr. FLOOD. Mr. Speaker, I yield 2 additional minutes to the gentleman from Texas.

Mr. MAHON. Mr. Speaker, each one of us knows that the President is opposed to abortions under most conditions and that the Secretary of HEW is also opposed.

Note the final language here is as follows:

The Secretary shall promptly issue regulations and establish procedures to insure that the provisions of this section are rigorously enforced.

So in that kind of an atmosphere at HEW and with that kind of language in the law, it would seem to be logical that regulations would be established and procedures promulgated which would carry out the spirit of this proposal.

Now it could be said that the language should include: "when such rape or incest has been promptly reported to a law enforcement agency," and so forth. But we were not able to secure that concession.

The Senate within the last 2 hours has voted three times on some of the issues involved here. The Senate first voted on the Hyde amendment, and the Senate has been stronger for its position than the House has been for its position, in regard to these issues. As I say, the Sen-

ate voted on the Hyde amendment this afternoon by a vote of 42 to 20 and rejected the Hyde amendment, an amendment which I have supported, but it was rejected again by that 2-to-1 vote.

Then the proposal was made in the other body that the reporting of rape had to be prompt. Well, it seems to me that the Secretary could promulgate regulations which would require a prompt reporting. But, at any rate, in the other body this afternoon the word "promptly" was presented as an amendment but it was voted down 42 to 23.

Then the substitute proposal, which is the proposal I have here, which was not just a product of the other body, but a product of the Members of the House who have been working on this issue, was offered.

The SPEAKER. The time of the gentleman has again expired.

Mr. MAHON. Mr. Speaker, I would ask the gentleman from Pennsylvania (Mr. FLOOD) if I could have 1 additional minute?

Mr. FLOOD. Mr. Speaker, I yield 1 additional minute to the gentleman from Texas (Mr. MAHON).

Mr. MAHON. And then on this language here the other body voted 44 to 21, for the language which has been read to you here today.

I hope that we can settle this issue once and for all for this fiscal year. I urge the Members to join together in voting for this compromise. It does not suit me and does not suit anybody in the House perfectly, or in the Senate, but it is the best that we can work out. It seems to me that we should delay no longer taking final action on this highly important bill which involves every congressional district in America. I do sincerely trust that the Members will be able to vote for this legislation in an effort to resolve a problem which has been most difficult for all of us.

Mr. MICHEL. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Speaker, I agree with the chairman of the Committee on Appropriations, the gentleman from Texas (Mr. MAHON) that this is a very, very difficult decision for all of us. This has been a very hard and difficult 5 months in trying to work out some compromise language. I can sympathize and I can understand the position of the chairman, but regretfully, I must rise and oppose the compromise language suggested by our colleagues on the other side of the Hill. I appreciate their attempt to narrow the differences between us. Nevertheless the degree of subjective determinations which are permitted by the Senate amendments are still too great for us to accept.

Furthermore, I believe that under this language it is still possible for abortion to be used as a convenient means of birth control, if the right doctor is found.

Specifically, my disagreement with the suggested language is with the physical health section and the section dealing with rape and incest.

With respect to the physical health language, even though the physical damage to the mother must now be both "severe" and "long-lasting" the meaning of these terms are not defined. Therefore, there remains significant latitude for doctors to apply liberal and permissive interpretations to the degree and duration of "damage" required. The term "damage" itself is not defined. In any case, earlier language presented by the Senate required that the health damage to the mother be permanent before abortion be allowed. The current language is a far departure from that approach.

The rape and incest section is also riddled with ambiguity. For example, medical procedures (including abortion) may be undertaken when an act of rape or incest has been reported to a law enforcement agency or public health service or its equivalent. Who are members of "equivalent" law enforcement agencies? May rape victims report to warehouse guards, Pinkerton detectives or the Keystone Cops? What are the equivalent public health agencies? Do they include the American Cancer Society or Planned Parenthood?

I have more serious reservations with any provision which allows abortions for victims of rape or incest. As I have stated previously it is my opinion that the language is unnecessary.

First, testimony from law enforcement officials indicates that inclusion of the rape-incest language would, in their opinion, induce individuals to file false rape reports in order to be eligible for Federal abortions funds. This would not only result in perjured reports, but also would raise havoc with the judicial system in investigating and processing these false reports.

Second, although it is true that the House amendment would not provide funds for abortions resulting from rape or incest, it would not prevent contemporaneous medical treatment which may prevent fertilization or implantation. That is, as long as treatment of rape or invest victims is prompt (that is, before the fact of pregnancy is still established) funds would be provided.

For these reasons, I believe that the compromise language offered by the Senate should be rejected.

Mr. FLOOD. Mr. Speaker, I yield 5 minutes to the distinguished majority leader, the gentleman from Texas (Mr. WRIGHT).

Mr. WRIGHT. Mr. Speaker, I had not wanted to get into this debate. I do not think there are many Members who can be absolutely certain of the rightness of their own position on this particular matter. I am not so certain as to want to get into the middle of a debate like this.

It seems to me, however, that the time has come when the House is going to have to yield to commonsense. Each of us in the interest of the legislative process itself may have to yield just a bit. It is one of those times when we should heed the admonition of Benjamin Franklin that each of us doubt just a little his own infallibility.

I do not for one moment disparage the sincerity or the depth of conviction held by people on either side. It is not surprising that Members holding strong convictions have had a hard time arriving at language that they can mutually embrace. Since the very fundamental question of when life itself begins could not be agreed upon by St. Thomas Aquinas and St. Augustine, it is little wonder that Members of this body find difficulty in reconciling their disparate views with any set of words. Perhaps there are not enough words in Webster's Dictionary to put together the kind of language that would be acceptable to everyone here.

I do not believe in abortion. I do not suppose there are any—if there are, there are very few—Members of this House who would be in favor of Government-subsidized abortion on demand. This language does not provide for that, and that is not the issue.

By the same token, I just do not believe that there are very many, if any, Members of this House who would be so cruel and so crass and so unfeeling that they would condemn a poor woman to death or to lifelong physical disability for want of response on the part of the Federal Government when she is in genuine need of medical treatment.

I believe that the conferees have done as well as they could. I believe that this language presently before us comes as near as any language could come to recognizing the sincere and deeply held convictions on both sides of this question. I urge my colleagues to support this language.

Bear in mind that what is at stake here is not just the linguistic preference of a few Members. What is at stake here is not simply who wins and who loses in a nebulous argument with words. What also is at stake here is $61 billion worth of vital Federal programs, which are held hostage to our intractible quarreling over phrases. These include public health programs, help for the elderly, training programs for young people who do not have any marketable skills so that they can find jobs, the whole gamut of secondary and higher educational services, educational loans for needy students. All these programs are awaiting the resolution of this problem.

We have been almost like Kipling's description of old men who he said:

Peck out, dissect and extrude to the mind
The flacid tissues of long dead issues
Offensive to God and mankind,
Like vultures over an ox
That the army has left behind.

We could go on forever debating like the medieval theologians over how many angels can stand on a head of a pin. But the time has come for action. Clearly, this is as good as our draftsmen can come up with. Clearly, it says what most of us want to say. Those who oppose this language do not oppose the principle it expresses. They do not oppose the right of a woman to get help if she cannot afford it and if she was going to die or to suffer severe and long-lasting physical debility without that help. They do not really oppose the right of some young person, the victim of rape or of incest, to gain timely treatment, or of a woman to be relieved of an ectopic pregnancy. And these are the only situations in which this language would permit assistance. It really is quite restrictive.

No, the opponents do not really oppose the principles which the language expresses. They fall back on the assumption that some physician is going to act in bad faith and to certify falsely. Well, my colleagues, if we were to assume that with respect to every law that is passed, we could not pass many laws.

I believe this is the best we can do under the circumstances. It is not perfect. It does not satisfy me completely. Perhaps it does not satisfy any of us completely, but I do not think we can do much better if we debate different sets of words until doomsday, and so I urge all of us in the name of legislative responsibility to vote for this language and free these vital health and education programs from the incumbrance of our disagreements which for the better part of a year have held them in a state of legislative limbo.

Mr. MICHEL. Mr. Speaker, I yield 5 minutes to the gentleman from Maryland (Mr. BAUMAN).

Mr. BAUMAN. Mr. Speaker, I think it is interesting that the majority leader should refer to the Saints of the Church, Thomas Aquinas and Augustine. I doubt seriously if either of these gentlemen were elected to this House that they would be members of the majority leader's caucus. I also doubt if they would be a member of the minority caucus. Undoubtedly they would be independents, since they were saintly men. Now, none of us here have yet been certified as saintly men or women. That lies for the future to decide; but the issue is something more than flacid tissue, as the misplaced eloquence of the majority leader suggested. I say again, the issue is life itself.

I know the mood of the House and I know the temptation in all our deliberations when it is late in a session to slack the fight and abhor the battle. We might as well decide to get on with it once and for all we are told by our elders. It is all right for us to be kept here until Christmas Eve to decide the question of energy policy, an issue which will be with us for 40 to 50 years, but it is not seemly to prolong this issue. Act tonight, we are told, once and for all. A continuing resolution is not enough. The majority leader will keep us here until Christmas, the anniversary of the greatest birth of all, to solve energy but the right to life cannot be placed on that same plain, he says. He is once again wrong.

What is the basic objective of those who have fought for the right to life in these 2 years we have supported the amendment of the gentleman from Illinois (Mr. HYDE) and its variations. What is that objective? It is to save the lives of unborn human beings. We know that 300,000 babies each year on the average have been murdered with taxpayers funds. I know that phrase, "murder," disturbs the emotions of some, but these children have been killed by the use of federally-financed abortions and that must be faced.

We seek to stop that. The Supreme Court of the United States has surprisingly upheld our position as constitutional; they reaffirmed the right of representatives of the people to limit expenditures of funds.

And so, tonight we have before us an amendment which is broad in its scope, broader in this gentleman's opinion than any before we have faced. I said that a few weeks ago about another amendment, and I think this can be said again tonight. Read its provisions. It is very broad. It does allow for fraudulent representations to cause abortions. It allows liberal physicians who are in favor of abortion and profit from abortions, and make a career out of running abortion mills, to make these decisions and certify that they will allow these children to die. And, it allows the Secretary to issue future regulations and procedures that we know nothing about. Perhaps they will or will not be strict, although it says, "rigorously enforced."

So, the real issue here tonight is, how many of these little American citizens we are going to be able to save out of the 300,000 the taxpayers are paying to kill. We hear a lot of concern here expressed about child abuse. I was on television a few weeks ago with a doctor from North Carolina who runs one of these abortion mills. He was talking about the horrible child abuse he has seen. I pointed out that the ultimate child abuse we all know is death.

So, I think those of us concerned about the right to life can stop the ultimate child abuse. We can have a continuing resolution if this motion fails, and I hope it will fail. But, mark my words: Those of us who stood with this, a majority of 80 and 22 on the latest vote, mark my words: I have said it before, and I am not preaching at all, I am just telling the Members a political fact; the issue will not leave us. This is not a threat; it is a fact. We are going to have to deal with the right-to-lifers who cut across all party lines and all political divisions; Jewish, Christian, Protestant, Catholic, no particular formal religion, they are going to be at your congressional office door, and they are going to be out campaigning because this fundamental issue has stirred America and will remain with us.

I say, put aside the 200-year tradition of this House of caving in when the time gets late. Place this issue on the plane where it ought to be considered and let us vote against this language tonight. And should it possibly pass, God forbid, I call upon the President of the United States, supported by the Secretary of HEW, to stand by the words they have so eloquently repeated over and over, that they oppose federally financed abortion, and to veto this bill.

I urge defeat of the motion.

Mr. FLOOD. Mr. Speaker, I yield 2 minutes to the gentleman from Washington (Mr. BONKER).

Mr. BONKER. Mr. Speaker, I am personally opposed to abortion, as many Members here are, and I have voted consistently, without exception, in favor of the Hyde amendment. On November 3 I felt that we were as close to a compromise as we could possibly get, but I personally could not accept the loophole found in the phrase dealing with rape and incest. Many of us interpreted that as too open-ended.

I discussed this with a few Members that evening, frustrated as everyone here is over the continuing deadlock we have on this issue, and I felt that if we could somehow come to grips with the provision relating to rape we could possibly break the deadlock. Since that time, we have come up with language which accomplishes a reasonable compromise.

It takes us away from continuing our attempt to define rape, but instead approaches the issue by establishing a workable reporting requirement. I think that this is the greatest deterrent to fraud that we could possibly have, a reporting requirement that will have the victim going into a proper agency and filling out the forms before she qualifies for an abortion.

I am convinced that some allowance needs to be made for those women in extreme circumstances whose life or physical health are in jeopardy. I am also concerned that a provision be made that would encourage women who are the victims of rape or incest to report such tragic circumstances. The amendment recognizes the extreme reluctance of many women and teenage girls to report rape incidents to the police and establishes an alternative reporting procedure to designated public health agencies.

The intent is to insure that innocent victims of rape will receive treatment with a minimum of difficulty, but that sufficient steps have been taken by the victims to demonstrate the fact of the rape. A beneficial side effect is that victims of rape will be encouraged to report to rape centers and public health agencies where they can receive counseling about medical treatment and law enforcement.

The clause dealing with rape cannot be both an open door to abortion on demand and a closed door to legitimate victims of rape. Yet I have heard both arguments advanced against this language. It is, in fact, a door which a woman must think about opening and must be willing to walk through and say, "I have been raped." I do not think there is anybody in this body who can deny that this is a significant and difficult act for a woman.

Mr. Speaker, I move that we concur in this language.

Mr. MICHEL. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois (Mr. HYDE).

Mr. HYDE. Mr. Speaker, if I may briefly reply to the distinguished majority leader, there has been some slight progress in medical science since the time of Augustine, which I believe was the fourth century, and Aquinas, which I believe was the 12th century. And as to speculating as to how many angels can dance on the head of a pin, that is an interesting question, but I do not think it is to be compared with the problem of human life to be thrown away in a plastic bag in a hospital or in an abortion mill. I think the two things are quite distinct.

This language is a good-faith effort to compromise. I salute and commend and appreciate the efforts of everybody who has tried to work this out. Having said that, I cannot accept it. Personally, I reject it out of hand, and I want to tell the Members why.

First of all, on the rape or incest, it does not say forced rape. In the rape of an 18-year-old girl or a 17-year-old girl, depending upon what the statutory age is in a given State, she would get her abortion. If she becomes pregnant, she gets an abortion. There is no requirement of force, or anything else. Statutory rape is covered. She gets an abortion.

Secondly, there is no time for reporting. A woman 6 months pregnant goes in, talks to the Public Health Service receptionist, says, "I was raped 6 months ago in the hallway of my building. I do not know who the assailant is." She has complied with the mandate of this amendment. She gets an abortion. It opens the door to very questionable practices. I should think this agency, HEW, which has enough problems in terms of alleged questionable payouts would be very concerned about this. The same facility can take the report that performs the abortion—the Public Health Service or its equivalent, whatever that means.

Under the present law—and, remember, the present law is what I support—there is treatment for rape or incest victims, at least during the first month following the occurrence.

The second part of this proposal concerning health provides no accountability. The medical condition does not have to be preexisting. No medical records would exist to verify that the patient had this condition. There is no record of the condition after the abortion because the doctor cures the condition with the abortion. That is a Catch 22. The condition has arisen because of the abortion, and in the doctors judgment it is serious, it is long lasting. We have cured it because of the abortion. There is no way to verify it. We are trading a human life for a migraine headache. We are trading a human life for a doctor's judgment call on what is going to be characterized as serious and long lasting. I think the tradeoff is very unequal, and I think the physicians who want to abuse this will be able to do so with impunity.

Under existing law, no one has died as a result of the so-called Hyde amendment, despite the media event which occurred within the last month or so, concerning the unfortunate Texas woman who died following a Mexican abortion.

But as was shown in the press the other day—and that is just what it was, a media event—she was not denied an abortion. She did not want an abortion in Texas; she wanted to conceal the fact of pregnancy by going to Mexico for her abortion.

There was a memorial service held for that lady here on the Capitol steps. There have been no memorial services held for the unborn children who have been killed as a result of these abortion procedures.

Let me suggest to the Members, if they support this amendment, that they are confusing the curing function of a doctor with the killing function of a doctor. I do not view doctors as anything less than healers. They should not be executioners. If we do not know when human life begins, I suggest we ought to study the question, because the medical books bristle with evidence that human life begins at the moment of conception. So when we kill a human life in this way—and that is what abortion does—we are killing a human life because it is inconvenient or for some other reason.

The mayor and citizens of Buchenwald walked through the old crematoriums after the war, and they said, "We didn't know. We didn't know." But there is no excuse for us not to know what we are talking about.

We are talking about human life, not angels dancing on the head of a pin. We are talking about innocent, inconvenient human lives. If this society cannot find ways to handle the human problems of unwanted pregnancies without resorting to abortion, then we are seriously deficient.

Mr. Speaker, I hope the Members will reject this amendment and tell the Senate, "We like the law the way it is. We don't like your changes."

Mr. FLOOD. Mr. Speaker, I yield 1 minute to the gentleman from Hawaii (Mr. HEFTEL).

Mr. HEFTEL. Mr. Speaker, I have the greatest respect for the right to life, and I have devoted many years of my life to the cause of defending that right to life.

Today I am not certain that we are talking about the right to life. We are talking about the use of Federal funds that are appropriate when individuals have a need for medical care within the realm of their own ability to pay.

Mr. Speaker, if we want to talk about Federal funds, there are at least 5 million people, including young girls and children—perhaps 3 million or 4 million females—whose needs are funded by Federal payments for medical care. Thus Federal funds on the one hand may be provided in one instance, but they may not be provided in another instance.

Mr. MICHEL. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, the majority leader made mention of $61 billion of Federal funds that are at stake here, and according to the last statistics available, $45 to $50 million is what is really at issue in the 300,000 abortions that were performed at Government expense before the enactment of the Hyde amendment.

We must make a decision here today as to whether or not we will delay for another day the consideration of this issue or whether we will come to grips with it now. It is a very difficult decision for every Member of this House. As I said earlier, it is a decision that must, in the end, be up to each Member's own conscience.

I am going to support this compromise language. I know that it gives me serious problems, because when I argued with the Members of the Senate and the conferees, I was always in support of the Hyde amendment, and I was trying to restrain the Senate juggernaut as much as I could.

Reference has been made to what impact the "Right to Life" people or those who feel strongly about life, as all of us do, may have on this issue and what the repercussions may be at some future date. If this entire House membership is renewed next year, that does not eliminate the fact that there is only one-third of the other body whose seats will be renewable.

As I look at those Senate votes as they have come in one after another—2 to 1, and again 2 to 1—I must infer that at this point somebody has got to give. I do not want to give.

Some of my colleagues on the subcommittee cannot give because of the tremendous pressures they have at home, and I realize that. But a few of us have got to give in order to compromise and reach an agreement. It is disturbing to me to have to say that, but we must give. The Senate has backed down from its original position.

I wish we would have had in this amendment the words "forced rape," as the gentleman from Illinois (Mr. HYDE) said, or the term "prompt treatment," I would hope that in view of the last sentence in the Senate language, that "The Secretary shall promptly issue regulations and establish procedures to ensure that the provisions of this section are rigorously enforced," if Secretary Califano is against abortion on demand or the President is against abortion on demand, within 30 days this administration ought to be able to come up with a rule and with regulations that do draw a distinct line very tightly, a line just as the one we are talking about here.

It is incumbent upon them to do so; and if we have to engage in a little dialog to make legislative history here, it seems to me we ought to do that, then. The administration will have an opportunity to get these rules and regulations out, and I would say further that by the time we have our hearings next year, there are enough statisticians down there so that when they come before our committee and tell us how many abortions were performed at public expense; for whom they were performed, for teenagers, married people, black, white, Chicanos. I want all the statistics.

If we are demanding today that in order to get a rebate on a fuel bill, we require people to put all those things down, whether or not they are white, black, yellow, and to what age group they belong, the same thing can be done for this issue. Then, when we come to bring this bill up next year, we are going to have something solid to base a decision upon.

Today we hear all sorts of things. I have to take the word of the police or of the sheriffs when they say, "There will be wholesale charges that we have had rape here and that we just cannot cope with it."

I am not altogether sure that that is why I initially, several weeks ago, offered this language to report it to a law-enforcement agency to put a little restraint on it. Somebody is going to be

rather reluctant to really report it if it really did happen; or if it did not happen, there is no good reason to publicly disclose it.

Therefore, Mr. Speaker, I think there are some restraints here. As much as I would like to have them more stringent, I am going to have to support this language. The Senate has made their language tighter. Not tight enough but tighter. And with the additional requirement in the language that the Secretary of Health, Education, and Welfare issue regulations to strictly enforce this language and our intent, I believe that funding of abortion on demand is prohibited to the extent humanly possible.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Illinois.

Mr. BAUMAN. Mr. Speaker, the point has been raised in debate here about the meaning of the language "Public Health Service or its equivalent" so far as reporting incidents of rape or incest is concerned.

Is it the gentleman's understanding that any person seeking an abortion could go to a federally financed or partially federally financed abortion clinic and there certify the pregnacy was the result of rape and thus obtain an abortion?

Mr. MICHEL. Again, in the rules and regulations that will be promulgated downtown, I would hope that they would make it very clear that we do not intend this and that whenever rules come out of the Department, they will be based on this general feeling, from the kind of dialogue that takes place in this House, and reflect what we have in mind.

The SPEAKER pro tempore. The time of the gentleman from Illinois (Mr. MICHEL) has expired.

Mr. MICHEL. Mr. Speaker, I yield myself 2 additional minutes.

The SPEAKER. pro tempore. The gentleman from Illinois (Mr. MICHEL) is recognized for 2 additional minutes.

Mr. MICHEL. Mr. Speaker, I think it should be clear that we do not intend that this simply be an opening of the floodgates for abortion on demand. Whether it is a Public Health Service or whatever, it has to report to the Department of Health, Education, and Welfare, just as a law-enforcement agency would have to report it.

Mr. BAUMAN. Mr. Speaker, if the gentleman will yield further, anyone can see the obvious conflict that exists in a medicaid-financed abortion clinic, which makes most of its money from performing abortions, having the right to certify that these pregnancies were a result of rape or incest. Obviously, it would be almost an automatic act by people who have a patent conflict of interest and wish to perform the abortion and be paid. That certainly should not be the intent of the conferees.

Mr. MICHEL. No, it should not. I would sincerely hope that they would be getting the message downtown and that lines would be drawn accordingly.

Mr. MAZZOLI. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Kentucky.

Mr. MAZZOLI. Mr. Speaker, I heard the gentleman from Illinois (Mr. MICHEL) say that next year, when we get this matter back, he would be willing to give assurance to the House that he would have reliable statistics with respect to the incidence of abortion.

I would only urge the gentleman that, in reading a New York Times article about the death of the woman who went to Mexico for an abortion, the Center for Disease Control in Atlanta first reported her death to have resulted from the ban on medicaid abortions when apparently that was not the case at all.

I would hope that the Center for Disease Control is not the genesis of most of the statistics which we might get next year since their information on the Mexico situation was misleading at best and a cover-up at worst.

Mr. MICHEL. The folks downtown have plenty of ways of gathering statistics, and I think we can put enough heat on them to do it validly.

Mrs. SCHROEDER. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER.. Mr. Speaker, I think that one of the things that has not been pointed out is that when we talk about a conflict of interest, one matter we should keep in mind is that if they do not perform an abortion, there will be a delivery, in which case there would be higher charges than there would be for an abortion.

I think it is difficult to say that they would be trying to encourage abortions as to make money because really in the way of a conflict of interest it would be to their advantage to have them go full term.

Mr. MICHEL. Mr. Speaker, I yield 3 minutes to the gentlewoman from New Jersey (Mrs. FENWICK).

Mrs. FENWICK. Mr. Speaker, there are just two points that I would like to address here. We have heard about the politics and the ending of abortions. Just to take the smaller question first, although it may not seem so to all of us here, I ran twice in my district and the same right-to-life opponent, a very fine man in my district, received of the 206,000 and some votes cast, precisely 1,453. I do not think that anybody here ought to think of this in the way of heavy votes because I do not believe that it is. I think it would be terrible to put the lives and sufferings of people in the balance against a false presumption.

The second thing I would like to address is the hope that was expressed by our distinguished colleague from Maryland of ending abortions. Nothing in the whole history of the human race has ever ended abortions, you merely displace them.

I was in Chile some years ago, or many years ago, 40 years ago, maybe, and in going through a hospital in Chile, I asked the manager, the head of the hospital services for the nation, in Santiago, in the head hospital—

How does it happen you have so many women? In Bellevue Hospital in New York City our men's wards are much more full.

He said,

Thirty-five percent of all of the beds in the hospitals in Chile, all over the nation, are filled today with women who are dying or recovering from hemorrhaging or infections for self-induced abortions.

Now you will not stop it. You may not have what Chile has in the sense of self-induced abortions, but you may have back alley abortions. I think that I have described on the floor of this House the tragedy to a family in my State that was involved in such a thing, with the mother held as an accessory for the murder of her teenage daughter.

We must think of the lives that are blasted, ruined and destroyed. That is what is at stake here, Members of the House, and, Mr. Speaker, not just a political question and not the hope of ending something which is a tragedy no matter how you look at it.

Mr. Speaker, I yield back the balance of my time.

Mr. FLOOD. Mr. Speaker, I yield 2 minutes to the gentleman from Missouri (Mr. VOLKMER).

Mr. VOLKMER. Mr. Speaker, and Members of the House, I personally believe we should make it very clear that on this language that we are voting on there rests the basic question of whether the taxpayers will pay for abortions or not. A vote against it is a vote that the taxpayers will not pay for it.

I think that is the clear cut issue.

I agree with the other speakers who have basically said that this is not a political question but that it is a matter of principle, and to some of us it is a principle that cannot be compromised. It is basically a principle of life.

I too recognize that there are those who disagree and who take the opposite viewpoint, and I recognize that they, too, believe in the principle that there should be no restriction on abortions.

I recognize that. But what bothers me here is to see those who waffle on the issue to find excuses to vote one way or another when there is no compromise. It is basically an issue of whether taxpayers pay for abortion or whether taxpayers do not pay for abortion. Let us vote on that issue and let us decide that issue.

I too, if this language is adopted, shall call upon the President to veto the bill because of his prior commitments to the policy that no taxpayers' money be used to pay for abortions.

Mr. OBERSTAR. Mr. Speaker will the gentleman yield?

Mr. VOLKMER. I yield to the gentleman from Minnesota (Mr. OBERSTAR).

Mr. OBERSTAR. Mr. Speaker, I thank the gentleman for yielding.

As our distinguished majority leader so eloquently said, the time has come to take a stand, but that sword cuts two ways. It cuts against the grain of those advocating this language which very clearly permits abortions. If one is opposed to abortions, he must oppose this language.

Mr. FLOOD. Mr. Speaker, I yield to the gentlewoman from Maryland (Mrs. SPELLMAN) for a question.

Mrs. SPELLMAN. Mr. Speaker, I would like to ask a question of the chairman.

There has been considerable concern evidenced regarding the language, the very comprehensive language here in section 209. The Subcommittee on Compensation and Employee Benefits is having inquiries from health insurance carriers and from HEW employees. The Federal insurance programs, of course, are subsidized with Federal funds and the insurance programs of HEW employees are being paid for substantially with Federal funds.

Therefore this language which says:

None of the funds contained in this Act shall be used to perform abortions . . .

is language that is under careful scrutiny at the moment.

Can the chairman provide assurance to the health insurance carriers and to the employees of HEW that the language here in section 209 will not affect them?

Mr. FLOOD. Of course, as the gentlewoman says, the issue is currently being studied by the lawyers at HEW and Civil Service Commission. This matter, as the gentlewoman well knows, is very complicated by the fact that employees pay a portion of the health insurance premium.

The language in the Labor-HEW bill is vague. There is no question about that. I am not sure I can give a definite answer, but certainly we do not intend to tell the employees how to spend their money. I am sure about that.

Mrs. SPELLMAN. I see. Then we are not saying to health insurance carriers the moneys they get are Federal moneys and coming from this act and therefore may not be used for this purpose.

Mr. FLOOD. Our intention is very clear. I have said that before.

Mrs. SPELLMAN. I thank the gentleman from Pennsylvania.

Mr. FLOOD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in opposition to the motion to concur in the Senate amendment. I think the Members could have guessed that. We are here tonight only because time is of the essence. Time is what controls us now. The clock over the head of the Speaker. In the back of the room there are some calendars.

In essence, it is not the laws of man nor the laws of God, but that pagan god time is of the essence tonight, or so it seems.

No one in this Chamber wants to settle this labor-HEW appropriation bill more than I do. I hope Members know that. This bill has been tied up by the abortion issue since last August. All the money differences have been resolved completely, but the bill has not been enacted because of this one amendment.

Now—to use a moth-eaten phrase the hour is late, the Members are tired, and they are tired of hearing about the issue of Federal funds for abortion.

But despite all of that, I am not ready to agree to just any language in order to clear this bill for the President's signature. I saw this latest Senate proposal a couple hours ago; but you need only minutes to realize that it is very similar to the language the Senate has proposed before. The words are slightly different; but it reflects the original Senate position, make no mistake about that.

If there has been any attempt to compromise in this latest Senate proposal, it is stated in very vague language which would allow a variety of interpretations. In any case, if compromise is the word to use under these circumstances, it is not really apparent to me.

The Senate proposal refers to victims of rape or incest having to report to a public health service. What is meant by public health service? Is it a hospital, a community health center, a clinic, a doctor, a paramedic? It is just not clear what is meant by that phrase.

Now, another vague reference is this phrase—"severe and long-lasting physical health damage." My, what does that mean? Cancer? Renal disease? That is one thing. But what about cataracts of the eye? Now that is something else.

You see, my problem with the latest Senate proposal is that it might be interpreted in a way that will allow Federal payments for abortions for any reason.

There is simply no way of preventing abuse in the interpretation of this language which may result in the use of Federal funds to pay for abortion on demand.

The House has voted on this seven times. It has been sent to the House seven times. The latest Senate proposal is to accomplish what purpose? It is vague. Time is of the essence; apparently not the law—that is what we are being told tonight. Pontius Pilate was an amateur by comparison.

Mr. Speaker, I urge that we stay with the House position, and vote against this motion.

Mr. SMITH of Iowa. Mr. Speaker, it has been almost 6 months since the House passed the HEW and Labor Appropriations bill providing funding for 130 Federal programs affecting virtually every citizen in the United States. We long ago agreed with the Senate on the funding levels but the entire bill has been held up over an argument concerning the conditions under which medicaid should pay for abortions.

Almost no one is against the Government paying for abortions under some circumstances. Also, almost no one is for paying for abortions as a planned preferred and expensive substitute for other birth control methods. So the argument is over the conditions under which they should be paid, and attempts by some to apply a super simplistic analysis of whether one is for or against abortions for poor women are missing the issues.

I do not think funding for 130 programs should be held up while these guidelines are being determined. The proper method for settling such an issue would be to pass a separate bill on medicaid in which further guidelines are developed and I have always voted against holding this deviation from that procedure. However, a substantial majority have voted several times that they want guidelines included as a part of this bill. Under those circumstances, we should try to agree on language which actually has enough support so that the matter will be considered as settled and can be readily agreed to next year instead of again holding up funding for these important programs. I have not seen any news articles which made this important point. The legislative process is complicated and apparently most of those describing the controversy do not fully appreciate the difference between an authorization and an appropriations bill.

Such a solution had been pretty well agreed upon last year and it was hoped that the same language would be agreed upon this year without delaying the bill. However, a new administration, a new Attorney General's ruling, and other circumstances encouraged some to want to rehash the whole matter again. Now after 6 months, language is today proposed which is very similar to the intent of the provisions of the bill and report adopted last year. Congress has changed little since last year and in my opinion this language almost represents majority opinion concerning the conditions under which abortions should be paid under medicaid. The proposed language is similar to what had been agreed upon in the conference committee a month ago; but when the Senate conferees presented it to the Senate they made changes which assured that even if it passed, the same arguments and delays would resume on next year's bill. I suppose some of the Senators thought they could secure approval just because the House and Senate were about to go into a 3-week nonlegislative period and that they could use a tactical advantage to force the majority to agree to a minority point of view. If it had been approved, the victory for those who favored it would have been short and it would have assured a far more strenuous effort next year to more than reverse it. In my opinion, it would have been a temporary solution and constituted throwing away the chance to arrive at a long-term agreement toward which we have been progressing in our costly time-consuming negotiations during the past several months.

While the language provided in this amendment today still does not come as close to representing majority opinion as it could, it is close. In my opinion, the Senate made a mistake in not changing it slightly to coincide with previous agreed language and by so doing, they risk losing the whole amendment. However, I believe it is language which the majority could logically next year recognize as representing a majority opinion, it does represent a reasonable effort to present to the House a chance to vote on language which the majority can support, and by presenting it, conferees will have complied with the reformed rules of the House under which conferees are deemed to be agents of the House who must negotiate within the instructions given by the House rather than using their position to force a minority view upon the House by procedural means. I do not like continuing resolutions under

which agencies are rationed too tightly and I do not want to hold up funding for these important programs any longer. While I believe better language could be found, I am going to vote yea today.

Mrs. SCHROEDER. Mr. Speaker, I think allowing medical procedures in cases of rape and incest is more than reasonable. I would like to share two cases that came across my desk today. They are very similar to the many cases I hear about daily. I think they show the great danger there is in this body deciding all abortions should be banned.

The articles follow:

Hon. PATRICIA SCHROEDER,
U.S. House of Representatives, House Office Building, Washington, D.C.

DEAR MS. SCHROEDER: I am the recent victim of a pregnancy caused by rape. Here is my story:

On the night of September 19, 1977, an unknown man broke into my home while my mother, who was visiting from Virginia, my two young children, and I were sleeping. He awakened me, told me that I must do all that he asked without making any noise, or he would have his accomplice harm my children. He then raped me and escaped.

I immediately reported the incident to the police. With the support of the police, my friends and family, I was able to handle the experience without undue trauma. Three weeks later, however, I found that I was pregnant. The objectivity I had been able to maintain to that point disintegrated. Although I have always believed all women should have the option of abortion if they thought it best in their situation, I have never considered abortion an option for me. But I had never been raped.

I am a program coordinator for the Child Abuse Prevention Council of the Monterey Peninsula, and suddenly I was faced with having to consider the ultimate child abuse. I had submitted to the humiliation of rape in order to protect my children, and now I had to decide whether or not to abort another of my children. I went through emotional agony trying to decide between an abortion or keeping the baby within me. Finally, I realized that I could not give this child the ideal in utero environment because of my emotional state. I would resent his/her presence in my body every moment. As a single parent (I am in the process of a divorce), I do not have the financial or emotional resources to bear or support another child, particularly an unwanted child. On October 20, 1977, I had an abortion.

Before my husband and I separated in June 1977, I had been a homemaker. I started working in August and had not been able to save enough money to pay for the abortion. Fortunately, I had Medi-Caid coverage. And fortunately, I live in California where abortions are still covered by Medi-Caid.

My heart goes out to those women who have had the experience of becoming pregnant by a rapist, but who are not as fortunate as I. The confusion, fear, and trauma of a rape is enormous. In addition, an unwanted and perhaps despised child is conceived. Nothing in life can affect a woman more personally. And yet, it has all been forced upon her against her will. To deny a woman an abortion because she is unable to afford one is adding the ultimate indignity—forcing her to carry a child she had no responsibility for creating. Because she is poor.

If you could step into my shoes for just a short while, if you could feel my tears and outrage, Medi-Caid abortions for rape or incest would not be a debated issue. If I were the wife, or daughter, or sister of the legislators, how would they vote? Please use your influence to make the abortion legislation fair to all our nation's women.

Sincerely,

——— ———.

The second case was described to me in a letter from Rocky Mountain Planned Parenthood:

A case in point came to my attention last week. A 13 year old child who had been seduced by her 26 year old teacher came to our clinic for counseling. She knew little if anything about sex and didn't understand what was happening to her. The resulting pregnancy terrified her and she tried to hide the situation from her mother who had threatened once to put her in a "home" if she didn't "behave." The teacher left town. Her mother found out about the pregnancy and was very concerned and supportive. She took her daughter to a physician who recommended abortion because of the relative immaturity of the girl's body. He felt that she would probably miscarry in the fifth or sixth month, or else the baby would be delivered by caesarean. He also felt that the baby might be underweight and malnourished at birth, and its mother injured physically and emotionally.

This young girl did not want to have the baby; she still plays with dolls and worries about dates. If she had been unable to secure a safe, legal abortion, her life may have been ruined. To force this child to have a child would have been the ultimate cruelty.

Mr. Speaker, I hope the Members will ponder these cases before voting.

Mr. NEAL. Mr. Speaker, I have been listening carefully for some months now to the debate on the question of Federal funds for abortion. A number of thoughts have occurred to me which I would like to share with my colleagues.

Central to any discussion of abortion is the question of when life begins. The arguments of my distinguished colleague from Illinois, Mr. HYDE, when this matter was last debated, centered on the premise that life begins with conception. If I accepted that postulate, I, too, would feel compelled to work to end abortion—whenever and however possible. But that very question has never been resolved in my mind.

In considering Mr. HYDE's comments further, I began to wonder, "What are the opinions of various religious leaders in the United States on this issue?" I did some research into the matter, studying the statements of some of the denominations most prevalent in North Carolina's Fifth Congressional District. I was struck by the fact that even our churches, for the most part, have been unwilling to say to their members, "This is when life begins. At this point, what before had the potential for human life, suddenly is human life."

The answer to the question, then, is not agreed upon even by our spiritual leaders. I certainly do not think the Government should be in the business of making such moral decisions, but by denying medicaid funds for abortion we are, in effect, making that very same judgment for many citizens of the United States. We are eliminating the choice, and by that, denying the women affected the right to choose an abortion which the Supreme Court has ruled is included in the right to privacy.

Frankly, I am surprised at some of my colleagues for their position on this issue. Many of them in the past have been among the most articulate and effective Members in advocating less Government interference in the lives of our citizens. I share their concern in this area. And yet, they now would have the Federal Government make this decision for poor women, and on a question which has divided even our most respected spiritual leaders.

I would like to share with my colleagues some of the statements from religious organizations which are active in North Carolina. First of all, because it illustrates so well the basic point which concerns me, I would like to quote from the "Proposal for Action" adopted by the Eighth General Synod of the United Church of Christ in 1971:

Although a form of life exists in the sperm and the unfertilized ovum, a new kind of life emerges at the moment of their union. Many regard conception (up to 72 hours after coitus), others implantation (7 days), as the beginning of an inviolable life. But while such life is human in origin and potentially human in character, the integration of bodily functions and the possibility of social interaction do not appear until later. Alternative candidates for the beginning of significantly human life are the final fixing of the genetic codes (3 weeks), the first central nervous system activity (8 weeks), brain development and cardiac activity (12 weeks). Some time after the twelfth week "quickening" occurs: that is, the mother can feel the arm and leg movements of the fetus. "Viability" in the present stage of technology begins between the 20th and 28th week, and the fetus has a chance for survival outside the womb.

The Pilot Mountain Baptist Association in my own Fifth Congressional District had these comments in February of 1974:

Abortion in most cases is the choice of the lesser of two evils. Abortion generally testifies to the violence, the excessiveness and the growing permissiveness of our time and society. Although sometimes permissible, it should never be done frivolously or in haste and is always mournfully regrettable. . . .

There must be a wholesome balancing of rights, wherein the mother, the father, the fetus and our society are given due and deliberate consideration (recognizing that under some circumstances abortion may be an agonizing necessity.)

The Southern Baptist Convention also went on record in June of last year:

. . . we call on Southern Baptists and all citizens of the nation to work to change those attitudes and conditions which encourage many people to turn to abortion as a means of birth control . . . we also affirm our conviction about the limited role of government in dealing with matters relating to abortion, and support the right of expectant mothers to the full range of medical services and personal counseling for the preservation of life and health.

The Episcopal Church—at its 65th General Convention—stated:

That the position of this Church, stated at the 62nd General Convention of the Church in Seattle in 1967 which declared support for the "termination of pregnancy" particularly in those cases where "the physical or mental health of the mother is threatened seriously, or where there is substantial rea-

son to believe that the child would be born badly deformed in mind or body, or where the pregnancy has resulted from rape or incest," is reaffirmed. Termination of pregnancy for these reasons is permissible.

The Presbyterian Church of the United States passed the following resolution in June of 1970:

Induced abortion is the willful destruction of the fetus. Therefore, the decision to terminate a pregnancy should never be made lightly or in haste.

The willful termination of pregnancy by medical means on the considered decision of a pregnant woman may on occasion be morally justifiable. Possible justifying circumstances would include medical indications of physical or mental deformity, conception as a result of rape or incest, conditions under which the physical or mental health of either mother or child would be gravely threatened, or the socio-economic condition of the family. The procedure should be performed only by licensed physicians under optimal conditions and with appropriate medical consultation and ministerial counseling, preferably by her own Minister.

Medical intervention should be made available to all who desire and qualify for it, not just to those who can afford preferential treatment.

In 1976 the General Conference of the United Methodist Church resolved that:

Our belief in the sanctity of unborn human life makes us reluctant to approve abortion. But we are equally bound to respect the sacredness of the life and well-being of the mother, for whom devastating damage may result from an unacceptable pregnancy . . . We support the legal option of abortion under proper medical procedures . . . a decision concerning abortion should be made after thorough and thoughtful consideration by the parties involved with medical and pastoral counsel.

And in June of 1970 the Lutheran Church in America said:

Since the fetus is the organic beginning of human life, the termination of its development is always a serious matter. Nevertheless, a qualitative distinction must be made between its claims and the rights of a responsible person made in God's image who is in living relationships with God and other human beings . . . On the basis of the evangelical ethic, a woman or couple may decide responsibly to seek an abortion.

Mr. Speaker, regretfully, I urge my colleagues to accept this compromise. Let us not put this Congress in the position of making further medical decisions—as well as moral decisions—for the poor women of the United States.

The SPEAKER. Without objection, the previous question is ordered on the preferential motion of the gentleman from Texas (Mr. MAHON).

There was no objection.

The SPEAKER. The question is on the preferential motion.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. BAUMAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 183, nays 205, not voting 46, as follows:

[Roll No. 751]

YEAS—183

Addabbo	Anderson, Calif.	Andrews, N.C.
Akaka	Anderson, Ill.	Ashley
Allen	Aspin	AuCoin
Baucus	Bedell	Beilenson
Blanchard	Bonker	Bowen
Brademas	Breckinridge	Brinkley
Brodhead	Brooks	Brown, Calif.
Brown, Mich.	Broyhill	Buchanan
Burke, Calif.	Burlison, Mo.	Burton, Phillip
Carr	Clay	Cohen
Collins, Ill.	Conable	Corman
Cornwell	Coughlin	Daniel, R. W.
Danielson	Davis	Dellums
Derrick	Dicks	Dingell
Dodd	Downey	Drinan
Edgar	Edwards, Calif.	Evans, Colo.
Evans, Del.	Fascell	Fenwick
Findley	Fisher	Flippo
Flowers	Foley	Ford, Mich.
Ford, Tenn.	Forsythe	Fountain
Fowler	Fraser	Frenzel
Gilman	Ginn	Glickman
Gonzalez	Gudger	Hamilton
Hammer-schmidt	Hannaford	Harkin
Harris	Hawkins	Hefner
Heftel	Holland	Hollenbeck
Holtzman	Horton	Howard
Hughes	Jacobs	Jeffords
Jenrette	Johnson, Calif.	Johnson, Colo.
Jones, N.C.	Jordan	Kastenmeier
Ketchum	Keys	Kostmayer
Krebs	Leach	Leggett
Lehman	Levitas	Lloyd, Calif.
Long, Md.	Lundine	McCloskey
McCormack	McFall	McKinney
Maguire	Mahon	Mann
Martin	Mattox	Meeds
Metcalfe	Meyner	Michel
Mikulski	Mikva	Milford
Miller, Calif.	Mineta	Mitchell, Md.
Moffett	Mollohan	Moorhead, Pa.
Moss	Neal	Obey
Ottinger	Panetta	Patterson
Pattison	Pease	Pepper
Pettis	Pickle	Pike
Preyer	Pritchard	Railsback
Rangel	Reuss	Richmond
Rogers	Roncalio	Rosenthal
Roybal	Runnels	Ryan
Santini	Scheuer	Schroeder
Seiberling	Sharp	Shipley
Sisk	Slack	Smith, Iowa
Solarz	Spellman	Stark
Steed	Steers	Stockman
Stokes	Studds	Thompson
Thornton	Tsongas	Tucker
Udall	Ullman	Vanik
Waigren	Waxman	Weaver
Weiss	Whitley	Wiggins
Wilson, C. H.	Wilson, Tex.	Wirth
Wolff	Wright	Yates

NAYS—205

Ambro	D'Amours	Hubbard
Ammerman	Daniel, Dan	Huckaby
Andrews, N. Dak.	de la Garza	Hyde
Annunzio	Delaney	Ichord
Applegate	Derwinski	Ireland
Archer	Devine	Jones, Okla.
Ashbrook	Dornan	Kazen
Bafalis	Duncan, Tenn.	Kemp
Baldus	Early	Kildee
Barnard	Edwards, Ala.	Kindness
Bauman	Edwards, Okla.	LaFalce
Beard, R.I.	Eilberg	Lagomarsino
Benjamin	Emery	Latta
Bennett	English	Lederer
Bevill	Erlenborn	Lent
Blouin	Ertel	Livingston
Boggs	Evans, Ga.	Lloyd, Tenn.
Boland	Evans, Ind.	Long, La.
Bonior	Fary	Lott
Breaux	Fish	Lujan
Brown, Ohio	Flood	Luken
Burgener	Florio	McClory
Burke, Fla.	Flynt	McDade
Burke, Mass.	Frey	McEwen
Burleson, Tex.	Fuqua	McHugh
Byron	Gammage	McKay
Caputo	Gaydos	Madigan
Carney	Gephardt	Markey
Carter	Gibbons	Marks
Cavanaugh	Goodling	Marlenee
Cederberg	Gore	Marriott
Chappell	Gradison	Mathis
Clausen, Don H.	Grassley	Mazzoli
Clawson, Del	Guyer	Miller, Ohio
Coleman	Hagedorn	Minish
Collins, Tex.	Hall	Mitchell, N.Y.
Conte	Hanley	Moakley
Corcoran	Hansen	Montgomery
Cornell	Harsha	Moore
Cotter	Heckler	Moorhead, Calif.
Crane	Hightower	Mottl
Daniels, Dominick V.	Hillis	Murphy, Ill.
Danner	Holt	Murphy, N.Y.
Dent	Holtzman	Murphy, Pa.
Derrick	Howard	Murtha
Dicks	Hubbard	Myers, Gary
Dingell	Huckaby	Myers, John
Dodd	Hyde	Myers, Michael
Downey	Ichord	Natcher
Drinan	Ireland	Nedzi
Edgar	Jones, Okla.	Nichols
Edwards, Calif.	Kazen	Nix
Evans, Colo.	Kemp	Nolan
Evans, Del.	Kildee	Nowak
Fascell	Kindness	O'Brien
Fenwick	LaFalce	Oakar
Findley	Lagomarsino	Oberstar
Fisher	Latta	Patten
Flippo	Lederer	Perkins
Flowers	Lent	Poage
Foley	Livingston	Pressler
Ford, Mich.	Lloyd, Tenn.	Price
Ford, Tenn.	Long, La.	Pursell
Forsythe	Lott	Quie
Fountain	Lujan	Quillen
Fowler	Luken	Rahall
Fraser	McClory	Regula
Frenzel	McDade	Rhodes
Gilman	McEwen	Rinaldo
Ginn	McHugh	Risenhoover
Glickman	McKay	Robinson
Gonzalez	Madigan	Rodino
Gudger	Markey	Roe
Hamilton	Marks	Rooney
Hammer-schmidt	Marlenee	Rostenkowski
Hannaford	Marriott	Rousselot
Harkin	Mathis	Rudd
Harris	Mazzoli	Russo
Hawkins	Miller, Ohio	Satterfield
Hefner	Minish	Sawyer
Heftel	Mitchell, N.Y.	Schulze
Holland	Moakley	Sebelius
Hollenbeck	Montgomery	Shuster
Holtzman	Moore	Simon
Horton	Moorhead, Calif.	Skelton
Howard	Mottl	Skubitz
Hughes	Murphy, Ill.	Snyder
Jacobs	Murphy, N.Y.	Spence
Jeffords	Murphy, Pa.	Staggers
Jenrette	Murtha	Stangeland
Johnson, Calif.	Myers, Gary	Stanton
Johnson, Colo.	Myers, John	Steiger
Jones, N.C.	Myers, Michael	Stratton
Jordan	Natcher	Stump
Kastenmeier	Nedzi	Symms
Ketchum	Nichols	Taylor
Keys	Nix	Thone
Kostmayer	Nolan	Traxler
Krebs	Nowak	Treen
Leach	Schulze	Trible
Leggett	Sebelius	Vander Jagt
Lehman	O'Brien	Vento
Levitas	Oakar	Volkmer
Lloyd, Calif.	Oberstar	Waggonner
Long, Md.	Patten	Walker
Lundine	Perkins	Walsh
McCloskey	Poage	Wampler
McCormack	Pressler	Watkins
McFall	Price	Whitehurst
McKinney	Pursell	Whitten
Maguire	Quie	Wilson, Bob
Mahon	Quillen	Winn
Mann	Rahall	Wydler
Martin	Regula	Wylie
Mattox	Rhodes	Yatron
Meeds	Rinaldo	Young, Alaska
Metcalfe	Risenhoover	Young, Fla.
Meyner	Robinson	Young, Mo.
Michel	Rodino	Young, Tex.
Mikulski	Roe	Zablocki
Mikva	Rooney	Zeferetti
Milford	Rostenkowski	
Miller, Calif.	Rousselot	
Mineta	Rudd	
Mitchell, Md.	Russo	
Moffett	Satterfield	
Mollohan	Sawyer	
Moorhead, Pa.	Schulze	
Moss	Sebelius	
Neal	Shuster	
Obey	Simon	
Ottinger	Skelton	
Panetta	Skubitz	
Patterson	Snyder	
Pattison	Spence	
Pease	Staggers	
Pepper	Stangeland	
Pettis	Stanton	
Pickle	Steiger	
Pike	Stratton	
Preyer	Stump	
Pritchard	Symms	
Railsback	Taylor	
Rangel	Thone	
Reuss	Traxler	
Richmond	Treen	
Rogers	Trible	
Roncalio	Vander Jagt	
Rosenthal	Vento	
Roybal	Volkmer	
Runnels	Waggonner	
Ryan	Walker	
Santini	Walsh	
Scheuer	Wampler	
Schroeder	Watkins	
Seiberling	Whitehurst	
Sharp	Whitten	
Shipley	Wilson, Bob	
Sisk	Winn	
Slack	Wydler	
Smith, Iowa	Wylie	
Solarz	Yatron	
Spellman	Young, Alaska	
Stark	Young, Fla.	
Steed	Young, Mo.	
Steers	Young, Tex.	
Stockman	Zablocki	
Stokes	Zeferetti	
Studds		
Thompson		
Thornton		
Tsongas		
Tucker		
Udall		
Ullman		
Vanik		
Waigren		
Waxman		
Weaver		
Weiss		
Whitley		
Wiggins		
Wilson, C. H.		
Wilson, Tex.		
Wirth		
Wolff		
Wright		
Yates		

NOT VOTING—46

Abdnor	Cunningham	Le Fante
Alexander	Dent	McDonald
Armstrong	Dickinson	Quayle
Badham	Diggs	Roberts
Badillo	Duncan, Oreg.	Rose
Beard, Tenn.	Eckhardt	Ruppe
Biaggi	Fithian	Sarasin
Bingham	Giaimo	Sikes
Bolling	Goldwater	Smith, Nebr.
Broomfield	Harrington	St Germain
Burton, John	Jenkins	Teague
Butler	Jones, Tenn.	Van Deerlin
Chisholm	Kasten	Whalen
Cleveland	Kelly	White
Cochran	Koch	
Conyers	Krueger	

The Clerk announced the following pairs:

On this vote:

Mr. Jones of Tennessee for, with Mr. McDonald against.

Mr. Diggs for, with Mr. Biaggi against.

Mr. Harrington for, with Mr. Sikes against.

Mr. Bolling for, with Mr. St Germain against.

Ms. Chisholm for, with Mr. Roberts against.

Mr. Koch for, with Mr. Le Fante against.

Mr. Conyers for, with Mr. Jenkins against.

Mr. Bingham for, with Mr. Armstrong against.

Mr. Eckhardt for, with Mr. Kelly against.

Mr. Butler for, with Mr. Fithian against.

Mr. Sarasin for, with Mr. Abdnor against.

Mr. John Burton for, with Mr. Quayle against.

Mr. Badillo for, with Mr. Kasten against.

Mr. Rose for, with Mr. Cunningham against.

Mr. Cleveland for, with Mr. Beard of Tennessee against.

Mr. Van Deerlin for, with Mrs. Smith of Nebraska against.

Mr. Duncan of Oregon for, with Mr. Goldwater against.

Until further notice:

Mr. Dent with Mr. Badham.

Mr. Alexander with Mr. Broomfield.

Mr. Teague with Mr. Cochran of Mississippi.

Mr. Krueger with Mr. Ruppe.

Mr. Giaimo with Mr. Whalen.

Mr. White with Mr. Dickinson.

So the preferential motion was rejected.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the motion offered by the gentleman from Pennsylvania (Mr. FLOOD) to disagree to the Senate amendment to the House amendment to Senate amendment No. 82.

The motion was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FLOOD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the motion just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair would like the Members to know that when the House adjourns, it will adjourn to meet tomorrow at 12 o'clock noon.

We had anticipated that we were coming in at 10 o'clock tomorrow, but since we have business tomorrow and will meet on Thursday, the House will meet tomorrow at noon.

DOMESTIC VIOLENCE

(Mrs. BOGGS asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BOGGS. Mr. Speaker, as many of our colleagues in this House know, the issue of family violence—violence between husband and wife, between teenagers, and parents against children, and against the elderly—has been receiving increasing attention from local community groups as well as from the news media.

In my own district, the YWCA is coordinating a counseling program for battered women, bringing together the skills and assistance of a wide variety of public agencies and private groups.

During the National Women's Conference in Houston skills workshops were conducted on a wide variety of topics, including domestic violence. The participants in the workshops on family violence were drawn from all over this country, and the vast majority of these women are working in their own communities to establish programs to assist the victims of battering.

A common theme throughout the 2 days of domestic violence workshops was the need of local community groups for information and technical assistance as well as the need for financial assistance. Groups working on domestic violence are springing up all over the Nation—and many of them are needlessly reinventing the wheel in terms of organization and programs.

During the past year I am also sure that many of you have received requests from your constituents for assistance in obtaining Federal grants and technical assistance in establishing local programs and shelters for victims of family violence. I am happy to report that the existing Federal programs are making a real effort to be responsive to these grassroots community efforts. LEAA has set aside $1 million in fiscal 1978 for family violence programs; local groups have also turned to ACTION and CETA for help. In the research area, the National Institutes of Mental Health has funded several studies which are providing the concrete data needed.

Right now the most pressing need regarding domestic violence is a systematic coordination of programs at the Federal level so that local applicants can make sense of the system; another crying need is for support in terms of technical assistance and grant moneys. For this reason NEWTON STEERS and I have jointly sponsored the domestic violence prevention and treatment program, H.R. 7927; another bill with a different approach has been introduced by our colleague BARBARA MIKULSKI.

Since the introduction of these bills we have been inundated with calls and letters from all over the country—from women's groups, from church organizations, from local elected officials, from community mental health centers, from law enforcement officials, and from victims of family violence themselves.

During the hearings planned on this legislation, I feel certain it will become apparent to the entire Nation that domestic violence is an urgent problem deserving our closest attention at the Federal, State, and local levels.

RADIOACTIVE MATERIALS THREATEN HUNDREDS

(Mr. ALLEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ALLEN. Mr. Speaker, let me quote as follows:

> Deaths in future generations due to cancer and genetic effects resulting from the radon from uranium required to fuel a single reactor for one year can run into hundreds.—Dr. Walter H. Jordan, Former Assistant Director, Oak Ridge National Laboratory.

What price will the people of America have to pay for the electricity generated by nuclear reactors—not just in money that will run into the hundreds of billions of dollars invested, the interest thereon, and for skyrocketing prices for nuclear fuel that is now controlled by international cartels—but in deaths due to cancer and genetic effects resulting from radon and the many other poisonous emissions from the uranium required to fuel the increasing number of nuclear generators constructed, and continuing to be built, throughout the United States?

On Tuesday last, there came to my attention, as your Congressman, certain unnerving and startling evidence of gross errors made by members of the Atomic Safety and Licensing Board in the amount of dangerous and poisonous emissions from nuclear reactors—errors of such enormous magnitude as to stagger the imagination.

This was revealed in a report, and projection of deaths, made by one of the top and most respected nuclear scientists in the Nation, in just the past 2 months.

I refer to Dr. Walter H. Jordan, for many years the Assistant Director of the Oak Ridge National Laboratory, and who is generally regarded by his professional colleagues as one of the foremost authorities in this field.

In an official report, dated September 21, 1977, which is now on file with the Nuclear Regulatory Commission, Dr. Jordan made the flat and unequivocal statement that the amount of radioactive materials emitted into the atmosphere and environment, "released as gas, liquid, or solid as a consequence of operating a reference powerplant for 1 year," to wit: Rn-222, has been grossly underestimated and in error in all of the supposedly scientific calculations relied on, and assumed to be correct by the Atomic Safety and Licensing Board of the Nuclear Regulatory Commission.

The emission of Rn-222, for example, which had previously been figured and stated 74.5 curies, Dr. Jordan said, "would be 100,000 times greater!" The exclamation mark was added by Dr. Jordan, in finding such an enormous error and unbelievable understatement of such emissions by the Nuclear Regulatory Commission, in passing on the safety of uranium-fueled reactors.

Think about it. Not double or triple, but the correct amount of such poisonous emission is "100,000 times greater" than previously assumed to be correct by those serving on the Atomic Safety and Licensing Board Panel, according to Dr. Walter H. Jordan, whose calculations have not been successfully challenged to this date.

Dr. Jordan concludes with this unnerving statement:

> Since the radon continues to seep from the tailings pile for a very long time, the total dose to people over all future generations could become very large. Deaths in future generations due to cancer and genetic effects resulting from the radon from the uranium required to fuel a single reactor for one year can run into hundreds. (See Pohl, Search, Vol. 7 No. 8, Aug. 1976.) It is very difficult to argue that deaths to future generations are unimportant. But it can be shown that the number is insignificant compared to those due to the radon contribution in natural background.

Not being a nuclear scientist, I cannot comprehend the full significance of Dr. Jordan's conclusion. He said that "deaths in future generations can run into hundreds." But he does not say how many hundreds, or over what span of time. So his grim prediction is very fuzzy, to say the least. As I said, I am not a physicist or nuclear scientist, but I do recall something about geometry and geometric progression.

Thus, if Dr. Jordan is only partially correct, and instead of hundreds (plural) dying, only 100 in future generations die of cancer and genetic effects resulting from radon from the uranium required to fuel a single reactor for 1 year; the number who would die from the radon emissions of two generators for 2 years would be 400; and the number who would die from three reactors operating 3 years would be 900. Ten such nuclear reactors operating for 10 years, based on this assumption, would cause 10,000 deaths; and 100 reactors operating for the next 25 years would cause 2,500,000 deaths from

radon resulting in cancer and genetic effects over whatever timespan Dr. Jordan was projecting in his dire prediction.

Of course, if the deaths to future generations from cancer and genetic effects from the radon from the uranium required to fuel a single reactor for 1 year can run into the hundreds (plural), as Dr. Jordan states, and not just 100, as used in my sample illustration, and if the number of nuclear plants continues to increase to many hundreds, or even a 1,000, then the deaths to future generations from cancer and genetic effects would multiply in geometric progression to hundreds of millions of people who would die, if Dr. Jordan is anywhere at all near correct in his calculations and prediction.

I can only conclude that if Dr. Jordan considers this vast number of additional deaths from cancer and genetic effects as "insignificant," as stated in his report, his concern for "future generations" must be colored, if not blinded, by the fact that it is he and his colleagues of the Nuclear Regulatory Commission who have advocated and approved the construction of more and more nuclear plants to generate electricity, notwithstanding their knowledge as nuclear scientists of the inherent danger to the lives and safety of those now living, and to generations yet unborn.

But whatever the true facts may be, I feel that this report in the files of the Nuclear Regulatory Commission, and the information contained therein, should no longer be withheld from the public, for the people are entitled to know.

We can only pray that the leaders of our Nation will consider all of the facts carefully, in the very difficult decisions they must make in their search for alternative and renewable sources of energy, and that they and all of us will be led by divine providence in making the right decisions, for the safety and welfare of all mankind.

FREE TRADE MYTH

(Mr. NICHOLS asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. NICHOLS. Mr. Speaker, last year the Alabama textile industry lost more than 3,000 jobs amounting to nearly $50 million in payrolls. Many of these jobs were lost not because of a decline in demand for Alabama textiles and garments but due to unfair competition from foreign produced products.

In recent weeks we have read a great deal about the Tokyo round of international tariff negotiations and what the outcome will mean for American industry. For the RECORD I would like to submit this article entitled "Free Trade Myth" by Mr. Donald Comer, Jr., chairman of the board of Avondale Mills. I believe the article summarizes the problems faced by American manufacturers and why our trade representatives must not buckle to the pressure of our foreign competitors.

FREE TRADE MYTH

(By Donald Comer, Jr.)

Several years ago the Japanese people were rioting because Japanese television sets were being sold in New York City $200 cheaper than they could be bought in Tokyo. This certainly had all the earmarks of a dumping procedure being used to penetrate the American market.

Today we are reading the news that Zenith Radio and Television Corporation is moving one-half of its television production facilities from Pennsylvania to Taiwan and Mexico. American competitors began moving their manufacturing facilities offshore to low-wage countries five or more years ago. As a result, American workers are left with the minor job of assembling imported parts. Zenith, the last hold out, is being forced into overseas manufacturing in order to stay in business. This is a situation that at a critical time could lead to a cartel control action similar to the one we were faced with when OPEC nations knew they were in the driver's seat as a major supplier of our energy requirements. The Zenith action eliminates five thousand American jobs. It is receiving a lot of publicity because it happens at a time when the country is very much concerned with unemployment figures.

One official, reporting to the President, stated profoundly; "It is to the nation's advantage for industry to switch from products where they're at a competitive disadvantage to those where they have a competitive advantage." There are millions of Americans looking for such opportunities day and night; some eager to enter business—some in highly successful businesses; others in business who are trying desperately to find a profitable item to replace current losses. There are many more people and countries around the world looking for chances to develop situations in which they have a competitive advantage in our market. They have the help of low interest loans from The World Bank and in some cases direct financial aid from our government.

Unfortunately for Americans, most of the situations described by the official relate either to:

A. Items that employ relatively few people (where style and ingenuity continue to enjoy well-paid popularity around the world).

B. Farming, where we are competitive in world markets (but not suffering for additional production).

C. The airplane and weapons manufacturing industry, where we have a competitive advantage because they are heavily subsidized by our government, which pays the extremely high cost of research and development of this highly sophisticated industry. At this time we don't believe there is a need for additional production and certainly hope not. Any major change would probably be one of distribution and not expansion.

Americans initiated the choice of a controlled economy at the bottom of the depression in the early 1930's. Today we regulate our minimum wage, our interest rates, use of our national resources, health standards, product performance and hundreds of other programs that add more cost to everything we produce. We hope most of these programs have contributed to a better life in America. But there is no way we can continue to absorb these additional costs to the production of life's necessities in this country and at the same time allow dumping from unregulated sources into our market or unrestrained imports from low-wage countries. Free trade can be practiced in free and unregulated markets or in markets where everyone is working under the same regulations, such as our American market. But there is no such thing as free trade in the world markets as they exist today. Each nation, no matter how it is labeled, seems to have a trade policy that is tailored to its benefit. Trade among nations is beneficial to all concerned and should be encouraged. We should share our markets with undeveloped and less fortunate neighbors, but not to the point where we become dependent on foreign sources for life's necessities and obliterate basic American industries. The millions of jobs they supply are the lifeblood of our economic survival. An unemployed American is not only a heavy drain on the economy but a poor customer for American-made as well as imported merchandise.

A TRIBUTE TO BIRD SUMNER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. MCDADE) is recognized for 10 minutes.

Mr. MCDADE. Mr. Speaker, recently the Robert Packer Hospital in Sayre, Pa., dedicated their new Guthrie Clinic, a significant forward step in making the Robert Packer Hospital an even more powerful force in the drive for better health care in northeastern Pennsylvania. At that ceremony, appropriate notice was taken of the many contributions of the former chairman of the board of trustees at Packer. Mr. Bird Sumner. That recognition took the form of the redesignation of the former clinic building as the Bird Sumner Administration Building. In doing so the friends and official family of the Robert Packer Hospital have recognized the tremendous accomplishments of one of its greatest supporters.

Bird Sumner, the 20th chairman of the board of trustees of the Robert Packer Hospital and the Robert Packer Hospital School of Nursing, passed away quietly on May 17 after an extended illness.

During Mr. Sumner's 23 years as a member of the board of trustees, he provided outstanding leadership during periods when the hospital faced many and varied challenges. As the years passed, decision which increased the services of the hospital were first challenged, then analyzed, but always enthusiastically supported by Mr. Sumner. His ability and willingness to face problems squarely and deal with them decisively has made an impact on the growth and development of this medical center which will be felt by generations yet unborn. Mr. Sumner dedicated his life to the betterment of health care for everyone and supported this ideal by giving untiringly and unselfishly of his time, services, and resources.

In November 1966, he was elected president and later chairman of the board, a position in which he assumed the leadership of the building fund drive for the Patterson Education Building. The completion of the medical center's new multimillion dollar hospital facility was spearheaded by Mr. Sumner's total commitment and dedication to excellence in patient care.

Born and educated in East Smithfield, Pa., he graduated from Sayre High School and the Wharton School of Business of the University of Pennsylvania. He served as a member, director and

organizer of many valley business firms, and in 1967 was honored as the valley's outstanding civic leader. During his 41 year insurance career, he became a chartered property casualty underwriter, and until his death was president of Bird Summer Agency, Athens, Pa.

Mr. Sumner, the loving and concerned husband of Helen, the devoted father of Beth, Sylvia, and Gary, an outstanding civic, church, community and fraternal leader, will be deeply missed by everyone touched by his life.

TRUTH-IN-LENDING SIMPLIFICATION BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. CORCORAN) is recognized for 5 minutes.

Mr. CORCORAN of Illinois. Mr. Speaker, today I have joined my colleague. GARRY BROWN of Michigan, in cosponsoring a bill to simplify and improve the Truth-in-Lending Act. The need for improvement and simplification of the Truth-in-Lending Act, which became law in 1968, has been well documented by several congressional and agency studies, most notably the third report of the Committee on Government Operations, entitled the "Truth-in-Lending Act: Federal Banking Agency Enforcement and the Need for Statutory Reform."

Simplification of truth in lending means, first, benefits to consumers by reduction in the amount and complexity of information on the disclosure statement so that what is provided is more meaningful; second, benefits to creditors by making the content of the regulations which describe requirements for lenders more succinct, thereby facilitating compliance; third, better judicial enforcement by reducing litigation, especially where suits are based on technical violations which cause no actual injury; and fourth, better and easier administrative enforcement, including a reduction in the cost of that enforcement. All these goals must be pursued.

I noted recently that several of the agencies responsible for truth-in-lending enforcement issued a joint notice of proposed statement of enforcement policy. This inter-agency coordination is commendable; however, this joint statement contains reference to one of the continuing truth-in-lending problems, that of having to deal with both substantive and hypertechnical violations. It states, "It is administratively impossible to fashion an appropriate remedy for every type of violation." This is one area in which congressional action to simplify the act can contribute greatly.

The key points of the Brown-Corcoran bill are:

Substantial simplification of the disclosures required on a truth-in-lending form, limiting the provisions to those that actually affect comparative credit shopping.

Limit on creditors' civil liability to only major substantive violations of the Truth-in-Lending Act.

Enhanced administrative enforcement through civil penalties and cease and desist orders by agencies, including clarification of the authority to require restitution in cases no more than 1 year old.

Provisions for creditors to correct errors in truth-in-lending statements within 30 days of discovery, with restitution of overchargers.

Provisions for the Federal Reserve Board to issue model forms and clauses, protection for creditors from liability for reliance on such forms and clauses or Federal Reserve Board interpretations, and a limitation on civil liability in cases of substantial compliance. I hope that this bill will receive quick action by the House Banking, Finance, and Urban Affairs Committee in order that it might solve some of the serious problems caused by the Truth-in-Lending Act.

SECRETARY ADAMS' DECISION ON LOCATION OF AMTRAK HEAVY EQUIPMENT REPAIR FACILITY BASED ON FACTS, NOT POLITICS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Delaware (Mr. EVANS) is recognized for 5 minutes.

Mr. EVANS of Delaware. Mr. Speaker, on November 2, I brought to the attention of the House, the pending decision by Secretary of Transportation Brock Adams regarding the location of the Amtrak heavy equipment repair facility for the Northeast Corridor. At that time, I, along with other Members of the House from the Delaware Valley area expressed concern regarding the political implications of the decision which faced the Secretary, namely, to locate the facility in Wilmington, Del., or build a new facility in Readville, Mass.

I am pleased to inform the House that the Secretary of Transportation, in a November 21 news conference indicated that no new facility would be built in Readville, thus insuring a continuing operation in Wilmington. For the past several months, 700 families have anxiously awaited that decision, and I can tell you that because of the Secretary's announcement, their Thanksgiving was far more enjoyable than any had expected it to be.

As I said before, I was confident that if the decision was made on merit and not politics, Wilmington would come out ahead. That decision has been made, and it has obviously been made on the basis of the facts. I want to commend both President Carter and Secretary Adams for this courageous decision, and I also want to express my deep gratitude to the many Members of Congress, including Congresmen BAUMAN, EDGAR, FLORIO, HUGHES, KOSTMAYER, LEDERER, SCHULZE, and SHUSTER for their help and assistance in this matter which affects the entire Delaware-Pennsylvania-New Jersey-Maryland region. My special thanks also go out to the entire Pennsylvania delegation for their very effective letter to the Secretary on this crucial matter.

I am convinced that the bipartisan effort by all of us on this matter brought to public light this crucial decision and insured that it was made on the basis of facts and not politics.

PROBLEMS OF VIETNAM-ERA VETERANS

The SPEAKER. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, I have become increasingly concerned with the many problems our Vietnam-era veterans are having in utilizing the benefits that were promised to them. I have received many letters from men and women who have served in the various service branches who advise me that they did not know of the benefits they were entitled to, or for various reasons, were unable to take advantage of them in the time limits established.

I realize, of course, that we cannot extend benefits indefinitely, but I do feel that we should offer these veterans every opportunity to use them. I am specifically referring to the delimiting date for using the GI bill. It is unfortunate that the major tool to help the veteran get ahead has a deadline, but, as the Veterans' Affairs Committee has pointed out, it would be too costly to change this. So today I am proposing a bill that would establish a low-interest loan program for veterans who, for whatever reason, were unable to take advantage of the GI bill. Since the loans would have to be repaid, cost would not be a factor. Loans do now exist for veterans within the delimiting period and my bill would extend it to those who have passed this date.

The rate of the loan would be the same as the lowest prevailing rates for Federal educational loans available from HEW, which is currently 7 percent. The terms for repayment would be negotiated, but the limit would be 10 years and the terms would be based on the veteran's assets and income.

Those eligible for this loan program would be veterans who served from August 4, 1964, to May 7, 1975, and, of course, did not use up their GI bill. There would be a formula to determine the amount of the loan, and a veteran could be eligible for a loan for a maximum of 45 months. If a veteran has not used any of his GI bill, he would be entitled to a loan for the entire period times the rate he would be entitled to based on dependents. For those who had used part of their GI bill, their loan would be for 45 months times the appropriate rate minus the amount which had already been used. In this way, no veteran would be eligible for more than he would have received if his delimiting date had not expired.

The official dates of the Vietnam conflict were 1964–75, so these dates are used to be sure to include anyone who served during this conflict. These men and women who served in America's most unpopular war deserve an extra helping hand as they find themselves unable to locate employment because of our current economic situation. This loan

program will give them an extra opportunity to achieve their goals. This is the least we can do for those who willingly gave so much for their country.

TEXAS VOTERS CONDUCT EFT MARKET SURVEY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, for more than a year I have pointed out that many financial institutions across the country are rushing into electronic funds transfer systems, the so-called electronic banking or cashless society, without conducting market surveys to determine whether or not consumers want this new type of banking.

As chairman of the Consumer Affairs Subcommittee, I have found that there is little interest in EFTS and, in fact, many consumers are deeply concerned about the security, privacy, and consumer protection of EFTS.

For those financial institutions that have not done market surveys, they should look closely at the results of a vote on a constitutional amendment in Texas earlier this month. The voters of that State rejected by a 62 to 38 percent margin a proposed constitutional amendment that would have allowed banks to have off-premise EFT facilities. In commenting about the outcome of the vote, Samuel Kimberlin, Jr., executive vice president, Texas Bankers Association, noted that, "If people did not vote for EFT, they are not going to use it." The financial community has hailed EFT as the greatest invention since sliced bread and Monday night football, but while consumers still love tasty sandwiches and Dandy Don and his friends, they have shown no interest in EFT.

The Texas vote should cause many financial institutions to take a closer look at EFT before spending millions of dollars on a program that will not work.

FOUNTAIN SUBCOMMITTEE INVESTIGATES MANAGEMENT OF FEDERAL HEALTH RESEARCH GRANTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. FOUNTAIN) is recognized for 5 minutes.

Mr. FOUNTAIN. Mr. Speaker, questions have been raised recently about the manner in which universities and other institutions that receive Federal grants and contracts for the support of research are supervising the expenditure of these funds. In this connection, recent investigations made by Federal auditors in response to specific complaints have documented the misuse of research money, as well as poor accountability practices, at a number of institutions including Harvard and Georgetown Universities and the Eppley Institute.

Mr. Speaker, I find these reports very disturbing. The Intergovernmental Relations and Human Resources Subcommittee, which I chair, studied the administration of NIH's health research programs very intensively during the 1960's and made a series of recommendations for improving efficiency and accountability in this very important area. The recent audit disclosures are particularly disturbing because they suggest that the management reforms instituted as a result of the subcommittee's work may not have endured.

In order to determine the extent of this problem, the subcommittee plans to follow up on its earlier work. This will involve both a review of Federal agency management practices and the role of recipient institutions in assuring that Federal funds are used properly for their intended purposes. In this latter connection, I have asked the Comptroller General and the Director of the HEW Audit Agency to work closely with the subcommittee in the design of institutional audits. Our study of NIH grant management, I should note, is actually an extension of the subcommittee's ongoing review of the national cancer program.

Mr. Speaker, the November 25 issue of the prestigious publication Science contains a very informative and perceptive article by Deborah Shapley on the subject of research management in universities and other institutions that receive Federal support. I am appending her article for the information of my colleagues:

RESEARCH MANAGEMENT SCANDALS PROVOKE QUERIES IN WASHINGTON

The world of federal grants and contracts to universities, hospitals, and other research institutions, long thought to be self-regulating, is coming under intense scrutiny in Washington these days. An increasing number of government agencies, from Congress' General Accounting Office (GAO) to various elements of the Department of Health, Education, and Welfare, including the National Institutes of Health (NIH), are looking at how government research funds are actually spent at recipient institutions. The activities under examination range from out-and-out fraud to routine fudging of accounts, a practice that violates federal rules but that seems, nonetheless, to be common.

So, more and more congressional staffers and Executive Branch officials are learning the not-too-thrilling details of "time and effort reporting" and "monthly certification" and other features of the current system of managing federal funds for science. Rules and practice, however, diverge often enough that one official likens such study to "playing with Jello." But he and other officials, such as Representative L. H. Fountain (D-N.C.), are deeply concerned that this morass may conceal violations of peer review, not to mention strict accounting procedures.

Fountain's alarm is an important bellwether, because, as chairman of a Government Operations Committee subcommittee, he launched in the 1960's one of the most thorough and probing investigations Congress has ever made of how research moneys, particularly those of the NIH, are spent. His committee found considerable waste and mismanagement at that time and developed revised procedures aimed at cleaning things up. But recently Fountain told Science, "I am concerned that the reforms we accomplished in the 1960's may not have endured." The subcommittee's belief that granting institutions, together with government audits, have been adequately policing the system "may be illusory." Fountain says his staff is undertaking a major follow-up of its earlier work.

The issue has surfaced in the last year in Washington largely because of two incidents. One occurred at Harvard (Science, 23 September) and involved Phin Cohen, an assistant professor of nutrition who alleged that he had been made to sign blank forms vouching for how his NIH grant moneys had been spent, while the Department of Nutrition at the School of Public Health filled them in with unrelated items and forwarded them to the government. Not only did NIH investigators find the Cohen allegations true, but they found serious accounting problems in two other Harvard grants that they examined. NIH asked Harvard to pay back $132,349 to compensate for misspending on all the grants. HEW auditors are now beginning an audit of all federal funds—which total some $400 million—Harvard receives.

The second incident, which may have aroused the Secretary of HEW, involved the Eppley Institute in Omaha, Nebraska, which has received more than $18 million in funds from the National Cancer Institute to test chemicals for carcinogenicity. According to GAO investigators, whose report is about to be published, between 1973 and 1976 Eppley's contracts with NCI have been extended without using normal procedures. For example, some 11 projects, some of which had already begun, were approved with only a verbal say-so from NCI. Moreover, some 50,000 laboratory animals, bred at a cost of $1.75 apiece, turned out not to be employed in Eppley's research and apparently were destroyed. Finally, some of the equipment, materials, and animals the government paid for were used for Eppley's industrial research contracts according to GAO. The Eppley situation has suggested to several observers that some bending of the rules has been overlooked by NCI officials, because Eppley's director is Philippe Shubick, a member of the President's National Cancer Advisory Board, which has oversight responsibilities for the NCI.

[Eppley's Associate Director, Phillip Issenberg, told Science that Eppley had always "done what we were told to do by NCI" in renewing its contract. As for the 11 projects, "We did not have the good sense to put their response in writing." The misuse of equipment was minimal, he said, and the animals destroyed for good reasons. But he admitted that Eppley could have been more careful in having bred 78,000 animals of which only 27,000 were used in experiments. Eppley's NCI contract is currently up for renewal.]

It should be noted that no one is alleging—even in the most serious cases discovered so far—that scientists are using federal grant and contract moneys to buy mink coats, yachts, or private jets. But a number of important officials and groups are asking whether research funds are actually used the way that Congress and the Executive Branch think they are. Among the current inquiries are the following:

Representative Fountain's Subcommittee on Intergovernmental Relations and Human Resources plans to follow up its earlier investigation by looking at, in Fountain's words, "the quality and effectiveness of research grant administration, including peer review," for the research supported by NIH, HEW, the Department of Agriculture, and the National Science Foundation. Fountain says he will hold hearings "in the first half" of 1978, but he has already asked the GAO to gather information on grant and contract management practices in the course of its other investigations of university and research institution matters. GAO, also at Fountain's request, is beginning an examination of how research funds have been spent

at a single school, in this case the University of Rochester Medical Center. Fountain happened to pick Rochester because it receives support from several federal agencies and because recent federal audits of the school appeared inadequate.

In an unusual move, HEW Secretary Joseph Califano has ordered the HEW Audit Agency to review all NCI contract awards, a review which is now under way and which is also of interest to the Fountain subcommittee, because it has been reviewing NCI's programs.

Califano also issued a directive on 18 May "aimed at eliminating waste, abuse, and mismanagement" from HEW's vast grant and contracts budget which totals $7 billion. The directive followed some ad hoc investigations by the office of the assistant secretary for management. It includes NIH which has only $2 billion of HEW's total grants and contracts budget.

The directive requires even, quarterly distribution of funds to end the "bunching" of funds distribution in the last month of the fiscal year, stricter accounting on sole source contracts, more training for contract officers, and other changes in departmental procedures.

The GAO has just published a self-initiated review of the adequacy of HEW's audits, including its auditing of research money. High-level HEW and NIH officials all rely on HEW's auditors to inform them of what is really going on out in the research institutions where the money is spent. But it is obvious, as GAO has concluded, that HEW's group of auditors is inadequate to the task. According to previously published GAO figures, HEW in fiscal 1976, had only 937 auditors to ferret out problems in the spending of a departmental budget of $128 billion.[1] (The Department of Defense, by comparison, has more than 6200 auditors looking after expenditures of $93 billion.) One question the new GAO study has asked is whether the types of audits performed in the past by HEW have been likely to turn up the sort of problems that have come to light at Harvard and Eppley. The answer seems to be that the auditors have been so busy looking at systemwide aspects of an institution's accounting that they rarely learn the fate of moneys awarded to a single investigator, such as Phin Cohen.

The Office of Management and Budget (OMB) of the White House has been reviewing the inconsistencies in the rules which different federal agencies promulgate in requiring accounting for their money from colleges, universities, and other research institutions. OMB is reviewing suggestions from HEW as well as the universities, represented by a committee of the National Association of College and University Business Officers (NACUBO).

Finally, NIH's 13-member internal investigative unit, bearing the innocuous title of Division of Management Survey and Review (DMSR) continues to look into allegations (received from higher-ups, program officers, and even anonymous letters) of wrongdoing and fraud in the spending of NIH money. The DMSR was the group that investigated the Harvard scandal. It also made a major investigation of another scandal in which a scientist, Leonard Hayflick, allegedly sold human cell cultures developed with federal support to other groups and institutions at a profit of $67,000, and he also held sales contracts potentially worth $1 million (*Science*, 9 April 1976).

[1] HEW supplements its own audit staff by contracting out for an additional 2000 man-years of work every year. This brings its total audit staff capability to approximately 3000, which is still half of the number of auditors available to the Defense Department.

Like any police file, many DMSR reports (which are available under the Freedom of Information Act) make for chilling reading. Others obviously exonerate researchers or their institutions from charges. But the range of problems which the DMSR turns up is probably significant.

One case involved the American Institutes for Research (AIR), in Washington, D.C., a nonprofit organization that does behavioral and social science research. An AIR single investigator was responsible for a 5-year grant totaling some $200,000 from the National Institute of Mental Health for work on abortion and unwanted children. He also received support from the National Institute of Child Health and Human Development and the Ford Foundation. According to the DMSR report, the investigator falsified invoices to the government to payments for consultants for the project who were in Czechoslovakia and who allegedly would be persecuted by their government if they were paid directly.

But instead of forwarding the payments to the consultants, the investigator deposited them in bank accounts in Prague, Geneva, Bethesda, Maryland, and Washington, D.C., until they totaled more than $100,000 and had earned approximately $12,000 in interest. DMSR, as it does in such cases, referred the matter to law enforcement authorities and the Internal Revenue Service.

Now, 2 years after the first DMSR report on the matter, the investigator has convinced the authorities that the consultants really existed and did work on the study. The U.S. District Court of the District of Columbia has approved a trust agreement for the disposal of the money to any Czechs who can be proved to have earned it. AIR, which discovered the problem in the first place and brought it to the government's attention, also fired the investigator.

Another case involved two researchers at Brandeis University who got a grant from the National Institute of General Medical Sciences. Afterwards, the DMSR alleged, the researchers departed for Israel, and apparently took with them some $6000 worth of equipment bought with NIGMS funds. The DMSR recommended that the cost of the equipment and part of their salaries be repaid to the government.

Other DMSR reports discuss situations in which institutions submitted identical applications to different parts of NIH, or investigators charged their salaries to the wrong accounts, and other cases caused as much by snarled red tape as by deliberate intent to monkey with the system.

RECORDS ROUTINELY FALSIFIED

One question which officials in the GAO, HEW Audit Agency, and DMSR are asking themselves these days is how typical are cases of outright fraud. Admits the Deputy Director of NIH, Thomas E. Malone, "I personally don't know what's going on out there. I have to rely on the reports we get from our auditors. I don't have personal knowledge of widespread abuse," Malone told Science. "But if there is a belief that there is widespread abuse then the burden is on us to get to the truth of the matter."

But while searching for the truth about fraud, officials may stumble on a less glamorous, but probably very common practice, namely, the "pooling" of funds from different grant and contract accounts, and charging of salaries, equipment, and materials to whatever account has plenty of money at any given time. In audits and other federal reports, the practice shows up in a variety of guises: as "late fund transfers," poor "time and effort reporting," or "inaccurate monthly certification." There seems to be some consensus among government auditors and investigators that this practice is widespread, violates federal guidelines, and involves, ultimately, the spending of taxpayers' money for other than the originally intended purposes. As such, the problem of pooling may become as big an issue as the Harvard or Eppley incidents in the forthcoming Washington investigations.

What happens is this. A researcher applies for a grant—often for several grants—and accompanies each proposal with specific statements about the staff time, equipment, and percentage of his or her own time that will be allocated to the project. The grant application is reviewed by the researcher's peers on the same assumption, namely, that the project is a discrete entity and will be performed as stated in the project plan. An OMB regulation—known to the cognoscenti as FMC 73-8J-7(d)—requires that the investigator certify after the fact, on a monthly basis, how the money was actually spent. There is also a requirement that the institution which employs the researcher file annual reports of expenditures containing similar information. And in the vast majority of cases, the investigator, and his institution, certify that the money was spent in accord with the original research plan. So the system runs along, ostensibly smoothly, with everything properly accounted for.

But what sometimes really happens is that the scientist is juggling his time among several different grants and contracts, not to mention teaching, administration, travel, and in some cases, patient care. So are his colleagues, technicians, and students. The result is that his own operation, as well as the larger entity in which he works—be it his laboratory, department, school, or hospital—resembles a many-ringed circus, with myriad activities going on simultaneously.

The financing of and accounting for these activities is equally complex, and even obscure. Money starts and stops coming in to the department, or laboratory, at irregular intervals. Some accounts are fat with extra funds; others are lean considering the work they are supposed to support. Sometimes a project's funds arrive at the university right when the work begins; often, however, the funds arrive months after work has started.

So the scientist, if he also acts as the administrator of several such grants and contracts, or his department head, or his departmental business officer, resorts to the practice of charging salaries, supplies, equipment, and other things to whichever accounts seem most convenient at the time. This is done, people say, regardless of whether the costs were incurred for the account charged.

Finally, to make life simple again, the scientist, or the business officer, or whoever handles the accounts, certifies to the government in the monthly statements (which are meant to be signed by someone with direct knowledge of the project's progress but often are not) that the money is being spent in accordance with the original project plan. This then, is the practice called pooling by which institutions gain some freedom from government accounting rules but still keep relations with their federal sponsors running swimmingly.

Following up on descriptions of this practice by government auditors and investigators—who generally referred to it as their biggest problem and even claimed it might occur in 50 to 70 percent of *all* government research grants and contracts—*Science* contacted three senior principal investigators. One was the director of a major university laboratory; another had participated in biomedical work at two prominent university teaching hospitals. A third was a history professor at a leading East Coast institution. All of them admitted that such pooling and shuffling of funds among accounts was common practice. One even ventured that some-

times as a result, a project can be so deprived of money that the work it was to support never gets done!

LAWBREAKING OR NEEDED LEEWAY?

Opinions on the significance of this practice vary depending on whom one talks to. A high OMB official was angry on learning that both auditors and scientists say the practice is widespread. "Any false certification to the federal government about the expenditure of federal funds is inexcusable," he said. "That amounts to making false claims to the government for funds, and there are statutes that punish it." But he admitted that the certification rule, FMC 73-8J-7(d), leaves enforcement up to the agency that sponsors the research.

By contrast, a veteran program officer at NIH defended aspects of the practice as it applies to grants. He noted the long belief on the part of researchers, and of some people in government, that a grant is a gift, and that strings attached to how grant money should be spent should be loose.

This official warned that "business-oriented officers" in NIH, however, might not be sympathetic to such practices.

Fountain, while not commenting on pooling as such, stated that any application of funds for purposes other than the approved project undermines peer review. He told Science:

"There is an important basic connection between the peer review process for selecting research projects and the proper use of research funds within grantee institutions. If grant money is spent for purposes that are outside the approved project, the integrity of the peer review process is undermined and further, unsuccessful grant applicants may not have received equitable treatment."

A third, and highly significant reaction was that of the principal investigators themselves, who complained bitterly that they were teachers and thinkers, not CPA's. "There is an enormous mismatch between federal policy and university habits here," explained one. "We in universities can't say whether we have spent twenty-two and one-half percent of our time on this or that. Yet the government is trying to buy research the way it buys missiles, or the way you buy safety pins or diapers."

Federal auditors are well aware of this attitude, and say they have been hearing such protests for 10 years and more. Says one experienced audit official: "There has never really been a meeting of minds between the federal government and the academic community, the professional staff who manage the funds, as to what . . . they commit themselves to provide in return for research support. The academic community looks upon the effort to identify the amounts of effort spent on each contract and grant as so much unwanted interference."

It is doubtless true that there are some time-honored questions here concerning proper accountability relationships between the federal government and academic science. But in coming months, it looks as though Congress and some "business-oriented" executives of the federal government will be looking at the question of accountability in its most literal sense.

PARTY TO CHEER DISABLED AND NEEDY CHILDREN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. ADDABBO) is recognized for 5 minutes.

Mr. ADDABBO. Mr. Speaker, for years one of the New York area's most beloved newspaper columnists has been sponsoring a Thanksgiving party for homeless, handicapped, and needy children. This year, New York News columnist Walter Kaner celebrated his 25th annual party for the needy tots. Everyone had a good time, as usual, and no one enjoyed the good deed more than Walter. To me, he expresses much of what is good about New York, and I would think my colleagues would benefit from reading about him. I insert the newspaper article of November 20 into the RECORD.

PARTY TO CHEER DISABLED AND NEEDY CHILDREN

Some 700 homeless, handicapped and needy children are happily looking forward to this Tuesday when they will attend the 25th annual Thanksgiving party sponsored by News columnist Walter Kaner.

The party will be held from Noon to 4 p.m. at Antun's in Queens Village for youngsters from more than 20 hospitals, orphanages and health and welfare agencies in a five-county area.

The youngsters, many in wheelchairs and on crutches, will be presented with toys, party hats, games, balloons, comic books and other gifts. In addition the children will be treated to hot dogs, hamburgers, soft drinks, ice cream, cotton candy, fruit and cookies.

Long Island business firms are helping making it a joyous day for the children by donating the gifts and refreshments.

During the party the youngsters will be entertained with a two hour show featuring popular children's performers. Two bands will also provide continuous music.

On hand to entertain the youngsters will be television clown Ronald McDonald; "Cowboy Joe" Phillips of Lake Ronkonkoma with his gun tricks and performing dogs; "The Magic Clown" portrayed by Doug Anderson, Garden City magacian; Jay Green, juggler and unicyclist: "Pete the Tramp" played by Peter Kazlaukas of Glendale; and clowns from the Shriners Kismet Temple in New Hyde Park.

A jovial Santa Claus, in the person of Lucky Squires of Ridgewood, will welcome the youngsters and present them with gifts. Music will be provided by Dinney Dinofer and the Noblemen Orchestra and Vince Mondi and his one-man band.

The ballroom will be decorated with a colorful Thanksgiving setting by Gertz Department Store and a large Christmas tree decorated by Frank Lazzaro of Richmond Hill will be on display.

Mrs. Beverly Weintraub of Floral Park is serving as party chairlady, as she has for more than 20 years. Assisting her are Saul Saveth of Bayside, Billie Eliot of Rego Park, Mary Winters of Cedarhurst, Betty Banks of Jackson Heights and Dan Hofmann of Antun's staff.

Approximately 100 volunteers, including members of the Knights of Pythias, Montessori Lodge, and students from Archbishop Malloy High School, will assist at the party. Volunteers will be at Antun's tomorrow night preparing for the party and setting up a floor-to-ceiling display of toys.

During the past 25 years, Kaner has entertained more than 57,000 children at his parties. The columnist, who also states a summer outing to Rockaways Playland amusement park, has been cited by more than 25 organizations for his efforts in behalf of children.

Among those contributing toys for the party are the Ideal Toy Co. of Hollis, Aurora Plastics of Hempstead, the N. Telephone Co., Retail Food Clerk's Union. Local 1500: International Production, Service and Sales Employees Union, Uneeda Doll Co. and Mego Toys.

Comic books and children's books are being donated by the Marvel Comics Group and Dell Publishing Co. while balloons, buttons and novelties are being provided by Columbia Advertising of Jamaica and the Toy Balloon Company. Party hats are being contributed by the B C Advertising Corp. of Hewlett.

Pathmark Supermarkets, the Royal Lancer Restaurant, Lake Success, and Marathon Enterprises and Concourse Provisions are providing hot dogs and hamburgers for the party with soft drinks donated by Pepsi-Cola Metropolitan Bottling Co. of Long Island City.

Ice cream is being provided by the Sedutto Ice Cream Co., Staten Island with potato chips and pretzels donated by the Lorenz-Schneider Co., New Hyde Park. Candy is being supplied by Barrinini Candy Co. and Irving Schlein of Jamaica Estates with the ITT Continental Baking Co. contributing Twinkies and party novelties.

Andrew Woskiwiak of Howard Beach will be present with his cotton candy machine, there will be bubble gum of the kinds donated by James Pasta of Woodhaven and party goods and favors donated by Thermo-Form Plastics.

Also contributing to help stage the party are Jerry Fox of Pathmark Supermarkets, Stanley Shapiro of the Royal Lancer Restaurant, Robert Roberts of Flushing, the King Broder Talent Agency, Sidney Spielfogel of Inter-State Cigar Corp. and Frank and John Antun who donate the party site facilities.

Music for the party is provided through courtesy of the Music Performance Trust Fund of Local 802, American Federation of Musicians.

LEGISLATION TO CREATE THE INDIAN PEAKS WILDERNESS AREA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado (Mr. WIRTH) is recognized for 5 minutes.

Mr. WIRTH. Mr. Speaker, on November 8, 1977, I introduced the following bill which I wish to include in the RECORD for the purpose of informing my colleagues as to its substance.

H.R. 10068

A bill to create the Indian Peaks Wilderness Area in the Arapaho and Roosevelt National Forests in Colorado and to authorize the Secretary of the Interior to study the feasibility of revising the boundaries of the Rocky Mountain National Park

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That an area of land within the Arapaho and Roosevelt National Forests in Colorado comprising approximately seventy-four thousand eight hundred and fifty acres (as generally depicted on a map entitled "Proposed Indian Peaks Wilderness Area and Proposed Study Area Boundaries for Rocky Mountain National Park", dated July 17, 1977) is hereby designated for purposes of the Wilderness Act (16 U.S.C. 1131-1136) as a wilderness area and shall be known as the Indian Peaks Wilderness Area.

SEC. 2. The Congress finds and declares that it is in the national interest that the Indian Peaks area be designated as wilderness within the National Wilderness Preservation System, in order to preserve this area as an enduring resource of wilderness which shall be managed to promote and perpetuate the wilderness character of the land and its specific multiple values for watershed preservation, wildlife habitat protection, scenic and historic preservation, scientific research and educational use primitive recreation, solitude, physical and mental challenge, and inspiration for the benefit of all of the Ameri-

can people of present and future generations.

SEC. 3. As soon as practicable after the date of enactment of this Act, the Secretary of Agriculture shall file a map and legal description of the Indian Peaks Wilderness Area with the Committee on Energy and Natural Resources of the Senate and the Committee on Interior and Insular Affairs of the House of Representatives and such description shall have the same force and effect as if included in this Act, except that correction of any clerical or typographical errors in such map and description may be made. Such map and description and the map referred to in the first section of the Act shall be on file and made available for public inspection in the office of the Chief of the Forest Service of the Department of Agriculture.

SEC. 4. The Indian Peaks Wilderness Area shall be administered by the Secretary of Agriculture in accordance with the provisions of the Wilderness Act, except that any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this Act.

SEC. 5. (a) The Secretary of the Interior (hereinafter referred to in this section as the "Secretary") shall make a comprehensive study evaluating the feasibility and desirability of revising the boundaries of Rocky Mountain National Park to include the Indian Peaks Wilderness established by the first section of this Act and all or part of additional areas designated as "park study" on the map described in the first section of this Act.

(b) The Secretary shall submit to the President and Congress no later than two years after the date of enactment of this Act a report of his findings and recommendations accompanied by—

(1) a plan for the administration of the park study area, including the Indian Peaks Wilderness, indicating proposed boundaries, access or other roads, visitor facilities if any, and proposed management options applicable to the area and their impact on the factors listed in subsection (c) of this section;

(2) a statement of the estimated Federal cost for acquisition, development, and operation of such area;

(3) a coordinated study plan developed after consultations with the Forest Service of the Department of Agriculture regarding compatible management of adjacent Federal lands including assessment of offsite transportation, economic, and social impacts on landowners and local governments; and

(4) proposed legislation for establishment of such revised park boundaries.

(c) Both the Secretary's findings and conclusions regarding revision of the boundaries of Rocky Mountain National Park and the plan for administering that area shall be developed after consultations with the Forest Service of the Department of Agriculture, and with State and local political subdivisions which may be affected, and shall take into consideration, at a minimum, the following:

(1) environmental preservation of the area;

(2) State and local economies;

(3) the natural, historical, cultural, scenic, and geologic environment;

(4) the management and protection of fish and wildlife habitats and resources;

(5) the management of timber, grazing, mineral, and other commercial activities;

(6) the occupancy of existing homesites, campsites, commercial and public recreation enterprises, and other privately owned properties and their future development;

(7) the environmental impact on counties and local communities; and

(8) the interrelation between recreation areas, wilderness areas, forest and parklands.

(d) There are hereby authorized to be appropriated not more than $100,000 in the fiscal year ending September 30, 1979, and $100,000 in the fiscal year ending September 30, 1980, to carry out the provisions of this section. The Secretary may use up to 10 per centum of the funds authorized to be appropriated to support local participation in the preparation of the study and plan.

A TRIBUTE TO SENATOR JOHN L. McCLELLAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey, (Mr. RODINO) is recognized for 5 minutes.

Mr. RODINO. Mr. Speaker, in the House and of course in the other body, and on both sides of the aisle, the passing of Senator McCLELLAN has left a deep, shared sense of loss.

The Senator from Arkansas and I, of course, could differ profoundly on many issues of common concern, but the Senator was always a man of grace, a man of wisdom, and a man of decency.

It was my privilege to work very closely with the Senator on numerous occasions and I had come to regard our relationship as a special one and in many ways a very personal one. Mr. Speaker, the Senator's impact on the development of Federal statutory law, of course, is enormous and will continue to be felt in the years ahead. But it is the personal loss, the loss of a decent gentleman that we mourn today.

To Senator McCLELLAN's wife and to his family, I wish to extend my deepest personal sympathies.

CONVEYANCE OF TITLE AND OWNERSHIP OF CERTAIN NATIONAL FOREST LANDS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wyoming (Mr. RONCALIO) is recognized for 5 minutes.

Mr. RONCALIO. Mr. Speaker, in 1949, Ben Boschetto, Sr., purchased a small parcel of land in the Hoback Canyon, Sublette County, Wyo.; and began to make improvements on that land. He paid taxes on the entire 3 acres and when his son, Ben Boschetto, Jr., inherited the land, he in turn continued payment of those taxes on a full 3 acres.

Ben Boschetto, Jr., had the land surveyed in 1974 and learned, for the first time, that the legal description of ownership only covers 0.42 acres; and the balance of that property belongs to the U.S. Forest Service. Prior to learning of the legal description, his father had constructed a fence surrounding the 1.27 acres of land with improvements on it.

Today I am introducing a bill which would direct the Secretary of Agriculture to sell to Mr. Boschetto the remaining 2.58 acres not legally owned by him, but which he has improved and on which he has paid taxes.

Mr. Boschetto is willing to pay a reasonable sum to have title to the land, and I ask my colleagues to look favorably on this legislation so that he can finally be allowed to acquire this property. He has tried to do so administratively, but attempts have failed.

THE STATUS OF THE CONGRESSIONAL BUDGET FOR FISCAL YEAR 1978

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. GIAIMO) is recognized for 5 minutes.

Mr. GIAIMO. Mr. Speaker, as called for in the Congressional Budget Act, the House Budget Committee has notified the Speaker of the House on the status of the fiscal year 1978 congressional budget. A copy of my letter to the Speaker and the committee's report are attached at the end of these remarks. I would like to inform my colleagues of the House how the Congress stands with regard to the budget resolution it adopted on September 15.

Since my previous report to the House on November 15, the Office of Management and Budget has released its reestimates of spending for fiscal year 1978. This revision takes into account the most recent information on the economy as it affects the spending rate of Federal programs as well as data made available at the close of fiscal year 1977. Upon receipt of this information from OMB, the CBO and the Budget Committees reviewed these reestimates and have now made the necessary adjustments to the current level of spending.

Therefore, the current level for budget authority, $485 billion, reflects an increase of about $1.3 billion since my last report to the House. This amount is approximately $15 billion less than the appropriate level for budget authority as specified in the second resolution. With regard to outlays, the net effect of reestimates has been a decrease of about $3 billion, resulting in the current level of $454.7 billion. This leaves a margin of $3.5 billion within the outlay limit of the second budget resolution.

Thank you, Mr. Speaker.

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE BUDGET,
Washington, D.C., November 29, 1977.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker, U.S. House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: On January 30, 1976, the Committee on the Budget outlined the procedures which it had adopted in connection with its responsibilities under Sec. 311 of the Congressional Budget Act of 1974 to provide estimates of the current level of revenues and spending. I am herewith transmitting the status report under H. Con. Res. 341, the Second Budget Resolution for fiscal year 1978. This report reflects the resolution of September 15, 1977, estimates of budget authority, outlays and revenues revised through November 28, 1977, and all completed action on spending and revenues measures as of close of legislative business, November 4, 1977.

Sincerely,

ROBERT N. GIAIMO,
Chairman.

REPORT TO THE SPEAKER OF THE U.S. HOUSE OF REPRESENTATIVES FROM THE COMMITTEE ON THE BUDGET ON THE STATUS OF THE FISCAL YEAR 1978 CONGRESSIONAL BUDGET ADOPTED IN H. CON. RES. 341—REFLECTING COMPLETED ACTION AS OF NOVEMBER 28, 1977

[In millions of dollars]

	Budget authority	Outlays	Revenues
Appropriate level	500,100	458,250	397,000
Current level	485,148	454,727	398,068
Amount remaining	14,952	3,523	1,068

BUDGET AUTHORITY

Any measure providing budget or entitlement authority which is not included in the current level estimate and which exceeds $14,952 million for fiscal year 1978, if adopted and enacted, would cause the appropriate level of budget authority for that year as set forth in H. Con. Res. 341 to be exceeded.

OUTLAYS

Any measure providing budget or entitlement authority which is not included in the current level estimate and which would result in outlays exceeding $3,523 million for fiscal year 1978, if adopted and enacted, would cause the appropriate level of outlays for that year as set forth in H. Con. Res. 341 to be exceeded.

REVENUES

Any measure that would result in a revenue loss exceeding $1,068 million for fiscal year 1978, if adopted and enacted, would cause revenues to be less than the appropriate level for that year as set forth in H. Con. Res. 341.

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, D.C., November 23, 1977.

Hon. ROBERT N. GIAIMO,
Chairman, Committee on the Budget, U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to section 308(b) and in aid of section 311(b) of the Congressional Budget Act, this letter and supporting detail provide an up-to-date tabulation of the current levels of new budget authority, estimated outlays and estimated revenues in comparison with the appropriate levels for these items contained in the most recently agreed to concurrent resolution on the 1978 budget.

This report revises my last report, as of November 4, 1977, to reflect reestimates recently developed from review of the 1977 actual budget outcome and the President's November budget revisions. These reestimates result in a net increase in budget authority or $1,286 million and a net decrease of $3,066 million in outlays. The report has also been adjusted to show changes in the status of eleven bills signed into public law since November 4.

[In millions of dollars]

	Budget authority	Outlays	Revenues
1. Enacted	426,381	412,838	398,068
2. Entitlement authority and other mandatory items requiring further appropriation action.	5,184	5,152	
3. Continuing resolution authority.	53,583	36,737	
4. Conference agreements ratified by both Houses.			
Current level	485,148	454,727	398,068
Second Concurrent Resolution	500,100	458,250	397,000
Amount remaining:			
Under ceiling	14,952	3,523	
Over floor			1,068

Sincerely,

ALICE M. RIVLIN,
Director.

PARLIAMENTARIAN STATUS REPORT SUPPORTING DETAIL FISCAL YEAR 1978 AS OF CLOSE OF BUSINESS NOV. 4, 1977 (REESTIMATED).

[In millions]

	Budget authority	Outlays
I. Enacted:		
Permanent appropriations and trust funds	$234,727	$219,555
Outlays from balances of prior-year authority associated with appropriation bills not yet included in the enacted category of the Parliamentarian report:		
District of Columbia		51
Labor-HEW		26,339
Offsetting receipts (including amounts generated by current appropriation action)	−52,615	−52,615
Enacted this session:		
Agriculture (Public Law 95-97)	12,749	13,479
Interior (Public Law 95-74)	9,979	8,719
Legislative (Public Law 95-94)	990	1,054
Military Construction (Public Law 95-101)	2,978	3,567
Public works (Public Law 95-95-96)	10,294	9,320
State-justice (Public Law 95-86)	7,709	10,671
Treasury (Public Law 95-81)	7,748	7,584
Transportation (Public Law 95-85)	6,197	16,032
Defense (Public Law 95-111)	109,753	99,206
HUD-independent agencies (Public Law 95-119)	69,371	44,486
Foreigh assistance (Public Law 95-148)	6,773	5,251
Other spending legislation:		
Emergency unemployment benefits extension (Public Law 95-197)		215
Food and Agriculture Act of 1977 (Public Law 95-113)		939
Deny veterans benefits to certain individuals with upgraded discharges (Public Law 95-126)		−31
Increased disaster payments for certain crops (Public Law 95-156)		29
3d budget rescission bill, fiscal 1977 (Public Law 95-186)		−10
Oregon Forest System (Public Law 95-200)	−2	−2
Total, enacted	426,381	412,838
II. Entitlement authority and other mandatory items requiring further appropriation action:		
Function 050:		
Retired pay (anticipated supplemental)	93	93
Department of Defense, civilian and military pay (anticipated supplemental)	2,673	2,593
Function 350: Federal Crop Insurance Corporation authority (Public Law 95-181) (anticipated supplemental)	22	22
Function 500: Child care services (Public Law 95-171) (anticipated supplemental)	20	200
Function 600: Child nutrition (Public Law 95-171) (anticipated supplemental)	28	25
Function 700:		
Veterans Disability and Survivor Benefits Act (Public Law 95-117) (anticipated supplemental)	363	335
Veterans pension benefits increase (H.R. 7345) (anticipated supplemental)	129	114
Veterans education benefits (Public Law 95-202) (anticipated supplemental)	546	546
Function 800:		
Payment to civil service retirement and disability trust fund (anticipated supplemental)	319	319
Offsetting receipts	−319	−319
Function 920: Civilian agency pay raise (anticipated supplemental)	1,131	1,224
Total, entitlement authority	5,184	5,152
III. Continuing resolution authority:		
Continuing resolution (Public Law 95-165):		
Labor, HEW Appropriations; conference agreement on H.R. 7555	60,017	43,432
Offsetting receipts	−8,205	−8,205
District of Columbia	371	351
Small Business Administration, disaster loan fund; level in Senate passed (H.R. 9375)	1,400	1,159
Total, continuing resolution authority	53,583	36,737
IV. Conference agreements ratified by both Houses		
Total current level, as of Nov. 4, 1977 (reestimated)	485,148	454,727
Current resolution of Sept. 15, 1977	500,100	458,250
Amount remaining:		
Over ceiling		
Under ceiling	14,952	3,523

REINTRODUCTION OF CONCURRENT RESOLUTION TO ASSURE EQUAL ACCESS TO QUALITY HEALTH CARE IN RURAL AREAS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. BEDELL) is recognized for 5 minutes.

Mr. BEDELL. Mr. Speaker, I am today reintroducing, with 38 cosponsors, my concurrent resolution expressing the sense of the Congress that HEW's recently published proposed National Guidelines for Health Planning should not be allowed to close small, rural hospitals.

On September 23, the Department of Health, Education, and Welfare published some proposals for national health planning guidelines in the Federal Register and since that time I have received more than 4,000 letters objecting to them. The hospital administrators in my district, as well as the Health Systems Agency for my area, have told me that implementation of these guidelines could result in numerous hospital closings, and I believe the social cost of this would be unacceptable.

Specifically, the guidelines mandate several standards that a local Health Systems Agency must meet in preparing a health plan for its region of the country which I believe are unrealistic for many small communities. The guidelines propose, among other things, a bed occupancy rate of at least 80 percent; 500 annual deliveries by an obstetrical unit; and less than 4 beds per 1,000 population. At present, there are only a few hospitals in my district which meet these standards, and it is my understanding that many other areas of the country would also have trouble meeting them.

HEW has told me that, under present law, they have no real means of enforcing the proposed guidelines, should they be implemented. Yet, the HSA in my area tells me that while this statement is technically correct, it does not reveal the whole story. In the future when a hospital wants to replace deteriorating equipment, an HSA could deny permission on the basis that the proposed expenditure was not within the bounds required by the HEW guidelines. Subsequently, I am told, if the hospital went ahead and purchased the equipment anyway, HEW is permitted by current law to

withold depreciation reimbursements, which come from medicare-medicaid funds, for that particular piece of equipment. Many small hospitals would be dependent on this money, and would not be able to afford the quipment without it and if they could not have the equipment, they would be forced to give up the service rendered by that equipment. When I asked HEW about this, they did not deny it.

Clearly such a development could seriously jeopardize the proper functioning of a hospital. I cannot see the sense of such a plan if it would cause the closure of the only hospital providing primary care service for a local community, yet it seems that under these proposed guidelines, such an occurrence is a distinct possibility. Surely this would contradict our Nation's effort—as stated in these guidelines themselves—to provide equal access to quality health care at a reasonable cost for populations in rural areas.

Mr. Speaker, I think one of the fundamental problems with these guidelines is that they were prepared in extreme haste and have not been properly thought out. Under the law, the Secretary of HEW is required to consult with the National Council on Health Planning and Development, various federally supported health planning agencies, health provider organizations and others in issuing these guidelines. This was not done prior to the release of the guidelines on September 23.

Furthermore, the original intent of the National Health Planning and Resources Development Act of 1974 (P.L. 93-641), which these guidelines are supposed to implement—was to permit localities to make their own health plans. These guidelines, however, force localities to make their plans on a national basis and what started out as bottom-up planning, would now be changed to a top-down system if these guidelines are allowed to go into effect.

Finally, I would hope that my colleagues would be aware of the fact that what Congress originally intended as planning device is now being altered into a cost-containment tool—before the Congress has an opportunity to fully debate the hospital cost containment legislation that will come up next year. I do not believe that the best interests of the American people are served by such end-run tactics by the executive branch.

Mr. Speaker, I am terribly concerned that these proposed HEW guidelines for health planning may inadvertently jeopardize the quality of health care in rural America, and as a result I would welcome as many cosponsors as possible on this resolution.

The text of the resolution follows:

H. Con. Res. 411

Concurrent resolution to assure equal access to quality health care for populations located in rural areas

Whereas the Notice of Proposed Rulemaking regarding National Guidelines for Health Planning filed by the Secretary of Health, Education, and Welfare on September 22, 1977 (42 Fed. Reg. 48502-48505), has generated great public concern that the guidelines would impose unfeasible performance requirements upon small, rural hospitals, ultimately forcing many of those hospitals to close;

Whereas many small, rural hospitals provide local communities with medical care of a kind and a quality that are not readily available at less accessible metropolitan hospitals; and

Whereas equal access to quality health care at a reasonable cost for populations in rural areas is a priority of the Federal Government: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of Congress that the Secretary of Health, Education, and Welfare should not include in the National Guidelines for Health Planning any guidelines which would directly or indirectly cause the closing of any small, rural hospital which is the only hospital providing primary care services to a local community.

ARLINGTON, TEX., IS HOST

(Mr. MILFORD asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. MILFORD. Mr. Speaker, it gives me great pride and pleasure to publicly commend the Arlington Jaycees, the Texas Bowling Center Association, and the Texas Association for Retarded Citizens, who have joined together to host the Kennedy Foundation Special Olympics Bowling Tournament for the State of Texas. The tournament will be held in Arlington, Tex., on December 9 and 10, and it will draw more than 800 mentally retarded citizens together for 2 days of sport and competition.

The purpose of this competition is to provide, through the development and display of personal skills, a building of self-confidence and self-reliance for each of the participants. This is a great step toward helping these people to become more useful and productive members of society.

The city of Arlington has passed a resolution designating December 9 and 10 as Special Olympics Weekend in Arlington, Tex., and I wish to join with them in recognizing this fine program and the great value it brings to the hundreds of mentally retarded citizens involved. I include the resolution in the Record, as follows:

Whereas, the mentally retarded citizens of Texas comprise a significant part of the population; and

Whereas, these mentally retarded citizens are entitled to the right and opportunity to build self-confidence and experience in competition within their peer groups; and

Whereas, the demonstration of personal skills with personal recognition helps, through training and development, the social and psychological awareness of each individual toward more useful and productive citizenship; and

Whereas, the Texas Association for Retarded Citizens, Texas Bowling Center Association and the Arlington Jaycees are committed to these philosophies, striving to fulfill these needs through the December 9th and 10th, 1977 Kennedy Foundations Special Olympics Program; and

Whereas, Special Olympics provides the necessary factors of competitive experience, training and self expression which enhance the skills and growth of the mentally retarded as individuals.

Now therefore be it resolved that the United States House of Representatives does applaud and commend all the efforts of the Texas Association for Retarded Citizens, Texas Bowling Centers Association and the Arlington Jaycees in their operation of Special Olympics in Arlington, Texas; and

Be it further resolved that December 9th and 10th, 1977, be named Special Olympics Weekend in Arlington, Texas for all citizens, officials, dignitaries and participants of the Special Olympics events to be held on that weekend.

RUSSIA CAUGHT WITH HAND IN COOKIE JAR

(Mr. SIKES asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, the action of Somalia in expelling Russian military personnel provides the United States with an unparalleled opportunity to improve relations with Somalia. The courageous step taken by President Siad's government opens the door for the Western powers to assert new leadership throughout the Red Sea, Persian Gulf, and Indian Ocean areas. The naval base at Berbera on the point of Africa is one of the most strategic locations in the entire area. With the Russian influence strongly diminished, the United States will be derelict if we do not move quickly to take advantage of the potential there.

I commend the Somali Government for its courage in closing the door to Russian manipulation in that country and for enabling the Western powers to enjoy closer relations with Somalia. The Somali action provides the Western powers with the best break they have enjoyed since the Russians were expelled from Egypt. I have urged the U.S. Government to move immediately and take full advantage of the opportunity.

In simple terms, Russia got caught with their hands in the cookie jar. They have been giving support to the new Marxist government in Ethiopia which kicked out U.S. personnel. The Somalis have resented this because the Ethiopians are their longtime enemy and Somalia is backing insurgents who are seeking to gain control of the Ogaden province in Ethiopia. The Ogaden formerly was a part of Somalia. Russian support for the Ethiopians was more than the Somalis were willing to swallow. Let us hope the U.S. recognizes the necessity to act. Berbera is badly needed by the West.

LAUREL HILL, ET AL.

(Mr. SIKES asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, from the November 23 issue of the Pensacola Journal Sports Writer, Robert Robinson, comes an intriguing article, "Now, They Know It's Laurel Hill, Not 'Laurel Who?' "

It refers to a small town in Okaloosa County, Fla., which has just won the 1977 Florida State volleyball champion-

ship trophy. Here is what Mr. Robinson said:

Hear ye! Hear ye! The name is not "Laurel Who?" as most people, attending last Saturday's state volleyball tournament at the University of Tampa, may have thought to themselves.

The name is Laurel Hill.

You know, the little Okaloosa County town which lies just north of Crestview and houses the "big" 1977 Florida state high school volleyball championship trophy.

Laurel Hill, not Laurel Who.

Coach Betty Howard and the Laurel Hill girl's volleyball team put the town on the map this past weekend by winning the Class A state championship, 15–5, 15–6, over Tampa Prep High School in Laurel Hill's second year of interscholastic competition.

Plaudits for Okaloosa County schools do not stop there. Choctawhatchee High School in Fort Walton Beach has just won first place in Florida class AAAA football rating. The head coach of the Choctawhatchee High School Indians is Eddie Feely. They won by defeating Tate High School from Escambia County. In this contest, both were northwest Florida schools which had won over competition from larger schools throughout the State.

There is still more. There is musical excellence as well:

Choctawhatchee and Fort Walton Beach high schools bands have been extended invitations to perform during the halftime shows at major college bowl games.

Fort Walton, under the direction of Ernest Hebson, is headed for the Rose Bowl game in Pasadena, Calif.

Choctaw band director Jimmy Jones said Tuesday his "Style Marchers" received invites to the Cotton, Orange, Rose and Sugar Bowl games, but refused them because Choctawhatchee is playing in the state high school playoffs.

The Style Marchers, however, have accepted an invitation to the Cherry Blossom Festival and parade in Washington, D.C., next spring. The trip also will include a stop in Toronto, Ont., Can.

Choctaw performed at halftime of a New Orleans Saints National Football League game at the Superdome in New Orleans, La., earlier this season.

A CLEANUP OF AN NBC DEMAGOGIC DOCUMENTARY

(Mr. MILFORD asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MILFORD. Mr. Speaker, I realize that the real "in thing" these days is for the press to lambast people that work in Government. One simply cannot write a news item or broadcast a story without lashing out at the "stupid" politicians or the "lazy" bureaucrats.

With the Sullivan decision, several years ago, the press no longer has to concern itself about staying within the truth when writing or broadcasting news items dealing with "persons in the public eye." That makes politicians and Government officials open game, because they virtually have no protection under libel and slander laws.

In recent years, during a period when our society has been becoming more complex on a daily basis, our citizens have been turning increasingly to television as a sole source for news information. The average TV news item is about 40 seconds in length and almost never exceeds 3 minutes. Obviously no complex subject can be covered or examined with any degree of intelligence in such a short amount of time.

When TV networks cannot avoid facing extremely complex subjects, they resort to a longer news item and call it a documentary Subjects receiving the documentary treatment in newscasts may receive up to 5 minutes of air time.

During the evenings of November 2, 3, and 4, 1977, "NBC News" aired three of these documentaries dealing with the very complex subject of "air safety." In essence, the documentaries were demagogic criticisms of the Federal Aviation Agency backed up by out-of-context quotes from various air safety experts. Gross amounts of factual information were totally ignored by the authors of the so-called documentaries.

While the CONGRESSIONAL RECORD does not have the same number of readers as NBC has viewers, I feel it important that the real truth be known concerning the junk that was broadcast by NBC.

At my direction, statements made during the NBC broadcast have been researched. If the statement was false, misleading, or otherwise in error, the truth was then outlined together with references. This will allow any serious researcher to verify the accuracy of this critique.

The false or misleading statements from the NBC broadcast and the critique is herewith enclosed for the RECORD:

ANALYSIS OF NBC SEGMENT 3 BROADCAST REGARDING THE FEDERAL AVIATION ADMINISTRATION, AIRED NOV. 2–4, 1977

The American record of air safety is the finest in the world—that fact cannot be disputed. The credit belongs to a number of groups, including aircraft manufacturers, the airlines, trade associations and professional groups, consumer groups, labor organizations, the travelling public, the Congress, and the FAA. Each has contributed meaningfully to aviation safety and, at one time or another, has been right when others have been wrong. Through the dedication and persistence of all, and out of a mutually shared concern, the cause of aviation safety has been greatly advanced and continues to achieve even higher levels.

It is important that the American public's confidence in their air transportation system not be undermined. Aviation growth in the United States shows a present high level of confidence in the safety of the system—a confidence fully justified by the system's performance. Also important is the confidence of the American public in the government's concern for their welfare. Similarly, we believe it important that unjustified charges given wide distribution not result in political solutions to technological problems. Last, it is important that the reputations of the men and women who are the FAA should not be scarred by an inaccurate portrayal of their capabilities and by allegations which call into question their sincerity and devotion to the advancement of air safety. For these reasons, the FAA would like to provide information not included in the NBC News presentation of November 2–4, 1977 that we believe far more accurately documents the current state of aviation safety.

Objective journalism is a valuable tool for ensuring effective government and the FAA encourages constructive criticism. The FAA is fully cognizant that significant gains in aviation safety have emanated from constructive criticism offered by concerned observers. The FAA recognizes, however, that errors can occur in even the most conscientious news reporting. This is particularly true when the subject is as technologically complex as aviation safety. In fact, the FAA believes it is not realistic to attempt to deal with as many phases of aviation safety, as were recently addressed by NBC News, in the short period of time allotted. The resulting product, as the NBC telecast so aptly demonstrates, tends to be misleading, inaccurate, and incomplete.

To address the various representations made during the NBC News telecast, the FAA has separated the program into topical segments and set forth below the major points it would offer in rebuttal. The FAA notes that many of these points were made to the NBC News team during the period the show was being prepared but for reasons undisclosed to the FAA were deleted from the program. The FAA finds this deletion of relevant facts to be particularly disturbing because it made its facilities and personnel available to NBC News for the express purpose of giving NBC News the necessary insight to accurately report on this complex subject. Should any person or organization desire further information than is set forth below, the FAA is ready to provide it.

1. Statement: "You're going on a plane trip. Maybe you're worried the flight will be late, or the airline will lose your suitcase. Should you be worried about a safe flight? Yes, you should." "[I]f you fly very often, you've nearly crashed more than once and never even knew it." (November 2; Ms. Ellerbee).

Response: On January 13, 1977, the Chairman of the National Transportation Safety Board, an independent government agency whose responsibility is to promote transportation safety, stated that United States civil aviation, including both air carriers and general aviation, achieved a generally excellent safety record in 1976. The Chairman further observed that air carriers recorded the lowest accident total in commercial aviation history and the fewest fatalities in more than 20 years. "Aviation's 1976 record is especially heartening because it represents further improvement on a good year in 1975. It also continues downward trends in several accident rates which suggests significant safety progress over a number of years." This statement and numerous supporting statistics are contained in an NTSB safety information press release dated January 13, 1977.

The domestic scheduled airlines are the safest mode of transportation today, and the FAA is continuing to develop and implement safety measures to make further gains in the future. NBC offered no statistical support for its bold allegation that if you fly very often you've nearly crashed more than once. Available statistics clearly refute the NBC statement. These statistics indicate not only the remarkable safety record for domestic scheduled air carriers but also the unlikely probability of a passenger on a domestic scheduled air carrier ever being involved in an accident. For example, the following table, from a January 13, 1977 press release by the National Transportation Safety Board, shows a progressive improvement in safety with respect to United States air carriers and illustrates the very low percentage of accidents and fatalities both per hours flown and per miles flown. For example, between 1966 and 1976, the total accident rate per 100,000 aircraft hours flown declined by almost seventy percent (1.469 versus 0.436) and the total accident rate per million aircraft miles flown declined by more than seventy-five percent (0.042 versus 0.010).

ACCIDENTS, ACCIDENT RATES, AND FATALITIES U.S. AIR CARRIERS (CERTIFICATED ROUTE, SUPPLEMENTAL, AND COMMERCIAL OPERATORS OF LARGE AIRCRAFT) 1966-76

Year	Accidents		Fatalities				Hours flown	Miles flown (thousands)[1]	Accident rates			
									Per 100,000 aircraft-hours flown		Per 1,000,000 aircraft-miles flown	
	Total	Fatalities	Passengers	Crew	Other	Total			Total	Fatalities	Total	Fatalities
1966	75	8	137	27	108	272	5,104,984	1,768,458	$1.469	$0.157	$0.042	$0.00
1967	70	12	229	39	18	286	6,868,842	2,179,739	1.193	.204	.032	.00
1968	71	[2]15	306	37	6	349	6,404,260	2,498,848	1.109	.203	.028	.00
1969	63	[2]10	132	22	4	158	6,740,199	2,736,596	.935	.134	.023	.00
1970	55	8	118	24	4	246	6,470,351	2,684,552	.850	.124	.020	.00
1971	48	[2]8	174	23	6	203	6,386,662	2,660,731	.752	.094	.018	.00
1972	50	8	160	17	13	190	6,302,160	2,619,043	.793	.127	.019	.00
1973	43	9	200	26	1	227	6,504,819	2,646,669	.661	.138	.016	.00
1974	47	9	421	46	0	467	5,978,480	2,464,295	.769	.134	.019	.00
1975[3]	45	3	113	11	0	124	6,040,841	2,477,764	.745	.050	.018	.00
1976 prel	28	9	39	6	0	45	6,130,000	2,536,000	.457	.065	.011	.00

[1] Nonrevenue miles of the supplemental air carriers are not reported.
[2] Includes midair collisions nonfatal to air carrier occupants, excluded in fatal accident rates 1968—2, 1969—1, 1971—2).
[3] Beginning in 1975, accidents involving commercial operators of large aircraft are included.
Note: Sabotage accident occurring Sept. 8, 1974 is included in all computations except rates.

A comparison between air transportation and other modes of transportation clearly indicates how safe travel by air carrier is.

FATALITY RATES PER 100,000,000 PASSENGER MILES

Year	Domestic scheduled air carriers	Railroad passenger trains	Buses	Passenger automobiles and taxis
1949-51	1.26	0.36	0.21	2.87
1959-61	.67	.10	.18	2.20
1972-75	.11	.19	.20	1.57

Fatality statistics for various modes of travel also depict that the scheduled airlines are among the smallest contributors to fatalities.

Mode	Fatalities in 1975	Fatalities in 1976
U.S. scheduled air carriers (all occupants)	122	42
Commercial buses (occupants)	80	100
School buses (occupants)	50	60
Rail/highway grade crossing	1,345	1,126
Water transport drownings	978	1,100
Motorcycle (riders)	2,800	3,000
Collision with pedacycle	1,000	900
Passenger cars (occupants)	27,000	27,400

Viewed from another perspective, the total number of fatalities for U.S. scheduled air carriers for the entire year of 1976 amounted to only 6 percent of the total number of motor vehicle deaths estimated by the National Safety Council to have resulted from the three days of the Labor Day Holiday.

It is also noteworthy that during the entire year of 1976, U.S. supplemental air carriers had no fatal accidents.

2. Statement: "Captain Power Waters' views are shared by many pilots, but because they fear reprisal, they are seldom willing to speak in front of a camera." (November 2; Ms. Ellerbee).

Response: If this statement is intended to imply that the FAA would seek reprisal against a pilot for criticizing the FAA, we could not disagree more. There is no basis for such an accusation either in fact or in theory. The FAA has not noted any reluctance on the part of individual pilots or such organizations as the Air Line Pilots Association to clearly enunciate their views, pro and con, concerning aviation safety. The FAA routinely receives comments from individual pilots and their associations in all rulemaking that impacts pilots. Similarly, the FAA reviews numerous letters from pilots and their associations dealing with suggestions for improving the system. The FAA encourages participation of its people at gatherings of pilots and we find that a frank exchange of views usually occurs. Simply stated, the FAA has never noticed any timidity on the part of pilots or their associations to publicly disagree with the FAA, nor do we believe they should feel constrained in expressing their views.

3. Statement: "The FAA's been criticized for not hiring enough air traffic controllers."

Response: NBC has not indicated who has criticized the FAA nor has it offered any data in support of the statement. There will always be individuals or organizations whose parochial interests are enhanced by alleging that more people are needed to do a job. The FAA is, however, committed to employing only those numbers of individuals necessary to adequately fulfill its role; it is opposed to inefficient employment practices. For that reason, the FAA has conducted careful studies to ascertain proper staffing for different functions within the agency and has developed a staffing standard which enables it to objectively determine staffing needs throughout the air traffic system.

At the end of each fiscal year, every air traffic control field facility submits its source data for the 90th percentile day (37th busiest day) of the fiscal year just ended. The source data includes the number of aircraft handled each hour of the day for each center sector and terminal radar complex and the average flight time for each sector. The computerized staffing standard is applied to each facility's source data adjusted to the traffic forecasted for the budget year. The resultant printout is reviewed by the facility and the regional office, and any nonstandard staffing requirements are noted. The combined staffing requirements of facilities form the basis for the air traffic budget submission. The staffing requirements are reviewed, as part of the budget review process, by FAA top management, the Office of the Secretary of Transportation, the Office of Management and Budget, and the House and Senate Appropriations Committees.

Applying the FAA standard to FY 1977 activity levels yields a staffing requirement of 11,137 positions in the centers and 11,670 in the towers. (These figures include air traffic controllers and all professional support personnel). Our authorized staffing for FY 1977 was 11,348 positions for centers and 11,708 for towers. Actual on-board staffing is normally about 2 percent below the authorized. On-board staffing at the end of the year was 10,981 in the centers and 11,385 in the towers which is in line with the total number prescribed by our staffing standard.

Overall, in each of the fiscal years, 1975–1977, the employment levels of professional positions at the centers and towers combined have been at or between 97 and 98 percent of the levels authorized by Congress.

4. Statement: "O'Hare Airport is the busiest in the world, but the chance is one-in-two our plane is being handled by a controller who has not finished his training. At other airports, the chance of this situation occurring is one-in-four." (November 2; Ms. Ellerbee).

Response: The FAA never permits aircraft to be handled by unqualified controllers. Any controller that handles traffic has had hundreds of hours of simulated training before ever handling actual traffic. It is true that after the simulated training these controllers are permitted to handle actual traffic under the direct, on the spot, supervision of a controller that has a substantial amount of actual experience at that particular facility. This raises an important fact; even if a controller has had years of actual experience, when that controller moves to a different facility, the controller receives "training" as to the actual operations of the new facility.

FAA has a comprehensive training program for controllers which begins with approximately sixteen weeks of pass/fail academic training at the FAA Academy. If an individual successfully completes the Academy training, the individual is placed in a facility where that person receives both classroom and on-the-job training. The assignments are progressively responsible, and the individual receives direct "over the shoulder" supervision by a fully proficient controller until checked out and certified at performing a given function. Once the ability to perform a given function has been satisfactorily demonstrated and the individual so certified, that person is permitted to perform the function under more general supervision.

For example, prior to even entering the radar training phase, the controller must correctly perform live control duties as part of an operational team for approximately one or two years. The assignment to radar training is an acknowledgement by the supervisor that the demonstrated control proficiency of the controller is satisfactory, and that normal progression to full journeyman status can be achieved.

When radar training is finally authorized, the Air Traffic Training Handbook provides very specific instructions which must be complied with by the instructor controller. The instructor must be properly qualified for the type of control to be exercised; he is not permitted to perform collateral duties which might infringe upon exercising close and alert supervision during this training period. The instructor must also ensure that the complexity of the traffic situations encountered during the testing phase is compatible with the specialist's ability. Our entire work force has been trained in this manner, and the FAA can attest to the safest air traffic control system in the world.

The "journeyman" level for a controller is the highest grade level which a non-supervisory controller can attain in a facility. Any controller below the journeyman level is a "developmental" controller. The fact that a controller is not a journeyman does not in any way mean that he is an inexperienced

employee. For example, a controller may be a journeyman controller at a low level facility and may have controlled traffic for many years. But if that controller is reassigned to a higher level facility, he then becomes a "developmental" controller, notwithstanding his many years of experience, until he is "checked out" on all positions and equipment at the new facility and promoted to the journeyman level for that facility. Even if a controller has been checked out on all positions and equipment, and has demonstrated full capabilities in all phases of air traffic control, he is still "developmental" until promoted to the journeyman level.

In short, a controller's training is over a period of years before he is eligible for journeyman status. The average training time before an en route controller is checked out and certified on all positions and equipment is 4.34 years; for terminal controllers it is 2.9 years. With regard to finishing their training, as with pilots and many other professions, journeyman controllers continually undergo recurrent training within their facilities.

5. Statement: "At many U.S. airports, those in Los Angeles, Boston, New York and Washington, to name a few, once the plane gets up enough speed to get off the ground, the pilot will have to make the plane quiet for the people who live near the airport. He does it by reducing power after take-off. It may be dangerous, but local laws require pilots to fly this way, and the FAA allows it." (November 2; Ms. Ellerbee). "You pull the power back until the airplane almost falls out of the sky, and climbs on a hot day with a full load, like about maybe 600 feet a minute, where normally it's 1500 to 2000 feet a minute. But you got to pull the power back so you don't bother the neighbors around the airport." (Captain Waters). "The agency, FAA, apparently has more concern, in some instances for—for the local concern on noise abatement then they do about the safety of the airplane." (Mr. Leyden).

The FAA's primary role is aviation safety. The FAA's concern with noise abatement is substantial but always necessarily secondary to safety. As FAA Administrator Bond stated, in a portion of his interview with NBC which the network omitted from its presentation, "[o]ur first priority is always safety, and if there is a compromise between noise and safety, we must always choose safety, which is not only safety of passengers in flight, of course, but on the ground as well."

Noise abatement procedures are safe. The noise abatement departure procedures in use today call for a reduction in power only after reaching a safe airspeed configuration, and a safe altitude, approximately 1000 feet above the ground. This power reduction provides a climb gradient with more than adequate safety margins built into it. The transition from a rate of climb of 1500 to 2000 feet per minute to the 600 feet per minute rate of climb is fully within the pilot's control. A 600 feet per minute rate of climb is not unsafe.

The air carriers and the Air Transport Association have worked with the FAA's expert personnel to develop takeoff noise abatement procedures. The individual air carriers place these procedures in their company manuals and at this point they are reviewed by the FAA to ensure that they are safe. The procedures are sufficiently flexible as to allow the pilots to adjust for abnormal operating conditions. When individual airports propose noise abatement procedures, these are likewise reviewed by the FAA from the standpoint of safety. The FAA is unaware of any noise abatement procedure in effect today which is unsafe.

One interesting note on this subject is that in a May 1977 Executive Board Committee Recommendation of the Air Line Pilots Association, which recommended adoption of a standardized takeoff procedure similar to but different from the ATA version, the view was expressed that ". . . the guidelines provided by the ATA to airlines have not been sufficiently clear to allow the airlines to achieve maximum *economic benefit* and maximum *noise relief* to those exposed to aircraft noise. . . ." (Emphasis supplied.) Hence, ALPA's decision to propose a substitute standard noise abatement procedure was not generated by a perceived safety deficiency but out of expressed concern for maximizing economic benefit and noise relief.

6. Statement: "Now our pilot can worry about hitting another airplane. Every year there are more than 2,000 reported near misses, and every year 10,000 planes are added to the system. What is the pilot supposed to do?" (November 2; Ms. Ellerbee) "The FAA says, a concept that came out some 40 years ago, that you will see and be seen. And if you look out the window you will not run into another plane, you just will not do this." (Mr. Leyden)

Response: The FAA is unaware of the basis for NBC's statistics of over 2,000 reported near misses a year. The information available to FAA contradicts this statement. But, no matter how low the number might be, the FAA is attempting to cut it further.

Anyone (pilots, safety inspectors, passengers, etc.) may initiate a request for an evaluation by the FAA of a suspected near mid-air collision incident. During the four year period from January 1, 1973, to June 30, 1977, on the average 301 near mid-air collisions were reported and investigated by the FAA's Flight Standard Service annually. Each report is investigated by a Flight Standards inspector who gathers and reviews all material information concerning the alleged incident from witnesses or other sources. To give some idea of the relationship of these statistics to the toal system, focus on the fact that in 1976, FAA air traffic control towers handled 97,200,000 IFR and VFR operations and FAA air traffic control centers handled 25,300,000 IFR aircraft.

Of the 301 average annual reports, the FAA's investigation disclosed that 68 posed no hazard. In a "no hazard" finding, a determination is made that the direction and altitude of the aircraft would have made a mid-air collision improbable regardless of whether evasive action was taken. Insufficient information was available to determine whether a hazard may have been present in 12 of the remaining cases.

Of the remaining 221 incidents, 171 were classified as potential near mid-air collisions which means that an incident would probably have resulted in a collision if no action had been taken by either pilot. As to the other 50, these were classified as critical which means that collision avoidance was due to chance rather than an act on the part of the pilot.

During the 12 month period from July 1, 1976, to June 30, 1977, 1,624 near mid-air collision reports were received by NASA under the FAA/NASA Aviation Safety Reporting System (ASRS). The ASRS reports furnished to FAA are anonymous and cannot be investigated by FAA. As a result, they may or may not represent reliable data upon which to form conclusions as to the number of near misses that have actually occurred. Moreover, the FAA does have the sense that some of these reports are duplicative of those filed with the FAA.

The concept of "see and avoid" referenced by NBC news is only one of the system's requirements used to avoid mid-air collisions. It requires that vigilance shall be maintained by each person operating an aircraft so as to see and avoid other aircraft. To enhance the ability to see and avoid, aircraft may not operate at a rate of speed greater than 250 knots below 10,000 feet. This restriction on speed, coupled with the requirement that appropriate weather conditions exist before Visual Flight Rule (VFR) aircraft are permitted to operate, helps assure that the "see and avoid" concept works. Additionally, above 3,000 feet, special rules govern VFR aircraft operations. The purpose of these rules is to provide altitude separation between uncontrolled aircraft as well as between Instrument Flight Rules (IFR) aircraft and uncontrolled aircraft. More specifically, depending upon the direction of flight, different flight levels are prescribed.

To operate above 12,500 feet, with rare exceptions, all aircraft must have an altitude encoding transponder which apprises the en route controller of aircraft position and altitude thereby enabling him to provide traffic advisories and vector aircraft as necessary. Above 18,000 feet, all aircraft are under positive control.

The FAA has also established Terminal Control Areas at 21 of the large hub airports. All aircraft operating within a TCA are provided separation by air traffic control. At more than 100 other airports, the FAA has established Terminal Radar Service Areas (TRSA) in which a VFR aircraft pilot is provided separation from other participating VFR aircraft and all IFR aircraft unless he specifically does not desire the service. VFR aircraft are urged to avail themselves of this service and over 90% of arriving VFR aircraft and over 80% of departing VFR aircraft do participate.

The FAA also has aggressive educational and briefing programs designed to impress upon pilots their responsibilities in the national airspace system and to encourage general aviation aircraft to avoid airspace occupied by high performance aircraft. TCAs, TRSAs and, where appropriate in the interest of safety, high performance aircraft arrival routes are published in the Airman Information Manual or on VFR navigational charts.

Thus, while it is true that the see and avoid concept is a basic element of the air traffic control system, the connotation in the telecast is misleading to those unfamiliar with other elements of the system.

Near mid-air collisions are a source of concern to the FAA and we have undertaken aggressive programs to minimize their possibility both through R&D projects to develop better instrumentation and hardware, and through air traffic control procedures. The FAA is at this time initiating the development of a Beacon-Based Collision Avoidance System (BCAS) which will provide reliable data on potential threats to the pilot within and without surveillance coverage, will be compatible with the existing and planned air traffic control system, and will use as a base equipment the existing ATCRBS transponders. A BCAS equipped aircraft will be able to identify and react to any aircraft equipped with an ATCRBS transponder and an altitude encoder. The BCAS development program has received the unanimous endorsement of the user community and is the result of a long arduous search for a viable solution to collision avoidance.

7. Statement: "Airliners are required to carry equipment that shows the ground radar controller where the plane is. But most small planes do not have this equipment, and the FAA does not require them to, even though they may be sharing airspace with a jet carrying 300 people." (November 2; Ms. Ellerbee).

Response: This statement is a good illustration of the kind of distortion that derives from inattention to detail. To comprehend the subject matter, it is necessary to understand the way in which the air traffic control system is structured. All aircraft, large and small, operating above 12,500 feet are

required to possess an altitude encoding transponder. The majority of large passenger-carrying aircraft operate below 12,500 feet normally only during the takeoff and landing phases of their operation. Air carrier aircraft descent below a 12,500 foot level would generally take place within 30 miles of the primary airport; this is the normal control area of a terminal. This 30 mile distance is within the optimum performance capabilities of terminal radar systems which display both primary and secondary radar returns. Thus, within this 30 mile distance aircraft without transponders are identifiable by primary radar which permits the controller to provide traffic advisories when he notes a possible conflict.

Transponder equipped aircraft are automatically tracked by our present Automated Radar Terminal Systems (ARTS III) and non-transponder equipped aircraft are displayed. ARTS III A, an enhancement to ARTS III, planned for installation beginning early next year, will provide automatic tracking for non-transponder equipped aircraft. Moreover, as noted in the response portion of item number 6, a whole system of air traffic procedures is designed to provide separation of aircraft whether controlled or not.

This is but a brief sketch of the rational basis upon which the FAA has based its decision not to require transponder equipment on all aircraft. More detail could be provided but perhaps it suffices to note that even the current level usage of transponders was vigorously opposed by the users of the system and that the lack of need for transponders in areas where they are not currently required was supported by many of the users. In this regard, we would quote from a summary of the users' comments contained in the preamble to the rule requiring transponders.

"Numerous comments of a general nature were received stating that the cost of the proposed rule changes could not be justified by the benefits therefrom. These general comments stated that requiring improved transponders and associated automatic pressure altitude reporting equipment in the specified airspace goes beyond the point of diminishing returns, is not justified by near midair collision statistics, conflicts unnecessarily with the FAA's statutory duty to encourage the development of aviation, and will be unnecessarily damaging to the less sophisticated segments of general aviation that now use posiitve control airspace, all without a corresponding significant benefit to air traffic control system safety or efficiency. While certain of these comments conceded that automatic altitude reporting had some value in heavily used airspace around airports, nearly all of these comments stated that the traffic volume in en route airspace, particularly in the western part of the United States, is far less than that needed to justify the required use of such equipment by all users of that airspace."

(Amendment 91–16, 38 F. R. 14672, June 4, 1973)

8. Statement: "Instrument landing systems are navigation aids that guide a pilot to the ground in bad weather. But according to a survey by the Airline Pilots Association, 75 percent of all the runways used by scheduled airlines in this country have no instrument landing system and no approach lights. More than half the U.S. airports used by scheduled airlines have no radar and 40 percent don't even have a tower. But 100 percent have passengers and bad weather." (November 2; Ms. Ellerbee). "If the FAA was really interested in passengers getting from A to B safely, they wouldn't allow passengers to land at airports without an instrument landing system, or a control tower, or approach lights. FAA is there to keep things safe, they don't." (Mr. Leyden).

Response: Ms. Ellerbee stated that "Langhorne Bond, the head of the FAA says it is safe for airlines to use airports without that equipment." Part of Mr. Bond's response was then televised: "Because the record demonstrates that there is no safety risk involved in that. There is no such thing as perfectly assured safety. But the risk involved is very slight. We wouldn't permit it if we thought it were unsafe." However, NBC deemed it advisable to cut off Mr. Bond's reply at the very place where he indicated a further explanation was needed: "You must go on and say the rest of the story and that is, if the weather is bad or if the visual conditions are not perfect or even good for the airports of that condition, we won't permit it. Our rules shut down operations when conditions are marginal much more early than they do with airports that are equipped with instrument landing systems or approach lights or flashing lights or runway center line lighting, or whatever. We have a carefully graduated set of minimums that allow more and more weather and marginal flying conditions depending on the instrumentation of the airport. And obviously in a case that you cite where it's a small airport and there are very few movements per day, we'd only allow operation if weather is relatively good, when visual assurance is a good substitute for the use of instruments."

Equally important, although the FAA does not necessarily dispute the statistics quoted, they can be misleading. There are 488 airports served by the scheduled airlines 321 of which are served by a total of 461 full ILS systems. These 321 airports enplane 98 percent of all scheduled airline passengers. A total of 554 ILS systems are presently installed and commissioned in the U.S. An additional 16 ILS systems will be commissioned by the end of this fiscal year. Another 84 full ILS's are in various stages of the procurement/production cycle.

It is not essential that each runway be ILS-equipped. The visibility minima for non-ILS runways are higher than those established for ILS runways. If the visibility is such that a non-ILS runway cannot be used, then flights are assigned to the ILS runway (available at the great majority of airports) or the flight is directed to an alternate airport. It also must be noted that all runways cannot accept an ILS for various reasons such as obstructions or operating restrictions.

With respect to control towers, those air carrier airports not served by tower are low activity airports. Nevertheless, the airlines are required by FAA to provide each flight operating to or from a non-tower airport with traffic information by means of radio communications. In addition, although an airport may not have an air traffic control tower, it may have a flight service station which may provide various services to aircraft, including traffic advisories.

As to the discussion concerning approach lights, more than 90 percent of the ILS runways are equipped with approach light systems and many non-ILS systems are also so equipped. If the non-ILS runways do not have approach light systems, then higher visibility minima are established. The practice of authorizing lower minima based on improved ground navigation aids, lighting aids, and airborne equipment is sound and establishes an equivalent level of safety between ILS and non-ILS instrument approach procedures.

Regarding the statement concerning the lack of radar at many U.S. airports, it should be noted that more than 96 percent of all scheduled airlines depart and arrive under terminal radar coverage. The remaining 3.8 percent operate into low activity airports averaging about 3 air carrier flights per day. Separation of aircraft is provided by use of manual air traffic control procedures which utilize distance and altitude. Manual procedures are the basic form of air traffic control and are safe.

Any evaluation of the statistics cited by Ms. Ellerbee must take into account the fact that the FAA is continually upgrading and adding to the equipment already in use throughout the national airspace system. Moreover, consideration must be given not only to the amount of time necessary to upgrade or install equipment but also to the cost involved. For example, to install and maintain an ILS system on all those runways which do not currently have them, would cost nearly $3 billion over the 15 year life of an ILS system.

It should be stressed that aircraft procedures are tailored to the specific circumstance. Requirements differ if landing aids are not present at an airport; those differing requirements are prescribed by the FAA to assure that safety is maintained. By way of analogy, consider the case of a paved versus an unpaved road. Almost without question, there would be a substantial difference in safety for an automobile to be driven 55 miles per hour down both roads. However, the speed limit on the unpaved road would, in all likelihood, be significantly less, thereby providing the requisite degree of safety through the use of a procedure tailored to a particular need. In simple terms, this is what the FAA does when requiring different procedures for airports without certain aids than for other airports.

9. Statement: "But is the FAA responsible for this good [safety] record? Many aviation experts say flying is as safe as it is because most airlines have safety rules tougher than the FAA's. Because most controllers and pilots do their jobs well, even in adverse situations. Because most planes are sound mechanically, and kept that way. And these critics think the U.S. has built a safe record not because of, but in spite of the Federal Aviation Administration." (November 2.)

Response: Most of the airline safety regulations that have been adopted by the FAA emanated within the FAA and were not as a result of recommendations from external sectors. A great many of these were adopted over the strenuous objections of various segments of the aviation industry. We believe the FAA, while it cannot take nor does it seek complete credit for the existing airline safety record, nevertheless has played a major role in compiling this enviable airline safety record. For example, when jet transports were first introduced into airline service in late 1958, the FAA imposed additional operational restrictions, required extensive flight crew training programs, and demanded more precise piloting performance than was previously required. From the first day of jet transport operations, FAA inspectors have certificated every single airline pilot in the operation of jet airplanes. The above requirements were made over strenuous opposition by both the airline industry and the pilots.

The FAA's safety rules provide for stringent standards that airlines must follow which recognize, pursuant to section 601(b) of the Federal Aviation Act of 1958, "the duty resting upon air carriers to perform their services with the highest possible degree of safety...." FAA prescribes high safety standards which the airlines must meet; standards which when complied will result in a safe operation. If, as stated, most of the airlines "have safety rules tougher than the FAA's," one would logically have to question the need for the FAA's aggressive enforcement program.

The FAA agrees that the controllers and pilots "do their jobs well." To suggest that controllers perform well but not the FAA is incredulous since controllers are an essential part of the FAA. FAA controllers perform well

because the intense training program which they undergo progressively screens out those individuals, as described in our response to statement 4, who are not fully capable of advancing to the journeyman controller level. Also, our training system not only provides comprehensive skills and knowledge to those who are progressing toward the journeyman level but requires journeyman controllers to undertake continuous refresher training.

With respect to U.S. airline pilots, each must meet, on a continuing basis, stringent medical qualifications prescribed by the FAA. They must hold a pilot certificate from the FAA which requires extensive aeronautical knowledge and flight experience. Their proficiency in performing various flight maneuvers is assured by FAA imposed requirements. Their airline's training program for pilots is approved and monitored by the FAA. And, the FAA through enroute inspections monitors cockpit discipline and adherence to FAA regulations.

The FAA strongly disagrees with the implication that the FAA has nothing to do with the sound mechanical condition of the U.S. fleet. All aircraft used by the scheduled airlines are certificated by the FAA which means that they meet high design and performance standards prescribed by the FAA. If unanticipated problems with the aircraft later become apparent, the FAA requires their correction by Airworthiness Directives. The FAA also requires the airlines to have comprehensive maintenance programs to assure that aircraft are kept in good condition, and we continually monitor those programs. The airline mechanics who work on aircraft are licensed by the FAA and the airline's training programs to assure their continuing proficiency are approved and monitored by the FAA.

There is a further telling point. U.S. certification of an aircraft by the FAA is considered of a high enough order by other nations that many seek to have their aircraft certified by the FAA knowing it would aid substantially in selling those aircraft. Also, FAA technical assistance is requested by countries throughout the world, and foreign nationals are frequently trained by the FAA at their government's request. The respect given by foreign civil aviation organizations to FAA standards and the expertise of its employees demonstrates that the FAA is perceived, at least by them, as a highly proficient organization.

10. Statement: "March 1977. Tenerife, the Canary Islands. A Pan Am jumbo jet is struck by a Dutch jet. That happens on the runway. Sixty-seven people crawl out of the wreckage of the Pan Am plane. Could more people on that plane have survived? Ten years before Tenerife, the FAA was already working on ways to keep fuel from exploding in a crash, ways to inert the fuel. Three years before Tenerife, the FAA thought a system was ready and proposed a rule to require all the airlines to carry it. But the industry objected, saying it weighed too much and it cost too much. The FAA agreed, and put the system back in research and development.

But could a fuel inerting system have been put in airplanes right then, three years before Tenerife; Robert Auburn was the head of that project at the FAA." (November 3; Ms. Ellerbee).

"The system, at that time, had reached the stage of development and—and—we had enough information about its capabilities. Yes, I think it could have been adopted at that point, yes." (Mr. Auburn).

"Auburn thinks the system might have saved lives at Tenerife. So do experts at the Airline Pilots Association, the National Transportation Safety Board, and the Flight Safety Foundation. But it's a loose point. The FAA says the system is still not ready. It is still in research and development." (November 3; Ms. Ellerbee).

Response: The critical fact overlooked by NBC is that fuel inerting systems do not provide protection where the fuel tanks are ruptured. At Tenerife, because of the impact of the accident, the fuel tanks were ruptured. Therefore, there is no correlation between the availability of a fuel inerting system and the tragic loss of life at Tenerife. The reference that the FAA was working on "ways to keep the fuel from exploding in a crash, ways to inert the fuel" ten years before the Tenerife accident is misleading. With respect to preventing post crash fires, the FAA has been conducting research in three areas: jelled fuels, anti-misting and fuel inerting.

Ten years prior to the Tenerife accident, there had been a developmental effort in the area of jelled fuels. Those jelled fuels, it was anticipated, would provide protection when a fuel tank was ruptured by limiting fuel spillage and aeration. However, it was determined that aircraft and engine fuel systems were simply not compatible with jelled fuel and the project was concluded.

The knowledge gained during this development activity led to the development of a fuel additive in 1975 that would preclude a fine mist from forming when the fuel is released from ruptured fuel tanks. Preventing the forming of a fine mist may keep the large fireball from forming in a crash situation, thereby reducing the flash effect. Unfortunately, the same chemical action which prevents fuel misting from occurring when tanks are ruptured also greatly inhibits the vaporization needed for combustion in the aircraft engines. The anti-misting technique has been tested using relatively small quantities of modified fuels in simulated crashes and shows promise of success. Large-scale testing is now being planned and the development of techniques to remove the additive prior to delivery to the engines is being undertaken. We expect completion of this engine compatibility study by the third quarter of 1979. A mechanical "shearing" device for the aircraft fuel system must be developed before widespread use of anti-misting additives is feasible. It is anticipated that when anti-misting is developed to its full potential, a major reduction in the fuel fire hazard will result. The cost of this program from prototype to completion from FY 78 to FY 80 will be in the vicinity of $3.5 million.

With respect to fuel inerting systems, the FAA, in April 1974, considered requiring a liquid nitrogen system on board aircraft to supply gaseous nitrogen in intact fuel tank and vent systems to replace the air and reduce the explosive risks due to sparks or lightning strikes. However the weight, cost, and logistics problems of the liquid system precluded its operational use. Subsequently, a project to develop an on-board nitrogen inerting system, using engine bleed air, was initiated, and testing of the initial engineering prototype has just been completed. The results are expected to be reported in January 1978.

Our comments here are simply intended to demonstrate the misleading nature of the allegation, and are not in any way intended to downplay or minimize the valid concern about the hazards of post-crash fires. We recognize the severity of the problem and are diligently working on a feasible solution. Unfortunately, pinpointing a problem is only part of the process in defining a solution. Consider, for example, medical research. No one will dispute the dedication of the thousands of medical experts who are striving to find solutions to health problems that have plagued mankind for years; but the answers to these problems are often elusive. The same problem often exists in trying to find technological solutions to complex aviation problems: the questions may be easy to ask but the answers are not easy to find. We understand the concern of those who wish that today's ideas could have been yesterday's realities. The FAA shares that wish. We only hope these same individuals will some day appreciate the limitations and obstacles to be overcome in turning such ideas into reality.

11. Statement: [Clip of a test crash] "That test crash was done by the FAA at its lab near Atlantic City, New Jersey. Critics of the FAA say this is the place where government scientists and engineers keep reinventing the wheel. One aviation expert calls the research and development program a hobby shop." (November 3; Ms. Ellerbee).

Response: In this instance, it appears that NBC has allowed itself to substitute labels for substantive comment. NAFEC provides an operating environment to test the products FAA will require in the system. Concomitantly, NAFE, allows the FAA to conduct the necessary tests and evaluations of all new systems, improvements, or modifications to existing systems; developing quick fixes to overcome specialized problems that arise in the field; and provide support for the automation capabilities in the Air Route Traffic Control Center and Terminal areas. Equally important is its role in carrying out the testing of aircraft safety and emission developments upon which regulatory actions can be based.

Examples of work performed at NAFEC include: assimilation, test and evaluation of all hardware and software for the implementation of the entire enroute automation system; the test and evaluation of all improvements to the enroute and terminal automation systems such as radar tracking, Minimum Safe Altitude Warning System, conflict alert; improved ATCRBS antennas; area navigation simulations and tests, Instrument Landing System improvements, notably in antenna configuration; and new airport lighting and marking configurations.

The facilities and capabilities available at NAFEC make it the principal civil aviation experimental center in the world. Its products assist FAA immeasurably in providing the safest and most efficient air traffic control system in the world. The FAA invites any interested party to visit NAFEC. We are confident that such a visit will readily dispel any thought that NAFEC is a "hobby shop."

12. Statement: "Management at the FAA says it doesn't know of a better airborne solution to the problem of mid-air collisions than B–CAS. [Beacon Collision Avoidance System] But other sources at the FAA say this system is a lot of trouble in congested areas, such as near an airport, where the chances for a mid-air collision are the greatest." (November 3; Ms. Ellerbee)

Response: The system NBC saw demonstrated was an active-BCAS. There is no dispute that performance of active-BCAS degrades in high traffic densities. What NBC failed to perceive is that the background material provided to it also included materials on a passive-BCAS under development by FAA that will provide for high performance levels in high density areas. This development effort was ignored in the presentation. Also totally ignored was the conflict alert capability which is operational in all Air Route Traffic Control Centers and is undergoing operational testing in the Houston terminal area. Conflict alert provides the controller with a visual and audio alarm when two or more aircraft are moving into positions which could result in a conflict. This capability will be provided in all ARTS terminals early in 1978.

The FAA readily admits the solution to the mid-air collision problem is a complex one. The FAA continues to seek a viable and cost-effective solution. The FAA believes its current effort, which is in effect a combination of the passive and active-BCAS, is that solution.

13. Statement: "The FAA is also studying cabin fires. There are rules about how flame resistant cabin materials have to be, but even materials that won't flame may give off poisonous smoke and gas. People have been killed by this and it continues to happen. Last April a Southern Airways jet crashed in Georgia. NBC news has learned that autopsies showed some of the 70 people who died, died from smoke and gas from cabin materials. And some of the twenty-four survivors have told investigators stories about cabin materials melting and dripping on their heads. But the FAA has no rules regarding heat, smoke, or toxic gas. The agency has been working on making these rules since the early 70's and admits that it will be at least three or four more years before there are any rules." (November 3; Ms. Ellerbee)

Response: The FAA has a very active program to improve the safety of cabin materials under post crash fire conditions. The work includes development of testing methods and actual testing to permit the identification of acceptable materials and to provide a mathematical model in order to allow a designer to assess the orientation and usage of a candidate material. The FAA's goal is to develop a combined hazard index that will correlate fire, smoke, and toxicity standards. The difficulty in reaching a solution results from the interrelationship of fire, smoke, and toxicity; for example, a process intended to decrease flammability could increase levels of smoke and toxicity.

Additionally, two related notices of proposed rulemaking and one advanced notice of proposed rulemaking dealing with flammability, smoke and toxic gas, respectively have been issued. The comments received indicate these characteristics cannot be treated separately. The FAA agrees and issued, in July 1977, a notice of hearings to be held on compartment interior materials in transport category airplanes, from November 14–16, 1977, in Washington, D.C. There was extensive participation by both U.S. and foreign aviation specialists.

In early October the FAA awarded a contract to develop, during a two-year study, a method to rank, according to its combustion hazards, each material used in airlines. The new method would compare the flammability, smoke and toxic gas characteristics of a burning material with physiological tolerances and establish a combined hazard index that could be used in aircraft cabin design.

The FAA also has full-scale fire testing of a wide-body jet fuselage underway at NAFEC. The test is being conducted in three phases and is part of our continuing program to improve passenger survival in aircraft accidents involving fire. The first phase is intended to measure heat, smoke, and gases within the cabin under varying degrees of fire and wind velocities. The second phase is devoted to evaluating interior emergency lighting systems, and the third will involve testing cabin materials for flammability, smoke and toxic gas emissions.

The melting and dripping of plastic materials are intrinsic to the properties of these materials when they are exposed to intense heat. NASA has been experimenting with advanced cabin structural type materials which char when exposed to intense heat or fire. When these materials are developed and approved for installation in aircraft, this particular problem should be resolved.

In view of the complex interrelationships involved, three to four years of additional research is a reasonable estimate of the time it will take to complete a practical, cost effective standard that provides a significant improvement in reducing flammability, smoke and toxicity of interior cabin materials.

14. Statement: "Many pilots, controllers, and airport managers say the best way to get the agency to move is to have a crash. They say the FAA substitutes bandaids for preventive action. And, they say, the bigger the crash, the bigger the bandaid." (November 3; Ms. Ellerbee).

Response: Such comments reflect a lack of comprehension of the FAA's ongoing safety program designed to prevent accidents. Certainly however, it is true that while the FAA is continually seeking ways to prevent accidents, in many cases, previously unknown circumstances only become apparent during an accident investigation which then provides clues for the problem's resolution.

Comments such as those chosen for airing by NBC ignore the great gains that have been made in accident prevention since they are not as spectacular or "news worthy" as showing burning aircraft or discussing mid-air collisions. To say that the best way to get FAA action is to have a crash ignores, for example, the significant improvements made in modern generation aircraft designs and operating capabilities which substantially enhance aviation safety by preventing accidents.

15. Statement: "The Ground Proximity Warning Device was available before the crash near Dulles [on December 1, 1974]. But it was not the result of FAA research and development. The device was developed by private industry in only four years at a cost of only $250 thousand. But it took 93 deaths, and congressional pressure before the FAA made the device required equipment in all airliners." (November 3; Ms. Ellerbee).

Response: On November 2, 1977, a United States District Court issued its findings in a lawsuit brought by the widows of the deceased pilot and co-pilot of the aircraft involved in the crash at Dulles to which NBC refers. The court clearly recognized what NBC ignored. The United States District Court found the pilots involved to be negligent and stated: "The transcript further reveals that at 1108.21, a full minute prior to impact, the altitude alert horn sounded. This was an indication that the aircraft was 500 feet above terrain. It sounded again at 1108.57 and 1109.14. Apparently it was ignored by the entire crew. Nor did any member of the crew, as required by TWA training procedures, verbally notice the sounding." The equipment necessary to prevent this accident was already required and onboard the TWA aircraft that crashed at Dulles.

Long before the Dulles accident, the FAA on April 18, 1973, issued an advanced notice of proposed rulemaking that would have required a Ground Proximity Warning System (GPWS) to be installed on airline aircraft. After reviewing the comments received and after further monitoring of the development of the equipment, FAA issued another notice on September 12, 1974, which proposed more specific requirements for installation of GPWS. Although the Ground Proximity Warning Device referred to was not a product of FAA research and development efforts, it was one of several candidate systems which FAA was evaluating at the time of the Dulles crash. Thus, it is clear that the GPWS was contemplated as being part of the FAA regulatory plan long before the TWA crash.

The device had not been required prior to the crash due to problems associated with its use. The most notable problem was that of false alarms. The device was susceptible to "sounding off" under conditions other than close proximity to the ground, which was disconcerting to pilots. As a result there was significant objection among pilots to its implementation.

On December 18, 1974, a final rule was adopted requiring the system to be installed by December 1, 1975. This date had to be extended to allow even further refinement of the system as the large number of false warnings threatened to destroy pilot confidence. Unless equipment has the confidence of the user, it will be of little value. If equipment is required before it can be carefully determined that it will be reliable, the resulting loss of confidence due to failure may not even be overcome by correction of the equipment's deficiencies. Equally important, to imply that the simple addition of equipment would prevent an accident ignores the need to use and rely on that equipment.

In this respect, it must also be noted that, while the rulemaking efforts for GPWS were underway, the FAA, in March 1973, urged all airlines to modify their radar altimeters to provide an automatic aural warning that would alert pilots when an aircraft was within 500 feet of the ground. The TWA airplane involved in the Dulles accident had this equipment installed and the aural warning sounded at 500 feet above the terrain at least twice before the impact and, as the Court found, in sufficient time for the pilot to have taken corrective actions.

16. Statement: "Rod Dennis is an inventor, an engineer and a pilot. In 1967, Dennis developed a theory about what caused two airline crashes in Cincinnati. Dennis linked the crashes to an instrument called the barometric altimeter. The control tower takes the barometric readings, and by radio gives it to the pilot to help him compute his altitude. But, if the tower is in a dry mass of air and the plane, a few miles away, is in wet air, it can cause the barometric altimeter in the cockpit to be inaccurate. Because of that said Dennis, the pilot may think he is higher off the ground than he really is and he may keep on thinking so until he crashes." (November 4; Ms. Ellerbee)

Response. Mr. Dennis' interview implied that a barometric setting given by a facility could be the barometric pressure of dry air when in fact the aircraft is traversing a moist environment some distance from the facility. He concludes that the moist/dry air difference could cause sufficient altimeter error for the aircraft to descend into the terrain. Mr. Dennis is correct in the conclusion that moist (wet) air weighs less than dry air. However, he grossly exaggerated the effect of humidity on density altitude; i.e., at an altitude of 1000 feet, dry air pressure would indicate on an altimeter less than 20 feet lower than the moist (wet) air pressure indication. The terminal area procedures have a sufficient safe altitude margin to compensate for a nonstandard atmosphere. In addition, all airline turbine-powered airplanes are equipped with radar altimeters which measure precise heights above the ground.

17. Statement: "They told me—now this is going to be sort of like a wrench in the work, see—don't tell anybody about it, let us find you, we don't want to disturb the status quo of the accidents of the past that we caused by this, because it would be a can of worms for us." (November 4; Mr. Dennis)

"We asked Dennis what he thought that meant." (Ms. Ellerbee)

"That enterprising attorneys would jump out, reopen the cases, and come back with suits against the government for giving wrong information to the pilot causing the accident." (Mr. Dennis).

"The FAA agrees with Dennis' theory that the barometric altimeter can cause problems, but denies telling him to be quiet because of potential lawsuits. And the FAA still has no solution to the problems with the barometric altimeter. Critics of the FAA say Rod Dennis' story is not an isolated example, but part of a pattern of an agency that makes mistakes, then tries to ignore them or cover up." (Ms. Ellerbee)

Response: The allegations of a cover up are absurd on their face. Mr. Dennis himself states in the telecast that "They sent—immediately sent wires to all the weather bureaus throughout the nation in which they told them to be care—be aware of the phenomena of moisture on approach with a

dry tower, which would cause the altimeter problem to exist." It is totally inconsistent for Mr. Dennis to state in the first instance that the FAA immediately sent out telegrams while alleging that the FAA attempted to keep this matter quiet. Additionally, the FAA employee with whom Mr. Dennis met, states that not only did he not ask Mr. Dennis to "be quiet because of potential lawsuits," but that he referred Mr. Dennis to another agency, the Civil Aeronautics Board, whose responsibility it was, at that time, to analyze any pertinent data relative to aircraft accidents and to determine probable cause. An agency attempting to cover up a problem and keep it quiet would certainly not refer the matter to another agency which would be responsible for determining if that problem had caused an accident.

18. Statement: "[c]ritics point to the FAA actions in the international search for a new landing system, microwave equipment that would enable planes to make controlled instrument landings in all conditions. Only one system will be chosen and it is intended to be used worldwide. Millions of dollars have and will be spent, and the choices come down to the system designed by the FAA, shown here, or the system designed by the British. It is supposed to be a friendly, scientific search for the safest possible system. But the British say the FAA has cheated." (November 4; Ms. Ellerbee).

"But what are the ramifications of these errors? Lincoln Laboratories says its integrity is in question because of the FAA. In London, British aviation authorities are extremely upset. A source who was looking into the situation for the White House is concerned relations with a friendly country have been damaged. And a group of congressmen is challenging the FAA actions in this matter." (Ms. Ellerbee).

Response: While we will not dispute that FAA errors have occurred in the context of the MLS program, we nevertheless believe that the allegation that "the FAA has cheated" lacks foundation. As the Honorable Dale Milford, Chairman, House Subcommittee on Transportation, Aviation and Weather, stated at a Congressional Hearing on September 27, 1977: "I believe I was the first Congressman to begin examining, in detail, the Doppler—TRSB argument. And over the past two years I have looked at it longer and harder perhaps than any other member of Congress. During this period of time I have found no evidence of foul play by either the FAA technicians or scientists nor those from Great Britain."

The following letter from Chairman Milford to the Honorable Olin E. Teague, Chairman, Committee on Science and Technology, provides additional insight concerning the MLS problem:

COMMITTEE ON SCIENCE AND TECHNOLOGY,
Washington, D.C., November 3, 1977.

Hon. OLIN E. TEAGUE,
Rayburn House Office Building,
Washington, D.C.

DEAR MR. CHAIRMAN: As you know, the microwave landing system (MLS) controversy has been the subject of considerable interest to the Subcommittee over the past year.

During that period of time, the Subcommittee has been very reluctant to officially speak out on the issue for fear of upsetting the international decision-making process.

Unfortunately, some persons have sought to take advantage of this situation by attempting to drive a wedge between the Subcommittee Members. By making certain blatant and false statements about the U.S. MLS program and MIT's Lincoln Laboratory, these persons hoped to create confusion in the Subcommittee and delay in the international process. Heretofore, their success has been premised on the fact that little or no response to their allegations would be forthcoming because of the complexity of the issues and delicacy of international negotiations.

I believe that we can no longer countenance such activities. It is time for the Subcommittee to unite and to respond to these false allegations directed toward American programs and institutions. I would therefore call to your attention the enclosed letter which I have just received from the MIT Lincoln Laboratory.

This letter is a response to allegations being circulated by a U.K. commercial firm lobbyist—allegations which have been intended to discredit the AWOP decision and the work of Lincoln Labs.

In short, Lincoln indicates that there has always been an open invitation for any interested party to visit the laboratory and use the programs, that in fact the U.K. availed themselves of this opportunity on at least two occasions, that twenty-two reports describing the simulation techniques and results have been distributed to the U.K., and that the entire TRSB computer tape and documentation was given to the CAA in September, 1977.

I think it is necessary to bear in mind that Lincoln was requested to perform the MLS simulations because of its highly regarded expertise and integrity and that AWOP considered the work of the laboratory to be reliable and extremely helpful.

The Massachusetts Institute of Technology and the Lincoln Laboratory have enjoyed a long history of world respect for their contribution to aviation electronics.

It is a travesty to allow their reputation to be wrongfully and viciously slandered.

The Subcommittee, as a responsible agent of Congress, should do everything in its power to ensure that this situation is rectified.

I strongly urge that you devote your attention to this matter and to the enclosed document.

Sincerely,

DALE MILFORD,
Chairman, Subcommittee on Transportation, Aviation and Weather.

The following statement, extracted from the "Aviation Daily" (November 8, 1977, page 45), sheds additional light on the NBC statements: "A new FAA attitude towards cooperation with the U.K. on selection of an international microwave landing system has drawn praise from the U.K. Civil Aviation Authority. 'It would not be good if the International Civil Aviation Organization does not select a standard system at the world meeting in April,' M. F. Whitney, CAA representative to the ICAO panel that studies MLS choices, told The DAILY. 'But Langhorne Bond's statements to a congressional subcommittee in late September on his willingness for FAA to perform comparative field tests of the two MLS systems and freely exchange information leads me to believe there is chance of an agreement between FAA and the CAA on the better system before the world meeting' he said."

In sum, the development of an MLS is a complex undertaking involving thousands of details. Human errors do occur; however, the FAA has never knowingly attempted to mislead anyone as to the viability of the TRSB MLS program. The FAA has taken the lead in attempting to achieve an international agreement on the version of the MLS to be employed worldwide thereby contributing to a higher level of aviation safety for all air travelers.

19. Statement: "This is the wreckage of an Eastern Airlines plane that crashed in New York in 1975. An FAA source says the Agency took money from other safety programs in order to develop microwave equipment. He says one of the projects dropped was the study of windshear, the sudden change in speed and direction of the wind. And, he says, that money was not put back until after 113 people died in this crash caused by windshear."

Response: This statement is incorrect. The FAA has continuously funded the development of a wind and windshear detection system since 1972—well before the June 1975 accident at JFK Airport. No funds were diverted from the windshear program to the MLS program.

An initial windshear system has been developed and is currently being used at Dulles International Airport to study low-level windshear conditions and their causes in an active airport environment.

GENERAL LEAVE

Mr. STEERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include therein extraneous material on the subject of the special order on November 30, 1977, by the gentleman from New York, Mr. WYDLER.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. WHITE (at the request of Mr. WRIGHT) for November 29 and 30, on account of official business.

Mrs. CHISHOLM (at the request of Mr. WRIGHT) for this week, on account of a necessary absence.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. STEERS) to revise and extend their remarks and include extraneous material:)

Mr. HAMMERSCHMIDT, for 60 minutes Thursday, December 1.

Mr. ASHBROOK, for 20 minutes, today.

Mr. WYDLER, for 30 minutes Wednesday, November 30.

Mr. MICHEL, for 5 minutes, today.

Mr. MCDADE, for 10 minutes, today.

Mr. CORCORAN of Illinois, for 5 minutes, today.

Mr. EVANS of Delaware, for 5 minutes, today.

(The following Members (at the request of Mr. WHITLEY), to revise and extend their remarks, and to include extraneous matter:)

Mr. GONZALEZ, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. DODD, for 5 minutes today.

Mr. FORD of Michigan, for 5 minutes, today.

Mr. FOUNTAIN, for 5 minutes, today.

Mr. ADDABBO, for 5 minutes, today.

Mr. TEAGUE, for 5 minutes, today.

Mr. WIRTH, for 5 minutes, today.

Mr. STOKES, for 5 minutes, today.

Mr. RODINO, for 5 minutes, today.

Mr. RONCALIO, for 5 minutes, today.
Mr. GIAIMO, for 5 minutes, today.
Mr. BEDELL, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. MILFORD, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $2,093.

Mr. MILFORD, in the extension of remarks in five instances.

(The following Members (at the request of Mr. STEERS) and to include extraneous material:)

Mr. ARCHER in two instances.
Mr. SYMMS in four instances.
Mr. DERWINSKI in three instances.
Mr. WHITEHURST in two instances.
Mr. CARTER.
Mr. PRESSLER.
Mr. EVANS of Delaware in two instances.
Mr. BADHAM.
Mr. DON H. CLAUSEN.
Mr. TAYLOR.
Mr. ASHBROOK in four instances.
Mr. GRASSLEY.
Mr. SKUBITZ.
Mr. BOB WILSON in five instances.
Mr. LAGOMARSINO.
Mr. MICHEL in two instances.
Mr. BROWN of Michigan.
Mr. COHEN.
Mr. HANSEN in six instances.
Mr. WYLIE.
Mr. RUDD.
Mr. GOODLING.
Mr. THONE.
Mr. GILMAN.

(The following Members (at the request of Mr. WHITLEY) and to include extraneous matter:)

Mr. FRASER in six instances.
Mr. ANNUNZIO in six instances.
Mr. ANDERSON of California in three instances.
Mr. GONZALEZ in three instances.
Mr. BROWN of California in 10 instances.
Mr. FISHER in 10 instances.
Mr. DINGELL.
Mr. IRELAND.
Mr. MINETA in two instances.
Mr. BAUCUS in three instances.
Mr. MAZZOLI in three instances.
Mr. ADDABBO.
Mr. CORRADA.
Mr. HAMILTON in two instances.
Mr. WIRTH in two instances.
Mrs. SCHROEDER.
Mr. NATCHER.
Mr. MOTTL.
Ms. OAKAR in two instances.
Mr. AUCOIN in two instances.
Mr. EILBERG in five instances.
Mr. WOLFF in two instances.
Mr. MURTHA.
Mr. FORD of Michigan.
Mr. KOSTMAYER in two instances.
Mrs. MEYNER in two instances.
Mr. BRADEMAS in 10 instances.
Mr. DOWNEY.
Mr. HUBBARD.
Mr. MOORHEAD of Pennsylvania in two instances.
Mr. OBERSTAR in two instances.
Mr. DELLUMS.
Mr. POAGE in two instances.
Mr. JOHNSON of California.
Mr. PATTERSON of California.
Mr. GAYDOS.
Mr. AMBRO.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 2328. An act to amend Private Law 95–21 to make a technical correction therein; to the Committee on Interior and Insular Affairs.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1131. An act to authorize appropriations for Nuclear Regulatory Commission for the fiscal year 1978, and for other purposes.

THE LATE HONORABLE JOHN L. McCLELLAN

The SPEAKER. The Chair recognizes the gentleman from Texas (Mr. MAHON).

Mr. MAHON. Mr. Speaker, I offer a privileged resolution.

The Clerk read the resolution, as follows:

H. RES. 918

Resolved, That the House has heard with profound sorrow of the death of the Honorable JOHN L. MCCLELLAN, a Senator of the United States from the State of Arkansas.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased Senator.

Resolved, That a committee of four Members be appointed on the part of the House to join the committee appointed on the part of the Senate to attend the funeral.

The resolutions were agreed to.

The SPEAKER. The Chair appoints as members of the funeral committee the following Members on the part of the House: Mr. HAMMERSCHMIDT, Mr. ALEXANDER, Mr. THORNTON, and Mr. TUCKER.

The Clerk will report the remaining resolution.

The Clerk read as follows:

Resolved, That as a further mark of respect to the memory of the deceased, the House do now adjourn.

The resolution was agreed to.

ADJOURNMENT

Accordingly (at 7 o'clock and 18 minutes p.m.), the House adjourned until tomorrow, Wednesday, November 30, 1977, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2724. A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), transmitting notice of the location, nature, and estimated cost of various construction projects proposed to be undertaken for the Army Reserve, pursuant to 10 U.S.C. 2233a(1); to the Committee on Armed Services.

2725. A letter from the Deputy Assistant Secretary of Defense (Management Systems), transmitting revisions to the selected acquisition reports and SAR summary tables for the quarter ended September 30, 1977, pursuant to section 811(a) of Public Law 94–106; to the Committee on Armed Services.

2726. A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting a proposed final regulation governing grants to institutions of higher education under the higher education personnel training program, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

2727. A letter from Executive Secretary to the Department of Health, Education, and Welfare, transmitting proposed final regulations for career education and career development programs, pursuant to section 431 (d) of the General Education Provisions Act; to the Committee on Education and Labor.

2728. A letter from the Acting Executive Secretary to the Department of Health, Education, and Welfare, transmitting proposed final regulations for student consumer information services, pursuant to section 431(d) of the General Education Provisions Act; to the Committee on Education and Labor.

2729. A letter from the Director of ACTION, transmitting notice of a proposed new records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2730. A letter from the Comptroller General of the United States, transmitting a list of reports issued or released by the General Accounting Office during October 1977, pursuant to section 234 of the Legislative Reorganization Act of 1970; to the Committee on Government Operations.

2731. A letter from the Comptroller General of the United States, transmitting a report on the examination of financial statements of the Government Printing Office as of September 30, 1976 (FOD–77–5, November 25, 1977), pursuant to 44 U.S.C. 309(c); to the Committee on Government Operations.

2732. A letter from the Comptroller General of the United States, transmitting a report on the Transfer Income Model and its uses within the Federal Government to analyze welfare programs (PAD–78–14, November 25, 1977); to the Committee on Government Operations.

2733. A letter from the Acting Deputy Assistant Secretary of Agriculture and the Acting Assistant Secretary of the Interior, transmitting notice of their intention to publish proposed final regulations governing fees for livestock grazing on Federal lands in the Western States, pursuant to section 401(a) of the Federal Land Policy and Management Act of 1976; to the Committee on Interior and Insular Affairs.

2734. A letter from the Chief Commissioner, U.S. Court of Claims, transmitting a report on the allowance of the attorney expense claim in docket No. F–15, Davis, Wright, Todd, Riese & Jones, pursuant to section 20 of the Alaska Native Claims Settlement Act; to the Committee on Interior and Insular Affairs.

2735. A letter from the Assistant Secretary of State for Congressional Relations, transmitting notice of the State Department's intention to consent to a request by the United Kingdom to transfer certain U.S.-origin military equipment to Denmark, pursuant to section 3 of the Arms Export Control Act; to the Committee on International Relations.

2736. A letter from the Acting Assistant Administrator for Legislative Affairs, Agency for International Development, Department of State, transmitting a report on the international disaster assistance program for the quarter ended September 30, 1977, pursuant to section 492 of the Foreign Assistance Act of 1961, as amended; to the Committee on International Relations.

2737. A letter from the Acting Assistant Administrator for Legislative Affairs, Agency for International Development, Department of State, transmitting the second semiannual report on participation by small business in procurement programs of the Agency, pursuant to section 602 of Public Law 94–329; to the Committee on International Relations.

2738. A letter from the Chairman, Securities and Exchange Commission, transmitting the report of the Advisory Committee on Corporate Disclosure; to the Committee on Interstate and Foreign Commerce.

2739. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the fee provisions of the U.S. patent and trademark laws; to the Committee on the Judiciary.

2740. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting reports concerning visa petitions approved according certain beneficiaries third and sixth preference classification, pursuant to section 204 (d) of the Immigration and Nationality Act, as amended (79 Stat. 915); to the Committee on the Judiciary.

2741. A letter from the Chairman, Administrative Conference of the United States, transmitting a report on legislative veto of administrative regulations, pursuant to 5 U.S.C. 575; to the Committee on the Judiciary.

2742. A letter from the Administrator of General Services, transmitting a prospectus proposing a succeeding lease for space currently occupied at the Ford Building, 555 West 57th Street, New York, N.Y.; to the Committee on Public Works and Transportation.

2743. A letter from the Under Secretary of Defense (Research and Engineering), transmitting a report on Department of Defense procurement from small and other business firms for October 1976 to May 1977, pursuant to section 10 (d) of the Small Business Act, as amended; to the Committee on Small Business.

2744. A letter from the Chairman, Federal Election Commission, transmitting a copy of correspondence sent to the Office of Management and Budget, pursuant to section 310(d)(1) of the Federal Election Campaign Act, as amended; jointly, to the Committees on Appropriations, and House Administration.

2745. A letter from the Assistant Administrator for Planning and Management, U.S. Environmental Protection Agency, transmitting a report on the number of employees in each General Schedule grade employed by EPA on September 30, 1976, and September 30, 1977, pursuant to section 1310 of the Supplemental Appropriations Act of 1952; jointly, to the Committees on Appropriations, and Post Office and Civil Service.

2746. A letter from the Comptroller General of the United States, transmitting a report on Air Force maintenance depots (LCD–78–403, November 23, 1977); jointly, to the Committees on Government Operations, and Armed Services.

2747. A letter from the Comptroller General of the United States, transmitting a report on the Defense Department's consideration of West Germany's Leopard as the Army's new main battle tank (PSAD–78–1, November 28, 1977); jointly, to the Committees on Government Operations, and Armed Services.

2748. A letter from the Comptroller General of the United States, transmitting a followup report on the five Federal service academies (FPCD–77–78, November 25, 1977); jointly, to the Committees on Government Operations, Armed Services, and Merchant Marine and Fisheries.

2749. A letter from the Comptroller General of the United States, transmitting a report on uranium enrichment policies and operations (EMD-77-64, November 18, 1977); jointly, to the Committee on Government Operations, Interior and Insular Affairs, and Science and Technology.

2750. A letter from the Secretary of Commerce, transmitting the annual report for calendar year 1976 on ocean dumping research, pursuant to section 201 of the Marine Protection, Research, and Sanctuaries Act of 1972, as amended; jointly, to the Committees on Merchant Marine and Fisheries, and Science and Technology.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. YOUNG of Texas: Committee on Rules. House Resolution 916. Resolution providing for the consideration of the bill (S. 1340) to authorize appropriations to the Energy Research and Development Administration for energy research, development, demonstration, and related programs in accordance with section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, as amended, and for other purposes (Rept. No. 95–821). Referred to the House Calendar.

Mr. SISK: Committee on Rules. House Resolution 917. Resolution providing for the consideration of the joint resolution (H.J. Res. 662) making further continuing appropriations for the fiscal year 1978, and for other purposes (Rept. No. 95–822). Referred to the House Calendar.

Mr. MAHON: Committee on Appropriations. House Joint Resolution 662. Joint resolution making further continuing appropriations for the fiscal year 1978, and for other purposes (Rept. No. 95–824). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURPHY of New York: Committee of conference. Conference report on S. 1316 (Rept. No. 95–823). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of California (for himself Mr. HARRINGTON, and Mr. TSONGAS):

H.A. 10121. A bill to amend title 38 of the United States Code in order to provide for the payment of service pensions to veterans of World War I and for certain surviving spouses and certain children; to the Committee on Veterans' Affairs.

By Mr. ANDREWS of North Dakota (for himself and Mr. MURPHY of New York):

H.R. 10122. A bill to amend the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 to provide persons who own farm operations and businesses with more equitable compensation when they are displaced from such farm operations and businesses by the Federal Government: to the Committee on Public Works and Transportation.

By Mr. BAFALIS (for himself, Mr. BENJAMIN, Mr. BYRON, Mr. CHAPPELL, Mr. COUGHLIN, Mr. EILBERG, Mr. KELLY, Mr. MARRIOTT, Mr. MURPHY of New York, Mr. O'BRIEN, Mr. ROONEY, and Mr. SYMMS):

H.R. 10123. A bill to amend the Internal Revenue Code of 1954 to eliminate the adjusted gross income limitation on the credit for the elderly, to increase the amount of such credit, and for other purposes; to the Committee on Ways and Means.

By Mr. BEDELL (for himself, Mr. BROWN of California, Mr. CONABLE, Mr. CONTE, Mr. CORCORAN of Illinois, Mr. CORNELL, Mr. DEVINE, Mr. DODD, Mr. DORNAN, Mr. EDGAR, Mr. HARRINGTON, Mr. HYDE, Ms. KEYS, Mr. KILDEE, Mr. LEACH, Mr. LLOYD of California, Mr. MAZZOLI, Mr. MCHUGH, Mr. OTTINGER, Mr. PEASE, Mr. PRITCHARD, Mrs. SCHROEDER, Mr. STEERS, Mr. ULLMAN, and Mr. VAN DEERLIN):

H.R. 10124. A bill to amend title 18, United States Code, to prohibit Members of the Congress from mailing or otherwise using official congressional stationery for any purpose other than official congressional business; to the Committee on the Judiciary.

By Mr. BROWN of Michigan (for himself and Mr. CORCORAN of Illinois):

H.R. 10125. A bill to simplify and improve the Truth in Lending Act, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mrs. BURKE of California (for herself Mrs. SCHROEDER, Mr. LEHMAN, Mrs. SPELLMAN, Mr. GILMAN, Mr. CORCORAN of Illinois, Mr. NIX, Mr. SOLARZ, Mr. METCALFE, Mr. RYAN, Mr. DICKS, and Mr. CLAY):

H.R. 10126. A bill to amend title 5, United States Code, to establish a program to increase part-time career empoyment within the civil service; to the Committee on Post Office and Civil Service.

By Mr. CARTER:

H.R. 10127. A bill to amend section 111 of title 23, United States Code, relating to agreements for the use of and access to the rights-of-way of the Interstate System; to the Committee on Public Works and Transportation.

By Mr. CORNWELL:

H.R. 10128. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. CORRADA:

H.R. 10129. A bill to provide more effectively for the use of interpreters in courts of the United States, and for other purposes; to the Committee on the Judiciary.

H.R. 10130. A bill to amend title II of the Social Security Act and chapter 21 of the Internal Revenue Code of 1954 to provide social security coverage for work performed in prison industries and other services performed for remuneration by inmates of penal institutions; to the Committee on Ways and Means.

By Mr. CORRADA (for himself, Mr. BADILLO, Mr. HORTON, Mr. DE LA GARZA, Mr. ROE, Mr. MOORHEAD of Pennsylvania, and Mr. DE LUGO):

H.R. 10131. A bill to provide Federal assistance to the Commonwealth of Puerto Rico for the construction of a youth recreation center in honor of Roberto Clemente; jointly, to the Committees on Government Operations and Interior and Insular Affairs.

By Mr. HEFTEL:

H.R. 10132. A bill to amend the Small Business Act to provide graduated amounts of loan guarantees to minority small business concerns with respect to loans for the acquisition of the construction, conversion, or expansion of certain broadcast or cable facilities, and to amend the Internal Revenue Code of 1954 to provide for the nonrecognition of gain on certain sales and exchanges of broadcast or cable facilities involving small business concerns; jointly, to the Committees on Small Business and Ways and Means.

By Mr. HYDE (for himself, Mr. BAUCUS, Mr. BURGENER, Mr. COLLINS of Texas, Mr. CORCORAN of Illinois, Mr. FRENZEL, Mr. LAFALCE, Mr. LAGOMARSINO, Mr. LENT, Mr. MCCLORY, Mr. MURPHY of Pennsylvania, Mr. MURPHY of New York, Mr. ROBINSON, and Mr. ROUSSELOT):

H.R. 10133. A bill to amend title 18, United States Code, relating to the production of false documents or papers of the United States, and the use of false information in obtaining official documents and papers of the United States, involving an element of identification; to the Committee on the Judiciary.

By Mr. HYDE (for himself and Mr. BENJAMIN):

H.R. 10134. A bill to provide procedures for calling constitutional conventions for proposing amendments to the Constitution of the United States, on application of the legislatures of two-thirds of the States, pursuant to article V of the Constitution; to the Committee on the Judiciary.

By Mr. HYDE (for himself, Mr. LUNDINE, Mr. SKELTON, and Mr. MILLER of Ohio):

H.R. 10135. A bill to have an inscription and appropriate medals, ribbons, and tributes placed upon the crypt at the National Cemetery at Arlington, Va., reserved for an American soldier who lost his life in Southeast Asia during the Vietnam era, and whose identity is unknown; to the Committee on Veterans' Affairs.

By Mr. KEMP (for himself, Mr. ARCHER, Mr. BURKE of Florida, Mr. DEL CLAWSON, Mr. COUGHLIN, Mr. DAN DANIEL, Mr. GRADISON, Mr. HAMMERSCHMIDT, Mr. HARSHA, Mr. KELLY, Mr. MADIGAN, Mr. MICHAEL O. MYERS, Mr. REGULA, Mr. ROBINSON, Mr. SHUSTER, Mr. STANTON, Mr. STEERS, Mr. STEIGER, and Mr. TAYLOR):

H.R. 10136. A bill to provide for permanent tax rate reductions for individuals and businesses; to the Committee on Ways and Means.

By Mr. LEHMAN:

H.R. 10137. A bill to amend title 5 of the United States Code to make war orphans, children of disabled veterans, and spouses, mothers, and children of members of the armed forces missing in action or captured, eligible for preference in civil service competitive appointments; to the Committee on Post Office and Civil Service.

By Mr. LOTT (for himself and Mr. LIVINGSTON):

H.R. 10138. A bill to amend title XI of the Merchant Marine Act, 1936, to permit the guarantee of obligations for financing fishing vessels in an amount not exceeding 87½ percent of the actual or depreciated actual cost of each vessel; to the Committee on Merchant Marine and Fisheries.

By Mr. MATHIS:

H.R. 10139. A bill to effect certain reorganization of the Federal Government to strengthen Federal programs and policies for combating international and domestic terrorism; jointly, to the Committees on International Relations, the Judiciary, and Public Works and Transportation.

By Mr. MATHIS (for himself, Mr. EVANS of Georgia, Mr. GINN, Mr. BRINKLEY, and Mr. BARNARD):

H.R. 10140. A bill to provide parity to farmers and to prevent interruptions in the supply of food to American consumers; to the Committee on Agriculture.

By Ms. OAKAR (for herself, Mr. ASHBROOK, Mr. CORRADA, Mr. COUGHLIN, Mr. DINGELL, Mr. EILBERG, Mr. GUYER, Mr. LEDERER, Mr. MCHUGH, Mr. MARKS, Mr. MURPHY of Illinois, Mr. PEPPER, Mr. ROBINSON, Mr. ROE, Mr. STOKES, and Mr. BOB WILSON):

H.R. 10141. A bill to require that the Hungarian Crown of Saint Stephen and other relics of the Hungarian royalty remain in the custody of the U.S. Government and that they not be transported out of the United States, unless the Congress provides otherwise by legislation; to the Committee on International Relations.

By Mr. OBERSTAR:

H.R. 10142. A bill to amend the Federal Reserve Act to direct the Federal Open Market Committee to regulate the extension of the money supply to achieve steady growth rates of money, to reduce the rate of inflation, and to encourage continued growth of the economy; to the Committee on Banking, Finance and Urban Affairs.

H.R. 10143. A bill to amend the Railroad Retirement Act of 1974 to permit certain voluntary military service to be counted toward the years-of-service requirement for benefits under such act; to the Committee on Interstate and Foreign Commerce.

By Mr. RINALDO:

H.R. 10144. A bill to delay for 6 months the effective date of the increase in the hospital deductible for 1978 under part A of the medicare program; to the Committee on Ways and Means.

By Mrs. SPELLMAN (for herself, Mr. AKAKA, Mr. BOWEN, Mr. BUCHANAN, Mr. CAPUTO, Mr. DERRICK, Mr. DOWNEY, Mr. EDWARDS of California, Mr. GILMAN, Mr. HARRINGTON, Mr. HARRIS, Mr. HYDE, Mr. LOTT, Mr. MCFALL, Mr. MINETA, Mr. MIKVA, Mr. NOWAK, Mr. PATTERSON of California, Mr. PATTISON of New York, Mr. ROE, Mr. THOMPSON, Mr. TREEN, and Mr. TRIBLE):

H.R. 10145. A bill to assist cities and States by amending section 5136 of the Revised Statutes, as amended, with respect to the authority of national banks to underwrite and deal in securities issued by State and local governments, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. DOWNEY:

H.R. 10146. A bill to provide policies, methods, and criteria for the acquisition of property and services by executive agencies; to the Committee on Government Operations.

H.R. 10147. A bill to exempt companies which are engaged in investing in new business securities from the provisions of the Investment Company Act of 1940; to the Committee on Interstate and Foreign Commerce.

H.R. 10148. A bill to amend the Internal Revenue Code of 1954 to increase the corporate surtax exemption, to provide for the deferral of gain from the sale or exchange of certain stock, and for other purposes; to the Committee on Ways and Means.

H.R. 10149. A bill to establish a national corporation to finance, through loan guaranties and loans, high-risk efforts which seek to develop and demonstrate technologies to meet critical national needs and which are unable to secure adequate funds through existing sources, to strengthen and insure congressional participation in the continuing review of Government operations and activities, and for other purposes; jointly, to the Committees on Banking, Finance and Urban Affairs, Science and Technology, and Rules.

By Mr. GONZALEZ:

H.R. 10150. A bill to amend title 38, United States Code, to establish a loan program to provide educational assistance to Vietnam-era veterans and their eligible dependents who were unable to complete a program of education before the expiration of their eligibility for benefits under the GI bill, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. SMITH of Iowa (for himself, Mr. CHARLES WILSON of Texas, Mr. BAUMAN, Mr. CORNELL, Mr. TREEN, Mr. BADILLO, Mr. KAZEN, Mr. BROYHILL, Mr. HOWARD, Mr. MARLENEE, Mr. GLICKMAN, Mr. WEAVER, Mr. HUGHES, Mr. CORNWELL, Mr. CARTER, and Mr. ABDNOR):

H.R. 10151. A bill to amend the Rural Development Act of 1972 to require that loan guarantees from the Farmers Home Administration be no less favorable to borrowers than those offered by the Department of Housing and Urban Development; to the Committee on Agriculture.

By Mr SMITH of Iowa (for himself, Mr. NOLAN, Mr. JONES of Tennessee, Mr. MITCHELL of Maryland, Mr. ENGLISH, Mr. MCCORMACK, Mr. LAGOMARSINO, Mr. CORRADA, Mr. WATKINS, Mr. LAFALCE, Mr. BURGENER, Mr. MOSS, Mr. BLOUIN, Mr. BALDUS, Mrs. LLOYD of Tennessee, Mr. SIMON, Mr. BEVILL, Mr. MURTHA, Mr. GRASSLEY, and Mr. MATHIS):

H.R. 10152. A bill to amend the Rural Development Act of 1972 to require that loan guarantees from the Farmers Home Administration be no less favorable to borrowers than those offered by the Department of Housing and Urban Development; to the Committee on Agriculture.

By Mr. THONE:

H.R. 10153. A bill to insure the quality of imported meat; to the Committee on Agriculture.

By Mr. TUCKER:

H.R. 10154. A bill to provide that reimbursements shall not be required of any provider of medical services with respect to payments made under the medicare program to such provider, if such payments were certified as correct by an agent of the Federal Government and the provider acted in good faith in applying for such payments; to the Committee on Ways and Means.

By Mr. MAHON:

H.J. Res. 662. Joint resolution making further continuing appropriations for the fiscal year 1978, and for other purposes; to the Committee on Appropriations

By Mr. MITCHELL of New York:

H.J. Res. 663. Joint resolution memorializing Dr. Mahlon Loomis; to the Committee on Post Office and Civil Service.

By Mr. RYAN:

H.J. Res. 664. Joint resolution to postpone until December 31, 1978, the effective date of the final regulations developed pursuant to the proposed regulations published in the Federal Register dated August 25, 1977 (43 C.F.R. 426), relating to Federal reclamation law, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BEDELL (for himself, Mr. GUYER, Mr. LEACH, Mr. KRUEGER, Mr. PATTISON of New York, Mr. ENGLISH, Mr. BALDUS, Mr. GUDGER, Mr. RUPPE, Mr. HALL, Mr. QUIE, Mr. CAVANAUGH, Mr. PRESSLER, Mr. BEVILL, and Mr. WHITLEY):

H. Con. Res. 420. Concurrent resolution to assure equal access to quality health care for populations located in rural areas; jointly, to the Committees on Interstate and Foreign Commerce, and Ways and Means.

By Mr. DODD (for himself, Mr. GILMAN, Mr. PEPPER, Mr. ZEFERETTI, Mr. BOLAND, Mr. BONIOR, Mr. THOMPSON, Mr. LE FANTE, Mr. YOUNG of Missouri, Mr. REUSS, Mr. GUYER, Mr. KETCHUM, Mr. CORMAN, Mr. MOAKLEY, Mr. MARKS, Mr. HYDE, Mr. CORNWELL, Mr. CORRADA, Mr. KILDEE, Mr. FLOOD, Mr. CONTE, Mr. EDGAR, Mr. KREBS, Mr. WAXMAN, and Mr Mr. ERLENBORN):

H. Res. 919. Resolution; congratulations to the peoples of Egypt and Israel; to the Committee on International Relations.

By Mr. FITHIAN (for himself, Ms. MIKULSKI, Mr. NOLAN, and Mr. DENT):

H. Res. 920. Resolution to require Amtrak, the Urban Mass Transportation Administration, and ConRail to purchase domestic steel and steel products; to the Committee on Government Operations.

By Mr. SMITH of Iowa:

H. Res. 921. Resolution to provide funds for the further expenses of the investigations and studies of the Committee on Small Business; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CORRADA:

H.R. 10155. A bill for the relief of Elvira Giambartolomei de Guzman, M.D.; to the Committee on the Judiciary.

By Mr. FLOWERS:

H.R. 10156. A bill for the relief of Chin-Pao Shao; to the Committee on the Judiciary.

By Mr. KETCHUM:

H.R. 10157. A bill for the relief of Kern Painting and Sandblasting, Inc.; to the Committee on the Judiciary.

By Mr. LAGOMARSINO:

H.R. 10158. A bill for the relief of Policarpo Polla Garcia; to the Committee on the Judiciary.

By Ms. MIKULSKI:

H.R. 10159. A bill for the relief of Adolfo Streit; to the Committee on the Judiciary.

By Mr. RONCALIO:

H.R. 10160. A bill to provide for the conveyance of title and ownership to 2.58 acres within the Bridger-Teton National Forest, Wyo., to Ben Boschetto, Jr.; to the Committee on Interior and Insular Affairs.

By Mr. ST GERMAIN:

H.R. 10161. A bill for the relief of Eastern Telephone Supply and Manufacturing, Inc.; to the Committee on Ways and Means.

By Mr. WRIGHT:

H.R. 10162. A bill for the relief of Calvin Graham; to the Committee on the Judiciary.

By Mr. YATRON:

H. Con. Res. 421. Concurrent resolution commending the members of Billard Barbells softball team of Reading, Pa., for their contribution to amateur sports in winning the 1977 U.S. Amateur Softball Association Championships; to the Committee on Post Office and Civil Service.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

347. By Mr. QUILLEN: Petition of Dr. Joe Chambers, Erwin, Tenn., relative to repeal of the withholding tax law; to the Committee on Ways and Means.

348. Also, petition of Mr. Frank Gentry, Erwin, Tenn., relative to repeal of the withholding tax law; to the Committee on Ways and Means.

349. Also, petition of Mr. Jim McMackin, Erwin, Tenn., relative to repeal of the withholding tax law; to the Committee on Ways and Means.

350. Also, petition of R. E. Moore, Erwin, Tenn., relative to repeal of the withholding tax law; to the Committee on Ways and Means.

351. Also, petition of Mr. L. Kent Roller, Erwin, Tenn., relative to repeal of the withholding tax law; to the Committee on Ways and Means.

352. By the SPEAKER: Petition of the board of governors, Nashville Area Chamber of Commerce, Tennessee, relative to national security and military preparedness; to the Committee on International Relations.

353. Also, petition of the Commission of Ex-Residents of Portuguese Decolonized Territories, New Bedford, Mass., relative to waiving immigration restrictions; to the Committee on the Judiciary.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

S. 1340

By Mr. TEAGUE:

(Amendment in the nature of a substitute.)

Amend the title by striking "Energy Research and Development Administration" and insert in lieu thereof "Department of Energy."

Amend the enacting clause by striking "ERDA" and inserting in lieu thereof "Department of Energy."

Strike all after the enacting clause and insert the following:

SEC. 2. In accordance with section 261 of the Atomic Energy Act of 1954 (42 U.S.C. 2017), section 305 of the Energy Reorganization Act of 1974 (42 U.S.C. 5875), and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5915), there is hereby authorized to be appropriated to the Department of Energy, for energy research, development and demonstration, and related activities, the sum of $6,081,445,000.

TITLE I—ENERGY RESEARCH, DEVELOPMENT, AND DEMONSTRATION, AND RELATED ACTIVITIES

OPERATING EXPENSES

SEC. 101. For "Operating expenses", for the following programs, a sum of dollars equal to the total of the following amounts:

Fossil Energy Development

(1) Coal:

(A) Coal liquefaction, $107,000,000.

(B) High Btu gasification (coal)), $51,-200,000.

(C) Low Btu gasification (coal)), $73,-900,000.

(D) Advanced power systems, $25,500,000.

(E) Direct combustion (coal)), $65,200,000.

(F) Advanced research and supporting technology, $50,000,000: *Provided*, That of those funds authorized, funds as may be necessary are hereby authorized for the following purpose: The Secretary of Energy shall conduct a feasibility study of the technology and the commercial applications of the process of fine grinding of coal and dry vegetable residues for the purpose of preparing these substances as clean burning fuels.

(G) Demonstration plants and major test facilities (coal)), $60,900,000.

(H) Magnetohydrodynamics, $70,800,000: *Provided*, That at least 5 percent of the amount appropriated for magnetohydrodynamics shall be expended for closed cycle technology.

(2) Petroleum and natural gas:

(A) Enhanced oil recovery, $46,100,000.

(B) Enchanced gas recovery, $30,000,000.

(C) Drilling, exploration and offshore technology, $7,600,000.

(D) Processing and utilization, $1,400,000.

(3) Oil shale and in situ technology:

(A) Oil shale, $28,000,000.

(B) in situ coal gasification, $19,000,000.

Solar Energy Development

(4) Thermal applications, $104,700,000, including $94,400,000 for heating and cooling of buildings.

(5) Fuels from biomas, $20,500,000; and under such rules and regulations as he may establish, the Department of Energy is authorized to guarantee a loan or loans for the demonstration of a 50 MW wood-fueled power generating facility.

(6) Other Solar Energy Programs, $219,-700,000, including $7,000,000 for a parallel design work for small community applications.

Geothermal Energy Development

(7) Engineering research and development $15,500,000.

(8) Resource exploration and assessment, $17,600,000.

(9) Hydrothermal technology applications, $28,000,00.

(10) Advanced technology applications, $24,300,000.

(11) Utilization experiments, $16,000,000.

(12) Environmental control and institutional studies, $8,100,000.

(13) Low head hydroelectric program, $15,000,000.

Conservation Research and Development

(14) Electric energy systems and energy storage:

(A) Electric energy systems, $36,800,000.

(B) Energy storage systems, $48,500,000.

(15) End use conservation and technologies to improve efficiency:

(A) Industrial energy conservation, $38,-000,000.

(B) Buildings and community systems, $59,500,000: *Provided*, That $2,000,000 of such sum are hereby authorized for a research and development program in residential gas and oil furnaces.

(C) Transportation energy conservation, $87,000,000, of which $1,000,000 shall be available to the Alternative Fuels Utilization Program for study of automotive utilization of alcohol fuels and blends: *Provided*, That, of those funds authorized for the Alternative Fuel Utilization Program, funds as may be necessary are hereby authorized for the Department of Energy to conduct studies to determine the feasibility of utilizing existing distillery facilities or other types of refineries including but not limited to sugar refineries, in the implementation of programs to extend the supply of gasoline by means of a mixture of gasoline and alcohol.

(D) Improved conversion efficiency, $69,-700,000.

(16) Energy extension service, $8,000,000.

(17) Small grants for appropriate technology, $8,000,000.

Environment and Safety Research and Development.

(18) Environmental and Safety Research and Development:

(A) Overview and Assessment, $50,010,000.

(B) Environmental Research, $143,970,000.

(C) Life Sciences Research, $38,113,000.

(D) Decontamination and Decommissioning, $19,000,000.

Nuclear Research and Development

(19) Magnetic fusion, $207,900,000.

(20) Fuel cycle research and development, $363,885,000, including $20,000,000 for international spent fuel disposition, pursuant to section 107 and including $13,000,000 for research, development, assessment, evaluation, and other activities at the Barnwell Nuclear Fuels Plant related to alternative fuel cycle technologies, safeguard systems, spent fuel storage and waste management, except that none of the authorized funds may be used for operations of the plant to process spent fuel from reactors.

(21) Liquid metal fast breeder reactor, $333,300,000: *Provided*, That $5,000,000 of such sums are hereby authorized for research and development on means to reduce the ability to divert plutonium from its intended purposes and to increase the detectability of plutonium if it should be so diverted.

(22) Nuclear research and applications, $228,829,000.

(23) Light water reactor safety facilities, $24,000,000.

(24) High energy physics, nuclear physics, and basic energy sciences, $413,394,000.

(25) Nuclear materials security and safeguards, $40,106,000.

(26) Uranium enrichment, $989,185,000.

All Other Programs, $444,604,000, including—

(27) (i) Not more than $1,000,000 for the Water Resources Council to carry out the provisions of section 13 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5912);

(ii) Funds to carry out the provisions of section 11 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42

U.S.C. 5910), in the amount of $500,000 for the Council on Environmental Quality; and

(iii) Program management and support:

(a) Program direction, $222,900,000.

(b) Institutional relations, $34,179,000, including funds to reimburse the National Bureau of Standards for costs incurred in carrying out the provisions of section 14 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5913), as amended and including $1,800,000, is authorized to be appropriated pursuant to this paragraph (iii) for financial awards by the Department of Energy to independent inventors for the purpose of carrying out section 14 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5913) as amended.

(c) Supporting activities, $37,460,000.

(d) International cooperation, $5,000,000.

Prior Year Authorizations

(28) The sum of $40,000,000 which represents the portion of the appropriations heretofore made in the total amount of $56,000,000 for project 76–1–a (clean boiler fuel demonstration plant (A–E) and long-lead procurement) which remains unobligated and is no longer needed is hereby authorized to be made available instead, in addition to any amounts appropriated for the purposes involved pursuant to this Act for the low Btu gasification program.

PLANT AND CAPITAL EQUIPMENT

SEC. 102. (a) For "Plant and capital equipment", including construction, acquisition, or modification of facilities, including land acquisition; and acquisition and fabrication of capital equipment not related to construction, a sum of dollars equal to the total of the following amounts:

(1) Conservation Research and Development:

(A) Project 78–1–a, high bay addition, Los Alamos Scientific Laboratory, New Mexico, $800,000.

(2) Fossil Energy Development:

(A) Project 78–2–a, analytical research, chemistry and coal carbonization laboratory, Pittsburgh Energy Research Center, Pennsylvania, $6,600,000.

(B) Project 78–2–b, modifications and additions to Energy Research Centers, various locations, $3,000,000.

(C) Projects 78–2–c, low Btu fuel gas small industrial demonstration plants, sites undetermined (A–E and long-lead procurement only), $6,000,000.

(D) Project 78–2–d, solvent refined coal demonstration plant, site undetermined (total estimated cost is $300,000,000 including the Federal share thereof), $30,000,000.

(3) Magnetic Fusion:

(A) Project 78–3–a, a mirror fusion test facility, Lawrence Livermore Laboratory, California, $94,200,000.

(B) Project 78–3–b, fusion materials irradiation test facility, Hanford Engineering Development Laboratory, Washington (A–E and long-lead procurement), $14,400,000.

(4) Fuel Cycle Research and Development:

(A) Project 78–5–a, facilities for the national waste terminal storage program, site undetermined (land acquisition, A–E and long-lead procurement), $10,000,000.

(B) Project 78–5–b, liquid metal fast breeder reactor integrated prototype equipment test facility, Oak Ridge National Laboratory, Oak Ridge, Tennessee (A–E and long-lead procurement only), $3,000,000.

(C) Project 78–5–c, advanced isotope separation facility, site undetermined (A–E only), $3,500,000.

(5) Liquid Metal Fast Breeder Reactor:

(A) Project 78–6–a, modifications to reactors, $8,700,000.

(B) Project 78–6–b, safeguards and security upgrading, Idaho Falls, Idaho and Chicago, Illinois, $4,935,000.

(C) Project 78–6–c, safety research experimental facility, Idaho National Engineering Laboratory, Idaho (A–E, long-lead procurement and limited construction only), $20,100,000.

(D) Project 78–6–d, experimental breeder reactor II modification, Idaho Falls, Idaho (A–E and selected long-lead procurement only), $3,100,000.

(E) Project 78–6–e, modifications to facilities, Liquid Metal Engineering Center, Santa Susanna, California (A–E only), $4,000,000.

(F) Project 78–6–j, fuels and materials examination facility, Hanford Engineering Development Laboratory, Washington, $134,800,000.

(G) Project 78–7–a, modifications to utility system 300 area, Hanford Engineering Development Laboratory, Washington, $3,600,000.

(H) Project 78–7–b, test reactor area steam distribution system upgrade, Idaho National Engineering Laboratory, Idaho, $1,100,000.

(6) Light Water Reactor Safety Facilities:

(A) Project 78–8–a, upgrade Test Area North hot shop facility, Idaho National Engineering Laboratory, Idaho, $3,400,000.

(7) Environmental Research and Development:

(A) Project 78–9–a, modifications and additions to biomedical and environmental research facilities, various locations, $6,000,000.

(8) High Energy Physics:

(A) Project 78–10–a, accelerator improvements and modifications, various locations, $4,500,000.

(B) Project 78–10–b, proton-proton intersecting storage accelerator facility, Brookhaven National Laboratory, $10,500,000.

(C) Project 78–11–a, master substation reliability and capacity improvements, Stanford Linear Accelerator Center, California, $1,700,000.

(9) Nuclear Physics:

(A) Project 78–12–a, accelerator and reactor improvements and modifications, various locations, $1,900,000.

(B) Project 78–12–b, high intensity uranium beams, Lawrence Berkeley Laboratory, California, $6,000,000.

(10) Basic Energy Sciences:

(A) Project 78–13–a, national synchrotron light source, Brookhaven National Laboratory, New York, $24,000,000.

(B) Project 78–13–b, combustion research facility, Sandia Laboratories, Livermore, California, $9,400,000.

(11) Uranium Enrichment:

(A) Project 78–14–a, centrifuge facilities modifications, various locations, $30,000,000.

(B) Project 78–14–b, process control modifications, plants, various locations, $17,400,000.

(C) Project 78–15–a, water system improvements, gaseous diffusion plant, Paducah, Kentucky, $4,500,000.

(12) Program Management and Support:

(A) Project 78–1–b, chiller modifications for energy conservation, Bendix Plant, Kansas City, Missouri, $830,000.

(B) Project 78–1–c, process waste heat utilization, gaseous diffusion plant, Paducah, Kentucky, $5,700,000.

(C) Projects 78–19–a, program support facility, Argonne National Laboratory, Illinois (A–E and long-lead procurement only), $5,000,000.

(13) Project 78–21, General Plant Projects, $44,265,000.

(14) Project 78–22, Construction Planning and Design, $10,000,000.

(15) Capital Equipment Not Related to Construction:

(A) Conservation research and development, $8,670,000.

(B) Fossil energy development, $5,500,000.

(C) Solar energy development, $7,900,000.

(D) Geothermal energy development, $2,500,000.

(E) Magnetic fusion, $27,600,000.

(F) Fuel cycle research and development, $25,300,000.

(G) Liquid metal fast breeder reactor, $35,650,000.

(H) Nuclear research and applications, $18,595,000.

(I) Light water reactor safety facilities, $800,000.

(J) High energy physics, nuclear physics, and basic energy sciences, $61,300,000.

(K) Nuclear materials, security and safeguards, $2,794,000.

(L) Uranium enrichment, $19,000,000.

(M) Environmental research and development, $19,025,000.

(N) Program management and support, $4,955,000.

CHANGES TO PRIOR YEAR AUTHORIZATIONS

(b)(1) There is authorized an additional sum of $100,000,000 for the process equipment modifications, gaseous diffusion plants (project 71–1–f), authorized by section 101(b)(1) of Public Law 91–273 (for a total project authorization of $920,000,000).

(2) There is authorized an additional sum of $42,700,000 for the cascade uprating program, gaseous diffusion plants (project 74–1–g), authorized by section 101(b)(1) of Public Law 93–60 (for a total project authorization of $460,000,000).

(3) There is authorized an additional sum of $30,000,000 for the high Btu synthetic pipeline gas demonstration plant (project 76–1–b) authorized by section 101(b)(1) of Public Law 94–187 (for a total project authorization of $55,000,000).

(4) There is authorized an additional sum of $131,250,000 for the low Btu fuel gas demonstration plant (projects 76–1–c) authorized by section 101(b)(1) of Public Law 94–187 (for a total project authorization of $150,000,000).

(5) There is authorized an additional sum of $41,000,000 for the ten megawatt central receiver solar thermal powerplant, Barstow, California (project 76–2–b), authorized by section 101(b)(2) of Public Law 94–187 (for a total project authorization of $47,250,000): Provided, That if the solar electrical generating facility hereby supported contributes electricity to a distribution network serving the public on a commercial basis and if any Federal monetary contribution is included in the rate base for the purpose of computing return on capital investment to such utilities, that portion of the capital costs derived from Federal funds and included in the rate base shall be recovered with interest from the revenues of the solar facility.

(6) There is authorized an additional sum of $24,000,000 for the Tokamak fusion test reactor, Princeton Plasma Physics Laboratory, Plainsboro, New Jersey (project 76–5–a), authorized by section 101(b)(5) of Public Law 94–187 (for a total project authorization of $238,600,000).

(7) There is authorized an additional sum of $1,750,000 for the conversion of existing steamplants to coal capability, gaseous diffusion plants and Feed Materials Production Center, Fernald, Ohio (project 76–8–e), authorized by section 101(b)(8) of Public Law 94–187 (for a total project authorization of $15,250,000).

(8) There is authorized an additional sum of $107,630,000 for the enriched uranium production facilities, gas centrifuge (project 76–8–g), authorized by section 101(b)(8) of Public Law 94–187 (for a total project authorization of $362,630,000).

(9) There is authorized an additional sum of $5,500,000 for the MHD component development and integration facility (project 77–1–d) authorized by Public Law 94–373 (for a total project authorization of $13,200,000).

(10) There is authorized an additional sum of $5,000,000 for the high performance fuel laboratory, Richland, Washington (A–E only) (project 77–4–c) (for a total project authorization of $6,500,000).

(11) There is authorized an additional sum of $23,000,000 for the fuel storage facility, Richland, Washington (project 77–4–d) (for a total project authorization of $30,000,000).

(12) There is authorized an additional $3,200,000 for the 14 Mev intense neutron source facility, Los Alamos Scientific Laboratory, New Mexico (project 76–5–b) authorized by Public Law 94–187 (for a total project authorization of $25,300,000).

SEC. 103. Public Law 93–276, as amended, is further amended by rescinding therefrom authorization for project 75–5–g, molten salt breeder reactor (preliminary planning preparatory to possible future demonstration project), $1,500,000, except for any funds heretofore obligated.

SEC. 104(a). Notwithstanding any other provision of law, jurisdiction over matters transferred to the Department of Energy from the Energy Research and Development Administration which on the effective date of such transfer were required by law, regulation, or administrative order to be made on the record after an opportunity for an agency hearing may be assigned to the Federal Energy Regulatory Commission or retained by the Secretary at his discretion.

(b) Notwithstanding any other provision of law, the Secretary of Energy shall not be required to delegate to the Administrator of the Energy Information Administration any energy research, development, and demonstration function vested in the Secretary, pursuant to the Atomic Energy Act, the Federal Nonnuclear Energy Research and Development Act, the Geothermal Research, Development and Demonstration Act, the Electric and Hybrid Vehicle Research, Development and Demonstration Act, the Solar Heating and Cooling Demonstration Act, the Solar Energy Research, Development and Demonstration Act, and the Energy Reorganization Act. Additionally, the Secretary may utilize the capabilities of the Energy Information Administration as he deems appropriate for the conduct of such programs.

(c) As part of the Department of Energy's responsibility to keep the Congress fully and currently informed, the Secretary shall make the following reports:

(i) any proposal by the Secretary of the Department of Energy to terminate or make major changes in activities of the Government-owned and contractor-operated facilities, the national laboratories, energy research centers and the operations offices managing such laboratories, shall not be implemented until the Secretary transmits the proposal, together with all pertinent data, to the Committee on Science and Technology of the House of Representatives and the Committee on Energy and Natural Resources of the Senate, and waits a period of thirty calendar days (not including any day on which either House of Congress is not in session because of an adjournment of more than three calendar days to a day certain) from the date on which such report is received by such committees; and

(ii) by January 31, 1978, the Secretary shall file a full and complete report on each such proposal which he has implemented, as described in the preceding paragraph, and any major program structure change with the Committee on Science and Technology of the House of Representatives and the Committee on Energy and Natural Resources of the Senate.

SEC. 105. (a) The Secretary of Energy shall prepare and submit to the Congress within one year after the date of the enactment of this Act a study which considers the available options, including, but not limited to—

(1) Federal technical and financial aid in support of decommissioning high level waste disposal operations at the Western New York Nuclear Service Center;

(2) Federal operation of the Western New York Nuclear Service Center for the purposes of decommissioning existing facilities and disposing of existing high level wastes, including a demonstration program for the solidification of high level wastes for permanent burial;

(3) permanent Federal ownership of and responsibility for all or part of the Western New York Nuclear Service Center, and Federal receipt of the license from the present co-licensees; and

(4) use of the Western New York Nuclear Service Center for other purposes.

(b) Preparation of such study shall be in cooperation with the Nuclear Regulatory Commission and other Federal agencies, the State of New York, the industrial participants, and the public, and the Secretary of Energy shall conduct informational public hearings (in lieu of any formal administrative hearings) prior to completion of the study. The study shall recommend allocation of existing and future responsibilities among the Federal Government, the State of New York, and present industrial participants in the Western New York Nuclear Service Center.

(c) Ninety days prior to submission of the study to the Congress the Secretary of Energy shall release the proposed study for comments by interested parties, and such comments as are received shall be submitted as attachments to the final study submitted to the Congress.

(d) Nothing in this section shall be construed as intending to commit the Federal Government to any new assistance or participation in the Western New York Nuclear Service Center, nor as relieving any party of any duties or responsibilities under any law, regulation, or contract to provide for the safe storage of nuclear waste.

(e) For the purpose of carrying out the provisions of this section, there is included in subsection 101(20) of this Act authorization of appropriations in the amount of $1,000,000.

SEC. 106. (a) The Department of Energy shall conduct a study of the Barnwell Nuclear Fuel Plant located in South Carolina to determine if that facility may be utilized in support of the nonproliferation objectives of the United States.

(b) The study required under subsection (a) shall—

(1) include an evaluation of the multinational and international management options available for utilizing the Barnwell facility;

(2) include an evaluation of how Barnwell facility might be used to contribute to the INFCE, including preliminary studies on siting and design for adjacent facilities to the Barnwell Separations Plant to solidify liquid waste and mixed-oxide evolving from the chemical separations process (these preliminary efforts being consistent with similiar efforts undertaken as part of the INFCE);

(3) include an evaluation of a possible role for the IAEA in utilization of Barnwell facility for international non-proliferation programs;

(4) include an evaluation of the means by which the Barnwell facility could be used in demonstration of improved safeguards equipment and proceedings.

(5) include an evaluation of how the Barnwell facility can be used to complement the U.S.-approved research and development program at the Japanese Tokai Mura Reprocessing Plant, and non-proliferation research activities to be undertaken at the British Windscale Reprocessing Plant; and

(6) include an evaluation of whether and how the Barnwell facility might be transferred to the Federal Government.

(c) In carrying out the study required under subsection (a) due consideration shall be given to the impact which the effective and efficient use of resources and the independence of resource supply can have in assuring our national security objectives.

(d) The study shall be completed and a report submitted to the Congress not later than six months after the date that funds are appropriated for carrying out the purposes of this section. In addition, the report shall include recommendations and funding requirements to implement recommended programs resulting from such study.

(e) For the purpose of carrying out the provisions of this section, there is included in subsection 101(20) of this Act an authorization of appropriations in the amount of 1,000,000.

SEC. 107. The Department of Energy is hereby authorized to undertake studies, in cooperation with other nations, on a multinational or international basis designed to determine the general feasibility of expanding capacity of existing spent fuel storage facilities; to enter into agreements, subject to the consent of the Congress (by joint or concurrent resolution or legislation hereafter enacted), with other nations or groups of nations, for providing appropriate support to increase international or multinational spent fuel storage capacity; to conduct studies on the feasibility of establishing regional storage sites; and to conduct studies on international transportation and storage systems. For the purpose of carrying out the provisions of this section, there is included in subsection 101(20) of this Act authorization of appropriations in the amount of $20,000,000: *Provided*, notwithstanding any other provision of law, that none of the funds made available to the Secretary of Energy under any other authorization or appropriation Act shall be used, directly or indirectly, for the repurchase, transportation or storage of any foreign spent nuclear fuel (including any nuclear fuel irradiated in any nuclear power reactor located outside of the United States and operated by any foreign legal entity, government or nongovernment, regardless of the legal ownership or control of the fuel or the reactor, and regardless of the origin or licensing of the fuel or the reactor, but not including fuel irradiated in a research reactor, and not including fuel irradiated in a power reactor if the President determines that (1) use of funds for repurchase, transportation or storage of such fuel is required by an emergency situation, (2) it is in the interest of the common defense and security of the United States to take such action, and (3) he notifies the Congress of the determination and action, with a detailed explanation and justification thereof, as soon as possible) unless the President formally notifies, with the report information specified herein, the Committee on Energy and Natural Resources of the Senate and the Committee on Science and Technology of the House of Representatives of such use of funds thirty calendar days, during such time as either House of Congress is in session, before the commitment, expenditure, or obligation of such funds: and provided further, notwithstanding any other provision of law, that none of the funds appropriated pursuant to this Act or any other funds made available to the Secretary of Energy under any other authorization or appropriation Act shall be used, directly or indirectly, for the repurchase, transportation, or storage of any such foreign spent nuclear fuel for storage or other disposition, interim or permanent, in the United States, unless the use of the funds for that specific purpose has been (1) previously and expressly authorized by Congress in legislation hereafter enacted, (2) previously and expressly authorized by a concurrent resolution, or (3) the President submits a plan for such use, with the report information specified herein, 30 days during which the Congress is in continuous session, as defined in the Impoundment Control Act of 1974, prior to such use and neither House of Congress approves a resolution of disapproval of the plan prior to the expiration of the aforementioned thirty day period. If such a resolution of disapproval has been introduced, but has not been reported by the Committee on or before the twentieth day after transmission of the Presidential message, a privileged motion shall be in order in

the respective body to discharge the Committee from further consideration of the resolution and to provide for its immediate consideration, using the procedures specified for consideration of an impoundment resolution in section 1017 of the Impoundment Control Act of 1974 (31 U.S.C. 1407). Any report or plan proposed under this proviso shall include information and any supporting documentation thereof relating to policy objectives, technical description and discussion, geographic information, cost data, justification and projections, legal and regulatory considerations, environmental impact information and any related bilateral or international agreements, arrangements or understandings; and provided further that nothing contained in this Section shall be construed in any Executive Branch action, administrative proceeding, regulatory proceeding, or legal proceeding as being intended to delay, modify, or reverse the Memorandum and Order of the Nuclear Regulatory Commission of June 28, 1977 for the issuance of License No. XSNM-845 to the agent-applicant for the Government of India and the subsequent export thereby licensed of the special nuclear material to be used as fuel for the Tarapur Atomic Power Station or any other Order of the Nuclear Regulatory Commission to issue a license for the export of special nuclear material and subsequent exports thereby licensed, or any consideration by the Nuclear Regulatory Commission of a license application for the export of special nuclear material.

TITLE II—GENERAL PROVISIONS

SEC. 201. Title I of the Energy Reorganization Act of 1974 is amended by adding at the end thereof the following new section:

"PROVISIONS APPLICABLE TO ANNUAL AUTHORIZATION ACTS

"SEC. 111. (a) All appropriations made to the Energy Research and Development Administration or the Administrator shall, except as otherwise provided by law, be subject to annual authorization in accordance with section 261 of the Atomic Energy Act of 1954, section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and section 305 of this Act. The provisions of this section shall apply with respect to appropriations made pursuant to the Act providing such authorization (hereinafter in this section referred to as 'annual authorizing Acts').

"(b)(1) Funds appropriated pursuant to an annual authorization Act for 'Operating expenses' may be used for—

"(A) the construction or acquisition of any facilities, or major items of equipment, which may be required at locations other than installations of the Administration, for the performance of research, development, and demonstration activities, and

"(B) grants to any organization for purchase or construction of research facilities. No such funds shall be used under this subsection for the acquisition of land. Fee title to all such facilities and items of equipment shall be vested in the United States, unless the Administrator or his designee determines in writing that the research, development, and demonstration authorized by such Act would best be implemented by permitting fee title or any other property interest to be vested in an entity other than the United States; but before approving the vesting of such title or interest in such entity, the Administrator shall (i) transmit such determination, together with all pertinent data, to the Committee on Science and Technology of the House of Representatives and the Committee on Energy and Natural Resources of the Senate and (ii) wait a period of thirty calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain), unless prior to the expiration of such period each such committee has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action.

"(2) No funds shall be used under paragraph (1) for any facility or major item of equipment, including collateral equipment, if the estimated cost to the Federal Government exceeds $5,000,000 in the case of such a facility or $2,000,000 in the case of such an item of equipment, unless such facility or item has been previously authorized by the appropriate committees of the House of Representatives and the Senate, or the Administrator—

"(A) transmit to the appropriate committees of the House of Representatives and the Senate a report on such facility or item showing its nature, purpose, and estimated cost, and

"(B) waits a period of thirty calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain), unless prior to the expiration of such period each such committee has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action.

"(c)(1) Not to exceed 1 per centum of all funds appropriated pursuant to any annual authorization Act for 'Operating expenses' may be used by the Administrator to construct, expand, or modify laboratories and other facilities, including the acquisition of land, at any location under the control of the Administrator, if the Administrator determines that (A) such action would be necessary because of changes in the national programs authorized to be funded by such Act or because of new scientific or engineering developments, and (B) deferral of such action until the enactment of the next authorization Act would be inconsistent with the policies established by Congress for the Administration.

"(2) No funds may be obligated for expenditure or expended under paragraph (1) for activities described in such paragraph unless—

"(A) a period of thirty calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) has passed after the Administrator has transmitted to the appropriate committees of the House of Representatives and the Senate a written report containing a full and complete statement concerning (i) the nature of the construction, expansion, or modification involved, (ii) the cost thereof, including the cost of any real estate action pertaining thereto, and (iii) the reason why such construction, expansion, or modification is necessary and in the national interest, or

"(B) each such committee before the expiration of such period has transmitted to the Administrator a written notice to the effect that such committee has no objection to the proposed action:

except that this paragraph shall not apply to any project the estimated total cost of which does not exceed $50,000.

"(d)(1) Except as otherwise provided in the authorization Act involved—

"(A) no amount appropriated pursuant to any annual authorization Act may be used for any program in excess of the amount actually authorized for that particular program by such Act, and

"(B) no amount appropriated pursuant to any annual authorization Act may be used for any program which has been presented to, or requested of the Congress,

unless (i) a period of thirty calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) has passed after the receipt by the appropriate committee of the House of Representatives and the Senate of notice given by the Administrator containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action, or (ii) each such committee before the expiration of such period has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action.

"(2) Notwithstanding any other provision of this section or the authorization Act involved, the aggregate amount available for use within the categories of coal, petroleum and natural gas, oil shale, solar, geothermal, nuclear energy (non-weapons), environment and safety, and conservation from sums appropriated pursuant to an annual authorization Act may not, as a result of reprogramming, be decreased by more than 10 per centum of the total of the sums appropriated pursuant to such Act for those categories.

"(e) Subject to the applicable requirements and limitations of this section and the authorization Act involved, when so specified in an appropriation Act, amounts appropriated pursuant to any annual authorization Act for 'Operating expenses' or for 'Plant and capital equipment' may be merged with any other amounts appropriated for like purposes pursuant to any other Act authorizing appropriation for the Administration: *Provided*, That no such amounts appropriated for 'plant and capital equipment' may be merged with amounts appropriated for 'operating expenses.'

"(f) When so specified in an appropriation Act, amounts appropriated pursuant to any annual authorization Act for 'Operating expenses' or for 'Plant and capital equipment' may remain available until expended.

"(g) The Administrator is authorized to perform construction design services for any administration construction project whenever (1) such construction project has been included in a proposed authorization bill transmitted to the Congress by the Administration, and (2) the Administration determines that the project is of such urgency in order to meet the needs of national defense or protection of life and property or health and safety that construction of the project should be initiated promptly upon enactment of legislation appropriating funds for its construction.

"(h) When so specified in appropriation Acts, any moneys received by the Administration may be retained and used for operating expenses, and may remain available until expended, notwithstanding the provisions of section 3617 of the Revised Statutes (31 U.S.C. 484); except that—

"(1) this subsection shall not apply with respect to sums received from disposal of property under the Atomic Energy Community Act of 1955 or the Strategic and Critical Materials Stockpiling Act, as amended, or with respect to fees received for tests or investigations under the Act of May 16, 1910, as amended (42 U.S.C. 2301; 50 U.S.C. 98h; 30 U.S.C. 7); and

"(2) revenues received by the Administration from the enrichment of uranium shall (when so specified) be retained and used for the specific purpose of offsetting costs incurred by the Administration in providing uranium enrichment service activities.

"(i) When so specified in an appropriation Act, transfers of sums from the 'Operating expenses' appropriation made pursuant to an annual authorization Act may be made to other agencies of the Government for the performance of the work for which the appropriation is made, and in such cases the sums so transferred may be merged with the appropriations to which they are transferred.".

SEC. 202. (a) The Secretary of Energy is authorized to start any project set forth in section 102(a) (1) through (12) only if at the time the project is started the then currently estimated cost does not exceed by more than 25 per centum the estimated cost set forth for that project; and the total cost of any such project shall not exceed the estimated cost set forth for that project by more than 25 per centum (if such estimated cost was $5,000,000 or more) unless and until appropriations covering such excess are authorized.

(b) The Secretary of Energy is authorized to start any project under section 102(a)(13) only if the maximum currently estimated cost of such project does not exceed $750,000 and the then maximum currently estimated cost of any building included in the project does not exceed $300,000 and the total cost of all projects undertaken under such section shall not exceed the estimated cost set forth in such section by more than 10 per centum.

SEC. 203. The Secretary of Energy, in cooperation with the Secretary of State, shall report to the Committees on Science and Technology and International Relations of the House of Representatives and the Committees on Energy and Natural Resources and Foreign Relations of the Senate, within six months after the date of the enactment of this Act, on the effects of the April 20, 1977, message from the President of the United States, "Establishing for the United States a Strong and Effective Nuclear Non-Proliferation Policy", on nuclear research and development cooperative agreements. This report shall include impacts of the message and related initiatives through the promulgation, repeal, or modification of Executive orders, Presidential proclamations, treaties, other international agreements, and other pertinent documents of the President, the Executive Office of the President, the administrative agencies, and the departments, on cooperation between the United States and any other nation in the research, development, demonstration, and commercialization of all nuclear fission and nuclear fusion technologies. After the initial report, the Administrator shall report to such Committees on each subsequent major related initiative.

SEC. 204. (a) In carrying out the programs for which funds are authorized by this Act, the Secretary of Energy shall provide a realistic and adequate opportunity for small business concerns to participate in such programs to the optimum extent feasible consistent with the size and nature of the projects and activities involved.

(b) At least once every six months, or upon request, the Secretary of Energy shall submit to the appropriate committees of the House of Representatives and the Senate a full report on the actions taken in carrying out subsection (a) during the preceding six months, including the extent to which small business concerns are participating in the programs involved and in projects and activities of various types and sizes within each such program, and indicating the steps currently being taken to assure such participation in the future.

SEC. 205. (a) Section 91 of chapter 9 of the Atomic Energy Community Act of 1955 is amended—

(1) by striking out subsection a. and inserting in lieu thereof the following:

"a. From the date of transfer of any municipal installations to a governmental or other entity at or for the community, the Administrator is authorized, for a period of ten years, to make annual assistance payments of just and reasonable sums to the State, county, or local entity having jurisdiction to collect property taxes or to the entity receiving the installation transferred hereunder: *Provided, however,* That with respect to the cities of Oak Ridge, Tennessee, and Richland, Washington, the Richland School District, the Los Alamos School Board, and the county of Los Alamos, New Mexico, the Administrator is authorized to continue to make assistance payments of just and reasonable sums after expiration of such ten-year period: *Provided further,* That the Administrator is also authorized to make payments of just and reasonable sums to Anderson County and Roane County, Tennessee. In determining the amount and recipient of such payments the Administrator shall consider—

"(1) the approximate real property taxes and assessments for local improvements which would be paid to the governmental entity upon property within the community if such property were not exempt from taxation by reason of Federal ownership;

"(2) the maintaining of municipal services at a level which will not impede the recruitment or retention of personnel essential to the Energy Research and Development Administration programs;

"(3) the fiscal problems peculiar to the governmental entity by reason of the construction at the community as a single-purpose national defense installation under emergency conditions;

"(4) the municipal services and other burdens imposed on the governmental or other entities at the community by the United States in its operations in the project area; and

"(5) the tax revenues and sources available to the governmental entity, its efforts and diligence in collection of taxes, assessment of property, and the efficiency of its operations."; and

(2) by striking out subsection d. and inserting in lieu thereof the following:

"d. With respect to any entity not less than six months prior to the expiration of the ten-year period referred to in subsection a. (or not less than six months prior to June 30, 1979, in the case of the cities of Oak Ridge, Tennessee, and Richland, Washington, and the Richland School District; or not less than six months prior to June 30, 1986, in the case of Anderson County and Roane County, Tennessee, and the Los Alamos School Board; and not less than six months prior to June 30, 1987, in the case of the county of Los Alamos, New Mexico), the Administrator shall present to the appropriate committees of the House of Representatives and the Senate recommendations as to the need for any further assistance payments to such entity.".

(b) Chapter 9 of such Act is further amended by striking out section 94 and inserting in lieu thereof the following:

"SEC. 94. CONTRACTS.—The Administrator is authorized, without regard to section 3679 of the Revised Statutes, to enter into a contract with any governmental or other entity to which payments are authorized to be made pursuant to section 91, obligating the Administrator to make such entity the payments directed or authorized to be made by section 91: Provided, however, That the term of such contracts, in the case of the cities of Oak Ridge, Tennessee, and Richland, Washington, and the Richland School District, shall not extend beyond June 30, 1979; and in the case of the Los Alamos School Board shall not extend beyond June 30, 1986; and in the case of the county of Los Alamos, New Mexico, shall not extend beyond June 30, 1987.".

SEC. 206. (a) Section 6 of the Federal Nonnuclear Energy Research and Development Act of 1974 is amended by adding at the end thereof the following new subsection:

"(c) Based upon the comprehensive plan developed under subsection (a), the Administrator shall develop and transmit to the Congress, on or before September 1, 1978, a comprehensive environment and safety program to insure the full consideration and evaluation of all environmental, health, and safety impacts of each element, program, or initiative contained in the nuclear and nonnuclear energy research, development, and demonstration plans.".

(b) Section 15(a) of such Act is amended—

(1) by striking out "and" at the end of paragraph (2),

(2) by striking out the comma at the end of paragraph (3) and inserting in lieu thereof "; and", and

(3) by inserting after paragraph (3) the following new paragraph;

"(4) a detailed description of the environmental and safety research, development, and demonstration activities carried out and in progress including the procedures adopted to mitigate undesirable environmental and safety impacts,".

SEC. 207. (a) Section (7a) of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5906) is amended—

(1) by striking out "and" after the semicolon at the end of paragraph (5),

(2) by striking out the period at the end of paragraph (6) and inserting in lieu thereof "; and", and

(3) by adding at the end thereof the following new paragraph:

"(7) Federal loan guarantees and commitments thereof as provided in section 19.".

(b) The Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5901, et seq.) is further amended by adding at the end thereof the following new section:

"LOAN GUARANTEES FOR ALTERNATIVE FUEL DEMONSTRATION FACILITIES

"SEC. 19. (a) It is the purpose of this section—

"(1) to assure adequate Federal support to foster a demonstration program to produce alternative fuels from coal, oil shale, biomass, and other domestic resources;

"(2) to authorize assistance, through loan guarantees under subsection (b) and (y) for construction and startup and related costs, to demonstration facilities for the conversion of domestic coal, oil shale, biomass, and other domestic resources into alternative fuels; and

"(3) to gather information about the technological economic, environmental, and social costs, benefits, and impacts of such demonstration facilities.

"(b)(1) Except as provided in paragraph (5) of this subsection and subsection (y) of this section the Administrator is authorized, in accordance with such rules and regulations as he shall prescribe after consultation with the Secretary of the Treasury, to guarantee and to make commitments to guarantee, in such manner and subject to such conditions (not inconsistent with the provisions of this Act as he deems appropriate, the payment of interest on, and the principal balance of, bonds, debentures, notes, and other obligations issued by, or on behalf of, any borrower for the purpose of financing the construction and startup costs of demonstration facilities for the conversion of domestic coal, oil shale, biomass, and other domestic resources into alternative fuels: Provided, That no loan guarantee for a full sized oil shale facility shall be provided under this section until after successful demonstration of a modular facility producing between six and ten thousand barrels per day, taking into account such considerations as water usage, environmental effects, waste disposal, labor conditions, health and safety, and the socioeconomic impacts on local communities: Provided further, That no loan guarantee shall be available under this subsection for the manufacture of component parts for demonstration facilities eligible for assistance under this subsection.

"(2) An applicant for any financial assistance under this section shall provide information to the Administrator in such form and with such content as the Administrator deems necessary.

"(3) Prior to issuing any guarantee under this section the Administrator shall obtain the concurrence of the Secretary of the Treasury with respect to the timing, interest rate, and substantial terms and conditions of such guarantee. The Secretary of the Treasury shall insure to the maximum extent feasible that the timing, interest rate, and substantial terms and conditions of such guarantee will have the minimum possible impact on the capital markets of the United States, taking into account other Federal direct and indirect securities activities.

"(4) The full faith and credit of the United States is pledged to the payment of all guarantees issued under this section with respect to principal and interest.

"(5)(A) The Administrator is authorized, in the case of a facility for the conversion of oil shale to alternative fuels which is determined by the Administrator pursuant to the proviso in paragraph (1)(A) of this subsection, to be constructed at a modular size, to enter into a cooperative agreement with the applicant in accordance with section 8 of this Act and the other provisions of this Act to share the estimated total design and construction costs, plus operation and maintenance costs, of such modular facility. The Federal share shall not exceed 75 per centum of such costs. All receipts for the sale of any products produced during the operation of the facility shall be used to offset the costs incurred in the operation and maintenance of the facility. The provisions of subsections (d), (e), (k), (m), (p), (s), (t), (u), (v), (w), and (x) shall apply to any such modular facility. The provisions of this section shall apply to any loan guarantee for such modular facility.

"(B) After successful demonstration of the modular facility, as determined by the Administrator, the facility is eligible for financial assistance under this section for purposes of expansion to a full sized facility and the applicant may purchase the Federal interest in the modular facility as represented by the Federal share thereof by means of (i) a cash payment to the United States, or (ii) a share of the product or sales resulting from such expanded operation, as determined by the Administrator. If expansion of such facility is determined not to be warranted by the Administrator, he may, at the option of the applicant, dispose of the modular facility to the applicant at not less than fair market value, as determined by the Administrator as of the date of the disposal, or otherwise dispose of it, in accordance with applicable provisions of law, and distribute the net proceeds thereof, after expenses of such disposal, to the applicant in proportion to the applicant's share of the costs of such facility.

"(6) To the extent possible, loan guarantees shall be issued on the basis of competitive bidding among guarantee applicants in a particular technology area.

"(c) The Administrator, with due regard for the need for competition, shall guarantee or make a commitment to guarantee any obligation under subsection (b) or (y) only if—

"(1) the Administrator is satisfied that the financial assistance applied for is necessary to encourage financial participation;

"(2) the amount guaranteed to any borrower at any time does not exceed—

"(A) an amount equal to 75 per centum of the project cost of the demonstration facility as estimated at the time the guarantee is issued, which cost shall not include amounts expended for facilities and equipment used in the extraction of a mineral other than coal or shale, and in the case of coal only to the extent that the Administrator determines that the coal is to be converted to alternative fuel; and

"(B) an amount equal to 60 per centum of that portion of the actual total project cost of any demonstration facility which exceeds the project cost of such facility as estimated at the time the loan guarantee is issued;

"(3) the Administrator has determined that there will be a continued reasonable assurance of full repayment;

"(4) the obligation is subject to the condition that it not be subordinated to any other financing;

"(5) the Administrator has determined, taking into consideration all reasonably available forms of assistance under this section and other Federal and State statutes, that the impacts resulting from the proposed demonstration facility have been fully evaluated by the borrower, the Administrator, and the Governor of the affected State, and that effective steps have been taken or will be taken in a timely manner to finance community planning and development costs resulting from such facility under this section, under other provisions of law, or by other means;

"(6) the maximum maturity of the obligation does not exceed twenty years, or 90 per centum of the projected useful economic life of the physical assets of the demonstration facility covered by the guarantee, whichever is less, as determined by the Administrator;

"(7) the Administrator has determined that, in the case of any demonstration or modular facility planned to be located on Indian lands, the appropriate Indian tribe, with the approval of the Secretary of the Interior, has given written consent to such location;

"(8) the obligation provides for the orderly and ratable retirement of the obligation and includes sinking fund provisions, installment payment provisions or other methods of payments and reserves as may be reasonably required by the Administrator. Prior to approving any repayment schedule the Administrator may consider the date on which operating revenues are anticipated to be generated by the project. To the maximum extent possible repayment or provision therefor shall be required to be made in equal payments payable at equal intervals; and

"(9) the obligation provides that the Administrator shall, after a period of not less than ten years from issuance of the obligation, taking into consideration whether the Government's needs for information to be derived from the project have been substantially met and whether the project is capable of commercial operation, determine the feasibility and advisability of terminating the Federal participation in the project. In the event that such determination is positive, the Administrator shall notify the borrower and provide the borrower with not less than two nor more than three years in which to find alternative financing. At the expiration of the designated period of time, if the borrower has been unable to secure alternative financeneray and give due consideration to views, comments, and recommendations received: ing, the Administrator is authorized to collect from the borrower an additional fee of 1 per centum per annum on the remaining obligation to which the Federal guarantee applies.

"(d) Prior to submitting a report to Congress pursuant to subsection (m) of this section on each guarantee and cooperative agreement, the Administrator shall request from the Attorney General and the Chairman of the Federal Trade Commission written views, comments, and recommendations concerning the impact of such guarantee or commitment or agreement on competition and concentration in the production or *Provided*, That if either official, within sixty days after receipt of such request or at any time prior to the Administrator submitting such report to Congress, recommends against making such guarantee or commitment or agreement, the proposed guarantee or commitment or agreement shall be referred to the President, and the Administrator shall not do so unless the President determines in writing that such guarantee or commitment or agreement is in the national interest.

"(e)(1) As soon as the Administrator knows the geographic location of a proposed facility for which a guarantee or a commitment to guarantee or cooperative agreement is sought under this section, he shall inform the Governor of the State, and officials of each political subdivision and Indian tribe, as appropriate, in which the facility would be located or which would be impacted by such facility. The Administrator shall not guarantee or make a commitment to guarantee or enter into a cooperative agreement under subsection (b) or subsection (y) of this section, if the Governor of the State in which the proposed facility would be located recommends that such action not be taken, unless the Administrator finds that there is an overriding natural interest in taking such action in order to achieve the purpose of this section.

If the Administrator decides to guarantee or make a commitment to guarantee or enter into a cooperative agreement despite a Governor's recommendation not to take such action, the Administrator shall communicate, in writing, to the Governor reasons for not concurring with such recommendation. This Administrator's decision, pursuant to this subsection, shall be final unless determined upon judicial review initiated by the Governor to be unlawful by the reviewing court pursuant to 5 U.S.C. 706(2) (A) through (D). Such review shall take place in the United States court of appeals for the circuit in which the State involved is located, upon application made within ninety days from the date of such decision. The Administrator shall, by regulation, establish procedures for review of, and comment on, the proposed facility by States, local political subdivisions, and Indian tribes which may be impacted by such facility, and the general public.

"(2) The Administrator shall review and approve the plans of the applicant for the construction and operation of any demonstration and related facilities constructed or to be constructed with assistance under this section. Such plans and the actual construction shall include such monitoring and other data-gathering costs associated with such facility as are required by the comprehensive plan and program under this section. The Administrator shall determine the estimated total cost of such demonstration facility, including, but not limited to, construction costs, startup costs, costs to political subdivisions and Indian tribe by such facility, and cost of any water storage facilities needed in connection with such demonstration facility, and determine who shall pay such costs. Such determination shall not be binding upon the States, political subdivisions or Indian tribes.

"(3) There is hereby established a panel to advise the Administrator on matters relating to the program authorized by this section, including, but not limited to, the impact of the demonstration facilities on communities and States and Indian tribes, the environmental and health and safety effects of such facilities, and the means, measures, and planning for preventing or mitigating such impacts, and other matters relating to the development of alternative fuels and other energy sources under this section. The panel shall

include such Governors or their designees as shall be designated by the Chairman of the National Governors Conference, Representatives of Indian tribes, industry, environmental organizations and the general public shall be appointed by the Administrator. The Chairman of the panel shall be selected by the Administrator. No person shall be appointed to the panel who has a financial interest in any applicant applying for assistance under this section. Members of the panel shall serve without compensation. The provisions of section 106(e) of the Energy Reorganziation Act of 1974 (42 U.S.C. 5816 (e)) shall apply to the panel.

"(f) Except in accordance with reasonable terms and conditions contained in the written contract of guarantee, no guarantee issued or commitment to guarantee made under this section shall be terminated, canceled, or otherwise revoked. Such a guarantee or commitment shall be conclusive evidence that the underlying obligation is in compliance with the provisions of this section and that such obligation has been approved and is legal as to principal, interest, and other terms. Subject to the conditions of the guarantee or commitment to guarantee, such a guarantee shall be incontestable in the hands of the holder of the guaranteed obligation, except as to fraud or material misrepresentation on the part of the holder.

"(g)(1) If there is a default by the borrower, as defined in regulation promulgated by the Administrator and in the guarantee contract, the holder of the obligation shall have the right to demand payment of the unpaid amount from the Administrator. Within such period as may be specified in the guarantee or related agreements, the Administrator shall pay to the holder of the obligation the unpaid interest on, and unpaid principal of the guaranteed obligation as to which the borrower has defaulted, unless the Administrator finds that there was no default by the borrower in the payment of interest or principal or that such default has been remedied. Nothing in this section shall be construed to preclude any forebearance by the holder of the obligation for the benefit of the borrower which may be agreed upon by the parties to the guaranteed obligation and approved by the Administrator.

"(2) If the Administrator makes a payment under paragraph (1) of this subsection, the Administrator shall be subrogated to the rights of the recipient of such payment (and such subrogation shall be expressly set forth in the guarantee or related agreements), including the authority to complete, maintain, operate, lease, or otherwise dispose of any property acquired pursuant to such guarantee or related agreements, or any other property of the borrower (of a value equal to the amount of such payment) to the extent that the guarantee applies to amounts in excess of the estimated project cost under subsection (c)(2)(B), without regard to the provisions of the Federal Property and Administrative Service Act of 1949, as amended, except section 207 of that Act (40 U.S.C. 488), or any other law, or to permit the borrower, pursuant to an agreement with the Administrator, to continue to pursue the purposes of the demonstration facility if the Administrator determines that this is in the public interest. The rights of the Administrator with respect to any property acquired pursuant to such guarantee or related agreements, shall be superior to the rights of any other person with respect to such property.

"(3) In the event of a default on any guarantee under this section, the Administrator shall notify the Attorney General, who shall take such action as may be appropriate to recover the amounts of any payments made under paragraph (1) including any payment of principal and interest under subsection (h) from such assets of the defaulting borrower as are associated with the demonstration facility, or from any other security included in the terms of the guarantee.

"(4) For purposes of this section, patents, including any inventions for which a waiver was made by the Administrator under Section 9 of this Act, and technology resulting from the demonstration facility, shall be treated as project assets of such facility. The guarantee agreement shall include such detailed terms and conditions as the Administrator deems appropriate to protect the interests of the United States in the case of default and to have available all the patents and technology necessary for any person selected, including, but not limited to the Administrator, to complete and operate the defaulting project. Furthermore, the guarantee agreement shall contain a provision specifying that patents, technology, and other proprietary rights which are necessary for the completion or operation of the demonstration facility shall be available to the United States and its designees on equitable terms, including due consideration to the amount of the United States default payments. Inventions made or conceived in the course of or under such guarantee, title to which is vested in the United States under this Act, shall not be treated as project assets of such facility for disposal purposes under this subsection, unless the Administrator determines in writing that it is in the best interests of the United States to do so.

"(h) With respect to any obligation guaranteed under this section, the Administrator is authorized to enter into a contract to pay, and to pay, holders of the obligations, for and on behalf of the borrowres, from the fund established by this section, the principal and interest payments which become due and payable on the unpaid balance of such obligation if the Administrator finds that—

"(1) the borrower is unable to meet such payments and is not in default; it is in the public interest to permit the borrower to continue to pursue the purposes of such demonstration facility; and the probable net benefit to the Federal Government in paying such principal and interest will be greater than that which would result in the event of a default;

"(2) the amount of such payment which the Administrator is authorized to pay shall be no greater than the amount of principal and interest which the borrower is obligated to pay under the loan agreement; and

"(3) the borrower agrees to reimburse the Administrator for such payment on terms and conditions, including interest, which are satisfactory to the Administrator.

"(i) Regulations required by this section shall be issued within one hundred and eighty days after enactment of this section, except as provided in subsection (t) of this section. All regulations under this section and any amendments thereto shall be issued in accordance with section 553 of title 5, of the United States Code.

"(j) The Administrator shall charge and collect fees for guarantees of obligations authorized by subsection (b)(1), in amounts which (1) are sufficient in the judgment of the Administrator to cover the applicable administrative costs, and (2) reflect the percentage of projects costs guaranteed. In no event shall the fee be less than 1 per centum per annum of the outstanding indebtedness covered by the guarantee. Nothing in this subsection shall be construed to apply to community planning and development assistance pursuant to subsection (k) of this section.

"(k)(1) In accordance with such rules and regulations as the Administrator in consultation with the Secretary of the Treasury shall prescribe, and subject to such terms and conditions as he deems appropriate, the Administrator is authorized, for the purpose of financing essential community development and planning which directly result from, or are necessitated by, one or more demonstration facilities assisted under this section to—

"(A) guarantee and make commitments to guarantee the payment of interest on, and the principal balance of obligations for such financing issued by eligible States, political subdivisions, or Indian tribes,

"(B) guarantee and make commitments to guarantee the payment of taxes imposed on such demonstration facilities by eligible non-Federal taxing authorities which taxes are earmarked by such authorities to support the payment of interest and principal on obligations for such financing, and

"(C) require that the applicant for assistance for a demonstration facility under this section advance sums to eligible States, political subdivisions, and Indian tribes to pay for the financing of such development and planning: *Provided*, That the State, political subdivision, or Indian tribe agrees to provide tax abatement credits over the life of the facilities for such payments by such applicant.

"(2) Prior to issuing any guarantee under this subsection, the Administrator shall obtain the concurrence of the Secretary of the Treasury with respect to the timing, interest rate, and substantial terms and conditions of such guarantee. The Secretary of the Treasury shall insure to the maximum extent feasible that the timing, interest rate, and substantial terms and conditions of such guarantee will have the minimum possible impact on the capital markets of the United States, taking into account other Federal direct and indirect securities activities.

"(3) In the event of any default by the borrower in the payment of taxes guaranteed by the Administrator under this subsection, the Administrator shall pay out of the fund established by this section such taxes at the time or times they may fall due, and shall have by reason of such payment a claim against the borrower for all sums paid plus interest.

"(4) If after consultation with the State, political subdivision, or Indian tribe, the Administrator finds that the financial assistance programs of paragraph (1) of this subsection will not result in sufficient funds to carry out the purposes of this subsection, then the Administrator may—

"(A) make direct loans to the eligible States, political subdivisions, or Indian tribes for such purposes: Provided, that such loans shall be made on such reasonable terms and conditions as the Administrator shall prescribe: Provided further, That the Administrator may waive repayment of all or part of a loan made under this paragraph, including interest, if the State or political subdivision or Indian tribe involved demonstrates to the satisfaction of the Administrator that due to a change in circumstances there will be net adverse impacts resulting from such demonstration facility that would probably cause such State, subdivision, or tribe to default on the loan; or

"(B) require that any community development and planning costs which are associated with, or result from, such demonstration facility and which are determined by the Administrator to be appropriate for such inclusion shall be included in the total costs of the demonstration facility.

"(5) The Administrator is further authorized to make grants to States, political subdivisions, or Indian tribes for studying and planning for the potential economic, environmental, and social consequences of demonstration facilities, and for establishing related management expertise.

"(6) At any time the Administrator may, with the concurrence of the Secretary of the Treasury, redeem, in whole or in part, out of the fund established by this section, the debt obligations guaranteed or the debt obligations for which tax payments are guaranteed under this subsection.

"(7) When one or more States, political subdivisions, or Indian tribes would be eligible for assistance under this subsection, but for the fact that construction and operation of the demonstration facilities occurs outside its jurisdiction, the Administrator is authorized to provide, to the greatest extent possible, arrangements for equitable sharing of such assistance.

"(8) Such amounts as may be necessary for direct loans and grants pursuant to this subsection shall be available as provided in annual authorization Acts.

"(9) The Administrator, if appropriate, shall provide assistance in the financing of up to 100 per centum of the costs of the required community development and planning pursuant to this subsection.

"(10) In carrying out the provisions of this subsection, the Administrator shall provide that title to any facility receiving financial assistance under this subsection shall vest in the applicable State, political subdivision, or Indian tribe, as appropriate, and in the case of default by the borrower on a loan guarantee such facility shall not be considered a project asset for the purposes of subsection (g) of this section.

"(l)(1) The Administrator is directed to submit a report to the Congress within one hundred and eighty days after the enactment of this section setting forth his recommendations on the best opportunities to implement a program of Federal financial assistance with the objective of demonstrating production and conservation of energy. Such report shall be updated and submitted to Congress at least annually and shall include specific comments and recommendations by the Secretary of the Treasury on the methods and procedures set forth in subparagraph (B)(viii) of this subsection, including their adequacy, and changes necessary to satisfy the objectives stated in this subsection. This report shall include—

"(A) a study of the purchase of commitment to purchase by the Federal Government, for the use by the United States, of all or a portion of the products of any alternative fuel facilities constructed pursuant to this program as a direct or an alternate form of Federal assistance, which assistance, if recommended, shall be carried out pursuant to section 7(a)(4) of this Act; and

"(B) a comprehensive plan and program to acquire information and evaluate the environmental, economic, social, and technological impacts of the demonstration program under this section. In preparing such a comprehensive plan and program, the Administrator shall consult with the Environmental Protection Agency, the Federal Energy Administration, the Department of Housing and Urban Development, the Department of the Interior, the Department of Agriculture, and the Department of the Treasury, and shall include therein, but not be limited to, the following.

"(i) information about potential demonstration facilities proposed in the program under this section;

"(ii) any significant adverse impacts which may result from any activity included in the program;

"(iii) the extent to which it is feasible to commercialize the technologies as they affect different regions of the Nation;

"(iv) proposed regulations required to carry out the purposes of this section;

"(v) a list of Federal agencies, governmental entities, and other persons that will be consulted or utilized to implement the program;

"(vi) the methods and procedures by which the information gathered under the program will be analyzed and disseminated;

"(vii) a plan for the study and monitoring of the health effects of such facilities on workers and other persons, including, but not limited to, any carcinogenic effect of alternative fuels; and

"(viii) the methods and procedures to insure that (I) the use of the Federal assistance for demonstration facilities is kept to the minimum level necessary for the information objectives of this section, (II) the impact of loan guarantees on the capital markets of the United States is minimized, taking into account other Federal direct and indirect securities activities, and any economic sectors which may be negatively impacted as a result of the reduction of capital by the placement of guaranteed loans, and (III) the granting of Federal loan guarantees under this Act does not impede movement toward improvement in the climate for attracting private capital to develop alternative fuels without continued direct Federal incentives.

"(2) The Administrator shall annually submit a detailed report to the Congress concerning—

"(A) the actions taken or not taken by the Administrator under this section during the preceding fiscal year, and including, but not limited to (i) a discussion of the status of each demonstration facility and related facilities financed under this section, including progress made in the development of such facilities, and the expected or actual production from each such facility, including byproduct production therefrom, and the distribution of such products and byproducts, (ii) a detailed statement of the financial conditions of each such demonstration facility, (iii) data concerning the environmental, community, and health and safety impacts of each such facility and the actions taken or planned to prevent or mitigate such imports, (iv) the administrative and other costs incurred by the Administrator and other Federal agencies in carrying out this program, and (v) such other data as may be helpful in keeping Congress and the public fully and currently informed about the program authorized by this section; and

"(B) The activities of the funds referred to in subsection (n) of this section during the preceding fiscal year, including a statement of the amount and source of fees or other moneys, property, or assets deposited notes or other obligations issued by the Administrator, and such other data as may be appropriate.

"(3) The annual report required by this subsection shall be a part of the annual report required by section 15 of this Act, except that the matters required to be reported by this subsection shall be clearly set out and identified in such annual reports. Such reports and the one-hundred-and-eighty-day report required in paragraph (1) of this subsection shall be transmitted to the Speaker of the House of Representatives and the House Committee on Science and Technology and to the President of the Senate and the Committee on Energy and Natural Resources of the Senate.

"(m) Prior to issuing any guarantee or commitment to guarantee or cooperative agreement pursuant to subsection (b) or subsection (y) of this section, the Administrator shall submit to the Committee on Science and Technology of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a full and complete report on the proposed demonstration facility and such guarantee, agreement, or contract. Such guarantee, commitment to guarantee, cooperative agreement, or contract shall not be finalized under the authority granted by this section prior to the expiration of ninety calendar days (not including any day on which either House of Congress is not in session because of an adjournment of more than three calendar days to a day certain) from the date on which such report is received by such committees: *Provided*, That, where the cost of a demonstration facility to be assisted with a guarantee or cooperative agreement pursuant to subsection (b) or subsection (y) of this section exceeds $50,000,000 such guarantee or commitment to guarantee or cooperative agreement shall not be finalized unless (1) the making of such guarantee or commitment or agreement is specifically authorized by legislation hereafter enacted by the Congress or (2) both Houses pass a resolution stating in substance that the Congress favors the making of such guarantee or commitment or agreement.

"(n)(1) There is hereby created within the Treasury a separate fund (hereafter in this section called the 'fund') which shall be available to the Administrator without fiscal year limitation as a revolving fund for the purpose of carrying out the program authorized by subsection (b)(1) and subsections (g), (h), (k), and (y) of this section.

"(2) There are hereby authorized to be appropriated to the fund for administrative expenses from time to time such amounts as may be necessary to carry out the purposes of the applicable provisions of this section, including, but not limited to, the payments of interest and principal and the payment of interest differentials and redemption of debt. All amounts received by the Administrator as interest payments or repayments of principal on loans which are guaranteed under this section, fees, and any other moneys, property, or assets derived by him from operations under this section shall be deposited in the fund.

"(3) All payments on obligations, appropriate expenses (including reimbursements to other Government accounts), and repayments pursuant to operations of the Administrator under this section shall be paid from the fund subject to appropriations. If at any time the Administrator determines that moneys in the fund exceed the present and reasonably foreseeable future requirements of the fund, such excess shall be transferred to the general fund of the Treasury.

"(4) If at any time the moneys available in the fund are insufficient to enable the Administrator to discharge his responsibilities as authorized by subsections (b)(1), (g), (h), and (y) of this section, the Administrator shall issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be prescribed by the Secretary of the Treasury. Redemption of such notes or obligations shall be made by the Administrator from appropriations or other moneys available under paragraph (2) of this subsection for loan guarantees authorized by subsection (b)(1) and subsections (g), (h), (k), and (y) of this section. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, which shall be not less than a rate determined by taking into consideration the average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection.

"(5) The provisions of this subsection do not apply to direct loans or planning grants made under subsection (k) of this section.

"(o) For the purposes of this section, the term—

"(1) 'State' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, American Samoa, any territory or possession of the United States,

"(2) 'United States' means the several States, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa,

"(3) 'borrower' or 'applicant' shall include any individual, firm, corporation, company, partnership, association, society, trust, joint venture, joint stock company, or other non-Federal entity, and

"(4) 'biomass' shall include, but is not limited to, animal and timber waste, municipal and industrial waste, sewage sludge, and oceanic and terrestrial crops.

"(p)(1) An applicant seeking a guarantee or cooperative agreement under subsection (b) or subsection (y) of this section must be a citizen or national of the United States. A corporation, partnership, firm, or association shall not be deemed to be a citizen or national of the United States unless the Administrator determines that it satisfactorily meets all the requirements of section 802 of title 46, United States Code, for determining such citizenship, except that the provisions in subsection (a) of such section 802 concerning (A) the citizenship of officers or directors of a corporation, and (B) the interest required to be owned in the case of a corporation, association, or partnership operating a vessel in the coastwise trade, shall not be applicable.

"(2) The Administrator, in consultation with the Secretary of State, may waive such requirements in the case of a corporation, partnership, firm, or association, controlling interest in which is owned by citizens of countries which are participants in the International Energy Agreement.

"(q) No part of the program authorized by this section shall be transferred to any other agency or authority, except pursuant to Act of Congress enacted after the date of enactment of this section.

"(r) Inventions made or conceived in the course of or under a guarantee authorized by this section shall be subject to the title and waiver requirements and conditions of section 9 of this Act.

"(s) Nothing in this section shall be construed as affecting the obligations of any person receiving financial assistance pursuant to this section to comply with Federal and State environmental, land use, water, and health and safety laws and regulations or to obtain applicable Federal and State permits, licenses, and certificates.

"(t) The information maintained by the Administrator under this section shall be made available to the public subject to the provision of section 552 of title 5, United States Code, and section 1905 of title 18, United States Code, and to other Government agencies in a manner that will facilitate its dissemination: *Provided*, That upon a showing satisfactory to the Administrator by any person that any information, or portion thereof obtained under this section by the Administrator directly or indirectly from such person would, if made public, divulge (1) trade secrets or (2) other proprietary information of such person, the Administrator shall not disclose such information and disclosure thereof shall be punishable under section 1905 of title 18, United States Code: *Provided further*, That the Administrator shall, upon request, provide such information to (A) any delegate of the Administrator for the purpose of carrying out this Act, and (B) the Attorney General, the Secretary of Agriculture, the Secretary of the Interior, the Federal Trade Commission, the Federal Energy Administration, the Environmental Protection Agency, the Federal Power Commission, the General Accounting Office, other Federal agencies, or heads of other Federal agencies, when necessary to carry out their duties and responsibilities under this and other statutes, but such agencies and agency heads shall not release such information to the public. This section is not authority to withhold information from Congress, or from any committee of Congress upon request of the Chairman. For the purposes of this subsection, the term 'person' shall include the borrower.

"(u) Notwithstanding any other provision of this section, the authority provided in this section to make guarantees or commitments to guarantee or enter into cooperative agreements under subsection (b)(1) or subsection (y), to make guarantees or commitments to guarantees, or to make loans or grants, under subsection (k), to make contracts under subsection (h), and to use fees and receipts collected under subsections (b), (l), and (y) of this section, and the authorities provided under subsection (n) of this section shall be effective only to the extent provided, without fiscal year limitation, in appropriation Acts enacted after the date of enactment of this section.

"(v) No person in the United States shall on the grounds of race, color, religion, national origin, or sex, be excluded from participation in, be denied benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with assistance made available under this section: *Provided*. That Indian tribes are exempt from the operation of this subsection: *Provided further*. That such exemption shall be limited to the planning and provision of public facilities which are located on reservations and which are provided for members of the affected Indian tribes as the primary beneficiaries.

"(w) In carrying out his functions under this section, the Administrator shall provide a realistic and adequate opportunity for small business concerns to participate in the program to the optimum extent feasible consistent with the size and nature of each project.

"(x)(1)(A) Recipients of financial assistance under this section shall keep such records and other pertinent documents, as the Administrator shall prescribe by regulation, including, but not limited to, records which fully disclose the disposition of the proceeds of such assistance, the cost of any facility, the total cost of the provision of public facilities for which assistance was used and such other records as the Administrator may require to facilitate an effective audit. The Administrator and the Comptroller General of the United States, or their duly authorized representatives shall have access, for the purpose of audit, to such records and other pertinent documents.

"(B) Within 6 months after the date of enactment of this section and at 6-month intervals thereafter, the Comptroller General of the United States shall make an audit of recipients of financial assistance under this section. The Comptroller General may prescribe such regulations as he deems necessary to carry out this subparagraph.

"(2) All laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed in whole or in part with assistance under this section shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a-5). The Secretary of Labor shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267) and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948; 40 U.S.C. 276(c)).

"(y)(1) The Administrator is authorized in accordance with such rules and regulations as he shall prescribe after consultation with the Secretary of the Treasury, to guarantee and to make commitments to guarantee the payment of interest on, and the principal balance of, bonds, debentures, notes and other obligations issued by or on behalf of any borrower for the purpose of (A) financing the construction and startup costs of demonstration facilities for the conversion of municipal or industrial waste, sewage sludge, or other municipal organic wastes into synthetic fuels, and (B) financing the construction and startup costs of demonstration facilities to generate desirable forms of energy (including synthetic fuels) from municipal or industrial waste, sewage sludge, or other municipal organic waste. With respect to a guarantee or a commitment to guarantee authorized by this subsection; the following subsections of this section shall not apply: (b)(1), (b)(5), (c)(2), (c)(5), (c)(6), (c)(7), (c)(8), (c)(9), (e)(3), (j) (k), and (q).

"(2) In the case where the Administrator seeks to guarantee or to make commitments to guarantee as provided by this subsection he is authorized to incur an outstanding indebtedness which at no time shall exceed $300,000,000.

"(3) The Administrator shall apply the following provisions thereto:

"(A) With respect to any demonstration facility for the conversion of solid waste (as the term is defined in the Resources Conservation and Recovery Act (42 U.S.C. 6903)), the Administrator, prior to issuing any guarantee under this section, must be in receipt of a certification from the Administrator of the Environmental Protection Agency and any appropriate State or areawide solid waste management planning agency that the proposed application for a guarantee is consistent with any applicable suggested guidelines published pursuant to section 1008(a) of the Resources Conservation and Recovery Act, and any applicable State or regional solid waste management plan.

"(B) The amount guaranteed shall not exceed 75 per centum of the total cost of the commercial demonstration facility, as determined by the Administrator: *Provided*, That the amount guaranteed may not exceed 90 per centum of the total cost of the commercial demonstration facility during the period of construction and startup.

"(C) The maximum maturity of the obligation shall not exceed thirty years, or 90 per centum of the projected useful economic life of the physical assets of the commercial demonstration facility covered by the guarantee, whichever is less, as determined by the Administrator.

"(D) The Administrator shall charge and collect fees for guarantees of obligations in amounts sufficient in the judgment of the Administrator to cover the applicable administrative costs and probable losses on guaranteed obligations, but in any event not to exceed 1 per centum per annum of the outstanding indebtedness covered by the guarantee.

"(E) No part of the program authorized by this section shall be transferred to any other agency or authority, except pursuant to Act of Congress enacted after the date of enactment of this section: *Provided*, That project agreements entered into pursuant to this section for any commercial demonstration facility for the conversion or bioconversion of solid waste (as that term is defined in the Resource Conservation and Recovery Act) shall be administered in accordance with the May 7, 1976, Interagency Agreement between the Environmental Protection Agency and the Energy Research and Development Administration on the Development of Energy From Solid Wastes, and provided specifically that in accordance with this agreement (1) for those energy-related projects of mutual interest, planning will be conducted jointly by the Environmental Pro-

tection Agency and the Energy Research and Development Administration, following which project responsibility will be assigned to one agency; (ii) energy-related projects for recovery of synthetic fuels or other forms of energy from solid waste shall be the responsibility of the Energy Research and Development Administration; and (iii) the Environmental Protection Agency shall retain responsibility for the environmental, economic, and institutional aspects of solid waste projects and for assurance that such projects are consistent with any applicable suggested guidelines pursuant to section 1008 of the Resource Conservation and Recovery Act of 1976 (42 U.S.C. 6901 et seq.), as amended, and any applicable State or regional solid waste-management plan.

"(F) With respect to any obligation which is issued after the enactment of this section by, or in behalf of, any State, political subdivision, or Indian tribe and which is either guaranteed under, or supported by taxes levied by said issuer which are guaranteed under, this section, the interest paid on such obligation and received by the purchaser thereof (or the purchaser's successor in interest) shall be included in gross income for the purpose of chapter 1 of the Internal Revenue Code of 1954, as amended: *Provided*, That the Administrator shall pay to such issuer out of the fund established by this section such portion of the interest on such obligations, as determined by the Secretary of the Treasury to be appropriate after taking into account current market yields (i) on obligations of said issuer, if any, and (ii) on other obligations with similar terms and conditions the interest on which is not so included in gross income for purposes of chapter 1 of such Code, and in accordance with, such terms and conditions as the Secretary of the Treasury shall require.".

SEC. 208. (a) The Secretary of Energy shall—

(1) initiate and conduct an "application and system design study", cooperatively with appropriate Federal agencies, to determine the potential for the use of solar photovoltaic systems at specific Federal installations; and this study shall—

(A) include an analysis of those sites that are currently cost-effective for solar photovoltaic energy systems, using life-cycle costing techniques, as well as those which would be cost-effective at expected future market prices;

(B) identify potential sites and uses of solar photovoltaic energy systems at the following agencies as well as any others which the Secretary of Energy deems necessary:

(i) the Department of Defense;

(ii) the Department of Transportation (including the United States Coast Guard, the Federal Aviation Administration, and the Federal Highway Administration);

(iii) the Department of Commerce;

(iv) the Department of Agriculture; and

(v) the Department of the Interior;

(C) provide a preliminary report to Congress within nine months following the enactment of this Act;

(D) include the presentation of a detailed plan for the implementation of solar photovoltaic energy systems for power generation at specific sites in Federal government agencies to Congress within twelve months following the enactment of this Act;

(2) initiate and conduct a study of the options available to the Federal government to provide for the adequate growth of the solar photovoltaic industry and to include such possible incentives as government funding, loan guarantees, tax incentives, the operation of pilot plants or production lines and other incentives deemed worthy of consideration by the Secretary of Energy. A preliminary report shall be submitted to Congress within six months following the enactment of this Act;

(3) initiate and conduct a study involving the prospects for applications of solar photovoltaic energy systems for power generation in foreign countries, particularly lesser developed countries, and the potential for the exportation of these energy systems. This study shall involve the cooperation of the Department of State and the Department of Commerce, as well as other Federal agencies which the Secretary of Energy deems appropriate. A final report shall be submitted to the Congress, as well as a preliminary report within twelve months of the enactment of this Act; and

(4) be authorized to acquire up to an additional 4.0 megawatts (peak) of solar photovoltaic energy systems. The sum of $13,000,000 is hereby authorized to be appropriated (in addition to any other amounts authorized by this Act to be appropriated) for the fiscal year ending September 30, 1978, and for delivery in the following twelve months. Such sums shall remain available until expended. The solar photovoltaic energy systems acquired shall be available for use for power generation by Federal agencies, provided that no procurement takes place until their application on Federal sites is determined to be life cycle cost effective.

(b) For technology development, particularly for engineering design and development of the manufacturing process of solar photovoltaic energy systems (primarily for the implementation of automated processes and other cost reducing production technologies), the sum of $6,000,000 is hereby authorized by this Act to be appropriated for the fiscal year ending September 30, 1978.

SEC. 209. (a) Nothing in this title shall apply with respect to any authorization or appropriation for any military application of nuclear energy, for research and development in support of the Armed Forces, or for the common defense and security of the United States.

(b)(1) The term "military application" means any activity authorized or permitted by chapter 9 of the Atomic Energy Act of 1954, as amended (Public Law 83-703, as amended; 42 U.S.C. 2121, 2122).

(2) The term "research and development," as used in this section, is defined by section 11 *x* of the Atomic Energy Act of 1954, as amended (Public Law 83-703, as amended; 42 U.S.C. 2014).

(3) The term "common defense and security" means the common defense and security of the United States as used in the Atomic Energy Act of 1954, as amended (Public Law 83-703, as amended).

SEC. 210. (a) In order to provide economic farm units to qualifying farmers whose land is economically infeasible to reclaim from damages resulting from the Teton flood of June 5, 1976, and who are unable to find suitable replacement land for their flood damage farm, and in order to restore the economic and agricultural base of the flood damaged region, there is hereby transferred 5,955 acres of land, hereinafter described, in the State of Idaho presently under the jurisdiction of the Department of Energy, to the Secretary of the Interior who, acting through the Bureau of Reclamation, shall make such lands available for sale to qualifying farmers according to the terms hereafter provided.

(b) As used in this section, the term:

(1) "Teton flood" means the flood resulting from the collapse of Teton Dam of the Lower Teton Division of the Teton Basin Federal Reclamation Project on June 5, 1976.

(2) "Department of Energy" means those public and acquired lands in the State of Idaho identified as sections numbered fourteen (14), twenty-three (23), twenty-four (24), twenty-five (25), and thirty-six (36), in township six (6) north, or range thirty-three (33) east of the Boise meridian; sections numbered nineteen (19), thirty (30), and thirty-one (31) in township six (6) north, of range thirty-four (34) east of the Boise meridian; and the southeast quarter, the south half of the northeast quarter, the east half of the southwest quarter and the southeast quarter of the northwest quarter, of section numbered eight (8) and the south half of the north half of section numbered nine (9) in township five (5) north, of range thirty-four (34) east of the Boise meridan, all situated in the county of Jefferson and State of Idaho ,and containing 5,955 acres, more or less, which would be transferred for the purposes of this Act.

(3) "Qualifying farmer" means the resident, owner-operator of a farm who resides in the immediate locality, whose livelihood is derived from his farming operation and whose land was damaged due to the collapse of the Teton Dam on June 5, 1976, to the extent that in the opinion of the Secretary of the Interior, it is not economically feasible to reclaim such land so that it produces an income commensurate with that earned prior to the Teton flood.

(4) "Irrigable land" means farm land that is suitable for irrigated agriculture and has been certified as irrigable by the Secretary of the Interior.

(c) For a period of not more than five years after transfer to the Bureau of Reclamation, the land heretofore described shall be available for purchase by those who, on or before October 1, 1978, are determined to be qualifying farmers pursuant to regulations issued in accordance with subsection (f) of this section by the Secretary of the Interior.

(d) Department of Energy lands as described in subsection (b)(2) of this section shall be certified as irrigable by the Secretary of the Interior, and lands so certified shall be made available in a manner to be prescribed by the Secretary for purchase by qualifying farmers at its current fair market value as determined by a board of appraisers composed of a Federal appraiser, a State appraiser, and one appraiser from the disaster region: *Provided*, That irrigable land transferred to a single ownership shall not exceed 160 acres of class I land as defined by the Secretary or the equivalent thereof in other land classes as determined by the Secretary. The United States through the Secretary, shall convey fee simple title of the Department of Energy land to the qualifying farmer. The cost of developing the replacement land for farming shall be borne by the qualifying farmer who purchases the land.

(e) Any part of the Department of Energy land remaining in the possession of the Bureau of Reclamation at the end of the five year period, except land needed for public rights-of-way, as determined by the Secretary, shall be returned to the Department of Energy.

(f) Within ninety days after the enactment of this Act the Secretary shall prescribe and publish in the Federal Register such rules and regulations as may be necessary and proper to carry out the provision of this section.

(g) Full recovery for the loss of all or part of flood-damaged farms shall be obtained by owners pursuant to the Teton Dam Disaster Assistance Act of 1976, Public Law 94-400, 90 Stat. 1211, and the Supplemental Appropriation Act of 1976, Public Law 94-438, 90 Stat. 1415.

(h) There is hereby authorized to be appropriated such sums as may be necessary for the purposes of administration of this section.

TITLE III—AUTOMOTIVE PROPULSION RESEARCH AND DEVELOPMENT

SHORT TITLE

SEC. 301. This title may be cited as the "Automotive Propulsion Research and Development Act of 1977".

FINDINGS AND PURPOSE

SEC. 302. (a) The Congress finds that—

(1) existing automobile propulsion systems, on the average, fall short of meeting the long-term goals of the Nation with re-

spect to environmental protection, and energy conservation;

(2) advanced alternatives to existing automobile propulsion systems could, with sufficient research and development effort, meet these long-term goals, and have the potential to be mass produced at reasonable cost; and advanced automobile propulsion systems could operate with significantly less adverse environmental impact and fuel consumption than existing automobiles, while meeting all of the other requirements of Federal law;

(3) insufficient resources are being devoted to both research on and development of advanced automobile propulsion system technology;

(4) an expanded research and development effort with respect to advance automobile propulsion system technology would complement and stimulate corresponding efforts by the private sector and would encourage automobile manufacturers to consider seriously the incorporation of such advanced technology into automobiles and automobile components; and

(5) the Nation's energy and environmental problems are urgent, and therefore advanced automobile propulsion system technology should be developed, tested, demonstrated, and prepared for manufacture within the shortest practicable time.

(b) It is therefore the purpose of the Congress, in this title, to—

(1) (A) direct the Department of Energy to make contracts and grants for research and development leading to the development of advanced automobile propulsion systems within 5 years of the date of enactment of this Act, or within the shortest practicable time consistent with appropriate research and development techniques, and (B) evaluate and disseminate information with respect to advanced automobile propulsion system technology;

(2) preserve, enhance, and facilitate competition in research, development, and production with respect to existing and alternative automobile propulsion systems; and

(3) supplement, but neither supplant nor duplicate, the automotive propulsion system research and development efforts of private industry.

DEFINITIONS

SEC. 303. As used in this title, the term—

(1) "advanced automobile propulsion system" means an energy conversion system, including engine and drive train, which utilizes advanced technology and is suitable for use in advanced automobile;

(2) "developer" means any person engaged in whole or in part in research or other efforts directed toward the development of advanced automobile technology;

(3) "fuel" means any energy source capable of propelling an automobile;

(4) "fuel economy" refers to the average distance traveled in representative driving conditions by an automobile per unit of fuel consumed, as determined by the Administrator of the Environmental Protection Agency in accordance with test procedures which shall be established by rule and shall require that fuel economy tests be conducted in conjunction with the exhaust emissions tests mandated by section 206 of the Clean Air Act (42 U.S.C. 1857f–5);

(5) "intermodal adaptability" refers to any characteristics of an automobile which enable it to be operated or carried, or which facilitate its operation or carriage, by or on an alternative mode or other system of transportation;

(6) "reliability" refers to (A) the average time and distance over which normal automobile operation can be expected without significant repair or replacement of parts, and (B) the ease of diagnosis and repair of an automobile, its systems, and parts in the event of failure during use or damage from an accident;

(7) "safety" refers to the performance of an automotive propulsion system or equipment in such a manner that the public is protected against unreasonable risk of accident and against unreasonable risk of death or bodily injury in case of accident; and

(8) "State" means any State, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, or any other territory or possession of the United States.

DUTIES OF THE ADMINISTRATOR

SEC. 304. (a) The Secretary of Energy shall establish, within the Department of Energy, a program to insure the development of advanced automobile propulsion systems within 5 years after the date of enactment of this Act, or within the shortest practicable time, consistent with appropriate research and development technique. In conducting such program, the Secretary of Energy shall—

(1) establish and conduct new projects and accelerate existing projects which may contribute to the development of advanced automobile propulsion systems;

(2) give priority attention to the development of advanced propulsion systems with appropriate attention to those advanced propulsion systems which are flexible in the type of fuel used; and

(3) insure that research and development under this title supplements, but neither supplants nor duplicates, the automotive research and development efforts of private industry.

(b) The Secretary of Energy shall, in fulfilling his responsibilities under this title, make contracts and grants with any Federal agency, laboratory, university, nonprofit organization, industrial organization, public or private agency, institution, organization, corporation, partnership, or individual for research and development leading to advanced automobile propulsion systems which are likely to help meet the Nation's long-term goals with respect to fuel economy, environmental protection, and other objectives.

(c) In providing financial assistance under this title, the Secretary of Energy shall give full consideration to the capabilities of Federal laboratories, except that not more than 60 per centum of the funds appropriated pursuant to the authorization under section 312 shall be directly expended in Federal laboratories. In accordance with section 307, such laboratories shall be available for testing components and subsystems which, in the Secretary of Energy's judgment, is likely to contribute to the development of advanced automobile propulsion systems.

(d) The Secretary of Energy shall conduct evaluations, arrange for tests, and disseminate information pursuant to section 307 and submit reports required under section 310.

(e) The Department of Energy shall intensify research in key basic science areas in which the lack of knowledge limits development of advanced automobile propulsion systems.

(f) (1) The Secretary of Energy shall insure that the conduct of the program as defined in subsection (a) of this section—

(A) supplements the automotive propulsion system research and development efforts of industry;

(B) is not formulated in a manner that will supplant private industry research and development or displace or lessen industry's research and development; and

(C) avoids duplication of private research and development.

(2) To that end, the Secretary of Energy shall issue administrative regulations, within 60 days after the date of the enactment of this Act, which shall specify procedures, standards, and criteria for the timely review for compliance of each new contract, grant, Department of Energy project, or other agency project funded or to be funded under the authority of this Act. Such regulations shall require that the Secretary of Energy or his designee shall certify that each such contract, grant, or project satisfies the requirement of this subsection, and shall include in such certification a discussion of the relationship of any related or comparable industry research and development, in terms of this subsection, to the proposed research and development under the authority of this Act. The discussion hall also address related issues, such as cost sharing and patent rights.

(3) Such certifications shall be available to the Committee on Science and Technology of the House of Representatives and the Committee on Energy and natural Resources of the Senate. The Provisions of chapter 5 of title 5, United States Code, shall not apply to such certifications and no court shall have any jurisdiction to review the preparation or adequacy of such certifications; but section 553 of title 5, United States Code, and section 17 of the Federal Nonnuclear Energy Research and Development Act of 1974, as amended, shall apply to public disclosure of such certifications.

(4) The Secretary of Energy also shall include in the report required by section 310 (a) of this Act a detailed discussion of how each research and development contract, grant, or project funded under the authority of this Act satisfies the requirement of this subsection.

(5) Further, the Secretary of Energy in each annual budget submission to the Congress, or amendment thereto, for the programs authorized by this Act shall describe how each identified research and development effort in such submission satisfies the requirements of this subsection.

(6) The provisions and requirements of this subsection shall not apply with respect to any contract, grant, or project which was entered into, made, or formally approved and initiated prior to the enactment of this Act, or with respect to any renewal or extension thereof.

DUTIES OF THE SECRETARY OF TRANSPORTATION

SEC. 305. The Secretary of Transportation, in furtherance of the purposes of this title, shall evaluate the extent to which the automobile industry utilizes advanced automotive technology which is or could be made available to it. The Secretary of Transportation shall submit a report to the Congress each year on the results of such evaluation including any appropriate recommendations which may encourage the utilization of advanced automobile technology by the automobile industry.

COORDINATION AND CONSULTATION

SEC. 306. (a) The Secretary of Energy shall have overall management responsibility for carrying out the program under section 304. In carrying out such program, the Secretary of Energy, consistent with such overall management responsibility—

(1) shall utilize the expertise of the Department of Transportation to the extent deemed appropriate by the Secretary of Energy; and

(2) may utilize any other Federal agency (except as provided in paragraph (1)) in accordnace with subsection (c) in carrying out any activities under this title, to the extent that the Secretary of Energy determines that any such agency has capabilities which would allow such agency to contribute to the purposes of this title.

(b) The Secretary of Transportation, whenever the expertise of the Department of Transportation is utilized in accordance with subsection (a), may exercise the powers granted to the Secretary of Energy under subsection (c) and shall enter into contracts and make grants for such purpose, subject to

the overall management responsibility of the Secretary of Energy.

(c) The Secretary of Energy may, in accordance with subsection (a), obtain the assistance of any department, agency, or instrumentality of the executive branch of the Federal Government upon written request, on a reimbursable basis or otherwise and with the consent of such department, agency or instrumentality. Each such request shall identify the assistance the Secretary of Energy deems necessary to carry out any duty under this title.

(d) The Secretary of Energy shall consult with the Administrator of the Environmental Protection Agency and the Secretary of Transportation, and shall establish procedures for periodic consultation with representatives of science, industry, and such other groups as may have special expertise in the area of automobile propulsion system research, development, and technology. The Secretary of Energy may establish such advisory panels as he deems appropriate to review and make recommendations with respect to applications for funding under this title.

(e) Nothing contained in this title shall be construed to reduce in any way the responsibilities of the Secretary of Energy for automative research, development, and demonstration under the Energy Reorganization Act of 1974 (42 U.S.C. 5801 et seq.) and the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5901 et seq.).

EVALUATION, TESTING, AND INFORMATION DISSEMINATION

SEC. 307.(a) The Secretary of Energy shall, for the purposes of performing his responsibilities under this title, consider any reasonable new or improved technology, a description of which is submitted to the Secretary of Energy in writing, which could lead or contribute to the development of advanced automobile propulsion system technology.

(b) The Administrator of the Environmental Protection Agency shall test, or cause to be tested, in a facility subject to Environmental Protection Agency supervision, each advanced automobile propulsion system in an appropriately modified production vehicle equipped with such a system developed in whole or in part with Federal financial assistance under this title, or referred to the Administrator of the Environmental Protection Agency for such purpose by the Secretary of Energy, to determine whether such vehicle complies with any exhaust emission standards or any other requirements promulgated or reasonably expected to be promulgated under any provision of the Clean Air Act (42 U.S.C. 1857 et seq.), the Noise Control Act of 1972 (42 U.S.C. 4901 et seq.), or any other provision of Federal law administered by the Administrator of the Environmental Protection Agency. In conjunction with any test for compliance with exhaust emission standards under this section, the Administrator of the Environmental Protection Agency shall also conduct tests to determine the fuel economy of such vehicle. The Administrator of the Environmental Protection Agency shall submit all test data and the results of such tests to the Secretary of Energy.

(c) The Secretary of Energy shall collect, analyze, and disseminate to developers information, data, and materials that may be relevant to the development of advanced automobile propulsion system technology.

PATENTS

SEC. 308. Section 9 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5908) shall apply to any contract (including any assignment, substitution of parties, or subcontract thereunder) or grant, entered into, made, or issued by the Secretary of Energy under this title.

COMPTROLLER GENERAL AUDIT AND EXAMINATION

SEC. 309. Section 306 of the Energy Reorganization Act of 1974 (42 U.S.C. 5876) shall appy with respect to the authority of the Comptroller General to have access to and rights of examination of books, documents, papers, and records of recipients of financial assistance under this title; except that for the purposes of this title, the term "contract" (as used in section 166 of the Atomic Energy Act (42 U.S.C. 2206), insofar as it relates to such section 306) means "contract or grant."

REPORTS

SEC. 310. (a) As a separate part of the annual report submitted under section 15(a) of the Federal Nonnuclear Energy Research and Development Act of 1974 with respect to the comprehensive plan and program then in effect under section 6 (a) and (b) of such Act, the Secretary of Energy shall submit to Congress an annual report of activities under this title. Such report shall include—

(1) a current comprehensive program definition for implementing this title;

(2) an evaluation of the state of automobile propulsion system research and development in the United States;

(3) the number and amount of contracts and grants made under this title;

(4) an analysis of the progress made in developing advanced automobile propulsion system technology; and

(5) suggestions for improvements in advanced automobile propulsion system research and development, including recommendations for legislation.

(b) The Secretary of Energy shall conduct a survey of developers, lending institutions, and other appropriate persons or institutions and shall otherwise make a study for the purpose of determining whether, and under what conditions, research, development, demonstration, and commercial availability of advanced automobile propulsion system technology may be aided by the guarantee of financial obligations by the Federal Government. The Secretary of Energy shall report the results of such survey and study to the Congress within 1 year after the date of enactment of this Act. Such report shall include an examination of those stages of advanced automobile propulsion system technology research, development, demonstration, and commercialization for which financial obligation guarantees may be useful or appropriate and shall contain such legislative recommendations as may be necessary.

AMENDMENT OF THE NATIONAL AERONAUTICS AND SPACE ACT

SEC. 311. (a) Section 102 of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2451) is amended by redesignating subsection (e) as subsection (f), and by inserting immediately after subsection (d) the following new subsection:

"(e) The Congress declares that the general welfare of the United States requires that the unique competence in scientific and engineering systems of the National Aeronautics and Space Administration also be directed toward the development of advanced automobile propulsion systems. Such development shall be conducted so as to contribute to the development and shall be conducted so as to contribute to the achievement of the purposes set forth in section 302(b) of the Automotive Propulsion Research and Development Act of 1977.".

(b) The subsection of section 102 of such Act redesignated as subsection (f) by subsection (a) of this section is amended by striking out "and (d)" and inserting in lieu thereof "(d), and (e)".

AUTHORIZATION FOR APPROPRIATION

SEC. 312. There is authorized to be appropriated to carry out the purposes of this title, in addition to any amounts made available for such purposes pursuant to title I of this Act, the sum of $12,500,000 for the fiscal year ending September 30, 1978.

TITLE IV—ESTABLISHMENT OF FINANCIAL SUPPORT PROGRAM FOR MUNICIPAL WASTE REPROCESSING DEMONSTRATION FACILITIES

SEC. 401. The Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5901 et seq.), as amended by section 207 of this Act, is further amended by adding at the end thereof the following new section:

"FINANCIAL SUPPORT PROGRAM FOR MUNICIPAL WASTE REPROCESSING DEMONSTRATION FACILITIES

"SEC. 20. (a) It is the purpose of this section—

"(1) to assure adequate Federal support to foster a program to demonstrate municipal waste reprocessing for the production of fuel and energy intensive products; and

"(2) to gather information about the technological, economic, environmental, and social costs, benefits, and impacts of such demonstration facilities.

"(b)(1) The Administrator is authorized and directed, to the extent provided in appropriation Acts, to establish such a demonstration program by making grants, contracts, price supports, and cooperative agreements pursuant to this Act or any combination thereof for the establishment of municipal waste reprocessing demonstration facilities. For the purpose of this section municipal waste shall include but not be limited to municipal solid waste, sewage sludge, and other municipal organic wastes.

"(2) The aggregate amount of funds available for grants, contracts, price supports, and cooperative agreements for municipal waste reprocessing demonstration facilities shall not exceed $20,000,000 in the fiscal year ending September 30, 1978.

"(3) For purposes of this section the term 'municipal' shall include any city, town, borough, county, parish, district, or other public body created by or pursuant to State law.

"(4) Municipal waste reprocessing demonstration facilities established under this section shall be owned or operated (or both owned and operated) by the municipality and shall involve the recovery of energy or energy intensive products. Such facilities may be established by any public or private entity, by contract or otherwise, as may be determined by the local government which will own or operate (or both own and operate) such facilities and to which financial support is provided. The Federal share for any such facility to which this section applies shall not exceed 75 per centum of the cost of such facility, and not more than $40,000,000 in Federal funds under this section may be used for the construction of any one facility.

"(5) The Administrator shall promulgate such regulations as he deems necessary, pursuant to section 7(a)(4) and section 7(c)(1) and (6) of this Act, for purposes of establishing a price support program for revenue producing products of municipal waste reprocessing demonstration facilities.

"(c)(1) The Administrator shall consult with the Environmental Protection Agency to assure that the provisions of section 8004 of the Resource Conservation and Recovery Act of 1976 (Public Law 94–580) are applied in carrying out this section.

"(2) Any energy-related research, development, or demonstration project for the conversion (including bioconversion) of municipal waste carried out by the Energy Research and Development Administration pursuant to this or any other Act shall be administered in accordance with the May 7, 1976, Interagency Agreement between the Environ-

mental Protection Agency and the Energy Research and Development Administration on the development of energy from solid wastes; and specifically, in accordance with such Agreement (A) for those energy-related projects of mutual interest, planning will be conducted jointly by the Environmental Protection Agency and the Energy Research and Development Administration, following which project responsibility will be assigned to one agency; (B) energy-related aspects of projects for recovery of fuels or energy intensive products from municipal waste as defined in this section shall be the responsibility of the Energy Research and Development Administration including energy-related economic and institutional aspects; and (C) the Environmental Protection Agency shall retain responsibility for the environmental and other economic and institutional aspects of solid waste projects and for assurance that such projects are consistent with any applicable suggested guidelines published pursuant to section 1008 of the Resource Conservation and Recovery Act of 1976 (Public Law 94–580), and any applicable State or regional waste management plan.

"(d)(1) The Administrator shall establish such guidelines as he deems necessary for purposes of obtaining pertinent information from municipalities receiving funding under this section. These guidelines shall include but not be limited to methods of assessment and evaluation of projects authorized under this section. Such assessments and evaluations shall be presented by the Administrator to the House Committee on Science and Technology and the Senate Committee on Energy and Natural Resources upon the request of either such committee.

"(2) The Administrator shall annually submit a report to the Congress concerning the actions taken or not taken by the Administrator under this section during the preceding fiscal year, and including but not limited to (A) a discussion of the status of each demonstration facility and related facilities financed under this section, including progress made in the development of such facilities, and the expected or actual production from each such facility including byproduct production therefrom, and the distribution of such products and byproducts, (B) a statement of the financial condition of each such demonstration facility, (C) data concerning the environmental, community, and health and safety impacts of each such facility and the actions taken or planned to prevent or mitigate such impacts, (D) the administrative and other costs incurred by the Administrator and other Federal agencies in carrying out this program, and (E) such other data as may be helpful in keeping Congress and the public fully and currently informed about the program authorized by this section.

"(3) The annual reports required by this subsection shall be a part of the annual report required by section 15 of this Act, except that the matters required to be reported by this subsection shall be clearly set out and identified in such annual reports. Such reports shall be transmitted to the Speaker of the House of Representatives and the House Committee on Science and Technology and to the President of the Senate and the Senate Committee on Energy and Natural Resources.

"(e) No part of the program authorized by this section shall be transferred to any other agency or authority, except pursuant to Act of Congress enacted after the date of the enactment of this section.

"(f) Nothing in this section shall be construed as abrogating any obligations of any municipality receiving financial assistance pursuant to this section to comply with Federal and State environmental, land use, water, and health and safety laws and regulations or to obtain applicable Federal and State permits, licenses, and certificates.".

TITLE V—AMENDMENTS TO THE GEOTHERMAL ENERGY RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACT

SEC. 501. As used in this title—

(1) the term "Act" means the Geothermal Energy Research, Development, and Demonstration Act of 1974 (88 Stat. 1079); and

(2) the term "Administrator" means the Administrator of the Energy Research and Development Administration.

SEC. 502. Section 101(b) of the Act is amended—

(1) by striking out subparagraph (E) of paragraph (1) and inserting in lieu thereof the following:

"(E) the Assistant Administrator of the Energy Research and Development Administration for Solar, Geothermal, and Advanced Energy Systems;";

(2) by striking out the period at the end of paragraph (1) and inserting in lieu thereof a semicolon;

(3) by adding at the end of paragraph (1) the following new subparagraphs:

"(G) an Assistant Administrator of the Environmental Protection Agency;

"(H) an Assistant Secretary of Treasury; and

"(I) an Assistant Secretary of Agriculture."; and

(4) by striking out "one member of the Project" in paragraph (2) and inserting in lieu thereof "the Assistant Administrator of the Energy Research and Development Administration for Solar, Geothermal, and Advanced Energy Systems".

SEC. 503. Section 103(b)(4) of the Act is amended by inserting the phrase "or administrative regulations" after "legislation", and by inserting, "environmental and taxing" after "leasing".

SEC. 504. Section 105(e)(3) of the Act is amended by striking out the period and inserting in lieu thereof "or such assistance would not be adequate to satisfy the goals and requirements of the demonstration program under this section.".

SEC. 505. Section 201(b) of the Act is amended by striking out "or" at the end of paragraph (3), by striking out the period at the end of paragraph (4) and inserting in lieu thereof "; or ", and by adding at the end thereof the following new paragraph:

"(5) construction and operation of a new commercial, agricultural, or industrial structure or facility or modification and operation of an existing commercial, agricultural, or industrial structure or facility, when geothermal hot water or steam is to be used within or by such structure or facility, or modification thereto, for the purposes of space heating or cooling, industrial or agricultural processes, onsite generation of electricity for use other than for sale or resale in commerce, other commercial applications, or combinations of applications separately eligible under this title for loan guarantee assistance.".

SEC. 506. Section 201(b)(4) of the Act is amended by striking out "from" and inserting in lieu thereof "using".

SEC. 507. Section 201 (c) of the Act is amended by adding at the end thereof the following new sentence: "In the case of a guaranty for the purposes specified in subsection (b)(5), the aggregate cost of the project shall be deemed to be that portion of the total cost of construction and operation which is directly related to the utilization of geohermal energy within the structure or facility in question, except that the aggregate cost of the project with respect to which the loan is made may be the total cost including construction and operation in cases where the facility or structure has been located near a geothermal energy resource predominantly for the purpose of utilizing geothermal energy, or as determined by the Administrator the economic viability of the project is substantially dependent upon the performance of the geothermal reservoir.".

SEC. 508. Section 201(e) of the Act is amended—

(1) by striking out "$25,000,000" and inserting in lieu thereof $100,000,000: *Provided*, That in the case of a guaranty under subsection (b)(5), the amount of the guaranty for any loan for a project shall not exceed $50,000,000";

(2) by striking out "$50,000,000" and inserting in lieu thereof "$200,000,000"; and

(3) by inserting before the period at the end thereof the following: ", unless the Administrator determines in writing that a guaranty in excess of these amounts is in the national interest. Any such determination shall be submitted to the Speaker of the House and the Committee on Science and Technology of the House of Representatives, and to the President of the Senate and the Committee on Energy and Natural Resources of the Senate, accompanied by a full and complete report on the proposed project and guaranty. The proposed guaranty or commitment to guarantee shall not be finalized under authority granted by this Act prior to the expiration of thirty calendar days (not including any date on which either House of Congress is not in session) from the date on which such report is received by the Speaker of the House and the President of the Senate: *Provided*, That such guaranty or commitment to guarantee shall not be finalized if prior to the close of such thirty-day period either House passes a resolution stating in substance that such House does not favor the making of such guaranty or commitment to guarantee."

SEC. 509. Section 201 of the Act is further amended by adding at the end thereof the following new subsections:

"(g) With respect to any guaranty which is issued after the enactment of this subsection by, or in behalf of, any State, political subdivision, or Indian tribe and which is either guaranteed under, or supported by taxes levied by said issuer which are guaranteed under this title, and for which the interest paid on such obligation and received by the purchaser thereof is included in gross income for the purposes of chapter 1 of the Internal Revenue Code of 1954, as amended, the Administrator shall pay to such issuer out of the fund established by this title such portion of the interest on such obligations, as determined by the Administrator, in consultation with the Secretary of the Treasury, to be appropriated after taking into account current market yields (1) on obligations of such issuer, if any, or (2) on other obligations with similar terms and conditions, the interest on which is not so included in gross income for purposes of chapter 1 of said Code, and in accordance with such terms and conditions as the Administrator shall require in consultation with the Secretary of the Treasury.

"(h) The full faith and credit of the United States is pledged to the payment of all guaranties issued under this title with respect to principal and interest.

"(i) The Administrator shall charge and collect fees for guaranties in amounts sufficient in his judgment to cover applicable administrative costs and probable losses on guaranteed obligations, but in any event not to exceed 1 per centum per annum of the outstanding indebtedness covered by each guaranty. Fees collected under this subsection shall be deposited in the fund established by this title.

"(j) The Secretary of the Treasury shall insure to the maximum extent feasible that the timing, interest rate, and substantial

terms and conditions of any guaranty exceeding $25,000,000 will have the minimum possible impact on the capital markets of the United States, taking into account other Federal direct and indirect commercial securities activities.".

SEC. 510. Section 202 of the Act is amended to read as follows:

"DEFAULT; PAYMENT OF INTEREST

"Sec. 202. (a) If there is a default by the borrower, as defined in regulations promulgated by the Administrator and set forth in the guarantee contract, the holder of the obligation shall have the right to demand payment of the unpaid amount from the Administrator. Within such period as may be specified in the guarantee or related agreements, the Administrator shall pay to the holder of the obligation the unpaid interest on, and unpaid principal of the guaranteed obligation as to which the borrower has defaulted, unless the Administrator finds that there was no default by the borrower in the payment of interest or principal or that such default has been remedied. Nothing in this section shall be construed to preclude any forebearance by the holder of the obligation for the benefit of the borrower which may be agreed upon by the parties to the guaranteed obligation and approved by the Administrator.

"(b) If the Administrator makes a payment under subsection (a) of this subsection, the Administrator shall be subrogated to the rights of the recipient of such payment as specified in the guarantee or related agreements including, where appropriate, the authority (notwithstanding any other provision of law) to complete, maintain, operate, lease, or otherwise dispose of any property acquired pursuant to such guarantee or related agreements, or to permit the borrower, pursuant to an agreement with the Administrator, to continue to pursue the purposes of the project if the Administrator determines this to be in the public interest. The rights of the Administrator with respect to any property acquired pursuant to such guarantee or related agreements, shall be superior to the rights of any other person with respect to such property.

"(c) In the event of a default on any guarantee under this title, the Administrator shall notify the Attorney General, who shall take such action as may be appropriate to recover the amounts of any payments made under subsection (a), including any payment of principal and interest under subsection (d), from such assets of the defaulting borrower as are associated with the project, or from any other security included in the terms of the guarantee.

"(d) With respect to any obligation guaranteed under this title, the Administrator is authorized to enter into a contract to pay, and to pay, holders of the obligation, for and on behalf of the borrower, from the Geothermal Resources Development Fund, the principal and interest payments which become due and payable on the unpaid balance of such obligation if the Administrator finds that—

"(1) the borrower is unable to meet such payments and is not in default; it is in the public interest to permit the borrower to continue to pursue the purposes of such project; and the probable net benefit to the Federal Government in paying such principal and interest will be greater than that which would result in the event of a default;

"(2) the amount of such payment which the Administrator is authorized to pay shall be no greater than the amount of principal and interest which the borrower is obligated to pay under the loan agreement; and

"(3) the borrower agrees to reimburse the Administrator for such payment on terms and conditions, including interest, which are satisfactory to the Administrator.".

SEC. 511. Section 204 of the Act is amended by redesignating subsection (c) as subsection (d) and inserting after subsection (b) the following new subsection (c):

"(c) If at any time the moneys available in the fund are insufficient to enable the Administrator to discharge his responsibilities under this title, he shall issue to the Secretary of the Treasury notes or other obligations in such forms and denominations bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Secretary of the Treasury. This borrowing authority shall be effective only to such extent or in such amounts as are specified in appropriation Acts. Such authorizations may be without fiscal year limitations. Redemption of such notes or obligations shall be made by the Administrator from appropriations or other moneys available under this section. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, which shall not be less than a rate determined by taking into consideration the average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury shall purchase any notes or other obligations issued hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that Act are extended to include any purchase of such notes or obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States.".

SEC. 512. Title II of the Act is further amended by adding at the end thereof the following new section:

"COMMUNITY IMPACT ASSISTANCE

"SEC. 205. (a) The Administrator, for any project which has a guarantee under this title of not less than $50,000,000 and which will have an intended operating life of not less than five years to satisfy the purposes under this title for which the guarantee has been made, shall endeavor to insure that, taking into consideration appropriate local community action and all reasonaby available forms of assistance under this section and other Federal and State statutes, that the impacts resulting from the proposed project have been fully evaluated by the borrower, the Administrator, and the Governor of the affected State, and that effective steps have been taken or will be taken in a timely manner to finance community planning and development costs resulting from such project under this section, if applicable under other provisions of law, or by other means. When the project will be located on leased Federal lands, the Administrator shall specifically review State and local actions under section 9(a) of the Mineral Leasing Act Amendments of 1976 (Public Law 94-377) and insure that any funds made available to the State pursuant to such section 9(a) are used to finance such planning and development costs before any Federal assistance under subsection (c) of this section is considered or authorized.

"(b) The Administrator, for projects not included under subsection (a), may in his discretion consider the community impacts which may result from such projects, and may take such actions, under authority directly available to him under other statutes or in coordination with other Federal agencies or the State, as he considers necessary and appropriate to insure timely and effective planning and financing for such community impacts.

"(c)(1) In order to discharge his responsibilities under subsection (a), and in accordance with such rules and regulations as the Administrator in consultation with the Secretary of the Treasury shall prescribe, and subject to such terms and conditions as he deems appropriate, the Administrator is authorized, for the purposes of financing essential community development and planning which directly result from, or are necessitated by, a project under subsection (a), to—

"(A) guarantee and make commitments to guarantee the payment of interest on, and the principal balance of, obligations for such financing issued by eligible States, political subdivisions or Indian tribes.

"(B) guarantee and make commitments to guarantee the payment of taxes imposed on such project by eligible non-Federal taxing authorities which taxes are earmarked by such authorities to support the payment of interest and principal on obligations for such financing, and

"(C) require that the qualified borrower receiving assistance for a project under this section advance sums to eligible States, political subdivisions, and Indian tribes to pay for the financing of such development and planning: *Provided*, That the State, political subdivision, or Indian tribe agrees to provide tax abatement credits over the life of the project for such payments by such applicant.

"(2) No guarantee or commitment to guarantee under paragraph (1) of this subsection shall exceed $1,000,000.

"(3) In the event of any default by the borrower in the payment of taxes guaranteed by the Administrator under this section, the Administrator shall pay out of the fund established by this title such taxes at the time or times they may fall due, and shall have by reason of such payment a claim against the borrower for all sums paid plus interest.

"(4) If after consultation with State, political subdivision or Indian tribe, the Administrator finds that the financial assistance programs of paragraph (1) of this section will not result in sufficient funds to carry out the purposes of this subsection, then the Administrator may—

"(A) make direct loans to the eligible States, political subdivisions, or Indian tribes for such purposes: *Provided*, That such loans shall be made on such reasonable terms and conditions as the Administrator shall prescribe: *Provided further*, That the Administrator may waive repayment of all or part of a loan made under this paragraph, including interest, if the State or political subdivision or Indian tribe involved demonstrates to the satisfaction of the Administrator that due to a change in circumstances there will be net adverse impacts resulting from such project that would probably cause such State, subdivision, or tribe to default on the loan; or

"(B) require that any community development and planning costs which are associated with, or result from, such project, and which are determined by the Administrator to be appropriate for such inclusion, shall be included in the aggregate costs of the project.

"(5) The Administrator is further authorized to make grants to States, political subdivisions, or Indian tribes for studying and planning for the potential economic, environmental, and social consequences of projects and for establishing related management expertise.

"(6) At any time the Administrator may, in consultation with the Secretary of the Treasury, redeem, in whole or in part, out of the fund established by this section, the debt obligations guaranteed or the debt obligations for which tax payments are guaranteed under this subsection.

"(7) When one or more States, political subdivisions, or Indian tribes would be eligible for assistance under this subsection, but for the fact that construction and operation of the project occurs outside its jurisdiction, the Administrator is authorized to provide, to the greatest extent possible, arrangements for equitable sharing of such assistance.

"(8) Such amounts as may be necessary for direct loans and grants pursuant to this subsection shall be available as provided in annual authorization Acts.

"(9) The Administrator, if appropriate, shall provide assistance in the financing of up to 100 per centum of the costs of the required community development and planning pursuant to this section.

"(10) In carrying out the provisions of this section, the Administrator shall provide that title to any facility receiving financial assistance under this section shall vest in the applicable State, political subdivision, or Indian tribe, as appropriate, and in the case of default by the borrower on a loan guarantee made or committed under subsection (b) of this section, such facility shall not be considered a project asset for the purposes of section 202 of this Act.

"(11) The Administrator shall not use his authority under this subsection to provide Federal assistance unless any Federal funds transferred pursuant to section 9(a) of the Mineral Leasing Act Amendments of 1976 (Public Law 94-377) to the State from the lease of Federal land for or associated with the project have been or, with assurance, will be committed, to the maximum extent allowable under Federal statutes, to financing such essential community development or planning directly resulting from, or necessitated by, a project on leased Federal lands.".

TITLE VI—ELECTRIC AND HYBRID VEHICLE RESEARCH DEVELOPMENT, AND DEMONSTRATION PROGRAM

SEC. 601. (a) Section 7(b)(3) of the Electric and Hybrid Vehicle Research, Development, and Demonstration Act of 1976 (15 U.S.C. 2506(b)(3)) is amended by striking out ", except that rules promulgated under paragraph (1) shall be amended not later than 6 months prior to the date for contracts specified in subsection (c)(2).".

(b) Section 7(b)(4) of such Act (15 U.S.C. 2506(b)(4)) is amended to read as follows:

"(4) The Administrator shall transmit to the Speaker of the House of Representatives and the President of the Senate, and to the Committee on Science and Technology of the House of Representatives and the Committee on Energy and Natural Resources of the Senate, the performance standards developed under paragraph (1) and all revised performance standards established in connection with the demonstrations specified in subsection (c)(2).".

(c) Section 7(c) of such Act (15 U.S.C. 2506(c)) is amended to read as follows:

"(c)(1) The Administrator shall, within 6 months after the date of promulgation of performance standards pursuants to subsection (b)(1), institute the first contracts for the purchase or lease of electric or hybrid vehicles which satisfy the performance standards set forth under (b)(1). The delivery of which vehicles shall be completed according to the expedited best effort of the administering agency and the selected manufacturer. To the extent practicable, vehicles purchased or leased under such contracts shall represent a cross section of the available technologies and of actual or potential vehicle use.

"(2) Thereafter, according to a planned schedule, the Administrator shall contract for the purchase or lease of additional electric or hybrid vehicles which satisfy amended performance standards and represent continuing improvements in state-of-the-art. In conducing demonstrations, the Administrator shall consider—

"(A) the need and intent of the Congress to stimuate and encourage private sector production as well as public knowledge, acceptance, and use of electric and hybrid vehicles; and

"(B) demonstration of varying degrees of which operations, management, and control for maximum wide-spread effectiveness and exposure to public use.

"(3) The demonstration period shall extend through the fiscal year 1986, with purchase or leasing continuing through the fiscal year 1984. During the demonstration period the Administrator shall demonstrate 7,500 to 10,000 electric and hybrid vehicles. No more than 400 vehicles may be procured for this purpose during fiscal year 1978. In order to allow industry time for advanced planning, the size and nature of projected electric and hybrid vehicle leasing and procurements will be made public by the administering agency. Publications under the preceding sentence (each covering a period of two years) shall be released annually starting at an appropriate time in the fiscal year 1978.

"(4) If the Administrator determines on the basis of his annual review of the program under this Act that—

"(A) at least 200 vehicles cannot be added to the project during the fiscal year 1978, or

"(B) at least 600 vehicles cannot be added to the project during the fiscal year 1979, or

"(C) at least 1,700 vehicles cannot be added to the project during the fiscal year 1980, or

"(D) at least 7,500 vehicles in the aggregate cannot be added to the project during the fiscal years 1981 through 1984.

he shall immediately forward a detailed explanation thereof to the Speaker of the House of Representatives, the President of the Senate, the Committee on Science and Technology of the House of Representatives, and the Committee on Energy and Natural Resources of the Senate.".

SEC. 602. Section 8 of the Electric and Hybrid Vehicle Research, Development, and Demonstration Act of 1976 (15 U.S.C. 2507) is amended by adding at the end thereof the following new subsections:

"(d) In addition to contracting for the purchase or lease of vehicles when conducting the demonstrations established under section 7, the Administrator may acquire or secure use of such vehicles, or have such vehicles acquired or used by others, by making agreements and utilizing various forms of Federal assistance and participation which is authorized under the Energy Reorganization Act of 1974 (Public Law 93-438) and the Federal Nonnuclear Energy Research and Development Act of 1974 (Public Law 93-577).

"(e) When contracting and otherwise using Federal funds to conduct demonstrations under this Act, the Administrator shall seek cost sharing with others to the maximum extent practical. During the first 2 years of demonstration activities the Administrator may enter into procurement or lease contracts for purposes of carrying out demonstrations under this Act without regard to the provisions of title III of the Act of March 3, 1933 (47 Stat. 1520; 41 U.S.C. 10a-10c).".

SEC. 603. (a)(1) Section 10(e) of the Electric and Hybrid Vehicle Research, Development, and Demonstration Act of 1976 (15 U.S.C. 2509(e)) is amended by adding at the end of the following new paragraph:

"(3)(A) There is established in the Treasury of the United States an Electric and Hybrid Vehicle Development Fund (hereinafter in this paragraph referred to as the 'fund'), which shall be available to the Administrator for carrying out the loan guarantee and principal and interest assistance program authorized by this Act, including the payment of administrative expenses incurred in connection therewith. Moneys in the fund not needed for current operations may, with the approval of the Secretary of the Treasury, be invested in bonds or other obligations of, or guaranteed by, the United States.

"(B) There shall be paid into the fund such part of the amounts appropriated pursuant to section 16 as the Administrator deems necessary to carry out the purposes of this Act and such amounts as may be returned to the United States pursuant to subsection (g) of this section, and the amounts in the fund shall remain available until expended, except that after the expiration of the 7-year period established by subsection (h) of this section such amounts in the fund as are not required to secure outstanding guarantee obligations shall be paid into the general fund of the Treasury.

"(C) If at any time the moneys available in the fund are insufficient to enable the Administrator to discharge his responsibilities under this section, he shall issue to the Secretary of the Treasury notes or other obligations in such forms and denominations bearing such maturities, and subject to such terms and conditions as may be prescribed by the Secretary of the Treasury. This borrowing authority shall be effective only to such extent or in such amounts as are specified in appropriation Acts. Such authority shall be without fiscal year limitation. Redemption of such notes or obligations shall be made by the Administrator from appropriations or other moneys available under this Act. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, which shall not be less than a rate determined by taking into consideration the average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury shall purchase any notes or other obligations hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that Act are extended to include any purchase of such notes or obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States.

"(D) Business-type financial reports covering the operations of the fund shall be submitted to the Congress by the Administrator annually upon the completion of the appropriate accounting period.".

(2) Section 10 of such Act is further amended by adding at the end thereof the following new subsection:

"(j) The full faith and credit of the United States is pledged to the payment of all obligations incurred under this section.".

(b) Section 10(g) of such Act (15 U.S.C. 2509(g)) is amended to read as follows:

"(g)(1) With respect to any loan guaranteed pursuant to this section, the Administrator is authorized to enter into a contract to pay, and to pay, the lender for and on behalf of the borrower the principal and interest charges which become due and payable on the unpaid balance of such loan if the Administrator finds—

"(A) that the borrower is unable to meet principal and interest charges, that it is in the public interest to permit the borrower to continue to pursue the purposes of the project, and that the probable net cost to

the Federal Government in paying such principal will be less than that which would result in the event of a default; and

"(B) that the amount of such principal and interest charges which the Administrator is authorized to pay shall be no greater than the amount of principal and interest which the borrower is obligated to pay under the loan agreement.

"(2) In the event of any default by a qualified borrower on a guaranteed loan, the Administrator is authorized to make payment in accordance with the guarantee, and the Attorney General shall take such action as may be appropriate to recover the amounts of such payments (including any payment of principal and interest under paragraph (1)) from such assets of the defaulting borrower as are associated with the activity with respect to which the loan was made or from any other surety included in the terms of the guarantee."

(c) Section 10(h) of such Act (15 U.S.C. 2509(h) is amended by striking out "the 5-year period" and inserting in lieu thereof "the 7-year period".

EXTENSIONS OF REMARKS

ALTERNATIVES TO DAMS

HON. WILLIAM S. COHEN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. COHEN. Mr. Speaker, on September 7, I rose in this House to announce that, after studying the Army Corps of Engineers' draft environmental impact statement on the proposed Dickey-Lincoln hydroelectric project, I could not support construction of the project, which would be located in my congressional district in northern Maine.

At the time, I stated that I believe that the enivronmental, economic, and social costs of Dickey-Lincoln are simply too severe to justify its construction. In the weeks since then, however, a number of people in Maine have expressed their concern that those of us who oppose the project can offer no alternative solutions to the very real energy problems of our State.

Mr. Speaker, I believe that there are clear alternatives to massive hydroelectric projects, such as Dickey-Lincoln. One is to rechannel the millions of dollars that are proposed for Dickey-Lincoln into the development of wood, solar, and windpower—energy sources with far greater long term potential to Maine and the Nation than any single peaking-power facility. A second alternative would be to devote our full resources to a conservation program emphasizing insulation of homes and businesses—the saving of energy rather than the generation of more power to waste.

An article entitled "In Lieu of Dams" appears in the fall 1977 edition of Water Spectrum, a publication of the Army Corps of Engineers. This article, which was written by Dr. Brent Blackwelder, makes a strong case for alternatives to dam construction. In discussing hydroelectric projects, Dr. Blackwelder specifically cites the Dickey-Lincoln example. He points out that—

> If instead of building Dickey-Lincoln Dam in northern Maine the money were put into insulating attics we would realize the equivalent of 43 times the output of the project.

This is an extremely important issue not just for Maine, but for the entire Nation and its future energy policy. I urge every Member of Congress to take the time to read Dr. Blackwelder's excellent analysis; it will be time well spent.

The article follows:

[From Water Spectrum, Fall 1977]

IN LIEU OF DAMS

(By Brent Blackwelder)

The best way to dispel the suspicion that conservationists want to return the country to the Stone Age by opposing water resource development projects is to consider some of the superb alternatives we have proposed to traditional dam building, canal digging and stream channelization. Water resource projects are designed primarily to achieve one or more of the following objectives: flood control, water supply, recreation, hydropower and navigation. Given the desirability of providing these objectives, if the environmental community wants the Army Corps of Engineers and other agencies to stop altering the rivers and streams of America through water resource construction, what do we have to offer instead?

The alternatives I wish to discuss are nonstructural solutions to flood problems; water pricing, water conservation and proper management for meeting water supply needs; development of scenic rivers or non-water based recreation instead of flat-water reservoir recreation; energy conservation measures taken prior to building more hydropower dams; and finally, refurbishing our country's railroads instead of constructing new barge canals.

FLOOD CONTROL

A wide range of nonstructural options is available to replace structural alterations of rivers and streams in achieving flood control. The term "nonstructural" means that these alternatives do not involve alterations of rivers through damming or channelizing.

The alternative of creating a greenbelt of park land along a stream is very attractive in some areas where stream channelization has been proposed for flood control. The basic idea is that many uses of flood plain lands are compatible with periodic flooding. Devoting a green strip of park land alongside both banks of a river, serves the objective of flood control without destroying the natural beauty of the rivers or its recreational potential.

The Corps of Engineers is currently applying two such green belt concepts at its Indian Bend Wash project in Arizona and along the South Platte River in Colorado, where the Corps has transferred funds intended for channelization to a green belt project. That the designing of such nonstructural projects can pose an engineering challenge is demonstrated by the fact that the Indian Bend Wash project received a distinguished engineering award from the American Society of Civil Engineers.

In Prairie du Chien, Wisconsin the Corps is using two other nonstructural techniques to achieve flood control. It is relocating some residents from an island in the flood plain and is also flood proofing other buildings in the vulnerable area. By combining flood proofing and partial evacuation of the flood plain, the Corps has produced a workable plan where the traditional approaches of changing the river were too costly.

The Charles River Natural Storage Area in Massachusetts offers an example of still another nonstructural flood control technique. Here the Corps of Engineers wants to preserve 17 upstream valleys in their natural condition to prevent an increase in flood damages downstream which could occur if these valleys and their associated wetlands were developed. In 1971 the Corps found that flood losses averaged $158,000 annually. If 40 percent of the upstream wetlands storage areas were developed, however, annual flood damages would jump to a staggering $957,000.

These four nonstructural flood control projects show that the Corps can and will carry out such plans. The problem is that nonstructural projects are the exception, not the rule, as far as flood control is concerned. Despite the provision of section 73 of the Water Resources Development Act of 1974 (it provided authority for Federal agencies to pursue nonstructural alternatives with cost-sharing provisions), progress in starting a large number of nonstructural projects has been very slow. This is especially regrettable since nonstructural projects do not have environmentally damaging impacts and, in the judgment of many, offer the best hope of achieving a reduction in the ever mounting annual flood damages billed to our country.

The trouble is that despite increasing expenditures on flood control structures, and despite the damages such structures have prevented, the country's annual flood damage bill continues to rise. Both the Task Force on Federal Flood Control Policy and the National Water Commission strongly support greater reliance on flood plain management techniques as the way to solve the Nation's flood problems.

Continued paving over of land in metropolitan areas leads to greater runoff and causes periodic flooding of streams. A wide range of tools is available to curtail some of this destructive runoff from suburban shopping centers and parking lots. On-site detention ponds should be required for large-scale developments. Gravel dry wells or recharge pits and porous surfacing material can help solve runoff problems. Controlling erosion by planting ground cover in new housing developments and shopping centers can also curb runoff and prevent siltation and the resultant loss of channel capacity in urban creeks and streams.

One important feature of nonstructural alternatives like flood plain evacuation and flood proofing is that they remove the burden of flood control from individuals not responsible for the problem—those inhabiting the upstream area. A disadvantage of reservoirs from the standpoint of social equity is that farmers and rural residents who are not the cause of the flood problem are forced to give up their land, some of which has been in the same family for generations, for a dam to protect people who have built downstream in the flood plain.

RECREATION

Most conservationists generally feel that enough reservoirs have been built to last far into the next century. In fact, the Corps should not, we argue, continue to cite recreation benefits to justify reservoir projects because demand for other forms of recreation, including non-water activities, is growing much faster than flat-water recreation demands. Second, building lakes in the rural countryside neglects the pressing recreation needs of the inner city where there is an insufficient number of facilities for regular use on a daily basis. Third, reservoirs eliminate some truly unique areas which provide unsurpassed recreational opportunities.

The Meramec Park Dam in Missouri is a good example of a project which will eliminate more recreational opportunities than it provides.

Conservationists discovered that about half of the claimed recreation benefits were com-

ing from "sightseeing"—people coming to the reservoir not to boat, fish, picnic or swim but simply to stare at what the Corps had constructed.

Furthermore, the area already has an abundance of recreational opportunities: fishing and boating on the Meramec River; camping, hiking and picnicking in a State park; a wildlife management area; and, in addition, spelunking in numerous caves, including the beautiful Onondaga. Each year several hundred thousand people visit Onondaga Cave, a truly unique asset to the area and Nation.

The alternative to the Meramec Park Dam would involve establishing a green belt and recreation area in the lower Meramec River and a combination of farm land, wildlife management areas and park land in the upstream reaches.

The point of this example is that the Corps partially justifies some projects by using recreational benefits when there are ample recreational opportunities already in the project area. Given hundreds of large reservoirs now existing all over the country and the growing demands for other types of recreation, it is a serious mistake to irrevocably commit these scarce river valley resources. We essentially deprive future generations of some choice in these matters and, at the same time, neglect the plight of the inner city resident who must face crowded facilities if he chooses to picnic, swim or play tennis. The obvious alternative to more reservoirs is to spend money on inner city recreation facilities and to leave the rural landscape available for other forms of enjoyment.

Only 19 rivers are now included in the national wild and scenic rivers system, but over 50,000 public and private dams have been built. It is time to correct the imbalance, and conservationists propose increasing the national wild and scenic river system by several hundred rivers to preserve both their natural and recreational value.

WATER SUPPLY

A wide range of methods dealing with water supply problems can be tried before building more reservoirs. In a number of cases where reservoirs have been proposed to solve water supply problems, conservationists have found that a water shortage did not exist, that the demand was based on questionable population projections or that benefits would accrue to only a handful of beneficiaries. For instance, we discovered that 79 percent of the water supply benefits of one Corps project, Lukfata Dam, would go to a single catfish farm operation and that the small town of Idabell, Oklahoma, population 6,000, would have to grow to 100,000 over the 50-year life of the project to fully use the projected water supply.

Setting aside such examples, let us suppose that we encounter an area with a legitimate water supply problem. What are the alternatives to building reservoirs? One of the most overlooked choices, particularly east of the Mississippi, is the use of groundwater supplies. The National Waterwell Association argues that groundwater reserves are frequently available on a sustained yield basis for as little as one tenth the cost of surface supplies. In the case of the controversial Oakley Reservoir in Illinois, which the Corps has now placed in the inactive category, a proper examination of the ample groundwater supply was not carried out.

More emphasis should be placed on the supply side of the equation. The National Water Commission, established by Congress in 1968 to do a 5-year in-depth study of all the Nation's water problems, devoted an entire chapter to better use of existing supplies in its final report.

WATER POLICIES FOR THE FUTURE

The Commission found little incentive for proper use of water because most cities assess a flat charge for the first units of water consumed and then assess progressively lower charges per unit as more water is consumed. The inevitable result is that there is little incentive to avoid excessive use.

According to the Commission, for instance, plumbing fixtures for showers and toilets could reduce total water use in the average household by as much as 35 percent and save commercial and business establishments up to 50 percent.

The Commission notes that ". . . if the common pricing policy were reversed there would be a financial penalty for excessive consumption and an incentive for individual conservation. Efficiency would also be improved by pricing policies which charged more at times of peak demand and less at times of slack demand."

To compound the problem, some areas like New York City do not meter their water, nor have they repaired leaks or fixed defective connections and valves. The Commission recommends effective leak control programs, installation of water metering, reform in the pricing structure for water and amendments to plumbing codes requiring the installation of water saving fixtures and appliances. By requiring localities to take these steps prior to receiving any Federal planning money for a water supply reservoir, the Federal Government could easily eliminate much unneeded dam building.

Proper management of already existing reservoirs can go a long way to alleviate the problems of water supply. Dr. Daniel Sheer, planning engineer for the Interstate Commission on the Potomac River Basin, has argued cogently that the Washington metropolitan area already has a sufficient number of reservoirs which, if properly managed, could meet the area's water needs well into the next century.

Dr. Sheer's proposal would require keeping tributary reservoirs full by using the adequate water flow from the Potomac River before a drought ever starts. By this method, Dr. Sheer points out, ". . . the Washington area would come through the worst drought with . . . 5 billion gallons of water to spare. . . ." *

These alternatives to water supply reservoirs do not exhaust the possibilities. In the West, reform of groundwater management codes and the "use-it-or-lose-it" doctrine are essential. Land treatment techniques for sewage disposal and recycling of wastewater, some of which have been pioneered by the Corps, yield good quantities of pure water.

A COST/BENEFIT COMPARISON BASED ON THE DICKEY-LINCOLN HYDRO-POWER PROPOSAL

(By Dr. James MacKenzie, Scientific Staff, Massachusetts Audubon Society, April 1977)

DICKEY-LINCOLN (1976)

Cost, $668 million; energy produced, 1.2 billion kw hrs = 4.1 trillion Btu per year; energy saved, none.

CONSERVATION ALTERNATIVES

Attic insulation (9'' fiberglass, contractor installed @ .30/sq. ft.); cost, $668 million; energy produced, none; energy saved, 177 trillion Btu per year 43 times as much as Dickey-Lincoln.

Wall insulation (foam installed @ .70/sq. ft.); cost, $668 million; energy produced, none; energy saved, 31 trillion Btu per year 7.5 times as much as Dickey-Lincoln.

Storm windows ($30 each, installed); cost, $568 million; energy produced, none; energy saved, 18 trillion Btu per year more than 4 times Dickey-Lincoln.

NAVIGATION

In looking to alternatives to navigation projects, we must define the ultimate goal of public spending for transportation. A reasonable goal would be achieving national transportation efficiency. This would benefit the entire economy—the businessman, the consumer and the environment. Conservationists argue that present navigation policy, which includes canal building, does not contribute to this goal. On the contrary, we are convinced that new canals damage the environment, are inefficient and are not justified economically.

The basic alternative to navigation projects lies in increased and improved railroad service and efficiency. From the environmental standpoint railroads are desirable because canals are generally much more destructive than railroad corridors. Furthermore, all the major railroad corridors have already been built so whatever environmental damage these routes have caused is a *fait accompli*.

In the area of energy efficiency the University of Illinois Center for Advanced Computation looked into prior studies of the fuel efficiencies of barge and rail modes. The Center found that studies which showed an energy advantage to barges had relied on mere ton/mile comparisons of energy consumption and had used average rail data for the entire country. These earlier studies neglected the fact that barges follow meandering rivers, thus traveling more miles to reach a given point than trains. Also, barges and railroads both ship bulk commodities which, if moved in unit trains, help give a slight energy advantage to railroads.

Is placing greater reliance on the railroads a viable alternative? Clearly, such a decision would have environmental advantages and no obvious energy disadvantages. It is a legitimate choice because there is already more track available than we now use. Professors Findley and Hannon of the University of Illinois proposed giving the Corps of Engineers authority to repair the Nation's rail beds to increase use of railroads. In an article published in *National Resources Journal*, they cite the railroads' generally poor record of track maintenance and note that the Corps is experienced in the area of rail repair. Ironically, the Corps has built over 1,500 miles of new rail bed in the past 25 years to replace old rail lines inundated by its reservoirs.

Furthermore, the Federal Government now pays 100 percent of the construction costs of new canals and all the operation and maintenance costs of the inland waterway system. If the beneficiaries of a number of major new canal projects had to pay for them, then the canals would probably not be built.

According to the Department of Transportation, the Federal Government has put some $30 million over the past decade into our national transportation network. Until the passage of the Rail Reorganization Act of 1973, railroads had for many decades gone without receiving even a fraction of this support. As a result, our rail network has declined at the very time when it has such obvious advantages over other modes. Conservationists who oppose barge canal projects are thus not being obstructionists without alternatives. Rather we say that revitalization of our railroads is a more sensible way to spend public transportation dollars.

HYDROPOWER

While most Army Corps of Engineers projects do not produce hydropower (only 28 projects of more than 200 scheduled for some type of construction in the fiscal 1977 budget would generate electricity), conservationists do have much better alternatives to the construction of large hydropower dams. At the outset one might wonder why conservationists object to some hydropower projects. Aren't they a "pollution-free" form of energy which draw upon a renewable resource? It is true that hydropower projects do not have many of the environmental problems associated with fossil fuel or nuclear power plants, but they do have major en-

*Daniel P. Sheer, "Perspective on the Washington Metropolitan Area Water Supply Problem, 1977. Available from the Interstate Commission on the Potomac River Basin.

vironmental drawbacks: inundation of vast amounts of forest and significant wildlife habitat, damage to the native acquatic life through alteration of historic flow patterns, blocking of migratory fish passages, and damage to coastal resources by cutting off the downstream flow of nutrients.

The best alternative to hydropower projects is putting our major national effort into energy conservation together with the development of such alternatives as solar energy and wind power. One example will demonstrate the dramatic difference in results if we go the energy conservation route. If instead of building Dickey-Lincoln Dam in northern Maine the money were put into insulating attics we would realize the equivalent of 43 times the output of the Dickey-Lincoln project. Investing the money in insulation of walls would yield an equivalent savings of 7.5 times the output of the project. Installation of storm windows would yield 4 times the output. Dosen't it make sense to pursue such alternatives first before making irrevocable commitments of river resources?

The Corps is now being assigned the task of evaluating the potential of installing generators in numerous existing small dams throughout the United States. This alternative appears to have important environmental advantages over the construction of new dams.

Many of the alternatives I have discussed—nonstructural flood control projects for instance—could be undertaken by the Corps without further legislation. Others such as the repair of the Nation's rail beds would require new legislative authority. Some of the alternatives would have to be implemented by other Federal agencies like the Bureau of Outdoor Recreation in the case of scenic rivers or by appropriate State or local entities.

Pursuing conservationists' alternatives affords the best way of achieving the legitimate objectives of water projects—flood control, water supply, energy, recreation and transportation efficiency—while at the same time avoiding environmental damages and the loss of areas of scientific educational and historic importance. Furthermore these alternatives do not constitute irreversible commitments of river valleys; they leave open choices of future generations which are precluded by many traditional water development projects.. Finally conservationists' alternatives often have the advantage of being less costly to the taxpayer.

ONE HUNDRED FIFTIETH ANNIVERSARY MARKED BY PENNSYLVANIA HORTICULTURE SOCIETY

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. EILBERG. Mr. Speaker, the citizens of Philadelphia this week are proud to mark the 150th anniversary of a truly outstanding organization, the Pennsylvania Horticulture Society.

The society is the oldest of its kind in the United States, and perhaps is best known for the magnificent Philadelphia Flower Show it stages each year at the Philadelphia Civic Center. During this 1-week show, thousands of people, including horticulturists from across the country, thrill to the society's breathtaking display.

Having attended many of the society's annual shows, I can attest not only to the care and professionalism that the society's members put into their efforts, but to the unique opportunity which the society offers our citizens to learn about the plant world.

Because the Pennsylvania Horticulture Society has provided Philadelphians with so much splendor through the years, I am delighted to call to my colleagues' attention the following tribute to the society from the October 30, 1977, New York Times:

AN ANNIVERSARY

The Pennsylvania Horticultural Society, the oldest of its kind in the United States, will be 150-years-old at the end of next month. From modest beginnings in 1827 when 10 men met in Philadelphia to launch the organization, it has come through some slim times to become a significant force for horticulture.

With a membership of 8,000, the society serves well the Delaware Valley. Its 13,000-volume library is one of the best, staffed by a full-time librarian and assistant. Much of the success of the society can be credited to the stimulating leadership of Ernesta Drinker Ballard, who took over as executive secretary in 1963 and became the first full-time paid president 10 years later.

Under her guidance, the society has sponsored several civic improvements, including a fund drive to plant 10,000 trees in Philadelphia parks plus a meaningful program in community gardens. In addition, teacher-training courses, lectures, tours and exhibits are conducted each year. The most recent undertaking is a bi-monthly magazine, The Green Scene, an attractive and informative full-sized publication mailed to members.

The Society is best known as the sponsor of the Philadelphia Flower Show. Favored by the availability of a commodious exhibit hall, the Philadelphia Civic Center, this annual spring show held in March is considered by many to be the finest on the East Coast. While Boston has struggled to find a compatible exhibit hall and New York has lost its show for want of an economical hall, the Philadelphians have carried on their show with highest standards.

Visitors to Independence National Historic Park in Philadelphia will be able to visit the society's headquarters located in one of the row houses that the National Park Service restored at 325 Walnut Street. In lieu of rent, the society maintains the 18th Century garden next to this building and provides exhibits for park visitors.

A TRIBUTE TO ROBERT F. PECKHAM, CHIEF JUDGE U.S. DISTRICT COURT, NORTHERN DISTRICT OF CALIFORNIA

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. MINETA. Mr. Speaker, it is with great pleasure that I rise today on behalf of myself and my colleague, the Honorable DON EDWARDS, to honor one of our Nation's outstanding district court judges. Congressman EDWARDS and I have known Robert Peckham, chief judge U.S. District Court, Northern District of California, for many years, both as a personal friend and as a jurist worthy of our most unqualified admiration.

On Sunday, December 4, 1977, Judge Peckham will receive the Community Service Award from the Anti-Defamation League, the San Jose area B'nai B'rith. I can think of no individual more deserving of this great honor.

Judge Peckham is a lifelong resident of Santa Clara Valley. He is a Phi Beta Kappa graduate of both Stanford University and Stanford University Law School.

Contributing to the judge's legal experience, he has served as Assistant U.S. Attorney for the Northern District of California and was Chief Assistant U.S. Attorney in charge of the criminal division. After leaving the U.S. Attorney's Office, Judge Peckham went into private practice.

In 1959, he was appointed to the California Superior Court for Santa Clara County and served two terms as the presiding judge of the Superior Court.

Judge Peckham was the first person to be appointed to the U.S. District Court from Santa Clara County; he was appointed by President Lyndon B. Johnson in 1966. He established the U.S. District Court in San Jose and became the first Federal judge to sit on the bench in San Jose. On April 8, 1976, Judge Peckham became chief judge on the U.S. District Court, Northern California.

Although law has been uppermost in the life of Judge Peckham, his interests range from prison reform to improving the educational system. He has served as a member of the Foothill College Board of Trustees, as a member of the Board of Visitors of the Stanford Law School, State chairman of the Advisory Board of California Friends Outside, a trustee of the California Historical Society and vice president of the Society of California Pioneers.

Judge Robert Peckham is being honored by the Anti-Defamation League because throughout his life he has exemplified the league's goals, whether it was on the bench or when participating as a college board member. Judge Peckham is a wise and compassionate man and a man who has worked for better understanding for all peoples within our community.

Mr. Speaker, it is with this in mind that Congressman EDWARDS and I ask you and our colleagues to join us in commending and giving best wishes to Judge Robert Peckham, 1977 recipient of the Anti-Defamation League's Community Service Award.

CONGRESSIONAL PAY INCREASES

HON. MAX BAUCUS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. BAUCUS. Mr. Speaker, earlier this month the House voted overwhelmingly against H.R. 9282—a bill effecting the way congressional salaries are set.

I voted against the measure and am pleased that it failed. This bill purported to serve the noble end of deferring pay increases passed by one Congress until the next Congress. This idea—of not letting Congressmen raise their own pay during the actual term they vote on this pay—is fundamentally sound. In fact, I am a sponsor of several measures to do

just that. I believe that Congressmen should not be allowed to vote for pay increases which will show up in their paychecks before the voters have a chance to render a verdict on this congressional action at the next election.

Unfortunately, while one section of H.R. 9282 would have accomplished this end, another section would have made the whole idea of deferred pay hikes worthless. This other section would have prohibited Congressmen from voting down a congressional pay hike by deleting the pay hike's appropriations or by amending the budget ceiling to disallow such a pay increase.

Thus, under the present system in which the Federal Salary Commission suggests so-called automatic pay increases, Congressmen would have been effectively blocked from ever voting on these increases.

I am against the pay increases which have been allowed to take effect since I was first elected to Congress. In fact, I returned each and every pay increase dollar to Montana constituent services accounts so my "take home pay" continues to be as it was when I was first sworn in as a Congressman 3 years ago.

But more than my opposition to these pay increases, I am adamantly opposed to the idea that Congress should not be held responsible for them.

If these increases are necessary, we should not be cowardly about voting for them. Further, for those of us who disagree with any need for congressional pay increases, it is galling that the process continues to be "fixed" to thwart our attempts to stop them.

I am pleased that the majority of my colleagues agreed with me on this. I hope that the next measure to defer pay increases to the Congress after the one in which a pay increase is taken comes before us without such a counterproductive and self-serving section.

FORT WADSWORTH COMMITTEE TOURS NEW YORK HARBOR

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. WOLFF. Mr. Speaker, I would again like to call to the attention of my colleagues the Fort Wadsworth Committee for a Living National Park Memorial chaired by Mr. Leo Boller. The notable goal of this committee is the establishment of a national park on the site of Fort Wadsworth. Fort Wadsworth is our oldest continuously manned fort—dating back to 1636—and overlooks historic New York Harbor.

On October 17, 1977, this patriotic committee conducted a tour of historic New York Harbor in celebration of New York State's Bicentennial aboard the Circle Line's ship *Miss Freedom*. This day was proclaimed by the States of New York and New Jersey, and the New York City Boroughs of Staten Island, Queens, and the Bronx were represented on the tour.

As a tribute to New York and the New York-New Jersey Harbor, the tour members participated in silent meditation, joined by a harbor fireboat water display.

New York harbor has been the gateway to the United States for over 200 years and Fort Wadsworth, our oldest continuously manned fort, has protected the harbor throughout this time. Students participating on the tour described the harbor's historic places, and representatives of the U.S. Armed Forces spoke of the role each branch of the service played in our Nation's history.

Approximately 350 dignitaries, veterans' groups, local PTA groups, and students from all levels participated in the Bicentennial tour. Patriotic music for the occasion was provided by the 65-piece band from I.S. No. 61, Staten Island, under the direction of Mr. William A. Morris.

The committee and the community are to be congratulated for their fine efforts in organizing this tour and for their dedicated work in behalf of preserving Fort Wadsworth as a living national memorial.

FOREIGN STEELMAKERS HAVE UNFAIR ADVANTAGE

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. ASHBROOK. Mr. Speaker, the American steel industry is having a difficult time competing with foreign steel. One of the major problems is that foreign steelmakers have an unfair advantage. Subsidized by their governments, they can lose billions of dollars at taxpayers expense—then ship their products to the United States at cut-rate prices.

An indication of the extent of these government subsidies was recently provided by Sir Charles Villiers, chairman of the British Steel Corp. Villiers depicts BSC as a "pensioner of the state." According to Villiers, any private business losing money at the rate of the British Steel Corp. would by now be in receivership or liquidation.

A look at the BSC financial picture illustrates the truth of Villiers remarks. Losses for the April-September period are expected to run around $350 million. A 1-year loss totaling $900 million is viewed as a distinct possibility.

How can the American steel industry be expected to compete against such heavy odds? Foreign government subsidies place U.S. firms at a competitive disadvantage.

Following is an article from the November 1 American Metal Market on the British Steel Corp.:

BRITISH STEEL CORP. MUST CEASE BEING 'PENSIONER OF STATE,' VILLIERS WARNS

(By Tom Walsh)

LONDON.—Any private business losing money at the rate of the British Steel Corp. would by now be in receivership or liquidation, said Sir Charles Villiers, BSC chairman in a speech last week.

His remarks came at a time when BSC is engaged in intensive consultations with government ministers on how to curb the massive losses now being rolled up by the state-owned steelmaker.

In its semiannual results due out next month, BSC is expected to report a loss of around $350-million for the April-September six-month period. A full-year loss of $900-million is a distinct possibility, according to steel industry soures here.

BSC is slated to present its own plans for resolving its financial crisis to the government within the next few weeks. The Department of Industry is drawing up its own contingency plans.

BSC and the government are expected to agree that major chunks of the firm's ambitious plan will at least have to be delayed, but the government is expected to oppose any substantial reduction in capacity for employment reasons.

Villiers, on the other hand, maintained last week that steel is a capital intensive industry, and therefore "expensive and unsuitable for job creation."

"British Steel now has to become a business and cease to be an institution," he said. "There is no future for steel as a permanent pensioner of the state."

BSC, he said, must make better steel, not more steel. "There is far too much bulk steelmaking capacity in the world," he added, estimating that one-third of capacity in Europe and 20 percent in Japan is surplus.

MEDICARE ASSIGNMENT PROGRAM

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. AuCOIN. Mr. Speaker, at a time when Congress is grappling with the skyrocketing costs of medicare it is a pleasure to report on a private program which may significantly aid in bringing these costs under control.

In the past few months the Gray Panthers of Portland, Oreg., have teamed up with the Multnomah County Medical Society to enlist physicians willing to take medicare patients on assignment. Thus far some 91 Oregon physicians have agreed to participate in the program which promises to substantially reduce the cost of medicare in Oregon and remove some of the onerous paperwork burdens which medicare has imposed on its elderly beneficiaries.

As I believe my colleagues will find it of interest I would like to include an article describing the program in the RECORD at this point. I believe everyone should read this story with a view toward encouraging similar efforts in their own districts:

OREGON GRAY PANTHERS DEVELOP MEDICARE ASSIGNMENT PROGRAM

NATIONAL SENIOR CITIZENS LAW CENTER,
Los Angeles, Calif., September 2, 1977.

The Gray Panthers of Portland, Oregon have designed and implemented an alternative Medicare payment system which should significantly reduce medical costs and save hours of paperwork older persons in the Portland area now face with the Medicare program. This new payment method, based on an assignment concept, was developed in conjunction with the county medical society attesting the fact that elderly community groups, on the local level, can effectively build coalitions with other organizations to enhance the quality of their lives.

Under the new program, a substantial number of doctors in the Multnomah County Medical Society of Portland have agreed to accept assignments of claims against Medicare from county senior citizens. The participating physician receives the medical insurance payments directly from the carrier and agrees that his or her total charge for covered services be the "reasonable charge" determined by Medicare, rather than the "actual charge" ordinarily designated for particular services. As an assignee, the doctor also agrees to handle the paperwork involved in processing claims, avoiding for senior patients the headaches often created by bureaucratic procedures.

Under current law, without an assignment program, physicians can bill the elderly patient for his or her actual fee, even if it exceeds the Medicare approved "reasonable charge" standard. Medicare, however, pays only 80% of the "approved reasonable fee," allowing the physician to bill the patient for the remainder.

Also, under the present scheme, the patient is responsible for processing the often confusing paperwork himself.

To date some 91 Oregon physicians, including one surgeon, but mostly internists and general practitioners, have agreed to the assignment program and a roster of names of the participating physicians have been compiled by the Medical Society. The Oregon Gray Panthers are now initiating a national campaign, directed at the nation's medical societies, (Federal, State and Local), urging physicians to assist their elderly patients by accepting assignments of Medicare claims. For further information regarding the program contact Ron Wyden, 2169 N.W. Irving St., Apt. 10, Portland, Oregon 97210. Please include a self-addressed stamped envelope.

Mr. Wyden is the Legal Services Developer for the elderly for the state of Oregon and would be glad to help other developers and legal services attorneys construct similar programs in their community.

DR. RUSSELL W. PETERSON SELECTED AS DIRECTOR OF CONGRESSIONAL OFFICE OF TECHNOLOGY ASSESSMENT

HON. THOMAS B. EVANS, JR.

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. EVANS of Delaware. Mr. Speaker, I want to take this opportunity to bring to the attention of the House the recent selection of Dr. Russell W. Peterson as director of the Congressional Office of Technology Assessment.

I was privileged to serve as director of development when Governor Peterson was the chief executive of my State. In both that job and as Chairman of the White House Council on Environmental Quality, Russ Peterson brought a farsighted and thoughtful approach to the problems of Government, and I am confident that under his leadership, the Office of Technology Assessment will become a strong and effective arm of Congress.

Dr. Peterson will take office on January 16 and I want to join with his many friends in Congress in wishing him the best of luck in his new and challenging post.

NEW JERSEY TO FCC: EXPERIMENT WITH US ON SIGNAL CARRIAGE

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. FLORIO. Mr. Speaker, the State of New Jersey is unique in many ways, however, one uniqueness of which we are not proud is that we have absolutely no commercial television broadcast stations in the State. Cable television is one solution to this problem, but, unfortunately, Federal regulations on how many signals a cable system may carry and which programs it may show work to retard that solution.

The New Jersey Office of Cable Television has recently come up with a creative idea which will help New Jersey consumers to receive expanded choices and variety in television programing. The office has announced it will petition the FCC to lift its repressive signal carriage rules for all systems in the State.

I salute this action by our State's cable television office and so that my colleagues may be more informed ask unanimous consent to insert at this point in the RECORD an article by Brian Lamb in this October 24 issue of Cablevision which discuss how New Jersey citizens could get better television.

The article follows:

NEW JERSEY TO FCC: EXPERIMENT WITH US ON SIGNAL CARRIAGE

(By Brian Lamb)

NEWARK, N.J.—A couple of years ago New Jersey Governor Brendan Byrne on behalf of the citizens of his state, asked the Federal Communications Commission for a little favor. How about giving one of the most densely populated states in the Union at least one VHF commercial television station, he queried. The answer came pretty quickly. Thanks for your interest, New Jersey, can't do it now, maybe next time. You see, those fellows in New York and Philadelphia have been there a long time and it wouldn't be fair to force them to move. You know the costs and all that.

Well, New Jerseyites, long deprived of any significant homegrown commercial television, aren't giving up the battle. But this time they intend to come at the problem in a little different manner. There is a move afoot to foster the rapid growth of cable television. On or about the first day of November, the state will file with the FCC "a petition for waiver" of the signal carriage rules. It would be an experiment. Take the wrap off cable, New Jersey officials will say and let systems carry any or all of the distant signals channel capacity can bear. Someone in the federal government is always suggesting de-regulatory experiments, anyway. It might even help the FCC soothe its conscience. You know, with all that talk about "the public interest" and what-not.

Paul Dezendorf, coordinator of state and local planning for New Jersey's Office of Cable Television, has been spending a lot of time on the preparation of the petition. He obviously thinks the Garden State would be a splendid place for such an experiment. His analysis: "We have a piece of the state that is representative of every part of America. New Jersey is a hell of a lot more representative than Utah. They (the FCC) ought to pick a state they've deprived of local television for the past 20 years. New York and Philly broadcasters have benefited from New Jersey viewers. How much damage will it possibly do them?"

What the FCC will eventually do about the waiver petition is anybody's guess at this point. The new FCC chairman, Charlie Ferris, will have been on the job two weeks and one day when the document is filed. However, in the short run, the action says more about the New Jersey state government's involvement in cable matters than anything else. There are increasing signs of a new activism emanating from the Office of Cable Television. For one thing, in less than a year, the size of the staff has jumped from 8 to 17. The budget is up to $230,000 for 1977. Not all that large when you look at the fact that there are 567 separate municipalities in New Jersey and two and one half million TV households. But not all that small either when you consider that when Dezendorf joined the office three and one half years ago there were only three employees.

New Jersey is one of 11 states which has voted to regulate cable. Three of those, Massachusetts, Minnesota and New York, have independent cable commissions. The states of Alabama, Connecticut, Hawaii, Rhode Island and Vermont have put the cable office under the public utility commissions and given them sole authority to grant franchises. In Delaware, Nevada and New Jersey, the offices are also adjuncts to the PUC's, but the municipalities retain the responsibility to issue franchises. Although the money was slow in coming, the New Jersey legislature laid down two strong goals for the Office of Cable Television in the December 15, 1972 Act. 1) "Promote adequate economical and efficient cable television service to the citizens and residents of the state." 2) "Encourage the optimum development of educational and community service potentials of the cable television medium."

Dezendorf is confident the office is living up to its assigned goals. "The people here are dedicated to seeing cable developed," he says. Two members of the staff, including himself, have worked for a cable system in the past. The office director, John Cleary (see page 26) has spent a lifetime in broadcasting. Cleary's deputy, Dennis Linken (the senior civil service person) as an attorney, knows the Public Utilities Commission, and has "handled rate cases." At present, 10 percent of New Jersey's households are cable customers. There has been 50 percent increase in cable plant in the past 24 months. Over 100 municipalities are in the franchise process right now. The office sees its role as expediter, arbitrator, prodder if you will, between the cities and the cable companies. According to Dezendorf, his colleagues try to adhere to "a rigid time limit—at the outside eight months" from beginning of the franchise process to the start of construction. They provide a standard 22 page form for franchise applications with the hope of saving time for everyone involved. It gives the cable company's information to a town in standard format, says Dezendorf.

Cable operators in New Jersey are cautiously optimistic about the state's new found desire to push the industry. Outsiders are anxiously waiting to see if this enthusiasm will spill over to other states.

CALENDAR

October 11–12: The Alabama Cable Television Association's recent fall workshop, attended by a record 70 people, "was an excellent meeting which generated much optimism for cable," according to Otto Miller, chairman of the association.

. . . Speaker for the Wednesday night dinner was CableVision Magazine's Washington Bureau Chief, Brian Lamb, who gave a lively discussion on what's happening in Washington. Other speakers included John Cole, from the Washington D.C. firm of Cole, Zylstra & Raywid; Frederick Finn, NCTA assistant

counsel; Roy Kirkpatrick, special FBI agent; and Donald Crosby, from the FCC special relief and microwave division. Arthur Smith from Pell City, Alabama explained how to eliminate tax on equipment, as the telephone and utility companies do, in compliance with the "use-tax" in Alabama. And although Bob Schmidt could not attend, due to duties pertaining to the pole attachment legislation in Washington, he did address the luncheon via a two-way telephone hookup which was then transmitted over the P.A. system.

October 14–15: The Maryland/Delaware CATV Association's annual fall banquet, meeting and election of officers started off with the banquet. Two speakers, Gary Hurvitz, an FCC attorney, and Art Harding, assistant general counsel for the NCTA gave presentations.

. . . Saturday morning, the 15th, a business meeting and election of officers was held. New president is Bob Cole of Annapolis CATV, vice president is Jim Oldham of Multi-View Cable, secretary is Tony Girillo of St Charles CATV, and treasurer is Ned Cogswell, CATV consultant. John Cascioli, outgoing president, was presented a plaque commending his outstanding contributions during his term as president.

. . . Gary Hurvitz and Art Harding met again to speak, but this time for a debate on FCC regulations concerning signal carriage, nonduplication and franchise standards. During this debate, members from the audience freely asked questions of both debators. FCC's Hurvitz considered this a learning experience, in that he welcomed the opportunity to hear cable's side.

. . . Two presentations followed, one given by Jerrold's Jim Bailey on the direction of cable's future and the other by Sel Cramer, of Southern Satellite Systems, on the future of satellite.

October 17–18: The New York State Cable Television Association's fall meeting, titled "Cable Television—An Industry Moving Forward in New York," was the largest ever conducted by the association, with 150 cable operators and industry representatives. The meeting began Sunday evening for a board of directors meeting, during which they discussed the recent testimony the association delivered before the Senate assembly administrative regulations review committee.

. . . Monday morning saw the election of a new slate of officers. President is Allen Garry of Cablevision Industries; first vice president is Chris Conely of TPT of Manhattan; second vice president is Peter Jones of Long Island Cablevision; secretary is Kevin Wilder of Manhattan Cable Television; and treasurer is Earl Quam of Brookhaven Cable.

. . . Following the elections, a heated discussion was held with Miss Gail Hatch, director of planning, State Department of Taxation and Finance. The discussion centered on sales tax refunds to cable TV subscribers in the state (since the association recently won its battle with the state regarding sales tax on cable television service.)

. . . The second session on Monday morning focused on a new notice of proposed rulemaking concerning billing practices recently issued by the state. Bill Strange from Sammons of New York, conducted a thorough examination of the six points involved in the proposed rules for standardizing all cable companies' billing practices.

. . . At the Monday luncheon session, Nick Miller, from the president's office of telecommunications policy, addressed the assemblage. Following lunch, Thayer Bigelow from Manhattan Cable conducted a lively session on new FCC franchise standards. A technical session was held at the end of the day which focused on satellites and earth stations. A live earth station demonstration was provided, courtesy of WTCG, Channel 17, Atlanta, Georgia; RF Systems; and Suffolk Cablevision. Workshops on customer relations in basic technical problems rounded out the day.

. . . On Tuesday, a panel with participants Dick Munro of Time-Life Inc., Bob Rosencrans of UA-Columbia, Burt Harris of Harriscope, and Rita Valentino of Auburn Cablevision, discussed the growth of cable before cable operators and representatives from the Cable Commission, the New York City Board of Estimate and the FCC. After their discussion, they focused on cable's regulatory problems, which was a follow up of Monday's session titled "Cable's Regulatory Future—Where we are? Where we are going?," in which industry reps from the FCC, New York state and New York City spoke on new FCC franchise standards.

. . . Monday's banquet featured Dick Monro as toastmaster. Burt Harris made a special Jerry Greene memorial presentation.

. . . Tuesday's workshop focused on equal employment opportunity which featured a specially prepared videotape of EEO progress. A pole attachment discussion was then headed by Mark Lustgarten from Cablevision Systems of Long Island, with FCC reps, PSC and industry participants. The final session of the three-day conference was on pay cable, remarketing and retention. Paul Schonewolf from GE Cablevision led a lively discussion of marketing problems and potential for pay service.

October 16–17: The Kentucky Cable Television Association's fall meeting was educational for all cable operators," reports Joe Gillespie, "especially for the small operators."

. . . Elections were held. New officers include: Harold R. Sagraves, president; George Carr, first vice president; Bob Johnson, second vice president; Joseph Taylor, secretary-treasurer. New directors include: C. B. Rowland, Roy Taylor, Jim Finch, Jim Hays III, Paul Butcher, Jim Ferguson, and Doug Shanks.

Future association meetings include: The Mid-America meeting, in Kansas City, Missouri. Contact Jim Queen, (913) 762–2210. The Minnesota Cable Communications Association's fall general membership meeting, in Bloomington, Minnesota. Contact Mike Reynolds, (507) 288–0712. (For more details, see CableVision, October 10, page 45.) And don't forget the Western Cable Show, sponsored by the California Community Television Association. Call Walter Kaitz for details, (415) 881–0211.

WALTER KANER

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. WOLFF. Mr. Speaker, for the past 25 years New York Daily News Columnist Walter Kaner has sponsored a Thanksgiving party for homeless and needy children. This year's 25th Thanksgiving Day party was held on November 22, and was attended by over 700 children from New York City and Long Island hospitals, orphanages, and health and welfare agencies.

During the past 25 years, Mr. Kaner has entertained more than 57,000 children at his year-round parties including an annual summer outing to Playland Amusement Park in the Rockaways. Mr. Kaner's efforts to bring joy and happiness to these needy children has been cited by countless organizations as well as local, State, and national leaders.

The children, many in wheelchairs and on crutches were treated to a 4-hour party complete with refreshments, gifts, and entertainment.

Mr. Speaker, I am sure that my colleagues join with me in expressing deep thanks and gratitude to Mr. Kaner for his unselfish caring and to the businesses and volunteers who contributed to making Thanksgiving a very special day to these children.

COMMEMORATING THE 184TH ANNIVERSARY OF THE LODGE'S CHARTER

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. HUGHES. Mr. Speaker, it was my privilege to attend the recent meeting of the Federal Lodge No. 1. Many of you are familiar with this unique gathering of Masons. In fact, Federal Lodge No. 1 has been in existence as long as the Capitol Building. I would like to share with you and my colleagues the minutes of the meeting commemorating the 184th anniversary of the lodge's charter. As the same time I would like to commend worshipful master Warren H. Jernigan and his officers for making this historic meeting possible.

The article follows:

COMMEMORATING THE 184TH ANNIVERSARY OF THE LODGE'S CHARTER

Federal Lodge No. 1 was chartered on September 12, 1793, by James M. Hoban and eight brethren who were employed in the construction of the Capitol Building and who desired to participate as Masons in the laying of the cornerstone of the Capitol on September 18, 1793. On September 12, 1977, on the 184th anniversary of the Lodge's charter, Federal No. 1 returned to the Capitol for a special communication. So far as is known by Brother Fred Schwengel, President of the U.S. Capitol Historical Society, this is the first instance of a formal meeting of Masons within the Capitol in this century, and perhaps ever. The special communication was opened in ample form by the Most Worshipful Charles V. Brewer, Grand Master of Masons of the District of Columbia, who together with Worshipful Master Warren H. Jernigan presided over the special communication.

The gavel used by the Grand Master and Worshipful Master was loaned by Potomac Lodge No. 5. Known as the George Washington gavel, it was the same gavel used by our first president at the ceremonies of the laying of the cornerstone of the Capitol. This gavel, one of the most historical jewels of American Masonry, is usually preserved in a vault of the Riggs National Bank and is very rarely used.

Brother William G. Blower, Jr., led the brethren in the Pledge of Allegiance to the United States Flag. The flag used in the Pledge of Allegiance ceremony was flown over the Capitol on the date of the 184th anniversary of the Lodge and was presented by Brother-Congressman Robert F. Sikes, 33°. The flag will be transmitted by the Lodge to the Masonic and Eastern Star Home.

After the history of the gavel was presented by Brother James Dulin of Potomac No. 5, the Grand Master pointed out that the George Washington gavel originally was

the possession of Alexandria-Washington Lodge No. 22 and was presented to the predecessor Lodge of Potomac 5 after the cornerstone laying at the Capitol in appreciation of the latter Lodge's participation in the ceremonies.

Worshipful Master then introduced the visiting brethren, the officers of Federal Lodge, five visiting masters, ten brethren employed on Capitol Hill, and fifty-eight members of Federal Lodge. At this point, the Grand Master introduced Grand Lodge officers, the Deputy Grand Master, Most Worshipful Morris F. Hewitt, who was escorted to the East. Most Worshipful Brother Renah F. Camalier, 33°, Past Grand Master of the District of Columbia, was presented West of the altar and escorted East by the Grand Master. Most Worshipful Brother Camalier spoke briefly but eloquently of his awe on this historical occasion, making special reference to the use of the George Washington gavel and the Bible on the altar. This Bible was printed in 1794 and was carried by members of Federal Lodge at the funeral of President Washington in 1799.

The Most Worshipful Grand Master then recognized a visiting Brother from Australia, Robin Parker, and asked the Brothers to convey brotherly affection to his home Lodge. Brother Bobby G. Thomas, Senior Deacon, then introduced the guest speaker of the evening, Brother Fred Schwengel, 33°, former Member of Congress and President of the U.S. Capitol Historical Society. In a brief but eloquent statement, Brother Schwengel cited instances in Masonic history from the time of the Revolution to the present. He spoke of the close connection between the Masonic Lodges of France and those of the colonies, and particularly the relationship that existed between Brother Masons, George Washington and Marquis de Lafayette. He mentioned that even today numerous Masonic signs are found on stones in the Capitol which were carved by the original builders who were for the most part Masons. These stones turn up during periods of renovation, and the Masonic carvings are visible proof of the Masonic affiliation of the original builders. Brother Schwengel concluded by reminding the brethren that love is the spirit of our fraternity.

The Worshipful Master then presented Brother Singleton and asked him to read the citation for Dr. Raymond W. Miller before the Fidelity Medal was presented. Brother Singleton cited Dr. Miller's long and faithful affiliation with Masonry and his contribution to the fraternity's task of building men. Brother Singleton also recited the lengthy private and political achievements of this learned and good man, including his contributions to scientific agriculture which paid dividends by introducing new methods of crop rotation, eliminating soil erosion, and the Food for Peace program, which has been successful throughout the world.

Brother Singleton's remarks were followed by the Grand Master along with the Worshipful Master assembling West of the altar to present the distinguished Fidelity Medal to Dr. Miller. Accompanying the honoree West of the altar, along with nine other distinguished guests, was Dr. Miller's son, Brother Fred Miller. Brother Raymond Miller's response was a very brief but very heartfelt "Thank You". Whereupon the Worshipful Master presented Brother Manoukian West of the altar to receive the fifty-year medal from the Grand Master. This was another of the many firsts of this wonderful evening. Brother Manoukian, so far as is known, is the first Mason to be presented a fifty-year pin within the Capitol of the United States. The fifty-year pin was attached to the lapel of the honored Brother's suit and sealed by the Deputy Grand Master.

The special communication was concluded when the Most Worshipful Grand Master closed Federal Lodge No. 1 in ample form at 9:00 p.m., following which the brethren adjourned to the Gold Room of the Rayburn House Office Building to rejoin their ladies to enjoy refreshments with them and other distinguished visitors to Federal Lodge No. 1.

IS THE VIETNAM VETERAN GETTING A FAIR BREAK?

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. FORD of Michigan. Mr. Speaker, in recent weeks a number of articles have appeared in newspapers criticizing Congress and the administration for their poor treatment of the Vietnam-era veteran.

Singled out as particular failures were the jobs program for veterans and the veterans education benefits program. On Friday, November 18, the Washington Post carried an article reprinted from the Philadelphia Inquirer and written by Frank Greve entitled "A Legacy of 'Lost' Veterans." The article contains startling statistics concerning the number of jailed and of unemployed Vietnam veterans.

The New York Times—on Veterans Day, November 11—wrote an editorial "Paying a Debt to (Some) Veterans" commenting on the failure of Congress to recognize the discriminatory impact of the payment structure of the education benefits program on the veteran who needs or wishes to attend a higher cost institution.

Finally, on the same day in the New York Times, an article detailing the generation and value gaps between the Vietnam veteran and the veterans of other wars appeared.

I call these articles to the attention of my colleagues with the hope that during the next session of this Congress we might effectively deal with these problems and effectively reassure those who served during the Vietnam war that their country really does care.

I insert the three articles to be printed in the RECORD at this point:

PAYING A DEBT TO (SOME) VETERANS

New York and 46 other states observe Veterans Day today, a fit time to remember that the most recent veterans, of Vietnam, have encountered indifference and even hostility since their return. As one of their spokesmen puts it, "When World War II was over, a veteran would walk into a bar and everybody would buy him a drink. When the Korean War ended, he had to buy his own drink. When the Vietnam War was over, he had to buy everybody else in the house a drink." And even the Government, which sent him to Vietnam and should presumably be grateful, has been surprisingly slow to help him readjust.

The educational benefits provided by the G.I. Bill of Rights offer one example. When the bill was revived in 1966, the typical education benefit of $100 a month fell so far short of actual costs that many veterans had to pass it up; they couldn't afford to pay the difference. Only recently have levels risen quickly. Under legislation just passed by Congress, the benefit would reach a respectable $311 per month. But even this relative generosity will not meet the educational problems of all veterans. A quirk in the payment structure makes it likely that needy veterans in the Northeast and Midwest regions of the country will continue to be deprived of educational opportunity.

This quirk is an unintended result of an early reform of the system. The original G.I. Bill provided tuition payments to schools and subsistence payments to the veterans. A World War II veteran could attend virtually any school in the nation. But because of abuses in the handling of the program, the tuition payments were dropped in 1952 and aid was provided instead through fixed monthly stipends. That curbed some of the abuse. But it also introduced inequities. Veterans from states with low-cost public colleges were able to afford the tuitions while other veterans elsewhere could not afford the college costs.

Veterans in New York have thus lost out in comparison with veterans in the South and West. Less than a third of New York's eligible veterans are enrolled in college; in California, more than half are enrolled. The reason for this disparity is almost certainly cost. Senator Moynihan cites figures showing that an unmarried veteran until recently received $2,628 for an academic year under the G.I. Bill. With that, he could cover almost all of his educational and living expenses at a California state university in San Diego. But he would be far short of the $3,400 needed at the State University of New York's Stony Brook campus.

Senators Javits and Moynihan tried, unsuccessfully, to provide partial equalization payments, based on tuition levels, in the latest bill. But as adopted by Congress, it puts most of its emphasis on an across-the-board increase of 6.6 percent in benefits for all veterans. That just perpetuates the inequities. Some veterans may get more than they need; others still won't get enough. The bill does allow further help for veterans in high-cost schools, but only if their states put up matching funds—which most states will find difficult to do without diverting other scholarship money. Nevertheless, New York, New Jersey, Connecticut and other affected states should search hard for the new funds needed.

The bill will soon reach President Carter for signature. He should not veto it; the increased benefits are needed by many veterans to keep pace with inflation. But, as he signs it into law, he should vow to eliminate the inequities next year. Some contend that equal military service merits equal benefits But the benefit intended here is not a dollar figure. It is an education that can change a life.

A LEGACY OF "LOST" VETERANS

(By Frank Greve)

In Dupont Circle, a dozen ragged men sit nodding in the sun.

They are Vietnam veterans who have found their niche in vagrancy.

One of them flips an empty bottle that once held cheap wine over his shoulder, and it smashes to the sidewalk. Another passes around a shoplifted can of Vienna sausage for lunch.

Mostly, as one of them says, they "play music, smoke reefers, drink wine, talk. Hate one another. Care about one another." Mostly, that is, they do nothing.

There are an estimated 40,000 to 50,000 veterans just like them across the country. They are turning up in parks and flophouses, and, according to surveys by the Bureau of Labor Statistics, they have no desire to work or they have given up looking.

And this is just one of the disturbing trends appearing among the 6.7 million veterans who served between August 1964 and May 1975.

Some of the others:

An estimated 500,000 are in criminal-justice custody—125,000 in jails and prisons

and the remainder on parole, probation or some form of pre-trial release.

Another 511,000 are looking for work and can't find it, as unemployment among Vietnam veterans once again exceeds the rate for nonveterans. This phenomenon, unique to the Vietnam era, seemed to disappear in 1974, but has reappeared in the wake of recession, industry cutbacks and reluctance of companies to expand.

Currently, 7.7 per cent of the veterans are unemployed compared with 7 per cent for those aged 20 to 34 without military service.

Among both the jailed and the unemployed, minorities are markedly overrepresented. "Black veterans have an incarceration rate almost double that of nonvet blacks the same age," says Neal Miller of the American Bar Association (ABA), studying the problem for the Department of Labor. He has also found that "black veterans are incarcerated at seven times the rate of white vets." But white veterans are only half as likely to wind up in jail as white nonveterans, he has found.

In the job market, black veterans appear to suffer both an antiveteran bias and the traditional minority problem: an unemployment rate twice as high as that for whites. Hardest hit of all are young black veterans, aged 20 to 24, whose September unemployment rate was 30.5 per cent, a peak for the postwar era.

New job programs for veterans undertaken by the Carter administration have not done much to offset those numbers. A year ago, 529,000 Vietnam veterans were unemployed. The current 511,000 figure represents a drop of only 18,000 during what was hailed as a recovery period.

The Vietnam veterans are rapidly becoming a lost generation, says Roland Mora, Deputy Assistant Secretary of Labor for veterans' employment. "It's simple: The Vietnam vet got shafted when he went and shafted when he came home."

Mora, a former Marine captain who was disabled in Vietnam, was an advance man in Jimmy Carter's campaign. His post is new, created by Carter to show concern for young veterans.

"My feeling is that we're in a new era of Reconstruction," Mora says. "The hostility and bitterness that's still alive between North and South came from that period, and I'm afraid the post-Vietnam era could have the same long-term residual effects. I see it happening particularly with minorities, where the unemployment is so much worse."

Mora and most other analysts suspect that government figures, as bleak as they are, understate the problem.

"It's just a guess," Mora says, "but I think I know some places where, for every vet they count, there are two they miss who've just chucked the system. In every big city, which is where the problem is biggest because that's where the minorities are, you'll find whole networks, whole undergrounds, of vets who've just dropped out."

He blames discrimination by employers against minorities, compounded by discrimination specifically against veterans. "They see 'em as drug addicts," Mora says, "which is one of the worst raps Vietnam vets got. They [the employers] want to forget the war, so they forget the vet."

Arguing that "the Vietnam vet absorbed the guilt of this country," Mora predicts that "as time goes on, we'll see more and more psychological warfare between the vets and the civilians they fought for."

Miller of the ABA, from his data on prisoners, concludes only that "something is going on out there that we don't understand." His study is "picking up two kinds of people: people on drugs and people starting to explode." About a third of the incarcerations involve offenses linked to drugs, he says, followed in order of frequency by armed robberies, burglaries, murders, manslaughter and aggravated assault.

In addition to general discrimination against blacks, he adds, another explanation for the extraordinary unemployment among minority veterans is that "they were only about 10 per cent of the forces, but they had 50 per cent of the combat roles. These, traditionally, are the worst preparation for civilian jobs."

"I was a paratrooper," says a black man, 30, in Dupont Circle, who answers "Naah" and shakes his head when asked his name. "I went down the employment service with a guy had been a truck driver. They told him: 'Try the bus station.' They told me: 'We ain't got no jobs jumpin' outa planes.'"

Occasionally, the argument is made, as by Veterans Administration spokesman Julian Morrison, that "these guys are no different from other groups of vets at the same stage of time after World War II." Morrison claims that "figures" back him, but VA statistician William Malloy disagrees.

"Nobody has ever compiled that data," Malloy says, "but the World War II veteran certainly didn't have a recession problem when he came back. And employment of vets always ran ahead of nonvets after World War II."

Meanwhile, in Dupont Circle, the vets talk about their fear of a rival park group: "The cons," says a man named Sam. "They'll kill you faster, stick you faster. Try to make a faggot outa you. Tell you you ain't nothin' but a hired killer Tom."

And they talk about their fear of the cold, when they must find and defend "a huddle": a warm sleeping spot in a laundromat, a basement or an apartment hall. "Generally, you drink more in winter," says Sam. "Wild Irish Rose, which is 20 per cent, or Gilbey's vodka. You drink as much as you need to go to sleep."

Vietnam Veterans and Elders Split by Disparity in Values

(By Robert Lindsey)

When Tom Ambrose of Venice, Calif., came home from Vietnam, he joined the American Legion, following a path paved by millions of veterans since World War I. But after a year, he quit.

"Vietnam veterans and the traditional veterans' organizations are a generation apart on policy, philosophy and organizational structure," Mr. Ambrose said. "They're full of formations, salutes and military protocol, all the things young people disliked in Vietnam and want to forget."

His statement exemplifies a problem that is bedeviling the nation's veterans organizations on the traditional Veterans Day, the 59th anniversary of the end of World War I: The men who fought in Vietnam are, for the most part, turning them off.

Despite a pool of 8.3 million veterans from the Vietnam period, membership in the American Legion has remained level at about 2.7 million since 1970.

RECRUITING JUST KEEPS PACE

While the nation's second major veterans organization, the Veterans of Foreign Wars, has been somewhat more successful in enrolling Vietnam veterans, its membership has been stable for more than three years at 1.8 million. And, like the Legion, most of its recent recruiting has done little more than keep up with the deaths of older veterans.

"We have a generation gap," said Peter Tetley, commander of an American Legion post in Colorado Springs. "The older members from World War II say they did more for their country than the Vietnam veterans. They seem to think 'their war' was more important, that their comradeship and patriotism was greater."

Age is not the only gap between the veterans.

Interviews in recent days with veterans and officers of veterans organizations in 15 cities and rural communities around the country indicated that there is also gap of values, perhaps related to the experience in Vietnam, on subjects ranging from the use of drugs to the America-right-or-wrong patriotic fervor that has historically been part of the credo of veterans' organizations.

BITTERNESS OF VETERANS

"The Vietnam vet has been shafted, more so than any other group of veterans," asserted Thomas L. Smith, a veteran of the Korean War who belongs to a V.F.W. post in northern Delaware. "They want no contest whatsoever with any military because of their bitterness."

Samuel Israel, a Vietnam veteran who lives in Miami, summed up what appeared to be the attitude towards traditional organizations that is held by many ex-soldiers of his generation. "They're mostly just a bunch of old men who sit around and talk about the war they were in, and how many people they killed; I don't want to talk about it."

In countless towns across America, the local American Legion Post or V.F.W. clubhouse is a major social center—in some towns, they are the only place to buy a drink or play poker for money.

In turn, officials of veterans' organizations maintain that the Vietnam era veterans will eventually decide to join, don one of the uniform caps that many now make fun of, swap stories, and rediscover the camaraderie of the military—just as World War II veterans eventually forgot about the generation gap with World War I veterans.

WORRIES OF DIFFERENCES

Nevertheless, there appear to be worries among the veterans' organizations that the military men from the Vietnam period are indeed different from earlier veterans and may not make the transition.

"It's very difficult to reach these young fellows," said John Uram, a V.F.W. member in Seattle. "We want them to take over from us eventually with new ideas. But they figure we're a bunch of old fogies who are sitting around telling old war stories and having a good time."

The collision of values is two-sided: some older veterans admit that they, too, are uncomfortable with the younger veterans with their longer hair, beards, drugs and other differences in life-style.

Herman Roth, an enlisted-man veteran of World War II, the Korean War and Vietnam who now helps veterans find jobs in Chicago, said:

"Older veterans can have two martinis for lunch and three martinis when they get home from work and they think that is okay. But if a veteran from Vietnam happens to experiment with one marijuana cigarette, that's bad. It's a case of the pot calling the kettle black."

"The older men at first didn't get along with the long hair, the mustaches, the beards," said James E. Tripp, a Vietnam veteran who is an American Legion official in Louisiana. "They'd say, 'Well you weren't really in the war.'"

"Now from the looks of it," with membership rolls in trouble, he added, "they're begging the young men, 'Come in, Come in.'"

SPECIAL RECRUITING DRIVES

Some veterans' groups have been successful recently in luring Vietnam veterans through special recruiting drives aimed at their generation, and Vietnam veterans have risen to head several state organizations. In Texas, for example, four of five senior V.F.W. executives served in Vietnam.

In many cases, however, efforts to recruit Vietnam veterans have provoked power struggles between generations. James Kissner, the state Legion commander in Illinois, where membership has dropped to 177,400 from a peak of 220,800 in 1957, said, "The biggest debate among older vets and young vets in

the American Legion is who is going to run the post."

Although there have only been a handful of cases so far, some Vietnam-era veterans, contending that their interests are different than their predecessors in uniform, are taking over veterans' clubs.

Among other things, they contend that the established organizations have failed to look out for their interests—causing them, for example, to lose the traditional edge that veterans receive in government jobs to job-preference programs for minorities and women.

HEADS IN THE SAND

"Unfortunately, most Vietnam veterans are like ostriches with their heads in the sand," said Tom Hanson, the commander of the Theodore Koronyi American Legion Post in the Bronx, one of those taken over by the Vietnam veterans.

"They don't want to hear anything about the military," he said. "What they have to realize is that they won't be heard unless they join organizations like we have."

Last year, a militant group of Vietnam-era veterans joined Hollywood American Legion Post 526 in Los Angeles, ousted officers of the World War II era, and then endorsed amnesty for Vietnam draft-evaders and deserters, a position that is anathema to the national Legion leadership.

FIGHT OVER MINORITIES

More recently, a former post officer there was expelled from the Legion after a confrontation with the organization's leadership over what included efforts to induct 32 minority-member Vietnam-era veterans into a Legion post.

"Most of the people who fought in Vietnam were minorities," said Ronald Bitzer, who was intrumental in the takeover of the Hollywood post. "Yet, they're not welcome by the leadership of these organizations, although I think the rank and file is more open than the leadership."

"Most of the leadership is from the Class of '46, the people who served in World War II, they aren't interested in sharing their power with anybody," he continued. "The traditional organizations like the American Legion are ripe for a takeover by Vietnam veterans."

In Lancaster, Pa., a group of Vietnam veterans decided to charter its own V.F.W. post, because, said Dr. Leigh Kendall, the commander, the group was treated at conventional posts with indifference degenerating down to hostility or worse.

OLD VETS SEE LOSERS

"In this country," he added, "we'll support an underdog but not a loser. The old vets see Vietnam as a 'fake war' and anybody who was in it in any way connected with it couldn't be very good either."

The Lancaster post is now all but inactive. The Vietnam veterans who joined it had other things to do, members quit, Dr. Kendall said, "because of disinterest, anti-establishmentarianism and anything smacking of organization."

Robert Spanogle, a 33-year-old Vietnam veteran who is national membership chairman of the American Legion, said that the organization would initiate a membership drive that would be based, in part, on taking a strong stand against ratification of the Panama Canal treaties.

Interviews with many veterans by The New York Times suggested that the Canal issue was not one likely to mobilize a great deal of sentiment. But Mr. Spanogle said that he was optimistic and noted that the Legion would also expand efforts to establish new posts in suburbs.

"We are taking our cue from McDonalds," he said. "If you want to sell more hamburgers, if you want to have more membership, then you have to open up more outlets."

THE MINNEAPOLIS JEWISH FEDERATION HONORS A GREAT AMERICAN

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. FRASER. Mr. Speaker, earlier this year, the Minneapolis Federation for Jewish Service honored HUBERT HUMPHREY for his outstanding record of accomplishment during his 31 years of public life.

In his remarks at the federation's advanced gift dinner, Jay Phillips pointed out that HUBERT HUMPHREY is "one of the world's leaders in attempting to correct man's inhumanity to man. In the United States and within the Halls of Congress, he has worked with might and main in support of civil rights—for human rights—and for the dignity of man, regardless of race, creed, color, or national origin."

I know that all of us in the House share Mr. Phillips sentiments, and I would like to take this opportunity to insert his remarks in the CONGRESSIONAL RECORD:

ADVANCED GIFTS DINNER, 1978 CAMPAIGN, MINNEAPOLIS FEDERATION FOR JEWISH SERVICE

(By Jay Phillips)

Mister Co-Chairman Harold Grossman—Ambassador Dinitz—my very Dear Friends—Ladies and Gentlemen:

I am proud that Mrs. Phillips and I are invited to participate in this Advance Gifts Dinner for the 1978 Campaign of the Minneapolis Federation for Jewish Service.

While we have assembled here this evening ostensibly to promote the aims and objectives of Our Own Special Charity, we have another responsibility of equal importance to discharge—that of honoring a Great American—and may I add that it is a pleasure for me to have been selected as the one to make this presentation in absentia.

This evening the Minneapolis Federation for Jewish Service has chosen to pay tribute to Senator Hubert H. Humphrey—Minnesota's outstanding citizen—one of our Nation's Great Statesmen now Presiding over the United States Senate—a dedicated humanitarian—and a longtime devoted friend and staunch champion of Jews everywhere.

History will record Hubert Humphrey's significant accomplishments in more than 31 years of public life. His rise from Mayor of Minneapolis to the high office of Vice President of the United States, and the impact Hubert Humphrey has had in dealing with world affairs on an international basis are too numerous to mention. I have a few comments which I personally would like to make about our friend Hubert.

Hubert Humphrey's accomplishments and achievements on the political scene in all levels of government, the role he has played in international relations and the extent to which he has supported the cause and expansion of Social Welfare for the underprivileged and downtrodden, are known to all of us.

Senator Humphrey has been, and still is, one of the world's leaders in attempting to correct man's inhumanity to man. In the United States and within the Halls of Congress he has worked with might and main in support of Civil Rights—for Human Rights—and for the dignity of man, regardless of race, creed, color or national origin.

On the International scene he has had the courage to place his political future on the line in trying to protect the Russian Jews from the hardships, degradation and humiliation to which they were, and still are, constantly exposed. Hubert Humphrey has shown sympathy and compassion for the homeless and starving people in many parts of the world.

What this Great American has done for Israel and the cause of its Jewish people—is well known to all of us. With all of the fervor I am capable of, I pray to God he is with us for a long, long time to help us.

Consider these remarks—if you will—a thumbnail sketch of a Great Politician and Humanitarian. But, now, let me speak for just a moment about Hubert Humphrey as the warm and wonderful friend I know him to be.

I have known Hubert before he became Mayor of Minneapolis in 1945. In the course of my long and close association with him—I have found Hubert to be a man of unimpeachable integrity—exceptional ability—and one who has always demonstrated great concern for the well being of his fellow man.

He is a warm and affectionate person. I deem it a privilege to call him my friend—a relationship I value highly and cherish deeply. Hubert is not only a good friend of every person here tonight—but let me assure you he has a host of such friends and admirers in every corner of the world.

There has been adversity in the Humphrey family—and so typical of Muriel and Hubert, they not only have been able to contend with it—but have been able to rise above it for the benefit of others. Tomorrow in Eden Prairie they are going to dedicate the Muriel Humphrey residences—three beautiful structures created to provide independent living for adults who have achieved varying degrees of recovery from mental illness.

This is not the time—nor the place—to dwell on Hubert's personal challenge. We know of the great reservoir of courage from which he draws the strength and the intention to carry on! Even though he is with us in spirit—we regret he has been denied the opportunity to receive our accolades in person.

At this time—on behalf of the Jewish Community of Minneapolis—it gives me great pleasure to present to Senator Hubert H. Humphrey—a vase of Roman Glass discovered in the vicinity of Jerusalem from the First Century A.D. through the Third Century A.D.

The inscription reads—"Presented with deep affection by the Jewish Community of Minneapolis to Senator Hubert H. Humphrey, a true friend of the Jewish people of Minnesota and the State of Israel, September 24, 1977." And if I may be permitted to augment that inscription by saying, "and a true friend of Jewish people throughout the world."

Hubert, dear friend, please take over——

THE SLEPAKS WAIT 8 YEARS

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. EILBERG. Mr. Speaker, on November 17 I met with Alexander Slepak, the 25-year-old son of leading Soviet Jewish activist Vladimir Slepak. Alexander just recently received permission to emigrate from the Soviet Union—after an 8-year wait—but, unfortunately, his mother, father, and a younger son did not receive exit visas.

Alexander related to me the struggle that his family has endured. The family has been victimized by constant police searches of their apartment; firing from

their jobs because of their application to emigrate; and round-the-clock KGB surveillance.

But these are courageous people, and the harassment has not deterred them from serving as perhaps the leading figures in the Soviet Jewry movement.

After hearing Alexander Slepak's story, Mr. Speaker, I conveyed to President Carter my deep concern that the United States do everything possible to secure the freedom of this brave family. I offer for the RECORD the text of my letter to the President, along with a Philadelphia Inquirer article of November 16 on the Slepaks and an article from the Jewish Times of November 9:

CONGRESS OF THE UNITED STATES,
Washington, D.C., November 17, 1977.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I write to you only hours after meeting a young man who is engaged in a truly heartbreaking struggle.

Alexander Slepak, Mr. President, just recently left his family in Moscow. After eight years of waiting for the Soviet Union to grant him and his family an exit visa for Israel, Alexander—but only Alexander—was given permission to leave.

His father, Vladimir Slepak, remains in the Soviet Union, recognized as one of the leading Soviet Jewry activists. Also denied exit visas were Alexander's mother, Maria, and his younger brother, Leonid.

Unfortunately, the good news about Alexander's leaving was mixed with sad news that Leonid faces conscription into the Soviet Army—meaning that he could not leave for up to ten years because of security reasons if he does enter the Army.

Mr. President, this action against the Slepak family is but the latest vindictive step in a pattern of harassment against them.

Vladimir Slepak for years has been a thorn in the KGB's side. He was first denied a visa in 1969, for alleged "security" reasons. Since then, the Soviet government has refused to tell him when he will be free to leave.

Instead, authorities have carried out a campaign of harassment against the entire family. Vladimir was dismissed from his job; he was labeled a "parasite"; he has been hauled before the police and several times been imprisoned; his home is bugged; the KGB follows him everywhere; and his apartment is searched for hours on end.

Despite this incredible harassment, the Slepaks refuse to be intimidated. They continue to submit requests for exit visas for Israel. They insist that authorities reexamine the "security" classification with which Vladimir has been burdened. And they serve as spokespeople for other Soviet Jews in Moscow.

Mr. President, eight years is a long time for these brave people to wait, when their only wish is to be free to practice their religion in Israel.

This afternoon, Alexander Slepak described to me the struggle that his family is going through, and he told me that for all these years his father has wanted nothing except to go to the land of his ancestors.

His mother's heart, he told me, is torn apart at the news that her son faces conscription. And he pleaded with me to do anything possible to help the family he reluctantly left behind.

As you can see by the attached news account from the Jewish Times of Northeast Philadelphia, concern for the Slepaks runs deep in Philadelphia. The enclosed describes how, at a recent dinner of the Federation of Jewish Agencies of Greater Philadelphia, noted author Elie Wiesel cited my presence in the audience and implored me to continue to speak out on behalf of Vladimir Slepak and his family.

I hope, Mr. President, that you can use your influence to help these courageous people. Somehow, we must convince the Soviets that however much we desire better relations between our two countries, we have consciences that do not allow us to forget people like the Slepaks.

Sincerely,

JOSHUA EILBERG.

THREE GENERATIONS OF SOVIET FAMILY FEEL EMIGRATION ISSUE

Moscow.—Alexander (Sanya) Slepak had gone to see his grandfather for what almost certainly would be the last time.

The elder Slepak is 85 now, almost blind, and weakened by 20 years of heart trouble, Sanya, 25, left one day recently for Israel—a traitor, in the official view, to his motherland. It is unlikely that he will be allowed back, even if he should some day want to return.

Grandfather Slepak, a high Communist Party official during his younger years and still a staunch believer in the Soviet state, sat stiffly at his table the day his grandson came to say good-bye.

He had made his position clear nearly eight years ago when his son, Vladimir—Sanya's father—had applied to emigrate. To the old Bolshevik, that application opened a chasm between him and his family too wide to be crossed. He had seen them only a handful of times since, even though they all live here in Moscow.

Sanya shook his head sadly as he recalled the final visit at a going-away party recently.

"He wouldn't even look at me," he said of his grandfather. "He said he had never had any use for Zionists and people who desert their homeland."

The visit lasted only five minutes. The senior Slepak finally wished Sanya good luck, but he never did turn around for a last, blurred look at his grandson.

Sanya's departure is only the latest example of the emotional and physical wringer that has characterized the life of his father, Vladimir Slepak, and his family since early 1970. Slepak is believed to be the most senior of Moscow's "refusedniks" and he may be the best-known as well.

In addition to his activism since 1969 on behalf of Jews refused permission to emigrate, he is one of the founding members of the Moscow group set up to monitor Soviet performance under human-rights provisions of the 1975 Helsinki agreements.

Like other refusedniks here, Slepak has been subject to steady harassment ever since he applied to emigrate. The former head of a television laboratory, he has been unable to work since then. The last search of his apartment lasted 18 hours. He is often followed, sometimes by several plainclothes KGB men at a time. Last month, he was kept under house arrest during the week-long meeting of the Supreme Soviet, this nation's rubber-stamp parliament.

Through it all, Vladimir and Mariya Slepak have been particularly concerned about the fate of their two sons. Two years ago they were legally divorced solely in the hope that it might remove mother and sons from the shadow of the father's activism. "We would try anything to save our sons," Slepak said the other day.

Sanya is gone now, but the most desperate battle may still lie ahead. Just a few days after getting the happy news that Sanya would be allowed to emigrate, his younger brother, Leonid, got his draft notice. That means at least a two-year hitch in the service, followed by refusal of permission to emigrate for as much as another 10 years on grounds of having had access to secret information.

Leonid has decided to risk a jail term instead. He refused induction. "I applied (to emigrate) with my family when I was 10 and they kept me here until I was 18," he said afterwards. "So I think that they made the situation themselves."

The news of her son's draft notice hit Mariya Slepak the hardest. An affectionate, soft-spoken, religious woman who has stood quietly beside her husband throughout his activism, Mariya has stepped to the front. Twice in three days she attended dissident news conferences here. At the second, she read a letter that she had written to First Lady Rosalyn Carter appealing, one mother to another, for help.

"God forbid that our children will see and know what my son has known," she wrote. He has seen "all the repressive measures which were taken against our family," she said. Also, "there were days when he, a minor, was himself constantly followed by agents of the KGB . . . He was denied a childhood. Today they want to take away his youth."

Slepak says he doesn't know why he and his family have been refused permission to emigrate for so long. For a while, the authorities said it was because he had had access to "secrets" in his work at the television laboratory. More recently, they say that his departure "would not be critical to dissidents here." On any given day a visitor to his centrally located, eighth-floor apartment on Gorky Street might find an American Jew who wants to help his Soviet counterparts, a refusednik from a remote corner of the Soviet Union, a newsman, or a diplomat.

One friend has described him as the "patient elder."

Although they certainly don't live in luxury, the Slepaks seem to get along on Mariya's 76 ruble-per-month ($103.61) pension as a former doctor, one of the most prominent names in both Jewish activist and dissident circles here. He is not a rabble-rouser. He is usually content to sit back at dissident news conferences and let others take the lead. In fact, he occasionally dozes during unusually long sessions.

But he does have widespread contacts that reach into many groups in the interests of Soviet power.

Some observers have speculated that the Soviet leadership wants to keep a few prominent refusedniks here to discourage more who might otherwise be encouraged to seek exit visas.

There's no question that Slepak is supplemented by "help from friends and relatives abroad." They even took a month's vacation on the Black Sea last August.

Slepak feels that sooner or later the authorities will either have to let him emigrate or put him in jail. He shows no fear of the latter. "A small prison—a big prison. What's the difference?"

But basically he remains a quiet optimist. "Next year in Israel," he said to a departing guest the other night, echoing the standard farewell along refusedniks here.

FJA INSTALL OFFICERS: WIESEL GIVEN HUMANITARIAN AWARD

I. Jerome Stern, prominent attorney and Jewish communal leader, was installed for his third term as president of the Federation of Jewish Agencies of Greater Philadelphia at its 76th Annual Banquet held Sunday.

Former FJA President Philip S. Seltzer formally installed Stern and the other FJA officers for the coming year. They include: William E. McKenna, Esther Polen, Edward H. Rosen, Ronald Rubin and Dr. Edward B. Shils, vice presidents; Fred B. Creamer, treasurer; Robert J. Reichlin, associate treasurer; Bernard Fishman, secretary and Alan H. Molod, associate secretary.

Featured at the gala affair, attended by over 600 communal leaders, was the presentation of Federation's highest honor, the

Humanitarian Award, to author and philosopher Elie Wiesel.

"I've brought, I would like to think, a few surprises to people in the past. But I also am capable of being surprised," said a visibly moved Wiesel, following a taped message especially recorded by leading Soviet refusenik Vladimir Slepak.

"Vladimir Slepak is the man who haunts me, although I've never seen him," said the soft-spoken author, as he accepted the sterling silver Menorah. "This is the man who helps our people to leave the Soviet Union, who escorts them to the airport, but stays behind; who escorts them to the railroad station, but stays behind.

"What puzzles me—what continues to puzzle and haunt me—is that the world pays no attention to Vladimir Slepak. Only the KGB does."

Wiesel noted the presence of Northeast Congressman Joshua Eilberg in the audience. Eilberg currently serves as chairman of the House Judiciary Committee, and has been particularly active in liberalizing U.S. immigration laws and in investigating alleged Nazi war criminals living illegally in the United States.

"Congressman Eilberg, I implore you, I plead with you, with your committee. Do not forget Vladimir Slepak. Please do what you can to intervene directly with President Carter to right this injustice. This may be but one small step, but small things often become great things.

"Our greatest strength is our unity as a people," he added. "We are together in joy and despair. There is something beautiful in this—we have not met Slepak, but the beauty is that we as a people have, and will continue to do so."

The affair also featured tributes to retiring Federation executives Samuel Melnick, Selma I. Spielberger and Abraham Tucker, and to FJA officers completing their terms under the FJA By-Laws. Each was presented with "precious antiquities found in the soil of modern Israel, symbolizing our continuity with our past and our devotion to our future as a people," according to FJA Executive Director Robert P. Forman, who made the presentation.

Bernard Borine, 1978 Federation Allied Jewish Appeal-Israel Emergency Fund general chairman, was honored with the Shofar Award for his "devotion and untiring efforts on behalf of the campaign," and a certificate of appreciation was presented to Joseph C. Ladd.

SOVIET GRAIN STING

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. SYMMS. Mr. Speaker, I wish to call to the attention of my colleagues an article which appears in the current issue of Time magazine entitled "Another Soviet Grain Sting."

Millions of Americans were treated to the movie version of "The Sting" with Robert Redford and Paul Newman in the leading roles. Now, Leonid Brezhnev has pulled a "Sting" operation on the Carter administration.

Shortly after representatives of the U.S. Department of Agriculture and the Russians negotiated an additional 15-million-ton purchase of commodities as an amendment to the United States-U.S.S.R. long range sales arrangement, Soviet President Leonid Brenzhnev announced that the Soviet grain harvest was some 21 million metric tons under that estimated by USDA. Little press coverage appears to have been given to this matter until very recently.

Now we see that USDA under the Carter administration is guilty of poor intelligence of Russian grain production and crop estimates and this has all been at the expense of the farmer and producer. It is generally conceded that at the very time the Carter administration was meeting with representatives of the U.S.S.R. last July through October, the Soviets were buying up the millions of tons of grain which were to come within the terms of the long range sales agreement negotiated with the U.S. representatives.

By the time the information about the Russian shortfall in grain production became public knowledge, it is generally conceded that all the purchases that Russia needed to cover its shortages had been effected. It seems only yesterday that then "candidate" Carter was criticizing the prior administration for being stung, and now President Carter has his own Russian "sting."

[From Time, November 28, 1977]

ANOTHER SOVIET GRAIN STING—HOW THE RUSSIANS AGAIN OUTFOXED THE EXPERTS—AND THE EYE-IN-THE-SKY

To the sharp-trading stereotypes of the Philadelphia lawyer, the Greek shipowner and the Swiss banker must now be added a new model of shrewdness: the Russian grain buyer. In the celebrated "Great Grain Robbery" of 1972, Soviet agricultural agents bought up whole shiploads of U.S. wheat, managing not only to secure it at bargain prices but also to get the U.S. Government to foot part of the bill through a farm subsidy program. Now, much to Washington's embarrassment, the Russians have struck—and stung—again.

The sting came to light when Soviet President Leonid Brezhnev announced that the 1977 Soviet grain harvest would amount to 194 million metric tons—the lowest since 1975. That bland statistic caused tremors of shock through not only the U.S. Department of Agriculture but the Central Intelligence Agency as well. All summer long the Agriculture experts and the CIA operatives who try to keep track of conditions on Soviet farms had forecast a fat 215 million-ton harvest, indicating that Moscow would not need to buy much foreign grain this year. But the bulletin from Brezhnev meant precisely the opposite: the Russians would be buying a lot of grain—some 10 million to 15 million tons more than anyone had expected—and the bulk of it would be coming from the U.S. More embarrassing still, they turned out to have already made most of their purchases—skillfully skirting some provisions of a U.S.-Soviet trade agreement for buying grain—and chartered ships to move it at the lowest possible cost. By the time Brezhnev told all about the poor harvest, the Russians had secretly signed contracts for 18 to 20 million tons of grain from Australia, Canada and India—as well as the U.S.

In the grain deal of 1972, the Russians bought large quantities of U.S. wheat and corn at a time when American farmers were already fairly scraping their silos to meet heavy domestic and foreign demand. Prices of some grains more than doubled as a result, giving a sharp upward kick to inflation. Even more annoying was the fact that, because U.S. officials were not aware of the big Soviet purchases, the grain was sold under a Government subsidy program, which meant that U.S. taxpayers paid for much of the Russian grain bought in the U.S. To avoid a replay of that fiasco, in 1975 Washington got Moscow to agree to a long-range sales arrangement intended to stabilize Russian grain purchases and do away with at least some of the secrecy surrounding them. Under the plan, Moscow is required to buy at least 6 million tons of U.S. grain every year, if its purchases rise above 8 million tons, it is supposed to report the fact to Washington.

So why were U.S. officials caught by surprise? The sting seems to have been the result of a combination of Soviet duplicity and U.S. gullibility.

In mid-July agents acting for the Russians arranged for food deliveries through both European subsidiaries of U.S. grain dealers and European companies with offices in the U.S. The purchases were heavy and—under the letter of the U.S.-Soviet agreement—did not have to be reported to Washington. "Official" purchases are continuing at a modest rate.

During talks at the department only a few weeks ago, a Soviet grain team insisted that it had reported all the purchases it had to. Rasped an Agriculture official: "That was a technically accurate statement. But it also was a god-damn lie. They hornswoggled us."

For months, Soviet farm experts in Moscow had spoken of average and possibly even record harvests. Agriculture Department inspectors visiting the U.S.S.R. were taken out to collectives to see sturdy stands of corn and wheat—fields that they now know to have been exceptions. Even the CIA was taken in. It has been trying to keep tabs on Soviet agriculture with eye-in-the-sky photo satellites, and its findings have been reasonably accurate in the past. But this time the photo interpretations went awry, because of what the agency calls bad "ground truth" data—information from the observers escorted by the Russians.

Actually, there were ample signs this summer of trouble in the Soviet harvest. In Chicago, grain traders heard reports of big Russian purchases eight weeks ago. And in mid-July the Russians were chartering grain-carrying ships. This was done secretly, through Soviet front companies in Paris; bills of lading were rewritten at sea from "Destination Rotterdam" to "Transshipment Rotterdam, Destination U.S.S.R." Not only was the Russian demand for ships an omen that the U.S.S.R. planned to buy more grain than would be necessary with a good harvest but it lifted world freight rates by 15 percent, which should also have produced alarm. Finally, U.S. prices of wheat and corn took a slight upward tick from August through October, a rare happening at harvest time, when prices are almost always depressed. The only explanation: large foreign purchases.

Agriculture Secretary Robert Berkland insists that the poorer than anticipated Soviet harvest was "probably" caused by a late period of bad weather and does not simply reflect poor intelligence. Indeed, Agriculture picture analysts say they were revising their estimates of the Soviet harvest downward before Brezhnev made his announcement.

Bergland says that he intends to "ask the Soviets to be more precise in the future about their grain requirements." He adds: "They don't always tell us exactly what their needs are." Evidently. But no major damage seems to have been done by the latest Soviet caper in the grain markets. This time the Kremlin does not stand to make as big a killing on its U.S. purchases, because they are not subsidized by the Government. The Russians will pay for their grain in cash at prices agreed to at the time of purchase. Yet their savings could be as much as $100 million—the difference between what they will actually pay and the higher price they would have paid had their true needs been known.

Grain belt farmers are pleased with the Russian purchases. Record harvests this year have already depressed prices to the lowest levels since 1972. The Soviet buys should eat into the surpluses and help lift farm incomes.

The Soviet purchases should have little, if any, impact, however, on prices at the supermarket. With grain prices so depressed, it would take a huge jump in the farm cost of wheat, for example, to add even 2¢ or 3¢ to the price of a loaf of bread. Stung most by the Russians' ploy will be the big grain speculators, who were selling grain futures contracts short this spring and summer in the expectation that prices would fall even lower. The Soviet shortfall changed all that and taught the speculators—as well as Washington officials—a little more about the cagey Russian grain buyer.

THE ICE IS BROKEN

HON. ROBERT L. F. SIKES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. SIKES. Mr. Speaker, highest praise should be accorded Egyptian President Anwar Sadat upon the occasion of his historic journey to Israel—a mission described by Israeli Prime Minister Menahem Begin as a "great moral achievement for our nations, for the Middle East, indeed for the whole world." These two men, Sadat and Begin, are the key figures in the effort to achieve a peaceable settlement of the problems of the Middle East.

The two leaders have agreed that a new spirit exists as a result of the Sadat visit, and is a clear implication that whatever happens between the two countries in the future should be solved together through talks rather than going to war. One of Sadat's primary motives for going to Israel was to give the peace process new momentum and to help remove the barriers that are largely responsible for the whole conflict. His achievement was a psychological triumph which hopefully can change the entire Arab-Israeli relationship.

While there is no indication at this time that either side has changed its position or that major differences are being resolved, they can now be discussed in a totally different climate and atmosphere.

Perhaps as important as the symbolism of the trip itself is the fact that President Sadat and Prime Minister Begin appear to have established a friendly rapport. These gentlemen have agreed to continue the dialog they have now established which hopefully will pave the way toward successful negotiations leading to the signing of a peace treaty in Geneva with all the neighboring Arab States. Mr. Sadat continued his initiative by calling for preparatory peace talks in Cairo and Israel has endorsed this step. Obviously, moves by Israel to implement the Sadat initiative are now in order. There is criticism in the Arab world of Mr. Sadat's unilateral effort for peace. Unless there is an indication of fruitful results, initiated by Israel, he may find himself in difficulty both at home and in the Arab world.

The initiative and action by President Sadat required enormous courage. He deserves high commendations from both the Arab and the Western World. Likewise, Prime Minister Begin is to be commented for recognizing the opportunity that President Sadat made possible. Let us hope this important initial step will receive worldwide support.

The United States should offer congratulations to the peoples of Egypt and Israel for the progress they have made in the last few days. Positive steps have long been needed. Also, we should urge all the states of the Middle East to follow their example and join in negotiations leading to peace treaties that can establish permanent peace and full normalized relations in the Middle East.

The efforts of the present and past administrations for pursuing avenues of mutual understanding in the Middle East are to be commended. Egypt has been the key factor among the Arab states and the ties that have been established with that nation by the United States are now bearing fruit. The Sadat trip to Israel has truly broken the ice. Prior to the Sadat visit to Israel, the only real common denominator that existed between those two nations was their friendship with the United States. American diplomacy played an important part in bringing these two leaders together.

"IF YOU NEED—ASK TUNNELL"

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. GAYDOS. Mr. Speaker, this past weekend I had the privilege of joining 250 people in paying tribute to a man whose trademark in life has been "a pocketful of pencils and a heartful of love."

The guest of honor at this testimonial was Anthony "Tunnell" Ancosky, accompanied by his gracious wife, Julia. Mr. Ancosky, who turned 73 last July, is a lifelong resident of Blythedale, a small coal mining town in Elizabeth Township, Pa. His appearance, energy and interests, however, belie his age. He knows personally almost every resident of the town—and their family trees.

To the young, "Tunnell" is that big, smiling good-natured man who passes out coins each Christmas—a tradition he has followed for nearly half a century. To the old, he is the friend they turn to for help and assistance. It is said no one from Blythedale is ever officially buried unless "Tunnell" delivered the eulogy.

Now retired, "Tunnell" began his working career at 14 as a member of a road construction crew. Later, he did some coal mining and with the Depression of '29, he traveled the vaudeville circuit, performing as a magician, wire walker, juggler, and so forth.

With his talents, personality and desire to help people, it was inevitable that "Tunnell" would drift into politics and public service. So it was.

In 1942, after a brief stint with the State, "Tunnell" joined the Revenue Department of Allegheny County and remained there until his retirement last year. His entry into politics occurred earlier. He ran for constable in 1935, won, and held that post until 1974, when he declined to seek another term. His political acumen is such that few prospective office seekers test the waters without first going to "Tunnell" for advice and guidance.

"Tunnell's love for people naturally led him into other activities. He became a member of Blythe Lodge 593, F&AM in West Newton; the Consistory and Shrine of Pittsburgh and the Caravan and Tall Cedars of McKeesport. He belongs to four volunteer fire companies, holding life memberships in three of them. He is active in Moose Lodge 142 of Elizabeth, the Owls Club of Industry, and the WMBU of Blythedale. And, if that were not enough for one man, he also served many years as a part-time police officer for Elizabeth Township.

Congenial, gentle, and generous, "Tunnell" became the area's unofficial toastmaster for most public and official functions. It was "Tunnell" who organized the programs, secured the speakers—sometimes taking that task upon himself—or entertained youngsters with his sleight-of-hand wizardry.

That is how he acquired his trademark of "a pocketful of pencils and a heartful of love." He had both in abundance. He sincerely enjoyed helping people and they knew it. One of his old friends put it best:

> Whatever you needed: a clown, a Santa Claus, a favor, a magician, a speaker or your house painted, if you had a need * * * ask Tunnell.

That is why the Elizabeth Township Board of Commissioners singled him out as the municipality's first "Man of the Year" and proclaimed November 26, 1977, as "Tunnell's Day." It is why the Pennsylvania State Legislature presented him a commendation as did the fire companies in the township.

Mr. Speaker, in view of such awards, can the Congress of the United States do less? On behalf of my colleagues, I want to formally recognize the contributions of Anthony "Tunnell" Ancosky, a man of high character, great ability, and unselfish dedication, and wish him a long and healthy retirement.

EASY ELECTION LAWS HAVE NOT AIDED VOTER TURNOUT

HON. ROBERT E. BADHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. BADHAM. Mr. Speaker, earlier this year, proponents of election day registration pushed this proposal because it would greatly help increase turnout on election day since preregistration deterred people from voting.

Many of the opponents of this Carter administration ploy were very doubtful of this reasoning. A period of preregistration of 30 days is not an unreasonable requirement to preserve honest elections.

It was reassuring to read that on November 8 the voters of Ohio repealed the Ohio election day registration law by a 62 to 38 percent margin.

Over the past 20 years, voting requirements have been eased but there has been a continuing decline in voter turnout. A recent study by a bipartisan Washington research organization, the Committee for the Study of the American Electorate presents new light on some past theories.

Mr. Curtis Gans, director of the Committee for the Study of the American Electorate noted that the group's extensive research on the topic of voting revealed that easing registration requirements does not bring an increase in people going to the polls. In fact, reforms which create an indirect relationship between preregistration and actual voting may have the effect of decreasing voter turnout.

The important thing we should remember is that election day registration does not automatically increase turnout. There are other factors which influence voter turnout. Easing requirement by eliminating preregistration will certainly make fraud a greater likelihood in our elections.

I urge my colleagues to read the following article by James R. Dickenson entitled "Making Voting Easier Hasn't Stopped Decline in Election Turnouts" from The Washington Star of November 17, 1977:

MAKING VOTING EASIER HASN'T STOPPED DECLINE IN ELECTION TURNOUTS

(By James R. Dickenson)

Reforms making voter registration easier haven't stopped the continuing 20-year decline in voter participation in elections and may actually contribute to the decline, according to a survey of the 1977 elections by the Committee for the Study of the American Electorate, a bipartisan Washington research organization.

"Now it appears that registration is no longer a good indicator of eventual turnout, that easing registration requirements will not necessarily bring more people to the polls and that election reforms that create an easier but more indirect relationship between the act of registration and the act of voting may indeed decrease turnout," says Curtis Gans, director of the CSAE.

This appears particularly true of postcard registration, although election-day registration appears to result in a slight increase in registration and voting.

The CSAE survey of voting in three states and seven major cities showed a substantial decline in participation of registered voters in the New York City and Pittsburgh mayoral elections and the New Jersey gubernatorial election, jurisdictions that had adopted postcard registration.

It showed a slight increase, however, in participation of eligible voters in jurisdictions that had election-day registration, the Cleveland and Minneapolis mayoral elections.

The Virginia gubernatorial and Detroit mayoral elections were the exception to the rule of declining participation. In Virginia 62.6 percent of the registered voters turned out compared with 50.8 percent four years ago. Detroit had a 56 percent turnout of registered voters compared with 54.8 percent in 1973.

Detroit's number and percentage of eligible voters was less than four years ago, 41.3 percent compared with 44.8 percent, because the percentage of registration is down substantially, 73.8 percent compared with 81.7 percent in 1973.

"Virginia may be symptomatic of a gathering trend in the South," said Gans. "Although the region still has the lowest level of participation of any in the nation, the voting percentage in the South has shown a gradual increase . . . coinciding with the passage and application of the voting rights law and the increase in strength and competitiveness of the Republican Party in what was formerly a one-party, one-race region."

THE TOMATO FIGHT

HON. ANDY IRELAND

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. IRELAND. Mr. Speaker, I have submitted the following remarks in written form in order to avoid tying up the House's time for oral discussion.

On October 18, 1977, my distinguished colleague from New York (Mr. RICHMOND) introduced the article "Great Forces Gathering to Fight Over the Tomato," by Ms. Goody L. Solomon into the CONGRESSIONAL RECORD. The article concerned itself with the effect of importing Mexican tomatoes on the Florida farmer. At this time, I would like to insert a letter I receive from Mr. Wayne Hawkins of the Florida Tomato Exchange as a rejoinder to Ms. Solomon's article. I feel it is important that we get a balanced view of this problem. The letter follows:

FLORIDA TOMATO EXCHANGE,
Orlando, Fla., November 23, 1977.

Ms. GOODY L. SOLOMON,
Washington Star,
Washington, D.C.

DEAR MS. SOLOMON: I would like to take issue with your article entitled, "Great Forces Gather to Fight Over the Tomato," which appeared in the Washington Star about October 15 and in the Congressional Record on October 18, 1977. Some of the comments you make are simply not true.

Your very first sentence, "A seemingly simple item, a packing carton, etc.," sets the tone of your article. There is no controversy whatsoever about the "packing carton," and the proposed legislation would not control the packing carton. I even testified that imports could be placed in burlap bags if the Mexicans so desired. The legislation would control what is placed in the packing carton not the carton itself.

You state that imports from Mexico represent 30 to 40 percent of the supply in the winter season with the balance from Florida. You are wrong. This was true ten years ago, but during the past five seasons, 1972–73 to 1976–77, imports from Mexico represent 52.4 percent of the volume. The respective percentages of imports from Mexico beginning with 1972–73 and continuing through 1976–77 are 57.3 percent, 52.6 percent, 46.8 percent, 47.3 percent and 57.6 percent. It is obvious to the Florida tomato producer, who has thousands of dollars invested in equipment, that the Mexicans are trying to take his entire market, just like they did with strawberries.

I wish you would reveal the experts who told you, "Gassed tomatoes may get red on the outside but not ripe on the inside." Marketing Bulletin No. 59, "How Fresh Tomatoes Are Marketed," published by the U.S.D.A. states on page 9, "A mature green tomato has a completely green skin but has reached the stage where it will turn red either on or off the vine," It further states, "Once mature green tomatoes or breakers are fully ripe, it is impossible to tell at which stage they were harvested.

You comment that, "The longer the tomato stays on the vine, getting nourishment from the soil, the fuller its store of vitamins C and A as well as sugar, making the vine ripes more nutritious." I have never seen a research report stating this as a fact. There are, however, many that show no nutritional differences in mature green and breakers. The contents of H.R. 744 do not deal with mature green vs. vine ripe. About 15 percent of the Florida production each year are picked at the breaker or turning stage. It would not stop Mexico from shipping so-called vine-ripe tomatoes.

I got a real chuckle out of your term, "so-called market order." For your information, it is Federal Marketing Order No. 966. The regulations are issued by the Secretary of Agriculture of the United States with penalties being assessed on violators of the regulations. The regulations are designed to require handlers to comply with the U.S. Standards for Grades of Fresh Tomatoes and have nothing to do with machine-packing green tomatoes. You are wrong again in stating that Florida is the only state with a marketing order. Texas has a Federal Order and California operates under a State Advisory Board.

As stated earlier, the legislation would not force a change of container or the method of packing. It would stop commingling of sizes and grades within a container. Proper sizes can be place-packed. They might not come out exactly six rows one way and six rows another, but the tomatoes would be tightly packed. About 15 percent of Florida tomatoes are picked at the breaker or riper stage. Some are place-packed and some are volume filled by weight, but they both comply with size and grade standards.

Your statement that 78 percent can be picked immature is ridiculous. An experienced tomato picker can tell a mature green tomato from one that is immature. After picking, they are graded and immature tomatoes, like ones with serious defects, go in the cull chute. All Florida tomatoes are inspected by the Federal-State Inspection Service, and one of the basic requirements is a check for maturity. Even if an inexperienced hand picked a lot of immature tomatoes, they would be graded out at the packinghouse.

You state that "The most important reason for harvesting green tomatoes is that they are firm enough to be machine packed and loosely filled into the required shipping containers." Wrong again. The main reason they are picked green is the cost of harvest labor. Mexico grows the same varieties that we do in Florida. They pick a crop daily and may go over a field 40 or 50 times. We pick every seven to ten days and pick a crop two to four times. The big difference is costs of labor. We pay more per hour in most instances than Mexico pays per day.

You state, "The law would place a special burden on the Mexicans since United States tomato producers outside the state of Florida are not subject to any of the requirements of that state's marketing order." It has already been established that Mexico competes with Florida, not the balance of the United States. Why is it a special burden to require your competition to do the same thing you do, particularly when their actions create deceptive packaging and seriously undermine the

attempt of Florida producers to create orderly marketing?

This legislation will not force Mexican growers to convert to harvesting green tomatoes and gassing them. For your information, 15 percent of the Mexican imports last season were gassed green tomatoes. They are already heading in that direction. It would not create unemployment or cause a loss in purchasing power since this legislation would not limit the import of tomatoes.

You state that last year Mexican tomatoes came to the rescue. They did, at exorbitant prices. Once the Mexicans successfully bury the Florida Tomato Industry, the American consumer will pay this price all of the time. Is that what we want?

You state that, "The bill would impose a non-tariff trade barrier." This is wrong. A non-tariff trade barrier is when you require imports to meet requirements not imposed on domestic producers. This is a "golden-rule" amendment. Treat everyone equally. Mexico, on the other hand, has the non-tariff trade barrier. They simply say no American tomatoes can be shipped to Mexico when they are in production. "Free trade" is not conducted on a one-way street.

You quote Sharon Ahmad as saying in part, "These packaging standards have nothing to do with the quality of tomatoes sold to the American consumer. We support the concept of uniform treatment of domestic and imported commodities with respect to quality requirements. Tomatoes imported from Mexico already meet those quality standards." Florida tomatoes must be labeled U.S. No. 1, 2 or 3. Mexican tomatoes must only be a U.S. No. 3. If Ms. Ahmad doesn't know the difference in U.S. No. 1 and U.S. No. 3, I'll be glad to send her some U.S. No. 3's. They are just slightly better than a cull. Also if the size of the tomato is not a quality factor, why is there such demand for larger sizes? Why will the consumer pay 89¢ or 99¢ a pound at retail for large tomatoes and only 29¢ to 39¢ per pound for small tomatoes? She gets the same number of pounds. It has to be a quality decision.

I think you tried to write a good article. You simply didn't have the facts. I have factual information for the points I have made in this letter. Print this letter in your newspaper and let the consumer see the truth.

It's time for the United States government to start thinking about their own citizens for a change. Our taxes pay their salaries. They derive nothing from the wealthy Mexican exporters unless it is hidden under a table like the recent Korean fiasco.

If you are really interested in learning the facts on Florida production, I'll be glad to give you a guided tour. It might open your eyes to find out what really is involved in producing tomatoes for the American consumer. The one hundred and fifty million dollar Florida tomato industry represents nearly one-third of the total value of vegetable production in the "sunshine state." I don't believe we should let it go down the drain to satisfy a foreign competitor who buys only what is absolutely essential from us.

Sincerely yours,

WAYNE HAWKINS,
Executive Vice President.

JUDGE JAMES R. DURFEE

HON. BALTASAR CORRADA

OF PUERTO RICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. CORRADA. Mr. Speaker, I respectfully request that the eulogy of Judge James R. Durfee of the U.S. Court of Claims be introduced into the RECORD. Judge Durfee was a great American and a great friend of Puerto Rico. His eulogy was delivered by Roderick J. O'Neil of the Office of Puerto Rico in Washington.

The eulogy follows:

JUDGE JAMES R. DURFEE, 1897–1977

Justice is the constant and perpetual disposition to render every man his due. Justice is a virtue by which we give to God and men what we owe them. James Durfee knew this well. He possessed the virtue of justice, he dispensed it as a judge, he defended justice as a district attorney and as Chairman of the Civil Aeronautics Board he was involved with administrative justice. In his lifetime he served justice well. Marquette University recognized this service when they named Judge Durfee a distinguished alumnus in 1972. Friends and colleagues have affirmed his contribution to the cause of justice. Judge Oscar Davis said that Judge Durfee "always zeroed in on the universal principles of justice, not the technical rules of laws unrelated to human values." Chief Judge Wilson Cowen described James Durfee as "a human judge, not just a book judge." Judge Durfee balanced the human against the book. An eminent jurist once wrote: "When ghosts of the past stand in the path of justice clanking their medieval chains the proper course for the judge is to pass through them undeterred." I suspect that Judge Durfee made a few undeterred passages during his tenure on the bench and served both justice and humanity by doing so. The Bible may best describe Jim Durfee's professional and personal credo. The Book of Wisdom opens with this exhortation: "Love justice, you that are the judges of the earth. Think of the Lord in goodness and seek him in simplicity of heart."

Jim Durfee was more than a judge. He was a husband, a father, a grandfather and a dear and trusted friend of many people. His friends admired, respected and loved him. We admired him for the extraordinary courage he exercised in coping with an extremely painful arthritic condition that would have crippled a lesser man. And we loved him. We loved the joy of the man. Jim Durfee was fun to be with. His charisma cut through the generation gap.

Jim Durfee combined the appearance of a boulevardier, in the mold of Maurice Chevalier, whom he loved to imitate, with the heart and mind of the common sense lawyer and judge, which he was.

In one speech, Jim Durfee could delight an audience with true stories about his experiences as district attorney in Antigo with the Kentucks who had settled outside the town. He could edify judges and lawyers with sage comments on the law and engender camaraderie with show business personalities by recounting his experiences on the stage. And after the speech he could bring tears to your eyes with nostalgic renditions of World War I songs which he sang in a rich baritone voice.

Jim Durfee had a remarkable artistic and professional versatility—he was truly a man for all seasons.

And the joy of the man—that's what I remember best. He had the ability to create the marvelous by contagion. To know Jim was to love Jim. He gave pieces of himself away and the supply never ran out. You felt important when you were with him and never knew why. Perhaps William Blake gives us a clue to the secret of Jim's magic. He wrote:

He who binds to himself a joy
Does the winged life destroy
But he who kisses the joy as it flies
Lives in eternity's sunrise.

Jim didn't hoard his joy—he shared it lavishly and no one who has been touched with the joy of Jim Durfee can ever believe that he is any less joyful now than when he was with us, for you see, joy is the most infallible sign of the presence of God in the human heart. For the joy he gave us we are grateful and forevermore—may that joy be his.

RODERICK J. O'NEIL,
A friend.

NOVEMBER 2, 1977.

THE ADMINISTRATION'S BIND OVER SOUTH AFRICA

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. LAGOMARSINO. Mr. Speaker, the following article on South Africa has been written by my constituent, Henry Huglin. Mr. Huglin, a retired Air Force brigadier general, is a syndicated columnist and lecturer on national security and international affairs.

The article follows:

THE ADMINISTRATION'S BIND OVER SOUTH AFRICA

(By Henry Huglin)

The South African government, through its recent repressive crackdown on its dissident press and people, has put the Carter Administration in a bind—because the Administration's over-blown rhetoric and pressure on South Africa created expectations among the blacks in Africa that, prudently, cannot be fulfilled.

The Administration singled out South Africa, along with Rhodesia, for particularly critical attention, over denial of full rights to the majority of black people in those countries. And the rhetoric apparently contributed to the imposition of the stern measures taken a couple of weeks ago in South Africa.

The South African minister of justice, Mr. Krueger—in defending the government's actions, to stop the total disruption of blacks' lives through terror and intimidation, as he expressed it—has charged that President Carter had some responsibility for the crisis, because his "holier than thou" pressures in support of South African blacks encouraged the militants to feel that "the Americans are backing us to the hilt, whether we do it peacefully or by violence."

Now the bind comes from a number of factors.

First, the Administration greatly needs the South African government to work with it effectively to achieve its prime foreign policy goals in southern Africa: early independence for South-West Africa (Namibia) and on the basis of majority rule, and peaceful transition to majority rule in Rhodesia (Zimbabwe).

Further, our trade and industrial links with South Africa are highly important. That country is our prime source of essential chrome, vanadium, platinum, and other raw materials. And last year we sold $1.35 billion in goods to the South Africans.

Also, South Africa is nearly impervious to sanctions and embargoes. She is almost self-sufficient in most things she needs and has fairly sure sources—despite UN resolutions—for those items she must import. Even the much-publicized mandatory arms embargo recently voted by the UN Security Council is more a symbolic gesture than an effective pressure point, because South Africa is also largely self-sufficient in basic armaments.

Then, South Africa has great leverage—if pushed to the wall—in the form of counter actions. She could shut off the exports of her critical raw materials on which the industry of our country and many others are dependent. And she could cut off trade and send home hundreds of thousands of immigrant

workers to four neighboring black-ruled African nations, and thereby deeply hurt their economies.

So, the Carter Administration's well-meaning but too-blatant human rights crusade against South Africa—conducted while generally ignoring the gross human rights violations in much of the rest of Africa—has provoked South African defiance.

And now, in the UN, the Carter Administration has, of prudent necessity, opposed and even vetoed stronger UN action with the relatively ineffectual arms embargo.

Instead of helping moderate apartheid practices, the Administration's open pressure has caused the South African government to clamp down even more. Instead of peaceful evolution being quietly promoted, opposing positions have been hardened.

Further, the militant blacks in South Africa and the black regimes elsewhere in Africa have been disillusioned (maybe fortuitously), because of being led, by the rhetoric of President Carter, Vice President Mondale, and UN Ambassador Young, to expect actions which could not be produced when the crunch came. Hence, there is a loss of Administration credibility which is bad for our country.

How hard it seems to be for the Carter Administration to learn some elementary rules of international affairs and psychology—such as, the value of quiet diplomacy, consistency of policy, not letting rhetoric exceed the possibility of performance, the need to temper idealism with realities, and the potential pitfalls of getting deeply and publicly involved in other nations' internal affairs.

The matter of internal affairs is particularly tricky. The gambit used to get around the long-standing and sensible rule that domestic matters are beyond the purview of other nations and of the UN is to declare that a nation's particular policies and actions constitute a threat to international peace. But many internal actions of many nations could as sensibly, or insensibly, be called threats to international peace as the actions taken by the South African government.

The type of open condemnatory pressure, indulged in by the Carter Administration, wins the plaudits of ivory-tower idealists and zealots, but it plays havoc with effective influence for peaceful, beneficial change.

Hopefully, this experience will be something of a lesson for President Carter and his aides for toning down their outspoken and sometimes damaging do-goodism.

GEORGE MEANY SPEAKS OUT IN OPPOSITION TO RETURNING THE HOLY CROWN OF ST. STEPHEN TO HUNGARY

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Ms. OAKAR. Mr. Speaker, the career of George Meany has always been characterized by a willingness to speak and act in behalf of not only American working men and women, but oppressed people throughout the world. His commitment to human rights at home and abroad has been bold and unflagging.

Thus I believe it was only natural that he would be deeply concerned about the President's proposal to return the Holy Crown of St. Stephen to the present Soviet-dominated Government of Hungary. President Meany wrote to President Carter to express his opposition to return of the crown, and I would now like to insert into the RECORD a copy of his letter, and the announcement of it made by the AFL–CIO:

NEWS RELEASE FROM THE AFL–CIO, NOVEMBER 22, 1977

AFL–CIO President George Meany today asked President Carter to "protect" the Crown of St. Stephen "until such time as the government of Hungary is freely and popularly elected by her people."

Noting press stories and Congressional hearings reporting that the government is anticipating returning the Crown of St. Stephen to the government of Hungary, Meany wrote:

As you know, the Crown of St. Stephen is not merely a trapping of state power, but more a symbol of moral and religious importance to free people and those who seek political democracy the world over.

A return of the Crown of St. Stephen to the Kadar government will cause great sorrow among many millions of people in the world even though it may please and serve the purposes of the small elitist leadership of dictatorships in Eastern Europe. The sharp reaction throughout the world, should the Crown be transferred to the government of Hungary, will cast a doubt on the position of the United States concerning human rights and freedom.

It is my hope, and a wish that I believe is reflected in society both here and abroad, that the Crown of St. Stephen be protected until such time as the government of Hungary is freely and popularly elected bv her people.

AFL–CIO,
Washington, D.C., November 17, 1977.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: From press accounts and Congressional hearings, it is my understanding that the government of the United States anticipates the return of the Crown of St. Stephen to the government of Hungary.

As you know, the Crown of St. Stephen is not merely a trapping of state power, but more a symbol of moral and religious importance to free people and those who seek political democracy the world over.

A return of the Crown of St. Stephen to the Kadar government will cause great sorrow among many millions of people in the world even though it may please and serve the purposes of the small elitist leadership of dictatorships in Eastern Europe. The sharp reaction throughout the world, should the Crown be transferred to the government of Hungary, will cast a doubt on the position of the United States concerning human rights and freedom.

It is my hope, and a wish that I believe is reflected in society both here and abroad, that the Crown of St. Stephen be protected until such time as the government of Hungary is freely and popularly elected by her people.

Sincerely yours,

GEORGE MEANY,
President.

ELECTRIC RATES AND THE ENERGY CONFERENCE

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. DINGELL. Mr. Speaker, it is imperative that those Members of Congress who have not participated in the energy conference have at their disposal reports and commentary on actions taken by the conferees. The Washington Post, in its lead editorial, November 22, 1977, accurately discusses and notes its support for one of the major compromises, electrical utility rates.

I include the editorial at this point:

YOUR NEXT ELECTRICITY BILL

The great grinding conference on the energy legislation has now worked out a compromise—an astonishingly good one—on electric utility rates. It's a hopeful omen for the even more difficult choices on price controls and oil policy that still lie ahead. There seems to be a tendency to portray the electric-rate solution as a defeat for President Carter. Certainly the conference's version differs fundamentally from the original Carter proposal that the House passed, not to mention the nonproposal that the Senate wrote. But, to everybody's surprise, the conference has now produced a bill that is clearly preferable to either.

The target here is a structure of power rates that is still generally designed to encourage people to use more of it. These rates were sealed into law in the decades, not far behind us, when energy seemed endless and utilities took it for granted that they would always make money by selling more of it. For the nation, the result is waste of precious fuel. For the utilities, it has come to mean a pattern of highly irregular demand, low at night but rising to sudden peaks—at sundown on a winter day, for example, or in mid-afternoon during a July heat wave.

Maintaining the capacity to meet that occasional demand is proving very expensive for both the power companies and their customers. The President's energy plan seeks, altogether correctly, to encourage conservation and to change rates to smooth out the surges in the load. The President asked Congress to impose a set of federal rules on the states' regulatory commissions, prohibiting most of the present volume discounts and requiring rates to rise during peak periods of the day and year.

When the House passed the bill, the utilities descended in force on the Senate to protest vehemently that the new requirements would prove unmanageably complex and uncertain. They had a point. Nobody has had much experience with this kind of power rate, and it's difficult to predict how effective it will prove. A number of experiments are now getting under way. Pepco has installed time-of-day meters (they cost $1,000 apiece) on 200 of its largest commercial customers and is now waiting for the Public Service Commission's permission to begin charging higher rates during the peak hours. Vepco is preparing to install similar meters for 9,000 residential customers. It's also planning similar rates for some customers—volunteers—whose water heaters would be cut off during peak hours by a signal automatically transmitted over the power line. But it's not yet clear what will work best.

It's too early to impose uniform federal rules on all rate structures. Here it makes great good sense to use the states as 50 laboratories to test different approaches. The conference was right to leave final decisions to the states—but it was certainly also right to provide a goad. The compromise bill provides that each state's utility regulators must hold hearings to consider specific steps toward rate reform and conservation. The Department of Energy is authorized to attend those state hearings and press the national interest.

The national interest here is beyond dispute. Consumption of electricity this year is more than 5 per cent over last year's. The country can't afford to sustain that rate of increase for long. Of all the fuels used to generate power in this country, the consumption of oil has been rising most rapidly.

The energy conference is not just a game, to be scored in pluses and minuses for the White House. The utility-rate solution takes Mr. Carter where he wanted to go, and that's what counts. It also disencumbers the conference of one more heavily lobbied quarrel, permitting it to proceed now to the even more important issues of the pricing and taxing of gas and oil.

THE ENERGY CHALLENGE

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for November 30, 1977 into the CONGRESSIONAL RECORD:

THE ENERGY CHALLENGE

In amazing numbers the American people are acting as if the energy challenge were not real. Many people refuse to acknowledge that there are limits to our resources. They do not really believe that we are running out of gas and oil and that such shortages could interfere with this country's freedom. For them the American frontier is still wide-open and they pretend there is no energy problem.

Perhaps this attitude is understandable as long as homes are heated, automobiles are fueled, and the machines of commerce turn. But the underlying facts are disheartening. In 1974, we imported 37 percent of our oil; today we import half of it. Our annual import bill is $45 billion. Under entirely plausible assumptions our oil import bill in 1985 could be $175 billion. Without question the cost of imported oil hurts. It causes unemployment and deprives us of business investment. Every $5 billion increase in the cost of oil imports results in a loss of 200,000 jobs in this country. Vast amounts of money, instead of being invested here, are sent abroad to pay for the oil. The cost of imported oil also increases the budget deficit, unbalances our trade, and increases inflation. In short, excessive oil imports depress the entire economy.

Despite the crisis our voracious consumption of oil continues. This past summer we used more oil and gasoline than ever before in our history. Two-thirds of all the oil ever used has been consumed in the past 17 years. Virtually all of the world's consumption of natural gas has occurred since 1945. To maintain even the present rate of consumption without using already dwindling reserves, we would need to discover another Texas or Alaska every six months or an Iran every three years. That simply is not going to happen.

A consensus of the best and most recent estimates put probable total recoverable world oil reserves at 2 trillion barrels. Unless demand is curtailed it is likely that 40 percent of that total will be consumed by 1990 and 90 percent of it by the year 2025. But long before that we will face soaring prices and probable panic over a deepening sense of scarcity. Without action now, demand for oil will surge ahead of supply, probably in the early 1980s, bringing a worldwide scramble for oil, a steep rise in price, economic risks, and a threat to the security of the nation.

The heart of the debate over energy in Washington is a struggle between those who believe that increased production is necessary and those who believe that short supplies must be allocated and higher costs cushioned. I have never felt that these views were mutually exclusive. I have always felt that an effort to produce more must be joined with an effort to conserve more.

Although I fully support the development of new fossil fuel supplies, we should be under no illusions that new production of gas and oil will be more than a stopgap measure while we shift to the use of renewable resources. It is urgent that we begin to use fuel in our homes, cars, and industries in a fuel efficient way. The era of abundant cheap energy is over and we must all face the fact that there will be significant changes in the mix of energy we use and that energy is going to cost more. Our policy needs to place equally strong emphasis on promoting increased supplies and on encouraging greater conservation. Conservation, however, is the cheapest and most immediate source of energy.

It may seem strange to say so at this particular moment, given the difficulty the Senate and House Conference Committee is having in developing an energy bill, but I believe that a fairly decent energy bill will eventually emerge from the Congress and be enacted into law. A majority of members in the Congress know that something simply has to be done and, if necessary, they are willing to make adjustments to get an energy bill. The rough outlines of the bill have begun to emerge: a tax on the use of oil and gas by business, substantial deregulation of natural gas prices, and mandatory coal conversion. The domestic crude oil tax, designed to discourage consumption, apparently will also survive. Production of low mileage cars will be restricted, and a variety of loans, credits and grants will be made available to encourage conservation and production. The President will not get all that he wants but enough to enable him to claim some success.

Energy policy presents a formidable challenge to the American people and to the Congress. It takes understanding of a complex problem, action to conserve precious energy, and support for efforts to develop an energy policy. Whatever happens to this year's energy bill, we will need another one soon. We should simply prepare ourselves for a long, difficult effort to conserve energy and to increase production. Failure to develop that policy will only present us with more difficult choices tomorrow.

(The source of the facts referred to in the early paragraphs of this newsletter is Secretary of Defense Harold Brown.)

TV ON THE EVE OF DRASTIC CHANGE

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. WIRTH. Mr. Speaker, as my colleagues know, the Commerce Committee's Subcommittee on Communications is in the midst of revising the Nation's communications laws under the excellent leadership of Mr. VAN DEERLIN. One of the great challenges of this effort is to look into the future of insure that we do not restrict the development of beneficial communications options. A recent article in the New York Times is most instructive in this regard. I commend it to my colleagues:

TV ON THE EVE OF DRASTIC CHANGE

(By John J. O'Connor)

Although ABC–TV has climbed to the top of the prime-time ratings mountain, Leonard H. Goldenson, chairman of ABC Inc., has been delivering speeches that could be accompanied by the caption "Why Is This Man Frowning?" While business and profits have never been better, the industry is beginning to feel the heat of new technologies that will undoubtedly add up to radical changes in the distribution, content and consumption of that contemporary behemoth called "communications."

The system is being confronted by drastic changes, and executives from Mr. Goldenson on down are pleading with various interested parties, especially government lawmakers and regulators, to move cautiously on any decisions affecting the current state of television. Communications systems, Mr. Goldenson warns, are valuable only if there is "a message to be passed through and an audience with some use for the message." In fact, at this stage, the message or messages of the future cannot be pinpointed precisely. But one thing is certain: Commercial television will no longer be able to dictate either what is watched or when it is watched.

On the receiving end, in the viewer's home, the new "video environment" is already being marketed and is chalking up impressive sales. Video cassette machines can record programs off the air. Furthermore, the recordings can be taken from one channel while the viewer is watching another channel or they can even be made, with the help of a pre-set timer, when the viewer isn't home. These cassettes can then be played back any number of times at will, freeing the consumer from rigid programming schedules. In turn, this will seriously affect the various processes for compiling audience ratings. The time spent watching cassettes is likely to be taken from time that would have been spent watching on-air television. How is Nielsen going to determine which cassette is being watched, or how many times it is watched?

The cassette machines are still relatively new and expensive, but the public is obviously intersted. Sony sold almost 30,000 Betamax units, at $1,300 each, in the United States last year. Several domestic manufacturers are now rushing to enter the market, and it is conservatively estimated that a million units will be in use by the end of 1981. On top of this, there is also the current phenomenon of "video games," electronic devices that turn the television screen into a playing field for the equivalents of everything from tic-tac-toe to baseball. On the market for several years, the games have become more sophisticated and versatile, reaching the point where more than a dozen are evaluated in the November issue of "Consumer Reports." The magazine notes that the games market has rapidly become crowded and lively. Once again, the set being used for games cannot be simultaneously consuming the products of on-air broadcasting. The crucial factor of time is being steadily syphoned from commercial television.

Meanwhile, at the other end, at the key point of distribution, there is cable television, snuggled more securely than ever in the huge potentials of satellite transmission and pay-cable. The promise of cable and a "wired nation," capable of an almost unlimited multichannel diversity, has been ballyhooed for years. But high costs, administrative uncertainties, and not least, the intense lobbying efforts of commercial broadcasters have managed to postpone a growth that is all but inevitable. For a number of reasons, the development of cable is once again in a state of significant agitation. Those skeptics requiring conclusive proof need only look to the advertisers, who must specialize in sniffing out prospects for future dollars. There is, for example, a report called "The Emerging Video Environment" compiled by William J. Donnelly, vice president for new electronic media at the large Young & Rubicam agency. It is noted that the current level of more than 12 million subscribers gives cable about a 17 percent "penetration" of United States television homes. Mr. Donnelly

estimates that by the end of 1981, cable will have reached a 30 percent penetration, with the ability to leap to 50 percent immediately simply by signing up customers who already have access to a cable system.

Understandably looking out for its own interests, the report declares: "We say that advertisers will start becoming interested on a broad scale . . . We say 30 percent penetration is the critical mass because that has been the television experience from the days of its competition in radio in 1950 through the development of daytime television on ABC in 1959. . . ." Mr. Donnelly recognizes that these numbers and projections make commercial broadcasters nervous, but he offers few words of comfort: ". . . We do not favor protectionist regulation that would prevent new businesses based on new technologies from affecting the economic or social standing of existing businesses any more than we would have favored protecting horse-drawn carriages from the automotive industry, or print from broadcasting, or radio from television."

The role of domestic satellites in the new age of electronic horseless carriages cannot be understimated. The satellites both increase programming capacities and reduce signal-distribution costs. As Mr. Donnelly notes, "This means that smaller audiences and a greater multiplicity of nationally distributed program will be economically viable."

The impact of satellites on pay cable is already being felt. H. B. O., Inc., part of the Time Inc. complex and currently the only pay serving using satellite transmission to service its widely dispersed audience, recently announced its first quarterly profit in nearly five years of operation. Viacom, another pay operation, will initiate satellite distribution in January. There are now about one million subscribers to pay television nationally. Mr. Donnelly sees that figure jumping to between three and four million in 1981. Just to sweeten matters, the U.S. Supreme Court recently let stand a lower court's decision removing Federal Communication Commission restrictions on pay cable's access to movies and sports.

But ABC's Mr. Goldenson urges the consumer to look at the "message," the content, being passed through these new technologies. And, without getting into a debate about the "lowest common denominator" practices of commercial television, it must be conceded that much cable programming lacks finesse and inspiration. But the "message" in the early days of television was hardly better. As Mr. Donnelly's report reminds us, the first Emmy Awards recipients in 1948 included "Pantomine Quiz Time" as most popular program and Shirley Dinsdale with her puppet Judy Splinters as most outstanding television personality. Success, it would seem, tends to breed better messages. And cable television is slowly beginning to exhibit symptoms of success.

One of the more ambitious projects in the Manhattan area has been undertaken by a transplanted Frenchman named Jean-Claude Baker. Working with his own small staff, Mr. Baker produces a weekly program called "Telefrance U.S.A.," a package of French movies and television programs, news items from France, and interviews that he himself conducts with everyone from French stars passing through town to Marlon Brando to Paul Bocuse, master chef, visiting the Sign of the Dove restaurant. Meanwhile, the indefatigable Mr. Baker has elicited sponsorship support from French businesses dealing in perfumes or champagnes or jewelry or whatever. He is currently showing a 13-episode epic called "Les Gens de Mogodor," which was one of the most successful serials ever presented in France. Meanwhile, on pay cable, H. B. O. is supplementing its theatrical-release films less with sports, which often are only regional in interest, than with its own entertainment specials. A recent "On Location" production featured Neil Sedaka giving an outdoors concert in California.

On top of these and other alternatives, there is the owner of a video cassette system who, instead of being stuck with what the networks may be offering on any given night, can go to his video "library" and select an old film or some favorite episodes of "Upstairs, Downstairs," or a portion of "Roots" (with the commercials deleted). These are no longer "pie in the sky" fantasies. The machines and the capabilities are here and selling well enough to have hard-nosed analysts anticipating a "critical mass" in just three or four years. Mr. Goldenson and his colleagues have every right to frown in public these days.

HUMAN RIGHTS IN MAINLAND CHINA

HON. CHARLES E. GRASSLEY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. GRASSLEY. Mr. Speaker, President Carter's defense of human rights has drawn praise from many quarters. All men of good will share the commitment exhibited by the administration. However, I am concerned that this Nation's advocacy of human rights may be turned into a political tool instead of the clear statement of moral principle that it should be. This Congress by resolution, and the American Government through our representatives at the United Nations, have condemned the Republic of South Africa for its unpardonable suppression of human rights. Pressure has similarly been brought to bear on Rhodesia as well as a number of Latin American nations essentially friendly to the United States.

If we are, as a nation, to have a human rights policy, it must be consistent. Our policy must be based on principle rather than simple political expediency. Some Americans would have us sever ties with Taiwan in order to improve relations with the mainland People's Republic of China. I believe that such a policy would fly in the face of the human rights principles by which this administration and this Congress have set such store. The following article, written by a correspondent recently returned from the People's Republic of China, sheds new light on the human rights situation in mainland China today. The harsh realities of life cannot be ignored. We cannot have a double standard. The article follows:

MILLIONS OF "RICH PEASANTS" PENALIZED FOR BACKGROUND

(By Ross H. Munro)

PEKING.—Fu Nung-ren has been a member of China's sub-class ever since the Red Army arrived in his village in 1947 when he was 26 years old.

It was Fu's misfortune to have been born into a family categorized by the Communists as "rich peasants," a label he wears to this day. He is only one of at least 30 million Chinese who are openly discriminated against because of their "bad class background."

Like other members of the sub-class in the Chinese countryside, Fu gets lower wages, is barred from his commune's free medical service, cannot participate in any political activities, is a frequent target for verbal abuse and has few hopes of improving his lot in life.

Families like Fu's were "rich" only in comparison with the masses of poor and landless peasants in the war-torn China of the 1930s and 1940s. The average rich peasant in the 1940s owned somewhere between two and three acres of land. As long as it was a large enough tract that he rented some of it out, or hired even part-time labor to work on it, then he was classified as "rich."

Chen Fu-ching, the leader of the Tung Ku Cheng production brigade where Fu Nung-ren works as a field laborer, described what happened to families like Fu's when the Communists took over this area near the city of Shihkiachwang, south of Peking.

"The poor and lower-middle peasants organized the Poor and Lower-Middle Peasant Association and brought the landlords and rich peasants together and settled accounts with their crimes in the past."

Unlike many and perhaps most villages in China, no one here was executed or beaten to death, according to brigade leader Chen. But "settling accounts," in Chinese Communist parlance, suggests some severe beatings.

Chen says the Communists confiscated the landlords' and rich peasants' lands as well as those possessions that were deemed "surplus to their personal use" and distributed them to everyone in the village. From then on, Chen adds, the landlords and rich peasants "were not permitted to do or speak evil things. And they were deprived of political rights . . ."

Although Chen doesn't reveal the man's real name—Fu Nung-ren is a pseudonym meaning rich peasant—he is quite frank in discussing his case. Fu after all is just one of 11 members of the sub-class in the Tung Ku Chen production brigade who have kept their class enemy status.

Some members of China's sub-class have succeeded in convincing Communist Party officials that their "caps" should be removed from their heads ("To put a cap on" a person in China means to attach a negative political label to him). When Chen is asked why Fu has not succeeded in shedding his sub-class status, the response is rather vague.

"His behavior and manner are not good so he still has the cap on . . . The production team asks him to work honestly in the fields but he just doesn't work and he sometimes says nasty things and some nonsense."

He may have to. Like virtually all members of the sub-class in rural China, Fu Nung-ren receives 10 to 20 percent less pay than others doing the same work. Rural wages are based on the type of job and the skill involved, the effort which the worker is judged to be making and, finally, his political attitudes toward his work and the Communist system. These last two factors each count for about 10 percent of a peasant's wages under this work-point system. And, as Chen points out, "these two things are linked together. If he doesn't like to work, then of course he can't work hard."

Fu Nung-ren must also pay another economic penalty for his background. Chen says Fu cannot get free medical care from the local clinic like other members of the brigade. How common this particular form of discrimination is remains uncertain; many brigades still charge all their members for medical care.

As long as he remains a member of the sub-class, Fu is barred from political meetings and from having any voice in choosing brigade officers. In fact, Chen suggests at one point that Fu really isn't considered a member of the brigade at all. Fu's chances of getting anything except the lowliest job are, of course, nil.

Chen insists that the children of former landlords and rich peasants "get the same treatment as others" in this particular production brigade. But this isn't the general

rule in China. In many communes, children and even grandchildren of rich peasants and landlords inherit their father's class standing and must work hard to have their "cap" removed. Anyone with a "bad class background" in China falls under a political cloud.

"If they are of landlord family origin," a brigade leader in Shansi Province says, "then they may be influenced by that. So they need more tempering and transformation." The brigade leader indicates this means they must prove their worth by doing more ordinary labor than others.

Childen with the wrong class background have only a very slim chance of being selected to attend a school of higher learning even if they have clearly demonstrated their academic ability. After visits to Chinese colleges and universities during the past two years, it's evident that some sort of regulation restricts the number of students with a "bad class background" to a maximum of 5 percent of the student enrollment, but the actual proportion is well below that.

The background records follow Chinese citizens everywhere. Sometimes the class background of someone who has moved away from the rural areas is ignored for years, and then suddenly it becomes relevant again and the person in question suffers.

Two Chinese citizens, for instance, who were idealistic and patriotic teenagers when they joined the Red Army before the Communist victory in 1949 established excellent records in the army and were advancing at a good pace. Then came one of those periodic campaigns during which officials were urged to pay more attention to the class background of those under them. The two suddenly found that roads to further advancement were blocked, and they were being systematically discriminated against because their grandfather was a small landlord.

In addition, they became objects of suspicion because some of their relatives had left China soon after 1949. Today, they hold factory jobs—quite decent by Chinese standards—but they have no hope of advancement and they constantly worry that their children will have little chance of getting any advanced education because of the few acres of land their great-grandfather once owned.

One of the most unpleasant aspects of belonging to China's sub-class is probably the social isolation. Young Chinese children are taught from a very early age that landlords and rich peasants are bad people. They're also told at a very early age the identity of their village's landlords, rich peasants and their offspring.

It seems that every political convulsion in Communist China has been accompanied by attacks on members of the sub-class who provide the easiest if not the most appropriate targets. Sometimes the attacks are more than verbal. Ten years ago, during the Cultural Revolution, peasants in one area in northern China killed all the former landlords and rich peasants—including their wives, children and babies—in one day. According to an official Chinese source, the incident occurred in 10 production brigades, suggesting that hundreds have been killed.

Many outsiders initially find it strange and even rather ludicrous that Chinese officials are still regularly denouncing landlords, rich peasants and bourgeois elements nearly three decades after the wealth and property of these groups were confiscated. A partial explanation for the denunciations is the fear among some Communists that these elements would somehow regain their elite status if the Communists lowered their vigilance.

But Richard Curt Kraus, a U.S. sociologist and Sinologist, has offered a second explanation. He argues that members of China's "new class" of officials have discovered that it's very much in their interests to keep the heart on the former landlords, rich peasants and old bourgeois elements. By focusing attention on these groups, Kraus reasons, Chinese officials divert attention from themselves, the new bourgeoisie that Chairman Mao Tse-tung identified as the new and more dangerous class problem facing China.

BUDGET AND IMPOUNDMENT OVERSIGHT

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. PICKLE. Mr. Speaker, recently the House Budget Committee held oversight hearings on the Budget Reform and Impoundment Control Act of 1974. Few laws have done more to change everything from normal daily operations to constitutional balances of power than this act. Control of the public purse strings makes the difference between a republic in name and a republic in fact. If the Congress does not maintain control of Federal tax moneys and, thereby, the policies they implement, then all else it does is for naught. This has been true throughout history, and it is true today. It is why we must exercise extra care with this law. I praise the Budget Committee for taking the time to make a thorough assessment of this law, which has now been in full force for 2 years.

Although I was not able to appear in person before the committee's hearings, I have submitted a statement for the hearing record, and I would like to share my thoughts with the Congress by including them here as follows:

TESTIMONY OF U.S. REPRESENTATIVE J. J. PICKLE ON THE BUDGET REFORM AND IMPOUNDMENT CONTROL ACT

I am very pleased to have this opportunity to express my views on the progress we have made under the Budget Reform and Impoundment Control Act. We have come far. When I realize it was five short years ago that I was joined by about a dozen colleagues to discuss the problems of budget control and impoundment of funds in a Special Order on the House floor, I am astounded.

With the passage of this act two years after that floor discussion and with its subsequent, and largely successful, implementation, we have done many things. We have raised the level of debate in the House and Senate on economic matters. We have increased Congressional awareness of economic problems and of the tools available to deal with them. We have, most importantly, given ourselves a measure of confidence in our basic duty—the control of the Federal purse strings.

Many times in debate on this bill, Members and commentators noted that control of the national purse was the key to the existence or demise of a republican form of government. This has been the case time and again throughout history. There is no doubt that by 1972 we were losing control of the money raised by taxes, and we were losing confidence in our ability to govern. I think nothing, not even the impeachment process, has had as deep and as long-lasting an effect on the Congress reasserting its proper place in the government as has the Budget Reform and Impoundment Control Act.

All this is by way of saying once again how important it is that we be careful about this law. It is to be guarded and used with more care than anything else we do because without it, and without the powers that it supports, everything else in a republican government is for naught.

The first comment I have is not a proposed change in the law itself. It addresses how we have already begun to abuse the ideal set out in the law. If we are to have power over the budget, we must be responsible. The budget act cannot be used as an adding machine to tally up the sums of the various appropriations bills, tax bills, and other spending and revenue mechanisms. Granted, a simple tally is an improvement over what we had before. But it is not enough.

We have had too many budget resolutions. We must not fall into the trap of passing Third and Fourth budget resolutions. The great beauty of the Congressional Budget Act is that it makes individual Members of Congress look hard at the national economic picture and at the role of government revenues and spending in the national economy. If we do not stick to our original program of two budget resolutions, we will undermine the incentive to do the extra homework, to do the extra thinking, and to make the choices early on to shape a coherent and intelligent budget policy.

I realize that this is a complicated task, involving more than just forcing ourselves to do extra work—a large enough task in itself.

For instance, it is difficult to make accurate economic forecasts even for so much as a year ahead. Some might say that we should always assume the most pessimistic forecast in our budget to be sure we have enough to cover our needs. But since what we do with the Federal budget has an effect throughout the economy, we run the danger here of making a self-fulfilling prophecy. Other approaches may offer similar thorns.

I am very pleased to understand that this Committee will be holding technical hearings in the near future which will include problems of economic forecasting.

I do not have any ready answers to this problem. But I think it is vital that having two budget resolutions a year be a goal of the highest priority. If the Leadership and the Committee will assert to the general membership the importance of making our economic choices in a package deal—rather than stringing them out in several separate resolutions—then I think the power of the Congress over the Federal purse strings not only will be preserved, it will increase. It will, I daresay, make us more effective policy makers than the Executive Branch.

If we do not, then we will only be where we were back in 1972, except we will have an added layer of paperwork and bureaucracy to deal with here in our own domain.

Regarding impoundment, I think our major problems are of a fine-tuning nature.

One of the most visible impoundment problems has been the effective impoundment of rescissions during the forty-five day waiting period for Congressional action.

Quite frankly, I fail to see where the Executive and the Comptroller find the authority (or lack of clarity) which has been used to allow the impoundment of funds during the rescission waiting period. Section 1012(b) of P.L. 93-344 reads:

"Requirement to Make Available for Obligation.—Any amount of budget authority proposed to be rescinded or that is to be reserved as set forth in such special message shall be made available for obligation unless, within the prescribed 45-day period, the Congress has completed action on a rescission bill rescinding all or part of the amount proposed to be rescinded or that is to be reserved."

The law is quite clear to me. The money shall continue to be available until Congress acts.

I am reminded of the statement by Charles Dawes, the first director of the Bureau of the Budget back in 1921. In his book "The First

Year of the Budget of the United States," Dawes says, "Again I say, we have nothing to do with policy. Much as we love the President, if Congress, in its omnipotence over appropriations and in accordance with its authority over policy, passed a law that garbage should be put on the White House steps, it would be our regrettable duty, as a bureau, in an impartial, nonpolitical, and nonpartisan way, to advise the Executive and the Congress as to how the largest amount of garbage could be spread in the most expeditious and economical manner."

This is a bit facetious, but I think it makes the philosophical point.

Of course, in our government, matters are seldom so simple, and the question immediately comes to mind: What if the White House steps had been completely covered with garbage for less money than had been appropriated. Would this not allow a "reserve" to be established first, and then a rescission proposed, as described in Section 1002 of P.L. 93-344?

Yes, it would. But this is not the same type of reserve as one where the Executive wants to stop the spreading of garbage on the White House steps. Section 1002 is clear that reserves may be established prior to Congressional action only when policy is not affected. It states:

". . . reserves may be established solely to provide for contingencies, or to effect savings whenever savings are made possible by or through changes in requirements or greater efficiency of operations . . . whenever . . . any amount so reserved will not be required to carry out the full objectives and scope of the appropriation concerned . . . and no reserves shall be established other than as authorized by this subsection."

I would like to append to this statement a letter I wrote to then-Chairman of the Budget Committee, Brock Adams, on this topic on April 8. 1976.

We may not be able to close the 45-day impoundment loophole entirely, but I think clearly we should allow the Executive to withhold funds during the 45-day rescission period only as a last resort. All other avenues must be exhausted first.

For instance, one avenue would be to require the Executive, whenever possible, to ask for the rescission in advance of the time they want to begin withholding funds, and to require the Executive to show why it could not do so if there were, indeed, some emergency.

On a related matter, there has been a lot of concern focused on the fact that the 45-day rescission period usually turns out to be a lot longer than 45 days because it excludes recesses of three days or more. Bills have been introduced to remedy this problem, and I wholeheartedly support the effort to do so. (These are the so-called Baucus and Muskie bills.) I firmly believe if the money described in a rescission message is being withheld, and Congress disapproves that rescission, the money should be made available that moment.

But in our concern to correct this loophole or potential for abuse, we should not forget the original purposes of the Act. We should not do anything which would legalize what is now an illegal 45-day impoundment except as an emergency measure of last resort. I would, therefore, prefer to come as close as we can to the bill originated by Father Drinan in this regard. In every possible case, money proposed for rescission should continue to be spent unless and until Congress acts to agree with the rescission.

It would be well, too, I think, to change the time limits on a rescission to 60 calendar days, as a further safeguard against extended, illegal impoundments, even on an emergency basis.

We have also apparently run into the problems of de-facto rescissions through chain-deferrals, or monies deferred more than once, or through money deferred for a considerable time or deferred until the spending authority ran out. To prevent this, we may want to require the Executive to place a front and end time on any deferral. We may also want to emphasize the GAO's authority to declare a deferral in fact a rescission and to clarify the definition of rescissions somewhat so that such instances would clearly fall under the rescission category.

In June of this year, the Comptroller General made a report to Congress on the Impoundment Control portion of the Act. In Chapter 4 of the report he listed several suggested revisions in the law, including stating the length of time for a deferral and changing to a 60-day rescission period. I would like to comment briefly on one other recommendation.

Several of the proposals suggest eliminating the requirement that all deferrals, including those authorized under the Antideficiency and other Acts, be reported. I would strongly disagree with these recommendations. Even though these deferrals have not been a cause of contention, it is important, I think, that the Congress and the GAO have a full reporting and a full picture of current Federal spending (and non-spending). It is important that the Congress have the ready information to determine that these are indeed routine and statutory deferrals and not have to depend on scattered information about some deferral labelled "routine" by the Executive which others may deem policy-oriented.

In conclusion, I applaud this Committee for moving forward to strengthen the Budget and Impoundment Act. If I can be of further assistance, I hope the Committee will feel free to let me know.

APRIL 8, 1976.

Hon. BROCK ADAMS,
Committee on Budget,
Washington, D.C.

DEAR CHAIRMAN ADAMS: I read with great interest the letters between Representative Ottinger and Senator Muskie in the April 2 Congressional Record (page 9275) regarding a problem with the impounding of funds which the President has proposed for rescission. The solution proposed in Senator Muskie's letter, however, seems to make legal a practice which is not now legal and which is constitutionally incorrect. Section 1012(b) of the Budget Reform and Impoundment Control Act states clearly to me that until a rescission is approved, the funds should continue to flow. I think that was the intention of the Congress regarding rescissions, which are in reality amended appropriations, as opposed to deferrals, which are to affect no changes in policy but simply to allow for an even flow of funding.

To authorize the use of impoundment resolutions in the case of funds impounded during the 45 day action period on a rescission request, therefore, would be to authorize an impoundment which the law now makes illegal.

I am curious on what basis the Executive Branch is basing its asserted right to impound money during this 45 day period. Is it Section 1002? If so, it seems Section 1012(b) should clearly take precedent since it is the more specific and deals directly with the specific procedure for rescissions. Perhaps Section 1002 could be amended to make that more clear.

If the loophole were closed, however, would practical problems arise where rescissions are requested because all the funding honestly is not needed to carry out the provisions of a law? If this is so, could not the Executive in the bulk of instances request the rescission far enough in advance that the Congress could have time to act—or some provision be made for the money to be made available but unexpended funds returned to the Treasury after a rescission is approved—or some other such solution enacted?

This whole issue is complex and it is most difficult to cover all the contingencies. I have had the utmost admiration for your work in steering the entirety of this important legislation through these early months. But, if possible, I hope that we will not allow the Executive to rule the roost on this and carve out for itself what amounts to a legal forty-five day impoundment without first exhausting any other routes.

I would be very interested to have your thoughts on this matter.

With best regards.

Sincerely,

J. J. PICKLE.

PANAMA CANAL

HON. JOE SKUBITZ

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. SKUBITZ. Mr. Speaker, I would like to share with the body a letter I received sometime ago about the Panama Canal. I am sure my colleagues will appreciate Spud's sage remarks:

DEAR CONGRESSMAN JOE: By golly, Joe, the lights were lighted and the beer flowed the night at Skeeters Cafe when we got the news of what you boys did on the Dent Minimum Wage bill! When ole Skeeter and Ernie from the Skelly station found out you all exempted businesses makin' less than $500,000 a year, I was proclaimed a local hero. Why I tell you, Joe, the boys wanted to name a monument for me. They decided that since there was a Washington Monument and a Coolidge Dam, there ought to be a monument to old Spud.

Joe, they wanted to name the town comfort station in my honor but I objected—it's always short on water and it don't smell so good. They finally settled on the town's Bandstand.

Well, Joe, the boys wanted me to write this letter to you in my capacity as the Treasurer of our town.

As you know, Joe, our town's finances aren't the best. After we floated them revenue bonds to finance the addition of a right turn arrow to the town's stop light, we have been kind of short of funds.

So we had this big town meetin' last Thursday at the library, Joe, and Kermit Winslow—he's the mayor—he asked for suggestions on how to raise funds for our town's physical year 1978 budget. Well, ole Ernie from down to the Skelly station thought we ought to have a car wash but Thelma Snyder was pushin' for a bake sale.

Well, Joe, we was about ready to go with the bake sale when the Robinson kid stood up from way to the back of the meeting room and says we ought to negotiate a treaty with the U.S. Government to accept the Panama Canal.

Kermit, of course, thought young Robinson was nuts and was about to gavel him out of order when our local Civil Rights advocate, Ms. Maud Clunk—who is a cross between Bella Abzug and Gloria Steinem—demanded he be given his right to speak. Ole Kermit reluctantly told him to go ahead but to be brief.

Well anyway, the youngster began readin' this article from the Current Argus about this Torrijas fella who runs Panama. That article said ole Jimmy Carter wants to give the Panama Canal away to Panama, but Torrijas says he won't take it unless Jimmy Carter throws in $5 billion—cash on the barrel-head—plus $200 million a year.

Now—ole Jimmy, he weren't born yesterday, he decides to drive a hard bargin. The fellas down here think he took Torrijas aside and told him he was pushin' his luck. He tells Torrijas he will only give him $295 million a year. Well, Joe, ole Torrijas must of threatened to walk out on the spot cause Jimmy agreed to throw in an additional $10 million a year from Canal revenues. Now I don't know where the editor got his information, but according to the Current Argus, it seems that Torrijas wasn't none too happy but he agreed to the deal after mutterin' something about a pebble in his shoes for 23 years.

Well, Joe, that brings me to the reason for which I am writing this letter. The town council instructed me to write the United States Government and extend the official offer of our town to take the Panama Canal for a flat $100 million—no annual payments involved and no strings attached. We will take $10 million in cash and the balance in sewer grants, a playground for the kids, a recreation house for us old coots, and surplus marching band uniforms and musical instruments.

Joe, we don't know nobody in Washington but you, so we would like for you to present our offer to the President. The town council told me you can accept the Canal on behalf of our town on the terms outlined above—$100 million. If the President really gets tough, you can go as high as $150 million but no higher.

Confidentially, Joe, we are concerned about one thing—we know what to do with the money and the band uniforms and instruments but I'll be gall-darned if we can figure out what to do with the Canal—we sure can't afford to sell it.

We do have one possibility, Joe. Ricky Henson has a brother who runs a big construction company up in Omaha. Ricky said he would ask his brother how much it would cost to fly all his machinery to the Panama Canal and fill it in.

Sincerely,

SPUD.

AMERICAN COMPANIES HELP DEVELOP COMMUNIST CHINESE OIL INDUSTRY

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. ASHBROOK. Mr. Speaker, our Nation is facing a worsening energy crisis. More than 40 percent of our petroleum supplies now come from unreliable foreign sources.

Given this situation, you would think that the United States would be making the fullest efforts to develop its oil and gas reserves. That is not the case, however.

Strangely, U.S. companies are selling millions of dollars of oil-drilling equipment to Communist China. According to a Washington Post article, an estimated $50 million in American drilling equipment has been sold to that country. Deals totaling millions more are in the works.

The Post states:

Sources here and in Houston, Washington and Peking say one Texas-based company has just sold Peking two self-contained drilling rigs for fixed offshore platforms at a total price of $20 million to $30 million. Executives of two other U.S. companies have just arrived in the Chinese capital to compete for the sale of moveable jack-up rigs costing more than $30 million each, Peking and Houston sources say.

This is ridiculous. Why are we building up the oil and gas industry of an adversary when we should be developing our own reserves right here at home? Why should U.S. firms export oil technology to Communist China when we need that technology to produce oil and gas for Americans?

It is a mistake to export our valuable technology to Communist China. The real beneficiary in such deals is Red China, not the United States.

The article follows:

[From the Washington Post, Nov. 27, 1977]

CHINA TURNING TO UNITED STATES FOR EXPENSIVE OIL-DRILLING EQUIPMENT

(By Jay Mathews)

HONG KONG, Nov. 26.—Intense negotiations under way in Peking have produced an estimated $50 million in sales of American drilling equipment to China and revived sluggish trade between the two countries, knowledgeable oil industry sources say.

Sources here and in Houston, Washington and Peking say one Texas-based company has just sold Peking two self-contained drilling rigs for fixed offshore platforms at a total price of $20 million to $30 million. Executives of two other U.S. companies have just arrived in the Chinese capital to compete for the sale of moveable jack-up rigs costing more than $30 million each, Peking and Houston sources say.

The sales, involving several American companies that have been actively courting the Chinese over the last few months, indicate Peking has decided to overlook its diplomatic problems with Washington in its rush to gain advanced U.S. oil technology. The negotiations are the most concrete sign to date that China is determined to become an industrial and trade leader through development of its rich oil resources.

Chinese Communist Party Chairman Hua Kuo-feng has called for creation of 10 more oil fields like China's huge complex at Taching in Manchuria. Peking is softening its earlier insistence on economic self-reliance to get foreign help for the crash program. There are reports of approaches to European firms, including a huge order for West German drilling pipe, in addition to the talks with U.S. suppliers.

Caterpillar Tractor Co. of Peoria, Ill., has sold the Chinese about $10 million worth of engines for running oil-field equipment in the last few months. One Texas firm that sold what an executive describes only as a "few million dollars' worth" of petroleum equipment to China recently has had a representative in the Peking Hotel since summer. He has been asked to return for more talks after his Christmas vacation in Houston.

Oil industry sources seem confident that the initial purchases by Peking are only what one described as "the tip of the iceberg." But some note that the Chinese persist in sticking to penny-pinching practices that in at least one instance have caused them trouble in putting advanced U.S. technology to use.

Since 1975, the Chinese have bought three jack-up rigs from a Singapore supplier, Robin Loh, that have included some sophisticated American equipment. One of the $30 million rigs broke down this year after the Chinese declined to buy the customary training program for their rig crews.

In September, several American technicians, not sure where they were going or why, were whisked out to the drilling site off the South China coast and asked to save the floundering rig, which they apparently managed to do.

In the most significant of the deals completed so far, National Supply Co., a division of Armco Steel based in Houston, has won a contract to provide two self-contained rigs to be installed on Chinese-made platforms, probably in the shallow waters of the Po Hai Gulf.

Sources familiar with the negotiations say the Chinese will only pay "packaging" costs—the price of having American technicians float the rig parts out to the platform and install them—for the first rig. They plan to install the second rig themselves, after watching how the Americans do it.

Industry sources say Livenston Shipyards of Orange, Tex., and Marathon LeTourneau of Vicksburg, Miss., now have representatives in Peking talking about purchases of more jack-up rigs. The jack-ups, which can be moved by pulling up their legs from the sea floor, are used in oil exploration while the fixed platforms are usually set up over proven oil pockets.

There have been persistent rumors that the Chinese have contacted American firms for the purchase of a semi-submersible rig, a huge barge that is kept steady over a drilling site by computer-run engines. None of the American sources reached could confirm negotiations for such a rig, which can cost as much as $50 million.

Earlier this year the Chinese bought their first semi-submersible and fourth foreign, rig—the "Borgny-Dolphin," from Norwegian Fred Olsen.

As part of Washington's semi-official effort to encourage trade with Peking, a 10-member delegation of the National Council for U.S.-China trade has arrived in Peking to conduct technical seminars for Chinese oil industry executives. The council sponsored a major tour of American equipment companies by a Chinese delegation last summer, the first step toward the current negotiations.

The Chinese appear to be following their rule of favoring companies with long-standing relationships, such as National Supply or Houston's Baker Trading Co., whose president, J. Ray Pace, is now in Peking. National Supply had furnished some equipment for the Robin Loh rigs, which gave it an advantage over its Houston competitor, Continental Emsco, in the negotiations over the fixed platform rigs.

The oil executives are reluctant to discuss the negotiations publicly, for fear of alerting competitors or offending the publicity-shy Chinese.

The executives say it is not yet clear how the Chinese plan to finance the equipment purchases. Some bankers expect the Chinese to use the deferred payment schemes they favored in major plant purchases in 1974. Payments on those purchases have now wound down to where the Chinese can afford a new round of buying. Executives do not expect the equipment being purchased now to be deliverable before the middle of 1978.

American oilmen say they have been lectured occasionally about Washington's failure to extend full diplomatic relations and to solve financial and trade disputes left from the Communist takeover of the mainland in 1949. But asked if the Chinese had threatened to take their business elsewhere if normalization did not come, one veteran oil executive said, "They have made a point of not saying that."

VIVIAN V. BAILEY

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. ADDABBO. Mr. Speaker, the New York Daily News on November 20 ran

an article about one of my constituents, Vivian Bailey, whose work and involvement with her fellow human beings would be an inspiration to anyone. She is one of the best examples I can think of for our citizens to emulate, and I would like to share her story with my colleagues.

Accordingly, Mr. Speaker, I include this news article in the RECORD:

IF DEEDS WERE INCHES, SHE'D BE TALL INDEED

(By Mary O'Flaherty)

She's just four feet, 10 inches tall, but those who know Vivian V. Bailey of St. Albans are prone to call her, with obvious admiration, a "dynamo."

She's president of the 105th Precinct Community Council, but this is just one of the many community organizations that Mrs. Bailey, a grandmother and city worker, has been giving her time and efforts to over the years.

She's the immediate past president of the St. Albans Civic Improvement Association and a former vice president, from 1969 to 1973, of the Jamaica branch of the NAACP.

HAS OTHER ACTIVITIES

She's also active with the Queens Society for the Prevention of Cruelty to Children, of which she is secretary as well as a member of its executive committee.

Add to all this her membership in Community Planning Board 12, the Borough President's Committee for Community Affairs, the Citizens Committee for a Medical College in Queens and several other Queens groups, and you'll begin to understand why she's called a dynamo.

Mrs. Bailey herself says simply, "If you really want to participate in community groups, you can. . . . There is one for it if you want to do it.

TV STARING IS OUT

"People spend a great deal of time staring at that little TV box and feel there are many more important things that deal with the real quality of life in your community. Less TV-viewing and more doing things for the community would be better."

Mrs. Bailey, whose dark hair is graying, is the wife of Austin Q. Bailey, an electrician, and mother of a married daughter, Carol Reed, who has four children.

The Baileys moved to Queens, settling in St. Albans, about 24 years ago and Mrs. Bailey soon became interested in community activities. In addition, for 26 years, she has been employed in the city's Human Resources Administration Department of Social Services, where she now holds the administrative job of office manager of Protective Services for Adults.

Traveling back and forth daily between her Queens home and her job in downtown Manhattan means an hour and a half trip each way. Energetic Mrs. Bailey uses the subway ride to think about her community activities.

"I DON'T WASTE TIME"

"I get on at the beginning of the line, both in the morning and in the evening and so I always have a seat," she explained. "Therefore I can concentrate on different things during the subway, make notes and plans.

"I don't waste time in the subway. I try to make every moment count if possible. Sometimes, if I find I'm a little bushed, I let myself drift away for a little while, then wake up and go along with the task."

Finding the time and energy to help other people has earned Mrs. Bailey many awards. However, she hasn't even counted them and so modestly says only that she has "a few."

CITY'S HIGHEST AWARD

To name some of them—there is the national citation she received last April (1977) for her volunteer activities and the city's highest award for volunteer work—the Mayor's Volunteer Service Award—which was presented to her at Gracie Mansion last year for her efforts in developing better relations between the community and the officers of the 105th Precinct in Queens Village.

Back in the '60's when she was involved in the civil rights struggle she was given a community service award by the New Omicron chapter of the Omega Psi-Phi fraternity. This was for her leadership in getting donations of 50,000 cans and boxes of food—22 tons—from the residents of southeast Queens for the people of Selma, Ala. For this undertaking in 1965 she rallied the cooperation of Queens churches, schools, civic and fraternal organizations.

FIRST WOMAN PREXY

Other recognition of the Queens woman's service to her community include awards from the South East Queens Community Corp., Jamaica Chamber of Commerce, the 29th A. D. Regular Democratic Club and the Jamaica Club of the National Association of Negro Business and Professional Women.

She was the first woman president of the St. Albans Civic Improvement Association, serving one one-year term and two two-year terms until last June. She is now a member of the board.

Besides being a member of the Jamaica Branch of the NAACP she also belongs to several other NAACP units, including the Corona branch.

She doesn't count how much time she gives to her various community service activities. "You don't really notice it after a while," she said.

RALLY OPPOSING GIVING THE HOLY CROWN OF SAINT STEPHEN TO THE COMMUNIST GOVERNMENT OF HUNGARY

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Ms. OAKAR. Mr. Speaker, today I will be joining with thousands of Hungarian-Americans and other freedom loving people in a huge rally in Washington to express our opposition to the President's proposal to give the Holy Crown of Saint Stephen to the Communist Government of Hungary. In addition, I will be reintroducing the bill I authored, the Hungarian Crown of Saint Stephen Protection Act, with additional cosponsors. This bill would forbid return of the Crown unless Congress approves by specific legislation.

The support which this effort to save the Holy Crown has gained both in Congress and among the American people generally is very heartening. The Holy Crown is a sacred symbol of Hungarian independence and freedom, and the more people become aware of its significance, the stronger is the opposition to giving it to the Soviet dominated government of Hungary that is now in power.

For the information of my colleagues, I would now like to insert into the RECORD a copy of the statement I will give to the rally today.

STATEMENT OF CONGRESSWOMAN MARY ROSE OAKAR

It is truly an honor for me to join with you here in what is perhaps the most important cause in the world today: the effort to guarantee to all people, everywhere, those human rights which we in this country consider to be inalienable. For in urging that the United States not return the Holy Crown of Saint Stephen to the present Communist government of Hungary, we are saying that Hungary today is not a free land. We are saying that the Soviet domination of Hungary and the other countries of Eastern Europe, denying those people the basic right to self-determination, is wrong. And we are saying that the United States should not place its stamp of approval upon the Kadar government by giving to it the Holy Crown, which for nearly 1000 years has been a sacred symbol of Hungarian independence and freedom.

It is because the issue of the return of the Crown is a basic issue of human rights that those of you of Hungarian ancestry are today being joined by people of many other nationalities in the effort to save the Crown. While the Crown was given to King Stephen of Hungary in 1001 A.D., the ideals of freedom and self-determination for all, and the commitment to religious values that the crown embodies, are very much international in character.

So deep is your commitment to these values symbolized by the Crown that many of you have traveled many miles to Washington, to the seat of our government, to speak out in their behalf. In doing so, you are exercising one of the basic rights guaranteed to us by the Constitution of the United States, the right to assemble peaceably and petition the government for a redress of grievances. I commend you for your dedication to this cause, for in your presence here today, you are acting in the spirit of freedom which guided the founding fathers of this land.

Unfortunately, today there are many individuals who seem to have forgotten this spirit of freedom. For the purpose of expanding international trade—for mere material gain—they would sacrifice America's commitment to human rights abroad. Greater international trade may be desirable, but we should never, never seek expanded trade with a country if the price for it is our being silent about deprivations of human rights.

I see the loss of this spirit of freedom among some public office holders, too, in the recent action of the Los Angeles City Council in refusing to name a street after the great Polish general who was instrumental in the American Revolutionary War, Thaddeus Kosciuszko. These officials complained that the name was "too long" and "too hard to pronounce."

Let me assure these officials that the people of Cleveland have never had any problem in pronouncing the name of Kosciuszko Avenue in Cleveland, and neither have the people of the many other cities of the Midwest who have named a street after this hero of our war for independence. Let me also warn these officials that a nation which fails to honor the great leaders of its past will soon forget the great ideals for which they stood—and for which we are speaking out here today.

Similarly, on the issue of returning the Holy Crown to the Communist government of Hungary, President Carter and others in the State Department appear to have forgotten both the tremendous significance of the Crown, and the proud heritage of our nation on issues of human rights. Thus you, the people, have come to Washington to speak some common sense to your lawmakers, to remind them of our heritage, and of what the crown means to the Hungarian people and to all of us who value human rights—truly the Crown of Saint Stephen is the Crowning Glory of Human Rights for all people.

We must not lose sight of the fact that human rights fought for by generations before us have helped to make our own land

great—have helped to build our industrial strength and our own pride in a land where the freedoms hard fought in other homelands would be respected on our soil. The United States traditionally has been the aggressor in pursuing improved trade relations with many other countries, yet too frequently our concessions in pursuit of this course of action works to the detriment of our own people—as we have most recently seen in our steel industry. We must respect those past and present who toil on our soil because it represents the freedoms we all hold dear. We must stop making concessions under the guise of improved trade relations.

Let us make the message to President Carter and to all the Senators and Representatives of this land very clear—the Holy Crown of Saint Stephen must not be returned to Hungary except on two conditions. First, All of the Soviet Troops which now occupy Hungarian Territory—The Soviet Troops which spilled Hungarian blood in crushing the valiant revolution of 1956—must be withdrawn. Secondly, free elections, resulting in a government which truly reflects the will of the people, must be held in Hungary. Return of the Crown upon any lessor conditions than these cannot and will not be acceptable to us.

I wish Godspeed to all of you, and I look forward to the Day—which I know will come—when all of us can gather in a free Budapest and can, with a full and joyful heart, return the Holy Crown of Saint Stephen to a Hungary that is truly free and independent—a Hungary that is as much a government of the people, by the people and for the people . . . as is our own great United States.

GOV. MILTON J. SHAPP'S ADDRESS AT THE PENNSYLVANIA STEEL CONFERENCE

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. MURTHA. Mr. Speaker, Gov. Milton Shapp of Pennsylvania met with the steel caucus executive committee today and presented his dynamic suggestions to increase the production of steel.

His suggestions regarding steel in relation to railroads would create 100,000 jobs alone.

Governor Shapp has been in the forefront of this issue and I include his presentation to the steel caucus.

GOVERNOR MILTON J. SHAPP'S ADDRESS

PITTSBURGH.—The present steel slump could trigger a major recession in the United States unless effective national and state programs are quickly developed to deal with the core problems.

The purpose of this conference—being held in the nation's steel capital, Pittsburgh—is to analyze the major causes of the present crisis and to develop programs of action to deal effectively with these problems.

This is a crisis which, although years in the making, suddenly has become the focus of national attention. The President has appointed a task force to recommend new policies; foreign trade experts are closely examining the steel imports issue; and more than 100 Congressmen and Senators have formed a steel caucus to coordinate legislative actions.

We in Pennsylvania, and in steel states and communities across the nation, must also respond. We will be the ones most directly affected by policies that the President and Congress develop. We must also respond because there are many states and local programs and policies which have direct impact on the steel industry.

Thus I want to suggest three objectives for this conference and for the activities which will be taken to follow-up today's session:

First is fact-finding. I am hopeful that each of the task forces today will develop a statement of facts and issues which reflects the situation here in Pennsylvania and in states and communities across the nation.

Second, I am hopeful that the conference and succeeding activities will yield a thorough review of state and local policies and program as they affect the steel industry. Six of my cabinet officers will participate in the task force sessions scheduled for today. Their purpose is to expedite recommendations for state action, which may range from retraining programs for laid-off steel workers to investment in public works to aid directly the industry.

Third, I think the conference must focus on national policies and programs. Rather than being the recipient of unforeseen impacts of policies conceived in Washington, we as Pennsylvanians should state our problems and recommend solutions that will benefit all citizens of the commonwealth and of the Nation.

Pennsylvania has much at stake. We are the leading steel-producing state in the Nation. Though the steel problem is national—in fact, international in scope—our state, the home base of the largest American steel companies, accounts for more than 20 percent of all American steel production, and thus, is the state that is hardest hit by the present crisis.

All kinds of reasons are being advanced as the causes of this current situation—foreign imports, obsolete American steel plants, the general slowdown in the American economy, less steel needed by automobile manufacturers, fall-off in highway, bridge and housing construction projects; large capital outlays needed by steel manufacturers to meet environmental standards, high labor costs and the low productivity of our steel plants, etc., etc., etc.

Each of these reasons has some validity, thus the solution for our steel manufacturing problems is not simple.

But effective programs must be developed or there is a grave danger this nation could slip into a depression period of major depth and length.

In Pennsylvania, 10,000 steel workers have been laid off in the past three months alone. Twice that number of jobs has been lost in the steel industry in our state in the past three years and five times that number in the last decade. The ripple effect is even more devastating on our economy.

For example, when Bethlehem laid off 3,500 employees in Johnstown after the flood in August, 1,800 coal miners in the area also lost their jobs. Another 5,000 jobs are being whittled away in wholesale and retail businesses, in transportation and other sectors of the economy. The costs of the Johnstown layoffs include annual income reduction of nearly $150,000,000 and loss in tax revenue to the state and local government of over $5,000,000 a year. These layoffs will also cost at least $18 million just in unemployment compensation.

These same losses have occurred across the commonwealth in recent months: In Philadelphia where the curtailment or closing of the Alan Wood, Midvale and Phoenix steel companies have cost 7,000 jobs . . . in Bethlehem where 1,500 have been laid off . . . in the Mon Valley where several large facilities are struggling to maintain viability . . . in New Castle, Sharon and Farrell where the layoff of 5,000 workers from the nearby Youngstown, Ohio mill has boosted unemployment substantially . . . and in a score of smaller communities.

We are now paying, in the form of lost jobs, lost income, lost tax revenues, and inflated unemployment compensation and social costs, for the failures of past policies to maintain demand for steel and to stimulate, on a continuing basis, modernization investments in the steel industry. These same dollars which are now committed to the nonproductive support of the unemployed, and to the payment of trade adjustment assistance to industries, could be targeted to programs to increase demand for steel and to modernize the productive capacity of the industry.

Many suggestions have been advanced to cure the ailing American steel industry—from imposing import quotas to granting investment credits to steel companies for modernization purposes.

In your panel meetings at this conference, undoubtedly you will be discussing these issues. But I would like to present for your consideration what I consider to be the key program for action to revive the steel industry in America—an issue that unfortunately, has not received as much attention as it deserves.

We should be developing major public sector investment programs in the United States that would directly stimulate significant new demand for steel products and, through such programs, also greatly increase demand for steel in the private sector.

For example, in 1974, I advocated that the Federal government establish a rail trust similar in nature to that of the revolving highway trust fund. We all know the dilapidated condition of our American railroads. There is no way we can possibly fulfill President Carter's national energy objective to increase coal production to a billion tons a year without modern, high-speed rail service in the Appalachian, Mid-West, Mid-Atlantic and New England States.

The rebuilding of our railroads calls for an investment of approximately $20 to $22 billion. This investment could be repaid by adding a small surcharge on the rail freight bills. The concept is not new. The four cent per gallon federal gasoline tax has already brought many billions more dollars back to the United States Treasury than the amount invested in building the interstate highway system.

To rebuild rail roadbeds throughout the Nation will require more than five million tons of steel. New locomotives and freight cars and electrification of main lines in order to cut energy requirements by at least a third, will demand many additional millions of tons of steel.

Congress adopted the principles of the rail trust fund program in the 1976 Rail Act, setting aside $1 billion for rail improvements, including electrification, with the money to be advanced to the railroads and repaid to the Federal Treasury over a period of years.

This is not nearly enough money to do the job, but to date neither the U.S. Transportation Department, nor the railroads has fully implemented even this program. I think it is time to re-examine this plan, for it attacks the triple problem of our energy shortage, deteriorating railroads and the steel crisis.

Mass transit construction is another area that could utilize tremendous quantities of steel simultaneously while reducing this Nation's reliance upon imported oil. The present funding available to urban areas is ridiculously low in view of the massive transportation flight of almost every major city in the Nation. Here again, enormous quantities of steel could be put into constructive use.

In another public works area, it is estimated that a staggering number of more than 100,000 bridges in the Nation (3,000 in Pennsylvania alone) are unsafe and badly in need of major repair or replacement. The tonnage of structural steel needed to make our bridges safe in America could be a major

additional source of demand. By undertaking a sincere effort to repair these bridges, we would not only be aiding the steel industry, but also helping protect the lives of countless motorists. Highway construction and maintenance is also in the doldrums in Pennsylvania and many other States because of lack of funds.

In Pennsylvania this problem is acute because of the dire fiscal condition of our state motor license fund which finances all highway construction and maintenance. Right now, new construction of state highways and bridges is at a standstill, and maintenance has been curtailed because inflation and more efficient automobiles have reduced to a critical point the funds available for highway and bridge programs.

If the Pennsylvania general assembly accepts my recommendations for increasing the revenues to the motor license fund, and if this were coupled with essential new federal programs to support maintenance of the interstate highways in Pennsylvania and the other states, this would stimulate demand for steel to make vitally needed highway improvements which in turn would help the national economy.

In another area, the slump in building construction has cut steel shipments in this sector by more than 40 percent over the past three years. Yet major cities continue to decay and millions of our people are ill-housed.

There are many programs needed to stimulate the construction industry, but one simple one would be to allow builders a fast tax write-off on new construction. For example, if a builder could recapture his investment through depreciation in five or ten years, this would give great impetus to the construction and steel industries. Safeguards would have to be written into the law or regulations to prevent such depreciation from being used more than once, but this would not be difficult.

Such a tax program would be more effective to stimulate the steel industry than granting direct investment credits to the steel industry itself at the present time, with demand for steel so weak, it is not likely that such tax credits would serve as leverage to attract capital for new construction investments.

In a number of other areas, targeted public investments could have the same effects. Water and sewer construction, reconstruction of dams, and construction of energy research facilities are just some examples of investment projects which not only would stimulate demand for steel, but also would yield large social benefits.

Stimulating demand is a far more positive solution than one that calls for the erection of trade barriers. I know that industry, labor and members of our Congressional delegation have called for stronger import restrictions on foreign steel. The three-year import restriction on specialty steel seems to have revived this industry somewhat, and I can sympathize with current efforts to extend those restrictions.

I certainly agree that dumping—that is, the selling of foreign steel in this country below cost—is a practice that should and can be stopped by enforcement of our international trade agreements.

However, we are gravely mistaken if we believe that an end or even a major curtailment of dumping will completely solve the current steel crisis. Foreign steel has made inroads into our domestic market through production in modernized and more efficient plants.

American labor has been unfairly maligned as a costly factor in American steel production. But, steel workers in Japan and the major European steel-producing countries have steadily narrowed the percentage gap between what they and American workers earn. These nations have absorbed rising labor costs through increased production and sales. We can do the same.

On the other hand, we cannot expect industry to invest in new production capacity unless there is increased demand for steel. As I said, much of that demand can be created by targeting public funds for long-neglected public works programs.

There are those who complain that our national and state anti-pollution laws have siphoned-off much of the steel industry's investment capital. There is some validity to this claim. However, it is clear that if we fail to cleanse our air and water and to protect our land, the social costs to this nation will far outweigh the minimum capital that might be freed for the industry.

Unfortunately, the nation's pollution problems were ignored for too many years and recent efforts to control pollution have proven a sudden, heavy expense. Therefore, we should explore methods of financing pollution programs that do not severely penalize our manufacturers, particularly those with older facilities. This can be done through tax incentives including more rapid write-offs—perhaps even immediate write-offs—on investments for anti-pollution equipment.

In this statement, I have merely skimmed the surface of the range of problems facing our steel industry and outlined what I believe are some basic programs that offer the greatest hope for recovery.

You will delve into these problems in greater detail at your sessions today. As you do I would remind you that time is running against America and that a comprehensive agenda for positive action is needed now.

We will make our recommendations to Washington. But there is much we can do at the state level too. You, the representatives of industry and labor have direct access to me, to my cabinet and to other key officials in our state government. Let us work together on a swift and effective course of action, for none of us can afford to let the problems of our steel industry remain unresolved.

Thank you.

EDUCATION CHIEF PRAISES CHINESE COMMUNIST SYSTEM

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. ASHBROOK. Mr. Speaker, it seems that apologists for totalitarian systems always will be with us. On the basis of a November 20, 1977, Washington Post article one of these apologists is Mary Berry, Assistant Secretary for Education of the Department of Health, Education, and Welfare.

According to the Post article Mary Berry has returned from an 8-day visit to Communist China. She finds that we have much to learn from the Communists.

Assistant Secretary Berry sees the Communist system "moving rationally and realistically" by using university admissions quotas for students from different areas and various ethnic groups "in a field that has led to confusion and near-hysteria here." A little later she is quoted as saying another goal is to guarantee that a majority of students "have worker and peasant backgrounds."

Here we see the Carter administration's top education official praising an educational system that allows no individual choice and little advancement on merit. The Red Chinese educational system rests on coercion. Neither students nor their families have any choice in what they can do or where they will go to school. They simply follow orders.

Not only do the masses have no choices but they also have very little opportunity to obtain higher education. If your parents or grandparents were "petty bourgeoisie" or "bourgeousie" the odds that you can get any higher education are slim indeed. To fit in these categories you do not have to come from a family of wealth. If before "liberation" your family owned an acre or two of land or ran a small shop that would probably be enough to exclude you from any chance for higher education or even for a job with any upward mobility.

Also, it is interesting to note that while Berry applauds the Chinese Communist system of goals, quotas and various coercive affirmative action programs the American people reject these overwhelmingly. In matter of fact, the same day's Washington Post that carried the Berry article also ran a story saying the Gallup poll shows that 80 percent of the American people oppose preferential treatment and believe that ability should be the prime determinant in selecting people for jobs or for college admissions. At the end of my remarks I am including the text of this article.

Assistant Secretary Berry continues with the same lines:

> The direction of their overall policy—in terms of access to education as something inextricably linked to the other aspects of human life—should, I believe, represent our basic direction also.

In the 1930's you could find apologists for Hitler praising the Nazi's school systems and their emphasis on racial purity. In the 1970's we find their equivalents praising the Chinese Communist system and their emphasis on class purity. Times change but the willingness of some Americans to applaud mass murderers apparently does not.

According to the Post article, Berry also related how elementary schoolchildren assembled voice boxes for dolls and high school students labored in automobile part factories. To quote the Post, " 'Obviously we have no intention of putting 6-year-olds to work here,' she said in her speech. But Berry added in the interview: 'There's nothing wrong in having school children making something useful and selling it. They could use the money for extra things in the schools.' " Look at the opportunities. We can do away with the child labor laws. Students can spend part of their days in physical labor with the proceeds not going to themselves or their families but to their schools.

Again according to the article, Berry spoke in glowing terms about the Communists requiring students to work on farms and factories often hundreds or thousands of miles from their homes and families. Is this what the Assistant Secretary is urging for the United States?

Of course, the Communist Chinese force students to do these things for several reasons. One is that they have con-

sistently attempted to weaken the Chinese family—one of the strongest institutions in the country. Children are told it is their duty to inform on their parents for any antistate attitude. Another is that mainland China's economy is not one of the greatest in the world and it relies on just such serf or slave labor as this to continue.

But the Assistant Secretary did not agree with her Communist hosts on everything. It seems she thinks that they are starting to put too much reliance on tests in the schools. Same old liberal, socialistic garbage from top to bottom. It should offend all decent Americans who are not brainwashed by their Communist hosts.

At this point I include the text of the article entitled "Education Chief Lauds Chinese System" from the Washington Post of November 20, 1977. If this article is substantially accurate and I have seen no disclaimers, President Carter and Secretary Califano have a responsibility to the American people to make a change in the position of Assistant Secretary for Education.

[From the Washington Post, Nov. 20, 1977]

EDUCATION CHIEF LAUDS CHINESE SYSTEM

(By Lawrence Feinberg)

After an eight-day visit to China, Mary Berry, the Carter administration's top education official, said Americans have much to learn from Chinese schools and colleges.

Berry, who is assistant secretary for education in the Department of Health, Education, and Welfare, said the Chinese are "moving rationally and realistically" by having university admissions quotas for students from different regions and minority ethnic groups "in a field that has led to confusion and near-hysteria here."

She said the Chinese "have set the pattern for the world to follow" by opening up universities to older workers and other adults and by tying education closely to work by requiring students to spend part of their time on farms and in factories.

The Chinese experience, Berry said "may not, in every instance, be directly applicable here. But the direction of their overall policy—in terms of access to education as well as of redefinition of education as something inextricably linked to the other aspects of human life—should, I believe, represent our basic direction also."

Berry toured schools in China—from nurseries to colleges—between Oct. 28 and Nov. 4, as part of a delegation of 14 prominent American educators. She met with China's minister of education, Liu Chai Yao.

She described her trip and expressed her views on Chinese education in a speech delivered in Chicago Thursday at the University of Illinois at Chicago Circle. A text of the speech was distributed by her office here.

In an interview here yesterday, Berry said American press reports about a reversal of Chinese education policies following the death of Mao Tse-tung were "premature" and "misleading."

Even though college entrance exams are planned for December for the first time in a decade, Berry said, "I don't see the Chinese giving up any of their [egalitarian] principles. . . . They said they don't want to face another cultural revolution in five years and create another kind of elite."

She said recommendations by local party and factory groups still play an important part in university admissions. In major national universities, such as the one in Peking, she said, quotas are being continued for different regions of the country and minority ethnic groups. Another goal is to insure that a majority of students "have worker and peasant backgrounds." Test results, she said, will only be used to help pick those to be admitted from within each quota group.

"The Chinese talk about this in a much more straightforward way than we do," she said. "They don't talk about 'affirmative action' and 'reverse discrimination.' . . . I tried to explain the difference to them between quotas and goals, but they couldn't follow all that.

"They have a healthy attitude toward disadvantagement," she continued. "It's 'Let's have quotas to make sure we have a percentage of different groups (in universities).' They're not concerned about the subtleties like we have to be."

Berry said the Chinese system of requiring students to work on farms or in factories was much different from the "career education" being promoted in American schools because it means "doing actual useful productive work."

During her visit, she said, she saw elementary school children assembling voice boxes for dolls and high school students working in factories that make automobile parts.

"Obviously, we have no intention of putting 6-year-olds to work here," she said in her speech. But Berry added in the interview: "There's nothing wrong in having school children making something useful and selling it. They could use the money for extra things in the schools."

On one point, Berry said, she disagreed with her Chinese hosts. "For some reason the leaders believe in tests now and claim that Mao always did as well. In fact, they have more faith in examinations than I do," she said. "I tried to warn them of the pitfalls, but to no avail."

[From The Washington Post, Nov. 20, 1977]

THE GALLUP POLL: 80% MAJORITY FAVORS ABILITY AS CRITERIA FOR ADMISSIONS

(By George Gallup)

PRINCETON, N.J.—The U.S. public continues to believe that ability, as determined by examination, and not preferential treatment to correct past discrimination, should be the main consideration in selecting applicants for jobs or students for college admission.

An overwhelming proportion of the public—eight in 10—oppose preferential treatment. Even nonwhites and women, who have most to gain by affirmative action, vote for making ability, as determined by tests, the main consideration in filling places in industry and college.

At the same time, however, a majority of Americans, 53 per cent, would favor preferential treatment in the form of a federal government program offering free educational or vocational courses that would enable members of minority groups to do better in tests.

The issue of "affirmative action"—described by its critics as reverse discrimination—is now before the Supreme Court.

Most in favor of offering free courses to help minorities compete for educational and occupational opportunities are women, nonwhites, persons with a college background and younger adults (18–29 years old). Even among those opposed to preferential treatment, opinion is 5-to-4 in favor of free courses being provided.

The results reported today are based on interviews with 1,517 adults, 18 and older, conducted in more than 300 scientifically selected localities during the period Oct. 21–24.

MINIMUM COMPETENCY TESTING

HON. RONALD M. MOTTL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. MOTTL. Mr. Speaker, I would like to offer for the RECORD two recent editorials in the Tampa Tribune and the Kansas City Times, respectively, concerning my proposed minimum competency legislation:

[November 7, 1977]

AN OFFER SCHOOLS CAN SCARCELY REFUSE

What began as an extremely heavy-handed attempted intrusion of the Federal government into the battle for the basics in the nation's public schools may emerge as a constructive piece of legislation.

U.S. Representative Ronald M. Mottl, an Ohio Democrat, originally showed his concern for declining college entrance test scores and other evidence of the ineffectiveness of education by proposing a national competence test.

It would have been administered at various grade levels in the schools of all 50 states. Students would have had to pass it to get their high school diplomas, and school systems would have had to use it to qualify for any Federal education money.

This brought a hue and cry from educators who charged Mottl sought to usurp the traditional prerogative of states to run their schools without Federal interference.

Properly chastened, Mottl has revised the bill to make the tests voluntary—sweetening the pot for school systems using it by providing Federal funds for remedial education for those pupils who could not pass the test.

There's little doubt that such money is needed from somewhere. Most funds now allocated from Washington for remedial schooling are earmarked for the financially underprivileged. Unfortunately, they are not the only pupils who need remedial education.

The recent study of reasons for the 14-year decline in college entrance test scores noted that for the past five to seven years only 20 to 30 percent of the slippage can be attributed to more poor and minority students taking the test. The other 70 to 80 percent is blamed on broken homes, poor motivation, too much television, and declining school standards, which afflict all types of pupils, rich or poor, black or white, Anglo or Spanish-speaking.

Mottl says arguments that national standards can't be met are ridiculous; it can't be said, "In the East we read this way and in the West we read that way."

He's right. And the nation owes it to its miseducated youths to help them achieve competency, wherever the blame for their inability to fill out job applications or figure costs of credit be put.

If Representative Mottl makes the testing program voluntary and provides remedial education funding, we don't see why advocates of state and local school autonomy can object. Indeed, considering the present poor competency of so many pupils, his new bill is virtually an offer no school system can afford to refuse.

[November 4, 1977]

TESTING BY NATIONAL STANDARD

Reports continue to filter into educational institutions telling a woeful story of failure to learn among the present generation of school children. With this continuing assault of bad news it is small wonder that a back-

to-basics movement in education has grown to the bandwagon proportion of back-to-nature efforts in consumer goods.

Twenty-seven states, by last count, have adopted plans for basic skills competency testing and all but one (Montana) of the remaining states are considering some form of basic skills testing.

Rep. Ron Mottl, D-Ohio, has proposed a national test to monitor basic skills. As one might imagine, Mottl's bill has met with extreme opposition from some quarters. An earlier bill proposed by Mottl included a mandatory testing requirement, threatening an end to federal funds for noncompliance. This time around Mottl makes the test voluntary. The word "mandatory" has a ring to it that frightens away even the most seasoned members of Congress, and Mottl still has had trouble finding cosponsors for the bill.

Stripped of all arguments pertaining to the subjectivity of tests, what with cultural and other biases considered, there is a bottom line to what Mottl is talking about—achievement. And while we do not endorse yet another federal agency or function to take care of what states ought to be doing in the first place, we do support statewide testing with comparisons to national standards.

Argue if you will that teachers can "teach" to a test. That is a far cry better than the illiteracy that is being perpetuated in school systems today. It is a national horror when a high school valedictorian, from any school district, turns out to be functionally illiterate.

The potential that tests have of diagnosing learning deficiencies at several intervals through a child's elementary and secondary school years is vastly preferred to presuming that things are fine—and then finding that a child has learned none of the basic skills in 12 years of school.

CONGRESSIONAL ART BANK

HON. LARRY PRESSLER

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. PRESSLER. Mr. Speaker, since coming to Congress, I have decorated my office here in Washington and in my field offices in South Dakota with art of South Dakota on a rotating basis. Each year I invite young South Dakotans to contribute drawings and art objects to brighten up my offices and to equip me better to tell South Dakota's story in Washington. The program has been an overwhelming success and it has caused me to introduce legislation to broaden such a program to a national scale. The following article describes my proposal:

THE CONGRESSIONAL ART BANK—OR BRIGHTENING THE HALLS OF CONGRESS

(By Congressman LARRY PRESSLER of South Dakota)

Just imagine the long, grey tunnels which connect the House and Senate Office Buildings and the U.S. Capitol filled with colorful paintings by contemporary American artists. That would be part of the effect of a Congressional Art Bank Bill which I have introduced in the House, and will soon reintroduce with changes and additional cosponsors.

The bill, which would authorize Congress to select recent American artworks for display in Congressional offices, tunnels and halls, would be an important first step towards using federal buildings for cultural purposes. If enacted, the bill would give critical exposure to contemporary American artists, and help beautify the often drab halls of Congress.

The Congressional Art Bank would resemble the five-year-old Canadian Art Bank in purpose but not structure. The Canadian model, part of the government's Canada Council which supports the nation's cultural life, buys contemporary Canadian art and leases it to government offices for 12 per cent of the cost of the work annually. For about $1 million a year, Canadian citizens can view as many as 3,800 paintings and sculptures in federal buildings and public places across the country. An additional 3,500 works are stored in the Bank's giant Ottawa warehouse to which only dealers are admitted. If a dealer or individual wishes to buy a work, the government may sell it back to the artist at the original cost plus a handling charge, but is not obliged to do so. The Bank thus has the potential ability to affect the Canadian art market by withholding works.

The Congressional Art Bank would provide the same exposure to American artists as its Canadian counterpart provided Canadian artists. Since the Congressional version would only borrow American works for a six-month period, it could not significantly influence the U.S. art market. The Congressional program would be directed by a five-member board—two appointed by the Speaker of the House, one by the President of the Senate and one each by the House and Senate Minority leaders. This would provide a more diverse directorate than one which is appointed solely by the administration in power. The program, which would be directed on a daily basis by an executive director and staff, could be extended after the first year if successful.

In re-introducing the Congressional Art Bank Bill, I am looking for suggestions from artists, art lawyers and those who buy or simply appreciate contemporary American art. A recent Louis Harris survey shows that 64 per cent of the American people would be willing to pay an additional $5 a year in taxes if the money were used for cultural purposes; 47 per cent would be willing to spend an extra $25. The American business community likewise donated $221 million to the arts in 1976, nearly $100 million more than in 1967, and more than double the government's 1976–77 budget for the National Endowment for the Arts. This growing public commitment to the arts convinces me of the potential support for a Congressional Art Bank, and I look forward to public comment on it.

In considering the project, however, it is worth reviewing the success of a similar program in New York City. Within the past year, the New York Organization of Independent Artists (OIA) sponsored and financed a 100-piece exhibit of works by 44 contemporary American artists in the U.S. District Courthouse in Foley Square. The exhibit was authorized under a recent, though little-known bill, the Public Buildings Cooperative Use Act, which encourages the use of public buildings for cultural purposes. The OIA footed a $400 bill for the exhibit, but won widespread media and public attention for the artists.

The OIA project put private interests to work to encourage the flourishing of American artistic life; the Congressional Art Bank would put government to work in the same way. Such projects are more suited to the United States than the Canadian Art Bank because they place government in the role of a promoter, not a determinant of cultural life. The American people, as art buyers and gallery-goers, set the nation's artistic standards and tastes. By bringing artists and their admirers together, yet leaving the choice up to the people, government insures the nation's artistic freedom and vitality. And by bringing American art into the halls of Congress, it will bring life and warmth to an often somber place.

IS NO ONE RESPONSIBLE?

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. ASHBROOK. Mr. Speaker, an alarming trend in our Nation is the failure to accept individual responsibility. More and more frequently we hear the argument that a person is not responsible for his actions because of some external influence.

"It's not my fault," an offender proclaims. "It's my environment, my social background, my poor upbringing, et cetera, et cetera, et cetera." Actions freely taken are later explained away as being the result of something or someone else.

A Washington Star editorial describes this trend as "a modern proneness to try to account for savage behavior by facile reference to some kind of conditioning, social or literary or theatrical. If it is not hunger or poverty or poor housing that is blamed, it is the sinister influence of books or television plays or movies."

This type of defense hit new heights of absurdity in a recent trial in Miami. There a boy who murdered an elderly woman who lived next door to him based his defense on the grounds that he was suffering from involuntary television intoxication. The crime and violence presented on television, the argument went, are to blame for the boy's brutal murder.

Such bleeding heart rhetoric is pure hogwash. Individuals have a free will and they are responsible for their actions. We must not condone savage behavior under the guise that it is somebody else's fault. Individuals are and should be held accountable for what they do.

As the Washington Star concluded in its editorial:

Madness takes many forms. Our modern madness may be the unreflective dismissal of the inescapable—and natural—need for moral judgment.

Following is the complete text of the October 7 Washington Star editorial:

THE NEED FOR JUDGMENT

Perhaps it was to be expected. If the Wirtz panel on educational testing could arraign television (with some justice, in our view) as a party to the decline of literacy among the young, the Miami defense attorneys of a 15 year-old named Zamora could—and would—offer the bizarre theory that he suffered from "involuntary television intoxication" when he shot and killed an elderly woman while robbing her apartment.

There are, to be sure, worlds of difference between the two attempts to make a culprit of television. The trial judge in Miami has sensibly disallowed a full-blown "television defense." But he is admitting psychiatric testimony on the influence of television and at least one "expert" witness tried the other day to connect the Zamora youth's inordinate fascination with televised crime and violence to the standard plea of "insanity." Florida law recognizes the older of two standard theories of criminal insanity, turning on the ability to draw moral distinctions rather than rational control over the impulses at the time of the criminal act.

The attempt to link crime with saturation in cops-and-robbers television shows is a novelty only in that it is television, not books or movies or plays, that is in a sense on trial. Otherwise, the trial pickup on an old debate over the effects of representational forms on human behavior—a debate that has, over the years, generated more passions than conclusions.

The most interesting treatment of the problem was by Mrs. Pamela Hansford Johnson (Lady Snow) in her book *On Iniquity*, about a decade ago. She took up the issue when the "moors" murderers, accused of torturing and killing children, were found to possess an extensive paperback library of sadistic and pornographic literature. Lady Snow insisted that if this obsessive reading taste possibly caused the murder or torture of children that would constitute a case for its control or suppression: as indeed it would.

The difficulty invariably lies in demonstrating a causal relationship, as to either sadistic books or violent television programs. Obviously, millions of people watch "Kojak," the program frequently cited at the Zamora trial, and others like it, and at least thousands familarize themselves with the diseased imagination of the Marquis de Sade and his imitators, without experiencing a rush of murderous or cruel impulses, let alone acting on them.

Is it more plausible to suppose that a morbid fascination with sadistic literature or violent trash-drama is a parallel symptom of some mental or spiritual disorder of which another symptom is insensitivity to suffering or death? No one knows; this hypothesized relationship, however stated, is one of the great imponderables.

What is less uncertain, in our view, is a modern proneness to try to account for savage behavior by facile reference to some kind of conditioning, social or literary or theatrical. If it is not hunger or poverty or poor housing that is blamed, it is the sinister influence of books or television plays or movies.

Again, it is clear that for most of us no such conditioning "causes" hostile or cruel acts. Significantly, Lady Snow, at the risk of seeming utterly out of date, turned to the old-fashioned term "iniquity": evil. Indeed, the missing element in our busy search for explanations of antisocial acts and attitudes is the hypothesis of evil, of proneness to what long ago was called sin. But we have become as prudish about diseases of the spirit as the Victorians were about diseases of the body and it is embarrassing to an enlightened age to speak or even think of such primitive matters. Secularism thus levies a heavy tribute upon our understanding; and the cost is that we thrash about for novel accounts of what to an earlier age was perfectly intelligible.

It was once commonly assumed that people not only lacked moral perfection but lacked even the capacity for it. That assumption is unfashionable today "The devil is dead and what a pity," as Gerald Johnson once put it. So in a courtroom in Miami we soberly entertain the trendy argument that a youth can be driven to the terrible crime of shooting an elderly woman because he has seen too many episodes of "Kojak." Madness takes many forms. Our modern madness may be the unreflective dismissal of the inescapable—and natural—need for moral judgment.

"A NEW CAPITAL OF THE INTELLECT?," AN ESSAY BY S. FREDERICK STARR

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. BRADEMAS. Mr. Speaker, I believe that Members of Congress will read with considerable interest an excellent essay by S. Frederick Starr published in the November 21, 1977, issue of The Chronicle of Higher Education.

The article, entitled "A New Capital of the Intellect?" makes the point that the vast scholarly resources of Washington, D.C., need to be made more accessible.

Dr. Starr is secretary of the Kennan Institute for Advanced Russian Studies at the Woodrow Wilson International Center for Scholars here in Washington.

Dr. Starr's essay follows:

A NEW CAPITAL OF THE INTELLECT?

(By S. Frederick Starr)

As Henry Adams liked to point out, Washington has always been regarded as a political city, indifferent if not actually hostile to the life of the mind. Indeed, from the Jacksonian era to the present, Americans have been accustomed to the notion that literature, the arts, and sciences are conducted at places remote from the seats of political and economic power.

But through a gradual process, little noticed and still less understood, Washington has recently emerged as a major intellectual center. That development has implications that will eventually touch nearly every American scholar.

A chief cause of Washington's new intellectual prominence is the increasing concentration in the capital of books necessary for scholarly research. According to the Association of Research Libraries the prices of academic books has risen by 167 per cent since 1967. The impact of inflation has been so great that even those major research libraries that have increased their budgets are falling behind in acquisitions. The library budget at the University of California at Berkeley has almost doubled in the last decade, but Berkeley's acquisitions are down by 13.6 per cent, while the University of Chicago's actual purchasing power for monographs is down to 50 per cent of the 1970 level, despite a 39-per-cent increase in the university's library budget. These figures parallel the data from 78 members of the Association of Research Libraries, which report a 36.5-per-cent budgetary increase since 1970 but a 12.6-per-cent decline in the gross number of volumes added per year.

THE LIBRARY OF CONGRESS

The Library of Congress is virtually alone in keeping fully abreast of inflated book prices. Having long ago become the world's pre-eminent research library, it is now steadily pulling away from all rivals. Its Russsian collection, for example, is over twice the size of any other in the West; its Japanese collection is of comparable distinction, as are collections in numerous other fields. And the Library of Congress is but the centerpiece of a large, little-known, and underused network of federal agency and departmental libraries in Washington.

To be sure, modern electronics could be used to bring these resources directly to every campus in the country. The Medlars program, in fact, has precisely this purpose in the medical area, while similar steps toward "networking" our major libraries are being taken elsewhere. But the cost of fully developing such systems would be staggering. Meanwhile, for better or worse, researchers increasingly have to come to Washington.

A second factor contributing to Washington's new position in American intellectual life is the decentralization of research scholars in every field. A generation ago, the faculties of a dozen universities could claim a disproportionate share of authors whose books were being reviewed in scholarly journals. Thanks to the explosion of graduate study in the 1950's and 1960's, however, tens of thousands of Ph.D.'s from these and other schools have fanned out across the land, bringing the highest scholarly expectations to institutions and departments that previously had viewed themselves exclusively in terms of their teaching. More often than not, the most promising younger researchers today are to be found in what were once thought to be the intellectual boondocks. If these younger scholars are to do the work for which they were trained, and at the same time continue to teach where they are most needed, they must have access to major libraries. Hence they, too, must look to Washington.

The two basic factors affecting the structure of the social sciences and humanities in America today, then, are the growing centralization of bibliographic resources and the increasing decentralization of research personnel. If the bibliographic mountain cannot be brought to America's scholarly Mohammeds, then Mohammed must come to the mountain.

This is in fact occurring. The number of readers using the Library of Congress's Reference Service in Washington has grown by approximately 45 per cent during the 1970's. The National Archives, the Smithsonian Institution, the National Gallery, and other such facilities have all experienced a similar soaring demand for their resources. The presence in Washington of this large, well-trained, and constantly shifting group of scholars has already made the city a meeting place that figures centrally in the intellectual circuitry of the country.

Until recently, the federal city lacked many of the accoutrements of a national capital. The grandomania of the 1960's changed this, by creating a demand for cultural institutions worthy of a cosmopolitan center. Washington saw, in rapid succession, the establishment of the Kennedy Center and the Hirshhorn Museum and a re-invigoration of a number of older museums and cultural foundations. Drum-thumping boosterism was rampant. Whatever the cause, the result was that in the 1960's and early 1970's Washington became a cultural center, a place more hospitable to scholars than ever before.

But the city was not yet an intellectual center. Notwithstanding the presence of a number of worthy academic institutions and research centers, Washington did not, and does not yet, possess a single university of the very first rank. And, yet, to have such an institution in the national capital has been a constant objective of many prominent Americans from the 18th century to the present. Benjamin Rush proposed at the Constitutional Convention in 1787 that the creation of a national university be mandated in the Constitution. President Washington, in his first message to Congress in 1790, reiterated the proposal, as did Presi-

dents Jefferson, Madison, and John Quincy Adams. From 1872 to 1933 some 60 bills were introduced in Congress to bring about Washington's and Rush's dream.

The intellectual enrichment of Washington that a century and a half of wishful thinking failed to accomplish is now rapidly coming to pass, thanks in good measure to the crisis of American higher education. Thousands of recent Ph.D.'s have been fortunate enough to find employment at academic institutions, but thousands of others have been beating the pavements in search of jobs. An impressive number of Ph.D.'s have already established themselves in Washington's bureaucratic agencies.

Thus, the percentage of entering Foreign Service officers with advanced degrees has risen from 50 to 60 in a decade. An estimated 60 to 70 per cent of the 524 members of the research staff at the Congressional Research Service hold advanced degrees, an impressive figure but one that is matched at numerous other specialized Washington organizations.

THE WOODROW WILSON CENTER

However, neither the constant influx of academic scholars nor the permanent residence of thousands of Ph.D.'s assures Washington's future as an intellectual center. What is lacking are meeting places—intellectual centers connected with the major cultural institutions where visiting scholars can interact with resident scholars, scholar-bureaucrats, journalists, and elected officials.

One of the boldest attempts to meet this need to date is the Woodrow Wilson International Center for Scholars, established by Congress as the nation's memorial to its 28th President. In the seven years since its foundation, the Wilson Center has provided hospitality to some 240 fellows from nearly every state in this country and from abroad, and it has sponsored numerous colloquia, seminars, and the like. The Kennan Institute, a division of the Wilson Center, sponsors similar programs in the area of Russian and Soviet studies.

Applications to the Wilson Center, to the Kennan Institute, and to numerous other Washington-based institutions and programs are running as high as 10 for every place available. That fact shows that the need for access to the city's resources has yet to be met. The specific need is for fellowship money that could be granted directly to the most deserving scholars, wherever they are working, rather than be channeled through select universities and colleges. Recipients could then work at whatever institution they wished, and they could take the necessary overhead support with them. Since many of these scholars would choose Washington, it would not be a bad idea for the National Endowments, the National Science Foundation, and other Washington-based cultural organizations to lay claim to a floor of rooms in the centrally situated but now defunct Willard Hotel, to make short-term housing available to scholars at reduced prices.

Suppose all this is accomplished and that Washington's unparalleled resources become more accessible to America's scholars and thinkers. Would the results be desirable? Would so close an interaction between power and intellect really be in the nation's interest? It cannot be denied that there are grave dangers. Some scholars might well be seduced by the heady world of political intrigue. They might abandon their critical independence and become court eggheads of the sort that adorned Frederick II's Potsdam or Catherine the Great's Petersburg. In realizing George Washington's dream, such scholars could well prove the inappropriateness of that dream in the modern world.

On the other hand, the benefits to the country of a greater degree of interaction between the world of ideas and the world of affairs are not to be lightly disregarded. The Congressman who encounters a scholar raising questions that transcend the narrow temporal bounds of present-minded Washington is the better for it. So is the scholar. Yet many of America's best and most independent writers and intellectuals are quite unknown in political Washington. Lacking direct contact with such persons, Congressional staff members turn again and again for testimony to the same handful of politically *engage* academics whose phone numbers happen to be in their files. Neither the range nor the quality of academic thinking on many subjects is tapped to the extent that it could be. The informal contact that would grow out of a scholar's short-term residence in Washington would do much to improve this situation.

THE SCHOLAR

And what about the scholar? Those whose interest is American history or politics would obviously benefit from first-hand exposure to the peculiar institutional and psychological climate in which our national lawmaking takes place. Beyond this, the researcher or writer who spends a few months by the Potomac encounters colleagues from many disciplines besides his own. Because the emerging intellectual environment of Washington knows no departmental boundaries, his interaction with such persons is bound to be more constant than on many campuses. And the increasingly international character of Washington's intellectual world will further broaden the scholar's horizons.

Whether a given scholar's contact with Washington is fruitful or frustrating, one thing is certain: It will be unique to each individual. The hallmark of Washington as an intellectual center is its everchanging composition. With no tenure except at the local universities and with the constant arrival and departure of scholars from all parts of the globe, Washington is a kind of encampment for intellectual gypsies. In this suitcase city, today's fixed points, cliques, and schools will have vanished by tomorrow, to be replaced by new ones.

This is as it should be. Washington is above all a national resource. Its exploitation by scholars from around the country has already changed its character, and much for the better. The challenge now is to make the means available to enable anyone having a particular need for Washington's libraries and archives to use them, and in a way that enhances the responsibility and independence of the American scholar, rather than transforming him into an intellectual courtier.

DEBATE ON HEW APPROPRIATIONS

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. GOODLING. Mr. Speaker, it has recently been called to my attention that Federal funds are being spent for abortion under programs other than medicaid. Abortions are performed in military hospitals both for female members of the armed services and for dependents of military personnel, for the latter on a space available basis. Abortions are also performed under the CHAMPUS program, a health care program whereby dependents of the military can use private facilities and then be reimbursed for 80 percent of the costs if on active duty.

In addition, abortions are available under the Federal employee health plans—plans whose premiums are also paid for from public funds.

It seems to me inconsistent to, on the one hand, expend public moneys for abortions if the clients are military personnel or dependents, or Federal employees, while at the same time we are arguing that medicaid funds cannot be used for this purpose. In the next session of Congress I intend to do everything possible to see that the same language applies to military and Federal employee health care programs. The principle is the same and should be applied equally to all.

LEGISLATION TO SIMPLIFY AND IMPROVE TRUTH-IN-LENDING LAW

HON. GARRY BROWN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. BROWN of Michigan. Mr. Speaker, in 1968 Congress enacted the truth-in-lending law, a major piece of consumer legislation based on the idea that credit cost disclosure would enable consumers to comparison shop, thereby fostering competition and help to lower interest rates. Many recent studies of the effectiveness of the TIL Act found that it is not having the desired effect. The disclosure statements have become complex legal documents on which suits for hypertechnical violations of the act are based, instead of simple and useful sources of information for consumers.

The Commerce, Consumer and Monetary Affairs Subcommittee, on which I am the ranking minority member, found that the agencies responsible for enforcing TIL were unable to fully implement the act primarily because of its immense complexity. The problem is then compounded because without full implementation by Federal agencies, the self-enforcement provisions of the act cannot operate as intended.

Many of my colleagues in this body and in the other body have recognized the need to simplify and improve the TIL Act. Indeed, the Senate Banking Committee has already held hearings on this issue. The bill which I introduce today, with TOM CORCORAN of Illinois as a cosponsor, pulls together some of the best features of the Proxmire, Garn, and Rosenthal bills and the FRB proposals, with some additional amendments to TIL which I believe will substantially improve the law.

The highlights of this bill are:

First. Substantial simplification of the disclosures required on a TIL form, limiting the provisions to those that actually affect comparative credit shopping.

Second. Limit on creditors' civil liability to only major substantive violations of the TIL Act.

Third. Enhanced administrative enforcement through civil penalties and cease and desist orders by agencies including clarification of the authority to require restitution.

These provisions will benefit consumers by disclosing only the necessary information in a meaningful way, assist creditors to comply with the law, enhance administrative enforcement at less cost and relieve overcrowded court dockets.

Mr. Speaker, I commend this bill to the Members of the House and urge quick action by the Banking Committee on this important legislation.

CUTS NEEDED IN TAXES AND SPENDING

HON. CHARLES THONE

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. THONE. Mr. Speaker, across-the-board tax cuts and a lid on Federal spending would combine for the best prescription for a U.S. economy that has the blahs.

The administration seemed completely opposed to this remedy when other Members of Congress and I began advocating it some weeks ago. Now, many in the Carter Cabinet are espousing the tax-cutting "honey" half of the proposal, but none has accepted the ceiling on Federal spending "vinegar" that ought to go with it.

U.S. economic ailments are easy to diagnose. Unemployment is still at 7 percent. If production continues for a year at the rate it has been in the past 3 months, it will show an increase of only 1.2 percent—a rate that would cause unemployment to increase.

Not all are agreed on a tax cut remedy. Lane Kirkland, chief AFL–CIO lobbyist still advocates "vast public works programs," and has said of tax cut proposals, "We think that is the least effective way." House Banking Committee Chairman HENRY S. REUSS' latest statement, "What this country needs is a massive attack on unemployment, not a massive tax cut" shows he too is still holding out for the WPA approach of more jobs through the Federal sector.

When President Kennedy proposed—and Congress passed—tax cuts for all individuals and corporations in 1963, the economic stimulus caused the U.S. Treasury to collect more revenue than expected before the tax cut. Arthur Okun, then Chairman of the Council of Economic Advisers, said:

> By the second quarter of 1965, consumption expenditures had registered a remarkable rise of $45 billion from the rate of the last quarter of 1963—the quarter immediately preceding the tax cut. The Revenue Act of 1964 lived up to the intentions and expectations of its advocates, and . . . delivered a powerful stimulus to economic expansion.

The Kennedy-proposed tax cuts did coincide with a drop in the unemployment rate. Prof. Steven Sheffrin, of the University of California, has said that if the unemployment rate in 1976 had been at the 4.1-percent rate of 20 years earlier, instead of the existing 7 percent, Federal tax revenues would have been more than $100 billion higher.

The tax cut is needed. But for stimulation of economy without rampant inflation, we also need for Congress to agree that it will spend no more next year than in the current budget. Eliminating billions of dollars in ineffective public service jobs programs would make it easy to give modest increases for worthwhile programs while holding the line on total spending. America can know its greatest prosperity ever, if we put money in the hands of the taxpayers instead of in the hands of the tax spenders.

NUCLEAR POWER IN CALIFORNIA

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. BOB WILSON. Mr. Speaker, as we wait on a report from the energy conferees as to what direction we will be taking with regards to a national energy policy, it is painfully clear to most of us that this country is in desperate need of alternate sources of energy to replace foreign oil supplies and boost us toward the 21st century.

Atomic energy has long been such an alternate source, but atomic energy always seem to bring about a strong adverse reaction. Nevertheless, right now, it is one alternate source that will work for us and provide electricity.

I strongly believe that we must use all available sources of energy to keep us going and growing, but roadblocks are continually set in our way. An editorial from the November 27 issue of the Washington Post delineates the problem and I commend it to my colleagues:

NUCLEAR POWER IN CALIFORNIA

Eighteen months ago, the voters of California rejected a proposal that would have had the effect of shutting down the development of nuclear power plants in the state. Now the state government seems to be moving toward doing by administrative action what the voters refused to do. The immediate decision before the state relates only to a proposal by a group of utilities to build a nuclear plant in the desert some 200 miles east of San Diego—but its repercussions could be far wider than that. For this particular plant is so sound—technically and with respect to its remote location—that, if it is turned down by the state's energy-development commission, or if its approval is delayed for a long period of time, the utilities are unlikely to propose another nuclear plant in California any time in the foreseeable future.

So far, the reception to the proposed plant has not even been what you might call lukewarm. The commission has under consideration proposals that it approve the plant only if the utilities can demonstrate that alternative sources of electricity are impractical. Among the sources some commissioners want considered are a geothermal plant and an oil-fired plant that could be converted to coal gasification by 1990.

The trouble with these alternatives—and with the policy of Gov. Edmund G. Brown Jr., which favors solar and geothermal power to the exclusion of nuclear power—is that no one really knows whether they are feasible. Sooner or later, Californians, like people in the rest of the country, are going to have to face nuclear power squarely instead of playing games with its proponents. If the decision is not to have any more nuclear plants, then the reality of where electricity is going to come from in the future must be faced. It should be obvious, even in California, that oil is not an alternative. Neither are geothermal hot spots in the ground and energy from the sun unless there are major technological breakthroughs or a huge reduction in the use of electricity. Even coal, which provides the most likely alternative, has shortcomings in its destuction of land and its risks to human life that must be weighed carefully against the shortcomings of atomic energy.

We can understand the disenchantment with nuclear power. It does present substantial problems, particularly in the disposal of wastes and in the need for tight security. But it is hard to understand why so many opponents of nuclear power regard these problems as insolvable while they are prepared to stake so much on the ability of scientists and engineers to solve equally difficult problems involving the safe and cheap production of electricity from coal or solar or geothermal sources. It would be of enormous help, of course, if the federal government would produce a more plausible plan for the long-term disposal of nuclear wastes than it now has. At present, however, it seems to us that the burden on those who want to close out nuclear power is to tell us how they expect future needs for electricity to be met. Otherwise, the next generation is likely to be sitting around in the dark blaming the utilities for not doing something this generation's officials wouldn't let them do.

UNJUST TAX TREATMENT TO DISABLED VETERANS

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. PICKLE. Mr. Speaker, I would like to call to the attention of the Members of the House a tax treatment by the Internal Revenue Service that I think is unjust to our disabled veterans. The gist of the problem is this—regular military retired pay is taxable. Service-connected disability pay is not taxable. One of my constituents, Mr. Alejandro Guerrero, retired from the Air Force and started drawing regular retired pay—which is taxable. Then a few years later he got sick. He filed for VA disability pay, and was awarded such pay back to the day when he retired. My constituent then filed income tax returns excluding from income the amount of the retirement pay that was equal to the VA disability pay he would have received, and which the VA said he was eligible to receive. The IRS has ruled they will tax based on who paid the money originally even though courts have ruled otherwise. I have introduced a bill that would correct this problem, H.R. 8696, to amend the Internal Revenue Code with respect to

the tax treatment of an individual who receives a retroactive determination of eligibility for disability compensation from the Veteran's Administration. The following story appeared in the New York Times on November 7, 1977 that tells how another veteran won his case in tax court:

VETERAN FIGHTS IN TAX WARS FOR RETIREES

(By Jo Thomas)

WASHINGTON, Nov. 6.—Col. Zebulon L. Strickland Jr., a retired Army artillery officer, won his personal battle with the Internal Revenue Service in 1976 but is still losing the war. At issue are the disability payments he and hundreds of other retired veterans have been awarded by the Veterans Administration.

Col. Strickland's case, which is typical of a group of veterans, began in January 1967, when the V.A. gave him a 100 percent disability rating and increased the payments he had been receiving by $208 a month. Col. Strickland had applied for these benefits in March 1966, and the V.A. said that his eligibility began at that time.

Disability pay is tax-exempt, so when Col. Strickland filed his 1966 tax return, he excluded $208 a month from his income for the first nine months of the year. The I.R.S. objected, arguing that the source of Col. Stricklasd's income was actually Army retirement pay and, therefore, taxable. The I.R.S. wanted an extra $381 in taxes.

Col. Strickland argued his own case in the tax court and lost. He then took it to the United States Court of Appeals for the Fourth Circuit. In March 1976, he won. The court held that Col. Strickland was entitled to treat the extra $208 as disability income "despite the fact it may have technically been paid to him by the Department of the Army."

"I felt good because I thought I had licked 'em," said Col. Strickland.

A month later, however. the I.R.S. decided it disagreed with the court. "The opinion of that court is erroneous and should not be followed," an internal document concluded. Col. Strickland would get his $381, but other veterans in other court jurisdictions would not get theirs.

"The I.R.S. is forcing every little veteran who gets ripped on this to make a decision," said Col. Strickland. "You either pay, boy, or take 'em to court. Disabled veterans, almost by definition, are tired, sick, old men. We are not wealthy as a class. The number of dollars is small. Very few find the time or the money to fight this."

Col. Strickland directed a barrage of letters to public officials and learned, to his delight, that a bill to override the I.R.S. decision had already been introduced in Congress by Representative J. J. Pickle, Democrat of Texas, who heads the House Ways and Means subcommittee that oversees the I.R.S. The bill was prompted by the plight of a Texas veteran with the same problem.

At the moment, the I.R.S. is staying with its original decision to insist on taxes from the retroactive disability payments. A spokesman said, however, that "in view of the controversy and the interest on the Hill" the issue was being studied again.

EUBANK HONORED

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. ARCHER. Mr. Speaker, I am extremely pleased to take a few minutes to let my colleagues in the Congress know about an outstanding individual from Texas, James F. Eubank II. He is president of Forest Park Memorial, Inc., and was recently honored as 1978 Boss of the Year by the Houston Chapter of the National Secretaries Association. I am delighted that he has been so appropriately recognized.

CLEANING UP FEDERAL POLLUTION

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. WIRTH. Mr. Speaker, all of us are rightfully angered when policies established by the Congress are frustrated by executive agencies which believe that they are above the law, and by administrations which fail to give cohesive, meaningful direction to implementation efforts.

I refer in this instance to the widespread violation by Federal facilities of the Nation's air and water pollution laws.

The Federal Government has been actively pursuing private violators of the air and water laws for several years. At the same time, the Government has been lax in enforcing the same laws against its own facilities. Only about 10 percent of all private industries have not yet met the current deadlines for the Federal Water Pollution Control Act. In striking contrast, 38 percent of the largest Federal facilities are violating the water requirements and 24 percent are illegally polluting the air. The Federal Government should be setting an example for the rest of the country. Instead it is the worst polluter. I want this hypocrisy to end.

I have called on my colleagues to join me in urging President Carter to take immediate action to insure speedy compliance by Federal agencies. I have proposed that the President make pollution control a priority for every Federal agency, establish a firm deadline for meeting the laws' requirements, and delegate to a person or group within his office the authority to forcc agency compliance. Presidential leadership can and should solve this problem.

Mr. Speaker, the Clean Air Act and the Federal Water Pollution Control Act—which Congress enacted to curb the increasingly acute air and water pollution problems—were always intended to apply equally to Federal agencies and non-Federal entities. At first, Federal facilities were encouraged to comply voluntarily with all State and Federal requirements. Not surprisingly, that proved to be an ineffective way of insuring compliance, and Congress responded with amendments in the Clean Air Act of 1970 and the Federal Water Pollution Control Act Amendments of 1972, making all substantive pollution requirements expressly and equally applicable to Federal facilities.

While the substantive requirements have been clear, enforcement has been a serious problem. Congress generally envisioned a sharing of enforcement responsibilities between Federal, State, and local governments. But until just recently EPA has thought that it lacked the authority to sue another Federal agency. This, together with the narrow reading which the Supreme Court gave to sections in the laws dealing with Federal facilities (holding that Federal facilities were, indeed, subject to State and Federal substantive standards, but that States lacked the power to enforce the necessary procedures to guarantee compliance, for example, permit requirements) resulted in an ineffective and disjointed enforcement effort. The only possible avenue of court enforcement, therefore, was citizens' suits. But these suits are unwieldly tools for administrative enforcement which, in any case, should be unnecessary.

There has always been a far better alternative. The President controls all Federal agencies and departments. The allocation of resources to various priorities by agencies depends on executive decisions. Procedural mechanisms within the executive branch, such as OMB's budgetary review, have always been available to carry on the Federal pollution enforcement effort and reach noncomplying Federal agencies. Unfortunately, they have not been effectively or seriously used.

Although some of the delay in Federal compliance may be attributed to factors beyond the control of individual Federal facilities, the real problem in the past has been a lack of commitment at the top administrative levels.

There are some indications that this is changing. The Environmental Protection Agency announced recently that it will no longer tolerate such mass noncompliance by Federal facilities, implying possible legal action should administrative enforcement methods fail to bring violators into line. Similarly, the Council of Environmental Quality is moving to resolve disputes between EPA and polluting agencies.

But this is not enough. Without strong Presidential leadership, these efforts will probably come to naught because pollution control simply is not high on many agencies' priority lists. Moreover, even if EPA wants to sue a violating department, it may be unable to do so without the active concurrence of the Justice Department, which has shown no inclination to bring such proceedings. In any case, interagency suits should be unnecessary; the prospect of one agency suing another is absurd. The courts should not be referees between Federal agencies—that is the President's role. Just as EPA does not have the practical power to force a recalcitrant Federal agency to comply, the President does not have the time to mediate every interagency dispute. The answer seems to lie in investing in a panel or person within the Executive Office of the President the power to order and enforce the details of compliance, including the reprograming of funds.

Time and again I have told private industry in Colorado that it must sacrifice for the common good, that it must expend large amounts of funds to comply with the pollution laws. It is difficult to do this, Mr. Speaker, when the Federal

Government, with far more resources, refuses to comply. Instead of being the worst polluter in the Nation, the Federal Government should be setting an example.

The magnitude of the pollution problem demands a comprehensive and cooperative effort at all levels of government. A lax enforcement policy cannot be tolerated, least of all by the Federal Government. I urge the President to act quickly and forcefully to resolve this embarrassing and unnecessary situation.

The proposed letter and newspaper articles to the President follow:

HOUSE OF REPRESENTATIVES,
Washington, D.C.

DEAR MR. PRESIDENT: We are concerned about the failure of the Federal Government to set an exemplary standard in the area of water and air pollution.

In percentage terms, the Federal Government is a far worse polluter than private industry. The Environmental Protection Agency has vigorously pursued private violators of the pollution laws, but the Federal Government has been less zealous in cleaning up its own backyard. While Congress has consistently expressed its resolve that federal facilities meet the same high standards that are required of the private sector, executive action has not always met those goals. In short, the federal anti-pollution effort needs a strong boost.

Some important steps have already been taken. In the recent amendments to the Clean Air Act, Congress reaffirmed its intent that Federal Facilities should comply with the law. We applaud the recent announcement by EPA that it may crack down on federal violators. We are pleased that the Council on Environmental Quality is developing guidelines for resolving inter-agency disputes. But stronger action, in the form of Presidential leadership, is needed to force compliance by agencies which heretofore have not placed a high priority on pollution control. We urge you to consider the following measures.

First, issue a Presidential directive ordering all agencies to comply with the pollution laws within the immediate future.

Second, EPA should be ordered to place a priority on pollution control for federal facilities. Other agencies will quickly understand your support for EPA's efforts.

Third, a person or panel within the Executive Office of the President should be assigned the purpose of compelling compliance following a determination by EPA or an authorized state agency that a federal facility is in violation of the air or water statutes. This group should be delegated all necessary Presidential authority, including the power to order the reprogramming of funds. The law, of course, allows you the authority to grant certain exemptions in cases of "paramount interest" of the United States. We would hope that you would use this power with great descretion, and only in extreme cases. The Council on Environmental Quality is a logical choice for this panel.

Mr. President, it has been difficult to explain to our constituents why they must make large expenditures to comply with the pollution laws when the Federal Government, with far more resources, will not. It is time for this government to set an example. We hope you will act. We pledge our cooperation.

[From the Washington Post, Oct. 21, 1977]

THE FEDERAL CLEAN-UP CAMPAIGN

The Environmental Protection Agency is finally cracking down on one of the nation's most prominent polluters: the federal government itself. EPA Deputy Administrator Barbara Blum has just warned 11 agencies, including the military, that they may be taken to court unless they act immediately to bring all their installations into compliance with the water-and air-pollution laws.

It's about time. Although the government has spent over $3.3 billion to curb its own pollution since 1968, too many facilities still lag behind. Last month the U.S. Chamber of Commerce embarrassed the administration, and rightly so, by publicizing the fact that about 90 percent of all industries had met the July 1 deadlines of the clean-waters law, but at least one-fourth of all federal facilities had not. As of Oct. 7, according to EPA, fully 38 percent of the largest federal operations were not complying with the water law: 24 percent were polluting the air too much.

Some of the tardiness is understandable. Forts Belvoir and Lee in Virginia, for instance, are waiting to hook up with public waste-treatment plants that are still being built. In many cases, though, agencies have simply dragged their feet or are still wrestling with the kinds of technical and budgetary problems that industries and municipalities have already been required to solve. EPA field officials and local authorities have been complaining about some polluters, such as GSA's local heating plants, for years. But until now there has been no real, high-level push to make such laggards meet the deadlines and standards that apply to everyone else.

EPA now has both more resolve and more authority. This summer's clean-air-act amendment clarified the agency's power to take federal violators to court. Congressional conferees seem likely to include similar provisions in pending amendments to the water act. EPA has already joined with states and citizens in suing the Tennessee Valley Authority over air pollution at 10 TVA power plants. The new EPA "hit list" names 77 "major" federal water polluters and 72 "major" air polluters, including 19 military bases and two power plants cited on both counts.

Of course litigation should not be required. It won't be—if all agencies face up to their responsibilities, and if the Office of Management and Budget and Congress come up with the necessary funds. OMB does seem to be more strongly committed to effective action now than in the past. That is encouraging. The nation's overall anti-pollution program is moving into a new, difficult and very expensive stage. Federal demands on industries and local governments will be much more credible and acceptable once the federal establishment itself comes clean.

EPA BEGINS BATTLE TO CUT POLLUTION BY U.S. AGENCIES

(By Stephen J. Lynton)

The Environmental Protection Agency began a broad and unusual cleanup campaign yesterday against one of the nation's largest and most persistent polluters—the federal government.

In an announcement yesterday, EPA warned 77 federal installations to stop polluting the nation's waterways. It told 72 federal facilities to halt violations of federal air pollution regulations. In a novel move, EPA threatened to take court action against federal agencies that do not mend their dirty ways.

Among the federal polluters were a dozen or more facilities in the District, Maryland and Virginia—including Maryland's Aberdeen Proving Grounds, the federal government's central heating plant in Southwest Washington, and Virginia's Ft. Belvoir. Aberdeen Proving Grounds was cited as one of the nation's 18 worst federal offenders of anti-pollution laws.

In a series of letters yesterday to federal polluters, EPA Deputy Administrator Barbara Blum raised the prospect of court suits against the federal government itself by urging a "prompt resolution" of pollution violations in order to "avoid judicial action."

An EPA spokesman said that the agency, if necessary, would file civil suits against federal installations that refused to stop polluting. Such a suit, the spokesman said, could lead to a court order in which a military base commander or the head of some other federal agency might be held personally responsible for pollution violations. An agency chief, the spokesman added, might face court-imposed penalties, including jail, if he failed to comply with a court order.

In a similar action, EPA recently joined in a federal court suit against the quasi-governmental Tennessee Valley Authority in which the states of Alabama and Kentucky and citizens' groups contend that TVA is dragging its feet in cleaning up its sulfur dioxide emissions into the air.

The federal government's effort to crack down on its own air and water pollution violations followed a move last June to curb water pollution caused by industrial plants and municipal government installations. EPA announced plans to bring suits against more than 100 cities and 300 major industrial plants that, it said, failed to meet the nation's July 1 water cleanup deadline.

The threat by EPA sparked protests from business groups. They asserted that the government was blaming industry for pollution malpractice while ignoring its own widespread violations of the same cleanup deadline and laws.

During the Nixon and Ford administration, the federal government sought several times to persuade federal agencies to comply voluntarily with antipollution laws but, according to federal officials, these attempts were at best only partly successful.

Two recent developments, an EPA spokesman said yesterday, gave EPA the authority to begin yesterday's tougher crackdown. One was a recent change in federal antipollution laws designed to let EPA sue federal agencies for pollution violations. The other, the spokesman said, was a new willingness by the Office of Management and Budget to support federal agencies' requests for money to install antipollution equipment.

Among other federal facilities ranked by EPA as major polluters were military bases in Alabama, Arkansas, North and South Carolina, Georgia, Illinois, Michigan, Oklahoma and Tennessee.

In addition to military installations, EPA's list of 18 major offenders included an Interior Department mine draining tunnel in Leadville, Colo., cited for discharging inadequately treated mine drainage into the Arkansas River. The Energy Department's Savannah River (S.C.) plant was accused of operating 16 faulty coal-fired boilers.

EPA's federal cleanup campaign is aimed at getting federal installations to comply with the Clean Air Act of 1970 and the Federal Water Pollution Control Act of 1972. Under these laws, polluters are required to meet air quality standards designed to meet air quality standards designed to protect the public's health and comply with a federal goal of making the nation's waterways clean enough for swimming and fishing by 1963.

While warning of possible court action against federal installations that fail to comply with these standards. EPA made it clear that it will rely mainly on exhortations, formal violation notices and negotiations before carrying out its legal threat. EPA officials noted that some agencies may not be able to obtain money to pay for antipollution equipment until next October, the start of fiscal year 1979.

AMERICA'S BIOLOGICAL AGE

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. BOB WILSON. Mr. Speaker, Mr. Frank Gard Jameson, chairman of the board of Glenair, Inc., of Glendale, Calif., is one of our State's and our Nation's most distinguished citizens. He has served as president of Teledyne Ryan Aeronautical, vice president of Douglas Aircraft and senior corporate vice president of Rockwell, International, and has been closely associated with our space programs over the last 20 years.

In a speech before the 10th anniversary annual Collector Symposium, this last October, Mr. Jameson points out that just as proper nutrition and care is important for our own physical well-being, proper care and feeding is also essential to our national lives. He goes on, however, to say that we are not taking care of our country, and warns that if we do not start, and soon, we will be in the same shape as the man whose doctor tells him he is a candidate for a heart attack, then ignores the advice.

AMERICA'S BIOLOGICAL AGE

(Address by Frank Gard Jameson)

"YOU ARE REALLY IN LOUSY SHAPE"

For the past several years, I have increasingly known that I was getting out of shape—smoking too much—drinking too much—eating too much—not exercising enough—just enjoying the good life. Although I have a lighted tennis court at home and belong to several golf clubs, I was neither playing tennis or golf. Good friends would comment about the "rubber tire" beginning to form around my middle and I would worry a little about shortness of breath and tired leg muscles, even when I walked upstairs fast.

I had been raised on good, healthy food by my mother who was a "health nut" before her time. I was raised in a small Southern California town with plenty of fresh air and exercise. I had participated in high school and college varsity sports and had a strong, healthy family background with Scotch-Irish on my father's side and French on my mother's side. About three months ago my doctor gave me a stress E.K.G. test and said, "You are really in lousy shape."

Often I would say to myself, "One of these days I'm going to have to change my ways, exercise, eat right and get healthy." I tried three or four of the best 'no-smoking' programs and went on the 'high protein' diet for a week. But I continued to procrastinate and say, "Tomorrow I'll start."

Dr. Anne-Marie Bennstrom Prescott recently asked me to come to her new health spa and take a ride on a bicycle that is wired up to read out a person's true biological age when you ride it. No matter how old you are, this machine measures how old your body is healthwise.

I got a little tired and out of breath as I pedaled for five minutes and was relieved when the test was over. After she and her assistant made several calculations from the machine, I saw the answer before they told me, because my business background has taught me to read upside down as someone is writing or figuring on the other side of a desk.

I, who am 53 years old and lived a good and healthy life, was 69 years old biologically. She explained sympathetically that if I kept on as I was going, I probably had only four or five more years of active life before I broke down in some way.

That was the bad news! The good news was that if I changed my ways—ate properly—did the right exercises—and did a very few other things—I could reverse the whole process and regain health and the prospect of a long and healthy life. The body, she explained, has amazing and wonderful and regenerative powers. *Believe me, I started the new life that day* and it seems to be working. Now, you may be wondering why is he telling us all this? Is he giving a health or no-smoking lecture.

We all would like to be in good physical shape, but few of us are willing to develop the discipline needed to get us there. And without discipline you just can't get in shape.

THE SAME IS TRUE OF OUR COUNTRY

I think that my experience is much like that of our wonderful country. It is young in the world of nations and from good, mixed stock from around the world. We have had good food and economic and political freedom, such as no nation has ever known. In recent years, however, we have gotten sloppy and lazy and haven't taken care of ourselves. We have even allowed our government to be taken over by socialistic bureaucrats, who are throwing away all that economic health that our forefathers fought so hard for. Our forefathers gave up security to come across the seas to America for liberty and freedom and yet we and our children are now allowing that freedom and liberty to be taken away from us in place of a government promised false security that we can see by example is not working.

Who is going to give the country the biological test on a bicycle to see how near to the end we really are. How long will it be before we break down? How long will it be before we have ruined everything beyond repair? I think that every citizen who has "viewed with alarm" the increasing number of danger signals on all sides of us but has continued to procrastinate and put off their own action had better start now to awaken the silent majority *who can be awakened.*

Our country like our bodies has amazing recuperative powers as we proved at the start of WW II and as England proved in the Battle of Britain. We do, however, have only a few years left before we break down and cannot get well. Twenty-two nations in history have held and lost the leadership mostly because of internal decay.

Let's look at some of the signs that show we are in serious "biological age" trouble and hope that they are enough to cause us to start back on a program of health and prosperity.

The first duty of our Government is to protect the people from attack—to prevent war. It is elementary that to do this we must be strong enough so that no enemy will attack us. In my opinion, our government is not doing this and both statistics and our military commanders seem to bear this out. Ten years ago we had 1300 intercontinental ballistic missiles and the Russians had 300. Now they have increased five hundred percent to 1500, while we have reduced to 1100. They have 45,000 tanks; we have 7,500. They have 170 army divisions, while we have 14. They have 253 submarines, while we have 75. They have a new supersonic swept-wing bomber, the Backfire, and we have canceled our B–1, when each bomber costs less than a package of cigarettes for every American. Eighty percent of their warships are under ten years old and 90 percent of ours are over twenty years old, which is the useful life of a ship.

Our young Air Force pilots are flying airplanes that are older than they are. Many 1950-designed B-52's, which carry over half of our nuclear arsenal, are being flown by pilots whose fathers flew the same aircraft. Today you and I can fly across the Atlantic in foreign-built supersonic transports, sipping cocktails and eating steaks thousands of feet above our U.S. Air Force B-52's, rapidly passing these subsonic, aging airplanes.

I trained in the ROTC at Stanford in 1941, two years after the war in Europe had started—a war we were sure to get into—and my training was in horse drawn artillery from World War I. *We are repeating this mistake;* however, this time we will not have time to change auto plants to airplane factories and typewriter factories to rifle factories.

REACT OR SIT BY?

We are a nation of re-act, not initiate. We waited for the Russians to launch a satellite—Sputnik—then we started. But are we reacting now to the threat we see on all sides, both military and economically, or are we just comfortably sitting by saying, "Someday we had better do something to get organized?"

The all-volunteer, paid, no draft Army is expensive and not working. We should have universal military training, where every young person serves his time—rich, poor, handicapped, students—all of them. They don't have to be in the military—they can work in the Peace Corps or inner city.

After the war, we built up the German and Japanese steel industries so that they are better, more modern and more cost efficient than ours. This, coupled with the fact that because of inflation, organized labor has forced wages up, making domestic steel uncompetitive with foreign steel. Now *our* steel industry is in real trouble and are laying off thousands of workers, who are protest marching on Washington. The president of Ford Motor Company just announced that he is going to import foreign steel at $50 a ton cheaper than U.S. made steel. The Japanese and Germans would never have built plants for us if they had won the war.

Foreign auto sales are reaching all-time highs every month because they provide good little and big cars at a better price than many American-built cars. Ford is importing German-built "Fiestas" to compete instead of making a better little car here.

Zenith and other television manufacturers have been laying off thousands of workers (5,600 the other day) because of foreign imports of television sets.

The computer market here is lost to the Japanese. They are taking it over along with other component markets.

Now, we have decided to break up big business—the S.E.C. says many corporations are crooked.

Now that we can't export our products in an amount to offset our imports we have decided to sell our latest technology to our competitors, which is all we have left to possibly compete with foreign manufacturers. When that is gone, what will we have left to sell to continue our phony "good life" with . . . something free for everyone?

54 PERCENT—AND DECLINING . . .

Ten years ago, the United States represented 78 percent of technology advancement in the world. Now it is down to 54 percent—and declining. German had great advanced technology when she started WW II. If she had continued development on all fronts and got the atomic bomb first, as she did the jet engine, where would we be?

What is the reaction of our elected officials that we and the unions have put in office and who have promoted all these utopian plans.

They say bigger government is the answer, and more federal handouts. Although even they know that federal aid is like giving yourself a blood transfusion from one arm to the other with a leaky tube.

The post office is a national scandal with postage rates going up every day and service getting worse. Postage rates have increased from three cents to thirteen cents while at the same time private telephone companies have cut their rates and improved service.

On October 1st Mr. Carter, who campaigned on a pledge of smaller government with less employees, put into being the newly formed, biggest new government department in the history of the world—the Energy Department. Its first year cost of operation is $10.6 billion, several hundred million more than all the oil companies made in profits in the whole year of 1977. It is $400 million more than will be spent on all oil drilling and exploration in 1977. It is equivalent to an over $3.60 per barrel tax on all oil produced here in 1977 (which is more than oil cost just a few years ago). What is this new bureaucracy going to do except manufacture more and more paperwork for you and me. Think how much your children will be paying those 20,000 people in retirement benefits when they finish working at the Energy Department.

We now pay more to our retired military than we do to the active U.S. Army. Social security which was designed to supplement older people's retirement savings is fast approaching bankruptcy. Many people are being forced to depend on it as their principal retirement benefit and either social security taxes will have to be raised again or the money taken from the general fund. Successful people who work after 65 or have money income won't benefit at all from it.

I certainly believe in equal opportunity, but we must insist that with this comes equal responsibility. We must give the disadvantaged, helpless and hopeless both help and hope, but we must do it with dignity and in an economically sound manner that does not perpetuate their problem and bankrupt the country.

$2.8 BILLION A MONTH DEFICIT . . .

We are importing half the oil we use in this country. This is causing us to have a $2.8 billion a month trade deficit, which cannot continue if our dollar is to be worth anything against foreign currencies. We must cut down on fuel use, yet in Los Angeles alone we are going to spend $70 million this year busing students from one side of town to the other, using this precious imported fuel. Multiply this by all cities in America and you can see that this utopian experiment is helping us to bleed to death.

Wouldn't it be better to spend the $70 million in Los Angeles on better schools and better housing which would directly help the children and through this expenditure provide jobs for more people?

In addition to the over $300 billion that we have given in foreign aid, our banks are now taking our money that we have given them for safekeeping and are loaning it to underdeveloped nations that already have a debt of $253 billion and have no way of paying back the loans. We will be expected to forgive it but, how will we then get your savings back when we go down to draw it out?

The one remaining hope we have to keep the balance of payment in line is agriculture. We ship over $25 billion worth of grain and produce overseas each year to help pay for the $48 billion worth of oil that we import. The media keeps harping that there is no energy shortage and for the moment they are right. But how are we going to continue to pay for this oil? We see the dollar going down in value against foreign currencies every day, as this trade deficit increases to the highest levels ever.

We have less farmers in numbers than we have ever had, but since 1970, the Agriculture Department budget has doubled and the Department has quadrupled in size. More bureaucrats for less farmers. The budget is now $16.7 billion, up 30 percent over 1976.

In direct reversal of a promise made earlier to many farmers, the Department of Interior has decided to break up big, economical farms and stated that no one who receives water from dams can farm over a quarter section—160 acres. What do you think that will do to our farm exports?

Food stamps were started to give away farm surpluses of about $600 million a year in order to help both the farmers and the poor. It has now become a $22 billion a year program with 20 million people receiving stamps—almost 10 percent of the population. Our bureaucrats have hidden this welfare cost by keeping it away from the H.E.W. Department, which handles welfare. It accounts for over half of the Agriculture Department budget. The big city congressmen trade their congressional votes for a bigger Agriculture Department in return for farm state votes for a continuing and enlarging food stamp program, which naturally guarantees more big city votes.

As each year goes by, we can see more and more that our politicians are using federal and state income taxes as a means of redistributing the wealth, not as a revenue measure. To buy votes they take any tax measure making sure that they miss most of the voters and then, right or wrong, they put it through. Real estate mortgages on homes and property taxes will only be deductible up to a certain level. Business lunches are next and then convention travel. They don't seem to realize that all this will kill the incentive to build and grow and hire more people. Socrates said four hundred years before the time of Christ, *"When in a democracy the people learn that they can vote themselves largess, the democracy will cease to exist."*

We tell South Africa, Rhodesia and others how to run their countries which have good economies, when we are running our own country about as poorly as a country could be run.

I could go on and on but I am sure you have seen for yourselves more examples of our downward trend than I could ever talk about today. We are doing it to ourselves and saying, "Pretty soon we should do something about it." Now is the time because the country is resilient and can get going again as the dream of the world and the most compassionate and successful nation ever conceived.

We truly have a silent majority in America today who wait and wait for "them" in Washington, the state capitol or in local city government to come to their senses. They need you to speak to, and for, them. And if you do speak they will respond and America will not go over the precipice of totalitarian socialism, where personal freedom does not exist any longer.

I hope that I can count on you to go out of here today and take a more active interest in politics. Find young men who would be interested in being in government. Encourage them. Finance them through civic groups. The trend can be reversed.

President Kennedy said, "Every American mother would like her son to be president, but none of them would want him to be a politician"—but to be president, you must first be a politician.

Yes, Anne-Marie got my attention by putting me on a bicycle and telling me the truth about my health. Hopefully you and I can awaken our fellow Americans in time to reverse the trend. There is no education in the second kick of a mule.

RELIGIOUS LIBERTY

HON. GENE TAYLOR

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. TAYLOR. Mr. Speaker, in the ongoing struggle for religious liberty throughout the world, we Americans have historically been blessed with a keen awareness of the need to keep government and its bureaucracy from unconstitutionally interfering with religious freedom.

I was particularly impressed with the following article in the October 1977 issue of Moody Monthly, perhaps the most widely read and influential Christian magazine in America today.

It was written by our former colleague in the Congress, the Honorable John B. Conlan, now in private law practice in Washington and Phoenix. Mr. Conlan ably points out the subtleties and dangers to religious liberty of a well-meaning but totally erroneous bill, H.R. 41, now in the Congress. I commend this article to you and thoughtful believers in separation of church and state everywhere:

IT SEEMS TO ME

(By John B. Conlan)

A bill now in the United States House of Representatives to "regulate the solicitation of charitable contributions" by mail, TV, and radio, is both a bureaucratic nightmare and a direct attack on the constitutional requirement that church and state be separate.

The United States Supreme Court has long held that freedom of religious belief is absolute and that governmental regulations of religious practices must be based on a state interest which is clearly demonstrated and which is highly compelling. The bill, H.R. 41, falls woefully short on both these counts and would pave the way for eventual suppression of tax-deductible giving to nonprofit religious ministries. It is an immediate threat to Christian schools, colleges, mission and evangelistic societies, publishers, broadcasters, hospitals, every local church, and all religious TV and radio stations.

H.R. 41, sponsored by Congressman Charles Wilson (D–CA), is officially titled "A bill to require the furnishing of certain information in connection with the solicitation of charitable contributions by mail, and for other purposes."

It requires that all charitable organizations, including all religious organizations, that receive contributions by mail, must include in their solicitation specific information on (1) the organization, (2) the purpose of the solicitation and the intended use of the contribution solicited, and (3) "the percentage of all contributions received which remained for direct application to its charitable purpose after deducting all fund-raising and management and general costs during the last fiscal year."

This percentage must be boldly and clearly stated on all stationery and printed material, and in the midst of all TV and radio broadcasts. In the case of TV it must be boldly and "legibly" shown for a "sufficient" period (as determined by postal regulations yet to be devised).

Furthermore, the Postal Service is authorized to require each organization to furnish all "audit reports, accounts, or other information" as the Postal Service may require to "verify" the percentage figure each church or organization is publicizing.

In other words, under the guise of "exposing" an occasional Elmer Gantry and "pro-

tecting" the giver, each organization can be required to furnish to the Postal Service all financial records, including contributions and expenses. Under the Freedom of Information Act, those now confidential contributor lists would become public information . . . and available to unscrupulous persons.

Furthermore, if the Postal Service deems any organization not to be in compliance with or submissive to the provisions of the act, postal authorities will be able to obtain a mail stop against the organization.

H.R. 41 seeks to accomplish a desirable purpose. The intent of the bill seems to be to assure the recipient of a fund-raising solicitation that his contribution will be spent for the charitable purposes described, and that the cost of raising funds is within a reasonable range.

No reputable charitable agency could quarrel with the right of the donor to know how his money is being spent and the proportion of his contribution which goes for fund-raising expense.

All legitimate charitable organizations publish financial statements providing much, if not all, of the information contained in the proposed bill.

Most religious groups provide such information voluntarily. This leaves a tiny group of other organizations which might or might not provide full disclosure. Of this tiny group there are possibly fifteen or twenty charities which could be termed questionable, and these organizations are well known to postal authorities responsible for detecting mail fraud.

In fact, it is remarkable that 25 billion dollars could be raised for philanthropic purposes each year with such a tiny proportion of funds misused by shady operators.

Yet, this bill and many others at the state and Federal level seek to impose on all charitable organizations a burden which belongs only to a few.

According to statistics, 88 percent of all American families now contribute to charity—and 75 percent of all American families contribute through the mails at one time or another.

Yet, except for an occasional scandal blown out of proportion to the total charitable effort, the public seems willing to maintain its level of giving and to increase it at least 10 percent per year.

Few people truly believe that their church, missionary society, Scout troop, college, local museum, or community hospital is involved in fraud by mail. And this is where the bulk of charitable funds go—right to the community level where every citizen is a watchdog of his money.

The imposition of the provisions of H.R. 41 would penalize all of these local as well as national Christian groups, yet would not catch the real crooks, the five or six men in this country who occasionally promote a dubious cause and abscond with the funds.

Actually, the shady operators who solicit legally but unethically will not be disturbed by the provisions of this bill. These people own their lists, mail under the privacy privileges of first class mail, and operate much the same as pornographers. They mail from blind "drops," collect their money and skip to the next post office box.

Each Christian and other charitable organizations and institutions may not operate exactly as efficiently as some outside observer might like, but these dedicated, earnest and honest individuals who collect 25 billion dollars for philanthropic purposes each year are reliable stewards of our charitable contributions.

The first two requirements of the bill—a statement of the purpose of the solicitation and the need—are a standard part of every mailing piece. It is on this part of the presentation that the public decides whether or not to support a charitable group.

The remaining three portions of the bill deal with expenses and income, the costs of fund-raising, and the expenditure of charitable funds.

It is in this area that serious problems arise.

I am sure that all religious and charitable fund-raisers wish there were a simplistic way of measuring the efficiency of any fund-raising effort. And, if there were a magic figure, say 25 percent, then all charities raising funds over 25 percent would be automatically evil and those under 25 percent would be automatically pure.

The economics of charitable solicitation are not that simple. Every charity has a different cost of raising funds—and that cost has nothing to do with salaries or postage or the cost of envelopes and paper.

If not what is cost? Costs of fund-raising are best stated as a percentage—the number of pennies deducted from each charitable dollar for fund-raising. The cost of a mailing piece has nothing to do with fund-raising costs, except in terms of pulling power.

The cost of an envelope, letterhead, folder and postage stamp is the same for all organizations operating in a competitive environment. Yet, that same expense for materials will return more money for one charity than another, thus resulting in a higher percentage cost of fund-raising for one organization over another.

Does this mean that one organization is less reputable or efficient, or that the need for funds is less urgent? No. One organization's fund-raising cost is higher than another because of the priority the public places on its cause.

Not all mailing pieces are mailed for the same purpose. Charitable mailing can be divided into two categories, both with totally divergent purposes and costs of fund-raising.

One category of mailing is called "prospecting"—the seeking of new friends and contributors who have never given before.

The return from such a mass mailing to prospects would be considered good if it makes a small amount of money or breaks even. A return of 1 percent or 2 percent is common.

If 1,000 pieces are mailed to people who have never contributed before, it might receive a 2 percent response—twenty gifts at an average of perhaps ten dollars per gift. Two hundred dollars would be raised in this mailing. The cost of 1,000 mailing pieces might be $100, a typical figure for nonprofit direct mail. Thus the "cost" of this fund-raising is fifty cents on the dollar. Wouldn't this cost, if published in the mailing piece, inhibit the effort to build a list of long-term friends and donors?

On the other hand, there is a second type of mailing piece which re-solicits a previous contributor—a long-term friend who was discovered by the relatively expensive mass screening process that cost fifty cents on the dollar.

In the example cited, the twenty donors who were obtained at a "cost" of fifty cents on the dollar would be resolicited in the second year. This time, instead of 1,000 mailing pieces sent out, only twenty would be sent—with perhaps another twenty or forty sent as follow-ups to those who did not respond to the original request for a second gift.

Thus, perhaps sixty pieces would be mailed, at a cost of ten cents per piece, or a total of six dollars in this simplified example.

If all the donors repeated their first gifts of $10, the income would be two hundred dollars and the cost only six dollars, or a cost of fund-raising ratio of only three percent.

If this figure were presented to the public via the disclosure provisions of this bill, then this mailing would be white and pure, as against the mailing which cost fifty cents on the dollar to get these loyal friends.

The only hitch here is that unless the fifty cents money were spent first, there would be no long-term friends to provide funds at a cost ratio of three cents.

Neither the general public nor the Christian public has yet begun to understand these economics—the same economics which prevail in all of the major direct mail causes.

While the President and Congressmen in their recent campaigns pledged a reduction in paperwork and bureaucracy, this bill will do just the opposite. Consider these points:

H.R. 41 will increase the paperwork on every Christian organization by providing each potential donor with financial statements with each appeal, creating additional costs and inevitably lessening the funds each charity can use for its stated purpose.

H.R. 41 requires each charitable organization to first "self-incriminate" itself by publishing in each mail piece a percentage figure for its costs when post office auditors will undoubtedly come up with a different percentage allocation of the costs. What does that make the Christian organization . . . a liar . . . a deceiver . . . a cheat? How does an agnostic oriented newsman in the community, or a humanist wire service reporter report the discrepancy? Headlines proclaiming "falsification" by Christian organizations? And what does the Postal Service do? Well, this bill says the post office is authorized to put a "mail stop" against the church or non-profit organization when they find it not in compliance with any provision of this Act.

H.R. 41 requires that whenever a radio or TV broadcast makes mention of the need for gifts to support the ministry, there must be a lengthy audio and visual explanation setting forth—(1) the legal name and the principal business address of the charitable organization making the solicitation, (2) the purpose of the solicitation and the intended use of the contribution solicited, (3) the promise that the charitable organization will send a complete financial statement to anyone requesting it, and (4) the percentage of all contributions in the last fiscal year of the organization which remained for direct application after deducting all fund-raising, management and general costs.

Now, if that isn't enough to effectively suppress giving, the bill further requires that the above information be presented in a "clearly audible" way, "remain in view for a sufficient period of time", and "be shown against a background which does not impair the legibility" of (1) through (4) of the above paragraph.

Since charitable fund-raising costs are a mixture of the high costs of acquiring a new donor and the low costs of renewing him for a subsequent contribution, H.R. 41 would penalize new charities and greatly inhibit the possibility of new Christian ministeries getting off the ground. The disclosure provisions of this bill penalize old-line established ministries, but it could suffocate new evangelists, new schools, churches, growing colleges, missionary and broadcast outreaches.

H.R. 41, in section 3012 paragraph (a), indicates that if a local minister on a Sunday morning encourages the congregation, which usually contains non-members, to give to church operations or causes and if the offering envelopes have the church address on them, the solicitation would be subject to the regulations and sanctions of H.R. 41. And if any funds raised locally from a local church, crusade, or rally are sent on to a state, or national or international convention, conference or evangelistic association, both the local and national causes would come under the reporting requirements for disclosure of each others statistics.

H.R. 41's requirement and sanctions would inhibit the exclusively religious activities of churches by putting burdens on the collecton and disbursement of funds used in the religious mission of the churches.

The United States Supreme Court has consistently held that government, in its dealings with religion, must not inhibit religion,

must not become excessively entangled with religion, and must not violate the First Amendment's Free Speech and Free Exercise rights.

The attempt through this bill to regulate the activities of religious organizations and churches and to compel disclosure of church financial information would infringe both the Establishment and the Free Exchange Clauses of the First Amendment. The sanctions allowed for government to take, including putting a mail stop on those organizations refusing to publicly disclose their sources of income and contributors lists, would have a profoundly chilling effect on solicitations of funds by churches.

This bill would place a burdensome paperwork requirement on all churches, both large and small, if they received any charitable contributions through the mail. By forcing them to open their books and records for review and examination by the U.S. Postal Service and, under the Free of Information Act, revelation thereby to the press and public, religious contributors would no longer have confidentiality and protection from disclosure, harassment, and possible persecution or discrimination.

To have the Postal Service or any Federal Agency looking down the necks of this nation's churches and charitable organizations in this manner is really quite unconstitutional. But as one Senator was overheard to say a few years back, "If I've got enough votes to pass a bill, it is constitutional!" What he meant was the following: if you don't like a proposed law, you'd better defeat it in Congress because you can never be sure what five out of nine men on the Supreme Court will conclude is "constitutional."

Quite frankly, there has been little need shown for this type of pervasive legislation. There are more than sufficient forces at work to expose and remedy any "charity rip-offs" and to protect the interests of both the public and legitimate charities.

First, we have the vigilance of the press. Second, we already have in the law the nonprofit authentication process and audits of Internal Revenue Service. Third, we have the false representation statute, a consumer protection law covering non-profit and religious organizations, and Fourth, we have the existing statutes dealing with postal fraud.

Perhaps the greatest protection offered the public against rare abuses is the peer pressures and various codes of ethics of religious and other groups of fundraisers, plus the overwhelming availability to contributors of financial summaries, if the contributor specifically requests it.

Even without all the existing legal protections, the bill fails to take into account one all important fact: donations to charity are, by definition, made of one's own free will. There is no force compelling people to give. Every individual has the right to ask for whatever information or financial report he or she desires from that charity, before making a decision to contribute.

Charitable giving is not motivated entirely by intellectual analysis. It comes mostly from the heart .. . . through the ministry of the Holy Spirit. No matter how informative statistical figures on the cost-effectiveness of a mail, radio or TV ministry may be, the psychological impact of bureaucratic intervention will detract from the effectiveness of the appeal.

Having to further justify arithmetical acrobatics would not only cost more in printing the appeals, but would have a negative effect on donors and deny the appeal of its real content—the need to give!

If the Christian community wants to keep its economic freedom, and thereby much of its theological freedom, each congregation, organization, and thinking Christian needs to write his Congressmen immediately . . . and politely but strenuously object to passage of H.R. 41.

THE LEGISLATIVE RECORD OF THE 95TH CONGRESS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. HAMILTON. Mr. Speaker, the 95th Congress has considered a number of bills to expand and improve existing agricultural programs as well as to provide much-needed relief to the Nation's farmers. Some of these bills have already become law. They include:

AGRICULTURAL LEGISLATION

First, 4-year farm and food law that adjusts price supports, increases the limitation on payments to individual farmers, establishes an on-farm grain reserve program, extends the Food and Peace program, makes major revisions in the food stamp program and authorizes a variety of farm and rural conservation programs.

Second, a law that defers a 1977 wheat marketing quota referendum.

Third, a law that increases the authorized capital stock of the Federal Crop Insurance Corporation.

Fourth, a law that extends the Disaster Relief Act and authorizes the Corps of Engineers to provide certain drought assistance.

Fifth, a law that exempts natural disaster payments from the individual payment limitation for the 1977 crop of wheat. feed grains, upland cotton and rice.

Finally. five related laws that authorize and appropriate funds for drought assistance.

Other bills are pending in Congress. They include:

First, a bill that would reduce by 40 percent farmers' paperwork in the 1979 agricultural census and would expand the census to smaller farms.

Finally, a bill that would make major revisions in the Federal Insecticide, Fungicide and Rodenticide Act (FIFRA) to give the Department of Agriculture a stronger role in dealing with pesticides.

Although there is much more to be done, those bills enacted into law and those bills awaiting further action form a package which clearly demonstrates the concern of Congress for American farmers. I am hopeful that this concern will be demonstrated again in the next session of Congress.

COMMUNITY DEVELOPMENT AND PUBLIC WORKS LEGISLATION

Mr. Speaker, the 95th Congress has considered a number of community development and public works bills. Some of these bills have already become law They include:

First, a law that creates 600,000 jobs in construction and related industries by tripling Federal grants for local public works from $2 billion to $6 billion.

Second, a law that extends existing programs under the Comprehensive Employment and Training Act (CETA).

Third, a law that creates about 203,000 jobs and training positions for young persons by establishing a Young Adult Conservation Corps and authorizing a variety of youth employment and training projects.

Fourth, a law that authorizes funds for antirecession assistance to 20,000 State and local governments.

Fifth, a law that authorizes funds over 3 years for the community development block grant program and assisted housing programs, with special assistance for declining communities in urban areas.

Sixth, a law that authorizes additional funds for some 400,000 assisted housing units, extends Federal crime and riot insurance programs, creates a National Commission on Neighborhoods and authorizes additional funds for home heating in housing projects.

Finally, a law that makes economic stimulus appropriations of $20 billion, with $7.9 billion for CETA public service jobs, $59 million for employment of older persons, $4.9 billion for revenue sharing and $100 million for railroad rehabilitation.

Other bills are pending in Congress. They include:

First, a bill that would authorize funds over 5 years for the sewage treatment grant program of the Environmental Protection Agency.

Second, a bill that would provide for the regular public distribution of current information on Federal domestic assistance programs.

Finally a bill that would authorize funds through 1990 to repair and replace unsafe bridges.

Although there is much more to be done, those bills enacted into law and those bills awaiting further action form a package which clearly demonstrates the concern of Congress for community development and public works. I am hopeful that this concern will be demonstrated again in the next session of Congress.

ENVIRONMENTAL LEGISLATION

Mr. Speaker, the 95th Congress has considered a number of bills to preserve and protect the environment. Some of these bills have already become law. They include:

First, a law that authorizes funds over 3 years for the Clean Air Act, extends pollution compliance deadlines for automobiles, plants, and other sources of emissions, and increases State authority to prevent pollution in clean air areas and to allow industrial growth in areas where clean air standards have not been met.

Second, a law that provides for a Federal-State program to regulate the surface mining of coal and the surface impact of underground coal mining, to reclaim abandoned mines, and to establish mining and mineral institutes, coal research laboratories, and graduate research fellowships.

Third, a law that authorizes funds to study saline water conversion.

Fourth, a law that authorizes funds for the national sea grant program.

Fifth, a law that authorizes funds for the Marine Protection, Research and Sanctuaries Act and prohibits the ocean dumping of municipal sewage after 1981.

Finally, a law that authorizes funds for various marine mammal protection programs.

Other bills are pending in Congress. They include:

First, a bill that would provide for a comprehensive study of conservation, protection, and enhancement of the Nation's land, water, and related resources.

Second, a bill that would authorize funds over 2 years for the Safe Drinking Water Act.

Third, a bill that would authorize funds over 4 years for cooperative agreements with the States under the Endangered Species Act.

Fourth, a bill that would authorize additional funds for the purchase of portions of the Appalachian National Scenic Trail.

Fifth, a bill that would designate 1.1 million acres in nine Western States for preservation in the national wilderness system.

Finally, a bill that would establish a $200 million fund to pay for oil spill damages and would make the owner or operator of the source of pollution liable for the damages.

Although there is much more to be done, those bills enacted into law and those bills awaiting further action form a package which clearly demonstrates the concern of Congress for the environment. I am hopeful that this concern will be demonstrated again in the next session of Congress.

FEDERAL EMPLOYEES LEGISLATION

Mr. Speaker, the 95th Congress has considered a number of bills of interest to Federal employees. They include:

First, a bill that would reduce from 12 to 5 years the length of service required to retain Federal employee group life insurance and health benefits during retirement.

Second, a bill that would restore survivor annuities to certain surviving spouses of Federal employees if those survivors annuities were terminated because of the remarriage of the spouse before July 18, 1966.

Third, a bill that would provide for the preemption of any State or local law in conflict with a contract under the Federal employees health benefits program.

Fourth, a bill that would repeal prohibitions on the candidacy and participation of most Federal employees in partisan political elections.

Fifth, a bill that would raise to 70 years the age for mandatory retirement in the private sector and would eliminate the mandatory retirement age for most Federal employees.

Finally, a bill that would block the extension of mandatory social security coverage to Federal, State, and local government workers.

Although there is much more to be done, these bills form a package which clearly demonstrates the concern of Congress for Federal employees. I am hopeful that this concern will be demonstrated again in the next session of Congress.

GOVERNMENT OPERATIONS AND ETHICS LEGISLATION

Mr. Speaker, the 95th Congress has considered a number of bills and resolutions to improve Government operations and to preserve the integrity of public officials. Some of the bills have become law and some of the resolutions have been adopted. They include:

First, a law that gives the President the authority to submit executive branch reorganization plans to Congress and provides that such plans take effect after 60 days unless either the House or the Senate adopts a resolution of disapproval.

Second, a law that requires that future pay raises for Members of Congress be recommended by the Quadrennial Commission on Executive, Legislative, and Judicial Salaries and be approved by a recorded vote in both the House and the Senate.

Third, a House resolution that provides for financial disclosure by Representatives and key staff members, a limit on outside earned income, a limit on gifts, restrictons on personal use of campaign funds, abolition of unofficial office accounts, restrictions on the use of the frank and curbs on lame-duck travel.

Fourth, a House resolution that establishes a Select Committee on Ethics to issue ethics regulations, to render advisory opinions and to work with the Senate to draft ethics legislation.

Fifth, a House resolution that authorizes the Committee on Standards of Official Conduct to determine whether any Representatives accepted gifts from agents of the South Korean Government.

Sixth, a House resolution that establishes a Select Committee on Intelligence to oversee intelligence and related activities in the Federal Government.

Finally, a House resolution that authorizes closed-circuit televising of floor action and establishes a public radio and television broadcasting system in the Office of the Speaker.

Other bills are pending in Congress. They include:

First, a bill that would set guidelines for Federal Reserve monetary policy, would require the Federal Reserve to consult with Congress, would broaden representation on Federal Reserve bank boards, would require Senate confirmation of the Chairman and Vice Chairman of the Federal Reserve and would prohibit conflicts of interest.

Finally, a bill that would limit the use of the frank.

Although there is much more to be done, these laws, resolutions, and bills form a package which clearly demonstrates the concern of Congress for efficient Government operations and a high standard of ethics for public officials. I am hopeful that this concern will be demonstrated again in the next session of Congress.

HEALTH LEGISLATION

Mr. Speaker, the 95th Congress has considered a number of bills having to do with public health. Some of these bills have already become law. They include:

First, a law that authorizes funds for Federal health programs in 1978, including health services research, health statistics, comprehensive public health services, hypertension programs, migrant health, community health centers, medical libraries, the National Cancer Institute, the National Heart, Lung, and Blood Institute, National Research Services Awards, population research and voluntary family planning programs, sudden infant death syndrome, hemophilia, national health planning and development, health resources development and community mental health centers.

Second, a law that improves the safety and health of miners and transfers mine safety enforcement to the Department of Labor.

Finally, a law that strengthens the capability of the Government to detect, prosecute, and punish fraudulent activities under the medicare and medicaid programs.

Other bills are pending in Congress. They include:

First, a bill that would encourage dialysis in the home as an alternative to dialysis in an institution for patients suffering from kidney diseases.

Second, a bill that would create an industry trust fund to pay benefits to coal miners disabled by black lung diseases.

Third, a bill that would provide medicare and medicaid eligibility for rural health clinics and would authorize demonstration projects for clinics and mental health centers in medically underserved urban areas.

Fourth, a bill that would authorize a review of information on food additives, would prohibit certain restrictions on saccharin for 18 months and would require that stores warn customers of the potential health hazards of saccharin.

Finally, a bill that would authorize additional funds over 2 years for public health traineeships, would expand traineeship eligibility and would make technical amendments to the health professions guaranteed student loan program.

Although there is much more to be done, those bills enacted into law and those bills awaiting further action form a package which clearly demonstrates the concern of Congress for public health. I am hopeful that this concern will be demonstrated again in the next session of Congress.

LABOR LEGISLATION

Mr. Speaker, the 95th Congress has considered a number of bills of interest to working people. Some of these bills have already become law. They include:

First, a law that creates 600,000 jobs in construction and related industries by tripling Federal grants for local public works from $2 billion to $6 billion.

Second, a law that extends existing programs under the Comprehensive Employment and Training Act (CETA).

Third, a law that creates about 203,000 jobs and training positions for young persons by establishing a Young Adult Conservation Corps and authorizing for a variety of youth employment and training projects.

Fourth, a law that makes economic stimulus appropriations of $20 billion, with $7.9 billion for CETA public service jobs and $59 million for employment of older persons.

Fifth, a law that extends unemployment compensation under the Federal

supplemental benefits program for an additional 7 months and results in a total of 52 weeks of unemployment compensation for eligible persons.

Sixth, a law that improves the safety and health of miners and transfers mine safety enforcement to the Department of Labor.

Finally, a law that raises the minimum wage in stages from the present $2.30 per hour to $2.65 per hour in 1978, $2.90 per hour in 1979, $3.10 per hour in 1980 and $3.35 per hour in 1981.

Other bills are pending in Congress. They include:

First, a bill that would enlarge and strengthen the National Labor Relations Board and would expedite union representation elections under the National Labor Relations Act.

Finally, a bill that would raise to 70 years the age for mandatory retirement in the private sector and would eliminate the mandatory retirement age for most Federal workers.

Although there is much more to be done, those bills enacted into law and those bills awaiting further action form a package which clearly demonstrates the concern of Congress for working people. I am hopeful that this concern will be demonstrated again in the next session of Congress.

LAW ENFORCEMENT AND CRIMINAL JUSTICE LEGISLATION

Mr. Speaker, the 95th Congress has considered a number of bills in the areas of law enforcement and criminal justice. Some of these bills have already become law. They include:

First, a law that appropriates $647 million for the existing programs of the Law Enforcement Assistance Administration.

Second, a law that authorizes funds over 3 years for drug enforcement under the Controlled Substances Act.

Third, a law that extends the Juvenile Justice and Delinquency Prevention Act, authorizes funds over 4 years for Federal juvenile justice programs and authorizes funds over 3 years for the Runaway Youth Act.

Finally, a law that extends Federal crime and riot insurance programs.

Other bills are pending in Congress. They include:

First, a bill that would authorize funds over 2 years for the Legal Services Corporation and would eliminate certain restrictions on legal aid to the poor.

Second, a bill that would protect children from sexual exploitation by providing severe criminal penalties for persons involved in juvenile prostitution and child pornography.

Third, a bill that would extend the Child Abuse Prevention and Treatment Act for 5 years and would prohibit the sexual exploitation of minors.

Finally, a bill that would authorize funds over 3 years to assist States in the compensation of innocent victims of crime.

Although there is much more to be done, those bills enacted into law and those bills awaiting further action form a package which clearly demonstrates the concern of Congress for strong law enforcement and criminal justice. I am hopeful that this concern will be demonstrated again in the next session of Congress.

NATIONAL DEFENSE LEGISLATION

Mr. Speaker, the 95th Congress has considered a number of bills to provide for a strong and efficient national defense. Some of these bills have already become law. They include:

First, a law that appropriates $109.8 billion for national defense.

Second, a law that authorizes the Department of Defense to maintain military forces totaling 2.9 million persons and civilian forces totaling 1 million persons.

Third, a law that extends until September 30, 1978, the authority to pay enlistment bonuses up to $3,000 and reenlistment bonuses up to $15,000 for military personnel.

Fourth, a law that authorizes funds for the national security programs of the Energy Research and Development Administration, including the neutron bomb program.

Finally, a law that extends for 2 years the Defense Production Act.

Other bills are pending in Congress. They include:

First, a bill that would amend the Strategic and Critical Materials Stock Piling Act to establish a program for the acquisition of strategic and critical materials from foreign countries through barter goods owned by the United States.

Second, a bill that would authorize funds for military procurement of missiles and aircraft, including the cruise missile.

Finally, a bill that would make improvements in the Retired Serviceman's Family Protection Plan and the Survivor Benefit Plan.

Although there is much more to be done, those bills enacted into law and those bills awaiting further action form a package which clearly demonstrates the concern of Congress for a strong and efficient national defense. I am hopeful that this concern will be demonstrated again in the next session of Congress.

OLDER PERSONS LEGISLATION

Mr. Speaker, the 95th Congress has considered a number of bills to assist older persons. Some of these bills have already become law. They include:

First, a law that provides an additional tax credit of $35 per year for the elderly and permits business deductions for day care of the elderly in the home.

Second, a law that authorizes funds for home health demonstration and training projects for the elderly.

Third, a law that strengthens the capability of the Government to detect, prosecute, and punish fraudulent activities under the medicare and medicaid programs.

Fourth, a law that appropriates $59 million for employment of older persons.

Finally, a law that makes major revisions in the food stamp program by eliminating the purchase requirement and simplifying program administration.

Other bills are pending in Congress. They include:

First, a bill that would raise to 70 years the age for mandatory retirement in the private sector and would eliminate the mandatory retirement age for most Federal workers.

Second, a bill that would assure the solvency of the social security system and would assist social security recipients by increasing payroll tax revenues and phasing out the earnings limitation.

Third, a bill that would authorize reduced air travel fares for retirees over age 60 and all persons over age 65.

Fourth, a bill that would require the Department of Health, Education, and Welfare to assure that the elderly have access to buses and other mass transit systems.

Finally, a bill that would establish a national meals-on-wheels program.

Although there is much more to be done, those bills enacted into law and those bills awaiting further action form a package which clearly demonstrates the concern of Congress for older persons. I am hopeful that this concern will be demonstrated again in the next session of Congress.

POSTAL SERVICE LEGISLATION

Mr. Speaker, the 95th Congress has considered a number of bills to improve the U.S. Postal Service. They include:

First, a law that appropriates $1.6 billion for the Postal Service, $920 million of which may be used for operations.

Second, a bill that would repeal prohibitions on the candidacy and participation of most Federal workers in partisan political elections.

Third, a bill that would provide for the arbitration of disputes between the Postal Service and recognized organizations of Postal Service managers.

Fourth, a bill that would provide for congressional review of decisions of the Postal Rate Commission, would establish precise methods for setting postal rates, would increase Federal support for the Postal Service, would authorize funds for 6-day delivery, the operation of rural post offices and a modern research and development program, would abolish the Postal Service Board of Governors and would provide for congressional review of proposed changes in levels or kinds of nationwide service.

Finally, a bill that would require a charitable organization using the mails to provide potential donors with information about the organization.

Although there is much more to be done, this legislative package clearly demonstrates the concern of Congress for the Postal Service. I am hopeful that this concern will be demonstrated again in the next session of Congress.

SCHOOL LEGISLATION

Mr. Speaker, the 95th Congress has considered a number of bills in the area of education. Some of these bills have already become law. They include:

First, a law that extends advance funding for disadvantaged aid and library programs under the Elementary and Secondary Education Act and the Adult Education Act.

Second, a law that authorizes funds over 5 years for programs under the Education of the Handicapped Act.

Third, a law that authorizes funds over 2 years for foreign area study and

language development programs under the National Defense Education Act.

Fourth, a law that extends the summer feeding program for 3 years, makes improvements in the food service equipment and free breakfast programs in extremely needy schools and authorizes Federal grants of 50 cents per child for a national nutrition education program.

Finally, a law that makes several technical amendments to the Vocational Education Act, including amendments relating to the use of Federal funds for State and local administrative support.

Other bills are pending in Congress. They include:

First, a bill that would authorize funds over 5 years for career education programs in elementary and secondary schools.

Finally, a bill that would designate the libraries of accredited law schools as depositories for Government documents.

Although there is much more to be done, those bills enacted and those bills awaiting further action from a package which clearly demonstrates the concern of Congress for the Nation's schools. I am hopeful that this concern will be demonstrated again in the next session of Congress.

SMALL BUSINESS LEGISLATION

Mr. Speaker, the 95th Congress has considered a number of bills of interest to small business. Some of these bills have already become law. They include:

First, a law that increases the Small Business Administration (SBA) authorization for surety bond guarantees, business and investment loans, economic opportunity loans and small business investment companies and revises and expands the SBA disaster loan program.

Second, a law that cuts taxes by $34 billion over 3 years and gives businesses tax credits for new employees hired in 1978 and 1979.

Third, a law that extends the Council on Wage and Price Stability for 2 years.

Fourth, a law that exempts farms employing 10 or fewer workers from Occupational Safety and Health Act (OSHA) regulations and forbids OSHA officials to issue citations during the first inspection of a workplace unless 10 or more violations are found there.

Finally, a law that raises the small business minimum wage exemption in three stages from the present $250,000 in gross annual sales to $362,500 in gross annual sales by 1982.

Other bills are pending in Congress. They include:

First, a bill that would amend the Employee Retirement Income Security Act (ERISA) to simply pension fund management.

Second, a bill that would authorize the SBA to offer reinsurance against excessive losses resulting from product liability claims.

Third, a bill that would authorize the SBA to assist small businesses in purchasing energy conservation equipment.

Fourth, a bill that would authorize Federal grants to universities to establish and operate small business development centers.

Finally, a bill that would protect service station operators from arbitrary or discriminatory termination of their franchises.

Although there is much more to be done, those bills enacted and those bills awaiting further action form a package which clearly demonstrates the concern of Congress for small business. I am hopeful that this concern will be demonstrated again in the next session of Congress.

SOCIAL SERVICES LEGISLATION

Mr. Speaker, the 95th Congress has considered a number of bills to improve the delivery of social services to deserving Americans. Some of these bills have already become law. They include:

First, a law that authorizes funds over 3 years for the community development block grant program and assisted housing programs, with special assistance for declining communities in urban areas.

Second, a law that makes major revisions in the food stamp program by eliminating the purchase requirement and simplifying program administration.

Third, a law that authorizes funds over 5 years for programs under the Education of the Handicapped Act.

Fourth, a law that extends for one year Federal matching funds for child support collection and paternity establishment services.

Fifth, a law that extends the summer feeding program for 3 years, makes improvements in the food service equipment and free breakfast programs in extremely needy schools and authorizes Federal grants of 50 cents per child for a national nutrition education program.

Sixth, a law that extends for one year a $200 million increase in expenditures for title XX social services and delays the imposition of Federal day care standards.

Other bills are pending in Congress. They include:

First, a bill that would authorize funds over two years for the Legal Services Corporation and would eliminate certain restrictions on legal aid to the poor.

Second, a bill that would establish a national meals-on-wheels program.

Finally, a bill that would provide medicare and medicaid eligibility for rural health clinics and would authorize demonstration projects for clinics and mental health centers in medically underserved urban areas.

Although there is much more to be done, those bills enacted and those bills awaiting further action form a package which clearly demonstrates the concern of Congress for adequate social services. I am hopeful that this concern will be demonstrated again in the next session of Congress.

VETERANS LEGISLATION

Mr. Speaker, the 95th Congress has considered a number of bills of interest to veterans. Some of these bills have already become law. They include:

First, a law that increases by 6.6 percent service-connected disability compensation and dependency and indemnity compensation for veterans and their survivors.

Second, a law that authorizes funds over 2 years to improve the program of grants to States for construction, remodeling, and renovation of State-run home facilities for veterans.

Third, a law that provides an automobile assistance allowance and special automotive equipment to certain disabled World War I veterans.

Finally, a law that denies veterans benefiits to certain Vietnam war veterans with upgraded discharges unless a discharge review board makes a separate recommendation.

Other bills are pending in Congress. They include:

First, a bill that would increase by 6.5 percent veterans and survivors pensions, would provide a 25 percent differential to World War I surviving spouses aged 78 years or more and would increase the outside income which beneficiaries may receive and still be eligible for a pension.

Second, a bill that would revise procedures relating to the construction, alteration and acquisition of Veterans Administration medical facilities.

Third, a bill that would provide increased service-connected compensation to certain veterans who have suffered the loss or loss of use of paired extremities.

Fourth, a bill that would provide specially adapted housing assistance to permanently and totally disabled veterans who have suffered the loss of use of one upper and one lower extremity.

Finally, a bill that would increase veterans education benefits by 6.6 percent.

Although there is much more to be done, those bills enacted and those bills awaiting further action form a package which clearly demonstrates the concern of Congress for veterans. I am hopeful that this concern will be demonstrated again in the next session of Congress.

MAYFIELD, KY., HIGH SCHOOL

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. HUBBARD. Mr. Speaker, earlier today I paid tribute to and congratulated the 1977 Mayfield High School football team upon their winning the class AA State championship in Kentucky.

In my earlier remarks I listed the coaches and the 27 Mayfield Cardinals who played in the championship game at Richmond, Ky., last Friday.

At this time, in all fairness to the other players and cheerleaders who were instrumental in Mayfield's 12–1 season record and winning the State championship, I list the other players: Greg Puckett, Greg Kerr, Chris Biggers, Louis Kemp, Greg Vincent, Steve Bradford, Jeff Mason, Tommy Seavers, Jim Webb, Mark Glover, Bubba Ford, Gary Saxton, and Jerry Washburn.

The cheerleaders for Mayfield High School are: Lisa Lewis, Beth Burnette, Mary Caroline Copeland, Lisa Sanderson, Melissa Berry, Cathy Dublin, Johanna Moses, and Kim Sanert. Their sponsor is Mrs. Donna Lamkin Owen.

REV. HENRY L. PINCKNEY: PILLAR OF COMMUNITY

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. STOKES. Mr. Speaker, I rise on this occasion to bring to your attention and to the attention of colleagues in the House an article which recently appeared in the Cleveland Press newspaper on the Reverend Henry L. Pinckney of Cleveland, Ohio.

Reverend Pinckney is the pastor of the Glenville United Presbyterian Church and one of the most respected community leaders in our city. Because of his outstanding service to Cleveland, he was recently featured in a column in the Cleveland Press newspaper. Mr. Speaker, I was particularly pleased to read Mr. Bob Seltzer's inspirational column on my friend the distinguished Reverend Pinckney.

Therefore, Mr. Speaker, I respectfully submit to the House this column entitled "Pastor Is Community Pillar" which appeared in the November 8, 1977, edition of the Cleveland Press:

PASTOR IS COMMUNITY PILLAR

(By Bob Seltzer)

The warp and woof of which the life of the Rev. Henry L. Pinckney is wrought is manifested in his many acts of kindness as pastor of the Glenville United Presbyterian Church, U.S.A., and Community Center at 10504 Helena Ave., near St. Clair Ave.

One of 10 children of a construction worker, farmer and logger near Walterboro, S.C., Pinckney was endowed with empathy and an understanding heart in helping his fellow man along life's road as he worked his way for an education.

He organized the Glenville Task Force on Education, and established in 1970 an after-school hot supper program at his church, where 50 children receive free meals Monday through Friday all year. It started with church funds, and a year later became a U.S. Department of Agriculture project.

In 1974, he established a sandwich, fruit and milk program, which enabled 450 children in Glenville social service agencies to receive free lunches Monday through Friday during the summer.

Pinckney negotiated with the Council on Economic Opportunity for creation in 1975 of the first senior citizen program in Glenville. Foundation funds were granted the Youth Planning Development Commission. He was one of the organizers of the Glenville Concerned Parents Organization, and in 1973 received the Council on Economic Opportunity's award for outstanding service in Glenville.

Pinckney, a widower, who became 42 Oct. 15, is a short, vibrant leader. He was an organizer of the Black Action Training Program for equipping black clergymen without college or seminary experience with understanding of the resources of their community. He served as chairman.

In 1974, he was president of the Greater Cleveland Interchurch Council, and served as moderator of Presbytery of the Western Reserve, comprised of 61 United Presbyterian churches in Greater Cleveland, with a total membership of 33,000.

He is active in the Kathryn Tyler Neighborhood Center, on the board of Neighbors Organized for Action in Housing, chairman of Glenville Community Center, and serves as a volunteer chaplain at Forest City Hospital. He took a clergy counseling program at Case Western Reserve University.

His church is fiscal agent for a juvenile action program, counsels youths, and provides them with programs. He is host of a WJMO-Radio program, "The Open Door," and a member of the Kiwanis Club of Cleveland.

Pinckney worked in department stores for a year after graduation from high school, and then served in the Navy in Oregon, Guam and the Military Sea Transportation Service in the Pacific.

He received a B.S. degree cum laude in elementary education from South Carolina State College under the GI Bill, and held several summer jobs. He earned his bachelor of divinity degree from John C. Smith University and won a two-year national Presbyterian scholarship and three awards.

"A church is the only institution that relates to personal and spiritual being and makes people concerned citizens who have to love themselves and their neighbors," Pinckney said. "It is an experience of people working together and sharing responsibility."

Pinckney's wife Kathryn died in January. Their sons, Henry Jr., 10, and Glen, 9, attend St. Henry School. The Pinckneys live at 4222 E. 187th St.

AFRICA: THE REALITIES

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. SYMMS. Mr. Speaker, I want to take this opportunity to share with my colleagues an article which appeared in the Johannesburg Citizen on Wednesday, October 26, 1977.

The article follows and speaks for itself:

AFRICA: THE REALITIES

The African group in the United Nations has asked Security Council members to support their draft resolution calling for a mandatory arms embargo and economic sanctions against South Africa.

Mr. Mahmoud Mestiri, of Tunisia, making the call, said that support for the African drafts was the least the Western Powers could do to help the "oppressed" South African people.

Who are these African States which have placed South Africa in the dock?

Nice, sweet, lovable, democratic countries, modelled along the lines of the mighty USA, land of the free and the token Black, Watergate and Bert Lance, Andy (I can live with Marxists) Young and Carter's Little Liverish Pills, to be taken when you have had too rich a diet of the President's Human Rights Platitudes?

Dedicated to the proposition, as Abraham Lincoln put it, that all men are created equal and that government of the people, by the people, and for the people shall not perish from the earth?

Committed to President Roosevelt's four freedoms—of speech and expression and of worship, and freedom from want and fear?

Super-duper countries with super-duper social and political systems guaranteeing a super-duper life for all?

If you were to accept Carter and Company's evaluation, you would really think that Africa is God's own continent except for the White South of it.

But the realities are quite different.

Let's spell them out for Mr. Carter, since he doesn't have the faintest idea of what Darkest Africa is all about.

There are:

20 one-party States.

13 dictatorships.

7 military dictatorships.

11 multi-party states, including Transkei, South Africa, Rhodesia and Botswana.

Other interesting facts are:

Of all the Black States north of the Limpopo, only three have constitutions which protect minority rights.

An independent judiciary exists in only seven Black African States.

In August last year, the London Time reported that by the "simple standard of news freely printed and of articles critical of the Government freely written and published", only South Africa in Africa would pass the test of having a free Press—"and even then with limitations" (the banning of the World and Weekend World does not mean that the remainder of the South Africa Press would not pass the test).

In 35 African countries the Press is government-controlled.

As we have already reported, more than a quarter of Black Africa's governments ban foreign correspondents entirely, or admit them so infrequently and under such controlled conditions that news, in effect, is managed or blacked out.

A Washington Post correspondent reported after working in Africa for three years: "African governments exercise so much control over Western news agencies and correspondents that it is becoming increasingly difficult to tell the reader what really is happening."

Which reminds us of a recent discussion which the Editor of The Citizen had with two top American journalists.

Why, he asked, did the U.S. apply double standards to South Africa, placing on it pressures which it did not exert on other countries in Africa which were one-party dictatorships or out-and-out Marxist States?

Ah, the Americans replied, because you are a Western land, or claim to be one, and we expect you to observe Western standards.

In that case said the Editor, perhaps South Africa should stop being part of the West and adopt African standards instead.

Which is a thought for this much-maligned and beleaguered country.

A HISTORIC EVENT IN THE MIDEAST

HON. HELEN S. MEYNER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mrs. MEYNER. Mr. Speaker, everyone who has worked and prayed for peace in the Mideast should have been enormously gratified by the dramatic trip to Jerusalem of President Anwar Sadat of Egypt. This courageous act of statesmanship has transformed the peace process in the Mideast in a very positive way. It vindicates the assertion of the Israelis that face-to-face negotiations are essential for a real peace settlement in the Mideast.

A recent article by Mr. Abba Eban, a former Foreign Minister of Israel, in the New York Times shows an impressive sensitivity to the psychological aspects of this breakthrough for both sides in the Arab-Israeli dispute. I recommend it to all of my colleagues who have been fascinated by the recent important developments in the Mideast.

The article follows:

[From the New York Times, Nov. 22, 1977]

ISRAEL'S HOUR OF DECISION

(By Abba Eban)

JERUSALEM.—The time has come for sharp transition—from rhetoric to diplomacy; from the public exchange of arguments to the private exchange of proposals; from the useless question, "Whose fault is it?" to the essential question, "How do we find remedy?"

Whatever Arabs and Israelis have to say to each other to illustrate their own exclusive virtue and each other's unlimited guilt has been said over and over again. The aim today is not to score debating points but to attain a higher level of mutual understanding. One of the greatest obstacles has been the absence of direct human discourse. This has never been a mere procedural defect capable of remedy by mediation. It has been both the cause and the result of deeper irrationalities with long roots in history.

It is a common attribute of Arabs and Israelis that they give unusual reverence to the past. But history is the enemy of Arab-Israeli reconciliation. The past is the adversary of the future. The vision that Arabs deduce from their history has never included the idea of a Jewish sovereignty in the heart of the Middle East: a society impregnated with Jewish memories, saturated with Hebrew ideas, and inspired by a legacy outside the Arab experience.

In the Arab historical drama, Jews appear always as the objects of tolerance or intolerance, never as the bearers of an autonomous political identity or as the heirs of a specific territorial heritage. In order to accommodate the idea of Israel's statehood, Arabs must make an effort of innovation, not merely of memory. Their intellectual torment is authentic, and should not be taken lightly.

Similarly, the Jewish past, by virtue of its deeply tragic character, compels a spontaneously traumatic reaction to every situation. Many things in Jewish history are too terrible to be believed, but nothing in that history is too terrible to have actually happened.

Israelis, as the products of Jewish history, are more prone to see the dangers than the opportunities inherent in every set of circumstances. When the cold, stark refusal of contact is added to these historical burdens, reconciliation becomes objectively unfeasible. That is why Anwar el-Sadat's presence has a significance in its own right, irrespective of whether it has any operative results in the short term.

Even if the historic current were to stop where it is, we should have to conclude that something of importance has happened and that the Middle East will never be quite the same again. There are territorial, strategic and human components in the Arab-Israeli conflict, but these have never been its root cause. It is essentially a collision between two contradictory visions of the Middle East in history.

In the Arab imagination, Israel is a symptom of discontinuity, a violation of the natural regional harmony. In the Israeli consciousness, Israel is a resumption of a primary current in the history of mankind.

The Middle East is not a monolith of a single Arab color. It is a tapestry of many colors, of which the central thread was woven by Jewish experience centuries ago. It is hard to see how peace can be born in this world of contrasting visions, especially if its prospective parents never meet.

When the President of Egypt initiates an encounter with a sovereign Israel in its capital, the literature of denial becomes obsolete overnight. The alarm of the Arab hard-liners is understandable, and even logical, within their own terms. A Middle East without Israel is a revolt against history and the law of nations. With President Sadat's decision, the revolt comes to an end with incisive dignity, and the Arab world comes face-to-face with a reality that it would have preferred to ignore.

For Egypt is not just one of 22 Arab states. It is nearly half of the Arab world in population, the only recognized center of its policy and culture. It is only because of Egypt's strength—and of Anwar Sadat's daring in 1973—that the Arab world has a credible military option. Without Egypt it is doubtful whether the Arab world can make either war or peace.

A single visit does not replace the need for patient, weary negotiation. But if it reduces the exclusive pretentions of mediation, no harm is done. Even at its best, external mediation suffers from inherent limitations. It involves the Middle Eastern states in the predicaments of the mediators—in global tensions, in strategic rivalries, in the cold war or detente, in parliamentary maneuvers of international agencies, in the energy problem, or in the American-Soviet dialogue.

If external mediation were effective, these difficulties would be irrelevant. Nothing matters here as much as success. But modern diplomatic history contains no successes in the settlement of long-term political conflicts by mediation that seeks to replace direct discourse. Mediation that supplements and accompanies direct encounter is quite a different matter, and there will be acute need of this.

Israelis should not let their contentment obscure the fact that Anwar Sadat did not come here to make things easier for them. On the contrary, he accelerated the moment of painful truth. A discussion that has been rhetorical, semantic, procedural—a 10-year exercise in prenegotiation—will soon be focused not on words and gestures, but on concrete things.

The present Israeli Government, pampered by what it inherited, especially by the serenity created in the disengagement agreements, has not yet been involved in a single decision involving risk. But very soon the working papers will have to be specific: What exactly are the Arabs prepared to do about peace? What precisely can Israel do or not do about withdrawal? What will the Palestinian condition be within the peace context?

The Israeli Government can prosper to the extent that it translates the slogan "Everything is negotiable" into credible attitudes and terms.

NAVY CITES L. EDGAR PRINA

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. BOB WILSON. Mr. Speaker, in retiring from the Navy after 35 years of service, the deputy bureau chief of the Copley News Service, L. Edgar Prina, may have ceased his active participation in naval affairs, but his interest in and dedication to the Navy will most certainly continue.

I have known Ed Prina for years. His views, through his writings and conversations have helped me many times to understand the military—its activities, interests, people, and equipment. I am most fortunate, as are many others to have worked with Ed, and am glad that I will still be able to call on him for advice and counsel.

Ed is a man of many parts and the November issue of Sea Power magazine, in noting Ed's retirement, sets forth his accomplishments far more eloquently than I am able.

NAVY CITES PRINA FOR CAREER OF "YEOMAN SERVICE"

Sea Power Editor Emeritus L. Edgar Prina, now serving as deputy bureau chief of the Copley News Service, has been given a formal letter of appreciation by the Navy in recognition of his "experience and scholarship in naval matters" and his long and still-continuing efforts in developing a greater "public awareness and understanding of seapower."

Rear Admiral David M. Cooney, the Navy's Chief of Information, who presented the letter on the occasion of Prina's retirement (in the rank of captain) from the Naval Reserve, pointed out to an audience which included former Secretary of the Navy J. William Middendorf II that in his various naval and journalistic assignments Prina has "played an important part in each of three major conflicts, and the Cold War," and has throughout maintained "the highest standards of professionalism, dedication to duty, and devotion to the Navy."

Navy Secretary W. Graham Claytor, Jr., who was unable to attend the ceremonies in Cooney's office, offered his own congratulations in a personal letter to Prina, telling him that "As correspondent, editor, bureau chief, and just a frank, concerned military affairs observer you have done yeoman service with the pen in areas where others have faltered with the sword.

"I look forward to your continuing candid yet honest reporting of activities regarding the naval service," Claytor said. "The Navy as well as the entire defense establishment needs your enlightened interest."

TROUBLING VOTER APATHY

HON. CHALMERS P. WYLIE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. WYLIE. Mr. Speaker, on November 8 the people of Ohio voted against instant voter registration by more than 738,000. I am convinced the election result in Ohio on this issue was in the best interests of our country. Backers of instant voter registration argued it would increase public participation in elections. An examination of the records indicate otherwise. The assumption that instant voter registration will increase voting is wrong and the people of Ohio knew it. Somehow, we do need to convince every American of the need to participate in our election process. Overcoming apathy will require thorough and thoughtful solutions. The survival of our democracy is dependent on participation by the governed.

Just today, an editorial which appeared in the St. Louis Globe-Democrat on November 24 and entitled, "Troubling Voter Apathy" came to my attention. I thought the editorial was particularly well written and deserved public dissemination through the RECORD.

The editorial follows:

TROUBLING VOTER APATHY

"There seems to be no quick and easy way to reverse the declining turnout of voters on election days—a trend that has continued unchecked for nearly two decades.

"The latest evidence underscoring that situation comes from a study of the Nov. 8

elections conducted by a bipartisan group called the Committee for the Study of the American Electorate.

"A substantial drop in eligible voters was noted in the study, which covered three statewide elections and mayoral races in seven cities. Furthermore, even gimmickery such as postcard registration couldn't reverse the trend.

"Actually, states that in recent years have turned to postcard registration suffered the biggest declines. New York, Pennsylvania and New Jersey have adopted the postcard procedure in the last four years, and all three have seen voter turnout decline from 15 to 30 per cent in the last decade, the study pointed out.

"The situation is going from bad to worse. In the past registration rolls were a guide to the number likely to vote, but that 'no longer is a good indicator of eventual turnout,' according to Curtis B. Gans, director of the study committee. Now 70 or more per cent of the registered voters cannot be counted on to cast a ballot as had been the case in the past.

"The problem is basic. Too many elected officials from the White House down refuse to admit that new registration procedures and new election laws will not correct the present dilemma.

"In an attempt to reverse the election day trend, the motivations and explanations of the electorate and politicians should be studied. Citizens blame their apathy on the growing shenanigans that are continually cropping up in Congress and elsewhere on other governmental levels.

"Nonvoters are offering a hollow-sounding alibi. Whatever happened to the cries of former days that the scoundrels must be driven out of office? If changes for the better are to become a reality in government, they will have to be brought about by an outpouring of voters demanding high standards. Otherwise, some public officials will stray just as far as the electorate will permit.

"Postcard and election-day registration won't accomplish that end. Instead, gimmickery of this sort will open the floodgates to greater potential election fraud.

"Apathy is unknown in a number of controversial issues, including the Panama Canal treaties, abortion and the Equal Rights Amendment, to mention a few. Still the trend of declining voter interest and turnout has not been reversed.

"Perhaps, supporters and foes in the controversial areas hold the answer to the ultimate demise of election day apathy. What may be needed to spark citizens into recognizing their duty and obligation as voters is a stimulating grass roots campaign that can capture their imaginations year in and year out.

"If the diminishing trend continues unchecked, a day may come when election judges and other workers at the polls will almost outnumber the voting citizenry."

PHILLY SLUDGE

HON. THOMAS B. EVANS, JR.

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. EVANS of Delaware. Mr. Speaker, recently the Congress, by an overwhelming margin, passed H.R. 4297, the Marine Protection, Research and Sanctuaries Act of 1977. This legislation was signed into law by President Carter on November 4. Under provisions of that legislation, the harmful dumping in the ocean of sewage sludge is prohibited as soon as possible, but not later than December 31, 1981. This provision was extremely controversial in committee and opponents of the language, such as city officials from Philadelphia and New York, repeatedly questioned the contention of many of us on the committee that ocean dumping poses an extreme and immediate hazard to the natural resources off our coastline.

Recently, the Maryland Department of Natural Resources published a report which found that the dumping by Philadelphia of sewage off Ocean City, Md., has ruined clam beds valued at $5.6 million. This is just another example of the harmful effects on our ocean environment which ocean dumping presents and I insert this article from the Delaware State News from November 25, 1977, which discusses the report, in the RECORD:

CLAM BEDS RUINED BY SLUDGE

OCEAN CITY, MD.—Philadelphia sewage dumping off Ocean City, Md. has ruined clam beds valued at $5.6 million, according to a report from the Maryland Department of Natural Resources.

Sludge dumping at the "Philadelphia site", a zone approximately 10 miles in diameter located 35 miles off the Maryland coast, jeopardizes surf clam and quahog resources valued at $232.4 million, the report claims.

While the figures are on the high side, they are an accurate reflection of the "potential value" of the fisheries just south of Delaware, John C. Bryson, director of the Middle Atlantic Fisheries Management Council, said today.

What the figures also show is that Philadelphia dumping is having a longterm significant impact on aquatic life, Bryson said.

Heavy metals in the sludge probably kill the clams, and a high bacteria count makes them unharvestable Bryson said.

The clam beds knocked out by pollutants can rebuild, but "it may take 10, 15 or 20 years in this particular area," Bryson said.

The dumpsite was closed Dec. 10, 1976 to shellfish harvesting because of sludge contamination.

Philadelphia has disposed of around 90 million pounds of sludge per year at the site.

Clam beds as far as 11 miles from the dumpsite may also be affected by pollutants, the Maryland report said.

"The possibility (of extended contamination) was raised by discovery of fecal coliform contamination in specimens sampled at an Environmental Protection Agency monitoring station 11 miles south of the dumpsite," the report said.

The presence of fecal coliform is considered by many scientists as an indication of the presence of other more harmful pollutants in water.

If the extended area was ordered closed, around three million bushels of quahogs, or an annual harvest of 600,000 bushels worth $1.8 million dockside, would be lost, the report claims.

The report indicates sludge contamination via a "sludge plume" could spread several miles in a southwesterly direction over the years. If that happened, Maryland scientists estimate in the report contamination could "cover 500,000 bushels of ocean quahogs."

The Maryland report focuses on surf clams and quahogs, sea clams used for fried clams, commercially packaged chowders and other frozen or canned products. However, sludge dumping could also affect other fish and wildlife, the report noted.

ROBERT BAUMAN: EVERY CONGRESS NEEDS ONE

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. MICHEL. Mr. Speaker, I recently came across an article in the Miami Herald dealing with the accomplishments, exploits, and parliamentary adventures of an admired and distinguished colleague, Mr. BAUMAN of Maryland. The article quoted the Speaker as saying: "Sometimes he can be a pain—but every Congress needs a Bauman." Although the Speaker did not specify precisely what kind of "pain" Mr. BAUMAN might be, or where this pain attacked the Speaker, I can only say that for my part I have found the distinguished gentleman from Maryland to be more of an analgesic than a pain. Perhaps that is because what is often painful to the Speaker has a soothing effect on those of us in the other party.

Be that as it may, I want to place in the RECORD this article on Mr. BAUMAN since it demonstrates beyond any doubt that gentleman's unique parliamentary and oratorical gifts and his deep love for the procedures, the traditions, and the spirit of the House of Representatives.

At this point I would like to place in the RECORD, " 'Every Congress Needs a Bauman' House Speaker O'Neill says," as it appeared in the Miami Herald, November 1977:

"EVERY CONGRESS NEEDS A BAUMAN," HOUSE SPEAKER O'NEILL SAYS

(By Joseph Albright)

WASHINGTON.—"Sometimes he can be a pain," says House Speaker Thomas O'Neill (D-Mass.) "but every Congress needs a Bauman."

When the dour-faced Rep. H. R. Gross (R-Iowa) retired in 1974 after 26 years of lonely obstructionism, he left a vacuum—but not for long.

Recently elected Rep. Robert Bauman (R-Md.) a one-time chairman of the right-wing Young Americans for Freedom, soon began to occupy Gross' familiar seat, at the end of the Republican leadership table, next to one of the few microphones on the floor.

Now, whenever the leadership brings up something like a technical amendment to a vocational rehabilitation bill, the 40-year-old Bauman is on his feet, demanding an explanation. Nine times out of ten, Bauman finds nothing to howl about and sits down. But, when he sees a chance to goad the Democratic majority, expose a congressional perquisite or lambaste a bureaucrat, Bauman unleashes parliamentary objections and demands roll calls.

His most celebrated score happened late one afternoon last year when he noticed the leadership bringing up a resolution to send 25 members of Congress and their wives and aides to England to pick up the Magna Carta.

It was a "noble gesture" to Anglo-American friendship, insisted O'Neill. But to Bauman, it was nothing but a "grand tour of London" financed by the taxpayers. With all the other congressional junketing going on, there surely would be 25 congressmen in London at any one time who could collect the British document, Bauman told the House.

As often happens, Bauman managed to infuriate both Democratic and Republican leaders by demanding a roll call. (O'Neill once

attacked Bauman's technique as "a cheap, sneaky, sly way to operate.") A few days later, he was soundly beaten, and a slimmed down Magna Carta delegation thoroughly chastised by home-town editorialists took off for London.

His lasting achievements are frustratingly few. He did block a bill last year that would have upped the federal contribution to life insurance programs for government employes. He inserted an amendment that would have allowed congress to stop National Science Foundation research grants with seemingly ridiculous titles.

But the amendment was killed by the House-Senate conference committee. This year, he temporarily blocked a $13 million appropriation for the assassination investigation, which he viewed as a waste of money.

Last month, Bauman took aim at a highly touted package of House administrative changes, prepared by Rep. David Obey (D-Wis.) at the request of the Democratic leadership. To Bauman, the "reforms" were defective, because they gave Speaker O'Neill the same grip on payrolls and other housekeeping details that ex-Rep. Wayne Hays (D-Ohio) gained through his chairmanship of the House Administration Committee.

Instead of attacking the Obey commission directly, Bauman managed just before the vote to force the clerk of the House to issue a delayed report listing members' expenses from their $2,000 a year district office account. The predictable headlines about expenditures for a tuxedo rental, bar association dues and liquor for an inaugural party were credited by House leaders as a factor in the unexpected refusal of the House to consider the Obey report.

"I just heard through the grapevine there were some real goodies in it," says Bauman, a Capitol insider who served for 15 years as a House and Senate page and as a member of the House doorkeeper's staff before plunging into Maryland politics.

As a bedrock conservative, Bauman is almost as much of a pain for House Minority Leader John Rhodes (R-Ariz.) as he is for the Democrats. It was Bauman along with half a dozen other conservatives, who forced Rhodes to reverse himself after endorsing a Democratic proposal for postcard voter registration.

This summer when former President Gerald Ford asked Rhodes to sponsor a routine bill for a few extra staff members to help Ford with his correspondence, it was Bauman who objected.

"It was just as if Ford was back in the House. Good old Jerry, give him a Cadillac," he said. As often happens, Bauman made his point, embarrassed the leaders and then let the measure go through.

Rep. John Wydler (R-N.Y.) a mainstream Republican, says Bauman has become a "third party" on the floor. "When a subcommittee chairman brings up a bill, he will check it with the Democratic and Republican leaders, and then clear it with Bauman so he won't attack it," said Wydler.

Bauman has made much of his spiritual kinship to Gross, but sometimes the parallel weighs heavy. "It kind of boxes you in," he says.

Like Gross, Bauman takes a grim view of the present and the future. Every time Congress is in session, the American people are in danger, says Bauman. "As for the Republican party, it might not survive the next election; liberal Republicans ought to be evicted because they are only 'Democrats in drag.' The trouble with conservatives is that their leaders are either over the hill or have been known to sell out."

Oddly, Bauman says what gave him the most satisfaction this year was the time he helped O'Neill out of precedural bind on a cargo preference bill. Afterwards, O'Neill came up to him and thanked him.

"When you fight with someone all the time, it is nice once in a while to be able to help the guy," says Bauman.

ALASKA NATIONAL INTEREST LANDS

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. KOSTMAYER. Mr. Speaker, I rise to share with my colleagues today a letter I received recently from Joseph P. Williams, a constituent from Hatboro, Pa.

The Oversight and Alaska Lands Subcommittee has held hearings in Washington, throughout the "lower forty-eight", and in Alaska itself on H.R. 39 and the issue of "d–2" national interest designations in that State. As the subcommittee of which I am a member completes its hearings phase, and begins markup of a new draft of H.R. 39, I commend to my colleagues the words of Mr. Williams:

HATBORO, PA.,
October 23, 1977.

Hon. PETER KOSTMAYER,

I am writing to you to express my views concerning the Alaska National Interest Lands issue.

The number of places on our earth that are not molded and controlled by man are dwindling rapidly. The question that I ask myself is this: Does mankind have the right to determine the destiny of all other life forms on this planet? Will our ancestors look back upon this time and long for the diversity and wonder of nature that once existed?

I am not so hypocritical that I think I would sacrifice my life for a Polar Bear, but I don't believe that we or our ancestors will have to make such a decision if we act now.

It is my belief that we can prevent further destruction of our natural world without drastically changing our lifestyles. Concentrating our efforts on projects such as recycling natural resources, population control, and harnessing the sun for energy will enable us to overcome our growing energy shortages.

More attention should be given to the problem of wasteful business and governmental systems of operation. I have personally witnessed the incredible amount of waste that accompanies the daily operations of many businesses and governmental agencies. By streamlining their methods of operation a great deal of this waste can be prevented.

Though I cannot personally testify to the truth of this accusation; It is believed by many that certain industries practice the art of building short term life expectancies into their products in order to insure a higher turnover of merchandise. Such accusations should surely be investigated by our government, for this is the kind of wastefulness that we can surely do without.

I am in favor of preserving as much wilderness as is possible. I value these areas not only for their fulfulling beauty, but also for the invaluable storehouse of potential knowledge that they provide. Wilderness land provide areas to study so that we may come to better understand how our fragile ecological system functions. These studies may very well provide us with the knowledge that will help us to survive the coming centuries.

There are many people (especially the poor), who do not have the means to travel to these places to experience the wonders of nature. Many of these people (perhaps justifiably), feel that since they will not directly benefit from these wilderness areas, they should not be expected to take an interest. For this reason and for reasons of conservation (gasoline consumption related to traveling), I feel that the government might do well to provide more local recreation areas of the wildland type. The many nature centers springing up around the country are an indication of the people's desire for preserving and experiencing such natural areas.

Please consider when making your decision that a virgin land is not a renewable resource. One it is gone, it is lost for all time. Thank you for your attention.

Sincerely,

JOSEPH P. WILLIAMS.

The Congress has an enormous responsibility to Alaska and the Nation on the Alaska lands issue. When the Congress returns in January, I hope my colleagues will meet this responsibility, study the issues, and I hope, preserve for future generations the natural wonders of Alaska.

AIChE ENERGY PROPOSALS

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. ARCHER. Mr. Speaker, the American Institute of Chemical Engineers has developed some positive energy proposals which I think are worthy of consideration. I commend the following statement to the attention of my colleagues in the Congress:

The Council of the American Institute of Chemical Engineers, representing 40,000 engineers participating in all aspects of energy-related and environmental technology, believes, with regard to the energy policy of the United States, that the problem is to provide an adequate supply of energy without compromising the environment and national security. This requires attention to both short range and long range considerations with a balanced, multifaceted attack on these problems.

The foremost energy problem facing the people and the government of the United States is the significant stress on the United States economy arising from the rapid escalation of energy prices for both imported and domestic supplies. The current unstable situation is seriously effecting all present energy dependent activities, is distorting the economy of the United States, and is undermining the ability of the United States to help all the peoples of the world. The short- and long-term effects, ranging from additional inflation and unemployment to possible international conflict are severe. This serious and primary problem must be solved with diligence and skill to assure the long-term viability of our democracy and to permit dealing in strength with the principle concerns of our future—health, food, productivity, and opportunity for gainful employment.

The second critical energy problem effecting the U.S. and the world is the continual depletion of conventional energy resources. Thus, the major issue for the long range energy needs of the world will be the timely development of new energy resources. A sense of history and of responsibility to future generations obligate the people of the United States now to develop these needed new sources and bring them to economic commercial fruition as rapidly as possible.

A significant related issue involves the efficient utilization of available, but diminishing, hydrocarbon resources for uses where there are no viable substitutes. When compared with their use for manufacture of medicines, aids to agriculture, clothing, and

many hundreds of other products which contribute to the well being of peoples throughout the world, the utilization of hydrocarbons to provide heat when other sources could be used is a poor alternative. The long-term wisdom of conservation of hydrocarbons in recognition of this principle needs to be adequately recognized and appropriate actions implemented.

RECOMMENDED ACTIONS

Constructive guides in the solution of these critical problems are presented below as eight specific action areas.

(1) Greatly accelerated utilization of coal and nuclear energy for electric power generation, releasing natural gas and oil for home heating, motor fuels, and such key industrial uses as chemical feedstocks.

(2) Streamlining of power plant licensing procedures and establishment of stable regulations for pollution control and surface mining. Strict but reasonable environmental standards must be set and maintained without constant change. Arbitrary criteria such as "best available control technology" must be reconsidered in favor of regulations which balance health and environmental requirements against cost, limited recourses, and timing. This must be done if the goal of accelerated use of coal and nuclear energy is to be met.

(3) Resolute development of additional U.S. liquid fossil fuel resources, including petroleum on the outer continental shelf, petroleum available from older reservoirs by the application of secondary and tertiary recovery methods, and oil from shale and tar sands. While the long-range national interest calls for the continued importation of energy in the form of crude oil, LNG, etc., the further development of internal supplies is also necessary to gain time for the development of new, substitute sources and to exercise leverage on the international market.

(4) Unencumbered development of both the breeder reactor and nuclear fuel reprocessing. These technologies can increase the effective supply of energy, and reprocessing will reduce the quantity of radioactive wastes to be handled. Turning our back on these important energy sources is not an effective way to deal with the world's concern about terrorism and the proliferation of nuclear weapons. For example, it is clear that nations that do not have alternate sources of fossil fuels will not join the U.S. in renouncing the breeder or the reprocessing of spent nuclear fuel. Therefore, leadership must be taken in creating reliable means for regulating and controlling these two technologies, particularly for ensuring safe, effective, long-term means for disposing of radioactive wastes. The basic information for accomplishing these ends is available.

(5) Accelerated development of technologies to permit switching from one energy source to another. Examples include substitution of coal for gas and oil in the generation of electric power, the direct production of gas and oil from coal, the production of liquid fuels from shale, more-efficient methods for heating buildings with electricity, and the use of electricity for transportation. Government support can contribute to the development of technology that would eventually provide the basis for economically sound industrial development, as well as providing alternative sources of critical fuels in case of a national emergency.

(6) Stronger emphasis on conservation, including more-efficient energy use. Belt-tightening conservation can have an immediate impact but may have adverse economic effects and, once attained, leaves little slack for emergencies. Of far greater long-range importance is the reduction in energy consumption resulting from energy-efficient design. Since present systems were developed in the days of low energy cost, major capital expenditures will be needed before a significant effect is felt. In addition, the total energy system must be examined to see which conservation efforts will be effective. Economic incentives for insulation and solar energy systems should be instituted along with adequate efficiency standards for new buildings, cars, and machinery.

(7) Increased reliance on the free enterprise system. Much of the present imbalance in energy supply and demand results from the imposition of unrealistic and artificial price controls and allocations. These should be phased out with deliberate speed. The AIChE also urges that all Government controls be reduced to that minimum which is essential to needed new U.S. energy technology and to provide a stimulus for energy conservation. Government intervention to adjust for gross economic imbalance is always possible, but should be used with discretion.

(8) Prompt investigation and funding of the more promising longer range alternative energy sources ranked in order of energy reserve potential, environment impact, development cost, technical and economic viability, and the time needed to achieve a useful impact. However, there must not be delays on other programs while waiting for these new sources to resolve disputes over safety and emission controls, since all forms of energy use, including the new ones, involve some public hazard, and even the so-called "clean" energy sources can result in some environmental changes.

The Council of AIChE is greatly encouraged by the growing number of public leaders that have openly recognized the seriousness of our national energy problem. It is concerned, however, about the very large number of citizens and groups of citizens that still fail to accept the reality of the dangers inherent in the present situation. In order to adopt and execute national programs that can resolve the energy dilemma, broad popular acceptance of the need for sacrifice and a consensus on the many necessary actions are required. We in the AIChE know that we can pledge the efforts of chemical engineers to continue to look for solution, to explain the issues, and to work for an effective, nonpartisan, national energy policy for the United States. It is recognized that the above strategies are general in scope, and it is intended that the AIChE will work to develop more specific recommendations and actions in each of these areas.

VIETNAM TODAY

HON. HELEN S. MEYNER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mrs. MEYNER. Mr. Speaker, in many ways, our country is still at war with the Socialist Republic of Vietnam. Many Americans still feel a great deal of hostility toward Vietnam and toward those Americans who refused to participate in the war effort. Congress has sought to obstruct the delivery of any food or development assistance to Vietnam, in spite of the severe food shortages and massive reconstruction problems that Vietnam faces.

I believe that much of the hostility toward Vietnam stems from misinformation or lack of information about the situation there. Several Americans have recently visited Vietnam and published their observations. Two of the most interesting articles have been by Mr. Paul F. McCleary, the executive director of Church World Service, and Mr. Edward G. Harshfield, vice president and senior officer of Citibank N.A., Hong Kong. I recommend them to my colleagues as thoughtful first-person accounts of current conditions in Vietnam:

[From the Los Angeles Times, Oct. 2, 1977]

U.S. STILL FIGHTING THE WAR

(By Paul F. McCleary)

"Healing the wounds of war" was the expression I heard most frequently during my 11-day visit to Vietnam this past summer as a representative of Church World Service. Vietnam is indeed a wounded country. Its hillsides still bear the residue of phosphorus bombs. Fields which once made the country a food exporter are now chemically poisoned and fallow, pockmarked with bomb craters and harboring unexploded ordnance. Vietnam's people carry the physical and psychological scars of 30 years of war.

But Vietnam is also healing its wounds. I was impressed by the care given to insure that each individual be enabled to participate in the new society. This was evident in the Schools for the Restoration of Human Dignity for former prostitutes in Saigon, in job training centers and even in a reeducation camp for South Vietnamese army officers—a camp I was among the first Americans to visit.

I was struck by the contrast between Vietnam, a nation moving to overcome enormous obstacles to healing the war's wounds, and our own nation, which in many ways is still fighting the war. If the war itself was tragic, the tragedy lives on in the contrast between Vietnam's efforts to incorporate all its people into its society and our own reluctance to do right by the Vietnam veteran and to grant the deserter and draft resister full rights of American citizenship.

I traveled freely in Vietnam, moving as far north as Hanoi and as far south as the Mekong Delta. I spoke with officials, church leaders, community workers and their families. I went to church. Throughout Vietnam I sensed a spirit of energy, of hopefulness.

On my return home, I was disturbed and angered to find the U.S. Congress passing still another series of barriers to prevent critically needed food supplies and reconstruction aid from reaching the Vietnamese people. Congress was making clear that the United States will not, as pledged in Paris, make available assistance of any sort to Vietnam. This coming week, however, Congress still has a chance of rejecting the House's ban on aiding Vietnam through international agencies.

It seems that concern for human rights has replaced the MIA issue as the congressional rationale for punitive action. I question that rationale, simply from my experience of free access to Vietnamese society. I also question it on moral grounds. I saw some of the 484 churches gutted by U.S. bombs—churches now in process of being rebuilt by the Vietnamese government. How can the United States speak credibly about a concern for human rights in Vietnam? Is a welcome U.S. concern for human rights in other countries advanced by a denial of U.S. aid for meeting basic human needs in Vietnam?

The real issue, in my view, is whether the U.S. government, like the government of Vietnam, is ready to move decisively to heal the wounds of war. There have, to be sure, been signs of change. Since early 1975, more than 130,000 Vietnamese refugees have been resettled here, many of them now integrated into local community life. Noting that the war's devastation was "mutual," President Carter has moved to resolve the MIA issue, acquiesced to (rather than opposed) Vietnam's admission to the United Nations and pardoned U.S. draft resisters.

Many of the war's wounds continue to fester, however. The U.S. government still provides no reconstruction aid to Vietnam, though 66% of those Americans recently polled favored making available U.S. food and medical aid. Our only contributions are through private channels, complicated though they be by U.S. restrictions. Fifteen thousand additional refugees, 7,000 of them the celebrated "boat cases," continue to await admission to countries, such as the United States, for resettlement.

On the home front, unemployment among Vietnam veterans remains staggeringly high. Vietnam veterans have not received the same real educational benefits as their predecessors, nor have adequate comprehensive rehabilitation programs been developed for them. Only about 10,000 of the more than 430,000 less-than-honorable discharges have been reviewed and upgraded by the President's Special Discharge Review Program. There are still about 1,000 deserters overseas, many of them apparently unaware of the soon-to-expire Presidential program which could speedily resolve their legal problems. Congress has moved to make admission to the United States more difficult for draft resisters with newly acquired foreign citizenship. The nation has clearly not sought to facilitate the re-entry of veterans and would-have-been veterans into American society.

With the impressions of Vietnam fresh in my mind and the unfinished business at home a painful fact of life, I urge Congress, the President, public officials and fellow citizens to join together to accelerate the reversal of our past Vietnam policy, to open the way for food and reconstruction aid, to fully normalize relations between our two countries, and to insure a place in our land for the veteran, the draft resister and the Vietnamese refugee alike. We must move to commit this country to a course of reconciliation—for the sake of our own as well as the Vietnamese people. A failure to act more decisively in the months ahead to heal the wounds of war will surely return to haunt us one day.

[From the New York Times, Nov. 4, 1977]

AN AMERICAN BANKER'S FINDINGS IN VIETNAM

(By Edward G. Harshfield)

HONG KONG.—For an industrialist-turned-banker and the first American businessman to visit North Vietnam in more than two decades, a visit to Hanoi and Haiphong could not help but create high expectations and the formulation of many questions about the past, the war and the future.

Hanoi presents a relaxed, peaceful, orderly and frugal picture, while Haiphong remains a primitive port, and is, understandably in the context of 30 years of war, undeveloped. Poor infrastructural and port facilities, in addition to the overly centralized decision-making process and apparent absence of coordination, are already preventing industrial projects from meeting their completion schedules. Vietnamese officials and the Hanoi diplomatic community continually reminded me to keep the 30 years of war in mind when evaluating conditions in Vietnam.

Vietnam is implementing its second five-year plan, contemplates the investment of approximately $7.5 billion. In real terms, the plan calls, among other goals, for the raising of rice output from 14 million tons in 1976 to 21 million tons in 1980. However, harvests for the last three successive seasons have fallen short of expectations, forcing large-scale unplanned imports of grains and a major deviation from planned import levels.

Another problem is the assimilation of the South and socialization of its traditional private sector. A high priority has been given to relocating the "surplus population" in and around Ho Chi Minh City to new economic zones. Each zone, of about 5,000 families, forms a self-contained village, with each family being allotted 10,764 square feet of land, some rations and implements, and a requirement to raise agricultural produce for their own, as well as open market, consumption.

Since the Mekong Delta is fertile, the zones are already transforming the farm belt into a productive area. The 600,000-member army is building the infrastructure, a job it does not enjoy. The 1977 state plan specifically calls for the army's participation in economic redevelopment, with assigned tasks in agriculture, transportation and engineering-based industries.

In foreign affairs, while Laos has cemented its ties with Vietnam, Cambodia has moved closer to China, much to the chagrin of the Vietnamese, and the relationship with the Soviet Union continues to be warm, although there are signs that Vietnam would prefer less dependence.

Government leaders have openly welcomed Western participation in economic development. "Our country is like any other country in Southeast Asia," the Foreign Trade Minister, Dang Viet Chau, said in our meeting. "After the 1954 Geneva conference, Vietnam sought inclusion in the French union and the development of ties with Western governments, but U.S. policy prevented this from happening."

Vietnam seems to be concentrating on strengthening ties with Western Europe. Relations with France are at their best. Swedes are actively constructing a paper mill, a hospital for coal miners and a pediatric hospital. The Japanese have not made any fresh grants beyond the $13.5 million grant of 1975–76, and Japanese firms are waiting patiently for the offshore oil potential to be developed. A British firm is trying to arrange the construction of a jute textile mill, Australians are sponsoring a beef farm, and Indians are assisting in organizing a rice-research institute and a cattle-breeding farm. The Russians, East Europeans and Cubans continue to play a dominant economic role.

The country has established diplomatic ties with over 80 countries. All countries of industrialized Europe, with the exception of Denmark, Norway and Austria, have opened embassies in Hanoi, despite the acute shortage of office and housing facilities.

Vietnam's pragmatism has been displayed on both the diplomatic and economic fronts by adoption of the most unconventional foreign-investment regulations promulgated by any socialist government.

In foreign affairs, the major goal is to have the United States trade ban lifted so that American technology, particularly energy-related, can be imported. A United States presence in Vietnam could also help maintain equilibrium between the Soviet Union and in China, in the opinion of most Western diplomatic observers.

Such ambition to develop energy- and export-oriented industries is yet to be matched by official actions in disseminating data on economic potential, provision of travel facilities, less-complex visa issuance, and reduction of governmental formalities so that the prevailing world interest in Vietnam can be exploited to attract investment capital and technology.

While the willingness to develop relations with the West is obviously moving in a positive direction, this has been dictated by Vietnam's geo-political situation. Given the policy direction of key decision-makers in the Government, which favors a gradual process of assimilation of the South and closer ties with Western business, especially United States business and industry, it is likely that the internal and external problems, though difficult, may not remain insurmountable for long.

ANOTHER GRAIN ROBBERY

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. SYMMS. Mr. Speaker, I wish to insert in the RECORD at this point an article reprinted from the U.S. News & World Report of November 21, 1977, entitled "It Looks Like Another 'Grain Robbery' for Russia." The article in essence charges that the recent negotiations between Russia and the Carter administration "raise doubts about the U.S. Government's ability to avoid being outmaneuvered by the Russians in grain trading."

I wonder if a variation on an old quotation might not apply here to the Carter administration:

If the Russian Bear robs me once, that is his fault; if the Russian Bear robs me a second time, that is my fault.

I commend Senator ROBERT DOLE of Kansas for asking for an investigation of faulty CIA and Agriculture Department forecasts of a bumper Soviet grain crop.

The article follows:

IT LOOKS LIKE ANOTHER "GRAIN ROBBERY" FOR RUSSIA

Fears are growing among farmers and Government officials that the Soviet Union once again has outsmarted the U.S. by secretly purchasing millions of tons of U.S. grain at depressed prices.

If reports of covert Soviet grain dealing prove true, they could have widespread political repercussions, intensify criticism of the embattled Central Intelligence Agency and deal another blow to President Carter's sagging popularity among farmers.

Suspicions that Moscow might have bought up large amounts of American grain to offset another Soviet agricultural failure brought to mind the "great grain robbery" of 1972. That is the popular reference to the deal in which the Russians took advantage of a bountiful U.S. harvest to buy secretly 18 million tons of grain at low prices on easy credit granted by the Nixon administration.

Disclosure of the 1972 purchase triggered wild speculation that drove wheat and corn prices to record highs and sent consumer food prices soaring. But many farmers felt cheated. They had already sold their grain at low prices before the Soviet purchases were revealed.

OUTBURST OF IRE

Now, the possibility of another Russian raid on low-priced U.S. grain supplies is causing new waves of indignation among farmers and farm State Congressmen.

Senator Robert Dole (Rep.), of Kansas, has asked for investigation of faulty CIA and Agriculture Department forecasts of a bumper Soviet grain crop. A Senate subcommittee is expected to begin delving into the controversy late in November.

The U.S. Government was taken totally by surprise when Soviet President Leonid Brezhnev announced on November 2 that the Russian harvest would amount to only 194 million metric tons, 10 percent less than the 215 million tons forecast by the CIA and the Agriculture Department and 19 million tons below the official Russian goal.

"We were caught completely off base," one bureaucrat admits. Both American agencies had stuck by their estimates right up to the time of the Brezhnev announcement.

Since Moscow has been one of the best customers of American farmers, official pre-

dictions of a big Soviet harvest kept prices of U.S. grains, already in heavy surplus, depressed this year, bringing continuing economic hardship to farm communities in the Midwest.

Such surprises are not supposed to happen. After the 1972 controversy, the U.S. and the Soviet Union signed an agreement designed to prevent secret purchases of American grain. Under the pact, the Soviets agreed to buy a minimum of 6 but no more than 8 million tons of grain each year. If they want more, they are obligated to notify the U.S. Government, rather than place orders with private American firms.

The agreement also calls for on-the-scene inspection of the major Soviet grain-growing regions by Agriculture Department experts. The CIA monitors the Soviet crop via satellites. Both procedures were devised to keep the U.S. abreast of Russian crop prospects.

Agriculture Secretary Bob S. Bergland admits that the Government has no sure way to tell how much grain the Soviet Union may have arranged to buy through complicated secret foreign deals.

THEY ARE CANNY

Senator Dole expresses a view held by many private grain experts and Government officials: "I don't think the Russians would tell us about their crop shortfall unless they had already covered themselves by buying enough grain to offset their losses. They are canny enough businessmen to know that grain prices would go up after their announcement. Since the grain market is not responding, somebody must know something."

Government sources speculate that the Soviets probably circumvented U.S. safeguards this way: As early as last August, Moscow began buying U.S. grain from European subsidiaries of American companies and other traders who are not required to report the origin of their sales of grain futures. By not specifying that they were buying American corn and wheat, the Soviets were able to take advantage of the depressed prices.

After accumulating large amounts in this manner, a Soviet trade delegation traveled to the U.S. in early October. Because the U.S. thought Russia had no need for extra grain and American farmers were burdened by huge surpluses, the Soviets were offered the right to buy up to 15 million tons. As it turns out, that could bring Russian purchases this marketing year to a level—coincidentally or not—just enough to cover the shortfall in the Soviet crop.

While on a lesser scale than in 1972, these manipulations raise doubts once again about the U.S. Government's ability to avoid being outmaneuvered by the Russians in grain trading.

OCEAN MAMMALS

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. WHITEHURST. Mr. Speaker, the following information on seals, which appeared on pages 797 to 804 of "Environmental Affairs," volume 1, No. 4, published by the Boston College Environmental Law Center, was written by Ms. Alice Herrington and Mr. Lewis Regenstein.

This material was sent to me by Mr. Richard W. Firth of Mechanicsville, Va., with the request that I insert it in the CONGRESSIONAL RECORD for the benefit of all of my colleagues, and I am pleased to do so at this time. This further reinforces the need, also, for legislation such as my own House Concurrent Resolution 109, which calls for a regional conservation treaty to protect Northern Hemisphere Pinnipeds, and I hope that my fellow Members will see fit to act favorably and expeditiously on such legislation.

Thank you, Mr. Speaker.

The material follows:

SEALS

The slaughter of harp and Alaskan seals has been widely publicized because these highly organized massacres lend themselves most readily to documentary films and public exposure. The world is outraged over the slaughter of seals both in the Atlantic and on the Pribilofs . . . and demands a halt to both. The baby seal, one of nature's most appealing creatures, is the object of a gruesome massacre each spring in the Gulf of St. Lawrence and the Northwest Atlantic. The below incident, to which the author Herrington was witness, is recounted by a reporter for The New York Times:

"A mother seal threw herself protectively across the body of her pup. When the man who had clubbed it returned to skin the pup, the mother stood fast. A second hunter, then a third, came up to within a foot or two of the mother. It maintained its protective position, resting on its front flippers, its head thrust up and forward, facing the danger. Finally, a man approached from the side. With a quick, darting motion, he waved his club within inches of the mother's head, then jerked it back. The seal turned on the man. He backed away. The seal, using its flippers in a pull-push motion, moved slowly and awkwardly over the ice in pursuit. Meanwhile, two hunters had dragged the pup away. The mother turned and tried to give chase but again could not catch up. It stopped and watched the lost pup for a moment. Then it turned, crept to the edge of the ice, and dived into the water."

The mother seals that are driven off bounce up and down in the water holes as in a macabre ballet, watching helplessly the murder of their nursing babies. At the end of the day as the killers disappear from the scene, the mothers crawl back on the ice, each to nuzzle the bloody, lifeless carcass of her own pup. In 1971, in Canada's Gulf of St. Lawrence, some 45,000 baby seals were killed in this manner by Canadian landsmen and another 37,000 by the men from the commercial sealing ships.

Nor do the adults escape the fury of the hunters in the Northwest Atlantic where both the Norwegian and Canadian icebreakers roam. There they are clubbed, speared, and shot. In 1971, a gentlemen's agreement fixed the total number to be killed at 245,000 harp seals. But, to obtain this number many more are wounded or killed and lost under the ice. In pelagic sealing, sometimes as few as one in five shot is recovered.

The United States engages in its own pelagic sealing, done in the name of "research." In the Pacific in 1968, employees of our Department of the Interior shot and captured 824 seals, primarily female, ostensibly for the purpose of finding out what seals eat and verifying pregnancy rates. And to obtain those 824 seals about 100 more seals were shot, killed or wounded—and lost. There can be no doubt that our own country shares a great deal of blame for the senseless killing done by other nations. By providing a major market for sealskin coats and the suede leather obtained from baby seals, we have made the seal kill economically worthwhile and have encouraged this carnage.

Arguments that the harp seals are killed to prevent overcrowding are nonsense. The press releases from the Canadian Department of Fisheries and Forestry which announced the opening of the slaughter last March admitted that there had been an "overkill" in the North Atlantic in recent years, and that the herd that arrived off Labrador was "seriously depleted." Canada's own figures indicate that the size of the herd has been reduced within the last 20 years from 5 million to 1.5 million—a depletion of about 70%.

The South Africans also carry on a baby seal kill for the benefit of the U.S. fur industry. A recent news article described how some 80,000 baby seals are "harvested." They are beaten on the head with clubs, stabbed with stilettoes, and then skinned, presumably while their terrified mothers look on in helpless agony. According to the article, the baby seals are killed because their pelts bring some $1.4 million on the U.S. market, where they are later processed and sold as sealskin coats.

Not only does our country encourage other nations to kill seals, but our Government has its very own official seal killing operation. Each July and August, on the Pribilof Islands in the Bering Sea off Alaska, tens of thousands of Alaskan fur seals are driven inland until their lungs are bursting and are then clubbed to death by employees of the U.S. Government (formerly the Department of Interior, now the Department of Commerce). The official "purposes" of this activity are multiple: (1) it is described as a "model conservation program" which saves the seals from extinction; (2) it creates employment for the Aleuts on the Pribilofs; (3) it saves the seals from starvation and disease; and (4) it provides funds for the U.S. and Alaskan Treasuries (even though it has operated at a deficit in recent years).

In the summer of 1970, the author Herrington spent ten days on the Island of St. Paul, one of the Pribilofs. From notes written while on the Island, these are some of the author's observations:

"By our time of arrival at the hauling grounds (5:20 a.m.) virtually all of the seals—about 1,000 animals—had been driven off over the rocks in pods of about 90 to a flat stretch of green—the killing field. Half the heard was being driven up a steep hill to another field to await their turn. By 8:30, 366 seals had been clubbed, struck, and skinned. Sixteen teenage children removed the penis and testicles from the carcasses, for sale to a firm which peddles them for cocktail stirrers and aphrodisacs.

"The kill: five to nine seals would be separated from the herd by a man rattling a can to frighten them into moving into front of the clubbers. In almost all cases the seals received two blows. Whether this was necessary or just to show that they make certain, I could not know—except in the instances where the first blow fell on the body. About every fourth seal received a severe blow on the back before it was felled with a second or third blow to the head.

"I stood about five feet from one seal which was permitted to escape after receiving a glancing blow and it waddled past me toward the water with blood streaming from the socket where an eye had been knocked loose. This same seal had fish net embedded in its coat, which I was told was the reason for not chasing it. The fur is not valuable commercially when it has been mangled with fishnet.

"The terror of the seals during the long hours of waiting and watching the murder of their friends and relatives was pathetic, the ultimate in sadistic treatment. Mr. Hurd gave as the reason for driving the seals from the hauling grounds all at one time, the cost of employing more men to stand guard to prevent escape into the sea."

The Commerce Department does attempt to defend its "sealing operations." It claims, first of all, that clubbing the seals to death is the most "humane" way of killing them.

To use the word "humane" in this context is a perversion of language and reality. There is no justification for killing these intelligent, highly evolved creatures: sealskin coats are hardly a necessity to our society. The Commerce Department, moreover, continually emphasizes that the size of the Pribilof seal herd has risen from 200,000 seals in 1911 to approximately 1.3 million today. But to compare 1971 with 1911 is an entirely spurious, misleading comparison. A vital fact is the natural size of the herd, and this is given in an official account as exceeding five million. An estimate for 1948, the period following the Second World War moratorium on killing, is given as about four million. Hence, if the herd today is 1.3 million, as Commerce claims, then the size of the Alaskan herd has decreased—not increased—by about 75 percent. It should be noted that the Russians have stated publicly that there is a "serious depletion in the once huge herd." And since there is great intermingling, according to Interior's reports, between the seals which breed on the Russian Islands and those which breed on the Pribilofs, it is clear that the Pribilof herd is also seriously depleted.

But the bureaucrats employed in the Pribilof operation will be the last to admit this. Their tactics with the public—and the Congress—bring to mind the old cliche "lies, damn lies, and statistics." For example, the manager of the program, William Peck, on returning to the States after last year's kill, states that "births on the Islands show no downward trend." He said this despite his own Department's official statistics, which give a staggering 52% decrease in births over the past ten years.

The *Seattle Times* reports that 1971's "take of fur seals in the Pribilofs totaled 31,847 skins, compared with 42,179 in 1970." The number to be killed in 1971, announced by Commerce in early June of 1971, was 40,000. This stimulated the Friends of the Animals to prepare a table, based on government data, to show that if 40,000 seals were to be killed in the summer of 1971, 9,000 would again have to be female. We credit the circulation of this table with having spared the lives of females with pups in the breeding rookeries.

In its publicity, Commerce has until very recently, repeatedly assured the public that baby and mother seals are not killed, that only killed are "surplus bachelor males." But in this once vast herd, now reduced to a pitiful remnant of its former size, there are, of course, no "surplus" seals. Moreover, mother and baby seals are killed by the tens of thousands. Victor Scheffer, the Interior Department biologist who used to supervise the kill, states in his book: "In a recent decade, 250,000 females of breeding age were killed on the Pribilofs." He refers to this euphemistically as "intensive fur seal management" and also notes that their pups inevitably die a death of slow starvation. In 1968, in the face of a rapidly declining birth rate, the bureaucrats again sent the Aleuts into the breeding rookeries to kill 11,594 females, all of whom had pups, all of whom were pregnant. And then they have the audacity to tell the public that their purpose is to spare seals the suffering of disease and starvation. The purpose, patently, was to obtain more skins. Figures for females killed in other years are as follows:

1957	47,000
1958	31,000
1959	28,000
1960	40,000
1961	43,849
1962	43,750
1963	43,952
1964	16,452
1965	10,432
1967	10,096

And, given the fact that 42 bureaucrats are employed year-round in Seattle and another 50 or so full or part time in Washington, D.C., whose salaries are supposed to be paid from the sale of sealskins, such a sacrifice of the animals for their own welfare should be anticipated. The Bureau of the Budget's detailed report showed that Pribilof expenditures exceeded income by over $2 million in 1970. Bureaucrats grow desperate over such a deficit.

In any responsible compilation of population of ocean mammals, the number of seals of breeding age is vital. The inclusion of pups to pad a herd total is a deceptive practice since, again to quote government data, the survival of pups is often as low as 15%. Therefore, to achieve a realistic estimate of herd size, the Friends of the Animals took government data on the headcount of adult males in 1968 and published it in *The New York Times* as follows: 7,924 harem bulls; 4,383 idle males; 316,960 females of breeding age (an average of 40 per harem bull). Total 329,960. This prompted Senator Kennedy of Massachusetts to make an inquiry of the Department of Commerce, which responded that our advertisement "contain many misstatements and distortions regarding the condition of the Pribilof Islands' seal herd," but simultaneously admitted that the breeding population is about one-quarter of their estimated 1.3 million herd total. One-quarter of 1.3 million is 325,000 seals of breeding age. Our published figure then, was deceptive only in being high by about 5,000 seals. However, that was based upon 1968 data, and it is likely that the number of mature seals has decreased significantly since that time, consistent with the trend described in the 1968 report:

"The total number of adult males counted on the Pribilof Islands in July, 1968 has decreased annually since 1961.

". . . The number of harem and idle males counted in 1968 represents 63% and 37%, respectively, of the number counted in 1962."

Another ploy by which these bureaucrats attempt to support their positions as "scientific managers" is "managed pup production." Since it is done by slaughtering breeding females, it is also termed a "manipulation of the population." Its expressed purpose, to quote from Commerce's letter to Senator Kennedy, is to "achieve the level of abundance that will provide the maximum sustainable yield"—the yield being skins. This is gross prevarication of the most despicable sort. The bureaucrats have been aware for a long time that the herd is in trouble. Their slaughter of breeding females was solely to obtain more skins. For a time their reports gave this now embarrassing information:

"By the time the U.S. purchased Alaska, the Pribilof herd had recovered to the point it sustained an annual harvest of 100,000 males for many years."

That this statistic is embarrassing to them is found in a report to Congressman John D. Dingell where the figure is expressed only as "several thousand." It is many, many years since their "managed pup production" produced a "maximum sustainable yield" of 100,000 male sealskins. In 1971 their proven abilities produced 31,847 skins, some of which were certainly from females.

It should be recognized, moreover that in our Government's seal massacre, which the Commerce Department describes as a "model of conservation," it is not the old and the diseased seals that are killed, as nature provides for in its law of survival of the fittest. Rather, the healthiest seals are killed, those whose pelts will make the most attractive, unblemished sealskin coats.

Commerce also defends the seal kill on the basis of employment for the Aleuts. The Harris-Pryor Bill, however, would develop the Pribilofs as a tourist attraction and give the natives the dignity of a worthwhile (and non-violent) occupation as managers of the proposed wildlife refuge. No less an authority than Lars-Eric Lindblad, organizer of extraordinary tours to places like the Arctic, the Amazons, Darwin's Galapagos and many others, attests to the reality of this proposal.

"Wildlife everywhere in the world is increasingly becoming a big money earner—not as furs nor as meat, but as a target for photographers and nature-lovers, of which there are millions. The Aleut natives would benefit to a much greater extent than they would from being butchers of these beautiful fur seals. How many women will buy coats and other garment made of the skins of wild animals in years to come? It is definitely becoming unfashionable to wear furs. It is time for the Department of the Interior to switch the economy of the Pribilofs from killing the seals to making them a fabulous tourist attraction. It is not difficult to do and within a few years the Government could stop or reduce their subsidies to the Aleuts."

Mr. Lindblad's point that now is the time to examine other employment for the Aleuts, tourism or otherwise, is one which should be transmitted to the appropriate agencies. Certainly, these people originally sent as slaves to the Pribilofs by the Russians should no longer be forced to do their demeaning work.

Another simplistic justification for the slaughter, subscribed to by many fishermen and the United States Department of State, is that seals eat fish, fish which are wanted for the profit of fishermen—even though the fish may be discarded as was the case, by the ton, in the summer of 1971, in Alaska. It is conceded that seals do eat fish, but again we point to the lack of knowledge of the interrelationship of living creatures and cite again the fact that the salmon follow the seals to their breeding grounds. This strongly suggests that upon the disappearance of the ocean mammals, there may well be no more fish. Even the Department of the Interior is willing to reveal a certain humility in this regard:

"Considering the volume and frequency of occurrence of commercially important fishes found in fur seal stomachs and our limited knowledge of the ocean environment and its ecology, we believe the effects of predation on food species with economic value are impossible to assess with any degree of confidence."

The fact of this limited knowledge of the interrelationships of seals and fish should be the subject of a massive educational campaign with fishermen, particularly those in Alaska, where the hair seal, which has a limited economic value, is the object of a sustained effort to eliminate it through such methods as dynamiting and shooting. Harbor seals around the coasts of our mainland are accorded similar treatment. This brutality and lack of respect for nature and her creatures must be brought to an end and only the Harris-Pryor Bill will do it.

PASSING OF A. W. BRAMWELL, PUBLISHER OF THE CHICO ENTERPRISE-RECORD

HON. HAROLD T. JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. JOHNSON of California. Mr. Speaker, northern California lost one of its most influential newspapermen when A. W. Bramwell, publisher of the Chico Enterprise-Record, died last week. His absence will be noted throughout the area and his contributions to the news media and to his community will be sincerely missed.

A. W. Bramwell was a first-rate newspaperman. His mind was inquisitive and

incisive. He was always objective and fair. He was a professional and his colleagues recognized his talents. The Enterprise-Record has won many State and national awards under his leadership and Bramwell, himself, served in many positions of leadership within the newspaper business.

Because of his varied background, Bramwell had much to contribute. He made good use of his skills and his experience by combining them in a manner which allowed him to make the most of any situation. He was honest, sincere, and hard working. His type is rare today, and we can all learn from his shining example.

So that my colleagues here in the Congress can better understand the importance of this leader to northern California, I am pleased to place in the RECORD at the end of my remarks a copy of the very fine editorial and eulogy to A. W. Bramwell which appeared in the November 23, 1977, edition of the Enterprise-Record.

We shall not see another man like him in the near future and we are grateful for having had the benefit of his wisdom, experience, and friendship.

The editorial follows:

A. W. BRAMWELL

"If you can live a vigorous and productive life, and then can die a quick death while doing something you like, that is the way to go."

Those were the words of A. W. Bramwell, editor and publisher of The Enterprise-Record for more than 30 years. They were spoken last month in respectful comment on the way Bing Crosby died on a golf course in Spain after a highly satisfactory round.

On Monday of this week, death came in somewhat the same fashion to A. W. Bramwell. He died at the wheel of his tractor after hand-cranking it into action, and was en route to jerk his stuck pickup from deep mud near the duck blinds on his ranch southwest of Chico.

It was raining hard Monday, and Bramwell had welcomed the much-needed downpour. He had planned an hour or so of duck hunting, a sport he deeply enjoyed. The stuck truck was nothing new to him—it had happened before. And he had just achieved victory over the cold and balky tractor engine—a feat that always brought him satisfaction—when he died. He would have seen it as "the way to go."

Thus did quick death end the vigorous and productive life of A. W. Bramwell. A vigorous and productive life indeed!

A man of boundless energy and rare versatility, Bramwell had done many things during his 73 years. He had been a farm boy in his native Idaho, a messenger boy at 16, a bank employee just beyond his teens, a pharmacist and merchant, a home vegetable gardener (a hobby he energetically pursued even in recent years), an orchardist, a rice ranch partner, and an avid horseman, hunter and fisherman.

But most of all, Bramwell was a newspaperman. For the entire second half of his life, dating back to 1944, his newspaper career was the main driving force of his time and energies. Into newspapering he poured all the knowledge and experience of his varied earlier careers. He read, he studied, he picked the brains of his staffers from novices up through journeymen and department heads in his eagerness to master all segments of the complex newspaper business.

The extent to which he succeeded in this quest is attested to by the honors accorded him by leading colleagues in the newspaper profession—presidency of the California Newspaper Publishers Association (CNPA), membership in the prestigious American Society of Newspaper Editors (ASNE), hosts of top awards won by his newspaper in statewide competition in the realms of farm news, education coverage, sports, photography and editorial achievement.

Bramwell also worked hard on his own reporting and writing. Over the past score of years he traveled with his wife, Marian, on frequent study missions to dozens of nations around the world, sending back articles for publication in the E–R. With heads of state and top foreign officials—as with public servants here at home from councilmen up through the U.S. Senate and White House level in the Kennedy years—Bramwell gained the reputation of an incisive and knowledgeable questioner.

But it was in the realm of E–R leadership that Bramwell made his most significant contribution. He insisted on complete local coverage to an extent—both in quality and quantity—far beyond that of the average community newspaper. At the same time he required the fullest possible treatment of state, national and world news to round out the E–R as a "complete newspaper." Thus, The Enterprise-Record consistently runs with higher "news hole" percentages than most newspapers.

Bramwell insisted on total objectivity on the part of reporters and desk personnel. E–R staffers are granted rare freedom—never are they instructed to "slant" or "lean" a story in accordance with E–R editorial policy or any particular political or philosophical position. In exchange, the newsmen recognize and accept the counter obligation to also keep their reports free of any personal slants or leanings they might have. Bramwell's practice in this regard works well—readers benefit from honest coverage, and first-class newsmen appreciate the respect and freedom accorded them. Many top staffers have returned to the E–R after forays elsewhere, chiefly because of these freedoms.

Bramwell also earned a wide reputation for backing his staffers in times of challenge or attempts at intimidation. The factor of truth was his sole yardstick; and the staffer dealing in facts had a fearless ally in A. W. Bramwell.

But while he held fast to the rule of objectivity in the news columns, Bramwell fully utilized the subjective nature of the editorial page. A man of strong philosophical and political leanings, he never hesitated to emphasize E–R viewpoints on matters of public interest. In this regard, he had a great concern for the voiceless, unorganized and unaffiliated segments of the citizenry; and in keeping with age-old journalistic dogma, he saw it as the E–R's purpose to "afflict the comfortable and comfort the afflicted."

A Republican by registration and a conservative by nature, Bramwell nevertheless manifested flexibility and tolerance that often handed E–R endorsements to Democratic candidates and editorial support to liberal causes. It is significant that the battles which won the E–R's three first-place CNPA editorial awards—a record for California newspapers—were waged on behalf of liberal causes (the Chico freeway fight, backing of Short-Doyle mental health programs in Butte County against conservative opposition, and defense of State College Chancellor Buell Gallagher against false charges of communist affiliations).

A realist with a faultless knack for detecting fraud, sham or a snow-job, Bramwell nevertheless was an eternal optimist on public affairs. He truly believed that an example of good government on the local scene can have the ripple effect of a pebble in a stream, ultimately leading to better government elsewhere along the line. And he fostered this optimism with the same unquenchable zest as he applied to his vigorous and productive life in general—and to his newspapering in particular.

In sad summary, the loss of A. W. Bramwell is a painful blow to The Enterprise-Record, to the newspaper profession as a whole, and to the people. Yet in the spirit of this Thanksgiving season, it must be granted that we were all fortunate and are better off for having had him. The world today is too lacking in strong men of his kind.

NATIONAL PATRIOTISM WEEK

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. RUDD. Mr. Speaker, I am most pleased to be a cosponsor of House Joint Resolution 135, which would set aside the third week of February as National Patriotism Week. This splendid idea for a national commemoration of our individual freedom in the United States, and our determination as Americans to make our great country even greater in the future, was the brainchild of Miss Lori Cox, an 18-year-old student at Arizona State University.

The resolution was introduced jointly by our colleagues Congressman JOHN RHODES, the distinguished minority leader, and GLENN ANDERSON, in a bipartisan effort which has now gained more than 160 cosponsors for National Patriotism Week.

Arizona Governor Wesley Bolin will declare next February 20–26 as National Patriotism Week, and I hope that President Carter will likewise issue his own proclamation for the entire Nation.

Mr. Speaker, an excellent column about the National Patriotism Week resolution and the outstanding work of Lori Cox was recently written by Bernie Wynn, political editor of the Arizona Republic, and published on November 18. I include this tribute at this point in the RECORD:

PATRIOTISM WEEK WINS MANY BACKERS

(By Bernie Wynn)

GOV. Wesley Bolin soon will declare Feb. 20–26 National Patriotism Week in Arizona and the occasion will be capped with a youth seminar for the state's high school leaders.

More than 600 youths from 80 high schools will be guests of honor at the seminar Feb. 24 at the Scottsdale Center for the Arts.

Sparkplug of this day-long observance is Miss Lori Cox, 18-year-old student at Arizona State University and unofficial "Miss Patriot" of the entire state.

She now has more than 160 sponsors in the U.S. House of Representatives backing House Joint Resolution 135 which would set aside the third Monday in February each year for serious citizens to commemorate freedom and renew determination to make the nation even better in the future.

Now if that is cornball, outdated and mawkishly sentimental, then Lori Cox has a lot of company. Me, for example.

Then there's Bolin, who will welcome the kids, Mark Dioguardi of the Arizona State University College of Law, and U.S. Navy Cmdr. Stephen Harris, security officer of the USS Pueblo who spent several months in a North Korean prison camp.

Dioguardi will talk about the American political system and two speakers yet to be

named will discuss "What is a Democrat?" and "What is a Republican?"

Films entitled "Faith in Ourselves" and "Price of Peace and Freedom" will be shown and the finale will be the really super Yuma High Choralairs.

I recite all this information so the public has plenty of time to make plans to attend. For patriotism is taking a beating in this country from people who mostly don't understand the alternatives.

Lori used to be singled out for rude remarks when she was in high school because of her patriotic sentiments. She stuck it out despite the sneers and today she's getting cheers instead of jeers. (It's called courage.)

In my book patriotism isn't jingoism, an attitude that America deserves to rule the world because all other nations are a bunch of bums. It's not arrogance or belligerence.

Nor is patriotism the rattling of the saber, the beating of war drums and the marching off to do battle with your fellowman from some other country.

Patriotism is the quiet, deep appreciation for citizenship in a nation which is able to nourish and protect its members in an atmosphere of maximum freedom.

We are grateful because each of us has equal status under a constitution and each is cherished as an individual rather than simply a unit serving the state.

If you of the younger generation don't believe this, I suggest you read "The Man Without A Country," written by Edward Everett Hale.

It's about a young man, Philip Nolan, whose American citizenship was revoked after he damned his country and was sentenced to become a world loner.

Nolan found himself isolated aboard ship moving from port to port trying to find some country that would let him come ashore. None would and he died at sea, as I recall.

If you've ever been abroad, you realize how important a nation's passport and visa are. Returning from Israel last year, I had a stopover in Paris and thought I'd sneak out of the airport on to French soil for just a moment.

Implacable armed guards shooed me back to the airport's no-man's-land area where I was forced to remain until my plane departed for New York.

That's why I stand up and sing—albeit loudly and off-key—the national anthem and pledge of allegiance. Because I am grateful to belong to a mighty nation where my family can be secure.

RETURN OF THE CROWN OF ST. STEPHEN

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. DERWINSKI. Mr. Speaker, one of the most controversial and contradictory policy decisions of the administration has been the one to return the Crown of St. Stephen to the Communist Government of Hungary.

This would seem to be in direct contrast to the administration's alleged commitment to human rights; and would, in effect, turn its back on the history of the present Government in Hungary which was imposed on the Hungarian people by military forces of the Soviet Union. Presenting the Crown of St. Stephen to the current government would confer a legitimacy upon it, which history and the great traditions of the Hungarian people have properly denied.

Columnist Allan C. Brownfeld, in the Manchester, N.H., Union Leader of November 18, takes issue with the President's proposal to return this national treasure to the Communist regime now ruling in Hungary. I wish to insert his article as I believe it deserves special attention by the Members:

[From the Manchester (N.H.) Union Leader, Nov. 18, 1977]

UNITED STATES SHOULD HOLD CROWN OF ST. STEPHEN

(By Allan C. Brownfeld)

For reasons which remain unclear, President Carter has decided to return to Hungary the symbol of its nationhood—the golden crown of St. Stephen.

In 1945, the crown, which according to tradition was given to Hungary's first king, Stephen, for his coronation in the year 1000 by Pope Sylvester II, was turned over to American military forces in Austria for safe-keeping. It was kept in U.S. custody in West Germany until the early 1950s, when it was shipped to Ft. Knox, Ky., where it has remained ever since.

Why has President Carter decided to return the crown to the Communist rulers of Hungary? He argues that such a move "would support the American foreign policy objectives by responding to the individual national aspirations of the Hungarian people, by fostering the spirit of Helsinki and improving relations with Hungary."

This formulation ignores the fact that the Russian army still occupies Hungary and that the Hungarian government was never elected by the people of Hungary but was, instead, imposed upon them by the Soviet Union. For the President to say, on the one hand, that he is concerned with "human rights," and on the other to confer legitimacy upon the Soviet-installed leadership in Budapest is, to say the least, somewhat contradictory.

If President Carter thought that he could quietly return the crown without stirring up political turmoil in Washington, he was sadly mistaken. He seems surprised at the outrage being expressed in the Congress—a further indication of how far removed he seems to be from the political sensibilities of the American people.

Rep. Mary Rose Oakar (D-Ohio), whose Cleveland district has the largest Hungarian-American population in the country, has introduced a bill, with 30 cosponsors, which would bar return of the crown without congressional approval.

Rep. Oakar states that the present Hungarian regime "is not a government worthy of receiving this sacred crown . . . the President appears to be repudiating his own human rights policy insofar as the Eastern Europeans are concerned."

In the Senate, opposition to the return of the crown has been led by Sens. Robert Dole (R-Kansas) and S. I. Hayakawa (R-California). Sen. Dole said that return of the crown "confers legitimacy on a Communist dominated state." He added that he failed to understand why the U.S. government should approve the status of a regime that came to power as a result of Soviet military might, and he noted the irony of the fact that President Carter's decision came 21 years to the week after Soviet tanks quelled the Hungarian uprising in 1956.

Hungarian-Americans charge that the President has gone back on a campaign promise not to make any decision about the crown without first discussing it with them. Andras H. Pogany, a spokesman for the Coordinating Committee of Hungarian Organizations in North America, and president of the World Federation of Hungarian Freedom Fighters, said that, "We had a presidential promise, but it's just in the air."

Originally, there are said to have been definite plans for a ceremony to return the crown in Budapest. Now, the President says that he has not decided how or when the crown should be given back.

One reason for his seeming vacillation is that the opposition is highly emotional, while those who support the crown's return often do so only grudgingly. Rep. Frank Horton (R-N.Y.), expressing his opposition, declared that the crown's return would be "a political gift from our President to Mr. Kadar . . . How would the world have reacted if, in 1941, the chief rabbi of Warsaw had presented a sacred Torah to Adolph Hitler in recognition of his 'fine' treatment of the Jewish people?"

With opposition like this, the President, not seeking more political trouble than he already has, may quietly decide to make a final decision about the crown of St. Stephen at a later time. On the other hand, he may push ahead—despite the opposition.

Regardless of what the President does, the apparent hypocrisy of his action remains clear.

He urges a mandatory arms embargo against South Africa, in part, because the government of that country arbitrarily closed two newspapers. Yet, Hungary has not had anything like the free press which South Africa has since the Communists first came to power in that country—by force of arms.

The only thing which will be accomplished by returning the crown of St. Stephen to Hungary will be bolstering the Communist regime of that country and conferring legitimacy upon it.

Such an action will make a further mockery of the Administration's concern for human rights—and will indicate that this concern stops at the Communist borders of Eastern Europe. The Congress would do well to intervene and prevent the President from advancing in this decidedly wrong direction.

TRIBUTE TO PAN AMERICAN WORLD AIRWAYS' 50TH YEAR OF CONTINUOUS SERVICE

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. ANDERSON of California. Mr. Speaker, over 50 years ago, on October 28, 1927, a Fokker F7 lifted off a dirt runway at Key West, Fla., and flew 90 miles to Havana, Cuba, starting scheduled airmail services and launching an airline destined to carry the American flag around the world. That airline, Pan American World Airways, recently celebrated its golden anniversary, a birthday which many thought just a few years ago the company would not live to see because of its precarious financial health.

Pan Am has recorded record profits for the first three quarters of 1977 amounting to $67.5 million. It would seem certain then, that Pan Am will give itself a 50th anniversary present of its first profits in 8 years. The road to recovery has not been easy, but with a dedicated corps of employees who have expended every effort possible, the future of the company appears brighter than it has in years.

Mr. Speaker, Pan Am has had an outstanding record of dedication and service to this country. During World War II,

Pan Am's fleet of aircraft was stripped to wartime austerity, with priority cargo packed into the planes. The company's resources and knowledge of overseas communications provided valuable links in this Nation's defense efforts.

Mr. Speaker, Pan Am as a private enterprise competes around the world with foreign subsidized airlines, a job which it does well and in the best interests of the American consumer. Its leadership in developing international aviation for America is something of which we can all be proud. I know the House joins me in extending best wishes to Pan Am on its first 50 years.

CONTRIBUTIONS TO THE UNITED NATIONS FUND FOR DRUG ABUSE

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. GILMAN. Mr. Speaker, last February the House Select Committee on Narcotics Abuse and Control, of which I am a member and which is chaired by the distinguished colleague from New York (Mr. WOLFF), issued a report on the 27th session of the United Nations Commission on Narcotic Drugs—a report that was based on the meetings in Geneva that the distinguished gentleman form New York (Mr. Scheuer) and I had attended earlier this year.

In addressing the U.N. Narcotics Commission, I underscored congressional concern over the imbalance with regard to our Nation's annual contribution of $4 million to the United Nations Fund for Drug Abuse Control (UNFDAC) or 80 percent of the Fund's budget, noting that there is a "need for a broader, more equitable assumption of the fiscal responsibilities of the world's narcotic problems."

Members of our Select Committee on Narcotics have consistently urged other nations to support the work of UNFDAC and to increase their contributions to the Fund. We have also urged our own Nation's top narcotics administrators to impress upon their colleagues the urgent need for the international community to support the U.N. Fund. Many of our colleagues have joined us in focusing the attention of the international community on the critical needs for waging an intensive global war on the sordid narcotics trafficking and the illicit opium production that is affecting the socio-economic fabric of the international community, corrupting governments and inflicting vast physicial and emotional damage upon citizens from all walks of life, from all religious, racial, and economic backgrounds. The drug problem knows no political ideology and knows no geographic boundaries; it does not distinguish between heroin producer and user nations, and it does not distinguish between developed and less developed nations.

Mr. Speaker, I recently received a report from Ambassador J. G. de Beuss, Executive Director of UNFDAC, stating that since January 1 of this year, 35 nations have contributed a total of $7,554,202, which as a result of the increased contributions from Norway, Sweden, and The Netherlands has reduced the percentage of our Nation's 1977 contribution to the Fund from 80 percent down to 53 percent. Included in these funds is a contribution by the Japanese Shipbuilding Industry Foundation in the sum of $160,000, which to my knowledge, is the first major contribution by a private foundation.

Unfortunately, country contributions to the Fund remain pathetically small. As of September 30, 1977, 31 nations contributed only $938,202, or an average of $30,265 per nation, with many governments contributing less than a few thousand dollars and many nations not even contributing a single penny to the Fund.

Mr. Speaker, in the interest of keeping the Congress informed of the current fiscal status of UNFDAC, I am inserting at this point in the RECORD the complete report of contributions submitted by Ambassador de Beuss and I urge my colleagues to remain steadfast in their support of international efforts to control illegal narcotics trafficking.

UNITED NATIONS FUND FOR DRUG ABUSE CONTROL—STATUS OF CASH CONTRIBUTIONS PLEDGED OR RECEIVED AS OF SEPT. 30, 1977

Country	Contribution in U.S. dollars 1971-76	1977
Algeria	4,995	
Argentina	12,000	10,000
Australia	400,000	99,998
Austria	20,000	11,870
Bahamas	1,000	
Barbados	500	
Belgium	25,000	27,027
Brazil	8,000	5,000
Canada	1,002,746	190,476
Chile	1,000	1,000
Cyprus	5,949	
Denmark	200,000	31,488
Finland	25,773	
France	505,500	100,000
Germany, Federal Republic of	499,256	215,376
Greece	7,884	
Guyana	487	
The Holy See	1,000	
Hong Kong	39,625	21,331
Iceland	4,000	1,500
Indonesia		1,000
Iran	35,000	
Iraq	5,066	
Ireland		5,000
Israel	4,000	500
Italy	203,200	
Ivory Coast	2,000	
Jamaica	3,285	1,095
Japan	800,000	200,000
Jordan	2,000	
Kenya	3,000	
Kuwait	16,000	5,000
Libyan Arab Republic	6,460	
Liechtenstein	3,000	
Luxembourg	1,000	
Malaysia		2,000
Malta	484	
Mauritius	500	500
Morocco	10,275	3,000
New Zealand	92,695	25,016
Nigeria	6,000	
Norway	207,444	[1] 5,506,815
Pakistan	1,010	
Philippines	8,000	
Portugal	4,000	1,000
Qatar	12,000	
Republic of Korea	1,000	1,000
Republic of Vietnam	2,000	
San Marino	500	
Saudi Arabia	82,000	
Senegal		3,000
Singapore	1,000	
South Africa	8,782	5,700
Spain	20,000	
Sudan	1,000	
Surinam	1,000	1,000
Sweden	247,634	504,752
Thailand	4,000	
Togo		200
Trinidad and Tobago	1,000	
Tunisia	2,564	2,289
Turkey	9,781	
United Arab Emirates	7,000	2,000
United Kingdom	372,922	
United Republic of Cameroon	422	
United States	18,000,000	4,000,000
Uruguay	1,000	
Venezuela	4,000	2,000
Yugoslavia	17,288	
Total	22,976,027	10,987,933
Private contributions	15,307	[2] 165,110
Total	22,991,334	11,153,043
Interest income	[3] 1,056,649	
Total contribution and interest	35,201,026	

[1] Pledged for the Burma program 1977-81, U.S. $5,451,127 of which U.S. $1,448,000 considered as a 1977 contribution.
[2] Including U.S. $160,000 contributed by the Japan Shipbuilding Industry Foundation.
[3] On Dec. 31, 1976.

SPECIAL CONTRIBUTION TO UNDP

Netherlands: To finance a project of treatment and rehabilitation in the Badakhshan province of Northern Afghanistan, US-$500,000.

CONTRIBUTIONS IN KIND

Netherlands: Publication of a Monthly Journal (Drug Dependence) by EXCERPTA MEDICA FOUNDATION of Amsterdam (1972–1976), US$209,440.

Poland: Agricultural machinery and implements for crop substitution projects (3.2.75), US$50,000.

Switzerland: Medicaments for addiction treatment project in the Badakhshan province in Northern Afghanistan up to a maximum of US$40,000.

GOVERNMENT CONTRIBUTIONS[1] TO UNFDAC-SUPPORTED PROJECTS AND ASSOCIATED DRUG CONTROL PROGRAMMES

Country, duration of project, and contribution in US$

Afghanistan, January 74 to December 78, 697,882.

Argentina, December 76, to November 80, 200,000.

Bolivia, December 75 to March 78, 2,500,000.

Burma, May 76 to April 81, 6,985,016.

Egypt, August 77 to December 78, 28,571.

Lebanon, June 73 to December 76, 260,000.

Pakistan, May 76 to April 79, 2,447,774.

Peru, January 76 to December 78, 1,547,159.

Thailand, December 71 to December 77, 5,553,200.[2]

Turkey, March 75 to April 77, 20,000,000.

STATUS OF CASH CONTRIBUTIONS PLEDGED OR RECEIVED IN 1977, 1ST JANUARY–30 SEPTEMBER

Since 1st January 1977, 35 Governments have contributed a total amount of US$-7,554,202.

[1] These are estimates made by the governments concerned and included in project agreements. They include the cost of personnel, transport, equipment, buildings, operating and other costs related to the drug abuse control programme in each country. Amounts when given in local currency have been converted to US dollars at the rate of exchange on the date of the signature of the project agreement.

[2] Of the total contribution, the equivalent of 390,000 dollars was in cash.

Non-U.S. contributions (47%):	
Norway	$1,448,000
Sweden	508,000
The Netherlands*	500,000
Japanese Shipbuilding Industry Foundation	160,000
Other countries	938,202
TOTAL	3,554,202
United States of America (53%)	$4,000,000

*(through UNDP).

A "NO-BULL" FARM PLAN

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. HANSEN. Mr. Speaker, Idaho State Farm Bureau Vice President Tom Geary has sent me a letter which shows interesting and innovative thinking regarding a self-help way for farmers to peacefully overcome their twin plagues of overproduction and low prices. I submit excerpts of Mr. Geary's letter and the context of his plan for the interest of my colleagues and all who read the RECORD:

BURLEY, IDAHO,
November 21, 1977.

DEAR CONGRESSMAN: This past summer I have been thinking there must be some kind of a farm plan that could help agriculture out of some of its problems. I don't think the Farm Strike is the answer to our problems. Enclosed is a plan I have been thinking about and I thought I would send it to you for your examination or entertainment. I have talked to some of the people here in the Burley area about it and they think it has some merit. Oscar Field, our Farm Bureau State President, asked me to write it up and send him a copy so I thought I would send you a copy also.

A SIMPLE FREE-ENTERPRISE FARM PLAN

(Let's Go Fishing All Summer)

This program was derived from the thinking that there must be a more simple way to solve the economic dilemma and depression that agriculture is suffering from today. With the great efficiency in agriculture today we have created our own problem of over supply of agricultural commodities, or at least we have failed in the development of such aspects of distribution by not developing marketing programs sufficient to keep up with our production capabilities.

This program is designed to keep government control out of agriculture as much as possible, and for farmers and ranchers to own and control their own production.

The program operates as follows. Eighteen percent of the farmers would participate by taking their entire farms out of production for the year 1978. They would then invest the money they normally would spend for operating costs, seed, fertilizer, water, electric power, gas, oil, parts, and repairs to purchase the products already produced, which in most cases can be bought cheaper than the cost of producing them. For instance, if a farmer normally borrows $100,000 for his yearly operating expenses he would borrow that amount, or if he is fortunate enough to own his operating capital he would take that amount normally spent on operating the farm, and invest it in either commodities already in the warehouse or on the futures market. As a result, the farmer would own the same amount of commodities without getting involved in the production process. These investments need to be in commodities so that as the prices increase the farmer reaps the benefits. This immediately pulls 18% of 1977 production out of the market place, either grain, soy beans, cotton, cattle futures, potato futures, or whatever is normally produced. An example for cattlemen would be to keep their bulls in separate pastures for the year and then to buy cattle futures instead of producing calves. Then a year or so later he would sell his futures contracts at a substantial profit. The idea is to sit back and hang on to these commodities until next year's production would normally be sold. The best part of this idea is getting to go fishing all summer, pausing only to disk the fields for weed control, trim the hedge around the house, and other domestic jobs your wife deemed important.

By pulling 18% of 1977 production out of the market there would be a tremendous boost to agricultural commodity prices. Even the psychology of this reduced supply would have a tendency to increase prices all across the nation. This program would tie up or pull off the market 18% of 1977 production and then reduce 1978 production by 18%. With this immediate reduction of supply, farm prices would move back into a profitable situation again. The banks should like this program because the commodities they issued loans on would be secure and already produced with no danger of hail, frost, drought, or flood damage, and there would be the security of a warehouse receipt in hand.

There would be very little operating expense to the government in such a program. Farmers would go to the ASCS office to sign up for the program. The ASCS office would act as a referee to determine when the designated amount of 18% of the producing acres of farming and ranching were signed up. The remaining farmers and ranchers would then continue to work all year to produce their commodities while the rest would go fishing.

Some government officials might think this would not be a good program because of their desire to maintain a cheap food policy, but this really insures reasonable food prices now and in the future by keeping the family farm in existence and operating at a profit instead of allowing family-sized farms to go broke and the land to be taken over by corporate farms causing tremendous jumps in the price of farm commodities. When on the other hand, a two or three percent increase now in spendable income for consumers for food would insure the production of food in an efficient and dependable manner now and for the future.

ADVANTAGES OF THIS FARM PLAN

1. Continued efficient production of family farms at a profit.
2. Reasonable consumer prices now and in the future.
3. Very little expense to the government for farm program.
4. Greater income to Internal Revenue Service from farmers and ranchers.
5. No government controls on farms or farm commodities.
6. Commodities owned and held by farmers.
7. Save energy, gas, oil, fertilizer, electric power on 18% of farms.
8. Greater buying power for farmers.
9. An adequate food supply in the future as well as now.
10. A chance for some of us to go fishing and make a profit at the same time.

IN SUPPORT OF A BALANCED BUDGET

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. DERWINSKI. Mr. Speaker, as cosponsor of the Kemp-Roth bill and supporter of the Rousselot substitute resolution for the second budget resolution calling for a balanced budget for fiscal year 1978, I address the House in support of these measures during the legislative lull we are going through at the present time. There is a tendency to be preoccupied with the energy bill, whereas its relationship to the overall economy must be kept in mind. An issue that we should face in the next session is the question of cutting taxes while maintaining a balanced budget. The combination of these two positive ideas would be a way of addressing the Nation's economic ills.

The administration was opposed to this remedy when many Members of Congress began advocating it sometime ago. Now, many in the Carter administration are spousing the tax-cutting half of the package, but do not accept the ceiling on Federal spending that ought to go with it.

U.S. economic ailments are easy to analyze. Unemployment is still at 7 percent. If production continues for a year at the rate it has been in the past 3 months, it will show an increase of only 1.2 percent—a rate that could cause unemployment to increase.

Advocates of the "Uncle Sam knows best" philosophy are calling for vast public works programs of the WPA type. They believe that the Government can cure all economic ailments, while I contend the Government is the cause of most economic ailments.

When Congress passed tax cuts for all individuals and corporations in 1963, the economic stimulus caused the U.S. Treasury to collect more revenue than expected before the tax cut. By the second quarter of 1965, consumption expenditures had registered a remarkable rise of $45 billion from the rate of the last quarter of 1963, and the economy expanded as a result of the powerful stimulus of the tax cut.

A tax cut is needed. But for stimulation of the economy without inflation, we need to agree that the Governor will spend no more next year than in the current budget. Eliminating billions of dollars in bloated bureaucracy and duplicating programs would make it possible to give modest increases for workable undertakings while holding the line on total spending. America can enjoy its greatest prosperity if we leave money in the hands of the tax-spending bureaucracy.

Another argument for a tax cut, but with the spending discipline which I advocate, is that the social security bill which will emerge from conference will be a major tax increase, and thus an income tax reduction is necessary or else

the public will find its net income after taxes reduced. This obviously would slow down economic growth.

TWENTY-SEVEN MEN AND ABORTION

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mrs. SCHROEDER. Mr. Speaker, this week, for the seventh time, Congress will take up the issue of federally funded abortions. When we do, I hope that each Member is haunted by the vision of 27 middle-aged men sitting in a room for 5 months determining what poor women may do with their bodies. The following article by Linda Wertheimer which appeared in the November 25 Washington Post describes the irony of such a tragicomedy.

TWENTY-SEVEN MEN AND ABORTION

(By Linda Wertheimer)

Since June, 27 members of the House and Senate—all men, average age 61—have been talking about abortion in the House-Senate conference on the appropriations bill for the Departments of Labor and Health, Education, and Welfare.

The $61-billion bill carries a rider, added in the House, that bans federal funding for abortion, with certain exceptions. The exceptions have been the basis for prolonged discussion over the summer and fall. The conferees agreed to permit abortion in cases where the pregnancy endangers the life of the mother. But beyond that, they and the houses they represent have not been able to agree.

They disagree on the question of permitting abortion in cases where the mother's health might be damaged.

They are at odds on permitting abortion in cases where the baby, if it were born, would have a genetic disorder like Tay Sachs disease or mongolism.

They disagree on whether federal funding could be used for abortions in cases of rape or incest.

For five months, 27 men have met and argued about what to do. The discussion has been a difficult one for all the participants, those who oppose abortion and those who do not. Every day's debate has demonstrated the difficulty of settling, through legislation, a socially sensitive and medically technical question.

It is apparent that the men who make the decisions have, in some cases, an imperfect understanding of female sexuality and physiology. During one session a male staffer whispered to a female colleague, "is ovulation the same as orgasm?"

A House conferee complained that the measure currently on the table went too far in permitting federally funded abortions. Gesturing toward a table of male colleagues, he observed: "Under this bill anyone in this room could get an abortion."

The long discussions appear to have brutalized the members who have sat for weeks exchanging painful examples of defective children slowly dying of incurable genetic diseases, of bungled abortions and arguments over the right to life.

The conferees have made harsh jokes. Should the rape exception include teenagers not forcibly raped but victims of statutory rape by virtue of their age? One member cracked: "It's not a question of consent; the question is whether she enjoyed it."

Does medical treatment for victims of rape or incest include abortion procedures like dilation and curettage? A congressman told his colleagues that it would permit "a quick scrape." Talking of abortions in cases where the mother's health might be damaged a member told his colleagues that the language before them was too liberal. "We don't want a woman who wakes up with a hangnail to be able to get an abortion," he said.

The discussions have often been too much for the members who take part in them. One congressman proposed that federally funded abortions should be available to pregnant teenagers. To guarantee that, he proposed permitting abortions for girls aged 16 and younger. When that was rejected, he tried 15, then 14, then 13. At that point, his colleagues rebelled. "You are trying to make us look bad," one shouted. "Are you going to take it down to age one?"

The arguments in conference and the six floor debates on abortion have been more than some of the civilians who watch the Congress can bear. I am thinking of a staff member who logs debates in the House. When abortion is discussed, she arranges for another person to take her place.

Sen. Edward Brooke (R. Mass.) has led the fight in conference to permit certain kinds of federally funded abortions. He told reporters that the irony of middle-aged men sitting in a room and determining what poor women may do with their bodies has not escaped the 27 conferees. But the majority of members in the House are willing to make that decision, while an equally solid majority in the Senate feels that a flat ban on abortions other than life-saving ones is wrong.

Continuing resolutions, like the one passed by the Congress at the beginning of November, do not change anything. They merely delay for another 30 days the time when this debate begins again.

EDWARD F. HUBBARD

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. EILBERG. Mr. Speaker, it is with considerable sadness that I report that Edward F. Hubbard, general manager of the Philadelphia Gas Works since 1970 and a lifelong employee of that city-owned utility, died recently of a heart attack.

It was my privilege to have known Ed Hubbard. I considered him one of those rarest of human beings, the perfect gentleman.

Edward was born and raised in Philadelphia, graduated from West Philadelphia High School and attended the University of Pennsylvania. He went to work for the gas company in 1939 as a personnel clerk, and rose through the ranks to become general manager.

He was formerly president of the Pennsylvania Gas Association, and was vice president of the Philadelphia Facilities Management Corp., which is the nonprofit agency which operates the Philadelphia Gas Works. He was a member of the National Gas Advisory Committee of the Federal Energy Agency, and a member of the Facilities Task Force Committee of the Federal Power Commission's natural gas survey. Only recently, he was elected to the board of trustees of the Institute of Gas Technology.

Ed Hubbard served on a number of committees of the American Gas Association and was on the advisory council of the National Association of Businessmen. In addition, he was a director of the Greater Philadelphia Chamber of Commerce; a trustee of the United Way; a director of the Better Business Bureau; and was a member of the Union League, Philadelphia Urban League, Franklin Institute, Air Pollution Control Association, and the Philadelphia Crime Commission.

Mr. Speaker, Ed Hubbard made a genuine contribution to the city of Philadelphia and its people. He will be deeply missed.

WHY THE NORTHEAST NEEDS THE CRUDE OIL EQUALIZATION TAX

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. DOWNEY. Mr. Speaker, many of us who represent the Northeastern States have been deeply concerned with the recent economic trends in that region. While areas in the South and West have enjoyed healthy economic growth, the Northeast has seen only steady decline. In the Atlantic States, for example, manufacturing jobs have declined almost 14 percent in the last 15 years while they have increased by almost 70 percent in the Sunbelt.

Clearly, there are many reasons for the economic ills of the Northeast, but one factor which cannot be ignored is the high price this region has had to pay for industrial energy. It cannot be disputed that the price of energy in the Northeast is sharply higher than in other regions, and this in part explains the reasons for differing growth rates.

One of the most important goals for the Northeast, then, is to achieve parity with the rest of the Nation vis-a-vis energy prices. The President's energy proposal, and the crude oil equalization tax would provide a measure of parity so desperately needed.

A recent article by Michael McManus, published in Newsday explores this issue in some depth, and presents a compelling argument for the President's plan. I commend it to the attention of the energy conferees and to my colleagues in the House of Representatives. The article follows:

THE NORTHEAST NEEDS CARTER'S OIL TAX

(By Michael J. McManus)

Though taxes in the Northeast are higher than anywhere else, it is in the region's interest to support yet another tax, the "crude oil equalization tax," that is the centerpiece of the Carter Administration's energy plan.

Often called the "wellhead tax," since it would be paid by producers based on the quantity of oil produced at their wells, the tax is designed to close the gap between the government-controlled price of $5.25 a barrel for domestically produced oil and the world

price of $14. The tax would be passed on from producer to refiner and eventually to the consumer in the form of higher prices—such as a seven cent increase in the cost of a gallon of gasoline.

The administration says the proposal, which has been passed by the House, is essential to spurring greater energy conservation. The House bill would rebate the $12 billion collected annually from the tax to consumers, to lessen its inflationary impact. The Senate, on the other hand, rejected the idea of any kind of tax, with or without rebate. It preferred to deal with oil supply problems with a variety of tax credits, which would cost the Treasury money without producing any new revenues.

What difference does it make to the Northeast how the Senate-House conference committee resolves the conflicting bills?

"The Northeast's most immediate and pressing need is to achieve energy price and supply parity between consuming regions of the nation," says Rep. Stewart B. McKinney (R-Conn.).

Why? The cost of industrial fuel in New England is three times higher than its price in the Southwest. This is a major reason why manufacturing jobs increased by 67 percent from 1960–1975 in the Southwest, while they declined by 9 percent in New England and 13.7 percent in New York, New Jersey and Pennsylvania. Of course, other factors were involved, such as climate and taxes. But no industry that needs abundant and cheap fuel will locate in the Northeast today. The crude oil equalization tax would go a long way toward equalizing the costs of energy between different parts of the country.

If all forms of energy are converted into a common cost per million BTU's of heat, in 1975 it cost industry only $1.39 in the Southwest to get the same amount of heat that cost $4.17 in New England. But if the wellhead tax is passed by Congress, energy costs in the Southwest will triple by 1985, to $3.50 per million BTU's, compared to only a 34 percent increase in New England, to $5.59. New York and New Jersey's cost of $3.20 would also rise only moderately, to $4.36.

The wellhead tax would not be the only reason why the Sunbelt would begin to pay about the same as the Northeast for energy. There is also an oil and gas users tax to be paid by industry in the House bill, and higher natural gas prices. But what is under dispute is the wellhead tax.

Thus, what the House version of the energy bill would do is raise the cost of energy in the rest of the nation to the point that it would be close to what the Northeast has long been paying, because of its dependence on costly Mideast oil. That would make it more possible for the Northeast to stop its disastrous hemorrhage of jobs and to compete with the Sunbelt for new jobs. These economics explain why Louisiana and Texas have joined the oil industry in their implacable opposition to Carter's House-approved energy program.

It should be added that Louisiana consumes four times as much energy per capita as is consumed in Connecticut or Vermont, and Texas gobbles up three times as much as New York State, Rhode Island, New Jersey, New Hampshire or Massachusetts, on a per capita basis. The reasons are worth noting. Since energy is cheap in the Southwest, it attracts more manufacturing dependent on energy. And the more compact Northeast residential areas promote greater energy savings—both in homes and cars. New Yorkers consume less gasoline per capita than do residents of any other state (330 gallons) and Massachusetts is next, with 397 gallons per person. By contrast, Texas uses 610 and Arizona 536.

Put differently, there is a greater potential for reducing energy consumption in the Sunbelt than in the Frostbelt. Therefore, there is a national interest in boosting oil and gas costs dramatically where they are very low. That would provide an incentive for southern manufacturers to switch from using precious natural gas as a boiler fuel, to using coal.

President Carter has said that, since the 1973 oil price increase, virtually every major western nation—Britain, France, Italy, Germany—and Japan as well has reduced its consumption of imported oil. "Meanwhile, although we have large petroleum supplies of our own, and most of them don't, we in the United States have increased our imports of oil more than 40 percent," Carter said. Our imports will cost $45 billion this year, or $700 per family. "Every $5 billion increase in oil imports costs us 200,000 jobs," he said.

Now it has become clear, as a result of developments this week, that the Senate conferees were willing to acecpt the oil equalization tax—provided the House is willing to accept some of the Senate's tax credits. From a Northeast perspective, is that a reasonable compromise?

Not necessarily. The Senate bill irresponsibly includes $40 billion of tax credits, and no new tax to cover the cost. Even if the Senate accepts the $12 billion wellhead tax, it would be more than consumed by the Senate Christmas tree of tax credits. The House version is very careful to rebate all of the wellhead tax to consumers in its first year. The price of all oil products will thus rise, but the inflationary impact of the new tax is eliminated. That is important, with an $8.3 billion increase in Social Security taxes looming ahead.

Furthermore, the 50 million people who live in the states from Maine to Pennsylvania stand to gain in two ways from the House version of the bill. First, there is a home heating oil rebate worth $1 billion to the Northeast, offsetting the entire price rise for these consumers.

Second, every citizen would get an energy rebate ranging up to $50 per person. In aggregate that would be worth more to the Northeastern states, since we use less oil per capita; the result would be a net bonus of $300 million to the Northeast.

However, some of the Senate tax credits are seductively attractive. Sens. John Durkin (D-N.H.) and William Hathaway (D-Maine) proposed a tax credit for home heating oil customers that would provide between $347 million and $1.3 billion more than the House version (depending on how much Mideast oil prices rise). However, none of Durkin's benefits would go to schools or nonprofit or public institutions, since they pay no taxes. The House measure therefore remains better.

Sen. Abraham Ribicoff (D-Conn.) has suggested that an energy tax trust fund be used to finance the research on alternativve energy sources and subsidize mass transit. These are both valid Northeastern needs. However, the bill is not clear how to divide the money. More important, it would not offset rising oil prices with a rebate.

Finally, Sen. Russell B. Long (D-La.), chairman of the committee that created the Senate version of the energy package, proposes various costly credits to oil companies for exploration, and more to industries that must convert to coal. These measures are getting increasing support in the Congress and the administration.

However, the House conferees ought to hold as firmly as possible to their version of the bill. It provides incentives for conservation, has minimal inflationary impact and provides reliefs for the Northeast. Some concessions might be made to industry, as long as the bulk of the oil equalization tax is returned to consumers.

NEW HOPE FOR AMERICANS IMPRISONED IN BOLIVIA

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. HANSEN. Mr. Speaker, Americans imprisoned in Bolivia have made great progress in getting their cases resolved during the past few months after a long and frustrating delay. There is still much work to do to secure justice, provide relief, and end unreasonable delays, but I am much encouraged that the wheels are finally in motion and proper leadership is stepping forward to accomplish this.

To illustrate the progress to date and compliment the initiative of our new Ambassador to Bolivia I submit the following press release and letter for the RECORD:

PRESS RELEASE

WASHINGTON, D.C.—Congressman George Hansen verified with the U.S. State Department and Bolivian Embassy today that a decision is expected from a lower court within a week regarding Tom McGinnis of Idaho Falls.

Hansen Monday evening attended a reception at the Bolivian Embassy where he discussed the prisoner matter with Ambassador Crespo regarding McGinnis who has been in a Bolivian prison for 18 months and who has been recommended for absolution (no prosecution) but must await court action on the matter.

The Idaho lawmaker pointed out that a lower court decision whether of innocence or guilt must then be reviewed by the Superior Court. "It is a tedious process but hopefully the major hurdle will soon be behind us."

Hansen said, "McGinnis is one of six Americans currently being held for completion of judicial review after government prosecutors have acknowledged that there is insufficient evidence for prosecution."

"Even though the release of Tom McGinnis was my main reason for traveling to Bolivia during the Labor Day period of September, I also went as an emissary for other concerned Members of Congress to assist any and all Americans held there," Hansen stated." The visit has paid off very well with eleven Americans now having been released during recent weeks."

"Hopefully the six not considered guilty by the prosecutors and three others due for conditional liberty (parole) will soon be free, bringing the total to 20 of the 41 known to be held in mid-summer," Hansen continued.

Hansen noted that three Americans have also escaped in recent weeks and not been apprehended.

The Idaho Congressman said he has also learned that a negotiating team left for Bolivia last Saturday comprising a Deputy Asst. Secretary of State and an Asst. Legal Advisor who will work with Embassy officials to effect a possible prisoner exchange treaty agreement similar to a law recently passed by Congress regarding Mexico and Canada. "Bolivian officials had expressed an interest in this possibility during my visit and the new law makes possible further negotiations in this regard," Hansen said.

"One encouraging note is that Bolivians are no longer picking up small offenders and those who may be technically but unknowingly involved as in the case of Tom McGinnis. This should close the doors to many

future injustices such as the Idaho Falls youth is now suffering," Hansen concluded.

EMBASSY OF THE
UNITED STATES OF AMERICA,
La Paz, Bolivia, November 22, 1977.

Hon. GEORGE HANSEN,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN HANSEN: While we have not met, I know that you share one of my major concerns, the plight of American prisoners in Bolivia. I wanted, therefore, to write you to give you my private and personal impressions after one month as U.S. Ambassador to Bolivia and to report to you on what has been accomplished so far.

During my first month here I have visited all American prisoners, met with the prison governors, talked to many judges, prosecutors and defense lawyers. I have also had two long meetings with President Banzer on the prisoner issue, three with the Minister of Interior, and numerous ones with other officials. What is clear to me from this experience so far is two main conclusions.

1. While I and my staff have to continue to press acceleration of the judicial process in individual cases, this alone is not enough; new avenues of relief have to be opened up.

2. This can be done, given the conviction of several key Bolivians that the system should be changed, if we go about it carefully.

What has happened in the last month is the following:

Foreigners receiving parole (8 Americans are up for parole) will be allowed to leave Bolivia, despite previous practice. Our first test case was paroled last Friday and should be on the plane this week.

The Bolivian Cabinet has appointed a commission of distinguished jurists and officials to recommend reform of the narcotics law. This offers great hope for enhancing due process, the concern you have correctly highlighted.

The U.S. and Bolivian Governments have agreed to negotiate a prisoner exchange treaty, such as we have with Mexico. We will begin negotiations next week and hope to have the treaty before the Senate by January.

Pursuit of these initiatives, plus continued effort to accelerate individual cases, offers new avenues of relief for virtually every U.S. prisoner in Bolivia. I am moving very quickly on all of this.

The climate in which we are operating here, however, requires great care. President Banzer has called for elections in July and the usual teapot tempests and dèbates of a pre-electoral period already dominate Bolivian political life. On the prisoner issue, the main fact is that there is absolutely no sympathy among the Bolivian public and press for American prisoners on narcotics charges. Obviously in this environment a public, high-pressure push on the prisoner issue is going to generate a lot of counter-pressure on the government not to budge. Nevertheless, the required good will is there if we can move quickly and carefully now. You can be assured that I will do this.

I had a good long chat with Tom McGinnis, who is in reasonable spirits and rather optimistic on the basis of the prosecution's recommendation of absolution. I am optimistic as well although, as you know, under the Bolivian system of justice, it is the lower and superior court judges who make the finding on the facts and on whether absolution is warranted. I expect the lower court decision any day now and believe the superior court review should come shortly thereafter. I'll try to keep you informed.

If you have any suggestions or concerns regarding my efforts here please let me know. You can be assured that I and my staff will give this problem all we have.

Sincerely yours,

PAUL H. BOEKER,
Ambassador.

SOLDIER'S PHILOSOPHY

HON. W. R. POAGE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. POAGE. Mr. Speaker, recently I came across a statement of a soldier's philosophy by my good friend, Gen. Bruce C. Clarke. I think this is so well put that I wanted my colleagues to have the opportunity to read it.

The statement follows:

THE PHILOSOPHY FOR A SOLDIER

(By Gen. Bruce C. Clarke, U.S.A., Ret.)

After being a war-time Army Private and a peace-time Corporal in the National Guard, I competed for an appointment and entered West Point. Upon graduation, I served from 2nd Lieutenant to General over 37 years; during two wars and three periods of peace.

During these periods there were times of poor pay and allowances, separations from family, slow and rapid promotions, and times of great fluctuations in the prestige of a soldier, among our own relatives and the American public. There were times of excitement of battle—victories and disappointments—good and poor assignments, etc. In spite of these, the responsibilities to my country, the Army and to my men constantly increased—as they did to my family. My family understood such things well and were mentally adjusted to them and gracefully accepted them.

Early in my soldier career I ran across and memorized this verse directed to the British soldier and the British people:

"In times of danger, not before,
God and the soldier we adore,
The danger gone, and all things righted
God is forgotten, and the soldier slighted."
(Author Forgotten)

This could well be said to apply also in the United States.

The periodic variations in the attitudes of the public between adoration and slighting of God and the soldier are very great.

In our Nation we have made four soldier war heroes Presidents—Washington, Grant, Theodore Roosevelt, and Eisenhower. Our great Commander in World War I might well have been President had he so aspired.

The Korean and the Vietnamese Wars produced no soldier President. These wars were not allowed to be won by our people.

In the middle and late twenties promotion was very slow; pay and allowances were at a minimum. The country had recently gone all-out to support a war that people were told was a war to end all wars. The need for an army then was not a matter of general concern. The future for anyone in the Army was dim. A member of my class made detailed computations of the probable future of the Class of '25, USMA, in the Army. His findings were that the top members would retire as Lieut. Colonels at the age of 64; the lower part of the class as Majors. Events in the world changed this.

About a half of my class resigned in the first few years after graduation.

During that time, I received my Professional Degree in Engineering at Government expense. Soon after, the head of a large corporation offered me a position in its management structure at three times my Army salary as a 2nd-Lieut. I showed the letter to my wife. (By then, we had a little son also.) She said, "What did you go to West Point for?" I tore up the letter. I've never been sorry. Our philosophy as applied to me continuing as a United States Soldier dictated the correct answer.

Today, we read articles from Sergeants to Generals deploring the "slights" to our Army today: post exchanges, commissaries, medical attention, pay, inadequate allowances, housing, low value of the Dollar in Germany, overseas tours without families, field duty, long hours, requirements of high standards of training, etc., etc.

Still there are very few who list the present advantages of an Army career for good and competent officers and men. There are few who point out that the Army wins its country's battles through confident, enthusiastic, cooperative fighting and support teams—not through individuals. Such teams are not organized, coached and produced by a negative philosophy or by a defeatist attitude. Taking counsel of fears, rumors, and/or present and anticipated problems is not the basis for victory or a bright future for soldiers.

Many of these deadening attitudes can be alleviated within ourselves, our units and our Army. We don't have to depend upon the American public, the Congress, the Pentagon, or the Administration to issue all the solutions to us.

The Army today is concerned about a small minority who believe a "union" can take care of all its individual and collective problems. This is a false hope on their part. Besides, there is no place in the national military concept or requirements for such a "union" to act; especially in time of danger or crisis to our Country. We must be constantly prepared to handle such contingencies during peace time. Adequate readiness will admit of no lesser standard.

We have many professional organizations of active and retired military officers and men that are working hard to help overcome the inequities and shortcomings of the soldier's lot. They properly do not hesitate to bring them to the attention of the Administration and the Congress, where they must be handled, based upon an enlightened attitude of our people. I suggest strongly supporting such organizations. They act by furnishing information and persuasion—but not through "unionized" pressure and force. There is no place for this latter in a military organization, supported by the Public for serving our Country in time of danger and crisis.

The officers and men of the Army have the advantage of the finest school system of any army in the world. This system, from its non-commissioned officers academies through its Branch and Special Schools, The Command and General Staff College and the Army and National War Colleges, enables the Army to provide leaders and commanders from the squad or crew to the Chief of Staff, in an integrated chain of command, trained to do what is best in training, handling and employing our units, organizations and their officers and men. At every echelon, they are charged to take an interest and to look after the welfare of their men, and their problems. Industry has no such formal set-up for looking after its men; nor can a union provide such service to its members.

Good morale is most important to a soldier. It comes from (1) a feeling that he is important, (2) that he does his duty well, and (3) that his good work and sacrifices are appreciated. The appreciation item is very important. Unfortunately, it does not come in equal amounts in periods of peace and

war. It is too often overlooked. However, in looking back over my 44 years in uniform, I am sure I received a total of all the appreciation I deserved.

I believe most soldiers can find confidence and enthusiasm for service to their Country in a philosophy based upon the foregoing. Those who cannot, should consider finding a "better way of life" in some other calling; they are not contributing their best to our Country's need for an outstanding and ready Army.

EQUAL RIGHTS AMENDMENT RATIFICATION

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. DERWINSKI. Mr. Speaker, as proponents of the ERA push for ratification before the March 1979 deadline, their efforts have become somewhat excessive and compulsive.

Chicago's station WMAQ-TV points out, in an editorial broadcast on November 6, that advocates of the ERA are not using proper judgment in their approach and are actually jeopardizing support for their cause. As I concur with the comments made in this editorial, I wish to insert it in the RECORD at this time for review of the Members:

WMAQ-TV EDITORIAL

We support the Equal Rights Amendment. We've said that many times. Most of the arguments against ratifying the E.R.A., in our opinion, makes little sense.

But the E.R.A. has not yet been ratified and its supporters are showing signs of desperation. For it to become part of the United States Constitution, it needs the approval of the legislatures of 38 states. It now has 35 and Illinois is not one of them.

The present deadline for approval is March, 1979. Otherwise, it is dead. E.R.A. proponents are now trying to get more time and the Justice Department has ruled that Congress has the authority to give E.R.A. an extra seven years.

In this instance, the E.R.A. supporters have gone through legal channels and Congress will make the decision.

But another approach shows signs of overzealousness. Some E.R.A. crusaders are promoting economic boycotts of states where E.R.A. has not been approved. The National Organization for Women is using heavy-handed methods to convince national organizations not to hold conventions in those states. There's one estimate this has cost Chicago $15 million in convention and tourist business.

We consider this a wrongheaded approach that could backfire. Certainly there is no direct relationship between business meetings and legislative action on E.R.A.

Political pressure is fine. There's nothing wrong with individuals and organizations lobbying legislators and trying to elect candidates who support E.R.A.

But it is madness to try to keep business away from states that have not okayed E.R.A. Someone suggested these women are emulating the Arabs and their oil boycott. Maybe they figure they have the same rights as the Arabs.

REGULATING THE GROWTH RATE OF MONEY TO COMBAT INFLATION

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. OBERSTAR. Mr. Speaker, today I am introducing a bill to amend the Federal Reserve Act of 1935, to provide for the regulation of the growth rate of the money supply and reduce the rate of inflation over the course of the next 4 years.

Inflation is costly. We feel its costs in the reduced value of savings, diminished purchasing power for those on fixed incomes, income lost as people are pushed into higher and higher tax brackets, and lack of confidence in the economy on the part of businessmen and consumers alike.

Inflation is at least partly the result of the money supply growing at a faster rate than the supply of goods and services in the economy. Real growth in the United States has averaged about 3 to 3½ percent per year but the money supply has recently been growing at a 9-percent rate and the difference in the growth rates shows up as inflation which is currently 6 percent. The only realistic long-term solution to the problem of inflation is to reduce the growth rate of the money supply.

Terms such as cost-push inflation and wage-price spiral are misleading. Inflation begins by increasing the growth rate of the money supply. As the additional dollars are distributed through the economy the initial impact is a business upswing: People have more dollars to spend. When it becomes apparent that there are only more dollars, not more goods and services, the prices of the existing goods and services are bid up, resulting in inflation. But prices do not exist just for retail goods; labor and raw materials have prices, too, and these are also bid up as manufacturers try to maintain sufficient supplies to keep up production. The important factor is that it takes time for all the sectors to make adjustments in their respective prices. As the excessive growth rate of the money supply continues, the different sectors must continue to make adjustments in their prices. This creates the appearance of a cost-push inflation or a wage-price spiral but in fact it is still the direct result of continued excessive growth rate of the money supply.

Inflation also raises interest rates. The interest rate is the price of credit; during a period of inflation it must reflect not only the price of credit but the inflation rate as well. Another factor contributes to high interest rates during periods of inflation: The tax shift. In the United States the whole nominal interest payment increases the taxable income of the lender and reduces the taxable income of the borrower, thus the interest rate must reflect this shift in the tax burden.

Unfortunately, it is not very easy, nor is it wise to suddenly cut the growth rate of the money supply. Just as a sudden increase in the growth rate of the money supply will have a temporary boom effect on the economy, so will a sudden decrease have a recessionary effect. There are two aspects of the recessionary effect of a decrease in the growth rate of money, both of which can be overcome as they are in this bill. The first and most important is the size of the decrease. If the decrease is large, the recessionary impact will be large; but if the growth rate of money is decreased in a series of small steps, most of the recessionary impact can be avoided.

The second aspect of the recessionary impact is lack of information and its consequences. Monetary policy in the past has generally come as a surprise to the economy, therefore requiring a substantial period of time for the economy to adjust to the new growth rates of money. If monetary policy were required to follow specific growth rate guidelines, then informed businesses and consumers could make the necessary adjustments in production and consumption levels to avoid the usual pattern of over-production and under-consumption that acts as a bottleneck in the economy and causes unemployment to rise.

This bill will require the Federal Reserve System to follow specific growth paths of money which will bring about an orderly reduction in the inflation rate without the recessionary impact that has historically accompanied attempts at reducing inflation. Because the growth rates of money will be gradually reduced over a 4-year time period, no significant impact on unemployment is to be expected. Also, since the business community and consumers will be aware of the succeeding reductions in the growth rate of the money supply, the lag that usually occurs in reducing the inflation rate will be reduced from 2 years to 1 year.

This act will by no means handcuff the Federal Reserve System. By mandating that the Fed follow specific growth paths within plus or minus 1 percent rather than follow specific growth rates, we retain the flexibility the Fed needs to respond to temporary, short run fluctuations in the money market. But the longer term result will be to require the Fed to follow the growth path of the money supply established by this act.

As a result of this act, the inflation rate will show a steady decline. The inflation rate for 1977 is expected to be about 6 percent. A modest slowing of this inflation rate would occur in 1978 and by 1979 would drop to about 4 to 5 percent. Continued decreases in the inflation rate should be expected, with inflation for 1980 forecast at 2 to 3 percent; for 1981, 1 to 2 percent and by 1982 inflation will have declined to 0 to 1 percent.

The overall impact on the economy of reducing the rate of inflation would be most beneficial. Increased confidence in the level of interest rates will encourage more investment by business in equipment and consequently more jobs. Consumer borrowing for the purchasing of new homes will rise, thereby providing more jobs in the housing industry. Fur-

thermore, the dollar on the international market will be strengthened by increased confidence in the dollar by overseas investors.

Increasingly, Americans have worried about the effect of long-term inflation on the continued economic growth of this country. Ours is not an economy condemned to permanent high inflation. This bill can eliminate the long-term inflationary trend of the economy that has been built in by monetary policy of the last 15 years. The bill also introduces a new concept into our national monetary policy formulation: making monetary growth a matter of national policy.

This bill is very much in harmony with the intention of President Carter to have a balanced budget by 1981. By reducing inflation, the bill will encourage the increased investment that is necessary to achieve and sustain the growth required to reach the goal of a balanced budget.

It is my sincere hope that this Congress will make every effort necessary to fight inflation. By asserting the leadership of the Congress in meeting and solving the problem of inflation, we can inspire confidence of the American people in their government's ability to solve the many other pressing problems of our society.

I commend to my colleagues the following article by Lindley H. Clark, Jr., in today's Wall Street Journal, which directly addresses the money supply-interest rate issue in a clear, concise, informative manner:

INTEREST UPROAR

(By Lindley H. Clark Jr.)

In principle just about everybody favors low interest rates. Low rates make it less expensive for businessmen and consumers to finance their spending and thus to keep the economy growing. The arguments center on the cause of high rates—and the cure.

In recent months the cause, in the view of many critics, has been the Federal Reserve System. Since spring short-term interest rates have risen by nearly two percentage points, a swift rise in so short a period. The interest rate increase has helped to spur demands, in Congress and the administration, that Mr. Carter replace Fed Chairman Arthur Burns when his term expires on Jan. 31.

But is the Fed really the rate-booster it's cracked up to be?

One interesting fact is that interest rates, both long and short-term, are still below the levels of mid-1975. The business recovery is nearly three years old. The economy has been expanding at rates well above the post-World War II average, and the demand for credit has been accelerating.

Interest rates, after all, are merely the price of credit. Looking back over other postwar recoveries it's impossible to find one where interest rates at this stage were still below early-recovery levels.

From the viewpoint of business-cycle history, then, interest rates are "low," not "high."

Even if interest rates were high, there would be little the Federal Reserve could do about it quickly. The Fed has a powerful influence on one interest rate—the rate charged for federal funds, the funds that banks lend one another for short periods of time.

Member banks of the Reserve System are required to hold reserves against the deposits on their own books. Most of these reserves consist of deposits with their regional Reserve Banks. From time to time these deposits are either larger than required or smaller; at such times a bank with excess reserves may lend them—federal funds—to a bank with insufficient reserves.

Basically, the interest rate on such funds is determined by those old friends, demand and supply. The Fed can't do much about demand, but it can raise or lower the supply.

If it wants to raise the supply it can buy Treasury securities in the open market. The Fed pays for the securities in effect by writing a check on itself. When the Fed's check is presented for payment the reserves of the commercial banks are increased. The supply of federal funds grows.

The increased reserves of the banks permit an expansion of their loans and investments. The funds the banks lend or invest eventually wind up in someone's bank account and the supply of money grows.

This year, while the federal funds rate and other short rates have risen by two points, the money supply—currency and checking accounts—has grown at an annual rate of around 9%. That kind of money growth is well above the Fed's own targets and totally inconsistent with long-term price stability.

In other words the Fed, by fighting the rise in short rates, has permitted an inflationary growth of the money supply. The real surprise so far is that the Fed's actions have had so little impact on inflation expectations.

Lenders, either long or short-term, have to take inflation into account. They have to recognize that the dollars they lend today may not be worth as much when they get them back a few months or a few years from now. Realistically, you would expect both long and short rates to be higher than they are.

One factor limiting inflation expectations presumably has been the recent trend of price indexes. After sharp increases during last winter's cold weather, the consumer price index has settled down to an annual rate of less than 4% for the past three months.

Another limiting factor, presumably, has been Arthur Burns's rhetoric. The chairman has deplored the recent money-supply growth, professed not to fully understand it and promised to do something about it. It is a tribute to the credibility that he has built up over a long career that many people seem to believe him.

This pleasant state of affairs, however, can't last. Money-supply growth does not have an instant effect on inflation. The time lag will vary, but excessive money growth usually means swifter price increases about two years hence.

If the Federal Reserve continues to fight the rise in short-term rates it will permit the continuing expansion of the money supply—and assure an acceleration of inflation toward the end of next year or early in 1979. Credit demand is strong and seems likely to continue strong for some months to come.

Sooner or later, I submit, everyone is going to recognize that more inflation is on the way. Long-term interest rates will start climbing if the Fed continues to try to hold down short-term rates. Even the battle against rising short-term rates eventually will be lost.

The cure for high interest rates is easy to spell out and, politically, difficult to execute. The Fed simply has to get a grip on monetary expansion. Over a period of time the money supply should grow at a rate about equal to the economy's ability to expand its productive capacity. If money grows faster than that for very long, we get inflation. If it grows more slowly than productive capacity the result is deflation.

It's impossible to predict what will actually happen. After next Jan. 31 the country may lose even Arthur Burns's rhetoric. The chief factor in recent interest rate increases has been a strong economy. If the Fed lets the money supply continue to grow at recent rates, however, it will deserve the blame for what happens to rates in 1978 and 1979.

THOSE MEXICAN ABORTIONS: SOME NEW LIGHT

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. OBERSTAR. Mr. Speaker, President Carter has been criticized—unfairly, I think—for his firm stand in opposition to Federal funding of discretionary abortions under medicaid. During his press conference a few weeks ago, he was confronted with a question which, though doubtless well-intentioned, was at least melodramatic and perhaps out of place. Nonetheless, Mr. Carter fielded it well.

It concerned allegations—which were unfortunately treated as fact by the press—that a Texan woman had died as a result of a Mexican abortion, to which she had resorted because medicaid would not cover the costs of an abortion in this country. To his credit, President Carter did not flinch or budge an inch from his previous position when he was confronted with this highly suspect incident.

Now additional information has come to light concerning it which, I believe, vindicates the President's position on this issue. According to information reported in today's Washington Post, the incident may have been manufactured by overly zealous Federal officials at HEW's Center for Disease Control in Atlanta, the same Federal agency which, a year or so ago, was referring to unwanted pregnancy as a venereal disease!

Because this is such a serious matter, I have asked Secretary Califano to take steps to investigate the role the Center for Disease Control has played with regard to this controversial issue. It would be most unfortunate if a Federal agency were proven to have been less than candid with the public and the Congress on so critical an issue.

In the hope that this incident will serve to impress upon us all the seriousness of the abortion issue and will heighten our sensitivity to the fragile human lives which it touches, I recommend to my colleagues the following story from the Washington Post of November 28:

DOUBTS ARISE ABOUT ABORTION "MARTYR"

(By Bill Peterson)

A woman portrayed as a martyr when she died from an illegal abortion after Medicaid funds were cut off may have been simply trying to keep her pregnancy a secret when she slipped across the border to have the operation performed in the back of a Mexican pharmacy.

That possibility has been raised by the woman's personal physician and the head of a Planned Parenthood clinic where she had been a client before she died Oct. 2 in McAllen, Tex.

Both said in interviews that they would have arranged a free or low-cost legal abortion for the unmarried, 27-year-old woman if she had sought their help—which she didn't.

Furthermore, the physician, Dr. Homero Rivas, said that in 1975 the woman had not sought a Medicaid abortion, for which she was eligible, when she was also pregnant out of wedlock.

Rivas and Lila Burns, who directs a Planned Parenthood clinic, said it is common for women in the area to seek cheap illegal abortions across the border in Mexico to keep friends, neighbors and relatives from finding out about them.

"We had this problem long before Medicaid abortions and we'll have it long after them," said Rivas.

Reports that the woman's death might not have been linked to the cutoff of funds for government-paid abortions first appeared in Ob. Gyn. News, a medical newspaper for obstetricians and gynecologists published in Bethesda.

In a copyrighted story in its Dec. 1 issue, the newspaper said investigators from the Center for Disease Control in Atlanta knew the woman "had gone to Mexico for another abortion two years ago" but disregarded this information "without making it public."

Dr. Julian Gold, who headed a four-member CDC team that investigated the case, conceded in an interview that he knew the woman had been pregnant in 1975, but said investigators could not establish if she had an abortion in Mexico, or elsewhere.

Gold's report said that this year when the woman "indicated to her physician that she might be pregnant, he informed her that Medicaid no longer paid for abortions. She subsequently obtained an induced abortion in Mexico."

The Mexican-American woman, the mother of a four-year-old daughter, died Oct. 2, six days after being admitted to a McAllen, Tex., hospital with chills, fever, anemia and jaundice.

The incident led to widespread outcries in Congress and in the press over the cutoff of Medicaid funds for abortions. A memorial service was held in Washington for the woman at which one spokesman said: "The only thing that stood between her and life was a Medicaid card that wouldn't buy her an abortion she chose to have."

Gold said he still stands behind his report. He based his conclusions on extensive on-site interviews, particularly one with a cousin of the dead woman. "He had spoken to her a day or two before she went to Mexico and he said she went there because of the cutoff," he said.

Four other women, two of whom carried Medicaid cards, also suffered complications requiring hospitalization after illegal abortions at the same bordertown pharmacy. Only one of the four talked with investigators; she told them she had gone to Mexico to keep the matter secret.

Neither family physician Rivas nor Planned Parenthood official Burns talked to the dead woman about her reasons for going to Mexico. Burns said she believes the woman wanted to protect her privacy because she's certain that she knew free or low-cost abortions were available through the Planned Parenthood clinic.

"It's only speculation," she added. "Who knows why someone goes to Mexico for an abortion? Is it money? Or is it that they don't want anyone to know about it?"

The abortion the dead woman received in Reynosa, Mexico, reportedly cost $40. The going legal rate for abortions in McAllen is said to be from $200 to $250.

SOUTH HIGH ORIOLES 1977 FOOTBALL CHAMPS

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, the city of Pittsburgh public high school football champions were crowned on Saturday, November 5, when the South High Orioles beat the Westinghouse Bulldogs 22–0.

The victory was a fitting conclusion to the career of South Head Coach Glenn Miller who is retiring this year after 30 years as a high school teacher and coach.

I want to extend my congratulations to the South High team, Coach Miller, the students and fans of South High, and the people of Pittsburgh's southside who loyally backed the team throughout the season.

I would also like to include in the RECORD at this time several articles, which appeared in the South Pittsburgh Reporter, describing South High's winning season.

THEY COULDN'T—BUT THEY DID!

Nobody thought they could do it. Not the major news media, which early in the season picked Westinghouse and Peabody as the top contenders, and grudgingly granted South High's Orioles lines of space while other teams got major feature stories; or passing mention on television sports casts; not the local oddsmakers who picked Westinghouse by two touchdowns; not the scoffers who said "No Way." Nobody thought it was possible but a squad of dedicated boys who loved the game and played to win; a team of coaches who showed they could pull out of the clinches with plays that never should have worked; a head coach who seemed to walk around with a black cloud over his head during most of his 30-year career.

And they did do it.

Near the beginning of the season, a reporter asked coach Glenn Miller if the fact that this was to be his last season would have any influence on the performance of his team. "No way," he said. "I don't believe in this 'Win one for the Gipper' thing. If my boys (always 'my boys') win, it will be because they have what it takes to win and they deserve the victory."

Maybe he was right, but it seems evident in the comments of some of the players after the championship game that they did want this one extra badly because it was Miller's last season.

But whatever the reason, they did it. And they have made their teachers, their parents, their community proud.

Too often, people from all over the city look down on the South Side. They think we're a bunch of losers, whether in sports, community improvements, or whatever.

But over the past few years, these same people are beginning to change their opinions. The boys from the championship Oriole team, the cheerleaders, majorettes, band and color guard who helped to keep the spirits high, have done a great deal to improve the image of the South Side. The conduct of the fans at all the games, but especially during the play off and championship, added to that positive image.

It is to these fine young people and their adult mentors that we dedicate this issue.

We're proud of you, yes. But more importantly, we love you. You are our future, and we are confident that you will continue to bring pride and accomplishments to your community.

GLENN MILLER: A VERY SPECIAL PERSON

(By Carl Antosz)

The convincing City Championship victory over Westinghouse climaxed a 30-year coaching career for Glenn Miller.

It was his only championship, and the first in South High's history.

Coach Miller survived many frustrating seasons, and it took a quarter of a century for him to lead his Orioles from mediocrity to the championship.

Four times in the last nine years, South was in the playoffs, and each time, they came up empty, until the storybook season of 1977, when the Orioles, with a new field, won the City title under a leader who would never again have another shot at it.

The only emotion Miller ever displayed on a football field was anger; he never seemed satisfied, which indicates his striving for perfection.

A rugged individualist who commanded the respect of his players, in whose eyes he was infallible, Glenn Miller delivered a speech following the championship that was similar to those he had given many times before. But this time, he ended his speech, and his career, by shedding a grateful tear in front of his champions.

It isn't hard to touch Glenn Miller's heart; all it takes is a championship every 25 years.

INJURIES PLAGUE ORIOLES BUT THEY STILL COME OUT ON TOP

Plagued by injuries to some of their key players almost from the beginning of the season, the South High Orioles still managed to complete a near-perfect season, broken only by the 14–6 loss to Brashear in the final game of the regular season, outscoring their opponents by nearly four to one.

"Mike Fuller started the season with a great record," said Assistant Coach Jim Stasenko. "He was our leading offensive groundgainer, and also lead the defense with the most interceptions, and was near the top in tackles. Then he got hurt. We lost Bob Montana in the second game, and Jerome Wilson early, too.

"With our main breakaway threat, kickoff man and wide receiver gone, things could have been pretty bleak. But the rest of the squad moved in to fill in the gaps, and the rest is history."

Scoring against South was minimal during the entire season. In the first game against Carrick the Raiders scored six points on a recovered fumble. Until the Brashear game, the only team to score defensively against South was Westinghouse in the season's second game. Five of the regular season games, and the championship, were shutouts for South.

South came close to the championship twice in recent years. In 1973, with an 8–0 record, the Orioles lost to Perry, coached by a former South man. It was Perry, again, who did in the Orioles in 1974, when South had piled up a 7–1 season record.

What does it look like for the Orioles next season?

"We're losing most of the people we now have in skilled positions," said Stasenko,

"but we have a lot of good boys coming up."

So far, no decision has been made about a replacement for retiring Coach Glenn Miller.

One thing is certain, however. The boys in black and orange will be a force to be reckoned with next year.

FINANCIAL DISCLOSURE STATEMENT

HON. JEROME A. AMBRO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. AMBRO. Mr. Speaker, we have made some progress in this session toward requiring every Member of Congress to publish annual financial disclosure statements, documents which I have voluntarily released every year that I have served in this institution.

My support for the financial disclosure concept extends back through all the years that I have served in government, at both the Federal and local level. During the period I was supervisor of a Long Island town, that municipality became the first in the State of New York to require all elected officials, all department heads and members of numerous boards and agencies to publicly file these documents.

While I am pleased that we have made progress in duplicating that requirement in Congress, I am not completely satisfied with the type of statements now required of all my colleagues and, indeed, voted against the rule which limited amendments to the financial ethics reform package we approved earlier this year. I supported final passage of that legislation, as most of my colleagues are aware, but would have preferred to amend the package to include a bottom line net worth figure in those financial disclosure statements. Without such a requirement, in my judgment, it is extremely difficult, if not impossible, to determine the net increase, or decrease for that matter, in an elected official's total worth.

For example, if an elected official's net worth should increase $60,000 or $75,000 in a single year, it seems to me that his constituents might want to know how he or she achieved that very impressive financial gain in so short a period of time. I do not think such a change could always be spotted in the financial statements that will be required beginning next year.

Nevertheless, we now have a financial disclosure requirement for the first time and I am confident that in the future we can amend the administrative rules of the House to perfect those statements.

Toward that end, I am once again releasing the type of financial disclosure statement I have used in recent years. It is a more comprehensive document than the one approved by the House this year and in my opinion contains many categories and features which should be required of all House Members:

FINANCIAL STATEMENT

1. ANNUAL INCOME DATA FOR 1976

1. Wages, salaries, and other employee compensation	$44,600.00
2. Retainers, fees, honorariums, and other non-employment payments	600.00
3. Dividends	0
4. New York State pension fund interest	2,689.94
5. Rents	4,500.00
6. Business income (or loss)	0
7. Net gain (or loss) from sale or exchange of capital assets	1,000.00
8. Pensions or annuities	0
9. Royalties	0
10. Settlements	0
11. Partnership	0
12. Commissions	0
13. Estates or trusts	0
14. Gifts, loans, pardoned loans	0
15. Farm income	0
16. Alimony	0
17. Winnings of any kind	0
18. Other income of any kind	0

2. ASSETS, LIABILITIES, NET WORTH FOR 1976

Assets:	
Notes receivable	0
Accounts receivable	0
Life insurance (cash surrender value (do not deduct loans)	0
Loans receivable	0
Securities (readily marketable U.S. Government and Stock Exchange listings)	0
Mortgages owned	0
Real Estate (two personal homes)	120,000.00
Automobiles	2,500.00
Other assets (itemize, including jointly owned property and name of joint tenant) New York State Retirement System	647.52
Household goods, jewelry, etc.	6,000.00
Total assets	129,147.52
Liabilities:	
Notes payable to banks (unsecured direct borrowings only)	10,000.00
Notes payable to banks (secured direct borrowings only)	0
Notes payable to others (unsecured)	2,395.57
Notes payable to others (secured)	0
Time payment accounts	2,500.00
Loans against life insurance	0
Real Estate mortgages payable	56,139.85
Real Estate taxes and assessments paid in 1976	3,556.63
Federal and State income taxes (combined paid in 1976)	11,535.44
Other taxes	0
Brokers margin accounts	0
Other liabilities (itemize)	0
Total liabilities	86,127.49
Net worth: (Assets less liabilities)	43,020.03

3. SUPPLEMENTARY SCHEDULE

Banking Relations:	
European American Bank, East Northport, N.Y., cash balance: amount of loan	0
County Federal Savings and Loan, Commack, N.Y., cash balance: amount of loan	0
Riverhead Savings, East Northport, N.Y., cash balance: amount of loan	0
Sergeant at Arms Bank, Washington, D.C., cash balance: amount of loan	0
Nassau Trust Company, Glen Cove, N.Y., cash balance: amount of loan (unsecured)	10,000.00
Notes, Accounts and Loans Receivable	0
Life Insurance: List All Policies in Which You Are the Insured	
Carrier: Federal employees group life insurance program (Metropolitan Life Insurance Co.) type of policy: term cash value	0
Death benefit	70,000.00
Securities: List all stocks, bonds, etc	0
Mortgages owned	0
Real Estate: Indicate location and description of properties 22 Zoranne Drive, East Northport, N.Y. (residence): Cost with improvements	21,000.00
Market value (estimate)	40,000.00
Book value	0
Annual gross rental income	0
Annual net rental income (before depreciation)	0
Isle of Wight Road, East Hampton, N.Y. (vacation):	
Cost with improvements	62,200.00
Market value (estimate)	80,000.00
Book value	0
Annual gross rental income	5,000.00
Annual net rental income (before depreciation)	4,500.00
Real Estate Mortgages: list all mortgages on above properties	
East Northport, N.Y. residence home matuurity (year), 1986	7,921.07
East Hampton, N.Y. vacation home maturity (year), 1999	48,218.78
Brokers margin accounts	0

4. BUSINESS INTEREST FOR THE YEAR 1976

1. I have been involved in the following real estate transactions: None.

2. I am director or officer of the following commercial corporations, partnerships, associations: None.

3. I hold financial interests in the following corporations or partnerships which are directly or indirectly subject to Federal regulatory agencies: None.

5. SCHEDULE OF CONGRESSIONAL REIMBURSEMENTS AND EXPENSES

Travel allowance	$2,820.06
Stationery allowance	6,500.00
Home office allowance	2,000.00
Total reimbursements	11,320.06
Travel expense	1,985.76
Stationery expense	4,107.49
Home office expense	673.31
Cost of living (Washington, D.C.) (permissible allowance)	3,000.00
Total expense	9,766.56
Miscellaneous Congressional Expenses:	
Entertainment of constituents	398.86
Newspapers and periodicals	407.10
Stationery (excess over reimbursement)	0
Home office (excess over reimbursement)	0
Miscellaneous office expense	614.39
Dues	45.00
Tapes and recordings	98.75
Other	0
Total miscellaneous expenses	1,564.10

MAN OF THE YEAR

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. PATTERSON of California. Mr. Speaker, it is my pleasure to recognize

today a member of the California State Legislature, Assemblyman Chester Wray, who has been honored as organized labor's 1977 "Man of the Year" in Orange County, Calif.

Assemblyman Wray has a long record of distinguished service to his community and to all working men and women in California. He served as president of the United Auto Workers Local 216 from 1969 to 1976 and was a director of the Orange County community action program. Additionally, Assemblyman Wray has served as a United Crusade cochairperson and has been very involved with local community work in the city of Westminster. He was first elected to the California State Assembly in 1976 and we look forward to his continued good work in that office.

Assemblyman Wray has been a friend of mine for many years just as he has for countless numbers of working men and women in Orange County. He has set a good example for all citizens by his compassion and dedication to the betterment of his community.

On behalf of my colleagues in the Congress of the United States, I extend our official congratulations for Assemblyman Wray's designation as Orange County Organized Labor's 1977 "Man of the Year."

FRANK THOMPSON—MR. ARTS AND HUMANITIES

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I can think of no better person to discuss the Federal role in support of the arts than the gentleman from New Jersey, Mr. THOMPSON.

THOMPY was one of those few Members 20 years ago, a group in which I proudly include myself, that fought to get the financial muscle of the Federal Government behind the arts and humanities in this Nation.

It was THOMPY's subcommittee, on the Education and Labor Committee, that provided the legislative vehicle which has since become the National Foundation for the Arts and Humanities.

FRANK THOMPSON was a freshman when he introduced his first bill to aid the arts. That was 22 years ago. His support has never waned, indeed it has blossomed and grown stronger to the point where he now, along with the gentleman from Indiana (Mr. BRADEMAS), is recognized as the preeminent spokesman for the arts in Congress.

THOMPY discussed Federal support for the arts in a recent speech to the American Assembly's Conference on the Performing Arts and America, at Arden House, Harriman, N.Y.

I would like to include those remarks in the RECORD at this time along the comments of W. McNeil Lowry, who introduced THOMPY.

INTRODUCTION OF REP. FRANK THOMPSON, JR.

There are many issues we have encountered in this Assembly which we might not yet have reached without the persistence and drive of our speaker for tonight. Frank Thompson of New Jersey is the ranking member of the House Committee on Education and Labor and Chairman of the House Administration Committee. Given this, we tend to forget that he began to push bill after bill in the arts from the time he was a freshman in the House 22 years ago, and even in 1965, despite the support of President Johnson, had to marshal the 260 votes that brought the National Foundation for the Arts and Humanities legislation to the floor over the powerful opposition of the Rules Committee. If we focus only on this watershed year of 1965, there are other names we should remember—Fogarty, Moorhead, Pell and Javits are a few of them—but Thompson was the key and it was his subcommittee of Education and Labor which since 1961 had laid the groundwork for federal intervention in the arts and humanities and for establishment of the Kennedy Center. This same subcommittee is now chaired by his great friend, John Brademas, so vigorously that many persons in the arts think Thompson works for Brademas, when it is the other way around.

From this might one conclude that the gentleman from New Jersey is shy or reticent or hides his light under a bushel? Yes and no, for like many effective leaders in all walks of life he is complex, even paradoxical. He has a great deal of reticence; indeed it may be that a skillful combination of reticence and power accounts for his great influence inside the House of Representatives. But in relating to individuals, members of Congress or others, he is not always reticent. He can be aggressive, talkative, humorous—I had almost said profane. He has way down deep that quality which even his intellectual friends do not hesitate to call heart, which all politicians profess but few truly reveal. At the same time he can be tough, relentless, sometimes quick to anger. Try as he may, he cannot suffer a fool gladly and he hates inefficiency, but his generosity is boundless. Whether at Princeton with his fellow trustees of the Woodrow Wilson School or at Trenton with his labor constituents, he is congenitally blind to distinctions of class.

I have been privileged to know this man over the past twenty years, and I could tell you many stories about him. I shall not do that from this platform, not because they are indecorous—not all of them are—but because this platform tonight properly belongs to him: Mr. Arts and Humanities, Mr. Education and Labor, Mr. Congressman and my dear friend, the Hon. Frank Thompson, Jr.

THE FEDERAL ROLE IN SUPPORT OF THE ARTS

(By FRANK THOMPSON, Jr.)

Speaking after dinner one should always remember the brief schoolboy essay on Socrates. The student wrote: "Socrates was a Philosopher. He talked a lot. They poisoned him." With that lesson on talking too much in mind, I will keep my remarks short and provide you with an opportunity to ask some questions.

It is a special priviledge for me to join you this evening. The American Assembly has for more than two decades played a vital role in stimulating informed public debate of major policy issues confronting the Nation. I am particularly pleased that the American Assembly has in recent years, with its 1974 Assembly on Museums and with this assembly concerning the performing arts, devoted more attention to public policy and the arts.

The Federal Government has a role to play in the arts and what that role is is an important question of public policy. The report of the 1960 commissions on national goals, which I might note was published by the American Assembly, stated: "In the eyes of posterity, the success of the United States as a civilized society will be largely judged by the creative activities of its citizens. . . ."

There is an old Capitol Hill aphorism that says: There are two things people do not want to know the details of—one is the making of sausage and the second is the making of legislation. At the risk of violating that generally good advice, I would like to begin this evening by providing some perspective on the lineage of Federal policy for the arts. I believe one can only appreciate both the current and future Federal role in the arts by understanding some of the history of where we have been.

A direct Federal role in support of the arts is quite recent. The only truly historic Federal commitment was the establishment of a national copyright system to carry out the mandate of the Constitution "to promote the progress of science and useful arts."

The assistance provided to performers and artists by the Works Progress Administration was an enlightened response to the crisis of the depression, but it did not outlast the passing of the hard times of the 1930's.

The first glimmering of a broader and more permanent Federal role dates only to the 1950's. Bills to establish a Federal advisory council on the arts to encourage private support of the arts were first introduced in 1955, but it was 9 years before one was adopted.

It is useful to remember that the National Cultural Center, better known today as the Kennedy Center for Performing Arts, was first authorized in 1958. The project almost lapsed in 1963, and it was only the designation of the Center as a memorial to the assassinated President that brought the Center into being.

Federal support for the arts did not come easily or quickly. Shortly after being first elected to the House in the mid-50s, my personal interests pointed me in the direction of working on legislation for Federal support of the arts. My initial reward was a half page advertisement in the New Yorker magazine in 1956 characterizing me as a "visionary culture vulture." Federal support for "toe dancers" and "violin players" was derided by some of my colleagues. Sotto voce comments were frequently made suggesting none too subtly that supporters of arts legislation were at best "effete."

By 1965, in large measure through the splendid efforts of many who are present here tonight, the legislative climate had improved. The arts and humanities bill passed by a comfortable margin in the banner year of the 89th Congress and the great society. But deep misgivings remained. Some worried that the legislation created "Government-appointed czars of what was good and bad in art". They feared that rather than nurture the arts, Federal intervention would soon produce America's own roster of creative geniuses scorned by Government but honored by the ages. Dark references were made to the attempts of Hitler and Stalin to create a new culture. This 1965 bill was described as a "boondoggle" and a "march toward bankruptcy of this country."

The mockery also continued. One of the best examples was an amendment offered by my dear friend and long-time nemesis, Congressman H. R. Gross of Iowa. He offered a clarifying amendment defining the term "dance" to include but not be limited to "the irregular jactitations and/or rhythmic contraction and coordinated relaxations of the serrati, obliques, and abdominis recti group of muscles—accompanied by rotatory undulations, tilts, and turns timed with and attuned to the titillating and blended tones

of synchronous woodwinds." He was ridiculing the bill by offering an amendment to specifically include belly dancing.

Last year, a bill reauthorizing the National Endowments for the Arts and Humanities became law with scarcely a murmur of opposition and only a few token negative votes from the most stingy guardians of the budget. The appropriations for the arts endowment have grown more than 40 fold from $2.5 million in fiscal 1966 to $114 million this year. The acceptance and growth of the arts endowment has been stunning and it is a source of great pride to me.

The lessons of the legislative history of support for the arts are clear: First, Federal support for the arts is a recent phenomenon, but it now seems to be accepted as a permanent Federal responsibility.

Second, Federal support in monetary terms has grown from an initial token investment to what now amounts to an important contribution.

Third, the Federal commitment to the arts was entered into with some grave misgivings, and there remain substantial concerns in the minds of many over what indeed is the appropriate Federal role.

Thus, we have a substantial, growing and permanent Federal commitment, but one that is still very new. The Federal role is no longer in its infancy, but it is not much more than a toddler. Its steps are frequenty uncertain and its direction is not always clear.

The turnabout of the last two decades from a nonexistent to a substantial and permanent Federal role in support of the arts can be explained by several factors:

The enlightened leadership of Presidents Kennedy and Johnson;

The vision and statesmanship of some members of Congress;

The maturing of American Public attitudes toward Government support of the Arts; and

The Grass Roots efforts of the many friends of and advocates for the Arts.

Certainly, another important reason for the growth in the Federal role is that the fears of the skeptics have not been borne out in the performance of the arts endowment. The endowment has happily been sensitively and effectively administered. The Federal presence has not been obtrusive or heavy-handed. The common pathologies of bureaucratic caution and inertia have not stifled artistic creativity.

Having briefly described for you the historical evolution of the Federal role in the arts and suggested some of the lessons of this history and the reasons for the change from neglect and skepticism to acceptance and enthusiasm, let me now try to outline more explicitly what I believe are the objectives of the Federal role in the arts. Given that there now is a Federal role, what should that role be?

I believe, and it almost goes without saying, that the Federal Government should support and assist the arts. While the level of Federal support has increased dramatically, as I noted earlier, it still is quite modest. For example, the United States lags far behind Western Nations in its support of artistic endeavor. According to one recent survey, the United States spends less than 40 cents per year per citizen on the performing and visual arts, compared to Great Britain contributing $1.23, Israel $1.34, Canada $1.40 and West Germany $2.80.

To put it rather crudely, as I see it, one important part of the Federal role is to provide dollars, and there is clearly plenty of room for the Federal dollar commitment to grow. Symphonies, operas and dance and theatre companies have been increasingly hard pressed in recent years. I will not preach to the choir by elaborating on this problem with which you are all too familiar. A perceptive public policy analyst once remarked that the problem with poor people is that they do not have enough money. Analogously, one of the major problems of the arts in this country is that they do not have enough money. One important part of the Federal role is to supply more money.

However, another astute observer of the American scene remarked, there is no free lunch. There is no such thing as Federal dollars with no strings attached. Indeed, there should be no such thing. The Federal Government spends the taxpayers' money. Those who are elected or appointed to positions of Government responsibility must insure that public monies are used without fraud and waste, and they must insure that public monies are used to accomplish the purposes for which they are appropriated. Thus, in a Democratic system those who receive public money must be accountable to those who hold elected or appointed office who in turn are accountable to the voter-taxpayers for the expenditure of their money.

If there is accountability for public expenditures, there is also some risk of bureaucratic red tape and the heavy hand of bureaucracy. There must also be, quite frankly, some risk of political interference. It is obvious that artistic creativity, which the expenditure of Federal money seeks to foster, is particularly vulnerable to being warped or damaged by bureaucratic heavy handedness or political interference. Fortunately, as I noted earlier, this has not been a problem in the brief history of the arts endowment. Nor do I sense any inclination on the part of the Carter administration or any broad support in the Congress to politically intrude in the arts. Nevertheless, as the amount of money spent for the arts increases, as I am confident it will, the danger may increase that the necessary accountability will become burdensome and that it will threaten artistic freedom and creativity.

Let me briefly summarize what I have said thus far about the Federal role in support of the arts:

One facet of the Federal role is to supply sorely needed money. Federal money cannot be had without standards of accountability being enforced. Accountability carries with it the dangers of political and bureaucratic interference with artistic freedom and creativity, particularly as the amount of Federal money spent for the arts increases. This brings me to two principles which I believe should guide Federal policy and which are corollaries to spending more Federal money for the arts. I would characterize these two principles as pluralism and leverage.

By pluralism with respect to Federal support for the arts I mean that the integrity of the artistic enterprise will best be preserved if the arts received support from a variety of sources. If there are a number of strong financial revenue bases for the arts—audience admission fees, corporate contributions, labor union contributions, foundation support, State and local governmental expenditures, Federal appropriations and contributions from international or multinational agencies and organizations—then the risks are lessened that any one source of support will come to dominate and threaten the independence and freedom of the arts. This is simply an application of James Madison's argument in Federalist paper No. 10. Madison's view was that the pluralism of American society, which is reflected in its politics, would protect Government from being dominated by any one interest and would preserve the freedom of all.

Today the arts do receive support from a wide variety of sources. There is plenty of room for expenditures from each source, including the Federal Government, to increase without there being a serious danger that any one will become dominant. So we have, in fact, a healthy situation of pluralism in the sources of support for the arts.

However, the Federal role should not be simply to serve as a passive participant in the pluralist system of supporters of the arts. Instead, the Federal Government should adopt policies to encourage diversity in the sources of support for the arts and to encourage a large and growing contribution from each source. This is one aspect of what I characterize as a Federal policy of leverage.

We have some policies already in place which encourage diverse sources of support for the arts. For example, the National Labor Relations Act permits employers and the unions representing their employees to negotiate employer contributions to jointly administered educational and cultural trust funds. Many unions have negotiated for such trust funds and the money in them is spent by at least one union in New York City (Local No. 3, IBEW) to purchase theater and symphony tickets for its members. The Federal Tax Code, to cite another example, encourages charitable contributions to the arts and permits foundations to operate for eleemosynary purposes.

The challenge grant program of the arts endowment is an excellent application of the principle of Federal leverage being used to encourage pluralism in the sources of support for the arts. Federal funds are committed to a project only when an applicant can demonstrate the ability to raise three times the amount of the Federal contribution from non-Federal sources. To cite only one illustration of how this has worked in practice, in 1973 the arts endowment, through a challenge grant, helped the Metropolitan Opera generate $1 million of new money from its radio audience while raising the number of donors by 25,000 many of whom have continued to contribute.

Legislation introduced this year with my cosponsorship, the artists bill of rights, is another illustration of the leverage principle. This bill would provide a tax incentive for artists to contribute their works such as paintings or musical and literary manuscripts to non-profit institutions like museums or libraries. Prior to the Tax Reform Act of 1969 artists who donated their works could take a tax deduction of one hundred percent of their fair market value of the donated works. Artists shared this tax break with Federal elected and appointed officials who took the same deduction when they donated their public papers to libraries. This tax break for Federal officials was repealed, and rightly in my view, by the 1969 act. But at the same time, the deduction was also removed for the contribution of art works by artists. The artists bill of rights would restore this tax incentive to artists, and I hope that it will become part of President Carter's tax reform package which will be submitted to the Congress in the near future.

There is a second facet of the leverage principle. In my view, the Federal Government should provide support to the arts and encourage others to do so through policies which are, where possible, indirect and unobtrusive. The artists bill of rights, supporting the arts through a tax incentive, also illustrates this aspect of the idea of leverage.

Another example of such a policy is the Arts and Artifacts Indemnity Act which was enacted in 1975. Prior to passage of this law exhibitions of great arts works from other nations in this country or sending American exhibitions abroad was discouraged by the prohibitively high insurance premiums. The act provides indemnification of these exhibitions by the Federal Government and made possible, for example, the enormously

successful King Tut exhibition. To the extent that indirect Federal leverage can be used to support the arts, as in the case of the artists bill of rights and the Arts and Artifacts Indemnity Act, the risk of Federal infringement on artistic freedom will be minimized.

A Federal role of expending money following the principles of pluralism and leverage does not exhaust the issues with respect to the Federal role. With the enactment last year of the Museum Services Act we now have a precedent for direct Federal expenditures to cover operating expenses of art institutions, rather than only funding specific projects. An important question is how far should we go in the direction of providing operating subsidies to art institutions or a living allowance to individual artists.

The Federal role in supporting the arts should also go beyond the various kinds of direct and indirect financial support I have been discussing. I believe that the Federal Government should provide leadership in the arts. Federal efforts can make the arts more visible, better understood and more respected.

The legislation creating a 1979 White House conference on the arts is one important mechanism to provide such national leadership. This bill introduced by my good friend and colleague John Brademas with my cosponsorship, provides that "the purpose of the conference shall be to help develop a climate in which the arts can flourish and recommendations to formulate an assessment of problems and issues relating to the arts, and to develop recommendation relating to the appropriate growth of the arts in all parts of the Nation." During the next three months hearings on this legislation will be held in Dallas, New York City, Miami and Atlanta, and I have high hopes that it will be enacted into law next year.

A Federal blueprint that seeks to dictate the direction of the development of the arts would be most inappropriate and dangerous. What we do need, however, is to bring some coherence and some focus into Federal efforts in support of the arts. It is my hope that the White House conference on the arts will be a major step in formulating such a national policy for the arts.

Federal leadership in the arts can also be exercised by identifying newly emerging or neglected areas of artistic concern. The legislation creating a national folklife center and my bill to preserve architecturally significant railroad depots and convert them into theaters, museums and cultural centers are examples of Federal leadership to focus attention on specific and selected artistic concerns.

The basic question concerning Federal policy for the arts is toward what overriding goals should Federal money be spent and Federal leadership be exercised. We have recently been bedeviled by a fundamentally silly and arid debate over whether Federal policy is too "elitist" and whether it should become more "populist." In my view, this is a false antitheses. Elitism and populism are crude code words. Elitism really means support for the development of artistic excellence and creativity. Populism really means support for broadening the participation of Americans in the arts. When understood in this way, elitism versus populism does not pose a choice. The fundamental objective of Federal policy, in my view, is to nurture artistic excellence and to make its benefits available to all Americans. These are complementary goals. What Federal policy must seek to achieve is to make the arts popular but not popularized.

Thank you.

U.S. AGRICULTURAL FOREIGN MARKET DEVELOPMENT PROGRAM LAGGING BEHIND OTHER EXPORTING NATIONS

HON. W. R. POAGE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. POAGE. Mr. Speaker, in recent years, American agriculture has become more and more dependent upon foreign markets as a source of income. Agricultural exports have increased from about $6.7 billion in 1970 to an estimated $23.8 in 1977. Today, about one dollar in four received by the agricultural industry is received from exports.

Yet, with all of the gains in exports that have been achieved in recent years, we still have massive surpluses of wheat, feed grains, and other commodities acting to keep farm prices below the cost of production. The Nation's farmers are currently undergoing a severe economic crisis and are asking where the foreign markets for their products are that they were promised in the past.

The answer is that the foreign markets for American agricultural products do exist but not enough has been done in the recent past by the Department of Agriculture to aggressively expand these markets to their full potential. In recent weeks, the staff of my Subcommittee on Livestock and Grains, at my request, has been studying the foreign market development programs of the Department of Agriculture in an effort to find ways of improving on these programs. Some rather interesting and telling information has come from the staff study and I want to take this opportunity to share this information with my colleagues.

In 1970, the foreign market development budget of the U.S. Department of Agriculture was $16,795,000. This represented an amount approximating three-tenths of 1 percent of total U.S. agricultural exports during 1970. In fiscal year 1977, U.S. Department of Agriculture budget for foreign market development was $21,430,000. However, when this level of expenditure is corrected for inflation, it shows that we are actually spending only about $13,650,000 (in 1970 value dollars) for foreign market development. More important, this analysis shows that our market development budget in 1977 equaled only about eleven-one-hundredths of 1 percent of our gross agricultural exports during 1977—about one-third the amount which was expended in 1970.

Therefore, Mr. Speaker, it is apparent to me that we must next year take a close look at our foreign market development programs and make an effort to provide the funding and authority necessary to continue and to expand upon the effective programs begun in the past. I urge my colleagues to study the following charts provided to me by the Foreign Agricultural Service so that they may better realize the need for expanding the USDA's foreign market development programs.

RELATIONSHIP BETWEEN EXPENDITURES FOR AGRICULTURAL FOREIGN MARKET DEVELOPMENT AND AGRICULTURAL EXPORTS FOR THE UNITED STATES AND OTHER SELECTED EXPORTING NATIONS, ESTIMATES FOR FISCAL YEAR 1976

Country	Total agricultural exports (billion U.S. dollars)	Market development expenditures (million U.S. dollars)	Relationship (percent)
Australia	4.6	50.5	1.10
Canada	3.9	10.2	0.26
Denmark	2.2	16.2	.72
France	8.7	12.1	.14
Israel	[1] .38	6.0	1.54
Netherlands	8.8	23.0	.26
New Zealand	2.0	17.9	.89
South Africa	1.3	9.6	.72
United States	22.1	[2] 22.5	.10

[1] Calendar year 1975.
[2] Includes USDA funds and contributions of U.S. Market Development Cooperators.

USDA BUDGET FOR FOREIGN MARKET DEVELOPMENT, FISCAL YEAR 1970-78

Year	Total budget (thousand)	Total budget (thousand 1970 dollars)
1970	$16,795	$16,795
1971	17,280	16,568
1972	17,589	16,331
1973	18,069	15,795
1974	19,380	15,260
1975	18,791	13,558
1976	20,234	13,802
1977	21,430	13,650
1978	23,488	

RELATIONSHIP OF U.S. AGRICULTURAL FOREIGN MARKET DEVELOPMENT EXPENDITURES TO TOTAL U.S. AGRICULTURAL EXPORTS, FISCAL YEAR 1970-77

Fiscal year	U.S. agricultural exports (billion)	Market development expenditures (million)	Relationship (percent)
1970	$6.718	$20.310	0.30
1971	7.753	20.569	.27
1972	8.046	18.785	.23
1973	12.902	18.536	.14
1974	21.293	18.600	.09
1975	21.578	22.656	.10
1976	22.147	21.593	.10
1977	[1] 23.850	25.069	.11

[1] Estimated.

THE DANGER OF BURNING FOSSIL FUELS

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. BOB WILSON. Mr. Speaker, the major opposition to nuclear energy power plants is generally based upon an emotional appeal to "save" the American public from the machinations of the plutonium bomb makers and the horrors of buried nuclear waste material. The third horror tale—the nuclear powerplant as a bomb—is gradually being discarded since no one believes it can happen—and it cannot.

Since the 1954 atoms for peace program was initiated, only one country—India—has detonated a nuclear explosive developed in-house. The Chinese People's Republic received significant help from the Soviet Union. This indicates to me that the bomb makers can be restrained.

The nuclear waste generated when spent fuel elements are processed for contained uranium and plutonium can be safely stored. It has been safely stored in temporary containers for over 30 years at Hanford, Washington and Aiken, S.C., among other places. A comprehensive development program is underway for producing a solid form of the waste for permanent underground storage. This indicates to me that the disposal of nuclear waste is not an unsolvable problem.

In my own State of California, where a referendum rejected the idea of foregoing nuclear power, a bunch of appointed bureaucrats in Sacramento is trying to kill off a pair of nuclear power stations desperately needed by those of us who live in the southern part of the State. The plans for the Sun Desert Plants 1 and 2, proposed by the San Diego Gas and Electric Co. for construction at Blythe, are being strangled by a handful of hysterical hangdogs who purport to worry about bomb makers and buried nuclear waste.

"Look at the alternatives to nuclear" they moan. Continued geothermal development at the Geysers field, north of Sacramento, is just about dead because of environmental groups' opposition. Solar production of electricity is decades away; even if successful, solar could only meet a small percentage of the needs of an industrial society. Geothermal development in the Imperial Valley will probably be killed off when the bureacrats believe full-scale use is possible.

What alternative is left? That is right, fossil fuels.

The administration is against nuclear power. The administration wants the country to return to the initial days of our industrial revolution when "King Coal" provided the muscle.

How many communities in California are willing to install coal-fired powerplants?

I have another question: Is it safe to burn coal? The administration's proposed energy bill will punish the owners who do not convert powerplants to coal. But is it safe to burn coal?

The National Academy of Sciences appointed a 15-member energy and climate panel, chaired by my friend of many years, Prof. Roger R. Revelle of the University of California, San Diego, to study the buildup of carbon dioxide in the atmosphere from burning fossil fuels. The work of the Revelle panel and its plan to attack the problems of carbon dioxide buildup were covered very well in the October 1977 issue of Physics Today. I will include this article at the conclusion of my remarks.

Following is the opening paragraph of the article:

A major buildup in atmospheric carbon dioxide could increase average global temperatures by as much as 6°C over the next century or two; this is the chief problem associated with continued worldwide dependence on fossil fuels, according to a panel on energy and climate convened by the National Academy of Sciences. The effects of such a climatic change, throwing the Earth's habitable surface back to conditions that prevailed in the Mesozoic Era, probably would include a shift of the agricultural and fishing zones toward the poles and destabilization of those semi-arid regions now considered marginal for human occupancy.

Has the administration warned the American people that burning coal could be dangerous to the survival of our progeny? No. But the administration, in an almost conspiratorial manner, has undertaken a program that will study CO_2 effects. However, unless you read Physics Today, the Oak Ridge National Laboratory Review (fall 1977), or reports put out by the Geophysics Study Committee of the National Academy of Sciences, you would be unaware that a problem even exists.

I consider it a transgression against the American people to scare them about the minute effects that fluorocarbons from spray cans might have in the ozone layer and to totally ignore the fact that fossil fuel burning plants could significantly alter the Earth's climate. I consider it an insult to the American people to worry them with contrived problems about nuclear waste 10,000 years from now when fossil burning plants could destroy the Earth as we know it 200 years from now.

At this point, I insert the article from Physics Today:

NAS Panel Is Concerned Over Atmospheric CO_2 Buildup

A major buildup in atmospheric carbon dioxide could increase average global temperatures by as much as 6°C. over the next century or two; this is the chief problem associated with continued worldwide dependence on fossil fuels, according to a panel on energy and climate convened by the National Academy of Sciences. The effects of such a climatic change, throwing the Earth's habitable surface back to conditions that prevailed in the Mesozoic Era, probably would include a shift of the agricultural and fishing zones toward the poles and destabilization of those semi-arid regions now considered marginal for human occupancy. The panel has recommended extensive further study of the energy-climate relationship, a tremendous interdisciplinary research effort and new institutions to deal with the problem. Physicists may be able to contribute to meeting the CO_2 threat through development of improved theoretical models and more precise determination of numerous measurements needed for accurate climatic predictions.

The 15-member Energy and Climate Panel, headed by Roger R. Revelle (University of California, San Diego, and Harvard University), was established after the NAS's Geophysics Research Board finished planning in 1974 for a series of studies on topics of geophysical interest. A Geophysics Study Committee, led by co-chairmen Philip H. Abelson (Carnegie Institution, Washington) and Thomas F. Malone (Holcomb Research Institute), supported Revelle's panel in its work.

Approaching the CO_2 problem.—The panel began by considering three by-products of energy production and consumption—heat, particulate matter and gases—as potential sources for a significant degree of inadvertent modification of the Earth's over-all climate. The first two they soon dismissed as not irrevocably harmful on a global scale: Direct-heat release may be an important factor in local-climate determination, but for the foreseeable future manmade heat output will remain a tiny fraction of the heat produced by incoming solar radiation; the venting of particulate matter from manufacturing processes and other sources appears readily controllable from a technological standpoint, even if substantially increased. Revelle's panel focussed on carbon dioxide, produced in the combustion of fossil fuels, as the greatest potential menace to stability of the Earth's climate over the next few centuries; the so-called "greenhouse effect," in which atmospheric CO_2 traps solar heat by appearing transparent to the Sun's shortwave radiation (visible light) while strongly absorbing long-wave radiation (heat), could lead to a climatically significant rise in average temperatures near the Earth's surface—with particularly marked effects in high latitudes.

Revelle and his colleagues base their conclusions about the CO_2 threat on energy-consumption estimates and expectations of future energy sources for the next 200 years. The panel examined various models for the division of CO_2 among the oceans, the atmosphere and both living and dead organisms (the so-called "biosphere"); they found a range of agreement for these models that indicates a probable increase of four to eight times present levels of atmospheric CO_2 by the latter part of the twenty-second century. A review of models that associate increased CO_2 in the atmosphere with higher global temperatures suggests, according to the panel's report, that a corresponding increase of 2–3°C is to be anticipated for the average temperature at the Earth's surface for each doubling of the atmospheric CO_2 content. Increases in polar-region temperatures could be as much as three times greater. Such a change, the panel points out, might easily exceed all fluctuations in global temperature of the past few thousand years, including the most recent "ice age," which ended 10,000 years ago, when average midlatitude temperatures were 5–10°C lower than present norms.

Impact of a rising thermometer.—An increase of 6°C in average global temperature could result in a climate comparable to that of the Mesozoic Era, the "Age of Reptiles" that ended 70–100 million years ago, the panelists warn. What are the possible consequences for human life? The panel notes that the near-surface waters of the oceans would be warmed, with the result that fish populations would tend to move toward the poles, the average sea level would rise (by about one meter for every 5°C increase in the temperature of the top 1000 meters of ocean water) and the Northwest and Northeast Passages would become open for shipping most of the year. "Agricultural belts," the panel concludes, "would be shifted by changing seasonal precipitation and temperature patterns. For some countries with marginal agriculture, the impact on food production could be severe." The panel finds it "impossible to forecast" what effect a general warming of the atmosphere and oceans might have on the Greenland and Antarctic ice caps. Abelson and Malone stress that "human capacity to perturb inadvertently the global environment has outstripped our ability to anticipate the nature and extent of the impact."

What can physicists do?—There remain several conceptual problems to whose solution physicists may be able to contribute. The panel notes, for instance, that no feasible means to compensate for very large CO_2 emissions so as to prevent an atmospheric build-up or a rise in global temperature are

known at present. One idea mentioned in the panel's report is to increase the Earth's albedo (reflectivity) so as to absorb less solar radiation; this could be done, in principle, by spreading large quantities of small reflecting platelets of latex over the ocean surface—however, the pile-up of billions of platelets on the world's beaches is an easily predicted and environmentally undesirable side-effect.

The panel states that it is not yet known whether climatic changes occur in fairly discrete, "steplike" shifts from one dynamically stable state to another, or if they take place by a gradual passage through a continuum of states. The steplike transition would be especially worrisome, because seemingly minor changes might bring on an abrupt change in climate. An even more suitable problem for the physicist is to determine what contributions to the world's energy needs can be expected from the various "renewable" (sometimes called "inexhaustible") resources.

More accurate measurements of a number of parameters in the energy-climate problem are needed. The variation with time of the ratio of C^{12} to C^{13} in the atmosphere must be measured over a wide range of geographic locations to learn the net flux of CO_2 between the atmosphere and the biosphere, says the panel, because the changes in C^{12}–C^{13} ratio are likely to be small compared to random errors. Other measurements the panel deems necessary include:

Better estimates of changes in land use;

Estimated annual changes in global forest biomass;

Determination of changes in carbon content of soil humus;

Intercomparable mean monthly values of the partial pressure for CO_2 in the atmosphere, the ocean surface and subsurface waters;

Refined estimates of the quantities of CO_2 released by the burning of fossil fuels;

The dispersal of tritium from atmospheric nuclear-weapons tests in subsurface ocean waters (as a measure of advection, convection and turbulent-mixing processes in the ocean), and

Reduction of error in the Suess effect, the decrease of atmospheric radiocarbon content over the century and a half before 1950 due to injection of C^{14}-free CO_2 into the atmosphere from combustion of fossil fuels.

Recommendations.—The Revelle panel suggests that its study of possible climatic consequences of fossil-fuel use should be only part of a family of similar assessments of the most attractive alternative energy sources' environmental impacts. The panel recommends a "comprehensive worldwide research program" of a uniquely interdisciplinary nature to carry on the investigation of CO_2-related climatic effects. "Consideration should be given," says their report, "to the establishment at the national level of a mechanism to weave together the interests and capabilities [of scientists and Government agencies] in dealing with climate-related problems." This "Climatic Council," as the panel describes it, would coordinate studies of the CO_2 cycle, energy demand, future population changes and ways of mitigating the effects of global climatic shifts.

Revelle and his colleagues conclude that there are two sorts of counter-measures possible—the reduction of actual climatic changes or adaptation to such changes with a view to minimizing their impact on human life. Adaptation, they say, is the most readily approached; attempts to reduce the climatic effect of additional CO_2 in the atmosphere they find to be "formidably difficult," requiring extended efforts over centuries. With an eye to the future, however, the panel also proposes an intriguing challenge: In light of the expanding knowledge and interest in climatic changes, they say, "perhaps the question that should be addressed soon is 'What *should* the atmospheric carbon dioxide content be over the next century or two to achieve an optimum global climate?'"

HOW FAST CAN WE SAFELY BURN COAL?

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 29, 1977

Mr. BOB WILSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

[From the Oak Ridge National Laboratory Review, fall 1977]

CARBON DIOXIDE AND CLIMATE—HOW FAST CAN WE SAFELY BURN COAL?

SOME SCENARIOS FOR THE YEAR 2040

(By Carolyn Krause)

For the first time in years, the White House has not received a Fraser balsam fir from the Blue Ridge Mountains for its official Christmas tree. A change in climate there and in the Great Smoky Mountains has caused these outlying areas of Maritime Canada climate to warm up. The warmer climate is unsuitable for the fir trees and, furthermore, favors a devastating insect pest—the balsam wooly aphid—to hasten destruction of the fir forests. The Fraser fir is in danger of becoming extinct, and forest rangers and national park officials are worried that the aphid will start to work on a new host—the red spruce trees which, along with the firs, have thrived for hundreds of thousands of years in these mountains.

In the Great Plains, wheat farmers who have not been wiped out financially by dust-bowl storms are contemplating moving to the cornbelt to raise their crops and establish their silos. They have become persuaded that the cyclic droughts of recent years are part of a permanent trend to warming and drying, not a series of temporary aberrations, so they are preparing for a migration.

Other regions of the world are benefiting from the warming trend. Some deserts bloom in response to greater-than-normal rainfall, for example.

Climatologists attribute the warming trend to the furnaces of civilization which have been spewing forth increasing loads of carbon dioxide to the atmosphere. This colorless and odorless gas, exhaled by man and used by plants to make themselves green, restricts the escape into space of infrared radiation from the sun-warmth earth. Since increased CO_2 absorbs more of the infrared radiation than formerly, a larger amount of heat accumulates, causing a slight but significant increase in average global temperature. This impact of atmospheric CO_2 on climate—dubbed the "greenhouse effect"—has become more apparent in recent years because of the escalating rate at which power plants and industry throughout the world have burned coal, oil from shale, and synthetic oil and gas.

These scenarios may never happen, but they may be within the realm of possibility if the world usage of fossil fuels continues to grow and coal becomes the principal global source of energy. In 1976, Alvin Weinberg, former ORNL Director and now head of the Institute for Energy Analysis at Oak Ridge Associated Universities, warned that a sharp rise in the rate at which the world burns fossil fuel over the next few decades could result in a large increase in atmospheric CO_2 content, which in turn could boost the surface temperature of the earth enough to have serious economic and ecological implications. The same year, Alex Zucker, ORNL's Associate Director of Physical Sciences, assembled an ad hoc study group to compile a state-of-the-art report on atmospheric CO_2 and climate—a report which would summarize what is known about the problem, what studies are being done, and what research is required to dispel the uncertainties. Appointed to the group were Charlie Baes of the Chemistry Division, group chairman; Jerry Olson of the Environmental Sciences Division, who was already at work on such an assessment and had advocated such a study since the 1960s; Hal Goeller of ORNL's Program Planning and Analyst Office, who has been concerned with resource problems; and Ralph Rotty, meteorologist and engineer at the Institute for Energy Analysis, who has long been concerned with fuels and climatic implications.

In August 1976 the group issued an ORNL report entitled "The Global Carbon Dioxide Problem;" an abbreviated version of this report entitled "Carbon Dioxide and Climate: The Uncontrolled Experiment" was published in the May–June 1977 issue of American Scientist. The message of Weinberg and the Oak Ridge report has not been lost on the Carter Administration which proposed $3 million for new CO_2-climate studies in the FY 1978 budget.

GROWTH IN ATMOSPHERIC CO_2

According to the Oak Ridge report, atmospheric CO_2 has grown steadily from 295 ppm in 1860 (when the Industrial Revolution gathered momentum) to 330 ppm now, an increase of 12 percent. The CO_2 content of the atmosphere has been increasing at 0.2 percent per year since 1958 when regular, accurate measurements commenced. The overall increase has thus far been equivalent to half of the cumulative release of CO_2 from the worldwide combustion of fossil fuels. The other half of the released fossil carbon presumably has been absorbed by the oceans and land biota.

One of the messages of the report is this: If combustion of fossil fuels continues to grow at the historical annual rate of 4.3 percent (an unlikely scenario unless there is a ban on nuclear power), the atmospheric CO_2 concentration could double in 60 years, resulting in an increase in the average global temperature of perhaps 2 to 3°C. On the other hand, a much slower rate of increase of fossil fuel combustion might not affect the climate enough to produce unacceptable changes. So the question that needs to be answered is this: Is there a maximum rate at which we can safely burn oil, gas, and coal without dangerous disturbing the climate?

Answering this question requires more extensive mathematical modeling to determine levels of CO_2 and its distribution among air, oceans, and terrestrial plant life. Mechanisms that must be accounted for in these models, according to the Oak Ridge report, are decreased snow and ice cover (which would result in a decrease in reflected radiation, thus producing additional warming), changes in cloud cover and in the temperature of cloud tops, effects of ocean circulation on CO_2 absorption, and effects of changes in water balance and terrestrial plant life on atmospheric CO_2 levels.

RECENT COOLING TREND

The earth's surface temperature, which averages 15°C, rose about 0.6°C in the 60 years before 1940. In the past three decades, the earth has undergone a cooling, with its temperature dropping 0.3°C. Some scientists ascribed this slight cooling to industrial pollution, theorizing that airborne particulates can shade the earth by reflecting back incoming solar radiation. (Cool sum-

mers tend to follow the larger volcanic eruptions for several years because of the dust blown into the stratosphere which settles out slowly.) Industry spews forth both CO_2 and particulates, but the latter's effects are mostly local and likely to remain much less than metrologists are coming to expect from CO_2. Opposing influences on climate may have been canceling each other's effects lately, giving rise to the controversy over whether the net effects of man's future activities will be a cooling or warming trend.

In recent national meetings on climate or the CO_2 problem, Olson finds scientists generally tending to agree now that discharges of fossil carbon pose substantially more threat to the climate on a global scale than do particles from energy sources. (The particles, incidentally, may absorb some solar radiation, thus adding heat to the atmosphere, but the extent to which this absorption occurs depends on the location and the various particles' optical properties.) Thermal discharges from energy sources, Olson adds, are considered even less of a threat to the next century's global climate, although they could have adverse localized impacts.

There is 10 times as much carbon in the world's fossil fuel reserves as in the atmosphere; or, more specifically, the atmosphere contains 700×10^9 metric tons of carbon while the recoverable fossil fuel reserves hold 7300×10^9 tons.

The Oak Ridge group considers as a high-use scenario one involving the use of fossil fuel at a growth rate near 4 percent per year for a while followed by an eventual gradual decrease as the supply is used up. In this scenario, roughly half of all fossil carbon resources might be released to the atmosphere in less than 100 years—a situation which could produce many of the consequences mentioned above. In the group's low-use scenario, which might have more acceptable, or at least delayed, consequences, they envision the use of fossil fuel growing at 2 percent of the present rate per year until the year 2025, followed by a decrease as renewable energy sources become available and as fossil fuel use is discouraged. The total fossil carbon released would be 1.5 times the carbon content of the pre-industrial atmosphere, or one-fourth that of the realistic high-use hypothesis.

Olson believes the fossil fuel consumption pattern that will be adopted will lie somewhere near the high-use rate at first, followed by a struggle to return to a low-use scenario after effects of the excess release are belatedly recognized. How any fossil fuel use scenario will affect man's welfare cannot be predicted until more knowledge is obtained on the carbon cycle, on the likely climatic effects of increasing atmospheric CO_2, and on the ecological and economic consequences of climate change. How well the various parts of the problem can be organized and solved will challenge the best efforts of all the people and agencies who become involved.

As Roger Revelle and H. E. Suess stated in 1957: "Human beings are now carrying out a large-scale geophysical experiment of a kind that could not have happened in the past nor be repeated in the future. Within a few centuries we are returning to the atmosphere and oceans the concentrated organic carbon stored in the sedimentary rocks over hundreds of millions of years. This experiment, if adequately documented, may yield a far-reaching insight into the processes determining weather and climate."

HOUSE OF REPRESENTATIVES—*Wednesday, November 30, 1977*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Fear not, for I am with you; be not dismayed, for I am your God; I will strengthen you; yea, I will help you.—Isaiah 41: 10.

Almighty God, our Father, before we begin the work of this day we turn to You in our morning prayer. We come with hearts filled with gratitude for the opportunity of serving our country in this House. Grant that Your spirit of wisdom and truth may guide us in these critical hours as we plan for the future of our Republic. Help us to think the thoughts, possess the emotions, and do the deeds which become us as leaders of this great land.

May we ever be true to the high principles upon which our Nation was founded, may we ever hold high our enthusiasm for life, liberty, and the pursuit of happiness and may we ever keep our concern for the needy, the poor, and the oppressed.

Grant that good will and justice may live in every heart and increasingly prevail in our planet. Together may we do justly, love mercy, and walk humbly with You. Amen.

CALL OF THE HOUSE

Mr. ROUSSELOT. Mr. Speaker, under rule 1, clause I, of the rules of the House, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Without objection, a call of the House is ordered.

There was no objection.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 752]

Abdnor	Armstrong	Beilenson
Alexander	Ashley	Biaggi
Ambro	Badillo	Bolling
Burton, John	Hammer-schmidt	Ruppe
Cederberg	Harsha	Santini
Chappell	Hawkins	Sarasin
Chisholm	Jones, Tenn.	Scheuer
Cochran	Kasten	Seiberling
Conyers	Kelly	Smith, Nebr.
Crane	Koch	Teague
Cunningham	Krueger	Thone
Davis	Lundine	Thornton
Dent	McDonald	Tucker
Derwinski	Mikva	Udall
Diggs	Moss	Van Deerlin
Dingell	Myers, John	Wampler
Duncan, Oreg.	Nolan	Waxman
Fithian	Pike	Whalen
Ford, Mich.	Pursell	White
Fraser	Rangel	Wilson, Tex.
Frey	Rosenthal	
Goodling		

The SPEAKER. On this rollcall 371 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 417. Concurrent resolution commending Anwar el Sadat, the President of Egypt, and Menachem Begin, the Prime Minister of Israel.

The message also announced that the Senate agrees to the amendment of the House to the amendment of the Senate numbered 5 and receded from its amendment numbered 6 to a bill of the House of the following title:

H.R. 1904. An act to suspend until July 1, 1980, the duty on intravenous fat emulsion.

The message also announced that Mr. DANFORTH be a conferee, on the part of the Senate, on the bill (H.R. 9346) entitled "An act to amend the Social Security Act and the Internal Revenue Code of 1954 to strengthen the financing of the social security system, to reduce the effect of wage and price fluctuation on the system's benefit structure, to provide for the conduct of studies with respect to coverage under the system for Federal employees and for employees of State and local governments, to increase the earnings limitation, to eliminate certain gender-based distinctions and provide for a study of proposals to eliminate dependency and sex discrimination from the social security program, and for other purposes," vice Mr. LAXALT, excused.

DR. ORRIN E. HUDSON, SR.

(Mr. HUBBARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBBARD. Mr. Speaker, it is with genuine sadness that I speak today in the House of Representatives regarding a friend and supporter of many years, Dr. Orrin E. Hudson, Sr.

Dr. Hudson, age 74, of Madisonville, Ky., died there at Hopkins County Hospital November 19 following an apparent heart attack.

He was a complement to many constructive interests in Madisonville. The impressions he tendered upon those around him will endure for years to come. He was an outstanding family man, a faithful churchman, and worked for progress in his community.

Dr. Hudson, a native of Golden, Ill., came to Madisonville following his 1944 graduation from Palmer College of Chiropractic in Davenport, Iowa. During his practice he served on the board of

directors of the Kentucky Association of Chiropractors for many years. He was past president of the Pennyrile Chiropractic Association.

At the top of his wide-ranging interests was his church. He was a charter member of Parkview United Methodist Church which he served faithfully as a board member most of his life in Madisonville.

Dr. Hudson was a charter member and past vice president of the Kiwanis Club of Greater Madisonville.

Dr. Hudson's wife, Bessie Harrison Hudson, preceded him in death in 1961.

Surviving are a son, Dr. Orrin E. Hudson, Jr., of Madisonville; two daughters, Mrs. Larry "Madonna" Mahurin, of Hanson, Ky.; and Mrs. Kenneth "Sharon" Suggs, Fayetteville, N.C.; a grandson and two granddaughters.

The family and friends of Dr. Orrin E. Hudson, Sr., can be justly proud of this great American whose love for his God and country was evidenced by his life's activities.

OHIO SENDS LOUD AND CLEAR MESSAGE THAT THEY WANT NO PART OF INSTANT VOTER REGISTRATION

(Mr. LATTA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LATTA. Mr. Speaker, on November 8, the people of Ohio sent a message to Washington. It was loud and clear that they want no part of instant voter registration.

Five months after such a measure was passed by a Democrat-controlled legislature, the people of Ohio ignored the tremendously costly campaign of the big labor bosses to save it, disregarded a personal letter of endorsement of it from President Carter, and voted overwhelmingly to repeal an Instant Voter Registration Act by over 700,000 votes.

Despite efforts by the Ohio Council of Churches and the League of Women Voters to get the people to overlook the opportunities for fraud under instant voter registration, they emphatically said they did not want any tampering with the integrity of Ohio's election system.

The Ohio instant registration law—erased by the people's action on November 8—was rammed through the Ohio Legislature over the Governor's veto and under the guise of an appropriation bill in order to deny the people of Ohio a referendum on it for the benefit of certain interests without regard to the possible damage it might have to the integrity of our present election system.

The dangers inherent in this registration law had been called to the attention of the people by every major metropolitan Ohio newspaper—with one exception—and that was in the Dayton area. Ironically, 94,689 in the Dayton area voted against the instant registration measure and only 54,257 in favor of it.

The Columbus Dispatch editorial read:

Tuesday voters said emphatically they want the integrity of elections preserved. Their verdict should carry to the Nation's capital where nationwide instant registration has been considered.

The Cleveland Plain Dealer editorialized:

Voters across Ohio displayed more than a little good sense in repealing election-day registration.

An Akron Beacon Journal editorial said:

The margin of Issue One's (repeal of instant registration bill) passage was enough to make congressmen think twice about pushing an unpopular idea, particularly one that many voters associate with fraud.

Mr. Speaker, the overwhelming approval of Ohio State issue 1 is a classic example of democracy in action. This message should be clear to President Carter and this Democrat-controlled Congress that the American people do not want instant voter registration.

LEGISLATIVE PROGRAM

(Mr. WRIGHT asked and was given permission to address the House for 1 minute.)

Mr. WRIGHT. Mr. Speaker, I take this time to announce the program for today and the remainder of the week.

Our first order of business will be the conference report on H.R. 9375, supplemental appropriations for fiscal year 1978.

After that, we will move to appoint conferees on H.R. 9346, the Social Security Financing Amendments of 1977. I have been informed that there may be an attempt to instruct conferees with respect to that.

Following that, we will take up the conference report on H.R. 9418, the Public Health Service Act amendments; and the conference report on S. 1316, the Endangered Species Act authorization through 1980.

Then we would act on motions to agree to Senate amendments to H.R. 7738, the Trading With the Enemy Act; and to H.R. 9378, the ERISA, Employee Retirement Income Security Act amendments.

The final order of business would be on S. 1340, the Energy Research and Development Administration Authorization Act of 1978.

Mr. Speaker, we will go through as much business as we can today; and in any event, will arise this evening not later than 6:30. We would come in tomorrow at 10 o'clock a.m.

The future is uncertain because of the impasse which continues to exist with reference to the Labor-HEW appropriation bill.

Until that is resolved it would be impossible to give a definite statement as to when we will or will not be in session. There will be at least a pro forma session on Monday next and if there is some possibility of resolving that stalemate we may be in session on Monday.

Mr. RHODES. Mr. Speaker, if the gentleman will yield, would the majority leader respond to a question as to the time frame on the Labor-HEW appropriations situation? That is, at what point do the employees of that Department cease to get paid?

Mr. WRIGHT. The continuing resolution expires tonight. Payroll certification is on the 7th of December and payday is on the 13th of December for HEW.

Mr. RHODES. Might I further inquire as to whether there has been any thought given to the possibility of a further continuing resolution for that appropriation bill?

Mr. WRIGHT. Much thought, I would respond to the minority leader, has been given to it. There has been strong resistance to the idea on the other side of the Capitol, in the other body, and at least one spokesman for the other body has asserted an avowal to disallow any additional continuing resolutions unless perchance they carry the language that he would find acceptable in the bill itself that would make a continuing resolution identical to the enactment of the appropriation bill.

Mr. RHODES. It would seem we are at an impasse which will result in, among other things, Government employees not being paid and two departments of the Government being paralyzed. Could the majority leader inform me as to whether there is any action on the part of the leadership to try to resolve the impasse which has been caused by the disagreement between the two Houses over the so-called Hyde amendment? It seems to me that the parties are much closer than I had believed they were previously and that perhaps, with some nudging, or some help from the leadership, that there could be some arrangement made which would meet the objections of both parties.

Mr. WRIGHT. If the gentleman from Arizona (Mr. RHODES) could show us, Mr. Speaker, whom and where to nudge, this Member stands ready to attempt such a nudge.

I would further respond that the leadership, the Speaker and others, of course, have been in almost constant conversation with members of our Committee on Appropriations and indeed with Members of the other body, but the matter still remains unresolved for reasons with which the gentleman is fully as familiar as I am.

Mr. RHODES. If the gentleman would yield still further, I would advise the gentleman where to nudge, if I really thought it was necessary, but my own experience has been that the Speaker and the majority leader know exactly where to nudge when the occasion arises and I have full faith in their ability to determine the focal points.

Mr. WRIGHT. I would state further to the gentleman from Arizona on that point and remind him that I was the self-appointed nudger yesterday but there were no nudgees.

Mr. CEDERBERG. Mr. Speaker, if the gentleman will yield, I can tell you whom I think we ought to nudge. We have been engaged in this conference on HEW for several months now and I do not think that next week is going to make any change or that we are going to be able to resolve this language difficulty. I just do not believe that will be happening. I believe that the sensible thing to do would be to come up with a continuing resolution from the House and put a date on it for sometime next

year and if the Senate wants to take the responsibility for the employees not being paid, then let them take the rap. I think that will nudge them.

Mr. MAHON. Mr. Speaker, if the majority leader would yield, would the gentleman not agree that this matter involving the Labor-HEW appropriation bill must be handled either as a part of the appropriation bill or as a part of the continuing resolution?

A continuing resolution provides no magic solution because the same issues involved in the big bill would also be addressed in the continuing resolution, and it would not be possible to pass a continuing resolution without dealing forthrightly with the matter of the abortion issue. That ought to be understood and I hope it will be understood. There is no way to dodge the responsibility of coming to a decision between the House and the Senate on the abortion issue.

Mr. CEDERBERG. Mr. Speaker, will the gentleman yield further?

Mr. WRIGHT. I yield to the gentleman from Michigan.

Mr. CEDERBERG. Mr. Speaker, I think there is a possibility that we could take up the continuing resolution on this very subject, and there will be some amendments, and the House will be doing what it has been doing for several months, and then we can send the resolution over without that amendment on and let the Senate decide whether or not they want those employees to get paid.

I remember some years ago when this House adjourned and went home and we let the Senate—at that time Senator Dirksen and I believe former President Johnson were the leaders and they did not like it. But here we are and I do not see how we are going to go up and down this road for another 2 weeks. It does not make any sense to me.

Mr. WRIGHT. The gentleman makes a good point of course. If, however, there is any resolution short of one that might cause this entire program of the Government, or these multiple programs of the Government to be halted in their tracks, then surely that resolution ought to be sought.

Mr. CEDERBERG. Of course.

Mr. WRIGHT. And it ought to be pursued and without seeking to determine, as between the House and the Senate, whose fault it was.

Mr. RHODES. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. Of course I yield to the minority leader.

Mr. RHODES. Mr. Speaker, I just had a thought as to where the Speaker and the majority leader might do a little nudging. It seems to me, from what the distinguished chairman of the Appropriations Committee has said, that the idea of a continuing resolution does have problems and that perhaps we could find ourselves at the same impasse as those measures we have already attempted.

But getting down to the basic disagreement, the basic disagreement has to do with human life, the so-called human life amendment. Would it be possible for the majority leader and the Speaker to sit down with the majority members of the Judiciary Committee and agree upon some scenario by which that human life amendment would be allowed to proceed to hearings and proceed to votes and to have some consideration? Personally I think that there would be many people who feel constrained to remain against the amendments to the Hyde amendment who would look at their position again if they were assured that the human life amendment—which after all is I think the way that this issue should be brought up—would move. It has been sitting there, and as Members will recall, the Judiciary Committee did have hearings in the last Congress, but very late, with no idea that any action would be taken, and no action was taken.

I am talking about a real movement which would actually allow the American people to have a vote on this really important issue. The House has before acted upon constitutional amendments and voted them out not necessarily because the Members agreed with them but because the Members recognized that the amendments were important issues to the people which should be decided by the legislatures of the States.

I think the human life amendment is one of those issues and it should be voted out.

I suggest to the majority leader that if this were done, perhaps in future appropriation bills we would not find ourselves facing this impasse which, believe me, is not the last time this impasse will occur.

Mr. WRIGHT. The gentleman's suggestion certainly merits consideration.

Mr. RHODES. Mr. Speaker, I thank the distinguished majority leader.

PERMISSION FOR COMMISSION ON ADMINISTRATIVE REVIEW TO FILE A REPORT

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that notwithstanding the sine die adjournment of the 1st session of the 95th Congress, the Commission on Administrative Review may be permitted to file with the Speaker its final report not later than midnight December 31, 1977, and that the report be ordered printed as a House Document of the 95th Congress, 1st session.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

CONFERENCE REPORT ON H.R. 9375, SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 1978

Mr. MAHON. Mr. Speaker, I call up the conference report on the bill (H.R. 9375) making supplemental appropriations for the fiscal year ending September 30, 1978, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. ROSTENKOWSKI). Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of November 8, 1977.)

Mr. MAHON (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER pro tempore. The gentleman from Texas (Mr. MAHON) and the gentleman from Michigan (Mr. CEDERBERG) will be recognized for 30 minutes each.

The Chair recognizes the gentleman from Texas (Mr. MAHON).

Mr. MAHON. Mr. Speaker, we have before us today a conference report on a multibillion dollar supplemental appropriations bill. The sums involved total more than $7 billion. Since it has been some time since the supplemental bill was before the House and in view of the fact that the other body added on several hundred million dollars to the bill, I think it might be helpful for me just to recite some of the issues, some of the programs and projects, that are involved here. I shall go down the list in order to refresh our minds on some of the projects and some of the appropriations, although not in any particular order.

There is Federal crop insurance, $30 million, in the bill; watershed and flood prevention operations, $30 million; agricultural conservation programs, $36,600,000; Environmental Protection Agency research and development, $44,200,000; EPA abatement and control, $85 million.

Waste treatment plant grants, $4.5 billion—the biggest item, of course, in the bill; surface mining reclamation and enforcement, $67 million; Federal Energy Administration, $273 million; strategic petroleum reserves, $383 million; assistance to refugees from Cambodia, Vietnam, and Laos, $124 million.

The Clinch River breeder reactor, one of the controversial issues which will be before us today, is $80 million.

SBA loans, principally to farmers, is $1.4 billion. There are various defense items including great acceleration of the cruise missile program, $423 million.

Then, there is a recission which will be before us during consideration of this measure, a recission of $463 million that was appropriated in fiscal year 1977 which has not been used. The President has sent us a recission request for this amount. The Senate has approved it, and we will have a vote on that matter during the afternoon.

There are various other items which I will include in the RECORD. I do not think it is necessary to go into great detail. The conference report has been printed in the RECORD, and Members will have an opportunity to participate in discussion of the various controversial items in the bill.

At this point, I offer a summary table by chapter showing the conference agreement compared with the budget estimate and the action on the bill by the House and Senate:

COMPARATIVE STATEMENT OF NEW BUDGET AUTHORITY—SUPPLEMENTAL APPROPRIATIONS BILL, 1978

Chapter	Subcommittee summary	New budget authority				Conference compared with—		
		Estimates, fiscal year 1978	House, fiscal year 1978	Senate, fiscal year 1978	Conference, fiscal year 1978	Fiscal year 1978 estimate	House bill	Senate bill
I	Agriculture and Rural Development:							
	New budget (obligational) authority	4,145,000	34,145,000	101,157,000	102,745,000	+98,600,000	+68,600,000	+1,588,000
	(Insured loans)			(100,000,000)				(−100,000,000)
	(Liquidation of contract authority)			(36,600,000)	(36,600,000)	(+36,600,000)	(+36,600,000)	
II	Housing and Urban Development—Independent Agencies:							
	New budget (obligational) authority	4,625,000,000	4,630,500,000	4,779,947,000	4,638,047,000	+13,047,000	+7,547,000	−141,900,000
III	Interior and Related Agencies:							
	New budget (obligational) authority	1,303,792,000	466,363,000	757,249,000	746,813,000	−556,979,000	+280,450,000	−10,436,000
IV	Labor and Health, Education and Welfare:							
	New budget (obligational) authority	110,337,000	29,070,000	345,689,000	150,689,000	+40,352,000	+121,619,000	−195,000,000
	Appropriations	95,337,000	14,070,000	330,689,000	135,689,000	+40,352,000	+121,619,000	−195,000,000
	Authority to spend debt receipts	15,000,000	15,000,000	15,000,000	15,000,000			
V	Public Works:							
	New budget (obligational) authority		121,000,000	104,450,000	106,450,000	+106,450,000	−14,550,000	+2,000,000
	(By transfer)			(875,000)	(875,000)	(+875,000)	(+875,000)	
VI	State, Justice, Commerce, and the Judiciary:							
	New budget (obligational) authority	1,408,850,000	1,407,000,000	1,407,500,000	1,407,000,000	−1,850,000		−500,000
	(By transfer)	(2,668,000)	(2,668,000)	(2,668,000)	(2,668,000)			
VII	Treasury, Postal Service and General Government:							
	New budget (obligational) authority		54,000	54,000	54,000	+54,000		
	(Increase in limitations)		(48,913,000)	(34,130,000)	(48,913,000)	(+48,913,000)		(+14,783,000)
VIII	Defense:							
	New budget (obligational) authority	449,000,000	494,470,000	369,900,000	423,800,000	−25,200,000	−70,670,000	+53,900,000
	Rescission of prior year budget authority	(−463,400,000)		(−463,400,000)	(−463,400,000)		(−463,400,000)	
IX	Transportation:							
	New budget (obligational) authority			18,000,000	8,000,000	+8,000,000	+8,000,000	−10,000,000
X	Foreign Operations:							
	New budget (obligational) authority	6,300,000		6,300,000	6,300,000		+6,300,000	
	Grand total:							
	New budget (obligational) authority	7,907,424,000	7,182,602,000	7,890,246,000	7,589,898,000	−317,526,000	+407,296,000	−300,348,000
	Appropriations	7,892,424,000	7,167,602,000	7,875,246,000	7,574,898,000	−317,526,000	+407,296,000	−300,348,000
	Authority to spend debt receipts	15,000,000	15,000,000	15,000,000	15,000,000			
	Rescission of prior year budget authority	(−463,400,000)		(−463,400,000)	(−463,400,000)		(−463,400,000)	
	(Insured loans)			(100,000,000)				(−100,000,000)
	(By transfer)	(2,668,000)	(2,668,000)	(3,543,000)	(3,543,000)	(+875,000)	(+875,000)	
	(Increase in limitations)		(48,913,000)	(34,130,000)	(48,913,000)	(+48,913,000)		(+14,783,000)
	(Liquidation of contract authority)			(36,600,000)	(36,600,000)	(+36,600,000)	(+36,600,000)	

GENERAL LEAVE

Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the conference report.

The SPEAKER pro tempore (Mr. ROSTENKOWSKI). Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MAHON. Mr. Speaker, I reserve the balance of my time.

Mr. CEDERBERG. Mr. Speaker, I yield 8 minutes to the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Speaker, I rise to explain for my colleagues why I at the appropriate time will offer a motion to recommit which, if approved, will instruct the House conferees to recede from their disagreement to the amendment of the Senate numbered 46 and concur therein with an amendment as follows: in lieu of the sum provided in said amendment insert $11,500,000.

The purpose of this instruction in this motion is to restore order where chaos exists. I fear that there may be some truth in the criticism that we are being dangerously casual with the future of American railroads. In our often justified exasperation with Amtrak for its inability to make progress toward the goal of operating a profitable passenger railroad system, or even a system operating at modest deficits, we overlook the fact that some real progress has been made after a quarter century of neglect. According to the New York Times, patronage has been growing at an average of 7 percent a year. Polls indicate that the new passengers are not bus-riders, but overwhelmingly are drivers of cars.

It is not illogical to suggest that rail transportation should have a greater role to play in solving our energy crisis. On October 27, 1977 it was widely reported that the chairman of the Joint Chiefs of Staff, General Brown, stated that this country's lagging fuel supply poses the single largest threat to our national security. It is folly to prematurely begin to dismantle this fuel efficient railroad passenger system when our mounting dependence on the use of foreign oil is increasing daily. However, progress cannot be made toward the goal of attracting greater ridership and Amtrak cannot become an effective national resource in coming to grips with our energy crisis unless both Amtrak and Congress clearly understand what the optimal route structure of its system should be.

It is clear that some changes must be made in the current structure. By asking for concurrence with the Senate and requesting that Amtrak be granted an additional $3.5 million over that recommended by the House/Senate conferees, I am only asking that, in the main, Amtrak's current system be left intact for the few short months until we are presented with the results of a comprehensive reexamination of Amtrak's route structure from a zero base as was called for by the joint conferees in the current conference report. This analysis is to be completed by the Department of Transportation, in cooperation with Amtrak, by March 1, 1978.

The route structure analysis will provide a blueprint for an optional national railroad passenger system based upon current and future market and population requirements. The report will provide the means of redetermining our Nation's present and future rail passenger transportation needs in a logical, orderly fashion. I believe that this approach contrasts favorably with the current Amtrak rush to target routes showing large operational deficits as candidates for cancellation without hasty, secondary regard for the volume of passengers served or the potential for future ridership. This is especially true in light of an improving Amfleet. To allow discontinuance of service where the Department analysis may show that service should have been continued makes no sense at all. Such an approach will ultimately lead to greater waste of the economic and capital assets that the conferees obviously are trying to preserve with the restrictive recommendation.

In sum, I believe that the extra $3.5 million that will be appropriated if this recommital motion is ultimately successful, is small insurance against the greater financial risk of unnecessary restart costs. Also, I believe that a fuel efficient passenger railroad system is clearly in the national interest in light of our increasing balance-of-payments deficits resulting from dependency on foreign oil.

The public cost of Amtrak's rail system may be expensive, but fiscal commonsense demands that it should only be reasonably so. By our motion to recommit it is not my intention to throw good money after bad, but to insure that decisions with respect to Amtrak's operations proceed in logical fashion and are not made under the gun of financial desperation.

Mr. PATTEN. Mr. Speaker, will the gentleman yield?

Mr. CONTE. Yes; I yield to my friend, the gentleman from New Jersey.

Mr. PATTEN. Mr. Speaker, every time I have seen a release from Amtrak, I have noted they were blaming the Congress for not giving them the right amount of money. Does the gentleman favor the criticism they have had of our Committee on Appropriations?

Mr. CONTE. Mr. Speaker, I have mixed feelings on this matter. Amtrak wanted $500 million. In the regular bill we gave them all but $11.5 million.

This is what my amendment would do: It would bring the amount up to the amount they had requested and what the administration had requested at the beginning of the fiscal year, which was a half a billion dollars.

If I may say this to the gentleman from New Jersey, I think that Amtrak has had plenty of time to put its house in order.

Mr. PATTEN. Mr. Speaker, if I had the proper assurances, I might give the gentleman a vote.

Mr. YOUNG of Florida. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. Mr. Speaker, is there any language in the gentleman's instructions accompanying his motion to recommit that would prohibit Amtrak from terminating those lines it has announced it is going to terminate?

Mr. CONTE. Mr. Speaker, to answer the gentleman's question, no. My amendment is a very clean one. It restores $3.5 million. I did mention that before in my speech.

My amendment would restore $3.5 million, and it leaves everything else intact until their report comes out on March 1. I would have preferred to have $18 million but I realize that government is the art of compromise. The gentleman from Michigan (Mr. CEDERBERG), who was good enough to allow me to offer the motion to recommit, would argee to the motion with only a $3.5 million increase. Under the rules of the House, he has the authority as the ranking minority Member, so I went along with this procedure.

I know the gentleman from Florida (Mr. YOUNG) is interested in the Florida route. He has spoken to me on that issue many, many times. I know of no Member who has worked harder for maintaining that route, and I want to commend the gentleman and state that I will do everything I can to help him in his efforts.

Mr. MAHON. Mr. Speaker, I yield such time as he may consume to the chairman of the Subcommittee on Agriculture and related agencies, the gentleman from Mississippi (Mr. WHITTEN).

Mr. WHITTEN. Mr. Speaker, in connection with the conference report on the supplemental appropriations bill now before us, I would like to elaborate on the committee's intention with respect to the $30 million provided for section 216 funds. Section 216 funds are provided for the purpose of repairing damages to watersheds which would present a possible threat to life or property. Therefore, under these conditions I would like to make it clear that repair work to dam No. 37 on the Hatchie River in Mississippi would qualify since until the dam is repaired, it constitutes a present danger.

Mr. Speaker, I believe the other items in chapter I of the bill are self-explanatory, therefore, I will not discuss them at this time.

Mr. Speaker, since this Congress and this calendar year are soon coming to an end, I would like to call to the attention of the House, H.R. 9608, which I introduced on the 17th day of October and which reads as follows:

H.R. 9608

A bill to protect the economy of the United States; domestic agriculture, labor, and industry, by the maintenance of farm income and purchasing power

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law, the loan rates and target prices for 1977 through 1981 set forth in the Food and Agriculture Act of 1977 (Public Law 95–113) for wheat, feed grains, upland cotton, rice, peanuts, soybeans, and sugar shall be increased periodically to reflect costs of living increases granted to individuals in the public and private sector or to reflect increases in the minimum wage.

The Secretary of Agriculture is also hereby authorized and directed to utilize section 32 funds to maintain both adequate supplies and prices for perishable agricultural commodities. Section 32 purchases shall be used to maintain a price for perishable commodities that reflects costs of living increases granted to individuals in the public and private sector or increases in the minimum wage. All laws in conflict are hereby modified to conform to this provision.

Agriculture, and those engaged therein, must be kept on a parity with industry and labor. Under my bill the target or loan rate would rise in line with what the farmer has to pay.

Remember history shows if agriculture, the base of our economy, goes under then our overall economy will follow.

I am hopeful the President and the Secretary of Agriculture will recommend this change to existing law. If not, I shall urge the legislative committee and the Congress to approve these changes.

Mr. SISK. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from California.

Mr. SISK. Mr. Speaker, I thank my colleague, the gentleman from Mississippi, for yielding.

This is a matter that I had discussed with my colleague earlier, and let me just quickly try to make some legislative history here.

Mr. Speaker, many farmers in the Western States (California, Washington, Oregon, Idaho, Utah, Nevada, and Arizona) were faced a year ago with sizable reductions in their water supplies. They had a desperate need to conserve and enhance their available water supplies. In January, President Carter promised help. But, they could not wait until the necessary authorizing legislation was passed. The conference report before us contains language that the moneys appropriated be for reimbursement to farmers for expenditures incurred after a Presidential disaster declaration.

Was it the intent of the conferees that help be given to those farmers who because of reduced water supplies installed water conserving or enhancing practices during the period of January 20, 1977 (or a later date of a Presidential declaration) and May 4, 1977 when the funds were actually available?

Mr. WHITTEN. It was our intention to do that insofar as we were able to.

Mr. SISK. Mr. Speaker, I thank the gentleman. I appreciate the help of my colleague, the gentleman from Mississippi (Mr. WHITTEN), because certainly this has been a serious problem with us. I am grateful to him and to the committee for their intent in connection with this matter.

Mr. McFALL. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to my colleague, the gentleman from California (Mr. McFALL), a member of the committee.

Mr. McFALL. Mr. Speaker, I wish to thank and commend the gentleman for his help in this matter and then commend my colleague from California (Mr. SISK) for his work for the farmers in this issue. The conference report now before us contains an appropriation of $36.6 million for the agricultural conservation program. I strongly support this appropriation, and wish to advise the House of its importance to the farmers throughout several Western States.

About a year ago these farmers were confronted with a worsening drought that threatened the water supply for their farm operations. Early in the year, the President declared many areas to be drought emergencies. Most of my own congressional district in California, for example, was declared to be a drought emergency area on January 20, 1977. Many farmers responded by initiating water conserving or enhancement projects, such as drilling new wells and lining irrigation ditches.

On May 4, 1977, Public Law 95–26 was enacted, and it provided for cost-sharing grants to farmers who undertook qualified water conserving and enhancing practices. Many farmers were unable to prudently wait from January until May to commence these practices. To these farmers, the Department of Agriculture would provide no assistance under the cost sharing grant program, known as the drought and flood conservation program.

Public Law 95–97, enacted on August 12, 1977, provided that cost-sharing grants could be made to farmers who instituted water conserving or enhancing practices between the time their area was declared to be in a drought emergency by the President and the time the drought and flood conservation program began on May 4.

The conference report now before the House will appropriate the necessary

funds to make cost-sharing grants to farmers who instituted eligible practices between January 20, 1977 (or a later date of a Presidential declaration), and May 4, 1977. The report language states that the moneys appropriated will "be for reimbursement to farmers for expenditures incurred beginning on the date of the Presidential disaster as authorized by law."

Mr. Speaker, the Federal Government made a commitment to assist farmers affected by the drought, and then tried to deny aid to those farmers who exercised the most foresight. Adoption of this conference report will permit the fulfillment of that commitment, and I urge its adoption by the House.

Mr. WHITTEN. Mr. Speaker, I appreciate the statement of my colleague, the gentleman from California (Mr. McFALL). We are well aware of the extreme difficulties that they have had in this matter.

Mr. CEDERBERG. Mr. Speaker, I yield 5 minutes to the gentleman from Montana (Mr. MARLENEE).

Mr. MARLENEE. Mr. Speaker, I rise in opposition to the conference report, specifically in opposition to amendment No. 46 concerning Amtrak appropriations. I will be supporting the motion to recommit the conference report to obtain $3.5 million more for Amtrak and to direct Amtrak not to eliminate any present routes.

The current conference report language calls for total elimination of some individual routes in the present passenger rail transportation system without regard to the total system.

Mr. Speaker, I fear that the routes which will be terminated under direction of the conference report will not be restored. And even if they should be restored at some future date, I suspect the cost of restoring them would far exceed any savings we will make during the current fiscal year.

If total routes are abandoned to meet the budget requirements now being imposed, the experience and improvements gained over the past 6 years will be sacrificed. I question if it makes any economic sense to terminate routes for a few months.

If a route is terminated, what will we stand to lose?

First, the terminals and facilities, already in disrepair in many cases, will be torn down or will deteriorate even more.

Passengers now accustomed to using the trains will be lost and will have to be attracted back at considerable expense and effort.

And even more importantly, experienced crewmen will be lost.

To its credit the conference report calls for the "zero-based route study that the Department of Transportation and Amtrak is directed to complete by March 1." However, in view of this study, does it make sense to force uncompromising decisions before Congress can study the results of this report? I do not think so.

Mr. Speaker, according to the Department of Transportation, petroleum products account for more than 95 percent of the energy consumed in transportation. And transportation uses more than 50 percent of the national annual petroleum consumption.

When this Nation is spending $40 billion per year to import foreign oil, can we seriously consider abandoning parts of our mass transportation system which offers the greatest potential for moving our citizens in an energy-efficient way? I think not.

What is at stake here is whether we are willing to appropriate the needed $18 million to keep the trains running.

The argument can come up if railroad passenger transportation really is energy efficient. We need look no further than the 1974 report by the Department of Transportation which studied this issue on the basis of passenger-miles using maximum seating capacity.

Depending on whether relatively old locomotives or new ones were used, Amtrak rates 225 to 360 seat-miles per gallon.

By comparison, intercity bus transportation rates 282 seat-miles per gallon; airlines rates from a low of 30 seat-miles on twin-engine jetplanes to 60 for wide-body jets; and automobiles rate from 72 to 120 depending on whether it is a subcompact or a luxury automobile. Clearly, if the trains are full, rail transportation has an edge.

In light of our need to conserve energy, we should be seeking to improve the energy-efficient rail transportation system rather than declaring that entire routes should be eliminated.

The Northern Tier States are already reaching a crisis stage in gasoline and middle-distillate fuels. How do we know that more people will not be turning to the trains out of necessity, particularly if the service is improved.

Elimination of service now will be particularly hard on communities along such lines as the Empire Builder and the North Coast Hiawatha which traverse Montana between Seattle and Chicago. Many people along these routes depend on Amtrak as the only form of public intercity transportation. Businesses also depend on the service for products and supplies.

Before Amtrak, the railroad passenger business got into trouble because of more attractive energy-inefficient types of service. Then to reduce deficits, the railroads started to curtail service and actually discouraged people from riding the trains. It came to a point where this Nation was either to lose rail passenger service or bolster and improve it. Six years ago Congress made the wise decision to try to save it.

I am of the opinion that numerous improvements must be made to attract new passengers to the point where deficits can be reduced. I suggest that if the connecting routes are abandoned today, the remaining routes will also drop in service and they too will be in worse trouble.

We should and must make policy decisions on Amtrak. Those decisions should make economic sense with all factors being weighed.

But under the terms of the present conference report the decisions have been made. We lose our option without the benefit of the report we have asked for.

I urge you to join me in voting to recommit the conference report so rail passenger service can be weighed in proper perspective as a national option to save energy. The price we pay today may be insignificant in comparison to the cost of the wrong long-range decision.

Mr. BAUCUS. Mr. Speaker, will the gentleman yield?

Mr. MARLENEE. I yield to the gentleman from Montana.

Mr. BAUCUS. Mr. Speaker, I thank my colleague, the gentleman from Montana (Mr. MARLENEE) for yielding to me and for the important contribution he has made here. I join with the gentleman in urging the Members to support the motion to recommit. Amtrak is the only form of surface transportation available in many parts of our country, and is very important in Montana. This is especially true in view of the fact that rural America also has very little air service.

Mr. Speaker, although we are here to consider a supplemental appropriations bill, many of our districts stand to lose substantially if it is passed in its current form.

There is language in the bill that requires Amtrak to make no further frequency reductions but, rather to quickly move ahead with massive route eliminations. This language would have the effect of robbing many rural States, including my State of Montana, of their vitally needed Amtrak service.

Amtrak's authorizing committees in both the House and Senate have announced plans to hold hearings on Amtrak early in the next session, GAO is doing an audit of Amtrak, and the Department of Transportation is to submit a study on Amtrak to Congress by March 1. Given all of this interest in seeking ways in which Amtrak can become a more viable transportation system, it seems criminal to me that we should take it upon ourselves today to formulate a transportation policy which adversely affects millions of our citizens.

I worry that once these routes are eliminated, they will never be seriously reconsidered again. Montanans support Amtrak through their tax dollars just as citizens along the Northeast Corridor do, and our routes also deserve full consideration during the hearings and study periods next spring. However, passage of the language now in the supplemental appropriations bill will prevent an adequate consideration of our routes.

Therefore, I will support Mr. CONTE's motion to recommit the bill with instructions to include language requiring Amtrak to freeze all current routes—and the service along those routes—until March 1 of next year. This language would insure a fair and complete study of the entire Amtrak system. It would allow Amtrak to make route and serve decisions next year with clear guidelines from Congress. In

short, Mr. CONTE's motion will permit the formulation of a sound national transportation policy for Amtrak.

I urge my colleagues to be sensitive to the hardship that the language in the bill would place on many of our States, and ask that you support Mr. CONTE's motion. This is the only way we can get better control over Amtrak.

Mr. VENTO. Mr. Speaker, will the gentleman yield?

Mr. MARLENEE. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Speaker, I just want to commend the gentleman in the well upon his efforts in terms of supporting the proposed motion to recommit. Earlier, Mr. Speaker, I had inserted in the RECORD a series of communications between Amtrak officials and myself, and I find indeed a lack of understanding in terms of these communications. I think we ought to at least have the opportunity to look into the matter until March 1. So, Mr. Speaker, I urge an aye vote on the motion to recommit.

Mr. MAHON. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Pennsylvania (Mr. FLOOD).

Mr. FLOOD. Mr. Speaker, the Labor-HEW chapter of this supplemental appropriations bill as agreed to by the conferees provides appropriations totalling $150,689,000. This amount is $40,352,000 more than requested by the President, $5,000,000 more than provided by the Senate, and $121,419,000 above the amounts allowed by the House. The substantial increase over the House bill is due primarily to the funds provided for the Indochinese refugee assistance program which had not been authorized when the House acted, but for which $71.7 million had been requested by the President.

These amounts are exclusive of the Community Services Administration for which the Senate bill includes $200,000,000 for the emergency fuel assistance program. This item was reported in disagreement and will have to be resolved by the entire House and Senate.

I will now summarize the agreements reached by the conferees on the Labor-HEW items.

The Senate added language to the bill earmarking funds specifically for 82 new positions for the Department of Labor. Although the House conferees had no objection to the additional jobs, we felt it was unnecessary to include bill language to accomplish this. We agreed to include language in the joint explanatory statement for this purpose.

Another Senate amendment involved a technical matter affecting loan and loan guarantee funds for hospital construction. The Senate added language which extends the availability of funds appropriated in earlier years so that approved construction projects can be completed. These projects are already under way. No new funds are involved. The House conferees agreed to this extended availability.

With respect to construction of "model intercultural" facilities at Georgetown University in Washington, D.C., and Tufts University in Boston, the House provided $9.1 million for construction grants, $7.2 million in construction loans, and $2.9 million from unobligated balances in prior year appropriations for academic graduate facilities. The Senate had deleted these funds. The conferees agreed to only reduce the grant amount from $9.1 million to $5 million and to accept the House position on the balance of funding. The House conferees were convinced that this would provide sufficient funds to complete both of these centers which may then serve as models for similar programs across the country.

The conferees agreed with the Senate on funding for assistance to Indochinese refugees. The House had not acted on this item because the authorizing legislation had not then been enacted. Since the extension of the program has now been signed by the President, the House conferees agreed with the Senate on the amount of $124,000,000. These funds will continue both the reimbursement to States for welfare costs for refugees and $10,000,000 for special educational projects. Fiscal year 1978 is the first year of a 4-year phaseout provided for under the new legislation for this program.

The conferees also agreed to $1,719,000 included by the Senate for the settlement of legal claims arising between HEW and the State of Washington because of the transfer of the Tacoma Indian Hospital. This is a unique case and we believe this appropriation will produce a fair settlement of a claim which could have resulted in protracted legal costs to the Government.

Finally as mentioned earlier, there is one item which the conferees could not resolve and which is reported in disagreement. This is amendment No. 29—the emergency fuel assistance program. The House had not included funds for it. Most of the House conferees objected to this program. I want to make it clear that I do not agree with the majority of the House conferees on this item. I intend to support the Senate position when the motion is offered on amendment 29 after the adoption of the conference report.

Mr. MAHON. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Iowa (Mr. SMITH).

Mr. SMITH of Iowa. Mr. Speaker, Senate Report 95–564, which related to this supplemental appropriations bill, states that Congress intended that the retroactive reduction in interest rates on disaster loans which resulted from Public Law 95–89 being effective retroactive July 1, 1976, was to result in a reduction in individual payments for the full-term of the loan. The report also states that Congress intended that persons receiving loans at least have the option to decide for themselves whether they will repay the loan over a shorter period of time or pay at a rescheduled and lower monthly rate.

As chairman of the House conferees at the conference on H.R. 692, I can state that Senate Report 95–564 does not express the intent underlying H.R. 692. No lowering of the amount of each payment was contemplated. The conferees on H.R. 692 stated:

> The SBA will be required to make adjustments in loans made prior to the date of enactment; however, the Conferees intend that any excess interest which has already been paid on such loans be applied as a credit against future payments; it does not need to be refunded.

Retroactively reducing interest rates on disaster loans was intended simply to save the borrower money and to give equal treatment to borrowers without regard to the time when they applied for the loan. SBA bases its loan amortization on the applicant's "ability to repay." This ability to repay was determined at the time the loan was approved and the maturity, or term of the loan, set. Reducing the amount to apply to interest automatically increases the ability to increase principal payments by the same amount. It should not be necessary to recomputate each of those loans and set up a new schedule and would be contrary to the requirement that each payment be based on the ability to repay.

Mr. MAHON. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Illinois (Mr. YATES).

Mr. YATES. Mr. Speaker, chapter III of the conference agreement on the supplemental includes $746,813,000, which is $280,450,000 above the House bill, $10,436,000 below the Senate bill, and $556,979,000 below the budget request. The most significant change from the House bill is an increase of $273,194,000 for energy programs in the Federal Energy Administration. The amount of $293,611,000 was stricken from the House bill on a point of order. The conference amount is $20,917,000 under that amount. The conference agreement provides $253,110,000 for energy programs not yet authorized, but on which tentative agreement has been reached in the ongoing energy conference, including $200 million for conservation grants for schools and health care facilities; $25 million for conservation grants for local government buildings; $6,630,000 for assistance to local regulatory commissions; $20 million for solar heating and cooling installations in Federal buildings; and $1,480,000 for administration of these programs. The conference report also includes $20,084,000 for programs having existing authorization, and reflects added emphasis in energy information and analysis, regulatory programs, appliance standards, Federal energy management, solar energy commercialization, and coal utilization, as well as a new initiative in the beginning of a loan guarantee program for opening and expanding small underground coal mines.

The conferees also recommend an increase of $6,800,000 over the House bill for the Office of Surface Mining Reclamation and Enforcement. Of the in-

crease, $1,100,000 is for added reimbursement to States for enforcement costs necessitated by the Surface Mining Control and Reclamation Act of 1977, and $5,700,000 to initiate State mineral institutes as authorized by the law. This will provide grants of $110,000 each for 20 institutes, $3,200,000 for research grants and fellowships and $300,000 for program administration.

An increase of $1 million over the House bill is included in the Energy Research and Development Administration account for the magnetohydrodynamics (MHD) program.

The last energy related item is a reduction of $3 million in the Geological Survey because contract money for seismic data gathering in the Beaufort Sea is not needed in the urgent time frame originally expected.

The conference bill is $320,000 over the House bill for operation of Indian programs reflecting an increase of $520,000 to develop a technical assistance program for development of energy minerals resources, and a decrease of $200,000 for trust activities. In the Bureau of Indian Affairs construction account, increased construction costs of $300,000 for the Tamgass Fish Hatchery are included.

The final difference from the House bill is a $1,836,000 increase for the Forest Service for forest land management for timber sale preparation. The funds in part restore funds appropriated in fiscal year 1977 that lapsed due to the inability of the Forest Service to obligate the funds as a result of employment ceilings. The continued inability of the Forest Service to obligate all available funds in a timely manner as a result of employment ceilings shall result in prompt submission of rescission or deferral proposals. This will provide the Congress with adequate opportunity to take appropriate action.

Mr. MAHON. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Connecticut (Mr. GIAIMO).

Mr. GIAIMO. Mr. Speaker, the conference report on H.R. 9375 is consistent with the allocation made to the Appropriations Committee under the Budget Act. Allocations to the committee were: Budget authority of $327,950 million and outlays of $300,640 million. Bills enacted to date and mandatory spending items covered under the continuing resolution that count against this allocation total $313,553 million in budget authority and $295,405 million in outlays.

The balances available within the allocations are budget authority of $14,397 million and outlays of $5,236 million. This is adequate to cover the amounts in this supplemental conference report: Budget authority of $6,190 million and outlays of $550 million. This will leave budget authority of $8,207 million and outlays of $4,686 million within the Appropriations Committee allocation.

There are a number of major items that remain to be considered within the balance of funds available to the Appropriations Committee under its Budget Act allocation:

The energy program, perhaps amounting to $2.8 billion;

Funding for the public service jobs program amounting to $3.8 billion;

Other youth employment and social services initiatives, $1.4 billion. With a balance of $8.2 billion of budget authority and $4.7 billion in outlays, it is obvious that restraint will be necessary.

For the congressional budget as a whole, the status report filed on Tuesday shows that the amounts remaining under the aggregate ceilings or above the revenue floor of the second budget resolution are as follows:

[In billions]

Revenues	$1.1
Budget authority	15.0
Outlays	3.5

Against these amounts—in addition to those already mentioned in connection with the Appropriations Committee—we must provide for the effects of pending changes in social security legislation, a tax bill, possible increases in uncontrollable farm subsidies, health care programs, income-security programs, interest, and a host of other contingencies. Some of these additions were assumed in our second budget resolution. Some were not. The President will send up a complete reestimate of the 1978 budget when he sends us his 1979 budget in January. The severity of this winter's weather and the Government's response are always unknown: There may be demands for more funds for disaster relief; international developments may require more funds; economic conditions may change rapidly and drastically.

Mr. Speaker, the congressional budget process sets aggregates, overall ceilings on budget authority and outlays, and a floor under revenues. Within these aggregate amounts, the system is flexible enough to permit using money originally destined for one purpose for another. But the ceilings remain. Unforeseen items—such as the SBA disaster loan appropriations—necessarily limit the amount of flexibility remaining for the balance of this fiscal year. It is a simple fact that not all the items assumed under the second budget resolution totals can be funded when Congress makes appropriations to handle unforeseen contingencies.

The Budget Committee will monitor the situation carefully, and I will report to the House soon after the President's budget is submitted next session on the prospects for adjustments in the fiscal year 1978 congressional budget total.

Mr. MAHON. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Tennessee (Mr. GORE).

Mr. GORE. Mr. Speaker, I thank the distinguished gentleman from Texas (Mr. MAHON) for yielding me this time.

Mr. Speaker, as a representative of a region immediately threatened by the loss of all railway passenger service, I take strong exception to the language of this conference report. I support a higher level of funding than the $8 million proposed by the conferees. Further, I will support the motion to recommit. I will also ask for a no vote on the previous question when it is requested on the motion to recommit. And I intend to offer an amendment at that time, if I am allowed to do so, to raise the figure in the motion to recommit from $11,500,000 to $18 million.

Mr. Speaker, Amtrak is certainly beseiged by numerous budgetary and management problems. However, the instructions of this conference report would magnify those problems and, indeed, create even further confusion in an area of public service which can only be described as chaotic.

I applaud the mandate of the conferees to the Department of Transportation to undertake a zero-based route study. The results of that study, which are due in late March, should provide this Congress with the first truly objective and manageable tool to determine the future of railway passenger services in this country.

To require Amtrak to eliminate as many as six major long haul routes would effectively dismantle our national network before the Department of Transportation findings are available. In my judgment, this premature action would be a serious mistake which would hamper the deliberations of the Congress on the implementation of the Department's recommendations. The purpose of my amendment, which I hope to offer shortly, is to prevent the cancellation of any basic routes now being operated.

This critical moment in the development and preservation of a workable national railway passenger system requires careful consideration of many factors.

I believe that we should await the results of the DOT study and provide Amtrak with the required funding to forestall any route elimination until those results are submitted to and acted upon by the Congress.

The implications of the conference action are not merely regional or limited to the narrow corridors of trains about to be eliminated.

The energy crisis mandates more efficient forms of transportation.

We need a national rail service for passengers. We can have one if we go about it in an intelligent manner.

Changes are about to be made in the Floridian route, for example, but cannot be made without a higher level of funding to continue the service. My amendment is designed to allow Amtrak to reroute the Floridian through Atlanta and continue service between Chicago and Florida.

I urge a "no" vote on the previous question when the motion to recommit is made so that this level can be increased, and I urge a "yes" vote on the motion to recommit, as amended.

Mr. GEPHARDT. Mr. Speaker, will the gentleman yield?

Mr. GORE. I yield to my friend, the gentleman from Missouri.

Mr. GEPHARDT. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I want to associate myself with the remarks of the gentleman from Tennessee. In my view, it would be precipitous and premature to direct Amtrak to cut any existing routes before the Congress has seen the results of the Department of Transportation zero-base study of the corporation's budget and has received DOT's recommendations for revising the rail passenger network.

The present financial situation of the National Railroad Passenger Corporation presents the Congress with the basic question of whether rail passenger service should be continued in this country. A good system can offer economical and energy-efficient transportation to the American traveling public, but it is important to find out how much it would cost to develop and maintain a system that provides convenient, comfortable, and reliable service. These fundamental questions deserve comprehensive evaluation before any changes are made in existing routes.

Amtrak is presently reevaluating a number of routes which have great potential for attracting enough riders to become profitable. Of particular interest to me are two trains serving St. Louis: The National Limited, which runs from Kansas City to St. Louis, and on to New York and Washington; and the Inter-American, which runs from St. Louis to Laredo, Tex., connecting with trains to Mexico City. In the past, these routes have been popular among St. Louisans, but ridership has declined in recent years as the quality of service has deteriorated. It would be unwise to discontinue these trains before fully examining the feasibility of realizing their potential.

The motion before us would prevent irreversible action on these and other routes while the future of rail passenger service in this country is determined. I urge my colleagues to join with me in voting to send the supplemental appropriations bill back to conference to correct the language in the committee's report which would result in the premature cancellation of Amtrak trains.

Mr. BINGHAM. Mr. Speaker, will the gentleman yield?

Mr. MAHON. Mr. Speaker, I yield to the gentleman from New York.

Mr. BINGHAM. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, as I am sure my colleagues are aware, I have long been an opponent of the Clinch River Breeder Reactor Project (CRBRP).

I am convinced that this is an unsafe and unnecessary project which would waste billions of taxpayers' dollars should it move forward.

I commend the President for his firm opposition to this project and congratulate him on his veto of the ERDA authorization bill.

Absent any specific authorizing language it is somewhat difficult to ascertain exactly what legal requirements are being attached to the expenditure of the $80 million "for the Clinch River Breeder Reactor Project" which we are considering today. On the legislative record we have the eloquent protestations of the chairman of the authorizing subcommittee (Mr. FLOWERS) who vigorously argued on June 9 against appropriation of any fund for the CRBRP without any authorizing language. We also have the assurances of the chairman of the appropriating subcommittee (Mr. BEVILL) that "no site preparation or construction will be started in the current fiscal year" (RECORD of October 19, at p. 34252). There is stipulation that the $80 million be spent in any particular fashion, only that it be used "for the Clinch River Breeder Reactor Project."

Since there is no authorizing language for the CRBRP this year, we may well have to turn to the administration message to the Congress of May 19, 1977, to define program objectives. The original authorizing statute for the CRBRP, Public Law 91–273, stipulated that any proposed revisions in the Liquid Metal Fast Breeder Reactor program, of which the CRBR is but one component, could be made by the administration through program justification amendments. Section 106(B) of Public Law 91–273 provided that the executive branch could proceed to implement such revised objectives after a 45-day congressional layover period.

Since there was no effective congressional action taken in response to these proposed program revisions, it would seem that the administration may well be entitled to proceed to spend appropriated funds to further these revised program objectives, as stated in the communication of May 19, 1977:

II. CHANGES IN CRBRP DEMONSTRATION PROGRAM

Following Congressional consideration of the proposed amendments to the basis of arrangement for the CRBRP Project, the construction contract will be terminated. All contracts for equipment will be terminated or completed if that is in the best interest of the government, e.g., lower cost, except for development items selected for completion and testing as part of the base R&D program. The developmental components to be selected for transfer to the base program will be limited by the availability of funds. Licensing efforts will be discontinued. Engineering and design efforts will be significantly reduced. Financial, legal and managerial activities will be conducted as required to settle claims, to negotiate open change orders, to inventory materials, work-in-process, and complete equipment and to complete other actions required as a result of the termination activities. Personnel not essential to conducting these termination activities or the systems design activities described below will no longer be supported by the Project. Personnel termination and relocation costs will be paid in accordance with contractual provisions.

Under the proposed plan, systems design will continue at a reduced pace. The effort will include 1) a review of the design of the major systems to determine what simplifications would be feasible and useful to future plant design activities; 2) identification and resolution of outstanding design issues on selected major systems; and 3) evaluation of existing designs and the development of required changes to accommodate the most propitious alternate fuel systems.

I would urge the President to exercise all legal avenues open to terminate this unsafe and unnecessary project, in order that we might proceed in an orderly fashion with the rest of our breeder R. & D. program.

The SPEAKER pro tempore. Does the gentleman from Michigan (Mr. CEDERBERG) have any requests for time?

PARLIAMENTARY INQUIRY

Mr. CEDERBERG. Mr. Speaker, I have no further requests for time.

I do want at the proper time to make a further parliamentary inquiry. Is this the proper time?

The SPEAKER pro tempore. The gentleman may state his parliamentary inquiry.

Mr. CEDERBERG. Mr. Speaker, I would like to make a parliamentary inquiry of the Chair. There will be this matter of the motion to recommit. If the motion to recommit carries, does that mean that the conference report automatically goes back and is recommitted to conference and that we will not at this time take up the amendments that are in disagreement?

The SPEAKER pro tempore. The gentleman is correct.

Mr. BENNETT. Mr. Speaker, I rise in support of the motion that will be offered by the gentleman from Tennessee (Mr. GORE) to recommit the conference report on supplemental appropriations for fiscal year 1978 to include certain Amtrak funds.

The motion to recommit instructs the conferees to insist on language prohibiting Amtrak from suspending any routes until Amtrak completes an overall system study next spring. The motion also instructs the conferees to insist on including $18 million in additional support for Amtrak instead of the $8 million figure in the conference report now.

Earlier this month, Amtrak ordered suspension of the "Floridian" route between Chicago and Florida effective January 19, 1978. This suspension will have a very adverse impact not only on long-distance travelers, but also on intrastate travelers who use the Floridian to travel from one point to another in the same State.

I joined with the other members of the Florida delegation in strongly opposing the suspension of the Floridian, and I think it is especially irresponsible to suspend this route before the completion of Amtrak's system study next spring.

The $8 million supplemental appropriation for Amtrak in the conference report is not enough to allow Amtrak to continue service on the Floridian and other routes until next spring. However, the $18 million figure contained in the motion to recommit would permit the continuation of such routes until completion of the system study, and I urge my colleagues to support the motion.

Mr. BALDUS. Mr. Speaker, I rise in support of the motion that will be offered to recommit to conference with instruction to increase Amtrak's funding and to prohibit line discontinuation until after the Department of Transportation study is completed. If it makes sense to hold off on frequency reductions until the DOT study is done, then it certainly makes sense to also hold off on line dis-

continuations until the study is completed. This route structure analysis should allow DOT to carefully review the existing lines and recommend route structures that will enable us to provide a railroad passenger service that reaches the maximum number of people.

As a representative from a rural midwestern congressional district, I have frequently been called upon to support legislation providing funds for rail service in the urbanized Northeast corridor and I have done so because I recognized the long-term rail interests of the Nation in preserving these lines. Now we find ourselves in a situation where the passage of this conference report could result in the discontinuation of service in rural sectors of the country, such as my own. I urge that we provide the funding and ban such discontinuations until the DOT study is completed.

Rural people do not have the transportation advantages that urban people do. Even Amtrak's skeletal passenger service presents a significant reduction of transportation alternatives in rural areas. We must not allow this to be reduced any further until we have the DOT recommendation on an optimal national railroad passenger system.

COMMENT ON CLINCH RIVER FUNDS IN THE SUPPLEMENTAL APPROPRIATION BILL

Mr. BROWN of California. Mr. Speaker, as we consider the conference report on H.R. 9375, it is important to clarify the origins of one of the provisions of this bill. I refer to the inclusion of $80 million for the Clinch River breeder reactor project. The House and Senate Appropriations Committees included this money for the simple reason that they assumed the authorization for the Clinch River breeder reactor project would be enacted into law. The previous appropriation bill stated this intent quite clearly in its conference report on H.R. 7553, the Public Works appropriations bill, which said:

> Funding will be forthcoming by way of a supplemental immediately following the enactment of appropriate authorizing legislation.

The supplemental appropriations bill included $80 million for the CRBRP because, in the words of the House Appropriations Committee Report No. 95-644—

> Although the authorizing legislation has not been enacted, it has passed both Houses of Congress and action will surely be completed prior to the enactment of this supplemental appropriation bill. Further, this is expected to be the last supplemental appropriation bill relating to energy programs during this session of Congress.

The Senate Appropriations Committee adopted a similar rationale for including the Clinch River breeder reactor project funds in its Report No. 95-564, which stated:

> The Conference Report on the authorizing legislation passed the House and the Senate on October 20, 1977, and the bill has been presented to the President. Accordingly, the Committee by a roll call vote of 16 yeas to 5 nays recommends that the Senate concur in the House allowance.

From this legislative history it is abundantly clear that the $80 million appropriation in H.R. 9375 for the Clinch River breeder reactor project were included on the assumption, and contingent on the basis of the ERDA authorization bill being enacted into law. Since the President vetoed the authorization bill, which included the authorization for the Clinch River breeder reactor project, and was in fact, the reason for the veto, it is obvious that the assumption on which this appropriation was based was wrong. Thus, the legislative intent is clear that the appropriations for the Clinch River project are dependent upon an authorization for the Clinch River project, which does not exist. Without such authorization legislation, the authority to spend this appropriation is quite dubious. In fact, the bill before us would not have even included funds for the Clinch River project except for the assumption that the authorization legislation would become law.

My own feelings about the legislation before us are mixed. I believe that the House and Senate would both reconsider their approval of appropriations for the Clinch River breeder reactor project, in view of the veto of the authorizing legislation for the Clinch River project. I have contemplated parliamentary moves which would recommit this issue to conference, and allow both bodies to reverse themselves on including unauthorized appropriations. I have also joined with many other Members of the Congress in urging the President to veto this appropriations bill, in order to give us an opportunity to repass the supplemental appropriations without the Clinch River funds. And, I have noted before and here today that the CRBRP appropriations in this legislation are unauthorized, and the President is probably not obligated to spend them for that reason alone.

It seems clear that the Congress cannot force the construction of the Clinch River breeder reactor, unless it overrides the veto, but it is not as clear what the President can do with the funds already appropriated for the Clinch River breeder reactor. As one who prefers to avoid ambiguities, I would recommend that the Congress deauthorize this project and rescind its appropriations for the Clinch River breeder reactor project. Unless the House takes steps to do this today, I believe a veto of H.R. 9375 is necessary to accomplish this goal.

Mr. MAHON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

MOTION TO RECOMMIT OFFERED BY MR. CONTE

Mr. CONTE. Mr. Speaker, I offer a motion to recommit.

The SPEAKER por tempore. The clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. CONTE moves to recommit the conference report on H.R. 9375 to the committee of conference, with instructions to the managers on the part of the House to move that the House recede from its disagreement to the amendment of the Senate numbered 46, and concur therein with an amendment as follows: In lieu of the sum provided in said amendment, insert: "$11,500,000".

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

Mr. GORE. Mr. Speaker, I object.

The SPEAKER pro tempore. The gentleman from Tennessee (Mr. GORE) objects to ordering the previous question on the motion to recommit.

The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore being in doubt, the House divided, and there were—yeas 41, nays 11.

Mr. GORE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 125, nays 270, not voting 39, as follows:

[Roll No. 753]

YEAS—125

Ambro	Flynt	Neal
Ammerman	Forsythe	Nichols
Anderson, Ill.	Fountain	Obey
Andrews, N.C.	Frenzel	Patten
Archer	Gibbons	Patterson
Ashley	Goldwater	Pattison
Badham	Gradison	Pepper
Bevill	Grassley	Poage
Bowen	Hagedorn	Preyer
Breaux	Hall	Quayle
Brown, Calif.	Hansen	Reuss
Brown, Mich.	Hefner	Rhodes
Broyhill	Hillis	Risenhoover
Burleson, Tex.	Holland	Robinson
Burlison, Mo.	Huckaby	Rooney
Butler	Johnson, Calif.	Rousselot
Carter	Johnson, Colo.	Roybal
Cederberg	Jones, N.C.	Rudd
Clawson, Del	Jones, Okla.	Satterfield
Cochran	Kemp	Sawyer
Collins, Tex.	Ketchum	Sebelius
Conable	LaFalce	Slack
Conte	Latta	Smith, Iowa
Corman	Lent	Stanton
Cornell	Livingston	Steed
Crane	Lott	Stockman
Daniel, Dan	Luken	Stump
Daniel, R. W.	McFall	Symms
Danielson	McHugh	Taylor
Devine	Madigan	Teague
Dickinson	Mahon	Thompson
Dornan	Mann	Treen
Duncan, Tenn.	Martin	Vander Jagt
Edwards, Ala.	Meeds	Waggonner
English	Milford	Wampler
Erlenborn	Miller, Ohio	Watkins
Evans, Colo.	Mollohan	Whitehurst
Fenwick	Montgomery	Whitten
Findley	Moore	Wiggins
Fisher	Moorhead, Calif.	Wydler
Florio	Motti	Yates
Flowers		Young, Alaska

NAYS—270

Addabbo	Beard, Tenn.	Buchanan
Akaka	Bedell	Burgener
Allen	Beilenson	Burke, Calif.
Anderson, Calif.	Benjamin	Burke, Fla.
	Bennett	Burke, Mass.
Andrews, N. Dak.	Biaggi	Burton, John
	Bingham	Burton, Phillip
Annunzio	Blanchard	Byron
Applegate	Blouin	Caputo
Ashbrook	Boggs	Carney
Aspin	Boland	Carr
AuCoin	Bonior	Cavanaugh
Badillo	Bonker	Chappell
Bafalis	Brademas	Clausen, Don H.
Baldus	Breckinridge	
Barnard	Brinkley	Clay
Baucus	Brodhead	Cleveland
Bauman	Brooks	Cohen
Beard, R.I.	Brown, Ohio	Coleman

Collins, Ill.	Jenkins	Pursell
Corcoran	Jenrette	Quie
Cornwell	Jordan	Quillen
Cotter	Kastenmeier	Rahall
Coughlin	Kazen	Railsback
D'Amours	Keys	Rangel
Davis	Kildee	Regula
de la Garza	Kindness	Richmond
Delaney	Koch	Rinaldo
Derrick	Kostmayer	Roberts
Derwinski	Krebs	Rodino
Dicks	Lagomarsino	Roe
Dingell	Le Fante	Rogers
Dodd	Leach	Roncalio
Downey	Lederer	Rose
Drinan	Leggett	Rosenthal
Early	Lehman	Rostenkowski
Edgar	Levitas	Runnels
Edwards, Calif.	Lloyd, Calif.	Russo
Edwards, Okla.	Lloyd, Tenn.	Ryan
Eilberg	Long, La.	Santini
Emery	Lujan	Scheuer
Ertel	McClory	Schroeder
Evans, Del.	McCloskey	Schulze
Evans, Ga.	McCormack	Seiberling
Evans, Ind.	McDade	Sharp
Fary	McEwen	Shipley
Fascell	McKay	Shuster
Fish	McKinney	Sikes
Flippo	Maguire	Simon
Flood	Markey	Sisk
Foley	Marks	Skelton
Ford, Mich.	Marlenee	Skubitz
Ford, Tenn.	Marriott	Snyder
Fowler	Mathis	Solarz
Fraser	Mattox	Spellman
Fuqua	Mazzoli	Spence
Gammage	Metcalfe	St Germain
Gaydos	Meyner	Staggers
Gephardt	Michel	Stangeland
Giaimo	Mikulski	Stark
Gilman	Mikva	Steers
Ginn	Miller, Calif.	Steiger
Glickman	Mineta	Stokes
Gonzalez	Minish	Stratton
Goodling	Mitchell, Md.	Studds
Gore	Mitchell, N.Y.	Traxler
Gudger	Moakley	Trible
Guyer	Moffett	Tsongas
Hamilton	Moorhead, Pa.	Ullman
Hanley	Murphy, Ill.	Vanik
Hannaford	Murphy, Pa.	Vento
Harkin	Murtha	Volkmer
Harrington	Myers, Gary	Walgren
Harris	Myers, Michael	Walker
Harsha	Natcher	Walsh
Hawkins	Nedzi	Weaver
Heckler	Nix	Weiss
Heftel	Nolan	Whitley
Hightower	Nowak	Wilson, Bob
Hollenbeck	O'Brien	Wilson, C. H.
Holt	Oakar	Winn
Holtzman	Oberstar	Wirth
Horton	Ottinger	Wolff
Howard	Panetta	Wright
Hubbard	Pease	Wylie
Hughes	Perkins	Yatron
Hyde	Pettis	Young, Fla.
Ichord	Pickle	Young, Mo.
Ireland	Pressler	Young, Tex.
Jacobs	Price	Zablocki
Jeffords	Pritchard	Zeferetti

NOT VOTING—39

Abdnor	Frey	Ruppe
Alexander	Hammer-	Sarasin
Armstrong	schmidt	Smith, Nebr.
Bolling	Jones, Tenn.	Thone
Broomfield	Kasten	Thornton
Chisholm	Kelly	Tucker
Conyers	Krueger	Udall
Cunningham	Long, Md.	Van Deerlin
Dellums	Lundine	Waxman
Dent	McDonald	Whalen
Diggs	Moss	White
Duncan, Oreg.	Murphy, N.Y.	Wilson, Tex.
Eckhardt	Myers, John	
Fithian	Pike	

The Clerk announced the following pairs:

Mr. Dellums with Mr. Pike.
Mr. McDonald with Mr. Udall.
Mr. Waxman with Mr. Abdnor.
Mr. White with Mr. John T. Myers.
Mr. Jones of Tennessee with Mr. Long of Maryland.
Mr. Fithian with Mr. Krueger.
Mr. Alexander with Mr. Broomfield.
Ms. Chisholm with Mr. Armstrong.
Mr. Dent with Mr. Cunningham.
Mr. Duncan of Oregon with Mr. Frey.
Mr. Moss with Mr. Whalen.
Mr. Murphy of New York with Mr. Kelly.
Mr. Tucker with Mr. Thornton.
Mr. Van Deerlin with Mrs. Smith of Nebraska.
Mr. Lundine with Mr. Sarasin.
Mr. Conyers with Mr. Thone.
Mr. Diggs with Mr. Ruppe.
Mr. Eckhardt with Mr. Hammerschmidt.
Mr. Charles Wilson of Texas with Mr. Kasten.

Messrs. ROSTENKOWSKI, FARY, PRESSLER, MINISH, BOLAND, and RODINO, Mrs. HOLT, Messrs. PICKLE, JEFFORDS, GILMAN, McCORMACK, and DICKS, and Mrs. SPELLMAN changed their vote from "yea" to "nay."

Messrs. FINDLEY, LaFALCE, DAN DANIEL, and RISENHOOVER changed their vote from "nay" to "yea."

So the previous question was not ordered.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. GORE TO THE MOTION TO RECOMMIT OFFERED BY MR. CONTE

Mr. GORE. Mr. Speaker, I offer an amendment to the motion to recommit.

The SPEAKER pro tempore. The Clerk will report the amendment offered by the gentleman from Tennessee (Mr. GORE) to the motion to recommit offered by the gentleman from Massachusetts (Mr. CONTE).

The Clerk read as follows:

Amendment offered by Mr. GORE to the motion to recommit offered by Mr. CONTE: In the amendment proposed in the motion to recommit, strike "$11,500,000" and insert in lieu thereof "$18,000,000".

Mr. GORE (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

Mr. CONTE. Reserving the right to object, Mr. Speaker, as I understand, the amendment is not debatable.

Therefore, I would like to take this opportunity to ask the gentleman from Tennessee (Mr. GORE) about his amendment. Just what are we intending to do here?

I certainly concur and will not object once the gentleman responds.

Mr. GORE. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Tennessee.

Mr. GORE. Mr. Speaker, the purpose of the amendment is to restore the $18 million needed by Amtrak to keep the current routes in operation until the zero-base study is returned to the Congress on March 1.

If we go with the conference report as it presently stands, a great deal of money will be wasted by canceling several lines if they are then reopened later, if we decide to reopen them later it will cost a great deal of money. The intent and purpose of this amendment is to prevent the termination of any of Amtrak's basic routes now in operation.

Mr. CONTE. I want to thank the gentleman from Tennessee (Mr. GORE). As the gentleman knows, I have worked with him on this amendment and I strongly support it. I made it clear to the minority side on the amendment as to how I felt, as I said on the floor of the House during the debate I strongly support the $18 million, and I strongly supported it in conference, and I strongly support it here.

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Texas (Mr. MAHON).

Mr. MAHON. Mr. Speaker, I think the Members should understand what the adoption of this amendment would mean. It would mean that it would take the bill off the floor and there would be no chance to have votes on those matters that have been scheduled for today. The bill would have to be sent back to conference between the House and the Senate. A new conference agreement would have to be achieved. A new conference report would have to be made, written, and filed. And, according to the rules, there would have to be a 3-day lapse before the matter could be reconsidered, unless other actions are taken. Is that correct?

Mr. CONTE. The chairman of the full committee is absolutely right. However, as I understand, this has been done before. This is a rather perfunctory thing. They can go to the Committee on Rules and obtain a rule and return later in the day and bring that bill up in the House.

Mr. CEDERBERG. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Michigan.

Mr. CEDERBERG. Mr. Speaker, I think, just so the Members understand what is happening here, that I should state that when this bill was being considered by the House previously there was zero money provided for Amtrak. Eighteen million dollars was put in in the Senate. As we always do in a House and Senate conference, we agreed on $8 million. That was the compromise.

Then the original motion to recommit increased that to $11,500,000.

Now what this amendment does is to completely cave in to the Senate for the full $18 million.

If that is what the House wants to do, fine.

Let me further add that the Committee on Appropriations has held all of their hearings. The gentleman from California (Mr. MCFALL), the chairman of the subcommittee that handles all of the money here, understands the money problem very well. Here we go from the zero amount in the House bill to the total of $18 million in the Senate bill, instead of the compromise of $8 million, and then the proposal later would have been more than half, or $11,500,000.

Mr. MAHON. Mr. Speaker, if the gentleman will yield further, the adoption of this amendment would mean that the funds in the bill, the $1.4 billion, for instance, for disaster loans to farmers, which it is claimed are needed immediately, would be delayed, is that correct?

Mr. CONTE. Mr. Speaker, as I said to the gentleman earlier, and as I understand after some 20 years on the committee, although not as long as those of the chairman of the full committee,

the gentleman from Texas (Mr. MAHON), I believe he has been there over 40 years, that this is a perfunctory action in that if this is adopted then we will come back and ask for a rule and probably a rule can be granted today, so that before the day is over we can dispose of the conference report, if that is the wish of the chairman.

Mr. McFALL. Mr. Speaker, will the gentleman yield?

Mr. CONTE. Mr. Speaker, I yield to the gentleman from California (Mr. McFALL).

Mr. McFALL. Mr. Speaker, the House in the last vote seems to have indicated that they want to add more money for Amtrak, however I wish to express my opposition to the House of adding more than the $8 million that we have provided for Amtrak.

As the gentleman from Michigan (Mr. CEDERBERG) stated, it would have been $11,500,000 under the motion to recommit of the gentleman from Massachusetts (Mr. CONTE), but it is now $18 million under the proposal which the gentleman from Tennessee (Mr. GORE) offers.

Now this extra $10 million is not really going to provide the opportunity to restore this service that everyone believes will be provided. But what we want to do is to get them to make this route and service study. That is the important thing. Whether it be $3 million or $8 million or $10 million, the important thing is to get this railroad under control, and I believe the gentleman from Massachusetts would agree with me on that.

Mr. MAZZOLI. Mr. Speaker, I rise in support of the motion.

I do not lightly suggest to my colleagues that they recommit this very important piece of legislation, but I believe that not to do so would be to do an injustice to many people who depend upon rail service as their primary means of transportation. These people deserve reasonable and efficient rail service.

The conferees have wisely ordered DOT and Amtrak to provide the Congress with detailed recommendations on a complete nationwide rail passenger system, a system that would provide reasonable and efficient service to the country. This study will be available by the time that the Congress considers next year's appropriations, but it is not available to us now.

All that is now available to the Congress are Amtrak's piecemeal decisions to cut service on various routes and to eliminate others entirely. These decisions are being made in advance of the comprehensive study and may run counter to the findings of that study.

To stop some service now, and then, just a few months later, to restart service would not well serve either the riders of passenger trains or the demands of the budget process. Trains would be mothballed, crews laid off, tracks laid idle. Then, Amtrak management would have to recommission the trains, rehire the crews, and repair the track.

With respect to my own District, the Amtrak board has voted to discontinue the only north-south train serving Louisville, Ky., The Floridian. At the same time the board indicated that while this train will stop running on January 19, 1978, the board believes that a slightly modified version of the train will run sometime in the future.

How far in the future depends upon when the Congress gives Amtrak the money to pay for the running of the line. Seven other lines are scheduled for similar disruption.

Surely, the human and financial costs embodied in this stop-start process justify the House acting to prevent this kind of disruption.

Rather than allow this to happen, this motion allows the House to pay Amtrak's bills until the study is completed. This would cost a mere $10 million while the study itself is budgeted at $25 million. Surely this is not too much to ask.

I urge that this motion be adopted.

The SPEAKER pro tempore. Is there objection to dispensing with further reading of the amendment?

Regular order has been demanded. Is there objection?

Mr. KAZEN. Mr. Speaker, reserving the right to object.

The SPEAKER pro tempore. Regular order has been demanded.

Mr. KAZEN. Mr. Speaker, reserving the right to object.

The SPEAKER pro tempore. Regular order has been demanded.

Mr. DINGELL. Mr. Speaker, I demand the regular order.

The SPEAKER pro tempore. Is there objection? That is the regular order. The Chair hears none, and reading of the amendment is dispensed with.

Without objection, the previous question is ordered on the amendment.

There was no objection.

The SPEAKER pro tempore. The question is on the amendment.

PARLIAMENTARY INQUIRY

Mr. KAZEN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. KAZEN. Mr. Speaker, the question before the House was dispensing with the reading of the amendment, not the previous question.

The SPEAKER pro tempore. The question before the House was the reservation as to whether or not there was going to be an objection to the reading of the amendment.

Mr. KAZEN. To the reading of the amendment.

The SPEAKER pro tempore. And there was no objection.

Mr. KAZEN. That is correct. But not to the previous question.

The SPEAKER pro tempore. The Chair will state to the gentleman that the amendment is not debatable.

Mr. KAZEN. That is correct.

The SPEAKER pro tempore. The question now is on the amendment.

PARLIAMENTARY INQUIRY

Mr. PICKLE. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. PICKLE. Mr. Speaker, would it be in order for a substitute to be offered for the amendment which has been offered by the gentleman from Tennessee?

The SPEAKER pro tempore. Not unless the gentleman from Tennessee yields for that purpose.

Mr. PICKLE. Mr. Speaker, then I ask the gentleman from Tennessee, would he yield for a substitute amendment to be offered?

Mr. GORE. Mr. Speaker, believing as I do that the basic issue is whether we are to have a rail passenger system in this country, I would prefer to have the vote on whether we are going to continue the present lines or whether we are going to cancel the rail service all over the country.

The SPEAKER pro tempore. To avoid any misunderstanding, the Chair will again state that without objection, the previous question is ordered.

There was no objection.

The question is on the amendment offered by the gentleman from Tennessee (Mr. GORE) to the motion to recommit offered by the gentleman from Massachusetts (Mr. CONTE).

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. GORE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken by electronic device, and there were—yeas 256, nays 141, not voting 37, as follows:

[Roll No. 754]

YEAS—256

Addabbo	Cohen	Hamilton
Akaka	Coleman	Hanley
Allen	Collins, Ill.	Hannaford
Ammerman	Conte	Harkin
Anderson, Calif.	Corman	Harrington
Andrews, N. Dak.	Cornwell	Harsha
Annunzio	Cotter	Hawkins
Applegate	D'Amours	Heckler
Ashbrook	Danielson	Holland
Ashley	Davis	Hollenbeck
Aspin	de la Garza	Holt
AuCoin	Delaney	Holtzman
Badillo	Derwinski	Howard
Baldus	Dickinson	Hubbard
Barnard	Dicks	Ichord
Baucus	Dingell	Ireland
Bauman	Dodd	Jacobs
Beard, R.I.	Dornan	Jeffords
Beard, Tenn.	Downey	Jenrette
Bellenson	Drinan	Jordan
Benjamin	Early	Kastenmeier
Bennett	Eckhardt	Kazen
Biaggi	Edgar	Keys
Bingham	Edwards, Calif.	Kildee
Blanchard	Eilberg	Kindness
Blouin	Emery	Koch
Boland	Ertel	Kostmayer
Bonior	Evans, Del.	Krebs
Bonker	Evans, Ga.	Le Fante
Brademas	Evans, Ind.	Leach
Breckinridge	Fary	Lederer
Brinkley	Fascell	Leggett
Brodhead	Fenwick	Lehman
Brooks	Fish	Levitas
Brown, Ohio	Flood	Lloyd, Calif.
Buchanan	Foley	Lloyd, Tenn.
Burke, Calif.	Ford, Mich.	Lujan
Burke, Fla.	Ford, Tenn.	McClory
Burke, Mass.	Fowler	McCloskey
Burton, John	Fraser	McCormack
Burton, Phillip	Fuqua	McEwen
Byron	Gaydos	McKay
Caputo	Gephardt	McKinney
Carney	Giaimo	Maguire
Carr	Gilman	Markey
Cavanaugh	Ginn	Marks
Chappell	Glickman	Marlenee
Clay	Gonzalez	Marriott
Cleveland	Goodling	Mathis
	Gore	Mattox
	Guyer	Mazzoli

Meeds	Pickle	Skubitz
Metcalfe	Poage	Snyder
Meyner	Pressler	Solarz
Michel	Pursell	Spellman
Mikulski	Quie	St Germain
Mikva	Quillen	Staggers
Miller, Calif.	Rahall	Stanton
Miller, Ohio	Rangel	Stark
Mineta	Regula	Steers
Minish	Reuss	Steiger
Mitchell, Md.	Richmond	Stokes
Mitchell, N.Y.	Rinaldo	Stratton
Moakley	Rodino	Studds
Moffett	Roe	Teague
Mollohan	Rogers	Thompson
Moorhead, Pa.	Price	Traxler
Murphy, Ill.	Pritchard	Tsongas
Murphy, N.Y.	Roncalio	Udall
Murphy, Pa.	Rosenthal	Ullman
Murtha	Rostenkowski	Vanik
Myers, Gary	Roybal	Vento
Myers, Michael	Russo	Walgren
Natcher	Ryan	Walker
Nedzi	Santini	Walsh
Nix	Scheuer	Weaver
Nolan	Schroeder	Weiss
Nowak	Schulze	Wirth
Oakar	Seiberling	Wolff
Oberstar	Sharp	Wright
Ottinger	Shipley	Wylie
Patten	Shuster	Yatron
Patterson	Sikes	Young, Fla.
Pease	Simon	Young, Mo.
Pepper	Sisk	Zablocki
Perkins	Skelton	Zeferetti

NAYS—141

Ambro	Frenzel	Nichols
Anderson, Ill.	Gammage	O'Brien
Andrews, N.C.	Gibbons	Obey
Archer	Goldwater	Panetta
Badham	Gradison	Pattison
Bafalis	Grassley	Pettis
Bedell	Gudger	Preyer
Bevill	Hagedorn	Quayle
Boggs	Hall	Railsback
Bowen	Hansen	Rhodes
Breaux	Harris	Risenhoover
Brown, Calif.	Hefner	Roberts
Brown, Mich.	Heftel	Robinson
Broyhill	Hightower	Rooney
Burgener	Hillis	Rose
Burleson, Tex.	Huckaby	Rousselot
Burlison, Mo.	Hughes	Rudd
Butler	Hyde	Runnels
Carter	Jenkins	Satterfield
Cederberg	Johnson, Calif.	Sawyer
Clausen, Don H.	Johnson, Colo.	Sebelius
	Jones, N.C.	Slack
Clawson, Del	Jones, Okla.	Smith, Iowa
Cochran	Kemp	Spence
Collins, Tex.	Ketchum	Stangeland
Conable	LaFalce	Steed
Corcoran	Lagomarsino	Stockman
Cornell	Latta	Stump
Coughlin	Lent	Symms
Crane	Livingston	Taylor
Daniel, Dan	Long, La.	Treen
Daniel, R. W.	Long, Md.	Trible
Derrick	Lott	Vander Jagt
Devine	Luken	Volkmer
Duncan, Tenn.	McDade	Waggonner
Edwards, Ala.	McFall	Wampler
Edwards, Okla.	McHugh	Watkins
English	Madigan	Whitehurst
Erlenborn	Mahon	Whitley
Evans, Colo.	Mann	Whitten
Findley	Martin	Wiggins
Fisher	Milford	Wilson, Bob
Flippo	Montgomery	Winn
Florio	Moore	Wydler
Flowers	Moorhead, Calif.	Yates
Flynt		Young, Alaska
Forsythe	Mottl	Young, Tex.
Fountain	Neal	

NOT VOTING—37

Abdnor	Frey	Ruppe
Alexander	Hammer-schmidt	Sarasin
Armstrong		Smith, Nebr.
Bolling	Horton	Thone
Broomfield	Jones, Tenn.	Thornton
Chisholm	Kasten	Tucker
Conyers	Kelly	Van Deerlin
Cunningham	Krueger	Waxman
Dellums	Lundine	Whalen
Dent	McDonald	White
Diggs	Moss	Wilson, C. H.
Duncan, Oreg.	Myers, John	Wilson, Tex.
Fithian	Pike	

The Clerk announced the following pairs:

Mr. Jones of Tennessee with Mr. Abdnor.
Mrs. Chisholm with Mr. John T. Myers.
Mr. McDonald with Mr. Horton.
Mr. Waxman with Mr. Broomfield.
Mr. White with Mr. Armstrong.
Mr. Fithian with Mr. Cunningham.
Mr. Alexander with Mr. Frey.
Mr. Dent with Mr. Whalen.
Mr. Duncan of Oregon with Mr. Kelly.
Mr. Moss with Mrs. Smith of Nebraska.
Mr. Tucker with Mr. Sarasin.
Mr. Van Deerlin with Mr. Ruppe.
Mr. Conyers with Mr. Hammerschmidt.
Mr. Dellums with Mr. Kasten.
Mr. Krueger with Mr. Lundine.
Mr. Pike with Mr. Thone.
Mr. Diggs with Mr. Charles Wilson of Texas.
Mr. Thornton with Mr. Charles H. Wilson of California.

Mr. BARNARD and Mr. DICKS changed their vote from "nay" to "yea."

Mr. HUGHES and Mr. EDWARDS of Oklahoma changed their vote from "yea" to "nay."

So the amendment to the motion to recommit was agreed to.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. SISK). The question is on the motion to recommit, as amended.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. MAHON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

Mr. MAHON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. The Chair will count. One hundred and eighty-two Members are present, not a quorum.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device; and there were—yeas 258, nays 138, not voting 38, as follows:

[Roll No. 755]

YEAS—258

Addabbo	Brinkley	Derwinski
Akaka	Brodhead	Dickinson
Allen	Brooks	Diggs
Ammerman	Broomfield	Dingell
Anderson, Calif.	Brown, Ohio	Dodd
	Buchanan	Downey
Andrews, N. Dak.	Burke, Calif.	Drinan
	Burke, Fla.	Early
Annunzio	Burke, Mass.	Eckhardt
Applegate	Burton, John	Edgar
Ashbrook	Burton, Phillip	Edwards, Calif.
Ashley	Byron	Eilberg
Aspin	Caputo	Emery
AuCoin	Carney	Ertel
Badillo	Carr	Evans, Del.
Baldus	Carter	Evans, Ga.
Barnard	Cavanaugh	Evans, Ind.
Baucus	Chappell	Fary
Bauman	Clay	Fascell
Beard, R.I.	Cleveland	Fenwick
Beard, Tenn.	Cohen	Fish
Beilenson	Coleman	Flood
Benjamin	Collins, Ill.	Foley
Bennett	Conte	Ford, Mich.
Biaggi	Corman	Ford, Tenn.
Blanchard	Cornwell	Fowler
Blouin	Cotter	Fraser
Boland	D'Amours	Fuqua
Bonior	Danielson	Gaydos
Bonker	Davis	Gephardt
Brademas	de la Garza	Giaimo
Breckinridge	Delaney	Gilman
Ginn	Marlenee	Roncalio
Glickman	Marriott	Rosenthal
Gonzalez	Mathis	Rostenkowski
Goodling	Mattox	Roybal
Gore	Mazzoli	Russo
Guyer	Meeds	Ryan
Hamilton	Metcalfe	Santini
Hanley	Meyner	Scheuer
Hannaford	Michel	Schroeder
Harkin	Mikulski	Schulze
Harrington	Mikva	Seiberling
Harris	Miller, Calif.	Sharp
Harsha	Miller, Ohio	Shipley
Hawkins	Mineta	Shuster
Heckler	Minish	Sikes
Heftel	Mitchell, Md.	Simon
Hightower	Mitchell, N.Y.	Sisk
Holland	Moakley	Skelton
Holt	Moffett	Skubitz
Holtzman	Mollohan	Snyder
Horton	Moorhead, Pa.	Solarz
Howard	Murphy, Ill.	Spellman
Hubbard	Murphy, N.Y.	St Germain
Ichord	Murphy, Pa.	Staggers
Ireland	Murtha	Stanton
Jacobs	Myers, Gary	Stark
Jeffords	Myers, Michael	Steers
Jenrette	Natcher	Steiger
Jordan	Nedzi	Stokes
Kastenmeier	Nix	Stratton
Kazen	Nolan	Studds
Keys	Nowak	Thompson
Kildee	Oakar	Traxler
Kindness	Oberstar	Tsongas
Koch	Ottinger	Udall
Kostmayer	Patten	Ullman
Krebs	Pease	Vanik
Le Fante	Pepper	Vento
Leach	Perkins	Walgren
Lederer	Pickle	Walker
Leggett	Poage	Walsh
Lehman	Pressler	Weaver
Levitas	Price	Weiss
Lloyd, Calif.	Pritchard	Wilson, Tex.
Lloyd, Tenn.	Quie	Wirth
Lujan	Quillen	Wolff
McClory	Railsback	Wright
McCloskey	Rangel	Wylie
McCormack	Regula	Yatron
McEwen	Reuss	Young, Alaska
McKay	Richmond	Young, Fla.
McKinney	Rinaldo	Young, Mo.
Maguire	Rodino	Zablocki
Markey	Roe	Zeferetti
Marks	Rogers	

NAYS—138

Ambro	Florio	Montgomery
Anderson, Ill.	Flowers	Moore
Andrews, N.C.	Flynt	Moorhead, Calif.
Archer	Forsythe	
Badham	Fountain	Mottl
Bafalis	Frenzel	Neal
Bedell	Gammage	Nichols
Bevill	Gibbons	O'Brien
Boggs	Goldwater	Obey
Bowen	Gradison	Panetta
Breaux	Grassley	Patterson
Brown, Calif.	Gudger	Pattison
Brown, Mich.	Hagedorn	Pettis
Broyhill	Hall	Preyer
Burgener	Hansen	Quayle
Burleson, Tex.	Hefner	Rhodes
Burlison, Mo.	Hillis	Risenhoover
Butler	Huckaby	Roberts
Cederberg	Hughes	Robinson
Clausen, Don H.	Hyde	Rooney
	Jenkins	Rose
Clawson, Del	Johnson, Calif.	Rousselot
Cochran	Johnson, Colo.	Rudd
Collins, Tex.	Jones, N.C.	Runnels
Conable	Jones, Okla.	Satterfield
Corcoran	Kemp	Sawyer
Cornell	Ketchum	Sebelius
Coughlin	LaFalce	Slack
Crane	Lagomarsino	Smith, Iowa
Daniel, Dan	Latta	Spence
Daniel, R. W.	Lent	Stangeland
Derrick	Livingston	Steed
Devine	Long, La.	Stockman
Dicks	Long, Md.	Stump
Dornan	Lott	Symms
Duncan, Tenn.	Luken	Taylor
Edwards, Ala.	Lundine	Treen
Edwards, Okla.	McDade	Trible
English	McFall	Vander Jagt
Erlenborn	McHugh	Volkmer
Evans, Colo.	Mahon	Waggonner
Findley	Mann	Wampler
Fisher	Martin	Watkins
Flippo	Milford	Whitehurst

Whitley	Wilson, Bob	Yates
Whitten	Winn	Young, Tex.
Wiggins	Wydler	

NOT VOTING—38

Abdnor	Hammer-	Rahall
Alexander	schmidt	Ruppe
Armstrong	Hollenbeck	Sarasin
Bingham	Jones, Tenn.	Smith, Nebr.
Bolling	Kasten	Teague
Chisholm	Kelly	Thone
Conyers	Krueger	Thornton
Cunningham	McDonald	Tucker
Dellums	Madigan	Van Deerlin
Dent	Moss	Waxman
Duncan, Oreg.	Myers, John	Whalen
Fithian	Pike	White
Frey	Pursell	Wilson, C. H.

The Clerk announced the following pairs:

Mr. Jones of Tennessee with Mr. Abdnor.
Mr. McDonald with Mr. John T. Myers.
Ms. Chisholm with Mr. Thone.
Mr. Waxman with Mr. Armstrong.
Mr. White with Mr. Cunningham.
Mr. Fithian with Mr. Frey.
Mr. Alexander with Mr. Whalen.
Mr. Dent with Mr. Kelly.
Mr. Duncan of Oregon with Mrs. Smith of Nebraska.
Mr. Moss with Mr. Sarasin.
Mr. Tucker with Mr. Ruppe.
Mr. Van Deerlin with Mr. Hammerschmidt.
Mr. Conyers with Mr. Kasten.
Mr. Teague with Mr. Hollenbeck.
Mr. Krueger with Mr. Bingham.
Mr. Pike with Mr. Thornton.
Mr. Dellums with Mr. Rahall.
Mr. Charles H. Wilson of California with Mr. Pursell.

Mrs. COLLINS of Illinois and Mr. CARTER changed their vote from "nay" to "yea."

Mr. LUKEN changed his vote from "yea" to "nay."

So the motion to recommit, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. RAHALL. Mr. Speaker, on rollcall No. 755, the vote on the Gore amendment to the motion to recommit with instructions to provide $18 million for Amtrak, to conference the bill H.R. 9375 supplemental appropriations, I am recorded as not voting. I did in fact vote following the prescribed procedure and voted "aye." My colleague, the gentleman from West Virginia (Mr. STAGGERS) was with me when I voted and verifies that fact. I am alarmed that mechanical error caused me to lose my vote and I ask that my statement appear in the RECORD immediately following the vote.

APPOINTMENTS OF CONFEREES ON H.R. 9346, SOCIAL SECURITY FINANCING AMENDMENTS OF 1977

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 9346) to amend the Social Security Act and the Internal Revenue Code of 1954 to strengthen the financing of the social security system, to reduce the effect of wage and price fluctuation on the system's benefit structure, to provide for the conduct of studies with respect to coverage under the system for Federal employees and for employees of State and local governments, to increase the earnings limitation, to eliminate certain gender-based distinctions and provide for a study of proposals to eliminate dependency and sex discrimination from the social security program, and for other purposes with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

PREFERENTIAL MOTION TO INSTRUCT CONFEREES OFFERED BY MR. ARCHER

Mr. ARCHER. Mr. Speaker, I offer a preferential motion.

The Clerk read as follows:

Mr. ARCHER moves that the managers on the part of the House at the conference on the disagreeing vote of the two Houses on the bill H.R. 9346 be instructed to insist on section 501 of the bill, H.R. 9346, as adopted by the House, to provide for the liberalization and eventual repeal of the earnings test for individuals age 65 and over under the Old-Age, Survivors and Disability Program of the Social Security Act.

The SPEAKER pro tempore. The gentleman from Texas (Mr. ARCHER) is recognized for 1 hour.

Mr. ARCHER. Mr. Speaker, for purposes of debate only, I yield 30 minutes to the gentleman from Oregon (Mr. ULLMAN) and reserve the other 30 minutes for myself. At this time I yield myself such time as I may consume.

Mr. Speaker, the motion I have offered would instruct the House conferees on social security to insist on a provision to eliminate by 1982 the ceiling on earnings of beneficiaries aged 65 or older.

The provision was an amendment approved in the House by a vote of 268 to 149, offered by the gentleman from California (Mr. KETCHUM), and it clearly demonstrates that more than 60 percent of this House want this provision included in the bill.

Because of that mandate, because of the widespread support of this change which has been expressed over the years and because of the merits of the provision itself, we should act now to instruct our conferees on this one issue.

Until the ceiling on the earnings of social security retirees is lifted, our entire society will remain the loser. It will continue to lose the services of wise and experienced workers who simply cannot afford to work for substantial pay because, if they do, they will lose their valued social security benefits.

Millions of retirees are individual losers, too, of course, because they face a potential loss of benefits if they pursue gainful employment. They are forced to adopt artificial work practices. They cannot work that extra hour; they cannot sell that extra item because either move would put their earnings over the ceiling. It also creates an incentive to circumvent the law by working for unreported cash.

It is time, Mr. Speaker, to put an end to this waste, in taxes and economic activity and in human lives.

One argument that is often made against the repeal of the earnings limitation is that it would not help the many people who work in arduous tasks throughout their careers, and do not want to continue when they reach 62, or 65. The answer is that repeal of the earnings limitation would not in any way be disadvantageous to these people, and it could be helpful to them. It would give those who have done backbreaking work an opportunity to draw their social security benefits while turning to some entirely different type of gainful employment which they might have wanted to pursue all their lives, but could not afford to do so because they were locked economically into an unwanted career.

Mr. Speaker, we simply face the fact that changing demographics are changing America. In 1935, when the Social Security Act was signed, American males aged 65 could look forward to, on the average, another 11.9 years of life. Females at that time could expect to live an average of about 13 years beyond age 65. But today, the life expectancy of an American male aged 65 is almost 14 years, and for an American female it is 18 years.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. ARCHER. I yield to the gentleman from California.

Mr. ROUSSELOT. I appreciate my colleague yielding to me.

So that, the point of this motion to instruct is to reinforce the support that this House gave by voting for the Ketchum amendment to eliminate the earnings limitation for senior citizens beyond 1982?

Mr. ARCHER. That is correct, to permit them to continue to work without suffering any loss of their social security benefits after age 65.

Mr. ROUSSELOT. And especially because so many senior citizens are also now living longer and want to earn their way?

Mr. ARCHER. That is correct.

Mr. ROUSSELOT. I appreciate the gentleman offering this motion to instruct. It is appropriate, and I join him in his strong effort.

Mr. ARCHER. By the year 2050 these expectancies will have reached 15 years for American men and 20 years for American women. In short, men will be living at least 3 years longer, and women about 7.

Mr. ICHORD. Mr. Speaker, will the gentleman yield?

Mr. ARCHER. I yield.

Mr. ICHORD. I listened very intently to the distinguished gentleman from Texas, and I cannot disagree with anything that he has said. He has made a very excellent statement, but we must realize that when we increase the benefits that are paid out, we must somewhere get the contributions.

I would like to ask the gentleman from Texas as to how he would increase the contributions into the trust fund.

Mr. ARCHER. I would say to the gentleman that the increased economic activity in this country generated by the creativity of people over 65 and their work efforts will produce far more than the increased benefits in additional taxes coming into the Treasury of the United States, through income taxes and social security taxes paid on the earnings of persons over 65. We are suffering a tremendous loss of wasted human productivity at this time.

Mr. ICHORD. Was that the gentleman's thought?

Mr. ARCHER. In addition, the Ketchum amendment itself carries provisions to provide the necessary funds.

To continue with my statement, not only are our people living longer, they are living longer productive lives. Medical literature clearly indicates an improvement in health levels of older persons, compared with 20 or 40 years ago. Better diets, more widely available health services, and improved medicines have combined to keep more Americans more active, both mentally and physically, for increasingly long periods of time.

It also is argued by those opposed to repeal of the earnings limitation that those workers who retire early do so because of ill health, and therefore could not work past 65 anyway. A 1976 Social Security Administration survey report did, in fact, state that "failing health is the most important reason described by over half the men claiming reduced benefits." But this retrospective analysis contradicts prospective studies, and in a number of instances might reflect an understandably defensive response offered by persons who are attempting to rationalize an earlier decision to retire by pleading ill health because it is a reason readily acceptable to society.

On the other side of this retirement coin, there are those who believe—and I happen to be one of them—that enforced retirement actually may cause ill health and reduced longevity. I have talked with a number of physicians, some of whom testified before our committee, who also believe that quitting work too early has been in many cases a contributing factor in disease and death.

Still another oft-heard argument against repealing the earnings limitation is that if older persons keep on working, there will be fewer jobs for younger people trying to break into the labor force. But this never has been proved as an overall effect. An economist who also is a recognized expert on social security recently pointed out that in 1950, when the unemployment rate for males 20 years and older was just 5 percent, more than 45 percent of males aged 65 or older were still in the labor force. Yet in 1975, when the unemployment rate for males 20 years old or older was 9 percent, only about 21 percent of the males aged 65 or older were in the labor force.

The contention that more older workers automatically mean fewer younger workers just does not stand up statistically.

In years ahead, the U.S. labor force will need more older workers, not fewer, because fewer younger workers will be entering the work force as a result of our reaching the population zero birth rate several years ago.

In addition, the social security system, to my knowledge, is the only pension system in this country where an individual can pay in all of his or her working life and then, at the age of retirement, be prevented from drawing benefits just because he or she decided to take another job. This is not true of any private pension system that I know of. It is not true of our military pension system, where military personnel can retire at a very early age on a Federal pension and still work at another job without losing any part of the pension. All Federal employees can retire under the Federal alternative program to social security, and get another job and continue to draw their Federal retirement benefits. All Congressmen can retire under their Federal retirement system, obtain large earnings from another job, and still draw their benefits. But the social security recipient cannot. This, to me, is grossly unfair.

Beyond these points, however, lies an even more important issue, involving not only the growth of jobs and the economy, but the ways in which we make them grow. Our aim should be to strengthen the economy as much as possible, thereby creating enough jobs to enable all our citizens to be productive, just as long as they want to be.

This would be highly regenerative, morally and economically. It would utilize the creative talents and experience of millions of Americans to produce a bigger national pie of goods and services for all Americans to share, improving the standard of living and the quality of life for all our people.

Mr. Speaker, that is the direction in which I believe this motion points, and I urge my colleagues to help get us moving in this direction.

Mr. BURKE of Massachusetts. Mr. Speaker, will the gentleman yield at that point to answer one question?

Mr. ARCHER. Mr. Speaker, I have a limited amount of time. I am forced to yield time on this side, and if there is any time left after that, I will be glad to yield to the gentleman. If the gentleman from Oregon (Mr. ULLMAN) will yield me the time, I would be glad to answer the question.

Mr. ULLMAN. Mr. Speaker, I yield myself such time as I may consume, and I yield to the chairman of the Subcommittee on Social Security, the gentleman from Massachusetts (Mr. BURKE).

Mr. BURKE of Massachusetts. Mr. Speaker, I would like to ask the gentleman from Texas (Mr. ARCHER) if it is not true that we would be putting a tax of $3 billion to $3.5 billion on business and employees in this country if we were to adopt this ridiculous and outrageous provision?

Mr. ARCHER. Mr. Speaker, if the gentleman from Oregon will yield for a response, the actuarial expert tells me that the cost of this particular amendment is only one-tenth of 1 percent of the payroll. That is all it amounts to, and that estimate does not include provision for any extra social security taxes paid into the system on the extra earnings of persons over 65. For this reason I believe it is faulty and grossly exaggerates the net cost to the fund.

Mr. ULLMAN. Mr. Speaker, let me urge my colleagues not to take this very drastic step of moving to instruct conferees on an issue that is as far-reaching as the one we will have in our conference dealing with the exempt earnings for social security benefits eligibility. I urge my colleagues to let the legislative process work.

The assumption somehow is that the conferees are not committed to the House bill, and I want to say that the chairman of this committee will always be committed to the House position. On the other hand, the nature of a conference is that the goal is always to reach an agreement between the positions of the House and the other body. The conditions of a conference demand flexibility in order to allow the decisionmaking process to work.

It is not possible, of course, for the House to bind conferees. That is obvious by the very nature of the process. To instruct conferees, even though we cannot bind conferees, seems to me to be a procedure that should be used very sparingly.

Let me say that it is the intention of the chairman of the Committee on Ways and Means, while he certainly cannot commit the other conferees, to bring back from the conference a bill on which the majority of the House can agree and can support. That includes certain actions in this area that are very important, and in making that consideration, the conferees are going to have to look at other pieces in the package.

They are going to have to look to the long-range actuarial soundness of the social security system. They are going to have to do that with a sense of responsibility, both to those who are paying into the system and those who are the recipients of the benefits.

So, Mr. Speaker, I urge the Members of this body to vote against the motion to instruct and to give the conferees, by voting against the motion to instruct, a vote of confidence, so that they may indeed live up to their responsibilities and bring back the very best bill that they can get in their conference with the Senate.

Mr. MOAKLEY. Mr. Speaker, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from Massachusetts.

Mr. MOAKLEY. Mr. Speaker, I rise in opposition to the motion offered by the gentleman from California (Mr. KETCHUM). I should stress that I voted for the amendment when the gentleman offered it during consideration of the Social Security Financing Amendment (H.R.

9346) and, as a member of the Committee on Rules, I supported efforts to have the amendment made in order under the rule.

I am therefore in the position of opposing a motion to instruct conferees to insist on an amendment I have strongly supported. I do not see any inconsistency in this position. I believe that instructions to conferees are appropriate only in extraordinary cases.

I should point out that the managers for each House do not enter a conference without limitation under the standing rules. Clause 3 of rule XXVIII prohibits consideration in the House of a conference report which exceeds the scope of the conference. While this is frequently a difficult question for the Chair, rulings on points of order raised on the question of scope are extremely straightforward when specific dollar amounts are involved. For each year, the conferees will be limited by the lowest and highest figures. It appears to me that it might be useful to insert in the RECORD a summary on the limitations on the conferees:

Year	Outside earnings which may be contained in conference report		Ketchum motion
	Lowest limitation	Highest limitation	
1978	$4,000	$4,500	$4,000
1979	4,500	6,000	4,500
1980	5,000	[1] 6,000	5,000
1981	5,500	[1] 6,000	5,500
After 1981	[2]	[1] 6,000	[2]

[1] After 1979, the Senate bill provides that the $6,000 ceiling will be adjusted to reflect inflation by the same factor used to adjust benefits.
[2] No limitation.

Thus, Mr. Speaker, if the Ketchum motion were to prevail, it is possible that a worker over 65 years of age earning $6,000 now would have gotten $2,250 less in benefits during 1979 through 1981 under the motion than would be possible without instructions.

Although the motion would instruct House conferees to insist on language with no limitation after 1981, only well paid workers would be able to make up the money lost in the next 4 years.

If, during the course of the conference, it appears that the conferees are prepared to agree on a figure the House cannot accept, a motion may be made in the House to instruct conferees or the report itself can be sent back to conference. But I cannot support an effort to send our managers into conference bound to the lower House figures for the next 4 years simply to insure that the complete repeal of limitations after 1981 will be included in the report especially since it would be perfectly possible even without instructions.

Mr. ARCHER. Mr. Speaker, I yield 4 minutes to the gentleman from California (Mr. KETCHUM).

Mr. KETCHUM. Mr. Speaker and Members of the House, some Members may possibly have heard that it was my objection to the appointing of conferees on an ill-advised unanimous-consent request by the chairman of the Committte on Ways and Means that held up consideration or going to conference on this particular bill.

Let me say, in no uncertain terms, that I did, indeed, object; and we are today participating in an exercise, right here and now, which the chairman of the Committee on Ways and Means would have precluded us from doing had we appointed conferees in a pro forma session.

Suffice to say, Mr. Speaker, that I was mildly surprised and terribly disappointed in the leadership of my committee because the chairman of the Committee on Ways and Means and all of the members knew, beyond a shadow of doubt, for what reason I objected to the appointing of conferees in a pro forma session. I was surprised that the chairman did not mention that to the press.

We had a great conversation in H–208 right after I objected; and in that discussion, which became heated at times, I explained not once, not twice, but three times why I had objected—because under the appointing of conferees in a pro forma session, not one Member would have been able to offer a motion to instruct conferees.

One other advantage accrued to this body, in my opinion, by the delay; and that is that each and every one of my colleagues have had time to listen to their constituents, who told them what they thought of the social security bill during the recess. I am sure our constituents have discussed it at some length with all of us.

Mr. Speaker, I think it is important to have that input before we go to conference. There is nothing lost. Nothing has been lost. Conferees will now be appointed. We will go to conference, and undoubtedly we will come back with some kind of bill.

Mr. Speaker, I sincerely hope that this body will concur with the Archer amendment, will concur with the overwhelming desires of this House, as expressed during the debate on the social security bill, to instruct the conferees to hang tough on the amendment which this House overwhelmingly adopted, and that is, to phase out the earnings limitation for those individuals over 65 years of age.

Mr. Speaker, the specious argument is made—and I heard it made by a Member of the other body, and I heard it made by the chairman of the committee during the course of our debate—that if we remove this earnings limitation, only the rich, the doctors, the lawyers, the architects will benefit.

Nothing could be further from the truth. The rich, the architects, the doctors, the lawyers, all of them are the individuals who have unearned income, dividend income, rental income, all sorts of investments that they have made; and no limitation is made on that unearned income.

Therefore, Mr. Speaker, I ask the Members to speak up; speak up for those individuals, those thousands of retired individuals who have been deprived through inflation, much of which is created in this body right here. I ask the Members to stand up for those people, give them this amendment, and insist that our conferees carry that message to the other body.

Mr. ARCHER. Mr. Speaker, I yield 1½ minutes to the gentleman from California (Mr. LAGOMARSINO).

Mr. LAGOMARSINO. Mr. Speaker, I rise in support of the motion to instruct our conferees to insist on the Ketchum amendment to H.R. 9346 to phase out the earnings limitation for social security recipients. I do not know how many of the Members had the opportunity to see the article in Monday's Los Angeles Times on this issue. The article spoke of two persons age 67 who receive $3,744 a year in social security benefits. One works at a menial job for 6 months of the year just to make ends meet. But for every dollar he earns over $3,000, he loses half that much in benefits.

The other retiree, according to the Times, lives on easy street. In addition to his social security benefits, he receives $100,000 a year in investment dividends—without lifting a finger.

This anomaly is caused by laws now on the books requiring earned income exceeding $3,000 a year to be, in effect, taxed at a 50-percent rate by the social security administration. No such penalty is levied against the coupon clipper.

It is beyond me how anyone can say this is fair. The Ketchum amendment would do away with this discriminatory provision of the law—a provision which penalizes working people and deprives the economy of their talents and productive capacity. It has been said that the true test of any society is the way it treats its senior citizens. I say do away with this hated earnings test, and restore our senior citizens to the respect, and legal protection, they deserve.

The projections of cost do not include increased social security taxes that will be paid. It is my understanding that the Social Security Administration has refused to make such estimates or projections.

Mr. ARCHER. Mr. Speaker, for the purpose of debate only, I yield 3 minutes to the gentleman from Pennsylvania (Mr. COUGHLIN).

Mr. COUGHLIN. Mr. Speaker, I rise in support of the motion offered by the gentleman from Texas (Mr. ARCHER). As a sponsor of similar legislation to eliminate the earnings limitation on social security I think this measure is long overdue to provide this kind of relief.

At the appropriate time, Mr. Speaker, I will also seek to offer an amendment to the motion offered by the gentleman from Texas (Mr. ARCHER) to provide additional instructions to the conferees to agree to the Senate provision for a $250 income tax credit for higher education expenses.

Mr. Speaker, my colleagues are well aware of the long history of this proposal whose time has certainly come.

It will be said that we are being asked to agree to a nongermane Senate amendment but the fact is that this House has been denied time after time an opportunity to vote here in the House on education tax credits.

Many of my colleagues will remember during the dying hours of the last session of Congress, specifically on Wednesday, September 29, 1976, a commitment was made to bring this matter before the House for a vote. It was brought here under a procedure which was objected to successfully.

Such legislation to provide educational tax credits has been passed in the Senate in four out of the last five Congresses. Similar legislation has been introduced in this House by myself as long ago as 1970 and by numerous other Members. In fact, 210 Members of the House have sponsored some form of education tax credit legislation in this Congress alone. That warrants it being brought here for a vote.

On September 8, 1977, at the time of consideration of the second concurrent resolution on the Budget, a provision was made for this amendment. That provision was adopted by this House by a vote of 311 to 76.

The time has come, now, to provide some measure of tax relief to those who are struggling to meet the soaring costs of higher education. Seven years have elapsed since I first introduced this legislation. In that time the cost of such education has doubled, up over 50 percent, and in the community colleges and vocational schools, it has increased by 130 percent. Business can get a tax deduction for educational expenses, why cannot people get that kind of a deduction? This would not mean a revenue loss to the Government, but could instead result in a net tax revenue gain to the Government because the record shows that those with a higher education earn more than those who do not have such an education, and those with this education will pay taxes.

Mr. Speaker, at the appropriate time I hope to offer such an amendment to agree to the tuition tax credit provision.

Mr. ARCHER. Mr. Speaker, I yield 2 minutes to the congresswoman from New Jersey (Mrs. FENWICK).

Mrs. FENWICK. I thank my colleague for yielding.

Mr. Speaker, I intend to vote for the Archer motion to instruct the conferees, and I would like to tell my colleagues why.

Once, in a radio program in my home district, a woman telephoned in. She said:

> I am 68 years old and I work to make a little extra as a parttime checker in the A&P.

This was at the end of the year and she went on—

> By mistake—I make $400 too much this year.

She started to cry and said:

> Now they tell me I have to give some of it back; and coal has gone up to $57 a ton.

I thought of everything that meant in the life of that woman: Wrestling with an old coal furnace, trying to make ends meet, living at the edge of possibility.

One of our colleagues has described those with large incomes, without worry, receiving untaxed social security. It just does not seem fair.

I think we must let the older people who want to earn a little extra to do so; that is my reason for supporting this amendment.

Mr. ARCHER. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. DON H. CLAUSEN).

Mr. DON H. CLAUSEN. Mr. Speaker, I rise to support the motion of the gentleman from Texas (Mr. ARCHER) to instruct the conferees on the social security financing bill to insist on the phasing out of the earnings limitation placed on our senior citizens who receive social security benefits.

As an original cosponsor of legislation to accomplish this goal and having voted in favor of the amendment offered by the gentleman from California (Mr. KETCHUM), I want to continue my association with this effort and reemphasize the need to provide immediate relief to those people most severely affected by inflation, namely our senior citizens living on fixed incomes. The best and most effective way of providing this help is to remove the kinds of limitations which trap them into a position where they are dependent on Government programs for survival.

These people want the freedom to choose to continue working to supplement their retirement incomes without suffering a loss of benefits.

I urge my colleagues to support the motion.

Mr. ARCHER. Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Speaker, I rise in support of the Archer motion.

Mr. Speaker, I support the Archer motion to instruct our House conferees to support the elimination of the earnings limitation on social security.

The House voted, by a strong majority, to eliminate the inequitable restriction under which social security beneficiaries must lose benefits if they earn a certain amount of income. That decision ought to be supported in the conference committee.

Many social security recipients desire to work even after they begin receiving benefits. People ought to be encouraged to work. Many of our older citizens lose their sense of worth when they are forced to leave their jobs, or are not allowed to seek new jobs, because of this earnings limitation.

In my district, people constantly refer to the earnings limitation as the most inequitable single feature of our whole social security system. It is high time we got rid of it.

A vote for the Archer motion will not guarantee that we can get rid of the limit, but it will take us much closer to that goal. I urge an "aye" vote.

Mr. ARCHER. Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania (Mr. SCHULZE).

Mr. SCHULZE. Mr. Speaker, I rise in support of the Archer motion.

Mr. Speaker, for the past several months, Members of both Houses of Congress have been debating the social security finance bill.

One of the most controversial and significant provisions, particularly for the elderly and others living on fixed incomes, is the amount of income which those receiving social security may earn in addition to their monthly benefits. No other aspect of the present law has attracted so much adverse reaction from the public. Hearings before the Ways and Means Subcommittee on Social Security, of which I am a member, produced more discussion and adverse testimony concerning the earnings limitations than any other issue. It is particularly necessary to consider the ramifications of this limitation at a time when there is concern for the well-being of our elderly citizens. It has finally been acknowledged that elderly Americans are an underutilized and long-ignored segment of our society who posses the knowledge and perspective from which we may all benefit.

The social security earnings limitation only serves as a disincentive to those senior citizens who can and want to continue contributing to our Nation and the economy. It is for this reason that I have consistently supported the removal of the earnings limitation and urge my colleagues to support its removal.

Not only will we be tapping a valuable human resource but we will also be generating additional tax revenues by removing any earnings limitation.

Finally, I personally believe that it is improper to say to the elderly, who have contributed so much that they can only draw full benefits if they abstain from employment which would pay more than a minimal amount.

Mr. ULLMAN. Mr. Speaker, I yield 2 minutes to the distinguished chairman of the Social Security Subcommittee, the gentleman from Massachusetts (Mr. BURKE).

Mr. BURKE of Massachusetts. Mr. Speaker, I thank the chairman for yielding.

Mr. Speaker, I think the issue here again is a little clouded. I just would like to have the attention of my good friend, the gentlewoman from New Jersey (Mrs. FENWICK).

I can understand her concern, and I am concerned also about these people, but this amendment goes a little bit further than that. This amendment removes the entire ceiling. If we would instruct the conferees to go in and do this, we are in a bind and we would have to levy a tax of $3 billion to $3.5 billion on the business firms and on the employees of this country to finance this provision.

We can raise the ceiling and raise it to a reasonable amount, but to abolish the ceiling is an outrageous thing to do, because what we are doing is taking people who are earning up to $100,000

a year and giving them their social security benefits and making an annuity program out of the social security system and breaking down the whole principle of social security, and we would be doing a most dangerous thing.

I am surprised and shocked to hear the people on that other side of the aisle supporting this when they are putting such a burden on the business firms of this country.

If the Members have been back home during the recess and if they have read their mail, they have found out the people in business and the employees oppose this regressive tax that this provision is going to cause.

There is no justification for it. We can raise the ceiling on earnings to a reasonable amount so that people in this country can earn a sufficient amount of money to get by, but we do not have to abolish the ceiling and take care of the fatcats in this country, take care of the high-rollers, take care of those people who need that provision like a hole in the head. There is no reason for it. There is no justification for it. There is a lack of common sense here.

I think if we are going to protect the social security system, we have to do something about the financing. There has been over $20 billion of benefits added to this bill. We put an unmerciful weight on the shoulders of business in this country.

I have heard from 800 small business firms in my district who are concerned about this regressive tax. I think we should not bind the hands of the conferees. The conferees should go in there with at least some ability to adjust this tax and not instruct them to abolish this earnings ceiling entirely. We can raise the ceiling to a reasonable amount, even if that makes it $6,000 or $7,000 for the rate value, but to insist on abolishing the ceiling is an outrageous thing to do.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. ULLMAN. Mr. Speaker, I yield 1 additional minute to the gentleman from Massachusetts.

Mr. KETCHUM. Mr. Speaker, will the gentleman yield?

Mr. BURKE of Massachusetts. I yield to the gentleman from California.

Mr. KETCHUM. Mr. Speaker, I thank the gentleman for yielding. We are old friends, as everyone in this House knows; but we are not talking about the $100,000 fat cat. We are talking about the elderly eating dog food, as this House has discovered.

Mr. BURKE of Massachusetts. Then why not come back with a limitation on the earnings ceiling?

Mr. KETCHUM. We tried and we tried in the subcommittee unsuccessfully.

Mr. BURKE of Massachusetts. It costs $3.5 billion in taxes to the business firms in this country. If the minority side wants to take that position, let them do it; but let them go back and be truthful and honest with their business firms and tell them we are driving them out of business.

We are driving the steel workers out of their jobs. We are driving the textile workers out of their jobs. We are driving the shoe workers out of their jobs, you name it, and these are the types of provisions that are doing it.

It is an irresponsible amendment that was not discussed fully enough in the last session when we adoped this amendment and we should not bind the hands of the conferees.

Mr. ULLMAN. Mr. Speaker, I yield 3 minutes to the gentleman from Louisiana (Mr. WAGGONNER).

Mr. WAGGONNER. Mr. Speaker, in the interests of the social security system itself, I urge you to vote down this proposed instruction, and let me explain why.

The problem is far more difficult than most of us realize. Listen to me for a minute to what this House has done and what you are going to do to the social security system if you do not give us a chance to reconcile the problem itself. Now, the problem is money for social security. Whether you realize it or not, this House earlier this year did away in another piece of legislation with the mandatory retirement at age 65 and made it discretionary at 70 on the part of the employee. What that means is that if we instruct this conference committee on this matter we will further seriously jeopardize the trust fund. The conferees are going to be in the position of having to consider equating what we do with regard to social security with what we have already done on the discretionary retirement proposal. Even though we are talking about separate bills each affects the other.

Now, if we phase out the retirement test in 1982, we will then have a situation, and as desirable as it might be, practically, we cannot do it yet because of the financial state of the trust fund. We will have a situation where at age 65 every employee can at his or her discretion continue to work and be eligible for full social security retirement benefits between the age of 65 and 70.

Now, I know that we did not think when we passed the discretionary retirement bill at 70 that we would be faced with this problem; but nevertheless, we are, and we cannot consider either of them in isolation, if we are interested in preserving the integrity of the social security retirement system or private systems for that matter.

Now, I am one of these people who stood here and voted with the gentleman from California (Mr. KETCHUM). I voted for an increased limitation in the subcommittee and in the full committee; but it has dawned on me and I am trying to get you to see as well what we are doing in the transition period while we are trying to provide financing for the social security system if we force this additional conference burden on the House.

The SPEAKER. The time of the gentleman from Louisiana has expired.

Mr. ULLMAN. Mr. Speaker, I yield 2 additional minutes to the gentleman from Louisiana (Mr. WAGGONNER).

Mr. WAGGONNER. I would plead with the Members to reject this motion to instruct.

Mr. ARCHER. Mr. Speaker, will the gentleman yield?

Mr. WAGGONNER. I yield to the gentleman from Texas.

Mr. ARCHER. Does the gentleman actually stand in the well and tell this House that a Congressman who has paid in all his life to an alternative program to social security and can retire at age 60, can continue to get another high-paid job?

Mr. WAGGONNER. He could without having to be a social security recipient. Nobody can get it now without an earnings limitation. I am saying that we have to provide a transition that will allow us to not destroy, first of all, retirement systems that the business community of this country has, the land over. Nor should we further aggravate the social security trust fund.

I am saying, do not instruct us, and let us try to get into conference and try to work the matter out. The gentleman from Texas (Mr. ARCHER), my friend, is going to be a conferee. I am just saying that we are jeopardizing the social security trust fund at a time when it is already in serious jeopardy, and we should let the conference committee try to provide for a transition that will preserve the system.

Mr. ULLMAN. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana (Mr. JACOBS).

Mr. JACOBS. Mr. Speaker, I think it might serve a useful purpose to get our terms in order here. This matter has been referred to as an "earnings limitation." That is legislatively inaccurate. The term is "retirement test," and the question is, What sense does it make to pay retirement benefits to somebody who is not retired?

The further point has been made that, after all, Members of Congress on their pensions are allowed unlimited earnings. And after all, people who have unearned income are allowed unlimited unearned income. But, when the insurance contract was made with the American people, the retirement test was later added in order to be sure that everybody understood, as he or she paid into the system, that he or she would have to be retired in order to receive retirement benefits.

Now, there are two ways to cure the disparity between the way Members of Congress are treated and the way social security people are treated. One way, the usual congressional national debt way, is to load the Christmas tree where the disparity is on the low side. The other way would be to stand up and vote a law that says that we cannot collect our retirement benefits if we take jobs to earn $100,000 a year. Now, what we have here, in essence, is Robin Hood in reverse, because after everything is said that can be said, if this language is adopted it will indeed mean that the person who earns $100,000 a year at age 65, 66, 67, and so on, can collect the social security benefits despite the fact that this person is not retired.

The other side of that same coin is that the poorest person in the land, run-

ning a lathe somewhere in a Ford plant, will have to pay into the system in order that those benefits can be paid. Now, I do not really think that we want to tell the public that we are going to look at the person that MILLICENT talked about, for whom we all have not only sympathy but willingness to take action, and say to that person—if there is only one in the country, and there are hundreds of them who will make the hundred thousand and collect a golf cart of money in social security benefits, "Have at it, hit the jackpot on the widow's mite."

I do not think we want to go on record as doing that. I support the chairman. Frequently, I do not, but at this time I do.

Mr. ULLMAN. Mr. Speaker, I yield 4 minutes to the gentleman from Illinois (Mr. MIKVA).

Mr. MIKVA. Mr. Speaker, I think I understand the strong feelings that the gentleman from Texas and the gentleman from California have about this general subject matter. The sympathy is one that I think all of us share. We are aware that there are some people who have been caught on the low end of the social security ladder and have been hurt by the earnings limitation put on them. That sympathetic feeling was one that reflected itself in the original action taken by the subcommittee and the full committee to raise the earnings limitation. It reflects itself in the even higher limitation that the Senate put on. But I think it gets put in an improper package when the whole limit is taken off, because then we are not expressing the sympathy to those people we are really concerned about, but we are expressing sympathy to all of the lawyers and doctors and dentists and other professionals by saying to them, "We know you are not going to retire at age 65 anyway, but go ahead and keep working and, in addition, you will collect full social security."

That was never the intention of the vote of the House, and yet that is the way it is going to come out. I would hope that, without an instruction, perhaps the conferees on the Senate side and on the House side could find some common ground to try to ease the burdens of those people we are financially concerned about, but not to throw out the baby with the bath water and end up with a $30 billion load over a 5-year period under the social security system.

How long would it take for the Members of this body to vote $30 billion in appropriations? I assure the Members that it would be more difficult to get a $30 billion direct appropriation through than it was to get the original Ketchum amendment approved when we debated the social security bill or the consideration that we are devoting to this motion to instruct. Thirty billion dollars is the least that this will cost the system over that 5-year period. It may cost more. This may be the equivalent, in this bill, of what the Congress did a few years ago when it first created the coupling provision. It is such an open-ended exposure that no one can really properly estimate its total cost. It seems ridiculous that we should not have only voted that way but we should now tell the conferees they should have their feet in concrete and not even talk to the Senate conferees on what ought to be done on this very, very difficult matter. I do not believe that the House conferees are insensitive to the concern the gentleman from California and the gentleman from Texas (Mr. ARCHER) are expressing. We would all like to do something for the elderly. We would all like to do something that makes it a little easier for them to get by on what is a minimum social security benefit at the bottom end. But we do not want to do that at the expense of breaking the system and we do not want to do that by adding still further to a very, very heavy tax burden that this bill is putting on the working people and the middle class.

I would only point out to my distinguished friend, the gentleman from Texas, that, while I appreciate his generosity and his concern for the senior citizens, I would feel a lot more comfortable about it if I knew he was going to vote for the final product. But I find it somewhat troublesome to know that my friend, the gentleman from Texas (Mr. ARCHER) and my friend, the gentleman from California (Mr. KETCHUM) who are urging an additional 3 billion expenditure here and urging an additional tax load imposed on the working people, are asking for us to do it while they will not bite the bullet and vote for the bill. I would urge those who did vote for the bill to think twice before going home and having to explain why they voted this way.

Mr. ARCHER. Mr. Speaker, will the gentleman yield?

Mr. MIKVA. I yield to the gentleman from Texas.

Mr. ARCHER. I thank the gentleman for yielding.

Mr. Speaker, I am not absolutely certain who the majority conferees will be from the House, but it is very nearly certain that every one of them voted against the Ketchum amendment on the floor, and that is the support for our concern.

Mr. MIKVA. Mr. Speaker, I would only say to my collegaue that we all understand the rules, and I assume the conferees will attempt to support the House position. But at the same time, we ought to be aware of the very heavy burden that the House position is putting on the social security system.

Mr. ULLMAN. Mr. Speaker, I yield 3 minutes to the gentlewoman from Kansas (Mrs. KEYS), a very important member of the committee.

Mrs. KEYS. Mr. Speaker, much has been said on this issue, but sometimes I think we forget that social security benefits for old age were intended to compensate people for income that they had lost by retiring.

When we get down to the basic mistake in public policy that would be made by our adopting the complete removal of the retirement test, we have to look at the recent overwhelming action of both the House and the Senate in ending mandatory retirement at age 65.

Can we possibly say to our working men and women, those who are working at the low steps of income, that they have to pay additional taxes in addition to competing with those who are at the high level of income who, between the ages of 65 and 70, are still holding the jobs that the younger work force is seeking to fill?

As a matter of public policy, I do not think we can possibly say that to these people in our work force. I think that changes the entire way we have in the past looked at the retirement test, and it underscores the natural sensitivity all of us have because it has been far too low.

What does the National Council of Senior Citizens say about this? They say, "No." They say that it is a wrong policy. It is pointed out in their statement that the acceptance of a $6,000 retirement test would provide an income that is very near to the average income of the average working man and woman, an income less than a thousand dollars below that of the person who is still working and who is probably still supporting a family.

I would like to quote from the end of the council's statement on this issue, as follows:

> The elderly for whom added earnings and higher incomes would be of greatest help are the least likely to benefit. People who draw low benefits because they could not earn high salaries in their peak earning years, or whose health is too poor to permit them to continue earning, are not the sort who command salaries over $6,000 in the best of circumstances. They will not be helped at all by ending the retirement test. Instead, billions of dollars will go to aid that 7 percent of the elderly best able to help themselves, and be unavailable to improve the conditions of the 93 percent whose need is much greater.

Mr. Speaker, let us look to our responsibilities and raise the retirement test to a decent level, but let us not perform the terrible, mistaken public policy of saying that our younger work force is going to have to pay for older members of the work force who would receive additional benefits when they are not retired. I urge the Members to vote against the Archer motion to instruct conferees.

Mr. ULLMAN. Mr. Speaker, I yield 2 minutes to the gentleman from Kansas (Mr. GLICKMAN).

Mr. GLICKMAN. Mr. Speaker, I supported the Ketchum amendment when it was offered before, and I still support it basically on its merits. But the longer I hear statements on the issue, the more I realize that only a fool never changes his mind when he finds he perhaps is wrong, or better yet, not entirely right.

Although I do not think the amendment is intrinsically wrong, I intend to vote against the motion to instruct conferees. I do not want to tie the hands of the conferees on an issue which I think is very complicated and on a matter which could turn out to be very costly.

When I went home recently, I must have made 20 speeches, and the main issue on which I was confronted was not gay rights, was not the Panama Canal,

was not energy, but it was social security. The main issue I heard related to rising wage rates and wage bases provided in our bill. Not once did this issue regarding the earnings limitation come up. But the main issue of rising social security taxes was so overwhelming on the part of my constituents that I do not think I am willing to tie the hands of the conferees on this bill on an issue which could raise these taxes fairly dramatically, even though the issue on the merits is still quite attractive.

I think this is an issue that should be compromised. The future of the social security system, even with this bill, is, in my mind, rather bleak, and while the issues raised by the Ketchum amendment are somewhat popular political issues, after I came back from Kansas I found the most popular issue to be lower social security taxes.

Mr. Speaker, I think it would be foolish for us to vote to instruct conferees and I urge the membership to vote down the motion to recommit.

Mr. GEPHARDT. Mr. Speaker, will the gentleman yield?

Mr. GLICKMAN. I yield to the gentleman from Missouri.

Mr. GEPHARDT. Mr. Speaker, I thank the gentleman for yielding.

I would like to make just one point. I voted against the Ketchum amendment, and I am not today going to go into the merits of that amendment again. I think the result was clear; the vote was 268 to 149.

This is a bicameral legislature, not a unicameral legislature. It seems to me that tying the hands of the conferees before the conference would be an extraordinary remedy. It seems to me the time for this motion to be made is after the conferees come back from the conference with a product, not before.

Therefore, Mr. Speaker, I urge the Members to vote against this motion.

Mr. ULLMAN. Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee (Mr. ALLEN).

Mr. ALLEN. Mr. Speaker, those who have reached the age where they are entitled to receive social security benefits, for which they have already paid their taxes, should not be forced to retire in order to receive full benefits, or be penalized for having other sources of income. This is not required of those who have paid their premiums on annuity policies with private insurance companies, and it should not be required of those who have paid their premiums in the form of social security taxes. Furthermore, the more wealthy, who own stocks, bonds, real estate and other assets from which they draw an income, are not limited in the amount of income they may receive in order to qualify for full social security benefits. I can see no justification or defense for this kind of discrimination against the less fortunate of our citizens whose only income outside of social security is in the form of wages and salaries for work performed. Everyone should be treated alike.

The Government's failure to control spiraling inflation has hurt those on modest and fixed incomes. The elderly and people with disabilities, either temporary or permanent, and those who are often without other sources of income, find that the meager increases in their social security payments have been offset by spiraling inflation.

There is no reason for those on a limited income to bear the often devastating consequences of Government policies that do nothing to control inflation. And certainly there is no reason for placing a limit on how much extra income a senior citizen receiving benefits may earn. Our society cannot afford to waste the special skills of our elderly by depriving them of their social security benefits if they choose to continue working.

It is Congress, and only Congress, which can correct this injustice. The right of those on social security to live in dignity, and not despair, is in the hands of the U.S. Congress, and I hope we will correct the present situation by passing this bill.

For these reasons, I most respectfully urge all Members of the House to adopt this motion to instruct the conferees to insist on the House language of the bill.

Mr. ULLMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, on this matter I urge my colleagues to vote on the side of responsible alternatives for the conferees. I ask them to recall what happened on the cost-of-living increase when the actuaries told us that that would do certain things and keep the trust fund in a sound actuarial posture.

That was the story when we adopted the cost-of-living increases. Then all at once, we woke up to the fact that it was destroying the social security fund over the long term. In this particular instance, I urge my colleagues to give the conferees the authority to be actuarially responsible so as to keep that trust fund solvent. If we are to have the responsibility, I ask that that decision be left to us, and I ask the Members to vote against this motion to instruct.

Mrs. FENWICK. Mr. Speaker, will the gentleman yield?

Mr. ULLMAN. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Mr. Speaker, I thank the chairman for yielding.

I was staggered to hear that removing all limitations on the ceiling would cost $3.2 billion. I did not know that.

I want to ask the chairman, Does that take into account the income taxes that the people who will be receiving the benefits would be paying, since they would be employed, and also the social security taxes which they would be paying?

Mr. ULLMAN. This does not take into consideration those factors; but I want to say that the actuarial assumption in that estimate, in my judgment, is too conservative. Furthermore, I am sure that that $3 billion annually will go up and up and up as the years go on.

Therefore, Mr. Speaker, I urge the gentlewoman from New Jersey (Mrs. FENWICK) to oppose the motion to instruct.

Mrs. FENWICK. If there is no exact figure with respect to the social security taxes and income taxes that those people who will be working will be paying, how do we know it is even going to cost $3.2 billion?

Mr. ULLMAN. The problem is that there will be no more income; if that person did not stay on that job, someone else who does not have a job would have that job. Consequently, somebody would be paying taxes if that other person did not stay on the job and continue to work. It is still a job on which someone would be paying taxes, and there really is no cost gain in that event.

Mrs. FENWICK. Mr. Speaker, I thank the gentleman.

Mr. ULLMAN. Mr. Speaker, I reserve the balance of my time.

The SPEAKER. The Chair will state that the gentleman's time has expired.

Mr. ARCHER. Mr. Speaker, may I inquire how much time I have remaining?

The SPEAKER. The gentleman from Texas has 7¼ minutes remaining.

Mr. ARCHER. Mr. Speaker, I would use whatever time I consume for one moment to merely make a rejoinder to the chairman of our committee, the gentleman from Oregon (Mr. ULLMAN) by saying that as mentioned earlier the estimates of the actuaries are faulty because they, as the gentlewoman from New Jersey (Mrs. FENWICK) just said, do not include one penny of income tax and social security taxes that will be paid in by those over 65 years of age who continue to work. The actuaries admit this and the Social Security Administration admits that they have not included one penny of additional income. So the deficit estimates, on their face, are faulty.

Mr. Speaker, for the purposes of debate I have no further requests for time, but at this time I would like to yield to the gentleman from Pennsylvania (Mr. COUGHLIN) for the amendment which he has previously described.

Mr. LEVITAS. Mr. Speaker, I favor lifting the unfair earnings limitation that presently penalizes retired persons who need to work and supplement their meager retirement and social security benefits. I voted for the Ketchum amendment which would remove the limitation, and I have even introduced a bill of my own which would lift the unfair limit on earned income.

However, I do not think we should vote to instruct our conferees on this issue at this time. Rather we should let the conference process to see if an acceptable provision can be written into the law that will lift the earnings limit for those who need to work to supplement their income but would not let the very wealthy continue to receive social security and also salaries ranging in the hundreds of thousands of dollars. So we should not bind the conferees now. A vote against Mr. Archer's motion is not a vote against the unfair penalty; rather it is a vote to let the conference come up with the best possible provision.

I will not vote for the final conference report unless it contains a fair provision for lifting the earnings limitation. But the time to cast that vote will come later. This is not the vote to accomplish that end.

Mr. GRASSLEY. Mr. Speaker, I support the Ketchum amendment to elimi-

nate the earnings limitation on retirees because it is the only rational thing to do.

We can talk about raising it from $3,000 today to $4,500 or $6,000 at some future day or any other figure you might want to pick out of the air. But, the fact remains that no limitation is justified or rational and as a matter of principle the limitation must be abolished.

Any limitation is discriminatory against our elderly. There is no justification for this discriminatory practice. It is discrimination based on age, and it is just as wrong as discrimination based on race, creed, religion, or sex. We are concerned about those blatant forms of discrimination in employment so why should we not be equally up-in-arms about this form of age discrimination.

Ultimately if freedom means anything in this great country, it implies no economic sanctions should be applied to anyone's desire to work. The earnings limitation is such a sanction.

Besides, most of those who want to work after 65, need to work because of inadequate income from social security.

The SPEAKER. The gentleman from Texas (Mr. ARCHER), as I understand it, wishes to yield time?

Mr. ARCHER. I will yield back my time, but before I yield back the balance of my time, I would like to yield to the gentleman from Pennsylvania for an amendment. That was the purpose of my rising.

Mr. WAGGONNER. Mr. Speaker, I move the previous question on the motion to instruct the conferees.

The SPEAKER. The gentleman from Louisiana (Mr. WAGGONNER) moves the previous question. The question is on ordering the previous question.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. COUGHLIN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 214, nays 181, not voting 39, as follows:

[Roll No. 756]

YEAS—214

Addabbo	Brodhead	Downey
Akaka	Brooks	Drinan
Allen	Brown, Calif.	Early
Ammerman	Broyhill	Eckhardt
Anderson, Calif.	Burke, Calif.	Edwards, Calif.
	Burke, Mass.	Evans, Colo.
Andrews, N.C.	Burleson, Tex.	Fary
Annunzio	Burlison, Mo.	Fascell
Ashley	Burton, Phillip	Fisher
Aspin	Butler	Flippo
AuCoin	Byron	Flood
Badillo	Carr	Florio
Baldus	Clay	Flowers
Barnard	Collins, Ill.	Flynt
Baucus	Corman	Foley
Bedell	Cornell	Ford, Mich.
Beilenson	Cornwell	Ford, Tenn.
Bennett	Cotter	Fountain
Biaggi	D'Amours	Fowler
Bingham	Danielson	Fraser
Blanchard	Delaney	Fuqua
Blouin	Derrick	Gaydos
Boggs	Derwinski	Gephardt
Bonker	Dicks	Giaimo
Brademas	Diggs	Ginn
Breaux	Dingell	Glickman
Breckinridge	Dodd	Gore
Gudger	Mazzoli	Rostenkowski
Hamilton	Meeds	Roybal
Hanley	Metcalfe	Runnels
Hannaford	Meyner	Russo
Harkin	Mikulski	Ryan
Harrington	Mikva	Santini
Hawkins	Miller, Calif.	Scheuer
Hefner	Mineta	Seiberling
Heftel	Mitchell, Md.	Sharp
Hightower	Moakley	Shipley
Holtzman	Moffett	Sikes
Howard	Mollohan	Simon
Hubbard	Moorhead, Pa.	Sisk
Hughes	Murphy, Ill.	Skelton
Ireland	Murphy, N.Y.	Slack
Jacobs	Murtha	Smith, Iowa
Jenkins	Myers, Gary	Solarz
Jenrette	Natcher	Spellman
Johnson, Calif.	Neal	Staggers
Jones, N.C.	Nedzi	Stark
Jones, Okla.	Nix	Steed
Jordan	Nolan	Steiger
Kastenmeier	Oakar	Stockman
Ketchum	Oberstar	Stokes
Keys	Obey	Studds
Kildee	Panetta	Stump
Koch	Patterson	Thompson
Krebs	Pattison	Traxler
LaFalce	Pease	Udall
Le Fante	Pepper	Ullman
Leggett	Perkins	Vanik
Lehman	Pickle	Vento
Lloyd, Calif.	Poage	Waggonner
Lundine	Preyer	Weaver
McCormack	Price	Weiss
McFall	Rahall	Whitley
McHugh	Railsback	Wilson, Tex.
McKay	Rangel	Wright
McKinney	Reuss	Yates
Maguire	Richmond	Yatron
Mahon	Roberts	Young, Fla.
Mann	Rodino	Young, Mo.
Markey	Roncalio	Zablocki
Marriott	Rose	Zeferetti
Mattox	Rosenthal	

NAYS—181

Ambro	Erlenborn	Marlenee
Anderson, Ill.	Ertel	Martin
Andrews, N. Dak.	Evans, Del.	Mathis
	Evans, Ga.	Michel
Applegate	Evans, Ind.	Milford
Archer	Fenwick	Miller, Ohio
Ashbrook	Findley	Minish
Badham	Fish	Mitchell, N.Y.
Bafalis	Forsythe	Montgomery
Bauman	Frenzel	Moore
Beard, R.I.	Gammage	Moorhead, Calif.
Beard, Tenn.	Gibbons	
Benjamin	Gilman	Mottl
Bevill	Goldwater	Murphy, Pa.
Boland	Gonzalez	Myers, Michael
Bonior	Goodling	Nichols
Bowen	Gradison	Nowak
Brinkley	Grassley	O'Brien
Broomfield	Guyer	Ottinger
Brown, Mich.	Hagedorn	Patten
Brown, Ohio	Hall	Pettis
Buchanan	Hansen	Pressler
Burgener	Harris	Pritchard
Burke, Fla.	Harsha	Pursell
Caputo	Heckler	Quie
Carney	Hillis	Quillen
Carter	Holland	Regula
Cavanaugh	Hollenbeck	Rhodes
Cederberg	Holt	Rinaldo
Chappell	Horton	Risenhoover
Clausen, Don H.	Huckaby	Robinson
	Hyde	Roe
Clawson, Del	Ichord	Rogers
Cleveland	Jeffords	Rooney
Cochran	Johnson, Colo.	Rousselot
Cohen	Kazen	Rudd
Coleman	Kemp	Satterfield
Collins, Tex.	Kindness	Sawyer
Conable	Kostmayer	Schroeder
Conte	Lagomarsino	Schulze
Corcoran	Latta	Sebelius
Coughlin	Leach	Shuster
Crane	Lederer	Skubitz
Daniel, Dan	Lent	Snyder
Daniel, R. W.	Levitas	Spence
Davis	Livingston	St Germain
de la Garza	Lloyd, Tenn.	Stangeland
Devine	Long, La.	Stanton
Dickinson	Long, Md.	Steers
Dornan	Lott	Stratton
Duncan, Tenn.	Lujan	Symms
Edgar	Luken	Taylor
Edwards, Ala.	McCloskey	Treen
Edwards, Okla.	McDade	Trible
Eilberg	McEwen	Vander Jagt
Emery	Madigan	Volkmer
English	Marks	Walgren
Walker	Whitten	Wydler
Walsh	Wilson, Bob	Wylie
Wampler	Winn	Young, Tex.
Watkins	Wirth	
Whitehurst	Wolff	

NOT VOTING—39

Abdnor	Jones, Tenn.	Thornton
Alexander	Kasten	Tsongas
Armstrong	Kelly	Tucker
Bolling	Krueger	Van Deerlin
Burton, John	McClory	Waxman
Chisholm	McDonald	Whalen
Conyers	Moss	White
Cunningham	Myers, John	Wiggins
Dellums	Pike	Wilson, C. H.
Dent	Quayle	Young, Alaska
Duncan, Oreg.	Ruppe	
Fithian	Sarasin	
Frey	Smith, Nebr.	
Hammer-schmidt	Teague	
	Thone	

The Clerk announced the following pairs:

On this vote:

Mr. Jones of Tennessee for, with Mr. McDonald against.

Ms. Chisholm for, with Mr. White against.

Mr. Sarasin for, with Mr. Abdnor against.

Mr. Dellums for, with Mr. Cunningham against.

Mr. Charles H. Wilson of California for, with Mr. McClory against.

Mr. Waxman for, with Mrs. Smith of Nebraska against.

Mr. Tucker for, with Mr. Young of Alaska against.

Until further notice:

Mr. Dent with Mr. Armstrong.

Mr. Alexander with Mr. Frey.

Mr. John Burton with Mr. Hammerschmidt.

Mr. Conyers with Mr. Kasten.

Mr. Moss with Mr. Thone.

Mr. Duncan of Oregon with Mr. Wiggins.

Mr. Fithian with Mr. Whalen.

Mr. Krueger with Mr. John T. Myers.

Mr. Teague with Mr. Kelly.

Mr. Thornton with Mr. Ruppe.

Mr. Van Deerlin with Mr. Quayle.

Mr. Tsongas with Mr. Pike.

Messrs. MADIGAN, PATTEN, HAGEDORN, Mrs. LLOYD of Tennessee, Messrs. GAMMAGE, HUCKABY, GONZALEZ, HALL, STRATTON, BOWEN, WATKINS, and WHITTEN changed their vote from "yea" to "nay."

Mr. DINGELL and Mr. GIAIMO changed their vote from "nay" to "yea."

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the preferential motion offered by the gentleman from Texas (Mr. ARCHER).

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. ARCHER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 183, nays 209, not voting 42, as follows:

[Roll No. 757]

YEAS—183

Allen	Bevill	Caputo
Anderson, Calif.	Biaggi	Carter
	Boggs	Cederberg
Anderson, Ill.	Bowen	Chappell
Andrews, N. Dak.	Brinkley	Clausen, Don H.
	Broomfield	
Applegate	Brown, Mich.	Clawson, Del
Archer	Brown, Ohio	Cleveland
Ashbrook	Broyhill	Cohen
Badham	Burgener	Coleman
Badillo	Burke, Fla.	Collins, Tex.
Bafalis	Burleson, Tex.	Conable
Bauman	Butler	Conte
Beard, Tenn.	Byron	Corcoran

Coughlin	Ichord	Rinaldo
Crane	Ireland	Risenhoover
Daniel, Dan	Jeffords	Roberts
Daniel, R. W.	Johnson, Colo.	Robinson
Davis	Kazen	Roe
de la Garza	Kemp	Roncalio
Derwinski	Ketchum	Rooney
Devine	Kindness	Rousselot
Dickinson	Koch	Rudd
Diggs	Lagomarsino	Russo
Dornan	Latta	Santini
Duncan, Tenn.	Leach	Satterfield
Edwards, Ala.	Lent	Sawyer
Edwards, Okla.	Livingston	Scheuer
Emery	Lloyd, Calif.	Schroeder
English	Lloyd, Tenn.	Schulze
Evans, Del.	Long, Md.	Sebelius
Evans, Ind.	Lott	Shuster
Fenwick	Lujan	Sikes
Fish	McCloskey	Snyder
Flynt	McEwen	Spence
Forsythe	McKinney	St Germain
Fowler	Madigan	Stangeland
Frenzel	Marks	Stanton
Fuqua	Marlenee	Steers
Gammage	Marriott	Stockman
Gibbons	Martin	Stump
Gilman	Mathis	Symms
Goldwater	Michel	Taylor
Gonzalez	Miller, Ohio	Treen
Goodling	Mitchell, N.Y.	Trible
Gore	Montgomery	Vander Jagt
Gradison	Moore	Walgren
Grassley	Moorhead, Calif.	Walker
Guyer	Natcher	Walsh
Hagedorn	Nichols	Wampler
Hall	O'Brien	Watkins
Hannaford	Ottinger	Whitehurst
Hansen	Patterson	Whitten
Harrington	Pettis	Wiggins
Harris	Pressler	Wilson, Bob
Harsha	Pritchard	Wilson, Tex.
Hightower	Pursell	Winn
Hillis	Quie	Wolff
Hollenbeck	Quillen	Wydler
Holt	Railsback	Wylie
Horton	Regula	Young, Fla.
Huckaby	Rhodes	
Hyde		

NAYS—209

Addabbo	Edgar	Lehman
Akaka	Edwards, Calif.	Levitas
Ambro	Eilberg	Long, La.
Ammerman	Erlenborn	Luken
Andrews, N.C.	Ertel	Lundine
Annunzio	Evans, Colo.	McCormack
Ashley	Evans, Ga.	McDade
Aspin	Fary	McFall
AuCoin	Fascell	McHugh
Baldus	Findley	McKay
Barnard	Fisher	Maguire
Beard, R.I.	Flippo	Mahon
Bedell	Flood	Mann
Bellenson	Florio	Markey
Benjamin	Flowers	Mattox
Bennett	Foley	Mazzoli
Bingham	Ford, Mich.	Meeds
Blanchard	Ford, Tenn.	Metcalfe
Blouin	Fountain	Meyner
Boland	Fraser	Mikulski
Bonior	Gaydos	Mikva
Bonker	Gephardt	Milford
Brademas	Giaimo	Miller, Calif.
Breaux	Ginn	Mineta
Breckinridge	Glickman	Minish
Brodhead	Gudger	Mitchell, Md.
Brooks	Hamilton	Moakley
Brown, Calif.	Hanley	Moffett
Buchanan	Harkin	Mollohan
Burke, Calif.	Hawkins	Moorhead, Pa.
Burke, Mass.	Heckler	Mottl
Burlison, Mo.	Hefner	Murphy, Ill.
Burton, Phillip	Heftel	Murphy, N.Y.
Carr	Holland	Murphy, Pa.
Cavanaugh	Holtzman	Murtha
Clay	Howard	Myers, Gary
Cochran	Hubbard	Myers, Michael
Collins, Ill.	Hughes	Neal
Corman	Jacobs	Nedzi
Cornell	Jenkins	Nix
Cornwell	Jenrette	Nolan
Cotter	Johnson, Calif.	Nowak
D'Amours	Jones, N.C.	Oakar
Danielson	Jones, Okla.	Oberstar
Delaney	Jordan	Obey
Derrick	Kastenmeier	Panetta
Dicks	Keys	Patten
Dingell	Kildee	Pattison
Dodd	Kostmayer	Pease
Downey	Krebs	Pepper
Drinan	LaFalce	Perkins
Early	Le Fante	Pickle
Eckhardt	Lederer	Preyer
Price	Sisk	Ullman
Rahall	Skelton	Vanik
Rangel	Skubitz	Vento
Reuss	Slack	Volkmer
Richmond	Smith, Iowa	Waggonner
Rodino	Solarz	Weaver
Rogers	Spellman	Weiss
Rose	Staggers	Whitley
Rosenthal	Stark	Wirth
Rostenkowski	Steed	Wright
Roybal	Steiger	Yates
Runnels	Stokes	Yatron
Ryan	Stratton	Young, Mo.
Seiberling	Studds	Young, Tex.
Sharp	Thompson	Zablocki
Shipley	Traxler	Zeferetti
Simon	Udall	

NOT VOTING—42

Abdnor	Hammer-schmidt	Sarasin
Alexander	Jones, Tenn.	Smith, Nebr.
Armstrong	Kasten	Teague
Baucus	Kelly	Thone
Bolling	Krueger	Thornton
Burton, John	Leggett	Tsongas
Carney	McClory	Tucker
Chisholm	McDonald	Van Deerlin
Conyers	Moss	Waxman
Cunningham	Myers, John	Whalen
Dellums	Pike	White
Dent	Poage	Wilson, C. H.
Duncan, Oreg.	Quayle	Young, Alaska
Fithian	Ruppe	
Frey		

The Clerk announced the following pairs:

On this vote:

Mr. McDonald for, with Mr. Jones of Tennessee against.

Mr. White for, with Ms. Chisholm against.

Mr. Abdnor for, with Mr. Dellums against.

Mr. Cunningham for, with Mr. Waxman against.

Mr. Kelly for, with Mr. Tucker against.

Mr. McClory for, with Mr. Charles H. Wilson of California against.

Mr. Sarasin for, with Mr. Conyers against.

Mr. Young of Alaska for, with Mr. Moss against.

Until further notice:

Mr. Dent with Mr. Ruppe.

Mr. Alexander with Mrs. Smith of Nebraska.

Mr. Carney with Mr. Hammerschmidt.

Mr. John Burton with Mr. Frey.

Mr. Teague with Mr. John T. Myers.

Mr. Van Deerlin with Mr. Quayle.

Mr. Thornton with Mr. Armstrong.

Mr. Tsongas with Mr. Baucus.

Mr. Fithian with Mr. Duncan of Oregon.

Mr. Krueger with Mr. Kasten.

Mr. Leggett with Mr. Pike.

Mr. Thone with Mr. Whalen.

Mr. PATTERSON of California changed his vote from "nay" to "yea."

So the preferential motion was rejected.

The result of the vote was announced as above recorded.

GENERAL LEAVE

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the preferential motion to instruct the conferees which was just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees: Messrs. ULLMAN, BURKE of Massachusetts, ROSTENKOWSKI, WAGGONNER, COTTER, MIKVA, TUCKER, CONABLE, ARCHER, and KETCHUM.

There was no objection.

CONFERENCE REPORT ON H.R. 6666, LEGAL SERVICES CORPORATION AMENDMENTS ACT OF 1977

Mr. KASTENMEIER submitted the following conference report and statement on the bill (H.R. 6666) to amend the Legal Services Corporation Act to provide authorization of appropriations for additional fiscal years, and for other purposes:

CONFERENCE REPORT (H. REPT. NO. 95–825)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 6666) to amend the Legal Services Corporation Act to provide authorization of appropriations for additional fiscal years, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

SHORT TITLE

SECTION 1. This Act may be cited as the "Legal Services Corporation Act Amendments of 1977".

DECLARATION OF PURPOSE

SEC. 2. Section 1001 of the Legal Services Corporation Act (42 U.S.C. 2996) is amended by inserting before the semicolon at the end of paragraph (3) "and assist in improving opportunities for low-income persons consistent with the purposes of this Act".

MEMBERSHIP OF GOVERNING BOARD

SEC. 3. Section 1004(a) of the Legal Services Corporation Act (42 U.S.C. 2996c(a)) is amended by inserting at the end thereof the following new sentence: "Effective with respect to appointments made after the date of enactment of the Legal Services Corporation Act Amendments of 1977 but not later than July 31, 1978, the membership of the Board shall be appointed so as to include eligible clients, and to be generally representative of the organized bar, attorneys providing legal assistance to eligible clients, and the general public.".

SUNSHINE PROVISION

SEC. 4. Section 1004(g) of the Legal Services Corporation Act (42 U.S.C. 2996c(g)) is amended by striking out all that follows "open" and inserting in lieu thereof "and shall be subject to the requirements and provisions of section 552b of title 5, United States Code (relating to open meetings).".

SUPPORT ASSISTANCE

SEC. 5. (a) Paragraph (3) of section 1006 (a) of the Legal Services Corporation Act (42 U.S.C. 2996e(a)(3)) is amended by striking out "and not" and inserting in lieu thereof a comma and "or".

(b) Section 1006(a)(3)(A) of the Legal Services Corporation Act (42 U.S.C. 2996e(a)(3)(A)) is amended by inserting at the end thereof the following: "except that broad general legal or policy research unrelated to representation of eligible clients may not be undertaken by grant or contract,".

(c) Section 1010 of the Legal Services Corporation Act (42 U.S.C. 2996i) is amended by adding at the end thereof the following new subsection:

"(d) Not more than 10 percent of the amounts appropriated pursuant to subsection (a) of this section for any fiscal year shall be available for grants or contracts under section 1006(a)(3) in any such year.".

POWERS, DUTIES, AND LIMITATIONS OF THE CORPORATION AND RECIPIENTS

SEC. 6. (a) Section 1006(b)(1) of the Legal Services Corporation Act (42 U.S.C. 2996e(b)(1)) is amended by inserting "(A)" after "SEC. 1006. (b)(1)" and adding at the end thereof the following new subparagraph:

"(B) No question of whether representation is authorized under this title, or the rules, regulations or guidelines promulgated pursuant to this title, shall be considered in, or affect the final disposition of, any proceeding in which a person is represented by a recipient or an employee of a recipient. A litigant in such a proceeding may refer any such question to the Corporation which shall review and dispose of the question promptly, and take appropriate action. This subparagraph shall not preclude judicial review available under applicable law.".

(b) Section 1006(c)(1) of the Legal Services Corporation Act (42 U.S.C. 2996e(c)(1)) is amended to read as follows:

"(1) participate in litigation unless the Corporation or a recipient of the Corporation is a party, or a recipient is representing an eligible client in litigation in which the interpretation of this title or a regulation promulgated under this title is an issue, and shall not participate on behalf of any client other than itself; or".

(c) Section 1006(d) of the Legal Services Corporation Act (42 U.S.C. 2996e(d)) is amended by adding at the end thereof the following new paragraph:

"(6) Attorneys employed by a recipient shall be appointed to provide legal assistance without reasonable compensation only when such appointment is made pursuant to a statute, rule, or practice applied generally to attorneys practicing in the court where the appointment is made.".

ACTIVITIES OF STAFF ATTORNEYS

SEC. 7. (a) Paragraph (2) of section 1006(e) of the Legal Services Corporation Act (42 U.S.C. 2996e(e)(2)) is amended by inserting "and staff attorneys" after "Corporation", and by inserting before the period at the end thereof a comma and the following: "except that no staff attorney may be a candidate in a partisan political election".

(b) Section 1007(a)(6) of the Legal Services Corporation Act (42 U.S.C. 2996f(a)(6)) is amended by striking out the matter following clause (C).

REIMBURSEMENT FOR SUCCESSFUL DEFENDANTS

SEC. 8. The first sentence of section 1006(f) of the Legal Services Corporation Act (42 U.S.C. 2996e(f)) is amended by striking out "may" and inserting in lieu thereof "shall".

ASSISTANCE CRITERIA

SEC. 9. (a) Paragraph (2)(B)(iv) of section 1007(a) of the Legal Services Corporation Act (42 U.S.C. 2996f(a)(2)(B)(iv)) is amended to read as follows:

"(iv) such other factors as relate to financial inability to afford legal assistance, which may include evidence of a prior determination that such individual's lack of income results from refusal or unwillingness, without good cause, to seek or accept an employment situation; and".

(b)(1) Paragraph (2)(C) of section 1007(a) of the Legal Services Corporation Act (42 U.S.C. 2996f(a)(2)(C)) is amended to read as follows:

"(C) insure that (i) recipients, consistent with goals established by the Corporation, adopt procedures for determining and implementing priorities for the provision of such assistance, taking into account the relative needs of eligible clients for such assistance (including such outreach, training, and support services as may be necessary), including particularly the needs for service on the part of significant segments of the population of eligible clients with special difficulties of access to legal services or special legal problems (including elderly and handicapped individuals); and (ii) appropriate training and support services are provided in order to provide such assistance to such significant segments of the population of eligible clients;".

(2) Section 1008(c) of the Legal Services Corporation Act (42 U.S.C. 2996g(c)) is amended by adding at the end thereof the following new sentence: "Such report shall include a description of services provided pursuant to section 1007(a)(2)(C) (i) and (ii).".

(c) Paragraph (5) of section 1007(a) of the Legal Services Corporation Act (42 U.S.C. 2996f(a)(5)) is amended to read as follows:

"(5) insure that no funds made available to recipients by the Corporation shall be used at any time, directly or indirectly, to influence the issuance, amendment, or revocation of any executive order or similar promulgation by any Federal, State, or local agency, or to undertake to influence the passage or defeat of any legislation by the Congress of the United States, or by any State or local legislative bodies, or State proposals by initiative petition, except where—

"(A) representation by an employee of a recipient for any eligible client is necessary to the provision of legal advice and representation with respect to such client's legal rights and responsibilities (which shall not be construed to permit an attorney or a recipient employee to solicit a client, in violation of professional responsibilities, for the purpose of making such representation possible); or

"(B) a governmental agency, legislative body, a committee, or a member thereof—

"(i) requests personnel of the recipient to testify, draft, or review measures or to make representations to such agency, body, committee, or member, or

"(ii) is considering a measure directly affecting the activities under this title of the recipient or the Corporation.".

LIMITATIONS ON USE OF FUNDS

SEC. 10. Section 1007(b) of the Legal Services Corporation Act (42 U.S.C. 2996f(b)) is amended to read as follows:

"(b) No funds made available by the Corporation under this title, either by grant or contract, may be used—

"(1) to provide legal assistance (except in accordance with guidelines promulgated by the Corporation) with respect to any fee-generating case (which guidelines shall not preclude the provision of legal assistance in cases in which a client seeks only statutory benefits and appropriate private representation is not available);

"(2) to provide legal assistance with respect to any criminal proceeding, except to provide assistance to a person charged with a misdemeanor or lesser offense or its equivalent in an Indian tribal court;

"(3) to provide legal assistance in civil actions to persons who have been convicted of a criminal charge where the civil action arises out of alleged acts or failures to act and the action is brought against an officer of the court or against a law enforcement official for the purpose of challenging the validity of the criminal conviction;

"(4) for any of the political activities prohibited in paragraph (6) of subsection (a) of this section;

"(5) to make grants to or enter into contracts with any private law firm which expends 50 percent or more of its resources and time litigating issues in the broad interests of a majority of the public;

"(6) to support or conduct training programs for the purpose of advocating particular public policies or encouraging political activities, labor or antilabor activities, boycotts, picketing, strikes, and demonstrations, as distinguished from the dissemination of information about such policies or activities, except that this provision shall not be construed to prohibit the training of attorneys or paralegal personnel necessary to prepare them to provide adequate legal assistance to eligible clients;

"(7) to initiate the formation, or act as an organizer, of any association, federation, or similar entity, except that this paragraph shall not be construed to prohibit the provision of legal assistance to eligible clients;

"(8) to provide legal assistance with respect to any proceeding or litigation which seeks to procure a nontherapeutic abortion or to compel any individual or institution to perform an abortion, or assist in the performance of an abortion, or provide facilities for the performance of an abortion, contrary to the religious beliefs or moral convictions of such individual or institution;

"(9) to provide legal assistance with respect to any proceeding or litigation relating to the desegregation of any elementary or secondary school or school system, except that nothing in this paragraph shall prohibit the provision of legal advice to an eligible client with respect to such client's legal rights and responsibilities; or

"(10) to provide legal assistance with respect to any proceeding or litigation arising out of a violation of the Military Selective Service Act or of desertion from the Armed Forces of the United States, except that legal assistance may be provided to an eligible client in a civil action in which such client alleges that he was improperly classified prior to July 1, 1973, under the Military Selective Service Act or prior corresponding law.".

GOVERNING BODIES OF RECIPIENTS

SEC. 11. Section 1007(c) of the Legal Services Corporation Act (42 U.S.C. 2996f(c)) is amended by striking out "and which includes at least one individual eligible to receive legal assistance under this title," and inserting in lieu thereof "and at least one-third of which consists of persons who are, when selected, eligible clients who may also be representatives of associations or organizations of eligible clients.".

NOTIFICATION

SEC. 12. Section 1007(f) of the Legal Services Corporation Act (42 U.S.C. 2996f(f)) is amended by striking all that follows "Governor" and inserting in lieu thereof a comma and: "the State bar association of any State, and the principal local bar associations (if there be any) of any community, where legal assistance will thereby be initiated, of such grant, contract, or project. Notification shall include a reasonable description of the grant application or proposed contract or project and request comments and recommendations.".

ELIGIBLE CLIENTS' SPECIAL NEEDS ASSESSMENT STUDY

SEC. 13. Section 1007 of the Legal Services Corporation Act (42 U.S.C. 2996f) is amended by adding at the end thereof the following new subsection:

"(h) The Corporation shall conduct a study on whether eligible clients who are—

"(1) veterans,

"(2) native Americans,

"(3) migrants or seasonal farm workers,

"(4) persons with limited English-speaking abilities, and

"(5) persons in sparsely populated areas where a harsh climate and an inadequate transportation system are significant impediments to receipt of legal services

have special difficulties of access to legal services or special legal problems which are not being met. The Corporation shall report to Congress not later than January 1, 1977, on the extent and nature of any such problems and difficulties and shall include in the report and implement appropriate recommendations.".

AUDITS AND RECORDKEEPING

SEC. 14. Paragraph (2) of section 1009(b) of the Legal Services Corporation Act (42

U.S.C. 2996h (b) (2)) is amended by striking out the period at the end of the last sentence and inserting in lieu thereof "throughout the period beginning on the date such possession or custody commences and ending three years after such date, but the General Accounting Office may require the retention of such books, accounts, financial records, reports, files, papers, or property for a longer period under section 117(b) of the Accounting and Auditing Act of 1950 (31 U.S.C. 67(b))."

FINANCING

SEC. 15. (a) Section 1010(a) of the Legal Services Corporation Act (42 U.S.C. 2996i(a)) is amended by inserting after the first sentence the following new sentence: "There are authorized to be appropriated for the purpose of carrying out the activities of the Corporation $205,000,000 for the fiscal year 1978, and such sums as may be necessary for each of the two succeeding fiscal years.".

(b) The last sentence of section 1010(a) of the Legal Services Corporation Act (42 U.S.C. 2996i(a)) is amended to read as follows: "Appropriations for that purpose shall be made for not more than two fiscal years, and shall be paid to the Corporation in annual installments at the beginning of each fiscal year in such amounts as may be specified in Acts of Congress making appropriations.".

HEARING EXAMINERS

SEC. 16. Section 1011(2) of the Legal Services Corporation Act (42 U.S.C. 2996j(2)) is amended by inserting before the period at the end thereof a comma and "and, when requested, such hearing shall be conducted by an independent hearing examiner. Such hearing shall be held prior to any final decision by the Corporation to terminate financial assistance or suspend or deny funding. Hearing examiners shall be appointed by the Corporation in accordance with procedures established in regulations promulgated by the Corporation".

EFFECTIVE DATES

SEC. 17. (a) (1) The amendment made by section 11 of this Act shall be effective six months after the first day of the first calendar month following the date of enactment of this Act.

(2) The amendment made by section 15 of this Act shall be effective with respect to fiscal years beginning after September 30, 1977.

(b) The amendments made by provisions of this Act other than sections 11 and 15 shall be effective on the date of enactment of this Act.

And the Senate agree to the same.

BOB KASTENMEIER,
GEORGE E. DANIELSON,
ROBERT DRINAN,
JIM SANTINI,
ALLEN E. ERTEL,
TOM RAILSBACK,
M. CALDWELL BUTLER,
Managers on the Part of the House.

GAYLORD NELSON,
ALAN CRANSTON,
WILLIAM D. HATHAWAY,
DON RIEGLE,
HARRISON A. WILLIAMS,
EDWARD M. KENNEDY,
JACOB K. JAVITS,
ORRIN G. HATCH,
JOHN H. CHAFEE,
ROBERT T. STAFFORD,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 6666) to amend the Legal Services Corporation Act to provide authorization of appropriations for additional fiscal years, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment strikes out all of the House bill after the enacting clause and inserts a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

SHORT TITLE

The House bill cites the title as the "Legal Services Corporation *Amendments Act* of 1977".

The Senate amendment cites the title as the "Legal Services Corporation *Act Amendments* of 1977".

The House recedes.

DECLARATION OF PURPOSE

The Senate amendment clarifies the Congressional intent respecting the scope and purpose of the legal services program by specifying that the program is intended to assist in improving opportunities for low-income persons consistent with the purposes of the Economic Opportunity Act of 1964, as amended.

There is no comparable House provision.

The House recedes.

MEMBERSHIP OF GOVERNING BOARD

The Senate amendment requires that at least three members of the Corporation's Board of Directors be eligible clients, and that the membership of the Board be generally representative of the organized bar, the client community, legal assistance attorneys, and the general public.

There is no comparable House provision.

The House recedes with an amendment providing that, effective with respect to appointments made after the date of enactment of the Legal Services Corporation Act Amendments of 1977 but not later than July 31, 1978, the membership of the Board shall be appointed so as to include eligible clients, and to be generally representative of the organized bar, attorneys providing legal assistance to eligible clients, and the general public. It is the intention of the conferees that at least one eligible client shall be appointed at the earliest possible date.

SUNSHINE PROVISION

The House bill and the Senate amendment each provides that the Corporation and each State Advisory Council will be subject to the requirements of the Government in the Sunshine Act (section 552b of title 5, United States Code).

The conference substitute includes this provision.

SUPPORT ASSISTANCE

1. The House bill and the Senate amendment each gives the Corporation the authority to fund by grant or contract research, training, technical assistance, and clearinghouse functions.

The conference substitute includes this provision.

2. The Senate amendment prohibits the funding by grant or contract of broad general legal or policy research unrelated to representation of clients.

There is no comparable House provision.

The House recedes.

3. The House bill restricts the funding of grants and contracts for support assistance to not more than ten percent of the appropriation for any fiscal year.

There is no comparable Senate amendment.

The Senate recedes.

POWERS, DUTIES, AND LIMITATIONS OF THE CORPORATION AND RECIPIENTS

1. Challenges to representation of clients

The House bill and the Senate amendment each prohibits challenges to the authority of legal services programs to provide representation in a particular case or to a particular client during a proceeding.

In addition, the Senate amendment, but not the House bill, requires that such issues shall be referred to the Corporation for review and disposition and clarifies that the party challenging the authority of the local legal services program to represent a client is not precluded from seeking judicial review of the Corporation's decision.

The conference substitute provides that no question of whether representation is authorized under this title, or the rules, regulations, or guidelines promulgated pursuant to this title, shall be considered in, or affect the final disposition of, any proceeding in which a person is represented by a recipient or an employee of a recipient; that a litigant in such a proceeding may refer any such question to the Corporation which shall review and dispose of the question promptly, and take appropriate action; and that judicial review of the Corporation's action or inaction is not precluded where available under applicable law.

2. Litigation by Legal Services Corporation

A. The House bill and the Senate amendment each restrict the Corporation from participating in litigation unless the Corporation or a recipient is a party to such litigation.

The conference substitute includes this provision.

B. The Senate amendment adds a further exception, allowing the Corporation to participate in litigation when a recipient is representing an eligible client.

There is no comparable House provision.

The conference substitute provides that the Corporation may participate in litigation on behalf of itself when a recipient is representing an eligible client in litigation in which the interpretation of this title or a regulation promulgated thereunder is an issue.

3. Nondiscriminatory appointment of attorneys

The House bill and the Senate amendment each provides that a legal services attorney shall not be appointed by a court unless the attorney is compensated on the same terms as a member of the private bar in that court.

The conference substitute includes this provision.

ACTIVITIES OF STAFF ATTORNEYS

1. The House bill and the Senate amendment each subjects staff attorneys of recipients to the same provisions of the Hatch Act which are applicable to Legal Services Corporation, State, and local employees (chapter 15, of title 5, United States Code).

The conference substitute includes this provision.

2. The House bill has explicit language prohibiting partisan political candidacies by staff attorneys of recipients.

The Senate amendment has no comparable provision.

The Senate recedes.

REIMBURSEMENT FOR SUCCESSFUL DEFENDANTS

The House bill modifies current law to mandate that a court award reasonable costs and legal fees against the Corporation, when the court finds that an action was commenced or pursued for the principal purpose of harassing the defendant or was brought with malicious abuse of the legal process.

There is no comparable Senate amendment.

The Senate recedes with amendments restoring the requirement in existing law of a defendant's motion and maintaining "sole" rather than "principal".

ASSISTANCE CRITERIA

1. Employment situation

The House bill provides that any evidence of an individual's willingness to seek or accept employment may be considered as a factor relating to such individual's financial inability to afford legal assistance.

The Senate amendment provides that evidence of a prior determination of an individual's unwillingness to seek or accept an appropriate employment situation shall be considered as a factor relating to such individual's financial inability to afford legal assistance.

The conference substitute provides that evidence of a prior determination that an individual's lack of income results from refusal or unwillingness, without good cause, to seek or accept an employment situation, may be considered as a factor relating to such individual's financial inability to afford legal assistance. The conferees intend that the appropriateness of the employment situation offered be included in any consideration of such evidence.

2. Setting of priorities

A. The House bill and the Senate amendment each requires the Corporation to insure that recipients establish priorities taking into account the relative needs of the client community, including the needs of those groups with special difficulties of access to legal services or with special legal problems (including elderly and handicapped individuals.)

The Senate amendment also includes veterans, native Americans, migrants or seasonal farmworkers, and persons with limited English-speaking abilities as groups having specialized problems which need to be addressed.

The Senate recedes.

The purpose of the priorities section is to assure that the relative needs of all significant segments of the client population are taken into consideration as recipients set priorities for providing legal assistance. The two groups mentioned are meant to be suggestive only and should not be construed to give special preference in the process of consideration to these groups over other low-income persons who also have special difficulties of access to legal services or special legal problems. The conferees recognize that most of the legal problems of such groups are shared by the eligible client population generally and can be ameliorated by legal assistance that is not necessarily directed to one specific group. However, the conferees agree that elderly and handicapped persons have special difficulties of access to legal services or special legal problems which must be considered in this priority-setting process. It is appropriate that the needs of other groups be examined, including those groups subject to the study mandated by section 13 of the conference substitute. To the extent that any identifiable group does have unique legal problems, the local legal services program should consider such problems in setting its priorities and in providing services to particular groups of eligible clients which may be able to be reached only through outreach activities.

B. The House bill and the Senate amendment require the Corporation to insure that appropriate training and support services are provided to implement established priorities.

The conference substitute includes this provision.

C. The Senate amendment requires that the annual report of the Corporation include a description of the services provided pursuant to section 1007(a)(2)(c)(i) and (ii).

There is no comparable House provision.

The House recedes.

3. Legislative and administrative advocacy

A. Affected Actions

The House bill changes present law by adding to the list of legislative and executive actions which the recipients are restricted from influencing, "State proposals by initiative petition".

There is no comparable Senate amendment.

The Senate recedes.

B. Representation by Employees of Recipients

(1) The House bill provides that an employee of a recipient may represent a client in an administrative or legislative proceeding.

The Senate amendment provides that an attorney, or a recipient employee supervised by an attorney, may represent clients in such proceedings.

The Senate recedes.

(2) The Senate amendment explicitly states that the ABA Code of Professional Responsibility is applicable to legal services programs and employees with respect to the solicitation of clients.

The House bill has no comparable provision.

The House recedes.

C. Appropriate Representations

(1) The House bill specifies examples of the types of representations (testifying, drafting, or reviewing measures, or making representations to an agency, body, committee or member) that may be made by legal services programs in response to a request from a legislative or administrative body or member thereof.

There is no comparable Senate amendment.

The Senate recedes.

The conferees agree that the representations enumerated by the House bill are those which are already implicit in current law. This provision in no way precludes a recipient from responding to a request directed to a recipient by a governmental agency, legislative body, a committee, or a member thereof to make representations of a general nature.

(2) The House bill provides that a legal services program may engage in legislative and administrative advocacy with respect to a measure directly affecting the activities of the recipient program, the Corporation, or (if the local Board votes to take a position on a particular subject) eligible clients.

There is no comparable Senate amendment.

The Senate recedes with an amendment providing that a recipient may make representations on a measure directly affecting the activities under this title of the recipient or the Legal Services Corporation. This amendment does not permit, without request, the type of advocacy on matters of general concern to poor persons, which would have been authorized under the deleted House language.

HIRING OF STAFF ATTORNEYS

The Senate amendment exempts a recipient from the hiring preference existing law gives to local attorneys if the recipient certifies that the position requires specific legal expertise or language proficiency and that there is no qualified local attorney who is available, but provides that in no case may a program give preference to a person which is inconsistent with Federal laws respecting discrimination in employment.

There is no comparable House provision.

The Senate recedes, maintaining the provision in existing law.

LIMITATIONS ON USE OF FUNDS

1. Fee-generating cases

The House bill permits representation in a fee-generating case, matter, or proceeding if adequate private representation is unavailable, and then only as authorized by the Corporation regulations.

The Senate amendment permits legal assistance in a fee-generating case in which a client seeks only statutory benefits and where appropriate private counsel is unavailable, and in other situations where authorized by Corporation guidelines.

The House recedes.

2. Criminal cases

The House bill and Senate amendment each permits legal assistance to a person charged with a misdemeanor or lesser offense in an Indian tribal court. The House bill sets out this provision in a separate paragraph, numbered (2).

In addition, the Senate amendment, but not the House bill, expands this exception to allow the provision of assistance in a criminal proceeding when the offense involves hunting, fishing, trapping or gathering fruits of the land and the principal defense asserted involves rights arising from a treaty with native Americans or from a statute or Executive order establishing such rights.

The Senate recedes.

3. Civil actions challenging the validity of a criminal conviction

The Senate amendment restates existing law prohibiting legal assistance in civil actions brought by a convicted defendant to challenge the validity of a criminal conviction, and in addition, the Senate amendment would permit the undertaking of such cases when authorized by Corporation guidelines.

The House bill restates the existing law and prohibition in a new paragraph, numbered (3).

The Senate recedes.

4. Juvenile representation

The Senate amendment explicitly repeals section 1007(b)(4) of the Legal Services Corporation Act of 1974 which prohibits juvenile representation except in specified instances.

The House bill has the same effect of repealing the prohibition, but does so by omitting the language of section 1007(b)(4) when it revises section 1007(b).

The conference substitute follows the House format.

5. Desegregation assistance

Section 1007(b)(7) of current law prohibits the use of Corporation funds "with respect to any proceeding or litigation relating to the desegregation of any elementary or secondary school or school system". The section prevents a legal services lawyer from aiding in the preparation of briefs, pleadings, or similar documents, or participating in any other way in any judicial or administrative proceedings relating to school desegregation.

The Senate amendment repeals section 1007(b)(7) of the Legal Services Corporation Act of 1974 which prohibits legal assistance in proceedings or litigation involving elementary or secondary school desegregation.

The House bill retains this prohibition, and renumbers the paragraph as paragraph (9).

The Senate recedes with an amendment stating that a recipient may provide legal advice to an eligible client with respect to such client's legal rights and responsibilities. However, the existing prohibition against legal assistance in litigation or proceedings involving school desegregation remains intact.

The conference substitute, renumbered as section 1007(b)(9), states what is implied in current law: that the prohibition does not prevent a legal services lawyer from providing advice to an eligible individual concerning the state of the law or the individual's status and responsibilities under it. Nor does the prohibition prevent a legal services program from advising an eligible client about

how to obtain other representation or from making a direct referral.

Canon 2 of the American Bar Association Code of Professional Responsibility states: "A lawyer should assist the legal profession in fulfilling its duty to make legal counsel available". If an applicant for assistance with respect to a desegregation proceeding were turned away without any explanation, advice, or referral, the person would be likely to draw the erroneous conclusion that the case was without merit, or that no source of free legal assistance was available with respect to it. The Canon requires a lawyer to avoid creating that kind of misleading impression, and to take positive steps to assure that individuals are aware of their legal rights and the availability of lawyers to help vindicate them.

6. Organizational assistance

The House bill clarifies the prohibition on organizational assistance so as to prohibit the use of Corporation funds to initiate the formation of or directly organize any association, federation, or similar entity, except that legal assistance to eligible clients is permitted.

There is no comparable Senate amendment.

The Conference substitute provides that—

"No funds made available by the Corporation under this title, either by grant or contract may be used—

* * * * *

"(7) to initiate the formation, or act as an organizer, of any association, federation, or similar entity, except that this paragraph shall not be construed to prohibit the provision of legal assistance to eligible clients;".

7. Abortion cases

The House bill restates the section 1007(b)(8) provision on proceedings or litigation involving abortions.

While the Senate amendment does not explicitly restate existing law, it continues the existing prohibition.

The conference substitute follows the House format.

8. Military-related cases

The House bill repeals the existing provision of section 1007(b)(9) of the Legal Services Corporation Act of 1974 which prohibits the provision of legal assistance in certain proceedings or litigation arising out of a violation of the Military Selective Service Act or of desertion from the Armed Forces of the United States.

The Senate amendment modifies the existing law to permit legal assistance in a civil case arising out of the Military Selective Service Act where the client alleges wrongful denial of his status as a conscientious objector prior to July 1, 1973.

The House recedes with an amendment which renumbers the prohibition as paragraph (10), retaining the current prohibition against representation in such proceedings or litigation "except that legal assistance may be provided to an eligible client in a civil action in which such client alleges that he was improperly classified prior to July 1, 1973, under the Military Selective Service Act or prior corresponding law" (the last military draft expired on June 30, 1973).

9. Gay rights cases

The House bill prohibits legal assistance with respect to any proceeding or litigation arising out of disputes or controversies on the issue of homosexuality or "so-called gay rights".

There is no comparable Senate amendment.

The House recedes.

GOVERNING BODIES OF RECIPIENTS

The Senate amendment requires that at least one-third of the membership of boards of recipients shall be, when selected, eligible clients. This provision is made effective six months after the first day of the first calendar month following the date of enactment of this Act.

There is no comparable House provision.

The House recedes.

NOTIFICATION

The Senate amendment provides that the principal local bar association (if one exists) of the community to be served will be notified at least thirty days prior to approval of any grant application, contract, or any other project initiating a legal assistance program, and requires that notification of the initiation of legal assistance in a local community include the solicitation of comments and recommendations.

There is no comparable House provision.

The House recedes.

ELIGIBLE CLIENTS SPECIAL NEEDS ASSESSMENT STUDY

The Senate amendment provides that the Corporation may make contracts or grants for model or demonstration projects. It enumerates certain segments of the eligible client population which might be appropriate recipients of services provided by such projects, including elderly persons, handicapped persons, veterans, native Americans, migrants or seasonal farmworkers, persons with limited English-speaking abilities and persons living in sparsely-populated areas where a harsh climate and an inadequate transportation system significantly impede the receipt of legal services.

There is no comparable House provision.

The Senate recedes with an amendment requiring that a study be conducted (and a report be submitted by January 1, 1979) on whether eligible clients who are veterans, native Americans, migrants or seasonal farm workers, persons with limited English-speaking abilities, and persons in sparsely populated areas where a harsh climate and an inadequate transportation system are significant impediments to receipt of legal services, have special difficulties of access to legal services or special legal problems which are not being met, and that appropriate recommendations be made and implemented to deal with these problems.

The Senate recedes from its provision on model projects, with the understanding that authority for such projects already exists in sections 1006(a)(1) and 1007(g) of the Legal Services Corporation Act of 1974. The Corporation may implement any recommendations in the report under the authority of sections 1006(a)(1) and 1007(g). The conferees believe that the Corporation, when examining and taking appropriate action to meet the needs of all veterans, should be particularly concerned about the needs for legal assistance of veterans (eligible for legal assistance under this title) with upgraded administrative discharges which are affected by the provisions of Public Law 95–126 during the period ending October 7, 1978.

AUDITS AND RECORDKEEPING

1. The House bill requires that the Corporation retain the report of its annual audit for three years from the date on which such audit is filed with the General Accounting Office.

There is no comparable Senate amendment.

The House recedes.

2. The House bill and the Senate amendment each provides a time limitation during which the Corporation must permit the General Accounting Office access to Corporation papers, property, or documents which are necessary to facilitate the audit. The Corporation is required to retain such documents for three years from the date of initial possession of custody, unless otherwise requested by GAO.

The conference substitute includes this provision.

FINANCING

1. The House bill authorizes appropriations for two fiscal years at the level of $217 million (FY 1978) and $275 million (FY 1979). The Senate amendment authorizes appropriations for three fiscal years at the level of $205 million (FY 1978), and at "such sums as may be necessary" for fiscal years 1979 and 1980.

The House recedes.

2. The House bill requires that the appropriations be paid to the Corporation in annual installments.

There is no comparable Senate amendment.

The Senate recedes.

HEARING EXAMINERS

The House bill and Senate amendment each modifies existing law to require an independent hearing examiner, when requested, to conduct the hearing; appointment of the hearing examiner pursuant to Corporation regulations; and the hearing to precede any final decision by the Corporation.

The conference substitute includes this provision.

LIABILITY OF THE UNITED STATES FOR LEGAL FEES AND COSTS

The Senate amendment adds a new section to the bill which permits the recovery of litigation costs, including attorneys' fees, by certain individuals or organizations when they prevail in civil litigation in which the United States is a party.

There is no comparable House provision.

The Senate recedes.

The conferees have taken note that similar proposals are being seriously evaluated by the Judiciary Committees in both Houses, as well as by the United States Department of Justice. The conferees have agreed that, while these inquiries may be desirable, further analysis and disposition should be left to the Committees of jurisdiction. In view of this, and also because the provision is not germane under the Rules of the House, the conference substitute does not include the Senate provision.

BOB KASTENMEIER,
GEORGE E. DANIELSON,
ROBERT DRINAN,
JIM SANTINI,
ALLEN E. ERTEL,
TOM RAILSBACK,
M. CALDWELL BUTLER,
Managers on the Part of the House.

GAYLORD NELSON,
ALAN CRANSTON,
WILLIAM D. HATHAWAY,
DON RIEGLE,
HARRISON A. WILLIAMS,
EDWARD M. KENNEDY,
JACOB K. JAVITS,
ORRIN G. HATCH,
JOHN H. CHAFEE,
ROBERT T. STAFFORD,
Managers on the Part of the Senate.

CONFERENCE REPORT ON S. 1316, ENDANGERED SPECIES ACT AUTHORIZATIONS

Mr. MURPHY of New York. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (S. 1316) to authorize appropriations for fiscal years 1978, 1979, and 1980 to carry out State cooperative programs under the Endangered Species Act of 1973.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MURPHY of New York. Mr. Speaker, I ask unanimous consent that the statement of the managers be read in lieu of the report.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of November 29, 1977.)

Mr. MURPHY of New York (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The gentleman from New York (Mr. MURPHY) and the gentleman from New Jersey (Mr. FORSYTHE) will be recognized for 30 minutes each.

The Chair recognizes the gentleman from New York (Mr. MURPHY).

Mr. MURPHY of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the conference report on S. 1316 adopts all of the provisions of the House-passed legislation with only one minor modification. As agreed by the conferees, the bill would authorize $16 million over 4 years to fund State cooperative endangered species programs.

Under the Endangered Species Act, the Federal Government is authorized to enter into cooperative agreements with individual States that develop a qualifying endangered species program. Once a State has developed an acceptable endangered species program, it is eligible to receive Federal matching funds to carry out its program. In the past, these matching funds have been used for such activities as conducting bald eagle surveys and propagating falcons for release into the wild.

In addition, S. 1316 amends the requirements that States must meet before they become eligible for these matching funds. This change in the law was added by the House and agreed to by the conferees in an attempt to encourage participation in the endangered species program by the large number of States who have not signed agreements with the Federal Government.

The conferees have added only one small modification to the bill as passed by the House. This modification simply insures that the prohibitions in the Endangered Species Act will continue to apply to resident endangered and threatened species in those States qualifying for Federal funding under the new qualifying requirements specified in the bill. Without this modification, some endangered species could have been left unprotected by both the provisions of the Endangered Species Act and the provisions of the State endangered species program.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. MURPHY of New York. I yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Speaker, this comes at a time when we have not had much preparation for it. I do not know whether the committee went into the situation that we faced in the Public Works appropriation hearings and as well as in the Interior Committee appropriation hearings, but it developed upon those hearings that the present act, in my opinion, at least, the Department of the Interior or parts thereof had held species endangered without any evidence that it was a species and not a variety.

Further hearings disclosed that in the Tellico Dam they had to seek out the so-called snail darter, not to save the species, but to find one whereby they could stop a dam within 5 percent of being completed and which would have furnished energy to 30,000 homes. In the south end of my State where I live they held up an interstate highway because of the sandhill crane. It develops that the sandhill crane is in many parts of the United States. We have had them declared a species endangered without determining whether they are a species or a variety, as history will show, without any evidence that they might exist in other States, to see whether they were plentiful.

Down in Tennessee they went to the bottom of the stream and found a darter, where the citizens who filed an injunction could not identify or separate them from two other darters. The only thing we could see as Members of Congress was a little slight dot for two of them, what you would call a minnow. Nobody heard of them until they set out to stop the dam.

I wonder if the gentleman has made an effort to see what damage they are doing to the country's ability to look after itself in the name of protecting something that is worthwhile.

As I said earlier, we have had this endangered species from the time of the dinosaurs, or we would not be here.

They are not carrying out the law as it should be according to the evidence before us, so I have understood.

Can the gentleman give any information about what they have done and whether they are going to put the country back as it was at the time of the Indians?

Mr. MURPHY of New York. Mr. Speaker, I thank the gentleman for bringing this up. Of course, the gentleman's inquiry refers to section 7 of the act and what we are dealing with here is section 6 of the act. We do not in any way in this legislation deal with the designation of critical habitat under section 7 of the Endangered Species Act. It is under section 7 that the Sixth Circuit Court of Appeals enjoined the completion of the Tellico Dam. This particular conference report has nothing to do with the problems that some public works projects face as a result of the Endangered Species Act.

Mr. WHITTEN. Mr. Speaker, if the gentleman will yield further, I have high regard for my friend, the gentleman from New York. I just wonder if the gentleman would not be better spending his time going to work on section 7 and straightening it out before we write some other section?

Mr. MURPHY of New York. We have already started working on section 7. The committee has had the General Accounting Office do a study of the Tellico Dam situation. It has also directed a set of questions to the Department of the Interior in order to determine the potential impact of section 7 on public works programs across the country. We do plan to deal with the critical habitat question early next session.

Mr. WHITTEN. Mr. Speaker, if the gentleman will yield further, those things that are dear to us and valuable to us we are in favor of, but where this is being used to stop the development of this country, we cannot afford it, in view of the present situation.

PARLIAMENTARY INQUIRY

Mr. WHITTEN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. WHITTEN. Mr. Speaker, does it require unanimous consent for the consideration of the conference report?

The SPEAKER pro tempore. The Chair is advised that unanimous consent has already been obtained for the consideration of the conference report.

Mr. WHITTEN. I am sorry, Mr. Speaker, I was not aware that was done here. I certainly would hope that the gentleman would defer this until we have a meeting of the minds between the committees that deal with it, because it is doing untold damage by being misconstrued in carrying out what I understand are the terms of the law.

Mr. MURPHY of New York. Mr. Speaker, I want the gentleman to know that we are specifically addressing ourselves to section 7. Next year the remainder of the Endangered Species Act including section 7 will be reauthorized. We want specific answers to the specific questions that the gentleman has just raised and this conference report has nothing to do with the inquiry of the gentleman.

Mr. WHITTEN. Mr. Speaker, I would like to insist that we read the statement on the part of the managers.

The SPEAKER pro tempore (Mr. FOLEY). The Chair wishes to advise the gentleman from Mississippi that unanimous consent was obtained for the consideration of the conference report, to read the statement of the managers in lieu of the report, and to dispense with further reading of the statement of the managers.

Mr. WHITTEN. I thank the Speaker.

Mr. WATKINS. Mr. Speaker, will the gentleman yield?

Mr. MURPHY of New York. I yield to the gentleman from Oklahoma.

Mr. WATKINS. Could the gentleman explain to me on the amendment here about the provision requiring an acceptable endangered species program be developed by the States? It has to be acceptable to whom, and to what group or agency?

Mr. MURPHY of New York. The States are required to initiate a conservation program for those species most in need of protection before they can qualify for matching funds.

Mr. WATKINS. If the gentleman will yield further, what concerns me about this provision is that, like the gentleman from Mississippi, I have a cousin or mutation of the snail darter, a black darter called the leopard darter, in my district which blocked construction of a dam.

To our knowledge, it is a mutation, about three or four crosses away. We cannot figure out how it can be endangered. I am deeply concerned about who is saying what about this endangered species in my State, whether it is the Federal Government or whom.

Mr. MURPHY of New York. The Department of the Interior determines whether a species is threatened or endangered after input from biologists and the public at large.

I might say that we could use some cooperation from the Fish and Wildlife Service. They recently tried to transfer the snail darter upstream to another habitat where it probably could have survived but the Fish and Wildlife Service provided nets that were contaminated and they did away with the snail darters under transfer. That is the type of agency cooperation we are trying to prevent, but I want my colleague from Oklahoma, and also my colleague from Mississippi, to know that we understand this problem. We are not going to impede programs because some people may feel that a species is endangered. We are going into this whole question in section 7, and the entire House will have the opportunity next year in the authorization process to bring this up. We do not impact on those areas in this section 6 conference report.

Mr. WATKINS. I am deeply concerned about this because the power of this particular agency has grown here. I think there should be some very close scrutiny because they are about to stop any type of public works project or any program receiving Federal funds. There is a serious possibility that a mutation or long-distant cousin of the snail darter or something in my district will prevent any type of economic growth for our people.

Mr. MURPHY of New York. The intent is not to impede public works projects, but to protect bona fide endangered species. We are going into that whole question of endangered species and the definition of them in section 7 next year. This conference report does not deal with that issue at this time.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield further?

Mr. MURPHY of New York. I will be happy to yield.

Mr. WHITTEN. As the gentleman knows, we had no advance notice, and of course in the closing days we are accustomed to that happening—otherwise, I would have been better prepared to have made an objection had I been on the floor. But, I would ask the gentleman if, in his contemplation, endangered species is something that is sought for the purpose, not of protecting species, but of finding one that comes under the provisions of the law so as to stop a dam which is 95 percent complete, and for which $96 million has already been spent, to provide energy for 30,000 homes. In this instance, they went out and found something that was not known to exist.

I do not see how they could say it was endangered until they made a thorough survey over the United States.

And may I say, for the record, that the witness in the courtroom, when the judge issued the injunction, could not identify the snail from some others.

I just hope that we can call on our friend to help straighten this matter out so that our country can continue to exist and continue to prosper and to grow.

Mr. MURPHY of New York. In no way would the snail darter come under any aspect of this conference report, because we are dealing strictly with section 6. Section 7 will be dealt with separately next year in the authorization. The committee and the members of the committee from Tennessee were very careful to insure that this question was raised in the appropriate hearings.

Mr. FORSYTHE. Mr. Speaker, I rise in support of the conference report on S. 1316, a bill to amend the Endangered Species Act of 1973 regarding the requirements for State cooperative programs and to authorize appropriations through fiscal year 1981 to carry out such programs.

The Senate conferees have agreed to recommend that the Senate recede from its disagreement to the amendment of the House which enlarged and strengthened the role of States in our Nation's endangered species program. This is a very positive step, as the successful development of our Nation's overall endangered species program depends on the good working arrangement between Federal and State agencies. Without the strong State role added to the bill by the House, no endangered species program could ever be fully realized.

The only real change in the House-passed version of the bill which has come out of the conference is one which I can fully support. During the conference it became apparent that the protection of some species might be inadvertently lost when a State program became effective. The change brought about in conference will insure that all endangered species will continue to be protected.

Mr. Speaker, I urge my colleagues to join with me in approving this authorization so that funds are available for this much-needed program.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. FORSYTHE. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I thank the gentleman for yielding.

Mr. Speaker, the Committee on Appropriations, may I say, has provided funds with which to transfer the so-called endangered species from one point to the other. And the act, as I interpret it—speaking off the cuff, because I did not know this was coming up—provides that they be protected and not used to prevent the development of the country. So if the act were carried out as it reads, if the courts would so interpret it, it would be one thing; but as I point out, when we have someone making a study, trying to find something to be used to stop a project, something that was not known to exist, something that there is no evidence now that it is not of a different variety, then we can see that the act itself is being misused.

Mr. Speaker, I hope the gentleman will devote his attention to seeing that this is carried out as it is now, and then we would not have anything like the damage that has occurred.

Mr. FORSYTHE. Mr. Speaker, that is the issue, and, as I say, that matter will apparently go all the way to the Supreme Court. But then the legislative process will follow that, as the chairman of the committee said, when we look at the rest of the legislation.

Mr. WATKINS. Mr. Speaker, will the gentleman yield?

Mr. FORSYTHE. I yield to the gentleman from Oklahoma.

Mr. WATKINS. Mr. Speaker, what concerns me is the fact that we have stated here that the States must develop an acceptable program.

A program acceptable to whom? The Federal Government, the Federal bureaucracy, which has stopped many of us in the States flat in our tracks from developing opportunities for our people?

Mr. FORSYTHE. Mr. Speaker, for the State to get a cooperative program, it would deal with the Department of the Interior and the Department of Commerce, yes, where the species would be, for example, a marine mammal. There is a split jurisdiction by species, and obviously the Federal agency has to go by the Federal law in terms of this: Does that State cooperative agreement comply with the Federal statute?

But this piece of legislation even helps make that more possible, because one of the problems in the existing law, without this legislation, was that a State had to have a program to cover all species, whether they were resident or involved or not. This permits them to protect those species under an agreement with the Federal Government that are involved in that single State.

Mr. MURPHY of New York. Mr. Speaker, will the gentleman yield?

Mr. FORSYTHE. I yield to the chairman of the committee.

Mr. MURPHY of New York. Mr. Speaker, I want to assure my colleague, the gentleman from Oklahoma (Mr. WATKINS), that the purpose of this legislation is to bring the 33 States into this program, and get them to take over the protection of resident endangered species.

We have broadened the program, and we have added more money so that the States will be able to protect endangered species and have the funds to do it. Thus they will not have to rely on what is minimal funding in many States.

That is the very thrust of this legislation, and it is not meant to impede any project. There is no project that would be impeded by this legislation.

As I assured the gentleman from Mississippi (Mr. WHITTEN)—and I refer to section 7—what we are doing is simply broadening the power of the States to, No. 1, get funding, and, No. 2, to be responsible for the endangered species within the States.

Mr. WATKINS. Mr. Speaker, will the gentleman yield further?

Mr. FORSYTHE. I yield to the gentleman from Oklahoma.

Mr. WATKINS. Mr. Speaker, the concern I have is that in the State of Oklahoma a water project was halted. Under the guise of the Endangered Species Act we were protecting two species, one called the snail darter and the other one called the leopard darter, a muta-

tion. They stopped the project. They did this, we understood, to save the environment from the results of the project.

The choice was exercised by the Federal bureaucracy, and they did not allow this project to be completed. This was done by the choice of those individuals in the Federal Government and not by the choice of the people in that area of the country, that area of the State of Oklahoma, and it was impossible to continue that project.

Mr. FORSYTHE. Mr. Speaker, as the committee chairman has said, these issues are not dealt with in the legislation we are addressing today. Those are issues that will be dealt with when we look at the rest of the Endangered Species Act. That is the time we will be anxious to hear from the gentleman further.

Mr. LEGGETT. Mr. Speaker, I urge the adoption of the conference report S. 1316. The conferees have agreed to all of the provisions of the legislation as passed by the House. They have merely added some modifying language which plugs a potential loophole in the law.

Under the existing law, when a State signs a cooperative agreement with the Federal Government covering resident wildlife, the prohibitions in the Endangered Species Act are waived. This makes a good deal of sense since the continuation of Federal prohibitions would only duplicate the protection afforded under the cooperative agreement.

S. 1316, however, changes the existing law slightly by no longer requiring blanket protection for each and every species listed by the Federal Government. Thus, in some instances, there may be a need for continued Federal protection for those species not covered by the cooperative agreement. The modification adopted by the conferees guarantees that those species not covered by the cooperative agreement will continue to receive protection under the Endangered Species Act.

Mr. MURPHY of New York. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

MOTION OFFERED BY MR. MURPHY OF NEW YORK

Mr. MURPHY of New York. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURPHY of New York moves that the House recede from its amendment to the title of the Senate bill, S. 1316.

The motion was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MURPHY of New York. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just agreed to.

The SPEAKER pro tempore (Mr. DICKS). Is there objection to the request of the gentleman from New York?

There was no objection.

TRADING WITH THE ENEMY ACT AMENDMENTS

Mr. BINGHAM. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 7738) with respect to the powers of the President in time of war or national emergency, with Senate amendments thereto, concur in Senate amendments numbered 2, 4, 5, 6, and 7, and concur in Senate amendments numbered 1 and 3 with amendments.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The Clerk will report the Senate amendments.

The Clerk read the Senate amendments, as follows:

Page 2, after line 15, insert:

(c) The termination and extension provisions of subsection (b) of this section supercede the provisions of section 101(a) and of title II of the National Emergencies Act to the extent that the provisions of subsection (b) of this section are inconsistent with those provisions.

Page 2, line 16, strike out "(c)" and insert "(d)".

Page 6, line 9, strike out all after "(2)" down to and including "title," in line 13 and insert "donations, by persons subject to the jurisdiction of the United States, of articles, including food, clothing, and medicine, intended to be used solely to relieve human suffering, except to the extent that the President determines that such donations (A) would seriously impair his authority to deal with any national emergency declared under section 202 of this title,".

Page 8, strike out all after line 11 over to and including line 6 on page 9.

Page 9, line 8, strike out "207." and insert "206.".

Page 9, line 19, strike out "208." and insert "207.".

Page 11, after line 10, insert:

SEC. 208. If any provision of this Act is held invalid, the remainder of the Act shall not be affected thereby.

The SPEAKER pro tempore. The Clerk will report the House amendments to Senate amendments numbered 1 and 3.

The Clerk read the House amendments to Senate amendments numbered 1 and 3, as follows:

In Senate amendment No. 1, strike out "supercede" and insert in lieu thereof "supersede;" and in Senate amendment No. 3, strike out "including" and insert in lieu thereof "such as," strike out "solely", and strike out "authority" and insert in lieu thereof "ability."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. ASHBROOK. Reserving the right to object, Mr. Speaker, I do that for the purpose of asking my colleague, the gentleman from New York (Mr. BINGHAM), just what is going on here. There does not seem to be anybody at the desk on this side with respect of this matter.

Mr. BINGHAM. Mr. Speaker, if the gentleman will yield, I will be glad to explain what we are attempting to do.

I expect that the gentleman from Illinois (Mr. FINDLEY), the present ranking member of my subcommittee, will be here momentarily.

I would remind the gentleman that the bill we are dealing with here passed the House on a voice vote a few months ago. It then passed the other body with a few amendments, most of which are technical in character, such things as a separability provision and some purely technical amendments changing section numbers and so on.

There are two proposed changes of substance in the Senate bill, which are substantially noncontroversial, we feel. We have had some discussions with the other body on the subject, and we recommend accepting one of those changes. The other we recommend accepting with some limitations, and I can explain what those are.

The bill we are dealing with, the gentleman will recall, provides procedures and policies for the Presidential use of economic sanctions following a declaration of a national emergency at times other than declared war. This conforms to the provisions of the National Emergencies Act.

Under the House bill, the issuance of particular regulations to carry out economic restrictions was made subject to congressional veto by congressional resolution. The Senate representatives took a very strong position that this was unnecessary since the Congress already has the authority under the National Emergencies Act to overrule or veto the President's declaration of an emergency, and the other body felt that that is sufficient. Therefore, our committee representatives concluded that we should concur in that amendment since the Senate seemed to feel very strongly about it.

The other amendment had to do with exceptions to the economic controls the President would have under such a declaration of emergency, so that articles of a humanitarian character would be excluded from any embargoes of exports. The House language on that, the Senate felt, was too broad. Consequently, the Senate amendment somewhat tightened up that exclusion. It proposes only to exclude items intended solely for humanitarian purposes and specifies that food, clothing, and medicine are the types of items that should be excluded from Presidential regulation.

The House amendment to the Senate amendment would eliminate the word "solely" since, in almost every case, items of that character would have some benefit other than a purely humanitarian one. The test would be an impossible one to meet if it were limited by the word "solely." Most donations would have some economic value and impact, in addition to relieving human suffering, and such economic value or impact should not preclude a donation from coming within the Senate's proposed "humanitarian exemption." The motion I am offering to concur in the Senate provision would delete the word "solely" from the Senate language.

The Senate provision also seemed to limit the donations contemplated to fall within the exemption to "food, clothing, and medicine." It was the intent of both the House and Senate bills that any article other than military or strategic items could be donated.

To make clearer that the Senate's mention of "food, clothing, and medi-

cine" is meant only to be illustrative of donations covered by the exemption, and that such mention should not be regarded as excluding other donated things of value from the exemption, it was suggested that the term "including" that appears before "food, clothing, and medicine" be changed to "such as." Such a change is included in the motion I am making to concur in the Senate amendments.

Finally, my motion to concur includes two further amendments to make purely technical corrections in the bill—to correct a misspelling and to correct a reference to the "authority" of the President which should read the "ability" of the President.

It is my recommendation, Mr. Speaker, that the House concur in the remainder of the Senate amendments. According to Senator STEVENSON, manager of the Senate bill, the Senate felt strongly that the congressional veto provided in the National Emergencies Act over future declarations of national emergency, which would trigger the international economic regulatory authority spelled out in this bill, constitutes a sufficient congressional check on the use of these authorities and makes unnecessary the additional congressional veto of regulations contained in the House bill. It was the concern of the House committee in considering this legislation that the congressional veto over national emergencies might provide too blunt and imprecise a congressional check—that a future Congress might concur with the need for a declaration of national emergency, but disagree with the use of a particular authority available to the President in light of a declared national emergency. Nevertheless, the motion I will offer to concur in the Senate amendments accepts the Senate position that congressional veto over "national emergencies" themselves is sufficient.

We feel that neither of these are of major consequence to the bill. That is why we brought the matter before the House in this fashion. We did not feel a conference was necessary and we were hoping to dispose of this legislation before the end of this session.

The minority has been consulted on this. I alerted the gentleman's colleague, the gentleman from Maryland (Mr. BAUMAN). I do not see the gentleman on the floor at the moment.

I also have the assurances that the minority on the committee are in accord with this proposal.

Mr. ASHBROOK. Mr. Speaker, further reserving the right to object, I thank my colleague for that explanation and I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. DICKS). Is there objection to the request of the gentleman from New York (Mr. BINGHAM)?

Mr. GILMAN. Mr. Speaker, reserving the right to object, I would ask the gentleman from New York (Mr. BINGHAM) whether there is any provision in this proposal that will open the door to trading with either Vietnam or Cuba?

Mr. BINGHAM. If the gentleman would yield, I would say to the gentleman from New York (Mr. GILMAN) that this legislation specifically grandfathers the embargoes against Vietnam, Cambodia, Laos, Cuba, and other existing embargoes, so that they are not affected in any way by this legislation.

Mr. GILMAN. And this proposal creates no new vehicle for doing trade with any of those nations?

Mr. BINGHAM. No; it certainly does not.

Mr. GILMAN. I thank the gentleman for yielding and withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York (Mr. BINGHAM)?

Mr. WOLFF. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from New York (Mr. BINGHAM) a question. The answer, as I understand it, to the question propounded by the gentleman from New York (Mr. GILMAN) as to any further limitations to be placed on the part of the Congress at any later date are not removed; is that correct?

Mr. BINGHAM. No; as I explained to the gentleman from Ohio (Mr. ASHBROOK) Congress, under the National Emergency Act, which dovetails with this act, would have the right by concurrent resolution to overrule a veto of a declaration of emergency by the President, so that right of a veto over such declarations of a national emergency would not be disturbed in this legislation.

Mr. WOLFF. But what if we got involved in some other type of conflict that was not declared a national emergency, and the Congress desired at that point to put certain restrictions on trading with that particular country or countries involved, would we still, under the provisions of this act, have the opportunity of putting those restrictions in?

Mr. BINGHAM. Why, certainly, there would be nothing to prevent the Congress from taking any action that it saw fit to take. That situation that the gentleman describes would simply not be covered by this act.

Mr. WOLFF. This would not put any restrictions on any further actions by the Congress?

Mr. BINGHAM. Certainly not.

Mr. WOLFF. I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

A motion to reconsider was laid on the table.

LIVING UP TO OUR COMMITMENT TO THE PHILIPPINE SCOUTS

(Mr. PANETTA asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. PANETTA. Mr. Speaker, today I am introducing legislation to correct a longstanding inequity in our treatment of the survivors of the Philippine Scouts who fought alongside American soldiers during World War II. Although they were a part of the U.S. Army and fought and died along with their American counterparts, they never received the same pay or benefits. This kind of flagrant discrimination was sad reward indeed for their heroic sacrifices. The passage of this legislation would be a clear message to Filipino-Americans and people throughout the world that our commitment to justice and equality is not parochial and is basic to our conception of universal human rights.

In the late 1930's, the Philippine Scouts were made a part of the U.S. Army to help defend the South Pacific against totalitarian domination. Gen. Douglas MacArthur described the Scouts as "excellent troops, completely professional, loyal and devoted." They were an elite organization with a high esprit de corps in which membership was considered an honor by Filipinios and the strictest standards were followed in selection.

General Wainwright, who took command of forces on Bataan and Corregidor after General MacArthur moved Army headquarters to Australia, reported that by the beginning of December 1941 the "Philippine Scouts were fit, trained in combat principles and ready to take the field in any emergency."

At the onslaught of the war in the Pacific when the enemy attacked Pearl Harbor and invaded the Philippine Islands, these soldiers became key to the success of our entire South Pacific strategy. It was the continued resistance on Bataan that denied the Japanese an essential base for the projected thrust to the South Pacific. The enemy was forced to retain large army and navy forces in the Philippines, which otherwise could have been employed against Allied shipping of men and materials to Australia and New Caledonia from the United States and the Middle East. Their protracted defense of these islands against incredible odds allowed the United States time to recover from the first blows of the war and begin to send in supplies and reinforcements.

The defenders of Bataan were hopelessly outnumbered and undersupplied. During their entrenchment they endured severe hardships. When they entered Bataan in January they were already in need of new issues of clothing and shoes. General Wainwright reports that most of the soldiers "walked into Bataan barefooted." Disease and starvation were problems dealt with daily. At least 30 percent of the troops had dysentery, and the rest some variety of worm infestation of the bowel. By mid-March at least 75 percent of the command was incapacitated to some extent. But for 4 months they held out, fighting the enemy guerrilla fashion, buying time for an Allied force build-up in Australia.

With all the hardships endured by these soldiers, they never received the comparable benefits they were due. Brig. Gen. W. E. Brougher, Commander of the 11th Division on Bataan, pointed out in his prison diary, the moral factor that

most disturbed him was "discrimination against Philippine Scouts officers by the U.S. Army Forces in the Far East—in matters of promotion, pay and allowances." For despite their gallant service and tremendous suffering, the Philippine Scouts received only a fraction of the pay and benefits received by their American counterparts. And that discrimination continues today.

It is time to rectify that wrong. The legislation I am introducing is simple and direct. It authorizes pay and benefits for members and survivors of members of the Philippine Scouts at the same rates of basic pay as other members of the U.S. Army of corresponding grades and lengths of service received at that time. It is estimated that the remedial legislation will cost $8 to $9 million. This is a small price to pay in view of the incalculable sacrifices of life and limb made by these brave soldiers. Indeed, it is a small price to pay for hopefully restoring our moral commitment to these soldiers. I urge my colleagues to join in support of this measure which reads as follows:

H.R. 10174

A bill to authorize pay and benefits for members and survivors of members of the Philippine Scouts on the same basis as such pay and benefits are authorized for other members of the Armed Forces and their survivors

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of the Army shall pay to each person who served as a Philippine Scout after December 6, 1941, and before December 31, 1946, in a lump sum the difference between the basic pay which he would have received for his military service during that period if the rates of pay of the Philippine Scouts had been the same as the rates of basic pay for other members of the Army of the United States of corresponding grades and length of service, reduced by the basic pay actually received by such person.

(b) In the event a person entitled to payment under subsection (a) is decreased, payment shall be made to the persons, and in the manner, prescribed in section 2771 of title 10, United States Code.

SEC. 2. The retired pay of each former Philippine Scout shall be computed for periods after the effective date of this Act on the basis of the rates of pay prescribed for other members of the Army of the United States of corresponding grades and length of service.

SEC. 3. This Act shall take effect as of the first day of the first calendar month which begins after the date of enactment of this Act.

CHINESE SHADOWS

(Mr. HAGEDORN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. HAGEDORN. Mr. Speaker, after a week-long trip to the People's Republic of China, Ms. Mary Berry, HEW's Assistant Secretary of Education, has informed us that the United States has "much to learn from Chinese schools and colleges." In particular, she is fascinated by their "healthy" attitude about admissions quotas, toward which they are moving "rationally and realistically." "They're not concerned about the subleties like we have to be," she observes.

Ms. Berry is badly in need of her own education. To laud as a model for U.S. education the most totalitarian system of education ever constructed by mankind is tragic. Sadder still is that Ms. Berry delights most in those aspects of the Chinese system which are most explicitly totalitarian, including their "tying education closely to work by requiring students to spend part of their time on farms and in factories." Although she fails to remark upon it, I would not be surprised that Ms. Berry is equally impressed by the uncanny ability of the Chinese system to coordinate the needs of the state, and the educational training and placement of its population.

One must question, too, if Ms. Berry admires the system's capacity for eliminating such "inefficiencies" and "subtleties" as dissent, free inquiry, and parental involvement. With respect to the destruction of libraries, the defacement of art works, and the obliteration of cultural traditions, the anthill-like society of Communist China is rivaled only by the equally progressive Soviets and Nazis.

Ms. Berry states that the Chinese "have set the pattern for the world to follow." If this is truly what she believes, then it is time for President Carter to set his own pattern and rid our Government of this lady. American education is suffering enough problems without being burdened further by Ms. Berry.

On one point, incidentally, I am in sympathy with the Chinese who hosted Ms. Berry. She says that she tried to explain the difference to them between quotas and goals but that "they couldn't follow me." They are sure not the only ones.

Two articles follow:

[From the Washington Post, Nov. 20, 1977]

EDUCATION CHIEF LAUDS CHINESE SYSTEM

(By Lawrence Feinberg)

After an eight-day visit to China, Mary Berry, the Carter administration's top education official, said Americans have much to learn from Chinese schools and colleges.

Berry, who is assistant secretary for education in the Department of Health, Education, and Welfare, said the Chinese are "moving rationally and realistically" by having university admissions quotas for students from different regions and minority ethnic groups "in a field that has led to confusion and near-hysteria here."

She said the Chinese "have set the pattern for the world to follow" by opening up universities to older workers and other adults and by tying education closely to work by requiring students to spend part of their time on farms and in factories.

The Chinese experience, Berry said, "may not, in every instance, be directly applicable here. But the direction of their overall policy—in terms of access to education as well as of redefinition of education as something inextricably linked to the other aspects of human life—should, I believe, represent our basic direction also."

Berry toured schools in China—from nurseries to colleges—between Oct. 28 and Nov. 4, as part of a delegation of 14 prominent American educators, She met with China's minister of education, Liu Chai Yao.

She described her trip and expressed her views on Chinese education in a speech delivered in Chicago Thursday at the University of Illinois at Chicago Circle. A text of the speech was distributed by her office here.

In an interview here yesterday, Berry said American press reports about a reversal of Chinese education policies following the death of Mao Tse-tung were "premature" and "misleading."

Even though college entrance exams are planned for December for the first time in a decade, Berry said, "I don't see the Chinese giving up any of their [egalitarian] principles. . . . They said they don't want to face another cultural revolution in five years and create another kind of elite."

She said recommendations by local party and factory groups still play an important part in university admissions. In major national universities, such as the one in Peking, she said, quotas are being continued for different regions of the country and minority ethnic groups. Another goal is to insure that a majority of students "have worker and peasant backgrounds." Test results, she said, will only be used to help pick those to be admitted from within each quota group.

"The Chinese talk about this in a much more straightforward way than we do," she said. "They don't talk about 'affirmative action' and 'reverse discrimination.' . . . . I tried to explain the difference to them between quotas and goals, but they couldn't follow all that.

"They have a healthy attitude toward disadvantagement," she continued. "It's 'Let's have quotas to make sure we have a percentage of different groups [in universities].' They're not concerned about the subtleties like we have to be."

Berry said the Chinese system of requiring students to work on farms or in factories was much different from the "career education" being promoted in American schools because it means "doing actual useful productive work."

During her visit, she said, she saw elementary school children assembling voice boxes for dolls and high school students working in factories that make automobile parts.

"Obviously, we have no intention of putting 6-year-olds to work here," she said in her speech. But Berry added in the interview: "There's nothing wrong in having school children making something useful and selling it. They could use the money for extra things in the schools."

On one point, Berry said, she disagreed with her Chinese hosts. "For some reason the leaders believe in tests now and claim that Mao always did as well. In fact, they have more faith in examinations than I do," she said. "I tried to warn them of the pitfalls, but to no avail."

[From the National Review, Oct. 28, 1977]

SINNERS AND FOOLS

(By Francis B. Randall)

The title is a pun; the author dwells on the darker sides of what the Communists have done in China, and on the elaborate deceptions they arrange to brainwash foreign visitors, like the old Chinese shadow-play screens, behind which reality is forever uncertain. Simon Leys is the pseudonym of a Belgian Sinologist who traveled and lived in China at intervals from 1955 to 1973. His book is supposed to be the most telling attack on Mao's China ever published in France, and is said, almost unbelievably, to have shaken the Mao-faith even of left-wing French intellectuals.

The first half of the book is a classic account of how Communists run innocence tours for foreign fools. They admit very few, they pick them for their ignorance of China and Chinese, jelly-spined, Mao-loving asses who willingly allow themselves to be bamboozled on propaganda-junkets through Potemkin villages. They herd them everywhere in groups, with six watchful "guides," morning, noon, and night. Visitors see selected parts of a few of the same 12 cities and the one village per province that has

electricity. They are shown through the same model schools, hospitals and factories, where everybody has been choreographed to smile at and applaud the long-noses. They "talk" to the same sixty Chinese whose profession is bemusing foreigners. All requests for greater and more significant contact with the Chinese people are lost in the shuffle. The real China cannot be perceived behind the shadow screen.

There are varieties of knaves and fools. The French detect a bit of the truth but dismiss it with dialectical persiflage. The Africans "flummox their guides by demanding beer and women." The Americans, vilest of all to Leys, "brought up on hamburger and chop suey," admire Communist hotel food and can't tell one province from another. Even the few experts suppress everything negative for fear of hurting their careers by never being allowed back to China.

Leys is 99 per cent right on all this, but he attributes too much efficiency to the devil. Even Communists can blunder. They admitted Leys, repeatedly, (and me, and my wife, and some of my friends, and others) and we all broke away from our groups, all bused or hiked into the slums, all saw desperate poverty, slave labor, and cultural genocide, and all returned unconverted and voluble. But of course Leys is preaching a passionate sermon, not making micro-measurements, and his picture of travel in China is the Big Picture.

The second half of the book, on China itself, is less sarcastic and more enraged. Leys sees Old China as a marvelous, utterly civilized, richly diverse human and cultural continent—and this he saw for himself in 1955, toward the end of the first great cycle of Maoist rule! There is little or no mention of the horrors of consolidating Communist power, of forced industrialization and collectivization, or of Mao's wars. He omits Mao's massacre of millions of peasants, but lands on Mao's boast of saving executed 46,000 intellectuals. Leys' viewpoint is indeed very intellectual, aesthetic, and patrician.

What he hates consumingly is Mao's last period of rule, the "Great Proletarian Cultural Revolution," for it was then in the late 1960s, he believes, that a flood of wilfully brutal barbarians finally destroyed the glorious culture of China. Mobs of Mao-incited Red Guards roamed from city to city, wrecking and burning temples, closing all universities and museums. Sycophantic bureaucrats stopped the teaching of the classics of Chinese literature, and forced them out of print and into oblivion, while decent writers and other exemplars of Chinese culture were cursed, humiliated, silenced, enslaved as manure-carriers in the villages, and driven to suicide. And so the world's greatest civilization was replaced by Mao's "lousy" poems, universal blah-blah sloganeering, and "the cretinization of the most intelligent people on earth."

There is no discussion of the causes of the Cultural Revolution—it emerges as a colossal binge of wilfully stupid evil—but there are many examples of its dreadful results in horrifying detail. The summit of Leys' agonized fury is his account of the destruction of the walls, gates, arches, temples, and life of Peking, reducing the most beautiful and vital city in the world to a hideous corpse. Leys' picture of this period (but not of the 1950s) is considerably more shadowed than those of most other informed anti-Communist scholars. "The Maoist cancer gnawing away at the face of China" is the way he terms the period.

Leys might have written a less rambling and more comprehensive book. He might have had more charity for sinners and fools. He might have made greater efforts to keep his spleen from overmastering his balance. But then he would not have written so fine a work of prose, and he would not have been so effective a battler in a time of great need.

RE-CENTRALIZING POWER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Hampshire (Mr. CLEVELAND) is recognized for 10 minutes.

Mr. CLEVELAND. Mr. Speaker, this morning's Washington Post carried an article by Rowland Evans and Robert Novak which is one of the most telling commentaries on our out-of-control big government seen in a long time. Evans and Novak point out that although President Carter's campaign pivoted around his promise to bring government back to the people, his Cabinet appointees are already moving in exactly the opposite direction, less than 1 year after he assumed the office of the Presidency.

Cases in point include reorganization plans presently underway at the Departments of Housing and Urban Development, Labor and Health, Education, and Welfare. I happen to be personally familiar with the disastrous bungling at HUD in particular because this reorganization effort includes plans to downgrade the only service office in northern New England. The important community development grant function will be transferred to Boston where northern New England communities' needs will compete with their urban neighbors to the south and perhaps get lost in the shuffle. This is an incredible turn of events from an administration whose chief led a majority of the country to believe that he would accomplish what the public clearly had wanted for some time: a more responsive, closer-to-the-people decisionmaking structure in Federal agencies.

In fairness to President Carter, however, I simply do not believe he knows about the situation. An illustration of that assumption is contained in the exchange of correspondence which I am inserting along with these remarks and Evans and Novak's excellent column. After writing two strongly worded letters to President Carter protesting the HUD reorganization plan and pointing out its implications, I received a nonresponsive communication from the Assistant to the Director of the Office of Management and Budget which indicates that the author clearly did not know what he was talking about. Also attached is an exchange of correspondence with HUD Secretary Patricia Harris which was also unsuccessful. A further point is that the Buffalo situation referred to in my second letter to the President evidently was reversed for reasons similar to those which I stressed.

I have two reasons therefore for bringing this matter to the attention of my colleagues via the CONGRESSIONAL RECORD: First, in the hope that someone at the White House reads the RECORD regardless of how they handle their mail; and second, to warmly commend Rowland Evans and Robert Novak for a very perceptive description of just how out of control our Federal Government is.

[From the Washington Post, Nov. 30, 1977]

RE-CENTRALIZING POWER

(By Rowland Evans and Robert Novak)

While the public is not fully aware of it, federal bureaucrats are confounding President Carter's campaign promise of close-to-the-people government by transferring authority from the field back to Washington.

That unannounced process is far advanced in the departments of Housing and Urban Development; Health, Education and Welfare; and, less clearly, Labor. Judging from his campaign emphasizing his non-Washington base and extolling government closer to the people, voters expected that one distinctive Carter label on the federal leviathan would be less, not more, centralization.

This represents neither broken promises nor changed principles by the President. Rather, ensnarled in the details of office, Carter simply has not come to grips with what his administration should stand for. While nobody doubted, for better or for worse, the direction of Richard Nixon's presidency after 10 months, the Carter presidency has neither set nor sought a theme.

The Washington bureaucrats have leaped to fill this void with a vengeance, tightening federal regulation and devising plans for federal direction of the nation's affairs. But their successful drive to concentrate all power in Washington is most significant, considering the lingering belief of long-time Carterites that regionalizing power still ought to be a dominant Carter theme. A glance at what is happening at Labor, HUD and HEW follows:

Labor. All regional directors have been eliminated, a move that brings field offices directly under Washington's supervision. Department officials say the regional directors never had much power, so the change does not mean much, but White House staffers say centralization is undeniable.

HUD. There is no argument about more centralization. Not only have the number of field offices been reduced but their authority has been sharply cut back as well. "The feeling is we had to return the full decisionmaking to Washington," one HUD official told us.

HEW. A reorganization in July removed program responsibilities from regional directors, returning them to Washington. Like Labor, HEW's field offices will be directly supervised by Washington instead of regional offices. Office of Education employees in the field are being brought back to Washington. HEW spokesmen say Secretary Joseph Califano wants "central responsibility."

Califano leads the vanguard of bureaucrats triumphant in the first year of the Carter administration. Reluctantly selected for his post by Carter at the urging of Washington insiders (headed by Vice President Mondale), Washington insider Califano has emerged as a Cabinet star in the President's opinion (but not in the opinion of his White House staff).

That is remarkable in view of Califano's personification of more spending, more regulation and more centralization. It is explained by other administration officials not as a conversion in Carter's philosophy but as his turning in relief to one member of a generally undistinguished Cabinet who has his work completed on time and his department under control.

Califano's triumph as a master bureaucrat is not isolated. Officials who believe in more, not less, government dominate the administration. Many are graduates of the Ralph Nader school of consumer protection, but more reflect the archetypal bureaucrat predating Ralph Nader by centuries. In the words of one relatively conservative Cabinet member: "This administration is filled with people who like to regulate other people."

For example, HUD is proposing a plan (devised largely by Assistant Secretary Robert Embry, former Baltimore City housing commissioner that would require suburbs to put in public-housing cluster programs or lose federal money. Such social engineering can stir up political dogs that Carter might prefer to keep sleeping.

That is why friends of the President, motivated only by his political welfare, wish Carter would consider at greater length whether he should not fulfill his promises, explicit and implicit, of decentralization, deregulation and a less intrusive role for government.

But most of the bureaucrats are pushing for still more government in 1978, to satisfy the left as well as themselves. Moreover, even if Carter belatedly puts his mind to it, it is too late in the day to unscramble the eggs of greater centralization and regulation. The cost may be not only the loss of a distinctive Carter theme but also a big-government thrust that is beginning to run strongly against mass opinion.

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., November 29, 1977.

Hon. JAMES C. CLEVELAND,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN CLEVELAND: The President has asked me to respond to your October 11 letter concerning the Department of Housing and Urban Development's (HUD) area office in Manchester.

As you may know, the President has given Cabinet Secretaries primary responsibility for internal Department reorganizations. The Office of Management and Budget's (OMB) responsibility is to review these plans to ensure their consistency with other reorganization initiatives.

In the case of the HUD plan, it is our understanding that Secretary Harris gave close attention to the impact of the proposed changes on HUD local operations and approved only those changes that would streamline the Department's operation without impairing its ability to effectively accomplish its mission. While most HUD area office responsibilities were broadened as a result of the reorganization, a few offices were downgraded where HUD judged that such was warranted because of the level of demand for its services in those areas. I understand that HUD officials are already directly in touch with you to explain their decision in the case of the Manchester area office.

Thank you for bringing your concerns to our attention.

Sincerely,

HUBERT L. HARRIS, Jr.,
Assistant to the Director.

NOVEMBER 9, 1977.

Hon. JIMMY CARTER,
President of the United States,
The White House, Washington, D.C.

DEAR MR. PRESIDENT: On October 7, I wrote you about the downgrading of the HUD office in Manchester, New Hampshire, which serves the northern New England, New England States; namely, Vermont, New Hamsphire and Maine. On October 21, Mr. Frank Moore informed me that the letter had been received and that the matter was under consideration.

It has now come to my attention that the Buffalo HUD office was also slated to be downgraded. As a result of Congressional inquiry, however, that proposal was canceled. It was canceled for almost identical reasons as those advanced in favor of not downgrading the Manchester office. The problems in northern New York are different than those in urban New York. The problems in northern New England are different than the problems in the Boston area of New England.

I repeat my strong request that this matter be reviewed, and the HUD decision changed.

Sincerely,

JAMES C. CLEVELAND,
Member of Congress.

THE WHITE HOUSE,
Washington, D.C., October 21, 1977.

Hon. JAMES C. CLEVELAND,
U.S. House of Representatives, Washington, D.C.

DEAR CONGRESSMAN: The President has asked me to acknowledge his receipt of your October 7 letter regarding the downgrading by HUD of the Manchester regional office, and to let you know that your comments are under consideration.

Sincerely,

FRANK MOORE,
Assistant to the President for Congressional Liaison.

OCTOBER 7, 1977.

Hon. JIMMY CARTER,
President of the United States, The White House, Washington, D.C.

DEAR PRESIDENT CARTER: On October 6 my office received official notification from the Department of Housing and Urban Development that the Manchester, New Hampshire, area HUD office will be downgraded as part of your Administration's reorganization plan.

As one who certainly applauds and supports your expressed intention to make the federal government more responsive to the people, I cannot believe you would condone an action which is directly contrary to that goal. Downgrading of the Manchester area HUD office will mean that New Hampshire, Vermont, and Maine citizens will have to deal with an increasingly centralized and bureaucratic structure in Boston rather than in their own northern New England region in order to obtain assistance from an active federal agency.

Prior to the establishment of the Manchester area office, I found the experience of trying to solve constituent problems with HUD at the regional level to be completely unsatisfactory and frustrating. A return to this type of centralization would, in my opinion, amount to a great disservice to the people of New Hampshire and northern New England.

I strongly urge you therefore to take appropriate action to reverse this unfortunate and misguided decision and fulfill your pledge of a more responsive government to the people of New Hampshire.

Sincerely,

JAMES C. CLEVELAND,
Member of Congress.

THE SECREATRY OF HOUSING AND URBAN DEVELOPMENT,
Washington, D.C., October 13, 1977.

Hon. JAMES C. CLEVELAND,
House of Representatives,
Washington, D.C.

DEAR MR. CLEVELAND: Thank you for your letter of October 5, 1977, urging the retention of the Manchester Area Office.

I know you are aware that our decision to convert the Manchester facility into a Service Office was not lightly or frivolously taken. On the contrary, the unique concerns and requirements of Northern New England were painstakingly evaluated in the course of our decision making process.

As you know, the new arrangement will leave untouched the housing functions currently performed in Manchester. What we will accomplish, however, is a concentration of Community Development expertise at a single facility—Boston—from which all of the Northern tier states will be served more effectively than before.

This is a relatively small department with scarce personnel resources, and even scarcer resources in personnel qualified to administer and monitor the Community Development Block Grant program in the manner mandated by the Congress. We have no choice but to deploy these resources in the most cost effective way, to reduce overhead, to pare back overstaffed offices and to do all that is reasonably possible to accelerate decision making and make Federal processes simpler, more flexible and more responsive.

We believe that the altered arrangement we have provided for Manchester, enhanced by the other reforms contained in our field reorganization, will contribute to all of these objectives.

Sincerely,

PATRICIA ROBERTS HARRIS.

HOUSE OF REPRESENTATIVES,
Washington, D.C., October 5, 1977.

Hon. PATRICIA ROBERTS HARRIS,
Department of Housing and Urban Development, Washington, D.C.

DEAR SECRETARY HARRIS: We urge you to reverse your decision to downgrade the administrative functions of the Department of Housing and Urban Development's Manchester, New Hampshire Area Office.

Your concern for a more effective and responsive agency to cater to the needs of the nation and your reorganization efforts toward this end are commendable. However, in the case of the Manchester Area Office, we feel your efforts are misdirected and will in fact result in less effective and less responsive delivery of HUD services to the States of New Hampshire, Maine, and Vermont.

We applaud the recent Housing and Community Development Act which addresses the very real problems facing the Northeast. We are convinced that the needs of rural northern New England will not be served should the administration of this Act for our region be shifted to the Boston HUD Office. Although northern New England faces the same myriad of problems presently facing the entire Northeast, we urge you recognize the very real distinction between our states and the far more urban states of Massachusetts, Connecticut, and Rhode Island.

We believe your decision demonstrates an insensitivity toward our states' unique needs and undermines, rather than enhances, President Carter's pledge to bring government closer to the people it serves. As far as many rural communities in our states are concerned, HUD programs might as well be administered in Los Angeles as in Boston.

We protest in the strongest terms the downgrading of the Manchester HUD Area Office and urge you to reverse your unfortunate decision. The housing and community development needs of Maine, New Hampshire and Vermont are far more important than the bureaucratic considerations on which your decision was based.

Sincerely,

JAMES C. CLEVELAND,
WILLIAM S. COHEN,
NORMAN E. D'AMOURS,
DAVID F. EMERY,
JAMES M. JEFFORDS,
Members of Congress.

THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT,
Washington, D.C., September 13, 1977.

Hon. JAMES C. CLEVELAND,
House of Representatives,
Washington, D.C.

DEAR MR. CLEVELAND: I have received your letter dated August 18, 1977 regarding the status of our Manchester Area Office.

As Assistant Secretary Medina stated in his letter to you, we must balance the requirement for services to the public with the cost of our field operations. Also, as Mr. Medina mentioned, final decisions have not been made. Therefore, at this time I must defer the answers to your questions. When we have made the final decisions about Manchester, we will contact you.

Sincerely,

PATRICIA ROBERTS HARRIS.

HOUSE OF REPRESENTATIVES,
Washington, D.C., July 29, 1977.

Hon. PATRICIA ROBERTS HARRIS,
Department of Housing and Urban Development, Washington, D.C.

DEAR SECRETARY HARRIS: This correspondence is in regard to the Department of Housing and Urban Development's Manchester, New Hampshire Area Office.

It has recently been brought to our attention that the Department of Housing and Urban Development plans to close the Manchester Area Office. We are writing at this time to express our concern over the effect that such action will have upon the delivery of services to Northern New England.

The HUD Area Office in Manchester presently serves the states of New Hampshire, Maine and Vermont. Although rural in nature, these states are burdened with the same myriad of problems presently facing the entire Northeast. However, these states in Northern New England are often overshadowed by their larger and more urban neighbors to the south. It is an administrative structure, such as the Manchester Area Office, which allows for the consideration of problems faced by this region of New England.

The HUD Manchester Area Office presently serves over sixty (60) municipal housing authorities. Twenty (20) local jurisdictions are served by the Community Development Block Grant Program. In addition, approximately thirty (30) municipalities receive the benefits of the Community Development Discretionary Program. We are convinced that the quality of services provided these municipalities will not be maintained should the Boston HUD Office assume the responsibilities now held by the Manchester Area Office. This conviction is strengthened by the experience of dealing with HUD on constituent problems piror to the establishment of the Manchester Area Office. We are sorry to say that the regional and national offices were not satisfactorily responsive to Congressional needs and we do not look forward to such difficulties again.

It is our hope that the recognized quality services provided northern New England by the Manchester Area Office will far outweigh any need for administrative reorganization.

We thank you in advance for your consideration and attention to this matter.

Sincerely,

NORMAN E. D'AMOURS,
JAMES C. CLEVELAND,
Members of Congress.

DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT,
Washington, D.C. August 10, 1977.

Hon. JAMES C. CLEVELAND,
House of Representatives,
Washington, D.C.

DEAR MR. CLEVELAND: Secretary Harris has asked me to respond to the letter dated July 29, 1977 signed by you and Congressman Norman E. D'Amours.

As part of our organizational assessment we are considering changes in the assignment of programs and functions among our various field offices including Manchester, to provide for greater effectiveness and efficiency and reduce the cost of our field organization structure. However, final decisions have not been made. While there may be some functional reassignments, certainly I can assure you that the Department will continue to maintain an office in Manchester.

Please be assured of our concern for the level and quality of services which we provide in all field offices. We are determined that, regardless of the changes that might be made, the problems you previously experienced with respect to HUD's responsiveness will not be repeated.

When final decisions have been made concerning Manchester, we will be in contact with you again. An identical letter is being forwarded to Congressman D'Amours.

Sincerely,

WILLIAM A. MEDINA,
Assistant Secretary.

INSPIRE AND REQUIRE THE PRESIDENT TO ASSIST STRIKING FARMERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. SEBELIUS) is recognized for 20 minutes.

Mr. SEBELIUS. Mr. Speaker, several days ago, the major metropolitan newspapers and the national media publicized a farm strike demonstration held in Plains, Ga. and Plains, Kans. The demonstrations were held by hard-pressed farmers to dramatize their plight and to publicize a planned nationwide farm strike sponsored by a growing grassroots farm organization called American Agriculture.

During consideration of the farm bill, I am sure most of my colleagues became aware of the fact we are in the midst of the worst farm crisis since the "Great Depression." What my colleagues may not be aware of—and what this farm strike is all about—is that the farm bill, as it is being administered, represents little if any practical help to many farmers who are facing financial ruin.

Last March, when the wind and dust were blowing in the High Plains, many farmwife organizations came to Washington to alert this administration to the fact we were in danger of losing a generation of farmers. At that time, I said we had two problems: One, to write a good, long-term farm bill and two, to quickly enact several emergency measures to provide immediate cashflow assistance.

In this bipartisan effort, I am pleased to say I was joined by a number of farsighted colleagues on both sides of the political aisle. We sought the following measures to provide immediate help:

Emergency credit and long-needed modernization of Farmers Home Administration loan limitations;

Incentive payments for converting cropland to soil conserving crops;

An emergency graze out and hay program;

And, finally, an increase in the loan and target rates.

Unfortunately, our efforts proved fruitless. Consideration of these emergency measures was refused and 9 months later, a new farm bill still did not meet short term cash flow needs. As a result, current farm policy is leaving hard-pressed farmers little alternative but to consider militant action and strikes.

Just this past week, the Honorable Robert Bennett, the Governor of Kansas, told the Kansas Association of Wheat Growers in Wichita that farmers feel they have little choice other than militant action to get Washington's attention.

Governor Bennett's remarks were brought home by Alvin Jenkins, a High Plains farmer and cofounder of the American Agriculture Movement when he told thousands of farmers in Hays, Kans., last weekend that the strike movement had three goals: Human dignity for farm families; equal rights for farmers, and economic justice. Mr. Jenkins said the demand for parity was not unreasonable.

If the farmer cannot at least earn back the cost of production and goes out of business, all of the farm legislation in the world will not help. I want to stress to my colleagues that is precisely where we are at this moment.

Let me point out that with bipartisan help, we did win some battles in enacting the 1977 farm bill. We did manage to increase the wheat target price from the $2.47 a bushel figure proposed by the administration to $2.90. We were able to provide 100 percent funding for the new Federal Grain Inspection Service instead of passing the cost on to the farmer. We managed to boost funding for research on gasohol use. We were able to include in the bill an antiembargo provision and we won the fight to keep funds for wheat and wheat foods research and nutrition education.

But, measured by what farmers need to stay in business, and I might add what was promised in the campaign, the farm bill represents a half of loaf. Worse, after seeing many provisions end up on the cutting room floor due to administration opposition within conference, now we find the Department of Agriculture refuses to use all of the authority within the bill and has proposed running the farm program with confusing and complex set-aside regulations that make little or no sense in wheat country.

As a result, we have a farm program that is asking farmers to reduce their income in order to comply with a farm program that will in turn provide only enough payment to minimize the farmer's loss. That is not a farm program; that is minimum loss blackmail and it is no wonder to me that farmers will not comply.

Mr. Speaker, the 1977 Food and Agriculture Act which we passed and which President Carter signed into law, contains the discretionary authority for the President and Secretary Bergland to significantly help farmers through this crisis period. All that must be done is to act. I do not consider that too much to expect in face of the crisis American agriculture faces today.

I am therefore today introducing a resolution calling upon President Carter

to use the authority we provided in the 1977 farm bill to act at once. I urge my colleagues to join me in approving this resolution and to signal to our farmers that help is on the way. Mr. Speaker, the text of the resolution is as follows:

H. CON. RES. 423

Whereas American agriculture is suffering the most severe economic conditions since the great depression, as shown by:

(1) A precipitous drop in net farm income from $33 billion in 1973 to $20 billion or less this year;

(2) The drop in the parity ratio to the lowest level since 1933;

(3) A continued and critical squeeze on agricultural credit, farm and commodity debt, interest rates, and cash flow condition of farmers and ranches;

(4) An anticipated 10 percent decline in agricultural exports at a time when the United States faces its greatest trade deficit in history;

(5) Continued and rapidly escalating inflation fanned by extraordinarily large Federal budget deficits, trade deficits and a weakened U.S. dollar which combine to raise the production and living expenses of farm and ranch families far beyond the current levels of depressed prices;

(6) Continued and intentional accumulation of government-owned or controlled dairy stocks and grain designed to be used to depress market prices as an ill-conceived strategy for "cheap food";

(7) Failure to use the full scope of authorities in the Food and Agriculture Act of 1977 and other existing laws: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress of the United States of America does hereby petition the President and the Secretary of Agriculture to:

(1) use the authorities in existing law to increase price supports through loans, purchases, payments and other operations that will bring commodity prices received by producers to levels of parity as quickly as possible;

(2) use the discretionary authority in the "Food and Agriculture Act of 1977" to provide diversion payments to grain producers for temporarily devoting to conservation practices land which otherwise would be dedicated to crops or idled under current policy;

(3) use the discretionary authority in the "Food and Agriculture Act of 1977" to implement the Critical Lands and Graze-out programs;

(4) use the discretionary authority in the "Agricultural Act of 1949" to prevent government dumping of surplus grain and dairy products into already depressed markets;

(5) re-implement fully the summer-fallow provisions of the "Agriculture and Consumer Protection Act of 1973"; and

(6) use the discretionary authority in appropriate agricultural export laws to maximize such exports, improve the effectiveness of agricultural attaches, stop the delay in Food for Peace shipments and open new markets in foreign nations.

CRIME SUBCOMMITTEE TO HOLD HEARINGS IN SAN FRANCISCO AND LOS ANGELES, CALIF., ON THE RELATIONSHIP BETWEEN UNEMPLOYMENT AND CRIME

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. CONYERS) is recognized for 5 minutes.

Mr. CONYERS. Mr. Speaker, the Subcommittee on Crime of the House Committee on the Judiciary has scheduled hearings to be held in San Francisco, Calif., on December 5 and 6, and in Los Angeles, Calif., on December 7. The purpose of these hearings is to examine the relationship between economic indicators, particularly unemployment, and crime. The hearings on the 5th and 6th will be held in the Ceremonial Courtroom, Federal Building, 450 Golden Gate Avenue, 19th floor, commencing at 10 a.m. and 10:30 a.m., respectively. The location for the hearing in Los Angeles is the Watts Labor Community Action Manpower Center, 958 East 108th Street, commencing at 10 a.m. The subcommittee has already held 4 hearings and heard from 15 witnesses on this subject.

Testimony will be received from persons representing a wide range of disciplines, including State and local elected officials; law enforcement officials; economists, sociologists, criminologists, and others who have studied crime and unemployment; business and labor leaders; and ex-offenders and persons involved in employment, counseling and related programs. In addition, members of the California congressional delegation have been invited to be present at the hearings.

Those wishing to testify or to submit a statement for the record should address their requests to the House Committee on the Judiciary, 2137 Rayburn House Office Building, Washington, D.C. 20515.

THE WAYWARD AIR—FROM A. J. LIEBLING TO MICHAEL J. ARLEN IN ONE GENERATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wyoming (Mr. RONCALIO) is recognized for 30 minutes.

Mr. RONCALIO. Mr. Speaker, many times these past weeks I have been asked about matters in Wyoming. Inquiries from my colleagues stemmed from two recent features on "60 Minutes," one involving my old hometown, Rock Springs, where I was born and raised—the other involving my new hometown, Cheyenne, where I established a law practice, served as a prosecutor following World War II, and where I have lived ever since.

This matter involves failure of due process in a trial by television; I have cited time and again that our Constitution guarantees a free press, not necessarily a fair press. These truths are apparent in Wyoming today, thanks to "60 Minutes" and CBS.

Years ago the New Yorker had a writer named A. J. Liebling who gained fame with a column called "The Wayward Press." It was journalistic excellence, and it called forth the errors of the news giants of that day, and kept them on their toes. Journalism professor George Gerling, of the University of Wyoming, back in 1939, required Liebling columns as must reading for all students. Most of us in those days found a column by A. J. Liebling better than a textbook on journalistic fairness or investigative responsibility.

Recently Michael J. Arlen of the New Yorker wrote a series in that magazine dealing with "The Air." The first feature dealth with the problem of raising children at home in the presence of television. I believe it even more excellent than the second. But the second part of his work deals with the Wyoming-CBS broadcasts and because of interest in these matters, I am reprinting the entire second feature which is called, "The Air, The Prosecutor," dealing with the Wyoming "60 Minutes" programs. It follows:

THE AIR, THE PROSECUTOR

I like "60 Minutes" a lot, most of the time. The program usually seems solid—or as solid as any news magazine—and there's a breadth to it that's adventurous and entertaining. The show's three correspondents, Mike Wallace, Morley Safer, and Dan Rather, are tough interviewers, and it's good to see tough interviewing on the air—particularly in an era when important people so often hide behind imperturbable on-camera pronouncements, or else behind shields of lawyers and accountants so thick that most ordinary reporters can scarcely make a dent in them. The "60 Minutes" musketeers unfailingly dent such shields, and sometimes penetrate them, while awards are won and ratings climb. But there's a danger in this approach, for much of what sustains the popularity of the program is clearly the thrill of the chase which comes from watching a subject being pursued by tough questions on the air—especially a subject who has already been defined for the audience as a bad guy. So the program is bound to be on the lookout not just for newsworthy situations but for situations that will provide this thrill of pursuit, and for interview subjects who can be made to serve, willingly or unwillingly, as bad guys. And so, too, as the "60 Minutes" newsmen have been more frequently drawn into prosecutorial roles, it's been inevitable for them to increasingly assume a trial lawyer's manner, with an emphasis on courtroom tactics and judgmental righteousness.

A recent example of this growing tendency to let prosecutorial indignation do the work of investigative reporting—or do more of the work than it should—occurred a few weeks ago when one of the program's sternest musketeers, Dan Rather, galloped into Wyoming to uncover low- and high-level corruption in the state. To begin with, I should say that I have no doubt that all kinds of wickedness exist in Wyoming, for it is a place of enormous mineral wealth, much of which has only lately been developed (or exploited), and where there are grown men trying to make money out of the ground there are usually all kinds of deals and payoffs and improper goings on to be found. But, unfortunately, the accusations that Rather made he hardly ever proved. Moreover, for much of the program he seemed interested mainly in decrying sin, somewhat in the fashion of a district attorney running for office who tries to stir up the citizenry against the local whorehouse.

In fact, the first of two Wyoming reports—it was enititled "Our Town"—was largely devoted to the prostitutes of Rock Springs, Wyoming: a historically tough town of twenty-five thousand inhabitants, half of whom have arrived in the past five years, as a result of the statewide energy boom. To start off, Rather professed to be astonished at the presence of vice in semi-desert communities:

Tonight, "60 Minutes" looks at charges of payoff and coverup in one American city where vice runs rampant and a handful of men run the city as they please. New York? Detroit? Los Angeles? Chicago? Wrong. Not this time. The corruption we're talking about is in a city far off in the hills of Wyoming.

Then he professed to be shocked at vice itself:

When the sun goes down in Rock Springs, the town becomes a Western sin city. Hookers openly work the streets and the bars, each of them earning a minimum of a thousand dollars a week.

Then, as if his audience wasn't sufficiently writhing in prurient disapproval, he returned to his initial theme—which had made "Winesburg, Ohio," so popular sixty years ago: Good people, can you believe that they're doing it *right here* in Winesburg? Thus:

If you're saying, "So what?"—remember this is not New York or New Orleans or Chicago. This is Rock Springs, with more working hookers than you can shake a wallet at. By conservative estimate, prostitution alone is a two-million-dollar-a-year business here in this little Wyoming town.

Notice that Rock Springs has changed from "one American city" to "a Western sin city" to "this little Wyoming town." Notice also the mathematics. If each prostitute earns a thousand dollars a week and all of them together earn two million dollars a year, then there must be a grand total of around forty hookers in Rock Springs. Which may be vice, but in a town of miners, oil workers, and construction hands it may not be everybody's idea of vice running rampant.

Then we got to see the sinful creatures themselves. For "60 Minutes," sparing no expense, had brought "a special night lens," as Rather described it, which "enabled us to film it all in almost total darkness." Indistinct women varying in color and appearance drifted about in the murky Rock Springs night, as if moving through fog. Stoutish women, clearly of ill repute, shuffled along on a sidewalk. Others stood in a parking lot. There was a brief scene of a prostitute overheard engaging in a transaction with a man. She: "Well, what can you spend—thirty?" He: "Well, what kind of work for thirty?" This was surely pretty heady stuff for members of the urban audience who would otherwise have had to drive several miles out of their way, wherever they lived, to witness similar transactions in their own cities.

But Rather wasn't interested only in bringing back U–2 photographs showing that prostitution existed in Rock Springs. He was after bigger game: official corruption. Thus he observed solemnly, "The local police will hurry to stop a fight but hardly ever to arrest for prostitution." A female undercover agent was produced on camera, who substantiated this grave charge.

"Were you hassled by the police?" Rather asked the woman.

"No, not at all," she replied. "The police—we've seen them several times on K Street in their cars. Never was any attempt ever made [at an arrest]."

A less determined prosecutor, one imagines, or a less pious reporter who had once worked a city beat might have asked himself if police in most American cities—certainly including New York, where "60 Minutes" and Rather are based—even hurry to stop fights, let alone bother with arresting hookers and dumping them in the courts. But to admit the question, or the answer, would be to diminish the tone of moral outrage—and thus the story. As it was, having so far put forward a supposedly significant case against Rock Springs vice which consisted of (a) blurry views of prostitutes on a sidewalk and in a parking lot, and (b) his own shocked indignation, Rather next brought his courtroom talents to bear on an effort to involve the upper reaches of the state administration itself in the shady doings on K Street.

Now there were two undercover agents on camera, and they sat facing Rather, who was all business in a trimly tailored suit and was seated stiffly in a straight-backed chair, balancing a reporter's notebook on his knee, though it was unclear why he needed the notebook, since a tape machine was clearly running along with the camera. One of the agents had just given it as his opinion that Rock Springs not only was a place where prostitution ran rampant but was also a transfer, or "pass through," point for narcotics. Rather then engaged the two agents in a trial lawyer's catechism that went as follows:

RATHER: In your personal opinion, the police chief knows about it?

AGENTS: Yes.

RATHER: Sheriff know about it?

AGENTS: Yes.

RATHER: Mayor know about it?

AGENTS: Yes.

RATHER: Members of the city council know about it?

AGENTS: Yes.

RATHER: County attorney know about it?

AGENTS: Yes.

RATHER: State attorney general know about it?

AGENTS: Yes.

RATHER: Governor know about it?

AGENTS: Yes.

On a theatrical level, this was an obviously effective performance. Like a good lawyer, Rather had presented his allegations in the form of dramatic questions—knowing that the questions contained the power of persuasion, regardless of the validity of the answers—and so had brilliantly led the jury in the direction he wished it to take. For, starting only with those nighttime glimpses of prostitutes, whom the audience could more or less see for itself, he had then asked it to accept an opinion that pimps and narcotics traffic existed alongside the prostitutes, which is generally a plausible supposition, and then—by presenting, in a decidedly courtroom manner, additional opinion as to who might "know about" this situation—he had involved the attorney general and the governor of the state in the vice in Rock Springs. But the fact remains that, whatever the real situation in Wyoming might be, Rather's "case" before the TV audience consisted almost entirely of style, with little reportorial substance to back it up. After all, think of whom one might not ensnare in a similar catechism about vice in most cities. "Sir, do not prostitutes openly parade the sidewalks of Forty-second Street?" asks the prosecutor of his witness. "And does not the mayor know about it? Does not the police commissioner? Do not both senators? Does not the governor? Does not the archbishop? Does not the Vice-President of the United States? Does not the *President* himself?" In other words, if a link did exist between vice in Rock Springs and the State House in Cheyenne, it was not being shown on "60 Minutes"—it was only appearing to be shown.

Even so, Rather, with his "special night lens," seemed on solider footing that week, trying to press charges of sinfulness against the little Wyoming town (or Western sin city) of Rock Springs—whose mayor, on camera, inspired no greater confidence than the mayors of most American towns—than he did a week later, when he made further attempts to find corruption in high places in the state. This installment was titled "High Noon in Cheyenne," and Rather began it in the confident, upright style of a successful prosecuting attorney who has already proved this first point and is now going after the "big one." Thus:

Our story last week, entitled "Our Town," looked at the little city of Rock Springs, Wyoming, steeped in prostitution, gambling, and narcotics. . . . Tonight, "High Noon in Cheyenne," as we look at charges that Wyoming state officials as high as the governor and the attorney general may be involved in covering up corruption, not just in that little city of Rock Springs but in the state as a whole, with alleged links to organized crime out of state. It is accusation and confrontation and it is high noon in Cheyenne!

Soon it became clear that Rather's charges were actually those of a man named Neil Compton, who until his dismissal five months before by the governor had been head of Wyoming's criminal-investigation unit. On camera, Compton was controlled, assertive, and articulate.

Rather asked him why he had been dismissed.

Compton said, "I was fired because I went to the governor on two separate occasions and brought to his attention that the attorney general for the State of Wyoming was a crook."

Rather then backed up his own witness. "We'll get back to the specific charges in a moment," he said, "but first it's important to know that the man who makes them, Neil Compton, has a long reputation for being a superb investigator. He does not have a reputation for shooting from the hip."

However, it turns out, after a brief check with various members of the press and with civic officials around the state, that Neil Compton was at the least a highly controversial figure. In fact, during the two years before his dismissal he had been the subject of two meetings of Wyoming sheriffs and police chiefs, who had criticized his investigative methods. For instance, the sheriff of a fair-sized Wyoming town said on the phone recently, "I think about eighty per cent of the law officers of this state questioned his judgment." As for his shooting from the hip, there had been numerous complaints, from all over the state, that Compton tended to be an overzealous investigator; one citizen had complained that Compton himself arrived at her house in the middle of the night seeking to arrest her son, then away at college, for selling one ounce of marijuana.

At any rate, Rather had three main charges of Compton's to present to the large "60 Minutes" audience. The first was that the state's Democratic Party chairman, Don Anselmi, had "attempted political coverup" in order to protect an employee of a motel he co-owns "who was caught in a major drug case." Briskly, Rather interviewed Anselmi as if he had him on the witness stand:

RATHER: You know John Vase? He works for you?

ANSELMI: He's my assistant beverage manager. My partner's son.

RATHER: He's the son of Mike Vase. Right? Your partner here?

ANSELMI: Right.

Notice that Anselmi had already told Rather, in his first reply, that John Vase was his partner's son, so that Rather's second question had no point except as courtroom rhetoric—to make it sound as if the investigator were ferreting out information from a recalcitrant witness. Then Rather buttressed his charge by producing another female undercover agent, who had apparently befriended young Vase and then turned him in:

RATHER: The case stood up?

AGENT: The case then was transferred to be prosecuted in the federal government.

RATHER: The county attorney in effect got rid of it?

AGENT: Yes, sir. The attorney general got rid of it. It was taken out of his hands. And the federal government took over this case. And at this time he pled guilty. He didn't want to go to court. He pled guilty.

However, a fairly rapid check of this situation produces a somewhat different impression. In the first place, according to the easily accessible Sweetwater County records,

young Vase's crime turns out to have been the delivery of "five baggies, a tie-stick, and one branch of marijuana," which may be illegal but hardly constitutes a "major drug case." Secondly, the undercover agent seems to have got the disposition of the case upside down, for the state court hadn't "got rid of" it to the federal court. In fact, the federal government had never taken over the case, for the charges had originally been filed in the state court, where they had been prosecuted. And there, far from escaping justice, Vase had pleaded guilty for the reason that he was guilty, and was punished with a fine of seven hundred and fifty dollars, five years' probation, and the forfeiture of his car.

But, having disposed of the Vase case to his satisfaction, Rather went on to list other charges against the Democratic state chairman; for instance, "that Anselmi was party to a stolen gun deal." He said, "Anselmi denies it. A federal grand jury looked into that case three years ago. A prosecutor told us political pressure stopped the investigation." Here is little checking turns up the fact that Compton's "stolen-gun deal" charges against Anselmi stemmed largely from accusations brought by a former convict, Michael Dansdill, whose release Compton was involved in—and who latter retracted the charges. The possibility of "political pressure" always exists, but since the Dansdill affair was well known in Wyoming, having been amply covered in the local press, it was too bad that Rather's "prosecutor" didn't mention that aspect of the matter, or that Rather didn't pass the word along to the audience.

In any event, having further demonstrated Anselmi's shadiness, Rather went on to link the Democratic chairman to even bigger crime. Compton broached the charge:

At that time [1970], I found that there were the connections between Mr. Anselmi and Arizona . . . There was a real-estate and property buy-up in Wyoming by subjects from Arizona, Colorado that had related and had been a subject of organized-crime investigations in those particular states.

Rather took it up:

The Arizona connection means to Compton that Don Anselmi is doing business with the land-scandal people who have connections to mobsters, who have bilked the public out of the millions of dollars in fraudulent deals in the Southwest.

There was a brief glimpse of Anselmi flatly denying the charge. Compton and Rather then tried to link Anselmi's "connections" with Arizona to a man called Danny O'Keefe, who, Rather said, had been indicted in Colorado on land-fraud charges. Anselmi also denied ever having talked with O'Keefe, or ever having known him.

Here, Rather had linked Anselmi to an "Arizona connection"—which was as yet unproved—by showing unrelated scenes of Arizona desert and also a brief film sequence of a man said to be Danny O'Keefe, who was seen arriving on his own at an airport. Now Rather proceeded to cast his net over the top officials in the Wyoming capital. First, he asked Compton what he thought a grand jury might concentrate on. Compton replied:

I would ask that the grand jury look at the governor in relationship to land purchases with Don Anselmi.

Rather showed some exterior views of a ranch that had apparently been bought by Governor Ed Herschler, of Wyoming, and then took his camera to the Governor himself:

RATHER: Governor, your partner in purchasing this Yellowstone Ranch in Fremont County, nineteen hundred acres, is Mr. Don Anselmi.

GOVERNOR: It's closer to twenty thousand acres. And leases—and federal leases. I suppose there's about a million acres involved.

RATHER: And your partner is Mr. Anselmi?

GOVERNOR: He's one of them, yes.

Having thus linked Governor Herschler with Anselmi, who had earlier been linked with a "connection" in Arizona and "land-scandal people who have connections to mobsters," Rather returned to Compton:

RATHER: Source of the money [for the Yellowstone Ranch]?

COMPTON: Source of the money? It is my belief the source of money is from organized crime.

RATHER: Do you think that could be proven?

COMPTON: I believe that could be proven with subpoena power from a grand jury.

RATHER: Organized-crime connections with the Governor of the state? Democratic state chairman?

COMPTON: That's correct.

In effect, the intrepid investigators had shown us some television views of the Yellowstone Ranch and of Governor Herschler saying that he was one of its purchasers, while darkly implying that if the real source of the purchase funds should ever be uncovered (an investigative operation that would require the assistance of a grand-jury subpoena!) it would be traceable to the coffers of organized crime. But, in fact—though, for all I know, the Governor of Wyoming, or anyone else, may be allied with the Black Hand in other areas—in the matter of the purchase of the Yellowstone Ranch a couple of modestly investigative phone calls produces the somewhat less exciting information that this particular deal was consummated through Lowham Associates, a well-known Wyoming firm specializing in ranch properties; that a major portion of the purchase price of one million eight hundred thousand dollars was financed by loans from the Federal Land Bank Association of Wyoming and the First National Bank of Casper; that a lesser part of the purchase price was financed through a second mortgage to the sellers, Mr. William McIntosh and his niece Jennifer MacIntosh; and that the relatively minor sum of twenty-five thousand dollars in cash was paid by each of the four partners.

The subject of Rather's final charge against the Wyoming administration was not without foundation, and had already been extensively covered in the regional press, but, once again, Rather seemed more interested in prosecuting it than in reporting it. A case that "involved charges that public officials were stealing from a state home for the elderly" was first grimly described by Rather as "a seemingly minor scandal, perhaps no bigger than that 'third-rate burglary' at Watergate," and then, more portentously, in the statement "It may become a Democratic prairie-gate here in Wyoming!" According to numerous earlier newspaper accounts, the mess in question had to do with allegations that two officials involved with the administration of Wyoming's old-age homes—both of whom were Republican appointees from a previous state administration—between them had ripped off the Pioneer Home, in Thermopolis, Wyoming, taking several thousand dollars' worth of goods presumably intended for the elderly intended for the elderly pioneers: a half-dozen or so TV sets; several stereo units; some bath towels; and generous supplies of nuts and canry. It was Compton's and Rather's accusation that Governor Herschler and his attorney general, Frank Mendicino, had engaged in a coverup when the latter "refused to prosecute." But, once again, the facts, though they hardly spoke well for the Attorney General's political savvy, were decidedly more ambiguous than they were made to appear on the air. For one of the two men, Kenneth Brighton, had indeed been charged in a state court on eleven felony counts and was awaiting trial when he died, as a result of complications from heart surgery. It is true that Mendicino was laggard in prosecuting the second man, Lloyd Hovee, but his explanation (which was repeated in several press stories) was that he needed Brighton's testimony in order to build a strong case against Hovee, and was plea bargaining with Brighton when he died. Perhaps there was more than carelessness in Mendicino's delay in bringing the second Pioneer bandit to trial, but it is troubling that Rather, in his desire to produce a "Democratic prairie-gate," neglected to mention the charges against Brighton, or the eleven counts that the state was prosecuting him on, or any of the background that might have put the Attorney General's behavior in a different perspective.

In short, there rested the "60 Minutes" investigation of corruption in Wyoming. A couple of conclusions seem worth drawing. One is that since for some years now newsmen have been protected by the Supreme Court decision in the case of New York Times Co. v. Sullivan to the extent that "actual malice" must be proved before a public official can be awarded damages in a libel action, it might be in the self-interest of the press not to act continually, out of "racial memory," as if it were the reporter's neck that was always on the line. Thanks to the *Times* decision, the reporter's neck is relatively safe, for a change. A second conclusion is that, whereas the airing of charges in a newspaper is usually a pretty cold, factual process, the airing of charges on television can be a matter of high drama, with the audience instinctively following the flow of the drama and not necessarily listening closely to the factual content. If, then, an on-camera newsman assumes the additional role of courtroom lawyer (and controls the tape-editing machines to boot), the results can often drift fairly far from an orderly or reportedly presentation of information. Or, to put it in simpler terms, perhaps Dan Rather and his colleagues on "60 Minutes" will soon give up their trial robes—and courthouse righteousness—and return to the kind of reporting they've often done so well. Maybe they'll even revisit Wyoming. They don't seem to have quite got the story the first time around.

In conclusion, Mr. Speaker, there is little doubt that millions of Americans have formed an opinion involving my friends, Gov. Ed Herschler; State Chairman Don Anselmi; Attorney General Frank Mendicino; and Rock Springs Mayor Paul Wataha. They are opinions that are not necessarily accurate nor just.

I am pleased that a grand jury is now in session at Cheyenne and I assert, as I often have, that it is wholesome for periodic grand jury proceedings. Let the chips fall where they may.

My own career included a tour as a grand jury prosecutor with the late Walter B. Phelan of Cheyenne. While no true bills or indictments were returned, several hundred slot machines disappeared from Laramie County and the air was cleared and stayed clear for several decades as a result of that grand jury session.

Following the current grand jury action I believe that Mr. Rather should return to Cheyenne, for, as stated above by Mr. Arlen, he did not quite get all the story.

I also want to concur with an editorial conclusion of the Casper Star-Tribune, this is an act that I have not found occasion to practice very often during my 10 years in Congress. but I commend that paper on its editorial yesterday in which it said that the above item by

Michael J. Arlen is "a thoughtful and reasoned piece of journalism that devastates the pseudo-journalism practiced, as evidenced, by the '60 Minutes' crew."

LEGISLATION TO PROVIDE FREE DRUG BENEFITS FOR PERSONS OVER 65

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, all of us in the House receive letters from our elderly constituents who are having a difficult time making ends meet on their retirement incomes, but from time to time I receive pleas for help from the elderly who are unable to purchase the drugs they need. On their meager fixed incomes they cannot afford these medications to treat their ailments.

Unfortunately, the medicare program, which I strongly support, has fallen short in the area of providing drugs. It does not provide coverage for drugs needed for the treatment of chronic illnesses such as hypertension, diabetes, arteriosclerosis, and others; the elderly must purchase the drugs needed to treat these illnesses out of their own pockets. In order to have medicare cover the cost of drugs, they must be given in a hospital or administered by a physician. Statistics show, however, that over 25 percent of the drugs purchased in this country are purchased by those over 65 years of age, even though this age group constitutes only 10.7 percent of the population. This age group, in fiscal 1976, expended $2.78 billion for drugs and drug sundries. Of this total, medicaid and other sources paid roughly 14 percent, but the remainder, 86 percent came out of the pockets of the elderly.

This fall the Subcommittee on Health and Long-Term Care of the House Select Committee on Aging held hearings on the gaps and limitations in the medicare program. Comments were made repeatedly throughout these hearings that the lack of outpatient prescription drug coverage was one of the most glaring gaps in the program.

For over 10 years there has been continual support for outpatient prescription drug coverage by many national, State, and local organizations which represent the elderly, and several times the Senate has included such a provision in medicare legislation, but it has never prevailed through a House-Senate conference.

Those who are considered the elderly poor—those with incomes up to $5,000 per year—fare even worse in terms of cost for necessary drugs.

Today I am proposing a bill that would provide free drug benefits for all persons over 65, regardless of whether they qualify for medicare, medicaid, or social security. Thus, we would not only be taking care of the problem confronting those on medicare, but all elderly.

Briefly, the measure would cover all residents of the United States over 65, and would be administered by a separate unit to be established under the Department of Health, Education and Welfare, as the Prescription Drug Benefits Council. The Council would advise and assist the Secretary with administrative policy and long-term plans and would recommend drugs for the approved benefits list, as well as the allowable reimbursement cost for these drugs.

The measure allows for a workable timetable in order to provide enough time to have the drug benefit program established and, therefore, no benefits would be available for 2 years after the bill becomes law.

The program would be financed by general revenues through the appropriations process and rational cost controls have been built into the bill.

Mr. Speaker, we have passed many bills since I have been in Congress to aid the elderly by providing shelter, food, and health care, but we have fallen short in this last area. If our senior citizens cannot afford the drugs they need to remain well, none of the other programs will be of any use to them.

I hope that action will be taken in the next session in order to begin a drug benefit program so that our elderly citizens will be able to care for their health needs. We have a great health care system in this country. Let us be sure that our citizens, in their golden years, are able to benefit from it.

CONDEMNING RHODESIAN RAIDS IN MOZAMBIQUE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Mrs. BURKE) is recognized for 5 minutes.

Mrs. BURKE of California. Mr. Speaker, I must take this opportunity to condemn the recent actions of the Rhodesian Government in its recent raids on guerrilla camps in neighboring Mozambique.

The Rhodesian Government has reported that the raids began on Wednesday, November 23, and ended on Monday, November 28, with air and ground of the Rhodesian military killing 1,200 black nationalist guerrillas in an operation that penetrated as deep as 132 miles into Mozambique. Journalist and other eyewitness accounts however indicate that many innocent and unarmed men, women, and children were brutally tortured and slain. Hospitals, schools and homes were indiscriminately bombed and strafed. The bodies of 20 schoolgirls between the ages of 10 and 14 were found and the bodies of men, women and children were scattered through the areas attacked. Bishop Abel Muzorewa, one of the major black nationalist leaders with whom Prime Minister Ian Smith is scheduled to meet on the transition to black majority rule, declared a period of mourning and denounced the killings stating that those killed were "for the most part men, women, and children who fled from the land of their birth to seek asylum in Mozambique."

The raids by the Rhodesian Government into Mozambique are a serious violation of that country's territorial integrity and a blow to prospects for peace between Rhodesia and its neighbors. Both the United States and British Governments have joined in condemning the latest Rhodesian actions. We must make clear to the Rhodesian Government that a lasting peace cannot grow out of terror.

POSTAL REFORM LEGISLATION TO BE CONSIDERED BY HOUSE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. CHARLES H. WILSON) is recognized for 5 minutes.

Mr. CHARLES H. WILSON of California. Mr. Speaker, early next year the House will consider legislation which will to a substantial degree determine the direction of the U.S. Postal Service in the years and, indeed, decades to come.

I refer to H.R. 7700, a bill I have sponsored with my good friend JIM HANLEY of New York, which was favorably reported by the House Post Office and Civil Service Committee in October by an overwhelming 19 to 4 margin.

This legislation would mandate that our Nation's postal system continue in its traditional role as a service to the American people and not simply be run with profit and loss charts. The bill specifically authorizes public funding to maintain such services as 6-day mail delivery and rural post offices.

H.R. 7700 would also take a number of steps to return accountability for the Postal Service to the Congress and President through such provisions as direct Presidential appointment of the Postmaster General, elimination of the Board of Governors, and congressional veto authority over proposed postal rate increases or service cuts. A congressional review procedure to examine proposed major postal capital investments is also established, and the bill mandates additional funding for postal research and development so that the Postal Service will have the technological know-how to cope with our Nation's changing communications systems.

In sum, Mr. Speaker, I think the bill meets the key areas of concern which our colleagues in the House have expressed in recent years.

The fact is, the continued existence of our nationwide postal system is important to all Americans.

This point was eloquently discussed by James R. Shepley, president of Time, Inc. in a speech which he gave before the ABC Conference on Government and the Business of Communications on November 9, 1977, in New York City.

As Mr. Shepley observes, the postal system has served a vital role in the development of our country as a disseminator of information and opinion, and that role is currently being jeopardized by ever-increasing postal rates.

The text of Mr. Shepley's statement follows:

REMARKS TO ABC CONFERENCE ON GOVERNMENT AND THE BUSINESS OF COMMUNICATIONS

(By James R. Shepley)

Thank you Mr. Chairman. I am, in fact, grateful to the Audit Bureau of Circulations for this opportunity to speak on a subject vital to all those who believe that the printed word is important to our society. I should

imagine that includes everyone in this room. Any exceptions—I hope the Chairman will agree—can be excused for the next 15 minutes of this session.

The printed word, especially in smaller newspapers and perhaps most magazines, faces at this moment an enormous threat. Oddly enough this threat comes from a traditional friend and supporter of the printed word, the Federal Government. Since our nation's birth, an informed citizenry has been a pillar of its existence. Freedom of speech and wide distribution of printed information through the postal system were recognized by our founding fathers as important to the nation's social welfare, its tranquility, and its growth.

The U.S. Post Office is even older than the nation itself. Its first Postmaster General, appointed by the Second Continental Congress, was Benjamin Franklin, an appointment that recognized the crucial role of the postal system in our democracy. A few years later when George Washington, during his first Administration, appointed only five officers of cabinet rank, the Postmaster General was one of them. A strong postal service, Washington said in 1792, was needed "to bind the people to us with a chain that could never be broken."

I shall spare you the subsequent history, but it is filled with concern for the printed word and with supporting acts and regulations facilitating the distribution of newspapers and magazines. During the Civil War, for example, when the nation's unity was shattered over the issue of slavery, Congress passed a variety of laws which increased the number and the diversity of the press, particularly of magazines.

That concern and support for the printed word and its wide distribution continued with no major interruption until seven years ago. Then, in 1970, something happened. Even then what happened had its origins in good faith. The Postal Reorganization Act of 1970 reorganized the Post Office into the United States Postal Service. In doing so the Act set up a quasi corporation that was instructed to look in opposite directions at the same time. One direction was to continue to provide the public service historically recognized as vital to the nation. The other was to become business-like and no longer operate at a loss. It was, in effect, mandated schizophrenia.

Since the passage of the Postal Reorganization Act, postage costs have soared as never before and they are soaring still. Second-class mail, for example, has gone up since 1970 by over 200%. Projected increases will raise that figure by July 1979 to 404%. And before that date we expect additional increases to be proposed which would raise the percentage even higher.

Schizophrenic though it was, the Postal Reorganization Act of 1970 did reaffirm the historical function of the mails set forth by Washington and supported by Franklin, Madison, Jefferson and many others. The very first paragraph of the 1970 Act instructed the newly created postal organization to recognize "as its basic function the obligation to provide postal service to bind the nation together through the personal, educational, literary, and business correspondence of the people." Congress also gave special consideration to the print media by legislating a stretch-out of five years, later increased to eight years, which enabled the media to assume the heavily increased costs of second-class mail.

Unfortunately, the explicit instructions of Congress to fund the stretch-out were ignored by the Nixon and Ford Administrations. Fortunately, Congress approved the funding despite Administration opposition. The attitude of the present Administration is in some doubt. The Postal Service itself, although nominally independent of the White House, cannot be really independent of the Office of Management and Budget and the OMB seems clearly to have a bias against users of the Postal Service, particularly business users.

I said that the position of the Carter Administration on postal matters was in some doubt. As a candidate, however, Mr. Carter was perfectly clear. In a statement on the Postal Service released just a year ago, Mr. Carter called it "a classic illustration of wasteful, imprudent, and inefficient management . . . We must recognize," Mr. Carter concluded, "that the Postal Service represents an essential public service for many people in our country."

About the same time in an interview with a distinguished southern publisher, Emory Cunningham, Candidate Carter reiterated that "the Postal Service has got to be a service . . . We've got to provide adequate distribution for periodicals, newspapers, magazines, and second-class mail to families in this country who couldn't possibly pay the full cost of postal service."

The reality has been something else. For example, the Postal Reorganization Act of 1970 provided a $920-million public service appropriation based on the Post Office Department's operating budget for that year. That amount has remained the same even though operating costs of the Postal Service have jumped by 84%. In effect, the print media have been saddled with much of the enormous burden of inflation, of maintaining thousands of small post offices and of rural free delivery. Yet the Carter Administration has indicated an unwillingness to raise the public service appropriation established more than seven years ago on the basis of a now outdated operating budget.

Public service postal appropriations have been taken for granted throughout our nation's history. Before the turn of the century, they were in fact far larger in respect to the national budget than its current appropriation. Every other major country in the world today subsidizes its postal system. Not one expects it to be in the black. Public service funding passes almost unnoticed for the Parks Department, HUD, the Commodity Credit Corp., Amtrak, even municipal transport. The federal subsidy to Amtrak last year was $576 million, nearly twice its total operating budget. In Boston, New York and Washington, a mere 30% to 55% of operating costs come out of bus and subway fares.

Nonetheless, the present Administration opposes a 15% public service appropriation for the Postal Service. And make no mistake. Without such funding many segments of the print media face an intolerable burden, a terminal one for small daily and weekly newspapers and for many magazines.

Consider if you will a magazine of about 100,000 circulation which runs about 20% advertising and 80% editorial. The postal costs on the editorial part have always been charged at a flat rate, the same rate whether the magazine was mailed from Baltimore to Washington or from Baltimore to San Francisco. The Postal Service now proposes to institute a zoned rate for editorial which would hit particularly hard small magazines that tend to have a high percentage of edit pages. That would be on top of an overall postal rate increase already in excess of 200% since the Postal Reorganization Act of 1970.

The U.S. Office of Education, a department of HEW, has been very rightly stressing the importance of good reading material for children. If you've seen any children's TV programming recently, you can only say "amen" to HEW's good wishes. Well, the proposed editorial zoned rate for children's magazines, which carry very little advertising, could well be catastrophic. One major publisher of such a magazine estimates that his current mailing costs will rise by 76% this coming July and 126% a year later. Sadly enough the higher subscription prices necessary to pay for such an increase will inevitably result in lower circulation. The losers will be not just the publisher, but children and their parents as well.

If it occurs to you that I am shedding tears for smaller publications when my obvious interest is in Time Inc. magazines, you are only partially right. Obviously, I am concerned about any soaring cost in my business. But Time Inc., like other large publishers, has both resources and choices which smaller publications lack. We can, for example, achieve distribution at newsstands and in supermarkets, as we've done with PEOPLE magazine, and as we will do with WOMAN magazine, if we decide to enter the women's field. We can also avail ourselves of alternative means of distribution that bypass the Postal Service, about which I'll speak briefly in a moment.

So it's not a question of whose ox is being gored. We are all being gored and the horns are getting sharper. The larger, more fortunate magazines will bleed but survive. Others will bleed and die. Those others are more than a part of your business, they are part of the fabric of our society. If the people of this country purchase fewer newspapers and magazines, if they are exposed to fewer points of view, the nation will be impoverished. If prices rise so that publications will be available only to an elite, our society is threatened. So my tears and my fears are not for some newspapers, not for small or large magazines, but for all of us and for this nation.

There is a further threat inherent in soaring postal costs and that is to the Postal Service itself. Since the Reorganization Act of 1970, it has lost most of the parcel post business to the United Parcel Service. In total volume of mail the Post Office recently suffered a decline, its first peace-time reduction since the '30s. Although in the fiscal year just past volume rose once again, that's almost certain to be temporary. The electronic transfer of funds will cut that volume, according to the Postal Service's own estimate by as much as 42%. Growing exchange of information by computer terminals—what is now being called compunications—will certainly cause another sizeable cut in volume.

Since postal costs are largely fixed, the reflex reaction is to try to raise additional money from the mail that remains. Washington's predilection for laying off costs onto business simply reinforces that unreasonable reflex. The proposed double standard of citizen and business rates for first-class mail illustrates that point, as if we in business were not even citizens.

As a result of what's been happening and of what we continue to be threatened with, Time Inc. for the last couple of years has been testing alternative delivery systems to the Postal Service. So have other publishers.

When we began testing systems they were expensive compared to the Postal Service. They still are, but the gap has narrowed considerably. We know it will narrow more because on the one hand postal rates are scheduled to rise and on the other because our distributors have learned about economies of scale and introduced better carrier organization. Right now we are distributing Time magazine in eight geographical areas using seven different carrier organizations. We are continuing to expand those test areas. In southern California we plan to go from delivery in 28 zip codes to 72. We will also for the first time include Sports Illustrated and Time-Life Books in that operation. In the Boston area our independent carrier within the next year expects to move from 20 zip codes to 155 zips.

We have for some time sampled our subscribers by telephone and mail questionnaires to find out how these new delivery systems are working. They have not, of course, been trouble-free but neither is

postal delivery and we are overwhelmingly convinced that alternative delivery systems produce satisfied subscribers.

If rising postal costs push Time Inc. and other large publishers deeper into alternative delivery while small newspapers and magazines are pushed out of business, the loss in volume to the Postal Service will significantly affect its operations. Such losses together with reductions in volume from electronic funds transfer and from computer communications will greatly aggravate the cost and pricing problems or the Postal Service. Operating deficits that ran a billion dollars or so before the Reorganization Act of 1970 and reached $2.6 billion in 1975 could easily triple in the next ten years.

Fortunately, action has begun in the House of Representatives. Just a few weeks ago the House Post Office and Civil Affairs Committee by a 19 to 4 vote cleared a bill that seeks to rectify some of the current and proposed postal abuses. This bill recognizes the public service tradition and the responsibility of the Post Office to be a service to the people. It calls for an increase in the public service appropriation of about $1½ billion and it gives the Congress a veto power over proposed postal-rate increases. It also restores the Postal Service to control of the Presidency by making the Postmaster General a presidential appointee. It is not a perfect bill, but it recognizes at least certain realities that the Carter Administration saw clearly last November and to which it now appears blinded.

One drawback with H.R. 7700, as the Bill is called, is that it cannot be considered by the full House until after the first of the year. Over in the Senate prospects for action are a good bit worse. In the reorganization of that upper chamber's committees early this year the Senate committee on postal affairs disappeared. Instead postal affairs is just one responsibility of a subcommittee of the Government Affairs Committee. That subcommittee deals with energy, nuclear proliferation and federal services, and Senators who are members of that subcommittee obviously have other priorities. Furthermore their sense of priority may understandably be influenced by the fact that the Chairman of what was the Senate Postal Committee was defeated in last November's election, a defeat many observers concluded was due in part to his identification with the postal mess.

So here we are this morning with almost no likelihood of the Senate subcommittee producing a bill this year and not much chance of a bill reaching the Senate floor before March or April. Very frankly we do not know what to expect when the Senate gets around to writing its counterpart to the House bill.

The cost of second-class mail has already risen over 200% in the last seven years and we can expect that increase to exceed 400% in the next two years. I've tried to indicate to you what that means to smaller newspapers and magazines—in many cases extinction. I've suggested what such soaring costs mean to larger publishers, to the Postal Service, and to the country. There is no one in this room who will not be adversely affected if the idea of postal self-sufficiency continues to be pushed to self-immolation.

I spend a good bit of time in Washington these days and can assure you that this concern of mine is real and in no way exaggerated. My hope is that each of you here this morning will raise your voice and particularly will make it heard in Washington. You are an important audience. Many of you play significant roles in your communities and beyond those communities on a national level. You are influential and I urge you to make your influence felt.

Nowhere is it more important to do so than in the Senate. As I've indicated, the House at least has a bill in the works. The Senate is farther behind, and not only because it's been enmeshed in the energy bill. The Chairman of the Government Affairs Committee is Senator Abraham Ribicoff and the senior Republican on that Committee is Senator Charles Percy. The Subcommittee on postal matters is headed by Senator John Glenn and Jacob Javits is the senior Republican. Each of these gentlemen, and others of course, can play an important part in shaping the kind of postal bill which will ultimately reach the Senate floor.

I have mentioned specific committees and legislators because I hope you'll do more than nod if you're in agreement with what I've said. We can all be caught nodding. If you want to know who are the principal players in postal drama and are willing to communicate with them, please don't hesitate to write or phone my office at Time Inc. We are all at this moment in a difficult, even dangerous, situation. I hope we can extricate ourselves, but it will take all our efforts to do so. Thank you.

PENSION REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi (Mr. MONTGOMERY) is recognized for 5 minutes.

Mr. MONTGOMERY. Mr. Speaker, today I have introduced the Veterans and Survivors Pension Improvement Act of 1978. The bill is cosponsored by the distinguished chairman of the full Committee on Veterans' Affairs, the Honorable RAY ROBERTS; the ranking minority member of the full committee, the Honorable JOHN PAUL HAMMERSCHMIDT, the Honorable JACK BRINKLEY, the Honorable WILLIAM (BILL) HEFNER, the Honorable SAM B. HALL, Jr., the Honorable ROBERT W. EDGAR, and the Honorable TENNYSON GUYER.

The bill would improve the pension system which provides monthly payments to war veterans who are permanently and totaly disabled from causes not related to their military service and to the widows of surviving children of such veterans.

The veterans' pension program is governed by the principle that pensions are not a reward for service to our country but a supplement to resources otherwise available. The bill seeks to assure that pension beneficiaries will not be dependent on charity or welfare assistance in the future.

Although the current pension program is, in my opinion, an excellent well thought out income support program, we do recognize that the current program contains some inequities and inconsistencies. In Public Law 94–432, we directed the Administrator to conduct a thorough study of the current pension program and requested that the VA recommend to the Congress various alternatives to the current program based on the results of its study. The report was due October 1, 1977; however, we were notified just prior to that date that the study results would not be submitted until November 1, 1977. Having not heard from the Administrator as of this date, one can only conclude that the Administration is having difficulty in getting Office of Management and Budget clearance on suggested alternatives to the current program.

Mr. Speaker, earlier this year, during consideration of H.R. 7345, a bill to increase the rates of disability and death pension and DIC for parents, I informed my colleagues that following receipt of the VA study results, my subcommittee would conduct extensive hearings in January or February on a comprehensive bill which would provide for a thorough restructuring of the pension program. During consideration of our first and second budget resolutions, the chairman of the full committee promised the gentleman from California, the Honorable GLENN ANDERSON, that hearings would be held on two bills he has introduced in behalf of World War I veterans and their dependents, H.R. 55 and H.R. 9000. I intend to honor our commitment to hold these hearings. I can assure my colleagues that we are in the process of working up a hearing schedule on these bills, as well as others pending before my subcommittee that would provide for various amendments to the current pension program. I shall announce that schedule at the earliest possible time.

Mr. Speaker, the bill we have introduced today is designed to fill the vacuum created by the Administrator's failure to comply with the mandate in Public Law 94–432. The bill is a starting point for all explorations into the improvements which many of my colleagues have suggested are necessary to improve the current pension program. If the administration eventually recommends viable alternatives, we can incorporate them following our hearings.

One major provision of the bill would put an end to the adverse effect increases in social security have on pension rates. Pension rates would be indexed to the social security increases which are tied to the Consumer Price Index. This means that those drawing pension under the program we are proposing would receive automatic cost-of-living increases each year. Under current law Congress is required to take affirmative action periodically to provide those increases.

In addition, the bill would assure that no pensioner would receive less pension as a result of the social security increase each year. The pensioner would receive a full cost-of-living increase in his or her pension benefit. This provision would result in maintaining a true cost-of-living increase for pensioners as well as resolve the single most often repeated criticism of the current pension program.

The rates in the proposed reform measure are substantially higher than those under current law. The following table compares the proposed rates with the new increased pension rates effective January 1, 1978, under H.R. 7345:

	(1)	(2)
Veteran alone	$4,000	$2,364
Veteran, 1 dependent	5,200	2,544
Veteran, 2 dependents	5,800	2,604
Veteran, 3 dependents	6,400	2,664
Additional dependents	600	None
Veteran alone plus A&A	6,160	4,344
Veteran, 1 dependent plus A&A	7,360	4,528
Veteran, alone, housebound	4,804	3,096
Veteran, 1 dependent, housebound	6,004	3,276
Widow alone	3,000	1,596
Widow, 1 child	3,900	1,908
Widow, 2 children	4,350	2,220

Widow, 3 children	5,800	2,532
Additional children	450	312
Widow alone plus A&A	4,488	3,312
Widow, 1 child plus A&A	5,388	3,492
No widow:		
1 child	1,200	732
2 children	1,650	1,044
Each additional child	450	312

[1] Rates under Montgomery bill effective Jan. 1, 1979.

[2] Rates under H.R. 7345 effective Jan. 1, 1978, as passed by House and Senate.

The rates may seem high to many of my colleagues. However, I remind my colleagues that one of the major complaints we hear in reference to the current program is that the rates are so low for those in the lower income brackets that they are required to turn to income-assistance or inkind programs such as supplemental security income or food stamps merely to survive, while those with substantial income from various sources continue to receive some pension. By increasing the rates as shown in the above table, pensioners will not be forced to live on sub-poverty level incomes. The rates are intended to set a level which permits a more equitable consideration of other resources available to pensioners for support. To that end, most exclusions in the current pension program wrich tend to create false entitlement have been eliminated, yet substantial support levels are maintained by use of the higher rate structure.

Finally, Mr. Speaker, the bill would provide for protection for those on the rolls in a new and innovative way. To prevent current pensioners from being adversely affected by this new program, the bill would assure that all pensioners on the rolls on the date of enactment would receive at least the dollar amount of pension being received at the time the bill becomes effective. This means that no pensioner would receive a decerase in pension because of income from future social security increases.

Mr. Speaker, I am hopeful this bill will receive strong support from both sides of the aisle. I know the other body is working on a bill and I am certain we will report a measure to the House early next year.

SOCIAL SECURITY FINANCING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. BURKE) is recognized for 5 minutes.

Mr. BURKE of Massachusetts. Mr. Speaker, I stand before my colleagues today to focus attention on an article by Mr. Tom Wicker which appeared in the Boston Herald American on Sunday, November 27, 1977.

Mr. Wicker, clearly states that the only sensible means of preserving the social security trust funds is by using general revenue funds. As you know, I have long been a strong supporter of the general revenue approach. My proposal would reduce the tax rate for employees and employers to 3.9 percent in 1979, and would provide for a one-third contribution from the general fund.

The social security financing bill presently before Congress calls for excessively high payroll tax rates. As Mr. Wicker points out, increasingly higher tax rates have an extremely detrimental effect on the economy—increasing unemployment, increasing prices, reducing purchasing power, restricting capital formation, increasing welfare costs, so forth. It is obvious that we must provide tax relief at the employment level.

General revenue financing is not a new concept for social security. The founders of the social security system in the 1930's clearly expressed the fact that by the 1960's general revenues would be necessary and completely justified for maintaining the financial stability of the trust funds.

At this time I wish to bring to your attention a list of over 50 countries throughout the world that use general revenues for their social insurance programs. The workers and the general economies of these nations have benefitted from such general revenue funding.

The list of countries follows:

Australia, Austria, Belgium, Bolivia, Brazil, Bulgaria, Canada, Chile, China, People's Republic of, China, Republic of Taiwan, Colombia, Costa Rica, Cuba, Cyprus, Czechoslovakia, Denmark, Dominican Republic, Ecuador, Egypt, El Salvador, Finland, East Germany, West Germany, Greece, Guatemala, Haiti, Honduras, Hungary, Iceland.

India, Iraq, Ireland, Israel, Italy, Japan, Libya, Luxembourg, Malta, Mexico, Netherlands, New Zealand, Nicaragua, Norway, Panama.

Paraguay, Philippines, Romania, Saudi Arabia, South Africa, Spain, Sweden, Switzerland, Union of Soviet Socialist Republics, United Kingdom, Upper Volta, Uruguay, Venezuela, Zaire.

I ask that each of my colleagues take the time to read this article in order to gain a greater understanding of the urgent need to provide for general revenue financing of the social security trust funds:

[From the Boston Herald American, Nov. 27, 1977]

SLIM HOPE CONGRESS CAN IMPROVE SS BILL

(By Tom Wicker)

WASHINGTON.—When Congress returns for the final phase of its 1977 session, opportunity still will exist—but just barely—for drastic action to improve the pending Social Security legislation. As they stand now, bills passed by both houses to keep Social Security solvent for the rest of this century will also force sharp periodic tax increases through the next decade, exert upward pressure on the price level and dampen buying power during the same period, possibly worsen the unemployment situation and still not solve the system's basic long-term problem.

The chance to avoid all or some of these consequences derives from an obscure section of the House bill that would provide for automatic Treasury loans to the old age and disability trust funds if either fell below 25 percent of annual outlays. That could be a foot in the door for Treasury contributions from general revenues to the trust funds, and if Congress would disenthrall itself from the myth that Social Security is an "insurance" system, general fund revenues would be seen as the only sensible means of preserving the system without constantly rising payroll taxes and their inflationary consequences.

That's because the fundamental problem of Social Security is the continuing and projected decline in the number of retired persons who will be receiving benefits from them. The House bill would increase this imbalance by removing the ceiling on amounts that retirees can earn without loss of Social Security benefits—thus inevitably increasing the outflow of benefits.

In the short-run, this basic problem is exacerbated by high unemployment—which decreases contributions to the trust funds—and inflation—which causes Congress to vote increased benefits. President Carter had the good sense to see that, in effect, a slack economy was robbing the system; so he proposed that in years when unemployment exceeded 6 percent, the Treasury should contribute the difference between Social Security taxes actually collected and what they would have totalled at 6 percent unemployment. This would be "indexing" to unemployment rather than to inflation.

Both houses rejected this counter-cyclical scheme, primarily due to the prevalence of the "insurance" myth; members feared that to inject general revenues into the supposedly self-supporting trust funds would make Social Security appear to be "welfare." But this is a knee-jerk reaction with no real basis in logic or fact. For example:

Employer payroll taxes for Social Security—half the total—are deductible from employers' income taxes. Thus, what employers pay into the Social Security system reduces general fund revenues; indirectly, therefore, general fund revenues are already being diverted in favor of the Social Security trust funds.

President Carter has stated that if the steep Social Security tax increases voted by Congress go into effect, he will have to call for income tax reduction to compensate workers hard hit by the regressive payroll taxes. Once again, therefore, potential general fund revenues would be channeled into the Social Security trust funds, whether members of Congress want to admit it or not.

For most retired persons, benefits far surpass their contributions to the system, so that the notion that a beneficiary gets only what he or she paid for is mistaken; and the United States is virtually the only Western industrial society that tries to maintain this "insurance" charade.

In fact, the insurance myth appears to be no more than a derivative of the scorn and indignation in which contemporary Americans seem to hold "welfare." But that was not always so; and J. Douglas Brown, who headed the Social Security Advisory Council in 1937–38, when the system was in its infancy, wrote The New York Times earlier this year to say that "the planners" of Social Security "were convinced that, as the system matured, government contributions would be necessary and fully justified to preserve the integrity of the system."

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. DANIELSON, after 4 o'clock p.m. today and for the remainder of the week, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. MICHEL, for 30 minutes tomorrow, and to include extraneous matter, on the subject of welfare reform.

(The following Members (at the request of Mrs. FENWICK) and to revise and extend their remarks and include extraneous matter:)

Mr. YOUNG of Alaska, for 10 minutes, today.

Mr. CLEVELAND, for 10 minutes, today.
Mr. SEBELIUS, for 20 minutes, today.
Mr. MARLENEE, for 5 minutes, today.
(The following Members (at the request of Mr. WATKINS) to revise and extend their remarks and include extraneous material:)
Mr. CONYERS, for 5 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. RONCALIO, for 30 minutes, today.
Mr. GONZALEZ, for 5 minutes, today.
Mrs. BURKE of California, for 5 minutes, today.
Mr. CHARLES H. WILSON of California, for 5 minutes, today.
Mr. DRINAN, for 60 minutes, today.
Mr. MONTGOMERY, for 5 minutes, today.
Mr. BURKE of Massachusetts, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. BROWN of Ohio, and to include extraneous matter notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $1,207.50.

(The following Members (at the request of Mrs. FENWICK) and to include extraneous matter:)
Mr. DON H. CLAUSEN.
Mr. ROUSSELOT in two instances.
Mr. HAGEDORN.
Mr. SNYDER.
Mr. CEDERBERG.
Mr. HILLIS in two instances.
Mr. DERWINSKI in two instances.
Mr. RHODES.
Mr. DEL CLAWSON.
Mr. LAGOMARSINO.
Mrs. HOLT.
Mr. SYMMS.
Mr. CLEVELAND.
Mr. ASHBROOK in three instances.
Mr. BOB WILSON in two instances.
Mr. CARTER.

(The following Members (at the request of Mr. WATKINS), and to include extraneous matter:)
Mr. FISHER.
Mr. APPLEGATE.
Mr. DRINAN.
Mr. LUKEN.
Mr. MILFORD.
Mr. REUSS.
Mr. HAMILTON in three instances.
Mr. SKELTON.
Mr. VANIK in three instances.
Mr. GONZALEZ in three instances.
Mr. ANDERSON of California in three instances.
Mr. WON PAT.
Mr. BALDUS.
Mr. VENTO.
Mr. WALGREN in two instances.
Mr. WEISS in two instances.
Mr. ROSE.
Mr. LLOYD of California.
Mr. EDGAR.
Mr. WOLFF.
Mr. ROGERS in five instances.
Mr. PEPPER in two instances.
Mr. MAZZOLI.
Mr. LE FANTE.
Mrs. SPELLMAN.
Mr. ROBERTS.
Mr. CONYERS.
Mr. ADDABBO.
Mr. SMITH of Iowa.
Mr. MURPHY of New York.
Mr. JENRETTE.
Mr. PATTERSON of California.
Mr. EILBERG.

ENROLLED BILLS SIGNED

Mr. THOMPSON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 7. An act to authorize a career education program for elementary and secondary schools, and for other purposes; and

H.R. 8422. An act to amend titles XVIII and XIX of the Social Security Act to provide payment for rural health clinic services, and for other purposes.

ADJOURNMENT

Mr. WATKINS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 45 minutes p.m.), the House adjourned until tomorrow, Thursday, December 1, 1977, at 10 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2751. A letter from the Acting Director, Office of Management and Budget, Executive Office of the President, transmitting a report that the appropriation for the Federal Grain Inspection Service has been apportioned on a basis which indicates the necessity for a supplemental estimate of appropriation, pursuant to section 3679(e)(2) of the Revised Statutes, as amended; to the Committee on Appropriations.

2752. A letter from the Assistant Secretary of Defense (Comptroller), transmitting an additional contract award date notice for the period November 15, 1977, to February 15, 1978, pursuant to 10 U.S.C. 139; to the Committee on Armed Services.

2753. A letter from the Executive Director, National Capital Planning Commission, transmitting a report that the Commission acquired no lands for the parkway and playground system of the National Capital Area during fiscal year 1977, pursuant to section 13 of the National Capital Planning Act of 1952; to the Committee on the District of Columbia.

2754. A letter from the Attorney General, transmitting notice of a proposed new records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2755. A letter from the Comptroller General of the United States, transmitting an evaluation of the Federal antirecession assistance to State and local governments as implemented under title II of the Public Works Employment Act of 1976 (PAD-78-20, November 29, 1977), pursuant to section 215 (a) of the act (Public Law 94-369); to the Committee on Government Operations.

2756. A letter from the Clerk, U.S. House of Representatives, transmitting his quarterly report of receipts and expenditures for the period July 1 through September 30, 1977, pursuant to section 105(a) of Public Law 88-454, as amended (H. Doc. No. 95-265); to the Committee on House Administration and ordered to be printed.

2757. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b; to the Committee on International Relations.

2758. A letter from the Acting General Counsel, Department of Energy, transmitting notice of two meetings relating to the International Energy Program on November 28 and December 1, 1977, in London, England; to the Committee on Interstate and Foreign Commerce.

2759. A letter from the Chairman, U.S. Civil Service Commission, transmitting a draft of proposed legislation to amend title 5, United States Code, to provide survivor benefits to certain dependent children; to the Committee on Post Office and Civil Service.

2760. A letter from the Chairman, U.S. Civil Service Commission, transmitting a draft of proposed legislation to extend the period of eligibility for a Vietnam Era Veterans' Readjustment Appointment within the Federal Government; to the Committee on Veterans' Affairs.

2761. A letter from the Administrator of Veterans' Affairs; transmitting reports covering fiscal year 1977 on exchange of medical information and sharing of medical resources, pursuant to 38 U.S.C. 5057; to the Committee on Veterans' Affairs.

2762. A letter from the Chair, Equal Employment Opportunity Commission, transmitting a report on the number of employees of the Commission in each grade of the General Schedule as of the close of fiscal years 1976 and 1977, pursuant to section 1310 of the Supplemental Appropriations Act of 1952; jointly, to the Committees on Appropriations, and Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. KASTENMEIER: Committee on conference. Conference report on H.R. 6666 (Rept. No. 95-825). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. APPLEGATE (for himself and Mr. MARRIOTT):

H.R. 10163. A bill to amend the Internal Revenue Code of 1954 to allow individuals a credit against income tax for expenses paid by a taxpayer in connection with his education or the education of his spouse or any of his dependents at certain educational institutions; to the Committee on Ways and Means.

By Mr. ASHBROOK (for himself and Mr. STEERS):

H.R. 10164. A bill to amend the Internal Security Act of 1950 to control and penalize terrorists, and for other purposes; to the Committee on the Judiciary.

By Mr. BEDELL (for himself, Mrs. BOGGS, Mr. COHEN, Mr. DOWNEY, Mr. ERTEL, Mr. FISHER, Ms. HOLTZMAN, Mr. LEVITAS, Mr. MOLLOHAN, Mr. VOLKMER, and Mr. WALKER):

H.R. 10165. A bill to amend title 18, United States Code, to prohibit Members of the Con-

gress from mailing or otherwise using official congressional stationery for any purpose other than official congressional business; to the Committee on the Judiciary.

By Mr. DRINAN (for himself, Mr. BLOUIN, Mr. D'AMOURS, Mr. FITHIAN, Mr. GEPHARDT, Mr. LEDERER, and Mr. WALGREN):

H.R. 10166. A bill to provide additional assistance to small business concerns in acquiring procurement information and contracts from the United States; to the Committee on Small Business.

By Mr. GLICKMAN (for himself, Mr. NOLAN, Mr. JEFFORDS, Mr. FRASER, Mr. MOAKLEY, Mr. PURSELL, and Mr. WALGREN):

H.R. 10167. A bill to encourage the use of alcohol in motor vehicle fuels by requiring certain retailers to make alcohol-blended fuels available for sale, by allowing the rapid amortization of facilities producing alcohol for use in motor vehicle fuels, and by exempting alcohol-blended fuels from certain requirements of the Clean Air Act jointly, to the Committees on Interstate and Foreign Commerce, and Ways and Means.

By Mr. GONZALEZ:

H.R. 10168. A bill to establish a program of drug benefits for the aged; to establish a Drug Benefits Council and other appropriate management controls to provide for the efficient administration of such program; and to require the conducting of certain studies and experiments, to enhance the capability of the Secretary of Health, Education, and Welfare to administer such program, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HAGEDORN (for himself, Mr. EDWARDS of Oklahoma, Mr. ICHORD, Mr. SYMMS, and Mr. SCHULZE):

H.R. 10169. A bill to amend the Congressional Budget Act of 1974 to limit increases in levels of total budget outlays and total new budget authority established in concurrent budget resolutions; to the Committee on Rules.

By Mr. HEFTEL:

H.R. 10170. A bill to amend the Internal Revenue Code of 1954 to eliminate the adjusted gross income limitation on the credit for the elderly, to increase the amount of such credit, and for other purposes; to the Committee on Ways and Means.

H.R. 10171. A bill to amend the Internal Revenue Code of 1954 to provide, for purposes of determining the unrelated business taxable income of certain tax-exempt organizations and trusts, that such income does not include gains or losses from the sale of certain real property to the lessee of such property; to the Committee on Ways and Means.

By Mr. HYDE (for himself, Mr. ERTEL, Mr. HAGEDORN, Mrs. HECKLER, Mr. O'BRIEN, and Mr. WALKER):

H.R. 10172. A bill to amend title 18, United States Code, relating to the production of false documents or papers of the United States, and the use of false information in obtaining official documents and papers of the United States, involving an element of identification; to the Committee on the Judiciary.

By Mr. MONTGOMEY (for himself, Mr. ROBERTS, Mr. HAMMERSCHMIDT, Mr. BRINKLEY, Mr. HEFNER, Mr. HALL, Mr. EDGAR, and Mr. GUYER):

H.R. 10173. A bill to amend title 38, United States Code, to improve the pension programs for veterans, and survivors of veterans, of the Mexican border period, World War I, World War II, the Korean conflict, and the Vietnam era, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. PANETTA:

H.R. 10174. A bill to authorize pay and benefits for members and survivors of members of the Philippine Scouts on the same basis as such pay and benefits are authorized for other members of the Armed Forces and their survivors; to the Committee on the Judiciary.

By Mr. PANETTA (for himself, Mr. BEDELL, Mr. HARRIS, and Mr. JONES of Tennessee):

H.R. 10175. A bill to permit teachers to change employment across State lines without substantial loss of retirement benefits; to the Committee on Education and Labor.

By Mr. STUDDS (for himself and Mr. COHEN):

H.R. 10176. A bill to amend section 1207(f)(4) of the Tax Reform Act of 1976; to the Committee on Ways and Means.

By Mr. WALGREN (for himself and Mr. MARKS):

H.R. 10177. A bill to amend the Internal Revenue Code of 1954 to allow individuals who have attained age 65 a refundable tax credit for amounts paid for electricity or gas under automatic fuel adjustment clauses; to the Committee on Ways and Means.

By Mr. BOB WILSON:

H.R. 10178. A bill to provide that the Secretary of the Interior and the Attorney General shall not withhold water deliveries from any beneficiary of a Federal reclamation project for the purpose of achieving conformity with the reclamation rules and regulations proposed by the Bureau of Reclamation, Department of the Interior (Federal Register, vol. 42, No. 165, August 25, 1977) until January 1, 1979; to the Committee on Interior and Insular Affairs.

By Mr. BEDELL (for himself and Mr. DRINAN):

H.R. 10179. A bill to provide that housing benefits available to a veteran, under title 38 of the United States Code, shall not be considered in determining, under title 5 of the Housing Act of 1949, whether such veteran is able to obtain credit for housing from sources other than the Farmers Home Administration; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BEDELL (for himself, Mr. KINDNESS, Mr. MOORE, Mr. LOTT, Mr. KAZEN, Mr. AKAKA, Mr. ERTEL, Mr. CORNWELL, Mr. WATKINS, Mr. GRASSLEY, Mr. MCCORMACK, Mr. NOLAN, Mr. MCHUGH, and Mr. MARRIOTT):

H.R. 10180. A bill to amend the meat import law in order to limit the quantity of certain prepared or preserved beef and veal which may be imported into the United States after 1976, and for other purposes; to the Committe on Ways and Means.

By Mr. RODINO (by request):

H.R. 10181. A bill to amend the Immigration and Nationality Act to provide for the classification of certain aliens as special immigrants; to the Committee on the Judiciary.

By Mr. WOLFF (for himself and Mr. MARRIOTT):

H..R 10182. A bill to amend the Internal Revenue Code of 1954 to allow certain individuals whose employers make contributions to pension plans a deduction for their contributions to employer pension funds and to allow certain individuals to establish modified individual retirement plans when the employer-employee pension contributions are small; to the Committee on Ways and Means.

By Mr. LEHMAN (for himself, Mr. ADDABBO, Mr. BADILLO, Mrs. CHISHOLM, Mr. CORCORAN of Illinois, Mr. GLICKMAN, Mrs. KEYS, Mr. LAFALCE, Mr. LAGOMARSINO, Mr. LEDERER, Ms. MIKULSKI, Mr. MURPHY of Illinois, Mr. PRICE, and Mr. RINALDO):

H.J. Res. 665. Joint resolution recognizing the contributions of school volunteers; to the Committee on Post Office and Civil Service.

By Mr. VANDER JAGT (for himself and Mr. MARRIOTT):

H.J. Res. 666. Joint resolution proposing an amendment to the Constitution of the United States to give citizens of the United States the right to enact and repeal laws by voting on legislation in a national election; to the Committee on the Judiciary.

By Mr. COLLINS of Texas:

H. Con. Res. 422. Concurrent resolution expressing the sense of Congress that the Holy Crown of Saint Stephen should remain in the safekeeping of the U.S. Government until Hungary once again functions as a constitutional government established by the Hungarian people through free choice; to the Committee on International Relations.

By Mr. SEBELIUS:

H. Con. Res. 423. Concurrent resolution to inspire the President and the Secretary of Agriculture to use existing law to achieve parity for farmers and ranchers; to the Committee on Agriculture.

By Mr. HAGEDORN (for himself, Mr. EDWARDS of Oklahoma, Mr. GRASSLEY, Mr. MILLER of Ohio, and Mr. SYMMS):

H. Res. 922. Resolution to amend the rules of the House of Representatives to require that each introduced bill and resolution contain a statement of the constitutional basis of authority for the bill; to the Committee on Rules.

By Mr. YOUNG of Texas (for himself, Mr. GAMMAGE, Mr. POAGE, Mr. BROOKS, Miss JORDAN, Mr. KAZEN, Mr. HIGHTOWER, Mr. HALL, Mr. BURLESON of Texas, Mr. MATTOX, Mr. MILFORD, and Mr. PICKLE):

H. Res. 923. Resolution directing the Committee on Interstate and Foreign Commerce to initiate an investigation concerning the Notice of Proposed Rulemaking regarding medical facilities in rural areas; to the Committee on Rules.

EXTENSIONS OF REMARKS

ON WELFARE REFORM

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. WEISS. Mr. Speaker, the United Neighborhood Houses of New York, Inc. has jurisdiction over 35 settlement houses and neighborhood centers in New York City. Of the 250,000 people who make use of the settlement house system, 63 percent receive some form of public assistance.

Because of United Neighborhood House's familiarity with the welfare situation in New York City, I am submitting its testimony before the Welfare Reform Subcommittee. I think it is a thoughtful analysis of welfare reform:

ORAL TESTIMONY PRESENTED BY UNITED NEIGHBORHOOD HOUSES OF NEW YORK, INC.

My name is Dennis Monaghan. I am speaking on behalf of United Neighborhood Houses of New York, Inc., and its 35 member settlement houses and neighborhood centers. I am the Chairman of a committee formed especially to analyze and comment on federal welfare reform. I also serve as President of one of the affiliated neighborhood houses, Manhattanville Community Centers, located in West Harlem. All of this is a voluntary

activity and, in my business life, I am an executive of a large multi-national company with headquarters in New York City. Accompanying me at this hearing is Joseph E. Jenkins, the Executive Director of United Neighborhood Houses and Carol R. Lubin, Director of Policy Research and Social Issues.

The testimony we are submitting presents the point of view of our settlement house system with respect to the need for welfare reform generally and HR 9030 in particular. The plan as a whole clearly provides major improvements over the current confused welfare system, and United Neighborhood Houses supports these changes. First, United Neighborhood Houses commends the Administration for providing a job program as a basic element in assisting low-income individuals and families. Second, United Neighborhood Houses supports the potential widening of the income maintenance and job creation program to include families who are not currently eligible. Third, we welcome the concept that the application of national standards will be designed to reduce inequities and, by consolidating programs, simplify some administrative aspects of the program.

But, we see some serious problems in the Administration's proposal which we hope the Congress will deal with as it redrafts the bill.

First, the effectiveness of the job search and job provision concepts depends on much more realistic and effective programs than appear in either the Administration statements or the current text of the bill. Second, the complex eligibility and work related provisions of the income maintenance program could lead to severe problems in administration, at both the federal and the local level. The intended recipients may be penalized for situations that are outside their control, and inefficiencies and fraud in administration may be increased rather than decreased.

Our full written statement contains four sections. The first part is an introduction to the role of neighborhood houses and their particular experience in dealing with welfare issues and welfare recipients in New York City. The second section presents the general principles which United Neighborhood Houses believes should govern the provision of income assistance to those in need, social services to those requesting them, and the availability of employment for all those capable of work. The third section comments upon those issues raised by H.R. 9030 which United Neighborhood Houses feels must be solved before any welfare reform bill is adopted by the Congress. The final section contains the findings of a survey made in July/August 1977 of the views concerning welfare indicated by social service clients from 23 of UNH member neighborhood centers in New York City.

In my oral statement, I shall address some of the issues of special significance to the settlement house system. I shall be glad to answer questions with respect to the balance of the testimony.

We believe, as indicated in our written testimony, that United Neighborhood Houses and its affiliated neighborhood-based centers can make a useful contribution to the Congress' consideration of a national poverty relief program because:

1. We are located in the poverty areas of New York City, a City in which more than 1.25 million residents, or 16.7% of its population, receive some form of public assistance. At present, the incidence of people subsisting on public assistance in New York City is 4.4% higher than in the nation as a whole. In effect, the frequency per capita of those living in poverty in New York City is 35% higher than the current national average.[1]

2. At the present time, some 250,000 individuals make some use of the settlement house system. Many of them have incomes above the poverty level, but all live in poverty areas. In our sample survey of individuals participating in settlement house programs, 63% received some form of public assistance. Of these, only 10% were managing "comfortably;" 63% were managing with "some difficulty;" and 33%, with "great difficulty." Eighty-eight percent of public assistance recipients were on Medicaid. Most of those who were receiving social services, but not public assistance, were senior citizens.

3. The dual goal of settlement houses as non-profit community organizations is to alleviate problems of the underprivileged in a compassionate and realistic way, and, at the same time, provide the services, using fully accountable procedures. Our aims are based strictly on the interest of our clients and their neighborhoods, with political, sectarian or racial bias. We know, first hand, the needs and preferences of those we serve. There is no compulsion for anyone to accept our service. Our boards of directors, which determine our policies, are composed of voluntary representatives of the communities served, as well as of the business community (including lawyers, accountants and corporation executives) and of professionals in social services and allied fields.

The principles we believe should guide any welfare system, based on our own experience, formally approved by our Board, are:

1. Every individual has a right to an adequate diet, decent shelter and clothing, and basic health care. For those who cannot achieve this with their own resources, the government has a fundamental responsibility to provide assistance.

2. Those unable to earn a living include not only the young, the old, the handicapped and those caring for dependents, but also those who lack the opportunity to move ahead due to the inadequacies of the nation's economy.

3. Job creation must be an essential element in any welfare program, starting with national and regional economic policies, and including direct employment by government as a last resort.

4. Alleviation of poverty should include the provision of social services to aid movement out of poverty and to enable the low and moderate income members of our society to become more self-sufficient.

5. Government must be the major instrument in alleviating poverty—by funding, standard setting, and monitoring—but direct contact with the families and individuals requiring aid should, wherever possible, be handled by community-related groups where they have a credible track record in providing such services.

Turning directly to the current text of the "Better Jobs and Income" bill, we regretfully state that we do not feel it adequately meets the criteria expressed in the principles I have just outlined. The bill implies that welfare recipients do not wish to work. Our experience within the settlement house system indicates that this is a myth, based on the concept that welfare recipients, in general, choose to live as public dependents. This may be true of a very limited number—but the real problem is, as you know, that there simply are not enough jobs in either the public or private sector today to meet the needs of those seeking employment. Again, to refer to the respondents to our questionnaire, we found that 84% were unemployed and 73% of this number preferred to work. However, 26% were unable to find employment; 26% were physically unable to work; 19% have young children and would be exempt under any program; and 12% were retired senior citizens. It is interesting to note, moreover, that 35% of those interviewed had completed from 9 to 11 grades of school; 23% had graduated from high school; and 9% were either college graduates or had some years of college. Thus, it seems clear that the lack of job opportunity is a greater factor in unemployment than the lack of educational opportunity.

In New York City, the need for a greater number of jobs is compounded by the overwhelming needs of our minority and youth unemployment. As we have seen whenever any jobs are made available, under programs such as CETA and the various youth unemployment acts, the number of those who seek and need these jobs is so great that it is almost impossible to deal fairly with the allocation of the limited available opportunities.

Incentives are needed not for employment search, but for private sector job creation in order to enlarge the employment market. Those seeking stable employment are concerned with equitable wage scales and benefits. In our experience, there has never been any preference for public employment; but, rather, it is needed because there are no private sector jobs available. We are, therefore, seriously concerned that, on the one hand, the incentives for creating new jobs in the private sector are inadequate and, on the other, the very limited number of public service employment jobs will not meet the needs of urban areas, especially cities like New York, even if current programs such as CETA VI are continued. The concept that these jobs will be eliminated because of decreased unemployment seems to us entirely unreal.

We are also seriously concerned about the punitive nature of several employment provisions. The experience described in our survey indicates that those seeking various kinds of jobs during recent years have encountered many bureaucratic hassles. Many of those who responded to our questionnaire reported that the assistance they had received in job search from government offices was futile and even after training, no jobs were offered. For example, out of 52 individuals who would have been eligible for the current Work Incentive Program (WIN), 36 did not participate because they were not aware of its existence or because there was no adequate care available for their children or they had been classified as disabled, even though they could have worked in appropriate jobs. Out of a sample of 16 individuals who had received WIN training, none are now employed.

Other provisions that seem to us punitive are those requiring lower benefits during periods of job search. The requirement that there must be a second job search after 52 weeks of public service employment and, at that time, a family will be brought down to the lower tier for benefits seems to us particularly inequitable. If the job that the client was doing is real, the client would not have had time to find another job while working. To ask him to find one on his own time at the end of 52 weeks and then, if unsuccessful, enter a different public service job does not seem a logical procedure.

We are also concerned, as we indicated in some detail in our written statement, at the

[1] The above statistics are based on census data estimates of 1975 population characteristics as reflected in the Bureau of Census' Current Population Reports: In 1975, more than 1.25 million of 7.5 million New York City residents received some form of public assistance. The Bureau of Census estimated that 25.9 million people were living below the national poverty level; the total U.S. population was estimated to be 213.6 million.

requirement that wages be set at the minimum rate, with far less benefits than those available under CETA, and with the consequence that individuals will be working side by side, in closely similar jobs, with those obtaining higher wages and better benefits. This hardly provides an incentive to productivity. There are many other inequities to which we call attention in our written testimony, including the need for greater employment disregards and essential social services.

Because we believe that the employment component of welfare reform is going to be a basic, long-term part of the total U.S. employment system, we urge Congress to ensure that these provisions be satisfactorily modified.

The financial aid concepts seem to us even more inadequate than those relating to employment. While we support the concept of the two-tier approach, we find the proposed benefit levels inadequate to meet even minimal standards. We strongly urge that these be reconsidered and indexed to cost of living changes and be adjusted to the different needs of urban and rural life and regional economic realities.

We support the concept of state supplementation and maintenance of effort, but we believe that these provisions should be strengthened and that the federal participation in state supplementation should be continued even where the state pays benefits above the national poverty level. Particularly, as I indicated earlier, the nature of New York City's economy results primarily from national policies outside its control. We urge that it is the responsibility of the federal government to carry a greater proportion of local welfare costs.

United Neighborhood Houses believes that one of the greatest weaknesses in the bill is the lack of substantial preventive social services. We urge that such services, in addition to those already available under Title XX, must be an intrinsic part of the bill in order to prevent deterioration of communities as well as of individuals. Our survey indicated, for example, that specific additional services were needed by almost 60 percent of the respondents. While the largest number requested housing assistance, other requests included additional health assistance, homemaker services, new job and educational services, more feasible transportation and more adequate information and referral to those social services that currently exist. We urge that adequate social services, whether provided by voluntary or public agencies, are essential to aid the poor to break out of the welfare cycle, to enable former welfare recipients to become and remain self-sufficient and to develop appropriate attitudes toward education and work. Quality child care is indicated as the most essential service both to enable parents to work and for the good of the children themselves.

We also have found that the food stamp program is vitally needed by many, particularly those who are elderly or are low income workers who are unwilling to seek cash assistance because they fear the welfare "stigma." We believe that a revised food stamp program available to those who do not receive public assistance should be added to the welfare bill.

Finally, we urge that voluntary community-based agencies, such as the settlements, should have a far greater opportunity to contribute to the design and operations of the welfare system. To this end, we believe we should be given an opportunity to participate in the redraft of many of the basic proposals, especially where they relate to determination of incentives and program administration at the local level. We believe that our experience could be useful in the planning of transition arrangements at the local level and in the assessment and evaluation of changes as they are implemented. We ask to be a partner in the coordination and cooperation required by welfare programs in the belief that we can make a practical contribution to the formulation of a better system.

A REPORTER'S REPORTER

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. VENTO. Mr. Speaker, in tribute to a dedicated news reporter and good friend, Paul Presbrey, I would like to enter the following editorial by Bob Johnson of the St. Paul Pioneer Press-Dispatch in the CONGRESSIONAL RECORD. Paul Presbrey was truly a reporter's reporter who had all the skills and virtues young journalists, and even some experienced ones, envy. He was bright, quick, courageous, honest, and had a knack for being in the right place at the right time to get a story. His sudden death last week is a great loss to every Minnesota citizen who ever read his news reports and benefited from the information and insights he provided. It is especially fitting that this fine editorial epitaph appeared not in the newspaper for which he worked, the Minneapolis Star, but in the St. Paul Pioneer Press-Dispatch, its chief competitor.

The article follows:

AND THERE WAS PRESBREY

Paul Presbrey was a man who never gave up. In the finest sense of the phrase, he never grew up, either. Paul was a reporter for the Minneapolis newspapers and much of his time was spent covering St. Paul—us—for them. He was a helluva competitor, managing to stay at least three steps ahead of everyone, most of the time.

Paul died in his St. Paul home this week of the heart attack he knew was coming. He'd had experience with heart attacks, and with hospitals. The former he regarded as inevitable in his case, the latter was to be avoided at all costs. "Most people die in hospitals," he said by way of explaining why he wouldn't go, or wouldn't stay when they carried him in.

He simply decided to keep running until he was hit. He didn't like being sick and he certainly gave no impression of eagerness to die. He simply figured it was better to go all-out as long as he could. He was 67.

Paul Presbrey was an unusual reporter. They don't make 'em like that anymore, if they ever really did. That is to say, maybe he was the last of the great reporters; maybe he was unique. His job was getting The News. He lived it, and made a batch of side jobs simply help him along his main course. Twin Cities news circles are full of Presbrey stories: both friends and enemies contribute to the legend. Paul comes out a real tough guy who wouldn't let bonds of kin or friendship stand in the way of the story. He wouldn't and lots of people hated Presbrey. Mostly, they didn't know him.

Lots of other people, including his closest competitors, developed a wary affection for him, and learned how much he really cared—about news stories, about his friends, about his family.

Now, Presbrey earned his reputation as a reporter to watch out for. He got onto stories, he got the stories and saw them reach print—even if this last required a tip to a competitor if his own editors seemed a bit obtuse. But the lesson of Paul Presbrey, the magic of that reoprter, is so far from cynicism and amorality that it is hard to teach to those who would succeed him.

Paul Presbrey never gave up. It's that simple. Once he got a story he pursued it with imagination and tenacity until he had it. This for the Front Page big ones and the little items as well. And through all his years on the job his curiosity and interest never faded. He could get as excited as a fifth-grader over what he was working on, right up until the end.

You not only need equipment of brass to be a Paul Presbrey, you've got to stay something of a kid all your life as well.

REEXAMINATION OF AMTRAK'S ROUTE

HON. JOHN W. JENRETTE, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. JENRETTE. Mr. Speaker, an appropriations conference committee has directed the Department of Transportation, in cooperation with Amtrak to undertake "a comprehensive reexamination of Amtrak's route structure from a zero base."

The object of this analysis, according to the conferees, will be to recommend a route structure that will provide "an optimal national railroad passenger system based on current and future market and population requirements."

In my opinion, such a study is badly needed and is long overdue. I will not presume to instruct the Members about how Amtrak's original route structure was created under severe pressures of time and conflicting regional requirements. Or how Amtrak's route structure has grown helter-skelter since. In the 6½ years of its existence, Amtrak has been directed by the Congress, by various Secretaries of Transportation or by the States to add routes in 34 States and three Canadian Provinces.

I am not sure that the intercity passenger route structure which was chosen in the first place was the optimum one or that additions made in the interim were the best possible ones. We all have suffered from the lack of an objective comprehensive study of the national rail passengers system—as a system—and particularly as it relates to our total transportation network.

Now, within a few months, we can expect that the Department of Transportation will give us our first comprehensive analysis of our national rail passenger system.

My question is very simple. We have waited for 6½ years and we already have invested approximately $3 billion in train operations and new stations and

equipment. Can we not wait a few more months?

Amtrak's management is currently—on the basis of budgetary considerations alone—dismembering our national route structure train by train. The requirement to live within available operating funds for this fiscal year can only force a series of costly and traumatic route discontinuances before we have a chance to study adequately the full impact of those cancellations or the possible alternatives.

Amtrak was created in 1971 as a matter of public policy. It is being dismantled in 1977 without a full examination of what has been built; what is worth saving or—and this concerns me deeply—of the cost of restoring this system if we find some day we are left with alternatives which are far more costly in the long run.

I urge that a way be found to provide minimal funding for the continued operation of the present Amtrak system until we and the executive branch of Government are satisfied that we are operating on the basis of facts and for the long-term best interests of this Nation.

RACIAL QUOTAS THREATEN SMALL BUSINESS

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. ASHBROOK. Mr. Speaker, I have been informed by a small contractor in my district that, for the second time in 10 days, he has been refused a State contract because he is the wrong color. This announcement would have horrified my liberal colleagues a few years ago, but not today. That is because the contractor is white.

This year, the Carter administration pushed through a provision of the Public Works Employment Act which requires that at least 10 percent of the funds allocated under the act be spent on contracts awarded to minority firms. The contractor mentioned above was the only bidder for two recent contracts, but the State had to refuse him and is now out looking for someone who is the right color.

This liberal policy of racial quotas has a tremendous human cost, besides being blatantly unconstitutional. The small contractor I have been discussing employs 125 workers, 25 of them from minority groups. They and the families who depend on them represent a total of at least 400 people, each of whom is being hurt because one man is of the wrong race.

Liberals talk incessantly about "humanity." These racial quotas demonstrate once again that this fake concern has nothing to do with real people. The 400 living, breathing human beings being hurt by racial quotas in this case, and the tens of thousands like them throughout America, are of no importance to self-righteous leftists.

To racist, statist liberalism, the sufferings of human beings in the name of their ideology means nothing, and the Constitution less than nothing.

FED UNDERMINES URBAN POLICY IN CHOICE OF SUBURBAN SITES

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. REUSS. Mr. Speaker, the selection of a suburban rather than central location in Miami for a new branch of the Federal Reserve Bank is unfortunate, and should be reversed. The location of Federal facilities, which also influences where other businesses that deal with these agencies locate, can be a crucial factor in efforts to save the central city and preserve jobs in the areas where they are most desperately needed.

Beyond the unfortunate Miami decision, the Federal Reserve must promptly reconsider its recently adopted guidelines on site location for facilities. These guidelines, which favor suburban locations for future Fed facilities, clearly contradict the administration's emerging efforts to encourage central city economic development.

The following editorial in the Miami Herald of November 19, 1977 addresses this issue forthrightly:

FED BRANCH BELONGS IN DOWNTOWN

The Federal Reserve Board should heed the advice of Rep. Henry Reuss and reconsider its decision to locate its Miami branch at a suburban site west of Miami International Airport.

A downtown site had been recommended by the manager of the local branch of "the Fed" and by the Bank's regional headquarters in Atlanta.

Those recommendations, based on an understanding of the financial community to be served by the new facility, made good sense from several points of view.

For one thing, development of the bank on a downtown site would be consistent with the efforts of numerous federal programs to bring renewal and employment to America's urban-core areas.

For another, the development of a mass transit system will make a centrally located facility relatively more convenient for employes and customers alike than a facility in a location far from transit service.

Further, as Rep. Reuss points out, the cost estimates that the Fed used to justify selecting a remote site are highly questionable.

As he observed, "Nowhere does the cost analysis deal with the public costs of building additional infrastructure, employe costs for additional transportation, or the bank's own additional costs of being widely separated from its clientele in downtown Miami."

Branding the Board's decision as "clearly contrary to the Administration's emerging urban policy of encouraging central city economic development," Rep. Reuss added that "it is foolish and wrongheaded for the nation's central bank to adopt an approach that fails to take into account the associated public costs and social consequences of central city decay and urban sprawl."

Well said, Mr. Reuss. How about it, Mr. Burns?

FEDERAL AID TO EDUCATION

HON. DEL CLAWSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. DEL CLAWSON. Mr. Speaker, it is a matter of concern to some of us who frequently vote against high-priced Federal aid to education programs, which we consider of low value, that our votes may be interpreted as indifference to the educational needs of American young people. Newsweek magazine of November 14, 1977, however, contains an editorial which I believe refutes that inference. A sensitive and dedicated teacher describes her painful discovery of just how far the present system falls short of realizing basic educational goals. The editorial by Susan Britt Jordan entitled "I Wants To Go to the Prose," follows:

"I WANTS TO GO TO THE PROSE"

(By Suzanne Britt Jordan)

I'm tired—and have been for quite a while. In fact, I think I can pinpoint the exact minute at which I first felt the weariness begin. I had been teaching for three years at a community college. I had, for quite a while, overlooked ignorance, dismissed arrogance, championed fairness, emphasized motivation, boosted egos and tolerated laziness. I was, in short, the classic modern educator.

One day a student, Marylou Simmons, dropped by my office. She had not completed a single assignment and had missed perhaps 50 per cent of her classes. Her writing, what little I saw of it, was illogical, grammatically incorrect and sloppy. "Can I help you, Marylou?" I said cheerily, ever the understanding and forgiving teacher. Her lips began to tremble; her eyes grew teary. It seemed she had been having trouble with her boyfriend. "I'm sorry, but what can I do?" I asked. Suddenly all business, Marylou said, "Since I've been so unhappy, I thought you might want to just give me a D or an Incomplete on the course." She smiled encouragingly, even confidently. That's when the weariness set in, the moment at which I turned into a flaming conservative in matters educational. Whatever Marylou's troubles, I suddenly saw that I was not the cause, nor was I about to be the solution.

NAMBY-PAMBY COURSES

When I read about declining SAT scores, the "functional illiteracy" of our students, the namby-pamby courses, the army of child psychologists, reading aides, educational liaisons, starry-eyed administrators and bungling fools who people our school systems, my heart sinks. Public schools abide mediocre students: put 18-year-olds, who can't decide what to wear in the morning, into independent study programs; excuse every absence under the sun, and counsel, counsel, counsel. A youngster in my own school system got into a knife fight and was expelled for one week. I noticed in the paper that bus drivers regularly see riders smoking marijuana and drinking wine on the bus at, for God's sake, 8 in the morning. I could go on, but the public knows well enough the effects of a system of education gone awry.

Consider for a moment what caused the mess. A few years ago people began demand-

ing their rights. Fair enough. They wanted equal education under the law. I'm for it. Social consciousness was born. Right on. Now, enter the big wrong turn, the one that sent our schools into never-never land. We suddenly, naïvely, believed that by offering equal opportunities we could (1) make everybody happy, (2) make everybody well-adjusted, (3) forgive everybody who failed, and (4) expect gratitude to boot. When students were surly, uncooperative, whiny and apathetic, educators decided they themselves didn't know how to teach. So they made it easier on the poor, disadvantaged victims of broken homes, the misfits, the unloved. Well and good. But the catch to such lofty theories is evident. Poverty, ignorance and just plain orneriness will always abound. We look for every reason in the world for the declining test scores of our children, except for stupidity and laziness.

A CURMUDGEON SPEAKS

I'm perfectly aware that I sound like an old curmudgeon and it frightens me more than it offends you. But I have accepted what educators can't seem to face. The function of schools, their first and primary obligation, is not to probe tender psyches, to feed and clothe the homeless, nor to be the papa and mama a kid never had. The job is to teach.

The teacher's job is to know his subject, inside out, backward, forward and every which way. Nothing unnerves a student more than to have a teacher who doesn't know his or her stuff. Incompetence they cannot abide. Neither can I.

Before educators lost their way and tried to diversify by getting into the business of molding human beings, a teacher was, ideally, someone who knew a certain body of information and conveyed it. Period. Remember crochety old Miss Dinwiddie, who could recite 40 lines of the "Aeneid" at a clip? Picture Mr. Wassleheimer, who could give a zero to a cheating student without pausing in his lecture on frog dissection. Every student knew that it wasn't wise to mess around with a teacher who had the subject down cold. They were the teachers we once despised and later admired.

I want them back, those fearsome, awe-inspiring experts. I want them back because they knew what a school was for and didn't waste any time getting on with the task at hand. They were hard, even at times unjust, but when they were through, we knew those multiplication tables blindfolded with both trembling hands tied behind our backs.

Before the schoolmasters and the administrators change, they will have to shake off the guilt, the simpering, apologetic smiles and the Freudian theories. Which is crueler? Flunking a kid who has flunked or passing a kid who has flunked? Which teaches more about the realities of life? Which, in fact, shows more respect for the child as a human being?

Just today I talked to a big loud bruiser of a football player who wants to learn the basics of grammar. I didn't tell him it was too late. You see, he was a very, very good football player, so good that he never failed a course in high school. He had written on a weekly theme, "I wants to go to the prose and come fames." He may become a pro, may even become famous, but he will probably never read a good book, write a coherent letter or read a story to his children. I will, however, flunk him if he does not learn the material in the course. My job means too much to me to sacrifice my standards and turn soft. Suppose that every time my student played football badly, the coach said it was "just a game." Suppose the coach allowed him to drink booze, stay up all night, eat poorly and play sloppily. My student would be summarily dismissed from the team or the team would lose the game. So it goes with academic courses.

LIFE IS REAL

The young people are interested, I think, in taking their knocks, just as adults must take theirs. Students deserve a fair chance, and, failing to take advantage of that chance, a straightforward dismissal. It has been said that government must guarantee equal opportunity, not equal results. I like that. Through the theoretical fog that has clouded our perceptions and blanketed our minds, we know what is equitable and right. Mother put it another way. She always said, "Life is real; life is earnest." Incidentally, she taught me Latin and never gave me air in a jug. I had to breathe on my own. So do we all.

BOYCOTT REGULATIONS UNDERMINE CONGRESSIONAL INTENT

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. EILBERG. Mr. Speaker, I am distressed to hear continuing reports that the Department of Commerce is formulating regulations which seriously undermine the intent of Congress when it passed legislation to prohibit American compliance with the Arab economic boycott of Israel.

That legislation is aimed at protecting U.S. citizens from discrimination which could result from American participation in the boycott, and as such it upholds basic democratic principles.

Now, we learn that the Commerce Department has proposed regulations which would seriously invalidate the clearly stated goals of Congress when it approved this legislation.

The administration, Mr. Speaker, is on record as having made a full commitment to effective antiboycott legislation. In light of this commitment, I hope that President Carter and Secretary of Commerce Kreps will reevaluate the proposed regulations before they go into effect on January 18, 1978.

I commend to my colleagues the following summary of the proposed regulations, as reported in the November 25, 1977 issue of the Jewish Exponent, of Philadelphia:

AGENCIES CRITICIZE BOYCOTT RULES

NEW YORK.—Three major Jewish organizations have sharply criticized proposed regulations issued by the U.S. Commerce Department to implement the new federal antiboycott law as "contrary to the legislation," adding that its proposals would "subvert the thust and purpose of the anti-boycott statute."

The American Jewish Committee, American Jewish Congress and Anti-Defamation League of B'nai B'rith outlined three new significant sections of the proposed regulation, which, they charged, would "distort legislative intent and action and undermine the objectives embodied in the new statute." These areas are the "unilateral selection," "local law" and "risk of loss" sections of the proposed legislation.

In the legislation, the agencies declared, Congress enacted exceptions for specific, limited situations. However, they continued, the Commerce Department regulations interpret these exceptions so broadly as to vitiate the entire thrust of the law.

For example, in the unilateral selection section, the agencies declared "Congress intended to place the burden on the foreign buyer making a boycott-based selection to do so without assistance from any U.S. person. The proposed regulations, however, ignore both statutory language and legislative history by permitting a U.S. person to provide a foreign buyer with invaluable assistance—in the form of management, procurement and other pre-award services—before the foreign buyer makes his boycott-tainted selection."

The three Jewish agencies, which acted on behalf of the six national and 101 local constituent agencies of the National Jewish Community Relations Advisory Council, called on President Carter to honor his commitment to effective anti-boycott legislation by "significant strengthening" of the proposed regulations.

The Commerce Department issued its implementing regulations on Sept. 21. They are scheduled to take effect on Jan. 18, 1978.

Excerpts from the text of the three agencies' statement follows:

"The recent hearings of the House Government Operations sub-committee on Commerce, Consumer and Monetary Affairs, confirm our view that the regulations as proposed seriously distort legislative intent and action and undermine the objectives embodied in the new statute. At the least, the proposed regulations reflect in part an apparent unwillingness on the part of the Department of Commerce to come to terms with key aspects of the anti-boycott legislation.

"Congress strengthened the Export Administration Act to prohibit most forms of compliance with foreign dictated boycott demands directed against friendly countries and U.S. persons. In so doing it forthrightly acted against the increasingly unacceptable and pervasive requirements being imposed on citizens and businesses of our country by the Arab boycott—requirements which are discriminatory in nature and which strike at the fundamental moral and commercial underpinnings of the U.S.

"As responsible legislation, the statute also provided for a limited number of exceptions to the prohibitions in recognition of certain rights of sovereign states and to allow normal commercial transactions generally unrelated to a boycott. But in affording these limited accommodations, Congress made clear that these exceptions were subsidiary elements in the overall legislative scheme to prohibit boycott compliance and were to be construed narrowly and be subject to nonevasion principles.

"By this legislation Congress affirmed that commercial relations with boycotting countries, however important they may be, cannot occur at the expense of basic American principles and at the cost of our national self respect.

"As to 'local law,' Congressional hearings made it clear that only in specific, limited situations, tied to a 'national interest' test, would a U.S. resident of a boycotting country be permitted to engage in activity that was boycott-related. Yet despite the existence of clear legislative history rejecting an across-the-board approach to the availability of this exception, the proposed regulations provide for its unbridled use by U.S. residents of a boycotting country.

"In addition, whereas the statute permits a U.S. resident in a boycotting country to comply with the boycott when importing specific products solely 'for his own use,' the regulations misinterpret these words to mean 'for another person's use.' Thus, the regulations consider as being 'for his own use,' components that are to be 'incorporated into

(a) product . . . to be manufactured or constructed for another.' Similarly goods to be placed 'in general inventory for subsequent resale' to other persons are also considered 'for his own use.'

"Finally, the proposed regulations permit use of a novel 'risk of loss' clause which provides that a seller's liability would not end at the point he delivers merchandise to a carrier selected by the buyer, as is the normal commercial practice, but would continue until the goods have reached and passed through customs in the foreign port of entry.

"Obviously, merchandise entering an Arab country which was manufactured by a blacklisted U.S. corporation is subject to confiscation by the overseas custom's authorities. Thus, insistence on such a clause has the 'chilling effect' of preventing blacklisted companies from fairly competing for business in the Arab world.

"We have already expressed our objection to the timing of a recent trip undertaken by representatives of Commerce, State and Treasury Departments to the Middle East to explain the proposed regulations, as premature and prejudicial to our rights during the public comment period.

"We firmly trust and hope that the professed commitment of the President and Secretary of Commerce Kreps, as well as a recognition of the imperatives set out by the statute and legislative history, will result in the legitimate and crucial modifications we support."

JOSE VARGAS

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. PATTERSON of California. Mr. Speaker, Jose Vargas, a Santa Ana, Calif., police officer and a naturalized American citizen since 1968, has been chosen as one of the top 10 police officers in the Nation by the International Associations of Police Chiefs.

Officer Vargas first entered the United States at the age of 16 as an illegal immigrant. He was caught and returned to Mexico by the border patrol each of the dozen times he entered the United States.

Eventually, he married an American citizen, became a legal resident and brought his widowed mother and five brothers and sisters to the United States from San Martin Hidalgo, Jalisco, Mexico.

Jose worked for 7 years as a garbage collector by day and worked toward his goal of becoming a police officer by night. He learned English, obtained a high school diploma, attended Fullerton Junior College, and finally, at age 33, became a U.S. citizen and police officer.

In 1975, Jose Vargas transferred to the Santa Ana Police Department and is assigned to the highly successful community relations unit. Vargas' work with the Spanish-speaking community in Santa Ana has been instrumental in fostering the goodwill and cooperation now evident between the Santa Ana Police Department and the community.

Vargas teaches English as a second language classes, orientation classes to Mexican-born residents, works in the Spanish drug awareness program, is active in the League of United Latin American Citizens (LULAC), is an advisor for a Christian oriented drug rehabilitation program, and attends Cypress College. He is both mother and father to his eight sons, including one foster child.

Perhaps Jose Vargas can best be described as he was in the letter of nomination by his chief, Ray Davis, "Joe's entire life has become one dedicated to service such as usually seen only in a member of the priesthood."

CONGRESSIONAL CLEARINGHOUSE ON THE FUTURE

HON. CHARLES ROSE III

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. ROSE. Mr. Speaker, from time to time I like to inform my colleagues in the House and Senate about the activities of the Congressional Clearinghouse on the Future, a small information-gathering group I and 10 of my colleagues helped organize in April 1976.

Since our beginnings almost 2 years ago, Anne Cheatham, our director, and our advisory committee have led the Clearinghouse through a series of successes. Membership has grown from 10 Members of the House to over 60 Members of the House and Senate. A part-time staff of one has grown to a fulltime staff of three with several part-time assistants. And our activities have swelled from a simple monthly newsletter to a collection of services geared to all levels of congressional activity.

The goals of the Clearinghouse are:

First, to assist Members of Congress and their staffs in their efforts to become aware of the ways in which the future is affected by today's decisions.

Second, to help House committee members implement rule X, section 2(b)(1), which states that—

> . . . All committees and subcommittees (except Budget and Appropriations) shall on a continuing basis undertake futures research and forecasting on matters under the jurisdiction of that committee.

And to help committees of the Senate initiate similar foresight activities.

Third, to provide Members of Congress with information about trends which may shape the future.

Fourth, to identify citizens interested in the future and to assist Members of Congress as they make contact with these individuals. We have established the following ongoing activities to meet our goals:

First. The publication of a monthly newsletter;

Second. The seminar series, "Dialogues on America's Future";

Third. Formation of a congressional talent bank;

Fourth. The development of a trend evaluation and monitoring (TEAM) program;

Fifth. Identification of citizen participation projects around the country which are working on the future.

WHAT'S NEXT?

Our monthly newsletter, What's Next?, is full of suggestions about ways we can begin talking about the future with the people back home. Articles appear which explain how various futures research groups function and how they might aid our committee staffs.

An index of the CONGRESSIONAL RECORD is included every month noting entries we make that are directly related to the future. Recent issues have included articles on House and Senate foresight hearings, President Carter's involvement with the goals for Georgia program, reviews of books and periodicals in the field, and announcements of Washington area activities.

"DIALOGUES ON AMERICA'S FUTURE"

The seminar series, "Dialogues on America's Future", is designed to bring together, for the purpose of dialog, Members of Congress and noteworthy individuals who are thinking provocatively about the future. We have heard such well-known personalities as Alvin Toffler, author of "Future Shock," Dr. Margaret Mead, Dr. E. F. Schumacher, author of "Small is Beautiful: Economics as if People Mattered."

Herman Kahn, director of the Hudson Institute, Prof. Jay Forrester of MIT, and Ted Gorden of the Futures Group have spoken to us about growth issues and the economic stresses which result. Barbara Marx Hubbard, chairperson of the Committee for the Future, Arthur C. Clarke, author of "2001: A Space Odyssey," and Isaac Asimov, science fiction writer, have shared their visions about outer reaches of our society. Hazel and Carter Henderson, directors of the Princeton Center for Alternative Futures, and Elizabeth and David Dodson Gray, directors of the Bolton Institute, have spoken about trends in institutions and in individual lives which may have important implications for our future survival.

Willis Harman of Stanford Research Institute and Dr. Elise Boulding of the University of Boulder, Colo., have shared their feelings about the human value changes which are emerging in this transition time. And finally, Buckminster Fuller and John Kenneth Galbraith have simply inspired us to think—more creatively, more intuitively, more humanely—about the future.

Mr. Speaker, the gifts brought to us by these speakers as part of this "Dialogues" series have been incalculable. It is impossible to measure what has happened to the over 125 Members of the House and Senate who have attended these monthly dinners, but surely we are not the same as we were before we heard them.

CONGRESSIONAL TALENT BANK AND TEAM

The Clearinghouse has also created a congressional talent bank composed of individuals from all around the country who are willing and eager to help us look at legislation from future point of view. The Clearinghouse is a clearinghouse, and so we have sought out those already engaged in futures research and forecasting, and we have asked for their help. So far, over 25 committees and subcommittees in the House and Senate have used the talent bank, and requests are coming in from others.

Talent bank members come from all walks of life: business, industry, educational institutions, and government. Also, the talent bank includes invidivuals and groups who are active in citizen participation programs. By talking with these citizens who have a "futures outlook," we will be able to take more seriously our foresight responsibility.

The Clearinghouse is also developing a trend evaluation and monitoring (TEAM) program. Congressional staff people who are directly involved in the TEAM project monitor over 70 periodicals and regularly analyze abstracts in these four categories: science and technology, social sciences, business and economics, and politics and government.

Quarterly briefings for our colleagues will alert us to those issues most likely to be in the headlines several years from now. This trend identification program, Mr. Speaker, is just another example of the fine, innovative thinking which has characterized the Clearinghouse on the Future since its creation.

OUR CITIZENS AND THE FUTURE

And finally, Mr. Speaker, one of the most important emphases of the Clearinghouse has been in the area of citizen participation. We recognize the need to talk about the future with our people back home. We know their frustrations with continuing crises. We know their anger. We know their disappointment.

We believe that the citizens of this country must become engaged in the process of setting goals if we are to expect them to adopt the goals we name.

All of this information which the Clearinghouse so readily shares is very valuable, Mr. Speaker. We must learn to anticipate in this time of rapid change if we are to survive. As C. P. Snow said:

The sense of the future is behind all good politics. Unless we have it, we can give nothing either wise or decent to the world.

TRIBUTE TO ED DEAL

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. ANDERSON of California. Mr. Speaker, on December 9, 1977, Ed Deal will step down as president of the Long Beach District Board of Realtors, a position he has filled most successfully during the past year.

Walter Edwin Deal was born in Gainesville, Ga. on March 4, 1915. He received his education in the State of Georgia and served in the Navy in World War II.

Ed has been a respected member of the community since he first moved to Long Beach on March 4, 1966. He worked in electrical engineering at the Phillips' Electric Co. and then decided that real estate was the business he preferred. He has spent 25 years in property management and real estate.

As director of the California Real Estate Association and a member of the International Real Estate Federation, Ed has been highly regarded by his associates in the business. He worked diligently to bring about the defeat of the property transfer tax in the city of Long Beach. He is very active in city, county, and State politics.

When he is not busy with community involvements, he enjoys singing in a barbershop quartet.

Along with Ed's wife Thelma and their children, Eddie Jr., Nancy, Gary, and Larry, my wife Lee and I share an appreciation of Ed's civic awareness and many humanitarian contributions.

HUMPHREY-HAWKINS STILL A BAD BILL

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. ASHBROOK. Mr. Speaker, after much revision, the Humphrey-Hawkins bill is back with us once again. Despite the changes, however, it is still a bad piece of legislation.

Like most liberal schemes, the Humphrey-Hawkins bill displays a remarkable faith in the power, wisdom, and ability of the Federal Government. It is premised on the belief that the Government can successfully manipulate the marketplace so as to provide a perfect economy. Nothing could be further from the truth.

Nationally syndicated columnist James J. Kilpatrick hit the nail on the head when he stated:

Even in its remodeled form, the Humphrey-Hawkins bill embraces all the bankrupt notions of conventional liberalism.

Let me dwell upon the most fallacious notion. This is the notion that in a free society, the most fundamental forces of human nature and of the marketplace can be successfully manipulated by the power of government. It simply is not so . . .

No matter how its purpose is camouflaged, the sole idea of Humphrey-Hawkins is to impose The Plan. The sponsors cling to the naive, simplistic notion that a few bureaucratic wise men can devise a Plan that will bring us an economic millenium.

The Humphrey-Hawkins bill offers no economic panacea. It is still a bad piece of legislation which deserves to be defeated.

Following is the full text of Mr. Kilpatrick's article which appeared in the November 17 Washington Star:

STILL A DEPLORABLE BILL

(By James J. Kilpatrick)

All of a sudden, the Humphrey-Hawkins bill is back in the news, and if you want a piece of bad news, that's it. No matter how this misguided proposition is watered down or prettied up, it remains pure folly. In the friendliest possible fashion, out of deference to its principal sponsor, the bill ought to be permanently shelved.

The Humphrey-Hawkins bill is the brainchild of Sen. Hubert H. Humphrey of Minnesota and Rep. Augustus F. Hawkins of California. In its original form, as presented to the 94th Congress two years ago, the bill proposed an elaborate blueprint for centralized government planning and control. Ostensibly the idea was to get unemployment down to a level of 3 percent, chiefly by invoking grandiose schemes of public employment; in actuality, the idea was to create a vast bureaucracy with massive powers over the entire economy.

In its revised form, born again from political necessity, the bill is superficially more palatable. The most objectionable features of the original proposal have been deleted; a nice passage has been added to treat the theme of inflation. Economic goals are now stated more realistically. Greater emphasis has been placed upon the needs of black youth.

And it's still a deplorable bill. It cannot be transformed into a good bill. As a sagacious old Virginia legislator used to say, this year's version is the same old 'coon with another ring around his tail. Even in its remodeled form, the Humphrey-Hawkins bill embraces all the bankrupt notions of conventional liberalism.

Let me dwell upon the most fallacious notion. This is the notion that in a free society, the most fundamental forces of human nature and of the marketplace can be successfully manipulated by the power of government. It simply is not so.

In a totalitarian society, the notion will work. It may work badly—in the Soviet Union, it plainly has worked badly—but it cannot work in a free society. We keep tinkering with bits and pieces. The recent minimum wage bill offers one example. Temporarily, many bottom-rung workers will appear to benefit. Before long the inflationary impact will be felt on everyone.

The Humphrey-Hawkins approach holds the prospect of infinitely greater disaster than a minimum wage bill. No matter how its purpose is camouflaged, the sole idea of Humphrey-Hawkins is to impose The Plan. The sponsors cling to the naive, simplistic notion that a few bureaucratic wise men can devise a Plan that will bring us an economic millennium.

The sponsors think in terms of an annual Full Employment and Balanced Growth Plan. In theory the Plan would apply only to government programs, but the theory has no meaning; federal power is now locked so tightly into the structure of private economic activity that any presidential proposal, if enacted, must affect the private sector.

In its original form, Humphrey-Hawkins would have required that the federal budget be shaped to achieve the state economic goals. Under the revised version, no substantive powers of enforcement appear to be proposed. But if this is so, the bill becomes a nullity. It would amount to little more than a hearty recital of so many New Year's resolutions. Presumably, everyone favors less inflation and more employment. If Humphrey-Hawkins were no more than a windy assertion of good intentions, it could be passed by acclamation on Monday and forgotten on Tuesday. The bill is not so sweetly innocent.

Sad to say, we are hearing in Washington a sales pitch of desperation. The bill must be

passed, we are told, as a tribute to the ailing Sen. Humphrey. He is one of the most loved statesmen of this century. He suffers inoperable cancer. While there is yet time, it is suggested, the bill should be passed in his honor.

Nonsense! A worse reason for passing a major bill scarcely could be imagined. There is now being established in Minneapolis a Hubert H. Humphrey Institute of Public Affairs. If those who want to honor a beloved American will throw their money and their energy into the institute, that will be memorial enough. We ought not to remember a very good man through a very bad bill.

THE GROWTH OF GOVERNMENT: WHO BENEFITS?

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. ROUSSELOT. Mr. Speaker, the rapid growth of government in the past decade—a growth that has produced enormous budget deficits which threaten the stability of the economy and the living standards of all Americans—was made possible by the attitude that government always serves the public's interest. More government was taken to mean that more was done in the public's interest.

Lately, however, this attitude is changing. Not only has it been discovered that government often serves special interests to the exclusion of the public's, but also that government serves its own interest. We are beginning to discover, as are our constituents and scholars who study the process, that too much of what we do is in the interest of building political machines for Federal bureaucrats. It is a lot harder to justify huge deficits when people see them as being mainly in the interest of bureaucrats and special interests.

The American people are increasingly coming to feel that they have been colonized by their own government. I want to call my colleagues' attention to an article in The Intercollegiate Review by Paul Craig Roberts, a scholar from the Hoover Institution at Stanford University, and former chief economist for the minority on the House Budget Committee. Dr. Roberts puts the growth of government in a new perspective which we all need to consider.

The article follows:

THE POLITICAL ECONOMY OF BUREAUCRATIC IMPERIALISM

(By Paul Craig Roberts)

A person born before the turn of the century was born a private individual. He was born into a world in which his existence was attested by his mere physical presence, without documents, forms, permits, licenses, orders, lists of currency carried in and out, identity cards, draft cards, ration cards, exit stamps, customs declarations, questionnaires, tax forms, reports in multuplicate, social security number, or other authentications of his being, birth, nationality, status, beliefs, creed, right to be, enter, leave, move about, work, trade, purchase, dwell.

He was born into a world in which a person could travel anywhere on the face of the earth, excepting Russia and Turkey, without need of a passport, visa, or identity card. He was born into a world of freedom of movement of people, money, and ideas. A confident 19th century futurology predicted that the 20th century would find him freer still.

But by the time of the First World War, the world into which he was born was on its way out. And the period since has been one of the growing autonomy, not of the individual, but of the state. He was born in a century that pulled down walls and lived out his life in the century walls—whether made from iron, or barbed wire, mine fields, and machine-gun towers, or from paper—the barbed wire of documents—20th century walls are by-products of the universal bureaucratization of life. In place of the 19th century's autonomous individual, to whom some romantics romanticized all things were permitted, we have the 20th century's autonomous state to which, as Dostoevsky predicted and Lenin declared, all things are permitted.

The private individual is an extremely recent and precarious invention. A central question of our century is whether he is a mere momentary caprice of history.

Many people take private individuals for granted, and they will find what I am saying farfetched. But private individuals do not exist in the Soviet Union or in China where the claims of the state are total and even art and literature must be subservient to the interests of the state—as the recent expulsion of Solzhenitsyn reluctantly reminds the wistful hopes of a weakened West. Neither do private individuals exist in many of the emerging nations where change consists only if replacing the subordination of the person to tribe or caste with subordination to the modern activist state.

But my topic is not one of communism versus democracy. My argument does not turn on the form of political system but on the self-interest of bureaucrats and their beneficiaries and allies, whatever the form of the political system.

Just as private individuals do not exist today in the Soviet Union or in China, they did not exist in ancient Egypt. Nor were they prevalent in the Europe of the Middle Ages. Private individuals were the creation of the social revolution that created private property.

I do not use the term social revolution lightly as do academic sociologists who find a social revolution everytime students change their hair styles or sex habits. I am speaking of a social revolution which, along with the reaction to it, comprises the social, economic, political, and intellectual history of Western civilization from the 12th century through the present.

THE RISE AND FALL OF THE PRIVATE INDIVIDUAL

The Social Revolution through which private individuals were created hand-in-hand with the creation of private property began with the Inclosures in the 12th century and attained its greatest flowering in the 19th century. Prior to the appearance of private property, private individuals did not exist. There existed only the rulers and the ruled, lords and serfs.

A serf was a person who did not own his own labor. Although he was not himself owned by another, that is, he could not be bought and sold like a slave, the feudal nobility, the state of that time, had rights over the serf's labor. When we say that a peasant was enserfed, we mean that he owed a certain amount of his working time to the state. Over time and regions this obligation seems to have averaged about one-third of a serf's working life.

In turn the serf had use-rights in the land. The same social revolution which abolished the serf's use-rights in the land abolished the state's use-rights in the serf's labor. The same social revolution which created private property in land and capital created private property in labor. Serfdom disappeared as wages appeared. As Karl Marx recognized, "Wages and private property are identical."

Reaction to this great social revolution began with it, and over most of the course of this revolution, reaction was identified with conservatism. But what was really happening was that as different groups—landowners, merchants, capitalists, and laborers—attained specific private property rights—in land, trade, capital, and labor—each group had an incentive to gain control of the state as a means of advancing its specific property rights at the expense of others. A "reactionary" was merely whoever had control of the state at a point in time and was defending his interest against the interests of others. As different groups in different times gained control of the state, each in turn passed from the offensive to the defensive and were automatically turned into conservatives, which meant they wanted to conserve their interests. But no group felt its property rights secure unless it controlled the state. Each identified progress with the advancement of its property rights.

Historians have often confused this strife between different property interests with an alleged reaction of property against democracy. But whichever property group was in power, it would tend to see democracy as the right of others to vote away its property. Democracy was thus confined to voting by members of the group whose property interest was dominant. This greatly limited the power of government because any claim to act in the public interest was quickly recognized for what it was.

Although each property group had an accurate assessment of the threat of government to its interests, each group mistakenly saw its interests as divergent from the interests of others, and each preferred to unite with government against the property interest of others. However, in spite of the strife among its beneficiaries, the social revolution of private property was inexorable, and the real reactionaries were swept aside.

But the revolution was never quite completed. Just as the various property groups began to realize, under the influence of Adam Smith and others, their common interests and unite against government per se, the greatest reactionary of them all, Karl Marx, appeared and began a new counter-attack against the on-going social revolution. Like some of the earlier reactionaries, Marx knew exactly what he was reacting to. He was reacting to private individuals. According to Marx, man is only individualized through the creation of private property: "Man originally appears as a generic being, a tribal being, a herd animal." Private property "makes the herd animal superfluous and dissolves the herd."

Marx's counter-attack was the work of genius. According to Marx, the private individual is rootless, powerless, alienated, and unfree. He only appears to be free, but as an individual actor he must bear the consequences of his own action; yet as an individual actor he has no control over his life because he is affected by, but has no control over, the actions of others. Thus, the divergent actions of private individuals produce consequences beyond the control of all, and a private individual is the victim of his own individuality.

Marx's solution is to do away with the private individual and return to the herd animal. Herd animals do not act as individuals and therefore they do not have to bear uncontrolled consequences of private actions. Instead they act as a community, or the State acts for the community. Marx's genius launched the career of a new class of professional rulers—the bureaucrats. In the Soviet Union and China this class is known as the

Communist Party and in the United States and Europe it is known as the civil service.

As Marx and his followers translated his esoteric argument for the masses, it came out: "It is not government that exploits, but private property." To Lenin, to Mussolini, to Hitler, to European socialists and statists of all hues and colors, and to their counterparts in the United States who go under the name of liberals—a curious perversion of a name that originally designated one who stood for the interests of private property against the interests of the state—to all of these this meant that progress could be realized only through government. The strife this century between the various statists has overshadowed their common agreement that government action is the instrument of progress.

My liberal acquaintances are generally proud of what they see as the progressive nature of their view that government is the instrument of social progress. It is unknown to them that they share this view with the great reactionaries of history. My liberal acquaintances become annoyed when I quote from Mussolini and from Camelot liberals on the state as the instrument of social progress, and they find that they cannot tell them apart. But I generally lose their friendship when I point out that Alexander Herzen published an open letter to Czar Alexander of Russia in 1857 protesting the Czar's idea that government action is the instrument of progress.

Many people are not aware of the extent of bureaucratic involvement in private life. Usually I find that people, whether my students, my academic colleagues, or my mailman, see themselves under the thumb of big business and multinational corporations. They generally look to government for protection, which means that each wants government to overrule any private action that each does not see in his interest. Government, of course, is anxious to oblige because in this way it gains power over all private actions. Let me give two recent examples which have left even some statist liberals shaken.

A female student at the University of Georgia failed in her efforts to be chosen by her fellow students as sports editor of the student newspaper. In petty spite she filed a discrimination complaint with HEW, and this cabinet level agency quickly involved the United States government in the matter of the students' selection of the sports editor of their newspaper.

U.S. District Judge Wilbur Owens instructed the Board of Regents of the University System of Georgia to use involuntary transfers of faculty members between system institutions to achieve racial balance among the faculties. As long as the involuntary transfers of teachers was intra-city and confined to elementary and high school teachers, my liberal colleagues saw it as social progress. But once they faced inter-city involuntary transfers, they called it fascism. It is true that until the liberal progress of the 1960s, government direction of labor in this century was unique to the Hitler and Stalin regimes. As is often the case, people realize the consequences of statist ideas only when their own private individualities are touched.

But examples such as these are unlimited and many are so horrific that they are unbelievable until they touch us individually. Let me instead sum up the success of the reactionary forces in this century in simple economic terms. At the turn of the century government in the U.S. had a claim to only one-eighth of the national income. By 1970 government had a claim to one-third of the national income. In relative terms our position is no different from that of a medieval serf who owed the state one-third of his working time.

SERFDOM AND THE BUREAUCRATIC STATE

It is true that the statists owe their success partly to technological change which raised national income through time. If people are better off in absolute terms, they may not notice that they are worse off in relative terms. But statists mainly owe their success to the power of reaction in the 20th century. It is striking that it has required little more than a half century to reverse a social revolution that had been on-going since the 12th century. When you hear a liberal say that you cannot repeal the 20th century, all he is saying is that in the 20th century statist reactionaries have repealed the 19th and 18th centuries and have us on our way to reenserfment.

Many may reject this parallel. They may say that we have a democratic government controlled by the people, and that high taxes and big government merely reflect the voters' demands for public goods in the public interest. Such an argument is reassuring but problematical. The income tax was voted in under one guise and retained under another. Furthermore, it was the action of a past generation. For us it is an inherited obligation, as were feudal dues, and it is seen that way by the Internal Revenue Service. All of us have been born to the statist gospels. Any clamors for tax reduction are translated into proposals for tax reform, which are further transformed into proposals for securing more revenues for government.

The public interest remains what it has always been—the interest of those who speak in the name of the public. Few who understand the workings of democracy, or any form of government, will claim that a public interest can prevail over divergent special interests. Individual citizens find that their time is spent in going about their jobs and ordinary affairs. The cost is large to any single individual of organizing a constraint on bureaucratic power, and the gains to him are not clearly identifiable. He tends to hope it will be done by someone else because in that event he shares the benefits without incurring the costs.

But precisely because they do have special interests offering them identifiable gains, bureaucrats and their beneficiaries have incentives to enlarge the scope of government. Today legislation is originated by bureaucrats who unlike politicians are life peers and cannot be voted out of office.

Since the bureaucracy's position is the strongest, and since the benefits to its members of more government are large and easily identifiable, it is unlikely that a democracy offers the ruled any more control over the rulers than did feudal serfdom. In fact the medieval serf may have been in a stronger position than the ruled of today. The feudal state was constrained by custom and tradition, and the medieval serf was more intelligent than his 20th century counterpart. He would immediately see through any king or noble who might claim he was raising taxes in the public interest. This is the reason that the power of government in a kingdom is less than the power of government in a democracy. No king could claim to speak in the name of the people or to act in the public interest without arousing suspicion. The power of governments which historians cavalierly term autocratic was extremely small. No king ever had draft laws at his disposal. The universal draft originated with the democrats of the French Revolution and has ever since been a feature of democracy. Perhaps the only case in which the rulers can be controlled by the ruled is when government is small, and if government is small, its form is of little consequence.

BUREAUCRATIC UNDERMINING OF THE MARKET

Our founding fathers were products of the great social revolution of which I have spoken. As such they believed that God had created people as private individuals and not as herd animals. Not trusting governments with God's handiwork, they attempted to design a political system that would preserve the private individual against the self-interest of government. But any viable federalism as a means of checking the power of government was destroyed by the Civil War. Since that time bureaucratic power has been limited only by an on-going market system. To the extent that markets work, there is no need of government. Once this was realized by bureaucrats and their allies, they saw their vested interests in arguments that markets do not work and in policies assuring that indeed they did not work. The great depression launched their battle to beat back the constraint that a market system placed on bureaucratic power. All of economic and social policy and the predominant economic and social theory since that time can be explained in these terms.

This is a new explanation of social and economic theory and policy, and it may be difficult for people born to statists gospels to follow. After all, it is taught in every college and university in the country, and it is printed in virtually every economics textbook, that government economic policy is conducted in the public interest to achieve economic stability, to prevent recessions and inflations, to protect the public from monopolies and from unemployment and eroding purchasing power. It is true that many have noticed that the record of government social and economic policy is one of dismal failure, but the general conclusion has merely been that bureaucrats make errors like anyone else and lack sufficient power, that better minds are needed in positions of more power.

Such a conclusion is possible only if the assumption is that bureaucrats attempt to act in the public interest and merely fail. But if we assume that bureaucrats act in their own interest, as do other groups and individuals, public failures are transformed into bureaucratic successes.

Some people are sufficiently sophisticated to notice that bureaucrats are quick to use every opportunity to feather their nests and enlarge their budgets and powers. But I am saying more. I am saying that there is no coincidence whatsoever between the interest of bureaucrats and the public interest. I am saying that government social and economic policy is the tool of bureaucrats for self-aggrandizement and is inimical to the public interest.

Before we had activist government economic policy, we had small government and lots of little ups and downs called the business cycle. These ups and downs were used as an excuse for a activist government economic policy to smooth them out and replace the business cycle with uniform stability. With activist economic policy not only came big government but the worst long-term depression and inflation in our history, that is, chronic economic instability. Many people have puzzled why the Federal Reserve and the Treasury always do the wrong things—even when they are run by Milton Friedman's teachers and colleagues.

But the trouble with this way of puzzling over the matter is that it assumes the bureaucracy has an interest in economic stability. Whereas any given President has an interest in economic stability for the period of his re-election campaign, no one else in government has an interest in economic stability. Put simply, economic stability does not increase the demand for bureaucrats and their services or for pork-barrel legislation to deal with the consequences of instability.

It is easy for government to cause economic instability, and it can always rely on its allies among the liberal academics to blame the instability that government causes on the private sector. All government needs to do is intervene in markets and disrupt them,

or shrink the money supply, or increase the money supply faster than business and labor can produce goods. The resulting instability becomes the excuse for increases in government programs and in the supply and power of bureaucrats. If government wishes to take control over an industry and to facilitate the takeover by placing the industry in a bad light with the public, it can begin by causing inflation. Then on the grounds of fighting inflation, government can impose price controls and cause shortages. At this point its academic allies can begin alleging conspiracy among the businessmen. The result will be rationing and government determined production schedules, followed by a decline in profitability, subsidies, and then nationalization.

If government wishes to increase its share of the national income relative to the private sector, all it needs to do is cause inflation. Inflation allows government to increase its share of national income in three ways: (1) with the progressive income tax system, inflation drives people into higher tax brackets, thus increasing government's claim on their income and the government's relative share of national income, (2) the inflation that government causes can be blamed on excessive consumer spending, and an increase in taxation can masquerade as a scientific economic policy to fight inflation, (3) through the inflation tax on money.

The reason all countries suffer inflation is not because it is not known how to prevent it, but because inflation increases the powers and incomes of governments.

THE ACADEMIC ALLIES OF THE BUREAUCRATIC STATE

My references to the academic allies of the bureaucracy may annoy some, although others may be proud of the connection. The subject of the academic alliance with the bureaucracy is an essay in itself. I have shown how economic policy since the Great Depression can be understood in terms of the bureaucracy's interest in inefficacious markets, that is, in markets that do not work. As I said, also, that economic theory itself could be understood in these same terms, I must now provide some argument in support. Many believe the popular misconception that economists are class-biased lackeys of capitalists whose science is an ideology for the market, and they may even misinterpret what I am saying as evidence in support of this misconception. Indeed, many economists themselves prefer this misconception because it provides a disguise that conveniently masks whose lackeys they really are.

On the surface it may look like economists are not sufficiently relevant to be anyone's lackeys. Large expanses of modern economics are inscrutable even to many economists. But if one strips away the reified jargon and mathematical symbols and looks at what the economists who dominate the profession have been doing for the last forty years, one sees that they certainly have not been providing an ideology for the market. Rather, they have been providing a rationale for big government, whose handmaidens they are.

The two subjects which have dominated theoretical economics during this period are externalities and Keynesian macroeconomics. The externality literature is replete with the concepts of "market failure" and "social costs." The purpose of this literature is to discredit the efficacy of the market on a microeconomic level. The Keynesian literature is replete with unemployment equilibrium. The purpose of this literature is to discredit the efficacy of private saving and investment decisions and the market on a macroeconomic level. The justification of big government as scientific economic policy is precisely the purpose of the most famous diagram in post-war economics—the "Keynesian cross"—a diagram that is familiar to every student who has had an economics course during the last quarter century. This diagram is devoid of economic content and is solely a propagandistic rationale for the efficacy of big government.

It does not surprise me that economists fashion their theories to serve the interest of the state rather than the interest of private enterprise. After all, it is in their self-interest. Private enterprise does not provide the research grants that are the bread and butter of the influential social scientists. These grants come from the National Science Foundation, the National Endowment for the Humanities, the U.S. Department of Health, Education, and Welfare, the U.S. Department of Labor, and so forth. Neither can private enterprise provide the positions of power which academics enjoy as cabinet ministers and Presidential advisors. Any social scientist who can discover a social problem that can be parlayed into a new federal program is set for life.

The conspiracy of bureaucrats and their alliance with academia is unwittingly protected by the naive world-view of liberals who believe that all good fellows from public actions and all evil from private actions. The liberal is the easy dupe of the bureaucrat because the liberal's outlook is highly simplified: On the one hand he sees the public interest, identified with government, self-evident and beyond questioning by an upright person; on the other hand he sees private interests, selfish, sinister, and illegitimate. As a result of the pervasiveness of this outlook, the public learns in schools, colleges, universities, and from the news media to be suspicious of the private businessman and to look with favor upon government interventions as acts in the public interest. I expect that the informal inculcation of this attitude will soon become official educational policy in the U.S., just as it is today in Sweden—a country totally ruled by bureaucracy.

THE BUREAUCRATIC STATE IN SWEDEN AND WEST AFRICA

This conspiracy and alliance is far from being unique to the U.S. and can be found in most every country. I will conclude with remarks on its manifestations in Sweden and in West Africa.

In Sweden the "new left" is subsidized by the bureaucracy to discover social imperfections because each imperfection justifies an increase in state power to correct the imperfection. The Swedish "new left" may have convinced itself that it is revolutionary, but in fact it is either an agent or a dupe of the bureaucratic state.

The imperialistic rule of the Swedish bureaucracy has been established since the late 18th century when King Gustaf III, under the influence of the French Enlightenment, toyed with the idea of a nation of private individuals and was promptly assassinated by his bureaucracy which felt its prerogatives threatened. The imperialistic rule of the Swedish bureaucracy is the standard to which our own aspires. But it is in the lands that most shrilly accuse the West of imperialism that the imperialistic nature of indigenous bureaucracy stands out most starkly. The voluminous writings about imperialism are just another mask behind which hide the real imperialists. Let me strip away the mask.

In some nations of West Africa there are state export monopolies, or marketing boards as they are officially described, that extend their control over practically all agricultural products. These boards were set up ostensibly to stabilize the prices received by private farmers. African farmers, if they wish to sell their crops, must sell to the state marketing boards at prices set by the boards. The boards in turn sell the crops on the world market. The original idea supposedly was that during years of high world market prices, the boards would hold back part of the proceeds from the producers in order to provide a reserve for years when world market prices were low. In this way incomes were to be stabilized.

When these state monopolies were introduced, categorical, formal, official assurances were given that the marketing boards would serve as trustees and agents for the private producers and that no money would be withheld overall from the farmers. In the words of the supporters of the marketing monopolies:

"There will be no question of the boards making a profit at the expense of West African producers. On the average of a period of years, the average price paid to the producers will be equal to the average net price realized on world markets, and the boards' buying and selling transactions will, therefore, approximately balance."

By 1962 the state marketing monopolies had withheld between one-third and one-half of the commercial values of their crops from the producers in Nigeria and Gold Coast-Ghana. The total sum withheld exceeded two billion dollars! The political changes and upheavals in Nigeria and Ghana in the 1960's stopped the publication of consistent statistical information on the operations of the marketing boards, but the evidence indicates that the state marketing monopolies continue to be the instrument of exploitation of those whom they were ostensibly set up to help. What was supposed to be state help to private producers has resulted in prolonged large-scale confiscation of their incomes.

What has become of this huge sum stolen from the poorest elements of the populations by their own governments? Some of it was lost in currency devaluations, but much of it was transferred to cover current operating expenses of the governments. In effect, a productive sector of the population, whose money income is minuscule, has been kept poor by being taxed at rates equivalent to those levied on American annual incomes of $50,000 to $140,000! The consumption and investment of West African farmers have been throttled in order that civil servants and government officials can enjoy relatively high incomes.

This makes it clear why West African governments have been such vociferous consumers of the anti-western imperialist diatribes that originate in the West. It is always in the interest of indigenous imperialists to support the argument that the country is exploited by foreigners.

Indigenous imperialism has been obscured by an assumption underlying the economic theory of public goods which asserts that governments act not in their own interests but in the interests of others—the "public interest." Economists who use the "public interest" assumption to analyze the state sector simultaneously assume that other organized groups and individuals act in their self-interest. This dichotomy in the economists' assumption about behavior protects indigenous imperialism under the mask of benevolence.

Such exploitation of agricultural export producers as has occurred in West Africa retards economic development. The lack of progress is then taken as evidence of the need for greater amounts of foreign aid. The government-to-government grants that characterize "foreign aid" allow the recipient governments to consolidate and extend their control over their citizenry. The situation is made even worse by the fact that many of the African government leaders have been products of Western universities and have little sympathy for the culture of those they govern.

The real beneficiaries of foreign aid are the international organizations, those who control political power in the recipient countries, those who staff the foreign aid agencies of the giving countries, and the Western professors

who advise on economic development schemes. I once served in a state university as the academic replacement for a professor who had just purchased a $60,000 home and gone on an AID mission to India for two years. His pay for his mission to the poor was $30,000 per year plus expenses, and it allowed him to pay off his mortgage on his return. One of his colleagues had gone on a similar mission to South America and bragged to me that he had "salted away $30,000." Such "missions" which let academics save at annual rates of up to twice their normal incomes explain the great popularity among professors of foreign aid and all arguments that justify it. He who hasn't got his yet can hope to in the future. Western taxpayers who are assuaging "guilt" for the poverty of underdeveloped countries are fattening the pocketbooks of others, but the others are not the exploited farmers of West Africa.

It is clear that the state marketing monopolies are supported not by the producers whose incomes they confiscate, but by officials of governments and international organizations and their academic handmaidens. As the boards came to accumulate huge reserves by exploiting the farmers, price stabilization gradually receded as the argument for their existence. Now it is said that the boards are necessary to raise taxes to finance economic development and to control inflation. In other words, the agricultural producers are going to be imperialized to the end.

The rationale for the marketing boards is clear. They are one more result of the cult of state power which serves the material interests of a new class of planners, academics, state functionaries, and international civil servants—a class which appropriates the wealth of others under the guise of the "public interest." These salaried do-gooders are the new imperialists.

CONCLUSION

I hope what I have said will be interpreted as a call to arms and not as a counsel of despair. There are still some intellectually honest men and women. Within the limits of their talents they can do much. Those who cannot be bought can analyze the lack of coincidence between the public interest and the interest of government. They can strip away the various moral guises behind which hides the self-interest of government, and leave the statists unmasked, naked in their greed.

We can learn to apply the logic of skepticism universally and not just toward the private sector. When John Kenneth Galbraith, Ralph Nader, Common Cause, and the Secretary of HEW claim to speak in the public interest, we can be just as suspicious as we would be if the presidents of General Motors and U.S. Steel claimed to speak in the public interest. If we can increase the sophistication of the public just a bit, we can have them jump the gap between amusement over the idea that "What is good for General Motors is good for the country" to amusement over the idea that what is good for HEW is good for the country. One day we may have the modern democrat as sophisticated as the medieval serf who, when told by his noble master that his taxes were going up in the public interest, thanked his Lordship for his concern but told him no thanks, the public be damned.

RESOLUTIONS SUPPORT H.R. 9954

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. WEISS. Mr. Speaker, on November 17, the council of the city of New York unanimously passed two resolutions introduced by council member Frederick E. Samuel. Both resolutions support H.R. 9954, a bill I introduced providing that the Secretary of Housing and Urban Development may not approve any application for rental increases in federally assisted housing unless the amount of such increase is permitted under State and local law. The resolutions follow:

Resolution calling upon the Congress of the United States to pass H.R. 9954, introduced by Congressman Theodore Weiss, providing that the Secretary of Housing and Urban Development may not approve any application for rental increases in federally assisted houses unless the amount of such increases is permitted under State and local law

Whereas, the Federal Housing and Urban Development Administration has adopted a policy of pre-empting and Bypassing Local Rent Control Laws of the City of New York and thereby allowing the imposition of exorbitant rent increases on tenants in Federally insured buildings in New York City, and

Whereas, there are approximately 200,000 apartment buildings in New York City which are likely to be adversely affected by the present policy of the Housing and Urban Development Administration, and

Whereas, this policy has an inevitable, disastrous and devastating financial effect upon the thousands of struggling middle class residents who occupy the affected apartments and could conceivably result in large numbers of these tenants fleeing the City of New York and thus aiding in the erosion of the tax base of the City of New York—a truly frightening prospect as our city even now struggles in a continuing fiscal crisis; and

Whereas, Congressman Theodore Weiss has introduced H.R. 9954, a bill which provides that the Secretary of Housing and Urban Development may not approve any application for rental increases in Federally assisted houses unless the amount of such increase is permitted under State and local law; now, therefore, be it

Resolved, That The Council of the City of New York does hereby call upon the Congress of the United States to pass H.R. 9954.

Resolution calling upon the Federal Housing and Urban Development Administration to discontinue its policy of preempting local rent control laws of the city of New York

Whereas, the Federal Housing and Urban Development Administration has adopted a policy of Pre-empting and Bypassing Local Rent Control Laws of the City of New York and thereby allowing the imposition of exorbitant rent increases on tenants in Federally insured buildings in New York City, and

Whereas, there are approximately 200,000 apartment buildings in New York City which are likely to be adversely affected by the present policy of the Housing and Urban Development Administration, and

Whereas, this policy has an inevitable, disastrous and devastating financial effect upon the thousands of struggling middle class residents who occupy the affected apartments and could conceivably result in large numbers of these tenants fleeing the City of New York and thus aiding in the erosion of the tax base of the City of New York—a truly frightening prospect as our city even now struggles in a continuing fiscal crisis; now therefore, be it

Resolved, that the Council of the City of New York, calls upon the Federal Housing and Urban Development Administration to discontinue its policy of Pre-empting Local Rent Control Laws of the City of New York, and be it further

Resolved, that copies of this resolution be transmitted to the Housing and Urban Development Administration, the President of the United States, the United States Senators from the State of New York, to each member of the New York Congressional delegation, the Mayor of the City of New York and the City Conciliation and Appeals Board.

WHAT KIND OF TAX CUT

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. RHODES. Mr. Speaker, for some time now many Republicans in the House have been calling for an across-the-board tax cut to stimulate the economy and to provide for the millions of new and real jobs we need, not only to cut present unemployment, but also to provide for those preparing to enter the labor force.

The soundness of this approach was demonstrated in the results of the tax cuts enacted during the Kennedy administration, and we Republicans believe it will work again. That is why we have united behind the Roth-Kemp tax cut proposals, which would reduce taxes an average of 33 percent over the next 3 years.

Unfortunately, until very recently this administration has been so mesmerized by the concept of tax reform that it has largely ignored the need for a solid tax cut. Now, we are hearing noises indicating that this administration may at last have gotten the message, and that the American people may well get a tax cut next year.

However, as the Wall Street Journal pointed out in a cogent editorial on Tuesday, November 29, there are many ways to approach a tax cut, not all of them necessarily helpful toward improving our economy. The key, as this editorial notes, is the particular theory with which tax cuts are approached.

For an excellent discussion of the likely outcome of various approaches, and why the Roth-Kemp approach is the soundest and most beneficial, I urge my colleagues to read the following editorial:

WHAT KIND OF TAX CUT?

Reports from all hands, official and unofficial, are that sometime after the first of the year President Carter will propose a "tax cut." And for the time being, go the same reports, he's going to pretty much shelve his plans for "tax reform." Instead of trying to close tax loopholes available to the well-to-do, he's going to concentrate on "stimulating the economy."

Assuming these reports are correct, the business community would still be wise to withhold enthusiasm until it has a chance to look this gift horse in the mouth. What kind of tax cut? Precisely how does one go about designing a tax cut to stimulate the economy? On what theory will this tax cut be based?

So far, Mr. Carter and his advisers seem to be operating on what might be called the right-paystub-box theory. His tax "cut," we hear, will "offset" the planned increases in Social Security taxes and energy taxes. We hear no talk at all of a comparable offset to the tax increases that result when inflation drives taxpayers up through the progressive rate schedule, so it appears that in fact taxation will continue upward. If you can manipulate the tax burden out of the wrong

little box on the paystub and into the right one, the theory seems to run, the economy will be stimulated.

As time goes by Mr. Carter and his advisers will no doubt graduate to the Keynesian theory, which is that tax cuts stimulate because they increase the federal deficit. The deficit drives the economy and needs to be "fine tuned." The record deficits of recent years are not enough to keep recovery going. The impending fiscal '78 deficit of over $60 billion three years into recovery needs to be further expanded. Government spending is already going to grow by nearly 15 percent, so we have to get the rest of the needed deficit by cutting taxes.

This theory, incidentally, leaves plenty of room for "doing good." If it suits your taste, you can confiscate all income above, say, $50,000, calculate that this will produce revenues of $5 billion, and scatter the $5 billion in "rebates" or to the poor. Since the deficit will be unchanged, there would be no economic effect. In accord with this theory, Mr. Carter is being pushed to substitute tax credits for tax exemptions, a $250 credit in lieu of a $750 exemption. This has the effect of lowering the tax bite on people who are in a tax bracket lower than 33 percent and increasing the marginal rate for everyone above 33 percent—all, of course, in the name of "stimulating the economy."

But when you go back into history to find tax cuts that have in fact succeeded in stimulating the economy, you do not find such redistributionist schemes. The Kennedy-Johnson cuts of 1962-1964, for example, simply cut rates across-the-board—to 70 percent from 91 percent on the top brackets of personal income, to 14 percent from 20 percent at the bottom, and to 48 percent from 52 on corporate income.

President Kennedy and his advisers tinkered their way through the same problems that President Carter is chewing on, starting with martini lunches and working through one-year cuts that looked a lot like rebates. But the Keynesianism of some advisers was tempered by another theory held by some in the administration and particularly by Ways and Means Chairman Wilbur Mills. They believed that tax cuts stimulate not by boosting demand, but by providing greater incentives to production.

The current Roth-Kemp tax proposal endorsed by the Republican congressional leadership is explicitly based on this theory, and closely patterned after the Kennedy-Johnson cuts. The bill would cut personal income tax rates by 30 percent over three years (roughly the 1962-'64 magnitudes), slide the corporate rate to 45 percent from 48 percent and raise the surcharge exemptions on smaller business to $100,000 from $50,000. Senator Roth and Congressman Kemp believe that people would work harder, investors would invest more, and the economy would grow more rapidly, because everyone could see greater rewards not only in a given year but stretching into the future.

Even this kind of tax cut, it should be said, cannot cure all of the problems of the economy overnight. The Federal Reserve would have to go on fighting inflation. Any stimulative effect could be offset by the dead hand of regulation keeping the economy from responding. No tax cut will help if government spending runs wild, siphoning off through the credit markets whatever additional resources are produced.

A general tax cut is well worth trying, though, provided it is not shaped by perverse theories. The key is to let producers keep more of what they produce, and the biggest effect will come from cutting rates where they are the highest. If the tax cuts reduce rather than improve rewards for the economy's most gifted, talented and skilled producers, they will be worse than nothing at all.

ANTI-TERRORISM ACT OF 1977

HON. JIM LLOYD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. LLOYD of California. Mr. Speaker, I have introduced legislation aimed at combating skyjacking and terrorism which threaten the safety of air passengers around the world.

In the first 6 months of this year, 33 acts of air piracy occurred. These actions left 14 dead and 42 injured. Bomb threats against U.S. airports and aircraft have reached the level of 120 per month. Over half of all skyjacking attempts are successful. More than a third of all skyjackers are still at large. Some of these fugitives have been harbored by other nations.

The Anti-Terrorism Act of 1977 will show these nations, and countries who condone other forms of terrorism, that we will not tolerate governments aiding or encouraging terrorist activities. The act imposes penalties, including a cessation of all direct and indirect flights from these nations to the United States. Airports not meeting minimum U.S. security standards may have direct and indirect flights curtailed.

Some of the nations fitting the definition of aiding terrorist activities include North Korea, Cuba, Libya, Algeria, Yemen, Lebanon, and Uganda.

Further economic penalties would be imposed on such nations. Trade and aid of any item on the U.S. munitions list, and of nuclear technology would be prohibited.

A summary of the legislation follows:

H.R. 10086

TITLE I—REORGANIZATION OF THE EXECUTIVE

(1) Establishing a Council to Combat Terrorism in the Executive Office of the President.

(2) Council membership is as follows:

a. Secretary of State.
b. Secretary of the Treasury.
c. Secretary of Defense.
d. Secretary of Transportation.
e. The Attorney General.
f. U.S. Ambassador to the United Nations.
g. Director of Central Intelligence.
h. Assistant to the President for Domestic Affairs.
i. Director of the Federal Bureau of Investigation.
j. Assistant to the President for National Security Affairs, or their delegates.

(3) The Council shall report to Congress the identity of individuals involved in terrorist activities and a description of their activities. The report shall include a list of nations abetting such individuals or groups. The list shall be known as List of Countries Aiding Terrorist Enterprises (LOCATE). Congress shall have the power to review and change the LOCATE list.

(4) All direct and indirect flights from LOCATE countries shall be suspended.

(5) Sale or transfer of items on the U.S. Munitions List shall be suspended to LOCATE countries.

(6) Export or transfer of nuclear material, technology and equipment shall be prohibited to LOCATE countries.

(7) Further economic sanctions may be imposed.

(8) Airports not meeting minimum U.S. safety standards shall be identified. Economic sanctions may be imposed on countries where these airports are located.

TITLE II—POLICY ON INTERNATIONAL AGREEMENTS

(1) Compliance with the following international agreements is declared a priority:

a. Convention for the Suppression of Unlawful Seizure of Aircraft.
b. Convention for the Suppression of Unlawful Acts Against the Safety of Civil Aviation.
c. Convention on the Prevention and Punishment of Crimes Against Internationally Protected Persons.

(2) Strengthening nuclear non-proliferation efforts are also declared a priority.

(3) All explosives shall be placed on the U.S. Munitions List.

TITLE III—EXTENSION OF SAFETY AND SECURITY MEASURES

(1) Existing safety and security requirements are extended to charter and commuter air services.

(2) Explosive taggants are mandatory on all items shipped into and within the U.S.

TITLE IV—AIRCRAFT SABOTAGE AND PIRACY

(1) Violations of the Convention for the Suppression of Unlawful Acts Against the Safety of Civil Aviation shall be $10,000 and not more than 20 years.

(2) Threats against an air facility or false information given in relation to a threat or actual terrorist activity shall be punishable by no more than five years and from up to $1000 to $5000 in fines.

NAVY LAMPS HELICOPTER SHOULD BE TEST CASE FOR NEW DOD CONTRACT-SPLITTING POLICY

HON. ROBERT W. EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. EDGAR. Mr. Speaker, last Monday, November 21, 1977, the Wall Street Journal ran an article by Kenneth H. Bacon which discussed in some detail a newly adopted Defense Department policy that, in an effort to control the cost of major weapons, contracts will be split between two manufacturers.

The premise of this policy, that competition restrains costs, is precisely the one which I made repeatedly this year to the Defense Department during the competition between the Boeing Vertol Co. and Sikorsky Aircraft on the Navy's LAMPS helicopter. Under current DOD policy, manufacturers compete only in the design and development phase. Once one prototype is selected, one manufacturer is guaranteed 100 percent of the production work, for years to come, no matter how inflated their production costs become. There is no incentive to maintain cost discipline.

So I commend the Defense Department for adopting this new policy. It is certainly worth a fair test, and the newspaper article indicates some that are planned. I would like to urge one other: The Navy LAMPS helicopter. When DOD announced in September that Sikorsky had won the prototype competition, it stated that Boeing Vertol's helicopter was equally capable. Without some helicopter production work over the next few years, Boeing Vertol will have difficulty staying in the helicopter business to com-

pete in 10 years or so when the next major system is proposed. During that 10 years, Sikorsky will have little incentive to maintain its cost discipline, and the public will pay.

Because Boeing Vertol has a quality product, because this is precisely the sort of "feast or famine" situation referred to by DOD's Research and Engineering chief as undesirable, and because the LAMPS program has not yet reached the production phase, this situation seems to be an ideal one with which to test the new policy. I have asked Secretary Harold Brown to consider this proposal, and I am awaiting his reply.

I would like to share with my colleagues the full text of the Wall Street Journal article:

PENTAGON TO TRY AWARDING CONTRACTS FOR SAME WEAPON TO 2 MANUFACTURERS

(By Kenneth H. Bacon)

WASHINGTON.—The Defense Department, hoping that more competition will help control the cost of major weapons, plans to experiment with awarding two manufacturers contracts to make the same weapon.

Contractors currently compete to design and develop complex new weapons. But then one company wins the production contract—sometimes worth billions of dollars—on a winner-take-all basis.

William Perry, Under Secretary of Defense for Research and Engineering, says the Pentagon plans to experiment with two-source manufacturing of some newly designed weapons. If the test works, "We will certainly consider that possibility for every program where purchases are made in big volume over a long period of time," he says.

Pentagon planners believe arms makers will work harder to hold down costs and look for production efficiencies if they have to compete to make sales to the military. "We aren't talking about giving the first few years (of production) to one contractor and the last few years to another," he explains. Instead, the Pentagon wants to be able to compare costs and "determine on a year-to-year basis whether it will be a 50–50 or 70–30" division of the business between the two competitors, he said to illustrate.

CRUISE MISSILE ENGINE

The Pentagon is considering seeking two manufacturers for the jet engine of the cruise missile, the super-accurate, low-flying weapon currently under development. Williams Research Corp., of Walled Lake, Mich., the privately held concern that developed the powerful, 126-pound engine, would be one of the manufacturers but it may have to share production of the thousands of engines the Pentagon is expected to buy.

In addition, Mr. Perry says the Pentagon may seek competitive production of the Copperhead, a laser-guided, 155-mm. artillery projectile being developed by Martin Marietta Corp., and of certain parts for the General Dynamics Corp. F16 fighter plane. He stresses that the plan would be possible only for weapons purchased in large quantity.

Under current practices, several companies often receive contracts to design a new plane or missile. Next, for most weapons, two companies receive advanced-development contracts under which they build prototypes. A production contract is then awarded to one of the companies on the basis of its prototype's performance and the cost estimates it submits to build the weapon. Thus, competition stops when production begins. The idea behind the new plan is "to maintain a competitive environment even through the manufacturing process," Mr. Perry explains.

Mr. Perry concedes that the Pentagon may be "trading off" the benefits of big production contracts, which promise certain manufacturing efficiencies, for the anticipated cost discipline of competition. But "there's an absence of quantitative data" on this, he says.

"FEAST OR FAMINE"

In favor of dual manufacturing, Mr. Perry notes that the current "winner-take-all" system leads to "feast or famine" for many defense contractors. "If we can reduce the feast or famine aspect of working for the government, we will be doing industry a great service" by reducing some of the uncertainties of undertaking highly complex weapons-development work, he says.

Mr. Perry, who assumed supervision of the Pentagon's major weapons-development and acquisition programs in April, says he wants "to improve the government as a customer" by reducing the risks of defense work.

As part of that program, the Pentagon recently has adopted several changes in its weapons-development and acquisition policy designed to screen out unnecessary or overly costly weapons before they advance too far in the development process. One benefit will be to stop programs before they acquire large numbers of supporters in the service that's developing them, the industries making them and Congress. "The greater the constituency that's built into a program, the harder it is to kill it," he asserts.

One change is more "explicit consideration of the military need for a system and a consideration of alternative ways to meet that need" before design work even begins. This review, which used to be performed by the service building the weapon, has been elevated to the office of the Secretary of Defense.

In addition, the Pentagon is making a greater effort to prevent weapons that ultimately may prove too expensive from getting into advanced development, the stage immediately preceding production. "What has happened in the past is that we've carried a program through advanced development and then killed it because it costs too much," according to Mr. Perry.

"We want to try to answer the question of affordability" at the time the decision to enter advanced production is faced, by paying more attention to long-range budget constraints and spending plans, he says.

While the changes won't eliminate the possibility of last-minute program cancellations, billion-dollar cost overruns, poor performance and scheduling snags that have plagued some new weapons in the past, Mr. Perry hopes the changes will make these less likely.

Even small improvements could produce major savings. It's estimated that the 45 major weapons currently in advanced stages of development or production at the end of September will cost $179.55 billion to complete.

A QUESTION OF VIGOR: NOT ENOUGH OR TOO MUCH?

HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. BROWN of Ohio. Mr. Speaker, I find it implausible that Dr. Vincent E. McKelvey might have been fired as the Director of the U.S. Geological Survey, as suggestd by a "high-level source in the Carter administration" quoted in the Washington Post issue of November 13, because he "barely knows" our distinguished colleague, the gentleman from Arizona (Mr. UDALL) or the Secretary of Energy, Mr. Schlesinger. I cannot believe that friendship with these gentlemen is a prerequisite for service.

It is perhaps more believable that the reason for the dismissal was that "a change would be good for the survey" or "the agency * * * was losing its vigor," as other administration officials apparently told the Post. But the evidence given in the Post report, that he spent 75 percent of his time managing one division, is hardly conclusive. The division in question is an important one, and it may well require that much attention.

I do know that Dr. McKelvey was quite vigorous—perhaps too vigorous for his own good—in advancing his view that there is a great deal of natural gas left to be found. Dr. McKelvey asserted, in a speech in Boston July 13, that studies of "geopressurized zones underlying the gulf coast—have led to estimates of as much as 60,000 to 80,000 trillion cubic feet of gas. This is an almost incomprehensibly large number. Even the bottom of the range represents about 10 times the energy value of all oil, gas, and coal reserves of the United States combined.

Unfortunately for Dr. McKelvey, his statement and other hopeful remarks about shale oil, coal and conventional gas, do not support the administration's contention that there are not enough additional domestic supplies of energy to justify an energy policy that encourages domestic energy production.

It would not be so tempting to see this conflict between Dr. McKelvey's considered scientific judgment and the administration's policy as the reason for his dismissal if this were an isolated incident. However, the identical fate befell another administration official earlier in the year.

When scientists at the Energy Research and Development Administration reported last spring that there are large quantities of natural gas left to be discovered and produced at free market prices, they ran afoul of administration efforts to drum up a crisis atmosphere about short supplies. The administration was crying "shortage" to aid the passage of the National Energy Act (in reality a tax program of unprecedented magnitude), and the suggestion by ERDA that a free market could lead to the discovery of large gas reserves was not appreciated.

The chairman of that study, Dr. Christian W. Knudsen, testified under oath before the Senate Energy and Natural Resources Committee June 23, that he was removed from the project and transferred to another ERDA job because his results conflicted with the "conventional wisdom."

No one knows yet who will be chosen to succeed Dr. McKelvey as Director of USGS, but a useful qualification might be a degree in political geology.

Mr. Speaker, I would like to insert in the RECORD at this point a copy of the Washington Post article to which I have referred, a news release from the U.S. Geological Survey and Dr. McKelvey's July 13 remarks.

[From the Washington Post, Nov. 13, 1977]

CHIEF GEOLOGIST'S DOWNFALL

(By Thomas O'Toole)

When Vincent E. McKelvey was fired last summer as director of the U.S. Geological Survey he got four telephone calls from Capitol Hill asking why.

One came from Rep. Jack Kemp (R-N.Y.), another from Sen. Bob Packwood (R-Ore.), and the other two from aides to Sen. Daniel Patrick Moynihan (D-N.Y.) and Sen. Henry M. Jackson (D-Wash.) All four callers wanted to know if politics had squeezed McKelvey from the job he'd held for six years.

The question was a good one. McKelvey was the first of nine directors in the 99-year history of the survey to be fired for any reason, including politics.

The aides to Moynihan and Jackson wanted to know if McKelvey's dismissal meant the White House wanted more control over the Geological Survey. Kemp and Packwood asked the same question a different way: was McKelvey fired because he had said the United States has more oil and natural gas in the ground than the Carter administration was saying it has?

McKelvey told his callers he didn't know why he'd been fired . . . and apparently he didn't. Which helps to explain why he was fired: so isolated had the U.S. Geological Survey been from politics in 99 years that its director could no longer read the politics of the times. To hear those who asked for his resignation, McKelvey was fired in part because he had so few friends on Capitol Hill and in the White House that he did not know he was falling from favor.

"It's no accident Vince had no more than four calls from the Hill about his dismissal," said one high-level source in the Carter administration. "He's not a political animal, which in the long run may be what did him in."

McKelvey had cultivated few political friendships. He "barely knows" Rep. Morris K. Udall (D-Ariz.), whose committee has heard McKelvey's testimony on oil and gas reserves. He doesn't know Jackson, who chairs the Senate committee that confirmed him and will consider his successor. When asked if he thought Energy Secretary James R. Schlesinger had a hand in his dismissal, McKelvey said he doubted it: "I've never been in the same room with him."

According to McKelvey, he was told by Assistant Interior Secretary Joan M. Davenport last spring that she was contemplating replacing him. Two weeks later, Davenport "accepted" McKelvey's resignation. McKelvey appealed the acceptance to Interior Secretary Cecil D. Andus, who told him he would not interfere with Davenport's decision. A letter followed from the White House signed by "Jimmy Carter" formalizing the resignation.

"The only reason Davenport gave me was that a change would be good for the survey," McKelvey said recently. "She did not explain why a change would be good for the survey."

When pressed on the reason for his dismissal, McKelvey falls back on a single speculation—age. "I'm 61," he said, "and Joan Davenport's 34. She's the same age as my son. That could be it."

But age is not the reason McKelvey was fired. Highly placed administration sources said McKelvey was replaced because the Carter administration feels the agency he directed for six years was losing its vigor. The same sources said the Geological Survey can ill afford to lose its vigor when oil and gas reserve estimates are so vital and regulation of oil, gas and coal production so important.

Capitol Hill sources point out that McKelvey did not fare well in congressional budget battles. Two out of the last four years McKelvey suffered budget cuts on Capitol Hill, even though demands on the survey were growing. The two years the survey budget was not cut it managed only modest increases that the Carter administration did not think were enough to do its job.

One source close to the White House said McKelvey spent too much time managing the survey's Conservation Division, which supervises the drilling and digging of federal oil, gas and coal leases and collects production royalties from those leases.

By McKelvey's own estimate, three-fourths of his time went to the Conservation Division. The division employs 1,500 of the 10,000 employees in the survey. It spends $75 million a year, less than one-fourth of the survey's $320 million-a-year budget.

"The survey needs somebody who's more vigorous, who will defend it better and can pattern it better to the country's needs," one source said. "To be perfectly honest, the survey needs fresh blood."

The firing of McKelvey almost went unnoticed when it was announced last July 26. The few reports written at the time gave the wrong reasons for his dismissal. The only notice given the firing on Capitol Hill came from Rep. Kemp, a Republican who tied McKelvey's dismissal to Carter's call for war on energy consumption.

The survey has had a 99-year tradition of getting its directors from slates nominated in secret ballot by the National Academy of Sciences. It is the only federal agency that does so. McKelvey was nominated in the same way and was appointed to the post by President Nixon even though he is a Democrat.

There are an estimated 25,000 geologists in the United States, a fifth of them employed by the survey in places like Denver, Flagstaff and Menlo Park and many nervous that politics has intruded into the survey's affairs. Sources inside the Interior Department insist this isn't the case.

"It is not political intrusion to want an agency director who is vigorous," one source said, "who will look at his agency from a standpoint of reorganization and how it can be patterned into the country's needs instead of the way it was 50 years ago."

As it has nine times in the past, the National Academy of Sciences has submitted a slate of nominees to succeed McKelvey and become the survey's 10th director. Davenport has interviewed four candidates and this week will interview a fifth. The White House hints it is confident that if she does not want any of the five nominees she will ask the academy for more names.

Meanwhile, McKelvey stays on as director until January. After that, he will remain as a senior geologist with no cut in salary.

McKelvey has few regrets. "They've been very gracious about it," he says wistfully. "They never asked me to clean out my desk and be gone. They've let me stay on and that's very decent of them."

[Department of the Interior news release]

LARGE ENERGY SUPPLIES REMAIN TO BE FOUND AND DEVELOPED

While traditional sources of oil and gas are finite and are not being found in pace with their rate of consumption, large supplies remain to be found and developed over the next several decades. according to Dr. V. E. McKelvey, Director, U.S. Geological Survey, Department of the Interior.

Additionally, McKelvey said, there are vast amounts of hydrocarbons sealed away in forms not presently recoverable economically, such as gas in tight formations in the Rocky Mountains, gas in black shales in the Eastern United States, and gas occluded in coal beds throughout the country.

By far the greatest potential sources of natural gas are the "geopressured" zones underlying the Gulf Coast region, both on and offshore. Limited investigations made of the region have led to estimates of as much as 60,000 to 80,000 trillion cubic feet of gas dissolved in water, and as free gas above the water zone. "This is an almost incomprehensibly large number," McKelvey said, noting that "even the bottom of the range represents about ten times the energy value of all oil, gas, and coal reserves of the United States combined.

"In addition to the gas," McKelvey said, "the water itself represents a potential source available at pressures up to 10,000 pounds per square inch and at temperatures exceeding 300 degrees F., provided ways can be found to produce, use, and dispose of it. But we very much need to know more about this potential resource. We are far from knowing how to go about realizing its possibilities at the present time, and the President's Energy Plan promises that such assessment will be made."

McKelvey's remarks about the geopressured zones were part of a talk, "The U.S. Outlook for Energy Minerals," delivered today, July 13, 1977, before a group of institutional investors attending the Tsai Forum in Boston, Mass., sponsored by G. Tsai and Company.

In a summary statement, McKelvey said that:

In the case of coal and oil shale, the extent of the resource is both large and relatively well known;

Large resources of natural gas are also believed to exist, although much less is known definitively about their extent or the technology that will be required to produce them;

Oil appears to be the least abundant of the fossil fuels, but undiscovered petroleum resources estimated at high confidence levels are adequate to justify vigorous exploration and development programs for many years; and

Estimates of the nuclear fuels are accompanied by great uncertainties, but both high and low estimates indicate that additional exploration is justified.

REMARKS OF V. E. MCKELVEY, DIRECTOR, U.S. GEOLOGICAL SURVEY

THE U.S. OUTLOOK FOR ENERGY MINERALS

[Figures indicated not printed in the Record.]

I'd like to ask your indulgence while I devote a few moments to a little exposition on terminology. I feel this is important because the term "resources" is a rubbery kind of word used to mean many different things by different people and this greatly complicates the task of defining the outlook for future energy supplies. Resources are hard enough to describe in quantitative terms because of incomplete data, assumptions that may or may not be justified, and all the other difficulties that arise where inference and extrapolation have to substitute for measurement. And the task becomes hopeless if there is no common understanding of what is being talked about in the first place.

Much of the recent confusion and argument about the extent of future energy supplies stems from the failure to distinguish between total resources and reserves, the latter being only that portion of total resources that has been found and is considered economically recoverable at any given time. Thus the Cassandra sees the comparatively small figure given for reserves and thinks that there will never be anything more. The Pollyanna sees the much larger figure for the total resource and assumes it is indeed all there and will be available whenever it is required. I know it is difficult for people accustomed to looking behind every figure in a company report, prospectus, or Form 10–K to imagine such confusion, but evidence of it shows up frequently in news articles (and editorials), speeches, magazine articles, and the like. Without aspiring to eliminating this confusion wherever it oc-

curs, I can at least specify what it is that I shall be talking to you about over the next half hour.

Figure 1 portrays graphically the relationship between reserves and total resources I just mentioned. Consider the large rectangle to be the perceived universe of a given resource—oil, gas, coal, or whatever—including the discovered and undiscovered, the economic as well as the subeconomic. The horizontal axis measures the degree of geologic assurance about the existence, size, and quality of the resource, increasing from right to left. The vertical axis indicates the economic feasibility of producing it, increasing from bottom to top. The small rectangle labeled "Reserves" represents that portion of the total resource that is known with the greatest assurance and that is considered the most feasible to produce. It is the part that has been discovered, to some extent measured, and that is considered to be recoverable at a profit with existing technology. Reserves, therefore, represent the minimum amount of a resource that can be counted on for future supply, not the maximum, as the uninformed pessimist is inclined to view them.

As the contents of the "Reserves" box are withdrawn for production, they may be replenished both by the discovery of new deposits and by events which improve the economics of production, such as higher prices, technological advances that lower costs, the removal of political or legal barriers, or other factors which make formerly subeconomic deposits worth recovering. Thus the dynamics of mineral discovery, development, and production suggest a continual flow across the chart upward and to the left as previously undiscovered or uneconomic resources are transformed by company activities into producible reserves. It follows that there can also be retrograde movements whereby reserves once established slip back into the subeconomic resource category because of falling prices, rising costs, or adverse legal or political developments. It can be a two-way street.

As the chart suggests, our knowledge of the resource varies widely. We consider that the estimates of "measured reserves," in the upper left corner, are generally accurate within 20 percent. We have considerably less confidence in our estimates of the "indicated" and "inferred" reserves which are the quantities of the resource that are believed to exist in the undeveloped, undiscovered portions of known fields. We know very much less about the resources that have not yet been discovered, but which may still be found in known districts, such as the deeper portions of the Anadarko Basin in Oklahoma. And we are really looking into a murky crystal ball when we attempt (as we do) to estimate how much oil there is in places like the U.S. Atlantic Continental Shelf where no exploratory drilling has ever taken place.

One more remark about terminology: in place of the terms measured, indicated, and inferred shown on this chart, industry generally describes reserves by the three p's—proved, probable, and possible. The definitions of the two series are not exactly equivalent but the principles are the same.

OIL

Let's now turn to oil, which last year supplied 47 percent of our energy—a record high, despite the growing realization that we ought to be shifting to other fuels. In 1976 we consumed 6.3 billion barrels, of which 43 percent was imported from other countries. Proved reserves of crude oil and natural gas liquids at the end of December were 37 billion barrels, down by 1½ billion barrels from the previous year. Production during 1976 also declined, for the fifth straight year.

So much for present conditions. They're bad enough. But what about the prospects? Has the time come to wind down the domestic petroleum industry, or are the resources there to justify investments in the expectation that vigorous production can be continued at least to the end of the present century?

Figure 2 depicts the remaining recoverable petroleum resources of the United States as estimated by a group of Geological Survey scientists as of the beginning of 1975. The figure of 34 billion barrels for measured reserves was taken from the American Petroleum Institute's estimate of proved reserves as of the same date. In addition to the proved reserves, which are fully developed and currently available for production, the API considered that 4.6 billion barrels could be made available for production by the installation of enhanced recovery techniques. These are the "indicated" reserves shown in Figure 1. Beyond these two categories of reserves is a third, estimated by the Survey group at 23.1 billion barrels, which is expected to become available as field limits are extended, new pools are found within existing fields, and the percentage of oil recovered is improved by advancing technology. Experience provides a solid basis for this expectation. For example, the API estimated at the end of 1966 that a total of 112 billion barrels would be recovered from all the oil fields that had been found in the U.S. up to that date. At the end of 1975, API's estimate of ultimate recovery for those same fields was 128 billion barrels—a "growth" of 16 billion barrels in a nine-year period. Nearly 3 billion barrels of the increase occurred in fields that had been discovered before 1920. Thus while indicated and inferred reserves are not developed, and therefore not available for current production, there is good evidence to suggest that they can be considered near-term sources of additional supply under prevailing economic conditions, and accordingly deserve to be called reserves, even though they must be ascribed a lesser degree of certainty than "proved" or "measured" reserves. The total of all reserve categories of crude oil totaled 62 billion barrels on January 1, 1975. The inclusion of natural gas liquids raises the total liquid petroleum reserve to 73 billion barrels.

In addition to current reserves, large amounts of undiscovered petroleum resources will become reserves in the future through the discovery process. We are certain of this. We are much less certain as to how much will be discovered, due to the hazards of estimating unknowns that I touched on at the outset. The Survey's Resource Appraisal Group accordingly gave its estimates as ranges reflecting the degree of assurance with specified amounts of oil can be found and recovered. In the case of undiscovered recoverable crude oil, the Group estimated that there was a 95 percent chance of finding more than 50 billion barrels, but only a 5 percent chance of finding more than 127 billion barrels. The statistical mean value of the range is 82 billion barrels. Natural gas liquids add between 11 and 22 billion barrels to the prospective liquid petroleum supply under the same probability assumptions.

These are large numbers, and the ranges given suggest something of the uncertainties underlying all estimates of undiscovered resources. There is another element of uncertainty that the ranges do not disclose. All estimates of recoverable petroleum resources contain some assumption about the portion of oil in the ground that can be profitably extracted. This value is affected by the economic, technical, and political factors I noted earlier, and is subject to change. For example, fifty years ago the petroleum industry considered that only 20 percent of the total oil had been discovered in United States could ever be produced. Currently the estimated recovery rate is 32 percent, and this latter rate was applied to the estimated totals of undiscovered crude oil in place to obtain the 50-to-127-billion-barrel range believed to be economically recoverable. It follows that if the average recovery rate continues to improve, the estimates of undiscovered recoverable crude oil would be revised upward to take this into account. An improvement to 40 percent in the present case would yield a revised range of 62 to 159 billion barrels, with a mean value of 102 billion barrels. For purposes of comparison, total crude oil production from the beginning of the U.S. petroleum industry in 1859 to the end of last year was slightly more than 122 billion barrels.

The estimates I have given suggest that a large amount of oil is still to be found in the United States, but they do not say when. The "when" is just as critical as the "how much," of course, for the really relevant aspect of resources is the rate at which they can be transformed into measured reserves through discovery and development, and thus made available for production. Our recent performance in this regard has been rather dismal: over the past two decades petroleum discoveries, adjusted for the "growth" factor I mentioned earlier, have averaged about 2 billion barrels a year—less than a third our current consumption. This has customarily been explained in terms of the prolonged decline in exploratory activity that began in 1958 and lasted until 1972, and while the argument sheds some light on the decline in supply it does not touch on the growth of demand which is the other contributor to our difficulties. The fact is that never in our history have we discovered petroleum over any sustained period in anything approaching the volumes we are presently consuming. What we did over most of the past was to discover more oil than we were then using, and bank the remainder. We have been living off the shelf for twenty-five years, and we have compounded the problem with rapidly increasing imports over the last five.

NATURAL GAS

Natural gas presents a picture very similar to oil: an overall resource position indicative of substantial supply potential appearing in sharp contrast with an immediate outlook of falling reserves and production.

Figure 3 shows the Resource Appraisal Group's estimate of U.S. natural gas resources of January 1, 1975. At the time of the estimates, measured reserves, taken from the American Gas Association's estimate of proved reserves as of the same date, were believed to be 237 trillion cubic feet. The Group estimated inferred reserves which may be found in existing fields to be 202 trillion cubic feet. Undiscovered recoverable resources were estimated to range between 322 trillion and 655 trillion cubic feet at 95 and 5 percent confidence levels, with a mean value of 484 trillion cubic feet. This compares with total cumulative production of 495 trillion cubic feet as of December 31, 1976.

So again, the resource estimates are impressive, but the rate of discovery and development is not. Keep in mind that pipelines are connected to measured reserves, and to no other component of the gas resource. The flow dynamics of oil and gas are such that only a small part of measured reserves can be withdrawn over a year's time. It follows that if measured reserves decline, so eventually must production, despite the potential in undiscovered resources. In the case of gas reserves the decline began in 1968,

and by 1974 production had peaked and was declining as well. The problem is the same as with oil: neither inferred reserves nor undiscovered resources are being found and developed at a rate sufficient to maintain measured reserves at a level adequate to sustain needed volumes of production, and they have not been, for many years.

UNCONVENTIONAL HYDROCARBON DEPOSITS

In addition to the traditional sources of oil and gas I have just mentioned there are vast amounts of hydrocarbons that are sealed away in various geologic environments from which they are difficult to recover. The rising cost of energy now makes it worthwhile to give these resources more attention than they have received in the past.

For example, the estimates of gas resources I have just given largely exclude the 600 trillion cubic feet of gas that are estimated to exist in the extremely tight sandstone formations of the Rocky Mountains. They do not include another 500 to 600 trillion cubic feet that may occur in shales, mostly of marine origin, that underly 250,000 squ re miles of the Eastern United States; or another 300 trillion cubic feet that are believed to be occluded in coal beds throughout the country where it is a source of constant danger to miners.

The challenge of all these sources is how to induce the gas to flow into wellbores at rates sufficient to justify the cost of the necessary drilling and development. In the sandstones of the Rocky Mountains experiments are being conducted with hydraulic fracturing on a much larger scale than normally employed—say on the order of ten times the volume of fluid and propellant that would ordinarily be used—to induce fractures extending laterally as much as 1500 feet from the well and vertically for 500 feet or more. While the process is expensive, the results have been encouraging, and rising gas prices may well make some portion of this source available over the next few years.

The eastern shales have been a source of gas for 150 years, and in fact the first commercial gas well in the United States was completed in a shale deposit in 1821, 38 years before the birth of the oil industry in Western Pennsylvania. But the gas comes out every slowly—wells tapping shales may produce no more than a few thousand cubic feet a day, even though they may produce at that rate for long periods of time. Coal suffers the same problem of low productivity as a source of methane, and there is some experimentation going on aimed at penetrating the coal seam on an axis parallel to its bedding plane thus providing access to several hundred feet of potentially productive section rather than vertical penetrations which might be limited to a seam thickness of six to ten feet.

By far the greatest potential source of natural gas are the geopressured zones underlying the Gulf Coast region, both on and offshore. The limited investigations that have been made of this region have led to estimates of as much as 60,000 to 80,000 trillion cubic feet of gas dissolved in water at a ratio believed to average 25 cubic feet of gas per barrel of water.

This is an almost incomprehensibly large number. Even the bottom of the range represents about ten times the energy value of all oil, gas and coal reserves of the United States combined. In addition to the gas, the water itself represents a potential energy source available at pressures up to 10,000 pounds per square inch and at temperatures exceeding 300 degrees F. provided ways can be found to produce, utilize, and dispose of it. We very much need to know more about this potential resource, and the President's Energy Plan promises that such an assessment will be made. But we are far from knowing how to go about realizing the possibilities of this resource at the present time.

In addition to these exotic gas sources, there are large amounts of heavy crude oil in existing fields that are not included in the inventory of recoverable reserves because recovery for the most part has not been profitable. A figure of 150 billion barrels has been cited as the total resource in place, and of course the recoverable fraction would be something much less, depending on the profitability of individual projects. The Getty Oil Company has for years been a leader in extracting heavy oil from its California fields by thermal recovery methods, and those of you who have looked at Getty's current Form 10–K will have noted a plan for a pilot project to actually mine the oil from a deposit in its properties in the McKittrick field from the surface to a depth of 400 feet. The deposit contains an estimated 420 million barrels of oil in place, and if the pilot operation is successful, a commercial scale facility may be built in the early 1980's.

COAL

The coal resources of the U.S. are many times larger than the petroleum resources, and much better known. There are estimated to be about 1.7 trillion tons of coal of all ranks in seams 14 inches or more in thickness to depths of 3,000 feet that have been identified by direct evidence and another 2.2 trillion tons that are postulated to exist in unmapped and unexplored areas down to 6,000 feet. These are gross figures, but they do indicate that the United States has a lot of coal that may prove extremely useful in the future.

A more meaningful figure for coal is the demonstrated reserve base, which includes identified deposits 28 inches or more in thickness for anthracite and bituminous coal, and 60 inches or more for subbituminous coal and lignite to a maximum depth of 1,000 feet for underground mining, and 200 feet for surface mining. The demonstrated reserve base is shown in Figure 4, broken down by general location and sulfur content. It totals 437 billion tons, only half of which is estimated to be producible with current economics and technology, so the recoverable reserve is something like 218 billion tons. Even this reduced figure is about 400 times last year's consumption, and contains the energy equivalent of more than two and a half times that of the oil reserves of the Middle East.

The low-sulfur coal deposits are of interest because of the restrictions on emissions of new plants and the ambient air quality standards applied to all plants. Figure 5 shows coal with less than 1 percent sulfur content analyzed by location and mining method. It says that the overwhelming portion of low-sulfur coal lies west of the Mississippi—about 800 to 1,000 miles west of it, in fact.

What it does not say is that much of the relatively small amount of low-sulfur coal east of the Mississippi is of metallurgical grade, and that burning it under steam boilers would be almost as much a crime against nature as using natural gas for that purpose. It does say that while the amount of strippable low-sulfur coal in western beds is very large, there is nearly half again as much that can only be reached by underground mining, which suffers a number of disadvantages that are well known to you. Again, remember to divide all figures in half to account for the fact that only half of the coal in place is thought to be presently recoverable.

OIL SHALE

For as long as anyone here can remember the potential for the Green River oil shale has been looked to as a contributor to the Nation's energy supply, but about all the shale deposits have produced thus far has been paperweights and table tops. Nevertheless, the amount of oil equivalent credited to the deposits is huge: more than 400 billion barrels are estimated to be contained in beds more than 100 feet thick and averaging more than 30 gallons of oil per ton, and another 1,400 billion barrels is estimated to occur in beds at least 15 feet thick averaging at least 15 gallons per ton. The distribution of these deposits is shown in Figure 6, with the bulk of the most valuable deposits being found in the Piceance Creek Basin of Colorado. In addition to the 1,800 billion barrels of oil credited to the Green River Formation, an additional 200 billion barrels are estimated to occur in low concentrations in marine black shales found in the Eastern United States—the same shales I mentioned earlier as a potential source of methane.

As in the case of so many of the potential resources I have mentioned, the problems lie not in the extent of the resource but in recovering it in commercial amounts. The traditional approach to shale oil recovery has been an enormously costly job of mining, crushing, retorting. and disposing of waste rock, at a ratio of nine tons of rock to each ton of oil recovered. Large amounts of water are needed for processing—3½ barrels of water for each barrel of oil recovered—in a region where water is scarce. Finally there are environmental impacts ranging from land disturbance and the intrusion onto wildlife habitat to the potential for damage of aquifers and the contamination of water both above and below ground by leachings from the wastepiles.

Much attention is being focussed on the Occidental Petroleum Company's experiments with *in situ* recovery, where the shale would be fractured by explosives underground, ignited, and the native kerogen converted to oil by the resulting heat and recovered from a sump in the bottom of the underground combustion chamber. Such a process would eliminate most of the material handling problems associated with bringing the rock to the surface for retorting, and would require much less water than other methods. Should the problems of recovery be satisfactorily solved, shale oil production may some day reach 2 to 3 million barrels a day, with water availability in all probability being the limiting factor. But about the shale oil resource itself there can be no question: it is there, and in great abundance.

NUCLEAR FUELS

The future contribution of nuclear fuels is obscured by great uncertainties on both the supply and demand sides of the equation. Demand for electricity, which doubled every ten years between 1920 and 1970, is certainly going to increase at a lesser rate in the future, but there is disagreement as to what it will be. The controversy over nuclear power plants and the environmental difficulties of both coal mining and coal utilization make it difficult to forecast the relative shares of each in the electric power generation market. Even within the nuclear option, various plant modes present widely differing demands for nuclear fuels. The high temperature gas reactor requires about half the uranium ore as the light water reactor which is the standard plant in the United States. The Canadian CANDU reactor, burning natural uranium and moderated by heavy water, requires only about two-thirds as much uranium as the light water reactor on a once-through basis, and it can also burn the spent fuels of light water reactors. Thorium is part of the fuel loading of the one operating high temperature gas reactor in the United States, but studies suggest that it could also be used in

both the light and heavy water reactors to drastically reduce the uranium requirement of those modes. And, of course, if an acceptable breeder were to be developed, the effect would be to greatly increase the nuclear fuel supply—but just how much would depend on how rapidly the breeders became operational and what their breeding ratio turned out to be.

The supply outlook is also in disarray. The Energy Research and Development Administration annually publishes estimates on uranium reserves and resources, the latter classified as probable, possible, and speculative. The most recent estimates have been challenged by a National Academy of Sciences panel as being much too high, and by a study sponsored by the Ford Foundation as being much too low. So you can pay your money and take your choice. It does appear, however, that there is enough uranium ore in the "reserves" plus "probable resources" categories to accommodate the 30-year life-of-plant requirements of the 236,000 megawatts of light-water reactor capacity presently operating or programmed for the future. The President has directed ERDA to improve its uranium resources assessment capability, and the Geological Survey is cooperating with ERDA in this program, which also provides for evaluation of the Nation's thorium resources as well.

CONCLUSION

Of necessity this has been a rather cursory review of our mineral fuels endowment, but I hope to have established the fact that while these courses are finite and therefore exhaustible, there are large supplies remaining to be found and developed over the next several decades. In the case of coal and oil shale, the extent of the resources is both large and relatively well known. Large resources of natural gas are also believed to exist, although much less is known definitively about their extent or the technology that will be required to produce them. Oil appears to be the least abundant of the fossil fuels, but undiscovered petroleum resources estimated at high confidence levels are adequate to justify vigorous exploration and development programs for many more years. Estimates of the nuclear fuels are accompanied by great uncertainties, but both high and low estimates indicate that additional exploration is justified.

One thing is certain: the energy supplies of the future will not be cheap or easy to come by. The Golden Age of superabundant, cheap energy is over, and we are going to have to adjust our modes of transport, industry, and commerce—not to mention our style of living—to that fact. That might be a good place to begin another lecture, but it is an even better place to end this one.

MORE BUREAUCRACY, LESS PRODUCTION

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. ASHBROOK. Mr. Speaker, since first being elected to Congress I have fought against the growth of bureaucracy in our Federal Government. The problem is that bureaucracies are inherently inefficient. As they grow in size and cost, they also tend to become more cumbersome and less productive.

Dr. Max Gammon, a British physician, has noted this trend and turned it into a new theory. This is the theory of bureaucratic displacement. It basically holds that the bigger the bureaucracy, the less the production.

According to Gammon, in a bureaucratic system "increase in expenditure will be matched by fall in production. Such systems will act rather like 'black holes,' in the economic universe, simultaneously sucking in resources, and shrinking in terms of 'emitted' production."

The reasons for this are not too difficult to understand. Economist Milton Friedman points out that it reflects the difference between a free market and a government bureaucracy. According to Mr. Friedman:

In a market, we can pursue our self-interest only by persuading people to buy what we have to sell, hence we are driven to serve our customers' interests. In a government bureaucracy that is exempt from competition, the customers have nowhere else to go. Their interests are largely irrelevant. Hence, the bureaucrat can serve his self-interest at their expense by expanding his empire and reducing his workload.

Congress should keep these thoughts in mind whenever it is suggested that we pour more money and add more personnel to the Federal bureaucracy. Following is Mr. Friedman's article on Gammon's theory of bureaucratic displacement as it appeared in Newsweek:

GAMMON'S "BLACK HOLES"

(By Milton Friedman)

Dr. Max Gammon, a British physician, recently completed a five-year study of the British health system. In reporting his findings, Gammon was led to formulate a brilliant extension of one of C. Northcote Parkinson's famous laws.

Parkinson's law was "work expands so as to fill the time available for its completion." Gammon, without referring to Parkinson, adds what he calls the "theory of bureaucratic displacement." In his words, in "a bureaucratic system . . . *increase in expenditure* will be matched by *fall in production* . . . Such systems will act rather like 'black holes,' in the economic universe, simultaneously sucking in resources, and shrinking in terms of 'emitted' production."

USELESS WORK

In words that are more in Parkinson's style: in a bureaucratic system, useless work drives out useful work.

Gammon illustrates his theory from the British National Health Service (NHS). He points out that in the eight years "between 1965 and 1973, the total number of staff employed in NHS hospitals in Great Britain increased" by 28 per cent (and administrative and clerical staff by 51 per cent). On the other hand, "the average number of beds occupied daily" declined by just over 11 per cent. He goes on to note that the long waiting lists for beds throughout the period ensure that the number of beds occupied is a valid measure of output. Input up, output down.

The U.S. is still, fortunately, some way from a national health service. However, the rising costs of medical care—as government has expanded its role and bureaucracy has multiplied—presumably reflect an early stage of the process documented by Gammon.

A clearer example for the U.S. is schooling, which is predominantly governmental, as health care is in Britain, and where the law of bureaucratic displacement has been proceeding apace. In the five years from the school year 1971–72 to 1976–77, total professional staff in all U.S. public schools went up 8 per cent, cost per pupil went up 68 per cent in dollars, and 21 per cent after correction for inflation: *input clearly up.*

Number of students went down 4 per cent, number of schools went down 4 per cent. And I suspect there will be few demurrers from the proposition that the quality of schooling went down even more drastically than the quantity. *Output clearly down.*

Is this due to bureaucratic organization? As some evidence, the number of school districts went down by 10 per cent, continuing a trend toward greater centralization and bureaucratization of education that has been going on now for decades. For a somewhat earlier five-year period for which the data are available (1968–69 to 1973–74), when total professional staff went up 10 per cent, and teachers 14 per cent, supervisors went up 44 per cent.

Moreover, the increasing expenditures on schooling have been accompanied by the long decline in SAT scores of high-school graduates to which so much attention has recently been drawn by the Willard Wirtz report for the College Board. Need we look beyond Gammon's brilliant theory to explain why?

DRIVES OUT USEFUL WORK

As a final example of the law of bureaucratic displacement operating in reverse, I quote from a New York Times story of Aug. 21, 1977: "The New York City government provided about the same level of services in 1976–77 as in the previous fiscal year but, thanks to improved productivity, did it with 12,000 fewer employees . . . " That is, reduced input (government employees) resulted in higher output (level of services).

Gammon's theory is more than a smart-aleck curiosity. It is a direct consequence of the pursuit by all of us of our self-interest. In a market, we can pursue our self-interest only by persuading people to buy what we have to sell, hence we are driven to serve our customers' interests. In a government bureaucracy that is exempt from competition, the customers have nowhere else to go. Their interests are largely irrelevant. Hence, the bureaucrat can serve his self-interest at their expense by expanding his empire and reducing his workload.

The fault is not with the people who run the system, but with the system itself. More fundamentally, the fault is with those of us who are responsible for replacing the economic market with the political market.

BILL TO MODIFY THE MATERIAL PARTICIPATION REQUIREMENTS FOR PURPOSES OF THE SPECIAL VALUATION PROVISION UNDER THE FEDERAL ESTATE TAX FOR REAL PROPERTY USED ON A FARM OR SMALL BUSINESS

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. FISHER. Mr. Speaker, I would like to urge my colleagues in the House and on the Ways and Means Committee to support legislation introduced by Representative MARTHA KEYS and which I cosponsored. Portions of the Tax Reform Act of 1976 were designed to permit many family farms in this country to claim a special valuation provision for

farm and small business real property under the Federal estate tax laws. Prior to that time many family farms were being sold simply to pay the Federal estate taxes due. Unfortunately, the provisions of the 1976 Reform Act may have been unduly restrictive. H.R. 9902 is designed to correct this problem.

During hearings held in the spring of 1976, it was brought to the attention of the Ways and Means Committee that many family-owned farms had to be sold in order to raise the cash required to pay the Federal estate tax, which in part was caused by the higher estate tax valuation assigned to the farm real property. Prior to passage of the Tax Reform Act of 1976, land used for farming was valued under the Federal estate tax laws according to its highest and best use, which usually meant for purposes of commercial development, and not according to its actual use as farm property. This result occurred irrespective of whether the family continued to operate the farm after the death of the senior family member.

To correct this inequity, the Congress included a provision in the Tax Reform Act that permits executors to value real property used in a family farm or small business operation according to its actual use for Federal estate tax purposes. To assure that the lower valuation for farm and business real property was available only to genuine family farm operations and not to land speculators or individuals seeking an investment sheltered from the Federal estate tax, the Tax Reform Act established a number of requirements that must be met before the special valuation election is available: First, the real property must have been owned by the decedent or a member of his family for 5 of the last 8 years prior to the decedent's demise, and, second, the decedent or a member of his family must have materially participated in the operation of the farm for the same 5 of the last 8 years preceding the decedent's death.

In addition, the estate tax savings derived from the lower valuation are recaptured if there is no material participation in the operation of the family farm by a qualified heir or members of the decedent's family for any 3 of the 8 years following the decedent's demise.

While the material participation requirements have the salutary effect of denying the special valuation to farm real property held only for investment, they also preclude a sizable number of family-owned and operated farms and businesses from claiming the valuation provision. For example, an elderly farmer would risk losing the lower valuation for real property if he retires at a point when there are no family members or heirs capable of managing the farm or business operation. Moreover, even if the estate qualifies for the special valuation provision, the estate tax savings derived from the lower valuation will be lost if the surviving spouse or some member of the decedent's family does not materially participate in the business or farming enterprise for the requisite period following the decedent's death.

H.R. 9902 eases some of these problems. Instead of the 5 out of 8 year material participation requirement under current law, H.R. 9902 will enable farming real property to qualify for the lower valuation if the decedent or a member of his family had materially participated in the conduct of the farm or business for any 20-year period prior to the date of the decedent's demise. Thus, qualification would not be lost to a family whose senior member is forced into early retirement for medical reasons provided that the decedent or his spouse had operated the farm or business for a lengthy period of time prior to the decedent's retirement. In addition, H.R. 9902 would correct the problem posed by the material participation requirement after the decedent's death by providing that operation of the farm or business by a party unrelated to the decedent will constitute material participation by a qualified heir during the period the heir is either a minor, a student, a disabled person, or a surviving spouse who is 62 years of age or older.

The modifications contained in H.R. 9902 will enable many small business and farming estates, for whom the special valuation provision was designed, to claim its benefits. I urge my colleagues to support it.

NONDISCRIMINATION

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mrs. HOLT. Mr. Speaker, the Federal Home Loan Bank Board recently proposed new regulations to govern the savings and loan industry. After reviewing the proposed regulations, I concluded that the Federal Home Loan Bank Board has overstepped the bounds of the authority vested in it by Congress. I also concluded that the new regulations represent a dangerous step into Government direction of the use of private savings.

For the information of the House, I am submitting for the RECORD the comments I have sent to the Federal Home Loan Bank Board:

COMMENTS BY REPRESENTATIVE MARJORIE S. HOLT ON NONDISCRIMINATION RULES PROPOSED BY THE FEDERAL HOME LOAN BANK BOARD

The existing rules of the Federal Home Loan Bank Board prohibit discrimination in lending on a basis of race, color, creed, national origin, or sex. I applaud these rules, which are designed to enforce compliance with civil rights laws enacted by the Congress.

However, in the proposed new rules published in the Federal Register of November 14, 1977, the Federal Home Loan Bank Board proceeds far beyond the nondiscrimination requirements of federal law, construing the civil rights acts to require affirmative action by private lending institutions to renew older neighborhoods.

The proposed rules have no relevance to race or sex or any other kind of discrimination prohibited by the civil rights laws. Any person having an adequate income, a good credit record, and the qualities of a law-abiding citizen can now obtain a loan for the purchase of property which can reasonably be expected to maintain its value.

The real purpose of the new rules is to force private savings and loan institutions to become urban renewal agencies, compelling them to make loans they now regard as unacceptably risky. The rules would even prohibit them from charging higher interest rates for these loans of greater risk.

In making loans, the institutions would be prohibited from considering the age of the dwelling to be purchased or the condition of the neighborhood in which it is located. The purpose of these provisions is made very clear by the insertion in the Federal Register, which says that "Loan denials based upon assumptions of a dwelling's age or neighborhood perpetuate discrimination and impede revitalization of older neighborhoods." I am amazed that the Federal Home Loan Bank Board would confuse discrimination with sound economic judgments and fail to make the obvious distinction.

The new rules would also prohibit savings and loan associations from giving "undue weight" to consideration of a loan applicant's arrest record or prior credit difficulties. There will surely be no end of confusion and litigation on the interpretation of the term "undue weight," but the apparent effect of these provisions would be to weaken credit standards to something less than sound and prudent.

The foremost responsibility of a thrift institution is the safety of a depositor's money, and it is extremely disturbing to me that the Federal Home Loan Bank Board has now decided that the savings of the people must be invested in social purposes determined by the board. The deposits do not belong to the government, but to the people who have entrusted the savings and loan institutions with their savings. The depositors have not given responsibility to the federal government to invest their savings or to direct the investment of their savings.

The proposed rules represent a dangerous new claim by government on the economic substance of the people. Not content with taxing away an increasingly large portion of the taxpayer's income, government now claims the power to direct the use of his savings according to a bureaucratic definition of what is socially desirable. The new rules would be a raid on personal assets.

If the logic of this Great Leap Forward prevails, what is to prevent government from ultimately requiring private investment institutions to invest in stocks that are deemed socially desirable but risky, or in municipal bonds that are issued by nearly bankrupt cities? This is where the new rules promulgated by the Federal Home Loan Bank Board would lead if such thinking were applied universally.

The issue is whether the government has the right to claim the savings of the people and mandate their use to implement government social policy. If government can move beyond taxing income to directing the use of the people's assets, it is making a total claim on the wealth of the people and threatening the surviving remnants of freedom in this Republic.

TOM TALKS ABOUT AGRICULTURE

HON. GENE SNYDER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. SNYDER. Mr. Speaker, a half billion dollars might not sound like a lot of money here in Washington where we are in the habit of churning out annual budgets with enough zeroes, commas and

dollar signs to choke the proverbial horse.

But back in the real world where our constituents live, a half billion dollars is quite a bit of money. In a single State economy it is a lot of money. It also happens to be the amount of money paid to Kentucky farmers for last season's tobacco crop.

But that half billion dollars did not stop in the farmers' pockets. It rolled around the economy and eventually generated as much as $3.5 billion in the Kentucky economy.

I would like to share with my colleagues an article written by the Kentucky Commissioner of Agriculture, Thomas O. Harris. Mr. Harris effectively illustrates the fact that rather than being the villainous creation of diabolical Federal subsidies, tobacco pays its own way.

The article follows:

TOM TALKS AGRICULTURE

(By Thomas O. "Tom" Harris)

I don't think it is news to anyone that tobacco is big business in Kentucky. Last season farmers in our state received over $500,000,000 for their Burley crop. A half billion dollars is in itself a lot of money, but the story doesn't stop there. Economy experts and statisticians tell us that every dollar introduced into the economy turns over a number of times. This is done by what the farmers buy with their tobacco money, the other outside fringe jobs that are created by the tobacco money.

Most government agencies use a multiplier of seven. That is, each dollar turns over seven times in the economy. That means that the tobacco industry may mean a half billion dollars at the farm level, but when introduced into the economy, it actually means $3.5 billion to Kentucky's economy. That's truly big business. But any time you are in big business, there will be attacks. The tobacco industry has been under attack for some time, but recently a lot of misinformation has been put out. I don't know if this was done accidentally or deliberately, but in either case the record needs to be set straight.

Recently there were reports that the Federal Government subsidized the Burley market. This is not true. There have been reports that the Burley program was costing the Federal Government and the taxpayers money. This is not true. There is a price support program, which allows the Burley farmer to get back the cost of production. This is done with money borrowed from the Commodity Credit Corporation. This money is paid back, with interest.

Let's look at the figures. The Kentucky Burley tobacco growers report that since 1940, and including the 1975 season:

Money borrowed from the Commodity Credit Corporation	$991,000,000
Money paid back to the Commodity Credit Corporation	991,000,000
Interest paid to the Commodity Credit Corporation	119,000,000

In addition there were net gains returned to farmers of $17 million over and above the price level of pool receipts. On top of this, the governments on all levels take in over $6 billion every year on excise taxes on cigarettes.

So not only does tobacco not cost the taxpayers of this nation any money, it actually makes money.

The money paid back to Commodity Credit Corporation in interest does not take into account anything except the amount borrowed. So even if we use these figures only, it is easy to see that the program makes money, not only for the government, but for the farmers. It does not take into account the approximate $3.5 billion in jobs and services that Burley generates in the state of Kentucky. You know if you are a farmer, just as well as I do, what the tobacco crop means. There is no way of telling how many of our young people have been sent to school by tobacco; there is no telling how many farmers over the years would have gone broke and lost their farms if it were not for tobacco and the tobacco program. Kentucky needs the tobacco crop.

These recent attacks will not be the last. There is no doubt that the friends of tobacco in Congress are fading every year. Every year it becomes more and more a burden that must be borne by the representatives from the tobacco states.

If those who would take a $3.5 billion bite out of Kentucky's economy have a substitute program, I would like to hear about it. I do not feel that we should lose a crop without something to replace the lost income. I am not smart enough to know of any other crop which will bring $3.5 billion into Kentucky's economy, but I sincerely hope that before the one we have is cut off, somebody will offer one.

We can expect pressures from groups that claim opposition to tobacco for health-related reasons also. Some Federal officials have already said that they oppose the price support system, because it was not right for the Federal Government to support a product which was harmful to health. But let's be sure tobacco is harmful before we destroy the livelihood of thousands of Kentucky's farmers.

Early in April, the Tobacco and Health Research Institute near the University of Kentucky College of Agriculture was dedicated. This facility was a result of House Bill 466 that I introduced when I was State Senator at the General Assembly in 1970. This bill established a state-financed tobacco health program broadened the already existing federal tobacco and health research program on the University campus. The bill states that "every effort should be made to prove or disprove the charges of health hazards in the Commonwealth." To support the program, a ½ cent tax was placed on each package of cigarettes sold in Kentucky.

The Tobacco Health and Research Institute is much more than a laboratory. It is a commitment the people of Kentucky made . . . a commitment 200,000 farm families of Kentucky made by taxing their major cash crop.

The Tobacco Health Research Institute will find the answers. They will be truthful answers. If tobacco is harmful, they will produce the facts. If not, those facts will also come forth. Many respected doctors and other scientists are not convinced that moderate use of tobacco is harmful. We need all the information before we jump and stop growing Kentucky's major cash crop.

TO REDISCOVER WHAT IS RIGHT WITH AMERICA

HON. ELFORD A. CEDERBERG

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. CEDERBERG. Mr. Speaker, leadership is something that we know is essential to the accomplishment of anything, whether it be running the country or operating a business. In a recent speech before a leadership conference in Nashville, Michigan businessman, Robert Gerholz, noted that leadership is ineffective, however, without a strong sense of honesty and integrity. He poses that the real question facing the American business community today is not whether it can "afford stronger ethical standards, but how much longer it can go on without them." I would like to take this opportunity to share with my colleagues his probing, and thought-provoking, message:

TO REDISCOVER WHAT IS RIGHT WITH AMERICA

(By Robert P. Gerholz)

It is a distinct honor and pleasure for me to address this luncheon meeting of leaders in every field of endeavor. This leadership conference may well win historical recognition as a milestone in the development of the Rediscover America Program with honesty and moral integrity.

It is a heart warming experience for me to have an opportunity to exchange ideas with my fellow Americans and to be among friends where faults are forgiven. One's eccentricities are looked upon as evidence of a rugged individualism and one's accomplishments are generously magnified.

Mark Twain once said, "When I was 14 years old, my father was so ignorant I hated to have the old man around. But when I was 21, I was surprised to see how much my father had learned in only 7 years." The passing years bring wisdom but they also bring humility. They bring less self assurance, but they bring a larger sense of abiding values of life.

As we look ahead together, I confidently believe that the opportunity for constructive and rewarding accomplishment in every field of endeavor is greater than anything we have had, experienced, or dreamed.

I welcome this opportunity to share with you my observations, experiences, optimism, spadework and above all, my faith in America's brilliant future.

The winds of change are blowing swiftly. The future is where my concern lies and I'm looking beyond the valley of economic doubts to the inevitable recovery cycle and to bright new horizons.

I feel confident that more will happen in the next 15 years; more change will occur, more growth will take place, more inventions added, more distance covered, more needs satisfied. More goods made, shipped, sold, junked and recycled in the next 15 years than in the entire civilization called Rome. Or that period of several hundred of Europe's most creative years called the Renaissance—more in your next 15 years than in all of America's hundred which followed the Revolution and included the Civil War.

I want to take a few brief moments to establish a national and historical frame of reference for my remarks.

The explosive growth of America in the past quarter century has given us many benefits and many problems. Each of these problems, in today's high speed era, is a "crisis." So we have an "environmental crisis," "pollution," "transportation," "energy crisis," "urban sprawl," A "mid-east crisis," and "inflation," "unemployment" and "Panama Treaty crisis."

As we move from crisis to crisis, as we plan for the future, let us not lose focus on what's right with America . . . on what's right with our society. Let's begin by counting our

blessings; renewing our faith in our great nation, our religious heritage and in our dynamic free enterprise system which has contributed a significant measure to our achievement in spiritual, cultural, medical, social and educational progress. It is represented by 250,000 churches, 3,650 private hospitals, 1,450 private colleges and universities, 4,600 private schools, 6,000 private museums, 100 symphonies, and 5,500 libraries—just to mention a few.

Our national assets include a population of over 215 million human beings. Nearly 60 million are still in school, of whom 10 million are in colleges and universities.

We have over one hundred forty million cars, trucks and buses rolling over four million miles of U.S. highways and nine of the ten busiest airports in the world. We lead the world in nuclear power capacity with a potential seven times that of the Soviet Union. Our electric energy output, notwithstanding our current energy problem, is three times that of the Soviet Union.

Some 91 million men and women are gainfully employed at the highest wages and salaries in history.

America adds up to 3 million 600,000 square miles of verdant plains, vast timber lands, lakes, rivers and harbors and some of the most scenic mountain and valley regions in the world with abundantly high agricultural production and rich mineral resources, with a climate to suit every taste and a future filled with exciting expectations and promise.

For all the furor over inflation, recession and the fluctuation of the stock market and the value of the dollar, our people have the highest standard of living in world history—165 million telephones, radios, color TV's, two cars, boats, air conditioning, leisure-vacations, time to fret and fume about prices and shortages while we're playing. We deplore unemployment, ignore the glad news that employment is the highest in history. More people have jobs than really want them.

We fret over shortages, but we spend more on dog and cat food than we do on baby food—$50 million a year just to rid our pets of fleas.

America may be running short of gas, but it's more from joy riding than from desperation driving. Most of our shortages are from waste. Not from lack of resources.

Foreign oil profits are so great that the oil producing and exporting countries (OPEC) could with 10 days' worth of oil profits, buy the Bank of America; I'm afraid that most people in Washington don't really know what a billion dollars is. They don't even count the zeroes any more. Here's how big a billion is: one billion seconds ago the first atomic bomb had not been exploded; one billion minutes ago, Christ was still on earth; one billion hours ago, men were still living in caves; yet, one billion dollars ago—in terms of government spending—was yesterday. Just a few observations relating to our RDA Program—it is popular to say we need new goals, new values. But our salvation is in the old values—as simple as The Ten Commandments, The Golden Rule, The Sermon on the Mount, The Declaration of Independence, The Bill of Rights and the Constitution.

There is no substitute for our rich religious heritage, for the practical application of the Judeo—Christian principles and for honesty and integrity in our American Society.

The word, crime, conjures up a catalogue of specific mis-deeds—murder, rape, robbery, auto theft, etc. periodically, we learn from the Attorney General the aggregate number of offenses in the various categories of crime compared with the statistics for the previous year. It is easy to assume that these figures reflect our progress or failure in the fight against crime, much as we assume the patient's temperature indicates the trend of his illness.

It is not, I believe, quite so simple to gauge this social blight. Crime is not the root problem, but merely one manifestation of a far more complex problem, dishonesty! Dishonesty is a contagious disease that can decimate a civilization. One person's anti-social acts become the justification for others to disregard conscience in their decisions.

Integrity, it seems, does not arise spontaneously in the human breast. It is a learned reaction. The conscience must be trained. If integrity is not an ideal prized and proclaimed, practiced and praised in the society, then dishonesty seems to flourish and those acts we label as crimes are only part of the result.

In the long run, increasing the level of respect for integrity is probably the most effective antidote for crime, if not the only one.

As we focus on the challenge of the future, the point is, whatever your business or profession, whatever your political philosophy, no system will provide equality, fairness and justice that does not rest on a strong foundation of honesty as the basic working social principle.

It is a historic fact that only a better functioning, more honest and efficient private sector can create the jobs, the opportunities and the new technical breakthroughs needed to build a better society.

Too many within the ranks of the private sector have lost sight of the moral side of capitalism. And too many think of rigorous ethical standards as a costly luxury rather than an indispensible part of a healthy free economy.

This is nothing short of folly. As the wily and eminently practical old observer of human nature, Benjamin Franklin once pointed out, "If the rascals knew the advantages of virtue, they would become honest men out of rascality." In the long run, honesty is not only the best business policy but the only one compatible with a free market and open, honest competition. A viable market system requires a vital-ethical-moral context in which to survive.

The values which test achievement—honesty, truthfulness, self-control, fair play, loyalty, devoutness, and many others—these play a determining part in the course and pattern of life.

The real question facing the American business community today is not whether it can "afford stronger ethical standards," but how much longer it can go on without them.

Before we can expect others to believe in the system, we must believe in it ourselves, and this belief must be translated into clear, tangible actions that demonstrate a strong sense of ethics that is not only real but clearly visible to the public.

Some say that America has lost its way—that opportunity is gone. Ridiculous. The world never exposed more frontiers for exploration, improvement and betterment than exist today. Of all our talents in the U.S., two stand giant-like above the rest—our ability to be creative and innovative. Never have the people in any nation displayed more ingenuity and resourcefulness—more basic creativity—than those in the melting pot of the United States of America. Perhaps it's because our entire concept from the Declaration of Independence and the Constitution was new, bold and creative. And we have woven the same pattern through everything we do. We are a nation of creative, innovative people—that is the secret of our greatness.

Today, America is the most powerful, the wealthiest and the most technically advanced nation in the world.

We are living in the best time that has ever been. We are living in one of the rarest moments in American History.

Ours is a rich heritage of faith. Indeed, America has had a unique background of faith from its very beginning. No other nation has roots so steeped in the commitment to religious freedom—the freedom to seek and find equality before God under a people's government. From the pilgrims fleeing persecution to refugees from Hitler's mass extermination of Jews, millions of people have sought and found religious as well as political haven in America.

Nine years ago, my wife and I visited Greece for the first time. A magnificent experience. Poor country, but a wonderful country; wonderful people. We read several books before we went over and we were fortunate in having a young lady interpreter who spoke perfect English and was a Historian and an Archaeologist. The Age of Pericles was a "golden" age. It's called that in the history books and it was. These people, over a period of time, became largely free from want, illiteracy and disease.

Then they tried for the fourth freedom—the so-called ."wonderful freedom"—freedom from responsibility and the golden Age of Pericles was no more. If I had any hope for the future, if I were to make a toast for the future, I would hope we would never arrive at a period when we were free of individual responsibility—

Today America and the world cries out for creative, competent, moral leadership. Creative leadership looks to living examples. You shall know the truth and the truth shall make you whole—John—8:32.

"By some contagion of wisdom", as Christopher Morley offers, we are privileged to enjoy the free way of life handed down to us by America's founders. Our nation's system of free enterprise, made up as it is of the conglomeratic motivations of two hundred million people, depends heavily on responsibility and inter-responsibility. Without responsibility, freedom itself can be nothing but an empty word. The kind of America those who follow you will get will be largely dependent on the kind of America you insist on now.

The gut question, my fellow Americans—will we tomorrow still be showing the vitality, the productivity, the creativity, the resources of moral and cultural strength which are required for this leadership and for the preservation of our free society? Yes, the winds of change are blowing swiftly. In this period of dramatic change in the affairs of men and nations, in this time of relentless challenge to the U.S., do we have those qualities of adjustment, those characteristics of the adaptive society which are requisite to meet the accelerating rate of change which is the over-riding characteristic of our time?

In the chaotic, dangerous and immensely exciting world we are living in today, democracy is not meant to be a free-for-all at any price. Democracy depends on the inner discipline and the standards of conduct that free men choose to adopt if they are going to stay free. We must be reminded of that great philosopher, Edmund Burke, who said, "All that is necessary for evil to triumph is that good men do nothing."

America's spiritual vision and vitality need to be renewed if the nation is to recover its sense of purpose, direction and destiny.

The American Economic System is the envy of the world and our goal must be to promote, to improve and to strengthen this system which is the most successful social organism for producing and distributing the wealth which man creates, that history has ever seen.

The challenge and the opportunity for rediscovering America is to build a truly won-

derful country—one characterized by less indifference and more involvement, by less hostility and more friendliness, by less fear and more confidence, by less crime and more self-discipline, by less complaining and more fortitude, by less self-interest and more altruism, by less haste and more courtesy, by less tension and more serenity, by less ugliness and more beauty; in short, by less pettiness and more greatness, toward a truly great America!

Remember what makes you American. And it doesn't hurt you to be proud of it. Breathes there a man whose soul so dead, who never to himself has said "This is my own, my native land."

Remember it now when the going is so very tough and liberty is threatened by violent word and appalling deed. Remember, Americans must have that one more thing other than air, water and food. Americans must have liberty, they love it and will live or die for that one necessity before all the others. No matter what.

This is the only country throughout civilization that has guaranteed absolute freedom to its people for two whole centuries.

To everyone's surprise, it doesn't breed anarchy, it breeds enterprise. Free enterprise that built giant industries and more jobs. Enterprise that planted the plains, and felled the timber, and mined the ore, and plumbed the oil, and forged the steel that built an incredible wealth of commerce shared by a benevolent culture, a soft-hearted, open-handed people.

We seem to be in the midst of a historic cycle, which has repeated itself over and over in nation after nation ever since the dawn of history. It goes something like this:

From bondage to spiritual faith
From spiritual faith to courage
From courage to freedom
From freedom to abundance
From abundance to selfishness
From selfishness to complacency
From complacency to apathy
From apathy to fear
From fear to dependency
From dependency back again to bondage.

Is this to be our heritage?

Is this what is to become of the American dream? Is there no reversing it? Is there no way out of our morass?

I believe there is.

I believe our dynamic Rediscover America Program with honesty and moral integrity, with your help, is destined to play a prophetic role in the future of our great nation.

To men and women of great vision, dedication, courage and faith, I want to share favorites of mine.

This prayer by J. Holland:

GOD GIVE US MEN

God give us men, the time demands strong
minds, great hearts, true faith and
willing hands;
Men whom the lust of office does not kill;
Men whom the spoils of office cannot buy;
Men who possess opinions and a will;
Men who can stand before a demogogue, con-
demn his treacherous flatteries with-
out blinking;
Tall men who live above the fog in public
duty and in private thinking.

And this gem of Carl Sandberg's—another special favorite:

I see America, not in the setting sun of a
black night of despair ahead of us.
I see America in the crimson light of a rising
sun fresh from the burning, creative
hand of God.
I see great days ahead, great days possible
to men and women of will and vision.

Thank you for being such a wonderful audience—and for the opportunity to invite you to join with religious heritage of America in the great effort to re-discover America with honesty and moral integrity—to bring the future into focus, to join in the fight to preserve for posterity God's richest gift to man—the last frontier in the world where free men and free women still have a chance to work out their own destiny—America, America Re-Discovered.

Good luck and God bless you.

FLOODS—"ACTS OF GOD"; FLOOD LOSSES—ACTS OF MAN

HON. DOUGLAS WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. WALGREN. Mr. Speaker, I would like to bring to the attention of my colleagues the following article by Vernon T. Houghton, Jr., my constituent. Mr. Houghton is with the Pennsylvania Department of Environmental Resources. His comments are well worth noting:

FLOODS

(By Vernon T. Houghton, Jr.)

Forecasting of floods deserves a prominent place in the national flood policy. An adequate river forecasting service is as vital a factor in flood control plans as are dams, levees and channel improvements. Probably no feature of flood control planning can offer as much potential economic value for as little initial and annual cost as can river forecasting. The value of flood forecasting is two-fold. First, it gives timely warning which will permit the removal of inhabitants, movable property and livestock from the danger area to a place of safety. "To be forewarned is to be forearmed" applies to floods no less than to fires or other disasters. A community flooded without warning is like a crowd trapped in a burning theater—emotion dominates reason and utter chaos usually results. It may on the other hand, give assurances necessary to prevent a costly and unnecessary exodus from a flood-threatened area. Perfect forecasts are of no value unless, through timely and thorough dissemination, all interested parties are made aware of the predictions and preventative measures taken by all concerned.

The first physical evidence of a flood is usually in the form of water running over the surface of the ground, collecting in tiny rills, and eventually flowing in stream channels. The surface or direct runoff makes up the initial or land phase of the flood. It is during the land phase that rain, rejected by the soil, becomes runoff and generates the flood. The land phase of the flood may last but a few hours; when the sun shines again the farmer knows the worst is over while the townspeople downstream may still face an impending danger.

The channel phase of the flood follows the land phase closely and starts when the surface runoff enters the stream channels. The river levels rise to carry off the surface runoff generated during the land phase. Ordinarily, when speaking of floods we mean the channel phase, since this phase is the most spectacular and on the whole the most destructive, although this statement may be disputed by the upstream farmer.

Floods on large river systems, such as the Ohio River, are usually produced by periods of persistent warm, rainy weather. Occasionally the regular progression of waves along a polar front is interrupted and the front becomes stagnant over one watershed. When the front is blocked by a standing high pressure dome of air off the Atlantic coast (the "Bermuda high") the mechanism is just right for feeding warm, moist air aloft to the storm center. Instead of there being large waves accompanied by widely spread light rains, moving at intervals along a shifting front, numerous small waves producing intense rains move along a stagnant front. Rainfall then persists in an area for several days, and enough water may accumulate in a single watershed to flood even its largest stream. The concentration of a series of showers over a large though compact area was typically displayed by the storms and flood of January 1937 in the Ohio River Basin, and the recent flood in Johnstown, Pennsylvania in July 1977.

Every year receding flood waters in one or more sections of the United States expose muddy plains where people were poorly prepared to meet the overflow. Small town shopkeepers digging their goods out of silt; farmers collecting their scattered and broken possessions; and manufacturers taking inventory in water-soaked warehouses, testify to the dislocating effects of floods and to the unsatisfactory adjustment which man has made to them in many valleys. For the most part, floods in the United States leave in their wake a dreary scene of impaired health, damaged property, and disrupted economic life.

Movement of flood waters is an example of the blind legality—one might almost say the constitutionality—of nature. There is no appeal from it and no amending process. We see only too often, after a flood has passed, the reaction of the public mind to a fallacious and dangerous optimism about the future—now that the flood is over and homes and property rehabilitated, induced poverty and hardship are to be forgotten as quickly as possible. What accounts for this? It cannot be that the cost is not a very real one; it is both real and great, and it is borne directly by the individual and the taxpayer in dollars and cents. The explanation cannot be that violent death, permanent impairment of health, loss of estate, and social maladjustment have not left their mark for these misfortunes are visited upon thousands of families in flooded valleys every year. The answer lies, no doubt, in the fact that human beings quickly adjust themselves to misfortune and accept too willingly the illusion that it will not happen again. The principal lesson to be drawn from past floods is that however terrifying the implications of the assertion that "The past is prologue," there is no evidence that we have yet succeeded in preventing a hazard of major disasters from floods. Record streamflows convey a message to the heedful. Representing what once occurred, they indicate what can and will probably occur again in seemingly aimless pattern, and when least expected. While this should not discourage or lessen interest in preventative measures, the public must at the same time make certain that they are always psychologically and in every other way prepared for whatever may come.

Floods are one of man's greatest natural enemies. The chances are they always will be. The devastation and hardship caused by angry waters is terrible. Man has attempted to control floods by flood control projects and river forecasting programs to provide advance warnings and, although the angry giant has been curbed to some extent, nature continues its relentless attack and man has not been too successful. The fearful element—the river—is yet to be controlled, is yet to be harnessed for mankind. As long as man builds, as long as fields are plowed, as long as the countryside is given over to industrialization, the scientist, the agriculturist, the builder still has work to do to tame the angry rivers.

UNITED STATES FINANCING OF FOREIGN MILITARY MISSIONS IN THE UNITED STATES

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. HAMILTON. Mr. Speaker, I would like to bring to the attention of my colleagues correspondence I have had with the Department of Defense concerning United States financing of the Government of Israel's Ministry of Defense Mission in the United States. Around the middle of August of this year, it was brought to my attention that foreign military sales (FMS) credits had been used to finance the operations of the Israeli arms purchasing mission in New York.

No similar arrangements to finance arms purchasing missions in the United States, through the use of FMS credits, apparently exist, although FMS credits have been used to finance services similar to those performed by the Israeli mission in New York.

This particular arrangement, originally requested and authorized in December 1975, was discontinued August 9, 1977.

The correspondence, as well as an article from the Washington Post which appeared August 30, 1977, follows:

COMMITTEE ON INTERNATIONAL RELATIONS,
August 19, 1977.

Dr. HAROLD BROWN,
Secretary of Defense, Department of Defense, The Pentagon, Washington, D.C.

DEAR MR. SECRETARY: It is my understanding that the Government of Israel maintains a defense procurement office in New York City and that the expenditures of that office, including travel expenses, are paid for by the United States Government.

I would like to know if this is true, what those expenses are on an annual basis, how payments for the office are made and under what provision of the Foreign Assistance Act such assistance is provided.

I would appreciate an early reply to this matter.

With best regards.

Sincerely yours,

LEE H. HAMILTION,
Chairman, Subcommittee on Europe and the Middle East.

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., August 31, 1977.

Hon. LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East, Committee on International Relations, U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: In response to your letter of August 19, 1977, foreign military sales credit funds have been used since December 1975 to finance the expenses of the Government of Israel Ministry of Defense Mission to the United States, located in New York. The Government of Israel is obligated to repay the principal amount of these credit fund disbursements together with the interest thereon. "Forgiveness" funds were not used.

The authorization to use foreign military sales credit funds for this purpose was made in response to a request from the Government of Israel. A copy of the authorization is enclosed.

The authorization permits use of the credit funds for the following operating expenses of the Mission: rent, utilities, maintenance of facilities and equipment, office supplies and equipment, contractual services, consultation fees and traveling expenses in the United States. Further, the expenses must pertain solely to the operations of the Israeli Ministry of Defense and the procurement procedures must meet the terms of the applicable credit agreements. Specifically excluded are the salaries of Israeli personnel. These approved Mission expenses come within the definitions of defense articles and services which may be financed with foreign military sales credit funds under Section 23 of the Arms Export Control Act (P.L. 94-329).

Beginning with the date of the authorization (December 19, 1975) through April 1977, a total of $2,120,000 in foreign military sales credits have been used to finance the Israeli office in New York. A breakdown of this amount by type of expenses is attached.

By letter dated August 9, 1977, the Mission advised us that it proposed to discontinue the arrangement approved in that authorization.

I hope this information will prove to be helpful.

Sincerely,

WALTER SLOCOMBE,
Acting Assistant Secretary of Defense, International Security Affairs.

OFFICE OF THE DIRECTOR DEFENSE SECURITY ASSISTANCE AGENCY AND DEPUTY ASSISTANT SECRETARY (SECRETARY ASSISTANCE),
OASD/ISA,
Washington, D.C., December 19, 1975.

Mr. J. CIECHANOVER
Government of Israel, Ministry of Defense, New York, N.Y.

DEAR MR. CIECHANOVER: In response to your inquiries of 17 December 1975, it has been determined that the use of DOD direct or guaranteed credit funds for the following purposes is appropriate and consistent with the terms of the applicable credit agreements:

Payment of operating expenses, excluding salaries of Israeli personnel, related to your Government's Ministry of Defense office in New York City.

Procurement of defense articles from a U.S. manufacturer who either produces or procures less than 50 percent of the parts, components, or sub-systems of an end item outside the United States.

Examples of operating expenses that may be paid with available credit funds are: rent, utilities, maintenance of facilities and equipment, office supplies and equipment, contractual services, consultation fees, and traveling expenses within the U.S. It should be noted, however, that such expenses should pertain solely to the operation of the Israeli Ministry of Defense and should be procured in a manner consistent with the terms of the applicable credit agreements.

Invoices and other such documentation in support of the operating expenses that are to be paid with credit funds should accompany your requests for payment. This documentation should be batched in a manner that will permit correlation with your requests for payments and promissory notes.

In the event defense articles are procured from a U.S. manufacturer who produces or procures less than 50 percent of such articles outside the U.S., credit funds may be disbursed to the prime U.S. contractor but may not be disbursed directly to foreign subcontractors except under the provisions of Section 42 of the Foreign Military Sales Act, as amended.

Sincerely,

H. M. FISH,
Lieutenant General, USAF, Director, Defense Security Assistance Agency and Deputy Assistant Secretary (ISA), Security Assistance.

MINISTRY OF DEFENSE MISSION TO THE UNITED STATES, EXPENSES FINANCED BY UNITED STATES CREDIT (*) (**)

	Thousands
1. Telephone, Telegraph and Teletype	$550
2. Consultation Fees (Marketing Research, Engineering, Quality Assurances, etc.)	500
3. Office Maintenance and Moving Expenses	270
4. U.S. Legal Fees	260
5. Computer Services	200
6. Warehouse Rent and Maintenance	100
7. Office Equipment and Rental Expense	80
8. Travel in U.S. Only (Inland Only)	70
9. Security Equipment	50
10. Insurance	40
Total	2,120

(*) All expenses are financed under loan agreements with Israel, and Israel is obliged to repay both principal and interest thereon.

(**) Expenses financed did not include any salaries, per diem expenses, entertainment, any personnel oriented expenses, etc.

COMMITTEE ON INTERNATIONAL RELATIONS,
Washington, D.C., September 15, 1977.

Mr. WALTER SLOCOMBE,
Acting Assistant Secretary of Defense, International Security Affairs, Washington, D.C.

DEAR MR. SLOCOMBE: Thank you for your letter of August 31, 1977 which I received September 8, 1977. The letter concerned the Government of Ministry of Defense Mission in New York and is identified as I-9692/77.

In further reference to this subject, I would like to know the following:

1. Has this type of arrangement ever existed for any other country in the past and does it exist today for any country?

2. What precisely was the $260,000 in legal fees for and were the lawyers and others involved in this item registered with the United States Department of Justice pursuant to the Foreign Agents Registration Act? If they were not registered or you do not know, why weren't they and why don't you know?

3. What was the size of the Mission; how many were professional staff and how many clerical?

4. What was the nature of the $70,000 in domestic travel and how is that figure broken down?

5. How can the item "consultation fees" be broken down further into specific items?

6. Can you provide me with copies of the Government of Israel's "invoices and other such documentation in support of the operating expenses" and of its "requests for payments and promissory notes" alluded to in your December 1975 authorization to use foreign military sales credits for the operation of the mission?

7. Why did the Government of Israel decide to terminate the arrangement and how will it now finance the operation of the mission?

8. How can you assure that U.S. aid funds are not used in the future to support this mission?

I would appreciate your consideration of this matter and would like an early reply.

With best regards.

Sincerely yours,

LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East.

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., October 7, 1977.

Hon. LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East, Committee on International Relations, U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: I refer to your letter of September 15, 1977 in which you asked for additional information concerning the Government of Israel's Ministry of Defense Mission in New York. Your eight questions are repeated below and each is followed by my response.

Question 1: Has this type of arrangement ever existed for any other country in the past and does it exist today for any country?

Answer: All countries involved with the FMS credit program spend their FMS credits for similar services, whether or not they maintain a defense purchasing mission in the United States. Those countries without a defense purchasing mission must necessarily make virtually all important defense purchases via the FMS program. Generally, the Department of Defense performs administrative and contracting services on behalf of the foreign purchaser and is reimbursed for such services via an administrative surcharge applied to the foreign military sales case. This administrative surcharge covers such DOD procurement costs as those for communication, legal services, computer processing, temporary duty travel, and office equipment. The DOD also has disbursed FMS credit funds, at the request of the purchasing nation, directly to suppliers of such administrative services as quality assurance, contract engineering, freight forwarder/transportation costs, and the support of foreign trainees.

Unlike most nations using FMS credits, Israel undertakes a large proportion of its defense procurement by commercial contract directly with U.S. suppliers (rather than via FMS, wherein the DOD is responsible for arranging contracts with U.S. suppliers). This is possible only because Israel has established a large purchasing mission in the U.S. Thus, while all countries have financed costs for administrative service with FMS credit funds, Israel has incurred a significantly greater proportion of such costs directly rather than via the DOD. This arrangement has been mutually beneficial since, due to the magnitude of Israeli purchases in the U.S., it has actually reduced the DOD's administrative involvement with Israeli defense purchasing program.

Question 2: What precisely was the $260,000 in legal fees for and were the lawyers and others involved in this item registered with the United States Department of Justice pursuant to the Foreign Agents Registration Act? If they were not registered or you do not know, why weren't they and why you don't know?

Answer: The vouchers covering legal fees incurred by the Israeli mission in N.Y. which were paid from their credit program did not disclose the detailed information you have requested. However, you should be aware that this category of expense is incurred by most of our FMS customer countries who maintain purchasing missions in the U.S. The legal fees paid from Israeli credit programs were necessary in the negotiation of commercial contracts; in the review of their loan agreements with the Federal Financing Bank and the Department of Defense; and to insure adherence to those loan agreements and to various U.S. laws such as the International Security Assistance and Arms Export Control Act and the U.S. Merchant Marine Act.

We have no information in our files concerning whether or not the lawyers who provide such legal counsel to the Israeli mission are registered with the Department of Justice.

Question 3: What was the size of the Mission; how many were professional staff and how many clerical?

Answer: The Director of the Mission has reported to us that his staff consists of 202 personnel. We have no information concerning how many of that number are professional and how many are clerical. As you will recall from my letter of August 31 we authorized the use of FMS credit funds for certain operating expenses of the Mission which did not include the salaries of the Israeli personnel.

Question 4: What was the nature of the $70,000 in domestic travel and how is that figure broken down?

Answer: This category of expense includes the cost of transportation by commercial air, train, bus and taxi incurred by the Director of the Mission and members of his staff in performing the official duties of the Mission. Most of this expense was the cost of air transportation between New York City and Washington, D.C.; DOD's Defense Security Assistance Accounting Center at Denver, Colorado; the International Logistics Centers of the military departments at Bayonne, New Jersey, Dayton, Ohio and New Cumberland, Pennsylvania; and various U.S. commercial contractors' installations.

Question 5: How can the item "consultation fees" be broken down further into specific items?

Answer: These expenses are incurred primarily for market source research to determine risk assessment and overall stability of potential commercial suppliers of defense material prior to negotiating purchase contracts, for cost accounting services, and for quality control.

Question 6: Can you provide me with copies of the Government of Israel's "invoices and such documentation in support of the operating expenses" and of its "requests for payments and promissory notes" alluded to in your December 1975 authorization to use foreign military sales credits for the operation of the Mission?

Answer: The Director of the Israeli Defense Mission has officially requested that individual invoices, such as those you seek, not be disclosed. The Government of Israel deems the invoices to be classified and proprietary, and that release of such would be prejudicial to the security interests of their Defense Mission to the U.S. As to other documentation, you will recall from my letter to you of August 31 that a total of $2.1 million in FMS credits was used to finance the operating expenses of the Israeli office in New York. There was three promissory notes associated with those expenditures which were made from three credit agreements, and 17 requests for payment. A copy of each of the foregoing is attached. However, I must explain several things to you concerning the attachments.

First, you should be aware that the borrower signs just one Promissory Note when a loan agreement is consummated with the Federal Financing Bank (FFB). The note is for the full amount of the loan agreement, but the interest rate is a "floating" one, which means the Borrower is charged at the rate current at the time the incremental drawndowns or disbursements are processed by the FFB. In this instance, funds were disbursed from three different loan agreements (FMS credit programs) therefore, we are providing you with a copy of each of the three respective Notes which included, but were not limited to, funds for the Mission.

Secondly, requests for payments for administrative or operating costs out of credit funds were accumulated by the Government of Israel over a period of time and were commingled with requests for payments for commercial purchases as well as payments for FMS purchases. They were then processed through DOD for approval, and DOD then forwarded the payment request to the FFB for disbursement. The foregoing explains, when one reviews a single note or request for payment, it is not possible to extract the portion related exclusively to operating costs for the Mission.

Question 7: Why did the Government of Israel decide to terminate the arrangement and how will it now finance the operation of the Mission?

Answer: It is our understanding that the Government of Israel wished to eliminate the risk that supporting invoices might be disclosed contrary to their security interests. DOD has not asked the Israeli Government how it will finance future operating costs of the Mission.

Question 8: How can you assure that U.S. aid funds are not used in the future to support this Mission?

Answer: First, referring to the term "aid", allow me to reemphasize that their direct FMS credit funds (for which payment is waived) were not used to support the Mission. Instead, the Israeli Government used funds available from its loan from the FFB which it is repaying with interest.

Secondly, as to the future, there are no present plans to resume such financing for the Government of Israel Mission or to initiate similar financing for the mission of any other government. Should the Israeli (or some other Mission) request such assistance and should we determine it to be in the best interests of our foreign policy to do so at some future time, we would be pleased to consult with you and the Committee in advance of implementing any such plans. As to insuring that no FMS credits are used for support of the Mission now that the agreement for such support has been terminated, each request for payment of funds from FMS credit programs which Israel (or any other country) submits is channelled through DOD where it is verified for accuracy, completeness, authenticity and for compliance with existing policies and procedures set forth in the loan agreement itself, as well as the Arms Export Control Act. I am satisfied that this procedure is adequate to prevent any "leakage" of funds into support of the Mission. (I should add that I have no reason to believe the officials of the Israeli Mission would attempt such a course).

I hope this information will prove to be helpful to you and your Committee.

Sincerely,

WALTER SLOCOMBE,
Acting Assistant Secretary of Defense, International Security Affairs.

COMMITTEE OF
INTERNATIONAL RELATIONS,
October 18, 1977.

Mr. WALTER SLOCOMBE,
Acting Assistant Secretary of Defense, International Security Affairs, Washington, D.C.

DEAR MR. SLOCOMBE: Thank you for your letter of October 7, 1977 (I–10657/77) in which you respond to questions concerning the Government of Israel's Ministry of Defense Mission in New York.

I would like a clarification and more information with regard to your answer to Question 1 on the existence of this type of

arrangement with other countries. You indicated in your answer that all countries receiving FMS credits spend them for services similar to those rendered by the Israel mission, whether these countries have a purchasing mission in the United States or not. In an earlier letter, dated August 31, 1977 (I-9692/77), you indicated that an authorization had been granted to Israel allowing it to use FMS credits for the operation of the mission. I would like to know if such authorizations are needed in one instance and not in others.

I would like to know what countries, other than Israel, have at any point over the past five years, maintained arms purchasing missions in the United States and have used FMS credit funds to operate them, and what amounts were spent on the operation of these missions. I would also like to know what such missions still exist. I would also appreciate receiving the specifics of all authorizations issued, permitting the use of FMS credit funds for this purpose for these countries, as you did for Israel (attachment to letter of August 31).

I appreciate your help in this matter.

Sincerely yours,

LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East.

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C. November 3, 1977.

HON. LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East, Committee on International Relations, U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This is in reply to your letter of October 18, 1977, requesting clarification of a part of my letter to you of October 7, 1977.

Both the standard form Department of Defense direct credit agreement and the Federal Financing Bank loan agreement establish as a condition to a borrowing country's use of credit funds available thereunder, that such funds may be used only to finance the procurement of defense articles and services pursuant to "Purchase Arrangements" authorized for such financing by the Department of Defense. Each request by a borrowing country for disbursements under these credit financing arrangements must identify the approved Purchase Arrangements for which the disbursements will be used. This standing requirement for authorization of Purchase Arrangements applies both to FMS agreements and to direct commercial contracts. Hence, the answer to your question is that such authorizations for the use of FMS credit financing for services similar to those rendered by the Israeli Mission are needed in all instances for all countries, irrespective of whether a particular country has a purchasing mission in the United States.

Your second question is "what countries, other than Israel, have at any point over the past five years, maintained arms purchasing missions in the United States and have used FMS credit funds to operate them, and what amounts were spent on the operation of these missions?" No other country has requested authorization to use FMS credit funds to finance the operations performed by a purchasing mission in the United States, and accordingly, no FMS credit funds were expended for the operations of the missions themselves. As I indicated in my earlier letter, however, services similar to those directly performed by the Israeli Mission were, in the case of such other countries, performed on behalf of those other missions under FMS cases either by the Department of Defense or by contractors of the Department of Defense, e.g., for communications, legal services, computer processing, travel, and transportation. For the most part, the costs of such services are provided for in the standard administrative cost surcharge on FMS cases; in some instances, costs such as those incurred for freight forwarding services are provided for as specific line items in an FMS case.

I hope this information adequately clarifies the points you raised.

Sincerely,

WALTER SLOCOMBE,
Principal Deputy Assistant Secretary of Defense, International Security Affairs.

[From the Washington Post, Aug. 30, 1977]

U.S. FUNDED ISRAELI UNIT

(By Don Oberdorfer)

The United States for 20 months financed the expenses of the 202-member Israeli arms purchasing mission in New York in a unique arrangement approved by Pentagon officials. But the financing has now been terminated by Israel rather than risk disclosure of details of the expenses.

According to Lt. Gen. Howard M. Fish, director of the Defense Security Assistance Agency and the Pentagon's top arms salesman, the United States provided about $2.8 million in foreign military credits to pay the Israeli mission's expenses from December, 1975, until cancellation of the arrangement earlier this month.

A breakdown provided by Fish showed that during the first 16 months the U.S. financing went for such items as telephone, telegraph and teletype charges ($550,000); consultation fees for marketing research, engineering and quality control ($500,000); U.S. legal fees ($260,000); computer services ($200,000) and U.S. travel by the Israeli purchasing officials ($70,000).

Responding to a Freedom of Information Act request from The Washington Post, the Pentagon refused to make available the invoices which had been submitted by the Israeli arms mission to back up requests for payments.

Charles W. Hinkle, director of the Pentagon's freedom of information staff, said the Israeli mission had requested that the invoices be withheld on grounds that disclosure of this detailed information would be "prejudicial to the security interests" of the mission.

The possibility that details of the expenses might be disclosed apparently lies behind Israel's decision to discontinue the U.S. financing, according to Pentagon officials. The Israeli decision was made known in a letter to the Pentagon Aug. 9 from Josie Ciechanover, director of the New York mission.

The Israeli arms purchasing mission, which employs almost twice as many Israelis and Americans as the Israeli embassy in Washington, is unique in both its size and sophistication. It is also the only such foreign organization in the world financed by U.S. funds.

Fish, who approved the financing plan two days after a request from Israel on Dec. 19, 1975, defended it in an interview as "a perfectly legitimate arrangement" which is legal and proper under the Foreign Military Sales Act. He said the administrative expenses of the Israeli purchasing mission have been classified as a "defense service" which can be financed under U.S. law.

The legislators most directly involved in the financing of Israeli arms, Sen. Hubert H. Humphrey (D-Minn.), chairman of the Senate Foreign Relations Subcommittee on Foreign Assistance, and Rep. Lee Hamilton (D-Ind.), chairman of the House International Relations Subcommittee on Europe and the Middle East, said they knew nothing of the financing arrangement.

Hamilton has sent a letter to the Defense Department asking for details.

For the past several years the United States has provided Israel, as part of a $2.2 billion annual aid package, with $1 billion annually in foreign military sales credits, $500 million a gift and $500 million a loan.

The arms mission expenses must come out of the loan portion, according to the Pentagon ruling. Such loans to other countries must be paid back with interest in 7 to 12 years but Israel, under a special provision of law, is permitted to make its repayments over more than 20 years with a grace period of 10 years on repayment of principal.

"I don't view this as taxpayers' dollars [going to the Israeli arms mission]. This is credit financing which Israel has to pay back with interest," said Fish.

The purchasing mission in New York, which is a branch of the Israeli Ministry of Defense, make about 30 per cent of its purchases through the Pentagon and the rest directly from private firms. Pentagon officials have described it as highly effective in obtaining the best prices and delivery schedules for Israeli purchases.

The mission's direct link with U.S. arms manufacturers is also an important source of information and expertise, according to defense officials. "They've come in and asked for things that were still so secret I wasn't even cleared to know about them," an official said.

In addition to being the largest recipient of U.S. arms aid, Israel is now a major arms producer and exporter that competes with U.S. manufacturers and on some occasion has clashed with U.S. arms sales restrictions. Israeli defense officials have said the U.S.-financed operations in New York do not involve Israeli arms sales, but only purchases. Fish said he has "no indication" that the U.S. financing has contributed to the Israeli sales effort.

According to Fish, no entertainment expenses of the Israeli mission were financed by the U.S. payments. The United States made clear from the beginning that, unlike administrative expenses, the salaries of the Israeli or American personnel in the mission could not be charged to the U.S. credit program.

WYOMING FOOTBALL TEAM—AA CHAMPS

HON. THOMAS A. LUKEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. LUKEN. Mr. Speaker, I would like to call attention to what I believe to be a significant occasion for some young people in my district. Recently,the Wyoming, Ohio High School Football Team won the AA championship of the State of of Ohio. The work that went into obtaining this title was indeed great and I would like to give both the team and the coaching staff the recognition they deserve.

The following people comprise the winning team for the State of Ohio and it was a job well done. Congratulations.

WYOMING FOOTBALL TEAM

COACHES

Bob Lewis, Garry Jump, Don Rahe, John Debalasis, Kurt Rockel, and Tom Ritz.

MANAGERS

Rob Bedenkop, David Fagin, Tom Savage, trainer; Mark Boudreau, trainer.

TEAM MEMBERS

Chris Bolle, Jeff Russell, Andy Packer, Terry Pitman, Tony Clark, David Gordon, Mike Moore, Ray Steight, Auto Bierman, Rich Sanaha, Aaron Samuel, Steve Lohman, John Tulesky, Pat Clark, Robbie Edington, Greg Livingston.

Frank Jacobs, Tim Marty, Day McMurrain, John Gentry, Sam Ach, Bill Buscher, Dan King, Karl Bahm, Todd William, Chuck Wright, Greg Saul, Jim Filan, Wendell Reed, Jeff Dennis, Chip McAuley, Clay Kull.

Buddy Reese, Bruce Stebbins, Will Putnam, John Spaulding, Steve Guggenheim, Steve Leonard, Scott Myhre, Jack Mueller, Olaf Strom, Craig Centry, Kevin Bates.

THERE MUST BE A BETTER WAY

HON. DALE MILFORD

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. MILFORD. Mr. Speaker, I have heard it proposed that if you want to make something look attractive—garbage, for example—you simply put a high price on it, and the buyers will flock in.

Apparently, though, that does not hold true if the waste product you are trying to sell is, in fact, useful.

The Fort Worth Star-Telegram pointed this out quite clearly yesterday in an editorial, which I would like to have included in the RECORD.

It would appear that the Consolidated Edison Co., in New York, very commendably has packaged its waste steam from power generation, and put it up for sale to heat buildings.

And then put a price on this waste steam which makes it cost the customer almost twice as much as oil.

It would appear we have taken one more step backward toward solving our energy problems.

The article follows:

[From the Fort Worth Star-Telegram
Nov. 28, 1977]

OIL IS CHEAPER THAN STEAM

Pssst. Congress.

Lend us your ear.

One of the reasons that few people are switching to alternate sources of energy is because oil and gas are too cheap.

The law of supply and demand works. In New York, Consolidated Edison Co. sells the byproduct of its electric generation—steam—to heat buildings.

The ConEd steam is used to heat such structures as the World Trade Center and Rockefeller Center, Energy Daily reports.

Many New York landlords, however, are installing their own boilers instead of buying ConEd heat. Simple reason.

ConEd steam costs about $7 per million Btu. No. 2 fuel oil can be bought in New York for $3.75 per million Btu.

Want to discourage the unnecessary use of oil and gas? Simply let price seek its level.

Congenerated steam won't be attractive in New York or anywhere else so long as building managers can heat with gas and oil less expensively than with waste steam.

THE GREEK ELECTION

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. DERWINSKI. Mr. Speaker, we too often take for granted political stability in the Western World. I wish to direct the attention of the Members to an editorial in the Washington Star of November 28, which I believe to be an accurate analysis of the situation in Greece after their recent elections:

THE GREEK ELECTION

The recent elections in Greece gave that country's friends in the West few reasons to cheer. The basic piece of good news was that Prime Minister Constantine Caramanlis and his New Democracy Party retained a clear, if diminished, parliamentary majority. As the chief restorer of Greece's democratic tradition, after the collapse of a blundering junta in 1974, Mr. Caramanlis deserved the further four-year mandate he has now received. What he will be able to do with it is another question.

In most other respects, the electoral trends in Greece are not encouraging. The ruling party's share of the popular vote fell fom 54 to 42 per cent, and it will have about 175 rather than its former 215 seats in the 300-member Assembly. The principal gains were made by Andreas Papanderou's Panhellenic Socialist Party, which rose from 13.5 to 25 per cent of the popular tally, and from 15 to about 90 seats, becoming the chief opposition party in place of the rebuffed Union of the Democratic Center.

The most disturbing aspect of the voting trend is not the rise of leftist economic thinking but, in Mr. Papanderou's version, its baggage of anti-Western propaganda and hardline attitudes toward Greece's disputes with Turkey. A few days before the elections, Mr. Papanderou handily summed up his demagoguery by declaring that "the U.S.A. and the countries of NATO and the EEC (European Economic Community) support the expansionist policies of Turkey." Even the election of Melina Mercouri on the Panhellenic Socialist ticket does nothing to sweeten that bitterly anti-Western message.

So Mr. Caramanlis will have to cope with a stronger, less responsible opposition as he seeks to preserve Greece's NATO role and to shepherd the country into EEC membership. The NATO relationship was wrenched in the Greek reaction to the invasion of Cyprus by one NATO ally, Turkey, and the failure of the United States and the other NATO allies to prevent it. Membership in the Common Market—a partnership with many of the same Western military allies—could be the salvation of the Greek economy but is distasteful to left-wing ideologues.

In dealings with Turkey about the future of Cyprus (with its Greek ethnic majority) and about conflicting claims to resources of the Aegean Sea, Mr. Caramanlis needs all the support he can muster for whatever compromises are possible. The opposition's continued use of an extremely nationalistic, anti-Turkish line could make any agreement difficult. Turkey's weak coalition government is even more handicapped should it seek to demonstrate public support for reconciliation between the Aegean neighbors.

One pessimistic view of the voting trend sees an increasing polarization of right and left, threatening a return of the parliamentary crises that damaged Greek democracy in the past. It is encouraging that, if the movement is toward fragmentation of the Greek electorate, it stopped well short of transforming the Caramanlis government into a struggling coalition dependent on tenuous political understandings. Four years with a safe majority might be enough to do wonders.

CHRIS HARDEE ELECTED NATIONAL FFA OFFICER

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. FUQUA. Mr. Speaker, the Future Farmers of America provide one of the finest training grounds for young people of any organization I know. It, therefore, is with special pride that the young men and women studying vocational agriculture in my district are honored with leadership positions in this great institution.

Thus, I take special pride that Chris Hardee of the Chiefland senior chapter of Chiefland, Fla., in my district, was named the southern region national vice president of the 50th national convention in Kansas City, Mo., recently.

And it is a special distinction that 11 of the 23 young people from Florida receiving the American Farmer degree are from my district. They are: Chris Hardee and Faron Perryman, Chiefland chapter; John Smith and Randy Hanna, Greensboro chapter; Patricia Harris and Lauren Hesser, Santa Fe senior chapter; Joe Hendricks, Lake Butler senior chapter; Kevin Huesman, Bronson chapter; Edwin Mozley, Malone chapter; Jeffery Parish, Vernon chapter; and Ricky Slaughter, Trenton chapter.

The area I serve in north Florida is the major agricultural area of our State and I think the fact that these young people merited the FFA's highest award is a tribute not only to them, but to their parents.

Chris Hardee is another in a distinguished line of national officers of the FFA from the Sunshine State, and he will be one of the best. The son of Levy County Commissioner and Mrs. Charles Hardee of Chiefland, he exemplifies the qualities of leadership that typify these young people.

It has been a long climb to this position of honor, serving as president of his local chapter in high school and then serving as Florida FFA president in 1975–76.

Following his year as State president, Hardee enrolled in animal science at Auburn University for 1 year before dropping out this fall to concentrate on running for national FFA office.

To be one of the six national officers is a tremendous tribute to this fine young

man. During the coming year he will travel across the Nation and that experience will be worth all of the effort and devotion which has gone into his achieving this mark.

To Chris Hardee, his parents, to all of these young people who received their American Farmer degree, and their parents, I extend my warmest congratulations. I know how much it means for I stood in their shoes once myself, and it is still one of the proudest days of my life.

BEN WEIR, SR.

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. SKELTON. Mr. Speaker, in 1787, in a letter to Col. Edward Carrington, Thomas Jefferson offered this famous opinion on the importance of a free press:

The basis of our Government being the opinion of the people, the very first object should be to keep that right; and were it left to me to decide whether we should have a government without newspapers, or newspapers without a government, I should not hesitate a moment to prefer the latter.

Since the founding of the American Republic, newspapers have played a vital role in protecting our freedoms and in keeping people informed. The publishers of newspapers are, in a sense, guardians of the public trust. A good newspaper publisher can make a unique contribution to the quality of life for the people in his community.

It is, then, with a deep sense of regret that I note the passing of a fine newspaperman, Ben Weir, Sr., publisher of the Nevada Daily Mail in Nevada, Mo. Ben's career as a newspaperman began more than 40 years ago at the Daily Globe in Atchison, Kans. In 1945, he became publisher of the Nevada Daily Mail, where he remained until his death, except for 4 years as publisher of the Independence Examiner. In 1968 the University of Missouri School of Journalism honored him for distinguished service to journalism.

In addition to his efforts as a journalist, Ben Weir was an active member of the community. At one time or another, he served as president of the Rotary Club, president of the chamber of commerce, a member of the National Boy Scout Council, and a regent of Southwest Missouri State College. He was a member of the United Methodist Church in Nevada.

Ben is survived by his son, Ben Weir, Jr., of Marshall, Mo., his daughter, Ludmila Ann Dickeson, of Flagstaff, Ariz., and three grandchildren.

Ben Weir was a fine family man, an exemplary member of the community, and a dedicated journalist. He will be sorely missed by the people of western Missouri, to whom he meant so much.

HOMES, DISAPPOINTMENT RISE IN SANTA BARBARA ASHES

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. LAGOMARSINO. Mr. Speaker, we are all aware of the devastation caused by the brush fire which swept through Santa Barbara last July 26, destroying 216 homes and causing $33 million damage. However, my colleagues may not be aware that since the fire things have not gone as well as might be expected. Although the director of the SBA declared an emergency in the area, making it eligible for low-interest loans, President Carter for some reason declined to follow through with a disaster proclamation, which would have provided Federal assistance for debris clearence and temporary housing. This despite the fact he was requested to do so by myself on the day of the fire, and subsequently by Senators CRANSTON and HAYAKAWA, Governor Brown, Assemblyman Gary Hart, and State Senator Omer Rains, who was the President's Western States campaign chairman. As a result, many people whose homes were destroyed have been forced to endure extra expense and hardship. These are people facing uninsured losses of $50,000 and more.

In order that my colleagues, who bear the duty and responsibility for developing national policy on disaster assistance, may have the benefit of the latest information on this situation, I insert the following article from the November 28 edition of the Los Angeles Times in the RECORD:

HOMES, DISAPPOINTMENT RISE IN SANTA BARBARA ASHES

(By John Hurst)

SANTA BARBARA.—They don't like to call it bitterness. That seems to lack grace. Disappointment is the word Mayor David Shiffman chooses.

"We are not a bitter people by nature," he said.

However, as new houses begin to rise out of the ashes of the July 26 fire that destroyed 216 homes, the victims of the blaze speak with an edge of bitterness about the federal government and, in some cases, the state and the news media.

There is a feeling here that the federal government, in denying Gov. Brown's request to supply temporary housing and debris clearance aid, was as unfeeling as the fire itself, which started when a runaway kite pulled power lines together, sending down a shower of sparks that turned drought-parched Sycamore Canyon into an almost instant inferno.

There is a feeling, too, that the governor was not as aggressive as he could have been in seeking federal aid.

"The governor's own people were very reticent about asking for federal assistance," Shiffman said. "We were very insistent that they go to the federal government and they took their time on making the request."

There also is a feeling that the news media hurt the fire victims' chances of federal assistance with inaccurate reports that the destroyed homes belonged to wealthy folks who watched their homes burn while sipping margueritas aboard yachts in Santa Barbara Harbor.

"I have a building inspector who lost his home up there," said Ray Nokes, head of the county Building Department. "You know, he's worked hard all his life and he had a little boat down in the harbor. He had a little motor cruiser. . . . He went down and lived on his boat and in the media it came out that he was on a yacht."

The inspector makes about $18,000 a year, Nokes said.

Nokes took a survey of fire victims the weekend after the blaze and of those who were willing to discuss their income, it averaged about $22,000 a year.

The average insurance coverage was $48,000 for dwellings that Nokes estimated will cost an average of $100,000 to rebuild.

The fire victims represent a cross-section of occupations, according to Nokes.

"In certain areas there are many people where both the husband and wife work," he said. "They are some kind of mechanic or carpenter . . . The wife works as a secretary . . . We have people on welfare, unemployed, clear up to retired generals."

Nokes said 75 permits have been issued to rebuild homes in the fire zone but owners face tougher regulations aimed at cutting down the fire danger.

No shake roofs will be allowed, for example, and owners who want wood siding on their homes are required to install sheet rock underneath it, adding greatly to the cost of homes that generally were far underinsured.

Many owners of older hillside homes are finding that their foundations, although undamaged by the fire, are not up to contemporary standards and will require replacement or major correctional work, also adding greatly to the cost of rebuilding.

No final figures on the damage caused by the fire have been compiled but the American insurance Assn. in San Francisco estimated the insured loss at $20 million. That figure includes personal property, as well as dwellings.

Nokes estimated the fire caused $24.5 million in damage to dwellings, $8.2 million in personal property losses including vehicles, and $1 million in damage to public property such as roads, utility lines, bridges and flood control channels. (A state estimate set the public property damage at $500,000.)

Nokes' total loss figure comes to more than $33 million but Shiffman said the total cost of the fire could well reach $50 million.

While President Carter, through the federal Disaster Assistance Administration, denied Brown's request for temporary housing and debris clearance aid, the director of the federal Small Business Administration declared the fire victims eligible for SBA low-interest loan assistance.

By mid-November, more than $3.8 million in federal loans to fire victims had been approved, according to Richard Schulze, manager of the SBA disaster branch in Santa Barbara. The deadline for applications is Wednesday.

The loans were granted to owners of 119 homes and 15 businesses in the fire area, Schulze said. The most common amount of a loan was $45,000, he reported.

"On our experience," Schulze said, "the average person was about 40 percent underinsured."

An SBA loan, Schulze said, is to be used to make up the difference, if possible, between the amount of insurance on a destroyed house and the cost to replace it. However, the maximum SBA loan is $55,000 and most of the houses will cost more than $100,000 to rebuild. Whether a fire victim will have

enough money between the two sources to rebuild will depend, of course, on how close the insurance coverage kept pace with rising construction costs.

Ten SBA loan applications were declined, Schulze said, because the applicants had no evident ability to repay.

Renters, he said, were hard hit, especially those with small craft businesses operated from their homes. Some lost everything and are not eligible for an SBA loan due to lack of incomes.

Homeowners who are rebuilding in the fire area—and most fire victims are expected eventually to rebuild—must get clearance from a newly formed technical review team, consisting of experts, such as engineers, from various public agencies.

County and city officials are considering controlled burning in the future as a fire prevention method, a procedure previously was banned because of air quality concerns.

Erosion and flooding are primary concerns since the fire damaged or destroyed acres of vegetation. The county has done some reseeding and some fire victims, whose homesites face possible mudslides, have tried on their own to prepare defenses.

Frank and Ellie Ruffing are rebuilding in Sycamore Canyon.

On the steep hill behind the site where their new house is going up, grass and shrubbery are watered by a sprinkler Ruffing installed. The grass spouted from seed he planted on his own.

The rubble of the house next door lies exposed to a bare dirt hillside behind it that could come sliding down on the ruins with the first heavy rain. That family will wait until spring to rebuild.

Ruffing described his flood control and mudslide prevention advice from members of the newly formed technical review team:

"One said, 'Don't do anything to that hill other than plant rye grass." Another guy came along and he said, 'Dig a ditch.' Another guy said, 'Use sand bags' . . . But they finally all got together and issued a building permit." Ruffing, a retired businessman from Ohio, bought the house in 1970. It was insured for about 60 percent of the cost to rebuild it. He hopes to get an SBA loan to help make up the difference.

The Ruffing also lost an estimated $60,000 in personal possessions that were underinsured.

They have insurance covering emergency living expenses but like many other fire victims, they found it difficult to find a place to rent in Santa Barbara.

"We looked and looked," Mrs. Ruffing said, "and could find no place that would take a dog to begin with. And when we did find a place that would accept a dog, it would be as high as $600 to $700 rent."

Like many others, the Ruffing stayed with friends until they found a place to rent.

Mr. and Mrs. Jim Williams moved five times since the fire, staying with friends and at motels until, after two months, they found a small duplex to rent for themselves, their 15-year-old son and their dog.

Like the Ruffings and other fire victims, the Williams are upset with President Carter's refusal to declare a state of emergency in Santa Barbara and with what they consider erroneous news reports that all the victims are wealthy.

The Williams are not rich. Williams works as the public information officer for Santa Barbara City College.

They bought their modest home, including the lot, for $19,200 in 1960. The only firm estimate they have gotten so far put the rebuilding cost at $62,500.

They were insured for about 50 percent of the rebuilding costs and hope to get an SBA loan to help cover the rest.

Except for the SBA officers, and California Conservation Corps workers who helped clear some of the debris, the Williams said help for fire victims came from friends, relatives, coworkers and private organizations.

"It did not come from government," the 45-year-old Williams said.

When Brown came to Santa Barbara after the fire to attend a conference on solar energy, Williams felt the governor should have been concentrating, instead, on the needs of the fire victims.

"He kept talking about solar energy," Williams said, "and I thought, 'Bull feathers,' because at that time we were living in a motel and I was more concerned with a roof over our heads than solar energy."

Besides the physical problems of shelter and clothing, the victims of the fire have gone through emotional troubles, according to the Williams. A panel of psychologists and psychiatrists recently met with a group of fire victims to discuss mental problems, the couple said.

Some couples have split up as a result of the strain, Mrs. Williams said, and children have been traumatized by the fire.

"Some parents are saying, 'I wish to goodness we had left earlier,' " she said, "because the children saw the house on fire and they're having nightmares."

It did not go unnoticed in Santa Barbara when Carter declared a disaster in Toccoa, Ga., the day after a dam burst there on Nov. 6, killing 39 people and doing an estimated $2.5 million in overall damage.

"I hate to tell you my first thoughts," Mrs. Williams said, "because I'm sure it's unfounded. But I thought, 'My gosh, it makes a difference if it's your home state and if the state carried you in the election.' There were lives lost, (but) . . . I have to admit, I did feel a little twinge of resentment."

Mrs. Williams' reluctant resentment is indicative of an undercurrent of suspicion in Santa Barbara that bad political blood between Brown and Carter influenced the reaction to the Santa Barbara fire.

It is not clear why Toccoa was declared a disaster and Santa Barbara was not.

There was loss of life in Toccoa and not in Santa Barbara but the federal programs connected with a presidential declaration of disaster have nothing to do with casualties. The programs are aimed at aiding survivors.

Moreover, the number of families left homeless, and the magnitude of the damage was far greater in Santa Barbara than in Toccoa.

Whatever the difference, people in both locales are trying to put their lives back together.

In Santa Barbara, the lure of the gorgeous mountain country is bringing the fire victims back to face tighter building restrictions, greater costs, mudslide hazards and the ever present danger of fire.

Ralph Whitmer, 66, and his wife, Marjorie, have hauled a house trailer up to the ruins of their home on a mountain lane aptly named Ridge View Road.

There, over a stunning view of the back country, Whitmer, who is retired, works to rebuild his house, using plans he drew himself.

"All through life, you've got to take some chances," he said when asked about the fire danger. "You can't play everything safe. Where can you go that there isn't some chance"?

COMMUNISM, SOCIALISM, AND DEMOCRACY

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. DERWINSKI. Mr. Speaker, Dr. David Owen, Britain's Foreign Secretary, is one of the prominent diplomats of this period. He is a scholar, historian of note as well as an outstanding representative of his country.

On Friday, November 18, Dr. Owen delivered the Hugh Anderson Memorial Lecture to the Cambridge Union Society on the subject of the relationship between socialism and communism in contemporary Europe. His lecture comprises the first authoritative assessment by any Labor Government minister of the challenges posed to socialists by what is sometimes termed Eurocommunism.

Basically, Dr. Owen rejected the term "Eurocommunism," and did so in a scholarly yet direct fashion. His address follows:

COMMUNISM, SOCIALISM AND DEMOCRACY

Today there are few questions requiring a more urgent and considered answer from Democratic Socialists than how to deal with the Communist Party in Europe. It is an urgent question because, in a number of countries, Communist Parties claim to have changed and, specifically, to have abandoned their subservience to Moscow and acquired a commitment to parliamentary democracy.

The power and influence of Communist Parties in a number of European countries has given added urgency to the question. In Italy, the Communist Party, with thirty-four per cent of the votes in the 1976 parliamentary elections and a long involvement in regional and local government, is now the second most powerful party. In Spain, Senor Carrillos defiance of the Soviet Union seems to be making him into a popular figure and the Communists are major political rivals of the PSOE or Democratic Socialists. In France, where support for the Communists appears to be falling, Communist electoral support was nevertheless sufficiently large for the Socialists and left-radicals to have to reckon with it in forming the left coalition.

THE BLURRING OF THE EDGES

In Britain, although Communist Party membership in July this year stood at only 25,293 (twenty-five thousand two hundred and ninety-three), the CP remains influential. On a whole series of fronts Communists are active, not as Communists used to be, advancing the claims of their party, building up their support in industry and attacking Democratic Socialists, but in the student broad left, as anti-racists, women activists or community workers.

This dangerous conscious blurring of the edges between communism and socialism—which has the Morning Star referring to MPS not as Labour but as left or Social Democrat—puts the challenge to Democratic Socialists at a more insidious level. The challenge remains. Nevertheless in this new modified respectable form it is far more dangerous, for it presents a real risk of eroding the foundation stone of socialism's commitment to democracy.

COMMUNISTS AND THE BALLOT BOX

The central question is not whether, or to what extent, the Communist Parties in Europe are still Marxist—leaving Communist Parties aside, Marxist thought is in any case part of the intellectual inheritance of Western Europe and together with methodism, guild socialism and anarchism, an important strand in Labour Party thinking. We have instead to ask ourselves what the attitude of these Communist Parties really is to democracy and to the ballot box. At the seventh congress of the comintern in 1935, Georgi Dimitrov, the secretary general, said in launching a popular front policy:

"Comrades, you will remember the ancient tale of the capture of Troy . . . we, revolutionary workers, should not be shy of using the same tactics. Is communism in Europe a later-day Trojan horse for dictatorship and totalitarianism? Or has there been a qualitative change since the 1930s, as a result of which the major Western European Communist Parties have a genuine and lasting contribution to make to the further development of democracy within a framework of individual liberties and pluaralist values?"

The questions are unanswerable. The Communist Parties in question have yet to be put fully to the test of governmental responsibility and, unless and until they are, nobody, including even their leaders themselves, can be certain of what will happen. What is important is that we should try to understand clearly the nature of communism in Europe, as it has evolved so far, and to seek to establish in what direction it may be moving. In the meantime, the issue which divides Democratic Socialists from Communists in this country—that of a proven commitment to democratic values and institutions—must be regarded as equally relevant to our relationship with the Communists on the continent.

THE PROFESSION OF PLURALISM

The plain truth is that open support for the ballot box is the only feasible path to political power for all western Communist Parties. The espousal of the ballot box is a political necessity for them. The explanation for their conversion is power. You have to search hard for any underlying philosophical justification for democracy. any espousal of libertarian values, any fundamental respect for diversity, any political humility.

Professions of support for pluralist democracy give us no guarantees of how political power, once acquired, would be used. In particular, the vagueness with which the parties describe the situation following the transition to communism can only increase suspicions. As Sr. Carrillo was quoted as saying in 1974 (nineteen seventy-four): "All we can say on this subject belongs to the sphere of future prospects as we see them, without it being possible to rely on precedents."

A SERIOUS PHENOMENON

These are some of the fundamental questions which the development of communism in Western Europe raises for Democratic Socialists. It is, however, no use looking on this development as an alien organism, to be treated contemptuously. It is a very serious phenomenon which needs analysis and debate. It is an indigenous product of national political processes and of a widely felt need for change and, for millions of Europeans, it has provided the means of re-engaging in the democratic process. The effectiveness of the Communist resistance in occupied France or fascist Spain, or of efficient local government by Communists in Italy, have all provided the communist parties in these countries with a degree of support that is itself an indictment of the failure of Democratic Socialist Parties to produce and implement effective policies. Yet, at the same time, it is the very broadness of the spectrum to which the Communists are appealing in these countries which gives hope to Democratic Socialists. Democratic Socialism can and should win back those voters.

THE DANGERS OF TERMINOLOGY

It is deliberate that I have not once mentioned the term Eurocommunism. I am deeply skeptical that any such a unified phenomenon exists. It is a dangerous term. It confers a respectability on an ill-defined, disparate and as yet unidentifiable phenomenon. It is very interesting that western Communist leaders themselves are now using the term Eurocommunism. They recognise it has an appealing quality. It is a convenient portmanteau term. It tends to make people suspend their critical faculties, avoid analysing the phenomenon seriously, country by country, and instead take refuge in generalities.

Eurocommunism is becoming respectable. It is a term which Socialists should eschew. We should give it no currency. I reject the term because I am not convinced that the phenomenon which it is supposed to describe exists as a separate entity. I reject the term because I do not wish to give communism anywhere a spurious credibility, particularly in Europe. I reject the term because it can easily mean lowering the guard of Democratic Socialists. It will not be long before we will be asked to link the British Communist Party with Eurocommunism. An attempt is already being made to persuade the Labour Party to confer on British Communists, the same credibility as we are in danger of giving to their Italian, French and Spanish counterparts.

WE MUST RESIST

The danger is that the Labour Party will be slowly turned away from its present outright opposition and traditional hostility to the Communist Party in Britain. We will be asked first to tolerate, then to associate and then to combine with the Communists under the broad banner of the left and embraced within the heady froths of Eurocommunism. We must resist for it could spell electoral death for the Labour Party.

THE WISE APPROACH

Instead, we in Britain should approach French communism in relation first to how French Socialists wish us to approach French Communists. The British Labour Party's prime relationship is with our fellow French Socialists or Italian Socialists or Spanish Socialists. This was the wise approach of the NEC international committee when considering whether to invite delegations from Communist Parties to annual conference. They first consulted and had the agreement of the Socialist Parties.

In working with our fellow Socialists we are bound to pay due regard to their own national political circumstances and their own national involvement with the Communist Parties. But it is not part of our philosophy to work independently with their Communist Parties. We should deliberately fragment so-called Eurocommunism so as to deal with it country by country, recognising that vigilance should be our watch word and that it is not in the interest of Democratic Socialism to promote Communism at the expense of our fellow Socialists anywhere in Europe.

SALUTE TO SENIOR CITIZENS

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. APPLEGATE. Mr. Speaker, I would like to take a few moments to address my fellow colleagues, and to enter as part of this RECORD, a statement reflecting the accomplishments and contributions of this Nation's senior citizens.

Through every walk of life and in every profession, the direction and wisdom which these men and women can provide is indeed far more valuable than can be accountable in words. As we so rapidly move and progress in today's world, the guidance offered through the experiences of these leaders can serve an even greater value. A quick glance through the pages of history indicates how previous great civilizations valued and respected the heritage and wisdom of their elder citizens.

In many cities and towns, both small and large, organizations uniting senior citizens together with a common goal can be found. These organizations not only provide a vital social function for senior citizens, but they also channel valuable service contributions by their membership to their respective communities. I direct your special attention to one such organization located in my district in Jefferson County, Ohio. This senior citizen's organization was the first such organization west of the Alleghany's.

Over the years, the accomplishments and services provided by this organization have been tremendous. I know that our community dearly values the existence and accomplishments of this fine group. I would like to commend this organization and I would hope that each of my colleagues will join with me in this salute, not only to this particular organization, but to the entire community of senior citizens in this country.

FUEL COST ADJUSTMENT REBATES

HON. DOUGLAS WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. WALGREN. Mr. Speaker, today Congressman MARC L. MARKS and I are introducing legislation aimed at the burden of increased utility costs automatically passed through to the public in the form of fuel cost adjustments.

At our town meetings, we have been struck by the number of elderly people on fixed incomes who have great fear that they will not be able to pay to heat their homes. They come to us with their gas bills in hand, distraught at the increases through the fuel adjustment clause that more than double their bills.

A recent study by the Congress revealed that in 1976 utility customers paid $12.7 billion more for electricity and gas service than they had in 1975. Three-fourths of this increase—$9.6 billion—was automatically billed to consumers through fuel cost adjustment clauses. This represents an average increase of $380 for each household in America.

The legislation we introduce today provides for rebates from the Federal

Government equal to the amount people 65 years of age and older, with adjusted gross incomes of $15,000 or less, pay for electricity and gas under automatic fuel adjustment clauses.

These rebates would be in the form of tax credits in excess of an individuals' tax liability. They would be available to both renters and homeowners for automatic cost increases incurred for nonbusiness, residential purposes in a principle dwelling only.

The median income for our citizens 65 years of age and older is $8,721. These are the people who can ill afford increased fuel costs.

Our bill would provide relief for 77 percent of this population group by focusing credit on those who have the most dramatic need for relief, elderly renters and home-owners.

We urge prompt consideration of this bill.

EXTRA CAUTION NEEDED FOR HOLIDAY CAROLERS

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. PICKLE. Mr. Speaker, each year we are all saddened to read of tragic accidents during the Christmas season. All too often we, or our friends, are touched by these tragic moments in a personal way.

A recurring cause of accident is the hard-to-see Christmas caroler being run down by an automobile during an evening of holiday singing.

The American Optometric Association has come forward with the wise suggestion that carolers make sure they are wearing reflective clothing.

To give this holiday tip to avoid unnecessary tragedy wide and needed publication, I ask that the announcement of this suggestion be placed in the CONGRESSIONAL RECORD, as follows:

Christmas caroling can be hazardous unless carolers are seen as well as heard, warn the nation's optometrists.

According to the American Optometric Association, carolers risk injury and death from pedestrian-auto accidents because, usually dressed in dark clothing, they are difficult for drivers to see at night.

A simple solution, the optometrists say, is for carolers to wear outer clothing trimmed with retro-reflective material.

Optometric studies indicate that retro-reflective material, which contains hundreds of tiny beads that reflect light back to its source, is the only material safely visible to drivers at all legal speeds, as well as excessive speeds up to 80 m.p.h.

Even more important for carolers, who often share the street with intoxicated drivers, retro-reflective material is safely visible to drunk drivers at all speeds up to 70 m.p.h. In the studies, ten percent of the pedestrians wearing black were not seen in time by drunk drivers traveling at 20 m.p.h. and almost six percent of those wearing white were not seen in time at 40 m.p.h.

Many manufacturers are adding retro-reflective material to ready-to-wear coats and shoes but iron-on and sew-on varieties make it possible to turn any outerwear into safe wear at home, says the American Optometric Association. Carolers should be certain, however, they are safely visible from front, sides and back.

NADER'S FANS PLAN IS JUST PLAIN N.U.T.S.

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. BOB WILSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

[From the El Cajon Daily Californian, Oct. 21, 1977]

NADER'S FANS PLAN IS JUST PLAIN N.U.T.S.

(By Bud Tucker)

LOS ANGELES.—Actually, you would have thought Ralph Nader was too busy saving us from the ravages of inferior food, clothing, automobiles and flea collars to worry about the manner in which we are being raped by sports promoters.

Nonetheless, good old Ralph has found time to establish an organization entitled Fight to Advance the Nation's Sports, or FANS, which would lump us together under the designation of consumer advocates.

Among those things from which we would be protected by FANS is increased prices for tickets to sports events. FANS will also strive to insure that all food and beverages served at sporting events are pure and wholesome.

FANS will also seek to get us a seat on the board of directors of our favorite franchise. Citing the trade of Tom Seaver from the Mets to the Reds without consulting the citizens of New York, Nader vows to put an end to this sort of bullying on the part of the owners.

Well, Ralph, at the risk of coming across as a sniveling ingrate, this tourist declines with thanks your generous offer. I, for one, am reasonably happy with the way things are going at the moment.

Sure, ticket prices are too high. But so is the cost of coffee and ham and eggs. Geez, milk is up to something like 50 cents a fifth.

The consoling aspect of all of this is that we can't stop buying groceries but we can discontinue purchasing tickets to sporting events. I mean, we can't get hamburger steak on television but there is no shortage of athletics.

In the matter of food, Ralph, you are making mention of the fact the stuff we get at the stadium is junk food and you would save our bodies from breakdown and ruin. Presumably, you will police the kitchens at arenas around the country and replace the hot dog with a spinach sandwich.

Well, most of us like hot dogs. Furthermore, the fatter and juicer the wiener, the better we like it. One of the real pleasures about going to the stadium is to fill ourselves with junk food and liquid moonlight and feel lousy the next day and swear up and down never to do it again. The thing is, we prefer to make the foregoing oath entirely on our own.

Besides, hot dogs are American. Spinach sandwiches are not.

If a client at the ballpark wishes to pay $2.00 for a flimsy little pennant which says "Los Angeles Dodgers" on it, that should be his own affair. He may be from Podunk and will never again see a major league game and will cherish his little banner for the rest of his life.

Hell, Ralph, in San Diego they sell satin cushions with "Mother" stitched on them. With the price of these things, they have been ripping off the sailors for decades.

Finally, Ralph, if you think we onlookers wish anything to do with trading or selling athletic livestock, you are hallucinating.

For instance, if the Los Angeles Rams lay out a fortune for a creaking quarterback named Joe Namath, we prefer such an experiment to be entirely on the heads of the Rams and the individual who makes the final decision.

You see, if Namath falls on his pompador, we wish to retain the right to sit in the seats and scream that the person responsible is a fathead. We can hardly do this if we are involved in the decision.

Similarly, if Gene Autry wishes to spend $5 million a year in an attempt to pump up the California Angels, we do not wish to have any of this squandering on our conscience.

The next thing likely to happen is that we would get involved with salary negotiations. Really, Ralph, we don't wish any truck with the likes of Howard Slusher and his inflated ideas of what certain of his clods are worth.

Dealing with agents is not for us. Carroll Rosenbloom of the Rams has had such an agonizing time with player agents his hairpiece is getting grayer.

Finally, Ralph, it has to be conceded there are some elements from which we need protection. Not the least of these would be an outfit called FANS which asks us to send in $9, the cost of two tickets to a baseball game, for membership.

An organization to spare us such insults to our intelligence might be called Nader Underestimates This Society.

EFFORTS BY THE ICC TO INCREASE COMPETITION IN TRUCKING INDUSTRY

HON. ELWOOD HILLIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. HILLIS. Mr. Speaker, during the recent congressional break, I became aware of current efforts by the ICC to increase competition in the trucking industry. I met with several constituents who are worried that those efforts will have an adverse effect on our trucking industry. Yesterday, I wrote to the Chairman of the ICC, the Honorable A. Daniel O'Neal explaining some of the dangers of increased competition. I would like to share that letter with my colleagues in order that they too can have the benefit of my discussion with businessmen who work with the trucking industry on a day-to-day basis. The letter follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., November 30, 1977.

Hon. A. DANIEL O'NEAL,
Chairman, Interstate Commerce Commission, Washington, D.C.

DEAR MR. CHAIRMAN: Recently, I had the fortuitous opportunity to meet with several businessmen in Kokomo, Indiana who are

concerned with the possible "deregulation" of the trucking industry. These businessmen expressed many valid concerns which I thought you should be aware of.

To begin with, it is my understanding that President Carter requested the ICC to reconsider its policies which regulate the establishment of new trucking companies. It was the opinion of the President that current policies make it difficult for new carriers to enter into any particular market place. As a result, competition has been unnecessarily discouraged.

In a preliminary effort to develop the case for deregulation, a staff task force was established by the ICC to review current regulations, procedures and policies. That task force subsequently made 39 recommendations in a report entitled "Staff Task Force Report on Improving Motor Carrier Entry Regulation." After these recommendations had been made public, the ICC then held several days of hearings in order to receive input on the findings of the task force. The testimony, as I understand it, which was received during these hearings is still being evaluated.

The concerns of the businessmen I talked to were many. Perhaps these concerns were best summarized by one gentleman who stated that deregulation of the trucking industry would result in a "fool's paradise." He explained that for a while everyone would be out trying to make money. Rates would go down and some companies would find that they were no longer able to continue to operate profitably. Many bankruptcies would follow and the only trucking lines making a profit would be a few large firms servicing large industries. Large companies would get larger and small companies would disappear.

Should these concerns become a reality, small businesses which must rely on small shipments of goods would suffer. As you know, shipments of less than 500 pounds are most often unprofitable. Under current regulations, trucking companies are mandated to carry these small shipments. If this situation should change, the small businessman would most certainly suffer.

Presently, customers are assured that carriers they contract meet the high standards of proper insurance and safety equipment required by the ICC. If the market place is opened to independent unregulated truckers, these guarantees would be eliminated. Furthermore, there would be increasing difficulties for individual states which require proper licensing and purchases of gasoline within their boundaries to compensate for the use of their highways to enforce their laws.

In my opinion, the transportation industry is a public utility. We must be careful to ensure that any change in the status quo is in the best interest of the nation. While I endorse the stated purpose of the ICC's efforts, i.e. to improve the ability of the independent trucker to contribute to the national transportation system, other factors must be kept in mind. The trucking industry is extremely complex and any major change in policy has several possible adverse effects which must be taken into consideration.

This country was founded on the free enterprise system—the essence of which is open and free competition. However, it has long been recognized that certain segments of our economy do not lend themselves to the advantages of open competition. Through the use of antitrust laws and federal regulations, our private sector is governed to allow open competition or to restrict it in a particular area, whichever is in the best interest of the public. The trucking industry is regulated. However, within those regulations, competition has been established and is well developed. This regulated competition has withstood the ultimate test of time. In fact, many shippers already believe that too much competition exists.

I do not need to express to you how important the trucking industry is to the United States. Any action which would prove harmful to that industry would prove disastrous to our economy. All concerned parties would agree that there is ample room for improvements in the ICC's regulations. To that end, many of the recommendations made by the staff task force appear to be worthwhile. I hope that those recommendations can be expeditiously approved and implemented. However, those recommendations aimed at increasing competition should be subjected to the most thorough scrutinization.

It is my sincere hope that the current Administration, and in particular the ICC, will consider very carefully all of the ramifications of reduced regulation and increased competition before taking any substantive actions. We must ensure that the careful balance between regulation and competition in the trucking industry is maintained.

Sincerely,

ELWOOD H. HILLIS,
Member of Congress.

ENERGY CONSERVATION MEANS A HEALTHY ECONOMY

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. DRINAN. Mr. Speaker, faced with bold assertions that serious energy conservation must come at the expense of economic growth, it is instructive to consider just how much energy saving is technically and economically feasible without hampering business expansion or sacrificing our quality of life.

This is especially important in weighing the promises of President Carter's national energy plan, in view of Energy Secretary Schlesinger's assurance to oil producers that "there is a very limited amount of conservation in this program."

I highly commend the following article from Technology Review, which discusses the enormous and untapped potential for energy conservation in the U.S. economy. One of its authors, Dr. Elias Gyftopoulos, is a Ford Professor of Engineering at the Massachusetts Institute of Technology, is an industrial energy conservation expert at the Thermo-Electron Corp., and advises me on energy legislation as a member of my energy policy task force.

The article follows:

[From Technology Review, June 1977]

ENERGY CONSERVATION AND A HEALTHY ECONOMY

(By Thomas F. Widmer and Elias P. Gyftopoulos)

It is only too well known that we are exhausting our finite store of fuels at an alarming rate, especially the gaseous and liquid forms. It's also painfully clear that we are investing more and more for new energy supplies and obtaining less and less for our money. International fuel prices have increased much faster than the prices of other commodities because of this scarcity of petroleum and natural gas and the high cost of new energy sources. Most indications are that this gap will keep widening for many decades to come. Fortunately, it is quite certain that we can re-optimize each energy-consuming task to achieve the same result at equal or lower cost, and use far less energy. In this paper we will show the firm technical and economic bases that underlie this seemingly bold assertion. We will show that there is an enormous opportunity for reduced energy consumption per unit of product in every sector of the economy; and if we do not take advantage of this opportunity, our economic well-being and security will be endangered.

Re-optimizing energy end-uses will, of course, require long-term commitments involving significant restructuring of all sectors of society. This restructuring cannot happen automatically, because of many institutional barriers and many distortions of the free market system introduced by past decisions. But these barriers and distortions are not insurmountable. They can be largely eliminated if we attack them with a comprehensive energy policy, such as the accelerated conservation policy we propose.

TECHNICAL ROOM FOR CONSERVATION

The laws of thermodynamics give us a most convincing technial basis for estimating the possibilities for energy conservation. Specifically, the second law of thermodynamics affords a yardstick that is universally applicable to all fuels and all processes. The second law implies that energy has a "quality" about it and that this quality can only be degraded as energy is consumed to perform useful tasks. The "available work" in a system is a quantity that takes into account both the quality and the quantity of energy (see "The Potential for Fuel Conservation" by Marc H. Ross and Robert H. Williams, February, 1977, pages 48-57). This "available work" concept has been used in several studies to measure the efficiencies of various energy-using processes in our society, as a function of the task to be performed, rather than the particular device used to perform that task. Some of the efficiencies estimated in these studies are:

Residential and commercial space heating: 6 per cent,

Residential and commercial water heating: 3 per cent,

Air conditioning and refrigeration: 5 per cent,

Automobile propulsion: 10 per cent,

Steel production: 21 per cent,

Petroleum refining: 9 per cent,

Cement manufacturing: 10 per cent,

Paper production: less than 1 per cent.

The total amount of fuel used in these applications is about 60 per cent of all U.S. energy consumption. The average efficiency of utilization, obtained by weighting each efficiency by the amount of fuel used for the purpose, is only 8.3 per cent. Moreover, the figure of about 8 per cent is believed to be fairly representative of the overall energy effectiveness throughout the economy. The 10 per cent efficiency given for automobiles actually overstates their performance considerably, since this calculation takes into account only the efficiency of converting fuel energy to tractive effort at the driving wheels. It is extremely difficult to specify auto efficiencies precisely because of various non-technical factors affecting the vehicle design, such as add-on hardware to enhance convenience, safety, comfort, etc.

We're not suggesting that energy efficiency will ever approach 100 per cent for real de-

vices or processes, even in the remote future. We wish to emphasize, however, that the present low values of efficiencies indicate the enormous opportunity for energy savings and that no fundamental scientific barriers exist to prevent substantial improvements in energy end-use effectiveness. Even a modest improvement, for example from 8.3 to 9.3 per cent efficiency, represents a saving of almost 10 "Quads" per year at the 1975 consumption level (where a Quad equals 10^{15} Btu's.). This is the energy equivalent of 4.6 million barrels of petroleum per day.

Some analyses mistakenly associate large energy savings with reduced economic activity. In 1972, for example, an analysis for the Chase Manhattan Bank stated almost fatalistically that "analysis of the uses of energy reveals little scope for major savings. The great bulk of the energy is utilized for essential purposes, . . . Conceivably, the use of energy for such recreational purposes as vacation travel and the viewing of television might be reduced—but not without widespread economic and political repercussions. There are some minor uses of energy that could be regarded as strictly nonessential—but their elimination would not permit any significant saving."

More correctly, a report by the Energy and Environment Division of the Lawrence Berkeley Laboratories answered that "more informed studies of energy use contradict this analysis. Especially misleading is the subjective phrase essential purposes, which obscures the whole question of efficiency. Careful analysis of energy use has revealed an enormous potential for energy conservation. The most recent forecasts from the Energy Research and Development Administration suggest that U.S. energy needs in the 1990s could be 20 to 40 per cent below what was previously expected, as higher energy prices and new end-use technologies help Americans squeeze more economic and personal well-being from every Btu."

The process known as cogeneration offers an impressive example of the energy savings obtainable using only current technology. Cogeneration—the combined production of electricity and industrial process steam—offers an opportunity for conservation because steam for industrial processes is produced at relatively low pressure and temperature and, hence, does not make good use of the high-temperature heat available from fuel combustion. The common practice of producing low-pressure process steam in a fuel-fired boiler is therefore thermodynamically inefficient. The practice can be made much more effective by first producing high-pressure steam in a boiler, then expanding this steam through a turbine to generate electricity and then exhausting the steam at the appropriate pressure level needed for the desired process.

The electricity thus produced is obtained at an additional fuel consumption rate less than half that achieved by the most efficient central station power plant. Since over 40 per cent of industrial energy—or about 16 per cent of all the nation's energy—is used in the form of process steam, the potential savings are enormous. In West Germany, cogeneration accounts for over 18 per cent of electrical needs, compared to only about 5 per cent in the U.S. A recent study by Thermo Electron Corp. for the Federal Energy Administration revealed that in just three industries—papermaking, chemicals, and petroleum refining—there exists the opportunity to produce over 34 per cent of all the nation's electricity by means of cogeneration and waste heat recovery.

While long-term dramatic improvements in end-use efficiencies can probably be made throughout the economy there will be a significant capital cost involved, unlike the case with many of the simple measures already implemented in response to rising energy prices. Such conservation actions, involving the trade-off of energy cost savings against initial capital costs, deserve the most careful attention in formulating a new U.S. energy policy.

SKYROCKETING SUPPLY COSTS

To understand just how economically sound conservation measures really are, we can compare capital requirements for various supply and conservation measures.

On the supply side, diminishing fossil fuel resources have necessitated the investment of enormous amounts of capital per unit of energy production capacity. True, Middle East reserves are still readily accessible. However, most new petroleum or natural gas production areas—such as the U. S. outer continental shelf, North Sea, Alaska, etc.—require anywhere from $10,000 to $15,000 for each barrel per day of equivalent fuel energy provided. This translates into a capital demand of about $4.5 to $6.8 billion for every Quad per year of energy delivered. Synthetic gas and oil obtained from coal will be even more capital intensive, probably requiring more than $10 billion per annual Quad.

New coal supplies are still obtainable at a capital cost of $1.5 billion to $2.0 billion per annual Quad. However, coal mining, processing, and combustion produce serious environmental and safety problems which may ultimately limit the rate of coal consumption, or at least cause increases in the cost of supply. Moreover, coal cannot be as flexibly used as oil and gas. The industrial sector could undoubtedly substitute more coal to produce steam, for example, but increasing our reliance upon coal will depend mainly upon its greater use by electric utilities or the development of economical gasification methods.

Electricity as a form of energy requires a much higher capital investment. For every Quad per year of delivered electricity, the capital investment in facilities for fuel supply, generation, transmission, and distribution will range from $45 billion for coal-based systems to about 1.5 times as much for nuclear generation. We cannot directly compare electricity costs with those for coal and petroleum fuel resources, because electricity has far greater flexibility of usage than does raw fuel. Even so, the capital cost of coal-based electricity is about $15 billion per annual Quad of coal converted to electricity, or more than eight times the capital cost of raw coal supply, itself.

Despite its high capital cost, electricity occupies a unique and vital place in the spectrum of energy forms. Many tasks exist that can be performed only by energy of the highest thermodynamic grade, such as electricity. So electricity is an essential part of a balanced energy supply system. Electricity should be recognized, however, as having both special properties and high capital intensity, and therefore should not be used as a convenience fuel, as for home heating.

The enormous and growing capital required to develop new energy supplies could injure the entire economy. According to even highly optimistic projections of economic growth and capital formation, the U.S. economy is unlikely to produce more than $2.7 trillion for all purposes over the next decade. Assuming that the long-standing ratio between business and residential investments prevails, about $1.8 trillion will be available for all business investments for both new capacity and replacement purposes. A New York Stock Exchange report estimated that, of that capital, the energy supply industry would require more than $800 billion.

It is an alarming prospect that we might have to allocate almost half of all business capital to energy supply investments alone. In the recent past, the energy industry has consumed only about one-fourth of total U.S. business capital, and even this fraction had created growing stresses in the capital markets. Unless this trend is reversed, we will soon be devoting so much of our scarce capital resources to energy production that other business needs will suffer a severe lack of investment funds.

A BARGAIN IN CONSERVATION

In contrast to the rising expenditures needed to develop diminishing fuel reserves, conservation can be put to effective use with substantially smaller capital commitments.

For example, for only a modest investment we could reap large improvements in the energy efficiency of the common window air conditioner. Data published by the Federal Council on Science and Technology showed that three commercially available room air conditioners with exactly the same 5,000-Btu-per-hour cooling capacity had the following initial costs and energy consumptions:

$120 for a 4.58 Btu/watt-hour unit;
$140 for a 5.80 Btu/watt-hour unit;
$165 for a 8.70 Btu/watt-hour unit.

As you can see, by investing only $45 in additional first cost—38 percent more—one can obtain an efficiency improvement of 89 percent.

Since the air conditioner is likely to be used only 500 hours per year, or about 6 percent of the time, the energy saving will be 258 kilowatt-hours per year. However, its usage is likely to coincide with the period of highest summer electrical demand. Hence, the $45 increment for conservation can be viewed as a direct substitution for more than one-half kilowatt of expensive utility system peak generation and distribution capacity, having a value of at least $200.

Unfortunately, user benefits do not reflect the same degree of advantage indicated by the capital cost comparison. In fact, the consumer would save only about $18 per year for 500 hours of use, yielding a gross payback of about four years. Even this moderately attractive return can be illusory when the ultimate consumer does not participate in the initial purchase decision, for instance if he lives in a rental apartment or housing equipped by the builder rather than by the owner.

Another example of high return on conservation investment is the case of waste heat recuperators. Recuperators can provide fuel savings of at least 25 percent on most high-temperature furnances used for controlled-atmosphere metal processing. The cost of such recuperators is about $1,300 for each combustion burner on a radiant tube furnace, with fuel savings amounting to about 125,000 Btu per hour per recuperator. Under normal plant operating schedules, this represents capital cost investment of $1.5 billion per annual Quad of fuel saved, compared to the $6 billion per annual Quad cost of new domestic gas supply.

With the recent sharp rise in industrial gas prices, the payback period for recuperators has shortened to about three to four years, a range that is still only marginally attractive to most industrial firms whose capital budgets can barely cover essential or "mainstream" business investment needs.

The generation of electricity from waste heat also represents an excellent investment opportunity. A recent engineering study conducted for a major cement manufacturer revealed the opportunity for producing 4,700 kilowatts of electricity by capturing waste heat from the exhaust of the company's cement kilns using a steam-electric bottoming cycle system. The cost of the system was $2.7 million.

If that 4,700 kilowatts were to come half from a new coal plant and half from a new nuclear plant a capital investment of more than $7 million would be required for fuel supply facilities, generating apparatus, and transmission and distribution equipment. In terms of energy capital effectiveness, the waste heat recovery system costs less than $25 billion per annual Quad of electricity, or less than half that of the average investment required for new coal and nuclear utility capacity.

It is noteworthy that in this particular case the conservation equipment was not installed, and the cement plant continues to purchase its electricity at 2.5 cents per kilowatt-hour. Allowing for operation and maintenance of the steam-electric bottoming cycle, the savings would have been $775,000 per year; i.e., the energy conservation investment would be recovered in about 3.5 years. Since this payback did not meet the company's requirements for discretionary investments, the proposal was rejected. As a result, the failure to implement this one conservation measure in one cement plant causes a continuing loss to the nation of 180 barrels per day equivalent petroleum. In general, capital investments for on-site generation of electricity by various schemes are smaller than those for central power stations, as shown in the chart at the left.

These few examples have only scratched the surface of conservation investment possibilities for industry. We have identified numerous examples of energy conservation investments in the steel, aluminum, oil refining, paper, chemical and other industries that significantly outperform corresponding investments in new energy supplies. In other sectors of the economy cost effective opportunities might include:

Substitution of diesel engines for gasoline engines in light trucks, which would require less capital per unit of fuel saved than does new petroleum supply capacity.

Weight reduction in automobiles through material substitution, which can actually decrease total capital cost.

Reducing passenger space is also cost-effective, but this type of energy conservation involves changing life-style and consumer tastes rather than improving technical efficiency, which is the focus of this discussion. It is important to clarify the distinction between these two different kinds of conservation, and to dispel the popular misconception that conservation is equivalent to belt-tightening. Such actions, usually taken in response to immediate crises, tend to obscure the real and lasting benefits of conservation through improved end-use effectiveness.

SOME BARRIERS TO CONSERVATION

Because of their economic attractiveness, one might expect capital investments in conservation to proceed at a faster rate in the industrial than in the residential or other sectors of the economy. After all, in industry energy users are likely to have a greater awareness of first-cost versus operating-cost tradeoffs. However, industry has not significantly outpaced other sectors in improving its energy efficiency. Where industrial conservation investments have been made, the decision has often been influenced by factors other than simple economics; for example, the threat of outright curtailment of production due to fuel interruption.

We've identified several reasons behind industry's reluctance to invest in energy-efficient equipment.

Most energy-user companies must maintain conservative debt-to-equity ratios because of uncertainty about the future availability and cost of financing. Conservation investments, therefore, do not usually command high priority in the competition for limited capital funds. These funds must first be reserved for essential mainstream business purposes, such as tooling new products and expansion of capacity to meet market conditions.

Criteria for investment payback are more stringent for manufacturing companies than for regulated utilities whose risks are lower.

The pricing of industrial electricity and fuel is largely based on average, rather than incremental costs of supply.

The factors tend to create a major distortion in the deployment of scarce capital resources to achieve the optimum balance between investments in new energy supply and in energy conservation.

A PLAN FOR ACCELERATED ENERGY CONSERVATION

A new government policy stressing energy conservation could produce major changes in our energy usage patterns in a relatively short time and without impairing economic expansion. By comparing energy demand estimates, with and without an accelerated conservation approach, one can really see the important differences that might be anticipated during the next decade.

For our scenario of life without accelerated conservation, let us examine a 1975 report by the Federal Energy Administration (F.E.A.) entitled, "National Energy Outlook." In its ten-year forecast for U.S. energy production and usage the F.E.A. predicted that higher energy prices alone could cut 1985 consumption from an unconstrained demand level of 123 Quads to about 107 Quads. Demand would be restricted further, to about 101 Quads, by some additional conservation measures which were not specified.

Under the F.E.A. plan, electrification was to increase from 1.93 trillion (24 per cent of all 1975 energy input) to 3.35 trillion kilowatt-hours (more than 34 per cent in 1985). Thus, with the real G.N.P. expanding at about 3 per cent per year (34 per cent over the decade), total energy was to grow by 2.8 per cent per year and electricity by 5.5 per cent per year. The plan was expected to produce almost no change in the distribution of energy by the end-use sectors relative to the pattern existing in 1975: residential and commercial would still comprise 37 per cent of consumption; transportation, 24 per cent; and industry, 39 per cent.

The F.E.A. projected a shift in energy resources, with coal rising from 18 per cent in 1975 to 22 per cent in 1985, nuclear energy rising from 3 percent to almost 10 per cent (accounting for over one-fourth of electricity generation), and oil and gas declining from 74 per cent to 63 per cent (the major reduction occurring in electric utility consumption of these fuels).

To provide a framework for evaluating these forecasts we have devised an alternative plan which stresses conservation measures. Based upon the same growth in real G.N.P. as assumed in the F.E.A. plan—approximately 3 per cent per year—the alternative approach postulates no substantial social changes or curtailment of living standards. This "Accelerated Conservation Policy" is by no means the only plan that might be considered, but it illustrates some of the benefits realizable by more effective energy end-use.

A key element of the conservation policy is the transfer of a major portion of the capital now marked for new energy supplies into investments in energy conservation in each of the end-use sectors. An important result of this transfer will be a major reduction in the total amount of capital required for all energy investments.

The Accelerated Conservation Policy calls for sharp curtailment in the rate of growth for electricity, the most capital intensive form of energy. It also calls for certain specific measures to improve end-use efficiencies, including:

Enforce the mandatory automobile fuel economy standards enacted by Congress. Impressive progress is being made toward meeting the 1980 criterion of 20 miles per gallon (m.p.g.), particularly by General Motors. The 1977 GM fleet average is projected to be 18.4 m.p.g. compared to 12.3 m.p.g. in 1974. Much of this improvement was accomplished through improved depth design and weight reduction, with little or no sacrifice in interior space or comfort. Planners should also consider a stepwise introduction of post-1980 standards, perhaps at a linear rate from 20 m.p.g. to the mandated 27.5 m.p.g. in 1985. This staged progression will insure that the improvements in average fuel economy continue without interruption for the turnover in overall population of 100-million-plus vehicles. The 27.5 m.p.g. goal is a difficult one, but there are strong indications that this level can be achieved by such strategies as the wider use of stratified charge or diesel engines, or both, improvement in transmissions, further weight reductions, etc. Some flexibility on the part of Congress with respect to emission levels of nitrogen oxides may be desirable to reach the optimum balance between fuel economy and exhaust pollutants.

Construct alternative electric generation capacity in lieu of 103,000 megawatts (Mw) of planned central station capacity. This alternative capacity would include cogeneration of electricity with industrial process steam (64,000 Mw); generation by district plants producing both electricity and space heating for buildings (32,000 Mw); and burning trash to generate electricity (7,000 Mw). Together, these electricity sources would contribute 24.5 per cent of all U.S. electricity. To stimulate this substantial shift away from central station utilities to the far more efficient systems identified above, several actions will be required, such as mandatory rules for purchase of surplus industrial electricity by utilities; a restructuring of backup or demand charges originally designed by utilities to discourage on-site generation; provision of direct government loans to industries and apartment or commercial complexes to finance investments in on-site generating capacity; special taxes on industries and commercial businesses which do not take advantage of proven cogeneration opportunities; and changes in federal, state and local rules regulating utilities.

Establish efficiency goals for all energy-intensive industrial processing equipment and systems; examples are blast furnaces, papermaking machines, refinery and chemical plants, heat-treating equipment, etc. In setting such goals consideration should be given to the efficiencies being attained in foreign countries where conservation technology has progressed further than in the United States.

Enact mandatory heating, insulation, and lighting standards for new residential and commercial construction. Standards should provide for optimum utilization of passive solar measures such as window and roof overhang design. We might also prohibit certain practices such as electric resistance space heating, and limit heat pump electric heating to those regions having moderate winter temperatures.

Enact progressively stricter efficiency standards for all major energy consuming appliances, such as water heaters, refrigerators, air conditioners, home furnaces, etc.

Phase out natural gas as a fuel, either for central station electricity generation or for process steam applications in industry. This could mean either a direct ban on such use, or a steeply progressive tax on gas fuel that

is so misused. Sufficient gas must be reserved for residential space heating and for direct-fired high-temperature industrial processes to avoid excessive growth in electricity demand.

Provide direct government loans and other economic incentives to finance the retrofitting of houses with conservation equipment, including insulation, storm windows, improved furnaces, and other cost-effective systems. This program should be continued until every structure in the nation has been modified to an extent commensurate with the capital cost of incremental new energy supply. These measures probably won't be completed until well beyond 1985, and our projections assumed less than one Quad of savings per year.

Collectively, these and several less important actions would reduce energy consumption over the next decade to 80 Quads per year, a saving of 21 Quads relative to the F.E.A. plan. In effect, energy growth can be almost halted over the ten-year span while economic activity can still expand by 3 per cent per year. Moreover, the costly electrical sector would increase to only 2.53 trillion Kwh, a growth rate of 2.8 per cent per year relative to 1975. The fraction of total energy converted to electricity, 29 cent, is higher than in 1975, but still well below the 34 per cent figure projected by the F.E.A. plan.

In the Accelerated Conservation Policy, distribution of energy by end-use sector differs from that of the F.E.A. plan, with transportation accounting for only 20 per cent, and industry rising slightly to 42 per cent. Sources of energy would change somewhat with nuclear fuel contributing only 7 per cent instead of 10 per cent of all energy. The fraction for oil and gas is about the same for both plans—63 per cent—but the contribution of coal rises from 22 per cent to 24 per cent under the accelerated conservation alternative.

Major contributions to the 21 Quads of total energy saved under the conservation policy are due to:

Automobile fuel economy standards (5.6 Quads),

Alternative methods for electricity generation (2.9 Quads),

Improved efficiencies in industrial processes (4.5 Quads), and

Appliance efficiency standards (2.5 Quads).

The remaining 5.5 Quads of savings result from improved insulation standards for all new buildings, increased retrofitting of insulation in existing structures, some modest usage of solar-assisted water and space heating, and greater efficiency in trucks due to wider use of diesel engines, improved scheduling practices, drag reductions, etc.

None of the measures we've proposed, except for far-term automobile efficiency improvements, requires unproven technology. Moreover, the overall improvement represents only a modest aggregate gain in the absolute efficiency of devices and processes. In fact, under our policy the average efficiency of energy utilization increases to 10.9 percent—only 2.6 percentage points over the 8.3 per cent we mentioned earlier. Approximately one-third of this gain is attributable to automobile fuel economy improvements alone.

WHAT COST CONSERVATION?

The most striking difference between the Accelerated Conservation Policy and the F.E.A. plan is the amount of capital needed to implement these alternative programs. Over the 1975-to-1985 decade the F.E.A. plan would require $570 billion for energy supply and $78 billion for energy conservation, for a total investment of $648 billion. In sharp contrast, the Accelerated Conservation Policy would require $61 billion for supply and $157 billion for conservation, for a total of only $18 billion—less than half the F.E.A. capital requirements.

These enormous capital savings are due in large part to sharply lower central station electric generating capacity. Less generating capacity investment is needed, not only because of reduced total electrical demand, but also because of the lower cost of altermative combined-cycle generating equipment, such as cogeneration. As you can see on page 35 and following, the conservation policy will thus result in significant savings on nuclear and fossil generating plant construction, and on coal, oil and gas consumption.

Savings on petroleum consumption will have a dramatic effect on imports. Accelerated conservation policies produce a net surplus or reserve of 4.5 Quads per year of natural gas by the end of the decade as is shown by comparisons of F.E.A. projections of maximum natural gas supply with our calculations of demand under a conservation policy. Required petroleum imports will be only 5.3 Quads of 2.4 million barrels per day—about one-third the present level of imports. Even if natural gas price controls were continued, the Accelerated Conservation Policy would curtail usage enough to almost exactly balance F.E.A.'s domestic supply forecast of 17.9 Quads for price-controlled supply. In contrast, the previous F.E.A. plan with complete price deregulation achieves zero imports in natural gas, but still requires the import of about 6 million barrels per day of petroleum—over 13 Quads.

There are clear and compelling economic advantages to the Nation for conserving more energy. Before this can occur, however, we must resolve the differences between two different sets of economic assessments that ultimately determine how we balance energy conservation. The problem is that investment decisions on conservation are generally made by a completely different group than that responsible for capital investments in energy supply. These two groups operate under substantially different ground rules for return-on-investment and access to capital markets. For example, the return-on-investment for energy conserving equipment required by energy users in industry is much higher than that for electricity plants achieved by regulated utilities, and the debt-to-equity ratio of manufacturing industries is much lower than that of utilities. Thus, it is totally unrealistic to suppose that the so-called "free market" approach will produce an optimal allocation of the nation's scarce capital resources among energy supply and conservation options.

Nothing resembling a free marketplace exists today, given the fact of cartel pricing for petrolum, and considering the long history of massive federal subsidies to the energy supply industry—research and development grants, depletion allowances, guaranteed return on utility investments, etc. This fact has often been obscured by those who promote price deregulation as the only means for a comprehensive energy policy.

STRONG REGULATION NEEDED

Our proposed policy for accelerated energy conservation depends heavily upon mandatory measures to improve end-use efficiency. This approach will inevitably raise arguments' against tampering with the so-called "tree market." Direct intervention must be considered, however, because price alone cannot provide sufficiently strong motivation for accelerated conservation.

Price increases are limited as a conservation stimulus even for the industrial sector, because energy costs still averages well below 10 per cent of value added for all manufacturing. Thus, even large additional rises in fuel prices will not necessarily place overwhelming conservation pressures upon manufacturers.

Congress has recognized this aspect of energy policy, and has acted wisely in passing the mandatory automobile fuel economy legislation. By forcing the desired trend in new car efficiency, this measure will mean a continuing reduction in gasoline consumption throughout the next decade and beyond. Moreover, the law can reduce gasoline consumption without the need for decontrolled gasoline prices.

The transition to a conservation plan requires nothing short of a massive restructuring of the priorities for deployment of resources, both capital and technological. This shift must take place in a relatively short period so that we won't exhaust our capital resources in marginal ventures.

ONLY THE BEGINNING FOR CONSERVATION

A conservation strategy could actually have more profound far-term implications than near-term. Current technology can clearly provide the 21 Quads of incremental annual savings over the next eight to ten years. But considering that overall second-law fuel efficiency would still be less than 11 per cent at that point, aggressive research into end-use efficiencies could almost certainly advance the technology still further. A concerted effort in this area has not even begun, and the untapped potential for improvement may well exceed anything on the horizon among the various alternative energy supply options. If, for example, we were able to continue improving energy efficiencies by about one percentage point every two and a half years, we could sustain an uninterrupted growth in real G.N.P. of 3 per cent per year for the next three decades, and still consume no more energy than we do today. Even then, our overall end-use efficiency would be only 20 per cent, about equal to that of the steelmaking process today.

The improvements in energy end-use efficiency that we postulate are, in fact, not all that remarkable. As you can see from the graph at the right above, they are still less than that accomplished over a comparable number of decades in improving electric generating plant efficiencies. The latter process, of course, has been subjected to enormous and continuing commitments of technological resources—the same prescription that is suggested here for energy end-use processes.

Some progress has already been made in overcoming the notion that the conservation of energy is synonymous with decreased economic activity. There is a growing awareness that capital investments in energy-saving devices can often yield greater dividends than comparable investments in new supply. Given appropriate stimulus, then, it is quite likely that the U.S. economy will make substantial progress toward more efficient end-use of energy over the next ten years. Unfortunately, there is little appreciation of the fact that conservation can play a major role in our long-term energy future. This misconception must be changed so that we can focus attention upon the task of developing the new conservation technology needed to insure continuing reductions in energy consumption in the period beyond 1985.

Perhaps the most decisive of all arguments in favor of conservation is the dividend that such a policy can buy in terms of time—the time needed for a thorough, searching, and balanced investigation of all possible energy supply alternatives, including the complete costs of their environmental and safety impacts.

IMPORTANCE OF PANAMA CANAL TO AMERICAN TRADE

HON. TOM HAGEDORN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. HAGEDORN. Mr. Speaker, despite efforts by many supporters of the Panama Canal treaty to downplay the canal's importance to the domestic economy of the United States, the canal

continues to be the critical east-west link for U.S. agricultural trade. In 1976, nearly 20 percent of all commodity exports passed through the canal, including roughly 18 percent of all corn exports, 26 percent of all soybean exports, and 45 percent of all grain sorghum exports. Transportation costs for these commodities to foreign markets could be expected to double in the event of transit difficulties at the Canal Zone.

These exports are not important only for the economic health of farmers and rural America; they are also critical to maintaining some semblance of a favorable "balance of trade" by the United States. The $23 billion in total U.S. farm exports in 1976 nearly countered the value of energy imports by the United States during that same period. Any interruption of traffic at the Canal Zone could quickly threaten the trade gains made in recent years in the Far East, further injuring the dollar and jeopardizing full production agricultural policies in this country.

To relinquish secure control over the Panama Canal at a time when American farmers are increasingly producing for world markets is surely one of the most compelling arguments against the pending treaty. Far more than mere symbolism is involved in the treaty; very real considerations of economic (and military) security are involved despite the efforts of many to wish them away.

At this point, I would like to insert an excerpt from a recent article on "The Panama Canal and U.S. Farm Trade" published by the Foreign Agricultural Service, as well as several charts illustrating the importance of the canal for U.S. commodity trade.

THE PANAMA CANAL AND U.S. FARM TRADE

While its role in total U.S. trade has declined in recent years, the 51-mile-long Panama Canal continues to be a key east-west link for U.S. farm trade. Grains, soybeans, and cotton headed to the Far East from U.S. Great Lakes, east coast, and gulf ports are especially dependent on the Canal, whose opening in 1914 gave U.S. shippers a welcome alternative to the hazardous Cape Horn route and helped foster east-west trade.

During 1976, about one in every 5 tons of U.S. farm product exports moved through the Canal. This amounted to some 20 million metric tons, or two-thirds of all farm product traffic through the Canal last year and about 17 percent of total Canal shipping.

Far the most important farm commodities shipped via the Canal are grains, soybeans, and other bulk products, whose lifelines to foreign markets are still the ocean-going tankers and freighters.

During fiscal year 1976 grains and soybeans accounted for 16.3 percent of all traffic through the Canal—their share being exceeded only by the 18.7 percent for petroleum and petroleum products.

In calendar 1976, roughly 18 percent of the 44.3-million ton U.S. corn export, 26 percent of the 15.3 million-ton soybean export, and 45 percent of the 5.7 million-ton grain sorghum export moved through the Canal. These three products, combined, earned $9.1 billion in foreign exchange for the United States during 1976 out of the $23 billion in total U.S. farm exports.

Adding in other bulk products dependent on Canal transit—including wheat and cotton—would push the figure much higher still.

By penetrating the land barrier to transportation posed by Central and South America, construction of the Canal through the Isthmus of Panama represented one of the early breakthroughs for U.S. trade, paving the way for export grains in the Far East and other distant markets. For many U.S. farm products, this advantage continues, despite hikes in Canal tolls since 1974 and the advent of air transportation and innovative land-sea connections.

Last year, for instance, the Canal handled 70 percent of all U.S. farm commodity exports to 15 markets in East, Southeast, and South Asia and Oceania. The Asian market as a whole now means $8.5 billion to U.S. farmers and ranks alongside Western Europe as the leading outlet for U.S. agricultural products.

Japan—the largest single-country market, with imports of U.S. farm products approaching $4 billion—took over 12 million tons of U.S. agricultural shipments through the Canal last year. That adds up to around 60 percent of all U.S. farm product exports through the Canal and an even larger percentage of U.S. farm trade with Japan.

South Korea and Taiwan each took more than 1.5 million tons of U.S. products via the Canal last year, while Hong Kong, Indonesia, and Chile also received large quantities of westward bound shipments.

Such products originate throughout the eastern half of the United States, ranging from the granary States of the Midwest and Great Plains to the cotton fields of Arkansas and Louisiana.

U.S. corn and soybeans bound for the Far East travel to Great Lakes ports or down the Missouri, Ohio, and Mississippi Rivers to the gulf for westward shipment through the Canal.

Short-staple cottons used by Asian markets are produced in Texas and the western Old South and shipped out of the gulf.

While White wheat and Hard Spring wheats produced in the Pacific Northwest tend to go to west coast ports, Hard Red Winter wheats and almost all grain sorghum move out of the gulf and—again—through the Canal.

Also of significance are shipments from the U.S. west coast to Europe, as well as to the U.S. east coast. Last year, 60,802 bales of California and Arizona cotton moved eastbound into export through the Canal. In addition, much canned fruits and vegetables moving from the west coast to east coast, as well as some citrus and dried fruits, go through the Canal.

Total shipping through the Canal during fiscal 1976 included 13,201 ship transits and cargo movements of 119.3 million metric tons. (However, this was the lowest level since 1965, reflecting the worldwide recession and reopening of the Suez Canal.)

Of all the foreign vessels going in and out of U.S. seaports, 7 percent passed through the Canal in fiscal 1976, compared with 13 percent in 1949, More than two-thirds of this trade either originated in the United States or was destined for U.S. ports.

Tolls on the Panama Canal have been increased three times since 1974—once as a result of a technical change and twice to make up for deficits incurred by the Panama Canal Company, which is required by law to be self-sustaining. So far, these increases have carried charges some 50 percent above those prevailing before 1974, to $1.29 per ton currently.

Still, the Canal is a much more economic means of shipping bulk products than any other alternative now available.

Rerouting grain shipments around South America might almost double transportation costs, according to USDA analyses. And transit time would be increased considerably; for example, shipping time from New Orleans to Yokohama would rise from an average of 25 to 45 days in vessels that normally carry contents of bulk grain.

Such factors would lessen the U.S. farmer's ability to compete for Asian markets, thus benefiting Australia and other exporting nations with access to the Pacific or those with closer locations to major markets. Cross-country land-sea transportation—including the minibridge system with surface carriers now used extensively for container shipping—also would be prohibitively expensive for grains and soybeans. Moreover, existing transportation and port facilities could not handle the volume increases that would be required to circumvent the Canal.

U.S. farmers and rural communities thus have much to gain from continued, dependable operation of the Panama Canal.

These benefits radiate throughout the economy. Farmers depend on the export market to take one in every three harvested cropland acres, amounting to a fifth of net farm income. And gross farm income in the first half of 1977 was running at an annual rate of $108 billion—more than that generated by any other U.S. industry—with some $85 billion of the production expense paid to people outside agriculture.

COMPARATIVE DISTANCES TO SELECTED PORTS VIA PANAMA CANAL (PC) AND STRAITS OF MAGELLAN (M)

[In nautical miles]

From—	Via	To— San Francisco	Seattle (Vancouver)	Guayaquil	Callao	Valparaiso	Yokohama	Shanghai	Singapore
New York, N.Y.	PC	5,263	6,038	2,842	3,368	4,634	9,700	10,584	12,523
	M	13,122	13,898	10,241	9,605	8,366	16,209	16,761	16,619
Halifax, Nova Scotia	PC	5,583	6,358	3,162	3,688	4,954	10,020	10,904	12,843
	M	12,987	13,763	10,106	9,470	8,231	16,074	16,626	(1)
Norfolk (Newport News, Va.)	PC	5,067	5,842	2,646	3,172	4,438	9,604	10,388	12,327
	M	13,068	13,844	10,187	9,551	8,312	16,155	16,707	(1)
New Orleans, La	PC	4,689	5,464	2,268	2,794	4,060	9,126	10,010	11,949
	M	13,495	14,271	10,614	9,978	8,739	16,582	17,134	(1)
Aruba, Netherland Indies	PC	3,922	4,697	1,501	2,027	3,293	8,359	9,243	11,182
	M	12,006	12,782	9,125	8,489	7,250	15,093	15,645	(1)
Rio de Janeiro, Brazil	PC	7,656	8,431	5,235	5,761	7,027	12,093	12,977	(1)
	M	8,426	9,202	5,545	4,909	3,670	11,513	12,065	11,923
Buenos Aires, Argentinia	PC	8,674	9,449	6,253	6,779	(1)	(1)	(1)	(1)
	M	7,582	8,358	4,701	4,065	2,826	10,669	11,221	11,079

[1] Not applicable.

Source: Panama Canal Company Board of Directors: "Report of Panel on Proposed Changes in Rates of Tolls for the Panama Canal," Sept. 13, 1976.

PANAMA CANAL CARGO MOVEMENT, BY PRINCIPAL TRADE ROUTES, 1966–75 [1]

[In thousands of long tons]

Item	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975
East Coast United States-Asia	25, 912	29, 742	34, 691	39, 486	48, 337	49, 535	40, 036	50, 051	56, 935	55, 402
Europe-West Coast United States/Canada	7, 343	6, 786	7, 481	7, 600	8, 932	9, 698	9, 160	10, 210	11, 555	10, 561
East Coast United States-West Coast South America	7, 628	7, 867	6, 778	7, 383	8, 674	8, 007	6, 805	7, 929	8, 498	8, 417
Europe-West Coast South America	6, 645	5, 754	5, 901	5, 618	6, 013	5, 723	5, 729	4, 839	4, 782	5, 481
Europe-Asia	653	1, 075	4, 642	3, 698	5, 027	5, 164	5, 783	6, 346	8, 500	10, 028
Europe-Oceania	2, 255	2, 184	2, 752	2, 659	2, 864	3, 397	2, 938	3, 307	3, 588	3, 590
U.S. Intercoastal (including Alaska and Hawaii)	5, 787	5, 273	4, 678	3, 793	3, 670	3, 794	3, 134	3, 812	4, 647	4, 386
West Indies-West Coast United States	1, 579	2, 385	2, 311	2, 019	2, 061	2, 536	2, 341	2, 065	2, 279	2, 746
East Coast South America-West Coast United States	2, 692	1, 996	2, 160	2, 257	2, 700	3, 106	2, 744	2, 576	4, 462	2, 934
East Coast United States-West Coast Central America/Mexico	2, 798	1, 031	1, 216	1, 192	1, 143	1, 577	1, 626	1, 717	2, 170	1, 869
South American Intercoastal	2, 816	3, 163	3, 498	3, 995	2, 454	2, 320	3, 812	3, 306	4, 598	4, 675
West Indies-Asia	1, 848	2, 001	2, 618	2, 400	2, 479	3, 225	2, 141	2, 352	2, 557	2, 150
East Coast Canada-Asia	704	1, 148	1, 951	2, 187	2, 672	2, 935	3, 549	3, 670	4, 025	3, 461
East Coast United States/Canada-Oceania	3, 269	3, 526	2, 900	3, 034	2, 644	2, 870	3, 432	3, 395	4, 005	4, 130
All other routes	9, 775	12, 262	12, 973	14, 052	14, 187	14, 740	16, 004	20, 529	25, 306	20, 271
Total	81, 704	86, 193	96, 550	101, 373	114, 257	118, 627	109, 234	126, 104	147, 907	140, 101

[1] Toll-paying ocean-going commercial traffic (vessels of 300 Panama Canal net tons and over).

Source: Panama Canal Company Board of Directors: "Report of Panel on Proposed Changes in Rates of Tolls for the Panama Canal," Sept. 13, 1976.

ACTUAL AND PROJECTED PANAMA CANAL TRAFFIC FOR SELECTED AGRICULTURAL AND RELATED PRODUCTS

[In thousands of long tons]

Commodity	Actual fiscal year 1975 [1]			Projected fiscal year 1977 [2]			fiscal year 1978 [2]			fiscal year 1979 [2]		
	P-A [3]	A-P [3]	Total	P-A	A-P	Total	P-A	A-P	Total	P-A	A-P	Total
Wheat	291	4, 422	4, 713	475	3, 630	4, 105	300	3, 940	4, 240	300	4, 195	4, 459
Coarse grains	230	9, 405	9, 635	455	11, 365	11, 820	340	12, 770	13, 110	340	13, 595	13, 935
Bananas	1, 682		1, 682	1, 665		1, 665	1, 710		1, 710	1, 760		1, 760
Sugar	2, 852	1, 389	4, 241	3, 280	950	4, 230	3, 420	1, 000	4, 420	3, 510	1, 050	4, 560
Soybeans	10	3, 472	3, 482	80	4, 555	4, 635	100	5, 085	5, 185	100	5, 455	5, 555
Lumber	3, 517	127	3, 644	4, 105	75	4, 180	4, 585	75	4, 660	5, 165	75	5, 240
Pulp, paper, and paper products	2, 625	695	3, 320	1, 975	630	2, 605	2, 520	725	3, 245	3, 045	620	3, 665
Phosphates	84	5, 092	5, 176	25	3, 740	3, 765	25	4, 155	4, 180	25	4, 670	4, 695
Potash, fishmeal, and fertilizers	1, 894	2, 274	4, 168	2, 125	1, 130	3, 255	2, 365	1, 280	3, 645	2, 605	1, 475	4, 080
Refrigerated foods	1, 683	409	2, 092	1, 680	332	2, 012	1, 675	310	1, 985	1, 685	257	1, 942
Other food	2, 923	947	3, 870	2, 660	545	3, 205	2, 501	530	3, 031	2, 432	520	2, 952
Miscellaneous cargo and containers	5, 144	3, 828	8, 972	5, 725	4, 990	10, 715	6, 160	5, 660	11, 820	6, 595	6, 295	12, 890
Total traffic	56, 009	84, 092	140, 101	52, 875	74, 478	127, 353	55, 600	78, 467	134, 067	58, 449	81, 719	140, 16

[1] July to June.
[2] October to September.
[3] P-A=Pacific to Atlantic; A-P=Atlantic to Pacific.

Source: Panama Canal Company Board of Directors': Report of Panel on Proposed Changes in Rates of Tolls for the Panama Canal, Sept. 13, 1976.

PANAMA CANAL: MOVEMENT OF MAJOR AGRICULTURAL PRODUCTS THROUGH THE CANAL IN 1976

[In thousands of metric tons]

Commodity	Atlantic/ Pacific	Pacific/ Atlantic
Canned and refrigerated foods [1]	490	3, 671
Barley	39	526
Corn	8, 307	30
Oats	33	5
Rice	19	281
Sorghum	2, 264	
Soybeans	4, 458	36
Wheat	2, 478	708
Beans	33	38
Cocoa	9	51
Coffee	27	631
Copra, coconuts		115
Cotton	260	142
Molasses		662
Oilseeds	31	120
Skins and hides	2	45
Suger	703	2, 794
Wool	3	175
Edible oils [2]	144	980
Wheat flour	81	20
Tobacco	86	13
Total	19, 467	11, 025

[1] Including bananas, dairy products, fish, meat and other.
[2] Fish oil, vegetable oil. coconut oil and whale oil.

Note: Atlantic/Pacific lumber and products in 1976 were 216,000 metric tons and Pacific/Atlantic shipments were 5,432,-000 tons. Trade between the United States East Coast and Asia was 47,900,000 tons or 48 percent of the total Canal cargo volume through the Canal. Japan was the origin or destination of 44,700,-000 tons of cargo transiting the Canal or 77.1 percent of the total cargo moving to and from the Far East.

Source: Panama Canal Company, "Annual Report, Fiscal Year—June 30, 1976."

NEW LANDING SYSTEM DEMONSTRATED AT CAPE MAY BY NAFEC

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. HUGHES. Mr. Speaker, last month the FAA's National Aviation Facilities Experimental Center (NAFEC) and the Cape May County Airport, both in my district, took part in a development that will have future significance to aviation. The event was the first demonstration at a small, community airport of the proposed U.S. Microwave Landing System that NAFEC has played a major role in developing and testing at its 5,000-acre proving ground in Pomona, N.J.

That demonstration, thanks to the efforts and joint cooperation of Cape May County Airport officials and NAFEC engineers, illustrated the speed by which a small community MLS can be set up, as well as this system's capabilities in a rural, operational environment.

As many of my colleagues know, the Federal Aviation Administration is embarking on a program of showing the technical and cost advantages of the U.S. MLS system, based on a Time Reference Scanning Beam principle. Such demonstrations are aimed at showing the world's aviation community the superiority of the MLS–TRSB system, which the International Civil Aviation Organization (ICAO) is expected to approve at a meeting next spring in Montreal. The U.S. MLS–TRSB already holds a favored position within ICAO. This is based on a vote earlier this year by an ICAO technical committee.

I am very pleased and proud to see that two important operations within my district—NAFEC and the Cape May County Airport—have contributed to what is likely to be the next international approach and landing system of the future for civil aviation.

Accordingly, I commend to the attention of my colleagues the following two fine newspaper accounts of their joint efforts, together with some background material on MLS issued by NAFEC:

[From the Atlantic City, (N.J.) Press, Oct. 7, 1977]

CAPE MAY TEST—LANDING SYSTEM MAKING WAVES

(By Daniel Heneghan)

RIO GRANDE.—Relief may be in sight for residents plagued by aircraft noise and a safer flight is in store for fliers of the future.

It all comes in the form of a new all-weather landing system which U.S. officials hope will be selected to replace the present instrument landing system.

Officials from the National Aviation Facilities Experimental Center (NAFEC) demonstrated a new "Microwave Landing System" (MLS) at the Cape May County Airport here Thursday to show how it can give a pilot more flexibility in landing in bad weather.

The development of the system, according to NAFEC Deputy Director Joseph Del Balzo, means "existing airports can handle additional traffic more efficiently and with greater safety."

At the same time, it gives pilots the ability to cut down on the amount of time they fly over populated areas by using steeper angles of descent and curved or segmented approaches, he explained.

In addition, Del Balzo explained that the system is compact and inexpensive enough to be installed at small, community airports.

"This system is able to serve the complete spectrum of aviation in all weather and in zero visibility," he said.

The system uses two sets of radio waves to pinpoint a plane's location and guide the pilot to the field. The radio waves emanate from two antennae which are placed near each end of a runway with little advance site preparation. Position is determined by the time it takes for a sweeping signal to be received twice by the plane, a process which gives the microwave system the designation of Time Reference Scanning Beam.

One of the drawbacks of the instrument landing system, Del Balzo explained, is that the transmitting antennae have to be placed approximately 1,200 feet from the side of a runway across level terrain.

The instrument system, "requires weeks to set up and costs $40,000 to $250,000 in site preparation alone," he said.

An MLS system for an airport like the Cape May County Airport, Del Balzo said, would cost approximately $60,000 for the avionics—or about the same as for the equipment involved in an instrument landing system. Site preparation for the MLS, however, costs only $2,000 as opposed to the minimum of $40,000.

The landing system, which had been tested at NAFEC and two other federal airport installations, was moved here from NAFEC last week and set up in less than two days, Del Balzo said.

One of the planes involved in the test flights Thursday was a De Havilland Twin Otter from the Canadian Department of Transportation, the same type of plane that operates on the Southern Jersey Airways commuter flights from here to Philadelphia.

Inside the crowded cabin, NAFEC project manager Richard Cleary proudly showed off the compact equipment, which included an instrument resembling a pocket calculator which displayed the plane's deviation from the pre-determined glide slope and how far it strayed from the center line of the runway.

He said that if a Twin Otter that crashed here last winter—killing four persons—were equipped with the MLS, the crash may have been averted.

"I haven't read the accident reports, but I would say that if it had the MLS the crash probably would not have occured," Cleary said.

In 1972 the International Civil Aviation Organization (ICAO) called for the development of a new landing system to handle increasing airport loads safely and more efficiently. Since then, half a dozen countries started working on systems capable of replacing the instrument landing system. The system tested Thursday was developed through a joint effort of the United States and Australia with help from a number of other countries.

At a meeting of a technical sub-committee of ICAO last March, the MLS system was recommended for approval by the full organization.

At a meeting in Montreal in April, ICAO will select one of two systems under consideration, the MLS developed at NAFEC and a system developed by the United Kingdom.

Following the test Thursday, Del Balzo said the system would be taken down and flown to Buenos Aires, Argentina and then around the world to gather international support for the system among ICAO member nations.

[From the Evening Bulletin, Oct. 7, 1977]

FAA MICROWAVE LANDING SYSTEM DEBUTS

(By Don Nauss)

ERMA.—The Federal Aviation Administration (FAA) yesterday demonstrated at Cape May County Airport a new microwave landing system which it claims will revolutionize modern-day aviation.

The all-weather system, FAA officials said, is cheaper to install than present instrument landing systems, can reduce air traffic congestion and lead to noise reduction in communities located near airports.

The system, developed by FAA's National Aviation Facilities Experimental Center (NAFEC) in nearby Pomona, will be tested world-wide over the next few months.

The International Civil Aviation Organization (ICAO), the world's recognized ruling body on aviation regulations, is expected to approve the system at its Montreal meeting in April.

If approved, FAA officials said it will be the first major development in aviation guidance in 40 years and will replace most instrument landing systems in use throughout the world.

NAFEC Deputy Director Joseph M. Del Balzo, at a press conference yesterday, said the system, commonly called MLS, was developed in response to ICAO's call to eliminate major problems now facing airports.

"There is an international requirement for a new landing system," said Del Balzo. "But we've run out of improvements for the instrument landing systems."

MLS utilizes the microwave frequency band which offers several advantages over conventional systems which use VHF and UHF frequencies.

The latter bands are limited to 40 channels and are susceptible to greater interference and distortion often found in busy air terminals. The microwave band has more channels allowing for better tower-to-airport communication which can ease and speed landing.

"This also means that existing airports can handle additional traffic more efficiently and with greater safety," said Del Balzo.

The system utilizes two beams which scour the area approaching the airport both on a vertical and horizontal plane. When an aircraft is beamed, the pilot can read precise readings of his elevation, distance from the airport and angle of descent.

Because of the greater range of the system and precision, it can allow aircraft to approach landings from extreme curves or in steep descents. Presently, conventional systems demand one path to be followed by approaching aircraft.

Del Balzo said that this flexibility can lead to abatement of noise levels over communities near airports by rerouting airplanes.

NAFEC demonstrated the system's operations utilizing a Canadian DHC–6 Twin Otter. On two separate runs, the pilot brought the bulking plane in on a regular landing and then followed with a steep descent.

Another advantage of the new system, according to Del Balzo, is the cost. Although the system costs about the same as conventional systems ($60,000), the savings on installation is sizable.

Del Balzo said that the small system installed in Cape May cost $2,000 to install and only took a day. Another system would have taken weeks to set up and cost anywhere from $40,000 to $250,000 for installation.

"In the case of many small airports throughout the world," Del Balzo said, "this can mean the difference between having or not having an instrumented all-weather approach and landing system."

The demonstration at Cape May marks the first test of the system at a small rural airport which presently has an instrument landing system.

Plans were announced earlier this year for installation of the new system at the airport. It is hoped it will increase landings at the airport which now handles only 22 daily flights in the summer and six in the winter.

It is frequently closed during inclement weather. Last December two persons died and another was severely injured when a plane crashed while attempting to land in a rain storm.

BRITISH STEEL CORP. FACES 1977 LOSS OF $1 BILLION: CONTINUES TO DUMP STEEL IN U.S. MARKET

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. VANIK. Mr. Speaker, on November 3, I entered some data in the CONGRESSIONAL RECORD which had been provided to me by the U.S. Customs Service and which showed that the British Steel Corp. was selling steel in California cheaper than were the Japanese. I pointed out at the time that there was no steel expert in the world who believed that the British were more efficient steel producers than the Japanese and that this data was therefore prima facie evidence that the British were dumping steel in the United States. The reason that they are selling large quantities of steel in America below their cost of production is that it maintains employment in England; in short, the British have been exporting their unemployment from England to the Mahoning Valley and the other steel towns of America.

The November 28 issue of Business Week contains an article which starts:

A crisis is at hand for Britain's biggest public investment—British Steel Corporation. Next week it is expected to report first half 1977 losses of about $360 million, with a projected loss of $1 billion for the year.

Any (private) company losing money at the rate of British Steel would now be in receivership or liquidation, Chairman Sir Charles Villiers told the steel unions. British Steel has to become a business and cease to be an institution.

I would like to include this article and an article from the November 19, 1977 Economist in the RECORD at this point. These two articles indicate, more clearly than ever before, the extent of Government subsidy given to the British Steel Corp. It is totally unfair and unrealistic to expect private American steel corporations to compete against this State-owned corporation which is backed by the full Exchequer of England.

Every ton of steel shipped here from England is shipped here under subsidy—and every ton helps unfairly put an American worker out of his job.

It is imperative that the Treasury Department act against this type of blatant dumping practice immediately and on its own initiative.

The articles follow:

[From the Economist, November 19, 1977]

BRITISH STEEL: THEY'RE STILL PASSING THE BUCK

The government and its nationalised British Steel Corporation cannot agree how to tackle its mounting, huge losses, and the overmanning that has caused them. The government wants the problem to be tackled by negotiation with the top national officials of the steel unions, especially Mr. Bill Sirs, general secretary of the largest, the Iron and Steel Trades Confederation and chairman of the TUC steel committee. The BSC wants to negotiate closures at plant level where it reckons it has more chance of persuading people to accept them.

The BSC is more likely to be right, this time, than wrong. Past efforts to persuade the unions to agree nationally to sackings to reduce the corporation's overmanning have got nowhere. True, there have been "agreements" signed after midnight confrontations and outbursts by BSC's former chairman, Sir Monty Finniston. But BSC still employs 205,000 or so people, no fewer than three years ago. On the most conservative reckoning, that is at least 25,000 too many and more like 60,000 if BSC is to be slimmed down to internationally competitive levels.

The present chairman, Sir Charles Villiers, points to BSC's success in negotiating the earlier-than-planned closure of Clyde Iron, in Scotland. It will be shut by February, 1978, two years earlier than the date set in the review by former industry minister Lord Beswick. The £1m–2m expected closure cost will be much less than the cost of keeping it open until 1980.

Everybody concerned with BSC knows the scale of its problems. That certainly includes Mr. Sirs. But he does not dominate the other steel unions so cannot push through measures of the sort that are needed—not even if things are arranged so that he appears on the way to have gained some great victory (which ministers are prepared to do). One possibility would be to supplement redundancy payments, on top of BSC's contribution and that from European community funds. (It cannot be too much extra in case it sets an overgenerous precedent for other state-owned industries, eg, shipbuilding.)

BSC's loss for the six months to September, to be announced next week, is expected to be a little over £190m. But for the full year to next March it could easily reach £500m. Add that to the £450m BSC has lost in the past two financial years.

BSC will borrow from the government the full £930m allowed it in this financial year under its cash limit, to wit 12% of the government's present total borrowing requirement. No better is to come. BSC's statutory borrowing limit was recently raised from £3 billion to £4 billion, which was supposed to be adequate until early 1979. But this week industry secretary Mr. Eric Varley told Labour MPs that the new higher limit would have to be increased again by next summer.

Demand for steel worldwide is still falling. BSC is suffering more than most other steelmakers because it cannot sack people and close down inefficient plant. In the present financial year it will make perhaps 17½m tonnes of liquid steel; its breakeven is 23m–24m tonnes, at least 92% of total capacity. Hence those £10m a week losses. If the United States government applies anti-dumping rulings to many BSC products (it is vulnerable) its losses will soar.

By taking drastic measures (apart from sacking people, that is), BSC should just stay within its cash limit this year. Its investment plans were cut by £225m (to £600m) back in the summer. Already another £65m has been trimmed and more will be, eg, plans to install electric arc furnaces at Beswick-saved Shelton works in Lancashire. BSC has also destocked heavily, both raw materials and the steel stockpile it had expensively built up "ready for the coming boom".

So far the various options being kicked around Whitehall have only been put to cabinet committee. Mr. Varley would like to get full cabinet approval for BSC through before Christmas. He will probably be unlucky. Other ministers have just started to wake up (with horror) to the scale of the problem. BSC, as the largest borrower from government, is a menace, for instance, to the schools budget of Mrs. Shirley Williams. There is no longer any clear view of just how big BSC should be, how likely it is to retain a large enough share of world exports to justify continuing with large parts of the modernisation programme.

[From Business Week, Nov. 28, 1977]

STEEL LOSSES RACE TOWARD $1 BILLION

A crisis is at hand for Britain's biggest public investment—British Steel Corp. Next week it is expected to report first-half 1977 losses of about $360 million, with a projected loss of $1 billion for the year. Prime Minister James Callaghan's Labor government considers the company's plight so serious that it is being forced to support a major cutback in jobs and investment and the closing of some plants.

"Any [private] company losing money at the rate of British Steel would now be in receivership or liquidation," Chairman Sir Charles Villiers told the steel unions. "British Steel has to become a business and cease to be an institution."

British Steel employs 208,000 workers, which industry analysts say is 60,000 too many for efficient operation. A cut of such magnitude is unlikely, especially with parliamentary elections coming up and unemployment at 6%. But a corporation plan, supported by the government, is afoot to reduce the work force by 10,000 within the next three months. It will involve "voluntary redundancies" in 12 old plants.

Another part of the plan is to assign work on the shrinking order book—British Steel faces stiff competition in world markets—to low-cost plants. But William Sirs, general secretary of the Iron & Steel Trades Confederation, the industry's largest union, says: "This is no good because whole communities could suffer."

As for investment, the corporation will chop capital spending by $810 million through next year. That will mean, sources say, that the $1.4 billion expansion of the Port Talbot facility in Wales will be postponed, and the plan to add 10 million tons of capacity at Teeside in northeast England will be drastically cut.

DEBT BURDEN

Besides having too many people and too many old plants, British Steel is deeply in debt. At the end of March, its borrowing ran to $4 billion against net assets of $4.8 billion. And to help finance this year's running costs, it had to increase its borrowing limit from $5.5 billion to $7.2 billion. Interest charges are estimated at a crippling $360 million—equal to the company's estimated first-half losses. "We are in it up to the hilt," says Villiers. But without remedial action, he says, "we will go down further."

British Steel's customers also have something to say. Through Sir Richard Marsh, chairman of the British Iron & Steel Consumers Council, they have suggested that the government sell off certain assets. Although these plants bring in $720 million a year from sales, they consistently produce low profits or actual losses. The council also wants the government to write off $1.8 billion of accumulated losses and restruture the corporation's capital base. Says Sir Richard, who handled the Labor government's steel nationalization 10 years ago: "Such action would be no more than companies in the private sector regularly adopt in the face of far less serious financial problems."

VA HAS LONG PIONEERED IN MEDICAL RESEARCH

HON. RAY ROBERTS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. ROBERTS. Mr. Speaker, the prowess of the Veterans' Administration in the field of medical research has once again been called to our attention with the recent award of Nobel Prizes to two distinguished VA scientists, Dr. Rosalyn S. Yalow of the VA hospital in the Bronx, N.Y., and Dr. Andrew V. Schally of the VA hospital in New Orleans.

Their recognition by the Nobel Committee is a highpoint in the tradition of excellence the VA has maintained in the research field for so many years.

To bring Members of Congress and the public up to date on this vital subject, I offer the following description of the Veterans' Administration's research program for insertion in the RECORD at this point.

Nobel Prize winners Dr. Rosalyn S. Yalow of the Bronx, N.Y., Veterans Administration Hospital, and Dr. Andrew V. Schally of the New Orleans, La., VA Hospital are the latest in a long list of VA medical investigators and career VA employees who have helped advance the frontiers of medicine.

Regarding Dr. Yalow's work, the Royal Caroline Institute in Stockholm, in making the Nobel award, said she and her coworkers "directed diabetes research into new tracks and gave it a new dimension."

Dr. Yalow was recognized for discovering, in association with the late Dr. Solomon A. Berson of the Bronx VA Hospital, the technique of radioimmunoassay, in 1960, and for her many research findings of applications of this method for measurement of insulin and other biological substances in tissues.

The citation continued:

We are witnessing the birth of a new era in endocrinology, one that started with Dr. Yalow. This modern endocrinology continues to develop and gives us . . . new outlooks on the causes and nature of diseases within the whole spectrum of medicine.

Dr. Schally was recognized by the Nobel selection committee in association with Dr. Roger Guillemin of the Salk

Institute for their discoveries concerning the peptide hormone production of the brain. Their research revealed how the brain controls several important body functions. They isolated, identified and synthesized three separate hormones or releasing factors originating in the hypothalamus by which that portion of the brain directs the pituitary gland to release key hormones that in turn signals other organs.

Dr. Yalow and Dr. Schally previously had each won the Albert Lasker Basic Medical Research Award, considered the highest research honor in the United States. Dr. Yalow, in 1976, was the first woman to win that recognition and the fifth VA scientist to achieve it in 5 years.

Among other VA scientists whose research has won recognition of prestigious bodies in recent years are several other recipients of the Lasker Award. These are:

Dr. William H. Olendorf, Los Angeles VA Hospital Center, who shared a 1975 Lasker Award for his concept that led to development of computerized tomography, an X-ray scanning system that discloses soft tissues and has revolutionized diagnosis of cancer, brain disorders and other disease.

Dr. Ludwik Gross, Chief of the Cancer Research Unit at the Bronx VA Hospital, who received a 1974 Lasker Award for his original discovery of leukemia-inducing and cancer-inducing viruses in animals, findings on how these viruses are transmitted from one generation to another, how they are activated by radiation, and the role of animal immune systems in preventing viruses from causing disease.

Dr. Edward D. Freis of the Washington, D.C., VA Hospital won the Lasker Award in 1971 for his research on hypertension. Dr. Freis headed a VA multihospital cooperative study which proved that the life span of persons with moderate to severe high blood pressure can be lengthened significantly if they are treated with a drug regimen, developed in the VA study.

The VA annually conducts about 30 such multi-hospital cooperative studies that take advantage of the large VA patient load—about 180,000 persons are under care daily in the 172 VA hospitals, 88 nursing home care units and 219 outpatient clinics. It is these studies that have contributed some of the most significant increments of knowledge that can be applied universally in medical practice.

The first VA cooperative study was begun in 1946 with the Armed Forces to evaluate chemotherapy for tuberculosis. It proved the efficacy of streptomycin and other drugs, resulting in a reduction of more than 85 percent in the national patient load and revolutionizing the standard treatment for tuberculosis.

A cooperative study on tranquilizing drugs for mental illness was another landmark accomplishment of VA research. It established the usefulness of tranquilizing medication for many psychiatric disorders, and brought changes in therapeutic approach and substantial reductions in the numbers of patients requiring hospitalization.

Other cooperative studies have contributed new knowledge of neurological disorders, metabolic and endocrine diseases, stroke prevention, sickle cell disease, the aging process and arteriosclerosis, and have evaluated chemotherapy as an adjuvant treatment after cancer surgery, the value of anticoagulant drugs, and treatment for alcoholism.

Important individual research accomplishments have included:

Development of a system for computer interpretation of electrocardiograms;

Findings greatly increasing knowledge of peptic ulcers and gastrointestinal hormones;

Knowledge of the action of specific therapeutic drugs for mental illness;

Development of antilymphocyte globulin and other substances to suppress the rejection of transplanted organs.

These investigator-initiated studies typically are directly related to problems of clinical medicine, as are the cooperative studies.

Basic medical research is conducted by career scientists. The highest level of career development for these scientists is that of senior medical investigator. The VA now has six scientists with that rank, including the two new Nobel laureates.

The Nobel Prize followed by a few months a report by the Assembly of Life Sciences of the National Academy of Sciences which praised VA's research effort in glowing terms.

VA research, the NAS investigators reported in March, 1977, is comparable in output and quality to that done in the best institutions in the country, with particular capability in the area of cooperative studies. The NAS 3-year study committee used the term enthusiastic in noting that the VA offers unique opportunity for clinical research. The committee was headed by Dr. Leighton E. Cluff of the Robert Wood Johnson Foundation.

SBA DISASTER PROGRAM

HON. NEAL SMITH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. SMITH of Iowa. Mr. Speaker, there have been a number of news media articles concerning the SBA disaster program which were based upon some misunderstandings of the facts. On September 27 of this year, the Washington Post ran an editorial which contained a number of incorrect statements. I mistakenly assumed that if I would point out the mistakes they might so inform their readers but to my knowledge they have not done so. I fear that some other news reporters relied upon the information in that editorial rather than doing independent research. However, there have been some other incorrect statements concerning SBA in the Congressional Quarterly and an article in Time magazine. I am setting forth herewith the letter I wrote to the editor of the Post which explains in more detail the incorrect statements they had made.

In Time magazine of November 14, on page 28, an article states that SBA has declared two-thirds of all U.S. counties disaster areas and eligible for the loans. Even though loans are limited to an individual who suffered damage regardless of where he lives and, in many counties the disaster covered a small part of the county, the fact is that two-thirds of the counties have not been declared drought disaster areas by SBA. There are 3,042 counties in the United States and SBA has declared some 525 as drought disaster areas.

Also, the Time magazine article states that demand for loans is expected to soar to $4.6 billion by next August. The only way this could occur would be if there are two more disasters of the magnitude of Hurricane Agnes, which caused outlays of $1.3 billion. Perhaps someone at Time magazine has a direct wire to the Almighty and has been informed that there will be two such disasters between now and August but the probability is low. However, if such major disasters occur, the communities suffering those disasters will be as much in need of loans as would those who suffer in a smaller disaster.

I also want to remind the Members of the House that these are loans and that the history of repayments of disaster loans has been even better than the repayment history for nondisaster loans. Since the inception of SBA's disaster loan program, only 2½ percent of these loans have been uncollectable.

Early next year the committee will reconsider this disaster legislation. The message I have gotten from other Members has been loud and clear to the effect that they want the program extended and that they think that communities in the U.S. hit by such disasters should be given an opportunity to respond and rebuild. In effect it is an insurance program in which everyone in the United States is insured. Every citizen of the U.S. runs the risk of being involved in a disaster sometime and when the net cost of providing loans to those involved in disasters is calculated, it amounts to an annual premium cost of only a few cents per person.

OCTOBER 4, 1977.

EDITOR,
The Washington Post,
Washington, D.C.

DEAR SIR: An editorial from your paper of September 27th entitled "The Disaster That Wasn't" has just been called to my attention. The editorial states ". . . A farmer in a drought area is eligible for special loans at interest rates as low as 3 percent . . . But the drought aid needs to be tied to the actual effect of weather on individual farmers' final harvests. The Carter administration has been doing it the other way, providing aid on the basis of regional rainfall at the beginning of the season. As this year's experience shows, that can mean an expensive program of disaster aid when, as it turns out, there was no disaster."

The assumption upon which the editorial is based is totally incorrect. Before a farmer is eligible for a 3 percent loan, he must prove that he was damaged by the drought on his particular farm unit and the loan is limited to the net amount that he was damaged by the drought disaster. His farm unit must also be located in a county where there has been enough drought to warrant a designation.

I come from an area of Iowa which has experienced the first serious drought in history. Some farmers have a total crop loss while neighboring farms received several showers and have good enough crops that they cannot qualify ofr low interest loans. For the farmer who has suffered a disaster, it is little help to know that most farmers raised such a bountiful crop that prices have dropped dramatically. In fact it makes it even more difficult because the farmer suffering the disaster has had both his production and prices reduced the same year, which usually does not occur.

Since your editorial writer obviously did not read the bill, I assume he probably read an incorrect analysis somewhere else. Likewise, some other editorial writer may read your completely incorrect statements and repeat them again. Since I was the author of this 3 percent loan provision, I thought I should call to your atention the fact that the article is based upon a completely erroneous assumption.

Sincerely,

NEAL SMITH,
Member of Congress.

THE MIDDLE EAST AT THE CROSSROADS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. HAMILTON. Mr. Speaker, I would like to bring to the attention of my colleagues remarks I made to two Jewish groups in Indianapolis on November 20, 1977 regarding the delicate, but hopeful, situation in the Middle East. These comments were prepared prior to the historic Sadat-Begin Summit of last weekend.

My remarks follow:

THE MIDDLE EAST AT THE CROSSROADS

Just over four years ago on October 8, 1973, I was in this great town speaking before the Board of Governors of the Jewish Welfare Foundation. Many of my friends here were in the room then.

That was a somber and anxious time for all of us. Two days earlier Egypt and Syria had launched surprise military operations against Israel. For a variety of reasons not fully explained by inquiries in Israel following the hostilities, Israel was somewhat unprepared for this four war in less than three decades. After more than two weeks of fighting, the October 1973 war ended in a ceasefire and the preexisting no war-no peace stalemate in the Middle East stood again.

Like the June 1967 war and other wars before, the fighting in 1973 appeared to prove little. The Israelis and their Arabs neighbors were no closer to ending the conflict which has threatened the lives of all peoples in the Middle East and raised the spectre of an East-West confrontation for over thirty years.

CRUCIAL CHANGES IN THE MIDDLE EAST

Today, in 1977, the situation in the Middle East is very different than it was in 1973. Circumstances appear more favorable both for reducing tensions and for starting comprehensive peace talks. Some people argue that the problem of the near future is not simply reconvening a Geneva Conference on the Middle East but rather how the Conference, once started, can avoid failure, promote progress, and might best be made to serve the goal of a just and lasting peace.

In 1967, the United Nations Security Council passed U.S. Resolution 242. It has served as a basic document for trying to construct a framework for the Middle East peace talks ever since. During the past decade and especially since 1973, enormous changes have occurred in the Middle East and in the attitudes of the parties to the conflict towards some of the issues addressed in U.N. Resolution 242.

The trade-off between territory and peace is a basic concept underlying U.N. Resolution 242. For Israel, the nature of the peace represents the key issue.

For the Arab States, territorial withdrawal is the primary concern. These positions and attitudes reflect the passionate concern about security in Israel and the equally passionate concern in the Arab world about Israeli borders.

To understand the problems participants in a peace conference will confront, it is useful to review five important recent changes in the Middle East.

1. Nature of Peace

The first, and perhaps most crucial change, has been in the thinking of the parties about the nature of peace.

In the immediate aftermath of the 1967 hostilities, the Israelis were primarily concerned about a formal commitment to peace from the Arabs. They wanted the Arabs merely to say: "We want peace." But there was, at that time as we all remember, ambivalence in the Arab world towards this question reflecting an indecision over whether or not to continue a campaign to try to eliminate Israel.

While this indecision may remain in parts of the Middle East, and while some Arabs may not say they want peace, Arab thinking on the issue of peace has evolved over the last few years.

The Jordanian leadership affairs that it wants peace and is willing to live in peace with Israel. Some Saudi leaders will give similar positive indications privately. Egypt and Syria, under their present leaderships, are also willing to be more forthcoming.

Herein lies the basis for current hopes that progress toward a settlement can be achieved.

But there have also been changes in Israeli thinking about what peace involves. Israel's concept of peace now contains tangible manifestations of what peace and normal relations with its Arab neighbors could mean.

During the last few months, Arab leaders, for the first time, seem to have begun thinking about ways to normalize relations with Israel. The Arabs do not reject a process which would involve substantially more than the signing of a peace agreement. President Sadat is no longer talking about peace as something only to be achieved by further generations. Jordan also supports peace during this generation, while Syria has begun to focus, albeit with some hesitation, on what specific steps peace may involve. These steps, in the minds of Arab leaders, are relative to Israeli willingness to make desired withdrawals.

This process of peace, which has just started in the Arab world, is still developing, It is ongoing and hopeful. Yet it needs further development and stimulation, but it can represent a fundamental change.

2. Palestinian Issue

If an evolving concept and understanding about what the nature of peace entails represents one important recent change in the thinking of the parties, another change in the attitudes of the parties is on the Palestinian issue.

There is growing recognition on the part of all parties that Palestinians must be participants in the discussions and neogtiations involving their fate. The question today is not whether the Palestinians will be involved in matters affecting their interests but how they will be brought in and who will represent them. On the questions of how and who there remains enormous disagreement.

3. Israel is Stronger

A third factor—and perhaps most significant military factor—is that Israel is stronger today relative to its neighbors than it has ever been. Over the last four years the United States has played a decisive role in providing Israel with the military equipment and the financial support to maintain a much more favorable military situation for that democracy in the Middle East.

Nearly $10 billion in all forms of assistance has been provided to Israel since '73. Today, there remains important support throughout the United States for continuing assistance to preserve existing military relations. Only a strong Israel can negotiate effectively.

Part of Israel's most favorable military situation is the reduced capacity of its neighbors to wage effective hostilities. The Syria military is, for the present, preoccupied in Lebanon even though Syria continues to receive new equipment from the Soviet Union. Egypt, on the other hand, no longer receives aid from the Soviet Union directly and its military is, for the moment, in a less effective state of readiness. Iraq and Libya are well armed but today at arms' length from Israel

These Arab factors, while favorable to Israel for the time being, may not remain static: They are related, in part, to what happens in peace talks.

4. Reduced Violence

A fourth change of the last few years may also be a tentative change. In 1976, for the first time since 1948, not a single Israeli soldier was killed in hostilities. Most significant, terrorism, which can always raise its ugly head, is vastly reduced. The spectre of Lod Airport, Munich, Khartum and Kiryat Shemona has not faded but through the resolve of Israel, the United States and other nations, chances for any group to achieve success through terrorism are markedly reduced.

5. The Soviet Factor

A fifth feature of the Middle East over the last few years has been the changed position of the Soviet Union. There can be no doubt that Soviet interests in the Middle East have suffered since 1973.

While there may be disagreement over Soviet intentions in the Middle East, I do not think that any of us would quarrel with the following four propositions;

1. To succeed a Middle East peace talks or a settlement will have to have at least the tacit acquiescence, if not support, of the Soviet Union;

2. The Soviet Union is a co-chairman of the Geneva Conference on the Middle East and therefore must be involved at some point;

3. Over the years the Soviet Union has not been helpful in the Middle East. It has enjoyed a degree of tensions there. It has supplied in lot of arms to Syria, Egypt, Iraq and Libya and it has taken very one-sided positions on almost all Middle East peace issues;

4. It is in the United States interests, in the interest of success at Geneva and in the interest of peace if the Soviet Union modifies

some of its positions and is involved in the peace process to an extent that it has a stake in trying to modify some of the positions of its friends in the Middle East.

These appear to be some of the motivations of the United States in working out the Joint Soviet-American statement on the Middle East which was signed and announced October 1. It remains to be seen whether the Soviet Union will hold to the positions it took and whether the Soviet Union can, or will, try to persuade the Syrians and the Palestinians to modify some of their positions.

While it is true that this joint statement did not mention UN Res. 242 and 338 to which we still adhere and the statement referred to the "legitimate rights" of the Palestinians instead of the phrase we had used before, the "legitimate interests of the Palestinians", let us consider several significant changes in the Soviet position:

The Soviet Union had previously spoken of the PLO as the "sole legitimate representative" of the Palestinians. The Joint Statement makes no mention of the PLO;

The Soviet Union always talked about the "national rights of the Palestinians". The Joint Statement uses a weaker formulation, the "legitimate rights of the Palestinians";

The Soviet Union always talked about the creation of "an independent sovereign Palestinian state". The Joint Statement does not mention this as a Geneva agenda item;

The Soviet Union always talks about withdrawal from all of the Occupied Territories. The Joint Statement has so much adjectives;

And the Soviet Union never talked about a goal of normal relations. In the Joint Statement, there is talk of normal relations and there is affirmation of a concept of peace close to Israel's definition.

Despite the unfortunate manner in which this statement was sprung on all of us, these changes can be viewed as positive developments if the Soviet Union holds to the policies formulated for Geneva in the Joint Statement. It remains to be seen, however what efforts the Soviet will make with Palestinians and Syrians to modify their positions.

THREE CRUCIAL PEACE ISSUES

These five developments in the Middle East form a crucial background for a brief review of the three principal issues confronting the parties at any peace Conference which may develop. The three issues are: the nature of peace and the process of normalization of relations; border and security issues; and the Palestinian issue.

1. Normalizing Relations

What has been particularly encouraging about the way the parties to the conflict have approached the issue of the nature of the pace and normalization of relations is that there has been some sense of movement in the position of the parties.

As the peace process unfolds further, some questions which will need to be explored include:

What is meant by an end to the state of belligerency and by normalization of relations;

What constitutes the beginning of the process of normalization of relations;

What aspects of a process of normalization of relations might be included in a peace treaty;

What essentials of that process, if any, must remain the prerogative of each state; and

In what ways can the process of normalization of relations be phased over time and related to withdrawals.

Arab thinking is now distinguishing between an end to the state of belligerency, which Arab leaders would agree to in a peace treaty, and normalization or relations, which they view as a process that would occur after a peace treaty is concluded. The Arabs often try to draw an analogy between their relationship with Israel and that of the United States with Vietnam.

The Arabs also stress that an end to the formal state of belligerency would come only after territorial withdrawals by Israel. In effect, in the Arab view the willingness to end the state of belligerency with Israel is their major asset in negotiations, and they would not give it up with Israel is their major asset in negotiations, and they would not give it up without obtaining what they want most, Israeli withdrawal from the Occupied Territories.

Many leaders in Egypt, Syria and Jordan are willing to conceive of a phased implementation of a peace treaty. While this does not meet the Israelis desire for peaceful intentions to be tested overtime, it does reflect a willingness to consider a dynamic process of peace.

The United States itself needs to think out with all the parties what the substance and process of peace and normalization of relations are. We should work with the Israelis in defining what specific, positive expressions of normal relations they would want built into the normalization process and how sincerely and extensively the Israelis feel the other parties' positive intentions would have to be manifested. If the peace process leads to serious negotiations, Israel will also be faced with the problem of deciding precisely how far they are willing to withdraw in return for the kind of peace and normalization of relations it seeks.

The United States will need to explore with the Arabs what their concept of an end to the state of belligerency means, and how far they would be willing to move towards normalizing relations in a peace agreement.

In this peace-building process, it might be useful to look at the current state of "no war and no peace," and then think of a possible continuum of actions which would lead to full diplomatic relations between the states concerned. We need to flesh out this continuum with the Arabs so that they might think about how much of the continuum they feel they might be able to follow.

The continuum might look like this (although the order of events might not necessarily be the same):

Refraining from provocative acts and statements;

Halting anti-Israel propaganda;

Permitting free navigation throughout the region;

Mutual freezing of arms levels with hope of reducing them eventually;

Agreeing to arrangements for preserving a settlement;

Ending the boycott;

Allowing Israeli stamps in passports of third-country nationals;

Permitting free movement of third-party goods and services directly between countries;

Instituting transportation and communications between States, perhaps initially through third-country carriers;

Removing barriers to direct trade;

Allowing travel between states;

Initiating various levels of diplomatic relations, starting with the development of consular relations; and

Establishing full diplomatic relations.

All parties and the United States should also address related matters such as the pace of the normalization process, the form of assurances that the process will continue, and the procedures necessary to deal with complaints about performance on any such assurances.

Many of these questions are aspects of the peace process which cannot be easily dealt with. Positive thinking on the peace-building process, however, has started. The parties and the United States must insure that this process receives continued encouragement. In the interim, we will have to ask ourselves how much each party's suspicions and perceptions of the other's intentions should control the process and influence American policy.

2. Borders and Security

Any consideration of the nature of the peace and normalization of relations affects, and is closely linked to, consideration of final borders and security arrangements.

The gaps between the Israeli and Arab positions are greatest on the issue of withdrawals and final borders.

The Israelis maintain that they will never withdraw totally to the June 4, 1967 lines, while the Arabs insist on return of all lands occupied in June 1967.

Behind these public positions little give seems to exist. Some Arabs are reconciled to minor adjustments in the 1967 lines, while some Israelis talk about very substantial or even near-total withdrawals on some fronts.

While it appears that most Israelis will support territorial withdrawals in exchange for real peace, it is evident that they are far more sensitive to a return to Arab control on the West Bank than they are to major territorial concessions on the Golan Heights and in the Sinai.

The Israeli sensitivity to territorial adjustments on the West Bank stems from security as well as historical and religious considerations. This sensitivity is more acute for the new Likud government. The desire to keep the West Bank for these reasons, however, seems to conflict with the strong feeling in Israel that the Jewish character of the State should be maintained. A large Arab population, including the more than 600,000 Palestinian Arabs who live on the West Bank, would reside in a Jewish state should the West Bank be retained.

Some members of the Israeli Government base their opposition to returning the West Bank on security reasons. Many Israelis view the West Bank as a fist plunged in Israel's heartland. They consider deployment of sophisticated military electronic equipment or demilitarization on the West Bank as inadequate means of compensating for the security now afforded Israel by its present control over the West Bank. According to this view, any non-Israeli control of the West Bank means that Israel faces a permanent threat and could be dissected with ease by its enemies' modern weapons at points where formerly less than 10 miles separated the West Bank from the Mediterranean Sea.

Clearly, if the Israelis are to consent to major withdrawals from the West Bank, the nature of the peace as defined and agreed to in a treaty must be to their liking. In addition, methods will have to be devised in order to preserve a settlement and institute mutually agreeable ways of protecting one party from what it may consider the bad faith of the other.

For Israel, there will have to be viable substitutes for the security lost due to withdrawals from the territory occupied in 1967. For the Arab States, there might have to be a common-border buffer zone.

Several methods have been suggested to deal with the issue of security, some of which may eventually be acceptable to the parties. These include:

Multilateral or bilateral guarantees either inside or outside the United Nations system;

Arrangements to enhance the parties' faith in guarantees or treaties, including the presence of "hostage" or "tripwire" forces, ship or aircraft visits, and the stationing of American forces;

International peacekeeping forces;

Technological peacekeeping devices comparable to the electronic equipment operated by the United States Sinai Support Mission;

Demilitarized zones;

Zones of limited forces with verification proceduces; and

Diplomatic peacekeeping devices such as prior notification of military maneuvers and changes in force levels and structures.

Other ideas have been suggested to enhance security and to buttress a settlement. Arms limitations or military reconfigurations could be weaved into peace-building process. In addition, a distinction could be made between final borders and security borders.

Many of these ideas are being discussed in the Middle East today. Some may eventually be acceptable to the Israelis, but in the final analysis, given the history of the conflict, Israel will remain chary of any substitute to real peace and to its own security measures.

In the coming months, Israelis and Arabs need to think further concerning borders and security arrangements:

How far will the Israelis withdraw if the entire nature of the peace is to their liking?

What types of security arrangements, perhaps involving Israelis, are acceptable to the Arabs in exchange for near-complete Israeli withdrawals?

The United States must reflect upon the various security arrangements currently being discussed and the implications of those involving a direct American role.

In the final analysis, no borders will be secure in the Middle East if neighboring countries do not accept them.

3. The Palestinians

The future of the Palestinians, the third key issue in Mideast negotiations, may be the most difficult problem to solve in the Arab-Israeli conflict.

One factor that makes this issue so complex is that the Palestinian people are scattered.

Some 600,000 of them live on the West Bank today,

Another 350,000 in Gaza,

And almost 400,000 more (Israeli citizens) within the pre-1967 borders of Israel.

More than 1.5 million Palestinians live in Jordan and they represent just over half of Jordan's population

An additional 500,000 live in Lebanon, Syria, and elsewhere.

A second complicating factor is determining who speaks for the Palestinians. While it is recognized that Palestinians should be involved in those issues of a Middle East settlement affecting them, there is no agreement among the parties to the conflict on who represents the Palestinians.

The Palestine Liberation Organization (PLO), headquartered in Beirut, is not recogized by Israel and does not itself accept Israel's existence. Elected mayors and other officials of the cities and towns on the West Bank and in Gaza sometimes speak for local constituencies there, but because the Israeli occupation has not permitted the development of political leadership there, no local political organizations have been able to vie with the PLO to represent Palestinians on "national" issues.

A third factor which complicates the situation concerns the appropriate role, if any, of the PLO in peace talks. The PLO wants a state on any portion of the Occupied Territories from which Israel withdraws. Some PLO officials have said privately that they will settle for a ministate on the West Bank and in Gaza, agreeing to live there in peace with Israel, but such statements are not made in public. The PLO has yet to recognize Israel's existence or right to exist in explicit terms and to state its acceptance of U.N. Resolutions 242 and 338 which have been the base is for all recent negotiating efforts. The PLO has also not yet accepted publicly the right of self-determination for the Palestinian people once a settlement is reached.

Elsewhere in the area, there is little agreement on the PLO. The Israeli Government rejects the very idea of any independent Palestinian entity.

Jordan wants Israeli withdrawals, after which it is prepared to accept the results of Palestinian self-determination. Most Arab leaders, including some PLO representatives, recognize that any Palestinian entity would have to have close links with Jordan.

Despite great differences among the parties on the Palestinian representation issue, most people in the area can agree on the following principles:

(A) Palestinian involvement in the aspects of the negotiations which directly relate to them;

(B) Tangible results for the Palestinians from a settlement so that they can support an end to the conflict;

(C) A stable situation for all Palestinians, and some type of homeland for the

(D) Close links between Palestinians and Jordanians; and

(E) Some form of compensation to those Palestinians who lost property when they left Israel, as well as some form of compensation to the Jewish citizens of Arab states who emigrated to Israel and left property behind;

(F) Assurances that whatever arrangements are made for the Palestinians, instability in the region does not result.

Considerable attention to the Palestinian issue is a sine qua non of successful peace negotiations. Although the procedural problems may now be prominent, they will be much easier to resolve than the substantive issues. The key dilemma to be confronted is the degree to which, and the framework within which, all parties can allow a people that has suffered so greatly to determine its own destiny.

In my view, the parties may want to consider the concept of an interim arrangement for a period of years for occupied territories in the West Bank and Gaza. One such concept must be an international trusteeship of the West Bank and Gaza for a period of time.

ROLE OF THE UNITED STATES

At the moment, all the parties to the Arab-Israeli conflict look to the United States to help mediate differences and promote peace negotiations. For Israel, no other country in the world other than the United States has the clout and willingness to play anything close to a constructive and honest broker's role.

For the Arab States, there is a widespread feeling that while the Soviet Union can sell them arms and help them to a degree, only the United States can assist them in achieving the political goals they seek in a Middle East settlement. These perceptions have led Egypt and Syria to rely on the United States to the point that they become overconfident in our abiltiy to bring results and "deliver" Israel. In fact, there is a feeling among all the principal Arab States that the United States rather than the Soviet Union can achieve progress.

Such widely held perceptions add both pressure and responsibility on the United States in the process of negotiations. U.S. statements must always attempt to be carefully balanced, clearly stimulating the movement, flexibility, concessions and bargaining necessary from all the parties involved.

If we cannot help achieve results in a short time-frame, it is feared that Saudia Arabia, Egypt and other Arab States may drift away from current policies, thus endangering U.S. interests and increasing chances of renewed hostilities. The fear of such developments helps motivate the United States in promoting the peace process.

The United States must continually stress to the Arabs that they cannot sit back and expect the United States to "deliver" Israel or to produce some quick easy solution in Geneva. Geneva, once started, will be a lengthy process. While the United States can offer suggestions and try to help the parties, the Arabs must be convinced that the United States does not have the ability or will to impose a settlement.

The Israelis must be assured that our statements on the Middle East and our suggestions and ideas to the parties are not an attempt to dicate terms or impose an American peace plan, but rather a genuine effort to try to narrow the gap between the parties. The Israelis need to realize that such a role is part of the unique position of the United States vis-a-vis the Middle East at the moment.

The problem that ultimately arises in what the United States should do if the Arabs and Israelis cannot or will not mend their differences by themselves and cannot agree to a set of principles on the basis of which negotiations can proceed. All the parties are apprehensive about how the United States will approach this type of impasse.

Such a predicament, however, is only one manifestation of the great opportunity any Geneva-type conference presents for the United States. The United States should feel free to offer proposals and accept responsibility in resolving negotiating problems. But the United States must also understand that it cannot be heavy-handed and push the parties further and more quickly than they are willing to go.

For the immediate future, the focus must be on getting the Geneva process off to a mutually acceptable start. The U.S. role should be to encourage the parties to proceed with negotiations. The gaps in positions are enormous in some instances but they can only be tested and resolved in detailed negotiations.

Since the 1973 Middle East War, the United States has provided close to $15 billion in assistance to Israel, Egypt, Jordan and Syria. Nearly two-thirds of those funds have been provided to Israel. It is fair to conclude that we remain deeply committed to Israel's survival, well-being and to providing her with military equipment essential to maintaining existing military relations.

I think it is also fair to say that the United States Congress remains willing to appropriate large sums of money for all Middle East states in the near future. Should current efforts to start a Geneva conference fail or should circumstances in the region change, however, there may be increasing difficulty in maintaining a strong commitment in Congress to provide huge amounts of assistance to the Middle East.

CONCLUSIONS

When I spoke to many of you on the Middle East in 1973 during the Yom Kippur War, I concluded:

"There are, I suppose, a few optimists on the Middle East. Nevertheless, I believe, if we keep our wits about us, refuse to analyze the difficulties in overly simplistic terms and act prudently, we can vastly reduce our dif-

ficulties, avoid making distasteful choices between Israel and oil and meet the challenges presented to American foreign policy in the Middle East."

In November 1977 despite the difficulties in trying to start a Geneva Conference, I see stronger grounds for a degree of optimism. The alternatives for us and the peoples of the Middle East are unthinkable at best and could be devastating at worst.

FIFTY YEARS OF SERVICE

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. ADDABBO. Mr. Speaker, 1977 represents the 50th anniversary of the Jamaica branch of the NAACP and those 5 decades have represented an untold wealth of service to the community.

It is sometimes hard for us to remember just how much the world has changed in our lifetime. In 1927 when the chapter was formed by Frank Turner, who had been secretary to Dr. W. E. B. DuBois, the Ku Klux Klan had an annual parade in Queens, and a black family that bought a home in Queens had to have 24 hour police protection.

Sadly, that was not the full extent of discrimination that existed then and afterward, and to a lesser degree, still exists today. But throughout all the years of hardship and dedicated hard work, the Jamaica NAACP carried on its fight for equal treatment under the law, a battle that continues today.

I am proud of the men and women who have been part of this outstanding NAACP chapter. I am proud of the accomplishments and we can all be thankful that their willingness to fight for a better life has made our Nation a better place in which to live today.

Our Nation was founded on the principle of equal rights. For much of the 200-year history, those words were hollow for citizens whose skins were darker than their neighbors'. But through the efforts of gallant people like Frank Turner, Dr. Charles Reid, and the many others who have followed in their footsteps. the promise is finally beginning to come true.

I salute the Jamaica NAACP on its 50th birthday. I wish them continued and even greater success in years to come. I insert in the RECORD the story of "50 Years of Service."

FIFTY YEARS OF SERVICE

It was 1927. Calvin Coolidge was President, Babe Ruth hit 60 home runs, Lindbergh flew the Atlantic, Whiskery won the Kentucky Derby and the Ku Klux Klan had its annual parade along Hillside Avenue.

It was 1927. Jack Dempsey was the Heavyweight Champion of the World, Alabama and Stanford played to a 7–7 tie in the Rose Bowl, Loew's Theatres in Jamaica still practiced segregation and the Black family that bought a home on Remington Street had to have 24-hour police protection.

It was 1927 and Robert Bagnall, director of branches of the NAACP was angry when he addressed a meeting at the old Allen A.M.E. Church. The time had come, he said, for Black folks in Jamaica to get together in the spirit that gave birth to the Niagara Movement in 1909, in the spirit that prompted the creation of the National Association for the Advancement of Colored People. His words found willing listeners and in April, 1927, Frank Turner, who had been secretary to Dr. W.E.B. Dubois, called the meeting that ended with the organization of the Jamaica, N.Y. Branch of the NAACP.

Frank Turner's wife, Frosty, attended that meeting. Also gathered in the Turner living room that afternoon were Charles Shaw, Frances Dougherty, Lora Lewis, Mabel Booth, mother of Judge William Booth, and several others, including a young pretty girl named Selena Girardeau.

Dr. Charles Reid was elected the first President of the new Jamaica Branch and one of his initial tasks was to announce the organization's objectives. In his own words, the Jamaica Branch was formed 'to secure Negroes the full enjoyment of their citizenship rights, justice in the courts and equality of opportunity to work, to stimulate their cultural life and to support the NAACP national program."

There was much to be done and the new branch went straight to work. It spearheaded the fight that led to the suppression of the Ku Klux Klan in the community and began the legal action that ended segregation in the area's theatres. It fought successfully to open Queens General Hospital to Black physicians and nurses and led the campaign to construct the South Jamaica Housing development. It successfully defended eight Black men accused of committing murder during a racial disturbance and insisted better security for Black families desegregating "all-white" communities.

But, perhaps its greatest contribution has been its ability to develop capable leaders for a community, and a people, in dire need of leadership. In the 50 years since its creation, the Jamaica Branch has sent hundreds of men and women into the battle for freedom and equality. As an all-volunteer organization, part of a 1700 branch national association, Jamaica Branch has a history of dedication and service that continues to this day.

A look at the roster of its past presidents gives testimony to the fact that the Branch has been effective in attracting talented people and in sending them back to the general community even more talented than they were upon arrival.

Following Dr. Reid in the presidency were: Mr. G.W.A. Murray; Dr. John Singleton; Rev. A. Chester Clark; Dr. Judge A. Thompson; Mr. John Klugh; Rev. Charles L. Carrington; Mr. Emory Hightower; Guy R. Brewer, now majority whip of the New York State Assembly; Florence V. Lucas, former Asst. Commissioner of the New York State Division of Human Rights; Mrs. Dupree C. White; Paul Gibson, Jr., former Deputy Mayor of New York City; Criminal Court Judge William H. Booth; Criminal Court Administrative Judge W. Eugene Sharpe; Mr. Robert Couche; Mr. Peter Saltz; Mr. Richard Hansen; Mr. Walter Ramsey and the organization's current president, David E. Bryan, Jr.

These men and women, with the support of so many others, have helped to shape our community and the history of our times.

"Growth" is the key word when one reviews the activities of the Jamaica Branch through the years of its existence—the type of "growth" exemplified by the changing physical surroundings of the organization. After its beginnings in the Turner living room in 1927, the young branch wandered from home to home and from church to church before renting its first permanent quarters in 1960.

Located beneath the Allen and Edwards Real Estate office at 168–18 Liberty Avenue, the new home consisted of a tiny, below street-level cubby hole with a ceiling so low that those over six feet tall had to walk with a stoop. The rent was a staggering $40 per month.

Donated furniture and second-hand equipment followed the volunteer painters and a few weeks later, the branch's first paid secretary-clerk was hired by the then president, Dupree C. White.

From Liberty Avenue, the Jamaica Branch moved onward and upward. Out of the basement it came and into new offices at 117–20 Farmers Blvd. This move followed a heated debate in the Branch Executive Board over whether or not the organization could afford the unheard of rent of $100 per month. When the tempers had cooled, approval of the move was voted and Board member, Roger Benjamin given the responsibility of coordinating the renovation of the new quarters. Again, the Jamaica community came forward to help. Wall paneling and paint were donated. Floor tiles were sold to the branch at cost. Furniture was found hidden away in basements, restored and sent to the branch. Men and women worked side by side, painting, hammering, sewing and laughing. It was a labor of love. The formal opening was held on a Sunday afternoon in March, 1965 and a scant 15 minutes before the doors were unlocked, Branch President Gene Sharpe and Press Chairman, Paul Gibson set in place the last piece of floor tiling and raced off to their homes to clean up and change clothing before the ceremonies.

Robert Couche presided over the next move. As president in 1968, he looked with pride at the branch's new offices at 189–26 Linden Blvd. But he was even prouder of the children's day care program which shared the newly renovated building around the corner from the old Farmers Blvd. location. Roy Wilkins made the formal dedication of this NAACP first, smashing a bottle of milk on the base of the 40 foot tower on which is printed in bold, white letters: "NAACP DAY CARE CENTER—JAMAICA BRANCH".

A few years later, and a few blocks away, Jamaica NAACP opened its second day care program. Together, the Linden Center and the Montauk Center serve almost 300 children between the ages of 3 months and 13 years. The centers employ over 75 people and have a combined budget of $1 million per year.

In the heart of Jamaica's central business district is housed still another NAACP project. It is the branch's manpower training program, a program with an average annual budget of $725,000 and a staff of twelve. Another example of "growth".

But those who marvel at the accomplishments of the NAACP, look not at the buildings which house programs, but rather at the programs themselves. And programs have been the life blood of the Jamaica Branch.

For sixteen weeks in 1963, the branch manned picket lines in front of the Rochdale Village construction site where biased unions gloated as 2000 of their members reported for work each day while hundreds of unemployed, qualified, Blacks vainly sought employment at the same site.

When plans for the extension of the Clearview Expressway threatened the homes of thousands of Black families in Queens Village and Springfield Gardens, the Jamaica Branch led the successful battle to protect those homes. When the announcement was made that an elevated transit system would be constructed through Baisley Pond Park, Jamaica Branch led the community in opposition. "Dialogue" was the Jamaica Branch program developed to help people in the diverse Queens communities to understand each other. When New York City's

schools were closed by labor disputes, the Jamaica Branch opened Freedom Schools. And when "Parents and Taxpayers" threatened school desegregation efforts, Jamaica Branch rallied supporters of quality, integrated education.

Voter registration drives were conducted almost annually, and, in 1968, the most intensive effort, ever, qualified thousands of Blacks in Queens County. Imported domestics turns to Jamaica Branch to protect them from the slave labor salaries and conditions imposed upon them by unscrupulous employment agencies and demanding employers. Southern Blacks, harassed and threatened, turned to the Jamaica Branch for food, clothing and finances. Students asked for support and prayers and when they marched to desegregate Woolworth's in Dixie, picket lines also appeared on Jamaica Avenue. When Martin Luther King said he had a dream, Jamaica Branch was there and cheered. When he died, branch members wept and walked the erupting streets of their community to ensure that he would be remembered for the pride and peace he preached rather than for the violence and looting his death threatened to unleash.

York College was supposed to go to College Point, but Jamaica Branch helped to bring it to Jamaica. In 1960, a candidate opposed to school desegregation was supposed to go to Congress, but Jamaica Branch led the successful fight to defeat him. The branch's Black History Guide for Teachers was another NAACP first and its Black History Week program has become a tradition.

To rally its community, the Jamaica Branch brought in the giants of the civil rights movements: Martin Luther King, Roy Wilkins, Malcolm X, Thurgood Marshall, Medgar Ever, Arthur Spingarn, Rev. Fred Shuttlesworth, Dais Bates, Adam Clayton Powell—legendary men and women who have helped to guide the destiny of this nation.

But the great and the near great who visited Jamaica found, waiting to receive and to follow them, equally dedicated men and women. The men and women who labored behind the scenes, who raised the funds and provided the muscle that powered the Movement. Men and women like Msgr. Archie McLees, Lawrence Bailey, Claire Foster and Bobbie Croslin. Men and women like Leonard Gould, Una Mulzac, Carita Roane, Stanley Cunningham and Neville Lake. Men and women who walked the picket lines, rang the door bells, licked the postage stamps and brought in the memberships.

And when one speaks of memberships, one must speak of Chester Alston, the tireless worker, the man who organized and directed massive membership drives and pushed Jamaica Branch's enrollment over the 5000 mark. And one must speak also of Frances Dougherty, Isabelle Cooper, Betavious Archer, Walter Daniels and other leaders responsible for bringing in hundreds of members and thousands of dollars.

There have been memorable moments in the 50 years since the organization of the Jamaica Branch. There have been happy moments and there have been sad moments. There have been victories and there have been defeats. But, through it all, there has been faith in the rightness of our cause.

MEMORIES

For this 50th Anniversary Journal, a few long time members were asked to share some of those incidents or Branch activities which stand out in their memories. Here they are:

Msgr. Archie McLees

We were all involved with the founding of the day care center, first the one on Linden and then the one on Montauk Street. I am a member of the board of directors of both of those at the present time, and I've been closely associated with it from the beginning. If you remember, Paul Gibson was the first chairman of the board of directors—he got out of it to become Deputy Mayor of New York—but he's still active and still interested. That won for us that year the Thalheimer Award from the national office for the most outstanding event of any of the branches in the United States—from among the 1,700 branches.

I wish I could remember what year it was. But, I remember that Roy Wilkins came out there, and somebody had the idea that for dedicating the building, instead of using a bottle of champagne, to use a bottle of milk. They put the bottle of milk in a plastic container, and they had Roy Wilkins swing it up against the building—it was in a glass bottle inside the plastic container—and burst the container, and everybody, including poor Roy himself got a bath of milk. They had one picture in one of the papers—I forget which one carried it—but most of them missed that picture. It wasn't outstanding because of that, but I remember that as one of the interesting sidelights.

I've been a member of the branch since I came out to Queens in 1963. I was a member and a vice president in Brooklyn before that. I was put on the National Board while I was out here and I've been on the National Board since 1967.

Lora Lewis

In 1942, I was chairman of the education committee, and the federal government was selling bonds. We had a group of people helping sell the bonds called the Minutemen; I was one of them. It was during a time when it was very hard getting into St. Albans as a Negro. I went around selling bonds and I had with me two reporters and two photographers from the white newspapers. When I knocked on the doors of the white people who lived in St. Albans then and told them I'd like to come in and speak to them about bonds, the majority of them refused to let me into the house.

Around that time the NAACP was working on getting Negroes entree to that neighborhood. There were only four Negroes living over there then. So on this occasion when I had the newspaper reporters and photographers with me, the cameramen very quickly would take pictures of the white people opening the doors. They still wouldn't let us in, and the reporters saw all of these things. The newspapers came out with great big headlines that said things like: "Race Hatred Fights The Minutemen."

The next thing we did during that Minuteman period was to take our war bond campaign to City Hall—to the Mayor's office. The Mayor, then, was LaGuardia. After that visit we got pledges for war bonds by the hundreds. Then we went to Wendell Wilkie who was running for President. I have great big pictures of myself and the Mayor and Wilkie writing their pledges.

Anyway, even though the people in St. Albans wouldn't support our Minuteman campaign, the Jamaica NAACP ended up being the top money raiser in the whole Metropolitan area.

Richard Hansen

This was in 1971, Black History Week. We had the Borough President come to the branch and he proclaimed Black History Week right outside the branch headquarters. It commenced a week of local merchant participation—they put posters in their windows of historical Black people; we had a mini-one day expo in the basement of the day care center in which the merchants participated; showed their wares to the community. We also had a theater group that we brought in to perform for the children and another for the adult community at the St. Albans Plaza. We had from Newburg Street to 191st Street declared Black Freedom Plaza for the duration of Black History Week.

During my whole tenure in office, my children were involved in assisting me in an awful lot of the pains-taking things: the meeting notices and things of that nature. They were very deeply involved in that particular area, along with my wife. She played a tremendous role. I have not experienced anything like it before, nor am I aware of anything since. It was kind of a unique treatment of Black History Week.

Rep. Joseph P. Addabbo

I remember way back—the little store and the meetings on hot summer afternoons on Liberty Avenue near Merrick. We tried to get people interested in working for their own benefit, working for the rebuilding and saving of the community. I also remember Florence Lucas who had the law office where we used to meet. They were the residents who led the way in those days when it wasn't such an easy battle and it wasn't a popular battle. They were there working to get the slums cleared out of New York Boulevard, working toward the dream of a York College and the dream of bringing equality in jobs.

"The dreams are not complete, but things have started. A lot of the old slums are down. It's a long haul from the day care center and the big building on Linden Boulevard to those little storefronts where we used to meet."

Lawrence Bailey

What do I remember? In the '40s and '50s we spent a lot of our time fighting police brutality, some of it successfully. We fought for the civilian complaint review board, and, of course, we lost. We were always one of the leading branches for talent in the country. We had people like Emery Hightower, who was a school principal—he's been a president; Hillary Thorne, who was a big shot in the Board of Education; of course Florence Lucas and Rev. Charles Carrington. We had really down to earth presidents who really built that branch up—we used to have membership meetings in P.S. 40; they were so big. Some more of the past presidents: Bill Booth, Bob Couche, Gene Sharpe, Guy Brewer, Peter Saltz.

When they first started the school boards we monitored them and we successfully challenged in court, and had overturned, an election. That was in the fifties. I was the attorney for that.

Patricia Burnett

I remember our News Bulletin and the awards it would win at national conventions. It was a terrific publication. Even if people didn't attend meetings, they could keep up to date. I also remember the impact we used to have on our local public schools. It seems to be missing now; but then our education committee was really effective. And the door-to-door canvassing for memberships. Chester Alston headed the campaigns and we would get our friends together and walk for hours. We don't do that anymore, it's too dangerous. I drive everywhere anyhow—I drive too much.

Alma Whittaker

I remember our first cotillion, the Red Rose Cotillion. We had it at the Waldorf Astoria in 1955 or '56. I think that we were the first Black group to use the Waldorf. It was a big fund raiser. Bernice Johnson was the choreographer and we had twenty or twenty-five girls involved.

And I remember how our branch grew in the early 1960s with Chester Alston showing the way. Why, he would bring in 400 members himself.

THE INTERNATIONAL DIMENSIONS AND DOMESTIC CONSIDERATIONS OF DEEP SEABED MINING

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. MURPHY of New York. Mr. Speaker, I recently had the privilege of being invited by members of the Maritime League of Diet Members—Tokyo, Japan—to address the Third Ocean Policy Seminar in Tokyo. Together with a number of other Members of the Congress, I participated in the 3-day seminar on panels related to the continental shelf, energy, and deep seabed mining.

I was asked to deliver the keynote address at the first plenary meeting on November 21, 1977. My remarks to this international body focused on the primary philosophical and ideological differences between industrial nations and the Third World with respect to the deep ocean mining of manganese nodules and the effect of such differences on the Third United Nations Law of the Sea Conference.

Early in the next session of the 95th Congress, we will be considering domestic legislation to establish a legal regime for the administration and encouragement of mining by American-led consortia who will be asked to invest large amounts of capital to secure our future supplies of manganese, cobalt, nickel, and copper.

For the reasons indicated in my Tokyo address, I urge my colleagues to consider the serious consequences of delaying deep seabed mining legislation for an international conference which may be based on irreconcilable premises.

Mr. Speaker, the following is my address given at the Third Ocean Policy Seminar in Tokyo, Japan, on November 21, 1977:

THE INTERNATIONAL DIMENSIONS AND DOMESTIC CONSIDERATIONS OF DEEP SEABED MINING

I appreciate the opportunity to be here today to address the third ocean policy seminar on a topic on which I have a particular interest—deep seabed mining.

Nodules lying on the floor of the deep seabed, contain copper, nickel, cobalt and manganese, constitute a source of minerals that far overshadows land-based supplies and reserves. Estimates of the size of this resource run into the trillions of tons.

Only about three percent of the total ocean floor area has been surveyed in any detail. Most of this area is located in the eastern Pacific Ocean, north of the equator, in proximity to the United States—where most of the companies developing deep seabed technology are based. The most attractive deposits now identified occur in this region and in the south Pacific near Polynesia. However, large areas of the oceans including the Indian Ocean where high grade nodules have been found, remain essentially unexplored. The extent of the most attractive known seabed deposits is so large that first-generation commercial ventures—covering roughly the first twenty years of operations—are likely to mine less than five percent of the deposits constituting such mine-sites.

Relative to any other source of minerals we have previously considered exploiting, it is clear that the quantity of deep seabed minerals is potentially staggering. Furthermore, manganese nodules are not, strictly speaking, a depletable resource.

Indications are that nodules are forming continuously at a relatively significant rate. The process, I am told, is identical to that for making rock candy. Given a "seed" around which to form, crystals will grow drawing on the sugar or, in the case of nodules, minerals that are dissolved in the surrounding water.

I am addressing myself to a critical issue—one that has been completely obscured in the international debate on deep seabed mining. From any practical standpoint, it is not the seabed minerals themselves that are scarce.

Even at the standard of living enjoyed by the industrialized nations, there are enough manganese nodules to last the entire world for hundreds of years. I fully expect that, by the time we are in any serious danger of depleting the resource, we will have developed the technological capability to mine the moon or other planets.

The United Nations' resolution declaring the resources of the deep seabed to be the "common heritage of mankind" has masqueraded as an attempt to insure that a scarce resource is equitably shared among the nations of the world. The problem with this claim is that the resource is not scarce. What is crucially scarce, however, is the knowledge and technological capability necessary for the recovery of these minerals from as deep as three miles below the ocean surface and the ability to process such nodules once recovered.

This knowledge is possessed by certain consortia of United States, Japanese, West German, French, Australian, British, Dutch, Swedish, and Canadian corporations. The knowledge that these technologically sophisticated consortia possess is not generally regarded as "the common heritage of mankind".

The importance of this distinction between the resource itself and the knowledge required to recover the resource cannot be overemphasized. What our adversaries at the United Nations Law of the Sea Conference are demanding, once you get down to basics, is not just their fair share of the resource. This we are willing to provide them. What they are really demanding is a share of the benefits that are gained through the investment of time, resources, and effort on the part of others in gaining the technical expertise in building and equipment necessary for recovery and processing—without bearing any of the costs themselves. Many have the additional motive of protecting their privileged position, as monopoly producers of these minerals, from competition in the world market. I am certain that any of the nations so adamantly opposed to deep seabed mining, were they willing to devote resources to seabed nodule recovery and processing, would be welcome members of the mining consortia that have already been formed. It is unreasonable and implausible to argue—as the group of 77 is attempting to argue—that one has been excluded from a rightful share of a world resource simply because that nation is not allowed to share in the benefits unless it bears some of the cost.

The lesser developed nations should recognize that the industrialized world has attained the high standard of living it now enjoys only by the investment of resources, hard work, and the time that it has expended throughout its history to reach this goal. We are fully prepared and committed to help the underdeveloped world reach their goals, but they must recognize that it demands commitment and investment of resources on their part.

I find their current abdication of this responsibility and their concomitant claims that we owe them a share of the wealth we have produced, highly distressing.

The problem may have been best expressed by our special representative at the U.N. Law of the Sea Conference, Ambassador Elliot L. Richardson, in his appearance before the House Committee on Merchant Marine and Fisheries, which I chair. During his testimony on July 27, I expressed my feeling that no acceptable treaty would be forthcoming in the near future without some pressure applied to the third world and that the pressure should be of an economic nature. Ambassador Richardson expressed agreement with that statement and elaborated even further by stating:

"There has to be pressure in a sense that the other participants in the conference have to be aware of two things: one is that deep seabed mining will go forward with or without a treaty; the other is that there is no way in which other countries can participate through an international seabed authority in deep seabed mining unless the terms and conditions under which private corporations and consortia contract with the authority are economically viable."

This point must be emphasized. Private corporations are simply not going to be interested in participating in an international deep seabed mining effort that requires them to give away all their proprietary information, bear all the investment costs, but reap none of the financial benefits. I do not think that a corporate president who was to undertake a venture requiring the corporation to give away its trade secrets, its assets, and the service of its employees while receiving nothing in return could expect to keep his job for long. But, this is exactly what the third world is demanding.

It is also imperative that we correct the erroneous impression that deep seabed mining is an initiative being fostered by the United States alone. I would like to set the record straight in this regard.

Admittedly, we do have our own interest at heart. We would like to decrease our dependence on mineral imports—particularly when the sources of such imports may be of uncertain political stability. Of course, new industry benefits us just as it does any other country.

As it is now developing, however, deep seabed mining is truly an international effort. At least eight other nations in the Free World are directly involved in development of deep seabed mining through participation in various mining consortia. Furthermore, these consortia draw their investment capital from many more than just the nine nations in which the corporations comprising the consortia are based. In total, there are several dozen nations who are now participating in the development of deep seabed mining in some way. Many of these nations have their own national interest and security in mind as, quite rightly, they should.

The United States currently leads the world in the development of deep seabed mining technology and development of commercial markets for seabed minerals. But, nobody can plausibly argue that we are excluding other nations from the benefits of harvesting these minerals.

This brings me to what I now see as the fundamental impediment to a law of the sea treaty. The respective worldviews of the industrialized and developing countries and, consequently, the premises on which each bases its negotiations, may be simply too different to be reconcilable.

The industrialized nations are accustomed to working within a free enterprise framework. They accept the premise that one shares in the benefits of society largely to the extent that one shares in the cost. Not only is this considered fair but it is the way that a nation improves its standard of living—

by investing in ventures today that will lead to increased national wealth tomorrow.

The lesser developed nations comprising the Third World, on the other hand, do not accept this theory. They believe that they have a birthright to the earth's economic wealth—no matter what nation or nations bore the expense by which that wealth was created. One of the reasons that economic aid to these nations, whether through development loans or outright grants, creates so much resentment is because they really feel that we owe them more, no matter how much is provided for them.

I will not try to claim that I am right and the leaders of the Third World are wrong. Certainly they believe that their egalitarian sentiments, largely inspired by their own economic ideologies, are fair and equitable—as firmly as I believe the American free enterprise system, monitored by a government of the people, is just.

The point is that these two sets of beliefs are irreconcilable. They are so basic to each of our ways of life as to make open discussion most difficult.

Many of the scholars who have studied deep seabed mining within the context of the law of the sea negotiations have completely missed this point. For the most part, they have proposed complicated schemes for distributing the wealth from the deep seabed in order to make every nation on earth more prosperous than it is now. The intent of these proposals is to make ocean mining compromises acceptable to the third world. Our negotiators have gone far more than half way in attempting to implement some of these compensatory schemes at the conference. Yet, compromise proposals made by the U.S. delegation that included parallel access, extensive technology transfer, and excessive royalty payments to an international authority were flatly refused. Our proposals were, in my opinion, far too generous.

Once we recognize, as the scholars have *not*, the highly irrational nature of the negotiations at the law of the sea conference, we may find that we are in a completely new arena. We may not be able to reason with the underdeveloped nations because our beliefs differ so drastically. If this is true, we are left with an inescapable choice. The industrialized nations can either follow the dictates of the Third World or protect their own interest. There is no question in my mind that the latter is the course we should pursue.

As chairman of the House Committee on Merchant Marine and Fisheries, I have, along with many of my colleagues, strongly urged the Congress and the President of the United States to protect our interest and to avoid capitulation to excessive and unreasonable demands at the Law of the Sea conference. I think that we should make it abundantly clear to all concerned that we are prepared to go ahead with deep seabed mining with or without a LOS treaty and that, should the conference break down permanently, we are prepared to negotiate a series of bilateral or multilateral agreements with those nations who wish to pursue ocean mining.

Whatever the good intentions of the United States and certain other nations, the cleavages between the group of 77 nations, the land-based producers, the industrialized countries and the landlock nations, make the establishment of an international seabed authority extremely uncertain. We must face the possibility that the Law of the Sea conference will produce no acceptable treaty.

To strengthen the position of the U.S. delegation in its negotiation with the Third World and to establish a legal format suitable for possible multilateral or bilateral agreements on seabed mining, I have been urging the United States Congress to adopt domestic deep seabed mining legislation to encourage the commencement of commercial mining activity within the next few years.

The Congress must move forward this year with comprehensive legislation for two critically important reasons.

First, a legal framework must be established by legislation—a framework in which the industry can operate and the Government can administer.

With respect to the American mining industry, it is imperative that some degree of predictability about its future rights in the ocean be established. Between now and the beginning of commercial recovery on the first few mine sites which will be located in the North Pacific Ocean between Hawaii and the west coast, the companies must acquire and commit more than $2.5 billion. To the extent that a LOS treaty could terminate industry's rights under existing international law, prohibit mining activities, limit production, fix prices, require transference to a new mining site, or raise costs prohibitively, lending institutions will not loan any substantial part of the risk capital needed to move toward commercial operations. The political risks involved in an international agreement must be addressed in legislation so that a reasonable secure investment climate will be created. Only within that climate, will investment companies be willing to loan and mining companies be able to obtain the enormous amounts of capital required for deep oceans operations.

Conversely, our Government has virtually no control over the present exploratory and development activity of our ocean mining companies. The U.S. State Department has confirmed the fact that the companies may continue to operate under customary international law within the concept of the freedom of the high seas. Consequently, there is no regulatory framework by which the U.S. or any of its allies may exercise any type of administrative or environmental control over high seas operations. This is an element we will need if we are to mine the seas in an environmentally sound and responsible manner. Therefore, it is imperative that a strong legal framework be established—a framework within which the industry may enjoy some degree of investment security and the Government may exercise its normal functions of regulation and administration.

The legislation that Congressman John Breaux and I have introduced and which has been reported out of two House committees addresses itself to these requirements. Additionally, our legislation contains a provision on reciprocating States that is designed to encourage our allies to follow our lead and adopt deep seabed mining laws of their own. Our express policy in the legislation is to prohibit the issuance of any license or permit for ocean mining if such mining conflicts with licenses or permits issued previously by a presidentially designated reciprocating State.

It should also be noted that our legislation is interim in nature. In other words, the framework established by the Congress will exist only as long as there is no international agreement which is binding upon the United States. Once such an agreement is successfully concluded—if that ever occurs—ocean mining will then be carried out under the structure of the international treaty. I believe that this is very important to keep in mind because some argue that our legislation will damage the LOS negotiations. This is simply not true as the temporary nature of our measure indicates.

In concluding these remarks, I would like to touch on the question of why, in a humanitarian sense, we must proceed with deep seabed mining. This is the important question on which aspects of ocean policy must ultimately focus. Any policy that fails to take human welfare into account is policy that is empty and useless.

Some feel that no resource in the ocean should be exploited. Others feel that ocean resources should be exploited indiscriminately. Somewhere between these two extremes is a moderate balance that maximizes the human economic benefit derived from ocean resources while protecting the splendor and natural beauty of the ocean environment. Our legislative approach to deep seabed mining represents, I am convinced, such a balance.

On the economic side, the reason commercial exploitation of these resources has never before been undertaken lies in the historically high cost of producing minerals from the ocean, particularly when compared to the relatively low cost of producing those minerals from abundant land-based ores. However, over the past decade the value of the metals contained in nodules has more than doubled and has risen by 50 percent more than either the U.S. wholesale price index or the international monetary fund index of world traded goods.

At the same time, the technological environment, within which efficient ocean mining techniques could be generated, has been greatly improved. This is largely attributable to techniques developed by the rapidly growing offshore oil industry. Also, as ocean mining becomes potentially cheaper, land-based mining is becoming increasingly expensive. This is due both to dramatic declines in ore quality and accessibility and to increased infra-structure costs as more isolated land-based deposits are brought under development.

Additionally, we are moving into a period in which there is a shift from a buyer's to a seller's market for most raw commodities. This greatly increases the probability of stable cartels forming. Economic theorists traditionally dismiss the possibility of the formation of long-lived cartels. Yet, these same theorists did not foresee the formation of the OPEC cartel in 1973 and have, since that time, repeatedly predicted imminent collapses of that cartel—collapses which we all know have not occurred.

Many land-based producers of minerals are operating at already near monopoly prices—prima facie evidence that they already wield considerable market power. One who believes that such producers could not form a cartel is, in my opinion, seriously deluding himself.

Deep seabed mining can restore competition to the world market that would result in lower mineral prices for all. The economic benefit from this would be worldwide and include even those nations most adamantly opposed to an equitable seabed mining structure.

Much of what we are seeing in the confrontation between the industrialized nations and the lesser developed countries is a fundamental difference in the perception of what role is to be played by the United States and its allies in long-range human development. This brings us back to my comments earlier about the knowledge and technological capability necessary for recovery of seabed nodules, and not the nodules themselves, being the true resource. I believe that we should all keep in mind that the oil, gas, minerals, and other resources that we began using about a century ago have been held by the Earth for millions of years. What was lacking through all these years of human history was the knowledge required to make use of these resources.

The industrial and technological development that has been undertaken by the United States and others entails learning-by-doing. You do not have to be very intelligent to stoke a furnace with coal or burn oil that

you happen to find by digging in your backyard.

You have to be a good deal more intelligent to be able to obtain that oil from beneath the outer continental shelf which is under 200 meters of water. You have to be very intelligent indeed to make synthetic fuels from sea water using solar energy, or separate isotopes of hydrogen from sea water and heat them to 200 million degrees fahrenheit for the purpose of power generation. The use of hydrogen isotopes from sea water is a function we expect to be able to perform in the next century—once fusion reactors become operational. These latter two sources of energy, if developed, would last mankind for six to ten billion years. This is as long or longer than the sun itself will last.

In view of this, one should properly view the non-renewable resources that we are now using as finite wealth that the industrialized world is squandering, but as a fortunate accident of nature that has given us the luxury of time to learn proceses that will ultimately bring mankind into a world of truly abundant wealth.

Each new technological project that we undertake is an important part of this learning process. What we learn from deep seabed mining will be far more important in the long-run than the minerals we recover. The knowledge we gain will be beneficial for all people and all nations. This is precisely why it is imperative that the exploration and development of the oceans be strongly encouraged by the world community—and not be politically constrained by an international conference which may be based on irreconcilable premises.

Thank you.

REMARKS ON THE GOVERNMENT-BUSINESS STRUGGLE

HON. ELWOOD HILLIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 30, 1977

Mr. HILLIS. Mr. Speaker, I would like to bring this article that appeared in the October 31, 1977 edition of the American Market/Metalworking News to the attention of my colleagues. I feel this article by the chairman of Rockwell International Corp. makes some interesting remarks on the government-business struggle. For this reason, I submit the article entitled "Government, Steel Must End Their Adversary Relationship."

GOVERNMENT, STEEL MUST END THEIR ADVERSARY RELATIONSHIP

(This article is excerpted from a speech given by W. F. Rockwell Jr. at the recent meeting of the Iron Castings Society in Scottsdale, Ariz.)

It's time we took a new look at the condition of our industrial base—especially with regard to our overseas competition.

For instance, it was not too long ago the stamp "made in Japan" on any product was usually an indication of inexpensive and poorly made goods. However, that's no longer the case. Today Japanese products have made many inroads in America because they're well made, well styled and attractively priced.

The great influx of Japanese products shows an ever growing trend that Americans can no longer ignore. In our shrinking world, the marketplace within our borders can no longer be considered the private marketplace of American business. Just as we have developed foreign marketplaces for our products, so, too, have others aimed their products at our shores.

The problem of Japanese steel, the current problem that's on many people's minds, is not the disease but merely the symptom. And while erecting trade barriers and other protective types of legislation may cure the symptoms on a short-term basis, especially if dumping is involved, I don't feel that they are the necessary long-term cure that our nation needs if we're to compete in a world marketplace.

I tend to agree with the Boston Consulting Group which reported: "Japan's economic success is not a temporary phenomenon. It is not a result of cheap labor, nor of exports, nor of copying. These kinds of simplistic explanations will not and cannot explain the massive achievement of Japan. Rather, Japanese industrial growth is the result of the functioning of a highly efficient system in which the parts interrelate to stimulate the continued growth."

WORKING RELATIONSHIP

This report goes on to point out that one of the key elements that determine the Japanese system of economic growth is their business-government relationship.

In Japan, the report goes on to say, "there is a basic assumption that the objectives of government and business are essentially the same—the maintenance of Japan's economic health and promotion of the nation's interests.

"It is perhaps no great exaggeration to suggest that a contrary assumption is made in the United States and elsewhere in the West that somehow the objectives of government and business are inimicable, and that it is the responsibility of government to protect its constituents from the ravages of the business community.

"This view of conflicting objectives, with government and business basically at odds, is seldom alluded to in Japan."

BENIGN ADVERSARY

Perhaps one of the biggest and most positive benefits of this type of working relationship on the part of the Japanese, as opposed to the benign adversary relationship of American business and government, is in the amount of capital investment available. And you and I know that for industry in each nation to grow, it must have capital to invest.

From 1960 until 1973, the United States had a capital investment rate of 13.6 percent of our Gross National Product. During that same period, the Japanese had a rate of 29 percent.

You can take a look at the years 1965 to 1975 to see the results of these capital investments. The United States had an increase in output per man hour in manufacturing of 2 percent, while the Japanese, riding on the benefits of their increased capital investments, had an increase of 9.5 percent.

What this means when applied to our industrial standards today should be obvious. The annual production of crude steel per Japanese worker between 1971 and 1976, stood at 479 net tons compared with only 239 net tons for his American counterpart.

USE LESS COKING COAL

It also means that Japan's advanced plant technology allows the use of 30 percent less coking coal per ton of steel produced than in U.S. mills.

And, it also means that crude steel production by highly efficient basic oxygen furnaces accounted for 82.5 percent of total Japanese production in 1975, while the figures for the U.S. were only 61.6 percent.

And production by out-moded open hearth furnaces in Japan was only 1 percent of their crude steel production but was 19 percent of America's crude steel production.

I'm aware of the recent article in Ironcaster Magazine that showed that the foundry industry, which employs more than 300,000 people, may need as much as $10-billion in capital over the next four years. That same article pointed to a possible capital shortage of 18 percent.

This problem of finding funds for capital investment is evident across the board in American industry.

In the 10-year period between 1965 and 1974, our nation consumed $1.6 trillion in capital. Business Week reported that "by the best estimates available, the U.S. will need the incredible sum of $4.5-trillion in new capital funds in the next 10 years; capital that, for the most part, will have to come from the savings of the American people and the profits of American business."

CAN'T USE MASTER CHARGE

The $4.5-trillion that we need between now and 1985 is a gigantic problem. I don't think anyone's going to let us use our Master Charge or BankAmericard. So, we better stop and think about just where all that money is going to come from.

Before someone suggests the government, let me remind you that the government taxes you to get its capital.

I think that statement in itself indicates part of the problem. Our nation today is basically divided into a nonproductive government sector and a productive business sector, both operating in a friendly, yet adversary relationship. This relationship must change if we're to compete in our own markets, let alone international markets, in the coming years.

We must start to change that relationship by diverting time, work and money from the nonproductive government sector and start to channel it back to our productive private enterprise system.

60,221 PAGES OF RULES

Just the opposite has been happening. When the Federal Register was first published in 1936, the listing of government regulations issued that year required 2,411 pages. By 1970, the Federal Register had grown to 20,036 pages. And by 1975, it had tripled to 60,221 pages.

The American people and the American government must be made aware of the fact that the cost of a product is determined by the cost of materials, facilities, and work hours needed to make that product.

If government regulation means different equipment or more work hours filling out forms for regulatory agencies, the cost of the product goes up. The end result is that American business becomes less productive, less competitive, less profitable and less able to make capital investments in productive areas.

So with increasing government regulations, increasing government spending, and increasing government taxes, it's no wonder why we have less and less of the capital needed for investment to improve America's business competitive posture.

But, it's still the simple answer that may prove to be the best solution.

PATCHWORK BASIS FORCED

If the actions of government limit the capital available for investment and divert capital spending into programs such as legislated pollution control or safety and environmental considerations, the net result is that American business has to use what little leftover capital there is in a patchwork, tack-on basis in an attempt to bring older plants up to newer legislated standards.

In many cases, this is not economically feasible and older plants are shut down; the net result being, instead of our country becoming more economically, financially and industrially sound, we've become less so.

SENATE—*Thursday, December 1, 1977*

The Senate met at 11 a.m., on the expiration of the recess, and was called to order by Hon. QUENTIN N. BURDICK, a Senator from the State of North Dakota.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Let us pray.

Eternal God, before whom the generations rise and pass away, we thank Thee for all who have fought a good fight, finished their course, and have kept the faith. We thank Thee for Thy servant, our comrade JOHN MCCLELLAN, for the life he lived, the work he accomplished, the law he served, the principles he upheld, the ideals by which he lived, the friendships he made, and the inspiration which he gave to others.

Bind us together, heart to heart, mind to mind, soul to soul, to that unseen company who have completed their pilgrimage, that what they have begun in advancing Thy kingdom, we may complete. And finally may we so live as to be joined with them in hearing Thee say, "Well done, good and faithful servant . . . enter thou into the joy of thy Lord."

Through Him who loved and gave Himself for all mankind. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., December 1, 1977.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable QUENTIN N. BURDICK, a Senator from the State of North Dakota, to perform the duties of the Chair.

JAMES O. EASTLAND,
President pro tempore.

Mr. BURDICK thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF LEADERSHIP

The ACTING PRESIDENT pro tempore. The Senator from West Virginia.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Tuesday, November 29, 1977, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

TRIBUTE TO ERIC SEVAREID

Mr. ROBERT C. BYRD. Mr. President, last night Eric Sevareid delivered his final commentary for the "CBS Evening News," thus ending another segment in his remarkable career.

Long before he began his commentaries, Mr. Sevareid had established himself as a giant in American journalism. Many of us can recall vividly his radio broadcasts of the fall of Paris. Through his words, he painted pictures that won him a reputation as a "journalist poet," and brought home to our Nation the harsh realities of the war.

Still, it seems safe to say that, years from now, Eric Sevareid will be remembered best for his evening news commentaries. Instead of reporting events, he interpreted them. And in the electronic age—when we sometimes feel overtaken by the sheer numbers and rapidity of events—that was a valuable service, indeed.

His audience paused with him in the midst of the evening news, turning with him to concentrate on a single issue, and listening as he explained how it fit—or did not fit—into the overall course of events. His perception, and logic, and precise use of the English language earned him the respect of millions of Americans.

In a medium which relies on visuals, he continued to use words to paint his pictures. In a medium criticized for its surface treatment of events, he dared to delve, explaining the "why" and not just the "what" of news. And in a medium often accused of sensationalism, Eric Sevareid's was a voice of reason that somehow made the entire world seem a little bit more rational.

I join the many people throughout the United States commending Mr. Sevareid for the services he has rendered American journalism and the American Nation throughout his extraordinary career.

RECOGNITION OF LEADERSHIP

The ACTING PRESIDENT pro tempore. The Senator from Tennessee.

PROPOSED TAX CUT

Mr. BAKER. Mr. President, on yesterday, the President of the United States conducted a press conference in which he suggested the necessity for a tax cut.

I applaud the President for that statement. I agree with the point of view and I pledge to him and to his administration the efforts of, I believe, all Senators on this side of the aisle to bring about that happy state of affairs.

I think the very prospect of tax relief for all Americans is likely to have a salutary effect on the community. I think the reality of a tax cut is almost certain to produce economic and social gains in this country which are so badly needed.

I hope the President will continue in this commitment, that he will further elaborate and express the details of his plan in that regard, and in the very best spirit of bipartisan cooperation and responsible political "adversaryism" I suggest that it is the responsibility of the minority party to suggest its points of view and alternatives in that respect.

In this happy instance I believe our points of view will coincide and it may be that the only thing remaining then is to decide how best to bring about an equitable, adequate, and early tax cut for the people of the United States.

I commend the President once again for his initiative in that respect and I am happy to say that we are of one mind on that point.

ORDER FOR EULOGIES TO SENATOR MCCLELLAN

Mr. ROBERT C. BYRD. Mr. President, today will be a day that will be set aside in the main for eulogies to our late departed colleague, Senator MCCLELLAN.

Mr. President, I ask unanimous consent that the RECORD remain open for 10 days for such eulogies; that at the close of that time the eulogies be gathered together and bound in a permanent volume; and that it be a Senate document.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BAKER. Mr. President, will the majority leader yield to me?

Mr. ROBERT C. BYRD. Yes.

Mr. BAKER. Mr. President, on yesterday, I believe the distinguished majority leader made certain remarks in the nature of a eulogy for the late Senator MCCLELLAN, as did I, and I wonder if they might be included with those in the volume.

Mr. ROBERT C. BYRD. The day before yesterday?

Mr. BAKER. Yes. The day before yesterday.

Mr. ROBERT C. BYRD. Yes, they would be.

Mr. BAKER. I thank the Senator.

Mr. ROBERT C. BYRD. Mr. President, there were other eulogies, I believe, delivered on that same day and they will be all compiled together.

ORDER FOR RECEIPT OF STATEMENTS TODAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that Senators may have until 5 o'clock p.m. today to provide their statements for the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RECESS UNTIL 11:30 A.M.

Mr. ROBERT C. BYRD. Mr. President, while we are awaiting possible further developments, I ask unanimous consent that the Senate stand in recess until 11:30 a.m. today.

There being no objection, the Senate, at 11:09 a.m., recessed until 11:30 a.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. HATHAWAY).

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a period for the transaction of routine morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is the Senator from Massachusetts seeking recognition?

HEALTH PROFESSIONS EDUCATION AMENDMENTS OF 1977—CONFERENCE REPORT

Mr. KENNEDY. Mr. President, I submit a report of the committee of conference on H.R. 9418, a bill to amend the Public Health Service Act to require increases in the enrollment of third-year medical students as a condition for medical schools' receiving capitation grants, and for other purposes, and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The assistant legislative clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9418) to amend the Public Health Service Act to require increases in the enrollment of third-year medical students as a condition to medical schools' receiving capitation grants under such Act, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the proceedings of the House of Representatives.)

Mr. KENNEDY. Mr. President, I am pleased to recommend that the Senate adopt the conference report on H.R. 9418, legislation designed to restore to the Nation's medical schools the freedom to apply their own admission criteria in the selection of American students transferring back to this country from foreign medical schools.

Current law requires American medical schools to accept these students if they have passed part I of the national boards, without regard to any other academic qualification. This represented an unwarranted Federal intrusion into academic medicine.

Current law also made a commitment to thousands of Americans studying medicine overseas. It promised them a chance to return to medical school in the United States. Eight hundred students took their examinations and have qualified under the provisions of current law. Other students are expected to take the exam and qualify this June.

Mr. President, this conference report strikes a balance between the need to restore the principle of academic freedom in the admissions process, and the need to meet, to the extent possible, the commitment to those young Americans studying abroad.

This conference report represents a fair compromise between the House and Senate bills. The House called for a 2-year, 6-percent enrollment increase from a wide selection pool. The Senate repealed existing law. The compromise calls for a 1-year, 5-percent enrollment increase with a wide pool to assure maximum selectivity for the medical schools. In addition, the student loan provisions are decoupled from the capitation provisions, as originally passed by the Senate.

Mr. President, the relevant Senate and House committees have agreed to reopen the entire manpower legislation early next year. We will examine the utility of capitation support as a vehicle to accomplish public policy objectives. We will reexamine and strengthen the primary care provisions. Our objective then, as now, will be to respect the independence and integrity of the medical centers, while at the same time influencing them to be responsive to the social priorities of the society that pays their bills.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MORGAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MORGAN. Mr. President, to maintain the continuity, I yield to the Senator from Pennsylvania.

Mr. KENNEDY. I thank the Senator from North Carolina very much, and I yield to the Senator from Pennsylvania.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SCHWEIKER. I thank the Chair. I commend the chairman of our Health and Scientific Research Subcommittee for his leadership in resolving this rather difficult problem.

Mr. President, as the ranking Republican member of the Health and Scientific Research Subcommittee, I am pleased that we were able to reach an agreement with the House on this very controversial matter. Personally, I do not favor a policy of telling medical schools that they must accept particular students. I think that is bad educational policy and bad national policy. I therefore supported repeal of the Manpower Act's capitation condition requiring enrollment of certain transfer students from foreign medical schools. The conference agreement is a compromise with the House position in this regard, requiring an enrollment increase of 5 percent in school year 1978–79.

Of particular concern to me is section 7 of the bill. During consideration of this bill by the full Senate, I offered an amendment to prohibit the discrimination by medical or nursing schools against any individual because of that individual's refusal to, or willingness to participate in the performance of abortions. This amendment was accepted by the Senate on a voice vote, but it had not appeared in the House bill.

During debate on my amendment, I introduced evidence of the widespread nature of this discrimination; further evidence was contained in statements I made in support of S. 784 on February 24 and September 21 of this year. However, I recognize that no formal hearings have been held on this problem, either by the Congress or the executive branch. I further recognize that the prohibition of my amendment, although following the conscience clause already part of the Public Health Service Act, is a new approach to the question of admission to the health professions.

Therefore, I agreed in conference to support a study by the Secretary of Health, Education, and Welfare into this problem. The report must be returned to Congress no later than March 1, 1978, and I would emphasize the importance of meeting that deadline to allow us to consider the report within the timetables imposed on the Congress by the Budget Control Act.

In doing research on this report, I would hope that the Secretary will contact the people I have identified in my earlier remarks on this problem for their views of the situation. It would be unsatisfactory for the study merely to consist of direct inquiries to the schools affected without dealing with those who feel they have been discriminated against because of their views on abortion. I would further urge anyone who is concerned about this problem to contact the Secretary directly, preferably before mid-January.

Mr. President, no one needs to remind this body how divided the country is over the question of abortion. Few people can be absolutely sure that they have all the right answers to this issue. Therefore, I hope that we can prevent those with one view from closing off access to the medical profession to those who disagree. This is what my amendment was designed to do, and it was offered because I am convinced there is a need for it. If the Secretary confirms the need, I hope Congress will take prompt remedial action next year.

Mr. President, I feel the conference report is a reasonable compromise and urge my colleagues to approve it.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum, just briefly.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HAYAKAWA. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HAYAKAWA. Mr. President, I would like to say a few words in support of the distinguished Senator from Massachusetts concerning the conference report to amend the Public Health Services Act.

I believe the amendment proposed, and Senator KENNEDY's support of it, corrects a very important weakness in the original legislation.

As a former college president, I would like to say that the way in which institutions of higher learning maintain their uniqueness and individuality is not only by the distinction of their faculty, not only by their many departments and schools, but also by providing careful monitoring of their criteria for admission.

When the Government proposes to dictate the criteria of admission to a university or a college, it interferes very seriously with that institution.

Therefore, it seems to me, Mr. President, that the changes proposed in the conference report on H.R. 9418 are very acceptable to preserve the whole principle I have just discussed, and at the same time not interfering with the freedom of universities to operate in their own way, especially medical schools.

I know these matters are of great importance to the staffs of the universities of my State, and to the University of California and its branch medical schools.

I would like to say that I fully support the conference report, Mr. President.

Mr. SCHWEIKER. Mr. President, will the Senator yield?

Mr. HAYAKAWA. I yield.

Mr. SCHWEIKER. Mr. President, I commend the Senator from California. I offered the Senator's amendment when he was unavoidably detained. Of course, it was agreed to on the Senate floor and accepted in conference. It specifically decoupled the concept, an erroneous and false concept, which penalized a student by denying him a student loan because of an action the medical school did not take.

I congratulate the distinguished Senator from California for his amendment. I am glad it is still in the bill. I believe it is a wise amendment. I thank the Senator.

Mr. HAYAKAWA. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

SOCIAL SECURITY COVERAGE FOR MEMBERS OF CONGRESS AND EMPLOYEES OF THE LEGISLATIVE BRANCH

Mr. MORGAN. Mr. President, I send to the desk a bill, the purpose of which is to bring the legislative branch into the social security system. It requires that there be mandatory coverage under social security of all Members of Congress and their employees.

As we know, Mr. President, the social security tax matter is now before the conference committee. We all realize that neither the House action nor the Senate action is all we desired and not the permanent answer to the problem of social security reform.

Mr. President, my mail has been running very heavy on this matter. I believe the bill I have offered today, along with Senator NUNN, should be a first step toward a general social security reform.

It will show the people that we value social security, that we feel social security to be important enough that we ourselves are prepared to take part. And it will remove a glaring blot from our record. The social security program, while important, is costly. Taxes are rising almost continuously, and will jump dramatically following enactment of the bill we recently passed, and the people do not understand why we have chosen to exempt ourselves. And for that matter, neither do I.

Many might ask why this is necessary—after all, we have an excellent pension plan. But the possession of other sources of retirement income has never been a criteria for determining coverage under social security. Many people in the private sector have excellent retirement programs, and yet they must participate in social security.

If we do not have the necessary appreciation of the social security system to take part ourselves, how can we expect others to? In any case, it is not right for the Government to require the private sector to do things it is not prepared to do itself. How do we tell the people that they must take part in a program while those who set its policies and those who administer it do not?

But there is more to it than this. The social security tax is a payroll tax which the Government has decided it and its employees will not pay. We are, in effect, giving the public sector a 12 percent tax credit, soon to be more, not available to the private sector, and so encouraging the expansion of the public sector at the expense of the private sector. I do not believe any of us want to do that.

If social security were a straight supplementary retirement program, with benefits based solely on one's contribution, then there would be some justification for us not to participate. But it is not.

Millions of people have paid more into the social security system than they can ever hope to recover. This is because the Congress has wisely decided that the purpose of social security is not only to provide a supplementary pension, but also to provide some basic security to the elderly and disabled. As a result, many of the benefits available bear little or no relation to contributions. Medicare is equally available to all the elderly and some of the disabled covered by social security, regardless of contributions. The extra benefits for dependent spouses are not based on contributions. Lower wage earners, when retired, receive a higher percentage of their income than their wealthier brothers. And I could go on. In fact, social security bears a closer resemblance to an insurance program than to a retirement plan.

An insurance program cannot survive if it arbitrarily excludes large groups of people who will recover less than they pay in. I do not believe that social security will survive unless all wage earners take part, but it is especially important that those of us who have created the program join it.

I also believe that if we were a part of the social security system we would take better care of it. I will not now take the time to go into the mistakes of the past or my objections to specific provisions of the bill we recently passed. But I am seriously concerned with the lack of effort put into controlling costs and the use of overly optimistic assumptions in determining the necessary financial remedies.

According to the actuaries, social security costs will be increasing over the next several years by more than 10 percent each year, while assuming that inflation will decline to 4 percent annually. This trend must be controlled. And if the assumptions behind the bill are too optimistic, then we have understated the problem we are dealing with. That means further tax increases will be necessary, quite possibly within the next several years. And this worries me greatly, for social security taxes are already becoming oppressive.

I have received letter after letter decrying the social security tax increases that were recently approved. What do the Senators think the reaction will be when the people find out that what was passed is not sufficient? I suggest that social security reforms are necessary, and no step is more urgently needed than to bring ourselves into the system.

Next year, when we begin hearings on this matter, I hope that the consideration will be given to bringing in not only Members of Congress and their employees, but also other employees not now under the system.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2335

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) (1) section 210(a)(6)(C) of the Social Security Act is amended—

(A) by amending clause (i) to read as follows:

"(i) as the President of the United States; "; and

(B) by repealing clause (ii) thereof.

(2) Section 210(a)(6) of such Act is amended by adding at the end thereof the following new subparagraph:

"(D) Except that the preceding provisions of this paragraph shall not apply with respect to service performed as a Member of Congress (as defined in section 2106 of title 5, United States Code) or in the legislative branch;".

(b)(1) Section 3121(b)(6)(C) of the Internal Revenue Code of 1954 (relating to definition of employment) is amended—

(A) by amending clause (i) to read as follows:

"(i) as the President of the United States;"; and

(B) by repealing clause (ii) thereof.

(2) Section 3121(b)(6) of such Code is amended by adding at the end thereof the following new subparagraph:

"(D) Except that the preceding provisions of this paragraph shall not apply with respect to service performed as a Member of Congress (as defined in section 2106 of title 5, United States Code) or in the legislative branch;".

(c) The amendments made by this Act shall be effective with respect to taxable years beginning after December 31, 1977.

UNIVERSAL SCHOOL LUNCH PROGRAM

Mr. MORGAN. Mr. President, I should like to state briefly my support of a bill that was introduced by the distinguished Senator from Minnesota (Mr. HUMPHREY) with regard to the universal school lunch program. In 1975, I sponsored such a bill and I am pleased that Senator HUMPHREY has seen fit to introduce it in this session, and to join with him as a cosponsor.

The government requires children to attend school. It pays for their transportation and instruction, buys their books, buys their bats and balls. The least we can do is make sure they get a decent lunch.

The importance of proper nutrition in the development of our children is clearly established. If they do not get enough decent food, they simply cannot learn as well.

The present system for providing lunches is not adequate.

School officials are forced to determine which children, based on their parents' income, are eligible for the lunch program, and whether they should get a free lunch or a reduced-price lunch. The administrative problem of sending out, processing, and evaluating applications is both time-consuming and expensive and frequently arbitrary and even discriminatory. I rather suspect that if all of the cost of administering the present free lunch program were taken into consideration, it would almost be equal to the additional cost that would result from making the free lunch program universal.

Being singled out for a free or reduced-price lunch is degrading to a child. We were all children once, and most of us have children, and we know what it is like for a child to be singled out for special treatment. It is usually unpleasant. And here we are doing it, even though the circumstances are totally beyond the child's control.

This bill will help provide proper food and insure good health for our children, it will help provide improved and equal educational opportunities, and it will simplify administration. This is an important bill, and I hope to see it passed.

Mr. President, there is no program in all of the Federal Government, in my opinion, that is more greatly abused—certainly not in my State—than the free lunch program. It is generally known in almost every school that there are children from well-to-do families who are receiving free or reduced price lunches where they are not entitled. In some schools, as high as 90 percent of the children are receiving free lunches. It is so bad that, in one of the counties in my State, Edgecombe County in the eastern part of the State, the county has undertaken on its own to make the free lunch program universal within the county, even if this bill should not pass.

So I wanted to take this opportunity to add for the record my endorsement of Senator HUMPHREY's bill and to urge that, during the next session of Congress, we give careful consideration to making it universal and to eliminating the terrific administrative cost, as well as the consumption of time that it causes for the teachers, the principals, and the superintendents to administer the program, time that should be spent in providing better educational opportunity.

I thank the Chair.

Mr. THURMOND. Will the Senator yield?

Mr. MORGAN. I am delighted to yield.

Mr. THURMOND. I wish to associate myself with the remarks made by the able Senator from North Carolina. Many teachers from my State tell me that the time they consume in administration and determining who is able to pay and who is not is much more costly than if they just gave the free lunches to all the children. I believe the Senator has in mind legislation that will do that.

Is that correct?

Mr. MORGAN. That is correct, Mr. President.

Mr. THURMOND. I should like to endorse highly that legislation to just provide free lunches to all children.

Mr. MORGAN. I thank the distinguished Senator and I hope he will speak to the Agriculture Committee and other committees next year and lend his aid to the passage of such legislation.

Mr. THURMOND. I thank the Senator.

(Mr. HOLLINGS assumed the chair.)

THE LIFE AND DEATH OF SENATOR JOHN L. McCLELLAN

Mr. THURMOND. Mr. President, when JOHN L. MCCLELLAN died early Monday, the U.S. Senate lost one of its giants and the Nation lost a man of immeasurable worth to the common good of its people. He was truly a great man and his accomplishments in this body are legion. I knew him as a trusted friend, a wise colleague, a dedicated patriot, and a fearless defender of our representative system.

Twenty-three years ago, when I came to the Senate, JOHN MCCLELLAN was already a highly respected and acknowledged leader in this Chamber. It was a reputation which he had clearly earned through his 12 previous years of dynamic service in the Senate. Furthermore, it was a standing which grew for the rest of his life among all of us who had the privilege of serving with him.

There is no doubt that JOHN MCCLELLAN left a deep and beneficial imprint on the welfare of our Nation. As chairman of the Senate Committee on Appropriations, a post he held with distinction for the last 5 years, there was little in the Federal Government that did not come under his purview. Prior to assuming that high position, he served for 22 years as chairman of the Committee on Government Operations. Those who served in Government and who were under the scrutiny of that committee had ample confidence in his fairness, but also knew fully of his firmness.

Perhaps one of his most courageous tasks—and there were many—came as chairman of the Senate Permanent Subcommittee on Investigations. For 18 years, from 1955 until 1973, he led this investigative arm of the Senate and used its powers to ferret out the activities of organized crime and labor racketeering. Landmark legislation which he authored was designed to curb crime and enhance law enforcement throughout this land. In this way, all Americans have reaped the rewards of his vision and his understanding of our country's legal principles.

Mr. President, we in the Senate have lost one of our finest, and the people of Arkansas have lost one of their favorite sons. It is easy to see how JOHN MCCLELLAN was chosen, time and again, by the citizens of his State to represent them in public life. He was a genuine man of the people and his constituents knew they could count on him. As a boy, JOHN MCCLELLAN rode the circuit with his lawyer father and acquired a reverence for the law. He studied under his father's tutelage and became the youngest lawyer in the United States when he was admitted to the Arkansas bar at the age of 17.

After service as a first lieutenant in the Army Air Service of World War I, he established his law practice in Malvern, Ark. Shortly afterward, he served as city attorney for that community for 6 years, launching the brilliant political career which lasted until this very week. On his way to the Senate, he also served as a hard-hitting prosecuting attorney and a two-term Member of the U.S. House of Representatives. The people of Arkansas then elected him to this body six times, expressing by their votes the confidence and trust which he earned by his faithful and distinguished service.

My deepest sympathy is extended to Senator MCCLELLAN's wife, Mrs. Norma McClellan; to his two daughters, Miss Doris McClellan and Mrs. Mary Alice McDermott; and to his grandchildren and other relatives, at this time of sad-

ness. They can take genuine solace, however, from the lifelong benefits gained by sharing this close family association. Mrs. McClellan was a true inspiration to her husband and stood staunchly by him through the rigors and demanding schedules of public service. I know that she was a great help to him throughout his career.

Mr. President, JOHN MCCLELLAN was a leader among us and he exemplified the finest attributes of leadership. He was a man who based his judgments on the purity of facts, tempered by a deep understanding of people. He was firm, but compassionate. He was effective, but not flamboyant. He was willing to go the extra mile in order to achieve a necessary goal.

The legislative goals he achieved will continue to serve as reminders of his foresight: Such things as creation of the General Services Administration, revision of our copyright laws, crime control legislation, creation of many flood control projects, including the important McClellan-Kerr Arkansas River navigation system, and many more. Even now, the Senate has under consideration a far-reaching piece of legislation which was the brainchild of Senator MCCLELLAN: A complete revision of the U.S. Criminal Code. I have been pleased to join with many in this Chamber in cosponsoring this needed revision which JOHN MCCLELLAN has provided for a congressional decision.

Mr. President, Senator JOHN MCCLELLAN was a statesman who graced these halls for 35 years before his death Monday at the age of 81. We, as friends and colleagues, shall miss him. Yet we celebrate his life's accomplishments, which will long endure.

TRIBUTES TO SENATOR JOHN L. MCCLELLAN

Mr. JOHNSTON. Mr. President, it was my privilege to serve on the Committee on Appropriations over the last 3 years while JOHN MCCLELLAN chaired that committee. Certainly he provided far-sighted and able leadership in those years, and throughout the time that he spent in the Senate.

For example, Senator MCCLELLAN has been a firm advocate of a strong national defense. He has insisted that we maintain Armed Forces at a level that will insure the preeminence of American military capability. At the same time, he has had vision in areas of new public policy concern, such as energy technology. Finally, the former chairman always monitored the expenditure of Federal funds to delete national activities of marginal value and to invest citizens' tax dollars in the most beneficial and constructive programs.

It is with a deep sense of personal loss that I join my colleagues in mourning the death of Senator MCCLELLAN. He accomplished much for the people of our Nation, and his devotion to public service has set an example for all of us who continue to serve in the deliberative body to which he dedicated much of his life.

Mr. LEAHY. Mr. President, it is with a feeling of great sadness that I returned with the delegation of my Senate colleagues and others from the funeral of Senator JOHN L. MCCLELLAN in Little Rock, Ark. Traveling to Arkansas and the many miles in return for this great man's funeral was a small expression of my esteem for the long and effective leadership that Senator MCCLELLAN provided for Arkansas, the Senate and indeed for the Nation.

Senator MCCLELLAN served as chairman of the Senate Appropriations Committee from August of 1972 until his death last Monday. While I have served on the Senate Appropriations Committee for only a short time, it was my honor to know personally a man who was a giant of the U.S. Senate for three decades. As a new Senator, I had the good fortune to observe firsthand a man who set high standards of dedication, excellence and fair mindedness that few will ever equal. Senator MCCLELLAN was always ready to provide advice and counsel, especially to the newer members of the committee, and to provide what support he could.

So it was with sadness that I marked the passing of a great American and a great leader of the Senate. Before coming to the U.S. Senate in 1974, I served for 8 years as a State's attorney in Vermont. And I know from my firsthand experience in the law enforcement field of the preeminent role played by Senator MCCLELLAN in winning congressional approval for many significant laws and programs. These include the landmark Omnibus Crime Control and Safe Streets Act of 1968 and 1970; the Organized Crime Control Act of 1970; and a series of other laws relating to drug abuse and the rehabilitation of drug addicts. These legislative achievements helped to make America a safer place and serve as a memorial to the life and work of Senator JOHN L. MCCLELLAN.

Mr. YOUNG. Mr. President, this is a day when every Member of the Senate is heavy hearted and deeply saddened by the passing of our beloved colleague, the distinguished senior Senator from Arkansas Mr. MCCLELLAN.

JOHN MCCLELLAN was truly one of the great men of the Senate. He was a very intelligent man with a great mind and a vast knowledge and understanding of Government and how it could best serve the people. He spent more than 50 years or most of his adult life, as a public servant.

He was involved in some of the most difficult tasks that any chairman of a committee could be. I have special reference to his chairmanship of the Government Operations Committee when he investigated some of the toughest underworld characters in the United States. He fearlessly exposed corruption in Government or wherever it existed.

Although our friend JOHN did not have the benefit of a formal education, as many Members of the Senate do, he acquired a great education the hard way, on his own. He was not only a brilliant investigator, but he had a beautiful talent for the use of the English language. Some of the most beautiful phrases I have heard during my years in the Senate came from the pen of JOHN MCCLELLAN.

I was privileged to have served with JOHN MCCLELLAN on the Appropriations Committee for approximately 30 years and during the last 5 years, he was chairman and I was the ranking minority member. Working closely together, we developed a close friendship and trust in one another. I could always learn from him. Along with having a great mind, he was a tough relentless fighter for the things he believed in.

While he was a great prosecutor and at one time the top investigator in the Senate dealing with some of the hardest characters, he always maintained his composure and sense of justice and fair play. I believe if one were to select the mission in life that JOHN MCCLELLAN had, it would be that of devoting all his time and energy towards making ours a better and stronger Government and assuring that we would never become a second-rate power to anyone.

Congress has been condemned so much in recent years by the press and ambitious politicians who sought election to the highest office in the land mostly on platforms of making people believe that Congress was composed mostly of scoundrels and charlatans. Unfortunately, many people have come to believe there are not any honest and decent people in Congress. Unfortunately, there are some undesirable Members of Congress, as there are in every community and every State, but the vast majority of the Members are very decent people. JOHN MCCLELLAN is a perfect example of what any good, God-fearing person would expect of a U.S. Senator.

Few people knew of the misfortune and tragedy that befell JOHN MCCLELLAN and his family. One of the most heartbreaking of all was to lose all three of his sons when they were young men. Somehow he bore this heavy cross with acceptance and serenity.

The Senate and this Nation have lost a great man and a truly great Senator. Having served so long with him and having been so closely associated with this great man that I had come to love, admire, and respect, his passing is a great personal loss.

Pat and I extend our heartfelt sympathy to a wonderful lady, of whom Pat is especially fond, his wife Norma.

Our sympathy also goes to all members of his family.

Mr. HOLLINGS. Mr. President, I am reminded today in mourning the loss of my friend and colleague, JOHN MCCLELLAN, of something that Ralph Waldo Emerson, the great poet and essayist, wrote many years ago.

"An institution," Emerson said, "is the lengthened shadow of one man."

The U.S. Senate has derived its character, its strength, and its distinction as

an institution from the contributions of many, but we reserve a special place for the very few who make an indelible mark upon this body and upon representative government. Such was the contribution of JOHN MCCLELLAN of Arkansas, and thus shall he be honored by history.

I leave to others a recitation of JOHN MCCLELLAN'S long and distinguished career of public service to Arkansas and to his country. It was a career remarkable for personal accomplishment, for triumph over personal tragedy, for influence at the highest levels. But its most impressive aspects, I think, are the great lessons of personal integrity, courage, and dedication to the principles of fairness and the common good that JOHN MCCLELLAN taught us all.

Our Nation, more than any other, has always rested on the belief that there are extraordinary possibilities in ordinary people. JOHN MCCLELLAN never doubted that basic fact of his fellow man, and his extraordinary nature was due in large part to his ability to look beyond the great issues of the day to appreciate their impact on the average citizen. It was a basic trust in ordinary men and women and a strong feeling that public officials ought to do the best they can in their behalf that guided JOHN MCCLELLAN through more than 50 years of public service.

It was his concern for doing the right thing, the fair thing, that led him to renounce the demagoguery so prevalent in our land during the 1950's, even when that renunciation was less than popular in many quarters. It was this same dedication to fairness that brought him to work with such diligence on reforming the Federal Criminal Code. It was his vigilence in behalf of basic American values that led his sweeping investigations of organized crime and corruption.

Throughout several decades of aggressive and dedicated work in the Senate, JOHN MCCLELLAN never failed to appreciate the dignity and value of the individual. It was reflected in his efforts to reform the rules of congressional inquiries, his attention to individual rights and liberties in legislative initiatives against crime, and in his dealings with his colleagues. I can attest to the latter personally, because it was my good fortune to serve with the Senator from Arkansas as a member of the Committee on Appropriations, and I know he never failed to take into account the feelings of others.

JOHN MCCLELLAN has left this institution to which he brought so much, but it is a measure of the man that while we feel enormously diminished by his loss we continue to feel uplifted by his example. He has cast a long shadow in which each of us can be proud to stand.

Mr. SCHWEIKER. Mr. President, the Nation has lost one of its great elder statesmen with the passing of the senior Senator from Arkansas, Senator JOHN L. MCCLELLAN.

Senator MCCLELLAN served Arkansas and the Nation with dedication and distinction. And his longevity of service—two terms in the House of Representatives, first elected to the Senate in 1942—was a remarkable accomplishment in and of itself.

During his years here, he served as chairman of the Senate Government Operations Committee and its Permanent Subcommittee on Investigations. The committee, which came to be known as the McClellan committee, was vigorous and unrelenting in its efforts to root out corruption in the fields of labor and management.

More recently, Senator MCCLELLAN became chairman of the Senate Appropriations Committee. I had the privilege to work with him on the committee. His leadership was characterized by openmindedness, fairness, and nonpartisanship.

And of course JOHN MCCLELLAN also had a major influence on judicial, legal, and criminal reform as a member of the Senate Judiciary Committee and chairman of its Criminal Laws and Procedures and Patents, Trademarks and Copyrights Subcommittees.

Mr. President, JOHN MCCLELLAN was a great American and a true southern gentleman. He will be sorely missed.

Mr. CHILES. Mr. President, I want to add my voice to those of my colleagues in tribute to the late Senator JOHN MCCLELLAN of Arkansas.

JOHN MCCLELLAN was my chairman since I came to the Senate in 1971. My first committee assignment was to the then Senate Government Operations Committee, chaired by Senator MCCLELLAN. During his chairmanship of that committee, he was a great source of counsel and assistance to me.

In 1973 Senator MCCLELLAN became chairman of the Senate Appropriations Committee and I was fortunate enough to begin service on that committee at the same time.

Every member of either committee that he chaired, regardless of length of service or seniority, was treated fairly and as an equal. Chairman MCCLELLAN bent over backwards during committee business and markup sessions to allow every voice and opinion to be heard fully on any matter before the committee. This sense of fairness to other members was present even when the chairman held opinions other than those expressed by the majority. This truly is a mark of an experienced leader.

During the last 7 years I have been able to see firsthand the qualifications of leadership and service Senator MCCLELLAN gave to his country. His tireless efforts to keep Federal spending under control, yet at the same time seeing that adequate resources were available to assure the military strength and security of this Nation were never in doubt.

Mr. President, the U.S. Senate, the Congress and the Nation have suffered a loss. JOHN MCCLELLAN served his country well with honor. The people of Arkansas can be proud of the lasting mark that JOHN MCCLELLAN has made for his State and Nation.

Senator MCCLELLAN, during the many years of his public service was blessed by the love, comfort, enthusiasm, inspiration, and approbation of his lovely wife, Norma McClellan who was a supportative companion and coworker of JOHN'S and a source of pride to him. Our sympathy and prayers go to her in this time of loss.

Mr. President, I had the opportunity to attend the funeral of JOHN MCCLELLAN. For me it was not a time of sadness—a good man had served his people, his country, and his God well and faithfully. Everyone at the services knew that. There was no sorrow or regrets for missed opportunities or unused talents. To him who is given much, much is expected. JOHN MCCLELLAN had produced as a good and faithful steward should. You could feel the pride of all the people assembled to celebrate JOHN'S passing, and it truly was a graduation exercise.

Mr. PELL. Mr. President, I join my colleagues in mourning the passing of Senator JOHN L. MCCLELLAN.

Through nearly 40 years of service in the Congress, Senator MCCLELLAN established an extraordinary record of service to our Nation.

Senator MCCLELLAN was a man of deeply held convictions and principles. His unquestioned integrity and his vigorous intellect were qualities that enabled him to pursue investigations of wrongdoing and corruption with unequaled effectiveness. His work in the Senate was distinguished by the diligence, the stamina and the determination with which he pursued the heavy responsibilities he bore as chairman of the Senate Appropriations Committee and in leadership roles in the Government Operations and Judiciary Committees.

His voice, and the wisdom of his experience will be sadly missed in the Senate. I extend my deepest sympathy to Mrs. McClellan and other members of his family.

TRIBUTE TO SENATOR JOHN L. M'CLELLAN

Mr. HUMPHREY. Mr. President, I am deeply saddened by the death of my close friend and colleague, JOHN MCCLELLAN. His death is a great loss to the Congress and the Nation. Not only have we lost a personal friend, but this body as a whole has lost a foremost exemplar of dedication, integrity, and courage.

Senator MCCLELLAN was here in the Senate when I arrived in 1949. And over these many years I have had great admiration and respect for him and for his achievements as a legislator and committee chairman.

I watched him when as chairman of the Permanent Investigations Subcommittee, he effectively shaped and used the congressional investigative process to weed out corruption and criminal activities. His outstanding service on the Senate Judiciary Committee was marked by his relentless pursuit of more coherent and comprehensive statutes, culminating in the rewriting of our Criminal Code. When this monumental reform of the Federal Criminal Code is completed, it will not only bear his imprint, but also comprise an important legacy to the American people. As chairman of the Senate Committee on Appropriations,

Senator McCLELLAN touched the lives and institutions of every individual in this Nation. He gave effective leadership for proper funding of important programs and fiscal responsibility in Government spending. It is in these vital areas that we shall particularly miss his competency and counsel.

Senator McCLELLAN was above all a hard working, dedicated public servant who did what he believed was right for our country. His half century of service to the people of his State and the Nation exemplified all that is best in the great American tradition of public service. He will be greatly missed.

My sympathy goes out to Mrs. McClellan and the other members of his family.

SENATOR M'CLELLAN'S FAIRNESS AND CIVILITY

Mr. McINTYRE. Mr. President, it would be an affront to the memory of our departed colleague if I pretended to speak as a close associate or close friend of Senator McCLELLAN. I was neither.

But I have been a Member of this body for 15 of the 35 years he served, and it was my privilege to know him and to appreciate him as a true gentleman, a colleague of unquestioned integrity, a man committed to what he perceived as the best interests of our country.

Others have spoken of his legislative achievements and of his personal tragedies. And still others of his lifelong commitment to law and order. So I would confine my brief remarks to but a single period in his long and distinguished career.

The obituary published in the November 29 issue of the Washington Post includes the following passage:

> His work came to national attention in 1954 during the televised Army-McCarthy hearings. These were conducted by the late Senator Joseph R. McCarthy (R-Wis.) as chairman of the Permanent Subcommittee on Investigations. In the end, McCarthy's vilification of witnesses accused of supporting communism led to his censure in the Senate and his political downfall.
>
> Senator McClellan was the ranking Democrate on the Committee. He was the first to walk out on McCarthy. When the Democrats gained control of Congress in 1955, he became the subcommittee chairman. One of his first acts was to devise a set of rules for the conduct of congressional inquiries that both served the purposes of the Congress and gave witnesses a measure of protection from harassment.

There were few other congressional heroes or heroines in those dark days, Mr. President. And one of them was our former colleague, the lady from Maine, for it was she who drafted the celebrated Declaration of Conscience against the inquisitorial excesses of that period.

And it was Margaret Chase Smith, some years after, who wisely observed that one of the greatest threats to our national unity and serenity was the diminishing level of civility in public life.

Stern as he was in his judgments, firm as he was in behalf of public order and security, JOHN McCLELLAN bespoke his commitment to civility when he led a Democratic boycott of the Subcommittee on Permanent Investigations, and when he immediately changed the subcommittee rules in order to curb harassment.

So as we take this time to salute his courage in the face of great personal adversity, his experience and his talent in steering landmark legislation to passage, his great contributions to his beloved State of Arkansas, let us pause, too, to pay tribute to a colleague whose fortitude, integrity and dedication were matched by his fairness and civility.

A TRIBUTE TO THE LATE JOHN L. M'CLELLAN

Mr. WILLIAMS. Mr. President, I was deeply saddened to learn of the sudden passing of our esteemed friend and colleague, JOHN McCLELLAN. Ironically, it was only a week ago that Senator McCLELLAN announced his intention to retire next year after 35 years of service in the U.S. Senate.

JOHN McCLELLAN will no doubt be remembered for his abiding faith in the laws of this country and for his famous hearings in the 1950's which exposed the operations of organized crime. As chairman of the Permanent Investigations Subcommittee and the Labor Rackets Committee, he sought to expose and combatted the forces of organized crime and individual lawlessness that had infected many areas of American life. Thanks to Senator McCLELLAN and his courageous leadership, Americans today are aware of need to protect their lives and their businesses from the influence of organized crime.

As a committee chairman myself, I can appreciate the task that faced Senator McCLELLAN in steering the Appropriations Committee. Although we often differed in our political positions, I must say that he always gave careful consideration to each of my requests. Senator McCLELLAN'S wisdom was only exceeded by his relentless devotion to his Senate duties. All of us here admired him for that, and we shall miss him greatly.

It is an altogether fitting tribute to this great statesman and patriot that the Senate Judiciary Committee, of which he was its ranking member, last month favorably reported Senator McCLELLAN'S 10-year effort to overhaul the Federal Criminal Code. JOHN McCLELLAN devoted many long and difficult hours to this task, and it is a fine capstone to an extremely distinguished career.

My wife, Jeanette, and I offer our heartfelt condolences to Senator McCLELLAN'S wife, Norma, and to the people of Arkansas. We have truly lost one of this country's notable and deeply respected public servants.

TRIBUTE TO SENATOR JOHN L. M'CLELLAN

Mr. SCOTT. Mr. President, I attended the funeral services for our former colleague from Arkansas along with many Members of both bodies of the Congress, and the crowd at the church and cemetery, the words of the pastor of his church and his friends from his home State clearly indicated the high regard in which he was held by those who knew him best.

While I did not know Senator McCLELLAN as long or as well as some, I found him to exemplify outstanding qualities of life—integrity, fairness, decency. His dedication to principle, his ability to compromise in the national interest, his patriotism and love of God are known well by all of us who had the privilege of knowing and serving with him.

In the past few years, I have been fortunate to join JOHN McCLELLAN on the Judiciary Committee where, over the years, he has provided significant leadership in shaping many of the Nation's laws. Much has been said of the Senator's diligent efforts to combat organized crime and abuses within the labor movement as chairman of the Senate Permanent Subcommittee on Investigations. Throughout his half century of public service, law and order was a major concern to him. It is my understanding that Senator McCLELLAN had a distinguished career in the law, being admitted to the Arkansas bar at the age of 17 and later serving his county as prosecuting attorney. He then went on to serve 4 years in the House of Representatives and to be elected to six consecutive terms in the Senate.

JOHN McCLELLAN gained national stature for his thorough and impartial investigations into racketeering and organized crime. He helped enact landmark anticrime legislation of the 1950's and 1960's, and many regard him as the guiding force behind our current effort to revise and codify the entire body of Federal criminal law. His legislative achievements are legion, having chaired for many years the Committee on Government Operations and in more recent years the Senate Appropriations Committee.

I believe it is important to note that Senator McCLELLAN believed in the American free enterprise system and in keeping Government interference in our lives to a minimum. Certainly as chairman of the Appropriations Committee, he had a difficult task in allocating billions of dollars in Federal funds while attempting to adhere to the principle of fiscal responsibility; but I believe his actions tended to strike a fair and reasonable balance. He sought over the years to improve Government efficiency and to eliminate wasteful spending. I believe that JOHN McCLELLAN felt strongly about preserving freedom of choice and individual initiative, and his voting record reflected this faith in the American people.

Mr. President, Senator McCLELLAN has left a rich legacy by which to be remembered. He was proud that he had served longer in the Congress of the United States than anyone else from Arkansas, and noted the fact in his retirement announcement just a week before his death. Yet, the sincerity and warmth of our departed colleague is most evident in the closing lines of that announcement—

> But notwithstanding the turbulence and sometimes harshness of political life, when I finally retire I expect to do so with malice in my heart towards no one; but with charity for all.

The Senate and the Nation have lost a distinguished statesman. I regarded him as a friend. My wife joins me in extending our deepest sympathy to Mrs. McClellan and his family in this time of sorrow.

Mr. BAKER. Mr. President, I ask unanimous consent to have printed in the RECORD statements by Senator DOMENICI and Senator BELLMON.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR DOMENICI

I will not attempt to add much to what those, who have served so much longer than I, have said about our late colleague, Sen. John McClellan.

When you are new to this body, frankly, you aren't quite sure what to expect. Men that you have seen on television, or read about in newspapers and magazines, are made real to you. Sometimes, a certain disillusionment sets in. After all, these men turn out to be a lot like you yourself. They have strengths and weaknesses, blind spots and great moments of intuition and brilliance.

You discover, too, when you are privileged to serve with men like John McClellan that this Senate embodies the highest ideals of unselfishness, ideals beyond the image that mass media might portray.

I knew Sen. McClellan long enough to say this without reservation—he was a man of the highest principle, both personal and political; he was a man of unquestionable and irreproachable honesty; he was a man who believed that selfless public service was the highest duty of a man in a democracy.

We all know the story of his efforts to rid this nation of organized crime, to reform and codify the thousands of statutes that clog the books today, to bring this nation's court system up to the greatest possible strength.

But, I know him best not by these heroic works, but by the fact that when he told me something, I could count on it; that when he discussed an issue, he did so with an extraordinary wisdom; that when he decided, he decided not on the basis of what would benefit any narrow interest most, but on the basis of what it meant for the nation and the people he served.

I would think that a line from the Book of Common Prayer might serve best as my recollection of how Sen. John McClellan saw his life: "To do my duty in that state of life unto which it shall please God to call me."

We will all miss Sen. McClellan's clear voice of reason and the honor he brought to the Senate by the personal example he set.

STATEMENT BY SENATOR BELLMON

Over the last several years the State of Oklahoma has regarded Senator John McClellan as our third member of the United States Senate. It was largely due to his leadership and assistance that flood control and navigation of the Arkansas River were authorized, funded and constructed. The favorable impact of Arkansas River development upon Arkansas, Oklahoma and surrounding states is only now being realized. Already, the brief experience with this project proves conclusively that Senator McClellan and others who supported the development of the Arkansas were wise and visionary builders.

Since coming to the Senate, I have had the honor to be associated with Chairman McClellan as a member of the Appropriations Committee. As Chairman of this committee, John McClellan met this important responsibility with fairness toward his colleagues, and with a careful view toward making certain that the monies which the taxpayers of this country entrusted into his care were wisely and carefully used.

John McClellan's long, illustrious service to the country has helped guide the United States through many difficulties. In addition, he participated in making many decisions which led to the remarkable growth and development which has occurred in our country during the last three decades. Always concerned that development of facilities and resources keep ahead of the needs of our growing population, John McClellan provided leadership that was essential to keep America strong and free from shortages of essential services.

John McClellan was a builder, a leader and a strong moral voice in the highest tribunals of this country. His record is one which other members of the Senate can look to for inspiration and guidance.

QUORUM CALL

Mr. THURMOND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT ON THE OPERATION OF THE AUTOMOTIVE PRODUCTS TRADE ACT OF 1965—PM 131

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was referred to the Committee on Finance:

To the Congress of the United States:

I hereby submit the Eleventh Annual Report on the Operation of the Automotive Products Trade Act of 1965. This Report covers a time period before the commencement of my term of office.

JIMMY CARTER.

THE WHITE HOUSE, *December 1, 1977.*

REPORT OF THE NATIONAL ADVISORY COUNCIL ON EXTENSION AND CONTINUING EDUCATION FOR FISCAL YEAR 1977—PM 132

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was referred to the Committee on Human Resources:

To the Congress of the United States:

Enclosed is the "Annual Report of the National Advisory Council on Extension and Continuing Education for fiscal year 1977," prepared in accordance with the requirement of Section III(b) of Title III of the Higher Education Act of 1965, covering calendar year 1976, preceding my term of office.

This report addresses the need for continuing education programs and the Council's recommendations for policies, funding and administrative structures toward this end.

The Report of the Council is being carefully studied and evaluated. I am forwarding the Report so that it is available to the Congress for its deliberations.

JIMMY CARTER.

THE WHITE HOUSE, *December 1, 1977.*

PRESIDENTIAL APPROVALS

A message from the President of the United States that he had approved and signed the following acts and joint resolutions:

November 7, 1977

S. 455, An act for the relief of Ermelinda Rossi.

S. 556, An act for the relief of Lee Young Soo.

S. 948, An act for the relief of Chin Ah Park and Chin Suk Park.

S. 1003, An act for the relief of Me Young Lee.

November 8, 1977

S. 1005, An act for the relief of Young Shin Joo.

S. 1551, An act for the relief of In Hea Kim and Myung Sung Kwon.

S. 2149, An act to create the District Court for the Northern Mariana Islands, implementing article IV of the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America.

November 9, 1977

S. 717, An act to promote safety and health in the mining industry, to prevent recurring disasters in the mining industry, and for other purposes.

November 11, 1977

S. 810, An act granting an extension of patent to the United Daughters of the Confederacy.

S. 2208, An act to amend the Federal charter of the Big Brothers of America to include Big Sisters International, Incorporated, and for other purposes.

November 12, 1977

S. 1019, An act to authorize appropriations for fiscal year 1978 for certain maritime programs of the Department of Commerce, and for other purposes.

S. 2118, An act to authorize the Secretary of Agriculture to convey certain homesites within the Chugach and Tongass National Forests, Alaska.

November 14, 1977

S. 1142, An Act for the relief of Kam Lim Cheung.

S. 2052. An Act to extend the supervision of the United States Capitol Police to certain facilities leased by the Office of Technology Assessment.

November 15, 1977

S. 854, An Act to authorize the Secretary of Commerce to sell two obsolete vessels to Mid-Pacific Sea Harvesters, Incorporated, and for other purposes.

S. 1062, An Act to amend section 441 of the District of Columbia Self-Government and Governmental Reorganization Act.

S. 1339, An Act to authorize appropriations for the Energy Research and Development Administration for national security programs for fiscal years 1977 and 1978, and for other purposes.

S. 1863, An Act to authorize appropriations during fiscal year 1978, in addition to amounts previously authorized, for procurement of aircraft and missiles, for the Navy and the Air Force and for research, development, test, and evaluation for the Air Force and the Defense agencies, and for other purposes.

November 16, 1977

S. 1269, An Act for the relief of Camilla A. Hester.

S. 1528, An Act to amend section 2 of the Safe Drinking Water Act (Public Law 93–523) to extend and increase authorizations provided for public water systems.

S. 2281, An Act authorizing an increase in the monetary authorization for nine comprehensive river basin plans.

November 18, 1977

S. 106, An Act to provide for furthering the conservation, protection, and enhancement of the Nation's soil, water, and related resources and for sustained use, and for other purposes.

S. 1184, An Act to extend the provisions of the Fishermen's Protective Act of 1967, relating to the reimbursement of seized commercial fishermen, until October 1, 1978.

S. 1560, An Act to restore the Confederated Tribes of Siletz Indians of Oregon as a federally recognized sovereign Indian tribe, to restore to the Confederated Tribes of Siletz Indians of Oregon and its members those Federal services and benefits furnished to federally recognized American Indian tribes and their members, and for other purposes.

November 21, 1977

S.J. Res. 81, Joint Resolution to express the sense of the Congress that, in the light of history, the third Thursday in December 1977, would be a most appropriate day for designation as the "National Day of Prayer for the Year of 1977", and respectfully to request that the President, under the provisions of Public Law 82–324, issue a proclamation designating such date as a "National Day of Prayer for the Year 1977".

November 23, 1977

S. 1750, An Act to require studies concerning carcinogenic and other toxic substances in food, the regulation of such food, the impurities in and toxicity of saccharin, and the health benefits, if any, resulting from the use of nonnutritive sweeteners; to prohibit for 18 months the Secretary of Health, Education, and Welfare from taking certain action restricting the continued use of saccharin as a food, drug, and cosmetic; to require certain labels and notices for food containing saccharin; and for other purposes.

MESSAGES FROM THE HOUSE

At 11:07 a.m., a message from the House of Representatives delivered by Mr. Hackney, one of its reading clerks, announced that the House recedes from its disagreement to the amendment of the Senate to the bill (H.R. 9794) to bring the governing international fishery agreement with Mexico within the purview of the Fishery Conservation Zone Transition Act, and concurs therein with an amendment in which it requests the concurrence of the Senate.

The message also announced that the House has agreed to House Resolution 918, on the death of the Honorable JOHN L. MCCLELLAN, a Senator of the United States from the State of Arkansas.

The message further announced that the House agrees to the amendments of the Senate numbered 2, 4, 5, 6, and 7 to the bill (H.R. 7738) with respect to the powers of the President in time of war or national emergency; that the House agrees to the amendment of the Senate numbered 1, with an amendment; and that the House agrees to the amendment of the Senate numbered 3, with amendments, in which it requests the concurrence of the Senate.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1316) to authorize appropriations for fiscal years 1978, 1979, and 1980 to carry out State cooperative programs under the Endangered Species Act of 1973; and that the House recedes from its amendment to the title of the bill.

The message further announced that the House disagrees to the amendment of the Senate to the amendment of the House to the amendment of the Senate numbered 82 to the bill (H.R. 7555) making appropriations for the Departments of Labor, Health, Education, and Welfare, and related agencies, for the fiscal year ending September 30, 1978, and for other purposes.

The message also announced that the House disagrees to the amendment of the Senate to the bill (H.R. 9346) to amend the Social Security Act and the Internal Revenue Code of 1954 to strengthen the financing of the social security system, to reduce the effect of wage and price fluctuation on the system's benefit structure, to provide for the conduct of studies with respect to coverage under the system for Federal employees and for employees of State and local governments, to increase the earnings limitation, to eliminate certain gender-based distinctions and provide for a study of proposals to eliminate dependency and sex discrimination from the social security program, and for other purposes; agrees to the conference requested by the Senate on the disagreeing votes of the two Houses thereon; and that Mr. ULLMAN, Mr. BURKE of Massachusetts, Mr. ROSTENKOWSKI, Mr. WAGGONNER, Mr. COTTER, Mr. MIKVA, Mr. TUCKER, Mr. CONABLE, Mr. ARCHER, and Mr. KETCHUM were appointed managers of the conference on the part of the House.

ENROLLED BILLS SIGNED

The message further announced that the Speaker has signed the following enrolled bills:

S. 1131. An act to authorize appropriations for the Nuclear Regulatory Commission for the fiscal year 1978, and for other purposes;

H.R. 7. An act to authorize a career education program for elementary and secondary schools, and for other purposes;

H.R. 1904. An act to suspend until July 1, 1980, the duty on intravenous fat emulsion, and for other purposes;

H.R. 7345. An act to amend title 38 of the United States Code to increase the rates of disability and death pension and to increase the rates of dependency and indemnity compensation for parents, and for other purposes;

H.R. 8159. An act to establish uniform structural requirements for intermodal cargo containers, subject to the jurisdiction of the United States, designed to be transported interchangeably by sea and land carriers, and moving in, or designed to move in, international trade, and for other purposes; and

H.R. 8422. An act to amend title XVIII and XIX of the Social Security Act to provide payment for rural health clinic services, and for other purposes.

The enrolled bills were subsequently signed by the Acting President pro tempore (Mr. BURDICK).

At 12:55 p.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the House has passed, without amendment, the bill (S. 2328) to amend Private Law 95–21 to make a technical correction therein.

The message also announced that the House agrees to the amendments of the Senate to the bill (H.R. 5555) for the relief of Adelida Rea Berry.

TECHNICAL CORRECTIONS IN ENROLLMENT OF H.R. 7345

In the RECORD of November 29, 1977, at page 37927, under "Messages From the House," House Concurrent Resolution 419 was shown as having been agreed to by the House and concurrence of the Senate requested.

Pursuant to order of the Senate on November 4, 1977, House Concurrent Resolution 419, upon receipt from the House, was agreed to.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDING OFFICER laid before the Senate the following communications, which were referred as indicated:

EC–2366. A communication from the Chairman, Senate Committee on Armed Services, reporting, pursuant to law, on the status of certain sections under its substantive jurisdiction that were exempted from the operation of the National Emergencies Act; laid on the table.

EC–2367. A communication from the Comptroller General of the United States, reporting, pursuant to law, on the President's third special message for fiscal year 1978 which was transmitted to the Congress pursuant to the Impoundment Control Act of 1974; to the Committee on Appropriations, the Committee on the Budget, the Committee on the Judiciary, the Committee on Energy and Natural Resources, the Committee on Finance, the Committee on Human Resources, and the Committee on Armed Services, jointly, pursuant to the order of January 30, 1975.

EC–2368. A communication from the Assistant Administrator for Planning and

Management, Environmental Protection Agency, reporting, pursuant to law, the number of employees in each General Schedule (GS) grade employed by the Environmental Protection Agency on September 30, 1976 and September 30, 1977; to the Committee on Appropriations and the Committee on Governmental Affairs, jointly, pursuant to P.L. 82–253.

EC–2369. A communication from the Acting Director, Office of Management and Budget, Executive Office of the President, reporting, pursuant to law, that the appropriation for the Federal Grain Inspection Service has been reapportioned on a basis which indicates the necessity for a supplemental estimate of appropriation; to the Committee on Appropriations.

EC–2370. A communication from the Administrator, Rural Electrification Administration, Department of Agriculture, reporting, pursuant to law, approval of an REA insured loan in the amount of $4,980,000 to Guadalupe Valley Electric Cooperative, Inc., of Gonzales, Texas (with accompanying papers); to the Committee on Appropriations.

EC–2371. A communication from the Architect of the Capitol, transmitting, pursuant to law, a report of all expenditures during the period April 1, 1977 through September 30, 1977, from moneys appropriated to the Architect of the Capitol (with an accompanying report); to the Committee on Appropriations.

EC–2372. A communication from the Deputy Assistant Secretary of Defense, reporting, pursuant to law, on the B-1 cost variance analysis for the quarter ending September 30, 1977 (with accompanying papers); to the Committee on Armed Services.

EC–2373. A communication from the Assistant Secretary of Defense, reporting, pursuant to law, on contract award for the C-12 aircraft for the period November 15, 1977 to February 5, 1978 (with accompanying papers); to the Committee on Armed Services.

EC–2374. A communication from the Comptroller of the Currency, transmitting, pursuant to law, the 1976 Annual Report of the Comptroller of the Currency (with an accompanying report); to the Committee on Banking, Housing, and Urban Affairs.

EC–2375. A communication from the Assistant Secretary for Congressional Relations, Department of State, transmitting a draft of proposed legislation to amend the Communications Act of 1934, as amended (with accompanying papers); to the Committee on Commerce, Science, and Transportation.

EC–2376. A communication from the Acting General Counsel, Department of Energy, transmitting, pursuant to law, notices of meetings related to the International Energy Program (with accompanying papers); to the Committee on Energy and Natural Resources.

EC–2377. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on "Anti-recession Assistance—An Evaluation", November 29, 1977 (with an accompanying report); to the Committee on Environment and Public Works.

EC–2378. A communication from the Administrator, General Services Administration, transmitting, pursuant to law, a prospectus which proposes a succeeding lease for space presently occupied at the Ford Building, 555 West 57th Street, New York, New York (with accompanying papers); to the Committee on Environment and Public Works.

EC–2379. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, agreements entered into by the United States other than treaties, within sixty days after the execution thereof (with accompanying papers); to the Committee on Foreign Relations.

EC–2380. A communication from the Chairman, Civil Service Commission, transmitting a draft of proposed legislation to amend title 5, United States Code, to provide survivor benefits to certain dependent children (with accompanying papers); to the Committee on Governmental Affairs.

EC–2381. A communication from the Executive Director, National Capital Planning Commission, reporting, pursuant to law, on lands acquired by the Commission for the parkway, and playground system of the National Capital Area during fiscal year 1977; to the Committee on Governmental Affairs.

EC–2382. A communication from the Director, ACTION, transmitting, pursuant to law, the agency's proposed system of records report entitled "Former Volunteer/Staff Resource Record, ACTION/FVL–1," (with accompanying papers); to the Committee on Governmental Affairs.

EC–2383. A communication from the Attorney General of the United States, transmitting, pursuant to law, a report of new system under the Privacy Act of 1974 (with an accompanying report); to the Committee on Governmental Affairs.

EC–2384. A communication from the Director, Federal Judiciary Center, transmitting, pursuant to law, the Center's Annual Report for Fiscal Year 1977 (with an accompanying report); to the Committee on the Judiciary.

EC–2385. A communication from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, reports covering the period November 1 through November 15, 1977, concerning visa petitions which have been approved according the beneficiaries of such petitions third- and sixth-preference classification (with accompanying documents); to the Committee on the Judiciary.

EC–2386. A communication from the Chairman, Civil Service Commission, transmitting a draft of proposed legislation to extend the period of eligibility for a Vietnam Era Veterans' Readjustment Appointment within the Federal Government (with accompanying papers); to the Committee on Veterans' Affairs.

EC–2387. A communication from the Administrator, Veterans' Administration, transmitting, pursuant to law, reports concerning Exchange of Medical Information and Sharing of Medical Resources programs of the Veterans' Administration for Fiscal Year 1977 (with accompanying reports); to the Committee on Veterans Affairs.

HEALTH PROFESSIONS EDUCATION AMENDMENTS OF 1977—CONFERENCE REPORT (REPT. NO. 95–608)

Mr. KENNEDY, from the committee of conference, submitted a report on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9418) to amend the Public Health Service Act to require increases in the enrollment of third-year medical students as a condition to medical schools' receiving capitation grants under such act, and for other purposes; which was ordered to be printed.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

B. Mahlon Brown, III, of Nevada, to be U.S. Attorney for the District of Nevada.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. WILLIAMS, from the Committee on Human Resources:

James Arthur Krumhansl, of New York, to be an Assistant Director of the National Science Foundation.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. WILLIAMS, from the Committee on Human Resources:

The following-named persons to be members of the National Museum Services Board for the terms indicated:

For a term of 1 year.
Douglas Dillion, of New York.
Neil Harris, of Illinois.
Joan Mondale, of Minnesota.
For a term of 2 years.
Mamie P. Clark, of New York.
Benjamin W. Hazard, of California.
Nancy Negley, of Texas.
For a term of 3 years.
Gary K. Clarke, of Kansas.
George Horse Capture, of Montana.
Charlotte Ferst, of Georgia.
For a term of 4 years.
Lewis Davis, of New York.
Raul A. Lopez, of California.
E. Leland Webber, of Illinois.
For a term of 5 years.
Lloyd Hezekiah, of New York.
Peter H. Raven, of Missouri.
George G. Seybolt, of Massachusetts.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. MORGAN (for himself and Mr. NUNN):

S. 2335. A bill to amend the Social Security Act and the Internal Revenue Code of 1954 to provide coverage under the social security system for Members of Congress and employees of the legislative branch; to the Committee on Finance.

By Mr. THURMOND:

S. 2336. A bill to repeal provisions of title 10, United States Code, which imposes certain restrictions on enlisted members of the armed forces and on members of military bands; to the Committee on Armed Services.

By Mr. FORD:

S. 2337. A bill to amend the Consumer Product Safety Act to establish an interim consumer product safety rule relating to the standards for flame retardant resistance and corrosiveness of certain insulators, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. WILLIAMS:

S. 2338. A bill to amend the Tariff Schedules of the United States to provide a temporary suspension of the duty on mineral wool; to the Committee on Finance.

By Mr. WILLIAMS (for himself, Mr. PROXMIRE, and Mr. JAVITS):

S. 2339. A bill to amend the Securities Exchange Act of 1934 to require the preparation of annual reports and distribution documents by issuers of municipal securities, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MORGAN (for himself and Mr. NUNN):

S. 2335. A bill to amend the Social Security Act and the Internal Revenue Code of 1954 to provide coverage under the social security system for Members of Congress and employees of the legislative branch; to the Committee on Finance.

(The remarks of Mr. MORGAN when he introduced the above bill are printed earlier in today's proceedings.)

By Mr. THURMOND:

S. 2336. A bill to repeal provisions of title 10, United States Code, which impose certain restrictions on enlisted members of the Armed Forces and on members of military bands; to the Committee on Armed Services.

Mr. THURMOND. Mr. President, it has come to my attention that an antiquated 1908 public law discriminates against members of our Armed Forces who are musicians.

This 1908 law is interpreted by some to prohibit military musicians from engaging in off-duty employment because of alleged interference with civilian musicians. I am proposing a bill to repeal provisions of title 10, U.S. Code, which discriminates against military musicians, as opposed to other professionals in the military service who earn extra money in off-duty periods.

Due to the high cost of living, the need to "moonlight" by many enlisted members of our Armed Forces is a livelihood requirement. There are many skilled military personnel, including doctors and electronic technicians, who are permitted upon approval of their commander to engage in off-duty employment. The only exception to this privilege is contained in the 1908 law prohibiting military musicians from engaging in civilian employment, as musicians in off-duty periods.

Mr. President, there is an apparent lack of a uniform policy for all military musicians, based on different interpretations of the law. The Army, Navy, and the Air Force Band authorities under some circumstances have determined that members of their musical units may accept musical engagements within the civilian community for pay. However, authorities for the Marine Corps do not share the same interpretation because the law specifically restricts members of the Marine Corps Band far more severely than imposed upon other military band members.

Department of the Navy officials testified for the Defense Department at subcommittee hearings in the House of Representatives in behalf of a similar measure to repeal discriminatory and inequitable provisions of the 1908 law which has become outdated. In view of the extensive requirement for musicians today, it would be very difficult for anyone to prove that participation by members of military musical units during limited off-duty periods would deny any professional civilian musician the opportunity to earn his livelihood.

Mr. President, the American Federation of Musicians should not raise any serious objections to this measure. I do not believe the repeal of the discriminatory provisions of the law would pose any threat to professional musicians in the civilian sector. In most cases and particularly in the Washington, D.C. area where the majority of our military musicians are located, requirements for civilian musician entertainment far exceeds availability of professional musicians.

I am especially pleased to introduce this bill, since it does not cost the taxpayer 1 cent. On the other hand, it helps some of the enlisted members of our Armed Forces who are having great difficulty in making ends meet to support their families, especially in the high cost-of-living metropolitan area.

Mr. President, I urge my distinguished colleagues to support this deserving measure, and I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2336

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that sections 974, 3634, 6223, and 8634 of title 10, United States Code, are repealed.

SEC. 2. (a) The table of sections at the beginning of chapter 49 of title 10, United States Code, is amended by striking out the item relating to section 974.

(b) The table of sections at the beginning of chapter 349 of such title is amended by striking out the items relating to sections 3632, 3633, 3634, and 3636.

(c)(1) The table of sections at the beginning of chapter 565 of such title is amended by striking out "; leader's pay and allowances" in the item relating to section 6221, and by striking out the items relating to sections 6223 and 6224.

(2) Section 6221 of such title is amended—

(A) by striking out "(a)"; and

(B) by striking out "; leader's pay and allowances" in the section heading.

(d) The table of sections at the beginning of chapter 849 of such title is amended by striking out the items relating to sections 8632, 8633, 8634, and 8636.

By Mr. FORD:

S. 2337. A bill to amend the Consumer Product Safety Act to establish an interim consumer product safety rule relating to the standards for flame resistance and corrosiveness of certain insulators, and for other purposes; to the Committee on Commerce, Science, and Transportation.

EMERGENCY INTERIM CONSUMER PRODUCT SAFETY RULE ACT OF 1977

Mr. FORD. Mr. President, I am today introducing the Emergency Interim Consumer Product Safety Rule Act of 1977. This legislation will accomplish two objectives. First, it directs the Consumer Product Safety Commission to adopt, within 120 days, an interim mandatory consumer product safety standard for the flammability and corrosiveness of cellulose insulation. Second, it directs the Consumer Product Safety Commission to conduct an interagency study on the various safety aspects of all forms of home insulation, and to provide Congress with an interim report within 6 months, and a final report and recommendations within 1 year.

Under President Carter's energy proposal, we are asking millions of Americans to bear the cost of insulating their homes, and are encouraging such action through a tax credit. The legislation I am introducing today is essential if we are to meet our national energy goal of insulating 90 percent of American homes by 1985. The purpose of this legislation is to see that all possible steps are taken by the Congress to see that consumers who purchase home insulation can be reasonably sure that the product is safe.

The Consumer Product Safety Commission has been aware of the problem of improperly treated cellulose insulation since June, 1975. The Metropolitan Denver district attorney's consumer office petitioned the CPSC in October 1976 requesting mandatory safety standards for cellulose insulation. Yet it was not until November of this year that the Commission agreed to finally begin action on this petition. Now, members of the Commission advise me that under its existing authority, the CPSC will be unlikely to develop a mandatory safety standard within the next 18 to 24 months. That, in my judgment, is far from satisfactory. It is my opinion that Congress must act immediately to provide a mandatory minimum safety standard for the flammability and corrosiveness of cellulose insulation.

Why is the need for this legislation so urgent? When properly manufactured, cellulose insulation is a safe and effective consumer product. The Department of Commerce estimates that 10 new cellulose manufacturers enter the market each month, and an increasing quantity of cellulose insulation is being sold that meets neither the existing standard for Government purchases nor any voluntary standard followed by the cellulose industry. The reputations of the vast majority of cellulose manufacturers, who produce a safe and effective product, are being unfairly damaged by the small but growing number who produce an unsafe product. This legislation will protect both the legitimate manufacturer and the individual consumer from those who are producing and selling an unsafe consumer product.

This legislation will direct that cellulose insulation be manufactured in com-

pliance with existing General Services Administration Standard HH–I–515C, which provides the best current methods for testing the flammability and corrosiveness of this product. The present GSA standard may not be the ultimate answer. I expect the Consumer Product Safety Commission to continue to work towards promulgating an even better safety standard for cellulose insulation in the future. It is clear to me, however, and I hope my colleagues will share this opinion, that the existing GSA standard is far better than no standard at all.

Mr. President, on September 15 and 16 of this year I held 2 days of hearings before the Consumer Subcommittee of the Senate Committee on Commerce, Science, and Transportation on the subject of consumer protection and energy conservation. The witnesses who appeared were unanimous in their belief that a high level of consumer confidence is essential if we are to meet our national energy goals. We must not allow that consumer confidence to be undermined by encouraging home owners to waste personal income and tax dollars or unsafe products that pose an unreasonable risk of injury.

Mr. President, I hope that my colleagues will join with me in urging that this vital legislation be passed as soon as possible. The longer we wait before setting a mandatory standard for cellulose insulation, and studying the safety problems of other insulation products, the greater the risk that homes will burn, tax dollars will be wasted, and lives may be unnecessarily lost.

By Mr. WILLIAMS:

S. 2338. A bill to amend the Tariff Schedules of the United States to provide a temporary suspension of the duty on mineral wool; to the Committee on Finance.

INSULATION SHORTAGE RELIEF ACT OF 1977

Mr. WILLIAMS. Mr. President, today I am introducing legislation to help ease the current shortage of insulation material in the United States. This bill would suspend, for 2 years, the import duty on mineral wool, which includes rock wool and fiberglass and accounts for 80 to 85 percent of all insulation used in the home, according to the Washington Post.

Higher fuel bills, greater Federal inducements to insulate homes, and a recent boom in new housing construction has caused an unprecedented demand for insulation. One fiberglass manufacturer reports shipments are running 50 percent higher than for the same period last year. The demand for insulation has become so great that spot shortages, particularly of fiberglass insulation, have occurred around the country with increasing regularity.

Domestic manufacturers have attempted to keep pace with the rising demand. Between 1971 and 1976, for example, they doubled their production capacity and this past year, they announced plans to expand their combined capacities another 50 percent by 1981. Most Government experts agree that by 1981, the fiberglass industry will have enough capacity to accommodate the expected insulation demand. But present demands have become so great, the industry has been forced to establish an allocation system.

I find it sadly ironic that at the same time American consumers are being strongly encouraged through Federal tax credits to insulate their homes and cut down fuel consumption, industry spokesmen agree there will be a shortage of insulation material for at least the next 3 years. Such a shortage surely means higher prices and some say the cost has jumped 20 percent in the last 6 months alone. More discouraging and disheartening to consumers are the reports that substandard, flammable materials are being substituted for mineral wool.

One immediate step we can take to help ease the shortage is to suspend the 7.5 percent duty on imported mineral wool. According to the U.S. Commerce Department, mineral wool imports increased by 230 percent from 1975 to 1876. However, this 1976 volume represents a fraction of 1 percent of total domestic supply. Because the market demand is so heavy, manufacturers, suppliers and consumers deserve a break on the cost of imported supplies—at least until the domestic supply is restored to the healthy position it occupied before the recent boom. It is certainly reassuring to know that insulation manufacturers have taken the actions necessary to increase production, but we must recognize that supply will not meet demand until 1981 at the earliest. In the meantime, a temporary suspension of the import duty would be wholly consistent with our efforts to encourage home insulation.

By Mr. WILLIAMS (for himself, Mr. PROXMIRE, and Mr. JAVITS):

S. 2339. A bill to amend the Securities Exchange Act of 1934 to require the preparation of annual reports and distribution documents by issuers of municipal securities, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

MUNICIPAL SECURITIES FULL DISCLOSURE ACT OF 1977

Mr. WILLIAMS. Mr. President, on behalf of Senators PROXMIRE, JAVITS, and myself, I am today introducing the Municipal Securities Full Disclosure Act of 1977. The bill would subject issuers of municipal securities—the tax exempt, debt obligations of State and local governments—to the Securities Exchange Act of 1934, requiring the preparation, on a uniform basis, of annual reports and distribution documents and delineating and clarifying the responsibilities of issuers, underwriters, and others involved in issuing or distributing municipal securities.

This bill is actually a revised and expanded version of legislation which I first introduced in February 1976. In that month, the Subcommittee on Securities conducted 3 full days of hearings and received testimony from representatives of State and local governments, the Federal Government, municipal securities underwriters and dealers, accounting firms, bond rating agencies and institutional investors on the interesting and important questions of public policy which legislation of this kind places in clear focus.

The overwhelming weight of the testimony presented to the Subcommittee on Securities strongly supported the general objective of improving the quality, accuracy and availability of information concerning municipal securities and their issuers. Witness after witness recognized both the serious deficiencies in existing disclosure and financial reporting by governmental entities and the serious consequences which could result from the erosion of public confidence in the integrity of the municipal securities markets and the issuers dependent on these markets.

Mr. President, the municipal securities markets are quite deeply and directly affected with a tangible national interest. In broad terms, this market is the financial lifeline for government units of all size to borrow private funds for public use.

Today, our municipal securities markets are confronted by a battery of problems. Some are external—shifts in national monetary policy and overall economic conditions. Some are unique and, hopefully, unparalleled—such as the unfortunate circumstances in New York City. Still others are subtle—such as the shifting investment patterns of major financial institutions. Also, careful attention is being focused on the fiscal condition of State and local borrowers and how information on this condition is reported to and analyzed by investors. In addition, there are legal problems—such as the impact of the Federal securities laws, the requirements they impose on various participants in municipal finance, and the adequacy of the legal remedies available to investors who may be injured as a result of nondisclosure or misstatements of material information.

Whatever the source of the problem, there is little argument that government borrowers must have unimpeded and economical access to our capital markets. The delivery of essential public services at all levels of government will be jeopardized or interrupted by unnecessary barriers to market access.

Because of both the complexity and importance of these markets, there are no facile solutions or quick fixes. Coordinated policy to insure a steady and reliable flow of capital to State and local governments for appropriate public purposes is needed.

I believe there is one essential element of any comprehensive solution to the problems of our cities and States that warrants immediate attention and implementation by the Congress. I am referring to the further, measured application of the Federal securities laws to the primary market for the offer, sale, and distribution of municipal securities. In short, this is the purpose of the Municipal Securities Full Disclosure Act.

On several occasions in the recent past, the Congress has expressed interest in

and enacted legislation addressing the character and quality of financial management and information systems at the State and local levels.

Recent attention by the Congress regarding municipal bond disclosure, revenue sharing reenactment, State and local pension and retirement systems, countercyclical aid to State and local governments, and the seasonal loans extended to New York City provide a partial list to the renewed congressional interest in State and local government accounting, financial reporting, and disclosure practices.

More specifically, with the enactment of the Securities Acts Amendments of 1975, the Congress acted to eliminate serious threats to the integrity and efficiency of the municipal securities markets. This law ended over 40 years of a "hands off" Federal policy by subjecting to direct regulation under the Federal securities laws the municipal securities professionals who underwrite and deal in these securities.

For several years, as chairman of the Subcommittee on Securities, I have been actively studying the municipal securities markets from the standpoint of investors, State and local borrowers, the professionals who service both issuers and investors, and above all, the national interest in creating the conditions which will preserve and strengthen the financial independence and integrity of State and local governments. Based upon this study, I believe the time has come for the Congress, through additional legislation, to subject to minimum Federal regulation the issuance of municipal securities in the primary markets; in other words, to require municipal securities issuers to comply with the disclosure requirements of the securities laws.

Mr. President, I believe the historic exemption for municipal securities from all but the antifraud provision of the Federal securities laws, available to issuers of municipal securities since the original Securities Act of 1933, is an anachronism. From an historical standpoint, the factors which seem to have been determinative four decades ago are no longer valid or compelling.

While the legislative history is not especially illuminating, several factors were considered. The first was the absence of many actual instances of misrepresentation by municipalities. As evidence of this, the House committee report on the Securities Act of 1933 stated that investors in municipal securities were beyond the need of public protection because of the "lack of recurrent demonstrated abuses."

A second reason was the nature of the market and character of the typical municipal security investor. Both have changed dramatically since 1933. Perhaps the most startling change is in the volume of municipal securities issued. In 1933, State and local expenditures amounted to some $7 billion. By 1975, these expenditures exceeded $200 billion, and some $58 billion in new long- and short-term debt securities were issued. Moreover, by the end of 1975, some 78,268 State and local government bodies and instrumentalities had approximately $221.2 billion outstanding in publicly held securities.

The dimensions of the municipal securities market can also be illustrated by measuring it against the more commonly understood corporate securities market. In 1974, $22.8 billion in long-term municipal bonds were issued, while $31.6 billion in corporate securities—including common, preferred stock and debt issues—were registered with the SEC. In 1975, there were 8,080 municipal securities offerings totaling $46.8 billion.

Also unforeseeable in the 1930's was the role individual investors would eventually play in the municipal securities markets. For many years, institutions—banks and fire and casualty companies—were the principal investors in municipal securities. Because of their sophistication, it was argued that the statutory protections available under the securities laws were unnecessary. And until recently, it was indeed true that municipal financing demands were satisfied by commercial banks, high income individuals and fire and casualty insurance companies.

However, according to Federal Reserve figures, the commercial banks' share of the new issue market has steadily declined. According to a recent New York Times article "Commercial banks, which hold about half of the outstanding tax-exempt securities, are turning increasingly to newer more profitable tax-avoidance investments, primarily equipment leasing and operations that afford foreign tax credits." Moreover, insurance companies and other financial intermediaries are not likely to offset the commercial banks' declining market participation.

A corollary of this is that these tax-exempt securities are no longer the province of wealthy and institutional investors. An increasingly large proportion of municipal debt has been sold to individuals of small and moderate means either directly or indirectly through the emergence of mutual funds and trusts which invest predominately in tax-exempt municipal securities. Rising personal incomes and significant increases in municipal bond interest rates and yields have caused a major upsurge in private investor interest—the very category of investors intended to receive the protections mandated by our securities laws.

Mr. President, the one reason which has retained some validity over the years is the legitimate concern that the costs of SEC regulation would be passed on to State and local borrowers. The historical argument has been based on two questionable assumptions. The first is that the cumbersome and complex framework of securities regulation which the Congress has prescribed for corporations would necessarily be imported wholesale and imposed on governmental, public issuers. And second, that these costs would not otherwise be imposed on municipal finance, such as through the turmoil and disruptions which recently were visited upon the markets.

For decades now, State and local issuers have argued that corporate securities-style registration and regulation would increase substantially the costs of bringing bonds to market without any commensurate benefits. But this argument overlooks the experience of recent years and ignores the fundamental policies and purposes of the securities laws. The public policy underpinning of 44 years of Federal securities regulation has been full and complete disclosure. Full disclosure has worked well both to facilitate investment decisions and to allow for the optimal use of capital among competing sources.

As the issuers have argued, the present frameworks of both the Securities Act of 1933 and the Securities Exchange Act of 1934 were designed to protect investors in corporations, not public entities. And it is true that the reasons for the present provisions of these laws are in large measure unrelated to the characteristics or needs of governmental issuers or the underwriting and offering process for their securities.

For these and other reasons, I do not believe it is necessary or appropriate to subject State and local issuers to the full range of regulation, registration, and reporting under the 1933 and 1934 acts or the Commission's full jurisdiction under the Federal securities laws. Aside from the public policies for not doing so, there are practical reasons as well. Although there are some 80,000 public instrumentalities which could conceivably issue securities, each year some 8,000 actually go to market. The following chart compares the new issues market for corporate and municipal securities, and among other things, illustrates the practical problems which this approach would place upon the SEC.

COMPARISON OF THE VOLUME OF NEW ISSUES IN MUNICIPAL AND CORPORATE MARKETS, 1970–77

[Dollar amounts in billions]

Year	Municipals						Corporate							
	Long term		Short term		Total		Bonds		Preferred stock		Common stock		Total	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
1970	4,701	$17.8	2,903	$17.9	7,604	$35.6	549	$24.3	55	$1.3	778	$5.5	1,382	$31.1
1971	5,461	24.4	3,350	26.3	8,811	50.7	598	25.6	77	2.2	1,128	11.3	1,803	39.1
1972	5,103	22.9	3,317	25.2	8,420	48.2	469	18.9	78	2.3	1,383	13.0	1,930	34.2
1973	4,741	23.0	3,406	24.7	8,147	47.6	264	13.4	54	2.4	411	6.9	729	22.7

COMPARISON OF THE VOLUME OF NEW ISSUES IN MUNICIPAL AND CORPORATE MARKETS, 1970-77—Continued

[Dollar amounts in billions]

Year	Municipals						Corporate							
	Long term		Short term		Total		Bonds		Preferred stock		Common stock		Total	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
1974	4,287	22.8	3,414	29.0	7,701	51.9	376	27.3	57	1.7	154	2.6	587	31.6
1975	4,697	29.2	3,383	29.0	8,080	58.2	526	37.0	86	3.0	232	6.8	844	46.8
1976	5,713	35.2		22.0		57.0	454	32.0	67	2.3	279	8.1	800	42.4
1977 (1st half)	2,512	25.8					193	13.8	30	1.3	116	3.4	399	18.3

Source: SIA data base, 1977 data is estimated. Investment Dealers Digest (various issues), 1977 data is preliminary.

At the other extreme from the full regulation and registration of municipal issuers is continuing the status quo. Under present law, municipal securities and their issuers are subject to the general antifraud provisions. It may be argued that the antifraud provisions are sufficient to require disclosure of all material facts and to permit informed investment decisions. However, the facts are that investors in many instances are not receiving substantial disclosures, and when they do, they are not standardized or comparable. The veracity of such financial information is often open to doubt. And because there has been little litigation to date under the antifraud provisions, the obligations of issuers and underwriters, and others remains in confusion. As a result, the quality of the resulting investor protection remains in doubt.

Nor is the status quo highly desirable from the issuers' standpoint. In some specific cases, State and local governments have not been able to get to market at all because underwriters have declined to bid on issues where they have been unable to satisfy their legal responsibilities to prospective investors. Because of the confusion and uncertainty, municipal officers, and bond counsel suddenly find themselves being asked to attest to the accuracy of information in official statements, to sign indemnification agreements, and most importantly, to defend themselves in cases brought by investors under rule 10(b)(5) of the Federal securities laws. In general, the efficiency of the markets has been impeded as issuers, underwriters and others have become "gun shy" about their liability exposure under the antifraud provisions of the Federal securities laws.

And not without good reason, since the SEC has asserted broad authority over the municipal securities industry and markets under both explicit grants of statutory authority from the Congress as well as the general antifraud provisions.

The SEC and its staff have become more knowledgeable about the municipal securities market and more interested in carrying out its enforcement responsibilities under the Federal securities laws. During the past 4 years, the SEC has initiated a multitude of lawsuits, instituted administrative proceedings against municipal securities professionals involving fraudulent activity in connection with municipal securities, and filed several suits directly related to primary distributions of municipal securities.

In August 1977, the Commission transmitted to the Congress an investigative staff report on transactions in securities of the city of New York. The report, the product of a 19-month investigation, raises far-reaching questions under the securities laws about the roles and responsibilities of attorneys, underwriters, bond counsel, rating agencies, accountants, issuers, and issuer officials.

The general conclusion of the report is that—

The functioning of the process by which City securities were brought to the market place depended not only upon the issuer, but also upon the principal underwriters, bond counsel and rating agencies. As is evident from the facts set forth in this Report, in varying degrees, they failed to meet their responsibilities. Thus, public investors were denied the protections to which they were entitled.

In an epilog of the report, the Commission summed up its experience as follows:

It is imperative that persons with responsibilities in the marketing of municipal securities reassess their roles to assure that, when required, they will meet the demands of such occasions. It is hoped that this Report will be studied by the various participants in municipal financing, and that they will commence a critical review of the facts as the first step in the development of a program designed to place into effect at the earliest possible time the necessary remedial measures, not only to prevent a recurrence of what took place in New York City, but also to install a system that will assure municipalities vital access to the Nation's securities markets and the protection of those who invest in municipal securities.

Mr. President, I believe it is both necessary and desirable for the Congress to design a new statutory framework for systematic and complete disclosure by issuers of municipal securities which advances the investor protection principles of the securities laws, preserves the sovereign prerogatives of State and local issuers, and stabilizes and broadens our municipal securities market. This can be done without in any way expanding the enforcement responsibility of the Commission or the ultimate liability of either the issues or the underwriters. Furthermore, this approach will serve the interests of issuers and investors by establishing and clarifying through legislation norms of conduct which will otherwise develop in an uncoordinated, haphazard way through ad hoc SEC enforcement actions and private litigation.

Mr. President, under all of these circumstances, I believe it is the absence of legislation addressing the information reasonably necessary for investors, and the respective responsibilities of issuers, underwriters, and others in producing it, that imposes the costs and poses the interference we all seek to eliminate.

I should note that concern over municipal reporting and disclosure did not originate during this decade. In 1928, one commentator described municipal reporting in the United States as:

A jungle through which run only little trails and some of those are little used . . .

Everyone concedes that some reports are indispensable, but a few consider what the reports should contain, for whom they should be prepared, in what form they should be presented, how they might most advantageously be circulated, how their content and form might be improved.

The general absence of uniform and standardized municipal reporting is of no less concern today. According to a 1974 report of the Twentieth Century Fund Task Force on Municipal Bond Credit Ratings:

A major problem admitted by both the rating agencies and others interested in fiscal affairs is the lack of uniformity in accounting practices and timeliness in the reporting of state and local government statistics. Furthermore, not only do the reports differ in definitions, detail and quality, but their veracity and accuracy are often neither examined nor guaranteed by an independent audit.

* * * * *

The accounting and reporting problem is a deepseated one because the states either passively or actively have created a hodgepodge of practices and requirements.

A sequel from the Twentieth Century Fund, published in 1976 and entitled "Building a Broader Market," cited the "very real need for full disclosure of information by borrowers" and noted that "greater uniformity is needed in the information provided for municipal securities transactions and that national standards for financial disclosure should be established."

Mr. President, in my judgment sound financial management and fiscal responsibility by State and local officials and standardized and accurate public disclosure will not occur without definite accounting and reporting standards established at the Federal level.

Arthur Andersen & Co., a well-known international accounting firm, has published or commissioned several reports which are relevant. One report, published in 1975, is entitled "Sound Financial Reporting in the Public Sector: A Prerequisite to Fiscal Responsibility."

In this report, Arthur Andersen concluded:

Cities, states and other political subdivisions should be required to publish (. . . financial) statements annually and in connection with the sales of securities to the public.

The effect of this report was to encourage public discussion of the need for sound accounting controls and financial reporting in all units within the public sector.

A second comprehensive Arthur Andersen & Co. report conducted by the University of Chicago's Center for Management of Public and Non-Profit Enterprise, addressed the question of an appropriate format for financial reporting of State and local governments. After studying the needs of users of governmental financial statements—the general public (consisting usually of taxpayers), investors, creditors, and elected and appointive Government officials—the report recommended strongly "the need for a set of consolidated statements treating the government unit as a whole, expressed as nearly as possible in commercial accounting terms and format." The report concluded:

State and local governmental units may be paying a substantial price in higher interest costs for their failure to provide financial statements that are meaningful to a broader group of investors and analysts. The present group of specialists in state and local financial obligations generally do a good job of working with data that are frequently inadequate, but more complete and more understandable financial statements might expand the market, thus resulting in lower interest costs.

In conjunction with the University of Michigan, Coopers & Lybrand, another major accounting firm, conducted a study of disclosure practices in 46 American cities, "Finanial Disclosure Practices of the American Cities: A Public Report." This comprehensive report documents the serious shortcomings in the existing system of financial reporting and disclosure which relies upon voluntary compliance with currently recommended municipal disclosure practices.

76% of the cities studied did not disclose in their financial reports the actuarially computed value of vested benefits over the total of the pension fund and net balance sheet accruals. In some cities, the total undisclosed liabilities are estimated.

84% of the cities surveyed did not disclose accrued vacation and sick leave dollar obligations.

50% of the cities surveyed having overlapping debt did not disclose those obligations in their annual reports.

Nearly half of the cities did not describe the fundamental accounting policies used to record financial activities. Since the selection of accounting methods significantly affects the presentation of data in financial statements, the failure to disclose the methods substantially reduces the usefullness of the financial statements.

Many American cities do not publish financial information more frequently than once a year. Further, annual reports are frequently not prepared on a timely basis.

Like every other study which has been brought to my attention, this one also recognized the merit of subjecting municipalities "to the same accounting and disclosure requirements applied to publicly held corporations. This means that disclosure practices be uniformly enforced, preferably at the State level, or absent that, at the Federal level, to assure compliance. Moreover, if cities are not bound to adhere to the same standards as publicly held commercial enterprises, they will ultimately suffer a competitive disadvantage in the credit markets."

Mr. President, these are some of the more important findings of this study which "indicate a substantial lack of compliance with current generally accepted (accounting) principles applicable to governmental bodies." Accordingly, the study recommends "legislation to create a mechanism to monitor the financial reports of local governments" and that "FASB and the AICPA be permitted to develop and promulgate generally accepted accounting principles."

Most recently, the Council on Municipal Performance released the first of several installments from its report on municipal securities regulation. This report seeks to evaluate the question of municipal securities disclosure from the public perspective and the range of possible remedies. Based upon the sections released to date, a compelling case is made for a system of mandatory disclosure requirements. After meticulous and original research into the adequacy of existing Federal and State law, one appendix to this report concludes that—

Federal regulation of municipal securities generally as contemplated by the 1976 Williams bill is appropriate, desirable and a proper balance between the alternatives of self-regulation or treating municipal securities in the same manner as corporate securities.

Against this background, it is somewhat anomalous that major private corporations have audits performed by independent certified public accountants, but municipalities do not. The need for this basic information by bondholders, taxpayers, voters and by all branches of Government is obvious.

Mr. President, the Federal Government has a vital interest in the character and quality of financial management and information systems at the State and local levels.

In at least one area, the Congress has already acted to require proper and accurate State and local accounting. Under the State and Local Fiscal Assistance Amendment of 1976—

Each state government and unit of local government which expects to receive funds . . . on or after January 1, 1977 . . . shall have an independent audit of its financial statements conducted for the purpose of determining compliance . . . not less often than once every three years.

Pursuant to this law, the U.S. Treasury Department has adopted rules defining what constitutes an independent audit of State and local governments which receive revenue sharing funds. Thus, by requiring an independent audit—the heart of effective disclosure—the Congress has taken a significant first step toward improving the quality and reliability of financial information required by the revenue sharing program.

Mr. President, each level of government—city, State, and Federal—is confronted with an array of problems that cannot go unanswered: Outdated capital facilities, demands for increased services for the poor and the elderly, and obsolete equipment are just a few. These problems are particularly acute for our urban centers. Clouds of doubt over the willingness of investors to purchase municipal securities, and the serious questions surrounding the standards of conduct required by the antifraud provisions of the securities laws, can only interfere with our progress toward long-term solutions of these problems.

It is, therefore, imperative that all States and local governments, regardless of size and geographic location, join with the executive branch and the Congress to improve and fine-tune the operations of our markets for municipal securities. An essential and significant first step must be improved disclosure to promote investor confidence in the integrity and efficiency of the capital raising system—a system which governmental entities will have to rely upon more heavily in the years ahead.

Applying the Federal securities laws to State and local governments is a prerequisite. In doing so, however, there are important legal distinctions between government and corporate borrowers which the Congress must recognize and respect. Because municipal securities have been exempt from direct Federal regulation since 1933, Congress' authority to legislate in this area has never been challenged or tested. In National League of Cities against Usery (1976), the Supreme Court abruptly narrowed previous expansive readings of congressional authority under the commerce clause of the Constitution by reading into it the 10th amendment. Undoubtedly this case will be relied upon by the opponents of the legislation to assert its unconstitutionality.

After careful study, I do not believe there is any constitutional barrier to the enactment of this bill. Nevertheless, this Supreme Court decision is a clear reminder that Federal law should be extended only so far as necessary to accomplish a legitimate national purpose or protect a legitimate national interest and no further. For this reason, the Municipal Securities Full Disclosure Act envisions a limited role for the SEC, and provides the opportunity and an incentive for the States to discharge and displace the powers delegated in the bill to the SEC.

I strongly believe that what is needed in this area is a novel application of the Federal securities laws. On one hand, legislation must establish explicit, but limited, SEC authority to develop improved and standardized disclosure. At the same time, we must avoid the formalities, administrative delays and costs of full registration already prescribed for private issuers. As I stated earlier, I do not believe these procedures are appropriate for municipal bonds. Therefore, my bill will recognize and respect the pre-

rogatives of State and local governments and encourage a more active role by them in assuring investor protection. In a nutshell, these are the views embodied in the bill which Senator PROXMIRE, Senator JAVITS and I are introducing today.

The bill relies heavily and borrows frequently from longstanding practices and procedures employed by issuers, underwriters and their counsel in marketing municipal securities. Major changes would not be required. For example, the methods of syndication and distribution would continue to be governed by State law.

At this point, it may be helpful to summarize the bill's most salient features. I have prepared a detailed explanation of the bill which will appear at the conclusion of my remarks.

Briefly, the bill would amend the Securities Exchange Act of 1934 to require the preparation of annual reports and distribution statements by issuers of municipal securities in the following manner.

First, issuers of municipal securities with an aggregate principal amount of securities outstanding exceeding $50 million would be required to prepare, but not file with the SEC, annual reports and reports of events of default. General information to be included in the reports would be specified. The categories, scope and format of the informational content is extracted from the December 1976 edition of the Municipal Finance Officers Association's "Disclosure Guidelines for Offerings of Securities by State and Local Governments," as well as from schedules A and B under the Securities Act of 1933.

Financial statements, prepared in such detail and form as the Commission may prescribe, would be included. For any fiscal year beginning on or after December 31, 1980, such financial statements would be required to be audited and reported on by independent certified public accountant, a qualified independent or licensed accountant, or an examiner from an independent State agency authorized by law to perform such functions. This provision was added in recognition of the common practice in many States to utilize the services of State auditing agencies in lieu of independent or certified public accountants. It conforms to the definition of independent audit recently adopted by the Department of the Treasury for use under the Revenue Sharing Act.

Second, the bill would require an issuer that offers or sells municipal securities to prepare a distribution document prior to such offer or sale. The information to be included in the distribution statement would consist of the data required in the annual report of an issuer together with specified additional information concerning the particular offering. These additional information requirements also conform in scope and format to the applicable disclosure requirements specified in schedules A and B of the Securities Act of 1933 and those in December 1976 edition of the "Municipal Finance Officers Association Disclosure Guidelines for Offerings of Securities by State and Local Governments." The Commission would be able to administer this subsection in a flexible manner. The objective would be to minimize interference with the natural workings of the marketing system. Under no circumstances would these statements be filed with or reviewed by the SEC.

I should point out that as originally drafted in 1976, the distribution statement requirements of the bill applied only to an offer or sale of municipal securities in excess of $5,000,000. Testimony at the hearings on the bill revealed that very few issuers of municipal securities would be affected by the distribution statement requirement. According to the testimony, between January 1974 and June 1975, 84 percent of the general objections bond issues and 65 percent of the revenue bond issuers were below the $5,000,000 threshold. Various commentators expressed the view that small issues of municipal securities are in particular need of disclosure regulation and that it would be appropriate to require every issuer to comply with disclosure requirements, adjusted to reflect issuer size and circumstance.

In the revised bill, the threshold has been eliminated. However, a number of provisions have been added authorizing the Commission to prescribe modified distribution statement disclosure requirements for small issues or exempt them altogether. Moreover, an intrastate offering exemption from the distribution statement requirement has been added.

Third, the bill would expressly recognize the initiatives some States have taken in closely supervising the marketing of local government bonds and encourage the further development of this pattern. Thus, the bill would provide exemptions from the distribution document and annual report provisions of the bill in States which require substantially similar disclosures. The exemption would be automatic and not subject to Commission approval. Thus, in those States which actively supervise local financings and require disclosure conforming to the standards in the bill, the requirements of this bill would have no effect. In this way, the bill would encourage the remaining States to take a more active role in the regulation and control of securities by their instrumentalities and political subdivisions and thereby minimize even further the involvement of the SEC.

Fourth, the Commission would be authorized to establish the accounting standards and practices to be followed in the preparation of financial statements.

Fifth, the bill contains a number of provisions to insure that reports and distribution documents are made available to investors and that investors are on notice of such availability. Issuers would be required to make the annual reports available to security holders at the issuer's expense and to others at their own expense. In the case of distribution documents, issuers would make the information available to municipal securities professionals as currently authorized by the statute.

Sixth, the remaining subsections of the bill provide statutory definitions of the responsibilities and liabilities of issuers, underwriters, and others engaged in the issuance and distribution of municipal securities. This is a major improvement over the previous version of the legislation. It is necessary because the antifraud provisions at present do not clarify or define the responsibilities of each of the participants in municipal finance to assure the adequacy or accuracy of information provided to investors, nor do the antifraud provisions provide any clear statement of the standard and extent of liability.

The proposed civil liability provisions would clarify the obligations of issuers, experts, and underwriters and others to make independent investigations concerning the completeness and accuracy of the information contained in municipal securities distribution documents and provide for express liability to investors for damages suffered on account of incomplete or inaccurate information. In general, the bill attempts to allocate the responsibility for assuring the adequacy and accuracy of the information required to be disclosed between the issuer and the underwriters with a view toward:

First, accessibility to and availability of the information;

Second, preserving and encouraging the system of competitive bidding;

Third, the practical difficulties of superimposing corporate-style "due diligence" responsibilities on the municipals sector in view of the dynamics of the market; and

Fourth, advancing the basic objectives of investor protection without increasing the underwriting costs.

While the bill would enumerate the responsibilities of issuers, underwriters and others, it does not provide any responsibilities for or express remedies against officials or employees of an issuer.

Finally, the bill would require the SEC to create an advisory committee on municipal issuers and actively solicit its views on the implementation of the bill.

Perhaps as important as to what the bill would do is what the bill is not intended to do. For example, it is not intended to draw any regulatory parallels between municipal and corporate securities or their issuers. Unlike the 1933 act, no registration is required nor is there any requirement of prefiling review by the SEC. Underwritings of municipal securities will not, as a result of this bill, be highly regulated as are corporate securities. This is not practicable or necessary to assure adequate and accurate disclosure of material facts. Instead, the bill specifies mandatory minimum standards of disclosure and limits the SEC's responsibility and authority to administering the new reporting requirements.

Aside from the limited and measured authority conferred on the Commission, the bill takes congressional notice of traditional State prerogatives by encouraging active supervision of municipal borrowings at the State level. According to the Twentieth Century Fund Report:

The leading example is the close supervision exercised by the Local Government Commission of North Carolina. The Commission approves and centrally sells local bond and note issues, provides financial advisory services in debt management, supervises local government accounting standards, and maintains and publishes local government data, including the advertising of bids and distribution of bond prospectuses . . .

A recent study indicates that the bonds of North Carolina communities often have higher credit ratings than the bonds of similar communities . . .; that more bids are received on the average for local government issues; and that the higher ratings and additional bids help to lower interest costs.

State supervision of this kind has served to assure investors that correct procedures have been followed and that data is accurate and reliable. Lower borrowing costs have thus resulted from the underwriters' knowledge of the state's standards and the uniformity of offering procedures.

Mr. President, the absence of uniformity, or and the inadequacy of information creates serious problems in the marketing of municipal securities far different from those faced in the past. While I believe the solution to a nationwide problem must be Federal legislation of similar scope, others, such as the issuers of municipal securities, prefer alternative methods of achieving this objective.

The Municipal Finance Officers Association has issued suggested guidelines to assist issuers. According to its "Disclosure Guidelines for Offerings of Securities by State and Local Governments" (December 1976), the guidelines "are suggestions of information which may be disclosed in offerings of municipal securities. These guidelines are not intended to be legally binding. Rather, they represent information that normally should be included in official statements because it would be relevant to investors on most occasions for most issues." The guidelines represents a considerable and constructive undertaking by the issuers and, as such, deserve commendation.

Unfortunately, in my judgment, these guidelines simply do not suffice as an effective alternative to Federal legislation. There are several reasons for this conclusion. The first is that investors will be dependent upon voluntary compliance by the issuer with the suggested disclosures. However, evidence already exists that voluntary compliance has not resulted in widespread adherence by issuers to uniform standards of accounting and financial reporting. Coopers and Lybrands, in its "Report On Financial Disclosure Practices of the American Cities" (1976), addressed this point and concluded:

Our findings indicate a substantial lack of compliance with current generally accepted principles applicable to government bodies. These findings support our recommendation that disclosure compliance for the protection of taxpayers and securities investors should be accomplished through uniform enforcement. The MFOA presently recommends compliance with GAAFR. However, the organization issues fewer than 40 Certificates of Conformance each year. In fact, only about 400 such certificates have been issued over the last 30 years. Out of approximately 18,000 municipalities eligible to apply, only about 100 applications are even submitted for consideration. This points upon the hopelessness of voluntary compliance.

Second, voluntary disclosure guidelines will not have the status of law and therefore will not provide definitive standards of conduct or serve as defenses to serious or even spurious lawsuits against issuers, underwriters, and others. Guidelines will not eliminate confusion about the legal responsibilities and liabilities of issuers and underwriters. There is no well-established judicial precedent to clarify the liability of issuers or the application of sovereign immunity under the antifraud provisions of the Federal securities laws.

On the other hand, the establishment of specific disclosure requirements by law would provide authoritative guidance by addressing the fundamental issues of what information municipal securities issuers should be required to make available to investors, and what the respective disclosure responsibilities should be for issuers, underwriters, and others involved in the process of distributing municipal securities. This is essentially the position taken by the Municipal Securities Rulemaking Board in 1976. In brief, without national standards established by Congress, the present confusion in the municipal securities market will persist.

Third, the guidelines proposed by the MFOE would apply to all tax exempt offerings by State or municipal entities, even small offerings that are placed privately with institutions and other sophisticated investors.

Fourth, it is conceivable that the MFOA guidelines may result in unnecessary and excessive costs to issuers in some instances since there will be no statutory disclosure norms. As a result, in each offering issuers may well be forced to disclose more information than is necessary to satisfy the materiality standards of the securities laws. Underwriters fearing liability may well be overzealous in insisting on additional disclosure or by refusing to bid on an issue. The information extracted may be irrelevant and the costs substantial.

Mr. President, notwithstanding these differences over approach, I believe the contributions of the issuers in developing standardized disclosure, educating State and local officials to their obligations under the securities laws, and improving the level of disclosure have been substantial. The Municipal Securities Full Disclosure Act of 1977 would build upon their initiatives, enhance the market, and assure a minimum amount of Federal intervention, at minimum cost. With the enactment of this bill and its uniform nationwide system of disclosure, I believe the municipal bond market will become increasingly less fragmented and regionalized. In this way, the bill will facilitate the essential money raising functions of State and local governments.

Mr. President, the Federal Government has a substantial interest in stabilizing the municipal bond market because of its importance in the national capital market and because of the number of investors involved. The bill approaches this national problem by encouraging a partnership with State and local governments.

The bedrock of efficient capital raising—whether by a company or a city—is investor confidence. This is conspicuously lacking today, posing unacceptably high legal, economic, and social risks for citizens, investors, underwriters, rating agencies, issuers, and for the Federal Government. Local government must be able to borrow at reasonable costs. How best to achieve this result is a matter of current debate. As a result of this bill, on which I expect to hold hearings early next year, I am confident that accounting and disclosure standards acceptable to investors and the various governmental, trade, and professional groups involved in the municipal securities markets can and will be developed.

Mr. President, I ask unanimous consent that the text of the bill and a section-by-section analysis be printed in the RECORD.

There being no objection, the bill and analysis were ordered to be printed in the RECORD, as follows:

S. 2339

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Municipal Securities Full Disclosure Act of 1977".

SEC. 2. (a) Section 3(a)(12) of the Securities Exchange Act of 1934 is amended by inserting "13A," immediately after "for purposes of sections".

(b) Section 3(a) of such Act is amended by inserting at the end thereof the following new paragraphs:

"(40) The term 'municipal securities underwriter' means any person who purchases from an issuer with a view to, or offers or sells for an issuer in connection with, the distribution of any municipal security, or participates or has a direct or indirect participation in any such undertaking, or participates or has a participation in the direct or indirect underwriting of any such undertaking; but such term does not include a person whose interest is limited to a commission from a municipal securities underwriter or municipal securities dealer not in excess of the usual and customary distributors' or sellers' commission.

"(41) The term 'municipal securities distribution document' means any distribution statement, offering circular, official statement, or similar document used or prepared by or for an issuer of municipal securities in connection with the offer or sale of such securities by the use of any means of interstate commerce, whether or not such document is subject to the provisions of section 13A of this title.".

(c) Section 12(h) of such Act is amended by inserting "13A," immediately after "section 13,".

(d) Such Act is further amended by inserting after section 13 the following new section:

"MUNICIPAL SECURITIES DISCLOSURE

"SEC. 13A. (a)(1) The Congress finds that—

"(A) State and local governments, in their duty to continue to provide needed services to the public, borrow funds in the capital markets and have found it necessary to issue increased amounts of municipal securities to public investors in recent years;

"(B) to assure the availability of capital funds at reasonable rates to, and the maintenance of essential services provided by, State and local governments, it is in the public interest and appropriate for the protection of investors to require the preparation of annual reports and distribution documents by issuers of municipal securities;

"(C) improved and standardized accounting, auditing, financial reporting, and other

uniform disclosures will facilitate access by State and local governments to the capital markets on reasonable and economic terms, and thereby strengthen and improve the basic mechanism of the market for municipal securities;

"(D) the Federal Government has a substantial interest in the municipal bond market because the issuance and distribution of the securities of State and local governments involves the use of interstate commerce and constitutes an important part of the current of interstate commerce.

"(2) It is the purpose of this section to facilitate the marketing of the securities of State and local governments, to reduce the borrowing costs of such governments, to protect investors in such securities by improving the availability, adequacy, and uniformity of financial and other information concerning State and local issuers of municipal securities, and to stabilize the market for municipal securities by delineating the responsibilities of issuers, underwriters, attorneys, accountants, and others involved in the preparation and distribution of such information and securities.

"(b)(1) Any issuer of municipal securities which has outstanding during any portion of a fiscal year an aggregate principal amount of municipal securities exceeding $50,000,000 shall prepare for such fiscal year an annual report and reports of events of default in accordance with such rules and regulations as the Commission may prescribe as being necessary or appropriate in the public interest or for the protection of the investors.

"(2) The annual report required by paragraph (1) shall be prepared within one hundred and fifty days after the close of the fiscal year with respect to which the report is required under paragraph (1) or such lesser period of time as the commission may, by rule prescribed, and shall contain the following information, if applicable:

"(A) a description of the issuer, its executive officials, the principal facilities and operations;

"(B) a description of any material changes or interruptions in the issuer's operations over the past five years;

"(C) a description of the issuer's borrowing policies, debt, debt structure, including, where material, information regarding the indebtedness of overlapping State and local governmental entities, and any relevant trends involving such indebtedness over the last five years;

"(D) a description of any legal limitations on the incurrence of indebtedness by the issuer;

"(E) a description of any material contingent liabilities, leases or commitments of the issuer;

"(F) a description of any defaults, postponements, delays or other modifications with respect to the payment of principal or interest on any outstanding debt of the issuer within the past twenty years, including the terms of any succeeding arrangements;

"(G) a description of the issuer's tax authority and any legal limitations thereon, tax structure and collection experience over the past five years, including the nature and amounts of taxes levied, tax rates, assessment and collection procedures, and any anticipated change in tax structure including such procedures over the next five years;

"(H) a description of any significant economic and demographic data and relevant trends over the past five years affecting the issuer;

"(I) a description of the issuer's major taxpayers;

"(J) a description of the issuer's major revenue sources other than taxes and amounts received over the past five years;

"(K) a description of Federal or other governmental assistance to the issuer, any major changes or interruptions of such programs in the past five years to the issuer, and any anticipated changes or interruptions over the next five years;

"(L) a description of any pending legal proceedings which may materially affect the issuer's outstanding debt securities or the sources of payment therefor;

"(M) the issuer's current budget and a description of budget procedures and budget achievement experience over the past five years;

"(N) a description of the issuer's pension or other employee retirement plans, including the means of financing such plans;

"(O) a statement of any holdings of the issuer's securities by trust or pension funds associated with the issuer;

"(P) financial statements in such detail and form and for such periods not exceeding the past five fiscal years as the Commission may prescribe, which financial statements for any year commencing on or after December 31, 1980, shall be audited and reported on by an independent certified public accountant or a qualified independent licensed accountant or examiner from an independent State agency authorized by law to perform such functions, in such a manner as the Commission may prescribe.

"(3) The reports of events of default referred to in paragraph (1) shall contain such of the information required by paragraph (2) as the Commission may by rule or regulation prescribe.

"(4) The report required by paragraph (1) shall, in addition, contain such other similar information as the Commission may by rule or regulation prescribe as being necessary or appropriate in the public interest or for the protection of investors.

"(c) (1) Except as provided in subsection (d), any issuer which offers or sells an issue of municipal securities shall, prior to such offer or sale, prepare a municipal securities distribution document in accordance with such rules and regulations as the Commission may prescribe as being necessary or appropriate in the public interest or for the protection of investors. In administering this subsection, the Commission shall, to the extent practicable, avoid repetition of information required to be included in an annual report required under subsection (b)(1).

"(2) The municipal securities distribution document required by paragraph (1) may consist of more than one part and shall contain such of the information pertaining to the issuer and underwriter or underwriters required by subsection (b)(2) as the Commission may be rule or regulation prescribe, and the following information, if applicable:

"(A) the aggregate amount of each class of securities to be offered;

"(B) the price at which it is proposed that the securities shall be offered to the public or the method by which such price is or will be computed and any variation such security is proposed to be offered to any persons or classes of persons, other than the underwriters, naming them or specifying the class;

"(C) the names and addresses of the underwriters;

"(D) the nature of the underwriting arrangements;

"(E) all commissions, discounts, or other remuneration paid or to be paid, directly or indirectly, by the issuer to the underwriters in respect of the sale of the securities to be offered;

"(F) the amount or estimated amounts, itemized in reasonable detail, of expenses, other than commissions, discounts, or other remuneration specified in subparagraph (E), incurred or borne by or for the account of the issuer in connection with the sale of the security to be offered or properly chargeable thereto, including legal, engineering, certification, authentication, and other charges;

"(G) the estimated net proceeds of the securities to be offered;

"(H) the specific purposes for which the securities to be offered are to supply funds and, in the case of revenue bonds or similar enterprises, if the funds have been or are to be raised in part from other sources, the amounts, the sources thereof, and the date such funds will be available;

"(I) a description of all projects or enterprises of the issuer to be financed by the proceeds of revenue or special assessment securities, including the management and major user thereof, and any engineering or financial feasibility reports or studies on the construction or operation of the project or enterprise;

"(J) a description of the securities to be offered, including provisions as to registration and exchange, security and security substitutions, any guarantor or insurer of the principal or interest or premium on the securities being offered, the terms and conditions of the guaranty or insurance and appropriate information regarding the financial condition of the guarantor or insurer, payments of principal and interest, payment sources and any restrictions thereon, rights and duties of trustees or fiscal agents, events of default, maturity redemption, amortization, sinking fund, retirement, debt reserve funds, priority of payments, legality and authorization for issue, rights of security holders to bring suit against issuers or guarantors and whether as well as under what conditions any of these terms may be modified;

"(K) a statement of counsel's opinion as to the validity of the issuance of the securities to be offered under applicable State law and the name and address of the counsel rendering such opinion;

"(L) a description of the tax status of the securities to be offered with respect to interest payments to or sales of the securities by investors and, if such description is based on an opinion of counsel, the name and address of such counsel;

"(M) a statement of the availability of the reports required by this section; and

"(N) with respect to trustees, fiscal agents, counsel, and any other expert named in the distribution document as having prepared or certified any part thereof or any document referred to therein, a description of any material relationship between such expert and the issuer or any direct or indirect interest of such expert in the offering; and

"(O) a statement of any ratings for the securities to be offered and the names of the rating agencies, or of no such ratings have been obtained or a rating has been returned for any such securities, a statement of the reasons; and

"(3) Notwithstanding the provisions of paragraph (2), (A) the Commission may by rules or regulations provide that any information or document specified in paragraph (2) need not be included in respect of any class of issuer or securities if it finds that such information or document is not applicable to such class, that disclosure fully adequate for the protection of investors is otherwise required to be included within the distribution document, or that such information is otherwise available and may be incorporated by reference into the distribution document; and (3) prior to any sale, the information specified in subparagraphs (A) (B), (C), (D), (E), (F), (J), and (K) may be set forth in preliminary form.

"(4) The distribution document required by paragraph (1) of this subsection shall in addition, contain such other similar information as the Commission may by rule or regulation prescribe as being necessary or appropriate in the public interest or for the protection of investors.

"(5) The Commission may from time to time by its rules and regulations, and subject to such terms and conditions as may be prescribed therein, classify distribution documents according to the nature and circumstances of their use or the nature of the security, issue, issuer or otherwise, and prescribe as to each class the form and contents which it may find appropriate and consistent with the public interest and the protection of investors.

"(d)(1) The provisions of subsections (b) and (c) do not apply to an issuer or an offer or sale of municipal securities, the disclosure with respect to which is required in accordance with laws or regulations of the State in which the issuer is organized, provided such regulations are substantially similar to the provisions of subsections (b)(2) and (c)(2), respectively.

"(2) The provisions of subsection (c) do not apply to an offer or sale of municipal securities which would satisfy the provisions of sections 3(a)(9), 3(a)(10), 3(a)(11), 4(1), 4(2), 4(3), or 4(4) of the Securities Act of 1933 if such offer or sale were not within the scope of section 3(a)(2) thereof.

"(e) The Commission may prescribe, in regard to reports and distribution documents prepared pursuant to this section, the detail and form in which the required information, including the financial statements, shall be set forth, and the accounting methods to be followed in the preparation of financial statements.

"(f)(1) The issuer shall make the reports required by subsection (b) of this section available upon request to security holders at the issuer's expense and to others at their own expense and shall give appropriate public notice of such availability, as well as access to the exhibits specified in paragraph (3) of this subsection in accordance with such rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest or for the protection of investors.

"(2) The issuer shall make the distribution document required by subsection (c)(1) of this section available to municipal securities brokers, municipal securities dealers, and banks acting as agents for delivery to prospective purchasers in accordance with rules and regulations adopted under this title.

"(3) The reports and distribution documents of issuers required by this section together with copies of any applicable current articles of incorporation and bylaws or comparable governing instruments howsoever designated, opinions of counsel, consents, underwriting agreements, specimen securities, guarantee agreements, indentures and other authorizing or governing instruments defining the rights of holders of outstanding and offered securities, debt or tax authorizations, material contracts or leases, management agreements, engineering or financial feasibility reports or studies, and such other similar documents as may be prescribed by the Commission shall be maintained by the issuer at a designated location for examination by the public.

"(g)(1) In case any part of a municipal securities distribution document, which at the time such part is first made available to the public, in final form, contains an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading, any person acquiring such security in the offering in which such distribution document was used (unless it is proved that at the time of such acquisition such person knew of such untruth or omission) may, either at law or in equity, in any court of competent jurisdiction (as defined in subsection (m)) bring an action against—

"(A) the issuer of such security (including any State);

"(B) each accountant, engineer, or appraiser or any other person whose profession gives authority to a statement made by him (hereinafter, collectively referred to as an 'expert') who has with his consent been named as having prepared or certified any part of the distribution document, or as having prepared or certified any report or valuation which is used in connection with the distribution document, but only with respect to the statement in such distribution document, report, or valuation, which purports to have been prepared or certified by such expert; and

"(C) each municipal securities underwriter with respect to such security;

except that the right of recovery under this paragraph shall be conditioned on proof that such person acquired the security relying upon such untrue statement in the distribution document or relying upon the distribution document and not knowing of such omission, but such reliance may be established without proof that such person read the distribution document.

"(2) Notwithstanding the provisions of paragraph (1), no person shall be liable as provided therein who shall sustain the burden of proof that—

"(A) in the case of the issuer, with respect to any part of the distribution document not purporting to be made on the authority of an expert, and not purporting to be a copy of or extract from a report or valuation of an expert, and not purporting to be made on the authority of a public official document or statement (other than a public official document or statement of the issuer), the issuer had, after reasonable investigation, reasonable ground to believe and did believe, at the time such part of the distribution document was first made available to the public, in final form, that the statements therein were true and that there was no omission to state a material fact required to be stated therein or necessary to make the statement therein not misleading;

"(B) in the case of a municipal securities underwriter, with respect to any part of the distribution statement not purporting to be made on the authority of an expert and not purporting to be a copy of or extract from a report or valuation of an expert, and not purporting to be made on the authority of a public official document or statement (other than a public official document or statement of the issuer)—

"(i) in the case of an offer or sale of municipal securities through competitive bidding, the underwriter had no reasonable ground to believe and did not believe at the time such part of the distribution document was first made available to the public, in final form, that the statements therein were untrue or that there was an omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading; and

"(ii) in the case of an offer or sale of municipal securities otherwise than through competitive bidding, that the underwriter had after reasonable investigation reasonable ground to believe and did believe at the time such part of the distribution document was first made available to the public, in final form, that the statements therein were true and that there was no omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading;

"(C) in the case of an expert, with respect to any part of the distribution document purporting to be made upon his authority as an expert or purporting to be a copy of or extract from a report or valuation of himself as an expert—

"(i) That the expert had, after reasonable investigation, reasonable ground to believe and did believe, at the time such part of the distribution document was first made available to the public in final form that the statements therein were true and that there was no omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading, or

"(ii) such part of the distribution document did not fairly represent his statement as an expert or was not a fair copy of or extract from his report or valuation as an expert;

"(D) in the case of the issuer, a municipal securities underwriter, or an expert, with respect to any part of the distribution document purporting to be a copy of or extract from a report or valuation of an expert (other than himself), the issuer, a municipal securities underwriter, or expert had no reasonable ground to believe and did not believe, at the time such part of the distribution document became available to the public, in final form, that (i) the statements therein were untrue, (ii) there was an omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading, or (iii) such part of the distribution document did not fairly represent the statement of the expert or was not fair copy of or extract from the report or valuation of the expert; and

"(E) in the case of the issuer, a municipal securities underwriter, or an expert, with respect to any part of the distribuion document purporting to be a statement made by an official person or purporting to be a copy of or extract from a public official document (other than an official person or public official document of the issuer), that the expert had no reasonable ground to believe and did not believe, at the time such part of the distribution document was first made available to the public, in final form, that (i) the statements therein were untrue, (ii) there was an omission to state a material fact required to be stated therein or necessary to make the statement therein not misleading, or (iii) such part of the distribution document did not fairly represent the statement made by the official person or was not a fair copy of or extract from the public official document.

"(3) In determining, for the purpose of paragraph (2) of this subsection, what constitutes reasonable investigation and reasonable ground for belief and the absence of reasonable ground for belief, the standard of reasonableness shall be that required of a prudent man in the management of his own property.

"(4) Notwithstanding the provisions of paragraph (1), no person, other than the issuer, shall be liable as provided therein if—

"(A) before the time the part of the municipal securities distribution document with respect to which liability is asserted was first made available to the public in final form, he had resigned or withdrawn from or had taken such steps as are permitted by law to resign or withdraw from, or ceased or refused to act in, every office, capacity, or relationship in which he was described in the distribution statement as acting or agreeing to act, and he had advised the Commission and the issuer in writing that he had taken such action and that he would not be responsible for such part of the distribution document; or

"(B) such distribution document was made available, in final form, without his knowledge for the purpose of the offer or sale of municipal securities, and upon becoming aware of such fact, he forthwith acted and advised the Commission, in accordance with subparagraph A), and, in addition, gave reasonable public notice that such part of the municipal seccurities distribution document

had been made available without his knowledge.

"(5) If any person becomes a municipal securities underwriter with respect to the security after the part of the distribution document with respect to which his liability is asserted has been made available, in final form, then for purposes of determining the liability of such person under paragraph (2) of this subsection, such part of the distribution statement shall be considered as having been first made available to the public, in final form, with respect to such person as of the time he became an underwriter. Each municipal securities distribution document shall be dated with the date on which it is first made available to the public, in final form, for the purpose of the offer or sale of municipal securities.

"(6) The action authorized under paragraph (1) may be to recover such damages as shall represent the difference between the amount paid for the security (not exceeding the price at which the security was offered to the public) and—

"(A) the value thereof as of the time such action was brought, or

"(B) the price at which such security shall have been disposed of in the market before action, or

"(C) the price at which such security shall have been disposed of after action but before judgment if such damages shall be less than the damages representing the difference between the amount paid for the security (not exceeding the price at which the security was offered to the public) and the value thereof as of the time such action was brought:

Provided, That if the defendant proves that any portion or all of such damages represent other than the depreciation in value of such security resulting from such part of the municipal securities distribution document with respect to which his liability is asserted, not being true or omitting to state a material fact required to be stated therein or necessary to make the statements therein not misleading, such portion of or all such damages shall not be recoverable.

"(7) In no event shall any underwriter (unless such underwriter shall have knowingly received from the issuer for acting as an underwriter some benefit, directly or indirectly, in which all other underwriters similarly situated did not share in proportion to their respective interests in the underwriting) be liable in any action or as a consequence of all suits authorized under paragraph (1) for damages in excess of the total price of the municipal securities offered or sold by him to the public.

"(8) In no case shall the amount recoverable under this subsection exceed the price at which the issue of municipal securities is offered to the public.

"(h) Any person who—

"(1) offers, or sells a municipal security in violation of subsection (c)(1); or

"(2) offers or sells a municipal security, by the use of any means or instruments of transportation or communication in interstate commerce, by means of a distribution statement or other written communication or oral communication, which includes an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements in the light of the circumstances under which they were made, not misleading (the purchaser not knowing of such untruth or omission), and who shall not sustain the burden of proof that he did not know and in the exercise of reasonable care could not have known, of such untruth or omission, shall be liable to any person purchasing such security from him, who may sue either at law or in equity in any court of competent jurisdiction (as defined in subsection (m)), to recover the consideration paid for such security with interest thereon, less the amount of any income received thereon, upon the tender of such security, or for damages if he no longer owns the security.

"(i) The persons described in paragraphs (A) through (C) of subsection (g)(1) shall not be subject to any civil action for damages or rescission, or to any other civil action seeking a monetary recovery, brought by any person on account of an untrue statement of material fact in such municipal securities distribution document or an omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading, other than the civil action provided for in this section.

"(j) Any person who shall make or cause to be made any statement in any annual report of event of default required by this section which statement was at the time and in light of the circumstances under which it was made false or misleading with respect to any material fact, shall be liable to any person (not knowing that such statement was false or misleading) who, in reliance upon such statement, shall have purchased or sold a security at a price which was affected by such statement, for damages caused by such reliance, unless the person sued shall prove that he acted in good faith and had no knowledge that such statement was false or misleading. A person seeking to enforce such liability may sue at law or in equity in any court of competent jurisdiction (as defined in subsection (m)).

"(k)(1) All or any one or more of the persons specified in subparagraphs (A) through (C) of subsection (g)(1) shall be jointly and severally liable in any action under subsection (g), and every person who becomes liable to make any payments under subsection (g) or (j) may recover contributions as in cases of contract from any person who, if sued separately, would have been liable to make the same payment, unless the person who has become liable was, and the other was not, guilty of fraudulent misrepresentation.

"(2) In any suit under this section, the court may, in its discretion, require an undertaking for the payment of the costs of such suit, including reasonable attorneys fees, and if judgment should be rendered against a party litigant, upon the motion of the other party litigant, such costs may be assessed in favor of such party litigant (whether or not such undertaking has been required) if the court believes the suit or the defense to have been without merit, in an amount sufficient to reimburse him for the reasonable expenses incurred by him, in connection with such suit, such costs to be taxed in the manner usually provided for taxing of costs in the court in which the suit was heard.

"(l) No action shall be maintained to enforce any liability created under subsection (g), (h), or (j) unless brought within one year after the discovery of the facts constituting the cause of action or after such discovery should have been made by the exercise of reasonable diligence and in no event more than three years after the security was offered to the public (or after the cause of action accrued in the case of an action under subsection (j)).

"(m) For purposes of this section, the term 'court of competent jurisdiction' refers to the courts specified in section 22(a) of the Securities Act of 1933, notwithstanding the provisions of section 27 of this title, except that a suit of action against an issuer of securities which are direct obligations of, or obligations guaranteed as to principal or interest by, a State or any political subdivision thereof, or any agency or instrumentality of a State or any political subdivision thereof, or any municipal corporate instrumentality of one or more States, may be brought and process in such cases may be served only in the district or districts within which the issuer is located.".

"(n)(1) Not later than ninety days after the enactment of the Municipal Securities Full Disclosure Act of 1977, the Commission shall establish a Municipal Securities Disclosure Advisory Committee (hereinafter referred to as the Disclosure Committee) which is representative of issuers of municipal securities, and which also includes appropriate representatives determined by the Commission to represent the public interest. The Commission shall solicit and take into account the recommendations of the Disclosure Committee and the recommendations of the Municipal Securities Rulemaking Board with respect to proposed regulations to implement the provisions of this section with respect to matters such as—

"(A) the extent to which the number or kind of disclosures required in distribution statements and annual reports should vary with different types of municipal securities and different types of municipal securities issuers;

"(B) the extent to which, if any, particular issues or kinds of issues of municipal securities and particular issuers or kinds of issuers of municipal securities should be exempt from either the distribution statement and annual report requirements and the circumstances which justify the application of simplified disclosure requirements for any particular issues, class of issues, issuers, or class of issuers;

"(C) the appropriate level, if any, for the exemption from certain distribution statement requirements based on a minimum dollar amount of a particular issue;

"(D) the appropriate manner in which the authority of the Commission to develop required forms of financial statements and uniform accounting principles should be exercised;

"(E) the appropriate relationship between the Commission and the States in the implementation and administration of laws enacted to achieve the purposes of this section;

"(F) the extent to which unusual circumstances or factors relating to a particular State or local government should be taken into account through individual exemptions or individualized treatment; and

"(G) assuring generally that the special needs of this municipal securities market and the special factors involving the interaction of Federal statutes and Federal agencies with State laws, State agencies, and State and local governmental issuers and securities are taken into account.

"(2) The Advisory Committee established under this section shall in all respects be subject to the Federal Advisory Committee Act.".

SEC. 3. Section 23(b)(4) of the Securities Exchange Act of 1934 is amended by adding at the end thereof the following new clause:

"(L) information concerning section 13A of this title, including (i) the effects of such section on the quality, uniformity, and availability of information required pursuant to such section, (ii) the effects of such section on municipal securities underwriting and distribution methods, and (iii) the impact of such section on the costs of State and local finance.".

THE MUNICIPAL SECURITIES FULL DISCLOSURE ACT OF 1977

SECTION-BY-SECTION ANALYSIS

The Municipal Securities Full Disclosure Act of 1977 would amend the Securities Act of 1933 (the "Securities Act") and the Securities Exchange Act of 1934 (the "Exchange Act") to provide for the limited regulation of municipal securities in order to (1) upgrade the quality and uniformity of financial and other information concerning state and local issuers of municipal securities, and

(2) clarify the respective responsibilities of the various participants of the municipal finance process for preparing, distributing and verifying the accuracy of the information. Section references are to sections of the bill unless indicated otherwise.

Section 1 would provide the short title of the bill, the Municipal Securities Full Disclosure Act of 1977.

Section 2(a) would amend the definition of "exempted securities" in section 3(a)(12) of the Act to provide that municipal securities would not be deemed "exempted securities" for purposes of new section 13A of the Act.

Section 2(b) would amend section 3(a) of the Act to provide definitions of terms used in proposed section 13A. The term "municipal securities underwriter" would be defined in a manner comparable to Section 2(11) of the Securities Act. "Municipal securities distribution document" would be defined to include distribution statements, offering circulars, official statements and similar sales documents used by or prepared for an issuer of municipal securities. As defined, documents which were not required by proposed section 13A (e.g., distribution documents) would nevertheless be subject to the civil liability provisions of the bill.

Section 2(c) would amend section 12(h) of the Act to provide the Securities and Exchange Commission with authority to exempt any issuer of municipal securities or class of issuers of such securities which meet the standards of section 12(h) from the provisions of proposed section 13A of the Act. The standards specified in existing 12(h) which the Commission would consider in granting specific or general exemptions include the number of public investors, the amount of trading interest in the securities, the nature and extent of the activities of the issuer and income or assets of the issuer. This section would also empower the Commission with the administrative flexibility necessary to classify issuers and prescribe different requirements for each class, a power the Commission will need in view of the variety of municipal securities.

Section 2(d) would amend the Act to add a new section 13A to the Exchange Act, entitled "Municipal Securities Disclosure". Essentially, the new section would require the preparation of annual reports and distribution documents by issuers of municipal securities and delineate and clarify the responsibilities and civil liabilities of issuers, underwriters and others involved in issuing or distributing municipal securities.

Section 13A(a)(1) would set forth the Congress' findings concerning (1) the importance of the municipal securities markets as a national asset; (2) the increasing dependence of state and local governments on those markets to borrow capital funds at reasonable costs in order to provide and maintain essential services and facilities; (3) the beneficial effects that improved and standardized accounting, auditing, and reporting of financial and other uniform disclosure will have on access to these markets on reasonable and economic terms by state and local governments; (4) the need to strengthen and perfect the basic mechanism of the market; (5) the substantial federal interest in the municipal securities markets because the issuance and distribution of municipal securities involves the use of interstate commerce and constitutes an important part of the current of interstate commerce; and (6) the need to clarify the respective obligations and liabilities of issuers and other participants in the municipal securities markets.

The subsection would also set forth the purposes of the bill: (1) to facilitate the marketing of municipal securities and reduce borrowing costs; (2) to protect investors by improving the availability, adequacy and uniformity of financial and other information concerning state and local governments; and (3) to stabilize the market for municipal securities by delineating the responsibilities of all participants (e.g., issuers, attorneys, accountants, underwriters, and others) involved in the preparation and distribution of such information and securities.

Subsection 13A(b)(1) would require issuers of municipal securities with more than $50 million in debt outstanding to prepare annual reports and reports of events of default in accordance with rules and regulations promulgated by the Commission. The method for computing the amount of municipal securities would be defined by the Commission. For example, the Commission could exclude, for computational purposes, outstanding amounts of short term municipal securities, such as tax anticipation notes.

Section 13A(b)(2) would require the annual report to be prepared within 150 days after the end of the preceding fiscal year and specify the contents of the report. The categories, scope and format of the informational content is extracted from the December 1976 edition of the Municipal Finance Officer Association's Disclosure Guidelines for Offerings of Securities by State and Local Governments, as well as from Schedules A & B under the Securities Act of 1933. Financial statements, prepared in such detail and form as the Commission may prescribe, would be included. For any fiscal year beginning on or after December 31, 1980, such financial statements would be required to be audited and reported on by an independent certified public accountant, a qualified independent or licensed accountant, or an examiner from an independent state agency authorized by law to perform such functions.

Section 13A(b)(3) would require reports of events of default to contain such of the information in the annual report as prescribed by the Commission.

Section 13A(b)(4) would provide the Commission with limited rulemaking authority to require additional information to be included in the annual reports and reports of events of default. The Commission's discretion would be limited to requiring information "similar" to that specified by new Section 13A(b)(2).

Section 13A(c)(1) would require an issuer that offers or sells municipal securities to prepare a distribution document prior to such offer or sale in accordance with rules and regulations promulgated by the Commission.

Section 13A(c)(2) and (3) would set forth the information to be included in the distribution statement. This information would consist of the data required in the annual report of the issuer together with specified additional information concerning the particular offering. These additional information requirements conform in scope and format to the applicable disclosure requirements specified in Schedules A and B of the Securities Act of 1933 and those in the December 1976 edition of the Municipal Finance Offers Association's Disclosure Guidelines for Offerings of Securities by State and Local Governments. The Commission would be able to administer this subsection in a flexible manner. It could, for example, prescribe varying and lesser disclosure requirements for certain categories of issues or issuers, e.g., smaller issuers. As another example, if the issuer had prepared an annual report for the fiscal year preceding the offer or sale of municipal securities, the Commission may permit the distribution document to consist of information concerning the particular offering and be accompanied by the issuer's annual report together with a statement of any material current developments required to make the information in such report not misleading. Alternatively, the Commission might prescribe the preparation of a brief distribution statement incorporating annual and other reports by reference. Still another alternative would be for the Commission to exempt an issuer from the requirements of the subsection upon a finding that disclosure fully adequate for the protection of investors is otherwise required to be included within the distribution document. The objective would be to minimize interference with the natural workings of the marketing system.

Section 13A(c)(4) would provide the Commission with specific rulemaking authority to require additional information to be included in the distribution statement. However, the Commission's discretion would be limited to requiring information "similar" to that required by new Section 13A(c)(2) and would not constitute a general grant of rulemaking authority.

Section 13A(c)(5) would provide the Commission with authority to classify distribution documents according to, inter alia, the size of the issue or issuer or the nature or circumstances of the security, issue or otherwise, and prescribe as to each class the form and content of the disclosure documents. Thus, for small issues of municipal securities (e.g., less than $5,000,000) the Commission could prescribe disclosure requirements less comprehensive than those for larger issues.

Section 13A(d) would provide exemptions from the distribution document and annual report provisions of the bill. Exemptions would be available for issuers in those states where annual reports and/or disclosure with respect to an offer or sale of municipal securities is required by state law or regulation which are substantially similar to the provisions of the bill. The exemption would be automatic and not subject to Commission approval. In those states which actively supervise local financings and where the state laws or regulations require disclosures which are substantially similar to the Federal disclosure standards, the requirements of this bill would have no effect. In addition, the bill would encourage the remaining states to take a more active role in the regulation and control the issuance of securities by their instrumentalities and political subdivisions.

This subsection would also provide statutory exemptions from the distribution document requirements of proposed section 13A for offers or sales of municipal securities which meet the criteria of various sections of the Securities Act: securities exchanged with securities holders (Section 3(a)(9)): securities issued in reorganizations by a court or government authority (Section 3(a)(10)); intrastate offerings (Section 3(a)(11)); or other transactions exempted by sections 4(1), 4(2), 4(3) and 4(4).

Section 13A(e) would provide the Commission with authority to prescribe the form or forms in which the required reports and distribution statements are to be set forth and the accounting methods to be followed in the preparation of financial statements.

Section (f) is intended to insure that reports and distribution documents are made available to investors and that investors are on notice of such availability. Issuers would be required to make the annual reports available to security holders at the issuer's expense and to others at their own expense. In the case of distribution documents, issuers would make the information available to municipal securities professionals in accordance with rules promulgated under present law.

The remaining subsections of the bill provide statutory definitions of the responsibilities and liabilities of issuers, underwriters and others engaged in the issuance and distribution of municipal securities. The purpose of the proposed civil liability pro-

visions is to clarify the obligations of issuers, experts and underwriters and others to make independent investigations concerning the completeness and accuracy of the information contained in municipal securities distribution documents, and to provide express liability on the part of issuers, experts and underwriters and others for damages suffered on account of incomplete or inaccurate information.

Section 13A(g)(1) would provide express civil liabilities for misleading distribution documents. Any person who acquires a municipal security in an offering and suffers damages as a result of a material misstatement in or omission from the distribution document could sue, either at law or in equity, the issuer of the security (including any state), any expert (e.g., accountant, engineer, appraiser or other professional) whose statements appear with their consent, and any municipal securities underwriter of the security. Officials and employees of issuers of municipal securities are excluded from the list of persons against whom suits are expressly authorized since such officials are already subject to civil and criminal enforcement actions by the federal government under the antifraud provisions of the securities laws, as well as to a variety of state and local laws which define their obligations to the governmental entity they represent.

Section 13A(g)(2) would establish the responsibilities of the various offering participants to assure the accuracy and truthfulness of the information contained in a distribution document which, if discharged, would provide defenses which could be raised in the event of suits by investors. Under subsection (g)(2)(A), the issuer would have principal responsibility to provide the necessary information and to assure the information so provided is not inadequate or misleading. The issuer would be liable for any material misstatements or omissions in any part of the distribution document prepared by or for it unless the issuers can prove that after reasonable investigation, it had reasonable grounds to believe the information was true and did not omit any material facts. This obligation would be constant for all types of securities. The "public official documents and statements" exception available under section 11 of the Securities Act would not apply to documents or statements of the issuer. Unlike corporate issuers, municipal issuers would not have absolute liability for any defective disclosure contained in the distribution document and would be liable only for failure to satisfy their duties to investors; they would not be guarantors of the accuracy of all information contained in the distribution document and could avail themselves of the statutory defenses.

Underwriters of a municipal security, pursuant to proposed subsection (g)(2)(B), would be subject to suit under different standards which reflect their ability to ascertain the accuracy and completeness of the information in question. The defenses available to underwriters would vary with the type of offering and security. In the case of a municipal security sold through competitive bidding, it would be unreasonably expensive and unduly disruptive to the efficient marketing of municipal securities, to expect underwriters to perform an independent investigations of the information furnished by the issuer to determine whether it is complete and accurate. Since competitive bidding keeps costs to the issuers low, it is highly desirable as a matter of public policy to preserve and encourage this marketing technique. Thus, an underwriter could reasonably rely on information prepared by the issuer and would have no liability if it had no reason to believe and did not believe the information was untrue or incomplete. This standard would apply principally to general obligation bonds which, by comparison to other types of instruments, are a primary source of credit for state and local governments and relatively risk-free since they are backed by the full faith and credit of the issuing entity.

The underwriter would have a more stringent liability standard for negotiated offerings. In negotiated deals, the problems of time and access to information do not exist. No other public policy or cost considerations override the importance of requiring underwriters to perform an independent and reasonable investigation of the accuracy and completeness of the information contained in a disclosure document. Transactions involving negotiated sales require a different standard of underwriter liability because (1) underwriters will generally have an opportunity prior to sale to conduct an independent verification, and (2) the security of the issue will generally depend on a specified source of funds (e.g., revenue bonds) and the information to be verified is generally more accessible and ascertainable.

Subsections 13A(g)(C), (D) and (E) would specify the responsibilities of other participants, including accountants, experts, and other such persons with respect to information they provide, which would be based on demonstrating that, after reasonable investigation, they had reasonable grounds to believe and did believe that the information provided by them was true and did not cmit any material fact.

Section 13A(g)(3) is identical to section 11(c) of the Securities Act of 1933 and defines the standard of reasonableness to be used in determining responsibilities and defenses under subsection (g)(2).

Section 13A(g)(4) would provide additional defenses to be raised by anyone other than an issuer and deal with the situation in which an expert or underwriter has resigned or withdrawn from such position before the municipal securities distribution document became final, and the situation where the distribution document was made available to persons for the purpose of offer or sale without the expert's or underwriter's knowledge.

Section 13A(g)(5) would provide a defense against misstatements or omissions which occurred and were corrected prior to the time any person became an underwriter for the security. It is essentially similar to section 11(d) of the Securities Act of 1933.

Section 13A(g)(6) and (7) would explicitly provide the measure of damages and the extent of underwriters' liability in the civil actions authorized in this subsection. It is virtually identical to section 11(e) of the Securities Act of 1933. In general, the liability arising from a false distribution document would be purely compensatory.

Section 13A(g)(8) would make the remedies established by proposed section 13A exclusive as to damage actions by investors. Specifically, it would provide that the persons who may be sued under subsection (g)(1) shall not be liable to any suit for damages or recovery on account of an untrue statement of material fact or an omission to state a material fact in a distribution document other than the civil actions provided for herein. This section is designed to provide certainty about obligations and liabilities and to permit the marketing and distribution of municipal securities in an orderly manner.

Section 13A(h) would provide express liabilities for misleading distribution documents in a manner comparable to section 12 of the Securities Act of 1933. Under this section, any person who offers or sells a security by means of a distribution document or oral communication containing untrue statements of material facts or omitting to state material facts required to be stated or necessary in order to make the statements made not misleading, through use of the mails or any facility of interstate commerce, would be liable to the person purchasing the security either:

(a) for the consideration paid for the security with interest less the amount of income received upon the tender of the security, or

(b) for damages if the purchaser no longer owns the security.

The purchaser could sue only his immediate seller at law or in equity in any court of competent jurisdiction (as defined in subsection (e)).

Section 13(i) would specify that the persons who can be sued under this section shall not be subject to any suit for money damages as a result of material misstatements or omissions in the distribution document other than the express civil actions provided herein. The section is designed to assure uniformity in obligations and liabilities, to permit the marketing of municipal securities in an orderly manner, to provide greater predictability and certainty and to preclude the development of conflicting judicial interpretation.

Section 13A(j) would provide express liabilities for misleading annual reports and reports of events of default in a manner comparable to Section 18 of the Securities Exchange Act of 1934.

Section 13A(k) would provide for joint and several liability for the persons who can be sued under proposed sections 13A (g)(1) and (i). It would provide that the persons who can be sued will be jointly and severally liable, and may recover contribution from any persons who would have been liable to make the same payment, "unless the person who has become liable was, and the other was not, guilty of fraudulent misrepresentation."

Section 13A(l) would provide a statute of limitations for suits authorized by the bill comparable to section 13 of the Securities Act of 1933.

Subsection 13A(m) would define the term "court of competent jurisdiction" for the purposes of proposed section 13A with reference to section 22(a) of the Securities Act of 1933 which provides for concurrent jurisdiction between the Federal courts and the state and territorial courts. Suits against an issuer of a municipal security may be brought, and process in such cases may be served, only in the district or districts within which the issuer is located.

Subsection 13(A)(n) would require the appointment of a Municipal Securities Disclosure Advisory Committee by the Commission to be composed of representatives of issuers of municipal securities. The Commission would be required to solicit and consider the recommendations of the Disclosure Committee on a variety of matters relating to the implementation of the bill, including: (A) the extent to which particular issues or issuers should be exempt from on subject to simplified procedures for the disclosure requirements of the bill; (B) the method by which the Commission should develop the forms for financial statements and uniform accounting principles; (C) the relationship between the Commission and the States in implementing and administering the disclosure provisions of the bill, and (D) assuring that the special needs of the municipal securities market and the special factors involving the interaction of federal statutes, federal agencies with state law, state agencies, and state and local governmental issuers and securities are taken into account.

Section 4 of the bill would amend section 23 of the Securities Exchange Act of 1934 to require the Commission to include in its annual report to the Congress information concerning proposed section 13A, including (1) its effects on the quality, uniformity and availability of information, (2) its effects on

underwriting and distribution methods, (3) the effects of the requirements on the costs of state and local borrowing.

Mr. JAVITS. Mr. President, I speak as a cosponsor of the Municipal Securities Full Disclosure Act of 1977. While I reserve the right to differ in respect of particular aspects of this bill as it goes through the committee process, I believe that it is a good-faith effort to assure investors of safeguards similar to those connected with corporate securities offerings.

In the wake of the New York City financial crisis, our Government is beginning to come to grips with the problems of urban policy and urban finance. We have in place now the Seasonal Financing Act, which assures the city of short-term loans from the Federal Government until June 30, 1978. Motivated in part by the public attention focused on the New York situation, the administration has announced that it will publish a comprehensive urban policy by January of 1978. I have every hope that in 1978 we can begin at last to come to grips with the grave urban problem that has developed over the last several decades.

The purpose of this legislation, by requiring more complete disclosure by municipal issuers and by setting standards of responsibility for both issuers and underwriters, is to make the financial markets more certain and more acceptable for municipal issues. At the present time, the only protection which investors and municipal issuers have is the antifraud provisions of the Securities Act, for when those acts are passed, municipal issuers were exempted from the disclosure requirements imposed on corporations. There is virtually no case law as to what constitutes fraud in the issuance of municipal securities, and it is conceivable that over a long period of time the case law could catch up with some reasonable standard of disclosure for municipal issuers. But in dealing with this problem through the legislative route, we make the conscious choice that, with the New York City crisis fresh in our minds, we must take positive steps to protect investors in what is at present a grey area of the law.

I might add that the problem has also become more pronounced in recent years because of the high marginal tax rates for many working Americans, and the increased attractiveness of tax-exempt securities for a wider class of Americans. So there is a substantial public interest to be served by legislation.

Although the New York City crisis has been the prime mover for this bill, it is also clear that the bill would help substantially in removing market uncertainties for smaller issuers. By setting standards of disclosure which should be made available with every offering, the bill would give underwriters and investors alike an opportunity to assess more realistically the risks associated with investment in municipal securities. I believe that, even with the expense to be incurred in complying with disclosure requirements, such a bill as this could ultimately reduce the overall costs of borrowing. Many State and local borrowers pay a premium for market uncertainty, a fact which we saw in bold relief at the time of the New York financial crisis. More disclosure means more certainty. It is even possible that with effective disclosure legislation, an individual credit problem in one jurisdiction would not shake the market as much as did the New York City crisis in 1975.

Recently many cities, including New York, have practiced various forms of voluntary disclosure, and these need to be implemented into and taken account of in any legislation. I am also acutely aware of the fact that although the bill at hand will aid—and should attract—municipal borrowers, it will not solve the problems of New York City which in itself presents virtually the archtype of urban problems generally. Nor can it replace the Federal seasonal financing program under which New York City currently operates. New York City's borrowing requirements for the year beginning July 1978, total approximately $4 billion, assuming that no major wage hikes or other cost increases inflate the city budget further. What is needed at a minimum, in my view, is the continuation of the Federal Seasonal Financing Act, or an equivalent substitute, coupled with a massive and comprehensive restructuring of our urban policy of which the bill at hand should be a part.

A future urban policy must correct the wrongs of the past several decades, wrongs which have encouraged businesses to leave central cities and have encouraged residents to live in suburbs, thus contributing to the deterioration of the central city tax base. As I believe that our urban problems are largely the problems of the country's older cities, a new urban policy should be especially geared to those conditions.

I am hopeful that the administration can bring out a comprehensive urban policy by the reported January target date, and I am encouraged also by reports that an urban development bank may become part of that program. It would be heartening if, in retrospect, we could call 1978 "The Year of the Cities." Thus, I commend the Senator from New Jersey for his initiative in introducing the bill at hand and hope that it portends a comprehensive approach to our urban problems over the months ahead.

ADDITIONAL COSPONSORS

S. 1251

At the request of Mr. MORGAN, his name was added as a cosponsor of S. 1251, the Universal School Lunch Program.

S. 1974

At the request of Mr. DOLE, his name was added as a cosponsor of S. 1974, a bill to amend section 553 of title 5, United States Code, to improve Federal rulemaking practice by creating procedures for regulatory issuance in two or more parts.

S. 2014

At the request of Mr. WILLIAMS, the Senator from Maryland (Mr. SARBANES) was added as a cosponsor of S. 2014, a bill to amend the Bankruptcy Act to provide a priority for certain debts to consumers.

S. 2156

At the request of Mr. NELSON, the Senator from Ohio (Mr. GLENN) was added as a cosponsor of S. 2156, the Minority Enterprise Venture Capital Act of 1977.

S. 2193

At the request of Mr. ANDERSON, the Senator from Montana (Mr. METCALF) and the Senator from Hawaii (Mr. MATSUNAGA) were added as cosponsors of S. 2193, a bill to amend the Communications Act of 1934.

S. 2227

At the request of Mr. HARRY F. BYRD, JR., the Senator from Texas (Mr. TOWER) was added as a cosponsor of S. 2227, a bill to postpone the effective date of the carryover basis provisions of the Internal Revenue Code of 1954.

S. 2317

At the request of Mr. BAKER (for Mr. HEINZ), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Tennessee (Mr. SASSER), and the Senator from South Carolina (Mr. HOLLINGS) were added as cosponsors of S. 2317, the Trade Procedures Reform Act.

S. 2331

At the request of Mr. BAKER (for Mr. DOMENICI), the Senator from New Mexico (Mr. SCHMITT) was added as a cosponsor of S. 2331, a bill to amend the Indian Arts and Craft Board.

SENATE RESOLUTION 324

At the request of Mr. HOLLINGS, the Senator from Alabama (Mr. ALLEN), the Senator from Wyoming (Mr. HANSEN), the Senator from Maine (Mr. HATHAWAY), the Senator from Pennsylvania (Mr. HEINZ), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Washington (Mr. JACKSON), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from North Carolina (Mr. MORGAN), the Senator from Montana (Mr. METCALF), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Georgia (Mr. TALMADGE), the Senator from Pennsylvania (Mr. SCHWEIKER), the Senator from South Carolina (Mr. THURMOND), the Senator from Texas (Mr. TOWER), and the Senator from Connecticut (Mr. WEICKER) were added as cosponsors of S. Res. 324, resolving that there be no reduction of customs duties on textile or apparel or fiber products and that such products be excluded from the Tokyo Round of Multilateral Trade Negotiations now underway in Geneva.

ADDITIONAL STATEMENTS

PEACE QUEST MUST NOT BE ABORTED BY THREATS OF TERRORISTS

Mr. RANDOLPH. Mr. President, the historic meeting between Egyptian President Anwar Sadat and Israel Prime Minister Menahem Begin was witnessed by much of the world's population through the medium of television. It was a symbolic breakthrough in a situation which has inflamed the Middle East for almost three decades and poisoned the

wells of peace in that area for many centuries.

Perhaps this initial contact has raised expectations for peace far beyond the capacity of these two leaders to achieve. But now that the hand of friendship has been offered, the world community must assure that nothing be done that could jeopardize the movement.

The United States, the United Nations and all responsible outside interests must make it clear to those countries and terrorists groups which call for the assassination of Sadat and possible war against the Israelis that it will not happen. It must not happen.

The civilized world must ready itself to go beyond diplomatic niceties and economic wrist-slapping if such a cataclysmic event should occur. Terrorists must realize that there is no safe haven to slink back to after they have again ignited ancient hatreds. And nations which would harbor such sadists must know that they, too, will be held accountable by the world community.

An excellent analysis of the Israeli-Egyptian initiative and the probable consequences if the peace movement fails is offered by William Randolph Hearst, editor-in-chief of the Hearst newspapers. In his "Editor's Report," Mr. Hearst states:

The Carter administration should take the initiative in the U.N. by strongly condemning the Arab extremist elements who have called for the blood of President Sadat. Our U.N. Ambassador Andrew Young should lose no time in introducing a resolution to that effect.

Mr. President, this reasoned position should be endorsed by every individual uplifted by Sadat's mission of peace. That opportunity must not be lost to the threats and actions of extremists.

I ask unanimous consent that Mr. Hearst's concise and cogent editorial be printed in the RECORD, so that my colleagues can share his insight.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MIDDLE EAST MIRACLE

(By William Randolph Hearst Jr.)

NEW YORK.—In a much calmer mood the entire world now waits to see what the next developments will be in Jerusalem and Cairo and, to a lesser extent, in the other Arab capitals. One of the most significant diplomatic steps of this century has been achieved with Egyptian President Anwar Sadat's visit to the ancient, holy city of Jerusalem, seat of the Israeli government. Now a feeling of optimistic anticipation is spreading among the world's leaders.

One feels that nothing will ever be quite the same again in the Middle East.

It was purely ceremonial, that meeting in the Knesset and, properly, both President Sadat and Israeli Prime Minister Menahem Begin spoke in generalities, but the sight of Anwar Sadat, leader of an ancient Arab country, standing beside the seven-branched candelabrum in the Jewish parliament, in itself made history. The greeting of Arab and Israeli with friendship was practically earth-moving.

There, in that holy city which houses the sacred shrines that mark the birth of three of the world's great religions, the dove of peace at last flew into the sunshine of hope.

Hope has been reborn—hope for a settlement of the bewhiskered Arab-Israeli dispute; hope that there can be peaceful coexistence among all peoples in the arid desert tinderbox of the Mideast "crossroads of the world."

It may be weeks, even months, before the full effect of Sadat's visit can be assessed. For one thing, we do not know yet what he and Mr. Begin discussed at their several private meetings. Both have declared that there were "negotiations" and that, it seems to me, suggests that compromises were at least discussed, albeit tentatively.

But that moves the entire situation off dead center where it had reposed for so long.

More than anything else the Arab-Israeli dispute has been distinguished by tedium. There have been 29 long years of more or less the same people saying more or less the same things with the dull monotony shattered only by the senseless explosions of war.

No wonder most of us had the feeling, rooted in the general inertia, that nothing could be done to change things in the Mideast. Even President Carter's strong efforts to impart some sense of motion to the situation slumped into the mush of lethargy.

That's the way it was until Anwar Sadat publicly proclaimed his recognition of Israel as a sovereign state and of its right to exist. That is something no Arab leader has done in the 29 years of the little nation's existence.

That alone altered the entire picture.

It is the adamant refusal of some Arabs to recognize Israel's existence that encouraged the spokesman for a militant Palestine guerrilla group in Lebanon to call for the assassination of President Sadat.

The voice of the terrorists comes from the dank cellar deep beneath the structure of civilization that mankind has labored so hard to build. It is inconceivable to me that in this day and age a thinking human would call for the assassination of a man who has embarked on a mission in quest of world peace.

Surely this must be the concern of the Carter administration and of our delegation in the United Nations. We cannot tolerate rank terrorism anywhere in the world. We cannot tolerate its exploitation and advocacy among civilized people.

The Carter administration should take the initiative in the U.N. by strongly condemning the Arab extremist elements who have called for the blood of President Sadat. Our U.N. Ambassador Andrew Young should lose no time in introducing a resolution to that effect.

Because I felt so strongly about this I called my old friend, New York's senior Senator Jacob Javits, to get his views, and was pleased to learn that he concurs completely.

"It is the sacred duty of all who are interested in peace in the Mideast to support and encourage the dialogue between Egypt and Israel," said Sen. Javits.

"It would be a terrible disaster for peace if President Sadat was to be the victim of terrorists.

"The U.N. should be called upon to condemn the issuance of incitements to overthrow and assassinate President Sadat, and the American government should take the initiative in sponsoring a resolution to that effect."

It is heartening that most Arab nations with the exception of Syria, Libya and Algeria responded civilly to Sadat's visit to Israel.

Jordan, which swings great influence in the region, has sided with Sadat. Jordan's minister of information, Adman Abu Oden, said that Sadat's visit had opened the road to progress toward a Middle East peace settlement.

"The visit of President Sadat has achieved its goals," he said. "The visit has broken the ice and removed the psychological barrier and brought fresh hope for resuming the Geneva peace conference within a new framework."

While there has been no official statement from the Jordanian government, this statement by the information minister seems to me to constitute endorsement of Sadat's surprise move.

Of the three Arab countries which bore the brunt of the wars with Israel—Egypt, Jordan and Syria—only Syria remains in a mood to continue the war. Syria is under great pressure from the Palestine Liberation Organization, Algeria and Libya—all three Marxist-oriented—to condemn and perhaps ostracize Anwar Sadat.

Sadat knowingly took a tremendous gamble. If his exciting mission to Israel smooths the path toward peace, he will have re-established his leadership among the Arab nations and have relieved his own country of a military burden its economy cannot sustain.

If nothing results from his visit, Sadat's position may be in grave danger. Worse, the risk of war will sharply increase.

But the leaders in Israel know this. Above all, Israel is a peace-loving nation, though she has not had one day of peace since her creation. The Israelis can be trusted, therefore, to do whatever is possible to strengthen President Sadat's hand.

It is the same hand that was stretched in friendship across a 29-year-old chasm of hostility.

LT. GEN. IRA C. EAKER, USAF (RET.) TO RECEIVE 1977 WRIGHT BROTHERS MEMORIAL TROPHY

Mr. BAKER. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by the distinguished Senator from Arizona (Mr. GOLDWATER).

There being no objection, the statement was ordered to be printed in the RECORD as follows:

STATEMENT BY SENATOR GOLDWATER

Over the years I have developed deep respect and admiration for many leaders of our Nation's progress in the field of aviation. This extends to those men who have been prominent in both military and civilian aspects of this field. And high on my list of heroes is a man who has contributed tirelessly to both areas of our development—Lt. General Ira C. Eaker (Ret), one of the true pioneers of American aviation.

It is for this reason, Mr. President, that I take extreme pleasure in noting that on December 9, Lieutenant General Eaker will be the recipient of the highly-coveted 1977 Wright Brothers Memorial Trophy.

General Eaker was selected to receive the trophy in recognition of his significant contributions to the growth and progress of aviation in this country for the past half century. The citation for presentation to General Eaker reads: "To Ira C. Eaker for 60 years of significant public service: as pioneer flyer, military leader, industry executive and as a persuasive interpreter of aviation to the American people through the written and spoken word."

As many of the Members know, General Eaker, through his weekly newspaper articles and many speeches, has helped direct public thought and action to support U.S. aviation as an important part of the Nation's effort to promote world peace and national defense. His life spans the entire age of American aviation. He was commissioned in 1917 as a 2nd Lieutenant in the U.S. Army and received his pilot's rating at the age of 21. Following the first World War, he joined with other Army flyers engaged in aviation experimentation, setting world records which are now a part of American history. He established a world endurance record, piloted the first continental flight using refueling, and, in 1936, made the first transcontinental blind flight using instruments. In Europe

during World War II, he led the first attack by Army bombers in 1942. General Eaker retired from the Air Force in 1947 as a Lt. General and Chief of Air Staff.

In subsequent years, General Eaker has served as an executive with the Hughes Tool Company, as Vice President of Douglas Aircraft, and is presently Vice Chairman of the United States Strategic Institute. He helped develop a special program to hire the physically handicapped in the aircraft industry and has maintained an active interest in the epileptic rehabilitation program. In 1962, he started his present syndicated column which appears weekly in newspapers throughout the nation.

As a recipient of the Wright Brothers Trophy, General Eaker joins an impressive list of past winners, including such recipients as Charles A. Lindbergh, Lt. General James A. Doolittle and Dr. Igor Sikorsky.

The guiding criterion for this award is that the recipient be a living American citizen who, as a civilian, has rendered some personal and direct service as an officer or employee—federal, state, or local—with or without compensation. In addition to the foregoing, it is proper to consider other service activity of significant and enduring value to aviation in the United States.

Although the Trophy becomes the absolute property of each winner, a replica of the Trophy, accompanied by a plaque that shows the names of all its winners, occupies a place of honor in the Milestones of Flight Hall of the magnificent new National Air and Space Museum of the Smithsonian Institution. The trophy is a miniature silver replica of the original Wright Brothers airplane that flew at Kitty Hawk on December 17, 1903.

Following the death of Orville Wright in January of 1948, the Awards Committee of the Aero Club of Washington, a chapter of the National Aeronautic Association, conceived the idea of establishing a suitable award to honor the memory of both Orville and Wilbur Wright.

The National Aeronautic Association accepted their recommendation and established the Wright Brothers Memorial Trophy which is awarded by the President of NAA on the anniversary of the historic First Flight. The first trophy was given to Dr. William F. Durand in 1948; General Eaker is the 30th recipient to be acknowledged by the selection committee.

The Selection Committee is appointed annually by the President of the National Aeronautic Association and consists of seven members including the President, Chairman, Administrator, or a representative of each of the following: National Aeronautic Association, National Aeronautics and Space Administration, Air Transport Association, Aerospace Industries Association, American Institute of Aeronautics and Astronautics, Aero Club of Washington, The Aviation Press.

The Trophy is presented annually on or about the 17th of December (the anniversary of the First Successful Flight of an Airplane) by the President of the National Aeronautic Association at the Aero Club of Washington's Annual Wright Brothers Memorial Banquet.

In conclusion I should like to congratulate the Awards Board on their selection of a truly great American as a recipient of this year's presentation. I have known General Eaker for many years and have followed closely his observations and comments on the development of American aviation. As many of you know, I have, over the years, inserted many of General Eaker's articles and speeches into the Record because of their overriding importance to our deliberations. And I might say I have an intensive personal interest in this award since I myself was honored as a recipient in 1973. I can only say that the occasion was one of the proudest and most significant in my entire life.

CB RADIO IMPORTS

Mr. ANDERSON. Mr. President, the tremendous increase of CB radios imported into the United States has had a devastating effect on American manufacturers. American CB radios, which accounted for 21 percent of the domestic market 5 years ago, account for only 8 percent of the market today. Japan, which does not even permit CB use, has captured 92 percent of the U.S. market. In 1976, CB radio imports exceeded in dollar value the import value of television sets from Japan by nearly $200 million.

As a result, plant capacity utilization is at an all time low of 21 percent. The E. F. Johnson Co., which is the largest employer in Waseca, Minn., and which produces 80 percent of domestically manufactured CB radios, has been forced to lay off 45 percent of its employees and to close plants in other States.

On November 1, I submitted the following statement to the U.S. International Trade Commission during its hearing on this serious problem. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

I am deeply concerned about the effects of increased CB imports to the United States. CB imports have increased from 79 to 92 percent of domestic consumption within the last five years. Japan, which does not even permit CB use, has captured virtually all of the American market. In 1976 there was a threefold increase in the foreign share of the market resulting in a 42 percent reduction in the domestic CB workforce that year. I am sure you would agree that these figures are disturbing at the very least.

The E. F. Johnson Company is a Minnesota-based firm which produces approximately 80 percent of all domestically manufactured CB radios. This company imports only one CB which accounts for only 3 percent of its total sales. E. F. Johnson has provided jobs for Americans since 1923. In fact, E. F. Johnson is the largest employer in Waseca, Minnesota, with over 1,100 workers. This town of 7,000 has looked to the CB radio industry increasingly during the recent drought which seriously injured area farmers.

Today E. F. Johnson and the other domestic CB producers are in serious trouble. As a result of increased imports the number of American CB manufacturers has dwindled from more than 10 in the early 1960's to only 4 major producers today. The 4 combined account for less than 8 percent of domestic consumption despite the fact that fully 95 percent of world-wide CB production is absorbed by the US. market.

E. F. Johnson's net earnings plunged 95 percent in one year—from over $5 million in 1975 to only $260,000 in 1976. The company showed a loss of almost $4 million during the first half of 1977. E. F. Johnson will not be able to develop inovative new products or improve production techniques to help it compete if this trend continues.

Lost sales during the past several years have forced E. F. Johnson to reduce its workforce by 45 percent. 1,500 jobs in the communities E. F. Johnson serves have been lost, possibly for ever. 296 jobs have been lost in Waseca alone. An Iowa plant and a Florida plant have been closed. Plans to open a plant in Georgia have been cancelled.

Those who are out of work find themselves in a tight job market at a time when their training and skills are no longer in demand. Many have reached the point at which it is extremely difficult to find a job that can match their previous one. A new job too often means a loss of hard earned benefits and seniority and an income level below that on which they have come to depend. In a small town like Waseca there will not be enough other jobs to absorb those who are laid off. Many may be forced to move from their community.

This is a grave situation. I'm sure your investigation will show that the sad story is being repeated throughout the country. In as much as the United States International Trade Commision has the authority to recommend remedies, I hope that there could be some action that might relieve the burdens which unrestricted imports of CB radios are imposing on our workers and industries. I appreciate the complexities that you must consider in these matters, but I urge that you assign the greatest weight to the protection of American jobs.

NOTICE OF A DETERMINATION BY THE SELECT COMMITTEE ON ETHICS UNDER RULE 43, PARAGRAPH 4 PERMITTING ACCEPTANCE OF A GIFT OF EDUCATIONAL TRAVEL FROM A FOREIGN ORGANIZATION

Mr. STEVENSON. Mr. President, it is required by paragraph 4 of rule XLIII that I place in the CONGRESSIONAL RECORD this notice of a Senate employee who proposes to participate in a program, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The Select Committee on Ethics received a request for a determination under rule 43 from Arthur H. House, legislative assistant to Senator RIBICOFF, which would permit him to participate in a program cosponsored by a foreign organization, the Konrad Adenauer Foundation of the Federal Republic of Germany, and by the Center for Strategic and International Studies of Georgetown University, December 3–10, 1977. By letter of November 11, 1977, Senator RIBICOFF advised of his approval.

Based on the facts stated in Mr. House's letter of November 10, 1977, it has been determined that his participation in the program in West Germany, at the expense in part of the Konrad Adenauer Foundation, to discuss "national security policy and decisionmaking," is in the interest of the Senate and the United States. The proposed itinerary includes: Departure from Washington, D.C., December 3, for Bonn, West Germany; travel from Bonn to West Berlin on December 8; and return to Washington, D.C., on December 10.

ERIC SEVAREID'S FAREWELL ADDRESS

Mr. KENNEDY. Mr. President, yesterday evening, after 38 years with CBS, including the past 14 years as distinguihsed columnist on the "CBS Evening News," Eric Sevareid retired and delivered his final commentary.

In recent days, Mr. Sevareid has received a number of high tributes from his colleagues in journalism and from

many others in public and private life who, like myself, have enjoyed his remarkable style and learned from his wisdom and analysis. He was a master of the medium of television. He became so much of a national institution that his valedictory itself became something of a national event.

He grew up in television under the original genius of the medium, Edward R. Murrow, to whom he so often referred, as he did last night. But it is fair to say that in this case, the pupil became the equal of the master, creating his own niche of excellence in the unique field of television commentary, a sort of Walter Lippmann of broadcast journalism.

If there is a silver lining in his retirement, it is the knowledge that his work is not over, that he is merely shifting his uncommon talent to other horizons in television.

One of his finest "extracurricular" activities in recent years has been his series of lengthy broadcast conversations with distinguished Americans. Many of us will recall his extraordinary interviews—such as those with Hugo Black, Dean Acheson, and Eric Hoffer—and how Mr. Sevareid opened up for millions in the Nation a genuinely new dimension of the news, illuminating the real persons behind the headlines.

So I hope that Mr. Sevareid's retirement will be a long and productive and innovative one. He has more to give us and more to teach us about the ways the great power of television can and should be used to promote understanding in our complex modern society and world.

Mr. President, all of us wish Mr. Sevareid well in his retirement. I ask unanimous consent that his farewell commentary last night, as reprinted in this morning's Washington Post, may be printed in the RECORD.

There being no objection, the commentary was ordered to be printed in the RECORD, as follows:

COMMENTARY BY ERIC SEVAREID

By my time of life one has accumulated more allegiances and moral debts than the mind can remember or the heart contain.

So I cannot enumerate my betters, my mentors and sustainers during so many years of trying to use, with sense, this communications instrument, as unperfected as the persons who use it. But they know that I know who they are.

Many are gone, including the man who invented me, Ed Murrow. Some died in the wars we were reporting. I have gone the normal span of a man's working life, rather abnormal in this calling, and it's a happy surprise.

We were like a young band of brothers in those early radio days with Murrow. If my affections are not easily given, neither are they easily withdrawn. I have remained through it all with CBS News, and if it is regarded as old-fashioned to feel loyalty to an organization, so be it.

Mine has been, here, an unelected, unlicensed, uncodified office and function. The rules are self-imposed. These were a few:

Not to underestimate the intelligence of the audience and not to overestimate its information.

To elucidate, when one can, more than to advocate.

To remember always that the public is only people, and people only persons, no two alike.

To retain the courage of one's doubts as well as one's convictions, in this world of dangerously passionate certainties.

To comfort oneself, in times of error, with the knowledge that the saving grace of the press, print or broadcast, is its self-correcting nature. And to remember that ignorant and biased reporting has its counterpart in ignorant and biased reading and listening. We do not speak into an intellectual or emotional void.

One's influence cannot be measured. History provides, for the journalist, no markers or milestones. But he is allowed to take his memories.

And one can understand, as he looks back, the purpose of the effort and why it must be done.

A friend and teacher, the late Walter Lippmann, described the role of the professional reporter and observer of the news in this manner:

"We make it our business," he said, "to find out what is going on, under the surface and beyond the horizon; to infer, to deduce, to imagine and to guess what is going on inside—and what this meant yesterday and what it could mean tomorrow. In this way we do what every sovereign citizen is supposed to do but has not the time or the interest to do it for himself. This is our job. It is no mean calling and we have a right to be proud of it and be glad that it is our work."

In the end, of course, it is not one's employers or colleagues that sustain one quite so much as the listening public when it be so minded.

And I have found that it applies only one consistent test—not agreement with one on substance—but the perception of honesty and fair intent. There is, in the American people, a tough, undiminished instinct for what is fair. Rightly or wrongly, I have the feeling that I have passed the test. I shall wear this like a medal.

Millions have listened, intently or indifferently, in agreement and in powerful disagreement. Tens of thousands have written their thoughts to me.

I will feel, always, that I stand in their midst.

This was Eric Sevareid in Washington. Thank you and goodbye.

WATERWAY USER CHARGES: THE REPORT OF THE CONGRESSIONAL BUDGET OFFICE

Mr. STAFFORD. Mr. President, the Congressional Budget Office recently completed a study entitled "Financing Waterway Development: The User Charge Debate." This review is but one of many recent studies on this issue. As I believe that it would be helpful to my colleagues if they reviewed CBO's analysis of the need for greater balance in our national transport system, I ask unanimous consent that the summary and the conclusions of this CBO study be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FINANCING WATERWAY DEVELOPMENT: THE USER CHARGE DEBATE

SUMMARY

The Federal Government builds, operates and maintains a network of inland waterways which barge operators use to carry about 11 percent of domestic freight. While there is general agreement that federal development and operation of waterways should continue, there has been recurring debate in the Congress on how these activities should be financed. Currently, federal expenditures are financed with general revenue. A frequently proposed alternative is to have direct waterway users pay at least part of the federally-incurred costs. User fees could be paid via a fuel tax, a tonnage fee, or some similar mechanism.

In the 94th Congress, the debate on the authorization for a Corps of Engineers project near Alton, Illinois rekindled interest in the issue of how to finance the waterways. As a result, the Senate Committee on Environment and Public Works is now considering an Alton authorization and user charge package (S. 790) which would both authorize a single-lock project at Alton and establish a system of user fees. The Carter Administration will also propose a user charge in the form of a fuel tax.

Major issues

Resolution of the question of waterway user charges requires examination of several key questions. The Congressional Budget Office has analyzed the available studies bearing on these questions including two important recent investigations of the likely impact of user charges on the barge industry. The major issues and the CBO findings on these issues include:

Issue: Do domestic waterway carriers now receive special treatment, particularly when compared with their competitors—railroads, trucks and pipelines?

Findings: Barge operators are the only domestic freight carriers who pay no part of the expense of building or maintaining their rights of way. Federal subsidies are equal to about 41 percent of all barge revenues, compared with 3 percent for railroads, 1 percent for trucking companies, and no subsidy at all for pipelines.

Issue: Would reducing the existing subsidy through introduction of user charges severely damage the financial position of waterway carriers?

Findings: A unique aspect of this year's debate on waterway user charges is that, for the first time, detailed studies are available of the impact of user charges on barge companies. One study concludes that the barge industry would lose 10 percent of its existing traffic to competitors if fees were charged for access to specific waterways. The fees would vary according to the costs of operating and maintaining each waterway segment. If fees were uniform across segments the study concludes that traffic losses could reach 12 to 15 percent. A second study estimates that the diversion of cargo would range from 7.1 percent to 9.5 percent. Both studies assumed fee levels that would cover all costs of operation and maintenance but none of the costs of construction. Both studies also assumed that railroads and other competing carriers would not raise their rates by amounts equal to the increases in barge rates following introduction of user charges.

The converse of these findings, of course, is that the waterway subsidy makes it possible for barge operators to hold rates at levels low enough to divert between 10 to 15 percent of cargo that might otherwise move by rail, truck, or pipeline.

Issue: Can the subsidy that gives barge operators a competitive edge over rail, truck, and pipeline be justified on secondary grounds such as energy efficiency and promotion of economic development?

Findings: Waterway representatives argue that barge transportation should be encouraged by a subsidy because it is more energy efficient that its competitors. Relative energy use varies greatly in specific circumstances because of differences in size, speed, and type

of shipments for barges, railroads, pipelines, and trucks. In the eleven reports surveyed by CBO, estimates of energy use for domestic water transportation generally fell in the range of 500 to 700 BTU's per ton-mile, while the usual range for rail freight was 300 to 700 BTU's and 400-500 for oil pipelines. Estimates of fuel use by truck is significantly greater than those for other modes.

Waterway interests also argue that subsidized barge transportation serves as a magnet for industrial location and thereby as a stimulus for economic development. However, the locational inducement of subsidized waterways is offered along some 15,000 to 25,000 miles of water-side areas in both large and small, rich and poor communities. Such a pervasive inducement cannot precisely lure industry to areas most in need of economic development. At best, the subsidy can be viewed as providing a locational advantage to all water-served areas. If these areas are generally depressed, the subsidy has the potential of serving as a developmental tool for this large region by attracting industries from other sections of the country. Unless this regional economic development is the goal, other policy tools such as business loans and public infrastructure grants are more obviously precise than a nationwide subsidy.

CONCLUSIONS

Inland water transportation is the only domestic, intercity freight mode whose users do not pay any of the costs of building and maintaining their rights-of-way. As a result, barge rates are significantly lower than would otherwise be the case. Lower freight rates that are made possible by federal subsidies have resulted in less traffic and lower revenues for railroads, pipelines and trucks. Barge transportation is not the only freight mode that is subsidized, but the Federal subsidy provided to inland waterways is substantially larger as a percentage of revenues than those of its closest competitors.

The waterway subsidy can be justified if it is an effective way to achieve national goals. A waterway subsidy can be used to pursue the goals of energy conservation and economic development. However, it is not clear that a nationwide waterway subsidy is a sufficiently precise policy tool for achieving these goals. Furthermore, there are other ways to achieve these goals.

The waterways subsidy lacks precision for energy goals because it encourages all barge transportation, whether or not it is more energy efficient than other systems. The waterway subsidy is not a precise economic development tool because it is not used selectively to aid communities that most need development.

The alternative policy for energy conservation is to allow low fuel costs reflected in low rates to naturally attract shippers to the fuel-efficient mode. For economic development, policy tools such as business loans and grants than can be targeted to areas most in need could be used as an alternative to the waterway subsidy.

For the first time, detailed studies are available that indicate the magnitude of the impact of user charges designed to recover some federal costs. Based on these studies, it is likely that limited waterway cost recovery will mean traffic diversions from barge operators from 10 to 15 percent. Traffic diverted to other modes because of user charges could force the barge industry to reduce the number and size of barge lines. The expected impact of user charges on consumer prices appears to be negligible.

If the Congress decides to impose user charges, several specific types are available. They key issue in the choice of a user charge is whether it should be nationally uniform or varied by river segment. According to DOT, a segment specific charge probably would drive all traffic from seven low traffic river segments; the remaining segments would not be severely affected. A uniform fee would more evenly spread the potential waterway traffic losses across all river segments.

COMMITTEE PRINT ON SMALL BUSINESS AND THE QUALITY OF AMERICAN LIFE

Mr. NELSON. Mr. President, as chairman of the Select Committee on Small Business, I would like to inform the Senate of a committee print entitled "Small Business and the Quality of American Life" which has just been published.

In addition to overseeing the operations of the Small Business Administration, the committee has been mandated by the Senate "to study and survey by means of research and investigation all problems of American small-business enterprises."

The print is an anthology of source materials which the committee has found valuable in the course of such research during the past 30 years. The print contains approximately two dozen articles, studies, statements and statistics by such distinguished authors as C. Wright Mills, Adm. Hyman Rickover, Ralph Nader, Walter Adams, and Irving Kristol. These commentators conclude that small business directly and measurably improves the daily lives of individuals and communities, and makes substantial contributions to the most valued economic and social objectives of this country: freedom, diversity, self-reliance, self-respect, efficiency, competition, and adequate reward for risk-taking and hard work.

I ask unanimous consent that the table of contents to this committee print be set forth following my remarks, so that those who are concerned with this subject can be informed of the wealth of material which is available to them. The print also contains an interpretive introduction and a bibliography of small business materials from 1969 to 1976.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

THE VALUE OF SMALL BUSINESS—YESTERDAY, TODAY, AND TOMORROW

Mr. NELSON. Mr. President, historically, most of our citizens recognize that, with the exception of a few outposts of British merchant houses, every business started in this country was a small business, and that the climate of enterprise served our youthful Nation well, in terms of both material wealth and national character.

The print's introduction cites Thomas Jefferson, at the threshold of the American experiment, commenting upon the value to democracy of the self-reliant farmers and small landowners who were independent enough to sustain free institutions.

In the early years of the Republic, deTocqueville was impressed by the "multitude of small undertakings" by which the new arrivals to this land were making their way up the economic ladder.

But America grew and spanned a continent. Big markets gave rise to big corporations. Now, in an era of giant multinational corporations, some people are questioning whether small business is still relevant.

The scholars in the committee volume have shown, and I strongly believe, that small business will be even more important to our Nation's future than it has been in years past.

Small, family and independent businesses remain the most economically efficient producers of the most basic commodities—food and shelter. They continue to predominate in the distribution trades. They consistently account for more than half of the new inventions and innovations in heavy and light industry, trade and consumer goods. They make competition an actuality, in products, services and prices. The new technological firms of today also account for a disproportionate share of job formation, economic growth and new overseas sales, say the professionals whose studies are included in this volume.

Small business—in its many facets—is thus essential to the American economy.

But, its worth for the present and the future runs deeper than that. As indicated by editorial writer, Colman McCarthy, in the lead article of this print:

When I go with my boys into these Washington, D.C., small shops, I know they will get the kind of service and products that the oversized and depersonalized chainstores can't care about. But more crucial, the children are exposed to grounded and proud craftsmen who are happy in their work.

Ownership of a small business satisfies some of the most strongly felt longings of the human personality and thus serves the needs of producers, consumers, and society in general. And the yearly statistics on business formations demonstrate that the "American dream" of business ownership has lost none of its luster.

Several of the article in this print tell us that issues of size and scale have reached a critical juncture because of bigness in this country and elsewhere in the world. Many Americans feel diminished, frustrated, and even threatened by the massive impersonal, inflexible, and uncaring institutions on which our daily lives are dependent. Big business, big labor, big schools and big government are increasingly "facts of life" with which we must cope.

Small business preserves something that is even more precious for the future than for the present, the "human scale" in our common pursuits.

Other commentators included in this print, such as Carter Henderson of Princeton University—document No. 4—and Dr. E. L. Schumacher, author of "Small is Beautiful"—document No. 12—especially those writing in recent years, stress the value of small business in pioneering techniques of producing renewable energy from the sun and wind; developing intermediate technologies valuable to the less-developed world as well as the less-favored areas of our own country; taking up the slack in structural unemployment; compatibility

of smaller enterprise with the Earth's ecology; and facilitating decentralization into smaller, more manageable, and more personal economic and governmental units.

Kurt Mayer—document No. 19—who examines the reality rather than the promise, sums up by stating that in modern society:

> The small businessman shares his predicament with the modern industrial worker, with the white-collar clerical employee, and even with the vast majority of corporate executives, all of whom have no chance to fulfill themselves as responsible personalities.

In Mayer's opinion, any genuine solution to the problems of small business must come through a general effort to "solve the burning questions of human dignity, of status and function in our industrial culture as a whole."

It is difficult to conceive of a more relevant agenda for public policy consideration than the issues raised by these authors.

SMALL FIRMS STRONGER IN SUPPORT OF THE COMMUNITY

Three critical studies contained in the print—Mills and Dr. Walter R. Goldschmidt in the 1940's and Prof. Jon G. Udell of the University of Wisconsin in 1969—establish that our towns and cities enjoy measurably higher benefits from the presence of small businesses with local owners than from comparable economic activity on the part of big corporations which are headed by executives who are transient and nationally oriented.

Professor Udell found that when locally owned companies are acquired by conglomerates, three-fourths of the companies shift their patronage away from local banks, local accountants, local lawyers, and local suppliers. Charitable gifts of these acquired businesses grew only half as fast as those that continue to be owned by persons living in the community.

Mills and Goldschmidt found that in cities characterized by smaller enterprise, infant mortality was lower, health care was better, public expenditures on libraries and education were substantially greater, housing was superior, church membership and activity was visibly higher and news coverage was wider.

The key finding of these authors, in the words of the Mills' study, is that the differences between communities:

> . . . in the cases studied (were) due largely . . . to the domination of big business on one hand and the prevalence of small business on the other . . . that in (small business cities) civic spirit was more pronounced, more widely shared and more active. The economically independent middle class was more abundant (and this group, usually took the lead in the voluntary management of civic enterprises.

At a time when we are searching for ways to revitalize neighborhoods and cities, these authors remind us just how many of the values that we hold as central to the American way of life are embodied in an independent small business community.

THE PROBLEMS OF SMALL BUSINESS

If it is true that small business is not a part of our economic and social problems; but on the contrary can play a very significant part of the solution to these problems, why is not small business in the forefront of national policy?

Irving Kristol's commentary of November 13, 1975 is that the small business owner is "the new forgotten man" of American society. He observed that—

> It is astonishing and dismaying how little interest there seems to be in the condition of small business in the United States today.

In the teeth of the multitude of advantages to larger companies in advertising, credit, personal recruitment, small business—according to SBA's definition—still manages to account for 97 percent of all U.S. enterprises, 55 percent of all private employment, 48 percent of the business output, 43 percent of the GNP and over half of all innovations and inventions. This is remarkable testimony to the persistence of American desire for the kind of economic independence and psychological rewards that business ownership can provide.

However, the tragedy is that the position of these entrepreneurs is being undermined by the governmental indifference, and neglect over the years. This creates a host of specialized problems to small business in question of fair and equitable treatment, and makes other inherent problems worse. The following examples are outlined in the introduction to the print:

First. Taxes—the tax structure had been frozen for a generation, until initial steps to recognize small business problems in the last 3 years.

Second. Overregulation—a series of three dozen consumer and environmental regulations since World War II, which have treated the local machine shop no differently than General Motors, have required costly alterations in small business plant, equipment, and operations. These rules have often been administered in ways that are insensitive to the distinctions between businesses of different sizes.

Third. Paperwork—reporting to the Government has grown geometrically during the last three decades, with almost no effort to stem or reverse this suffocating trend. The ERISA—Pension Reform Act—report forms of 1975 which were later withdrawn, are a classic case of paperwork gone out of control.

Fourth. Lack of small business representation on Government advisory bodies has been chronic at the level of rules, regulations, and forms. When we first looked into the major advisory body on business forms, there was one small business representative—having 45 employees and $1 million in sales—and 12 giant corporations averaging over $5½ billion in sales and over 167,000 employees.

Fifth. Exclusion of small business from major Government policymaking—one illustration from the energy field is that the Congress amended the legislation setting up the Energy Research and Development Administration to provide for consultation with the Small Business Administration on new energy projects susceptible to small business contributions, such as solar energy. In formulating this program, ERDA consulted with 14 agencies, but made no approach to the Small Business Administration.

Sixth. Disappearance of small and new firms from the Nation's securities markets—Between 1972 and 1976, first-time stock offerings—by new, young, or mature enterprises going to the public market for the first time—fell as a proportion of SEC-registered stock offerings from 62.05 to 16.37 percent.

Registered stock offerings by firms with less than $5 million in assets dropped from a high of 698 in 1969 to a low of 3 in 1975, and only 41 for the 3 years, 1974 through 1976. Less formal "regulation A" stock issues shrank from 817 in the prerecession year of 1973 to 240 in 1976. A recent survey of underinvestment in the U.S. economy in the October 17, 1977, Business Week magazine states:

> Access to the capital market has been pretty much open only to the nation's big companies for years now. And some contend that the top 1,000 or so corporations—the ones that can borrow—have been less innovative and less willing to commit funds to risky projects than they have in the past. The smaller companies, the argument goes, are willing to take the risks but cannot get the money.

A fair number of these difficulties could be at least mitigated if Government—at all levels—would pay more attention to the small business community.

It is for these reasons that the Small Business Committee proposed, and the Senate approved—in Senate resolution 105 earlier this year—that the overall approach to the complex, interrelated obstacles faced by new and small businesses would be a "White House Conference on Small Business." Such a conference could raise the visibility of these issues by attracting the best experts from business, small and large, labor, the economics profession, the universities, and government. Its report could carefully outline the problems and could produce a long-term 10- or 20-year blueprint for action by the executive branch, Congress, State and local governments and others to move against these difficulties in order to preserve a climate in free, private enterprise in this country.

SIGNIFICANCE OF THE PRINT

We of the committee regard this publication as significant because it puts together in one place so many of the pieces of the small business picture. The materials are rich in facts, figures, and insights for those concerned with the relationship of business enterprise to the fundamental values of our society. We hope it might serve as a source of research materials for a long time to come, as well as a guide for those who wish to pursue future inquiries into these vital areas. In our view, these thoughtful studies over a 30-year-period make the case for small business in a persuasive

manner, providing data and analysis to support intuitive feelings of many Americans that small business is vital to the free enterprise system and the American way of life.

The committee's introduction also contains a warning that entrepreneurs cannot exist forever in the face of adverse public policies, and that it is becoming ever harder to enter the system. Thus, our Nation can lose the benefits of small enterprise to our economy and society in the future. After reading these studies, I believe that many will conclude that if smaller business declines, the quality of our American life will suffer.

Accordingly, the small business community and all of those within government who are concerned with these matters, must redouble their efforts to enable new, small, local, independent businesses to contribute to the Nation's future as they have done so conspicuously to its past.

A limited number of copies of the print are available upon request to the committee office at 424 Russell Senate Office Building, Washington, D.C. 20510.

EXHIBIT 1

SMALL BUSINESS AND THE QUALITY OF AMERICAN LIFE

(Select Committee on Small Business United States Senate Committee Print, November 7, 1977)

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B. "Small Business and Jobs," editorial, the Cincinnati Post, Aug. 31, 1976, p. 6:1	588
24. Bibliography on small business in the United States, 1969–77	590

NOTICE OF A DETERMINATION BY THE SELECT COMMITTEE ON ETHICS UNDER RULE 43, PARAGRAPH 4 PERMITTING ACCEPTANCE OF A GIFT OF EDUCATIONAL TRAVEL FROM A FOREIGN ORGANIZATION

Mr. STEVENSON. Mr. President, it is required by paragraph 4 of rule XLIII that I place in the CONGRESSIONAL RECORD this notice of Senate employees who propose to participate in a program, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The Select Committee on Ethics received a request for a determination under rule 43 on behalf of three staff members from Representative RICHARD BOLLING, chairman of the Joint Economic Committee. On the basis of the facts stated in his letter of November 4, 1977, it has been determined that the participation of these staff members in an educational exchange program in Taiwan, November 25 to December 2, 1977, at the expense of the Sino-American Cultural and Economic Association, to exchange views with Chinese officials on various economic subjects, is in the interest of the Senate and the United States. The proposed itinerary includes: departure from Washington, D.C., November 25 for Taipei, Taiwan; and return to Washington, D.C. on December 2.

Following are the staff members of the Joint Economic Committee who will participate in this program: Richard Kaufman, John Karlik, and Stephen Watkins.

"HOW IT ALL BEGAN": FINE ARTICLE BY FRANK JETER, JR.

Mr. HELMS. Mr. President, agriculture continues to be the backbone of North Carolina's economy as it was when our forefathers began growing tobacco and corn before the American Revolution. We are very fortunate that American farmers instituted sound soil and water conservation practices. If farmers had not taken responsible action to preserve America's natural resources, the United States would not be the most productive agricultural country in the world that it it is today.

An article in the August edition of Soil Conservation written by my friend, Frank H. Jeter, Jr., which is entitled "How It All Began" made me proud when I was reminded that my native State of North Carolina was the home of the first conservation district.

In 1937 the farmers of Anson County, N.C., formed the first conservation district to fight erosion that was plaguing farmland in the Tarheel State's southern Piedmont.

Mr. President, I ask unanimous consent that the article "How It All Began" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOW IT ALL BEGAN

(By Frank H. Jeter, Jr.)

When 30 Anson County, N.C., landowners started circulating a petition to try to improve their own and neighboring land in the late 1930's, they had no thought of making history. They were simply interested in fighting the erosion plaguing farmland in North Carolina's Southern Piedmont.

The petition's sponsors sought support for establishing a conservation district, defining its boundaries, and holding a referendum of landowners to determine their sentiments about the matter.

Upon completion, the petition was mailed to the State Soil Conservation Committee, itself recently established by the 1937 North Carolina General Assembly following passage of the State's Soil Conservation Districts Law.

The committee, after examining the petition, approved a referendum. The election left no doubts about how interested Anson County farmers were in improved erosion control. By a lopsided margin of 300 to 1, the establishment of the district was approved. An enterprising reporter for the Charlotte Observer sought out the lone farmer voting against the district and discovered that "the one negative voter, after the program was explained, changed his opinion."

On August 4, 1937, North Carolina Secretary of State Thad Eure made history when he signed the certificate establishing the Brown Creek Soil Conservation District (SCD) as the first in the State, the Nation, and the world. The actual charter was issued 10 days later.

The event rated large headlines in the State's daily and weekly press, and the news soon spread beyond the State. A newspaper article of the time written by William D. Lee, extension soil conservationist of North Carolina State, gave an apt, still timely definition of a soil conservation district and a clear, concise statement of its potential. Where the author fell short was in his prediction that the district would do away with government subsidies. He failed to foresee the need for State and Federal funds to adequately control erosion.

Once started, the district flourished as it does to this day. First Memorandums of Understanding were worked out with the Forestry Division of the North Carolina Department of Conservation and Development and with the Soil Conservation Service. Hugh Hammond Bennett, SCS Chief, had helped create the district movement including development of model enabling legislation, which was quickly enacted by a number of State legislatures across the Nation.

The first conservation plan in the first district was on the farm owned by the family of Dr. F. Y. Sorrell. It involved 246 acres and included plans for crop rotation on 121 acres; terracing on 114 acres; waterways (also identified as "meadow strips") on 2.7 acres; one wildlife planting; and considerable land planted in trees.

Another early conservation plan, on 248 acres belonging to J. M. Liles, included 180 acres of improved pasture, 159 acres in rotation, 150 protected by terraces, and an impressive 2,000 feet of border plantings to shelter and feed wildlife.

C. D. Griggs is the present chairman of the Brown Creek SCD board and a farmer in the county. His father was one of the first cooperators and he has nothing but praise for the district's accomplishments through the years.

"I don't know what we would have done without the district," he said. "The people were desperate in 1937, watching their land wash away, and not knowing where to turn or what to do about it.

"The district has been here to guide and direct us," said Griggs, "and, as a result, the face of the land has been changed and safeguarded. Cotton no longer is the major crop, and there has been a great deal of conversion to woodland, particularly loblolly pines."

No-till farming is very popular today, and the farmers' economic prospects are vastly improved, he says.

The farmers of Anson County in 1937 undoubtedly felt gratified that a concerted program to curb severe soil erosion on their land was underway. But they may not have been aware of the historic significance of the step they had taken together.

LEGISLATION WITH FAR-REACHING RAMIFICATIONS

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent to add the distinguished Senator from Texas, Mr. TOWER, as a cosponsor of S. 2227, which was introduced by myself; the Senator from Kansas, Mr. DOLE; the Senator from Wyoming, Mr. HANSEN; the Senator from Nebraska, Mr. ZORINSKY; the Senator from Colorado, Mr. HASKELL; and the Senator from Indiana, Mr. LUGAR.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. Mr. President, S. 2227 would defer for 2 years, from December 31, 1976, to December 31, 1978, the carryover basis provisions of the 1976 Tax Reform Act.

Carryover basis operates so that the property of a decedent retains its original cost basis when it is passed to the decedent's heirs, a dramatic departure from pre-1976 law whereby the basis of property acquired by a person was stepped-up to its fair market value at the individual's date of death.

Many of my colleagues, I am sure, may not now realize the far-reaching ramifications of carryover basis as it was never considered by the Senate or the Senate Finance Committee.

In 1976, the Senate tax bill did not contain carryover basis, nor was carryover basis a part of the initial House bill which was sent to the Senate. This far-reaching concept was drafted by a conference committee and sent back to both the House and Senate as part of the overall conference report.

Thus, there were no Senate hearings prior to enacting this far-reaching change in the tax law.

I have now had an opportunity, as chairman of the Subcommittee on Taxation and Debt Management of the Senate Finance Committee to become more familiar with carryover basis during hearings conducted in July and recently in October and November.

The testimony presented in these hearings was startling. The hearings show that tax revisions in 1976 to provide tax relief for small estates and to assist farmers and small businessmen have been counteracted by the carryover basis portion of the tax law.

Carryover basis creates severe liquidity problems for small businesses and farms and places a tremendous recordkeeping burden upon taxpayers.

In addition, carryover basis is an incredibly complex part of an already complex tax law. The administrative burdens and complexity of the law make it totally unworkable.

The cost to taxpayers is not just in terms of tax dollars which must be paid but also professional fees and recordkeeping costs necessary to comply with the law.

It is my belief that carryover basis should be repealed. However, if we are to retain carryover basis, extensive revisions are necessary to make carryover basis fair and capable of being administered.

One example of the current unfairness of the present carryover basis law is the so-called "fresh-start adjustment."

The effect of the fresh-start adjustment is to discriminate against assets which are not marketable and do not have a readily ascertainable fair-market value as of December 31, 1976. Because these nonmarketable assets must apply the fresh start formula, which prorates the appreciation in an asset over the life of the asset, the basis as of December 31, 1976, for these assets is consistently declining the longer the taxpayer owns an asset. A taxpayer is caught in the situation that the longer he lives the lower will be his cost basis for pre-1976 assets and the higher will be his tax.

The law is also currently unworkable because of the severe recordkeeping problems which it presents. Persons who had no notice that records would be required, now must search for basis information for assets which were acquired many years in the past, when the old law did not require such information.

Furthermore, the person who owned the assets is dead. This means that relatives, friends, and lawyers and accountants must try to reconstruct the decedent's personal financial history. This includes not only investment assets but also antiques and other household effects which may have appreciated over time.

One step toward eliminating some of the practical problems associated with carryover basis today is to bring all assets purchased before December 31, 1976, under the old law. The so-called "grandfathering" of pre-1977 assets would eliminate some of the recordkeeping problems and complexity of the current law.

It would be a true "fresh start" for taxpayers who would be on notice that they must keep detailed records of financial affairs and would eliminate the present discrimination against persons who hold assets which do not have an easily ascertainable market value. The idea of grandfathering pre-1977 assets, is just one of many approaches that need to be explored to attempt to make carryover basis more workable.

To do so is a very complex matter and S. 2227 will permit the Senate the time necessary to look closely at carryover basis.

A final point which can be made in support of S. 2227 is that the revenue loss associated with deferring the effective date of carryover basis from 1976 to 1978 will be negligible according to estimates by the Joint Committee on Taxation. No great revenue loss will be associated with deferring carryover basis.

I might also add that carryover basis does not appear to be a measure de-

signed to raise revenues in the near future. Joint Tax Committee estimates show that in 1979 only $36 million will be raised through the carryover basis tax. In 1980, the revenues are $93 million, and in 1981, $162 million. For this relatively small amount of revenue, the cost to the taxpayer in terms of record-keeping and professional fees is not justified.

I emphasize again that this very fundamental change in the tax laws was done without committee hearings or Senate consideration.

Taxpayers and professional tax practitioners are now beginning to realize the unfortunate results of carryover basis. Many individuals have communicated their concerns to me, and I ask unanimous consent that the several communications be included in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

BOND, SCHOENECK & KING,
Syracuse, N.Y., November 3, 1977.

Hon. HARRY F. BYRD,
Chairman, Subcommittee on Taxation, Senate Finance Committee, Dirksen Senate Office Building, Washington, D.C.

DEAR SENATOR BYRD: I am a lawyer who has specialized in probate law for twenty-two years.

I am writing you about carryover basis, not because I think I can add anything to the testimony you have already heard from those more skilled than I about the evil practical consequences of the provision, but because, so far as I can ascertain, no one has ever publicly questioned the basic assumptions put forward to justify it.

One argument in justification heard frequently is that former law, by allowing the step-up in basis at death, created an inequity between two taxpayers, both having appreciated property and otherwise identically situated, when one sells the appreciated property and then dies and the other hangs on to it and then dies. The argument points out that what the first decendent passes on to his beneficiaries is diminished by the capital gains tax generated by the sale, while the beneficiaries of the second decedent receive more because there has been no sale and hence no capital gains tax, and they can now sell the appreciated property free of that tax.

All this is true, but the fact is that *both* taxpayers had an equal opportunity to take advantage of the rule allowing a step-up in basis, subject only to the peculiarities of their individual circumstances. The one who sold might have done so for a number of reasons, e.g., to change investments, to take advantage of capital losses to offset the capital gain on the sale, to pay a child's tuition at college, to buy a new car, etc. The one who did not sell might have hung on because he thought the asset was going to increase in value and he was waiting for a better price, or because he though the investment a good one to keep. The point is that carryover basis is only one element which might affect the decision to sell or to keep, and not necessarily the decisive element.

If in the event it turns out that one taxpayer is helped and one hurt, this is no more than the basic unfairness of life itself. If each man made a decision contrary to the one he made, their positions would be reversed.

It does not change the facts to characterize this as "unwarranted discrimination." Still a third taxpayer who bought the same asset at the same time as the first two, but elected to sell it at a time when it had temporarily (as it ultimately turned out) dipped in value, could complain that the result "discriminated" against him. The "discrimination" resulted from his own action. Free to hang on, he chose to sell with the result that he has less than either of the first two to leave to his beneficiaries.

I submit that because the choice is one left up to the taxpayer the results are his, as is the case in many transactions affected by the tax law, where the taxpayer has a choice.

A second justification refers to a substantial "lock-in effect" and suggests that older people who might otherwise sell "are effectively prevented from doing so because" they are aware that a sale before death will generate an income tax.

If the thrust of this reason is solicitude for the welfare of the elderly, I suggest that a short chat with the nearest senior citizen would quickly disabuse one of the notion that the taxpayer welcomes this gratuitous interference in his affairs, the result of which is to nail his property to a capital gains tax no matter what happens.

If the real thrust of the argument is that the "locking-in" is bad for the economy because it ties up money otherwise available to buy goods and services or to provide venture capital, I suggest that carryover basis is *not* the answer, it rather increases the evil.

Let us suppose that a taxpayer has property worth $10,000 for which he has paid $1,000. If he sells it, he realizes a capital gain of $9,000, which has to cost him a capital gains tax (absent offsetting capital losses). Thus the results are:

(1) There is still $10,000 (belonging to the purchaser) tied up in the asset and not available for goods and services or new capital,

(2) The taxpayer does not have $10,000 to spend; he has $10,000 *minus* a hefty capital gains tax,

(3) The government gets the capital gains tax.

There is thus *less* available for goods, services, and reinvestment than before the sale, and the same $10,000 tied up in the asset.

I submit, sir, that when the reasons for adopting carryover basis are examined closely they fall far short of justifying the conclusion they are so compelling as to warrant the horrendous and expensive tangle which carryover basis brings, and which has been so eloquently described before your subcommittee.

Sincerely yours,

CHESTER H. KING, Jr.

SOUTHERN BANK AND TRUST COMPANY,
Richmond, Va., November 1, 1977.

Hon. HARRY F. BYRD,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BYRD: I understand the Senate Finance Committee's Subcommittee on Taxation and Debt Management has had hearings recently in connection with the proposed repeal of the carryover basis law enacted as part of the Tax Reform Act of 1976. I am writing to ask for your support for repeal of this legislation which is bad law and which never received public debate at the time it was enacted by the Joint Committee of the House and Senate in 1976.

Frankly, I have been appalled by the complexity and problems created for fiduciaries under the carryover basis law in the relatively short period of time that we have had to live with the Tax Reform Act of 1976. Not only has this made life more difficult for us in the fiduciary business, but it has added an unbelievable burden to our citizens in the need for detail recordkeeping, and in many cases we find people simply have no accurate records for assets acquired many years ago, particularly for assets where there was no original intent to sell for profit.

I could give a number of specific examples of how this law has proved burdensome, and will do so if you would find this additional information helpful.

Repeal of this complex carryover basis law would be a major step of progress, and would certainly be in furtherance of the present Administration's stated objective of simplifying tax administration for all citizens. I hope you share my concern in this regard and can add a voice to get some legislative relief.

With kindest personal regards, I am

Sincerely,

RIEMAN MCNAMARA, Jr.,
Vice Chairman.

UNIVERSITY OF NORTH CAROLINA,
Greensboro, N.C., November 16, 1977.

Hon. HARRY BYRD,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BYRD: As a college professor of taxation, a practicing attorney and, formerly a practicing CPA, I have discovered the "carry-over basis" provisions of the recently enacted 1976 Tax Reform Act to be among the most exasperating and difficult-to-apply of all I have ever experienced. Talk around local courthouses easily confirms my own reactions. Attorneys meet, discuss, argue and walk away no more certain of the law than they were before seeking assistance. Many attorneys are now simply refusing to handle small and medium-sized estates because the statutes are totally beyond their desire to even attempt to cope with them. The result, of course, will be to produce new tax attorneys and accountants whose higher fees will correspondingly deflect their specialty.

There is no question in my mind that the new provisions will have several profound effects. First, the cost of handling estates will certainly rise, decreasing both the amounts eventually reaching the heirs of an estate and the tax revenues based upon those amounts. Secondly, the government's administrative cost in attempting to assure compliance will probably offset any additional taxes that may result (not to mention that estate tax rates were substantially increased). Thirdly, these new provisions will prove to be a constant source of disagreement and litigation in much the same way the "contemplation of death" issue was before the 1976 Act resolved that issue.

Perhaps the basic issue is whether complicated rules and procedures are necessary to produce or are, in fact, going to produce a better and more equitable system of taxation. I would submit that they will not, and I will also suggest that Congressional adherence to such a policy will only serve to alienate both the professional community and the public from their government.

Please give the various new curative propcsed legislation your careful consideration.

Thank you for your public dedication and service.

Very truly yours,

DAVID B. POST,
Assistant Professor.

STERN & DIEHL,
Storm Lake, Iowa, November 14, 1977.

Senator HARRY BYRD,
Senate Office Building,
Washington, D.C.

DEAR SENATOR BYRD: I have just finished reading an article in The Wall Street Journal, dated Monday, November 14, 1977, in reference to your efforts to correct some of the problems created by the Tax Reform Act of 1976.

I have been practicing law here for over fifty years and largely handle probate. I find in many instances the small taxpayer has no record that is needed in order to establish a correct carry-over basis, as outlined in the new Bill.

For example, there is a lady here which has been incompetent for some years and is now

eighty seven years of age. About sixty years ago her father deeded a well located home to her and I can find no record of its value at that time; then about twenty years ago she did a complete renovation of the house and added an apartment. The contractor who did this work has been dead for about twenty years; I could learn nothing by talking to her and none of the relatives know anything about the original cost of the house or the improvements, so after her death and the property is sold, as required by the Will, it will be impossible to do anything as to guess as to the adjusted basis and certainly this shouldn't be the way taxes are figured

In my opinion, a return to the old basis would be best. The two year moratorium, if necessary, would be helpful.

I wish to express my appreciation for your efforts in amending this Bill.

Yours very truly,

ELLIS R. STEIN.

LYNCHBURG, VA., *November 15, 1977.*

Hon. HARRY F. BYRD, Jr.,
Senate of the United States,
Washington, D.C.

DEAR SENATOR BYRD: Edward Graves has informed me that he has discussed with you the difficulties of the carry-over basis and has told me that you have been interested in working on a substitute for the provision, possibly to be included in the Technical Amendments Act

I am named as Executrix of the Estate of Eva W. Macgregor of this City, who died at the age of 93 with a house full of antique furniture and other tangible personal property for which there is no record of the purchases There is no way that I know of in which an honest person could arrive at the carry-over cost basis of any item in her house.

I realize that you must have heard from hundreds of people about this measure, imposing on taxpayers a duty which they cannot perform, and which will inevitably create resentment toward the taxing authorities, if not a sense of rebellion. I hope that you and the other Legislators will be able to effect changes which will remove this inequity from our tax laws.

Sincerely yours,

ANNIE LAURIE S. BUNTS.

MCCUSH, KINGSBURY, O'CONNOR,
LUDWIGSON, THOMPSON & HAYES,
Bellingham, Wash., November 15, 1977.

FINANCE COMMITTEE,
Subcommittee on Taxation and Debt Management, U.S. Senate, Senate Office Building, Washington, D.C.

GENTLEMEN: I am a member of the Section of Taxation of the American Bar Association, although a rather inactive one. My principal interest is in estate and gift taxes. As such, I received a copy of the Statement of the Section of Taxation and the Section of Real Property, Probate and Trust Law of the American Bar Association dated October 28, 1977, which to a considerable extent is addressed to the matter of change in or repeal of the carry-over basis portions of the Tax Reform Act of 1976.

I heartily endorse what has been said by the ABA Section.

I give you a concrete example now current in my practice.

My client died in March 1977. He, with his wife of many years, owned (free of all debt) a small but first-class dairy farm in this county. All of his property was transferred to his wife upon his death by virtue of a Community Property Agreement, an instrument which is a creature of Washington statutory law and the effect of which is to provide for the transfer of Washington property at least without probate from the husband to the wife, or vice versa; but nothing more. Half of the community estate is subject to tax.

The entire community estate is valued at about $325,000. The principal asset is the farm, although there were substantial savings in cash and a trifle of investment in mutual funds.

This farm was acquired by this couple in five separate purchases, running from 1942 to 1956. They kept no record of the cost of the purchases and they have no records of the improvements which they built upon the properties they purchased, although the improvements were substantial, and they have no record of the depreciation taken nor allowable on the properties until the last several years when their income tax returns are available and show such depreciation.

I could only guess at the cost of the original purchase of the five parcels, which together constitute the farm, by ascertaining the revenue stamps placed on the deeds at the respective time and revenue stamps often were not precise by any means.

The farm has been sold by the widow and she has the problem of computing her and the estate's capital gain, since, of course, she and the estate both conveyed their half interests in the sale.

It is absolutely impossible for anyone, no matter how learned or how well-equipped with calculators and computers, to compute capital gain under the current carry-over basis law—absolutely impossible, i.e., according to any system.

Repeal the current carry-over basis law and do it quickly.

Sincerely yours,

BURTON A. KINGSBURY.

HISTORIC JOURNAL SALUTES HUBERT H. HUMPHREY

Mr. BAKER. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by the distinguished Senator from Maryland (Mr. MATHIAS), and the material attached thereto.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR MATHIAS

There is so much to record about the rich dimension of our friend and colleague, Hubert Horatio Humphrey, that I foresee no time when the last word will have been said. And so, I would like to add to the many tributes to Senator Humphrey that have been spoken in this chamber, one that was written in Annapolis, the capital of Maryland and once the capital of the United States.

I refer to the lead editorial of the November 5 edition of the Annapolis Evening Capital. This journal is published by Capital Gazette Newspapers, Inc., America's oldest newspaper publishing company, founded in 1727 and this year celebrating its 250th birthday. It seems fitting that such an august institution should join the chorus of those singing the praises of the august institution in our midst—Hubert Humphrey.

The editorial—entitled "Hubert Humphrey: Living tributes"—distills the essence of the tributes members of this Congress have paid to Senator Humphrey in recent weeks. It concludes with a sentiment in which many, many Americans wholeheartedly, if disappointedly, concur: "He never ascended to the presidency—and this country may just be worse off for it"

HUBERT HUMPHREY: LIVING TRIBUTES

Many people who have done good things in their lives are paid special tributes—but usually after they are dead.

That is what is so different about the tributes paid in the last two weeks to Sen. Hubert Humphrey. He was alive to enjoy them.

First was his long-dreamed-about ride on Air Force One. President Jimmy Carter picked up Humphrey in Minnesota on the President's return from the West Coast.

"For at least 20 years I have been trying to get on Air Force One," said the Happy Warrior, who entered the Senate in 1949 only to see his dreams of the presidency repeatedly crushed. "Just the thought of it, the vibrations, gave me new hope and new strength."

The best was yet to come.

His Senate colleagues gave him a surprise welcome. They rose en masse, along with the galleries, and unlike many other Senate greetings, no one attempted to bring them to order.

Senator after senator, Republican and Democrat, paid him tribute. Then it was Humphrey's turn.

Gaunt, his remaining hair silvery white, he was his old HHH.

"You have been very flattering with me," he said. "I want you to know that I am old enough and sufficiently wise enough at this stage of my life to know that all you have said is not exactly according to the facts. But I also want you to know that I am sufficiently fragile and weak as to want to believe every single word you have said."

Then, just two days ago, the House shattered precedent by convening in special session to pay tribute to the senator. Never before in the 200-year history of the House had it convened in special session to honor a senator.

Humphrey was equal to the occasion. He spoke for 20 minutes, far longer than House rules allow. The congressmen loved every minute of it.

"One of the reasons I never ran for the House," he said, "is that I found out they have a two-minute or five-minute rule. We have wonderful rules over in the Senate (there are no restrictions on how long a senator may speak)."

You don't have to agree with Hubert Humphrey, but you have to admire him—not only for his present gallant fight against inoperable cancer, but for his enthusiasm and zeal in fighting for the things he believed to be right.

He never ascended to the presidency—and this country may just be worse off because of it.

We are happy, however, that as frail as he looked he was alive to hear his friends and foes pay him tribute.

IONE AND DOUGLAS HUNT CELEBRATE 50 YEARS

Mr. ANDERSON. Mr. President, I would like to take this opportunity to pay tribute to two Minnesotans—Ione and Douglas Hunt—who will be celebrating their 50th wedding anniversary soon.

Ione Ellen O'Connor was born in Melrose, Minn., on November 13, 1906. Douglas P. Hunt was born on April 21, 1901, in Litchfield, Minn. After graduating from the University of Minnesota Law School in 1925, Mr. Hunt began practicing law in Minneapolis, where he met Ione. They were married on January 10, 1928 and moved to Montevideo in 1931 where Mr. Hunt continued to practice law. While in Montevideo, Mr. Hunt was elected probate and juvenile judge, a position he held for 38 years.

In addition to raising six children, the Hunts have been very active in community, State and national affairs. Judge Hunt lectured about and worked for juvenile justice reform and was instrumental in helping to establish legal counsel and representation in the courts for

juveniles. During the drought of 1933–34, he helped buy, ship and distribute hay to farmers in the drought-stricken areas of Minnesota. His actions saved many Minnesota farmers from bankruptcy.

In 1948 Mrs. Hunt was elected the first Democratic State chairwoman in Minnesota. In 1950 she became a national committee woman and served on the national executive committee of the Democratic Party until her retirement in 1960. She was also a member of the National Advisory Council and as such served with many of our Nation's most distinguished leaders, including Harry Truman, HUBERT HUMPHREY, Adlai Stevenson, Dean Acheson, John Kennedy, and Eleanor Roosevelt.

President Truman honored Judge and Mrs. Hunt with an invitation to attend the signing of the Atlantic Peace Treaty. In 1963 the Hunts, along with Senator and Mrs. Inouye and Congressman and Mrs. John Murphy, went as representatives of President Kennedy to South America to present a statute of George Washington to the people of Uruguay.

Judge Hunt retired in 1974. He and Ione have since moved to Minneapolis where, on December 30, 1977, they will celebrate with their children, 15 grandchildren, and many friends their 50 memorable years together.

The Hunts have served their State and their Nation well. They are distinguished Minnesotans in every sense of the word. It is a pleasure to honor them as they look back on 50 wonderful years of marriage.

NOTICE OF A DETERMINATION BY THE SELECT COMMITTEE ON ETHICS UNDER RULE 43, PARAGRAPH 4 PERMITTING ACCEPTANCE OF A GIFT OF EDUCATIONAL TRAVEL FROM A FOREIGN NATIONAL

Mr. STEVENSON. Mr. President, it is required by paragraph 4 of rule XLII that I place in the CONGRESSIONAL RECORD this notice of a Senate employee who proposes to participate in a program, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The Select Committee on Ethics received a request for a determination under rule 43 on behalf of his staff member, John Colvin, who serves as his counsel to the Finance Committee, from Senator BOB PACKWOOD. On the basis of the facts stated in his letter of November 10, 1977, it has been determined that the participation of Mr. Colvin in an educational program in Europe for 4 weeks beginning November 13, 1977, at the expense of the European communities visitors program, to study tax policy in the European communities and to meet with European community and national parliamentary staff members, is in the interest of the Senate and the United States. The proposed itinerary includes: departure from Washington, D.C. on or about November 13, 1977, and, in a period of 4 weeks, he will visit the European Commission in Brussels and the European Parliament in Strasbourg, France, and meetings with officials in Bonn, Luxembourg, Rome, London, and Munich.

CIA PERSONNEL CUTBACKS

Mr. THURMOND. Mr. President, thoughtful constituent of mine, Mr. George F. McKamey of Mt. Pleasant, S.C., has called my attention to an excellent column by Patrick Buchanan on the personnel cutbacks at the Central Intelligence Agency. This column raises serious questions about the vigilance of the present administration in its conduct of foreign affairs. While I heartily endorse economy in government, this hardly seems the right time to cut back on our intelligence capabilities. The ongoing Soviet arms build-up makes it imperative that we learn as much as possible about their goals, plans, and operations. We cannot just stick our heads in the sand, ostrich-like, and hope that the threat will go away.

I ask unanimous consent that this column be printed in the RECORD.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

[From the Charleston (S.C.) Evening Post, Nov. 17, 1977]

SWEEPING PURGES AT CIA

WASHINGTON.—"If the satellites are blinded, what have we got?" Thus did Defense Secretary Harold Brown express his public concern with Soviet testing of hunter-killer satellites—designed to poke out America's eyes in inner space.

Upon our satellites, the United States depends for knowledge of troop movements and naval operations, of strategic weapons testing and deployment.

That the Russians, moving inexorably toward a first-strike capability, should be developing the means to destroy U.S. space vehicles is understandable. What is inexplicable is that, with the apparent blessing of the president, the United States is rendering itself partially blind and partially deaf in the global arena.

At the CIA, a sweeping purge is being conducted by the Directorate of Operations, the clandestine services which deal with espionage and counter-espionage. CIA Director Stansfield Turner has scheduled some 800-plus personnel for severance from the elite corp over the next two years—a number representing at least 20 percent of the service.

Yet, more than numbers are at stake. Many of those being severed are among the most experienced and able men in the agency, including senior officers and stations chiefs in some of the most crucial posts in Europe. Together, these men represent thousands of man-years of invaluable intelligence experience, and irreplaceable contacts and confidences built up over long careers. When the purge is complete, part of the institutional memory of the CIA will be permanently destroyed.

An estimated 200 members of the clandestine services have already received a memo that can fairly be described in Hobbes' words as "nasty, brutish and short."

"Subject: Notification of intent to recommend separation.

"This is to inform you of my intent to recommend to the Director of Personnel your separation . . . in order to achieve the reduction in the operational strength order by the DCI (Turner)."

This is the heart of the 70 word Haldermanic message sent scores of veterans of the silent service. In a gracious parting gesture, the CIA has told the veterans that those who sever themselves by year's end will not have this brutal discharge note placed in their permanent file. Those who refuse to go quietly will be unceremoniously dispatched by spring.

Though the missive was signed by Director of Operations William Welles, it is repeatedly not his handiwork. Turner and his trigger man, special assistance Robert D. "Rusty" Williams, are said to be carrying out the purge at the behest of David Aaron of the National Security Council, one-time staffer on the CIA-baiting Church committee, and Walter Mondale, whom Mr. Carter has charged with oversight of the intelligence community "reform."

In this dangerous period of the Cold War we have chosen to call "detente," the decapitation of the clandestine services is a reckless form of false economy.

During a Midle East war, as in 1973, our satellites may be able to tell us that Soviet air-born divisions are being moved toward military air fields. But only human sources can tell us if Brezhnev is serious about intervention or is running a bluff. Gadgets can tell us about Russian capability; only human beings can tell us about motivation and intent.

Of passing interest is that this sweeping purge is being conducted to the indifference of the national press. If those 200 men however got their walking papers from the Peace Corps, the networks and national press would be ablaze with indignation.

THE ONE CHINA REALM

Mr. KENNEDY. Mr. President, often in our discussion of future United States-China relations we underestimate the psychological importance of a unified China to all Chinese, regardless of ideology. In an article published last month in the Washington Post, Robert Barnett offers an intelligent analysis of the One China "nation of realm, of homeland, of ethnic, and cultural identity" which is an important complement to all our discussions of diplomatic and legal formulas. I request unanimous consent that Mr. Barnett's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Oct. 8, 1977]

RESOLVING THE TWO CHINA'S QUEST FOR A "ONE CHINA" DREAM

(By Robert W. Barnett)

Taipei's friends declare that Washington's termination of the 1954 mutual defense treaty, which Peking has set as a condition for normalization of diplomatic relations, would be an act of craven dishonor, a betrayal of an old ally and the abandonment to Communist tyranny of 16 million freedom-loving Chinese friends.

The trouble with this extravagant warning is that it disregards crucial American realities. It disregards, also, the stubborn and compelling persistence of One China—a Realm of China—in the Chinese and in the world's imagination. And it ignores the true capabilities and the creative potentialities of the adversaries in a Chinese civil war in which, by virtue of the 1954 treaty, the United States remains a participant, and from which the United States should disengage itself.

What contribution to national honor is there in attributing presumed weight and

presumed reliability to a treaty tie with Taipei upon which Washington may be unable to perform?

The recent American debate over the President's decision to withdraw troops from South Korea brought up the credibility of U.S. treaty commitments. But the vigor and realism of that debate seem clearly to have confirmed—at least for the present—the national interest in fulfilling our treaty commitment to the Republic of South Korea. In contrast, however, there are grave indications that the American people, if put to the test, would not, despite the existence of the treaty of 1954, risk—in the Taipei-Peking confrontation in the Taiwan Strait—an investment of American lives, treasure and self-confidence like that which was made in Vietnam. Against the People's Republic of China, such an investment could be infinitely larger. Even if the executive branch tried, initially, to perform on the 1954 commitment, the War Powers Resolution gives to Congress authority to halt the military operation. There is no honor in perpetuating presumed commitment upon which performance is unsure.

Among all Chinese around the world, One China is a notion of realm of homeland, of ethnic and cultural identity far more than it is merely a matter of administrative nicety. One China has its legal and historical justification, but the concept has a separate and larger life in the imagination of the Chinese people. Both Chiang Kai-shek and Mao Tse-tung honored it. For many centuries it has shaped the feelings of Chinese confronted by threat of foreign exploiters and invaders from Central Asia or from the sea. Authors of China's dynastic histories have written about One China for 21 centuries. Challenges and encroachments of foreigners explain the sense of humiliation China has suffered from the end of the 18th century until today—humiliations over Treaty Ports, extraterritoriality, the Russians in Manchuria, the Japanese in Manchukuo, other foreigners in Tibet and Mongolia and elsewhere. For Peking, the presence of Americans in Taiwan belongs to that pattern.

It is to this wounding fact that Deputy Premier Li Hsien-nien referred recently when he said that Peking believed that Washington owed it a debt. In short, Peking sees the United States as having invaded, harassed and wounded China itself, with China never having caused injury to the United States. One China, is for all Chinese, an enduring concept, and one that should have, for us, solemn strategic implications.

This is Peking's perception and psychology as it relates to One China. But we can see the same perception and feeling, as well, when any American gesture of friendliness or move toward accommodation with Peking is construed by Taipei as a betrayal of the One China dream of the Republic of China. A failure to recognize that there is this realm of China, within which the Chinese, eventually, should be left alone to work out their problems, is strategically destabilizing and can present alarming consequences for the Pacific region and even for the United States.

When then-Sen. Hugh Scott returned from Peking last year, he unsuccessfully advised President Ford to encourage Taipei to commence trade and conversation with Peking. Such talks and contacts, handled entirely by Chinese negotiators, would bring out explicitly what must already be common knowledge on both sides.

Taiwan has a stable and self-reliant economy strongly competitive in the world community. Taiwan is not a helpless midget.

Japan's emotional attachments to Taiwan are so strong that a Chinese military attack could easily cause the Japanese government and general population to retreat from their present friendly and cooperative relationship with China, and possibly undertake a major rearmament program. Peking does not want this to occur.

The countries of Southeast Asia now normalizing their relations with Peking would view with great alarm a decision by Peking to attack Taiwan, and would perceive it as foreshadowing aggressive intention and capability elsewhere. The Soviet Union would try to make capital for itself from such a development.

The American relationship with Taiwan is the result of friendly and mutually advantageous interchanges over many years. A military clash between Peking and Taipei would complicate, and possibly end, the cooperation between Washington and Peking—cooperation to which Peking, so long as it is anxious about the Soviet Union, will attach paramount strategic importance.

Taiwan possesses a formidable independent military capability, which it can now sustain entirely from its own technical and economic resources. Peking cannot annex Taiwan by force with its present capabilities, and could not do so except by lowering its defenses elsewhere or by massive investment in new equipment, or both.

As Taipei and Peking try to work out together a Chinese solution to the role of Taiwan in One China, it should be these factors—and not the 1954 treaty—that should be Taiwan's leverage for achieving safety and prosperity. For that transaction to succeed, Taipei need only to give up the pretention that it can, itself, ever speak on matters of defense and foreign policy for the realm of One China, of which it would be recognized to be a part.

My view is that for Washington to terminate the 1954 mutual defense treaty with the Republic of China would be a responsible and wise action, even if "normalization" of relations with Peking were not the question. We should do it 1) to remove the United States from direct involvement in resolution of China's civil war, 2) to motivate Taipei to move toward arrangements for profitable coexistence with Peking, at a time when its bargaining leverage for autonomy within One China may be higher than it is ever again likely to be and 3) to join in international acknowledgement of One China—a realm made up of diverse Chinese elements for which only Chinese should be responsible—which is the only basis of enduring peace for China and for other societies, diverse in ideology, capability and system, that are China's neighbors in the Pacific region.

REFORMING CRIMINAL SENTENCES

Mr. STENNIS. Mr. President, on Monday, November 28, 1977, the Washington Star ran an outstanding editorial about the need for and desirability of legislation to reform the method of sentencing those convicted of crime.

I am in solid agreement with the views expressed in this editorial. Constructive action in this field is needed ond needed badly. I have long been convinced that the most effective deterrent to crime is the knowledge and perception by the criminal that there will be swift, sure, certain and appropriate punishment.

Penal rehabilitation is a fine goal and ideal. However, long and bitter experience shows that actual punishment of the criminal must always be a major element and factor in the sentence imposed. In addition, it is essential that the duration, extent and severity of the punishment fit the crime.

We must adopt proper and definite sentencing procedures and standards so that those who commit felonies and other serious crimes will know without doubt that, if they are apprehended and convicted, they will certainly be held fully responsible for their transgressions against society.

The monumental bill to codify, revise and reform the Federal Criminal Code, upon which our late colleague, Senator McCLELLAN, Senator KENNEDY and others worked so long and diligently, deals with substantive and procedural matters relating to the sentencing of those convicted in Federal courts of law violations. This codification is one of the greatest efforts in the area of Federal criminal law in the history of this Nation, and I hope that the reforms which it proposes can be enacted into law with such amendments as may be necessary early next year.

The logic and reasoning of the Washington Star editorial and the premise on which it is based are sound and convincing. The fact that the editorial was written at this time shows that more and more serious and sober thinking is being given by more and more people to the proposition that we must return to the practice of imposing proper, positive and reasonable punishment upon convicted criminals if the sentences handed out are to be a real deterrent to crime.

I commend the Washington Star for publishing this timely editorial and recommend very strongly the reading of it by my colleagues and the people of this Nation. Perhaps we are finally coming to the realization that the people must have the protection of the law to insure their safety and that the imposition of just and reasonable sentences as punishment for crimes is a part of this protection.

I ask unanimous consent that the editorial to which I have referred be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Star, Nov. 28, 1977]
1977]

REFORMING CRIMINAL SENTENCES

Illinois Gov. James R. Thompson is expected to sign into law a criminal-sentencing bill that, we hope, heralds a legislative trend in other states. The measure, which received final General Assembly approval Wednesday, is a sensible reaction against the devoutly held notion of penal rehabilitation and the idealistic but increasingly discredited attempt to tailor criminal sentences to the particular individual.

The bill creates a "Class X" category of felonies for 10 specific crimes, such as robbery, rape, kidnaping and deviant sexual assault (murder is a separate category with sentences of 20 to 40 years—and twice that time in certain circumstances—life or the death penalty). "Three time losers," convicted of three serious crimes including murder and most Class X crimes—would automatically receive life sentences. The bill also does away with parole boards and restricts judges' sentencing discretion by requiring determinate sentences—X years for conviction of crime Y—rather than the minimum-maximum prison sentences now usual, which often result in the minimum term being served.

The infatuation with rehabilitation and parole is beginning to wane under the dismal weight of recidivism rates. And not a moment too soon. The basic vulnerability of

both ideas is that they assume an ability to predict human behavior with precision beyond present skills.

The determinate sentence as a general replacement for minimum-maximum sentences conforms to a fundamental principle of criminal justice: swift and sure punishment. A stickup man, whether novice or journeyman, must know that he will serve a specific amount of time if he is nabbed and convicted. Street-wise cons, canny lawyers and judges of unfocused compassion not infrequently can make a mockery of that axiom, reducing deterrence to a joke.

The Illinois bill is, we gather, one of the first major state initiatives to reflect the fresh thinking about sentencing. We note that the pending recodification of federal criminal laws also would move somewhat in this direction (the measure, S. 1437, has been approved by the Senate Judiciary Committee and is expected to be considered by the full body early next year).

Under this bill—a heavily re-worked version of last year's hotly disputed S. 1—a sentencing commission would develop guidelines to provide a general direction for federal judges. The bill would also sharply curtail rehabilitation as a factor in criminal sentencing and would also limit the use of early releases on parole. The laudable intent of these provisions would be to insure more uniform and realistic sentences, sentences more consonant with time actually being served by convicted felons as opposed to the long maximum, and rarely served, sentences on the books.

There is a growing mood of pragmatism—rather desperately arrived at—in criminal sentencing. While the debate and the research continue, those with responsibility for containing criminality are more and more inclined to endorse such procedures as the determinate sentence and junking of parole. Our knowledge, for practical purposes, now is largely limited to the obvious. That an imprisoned felon is hampered in the commission of new crimes.

A society that concedes an inability to deal with criminality is a society in an advanced stage of atrophy. Perhaps one day we can be more confident of how criminal behavior develops and how it may be changed. Until then, however, those who commit serious crimes must know they will be held to account—as responsible agents of their own actions.

THE CONGRESSIONAL BUREAUCRACY STRIKES AGAIN—WITH IRRELEVANT REDTAPE

Mr. HELMS. Mr. President, I recently received copies of correspondence between members of the House Subcommittee on the City, a subcommittee of the House Committee on Banking, Finance, and Urban Affairs, and John J. Medlin, Jr., president of the Wachovia Corp. of Winston-Salem, N.C.

The House subcommittee wrote to Mr. Medlin asking, in essence, what his bank was doing to solve inner city problems. Of course, the Wachovia Bank does not operate in the Northeast or other areas of the country suffering from a severe inner city blight. In short, the request addressed to Mr. Medlin and the Wachovia Bank was, at best, inappropriate. But it is also, unfortunately, one more sign that the newest and fastest growing bureaucracy in the Federal Government is the congressional bureaucracy.

It is obvious that the letter addressed to Mr. Medlin was a form letter, probably prepared by subcommittee staff unfamiliar with the social and economic conditions of North Carolina and the Southeast. Mr. Medlin need not have replied to such an irrelevant inquiry, but I am glad that he did, because his reply was outstanding and perhaps gave the congressional bureaucrats a better concept of the consequences of attempting to design nationwide utopia in the Halls of Congress.

Mr. Medlin is quite to the point when he states:

[S]pecific answers . . . would be quite different for cities in the industrial Piedmont as compared to towns in the agrarian east or mountainous west.

This, in itself, illustrates a major difficulty in various units and functions of government attempting to evaluate and solve problems of this large and diverse nation in a standardized and simplistic format. Clearly, problems of the large metropolitan areas of the northeast may not be best approached in the same manner as the more typical population centers of the southeast. . . .

[T]he most helpful governmental policy would be to cease adding encumbrances which increasingly impede the successful pursuit of our present statutary obligation to serve the four constituencies mentioned above [shareholders, customers, employees, and public at large] in a responsible and balanced fashion. *Increasingly, our people are diverted from their normal customers and public service activities to gather information which is often of questionable use and relevance in response to questionnaires and studies from all facets of government.*

In addition, the rapidly growing and increasingly complex procedures and paperwork arising from so-called consumer protection legislation are adding inordinately to the expense of serving customers and to the cost they must share. *Our people are necessarily forced to concentrate more on the technical and legal side of the customer service process and less on the human needs and personal service.* [Emphasis added.]

As the saying goes, John Medlin "told it like it is."

Mr. President, I ask unanimous consent that the correspondence between John G. Medlin, Jr., and the House Subcommittee on the City be printed in the RECORD.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

SUBCOMMITTEE ON THE CITY,
Washington, D.C., November 14, 1977.

Mr. JOHN J. MEDLIN, Jr.,
President, Wachovia Corp., Winston-Salem, N.C.

DEAR MR. MEDLIN: The plight of our central cities and their unemployed is among the most pressing of this nation's problems. Concerted action by government and business will be required to revive and stabilize city economies and provide jobs for their residents.

A commitment by the nation's major corporations to maintain or increase their operations in high unemployment areas would help restore confidence in the revival of these cities, which represent a huge investment in public facilities, commerce, and housing. We urge you to make such a commitment and to make it publicly known.

We all recognize that central city locations may no longer be appropriate for heavy industrial plants. But these locations are suitable for distribution and warehouse centers, component manufacturing and repair facilities, executive and sales offices, research and development centers, as well as retail business and a wide variety of service industries.

The work of this Committee and its Subcommittees in considering proposals to aid city economies would be greatly assisted if you would provide the following information:

(1) Which of your corporation's operations are at present located in central cities, and how many persons do they employ out of your total work force?

(2) What plans do you have to expand or contract these operations in the next five years? What major factors have influenced these plans?

(3) What recruitment or job-training activities does your corporation sponsor that are specifically aimed at the unemployed in central cities?

(4) Which existing federal, state or local policies, if any, discourage you from maintaining or locating operations in central cities What new governmental policies would encourage you to maintain or locate operations in these areas?

We would appreciate receiving your response by December 15.

Sincerely,

Henry S. Reuss, Chairman; Edward W. Pattison, M.C., Mary Rose Oakar, M.C., John J. Cavanaugh, M.C., Stewart B. McKinney, M.C., Herman Badillo, M.C., James M. Hanley, M.C., Jim Mattox M.C., Millicent Fenwick, M.C.

WACHOVIA BANK &
TRUST COMPANY, N.A.,
Winston-Salem, N.C., November 23, 1977.

Hon. HENRY S. REUSS,
Chairman, Subcommittee on the City, Committee on Banking, Finance and Urban Affairs. U.S. House of Representatives, House Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: It is not practically possible to give specific and concise answers to the questions raised in your letter of November 14 considering the wide diversity of this state, its cities and the statewide branch nature of this bank's operations. The 75 cities and towns in which Wachovia operates are relatively small by national standards. They range in size and nature from small, predominantly agricultural communities of a few thousand to the largest urban area of about one-quarter million people. Perhaps none of them would qualify as having a "central city" with a "plight" as envisioned in your letter.

Our bank's stated objectives and practices all emanate from a fundamental commitment to serve in balanced fashion the best interests of shareholders, customers, employees and the public at large. The public service portion of this commitment necessarily manifests itself in many different ways, depending on the characteristics and needs of the various localities where we are privileged to operate. For example, specific answers to the four questions would be different for cities in the industrial Piedmont as compared to towns in the agrarian east or mountainous west.

This, in itself, illustrates a major difficulty in various units and functions of government attempting to evaluate and solve problems of this large and diverse nation in a standardized and simplistic format. Clearly, problems of the large metropolitan areas of the northeast may not be best approached in the same manner as the more typical population centers of the southeast. While I applaud the concerns and apparent objectives of the Subcommittee, I question whether the results of this expensive information-gathering process will be helpful in formulating universally meaningful and workable proposals.

With respect to question No. 4 as it relates to the state of North Carolina and its banking

system, the most helpful new governmental policy would be to cease adding encumbrances which increasingly impede the successful pursuit of our present statutory obligation to serve the four constituencies mentioned above in a responsible and balanced fashion. Increasingly, our people are diverted from their normal customers and public service activities to gather information which is often of questionable use and relevance in response to questionnaires and studies from all facets of government.

In addition, the rapidly growing and increasingly complex procedures and paperwork arising from so-called consumer protection legislation are adding inordinately to the expense of serving customers and to the costs they must share. Our people are necessarily forced to concentrate more on the technical and legal side of the customer service process and less on the human needs and personal service. This is not to say each additional step of consumer protection and bank regulation has not been without some merit. But many have arisen from the isolated abuses of a few that could have and should have been dealt with vigorously and effectively under existing laws and regulations.

Our bank constantly strives to promote the strength and progress of all segments of the private sector in our market areas. We believe that the health, vitality, and effective functioning of the private sector offers the only fundamental and long-lasting solution to such problems as the plight of central cities and unemployment. In summary, if government will trust banking a little more and stop diverting banking's attention and time away from pursuit of the responsibilities inherent in its public charter, the public interest would truly be better served.

This response is offered with respect and appreciation for the objectives and reponsibilities of the Subcommittee and its members. You have always spoken with candor and clarity, and perhaps at times our industry is too timid in likewise presenting the substantial merits and successful performance of the banking profession in meeting its broad and specific responsibilities. For the public interest to truly be served, there must be an improved quality, and perhaps a reduced quantity, of information flow and regulation as well as a better understanding between the practical and the theoretical world of banking.

It was good having you in Winston-Salem and at Wachovia last year. I hope we can have the pleasure of your company at some time in the future for a longer exposure to daily life in one of the nation's leading banks. With best wishes for continued successful pursuit of your important responsibilities.

Sincerely,

JOHN G. MEDLIN, Jr.

OMNIBUS ANTITERRORISM ACT OF 1977

Mr. BENTSEN. Mr. President, I was pleased, on November 4, to join with Senator RIBICOFF and others in cosponsoring the Omnibus Antiterrorism Act of 1977. The Senator from Connecticut is to be commended for his efforts to devise a coherent, comprehensive strategy to deal with the evils of international terrorism.

With incidents of terrorist kidnapping, coercion, and extortion occurring at an alarming rate, the United States must take affirmative action to establish a position of world leadership in combatting international piracy and terrorism. Senator RIBICOFF's initiative is clearly a step in the right direction.

We cannot allow the irony of this ultimate deprivation of human rights to thrive at a time when this Nation is so firmly dedicated to the alleviation of suffering and the establishment of a world free from repression. I have sponsored and supported measures in the past, and I will continue to support, serious measures such as Senator RIBICOFF has designed to combat the reign of terror sown by these kidnappers, bandits, and murderers.

It is not enough for us to establish steadfast opposition to international terrorism as a national priority. We must also demand the active cooperation of all nations in resisting terrorism and in dealing effectively with apprehended terrorists, an alarming number of whom are repeat offenders. Aided and abetted by an increasingly sophisticated international terrorist network, the same terrorist leaders such as George Habash of the Popular Front for the Liberation of Palestine continue to leave their handiwork in airports in Paris, Rome, Athens, Tel Aviv, Jerusalem, and New York. No country is safe from these pirates.

The United States has made great progress in improving security and in virtually eliminating hijackings from our airports, but U.S. citizens still comprise one-third of the victims of all terrorist attacks since 1968. Therefore, for the security of our own citizens, we must be prepared to impose sanctions against countries providing refuge for terrorists and make public lists of countries considered dangerous for travel.

We cannot countenance the attitude of groups, such as the Palestinian Liberation Organization, that condone violence even for what they consider to be noble causes. Partly because of the attention given by the media to isolated acts of terrorism, groups such as the Bader-Meinhof gang and the Japanese Red Army have managed, though relatively few in number (the State Department's Office for Combatting Terrorism lists 737 terrorist acts resulting in 292 deaths from the beginning of 1973 through October 1976) to unnerve established nations through their senseless attacks at random times on innocent citizens. Unlike the lone killer, the terrorist has followers dedicated to perpetrating a continued rampage of terror. The creation of a Japanese terrorist organization that hires itself to perform wanton acts of aggression for any cause against any enemy is an endmost example of moral turpitude. The appalling statistics speak for the need for all countries in the world to cooperate in ending the current trend of unrestrained political violence.

According to a U.S. State Department document, 146 people classified as international terrorists had been arrested through 1975 in the Western countries surveyed. But of these, no fewer than 140 were known to have been released, the overwhelming majority as a result of further acts of terrorism such as hijacks. At this time I would like to commend the West Germany Government, recent victims of a Lufthansa jet hijacking, for their statement condemning international terrorism and affirming their dedication to become party to world efforts to stop such heinous acts of international piracy.

There are those who maintain that there is no defense against the random deprivations of determined terrorists, and it is true, Mr. President, that we cannot foreclose the possibility of future acts of terrorism. We can, however, as Senator RIBICOFF has suggested, constrict the environment in which the crazed killers, bomb-throwers, and blackmailers are permitted to operate. I have introduced legislation to provide for mandatory sentences, without probation or parole, for those convicted of terrorist crimes, including the death penalty in the most aggravated cases. I have introduced legislation to bring about economic sanctions against countries that harbor terrorists. I have introduced legislation that would prohibit bail in those terrorist cases in which the judge believes that such release would pose a danger to the community. Today, in cosponsoring the Omnibus Antiterrorism Act of 1977, I reaffirm the duty of this distinguished body and the United States to continue to impose measures against these terrorist murderers.

NOTICE OF A DETERMINATION BY THE SELECT COMMITTEE ON ETHICS UNDER RULE 43, PARAGRAPH 4 PERMITTING ACCEPTANCE OF A GIFT OF EDUCATIONAL TRAVEL FROM A FOREIGN ORGANIZATION

Mr. STEVENSON. Mr. President, it is required by paragraph 4 of rule 43 that I place in the CONGRESSIONAL RECORD this notice of a Senate employee who proposes to participate in a program, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The Select Committee on Ethics received a request for a determination under rule 43 on behalf of David J. Krieger, the Senator's press secretary, from Senator PATRICK J. LEAHY. On the basis of the facts stated in his letter of November 9, 1977, it has been determined that Mr. Krieger's participation in the educational program in Canada, November 16–20, 1977, at the expense of the Canadian Association of Young Political Leaders, to study Canadian politics, is in the interest of the Senate and the United States.

The proposed itinerary to be paid for by the foreign organization includes: Departure from Toronto to Ottawa on November 18, and from Ottawa to Montreal on November 19. The round trip travel from Washington, D.C., to Canada on November 16 and November 20 is being furnished by a U.S. domestic organization, the American Council of Young Political Leaders.

HUMAN RIGHTS IN ARGENTINA

Mr. KENNEDY. Mr. President, last week Secretary of State Vance made an important trip to Argentina, Brazil, and Venezuela. The key issues on his agenda were nuclear nonproliferation, world oil prices, and human rights. In this connection, the Coalition for a New Foreign and Military Policy wrote asking him to en-

courage the Argentine Government to account completely for over 15,000 persons who have been kidnapped or detained, to permit prisoners under the state of seige to exercise their constitutional right to leave the country for exile, to provide safe passage for those who have taken refuge in foreign embassies, and to begin the essential process of restoring democratic rule.

When I met with Secretary Vance on November 17, I urged him to act favorably on the Coalition's requests, drew his attention to a number of particularly urgent cases which remain unresolved, and reminded him of continuing concern in the Senate about abuse of the most elementary human rights in Argentina. It is my understanding that the Secretary has followed up on these important points with the Argentine Government. I believe we should all watch closely the results of our interventions in the months ahead.

Mr. President, I request unanimous consent that the Coalition's letter to Secretary Vance and a prison population profile for Argentina be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COALITION FOR A NEW FOREIGN AND MILITARY POLICY.

Hon. CYRUS VANCE,
Secretary of State, U.S. State Department, Washington, D.C.

DEAR MR. SECRETARY: We have learned of your impending visit to Argentina in late November. We write at this time to submit our views as to what is important at this time for the improvement of U.S.-Argentine relations.

The Argentine military government has begun to acknowledge the pressure of your initiatives as well as those of the Congress with regard to human rights, by undertaking some cosmetic changes and by making some vague promises about an eventual return to electoral democracy in the distant future. In this context, President Videla indicated to President Carter in Washington that it was his intention to make public a list of detainees, to account for the disappeared persons, to release those being held without charges, and to expedite judicial proceedings for those awaiting trial. We fear that these promises are, for the most part, a public relations effort designed to confuse world public opinion and to cover up continuing repression.

The military has, for example, already announced that it would restore the "right of option" which allows prisoners held under State of Seige regulations—at their own choice—to opt to leave the country for exile. However, the military emphasized that it would reserve the right to decide in each case whether or not the release of a given prisoner would "endanger national security." Thus, the "restoration of the right of option" is in fact a reaffirmation of the "right" of the military to decide who should and who should not be kept in prison.

Similarly, recent Argentine government references to the number of political prisoners currently being held place the figure at around 4,000, while a partial list compiled in the United States already contains 8,000 names, and the total number of prisoners and missing persons is estimated to exceed 15,000. We submit this list to you and request that you deliver it on our behalf to the Government of Argentina as a sign of our awareness and continuing concern about the human rights situation in that country.

We feel that international pressure, particularly from the United States Government, can influence the extent to which the Argentine military feels compelled to fulfill its own commitments and to give substance to its widely-publicized moves to restore respect for human rights. It is for these reasons that we urge you at this time to make public the Administration's concern on these matters and, in your upcoming visit, to encourage the Videla government to comply with the following requests:

1. That the Argentine government make public a complete list of all those it holds in detention; and that it provide a complete accounting of those persons missing or disappeared.

2. That the Argentine government allow those being held under State of Seige regulations to leave the country for exile as guaranteed by the Argentine Constitution, without any restrictions.

3. That the Argentine government provide safe passage for those who have sought refuge in foreign embassies and allow them to leave for the country of their choice; of particular concern is the case of former President Dr. Hector Campora, who has been forced to remain inside the Mexican Embassy in Buenos Aires since the military coup of March 1976.

4. That the Argentine government begin the process of restoring democratic rule by lifting the ban on political parties and their activities, as a necessary prerequisite for the holding of free general elections in the near future.

We believe that the above are the basic criteria for judging any changes in the human rights situation in Argentina, and should be a precondition for improving U.S.-Argentine relations. Hoping that you will consider and accept these recommendations intended to contribute to the prompt restoration of democracy in Argentina, we remain.

Sincerely yours,

Rev. William Wipfler, Director, Human Rights Office, Nat. Council of Churches; Bruce Cameron, Legislative Coordinator, Americans for Democratic Action; Rev. Joseph Eldright, Washington Office on Latin America, Director; Ms. Olga Talamante, Coordinator for Human Rights, Amer. Friends Serv. Comm., Mr. Lawrence T. Birns Director, Council on Hemispheric Affairs, COHA; Mr. Gino Lofredo, Washington Representative, Argentine Comm. for Human Rights, (CADHU).

ARGENTINA: PRISON POPULATION PROFILE

A. PRISON POPULATION ESTIMATES [1]

	Low	High
Prisoners held in official jails, recognized as such by the government	5,500	7,500
Prisoners being held in makeshift camps within Army, Navy, Air Force and Gendarmerie bases around the country and in selected camps in ranches, unrecognized [2]	5,000	7,000
Prisoners being held in local police stations and underground detention centers, undergoing interrogation or being held as hostages, unrecognized [3]	1,500	2,500
Totals	12,000	17,000

B. BREAKDOWN OF PRISON POPULATION [4]

	Low	High	Presumed killed [5]
1. Intellectuals: writers, journalists, lawyers, psychologists, medical doctors, secondary and university level educators, with no active connection to subversive organizations. This group is generally referred to as "the ideologues of subversion" in official government statements	500	750	(200)
2. Government: individuals directly or indirectly associated with the Campora and Peron governments, accused of corruption and other economic crimes, or accused of being associated with subversion	250	500	(200)
3. Trade union activists: factory or shop delegates, members of the "Comisiones Internas", or "Coordinadoras sindicales", trade union officials being held for union related activities which were legal until enactment of legislation after 3/25/76, without any associations with the subversive groups	750	1,000	(500)
4. Rank and file workers: being held for participation in or association with strikes, slow downs, or other exercise of traditionally recognized trade union activities considered legal until 3/25/76 and intended to obtain redress for work related or salary related grievances	3,000	4,000	(750)
5. Marginally related: individuals indirectly connected to known or presumed activists of the subversive organizations such as relatives, former friends and acquaintances, co-workers, fellow students, etc. This group is being held and presumed guilty by virtue of kinship or other association. In most cases there are no specific charges against them	2,500	3,500	(1,000)
6. Other left wing activists unrelated organizationally or ideologically with the subversive organizations. This group would be made up of activists who for various reasons oppose any form of violent action against government or business officials and consider these terrorism	600	1,000	(500)

ARGENTINA: PRISON POPULATION PROFILE—Continued

B. BREAKDOWN OF PRISON POPULATION [4]—Continued

	Low	High	Presumed killed [5]
7. Active members of subversive organizations: (E.R.P., Montoneros, and others) arrested while executing, conducting or preparing subversive activities as broadly defined by the government [6]	1,500	2,500	(2,000)
8. Leading activists of the subversive organizations: i.e. individuals within local, provincial or national leadership structures	150	250	(250)
9. Mistakes: individuals with no particular political commitment or activity being mistakenly held, or falsely accused	750	1,000	(500)
10. Common law prisoners: being held for strictly criminal acts, usually having been tried and found guilty. No political connections except those developed in prison [7]	2,000	2,500	(100)
Totals	12,000	17,000	(6,000)

C. PERCENTAGE BREAKDOWN OF PRISON POPULATION

	Percent	Percent of those presumed killed
1. Intellectuals	4.15	3.3
2. Government	2.10	3.3
3. Trade union activists	6.30	8.4
4. Rank and file	25.00	12.5
5. Marginally related	21.00	16.7
6. Other left	5.00	8.3
7. Active subversives	12.50	33.3
8. Leading subversives	1.25	4.2
9. Mistakes	6.20	8.4
10. Common criminals	16.50	1.7
Total	100.00	

[1] These figures include prisoners known to have been detained and known to be held live, as well as others commonly referred to as "disappeared persons". Some of the "disappeared" are presumed dead and would be included in the 6,000 figure under B. The sources for these estimates are based on an average of figures given by Amnesty International, the International Commission of Jurists, the Permanent Assembly for Human Rights, Argentine Government sources, and other human rights organizations in Argentina (Argentine Commission for Human Rights, Movimiento Ecumenico por los Derechos Humanos, Argentine League for Human Rights, and others).

[2] Estimates based on testimonies from released prisoners or their relatives or friends as to the number of prisoners they were held with and where.

[3] Estimated on the basis of testimonies from prisoners and estimated number of such facilities existing in the country at this time.

[4] Estimated on the basis of a sample of 1,000 known prisoners whose background has been made public. The resulting proportions were corrected to take in consideration the tendency of certain social groups to be better able to make their cases known to international human rights organizations (intellectuals, trade union leaders, etc.) in contrast to other groups with lower social visibility and international contacts (rank and file workers, left wing and other activists).

[5] The total number of people presumed killed since October 1975 is estimated on the basis of government figures of casualties in confrontations between security forces and alleged guerrillas. It is commonly known that these official figures include a high (60%) proportion of people killed by security forces in situations other than in military confrontations, these include: executions of political prisoners after being in prison, people killed during or as a consequence of torture, individuals executed after interrogation or after having been identified as members of subversive organizations, mistakes, people killed accidentally by security forces in anti-subversive operations. The date October 1975 was chosen because it marked a drastic increase in the number of people killed by security forces.

[6] Based on official government figures as qualified by representatives of the subversive organizations currently in exile.

[7] Based on official government figures for 1975, and preceding years.

SMALL BUSINESSES IN AMERICA

Mr. DOLE. Mr. President, small businesses in America have always been an important part of our national economy. The individual entrepreneur provides a unique fact to our economy which is not present in many parts of the world. To a large degree, the innovative small businessman and woman who have a new idea and are willing to work hard to make it work are responsible for the continuing vitality of the free enterprise system in America. A shining symbol of the opportunity for realization of the American dream is the individual business man and woman who is his or her own boss.

SMALL BUSINESS CONTRIBUTIONS

Small business concerns are particularly important in my own State of Kansas, where over 133,000 of a total of 137,000 businesses are listed in the "small" category. Not only is their economic impact significant, but small businesses exemplify the kinds of traits which have given our Nation its reputation for independence and innovation. Free access to the market has traditionally been granted to any individual who wants to start out his own business. Someone with an idea is welcome to give it a try. It is the total accumulation of past trials which created a nation where millions of citizens have been able to look upon their work with pride and satisfaction—knowing that they have made a personal contribution to the overall goal of sustaining the United States as a nation where any individual is able to pursue his dreams and ambitions.

PROBLEMS WITH GOVERNMENT

Yet, the invaluable roles performed by small business men and women are often overlooked by the Federal Government, which also tends to overlook the special needs of small enterprise. This problem is illustrated by one simple question posed to me by a constituent: "Why can't the Government help the small operators instead of harassing them."

Despite the importance of the small business community to our country, a condition has been developing which has placed the future of these businesses in doubt. Each year Congress attempts to deal with the increasingly complex problems facing our Nation. All too often, Congress only sets the broad outline of policy which is filled in by the individual agency. The result has been an astonishing proliferation of rules and regulations to dictate the conduct of a business.

In the vast majority of instances, these rules fail to acknowledge the variety of forms of business they apply to. The mom and pop grocery store must meet the same requirements and fill out the same forms as Safeway. OSHA inspectors judge the performance of five-employee machine shops under the same standards as Ford or GM's largest plant. Only a few agencies have exempted small businesses from the full burden of these rules.

SMALL BUSINESSES REGULATORY TARGETS

The actions of the Federal Energy Administration in investigating the small oil and gas concerns which predominate in Kansas is an excellent example of such inequity. FEA data indicates that the level of penalties and rollbacks in areas with small, stripper crude producers has been much higher than in areas where the normal size of companies and volume of production is much larger. I have worked extensively with the FEA to correct this situation.

Another example involved the Consumer Product Safety Commission and a small businessman in Hutchinson, Kans. The CPSC demanded that this mattress manufacturer meet the same flammability tests as Simmons even though he had to burn nearly 1 percent of his total

production. When the businessman naturally balked, two officials from Washington and two from Kansas City were sent to investigate. After repeated communications to the CPSC from myself, a satisfactory arrangement was devised. While this problem was resolved for the small businessman, it is patently unreasonable for agencies like the CPSC to treat a two-man firm like an industry giant.

BURDENS OF REGULATION

Numerous other individuals have provided me with accounts of the burdens placed upon them in endless paperwork requirements, coupled with even more endless regulations. Federal bureaucrats have the same handicap as Congress in having difficulty understanding how small businesses work. Their technical understanding of the problems or process of small enterprise is frequently limited. Even worse, agency regulations apply tough uniform standards which end up creating huge difficulties for small business, which may fail to get at the big business abuses they were really after. Bearing down on small businessmen is much easier for an agency, as they have no legal advisers who can defend their interests or even interpret the complex regulations for them. The end result is unequal enforcement of the standards, with the bulk of the agency's efforts being directed at forcing small business to comply with requirements they did not need in the first place.

S. 1974 WOULD HELP

Mr. President, I am adding my support to efforts to help make special provisions for small businesses in all Government rules and regulations. S. 1974, which I am cosponsoring, would require an evaluation of the special situation of small business in the promulgation of any rule. The Office of Advocacy in the Small Business Administration would study each rule before it is finalized. The already existing expertise of the Office of Advocacy would be used to suggest exemptions or size limits for every regulation considered.

The procedure established in S. 1974 would also apply to agency requests for information. In too many cases, bureaucrats treat information as a free commodity and disregard the expense and loss of productivity occasioned by filling out the form.

S. 1974 IS A STEP FORWARD

All the Government impediments to small businesses will not be eliminated by passage of S. 1974. Yet, it would signal that congressional awareness of small business problems is increasing. I support this legislation because I am certain that America will continue its climb and small businesses will be an important part of that growth.

NOTICE CONCERNING NOMINATIONS BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

Andrew E. Gardner, of North Carolina, to be U.S. marshal for the western district of North Carolina for the term of 4 years vice Max E. Wilson.

Edward P. Gribben, of South Dakota, to be U.S. Marshal for the district of South Dakota for the term of 4 years vice George L. Tennyson, resigned.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Thursday, December 8, 1977, any representations or objections they may wish to present concerning the above nominations with a further statement whether it is their intention to appear at any hearing which may be scheduled.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess awaiting the call of the Chair.

There being no objection, the Senate, at 12:15 p.m., took a recess, subject to the call of the Chair.

The Senate reassembled at 12:41 p.m., when called to order by the Presiding Officer (Mr. HOLLINGS).

AUTHORIZATION TO FILE CONFERENCE REPORT ON CLEAN WATER BILL UNTIL MIDNIGHT TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the conferees on the part of the Senate may have until midnight tomorrow night to file the conference report on the clean water bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBSTITUTION OF A CONFEREE ON H.R. 9346

Mr. ROBERT C. BYRD. I ask unanimous consent that the Senator from Maine (Mr. HATHAWAY) replace the Senator from Colorado (Mr. HASKELL) as a conferee in the conference on the social security amendment (H.R. 9346).

I understand this has been cleared all the way around.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL 11 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 11 o'clock tomorrow morning, and that that session on tomorrow be strictly a pro forma session with no transaction of any business, no statements.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS FROM TOMORROW UNTIL 1 P.M., TUESDAY, DECEMBER 6, 1977

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its pro forma meeting on tomorrow it stand in recess until the hour of 1 p.m. on Tuesday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR CERTAIN ACTION DURING RECESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that during the recess of the Senate over until 1 p.m. on Tuesday next, the Vice President of the United States, the President pro tempore, the Acting President pro tempore, and the Deputy President pro tempore be authorized to sign duly enrolled bills and joint resolutions.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that during those same recess periods the Secretary of the Senate be authorized to receive messages from the other body and from the President of the United States.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider a nomination.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE JUDICIARY

Mr. CANNON. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the nomination of Mr. B. Mahlon Brown, III, of Nevada, to be U.S. attorney for the district of Nevada for a term of 4 years, reported favorably earlier in the day by the Committee on the Judiciary.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. I ask unanimous consent that the same day rule be waived.

The PRESIDING OFFICER. The clerk will state the nomination.

The assistant legislative clerk read the nomination of B. Mahlon Brown III, of Nevada, to be U.S. attorney for the district of Nevada.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. CANNON. I move to reconsider the vote by which the nomination was confirmed.

Mr. ROBERT C. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CANNON. I ask unanimous consent that the President be immediately notified of the confirmation of the nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER THAT SENATORS HAVE UNTIL 5 P.M. TO INTRODUCE LEGISLATIVE PROPOSALS AND TO SUBMIT MATERIAL FOR THE RECORD

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that Senators may have until 5 p.m. today to introduce bills and joint resolutions, and to submit statements, petitions, and memorials for the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 11 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in recess until the hour of 11 a.m. tomorrow.

The motion was agreed to; and at 12:57 p.m. the Senate recessed until tomorrow, Friday, December 2, 1977, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate December 1, 1977:

DEPARTMENT OF ENERGY

George S. McIsaac, of the District of Columbia, to be an Assistant Secretary of Energy (Resource Applications) (new position).

IN THE AIR FORCE

The following officers for temporary appointment in the United States Air Force under the provisions of Chapter 839, Title 10 of the United States Code:

To be major general

Brig. Gen. James A. Abrahamson, xxx-xx-x... xxx-...FR, Regular Air Force.

Brig. Gen. Anderson W. Atkinson, xxx-xx-x... xxx-...FR, Regular Air Force.

Brig. Gen. Walter H. Baxter, III, xxx-xx-x... xxx-...FR, Regular Air Force.

Brig. Gen. Robert W. Bazley, xxx-xx-xx... xxx-...FR, Regular Air Force.

Brig. Gen. Rufus L. Billups, xxx-xx-xxxx FR, Regular Air Force.

Brig. Gen. Robert M. Bond, xxx-xx-xxxx FR, Regular Air Force.

Brig. Gen. Max B. Brailliar, xxx-xx-xxxx FR, Regular Air Force, Medical.

Brig. Gen. Bruce K. Brown, xxx-xx-xxxx FR, Regular Air Force.

Brig. Gen. Kenneth D. Burns, xxx-xx-xxxx xxx-...FR, Regular Air Force.

Brig. Gen. Gerald J. Carey, Jr., xxx-xx-x... xxx-...FR, Regular Air Force.

Brig. Gen. Robert W. Clement, xxx-xx-xx... xxx-...FR, Regular Air Force.

Brig. Gen. Robert F. Coverdale, xxx-xx-xx... xxx-...FR, Regular Air Force.

Brig. Gen. James E. Dalton, xxx-xx-xxxx FR, Regular Air Force.

Brig. Gen. Van C. Doubleday, xxx-xx-xxxx xxx-...FR, Regular Air Force.

Brig. Gen. Howard M. Estes, Jr., xxx-xx-x... xxx-...FR, Regular Air Force.

Brig. Gen. Martin C. Fulcher, xxx-xx-xxxx xxx-...FR, Regular Air Force.

Brig. Gen. Robert T. Herres, xxx-xx-xxxx FR, Regular Air Force.

Brig. Gen. William J. Kelly, xxx-xx-xxxx FR, Regular Air Force.

Brig. Gen. William B. Maxson, xxx-xx-xx... xxx-...FR, Regular Air Force.

Brig. Gen. Thomas M. McMullen, xxx-xx-x... xxx-...FR, Regular Air Force.

Brig. Gen. John L. Piotrowski, xxx-xx-xxxx xxx-...FR, Regular Air Force.

Brig. Gen. Andrew Pringle, Jr., xxx-xx-xx... [redacted]FR, Regular Air Force.

Brig. Gen. John E. Ralph, xxx-xx-xxxx FR, Regular Air Force.

Brig. Gen. George W. Rutter, xxx-xx-xxxx xxx-...FR, Regular Air Force.

Brig. Gen. Stuart H. Sherman, Jr., xxx-xx-x... xxx-...FR, Regular Air Force.

Brig. Gen. Robert B. Tanguy, xxx-xx-xxxx xxx-...FR, Regular Air Force.

Brig. Gen. Robert L. Thompson, Jr., xxx-... xxx-xx-x...FR, Regular Air Force, Medical.

Brig. Gen. Daryle I. Tripp, xxx-xx-xxxx FR, Regular Air Force.

Brig. Gen. Jack L. Watkins, xxx-xx-xxxx xxx-...FR, Regular Air Force.

Brig. Gen. Charles E. Woods, xxx-xx-xxxx xxx-...FR, Regular Air Force.

The following officers for appointment in the Regular Air Force to the grades indicated, under the provisions of chapter 835, title 10 of the United States Code:

To be major general

Maj. Gen. William H. Ginn, Jr., xxx-xx-xx... xxx-...R, (brigadier general, Regular Air Force) U.S. Air Force.

Maj. Gen. Billy M. Minter, xxx-xx-xxxx FR, (brigadier general, Regular Air Force) U.S. Air Force.

Maj. Gen. James P. Mullins, xxx-xx-xxxx FR, (brigadier general, Regular Air Force) U.S. Air Force.

Maj. Gen. John J. Murphy, xxx-xx-xxxx FR, (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Paul W. Myers, xxx-xx-xxxx FR, (brigadier general, Regular Air Force), U.S. Air Force, Medical.

Maj. Gen. William R. Nelson, xxx-xx-xx... xxx-...R, (brigadier general, Regular Air Force) U.S. Air Force.

Maj. Gen. Carl D. Peterson, xxx-xx-xxxx FR, (brigadier general, Regular Air Force) U.S. Air Force.

Maj. Gen. Thomas M. Sadler, xxx-xx-xxxx FR, (brigadier general, Regular Air Force) U.S. Air Force.

Maj. Gen. Henry B. Stelling Jr., xxx-xx-xx... xxx-...FR (brigadier general, Regular Air Force) U.S. Air Force.

Lt. Gen. George H. Sylvester, xxx-xx-xxxx FR, (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. John C. Toomay, xxx-xx-xxxx FR, (brigadier general, Regular Air Force), U.S. Air Force.

To be brigadier general

Brig. Gen. Robert W. Bazley, xxx-xx-xxxx FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Max B. Bralliar, xxx-xx-xxxx FR, (colonel, Regular Air Force) U.S. Air Force, Medical.

Maj. Gen. James L. Brown, xxx-xx-xxxx FR, (colonel, Regular Air Force) U.S. Air Force.

Brig. Gen. Norma E. Brown, xxx-xx-xxxx FR, (colonel, Regular Air Force) U.S. Air Force.

Brig. Gen. William E. Brown, Jr., xxx-xx-x... xxx-...R, (colonel, Regular Air Force) U.S. Air Force.

Maj. Gen. Gerald E. Cooke, xxx-xx-xxxx FR, (colonel, Regular Air Force) U.S. Air Force.

Maj. Gen. Hans H. Driessnack, xxx-xx-xxxx FR, (colonel, Regular Air Force) U.S. Air Force.

Maj. Gen. Walter D. Druen, Jr., xxx-xx-x... xxx-...R, (colonel, Regular Air Force) U.S. Air Force.

Maj. Gen. Billy J. Ellis, xxx-xx-xxxx FR, (colonel, Regular Air Force) U.S. Air Force.

Brig. Gen. Irwin P. Graham, xxx-xx-xxxx FR, (colonel, Regular Air Force) U.S. Air Force.

Maj. Gen. David L. Gray, xxx-xx-xxxx FR, (colonel, Regular Air Force) U.S. Air Force.

Brig. Gen. Patrick J. Halloran, xxx-xx-xxxx xxx-...FR, (colonel, Regular Air Force) U.S. Air Force.

Brig. Gen. Paul T. Hartung, xxx-xx-xxxx FR, (colonel, Regular Air Force) U.S. Air Force.

Maj. Gen. Gerald K. Hendricks, xxx-xx-x... xxx-...FR, (colonel, Regular Air Force) U.S. Air Force.

Maj. Gen. Andrew P. Iosue, xxx-xx-xxxx FR, (colonel, Regular Air Force) U.S. Air Force.

Brig. Gen. Charles B. Jiggetts, xxx-xx-xxxx FR, (colonel, Regular Air Force) U.S. Air Force.

Brig. Gen. George J. Kertesz, xxx-xx-xxxx FR, (colonel, Regular Air Force) U.S. Air Force.

Lt. Gen. Richard L. Lawson, xxx-xx-xxxx FR, (colonel, Regular Air Force) U.S. Air Force.

Maj. Gen. Howard W. Leaf, xxx-xx-xxxx FR, (colonel, Regular Air Force) U.S. Air Force.

Brig. Gen. William G. MacLaren, Jr., xxx-... xxx-xx-x...FR, (colonel, Regular Air Force) U.S. Air Force.

Brig. Gen. Thomas H. McMullen, xxx-xx-x... xxx-...R, (colonel, Regular Air Force) U.S. Air Force.

Maj. Gen. Warren C. Moore, xxx-xx-xxxx [redacted]FR, (colonel, Regular Air Force) U.S. Air Force.

Brig. Gen. Don H. Payne, xxx-xx-xxxx FR, (colonel, Regular Air Force) U.S. Air Force.

Brig. Gen. Thomas C. Pinckney, Jr., xxx-... xxx-xx-x...FR, (colonel, Regular Air Force) U.S. Air Force.

Maj. Gen. Freddie L. Poston, xxx-xx-xxxx xxx-...FR, (colonel, Regular Air Force) U.S. Air Force.

Brig. Gen. Dennis B. Sullivan, xxx-xx-xxxx xxx-...FR, (colonel, Regular Air Force) U.S. Air Force.

Brig. Gen. Herman O. Thomson, xxx-xx-xx... xxx-...FR, (colonel, Regular Air Force) U.S. Air Force.

Maj. Gen. Stanley M. Umstead, Jr., xxx-... xxx-xx-x...FR, (colonel, Regular Air Force) U.S. Air Force.

Maj. Gen. Hoyt S. Vandenberg, Jr., xxx-... xxx-xx-x...FR, (colonel, Regular Air Force) U.S. Air Force.

Brig. Gen. Mele Vojvodich, Jr., xxx-xx-xx... xxx-...R, (colonel Regular Air Force) U.S. Air Force.

Brig. Gen. Garry A. Willard, Jr., xxx-... xxx-xx-...FR, (colonel, Regular Air Force) U.S. Air Force.

CONFIRMATION

Executive nomination confirmed by the Senate, December 1, 1977:

DEPARTMENT OF JUSTICE

B. Mahlon Brown III, of Nevada, to be U.S. attorney for the district of Nevada for the term of 4 years.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

HOUSE OF REPRESENTATIVES—*Thursday, December 1, 1977*

The House met at 10 o'clock a.m.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Therefore I tell you, whatever you ask in prayer, believe that you receive it, and you will.—Mark 11: 24.

Our Heavenly Father, we give thanks that You have called us to serve You as we serve our country, that the challenges of each new day call for the best in us and that the opportunities for service in Your name are ever present. This day help us to be aware of Your presence and give to us the assurance that You are with us now and always.

Grant unto us the insight, the integrity, and the inspiration to respond more fully to the demands made upon us as we seek to meet the needs of our people and the people of our world. May we be constructive in our attitudes and in our actions, may we endeavor to heal and not to hurt, and may we give support to endeavors that are genuinely good for all and not for a few only.

Bless our Nation and lead our leaders and our people in the paths of righteousness and peace: for Your name's sake. Amen.

CALL OF THE HOUSE

Mr. BAUMAN. Mr. Speaker, under rule I, clause 1, of the rules of the House, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. WRIGHT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 758]

Abdnor	Evans, Del.	Montgomery
Akaka	Fascell	Murphy, Ill.
Alexander	Findley	Nix
Ambro	Fisher	Nolan
Andrews, N.C.	Fithian	Perkins
Archer	Foley	Poage
Armstrong	Ford, Mich.	Pritchard
Ashbrook	Ford, Tenn.	Quayle
Ashley	Frey	Quie
AuCoin	Gammage	Railsback
Badham	Giaimo	Rangel
Badillo	Gibbons	Reuss
Baucus	Goldwater	Richmond
Boggs	Gradison	Rogers
Bolling	Hansen	Rosenthal
Bonior	Harrington	Ruppe
Brodhead	Hawkins	Santini
Brown, Calif.	Heckler	Sarasin
Buchanan	Hightower	Scheuer
Burke, Calif.	Holland	Shuster
Burke, Mass.	Jacobs	Sikes
Burton, John	Jones, Okla.	Smith, Nebr.
Byron	Jones, Tenn.	Snyder
Chappell	Kasten	Solarz
Chisholm	Kelly	Stark
Cochran	Kemp	Steers
Cohen	Keys	Teague
Conyers	Koch	Thone
Corman	Krueger	Tsongas
Cornwell	Latta	Tucker
Cunningham	Le Fante	Udall
Danielson	Lent	Van Deerlin
Dellums	McCloskey	Vander Jagt
Dent	McDade	Wampler
Diggs	McDonald	Waxman
Dingell	McHugh	Weiss
Drinan	McKay	Whalen
Duncan, Oreg.	McKinney	White
Edwards, Okla.	Mazzoli	Wiggins
Evans, Colo.	Mitchell, Md.	Wilson, C. H.
Wilson, Tex.	Wydler	
Wolff	Young, Alaska	

The SPEAKER pro tempore (Mr. BRADEMAS). On this rollcall 310 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

THE LATE FORMER CONGRESSMAN CARLETON J. KING

(Mr. PATTISON of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PATTISON of New York. Mr. Speaker, I join with my colleagues in paying tribute to my immediate predecessor, former Congressman Carleton J. King of Saratoga Springs, N.Y., who died on November 19 during the recess. A respected Member of the House for 14 years, he represented his constituents in upstate New York with responsibility, dedication, and integrity. He enjoyed a long political career on the local, State, and National levels, entering public service in 1936 as acting city judge for his hometown of Saratoga Springs, and serving for many years as assistant district attorney and district attorney of Saratoga Springs. First elected to the House of Representatives in 1960 when he resigned as Saratoga County district attorney, he served his district until 1974. Since then, he had served on the Board of Visitors of the U.S. Military Academy, as a consultant to the Veterans' Administration in Washington, and as a partner in his law firm in Saratoga Springs.

He was a loyal and devoted public servant, respected by his constituents, his friends, and his colleagues. He will be greatly missed, and I extend to Mrs. King and his family my deepest sympathy.

GENERAL LEAVE

Mr. PATTISON of New York. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the life, character, and public service of the late Honorable Carleton J. King.

The SPEAKER pro tempore. Is there objection to the request of the gentlemen from New York?

There was no objection.

Mr. RHODES. Mr. Speaker, will the gentleman yield?

Mr. PATTISON of New York. I yield to the gentleman from Arizona.

Mr. RHODES. Mr. Speaker, I would like to associate myself with the remarks of the gentleman from New York (Mr. PATTISON).

Carleton King, our able former colleague, was a good friend to many of us and we shall miss him.

Mr. Speaker, I, too, extend my condolences to the King family.

Mr. STRATTON. Mr. Speaker, will the gentleman yield?

Mr. PATTISON of New York. I yield to the gentleman from New York.

Mr. STRATTON. Mr. Speaker, I, too, join with my colleague, the gentleman from New York (Mr. PATTISON), in paying tribute to our former colleague, Carleton King.

I had the pleasure of serving with him for 14 years in this body, including serving on the Committee on Armed Services for most of that time. He was a very staunch defender of the country, a man who had courage. He was outspoken in his views and was admired and respected by every Member of this body.

Mr. Speaker, I know that he will be missed, and I join in extending our sympathy to Mrs. King and to their family.

Mr. PATTISON of New York. Mr. Speaker, I thank the gentleman for his remarks.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. PATTISON of New York. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Speaker, the passing away of former Congressman Carleton King on November 19 brought sadness to the many friends, colleagues, and constituents throughout this Nation who he had touched during his 37 years of public service. I was one of them, and I know how much he will be missed.

After having served as a city court judge in Saratoga Springs and as Saratoga County district attorney, Carleton King came to the House of Representatives in 1960, where he worked diligently on behalf of his constituents until 1974. He was a leader in every sense of the word, fighting for what he felt would be beneficial to his constituents of upstate New York who sent him to Washington in seven different elections.

Carleton withstood the test of time in Congress, and I had the good fortune to serve closely with him on the U.S. Military Academy's Board of Visitors during the 93d and 94th Congress. As chairman of the Board of Visitors, Carleton worked to help bring about several significant improvements at the Academy.

Prior to my election to Congress in 1972, during my 6 years of service in the New York State Legislature, on numerous occasions Representative King assisted my office with projects of mutual benefit to the State of New York.

I know my colleagues join with me in offering our condolences to his widow, Constance, in Florida; his son, Carleton, and his daughter, Mrs. James Murphy.

Carleton King was a leader in public service who will long be remembered.

Mr. McEWEN. Mr. Speaker, will the gentleman yield?

Mr. PATTISON of New York. I yield to the gentleman from New York.

Mr. McEWEN. Mr. Speaker, I thank the gentleman for yielding.

I wish to associate myself with the remarks here today.

I express my condolences to Connie King and to her family.

Mr. Speaker, I knew Carleton King before coming to Congress. At that time I was in the New York Senate, and his congressional district overlapped my Senate district.

I enjoyed my congressional service with him for the decade that we were here in the House.

Mr. Speaker, I know how sorely missed he will be by all of his friends, and certainly we all send our deepest condolences to Connie, his widow, to his daughter, Mrs. Murphy, and to his son, Carleton.

Mr. FISH. Mr. Speaker, will the gentleman yield?

Mr. PATTISON of New York. I yield to the gentleman from New York.

Mr. FISH. Mr. Speaker, I was deeply saddened to learn of the death of a former colleague and good friend, Carleton James King.

Many of us were fortunate to have had the opportunity of working with Carleton King while he served his 14 years in the House of Representatives. It was my good luck to have Carleton King represent a neighboring congressional district, so that we had the chance to develop a close working relationship trying to solve many of the common problems facing our two constituencies.

I would like to take this opportunity to express my personal deep regret and that of the people of the 25th Congressional District to the King family.

Mr. WALSH. Mr. Speaker, will the gentleman yield?

Mr. PATTISON of New York. I yield to my colleague, the gentleman from New York.

Mr. WALSH. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise to join with my colleagues in paying tribute to the late Carleton King.

I shall never forget when I first came to the Congress how his friendly and gracious manner and offer of assistance made me feel so at ease.

He was justly proud of his hard work, untiring efforts and achievements as a member of the House Committee on Armed Services.

Carleton had the reputation of being a sagacious lawyer from the time he served as acting city judge in his native Saratoga Springs, assistant district attorney and the district attorney of Saratoga County until his election as a Member of this great body.

He was admired and respected by the people he so ably represented for he was a knowledgeable, kind, and understanding human being.

My wife, Mary, and I extend our deepest sympathy to his family.

Mr. McCLORY. Mr. Speaker, will the gentleman yield?

Mr. PATTISON of New York. I yield to the gentleman from Illinois.

Mr. McCLORY. Mr. Speaker, I thank the gentleman for yielding to me and I too wish to join our colleagues in paying our deep respects to Carleton King. I might add that I became a member of the House Committee on the Judiciary shortly after the transferred from that committee to the Committee on Armed Services.

Mr. Speaker, my experience in this Chamber during the time when both Carleton King and I served together established in my mind that Carleton was, indeed, a conscientious and devoted legislator.

His particular concern with our national security and his thoroughness in exploring the relative strengths of our Nation as contrasted with those of our potential enemies helped materially in maintaining a position of superiority from which we were able at all times to negotiate.

Mr. Speaker, the physical difficulties which Carleton King experienced were most painful and trying during long periods preceding his final demise. The courage and tenacity which Carleton displayed were an inspiration to all of us who knew and worked with him.

Mr. Speaker, I know that Carleton King loved this House and was beloved by those with whom he served. In paying final tribute to our former colleague, Carleton King, I wish also to express my deep sympathy to his widow Constance, and other members of his family.

Mr. WYDLER. Mr. Speaker, I had the pleasure of knowing Carl King for many years when he served as a Member of Congress.

In addition to being a fine legislator, he was a kind and quiet man, whose presence added to the dignity of the House and earned him the respect of his colleagues.

Of course, we will miss his occasional visits, but we will remember the service he gave, not only to the people of his district and the country, but to the friendship he extended to so many of us who are still Members of this body.

He served the 29th District of New York from the 87th Congress through the 93d. Born in Saratoga Springs, June 15, 1904, he was educated in the public schools; graduated from Union University with an LL.B degree in 1926 and engaged in the practice of law in the firm of King, Duval, and Murphy, Saratoga Springs, N.Y. He was a member of the county and State bar associations and was admitted to practice before the U.S. Supreme Court. From 1936 to 1941 he was acting city judge, city of Saratoga Springs; assistant district attorney, Saratoga County from 1942 to 1950 and district attorney from 1950 until his election to Congress in 1960. Carl's offices included president of the New York State District Attorneys' Association in 1955 and president of the Saratoga County Bar Association in 1959 and 1960.

Mr. HANLEY. Mr. Speaker, I would like to add my voice to those paying tribute to our former colleague, Representative Carleton J. King of Saratoga Springs, N.Y.

Congressman King enjoyed a long political career on both the State and National levels, entering public service in 1936 as acting city judge for Saratoga Springs. He was first elected to the House of Representatives in 1960, when he resigned as Saratoga County district attorney.

Carleton King represented the 29th District of New York for 14 years, and he represented the people of his district in the true sense of the word, voting to reflect what he perceived were the wishes of his constituents.

Certainly, Carleton King and I differed on some of the issues, but no one can deny he was an exemplary public servant who earned and deserved the respect of his constituents, his friends, and his colleagues.

We will miss Carleton King, and our heartfelt prayers go out to Mrs. Constance King and her entire family.

Mr. ADDABBO. Mr. Speaker, Carleton King was one of the nicest men ever to serve in this House, as well as one of the most courageous. All of us who served with Carl remember how bravely he fought back from the debilitating results of a stroke. And we all remember with what good grace he accepted the limitations placed on his movements by the stroke. The best in a man comes out when he is faced with adversity, and in Carl's case. his best was impressive at the very least and inspirational to us all.

Carl came from Saratoga Springs and was lucky enough to have known it well throughout a long lifetime. In fact, if there was any area in which Carl would bend your ear mercilessly, it would be on the subject of his hometown. A legitimate pride, indeed, and he was more active in promoting its virtues than any Chamber of Commerce could ever be.

Carl and I came to Congress together in 1961 and although we differed on legislative approaches and politics in general, we formed a solid and friendly relationship that I am happy to say existed to the day of his death.

A man is many things in his lifetime, and Carl was husband and father to two children, a devoted family man. But he was also a highly visible public man, serving as city judge, assistant district attorney, district attorney, and for 14 years, a distinguished Member of this House. As a vital and active member of the Armed Services Committee he will be remembered as a strong advocate for and defender of our Nation's defense program.

He lived an enviable life, and he enjoyed himself through good times and bad, and he was a friend to all who needed help and encouragement. We have missed him here in the House since his retirement from Congress. I was deeply grieved to hear of his death at 73.

My sympathies and condolences go out to his family at this time.

Mr. KEMP. Mr. Speaker, it gives me great pleasure to join my colleagues in the House of Representatives to pay tribute to an outstanding American dedicated public servant, and dear personal friend, our former colleague, Congressman Carleton King. Carleton King was unquestionably an inspiration to all who touched his life, and as a freshman Congressman, I can well recall with great appreciation the moments of encouragement, assistance, and wisdom that he shared with me.

Carleton King's career as a Congressman was marked by loyalty not to personal interests, but to the American people. His unceasing efforts to serve and protect the taxpayers of our Nation during the seven successive terms in which he served in the Congress are proof of his dedication to enhance the welfare of all Americans.

Carleton King served his party by serving his country first. He is an example which each and every one of my colleagues are proud to acknowledge and for which all Americans can be grateful.

Mr. WOLFF. Mr. Speaker, I today join with my colleagues in mourning the loss of the Honorable Carleton J. King, former Representative from New York's 31st, 30th, and 29th Congressional Districts.

Carleton King distinguished himself as a public servant at both the local and national levels. He served 6 years as the acting city judge of the city of Saratoga Springs, followed by 9 years as assistant district attorney for Saratoga County. From 1950 until his election to the 87th Congress in 1960, Carleton King served as district attorney to Saratoga County. He was president of the New York State District Attorneys' Association, and president of the Saratoga County Bar Association.

Following his election to the 87th Congress, his deep concern for his constituents at home as well as for matters of national policy, led to his reelection to the following six Congresses. It was indeed my privilege and honor to serve in the Congress with him.

I extend my deepest sympathy to his wife, Constance, and to his family. He was a public servant of the highest tradition who will long be remembered by his countless friends and admirers in New York and Washington.

Mr. MURPHY of New York. Mr. Speaker, even in the best of circumstances, a eulogy is a difficult way to immortalize the memory of a friend. But perhaps that is one of the finest tributes I could pay to a man such as Carleton King: He was a true friend. It did not matter that he was among the best in his field of politics, nor did it matter that he differed widely from his colleagues on legislation as often as he agreed. Beyond all that—beyond the party politics, the pressing legislative issues of a given moment, or simply the continuing requirements of a life in publice service—his was a friendship to be treasured.

He was a lawyer, a judge, an assistant district attorney, and district attorney. He was all of these things in rapid succession because he excelled at each, and was able to contribute significantly to the concept of justice under the law. He also led the development of legislation designed to cope with organized crime at the specific request of New York Governor Averell Harriman following the much-publicized breakup of an Apalachin, N.Y., meeting of top-level crime figures. His expertise was highly valued at all levels of government.

After a career of accomplishment in the local and State legislative arenas, he moved to the national scene where he was chosen to serve for seven consecutive terms in the U.S. House of Representatives from New York's 29th Congressional District. Not only did he serve their interests in Congress, but he proved himself to be one of the ablest experts on military affairs during his service on the Armed Services Committee. He was not limited by his past experiences, but was inspired by his future challenges. Among other things, his military expertise and the high regard which the military community held for him led to his chairmanship of the board of visitors of the U.S. Military Academy, where I had the pleasure to serve with him in addition to our parallel careers in Congress.

During his final years, he was not in good health, and endured a number of operations. But in spite of such setbacks, he was always a busy man, expending every ounce of his energy in public service. If we are to believe the Roman poet Virgil's declaration that "the noblest motive is the public good," then Carleton King was, indeed, a noble man. I am proud to have been his friend.

Mr. LENT. Mr. Speaker, it is with great sadness that I rise today to pay tribute to a former colleague, a former member of the New York congressional delegation, and a friend, the late Carleton King.

Serving with Mr. King in the House of Representatives from 1971 through 1974 gave me the opportunity to witness the work of a distinguished American who truly personified conservative philosophy. His firm commitment to our American system was consistently demonstrated by his support for a strong national defense and his staunch belief in our free enterprise system.

Before the concept became popular, former Congressman King called for tax breaks for Americans bearing the rising costs of higher education.

Indeed, he served his constituents and our Nation well, and I want to extend to his family and loved ones my deepest sympathy upon his passing.

Mr. WHITEHURST. Mr. Speaker, while the House was on its recent recess, I received the sad news that our former colleague, Carleton King of New York, had passed away.

Mr. Speaker, although Carleton King had already ended his career in the House, I regard his loss as a loss for the Nation as well as a personal one. Few men have loved their country as much as he did.

I recall our joint service on the Armed Services Committee, and I particularly remember his vigilance and concern for the Nation's security. Alert to these needs, he could be depended upon to bring his persuasive powers to bear in the committee and in the full House. The logic and force of his arguments were invariably telling.

In my freshman term, I found his counsel wise and understanding. Above all, Carleton's friendly spirit made this body a more pleasant place in which to serve. His character and integrity enhanced the reputation of the House; both his district and the Nation were well served by his dedication and patriotism.

Mr. Speaker, I join with my colleagues both from the State of New York and from its neighbors, from within the Committee and in the House at large, in expressing my condolences to Carleton King's family. We and they are the poorer for his going, and we will all miss him.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE A FURTHER CONFERENCE REPORT ON H.R. 9375 MAKING SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 1978

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a further conference report on the supplemental appropriations bill, H.R. 9375.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, I would ask the gentleman from Texas (Mr. MAHON) if we might have some explanation as to what this is all about.

Mr. MAHON. Yes; if the gentleman will yield, I would state that the House, ill advisedly, in my judgment, yesterday recommitted the conference report on the supplemental appropriations bill therefore delaying perhaps the adjournment of the House for recesses, and so forth. Also we will have to go back to conference. We have to meet with the Senate. The Senate was out yesterday and some of the Senators have not yet returned. As I say, we will have to go back to conference on the supplemental and produce another conference report, consideration of which will be scheduled, I assume, next Tuesday. The leadership will have to discuss the matter of scheduling.

Mr. ROUSSELOT. It will be scheduled for next Tuesday?

Mr. MAHON. That would be a matter for the leadership to determine. It cannot be brought back today.

Mr. ROUSSELOT. Mr. Speaker, further reserving the right to object, is it pretty well determined that it will come back to us on next Tuesday?

Mr. MAHON. I would have to refer to the distinguished majority leader, the

genleman from Texas (Mr. WRIGHT), with respect to that.

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I will be glad to yield to the gentleman from Texas.

Mr. WRIGHT. First, let me state that I was hoping that after this colloquy that I would be able to discuss the program for today, the remainder of this week and next week. However, the simple answer to the gentleman's question is that yes, we except to bring it up on Tuesday next.

Mr. ROUSSELOT. Mr. Speaker, I appreciate that explanation.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

LEGISLATIVE PROGRAM

(Mr. RHODES asked and was given permission to address the House for 1 minute.)

Mr. RHODES. Mr. Speaker, I take this time to inquire of the distinguished majority leader as to the program for the balance of this week and next week if the gentleman is prepared to do so.

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. RHODES. I yield to the distinguished gentleman from Texas (Mr. WRIGHT).

Mr. WRIGHT. Mr. Speaker, the program for today and the balance of the week consists of two Houses committee funding resolutions, one for the Committee on Small Business, House Resolution 921; and House Resolution 915, providing additional funds for the Subcommittee on International Organizations of the House Committee on International Relations.

This should not take too much time. I see little if any controversy here, but I have learned not to underestimate the capacity of our colleagues to find controversies. I would hope that the House would be able to adjourn by noon today or shortly thereafter. However, the gentleman knows, as well as I do, that such hopes are not always rewarded.

There will be no session tomorrow.

On Monday the House will meet at 12 o'clock noon with no legislative business scheduled. It will be simply a pro forma session.

For Tuesday and the balance of next week: The House will meet at noon on Tuesday and, if necessary, on Wednesday, Thursday, and Friday at 10 o'clock a.m.

Here is what we have scheduled:

On Tuesday, the conference report on H.R. 9375, the Supplemental Appropriations Act of 1978. The reason it must be rescheduled for Tuesday of course, is because the House recommitted it yesterday.

Following that we will consider the Labor-HEW and the District of Columbia appropriations matters. As the gentleman knows, controversy over one provision of this bill is the stalemate that has held us here, and let us hope that it may be amicably resolved.

In addition to that, we have a conference report on H.R. 9418, the Public Health Service Act Amendments; and the conference report on H.R. 6666, the Legal Services Corporation.

We also will consider S. 1340, the Energy Research and Development Administration Authorization Act of 1978. As the gentleman knows, this is a modified version of the bill that was vetoed by the President. A somewhat trimmed bill has been prepared in anticipation that it would pass, embodying nothing that was not already in the bills previously passed, and that it will meet the approval of the President.

That is what we have on the schedule. We think it reasonable to expect that Tuesday and Wednesday would be sufficient for us to conclude the business next week, but that is not definite.

Mr. RHODES. I thank the gentleman.

May I inquire as to whether there is any reason to be hopeful that the Labor-HEW controversy will be solved? Since our colloquy of yesterday, has there been any action taken to the knowledge of my good friend?

Mr. WRIGHT. I will say to the gentleman that I have faith. Faith is the substance of things hoped for and the evidence of things not seen.

Mr. RHODES. I thank the gentleman for a very definitive answer.

Now may I inquire further as to S. 1340. It is my understanding that this will come to the House with a very special type rule which will allow one amendment, and one amendment only, which would in effect change the bill S. 1340 to conform to the objections expressed by the President of the United States at the time a similar bill was vetoed.

Mr. WRIGHT. Yes; I think the gentleman has described it precisely.

Mr. RHODES. And now, Mr. Speaker, may I inquire further—and I certainly do this without intending to try to run the business of the House because I do not have the votes to do that—but as to the conference report on H.R. 9418, the Public Health Service Act amendments. If that conference report is ready, could it not be brought up today after the two items of business the majority leader has mentioned, so that we could get that out of the way, and then possibly come in at 10 o'clock on Tuesday. It seems to me that with these changes there is a chance that we could finish the work of the House on Tuesday. I am sure from the inquiries I have gotten from Members on both sides this would be a very welcome development.

Mr. WRIGHT. In response to the gentleman's suggestion, I can only say that to the extent possible we always try to accommodate the chairman of the committee involved, and it is the wish of the chairman of this committee that the conference report on H.R. 9418 be brought up on Tuesday rather than today.

As for the gentleman's comment that he lacks the capacity to run the business of the House for want of having the votes to do so, let me simply say: Welcome to the club.

Mr. RHODES. I certainly must say this confirms my suspicion that nobody is running the House.

May I inquire further as to the possibility of coming in at 10 o'clock on Tuesday; it seems to me there may be some profit in that.

Mr. WRIGHT. Mr. Speaker, if the gentleman will yield further, the decision was made by the Speaker and others this morning that inasmuch as Members will likely not be here on Monday and may have Monday night engagements and even Tuesday morning engagements to which they have committed themselves, it would be helpful to most Members to come in at noon, rather than at 10 o'clock on Tuesday. But on Wednesday or any other necessary day next week, we will come in at 10 o'clock, so as to expedite the business of the House.

With regard to the gentleman's remarks about nobody running the House, I think the basic problem is one that has frustrated self-styled leaders in Government ever since the days of Thomas Jefferson and even ancient Greece—the problem is a thing called democracy.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. RHODES. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Speaker, this is a relatively minor item, but normally we have the Private Calendar on Tuesday. Do we intend to do that?

Mr. WRIGHT. I expect to ask unanimous consent that the Consent Calendar be set for Tuesday, rather than Monday, since we have a pro forma session Monday.

Mr. ROUSSELOT. Mr. Speaker, if the gentleman will yield further, I think it is normally Tuesday, that is right. Is the gentleman talking about the Consent Calendar?

Mr. WRIGHT. Yes, the Consent Calendar.

Mr. ROUSSELOT. What about the Private Calendar?

Mr. WRIGHT. It would be my thought we could handle both the Private Calendar and the Consent Calendar on Tuesday. But the first order of business will be the conference report on the Supplemental Appropriations Act.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield?

Mr. RHODES. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, is it still the plan, as referred to by the gentleman from Washington (Mr. FOLEY) the other day, for the majority to keep us here the remainder of December in these phony pro forma sessions, against the almost

impossible event that we will have an energy bill on which to vote.

I know the President has announced that he is leaving the country, no matter what the Congress does and no matter what the Congress does not do. Are we going to be kept here in these wasteful, costly sessions every day?

Since the season of Advent is with us, the sleighbells sound in the distance and Christmas beckons, can the Members go home to our children, our hearthsides, our families, or must we continue this legislative charade.

Mr. WRIGHT. Mr. Speaker, I thank the gentleman for his comments and wish him a happy Yuletide, too.

Mr. BAUMAN. Mr. Speaker, the gentleman by his nonresponse has again proved that nobody is running the House.

PERMISSION TO CALL CONSENT CALENDAR ON TUESDAY NEXT

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent to call the Consent Calendar on Tuesday next, rather than on Monday, when the House will be in a pro forma session only.

The SPEAKER pro tempore (Mr. YATES). Is there objection to the request of the gentleman from Texas?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule on Wednesday of next week be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, this is to bring up the Private Calendar, are we going to bring it up anyway?

Mr. WRIGHT. Mr. Speaker, if the gentleman will yield, I believe the Private Calendar would be in order Tuesday without any unanimous consent request.

Mr. ROUSSELOT. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

ADJOURNMENT TO MONDAY, DECEMBER 5, 1977

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 12 o'clock noon on Monday next for a pro forma session.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

TO REQUIRE THE PRESIDENT TO ASSIST STRIKING FARMERS

(Mr. SEBELIUS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SEBELIUS. Mr. Speaker, yesterday I introduced House Concurrent Resolution 423, a resolution calling upon President Carter to use all of the authority provided in the 1977 farm bill to assist farmers who are in the midst of the worst farm price, credit and cash flow crisis since the Great Depression.

In my remarks yesterday, I said the purpose of this resolution was to inspire the President and this administration to assist farmers. The blunt fact of the matter is that current farm policy is leaving hard-pressed farmers little alternative but to connsider militant action and strikes. Throughout the High Plains and other farm areas of the country a growing grass roots farm organization called American Agriculture is laying the groundwork for a nationwide farm strike December 14.

How could thousands of farmers, meeting in State after State be serious in considering action that few would have believed possible only a year ago? Mr. Speaker, these are not normal times. Our farmers are not crying wolf. In Kansas, a study conducted in my behalf by over 300 banks last summer, shows Kansas farmers in serious trouble. Mainstreet America is in trouble. The farm wives who came to Washington last spring warning we are in danger of losing a generation of farmers were not exaggerating. Farmers of all political persuasions who have joined the American Agriculture movement are serious in their strike intentions.

As a consequence, Mr. Speaker, I am introducing today legislation to require action by the President and the Secretary of Agriculture to increase farm income and to improve the effectiveness of farm programs. The administration can, and I hope will, utilize all of the authority within the new farm bill to provide practical help to farmers as I outlined in the resolution I introduced yesterday. However, should this action not be taken, the legislation that I am introducing today would require that action be taken.

PRESIDENT CARTER COMMENDED IN APPROACH TO KEY POLICY-MAKING POSITIONS

(Mr. DERWINSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DERWINSKI. Mr. Speaker, President Carter is to be commended for his latest Executive order amending the civil service rules to except from the career service regional director positions in four agencies.

The President's action is a forthright approach to the problem of providing more flexibility and responsiveness in the executive branch of Government. It is a position which I have long advocated, and I certainly do not "view with alarm" the designation of certain key policy-making positions as noncareer.

Under the President's order, regional director positions in the Community Services Administration, ACTION, the Defense Civil Preparedness Agency, and the General Services Administration will be noncareer jobs.

If the President is to succeed in his effort to get a better handle on the Federal bureaucracy, there must be more political appointees in the executive branch of Government. Based upon his Executive order, President Carter is coming to grips with the problem in an open, honest, and proper way.

I certainly do not advocate or support wholesale raids on the career civil service system, but an administration, to be effective, must be able to depend upon the loyalty and responsiveness of persons in policymaking positions.

An increase in the number of political appointments in the executive branch is the key to effective reorganization. Rather than resort to manipulation of the civil service system, the President has chosen the honorable way to solve the problem. I congratulate him.

HOUSE OF REPRESENTATIVES SHOULD INITIATE HEW SUPPLEMENTAL APPROPRIATION BILL

(Mr. CARTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CARTER. Mr. Speaker, it seems that the House and the Senate are hopelessly divided on the abortion issue. I think it is up to us, Mr. Speaker, since revenue bills originate in the House, to initiate a continuing appropriation. Then, the onus will be on the other body to act.

It reminds me, really, of when I was a doctor back in Kentucky, and I had two patients, John and Mary, who had been happily married for some time. Mary was a weakly little mountain girl and was in what we referred to as a delicate condition. John asked me to take care of her. I said, "Yes, John, if you will not let it happen again." John said, "I will hang myself before I let it happen again." So I cared for her, and a year went by uneventfully. One dark, rainy night, John came to me and said, "Doctor, Mary is in trouble. Will you come and help us out?"

I said, "Yes, I will." With fear and trembling, I got in the jeep and went to her home. But it seems that a benevolent Providence must have been hovering over that little house, because within an hour a bouncing baby boy was born, crying lustily as he came into the world, and Mary got along famously. I turned to John, and I said, "John, you told me that if this happened again you would hang yourself." He said, "Yes, sir, I did." I got a rope and a chair, and I threw the

rope over the rafter, put the rope around my neck, tied it to the chair and started to kick the chair away. Then I started to think. I thought that if I kicked that chair out, I might accidentally hang an innocent man.

If we pass the continuing appropriation, the onus will be on the "other body." And if anyone accuses us in the House of not doing our duty, he will be hanging innocent men.

REQUEST FOR PRESIDENT TO INTERVENE AGAINST FEDERALLY FUNDED ABORTIONS

(Mr. BAUMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BAUMAN. Mr. Speaker, today the gentleman from Minnesota (Mr. OBERSTAR), the gentleman from Kentucky (Mr. MAZZOLI), the gentleman from Illinois (Mr. HYDE), and myself have sent a letter to President Carter, asking the President to immediately and directly intervene to resolve the impasse that exists between the two Houses of Congress on the issue of federally funded abortions. The President has made clear his opposition to Federal funding of abortions, both as a candidate and as President of the United States. It seems to me that, since this is one of the last major issues remaining before we conclude this session, it is incumbent upon the President to intervene directly with the Members of the other body, especially the leadership of the Committee on Appropriations.

Mr. Speaker, it is inconceivable to me a member of my party should be able to control the administration's policy on this issue. But that is exactly what has happened in the other body, where one Senator of my party has constantly, without compromise, in a totally intransigent manner held up resolution of this matter. The House has repeatedly spoken and we are not going to sell out on the right to life issue.

So I hope President Carter will immediately talk to the Democratic leadership of the Senate, help resolve this issue, and stand by the principles of his enunciated policy. Then I think we can solve this in a reasonable period of time, possibly next week.

REPORT ON RESOLUTION AUTHORIZING FUNDS FOR INVESTIGATION OF KOREAN-AMERICAN RELATIONS BEING CONDUCTED BY SUBCOMMITTEE ON INTERNATIONAL ORGANIZATIONS OF COMMITTEE ON INTERNATIONAL RELATIONS

Mr. ANNUNZIO, from the Committee on House Administration, submitted a privileged report (Rept. No. 95–826) on the resolution (H. Res. 915) authorizing funds for the investigation of Korean-American relations being conducted by the Subcommittee on International Organizations of the Committee on International Relations, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION TO PROVIDE FUNDING FOR THE COMMITTEE ON SMALL BUSINESS

Mr. ANNUNZIO, from the Committee on House Administration, submitted a privileged report (Rept. 95–827) on the resolution (H. Res. 921) to provide funds for the further expenses of the investigations and studies of the Committee on Small Business, which was referred to the House Calendar and ordered to be printed.

FUNDING FOR THE COMMITTEE ON SMALL BUSINESS

Mr. ANNUNZIO. Mr. Speaker, by direction of the Committee on House Administration, I call up a resolution (H. Res. 921) to provide funds for the further expenses of the investigations and studies of the Committee on Small Business, and ask unanimous consent for its immediate consideration.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the resolution, as follows:

H. RES. 921

Resolved, That for the further expenses of the investigations and studies to be conducted by the Committee on Small Business acting as a whole or by subcommittee, not to exceed $160,000 including expenditures for the employment of investigators, attorneys, and clerical and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman of such committee, and approved by the Committee on House Administration.

SEC. 2. No part of the funds authorized by the resolution shall be available for expenditure in connection with the study or investigation of any subject which is being investigated for the same purpose by any other committee of the House, and the chairman of the Committee on House Administration information with respect to any study or investigation intended to be financed from such funds.

SEC. 3. Funds authorized by this resolution shall be expended pursuant to regulations established by the Committee on House Administration in accordance with existing law.

Mr. ANNUNZIO (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the resolution be dispensed with, and that it be printed in the RECORD.

The SPEAKER pro tempore. (Mr. YATES). Is there objection to the request of the gentleman from Illinois?

There was no objection.

COMMITTEE AMENDMENT

The SPEAKER pro tempore. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: Strike out all after the resolving clause and insert: That for the further expense of the investigations and studies to be conducted by the Committee on Small Business acting as a whole or by subcommittee, not to exceed $120,000 including expenditures for the employment of investigators, attorneys, and clerical and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee signed by the chairman of such committee, and approved by the Committee on House Administration.

SEC. 2. No part of the funds authorized by the resolution shall be available for expenditure in connection with the study or investigation of any subject which is being investigated for the same purpose by any other committee of the House, and the chairman of the Committee on Small Business shall furnish the Committee on House Administration information with respect to any study or investigation intended to be financed from such funds.

SEC. 3. Funds authorized by this resolution shall be expended pursuant to regulations established by the Committee on House Administration in accordance with existing law.

Mr. ANNUNZIO (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the committee amendment be dispensed with, and that it be printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER pro tempore. The gentleman from Illinois (Mr. ANNUNZIO) is recognized for 1 hour.

Mr. ANNUNZIO. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from Ohio (Mr. DEVINE) for debate purposes only, pending which I yield myself such time as I may consume.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Illinois (Mr. ANNUNZIO).

Mr. ANNUNZIO. Mr. Speaker, House Resolution 921 provides funds for the Committee on Small Business in the amount of $120,000. The committee's budget was approved by the House of Representatives on March 21, 1977. At that time, Mr. SMITH, chairman of the committee, indicated during a colloquy that the Subcommittee on Accounts recommendation of $515,000 budget was too steep of a cut. The committee originally requested $634,320. Mr. SMITH indicated that, due to the cut, he was certain that he would have to come back with a supplemental resolution.

In his supplemental resolution request to the Subcommittee on Accounts, Mr. SMITH requested $160,000. A review of his monthly reports indicated that he has substantially increased his staff during the last 4 months, so that, in the month of October, the committee was expending at a rate of $56,000. If one computes the supplemental request by the formula outlined in the continuing resolution—1/12 of a committee's budget is what they are to operate on for the months of January–March—$160,000 actually represents $675,000 annual budget. Based on that information and also the fact that they should be requesting an amount equal to their original request—$634,320—the Subcommittee on Accounts recommended a supplemental funding request of $120,000.

Mr. DEVINE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I agree with the remarks of the gentleman from Illinois (Mr. ANNUNZIO).

Mr. ANNUNZIO. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. ANNUNZIO. Mr. Speaker, I move the previous question on the resolution, as amended.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution as amended.

The resolution, as amended, was agreed to.

A motion to reconsider was laid on the table.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 9418, HEALTH PROFESSIONS EDUCATION AMENDMENTS OF 1977

Mr. OTTINGER. Mr. Speaker, I ask unanimous consent, on behalf of the chairman of the Committee on Interstate and Foreign Commerce, to file a conference report on the bill (H.R. 9418) to amend the Public Health Service Act to require increases in the enrollment of third-year medical students as a condition to medical schools' receiving capitation grants under such Act, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

CONFERENCE REPORT ON H.R. 9418, HEALTH PROFESSIONS EDUCATION AMENDMENTS OF 1977

Mr. OTTINGER (on behalf of Mr. STAGGERS) filed the following conference report and statement on the bill (H.R. 9418) to amend the Public Health Service Act to require increases in the enrollment of third-year medical students as a condition to medical schools' receiving capitation grants under such Act:

CONFERENCE REPORT (H. REPT. No. 95-828)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9418) to amend the Public Health Service Act to require increases in the enrollment of third-year medical students as a condition to medical schools' receiving capitation grants under such Act, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

That (a) section 771(b)(3) of the Public Health Service Act is amended to read as follows:

"(3)(A) Except as provided under subparagraph (D), a school of medicine may not receive a grant under section 770 to be made in the fiscal year ending September 30, 1978, unless its application for such grant contains or is supported by assurances satisfactory to the Secretary that such school will increase its enrollment of full-time, third-year students as prescribed by subparagraph (B).

"(B) The enrollment increase referred to in subparagraph (A) is an enrollment increase in a school of medicine—

"(i) which is to occur in school year 1978–1979,

"(ii) in the number of full-time, third-year students over the number of full-time, second-year students who successfully completed the second-year program of such school in the preceding school year and enrolled in the third-year class of such school, and

"(iii) which is not less than 5 per centum of the number of—

"(I) full-time, first-year students enrolled in such school in school year 1977–1978, or

"(II) full-time, third-year students enrolled in such school in school year 1977–1978, whichever is less.

"(C) In determining the number of full-time, third-year students enrolled in a school in the school year in which the increase is required by subparagraph (B)(i)—

"(i) full-time, third-year students of such school who were not second-year students in such school and—

"(I) who are not citizens of the United States,

"(II) who were previously enrolled in a school of medicine to which the requirement of subparagraph (A) applies,

"(III) who were previously enrolled in a school of medicine to which the requirement of subparagraph (A) does not apply because of subparagraph (D) and for whom a position in the third-year class of such school was available in such school year,

"(IV) who first enrolled after October 12, 1976, in a school of medicine not in a State,

"(V) who were previously enrolled in a school of dentistry or a school of osteopathy, or

"(VI) who were previously enrolled in a school of medicine which is in a State and which is not accredited by the body or bodies approved for such purpose by the Commissioner of Education, shall not be counted; and

"(ii) full-time, second-year students enrolled in such year who are citizens of the United States and who were first enrolled before October 12, 1976, in a school of medicine not in a State shall be counted as third-year students.

"(D) The Secretary may waive (in whole or in part) the requirement of subparagraph (A) for a school of medicine—

"(i) if the Secretary determines, after receiving the written recommendation of the appropriate accreditation body or bodies (approved for such purpose by the Commissioner of Education) that compliance by such school with such requirement will prevent it from maintaining its accreditation;

"(ii) upon a finding that, because of the inadequate size of the population served by the hospital or clinical facility in which such school conducts its clinical training, an increase in its enrollment of third-year students to meet such requirement will prevent it from providing high quality clinical training for each of its third-year students; or

"(iii) if the Secretary determines that such school has made a good faith effort to meet the requirement of subpargraph (A) but has been unable to meet such requirement solely because there is an insufficient number of students who, under this paragraph, are eligible to be counted in determining if the school has met such requirement.

The requirement of subparagraph (A) does not apply to the application of a school of medicine for a grant under section 770 if in school year 1977–1978 such school had an enrollment of full-time, first-year students which exceeded its enrollment in such school year of full-time, third-year students by at least 25 per centum.

"(E) A school of medicine which did not receive a grant under section 770 because it did not comply with the applicable requirements of this paragraph shall not be eligible to receive a grant under such section to be made in the fiscal year ending September 30, 1979, or in the next fiscal year.".

(b) Section 772 of the Public Health Service Act is amended by adding at the end thereof the following new subsection:

"(e) For purposes of administering the requirements of section 771, a reference to a year class of students is a reference to students enrolled in that class for the first time.".

SEC. 2. Section 771(d)(2) of the Public Health Service Act is amended (1) by striking out "In" and inserting in lieu thereof "In the case of a school of dentistry which in school year 1976–1977 had at least six filled, first-year poistions in dental specialty programs, in", (2) by striking out "a school of dentistry's" and inserting in lieu thereof "such a school's", (3) by striking out "filled positions" each place it occurs and inserting in lieu thereof "filled, first-year positions", and (4) by striking out "shall be positions" and inserting in lieu thereof "shall be first-year positions".

SEC. 3. (a) Subsection (a) of section 748 of the Public Health Service Act is amended to read as follows:

"(a) The Secretary may make grants to—

"(1) accredited schools of public health, and

"(2) other public or nonprofit institutions which provide graduate or specialized training in public health and which are not eligible to receive a grant under section 749, to provide traineeships.".

(b) Section 748(b)(3)(B) of such Act is amended (1) by striking out "or" at the end of clause (iii), (2) by striking out the period at the end of clause (iv) and inserting in lieu thereof ", or" and (3) by adding after such clause the following:

"(v) preventive medicine or dentistry.".

(c) Section 748(c) of such Act is amended (1) by striking out "$8,000,000" and inserting in lieu thereof "$9,000,000", and (2) by striking out "$9,000,000" and inserting in lieu thereof "$10,000,000".

(d) The heading for section 748 of such Act is amended to read as follows:

"PUBLIC HEALTH TRAINEESHIPS"

SEC. 4. (a) Subsection (a)(1) of section 731 of the Public Health Service Act (relating to eligibility of student borrowers and terms of federally insured student loans) is amended to read as follows:

"(1) made to—

"(A) a student who—

"(i)(I) has been accepted for enrollment at an eligible institution, or (II) in the case of a student attending an eligible institution, is in good standing at that institution, as determined by the institution;

"(ii) is or will be a full-time student (as defined in section 770(c)(2) at the eligible institution;

"(iii) in the case of a student in a school of medicine, osteopathy, or dentistry, has been authorized by the institution in accordance with section 739(b)(2) to receive a loan under this subpart;

"(iv) has agreed that all funds received under such loan shall be used solely for tuition and other reasonable educational expenses, including fees, books, and laboratory expenses, incurred by such students;

"(v) for the school year for which such loan is made, receives no funds from a loan insured under a Federal, State, or nonprofit program provided or assisted under part B

of title IV of the Higher Education Act of 1965; and

"(vi) in the case of a pharmacy student, has satisfactorily completed three years of training; or

"(B) an individual who—

"(i) has previously had a loan insured under this subpart when the individual was a full-time student at an eligible institution;

"(ii) is in a period during which, pursuant to paragraph (2), the principal amount of such previous loan need not be paid; and

"(iii) has agreed that all funds received under the proposed loan shall be used solely for repayment of interest due on previous loans made under this subpart; and".

(b) Subsection (a)(2) of such section is amended—

(1) by inserting before the semicolon at the end of subparagraph (D) the following: ", except that the note or other written agreement may provide that payment of any interest otherwise payable (i) before the beginning of the repayment period, (ii) during any period described in subparagraph (C), or (iii) during any other period of forbearance of payment of principal, may be deferred until not later than the date upon which repayment of the first installment of principal falls due or the date repayment of principal is required to resume (whichever is applicable) and may further provide that, on such date, the amount of the interest which has so accrued may be added to the principal"; and

(2) by striking out "student" in subparagraph (E).

(c) Subsection (b) of such section (relating to maximum interest rates) is amended by striking out "10 percent per annum" and inserting in lieu thereof "12 percent per annum".

(d) Such section is further amended by adding after subsection (c) the following new subsection:

"(d) No provision of any law of the United States (other than subsections (a)(2)(D) and (b) of this section) or of any State that limits the rate or amount of interest payable on loans shall apply to a loan insured under this subpart.".

(e) Subpart I of part C of title IV of the Public Health Service Act is amended as follows:

(1) In section 727(a), insert "(and certain former students of)" after "students in".

(2) In the first sentence of section 728(a), strike out "students" and insert in lieu thereof "borrowers".

(3) In the second sentence of section 728(a), insert "or to obtain a loan under section 731(a)(1)(B) to pay interest on such prior loans" after "to continue or complete their educational program".

(4) In section 728(c), strike out "student".

(5) In the second sentence of section 729(a)—

(A) strike out "student" the first time it appears and insert in lieu thereof "borrower"; and

(B) insert "borrower who is or was a" before "student" the second and third time it appears.

(6) In section 731(a)(2)(B), strike out "student" and insert in lieu thereof "borrower".

(7) In the heading to section 731, strike out "STUDENT".

(8) In subsections (a) and (b)(2) of section 732, strike out "student" and insert in lieu thereof "borrower" each time it appears.

(9) In subsections (b)(1) and (e) of section 732, strike out "student".

(10) In section 733, strike out "student" each time it appears.

(11) In the heading to section 733, strike out "STUDENT" and insert in lieu thereof "BORROWER".

(12) In section 738, strike out "student".

(13) In section 739(a)(1), strike out "student" and insert in lieu thereof "borrower".

(f) Section 737(1) of the Public Health Service Act is amended (1) by striking out "and public health" and inserting in lieu thereof "or public health", and (2) by inserting "(A)" after "that" and by inserting before the period the following: ", or (B) was not eligible to receive such a grant for such fiscal year solely because it did not meet the applicable requirements of section 771(b)(3)".

(g) The amendments made by this section shall take effect on October 1, 1977.

SEC. 5. Effective October 1, 1977, section 751(d)(2) of the Public Health Service Act is amended to read as follows:

"(2) second, to applications made (and contracts submitted)—

"(A) for the school year beginning in calendar year 1978, by individuals who are entering their first, second, or third year of study in a course of study or program described in subsection (b)(1)(B) in such school year;

"(B) for the school year beginning in calendar year 1979, by individuals who are entering their first or second year of study in a course of study or program described in subsection (b)(1)(B) in such school year; and

"(C) for each school year thereafter, by individuals who are entering their first year of study in a course of study or program described in subsection (b)(1)(B) in such school year.".

SEC. 6. (a)(1) Section 1515(b)(2) of the Public Health Service Act is amended (1) by striking out "which may not" and inserting in lieu thereof "which, except as otherwise provided in this paragraph, may not", and (2) by adding after the first sentence the following: "The Secretary may, upon application of a conditionally designated entity, extend for an additional period of not to exceed 12 months the period of such entity's conditional designation if the Secretary determines that (A) unusual circumstances exist or existed which prevent such entity from qualifying for designation under subsection (c) within 24 months of such entity's conditional designation under this subsection, (B) such extension should enable such entity to qualify for designation under subsection (c), and (C) such extension is necessary to carry out the purposes of this title. Each such determination shall be in writing and shall include a summary of the reasons for it.".

(2) The second sentence of section 1516(a) of such Act is amended by inserting before the period at the end a comma and the following: "except that in the case of a grant made to a conditionally designated entity with which the Secretary will not enter into a designation agreement under section 1515(c), such grant shall be available for obligation for such additional period as the Secretary determines such entity will require to satisfactorily terminate its activities under the agreement for its conditional designation".

(b) Section 1521(b)(2)(B) of the Public Health Service Act is amended by striking out "twenty-four months" and inserting in lieu thereof "thirty-six months".

SEC. 7. The Secretary of Health, Education, and Welfare shall conduct a study to determine whether schools of medicine, nursing, or osteopathy deny admission or otherwise discriminate against any applicant to such schools because of the applicant's reluctance, or willingness, to counsel, suggest, recommend, assist, or in any way participate in the performance of abortions or sterilizations contrary to his or her religious beliefs or moral convictions. Not later than March 1, 1978, the Secretary shall complete such study and report his findings and recommendations to the Committee on Interstate and Foreign Commerce of the House of Representatives and the Committee on Human Resources of the Senate.

SEC. 8. (a) Section 1121(b)(5) of the Public Health Service Act is amended by inserting "fiscal year" before "ending September 30, 1977".

(b) Section 206(b)(6) of the Public Health Service Act is amended by striking out "senior" and inserting in lieu thereof "junior".

(c) Section 772(b) of the Public Health Service Act is amended by striking out "section 778" and inserting in lieu thereof "section 788".

SEC. 9. Section 4839 of the Revised Statutes (24 U.S.C. 165) is amended by inserting after the fourth sentence the following: "With the approval of the Secretary of the Treasury, the disbursing agent may invest funds of the account in excess of current needs in interest-bearing obligations of the United States with maturities suitable for the needs of the account, and any interest on such investment shall be credited to and form a part of the account.".

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same.

HARLEY O. STAGGERS,
PAUL G. ROGERS,
RICHARDSON PREYER,
JAMES H. SCHEUER,
HENRY A. WAXMAN,
TIM LEE CARTER,
JAMES T. BROYHILL,
Managers on the Part of the House.

EDWARD M. KENNEDY,
CLAIBORNE PELL,
GAYLORD NELSON,
W. D. HATHAWAY,
H. A. WILLIAMS,
ALAN CRANSTON,
DON RIEGLE,
THOMAS EAGLETON,
DICK SCHWEIKER,
JOHN H. CHAFEE,
ROBERT T. STAFFORD,
ORRIN G. HATCH,
S. I. HAYAKAWA,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9418) to amend the Public Health Service Act to require increases in the enrollment of third-year medical students as a condition to medical schools' receiving capitation grants under such Act, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment to the text of the bill struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

U.S. FOREIGN MEDICAL STUDENTS

EXISTING LAW.—The Health Professions Educational Assistance Act of 1976 (Public Law 94-484) amendments to the Public Health Service Act required schools of medicine, in order to be eligible for capitation grants, to reserve positions in each of school years 1978-79, 1979-80, and 1980-81 for an

identified pool of United States students in foreign medical schools. Under these amendments a number of positions equal to the number of U.S. citizens who had enrolled in foreign medical schools prior to October 12, 1976 (the date of enactment of Public Law 94–484), had completed 2 years in such school, and had passed part I of the National Board of Medical Examiners' examination are to be equitably apportioned among schools of medicine receiving capitation grants. Public Law 95–83, enacted on August 1, 1977, expanded the pool of students to include students enrolled in special 2 year educational programs in the United States designed to prepare individuals to enter the third year classes of schools of medicine. The Secretary of Health, Education, and Welfare is to identify those individuals who meet the specified criteria by August 15, 1977, and August 15 of each of the next 2 years. A school of medicine would not be required to accept an identified student who did not meet the school's entrance requirements (other than academic or residency requirements) or if such acceptance would cause the school to lose its accreditation. Finally, the Secretary is authorized to waive the enrollment requirement upon a finding that, because of the inadequate size of the population served by the clinical facilities of a medical school, compliance with the requirement would prevent such school from providing high quality clinical training for the transfer students.

The House bill amended existing law to require a school of medicine, as a condition to receipt of capitation support, to increase its third-year enrollment. The increase was to occur in each of the school years 1978–1979 and 1979–1980 and was to be an increase over the number of students who were enrolled in and successfully completed the second year in the preceding school years by a number which was at least six percent of the lesser of the school's first year enrollment or third year enrollment in school year 1977–78. In making the required enrollment increase, schools of medicine could not count transfer students (1) who are not U.S. citizens, (2) from U.S. schools of medicine which have a place for such students in the third year, (3) who first enrolled in a foreign medical school after October 12, 1976, (4) from schools of dentistry or osteopathy, or (5) from unaccredited U.S. schools of medicine.

In addition, the House bill authorized the Secretary to waive, in whole or in part, the application of the required enrollment increase, if a schcol's accreditation would be threatened or because of the inadequate size of the population served by the clinical facility of the school it would be unable to provide high quality clinical training for each of its third-year students. In addition, the enrollment increase would not be required of a school of medicine whose first year enrollment in school year 1977–78 exceeded its third year enrollment by 25 percent.

Finally, under the House bill, any school of medicine which did not receive a capitation grant in either fiscal year 1978 or fiscal year 1979 because it did not comply with the enrollment increase requirement, did not receive a waiver, and was not exempt would be ineligible to receive a capitation grant for fiscal year 1980.

Under the Senate amendment, the requirement that schools of medicine enroll transfer students in order to be eligible for capitation support was repealed.

The conference substitute conforms to the House bill except that (1) the third year enrollment increase requirement is made applicable only with respect to school year 1978–79 (as a condition of receipt of fiscal year 1978 capitation grants), (2) the amount of increase is reduced to 5 percent, (3) additional authority to waive the requirement is provided the Secretary if he determines that a school has made a good faith effort to meet the requirement but there is an insufficient number of students who are eligible to be counted, and (4) if a school does not comply with the fiscal year 1978 capitation requirement, it is ineligible for receipt of capitation support appropriated for fiscal year 1979 or 1980.

The conferees do not intend the additional waiver authority to be used for schools who simply apply their normal admissions standards and find no student eligible to be counted can meet such standards.

The conference substitute would make eligible to be counted all those students who were eligible under the House bill. For example, schools can count as transfer students those students who had enrolled in foreign medical schools prior to October 12, 1976, who had successfully completed two years in a special educational program in the United States such as that of the Center for Biomedical Education of the City College of New York, or who had been enrolled in special Ph. D.-M.D. programs in the United States.

In addition, the conference substitute contains the provision of the House bill which permits schools of medicine to count as third year students, for the purposes of the enrollment increase, transfer students enrolled in the second year who were first enrolled in foreign medical schools prior to October 12, 1976.

In the view of the managers, this enrollment increase requirement in no way impinges on the academic freedom of schools of medicine to apply their own admissions criteria, while at the same time honoring, to the extent possible, the commitment made to those medical students studying overseas. The managers emphasize that the third year enrollment increase provision is a one year requirement only, and it is not their intent to resurrect this provision in future years.

The decision of several schools to forego capitation support unless the conditions for receipt were altered raises a significant question about the utility of this funding mechanism as a vehicle for accomplishing public policy objectives. Capitation support is an economic necessity for many schools. Other schools are not economically dependent on these funds. These schools would thus always retain the option of refusing capitation funds because of the attendant conditions, while the poorer schools could not afford to do so. This places the burden for implementing capitation related policies exclusively upon those schcols which cannot survive without capitation support. Federal policy, however, is intended to apply to all schools.

Thus the conferees have agreed to reexamine the manpower legislation early next year, and will pay particular attention to evaluating alternative approaches to the funding of medical education.

In addition, the conferees will examine the primary care residency requirements contained in existing law. This is necessitated by the development of new and accurate data by the Department of Health, Education, and Welfare, which indicates that the 1980 goal for primary care residencies, as stated in current law, has already been exceeded by the Nation's medical schools, yet the actual intent of the provision has not been fulfilled. The conferees reaffirm their original intention that 50 percent of all residents be trained in—and only in—primary care. The realization of this objective will require a revision of the current formula so that only residents trained exclusively in primary care will be counted.

The managers intend to examine closely the capitation and primary care issues during hearings which will be conducted early in 1978, and, if legislative revisions are necessary, the conferees intend that legislation be reported to the House and Senate floors by May 15, 1978.

DENTAL SCHOOL CAPITATION QUID PRO QUO

Existing law requires that, in order to be eligible for capitation grants for fiscal year 1979, 1980 and 1981, dental schools must provide assurances that at least 70 percent of any of the schools' new residency programs must be in general dentistry or pedodontics (children's dentistry). Under the House bill, this requirement was made applicable only to dental schools which, in school year 1976–77, had at least six first year positions in dental specialty programs.

Tht Senate amendment contained no comparable provision.

The conference substitute conforms to the House bill.

STUDY OF FOREIGN MEDICAL GRADUATES

The House amendment required the Secretary of HEW to conduct a study of the type and quality of training provided by foreign medical schools, the need in the United States for physicians trained in such schools, licensure requirements for such physicians, and the adequacy of such requirements to assure that health care provided by such physicians is of high quality. The Secretary was to report the results of the study to the House Committee on Interstate and Foreign Commerce and the Senate Committee on Human Resources by December 1, 1979.

The Senate amendment contained no comparable provision and the conference substitute does not include the House provision.

PRIORITY FOR AWARD OF NATIONAL HEALTH SERVICE CORPS SCHOLARSHIPS

The Senate amendment contained a provision, not included in the House bill, which required that, in the awarding of scholarships for school year 1978–79, the Secretary of HEW give priority to applications of individuals entering their first, second, or third year of study; for school year 1979–80 to individuals entering their first or second year; for school year 1980–81 and thereafter to individuals entering their first year of study. Existing law does not give a priority to individuals entering third year of study in school year 1978–79. Such students, prior to the enactment of the 1976 amendments and the increased authorization for scholarships had not been able to receive scholarships because HEW had awarded scholarships only to third and fourth year students.

The conference substitute conforms to the Senate amendment.

The conferees are concerned with respect to geographic allocation of the National Health Service Corps scholarship awards. The conferees are aware of the fact that a large percentage of these awards is going to a relatively small number of schools and that certain schools have very few scholarship recipients. The conferees feel strongly that NHSC scholarship awards should be more evenly distributed among the nation's medical schools since the ultimate objective of the program is to meet national health manpower needs. The managers intend to examine this issue carefully next year to consider if any legislative revisions are necessary.

MAXIMUM ALLOWABLE INTEREST FOR GUARANTEED STUDENT LOANS

The House bill contained a provision, not included in the Senate amendment, under which the maximum annual interest rates that a lender may charge under the guaranteed student loan program was raised from 10 to 12 per centum.

The conference substitute conforms to the House bill.

AMENDMENTS TO PL 93–641

Under the National Health Planning and Resources Development Act of 1974, the Secretary of HEW is required to enter into agree-

ments for the designation of health systems agencies. The Secretary is authorized to make such designation conditional for a period of up to 24 months. The House amendment contained a provision which authorized an entity's conditional designation for a period of not more than 12 months if the Secretary finds that the extension will enable the entity to qualify for full designation. In addition, the House amendment authorized that grants made to conditionally designated entities with which the Secretary will not enter into a designation agreement may be available for expenditure beyond the period of designation in order for the entity to satisfactorily terminate its activities under the agreement for its conditional designation.

Finally, under PL 93-641 the Secretary is required to enter into agreements with Governors of States for the designation of State health planning and development agencies. Such agreement may provide for the designation of a State agency on a conditional basis for a period of up to 24 months. Under the House bill, this period is extended to 36 months.

The Senate amendment contained no comparable provisions.

The conference substitute conforms to the provisions of the House bill except that, prior to extending the conditional designation of an entity seeking to become a health systems agency, the Secretary must determine in writing that unusual circumstances exist or existed which prevented the entity from qualifying for full designation. Each determination is required to include a summary of the reasons therefor.

The managers emphasize that the Department of Health, Education, and Welfare must move immediately to implement the amendments to title XV permitting an extended period of conditional designation for some health system agencies. Changes in existing regulations or new regulations should not be necessary. It is particularly important that those health systems agencies who will soon complete 24 months of conditional designation have the option of applying for an additional year of conditional designation or for full designation.

It is not the managers expectations, however, that this amendment be used to simply allow a marginal health systems agency another year of fundings. The Secretary must determine that the additional year will in all likelihood make the HSA qualified for full designation. Circumstances which might cause the Secretary to make such a determination include (but are by no means limited to) the following:

Health systems agencies which have received only minimal funding in the first year or two, and which were thus unable to obtain sufficient staff in order adequately to assume all the functions required for full designation.

Agencies serving areas that in whole or in large part have had to devote a greater portion of their effort and resources in the first two years to organizational development, community involvement, basic needs assessment, and the like.

Those health systems agencies which as a result of litigation brought against them have encountered delays in fully staffing up, proceeding with plan development, or taking other appropriate action.

Agencies which may not be able to move to full designation withln two years because belated designation of the State health planning and development agency has resulted in the late issuance of common plan formats and other requirements by the State agency; or because the State agency recently may have significantly revised the review procedures or criteria to be followed by the health systems agencies conducting proposed capital expenditure or other required reviews.

The managers wish to make it clear that in requiring the Secretary to make certain determinations about the HSA being reviewed it is not their intent to force new administrative requirements on the Department but rather to assure that the reasons for the extension, which are made public, are compelling.

USE OF NONPROFIT AGENCIES TO ASSIST IN RECRUITMENT FOR INDIAN HEALTH SERVICE

The Senate amendment contained a provision, not included in the House bill, which reinstated a provision of the Indian Health Care Improvement Act which authorized the Secretary of Health, Education, and Welfare to utilize nonprofit recruitment agencies to assist in obtaining personnel for the Public Health Service. This provision was inadvertently repealed by the 1976 health manpower legislation.

The conference substitute conforms to the Senate amendment.

ELIGIBLE PARTICIPANTS IN THE GUARANTEED STUDENT LOAN PROGRAM

Under existing law, students enrolled in schools which do not meet the various requirements in order to be eligible for capitation are not eligible to participate in the guaranteed health professions insured student loan program. The Senate amendment contained a provision, not included in the House bill, which excluded from this prohibition students enrolled in medical schools not participating in the U.S. foreign medical student transfer provision.

Under the conference substitute, students enrolled in schools which are not eligible for capitation support solely because such schools did not fulfill the third year enrollment increase requirement are nevertheless eligible to receive student loans.

PROHIBITION ON DISCRIMINATION IN ADMISSIONS PROCESS BECAUSE OF ABORTION OR STERILIZATION BELIEFS

The Senate amendment contained a provision, not included in the House bill, which prohibited any health professions school which receives support from the Secretary of HEW from denying admission or otherwise discriminating against an applicant because of his or her views on abortion or sterilization.

The House bill contained no comparable provision.

Under the conference substitute, the Secretary of Health, Education, and Welfare is required to conduct a study to determine whether schools of medicine, nursing, or osteopathy deny admission or otherwise discriminate against any applicant to such schools because of the applicant's views on abortions or sterilization. The Secretary is required to complete the study and report his findings to the Committee on Interstate and Foreign Commerce of the House of Representatives and the Committee on Human Resources of the Senate not later than March 1, 1978.

HARLEY O. STAGGERS,
PAUL G. ROGERS,
RICHARDSON PREYER,
JAMES H. SCHEUER,
HENRY A. WAXMAN,
TIM LEE CARTER,
JAMES T. BROYHILL,
Managers on the Part of the House.

EDWARD M. KENNEDY,
CLAIBORNE PELL,
GAYLORD NELSON,
W. D. HATHAWAY,
H. A. WILLIAMS,
ALAN CRANSTON,
DON RIEGLE,
THOMAS EAGLETON,
DICK SCHWEIKER,
JOHN H. CHAFEE,
ROBERT T. STAFFORD,
ORRIN G. HATCH,
S. I. HAYAKAWA,
Managers on the Part of the Senate.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Chirdon, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On November 4, 1977:

H.R. 2817. An act to provide for certain additions to the Tinicum National Environmental Center; and

H.R. 4297. An act to amend the Marine Protection, Research, and Sanctuaries Act of 1972 to authorize appropriations to carry out the provisions of such Act for fiscal year 1978.

On November 7, 1977:

H.J. Res. 611. Joint resolution to extend the authority of the Federal Reserve banks to buy and sell certain obligations.

On November 8, 1977:

H.J. Res. 621. Joint resolution approving the Presidential decision on an Alaska natural gas transportation system, and for other purposes;

H.R. 2850. An act to suspend until the close of June 30, 1978, the duty on certain latex sheets, and for other purposes;

H.R. 2982. An act to suspend until the close of June 30, 1980, the duty on synthetic tantalum/columbium concentrate, and for other purposes;

H.R. 3093. An act to provide duty-free treatment for certain copying lathes used for making rough or finished shoe lasts and for parts of such lathes, and for other purposes;

H.R. 3259. An act to continue to suspend for a temporary period the import duty on certain horses, and for other purposes;

H.R. 3461. An act for the relief of Chin-Ho An;

H.R. 5101. An act to authorize appropriations for activities of the Environmental Protection Agency, and for other purposes; and

H.R. 9090. An act to exempt disaster payments made in connection with the 1977 crops of wheat, feed grains, upland cotton, and rice from the payment limitations contained in the Agricultural Act of 1970 and the Agricultural Act of 1949.

On November 9, 1977:

H.R. 6010. An act to amend title XIII of the Federal Aviation Act of 1958 to expand the types of risks which the Secretary of Transportation may insure or reinsure, and for other purposes; and

H.J. Res. 643. Joint resolution making further continuing appropriations for the fiscal year 1978, and for other purposes.

On November 10, 1977:

H.R. 1139. An act to amend the National School Lunch Act and the Child Nutrition Act of 1966 in order to revise and extend the summer food program, to revise the special milk program, to revise the school breakfast program, to authorize the Secretary of Agriculture to carry out a program of nutrition information and education as part of food service programs for children conducted under such Acts, and for other purposes.

On November 12, 1977:

H.R. 1403. An act to authorize the Secretary of the Interior to convey the interest of the United States in certain lands in Adams County, Mississippi, notwithstanding a limitation in the Color-of-Title Act (45 Stat. 1069, as amended; 43 U.S.C. 1068);

H.R. 2527. An act to authorize the Secretary of Agriculture to convey certain lands in the Sierra National Forest California, to the Madera Cemetery District;

H.R. 2849. An act to suspend until July 1, 1978, the rate of duty on mattress blanks of latex rubber, and for other purposes;

H.R. 3373. An act to extend for an additional temporary period the existing suspen-

sion of duties on certain classifications of yarns of silk, and for other purposes; and

H.R. 3387. An act to extend certain Social Security Act provisions, and for other purposes.

On November 14, 1977:

H.R. 4458. An act to amend certain provisions of the Internal Revenue Code of 1954 relating to distilled spirits, and for other purposes.

On November 15, 1977:

H.R. 2501. An act to eliminate a conflict between the official cadastral survey and a private survey of the so-called Wold Tract within the Medicine Bow National Forest, State of Wyoming;

H.R. 7278. An act to amend section 10 of the Merchant Marine Act, 1936;

H.R. 8499. An act to amend the Alaska Native Claims Settlement Act;

H.R. 8992. An act to amend title 3 of the United States Code to change the name of the Executive Protective Service;

H.R. 9512. An act to amend the Higher Education Act of 1965 to include the Trust Territory of the Pacific Islands in the definition of the term "State" for the purpose of participation in programs authorized by that act;

H.R. 9704. An act to amend the Federal Crop Insurance Act, and for other purposes; and

H.R. 9836. An act to authorize the Architect of the Capitol to furnish chilled water to the Folger Shakespeare Library.

On November 16, 1977:

H.R. 8346. An act to amend the Urban Mass Transportation Act of 1964 to revise the program of Federal operating assistance provided under section 17 of such act;

H.R. 9019. An act to rescind certain budget authority contained in the message of the President of July 19, 1977 (H. Doc. 95-188), transmitted pursuant to the Impoundment Control Act of 1974; and

H.R. 9710. An act to extend the authority for the flexible regulation of interest rates on deposits and accounts in depository institutions, to promote the accountability of the Federal Reserve System, and for other purposes.

On November 18, 1977:

H.R. 6348. An act to convey to the Ely Indian Colony the beneficial interest in certain Federal land; and

H.R. 8777. An act to amend the Appalachian Regional Development Act of 1965 to permit an extension of the period of assistance for child development programs while a study is conducted on methods of phasing out Federal assistance to these programs.

On November 19, 1977:

H.R. 2770. An act to amend section 142 of title 28, United States Code, relating to the furnishing of accommodations to judges of the courts of appeals of the United States.

On November 23, 1977:

H.R. 422. An act to amend the Tariff Schedules of the United States to provide duty-free treatment of any aircraft engine used as a temporary replacement for an aircraft engine being overhauled within the United States if duty was paid on such replacement engine during a previous importation;

H.R. 2661. An act for the relief of Patricia R. Tully;

H.R. 4049. An act to amend the Regional Rail Reorganization Act of 1973 to authorize additional appropriations for the United States Railway Association, and for other purposes;

H.R. 7074. An act to provide improved authority for the administration of certain National Forest System lands in Oregon;

H.R. 8175. An act to amend the Veterans' Administration Physician and Dentist Pay Comparability Act of 1975, as amended, in order to extend the authority to enter into special-pay agreements with physicians and dentists; to amend title 38 of the United States Code to modify certain provisions relating to special-pay agreements; and for other purposes; and

H.R. 8701. An act to amend title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowance paid to eligible veterans and persons, to make improvements in the educational assistance programs, and for other purposes.

FUNDING FOR SUBCOMMITTEE ON INTERNATIONAL ORGANIZATIONS OF COMMITTEE ON INTERNATIONAL RELATIONS

Mr. ANNUNZIO. Mr. Speaker, by direction of the Committee on House Administration, I call up a resolution (H. Res. 915) authorizing funds for the investigation of Korean-American relations being conducted by the Subcommittee on International Organizations of the Committee on International Relations, and ask unanimous consent for its immediate consideration.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the resolution, as follows:

H. RES. 915

Resolved, That (a) there shall be paid out of the contingent fund of the House of Representatives, in accordance with subsection (b), for the period beginning January 3, 1978, and ending at the close of March 31, 1978, such sums as may be necessary for the continuance of necessary projects, activities, operations, and services, by contract or otherwise, including payment of staff salaries for services performed by the Committee on International Relations, acting through its Subcommittee on International Organizations, in carrying out the investigations and studies authorized by the resolution adopted by that committee on February 3, 1977 (such investigations and studies hereafter in this resolution being referred to as the "investigation of Korean-American relations").

(b) For purposes of the Investigation of Korean-American Relations, the Committee on International Relations shall be entitled, for each month or portion of a month occurring during the period specified in subsection (a), to payments out of the contingent fund of the House of Representatives in amounts equal to one-ninth of the total amount authorized for use for such investigation during the first session of the Ninety-fifth Congress by H. Res. 319, adopted March 9, 1977.

SEC. 2. For the period beginning December 1, 1977, and ending at the close of March 31, 1978, not to exceed $10,000 in expenses for foreign travel on official business by members and staff of the Subcommittee on International Organizations of the Committee on International Relations in carrying out the Investigation of Korean-American Relations shall, to the extent that such expenses are in excess of the amounts available for such expenses under the first section of this resolution or under H. Res. 319, adopted March 9, 1977, be paid out of the contingent fund of the House of Representatives.

SEC. 3. Amounts authorized by section 2 of this resolution or by H. Res. 319, adopted March 9, 1977, for the Committee on International Relations for purposes of the Investigation of Korean-American Relations shall not be considered as payments authorized for use by the Committee on International Relations during the first session of the Ninety-fifth Congress in determining the entitlement of that committee to payments out of the contingent fund under the first section of H. Res. 879, adopted November 2, 1977.

SEC. 4. The entitlement of the Committee on International Relations to payments out of the contingent fund of the House of Representatives pursuant to the provisions of this resolution shall cease to be effective on the effective date of the primary expense resolution adopted with respect to the Investigation of Korean-American Relations.

SEC. 5. Funds authorized by this resolution shall be expended pursuant to regulations established by the Committee on House Administration in accordance with law.

Mr. ANNUNZIO (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the resolution be dispensed with and that it be printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER pro tempore. The gentleman from Illinois (Mr. ANNUNZIO) is recognized for 1 hour.

Mr. ANNUNZIO. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from Ohio (Mr. DEVINE), for debate purpose only, pending which I yield myself such time as I may consume.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Illinois (Mr. ANNUNZIO).

Mr. ANNUNZIO. Mr. Speaker, House Resolution 915 provides funds in the amount of $10,000 to the Subcommittee on International Organizations for the purposes of carrying on the investigation of Korean-American relations.

During the hearings, the subcommittee chairman, the gentleman from Minnesota (Mr. FRASER), informed the committee that this amount was necessary because they were not allowed to use counterpart funds.

There were no objections from the ranking minority member, the gentleman from Illinois (Mr. DERWINSKI).

Mr. DEVINE. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. DERWINSKI).

Mr. DERWINSKI. Mr. Speaker, the matter involved here is $10,000, basically for travel, which is made necessary because of the change in rules with respect to using counterpart funds.

The gentleman from Illinois (Mr. ANNUNZIO) properly indicated that there is no opposition on the part of the minority to this specific amount. However, at the House Administration Subcommittee meeting and here today, I serve notice that I will discuss in full detail the budget of the subcommittee for the forthcoming year. I would like to point out to the Members that service on the subcommittee is not necessarily a bed of roses. We have major differences of opinion and considerable controversy. The Committee on House Administration should take a

good, hard look at the subcommittee budget and especially its administration when they undertake next year's budget process.

However, this particular item is necessary.

Mr. DEVINE. Mr. Speaker, I have no further requests for time, and reserve the balance of my time.

Mr. ANNUNZIO. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DEL CLAWSON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 366, nays 2, not voting 66, as follows:

[Roll No. 759]

YEAS—366

Addabbo	Chappell	Ford, Tenn.
Akaka	Clausen,	Forsythe
Allen	Don H.	Fountain
Ambro	Clawson, Del	Fowler
Ammerman	Clay	Fraser
Anderson,	Cleveland	Frenzel
Calif.	Coleman	Fuqua
Anderson, Ill.	Collins, Ill.	Gammage
Andrews, N.C.	Collins, Tex.	Gaydos
Andrews,	Conable	Gephardt
N. Dak.	Conte	Giaimo
Annunzio	Corcoran	Gibbons
Applegate	Corman	Gilman
Archer	Cornell	Ginn
Ashley	Cornwell	Glickman
Aspin	Cotter	Gonzalez
AuCoin	Coughlin	Goodling
Bafalis	Crane	Gore
Baldus	D'Amours	Gradison
Barnard	Daniel, Dan	Grassley
Bauman	Daniel, R. W.	Gudger
Beard, R.I.	Davis	Guyer
Beard, Tenn.	de la Garza	Hagedorn
Bedell	Delaney	Hall
Beilenson	Derrick	Hamilton
Benjamin	Derwinski	Hammer-
Bennett	Devine	schmidt
Bevill	Dickinson	Hanley
Biaggi	Dicks	Hannaford
Bingham	Diggs	Harkin
Blanchard	Dingell	Harris
Blouin	Dornan	Harsha
Boggs	Downey	Hawkins
Boland	Drinan	Hefner
Bonior	Duncan, Tenn.	Heftel
Bonker	Early	Hillis
Bowen	Eckhardt	Hollenbeck
Brademas	Edgar	Holt
Breaux	Edwards, Ala.	Holtzman
Breckinridge	Edwards, Calif.	Horton
Brinkley	Edwards, Okla.	Howard
Brodhead	Eilberg	Hubbard
Brooks	Emery	Huckaby
Broomfield	English	Hughes
Brown, Calif.	Erlenborn	Hyde
Brown, Mich.	Ertel	Ichord
Brown, Ohio	Evans, Colo.	Ireland
Broyhill	Evans, Ga.	Jeffords
Buchanan	Evans, Ind.	Jenkins
Burgener	Fary	Jenrette
Burke, Calif.	Fascell	Johnson, Calif.
Burke, Mass.	Fenwick	Johnson, Colo.
Burleson, Tex.	Findley	Jones, N.C.
Burlison, Mo.	Fish	Jordan
Burton, Phillip	Fisher	Kastenmeier
Butler	Flippo	Kazen
Caputo	Flood	Ketchum
Carney	Florio	Kildee
Carr	Flowers	Kindness
Carter	Flynt	Kostmayer
Cavanaugh	Foley	Krebs
Cederberg	Ford, Mich.	LaFalce
Lagomarsino	Myers, John	Sikes
Le Fante	Myers, Michael	Shuster
Leach	Natcher	Simon
Lederer	Neal	Sisk
Leggett	Nedzi	Skelton
Lehman	Nichols	Skubitz
Levitas	Nix	Slack
Livingston	Nolan	Smith, Iowa
Lloyd, Calif.	Nowak	Solarz
Lloyd, Tenn.	O'Brien	Spellman
Long, La.	Oakar	Spence
Long, Md.	Oberstar	St Germain
Lott	Obey	Staggers
Lujan	Ottinger	Stangeland
Luken	Panetta	Stanton
Lundine	Patten	Stark
McClory	Patterson	Steed
McCloskey	Pattison	Steers
McCormack	Pease	Steiger
McDade	Pepper	Stockman
McEwen	Perkins	Stokes
McFall	Pettis	Stratton
McHugh	Pickle	Studds
McKay	Pike	Stump
McKinney	Pressler	Symms
Madigan	Preyer	Taylor
Maguire	Price	Thompson
Mahon	Pritchard	Thornton
Mann	Purseli	Traxler
Markey	Quillen	Treen
Marks	Rahall	Trible
Marlenee	Rangel	Tucker
Marriott	Regula	Ullman
Martin	Rhodes	Vander Jagt
Mathis	Richmond	Vanik
Mattox	Rinaldo	Vento
Meeds	Risenhoover	Volkmer
Metcalfe	Roberts	Waggonner
Meyner	Robinson	Walgren
Michel	Rodino	Walker
Mikulski	Roe	Walsh
Mikva	Roncalio	Wampler
Milford	Rooney	Watkins
Miller, Calif.	Rose	Weaver
Miller, Ohio	Rostenkowski	Weiss
Mineta	Rousselot	Whitehurst
Minish	Roybal	Whitley
Mitchell, Md.	Rudd	Whitten
Mitchell, N.Y.	Runnels	Wilson, Bob
Moakley	Russo	Wilson, Tex.
Moffett	Ryan	Winn
Mollohan	Santini	Wirth
Moore	Sarasin	Wright
Moorhead,	Satterfield	Wylie
Calif.	Sawyer	Yates
Moorhead, Pa.	Scheuer	Yatron
Moss	Schroeder	Young, Fla.
Mottl	Schulze	Young, Mo.
Murphy, N.Y.	Sebelius	Young, Tex.
Murphy, Pa.	Seiberling	Zablocki
Murtha	Sharp	Zeferetti
Myers, Gary	Shipley	

NAYS—2

Jacobs	Keys

NOT VOTING—66

Abdnor	Fithian	Quayle
Alexander	Frey	Quie
Armstrong	Goldwater	Railsback
Ashbrook	Hansen	Reuss
Badham	Harrington	Rogers
Badillo	Heckler	Rosenthal
Baucus	Hightower	Ruppe
Bolling	Holland	Smith, Nebr.
Burke, Fla.	Jones, Okla.	Snyder
Burton, John	Jones, Tenn.	Teague
Byron	Kasten	Thone
Chisholm	Kelly	Tsongas
Cochran	Kemp	Udall
Cohen	Koch	Van Deerlin
Conyers	Krueger	Waxman
Cunningham	Latta	Whalen
Danielson	Lent	White
Dellums	McDonald	Wiggins
Dent	Mazzoli	Wilson, C. H.
Dodd	Montgomery	Wolff
Duncan, Oreg.	Murphy, Ill.	Wydler
Evans, Del.	Poage	Young, Alaska

The Clerk announced the following pairs:

On this vote:

Mr. Jones of Tennessee for, with Mr. McDonald against.

Until further notice:

Mrs. Chisholm with Mr. Abdnor.

Mr. Alexander with Mr. Burke of Florida.

Mr. Harrington with Mr. Cochran of Mississippi.

Mr. Teague with Mr. Evans of Delaware.

Mr. Waxman with Mr. Frey.

Mr. Van Deerlin with Mr. Badham.

Mr. Wolff with Mr. Cunningham.

Mr. Montgomery with Mr. Hansen.

Mr. Murphy of Illinois with Mr. Armstrong.

Mr. John Burton with Mr. Holland.

Mr. Byron with Mr. Kasten.

Mr. Danielson with Mr. Latta.

Mr. Dellums with Mr. Goldwater.

Mr. Fithian with Mr. Wydler.

Mr. Dent with Mr. Ashbrook.

Mr. Jones of Oklahoma with Mr. Whalen.

Mr. Dodd with Mr. Young of Alaska.

Mr. Koch with Mr. Cohen.

Mr. Badillo with Mr. Kelly.

Mr. Baucus with Mr. Thone.

Mr. Mazzoli with Mrs. Heckler.

Mr. White with Mr. Wiggins.

Mr. Duncan of Oregon with Mr. Kemp.

Mr. Rosenthal with Mr. Ruppe.

Mr. Rogers with Mrs. Smith of Nebraska.

Mr. Reuss with Mr. Quie.

Mr. Tsongas with Mr. Snyder.

Mr. Udall with Mr. Quayle.

Mr. Conyers with Mr. Charles H. Wilson of California.

Mr. Hightower with Mr. Lent.

Mr. Krueger with Mr. Railsback.

Mr. KREBS changed his vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ANNUNZIO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Resolution 921 and House Resolution 915 just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

AMENDING PRIVATE LAW 95–21 TO MAKE A TECHNICAL CORRECTION THEREIN

Mr. RONCALIO. Mr. Speaker, I ask unanimous consent that the Committee on Interior and Insular Affairs be discharged from further consideration of the Senate bill (S. 2328) to amend Private Law 95–21 to make a technical correction therein, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wyoming?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 2328

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1(1) of the Act entitled "An Act to eliminate a conflict between the official cadastral survey and a private survey of the so-called Wold Tract within the Medicine Bow National Forest, State of Wyoming", approved on November 15, 1977 (Private Law 95–21), is amended by striking "1,000.8 feet" and inserting in lieu thereof "100.8 feet".

Mr. RONCALIO. Mr. Speaker, this bill, S. 2328, merely makes a technical correction in Private Law 95–21 and was passed yesterday without objection in the Senate.

Private Law 95–21, signed by the President on November 15, 1977, eliminates a conflict between the official survey and a private survey of the so-called Wold tract within the Medicine Bow National Forest, Wyo.

After passage by the Congress on November 3, 1977, it was discovered that during the course of being reprinted, one of the numbers contained in the legal description of the tract was misprinted as 1000.8 feet rather than the correct figure of 100.8 feet.

The Department of Agriculture Solicitor and Wyoming legal experts determined that the error would convey no more land than that originally intended by the act. Under rules of construction and other legal concepts, only the lands intended by Congress will be conveyed. The administration agreed with this assessment and the President signed the bill, H.R. 2501, into law on November 15, 1977 as Private Law 95–21.

Thus, while it is not essential to amend the law, I believe this action should be taken to eliminate any ambiguity which may result from the typographical error. I urge passage by unanimous consent of S. 2328.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANNUAL REPORT OF NATIONAL ADVISORY COUNCIL ON EXTENSION AND CONTINUING EDUCATION FOR FISCAL YEAR 1977—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Education and Labor:

To the Congress of the United States:

Enclosed is the "Annual Report of the National Advisory Council on Extension and Continuing Education for FY 1977," prepared in accordance with the requirement of Section III(b) of Title III of the Higher Education Act of 1965, covering calendar year 1976, preceding my term of office.

This report addresses the need for continuing education programs and the Council's recommendations for policies, funding and administrative structures toward this end.

The Report of the Council is being carefully studied and evaluated. I am forwarding the Report so that it is available to the Congress for its deliberations.

JIMMY CARTER.

THE WHITE HOUSE, *December 1, 1977.*

ELEVENTH ANNUAL REPORT ON OPERATION OF AUTOMOBILE PRODUCTS TRADE ACT OF 1965—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection referred to the Committee on Ways and Means:

To the Congress of the United States:

I hereby submit the Eleventh Annual Report on the Operation of the Automotive Products Trade Act of 1965. This Report covers a time period before the commencement of my term of office.

JIMMY CARTER.

THE WHITE HOUSE, *December 1, 1977.*

ADELIDA REA BERRY

Mr. EILBERG. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 5555) for the relief of Adelida Rea Berry, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 4, strike out "Adelida" and insert "Adelaida".

Amend the title so as to read: "An Act for the relief of Adelaida Rea Berry.".

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, is my understanding correct that this is nothing more than a spelling error which is being corrected?

Mr. EILBERG. If the gentleman will yield, that is correct.

Mr. BAUMAN. It has already passed the House without objection?

Mr. EILBERG. The House bill misspelled the first name of the beneficiary involved.

Mr. BAUMAN. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

A motion to reconsider was laid on the table.

IN MEMORY OF THE LATE JOHN L. McCLELLAN, SENATOR FROM ARKANSAS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. HAMMERSCHMIDT) is recognized for 60 minutes.

GENERAL LEAVE

Mr. HAMMERSCHMIDT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include therein extraneous matter on the life, character, and public service of the late Honorable JOHN L. McCLELLAN, Senator from Arkansas.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HAMMERSCHMIDT. Mr. Speaker, I take this time in behalf of my Arkansas colleagues Mr. ALEXANDER, Mr. THORNTON, Mr. TUCKER, and for myself so that we in the House of Representatives will have the opportunity to honor the memory and service of a great man.

JOHN L. McCLELLAN, who passed away in his sleep November 28, 1977, in Little Rock, Ark., in my opinion was one of the greatest Senators to ever serve this Nation in its 200-plus year history.

On the sad occasion of his passing, all who knew him and all those he served so faithfully and well, know that we have suffered a grievous loss.

JOHN L. McCLELLAN was a tower of strength. He was a man of unassailable integrity and diligence.

I only regret that, after a lifetime of publicly serving others, he had no time left in which to enjoy a few years of well-earned retirement in which to serve himself.

Last February 25 in the historic city of Fort Smith, Ark., I had the distinct honor of addressing a gathering of friends of the late Senator. It was a happy occasion—a special heartfelt tribute to that great, beloved man on the occasion of his 81st birthday.

Now, Mr. Speaker, on this sad day, as I struggle to share with you some of my thoughts about a truly great American, I wonder how, in a few words, or even a few thousand words, to really capture the story of JOHN L. McCLELLAN; his contributions and achievements; his impact upon our State and Nation?

What can really be said—in a few minutes, or in a few hours—about JOHN McCLELLAN, that can begin to approach the core of his greatness?

How could I begin to express the deep feelings of appreciation and affection we hold for him in our hearts?

Arkansans are proud of the history of our State and the role it has played in the development of our Nation.

During the past four decades, those developments have been tremendous, and far-reaching. Frequently during that time, much of the history of the world has been written by fast-moving, day-by-day events in official Washington.

And, throughout most of that critical period, JOHN L. McCLELLAN, the gentleman from Arkansas, has been here—and has been a vital part of that history—and of those developments which have shaped it—4 years in the House, as Representative from the old Sixth Congressional District of Arkansas, followed by 34 years in the Senate.

Over those years, we have come to associate him with all of those ideals dear to America and our way of life. We found great and constant comfort—and reassurance—in the knowledge that this most distinguished son of Arkansas— with his keen intelligence, his vast wisdom, and his tremendous integrity—was in Washington and in the Senate—as a tower of strength, and decency, and justice, upon whom we could depend.

This sense of great security came, not so much from his long tenure of service, but from the great character and quality of that service.

Current conditions are quite different from those of the depression—and the dust bowl—of the 1930's—when JOHN McCLELLAN first came to Washington. We could speak at great length regarding Senator McCLELLAN's role in improving the well-being of our Nation.

In taking his seat as a freshman Member of the 74th Congress—in January, 1935—he sought, and won, committee as-

signments which included the urgent jurisdictions of that time: flood control, irrigation and reclamation, and roads.

Moving to the Senate, his basic concerns were expanded and strengthened through the jurisdiction of the Senate Committee on Public Works—and through the necessary support of the Committee on Appropriations, which, later, he chaired so very ably.

To appreciate Senator MCCLELLAN's foresight and leadership, consider just one of the many possible examples—his coordinated effort with another giant of the Senate, Bob Kerr, to bring to reality, the McClellan-Kerr Arkansas River navigation system.

Today, with everyone concerned about rising costs we can appreciate that the navigable waterway foreseen by Senator MCCLELLAN is the least costly means of transporting bulk cargo. In today's energy-conscious environment, coal and oil constitute 60 percent of all waterways traffic.

During JOHN MCCLELLAN's 38 years in the Congress, eight Presidents have occupied the White House—Franklin Roosevelt, Harry Truman, Dwight Eisenhower, John Kennedy, Lyndon Johnson, Richard Nixon, Gerald Ford, and now Jimmy Carter.

As early as his very first congressional term, JOHN MCCLELLAN demonstrated that, while he sought to support the President wherever he could, he did not hesitate to differ with even a President of his own party when policies were in conflict with his understanding of the best interests of our country.

And, when in the 1940's the differences became so great, so vital, as to concern his concept of the rights of the State, he was not afraid to break with his President and his party platform to run on his own unassailable integrity as an independent Democrat.

What greater commentary could be offered on JOHN MCCLELLAN's long-running concern for the size and cost of government, than his lengthy record of practical fiscal prudence—not only as an individual Congressman, but as a member, and chairman of, the powerful Senate Committee on Appropriations—and as a member, and former chairman, of the Committee on Government Operations.

JOHN MCCLELLAN's innate respect for the law, and for the order it assures, came to light at the age of 12, when he determined that it was to be his profession.

At that early age, in Grant County in his native Sheridan, he actually began his study of the law in his father's law office.

Five years later, at the age of 17, he was to become the youngest lawyer in the history of Arkansas when—by special act of the State legislature—he was admitted to the bar.

Following his honorable discharge from World War I as a first lieutenant, he returned to the law, first as attorney for the city of Malvern, and then, as prosecuting attorney for the Seventh Judicial District of Arkansas.

In that position he so distinguished himself as to move, next, to election to the Congress of the United States.

It was, of course, in the Senate, in the 1960's, in which the name MCCLELLAN became nationally recognized, as he gained attention and respect as an able and effective investigator of crime and criminal activity.

It was against that prestigious reputation that, in 1968, he became the sponsor, and floor manager, of the landmark piece of anticriminal legislation that was the Omnibus Crime Control and Safe Streets Act. Then, 2 years later, it was he who proposed the Organized Crime Control Act.

And, as we know, he continued to serve as a member of the permanent Subcommittee on Investigations—and, as ranking member of the full Committee on the Judiciary of which he was a recognized expert.

No greater, more poignant, commentary could one offer on JOHN MCCLELLAN's long-running advocacy of a strong national defense—with firm, positive, and reliable alliances, than in his long record of support of our military forces—and in his early support of the North Atlantic Treaty Organization (NATO).

Attempting to pay proper tribute to the memory of JOHN L. MCCLELLAN challenges the most intimate knowledge of the workings of the U.S. Senate and of the past 40 years of history.

During his life, many were privileged to know him in various capacities. It has been my great personal privilege—and source of tremendous inspiration, to be permitted to know him as a respected colleague, a good friend, a kindly teacher, and a considerate mentor.

Sometimes, we were moved to cry with him—or for him—in moments of terrible personal tragedy. But, even then, we saw in him a tremendous philosophy. A greatness of faith, a gigantic discipline, and an incredible inner strength.

Fortunately, we had more frequently, the opportunity to rejoice with him—or for him, and to smile with him—in his moments of achievement.

On occasion, of course, we were also able to share with him the hurt imposed by those who failed to appreciate his wisdom in rejecting the easy, short-range, momentarily popular route in favor of the noble route of principle—and long-range good for all of the people of America.

JOHN MCCLELLAN was a very special friend—and great statesman—whose lifetime of consistent, dedicated service to God and country is, in itself, a superlative story—with the benchmark of greatness etched into every milestone. I shall miss him—his leadership, his friendship, and his wise counsel.

As lawyer, soldier, prosecutor, Representative, and Senator—he remained the faithful son of Arkansas; the devoted defender of human dignity and freedom, under the American system of government and the majesty of the law, of which he had such profound knowledge—and tremendous respect.

My wife Virginia and our son John, join me in expressing our deepest sympathy to Senator MCCLELLAN's wife Norma, and all the Senator's family.

Mr. THORNTON. Mr. Speaker, will the gentleman yield?

Mr. HAMMERSCHMIDT. I am very pleased to yield to my good friend and distinguished colleague, the gentleman from Arkansas (Mr. THORNTON).

Mr. THORNTON. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I would like first to express my deepest sympathy to Senator MCCLELLAN's wife, Norma, and to his family. JOHN MCCLELLAN was not only a great national leader but a true friend, and I would like for them to know the depth of the personal loss I feel.

When I was growing up in Sheridan, Ark., the Senator's father, Isaac McClellan, early counseled me to go into the field of law.

Later, when I was attending the University of Arkansas, I served with his son, John L. McClellan, Jr., on the school's debating team. We were close friends, and I understood how deeply the Senator was affected by the tragic automobile accident which took John Jr.'s life.

I also understood the painful loss he suffered when an airplane crash cut short the life of his third son, James. As young lawyers starting our careers in central Arkansas, we had been close friends, as well.

Although personal adversities prove overwhelming for some, JOHN MCCLELLAN faced tragedy with great dignity and turned the most awesome of challenges into outstanding achievements.

Across our Nation stand such lasting, tangible monuments to his hard and effective work as the McClellan-Kerr navigation project.

Less tangible, but even more lasting, are such monuments as the reform of committee investigative procedures which he brought about and the work toward criminal code revision which he had begun.

I would like to share with my colleagues the following tribute, which appeared in the Washington Post on Tuesday, November 29:

JOHN LITTLE MCCLELLAN

John L. McClellan, the Arkansas Democrat, was nearing the end of his fifth term in the Senate when he died yesterday at the age of 81. So, his career spanned some enormously important—and occasionally convulsive—changes in the country's public life; and it also brought him the entitlements and rank that go with longevity in office: Sen. McClellan was chairman of the Senate Appropriations Committee when he died, and he had previously been chairman of the Senate Committee on Government Operations. He had played a prominent role in the civil rights battles of the postwar years, the Army-McCarthy hearings, the labor and crime legislation that took shape in the past two decades.

In much of this we had found ourselves on the opposite side from John McClellan, especially where racial and civil-liberties questions were concerned. But none of that alters our view that Sen. McClellan was a man of personal dignity and fairness, who did not abuse his power in the Senate or seek to close out the views of those who disagreed with him. And wherever others, ourselves included, may have fetched up concerning his principal interest—i.e., the creation of conditions that would restore respect for authority in this country—no one could deny the relevance of this preoccupation to our public life in recent years. One didn't have to share Mr. McClellan's conclu-

sions on how to deal with crime to share his outrage at the organized depredations of the labor and Mafia racketeers.

Sen. McClellan does leave one indisputably monumental achievement: the enormous and enormously complex codification of the nation's criminal laws on which he had worked for many years and which he had not so long ago managed to accommodate to the views of some of his critics, such as Sen. Edward Kennedy. The negotiated result, now before the Congress, is legislation of great stature and importance—truly of landmark quality.

We would mention only one further aspect of the senator's record. That is the sad and terrible record of personal tragedy that befell him as a father three times bereaved in a life that was stark and Job-like in its accumulated ordeals. John McClellan fought back, mastered his sorrow, overcame the temptation to self-pity and, with hard work, built a new life. This is a town where accomplishment is often measured in terms of legislative monuments alone. But we put Sen. McClellan's personal strength in the face of adversity at the top of the list of his life achievements.

JOHN MCCLELLAN'S accomplishments in public life demonstrate the remarkable impact which one man can have on our resources, our values, and our laws.

When we think of them, I hope we will keep in mind the manner in which they were achieved. For JOHN MCCLELLAN always held his high standard of integrity in full view of the American people.

Through times of peril and doubt, this gentleman maintained a personal honesty and candor which serves as an example for us all.

As the flags of this Nation were lowered to half-mast in mourning, I know all of us were touched; but my own thought was that the flag flying at half-mast does not symbolize JOHN MCCLELLAN to me. The flag that JOHN MCCLELLAN served so well is a high-flying flag at the top of its staff, waving freely and proudly in the breeze.

His work has strengthened our Nation, and JOHN MCCLELLAN'S life has strengthened our faith in its institutions.

Mr. HAMMERSCHMIDT. Mr. Speaker, I thank the gentleman for his contribution.

I now yield to our distinguished minority leader, the gentleman from Arizona (Mr. RHODES).

Mr. RHODES. Mr. Speaker, I was saddened to learn of the passing of one of the Nation's great citizens, Senator JOHN L. MCCLELLAN. He served in the Congress for 39 years and spent nearly a half century in public service.

It was my privilege to have worked with Senator MCCLELLAN on many appropriations measures as we went to conference to reconcile House and Senate bills. I found him to be both fair and forthright, but also a likeable person.

JOHN MCCLELLAN had many interests, among them reorganization of Government, which he pursued as chairman of the Government Operations Committee at the time of the first Hoover Commission.

He was a strong force in combatting crime and presided over many investigations of racketeering. His most recent major project was reform of the Nation's Federal Criminal Code, on which he had worked for nearly a decade. He helped shape major anticrime legislation in 1968 and 1970. He believed strongly in strict punishment for major crimes and supported the efforts of law enforcement agencies to control criminal activities.

He took part in many historic hearings and was an advocate of law and order and a strong national defense.

I share with my colleagues our sense of loss at the passing of our long-time colleague. My wife Betty and I offer our condolences to his family.

Mr. MAHON. Mr. Speaker, I want to join my colleagues in paying tribute to the memory of JOHN MCCLELLAN.

In his capacity as chairman of the Senate Committee on Appropriations and in my capacity as chairman of the House Committee on Appropriations we were associated together on many occasions and under many circumstances.

He was an able and effective statesman who made a major contribution to the Nation. He was my friend.

At a later moment, I shall make further comments in regards the life and record of this distinguished American.

Mr. WAGGONNER. Mr. Speaker, the death Monday of Senator JOHN MCCLELLAN ended the career of a great Senator and a devoted public servant. I am honored to join the other Members of the House in mourning his passing and honoring his memory.

Because my district of Louisiana borders Arkansas and the peoples of these two great States share the same beliefs, traditions, and values, I have an especially warm spot in my heart for Senator MCCLELLAN. Grant County, where the Senator was born, grew to manhood and began his distinguished public career, is literally in the heart of Arkansas, and the people of Arkansas took him to their hearts. Values go deep there, and people place much stock in a person's character. In JOHN MCCLELLAN, the people of Arkansas found a personal strength and dignity that was matched only by an innate sense of fairness and integrity. Anyone who knew the Senator, even in a casual way, knew that his word was his bond and a promise had meaning and could be counted upon. In an age when strength of character seems to be an old-fashion virtue, JOHN MCCLELLAN stood out as a man who knew what he believed and held tight to those convictions throughout his life.

In a career that spanned 50 years at the local and national level, he saw enormous changes in this country. We are fortunate that he was a part of that change, because we needed his wise leadership during those troubled times. He was a calm voice of reason amid the shrill outcries that shook America during the 1950's and 1960's. His influence was one of moderation. He grew in public stature when the country saw his uncompromising probes into organized crime and labor corruption as chairman of the Senate Permanent Subcommittee on Investigations. In his 18 years as chairman, JOHN MCCLELLAN pursued wrongdoing wherever it was uncovered, but under his guidance the rights of witnesses before his subcommittee were scrupulously protected.

As chairman of the Appropriations Committee, he championed a strong national defense and fiscal responsibility. The taxpayers had a friend in JOHN MCCLELLAN because he believed that tax money should be spent wisely. He looked after the interest of the average working, taxpaying American.

Only eight Members of the Senate served longer than JOHN MCCLELLAN, but few have served more honorably. His list of achievements in public office are numerous. His memory will be enshrined in Arkansas because of his untiring work on the Arkansas River Navigation project which benefited that entire region of the country. His long-cherished dream became a reality under his guidance, and he lived to see the fruits of his hard labor.

Our hearts and sympathy go out now to his beloved wife, Norma, during this time of sorrow. In his passing, Arkansas has lost one of the greatest native sons it ever produced, we in Congress lost a dear and valued friend, and the country has lost a great American.

The memory of Senator JOHN LITTLE MCCLELLAN will live on, and this country is a better place for him having served it so well.

Mr. RODINO. Mr. Speaker, the people of our Nation and the Members of the Congress of the United States today mourn the loss of the late senior Senator from Arkansas, JOHN L. MCCLELLAN.

As a man coming from a poor and simple background, Senator MCCLELLAN achieved success through hard work, diligence and personal sacrifice. He was an individual of great compassion and understanding. Throughout his nearly 50 years of public service to his community, his State and his country, Senator MCCLELLAN was committed to bringing about a safer society free from the influence of crime.

To accomplish that goal, he became a guiding force in all major law enforcement legislation, especially in the last 10 years. As chairman of the House Judiciary Committee it was my privilege to work with the late Senator in improving the Federal criminal justice system. Senator MCCLELLAN'S interest was broad enough and wise enough to encompass the innocent victims of violent crime. He was always a strong supporter of such legislation.

Earlier this year, Senator MCCLELLAN and Senator KENNEDY introduced a landmark bill, S. 1437, which will revise and codify the entire body of Federal criminal law. At the same time, I introduced a parallel bill, H.R. 6869, which is being considered by the House of Representatives. The eventual passage of the revised Federal Criminal Code and the Victims of Crime Compensation Act, along with his many other achievements in the criminal justice field, such as the Omnibus Crime Control and Safe Streets Act of 1968 and 1970, will bear witness to his efforts to bring about a safer society. The ambitious nature of these undertakings and Senator MCCLELLAN'S commitment to their eventual success

will stand forever as a tribute to his many contributions to our Nation.

Senator McCLELLAN not only made his presence felt in the criminal justice field, he was also deeply involved in the financial management of the United States in his position as chairman of the Senate Appropriations Committee. As such, the Senator strove to assure the people of this country that the major legislative programs were properly funded and administered. However, his voice was heard loudest in Congress' efforts to streamline the Federal Government and to avoid wasteful spending.

To many, the late Senator will be remembered as a tough and responsible investigator, who as chairman of the Senate Government Operations Committee and the Select Committee on Improper Activities brought to light the improprieties and corruption in the labor management field. To others, he will be remembered for his work in revitalizing the rural areas of the United States. Despite the wide range of Senator McCLELLAN's accomplishments over his 38-year stay in the Congress, we all pay tribute to him because he was a man whose finest qualities were his decency, his integrity, his loyalty, his leadership and most importantly, his compassion for his fellow man.

Mr. ALEXANDER. Mr. Speaker, it is in a mood of sadness and one of meditation on greatness that I have come to the task before us today. Senator JOHN L. McCLELLAN is dead. One of the final notes of the symphony of a political era has been silenced. We in Arkansas feel that a giant oak has fallen with the passing of our senior Senator.

Thousands of words will be spoken and written in our days of remembering the service of this man of vision, this man of purpose, this man of principle. It will be difficult if not impossible to capture the essence of this dedicated and determined man who, with his family, gave a half century of thought, energy, initiative, and creativeness to serving his people. It is in keeping with the Senator's legacy that we strive for success.

This is the second time I have prepared remarks for presentation in this Chamber in praise of Senator McCLELLAN. That other time was 7 years ago. We were moving then to recognize his contributions to the commerce and the inland waterway transportation system of the Nation by naming the navigation system which connects Oklahoma with the Mississippi River in honor of Senator McCLELLAN and the late Senator Robert S. Kerr of Oklahoma.

Then, as now, I found the words of Daniel Webster, which are engraved on the stone of the frieze of this Chamber's walls symbolic of the Senator's dedication to work:

> Let us deliver the resources of our land, call forth its powers, build up its institutions, promote all its great interests, and see whether we also in our day and generation, may not perform something to be remembered.

Senator McCLELLAN performed much to be remembered.

Born in Sheridan, Ark., in 1896, the Senator was a person whose sense of achievement, dignity, fairness, and honor was tested in the crucibles of success and tragedy. His mother died when he was 3 weeks old. But, by the time he was 5, JOHN L. McCLELLAN was a fourth grade student.

Like his father before him, he read for the law. At 17 the future Senator became a lawyer, but only after the Arkansas legislature approved a law allowing the underage youth to take the bar examination.

In 1917, Senator McCLELLAN interrupted his legal career to join the Army. He became a first lieutenant. By the time he reached the age of 30, he would become an elected prosecuting attorney. And, 1935 would see him beginning his congressional career, as a Member of the House of Representatives.

That career was almost cut short when his second wife died of spinal meningitis. She was the mother of two of his sons and his daughter, Mary Alice. Family and friends persuaded JOHN McCLELLAN to continue his work.

Later, in Washington, he would meet and wed Norma Myers Cheatham in a marriage that lasted his lifetime.

During World War II Max McClellan, the son of his first marriage, died of spinal meningitis while serving in North Africa. Two days before the funeral for his son, whose body was returned to the United States after World War II, a second son, John Jr., was fatally injured in an auto accident in Arkansas. A third son, James, died in an airplane crash in 1958.

Throughout his years of service in Congress, Senator McCLELLAN's capacity for work and his methods raised him to a position of formidable power and earned him a reputation for tenacity, fairness, and determination. He was known as a congressional investigator of courage and ability and as a prolific legislator.

During his years as chairman of the Senate Investigation's Subcommittee his work focused on national and international attention on subjects ranging from labor racketeering, to crime syndicates, and military construction scandals. His investigations included the implications of the civil strife that racked our Nation's cities in the 1960s.

Senator McCLELLAN introduced at least 100 bills which became law. He was the chief sponsor of the Organized Crime Control Act of 1960 and the Omnibus Crime Control and Safe Streets Act of 1968.

Although his work had already earned him much honor, respect, and recognition and his years had earned him the right to leisure, Senator McCLELLAN continued to work for his vision of the best interests of his State and Nation.

Last year he played a major role in the passage of the first complete revision of the U.S. copyright laws since 1909.

He was deeply involved in the formulation of a proposal to make the first comprehensive revision of the Federal criminal code in the Nation's history. The bill was introduced last spring as the Criminal Reform Code Act of 1977.

Senator McCLELLAN's life and career now belong to history, but his congressional achievements will long influence the current and future life of our Nation. His example of personal dignity and his record of fairness in the exercise of power should provide generations with a challenge to greatness.

Mr. MICHEL. Mr. Speaker, the death of Senator JOHN McCLELLAN is a sad event, not only for his colleagues in the Congress, not only for the people of Arkansas, but for the Nation. He brought to his duties a combination of integrity, civility, peerless skill, and that difficult-to-define quality most of us call character.

As a member of the Appropriations Committee, I had the opportunity to work closely with Senator McCLELLAN on a number of occasions when House and Senate met to confer. I found him a man who not only knew his facts but knew human nature as well. He did not bully or cajole or try to batter down by argument—he persuaded and reasoned and sought to create areas of cooperation rather than exploit areas of difference.

I know that he will receive many eloquent tributes and that he will be remembered as one who graced the Congress and brought honor to his State. But it seems to me that considering the kind of man he was, JOHN McCLELLAN would be satisfied with the simple but enviable title which has served as the chief glory of our Nation's greatest men: he was a patriot. It is my hope that this patriot's example will continue to inspire us all now that he is gone, just as it did in life.

Mr. TUCKER. Mr. Speaker, the Nation and the people of Arkansas lost a distinguished and dedicated public servant this week when Senator JOHN L. McCLELLAN passed away at his home in Little Rock.

JOHN McCLELLAN spent nearly half a century in public service. He served as a military officer in World War I and then as a prosecuting attorney of the 7th District of Arkansas. He was elected to the U.S. House of Representatives in 1934, reelected in 1936 and from 1942 until this week, JOHN McCLELLAN served as a U.S. Senator.

His career and achievements in the Senate reflect his determination to serve the best interests of Arkansas and the Nation. His accomplishments are recorded for all time in the annals of our legislative history and will long be remembered by the people he served so well.

Senator McCLELLAN came to national attention in 1954 as a member of the Senate Permanent Subcommittee on Investigations. As the ranking Democrat on the subcommittee, he courageously spoke out against the tactics of harassment used in the committee's inquiries. The following year he became chairman of the Government Operations Committee and Investigations Subcommittee and for the next 18 years he worked in this role to carry out the legislative oversight function. Indeed, no other Senator in American history has influenced the congressional investigative process to the degree that JOHN McCLELLAN did.

Since 1972, Senator MCCLELLAN had served as chairman of the Senate Appropriations Committee. In this capacity he exhibited his strong commitment to reasoned and responsible spending policies. He was a tempering influence—a calm and deliberate voice against excess and waste.

Senator MCCLELLAN also served on the Senate Judiciary Committee where he chaired two of its subcommittees. It was in this capacity that he best demonstrated his intense respect for the law. He played a leading role in passage of several major bills to improve law enforcement, including the landmark Omnibus Crime Control and Safe Streets Act of 1968 and 1970, and the Organized Crime Control Act of 1970. It is also significant to note that one of the most important bills ever to be reported out of the Senate Judiciary Committee bears the name of JOHN MCCLELLAN. This bill, now pending on the Senate Calendar, will revise and codify the entire body of Federal criminal law. Certainly, this measure will serve as a fitting memorial to a man who gave of himself in an effort to modernize American criminal law.

The people of Arkansas and adjoining States owe a particular debt of gratitude to JOHN MCCLELLAN for his efforts to develop the Arkansas River navigation system. This waterway, named in his honor, was one of the accomplishments which Senator MCCLELLAN took most pride in. He often liked to point out that the development of the Arkansas River effectively opened the gates to unlimited opportunity and progress in Arkansas and the Southwest. The success of the system has confirmed the wisdom of JOHN MCCLELLAN'S vision and nearly 9 million tons of cargo will be carried on the waterway this year.

The name of JOHN L. MCCLELLAN will always be linked with some of the most important legislation of the 20th century. The memory of his integrity and dedication to duty will long remain in the minds of us who were privileged to know JOHN MCCLELLAN and to the countless numbers of Americans who held him in such high esteem. JOHN MCCLELLAN was a man of character, a man of vision, a man of courage, and a man of great patriotism. The Nation and the people of Arkansas have lost a dedicated friend and servant.

One final note, on a more personal level, JOHN MCCLELLAN gave me my first job in Government service. For this I will be eternally grateful to him.

My wife, Betty, joins me in extending our deepest sympathy to Senator MCCLELLAN'S gracious wife, Norma, and the members of their family in this time of sorrow.

Mr. STEED. Mr. Speaker, throughout my 29 years of service here I have had the privilege of working frequently in association with Senator JOHN MCCLELLAN. Many times we have gone to House-Senate conference together on appropriations measures. Many other times he has taken effective leadership on problems common to Arkansas and Oklahoma. And of course we are all familiar with his performance, which has always commanded the greatest respect, on the national legislative level.

His vision and leadership for Arkansas and Oklahoma are epitomized by his role in the development of navigation on the Arkansas River in our two States. Arkansas and Oklahoma are linked by many mutual economic problems. Thus no State except Arkansas itself has suffered as great a loss as Oklahoma in Senator MCCLELLAN'S passing.

The monumental navigation system that is transforming the economy of the two States was widely regarded 30 years ago as a visionary and impractical project. The fortunate combination of three men of tremendous ability who achieved key positions in our country enabled the dream to become a reality. Arkansas River development would probably still be simply the subject of conversation today if it had not been for Senator Robert S. Kerr, Senator JOHN MCCLELLAN, and President Lyndon B. Johnson. They had the foresightedness and the power to make the basic decisions that opened the way to the economic progress of today.

Senator MCCLELLAN was a man who in his congressional work always was well prepared and diligent, and socially a delightful personality. He and Mrs. McClellan became good friends to Mrs. Steed and me, and we express our deepest sympathy to the entire family.

Mr. NATCHER. Mr. Speaker, it was my privilege to be elected to the Committee on Appropriations in the House of Representatives in January of 1955. At that time, my friend, JOHN L. MCCLELLAN was a member of the Committee on Appropriations in the Senate.

As a member of the Committee on Appropriations, it has been my privilege and honor to sit in conference on appropriation bills on many occasions with JOHN L. MCCLELLAN. His concept of public trust was without parallel and never did he hesitate to speak out against any proposal which he felt was not sound and not to the best interests of our people. I have lost a true friend and this country has lost a great statesman.

His character, achievements, and faithful service will long be remembered and will be an inspiration to generations yet to come. He served the people of the State of Arkansas with distinction and honor. His service in all of his assignments, was marked by a high sense of consciousness and duty. In every position he held, either private or public, he achieved distinction. Senator MCCLELLAN had those outstanding moral and intellectual qualities necessary for the position of chairman of the Committee on Appropriations. As chairman of this committee, he presided with dignity and firmness. Senator MCCLELLAN will have a high place in the history of his country and in the hearts of his countrymen. May God let the light of His countenance shine upon him and give him peace.

The status of our Nation is built on the careers of such men as JOHN L. MCCLELLAN. He had a charm and wit and he extended a warm courtesy and consideration toward others at all times. He loved his country, his State and the U.S. Senate.

Mr. Speaker, I extend to Mrs. McClellan and to the members of his family, my deepest sympathy in their loss and bereavement.

Mr. ROBERTS. Mr. Speaker, I was deeply saddened by the tragic death of an outstanding and distinguished colleague, Senator JOHN MCCLELLAN of Arkansas on Monday, November 28. His half a century of public service placed him in a select group of Americans, including men of the stature of the legendary Sam Rayburn.

Although his personal life was marked with numerous tragedies which would have staggered ordinary men, Senator MCCLELLAN shouldered these grave blows and redoubled his dedication to a better way of life for all Americans.

The Arkansas Democrat first came to the national spotlight during the Army-McCarthy hearings in the 1950's. He earned the respect and admiration of his colleagues and the entire Nation for his sense of fairness and his diligent dedication to honest performance of duty. He maintained and enhanced his reputation for fair play and honesty throughout the remainder of his career.

It would be impossible to list all of his accomplishments throughout the course of his 50 years of service to his Nation. Those of us who had the privilege of serving in the Congress with him will deeply feel the loss of this great legislator. The entire Nation will also be acutely aware that a man of the caliber of Senator JOHN MCCLELLAN is gone from the Halls of the Capitol.

Mr. BROYHILL. Mr. Speaker, I join with my colleagues here in the House of Representatives in paying tribute to a great American, Senator JOHN MCCLELLAN, who loved his country and who served it so well. Senator MCCLELLAN was known throughout our Nation as a crime fighter and his leadership in this area, as well as numerous others, was made greater by his courage, his loyalty and his integrity.

JOHN'S lovely wife, Norma, grew up in North Wilkesboro and Lenoir, N.C., and through the years, they have been greatly respected and admired by the citizens in my area. We will sorely miss JOHN. He was a wise and compassionate statesman and we will long remember and be grateful for his service to his country and mankind.

Mrs. Broyhill joins me in extending to Norma and the entire family our most sincere condolences at this time of sorrow.

Mr. ROGERS. Mr. Speaker, with the passing of Senator JOHN L. MCCLELLAN, the Congress and the country have lost an outstanding national leader.

In 39 years of service on Capitol Hill, Senator MCCLELLAN embodied the best tradition of public service. He was dedicated to his State, pursuing vigorously the development of the Arkansas River. And he was dedicated to the national interest, in his courageous pursuit of investigations which helped to root out crime and corruption in our national life.

He was a man of high principles, and knew the meaning of hard work. For those of us who came here when he was already midway in his career, he served as an example of honorable conduct in office.

Becky and I have had the pleasure of knowing him and his lovely wife, Norma, and have valued their friendship. We share the sense of loss of Mrs. McClellan, the Senator's family, his State and his country.

Mr. CEDERBERG. Mr. Speaker, I join my colleagues, from both sides of the aisle, in mourning the passing of our dear friend, Senator JOHN MCCLELLAN. In his long and illustrious congressional career, he distinguished himself as a faithful and devoted public servant. His counsel will be sorely missed.

He served in many capacities while in the Senate, probably the most famous of which was his attack on organized crime, corruption, and the rackets. However, while chairman of the Senate Appropriations Committee, he served with no less distinction and dedication. His first concern was always for his country. The national interest was uppermost in his mind at all times.

Likewise, he demonstrated an equal concern for the interest of the taxpaying public. Never one to question funding for programs where the money would be used wisely, he was quick to challenge any appropriations that appeared to be wasteful, or of only marginal benefit. For this service, he will probably never receive the recognition that he deserves. But it was most likely in this position that he provided his greatest contribution to this Nation.

His personal standards were impeccable; his integrity was unquestionable. He provided a strong example of ethical conduct in public office for his peers and the public. He was ahead of his time in the sense that he always required more demanding standards for himself than others asked of him.

Never a man to be deterred from a worthwhile purpose once he set his mind to it, he worked at a pace that belied his years. Hard working and energetic, he pushed himself on to greater heights in the pursuit of the public good, never pausing to reflect on himself.

Always a Senator, forever a southern gentleman, and undeniably a patriotic American, JOHN MCCLELLAN will be remembered by us and subsequent generations. His contributions have been many, leaving an indelible mark on this Congress. In future years, when the historians look back on the last 40-plus years, Senator JOHN MCCLELLAN's name will stand out as one of the most significant in the proceedings of the House and the Senate. His passing is truly our loss.

Mr. MCCLORY. Mr. Speaker, Senator JOHN MCCLELLAN of Arkansas has been a veritable institution in the U.S. Congress since long before I became a Member of this body.

A brilliant and highly respected lawyer, legal scholar and lawmaker, Senator MCCLELLAN epitomized the anticrime and law, order, and justice forces on Capitol Hill.

Fearless in his willingness to do battle with the most vicious elements of the crime syndicate, Senator MCCLELLAN held tenaciously to the high principles which characterize his entire public service.

Mr. Speaker, for my own part I was privileged to serve on several conference committees with Senator MCCLELLAN in the development of the omnibus crime bill and related anticrime legislation over which our respective House and Senate Judiciary Committees had jurisdiction.

These were enriching experiences for me in which I learned firsthand to respect both the wisdom and tenacity of this champion of the law-abiding citizens of our society.

Mr. Speaker, I am privileged today to join with my colleagues in this final tribute to one of the great lawmakers of our era, Senator JOHN L. MCCLELLAN of Arkansas.

Mr. ICHORD. Mr. Speaker, this week Missourians lost a respected neighbor and this country a great statesman and friend. But the sadness we all feel from the loss of JOHN MCCLELLAN is buoyed by our feelings of admiration for his achievements, appreciation for his friendship, and pride in the fact that we live in a country which can produce this kind of man.

JOHN MCCLELLAN was the youngest person ever to pass the bar in Arkansas, and he did so without ever attending law school. This was an incredible achievement in itself, but for JOHN MCCLELLAN it was only an early indication of an intense determination and personal integrity. He went on to express his deep respect and understanding of the law by serving his State of Arkansas for over 35 years in Congress and, consequently, by making numerous contributions to all Americans.

We have much to thank him for. As chairman of the Subcommittee on Investigations, Senator MCCLELLAN conducted an estimated 2,729 hours of hearings, setting an unofficial congressional record, and did so often in the face of great pressures from the highest levels of Government. These hearings produced landmark law enforcement legislation, but illustrate only one area of his far-reaching interests. As chairman of the Senate Appropriations Committee, he worked energetically to unite the often-conflicting goals of suitable energy, public works, and defense spending with streamlined bureaucracy and responsible government spending. And, certainly, his tremendous foresight in the development of the Arkansas River navigational system, which so justly bears his name, will remain a principal cause for tribute.

Mr. Speaker, I understand that JOHN MCCLELLAN was not a frequent dancer but that, on occasion, he was known to execute a mean polka with his wife. It appears that everything he did, he did well. And it is my sincerest hope that the fine memories of a devoted husband, father, and dancing partner will sustain his family during this sad time, just as JOHN MCCLELLAN's many accomplishments will continue to benefit the American people.

Mr. JOHNSON of California. Mr. Speaker, the Congress of the United States lost one of its most outstanding members with the passing of the Honorable JOHN L. MCCLELLAN, the senior Senator from the State of Arkansas. His lengthy and distinguished service in both Houses of the Congress gave him a rare opportunity to leave his mark on this Nation he loved so dearly. His accomplishments are many and varied, but each, in its own right, is a compliment to the man and to his unyielding devotion to public service and the good of the Nation.

It was my pleasure to work with JOHN on matters relating to the Nation's natural resources. Through his interest in this country's environment and its natural riches, he was able through effective leadership to help mold many of the major pieces of legislation that have an effect on the land and its treasures. More recently as chairman of the Committee on Appropriations, he has had the special opportunity to give guidance to the Nation's public works and natural resources efforts through funding decisions.

Throughout my association with the Senator from Arkansas, I have found him to be extremely knowledgeable and uncompromisingly fair. His legislative skill is matched by few and his dedication is exemplary.

Mr. Speaker, I think special note should be made not only of his many legislative achievements, but also of JOHN MCCLELLAN's strong personal strength. He has lived through adversity and tragedy and has come through these periods a stronger man and even more determined to make every minute of his life count.

We are fortunate to have had him serve this Nation as a Senator for so many years, and amid our sadness, we are thankful for his many contributions to the betterment of America.

Mrs. Johnson joins me in extending to Mrs. McClellan and her family our deep sympathies and condolences. They can be proud of JOHN and his service to this Nation.

Mr. MURPHY of New York. Mr. Speaker, Senator JOHN MCCLELLAN was a man whose career in public service was enormously important to this Nation. His legislative accomplishments have seldom been equaled, and his personal strength in the face of adversity was an achievement few men are likely to match. The fact that in the entire history of the U.S. Senate only eight Members have served longer than JOHN MCCLELLAN is a monument to his service to the people of Arkansas, who sent him to Washington to represent their best interests for six terms.

His 35 years of service have spanned some of the most impressive and influential periods and events in modern political history. He was an investigator of the first order in undertaking such inquiries as the activities of organized labor, underworld crime, college riots, and military administrative procedures. Yet he refused to be associated with the abuses of such congressional investigative powers when he led the boycott of Joseph McCarthy's controversial Permanent Investigations Subcommittee during the famous "Army-McCarthy hearings."

But his specific achievements are overshadowed by his completely selfless record of integrity and consistent accomplishment. He led the never-ending fight for a strong national defense and upheld

the integrity of the operations of government through his masterful leadership of the Government Operations Committee and later the Appropriations Committee. His was a total dedication to bring about necessary change, such as his major role in the first revision of U.S. copyright laws since 1909, and the first restructuring of patent laws since 1836. His most significant contribution to legislative improvement, however, is the pending complete overhaul of the U.S. Criminal Code. His was the art of compromise in developing the final language, acceptable to all interests, which will become the first comprehensive revision of the Federal Criminal Code in the Nation's history.

Only last week, Senator McCLELLAN announced that he would retire from public service to spend his remaining years at ease. At that announcement, he stated that "there is a proper time to aspire, a time to achieve, and a time to retire."

The Senator aspired in the face of adversity; he achieved more than most men could ever hope to do in a lifetime; and he retired at the pinnacle of one of the most inspiring careers in the history of that legislative body. His memory will live for a long time in the contributions he has made to this Nation's body of law. In this time of change, leadership such as his will be greatly missed.

Mr. CONTE. Mr. Speaker, it is with great sadness that I join my colleagues today in paying tribute to the memory of one of the giants of this institution, Senator JOHN L. MCCLELLAN.

As a member of the House Appropriations Committee, I was privileged to serve on many joint House-Senate conference committees with the distinguished senior Senator from Arkansas and it was here that I learned first hand of his almost legendary command of legislative matters, his tenacity, but also his fairness.

But long before that, as a student of good government, I was an admirer of the late Senator and his vigorous deportment as chairman of the Senate Government Operations Committee and its Permanent Subcommittee on Investigations. Probing, challenging and questioning, he no doubt set an example for responsible, effective investigation.

In his almost four decades in public service in Washington his accomplishments are many and diverse. His announcement of his intention to retire at the completion of his current term was greeted with deep regret. His untimely passing this week leaves this Congress greatly and prematurely diminished.

Today, I join with my colleagues on both sides of the aisle in expressing brotherhood with the people of Arkansas who were so ably served for so many years by Senator MCCLELLAN and who mourn his passing. My wife, Corinne, joins me in expressing our personal and deep condolences to the Senator's widow, Norma, and to their family.

Mr. ADDABBO. Mr. Speaker, as I look back over the years the distinguished gentleman from Arkansas has spent in the service of the people of his State and his country, I see the legacy of a man who served with distinction. We may not have always agreed with some of his philosophies, but no one can take issue with the integrity of his efforts.

One of the most effective legislators of our times, justice became the hallmark of his many endeavors. As an investigator he mirrored the same integrity inherent in his personal life, as all who knew him also knew that his word was law. More like a judge, open-minded, yet highly scrutinizing, he could get to the bottom of any matter without overstepping the rights of a witness. Indeed, he was one of the first to walk out of the Army-McCarthy hearings, and the first to set up guidelines for congressional investigators.

Other legislative areas have not escaped his touch, and each will be remembered for its monumental impact on the personal lives of every one of us.

Having worked with Senator MCCLELLAN on House Appropriations Conferences, I have always found him diligent, a hard bargainer, but fair. I have learned much from him.

My sincerest sympathies are extended to Mrs. McClelland and his two surviving daughters in their time of sorrow.

Mr. JONES of Oklahoma. Mr. Speaker, I join with my colleagues in mourning the passing of a great American, a distinguished public servant, a man of great vision, Senator JOHN LITTLE MCCLELLAN.

He lived a long, productive life. He was a man with great personal dignity and an acute sense of fairness. His work, now pending before us, on the complex codification of the country's criminal laws is an accomplishment which has been termed "monumental" and "legislation of great stature and importance—truly landmark quality" by the Washington Post and legal scholars across the land.

He meant a great deal to my home State of Oklahoma. On Wednesday, November 23, 1977, after the Senator's announcement he would not seek reelection, the Tulsa Daily World said in an editorial:

> For Oklahoman's having Senator McClellan in the U.S. Senate was almost like having a third Senator, so close were his political philosophies and projects to Oklahoma. His announcement is a loss to Oklahoma as well as Arkansas.

The editorial went on to say:

> The voters are fortunate he chose to give his life to public service . . . he will be missed.

His career in public life spanned 50 years, including nearly 40 years in Congress.

I recall vividly during my boyhood days near the Oklahoma-Arkansas border going with my dad, a rural mail carrier, and seeing first hand the destruction and suffering caused by the annual spring flooding of the Arkansas River.

Homes were destroyed each year, hundreds of families were left without property. Many lost loved ones. JOHN MCCLELLAN perceived, as did the late Senator Robert S. Kerr of Oklahoma, the need to stop the flooding and human suffering. The Arkansas River Navigation project was born. Senator Kerr never lived to see it completed.

But Senator MCCLELLAN continued the fight and spoke at its dedication. A man cannot be measured by one piece of legislation. The McClellan-Kerr Arkansas River Navigation idea was an undertaking of such a magnitude that it boggled the mind when they proposed the legislation.

Some three decades have passed since those spring floods brought havoc to Arkansas and Oklahoma. They are no more. Senator MCCLELLAN and Senator Kerr stood firm.

They maintained their course in the face of opposition determined the idea should never come to fruition. Today we in Oklahoma and Arkansas are tied directly to the sea routes of the world, and the McClellan-Kerr Arkansas River Navigation project is a major factor in the economic and recreational life of the great Southwest.

JOHN MCCLELLAN was a hard-working public servant—a man whose career will be a model for those who enter public service in the future.

From his days as prosecutor in his hometown of Sheridan, Ark., to the final day of his life, despite great personal tragedies, he persevered and served.

Our Nation is far the better for his having been with us the past 81 years.

Mr. DERWINSKI. Mr. Speaker, I wish to join my colleagues in paying a special tribute to the late Senator JOHN LITTLE MCCLELLAN, who will long be remembered for his dedicated and diligent service to his State and to the Nation.

Senator MCCLELLAN was a man of personal dignity and fairness, who did not abuse his power in the Senate or seek to close out the views of those who disagreed with him. As a skilled legislator, he was greatly admired for his sound grasp of the legislative process. He demonstrated this fine quality in his fight against organized crime and abuses within the labor movement as chairman of the Senate Investigations Subcommittee. He continued his fight against crime in his most recent achievement of the codification and modernization of the Nation's criminal laws on which he had worked for many years.

Senator MCCLELLAN had a very distinguished political career. In addition to his 35 years of effective leadership in the Senate, he served 4 years in the House. Senator MCCLELLAN was a highly respected and dedicated Member and always a man of integrity.

During his 38 years of public service, he was a strong spokesman for national defense and upheld integrity in the operation of Government. As chairman of the Senate Appropriations Committee, he exercised his interest in maintaining a strong defense policy while pursuing fiscal conservatism.

He was wholeheartedly responsive to the needs of our Nation as well as to the State of Arkansas. One of his long time interests was waterways projects. He will long be remembered for his contribution to the economic development of the Arkansas River in which he took deep personal pride.

Not only was he an objective man, especially in analyzing the great issues before our country, Senator MCCLELLAN was a man of compassion, good will and

foresight. His knowledge and vast experience in Government contributed to his effective legislative leadership.

His deep sense of right and wrong and his love for his country will be a great loss not only to the Nation but to the people of Arkansas to which he dedicated his life to their service.

Mrs. Derwinski joins me in extending our heartfelt condolences to his wife, Norma and daughter, Mary Alice.

Mr. FORD of Tennessee. Mr. Speaker, I join my colleagues in mourning the death of Senator MCCLELLAN of Arkansas. As a representative from the neighboring State of Tennessee I have known Senator MCCLELLAN personally for several years and admired his work long before I met him. As a freshman in this body in 1975 I was often the recipient of advice and guidance from Senator MCCLELLAN as I was learning my way around Capitol Hill. I will always remember his kindness.

Mr. Speaker, the loss of Senator MCCLELLAN is much greater than a personal one to me: the South and the Nation, as well as the people of Arkansas, have lost a dynamic leader. It was Senator MCCLELLAN who, by walking out of the Senate McCarthy hearings, led our Nation out of that horrible chapter in our history. It was Senator MCCLELLAN who took the lead in reforming our criminal laws. When this legislation is finally enacted it will stand as a tribute to JOHN MCCLELLAN.

Mr. Speaker, Arkansas has lost a statesman, the Senate has lost a leader, and I have lost a friend.

Mr. WON PAT. Mr. Speaker, the American people have lost one of our greatest champions in the battle against organized crime, Senator JOHN L. MCCLELLAN of Arkansas.

His passing marks the end of a distinguished career in the U.S. Senate. As chairman of the Select Committee on Improper Activities from 1957 to 1960 and the Permanent Subcommittee on Investigations, Senator MCCLELLAN became nationally famous for his tenacious, energetic, and responsible fight against crime.

As a leading advocate of improved law enforcement, Senator MCCLELLAN had a prominent role in winning congressional backing for such landmark anticrime legislation as the Omnibus Crime Control and Safe Streets Act of 1968 and 1970, the Organized Crime Control Act of 1970, and many other related measures to control the traffic of drugs.

The American citizens of Guam owe a great debt of gratitude to this man for his enthusiastic support of these measures which have provided the financial support for our own efforts to control crime.

Late in his career, Senator MCCLELLAN turned his attention to his duties as the new chairman of the Senate Appropriations Committee where he performed an outstanding service to the Nation by overseeing that the taxpayers money was used as wisely as possible.

The Senator's efforts to produce needed changes in the Nation's copyright laws produced the first major changes since 1909.

He was a man of many talents and shall be missed.

Mr. FARY. Mr. Speaker, I know that all of us are deeply saddened to learn of the recent death of Senator JOHN MCCLELLAN, of Little Rock, Ark. He was, without a doubt, one of the finest and most respected Members of the Congress.

Senator MCCLELLAN served as Congressman from 1935 to 1938 and was elected to the Senate in 1942 where he served with a distinguished career until his death on November 28, 1977. His reputation and his circle of friends grew with each passing year, and his patience and good humor and thoughtful approach to problems smoothed over many a rough spot in the legislative process. His kindness and consideration for his colleagues made all of us happier to have had the opportunity to serve with him.

JOHN MCCLELLAN was a man who loved his country and its people and tried to help all of them. He was a skilled legislator, a soldier, lawyer, a public servant, and a man of true decency and good will. He served his Nation well during varied and difficult times, and worked with purpose, determination, and with an expert competence that only comes through experience and dedication.

It is these qualities which will be sorely missed by the Congress and by his constituents, and by the Nation he served so well.

I know I speak for all his friends in the Congress when I say JOHN MCCLELLAN will be genuinely missed. It was a real pleasure to know him.

Mr. SIKES. Mr. Speaker, I wish to join my colleagues in paying tribute to the memory of Senator John L. McClellan whose career in local and national politics spanned a full 50 years. He was an able and effective statesman whose outstanding leadership in the Senate will be sorely missed.

As a member of the House Appropriations Committee, I was privileged to serve on many joint House-Senate conference committees with the distinguished senior Senator from Arkansas and it was in these meetings that I learned firsthand of his command of legislative matters, his diligent work, and also his fairness. As chairman of the Senate Appropriations Committee, he championed a strong national defense and fiscal responsibility. He believed the taxpayers money should be spent wisely and he kept their interest in mind at all times.

His service was not limited to the Appropriations Committee. He served in many capacities while in the Senate. Probably the most famous of which was his attack on organized crime, corruption, and the rackets. It was in 1954 during the televised Army-McCarthy hearings that his work first came to national attention. These hearings led to the ultimate imprisonment of David Beck and James R. Hoffa. He also served on the Senate Judiciary Committee where he chaired two of its subcommittees. It was in this capacity that he best demonstrated his intense respect for the law. He played a leading role in the passage of major bills to improve law enforcement, including the landmark Omnibus Crime Control and Safe Streets Act of 1968 and 1970, and the Organized Crime Control Act of 1970. A bill now pending on the Senate Calendar to revise and codify the entire body of Federal criminal law bears the name of John L. McClellan. This legislation, if enacted, will serve as a fitting memorial to a man who gave of himself unselfishly in an effort to modernize American criminal law.

Senator McClellan was my good friend and I will miss him. His achievements and faithful, dedicated service will long be remembered. His work has strengthened our Nation. His passing is truly our loss. He was truly a great statesman; truly a great American.

My sincere sympathy is extended to Mrs. McClellan and the family. They can be very proud of John McClellan's service to this Nation.

Mr. DON H. CLAUSEN. Mr. Speaker, the Congress of the United States has lost one of its most illustrous Members. Senator John McClellan has come to symbolize in the minds of many Americans those standards of impartiality, thoroughness, and integrity which all Members strive to achieve.

His efforts to investigate organized crime were highly successful in making Americans aware of the dangers organized crime posed to our way of life. His legislative accomplishments are many and varied. He performed great service to the Nation as chairman of the Senate Appropriations Committee, and as the chairman of the Criminal Laws and Procedures Subcommittee of the Senate Judiciary Committee he made significant contributions to the codification of Federal criminal law.

His seat in the Senate will be filled by others, but no one will ever take the special place with which we hold him in our hearts.

A REALISTIC STEP TOWARD WELFARE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. MICHEL) is recognized for 30 minutes.

Mr. MICHEL. Mr. Speaker, Winston Churchill once said that democracy is the worst form of government, except for all the other forms of government that have been tried. Almost the same can be said of the current welfare program. It is a badly operated program, but even at that it is better than the alternatives that have been proposed thus far.

There is need for change, and today I am introducing our Welfare Improvement and Cost Reduction Act of 1977, which I hope will serve as an efficient, speedy and economic reform of the current welfare system.

The bill I am proposing is based on the premise that the existing welfare system is structurally sound, but in need of improvement.

This legislation rejects the notion that the system should be scrapped entirely. The Welfare Improvement and Cost Reduction Act is designed to streamline management operations, rid the system of fraud and abuse, strengthen work requirements and ultimately save the Fed-

eral and State Governments more than $5 billion a year—savings which can be translated into improved benefits for the needy or badly needed tax reductions for all citizens.

These reforms should eventually put to rest any notions of scuttling the present welfare system and embarking on some costly long-range program that will provide no immediate relief. At the very least, these reforms will buy us enough time to bring about long-term improvements the way it should be done—carefully, conscientiously and comprehensively.

Before discussing the specifics of this bill, however, let me just highlight a few of the shortcomings of the welfare changes proposed by the Carter administration.

Among the most troublesome features is the cost. We have just learned from the Congressional Budget Office that the Carter plan will cost the Federal Treasury $10 billion more than what was originally projected. The figure is staggering, especially in light of current economic conditions and the effect it would have on inflation.

Second, the program would add a significant number to the welfare rolls, far more than the projected 2 million. Under the plan a family of four earning up to $8,400 a year would be eligible for benefits. Today there are some 17 million Americans working full time and earning less than $8,000.

Another concern I have is the fact that the Carter plan will not really be felt until the next decade. The need for change is now.

Also a factor is the ultimate impact the administration proposals would have on family life. I do not believe the claims that their plan will keep families together. The facts say otherwise.

For example, if no job is available, a two-parent family of four would receive $4,200 annually, but if the parents live apart, the total would be more, $4,700. Likewise, an elderly couple would receive $3,700 annually, while two elderly people either living apart or living together but unmarried would get $2,500 each for a total of $5,000. Clearly the incentive in the Carter plan does not promote family life.

The jobs section of the Carter plan raises even more questions. The work requirements appear to be weaker than what we already have on the books.

Finally, the Carter proposal is just too complex and too confusing. The current director of the California Department of Welfare Benefit Payments says:

> I don't understand it . . . the first time I tried to read it my brain turned to mush . . .

The executive director of the National Public Welfare Association offers a ray of hope for passage of the legislation, but that does not comfort me. He says the plan is so complicated the Congress may not take time to unravel it and just pass the measure out of sheer confusion.

Mr. Speaker, it is one thing to criticize. It is another to come up with a plan that can work and work in the interests of the taxpayers, the States, the underprivileged, and the Nation.

I believe the Welfare Improvement and Cost Reduction Act is such a plan. Very briefly this is what it will do.

Our program:

Assumes that the present welfare system is basically sound and can be made more workable through basic management improvements.

Provides immediate relief of up to $2 billion to financially strapped State and local governments.

Provides incentives, mostly through matching grant programs, for the States to save billions in tax dollars by improving monitoring and administration of welfare programs.

Retains State and local control over welfare programs.

Encourages experimentation and new approaches to welfare needs.

Provides strong work incentives to help move employable recipients from welfare to self-sustaining jobs.

This legislation admittedly does not do a great deal to increase benefits or improve services to the needy. However, I think it is vitally important to remember that given the current economic crisis in welfare programs, we cannot make significant improvements in benefits or services until we have cleaned up the management, fraud, and waste. Second, there is an obvious corporation between improving operations and helping people on welfare. By implementing improved management techniques, we will be releasing billions of dollars which can be earmarked for welfare recipients. Beyond that, modernization and computerization of monitoring and recordkeeping activities hopefully will reduce redtape and paperwork and enable social workers to increase their contact with recipients and do a better job providing human services.

One new program in the bill I want to emphasize is the monthly retrospective reporting system in AFDC, food stamps, and medicaid. The Department of Health, Education, and Welfare estimates that this program will result in significant savings to both the States and the Federal Government.

Here is how it works:

This system requires a recipient to file at the beginning of each month a report of income and circumstances for the preceding month, and then pays the recipient a benefit based on the information contained in the report. This is in sharp contrast to the existing procedures in most welfare programs, including AFDC and food stamps. Most reporting requirements used today are semiannual or annual. Under current procedures in AFDC, payments are based on a prospective estimate of a family's monthly income and circumstances and are only redetermined once every 6 months.

The current reporting procedures are based on the outmoded notion that the income and circumstances of welfare recipients change infrequently and that recipients have little attachment to the labor force. Welfare quality control statistics and studies both indicate that the primary causes of overpayments in welfare programs are the infrequency of their recipient reporting requirements and the fact that they are prospective systems, that is, payments are based on a prediction of future income and circumstances rather than on known past income and circumstances.

Department of Health, Education, and Welfare field tests have shown that the utilization of a monthly retrospective reporting system in the AFDC program would result in substantial reductions in the rates of ineligibility and amounts of overpayments, and thereby produce substantial savings in program costs. At the same time such a system would also improve program responsiveness to the changing needs of families by reducing underpayments and by improving the accuracy of all payments to recipients. The tests show that two and one-half times as many families received a grant adjustment under this system as compared with the current system. Of these adjustments, the value of grant increases exceeded the amount under the present system by 75 percent, while the value of grant decreases exceeded the current system's amount by 100 percent.

All told, HEW estimates that a monthly retrospective reporting system would save from 8 to 10 percent in payment costs, and projects total dollar savings of up to $1 billion for AFDC, and $500 million for food stamps if the system were implemented nationwide. A similar projection for medicaid would show savings of in the neighborhood of $1.5 billion.

I think the provisions I have described constitute a moderate and sensible approach to solving one of the most pressing problems facing Government assistance to the needy. I am not pretending that this legislation will solve all of our welfare problems, but I am convinced that the money saved through these reforms will go a long way toward easing the burden on the American taxpayer and improving services to welfare recipients at the same time. I am also convinced that an orderly step-by-step renovation of the welfare system is a far cry better than a rush-to-judgment expensive, cure-all approach proposed by the administration.

We cannot afford not to take this first step.

Mr. RHODES. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I am happy to yield to the distinguished minority leader, the gentleman from Arizona (Mr. RHODES).

Mr. RHODES. Mr. Speaker, I want to congratulate my good friend the gentleman from Illinois (Mr. MICHEL) on the program the gentleman has outlined. Of course, as yet I have not had a chance to study the program thoroughly, but from listening to what the gentleman has said today it certainly sounds to me as if he has a program which is not only workable, but certainly far superior to anything which we have on the books or in operation now.

It represents a very definite improvement. I have heard a wise man say that there is no such thing as a good welfare program, there are just some that are worse than others. I think the gentleman's program shows a very definite improvement and a step toward the time when we can perhaps have a welfare program that really makes sense to all of us.

I congratulate the gentleman from Illinois.

Mr. MICHEL. I thank the gentleman from Arizona for his contribution.

I would reemphasize that we have basically a pretty good program. It is primarily a problem if improving management and the capacity for monitoring and checking.

Regardless of how affluent a society we eventually are going to have, there will always be a certain number of persons who will have need for welfare and we are going to take care of them. But, I think to build the confidence of the American people, those who pay the bill for those who are less fortunate, we should use the most modern management techniques.

This is now particularly possible because of knowledge of computerization to achieve accountability and measure actual performance of programs.

In the State of Colorado there has been a test where 10-percent savings have resulted through retrospective reporting. Expanded to AFDC, medicaid and food stamps nationwide, such a system could save at least $3 billion for the Federal and State Governments combined.

Mr. COLLINS of Texas. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Texas.

Mr. COLLINS. Mr. Speaker, I was interested in the statement made by the gentleman from Illinois. On this subject of welfare in my own district they are very much concerned with trying to reduce the amount of welfare and the dollars we are spending particularly while employment seems to be full and we have made improvements in the program.

Did the gentleman say that under the Carter plan they plan to spend $10 billion more for welfare?

Mr. MICHEL. That is not by my estimate but by the estimate of the Congressional Budget Office. They made that public this week. Their projections are $10 billion over and above the cost initially shown in the President's proposal.

Mr. COLLINS of Texas. I certainly do hope the gentleman will continue to fight and that his alternatives will get full consideration.

Mr. MICHEL. As the gentleman knows, there are currently hearings going on with respect to welfare reform. We thought it appropriate that before the Congress adjourns at least get our proposal in for consideration.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Speaker, I appreciate the distinguished minority whip yielding.

I am very much appreciative of what the gentleman from Illinois has brought to the attention of the House today. I testified before the Corman Welfare Reform subcommittee in Los Angeles recently. Also the Budget Committee has had testimony from people at the grassroots level who receive welfare. What my colleague, the gentleman from Illinois, has brought to the attention of the House is correct about the amount of fraud currently in the program. If we just trim that alone, and it is possible to trim that, there would be very substantial savings.

I am very appreciative that in the bill the gentleman has submitted, as I understand it, there are requirements that would save the present amount of welfare being spent at the Federal level by almost $1.5 billion.

Mr. MICHEL. Yes.

Mr. ROUSSELOT. It would also require State governments to reappraise and reevaluate their supplemental benefit programs and there might be a savings of up to $3.7 billion in their expenditures—a savings which could be translated into tax cuts for the already overburdened taxpayers.

So I join with our minority leader, the gentleman from Arizona (Mr. RHODES) in thanking the gentleman from Illinois for taking the time to do the research and for also asking that the administration utilize the resources at hand to consider alternatives to the Carter plan, which is the $50 billion guaranteed annual income.

Mr. MICHEL. Mr. Speaker, I thank the gentleman. I know full well that the gentleman from California (Mr. ROUSSELOT), our minority leader, and I strongly oppose the federalization and nationalizing of the program to the extent that the States would be frozen out. What we are proposing here are grant mechanisms to encourage the States to be more diligent and effective. This proposal provides up to 90 percent Federal matching contribution to improve State administration. So we are not saying, "You do it and we will give you no resources to pay for it."

Mr. ROUSSELOT. Mr. Speaker, if the gentleman will yield further, I am especially appreciative of what the gentleman said about the necessity of State and local governments computerizing welfare recipient data. In California, as the gentleman knows, under Governor Reagan, information concerning the great number of people receiving welfare payments was put on computers. As a result, we were able to eliminate duplication where the same recipient was receiving checks in three or four different counties. For that reason alone, it is more than worth the relatively small expense of computerization in every State.

Additionally, I believe that combining that system with the employment service or job bank in each State can help welfare recipients, who want to work, find employment.

Mr. MICHEL. Mr. Speaker, I might add that in our labor appropriations bill for the last several years we have been appropriating significant sums of money to provide for that kind of national job bank. It has not really got as far along as I would like to see it.

Mr. ROUSSELOT. Or as it should be.

Mr. MICHEL. When you think that only one-third of job availabilities are those that you see published publicly, obviously there is a deficiency. We have tried to move the Department of Labor to more aggressively and forcefully find and publicize these job availabilities. It can be done.

Mr. ROUSSELOT. Mr. Speaker, if the gentleman will yield further, I want to compliment my colleague again for forcing the discussion here today in the House and also I hope the gentleman will go before the subcommittee now holding hearings in the Committee on Ways and Means. I think we should all do it, those of us who want to participate in the formulation of this issue. I compliment my colleague for doing it.

Mr. RHODES. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the distinguished minority leader.

Mr. RHODES. Mr. Speaker, as the gentleman from Illinois knows, a task force of the Republican Research Committee came out with a very important report on illegal immigration. Part of the report, of course, was to use the social security system as a means of trying to check whether or not a person who applied for a job was actually an illegal alien or not. My own personal refinement to that was to computerize people on social security, as the gentleman has indicated for the welfare recipients, so it would be possible for an employer who is interviewing a possible employee to check the social security card to make sure it was not forged. He would be able to call an 800 number and give a number to the computer and the computer would then give him back the name. That way an individual could be pretty certain that the person in front of him was legally in this country.

It seems to me that this goes hand in glove with the gentleman's proposal as far as computerization of welfare recipients is concerned. The illegal immigrant problem is an increasingly difficult problem to solve, and an increasingly important one that we do so. I am sure that the gentleman may have had this in mind when he prepared his program.

Mr. MICHEL. I appreciate the gentleman bringing up that additional subject matter, because it does tie in so very closely, and we have that capability for making that kind of a check in this legislation.

I was a bit disturbed, incidentally, in an illegal alien provision in the supplemental appropriation bill that is in conference again right now. The Department of Labor currently is not sharing information on illegal aliens as freely as they should be with the States. I think it ought to be just about mandatory. The Department has been reluctant to do that. The State now has to initiate the action. But I think as long as we have the capability at the Federal Government level, we ought to freely share that information, and voluntarily do it as a means of solving that overall problem. The supplemental appropriation bill contains additional funds to enable the Department to step up the effort regarding illegal aliens but contains no provision requiring the Department to share its information or otherwise work with the States in this regard. Such a provision should have been in that bill.

Mr. MILLER of Ohio. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I am happy to yield to my friend from Ohio.

Mr. MILLER of Ohio. I thank the gentleman for yielding to me. A few moments ago, the gentleman had mentioned

about job availability. In newspapers all over the country, we see that there are jobs available, but apparently the current system makes it more encouraging to receive welfare in many instances instead of accepting a job. In the local papers, we have jobs available. As a matter of fact, we often see two, three, four, or five full newspaper pages of jobs available for those who would want to work.

When the gentleman made the statement that under the administration proposal to change the welfare system, welfare costs would increase some $10 billion; did it indicate that we would have additional people on welfare under that proposal by the administration? Can the gentleman from Illinois convey to us, and for the RECORD, how many additional people would be added to the welfare roles under the Carter plan?

Mr. MICHEL. Well, I cited the example that under the figures presented in the administration's initial proposal, a four-member family, with two parents, earning up to $8,400 would be eligible for welfare. Then, I cited the fact that there are today 17 million Americans working full time and earning less than $8,000. Presumably most of these people are not currently receiving welfare but apparently a good many of them would be eligible for welfare under the administration proposal.

Mr. MILLER of Ohio. It has been some time ago since the proposal came up, and if my memory serves me correctly, there will be around 2 million additional people added to the welfare roles; is that correct?

Mr. MICHEL. The other point is, you can play all the games you want to with numbers, but it would obviously bring on board far more than just the 2 million they initially talked about. If we add up the figures it is conceivable there could be many times that number.

Mr. MILLER of Ohio. I thank our minority whip for yielding to me.

FRED TELONICHER — HUMBOLDT'S CHAMPION OF NATURAL AND HUMAN RESOURCES

The SPEAKER pro tempore (Mr. GLICKMAN). Under a previous order of the House, the gentleman from California (Mr. DON H. CLAUSEN) is recognized for 5 minutes.

Mr. DON H. CLAUSEN. Mr. Speaker, Professor Emeritus Fred Telonicher of Humboldt State University was highly respected by his academic peers, genuinely admired by the people in the community, and greatly appreciated by those athletes and students fortunate enough to be associated with him during his long tenure at Humboldt State University. He passed away on November 13. I have enjoyed a very personal friendship with Fred Telonicher and his marvelous family and can state categorically that he was a "hero" to many of us involved in athletic endeavors in Humboldt County.

It has been said that the best way to succeed in life is to act on the advice we give to others. Fred Telonicher was a very successful man who continually demonstrated that goodness depends not on things, but on the use we make of things. His strength of character was an inspiration to all who knew him, but particularly his students and athletes, who demonstrated the sincerest form of flattery by patterning themselves after him. Our Redwood Empire communities are filled with outstanding civic and community leaders who greatly benefited from their association with this fine man.

As his close friend and colleague, Dr. Homer Balabanis said of him—

He belonged to an era of teachers who considered their profession as a call and the intellectual and moral growth of their students as their chief reward and satisfaction.

I want to record permanently the eulogy contained in the faculty and staff bulletin of Humboldt State University and call it to the attention of my colleagues in the Congress and the readership of the CONGRESSIONAL RECORD throughout the Nation.

Fred Telonicher was a champion of natural resource programs and an extraordinary motivator of human beings and human resource programs.

We shall miss him but he has truly left his mark on the sands of time.

FRED TELONICHER

Humboldt State lost one of its most beloved and popular faculty members with the passing November 13 of Professor Emeritus Fred Telonicher. He was 74.

Telonicher's tenure at HSU spanned forty years, from his appointment in 1927 as an instructor in physical education to his retirement in 1967 as professor of wildlife and zoology. He was a graduate of Fresno State and took his graduate study at Stanford where he earned membership to the Sigma Xi honor fraternity. He served as the first president of the General Faculty and also as head of his department. For years, he was in charge of men's physical education and athletics and represented Humboldt State in its conference associations.

In recognition of his excellence as a professor he was nominated by the faculty in 1965 for the Trustees Award as the CSUC's Outstanding Professor. A laboratory in the University's marine station at Trinidad bears his name in commemoration of his interest in marine zoology and his many contributions to that science.

He was an ardent duck hunter and fly fisherman and belonged to a number of wildlife and conservation associations including Ducks Unlimited and Conservation Unlimited.

But he was perhaps best known and remembered for his extraordinary talents as a teacher.

He was so eulogized, in part, by his close friend and longtime colleague, Dr. Homer Balabanis:

"Fred Telonicher envisioned, conceived and gave birth to the program which in our day has developed into the ramified program of Natural Resources that attracts students from all over the world. But his chief contribution to human betterment was as a classroom teacher—and as a teacher, I knew him well. He belonged to an era of teachers who considered their profession as a call, and the intellectual and moral growth of their students as their chief reward and satisfaction. By his modesty, fierce integrity, high standards of personal conduct, and his faithful performance of duty, he dignified the teaching profession and earned the respect and affection of all those who knew him.

"He loved both learning and the learner. Every statement he made in his class was the product of a clear, brilliant mind, and it was backed by meticulous research and preparation; and he taught his studnets to observe the same standards. His knowledge came less from books and more from the study of nature and man, and his students were motivated to do likewise.

"But Fred's influence extended and will continue to extend far beyond his classroom; for his thoughts and actions will continue to live in the hearts and minds of his students, now become teachers, physicians, dentists and pharmacists who carry on his work."

A memorial scholarship has been established at the University and contributions may be sent to the Fred Telonicher Biological and Sciences Scholarship.

GOVERNOR THOMSON: STRONG SPOKESMAN ON ENERGY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Hampshire (Mr. CLEVELAND) is recognized for 10 minutes.

Mr. CLEVELAND. Mr. Speaker, the national debate on the future of our energy policy has been seriously undermined by the shortage of political leaders who are willing to advocate unpopular positions or ones which have vocal opponents. Thus, there has been little public advocacy of nuclear power, or defense of the record of the oil companies in providing for the energy needs of this country.

The result has been a debate in which certain points of view have had numerous articulate spokesmen, but in which some other points of view have been rather silent.

New Hampshire's Governor, Meldrim Thomson, Jr., is characterized by his willingness to state his views eloquently and strongly, and to speak out whether he is in agreement with the politically popular position or sharp disagreement. He speaks his mind on his beliefs, and does not mince words in doing so.

Therefore, I believe it is a healthy addition to our debate on energy policy to insert into the RECORD at this time remarks that Governor Thomson of New Hampshire made at price monitoring hearings before the Department of Energy in Boston, Mass., on October 21, 1977.

Governor Thomson's eloquent comments follow:

STATEMENT OF GOVERNOR MELDRIM THOMSON, JR., NEW HAMPSHIRE PRICE MONITORING HEARINGS

Mr. Chairman, Members of the Committee,

My name is Meldrim Thomson, Jr. I have the privilege of serving the sovereign State of New Hampshire as Governor.

Since becoming governor in 1973 I have spent more of my time in the fight for a national energy policy that would make America independent of foreign sources of energy than in any other gubernatorial activity. Without an adequate supply of energy the citizens of New Hampshire suffer just as do those in other states.

We in this great country of opportunity have been blessed by the possession of 33 percent of the fossil fuels of the world. But since the crucial oil embargo of 1973 we have done little to produce the energy resources that could keep America moving in prosperity for centuries yet to come.

I am deeply disappointed with President Carter's public statement of last week in which he pointed the finger of scorn at the oil industry in a blunt attempt to force the

Congress into accepting his production deficient, massive tax energy policy.

Revealing his frustrations at the studied analysis which the United States Senate and well informed technical experts throughout the nation have given his proposed National Energy Policy in the past few months, the President responded by raising the demagogic alarm of "the biggest ripoff in history" by the oil companies.

Just what is "the potential war-profiteering in the energy crisis" to which the President referred?

For the ten year period from 1967 to 1976, the rate of return on invested capital averaged 13.8 percent in the petroleum industry. This is slightly above the average figure of 13.1 percent for all manufacturing industries in the United States.

While the petroleum industry return was 13.8 percent, the drug industry enjoyed a 19.9 percent return; computers, 15.8 percent; and printing and publishing, 14.1 percent.

In 1974, petroleum industry rate of return reached the high point of 19.1 percent due to increased inventory valuations. In 1975, the rate of return was 13.9 percent; in 1976, 15.1 percent and in the first six weeks of 1977, 13.7 percent.

Recently Business Week indicated that for the 12 months ending June 30 the largest oil, gas and coal companies had a return on equity of 14.2 percent. By contrast radio and broadcasters had a return of 23.3 percent; manufacturers had a return of 17.9 percent; and savings and loan companies a return of 15 percent.

Actually, whether the Carter plan is accepted or the market is deregulated, American consumers will be paying the so-called world price for their oil.

The difference is whether the decontrol money will be given through the market place to American producers. These American companies plan to spend the money in the United States developing oil and gas and will pay taxes on their profits to the state and federal government.

Under the Carter proposal, the American consumers will pay the difference between the controlled price and the world price in the form of taxes which will not be spent on energy development.

More and more oil will have to come from abroad in exchange for the real wealth of our nation. Increasingly we will suffer a shortage of dollars with which to buy fruit, vegetables and meat while the OPEC countries continue to spend freely on the weapons of war.

It was the inventive genius, the initiative and hard work, the enormous risk of capital by our oil companies that put America on wheels and made us the greatest industrial nation in the world.

If the producers of energy are the great villains that populist politicians like to accuse them of being, why haven't they brought the culprits to heel?

There is no big oil in New Hampshire! The nameless, faceless villains of the President, some Congressmen and Washington bureaucrats, are the small businesmen who run oil dealerships in our state.

They are our neighbors and our friends. They are the ones we call for burner repairs after midnight, who contribute to our local churches and charities, who are the leaders in 4-H, Scouts, and Little League, who have the time for youth activities or civic committees.

They are active members of the community and are on a first name basis with their customers and most of the people who live in our cities and towns.

They are the ones who have been hardest hit by the rising oil prices and government monitoring and controls.

They are the ones who will have to sustain the burden of reporting prices monthly to the Department of Energy.

Like other small businessmen, they have been swamped by the investigations and harassments of the IRS and OSHA, more recently they suffer exquisitely at the hands of the FEA and the EPA.

The oil dealers of our state, like all small businessmen, have seen their costs rise rapidly throughout the period since the oil embargo.

The salaries of their employees have risen. Social Security contributions have increased as have hospitalization and insurance.

Our oil dealers pay more for utilities, gas for their trucks, new equipment and repairs.

One dealer told our state Energy Office he had recently obtained prices on a new truck. He had not purchased one since 1972. At that time, he bought a new truck chassis for $7,000. Now the price is $14,000.

Our dealers pay more for the money they borrow to keep their businesses running. With the higher fuel prices their collections are slower and their accounts receivable are astronomical by the end of the winter!

In New Hampshire, over 50 percent of the dealers do not charge interest or late charges for overdue accounts. Certainly that is a poor example of the war profiteering.

In this day of escalating oil costs, we too often forget those persons deeply enmeshed by today's oil problems—the small oil dealers.

In a recent survey in the magazine "Fuel Oil and Oil Heat" for the 1976–1977 winter, the squeeze that price monitoring and controls have placed on dealers is revealed.

Profit margins for heating oil dealers increased by 8 percent but total costs went up 13 percent. This means profits were down about 8 percent in the year.

Before the embargo, dealers operated on a 35 percent margin. Today if they are lucky, they average 20 percent.

Since 1973, fuel prices have doubled, margins have increased 24 percent, but costs have increased 36 percent.

Let's look at profits. Per customer profit for the year averaged $27.50 in 1973. By 1976, the profit margin had dropped to $22.61 per customer per year. In 1977, an extreme winter that was 10 percent colder than normal, and thereby produced a higher demand for oil, profits climbed only 29 cents to $22.90.

Still we pay lip service to price monitoring. We understand that 3,000 of the 15,000 oil dealers in the nation will now be monitored. This group of dubious distinctive faces increased pressure to keep their prices down, even if their competitors raise their prices to meet rising costs.

The government threatens full scale audits of dealers who exceed the complex trigger mechanism prices and will publish lists, black lists, of "so-called" profiteers who raise their prices to meet the rising costs of doing business.

The dealer who is audited must have an accountant, a lawyer, and his staff available to assist in the audit.

In order to survive, the dealers will be compelled to cut their costs because controls and the fear of controls have made them hesitate to increase their business. Controls will make our people, the oil customers, afraid to seek a new dealer.

As we push conservation nationally, the dealers must cut back on the very personnel and services needed for business efficiency.

Most dealers in New Hampshire lose money on their burner service operation which must be made up from product sales profits. To survive they must cut down on the quality of their personnel who service burners, on the equipment they use and the time they spend to service each burner.

Good service and burner maintenance, FEA agrees, can cut fuel consumption 10 to 20 percent or more in each oil heated home and yet the proposed monitoring would discourage good burner services.

We oppose continued price monitoring by the Department of Energy.

We oppose government controls on small businesses by intimidation.

We reject the implication that our oil dealers are profiteering on the basic need for heat during our cold New England winters.

We resent the continued involvement of the government in private industry and the destruction of our efficient oil marketing system.

We resent government intervention and the constant threat of intervention that has driven almost 30 percent of our New Hampshire dealers out of business since 1973. In that year, there were 290 fuel dealers in our state; now there are less than 200. In fact, we understand that five more are in the process of closing their businesses right now.

We resent the FEA and industry haggling over a 2 cent per gallon discretionary provision before prices are triggered, while the President threatens a $5.00 per barrel, or 12 cents per gallon tax on imported crude oil.

Let me stress that New Hampshire relies heavily on oil and that our people, like others in New England, are struggling to pay for their energy needs.

In New Hampshire, over 70 percent of our homes are heated by oil.

Over 70 percent of our electricity is generated from oil.

Bluntly, let's start calling a spade a spade!

The blame for our continuing energy crisis lies squarely on government and its role of interference; not on the oil industry.

We must get back to the free marketplace and true competition among companies, and brands and dealers.

Price is not the only indicator for the marketplace and if we are to set price as the criteria, we must also set up criteria for service, for courtesy, for insurance coverage, for friendliness.

Let the FEA set the number of night deliveries a month, the number of service calls, interest on late charges allowable, and the number of times the switchboard receptionist can say "Thank you, for your order," if it must monitor the prices of our oil dealers.

There is no more certain way to destroy the great American free enterprise system than for government to continue riding the backs of the small businessman of this nation.

I can say with some authority, and much emphasis, that the people of New Hampshire will have a warm and happy winter if left alone to burn the stacks of federal reports, regulations and studies they now have on hand. We have no need for more, thank you.

PROCEDURES FOR CONDUCTING CONGRESSIONAL BUSINESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. COLLINS) is recognized for 30 minutes.

Mr. COLLINS of Texas. Mr. Speaker, today I have asked for a special order to discuss the general issues regarding our procedures for conducting congressional business. When the House meets next week, I will submit a privilege of the House resolution under rule IX, which gives to each Member of Congress the right to directly approach the Speaker on a matter regarding the integrity of the proceedings of the House of Representatives.

I am the ranking Republican serving on the subcommittee which handles the oversight and investigations for the Interstate and Foreign Commerce Committee.

I am asking that the information of our subcommittee that is not classified nor proprietary should be made public if a Member of Congress so requests.

Let me give you some background on the manner in which our subcommittee operates. We operate under the committee rules. The committee rules consist of a dictatorial arrangement of the complete and final control being rested in the hands of the majority party.

A recent hearing and investigation was conducted by our subcommittee regarding the manner in which the Chairman of the Federal Power Commission directed some of his staff. In this investigation the issue involved was that the former Chairman of the FPC was charged with transferring employees of the FPC who may have differed with his policy procedures. No one was fired. No one was reduced in financial grade. The question was whether the Chairman had acted in good faith in transferring people who may have different viewpoints than his own in regards to his policies.

As we reviewed this issue, I was astounded that our subcommittee would ever question the way that any chairman ran his operation. I summarized the dictatorial procedures which we have in our own committee. Here is my statement which was part of the Oversight Committee Report on Adverse Personnel Actions Against Professional Staff Members at the Federal Power Commission, which was dated September 1977:

We should broaden the comparison in reviewing the management actions of the Chairman of the FPC. Our own Oversight and Investigations Subcommittee provides a comparable situation.

Our subcommittee has a staff of 32 persons, which is selected in accordance with the following provision in the committee rules: "Subcommittee chairmen, subject to the approval of the majority party members of the committee, shall be entitled to make such appointments to the professional and clerical staff of the committee as may be provided in the budgets." This means that the chairman names the entire staff subject only to the approval of his majority members. The chairman also has complete jurisdiction in discharge and in compensation matters subject only to the approval of the majority members. On the subcommittee there is no personnel review procedure, nor is there any Civil Service procedure.

Out of the 32 members of the subcommittee staff, 12 have senior assignments. Three make between $44,000 and $46,000. Four make between $35,000 and $40,000, and five make between $21,000 and $30,000. These positions are filled on the basis of personal selection by the chairman with no boards, no examinations, nor any voice in the matter by the minority members of the subcommittee.

The minority has one staff member, an attorney. He has one secretary who spends one third of her time helping him. These minority positions come from the full Commerce Committee's budget not the subcommittee's. The lawyer's office is located three blocks away from the committee hearing rooms.

The chairman has ruled that the minority lawyer may not have access to the raw data developed as investigations are being prepared. The chairman has also ruled that members may not Xerox any material that is being reviewed and that only members may see, as a matter of right, investigative material.

The projects for oversight review are determined entirely by the chairman subject only to approval by the majority members. The minority has never been given an opportunity under the present chairman to develop or make studies.

The responsibility of oversight should be bipartisan, but with the selection of all matters for review being entirely in the hands of the chairman, the subcommittee might lack full incentive for necessary reviews. The chairman decides topics for investigation; decides who will testify; decides when hearings and meetings will be held; decides which staff member will investigate and on which research matters; decides how staff time will be devoted to those matters; and decides place of hearings.

The executive branch of the Federal Government at this time is controlled by the same political party as the controlling party in Congress. Our committee system requires the chairman to review the performance of both executive and independent agencies. The new President with his appointments will soon control not only the executive branch but independent agencies as well. With our subcommittee, the minority does not have the right to select any of the subjects for review or oversight.

Additionally, our committee rules provide that "The right to interrogate the witnesses before the committee or any of its subcommittees shall alternate between majority and minority members. Each member shall be limited to 5 minutes in the interrogation of witnesses until such time as each member who so desires has had an opportunity to question witnesses. No member shall be recognized for a second period of 5 minutes to interrogate a witness until each member of the committee present has been recognized once for that purpose." However, our chairman usually follows a procedure whereby witnesses selected by him present their statement, then the majority counsel develops the majority's points extensively. Finally, the five minute rule applies when the minority is allowed to question the witnesses on the matter being heard.

This all points up the fact that the subcommittee report regarding the FPC Chairman is critical of one man making personal decisions subject only to the approval of a few of his peers. Our subcommittee's personnel situation provides for an all-powerful chairman with only one political party having any input into the hiring, firing, or remuneration of employees and in determining investigative matters.

On questions of procedure the chairman always answers that he goes by the House and committee rules. The majority wrote the rules. The majority passed their rules. Furthermore, many of the investigative practices and procedures utilized by the subcommittee are reminiscent of those established 25 years ago by the Senate committee headed by Senator Joe McCarthy.

The budget for the subcommittee was $202,000 in 1972. It was $720,000 in 1976. The 1977 budget request was $898,000 plus an additional request of $159,500 for a total of $1,057,500.

In our subcommittee I have not taken issue with any of the members of the staff. They have impressed me as being hard working, sincere, and have been well mannered in all of our relationships. I have the utmost respect for our chairman who is an authority on parliamentary law, who works diligently at the investigative process, and who is a man of deep experience. What I do take exception to, is the fact that our committee lacks the balance that should be provided through the views of the minority and through the oversight of the public itself.

I have recently written a letter to Chairman HARLEY STAGGERS of the Committee on Interstate and Foreign Commerce but have not received a reply. I requested that subcommittee files that are not classified or proprietary be made public where I have so requested. I further asked that the complete personal records of a staff member who is no longer with our staff be made available for my study. I also asked that $150,000 be provided for legal and technical staff for the minority to conduct a full review of these materials, as this is the same amount of money that has been provided as supplementary funds for the majority staff.

My concern with the current issue under review is with a matter of principle. It does not concern individuals or personalities. But I believe that a subcommittee study under review had not had full and accurate reporting to the public. I further believe that an issue that has been before the subcommittee for 2½ years should have been concluded with a statement from our subcommittee saying that there was no justification or merit in this review.

MINIMUM PENALTIES FOR WELFARE FRAUD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Montana (Mr. MARLENEE) is recognized for 5 minutes.

Mr. MARLENEE. Mr. Speaker, a lot has been said about the urgent need for reform of the welfare system in our Nation. Nearly everyone from welfare caseworkers to average taxpaying citizens even to the recipients themselves, agrees that the system we have today is confusing, costly, and largely a failure.

In 1977, a total of 26 million individuals, or 12 percent of the Nation's population, received some form of welfare. This costs American workers more than $64 billion—4 percent of the gross national product. Another 10.6 million individuals received benefits from the unemployment compensation program in 1977 at an additional cost of $13.9 billion.

Most recipients of welfare assistance are truly needy people who are lawfully entitled to receive benefits from these programs because of income level, physical disability, age, or some other criteria measuring eligibility.

However, millions of Federal dollars are wasted annually in welfare overpayments. An exact figure is difficult to determine because there are numerous and complex programs included in what we define as welfare. But for the AFDC program alone, the most recent quality control check estimated between 10 and 13 percent of AFDC cases involved fraud that could be attributed to the recipient.

The need for comprehensive reform of the entire welfare system has been agreed upon. Just what form this overhaul should take is a point of disagreement among experts in the field of social services, and carries over into an array of legislative remedies. While we are trying to figure our how to make the system work better, millions of tax dollars are being wasted because many of those who cheat the system are never punished.

It is my feeling that too little attention has been given to making sure those who defraud the system are punished.

Therefore, I am introducing legislation that would require mandatory minimum penalties for those who are convicted of purposely defrauding the Government to obtain welfare benefits for which they are not entitled.

The cash assistance programs which I have included in my proposal are medicaid, SSI, food stamps, AFDC, and unemployment compensation. My bill would require that unlawful recipients be required to pay back no less than the value of the services they received illegally.

Current statutes contain no mandatory penalty of any sort for proven cases of welfare fraud. I think the very least we should expect from those who commit such fraud against the Federal Government is for them to repay what they have received illegally. Requiring such a pay-back would serve notice to those contemplating fraud against the Government that if convicted they will be penalized no less than what they owe the system they cheated, and that the penalties can be far more severe. They should not expect to get off scot-free.

Every day the Government finds more and more uses for the hard-earned tax dollar. I think we owe it to the American workers to try and protect their contribution to the Nation's welfare system.

RURAL HEALTH CLINIC SERVICES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. PEPPER) is recognized for 10 minutes.

Mr. PEPPER. Mr. Speaker, both the House and Senate have adopted the conference report on H.R. 8422, to provide medicare and medicaid coverage for the services of nurse practitioners and physician assistants in rural health clinics which meet appropriate standards, clearing the measure for the President.

I supported this legislation, which signals several important developments in the delivery of health care. As chairman of the Select Committee on Aging and its Subcommittee on Health and Long-Term Care, I am particularly encouraged by the promise this bill holds for improving the care that is available to older Americans.

First, the bill is further acknowledgment by the Federal Government of the maldistribution of physicians which impedes the delivery of health care in rural areas. Despite such Governmtnt programs as the National Health Service Corps, which encourage medical practice in medically underserved areas, physicians remain clustered around metropolitan areas. The bill signals the determination of Congress that residents of rural areas are to have equal access to medical care services in their communities without the necessity of traveling great distances.

By providing coverage for the services of nurse practitioners and physician assistants, the bill addresses an important but underemphasized aspect of our health care system, our failure to utilize properly the services of nonphysician health personnel, who in many cases are able to perform procedures which are now covered only if carried out by physicians—at higher cost both in terms of dollars and in terms of efficiency.

I have stressed the need to reevaluate the utilization of health care personnel, to allow direct reimbursement for licensed practical nurses, registered nurses, and others who are educationally prepared and licensed to perform certain medical procedures. Legislation I have introduced, H.R. 2851, would provide for medicare and medicaid reimbursement for the services of LPN's. We must look upon health care delivery as a cooperative effort, drawing upon the skill and experience of every member of the health care team—doctors, nurses, LPN's, physician assistants, and so on. Failure to do so results not only in enormous unnecessary expenditures but in top-heavy administrative burdens as well, with the patient often bearing the heaviest burden of high cost and inefficient care.

I applaud another provision of this bill which seeks to make home health care available to those who reside in rural areas. The bill provides for medicare and medicaid reimbursement for rural health clinics which provide part-time or intermittent nursing services and related supplies furnished by a registered nurse or a licensed practical nurse to homebound patients where there is a shortage of home health agencies.

As my colleagues are aware, I am deeply concerned over the problems which exist in making home health care available to our citizens, especially the elderly and homebound who often are forced to seek unnecessary and inappropriate institutionalization when these services are not available. Legislation I have introduced, primarily H.R. 1116 and H.R. 1126, would remove the restrictions which make home health coverage so difficult to obtain under medicare and expand the definition of home health care under both medicare and medicaid to include such services as nutritional counseling and periodic chore services. But these efforts must include encouragement of the development of home health agencies where none exist. A report issued last year by the Subcommittee on Health and Long-Term Care entitled, "New Perspectives in Health Care for Older Americans," pointed to HEW statistics which indicated as of April 1975, 54 percent of the Nation's counties had no medicare-certified home health agencies. We must do everything possible to assure that home health care is available in all parts of the country, and this provision of H.R. 8422 is an important component of this effort.

The bill requires those States which authorize nurse practitioners and physician assistants to provide reimbursement under medicaid for services provided in rural health clinics, to assure the poor, as well as the elderly, of access to these vital services.

The House-Senate conference addresses other important aspects of medical care in rural areas by requiring the Secretary of HEW to report to Congress by April 1978 on the advantages and disadvantages of extending medicare coverage to mental health centers and centers for treatment of alcoholism and drug abuse. Moreover, it was made clear in the conference report that the Secretary is to conduct demonstration projects under section 222 of Public Law 92–603—Social Security Amendments of 1972—on providing coverage for preventive services furnished by these clinics.

I strongly believe that we must press for greater emphasis on preventive health services, particularly under medicare, which currently covers principally acute, episodic illness. This orientation prevents realistic assistance to millions of elderly Americans whose greatest medical need is treatment of chronic illness and preventive health services such as hypertension screening, diagnosis, and treatment and physical checkups. It is my hope that these demonstrations will be carried out expeditiously.

Finally, the bill includes other provisions which can make these rural clinics operate effectively. They will be required to perform diagnostic services, including clinical laboratory services, to have on hand those drugs which are determined to be necessary for treatment of emergency cases as allowed by State and Federal law, and to make provision for utilization review to the extent the Secretary determines to be necessary.

Mr. Speaker, I commend the authors of the bill, the members of the health subcommittees of the Ways and Means and Interstate and Foreign Commerce Committees, which are chaired by my distinguished and able colleagues, DAN ROSTENKOWSKI and PAUL ROGERS, and their counterparts in the Senate for bringing this legislation to early enactment. It is my hope that its passage signals congressional action on a host of pending bills which can make long-overdue improvements in medicare and medicaid even prior to adoption of a national health insurance program.

THE SOCIETY OF MARY—PIONEERS OF TEXAS EDUCATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, Europeans first appeared in what is now San Antonio in 1718, and there founded the most important and most lasting of the Spanish missions in Texas. Almost 100 years after the founding of Villa de Bejar, as San Antonio was called, Father William Joseph Chaminade founded the Society of Mary at Bordeaux.

Father Chaminade had been witness to the destruction, chaos, and terror that accompanied the French Revolution, and his vision was to create an order that would have as its purpose the restoration of some of the values that had been destroyed, some of the institutions that had been damaged. He intended for the Society of Mary to be dedicated to education, and the best means of achieving his vision and purpose.

Father Chaminade could not have known that within a few decades his society would found the first private school in the faraway town of San Antonio, Tex. In fact, his Marianists

founded the first private school anywhere in Texas.

The Society of Mary sent four of their French brothers to Texas in 1852. The four brothers arrived at the town of Indianola, and immediately went on to San Antonio. By August their school was open. The first school was the most humble of beginnings for what is today a vast educational enterprise. The Brothers' School, as it was known started with 12 students, and it was located on the second floor of a livery stable near the San Fernando Cathedral.

The Marianists were not without resources, and in 1853 they opened St. Mary's Institute in a stone building on the banks of the San Antonio River. In a city of great Spanish influence, their building was distinctive, for it was built in the French style. Possibly it was the French brothers, or their unusual building, that led people to call the school simply, "the French school." The old building still stands, and is still owned by the society. It was used as the St. Mary's University Law School until 1967, and since that time has been used as a popular, unusual, and most beautiful hotel. The French architecture is still there, a rare example of this style in a part of Texas that was overwhelmingly influenced by Spanish and German cultures.

The Marianists did not labor in vain. The "French school" grew and prospered, and by 1894 the brothers were ready to open a college in the western outskirts of San Antonio. This college they called St. Louis University, but renamed it St. Mary's College in 1923.

The Society of Mary did not rest, either then or now; they founded St. Joseph's School at Victoria in 1906, a school that still operates. They founded the Central Catholic High School in San Antonio in 1932. In 1937 they founded Camp Tecaboca, in what is today an extremely popular area for summer camps. Then in 1943 the Marianists founded Our Lady of Guadalupe Parish and School in the town of Helotes. In 1949 they established the Holy Rosary Parish and School in San Antonio. They reached out to El Paso to found St. Joseph's School in 1959. Of all these schools, only that last one ever closed its doors; the rest are alive and well.

St. Mary's University has in recent years quadrupled its physical plant, and the Central Catholic High School is ready to embark on its own ambitious program of construction. These are sure signs, if any are needed, that the Marianists have lost none of the vision, the determination and the vigor their four brothers brought to Texas 125 years ago.

In January, the Marianists will celebrate the 125th anniversary of the arrival of their Order in Texas. They have much to celebrate. In San Antonio alone the Marianists are represented by 90 members. Their educational work just at St. Mary's University alone reaches 3,200 students, a number that is just about equal to the total population of San Antonio itself, at the time the Marianists founded their first school.

I am among those fortunate enough to have had my life touched by the Marianists. I learned law at the old school in downtown San Antonio, and it was as good a legal education as could be had in Texas or anywhere else. The same is true today. The Marianists provide a unique opportunity to learn, and learn well, in what is very nearly a family atmosphere.

It is a testimony to the truth of their vision that the schools founded by these good brothers have stood the test of time. The schools stand where they were founded, and though the world changes around them, they have remained secure. They have endured because they stand where they are needed, and provide the kind of care and concern that are always a necessity. Probably no one knows how many young people in Texas have received all or part of their education from the Marianist schools; it is certain, though, that for many the brothers offered the only chance for a decent education. This was certainly true in my own legal education, for other schools were too distant and too expensive to be within the realm of possibility for me. The "French school" of 125 years ago, housed in the same place where I went to law school, likewise provided for many the main, and often only, chance in life for a good education. The truth is that back then the brothers stood on a distant frontier, but even though the physical frontier has long since vanished, they still remain on the leading edge of life—true pioneers in education, the embodiment of the vision their founder had, and the eternal renewers of the human mind, vision, and spirit.

CONCURRENT RESOLUTION TO ASSURE QUALITY HEALTH CARE FOR RURAL POPULATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. BEDELL) is recognized for 5 minutes.

Mr. BEDELL. Mr. Speaker, on September 23, 1977, HEW published some proposals for national health planning guidelines in the Federal Register. As currently written, only a few of the hospitals in my district could meet these proposed guidelines, and it is my understanding that many hospitals in other areas across the Nation are in a similar position. This fact has caused grave grassroots concern that many community hospitals, which are unable to meet these guidelines in the future, will actually be forced to close.

While I agree that cost containment for health care services is a matter of critical importance, I believe that it is imperative that we reassure the American people that the Congress will not allow the unjustifiable closing of small community hospitals which are so important to our citizens. I have thus drafted a resolution which would make it clear that it is not the intent of Congress that the proposed HEW guidelines for health planning be used to close small community hospitals, and when the House meets next Tuesday I intend to ask unanimous consent that this resolution be called up for consideration by the House.

The text of this resolution follows:

Concurrent Resolution to assure quality health care for populations located in rural areas

Whereas the Notice of Proposed Rulemaking regarding National Guidelines for Health Planning filed by the Secretary of Health, Education, and Welfare on September 22, 1977 (42 Fed. Reg. 48502–48505), has generated great public concern that the guidelines may impose unrealistic performance requirements upon small, rural hospitals;

Whereas many small, rural hospitals provide local communities with medical care of a kind and a quality that are not readily available at less accessible metropolitan hospitals; and

Whereas quality health care at a reasonable cost for populations in rural areas is a priority of the Federal Government: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of Congress that the National Health Planning Guidelines should include sufficient flexibility to allow a Health Systems Agency, if it can demonstrate that its area has special characteristics, to establish a goal or standard that is different than the national goal or standard, therefore assuring that needed rural hospital services will continue.

SEEING AN ABORTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. LAFALCE) is recognized for 5 minutes.

Mr. LAFALCE. Mr. Speaker, the subject of abortion continues to arouse deep feelings in citizens throughout our Nation. Both those opposed to it and those who argue for its widespread use continue in many forums to advocate their beliefs. I have made clear in the past my opposition to abortion and want to insert an article sent to me by a constituent which appeared in the January 1976 issue of Esquire. It is entitled, "What I Saw at the Abortion" by Richard Selzer. This description of a late, but legal abortion by a doctor identifies his very personal sensations in a very revealing way. I want to share it with my colleagues:

WHAT I SAW AT THE ABORTION

(By Richard Selzer)

I am a surgeon. Particularities of sick flesh is everyday news. Escaping blood, all the outpourings of disease—phlegm, pus, vomitus, even those occult meaty tumors that terrify—I see as blood, disease, phlegm, and so on. I touch them to destroy them. But I do not make symbols of them.

What I am saying is that I have seen and I am used to seeing. We are talking about a man who has a trade, who has practiced it long enough to see no news in any of it. Picture this man, then. A professional. In his forties. Three children. Lives in a university town—so, necessarily, well—enlightened? Enough, anyhow. Successful in his work, yes. No overriding religious posture. Nothing special, then, your routine fellow, trying to do his work and doing it well enough. Picture him, this professional, a sort of scientist, if you please, in possession of the standard admirable opinions, positions, convictions, and so on—on this and that matter—on *abortion*, for example.

All right.

Now listen.

It is the western wing of the fourth floor of a great university hospital. I am present because I asked to be present. I wanted to see what I had never seen. An abortion.

The patient is Jamaican. She lies on the table in that state of notable submissiveness I have always seen in patients. Now and then she smiles at one of the nurses as though acknowledging a secret.

A nurse draws down the sheet, lays bare the abdomen. The belly mounds gently in the twenty-fourth week of pregnancy. The chief surgeon paints it with a sponge soaked in red antiseptic. He does this three times, each time a fresh sponge. He covers the area with a sterile sheet, an aperture in its center. He is a kindly man who teaches as he works, who pauses to reassure the woman.

He begins.

A little pinprick, he says to the woman.

He inserts the point of a tiny needle at the midline of the lower portion of her abdomen, on the downslope. He infiltrates local anesthetic into the skin, where it forms a small white bubble.

The woman grimaces.

That is all you will feel, the doctor says. Except for a little pressure. But no more pain.

She smiles again. She seems to relax. She settles comfortably on the table. The worst is over.

The doctor selects a three-and-one-half-inch needle bearing a central stylet. He places the point at the site of the previous injection. He aims it straight up and down, perpendicular. Next he takes hold of her abdomen with his left hand, palming the womb, steadying it. He thrusts with his right hand. The needle sinks into the abdominal wall.

Oh, says the woman quietly.

But I guess it is not pain that she feels. It is more a recognition that the deed is being done.

Another thrust and he has speared the uterus.

We are in, he says.

He has felt the muscular wall of the organ gripping the shaft of his needle. A further slight pressure on the needle advances it a bit more. He takes his left hand from the woman's abdomen. He retracts the filament of the stylet from the barrel of the needle. A small geyser of pale yellow fluid erupts.

We are in the right place, says the doctor. Are you feeling any pain? he says.

She smiles, shakes her head. She gazes at the ceiling.

In the room we are six: two physicians, two nurses, the patient, and me.

The participants are busy, very attentive. I am not at all busy—but I am no less attentive. I want to see.

I see something!

It is unexpected, utterly unexpected, like a disturbance in the earth, a tumultuous jarring. I see something other than what I expected here. I see a movement—a small one. But I have seen it.

And then I see it again. And now I see that it is the hub of the needle in the woman's belly that has jerked. First to one side. Then to the other side. Once more it wobbles, is *tugged*, like a fishing line nibbled by a sunfish.

Again! And I *know*!

It is the *fetus* that worries thus. It is the fetus struggling against the needle. Struggling? How can that be? I think: *that cannot be*. I think: the fetus feels no pain, cannot feel fear, has no *motivation*. It is merely reflex.

I point to the needle.

It is a reflex, says the doctor.

By the end of the fifth month, the fetus weighs about one pound, is about twelve inches long. Hair is on the head. There are eyebrows, eyelashes. Pale pink nipples show on the chest. Nails are present, at the fingertips, at the toes.

At the beginning of the sixth month, the fetus can cry, can suck, can make a fist. He kicks, he punches. The mother can feel this, can *see* this. His eyelids, until now closed, can open. He may look up, down, sideways. His grip is very strong. He could support his weight by holding with one hand.

A reflex, the doctor says.

I hear him. But I saw something, I saw *something* in that mass of cells *understand* that it must bob and butt. And I see it again! I have an impulse to shove to the table—it is just a step—seize that needle, pull it out.

We are not six, I think. I think we are *seven*.

Something strangles *there*. An effort, its effort, binds me to it.

I do not shove to the table. I take no little step. It would be . . . well, madness. Everyone here wants the needle where it is. Six do. No, *five* do.

I close my eyes. I see the inside of the uterus. It is bathed in ruby gloom. I see the creature curled upon itself. Its knees are flexed. Its head is bent upon its chest. It is in fluid and gently rocks to the rhythm of the distant heartbeat.

It resembles . . . a sleeping infant.

Its place is entered by something. It is sudden. A point coming. A needle!

A spike of *daylight* pierces the chamber. Now the light is extinguished. The needle comes closer in the pool. The point grazes the thigh, and I stir. Perhaps I wake from dozing. The light is there again. I twist and straighten. My arms and legs *push*. My hand finds the shaft—grabs! I *grab*. I bend the needle this way and that. The point probes, touches on my belly. My mouth opens. Could I cry out? All is a commotion and a churning. There is a presence in the pool. An activity! The pool colors, reddens, darkens.

I open my eyes to see the doctor feeding a small plastic tube through the barrel of the needle into the uterus. Drops of pink fluid overrun the rim and spill onto the sheet. He withdraws the needle from around the plastic tubing. Now only the little tube protrudes from the woman's body. A nurse hands the physician a syringe loaded with a colorless liquid. He attaches it to the end of the tubing and injects it.

Prostaglandin, he says.

Ah, well, prostaglandin—a substance found normally in the body. When given in concentrated dosage, it throws the uterus into vigorous contraction. In eight to twelve hours, the woman will expel the fetus.

The doctor detaches the syringe but does not remove the tubing.

In case we must do it over, he says.

He takes away the sheet. He places gauze pads over the tubing. Over all this he applies adhesive tape.

I know. We cannot feed the great numbers. There is no more room. I know, I know. It is woman's right to refuse the risk, to decline the pain of childbirth And an unwanted child is a very great burden. An unwanted child is a burden to himself. I know.

And yet . . . there is the flick of that needle. I saw it. I saw . . . I felt—in that room, a pace away, life prodded, life fending off. I saw life avulsed—swept by flood, blackening—then out.

There, says the doctor. It's all over. It wasn't too bad, was it? he says to the woman.

She smiles, It is all over. Oh, yes.

And who would care to imagine that from a moist and dark commencement six months before there would ripen the cluster and globule, the sprout and pouch of man?

And who would care to imagine that trapped with the laked pearl and a dowry of yolk would lie the earliest stuff of dream and memory?

It is a persona carried here as well as person, I think. I think it is a signed piece, engraved with a hieroglyph of human genes.

I did not think this until I saw. The flick. The fending off.

We leave the room, the three of us, the doctors.

"Routine procedure," the chief suregon says.

"All right," I say.

"Scrub nurse says first time you've seen one, Dick. First look at a purge," the surgeon says.

"That's right," I say. "First look."

"Oh, well," he says, "I guess you've seen everything else."

"Pretty much," I say.

"I'm not prying, Doctor," he says, "but was there something on your mind? I'd be delighted to field any questions. . . ."

"No," I say. "No, thanks. Just simply curiosity."

"Okay," he says, and we all shake hands, scrub, change, and go to our calls.

I know, I know. The thing is normally done at sixteen weeks. Well, I've since seen it performed at that stage, too. And seen . . . the flick. But I also know that in the sovereign state of my residence it is hospital policy to warrant the procedure at twenty-four weeks. And that in the great state that is adjacent, policy is enlarged to twenty-eight weeks.

Does this sound like argument? I hope not. I am not trying to argue. I am only saying I've seen. The flick. Whatever else may be said in abortion's defense, the vision of that other defense will not vanish from my eyes.

What I saw I saw as that: a defense, a motion from, an effort away. And it has happened that you cannot reason with me now. For what can language do against the truth of what I saw?

THE COUNTERCYCLICAL AID PROGRAM IS A WASTEFUL FAILURE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. LEVITAS) is recognized for 5 minutes.

Mr. LEVITAS. Mr. Speaker, I would like to call to the attention of my colleagues a report which was issued on November 29 by the General Accounting Office entitled, "Antirecession Assistance—An Evaluation." It is a very interesting report on the so-called countercyclical program providing Federal taxpayer funds to State and local governments presumably to offset the effects of a recession, such as cutbacks in their services. Its conclusions, though, are not surprising. GAO testified before my Subcommittee on Intergovernmental Relations last spring that its preliminary studies showed that this program was not achieving its goals, and this final report confirms that.

To refresh the memories of my colleagues, the antirecession assistance or countercyclical program for State and local governments was originally enacted as title II of the Public Works Employment Act last year. As set forth in the conference report, title II was designed to meet three criteria as an antirecession program: First, to provide assistance directly into the economy with as little administrative delay as possible; second, to provide selectively targeted assistance, so that only those governments substantially affected by the recession would receive funds; and third, to phase itself out as the economy improves. Unemployment rates were to be used as both the triggering and targeting mechanism.

Despite GAO's testimony last spring that the program was not meeting the first two aims, Congress, over my objections and that of many other Members, voted to extend this ineffective and wasteful program for an additional year

which, by the way, also meant that it was not going to meet the third objective either.

Now we have the benefit of GAO's final report, and its conclusions are the same. Quoting from portions of the findings, the GAO reports says:

First, the present antirecession assistance program is not a particularly effective tool for stimulation of the economy during a downturn;

Second, the present antirecession aid formula does not allocate aid in proportion to the needs of state and local governments as measured by recession-induced budgetary disruption. This reflects the fact that the level of excess unemployment is a measure of limited statistical reliability for jurisdictions and, even if statistically reliable, does not necessarily correspond to the impact of a recession on state and local government budgets;

Third, the antirecession assistance allocation does roughly correspond to the incidence of secular decline in a jurisdiction; but if it is the intent of Congress to provide assistance to meet such problems, a formula more specifically tailored to secular decline can be devised.

Mr. Speaker, I do not like to say "I told you so," but it is now clear that Congress should not have extended the so-called countercyclical program. The antirecession program is not only not countercyclical, it is not even effective in meeting the legitimate needs of State and local governments. Yet, here we have the program for another year, and I would not even be surprised if some people on the dole talk about renewing this wasteful program again next year. GAO was telling us the program was ineffective last spring, but we went ahead and renewed it anyway, with arguments that the funds were needed, that State and local governments already had budgeted this money and were counting on it, and so forth. Now GAO has put its evaluation in a pretty blue booklet. Will that change our minds when this question comes up again, or will the old arguments persist?

I do not question that many State and local governments need additional financial assistance, but when are we going to wipe this program off the books and work on a program that really answers their needs in a fiscally responsible way? When are we going to stop throwing good money after bad, not only for this particular program but for many others as well? Do we continue to waste money because the programs have attractive sounding names, but do not work?

Mr. Speaker, we hear a lot of rhetoric in this Chamber, and these could be considered rhetorical questions, but we really need to act upon them. For too long the Congress has complained about waste of taxpayers' dollars but has been responsible for a large amount of that waste by creating and perpetuating wasteful, ineffective programs. Now is the time to do something constructive about ending waste and this program of so-called countercyclical financial assistance is a good place to begin.

ACTIVITIES OF THE SMALL BUSINESS COMMITTEE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. SMITH) is recognized for 5 minutes.

Mr. SMITH of Iowa. Mr. Speaker, in 1977 the House Small Business Committee has been more active on behalf of small business, enacted more meaningful legislation, and by any meaningful measurement accomplished more than in any year since it was established. The activities have been so extensive that I believe a review of those activities should be set forth so those interested in small business matters may be more fully informed.

Under the Rules of the House of Representatives, 95th Congress, the Committee on Small Business has jurisdiction over bills, resolutions, and other matters relating to assistance to and protection of small business, including financial aid.

One hundred House bills, House resolutions, and Senate bills passed by the Senate were referred to the committee. Of these: 33 were considered and enacted into law, passed the House or were otherwise disposed of; 34 were the subject of hearings not completed; and 33 are awaiting action.

The committee has held or scheduled 91 days of hearings—as compared to 54 in the first session of the 94th Congress, 1975—62 days being on legislation and 29 days being on investigations.

Also, the committee this year has filed 10 reports with the House—as compared to 9 in 1975—and has printed three staff reports and compiled and printed the Small Business Act, the Small Business Investment Act, and major related laws of importance to small business.

The committee has also continued to work with the Budget and Appropriations Committees to secure much needed additional funding for SBA programs. For fiscal year 1978, SBA's financial assistance program—excluding physical disaster loans—were increased to $3.491 billion from $2.962 billion in fiscal year 1977, an increase of 17.9 percent; and guarantees on surety bond and pollution control agreements were increased from $888 million to $2.1 billion, an increase of 136.5 percent.

MAJOR CHANGES IN SBA

There have been some major changes in 1977 affecting the Small Business Administration. In addition to the appointment of a new Administrator, the Honorable A. Vernon Weaver, the SBA has had many of its programs changed by the enactment of Public Law 95–89 and has voluntarily made other substantial changes, some subsequent to suggestions or urging by the House Small Business Committee.

WOMEN IN BUSINESS

The House committee through its chairman set as one of the priorities of the 95th Congress greater recognition of women within the agency and as owners of small businesses. The agency has recognized these objectives and in addition to continuing its efforts to eliminate barriers, SBA is now actively recruiting women for placement in SBA at all levels. Patricia M. Cloherty has been appointed as Deputy Administrator and Patricia L. Burr has been appointed as Assistant Administrator for Management Assistance. It is also attempting to identify special problems confronting prospective women business owners and to provide special assistance to them.

MINI-SMALL BUSINESS

SBA has also recognized the financial needs of the really small, small business and its inability to obtain loans under $25,000 in many instances from normal commercial establishments. Banks often are not interested in servicing these small loans or even participating in a guaranteed loan program where the borrower would not be paying enough interest to justify the time required. This need for relatively small amounts of financing can be overcome only with continued and greater emphasis upon SBA's direct loan programs.

8(a) CONTRACTING

SBA historically has used its 8(a) contracting program to assist in the establishment and growth of small companies owned by socially and economically disadvantaged individuals. Under this program, SBA contracts with a Federal department or agency to supply goods and services and then subsequently contracts with a small concern to actually perform the contract for SBA and hence indirectly perform the contract with the Federal agency. Over the years a number of abuses had crept into this program and in some instances small concerns not really owned by socially or economically disadvantaged individuals were reaping its benefits. This year SBA temporarily ceased accepting new companies into the program and is weeding out current participants who do not really belong in it. Hopefully SBA will complete drafting of more definitive guidelines on the program and will be able to more accurately select firms to participate in it without excluding those for whom the program was designed.

PHYSICAL DISASTER ASSISTANCE

Also, the large number of physical disasters which have occurred this year has imposed a large responsibility upon the agency which makes loans available to victims of these physical disasters. It appears that the drought in the Midwest and southeastern areas of the country, flooding the Southeast, Kansas City, and Johnstown, Pa., and the civil disorder in New York City will result in SBA making more disaster loans than it has since 1972 when Hurricane Agnes struck the northeastern United States, resulting in outlays of $1.3 billion.

SBA AUTHORIZATIONS

H.R. 2647 was enacted—Public Law 95–14—as a temporary measure to authorize appropriations for SBA for the remainder of fiscal year 1977. Among its provisions was a major increase in the surety bond guarantee program under which SBA guarantees up to 90 percent of a loss sustained by a surety company on a payment or performance bond issued on behalf of a small business. This will permit small businesses to meet the bidding requirements on many contracts on which they previously had been excluded from bidding.

OMNIBUS SMALL BUSINESS BILL

H.R. 692, enacted as Public Law 95–89, is one of the most extensive small business and disaster relief laws ever passed by Congress. It could have been split into

more than a dozen bills but the House committee is following a new policy of preferring omnibus bills. This gives more time for extensive, substantive deliberation which otherwise would be wasted on procedural matters. Among its major provisions, in addition to authorizing the Small Business Administration's budget for the next 2 years, Public Law 95–89 authorizes SBA loans to physical disaster victims at 3 percent interest; permits SBA to make loans to small homebuilders; expands the authority of SBA to make loans to small concerns suffering substantial economic injury as a result of being forced to move by a governmental program or project; expands the authority of SBA to make loans to a small concern which must change its operations in order to comply with Federal standards; authorizes up to a 5-year moratorium on repayment of SBA loans; and authorizes SBA loans to small concerns suffering substantial economic injury from extraordinary, severe, and temporary natural conditions or economic dislocations.

These loans could be made, for example, to small businesses in resort areas which have lost substantial business due to weather and to small businesses along the Mexican border which lost substantial business due to the peso devaluation. It also authorizes SBA to assist small concerns in obtaining Government contracts. If a small concern is the low bidder but the agency's contracting officer does not have sufficient information about the capability of the company to perform the contract, SBA will evaluate the company and certify its determination to the agency.

It also establishes priorities for the awarding of Government contracts to small business and to concerns in labor surplus areas.

SUBCOMMITTEE ACTIVITIES

SUBCOMMITTEE ON SBA AND SBIC AUTHORITY AND GENERAL SMALL BUSINESS PROBLEMS

First. ERISA. The subcommittee is conducting an extensive study and investigation of the impact of the Employee Retirement Income Security Act on small business.

Recently ERISA has come under fire as potentially being one of the major factors contributing to the alarmingly large number of pension plans terminated since that law was enacted. As of August 27, 1977, the Pension Benefit Guaranty Corporation, the body established by Congress to handle certain plan terminations, had received more than 18,000 notices of intent to terminate defined benefit plans. In addition, many penson plans are not of the defined benefit type and, therefore, are not required to report their termination to the PBGC. The IRS has estimated that as many as 150,000 plans of all types may actually have been terminated.

The committee has conducted a survey of employers terminating plans to determine why so many companies were terminating retirement, deferred income or pension plans.

The vast majority of the individuals responding to the survey were small businesses and 69 percent of those responding indicated that ERISA had been at least a substantial reason for terminating their retirement plan.

The survey also revealed the amount costs associated with pension plans had increased as a result of ERISA. For the smallest plans, those with one through five participants, the administrative cost before ERISA averaged $538. This nearly tripled, to an average of $1,410, after ERISA. The average benefit costs of plans this size were $5,643 before ERISA and $9,101 after. Thus, while benefit costs increased about 60 percent, the administrative costs almost tripled.

This kind of change is even more dramatically shown in the statistics for plans with 6 to 10 participants. In the responses received from this group, the administrative cost before ERISA averaged $600. This increased more than 3½ times to an average of $2,274. The benefit costs for this group averaged $10,413 before ERISA and $22,247 after. Thus, benefit costs more than doubled while administrative costs more than tripled.

The subcommittee has commenced hearings and hopes to develop corrective legislation. It is anticipated that any such legislation would attempt to minimize the burden imposed upon small business concerns by a reduction in governmental regulation and paperwork, including reporting requirements, but at the same time maintaining protection for workers and retirees. The net result would be greater benefits for retirees because more of the contributions would go to benefits instead of being drained off for administrative costs.

Second. Meat industry. The subcommittee has commenced a multi-year study and investigation on impediments to marketing. The subcommittee is looking at restrictions on the movement of goods, especially those restrictions and activities which might be anticompetitive and result in lower prices to producers, higher prices to consumers, or restrict the access of small business to goods and services.

A number of complaints have been received that some small business closings are the result of the inability of the small business to obtain timely delivery of goods at a competitive price. Other complaints have involved marketing practices which are anticompetitive and possibly illegal under existing law.

During the initial stages, the subcommittee is concentrating on the meat industry and has conducted hearings. Throughout the hearings, witnesses have expressed their concern over the inadequate information published by the marketing news services, information which serves as the basis for a formula pricing system which is used to price approximately 70 percent to 80 percent of all the beef consumed in America.

The subcommittee anticipates recommending legislative and/or regulatory changes to correct this and other problems which are being explored.

Third. Physical disaster assistance. The subcommittee is reviewing the Federal programs which provide assistance, including loans from SBA, to victims of physical disasters. Although Public Law 95–89 established the interest rates and eligibility standards for disaster loans, the program expires October 1, 1978. A staff report has been issued and is under study and, in addition, one bill has been reported to modify interest rates for the period expiring October 1, 1978—S. 1306. The subcommittee expects that legislation will be ready for consideration by the House next year extending and perhaps modifying the interest rates of physical disaster assistance programs.

SUBCOMMITTEE ON MINORITY ENTERPRISE AND GENERAL OVERSIGHT

First. Women in Business. The subcommittee conducted hearings and issued an investigative report on women in business, the first ever dealing with the specific problems of women desiring to start or expand a business concern. The subcommittee concluded that social prejudice has had a cumulative effect which unmistakably hampers women from assuming their rightful place in our economy as business owners.

The report contains a number of recommendations to the President, Federal agencies, and departments. Among them are proposals for SBA and the Department of Commerce to:

Enter into an inter-agency agreement which will result in coordinated activities to obtain an adequate data base on women in business; isolate and define specific problems besetting female and minority female business persons; and enumerate and evaluate both short-term and long-term strategies needed to correct or lessen the effect of such problems.

Jointly promote, in cooperation with appropriate Federal agencies and departments, local boards of education and business people, an educational program designed to expose women to business opportunities and to inform them of the requisite skills for the business world.

Second. Minority Enterprise. The subcommittee has conducted numerous hearings on legislation to promote the establishment and growth of small businesses owned by minorities. The Nation's minority business community is composed of some 382,000 businesses, most of which are small retail and service establishments having few, if any, employees beyond the owner and his family. Although minorities constitute 17 percent of our population, minority businesses comprise only 4 percent of the Nation's total businesses and account for less than 1 percent of the total United States business dollar.

Among the bills being considered are:

H.R. 567, probably the most comprehensive piece of proposed legislation ever introduced to assist minority entrepreneurs. Included within its provisions are increased loan limits for potential SBA loan applicants and a requirement that not less than 25 percent of all SBA direct business loans be made to minority-owned small business concerns. The bill also would substantially revamp SBA's section 8(a) subcontracting program for the socially or economically disadvantaged and impose percentage goals on certain Federal contracts and subcontracts for the utilization of minority enterprises.

H.R. 4960 would amend the Small Business Investment Act of 1958. That law authorizes SBA to license and finance certain investment companies,

which in turn, provide debt and equity capital to businesses owned by the economically or socially disadvantaged. H.R. 4960 would greatly liberalize this program by allowing these investment companies, among other things, to receive "cheaper" financing from the SBA.

The subcommittee anticipates marking up these and related bills very soon.

Third. Procurement Assistance. The subcommittee has also held hearings to help small concerns in obtaining a fairer share of Federal spending.

H.R. 2377 would allow the SBA to reduce or waive the payment or performance bonds on 8(a) contracts. Under SBA's 8(a) program, SBA contracts with Federal agencies and departments and then relets the contract with small companies which would actually perform the work or provide the goods.

H.R. 2379 would impose as a condition for receiving most Federal assistance—whether it be by grant, insurance, guarantee, or otherwise—that the receipient undertake an obligation to utilize small business, to the maximum extent practicable, in any procurements which may be paid by such Federal assistance. In effect, this bill would attach to most forms of Federal financial assistance a commitment to aid small business, if such assistance is eventually used for procurements, similar to that imposed upon contractors with whom the Government contracts.

The subcommittee anticipates marking up this proposed legislation very soon.

Fourth. Labor Surplus Areas. The subcommitte also held hearings on channeling more defense contracts to major cities with high unemployment rates.

SUBCOMMITTEE ON ANTITRUST, CONSUMERS AND EMPLOYMENT

First. Antitrust. The subcommittee continued hearings on the protection afforded small business by the Robinson-Patman Act. The hearing focused on suggestions by representatives of large food chains that the law be clarified to permit sellers of merchandise, who price on a uniform delivered price basis, to sell their merchandise to buyers FOB the seller's shipping points at different prices. Under this proposal, action to permit such prices and practices would be without regard as to whether or not different prices would be justified by differences in cost incurred by the seller or whether or not the effect of the differences in the prices would be to injure or destroy competing small business firms.

Small business interests have complained that if different prices for some purchases should be effectuated, it would result in a favoritism of prices to large food chains as against their small competitors—although both large and small business would be buying identical goods from a supplier at the supplier's loading platforms. This, small businesses contend, would result in removing the small business firms as competitors of the large food chains, and would ultimately eliminate competition, forcing consumers to pay whatever prices food chains would dictate.

Second. AM–FM radios. The subcommittee also held hearings on allegations that the pricing policies and practices of the major automobile companies for automobile radios are excessive and possibly in violation of the antitrust laws to the detriment of the listening radio audience, consumers, the broadcast industry and, more particularly FM radio broadcasters, virtually all of whom are small businessmen.

Complaints received by the subcommittee indicate that the consumer pays well above the manufacturing cost of a unit. AM radios cost less than $20 to manufacture and install, but the consumer is charged $70. The manufacture and installation of an average AM/FM radio costs $26.95, but the consumer is charged over $140. For the manufacture and installation of an AM/FM stereo system, the consumer is charged $210.

Third. TRIS ban. The subcommittee held hearings on the effect of the TRIS ban on small garment and clothing manufacturers. TRIS is one of many antiflame chemicals applied to fabrics as required by Federal law. However, TRIS has been determined to be carcinogenic by the National Cancer Institute, and accordingly, Federal law requires that TRIS be banned from interstate commerce. The Consumer Product Safety Commission required a recall on all TRIS treated garments and in effect required that the losses associated with this recall be borne solely by the private sector.

Subsequently, a Federal court reversed the Commission's recall order, but many retailers, including large chain stores, have required wholesalers and manufacturers to repurchase these garments some of which were even used by consumers.

The SBA has attempted to help avoid the financial ruin this would have caused small manufacturers by making low interest loans available to them.

Fourth. Problems of rural small business. The subcommittee also has held joint hearings with the Committee on Agriculture. These hearings focused on national programs concerned with the role of agricultural, business, industrial, and community development with particular reference to the identification of credit and human needs, the accessibility to, and delivery of, private and public financial resources, and to the saving and creation of jobs.

SUBCOMMITTEE ON ENERGY, ENVIRONMENT, SAFETY AND RESEARCH

First. OSHA. The subcommittee conducted extensive hearings on the impact of the Occupational Safety and Health Act on small business. Its investigative report concluded that big businesses which employ lobbyists and lawyers to deal with Federal Government have better access to OSHA than the small businessman, and that there is a need for development of a mechanism to allow small business informal input to the standard setting process.

Some of the recommendations are: elimination of nonserious penalties; establishment of a Federal penalty-free on-site consultation program; credit of abatement costs against the amount of serious penalties, where timely abatement has occurred; no further exemptions from the act by size of business; expansion of training programs for inspectors, consultants, employers and employees; and in situations where a small businessman has taken out an SBA loan to install expensive equipment to comply with the act, that OSHA certify that the change is adequate to meet its standards.

Second. Solar energy. The subcommittee has also held hearings on numerous bills to provide various types of assistance to small business concerns for plant construction, conversion, or expansion, acquisition of equipment facilities and supplies to enable small business to design, produce, distribute, install or maintain solar energy equipment.

These bills, particularly H.R. 3981 and 3984, would provide SBA loans for purchase and installation of solar heating and cooling equipment; research moneys in the form of grants, loan and loan guarantees for small business innovation; training moneys for small businessmen who wish to pursue the design, installation, and maintenance of solar energy equipment; low interest SBA loans to small business to design, produce, distribute, or manufacture solar energy heating and cooling equipment; and would establish an Office of Invention and Innovation for small business inventors.

Third. Availability of energy to small business. The subcommittee conducted hearings on problems of small businessmen connected with tight supplies of natural gas, gasoline, heating oil, and hydroelectricity. Amonk the allegations were that the processing time for SBA energy shortage loans is excessive; that large corporations, like the major oil companies, have highly developed access to Federal agencies, but that small businessmen like gas station owners do not; that major Federal agencies, such as the SBA, FEA, and FPC maintain no information on the impact of severe natural gas curtailments on small business; and that FEA guidelines, in at least some cases, work unfairly against small gas station owners and benefit the major oil companies.

The subcommittee also examined the impact of a decision by the major oil companies to eliminate an incentive for fuel oil distributors to purchase fuel oil before the heating season commenced. This incentive, the summerfill program, previously provided a 1 percent discount for product purchased during summer months.

SUBCOMMITTEE ON CAPITAL, INVESTMENT AND BUSINESS OPPORTUNITIES

First. Product liability. The subcommittee has held extensive hearings on the inability of many small business firms to obtain product liability insurance at a reasonable cost.

Testimony has shown that, first, there is a critical problem facing many small businesses in their ability to obtain product liability insurance at reasonable rates and that some firms are unable to obtain this essential form of insurance at all. Second, data concerning the reasonableness of product liability rates is not available, nor is reliable information concerning the insurance industry's profitability for writing product liability insurance. Third, the present tort system

may be a primary causative factor. Various proposals for reform have been advocated, including making a workers' compensation system the sole remedy of an injured employee, limiting the contingency fee system of compensating plaintiffs' attorneys, abbreviating statutes of limitations, and authorizing SBA to guarantee an insurance company against most of the losses it might sustain on a product liability policy issued to a small concern—H.R. 4200 et al. The latter proposal would be similar to SBA's surety bond guarantee program.

The subcommittee has also solicited and collected data with respect to product liability insurance from what was believed to be the 15 largest insurers of this line in the country. The questionnaire was designed to find out precisely what is happening with respect to product liability insurance at the level of the individual insurance company. These responses are being collated and reviewed and should be published by the end of the year.

Second. Access to capital. The subcommittee also has held hearings on the difficulty of small concerns in obtaining venture and equity capital. Because the small innovative entrepreneur is typically without sizable assets and cannot demonstrate a proven track record, at least insofar as his new product development is concerned, he is hard pressed to obtain the type of long-term capital with flexible terms that he needs from commercial banks. Most banks make short-term loans of 3 years maximum with fixed principal and interest repayment terms. Further, most banks prefer to stay away from lending to relatively new companies whose products are untested in the marketplace.

As a result, the businessman seeking investment capital for a new or growing venture must seek the capital he needs in a rather narrow marketplace. This marketplace appears to be narrowing even further. For example, the number of stock offerings made by companies having net worth of $5 million or less has fallen drastically from 548 offerings in 1969 to only 4 in 1975.

Third. Business district revitalization. The subcommittee also is holding hearings on the coordination of programs presently administered by various agencies affecting business district revitalization. For example, the Small Business Administration administers a "502 Program" through low-interest loans from SBA, which are combined with seed money from the community and traditional commercial loans to create a "package" approach for specific financing problems. HUD has several programs including the community block program effective for urban redevelopment in older areas, the section 312 rehabilitation program, which can be used for commercial buildings, and the Urban Development Act grant program recently enacted into law, which can be especially helpful to halt decay in our smaller cities. Similarly, the Economic Development Administration, which has recently shifted its focus from rural areas, can provide invaluable technical assistance to structural economic problems, and has business loans and public works programs to assist local government and the private sector in effecting commercial revitalization.

Fourth. Labor surplus areas. The subcommittee also conducted hearings on the channeling of Federal contracts into labor surplus areas. These hearings were both prior and subsequent to enactment of Public Law 95–89 which set priorities in the awarding of these contracts: concerns in labor surplus areas which are also small business concerns; concerns which are small businesses, and concerns which are located in labor surplus areas.

SUBCOMMITTEE ON SPECIAL SMALL BUSINESS PROBLEMS

First. Trucking industry. The subcommittee has continued extensive hearings on regulatory problems of the independent owner-operator in the trucking industry and a staff report has been issued. Among the problems being examined are: ICC entry restrictions which require a company wishing to enter the interstate trucking industry to first obtain approval of the ICC for both the routes it plans to serve and commodities it plans to carry; the cumulative effect of the multiplicity of State requirements; the lack of effective bargaining power owner-operators have with common carriers in signing lease agreements; "skimming", a practice by which a carrier improperly reduces compensation actually due an owner-operator under a division of revenues by misstating the weight of a given shipment, the rate applicable thereto, or the revenue derived therefrom for transportation service; and the unloading procedures at warehouses. For example, it has been alleged that at some warehouses, a "gratuity" to the forklift operators and checkers makes the difference between having the truck unloaded immediately or having it wait at the unloading dock all day.

Second. Movie ratings. The subcommittee also held hearings on movie ratings and the independent producer. Among the matters being examined are the movie ratings system, including the appeals process; how and by whom ratings are determined; what purpose the system serves; and how it operates on a day-to-day basis.

Third. FDA labeling regulations. The subcommittee also has held hearings on the effect of the Food and Drug Administration's regulations requiring that all bakery product ingredients be listed on the wrapper by full chemical name. It has been alleged that this will be relatively meaningless to consumers and will put the small baker at a disadvantage by forcing him to either materially increase his inventory of packaging materials or lose his essential flexibility for changing ingredients to cover for shortages and stabilize prices.

Fourth. Crime. The subcommittee also has commenced a series of hearings on crime and its impact on small business. In recent years, little study has been done on the impact of crime on the small business community. Shoplifting, employee theft, bad checks, credit card fraud, arson, vandalism, and robbery threaten a small business concern's existence and in the inner cities, the cost of security has all but destroyed small business. The subcommittee is receiving testimony on these crimes and attempting to discover any new information on crime resistance or other resistance which would be helpful to the small business community.

CRISIS GROUP VOLUNTEERS TIME TO CONTROL HEALTH CARE COSTS

(Mr. Hanley asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HANLEY. Mr. Speaker, at this time, when we are concerned with skyrocketing costs of health care while striving to maintain excellent quality, it is a pleasure to learn of citizens who volunteer their time to help remedy this situation.

The CRISIS group, Coalitions of Relatives and Indignant Sponsors for Improved Services, has shown dedication through a positive-action approach. This organization was conceived at the 28th annual convention of the New York State Health Facilities Association. It is a fast-growing organization with a current membership of over 60 chapters throughout New York State.

These groups, consisting of families and friends of long-term-care patients, seek to uphold the fine standards which these long-term care facilities have demonstrated they can achieve.

They are concerned with costs and cutbacks and the most efficient means to handle such financial matters. CRISIS groups review nursing home procedures and problems and meet with administrators to discuss their findings. They are considered to be advisory councils, whose opinions and positions do constructively add to the administration of such hospitals.

Review procedures are necessary and contribute input that is very helpful in determining policies of large or small-scale matters.

Volunteer groups that aid in such reviews of the functions and maintenance of these facilities are doing a great service to them as well as to the Government. They are helping to make the most efficient use of resources in an area that greatly needs their help.

I commend this group which has taken the initiative to perform these duties for the benefit of their relatives and friends. Their work will be a great aid and incentive to us all.

NEW DRIVE FOR ANTIGUN LEGISLATION IN PROSPECT

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, last year the House Judiciary Committee approved a bill that would have imposed sharp new limits on the rights of American citizens. Disguised as a crime-control measure, this legislation proposed stringent additional restrictions on the commerce in

firearms and would actually have removed from the market many handgun models highly prized by Americans both for sporting and defense purposes. Though falling short of the measures advocated by some of the more radical antigun people, there can be no question that H.R. 11193 of the 94th Congress posed a serious threat to the constitutionally guaranteed right of Americans to keep and bear arms.

The enemies of the second amendment did not prevail in 1976. Instead of just looking on while one more bite was taken from the substance that has made the citizens of this republic the proud, independent, and resourceful people they are, Americans from all walks of life and persuasion rallied to the cause. Singly and through various organizations they made their strong opposition known and they succeeded in killing the bill.

The successful outcome of the 1976 campaign was justifiably celebrated by the opponents of unnecessary restrictions on firearm commerce and ownership. Once again, through hard work and good organization, they brought their viewpoints to the attention of Congress, peacefully but forcefully, and managed to persuade key people of the wisdom of letting the proposed legislation perish.

That was last year. It is now my duty to remind the good people who fought that battle that it is once again time to gird their loins and prepare to withstand another determined attack by pro-gun controllers.

By now it has been well established by way of newspaper reports and statements by White House officials that the Carter administration has every intention of reviving the divisive gun control issue next year. According to the best information available, the President will be sending a proposal to the Congress early in the next session that will in all likelihood closely parallel the House Judiciary Committee bill that was turned back last year. A news item in the October 3 issue of the Christian Science Monitor, a pro-control journal, had this to say:

> The draft proposal, said to be in all-but-finished form and cleared by all affected Federal agencies, reportedly is patterned on the relatively moderate (sic) gun-control bill passed by the House Judiciary Committee last year . . .
>
> Key provisions: a ban on the manufacture, assembly and sale of the cheap, poorly constructed, and easily concealed handguns known as "Saturday night specials"; a "cooling off" period between sale and delivery of a handgun; a limit of one handgun purchase per month for private citizens; a boost in license fees for gun dealers to squeeze out frivolous suppliers; new controls on noncommercial handgun transfers.

In view of the fact that he campaigned in 1975 and 1976 on behalf of additional handgun controls, it is not surprising that Mr. Carter is giving his approval to this measure, which was drafted by the Justice Department and presumably approved by Treasury officials. Those of us who support the right-to-bear-arms principle were hoping the President would see antigun legislation in a different light when he became more familiar with the pros and cons of this controversial subject. His two immediate predecessors did not support and, in fact, opposed, antigun legislation. His position makes the problem a more difficult one for those who believe in the right of law-abiding, responsible American citizens to own weapons, and who oppose unduly restrictive gun legislation. Now, we must once again begin to get our house in order and be ready for the struggle to come.

It is difficult to comprehend the reluctance of the committees of Congress to approve a simple measure, requiring mandatory sentencing for those convicted of crimes in which the use of a gun was involved. This approach would do much more to reduce the ills which are charged to guns than all the antigun legislation that can be conceived.

WILDLIFE HABITAT CONSERVATION

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, the authority for carrying out important conservation and rehabilitation programs on military and public lands as provided under Public Law 94–452 expires on December 31, 1977. Together with my distinguished colleague, the Honorable JOHN DINGELL, I am today introducing a bill to extend the authorization for these programs.

The original Sikes Act of 1960, known as Public Law 86–797, authorized, fish and wildlife programs on military lands. The 1974 amendments extended the act's provisions to other public lands including national forests, national resource lands, national energy lands, and National Aeronautic and Space Administration lands.

The act directs that comprehensive plans for fish and wildlife habitat improvements on those lands be developed and implemented by the Federal agencies through cooperative agreements with State fish and wildlife agencies.

Although the act has never been fully implemented because of insufficient funds, many fine programs have been developed and tremendous progress has been made. Many installations acting largely on their own have successfully complied with the intent of this legislation. Eglin Air Force Base, Fla., in my district, developed an extensive program of recreation use. The progressive leadership of Eglin in the fields of land use conservation and natural resource management has been well recognized. The same is true of Tyndall Air Force Base. Year after year, these installations have been among the top finalists in the Air Force Annual Conservation Award and in nationwide conservation awards. These installations and the Air Force are not unique in excellence in these programs. The excellent public programs of the Marines at Quantico, the AP Hill Army Installation, and many other military installations, provide an important recreation resource to the military and civilian personnel in their areas. The basic fact remains, however, that neither the Department of Defense nor the Department of the Interior has provided the leadership necessary to fully implement this program. There are many who see the value of the program and who have worked to take advantage of its opportunities. Much has been done but more could be done. With the growing diversity of outdoor recreation pursuits and with the energy and economic problems forcing many people to seek recreation experiences nearer home, Interior and Defense should wait no longer. The need is there. The opportunities are there. Only the leadership is lacking.

I am happy to report that the Subcommittee on Resource Protection of the Senate Committee on Environment and Public Works has held hearings on this subject and a bill to extend the Sikes Act is expected to be offered in the Senate soon. The Senate committee is providing important and needed leadership in this matter.

I am very hopeful that the bill which Mr. DINGELL and I are introducing today will be quickly and favorably considered in committee and in the House.

CARLETON J. KING

(Mr. MILLER of Ohio asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MILLER of Ohio. Mr. Speaker, it was with deep sorrow that I learned of the passing of our former colleague from New York, Carleton J. King.

Carleton was a good friend and dedicated public servant. For 8 years I had the privilege of serving with Carleton. His legal expertise was valued and his judgment always respected. Carleton was a gentleman, a man of purpose and highest integrity. His word was his bond.

In all he said and did, Carleton King was a credit to this body and the people of New York's 39th Congressional District, who he so ably served for 14 years.

To all of us who knew and worked with Carleton, we regret his passing and express our condolences to his family.

JOHN L. McCLELLAN

(Mr. MILLER of Ohio asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MILLER of Ohio. Mr. Speaker, America has lost one of the true giants of the legislative arena with the passing of Arkansas' senior Senator, JOHN L. MCCLELLAN.

Senator MCCLELLAN was for 35 years a voice for reason and restraint in government.

When it came to being tough fisted on crime, Senator MCCLELLAN had no match. All of us remember his dogged investigation of labor union corruption in the 1950's. It typified his strong, determined leadership throughout his senatorial career.

The Senator was among a vanishing breed of legislators who respect tradition and resist change for the sake of change.

His passing leaves a vacuum which will not be easily filled.

CONFERENCE REPORT ON H.R. 9375

Mr. MAHON submitted the following conference report and statement on the

bill (H.R. 9375) making supplemental appropriations for the fiscal year ending September 30, 1978, and for other purposes.

CONFERENCE REPORT (H. REPT. NO. 95–829)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9375) making supplemental appropriations for the fiscal year ending September 30, 1978, and for other purposes, having met, after further full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 4, 9, 12, 18, 24, 34, 36, 38, 39, 40, and 41.

That the House recede from its disagreement to the amendments of the Senate numbered 11, 13, 14, 17, 19, 20, 27, 33, 46, and 47, and agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "$44,200,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert: "$1,836,000"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: Restore the matter stricken by said amendment amended to read as follows:

HIGHER EDUCATION

For an additional amount for "Higher education", $5,000,000 for the support of the construction of two demonstration model intercultural centers as authorized by section 721(a)(2) of the Higher Education Act of 1965 as amended: *Provided*, That in addition the Commissioner is to make available new construction loans not to exceed $7,200,000 from amounts available in the Higher Education Facilities Loan and Insurance Fund for the construction of two demonstration model intercultural centers.

And the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$101,000,000"; and the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment, as follows: Restore the matter stricken by said amendment amended to read as follows:

AIRCRAFT PROCUREMENT, NAVY

For an additional amount for "Aircraft Procurement, Navy", $73,900,000, to remain available for obligation until September 30, 1980.

And the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "$240,500,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 2, 5, 7, 8, 10, 15, 16, 22, 23, 25, 28, 29, 31, 32, 35, 37, 43, 44, 48, 49, 50, 51, 52, and 53.

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BIRCH BAYH,
TOM EAGLETON,
LAWTON CHILES,
WALTER D. HUDDLESTON,
MILTON R. YOUNG,
CLIFFORD P. CASE,
EDWARD W. BROOKE,
MARK O. HATFIELD,
DICK SCHWEIKER,
HENRY BELLMON,
L. P. WEICKER, JR.,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the further conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9375) making supplemental appropriations for the fiscal year ending September 30, 1978, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

TITLE I

Chapter I

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

Marketing Services

Amendment No. 1: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, which reads as follows:

Agricultural Marketing Service

Marketing Services

For an additional amount for the "Agricultural Marketing Service, Marketing Services," $2,000,000.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The $2 million will fund new grading and inspection positions and related training for USDA to assume quality assurance activities previously performed by Defense Department military personnel and to develop a government-wide plan for Federal food quality specification and procurement policy. Should additional funds for this purpose be required in fiscal year 1978, the committees will consider a supplemental request.

Federal Crop Insurance Corporation

Subscription to Capital Stock

Amendment No. 2: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, which reads as follows:

Federal Crop Insurance Corporation

Subscription to Capital Stock

To enable the Secretary of the Treasury to subscribe and pay for capital stock of the Federal Crop Insurance Corporation, as provided in section 504 of the Federal Crop Insurance Act (7 U.S.C. 1504), $30,000,000.

The conferees have agreed to an appropriation of $30 million to subscribe additional capital stock for the Federal Crop Insurance Corporation as proposed by the Senate. Legislation that has passed the House and the Senate would authorize a capital stock increase from $150 million to $200 million. The full $150 million is issued and outstanding. This additional authority of $30 million is needed in the immediate future to meet heavy crop losses resulting from the continued drought now affecting much of the country. The Corporation has indicated that unless these funds are provided, it may not be able to meet its contractual obligations beginning in December of this year.

In addition, the conferees direct the Secretary of Agriculture to conduct, within available administrative funds not to exceed $200,000, a comprehensive study of alternative crop insurance and disaster assistance programs. To the extent possible, the Secretary should consult with other federal departments as well as private entities in the preparation of this study, and submit his findings to the appropriate committees of Congress by March 1, 1978.

Farmers Home Administration

Very Low-Income Housing Repair Grants

The conferees agree that the $4 million shall be primarily for weatherization grants to the elderly.

Agricultural Credit Insurance Fund

Amendment No. 3: Deletes Senate language which would have provided $100 million for farm ownership loans. The conferees noted that there is a substantial backlog in demand for these loans. The Small Business Committees and the Agriculture Committees are considering programs to meet these needs along with reforms in the disaster loan programs of the Small Business Administration and Farmers Home Administration. Action is expected early in the next session.

Accordingly, the conferees agreed to defer action on an increase in loan authority at this time. The conferees direct the Department of Agriculture to examine carefully the needs for farm ownership loans, farm operating loans and disaster loans and report to the appropriate committees of Congress early next spring. Careful consideration will be given to adjusting loan authorizations at that time to reflect such assessments. The Department should pay particular attention in its report to the worsening of the credit situation with respect to farm ownership and the appropriate loan levels that can meet the urgent needs in this area.

Soil Conservation Service

Watershed and Flood Prevention Operations

Amendment No. 4: Appropriates $30 million for section 216 funds as proposed by the House instead of $26,704,000 as proposed by the Senate.

Agricultural Stabilization and Conservation Service

Agricultural Conservation Program

Amendment No. 5: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, which reads as follows:

Agricultural Stabilization and Conservation Service

Agricultural Conservation Program

For an additional amount to carry out the Agricultural Conservation Program, $36,600,000, to incur obligations for the period ending September 30, 1978, and to liquidate such obligations for soil and water conserving practices in major drought or flood damage areas as designated by the President or the Secretary of Agriculture: *Provided*, That not to exceed 5 per centum of the amount herein may be withheld with the approval of the State committee and allotted to the Soil

Conservation Service for services of its technicians in the designated drought or flood damaged areas.

The conferees agree that moneys appropriated for this program be for reimbursement to farmers for expenditures incurred beginning on the date of the Presidential disaster declaration as authorized by law.

Chapter II

INDEPENDENT AGENCIES

Environmental Proiection Agency

Amendment No. 6: Appropriates $44,200,000 for research and development instead of $40,500,000 as proposed by the House and $47 million as proposed by the Senate.

Amendment No. 7: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate regarding the distribution of construction grants with an amendment as follows: "the table on page 15 of Senate Report numbered 95-564".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

General Services Administration

Amendment No. 8: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate providing the Consumer Information Center an additional $5,000 for travel from funds previously appropriated.

Veterans Administration

Amendment No. 9: Deletes language proposed by the Senate providing $139,100,000 for construction, major projects. The committee of conference has deleted without prejudice the funding for the replacement of the existing Veterans Administration hospitals at Portland, Oreg., and Vancouver, Wash. Funding will be considered in the next supplemental appropriations bill, following a thorough review of the House Committee's Surveys and Investigations Staff report.

Amendment No. 10: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate providing that all unobligated balances in the grants for construction of State extended care facilities account may be used pursuant to recently enacted legislation expanding the scope of the program (Public Law 95-62).

Amendment No. 11: Appropriates $3,847,000 for assistance for health manpower training institutions as proposed by the Senate.

Chapter III

DEPARTMENT OF THE INTERIOR

United States Fisheries and Wildlife Service

Amendment No. 12: Deletes language proposed by the Senate appropriating $2,600,000 for resource management.

Geological Survey

Amendment No. 13: Appropriates $2 million for surveys, investigations, and research as proposed by the Senate instead of $5 million as proposed by the House.

Office of Surface Mining Reclamation and Enforcement

Amendment No. 14: Appropriates $30,880,000 for enforcement and research as proposed by the Senate instead of $24,080,000 as proposed by the House.

The managers are in agreement that up to $2,500,000 of the appropriation for abandoned mine reclamation may be used for inventory and data gathering on abandoned mine land reclamation needs.

Amendment No. 15: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which amends the Surface Mining Control and Reclamation Act of 1977 to provide for an Executive level V rather than an Executive level IV.

Bureau of Indian Affairs

Amendment No. 16: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment appropriating $8,374,000 for operation of Indian programs instead of $8,054,000 as proposed by the House and $7,224,000 as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The total amount appropriated includes $6,329,000 to aid Indian livestock operators in drought areas, $375,000 for fisheries management operations, and $520,000 to develop an energy minerals resources technical assistance program. The Bureau of Indian Affairs is directed to insist on the highest professional and technical competence in awarding contracts under the energy minerals resources technical assistance program in consultation with the new Department of Energy.

Amendment No. 17: Appropriates $2,166,000 for construction as proposed by the Senate instead of $1,866,000 as proposed by the House.

The managers are concerned over the inadequacy of site selection work prior to commencing construction of the Tamgass Fish Hatchery on Annette Island, Alaska. The funds provided in this bill were necessitated by the requirement to change the site of the hatchery after construction had begun. Prior to obligating construction monies at the new site, the Bureau of Indian Affairs is directed to review carefully and approve the selected site to ensure the fitness of the location for hatchery construction.

Amendment No. 18: Deletes Senate language authorizing the Secretary of Interior to recognize validly executed assignments made by Alaskan Regional Corporations of their rights to receive payments from the Alaska Native Fund.

Office of Territorial Affairs

Amendment Nos. 19 and 20: Deletes language making appropriations for administration of territories subject to enactment of authorizing legislation as proposed by the Senate.

RELATED AGENCIES

Department of Agriculture—Forest Service

Amendment No. 21: Appropriates $1,836,000 for forest land management instead of $3,672,000 as proposed by the Senate.

Conferees are mindful of the employment needs of the Forest Service. The House Committee has asked that an investigation of the personnel utilization practices of the Forest Service be performed to make certain that the Forest Service is obtaining the maximum possible from its employees. If on completion of the investigation it becomes apparent that the Forest Service is obtaining maximum utilization of its personnel and OMB and the Department do not provide employment ceilings adequate to administer the program mandated by the fiscal year 1978 appropriation, the committee will consider further action in the second supplemental for fiscal year 1978 and the regular appropriation bill for fiscal year 1979.

The conferees are in agreement that the inability of the Forest Service to obligate all available funds in a timely manner as a result of employment ceilings shall result in prompt submission of rescission or deferral proposals. This will provide the Congress adequate opportunity to take appropriate action.

Energy Research and Development Administration

Amendment No. 22: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment appropriating $1 million for operating expenses, fossil fuels, instead of $5 million as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Federal Energy Administration

Amendment No. 23: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

Federal Energy Administration

Salaries and Expenses

For an additional amount for "Salaries and expenses", $273,194,000, of which $253,110,000 shall become available only upon enactment of authorizing legislation as follows: (1) for conservation grants for schools and health care facilities, $200,000,000; for conservation grants for local government buildings, $25,000,000; for grants for financial assistance to utility regulatory commissions, $6,630,000; for solar heating and cooling installations in Federal buildings, $20,000,000; to remain available for obligation until September 30, 1979; and (2) for administration of grants for schools and health care facilities, local government buildings, and utility rate reform, $1,480,000: *Provided*, That of the total amount of this appropriation, not to exceed $6,000,000 shall remain available until expended for a reserve to cover any defaults from loan guarantees issued to develop underground coal mines as authorized by Public Law 94-163: *Provided further*, That the indebtedness guaranteed or committed to be guaranteed under said law shall not exceed the aggregate of $62,000,000.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The $3,150,000 decrease below the amount proposed by the Senate is in the energy information and analysis program.

Chapter IV

DEPARTMENT OF LABOR

Departmental Management

Salaries and Expenses

Amendment No. 24: Deletes language proposed by the Senate earmarking $1,210,000 for 82 new permanent positions. The conferees are agreed, however, that the funds in this bill are to be used to support 82 additional permanent positions.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Health Resources Administration

Medical Facilities Guarantee and Loan Fund

Amendment No. 25: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment, which allows the Secretary to reallocate funds from unused allotments of other States to the State of Illinois for the purpose of making loans and loan guarantees for hospital construction and modernization.

Office of Education

Higher Education

Amendment No. 26: Appropriates $5 million instead of $9,100,000 as proposed by the House for grant support of the construction of demonstration model intercultural centers at Georgetown University, Washington, D.C. and Tufts University in Massachusetts; and authorizes loans not to exceed $7,200,000 from amounts available in the "Higher education facilities loan and insurance fund" for the construction of the two aforementioned demonstration model intercultural centers as proposed by the House.

The conferees agree that this is the final amount to be provided for these projects until higher priority items are funded.

Social Security Administration

Special Assistance to Refugees From Cambodia, Vietnam, and Laos in the United States

Amendment No. 27: Appropriates $124 million as proposed by the Senate. This item was not considered by the House.

Departmental Management

General Departmental Management

Amendment No. 28: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which appropriates $1,719,000 for compensating the State of Washington for losses incurred in vacating and turning over to the United States the land and all improvements thereon which was formerly the site of Tacoma (Washington) Indian Hospital.

RELATED AGENCIES

Community Services Administration

Community Services Program

Amendment No. 29: Reported in disagreement. The managers on the part of the House will offer a motion to insist on disagreement to the amendment of the Senate numbered 29.

Chapter V

Energy Research and Development Administration

Operating Expenses

Amendment No. 30: Appropriates $101 million for "Operating Expenses" instead of $121 million as proposed by the House and $99 million as proposed by the Senate. The increase over the Senate allowance is for the wind turbine energy program.

Amendment No. 31: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which earmarks $17 million of previously appropriated funds for the relocations necessary to consolidate activities within the Department of Energy as proposed by the Senate, instead of providing an additional appropriation of $17 million as proposed by the House.

The largest component presently located in the Forrestal Building is the Corps of Engineers. As part of the relocation effort, the conferees agree with the House and Senate report language directing that the Corps be moved to 20 Massachusetts Avenue, N.W., Washington, D.C. The Corps should be located in accordance with GSA standards and criteria in that space which will be vacated by the DOE. The conferees have been advised that this could accelerate the relocations and the building would not have to be substantially modified to accommodate the Corps under GSA standards and criteria thereby minimizing costs, which will save Federal funds. The building is currently in the GSA space inventory.

Department of Defense—Civil

Department of the Army

Corps of Engineers—Civil

The conferees agree that, within available funds under Construction, general, $300,000 is available for phase 1 preconstruction planning of the Calleguas Creek, Simi Valley to Moorpark, Calif. project as proposed by the House.

Alaska Hydroelectric Power Development Fund

Amendment No. 32: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate appropriating $5,450,000 for the Alaska hydroelectric power development fund as proposed by the Senate.

Administrative Provision

Amendment No. 33: Deletes language proposed by the House restricting the use of appropriated funds to process applications for proposed coastal zone activity in the State of Washington.

The conferees concur with the intent of the House provision but believe that it is unnecessary in view of the recent enactment of a more comprehensive restriction on transshipment of crude oil through Puget Sound in Public Law 95-136. The recently enacted ban on expansion or modification of marine terminal facilities designed to accommodate additional transshipment of oil applies only to permits needed to expand or modify dock and related facilities, not to pipelines, refineries or other shore based facilities and is consistent with the Coastal Zone Management program of the State of Washington, which has been approved by the U.S. Department of Commerce. This new statute should expedite consideration of which system for shipment of excess west coast crude oil should be adopted while also providing for the petroleum needs of Washington, Oregon, and the Pacific Northwest.

Amendment No. 34: Deletes language proposed by the Senate limiting the use of funds for the Corps of Engineers.

DEPARTMENT OF THE INTERIOR

Bureau of Reclamation

The Conferees agree that, within funds available under Construction and rehabilitation, $400,000 is provided for rehabilitation and betterment work on the Sun River, Greenfields Division project in Montana.

Upper Colorado River Storage Project

Amendment No. 35: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which transfers $875,000 to the Upper Colorado River storage project from Construction and rehabilitation as proposed by the Senate.

Chapter VI

DEPARTMENT OF COMMERCE

Bureau of the Census

Periodic Censuses and Programs

Amendment No. 36: Appropriates $7,000,000 as proposed by the House instead of $7,500,000 as proposed by the Senate.

RELATED AGENCIES

Office of the Special Representative for Trade Negotiations

Salaries and Expenses

Amendment No. 37: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum named in said amendment, insert "*$15,000*".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Chapter VII

INDEPENDENT AGENCIES

General Services Administration

Federal Buildings Fund

Limitations on availability of revenue

Amendment No. 38: Makes available an additional $48,913,000 for construction of federal buildings as proposed by the House instead of $34,130,000 as proposed by the Senate.

Amendment No. 39: Establishes a limitation of $69,392,000 for construction of certain federal buildings as proposed by the House instead of $54,609,000 as proposed by the Senate.

Amendment No. 40: Makes typographical change.

Amendment No. 41: Makes available $14,783,000 for construction of the Springfield, Massachusetts Courthouse, Federal Office Building, and parking facility as proposed by the House.

Chapter VIII

DEPARTMENT OF DEFENSE

Procurement

Aircraft Procurement, Navy

Amendment No. 42: Appropriates $73,900,000 instead of $151,600,000 as proposed by the House. The Senate had proposed no funding for this appropriation.

The fiscal year 1978 budget included $697,300,000 for the production of 44 F-14A aircraft during fiscal year 1978 and $210 million in advance procurement funding toward the production of 60 F-14A aircraft in fiscal year 1979. Congress authorized and appropriated $623,400,000 to produce 40 aircraft during fiscal year 1978 and $132,300,000 in advance procurement funding toward the production of 36 aircraft in fiscal year 1979.

The $151,600,000 proposed by the House included $73,900,000 to fund four additional F-14A aircraft in fiscal year 1978 and $77,700,000 in advance procurement funding. This proposal was based on the fact the House authorization bill on the fiscal year 1978 supplemental bill had recommended that $151,600,000 be authorized to restore the fiscal year 1978 authorization to the original budget request. The conference agreement on the fiscal year 1978 supplemental authorization bill (S. 1863) included $73,900,000 for four F-14A aircraft, and no advance procurement funding.

The conferees on the fiscal year 1978 supplemental appropriation bill (H.R. 9375) agreed to provide $73,900,000 for the production of four additional F-14A aircraft during the current fiscal year.

Other procurement, Navy

The Senate report contained language recommending that the Navy use available funds to procure AN/SSQ-77 sonobuoys in fiscal year 1978. This recommendation was intended to avert or minimize a gap in production that would otherwise exist between procurement for research and development and full scale production. The managers are in agreement that the Navy may proceed as recommended by the Senate if the prospective savings for a follow-on procurement and the initial testing results justify such an action. The managers note that this sonobuoy will not be approved for service use until October 1978, and there are risks inherent in proceeding with production before testing is complete. The Navy should utilize available funds in the research and development appropriation rather than other procurement since this procurement will come before approval for service use. The managers expect the Navy to follow normal reprogramming if it elects to follow this recommendation.

Aircraft procurement, Air Force

Amendment No. 43: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment rescinding $462 million of appropriations provided under this heading in the Department of Defense Appropriation Act, 1977.

The Senate amendment proposes rescission of $462 million of the $1,073 million appropriated in fiscal year 1977 for production of B-1 aircraft numbers 5, 6, and 7, as proposed by the President on July 19, 1977. The rescission deletes uncommitted funds for the first three B-1 production aircraft and allows for termination costs. With this rescission, B-1 aircraft production will be terminated after fabrication of aircraft number 4, the last research and development aircraft. The House has voted twice to deny B-1 production funds for fiscal year 1978.

Missile procurement, Air Force

Amendment No. 44: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment rescind-

ing $1,400,000 of appropriations provided under this heading in the Department of Defense Appropriation Act, 1977.

The Senate amendment proposes to rescind $1,400,000 of the $20,800,000 appropriated in fiscal year 1977 for Short Range Attack Missile (SRAM) production startup and tooling costs, as proposed by the President on July 19, 1977. The SRAM–B missile was to be used on the B–1 bomber. Since Congress voted to terminate B–1 production for fiscal year 1978, production of the SRAM–B missile is no longer required and $35 million budgeted for related SRAM–B production effort was deleted from the fiscal year 1978 Defense Appropriation bill.

Research, Development, Test, and Evaluation

Research, Development, Test, and Evaluation, Air Force

Amendment No. 45: Appropriates $240,500,000 instead of $233,470,000 as proposed by the House and $260,500,000 as proposed by the Senate.

The conference agreement on items in conference is as follows:

[In thousands of dollars]

Program	Budget request	House amount	Senate amount	Conference amount
Cruise missile carrier aircraft	90,000	5,000	15,000	15,000
Strategic protective system	2,500	7,500	5,000	5,000
Missile surveillance technology	8,000	10,470	0	0
Perimeter acquisition radar	10,000	0	10,000	10,000
FB–111H aircraft			20,000	0

FB–111H aircraft

The conferees are in agreement that the deletion of the fiscal year 1978 funds for the FB–111H is without prejudice to the program. If the Department of Defense submits an official request for funds in the regular fiscal year 1979 budget, in a supplemental request, or in a reprogramming request, the Committees on Appropriations will consider such request.

Chapter IX

DEPARTMENT OF TRANSPORTATION

Federal Railroad Administration

Grants to the National Railroad Passenger Corporation

Amendment No. 46: Appropriates $18 million as proposed by the Senate. The conferees are aware of the train frequency reductions which have or were to become effective on October 30, 1977, or thereafter. The conferees believe these frequency reductions are inconsistent with the implementation of the congressionally mandated route and service criteria. The conferees direct Amtrak to immediately restore these frequency reductions, including New Haven-Springfield, and to refrain from any further frequency reductions during the balance of the fiscal year.

The conferees are of the opinion that a comprehensive reexamination of Amtrak's route structure from a zero base should be undertaken and hereby direct the Department of Transportation, in cooperation with Amtrak, to prepare and submit its recommendations for a route structure that will provide an optimal national railroad passenger system based upon current and future market and population requirements. Included as an integral part of such recommendations should be projections of operating and capital appropriations that will be required to support the system for fiscal years 1979 through 1982. The conferees intend that this route structure analysis be submitted at the appropriate time for use in the authorization and appropriations processes during the second session of the 95th Congress, but not later than March 1, 1978. The conferees intend that necessary funding to accomplish this task be taken from the transportation planning, research and development account, for which $25 million has been previously appropriated for fiscal year 1978.

Chapter X

DEPARTMENT OF STATE

Migration and refugee assistance

Amendment No. 47: Appropriates $6,300,000 to provide assistance for the transportation and reception and placement of Indochinese refugees resettling in the United States as proposed by the Senate.

TITLE II

General provisions

Amendment No. 48: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate making the recently established position of "Deputy Chief Guide" eligible for longevity pay.

Amendments Nos. 49 through 51: Reported in technical disagreement. Inasmuch as these amendments relate solely to the Senate and in accordance with long practice under which each body determines its own housekeeping requirements and the other concurs without intervention, the managers on the part of the House will offer motions to recede and concur in the Senate amendments Nos. 49 through 51.

Amendment No. 52: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment which reads as follows:

In lieu of the matter inserted by said amendment, insert the following:

SEC. 209. The Secretary of Transportation shall, not later than 60 days after the date of enactment of this Act, designate as a route on the National System of Interstate and Defense Highways, from mileage withdrawn from such System before the date of enactment of this Act under authority of 23 U.S.C. 103(e), and which is available for such a designation, 1.5 miles in the State of Washington for a connection with Interstate Route 5 and the City of Tacoma, Washington.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 53: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which allows the possible renewal, reissuance, modification or replacement in event of lapse, of any export license referred to in section 11 of Public Law 95–92 issued initially on or before September 30, 1978, provided that any such renewal, reissuance, modification or replacement in event of lapse, does not change significantly any such license as initially issued.

Conference total with comparisons

The total new budget (obligational) authority for the fiscal year 1978 recommended by the Committee of Conference, with comparisons to the fiscal year 1978 budget estimates, and the House and Senate bills for 1978 follow:

Budget estimates of new (obligational) authority, fiscal year 1978	[1] $7,907,424,000
House bill, fiscal year 1978	7,182,602,000
Senate bill, fiscal year 1978	7,890,246,000
Conference agreement	[2] 7,599,898,000
Conference agreement compared with:	
Budget estimates of new (obligational) authority, fiscal year 1978	−307,526,000
House bill, fiscal year 1978	+417,296,000
Senate bill, fiscal year 1978	−290,348,000

[1] Includes $71,700,000 of budget estimates not considered by the House.

[2] Excludes $200 million reported in true disagreement by the Committee of Conference. Excludes rescission of prior year budget authority in the amount of $463,400,000 reported in technical disagreement.

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ROBERT C. BYRD,
WILLIAM PROXMIRE,
DANIEL K. INOUYE,
ERNEST F. HOLLINGS,
BIRCH BAYH,
TOM EAGLETON,
LAWTON CHILES,
WALTER D. HUDDLESTON,
MILTON R. YOUNG,
CLIFFORD P. CASE,
EDWARD W. BROOKE,
MARK O. HATFIELD,
DICK SCHWEIKER,
HENRY BELLMON,
L. P. WEICKER, Jr.,
Managers on the Part of the Senate.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. WOLFF (at the request of Mr. WRIGHT of Texas), for today, on account of official business.

Mr. CORMAN (at the request of Mr. WRIGHT of Texas), until 10:30 a.m. today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DON H. CLAUSEN) and to revise and extend their remarks and include extraneous matter:)

Mr. DON H. CLAUSEN, for 5 minutes, today.

Mr. CLEVELAND, for 10 minutes, today.

Mr. COLLINS of Texas, for 30 minutes, today.
Mr. MARLENEE, for 5 minutes, today.
Mr. FRENZEL, for 60 minutes, today.
(The following Members (at the request of Mr. CORNWELL) to revise and extend their remarks and include extraneous material:)
Mr. PEPPER, for 10 minutes, today.
Mr. GONZALEZ, for 5 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. BEDELL, for 5 minutes, today.
Mr. LAFALCE, for 5 minutes, today.
Mr. LEVITAS, for 5 minutes, today.
Mr. SMITH of Iowa, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:
(The following Members (at the request of Mr. EMERY) and to include extraneous matter:)
Mr. ASHBROOK in three instances.
Mrs. HOLT.
Mr. YOUNG of Florida.
Mr. BURGENER.
Mr. WHALEN.
Mr. FINDLEY.
Mr. DERWINSKI.
Mr. QUIE.
Mr. ROUSSELOT.
Mr. PRESSLER.
Mr. DORNAN in three instances.
Mr. BUCHANAN in four instances.
Mr. HAGEDORN in two instances.
Mr. LUJAN.
Mr. RHODES in two instances.
Mr. CARTER in two instances.
Mr. WAMPLER in two instances.
Mr. SYMMS in three instances.
Mr. WALKER.
Mr. BAUMAN in two instances.
Mr. JEFFORDS.
(The following Members (at the request of Mr. CORNWELL) and to include extraneous matter:)
Mr. PEPPER.
Mr. ANDERSON of California in three instances.
Mr. GONZALEZ in three instances.
Mr. FAUNTROY.
Mr. ADDABBO.
Mr. APPLEGATE.
Mr. BEDELL.
Mr. LEVITAS.
Mrs. MEYNER.
Mr. ZEFERETTI.
Mr. SIMON in two instances.
Mr. ROE in two instances.
Mr. LEHMAN.
Mr. FISHER.
Mr. TEAGUE in two instances.
Mr. OBERSTAR.
Mr. LAFALCE in two instances.
(The following Members (at the request of Mr. THORNTON) and to include extraneous matter:)
Mr. HOLLAND in three instances.
Mr. FORD of Michigan.
Mr. OBERSTAR.
Mr. BONKER.

ENROLLED BILLS SIGNED

Mr. THOMPSON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1904. An act to suspend until July 1, 1980, the duty on intravenous fat emulsion, and for other purposes;
H.R. 7345. An act to amend title 38 of the United States Code to increase the rates of disability and death pension and to increase the rates of dependency and indemnity compensation for parents, and for other purposes; and
H.R. 8159. An act to establish uniform structural requirements for intermodal cargo containers, subject to the jurisdiction of the United States, designed to be transported interchangeably by sea and land carriers, and moving in, or designed to move in, international trade, and for other purposes.

ADJOURNMENT

Mr. THORNTON. Mr. Speaker, I move that the House do now adjourn.
The motion was agreed to; accordingly (at 12 o'clock and 5 minutes p.m.), under its previous order, the House adjourned until Monday, December 5, 1977, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2763. A letter from the Architect of the Capitol, transmitting his report of expenditures during the period April 1 through September 30, 1977, pursuant to section 105 (b) of Public Law 88–454, as amended; to the Committee on Appropriations.
2764. A letter from the Comptroller General of the United States, transmitting his review of the deferrals and revised deferrals of budget authority contained in the message from the President dated November 10, 1977 (H. Doc. No. 95–262), pursuant to section 1014 (b) and (c) of Public Law 93–344 (H. Doc. No. 95–266); to the Committee on Appropriations and ordered to be printed.
2765. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a draft of proposed legislation to amend the Communications Act of 1934, as amended; to the Committee on Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DENT: Committee on House Administration. House Resolution 915. Resolution authorizing funds for the investigation of Korean-American relations being conducted by the Subcommittee on International Organizations of the Committee on International Relations (Rept. No. 95–826). Referred to the House Calendar.
Mr. DENT: Committee on House Administration. House Resolution 921. Resolution to provide funds for the further expenses of the investigations and studies of the Committee on Small Business; with amendment (Rept. No. 95–827). Referred to the House Calendar.
Mr. STAGGERS: Committee of conference. Conference report on H.R. 9418 (Rept. No. 95–828). Ordered to be printed.
Mr. MAHON: Committee of Conference. Conference report on H.R. 9375 (Rept. No. 95–829). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BRINKLEY:
H.R. 10183. A bill to amend the Internal Revenue Code of 1954 to permit long-term lessees to take the amortization deduction, in lieu of depreciation, for rehabilitation of certified historic structures; to the Committee on Ways and Means.
By Mr. BUTLER:
H.R. 10184. A bill to amend the Patent Act of July 19, 1952; and for other purposes; to the Committee on the Judiciary.
By Mr. GUDGER:
H.R. 10185. A bill to amend the Payment in Lieu of Taxes Act (31 U.S.C. 1601–1607); to the Committee on Interior and Insular Affairs.
By Mr. LUJAN:
H.R. 10186. A bill to increase the amount of privately owned land eligible to receive irrigation water under the Federal reclamation laws, and remove Federal subsidies from water delivered to excess lands, and for other purposes; to the Committee on Interior and Insular Affairs.
H.R. 10187. A bill to amend the act entitled "An Act to promote the development of Indian arts and crafts and to create a board to assist therein, and for other purposes", approved August 27, 1935; to the Committee on Interior and Insular Affairs.
H.R. 10188. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for the cutting and removal of corns, warts, and calluses and the reduction of club nails; jointly, to the Committees on Interstate and Foreign Commerce, and Ways and Means.
By Mr. McKINNEY:
H.R. 10189. A bill to permit suits under section 1983 of title 42, United States Code, against persons acting under color of any law or custom of the District of Columbia; to the Committee on the Judiciary.
By Mr. MAGUIRE:
H.R. 10190. A bill to amend title IV of the Public Health Service Act to provide for an expanded research program for the prevention of environmental and occupational cancer, and for other purposes; to the Committee on Interstate and Foreign Commerce.
By Mr. MARLENEE:
H.R. 10191. A bill to provide for minimum fines for certain offenses relating to welfare and unemployment fraud; jointly, to the Committees on Agriculture, Interstate and Foreign Commerce, and Ways and Means.
By Mrs. MEYNER:
H.R. 10192. A bill to establish a Commission on Proposals for a U.S. Academy for Peace and Conflict Resolution; jointly, to the Committees on International Relations, and Education and Labor.
By Mr. MICHEL:
H.R. 10193. A bill to amend the Social Security Act to make needed improvements in the program of aid to families with dependent children and to provide fiscal relief for State and local welfare costs; to the Committee on Ways and Means.
By Mr. MIKVA:
H.R. 10194. A bill to amend the Hazardous Materials Transportation Act to prohibit the transportation of radioactive materials to or from any civilian airport, and for other purposes; jointly, to the Committees on Armed Services, Interstate and Foreign Commerce, and Public Works and Transportation.

By Mr. MIKVA (for himself and Mr. GIBBONS):

H.R. 10195. A bill to amend the Internal Revenue Code of 1954 to permit a taxpayer to defer a portion of his income tax based upon the amount of certain expenses paid or incurred by him in connection with the education or training at an institution of higher education or a vocational school of the taxpayer, his spouse, or any dependent; to the Committee on Ways and Means.

By Mr. MIKVA (for himself and Mr. JACOBS):

H.R. 10196. A bill to amend the Internal Revenue Code of 1954 to provide a deduction for certain amounts paid to a reserve for payment of product liability losses; to the Committee on Ways and Means.

By Mr. NATCHER:

H.R. 10197. A bill to protect the economy of the United States; domestic agriculture, labor, and industry, by the maintenance of farm income and purchasing power; to the Committee on Agriculture.

By Mr. O'BRIEN (for himself, Mr. CHARLES WILSON of Texas, Mrs. KEYS, Mr. MURPHY of Pennsylvania, Ms. MIKULSKI, Mrs. SCHROEDER, and Mr. HARKIN):

H.R. 10198. A bill to amend the Civil Rights Act of 1964 to make it an unlawful employment practice to discriminate against individuals who are physically handicapped because of such handicap; to the Committee on Education and Labor.

By Mr. SEBELIUS:

H.R. 10199. A bill to require action by the President and Secretary of Agriculture to increase farm income and to improve the effectiveness of farm program; to the Committee on Agriculture.

By Mr. WYLIE (for himself, Mr. ST GERMAIN, Mr. STANTON, Mr. EVANS, of Delaware, Mr. GRASSLEY, Mr. QUIE, Mr. WHITEHURST, Mr. LENT, Mr. RISENHOOVER, Mr. ERTEL, Mr. ANDREWS of North Dakota, Mr. MANN, Mr. KEMP, Mr. QUAYLE, Mr. OTTINGER, Mr. ALLEN, Mr. ROUSSELOT, Mr. GUYER, Mr. HANSEN, Mr. HARSHA, Mr. HOLLENBECK, Mr. HYDE, Mr. PATTISON of New York, Mr. MCKINNEY, and Mr. BARNARD):

H.R. 10200. A bill to amend the Truth in Lending Act; to the Committee on Banking, Finance and Urban Affairs.

By Mr. PRESSLER:

H.R. 10201. A bill to direct the Secretary of Agriculture to establish a price support program for honey; to the Committee on Agriculture.

By Mr. PRESSLER (for himself and Mr. NOLAN):

H.R. 10202. A bill to provide primarily for the reduction of soil blowing; and to control snow deposition and conserve moisture; to protect crops, orchards, and livestock; to provide food and cover for wildlife; to conserve energy; to increase the natural beauty of the landscape; and form other purposes; to the Committee on Agriculture.

H.R. 10203. A bill to amend section 16(b) of the Soil Conservation and Domestic Allotment Act, as amended, providing for a Great Plains conservation program; to the Committee on Agriculture.

By Mr. SIKES (for himself and Mr. DINGELL):

H.R. 10204. A bill to authorize appropriations to carry out conservation programs on military reservations and public lands during fiscal years 1979, 1980, and 1981; to the Committee on Merchant Marine and Fisheries.

By Mr. BEDELL:

H. Con. Res. 424. Concurrent resolution to assure quality health care for populations located in rural areas; jointly, to the Committees on Interstate and Foreign Commerce, and Ways and Means.

By Mr. BEDELL (for himself, Mr. JOHN T. MYERS, Mr. WRIGHT, Mr. HARKIN, Mr. RICHMOND, Mr. SIMON, Mr. HAGEDORN, Mr. RONCALIO, and Mr. YOUNG of Texas):

H. Con. Res. 425. Concurrent resolution to assure equal access to quality health care for populations located in rural areas: jointly, to the Committees on Interstate and Foreign Commerce, and Ways and Means.

By Mr. BONKER (for himself and Mr. PEASE):

H. Con. Res. 426. Concurrent resolution providing that the President should implement measures to discourage activities which benefit the Government of the Republic of Uganda; to the Committee on International Relations.

By Mrs. COLLINS of Illinois:

H. Con. Res. 427. Concurrent resolution expressing the sense of Congress with respect to the recent military actions of Rhodesia in Mozambique; to the Committee on International Relations.

By Mr. DINGELL:

H. Con. Res. 428. Concurrent resolution expressing the sense of the Congress with respect to the Baltic States; to the Committee on International Relations.

By Mr. GIBBONS (for himself, Mr. BURKE of Florida, Mr. PEPPER, Mr. BENNETT, Mr. CHAPPELL, Mr. FASCELL, Mr. SIKES, and Mr. YOUNG of Florida):

H. Con. Res. 429. Concurrent resolution to urge the U.S. Postal Service to issue a commemorative stamp to honor Francis Bellamy, author of the "Pledge of Allegiance"; to the Committee on Post Office and Civil Service.

By Mr. MILFORD (for himself, Mr. MARRIOTT, Mr. FLOOD, and Mr. CHAPPELL):

H. Con. Res. 430. Concurrent resolution expressing the sense of the Congress regarding the sovereign rights of the United States in the Canal Zone; to the Committee on International Relations.

By Mr. RYAN:

H. Con. Res. 431. Concurrent resolution designating May 3, 1978, as Sun Day; to the Committee on Post Office and Civil Service.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

354. By the SPEAKER: Petition of the International Woodworkers of America, AFL–CIO, Portland, Oreg., relative to full employment; to the Committee on Education and Labor.

355. Also, petition of the International Woodworkers of America, AFL–CIO, Portland, Oreg., relative to national health insurance; jointly, to the Committees on Interstate and Foreign Commerce, and Ways and Means.

356. Also, petition of the International Woodworkers of America, AFL–CIO, Portland, Oreg., relative to log exports and reforestation; jointly, to the Committees on Agriculture, Interior and Insular Affairs, and International Relations.

EXTENSIONS OF REMARKS

DAVIS-BACON ACT

HON. TOM HAGEDORN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. HAGEDORN. Mr. Speaker, slowly there seems to be developing the realization that the Davis-Bacon Act works to the detriment not only of the taxpayer, but also to those groups in society which are the primary consumers of Government. The act annually results in a sort of reverse redistribution of $2 to $6 billion taking dollars from the average taxpayer and channeling them directly to a relatively small group of workers already earning incomes far in excess of the average. Further, the act insures that these dollars will never be received by the intended beneficiaries of Government programs.

There is probably no single piece of legislation that better combines the worst qualities of special interest legislation with the worst qualities of regulatory legislation gone awry than Davis-Bacon. It is legislation born of racial prejudice that still frustrates the legitimate aspirations of racial minority groups in our society. I would like to call to the attention of my colleagues several brief comments on the Davis-Bacon Act that have recently appeared in the press:

[From the Washington Post, Nov. 28, 1977]

UNIONS: ARE THEY FRIENDS—OR FOES—OF CITIES?

(By Neal R. Peirce)

Is a strong labor movement a good or bad thing for the nation's cities, and particularly the millions of city residents living near or below the poverty line?

The popular wisdom has always been "yes," that unions, cities and poor people have practically synonymous interests.

Most unions, after all, got their start in big cities. They forced up abysmally low wages paid by employers, assuring a dramatically improved standard of living for city residents. Unions have fought for minimum wages, for lower interest rates, for a rapid expansion of the national economy that should aid cities and poor folk everywhere.

Across the nation, however, several issues are now crystallizing that raise serious questions about private-sector unions and cities. The questions may be just as serious as the much-publicized problem of high wages and pension benefits won by municipal-employee unions.

The gut question now is whether central cities, locked in tight competition with their suburbs for jobs and development, can survive as viable political economies—especially for the large share of the nation's minorities, poor, often unskilled and unemployed people who live within their borders.

Many of the problems of older cities have little to do with unions: outmoded industrial plants, lack of land for new plants, industries that unconscionably desert the city that gave them their start.

But other city problems are union-related. The fact is that unions, by their very suc-

cess, now represent an increasingly middle-class group of workers—many of whom live in suburbs. And that's the constituency unions must represent—not the unorganized and chronically unemployed, the poor, the very young or old, the demoralized element that so often ends up living on welfare and estranged from society.

Recent congressional approval of a minimum wage boost—from the present $2.30 an hour to $2.65 next year and $3.85 by 1981—is a prime example of a union-backed action that looks good for the city poor, but could turn out to be disastrous. The typical minimum-wage worker, the AFL–CIO contends, is unskilled—young, black or female—and this group will benefit.

But the unions' real motive, critics say, is to bolster their own organizing and collective-bargaining efforts. Most economists agree that the newest increase will cause teenagers to lose hundreds of thousands of jobs—at the very time cities are coping with the social dynamite of a 40 per cent black teenage unemployment rate. "It's absolutely insane," Brandeis University economist Leonard Hausman contends, "to raise the minimum wage when teenage unemployment is high and rising."

The minimum wage, says St. Louis urbanologist Norton Long, has come to be "a protective tariff against the cities, to store people off the labor market, so they won't compete with the unions. In fact it's taking away their bread card." To survive, he adds, cities must find employment for their vast reservoirs of unskilled minorities, undercutting the suburbs in labor costs. "But us bubble-headed liberals," he says, "are opposed to doing that because we think it's degrading and demeaning"

Even if one supports minimum wages in general, it's hard to comprehend Congress' refusal to back a proposed 15 percent lowering of the minimum wage for teenagers during their first six months on entry-level jobs. The unions said the provision would cause employers to fire older workers and employ teenagers in their stead. But experience in Europe—where virtually all countries have subminimum wages for teenagers—shows no harm to adult employment.

Construction trade unions pose a dire threat to neighborhood and city renewal across the country through the 45-year-old Davis-Bacon Act. The law requires paying so-called "prevailing wages"—in practice ultra-high union construction wages, generally 50 to 100 per cent above what non-union contractors pay—on virtually any job paid for or subsidized by the federal governent.

Davis-Bacon was originally motivated in part by racial prejudice—fear that out-of-state contractors, using inexpensive black labor, would undercut local builders. Today, by effectively prohibiting wage competition, Davis-Bacon costs the taxpayers $2 to $6 billion annually in inflated construction costs on highways, military and public-works projects. Yet to the AFL–CIO Davis-Bacon is a sacred cow; any urban Democrat would think long and hard before questioning it.

When city, neighborhood or non-profit groups try to use any form of federal manpower or interest-rate subsidy to rehabilitate poor people's housing, they run head-on into Davis-Bacon and often find there's no way to build the project economically. The situation is particularly tragic when an attempt is made to use minority contractors (almost all non-union) or residents' own "sweat equity" in rehabilitation. That approach lets poor people develop valuable job skills while fixing up their own housing. But unions can, and often do, blow the whistle on such projects. The Secretary of Labor can grant waivers, but rarely does.

"I hate to come off anti-union, but boy, it makes me mad," says Philip St. George of the Urban Homestead Assistance Board in New York. "They're destroying neighborhoods."

Sometimes unions let housing projects proceed, especially if their own members are used to train minority apprentices. Neighborhood groups, unions and the city government have begun a model effort along these lines in Allentown, Pa. Yet the unions—or thoughtless bureaucrats—can stymie federally subsidized projects at will, simply by invoking Davis-Bacon.

There are other points of neighborhood-union contention. Construction unions, for instance, support freeways that decimate city neighborhoods. Transit unions can stop federally subsidized transportation projects—jitneys, mini-buses, possibly even deregulation of taxis to create better service for low-income areas—if they can show their jobs might, however remotely, be endangered.

Milton Kotler, executive director of the National Association of Neighborhoods, believes such impasses can be overcome through local neighborhood-union task forces. But as long as the unions, through their muscle in Washington, hold a trump card on so many fronts, poor city neighborhoods and their residents will be at a permanent—and perhaps fatal—disadvantage.

[From the New York Times, Oct. 22, 1977]

THE BURDENSOME CARGO OF REGULATION

Chalk one up for consumers. The House has defeated "cargo preference" legislation that would have required 9.5 percent of imported oil to be transported on American-built, American-crewed tankers. The bill was a contrivance of the ship construction industry and maritime unions to fatten profits and salaries; it would have raised the price of oil by $300 million to $600 million a year.

If its defeat indicates a change of mood in Congress toward special-interest legislation, this would be good news indeed. The American economy is plagued by laws and legally mandated regulations that favor groups with political and financial clout. At a cost of tens of billions, important industries are sapped of initiative by import restrictions, price regulation and outright bans on competition. This not only leads to higher consumer prices and tax bills but leaves the economy more vulnerable to inflation. Firms shielded from competitive forces by regulation typically take advantage of good times by raising prices and profit margins. Then, in bad times, regulation protects them from the need to cut prices. The result is a general increase in inflationary pressures, which make the policymakers reluctant to stimulate business activity that might further raise the cost of living. Billions of dollars in productive resources remain idle and millions of people remain unemployed, at least in part because business and labor find it easier to compete for favor in Congress than in the marketplace.

It would take years to untangle the snarl of inefficient practices created over the past century in transportation, the sector most crippled by special-interest regulations. But if Congress wishes to follow the admirable precedent set by the rejection of cargo preference, we offer some simpler, lesser-known targets.

The Capper-Volstead Act exempts agricultural cooperatives from antitrust price-fixing sanctions, provided they do not "unduly enhance" product prices. As a practical matter, the law permits huge marketing co-ops, in league with Federal and state officials, to manipulate sales of billions of dollars in farm produce to keep prices high.

The Davis-Bacon Act requires that laborers on all Federal and some Federally-assisted construction projects be paid the prevailing wage. "Prevailing," in this case, means the highest wage paid to union construction labor, even when the nearest union local is 50 miles away.

The Robinson-Patman Act restricts the right to charge different prices to different commercial buyers of merchandise. It was meant to protect small retailers from chain stores that use their buying power to obtain goods at a discount. The law never achieved this dubious goal, but it has inhibited cost-cutting by manufacturers, particularly in the food industry. The result has been less competition and higher food prices.

Cargo preference may have been put to rest this week, but the struggle to rescue the economy from regulations that frustrate competition has only begun. For those left unemployed by slow recovery from recession and for everyone who feels the pinch of inflation, it is a battle worth fighting.

[From the Washington Star]

THE WAGES OF METRO

The dispute over wage rates on the I–66 highway project in nearby Virginia gets curiouser and curiouser.

The I–66 segment, you will recall, runs from the Potomac River in Arlington to the Beltway in Fairfax County—at least it will if the controversial project is completed—and contains four lanes of roadway and a center section in which a Metrorail will bo installed.

Virginia officials discovered last spring when letting a contract for a 1½-mile section that the Labor Department required workers on the Metro portion be paid about double the wage rates paid in Virginia to highway workers who do the same type of work. That meant that laborers, heavy equipment operators and others working within a few feet of one another and doing similar work would be paid vastly differing salaries.

Gov. Mills Godwin called this a "patent absurdity," which it certainly was, and the Labor Department's wage appeal board agreed to let Virginia's highway wage scales prevail for all workers under the contract.

Now the Virginia Department of Highways and Transportation is ready to advertise another 1½-mile section for bids. But the Labor Department again is insisting that workers on the center section be paid the going rate for other Metro projects. That would mean that workers in the middle and on the sides of the first section and workers on the sides of the second section would be getting highway construction rates, while workers in the middle of the second section—if you still follow us—would be getting the higher Metro rates.

Governor Godwin again fired off a letter to the Labor Department calling the latest decision "inflationary," "arbitrary" and "inequitable," in addition to which it is "absolute nonsense" because workers would be doing essentially the same type work on both projects, and the construction techniques to be used on the Metrorail portion are the same as those followed every day by highway contractors throughout Virginia.

The reference to construction techniques, we gather, goes to a dispute between the Labor Department and Virginia highway officials over one of the structures involved in the second contract that will carry Metro trains under the roadway and off to a service yard. Labor Department officials call it a tunnel and contend that workers on it should be paid Metro construction rates. Virginia Transportation Director John Harwood calls it a "concrete reinforced boxed culvert" that "we build all the time on highways."

Whatever it is, Virginia apparently has been getting them installed at about half the labor cost that Metro has been paying.

Governor Godwin said he was "astonished" that the Labor Department is sticking to a wage scale that he thought the wage appeals board had overturned in the ruling on the first I–66 section. Frankly, we're not only astonished at that but at Metro's apparently paying twice as much as Virginia for the same type of work.

If a way could be figured to put Virginia officials in charge of all Metro contracting and keep the Labor Department out, perhaps Metro dollars and the Metro lines could be stretched a lot farther.

BATTLE HYMN OF AGING

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. LEHMAN. Mr. Speaker, there are many senior citizens in south Florida's 13th Congressional District. I often see them at meetings of their clubs, condominiums, and neighborhood and community groups. Like most older people, those in south Florida have more than their share of problems in terms of health, finances, and loneliness.

The resident of Rolen Lake Gardens, however, will not let these problems get them down. They have expressed in song the predicament of their generation.

The first four verses describe how senior citizens are trapped between fixed incomes and rising prices, and how medicare is inadequate for their medical needs. In spite of this, the last verse provides a sense of optimism and determination. After all, this song is a battle hymn.

Although the words alone cannot fully express the spirit of those who enthusiastically sang this song, I would like to share the "Battle Hymn of Aging" with my colleagues.

The lyrics are as follows:

BATTLE HYMN OF AGING

(Tune of Battle Hymn of the Republic)

We reach the age of sixty five,
Our golden years are here,
They tell us that the age begins
A happy new career,
For now our Uncle Sam becomes
Our permanent cashier
As we go marching on.

CHORUS

Our social security from Baltimore is sent.
We buy a little bit of food and maybe pay the rent,
And after that we're stony broke
And left without a cent
But we go bravely on.

CHORUS

And as for checks from Medicare
Will someone tell us how
They always find some doctor bills
They sadly dis-allow
And dental costs, as we well know,
They wholly disavow
But we go bravely on.

CHORUS

We don't know how we make it
As we live from day to day
With income fixed, and prices up
There is always more to pay,
So minding our arthritis,
Let's get on our knees and pray
That we'll go bravely on.

CHORUS

And first of all, let's thank the Lord
That we are still alive,
The dreams we have may still come true,
When we are ninety-five,
So, please, dear Lord, give us the
Strength our troubles to survive
As we go bravely on.

CHORUS

Glory, glory hallelujah
Glory, glory hallelujah
Glory, glory hallelujah
As we go bravely on.

A TRUE PROFESSIONAL: SALISBURY TIMES EDITOR DICK MOORE, RETIRES

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. BAUMAN. Mr. Speaker, it was with profound regret that the citizens of the Lower Eastern Shore of Maryland and the adjoining areas of Virginia and Delaware recently learned of the impending retirement of Richard L. Moore, editor of the Salisbury Times for the past dozen years. Dick, as everyone knows him, has been with the Times since 1939, almost as long as this Member of Congress is old. During that time he has justly earned a respect and affection from the local community that can only come from hard work, professional competence and a love of people, as well as a sympathy for their problems.

The press takes a lot of criticism for its short comings, real and imagined, but people such as Dick Moore not only enable the Fourth Estate, they are true public servants, as much as, if not more, than any public official.

My family joins with many thousands of citizens of the Delmarva area in wishing Dick and his wife a well-deserved and long retirement.

At this point I include an editorial from WBOC in Salisbury:

DICK MOORE

When a person has been on the job with a particular company for a long period of time, and in leadership capacity, there seems to be a tendency to consider him as the embodiment of all that a particular organization actually is. One person who would fit that general description would be Dick Moore, editor of the Daily Times. And while Dick would be the first to admit that the growth of that paper has been an organizational affair . . . and not an individual feat . . . the fact remains that to many people, Dick Moore is the Daily Times.

Now, Dick is going to retire at the end of the year . . . and we had to let you know how happy we are for him, but how we also shall miss him. Richard L. Moore joined the paper in 1939 as a reporter . . . became managing editor in 1942 . . . and upon the death of Oscar L. Morris twelve years ago, became the editor. He has seen the paper grow from an 8 page, 4,000 daily circulation paper to what it is today . . . and while company growth is never a one-man job, his efforts were part of the pattern.

We can remember the days when call letters on our microphones were blacked out if they were going to be visible in a picture to be printed in the daily paper—and we were not always charitable in our comments either. But those days have long gone . . . and there exists mutual rapport and respect between the printed and electronic press in this town . . . and Dick Moore had much to do with this.

His retirement comes a full year ahead of mandatory age. He has things he wants to do . . . including free-lance writing and public relations work . . . and he is an expert with a camera too.

Dick Moore has fully earned his retirement. We will miss him, but wish him well. We suspect he will continue to contribute to the community, even tho his efforts will no longer be made over the editor's desk.

RACIAL QUOTAS MAY RUIN ANOTHER SMALL BUSINESS

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. ASHBROOK. Mr. Speaker, liberals are continually arguing that their racial quotas in labor and contracts are only to help minorities, not to hurt whites. This is insane. You simply cannot discriminate for somebody unless you discriminate against somebody else. If liberals would just look around in the districts they are supposed to be representing, they would find plenty of examples of white workers and white-owned businesses employing all races hurt or even ruined by these racist practices liberals have instituted.

If liberals do not want to look in their backyards for examples, I will give them one—I should say one more—I found about this week. In this letter, an employer of over 100 workers puts his situation more poignantly and more eloquently than I could hope to.

ALL SUPERVISORS, ———, Inc., ——— Ohio.

GENTLEMEN: This is an extremely difficult letter for me to write.

Unless the present laws pertaining to affirmative action with regard to subcontracting on Federal Aid Construction Contracts, ———, as we know it today, will cease to exist.

Over the last few weeks we have not gotten one subcontract for curb & gutter or sidewalk, although we have been low bidder on many. The only reason being that we are not a "Minority Business Enterprise". We see no prospect for getting any of this work until such time as subcontractors are again hired on the basis of lowest and best bid without regard to the race—color—creed etc. of the corporate ownership.

As you are aware about 90% of our work is subcontracting curb & gutter and sidewalk, and there is no possible way we can survive on the other 10%—where during the last few seasons we usually had about 15 crews out, we will be fortunate to furnish work for 2 crews in the immediate future.

I have written to all 100 Senators as well as our own Representative John Ashbrook. . . .

Unless we can get the 10% Minority Business Enterprise set aside outlawed, the future at ——— is indeed very bleak.

I do not know what more I can do. It might help if you people contacted Washington.

Sincerely,

—— ——.

Mr. Speaker, I have tried every remedy I know in these cases. The hard fact is that so long as liberals rule here, it will do no good for victims of reverse discrimination to "contact Washington."

BIRMINGHAM POLICE CHIEF ON LEAA

HON. JOHN BUCHANAN

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. BUCHANAN. Mr. Speaker, just recently, Mr. James C. Parsons, chief of the Birmingham Municipal Police Department, testified before the Subcommittee on Crime of the House Committee on the Judiciary. Chief Parsons has worked with the Birmingham Police Department since 1954, rising from the rank of patrolman to chief of police, the position he assumed in 1972.

Chief Parsons holds both a bachelor of arts in sociology, and a master of arts in educational administration from the University of Alabama, where he is currently pursuing his Ph. D. Chief Parsons is presently serving as treasurer of the Police Executive Research Forum, an organization of major city police chiefs interested in research in the debate on critical issues in policing.

Chief Parsons also serves as an advisory consultant to the National League of Cities, and a member of the advisory board of the Criminal Justice Center at the John Jay College in New York City. He is the author of numerous articles, including a candid analysis of police corruption, police organizations, and the art of effective change, which appeared in the International Journal of Criminology and Penology.

Chief Parsons manages a department of 900 persons, which has been described in a recent book as a department which "has been transformed into one of the most open, progressive, and approachable police forces in the Nation." I can personally attest the quality of his work. All of us in Birmingham are deeply proud of Chief James Parsons and I commend him to the distinguished Members of this body.

Chief Parsons' remarks on the future of the Law Enforcement Assistance Administration before the Crime Subcommittee follow:

STATEMENT OF JAMES C. PARSONS

Mr. Chairman, thank you for this opportunity to present the views of the Police Executive Research Forum on the future course of the Law Enforcement Assistance Administration.

The Forum is a year-old organization of 50 chiefs from the nation's larger police departments. We believe that, as yet, policing does not provide citizens with the level of services to which they are entitled and that improvement of policing demands research, open debate of issues, and development of better management and innovative programs.

Our position on LEAA recognizes the tremendous potential that a federal funding program can have for improving policing and the rest of the criminal justice system in the United States.

Our faith in federal efforts to date is tempered by our own experiences with the shortcomings of LEAA. But I am not here today as the Forum's representative to dwell on the failures of the past. Rather, we of the Police Executive Research Forum want to focus our hopes on the future.

We believe that a significant restructuring of the federal criminal justice assistance effort is required. We recommend:

A program of direct federal criminal justice assistance to state and local units of government; and

The creation of an independent federal criminal justice research institute responsible for conducting and supporting basic and applied research.

LEAA was conceived as a means for the federal government to assist state and local jurisdictions in their fight against crime. Regrettably, sufficient federal funds have not been funneled to where serious crime is most prevalent, the nature of crime most complex, the control of crime most difficult, and the delivery of productive police services most important to the maintenance of the social fabric. It has long been obvious to concerned police executives and officers that the density and heterogeneity of urban populations contribute measurably to the tough and delicate job of serving and protecting citizens. In sum, too often federal criminal justice money has not been directed to the larger cities and suburban areas where it is most needed, both to curb crime and assure an efficient criminal justice system.

The 250 police departments which qualify for membership in our organization, based on a minimum of 200 full-time employees, account for 1.4 percent of the 18,500 police agencies in this country. Yet, in 1974 this small number of departments accounted for 49 percent of full-time police employees who had to deal with 67 percent of the violent crimes, 79 percent of the robberies, and 74 percent of the murders.

With half the police personnel employed by a relative handful of agencies and confronted with most of the nation's serious crime, it makes obvious sense to put most of the available federal anticrime resources in these jurisdictions.

This has not happened in the past. And, frankly, there are probably police chiefs from some smaller jurisdictions who would be happy for old formulas of distribution to continue. LEAA has granted money to the states, which in turn have retained a sizable portion and allocated the remainder to cities of all sizes. Under this arrangement, larger jurisdictions have been forced to compete with all other local jurisdictions in a state for what funds are available. This competition was not necessarily based on need, but in many cases was simply a process of political accommodation. In the worst cases, where state planning agencies have been controlled by small jurisdictions, there has been an active effort to undercut larger jurisdictions.

To remedy this situation, the Police Executive Research Forum recommends a program of direct federal criminal justice assistance to state and local units of government. The funds should go directly to the local jurisdiction rather than through an extra layer of state bureaucracy. Minimum levels of assistance to all local units of government serving a population of 100,000 or more should be established. Supplemental grants should be provided to jurisdictions of 100,000 or more based on a formula which takes into account total population and the percentage of total state criminal justice expenditures provided by the jurisdictions.

This formula does not include crime rates as an element in determining direct assistance allocations. While we agree that crime rates eventually should be a consideration, we question the accuracy of currently available crime measures for use as a specific factor in allocation formulas. Perhaps with the creation of a centralized criminal justice statistics agency in the Department of Justice, we will, some time in the future, have more reliable crime indicators which can be used in the formula. While the formula we propose favors more heavily populated jurisdictions, states and other local jurisdictions, of course, would also receive direct assistance in proportion to their population and percentage of state criminal justice expenditures.

Direct assistance has two advantages: First, it eliminates a level of bureaucracy which previously had biased the allocations against local needs. Second, it removes earmarking and other forms of federal direction and restores local initiative and discretion. Rather than the federal government determining the solution to local problems, local jurisdictions should have the job. If the control of crime is to be a local responsibility, let localities decide their own programs for dealing with the problem. They can far better decide their own priorities, and their own unique needs based on their history than some far-removed bureaucrat.

In describing our position, I want to stress that the Police Executive Research Forum does not believe that with direct assistance localities can do anything they want. Obviously, the federal government must maintain strong restrictions prohibiting supplantation, criminal misuse, and discrimination. For example, it would be a great mistake if the Jordan Amendment on civil rights requirements were dropped in any new crime control bill.

Of course, new federal funds must be used to improve the criminal justice system. However, if the Congress legislatively attempts to define "improvement," it undertakes an almost impossible task in light of local variations in needs and guarantees extensive, subjective executive branch guidelines with accompanying red tape. The Forum does, however, recommend that there be some restrictions which assure that federal monies are not wasted. Examples of these restrictions are:

1. Outlays for ongoing personnel costs for employees not involved in short-term demonstration projects;

2. Expenditures for capital construction and renovation; and

3. Purchase and maintenance of hardware not related to demonstration programs.

The Forum's other major recommendation, as I indicated, involves research. Belief in research as a means for improving policing is one of the cornerstones of our organization. We, therefore, believe that research in policing must be an essential component of the federal government's efforts to improve criminal justice. A federal institute of research should be established to lead the way in searching for new knowledge and better methods for controlling crime. Local jurisdictions alone cannot fulfill this need.

Research is expensive. Local government is financially burdened just in maintaining continually increasing operating budgets for criminal justice agencies. Research is long term. Local jurisdictions are pressed by everyday crises. Research requires skilled resources. Municipalities cannot easily obtain the many different technical skills necessary for complex research. Research builds on a series of interrelated findings. Localities cannot coordinate research results as easily as the federal government. This is not to say that local jurisdictions cannot conduct research. They can; they just cannot carry out the systematic development of a body of knowledge about crime and criminal justice administration which is envisioned for a federal institute of criminal justice research.

The Police Executive Research Forum believes that an independent research insti-

tute, led by a director appointed by the President and confirmed by Congress, offers the best hope of developing the type of research the police need. The work of an independent institute must be coordinated so that its findings are not unrelated to each other. And its policies must be guided by criminal justice practitioners so that its efforts are not impractical.

The productive utilization of research findings, of course, can only occur when police officers have a certain basic level of education. Indeed, efficient and effective policing today increasingly demands that officers receive academic training. For these reasons, it is important that the federal government continue the Law Enforcement Education Program which, in recent years, has done so much to assist law enforcement officers in obtaining the benefits of a college education.

Before concluding, the chiefs in the Police Executive Research Forum do not believe—as may be the belief of some other police executives—that the police never get a fair share of federal criminal justice funds. We recognize the interdependence of the agencies in the criminal justice system and the importance of improving the whole system. We also recognize the critical function citizens play in crime control. There is much that must be done in policing. But there is also need for improvement in other components of the system.

More efficient courts, more productive and effective prosecutor and public defender offices, better corrections systems, and improved citizens' programs all aid the job for the police.

Because the police are not solely responsible for the control of crime, we must work in cooperation with our associates in the criminal justice system and with the public so that crime rates can be curbed.

Finally, Mr. Chairman, the Police Executive Research Forum recognizes that this is a time for reevaluation and reorganization of the federal criminal justice funding effort. This process could be a very beneficial one. That is why we are privileged to appear before you and your Committee in its efforts to give a new, stronger, and more productive form to the expenditure of federal anticrime funds. But we caution that the federal anticrime effort should not be allowed to drift too long without firm direction. Study of and reflection on the future of federal criminal justice programs may be necessary, but they must not be allowed to continue to the point that shortcomings of the past are compounded. We therefore urge the President to appoint an Administrator of LEAA so that changes in the program can begin while deliberations continue. And we strongly urge that funding for federal criminal justice programs be maintained at least at current levels.

Thank you, Mr. Chairman, for the opportunity of appearing at this hearing.

ABILITY FOR ADMISSION

HON. ROBERT S. WALKER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. WALKER. Mr. Speaker, a recent Gallup poll has revealed that Americans overwhelmingly oppose the use of racial quotas to determine who should be admitted to colleges or hired for a job. According to the poll, which was taken in late October, 80 percent of American adults oppose giving preferential treatment to some groups in order to make up for past discrimination. Such preferential treatment was opposed by all sectors of the public, including women and nonwhites, who would be among those granted special privileges.

As a sponsor of H.R. 9286, which would bar Federal enforcement of discriminatory quotas, I am pleased that the Gallup poll confirms my belief that the American public supports the ideal that individual merit, not membership in a certain favored group, should be the determining factor in both hiring and admission policies. It is time that Congress and the administration respond to the clearly stated will of the people and put an end to Government-sanctioned reverse discrimination.

The Washington Post of November 20th carried the Gallup poll results in detail. I commend the Post article to my colleagues' attention:

EIGHTY PERCENT MAJORITY FAVORS ABILITY AS CRITERIA FOR ADMISSIONS

(By George Gallup)

PRINCETON, N.J.—The U.S. public continues to believe that ability, as determined by examination, and not preferential treatment to correct past discrimination, should be the main consideration in selecting applicants for jobs or students for college admission.

An overwhelming proportion of the public—eight in 10—oppose preferential treatment. Even nonwhites and women, who have most to gain by affirmative action, vote for making ability, as determined by tests, the main consideration in filling places in industry and college.

At the same time, however, a majority of Americans, 53 per cent, would favor preferential treatment in the form of a federal government program offering free educational or vocational courses that would enable members of minority groups to do better in tests.

The issue of 'affirmative action"—described by its critics as reverse discrimination—is now before the Supreme Court.

Most in favor of offering free courses to help minorities compete for educational and occupational opportunities are women, nonwhites, persons with a college background and younger adults (18–29 years old). Even among those opposed to preferential treatment, opinion is 5-to-4 in favor of free courses being provided.

The results reported today are based on interviews with 1,517 adults, 18 and older, conducted in more than 300 scientifically selected localities during the period Oct. 21-24.

TRIBUTE TO RUDOLPH VARGAS, INSPIRED ARTIST AND SKILLED SCULPTOR

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. ROUSSELOT. Mr. Speaker, on Sunday, December 4, the auxiliary of Santa Teresita Hospital, which is located in my congressional district in California, the hospital staff, the 70 Carmelite Sisters of the Sacred Heart in residence, and the people of the community which they serve will join together to pay tribute to Mr. Rudolph Vargas, an artist extraordinaire who has given of his talent for 50 years. His expression and execution of beautiful works of sculpture have offered pleasure and execution of beautiful works of sculpture have offered pleasure and inspiration to a countless number. While Rudolph Vargas' work is primarily in wood-sculpture, an art which seems to be fading from existence, at this event a bronze statue of Christ with the Children, by Mr. Vargas, will be unveiled and dedicated as a memorial to Evelyn Owens Lerned, who, was a member of the Christ Child Society, helped the hospital in its early days and carried on that work through the bequest of her husband, a noted pediatrician.

The Vargas statue is the first bronze plaque to be dedicated at Santa Teresita Hospital in Duarte, Calif., where there are 60 works of art on display, 26 of which have been carved in wood by Mr. Vargas.

All of the works contained within this collection were donated by friends and benefactors of the Carmelite Sisters. Much of Mr. Vargas time is also donated.

Rudolph Vargas is a native of Mexico and became a U.S. citizen in 1950. During his 50 years in this country, his great contribution to an almost dying art has been widely recognized. He has been listed in Who's Who in American Art, Who's Who in the West, Profiles, published in London, and in the International Encyclopaedia of Artists.

In addition to his religious works, Mr. Vargas has been responsible for a great contribution to the field of commercial art, including many works in the motion picture studios.

Santa Teresita Hospital has planned this surprise tribute to Mr. Vargas on Sunday, December 4 so that he may feel something of the magnitude his creations inspire in the hearts of those who share his talent through their appreciation of it, and I have taken this opportunity to further recognize Rudolph Vargas through this public record and praise him for his artistic achievements, selfless giving to others of his blessed talent.

POLITICAL CAMPAIGNS, THEN AND NOW

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. STOKES. Mr. Speaker, last Tuesday, millions of Americans went to the polls to elect State and local officials. I am pleased to announce that in my own city of Cleveland, Ohio, we elected a new chief executive, Dennis J. Kucinich, who at 31 will become the youngest mayor of a major city in the United States.

Mr. Speaker, starting with the preprimary campaigns last summer, the Cleveland news media has been in full swing covering the many candidates for political office. Hundreds of pages of copy and hundreds of production hours

have gone into publicizing the candidates and the issues.

Last week a column appeared in a local newspaper which, in my opinion went far beyond the ordinary in capturing the flavor of the 1977 elections. It is not just a Cleveland story but a saga which has been played time and time again across this land.

Mr. Speaker, I would like to take this opportunity to share this sensitive article with my colleagues in the House. Therefore, I respectfully submit to you the column by Dick Feagler which appeared in the November 3, election night edition of the Cleveland Press newspaper:

THE COLOR STORY PALES OVER PAST DECADE

(By Dick Feagler)

I have to work tomorrow night to do what is known in the trade as a "color piece" on the election.

The color piece is the story that doesn't have to tell you who won until the fifth paragraph. It is the story that tells you what the band played in the ballroom ("Happy Days Are Here Again," "Melody of Love") and what the signs said and all about the tears and the hurras!

I'll be there scribbling notes so you shouldn't miss a second of this intense drama. It'll be hot in the ballroom. Hot and sweaty and noisy and I'll begin to get the pain behind my right shoulder that I always get when I have to stand around at elections, fires, hostage-holdings and similar kinds of group enterprises.

What you are supposed to tell in these color pieces is the "story behind the story." But where, I ask myself, is the story behind the story of tomorrow night's election.

Three men are applying for a job. A lousy job at that. Two men will survive the night—Dennis Kucinich and Ralph Perk. If I read the teacup right, Kucinich will get more votes than Perk. If I read it wrong—so then I read it wrong.

Color piece? I wrote the color piece of my modest career 10 years ago. A color piece that has made every one I've written since colorless. A color piece that, if the truth be told, let me jaded.

I look at the clipping, written in the early morning hours after Carl Stokes became (it says here) "the first Negro mayor of a major American city."

It all seemed so important then. So significant. So portentous. I had covered the candidate—ridden through the dark streets of the city as he drove and talked. He would stop at a light and a cabbie would holler, "Hey, Brother. You do it, you hear?"

And covering him, I rooted for him. Very bad journalistic form, I know. I haven't rooted for a candidate since. It's been easy not to.

Ten years ago, we'd stop at his house and Shirley, his wife would be gracious and winsome. She had one of those organs with a button you could push and an ersatz drum would bang out rhythm. I played the organ and covered the race and both things were fun.

But a lot more than fun. I don't know how to tell you. It all seemed to mean so much, that's all. You felt that, if this man were elected, it would give the city some class. That he would, somehow, carry all of us to someplace we had not been.

And then they sent me on election night over to his headquarters on W. Superior to do the color piece. Why it wrote itself. The people cheered and cried when he won. And he told them:

"Never before have I known the meaning of the words, 'God Bless America'."

What that was supposed to mean was that the system actually worked. That despite all the rottenness and hypocrisy, the sham and banditry of politics—beneath all that, there was still the people and the people still had their ideals. And it could come out all right in the end, after all.

"This city was built by a combination of people (my 10-year-old notes tell me he said) "all people, Hungarian, Lithuanian, Irish, Italian, Negro. And we need their support to make this city take its rightful place among the great cities of the nation."

Ah, I hear it in my mind. What a night that was to write the color piece. I hear it in my mind and then it starts to run down like a record on a busted machine . . . slowly running down into . . .

Into what?

Into Sirhan Sirhan and James Earl Ray, My-lai and the Glenville shootouts and Fred (Ahmed) Evans sitting on Death Row. Support your local police and Lyndon Johnson quitting. Richard Nixon's secret plan and four students at Kent State, MIA-POW-KIA—body counts. Covert CIA actions. Watergate. The government putting LSD in somebody's soup. Tapping phones. All the horrors of 10 years.

And the candidate went to work for a television network and the family was broken up. I don't know who got the organ. The voice that said it finally knew the meaning of the words "God Bless America" now comes at me out of my car radio sometimes. Just another working reporter covering somebody else's sins.

And the city is still grimy and nobody has solved racism and the great cities of the nation are begging on the streetcorners. And I'm ten years older and have my own scars which, like the rest of us, I try to hide.

I'll do the color piece tomorrow night, but I owe it to you to tell you that I've lost my taste for it. There isn't any story behind the story any more. There's just the story. What it needs is a rewrite man.

SLOTH: ONE OF SINS THAT AFFLICTS US

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. SIMON. Mr. Speaker, the New Republic has had a series of articles by Henry Fairlie on "The Seven Deadly Sins." The series is an unusual one for a political journal but one that is thought provoking. In the issue with the article that deals with sloth—from the October 29, 1977 issue—Mr. Fairlie makes some comments that are at least partially accurate. Much as an actor in a play has to be overly dramatic in order to convey to an audience the sense of what is taking place, so Mr. Fairlie, perhaps, goes further than accuracy demands in order to jolt us.

I am inserting into the RECORD the final paragraphs from Mr. Fairlie's comments on sloth:

Sloth is eating at us, devouring all inclination to continue the human endeavor at even the level which has been sustained in the past. For we are reaching the stage at which we will no longer regard ourselves as part of that endeavor. We barely know our civilization any more. We do not read the ancients. Even the classics of our own literatures are becoming closed books to us. We make little or no effort to understand our science, with the instructions it has to give and the wonders it has to show. We allow no authority to the past, and entertain no obligation to the future. We do not observe the rules of grammar or syntax. We disdain our dictionaries and let our vocabulary grow slack. We think we can communicate without speaking accurately, and even without speaking at all in any language that is complex and discriminating. We will rely on touch and feel, and the human race will end its long caravan across the centuries as a speechless race of touchy-feelies. We think that we can think even without the process of thinking. And we think we are not slothful?

Children are too idle to obey. Parents are too sluggish to order. Pupils are too lazy to work. Teachers are too indolent to teach. Priests are too slack to believe. Prophets are too morbid to inspire. Men are too indifferent to be men. Women are too heedless to be women. The sexes are too bored to engage each other. Doctors are too careless to care for their patients. Shcemakers are too slipshod to make shoes. Writers are too inert to try to write well. Street cleaners are too bored to clean streets. Shop clerks are too uninterested to be courteous. Philosophers are too faint-hearted to make philosophies. The faithful are too dejected to bear witness. And we think we are not slothful?

Of all the sins, Sloth is the nearest to having become a religion to us. We have faith in it. And what is most terrible about it is that even in our slothfulness we move across our landscape like a cloud of locusts devouring everything by doing nothing.

ANTHONY JAMES DELPOPOLO, SR.

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. FISHER. Mr. Speaker, numbered among the outstanding correctional educators in my 10th District is Anthony James DelPopolo, Sr., a young-spirited man of 63. He was recently the recipient of many honors for his accomplishments. I would like to add my congratulations.

Anthony James DelPopolo, Sr., professor of administration of justice at the Northern Virginia Community College, Annandale campus, was honored last Thursday, November 10, 1977, by the officers and members of the Corrections Club, 125 students, relatives, friends, and colleagues, celebrating his recent appointment to full professorship by Dr. Richard J. Ernst, college president, as well as completion of 30 successful years in the corrections service as a correctional educator, a prison administrator, and a college professor.

There are a small number of persons in the United States who are equal to Professor DelPopolo's educational and experience background, as he possesses 24 years of prison experience, 10 years college teaching—all in the field of sociology, criminology, penology, and corrections; 4 graduate degrees and author of over 50 articles, books, and research contributions in the field. He has achieved international fame as distinguished scholar, author, publisher, criminologist, sociologist, penologist, and correctional educator.

Professor DelPopolo received a B.S. degree in education from New York State College for Teachers at Buffalo in 1937, and an M.A. degree in school ad-

ministration at the New York State College for Teachers at Albany in 1950.

He went on to merit three other advanced degrees; that is, an M.S. in adult education from George Washington University in 1948, a degree in advanced graduate study—DAGS—majoring in correctional education and administration, from University of Virginia in 1958, and an M.S. in correctional administration from American University in 1971.

Currently, Professor DelPopolo heads the corrections program at the college, instructing such courses as juvenile delinquency, criminology, jail operations and administration, criminal behavior, correctional counseling, and so forth. DelPopolo became associated with NVCC in 1969 upon the recommendation of Prof. Lander C. Hamilton, administration of justice program head. After 3 years as a part-time instructor he was appointed on a full-time basis.

Prior to coming to NVCC, he was on the professional staff of the District of Columbia Department of Corrections, having been appointed by Donald Clemmer, former director, as supervisor of academic education in 1947. During DelPopolo's 24 years with the department he distinguished himself and was promoted to such positions as associate superintendent of the Youth Center, educational programs coordinator, and staff training specialist for the Training Academy. A majority of his many articles, research papers, and instructional materials were published in personnel manuals and periodicals closely related to corrections, correctional education, and juvenile delinquency.

Much of DelPopolo's active life was spent as an officer and/or member of many social and professional organizations, such as Toastmasters International, American Correctional Association, Correctional Education Association, American Sociological Association, Italian Executives of America, Third Order of St. Francis, Washington Area Council of Alcoholism and Drug Abuse, and the Georgetown University's Speakers Bureau.

Prior to coming to the Nation's Capital, he wrote several volumes on citizenship titled "The American Way of Life," "My America, Land of Liberty," "How to Prepare for United States Citizenship," and "Our American Way of Government."

As a specialist in the field of alcohol education, Professor DelPopolo developed a special program at the Annandale Campus in 1971 in coordination with the Fairfax County (Virginia) Alcohol Safety Action Project (ASAP) for instructing men and women arrested for driving while intoxicated. His publication "Just One for the Road" was selected as a basic text for all class instruction. Other related writings included the editing and publishing of two issues of the "Alcohol Information Digest," a national magazine on alcohol, alcoholism, and alcohol safety. For the past 2 years DelPopolo has been invited to teach a class on "Alcoholism and Society" as an adjunct professor at the center of the administration of Justice at American University.

Among his many distinctions, honors, and special recognitions are delegate to two White House Conferences, one on narcotics and dangerous drugs (1963) and another on education (1965), a recipient of the Donald Clemmer Award for outstanding achievement in the field of correction in youth institutions (1965) and winner of several Toastmaster International excellent speaking awards.

Professor DelPopolo is preparing for future publications such titles as "Donald Clemmer—Dean of Modern Corrections," "Dictionary of Corrections," "A Glossary of Criminal Slang." "Drug Terminology—An Up-To-Date Introduction," and "Corrections, An Introduction to Crime, Criminals and Punishment."

He lives with his wife and family in McLean, Va.

NATIONAL ACADEMY OF SCIENCES RECOMMENDS CHANGES AT EPA

HON. WILLIAM C. WAMPLER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. WAMPLER. Mr. Speaker, the National Academy of Sciences recently completed an analytical study of the Environmental Protection Agency's processes for acquisition and use of scientific and technical information in pesticide regulatory decisionmaking. The study was commissioned in the appropriations bill for fiscal year 1974, wherein the Congress directed the Agency to contract with the Academy for a series of analytical advisory studies (87 Stat. 468 Public Law 93-135).

In this particular study, volume VII, "Pesticide Decisionmaking," the Academy sets forth a number of deficiencies in EPA's decisionmaking processes in implementing its regulation of pesticides under the FIFRA law. Most of these deficiencies are concerned with the role or the lack thereof that science and technology plays in pesticide decisionmaking. The Academy also recommends a number of specific changes to correct and improve these deficiencies.

Unfortunately, Mr. Speaker, the Academy's study had not been completed when amendments to the pesticide law (FIFRA) were considered in committee or on the floor in either the House or the Senate. While the conferees have been named, they have not met to consider the differences between the House and Senate bills. Inasmuch as the House bill would exercise greater oversight over EPA's regulatory authority than the Senate bill, EPA's attitude toward the Academy's recommendations for changes to its decisionmaking procedures would be vital as to which bill prevails.

I have written the Administrator of EPA, Mr. Costle, and requested that he give the conferees written assurances of the actions he is taking to implement the recommendations of the Academy.

In order that my colleagues are made more fully aware of the nature of this problem, I insert the full text of my letter to the Administrator of EPA in the RECORD:

HOUSE OF REPRESENTATIVES,
Washington, D.C., November 29, 1977.

Mr. DOUGLAS COSTLE,
Administrator, U.S. Environmental Protection Agency, Washington, D.C.

DEAR MR. COSTLE: This is to thank you for your five page reply of July 26 to my letter of June 3 seeking your assistance in preparing legislative amendments to the Federal Insecticide, Fungicide and Rodenticide Act (FIFRA), as amended, to insure that decisions made by the Environmental Protection Agency in its regulation of pesticides rested on a sound base of technical information which had been accorded the degree of independent scientific review intended by Congress.

While you pledged in your letter "that under my direction this Agency (EPA) will fully consider the best scientific data available in reaching its decisions on pesticides," you then proceeded for several pages to play down the role of science in pesticide decision-making by saying that "Pesticide decision-making is trans-scientific. That is, regulatory issues under FIFRA commonly contain scientific elements but cannot be answered by science."

I must take issue with your hypothesis that trans-science is more important in EPA's decision-making process than science. Perhaps this is the real reason there is so much controversy over the rules, regulations and decisions EPA promulgates in administering the FIFRA Act. Even the author of the article "Science and Trans-Science," Dr. Alvin M. Weinburg, is not supportive of your position and says: "In principle, one exhausts all of the scientific elements, one answers every question which can be answered scientifically before dealing with the trans-scientific residue."

The way I read Dr. Weinburg's article, he doesn't question the appropriateness of, the necessity for, nor the use of physical science input into EPA's decision-making process; to the contrary, he endorses it. The point Dr. Weinburg raises is: After the physical science input has been exhausted—then and then only does trans-science enter the arena. Here EPA "is then expected to say whether the society ought to proceed in one direction or another. The scientist and science provide the means; the politician and politics decide the ends."

The National Academy of Sciences put its finger on the problem in a series of analytical studies, particularly in Volume I, "Perspectives on Technical Information for Environmental Protection," March 18, 1977, referred to in my June 3 letter; and more specifically in Volume III "Pesticide Decision-Making," released October 20th, which concerns itself "with how EPA acquires and uses scientific information in its decision-making functions for the regulation of pesticides." Science states:

In this regard the National Academy of "The Committee on Pesticide Decision Making is concerned about the controversy over pesticides and the fact that opinions have become polarized over this issue. Furthermore, many of the arguments put forward in the controversy have failed to address the question of how problems in the regulation of pesticides can best be resolved.

Clearly, risk/benefit analyses must be used in decision making on pesticide use and control. It is not possible to state definitely the weight that should be given to scientific information in these analyses because of the many uncertainties and unknowns in the factors involved. At all stages of the decision-making process, however, EPA should have access to the best available scientific information and should obtain adequate peer review of the scientific information it uses in making decisions. EPA also must aggressively sponsor and participate in research

so that society, whose exposure to pesticides usually is involuntary, can make decisions about acceptable risks on the basis of improved scientific knowledge, especially in relation to any carcinogenesis that may be caused by the use of pesticide chemicals. These are among the central issues discussed in this report, which recognizes that the complex issues involved in the nation's effort to regulate pesticides can and must be resolved."

Additionally, the Academy has made a number of specific recommendations in its latest study, "Pesticide Decision-Making," for EPA to better acquire and utilize scientific information and thus make needed improvements in the agency's pesticide decision-making processes.

Among these recommendations are the following:

—"The carcinogenic potential of any pesticide that exceeds EPA criteria for chronic toxicity (oncogenesis) should be evaluated by cancer experts. Initially, the EPA Cancer Assessment Group should make this evaluation, and its conclusions should be reviewed by other cancer specialists.

—"EPA should sponsor research to obtain broad determinations of the levels of human exposure to carcinogens in the environment. In addition, a multiagency effort should be undertaken to develop national criteria for interpreting data on carcinogens, and for assessing the carcinogenic risks of human exposure to pesticides."

—"EPA regulations (40 CFR 162.11(a)(5)(iii) should require, and not simply permit, the consideration of benefits in determinations of whether to issue a notice of intent to deny or to cancel a registration. This would conform with Section 2 bb of FIFRA, as amended."

—"EPA should develop detailed procedures for assessing the risks and benefits resulting from the use of a pesticide and for analyzing trade-offs between the risks and benefits. In doing so, EPA should seek outside review and comment from the scientific community."

—"By emphasizing scientific data and judgment, EPA should in some instances permit use of a concept similar to that of negligible residues, as defined in 40 CFR 180.1 (l)."

—"EPA should clear all contracts and grants for research on pesticides through its Office of Research and Development (ORD) to gain better coordination and centralized technical review of the research."

—"EPA should seek publication of the results of its research contracts and grants in scientific and technical journal rather than in Agency reports."

—"OPP should take the lead in developing a modern data system to identify important sources of scientific and technical information on pesticides and to provide a reliable method for collecting, evaluating, validating, indexing and computerizing data on pesticides."

—"Each major OPP division should add at least one senior scientist to its staff; additional scientists also are needed to increase OPP effectiveness in several occupational categories, including toxicology, pathology, and the mathematical, statistical, environmental, agricultural, social and computer sciences."

In each of the above recommendations our Country's most august scientific body, the National Academy of Sciences, has made specific findings relating to your Agency's use of science in making decisions that affect pesticides. In other related volumes the Academy made similar findings and recommendations in your other regulatory responsibilities. Taken in their entirety, I believe the Academy's findings and recommendations represent a serious indictment of EPA's pesticide decision-making process. I regret that the latest study by the Academy was not available during the period this amended FIFRA Act was considered by the House Committee on Agriculture and unfortunately copies were also too late to be thoughtfully and adequately considered during the debate of the bill on the House floor. The Academy's study is now available for the Conference when we consider the House and Senate bills.

As a Conferee, I request that you give the House-Senate Conferees written assurances of the actions you are taking (together with an implementation timetable) and/or the legislative remedies required to implement the recommendations made in the National Academy of Sciences study, "Pesticide Decision-Making," to correct the serious deficiencies in your Agency's pesticide decision-making procedures.

Sincerely,

WILLIAM C. WAMPLER,
Member of Congress.

EVERGREEN ARCADE

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. RODINO. Mr. Speaker, recently I had the privilege of participating in groundbreaking ceremonies for a major improvement in my home district funded by the U.S. Department of Commerce. The Evergreen Arcade, to be constructed along Central Avenue near Evergreen Place in the city of East Orange, is very important to me because it represents a new era in Federal-local government cooperation.

The mayor of East Orange, William Hart, was largely responsible for bringing together the business groups and government officials to create a revitalized downtown East Orange. When Mayor Hart came to me with the idea of building the Central Avenue Arcade-Mall I saw it as the perfect opportunity for the Federal Government to work with local government officials and community leaders. I was confident that we could get the Federal Government to support our efforts because the people of East Orange have always shown a willingness and ability to help themselves.

Let me say a few words about this section of East Orange. Central Avenue is the premier commercial street in East Orange. Its large department stores and many specialty shops are combined with professional buildings where doctors, lawyers, and investment brokers carry on their businesses.

The mall project will improve the street conditions, plant shrubbery, install new street lamps, and increase the parking facilities along Central Avenue. Not only the commercial and professional people of the area but all the citizens of East Orange and neighboring communities will benefit from this revitalization.

OUTSPOKEN WILDCATTER SPEAKS OUT

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. TEAGUE. Mr. Speaker, a longtime friend of mine, Mr. Michael T. Halbouty, is an independent oil and gas producer, better known as a wildcatter. Mr. Halbouty had a lot to say about Federal rules and regulations recently, and I would like to share his comments with my colleagues.

[From the Washington Post, Nov. 27, 1977]

OUTSPOKEN WILDCATTER SPEAKS OUT

(By Martin Merzer)

HOUSTON, November 26.—Most of the new discoveries of oil and gas are made by the major oil firms, right?

Wrong. Most of those finds are made by the nation's 10,000 independent producers, also known as wildcatters.

Wildcatters often use other peoples' money to drill for oil and gas in unlikely places; as a result, they tend to be brash, colorful people who don't much like federal rules and regulations.

Meet Michel T. Halbouty:

"I think there's a conspiracy to nationalize the petroleum industry. And once they've nationalized the petroleum industry, every other industry will become nationalized and we will become a socialist state. Why don't you write that down?" he asks.

Halbouty, in his 60s, has a tendency to speak that way—with emphasis. He wears tinted glasses and expensive suits, and his long, graying hair is combed straight back. When he appears for an interview, he sits down, crosses his legs and fixes his eyes directly on those of his questioner. The position remains unchanged for the duration of the session.

He dislikes Democrats, bureaucrats and—most of all—federal regulations.

"Instead of country of the people, by the people and for the people, we have a country that is being regulated by Washington," he says. ". . . Unless it is stopped, this country will come completely under the control of Washington. Every human facet will be regulated.

"I'm a son of immigrants. I'm a Lebanese-American. My parents came over here and, because they had the opportunity to open up a litle grocery store, they were able to survive and educate their children.

"If I had to start today as the son of an immigrant, my chances of arriving where I am would be less by 75 per cent because of the controls all over the United States. The opportunities don't exist any more."

Halbouty is one of those souls who made his own opportunities. Born in Beaumont, Texas, he graduated from Texas A&M University in 1930 with a degree in geology and petroleum engineering, and later received a master's degree in the same subjects.

He worked for various firms, building a fund that he used for oil exploration. An acquaintance says Halbouty made and lost two fortunes wildcatting before he was 30 years old.

After serving in the U.S. Army during World War II, he started the ball rolling again and is now considered one of the most successful wildcatters in history. Re-

ported to be a multi-millionaire, Halbouty is believed to have struck oil or gas in well over 100 locations.

In 1974, the last year for which statistics are available, independent producers drilled 89.2 wildcat wells, defined as test wells in previously unexplored areas. And they discovered 53.8 per cent of the oil and gas found in that year.

Like many oil men, Halbouty says President Carter's proposed energy plan does not include enough incentives for increased exploration—exploration which all involved in the controversy admit is needed to reduce the nation's heavy reliance on imports.

"Carter's plan creates a disaster upon disaster because it doesn't have anything to increase exploration or production," Halbouty says. "All he does is conserve, conserve, conserve. All conservation does is prolong the demise of the patient.

"If you don't put back into the cracker barrel what you take out, you're eventually going to reach down and there won't be any more crackers, and that's just what this program does."

Halbouty estimates that between 50 billion and 100 billion barrels of U.S. oil could be recovered if prices were decontrolled. That compares with the 110 billion barrels of oil produced in the nation's history.

Halbouty also didn't appreciate the President's remarks recently about possible "war profiteering" by oil producers and the possibility of the "biggest ripoff in history."

"I thought those were some of the most dastardly comments I've ever heard in my life coming from a head of state, especially the United States," Halbouty says. "His bill is nothing but a tax bill. He wants to raise more money to create more welfare and in turn that would create more votes, and I think that's wrong."

The administration denies all that, saying that there are ample incentives in its plan and most of the money collected through taxes would be rebated to consumers.

Is the industry holding back production, waiting for higher prices?

"Hell no!" Halbouty barks. "Nobody's holding back production. That's for the birds—especially in the independent ranks because we put money up and we want that money back!"

Are Halbouty's views representative of those in the industry? One acquaintance says Halbouty is "a bit out on the fringe." But another says he is "not so out of line with many industry types."

Halbouty himself claims that "90 per cent of the people (in the industry) feel as I do. Those in big business won't say it because they're not independent I'm an independent and I'll say what I want. There's nobody looking over my shoulder."

In 1960, Halbouty warned that the continual growth of oil imports would threaten national security.

"I can safely predict that between now and 1975 we will have an energy crisis in this country which will cause repercussions throughout the width and breadth of this great nation of ours like a devastating earthquake," he said at that time.

In 1973, the Arab oil embargo caused massive upheavals in the nation's business health and Americans' personal lifestyles. But imports are still on the rise and almost 50 per cent of the nation's oil now comes from foreign countries.

"We're in serious, serious trouble—strategically, nationally, economically," Halbouty says now. "We've got to get out of this situation or we'll find ourselves in the worst economic chaos that the world has ever known."

But despite it all, Halbouty says he's an optimist.

"I have faith in the United States people and I have faith that we'll work it out," he says. "I think there will be compromises."

BASIC HUMAN NEEDS: AN EMERGING APPROACH

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. SIMON. Mr. Speaker, the organization which lobbies in behalf of church groups for the world's hungry, Bread for the World, recently devoted a portion of its bulletin to the topic: "Basic Human Needs, an Emerging Approach to Hunger and Poverty."

What was of particular interest to me was the reference to the specific goals in the area of basic human needs. Just as we in Congress ought to have a specific goal of eliminating involuntary unemployment within the Nation and should move much more vigorously on that, so the specific goals outlined in their bulletin, it seems to me, are both desirable and attainable for our world by the year 2000. They suggest these goals:

First, An average life expectancy of 65 years or more (at present 50 years on average in the poor countries as a group);

Second, An average literacy rate of 75 percent (at present 33 percent);

Third, An infant mortality rate of 50 per 1,000 (currently 125); and

Fourth, A birth rate of 25 or less per 1,000 (currently 40).

I hope my colleagues will take the time to read this significant comment on our world; where we are and where we must go.

BASIC HUMAN NEEDS: AN EMERGING APPROACH TO HUNGER AND POVERTY

President Carter's interest in world hunger comes at a time when basic approaches to hunger and poverty are being re-examined. The food crisis of several years ago stimulated this new concern. So has the fact that recent bumper harvests worldwide have meant little change for an estimated 450 million or more victims of chronic malnutrition. The Vietnam war played a part, too, by revealing the near bankruptcy of U.S. policy toward poor countries—seen for example in 1974, during the height of the famines, when most of this country's dwindling food aid went to South Vietnam and other countries where security, not hunger, was the primary consideration.

The search in Congress for "new directions" in foreign aid, the Right to Food resolutions, and various major reports, such as the National Academy of Sciences' World Food and Nutrition Study, both reflect and have spurred the re-examination of strategies against hunger and poverty. That assessment continues within every public policy group, including Bread for the World, that gives substantial attention to world hunger and poverty.

The Administration is obviously not alone in trying to develop a better way of responding to hunger and poverty. But President Carter is in a unique position to offer leadership, and therefore current White House interest in piecing together a new response to hunger presents an exceptional opportunity, as well as the considerable risk of flawed conclusions.

AGREEMENT ON A GOAL

Fortunately the Administration is considering a new initiative at a time when this fairly broad consensus has emerged: that hunger and poverty should be countered by a direct effort to meet certain basic human needs of the poorest billion people on earth. The same consensus does not exist, however, regarding a strategy for meeting those basic human needs.

The area of agreement begins with an understanding that hunger cannot be effectively addressed unless we deal with the poverty from which it emerges. Hunger can exist side by side with food surpluses, if people cannot afford to buy the food they need. An isolated focus on food production, food aid, population growth or any other single facet of the problem will not work. People are hungry because they are desperately poor. Their poverty can be overcome only through an interlocking package of measures that will enable poor people to improve their standard of living.

In addition, there is widespread agreement that economic growth by itself will not end hunger and poverty. Brazil's astounding growth rate for the past decade made it the "economic miracle" of the developing countries, but its growth almost completely bypassed the poor majority. In most developing countries economic gains tend to benefit those who are already prosperous, seldom reaching the very poor. For the most part they are isolated from the modern economic sector, often condemned by the development process itself to remain poor.

"In retrospect, it is clear that too much confidence was based on the belief that rapid economic growth would automatically result in the reduction of poverty—the so-called 'trickle down' theory," said World Bank President Robert McNamara in his recent annual address to the bank's board of governors. He added, "There has been growth; in some countries very rapid growth. But it has not notably helped the severely disadvantaged break out of their poverty."

Thus the experience, both good and bad, of poor countries since 1950 has paved the way for a widespread opinion among development specialists that growth must occur at the bottom, among the poorest fourth of the world's population, and that development policies must assure that such growth helps impoverished people meet their most fundamental needs. This basic human needs approach has become a development goal around which broad agreement now exists. It has gained currency in, among other places, the Administration. There it has become "routine rhetoric," according to Washington Post columnist Stephen Rosenfeld, who calls it "Carter's grandest idea." The White House appears to be testing the idea for public reaction, while key aides are drafting tentative proposals.

DEFINING BASIC HUMAN NEEDS

What are included in basic human needs? The 1976 World Employment Conference, the first major international gathering to propose basic human needs as an essential approach to development, produced a comprehensive definition. Basic needs, it says, include two elements:

First, they include certain minimum requirements of a family for private consumption: adequate food, shelter and clothing, as well as certain household equipment and furniture. Second, they include essential services provided by and for the community at large, such as safe drinking water, sanitation, public transport and health, educational and cultural facilities.

Not surprisingly the conference also emphasized employment "both as a means and as an end." Employment, it stressed, "provides an income to the employed, and gives the individual a feeling of self-respect, dignity and of being a worthy member of society."

A narrower definition of basic human needs is now being widely discussed in Washington. This definition, which comes from Reshaping the International Order (the Tinbergen report) and has supporters at the World Bank, the Overseas Development Council and within the Administration, sets four quantitative goals to be met by the year 2000:

1. an average life expectancy of 65 years or more (at present 50 years on average in the poor countries as a group);

2. an average literacy rate of 75 percent (at present 33 percent);

3. an infant mortality rate of 50 per thousand (currently 125); and

4. a birth rate of 25 or less per thousand (currently 40).

These objectives target hunger implicitly, because it would be improbable to reduce infant mortality rates so sharply and increase life expectancy so much without also eliminating most malnutrition. The experiences of China, Taiwan, South Korea and Sri Lanka are cited among countries that in 1950 were extremely poor, but have since reached these targets.

PROBLEMS AND POSSIBILITIES

So while there is wide agreement on meeting basic human needs as an overall aim of development, two definitions of basic human needs have been proposed. The second and narrower of these contains very specific targets and, therefore, the beginnings of a strategy. Although both definitions of basic human needs have considerable moral and humanitarian appeal, the narrower approach has special attractions and dangers. Among its assets:

1. It names four precise goals—a digestible list.

2. It sets a timetable for achieving those goals.

3. It would include especially vulnerable persons who might be left out by a strategy that concentrated heavily on employment and income.

4. It might more easily gather public support, attract a solid national commitment, and lead to a "global compact" among nations to rid the world of hunger and poverty.

At the same time, this approach also brings with it real or potential liabilities that raise the following questions:

1. Would it evolve along lines that encourage dependency and foster a permanent substrata of global welfare recipients, who should instead be assisted toward self-help development?

2. Does this approach risk becoming a panacea that will attract enthusiastic support at first, but lead to frustration when the problems prove more complex and intractable, and the solutions more costly than expected? Would the temptation—perhaps even the need—to gather public backing produce such a scenario?

3. Would this approach take sufficiently into account the social, economic, cultural and physical diversity of each country, as well as the need for more data and further analysis of factors that in combination could either prevent or enable the meeting of human needs?

4. Would this approach sufficiently respect the need for a variety of development strategies? Or would it attempt to lock countries into Western economic and political preferences?

5. Could this approach be used as a substitute for international economic reforms being sought by the low-income countries—a way for rich nations to "buy off" the poor at a lower cost? Or would it be integrated with such reforms?

6. Would this plan ensure that people at the local level, especially small farmers and laborers, take part in making decisions and developing their own institutions? Or at this point would development revert back to the trickle down process and ignore the importance of local initiative.

Many other questions could be asked about this—or any other—development effort aimed at meeting basic human needs. How can we be sure that assistance will reach those in need? that it continues, in order to enable long-term planning? that it is not politicized?

These questions do not discredit either definition of basic human needs, but they do indicate some of the pitfalls. No matter what approach is devised, much depends upon the the assumptions that lie behind it, the depth of commitment for it and the thoroughness with which it is pursued. It is simply too early in the Carter Administration to get a fair reading on these counts. The signals so far are mixed, though President Carter seems far more receptive than was President Ford to a serious global effort against hunger.

The picture, in brief, is one of support coalescing around basic human needs as the appropriate development goal, but without any clear agreement yet on the strategy or strategies needed to accomplish that goal. We know what does not work. We know what does need to happen, at least in broad outline. But no one has absolute clarity about how it should happen.

This gives us a rare opportunity to influence the President on world hunger. The fact that serious questions remain to be answered should not be viewed as a liability, but as a chance to help shape policies during coming months and years. In this connection we can hope that if a major proposal does come from the Administration (and that is by no means certain) it will explain the complexity of the task, as well as our own limitations, and invite further discussion.

Meanwhile we can urge President Carter to place the full weight of his office behind the struggle against hunger, knowing that if he does, Bread for the World will have an even greater opportunity to help formulate and lobby for public policies that will implement the right to food.

A FEW COMPONENTS

In short, we welcome the mushrooming interest in a basic human needs approach to hunger and poverty. That all the answers about it aren't in doesn't mean that none of the answers are in. The list below sketches a few of them:

1. Development should not foster dependency, but self-reliance and human dignity. Insofar as possible, it should enable the poor to work their way out of hunger and to participate in decision-making concerning this process.

2. Food production must sharply increase in the poor countries, at this stage primarily through modern, labor-intensive technologies made available to subsistence farmers and smallholders.

3. Farming should meet local, domestic food needs before crops are produced for export sale—unless it can be shown that profits from export cropping are being used to reduce hunger and poverty more effectively than would the growing of food for domestic consumption.

4. An internationally coordinated food reserve system should be negotiated as soon as possible, including one program for emergencies and another for stabilizing the supply and price of grain.

5. Reforms within poor countries should move toward: (a) full employment, with a stress on labor-intensive industries to match the policy on farming; (b) more even distribution of income; (c) ownership and control of land by small family farmers; and (d) making basic health care and education available to all.

6. International economic reforms are needed, including agreements to stabilize the price and supply of commodities, expand trade opportunities, and increase capital flows to low-income countries without piling up their debt burdens.

7. Economic aid from high-income countries should (a) reach at least 0.7% of GNP; (b) be attached to very specific criteria aimed at achieving adequate nutrition and other basic human needs; (c) be depoliticized; (d) go increasingly in the form of grants rather than loans; and (e) be withheld from use in export cropping, except under the conditions mentioned (No. 3).

8. Food aid should go only for emergencies, unless directly linked to increasing small-farm food production.

9. Research should help smallholders, promote in-country capability in research and its application, seek high-yielding strains more responsive to the sun, rainfall and soil conditions in poor countries, and be environmentally sound.

10. Efforts to eliminate hunger and poverty in the United States must be compatible with the above approach, especially stressing reforms that lead to full employment, better income distribution and self-reliance.

TOWARD A MORE CONSISTENT HUMAN RIGHTS POLICY IN AFRICA

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. BONKER. Mr. Speaker, I have obtained information which indicates that the United States is continuing to provide valuable assistance, both directly and indirectly to the Government of Uganda. In fact, there is reason to believe that some members of Idi Amin's personal execution squad, the "State Research Bureau," and the Ugandan military have received technical training here. Not only are we helping to train Idi Amin's forces, but we are also supplying them with sophisticated equipment, such as airplanes and communications systems, helping them to operate and maintain this equipment, and providing them with the foreign exchange to pay for all these services through our trade relations. All this has been taking place despite recent authoritative reports that the abysmal human rights situation in Uganda is deteriorating even further.

I do not believe that the United States can remain credible as a leading proponent of human rights without taking steps to completely disassociate itself from the Ugandan Government and the acts of genocide it is perpetrating on its people. Therefore, I am introducing a concurrent resolution calling on the President to take immediate steps to discourage activities which benefit the Ugandan Government in any way.

The United States is not alone in its concern about the situation in Uganda. Many Africans, including the All-Africa Conference of Churches, have expressed their outrage at the killings and called

for international action to discourage further acts of repression.

I share many of my colleagues' concern about inconsistencies in the U.S. human rights policy in Africa. Recently Congress passed a resolution by an overwhelming margin, expressing our deep concern about repression in South Africa. While the resolution did not recommend any specific actions, it provides a foundation on which we can build in the future. However, without a more even-handed and consistent approach, our complementary responses to human rights violations in both black- and white-ruled parts of the African Continent are likely to suffer. We should not focus on egregious human rights violations in Africa in such a highly selective manner that we call into question the legitimacy of our concern about these violations.

BILL AMENDS FEDERAL RECLAMATION LAW

HON. MANUEL LUJAN, JR.

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. LUJAN. Mr. Speaker, this bill amends Federal reclamation law by increasing the acreage limitation, removing Federal subsidies from water delivered to excess lands and mandating the use of class 1 equivalency formulas on all irrigation projects.

The bill is vitally needed by western farmers who are faced with the imminent possibility of having their irrigated land holdings broken up into 160-acre plots to be sold at give-away prices through a national lottery. Swift passage of this bill will stop that scheme in its tracks.

For 50 years, the law has limited delivery of Federal water to farms of 160 acres or less per owner. But every administration since 1926 has ignored that law, permitting farm size to keep pace with modern farming technology. Now, after 50 years of Federal encouragement of farm growth, this administration has reversed that policy and intends to cut farm size back to the 1926 level of 160 acres.

Studies by New Mexico State University show that a farmer on the Rio Grande cannot buy and operate a farm on the income from 160 acres. It would require a farm at least three times that size to permit a family to survive economically.

This bill triples the basic eligible farm size to 480 acres. Further, it permits a farmer who owns more land than that to buy Federal water, providing he pays full price for that water, without subsidy.

Under the old law, a man and wife could own 320 acres, and each of their children could own 160 acres each. This family ownership pattern is retained in this bill, except that the amount of acreage in each case is tripled. This will permit children who grow up on a farm and who wish to remain on the farm to do so and still earn a living.

The final provision of this bill authorizes the Secretary of the Interior to renegotiate existing contracts with irrigators—at the option of the irrigators—to bring the provisions of the contracts into line with the new provisions of this bill. In other words, an existing contract limiting deliveries of water to 160-acre plots could be renegotiated to permit deliveries to 480-acre plots.

Mr. Speaker, this bill represents a positive and workable congressional response to the dilemma that western irrigators now face through no fault of their own. As ranking minority member of the Water and Power Subcommittee of the House Committee on Interior and Insular Affairs, I can assure my colleagues that our committee is committed to changing the basic reclamation law to bring it into line with the facts of modern farming. This bill will do that and I earnestly hope it will receive swift and positive consideration.

WARD SINCLAIR, FRONT PAGE AGAIN

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. CARTER. Mr. Speaker, for the second time this week a front page article by Ward Sinclair has appeared in the Washington Post.

While Ward's byline is perhaps unfamiliar to some here in Washington, for 10 years his stories appeared in the largest newspaper in my State, the Louisville Courier-Journal.

Ward covered our congressional delegation as Washington bureau chief for that paper, and I think that I speak for my colleagues when I say that we respected him; we respected his ability and we respected his uncompromising integrity. That is not to say that we always enjoyed seeing our names in some of his stories, but we knew that they were always written fairly.

His knowledge of the concerns of Kentucky, especially in eastern Kentucky which I represent, and his empathy with the little guy affected by events which became news gave an added human dimension to the fine coverage he provided his readers.

I regret that the people of Kentucky no longer will be able to enjoy his talent in the Courier-Journal, but I wish him well in his new job. He is a fine journalist and a credit to his profession.

Mr. Speaker, I include for the RECORD a copy of Ward Sinclair's story from today's paper.

A HEAD-ON COLLISION—NADER ANGRILY DENOUNCES A FORMER ALLY

(By Ward Sinclair)

For years they were the one-two punch of the consumer movement, he blasting away at the corporate robber barons and she adroitly lobbying on Capitol Hill.

It ended yesterday with the finality of two Corvairs totaling each other—head on.

Ralph Nader demanded that his close friend and erstwhile chief lobbyist, Joan Claybrook, resign as head of the National Highway Traffic Safety Administration.

In a word—actually, in an 11-page, single-spaced "Dear Joan Claybrook" letter—Nader said she has been, in her eight-month tenure, a failure.

Just as resolutely, Claybrook responded that she has no intention of quitting. She said she promised President Carter she would serve four years and that she will honor the pledge.

What's more, Claybrook added in a brief statement handed to reporters, she is proud of her accomplishments at the NHTSA, although she genially conceded "we still have a long way to go."

And in a subtle dig at her old crony, Claybrook said she is "fully aware" of the complexities of running a regulatory agency, an experience Nader has not yet had—from the inside, at least.

Transportation Secretary Brock Adams, her boss, quickly spoke up in support of Claybrook, calling her "the kind of person who gets things done."

Then, maybe echoing the consumers who looked to Nader and Claybrook as their gurus, Adams said he thought it "sad that two of the leading safety advocates in the country have to be split by this kind of thing."

Before Claybrook, a 40-year-old Baltimore native, was nominated by the President in March, she was director of Congress Watch, a Nader organization that lobbies and monitors Capitol Hill.

She was one of Nader's closest personal friends, and shared with him the policy and personnel decisions affecting the Nader public-interest groups.

In his lengthy, itemized indictment, thoroughly as tough as any of the dozens he has launched against corporate captains and bureaucrats, Nader charged that Claybrook has "etched a trail of averted or broken promises" in highway safety.

He said that she took the job full of idealism and knowledge about "the neglected potential of the 1966 auto safety law" but that she had fallen far short of meeting her promise to turn NHTSA into a model agency.

Nader listed nine of Claybrook's previous positions, each a tough stance on different facets of highway safety, and then compared them with her performance.

"This is more than a failure of leadership; it is a failure of nerve," Nader said. The issue, he added, is not that specific goals have not been met but that "nothing has been initiated toward so many of those goals."

Nader's chief complaint was that Claybrook had disagreed philosophically, yet publicly supported Secretary Adams' decision this year to allow the auto industry to delay a phase-in of passive safety restraints, such as airbags, until the 1982 model year.

"You did not believe in this decision. Yet, you supported and defended it against your well-known conviction that a requirement for across-the-board 1981 model year was ample lead time for even the footdragging of the auto companies," Nadar wrote.

"Through a profound mismanagement of NHTSA's role in the decision, you undermined the regulatory integrity of your own agency," he added.

Claybrook's brief, written statement did not respond to specifics of the indictment. But she said the Carter administration "has done more than any other in advancing the cause of highway safety."

Among Nader's other complaints:

The agency has done nothing to fill the gaps in safety standards for vans and light trucks of which more than 3 million are sold annually, despite Claybrook's belief in such standards.

Claybrook apparently has changed positions on the need for "dynamic test requirements" for safety belts. He said she is now "negative" on the issue.

She has failed to live up to her belief that tough, competent advocates should be re-

cruited into the agency—advocates who would have the fortitude to criticize their superiors when necessary.

"Resignation, accompanied with full explanation and revelation, is now your most constructive course of action . . . Returning to the citizen movement will permit you to have far greater impact . . . than your current incarceration of spirit and behavior," Nader concluded.

Yesterday afternoon Nader showed up uninvited at an impromptu meeting Claybrook held with reporters. He listened to her read her response, and then, with a smile, asked a technical question. She answered.

Then the bureaucrat under attack went to a meeting. Ralph Nader conferred with reporters in the hall.

ILLEGAL ALIENS EARNING MILLIONS AND RECEIVING MILLIONS MORE

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. ASHBROOK. Mr. Speaker, the entry of illegal aliens into the United States poses a growing problem. An estimated 7 to 10 million illegal aliens are already within our borders. And hundreds of thousands more are pouring in every year.

This flood of illegal aliens adds to our unemployment problem. It also costs our taxpayers billions of dollars every year in lost earnings and taxes, in welfare benefits and public services.

Some idea of the economic cost of illegal aliens can be seen by looking at the State of Virginia. According to the Immigration and Naturalization Service, there are at least 40,000 illegal aliens in Virginia alone. More than half of them have good paying jobs they are not entitled to.

As a result, Virginians suffer an estimated $140 million in lost earnings annually to illegal aliens. Another $45 million goes out in the form of unemployment and social service benefits. This means an overall loss of $185 million a year in the form of wages and public service benefits.

A recent General Accounting Office study produced similar bad news. According to the GAO, abuse of Federal welfare payments by aliens in five States alone costs taxpayers more than $72 million a year. In these five States—California, Florida, New York, New Jersey, and Illinois—more than 37,000 aliens received $72.3 million in supplemental security income payments in 1976.

Our Nation can ill afford such heavy losses. That is why I have introduced legislation to deal with the illegal aliens by reducing their employment possibilities and by strengthening the border patrol. I urge Congress to consider this or similar legislation as soon as possible.

Following is an article from the November 26 issue of Washington Star that discusses the illegal alien situation in Virginia:

ILLEGAL ALIENS EARNING MILLIONS—20,000 HOLD JOBS IN VA.—AND THE JOBS ARE GOOD ONES

RICHMOND.—Virginia may be surrendering as much as $185 million a year in wages and public service benefits to ineligible aliens.

Thousands of Virginians are on welfare rolls because jobs they otherwise could have are being held illegally by non-citizens.

Immigration and Naturalization Service officials estimate there are at least 40,000 illegal aliens in Virginia, and more than half of them have good paying jobs they're not entitled to.

"Most of the illegals in Virginia have good jobs paying above minimum wage," said Charles Seamon of the INS Norfolk office. "Most of the illegals we've apprehended have jobs Americans would love to have," he added.

Exact figures on the number of aliens illegally employed in Virginia are hard to come by because, as a recent magazine article noted, it's mostly a "silent invasion."

"We have no precise figures but we know they're there, and they're showing up more and more all the while," said William C. Bobbitt, Jr., manpower services coordinator for the Virginia Employment Commission.

He said there's little truth to the popular notion that aliens flock to menial jobs unwanted by most Americans such as domestics or fruit pickers.

Records reveal illegal aliens in Virginia as a $30,000-a-year physician, a ski instructor at one of the state's most popular resorts and a teacher at a prestigious private school.

"Even we got caught in this," Bobbit said, recalling that a VEC unemployment claims officer turned out to be an alien with no right to hold the job.

It's roughly estimated Virginia's annually lose earnings totaling nearly $140 million to illegal aliens.

Ironically, many aliens collect unemployment benefits upon losing jobs they had no right to in the first place. Unemployment and social service benefits enjoyed by ineligible aliens in Virginia may exceed $45 million a year.

The combined total of $185 million in wages and benefits is more than Virginia gets each year from corporate income taxes, at least a third of a year's state sales tax proceeds and six times more than the annual tax on alcoholic beverages.

INS officials said the problem is compounded by the fact that many aliens illegally employed evade personal income taxes and send home large portions of their earnings that otherwise would help prime the state's economic pump.

Bobbitt said many of the offenders are aliens who jumped ship somewhere, slipped across the Mexican or Canadian borders or otherwise entered the country illegally.

But many more are aliens who came here on student, visitor or diplomatic visas and then "just disappeared."

He emphasized that some aliens are legally entitled to employment in this country, but most are not.

While Mexico, Canada and a variety of central American countries contribute to the majority of illegal aliens in this country, the broad spectrum includes virtually every nation.

Bobbitt said Virginia is one of a relatively small handful of states trying to do something to halt the silent invasion of its work force.

The 1977 general assembly passed a law making it a crime to knowingly employ ineligible aliens. A violation could bring a $1,000 fine or a year in jail, or both.

Since July 1 the prohibition has applied only to private employers, but after Jan. 1, 1978, it will apply to government employment as well.

Under the law, employers are urged to ask every job applicant whether he or she is legally eligible for employment in the United States.

Aliens will be required to furnish INS documents proving their eligibility.

Bobbitt serves on a committee comprised of VEC, State Chamber of Commerce and labor and industry representatives looking for ways to ensure the law's effectiveness.

He said the chief thrust will be an educational program aimed mainly at employers.

The State Chamber of Commerce already has taken the lead in beginning statewide distribution of a pamphlet entitled "Questions and Answers About Illegal Aliens in Virginia."

It describes the problem, spells out the law and suggests ways of compliance.

Bobbitt said few employers "knowingly" give jobs to illegal aliens.

"When someone applies for a job, you tend to automatically assume he or she is entited to work," he said.

"But under the new law," he added, "you're either going to have to confirm the right or run the risk of violating the law. "Once we educate employers that they're liable for a fine or jail sentence, I think we'll have gone a long ways towards curtailing the problem." Bobbitt said.

AMBASSADOR ANDREW YOUNG

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. FAUNTROY. Mr. Speaker, Ambassador Andy Young recently spoke at a press conference in Haiti on the subject of human rights. His remarks, I believe, were quite profound, and I wish to share them with my colleagues.

The article follows:

ANDREW YOUNG STATEMENT

I come here this morning to share with you the concerns of the American people. Our statement is not so much a judgement on you or your country but in a sense a judgement of ourselves. For it has taken us almost two hundred years to realize certain things about life, liberty and the pursuit of happiness. We attempted, I think, for much of that period a compromise on our basic principles, and for almost half of our history those principles and concerns were denied to people who were black.

For even longer we did not understand the full implication of those principles for women in our society. In our pursuit of wealth and power, we took for granted basic human rights. And I think we neglected them to our own peril. For in the past decade we found this government of which we are so proud having been responsible for the creation of and propping up of many of the military dictatorships and most corrupted governments of the world. The American people found their tax dollars for which they worked very hard going abroad only to make the rich richer, and essentially not contributing very much to the poorest of the poor.

We found military assistance creating military dictatorships that imprisoned their own citizens and denied them all human rights, all legal processes. We heard stories of our allies, very well documented, of savage practices of torture. We ourselves in Vietnam contributed to the destruction of almost an entire region. And the American people in 1976, in the election of Jimmy Carter as President said: "No more." That we would use the resources at our command to help the poor, to bring freedom in the world, and hopefully to be responsible for extending the kind of human rights around the world that we have come to feel are the very essence of our society, the basis of our success and also the inspiration for our future.

I am here in Haiti simply to share that message with the people and with the gov-

ernment of Haiti. We have no intention of interfering or through clandestine actions encouraging efforts that go against your government's policies, whatever they may be. But we do intend to share our experience that imprisonment of the voices of freedom and dignity among the society, denying them access to their families, treating them with brutality, does not do anything to further the growth and development of a country. In fact it contributes ultimately to its downfall. We would hope that in the context of the Organization of American States the Government of Haiti would avail herself to the Interamerican Commission of Human Rights, and that the progress that has been espoused by the President might find technical assistance and guidance in implementation, so that human rights in Haiti could become an immediate reality, and that you would not have to suffer the 200 year struggle that we did.

For the barriers that we experienced on the basis of race are equally as tragic when they are experienced on the basis of class or when the urban population is attended to and the rural population neglected. Yesterday we were in the Dominican Republic and the President of the Dominican Republic told us that it was his intention to sign the Convention on Human Rights. And that while they too are not perfect, they accepted the ideals of human rights and civil liberties and were pledged to work in that direction.

I think that we also see human rights, in addition to the right to vote, the right to free speech, the right of freedom of religion as simply the right to eat. For the basic economic right to survival has to be considered as the most fundamental human right and in order for that human right to be realized, then every honest attempt to share the existing wealth and resources has to be utilized and that those who have been entrusted with the authority of feeding the hungry necessarily must be the ones by their own sacrifice, their own dedication and their own honesty see to it that the hungry are fed, and that the sick are healed, and that those who have not had the opportunity of education be brought into the mainstream of modern intellectual life.

We know that these are ambitious goals but we pledge ourselves not only for the United States of America, not only to the Western Hemisphere, but we pledge ourselves to work with our friends and our adversaries alike to protect the basic human rights of the ordinary people, the little people. What Martin Luther King used to call "The least of these our brethren" and we would hope that we would have the support of the Haitian Government and of the Haitian people as we attempt to make this entire world a more civilized place.

WINTHROP COLLEGE—MODEL UNITED NATIONS

HON. KENNETH L. HOLLAND

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. HOLLAND. Mr. Speaker, a fine university in my district will be the host of an innovative learning project in the coming year, and I would like to take a few moments to share it with my colleagues of the House:

WINTHROP COLLEGE—MODEL UNITED NATIONS

Winthrop College, located in Rock Hill, South Carolina will host a Model United Nations April 19–22, 1978 on the Winthrop Campus. This higher education simulation project will pair the talents of high school and college students.

Delegations from more than 50 high schools will convene at Winthrop for participation in this substantive educational experience. I am proud of the ongoing efforts of the faculty and student population at this fine institution of higher learning in my District in encouraging our youth to become more involved in international concerns.

This Model U.N. Conference is supported and aided by a host of international diplomats led by Geoffrey F. Bruce, Minister and Deputy Permanent Representative of Canada to the United Nations. Again, Winthrop's initiative in enlisting the support of international diplomats is commendable and I want to recognize all those responsible for arranging this Model U.N., especially the students at Winthrop through their Student Government Association.

HUMPHREY-HAWKINS IS A FRAUD

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mrs. HOLT. Mr. Speaker, the Humphrey-Hawkins bill is apparently with us again. Originally conceived to establish national economic planning and control by large central bureaucracies, it represented a terrible threat to future economic freedom and growth.

The Carter administration is reviving it in modified form. In fact, it is so diluted that it is difficult to perceive what it would do. The Baltimore Sun of November 16, published an excellent editorial in which the concluding sentence makes this point: "It threatens an open-ended lurch into nothing or too much."

I submit this editorial for the consideration of the House:

HUMPHREY-HAWKINS IS A FRAUD

The White House has a problem: The more realistic it tries to make the Humphrey-Hawkins "full employment" bill, the more fraudulent it becomes.

To ease the President's distaste for the measure and concoct a bill that might get through Congress, the administration got the Black Caucus, the AFL–CIO and other Democratic interest groups to agree that H–H would be more exhortatory than programmatic. That means a much ballyhooed "goal" of 4 percent unemployment by 1983, but no requirement for specific steps to achieve it. Mr. Carter would not have to acknowledge the 4 percent figure is unattainable—if it becomes so—until after the 1980 elections. So much for political fraud.

Now for economics. Many experts, including Mr. Carter's chief economic adviser, Charles L. Schultze, have long believed that a government commitment to Humphrey-Hawkins unemployment goals could be achieved only through highly inflationary policies. So, to calm the President's fears of inflation, the compromise Humphrey-Hawkins bill also commits the government to "price stability." There are no numbers applied, thus making anti-inflation aspirations even more rhetorical than unemployment goals. So much for the economic fraud.

Perhaps because it is such a phony, the Humphrey-Hawkins bill may be pigeon-holed by Congress or ignored if, per chance, it is enacted. This would not speak very well for the legislative process, but then, as the White House tells us, the measure is largely symbolic anyway. But what if it turns out to be more than symbolic? What if it becomes an irresistible political force, despite Mr. Carter's prudent efforts to render it harmless? What then?

Hypothetically, at least, the Humphrey-Hawkins measure could force not only the White House and the Congress, but the Federal Reserve Board as well, to shape government economic policies to achieve arbitrary unemployment goals. This, in turn, could mandate a degree of government central planning and, quite probably, wage and price controls that many Americans would find oppressive.

In our view, the Humphrey-Hawkins bill should be junked in favor of economic policies that can produce results in a free society. Seven million new jobs have been created in this country since the current recovery began 2½ years ago. Joblessness has remained stubbornly at or above 7 percent because of an unprecedented influx of women into the work force and because so many black teenagers have been denied opportunity. They can be given work only if the private sector expands and if the government combats hard-core unemployment with job training and temporary employment programs. Humphrey-Hawkins does none of these. It threatens an open-ended lurch into nothing or too much.

IN MEMORY OF MRS. MAJORIE LYNCH

HON. JOHN BUCHANAN

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. BUCHANAN. Mr. Speaker, on November 8, Mrs. Majorie Lynch, former Under Secretary of the Department of Health, Education, and Welfare, died in Tacoma, Wash., of cancer. It was with much regret that I learned of the untimely death of such a distinguished woman, who was dedicated to serving a country which she cherished. I join the many of her friends and family who mourn the loss of this devoted woman, administrator, and legislator.

Mrs. Lynch was named by President Ford as the Under Secretary of HEW during Dr. David Mathew's tenure as Secretary. She took office on November 13, 1975, and held the position until early this year, when she became associate vice president for extended services at the University of Alabama.

A native of London, England, Mrs. Lynch came to the United States in 1945, and resided in the State of Washington where she was active in many community services including the Red Cross, the Heart Association, and the chamber of commerce. From 1971 to 1974 she served with ACTION, the agency responsible for administering all of the federally funded volunteer programs. She served 10 years in the Washington State Legislature, 5 years as the chairman of the higher education committee. Her legislative record includes: Group homes for the mentally retarded; licensing child care agencies; mandatory education for the handicapped; State scholarship programs; and particular concerns for the problems of mental retardation, mental

health, and child abuse. She came to HEW from her position of Deputy Administrator of the American Revolution Bicentennial Administration, where she served from October 1974 until the HEW appointment.

The impact of her efforts will be felt for many years to come. I know that my colleagues share the sorrow of her death and join with me in extending sympathy to her family.

AMTRAK FUNDING

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. YOUNG of Florida. Mr. Speaker, a parliamentary situation prevented me and my colleagues from offering debate on the motion of the gentleman from Tennessee (Mr. GORE). Therefore I use this method to record the debate I was prevented from delivering in person.

Mr. Speaker, I rise in support of the motion to recommit the conference report on H.R. 9375, supplemental appropriations, fiscal year 1978 to provide additional funding for Amtrak and to agree with the Senate amendment which appropriates $18 million for Amtrak. I am convinced that the passenger rail service provided by the Floridian from the Midwest to Clearwater and St. Petersburg, as well as to Miami, is an important service, and I am very anxious to do everything possible to see that this service is not only kept operating, but also improved and promoted so that it may operate more efficiently in the future.

Nevertheless, I am disappointed in Amtrak's poor record of service along the route of the Floridian, especially when that service is compared to Amtrak's performance along the Northeast Corridor. It is almost as if the Wright Brothers' first airplane was being used alongside the Boeing 747. The Midwest to Florida route is not given the attention it needs to become self-sufficient and attractive, and it is not right to hold those persons dependent on rail service hostage while Amtrak officials continue their money demands to Congress. Maybe the time has come for Congress to determine if the Amtrak experiment is a failure.

For example, Amtrak's Board of Directors ordered suspension of the Floridian on November 16, 1977, because of a lack of money. Prior to this announcement, Amtrak conducted 12 public hearings and received numerous comments from interested persons, associations, and State and local officials. One of those hearings was held in St. Petersburg, and there, as in other communities, the comments received overwhelmingly supported the Floridian, and most suggested rerouting the train through Chattanooga, Atlanta, and Savannah, as well as suggesting service improvements. The Board thus proceeded to designate this preferred new route for the Floridian only if the funds were made available.

In addition, Amtrak today informed me that it has begun to seek public comment on five other lines in the Midwest and West which are being identified as candidates for potential service changes or elimination. It is thus possible that these trains and their riders—the Empire Builder, the North Coast Hiawatha, the Lone Star, the Inter-American, and the San Joaquin—will suffer the same fate as the Floridian.

Before the fiscal 1979 appropriations are considered, the Department of Transportation and Amtrak are to complete a comprehensive reexamination of Amtrak's route structure. This report, due early next year, would enable Amtrak and the Congress to analyze the routes more closely. Perhaps we will then find that the Amtrak experiment is not a viable alternative to providing needed rail passenger service for our country. But, until then, I do not believe that Amtrak should arbitrarily begin reducing rail service throughout the United States. Therefore, I urge the House to recommit the conference report so that instructions to Amtrak to continue to operate the routes now in operation can be made.

FINLAND'S 60TH ANNIVERSARY OF INDEPENDENCE

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. JEFFORDS. Mr. Speaker, in the aftermath of our own country's Bicentennial celebration, it seems appropriate to direct the attention of Members to another Republic which has enjoyed remarkable staying power, Finland.

On December 6, Finland marks the 60th anniversary of its independence. This is a significant event for 4.7 million citizens of that nation and for 400,000 Americans of Finnish descent. In this rapidly changing world, the continued stability of a government which recognizes basic rights and freedoms of its people should be a source of encouragement for all of us.

Although Finland is a neutral nation, it has played an active and constructive role in world affairs. It has provided neutral ground for the SALT talks, and provided the initiative for the Helsinki accords, signed by 35 nations including the United States.

Finland's cultural contributions are numerous, and have enriched our lives in many respects. Random examples include the music of Jean Sebelius, the architecture of many magnificent U.S. buildings including Washington's Dulles Airport, and the Finnish sauna which has become so popular in this country.

Our Governments have enjoyed an open and friendly relationship since 1919 when President Hoover sent ships of food to Finland—a loan which has been promptly repaid—and persuaded the Allied governments to recognize Finland's independence.

The winning and maintaining of Finnish independence is a magnificent achievement, which deserves the attention and recognition of all of us in this Chamber. I would like to quote briefly from a recent letter I received from Dr. Karl A. Kurt of Charlotte, Vt., chairman of the Finnish American Cultural Institute:

It is the recording of Finland's 60th anniversary by the United States Congress, the highest recognized 'freedom peer group', that will witness Finland's greatest contribution to others. Independence is worth preserving, though sometimes the cost can be staggering. December 6th is certainly a day for Finnish Americans because of personal identification. It is at the same time a day Americans of all heritages may rejuvenate their belief in our priceless freedoms

MORE ON THE RUSSIAN "STING" FROM OKLAHOMA

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. SYMMS. Mr. Speaker, yesterday I placed in the RECORD two articles relating to the so-called Russian "sting" and grain robbery.

Reprinted below is an article written by Herb Karner of the Tulsa World for November 14, 1977, which sums up his concern for the Carter administration's handling of the recent Russian grain purchases. Mr. Karner quotes Bridgewater Associates, a commodity advisory service, a portion of which concludes:

So by USDA keeping quiet and not announcing the information on a short Soviet crop, Bridgewater ends by saying, "USDA either wants us to believe that they're incredibly naive or that they wanted to help the Russians book cheap grain, because these are the only two possible alternatives."

FENCE TALK

(By Herb Karner)

Whose side is Secretary of Agriculture Bergland on anyway? It appears action of USDA in the recent Russian grain purchases favored the Soviets against the best interests of American agriculture.

Recently in a speech celebrating the 60th anniversary of the Soviet Union, Leonid Brezhnev announced that the total USSR grain harvest for 1977 was only 194 million tons—21 million tons below the most recent USDA estimate. But get this—the estimate was only 19 million tons below the official Soviet goal of 213 million tons for 1977.

In other words, USDA insisted the Soviets would produce 215 million tons, and the Reds never went above 213 million tons. The result is obvious—this added to the expected total world grain stock and kept prices depressed—to the advantage of the Soviets.

Bridgewater Associates, a commodity advisory service, New York, flays Bergland deservedly for USDA's part of what Bridgewater considers a dirty deal for farmers. Bridgewater, referring to Bergland's estimate of 215 million tons of Red production, said: . . . "most private estimates were between 200

and 205 million tons. In his news conference did Bergland say that he was surprised that the USDA was 21 million tons off in their estimated? No.!

"No, Bergland stated that USDA agreed with the Soviet estimate. One has to wonder why the USDA didn't hint of this feeling prior to the Russian announcement? The USDA also said that based on the crop size, Soviet purchases could be approximately 20–25 million tons.

"But Bergland clarified all this by saying that this figure is an estimate of Soviet needs, not necessarily import requirements. Ah! Farmers are confused by Bergland, the grain trade is confused by Bergland, and maybe even Bergland is confused by Bergland," Bridgewater said.

Bridgewater insists—and we agree—that an argument can be made that the Soviets will walk away with a good price for the corn due to the generous assistance of USDA. Consider that USDA resisted any downward adjustments in crop size despite everyone's opinion that it was somewhat lower (although not as low as the Russians finally admitted); that USDA readily accepted the Soviet figure without any show of surprise; and that since we (the grain trade) all knew, USDA almost certainly must have also known of their sales being made by exporter foreign affiliates at the same time as domestic grain companies were covering them on the board of trade.

What Bridgewater is saying is that USDA knew all the time the Russians had a short crop; the USDA knew all the time that the Soviets were buying grain at low prices. The 1972 Russian grain deal should have taught us the Soviets are crafty and no fools. Brezhenev did not announce publicly that shortage until the necessary purchases had been made to cover their needs, thus the announcements had little impact on the market.

So by USDA keeping quiet and not announcing the information on a short Soviet crop, Bridgewater ends by saying, "USDA either wants us to believe that they're incredibly naive or that they wanted to help the Russians book cheap grain, because these are the only two possible alternatives."

Bridgewater correctly maintains the announcement is bearish: "While it tells you the Russians will buy more wheat and corn (the quantities are more than reflected in price), it also tells you that they're done buying, which is a more important piece of information. Brezhnev wouldn't have made the announcement unless he had bought what he had to."

With the ruinous low prices farmers are suffering, they do not need this kind of help.

FRANCISCAN SISTERS OF THE POOR RECEIVE PROVERELLO AWARD

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. APPLEGATE. Mr. Speaker, rarely does a representative of the people have the opportunity to bring to the attention of this House, an award presentation as significant to any one area as the Proverello Award is to the Steubenville, Ohio, area, in the heart of the 18th Congressional District. This award has traditionally been given at Founder's Day at the College of Steubenville. It recognizes persons who serve their fellow man in the spirit of St. Francis of Assisi—the same spirit who is the very foundation of the college itself.

This year's recipient of the Proverello Medal will be the Franciscan Sisters of the Poor, who have operated the Catholic Social Services in downtown Steubenville since 1948. This group of women has labored quietly among the very communities which the College of Steubenville calls home.

The Sisters have touched the lives of the poor, the tired, the hungry, and the depressed. They have been there when they were needed for whatever purpose. When they began their work in Steubenville, there were none of the various welfare agencies which now exist. They clothed, fed, and sheltered the poor of the area. The Sisters also arranged for employment for jobless fathers and mothers and counseled the children of those families; counseled them so that they might have a chance to escape the deadening cycle of poverty.

The world has changed a lot in 30 years. There now exists a multitude of agencies, all formed to deal with the problems the Sisters have known firsthand for many years.

Mr. Speaker, I feel that we, as a nation, should be thankful for this group and others like it who have exemplified self-sacrifice to the point they have. On behalf of the thousands of individuals in the 18th Congressional District, I personally want to thank the Franciscan Sisters of the Poor for their outstanding contributions for a better life in the Upper Ohio Valley.

JEWISH MINORITY IN SOVIET RUSSIA

HON. LEO C. ZEFERETTI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. ZEFERETTI. Mr. Speaker, the plight of the Jewish minority in the Soviet Union is one of suffering and degradation. As concerned Americans, we are shocked at the attitude of the Soviet Union. Russian officials have consistently ignored the human rights of certain individuals in their country by denying Jews the right to emigrate to Israel.

I would like to call the attention of my colleagues to Iosef Mendelevich, a Soviet Jew, who is presently incarcerated at Vladimir Prison. Mr. Mendelevich and his family were refused permission to emigrate to Israel three times between 1967 and 1970. Because of the intolerance on the part of Soviet officials, Mr. Mendelevich and 12 of his colleagues chartered a plane to fly them to Israel on June 15, 1970. Before arriving at the airport, they were arrested for allegedly hijacking an airplane, and simultaneously, Soviet Jewish activists were apprehended in cities throughout the Soviet Union.

At his trial, he was accused of publishing anti-Soviet articles which were actually writing on the significance of the Jewish holidays and on the anniversary of the Warsaw Ghetto Uprising. A deeply observant Jew, Mendelevich refuses to eat certain foods in his subsistence 1,200 calorie diet because they are not kosher, even though he is forced to work long hours at hard labor.

Mr. Mendelevich's parents have repeatedly been threatened with forced eviction from the Soviet Union for their outspoken protests of the inhumane conditions in the labor camp and are no longer allowed the regulation visit with Iosif.

On the eve of the 60th anniversary of the Soviet Revolution, I call upon the Soviet Union to mark this occasion by granting amnesty to Soviet Jewish prisoners of conscience. I have written to General Secretary Brezhnev, Minister of Interior Shchelekov, and Ambassador Dobrynin to protest the treatment of Iosef Mendelevich and commend this letter to my colleagues attention:

HOUSE OF REPRESENTATIVES,
Washington, D.C., November 1, 1977.

DEAR GENERAL SECRETARY BREZHNEV: As the 60th Anniversary of the Soviet Revolution draws upon us, I call upon you to mark this occasion by granting amnesty to Iosef Mendelevich, a Jewish Prisoner of Conscience.

Mr. Mendelevich, who is presently incarcerated at Camp Vladimir, Uchr. POB OD–1 St-2, Moscow, is serving a twelve year sentence for publishing articles on the significance of the Jewish holidays as well as on the anniversary of the Warsaw Ghetto Uprising. In addition to this, Mr. Mendelevich's parents are no longer allowed to visit with him and there are reports of his deteriorating health due to poor conditions at the prison.

As a signatory of the United Nations Declaration on Human Rights and as a party to the Helsinki Agreement of 1975, the Soviet Union has advised the world of its commitment to let Soviet citizens enjoy internationally recognized human rights. The world's regard for Soviet attitudes on human rights can only be hurt by the unjust imprisonment of Iosef Mendelevich. In the spirit of these important agreements, it is my hope that Iosef Mendelevich will be accorded the rights that he so desperately deserves.

Sincerely,

LEO C. ZEFERETTI,
Member of Congress.

HEARING ON THE COMPETITION REVIEW ACT OF 1977

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. RODINO. Mr. Speaker, I wish to announce that the Subcommittee on Monopolies and Commercial Law will hold 1 day of hearings on H.R. 6089, the Competition Review Act of 1977.

The hearing will be held in room 2141, Rayburn House Office Building, on Tuesday, December 6, 1977, beginning at 9 a.m.

The witnesses will be the Honorable MORRIS UDALL, a Member of Congress

from the State of Arizona; Mr. John Shenefield, Assistant Attorney General for Antitrust, Department of Justice; and Mr. Michael Pertschuk, Chairman, Federal Trade Commission.

The bill establishes a Competition Review Commission to study competition in major industries, and the effect of governmental regulation thereon.

INDICTMENT OF PRESENT GRAND JURY SYSTEM

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. BIAGGI. Mr. Speaker, recently, the nationally syndicated columnist, Jack Anderson, wrote an article which in a sense, is an indictment against the present grand jury system. In his column, Mr. Anderson was especially critical of the system's failure to protect the rights of defendants against the assaults of certain overzealous prosecutors. I contend that there is no more serious disease infecting our present criminal justice system, than the lawlessness of prosecutors.

The grand jury system was conceived to protect the rights of individuals. The reality of 1977 is that grand juries have become pawns in the hands of prosecutors, and through them, the press. The result is a trampling, rather than a championing, of individual rights.

Grand juries are no longer impartial. Instead, they are adversary proceedings for many defendants. This is caused in large part by the great amount of influence which the prosecutor has in the presentation of evidence before the grand jury proceeding—and the limitations placed on defendants to protect their rights in the event of faulty evidence.

A real concern is that many of the indictments handed down by grand juries are not worth the paper they are written on. In some instances, all a grand jury is doing is giving a rubber stamp approval to the views of the prosecutor, no matter how they came about. I strongly believe that all indictments should be subject to judicial review before filing, to prevent continued abuses.

I firmly support the requirement that prosecutors inform all defendants of their complete rights, including the specific scope of the inquiry, before going to the grand jury, to prevent fishing expeditions.

It is also obvious that we must adopt a stricter code of conduct for prosecutors. All too often, prosecutors use their office as a springboard to fulfill their higher political aspirations, and use their violations of individual rights which lead to convictions, as a means of capturing attention. This practice must be stopped. It saps the integrity of the criminal justice system, not to mention the integrity of those prosecutors who carry on their work with the highest of standards.

There have been several cases noted in recent months of people filing suits against prosecutors for violating their civil rights in criminal justice proceedings. A few favorable verdicts for the individuals may deter prosecutors from engaging in this type of conduct in the future.

The Anderson column clearly identifies the major shortcomings of today's grand jury system. The problems are rectifiable and many solutions are proposed in the Grand Jury Reform Act now pending in the House. I suggest that a close reading of this column will generate additional support for reform. For the benefit of my colleagues, the article by Jack Anderson entitled "Grand Juries These Days Ain't So Grand," follows:

GRAND JURIES THESE DAYS AIN'T SO GRAND

(By Jack Anderson)

WASHINGTON.—The post-Watergate crusade against corruption has spurred aggressive prosecutors across America into enforcing the law with a vengeance. It is the Day of the Prosecutor.

Some don't always wait for a crime to occur. They organize a task force, select the "bad guys" and crack down. They sometimes conduct what one prosecutor described approvingly as "investigation by terrorism." Suspects are harassed; witnesses are intimidated; the uncooperative are jailed for contempt.

Some prosecuting attorneys use grand juries to hound victims and compel their associates to testify against them. Witnesses can be subpenaed and interrogated under oath. Those who refuse to answer questions can be cited for contempt; those who lie can be indicted for perjury.

Unfortunately, this has perverted the original purpose of the grand jury, which was established to protect innocent citizens from overzealous prosecutors. The grand jury was supposed to consider the prosecutor's charges in secret, weed out the irresponsible accusations and permit only substantive charges to reach open court.

MODERN KANGAROO COURTS

Now the grand jury, like the appendix, has lost its function and no longer filters out the poison. Raw, unsubstantiated allegations not only reach open court but the open press. The derogatory information is sometimes leaked by the prosecutors, who have turned grand juries into kangaroo courts.

Martin G. Holleran, former executive director of the New Jersey State Commission of Investigations, told prosecutors at a closed-door seminar that every Justice Department task force should have "a special grand jury impaneled exclusively" for its use. "You can use this grand jury as an investigative and intelligence-gathering tool by calling organized crime figures" before it. The tactics, he acknowledged, "is subject to cries of harassment . . . But so be it; that is the way it goes."

Many lawmen were elated over the 1974 Supreme Court ruling which allows evidence seized in violation of the Constitution to be used in grand jury proceedings. As Maryland Judge Charles E. Moylan Jr. observed ruefully: "The prosecutor can burn the Bill of Rights seven days out of seven and bring the fruits of unconstitutional activity to a grand jury. No court in the country has the power to look behind what the grand jury considers or why it acts as it does."

Not only are aggressive prosecutors using grand juries to harass alleged wrongdoers, with little real regard for constitutional rights and guarantees; they are also sending suspected criminals to prison without a trial.

Martin Holleran explained to his fellow prosecutors how to do it. Simply grant the suspect immunity so he can't plead the Fifth Amendment against self-incrimination, Holleran advised. Organized crime figures, he said, have "a code of omerta, a code of silence." Therefore, they usually "refuse even to give their addresses" and place themselves in contempt. "They have the key to the jailhouse door in their own pocket," he said.

No doubt many of these witnesses belong behind bars. But if they can be put in prison without a trial, every citizen suddenly is in jeopardy. As one troubled prosecutor put it: "That's totalitarian. It offends me."

A former assistant U.S. attorney for Virginia, Rodney Sager, warned a House Judiciary subcommittee behind closed doors: "The simple fact is today our system clothes the prosecutor with virtually unbridled powers. It's interesting to note from the historic comments that the so-called function on the grand jury is to act as a protector of the individual's rights. I would respectfully suggest that in modern-day practice that term is completely meaningless. To the contrary, the person protected by the modern-day grand jury is the prosecutor."

TRIBUTE TO COL. ARTHUR STEWART MEARNS

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. DORMAN. Mr. Speaker, Col. Arthur Stewart Mearns was honored by burial with full military honors in Arlington National Cemetery on our traditional Veterans' Day, November 11 of this year, exactly 11 years from the date his plane was shot down by Communist gunners over North Vietnam. I would like to present here the brief biography which appeared in Colonel Mearns' funeral program. Even it, however, cannot capture the spirit of this brave American but perhaps we can share some of that spirit through the words that follow his biography, which I was privileged to read during the graveside service. It is a poem that Colonel Mearns loved very much, "High Flight." His beautiful daughters, Missy and Frances, and his devoted wife, Pat, remembered that Art had memorized this lilting tribute to the lure of flight during his pilot training.

Also missing from full mention was the courageous fight waged by his loyal wife for over a decade, to achieve a fair accounting from the Communists of American prisoners and missing-in-action in Southeast Asia. It is a fight that has not ended. But we are thankful that the earthly remains of Art Mearns now lie at rest, in honor, on a hillside not far from here. Mr. Speaker and distinguished colleagues, please consider the noble life and spirit of one of our Nation's courageous heros—the kind of excellent man who has purchased with his life's blood our precious liberty.

The biography and poem follow:

ARTHUR STEWART MEARNS

Arthur Stewart Mearns, upon graduation from Colgate University and Air Force ROTC, was commissioned a second lieutenant in the U.S. Air Force, May 23, 1952. Through pilot training at Malden, Missouri, James Connally AFB and Nellis AFB, he commenced

his career as a fighter pilot. Flying the F–86, he served a tour in Korea, May 1955 through May 1956.

During a long stint as gunnery and academic instructor at Luke AFB, Art was able to share his love of flying, along with his experience and skill, with scores of younger pilots, establishing a lasting camaraderie, which has endured through the years.

Art and Mary Ann "Pat" Patterson were married January 18, 1958. Art and Pat together occupied a central position in that unique and blessed fraternity of fighter pilots, with all the joys and the exhilaration, the sorrows and the profound caring for one another. And this great community supported and sustained them all throughout the Vietnam years.

Their beloved daughters Mary Ann ("Missy") and Frances—they too have been intimately a part of the Air Force family, nourished and sustained by it.

On November 11, 1966, eleven years ago today, Colonel, then Major, Mearns, with his family not far removed in Japan, set out as the flight leader of a flight of F–105s for a target area northeast of Hanoi. Low clouds and generally bad weather, coupled with heavy enemy fire made the mission virtually impossible. Yet in heroic fashion Major Mearns and his fellow airmen performed the impossible; the target was hit. In leaving the area the flight leader's aircraft was badly damaged by enemy groundfire and burning.

The attempt to reach the coast was nearly successful. Art's wingman saw a canopy deploy, but low fuel supplies and heavy concentrations of ground troops made rescue impossible.

Those intervening years affected the entire family, naturally; they were in a prolonged period of limbo. So many were touched by these years of uncertainty: Art's father and mother; she died of cancer nearly three years ago; he, a retired U.S. Navy Commander, now invalided; Art's sister and her husband, the latter a U.S. Navy captain. And Pat's parents, sister and brother-in-law. They have kept their faith, by the grace of God and the love of many friends. They also worked and cared for others in the same situation, serving among the leaders of the National League of Families of Servicemen Missing in Action in Southeast Asia.

The long vigil is now ending. Colonel Mearns' earthy remains were returned to the country he served so nobly in September of this year, and positive identification was made 26 October 1977.

Decorated with the Silver Star, the Distinguished Flying Cross with two oak leaf clusters, and the Air Medal with three oak leaf clusters, Colonel Arthur Stewart Mearns is honored by burial in Arlington National Cemetery. What is more, he brings honor and distinction to this historic place. The heroic quality of his life and service veritably hallow this ground, his final resting place. Rest in peace, brave airman and faithful Christian; may light perpetual shine upon you.

HIGH FLIGHT

Oh, I have slipped and surly bonds of earth
And danced the skies on laughter-silvered wings;
Sunward I've climbed; and joined the tumbling mirth
Of sunsplit clouds—and done a hundred things
You have not dreamed of—wheeled and soared and swung
High in the sunlit silence. Hov'ring there,
I've chased the shouting wind along, and flung
My eager craft through footless halls of air.
Up, up the long, delirious, burning blue
I've topped the windswept heights with easy grace
Where never lark, or even eagle flew,
And, while with silent, lifting mind I've trod
The high, untrespassed sanctity of space
Put out my hand, and touched the face of God.

EXPOSURE TO RADIATION

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. CARTER. Mr. Speaker, I find very interesting a news report by Bill Richards in the Washington Post. In it is described an area in Russia devastated by an atomic explosion. I submit, Mr. Speaker, that our own nuclear blasts here within the United States have been conducted many times without knowledge of their dangerous effects on the environment and of their carcinogenic effect on human beings.

During the past year it has been brought to my attention that many men in our Armed Forces have been needlessly exposed to atomic radiation. I am thankful that the Center for Disease Control in Atlanta and Dr. Glyn Caldwell have been given a list of those exposed at an atomic blast called "Smoky" which occurred on August 31, 1957, at Camp Desert Rock, Nev. At the present time, 432 of these men have been checked; six of them have proven leukemia, several other cases of leukemia are suspected and many others have cancerous tumors of diverse natures. The usual incidence of leukemia in the 40 to 44 age group is 4.1 per 100,000, which is roughly 1 in 25,000, while the incidence of leukemia discovered thus far among those exposed at Smoky is 1.3 per 100.

I submit, Mr. Speaker, that this shows a definite correlation between the exposure to radiation from nuclear blasts and the incidence of leukemia and other forms of cancer. I trust that in the future full cognizance of the potent carcinogenic effect of alpha, beta and gamma rays and neutrons from atomic blasts will be realized, and that such explosions will be confined to a minimum and that if and when our coutnry sees fit to explode a nuclear device that sufficient precautions will be taken.

I include for the RECORD the article by Mr. Bill Richards, which shows what occurs after a nuclear blast in a populated area:

[From the Washington Post, Nov. 26, 1977]

CIA DATA CONFIRM TWO BLASTS AT SOVIET ATOMIC SITE IN 1950's

(By Bill Richards)

Newly released U.S. intelligence documents show that two major explosions at a top-secret Soviet nuclear facility in the southern Ural Mountains killed or burned hundreds of persons in the late 1950s and left a large tract of land lifeless and contaminated with nuclear fallout.

It is not clear from the heavily censored Central Intelligence Agency files whether a 1958 blast at the Russian nuclear installation at Kyshtym was an atomic explosion. However, Soviet scientists apparently did set off a nuclear blast at the site during the following year which caused a wide fallout in the area.

A CIA informant traveling in the Kyshtym region in 1961 described the scene of the two blasts in these stark terms, according to the documents:

"We crossed a strange, uninhabited and unfarmed area. Highway signs along the way warned drivers not to stop for the next 20 to 30 kilometers because of radiation. The land was empty. There were no villages, no towns, no people, no cultivated land; only the chimneys of destroyed houses remained.

"I asked the driver to stop because I wanted to drink water." The driver refused. "One doesn't stop here. You drive quickly and cross the area without any stops," he said.

The documents were obtained this week under a Freedom of Information Act request by Ralph Nader's Critical Mass Energy Project and by The Washington Post. The CIA released 14 of the 29 documents it had on the incident and said some of the withheld reports were too sensitive to be released even with deletions.

The documents made available by the CIA confirm a report last year by exiled Soviet scientist Zhores Medvedev that thousands of persons were killed or suffered radiation sickness when buried nuclear waste at a site in the Urals overheated and exploded in 1958. Medvedev said the explosion released a radioactive cloud covering hundreds of miles in the area.

Other U.S. sources speculated last year that the explosion may have occurred at a site west of the Urals where they said it was believed plutonium-contaminated waste was stored in vats above ground. The sources said the vats may have been toppled by an earthquake.

The latest CIA documents make no mention of an earthquake. They note that the Kyshtym facility was closely guarded and closed to all outsiders except for a select group of Communist Party members and their dependents who were brought to the site from across the Soviet Union. The plant apparently manufactured components for nuclear weapons.

According to a CIA summary of information about the plant, hundreds of persons were exposed to radiation and injured in the 1958 explosion. In October of 1959 Soviet scientists apparently conducted an atomic test over the plant site contaminating food for at least 100 miles.

One CIA informant reported that after the 1958 blast, food purchased in Chelyabinsk, nearly 100 miles away from the plant site, was being carefully checked by authorities and in some cases destroyed because it was radioactive. The informant said some villages near Kyshtym were burned to the ground by authorities and the inhabitants evacuated with only the clothes on their backs.

The CIA records note that the raw data supplied to the agency by its informants had not been evaluated for accuracy. Several informants' reports, for example, give different dates for the Kyshtym explosions than those contained in the CIA's own information summary.

The overall picture of the area following the blast is described by various informants, however, as one of devastation.

One report dated 1957–58 said all food stores in the region were shut and food was brought in two days later by truck and train. "The resulting queues were reminiscent of those during the worst shortages during World War II," the report says. Some residents, it says, became hysterical with fear after the appearance of "mysterious" diseases while others walked around wearing radiation counters.

Another informant told the CIA in 1960 that after what was apparently the second blast in the area a fine red dust filtered

down on the region around Chelyabinsk. "Very quickly," the informant said, "all the leaves curled up and fell off the trees."

The blast—which one CIA document indicated may have been a 20-megaton bomb deliberately set off over the site—was marked by a bright flash and a shaking of the ground in the area.

Victims of the nuclear explosion were treated in a local hospital where a wing was sealed off for them and all outsiders kept away. One informant at the hosptal during that time reports, "Some of them were bandaged and some were not. We could see the skin on their face, hands and other exposed parts of their body to be sloughing off . . . It was a horrible sight."

In an interview yesterday Nader said the blast was apparently the first serious nuclear accident involving massive casualties. Nader accused the CIA of deliberately holding up release of the documents about the blast for 20 years in order not to frighten persons in this country who might be concerned about nuclear development here.

"This information would have made people in the U.S. very concerned over nuclear installations, whether civilian or military," Nader said. He said also that he would seek to obtain at least some of the material withheld by the CIA on security grounds.

A CIA spokesman had no immediate comment yesterday on Nader's charges.

PHI BETA KAPPA'S VIEW

HON. LARRY PRESSLER

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. PRESSLER. Mr. Speaker, I would like to call the attention of the Members of the House to a splendid article in the Key Reporter, the national publication of the United Chapters of Phi Beta Kappa throughout the United States. The article is entitled "Phi Beta Kappa and Academic Standards." For some time my staff and I have been wrestling with the issue of excellence in education. It seems that many congressional programs, such as title I, help those who are underachievers. Except for a short period after the Sputnik experience, we have not recognized or encouraged excellence in the degree to which we probably should. A very bright student who is excellent at math or reading or art or vocational education or whatever else, may well be pulled down to the average performance of his class. Indeed, peer pressure, combined with a feeling that if a student is doing well she or he does not need attention—causes some of our brighter students to be bored. While this is occurring, very gifted students who might someday find a cure to cancer; or a solution to some of our social ills; or compose great music or build innovative projects—are not being fully developed.

My staff and I are now struggling to come up with a possible title that would provide for curriculum enrichment and recognition of the excellent student. I have been concerned with the seeming lessening of respect for the work ethic as well as excellence. The attached article points out some of the problems with grade inflation and also some causes of concern to Phi Beta Kappa, which tries to recognize excellence in college students.

I have been an advocate of some marriage of the humanities and the vocational trades on the same campus. I note that the following article also suggests that sometimes vocational subjects lower standards. I happen to disagree. I advocate a marriage of the humanities and trades. However, this does not necessarily mean a lessening of academic standards or a loss of pursuit for excellence. In terms of the job needs in our society in the next 20 years, we may have to blend more technical subjects in. I believe that Phi Beta Kappa and other fine organizations that recognize academic excellence should be able to meet the challenges of these changes. Nevertheless, the debates that surround this are worthy of our deepest attention in this body. As a member of the Education Committee, I wish to insert into the RECORD this fine article from Key Reporter.

PHI BETA KAPPA AND ACADEMIC STANDARDS

Deteriorating academic standards and their impact on liberal education have been issues of much concern at every level of the Phi Beta Kappa constituency. They were the subject of a wide-ranging discussion at the 1976 Triennial Council in Williamsburg. The annual reports of the chapters indicate that almost all the campus units have been dealing with related problems. And individual members of the Society have addressed many inquiries about these questions to the Washington office.

At Williamsburg, the Conference of Chapter Delegates was devoted to the topic of "Grade Inflation and Academic Standards." Dr. Howard R. Swearer, Phi Beta Kappa Senator and President of Brown University, was chairman of the session. Participating with him were Professor William Vincent of Michigan State University, Professor Harry G. Day of Indiana University, and Dr. Kenneth Greene, Secretary of the United Chapters.

There was general agreement that the most frequently noted example of declining standards—grade inflation—was a serious problem on most campuses. Each of the speakers emphasized, however, that the usual method of coping with the situation, "tinkering with the mechanics of the grading system," affected only the highly visible symptom and failed to come to grips with the complexities underlying this phenomenon. The panelists cited the abolishing of distribution and general education requirements as perhaps the primary cause of grade inflation. When students are permitted to choose all their courses in areas that interest them and in which they are likely to do well, they obviously will get higher grades. It is clear that more troubling than inflated grades are the implications of this condition for traditional scholarship. Dropping the core of required work in the humanities, the social sciences and the natural sciences and eliminating foreign language and mathematics requirements threaten the basic definition of liberal learning.

Additional pressures upon the liberal arts curriculum have come from the shift of students to professional and vocational majors in which they are expected to take programs heavily weighted with narrowly specialized courses. Current financial stringencies are another factor in the erosion of standards. The insistence of state legislators that funding be based on "productivity," as measured by enrollment, has led to competition among divisions and departments. Faculty members feel impelled to develop courses with popular appeal, less demanding assignments and generous grading practices.

In the face of these difficulties most Phi Beta Kappa chapters have persisted in meeting their responsibilities of identifying and recognizing students with the highest academic achevements. To deal with grade inflation, chapters have been raising the minimum grade point average necessary for initial consideration for membership and reducing the percentage of a class eligible for election in a given year. This tightening of standards is revealed in the number of new members elected. United Chapters records shows that from 1952 through 1976 the numbers of members elected annually rose fairly consistently with increases in the enrollments of the sheltering institutions and with the addition of new chapters until the 1973–79 triennium. Since 1952 and up to the 1973–76 triennium, the number of new members elected increased in each successive year. In the 1973–76 triennium, however, that pattern was reversed. In 1973–74, 17,184 new members were elected; in 1974–75, 16,-173; and in 1975–76, 15,754.

Nor are new members being elected solely on the basis of their grades. Many chapters give careful attention to the breadth and difficulty of a candidate's program, to departmental recommendations and to the quality of honors work. Several, such as those at Stanford, Indiana, and Ohio State have devised new methods of evaluating the academic performance of potential members.

The Society's commitment to its traditional policies is also reflected in the actions of the Committee on Qualifications. When studying applications for charters, the committee has maintained its rule that only institutions with strong programs in the liberal arts and sciences are to be considered for new chapters. In response to requests from the Council and the Senate, the committee is also reviewing its constitutional mandate to study existing chapters where there may be deterioration of standards.

From recent surveys and from chapter correspondence and 1976–77 reports, there are indications that grade inflation has levelled off and that some curricular reform is being undertaken. A number of institutions have begun to reinstate general education and distribution requirements and mandatory writing courses. Chapters, while not excessively optimistic, seem more confident of their ability to judge the quality of students eligible for membership. By maintaining rigorous standards and by encouraging the current reassessment of liberal education, Phi Beta Kappa may now have the opportunity and the obligation, as one chapter secretary has said, "to make its principles operative on the campus."

CONGRESSIONAL SALUTE TO THE WAYNE HILLS HIGH SCHOOL FIELD HOCKEY TEAM, 1977 NORTH BERGEN, N.J., INTERSCHOLASTIC LEAGUE CHAMPIONS

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. ROE. Mr. Speaker, it is a pleasure to call to the attention of you and your colleagues here in the Congress the outstanding achievements of a young ladies' hockey team in my congressional district—The Wayne Hills High School field hockey team—whose standards of excellence in achieving championship honors have brought great pride, recreation and refreshment of spirit to our people. I know that you will want to join with me

in extending our warmest greetings and felicitations to the Wayne Hills High School field hockey team, their parents and faculty advisors for the outstanding record of performance that they have accomplished in this most important student sports program. The team captains and members are as follows:

Susan Dacey, captain; Julie Unger, captain; Robyn Argentero, Holly Breithaupt, Denise Cole, Janie Drexler, Carole Finamore, Holly Karl, Katie Keil.

Pam Kreitz, Liz Kraus, Chris Marino, Diane Muratore, Melissa Nerone, Ann Rusiniak, Diane Sombathy, Lisa Symes, Janet Tichansky, Linda Trapani, Jody Trappe.

May I also commend to you the principal of the school, their coach and athletic director, as follows:

The Honorable Harold Eaton, Principal; Roy Bruno, athletic director; Elaine Watson, coach.

Mr. Speaker. With a season record of 16–2–3, the team's blue-ribbon winning performances in 1977 included:

The North Bergen Interscholastic League (NBIL) championship—third year in a row; second year, undefeated.

The Passaic County championship.

Victory over the previously undefeated Bergen County Champions.

Runner-up, State Sectional championship, group IV.

It is interesting to note that their coach, Mrs. Watson was named NBIL "Coach of the Year."

Individual team honors were, as follows:

Holly Breithaupt, first team, all county team high scorer, 22 goals, high scoring school record, second high scorer, all county and area.

Melissa Nerone, first team, all county; second team, high scorer, 15 goals.

Lisa Symes, first team, all county.

Linda Trapani, first team, all county, 80 serves on goal.

Sue Dacey, second team, all county, captain.

Julie Unger, second team, all county, captain.

Jody Trappe, second team, all county.

Liz Kraus, honorable mention, all county.

Diane Muratore, honorable mention, all county.

Sixteen schools from North Bergen competed in the NBIL tournament with Wayne Hills winning the championship in the final match against the town of Ramsey by 2 to 1. Wayne Hills was the best of 18 teams from the county of Passaic in winning the Passaic County championship with a score of 4 to 0 in the preliminary finals against West Milford and 3 to 2 in the semi-finals against Passaic Valley.

Mr. Speaker, we in New Jersey take great pride in the quality of performance of the Wayne Hills High School hockey team which certainly serves as a fine tribute to each of the members and the preparation, training, personal efforts, and hard work that they have devoted to attain this victorious achievement. I am indeed pleased to extend heartiest congratulations to each of the members and seek, through our historical journal of Congress, this national recognition of their good deeds. We join with their family and friends in extending this congressional salute to these fine young ladies for their distinguished contribution to the recreational and cultural enrichment of our community, State, and Nation. We wholeheartedly salute the Wayne Hills High School hockey team.

THE HOLY CROWN OF ST. STEPHEN

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. DORNAN. Mr. Speaker, Americans of the Christian faith and of Hungarian birth or heritage are outraged at the planned return of the crown of St. Stephen—a great Christian religious relic and symbol of Hungarian political independence, liberty, and legitimacy—to the Communist oppressors of that tragic nation. In such a case, concerned American citizens should be heard, directly or through their representatives, before a pledge made by our Nation decades ago is reversed and the priceless legacy of a free people given up to their murdering conquerors and the Judas of Hungary Janos Kadar.

There are those today who say the Communists have eased their oppression over Hungary. That claim was refuted at a recent hearing on the crown of St. Stephen by the House Committee on International Relations, when Eleanor Schlafly testified as executive secretary of the Cardinal Mindszenty Foundation, Inc. This national nonprofit educational organization has members in all 50 States and has dedicated its 19 years to preserving freedom under God and opposing atheistic communism through educational programs. The foundation is named for Cardinal Joseph Mindszenty of Hungary and its council is comprised of distinguished clergy who have experienced firsthand the horrors of Communism in various countries. It is my privilege to offer to you the testimony of Miss Schlafly as it was delivered on November 9, 1977:

STATEMENT OF MISS ELEANOR SCHLAFLY

On November 4, 1956 Soviet tanks and troops poured into Budapest and brutally murdered and ensalved the young Freedom Fighters, the rescuers of Cardinal Mindszenty and the people of Hungary.

On November 4, 1977 the U.S. State Department announced that the Crown of St. Stephen—the ancient symbol of Hungarian Christianity and nationhood—will be handed over to the illegitimate Communist government of Hungary by Secretary of State Cyrus Vance in December.

We believe that this is a cynical betrayal of America's commitment to freedom and human rights.

The Crown was placed on Hungary's first King, Stephen, in the year 1000 by Pope Sylvester II. Since then it has been the most precious relic of the Hungarian nation. What General Patton's troops rescued from the Soviets in 1945 and what the United States has preserved ever since in safekeeping from Soviet desecration, is now being handed over to the Communists.

Every United States President since the end of World War II has honorably abided by the original promise to keep the Crown in safety until Hungary is free. President Nixon personally promised Cardinal Mindszenty in 1970 that our government would never return the Crown to the Communists. Last year President Ford announced that the Crown would remain in the United States. Today the government of Hungary is as much Soviet installed and controlled as it was in 1947 and 1956, and it is kept in power by the presence of 200,000 Soviet troops. It was Janos Kadar who suppressed and stifled the Freedom Fighters of 1956 and who continues to stifle freedom of religion and human rights.

Why should United States policy on the Crown of St. Stephen change now? Why should we dignify this godless regime with a Holy relic symbolic of Christianity and freedom?

The Communists know the Hungarian tradition that says no state ceremony is considered legitimate and no ruler is legitimate without the Crown. The Communists want to give Dictator Kadar the appearance of despite a long record of taking power by force and violence. That is why over the years the Communists have steadily pressured our State Department and officials for the return of the Holy Crown of St. Stephen to give Dictator Kadar the appearance of legality. They want to be considered legitimate and cover up their sins of naked aggression, murder and inhumanity.

We became keenly concerned about the Crown of St. Stephen in 1971, for it was then that His Eminence Joseph Cardinal Mindszenty, at age 79, was finally released by the Communists after 23 years of imprisonment and confinement due to his belief in God and God-given human rights. We visited him, received his blessing, approval and encouragement in the Foundation's activities, and then he made his first request of us. He said, and I quote: "Action is very necessary to keep the Holy Crown in freedom. It must never be returned to the Communist government. Ask your members to help save it." Unquote.

We are asking you, Mr. Chairman and your Members to save the Holy Crown of St. Stephen. We sincerely hope and pray that your Committee will take all necessary steps to see that the Crown remains in the United States until Hungary is once again a free nation.

Thank you.

ALTERNATIVE SOURCES OF ENERGY NEEDED

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. OBERSTAR. Mr. Speaker, the dwindling supplies of conventional fossil fuels have generated considerable and much needed interest in alternative sources of energy. Research and development activities have focused primarily on solar, nuclear, and geothermal sources. A school district in northeastern Minnesota, however, has returned to a traditional source of fuel.

The public school at Grand Marais, serving Cook County, Minn., is scrapping its oil heating system in favor of a system fueled by wood chips. The town's lack of railroad service makes it difficult to use coal, and its oil must be trucked in from Duluth, over 100 miles away. Its location in the timber coun-

try on the north shore of Lake Superior makes wood the perfect energy source for the Grand Marais school.

It was my privilege during a recent Grand Marais visit to tour the school and the new wood conversion facility. The wood-fired furnace requires a separate building and a 30-foot silo to store wood chips—left over from logging operations. The chips are fed by conveyor into the plant and shot into the furnace firebox by a blower.

The school, which serves 750 students in grades 1 through 12, has used an average of 65,000 gallons of heating oil per year. For the past 3 years, the annual cost has been $26,000. The cost of converting to the wood-burning system was $288,000. Heating with wood will cost $10,000 per year, a more than 50 percent saving over current costs. Not only will the system pay for itself in 18 years, it will be conserving scarce fuel oil.

Mr. Speaker, the Grand Marais school district has shown the kind of inguenity that will be needed to solve the energy problem. I particularly want to congratulate Superintendent Vern Lueth and the Grand Marais school board for their imaginative and constructive contribution to the resolution of our energy problems. I also want to commend the people of Grand Marais, who have enthusiastically supported this project which would not have been possible without their backing.

The people of Grand Marais, in a State which is totally dependent on imported energy, have rediscovered a very old-fashioned, but conservative, fuel source, which might otherwise have been discarded as a waste product.

I want to commend to my colleagues the efforts of the people of Cook County and to share with them articles on this subject which appeared in the Minneapolis Tribune and in the Duluth News-Tribune during this past summer:

[From the Minneapolis Tribune, Aug. 13, 1977]

SCHOOL RETURNS TO WOOD STOVE AS SOLUTION TO ENERGY SHORTAGE

(By Dane Smith)

The energy crisis is bringing back a modern—and more expensive—version of the old potbellied wood stove to the school house in Grand Marais.

A $288,000 heating system using wood chips instead of fuel oil will be operating in the Grand Marais school complex, possibly by Jan. 1, 1978, Superintendent Vern Lueth said Friday.

"We know we're the only school in the state, and, to the best of our knowledge, the only school in the country that has converted to wood," Lueth said.

The Grand Marais school, which has an enrollment of 750 to 800 students in grades one through 12, used an average of 65,000 gallons of fuel oil per year, costing $26,000 annually, over the last three years, he said.

Wood chips to heat the school's two connected buildings for a year (an estimated 1,000 tons) will cost only about $10,000, saving the district $16,000 annually.

"Plus we will be generating some income locally instead of paying some Arab in Kuwait," Lueth added. Two lumber firms on the north shore of Lake Superior near Grand Marais produce the kind of chips the new system needs, the superintendent said.

"There's no question that it was the energy crunch that prompted the school board to look into the conversion" two years ago, Lueth said.

Grand Marais, more than 100 miles northeast of Duluth, is far from conventional energy sources and lacks rail service, so all fuel oil must be brought in by truck. The board "foresaw the same transportation costs if we were ordered to convert in the future to coal or something else," Lueth said.

"We saw the solution in the tremendous resource we have around here; just from trees that have fallen over we could get enough wood," he said.

The board began to talk last fall to representatives from companies that manufacture wood-burning heating plants. Earlier this week Ryan Co. of Minnetonka was awarded the contract for the system, which involves construction of a separate building.

Lueth said he tried to get money for the project from state agencies and the federal Energy Research and Development Administration but was turned down.

He said the new plant will work something like this: Wood chips, no larger than two inches square by a half-inch thick, will be stored in a 30-foot-high silo and fed by conveyor to the plant, where they will be shot into the firebox by a blower. The chips, burning in suspension in a furnace that is a little larger than most oil furnaces, will heat water that will run through the school's existing pipes.

Estimates on the efficiency of the furnace were based on the use of "wet wood," which has a 50 to 55 percent moisture content. A ton of wet wood is the equivalent of 60 gallons of oil. The $10,000 per year figure may be reduced substantially if the school can get wood with a 30 percent moisture level. A ton of the drier chips is the equivalent of 86 gallons of oil, Lueth said.

Lueth doesn't expect any pollution problems from the use of the chips.

"Nothing at all you can burn is cleaner than wood. . . . It does present a problem with fly ash, but the heating unit will be equipped with a particulate collector. I foresee no problems with pollution control agencies," he said.

The wood-burner will require more maintenance than the oil furnace, but not enough to require hiring an additional maintenance man, according to Lueth. The oil furnace will be kept for emergencies.

The new system will pay for itself in 18 years if the present ratio between the cost of fuel oil and wood chips remains constant. Lueth is fairly sure that oil prices will shoot up much faster than the cost of wood.

A hospital three blocks away is interested in tying into the plant, another factor that may lead to an earlier return on the investment. The school board specified that the heating plant be equipped with a boiler large enough to serve the hospital.

[From the Duluth Tribune, Aug. 13, 1977]

COOK IN WITH WOOD—GRAND MARAIS SCHOOL TO SWAP FUEL FOR CHIPS

GRAND MARAIS.—The Cook County school here will be heated with wood by the first of the year if all goes well with a plan to install an innovative heating plant.

Supt. Vernon Lueth reported Friday the county school board has voted unanimously to accept bids totaling $288,700 for the new system. The heating plant will consist of a new boiler and storage and handling facilities in a building adjacent to the school.

The existing fuel oil furnace will be used as a backup heating system. The new heating system will burn locally produced wood chips rather than No. 2 fuel oil.

Lueth believes the Grand Marais school is the first public school in the nation to convert to wood fuel in response to the energy crisis.

Lueth said the wood heating system should pay for itself in 18 years in fuel savings. Over the last three years, it has cost an average of $26,000 a year to heat the school with fuel oil. Wood chips can do the same job at a cost of about $10,000 a year, Lueth said.

About 1,000 tons of wood chips will be needed each year. There are at least two local sources available and possibly more, Lueth said.

They are Northern Chips Inc., which has a portable wood chipper and sells to Superwood in Duluth, and the Hedstrom Sawmill, where chips are a byproduct of lumber production, Lueth said. The sawmill already uses wood chips to heat its lumber-drying kiln, he pointed out.

The school district will either call for bids on chips or negotiate a contract with a supplier, Lueth said.

The chips will be burned in a Fyr-Feeder furnace and heat a boiler. The kindergarten-through-high school's present steam and hot water system will carry the heat to the classrooms.

Wood is the best alternative fuel for the district, Lueth said. Fuel oil prices are rising and the district cannot easily convert to coal. Grand Marais is not served by a railroad so all fossil fuels have to be trucked in from Duluth, Lueth said.

"This (changeover) assures us of heat here," he said. "We don't have to depend on outside sources for our heat now."

The North Shore Hospital may also become part of the system and buy steam from the school district.

The school board decided to purchase the Fyr-Feeder system after studying a number of bids. It will be installed by Ryan Construction Co. of Minnetonka. Work will start almost immediately, Lueth said.

OHIO COUNCIL OF CHURCHES SUPPORTS PANAMA CANAL TREATIES

HON. CHARLES W. WHALEN, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. WHALEN. Mr. Speaker, concern on the part of many thoughtful Americans that the new Panama Canal treaties be ratified is assuming an increasingly active character. For example, many eminent American statesmen and public personalities, in a group called the Committee of Americans for the Canal Treaties Inc., are reaching out to the American population in a modest media campaign to explain their endorsement of the treaties. This represents a much-needed balance to the hue and cry raised by opponents of the recently negotiated agreement between Panama and the United States.

An especially welcome voice in the controversy is that of the Ohio Council of Churches (OCC). On November 15, the Annual Assembly of the Ohio Council adopted two items addressing major foreign policy issues. First, the assembly commended the United States/Soviet initiatives toward the resumption of a

Geneva Peace Conference on the Middle East. This occurred before the now-historic journey to Israel by President Sadat of Egypt. Second, a resolution strongly supporting the Panama Canal treaties was adopted. In addition, the delegates to the assembly, elected by their 25 denominational judiciaries, will urge members of their respective churches also encourage ratification of the treaties and the agreements that implement those treaties. The last item of the resolution directs the OCC task force on international concerns to develop "a program of education among the members denominations of the council clarifying the crucial elements of the treaties, providing an accurate perspective to U.S. involvement in Panama, and highlighting the larger diplomatic implications of the ratifications of these negotiated treaties."

The final decisions of individual Senators regarding ratification of the treaties will undoubtedly be strongly influenced by American public opinion. Recent polls suggest a definite correlation between an individual's understanding of the treaties and of the historic relationship between our two countries and his approval of the treaties. Thus, the Council of Churches' involvement in this area is potentially a most important one. Mr. Speaker, at this time, I insert the resolution in the RECORD at this point:

RESOLUTION ON PANAMA CANAL TREATIES

Whereas the General Board on May 18, 1976 supported "the negotiation of a treaty between the U.S. and Panama that will allow for the effective and total recovery of jurisdiction and sovereignity by Panama over all its national territory" and

Whereas on September 7, 1977 the governments of the U.S. and the Republic signed the Panama Canal treaties which provide the terms of a new relationship between the two countries to govern the future operation and defense of the Canal and establish its permanent neutrality and

Whereas these Panama Canal treaties assume a particular significance because they represent a stance in U.S. foreign policy that demonstrates our nation recognizes that all nations, however small or new, are to be treated with respect as they assume an important role in world affairs and

Whereas the treaties symbolize the understanding that the true security for our nation rests on the power of respect for justice rather than on the power of armed might,

Therefore be it resolved that the annual Assembly of the Ohio Council of Churches

(1) Commends the governments of the U.S. and the Republic of Panama for negotiating and signing the new Panama Canal Treaties.

(2) Commends the Statement of Understanding of October 14th between President Jimmy Carter and Brig. General Omar Torrijos Herrera responding to the concerns raised by Congress.

(3) Urges the U.S. Senate to ratify the treaties at an early date.

(4) Calls on the House of Representatives to enact expeditiously the implementing agreements within its jurisdiction necessary to make the Treaties full effective.

(5) Directs the OCC Task Force on International Concerns to undertake a program of education among the member denominations of the Council clarifying the crucial elements of the Treaties, providing an accurate perspective to U.S. involvement in Panama, and highlighting the larger diplomatic implications of the ratifications of these negotiated treaties.

CONGRESSIONAL SALUTE TO THE PEQUANNOCK REFORMED CHURCH, WAYNE, N.J., UPON THE CELEBRATION OF ITS 50TH ANNIVERSARY

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. ROE. Mr. Speaker, during the month of December the Pequannock Reformed Church of Wayne will commemorate the 50th anniversary of its founding. The anniversary celebration will commence with a homecoming worship service on Sunday, December 4, with a special program by the choir and recognition of charter members. A golden anniversary dinner will be held on Saturday, January 21, 1978 at the fellowship hall of its mother church, the Pompton Plains Reformed Church, where the guest speaker will be the Rev. Albert Smith of the Preakness Reformed Church and an audiovisual presentation of slides and memorabilia of the past half-century and a special performance by the Ringers on the Green, a distinguished group of bell ringers from Morristown, will help commemorate the history of the Preakness Reformed Church.

I know that you and our colleagues here in the Congress will want to join with me in extending our heartiest congratulations and best wishes to the pastor, Rev. Gordon L. Robinson, and members of his congregation on this most important golden anniversary celebration.

Mr. Speaker, the faith and devotion of our people in a full communion of understanding, ever-caring and respecting the individual religious beliefs of his fellowman has been the lifeline of our democracy—ever inspiring our people with hope and urging the individual on to great achievements and purpose in pursuing the fulfillment of his dreams and ambitions. The exemplary leadership and outstanding efforts of our citizens so important to our quality of life are in the vanguard of the American dream and today we express our appreciation to the pastors and administrators of the Pequannock Reformed Church whose esteemed dedication and unselfish devotion in promulgating goodwill, fellowship, and brotherhood in service to God have truly enriched our community, State, and Nation.

With your permission I would like to insert at this point in our historical journal of Congress an excerpt on the background history of the Pequannock Reformed Church which was transmitted to me by a prominent member of the church who also serves on the 50th anniversary committee, the Honorable Harold Shauger, as follows:

THE FIRST REFORMED CHURCH OF PEQUANNOCK—OUR HISTORY

In the Fall of 1927 a petition was circulated requesting, "the organization of a Reformed Church for the people of Pequannock, N.J. A committee comprised of E. B. Lawrence, Chairman; Charles Possien, Secretary; Thomas Morgan, Samuel Arthur, Fred Troman, Henry Morris, Thomas Reilly, Stanley McClelland, and Arthur Speed obtained a total of 190 signatures. On November 16, 1927, the Rev. F. K. Shied, Field Secretary of the Board of Home Missions of the Reformed Church of America met with 35 town people for the purpose of putting into effect the preliminary steps to incorporate the Church. Let the records show, "after due deliberation the proposed name of 'The First Reformed (Church) of Pequannock,' was voted upon and unanimously accepted."

On the evening of November 22, 1927, a committee representing the Classis of Paramus, N.J. of the Reformed Church of America met at the Pequannock Chapel for the purposes of accepting members into the Church. The Committee was composed of Rev. Simpson of Mahwah, N.J., Rev. Reens of Paramus and Rev. Keator of Pompton Plains, N.J. The campaign workers had secured the names of one hundred forty-two individuals. Seventy-four (74) were received into the Church on transfer of membership and sixty-eight (68) on confession of faith. Thus on November 22, 1927, The First Reformed Church of Pequannock came into being. The first Elders of the Church were S. H. Keifer, P. G. McGregor, Thomas Morgan, George Glover, William Lowe and Charles Possien. The Deacons were Edgar S. Morgan, Arthur Speed, Fred Troman, Samuel Arthur, E. B. Lawrence and G. O. Parker. The Church was incorporated on January 11, 1928. The Rev. F. K. Shield supplied the pulpit needs until a permanent minister was obtained.

The year of 1928 was a very busy one in the life of the Church. The need for a permanent minister, a parsonage to build and land to build it upon were items of pressing need and took much time of the Consistory and Committee members. The Rev. Dr. A. MacCracken of Bogota, N.J., answered the call and was installed as Pastor of the Church on October 11, 1928. At a special Consistory meeting held on the 16th day of September, 1928, with the Rev. MacCracken presiding, the contract for the building of the Parsonage was awarded. It was to be built on a lot on the south-easterly side of Black Oak-Ridge Road. The cost of the lot was $1000.00 and the house approximately $6000.00. The Parsonage was completed in the late spring of 1929.

In November of 1929 Rev. McCracken resigned as Pastor of the Church. He continued to reside at the parsonage through May 1, 1930. During the summer of 1930, the services were conducted by Student Minister William Heydorn from the New Brunswick Theological Seminary. He, and a Rev. Hughes, filled the pulpit needs for the remainder of the year.

On January 16, 1931, the Rev. William H. Vander Borgh was installed as Pastor and served the Church faithfully for the next 18 years. He resigned on June 15, 1949 to accept a call as Pastor of the Greenpoint Reformed Church of Brooklyn, N.Y. Just prior to Rev. Vander Borgh leaving, a major improvement was made in the Church—the installation of the present pews. Up until this time, the congregation had to sit on wooden folding chairs.

The Rev. William Vander Borgh passed away in January, 1957, and a memorial stained glass window shines in tribute to the man who guided the Church through

these trying times of the "Great Depression" and the years of World War II.

Mr. Charles O. Bennet, a student minister from New Brunswick Seminary, was engaged to fill the vacancy and served the Church from June 15, 1949 through September 30, 1951.

December 12, 1951 marked the installation of Rev. George Berens, the Church's third full-time minister. During Rev. Berens' pastorate considerable renovation and improvements were made in the physical structure of the Church. In the spring of 1952 the kitchen was installed in the basement of the Church. Much of this work was done by Pastor Berens, along with the men of the Church. Other projects in 1952 included a new pulpit and the moving of the garage in the rear of the Church and attaching same to the Church building. This supplied space for rest rooms and a nursery department. With fitting services of rededication, November 23, 1952 marked the 25th Anniversary of the First Reformed Church of Pequannock.

1956 was a year of further expansion. The present balcony and the rear upstairs room were installed, adding much needed space for a growing church. The Chancel was rebuilt, with the front finished in oak paneling and a double set of stairs. In 1957, the interior walls of the Church were completely done over. Four stained glass memorial windows were installed.

On November 17, 1957, the celebration of the Church's 30th Aniversary took place. At a special litany, all the memorial windows were dedicated. Presentation messages were given by church members on behalf of themselves as donor, or representing the Church group that placed these beautiful memorials in our Church. It was also fitting to dedicate all those improvements made over the past five years. In June of 1958, Pastor Berens requested that his pastorate be terminated as of August 31, 1959.

It should be noted that with the increased housing development of the 50's, the Church was in great need of additional space for Sunday School classes. In October of 1958 the Consistory set up a committee to study this problem.

It is fitting to close this very productive period in the history of our Church with the following excerpt from the Consistory minutes of September 11, 1959—"This being the last meeting Rev. Berens would attend as Pastor of the Pequannock Reformed Church, the Consistory thanked him for his service to the Church and wished him and Mrs. Berens Godspeed and success as they continued in their work of the Lord in new fields." During this pastorate the stewardship of the congregation was greatly enhanced.

At a special Congregational meeting held December 11, 1959, the Rev. Warren G. Martens was elected as the new Pastor of the Church and began his ministry with us on February 2, 1960.

Progress moved slowly in the matter of the additional building space, however, a building program was formulated, and at a special meeting held September 21, 1960, the congregation approved a new addition to the Church at a cost of approximately $30,000.00. Further approval was given on October 28, 1960 to hire an outside firm to raise money for the new unit. June 4, 1961, at the conclusion of the Sacrament of Holy Communion, groundbreaking services were held for the new building, to be known as Fellowship Hall. Much time and effort were spent by the members of the Consistory and the Building Committee working on all phases of this big undertaking, and on October 13, 1961, the contracts were awarded for the construction of the new unit.

"Unless the Lord builds the house, those who build it labor in vain." Psalm 127:1. Many years ago the writer of this psalm gave us this wise thought concerning our relationship to our new building: We shall erect it; we shall meet our financial obligations as we realize that we labor not only for a building, but for the extension of Christ's Church and the greater glory of God's Kingdom upon earth. So wrote Pastor Martens in the foreword of the booklet issued for the Fellowship Hall Fund Drive.

It was with great pride that four years after a spark of need was kindled, the members of the Church saw their hopes, their needs and their prayers answered with the dedication of Fellowship Hall on October 28, 1962.

The Rev. Warren G. Martens terminated his pastorate with our Church on August 1, 1964 to accept a new position in New York State.

At a special Congregational meeting held August 31, 1964, by unanimous vote a call was extended to the Rev. Gordon L. Robinson and on November 1, 1964, he was installed.

The year 1965 proved to be a very busy one for the governing body of the Church. Many important decisions had to be made and carried out that would have long lasting effect on the Church.

Due to the inadequacy of the original parsonage, approval was granted to sell it and purchase a new one. It was sold in August of 1965. Just prior to this, title to and occupancy of the present parsonage was consummated in July.

The physical condition of the exterior of the Church and other factors led to the perusal of the possibility of the expansion of the the Church structure, the building of a new church, or a major improvement program. Due to the prohibitive costs, the latter program was adopted and completed by the end of 1966. The new brick-crete siding changed the color of the Church exterior from brown to white. Later, aluminum siding was added to all wooden surfaces. A circle drive and parking lot were also added.

On May 7, 1967, the "Words of Commemoration at the 40th Anniversary Vesper Service" was highlighted by a concert given by the Church Choir.

In 1972, the interior of the Church was redecorated and the Chancel opened to provide more open space for new forms of worship. The choir area was expanded to provide for a greatly enlarged choir. During the decade—late 60's and early 70's—music became a strong emphasis in our Church life.

Also, in 1972, forty-three of our members caravanned to the Family Festival at Estes Park in the Rockies, camping to and from and there. It was a memorable experience, in which Pastor Robinson assumed some of the characteristics and problems of the ancient Moses, leading the people of Israel through the wilderness.

In August of 1976, AIM Worker, Jan Folkert, was engaged for the period of one year. The year Miss Folkert spent in our presence greatly enriched the life of the Church.

This year of our anniversary (1977) saw the installation of a new Hammond Organ—made possible by the gifts and dedication to this cause by a few members.

During the years, 738 persons have joined our communion, although the membership of the Church has not greatly changed, being 158 at Charter and 160 today. The growth in the immediate Church neighborhood has stabilized in recent years, after reaching a peak in the 60's.

Three "sons" of our Church entered the Gospel ministry: Victor Turdo—no longer in active ministry; Samuel LaPenta—now Pastor of the Reformed Church, Colts Neck, N.J.; Lee David Donow—to be ordained in June of 1978.

As we celebrate our 50th Anniversary, it is hard to realize that another 10 years have passed by—10 years of much work and dedication by the Members, the Consistory and our Pastor. Years that have brought sadness—but also joy and exultation—with always the goal to serve humanity and to make a better tomorrow.

Mr. Speaker, our Nation was founded on the cornerstone of our people's faith in God which is truly the spirit, conscience, and very being of our society. The dedication, devotion, and untiring efforts of the esteemed clergy of the Pequannock Reformed Church in pursuit of the noble cause of service to God and brotherhood, goodwill, and understanding among all mankind is applauded by all of us. We do indeed salute the pastor, Rev. Gordon L. Robinson, and the parishioners of the Pequannock Reformed Church upon the celebration of their Golden Anniversary.

HEAD START FUNDS DISTRIBUTION FORMULA

HON. ALBERT H. QUIE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. QUIE. Mr. Speaker, when the Education and Labor Committee marked up the extension of the Community Services Act which authorizes the Head Start program, the committee found problems with the manner in which the office that administers the program in HEW—Administration for Children, Youth, and Families (ACYF), formerly known as the Office of Child Development (OCD)—allocated funds. A request was made to the Congressional Research Service of the Library of Congress to study the manner in which the funds were distributed. In its report to the Congress CRS illustrated that ACYF was not following the law in distributing Head Start funds to the States. In fact, the CRS went further and charged that ACYF was in clear violation of the law.

Essentially, the formula works as follows: The Secretary is allowed to withhold up to 2 percent of the total for the trust territories (0.4 percent is actually withheld). Then the Secretary may reserve up to 20 percent for discretionary programing. Of the remaining money, one-half is distributed on relative number of children living with families below the poverty line in each State as compared to all States. The other half is distributed on the basis of the relative number of public assistance recipients in each State as compared to all States. This then becomes the base for each State's allocations. There is a third factor which comes into play after the first two are calculated, and that is a hold harmless which guarantees that no State will receive less than it received in fiscal year 1975.

ACYF distributed the money by interpreting the formula by starting at the hold harmless level and then giving money to States based upon the two poverty factors. CRS contended that because ACYF is not following the law, 12 States—Arizona, Connecticut, Georgia, Illinois, Maryland, Michigan, New York, Ohio, Oregon, Pennsylvania, South Dakota, Wisconsin—and the Commonwealth of Puerto Rico, receive less than the minimum required by law if the money were allocated as required by the

formula. After receiving the CRS report the committee asked the General Accounting Office to review the charges made. GAO confirmed that the CRS charges were accurate and that ACYF is in violation of the law. The issue of how the funds are distributed is particularly pertinent this fiscal year (1978) because the Head Start program's appropriation was increased by $150 million.

The problems we faced in resolving this matter were difficult and a look at the history of the formula will explain why. A formula was first put into the Head Start legislation in 1975. Prior to that date there was no rational way of distributing Head Start funds. Money was simply given out at the whim of HEW. This is not to say that the money was misused or not needed, but it simply was not distributed in an equitable or rational way. The most dramatic example of the uneven funding is that the State of Mississippi for a variety of reasons actually receives approximately 10 percent of all the Head Start money available to the entire Nation each year. In fiscal year 1977 Mississippi received $41,117,693. If the 1975 hold harmless was not in effect, under the existing formula, Mississippi would only be eligible to receive $9,304,990. The formula was an attempt to distribute the funds on a fairer basis.

OCD, in fiscal year 1976 and 1977, by its method of distribution, actually circumvented the hold harmless concept which was supposed to freeze the States which were over their allocation and give States who were behind an opportunity to catch up. OCD did so by giving all States a 6 percent cost of living increase each fiscal year. In doing so, the inequitable distribution becomes greater because every time all States were given the identical increase, it caused the distribution figures to spread even further rather than move closer. One of the reasons why it was not caught earlier was that the appropriation increases were minimal during the last 2 fiscal years, and the results of OCD's allocation appeared to be an accurate utilization of the formula with the exception of the cost of living increase.

Because Headstart money has already been appropriated for this fiscal year (1978), the committee found it necessary to give directions to ACYF to insure that a fair distribution occurs to guarantee that no State or children will be hurt, and at the same time correct past inequities. The members of the subcommittee resolved the matter for fiscal year 1978 in the following way: The money will be distributed on the basis of the formula as described above. Those States that received more money in fiscal year 1977 than they are entitled to in fiscal year 1978 will be brought up to their actual fiscal year 1977 allotment level. The money to cover this adjustment will come from the Secretary's discretionary funds.

After all States are brought up to their highest level—fiscal year 1977 or fiscal year 1978—then all States will receive a 6 percent cost-of-living increase on top of whatever the maximum figure is for the State. Column VI of the following chart shows what each State will receive for this fiscal year.

In taking this action the committee clearly intends that all moneys allocated during this fiscal year shall be available to Headstart grantees until expended so that there is no need for any grantee to spend its increase in a less than responsible manner. With grantees knowing that they have time in which to expend dollars they should be able to plan and responsibly initiate programs which will benefit all children.

Finally, there is an agreement to bring the entire Headstart formula question back to the committee so that we can review the formula distribution in future years beginning in fiscal year 1979. At that time there will also be an amendment offered to allow fiscal year 1978 funds to be available until expended.

The chart follows:

[Fiscal years]

States	Col. I 1977 allocation	Col. II Supplement required to bring to 1977 level	Col. III 1978 allotment under current formula	Col. IV 1978 or 1977 minimum allotment	Col. V 6 percent cost-of-living increase	Col. VI Final allotment 1978 (cols. IV and V)
Alabama	12,847,784	1,456,784	11,391,000	12,847,784	770,876	13,618,651
Alaska	1,585,811	73,924	1,511,887	1,585,811	95,149	1,680,960
Arizona	2,994,402		4,555,930	4,555,930	273,356	4,829,286
Arkansas	6,418,851	660,851	5,758,000	6,418,851	385,131	6,803,982
California	30,748,123		49,127,136	49,127,136	2,947,628	52,074,764
Colorado	5,965,650	574,990	5,390,660	5,965,650	357,939	6,323,589
Connecticut	2,640,862		4,775,074	4,775,074	286,504	5,061,578
Delaware	1,238,754	142,754	1,096,000	1,238,754	74,325	1,313,079
District of Columbia	4,021,986	844,231	3,177,755	4,021,986	241,319	4,263,305
Florida	14,286,235	539,054	13,747,181	14,286,235	857,174	15,143,409
Georgia	9,318,690		12,864,375	12,864,375	771,863	13,636,238
Hawaii	2,164,813	36,034	2,128,779	2,164,813	129,889	2,294,702
Idaho	1,433,998	104,998	1,329,000	1,433,998	86,040	1,520,038
Illinois	17,769,166		28,088,894	28,088,894	1,685,334	29,774,228
Indiana	7,219,814	119,996	7,099,818	7,219,814	433,189	7,653,003
Iowa	3,941,335	372,157	3,569,178	3,941,335	236,480	4,177,815
Kansas	3,898,293	403,293	3,495,000	3,898,293	233,898	4,132,191
Kentucky	12,477,273	1,669,604	10,807,669	12,477,273	748,636	13,225,909
Louisiana	11,126,007	542,138	10,583,869	11,126,007	667,560	11,793,567
Maine	2,177,263	49,703	2,127,560	2,177,263	130,636	2,307,899
Maryland	4,986,205		7,016,472	7,016,472	440,988	7,437,460
Massachusetts	8,774,655		12,256,902	12,256,902	735,414	12,992,316
Michigan	4,947,910		21,347,170	21,347,170	1,280,830	22,628,000
Minnesota	5,536,991	258,976	5,278,015	5,536,991	332,219	5,859,210
Mississippi	41,117,693	4,035,693	37,082,000	41,117,693	2,467,062	43,584,755
Missouri	10,798,398	1,142,031	9,656,367	10,798,398	647,904	11,446,302
Montana	1,527,778	139,778	1,388,000	1,527,778	91,667	1,619,445
Nebraska	2,470,066	312,816	2,157,250	2,470,066	148,204	2,618,270
Nevada	654,300		752,828	752,828	45,170	797,998
New Hampshire	1,170,937	115,317	1,055,620	1,170,937	70,256	1,241,193
New Jersey	11,805,230		15,240,658	15,240,658	914,439	16,155,097
New Mexico	3,344,304	298,728	3,045,576	3,344,304	200,658	3,544,962
New York	29,876,735		38,777,176	38,777,176	2,326,631	41,103,807
North Carolina	12,916,189	1,661,189	11,255,000	12,916,189	774,971	13,691,160
North Dakota	612,054		683,046	683,046	40,983	724,029
Ohio	14,487,156		22,748,122	22,748,122	1,364,887	24,113,009
Oklahoma	7,395,858	761,858	6,634,000	7,395,858	443,751	7,839,609
Oregon	2,531,996		4,251,426	4,251,426	255,086	4,506,512
Pennsylvania	13,503,656		22,500,940	22,500,940	1,350,056	23,850,996
Rhode Island	1,311,614		1,757,834	1,757,834	105,470	1,863,304
South Carolina	7,867,805	1,010,805	6,857,000	7,867,805	472,068	8,339,873
South Dakota	772,030		1,149,905	1,149,905	68,994	1,218,899
Tennessee	10,861,404	1,384,784	9,476,620	10,861,404	651,684	11,513,088
Texas	20,163,807		22,534,285	22,534,285	1,352,057	23,886,342
Utah	1,668,686		1,914,509	1,914,509	114,871	2,029,380
Vermont	1,272,725	139,850	1,132,875	1,272,725	76,364	1,349,089
Virginia	6,785,875		7,178,501	7,178,501	430,710	7,609,211
Washington	5,079,599		5,635,196	5,635,196	338,112	5,973,308
West Virginia	6,275,359	1,000,353	5,275,006	6,275,359	376,522	6,651,881
Wisconsin	5,734,059		7,478,502	7,478,502	448,710	7,927,212
Wyoming	860,453	109,453	751,000	860,453	51,627	912,080
Puerto Rico	16,361,198		20,607,432	20,607,432	1,236,446	21,843,878
Total	422,739,835	19,962,142	497,500,000	517,462,140	31,047,728	548,509,868

PANAMA CANAL TREATY

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. TEAGUE. Mr. Speaker, Mr. R. Richard Rubottom of Dallas, Tex., recently had an editorial printed in the Dallas Times Herald concerning the Panama Canal Treaty which I feel all of our colleagues will find interesting and informative.

PANAMA TREATY—KEY ELEMENTS OF THE PROPOSED NEW CANAL PACT POSE GRAVE DANGERS TO U.S. INTERESTS

(By Richard Rubottom)

(NOTE.—R. Richard Robottom, now a professor at Southern Methodist University, was formerly Asst. Secretary of State for Inter-American Affairs. He served with the State Department from 1941 to 1964.)

For most U.S citizens the decision regarding the pending new Panama Canal treaties is likely to be a close call. After careful study I have decided that the prospective disadvantages outweigh the benefits that might flow from ratifying the treaties as presently written

No doubt about it, the subject is vital to our relations with Panama and elsewhere in the world. Because of its importance it should be faced with reason, not with emotion. The average citizen knows more about the Panama Canal, its history and its significance today, than has been recognized, and is quite capable of making an informed decision when presented with the issues. Without reviewing history since 1903 and simply looking at the language of the treaties I suggest the following points are worthy of discussion.

Ambiguity and Conflicting Interpretation: Before the mutual euphoria over the elaborate signing ceremonies Sept. 6 had subsided, spokesmen for the United States and Panama separately revealed serious conflicts in interpretation of Articles IV and VI of the "Treaty Concerning the Permanent Neutrality and Operation of the Panama Canal," one of two treaties signed. (The other and much longer treaty is entitled "The Panama Canal Treaty".)

Article IV states that the two nations "agree to maintain the regime of neutrality established in this treaty." Based on that language, the American public has been told this assures the right of the U.S. to intervene when, as and if necessary in the future to defend the neutrality and continued use of the Canal. Panamanian negotiators, however, repeatedly denied this interpretation in press conferences on their home ground.

Article VI would entitle war vessels and their auxiliaries of the United States and Panama "to transit the canal expeditiously". Panama's spokesman told their citizens that this did not mean that U.S. vessels could in an emergency go to the head of the line. In fact, they revealed that they had rejected language proposed by the U.S. to provide privileged passage. This revelation cannot be minimized in President Carter's undertaking to clarify the meaning of these two articles.

The Carter-Torrijos Statement of Oct. 14 is an important step forward in overcoming the ambiguity of Articles IV and VI, and might even suffice as long as they are in office. However, given the frailty of man and the unpredictability of future Panamanian leadership, the only satisfactory and prudent action to take now is to revise the language of the treaty so as to remove the basis of the conflict in meaning. This step, and only this step, would assure future generations as to what was intended.

Loss of negotiating Rights to Other Possible Canal Sites. The United States, according to Article XII of the new Panama Canal Treaty, "shall not negotiate with third states (during the life of the Treaty) for the right to construct an interoceanic canal on any other route", unless Panama agrees which seems unlikely. I find it incomprehensive that the United States government would enter into a solemn pact which would, at one and the same time, give up all rights to and within the Panama Canal by the year 2000 and yet deprive it of the right to negotiate for another site should its national interest require it.

The same Article grants to the U.S. the right to add a third lane of locks to the existing Panama Canal, presumably at U.S. expense since there is no mention of how the cost would otherwise be defrayed. Yet little would remain out of Canal operating revenues for any purpose after Panama receives its payments, as proposed in the new treaty. It is noteworthy that Article XII has hardly been mentioned by U.S. negotiators, nor indeed by the information media.

Escalation of Payments to Panama. U.S. representatives estimate that, under the payment schedule set forth in Article XIII of the new Treaty, Panama would receive approximately $65 million per year revenue from Canal tolls and operations. Panamanian estimates run as high as $80 million per year. Regardless of which figure one accepts, payments to Panama will be massive in recognition of its claim (a defensible claim if staked out fairly) that the narrow isthmus is its principal natural resource. But that is just the beginning! The base rate on which Panama is to be paid, $.30 cents per Panama Canal net ton, "will be adjusted to reflect changes in the United States wholesale price index for total manufactured goods" every two years, beginning five years after the Treaty becomes effective. It shouldn't take much reflection for one to realize how such indexed payments would raise costs cumulatively to Canal users in the future. And who will have responsibility for such increases before the rest of the world"? The United States principally. Yet, to my knowledge, this vital point in the new Treaty has been virtually overlooked in public commentary, and certainly no U.S. spokesmen have called attention to it. One must ask why?

What is U.S. Responsibility to Other Nations? For 60 years the U.S. set Panama Canal toll rates, without a single increase, with the objective of providing a service to world shipping at cost rather than charging the true value of the service. While in retrospect one might challenge the wisdom of that policy, and while the U.S. should not expect appreciation for doing something so obviously in its own interest as well as that of others, one could safely wager that, as toll rates climb, the U.S. will be accused of abdicating its responsibilities to other Canal users.

The first increase ever in toll rates, 20 per cent, occurred in 1974, followed by another in 1976. One U.S. negotiator has estimated another 30 to 40 per cent increase if and when the treaties are ratified. That would be just the beginning. One can foresee the adverse impact on the commerce just of Latin America, not to mention others, where the percentage of trade transiting the Canal ranges from 30 per cent to 75 per cent in the affected countries. In contrast, only 8 per cent by value and 13 per cent by volume of U.S. commerce transits the Canal.

It is fair and prudent to ask, "What will happen if the U.S. fails to ratify these treaties?" First, it would signal to friends and potential adversaries alike that the U.S. people would not countenance further withdrawal from its unsought but undeniable responsibilities as a leading world power. Second, it would be momentarily a stern test of the Panamanian Government's ability to interpret to its people where their long-term national interest resides. Third, assuming a suitable climate for negotiations, the U.S. and Panama would need to return to the negotiating table to draw up another draft suitable to both nations, just as was done in 1936, in 1955, and in 1967. It is important to recall that the draft 1967 treaties were rejected by General Torrijos and never submitted for ratification to the U.S. Senate. Indeed, some of Torrijos' critics today are saying that the 1967 drafts were more favorable to Panama than the current ones. I do accept the necessity of negotiating a mutually satisfactory, modern treaty.

However, before the U.S. relinquishes the "perpetuity" clause in the original 1903 treaty there should be public recognition of the impact that this action would have on the U.S. position at the Guantanamo Bay Naval Base in Cuba. In that case, while there is no perpetuity clause, the U.S. exercises "complete jurisdiction and control" over approximately 29,000 acres of land and water and can do so indefinitely unless the U.S. withdraws or formally agrees with Cuba to alter the treaty. No one of the parties may change or abrogate that document. Both would have to agree. Thus it is no wonder that Fidel Castro and General Torrijos are on such friendly terms. Apart from any ideological commitment they may share, one could almost assume that Panama has been acting also as surrogate negotiator for Castro Cuba.

Should the new Panama Canal treaties be ratified, it would be logical to assume that Fidel Castro will follow General Torrijos on stage with the demand that the U.S. set a date to leave Guantanamo Bay.

I accept the necessity of negotiating another treaty with Panama, to repeat. But, this should be done on a strictly bilateral basis without interference from other parties. There is no way that the U.S. can expiate all the past errors of U.S. policy toward the nations of Latin America. Neither the present drafts nor any others will alleviate the problems and concerns of Colombia or Mexico or any other nation.

As I learned all over again during my recent three months stay in Colombia, each Latin American nation has its own set of demands on the United States. The symbolic and vicarious value of the treaties would be short-lived. Then each nation quite properly would pursue its own interests which ironically might include hard questions about the cost of the new custodianship for the Canal.

Relations with the peoples of Latin America should be given the highest priority by the United States. We have cultural, political and spiritual ties that go back to the Wars of Independence and even earlier. Our joint economic and commercial interests, including energy supplies, are equally important. Our citizens will remain strong in their commitment to assist the peoples of all of Latin America to resolve their problems wherever and whenever such help is feasible and welcome, taking into account the individual characteristics and requirements of each nation.

PRIME MINISTER VORSTER AND THE NATIONALIST PARTY WINS BIG THANKS TO THE CARTER SOUTH AFRICAN POLICY

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. BAUMAN. Mr. Speaker, the electoral victory yesterday of the Nationalist Party in the Republica of South Africa,

has greatly increased their majority in the parliament. The 30-year rule of the Nationalists has been extended and the white voters of that country have given a clear mandate to the Vorster government. It is not the province of this gentleman or the U.S. Government to dictate the outcomes of political contests in other nations. But it is not out of place to note that this massive victory would hardly have been possible without the insensitive and stupid policy toward South Africa put forward by the Carter administration in the time since it took control in January.

I include an article from the Baltimore Sun, which has had perhaps the most extensive and perceptive recent coverage of South African affairs, following my remarks. I also hope and pray the Vorster government will be able to provide solutions to the many problems facing South Africa, as well as for a much more intelligent South Africa policy on the part of our own Government:

SOUTH AFRICAN LIBERALS COMPLAIN U.S. HAS UNWITTINGLY BOOSTED NATIONALISTS

(By Peter J. Kumpa)

CAPE TOWN.—A Cape area candidate of the Liberal Progressive Federal party was bitter over what he called the blundering and inept diplomacy of the United States toward South Africa. His complaint is a common one.

He expected that—as a minimum—his party would lose a substantial number of seats in Wednesday's elections because it had been tied to the American position, rightly or wrongly.

The Progressives are seeking an open society to replace the rigid apartheid system with the longer range goal of political power-sharing with all races.

The Progressive candidate, well-versed in American politics, felt the greater damage was the apparent success of Prime Minister John Vorster's Nationalists in wooing the English-speakers, traditionally opposed to the Nationalists in the past, to cross the line to join the Afrikaner-based party.

With a broadened base and overwhelming command of the white electorate, Mr. Vorster would have considerable political leeway to pursue his own policies and ignore outside pressures for change.

The situation is the opposite of what the Carter administration intended.

From the standpoint of domestic liberals, the most damaging single incident was Vice President Mondale's one-man, one-vote prescription for South Africa.

Attempts by the Secretary of State Cyrus R. Vance to explain this away did not succeed. Mr. Vance expounding American policy for Africa said he looked for a start of the process of reform and power-sharing. He omitted the one-man one-vote formula.

In South African terms or in the broader African context one-man one-vote means nothing less than turning over the political power structure to blacks.

No party in South Africa not even the Progressives advocates such a course.

In the political spectrum here the Progressives are well to the left of all the other opposition parties. But they propose a common roll of voters without regard to race but judged on educational qualifications.

What the Nationalists have done is to take the real example of what one-man one-vote applications have meant to other African nations. They have drummed into the electorate here that it would mean economic and social chaos. And they insist it would mean the end of democracy (though that luxury is restricted to whites) in South Africa.

The record of independent black African states has been an easy target for Nationalist politicians. Economically their record has been dismal. Many countries formerly surplus food producers have dipped into deficit positions.

Experiments in a variety of forms of socialism have largely failed. Democracy in black Africa has just about died surrendering to one-party states tribal dictatorships or military control. In not a single African nation has there been a change of government through the democratic process. And in only two smaller states (Botswana and the Gambia) has any effective opposition been permitted.

Using such examples, Nationalists, employing a blatant fear campaign have won over anxious white moderates. They charge that the United States wants nothing less than black rule and destruction of the prosperous society that has been built here.

The liberals say the United States should have exerted more subtle, quieter pressure to push South Africa down the racial-sharing path. They claim that Henry A. Kissinger, former secretary of state, had asked for 14 changes in Pretoria's policy, but gave up his quiet demands in exchange for assistance to solve problems in Rhodesia and South-West Africa.

Liberals feel here that the Carter administration should have sought specific reforms rather than use the broad-brush human rights attack, as this allowed the Nationalists to defend themselves with a double standards argument.

Past American administrations, according to South African Progressives, share as much of the blame for the present impasse as the Carter administration. For too long South Africa was ignored, allowed to continue its racial restrictions and discriminations without serious warnings from the West and particularly the United States, they say.

Western investments buoyed up the system to profit all sides except the nonwhite majority.

These critics feel that if persistent though subtle pressure had been employed by Washington by the Kennedy, Johnson, Nixon and Ford administrations, South Africa would have backed away from its present harsh apartheid system. And they believe the country would not be moving into its laager, or siege, against the rest of the world.

TAX INCENTIVES FOR MEETING OUR NATION'S ENERGY DEMANDS

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. KEMP. Mr. Speaker, the shape of the Nation's energy program will be determined by what is resolved in the joint House-Senate conference committee and accepted by the respective Houses. It is appropriate, therefore, to look at what ought to emerge from that conference committee.

It must be said that one of the principal deficiencies in the House-passed bill was its lack of incentives for new energy resources. As a matter of fact, the House version created disincentives. The House bill says, in essence, that the American people must learn to suffer under the hardships of energy shortages, because it is better to have shortages if they are a product of Government decisionmaking than to have adequate supplies if they are a product of market forces.

This would be true even though tax incentives are needed to evaluate and demonstrate the commercial viabilities of production of oil from the eastern shales and other unconventional energy sources. The conference committee has an opportunity now to deal with this question of incentives.

Some thoughtful direction has been given to where the conference committee and Congress ought to be going with respect to incentives by Dr. Gibson Jaworek. Dr. Jaworek is a consulting energy economist with whom I have worked first on increasing natural gas production from the Devonian shales—production badly needed to supplement natural gas supplies in the Northeast and Midwest during the winter months—and subsequently on increasing the yield of oil from shale.

I call this article to the attention of all of the Members of the House, but most particularly those serving on the conference committee.

The article follows:

TAX INCENTIVES NEEDED TO EVALUATE AND DEMONSTRATE THE COMMERCIAL VIABILITY OF OIL FROM EASTERN SHALES AND OTHER UNCONVENTIONAL SOURCES

(By W. Gibson Jaworek, Ph.D.)

INTRODUCTION

In assessing the future fuel production potential of the United States, as a response to the now evident national energy problem, the oil and natural gas contained in shales of the Eastern states have been consistently overlooked. It has been assumed that this region has solely coal resources, while oil shales are thought to occur exclusively in the Western states.

This has been a serious oversight and reveals, perhaps, that the Congress, the Executive Branch, and the public have been misled in this and other aspects of the future fuel outlook and its impact on economic growth. Needless to say, all domestic fuel sources, producible at reasonable costs, would be preferable to an over-dependence on insecure foreign supplies. However, federal responses to the energy problem—creation of ERDA, for example—have not engendered the right type of incentives to proceed with immediate research and commercialization of oil shale in the West, and have overlooked the potential in the Eastern states. Valuable time has been lost.

The Carter energy plan, stressing conservation of fuel usage and higher taxes on energy consumption, continues the lack of desire to expedite development of domestic fuel resources, particularly new fossil fuel sources, as compared to the more exotic energy possibilities exemplified by solar energy.

To reverse this governmental trend of timidity in energy supply innovation, which prevails also in the private sector, it is suggested herein that *direct* and substantial tax incentives be given to those companies and governmental units which will assess and demonstrate new technology for domestic oil and gas supplies such as those known to be contained in Eastern shales.

EASTERN SHALES—WHAT THEY ARE AND WHERE THEY ARE

Crude oil and natural gas are the present remains of a multitude of microplants and microanimals which lived in and around the basins of inland seas throughout geologic history, which spans hundreds of millions of years. And these basins were filled with sediments from rivers flowing from adjoining land areas, the organic remains were enclosed in muds and sands, which were later transformed into shales and sandstones by the pressure and temperature of succeeding sediments. Over millions of years columns

of these sediments accumulated to as much as 20 to 25,000 feet, sometimes more.

Within the earth, organic remnants of animals and plants were transformed by high pressure and temperature into kerogen, a substance containing combinations of hydrocarbons, which in turn were distilled into crude oil and natural gas. Much of these hydrocarbons traveled through the shales into adjoining sandstones and limestones and, finally, were trapped by impervious rock barriers. These traps are the sites of present oil and gas fields discovered by drilling.

Importantly, however, a great part of the oil and gas could not leave the originating shales and is still entrapped therein. Subsequent ercsion of the earth's surface, over millions of years, has resulted in much of the organic-rich black shales being exposed at or near the present earth's surface. The Eastern shales, for example, underlie large areas of the Appalachian states from New York to Alabama.

The present surface outcrops of shales from the Devonian geologic period roughly delineate the Appalachian Basin, an inland sea described previously as ideal for accumulation of oil and natural gas, i.e., hydrocarbons. As this basin became filled with sediments, it became shallow and was finally luxuriant with woody vegetation, which became the source of coal, which is essentially carbon, not hydrocarbons.

In fact, most of the Eastern oil shales are coaly, that is, contain carbon and hydrocarbons, which explains in part why they have been overlooked when compared to the more familiar Western oil shales which are not coaly. For this reason geologic knowledge and research effort on Eastern shales has, until recently, been minimal in comparison to the shales of the West.

ERDA'S EASTERN GAS SHALES PROJECT

During the early 1970's geologists in the Appalachian states took renewed interest in the natural gas potential of the Devonian shales, and with strong Congressional support ERDA was instructed to begin a research program on this vast energy source. In 1976 the program was begun and is described in the accompanying brochure.

The current estimate of potential natural gas from Devonian shale is 2,400 trillion cubic feet, of which 10 percent or 240 Tcf is believed now to be recoverable. This volume would double current U.S. proved reserves.

The ERDA Devonian Gas Shale Program, it should be noted, is focused on improving production techniques to increase output from wells already drilled or to be drilled in the future. These brown shales are largely in the interior Appalachian Basin.

DEVONIAN BLACK OIL SHALE

Refining oil from black, organic-rich Devonian shales is not new. During the 1860's a company mined and processed "rock oil" from a shale oil plant at Buena Vista, Ohio, on the Ohio River. Oil supplies discovered by "drilling" in Pennsylvania, Ohio, and New York made this plant noneconomic after 1870.

While geologists in the Appalachian states have occasionally noted the oil content of these shales during the past century, no serious evaluations have been undertaken. As a result, geologic data is still scarce and very incomplete.

During the postwar period some attention has been given to the uranium content of the shales, which to date has been found to be low-grade, although the vast extent of the shale makes the potential uranium reserves considerable. For example, 6 trillion tons of uranium is estimated to be contained in the shale in Eastern Kentucky alone. Thus, uranium could be considered a possible byproduct from a shale oil plant.

The few samples of the Eastern shales analyzed in the past have indicated that about 5 to 10 gallons of oil per ton could be extracted by processing. Western shales average from 25 to 30 gallons per ton.

It is now known that these assays were wrong or at best misleading because the analysis was based on a technique—the Fischer Assay method—which is only applicable to Western shales. In simplest terms, this assay was only recovering the hydrocarbon content of the shale, but not the coaly (carbon) content of the shale.

As a result, an average oil recovery from a sample of Eastern black shale can have 25 to 30 gallons of oil per ton, or be equivalent in liquid volume to the more familiar Western shales. Higher yields, also, have been measured. These findings were the result of laboratory tests conducted by the Institute of Gas Technology (IGT) in Chicago using their "hydroretorting" process.

A quotation from a recent IGT status report will emphasize the importance of this laboratory finding:

"We discovered some time ago, and have confirmed in more extensive testing during the past year, that when we process Eastern Devonian shale with the IGT hydroretorting process, we obtain yields of useful products equivalent to those from conventional retorting of Colorado shale." (Status report on the Development of the IGT Hydroretorting Process for the House Subcommittee on Environment, Energy and Natural Resources; July 12, 1977, by Frank C. Schora).

On the basis of preliminary sampling of black shale from seven states—West Virginia, Ohio, Kentucky, Tennessee, Alabama, Indiana, and Illinois—IGT estimates that "a new potential resource of 1,000,000,000 (1 trillion) barrels of oil is now available." By using the IGT process, an additional 3,400 trillion cubic feet of synthetic natural gas would also be available for extraction, a value higher than now estimated to be contained in Devonian brown shale by ERDA's Eastern Gas Shale Project.

With such a large potential of oil and gas, a major research project to commercialize this resource is strongly indicated.

The IGT hydroretorting process, when applied to Eastern black shales, has a number of distinct advantages, vis-a-vis Western oil shales. These are:

1. Devonian shales are good retorting feedstock, the oil is easily pumped through pipelines, and produces a large distillate yield, i.e., gasoline, jet fuels, and home heating oils—products most easily marketed.

2. The industrial infrastructure already exists in the East to support mining and process operations. Open pit or strip mining is less hazardous to miners.

3. Processing and mining can be carried out in an environmentally accepted manner since areas of shale occurrence are agriculturally and commercially less desirable.

4. Alkaline impurity content of Eastern shales is quite low, less than 1 percent compared to 15 percent in Western shales. The IGT process does not "swell" the shale, thus spent shale disposal is not a serious problem. Spent shale can be used as road fill and aggregate.

5. Uranium and other minerals might be extracted as byproducts from the shale.

6. Process Water in the Appalachian region is ample to support a shale oil industry, unlike the West.

Finally, even if all geological, technological and environmental advantages of Eastern shales, when compared to Western shales, are disregarded, the savings in transportation costs of Eastern shale oil (and gas) to principal fuel markets along the East Coast and the Middle West would be considerable. Numerous interstate crude oil, petroleum product and natural gas pipelines cross the shales outcrop areas and interconnections with Appalachian shale oil and gas production would not be difficult.

In fact, an oil and gas shale industry in the Appalachian states could be a foundation for new industries to locate nearby, providing cheaper and cleaner fuel supplies than available from other regions and foreign countries. However, to begin such an industry, as with most "infant" industries, governmental encouragement, support and tax incentives are a necessity.

THE NEED TO FOCUS ENERGY SUPPLY POLICY TOWARD UNCONVENTIONAL OIL AND GAS RESOURCES

Statistics of petroleum supply for the United States in January of 1977 are noteworthy. For the first monthly period domestic production of crude oil was less than 8 million barrels per day, compared to 9.5 million in 1972, before the embargo. Crude oil imports during the same month topped 6 million barrels per day, also for the first time (the quantity was 2.2 million in 1972). Just as important, however, is the fact that U.S. crude oil prices in January 1977 averaged $8.56 per barrel. In 1972 the value was $3.39 per barrel.

Likewise, the creation of ERDA and the vast increase of funds to that agency since 1972 has not produced a significant research development to indicate a breakthrough in increasing oil, gas, or even coal output in the immediate years ahead.

The conclusion is inescapable. Higher domestic crude oil prices have not provided any impetus to retard or reverse the exhaustion of present U.S. oil fields, or even more importantly, significantly induce greater and successful exploration programs to discover new fields.

In a similar manner, government sponsored energy research programs have been plagued with delay, skepticism and, in some instances, failure, as exemplified by the recent recognition by ERDA to suspend the so-called Coalcon project to demonstrate new technology to produce liquids from coal.

Still, the nation's unconventional oil and gas resources are known to be immense, enough to last for centuries. These include the following:

Oil resources

Shale Oil—Western
Shale Oil—Eastern
Coal Liquids
Enhanced Oil Recoveries

Gas resources

Devonian Shale
Western Tight Sands
Methane from Coal Seams
Geopressurized Water (Gulf Coast)
High BTU from Coal (Surface)
Underground Coal Gasification

A conclusion can be drawn, and should be. To insure future ample domestic oil and gas supplies and prevent serious overdependence on overseas sources and the financial and national security threats attendant thereto, U.S. energy policy should be focused directly to unlocking these unconventional oil and gas resources. Maintaining price incentives for conventional oil and gas sources has, and will continue to, attract only more overseas supplies to the inflated and cartel-induced U.S. energy price level. The Carter plan to increase the energy price level by a crude oil equalization tax prolongs and solidifies the false assumption that government research programs and higher-risk private investment will relieve the oil and gas supply problem.

The policy, to date, has not been advanced to channel private efforts to increase oil and gas supply, particularly from nonconventional resources. Quite the reverse. Consumer tax proposals, guised to reduce energy consumption, have disenchanted both the energy consumer and producer.

TAX INCENTIVES TO INCREASE OIL AND GAS SUPPLY—GENERAL PROPOSALS

The heart of obtaining additions to U.S. oil and gas supply is greater emphasis and expenditures on geological investigations and resource evaluations. Until only recently Devonian black shales were believed to be inferior in oil content. This is now known

to be untrue. Other geologic fallacies could be prevalent. Significantly, the U.S. Geological Survey was not included in the new Department of Energy.

Private U.S. geological efforts, particularly during the past 20 years, has been directed toward offshore areas and foreign oil and gas prospects. Onshore domestic investigations, as a result, have been limited, and as a consequence, drilling since 1973 has been largely near or within known oil and gas geologic structures. Vast areas of the nation are barely explored, and geologic information in these areas is often poor or nonexistent. Wildcat drilling in the U.S., wells drilled far from present oil and gas reservoirs, is still less than during the early 1960's, a period of a large excess of U.S. crude oil producing capacity in relation to demand. Currently a severe shortage of onshore drilling rigs and drilling crews exists. Most U.S. construction of new rigs has been, ironically, for use in the North Sea and foreign areas.

These facts suggest at least five tax law changes bearing on the oil and gas industry:

A. Reduced tax liability for geological and geophysical efforts to locate new oil and gas supplies.

B. Liberal amortization of investments in onshore drilling rigs and equipment, and training of crews.

C. Deferred tax liability for investment and expenses spent for "wildcat" drilling.

D. Tax disincentives for activities listed in A, B, and C in foreign areas.

E. Tax disincentives for companies holding oil and gas leases, without drilling, for lengthy periods.

These tax law changes would apply to the search for more conventional oil and gas supplies. More importantly, the tax laws should be reformed toward expediting development of nonconventional supplies. Among numerous methods possible, this could be done particularly by:

F. Providing tax credits for energy research, development and demonstration expenditures against current corporation tax liabilities. Geological and related resource evaluation expenditures should be expressly included.

G. A "tax-free" period of operation for unconventional energy plants, designated by the Secretary of Energy, could accelerate completion of such projects. This technique has been utilized in Canada to spur coal mining projects.

H. Tax preferences for corporate entities chartered for unconventional energy development projects with allowance for capital participation by local, State and regional governmental bodies.

THE "SELF-HELP" CONCEPT OF LOCAL ENERGY RESOURCES DEVELOPMENT

The national media, Congressional hearings, and Administration proposals have given almost no consideration to a slowly evolving trend of mutual cooperation or "self-help" energy resource projects. The lack of attention is surprising, since many of the projects, though small, have a high success rate.

In essence, these projects are mutual undertakings of energy producers, energy consumers, and governmental agencies. The idea is to provide funding, usually from several agency sources, to provide monies to develop a local energy resource for industrial fuel usage which will provide local employment. The link of energy supply and jobs usually guarantees governmental support.

These projects can be distinguished from "national" energy plans and programs in that they recognize, and take advantage, of:

1. Regional energy resource availability.

2. Regional industry and transportation characteristics.

3. Regional, state, or local governmental laws, regulations and "ways of doing business."

4. Provide means to assure long-term fuel availability to industries, which cannot be guaranteed by usual suppliers.

The variation in genesis of these self-help, local energy resource projects illustrates the possibilities which tax legislation could encourage their further expansion. For example:

1. A town supervisor in western New York, unable to fund a senior citizen's facility for lack of gas supply, successfully drilled a natural gas well with a HUD grant which will fuel the facility, as well as help fill local school needs.

2. A county government in Kentucky funded a feasibility study to construct low-BTU coal gasifiers for an industrial park, which was then approved from monies provided by the state, the Appalachian Regional Commission and ERDA. The county will raise revenue bonds to meet the final portion of funds required.

3. The governor of Ohio implemented a program to coordinate state agencies to reduce red tape which encouraged industries to drill their own gas wells. Over 100 companies now have their own gas supplies, usually teaming with independent producers.

4. A county in Kentucky has funded a natural gas pipeline from shut-in wells to its industrial park. As a result, the industries were not cut off from natural gas last winter.

5. A county in New York is setting up a revolving fund of money to encourage industries to drill their own wells, the loans to be recovered and paid back to the fund as the gas is produced.

In each of these instances private capital was unwilling to undertake the local energy resource development. The usual reason given was that each project would take too long to pay out. Another reason is that companies are unfamiliar with doing business in partnership with local governments.

A final fiscal approach to encourage local, self-help energy resource development, therefore, could be:

I. Enactment of changes in revenue-sharing legislation to provide "up-front" monies to State, regional and local governments for energy supply projects related to industrial development and local job creation.

In summary, tax law changes to encourage local energy supply projects, including unconventional fuel sources, would be a positive and new approach to the U.S. energy problem. The recent past has shown that higher prices and a vast federal research agency have had minimal impact on reversing production trends. The results of expanded geologic investigations, as compared to new energy conversion technology, may uncover oil and resources throughout the U.S. which would otherwise be overlooked.

It is usually not mentioned, but for decades Europe was thought to be devoid of oil and gas. The drilling of a "wildcat" well in the Netherlands in the early 1960's discovered the vast Groeningen natural gas field, which was the impetus for exploration in the adjoining North Sea. In 1976 the Netherlands, besides utilizing this gas for its local needs, was the largest exporter of natural gas in the world.

TRIBUTE TO VINCENT J. MAROTTA—NATIONAL ITALIAN MAN OF THE YEAR

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. BIAGGI. Mr. Speaker, it is my distinct privilege and honor to pay tribute to an outstanding Italo American, Vincent J. Marotta, president and chief executive officer of North American Systems, Inc., who on October 9 was awarded the prestigious National Italian Man of the Year Award.

Mr. Marotta is more popularly known as Mr. Coffee to millions of Americans. He was awarded this honor in recognition of his many accomplishments in the business world. He is respected in the business world as one of its most innovative and successful executives. Through his leadership, Mr. Coffee is America's largest selling coffeemaker.

Mr. Marotta's main business offices are in Cleveland with a third located in Los Angeles. He employs more than 3,500 persons and consistently produces quality products used and enjoyed by millions of American consumers.

Perhaps one of Mr. Marotta's most recognizable and successful talents is his ability to recruit big name stars to promote his products. The official spokesman for Mr. Coffee is none other than the legendary Yankee Clipper, Joe Di Maggio. It should be noted that Joe was in attendance the night Mr. Marotta received his National Italian Man of the Year Award. Vincent Marotta's most recent coup was signing Sophia Loren to a 3-year contract to promote his newest product "Filter Fresh," a new water filtration product.

Foresight combined with ingenuity and integrity characterizes the career of Vincent Marotta. Even before assuming his position in North American Systems, Marotta distinguished himself as president of the Glazer Co. which was responsible for the construction of thousands of homes and several shopping malls in the greater Cleveland area.

Vincent Marotta has been an achiever all of his life. He had an outstanding career in the world of sports including making the first team of all Ohio football in college. He also had the unique distinction of playing both professional football and baseball for the Cleveland Browns and St. Louis Cardinals.

Vincent Marotta has been cited on several occasions for awards. For his prowess in football, he was inducted into the Mt. Union College Hall of Fame. He was named Housewares Man of the Year in 1974. He won the coveted Horatio Alger Award in 1975. Identity magazine cited him as one of the top 50 Italian-American businessmen. His latest award is perhaps his greatest but it is by no means his last.

Vincent Marotta despite his many time-consuming duties finds time to keep active in numerous civil, religious, fraternal, and Italo-American organizations. He also regularly and generously contributes to charities.

I extend my warmest congratulations to this outstanding Italo-American. He has amassed a career which is complete with accomplishments. I extend my warm regards to his wife Ann, his three sons, Charles, Timothy, and Vincent, Jr.; his three daughters, Mary, Jane, and Susan; and his beloved mother Josephine. They are all proud of Vincent's accomplishments and in their own right have all played a role in his success. May the beam of success continue to shine down on the Marotta family for years to come.

EGYPTIAN/ISRAELI DIPLOMACY DESERVES U.S. SUPPORT

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. MAZZOLI. Mr. Speaker, I commend to the attention of my colleagues the following New York Times editorial of November 29, 1977, encouraging this country to support wholeheartedly the peace negotiations between Egypt and Israel recently initiated by President Anwar Sadat.

I have been disappointed by the reticence of the U.S. policymakers to show enthusiasm for the significant efforts of Egypt's President to end the Mid East belligerency.

The closing words of the editorial are worth repeating here:

In any case, Mr. Sadat has made his break and is trying to create a continuing process of negotiation to escape the cycle of frustration in both war and diplomacy. The place for the United States is at his side and at Israel's, so that their noble effort may proceed. It is too late to play the Sphinx.

The editorial follows:

THE UNITED STATES AS SPHINX

The Carter Administration's enthusiasm for President Sadat's diplomacy could freeze the Nile. It has been grudging, chilling and altogether unworthy of the United States, which should be cheering and rewarding every act of moderation in the Middle East.

For the second time this month, the Egyptian President has signaled his genuine acceptance of Israel and a desire to get on with the negotiations for an epochal settlement. Both times, despite formal words of support, Washington has chosen to emphasize the dangers instead of the opportunities in Mr. Sadat's enterprise, thereby contributing to the risks. Even now, the Administration hesitates to accept his invitation to a Cairo conference, preferring instead to consult with the Soviet Union and other recalcitrants and giving no help whatever to the moderate Arab parties now torn among contending forces.

Consider the possible motives for this strange behavior in Washington:

1. Resentment of Mr. Sadat's diplomacy-by-surprise, reflecting not just injured pride but a desire to influence his tactics before they take shape.

2. An excessive attachment to the preferred American path to negotiations, a Geneva conference offered to all the parties through considerable diplomatic labor.

3. A deference to Soviet sensibilities, reflecting a conviction that peace in the Middle East will never be achieved or preserved without Moscow's participation and commitment.

4. A desire to signal Syria or perhaps Saudi Arabia or even the Palestine Liberation Organization that their best interests lie in accepting American leadership in the Middle East negotiations.

5. A fear for Mr. Sadat's safety and Egypt's stability, taking more seriously than he does the threats on his life and position.

6. A fear of diplomatic failure, unless Mr. Sadat is restrained, with bitter consequences for all parties.

The evidence suggests that all these calculations have figured in Washington's responses, but only the last is deserving of serious consideration. Resentment and inflexibility have no place in a situation that has frustrated all peacemakers for 30 years. The Middle East conflicts have always been the primary burden of Israeli and Egyptian societies. Do we dare ask how dare they now take diplomacy into their own hands?

The Soviet Union in its way, and Syria and the P.L.O. in theirs, have contributed mightily to the hostilities over the years; they should be persuaded that they may be missing a historic opportunity to press their interests at the conference table, not encouraged to avoid the table. And surely Mr. Sadat himself is a better judge than any American of his relations with Saudi Arabia, or of his chances of survival.

Fear that he may fail is reasonable enough, but it should have produced an extra measure of American support, rather than coolness. Mr. Sadat could fail if moderate Palestinians, Jordanians and Lebanese, though tempted to join him, are frightened off by the Soviet-Syrian campaign of rejection. Courage does not usually come in multiple doses. The United States should be celebrating Mr. Sadat's invitations to Cairo, urging their acceptance and promising to reduce the risks and enhance the rewards for those who agree.

Mr. Sadat could fail also if the Israelis harden the terms for their other neighbors, and perhaps even for him. That temptation will grow to the extent that other Arabs refuse even a gesture of comparable recognition of Israel, spurn direct negotiation and force the Egyptians to back down or risk a separate peace. Here again the American obligation is to help broaden the talks.

The hesitation in Washington suggests that the Administration has still not grasped—or accepted—the radical turn of events that took Mr. Sadat to Jerusalem last week. He served notice that he would neither wait nor fight again for any Arab party that refuses even to negotiate with Israel or which belabors procedural issues to the point where Israel does not have to negotiate seriously. He thus rejected the American approach to a Geneva conference, and particularly the Administration's deal with Moscow to make a Russian co-chairman of every future bargaining session. Better Begin than Brezhnev.

Mr. Sadat may have been too ambitious, or too daring, or too trusting of Israel's readiness to reciprocate a dramatic break with the past. We think not; Egypt and Israel have not only earned the right to define the patterns of accommodation, they also have the power to do so, provided only that they have the energetic support of the United States.

In any case, Mr. Sadat has made his break and is trying to create a continuing process of negotiation to escape the cycle of frustration in both war and diplomacy. The place for the United States is at his side and at Israel's, so that their noble effort may proceed. It is too late to play the Sphinx.

BUREAUCRATIC ROULETTE ON THE POTOMAC

HON. WILLIAM C. WAMPLER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. WAMPLER. Mr. Speaker, an article, "Hobson's Choice," appearing in yesterday's Wall Street Journal, November 30, by Vermont Royster in his column "Thinking Things Over," points up the dilemma faced by today's American consumer. As Mr. Royster paints the picture, FDA, EPA, OSHA, USDA, and NCI—all Federal agencies—have left consumers with little choice as what to eat, drink, wear, or breathe without fear of death due to heart attacks, cancer, fire, or some other horrible ending.

Is a game of bureaucratic roulette on the Potomac being played with the American consumer?

Perhaps much of this confusion could be ended if we had some unanimity in our Government as to how we should protect our people's health and the environment from pollution and toxic substances. For starters, whatever methods we adopt regulatory decisions should be based on commonsense, a balancing of risks against benefits, backed up by a broad consensus of the best scientific information and testing methods available. Recent studies by the National Academy of Science strongly recommend vast improvements in regulatory decisionmaking for at least one of these regulatory agencies—the Environmental Protection Agency.

Mr. Speaker, I commend Mr. Royster's article to my colleagues and request its insertion in the RECORD. The article follows:

HOBSON'S CHOICE

(By Vermont Royster)

It wasn't so long ago—remember?—when we were bombarded with dire warnings about how we were killing ourselves with all those polysaturated fats. They were supposed to fill us full of cholesterol, clogging our arteries and causing us to pop off from heart attacks.

That was when the lady at my house put me on a strict diet of polyunsaturated fats. Not a drop of cream on that morning cereal. No butter on the toast or those lovely rolls and corn muffins. Even skimmed milk with my peanut butter sandwich, and of late a special kind of skimmed milk called sweet acidophilus, which doesn't taste as bad as it sounds and is supposed to be full of all kinds of healthy bacteria for the digestive tract.

All of which seemed like a splendid idea until we got some bad news from those ubiquitous laboratory mice. Two research scientists from Boston University reported to the American Society for Microbiology that all those polyunsaturated fats are bad for you, too. The laboratory mice placed on a high diet of polyunsaturated fats developed colonic cancer.

That seemed to leave a real Hobson's choice. Pop off from heart attacks or waste away with cancer of the large bowel.

Then there was sugar. Health authorities have long been warning us against all those sweet rolls, sugar in our coffee and in those bottles of Pepsi and Coke. They cause fat to collect around our hearts and could give us diabetes and sundry other ailments.

Indeed, on a recent CBS "Sixty Minutes" there was a whole segment devoted to charges that the food industry is poisoning us all, beginning with little children, by sneakily putting sugar in all manner of foodstuffs to make them taste better. There was a horrendous tale of one little girl who got hooked on sugar hidden in her cereal, and had to take a cold-turkey cure just like a heroin addict and with all the same shakes from withdrawal pains.

So banish the sugar bowl and switch to diet sodas. At first the cyclamates were used as sugar substitutes, but then it turned out they didn't do the mice, or rather the rats, any good either, so the government banned the cyclamates. Next it was saccharin, but up in Canada they fed huge quantities of saccharin to the little rodents and they died.

But it seems all is not well with sodium nitrite either. It can react with amines, an organic compound of nitrogen which is present in most meats and in the human stomach. In sufficient quantities it can

combine to produce nitrosamines, which is a cancer-causing compound.

So the Department of Agriculture is threatening to ban the use of sodium nitrite as a meat preservative unless the meat industry can "prove" by next January it isn't giving us all cancer.

If the department does ban sodium nitrite, presumably that will leave us with another vexatious choice since there is no other preservative now known as effective against botulism.

* * * * *

But back to milk, once thought the perfect food. It's thumbs down already on whole milk, the cream supposedly adding to your cholesterol count. Now comes at least one dietary expert to charge that all milk is bad for you, whole or skimmed, with or without acidophilus.

Dr. Frank Oski, president of the Society for Pediatric Research, says it's all those proteins in milk. You may have thought proteins were good for you, but Dr. Oski claims his research has found that milk proteins are something special. They can give you allergies, kidney damage, cramps, bloated gas, intestinal bleeding and increase the risk of luekemia. There's also a link, he claims, between milk proteins and multiple sclercsis, a disease that sneaks upon you slowly.

It's not from food alone, though, that we are surrounded by perils. You'll remember Tris, the chemical coating put on children's nightgowns at the government's insistence to make them fire-resistant. After the industry duly complied, the government decided that Tris itself could be a cancer-causing agent if aborbed long enough through the skin. Exit Tris.

The latest peril is 2,4-diaminoanisole sulfate. That's not a food but a dye long used to color hair. The National Cancer institute fed a lot of it to rats and mice and, according to Newsweek, found that when ingested in large does it produced thyroid tumors in 24 percent of the female rats.

I suppose few ladies at the beauty parlor drink it, but the cancer institute worries that if it is carcinogenic when taken internally there is at least a "potential risk" of its being so if absorbed through the sclap.

A layman confronted with that horrendous list of perils can't help being confused; he can't know who's right about what. He begins to suspect, though, that in the chemical world in which we live there's hardly any substance which eaten, drunk, breathed or absorbed in sufficient quantities isn't deleterious to our health.

That leaves him to marvel that with all those named perils the species has somehow managed not only to survive but to grow taller, stronger and longer-lived. And to wonder if maybe those laboratory rats aren't getting out of hand.

ECONOMIC RUSSIAN ROULETTE BEING PLAYED WITH INCREASED IMPORTS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. BIAGGI. Mr. Speaker, as we examine the activities of our so-called leading economic indicators we find two showing very little improvement—our balance of trade and unemployment. Certainly one reason for this is the continuing adverse effects on our economy caused by imports.

A recent feature article in the New York Sunday News focused on this problem and its special effect on certain industries. It shows a direct one to one relationship between increases in imports and unemployment in the affected industry.

One industry which has felt the brunt of this problem has been the apparel and textile industries. Twenty years ago, 4 imported garments were sold for every 100 garments made. Today it is 25 to every 100. The relationship between these increases and unemployment is graphically illustrated by the fact that between 1965 and 1976 as imports rose—unemployment in the industry increased by 24 percent.

American consumers as a group are affected by our present import policy as reflected in higher prices for certain goods and reduced quality for others. High unemployment prolongs inflation which prolongs a higher cost of living.

There is growing militancy in the affected industries to try and obtain some changes in present U.S. policy. There is wide division between the Congress and the President on this matter. Many here including myself believe that increases on tariffs are necessary to lessen the reliance on imports. Correspondingly the slack from reduced imports will have to be taken up by increasing domestic production which in turn will mean more Americans back on the job.

No one advocates eliminating imports entirelv. However, a continuation of present policies represents reckless and callous economic policy—reckless in that we are already too reliant on foreign powers for such vital commodities as oil—to add steel and clothing to the list makes us vulnerable to the whims of these foreign powers. The callousness stretches from the increasing number of American workers who are losing their jobs because of imports. America is the land of opportunity—but that opportunity should first be extended to our own people and industries instead of those from foreign nations.

I insert for the benefit of my colleague the article entitled "Made in U.S.A.—For How Long." It was written by Mark Andrews, a News national reporter:

MADE IN USA—FOR HOW LONG?

(By Mark Andrews)

The Carter administration and the nation's industries are on a collision course over foreign trade. Several head-on clashes have already taken place, and the outlook is for many more to come.

The problem is as old as the nation. But never has it been so serious as it is today. Foreign imports have wiped out the jobs of at least 400,000 Americans over the past decade, and some of the country's most important industries may be in mortal danger. For instance, in the last month alone:

Four American steel companies—Youngstown Sheet & Tube Co., Bethlehem Steel Corp., U.S. Steel Corp. and Armco Steel Corp.—have announced plans to lay off a total of almost 10,000 workers. All four companies say they were forced into their actions by foreign competition.

The American Iron and Steel Institute reported Friday that steel imports had hit a 32-month high in August, with foreign producers accounting for one in every five tons of the nation's steel supply.

Zenith Radio Corp., the last major manufacturer of American-made television sets, finally threw in the towel and decided to move its key operations to Taiwan and Mexico. That will cost 5,000 Americans their jobs.

Copper companies, putting the blame on imports, have been laying off thousands of miners and plant workers in the western United States.

Makers of tires, household appliances, sporting goods and industrial equipment have also been laying off workers by the thousands because of inability to compete with companies that manufacture goods abroad.

The Labor Department has approved special federal assistance payments for workers laid off because of imports. But that is small comfort to people whose jobs simply vanish. "We want work, not welfare," has been their cry.

Leaders in all the suffering industries, along with producers of items ranging from swimming pools to digital scales, have been pleading with the government to slap tariffs or impose stronger quotas on imports of inexpensive—and increasingly high-quality—foreign goods.

The key word is "quality." Gone are the days when the label "Made in U.S.A." automatically meant "best." Leaders in the American textile, steel and electronic industries admit that products manufactured by their foreign competitors are often as good as—if not better than—their own. And because foreign labor is cheap, foreign products are cheaper, too.

But, whatever the reason for the problem, Carter does not feel that it can be solved with protectionist measures such as higher tariffs and lower quotas. He believes that the way to ease the nations' economic woes is to increase, not decrease, foreign trade.

This difference of opinion became clear five months ago when 500,000 members of the International Ladies Garment Workers Union staged mass demonstrations across the nation to demand a slowdown in the steadily increasing growth of imported garments. The ILGWU says that textile imports over the last decade have robbed 200,000 American workers of their jobs.

When the union's complaint was presented to Carter, he said through his trade negotiator, Robert S. Strauss, that he was studying the problem but would not resort to protectionism and did not favor reductions in imports while he was deciding what to do.

At the same time that the ILGWU protests were going on, employes in the shoe industry were complaining to the administration that 70,000 shoe workers had lost their jobs since 1968 because of imports.

Carter responded to their plight by instructing Strauss to seek agreements with other countries to restrict shoe exports to the U.S. But the President rejected a recommendation of his own International Trade Commission to put higher tariffs on shoes.

On Sept. 29, after thousands of layoffs had been announced in the steel industry and Zenith had disclosed that it was packing up to go overseas, Carter said he had negotiated a "voluntary constraint" with Japanese leaders on the question of television imports. Some of the steel industry's problems, he added, are "chronic."

The President said once again that he was studying the situation and was not ready to propose any solutions. However, he promised to meet with industry and labor to discuss their problems.

But he asserted: "I don't think any basic changes need to be made in our import laws or in the national statutes."

Carter does not want any new laws restricting trade because he believes that they would be self-defeating in the long run.

Economists who share his view explain that international trade is a two-way street; that if the U.S. barred imports of Korean shoes, for example, Korea would then stop buying American products, such as the computers this country wants to sell. As a result, the U.S. economy would suffer, they say.

But if trade barriers around the world were eased, Carter reasons, then the economy of the entire world would grow healthier and the huge U.S. trade deficit—which is virtually certain to set a new record this year—would improve.

That is the view that the administration has been presenting over the past few weeks at the so-called Tokyo round of trade talks, a 97-nation conference being held in Geneva to negotiate an international agreement for lower tariffs. The U.S., represented by Ambassador Alonzo L. McDonald, is reported to be supporting a Swiss formula for a multilateral 44% tariff cut around the world.

McDonald said in Geneva last week that he was hoping for an agreement that would increase trade between the U.S. and Europe from $40 billion to $100 billion a year over the next decade. But management and union leaders in industries losing jobs because of imports are inclined to take a more short-range stand.

Don Smith, a spokesman for the United Steelworkers Union, said in an interview last week: "The foreign steel industry is either subsidized or socialized. The American steel industry must operate at a profit. There is no such thing as fair trade anymore. What we have is unfair trade. What we want is some restraints on steel imports, either through so-called orderly marketing arrangements or some type of restraints, such as quotas."

Smith added: "We are already dependent on foreign oil. If we were dependent on foreign steel, we would really be in bad shape."

Japan is the major producer of steel imported into the U.S., and Japanese trade officials say that the American steel industry's main problems are antiquated equipment and poor productivity, not imports.

Some Americans, even some American steelworkers, agree. But E. B. Speer, chairman of the board of U.S. Steel, points out that "$20 billion has been spent over the last 20 years for the purpose of updating steelmaking tools."

Youngstown Sheet & Tube Co., which is laying off 5,000 workers this month at its aging mills in Youngstown, Ohio, is one American steel company that is trying hard to modernize.

On Sept. 23, shortly after it had announced its layoffs, the company said that it was buying 12 new steel-rolling cylinders for its Indiana Harbor works near Chicago at a cost of about $100,000.

The new rollers were ordered from a company in Japan.

SOCIAL SECURITY: NO EASY ANSWER

HON. ELLIOTT H. LEVITAS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. LEVITAS. Mr. Speaker, many Americans and many Members of Congress view the recently passed social security bill with great concern. Simply to raise taxes again without doing something to change the system is totally unacceptable. We also know that unless short-term financing is provided, the social security system will begin to go bankrupt next year, as many of us warned that it would a number of years ago.

Therefore, many Members of Congress voted for the recent social security bill only to avoid the imminent bankruptcy of the social security system while at the same time creating the National Commission on Social Security which will provide the mechanism for bringing about basic changes including considering alternatives to the present programs.

This approach to social security legislation was recognized as an essential and proper approach by even such a staunch fiscal conservative columnist as James J. Kilpatrick, who, in his syndicated column which appeared in the Atlanta Constitution and other newspapers on November 29, 1977, recognized the need to provide the additional short-term financing to keep the commitment to millions of Americans in order to avoid the imminent bankruptcy of social security, but at the same time underscore the immediate need to bring about alternatives to the present system. The National Commission on Social Security, which I first and originally proposed approximately 3 years ago, was finally adopted as part of the social security bill passed by the House.

I offer for the consideration of the Members the column by Mr. Kilpatrick, as follows:

[From the Atlanta Constitution, Nov. 29, 1977]

SOCIAL SECURITY: NO EASY ANSWERS

(By James J. Kilpatrick)

House and Senate leaders have resumed their search this week for a solution to the Social Security problem. They might as well have stayed in recess. There is no satisfactory solution to the Social Security problem. The best that can be said of the various proposals is that some are less distasteful than others.

The general nature of the problem is well known. The Social Security system is now paying out more than it takes in. The fund went $1.2 billion in the hole in 1975 and $3.2 billion in 1976. This year's deficit is estimated at $5.6 billion. The long-term deficit, assuming present tax schedules go unchanged, is projected at $17 trillion over the next 75 years. In brief, the system is headed for disaster. Mr. Carter and the congressional leaders are on sound ground in seeking to do something now.

But what? Political realities have to be faced. The Congress cannot break faith with the 33 million men nad women now receiving Social Security benefits. Most of them have arranged their lives in terms of dependency, in some degree, upon the monthly check. This is an obligation that has to be met.

The problem, looking to the future, is so to arrange revenues and disbursements that the program takes on some semblance of actuarial soundness.

On the revenue side, none of the alternatives is attractive. Mr. Carter has proposed to dip into the general fund in times of high unemployment, but neither the House nor the Senate has warmed to the prospect. Both chambers are thinking instead of massive payroll tax increases on both employers and employees.

The Senate would get away from the system of equal taxes that has obtained for 40 years. By 1985, under this proposal, employers would be paying full Social Security taxes on an employee's salary up to $75,000 a year; the employee would pay on the first $33,900. In the House version, the principle of equal taxes would be retained, with significant increases in both the tax rate and the taxable wage base. One way or another, working people will get clobbered.

The House already has refused to take one step that should be taken to increase revenues. Federal, state and local employees—seven million of them—ought to be dragooned into the Social Security system. Under the present system, virtually all of these public employees qualify for public pensions; vast numbers of them, by taking moonlight jobs, manage to pay minimal Social Security taxes and still reap maximum benefits also. Bringing them into Social Security would produce $12.5 billion in annual revenues.

On the disbursement side, proposed remedies are as painful. Privately, some influential members will concede that they know what ought to be done. The problem lies in screwing up the political courage to do it.

For example, it is generally acknowledged that the retirement age under Social Security should be raised from 65 to 67 or 68. Commerce Secretary Juanita Kreps advanced the thought some months ago, but such howls arose on the Hill that the thought was hastily shelved. If a new age limit were phased into the system over the next ten years, workers now in their 40s and 50s would have abundant time to adjust to the change.

For a second necessary step, Congress ought to decouple the regrettable combination of future increases now written into the law. Recipients may be entitled to automatic adjustment of benefits according to the cost of living, but they are not entitled to a second upward adjustment by reason of higher wage levels.

On a third point, unfair as it may appear, Congress ought to stick to the rule that penalizes recipients for continued earnings. Social Security is neither an insurance program nor a welfare program. It is a tremendous transfer program, by which money is taken from the young and productive and given to the old and unproductive. There is no rational reason to burden young workers with transfer payments to their elders who keep on working.

Neither higher taxes nor altered benefits will be gratefully received by the people. Until an alternative voluntary program is devised—if, indeed, such a program can be devised—we have no true choice. If Congress will impose the least of the evils, that will suffice.

U.S. ACADEMY FOR PEACE AND CONFLICT RESOLUTION COMMISSION ACT OF 1978

HON. HELEN S. MEYNER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mrs. MEYNER. Mr. Speaker, I am introducing today the U.S. Academy for Peace and Conflict Resolution Commission Act of 1978. The purpose of this bill is to establish a Commission to consider whether a U.S. Academy for Peace and Conflict Resolution should be established, the nature of the Academy if it is found desirable, and alternative proposals which might accomplish the same purpose.

This bill is very similar to several bills introduced by former Representative Andrew Young and myself, some of them with cosponsors. It is also similar to S. 469, which was passed by the Senate in June. Hearings are anticipated on all of these measures before the Subcom-

mittee on International Operations of the House International Relations Committee early in the second session.

This legislation does not represent a new idea. George Washington recommended the creation of a "proper peace establishment." Since 1935, over 140 bills have been introduced to establish some kind of department or academy of peace.

The shape of these proposals has been modified in recent years by the development of the field of conflict resolution. Many people properly criticized the idea of a Department of Peace as excessively vague: Just what would it do? The new discipline of conflict resolution helps to give practical and concrete form to the noble idea of promoting peace and social harmony. Conflict resolution has become a respected and significant discipline within the social sciences in recent years. Its techniques have been applied with great success by the Community Relations Service of the Department of Justice, the Federal Mediation and Conciliation Service, the American Arbitration Association, many international mediators, and numerous State and local governments and police forces.

The peaceful outcome of the Hanafi incidents in Washington earlier this year was directly attributable to the use of conflict resolution techniques. Many of the successful applications of these techniques, especially by the Community Relations Service, are not well known because of the desire of the agencies and individuals to maintain a low profile for the sake of their credibility, but the record of accomplishments is impressive.

The Community Relations Service was decisive in handling the potentially disastrous Indian problem at Wounded Knee. President Carter, while Governor of Georgia, put conflict resolution techniques to work in alleviating racial and prisoner problems, thereby freeing State Patrol officers for other law enforcement duties. A mediator was very instrumental in assisting opposing forces in the Dominican Republic to communicate and resolve their differences during the uprising of 1965. Most of the successful attempts at conflict resolution have occurred on a small scale, however, defusing potentially explosive situations in schools, factories, and neighborhoods.

The primary reason why more conflicts have not been resolved by impartial mediation is the lack of trained and experienced mediators. The need for more qualified mediators will increase with the pressures of population growth, increasing competition for scarce resources, and intensified contact and interdependence among peoples and nations.

An academy dedicated to the training of mediators would be of great assistance in filling this shortage. In addition, the academy could also serve as a focus for data collection, research coordination, and public education in the field of conflict resolution.

On the other hand, it is certainly possible that an objective study of this issue could determine that there are better ways of encouraging conflict resolution than by the establishment of a new institution. Therefore, I am proposing the creation of a 9-member Commission to examine this issue thoroughly for 1 year and report its conclusions to the President and the Congress.

It is unfortunately true that many people become very skeptical at the mention of a "peace" academy. There are many others who are highly dubious about the creation of any new commissions.

I believe that it would be tragic if we were to let our cynicism convince us to forego a real chance to promote peace. We are reaching the point where we simply cannot afford the enormous costs of conflict that we now pay. Is it not worth $500,000 to find out if we can save billions?

Earlier this year, we voted in favor of a $114 billion defense budget. We routinely fund four service academies and five war colleges dedicated to the teaching of war. Is it not time to encourage the teaching of peace?

WAYNE AND TORRIJOS: TWO TO TANGO?

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. DORNAN. Mr. Speaker, on Tuesday, October 25, the Washington Post carried an article by "blind-spot" conservative, John Wayne, which explained why he supports the Panama Canal treaties. I say "blindspot" because his arguments as propounded in this article smack of nothing but the pap which is being ground out by the administration and the remains of Dr. Kissinger's State Department.

Now, I have the highest regard for Mr. Wayne's motives. I am sure that he believes that his arguments are valid. But believing does not make it so—no matter what the fairy stories say. So since, as the world knows I have the highest regard for Mr. Wayne, I can only surmise that he has not read the treaties thoroughly. In other words, he "done been took," just as slick and professional as an underground sting.

Anyway, that was the only explantion I could come up with after reading the October 25 article. It just did not wash—sort of like Carrie Nation endorsing Boone's Farm wine because she loves Pat.

But I was reassured in my judgment since it seems that the Duke's apologies did not jive with others who are familiar with Mr. Wayne's past. One of those was John Lofton, whose open letter to John Wayne appeared in the Los Angeles Herald Examiner.

"John, Senator ALAN CRANSTON is running around excitedly quoting you for the first time in his liberal life. Repent."

[From the Los Angeles Herald Examiner]

DUKE'S HEADED OFF AT THE PASS

WASHINGTON.—An Open Letter to John Wayne:

DEAR MR. WAYNE: Since you're a straight-from-the-shoulder kind of guy, I'll mince no words: you've been had. By whom I don't know, but you've definitely been sold a bill of goods.

In your four-page, single-spaced letter to me, and presumably others who have asked you about it, you say that you support the Panama Canal Treaties because: "We do not give up one single active military installation for the next quarter of a century."

Well, Duke, you're wrong. You say that you have "carefully studied" the treaties. But in order to fully understand what they commit us to doing, you have to read not only the treaties but also the accompanying documents as well. One man who has done this is Sen. James Allen (D-Ala.).

In testimony before the Senate Foreign Relations Committee, Sen. Allen says of the Executive Agreement in Implementation of Article IV of the Canal Treaty:

"The defense provisions set forth in the executive agreement are themselves unworkable and portend a complete withdrawal of the U.S. forces from the Canal Zone well in advance of the projected date of 2000 A.D. The Administration proposes in this first executive agreement to surrender 10 out of 14 bases. Thus, we are asked at the outset to permit the surrender of 10 out of 14 military bases and to permit our forces defending the Canal to be hemmed in from day one to four relatively small enclaves.

"These bases would indeed be enclaves because our freedom of action outside of the four bases would be severely limited by the treaty requirement for approval of operations by a joint military board in which the U.S. and Panama will have equal authority. Apparently, the doctrine of unity of command is imperfectly understood at the Department of State, but the Panamanians no doubt recognize fully that this provision of the executive agreement would give a de facto veto of U.S. operations outside of the four retained bases.

"So our forces would be restricted to four relatively small enclaves, and only the naive would doubt that we would very soon see pressure on our forces to withdraw from the four sites retained. That process of withdrawal would be facilitated by the fact that the executive department could close down any one or all of the remaining bases by amendment of the executive agreement with the stroke of a pen without the consent of the Senate or the consent of the Congress."

In your letter you also say that the Canal Treaties are "worthy of the Conservatives' backing" because "although we had the rights to the ownership and jurisdiction of the Canal that Panama had not surrendered sovereignty (sic) of same . . . as it was originally stated in the 1903 agreement." But, again, you are mistaken, Duke. In a detailed thoroughly-documented analysis for the American Enterprise Institute, Hanson Baldwin, The New York Times' military affairs reporter for 40 years, writes:

"History and the law appear to indicate that there is no merit whatsoever to the concept that the treaty of 1903 vested so-called titular sovereignty or residual sovereignty in Panama.

Finally, Duke, you say that the new Canal Treaties will not "cost the American taxpayer one cent," that "we will not be required to pay $1 to Panama . . . But, once more Duke, you haven't done your homework. First, by the very act of giving the Canal and the Zone to the Panamanians, we are relinquishing something that over the past 74 years has cost the United States an estimated $7 billion.

Sincerely,

JOHN LOFTON, Jr.

CRITIQUE OF FOREIGN MILITARY TRANSFERS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. HAMILTON. Mr. Speaker, I would like to bring to the attention of my colleagues a paper prepared recently by Spider Burbank of the Military Audit Project here in Washington.

While I cannot pass judgment on the statements and conclusions of this paper, I feel it does raise several serious questions which deserve careful scrutiny by the Congress. In particular the possible role of the Federal Financing Bank, under the supervision of the U.S. Treasury, in facilitating arms transfers needs to be examined.

I am writing the Department of Defense and the Department of the Treasury about the allegations made in this paper and will put their replies into the RECORD when they are received.

The paper of the Military Audit Project follows:

FOREIGN MILITARY TRANSFERS—CREDIT ARRANGEMENTS AND SALES TO THE THIRD WORLD: METHODS, LOOPHOLES, AND CIRCUMVENTIONS

Contrary to the stated intent of Jimmy Carter's arms transfer policy statement of May 19, foreign policy sales have increased throughout fiscal year 1977. The ineffectiveness of this "new" policy demonstrates the difficulty of limiting an arms transfer program which has become an integral and important part of the nation's military-industrial economy and of U.S. foreign policy. Since 1965 the U.S. has dominated the world arms market; it is presently the supplier for over 50% of global arms sales. As a result of the exploitation of the commercial possibilities of arms sales, and of the increasing political usage of arms sales, weapon transfers have grown from $3.5 billion in foreign military orders, military assistance grants, and commercial exports in 1970 to over $9 billion in 1976. For the fourth month period from May 19, 1977 to September 15, 1977 the Pentagon has notified Congress of specific foreign military sales which amount to over $4 billion.[1] The administration's most recent figure for total fiscal year 1977[2] arms sales is $11.3 billion, or $1.4 billion more than previously estimated.

THE FOREIGN MILITARY SALES CREDIT PROGRAM

Part of this weapons sales program is a credit program administered by the Department of Defense (DoD) to enable foreign countries to buy weapons on credit supplied by the U.S. government. As funds for the military assistance program (a straight give away of arms) have been cut (from over $2 billion in fiscal year 1957 to $247 million in fiscal year 1977), foreign military credit sales have become more important. These sales are financed with direct credit from DoD or with DoD guarantees of loans to foreign governments for weapon purchases. Ceilings on these aggregate credit sales were over $2 billion in 1974, 1976, and 1977. "[A]s of October 1, 1977, DoD was guaranteeing 117 loans with an unliquidated value of $3.1 billion."[3]

The credit program is sanctioned by section 23 of the Arms Export Control Act of 1976 which states that the "president is authorized to finance procurements of defense articles and defense services by friendly foreign governments and international organizations . . ." Additionally, section 24 states that the president may guarantee any corportation or other juridical entity doing business in the U.S. "against political and credit risks of nonpayment arising out of their financing of credit sales of defense articles to friendly governments . . ."[4] These credit and guarantee authorizations are under "Chapter 2—Foreign Military Sales Authorizations" of the Arms Export Control Act. They are mandated for the foreign military sales program, i.e., government to government transactions.

THE FEDERAL FINANCING BANK

The role of another government agency, the Federal Financing Bank (FFB) adds another, complicating, dimension to arms transfers. The FFB was established in 1973 to meet the growing demands for funds for federal and federally assisted borrowing proposals. The bank is under the supervision of the U.S. Treasury; its funds are provided by the Treasury. As an off-budget agency, the bank's loans are not directly appropriated and authorized by Congress. Consequently, they are freed from the discipline of the federal budget and are not included in budget outlays. Thus, while the FFB has $33.8 billion in outstanding loans as of August 31, 1977 none of these outlays have been or will be recognized as federal expenditures.

After 1973, when Congress prohibited the Export-Import Bank (also a government agency) from financing arms purchases by foreign governments, DoD, through its guarantee program, began channeling FFB funds to foreign countries for such purchases. Paradoxically, Congress opened up this source of funding by amending, in 1974, section 24 of the Arms Export Control Act to allow DoD guarantees of FFB credit extended for foreign military purchases.[5] This FFB-financed arms sales credit program is enormous: borrowings totalled $2.6 billion as of October 1, 1977.[6] Additionally, FFB loans are at an interest rate set only to recover the cost of money to the U.S. government (a rate which is substantially below that of prime commercial loans). As a result, the FFB is effectively subsidizing the purchase of arms by foreign countries which could not otherwise gain such low interest loans.[7]

Section 31(a) of the Arms Export Control Act appropriated $740 million for fiscal year 1977 to the executive branch to carry out the credit and guarantee programs for foreign military sales as authorized by sections 23 and 24 of the same act. However, use of FFB financing by DoD involves another $2.6 billion more in U.S. government money. Thus, while Congress appropriated $740 million for the credit and guarantee programs, over $3 billion in public funds is actually being utilized for these programs.

Section 31(b) of the Arms Export Control Act states that "the aggregate total of credits . . . extended pursuant to this Act and of the principal amount of loans guaranteed by the U.S. government . . . shall not exceed . . . $2,022,100,000 for the fiscal year 1977 . . ." DoD exceeded this ceiling in March, April, May, June, July, and August 1977 solely with aggregate guaranteed borrowings from the FFB of $2.046, $2.069, $2.114, $2.145 $2.189, and $2.293 billion respectively.[8] However, DoD has interpreted the above legislation to apply only to credits extended and loans guaranteed with fiscal year 1977 appropriations. Many of the loans currently outstanding were guaranteed in fiscal years 1976 and 1975 with money appropriated for those years. By virtue of its literal and perhaps extralegal interpretation DoD unilaterally exempts these loans from the Congressional ceiling and thereby circumvents this ceiling.

The wording of the legislation, as quoted above, refers to "aggregate," i.e., total borrowings. This concept implicitly includes all outstanding loans, whether borrowed during fiscal year 1977 or previous to then. However, Congress did not explicitly include under the credit ceiling current borrowings on commitment agreements established previous to fiscal year 1977. This lack of exact limitations was seized upon by DoD as a method by which to escape the aggregate dollar limitations imposed by Congress for fiscal year 1977. During this fiscal year actual borrowings from the FFB for arms purchases more than doubled, growing from $1.1 billion on September 30, 1976, to $2.6 billion on October 1, 1977.

"COMMERCIAL" TRANSACTIONS

As stated above, the credit and guarantee programs are authorized within the context of the foreign military sales program, and, as such, are limited to government to government transactions. No commercial purchases (i.e., direct foreign country-private contractor deals) may be legally financed with direct credit from DoD or with DoD guarantees of FFB loans (or any other loans). However, in the first four months alone of fiscal year 1977 54 separate commercial transactions, totalling more than $41 million, were arranged with total financing through DoD credit and guarantee programs in gross disregard of the law. The "commercial" sales are less easily monitored than sales under the foreign military sales program. This makes disclosure and knowledge of these sales less probable.

Public ignorance about the fiscal year 1977 sales to Uruguay provides a case in point. Seven "commercial" sales were made to that country in the first four months of fiscal year 1977, involving over $294,000 in credit, guarantees, and/or loans. Furthermore, from September 30, 1976, to August 31, 1977, eight loans, amounting to over $1 million, were extended from the FFB through DoD, with DoD guarantees, to Uruguay for the purchase of armaments. These deals appear illegal in light of the prohibition written into the Foreign Assistance Act of 1977 (which authorized and appropriated the funds for the Arms Export Control Act programs, [i.e., foreign military sales]). Section 505 of this Foreign Assistance Act states:

"None of the funds appropriated or made available pursuant to this Act shall be used to provide military assistance, international military education and training, or foreign military credit sales to the Government of Uruguay."

However, the credits used by Uruguay in fiscal year 1977 are drawdowns on two commitment agreements established and guaranteed previous to fiscal year 1977. They do not involve any fiscal year 1977 expenditures and therefore are not prohibited by the 1977 Foreign Assistance Act legislation.[9]

The arrangement of these commitments illustrates how DoD circumvents the intent of the law. One commitment agreement, for $2.5 million, was guaranteed by DoD on September 29, 1977, that is, two days before the beginning of fiscal year 1977. The other agreement, for $7.5 million, was signed on June 30, 1975. The commitment period continued until June 30, 1977. However, this agreement was extended through December 30, 1977, by an amendment signed by DoD on August 8, 1977.

The existence of these agreements and the borrowings and sales based upon them brings into question the willingness of Congress to back the intent of the law it legislates. As in the case with the ceiling on loans guaranteed by DoD, Congress, by allowing the present procurement of weaponry financed by current loans made available through past commitment agreements, offers DoD a method by which to circumvent its intent. Thus, the pipeline of armaments to Uruguay can

Footnotes at end of article.

continue unimpeded partially due to the neglect or tacit assent of Congress.

This lack of control over past commitments is neither necessary nor inevitable. Congress could have enacted stricter prohibitions, by simply disallowing drawdowns on commitments previously established, or by cancelling those borrowing commitments to Uruguay. The recent French action of refusing to deliver naval vessels already built for and bought by South Africa offers a viable, refreshing, and forceful policy alternative.

DISCLOSURE REQUIREMENTS

Any attempt to monitor and control weapon sales to foreign countries is limited by the weak disclosure requirements of the Arms Export Control Act. Under sections 36(a) and (b) of that act, Congress must be notified only of sales of $1 million or more of major defense equipment if that equipment is exported commercially.[10] For sales of major defense equipment under $1 million and all other sales of defense articles of any value no notification is required. The exporter need only obtain a license from the Department of State. Under the foreign military sales program the same requirements apply, except that Congress must be notified of and has veto power over sales of any defense articles of $25 million or more and over sales of major defense equipment of $7 million or more.[11]

SALES TO THIRD WORLD COUNTRIES

The disclosure requirements, within the context of Carter's arms transfer policy, may have some success in limiting multi-billion and multi-million dollar sales to oil rich and/or economically developed countries (although the AWACS sale to Iran demonstrates the superficial nature of these requirements and of Carter's policy).[12] However, the same requirements are completely ineffective in limiting (and in acknowledging) 1) the transfers of less costly weapons, especially counter-insurgency weapons, to third world countries in Latin America, Africa, and Asia and 2) the use of DoD credit and guarantee programs for the financing of some of these arms transfers. Although such transfers represent a minor percentage of total U. S. arms sales[13] their military significance is crucial for the stability of the governing regimes in these third world countries. Additionally, because direct purchase of armaments would threaten the relative health of the already shaky economies of many of these poor countries, the availability and usage of DoD credit and guarantee programs are essential for the purchase of military equipment. Thus, while the sales and credits extended to third world countries make up a relatively small percentage of total U. S. foreign military sales and credits,[14] they are of major significance for the maintenance of global economic and political spheres of influence.

Within this context it is appropriate to analyze the impact of Carter's arms transfer policy on the sales of arms to third world countries.[15] Unfortunately, despite its declared intent, this policy has had and will have little impact on these arms transfers. Numbers 2, 3, and 4 of the set of controls included in the May 19, 1977 policy statement refer to "advanced weapons systems" and "significant weapons." They have no effect upon the sale of less costly weapons to third world countries.[16] Number 5 and 6 of the set of controls pertain to retransfers of weapons (to third party countries) and to the actions of sales agents. Number 1 of these controls states that the dollar volume of new foreign military sales commitments will be reduced in fiscal year 1978 from the fiscal year 1977 total. However, weapon sales to poor countries represent, as stated above, a minor percentage of total weapon sales already, and thus will not be substantially affected by an overall reduction in sales. Also, commercial sales are explicitly exempted from Carter's ceiling.[17] DOD need only continue its illegal practice [18] of labelling "commercial" sales which are financed through the foreign military sales program. In this way, these sales circumvent any limitations imposed by the "ceiling" stated in the new policy. With commercial arms sales steadily growing, from less than $500 million in 1970 to over $1.2 billion in 1976, and with the prediction of a further increase in these commercial sales in fiscal year 1977, the significance of this loophole cannot be underestimated.

Two assertions within the policy statement extend some possibility of limiting arms transfers to third world countries. "In formulating security assistance programs consistent with these controls, we will continue our efforts to promote and advance respect for human rights in recipient countries." Also, as an introduction to the controls, it is stated that "the United States will henceforth view arms transfers as an exceptional foreign policy implement . . ." However, the next sentence provides the catch for both assertions: "We will continue to utilize arms transfers to promote our security and the security of our close friends."

"Our security" refers to the maintenance of the United States' political and military spheres of influence, and to the corporate economic interests which these spheres of influence protect. Many of these economic interests are based in the economies of countries dominated by repressive governments, the same governments which are, not incidentally, within the United States' political and military spheres of influence. "The security of our close friends" allows for arms transfers to such third world countries. These transfers, especially of counter-insurgency weapons, help to insure the security of the repressive governing regimes and of the U.S. economic interests found in those countries. Under Carter's "new" policy, such transfers to these third world regimes can continue unimpeded.

Actual fiscal year 1977 borrowing commitments to foreign countries for the purchase chase of armaments bear out this assertion. As noted previously, the total amount of outstanding loans guaranteed by DOD for arms purchases has increased by over $1.5 billion in fiscal year 1977, with at least one third of that increase coming after May 19, 1977. Furthermore, according to Robert Hammond, Comptroller of the Defense Security Assistance Agency of DOD.[19] DOD guaranteed 22 new loan commitments to third world countries for borrowings of over $500 million from the FFB. Additionally, from May 19 through August 31, 1977, over $165 million was drawn down from the FFB on commitments previously established for military purchases by third world countries.[20] The countries which are beneficiaries of these borrowings include Argentina, Brazil, Haiti, Indonesia, Nicaragua, Uruguay, Thailand, South Korea, and the Philippines. The fact that Carter's policy has not curtailed arms sales to these countries, in which human rights have been flagrantly denied,[21] challenges the sincerity and demonstrates the ineffectiveness of Carter's stance.

CONCLUSION

Carter's position both reflects and takes advantage of Congressional ambiguity. The Arms Export Control Act asserts ". . . it remains the policy of the United States to encourage regional arms control and disarmament agreements and to discourage arms races." It also states that it is ". . . the sense of Congress that sales [of weapons] and guarantees [of borrowings for such sales] . . . shall not be approved where they have the effect of arming military dictators who are denying the growth of fundamental rights or social progress to their own people . . ." However, Congress, in the same sentence, gives authority to the president to waive this limitation when "it would be important to the security of the United States . . ." Furthermore, section 4 of this act states that defense articles and services shall be sold to friendly countries for "internal security".

DOD has taken advantage of these loopholes and those in Carter's own policy statement to continue without abatement arms transfers and the financing of such transfers. Thus, the contradictions within the law and the weakness of Carter's policy provide the means by which the declared intent of the law and of the "new" policy are overridden. Indeed, the institutional policy determinations of the Department of State and Department of Defense have led to an increase in the availability and usage of military armaments at the nation-state, regional, and global level. Total foreign military sales, total commercial weapon sales, and the aggregate value of outstanding loans for arms purchases guaranteed by DOD have all increased in fiscal year 1977, with much of the increase coming after the announcement of Carter's policy. The fact that the recipients of this weaponry include many repressive and dictatorial regimes underscores the frightful and repulsive reality of this sales program.

FOOTNOTES

[1] Because of weak disclosure requirements, this figure does not include numerous commercial and governmental sales. See below, "Disclosure Requirements".

[2] Fiscal year 1977 ran from October 1, 1976 to September 30, 1977.

[3] *DMS Intelligence on Aerospace*, 5 (45), November 7, 1977, p. 2.

[4] When DoD guarantees a commitment for borrowing it puts aside the equivalent of 10% of the commitment in a reserve fund. As the commitment is amortized (or cancelled,) proportionate sums of money are withdrawn from the reserve fund and transferred to the Treasury. If a country defaults on a loan, as Zaire has recently done, the bank which extended the loan is paid the total amount of principal and interest owed it with money from the aggregate guarantees deposited in the reserve fund. (Zaire was recently unable to pay $9.7 million in unliquidated balances on loans from two U. S. commercial banks. DoD assumed and repaid these debts in total. Thus, the arms which Zaire "purchased" with this financing are in fact free transfers paid for by the U. S. these debts in total. Thus, the arms which government. See *DMS Intelligence on Aerospace*, p. 1–2.)

[5] Previously, no DoD guarantees were allowed for loans extended by *any* U.S. government agencies.

[6] *DMS Intelligence on Aerospace*, p. 2.

[7] The FFB had loans to DoD for over $2 billion in April, May, June, July and August 1977. The rates of interest varied from 5.94% to 7.804%. The current prime rate on lending (the rate at which money is available to commercial banks) is around 9%. Banks usually charge 1 percent to 2 percent above the prime rate. When the FFB began providing loans for arms purchases many countries switched from commercial financing to DoD financing. However, section 2 of the Federal Financing Bank Act of 1973 states that borrowings from the FFB should be "financed in a manner least disruptive of private financial markets and institutions." Therefore, the substitution of FFB credit for commercial credit may be contrary to the intent of the law establishing the FFB.

[8] These figures do not include DoD direct credits or DoD guarantees for private commercial financing. If these monies are included with the FFB loans the aggregate totals exceed the ceiling even more substantially. As quoted previously, "According to a

Footnotes at end of article.

DoD spokesman, as of October 1, 1977, DoD was guaranteeing 117 loans with an unliquidated value of $3.1 billion." (DMS *Intelligence on Aerospace*, p. 2).

[9] There may be some minor administrative costs which are actual fiscal year 1977 expenditures. Such costs do appear to be illegal in light of the 1977 Foreign Assistance Act language.

[10] Articles which are classified as "major defense equipment" have non-recurring research and development cost of more than $50 million, or have a total production cost of more than $200 million.

[11] Congress must also be notified of the cumulative value of all foreign military sales to each country. However, not even this minimal reporting requirement applies to commercial sales. In any event, such cumulative reports are useless for the identification of specific low cost sales, including those of counterinsurgency weapons. See below, "Sales to Third World Countries".

[12] See Klare, Michael T., "How We Practice Arms Restraint", *The Nation*, September 24, 1977.

[13] From fiscal year 1950 to fiscal year 1976 these weapon transfers amounted to less than one seventh of total foreign military sales agreements and of total commercial exports.

[14] Less than 20 percent of U.S. weapon sales to foreign countries are financed though DoD credit and guarantee programs. Of this 20 percent, approximately two thirds is extended to Israel, Greece, Turkey, and Spain. This leaves less than one billion dollars in financial assistance for poor third world countries.

[15] For a detailed critique of the impact of Carter's policy on all types of sales, see Klares.

[16] It should be noted that these weapons include light helicopters and airplanes, machine guns, and antipersonnel devices, all of which are essential for counter-insurgency operations by repressive regimes.

[17] Control No. 1 of Carter's set of controls reads, "[t]he dollar volume . . . of new commitments . . . for weapons and weapons-related items in [fiscal year] 1978 will be reduced from the [fiscal year] 1977 total. Transfers . . . classified as services are not covered, *nor are commercial sales* . . ." (emphasis mine).

[18] See above, "Commercial Transactions."

[19] ——.

[20] These figures exclude loans to Israel, Turkey, all European countries, and oil rich nations such as Iran, Saudi Arabia, and Kuwait.

[21] See *Human Rights and the U.S. Foreign Assistance Program—Fiscal Year 1978*, Parts 1 and 2, Center for International Policy, 1977.

IMPOSSIBLE BURDEN ON FAMILY CORPORATIONS

HON. TOM HAGEDORN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. HAGEDORN. Mr. Speaker, while the Tax Reform Act of 1976 effected a great number of significant changes in Federal tax law, none, in the long run, is likely to prove as costly to the average property owner as section 1023 which provides for the carryover of basis at death. As noted by Theodore Gelt in the American Bar Association Journal, section 1023 will "increase the cost of dying and the complexity of estate administration."

The impact of section 1023 will be felt most heavily, as is normally the case with tax increases, by the middle class and by owners of moderately sized estates. I would like to insert, at this point in the RECORD, a brief discussion of the impact of the new capital gains tax upon family corporations. The discussion is taken from the Estate and Tax Letter published in my district by Orris M. and Douglas W. Johnson, C.L.U.'s.

Their recommendation that the new "carryover basis" be repealed is one with which I agree strongly. The ultimate purpose of our tax code is to raise revenue, not to alter the lifestyles of Americans or to redistribute wealth in a manner favored by the social planners in Washington.

The text follows:

NEW CAPITAL GAINS TAX IMPOSES IMPOSSIBLE BURDEN ON FAMILY CORPORATIONS

The 1976 Tax Reform Act provides, for the first time, that when an individual dies the cost basis of his property will "carry over" to his estate and his heirs. Congress eased the immediate impact of this law by providing a "fresh start" on December 31, 1976, but for new businesses started after 1976 the effect of the new law is to impose a capital gains tax at death on all future sales of appreciated assets, even when they are sold to raise money to pay estate and inheritance taxes and expenses of administration. This tax would be added on top of the present estate tax, which starts at a 30% rate. The serious impact of these combined death taxes on one's incentive to start and build a family business is graphically demonstrated by the following figures:

1. Assume a $100,000 business started after 1976, which at the time of the founder's death is worth $3,000,000, no marital deduction and no other assets:

Funeral and administration expenses	$125,000
Estate taxes and inheritance tax credit	1,225,000
Capital gains tax (after adding the proportion of estate and inheritance tax to basis)	267,000
Minimum tax on capital gain	40,000
Total taxes and expenses	1,657,000

There is not one medium-size family business out of 100 that could come up with this amount of money without wrecking the business. Nor could such a company afford to purchase enough life insurance to pay such taxes. And the installment payment provisions will merely serve to convince the founder that building such a business is not worth the effort.

But this is not all. Section 303 is not available to provide funds to pay the two capital gains taxes. But they must be paid. The corporation can only pay them by declaring a dividend. But the estate must pay income tax on the dividend. Calculations will demonstrate that a dividend of at least $870,000 will be needed to pay all the income taxes, both ordinary and capital gain. Thus $2,220,000 will have to come from the $3,000,000 corporation to pay administration expenses, death taxes and income taxes.

2(a). Assume the same $100,000 business organized after 1976, which is worth $3,100,000 at death, a maximum 50% marital deduction and no other assets:

Funeral and expenses of administration	$130,000
Estate taxes and inheritance tax credit	501,000
Capital Gains Tax	172,000
Minimum tax on capital gains	27,000
Total death taxes and expenses	830,000
Plus additional dividend to pay ordinary income tax on $199,000	368,000
Total taxes and expenses	1,198,000

2(b) When the wife dies later on, the expenses, death taxes and income taxes on her $1,485,000 estate would aggregate $870,000.

Total administration expenses, estate and inheritance taxes, and income taxes on both estates would amount to over $2,000,000, thus leaving less than $1,000,000 to represent the lifelong efforts of the founder of the business.

It must never be forgotten that the carryover basis also applies to "old" family businesses, i.e., those organized or acquired before 1977, pursuant to an arbitrary formula that prorates total appreciation between the period before 1977 and the period after 1976. If, for example, the business was organized in 1967 and the owner died in 1987, one-half the appreciation would be taxable. Thus, the amount of capital gains tax will increase automatically as each year goes by, regardless of whether there is actually any appreciation.

There are only two possible solutions:

1. The best step would be to eliminate the "carry-over basis", which (a) causes serious multiple administrative and tax problems never foreseen; (b) destroys the incentive to build medium-sized businesses; and (c) would produce no meaningful revenue during the next two decades.

2. The only alternative, as we see it, is to provide that the basis of assets be stepped up in an amount that would equal the total of the following estate liabilities by (a) funeral expenses, administration expenses; (b) estate taxes, and (c) inheritance taxes. These are the same items as those listed in Section 303, which authorizes the redemption of sufficient stock in a family corporation to raise funds to pay them. To be fair, this step-up of basis should apply to all estates, whether Section 303 can be used or not. Perhaps the best and most easily understood solution would be to let the executor select assets having a value equal to the Section 303 liabilities.

Looking at the realities of the situation there is no other solution, if Congress is to give effect to its oft-stated view that family businesses constitute the fundamental basis of our private enterprise system.

VEYSEY SOUNDS WARNING ON ACREAGE LIMITATIONS

HON. CLAIR W. BURGENER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. BURGENER. Mr. Speaker, although he no longer serves in this Chamber, I know that our former colleague, Vic Veysey, still enjoys tremendous respect among those he served with here. Vic Veysey was my predecessor in representing the people of Imperial County, Calif., who are currently under economic ransom at the hands of the U.S. Department of Interior because of proposed regulations to enforce the outmoded Reclamation Act of 1902. Vic Veysey recently presented testimony at public hearings on these proposed regulations, and his observations, both as a family farmer and former Member of this House, are some of the most enlightening I have read on this controversial issue. I am certain those who know Vic Veysey know he does not indulge in exaggerated or overblown rhetoric.

I commend his provacative words to those of you who are unfamiliar with just what the Interior Department is seeking to do.

STATEMENT OF VICTOR V. VEYSEY BEFORE HEARING PANEL ON PROPOSED REGULATIONS ENFORCING 160-ACRE LIMITATION OF THE RECLAMATION ACT

1. My name is Victor V. Veysey. I own and operate a farm of about 800 acres north of Brawley, California, in Imperial County. We lease additional land, farming a total of 1200 to 1500 acres.

2. Although I currently live in Pasadena, California, I have resided much of my life on the farm near Brawley.

3. I have had the honor of serving the people of Imperial and Riverside Counties as their Representative in the State Legislature and in the U.S. Congress. I can tell you that there has been no issue with respect to government in the past 25 years which has so united and galvanized the people of this area as has the perceived betrayal by Washington in seeking to apply the Reclamation Act of 1902 after making solemn pledges that this would never happen. Their cry for "FAIRNESS" will not be silenced until you in Washington understand that lands within the Imperial Irrigation District are not, have not, and should not, be subject to the restrictions of the Reclamation Act.

4. The farm I own was, in major part, reclaimed from the desert by my father who joined with his neighbors to develop canals and ditches, to level and tile the land, and to convert the blowing sand to highly productive acres which have fed and clothed thousands. This conversion from desert waste to a garden spot was accomplished by private effort; no federal funds or input were involved.

5. Following my father, I have farmed this land since 1949. My three sons are now farming this and other land in Imperial Valley, and they would like to continue to do so. We feel we have won the right to farm that land and we have firmly established our rights to the water prior to Federal intervention here. We plan to maintain our rights.

6. I would not know what the definition of a "family farm" is from a technical point of view—but I think I can show one (ours) and I believe I have just described one.

7. During a flood on the Colorado in 1905, the River broke out of its banks and flowed for 2 years through Imperial Valley to form the Salton Sea. That flow cut a canyon 50 feet deep and several hundred feet wide across our farm. The Federal government did nothing to help, but the flow was finally controlled by private endeavor and private funding.

8. I recall as a young boy hearing my father discuss whether or not the Imperial Irrigation District should join in the Federal compact which brought major Federal changes in the Colorado River. There were advantages:

(a) Controllable supply of water despite drought or flood;

(b) Clear water—free from silt for low cost ditch maintenance;

(c) Lower maintenance cost of irrigation system.

And there were disadvantages:

(a) Loss of fertile silt deposited annually to renew the soil;

(b) Obligation to repay costs of improvements;

(c) Concern that if the Federal government came in, they might apply the 160 acre limitation and thus imperil our rights and property.

9. Doubts on the last point were so strong for my father and other land owners that they opposed the compact until:

a. A good faith, categorical answer in writing was obtained from the then Secretary of the Interior that Imperial Valley would never be under the restrictions of the Reclamation Act, and

b. A legal action was settled by a Court determination that the 160 acre limitation would not apply to Imperial Valley.

With these good faith assurances, my father and others dropped their opposition and voted in the compact, and entered into a bargain with the Federal government. Now it appears that the government wants to back out of the bargain.

10. Although spasmodic talk about invoking the 160 acre limitation has been heard over the 40 years since those decisions, there has not been, until 1977, any policy decision by the government to overturn the good faith assurances of long standing. Now, I perceive a group within the Interior Department desiring to bring about land reforms without specific legislative authority other than a tortured application of the Reclamation Act of 1902.

11. As I understand the 160 acre and residency restrictions of the Reclamation Act of 1902, they were designed to prevent any person from obtaining a windfall by acquiring large tracts of unwatered desert land at a very low price and selling it at a high price after the government had brought the land under irrigation in a reclamation project. This does not match the factual situation of the Imperial Valley where the land and irrigation were developed by private initiative and private resources. There was no windfall; only dust and sweat.

12. Apparently Interior in promulgating the proposed regulations before us today has decided to apply restrictions of the Reclamation Act to areas never intended to be subject to it, and has decided to include other restrictions not authorized by any law. My answer to these efforts is: "Go to Congress and ask for that type of authority—if you think you can get it. Don't use your bureaucratic, non-elected status to undertake agrarian reforms. You have a responsibility to establish faith and credibility in government."

13. In sum, the official history and activities of the United States Government over this entire century have been that the Reclamation Act of 1902 does not apply to Imperial Valley. More than seventy years of history sustain the rights of private landowners to their land and to their water. How can you undertake, without new legislation, to reverse that? To do so is perfidy by the government against its people. It would be an unconstitutional taking without compensation—and it will have major consequences.

14. While my position is that this area has not, is not, and should not be subject to the Reclamation Act restrictions. I nonetheless will state some problems with the regulations you have out for comment.

15. The unsupported finding that the regulations do not necessitate an Environmental Impact Statement and an Economic Impact Statement as required by law is a piece of arrogance that has seldom been matched in government. Of course you are subject to the general laws of the United States! Of course there are major environmental and economic effects of these regulations! The law requires that these be analyzed and presented publicly—and the obligation is on you. I am dismayed that a Secretary of the Interior, purporting to be a prominent environmentalist, can move with such disregard for the National Environmental Protection Act. I understand that the Secretary is required by the President to read all regulations, and I assume he approves what he reads and publishes in the Federal Register.

16. The 160 acre concept is outmoded and should be reexamined. Is that the correct number? Should this figure, derived from the Homestead Law, be adjusted or abandoned because it does not fit the circumstances of today? Interior should be addressing these concerns with the Congress.

17. A complex and arbitrary set of rules has been proposed defining the status of individuals, partnerships, corporations, relatives, lineal descendants, etc., under the regulations. They produce some illogical results that are indefensible. Sure, I have plenty of grandchildren to whom I can parcel out land. But what about the person not so situated? And why should I or my sons have to go through a legal sham to enjoy rights won from the desert and a rebellious river long before the government had any concern?

18. Your regulations place a limit of 160 acres on leased land. Where, in law, do you find any authorization to do that?

19. The proposed regulations require residency within 50 miles of the land to obtain delivery of water. Where and when has that standard ever been applied? Do you mean to strip a person of advanced years of his only assets because his health no longer permits residency in this severe climate?

20. What kind of concept of fairness empowers you—by promulgating severe regulations on which you have already waffled—to bring the economy of Imperial Valley to a halt? Sales of land have ceased under your threat. Tiling, levelling, and concrete ditch improvements have stopped. You have done substantial harm and have accomplished nothing.

21. Your concept of taking excess lands to offer in a lottery has no merit. Don't you believe the owner has some rights in the negotiation of any sale? Why play the role of a demagogue in raising the hopes of landless people that they may receive, by lottery, a well developed 160 acre farm on which they may live in prosperity?

22. The economics of farming work strongly against the viability of a 160 acre tract under conditions of modern agriculture. Look around you while you are here on this visit. Consider what the economic fate of the small operator will be, then decide if you want to condemn people to a lifetime of toil, heartbreak, and failure by acting as Robin Hood.

23. In closing, let me tell you what I will do if you apply these regulations to me. I will avoid them to the legal limit of my ability. I will not execute any contracts to sell nor turn the land over to the government. I will farm with the water I am granted and I will sue you for the rest of my entitlement. That part of the farm that goes dry will quickly turn barren, and the dust will blow. I invite you to sit on the porch and rock with me while we discuss the merits of a powerful Federal government and watch the world's most productive acres turn back to desert.

SENATE—*Friday, December 2, 1977*

(Legislative day of Tuesday, November 1, 1977)

The Senate met at 11 a.m. on the expiration of the recess, and was called to order by the Acting President pro tempore (Mr. METCALF).

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate stands in recess until Tuesday next.

RECESS UNTIL 1 P.M. TUESDAY, DECEMBER 6, 1977

Thereupon (at 11 o'clock and 4¾ seconds a.m.) the Senate recessed until Tuesday, December 6, 1977, at 1 p.m.

EXTENSIONS OF REMARKS

INSURANCE COMPANY PROPAGANDA UNTRUE

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. LaFALCE. Mr. Speaker, as chairman of the Subcommittee on Capital, Investment and Business Opportunities of the Committee on Small Business, I have been studying the problem of the lack of availability/affordability of product liability insurance presently being experienced by many businesses across our Nation.

Many of you have seen insurance company advertising reciting the legendary product liability case wherein a lawnmower was used to trim a hedge, the user injured, and a successful suit brought against the manufacturer. Further, many of you have seen insurance company advertising reciting the "fact" that product liability cases have increased to almost 1,000,000 per year. Recently it has been revealed that the now famous lawnmower case cannot be substantiated, and that the million claim figure is blatantly overstated.

In an article appearing in Business Insurance by Jerry Geisel, he traces the development of the lawnmower story and attributes its origination to a lawyer in Wichita, Kans. That lawyer claims to have read this in a newspaper article but is unable to further document this case. Despite this somewhat dubious origin, this story was circulated by the Insurance Information Institute, a public relations and educational organization supported by property and the liability insurance companies, and was carried by Crum & Foster in advertising which ran in Time, Newsweek, and Business Insurance as late as September 1977.

The 1,000,000 annual product liability claims figure was also widely circulated by the Insurance Information Institute and was mentioned recently in advertising by Aetna Life & Casualty Co. The validity of this figure was questioned as early as 1976 by representatives of the Insurance Services Office (ISO), the major product liability statistical-gathering and ratemaking organization for product liability insurers. ISO presently estimates the number of claims to range between 60,000 to 120,000 annually.

While both statements have recently been repudiated by the Insurance Information Institute and taken out of their literature, the incident nevertheless points out how portions of the insurance industry have used the advertising media to "sell" American industry on higher product liability rates through false advertising. Because of the lack of reliable data, it is presently impossible to determine whether the rate increases experienced by many firms in the product liability area are justified or result merely from panic pricing and will provide the insurance industry with windfall profits.

The insurance industry's accounting methodology helps to obfuscate the problem further. In information circulated by the Insurance Information Institute, an underwriting deficit of $2.22 billion was reported for 1976. However, during the same period, the industry reported an increase in net worth of approximately $5.73 billion, up 22 percent from the previous year. Further, assets increased an additional $18 billion representing a 20-percent increase from the previous year. If such substantial increases in net worth and asset size can occur during a period in which underwriting deficits are sustained, serious questions as to the meaning of these underwriting deficits must be raised.

The insurance industry, historically exempt from Federal regulation or monitoring, is becoming increasingly important in our complex and sophisticated society. This is evidenced by the product liability problem at present, the medical malpractice problem of recent years, and the false propaganda circulated in periodicals read by millions. The exemption from Federal scrutiny is becoming increasingly more difficult to justify and bears a continuing reevaluation from us in Congress.

HOUSE OF REPRESENTATIVES—*Monday, December 5, 1977*

The House met at 12 o'clock noon.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. ROSTENKOWSKI) laid before the House the following communication from the Speaker:

WASHINGTON, D.C.,
December 5, 1977.

I hereby designate the Honorable DAN ROSTENKOWSKI to act as Speaker pro tempore for today.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

The world passeth away and the lust thereof; but he that doeth the will of God abideth forever.—I John 2: 17.

O God, our Father, above us yet within us, far away yet ever near, grant unto us clear minds, clean hearts, and creative spirits as we begin the work of another week. In this center of freedom we do not ask for easy tasks but for strength to support us in our hard tasks, not for light burdens but for power to carry heavy burdens, not for smooth ways but for wisdom to walk in worthy ways.

We thank Thee for this America of the past and for the sacrifices and suffering which made her great. We thank Thee for the America of the present and pray that by our endeavors we may keep her great. We pray for the America of the future that to her greatness may come an increasing sense of goodness. Thus may our America be great and good for this age and for the ages to come. God help us so to do. Amen and amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of the clerks, announced that Mr. HATHAWAY be a conferee on the bill (H.R. 9346) entitled "An act to amend the Social Security Act and the Internal Revenue Code of 1954 to strengthen the financing of the social security system, to reduce the effect of wage and price fluctuation on the system's benefit structure, to provide for the conduct of studies with respect to coverage under the system for Federal employees and for employees of State and local governments, to increase the earnings limitation, to eliminate certain gender-based distinctions and provide for a study of proposals to eliminate dependency and sex discrimination from the social security program, and for other purposes," vice Mr. HASKELL, excused.

ADDITIONAL PROGRAM FOR TOMORROW

(Mr. MAHON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAHON. Mr. Speaker, according to the present schedule, tomorrow the House will consider the supplemental appropriation bill conference report and House Joint Resolution 662, a continuing resolution for the District of Columbia for the balance of this fiscal year. When I call up that resolution I plan to offer an amendment which will include the Departments of Labor and Health, Education, and Welfare at the rate of the conference agreement. That amendment will be printed in the RECORD of today in accordance with the rule providing for the consideration of House Joint Resolution 662.

As soon as I have offered my amendment, I will yield to the gentleman from Illinois (Mr. MICHEL), the ranking minority member of the Committee on Appropriations Subcommittee on Labor-HEW for an amendment concerning the abortion issue.

It is my understanding that Mr. MICHEL will offer the following amendment:

Provided, That none of the funds provided for in this paragraph shall be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term; or except for such medical procedures necessary for the victims of forced rape

or incest, when such rape or incest has been reported promptly to a law enforcement agency or public health service; or except in those instances where severe and long-lasting physical health damage to the mother would result if the pregnancy were carried to term.

Nor are payments prohibited for drugs or devices to prevent implantation of the fertilized ovum, or for medical procedures necessary for the termination of an ectopic pregnancy.

The Secretary shall promptly issue regulations and establish procedures to ensure that the provisions of this section are rigorously enforced.

This language is similar to that which the House voted on last week but it adds the words "forced" and "promptly" and strikes the phrase "or its equivalent."

I am hopeful that this language will be satisfactory to the House and that the Senate can reluctantly accept it, although I must make it clear to the House that there is no agreement with the Senate to that effect.

Mr. Speaker, this has been a long and difficult issue and I believe the time has come to get it behind us. I am hopeful that tomorrow will be the last vote on this issue.

COMMUNICATION FROM COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

The SPEAKER pro tempore laid before the House the following communication from the Committee on Public Works and Transportation, which was read and without objection referred to the Committee on Appropriations:

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION,
Washington, D.C., November 30, 1977.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Pursuant to the provisions of section 2 of the Watershed Protection and Flood Prevention Act, as amended, the Committee on Public Works and Transportation has approved the following work plan transmitted to you which was referred to this Committee:

State, Iowa; project, Little River; Exec. Comm., 3758; approved, 11/29/77.

Sincerely,

HAROLD T. (BIZZ) JOHNSON,
Chairman.

PRESERVE U.S. CITIZENSHIP FOR AMERICANS WHO ARE BORN AND RESIDE ABROAD

(Mr. McCLORY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCLORY. Mr. Speaker, I am introducing today a measure which will repeal certain residence requirements of citizenship for children of American citizens who are born outside of the Continental United States. This measure would benefit those families where one of the parents is an American citizen who desires to retain such American citizenship for his or her child.

Mr. Speaker, there are today many Americans residing abroad on a permanent or semipermanent basis, including many who are serving the interests of American business and Government, as well as many of our loved ones who are married to foreign nationals but who are anxious to retain their American citizenship and, of course, their American loyalties.

Mr. Speaker, it is quite understandable that such American parents would want to retain for their children the opportunity to continue American citizenship and we should encourage such an attitude, and make possible the means by which such American citizenship may be retained or established.

Mr. Speaker, I commend my colleague, Congressman JOSHUA EILBERG of Pennsylvania, chairman of the Subcommittee on Immigration and Naturalization of the House Judiciary Committee, who has likewise sponsored this measure (H.R. 9637).

Mr. Speaker, the Eilberg bill undertakes to repeal certain existing provisions of the law which, according to my information, have been held unconstitutional. However, my special interest is with respect to the provisions of section 301(b), and to a lesser extent with respect to section 350, relating to children of American citizens who are born overseas and who thus automatically acquire American citizenship at birth when one of the parents is an American citizen.

The requirements of section 301(b) presently provide that such foreign-born American citizens must reside for 2 continuous years within the United States between the ages of 14 and 28 years of age, or, in the alternative, lose his or her American citizenship. Indeed, the present requirement is such that American citizenship automatically expires on the 26th birthday of such American citizen unless 2 years' continuous residence in the United States begins prior to age 26.

Mr. Speaker, whether other sections referred to in the bill which I have introduced are repealed or not, it would seem most important to repeal this discriminatory requirement. In other words, American citizens, whether born here or abroad, should be entitled to equal protection of the laws as set forth in the 14th amendment to the U.S. Constitution. The repeal of section 301(b) would assure such equal protection.

Mr. Speaker, I feel also that the provisions of section 350 are unduly harsh with respect to American citizens who are born and reside abroad and who require dual citizenship by reason of their birth in a foreign country. Under the provisions of section 350, such American citizens automatically lose their U.S. citizenship where he or she resides in the foreign state of his or her birth for a period of 3 years after attaining the age of 22 unless, prior to the expiration of such 3-year period, he or she appears before a U.S. diplomatic or consular officer and takes an oath of allegiance to the United States. It is my understanding that much hardship and unintended results have been created by this requirement of section 350.

Mr. Speaker, I am pleased to join Congressman EILBERG in sponsoring this measure, and I hope that early hearings will be conducted, with the result that this proposal may be enacted promptly into law.

PANAMA CANAL: PROPOSED GIVEAWAY—TREATIES OPPOSED BY ADM. HORACIO RIVERO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD) is recognized for 5 minutes.

Mr. FLOOD. Mr. Speaker, one of the most perceptive statements in strong opposition to the proposed Panama Canal giveaway treaties, which were transmitted on September 16, 1977 to the U.S. Senate to secure its advice and consent to ratification, was an article by Adm. Horacio Rivero, U.S. Navy, retired, in a recent issue of the San Diego Evening Tribune.

The career of this distinguished officer includes the following assignments: 1945–48, in the Office of Atomic Defense, Navy Department, when he was an active participant in the naval collaboration with Isthmian Canal studies by the Governor of the Panama Canal under Public Law 280, 79th Congress; 1955–57, with the Armed Forces special weapons project; 1963–64, in naval planning and programing, Navy Department; 1964–68, as Vice Chief of Naval Operations; and 1968–72, as Commander in Chief, Allied Forces, South Europe.

In these capacities, he became well informed on the problems of the Panama Canal as well as its value in the defense of the United States and, indeed, of the entire free world.

The fact that Admiral Rivero is of Latin American origin and after retirement from active naval service served as U.S. Ambassador to Spain, 1972–74, add weight to his views. Among the major points in his article, Admiral Rivero makes the following:

First. Condemns the proposal for a sea level canal as "not only not required," but as a "fabulously expensive solution which would result in a canal infinitely more vulnerable than the present one."

Second. Stresses the strategic value of the Panama Canal as requiring "unquestionable assurance that the canal will be available under all and any circumstances."

Third. Supports the views expressed in the June 8, 1977, letter of four former Chiefs of Naval Operations to the President in opposition to the projected treaties.

Fourth. Exposes the fallacies in the "fear of sabotage" argument for new canal treaties by showing that the removal of the presence of the United States from the isthmus "would increase the probability that any sabotage attempted or any external attack would be successful."

Fifth. Refutes the major arguments of Ambassador Sol Linowitz for phasing out U.S. presence on the isthmus.

Mr. President, because of the authority and timeliness of the indicated article by Admiral Rivero, it should help clear away some of the crucial fallacies and distortions in current prosurrender treaty propaganda, and aid Members of the

Congress in their consideration of the complicated problems involved in the Isthmian Canal situation. Accordingly, I quote it as part of my remarks:

[From the San Diego Evening Tribune, Oct. 1977]

ADMIRAL OPPOSES CANAL TREATIES

(By Adm. Horacio Rivero)

The central issue can be narrowed to two questions.

Is the Panama Canal important to the security of the United States?

Will the security requirements be satisfied if the U.S. cedes the canal and zone to Panama?

Some proponents of the new Panama Canal treaties have deemphasized the strategic and commercial importance of the canal and its current value to our Navy.

The President, for instance, stated to the press: "Any large ship, an aircraft carrier, for instance, can no longer pass through it" and "In the last 12 months only four or five Naval vessels" have transited the canal.

Ambassador Sol Linowitz, one of the treaty negotiators, in his speech before the American Legion convention August 19, 1977, stated: "It is no longer vital, clearly no longer as useful as it once was for the shifting of combat forces."

The President was obviously misinformed. For it is not "any large ship" but only the 12 attack aircraft carriers, out of a naval inventory of almost 500 ships, that cannot use the canal, and it is not its utilization in normal peacetime that is important to the Navy, but the availability of the canal for redeployment of naval vessels in time of war or in time of crisis or in anticipation of war, as the international situation may demand.

In time of need some of the attack carriers can be redeployed around South America at high speed, taking advantage of their high endurance; those powered by oil might be accompanied by a fast replenishment ship (AOE) to insure their arrival with a full fuel load, while the three nuclearpowered ones could proceed on their own at an even higher speed. It is for the other types of naval vessels—the cruisers, destroyers, submarines, frigates, amphibious and mine warfare ships and logistic support ships which constitute the bulk of the Navy and do not have the great endurance at high speeds possessed by the attack carriers that the canal provides the greatest benefits. Of course it would be desirable for the attack carriers to be able to use the canal also; this can be made possible in the future by enlarging the canal locks or constructing additional, wider locks alongside the present ones, a project of reasonable magnitude. A sea level canal is not only not required, but would represent a fabulous expensive solution which would result in a canal infinitely more vulnerable than the present one.

A Navy like ours, which has been reduced in size to the point that it cannot be described as a two-ocean Navy, must have one means for quick and timely transfer of its ships from one ocean to the other, as demanded by strategic and operational needs. This is obviously important in wartime but equally important in periods of crisis or of international tension. The strategic mobility which is a characteristic of naval vessels and the ability to utilize this quality that we currently obtain from possession of the Panama Canal balance to a degree the risks inherent in the naval force level deficiencies. Without unquestionable assurance that the canal will be available under all and any circumstances, these risks would loom much larger.

The importance of the canal for "the shifting of combat forces" was well demonstrated in World War II and in the Korean and Vietnam conflicts. It has also been shown in time of crisis.

For instance, during the Cuban missile crisis, when military operations to remove the missiles by force were at one point imminent, it was possible to reenforce rapidly the Atlantic Fleet with a brigade of Marines from the Pacific, with their armament, ammunition, and full equipment, providing a most valuable addition to the Atlantic Fleet forces. If the canal had been in the hands of a government under Cuban or Soviet influence, or sympathetic to those countries, could the safe and timely passage of the ships have been assured in those circumstances?

To the opinion of Ambassador Linowitz is opposed that of four former chiefs of naval operations, one of whom had previously commanded the Atlantic and the Pacific fleets and later became chairman of the Joint Chiefs of Staff.

In their words: "Contrary to what we read about the declining strategic and economic value of the canal, the truth is that this interoceanic waterway is as important, if not more so, to the United States than ever." It is doubtful if any knowledgeable naval officer would dispute their view.

The commercial importance to the canal is also great but it is secondary to the military aspect. Ships with beam of slightly more than 100 feet cannot use the locks, but they constitute but a small fraction of the merchant vessels of the world. In any event, the passage of both merchant and war vessels in normal time of peace is a matter of convenience, in that it permits the saving of time and money. It is a different matter in time of war, or in preparation for war operations.

The question remains whether the security requirement can be equally well satisfied by a regime of control and occupation different from the existing one—that is if the canal is neutralized and placed under the control of another country and the U.S. military presence is removed, which are the stated objectives of the new treaties.

The proposed Panama Canal Treaty provides for assumption of sovereignty over the Canal Zone by Panama six months after final ratification, but until Dec. 31, 1999, the U.S. will have primary responsibility for the security and defense of the canal and is authorized to maintain forces in the Republic of Panama for this purpose. During that period the U.S. will be in a position to enforce its rights of passage, even if the current for a future Panamanian government should choose to interfere with them, although our ability to prevent or thwart violent action against our personnel and property and against the canal will be substantially reduced because of the absence of the protection of a U.S.-occupied and owned zone. Thereafter only Panamanian military forces would protect the canal.

The Canal Neutrality Treaty would become effective concurrently with the Canal Treaty and provides that the canal shall be open, both in peace and war, to the war vessels of all nations without distinction, including those of nations at war with the U.S.

From that date the U.S. would not be able legally to deny passage to vessels that may pose a threat to the U.S., and after 1999 it would have neither the legal right nor the inplace military capacity to do so.

It is argued by the proponents of the treaties that their ratification, the elimination of the Canal Zone and the phasing out of the U.S. military presence would enhance the security of the canal and the assurance of its availability to all. In the words of Ambassador Linowitz before the House Committee on Merchant Marine and Fisheries: "The greatest danger to our security interest in the canal would be an effort to maintain and continue the present status." The implication is that it is the U.S. presence which gives rise to the security threats to the canal and that these threats would be reduced if the U.S. military presence were removed, and the canal neutralized.

The argument rests on the fear of sabotage and plots which might result from anti-American feeling generated by our continued presence in the Isthmus of Panama. Removal of our forces may reduce the causes of anti-American feeling, but will not necessarily remove the possibility of sabotage, either by disaffected Panamanians intent on changing their regime or by Soviet-inspired or other anti-American groups desiring to cause damage to the United States at a time of international crisis or in time of war, or would it remove the external threat. Rather, it would increase the probability that any sabotage attempted or any external attack would be successful.

There is also in the argument the underlying assumption that the security interests of the U.S. would be served by permanent neutralization of the canal. It is clear that the security interests of the U.S. demand that the availability of the canal for its own ships be assured and that it be denied to its enemies.

This in turn demands differentiation between use by the U.S. and use by its enemies or potential enemies whenever, in the sole judgment of the U.S. government, the security of the U.S. requires it. Such differentiation is incompatible with the principle of neutrality, would be made illegal by the Neutrality Treaty and after 1999 would be impracticable for the U.S. to effect.

It is argued that in time of war, through resort to "force majeure," the U.S. could denounce or ignore the provisions of the treaty and effectively deny passage to enemy vessels, with or without Panamanian acquiescence or concurrence. (No one has suggested that this might be done in time of tension or in advance of hostilities, to prevent redeployment of potentially hostile ships.) If Panamanian agreement is obtained and as long as U.S. military forces remain within Panamanian territory this would be readily possible. After 1999 it would be necessary to reintroduce military forces, not into U.S. territory where they now are, but into the territory of the Republic of Panama under Panamanian terms and after inevitable delays.

A more likely scenario is one in which Panama would not agree to abrogation or violation of the treaty either in time of war or in periods of international tension which might or might not lead to war but which would demand the taking of prudent measures of increased security, including the denial of passage to potentially hostile ships. This scenario is assured if Panama should be under a Communist, Communist-oriented or neutralist government, and may occur even with a nominally friendly government in power which may wish to demonstrate its independence of dictation by the U.S.

In such circumstances the U.S. would be forced to take military measures against Panama in Panamanian territory in clear violation of that country's sovereignty, under conditions where our forces stationed there would be at a decided disadvantage.

After 1999 a full-scale invasion would be required which would undoubtedly succeed but might well result in the canal being rendered unusable for a protracted period, since Panama would be in position to damage or destroy key installations, including the locks and Gatun Dam, if it should choose to do so, before U.S. forces could be introduced to provide protection.

It has been maintained by proponents of the treaties that the U.S. will retain the right to intervene at any time to protect the canal.

A careful reading of the treaties will disclose that they contain no provision whatsoever for intervention. Article IV of the Neutrality Treaty contains the following wording:

"The United States of America and the Republic of Panama agree to maintain the regime of neutrality established in this Treaty, which shall be maintained in order that the canal shall remain permanently neutral . . .

Even if this wording were to be stretched to imply a U.S. right to intervene, it could only be claimed to enforce neutrality—since Panama will be the sovereign, and in actual possession of the canal after a certain date, a request for intervention would have to originate with Panama.

CONGRESSMAN BILL FRENZEL, CHAIRMAN OF THE HOUSE REPUBLICAN RESEARCH COMMITTEE REVIEWS THE 1ST SESSION OF THE 95TH CONGRESS

(Mr. FRENZEL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FRENZEL. Mr. Speaker, on November 8, on pages 37490 through 37498, the distinguished majority whip (Mr. BRADEMAS) summarized the "achievements of a landmark 1st session" of the 95th Congress. Each observer will have a slightly different review of the session, but only a few will see it as a landmark.

Mr. BRADEMAS says the congressional partnership with President Carter "has produced a series of accomplishments which, in quality and quantity, are paralleled only by the first year of Franklin D. Roosevelt's administration." Specifically, he cites four goals established by President Carter and congressional leaders a year ago—the energy bill, an economic stabilization plan, a strong financial ethics code, and authority for the President to propose reorganizations.

Touching base briefly with reality, each Member will recall that:

First. The energy bill is in disarray. If, indeed, any bill is passed this year, it will likely be only another system of taxes. According to various committees of Congress, the House-passed bill will not reduce our reliance on foreign oil.

Second. The "centerpiece" of Carter's economic stabilization plan, the $50 rebate, was the subject of general derision and eventually was withdrawn by its embarrassed sponsor. The rest of the economic package was merely a repeat of what Congress does best—spending.

Third. The strong financial ethics codes turned out to be partly that, but it became more notable as a scheme to "buy ethics" by increasing allowances by $5,000 per Member. Following on the heels of an unvoted pay raise, it was, of course, handled under a closed rule which prevented real reforms proposed by Republicans.

Fourth. The Presidential reorganization authority was an old authority granted to several Presidents and opposed by no one. If it makes a landmark session, the king is not wearing any clothes.

Truth, of course, exists only in the eye of the beholder, but a more balanced review of the session reveals a pretty slow year, typical of the first year of a new administration. Actually it was a routine year—more of the same old stuff.

After approving a profligate budget for a $62 billion deficit in a recovery year, Congress managed to get most of the money spent. The routine of authorization and appropriation hardly makes a landmark, except in catastrophic terms of deficits, interest, and inflation.

Major bills passed—strip mining, farm bill, Tax Reduction Act, housing, community development, minimum wage and unemployment compensation—were largely extensions of old programs or they were ideas that have been around a while.

A few, like Hatch Act repeal, were sent to the Senate for a decent burial.

The two tough ones, social security and energy threaten to hang over until next year.

Perhaps the brightest feature of the year was the legislation that failed. Cargo preference, situs picketing, Consumer Protection Agency and most of the President's misguided election package all were rejected as unworthy. That is not a landmark, either, but perhaps it is a sign of increasing maturity in the House.

I do note, however, that despite Presidential campaign promises, and congressional self-praise, that:

First. Unemployment has not been reduced this year, nor is it expected to decline significantly next year;

Second. Inflation is higher this year and expected to climb;

Third. Government regulation has increased;

Fourth, The budget is not in danger of being balanced.

Those after all are the real landmarks.

The staff of the Republican Research Committee and I have prepared the following material on the first session of the 95th. It stresses the positive activities of the minority in proposing meritorious programs and opposing those which it found lacking in merit.

Our minority role gives us the responsibility to challenge bad legislation. We found plenty of that this year. We are often frustrated by unfair procedures, notably closed rules, imposed by the majority. We found these procedures increasing this year. Nevertheless, I believe all Republican Members can take pride in our constructive, often productive, work.

Unlike our majority counterparts, we claim no landmarks. We claim only that we are trying to act constructively in our minority role. We believe that the material which follows will give evidence of that:

DECEMBER 1977.

SPECIAL REPORT: SUMMARY OF THE FIRST SESSION

PART I.—MAJOR REPUBLICAN INITIATIVES

During the First Session the Republican Party answered the call for responsible legislation with a host of timely proposals. The following list includes some of the most important Republican initiatives.

1. Energy policy

The Republicans unveiled a complete substitute for the Administration's confused National Energy Act. Whereas the Carter Plan assumes that more energy cannot be found and seeks to discourage demand, the Republican alternative proclaims that there are large recoverable energy reserves, which can only be tapped and utilized at costs above current levels. The GOP plan would increase domestic production, reduce energy consumption, and pare down imports of foreign oil. In serving notice on the Nation that the era of cheap energy is over, the Republicans gave their full support to cleaning up an environment polluted through misuse of cheap energy. The Republicans broke new legislative ground by proposing that trust-funds be set up (to be financed by a tax on crude oil) for (1) mass transit; (2) development of synthetic fuels; and (3) highway maintenance.

The Republican proposal contains a detailed plan for increasing domestic production. Among the noteworthy features regarding crude oil.

Retention of price controls on lower-tier oil (oil produced prior to May, 1972).

New taxes on lower-tier oil to bring domestic price up to world price in three stages—$3.50 in 1978, $7 in 1979 and in 1980, a tax equal to the average difference between lower tier oil and the prevailing world price. Taxes would be levied against the producers.

Pricing of upper-tier oil (oil produced after May, 1972) at $12.17, which is the current price. Upper-tier oil prices would be levied on this type of oil.

Raising prices of crude oil to the consumer by one-third cent a gallon in 1978 and 1.1 cents in 1979. *From that time, until 1985, price increases proposed by the Minority Members would be lower than those proposed by the Carter Administration.*

Use of $36.5 billion dollars in crude oil taxes for the trust funds to stimulate synthetic fuel production and mass transit systems. A third trust fund would be established using a portion of this money to maintain existing roads and bridges. This is necessary because states lose gasoline tax revenues as gasoline use decreases.

Deregulation of upper-tier oil and all enhanced recovery oil. Enhanced recovery oil is oil reclaimed from wells after the first drilling. About two thirds of the oil in a particular well is left in the ground due to technological limitations. Enhanced recovery uses special techniques to remove some of this additional oil.

Exploration of the outer continental shelf and other currently little-used resources.

The Republican energy policy also sets new pricing guidelines for natural gas.

Decontrol of all newly discovered gas.

Retention of controls on gas currently under control, while allowing gas under intrastate contract to be available for interstate use when existing intrastate contracts expire.

Phasing in decontrol of all offshore natural gas over a five-year period.

Enacting a windfall profits tax to protect consumers from paying for high company profits.

2. Social security financing

The GOP issued a 15-point program that promises to place the ailing system on a solid financial basis for the next 75 years while eliminating many of its present inequities. Among the major provisions, the plan would:

Require no new taxes, until at least 1982. Beyond that date, taxes would increase a total of 1.5 percent, in three stages, over the 75 year life-span of the proposal.

Eliminate entirely the income limitation on outside earnings by Social Security recipients. This punitive feature has penalized senior citizens who seek work.

Redress the numerous inequities the present set-up imposes on women via: (1) a "working spouse" benefit to aid wives who now find themselves worse-off financially than if they had never left home to take a job. (2) a "widow/widower" benefit so that the formerly married are allowed to keep their benefits upon remarriage.

Include all federal employees—and Members of Congress—within the Social Security system. This initiative would not only strengthen the system's solvency, but would also tend to minimize the notorious practice of "double-dipping" by some civil servants—a phenomenon which stems from the maintenance of dual retirement systems.

Other far-reaching Republican proposals would solve the Social Security's immediate cash-flow problems while insuring financial soundness for the generations to come. The GOP program accomplishes this by:

Freezing the minimum benefit and "decoupling" the present benefit mechanism which has grossly distorted disbursement rates.

Re-deploying that portion of taxes earmarked for the Hospital Insurance Trust Fund—now in good financial condition—to the Old Age Survivors and Disability Trust Funds which are facing exhaustion.

Permitting the major trust funds to borrow from each other to prevent depletion—with appropriate arrangements and safeguards for repayment with interest.

3. Tax policy and taxpayer relief

The Republican Minority introduced a sweeping array of tax measures to revitalize the American economy. At the same time, GOP proposals would ease the burden on the individual taxpayer. GOP initiatives include:

An across-the-board tax cut on all personal income taxes. These rate reductions—phased in over a 3-year period—would reduce the tax burden for a family of four: earning $8,000 by 90%; earning $10,000 by nearly 50%; earning $20,000 by nearly 33%.

A tax exemption to each taxpayer of up to $1000 on a new savings account, money added to existing savings, or new investments in stocks and bonds.

And end to the double-taxation of corporate dividends—which has greatly reduced investment benefits to individuals.

A reduction of the tax-rate on small business—to encourage faster expansion.

Adjustment of personal and corporate income taxes to the level of the consumer price index (CPI) so that individuals and businesses are not penalized as they are catapulted into higher tax brackets *simply because of inflation.*

4. House ethics reform

The Republican House Membership demanded full public accountability for many of the House's more questionable practices. Highlights of the GOP ethics reform proposals include:

Institution of an auditing authority to provide an effective mechanism to guard against a recurrence of past abuses.

Full disclosure of the expenditure records of the House. This feature would ensure prompt public accountability.

Thorough personnel review by outside experts—for proper utilization of House resources.

Democratizing House procedures via: (1) improved lobby disclosure; (2) open committee records; (3) ban on proxy voting; (4) open rules; (5) revamped committee jurisdictions.

5. Revision of civil rights legislation

The Republican leadership is at the forefront of a drive to bring order to the crazy-quilt tangle in our civil rights law. The GOP understands that an inefficient system of enforcement machinery fails to accomplish its task—and creates a heavy burden on the taxpayer. The Republican initiative would replace the current civil rights polyglot of 47 statutes and executive orders with:

A single comprehensive statute mandating a single uniform procedure for defining rights and responsibilities.

Elimination of existing duplication and inconsistency by centralizing responsibility for civil rights compliance in one office—thus avoiding administrative duplication and overlap.

An end to "double jeopardy" problems for regulated organizations and establishment of due process hearings before sanctions are imposed.

Streamlining of reporting requirements.

6. Food stamps

During the first session, the GOP offered comprehensive reforms of the Nations' sprawling Food Stamp program. The Republicans developed a set of "minimum standards" as the centerpiece of its program, so that Food Stamps go to the truly needy. Republican proposals include:

Exclusion of "junk food" purchases from Food Stamp eligibility.

Provide an incentive to purchase a nutritionally adequate diet by retaining the requirement that recipients contribute a portion of their incomes to buy Food Stamps.

Enable the government to recover excess benefits paid Food Stamp recipients whose annual income exceeds twice the poverty level.

Permit states and localities to establish "workfare programs for able-bodied Food Stamp recipients."

Those recipients unable to find employment through work registration would perform public service work.

7. Illegal aliens

The House Republican leadership pushed vigorously for passage of the Illegal Aliens Act of 1977. GOP proposals to stem the tide of illegals crossing our borders called for action on a number of fronts, namely:

Beefing up the Border Patrol and utilizing increased technology to screen potential entrants.

Providing for strict identification procedure verified by the Social Security Administration—of all prospective employees and welfare recipients.

Mandating that all employers and welfare administrators verify identification.

Providing increased penalties for anyone who knowingly employs or provides such benefits to an illegal alien.

Permitting limited, controlled entry by aliens into the U.S. for temporary employment during periods of high labor demand which cannot be met through the employment of U.S. citizens or lawful aliens.

PART II.—MISDIRECTED DEMOCRAT INITIATIVES

This list contains a few of the most misguided Majority proposals.

Welfare

The Carter Welfare Package—carrying a "reform" misnomer—has been stalled by deserved bipartisan criticism. For the past eight years, the GOP has advocated fundamental welfare reform through a formula based on closed-ended budgetary policies and sound management control. The Carter plan grossly missed the mark on these basic principles. A review of the Administration's proposals reveals a glaring understatement of cost. Among the defects are:

Inflated costs: due to relaxation of eligibility requirements, the total price tag for welfare would have reached *at least* $50 billion—more than $10 billion over the present cost.

Poor oversight of the job seeker: Although touted as work-inducting and family-bolstering, the plan is on shaky ground with its sketchy analysis of implementing these critical elements.

Retention of many of the system's current defects: by continuing the current provision for income "disregards" which allows higher income persons to become eligible for increased benefits, welfare benefits would accrue to persons earning as much as $15,600 through tinkering with the earned income tax credit (EITC).

An even greater burgeoning of the welfare bureaucracy: by comprehensive federal administration of benefit computation and eligibility determination, a new super-welfare agency would be created, duplicating existing state systems.

Social security financing

House Democrats bulldozed passage of their Social Security financing proposals near the end of the Session. Consequently, both employers and employees will face steep rises in their payroll taxes. Rather than consider responsible alternative financing plans offered by the GOP (see Part I), the House Democrats advanced a plan which guarantees a host of negative economic repercussions. The proposal's foremost failing lies in its needless, inflationary tax increases and in its embrace of standby power to tap general revenues in case of future deficits.

The demise of the present self-financing concept is a negation of the fundamental thesis undergirding four decades of the Social Security system.

The plan's major flaws will almost certainly trigger:

Reduced hiring: added labor costs—through tax increases—will dampen employers' incentives to create new jobs.

A surge in unemployment: an estimated 100,000 workers will be displaced due to the inability of the private sector to absorb the tax hike.

Loss in personal income: by increasing payroll "assessments" the Administration must recoup foregone Treasury revenues via greater inflationary borrowing and/or higher personal income taxes.

An inflation hike of nearly a percentage point.

A deleterious impact on private pension plans: by reducing amounts available for savings and pensions, the bill retards capital accumulation, which in turn limits investment potential and future economic growth.

Hospital cost containment

Early in the Session, President Carter unveiled his controversial hospital cost containment program. The Democrat measure feature two major sections: (1) a limit on annual *revenues* which the hospital can receive from its payors—pegged arbitrarily at 9% during the first year of the program and (2) a ceiling on capital spending of $2.5 billion (on a nationwide basis) during the first year. Republicans helped to bottle-up the Carter bill (H.R. 6575) in committee. The major criticism of the proposal—also directed toward like-minded hospital cost initiatives such as the Kennedy-Corman bill—is that:

The bill is actually a euphemism for "wage-price" control over only one sector of the health care industry—hospitals. The measures for the most part, ignore the spiraling costs of physicians fees, hospital supplies, and technological equipment. As such, it is a discriminatory policy.

The revenue per admission requirements will vastly increase not only administrative costs of government, but also of private insurance companies and related intermediaries.

An arbitrary lid on hospital spending may cause service cuts which translate into second-rate health care for many, and unavailable care for others.

It contradicts the President's promise to cut bureaucracy and red-tape. Overbearing governmental regulation can only lead to a breakdown in service delivery.

Minimum wage

House Democrats pushed through an inflationary minimum wage bill with the aid of a massive lobbying effort orchestrated by the AFL–CIO. Although the bill increased the minimum wage in increments to $3.35 per hour by 1981, the GOP was able to blunt some of the onerous provisions contained in the original proposal, namely:

It defeated the inflation-fueling "indexing" measure which would have provided for automatic future increases.

The GOP thwarted Democrat efforts to remove the "tip credit" for restaurant employees. This effort saved thousands of jobs which would have been eliminated due to exhorbitant labor costs.

Republicans gave a needed boost to small retail and service businesses (with annual sales under $500,000) by exempting them from minimum wage requirements.

Sadly, a GOP backed proposal to create a sub-minimum wage to stimulate youth employment was defeated by a razor-thin margin of 1 vote. As a result, the minimum wage bill will make it even more difficult for young people, especially minorities, to find jobs.

Hatch Act changes

The Democrat majority pushed its bill to revise the Hatch Act through the House. For 38 years the Hatch Act has protected the nation from potential efforts to organize the federal bureaucracy into a political legion supporting incumbents. As amended, the revision grants 2.8 million civil service workers great leeway in aiding candidates and working in political campaigns. The Republican Minority had succeeded in crippling an earlier consideration of the bill by adding amendments which would have nullified a gain by Big Labor Bosses. In spite of the GOP's ultimate defeat in this issue, Republicans were able to parry the Democrat thrust with amendments to protect civil service workers from *overt* coercion, such as:

Prohibiting solicitation of political contributions by superior officials and making or soliciting political contributions in government rooms or buildings.

Prohibiting any federal employee from soliciting a political contribution from any individual over whom his agency has jurisdiction.

Prohibiting the extortion of money for political purposes from federal employees.

Requiring that Federal employees who seek elective office do so on their own time.

NOTE.—Fortunately, the Senate seems to be less enthusiastic than the House to scrap the Hatch Act protection of our federal employees. The bill is currently stuck in the Senate Committee on Governmental Affairs.

PART III.—MAJOR DEFEATS FOR THE DEMOCRATS

Republicans led, or played a major role in the defeat or stalemate of a number of Democrat initiatives. A few examples follow:

Universal voter registration

Out of the entire Carter Election reform package, only the universal voter registration bill (H.R. 5400) emerged to win committee approval by both the House and Senate. The Senate bill was stopped by filibuster. House Republicans mobilized the opposition in stopping further consideration of this poorly thought-out measure. The GOP objected to the bill's enormous potential for election fraud and abuse. Other negatives revolve around government incapacity to administer such a huge program. A litany of the bill's major defects includes:

The opportunity for fraud. The guidelines for proper identification at the polls are vague and inadequate.

The administrative burden on local officials—who are charged with verification of voters' credentials—might be unbearable due to the crush of unexpected numbers at the polls. Vast majorities of secretaries of State and local registration officials opposed it.

Increased sanctions for voter fraud are nearly meaningles. Enforcement is the measure of any statute's effectiveness. The difficulty posed in detecting and proving fraud poses too great a risk to the integrity of our elections process.

Such a system would redound to the benefit of groups with formidable organizational power to turn out the masses, e.g., Big Labor's political action committees and large city fiefdoms such as Chicago under Richard Daley.

In the House, the Democrat leadership, uncertain about support, refused to bring the bill to the floor.

There is little evidence that the system increases voter turnout. There is some reason to believe that the fraud potential will simply alienate more citizens from the voting process.

Public financing of House elections

Republican opposition to Mr. Carter's proposal for public financing of Congressional campaigns crystallized in a thumping defeat for the Democrat-inspired measure. The Senate blocked the bill on the eve of the Summer recess. Over in the House, various bills are being formulated for consideration by the Administration Committee during the Second Session. The House and Senate bills are similar although variations exist on major provisions such as: (1) the threshold for matching funds, (2) the spending ceiling and (3) the inclusion of primaries. (Note: see RRC paper of 23 June 1977 for details). House Republicans view public financing with skepticism because:

It acts to protect incumbents—the majority party. In the course of a two-year term, incumbents receive nearly a million dollars in expense allowance, giving them a built-in advantage against potential challengers.

It assumes unfairly that special interest money is a pernicious influence. In fact, Americans have traditionally been active through political organizations—this right is a centerpiece of our constitutional heritage. *The GOP supports full disclosure of campaign funds*—rather than government restriction of the private sector—to insure the integrity of the political process.

It lacks public support—the overwhelming majority (74%) of American taxpayers fail to mark the checkoff provision on their income tax form.

It discourages citizen participation. A recent poll commissioned by the Federal Election Commission indicates most Congressional campaigns are small-scale operations. New Federal regulations will only serve to further burden aspiring candidates.

It provides an advantage to organized labor. By using dues money to promote candidates to union members and by directing ostensibly non-partisan voter education projects and registration drives through union dues, Big Labor has significantly aided candidates of its choice—most of whom are Democrats. A conservative dollar estimate of Labor's value to the Carter-Mondale ticket is $8.5 million. No public financing bill has yet addressed this obvious inequity.

Cargo preference

Cargo preference would have required 9.5% of all U.S. oil imports to be carried on U.S. flag tankers. The Republican minority accounted for more than half the votes in the dramatic defeat of Mr. Carter's multi-million dollar sop to the maritime industry and its allied unions. In lending support to the measure. the President overruled the overwhelming majority of his economic and Cabinet advisers. Aptly labeling the cargo preference bill a "blatant political payoff" the GOP helped to deliver a stunning defeat to this Democrat streamroller attempt.

Decisive GOP action avoids:

As much as $2 billion per year in added fuel costs;

The spectre of increased unemployment;

Greater inflation; and

A significant decline in GNP.

Common situs picketing

The bill would have given craft unions the right to picket an entire construction site even though the labor dispute is only with one contractor doing work on a project. Republicans provided the leadership for the narrow defeat of this legislation.

The demise of common situs represented:

A major loss for Big Labor bosses who had pushed the measure for over 25 years.

An estimated saving to the American tax payer/consumer in the realm of hundreds of millions of dollars annually.

Consumer protection agency

This measure would have created a federal consumer advocate agency to argue the cause of the consumer in legal and regulatory proceedings. Republicans opposed the measure due to its: (1) inability to define consumer interests; (2) vesting inordinate power in CPA administrators; (3) exemption of labor and other interests from review; (4) escalation of bureaucracy and red-tape; (5) inevitable slowdown of decisions important to consumers.

Critical Republican analysis alerted the House to the flaws of this bill. As a result, Democrat leaders never brought it to the floor.

The failure of the CPA to pass saved:

At least $10 million annually.

The saddling of consumers with yet another layer of bureaucracy. A consumer protection agency *would not* aid the consumer, it would only increase the government's tax bite and lower the consumer's purchasing power.

PART IV.—KEY VOTES ON SIGNIFICANT ISSUES ILLUSTRATING REPUBLICAN CONSENSUS

The Honorable John Rhodes, Minority Leader, has described the Republican House minority as "the single most cohesive force in Congress." The minority repeatedly has presented a strong collective position on the major issues.

1. *Tax Policy.*—Rather than one-shot rebates, or spending programs, Republicans consistently called for permanent tax cuts. Republicans supported tax cuts as a matter of equity for taxpayers pushed into higher brackets by inflation, and as a stimulus to the economy and to the confidence of all Americans. Republicans were able to force recorded votes four times on across-the-board tax cuts:

A. Rousselot Amendment to H. Con. Res. 110—Defeated 148–258. Republicans supported 123–10. Roll Call #25.

B. Gradison motion to recommit H.R. 3477—Defeated 194–219. Republicans supported 140–1. Roll Call #56.

C. Latta substitute to H. Con. Res. 195—Defeated 150–250. Republicans supported 126–9. Roll Call #163.

D. Conable Substitute to H. Con. Res. 214. Defeated 150–240. Republicans supported 129–5. Roll Call #203.

2. *Excessive Spending.*—Republicans generally opposed profligate Democrat spending programs calculated to produce a $62 billion deficit in a recovery year. The following votes are illustrative of the Republican position:

A. H. Con. Res. 195—A budget Resolution calling for a huge deficit. Defeated 84–320—Republicans 2–135. Roll Call #165.

B. H. Con. Res. 214.—A similar budget Resolution. Passed 213–179. Republicans 7–121. Roll Call #204.

C. *H. Con. Res. 341*—the second Budget Resolution (more deficits)—passed 199–188. Republicans 4–129. Roll Call No. 525.

3. *Reform of the House*—Republicans opposed gag rules which limit debate and

prevent amendments from being offered. Three typical votes on closed rules:

A. H. Res. 5—adoption of House Rules, Closed Rule.

Passed 261–140. Republicans 0–140. Roll Call No. 3.

B. H. Res. 287. Ethics. Closed Rule. Adopted 267–153.

Republicans 3–138. Roll Call No. 36.

C. H. Res. 766—Commission on Administrative Review—closed rule. Defeated 160–252. Republicans 0–139. Roll Call No. 643.

Republicans unsuccessfully opposed unneeded increases in Members allowances. Allowances in the "billion dollar Congress" are too high now, and increases tend to be used mainly to enhance the already enormous election advantages of incumbents. Two examples:

A. H. Res. 287—Ethics bill—Frenzel motion to delete $5,000 increase in office allowances. Defeated 187–235. Republicans 126–15. Roll Call No. 37.

B. H. Res. 687.—Increase District office space. Passed 215–193. Republicans 29–103. Roll Call No. 568.

4. *Miscellaneous*—a few bills already discussed were defeated because of strong Republican opposition:

A. H.R. 4250—Common Situs Picketing. Defeated 201–217. Republicans 14–129. Roll Call No. 98.

B. H.R. 1037—Cargo Preference. Defeated 167–253. Republicans 12–131. Roll Call No. 670.

Republicans achieved mixed success in proposing, or supporting, amendments to important bills. H.R. 3744, the Minimum Wage Bill, was a good example.

A. H.R. 3744, Erlenborn amendment to delete the "automatic indexing." Passed 223–193. Republicans 126–15. Roll Call No. 546.

B. H.R. 3744. Quie amendment to restore "tip credit." Passed 264–161. Republicans 132–11. Roll Call No. 549.

C. H.R. 3744—Cornell amendment for a "youth differential." Defeated 210–211. Republicans 130–12. Roll Call No. 551.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. CHARLES H. WILSON of California, for from December 1 through this week, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DAVIS) to revise and extend his remarks and include extraneous matter:)

Mr. FLOOD, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. LONG of Maryland, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. FRENZEL, and to include extraneous matter notwithstanding the fact that it exceeds two pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost $1,046.50.

(The following Members (at the request of Mr. DUNCAN of Tennessee) and to include extraneous matter:)

Mr. CRANE in five instances.

Mr. DERWINSKI in two instances.

Mr. FRENZEL in five instances.

(The following Members (at the request of Mr. DAVIS) and to include extraneous matter:)

Mr. RODINO in five instances.

Mr. DE LA GARZA in 10 instances.

Mr. AUCOIN.

Mr. OBERSTAR.

Mr. BYRON in 10 instances.

Mr. ROSENTHAL in 10 instances.

Mr. SISK.

Mrs. LLOYD of Tennessee in five instances.

Mr. ANNUNZIO in six instances.

Mr. ANDERSON of California in three instances.

Mr. GONZALEZ in three instances.

Mr. BROWN of California in 10 instances.

Mr. HAMILTON in 10 instances.

Mr. VENTO.

Mr. MCFALL.

Mr. MAZZOLI.

Mr. FRASER.

Mr. DODD.

BILLS PRESENTED TO THE PRESIDENT

Mr. THOMPSON, from the Committee on House Administration, reported that that committee did on December 1, 1977, present to the President, for his approval, bills of the House of the following title:

H.R. 7. To authorize a career education program for elementary and secondary schools, and for other purposes;

H.R. 1904. To suspend until July 1, 1980, the duty on intravenous fat emulsion, and for other purposes;

H.R. 7345. To amend title 38 of the United States Code to increase the rates of disability and death pension and to increase the rates of dependency and indemnity compensation for parents, and for other purposes;

H.R. 8159. To establish uniform structural requirements for intermodal cargo containers, subject to the jurisdiction of the United States, designed to be transported interchangeably by sea and land carriers, and moving in, or designated to move in, international trade, and for other purposes; and

H.R. 8422. To amend titles XVIII and XIX of the Social Security Act to provide payment for rural health clinic services, and for other purposes.

ADJOURNMENT

Mr. DAVIS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 9 minutes p.m.) the House adjourned until tomorrow, Tuesday, December 6, 1977, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2766. A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), transmitting notice of the location, nature and estimated cost of various construction projects proposed to be undertaken by the Army National Guard, pursuant to 10 U.S.C. 2233a(1); to the Committee on Armed Services.

2767. A letter from the Assistant Secretary of the Army (Research, Development, and Acquisition), transmitting a report covering the period April 1 through September 30, 1977, on Army research and development contracts, pursuant to 10 U.S.C. 2357; to the Committee on Armed Services.

2768. A letter from the Assistant Secretary of the Navy (Research, Development, and Acquisition), transmitting a report covering the period April 1 through September 30, 1977 on Navy research and development contracts of $50,000 and over, pursuant to 10 U.S.C. 2357; to the Committee on Armed Services.

2769. A letter from the Director, Defense Security Assistance Agency, transmitting a report on the impact on U.S. readiness of the Navy's proposed sale of certain defense equipment to Australia (transmittal No. 78–6), pursuant to section 813 of Public Law 94–106; to the Committee on Armed Services.

2770. A letter from the Attorney General, transmitting his annual report for fiscal year 1977 on the enforcement of title II (Extortionate Credit Transactions) of the Consumer Credit Protection Act of 1968, pursuant to section 203 of the act; to the Committee on Banking, Finance and Urban Affairs.

2771. A letter from the Comptroller of the Currency, transmitting his annual report for 1976, pursuant to section 333 of the Revised Statutes; to the Committee on Banking, Finance and Urban Affairs.

2772. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council act No. 2–46, "To amend the Charter of the District of Columbia to provide for the power of initiative, referendum, and recall", pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

2773. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council act No. 2–201, to order the closing of an east-west public alley from 50th Street, N.E. to the rear property lines of lots 42 and 53 in square 5202, 50th and Meade Streets, N.E., pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

2774. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council act No. 2–102, to order the closing of an east-west public alley abutting on lot 110, lot 111, and two north-south public alleys in square 754, bounded by 2d, E, 3d, and F Streets, N.W., pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

2775. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council act No. 2–103, to order the closing of a north-south public alley between the East Washington Railroad right-of-way and an east-west public alley in square 5217, bounded by 55th, Nannie Helen Burroughs Avenue, 56th, and Foote Streets, N.E., pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

2776. A letter from the Deputy Assistant Secretary of the Interior, transmitting a report on the Department's disposal of foreign excess property during fiscal year 1977, pursuant to section 404(d) of the Federal Property and Administrative Services Act of 1949, as amended; to the Committee on Government Operations.

2777. A letter from the Comptroller General of the United States, transmitting a report on GAO legislative recommendations which have not been acted on by Congress (OCR–78–1003, December 5, 1977); to the Committee on Government Operations.

2778. A letter from the Assistant Secretary of State for Congressional Relations, transmitting proposed country allocations of military assistance and of international military education and training for fiscal

year 1978, pursuant to section 653(a) of the Foreign Assistance Act of 1961, as amended; to the Committee on International Relations.

2779. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to section 112(b) of Public Law 92-403; to the Committee on International Relations.

2780. A letter from the Senior Adviser and Director for International Narcotics Control, Department of State, transmitting proposed changes in fiscal year 1978 allocations of international narcotics control program funds, pursuant to section 653 of the Foreign Assistance Act of 1961, as amended; to the Committee on International Relations.

2781. A letter from the Director, Defense Security Assistance Agency, transmitting the quarterly report on foreign military sales as of September 30, 1977, pursuant to section 36(a) of the Arms Export Control Act; to the Committee on International Relations.

2782. A letter from the Director, Defense Security Assistance Agency, transmitting the quarterly report on foreign military sales letters of offer as of September 30, 1977, pursuant to section 36(a) of the Arms Export Control Act; to the Committee on International Relations.

2783. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Navy's intention to offer to sell certain defense equipment to Australia (transmittal No. 78-6), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on International Relations.

2784. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in cases in which the authority contained in section 212(d)(3) of the Immigration and Nationality Act was exercised in behalf of certain aliens, pursuant to section 212(d)(6) of the act (66 Stat. 182); to the Committee on the Judiciary.

2785. A letter from the National Adjutant Paymaster, Marine Corps League, transmitting the annual report of the organization, pursuant to section 3 of Public Law 88-504; to the Committee on the Judiciary.

2786. A letter from the Adjutant General, Veterans of Foreign Wars of the United States, transmitting a report on the audit of the books of the Quartermaster General of the VFW for the year ended August 31, 1977, pursuant to section 3 of Public Law 88-504; to the Committee on the Judiciary.

2787. A letter from the Chairman, Federal Election Commission, transmitting a copy of correspondence sent to the President, pursuant to section 310(d)(1) of the Federal Election Campaign Act, as amended; jointly, to the Committees on Appropriations, and House Administration.

2788. A letter from the Comptroller General of the United States, transmitting a report on inequities in the Federal withholding tax system (PAD-78-5, December 2, 1977); jointly, to the Committee on Government Operations, and Ways and Means.

2789. A letter from the Chairman, U.S. Nuclear Regulatory Commission, transmitting the 10th report on abnormal occurrences at licensed nuclear facilities, pursuant to section 208 of the Energy Reorganization Act of 1974; jointly, to the Committees on Interior and Insular Affairs, and Interstate and Foreign Commerce.

2790. A letter from the Inspector General, Department of Health, Education, and Welfare, transmitting his quarterly report for the period July 1 through September 30, 1977, pursuant to section 204(b) of Public Law 94-505; jointly, to the Committees on Education and Labor, Interstate and Foreign Commerce, and Ways and Means.

2791. A letter from the Comptroller General of the United States, transmitting a report on the effectiveness of Federal law enforcement agencies along the United States-Mexico border (GGD-78-17, December 2, 1977); jointly to the Committees on Government Operations, the Judiciary, and Ways and Means.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FRENZEL:

H.R. 10205. A bill to amend the Tax Reform Act of 1976 to allow, for taxable years beginning after December 31, 1975, certain insurance companies to adopt, for purposes of filing a consolidated return, the taxable year of the common parent corporation; to the Committee on Ways and Means.

H.R. 10206. A bill to amend the Tax Reform Act of 1976 to allow, for taxable years beginning after December 31, 1975, certain insurance companies to adopt, for purposes of filing a consolidated return the taxable year of the common parent corporation; to the Committee on Ways and Means.

By Mr. FRENZEL (for himself, Mr. LAGOMARSINO, Mr. LEDERER, Mr. WALKER, Mr. WON PAT, Mr. MARLENEE, Mr. PRESSLER, Mr. FREY, Mr. MICHAEL O. MYERS, Mr. CORRADA, Mr. CORNELL, Mr. COLLINS of Texas, Mr. THONE, Mr. WALSH, Mr. LEVITAS, Mr. KINDNESS, Mr. KOSTMAYER, Mr. HARSHA, Mr. KASTEN, Mr. LUJAN, Mr. DUNCAN of Tennessee, Mr. HUGHES, Mr. FLORIO, Mr. EILBERG, and Mr. MARTIN):

H.R. 10207. A bill to amend the Internal Revenue Code of 1954 to permit a taxpayer to claim a credit for amounts paid as tuition to provide education for himself, for his spouse, or for his dependents, and to provide that such credit is refundable; to the Committee on Ways and Means.

By Mr. McCLORY:

H.R. 10208. A bill to repeal certain sections of title III of the Immigration and Nationality Act and for other purposes; to the Committee on the Judiciary.

By Mr. BEDELL (for himself, Mr. CARTER, Mr. MARLENEE, and Mr. MAHON):

H. Con. Res. 432. Concurrent resolution to assure quality health care for populations located in rural areas; jointly, to the Committees on Interstate and Foreign Commerce, and Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BURGENER:

H.R. 10209. A bill for the relief of Rolf Erik Tibblin, Annica Maria Tibblin, Anna Maria Tibblin, Malin Louisa Tibblin, and Rolf Johan Tibblin; to the Committee on the Judiciary.

By Mr. COLLINS of Texas:

H.R. 10210. A bill for the relief of Martina Navratilova; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

357. By the SPEAKER: Petition of the Archbishop of Boston, Brighton, Mass., and the Bishop of the Albanian Orthodox Church, Jamaica Plain, Mass., relative to religious freedom in Albania; to the Committee on International Relations.

358. Also, petition of the Illinois Commerce Commission, Springfield, Ill., relative to customer-owned telephone service; to the Committee on Interstate and Foreign Commerce.

359. Also, petition of Henri Galabert, Neuilly Sur Seine, France, relative to gravitational electromagnetic energy; to the Committee on Science and Technology.

AMENDMENTS

Under clause 6 of rule XXXIII, proposed amendments were submitted as follows:

H.J. Res. 662

By Mr. MAHON:

On page 2, after line 9, insert the following:

Such amounts as may be necessary for projects or activities provided for in the Departments of Labor, and Health, Education, and Welfare, and Related Agencies Appropriation Act, 1978 (H.R. 7555), at a rate of operations, and to the extent and in the manner, provided for in such Act as modified by the House of Representatives on August 2, 1977, notwithstanding the provisions of section 106 of this joint resolution.

FACTUAL DESCRIPTIONS OF BILLS AND RESOLUTIONS INTRODUCED

Prepared by the Congressional Research Service pursuant to clause 5(d) of House Rule X. Previous listing appeared in the CONGRESSIONAL RECORD of November 11, 1977 (page 37522).

H.R. 6771. April 29, 1977. Judiciary. Permits the Attorney General to adjust the status of any alien who is a native or citizen of Vietnam, Cambodia, or Laos from that of parolee to that of an alien lawfully admitted for permanent residence without regard to immigration quotas or lack of possession by such alien of required immigration documents. Makes the provisions of this Act applicable to the children and spouse of such alien who are residing with the alien in the United States.

H.R. 6772. April 29, 1977. Ways and Means. Requires that, under the Internal Revenue Code, the tax exempt status accorded to a mutual or cooperative telephone company be determined without taking into account any income received or accrued from a nonmember telephone company for the performance of communication services which involve members of such mutual or cooperative telephone company.

H.R. 6773. April 29, 1977. Ways and Means. Amends the Internal Revenue Code to allow individuals a limited income tax credit for the rent paid for their principal residence.

H.R. 6774. April 29, 1977. Education and Labor. Amends the Higher Education Act of 1965 by making certain technical and miscellaneous amendments to provisions contained in the Education Amendments of 1976.

H.R. 6775. April 29, 1977. Veterans' Affairs. Increases the period of veterans' education assistance from 45 to 54 months, and eliminates the delimiting period. Grants eligibility for such assistance to any veteran of World War II, the Korean conflict, or the Vietnam era whose previous entitlement terminated without such veteran's availing himself of all the assistance to which he was entitled.

H.R. 6776. April 29, 1977. Education and Labor. Sets forth requirements for educational agencies, educational institutions, and testing agencies using standardized tests, such requirements being designed to increase the awareness in people of the uncertain re-

liability in such tests and to impose restrictions upon the use of information obtained by such tests.

Terminates Federal funding under any applicable program to an educational agency or institution failing to comply with the requirements imposed by this Act.

Sets forth the rights of test subjects, educational researchers, and the Federal Government with respect to such tests and test data.

H.R. 6777. April 29, 1977. Merchant Marine and Fisheries. Amends the Marine Protection, Research, and Sanctuaries Act of 1972 to prohibit the Administrator of the Environmental Protection Agency from issuing permits for ocean dumping of sewage sludge after 1981. Establishes a Sewage Sludge Damage Claims Fund to provide compensation for damages caused by such dumping. Imposes a dumping assessment against holders of permits for ocean dumping of sewage sludge to finance the Fund's operation.

H.R. 6778. April 29, 1977. Veterans' Affairs. Directs the Secretary of Defense to place a plaque and a permanent display of medals, ribbons, and tributes of the Vietnam era on the crypt at the National Cemetery at Arlington, Virginia, reserved for an unknown American serviceman who lost his life in Southeast Asia.

Directs the Secretary to perform the duties required by this Act even though the remains of such serviceman have not yet been placed in the crypt.

H.R. 6779. April 29, 1977. Judiciary. Prescribes, with specified exceptions, the knowing solicitation, provision, or receipt of anything of monetary value, or the promise of anything of monetary value, for: (1) seeking to place, placing, or arranging to place any child for permanent care or adoption; or (2) coercing any individual to place any child for adoption, to provide any child with permanent care, or to adopt any child under circumstances which result in the transportation of such child or individual in interstate or foreign commerce.

H.R. 6780. April 29, 1977. Veterans' Affairs. Provides that recipients of veterans pensions and compensation will not have the amount of such pension or compensation reduced because of increases in social security benefits.

H.R. 6781. April 29, 1977. Science and Technology. Establishes an Energy Extension Service in the Energy Research and Development Administration to assist in the development of energy conserving practices.

Establishes criteria for the development of State energy conservation implementation plans. Directs the Administrator of Energy Research and Development to develop energy conservation plans for Federal programs.

H.R. 6782. April 29, 1977. Agriculture. Permits marketing orders under the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, to include provisions concerning marketing promotion, including paid advertisement, of raisins. Authorizes distribution among producers of the pro rata costs of such promotion.

H.R. 6783. April 29, 1977. Banking, Finance and Urban Affairs. Authorizes the President to create an Interagency Task Force on Consumer Cooperatives with the Small Business Administration serving as the lead agency of the task force.

Authorizes the Small Business Administration to administer a pilot loan program for cooperatives.

H.R. 6784. April 29, 1977. International Relations; Interior and Insular Affairs; Merchant Marine and Fisheries. Establishes a Federal program to regulate deep seabed resourse development pending the development of an international regime to govern the use of the oceans and their resources. Prohibits enterprises from engaging in deep seabed resource development without prior approval of the Secretary of Commerce in accordance with specified requirements.

H.R. 6785. April 29, 1977. Judiciary. Amends the Immigration and Nationality Act to remove specified aliens from the class of aliens whose status may be adjusted to that of an alien lawfully admitted for permanent residence.

Makes it unlawful to knowingly hire an alien not lawfully admitted into the United States. Requires that employees of the Department of Health, Education, and Welfare disclose the names of illegal aliens who are receiving assistance under the Social Security Act.

Makes punishable by a fine or imprisonment the making of false border crossing cards, alien registration receipt cards, and other documents used for entry into the United States.

H.R. 6786. April 29, 1976. Judiciary. Directs that orders of a State court or a court of the District of Columbia relative to the custody of children of divorced or separated parents be given full faith and credit by every other State and the District of Columbia until such issuing court no longer has under the law of the State in which it is located, or declines to exercise, jurisdiction over modifications of such orders.

H.R. 6787. April 29, 1977. Merchant Marine and Fisheries. Amends the Merchant Marine Act, 1936, to authorize the possession and use of gambling devices aboard a passenger vessel documented under the laws of the United States while such a vessel is within the territorial seas of the United States or the special maritime and territorial jurisdiction of the United States if the vessel is engaging in foreign trade, offshore domestic trade, or a cruise approved by the Secretary of Commerce.

H.R. 6788. April 29, 1977. Public Works and Transportation; Ways and Means. Authorizes the Secretary of Transportation to approve Federal participation in State projects to replace bridges not located on any of the Federal-aid systems. Amends the Highway Revenue Act of 1956 to extend appropriations authorized under such Act for the Highway Trust Fund through fiscal year 1990. Amends the Land and Water Conservation Fund Act to extend such fund through fiscal year 1990. Amends the Internal Revenue Code of 1954 to postpone specified excise tax reductions and to increase the excise tax on gasoline, diesel fuels, and special motor fuels.

H.R. 6789. April 29, 1977. Ways and Means; Interstate and Foreign Commerce. Amends Title XVIII (Medicare) of the Social Security Act to provide payment for optometric and medical vision care under the supplementary medical insurance program.

H.R. 6790. April 29, 1977. Government Operations. Establishes a Consumer Protection Agency within the executive branch to represent the interests of consumers before Federal agencies, to receive and act upon consumer complaints, to perform research on consumer products, and to gather and disseminate information on consumer products and services.

Requires Federal agencies considering policies or regulations which may affect the interests of consumers to notify the Agency, and to consider the interests to consumers.

H.R. 6791. April 29, 1977. Ways and Means. Amends the Internal Revenue Code to authorize any taxpayer to elect to have any portion of any overpayment of tax or any contribution in money which the taxpayer forwards with the return for such taxable year be available, as the taxpayer may designate on such return, for the National Endowment for the Arts or the National Endowment for the Humanities.

H.R. 6792. April 29, 1977. Interstate and Foreign Commerce. Amends the Regional Rail Reorganization Act of 1973 and the Department of Transportation Act to extend for one year the period during which the Federal Government pays 100 percent of the cost of local rail service assistance programs involving rehabilitation and maintenance of rail properties.

H.R. 6793. April 29, 1977. Interstate and Foreign Commerce. Amends the Solid Waste Disposal Act to authorize the Administrator of the Environmental Protection Agency to make grants to localities for the purchase of sanitation vehicles designed to improve area-wide solid waste management in a manner consistent with the purposes of the Act.

H.R. 6794. April 29, 1977. Interstate and Foreign Commerce. Authorizes appropriations to the Federal Energy Administration for fiscal years 1977 and 1978. Authorizes additional appropriations for specified energy conservation activities.

Extends energy regulatory authority under the Federal Energy Administration Act of 1974 and the Energy Supply and Environmental Coordination Act of 1974 until 1978. Directs the Federal Energy Administrator to establish additional rules and procedures governing use of commercial standards and possible conflicts of interest.

H.R. 6795. April 29, 1977. Post Office and Civil Service. Authorizes the payment of a civil service annuity to those employees of the Bureau of Indian Affairs and the Indian Health Service who are not entitled to full retirement benefits and who meet specified employment and length of service requirements.

H.R. 6796. April 29, 1977. Armed Services; International Relations; Science and Technology; Armed Services; International Relations. Authorizes appropriations to the Energy Research and Development Administration for fiscal year 1978 for programs relating to fossil energy development, solar energy, geothermal energy, energy conservation, environmental and safety research, and nuclear research and development.

H.R. 6797. April 29, 1977. Armed Services. Grants survivor benefits to dependents of present or former members of the armed forces who die before becoming entitled to retired pay for non-regular service.

H.R. 6798. April 29, 1977. Education and Labor. Amends the Age Discrimination in Employment Act of 1967 to extend the coverage of such act to individuals 65 or over, and to make unlawful seniority systems and employee benefit plans which require the retirement of individuals 40 or over.

H.R. 6799. April 29, 1977. Education and Labor. Amends the Age Discrimination in Employment Act of 1967 to extend the coverage of such act to individuals 65 or over, and to make unlawful seniority systems and employee benefit plans which require the retirement of individuals 40 or over.

H.R. 6800. April 29, 1977. Judiciary. Requires specified organizations which employ lobbyists to register and file quarterly expense reports with the Comptroller General. Makes such reports available to the public. Establishes civil and criminal sanctions to enforce this act.

H.R. 6801. April 29, 1977. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 6802. May 2, 1977. Judiciary. Amends the Indochina Migration and Refugee Assistance Act of 1975 to extend through 1980 funds for the provision of financial, medical, employment, and relocation assistance to refugees from Cambodia, Vietnam, or Laos.

H.R. 6803. May 2, 1977. Merchant Marine and Fisheries; Public Works and Transportation. Establishes a fund for the purpose of paying for otherwise uncompensated losses resulting from oil pollution.

Imposes, within certain monetary limits, joint, several, and strict liability on the owners and operators of each pollution source. Requires petroleum facilities and certain

vessels to maintain evidence of financial responsibility in an amount equal to applicable liability limits.

Sets forth procedures for identifying and publicizing pollution sources.

H.R. 6804. May 2, 1977. Post Office and Civil Service; Government Operations. Establishes a Department of Energy in the executive branch. Transfers all functions of the Federal Energy Administration, the Energy Research and Development Administration, and the Federal Power Commission to the Department. Transfers specified functions from other departments and agencies to the Department.

Establishes a Federal Energy Regulatory Commission to assume specified regulatory functions of the Federal Power Commission.

H.R. 6805. May 2, 1977. Government Operations. Establishes a Consumer Protection Agency within the executive branch to represent the interests of consumers before Federal agencies, to receive and act upon consumer complaints, to perform research on consumer products, and to gather and disseminate information on consumer products and services.

Requires Federal agencies considering policies or regulations which may affect the interests of the consumer.

H.R. 6806. May 2, 1977. International Relations. Repeals the authority for suits against, or for imposing liability on, consular officers for neglect of duty or malfeasance.

H.R. 6807. May 2, 1977. Amends the Marine Mammal Protection Act of 1972 to establish a procedure for increasing quotas on marine mammals which may be taken incidental to commercial fishing operations if such quotas are found to have a detrimental effect on local employment. Requires the Secretary of the Interior or the Secretary of the Department in which the National Oceanic and Atmospheric Administration is operating to determine the effects of such quotas upon unemployment and underemployment in areas where tuna processing plants are located, and to increase such quotas in order to permit tuna to be supplied to such plants if necessary.

H.R. 6808. May 2, 1977. Ways and Means. Amends the Internal Revenue Code to require an automatic cost-of-living adjustment in the income tax rates, the amount of the standard deduction, personal exemption, and depreciation deduction, and the rate of interest payable on certain obligations of the United States.

H.R. 6809. May 2, 1977. Ways and Means. Amends title XX (grants to States for services) of the Social Security Act to provide cost-of-living increases in social services funding for child care beginning with fiscal year 1978.

H.R. 6810. May 2, 1977. Government Operations. Amends the Public Works Employment Act of 1976 to extend the authorization of appropriations of payments to State and local governments for economic recovery efforts. Amends the State and Local Fiscal Assistance Act of 1972 to add a new title authorizing the Secretary of the Treasury to make payments to States and local governments to help counter the effect of an economic recession.

H.R. 6811. May 2, 1977. Veteran's Affairs. Provides that recipients of veterans pensions and compensation will not have the amount of such pension or compensation reduced because of increases in social security benefits.

H.R. 6812. May 2, 1977. Ways and Means. Amends the Internal Revenue Code to provide an income tax credit for expenses incurred in the conversion of farm and ranch land into qualified wind erosion control or wildlife habitat areas.

H.R. 6813. May 2, 1977. Banking, Finance and Urban Affairs. Allows the inclusion of clauses which require payment in gold or any particular kind of coin or currency in contracts entered into on or after the date of enactment of this Act.

H.R. 6814. May 2, 1977. Ways and Means. Amends the Internal Revenue Code to exclude intangible drilling and development costs from the minimum tax on tax preferences.

H.R. 6815. May 2, 1977. Ways and Means. Amends Title XVI (Supplemental Security Income for the Aged, Blind, and Disabled) of the Social Security Act to make benefits under such Title payable only to individuals who are both citizens and residents of the United States.

H.R. 6816. May 2, 1977. Ways and Means. Amends Title XVI (Supplemental Security Income for the Aged, Blind, and Disabled) of the Social Security Act to make benefits under such Title payable to a resident alien only if such alien has continuously resided in the United States for at least five years.

H.R. 6817. May 2, 1977. Education and Labor. Amends the National Labor Relations Act to declare that it shall not be an unfair labor practice for an employer to discharge or discipline an employee whose conduct renders the employer liable for the assessment of a penalty under the Occupational Safety and Health Act of 1970.

H.R. 6818. May 2, 1977. Agriculture. Repeals the Food Stamp Act of 1964. Directs the Secretary of the Treasury to make payments to each State during each of the five fiscal years following enactment of this Act for the purpose of financing a program which is established and maintained by each State to assist in meeting the nutritional needs of its citizens.

H.R. 6819. May 2, 1977. House Administration. Directs that Presidential and Congressional elections be conducted on the first full weekend in November and that corresponding primaries be conducted on the last full weekend in the preceding June.

H.R. 6820. May 2, 1977. Interior and Insular Affairs. Authorizes the Secretary of the Department of Health, Education, and Welfare to convey specified lands in the State of California to D-Q University.

H.R. 6821. May 2, 1977. Ways and Means. Amends the Internal Revenue Code to authorize the Secretary of the Treasury to disclose the mailing address of taxpayers, upon written request, to officers of the National Institute for Occupational Safety and Health for epidemiologic and mortality studies of worker populations, and for health care and referral of workers.

H.R. 6822. May 2, 1977. Government Operations. Amends the Federal Property and Administrative Services Act to authorize the Administrator of General Services to assign surplus Federal real property to the Secretary of Commerce for disposal of such property to States and local areas threatened by unemployment as a result of the closing of Federal facilities. Requires that such property be used by the transferees for economic development purposes.

H.R. 6823. May 2, 1977. Merchant Marine and Fisheries. Authorizes appropriations for the Coast Guard for fiscal year 1978. Sets forth the authorized end strength for active duty personnel and prescribes the average military student loads for the Coast Guard for such fiscal year. Stipulates that the obligated balances against appropriations for use by the Coast Guard for operation and maintenance and Reserve training purposes for the two preceding fiscal years shall be merged with the current appropriations.

H.R. 6824. May 2, 1977. Interior and Insular Affairs. Authorizes the Secretary of the Interior to provide technical and financial assistance to the State of Alabama for the purpose of correcting slope failures and erosion problems along the Coosa River at the Fort Toulouse National Historical Landmark and Taskigi Indian Mound.

H.R. 6825. May 2, 1977. International Relations. Amends the United Nations Participation Act of 1945 to permit importation of chrome, shipped from a country other than Rhodesia under a contract entered into prior to March 18, 1977, if the seller is not of Southern Rhodesia origin.

H.R. 6826. May 2, 1977. Ways and Means. Amends the Internal Revenue Code to extend the time for a small business corporation to elect subchapter S status from the first month to the 15th day of the third month of the taxable year, and to any time during the preceding taxable year.

H.R. 6827. May 2, 1977. Interstate and Foreign Commerce. Amends the Public Health Service Act to authorize appropriations to extend through fiscal year 1979, Federal aid to States for public water system supervision programs.

Requires the Administrator of the Environmental Protection Agency to submit a report to Congress analyzing the anticipated cost of compliance with revised national primary drinking water regulations and methods of paying costs of compliance.

Authorizes the Administrator to provide technical assistance to States and publicly owned water systems to assist in alleviating emerencies respecting drinking water which may endanger public health.

H.R. 6828. May 2, 1977. Interior and Insular Affairs. Establishes the Lincoln Homestead National Recreation Area in Coles County, Illinois.

H.R. 6829. May 2, 1977. Ways and Means. Amends the Internal Revenue Code to provide a $5,000 tax exclusion from gross income for any amount received as an annuity, pension, or other retirement by persons aged 65 or more.

H.R. 6830. May 2, 1977. Ways and Means. Amends the Internal Revenue Code to allow a distinct $10 income tax credit for contributions to candidates for Congress from the district, or in the case of Senator from the State, of the taxpayer, while maintaining the existing $25 credit for all other candidates.

H.R. 6831. May 2, 1977. Interstate and Foreign Commerce; Government Operations; Public Works and Transportation; Ways and Means; Banking, Finance and Urban Affairs. Establishes national energy goals for 1985. Establishes energy conservation programs for homes, schools, and hospitals. Requires the establishment of energy efficient standards for household appliances and rate design policies for electric and natural gas utilities. Imposes restrictions on the use of petroleum and natural gas as energy sources.

Establishes tax incentives for residential and industrial energy conservation. Establishes a system of taxes and rebates based on motor vehicle fuel consumption. Imposes a standby gasoline tax if consumption targets are not met. Establishes a program of energy assistance payments to certain individuals.

H.R. 6882. May 2, 1977. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 6833. May 3, 1977. Interior and Insular Affairs. Authorizes the Secretary of the Interior to construct and operate the Horsehead Flats and Winona irrigation units of the Pick-Sloan Missouri Basin program, North Dakota.

H.R. 6834. May 3, 1977. Education and Labor. Amends the Occupational Safety and Health Act of 1970 to exclude certain employers from coverage.

Revises certain procedures dealing with (1) standards and their promulgation; (2) inspections; investigations, and recordkeeping; (3) actions and notices, and (4) enforcement.

Provides for (1) certain affirmative defenses by employers; (2) consultative visits by the Secretary upon employer request; and (3) voluntary compliance agreements between the Secretary of an employer.

H.R. 6835. May 3, 1977. Education and Labor. Amends the Occupational Safety and Health Act of 1970 to provide that any employer who successfully contests a citation or penalty under such Act shall be awarded a reasonable attorney's fee and other reasonable litigation costs.

H.R. 6836. May 3, 1977. Judiciary. Requires all officers and agencies in the executive branch to submit to each House of Congress any rule or regulation, or change in a rule or regulation, proposed for use in the administration of any Federal law or program, together with a report containing an explanation thereof.

Prohibits any such rule, regulation, or change from taking effect if either House adopts a resolution stating that such rule, regulation, or change is contrary to law, inconsistent with the intent of Congress, or exceeds the mandate of the statute.

H.R. 6837. May 3, 1977. Judiciary. Amends provisions of the Gun Control Act of 1968 imposing additional sentences for using or unlawfully carrying a firearm during the commission of a Federal felony to (1) increase minimum additional sentences and (2) permit the Government to appeal a suspended or probationary sentence given with respect to a first conviction under such provisions.

H.R. 6838. May 3, 1977. Merchant Marine and Fisheries. Amends the Endangered Species Act of 1973 to exempt certain Federal public works projects from prohibitions against the jeopardizing or taking of endangered species, and the destruction or modification of their habitats.

H.R. 6839. May 3, 1977. Ways and Means. Amends the Internal Revenue Code to prohibit the taking of a business deduction for expenses paid or incurred to advertise alcoholic beverages.

H.R. 6840. May 3, 1977. Interstate and Foreign Commerce; Judiciary. Amends the Federal Trade Commission Act to prohibit the application of a per se rule of illegality under the antitrust laws in the case of territorial market allocation agreements made as part of a licensing agreement: (1) for the manufacture, distribution and sale of a trademarked soft drink product; or (2) for the distribution or sale of a trademarked private label food product.

H.R. 6841. May 3, 1977. Banking, Finance and Urban Affairs; Education and Labor. Directs the President, through the Secretary of Labor, to carry out a program of projects, by means of contracts with public and private employers and institutions of higher education, to: (1) increase employee participation in decisionmaking and gains due to increased productivity; and (2) demonstrate programs and guidelines to maintain employment levels and improve the quality of working life.

Establishes a Human Resources Advisory Council to furnish advice and assistance in the administration of such projects.

Authorizes the Secretary to guarantee loans made to small businesses to enable them to participate in projects under this Act.

H.R. 6842. May 3, 1977. Ways and Means. Amends the Internal Revenue Code to repeal the carryover basis provisions enacted by the Tax Reform Act which provide that beneficiaries receiving property from a decedent's estate will retain the decedent's basis in the property. Restores prior law which "stepped up" or "stepped down" the property's basis to its market value at the time of death without imposing tax consequences on the appreciation or depreciation the property underwent while held by the decedent.

H.R. 6843. May 3, 1977. Ways and Means; Interstate and Foreign Commerce. Amends Title XVIII (Medicare) of the Social Security Act to establish a Long-Term Care Services program to provide home health, homemakers, nutrition, long-term institutional care, day care, foster home, and outpatient mental health services. Specifies that these services shall be delivered by community long-term care centers under the direction and control of a State long-term care agency.

H.R. 6844. May 3, 1977. Interstate and Foreign Commerce. Directs the Secretary of Transportation to prescribe minimum safety standards for liquefied natural gas facilities. Prohibits construction or operation of such facilities without a permit certifying compliance with such standards. Authorizes appropriations for studies designed to reduce risks associated with liquefied natural gas facilities.

H.R. 6845. May 3, 1977. Judiciary. Authorizes the Law Enforcement Assistance Administration to purchase a group life insurance policy or policies from private life insurance companies for the benefit of public safety officers.

Sets forth guidelines relative to such group plan.

Establishes an Advisory Council on Public Safety Officer Group Life Insurance composed of the Attorney General, the Secretary of the Treasury, the Secretary of Health, Education, and Welfare, and the Director of the Office of Management and Budget.

H.R. 6846. May 3, 1977. Merchant Marine and Fisheries. Establishes a program of Federal insurance against losses incurred by eligible ocean mining prototype operations. Directs the Administrator of the National Oceanic and Atmospheric Administration to develop criteria designed to protect the marine environment from such operations.

Stipulates that this Act shall be transitional in nature pending the outcome of the United Nations Conference on the Law of the Sea.

H.R. 6847. May 3, 1977. Ways and Means. Amends the Internal Revenue Code to allow certain low- and middle-income individuals a limited, refundable income tax credit for the property taxes or rent paid by them for their principal residence.

H.R. 6848. May 3, 1977. Veterans' Affairs. Denies veterans' benefits to an individual whose discharge from military service during the Vietnam era under less than honorable conditions as administratively upgraded, under temporarily revised standards, to discharge under honorable conditions; but only when such veteran's claim for benefits is based solely on such upgraded discharge.

H.R. 6849. May 3, 1977. Ways and Means. Amends the Internal Revenue Code to provide honorably discharged veterans of the Vietnam War refundable, $500 income tax credit for taxable years ending between 1976 and 1980.

H.R. 6850. May 3, 1977. Ways and Means. Amends the Internal Revenue Code to prohibit the taking of a business deduction for expenses paid or incurred to advertise tobacco products.

H.R. 6851. May 3, 1977. Public Works and Transportation; Ways and Means. Authorizes the Secretary of Transportation to approve Federal participation in State projects to repair or replace unsafe highway bridges. Amends the Highway Revenue Act of 1956 to extend the appropriations authorized under such Act for the Highway Trust Fund through fiscal year 1990. Amends the Land and Water Conservation Fund Act to extend such fund through fiscal year 1990. Postpones specified excise tax reductions under the Internal Revenue Code of 1954.

H.R. 6852. May 3, 1977. Ways and Means. Amends the Internal Revenue Code to allow taxpayers maintaining households to elect a $250 income tax credit for each dependent aged 65 or over who resides in their homes.

H.R. 6853. May 3, 1977. Ways and Means. Amends the Internal Revenue Code to provide that the manufacturer's excise tax imposed on fishing equipment shall be due at the close of the quarter immediately following the quarter in which the goods are shipped.

H.R. 6854. May 3, 1977. Ways and Means; Interstate and Foreign Commerce. Amends Titles XVIII (Medicare) and XIX (Medicaid) of the Social Security Act to require hospitals with 50 or more beds providing service under such Titles to furnish patients with written notice of charges for inpatient hospital services within ten days after the last day of each service period.

H.R. 6855. May 3, 1977. Banking, Finance and Urban Affairs. Authorizes the Secretary of Housing and Urban Development to make grants to local agencies for converting closed school buildings into community centers, senior citizen centers and specified educational, medical or social service centers.

Directs the Secretary to serve as a national clearinghouse for local agencies by providing information on possible alternative uses for closed school buildings.

H.R. 6856. May 3, 1977. Interior and Insular Affairs. Repeals provisions granting lands to Mono County, California, to the city of Los Angeles, California, for designated uses; and granting rights-of-way over public lands and reserved land to the city of Los Angeles.

H.R. 6857. May 3, 1977. Ways and Means. Amends Title II (Old-Age, Survivors, and Disability Insurance) of the Social Security Act to repeal the earnings test, to eliminate special dependency requirements for husband's and widower's benefits, to permit payments of benefits to a married couple based on their combined earnings record, to allow individuals age 65 and over to elect to be exempt from social security coverage, to provide prorated benefits for the month of a beneficiary's death, and to eliminate the five-month waiting period for disability benefits.

H.R. 6858. May 3, 1977. Judiciary. Amends the Voting Rights Act of 1965 to extend the prohibition against durational residency requirements and the right to absenteen voting in congressional elections.

H.R. 6859. May 3, 1977. House Administration. Amends the Federal Election Campaign Act of 1971 to require that any listing of candidates for Federal office appear on election ballots before any other listing.

H.R. 6860. May 3, 1977. Interstate and Foreign Commerce. Provides protection for certain sales representatives terminated from their accounts without justification by requiring the principals to indemnify the sales representatives.

H.R. 6861. May 3, 1977. Post Office and Civil Service. Repeals the requirement that Federal employees be mandatorily retired upon reaching the age of 70 years.

H.R. 6862. May 3, 1977. Ways and Means. Amends the Internal Revenue Code to provide a $5,000 tax exclusion for persons aged 65 or over for amounts received as an annuity, pension, or other retirement benefit, and for all persons receiving retirement benefits under a public retirement system.

H.R. 6863. May 3, 1977. Ways and Means. Amends Title XVI (Supplemental Income for the Aged, Blind, and Disabled) of the Social Security Act to require the Secretary of Health, Education, and Welfare to pay a special housing allowance to each eligible individual whose housing expenses exceed 25 percent of income or $1,200 a year, whichever is less.

H.R. 6864. May 3, 1977. Ways and Means; Interstate and Foreign Commerce. Amends Title XVIII (Medicare) of the Social Security Act to provide payment for hearing aids and dentures under the supplementary medical insurance program.

H.R. 6865. May 3, 1977. House Administration. Provides for the nomination of party Presidential and Vice Presidential candidates

by popular vote in a national closed primary election.

Sets forth guidelines for such elections, including those relative to (1) eligibility for placement of parties and candidates on ballots, (2) eligibility to vote, and (3) in the event no candidate receives a majority of the votes cast by party members, runoff elections.

H.R. 6866. May 3, 1977. Judiciary. Requires specified organizations which employ lobbyists to register and file quarterly expense reports with the Comptroller General. Makes such reports available to the public. Establishes civil and criminal sanctions to enforce this Act.

H.R. 6867. May 3, 1977. Judiciary. Requires specified organizations which employ lobbyists to register and file quarterly expense reports with the Comptroller General. Makes such reports available to the public. Establishes civil and criminal sanctions to enforce this Act.

H.R. 6868. May 3, 1977. Judiciary. Requires specified organizations which employ lobbyists to register and file quarterly expense reports with the Comptroller General. Makes such reports available to the public. Establishes civil and criminal sanctions to enforce this Act.

H.R. 6869. May 3, 1977. Judiciary. Revises and recodifies Title 18 of the United States Code (Crimes and Criminal Procedure).

H.R. 6870. May 3, 1977. Judiciary. Amends the Indochina Migration and Refugee Assistance Act of 1975 to extend through 1980 funds for the provision of financial, medical, employment, and relocation assistance to refugees from Cambodia, Vietnam, or Laos.

H.R. 6871. May 3, 1977. Interstate and Foreign Commerce. Amends the Interstate Commerce Act to direct the Administrator of the Federal Railroad Administration to provide financial assistance to railroads to cover rehabilitation and operation costs for unprofitable railroad lines when the Interstate Commerce Commission finds that the public convenience and necessity does not permit the abandonment or discontinuance of such a line.

H.R. 6872. May 3, 1977. Interstate and Foreign Commerce. Prohibits the use of any appropriated funds to carry out any research activity on a living human fetus which is removed alive from the womb of its mother or to assist any person in carrying out such research activity.

H.R. 6873. May 3, 1977. Banking, Finance and Urban Affairs. Amends the Housing Act of 1949 to extend and increase specified rural housing assistance programs.

Directs the Secretary of Agriculture to withhold assistance for specified programs from any otherwise eligible borrower who fails to incorporate energy conservation features into such structure.

Permits the payment of reasonable attorney's fees for the representation of persons and organizations seeking to enforce rights under Title V of the Housing Act of 1949.

H.R. 6874. May 3, 1977. Agriculture. Amends the Agricultural Act of 1970 to require daily release by the Secretary of Agriculture of reports of large export sales of agricultural commodities.

H.R. 6875. May 3, 1977. Banking, Finance and Urban Affairs. Amends the Truth in Lending Act to require each appropriate regulatory agency to conduct biennial examinations of every creditor subject to the requirements of this Act. Calls for public disclosure of specified information obtained in such examinations for disclosure to consumers of the discovery of apparent substantial violations.

Sets forth a limited exemption from civil liability for creditors in error.

H.R. 6876. May 3, 1977. Education and Labor. Amends the Wagner-Peyser Act to direct the Secretary of Labor to provide technical and management assistance to State public employment offices, establish a national clearinghouse for employment service information in the United States Employment Service, and implement an assistant program for certain State employment office job placement projects.

Directs the Secretary to study the merits of a nationwide job bank system and of replacing the State employment office system with a Federal office system and to modify any requirement that unemployment benefit claimants register with State unemployment offices.

H.R. 6877. May 3, 1977. Ways and Means. Amends the Internal Revenue Code to allow small business investment companies electing to be taxed as regulated investment companies, and having a tax deficiency as a result of a judicial judgment or administrative dividend deductions to satisfy such deficiencies by paying out dividends within 90 days after the judgment or settlement.

H.R. 6878. May 3, 1977. Ways and Means. Amends the policy of Congress to restrict to 750,000,000 pounds the annual aggregate importation of fresh, chilled, or frozen beef, goat, or sheep meat after December 31, 1974. Prescribes a formula for adjustment of such quota. Directs the Secretary of Agriculture to allocate such quota among supplying countries according to certain criteria.

H.R. 6879. May 3, 1977. Ways and Means. Amends the Tariff Schedules of the United States to prohibit the entry of meat imports produced or manufactured in foreign trade zones, possessions, or territories of the United States unless: (1) the quantity of such meat is within the import limitations on such imports established by international agreements or restrictions under the Tariff Schedules; or (2) the quantity is deducted from the quantity which may be entered under other quantitative import restrictions.

H.R. 6880. May 3, 1977. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to render invalid any provision of a cease and desist order issued by the Commission when such provision requires affirmative action; unless such requirement is specifically provided for in a rule which is general in application and effect.

H.R. 6881. May 3, 1977. Judiciary. Amends a specified Act for the relief of certain individuals to restore certain benefits to such individuals.

H.R. 6882. May 3, 1977. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 6883. May 3, 1977. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 6884. May 4, 1977. International Relations. Amends the Foreign Assistance Act of 1961 to authorize appropriations for FY 1978 for disaster relief, international narcotics control, military assistance, security supporting assistance, international military education and training, and the Middle East Special Requirements Fund.

Amends the Arms Export Control Act to authorize appropriations to carry out such Act. Increases the ceiling of credits and loans for foreign military sales. Exempts arms exports to certain countries from restrictions on major arms exports.

Prohibits assistance for military operations in Zaire, or for aiding foreign governments in the repression of human rights.

H.R. 6885. May 4, 1977. Veterans' Affairs. Requires the Administrator of Veterans' Affairs to pay (in addition to any already paid) a monthly pension to $150 to each veteran of World War I who meets specified service requirements, or to the surviving spouse of each such veteran, or when there is no surviving spouse; to the child or children of each such veteran.

H.R. 6886. May 4, 1977. Interstate and Foreign Commerce. Reaffirms the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce. Grants additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest. Reaffirms the authority of the States to regulate terminal and station equipment used for telephone exchange service.

H.R. 6887. May 4, 1977. Ways and Means. Repeals the provision of the Emergency Jobs and Unemployment Assistance Act of 1974 which denies assistance and waiting period credits under the special unemployment assistance program between academic years or terms to certain nonprofessional employees of educational institutions or agencies.

H.R. 6888. May 4, 1977. Interior and Insular Affairs. Amends the Atomic Energy Act of 1954 to prohibit the commercial licensing of plutonium-fueled nuclear reactors and nuclear fuel reprocessing facilities designed to recover plutonium.

H.R. 6889. May 4, 1977. Interior and Insular Affairs. Amends the Atomic Energy Act of 1954 to prohibit the commercial licensing of plutonium-fueled nuclear reactors and nuclear fuel reprocessing facilities designed to recover plutonium.

H.R. 6890. May 4, 1977. District of Columbia. Amends the District of Columbia Self-Government and Governmental Reorganization Act to transfer certain powers and authorities of the President and the Senate with regard to the District of Columbia Government to the Mayor and City Council respectively.

H.R. 6891. May 4, 1977. Public Works and Transportation. Amends the Flood Control Act of 1954 to authorize the Corps of Engineers to furnish technical assistance to any State for removing snags and clearing and straightening channels in navigable streams.

H.R. 6892. May 4, 1977. Small Business. Amends the Small Business Act to limit to three percent the rate of interest on the Small Business Administration's share of disaster relief loans made to business affected by: (1) catastrophes such as floods, riots, or civil disorders; (2) disasters, as defined by specified laws; or (3) disease or toxicity introduced into products intended for human consumption.

H.R. 6893. May 4, 1977. Judiciary. Prohibits any State or political subdivision thereof, in which a Member of Congress maintains a place of abode for purposes of attending sessions of Congress from (1) treating such Member as a resident or domiciliary thereof, or (2) treating any compensation paid by the United States to such Member as income for services performed within, or from sources within, such State or subdivision, for income tax purposes unless such Member represents such State or district therein.

H.R. 6894. May 4, 1977. Armed Services; Banking, Finance and Urban Affairs; District of Columbia; Education and Labor; Interstate and Foreign Commerce; Post Office and Means. Creates a U.S. Health Service Organization to provide without charge to all residents comprehensive health care services delivered by salaried health workers.

H.R. 6895. May 4, 1977. Interstate and Foreign Commerce; Ways and Means. Amends title XVIII (medicare) of the Social Security Act to provide payment for optometric and medical vision care under the supplementary medical insurance program.

H.R. 6896 May 4, 1977. District of Columbia. Restates the charter of the George Washington University, Washington, D.C., in its entirety.

H.R. 6897. May 4, 1977. Ways and Means. Amends the Internal Revenue Code to provide a $5,000 tax exclusion from gross income for any amount received as an annuity, pension, or other retirement benefit.

H.R. 6898. May 4, 1977. Ways and Means. Increases to $5,000 the amount of outside earnings which is permitted an individual each year without any deduction from benefits under title II (old-age, survivors, and disability insurance) of the Social Security Act.

H.R. 6899. May 4, 1977. Education and Labor. Increases the dollar amount of contracts to which the Davis-Bacon Act applies and provides for future increases tied to cost-of-living increases. Makes such act applicable only to unskilled laborers. Details the method for computing the "prevailing wage" under the act. Establishes a Federal Construction Appeals Board to hear appeals regarding wage rate determinations under the act.

H.R. 6900. May 4, 1977. Interior and Insular Affairs. Amends the National Trails System Act to include historic trails, in addition to recreation and scenic trails, within the National Trails System.

Designates the Oregon National Historic Trail and Travelway in the States of Oregon and Washington, as a unit of the National Trails System.

H.R. 6901. May 4, 1977. Rules. Requires review of Federal programs to determine if they warrant continuation. Requires the President to conduct such review of the programs covered by the annual budget. Requires Congress to make such review every four years.

Requires that all rules proposed by any Federal agency be submitted to Congress for approval.

H.R. 6902. May 4, 1977. House Administration. Requires each State and local government to permit an individual who is eligible under applicable State and Federal law to register to vote in any Federal election to register on the date of a Federal election at the appropriate polling place.

Directs the Federal Election Commission to make grants to States for approved voter registration outreach programs.

Establishes the positions of Administrator and Assistant Administrator of Voter Registration within the Commission.

Prohibits commercial use of any list compiled by a State or local government of individuals registered to vote in a Federal election.

H.R. 6903. May 4, 1977. Ways and Means. Amends the Internal Revenue Code to provide for the reimbursement of all of a taxpayer's reasonable litigation expenses, including attorneys' fees, in any legal action commenced by the Government, or any action instituted by a taxpayer contesting the accuracy of a deficiency assessment or claiming a refund, in which the taxpayer substantially prevails, or the Government withdraws.

H.R. 6904. May 4, 1977. Agriculture. Amends the Agricultural Adjustment Act of 1938 to set formulas for the national marketing quotas for the 1978 through 1981 crops of peanuts. Sets the price supports for such crops.

H.R. 6905. May 4, 1977. Veterans' Affairs. Exempts courses which lead to a standard college degree from the "85–15" rule whereby the Administrator of Veterans' Affairs is required to disapprove enrollment of any eligible veteran, not already enrolled, in any course offered by a proprietary profit or proprietary nonprofit educational institution where more than 85 percent of the students enrolled have their fees paid by either the Veterans' Administration or the institution itself.

Revises the application of rules governing the two-year period a course must be in operation before enrollment of eligible veterans or persons can be approved.

H.R. 6906. May 4, 1977. Interior and Insular Affairs. Authorizes the Federal Power Commission to issue a license for the construction of Hualapai Dam, under an exemption from park land use laws.

Amends the Colorado River Basin Project Act to repeal the exemption of portions of the Colorado River from the water resources development licensing provisions of the Federal Power Act.

H.R. 6907. May 4, 1977. Merchant Marine and Fisheries. Amends the Marine Mammal Protection Act of 1972 to require the Secretary of the Interior or the Secretary of the department in which the National Oceanic and Atmospheric Administration is operating to issue permits for the taking, incidental to commercial tuna fishing operations, of specified numbers of certain stocks of marine mammals, during a certain period.

Requires the Secretary to place an observer aboard fishing vessels engaged in fishing for tuna or porpoise.

H.R. 6908. May 4, 1977. Banking, Finance and Urban Affairs; Judiciary. Prohibits any United States entity or representative from obtaining copies of, or access to, information contained in the financial records, toll records, or credit records of any customer of a financial institution, communication common carrier, credit card issuer, or consumer reporting agency. Lifts such prohibition if: (1) the records are described with sufficient particularity; and (2) the customer has authorized disclosure, the disclosure is obtained in response to an administrative subpoena, search warrant, or judicial subpoena, or disclosure is in compliance with specified provisions of the Fair Credit Reporting Act. Restricts the use of mail covers and the interception of wire and oral communications for purposes of supervisory observing by communication common carriers and others.

H.R. 6909. May 4, 1977. Merchant Marine and Fisheries. Prohibits the taking of wolves or other predators on public lands by private individuals or Federal or State agencies. Permits the taking of any individual predator, upon order of the Secretary of the Interior or the Secretary of Agriculture, upon a demonstration that such predator has been killing domestic livestock. Prohibits the use of aircraft in taking predators.

H.R. 6910. May 4, 1977. International Relations. Sets forth United States policy on (1) non-proliferation of nuclear weapons, and (2) strengthening the International Atomic Energy Agency and its safeguards system. Establishes a nuclear safeguards training program. Directs the Energy Research and Development Administration to expand the uranium enrichment capacity of the United States. Requires agreements for non-military nuclear cooperation to include certain non-proliferation and nuclear safeguard provisions. Restricts the amount of nuclear material which may be distributed by ERDA. Revises the criteria and procedures for nuclear export licensing by the Nuclear Regulatory Commission. Requires annual review of governmental non-proliferation activities.

H.R. 6911. May 4, 1977. Post Office and Civil Service. Amends the Postal Reorganization Act Amendments of 1976 to extend to December 31, 1978, the period during which the Postal Service is prohibited from: (1) increasing rates and fees to levels exceeding those in effect on the date of enactment of the Act; (2) offering levels and types of services which are less than those available on July 1, 1976; and (3) closing certain postal facilities which were in operation on July 1, 1976.

H.R. 6912. May 4, 1977. Agriculture. Requires all exporters of specified agricultural commodities, under the Agricultural Act of 1970, to report specified items of information to the Secretary of Agriculture within 24 hours after entering into export contracts involving a substantial quantity of such a commodity.

H.R. 6913. May 4, 1977. Education and Labor. Amends the Older Americans Act of 1965 to authorize the Commissioner of the Administration on Aging to make grants to States for the purposes of (1) supporting a staff person within the State agency responsible for the delivery of legal services to the elderly, and (2) supporting direct legal services by providing funds to area agencies. Authorizes the Commissioner to make grants to or contract with national resource centers to support organizations providing legal services to the elderly and provide legal advice to the elderly.

H.R. 6914. May 4, 1977. Judiciary. Directs the Attorney General to make grants to qualified State programs for the compensation of victims of crime.

Establishes an Advisory Committee on Victims of Crime to advise the Attorney General with respect to the administration of such grant program and the compensation of victims of crime.

H.R. 6915. May 4, 1977. Veterans' Affairs. Subjects the decisions of the Administrator of Veterans' Affairs on any question of law or fact under any law administered by the Veterans' Administration providing benefits for veterans and their dependents or survivors to judicial review by a district court in the district where the claimant resides.

Substitutes for the present ten limit on attorney's and agent's fee for claims to requirement that such fees be reasonable.

H.R. 6916. May 4, 1977. Education and Labor. Amends the Older Americans Act of 1965 to extend the surplus commodities program under such Act for fiscal year 1978.

H.R. 6917. May 4, 1977. Ways and Means. Amends the Tariff Schedules of the United States to increase for a five-year period the customs duty on specified hand tools.

H.R. 6918. May 4, 1977. Ways and Means. Amends the Internal Revenue Code to extend the corporate surtax exemption to political organizations provided they were not organized to use the exemption.

H.R. 6919. May 4, 1977. Ethics. Prohibits any Member of the House of Representatives from soliciting or accepting gifts of money for personal use.

H.R. 6920. May 4, 1977. Science and Technology. Establishes a five-year program in the Energy Research and Development Administration designed to develop advanced automobile propulsion systems. Directs the Secretary of Transportation and the Administrator of the Environmental Protection Agency to evaluate test vehicles for compliance with applicable environmental, energy efficiency, and motor vehicle safety requirements.

H.R. 6921. May 4, 1977. Interior and Insular Affairs. Authorizes the Secretary of the Interior to designate lands in Hyde Park, New York, as the Eleanor Roosevelt National Historic Site and to acquire and manage such lands.

H.R. 6922. May 4, 1977. Ways and Means. Amends the Tariff Schedules of the United States to raise the resident tariff exemption on items imported for personal use or gifts to $500.

H.R. 6923. May 4, 1977. Ways and Means. Amends the Social Security Act by adding Title XXI—Minimum Income Maintenance Benefits which establishes a national program to guarantee a minimum adequate income for all qualified residents of the United States.

H.R. 6924. May 4, 1977. Education and Labor. Directs the Secretary of Labor to (1) contract with Opportunities Industrialization Centers, Incorporated, for the provision of skills training to certain types of unemployed persons through such Centers, and (2) contract with other national community based organizations, for the provision of comprehensive employment services, including counseling, job creation and development, remedial education, and followup.

Directs the head of each agency having administrative authority with respect to specified Federal grant and construction programs to take steps to assure that special consideration be given national community based organizations in providing employment services and job opportunities for unemployed individuals pursuant to such authority.

H.R. 6925. May 4, 1977. Education and Labor. Directs the Coordinating Council on Juvenile Justice and Delinquency Prevention to organize and convene a National Conference on Learning Disabilities and Juvenile Delinquency.

Directs the Conference to formulate methods of disseminating extant knowledge and the results of ongoing research related to learning disabilities and handicaps to appropriate agencies and individuals.

H.R. 6926. May 4, 1977. Education and Labor. Permits the Commissioner of Education to provide financial assistance to local educational agencies determined to be within an area in which an emergency has occurred prior to July 1, 1978, or which has had its public elementary or secondary school facilities destroyed or seriously damaged prior to July 1, 1978.

H.R. 6927. May 4, 1977. Post Office and Civil Service. Authorizes the payment of a civil service annuity to those employees of the Bureau of Indian Affairs and the Indian Health Service who are not entitled to full retirement benefits and who meet specified employment and length of service requirements.

H.R. 6928. May 4, 1977. Merchant Marine and Fisheries. Amends the Marine Mammal Protection Act of 1972 to require the Secretary of the Interior or the Secretary of the department in which the National Oceanic and Atmospheric Administration is operating to issue permits for the taking, incidental to commercial tuna fishing operations, of specified numbers of certain stocks of marine mammals, during a certain period.

Requires the Secretary to place an observer aboard fishing vessels engaged in fishing for tuna or porpoise.

H.R. 6929. May 4, 1977. Interstate and Foreign Commerce. Amends the Railroad Retirement Act of 1974 to allow an individual otherwise eligible to receive an annuity under such Act to receive such annuity even though the individual continues employment elsewhere on the basis of less than a 35-hour workweek.

H.R. 6930. May 4, 1977. House Administration. Requires each State and local government to permit an individual who is eligible under applicable State and Federal law to register to vote in any Federal election to register on the date of a Federal election at the appropriate polling place.

Directs the Federal Election Commission to make grants to States for approved voter registration outreach programs.

Establishes the positions of Administrator and Assistant Administrator of Voter Registration within the Commission.

Prohibits commercial use of any list compiled by a State or local government of individuals registered to vote in a Federal election.

H.R. 6931. May 4, 1977. Ways and Means. Amends the Internal Revenue Code to allow certain annual additions for pension plan participants to exceed 25 percent of the participant's compensation.

H.R. 6932. May 4, 1977. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain individual in full settlement of such individual's claims against the United States.

H.R. 6933. May 6, 1977. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain individual in full settlement of such individual's claims against the United States.

H.R. 6934. May 4, 1977. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 6935. May 4, 1977. Judiciary. Permits a certain individual to be naturalized as a citizen of the United States.

H.R. 6936. May 5, 1977. House Administration. Authorizes the appropriation of a specified sum to the Federal Election Commission for fiscal year 1978.

H.R. 6937. May 5, 1977. Agriculture. Directs the Secretary of Agriculture, through the Statistical Reporting Service, to take an enumeration of horses in the United States, by the "sampling" method if preferred, beginning in 1978.

H.R. 6938. May 5, 1977. Ways and Means. Amends the Tax Reform Act to delay its provisions relating to the minimum tax for one year.

H.R. 6939. May 5, 1977. Judiciary. Amends the Immigration and Nationality Act to make it unlawful to knowingly hire an alien not lawfully admitted into the United States. Requires that employees of the Department of Health, Education, and Welfare disclose the names of illegal aliens who are receiving assistance under the Social Security Act.

Makes punishable by a fine or imprisonment the making of false border crossing cards, alien registration receipt cards, and other documents used for entry into the United States.

H.R. 6940. May 5, 1977. Ways and Means. Amends the Internal Revenue Code to qualify certain trusts established to provide benefits and satisfy claims under the Black Lung Act as tax exempt organizations.

H.R. 6941. May 5, 1977. Judiciary. Increases penalties and imposes mandatory minimum sentences for the commission of certain crimes involving narcotic drugs.

Sets forth procedures and standards for: (1) pretrial and posttrial release of persons charged with or convicted of certain crimes involving drugs; and (2) pretrial release and treatment of narcotics addicts charged with noncapital Federal crimes.

H.R. 6942. May 5, 1977. Interior and Insular Affairs. Amends the Geothermal Steam Act of 1970 to increase the maximum amount of acreage which may be held by a single lessee. Requires that lessees be given access to existing right-of-way and existing transmission lines and an opportunity to participate in the planning of rights-of-way for new lines and facilities.

Authorizes the use of phased environmental assessments upon the request of a majority of the potential bidders from geothermal resources.

H.R. 6943. May 5, 1977. Merchant Marine and Fisheries. Provides for the sale of nonessential real property in the Panama Canal Zone to appropriate individuals and nongovernmental entities under a plan to be drafted by the President and subject to congressional veto. Directs the President to prepare a detailed proposal for self-government of the Canal Zone under the Constitution.

H.R. 6944. May 5, 1977. Education and Labor. Amends the Employee Retirement Income Security Act of 1974 to exempt from regulatory provisions thereunder employee benefit plans maintained solely for the purpose of complying with health insurance laws.

H.R. 6945. May 5, 1977. Ways and Means. Provides that the income tax treatment of certain transportation expenses between the taxpayer's residence and place of work shall be determined without regard to Revenue Ruling 76-453 or any other ruling, regulation or decision reaching the same result.

H.R. 6946. May 5, 1977. Ways and Means. Provides that the income tax treatment of certain transportation expenses between the taxpayer's residence and place of work shall be determined without regard to Revenue Ruling 76-453 or any other ruling, regulation or decision reaching the same result.

H.R. 6947. May 5, 1977. Education and Labor. Prohibits the sexual exploitation of children by making it unlawful for any individual to (1) cause or permit a child to be photographed or filmed engaged in a sexual act prohibited under this Act; (2) photograph or film a prohibited sexual act; (3) knowingly transport a film or photograph depicting a prohibited sexual act; or (4) receive for sale or sell any such film or photograph, if such individual knows or should know such film or photograph has or may be transported in such a manner as to affect interstate or foreign commerce.

H.R. 6948. May 5, 1977. Interstate and Foreign Commerce. Amends the Public Health Service Act to require the Secretary of Health, Education, and Welfare to establish criteria and minimum standards for the training and licensure of radiologic technologists. Directs that State and local governments be encouraged to minimize exposure of the public to ionizing from all sources.

Authorizes the Secretary to make grants to States to carry out such purposes.

Requires promulgation of performance standards and inspection programs for x-ray systems.

H.R. 6949. May 5, 1977. Interstate and Foreign Commerce. Amends the Public Health Service Act to require the Secretary of Health, Education, and Welfare to make grants to public or nonprofit entities for research projects in fertility and sterility in humans and the human reproductive process.

H.R. 6950. May 5, 1977. Armed Services. Revises the special pay structure for active duty medical officers of the uniformed services to direct the Secretaries of Defense and Health, Education, and Welfare to promulgate regulations through which variable incentive pay may be adjusted to reflect (1) amounts that the Federal Government has paid to, or (2) benefits received by, medical officers prior to the commencement of active duty.

H.R. 6951. May 5, 1977. Banking, Finance and Urban Affairs. Amends the Council on Wage and Price Stability Act to extend the authority of the Council on Wage and Price Stability through fiscal year 1979 and to authorize the appropriation of funds to carry out such Act for fiscal years 1978 and 1979.

Directs the Council to focus attention on the need for full employment.

H.R. 6952. May 5, 1977. Judiciary; Post Office and Civil Service. Requires financial disclosure by all officials in the executive branch from persons classified GS-16 through the President. Establishes within the Civil Service Commission an Office of Government Ethics to monitor compliance with this act and to audit financial disclosure statements for signs of illegal conflicts of interests. Extends the current prohibition on appearance before agencies of employment by former Federal personnel to informal as well as formal contacts and extends the period of such prohibition.

H.R. 6953. May 5, 1977. Post Office and Civil Service. Entitles a Federal employee whose position is reduced in grade to have the grade of such position treated as if such reduction had not occurred so long as such position is continued to be filled by such employee without a break in service.

H.R. 6954. May 5, 1977. Armed Services; Judiciary; Post Office and Civil Service. Requires financial disclosure by all officials in the executive branch from persons classified GS-16 through the President. Establishes within the Civil Service Commission an Office of Government Ethics to monitor compliance with this act and to audit financial disclosure statements for signs of illegal conflicts of interest. Extends the current prohibition on appearance before agencies of employment by former Federal personnel to

informal as well as formal contacts and extends the period of such prohibition.

H.R. 6955. May 5, 1977. Judiciary. Establishes in the Department of Justice a Victims Compensation Commission to compensate intervenors and victims in cases of personal injury or death resulting from certain violent or potentially violent criminal offenses. Establishes within each U.S. attorney's office a witnesses of crime assistance bureau to create and administer witness assistance programs that encourage and enable witnesses of crime to testify.

Increases the expense fees for witnesses to crime who testify in Federal court.

H.R. 6956. May 5, 1977. Ways and Means; Interstate and Foreign Commerce. Amends title XVI of the Social Security Act to prohibit the payment of supplementary security income benefits to an alien unless he is a permanent resident of the United States and has continuously resided therein for at least 1 year.

H.R. 6957. May 5, 1977. Interstate and Foreign Commerce. Amends the Railroad Safety Act of 1970 to direct the Secretary of Transportation to issue regulations requiring that the locomotive and rear car of all passenger, freight, and commuter trains be equipped with bulletproof glass and equipment which is capable of providing controlled temperatures.

H.R. 6958. May 5, 1977. Post Office and Civil Service. Authorizes the Director of the Administrative Office of the United States Courts to place 15 positions in grades 16, 17, and 18 of the General Schedule.

H.R. 6959. May 5, 1977. Agriculture. Amends specified provisions of the Emergency Livestock Credit Act of 1974 with regard to the principal, interest and repayment terms of guaranteed loans.

H.R. 6960. May 5, 1977. Ways and Means. Amends the Internal Revenue Code to exclude from gross income the first $5,000 received by an individual as a civil service or other Federal retirement annuity.

H.R. 6961. May 5, 1977. Armed Services. Credits female members of the armed forces for purposes of computing years of active service in the armed forces, with services performed during World War I by such individuals as members of the telephone operating units of the Army.

H.R. 6962. May 5, 1977. Public Works and Transportation. Amends the Water Resources Development Act of 1974 to prohibit the Congress from authorizing well drilling for the water needs of the Washington metropolitan area if the county in which the drilling is to take place disapproves such drilling by referendum.

H.R. 6963. May 5, 1977. International Relations. Amends the Mutual Educational and Cultural Exchange Act of 1961 to disallow Federal employees to accept grants and other types of assistance provided by a foreign government to facilitate participation of such employees in certain cultural exchange programs.

H.R. 6964. May 5, 1977. Public Works and Transportation. Authorizes the Secretary of the Army, acting through the Chief of Engineers, to design and construct on an expedited basis certain flood control facilities on portions of the Big Sandy River, and the Cumberland River, in Kentucky.

H.R. 6965. May 5, 1977. Ways and Means; Interstate and Foreign Commerce. Amends Title XVIII (Medicare) of the Social Security Act to authorize payment for specified services performed by chiropractors, and physical examination, and related routine laboratory tests.

H.R. 6966. May 5, 1977. Armed Services. Revises eligibility standards for receiving the gold star lapel button.

H.R. 6967. May 5, 1977. International Relations. Amends the Peace Corps Act to authorize appropriations for the Peace Corps for fiscal year 1978.

H.R. 6968. May 5, 1977. Public Works and Transportation. Authorizes the Secretary of the Army, acting through the Chief of Engineers, to construct a water supply system in Ohio.

H.R. 6969. May 5, 1977. Ways and Means. Amends the Internal Revenue Code to allow a $200 income tax deduction for purchase installation expenses for residential smoke detectors.

H.R. 6970. May 5, 1977. Merchant Marine and Fisheries. Amends the Marine Mammal Protection Act of 1972 to require the Secretary of Commerce or the Interior, as appropriate to their respective jurisdictions under such Act, to issue permits for the taking of marine mammals in specified numbers incidental to commercial fishing operations for yellowfin tuna.

Requires the Secretary to establish a program to place observers aboard fishing vessels to observe fishing methods and gear for the purpose of reducing such incidental taking.

H.R. 6971. May 5, 1977. Veterans' Affairs. Exempts courses which lead to a standard college degree from the "85–15" rule under which the Administrator of Veterans' Affairs is required to disapprove enrollment of any eligible veteran, not already enrolled, in any course where more than 85 percent of the students enrolled have their fees paid by either the Federal Government or the educational institution itself.

H.R. 6972. May 5, 1977. Government Operations. Establishes the Commission on the Reorganization of the executive branch of the Government to study all instrumentalities of the Government except those of the legislative or judicial branches to determine what changes are necessary to eliminate duplication and improve efficiency. Requires the Commission to submit to the President and Congress a final report by December 31, 1978, at which time the Commission shall cease to exist. Permits the President to submit to Congress reorganization plans to implement any recommendation of the Commission until January 1, 1980.

H.R. 6973. May 5, 1977. Education and Labor. Directs the Secretary of Labor to make financial assistance available for the establishment and operation of service, employment, and redevelopment centers. States that such centers shall offer classes specifically designed to assist disadvantaged unemployed and underemployed Spanish-speaking persons. Specifies additional education, employment, and training services to be included in the service, employment and redevelopment program.

H.R. 6974. May 5, 1977. Post Office and Civil Service. Authorizes the Director of the Administrative Office of the United States Courts to place a total of 15 positions in grades 16, 17, and 18 of the General Schedule.

H.R. 6975. May 5, 1977. Post Office and Civil Service. Increases from 240 to 340 the number of hearing examiner positions which the Civil Service Commission may establish and place at grade 16 of the General Schedule.

H.R. 6976. May 5, 1977. Armed Services; Interstate and Foreign Commerce; Post Office and Civil Service; Ways and Means. Declares that time spent by civilian citizens and permanent residents of the United States in prisoners-of-war camps, internment centers, or similar places, on or after December 7, 1941, shall be considered: (1) service in the active military or naval service for purposes of certain veterans' benefits; (2) military service during war for purposes of the Railroad Retirement Act of 1937; (3) military service for purposes of Civil Service retirement; and (4) active service for purposes of Armed Forces retirement pay.

H.R. 6977. May 5, 1977. Banking, Finance and Urban Affairs. Amends the National Flood Insurance Act of 1968 to make additional coverage available for residential properties.

Requires the Secretary of Housing and Urban Development to purchase certain real property located in flood-risk areas or covered by flood insurance which has sustained substantial damage. Authorizes loans by the Secretary for the elevation of damaged single-family dwellings within a regulatory floodway.

H.R. 6978. May 5, 1977. Judiciary. Declares a certain individual eligible to receive veterans' educational assistance during the period of time necessary for her to complete her program of study for a bachelor of arts degree.

H.R. 6979. May 6, 1977. Interstate and Foreign Commerce. Amends the Federal Food, Drug, and Cosmetic Act to exclude from the definition of a food additive as defined by such Act any substance used as a component of food-contact articles provided it is not reasonably expected to contribute more than 0.05 part per million to the contacted food as determined under conditions provided for by this Act.

Authorizes the Secretary of Health, Education, and Welfare to establish a lower limit for a substance in order to protect the public health.

H.R. 6980. May 6, 1977. Interior and Insular Affairs. Adds the site of the salt cairn utilized by the Lewis and Clark Expedition while encamped at Fort Clatsop, Oregon, to the Fort Clatsop National Memorial.

H.R. 6981. May 6, 1977. Post Office and Civil Service. Upgrades the offices of Chairman of the Board of Governors of the Federal Reserve System from position II to position I of the Executive Schedule and the Members of the Board of Governors of the Federal Reserve System from position III to position II of the Executive Schedule.

H.R. 6982. May 6, 1977. Ways and Means; Interstate and Foreign Commerce. Amends Title XVIII (Medicare) and Title XIX (Medicaid) of the Social Security Act to include in the coverage provided under such programs the services of licensed (registered) nurses.

H.R. 6983. May 6 1977. Banking, Finance and Urban Affairs. Allows the inclusion of clauses which require payment in gold or any particular kind of coin or currency in contracts entered into on or after the date of enactment of this Act.

H.R. 6984. May 6, 1977. Interstate and Foreign Commerce. Prohibits any agent of the United States from acquiring or inspecting medical and dental records of patients whose care is not provided by Federal funds without the patient's authorization.

H.R. 6985. May 6, 1977. Ways and Means; Interstate and Foreign Commerce. Amends Title XI (General Provisions) of the Social Secrity Act to abolish the Professional Standards Review Organizations which were established to review services covered under the Medicare and Medicaid programs.

H.R. 6986. May 6, 1977. Interstate and Foreign Commerce; Ways and Means; Rules. Requires any officer or agency in the executive branch to obtain congressional review of all proposed regulations relating to cost and expenditures for health care.

H.R. 6987. May 6, 1977. Judiciary. Amends the Omnibus Crime Control and Safe Streets Act of 1968 to condition certain assistance to States, local governments, and agencies thereunder on the adoption of a law enforcement officers' bill of rights.

H.R. 6988. May 6, 1977. Interstate and Foreign Commerce. Amends Title XIX (Medicaid) of the Social Security Act to permit the Secretary of Health, Education, and Welfare to waive the freedom of choice of health service provider requirement of a State Medicaid plan.

H.R. 6989. May 6, 1977. Ways and Means. Amends the Internal Revenue Code to increase the number of mutual deposit guaranty funds qualifying as tax exempt organi-

zations and to allow such organizations to provide reserve funds for and insure deposits in both savings and loan associations and credit unions.

H.R. 6990. May 6, 1977. Armed Services. Authorizes the Secretaries of Defense, the Army, Navy, and Air Force to establish or develop military installations at specified locations. Authorizes the Secretary of Defense to construct or acquire military family housing in specified numbers at specified locations. Authorizes the Secretary of Defense to install energy consumption devices on military family housing units and to assess charges against members who exceed the Secretary's established energy consumption ceiling. Authorizes specified land transfers in California, New Hampshire, and Colorado.

H.R. 6991. May 6, 1977. Small Business. Amends the Small Business Act to reduce the rate of interest on the Small Business Administration's portion of disaster relief loans with respect to major disasters occurring on or after April 1, 1977, and prior to June 6, 1977.

H.R. 6992. May 6, 1977. Public Works and Transportation. Establishes the Federal Protective Service, a police force within the General Services Administration, to enforce the law within public buildings and other areas under GSA jurisdiction.

H.R. 6993. May 6, 1977. Post Office and Civil Service. Requires the Secretary of Commerce to transfer population census records to the Administrator of General Services for deposit with the National Archives within 50 years of the date of such a census. Makes such information available 50 years after the census date for purposes of medical research and 75 years after such date for geneological or historical purposes.

H.R. 6994. May 6, 1977. Ways and Means. Amends Title II (Old Age, Survivors, and Disability Insurance) of the Social Security Act to increase to $5,400 the amount of outside earnings which is permitted an individual each year without any deduction from benefits under such title.

H.R. 6995. May 6, 1977. Post Office and Civil Service. Requires the Civil Service Commission, in the event a contractor providing group health insurance for Federal employees intends to reduce the benefits provided under its contract, to publish in the Federal Register, 180 days before any such proposed reduction is to take effect, a statement explaining such proposal and giving the time and place of a hearing with respect to such proposal. Directs the Commission to hold such a hearing not later than 120 days before such proposal is scheduled to take effect.

H.R. 6996. May 6, 1977. Armed Services. Authorizes the Secretary of Defense to budget funds for certain specified purposes to assist the Civil Air Patrol. Authorizes the Secretary of the Air Force to give, sell, or lend to the Civil Air Patrol excess property acquired by the Air Force under the Federal Property and Administrative Services Act of 1949.

H.R. 6997. May 6, 1977. Interior and Insular Affairs. Authorizes the Secretary of the Interior to convey all right, title, and interest of the United States in and to a specified tract of lands located in the Fairbanks Recording District, Alaska, to the Fairbanks North Star Borough.

H.R. 6998. May 6, 1977. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 6999. May 6, 1977. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain individual in full settlement of such individual's claims against the United States.

H.R. 7000. May 9, 1977. Public Works and Transportation. Reaffirms the percentage of local cash contribution required for construction of navigation facilities at the Barber's Point deep-draft harbor, Hawaii. Declares that material dredged during such construction shall become the property of Hawaii for disposal.

H.R. 7001. May 9, 1977. House Administration. Amends the Federal Election Campaign Act of 1971 to direct that copies of documents required to be filed with States be filed with the State officer charged with maintaining State election campaign reports.

Revises the period for which copies of such documents must be retained.

Requires that only those portions of filed documents which relate to candidates for election in the State of filing need be preserved.

Authorizes the appropriation of specified sums to the Federal Election Commission for the purpose of reimbursing during 1977 and 1978 State offices with which campaign documents are filed.

H.R. 7002. May 9, 1977. Education and Labor; Ways and Means. Provides, through the Department of Labor, specified adjustment assistance to certain workers adversely affected by the termination of a major government procurement program.

Establishes a Job and Retraining Information Service within the Department of Labor to facilitate the implementation and operation of such assistance program.

Amends the tax credit under the Internal Revenue Code for expenses of work incentive programs to permit a limited credit for wages paid to retrained defense workers.

H.R. 7003. May 9, 1977. Ways and Means. Amends the Internal Revenue Code to exempt, in certain circumstances, the leasing of property by a corporation, all the stock of which is owned by a private foundation, to a person affiliated with the foundation, from the excise tax on self-dealing by private foundations.

Extends specified temporary provisions of the Tax Reform Act of 1969 which exempt certain transactions between private foundations and affiliated persons from the self-dealing tax.

H.R. 7004. May 9, 1977. Judiciary. Authorizes the Law Enforcement Assistance Administration to purchase a group life insurance policy or policies from private life insurance companies for the benefit of public safety officers.

Sets forth guidelines relative to such group plan.

Establishes an Advisory Council on Public Safety Officer Group Life Insurance composed of the Attorney General, the Secretary of the Treasury, the Secretary of Health, Education, and Welfare, and the Director of the Office of Management and Budget.

H.R. 7005. May 9, 1977. House Administration. Amends the Federal Election Campaign Act of 1971 to (1) prohibit all political committees other than National, State or local committees of national political parties from making contributions to candidates or their committees and (2) forbid all political committees from making contributions to other political committees, with the exception of transfer between and among National, State and local party committees.

H.R. 7006. May 9, 1977. International Relations. Amends the United States Information Educational Exchange Act of 1948 to require the United States Information Agency (USIA) to release to the General Services Administration, and to require the Administration to make copies and distribute for public viewing, the USIA film, Winter Count, that depicts the Sioux Indians' method of recording their history.

H.R. 7007. May 9, 1977. Education and Labor. Amends the Age Discrimination in Employment Act of 1967 to make the provisions, formerly applicable to persons between 40 and 65 years of age, applicable to anyone 40 years of age or older.

H.R. 7008. May 9, 1977. Judiciary. Sets forth procedures for Federal constitutional conventions with respects to: (1) applications, (2) calling, (3) delegates, (4) convening, (5) operation, (6) congressional approval, and (7) ratification.

H.R. 7009. May 9, 1977. Judiciary. Prohibits use or supply of false documentation, false information, or birth or immigration documents of another for purposes of obtaining a Federal document containing an element of identification.

Forbids commerce in such information, documentation, or official documents for purposes of securing a State or local government document containing an element of identification.

Proscribes specified acts relative to: (1) forgery, counterfeiting, or alteration of Federal, State, or local government documents containing an element of identification; (2) interstate or foreign commerce in any such counterfeited, forged, or altered document; and (3) receipt, possession, use, or furnishing of any such document with intent to secure false official identification.

H.R. 7010. May 9, 1977. Judiciary. Directs the Attorney General to make grants to qualified State programs for the compensation of victims of crime.

Establishes an Advisory Committee on Victims of Crime to advise the Attorney General with respect to the administration of such grant program and to the compensation of victims of crime.

H.R. 7011. May 9, 1977. Armed Services. Authorizes the establishment of a National Guard for American Samoa.

H.R. 7012. May 9, 1977. Post Office and Civil Service. Directs the Secretary of Commerce to reduce the overall burden on respondents in the 1979 census of agriculture, drainage and irrigation to no more than 60 percent of the burden on respondents in the 1974 census.

Requires the statistical definition of farms in the 1979 census not to exclude any establishment which would normally sell more than $600 worth of agricultural products during the census year; or, for census years following 1979, $600 worth, adjusted by a specified percentage.

Directs the Department of Commerce to improve the collection, analysis and publication of data about the ownership structure of American farms.

H.R. 7013. May 9, 1977. Ways and Means; Banking, Finance and Urban Affairs. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 7014. May 9, 1977. Government Operations. Establishes the Agency for Consumer Advocacy within the executive branch to represent the interests of consumers before Federal agencies, to receive and act upon consumer complaints, to perform research on products, and to gather and disseminate information on consumer products and services.

Requires Federal agencies considering policies or regulations which may affect the interests of consumers to notify the Agency, and to consider the interests of the consumer.

H.R. 7015. May 9, 1977. Interstate and Foreign Commerce. Amends the Federal Food, Drug, and Cosmetic Act to deem a food additive safe if the Secretary of Health, Education, and Welfare (1) makes a finding that the public benefit from permitting the use of such additive would exceed the public risk resulting from such use; (2) gives notice in the Federal Register of such a finding and opportunity for public comment; and (3) issues a final order not earlier than 120 days from such publication.

Specifies factors that must be taken into consideration when evaluating a food additive.

Deems saccharin a safe food additive unless the Secretary declares it unsafe under the provisions of this Act.

H.R. 7016. May 9, 1977. International Relations. Amends the United Nations Participation Act of 1945 to permit importation of chrome, shipped from a country other than Rhodesia under a contract entered into prior to March 18, 1977, if the seller is not of Southern Rhodesia origin.

H.R. 7017. May 9, 1977. Education and Labor. Authorizes the Commissioner of Education to provide Federal aid to those State teacher retirement systems which allow retirement credit to teachers for out-of-State teaching service.

H.R. 7018. May 9, 1977. Veterans' Affairs. Exempts courses which lead to a standard college degree from the "85–15" rule whereby the Administrator of Veterans' Affairs is required to disapprove enrollment of any eligible veteran, not already enrolled, in any course offered by a proprietary profit or proprietary nonprofit educational institution where more than 85 percent of the students enrolled have their fees paid by either the Veterans' Administration or the institution itself.

Revises the application of rules governing the two-year period a course must be in operation before enrollment of eligible veterans or persons can be approved.

H.R. 7019. May 9, 1977. Judiciary. Prohibits commerce in contraband cigarettes.

Subjects dealers in cigarettes to such reporting requirements as the Secretary of the Treasury may prescribe.

H.R. 7020. May 9, 1977. Ways and Means. Amends the Internal Revenue Code to allow a limited tax credit in an amount of $250 for each individual who is at least 65 years of age before the beginning of the taxable year, whose principal place of abode during the taxable year is the principal residence of the taxpayer, and who is not a lodger with the taxpayer.

H.R. 7021. May 9, 1977. Post Office and Civil Service. Changes the organizational structure of the United States Postal Service by: (1) transferring the authority of the Board of Governors to the Postmaster General; (2) revising the procedures for adjustment of rates and services; (3) creating a procedure for review of proposed capital investments; and (4) requiring the Postal Rate Commission to submit to the President a separate annual budget.

Prohibits a reduction in the frequency of mail delivery service below the frequency in effect on April 21, 1977.

H.R. 7022. May 9, 1977. Interstate and Foreign Commerce. Amends the Federal Railroad Safety Act of 1970 to direct the Secretary of Transportation to issue regulations requiring that the cab area of all railroad locomotives and the entire interior area of all railroad cabooses be completely enclosed by bulletproof material.

H.R. 7023. May 9, 1977. Ways and Means. Amends the Internal Revenue Code to allow individuals a limited income tax deduction for contributions paid into savings plans for purchasing their principal residences. Limits the income taxation of such plans to that imposed on the unrelated business income of charitable organizations. Makes distributions from such plans tax free if used exclusively in connection with purchasing a principal residence for the distributee.

H.R. 7024. May 9, 1977. Education and Labor. Amends the Older Americans Act of 1965 to establish a program for the elderly which would provide one hot balanced home-delivered meal five days a week. Provides for a needs assessment of individuals receiving aid under such program. Directs the Commissioner of the Administration on Aging to develop minimum efficiency standards for furnishing home-delivered meal services.

Limits the amount that may be spent on administration of a State plan for a nutrition program for the elderly to five percent of the funds allotted.

H.R. 7025. May 9, 1977. Merchant Marine and Fisheries. Amends the Fishing Act, 1916, to include controlled carriers within the coverage of such Act. Defines a "controlled carrier" as a common carrier by water in foreign commerce owned by a government whose vessels are not afforded most-favored nation treatment and which offer services not covered by a service agreement under such Act or whose rates are not covered by a conference or rate agreement under such Act.

H.R. 7026. May 9, 1977. Merchant Marine and Fisheries. Amends the Shipping Act, 1916, to establish minimum rates which non-national flag carriers operating in the foreign commerce of the United States may charge. Defines a "non-national-flag carrier" as a common carrier by water which operates vessels on regular berth services to and from United States ports and which are not documented under the laws of the United States or the other country involved.

H.R. 7027. May 9, 1977. Banking, Finance and Urban Affairs. Amends the National Housing Act to permit the Secretary of Housing and Urban Development to insure mortgages and loans with varying rates of amortization corresponding to anticipated variations in family income on a regular basis.

Amends the Internal Revenue Code to establish tax-exempt savings accounts which would be available to first-time home buyers, known as individual housing accounts.

H.R. 7028. May 9, 1977. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 7029. May 9, 1977. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 7030. May 9, 1977. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 7031. May 9, 1977. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 7032. May 9, 1977. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 7033. May 9, 1977. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 7034. May 9, 1977. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 7035. May 9, 1977. Judiciary. Declares certain individuals lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act

H.R. 7036. May 10, 1977. Banking, Finance and Urban Affairs. Permits the provisions of the Renegotiation Act of 1951 to be effective only when the President determines, during a period of national emergency, that having such provisions in effect is in the best interest of the United States and neither House of Congress passes a resolution within 60 days thereafter disagreeing with such determination.

H.R. 7037. May 10, 1977. Judiciary. Amends the provision of the Gun Control Act of 1968 imposing additional sentences on persons committing Federal felonies while carrying, or with the use of, a firearm to (1) increase the penalties thereunder, (2) encompass State crimes, and (3) prohibit a suspended, probationary or concurrent sentence with respect to a first conviction.

H.R. 7038. May 10, 1977. Judiciary. Grants the Court of Claims jurisdiction to render judgments against the United States upon claims for losses other than lost profits sustained by producers, processors, manufacturers, distributors, dealers, or other persons resulting from the ban on apparel, fabric yarn, or fiber containing tris phosphate.

H.R. 7039. May 10, 1977. Judiciary. Reinstates the right to vote in Federal elections to persons convicted of a State or Federal crime upon completion of imprisonment and/or payment of fines and other penalties.

H.R. 7040. May 10, 1977. Public Works and Transportation. Authorizes the Secretary of the Army, acting through the Chief of Engineers, to construct a replacement lock and dam on the Mississippi River. Withdraws all authority with respect to channel construction and modification on the Upper Mississippi River.

Directs the Upper Mississippi River Basin Commission to prepare a master plan for the management of the Upper Mississippi River.

H.R. 7041. May 10, 1977. Public Works and Transportation. Renames the Irvington Lake and Military Lake (part of the Papillon Creek basin project) as the Glenn Cunningham Lake and Standing Bear Lake, respectively.

H.R. 7042. May 10, 1977. Public Works and Transportation. Terminates the authorization of the Big Pine Dam and Reservoir, Wabash River, Indiana.

H.R. 7043. May 10, 1977. Interstate and Foreign Commerce. Reaffirms the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce. Reaffirms the authority of the States to regulate terminal and station equipment used for telephone exchange service. Requires the Federal Communications Commission to make specified findings in connection with Commission actions authorizing specialized carriers.

H.R. 7044. May 10, 1977. Judiciary. Prohibits commerce in contraband cigarettes.

Subjects dealers in cigarettes to such reporting requirements as the Secretary of the Treasury may prescribe.

H.R. 7045. May 10, 1977. Veterans' Affairs. Raises the income limitation on disability pensions for veterans with non-service connected disabilities.

H.R. 7046. May 10, 1977. International Relations. Deems void any suit or judicial or administrative process against a person or the property of a person entitled to immunity under the Vienna Convention on Diplomatic Relations. Makes Presidential determinations of entitlement to immunity binding upon governmental authorities. Requires the President to publish a list of missions and personnel entitled to such immunity.

Repeals the criminal penalties for wrongful suit against an immune person. Repeals exceptions to suits against servants in the service of personnel of a foreign mission. Repeals the present criteria for determining eligibility for immunity.

H.R. 7047. May 10, 1977. Education and Labor; Banking, Finance and Urban Affairs. Amends the Fair Labor Standards Act of 1938 to authorize the Secretary of Labor to investigate any proposed business closing or relocation and to provide assistance to certain employees and local governments affected by such action.

Denies specified tax benefits to a business closing or transferring an operation upon certain findings by the Secretary.

Establishes a National Employment Relocation Administration within the Department of Labor and a National Employment Relocation Advisory Council.

H.R. 7048. May 10, 1977. Veterans' Affairs. Permits a veteran to continue vocational rehabilitation training for up to six years after the date he or she has established eligibility or regained medical feasibility for training, when such veteran has been prevented from entering or completing a training course for specified reasons.

H.R. 7049. May 10, 1977. Ways and Means. Amends the Internal Revenue Code to pro-

vide a limited, refundable tax credit to persons age 65 or over, or who are handicapped or disabled, for the real property taxes, or 25 percent of the rent, they pay or incur for their principal residences.

H.R. 7050. May 10, 1977. Judiciary. Establishes an Offender Rehabilitation Fund, within the Treasury. Authorizes the Attorney General to make loans from such fund to released Federal prisoners in need of assistance.

H.R. 7051. May 10, 1977. Judiciary. Forbids permitting Federal or District of Columbia prisoners to be subjects of medical research.

Requires a State, in order to receive assistance for correctional institutions under the Omnibus Crime Control and Safe Streets Act of 1968, to include within its comprehensive State plan assurances that no State prisoner will be allowed to be the subject of such research.

Prohibits the Director of the Bureau of Prisons from contracting with any State, territory, or political subdivision of any State or territory for the imprisonment and care of Federal offenders unless such assurances are given.

H.R. 7052. May 10, 1977. Judiciary. States that the right of a citizen of the United States, who otherwise is qualified, to vote in any election for Federal office shall not be denied or abridged because he has committed a criminal offense unless such citizen is imprisoned in a correctional institution or facility at the time of such election.

H.R. 7053. May 10, 1977. Judiciary. Authorizes the Attorney General to bring a civil action in any United States district court for the relief of any institutionalized person whenever the Attorney General has cause to believe that the constitutional rights of such person are being violated pursuant to a pattern or practice of such violations. Requires the Attorney General to give the officials of such institution a reasonable time to correct such violation. Makes any person who causes such a violation liable for redress to the institutionalized person whose rights have been violated. Permits the issuance of an injunction or other preventive relief.

H.R. 7054. May 10, 1977. Ways and Means. Amends the Internal Revenue Code to allow individuals whose income consists solely of employee compensation and interest to elect to have the Internal Revenue Service compute their income tax liability.

H.R. 7055. May 10, 1977. Ways and Means. Amends the Internal Revenue Code to decrease the floor on allowable medical deductions to two percent of adjusted gross income. Eliminates the one percent floor on deductions for drugs and medicines. Includes deductible amounts for medical insurance with other medical care expenses for which the two percent floor is applicable.

H.R. 7056. May 10, 1977. Post Office and Civil Service. Directs the Secretary of Commerce to reduce the overall burden on respondents in the 1979 census of agriculture, drainage and irrigation to no more than 60 percent of the burden on respondents in the 1974 census.

Requires the statistical definition of farms in the 1979 census not to exclude any establishment which would normally sell more than $600 worth of agricultural products during the census year; or for census years following 1979, $600 worth, adjusted by a specified percentage.

Directs the Department of Commerce to improve the collection, analysis and publication of data about the ownership structure of American farms.

H.R. 7057. May 10, 1977. Ways and Means. Directs the Secretary of the Treasury to issue upon the request of an eligible applicant a coded social security card capable of verification.

Requires employers to verify before employing an individual whether such individual has established a valid account and establishes penalties for noncompliance.

Prohibits use of the card for any other purpose than establishing identity and eligibility for employment or for welfare and public assistance under the Social Security Act.

H.R. 7058. May 10, 1977. Education and Labor; Interstate and Foreign Commerce; Judiciary; Ways asd Means. Amends the Comprehensive Employment and Training Act of 1973, the International Revenue Code of 1954, the Immigration and Nationality Act, and the Social Security Act to prohibit: (1) the employment of illegal aliens; (2) the payment of public welfare benefits to illegal aliens; (3) the transporting of illegal aliens into the United States; and (4) income tax deductions for wages paid to aliens illegally working in the United States.

H.R. 7059. May 10, 1977. Judiciary. Requires specified organizations which employ lobbyists to register and file quarterly expense reports with the Comptroller General. Makes such reports available to the public. Establishes civil and criminal sanctions to enforce this Act.

H.R. 7060. May 10,1977. Post Office and Civil Service. Amends the Post Reorganization Act Amendments of 1976 to extend to 1977, the period during which the Postal Service is prohibited from: (1) increasing rates and to levels exceeding those in effect on the enactment of the Act; (2) offering levels and types of services which are less than those available on July 1, 1976; and (3) closing certain postal facilities which were in operation on July 1, 1976.

H.R. 7061. May 10, 1977. Agriculture. Excludes cost-of-living increases in Social Security benefits from consideration as household income for purposes of determining: (1) eligibility for participation in the food stamp program; (2) the charge for issuing a coupon allotment to a household; and (3) eligibility for any Federal program administered by the Department of Agriculture which provides for the donation or distribution of surplus agricultural commodities to low-income persons.

H.R. 7062. May 10, 1977. Banking, Finance and Urban Affairs. Prohibits the consideration of any cost of living increase of Old Age, Survivors, and Disability Insurance benefits for purposes of determining the eligibility for or amount of assistance which any individual or family is provided under specified Federal housing programs.

H.R. 7063. May 10, 1977. Interstate and Foreign Commerce. Amends Title XIX (Medicaid) of the Social Security Act to assure the individuals otherwise eligible for benefits under such Title do not lose such eligibility, or have the amount of such benefits reduced, because of increases in the amount of benefits under Title II (Old-Age, Survivors, and Disability Insurance) of such Act.

H.R. 7064. May 10, 1977. Veterans' Affairs. Provides that recipients of veterans' pensions and compensation will not have the amount of such pension or compensation reduced because of increases in social security benefits.

H.R. 7065. May 10, 1977. Ways and Means. Amends the program of Aid to Families with Dependent Children of Title IV and Title XVI (Supplemental Security Income for the Aged, Blind, and Disabled) of the Social Security Act to assure that recipients of aid and benefits under such Titles do not have the amount of such aid or benefits reduced because of increases in the amount of benefits under Title II (Old-Age, Survivors, and Disability Insurance) of the Social Security Act.

H.R. 7066. May 10, 1977. Armed Services. Authorizes the Secretary of Defense to contract with health maintenance organizations to provide medical care for members of the armed forces and their dependents.

H.R. 7067. May 10, 1977. Armed Services. Credits female members of the armed forces for purposes of computing years of active service in the Armed Forces, with service performed during World War I by such individuals as members of the telephone operating units of the Army.

H.R. 7068. May 10, 1977. Ways and Means. Amends the Internal Revenue Code to tax the unrelated income of tax exempt organizations which is derived from farm real property.

H.R. 7069. May 10, 1977. Ways and Means. Amends the Internal Revenue Code to repeal the tax exempt status of farmers' and the special tax treatment of certain other cooperatives. Disallows to cooperatives any deduction for patronage dividends paid by them. Includes patronage dividends within the amounts excludible as dividends received by individuals and corporations.

H.R. 7070. May 10, 1977. Ways and Means; Interstate and Foreign Commerce. Amends Title XVIII (medicare) of the Social Security Act to extend coverage to include expenses incurred in providing diagnosis of uterine cancer, if the individual receiving the test has not had such a test on a routine basis during the preceding six months.

H.R. 7071. May 10, 1977. Ways and Means; Interstate and Foreign Commerce. Amends Title XVIII (Medicare) of the Social Security Act to extend coverage to include expenses incurred in providing diagnosis of uterine cancer, if the individual receiving the test has not had such a test on a routine basis during the preceding six months.

H.R. 7072. May 10, 1977. Ways and Means; Interstate and Foreign Commerce. Amends Title XVIII (Medicare) of the Social Security Act to extend coverage to include expenses incurred in providing diagnosis of uterine cancer, if the individual receiving the test has not had such a test on a routine basis during the preceding six months.

H.R. 7073. May 10, 1977. Agriculture. Extends the Federal Insecticide, Fungicide, and Rodenticide Act through fiscal year 1978, authorizes appropriations for fiscal year 1978, and increases the amount of appropriations already authorized for fiscal year 1977.

H.R. 7074. May 10, 1977. Interior and Insular Affairs. Establishes the Bull Run Watershed Management Unit within the Mount Hood National Forest, Oregon, to be administered by the Secretary of Agriculture.

H.R. 7075. May 10, 1977. Ways and Means. Amends the Internal Revenue Code to allow as a credit against the income tax a limited amount of specified higher education expenses, including tuition, fees, books, and supplies, incurred by the taxpayer for himself and any dependents.

H.R. 7076. May 10, 1977. Veterans' Affairs. Designates the Veterans' Administration ambulatory care clinic in the Proctor Hospital in Peoria, Ill., the Roy Lofthouse Memorial Clinic.

H.R. 7077. May 10, 1977. Ways and Means. Amends the Internal Revenue Code to Internal Revenue Code to increase the amounts excludible from gross income as income earned abroad by repealing the provisions respecting such exclusions enacted in the Tax Reform Act and restoring former law.

H.R. 7078. May 10, 1977. Education and Labor. Authorizes the Commissioner of Education to provide Federal aid to those State teacher retirement systems which allow retirement credit to teachers for out-of-State teaching service,

H.R. 7079. May 10, 1977. Ways and Means; Interstate and Foreign Commerce. Amends the Medicare and Medicaid and specified other programs of the Social Security Act: (1) to establish more efficient methods for determining the cost of services furnished under such programs; (2) to ensure prompt and accurate determinations of eligibility under such programs; (3) to increase services for which reimbursement will be made; and (4) to establish procedures designed to

prevent excess reimbursement for services provided under such programs.

H.R. 7080. May 10, 1977. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 7081. May 10, 1977. Judiciary. Authorizes the conditional admittance of a certain person to the United States for permanent residence.

H.R. 7082. May 10, 1977. Judiciary. Includes in a certain individual's period of creditable service, for purposes of government group life insurance, a specified period during which he was employed by the Agency for International Development in Laos, on the condition that he pay a specified premium amount to the Civil Service Commission.

H.R. 7083. May 10, 1977. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 7084. May 11, 1977. Veterans' Affairs. Designates service as a member of the Women's Air Forces Service Pilots as active duty for the purposes of all laws administered by the Veterans' Administration.

H.R. 7085. May 11, 1977. Banking, Finance and Urban Affairs. Disallows the Secretary of the Treasury from selling, alienating or committing gold without prior approval from Congress.

H.R. 7086. May 11, 1977. Merchant Marine and Fisheries. Creates a National Zoological and Aquarium Corporation to revise standards for the national accreditation of zoos and aquariums.

Authorizes the Corporation to make grants to certain nonprofit organizations, zoos, and aquariums, to insure mortgages executed by accredited zoos and aquariums, and to guarantee specified loans by non-Federal lenders.

H.R. 7087. May 11, 1977. Judiciary. States that no sentence of death shall be imposed upon any person convicted under Federal, territorial, or State law and that no unexecuted death sentence shall be carried out after the enactment of this Act. Directs that each provision authorizing or requiring the imposition of capital punishment shall be deemed to authorize or require the imposition of life imprisonment and that death sentences remaining unexecuted on the date of the enactment of this Act shall be deemed sentences of life imprisonment.

H.R. 7088. May 11, 1977. House Administration. Directs the Secretary of the Senate and the Clerk of the House to prepare a daily electronic recording which shall include a summary of action taken in the Senate and House Chambers during the preceding day and a list of laws signed by the President during the thirty-five day period before the day on which such recording is prepared.

Requires the establishment of a toll-free telephone listing to be used to transmit such electronic recordings.

H.R. 7089. May 11, 1977. Ways and Means. Amends Title XVI (Supplemental Security Income for the Aged, Blind, and Disabled) of the Social Security Act to make benefits under such Title payable to a resident alien only if such alien has continuously resided in the United States for at least six years.

H.R. 7090. May 11, 1977. Ways and Means. Amends the Internal Revenue Code to provide a limited exclusion from gross income of interest on savings deposits in home lending institutions paid or accrued by an individual taxpayer.

H.R. 7091. May 11, 1977. Post Office and Civil Service. Revokes the pay increase for Members of Congress transmitted by the President on January 17, 1977.

H.R. 7092. May 11, 1977. Post Office and Civil Service. Amends the Legislative Reorganization Act of 1946 to eliminate automatic cost-of-living adjustments of the salaries of Members of Congress.

H.R. 7093. May 11, 1977. Education and Labor. Prohibits the sexual exploitation of children by making it unlawful for any individual to (1) cause or permit a child to be photographed or filmed engaged in a sexual act prohibited under this Act; (2) photograph or film a prohibited sexual act; (3) knowingly transport a film or photograph depicting a prohibited sexual act: or (4) receive for sale or sell any such film or photograph, if such individual knows or should know such film to photograph depicting a prohibited sexual act: or (4) receive four sale or sell any such film or photograph, if such individual knows or should know such film or photograph may be transported in such a manner as to affect interstate or foreign commerce.

H.R. 7094. May 11, 1977. Interstate and Foreign Commerce. Amends the Federal Power Act to direct tht Federal Power Commission to require utilities to file curtailment plans to meet anticipated power shortages.

Requires public hearings on proposals for utility rate increases. Authorizes the Commission to take additional measures to eliminate discretionary and anticompetitive practices by utilities.

H.R. 7095. May 11, 1977. Ways and Means; Interstate and Foreign Commerce. Amends Title XVIII (Medicare) of the Social Security Act to authorize payment to chiropractors for diagnosis by X-ray of vertebral subluxation.

H.R. 7096. May 11, 1977. Education and Labor. Authorizes the Commissioner of Education to provide Federal aid to those State teacher retirement systems which allow retirement credit to teachers for out-of-State teaching service.

H.R. 7097. May 11, 1977. Interstate and Foreign Commerce. Amends the Clean Air Act to allow the granting of variances from clean air standards to powerplants which emit sulfur dioxide. Requires that such variances be granted where (1) the unemployment rate in the affected State exceeds four percent and where (2) the variance does not allow for continuous sulfur dioxide emissions which may pose a serious threat to public health.

H.R. 7098. May 11, 1977. Ways and Means. Amends the Internal Revenue Code to provide that income received from nonmember telephone companies shall not be used in determining whether mutual and cooperative telephone companies qualify as tax exempt organizations.

H.R. 7099. May 11, 1977. Ways and Means. Amends the Internal Revenue Code to allow a limited income tax deduction for food and lodging expenses incurred while receiving medical care away from home.

H.R. 7100. May 11, 1977. Ways and Means; Judiciary. Amends Title XVI (Supplemental Security Income for the Aged, Blind, and Disabled) of the Social Security Act to require that resident aliens reside continuously in the United States for five years to qualify for supplemental security income benefits.

Amends the Immigration and Nationality Act to prevent an immigrant from entering the United States unless a United States citizen (immigration sponsor) agrees to support the immigrant for five years from the date of the immigrant's admission.

H.R. 7101. May 11, 1977. Interior and Insular Affairs. Expands the Riverside County, California, land tract to which the United States' claims based upon accretion or avulsion are subject to legal and equitable defenses to which private persons asserting such claims would be subject.

H.R. 7102. May 11, 1977. Banking, Finance and Urban Affairs. Declares a national policy on investment in the private sector of the United States economy.

Requires the Council on Wage and Price Stability to deliver to Congress an annual Investment Policy Report which shall include information on levels of capital investment available, trends in such levels, and reviews of economic programs affecting capital investment. Requires the President to submit other recommendations for implementation of the national policy declared in this Act.

H.R. 7103. May 11, 1977. Interstate and Foreign Commerce. Amends the Health Professions Educational Assistance Act of 1976 to repeal the Congressional finding that there is a sufficient number of physicians and surgeons in the United States and that there is no further need to afford preference to alien physicians and surgeons in admission to the United States.

H.R. 7104. May 11, 1977. Interstate and Foreign Commerce. Reaffirms the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce. Grants additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest. Reaffirms the authority of the States to regulate terminal and station equipment used for telephone exchange service.

H.R. 7105. May 11, 1977. Veterans' Affairs. Provides, for purposes of awarding veterans' wartime disability compensation, that progressive muscular atrophy developing a ten percent or more degree of disability within seven years after separation from active service during a period of war shall be presumed to be service connected.

H.R. 7106. May 11, 1977. Judiciary; Standards of Official Conduct. Includes within the definition of "high crime or misdemeanor" for the purpose of impeachment proceedings under the United States Constitution, any communication or negotiation made knowingly by the President, Vice President, Supreme Court justices, or other specified Federal officials to a person engaged in any State or Federal crime involving harm or the threat of physical harm. Makes any such communication or negotiation by a Member of Congress grounds for expulsion of such Member as an act inconsistent with the trust and duty of such Member.

H.R. 7107. May 11, 1977. Interior and Insular Affairs; Interstate and Foreign Commerce. Amends the Atomic Energy Act of 1954 to direct the Nuclear Regulatory Commission to include the exposure of persons to medical radiation from sources not required to be licensed under the Act in determining the maximum allowable exposure to radiation.

H.R. 7108. May 11, 1977. Ways and Means. Amends the Tariff Schedules of the United States to suspend the customs duties on Yankee Dryer Cylinder Rolls through December 31, 1977.

H.R. 7109. May 11, 1977. Interstate and Foreign Commerce. Amends the Federal Food, Drug, and Cosmetic Act to deem a food additive unsafe to be marketed if it is found to induce cancer in man or animal when ingested in an amount reasonably anticipated to be consumed by man or animal, or found to induce cancer in man or animal in appropriate tests based upon amounts of food additives reasonably anticipated to be consumed by man or animal.

H.R. 7110. May 11, 1977. Public Works and Transportation. Amends the Urban Mass Transportation Act of 1964 to authorize the use of funds made available under such Act for projects in areas other than urbanized areas, for the payment of subsidies for operating expenses in such areas.

H.R. 7111. May 11, 1977. Agriculture. Repeals the Federal Crop Insurance Act. Establishes, within the Department of Agriculture, the Farm Production Protection Corporation, and empowers such Corporation to protect producers of agricultural products against loss of production costs due to unavoidable natural causes.

H.R. 7112. May 11, 1977. Agriculture. Repeals the Federal Crop Insurance Act. Establishes, within the Department of Agriculture, the Farm Production Protection Corporation, and empowers such Corporation to protect producers of agricultural products against loss of production cost due to unavoidable natural causes.

H.R. 7113. May 11, 1977. Armed Services. Authorizes the Secretary of Defense to contract with health maintenance organizations to provide medical care for members of the armed forces and their dependents.

H.R. 7114. May 11, 1977. Interstate and Foreign Commerce. Requires franchisors to give franchisees 90-days notice, with limited exceptions, of intent to cancel, or failure to renew, a franchise agreement. Allows such cancellation or failure to renew only for certain specified reasons. Requires a franchisor to compensate a franchisee for the value of the franchisee's business when the franchisor, for a legitimate business reason, fails to renew the franchise. Sets forth the judicial remedies available to a franchisee for a violation of this Act by the franchisor.

H.R. 7115. May 11, 1977. Small Business; Government Operations; Banking, Finance and Urban Affairs. Amends the Small Business Act to expand assistance under such Act to minority small business concerns. Establishes the Office of minority Small Business Assistance Personnel to work with all Government agencies having procurement powers. Provides statutory standards for contracting and subcontracting by the United States with respect to minority concerns. Creates an Assistance to minority enterprise.

H.R. 7116. May 11, 1977. Education and Labor. Amends the Elementary and Secondary Education Act of 1965 to require States applying for assistance under such Act to establish and implement basic standards of secondary students' educational proficiency, including the passing of reading, writing, and mathematics examinations.

Establishes the National Commission on Basic Education and directs it to (1) establish such standards; and (2) review and approve or disapprove State plans implementing such standards.

Requires the Commission to report to the President and to the Congress no later than three years after the effective date of this Act.

H.R. 7117. May 11, 1977. Judiciary. Amends the Immigration and Nationality Act to exclude from the definition of the term "immigrant" those persons entering the United States for a period of not more than one year to perform temporary services or labor if the Secretary of Labor has determined and certified to the Attorney General that there are not sufficient workers available at the aliens destination who are willing and able to perform such services.

H.R. 7118. May 11, 1977. Ways and Means. Amends Title II (Old-Age, Survivors, and Disability Insurance) of the Social Security Act to revise the eligibility requirements for disability insurance benefits for blind persons. Revises the method of computing the primary insurance amount for blind persons under such Act.

H.R. 7119. May 11, 1977. Ways and Means. Amends the Internal Revenue Code to allow certain individuals to compute the amount of the deduction for retirement savings on the basis of the earned income of their spouses.

H.R. 7120. May 11, 1977. Ways and Means. Amends the Internal Revenue Code to allow certain individuals to compute the amount of the deduction for retirement savings on the basis of the earned income of their spouses.

H.R. 7121. May 11, 1977. Interior and Insular Affairs; Merchant Marine and Fisheries. Authorizes the Secretary of the Interior or the Secretary of Agriculture to permit the private, noncommercial ownership of excess wild free-roaming horses and burros.

H.R. 7122. May 11, 1977. Public Works and Transportation. Directs the Secretary of Transportation to carry out a demonstration project in the city of Orange, Texas, for the relocation of the major railroad through line in such city for the purpose of eliminating rail-highway crossings.

H.R. 7123. May 11, 1977. Merchant Marine and Fisheries. Authorizes the inspection, licensing, and operation of the vessel Manatra II as a passenger carrying vessel for as long as such vessel remains under the continuous ownership of the Marine Navigation and Training Association of Chicago, Illinois.

H.R. 7124. May 11, 1977. Judiciary. Declares two individuals lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 7125. May 11, 1977. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain individual in full settlement of such individual's claims against the United States.

H.R. 7126. May 11, 1977. Judiciary. Deems a certain individual to have performed active service in the United States Coast Guard during a specified period of time for the purpose of determining his entitlement to retired pay.

H.R. 7127. May 12, 1977. Ways and Means. Amends the Internal Revenue Code to deny tax-exempt status to certain organizations if such organizations hold farm real property purchased after the date of enactment of this Act and the holding of such property is not substantially related to the charitable or educational purpose which would otherwise make the organizations tax-exempt.

H.R. 7128. May 12, 1977. Judiciary. Amends the Omnibus Crime Control and Safe Streets Act of 1968 to require that comprehensive State law enforcement plans submitted thereunder include, where appropriate, police escort programs for elderly residents of high crime areas.

Directs the Law Enforcement Assistance Administration to conduct a study to determine the effects of denying release to persons convicted of violent crimes against the elderly and of prosecuting juveniles committing crimes against the elderly as adults.

H.R. 7129. May 12, 1977. Ways and Means. Amends the Internal Revenue Code with regard to the taxation of capital gains on securities.

H.R. 7130. May 12, 1977. Education and Labor. Amends the Walsh-Healey Act to permit government contractors to have their employees work ten-hour workdays if the workweek of such employees does not exceed four days.

H.R. 7131. May 12, 1977. Interstate and Foreign Commerce. Amends Title XIX (Medicaid) of the Social Security Act to qualify an individual who, although employable, is unable to care for his or her personal needs without assistance as a disabled person eligible for the services of a home health aide.

H.R. 7132. May 12, 1977. Post Office and Civil Service. Provides for the arbitration of disputes between the Postal Service and recognized organizations of Postal Service managerial personnel other than officers, postmasters, and employees engaged in personnel work in Postal Service headquarters. Identifies as subject to arbitration under this Act issue relating to pay policies, fringe benefits, and the determination of whether or not a matter is subject to participation by such organization. Establishes an arbitration board to consider a dispute upon the request of the Postal Service or such recognized organization.

H.R. 7133. May 12, 1977. Government Operations; Rules. Prohibits the expenditure of Federal moneys, not otherwise provided for by law, which are not made pursuant to procedures providing for a voucher describing payee and items or services for which payment is being made. Requires all appropriations, not made under a law which provides otherwise, to provide for voucher requirements for expending such moneys appropriated.

Requires the Comptroller General to audit all programs subject to this Act.

H.R. 7134. May 12, 1977. Public Works and Transportation. Authorizes the Secretary of the Army to construct a lock and dam project on the Mississippi River near Alton, Illinois. Authorizes the Secretary to provide wildlife protection and recreational activities with such project.

Authorizes the study of bulk commodity freight requirements on the Upper Mississippi and Illinois waterway.

Withdraws authority (1) to study the deepening of navigation channels in the Minnesota River, Minnesota; Black River, Wisconsin; Saint Croix River, Minnesota and Wisconsin; Illinois River, Illinois; and the Mississippi River north of its junction with the Missouri River, Missouri; and (2) to study or construct a specified Mississippi River channel.

H.R. 7135. May 12, 1977. Interstate and Foreign Commerce. Reaffirms the intent of Congress with respect to the structure of the common carrier telecommunciations industry rendering services in interstate and foreign commerce. Grants additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest. Reaffirms the authority of the States to regulate terminal and station equipment used for telephone exchange service.

H.R. 7136. May 12, 1977. Ways and Means. Amends the Internal Revenue Code to allow certain low- and middle-income individuals a limited refundable income tax credit for the property taxes or rent paid by them for their principal residence.

H.R. 7137. May 12, 1977. Ways and Means. Amends the Internal Revenue Code to exempt aircraft used primarily for agricultural operation from the excise tax improved on the use of civil aircraft.

Provides for the refund of the tax on gasoline and aircraft to the aerial applicator who is the ultimate purchaser thereof.

H.R. 7138. May 12, 1977. Ways and Means. Amends the Internal Revenue Code to allow to a taxpayer holding an economic interest in a geothermal energy property a tax deduction acounting to 22 percent of the gross income from such property. Requires the Secretary of the Treasury to issue regulations granting the option to deduct as expenses intangible drilling and development costs in the case of wells drilled for geothermal steam and associated geothermal resources.

H.R. 7139. May 12, 1977. Judiciary. Revises generally provisions relative to the interception of oral and wire communications.

Increases the types of communications which are protected from unlawful interference.

Narrows present exceptions to the prohibitions against interception and/or disclosure of the contents of protected communication.

Revises the types of crimes with respect to which interceptions may be authorized.

Requires prior judicial authorization of all interceptions.

H.R. 7140. May 12, 1977. Banking, Finance and Urban Affairs. Requires appropriate Federal financial supervisory agencies to develop programs and procedures which will encourage financial institutions to help meet the credit needs of the local communities in which they are chartered.

H.R. 7141. May 12, 1977. Banking, Finance and Urban Affairs. Requires appropriate Fed-

eral financial supervisory agencies to develop programs and procedures which will encourage financial institutions to help meet the credit needs of the local communities in which they are chartered.

H.R. 7142. May 12, 1977. Ways and Means; Interstate and Foreign Commerce. Amends Title XVIII (Medicare) of the Social Security Act to provide payment for nutritional counseling as part of the home health services provided under the supplementary medical insurance program.

H.R. 7143. May 12, 1977. Government Operations. Obligates the Federal Government to pay to the appropriate State or local government payments in lieu of real property taxes for property which is owned by the Government but leased to a private person for the purpose of conducting a business for profit thereon. States that the amount of such payment shall equal the amount of tax that would be due if the lessee were the owner of the leased property.

H.R. 7144. May 12, 1977. Banking, Finance and Urban Affairs. Directs the General Accounting Office to conduct a biennial audit of the housing and related programs administered by the Department of Housing and Urban Development (HUD). Requires such audits to include evaluations of the effectiveness and fairness of such programs; conformity with applicable civil rights legislation; compliance of State, regional, and local governments with community development plans; and the criteria used by HUD to assure such development plans are enforced.

H.R. 7145. May 12, 1977. Ways and Means. Amends the Social Security Act to establish under Title IV (Grants to States for Aid and Services to Needy Families with Children and for Child-Welfare Services) a program of Foster Care Services.

Sets forth the requirements for State plans for the administration of such services.

Directs the Secretary of Health, Education, and Welfare to publish a set of uniform adoption regulations to facilitate adoptions.

H.R. 7146. May 12, 1977. Armed Services. Stipulates that a National Guard technician who: (1) has completed ten years of services in a position in which Guard membership was required; (2) is involuntarily separated from the Guard under honorable conditions; and (3) who continues to meet specified physical fitness standards shall not be required to be a member of the Guard as condition of employment.

H.R. 7147. May 12, 1977. Ways and Means. Amends the Internal Revenue Code to provide an income tax credit for expenses incurred in the conversion of farm and ranch land into qualified wind erosion control or wildlife habitat areas.

H.R. 7148. May 12, 1977. Judiciary. Specifies procedures for the transfer of convicted offenders to and from foreign countries pursuant to treaties providing for such transfers. Stipulates that an offender must consent to any transfer and may only be transferred to a country of which he is a citizen or national. Bars transfer of an offender while any appeal or collateral attack is pending. Restricts jurisdiction to challenge the conviction or sentence of a transferred offender to the country of conviction.

H.R. 7149. May 12, 1977. Government Operations. Establishes a Department of Senior Citizens Affairs. States that the Department shall serve as a clearinghouse for information related to the problems of the elderly and shall assume specified responsibilities from other government agencies.

H.R. 7150. May 12, 1977. Education and Labor. Authorizes the Secretary of Health, Education, and Welfare to provide Federal financial assistance to employers, labor organizations and public or private nonprofit agencies to establish occupational alcoholism programs for the diagnosis and treatment of alcohol abuse in employed persons.

Authorizes the appropriation of a specified percentage of Federal taxes collected on alcohol to finance such assistance.

H.R. 7151. May 12, 1977. Public Works and Transportation. Terminates the authorization of the Helm Reservior project, Wabash River, Illinois.

H.R. 7152. May 12, 1977. Education and Labor. Repeals the Occupational Safety and Health Act of 1970.

H.R. 7153. May 12, 1977. Ways and Means. Requires States participating in the Aid to Dependent Children program of the Social Security Act to develop procedures to reduce overpayments and payments to ineligible recipients under the program.

Directs the Secretary of Health, Education, and Welfare to compute payment error rates for each State based upon data received from each State. Authorizes the Secretary to reduce the amount of Federal payments to States by the amount that a State's error rate exceeds the median rate for all States.

H.R. 7154. May 12, 1977. Ways and Means. Amends Title II (Old-Age, Survivors, and Disability Insurance) of the Social Security Act and the Internal Revenue Code to increase to $30,000 over a three-year period the ceilings on the amount of earnings which may be counted for social security and tax purposes.

H.R. 7155. May 12, 1977. Interstate and Foreign Commerce. Prohibits the sale of beverage containers without a minimum refund value of five cents. Requires labeling of refund values on all such containers. Prohibits sale of metal beverage containers with detachable openings.

H.R. 7156. May 12, 1977. Education and Labor. Requires any regulation affecting any institution of higher learning to be published in Federal Register and include an educational impact statement.

Prohibits enforcement of any regulation which fails to maintain academic requirements for graduate or undergraduate admissions.

Restricts the authority and enforcement powers of Federal officials with respect to educational programs or activities of institutions of higher education receiving Federal financial assistance.

H.R. 7157. May 12, 1977. Judiciary. Grants a Federal charter to the National Ski Patrol System.

H.R. 7158. May 12, 1977. Judiciary. Grants the Court of Claims jurisdiction to render judgments against the United States upon claims for losses other than lost profits sustained by producers, processors, manufacturers, distributors, dealers, or other persons resulting from the ban on apparel, fabric, yarn, or fiber containing Tris phosphate.

H.R. 7159. May 12, 1977. Interstate and Foreign Commerce. Amends the Wool Products Labeling Act of 1939 to delete the terms "reprocessed wool" and "reused wool" and add the term "recycled wool" which includes the definitions of the deleted terms. Defines recycled wool as the fiber which results when a wool product which, has or has not been used by the ultimate consumer, has been made into a fibrous state.

H.R. 7160. May 12, 1977. Ways and Means. Amends Title XVI of the Social Security Act to prohibit the payment of supplementary security income benefits to an alien unless he is a permanent resident of the United States and has continuously resided therein for at least one year.

H.R. 7161. May 12, 1977. Armed Services. Allows United States nationals in addition to citizens, to participate in the Junior Reserve Officers' Training Corps.

H.R. 7162. May 12, 1977. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain individual in full settlement of such individual's claims against the United States.

H.R. 7163. May 13, 1977. Banking, Finance and Urban Affairs. Creates, in the Department of Housing and Urban Development, an Office of Indian and Alaska Native Affairs, through which the Secretary of HUD shall carry out functions relating to Indian and Alaska native housing and community development. Creates the office of Assistant Secretary for Indian and Alaska Native Affairs. Directs the Assistant Secretary to submit certain reports to Congress, and conduct an annual conference on Indian and Alaska native housing.

H.R. 7164. May 13, 1977. Ethics. Prohibits any Member of the House of Representatives from soliciting or accepting gifts of money for personal use.

H.R. 7165. May 13, 1977. Education and Labor. Authorizes grants to assist the States in developing and implementing comprehensive and continuing plans for services to the blind; for the evaluation of visual loss and of the services needed at the onset of blindness; for provision of services to the blind; and for developing or demonstrating new or improved services to the blind.

Directs the Secretary to establish within the Department of Health, Education, and Welfare, or other agency charged with administration of the Vocational Rehabilitation Act a Division for the Blind.

H.R. 7166. May 13, 1977. Ways and Means. Amends Title II (Old-Age, Survivors, and Disability Insurance) of the Social Security Act to revise the eligibility requirements for disability insurance benefits for blind persons. Revises the method of computing the primary insurance amount for blind persons under such Act.

H.R. 7167. May 13, 1977. Interstate and Foreign Commerce. Revises the warning label on cigarette packages and requires the inclusion on such packages of a label bearing a statement of the tar and nicotine content.

H.R. 7168. May 13, 1977. Interstate and Foreign Commerce. Amends the Federal Food, Drug, and Cosmetic Act to include tobacco products, within the determination of food as contained in such Act, thereby subjecting such products to the same regulation as food under such Act.

H.R. 7169. May 13, 1977. Ways and Means. Amends the Internal Revenue Code to substitute a health protection tax on cigarettes manufactured in or imported into the United States for the present tax. Sets forth graduated tax rates based on the tar and nicotine content of each cigarette. Directs the Federal Trade Commission to determine the tar and nicotine content of each brand of cigarettes manufactured in or imported into the United States.

H.R. 7170. May 13, 1977. Interstate and Foreign Commerce; Public Works and Transportation. Prohibits smoking in specified areas of Federal facilities and in interstate passenger carrier facilities. Requires the separation of smokers from nonsmokers in specified areas of such facilities.

H.R. 7171. May 13, 1977. Agriculture. Amends the Agricultural Act of 1949, as amended by the Agricultural Act of 1970 and other acts, to extend through 1981 specified existing programs and to add new programs, relating to: (1) dairy products, cotton, feed grains, rice, soybeans, wheat and wool; (2) Public Law 480 (Food for Peace); (3) the food stamp program; (4) agricultural solar energy research, development and demonstration; (5) wheat and wheat foods research and nutrition education; (6) rural development; (7) national agricultural research, extension, and teaching policy; and (8) miscellaneous agricultural subjects.

H.R. 7172. May 13, 1977. Agriculture. Amends the Agricultural Act of 1949, as amended by the Agricultural Act of 1970 and other acts, to extend through 1981 specified existing programs, and to add new programs, relating to: (1) dairy products, cotton, feed grains, rice, soybeans, wheat and wool; (2) Public Law 480 (Food for Peace); (3) the food stamp program; (4) agricultural solar energy research, development and demonstration; (5) wheat and wheat foods research and nutrition education; (6) rural development; (7) national agricultural research, extension, and teaching policy; and (8) miscellaneous agricultural subjects.

H.R. 7173. May 13, 1977. Interstate and Foreign Commerce. Suspends for two years with regard to regulations involving saccharin, the operation of the proviso in the Federal Food, Drug, and Cosmetic Act which prohibits regulatory approval of a food additive found to cause cancer.

H.R. 7174. May 13, 1977. Interstate and Foreign Commerce. Amends the Toxic Substances Control Act to create a Chemical Emergency Response Team with the Environmental Protection Agency to specialize in countering imminent threats to health and the environment posed by chemical substances. Directs the Administrator of the Environmental Protection Agency to develop a contingency plan to deal with such emergencies. Authorizes financial assistance for the development of similar State contingency plans.

H.R. 7175. May 13, 1977. Judiciary. Amends the Immigration and Nationality Act to authorize the Attorney General and the President to admit certain refugees to the United States. Permits such refugees to become permanent residents of the United States upon approval of the Immigration and Naturalization Service two years after admission.

Excludes from admission into the United States aliens who have engaged in the persecution of individuals.

Establishes a Select Commission on Immigration and Refugee Policy to study existing laws governing the admission of immigrants and refugees.

H.R. 7176. May 13, 1977. Amends the Internal Revenue Code to allow an itemized deduction, according to a specified formula, to any taxpayer who owns a passenger automobile which he uses in a carpool.

H.R. 7177. May 13, 1977. Veterans' Affairs. Provides that recipients of veterans' pensions and compensation will not have the amount of such pension or compensation reduced because of increases in social security benefits.

H.R. 7178. May 13, 1977. Interstate and Foreign Commerce; Judiciary; Banking, Finance and Urban Affairs; Ways and Means. Amends the Comprehensive Drug Abuse Prevention and Control Act of 1970 to set mandatory minimum terms of imprisonment for individuals convicted of certain opiate traffic related crimes.

Amends the Federal Rules of Criminal Procedure to require a separate sentencing hearing when a person is convicted of a crime for which such sentences are authorized.

Revises reporting requirements relative to (1) importation or exportation of cash and (2) vessels upon arrival in United States ports.

H.R. 7179. May 13, 1977. Banking, Finance and Urban Affairs. Amends the Home Owners' Loan Act to authorize the Federal Home Loan Bank Board to provide for the organization, operation and regulation of Federal Savings and Loan Associations or Federal Savings Banks.

Amends the Federal Deposit Insurance Act to provide for the conversion of State-chartered mutual savings banks into Federal Savings Banks.

H.R. 7180. May 13, 1977. Ways and Means. Amends Title XVIII (Medicare) of the Social Security Act to authorize payment for specified services performed by chiropractors, and physical examination, and related routine laboratory tests.

H.R. 7181. May 13, 1977. Veterans' Affairs. Provides that recipients of veterans' pensions and compensation will not have the amount of such pension or compensation reduced because of increases in social security benefits.

H.R. 7182. May 13, 1977. Armed Services. Directs the Secretary of each military department to extend post exchange privileges to any veteran entitled to compensation for a service-connected disability rated at 50 percent or higher.

H.R. 7183. May 13, 1977. Interstate and Foreign Commerce. Amends the Communications Act of 1934 to authorize the Federal Communications Commission to grant broadcast licenses and license renewals for 5-year terms.

Revises the act to allow certain appeals from orders or decisions of the Commission to be brought in the United States court of appeals for the circuit in which the broadcast facility is, or is proposed to be located.

Requires the Commission to examine its broadcast license renewal procedure to determine how it can be simplified.

H.R. 7184. May 13, 1977. Ways and Means. Amends the medicare program of the Social Security Act to authorize the President to enter agreements establishing reciprocal arrangements between such program and the program of any foreign country under which health services are provided.

H.R. 7185. May 13, 1977. Government Operations. Establishes the Agency for Consumer Advocacy within the executive branch to represent the interests of consumers before Federal agencies, to receive and act upon consumer complaints, to perform research on consumer products, and to gather and disseminate information on consumer products and services.

Requires Federal agencies considering policies or regulations which may affect the interests of consumers to notify the Agency, and to consider the interests of the consumer.

H.R. 7186. May 13, 1977. Public Works and Transportation. Directs the Secretary of the Army, acting through the Chief of Engineers, to carry out certain road maintenance activities on access roads to Fort Peck Dam, Montana.

H.R. 7187. May 13, 1977. Public Works and Transportation. Directs the Secretary of the Army, acting through the Chief of Engineers, to construct and maintain a rock breakwater to protect a marina located on Fort Peck Lake, Mont.

H.R. 7188. May 13, 1977. Ways and Means. Amends the Internal Revenue Code, in the case of a married individual filing a joint tax return with a spouse who has also earned compensation, to allow such spouse to elect not to take a deduction for his or her own individual paid-in retirement savings, and thereby allow a deduction for retirement savings under the provision for certain married individuals.

H.R. 7189. May 13, 1977. Ways and Means. Amends the Internal Revenue Code to exempt certain small manufacturers and producers from the excise tax on firearms.

H.R. 7190. May 13, 1977. House Administration. Adds a new chapter to the Internal Revenue Code which entitles congressional candidates who certify that they have been nominated by a political party and comply with certain contribution and expenditure standards to Federal funds for campaign use on a matching basis.

H.R. 7191. May 13, 1977. Ways and Means. Amends the Internal Revenue Code to exempt nonprofit volunteer firefighting or rescue organizations from the excise tax on sales of special fuels, automotive parts, petroleum products, and communication services.

H.R. 7192. May 13, 1977. Armed Services. Entitles members of the Armed Forces and their dependents to legal assistance in connection with their personal affairs under such regulations as the appropriate Secretary may prescribe. Places responsibility for the establishment and supervision of legal assistance programs with the judge advocate generals.

H.R. 7193. May 13, 1977. Education and Labor. Directs the Secretary of Labor to establish and maintain in counties with populations under 20,000 a pilot program designed to provide a guaranteed job opportunity to certain county residents from low-income households by partially reimbursing public and private employers for wages paid to certain such individuals, and fully reimbursing such employers for wages paid to certain other such individuals.

H.R. 7194. May 13, 1977. Ways and Means. Amends the Internal Revenue Code to provide a cost-of-living adjustment to the $15,000 phaseout amount for the disability exclusion.

H.R. 7195. May 13, 1977. Armed Services. Authorizes the Secretary of Defense to contract with health maintenance organizations to provide medical care for members of the Armed Forces and their dependents.

H.R. 7196. May 13, 1977. Interstate and Foreign Commerce. Amends the Natural Gas Act to limit Federal Power Commission authority to regulate prices of natural gas to new natural gas produced from offshore Federal lands. Requires that prices for the sale of other new natural gas be consistent with the ceiling established for offshore natural gas.

Directs the Commission to prohibit the curtailment of natural gas supplies for essential agricultural purposes. Restricts the use of natural gas as boiler fuel.

H.R. 7197. May 13, 1977. Judiciary. Requires the allowance of any claim presented to the Comptroller General of the United States within a specified period of time by the widow of a certain deceased individual respecting pay for accrued annual leave remaining on such individual's account.

H.R. 7198. May 13, 1977. Judiciary. Directs the Foreign Claims Settlement Commission to reopen the claim filed by a certain individual for the loss of certain property taken by the Government of Poland. Directs the Secretary of the Treasury to pay such individual out of the Polish Claims Fund on account of any award to him certified by the Commission.

H.R. 7199. May 16, 1977. Veterans' Affairs. Provides that recipients of veterans' pensions and compensation will not have the amount of such pension or compensation reduced because of increases in social security benefits.

H.R. 7200. May 16, 1977. Ways and Means. Amends the Food Stamp Act of 1964 to limit eligibility. Amends the Social Security Act to revise eligibility requirements and disbursement procedures under Title XVI (Supplemental Security Income Program); to increase the ceiling on Federal social services funding under Title XX (Grants to States for Services); and to revise procedures for the payment to States for child welfare services programs established under Title IV (Aid to Families with Dependent Children).

Amends Title XVI of the Social Security Act to extend the Supplemental Security Income program to Guam, Puerto Rico, and the Virgin Islands.

EXTENSIONS OF REMARKS

GETTING AMERICANS OUT OF FOREIGN JAILS—THE REAL CHALLENGE IN HUMAN RIGHTS

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, December 5, 1977

Mr. HANSEN. Mr. Speaker, having a young American held in a foreign jail for 18 months waiting for the court to act when even the prosecutors admit he is not guilty is cruel and heartbreaking. This is a true story and the ordeal continues, not for just one, but for many—not in just one country, but in many.

Long overdue progress is finally being made, but it is still slow and painful. Hopefully we will begin to see more and more the results of the faith and prayers of long suffering families and friends who have fought prejudice and lethargy and bureaucracy for long frustrating months to find those few who would care, who would do something.

The story of American prisoners in Bolivia is unfortunately not unique. It is all the complexities of humanity caught up in the system—a system of lofty legal goals, good intentions and the usual paralysis of conformity. It is a demonstration of how badly human resources can be wasted when people become slaves of the system instead of the system serving the people.

Only when enough caring people in the countries concerned came to an awareness of such crying injustice and stepped out of the lockstep of society has real progress toward needed relief been possible. Hopefully a concerted effort will now reward those who have waited so long and paid so dearly for the freedom of their loved ones.

Mr. Speaker, I enclose a news release for December 2, 1977, and a letter from the Department of State dated November 30, 1977, further describing the Bolivian prisoner situation at this point:

BOLIVIAN COURT DECISION EXPECTED MOMENTARILY

WASHINGTON, D.C.—"A Bolivian Court decision regarding Tom McGinnis of Idaho Falls is expected momentarily," Congressman George Hansen reported today.

Hansen, who three months ago traveled to Bolivia to assist in getting McGinnis' case expedited through a cumbersome Latin court system, noted that time allotted for review by Judges of the lower court is about to expire and a judgment must now be made.

The Idaho Congressman stated, "The Court was given a 15-day period after receiving the case November 18 to make their determination and that time expires December 9 if a 5-day workweek is considered, December 6 if it's a 6-day workweek, otherwise on Saturday, December 3 for a 7-day workweek. State Department officials have been alerted to notify the Congressional delegation and appropriate family members as quickly as a decision is announced," he said.

Hansen pointed out, "This will be a decision of the lower court in response to recommendations by the Bolivian government for no prosecution of McGinnis and several of his friends and similar pleadings by the defense attorneys. However, the matter must then be reviewed by the Superior Court, whatever the lower court decides, before the matter is finally resolved—hopefully by Christmastime," he continued.

Hansen, in the meantime reported that he has arranged a meeting at the U.S. Capitol Building for next Tuesday afternoon, December 6, at the request of the White House and State Department for a discussion of the prisoner matter between key State Department officials and interested Members of the House and Senate. This meeting prompted by a letter from several Congressmen to President Carter initiated by Hansen and a similar communication from a concerned group of U.S. Senators will include Patricia Derian, the President's State Department Coordinator for Human Rights and Humanitarian Affairs.

Also today Hansen stated, "I received a comprehensive letter from the Department of State at the President's direction detailing the progress made in the Bolivian prisoner matter and the expectations for the immediate future. This letter followed by one day a detailed letter to me from recently appointed U.S. Ambassador to Bolivia, Paul Boeker, dealing with recent initiatives and accomplishments in prisoner problems."

In a release earlier this week Hansen revealed that of the 41 U.S. citizens held in Bolivian prisons in mid-1977, eleven have now been released, three have escaped, six have been recommended for no prosecution, and three are eligible for parole.

"It now appears that we have finally achieved a concerted effort among U.S. Government and Bolivian authorities to put an end to the scandalous and enduring injustices suffered by American citizens imprisoned in Bolivia," Hansen concluded. "Certainly having a young man like Tom McGinnis held in jail for 18 months when even the prosecutors admit he is not guilty is cruel and heartbreaking."

DEPARTMENT OF STATE,
Washington, D.C.

DEAR MR. HANSEN: I am responding to your recent letter addressed to the President concerning American citizens imprisoned in Bolivia. I wish to assure you that your concern for those detained Americans is both understood and shared by the President and members of the Department of State.

As you may be aware, President Carter met with President Banzer on September 8 and discussed the prisoner issue. During the discussion, President Banzer was asked to take a personal interest in the cases involving American citizens. Specifically, President Carter asked President Banzer to consider action for those who were ill, those who appeared to have committed only minor offenses, and those who have served time in jail longer than the sentences which might be imposed. In addition, a new United States Ambassador was recently assigned to Bolivia with a mandate from the President to deal with the prisoner issue on a priority basis. Since his arrival in La Paz, Ambassador Boeker has been extremely active on behalf of the prisoners.

In reviewing events of the past several months, we are most encouraged that steps taken by our Embassy in La Paz and by the Bolivian Government are beginning to bear fruit for long term improvement. Not only have changes taken place within the Bolivian judicial system to speed trials, but six Americans (including one who was ill) have completed processing and are now free, five others have been released on parole and five more seem to be close to release on parole. Several others, although distressed in several cases by the length of their sentences, have nonetheless completed their judicial processing. In addition, a new and recently announced Bolivian decree law directs a high-level commission to recommend changes in the Bolivian drug law, giving special attention to due process. This last item should have a positive impact on Americans detained on narcotics charges.

We are also hopeful for welcomed news with respect to Bolivian parole procedures. Up until now, the Bolivian judiciary has held that prisoners released on parole must remain within the jurisdiction of the court. A more liberal interpretation, as a result of our Embassy's urging, may soon allow foreign parolees to return to their own country. This would indeed be a welcomed change.

In addition to the above, the Secretary recently authorized the Department's Office of the Legal Adviser to initiate formal negotiations for a prisoner exchange treaty with Bolivia which would be similar to those recently concluded with Mexico and Canada. We expect that the formal negotiations will commence in La Paz around the end of November. Since the Bolivian Government is eager to proceed with these negotiations, we are hopeful for an early agreement. Such a treaty would provide for the return of convicted citizens to their home countries to serve their sentences under more familiar living conditions.

We are extremely hopeful that the initiatives mentioned above will go far to alleviate the prisoners' situation. In the meantime, however, our consular officers will continue to closely monitor the cases and the welfare of the American detainees and provide them with whatever assistance is possible. If you have any specific questions or suggestions, please contact the Bolivian Desk on 632-3076 or the Arrest Unit in our Office of Special Consular Services on 632-9400 or 632-8089.

Sincerely,

DOUGLAS J. BENNET, Jr.,
Assistant Secretary for Congressional Relations.

THE LATE HON. CARLETON J. KING

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. DERWINSKI. Mr. Speaker, I am privileged to join in paying a special tribute to an outstanding public servant, our former colleague Carleton James King.

I had the pleasure of knowing Carl King for many years when he served as a Member of Congress. During his 14 years in Congress, I knew Carl to be a conscientious and hard-working Member, who was truly responsive to the needs of our Nation and of his district. He had all the qualities and talents that are essential to the makeup of an effective legislator, and he handled the demanding responsibilities of his congressional assignments with intelligence and insight.

As a member of the Armed Services Committee, Carl was instrumental in introducing legislation in support of a strong national defense. His expertise in military affairs earned him the chairmanship of the Board of Visitors of the U.S. Military Academy.

The absolute integrity of Carl King, in conjunction with his sensitivity to the

needs of others, enabled him to command the respect of all of us in Congress. The country has lost a man of great stature, and we have lost a good friend and a good human being.

Mrs. Derwinski joins me in offering our sincere condolences to his widow, Constance, and other members of his family.

IN LIEU OF DAMS

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 5, 1977

Mr. FRASER. Mr. Speaker, I am inserting an article written by Brent Blackwelder of the Environmental Policy Center entitled "In Lieu of Dams." The article appears in the fall issue of Water Spectrum, an Army Corps of Engineers' publication.

I found Dr. Blackwelder's article a timely piece outlining nonstructural alternatives to traditional dam building, canal digging, and stream channelization. These water resources projects have been designed primarily to achieve legitimate goals such as flood control, water supply, recreation, hydropower, and navigation. Dr. Blackwelder outlines several options to accomplish these objectives. Other alternatives include water conservation and proper management for meeting water supply needs, development of scenic rivers, or nonwater-based recreation instead of flat-water reservoir recreation, energy conservation measures taken prior to building more hydropower dams, and refurbishing our railroads instead of constructing new barge canals. These options are worth considering in light of the national water resources policy review initiated by President Carter.

For instance, an alternative of creating a greenbelt of parkland along a stream is a viable option in some areas where stream channelization has been proposed for flood control. This would control flooding while preserving the natural beauty and recreational value of the river or stream. Many different uses of flood plain lands are compatible with periodic flooding and it is encouraging the Corps is applying this concept with two projects. Several alternatives such as this one can now be undertaken without further authorization from Congress.

I hope my colleagues have a chance to read the article:

In Lieu of Dams

(By Brent Blackwelder)

The best way to dispel the suspicion that conservationists want to return the country to the Stone Age by opposing water resource development projects is to consider some of the superb alternatives we have proposed to traditional dam building, canal digging and stream channelization. Water resource projects are designed primarily to achieve one or more of the following objectives: flood control, water supply, recreation, hydropower and navigation. Given the desirability of providing these objectives, if the environmental community wants the Army Corps of Engineers and other agencies to stop altering the rivers and streams of America through water resource construction, what do we have to offer instead?

The alternatives I wish to discuss are nonstructural solution to flood problems; water pricing, water conservation and proper management for meeting water supply needs; development of scenic rivers or non-water based recreation instead of flat-water reservoir recreation; energy conservation measures taken prior to building more hydropower dams; and finally, refurbishing our country's railroads instead of constructing new barge canals.

FLOOD CONTROL

A wide range of nonstructural options is available to replace structural alterations of rivers and streams in achieving flood control. The term "nonstructural" means that these alternatives do not involve alterations of rivers through damming or channelizing.

The alternative of creating a greenbelt of park land along a stream is very attractive in some areas where stream channelizing has been proposed for flood control. The basic idea is that many uses of flood plain lands are compatible with periodic flooding. Devoting a green strip of park land alongside both banks of a river, serves the objective of flood control without destroying the natural beauty of the rivers or its recreational potential.

The Corps of Engineers is currently applying two such green belt concepts at its Indian Bend Wash project in Arizona and along the South Platte River in Colorado, where the Corps has transferred funds intended for channelization to a green belt project. That the designing of such nonstructural projects can pose an engineering challenge is demonstrated by the fact that the Indian Bend Wash project received a distinguished engineering award from the American Society of Civil Engineers.

In Prairie du Chien, Wisconsin the Corps is using two other nonstructural techniques to achieve flood control. It is relocating some residents from an island in the flood plain and is also flood proofing other buildings in the vulnerable area. By combining flood proofing and partial evacuation of the flood plain, the Corps has produced a workable plan where the traditional approaches of changing the river were too costly.

The Charles River Natural Storage Area in Massachusetts offers an example of still another nonstructural flood control technique. Here the Corps of Engineers wants to preserve 17 upstream valleys in their natural condition to prevent an increase in flood damages downstream which could occur if these valleys and their associated wetlands were developed. In 1971 the Corps found that flood losses averaged $158,000 annually. If 40 percent of the upstream wetlands storage areas developed, however, annual flood damages would jump to a staggering $957,000.

These four nonstructural flood control projects show that the Corps can and will carry out such plans. The problem is that nonstructural projects are the exception, not the rule, as far as flood control is concerned. Despite the provision of section 73 of the Water Resources Development Act of 1974 (it provided authority for Federal agencies to pursue nonstructural alternatives with cost-sharing provisions), progress in starting a large number of nonstructural projects has been very slow. This is especially regrettable since nonstructural projects do not have environmentally damaging impacts and, in the judgment of many, offer the best hope of achieving a reduction in the ever mounting annual flood damages billed to our country.

The trouble is that despite increasing expenditures on flood control structures, and despite the damages such structures have prevented, the country's annual flood damage bill continues to rise. Both the Task Force on Federal Flood Control Policy and the National Water Commission strongly support greater reliance on flood plain management techniques as the way to solve the Nation's flood problems.

Continued paving over of land in metropolitan areas leads to greater runoff and causes periodic flooding of streams. A wide range of tools is available to curtail some of this destructive runoff from suburban shopping centers and parking lots. On-site detention ponds should be required for large-scale developments. Gravel dry wells or recharge pits and porous surfacing material can help solve runoff problems. Controlling erosion by planting ground cover in new housing developments and shopping centers can also curb runoff and prevent siltation and the resultant loss of channel capacity in urban creeks and streams.

One important feature of nonstructural alternatives like flood plain evacuation and flood proofing is that they remove the burden of flood control from individuals not responsible for the problem—those inhabiting the upstream area. A disadvantage of reservoirs from the standpoint of social equity is that farmers and rural residents who are not the cause of the flood problem are forced to give up their land, some of which has been in the same family for generations, for a dam to protect people who have built downstream in the flood plain.

RECREATION

Most conservationists generally feel that enough reservoirs have been built to last far into the next century. In fact, the Corps should not, we argue, continue to cite recreation benefits to justify reservoir projects because demand for other forms of recreation, including non-water activities, is growing much faster than flat-water recreation demands. Second, building lakes in the rural countryside neglects the pressing recreation needs of the inner city where there is an insufficient number of facilities for regular use on a daily basis. Third, reservoirs eliminate some truly unique areas which provide unsurpassed recreational opportunities.

The Meramec Park Dam in Missouri is a good example of a project which will eliminate more recreational opportunities than it provides.

Conservationists discovered that about half of the claimed recreation benefits were coming from "sightseeing"—people coming to the reservoir not to boat, fish, picnic or swim but simply to stare at what the Corps had constructed.

Furthermore, the area already has an abundance of recreational opportunities: fishing and boating on the Meramec River; camping, hiking and picnicking in a State park; a wildlife management area; and in addition, spelunking in numerous caves, including the beautiful Onondaga. Each year several hundred thousand people visit Onondaga Cave, a truly unique asset to the area and Nation.

The alternative to the Meramec Park Dam would involve establishing a green belt and recreation area in the lower Meramec River and a combination of farm land, wildlife management areas and park land in the upstream reaches.

The point of this example is that the Corps partially justifies some projects by using recreational benefits when there are ample recreational opportunities already in the project area. Given hundreds of large reservoirs now existing all over the country and the growing demands for other types of recreation, it is a serious mistake to irrevocably commit these scarce river valley resources. We essentially deprive future generations of some choice in these matters and, at the same time, neglect the plight of the inner city

resident who must face crowded facilities if he chooses to picnic, swim or play tennis. The obvious alternative to more reservoirs is to spend money on inner city recreation facilities and to leave the rural landscape available for other forms of employment.

Only 19 rivers are now included in the national wild and scenic rivers system, but over 50,000 public and private dams have been built. It is time to correct the imbalance, and conservationists propose increasing the national wild and scenic rivers system by several hundred rivers to preserve both their natural and recreational value.

WATER SUPPLY

A wide range of methods dealing with water supply problems can be tried before building more reservoirs. In a number of cases where reservoirs have been proposed to solve water supply problems, conservationists have found that a water shortage did not exist, that the demand was based on questionable population projections or that benefits would accrue to only a handful of beneficiaries. For instance, we discovered that 70 percent of the water supply benefits of one Corps project, Lukfata Dam, would go to a single catfish farm operation and that the small town of Idabel, Oklahoma, population 6,000, would have to grow to 100,000 over the 50-year life of the project to fully use the projected water supply.

Setting aside such examples, let us suppose that we encounter an area with a legitimate water supply problem. What are the alternatives to building reservoirs? One of the most overlooked choices, particularly east of the Mississippi, is the use of groundwater supplies. The National Waterwell Association argues that groundwater reserves are frequently available on a sustained yield basis for as little as one tenth the cost of surface supplies. In the case of the controversial Oakley Reservoir in Illinois, which the Corps has now placed in the inactive category, a proper examination of the ample groundwater supply was not carried out.

More emphasis should be placed on the supply side of the equation. The National Water Commission, established by Congress in 1968 to do a 5-year in-depth study of all the Nation's water problems, devoted an entire chapter to better use of existing supplies in its final report.

WATER POLICIES FOR THE FUTURE

The Commission found little incentive for proper use of water because most cities assess a flat charge for the first units of water consumed and then assess progressively lower charges per unit as more water is consumed. The inevitable result is that there is little incentive to avoid excessive use.

According to the Commission, for instance, plumbing fixtures for showers and toilets could reduce total water use in the average household by as much at 35 percent and save commercial and business establishments up to 50 percent.

The Commission notes that ". . . if the common pricing policy were reversed there would be a financial penalty for excessive consumption and an incentive for individual conservation. Efficiency would also be improved by pricing policies which charged more at times of peak demand and less at times of slack demand."

To compound the problem, some areas like New York City do not meter their water, nor have they repaired leaks or fixed defective connections and valves. The Commission recommends effective leak control programs, installation of water metering, reform in the pricing structure for water and amendments to plumbing codes requiring the installation of water saving fixtures and appliances. By requiring localities to take these steps prior to receiving any Federal planning money for a water supply reservior, the Federal Government could easily eliminate much unneeded dam building.

Proper management of already existing reserviors can go a long way to alleviate the problems of water supply. Dr. Daniel Sheer, planning engineer for the Interstate Commission on the Potomac River Basin, has argued cogently that the Washington metropolitan area already has a sufficient number of reservoirs which, if properly managed, could meet the area's water needs well into the next century.

Dr. Sheer's proposal would require keeping tributary reservoirs full by using the adequate water flow from the Potomac River before a drought ever starts. By this method, Dr. Sheer points out, ". . . the Washington area would come through the worst drought with . . . 5 billion gallons of water to spare . . ." *

These alternatives to water supply reservoirs do not exhaust the possibilities. In the West, reform of groundwater management codes and the "use-it-or-lose-it" doctrine are essential. Land treatment techniques for sewage disposal and recycling of wastewater, some of which have been pioneered by the Corps, yield good quantities of pure water.

NAVIGATION

In looking to alternatives to navigation projects, we must define the ultimate goal of public spending for transportation. A reasonable goal would be achieving national transportation efficiency. This would benefit the entire economy—the businessman, the consumer and the environment. Conservationists argue that present navigation policy, which includes canal building, does not contribute to this goal. On the contrary, we are convinced that new canals damage the environment, are inefficient and are not justified economically.

The basic alternative to navigation projects lies in increased and improved railroad service and efficiency. From the environmental standpoint railroads are desirable because canals are generally much more destructive than railroad corridors. Furthermore, all the major railroad corridors have already been built so whatever environmental damage these routes have caused is a *fait accompli*.

In the area of energy efficiency the University of Illinois Center for Advanced Computation looked into prior studies of the fuel efficiencies of barge and rail modes. The Center found that studies which showed an energy advantage to barges had relied on mere ton/mile comparisons of energy consumption and had used average rail data for the entire country. These earlier studies neglected the fact that barges follow meandering rivers, thus traveling more miles to reach a given point than trains. Also, barges and railroads both ship bulk commodities which, if moved in unit trains, help give a slight energy advantage to railroads.

Is placing greater reliance on the railroads a viable alternative? Clearly, such a decision would have environmental advantages and no obvious energy disadvantages. It is a legitimate choice because there is already more track available than we now use. Professors Findley and Hannon of the University of Illinois proposed giving the Corps of Engineers authority to repair the Nation's rail beds to increase use of railroads. In an article published in *National Resources Journal*, they cite the railroads' generally poor record of track maintenance and note that the Corps is experienced in the area of rail repair. Ironically, the Corps has built over 1,500 miles of new rail bed in the past 25 years to replace old rail lines inundated by its reservoirs.

Furthermore, the Federal Government now pays 100 percent of the construction costs of new canals and all the operation and maintenance costs of the inland waterway system. If the beneficiaries of a number of major new canal projects had to pay for them, then the canals would probably not be built.

According to the Department of Transportation, the Federal Government has put some $30 billion over the past decade into our national transportation network. Until the passage of the Rail Organization Act of 1973, railroads had for many decades gone without receiving even a fraction of this support. As a result, our rail network has declined at the very time when it has such obvious advantages over other modes. Conservationists who oppose barge canal projects are thus not being obstructionists without alternatives. Rather we say that revitalization of our railroads is a more sensible way to spend public transportation dollars.

HYDROPOWER

While most Army Corps of Engineers projects do not produce hydropower (only 28 projects of more than 200 scheduled for some type of construction in the fiscal 1977 budget would generate electricity), conservationists do have much better alternatives to the construction of large hydropower dams. At the outset one might wonder why conservationists object to some hydropower projects. Aren't they a "pollution-free" form of energy which draw upon a renewable resource? It is true that hydropower projects do not have many of the environmental problems associated with fossil fuel or nuclear power plants, but they do have major environmental drawbacks: inundation of vast amounts of forest and significant wildlife habitat, damage to the native acquatic life through alteration of historic flow patterns, blocking of migratory fish passages, and to coastal resources by cutting off the downstream flow of nutrients.

The best alternative to hydropower projects is putting our major national effort into energy conservation together with the development of such alternatives as solar energy and wind power. One example will demonstrate the dramatic difference in results if we go the energy conservation route. If instead of building Dickey-Lincoln Dam in northern Maine the money were put into insulating attics we would realize the equivalent of 43 times the output of the Dickey-Lincoln project. Investing the money in insulation of walls would yield an equivalent savings of 7.5 times the output of the project. Installation of storm windows would yield 4 times the output. Doesn't it make sense to pursue such alternatives first before making the irrevocable commitments of river resources?

The Corps is now being assigned the task of evaluating the potential of installing generators in numerous existing small dams throughout the United States. This alternative appears to have important environmental advantages over the construction of new dams.

Many of the alternatives I have discussed—nonstructural flood control projects for instance—could be undertaken by the Corps without further legislation. Others such as the repair of the Nation's rail beds would require new legislative authority. Some of the alternatives would have to be implemented by other Federal agencies like the Bureau of Outdoor Recreation in the case of scenic rivers or by appropriate State or local entities.

Pursuing conservationists' alternatives affords the best way of achieving the legitimate objectives of water projects—flood control.

*Daniel P. Sheer, "Perspective on the Washington Metropolitan Area Water Supply Problem, 1977. Available from the Interstate Commission on the Potomac River Basin.

water supply, energy, recreation and transportation efficiency—while at the same time avoiding environmental damages and the loss of areas of scientific, educational and historic importance. Furthermore, these alternatives do not constitute irreversible commitments of river valleys; they leave open choices to future generations which are precluded by many traditional water development projects. Finally, conservationists' alternatives often have the advantage of being less costly to the taxpayer.

THE FUTURE OF AMTRAK

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 5, 1977

Mr. VENTO. Mr. Speaker, when the Conference Committee agreed to give Amtrak an $8 million supplemental appropriation on November 3, the issue did not come to an end. While some of the proposed service cutbacks were rescinded, others, such as the cutback in frequency on the Chicago-Illinois run, will continue and more cutbacks seem imminent.

The actions surrounding Amtrak's decision has raised many serious questions, questions that deserve our close scrutiny and that are integrally tied to the future of national rail passenger service.

Mr. Speaker, the Members of this Congress, in cooperation with the Executive and the general public, must determine what is to be the future of Amtrak. We must decide whether we are to expand or contract our Nation's passenger rail service, who will be responsible for those decisions, and what criteria will be used. We must formulate the role that railroads are to play in our Nation's energy conservation program and we must be willing to make all the necessary commitments to insure that our decisions are brought to fruition.

In order for us to study this matter and to make sound decisions, we need the full cooperation of Amtrak officials in their responses. Unfortunately Mr. Speaker, based on my correspondence with Amtrak during the past 3 months, I have serious doubts that we will receive the cooperation and openness so necessary for our success.

One of the first routes that Amtrak decided to cut back service on was the Chicago-Illinois route via St. Paul-Minneapolis. Since many of the employees of Amtrak live within the Twin Cities area and since the city of St. Paul is committed to building a new and much needed passenger rail facility, one would assume that Amtrak would contact the Congressmen of the affected districts. However, to the best of my knowledge, none of my colleagues ever received any notification from Amtrak of the impending cutbacks. It was only through the efforts of one of my constituents that I learned of the proposal.

In an effort to gain some insight into the criteria and processes for Amtrak's decisions, I and the rest of the Minnesota delegation sent a letter to Amtrak asking questions on ridership levels, possible impacts of the proposal, future plans, and provisions for public input into this decision.

The basic purpose behind our letter was to begin a dialog with Amtrak, a conversation that would be open and informed and that would result in the best possible decision for all concerned parties; even if this decision was to be a cutback in service. However, for any dialog to occur, two parties must be willing to discuss the issue. The reply that we receive from Amtrak was so vague, general and, at times, nearly belligerent that it was impossible for us to pursue this matter in an informed manner. Amtrak stated that this cutback would result in a savings of $7.5 million and that there would be no negative impacts by this action. However, other than these statements of "fact," Amtrak did not provide us with any documentary materials and did not even bother to explain how they reached their conclusions or decisions. In response to the question as to what input the public had in this decision, Amtrak replied:

> No public hearings were held because Amtrak is not required to hold public hearings on frequency reductions.

Assuming that the original delegation letter had been misinterpreted or improperly answered, I sent a second letter to Amtrak and reiterated and expanded upon my questions. I was still seeking to gain some explanation of the decision-making process of Amtrak, a process which Amtrak officials give the impression has some mystical connotations that are above the grasp of a Congressman.

In response to this letter, I received a form letter from Amtrak regarding their request for a supplemental appropriation of $56.5 million. I am certain that many of my colleagues received this letter and are familiar with the request of Amtrak and their mention of the results of any delay in action. While I do not object to the fact that I received a form letter, I would have appreciated some effort to respond to my questions. For if I was to make any decisions on this request it would be based on documented facts and not vague generalities.

Only after I had written a strongly worded letter to Amtrak, questioning their practice of responding to congressional inquiries with generalized promises of renewed services and further vague threats of cut backs, did I receive a response from Amtrak that addressed my concerns. Unfortunately, Amtrak once again replied to my questions by stating "facts" without providing me with any documentary materials. The only change in their approach was that public hearings were dismissed as too costly or as Amtrak stated:

> The time delay caused by public hearings would mean that, to save the same amount of money, we would have to end up cutting even more service . . .

I am grateful that not all of our Federal agencies dismiss public input as readily as Amtrak. I would rather see a few more dollars spent to insure reasonable public participation than to have it ignored or dismissed.

That, Mr. Speaker, is the status of my communications with Amtrak. A correspondence that has been marked by a distortion of public participation in the decisionmaking process and be a refusal to respond my questions with substantive answers. However, Mr. Speaker, I am apparently blessed. Many of my colleagues have also written to Amtrak and are still waiting for some type of reply.

Mr. Speaker, when this Congress does review our program of national passenger rail service and Amtrak's future, there are some questions which Amtrak should be asked. These questions do not concern the relative profitability of certain specific routes nor the energy savings that can be accomplished by a strong rail service, but I feel that they are as crucial to any final decision that we may make. I believe that we must ask Amtrak whether it considers itself as a public service organization and if so, what role does it believe that the public, the users of the service, should have, and what sort of information should we, their elected representatives, receive on Amtrak services. If Amtrak replies by word or by action that the public deserves no input and that Congress should receive only the most general and self-serving types of information, then I believe that we should seriously reexamine our commitment to Amtrak.

OLD TIME FIDDLERS AND FLAG WAVERS

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, December 5, 1977

Mr. HANSEN. Mr. Speaker, I have just received a letter from the Idaho Old Time Fiddlers recapping their many activities of the past year which have entertained and inspired thousands.

During the summer, I noted that the American flag which is always with them at every engagement was beginning to show the wear. I then offered to get them a new one which has flown over the Capitol of the United States to help inspire their wholesome activities for many years to come—an offer which they are now accepting as the year draws to a close.

I am hoping that their old flag will be properly retired to an Idaho museum as a token of the cultural heritage provided by this fine organization. The activities of the Idaho Old Time Fiddlers for the year 1977 would be typical of the busy schedule they have kept through the years in sharing a unique cultural enjoyment and heritage with Idaho's citizens and tourists. They play frequently in nursing homes, senior citizens' centers, weddings, and in parades. The group has received many awards for their colorful talent in community, patriotic and college homecoming parades. Holidays are especially busy times with performances and dances.

America is richer, indeed, because of the unselfish sharing of time and talent by these topnotch citizens—the Idaho Old Time Fiddlers.

THE HISPANICS AND THE HEMISPHERE AGENDA

HON. JOHN J. McFALL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 5, 1977

Mr. McFALL. Mr. Speaker, an annual event at the Elbert Covell College, University of the Pacific, Stockton, Calif., is the presentation of the Bishop Miller Lecture. This year the lecture was "The Hispanics and the Hemisphere Agenda" by Arturo Moralse Carrión. The faculty of Elbert Covell College has provided me with a copy of this timely lecture, and I therefore, include it in the RECORD for the benefit of my colleagues in the Congress.

THE HISPANICS AND THE HEMISPHERE AGENDA

(By Arturo Morales Carrión)

This is a great week in New World history. October twelve is celebrated up and down the Hemisphere in many different ways. In the United States, it is Columbus Day, and with all due respect to my Italian friends, they have craftily succeeded in capturing Christopher Columbus and making the twelfth of October exclusively an Italian celebration.

But here in California we are able to see the real perspectives of the event. On October 12 there began a human experiment of incredible magnitude, a tale of successes and failures, of generosity and cupidity, of greatness and exploitation. That tale has many chapters, and is far from finished. The historic ambivalence is still with us; the dialectical struggle is still present. Some of the promises of the American Utopia have been realized; others, for many millions of human beings in the New World, are still empty promises, unfulfilled hopes. We have a heritage of grandiose dreams and a heritage of bias, ethnocentric selfishness and social neglect. Each day we are pulled by contradictory forces; we have a rhetoric of assertion and a rhetoric of denial—a narrow view and a long, broad view.

In finding a way out of this predicament, we should take the long, broad view. We should see some of the forces at work, the trends that are pointers to the Twenty-first Century. The first is population. If demographic projections hold, what we call Latin America will have twice the population of the United States and Canada by the beginning of the next century. Two out of three inhabitants of the Western Hemisphere will come from the central and southern portions. Mexico alone will have around one hundred million people.

To that may be added the following facts. In its March, 1976 *Report on Persons of Spanish Origin in the United States*, the Bureau of the Census had this to say: "The Spanish origin population in March 1976 included a substantial proportion of young persons; about 13 per cent of all persons of Spanish origin were under 5 years old, and 44 per cent were under 18 years old. In the entire Nation, however, only 7 per cent of the population were under 5 years old, and 31 per cent were under 18 years old. At the same time, the proportion of older persons was smaller for the Spanish population than for the overall population; only 4 percent of all Spanish origin persons were 65 years old and over compared to 10 percent for the overall population".

In quoting these Census figures, which puts the total Spanish origin population at over 11 million, one has to remember that the Commonwealth of Puerto Rico, with its 3.2 millions is not included. And many have also questioned the number given by the Bureau, especially since, in order to have the total picture, the real human and social picture, the number of undocumented aliens has to be added. All in all the Hispanic presence in the United States is young, growing, dynamic, and is here to stay.

The Hispanic strain rises in the Hemisphere, as well as within the confines of the United States. That is the evident fact. In referring to the term Hispanic—which I personally prefer to Latin or Latino—I am broadening the definition to emphasize the blend, the ethnic mixtures, which have taken place in the great Afro-Indian-Hispanic orbit. A simpler definition of the Hispanic could be: a person with the willingness to mix.

So the tide that is swelling, is a tide which represents a mixture of races, and of patterns of civilizations. It is very significant that contemporary anthropologists and sociologists have great trouble in applying racial distinctions to the Hispanic-American or Latin-American world. One of the best authorities, the Swede Magnus Morner, stated in his book, *Race Mixture in the History of Latin America:* "No part of the world has ever witnessed such a gigantic mixing of races as the one that has been taking place in Latin America and the Caribbean since 1492. In fact—he concludes—it is impossible to determine the racial status of most Latin Americans without a genetic and anthropometric investigation."

In what we call Latin America, there are class and racial distinctions, and no one should be blind to them. There are sharp economic and social cleavages. But the wide stream of the culture is based on miscegenation, on what in Spanish we call "mestizaje". The Hispanic-Luso-American culture is a "mestizo" culture, a blend of many elements. Such words as "mestizo", "moreno", or mulatto" have not simply a meaning related to the color of the skin. They possess a cultural value of their own, they refer to life styles, developed over centuries. A good friend of mine, the Peruvian Manuel Seoane, used to speak and write about the "America Moreana"—a brown America which had to be understood in terms of a human crucible not simply in terms of a given pigmentation.

The demographic potential of Latin America as well as that of Hispanics in the United States imply not only a dynamic rise of statistics, but the assertion of miscegenation and mestizaje as powerful trends in the Twenty-First Century in this Hemisphere.

So, when we speak about the Hispanic strain, we are not dealing with a quaint, old, picturesque, forgotten world with dreamy Indians following their faithful "burros", or ardent caballeros—or Latin lovers—courting black-eyed senoritas. That there are Indians and burros is a fact, and that black-eyed girls are and should be courted is another fact. But the Hispanic strain is something more than amusing stereotypes from Hollywood. It is much more than a linguistic accent or broken English.

In looking at the lands to the south, to their variety and complexity and their different levels of development, and especially to their demographic explosion, against a cultural background, which, through the Indian heritage, takes us into a long, distant, creative American past, one cannot fail to see the analogy with China.

Some years ago, in a very perceptive book, New Worlds of the Tropics, the Brazilian sociologist, Gilberto Freyre, discussed Brazil in terms of a tropical China. He referred to the country's complexities, to its Moorish and oriental heritage, to its intense nationism which claims that Brazil's riches, its oil and minerals, "are almost sacred values that only Brazilian hands should touch."

But the dimensions of the continent peopled by the mestizo civilization would suggest that it is entering an era not too dissimilar from China before its present vertebration. The analogy, in a way, holds for the whole area. It is certainly not a backyard where you keep a low profile, and it is certainly not a string of banana republics. The very term is not only offensive, but shortsighted, and those who use it are prisoners of stereotypes and old prejudices, and are blinded by their inability to see that a whole continent, crisscrossed with hard, stubborn problems, is coming of age.

The relationships of the United States with Latin America will always be close and crucial. The United States cannot escape the Latin American presence, neither can Latin America escape the United States presence. If at times, the U.S. has shown an obstinate propensity to forget this historical symbiosis, the return to Latin America is always unavoidable. Freyre, with his fine Brazilian sense of humour, suggested several years ago that the United States seemed to have neglected Latin America—a sort of legitimate wife—"for exotic adventures of economic and political donjuanism in Africa, Asia and Europe."

The United States has paid dearly in the Viet-Nam fiasco for this economic and political donjuanism. A new perception of the U.S. position in the world, and particularly with reference to the Hispanic countries is clearly needed in the field of public policy. A new realization of the present and future development of the Hispanic world and its meaning to the United States is badly needed in the field of public understanding.

In a brief presentation of my views before the Senate Committee on Foreign Relations, I insisted that we are really dealing here with two agendas: one old and one new. On the Old Agenda, we have first and foremost the Panama Canal and Cuba, the vital issues of trade and private investment and some other subjects.

On the new Agenda, we have a complex of problems that are affecting us all some way or another; environmental pollution, the search for new forms of energy; the potential use of the great reserves of the sea; the imbalance between development on the one hand, and urban plight on the other; the thorny, ever present question of human rights, and the problem of more just income distribution and its bearing on the quality of life, as well as access to educational and economic opportunity. These are all pointers to the Twenty-first Century. They will be basic issues to be analyzed and debated over and over again, long after the treaty controversy has been settled and a modus vivendi developed with the Cuban Revolution.

But if the table is to be cleared, ways should be found to do away, as far as possible, with the Old Agenda.

When I participated in the meetings of the so-called Linowitz Commission, which brought together a group of specialists and concerned citizens to discuss the scope of U.S. relations with Latin America from a wide perspective, we all agreed that there was great need of action with reference to the Canal issue—a burning, irritating issue, a truly sore-spot in inter-American relations, a stumbling block to meaningful rapprochement.

President Carter has taken the bull by the horns, and with the support of experienced negotiators, a solution is in sight, if there is proper public understanding and support of what really is at stake. The problem is not that of a great power caving in to a banana republic. For one thing, Panama is not noted for its bananas, and the Canal issue is not a local issue. It has grown beyond that. It has become symbolic of the American dilemma; whether the United States is still bound by old policies and outlooks or whether it can really chart a new way, in the light of shift-

ing historical circumstances. It has to do with the awareness of the rising Hispanic tide of which I have spoken.

I think Ambassador Sol Linowitz has been essentially right in calling attention to the fact that the issue involves far more than the relationships between the United States and Panama. He has repeatedly insisted that this is an issue which affects US-Latin American relations and that "the canal runs not just through the center of Panama, but through the center of the Western Hemisphere".

We can look at the problem from the standpoint of U.S. security. The Treaty provisions meets adequately in my opinion, the basic concerns of the security-minded critics. It is very significant that the Department of Defense participated at every stage of the new negotiations. But security is not simply access to and the rights to use all land and water areas and installations necessary for the defense of the Canal during the basic treaty period. Security has also to do with confidence, with a climate of trust.

For many people in the Spanish-speaking world and Brazil, the treaty is a test of U.S. intentions vis-a-vis the rest of the Hemisphere. It is symbolic of a change in the U.S. perceptions, regarding the emergence of a new Latin America. Some of the bigger countries—such as Mexico and Brazil are not so affected by the Canal. They are not in the position of Peru, Ecuador, and Chile. They tend to deal bilaterally with the United States—and yet they are keeping a close eye on U.S. intentions regarding the treaty revision. A defeat of the treaty forces could deal a severe blow to a more realistic policy towards Latin America. It would push many of the issues of the New Agenda, into the background; thereby distorting once again the pattern of interaction between the two dominant human streams in the Hemisphere.

The old Panama treaty is no sacred piece of paper. While the building of the Canal was a magnificent engineering feat, the tough fisted diplomacy that preceded it has left deep scars in the Hemisphere. It was not the product of fair, honest negotiation but of arrogant imposition. Revision had to come as with many other actions of that age, at the turn of the century, which were inspired by a social darwinism and a racist nationalism, completely out of touch with the realities of the contemporary world.

For the United States to negotiate now a treaty revision with Panama, under the watchful eyes of Latin America, is not a retreat from power, but a retreat from arrogance. If there is something this country should do, it is not to equate its undeniable might with arrogance, but with fairness. Everybody in the world is aware that this is a big powerful nation, unmatched in its technological and industrial genius. What several unfriendly critics are questioning is whether it is really a great one. Bigness and greatness are not synonymous terms. For greatness involves a capacity to understand and act fairly, thereby asserting a moral leadership. If, as Mao-Tse-Tung pretended, power comes out of the barrel of a gun, true leadership requires the power of moral conviction. That should be the true U.S. leadership.

The world is certainly no morality play, neatly divided between the good and the bad guys. But there should not be either an impediment to wedding might to fairness and moral greatness.

In this Panama Canal test which is looming as a great national and hemispheric debate, those of us who are United States citizens of Hispanic extraction should solidly stand behind the President and his team of diplomatic and military advisors. Theirs has been an act of bold statesmanship.

To us, it should not be a matter of redressing a diplomatic wrong. A setback in this direction will be a setback in many directions. A great revolution in human relationships has been taking place in this country. An awareness of the rights of minorities and of the existence of a cultural pluralism, which had been long marginalized, is very much the order of the day.

There is no clear dividing line between external and internal affairs. Differences in these two areas may be pigeon-holed in bureaucratic departments. They are not so evident in real life. A projection of what the United States is doing in the field of human rights or in the recognition extended to women and minorities can really shake many monolithic structures in states and nations that pay lip service to revolution and change, but are impervious to asserting human and individual rights. And in the Hemisphere, I mean not only countries like Brazil or Chile, I mean also Cuba.

If we really want the Hispanic tide, so long neglected and marginalized in this country, to gain recognition and awareness, we have to insist that both internal and external policies be framed that are coherent and complementary. We can not say Viva! to the rise of the Hispanic strain, and then say Niet! to the Panama Canal treaty, and speak disdainfully of banana republics.

There are other hard issues ahead, which have to do more realistically with the shape of civilization, in this Hemisphere, in the Twenty-first Century. The search for new forms of energy, the exploration and exploitation of the seas, the evolution and sharing of a technology more attuned to environmental requirements, the protection and assertion of cultural values that have given meaning to communal life, the eradication of distorted stereotypes, the replanning of cities and the end of ghettoes and slums—these and other questions are of mutual concern. They transcend the national interests; they have to do with the quality of civilization itself.

We can not deal with the issues of the year 2000 with the mentality of the year 1900. This is why the discussion of the Panama Canal treaty is so significant. It will reveal whether this country is able to disentangle itself, as Lincoln wanted, "from the dogmas of the past."

The ratification of the treaty will mark an awareness, a recognition that the Hispanic-Indian-Afro-American world, in its demographic élan in its great variety, is gradually taking the historical contours of another China, and can no longer be treated as a backyard or as a string of banana republics.

What is taking place in Latin America—especially in Mexico and the Caribbean—will increasingly affect the United States. In the past, it had to do mainly with such matters as trade and investment, but today is something much more personal; it has to do with people, as in the complex question involving undocumented aliens.

All these issues, require a type of sensitivity that is exactly the opposite of the psychological heritage, left by the turn of the century.

It will require, for instance, the recognition that, together with the population explosion, there is a great expansion of Spanish as one of the leading world languages and that, eventually, it may become the prevailing second language of most educated persons in the United States, irrespective of origin.

This may sound to some as a wild prophecy, although not, I presume, in California. I stand on the words of a great American who, many years ago, gave some sound advice to a boy he was tutoring. With regard to the Spanish language, he wrote: "Spanish. Bestow great attention on this, and endeavor to acquire an accurate knowledge of it. Our future connections with Spain and Spanish America, will render that language a valuable acquisition. The ancient history of that part of America, too, is written in that language. I send you a dictionary."

The boy was Peter Carr; the year was 1787; the writer was Thomas Jefferson. Nearly 200 years ago, he foresaw the significance of Spanish to the emerging republic. His words are quite prophetic today.

I can not send all of you a dictionary. But coming from Puerto Rico, where Spanish is to us a basic fact of our daily culture and identity, I am especially aware of what the expansion of Spanish will mean in reaching an inter-American understanding on concrete issues, which will do away with old stereotypes and past prejudices. That is why your experience at Elbert Covell College is of such great significance.

To shape the future is no easy task. The struggle will be difficult. There are many walls of prejudice to be torn down. The obstacles are strong; the passions are many. But there is a momentum of fair play and effort which finally should carry the day. Or so we hope. Or so we hope.

EVERGREEN ARCADE

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, December 5, 1977

Mr. RODINO. Mr. Speaker, recently I had the privilege of participating in groundbreaking ceremonies for a major improvement in my home district funded by the U.S. Department of Commerce. The Evergreen Arcade, to be constructed along Central Avenue near Evergreen Place in the city of East Orange, is very important to me, because it represents a new era in Federal-local government cooperation.

The mayor of East Orange, William Hart, was largely responsible for bringing together the business groups and government officials to create a revitalized downtown East Orange. When Mayor Hart came to me with the idea of building the Central Avenue Arcade-Mall I saw it as the perfect opportunity for the Federal Government to work with local government officials and community leaders. I was confident that we could get the Federal Government to support our efforts, because the people of East Orange have always shown a willingness and ability to help themselves.

Let me say a few words about this section of East Orange. Central Avenue is the premier commercial street in East Orange. Its large department stores and many specialty shops are combined with professional buildings where doctors, lawyers, and investment brokers carry on their businesses.

The mall project will improve the street conditions, plant shrubbery, install new street lamps, and increase the parking facilities along Central Avenue. Not only the commercial and professional people of the area, but all the citizens of East Orange and neighboring communities will benefit from this revitalization.

Cliff Rossignol, of the Economic Development Administration, and Senator HARRISON WILLIAMS were very instrumental in getting the necessary funds to East Orange. East Orange has proven

itself worthy of this Federal assistance, because of the efforts of people like Marty Ustin, Mayor Hart's director of planning and grants, and Larry Linkov and Marvin Johnson of the Mayor's Business Development Authority. Michael D'Altilio, city engineer of East Orange; William C. Holt, chairman of the East Orange City Council; and Otis Brown, president of the Central Avenue Mall Association have also played important roles in starting this project.

I know that the next mayor of East Orange, Thomas Cooke, will carry on this tradition of dedication to the people of East Orange and keen understanding of our American federal system.

Mr. Speaker, I salute the cooperation of the Federal Government and the East Orange community which the Evergreen Arcade represents. And I am honored to have been a part of it.

LOOKING BACK IN 1977 TO MAKE PROGRESS IN 1978

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, December 5, 1977

Mr. HANSEN. Mr. Speaker, as the legislative year 1977 draws to a close, it is important to recap some of the highlights of the past months to better provide a firm foundation for dealing with the challenges of the forthcoming year. Included herewith is a synopsis of the key actions and status regarding significant issues of national interest—the IWY-ERA controversies, final stages of court action against OSHA, the heated situation involving the Panama Canal treaties, and the scuttling of instant voter registration proposals.

SYNOPSIS OF KEY ACTIONS AND STATUS

WHITE HOUSE CHALLENGED ON IWY

I have challenged the White House to practice what they preach regarding human rights as it applies to the operation of the International Women's Year Commission.

In speaking with officials in the Congressional Liaison Office of the White House, I pointed out, "You people could have saved yourselves a lot of embarrassment over the IWY Convention in Houston if you had heeded the warning I sent to you six weeks before that time." Of course I was referring to a flurry of complaints by Members of several Congressional delegations over IWY press releases and activities at Houston condemning opponents of their programs, such as Catholics and Mormons, as subversive, right-wing extremists. These complaints resulted in a denial of responsibility of IWY actions by State Department spokesmen.

On October 5, I sent a letter to President Carter demanding that he discipline officials of the tax-supported IWY, whom he had appointed, for their "abusive, bigoted and divisive public condemnation of anyone opposing their efforts." This was in response to September statements by IWY Administration leaders like Bella Abzug and Midge Costanza irresponsibly and slanderously attacking all opponents of ERA and IWY as using Ku Klux Klan tactics.

I have given the President three opportunities to take action concerning these excesses. Besides the formal letter and today's call, members of his staff were asked to come to my office and discuss the problem and this was followed with subsequent phone calls to the White House.

The IWY Commission has grossly abused its authority in both its statements and the use of its funding. Besides the $5 million Congress appropriated for their use, the Commission has according to Government Accounting Office audit illegally diverted several hundred thousand dollars from various agencies and received additional grants from certain private foundations. Two months ago I filed a lawsuit in U.S. District Court to stop the illegal diversion of funds and employees and prevent improper use of tax funds to lobby for the ERA.

Complaints received following the Houston convention have caused me to additionally investigate the possibility of expanding or amending my lawsuit to cope with any additional improper diversion of funds and questionable use of the State Department franking privilege for disseminating partisan and bigoted IWY information.

It is unfortunate that an Administration which preaches the doctrine of human rights so loudly can ignore the gross injustice and infringement on rights perpetrated by its own appointees and programs.

And the worst part of it is that people who object to such revolutionary programs and unsavory tactics sponsored by their own tax money must fight it with additional funds out of their own pockets.

SOVEREIGN RIGHTS OF STATES ASSAULTED

The Sovereign rights of the states are being unfairly and unconstitutionally assaulted by arbitrary and political decisions from the office of the U.S. Attorney General.

I appeared during the IWY Commission in Houston before an Ad Hoc Congressional Hearing chaired by U.S. Rep. Robert Dornan (R-Calif.) in connection with activities related to the National Conference of International Women's Year (IWY) to testify for legislation to allow states to rescind their ratifications of the Equal Rights Amendment (ERA).

Three states have already passed rescissions of ERA ratifications including Idaho, but the Carter Administration is so bent on getting ERA approved that the U.S. Attorney General's office is passing off political advice as determinations of law in a blatant display of legal arrogance.

The Attorney General's office should be fair enough to admit they can't have it both ways. States not approving ERA on first consideration are not prevented from later ratifying, so why should ratifying states later be prohibited from rescinding?

My bill called the Hostage Relief Act will clarify and guarantee that legislatures are free to change their minds either way until such time as the proper number of states have qualified for certifying approval of the proposed amendment.

This legislation is particularly important in light of the recent bill introduced by Rep. Elizabeth Holtzman (D-NY) which would extend the time for ERA ratifications for another seven years.

Certainly states should not be held hostage to actions taken under a given set of rules and conditions when those circumstances are changed.

ERA has already had the advantage of extensive lobbying at taxpayers' expense so why should they also be able to arbitrarily change the rules to their advantage without allowing the fairness of an escape clause for those who wish to reconsider?

OSHA FIGHT AT CLIMAX

The battle against the warrantless searches of OSHA is moving into its final stages with the Barlow challenge serving as the landmark case in a classic battle before the U.S. Supreme Court.

The final brief was filed in September and oral arguments are scheduled as soon as the Court returns from the holiday recess in early January. A final decision should be published sometime during the Spring.

The Barlow case if upheld will be historic in eliminating the "unconstitutional" warrantless searches" of the Occupational Safety and Health Administration. So far 18 State and Federal courts across the nation have upheld the provisions of the 4th Amendment and ruled out OSHA's warrantless inspections which provides strong reason to believe the Superior Court will rule in Barlow's favor.

This fight goes back to the very roots of the American struggle for freedom and basic human rights. One of our original complaints against England was the unrestricted forced search of our homes and businesses. Now over 200 years later a government agency is claiming some of the very powers that pushed American colonists into rebellion against England.

The checks and balances devised by our founding fathers are at the heart of our system of government. They maintain our individual freedom. The OSHA concept is an unbridled use of power which must be contained and I am proud to support stalwart citizens like Bill Barlow who stand up for their Constitutional rights and our freedom by saying "no" to random, warrantless fishing expeditions by inspectors from OSHA or any other government agency.

PANAMA—A BLITZ ON THE TAXPAYER

The battle over the Panama Canal is shifting into high gear with the President utilizing to the maximum extent possible the prestige and patronage of the office of President of the United States in addition to spending vast amounts of taxpayers' dollars in an attempt to "create" public opinion—a sophisticated term for brainwashing.

Staggering amounts of money are being spent nationwide in attempts by the Administration to maneuver and manipulate the national media and prominent citizens in an all-out effort to create an artificial atmosphere of acceptance for the President's proposed Panama Canal treaties. Even as you read this, editors, prominent businessmen, heads of educational institutions and others are being invited to the White House or regional meetings to hear one side of the story—a questionable use of taxpayer funds and facilities for lobbying. The State Department is also spending your tax dollars to extensively send employees throughout the country for speeches at every crossroad to drum up support for ratification even though public opinion remains overwhelmingly opposed to ratification.

A public relations firm has even been hired at a cost of $200,000 to promote the treaties. President Carter has tried to justify the expenditure saying it was in the public interest even though the majority of Americans have repeatedly said what they want. Apparently the President considers the "public interest" to comprise of only a privileged minority such as the large multinational banks and corporations and foreign interests who stand to gain millions by this extravagant sellout of American assets and interests such as represented by his negotiator Sol Linowitz.

State Department officials spent over a month at the taxpayers' expense in the State of Oregon alone. According to the survey which was included with the newsletter you received last August, 96 percent of Idaho's 2nd District opposes ratification. The President's so-called public interest only comprises 4 percent of the population in Southern Idaho.

A recent survey of the Senate shows 49 Senators as favoring ratification of the proposed treaties including Wendell R. Anderson-MN, James Abourezk-SD, Birch Bayh-IN, Frank Church-ID, Dick Clark-IA, Alan Cranston-CA, John C. Culver-IA, Mark Hat-

field-OR, Ernest F. Hollings-SC, Hubert Humphrey-MN, Edward Kennedy-MA, George McGovern-SD, Charles Mathias-MD, Howard Metzenbaum-OH, Daniel Moynihan-NY, Gaylord Nelson-WI, Donald Riegle-MI, Adlai Stevenson-IL, Lowell Weicker-CT, Harrison Williams-IL.

Listed as undecided are 22 Senators and 29 Senators are opposed to ratification.

I have authored a resolution, House Concurrent Resolution No. 328, which would uphold the Constitutional authority of the Congress and allow the House and Senate to vote first on the question of disposition of property prior to the Senate's vote for ratification. Over 160 Congressmen have joined me in co-sponsoring this resolution. We expect to get over half the Congress signed up or 218.

The resolution was assigned to the House Merchant Marine and Fisheries Committee, where the Chairman, Congressman John Murphy of New York, is one of my chief cosponsors. Congressman Murphy is eager to hold hearings on my Resolution in order for it to be reported to the floor of the House for an expeditious vote.

Significant progress has been made to expose the give-away but the fight is not over. Public opinion will win on this issue so it's important that the President as well as Members of Congress hear what you have to say.

SCANDALOUS VOTER PROGRAM SCUTTLED

President Carter's Instant Voter Registration Plan has fortunately been scuttled. On election day this past November the Ohio electorate wisely voted 62 to 38 percent in favor of abandoning same day registration.

It was well-known that the election results from Ohio would have a great effect on the Administration's floundering bill. Thankfully the "buckeye" vote not only stopped such a program in Ohio, but also sealed the door of the national proposal for the rest of the 95th Congress and hopefully for good. The American public would not buy the administration's scheme to stack the election-day ballots and further push the nation into a one-party system. I for one say good riddance to the President's misconceived and unjust bill.

The surprising fact was not only the large percentage by which the voters of an industrialized state rejected the measure but also the fact that the largely urban and labor-dominated areas of the state rejected it by far greater margins than did the traditionally more conservative rural areas.

A TRY FOR LASTING PEACE IN THE MIDDLE EAST

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 5, 1977

Mr. DERWINSKI. Mr. Speaker, as a member of the House International Relations Committee, I want to commend both President Sadat of Egypt and Prime Minister Begin of Israel for their intensive efforts to break the diplomatic stalemate and work toward a lasting peace in the Middle East.

The continued misuse of the United Nations General Assembly by Arab States and the series of diplomatic false starts that have frustrated efforts to solve the Middle East crisis can possibly be overcome only by as dramatic a series of events as have been worked out by Prime Minister Begin and President Sadat.

I believe that meetings such as the planned session in Cairo are necessary to keep up the momentum of the peace initiative. As the parties expand their communications and negotiations, a slow but positive development of mutual trust can be realized.

President Sadat and Prime Minister Begin took calculated risks in their actions. By this I mean risks of political problems on the domestic front as well as the risks that are obvious in the long-standing bitterness that has marked the Middle East dispute.

The failure of the Soviet Union to accept the invitation to the Cairo conference shows that the Soviets do not want to help achieve a Middle East peace settlement. It also proves that the Carter administration made a mistake by bringing the Soviets into important involvement in the forthcoming Geneva peace conference.

Since Sadat and Begin have clearly seized the initiative, the United States should work with both of them as well as encourage other moderate Arab governments to give their cooperation, and ultimately a major role would have to be played by the United States to help insure the final peace agreement that would be worked out.

SALE OF ADVANCED COMBAT AIRCRAFT TO SAUDI ARABIA

HON. CHRISTOPHER J. DODD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, December 5, 1977

Mr. DODD. Mr. Speaker, in order to better inform ourselves of the possible problems raised by the potential sale of advanced fighter aircraft to Saudi Arabia, I have asked several organizations and individuals to prepare detailed studies of various aspects of this issue.

Today, I am including in the RECORD part one of a study prepared for me by Prof. Steven Rosen of Brandeis University entitled "Sale of Advanced Combat Aircraft to Saudi Arabia: Implications for the Arab-Israeli Military Balance."

Dr. Rosen raises several interesting points in his study. In his view, the most serious problem raised by the proposed sale of advanced fighter aircraft to Saudi Arabia is the fact that "in the particular context of the Saudi/Israeli relationship, acquisition of advanced combat aircraft by Saudi Arabia would significantly increase the likelihood * * * of * * * direct combat between forces of Israel and Saudi Arabia." Moreover, Dr. Rosen demonstrates that if Saudi forces do become involved in a future conflict they will have far greater capability to do serious damage to Israel than they have had in prior years.

This study presents evidence that is not frequently found in debates concerning the possible sale of F–15's or other advanced aircraft to Saudi Arabia, and is especially valuable in this regard. For example, Dr. Rosen examines in some detail the rapid modernization and expansion of the Saudi armed forces that has taken place in the last decade, contending that by the end of the 1980's Saudi Arabia will "have advanced far down the road toward completing modernization of its armed forces." By 1983 there will have been a tenfold increase in the number of combat aircraft compared to 1967 and a threefold increase since 1973.

Moreover, Dr. Rosen points out that in the environment of the 1980's Saudi aircraft will be in a position to threaten Israel directly from positions well within the range of any advanced attack fighter that the United States might transfer. Beyond the modern military base at Tabuk (200 miles from Eilat), Saudi Arabia has at least six combat-worthy civilian airfields which could provide bases for advanced aircraft within the context of a short Arab-Israeli conflict.

Mr. Speaker, in the months to come, I hope to be able to submit additional valuable information concerning the proposed sale of advanced combat aircraft to Saudi Arabia. I hope that the information I will be providing will help elevate the level of debate in this critical area, and I welcome the assistance of other Members in this effort.

Mr. Speaker, I commend this study by Dr. Rosen and ask that it be inserted at this point in the RECORD:

SALE OF ADVANCED COMBAT AIRCRAFT TO SAUDI ABABIA: IMPLICATIONS FOR THE ARAB-ISRAELI MILITARY BALANCE, PART I

(By Steven J. Rosen)

This paper will address some of the problems posed by the proposed sale of F–15, F–16, or F–18L combat aircraft to Saudi Arabia within the context of the Arab-Israeli military balance. As such, it is not designed to deal with all of the issues raised by this potential sale but merely attempts to cast light on one aspect of this issue.

A. POTENTIAL SAUDI INVOLVEMENT IN AN ARAB-ISRAELI CONFLICT

The most serious problem raised by the proposed sale of advanced combat aircraft to Saudi Arabia is the fact that in the particular context of the Saudi/Israeli relationship, acquisition of advanced combat aircraft by Saudi Arabia would significantly increase the likelihood of the outcome least desired by the United States, Israel, and presumably Saudi Arabia; i.e., direct combat between forces of Israel and Saudi Arabia which would make Saudi Arabia, for the first time, a full military participant in an Arab-Israeli war.

Background

Although the question of whether Saudi Arabia would actively deploy its forces in a future Arab-Israeli war is a matter of some conjecture a considerable body of evidence suggests that Saudi Arabia would indeed deploy its forces and/or make them available to other Arab states.

In the first place, it is important to realize that Saudi Arabia has participated to some extent in previous Arab-Israeli conflicts. As early as 1948, Saudi Arabia furnished a battalion of troops under Egyptian command for the invasion of Palestine by the Arab League armies. On May 24, 1967, the Jordanian government announced permission for Saudi forces to enter Jordan as part of the Arab mobilization against Israel. Some Saudi units entered southern Jordan the same day, while others remained in readiness near the border. None were heavily engaged in the succeeding hostilities of the Six Day War, but this may have been more a function of the lightning Israeli victory

than of any lack of will on the part of the Saudis. During the 1973 war, a Saudi brigade of approximately 3,000 was dispatched to Syria, and it has been reported that several Saudi soldiers were taken prisoner by the Israelis during the fighting on the northern front. In addition, eight Saudi helicopters with Saudi pilots were sent to Egypt to participate in logistic support missions, and did not return home until a few months after the war ended. Following the 1973 war, a brigade of about 4,000 men remained in Jordan encamped near Karak, in the mountains to the east of the Dead Sea, until late 1976, and the Saudi brigade in Syria also did not return home until October 1976. In November of 1975, fifteen F–5E's that we had delivered to Saudi Arabia less than twelve months earlier flew out of a Jordanian base into Syria to participate in joint Syrian/Jordanian/Saudi maneuvers lasting several days. (Saudi Arabia explained to the U.S. that its squadron was merely participating in the "annual training cycle" of the Saudi brigade in Syria). These past actions, undertaken when Saudi Arabian capabilities were far lower than they will be in the future, seem to be clear evidence that participation in a future war is a possibility that is being considered systematically by the Saudi high command. Senior Saudi military commanders and officials now consult regularly with their counterparts in the confrontation states and make frequent visits to Egypt, Syria and Jordan.

Moreover, the top Saudi political officials have been forthright in statements that their country would commit its forces in a fifth war. King Khalid told the New York Times in May of 1976 that:

"When we build up our military strength we have no aims against anybody except those who took by force our land and our shrines in Jerusalem—and we know who that is. We also believe that the strength of Saudi Arabia is a strength for the whole Arab and Islamic world. We always intended to make use of all military equipment that might help build our military strength."

Crown Prince Fahd told the Times in April of the same year that his nation's armed forces are "a force in the defense of the Arab nation and of the Arab cause." Defense Minister Sultan, according to the Christian Science Monitor, said "All our weapons are at the disposal of the Arab nation and will be used in the battle against the common enemy." Foreign Minister Saud, in a recent Newsweek interview, said "In times of war when the interests of our brother Arab countries are involved and blood is flowing, nothing is too expensive to use . . . I am saying that we will use whatever resources we have . . . to hurt our enemy." And the Kuwaiti newspaper Al Qabas reported in March 1977 that Saudi officials "feel their country will be exposed to any new war in the area and for that reason are preparing to participate in such war by opening a new front in the Eilat area." (The Israeli port of Eilat is only 200 miles from the major Saudi airbase at Tabuk). U.S. Lt. General Howard Fish, director of D.O.D.'s Defense Security Assistance Agency, may have been right that these are merely "hometown statements made for the consumption of the people that they are addressing at the moment and are not necessarily representative of their policies and their actions," but on the evidence the possibility certainly cannot be excluded that they are in fact operative statements of intent. Indeed, it can be argued that the tenfold expansion of Saudi capabilities that is now underway with U.S. assistance may make it impossible for the Wahabbi kingdom not to participate in a fifth war. The new capabilities may generate their own intentions and enhance the pressure within the country and from other Arab states to contribute to a common Arab effort against the Zionist enemy.

Implications

If Saudi intentions are ambiguous or appear to be leaning toward involvement in a war, the Israelis will have to take this into account. Should Israeli intelligence learn that advanced Saudi aircraft and paratroops are stationed at or transferred to bases in the northwest during a crisis, the Israeli Air Force, under duress in a multi-front war, might feel compelled to undertake preemptive strikes against these bases and aircraft even if the RSAF had not yet brought its forces into the war. The threat posed by F–15, F–16, or F–18L aircraft in Saudi possession would constitute a much greater additional burden on Israeli defenses than any aircraft now in the forces of the Wahabbi kingdom. If allowed to operate, they would divert IAF squadrons from other theatres; would complicate the IFF (identification friend or foe) problems of the IAF; would pose a threat to the survivability of the Hawkeye E–2C airborne early warning and control system on which Israel now depends heavily and force the diversion of Israeli F–15s from other tasks to expand the combat air patrol dedicated to defending the E–2C; and, most importantly, would very significantly enhance the threat of Saudi strikes against Israeli military and civilian targets on the ground. The Saudis, for their part, would have to assume that Israeli attacks on the northwestern airfields would be more likely than ever before, and might for this reason conclude that staying out of the war, an option that might otherwise have been feasible, is in the circumstances foreclosed by the logic of the new situation. Thus, the transfer of advanced combat aircraft to Saudi Arabia might set in motion a cycle of defensive/pre-emptive calculations on both sides. The consequences of such a train of events for the postwar orientation of Saudi Arabia and its posture vis-a-vis the United States must be taken into account by American planners who would otherwise favor the sale of advanced warplanes to the RSAF.

B. SAUDI CAPABILITIES IN A FUTURE ARAB-ISRAELI CONFLICT

The potential involvement of Saudi forces in a future Arab-Israeli conflict would be worrisome under any circumstances. However, they are most troubling given the major development of Saudi offensive capability that will have a dramatic impact in the environment of the 1980's. Within that time frame Saudi Arabia will have advanced far down the road toward completing modernization of its armed forces; moreover, it will be in a position to threaten Israel directly from positions well within the range of any advanced attack fighter that the U.S. might transfer.

Expansion and modernization of the Saudi armed forces

The systematic expansion of the Saudi Arabian armed forces is reflected in the following allocations to the Ministry of Defense and Aviation since 1972:

[In millions]

1972–73	$1,002
1973–74	1,528
1974–75	2,490
1975–76	6,419
1976–77	9,012

Current Saudi defense expenditures are therefore nearly equal to those of Britain, France, and Germany, and are more than twice those of Israel. Saudi oil revenues during the coming five years are projected at more than $35 billion per year, and given the limitations on absorptive capacity in the civilian sector, it is reasonable to assume that military outlays will continue at high levels (as is projected in the current five-year plan).

Moreover, the Saudis are not merely buying an inventory of weapons but are engaged in a thorough and systematic program to develop from the ground up a complete military infrastructure, including airfields, naval port facilities, radar and communications systems, supply depots and related logistical support, and maintenance and repair facilities, as well as thorough training of personnel to maintain, operate, repair, command, and administer the weapons and facilities. Whereas the Libyans, by contrast, are acquiring large amount of equipment but lack an infrastructure commensurate with their weapons inventory levels, Saudi Arabia is acquiring basing, operating, and maintenance facilities which exceed the requirements of current inventories and lay the groundwork for future growth. The United States Department of Defense has contributed to the development of a master plan through the completion of a study in 1974 (updated in 1976) surveying Saudi defense modernization needs for the next ten years. Prior to this study, there was no overall plan for development, and modernization was proceeding in a disjointed fashion without established goals or priorities for implementation. The U.S. survey team, at Saudi request, examined the potential threat environment and the current status of existing Saudi armed forces, and, after consideration of such limiting factors as trained or trainable manpower, made recommendations for future development. As a result, 81% of the $12.1 billion in cumulative U.S. FMS orders by Saudi Arabia through FY 1976 has been for aircraft and hardware. Thus, the real capability of the Saudi armed forces for current and sustained operations will, when these programs are completed, be significantly greater than a mere counting-the-beans comparison with other states such as Libya might suggest.

The sheer quantitative expansion of Saudi air capabilities is also impressive. The following table shows the growth in the number of combat aircraft and their total weapons payload (in single sortie tons deliverable) from 1962 through 1983, assuming the sale of 60 F–15s, F–16s, or F–18Ls.

[In tons]

	(1)	(2)
1962 (est.)	16	20
1967	20	30
1973	71	134
1977	137	382
1983 (F–15)	191	826
1983 (F–16)	191	586
1983 (F–18L)	191	856

[1] Total combat aircraft.
[2] Total weapons payload.

By 183, there will have been a tenfold increase in the number of combat aircraft compared to 1967 and a threefold increase since 1973. The increase in weapons payload will be even greater: in the F–15 case, for example, an increase of 2700% over 1967 and 500% over 1973. And the new aircraft will be superior in range, maneuverability, top speed, low-level penetration capability, avionics, weapons delivery equipment, electronic countermeasures, cannons, and missilery. The total single sortie missile payload with the F–15, for example, will be 420 air-to-air missiles and 240 air-to-surface missiles in 1983, compared to the 1973 total of 100 relatively primitive air-to-air missiles

and no air-to-surface missilery at all. It should also be recalled that Saudi Arabia has already been authorized to receive 1650 Mavericks and 1000 Sidewinders, in addition to any future authorization that might accompany aircraft sales.

The ability of Saudi pilots to exploit the full potential of this vast arsenal will undoubtedly be limited by manpower competence factors. However, it should be remembered that the Saudi armed forces draw upon the Beduin stock out of which the British fashioned the Jordanian Arab Legion—itself widely recognized as one of the most effective fighting forces in the Middle East. Several qualified F–15 specialists have offered the view that the F–15 is no more difficult to operate and maintain than the F–5. In fact, the F–15 is optimized for ease of maintenance, and is expected to require fewer maintenance man hours per flying hour than previous American aircraft. Moreover, even if operated at 50 percent efficiency, the new equipment would represent a very significant augmentation of existing Arab capabilities.

Airbases facing Israel

Within the overall context of Saudi capabilities, one of the most interesting and troublesome developments is the growing capability of Saudi Arabia to stage aircraft in an offensive mode against potential targets in Israel.

In this regard, the most important offensive staging point would be the airbase at Tabuk, which is located in northwest Saudi Arabia near its juncture with Jordan and Israel—a mere 200 miles from Eilat and 250 miles from central Sinai. The airfield at Tabuk was built some years ago by the British, originally with an orientation to defense against the western threat (i.e., Nasser's Egypt), and has at least one runway (#13–31) in excess of 10,000 feet. More recently, the U.S. Army Corps of Engineers has been engaged in the design and construction of expansions at Tabuk with a value in excess of $200 million, primarily for cantonments. In addition, the Corps is building an $83 million Airborne School at Tabuk where Saudi infantrymen will be given paratroop training to attack or land in combat areas from assault aircraft (scheduled for completion in 1980). Tabuk has not been a major center of RSAF and paratroop activity in the past, but current development plans suggest that it is being prepared for a greater role in the future.

Indeed, during the week of November 7, 1977, a squadron of F–5's took part in maneuvers at Tabuk.

In the context of the Arab-Israeli conflict, a number of civilian airfields in the northwest should be considered along with the principal military base at Tabuk. At least six could provide additional bases for F–15s, F–16s, or F–18Ls within striking range of Israel, permitting the RSAF to disperse its forces rather than concentrate them at one base vulnerable to pre-emption. Those at Badanah, Turayf, Gurayat, Sakakah, Al-Wajh, and Ha'il have runways well in excess of the takeoff and landing requirements of these advanced fighters.

Civil airfields in Northwest Saudi Arabia and runway lengths:

Gurayat	4,700
Turayf	6,567
AlWajh	10,004
Badanah	10,004
AlJawf	10,824
Ha'il	7,576

(Courtesy International Civil Aviation Organization and the Jeppeson Company of Denver, Colorado)

In fact, the civil airfields at Gurayat and Turayf are already being expanded for military use. The takeoff and landing requirements given by Jane's All the World's Aircraft and Aviation Week and Space Technology are as follows (though the figures should be extended marginally for hot climates):

	Takeoff in feet	*Landing in feet*
F–15	900	2,500
F–16	1,700	2,650
F–18L (estimate)	1,000	2,000

As for the ground support equipment required to operate from civilian airfields, according to the F–15 and F–16 program officers at the Wright Patterson Air Force Base, as well as a number of private consultants, these aircraft could operate from civilian airfields for one day with no special equipment requirements other than fuel; could operate for one week with a minimal set of organizational level aerospace ground equipment (AGE, such as loading and oil service equipment) plus an appropriate amount of fuel, ordnance, and spares; and for three weeks or more with full base-level AGE maintenance equipment. The requirements increase with the length of service, but in the most likely case of an Arab-Israeli war of less than three weeks duration, all of the required ground support could be flown into the bases on available tankers and small transport planes. The approximate distances in miles (on a straight line) between Tabuk and the six civil airfields in northwestern Saudi Arabia and possible targets in central Sinai, central Israel, and the Golan Heights are as follows:

	Tabuk	Gurayat	Turayf	Badanah	Al Jawf	Al Wajh	Ha'il
Central Sinai	250	250	300	350	350	300	550
Jersualem	300	200	200	350	350	400	500
Golan Heights	350	250	200	450	400	500	550

For comparison, the combat radii of the F–15, F–16, and F–18L carrying a full air-to-air weapons suite are at least 700, 575, and 460 miles, respectively. In summary, there are at least seven bases in Saudi Arabia from which advanced American fighter aircraft could operate effectively to participate in any future Arab-Israeli War, in addition to the possibility of operating from Jordanian, Egyptian, or Syrian airfields.

European sales

It may be argued that if the United States declines to provide state-of-the-art combat aircraft to Suadi Arabia, the Wahabbi kingdom has the option to turn to European suppliers for such alternatives as the French F–1. Too often, the thesis that "if we don't do it, somebody else will" has been accepted to justify American sales that are not warranted in themselves. In the present case, French equipment would create some additional problems for the Arab-Israeli balance (such as the greater ease of transferability to the air forces of other Arab states already contracted to receive the F–1), but in the net assessment, European sales would not be as severe in their consequences as a U.S. supply agreement.

For example, the F–1 was subjected to a rigorous technical comparison with the F–16 by a NATO committee seeking a common fighter selection for Belgium, Denmark, the Netherlands, and Norway. The committee concluded that the F–1 is inferior to the F–16 on most combat dimensions. It compares still less favorably with the F–15. Also, European aircraft are more difficult to operate and maintain, and a Saudi mix of American F–5s with French F–1s would compound the interoperability, standardization, and maintenance problems of the RSAF, resulting in a lower net combat potential. And unlike American aircraft transfers, F–1 sales would be less likely to generate follow-on demands for AWACS or the Grumman E2–C. (France does not produce an equivalent airborne radar system with overland capabilities, and the United States would be under less pressure to provide what the Saudis might regard as a natural complement to the American aircraft). Also, F–1s in place of F–15s or F–16s would reduce the IFF problems of the Israeli Air Force, as the French models are not likely to be deployed by the Israeli side—and to this extent, they would lessen the necessity to pre-empt. Finally, the United States would not be in the position of supplying both sides in any hostilities that did erupt.

Conclusion

The sale of advanced American combat aircraft to Saudi Arabia is tempting for many financial and political benefits that might accompany such a relationship. In the short run, it is obvious that an agreement to sell would enhance our influence with the most important state of the Arabian peninsula. But in the longer-term perspective, such an arrangement might well rebound to the detriment of American interests in the area. It would encourage Saudi Arabia to become a full-fledged confrontation state in the Arab-Israeli conflict, with all the difficulties that such a development would imply. And in the event of another round of hostilities between Israel and the Arabs, Saudi Arabia could very well emerge from a war with a changed attitude toward the United States.

The diplomatic position of the United States may make it impossible for the Carter Administration not to push the sale of F–15s or F–16s to the Saudis. But in this instance, the Congress is in a position to serve the higher interests of the United States, and to do for the Executive branch what it may be unable to do for itself: to stop an arms export agreement that can only lead to another escalation of tensions in the Middle East.

SOCIAL SECURITY BENEFITS OFFSET FOR SPOUSES RECEIVING PUBLIC PENSIONS ARE INEQUITABLE

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, December 5, 1977

Mrs. HOLT. Mr. Speaker, I am extremely concerned about the Senate-passed Social Security Amendments of 1977 (H.R. 5322) because of section 123 of the bill. The provisions of this section will reduce social security benefits for spouses and surviving spouses by the amount of any public pension payments, Federal, State, or local based on the spouse's own public employment not covered under social security.

At first blush, the notion of saving $190 million under the Senate bill appears to be one way of reducing social security outlays. But the adverse impact upon about 85,000 people is just now beginning to unfold. While I do not know how the Senate Finance Committee arrived at this estimated number or what the breakdown is for Federal, State and local government workers, I do know from the number of complaints I

have received from my constituents that those most affected are women workers of the Federal service. Since most women Federal employees are in clerical and secretarial jobs, it is a group of GS–5 and lower grades that will be hardest hit as a result of the Senate bill.

Mr. Speaker, let me cite one case. A 60-year woman living in Prince Georges County now works for the District of Columbia government; her husband is on disability retirement. She has continued working because she needs the money, rather than retire from Federal Civil Service. She thought that when she is eligible for social security, her limited pension from the Federal Government, plus her husband's disability pension, and their combined social security benefits will make it possible for them to survive on a modicum of income security. Now, because of section 123 of the Senate-passed bill, she is terrified and frustrated by the bleak outlook of income insecurity ahead.

The social security system was originally designed to provide a supplement to retirement income that is supposed to be built upon other income security arrangements derived from pension plans, personal thrift, savings, investments, and homeownership. It seems that section 123 has just the opposite and destabilizing effect. Let us consider the Federal civil service worker. While working, he or she has no choice but to participate in the civil service retirement program through contributions. In the case of the person working in the private sector or serving in the Armed Forces, he or she has no choice but to pay into social security. However, just because the spouse has to go to work, in this case, for a Federal, State, or local agency, then that spouse—or should that spouse survive a deceased social security beneficiary, the surviving spouse—must forfeit social security entitlement just because of having earned a government pension. This is obviously unfair for a relatively small number of government workers to have to bear the brunt of saving $190 million from the social security trust fund in fiscal year 1979 and yearly thereafter.

Mr. Speaker, I strongly urge the House conferees to reject section 123 of the Senate version of H.R. 5322.

ONE NATION UNDER GOD INDIVISIBLE

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, December 5, 1977

Mr. HANSEN. Mr. Speaker, Christmas is a national holiday—it is a special recognition of the Christian heritage of the Nation, a nation founded by the grace of God guaranteeing both freedom of religion and separation of church and State.

The United States of America is a dream translated into a reality—a dream of individual freedom, of individual opportunity, of individual responsibility, and finally of individual blessings.

This Nation is a composition of people of all races and creeds, a blend of human beings uncommon anywhere else in the world. And yet it seems to have brought this diversity of nationalities together in common purpose and brotherhood so effectively as to stand in stark contrast with the irresolvable differences of their eternally warring native lands.

What is this common bond that causes people to forget their differences and aspire to lofty goals and a national posture of charity and peace? What is the spirit that so unusually raises a whole nation of people above personal greed, fear, and insecurity into self-reliant, confident, productive, and ambitious individuals? The answer is probably best phrased in the inscription on the Statue of Liberty by Emma Lazarus which states—

Give me your tired, your poor, your huddled masses yearning to breathe free . . .

Freedom is the magic of America and God's greatest gift to mankind.

The alternative to freedom is slavery where dreams die, where force replaces love, where doles masquerade as charity, and where human dignity does not exist.

In the book of II Corinthians 3: 17, we are told by Paul: "Where the spirit of the Lord is, there is liberty." Thomas Jefferson, one of the greatest among our Founding Fathers, restated this point so vital to our heritage that the "God who gave us life, gave us liberty."

Thus, we see the message from the cradle 2,000 years ago to the American people today, as we commemorate the most revolutionary and profound event in the history of mankind, is one of freedom—a freedom based on truth and love and lofty principles.

The book of John 8: 32 quotes Jesus Christ, "And ye shall know the truth and the truth shall make you free." And again it is stated in Galatians 5: 1 "Stand fast therefore in the liberty wherewith Christ hath made us free and be not entangled again with the yoke of bondage."

Alexander Hamilton stated:

I am inviolably attached to the essential rights of mankind, and the true interests of society. I consider liberty in a genuine unadulterated sense, as the greatest of terrestrial blessings. I am convinced that the whole human race is entitled to it, and that it can be wrested from no part of them, without the blackest and most aggravated guilt.

The Sacred Rights of Mankind are not to be rummaged for among old parchments or musty records. They are written, as with a sunbeam, in the whole volume of human nature, by the Hand of the Divinity itself, and can never be erased or obscured by moral power.

In his first inaugural address in April 30, 1789, George Washington stated:

No people can be bound to acknowledge and adore the invisible hand, which conducts the Affairs of men more than the People of the United States. Every step, by which they have advanced to the character of an independent nation, seems to have been distinguished by some token of providential agency.

In 1765, the man who was to become the second President of the United States, John Adams, stated:

The people, even to the lowest ranks, have become more attentive to their liberties, more inquisitive about them, and more determined to defend them, than they were ever before known or had occasion to be; innumerable have been the monuments of wit, humor, sense, learning, spirit, patriotism, and heroism, erected in the several colonies and provinces in the course of this year. Our presses have groaned, our pulpits have thundered, our legislatures have resolved, our towns have voted; the crown officers have everywhere trembled, and all their little tools and creatures have been afraid to speak and ashamed to be seen. . . .

Benjamin Franklin in the Second Continental Congress in 1775 said:

I have lived, Sir, a long time, and the longer I live, the more convincing proofs I see of this truth—that God governs in the affairs of men. And if a sparrow cannot fall to the ground without his notice, is it probable that an empire can rise without his aid? We have been assured, Sir, in the sacred writings, that "except the Lord build the House they labour in vain that build it." I firmly believe this; and I also believe that without his concurring aid we shall succeed in this political building no better than the Builders of Babel: We shall be divided by our little partial local interests; our projects will be confounded, and we ourselves shall become a reproach and bye word down to future ages. And what is worse, mankind may hereafter from this unfortunate instance, despair of establishing governments by human wisdom and leave it to chance, war, and conquest. I therefore beg leave to move—that henceforth prayers and imploring the assistance of Heaven, and its blessings on our deliberations be held in this Assembly every morning before we proceed to business . . .

And it might be noted that this tradition continues to this day in both Houses of the Congress of the United States.

So as citizens of this great Nation in celebration of the national holiday for Christmas, let us search deeply in our hearts and in our prayers for the real roots of America that we might better appreciate our heritage and blessings in this greatest of all nations in the march of history.

Thomas Paine perhaps said it best at Christmas in 1776 in the following message written by firelight on a drumhead which Washington was later to read to his troops:

These are the times that try men's souls. The summer soldier and the sunshine patriot will, in this crisis, shrink from the service of his country; but he that stands it now, deserves the love and thanks of man and woman. Tyranny, like hell, is not easily conquered; yet we have this consolation with us, that the harder the conflict, the more glorious the triumph. What we obtain too cheap, we esteem too lightly; it is dearness only that gives every thing its value. Heaven knows how to put a proper price upon its goods; and it would be strange indeed if so celestial an article as freedom should not be highly rated . . .

I turn with the warm ardor of a friend to those who have nobly stood, and are yet determined to stand the matter out: I call not upon a few, but upon all: not on this state or that state, but on every state: up and help us; lay your shoulders to the wheel; better have too much force than too little, when so great an object is at stake. Let it be told to the future world, that in the depth of winter, when nothing but hope and virtue could survive, that the city and the country, alarmed at one common danger, came forth to meet and to repulse it. Say not that thousands are gone, turn out your tens of thousands; throw not the burden of the day upon Providence, but "show your faith by your works," that God may bless you.

MORALITY, AMERICAN FOREIGN POLICY AND SALT II

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, December 5, 1977

Mr. KEMP. Mr. Speaker, many of us involved in our country's defense efforts are alarmed by the attitude of some of the people in the administration that leads them to be more critical of our efforts to defend ourselves than of Soviet efforts to threaten our security. This attitude seems to be producing an arms control policy that sees any new American weapon system as an obstacle to arms control that must be limited or banned, while new Soviet weapon systems and deployments are regarded as subsidiary to the issue.

In the current administration this attitude is more prevalent than ever before, and it has gone so far as to cause the administration to reduce its own standards for judging new arms pacts with Moscow. Only last March a prime aim of the administration in the SALT negotiations was the preservation of our land-based Minuteman missile deterrent. Now the administration concedes that the new SALT agreement will leave our landbased missiles vulnerable to Soviet attack in the early 1980s. This comes not only on top of a willingness to place severe range limits on our cruise missiles at SALT II but also on top of the death of the B–1 bomber. The administration is willing to leave the safety of all Americans in the care of an aged bomber fleet of B–52s and a partially deployed force of missile submarines.

Looking at the matter historically, the SALT agreements have not only helped the Soviet achieve nuclear superiority, they have legalized it. Obviously, there is an attitude among our own negotiators that American weapon systems are a greater threat to peace than Soviet weapon systems. This attitude exists in spite of the fact that it is the Soviets who have built a first-strike missile force capable of destroying our Minuteman deterrent. If the Soviets only wanted to deter, why would they have developed and deployed this capability?

It is hard to see how we can have a successful defense effort when we have to contend with such an attitude in our own ranks. I believe we must begin by becoming aware of this attitude and understanding it. I, therefore, urge the attention of my colleagues to an article published in Modern Age by Dr. Paul Craig Roberts, a distinguished scholar currently with the U.S. Senate staff from the Hoover Institution on War, Revolution and Peace, established by the late President Hoover at Stanford University, which I read into the RECORD at this time.

[From Modern Age, Spring 1977]

MORALITY AND AMERICAN FOREIGN POLICY

(By Paul Craig Roberts)

I

The complaints we hear today about the absence of morality in American foreign policy may be deceptive. A case can be made that there is already more morality in American foreign policy than we can survive. This case has never been presented, and I want to present it for consideration. There is an inconsistency in the modern frame of mind that almost precludes positive interpretations of Western experience. A result is that the considerable demands for progress are expressed in terms of accusations against ourselves. In short, our morality is inverted into a form of self-condemnation. Michael Polanyi has written about how the modern frame of mind has been shaped by an inconsistency in the intellectual foundations of Western civilization, an inconsistency that may work itself out in the destruction of our civilization.[1] The inconsistency stems from the secularization of Christian moral fervor, which produced demands for the moral perfection of society, and from the impact of modern science on our concept of knowledge, which produced a critical philosophical positivism that is sceptical of the reality of moral motives.

The result of the former is a social and political dynamism that is committed to the moral perfection of human society. But the result of the latter is a sceptical sophistication that tends to see morality in terms of high sounding rationales for lowly but truer motives. We are all used to moral motives being unmasked as rationalizations for class and individual interests or explained as expressions of social, economic, psychological or political needs.

This unmasking does not prevent moral expression or demands for progress, but does make it easier for moral expression to take a denunciatory rather than an affirmatory form. A morally affirmatory statement, especially if it is in defense of existing society or its achievements, arouses the suspicion of dishonesty and is subject to being unmasked. It encounters objections both from the advocates of social change, who see it as a defense of the status quo, and from sceptics who look for the real motive that is operating behind the moral guise.

On the other hand, a morally denunciatory statement, especially if it is an accusation against existing society, is seen as an expression of the indignation of the morally honest reformer. In this way moral motives can be asserted backhandedly in praise of social dissenters easier than they can be asserted straightforwardly in praise of society's achievements. Scepticism and moral indignation are complementary in the critique of society. Together they support the social and political dynamism that is committed to achieving progress by remaking society.

The combination of scepticism with moral denunciation has led to many reforms that have humanized Western society and also to outbreaks of revolutionary violence, because the way they combine against existing society preempts its moral defense while at the same time focusing moral indignation against it. In the intellectual world this has made it difficult for affirmative accounts of Western experience, whether in the interpretation of Western history, or in the explanation of social and political reform, or in the defense of an anti-communist foreign policy. Any scholar, intellectual, or student who attempts to establish that good will has been an effective force in Western civilization runs a risk of being dismissed as naive and unscientific or even as intellectually dishonest, because any reform attributed to the efficacy of good will can also be explained in terms, for example, of the triumph of class interests. As would be expected, affirmative interpretations of Western achievements drop out of contention, leaving the field to cynical accounts that further undermine the moral confidence of the West in its past experience and future direction.

The untenability of affirmation has rendered ineffective, and even impossible, any moral defense of the West. Affirmations of Western achievements or institutions are likely to provoke stiff and strident protests against jingoistic justifications of imperialism and neo-colonialism and, at best, to be chided for complacency. This poses a serious problem for the continued existence of Western civilization, but it is not the most serious. The inconsistency in the modern frame of mind presents an even more serious problem. The restraint scepticism places on moral expression means that moral feelings, which have been secularized and given social purpose, have no legitimate positive form of expression. Since moral affirmations receive a sceptical response, moral expressions, have a safe outlet only in accusations of immorality against existing society.

This means, unfortunately, that a society in which this frame of mind is prevalent will express its desire for progress mainly in an attack on itself, and it will rely on self-criticism as its means for achieving progress. At the same time, however, attacks on alternative institutions will tend to be dismissed as defenses of the status quo, and scepticism about the policies and motives of an opposing society will be given short shrift as an expression of jingoism. An attack on an opposing society's practices and motives implies a defense of one's own—and that is taken as indifference to existing evils. Among many intellectuals such an attack will be more effective in eliciting resentment rather than support, because it focuses attention away from the domestic imperfections which are seen as the real barrier to progress.

The further a society is outside the Western framework, the less it will provoke the West's moral indignation. The "double-standard," to which (primarily) conservatives have objected, is merely a reflection of the modern frame of mind. It is only to be expected that within this frame of mind denunciatory rhetoric will rise to new heights over the execution of 5 terrorists in Spain but not over the execution of tens or hundreds of thousands of ordinary people by communists in Cambodia.

We are all by now familiar with the modern alienated intellectual whose alienation amounts to a moral hatred of existing society. He has a passion for moral improvement of his society, but he has worked out the doctrine of doubt to its logical conclusion. Since he cannot find moral motives safe from the suspicion of mere conformity, self-interest or hypocrisy, he can find no safe grounds for moral affirmation. His moral passions, being thus denied legitimate expression, are satisfied by turning his scepticism against his own society. He denounces its institutions and policies as masks for the material profit of vested interests. Michael Polanyi has shown that this inconsistent combination of moral scepticism with moral indignation is held together by their joint attack on society.[2]

Of course, everyone is not equally affected by this frame of mind to the extent that an alienated intellectual is, and all critics of society are not alienated intellectuals. Nevertheless, its impact is pervasive. Today we grow up in this frame of mind in the way we grow up in our language. But whereas the structure of our language has been extensively studied, the structure of our frame of mind has not. That something is amiss has not escaped notice,[3] but the usual appellations of "double-standard," "death-wish," "guilt," etc., are too feeble to give us a handle on our dilemma.

Take a typical American liberal intellectual. His commitment to his society is usually conditional upon institutional and policy changes. Therefore his allegiance at any point in time is weak, because to satisfy his

Footnotes at end of article.

desire for moral honesty he must forever remain an opponent of existing society. His program will not emphasize building on the past achievements and successes of the society, but correcting past failures and righting past wrongs. He will not see his country's gifts of foreign aid as attesting to its moral sense, but the insufficient amount will be evidence of an immoral foreign policy. He will justify foreign nationalization of his fellow citizens' property as a necessary remedy for neo-colonial exploitation. He will not see lack of progress in arms limitations as a reflection on the opponent's intentions but, instead, on his own country's lack of good faith. He will not see a strong defense posture as a justifiable response to an external threat, but as "provocative" and the cause of an arms race. On the domestic scene he will champion the failures as victims of society, and he will explain the successful in terms of ill-gotten gains. He will not even be a Marxist, but just an ordinary member of a verbalist institution.

The fusion of moral scepticism with the demand for moral perfection means that the West's morality becomes imminent in attacks on itself. Readers of the *Washington Post* and *New York Times*, and university students, are all accustomed to the use of moral scepticism to unmask the alleged immorality of existing society. To note this is not to attack the press and the universities, but to observe that this frame of mind is so endemic that the challenge it presents to foreign and defense policies necessary to the survival of the West and to protect its interests must be realized.

The West has relied for so long on a self-critical posture as its means of achieving improvement that it naturally and unthinkingly adopts this stance in its relations with external enemies. I want now to examine recent articles by three distinguished and respected men—George Kennan, George Ball, and Congressman Les Aspin—in order to show the problem posed by the modern frame of mind to the maintenance of a vigilant foreign policy and defense posture.[4] That these reasonable men are far from the purest examples of this frame of mind merely establishes its pervasiveness. At the outset I want to turn aside comments that their articles were written for purposes of self-justification, acquiring visibility in quest of high government office, etc., by observing that to be effective in these ways, the articles must relate to widespread views and be acceptable as intelligent foreign policy and defense comment.

II

In an article about US/USSR foreign relations, George F. Kennan attributes the post-World War II bad relations between the two powers to American mis-perceptions and over-reactions.[5] The mis-perceptions and over-reactions had their origin in President Franklin D. Roosevelt and his associates misleading and manipulating American public opinion about the USSR. As Kennan puts it, "The unreal dream of an intimate and happy postwar collaboration with Russia" which was peddled during the war to large portions of the American public, who "were encouraged to believe that without its successful realization there could be no peaceful and happy future at all,"[6] led to disillusionment and anxiety. The result was an over-reaction that was further intensified by the tendency of military planners to create an adversary:

"In the case at hand, the Russians, being the strongest and the most rhetorically hostile, were the obvious candidates. The adversary must then be credited with the evilest of intentions. . . . In this way not only is there created, for planning purposes, the image of the totally inhuman and totally malevolent adversary, but this image is reconjured daily, year after year, until it takes on every feature of flesh and blood and becomes the daily companion of those who cultivate it, so that any attempt on anyone's part to deny its reality appears as an act of treason or frivolity. Thus the planner's dummy of the Soviet political personality took the place of the real thing as the image on which a great deal of American policy, and of American military effort, came to be based." (p. 682)

The postwar disillusionment, then, fell in "most fatefully, with the emergence of a new pattern of fears and misunderstandings—this time of a military nature." Kennan says we should not have been alarmed by the absence of Soviet demobilization after World War II. It was just a continuation of traditional Russian custom "to maintain in being, even in time of peace, ground forces larger than anyone else could see the necessity for." (p. 680) But since Western military planners are "trained to give greater weight to capabilities than intentions" Western strategists are inclined "to chronic overrating of the adversary's capabilities," the "result, of course, was increased anxiety," which led to more American mis-perception and overreaction. (p. 681)

The development by the Russians of a nuclear weapon capability, which further militarized "American thinking about the problem of relations with Russia," was also our fault. Stalin sanctioned the development of a nuclear weapon capability because "others were doing so,"[7] but "he probably would have been quite happy to see it removed entirely from national arsenals, including his own, if this could be done without the acceptance of awkward forms of international inspection." (p. 681) Stalin, who was "entirely rational in his external policies," never allocated to nuclear weapons "anything resembling a primary role in political-strategic concepts." (p. 681) The reason Soviet doctrine today emphasizes the primacy of surprise nuclear attack is because Stalin's "successors were eventually forced into a somewhat different view of the weapon" by "Western powers, committed from the start to the first use of the weapon in any major encounter, whether or not it was used against them." (p. 681) The West couldn't see that it was the cause of all the problem, because "once again, the interest in capabilities triumphed over any evidence concerning intentions." (p. 681)

"Nor does this exhaust the list of those forces which, in the aftermath of World War II, impelled large portions of influential American opinion about Russia into a new, highly militaristic, and only partly realistic mold." (p. 682) I will not go through the rest of Kennan's list, which consists of various misreadings of events "by the official Washington establishment" as a result of their "exaggerated image of the menacing Kremlin, thirsting and plotting for world domination" and the tendency of American politicians to show "bristling vigilance in the face of a supposed external danger." (p. 683) The message of it all is that the U.S. is responsible for the cold war for taking seriously declared Soviet intentions: "It was out of such ingredients that there emerged, in the late 1940's and early 1950's, those attitudes in American opinion that came to be associated with the term 'cold war.'" (p. 682)

Having mistaken hostile rhetoric and military capability for hostile intentions, and having allowed Soviet behavior "to feed and sustain" our "distorted image of Soviet Russia," Kennan believes we proceeded to provoke the Soviet blockade of Berlin by undertaking the Marshall Plan, preparations for a West Germany government and making the first moves toward establishing NATO. According to Kennan, we then provoked the Soviets into starting the Korean War by establishing a permanent military presence in Japan. We then misread the significance of Stalin's death and proceeded to bring down Khruschev, who "was intensely human" in spite of "his occasional brutalities," by trying to achieve superiority in preparation for an inevitable future military encounter "for which there was no logical reason at all," and by letting "the interests of the gathering of military intelligence . . . be given precedence over the possibilities for diplomatic communication." (p. 685) The result was the U–2 plane incident, which shattered Khrushchev's "ascendancy over the Soviet military establishment" and may have forced him into putting missiles in Cuba "as a last desperate gamble on his part with a view to restoring his waning authority." (p. 685)

Kennan believes we are also guilty of letting the Soviet response to the 1956 Hungarian and 1968 Czechoslovakian revolutions get in the way of better US/USSR relations. Once again we failed to understand. This time a great many Americans displayed an apparent inability "to understand that the Soviet hegemony over Eastern Europe, established by force of arms in the final phases of the war and tacitly accepted by this country, was a seriously intended arrangement that the Soviet leadership proposed to maintain, if necessary, by the same means with which they had acquired it." (p. 685)

In Kennan's view we are likewise responsible for the demise of detente. Soviet culpability for the 1973 Arab-Israeli war and for Angola played no part, but it allowed "some people on the American side" to use the impression that the Soviets had violated at least the spirit of earlier understandings "to justify the very clear changes that did occur in American policy." (p. 687) Kennan places the question of any Soviet responsibility for the demise of detente as outside "the limits of this examination," and, indeed, the question is irrelevant to Kennan's frame of mind, because detente was doomed by the Americans regardless of any Soviet responsibility: "The pressures against detente had never been absent in Washington." (p. 687)

Once again an American President overdramatized US/USSR relations and bred false hopes, which led to disillusionment. This played into the hands of the Pentagon, which refused both any further SALT concessions and the unilateral suspension of weapons program development. We failed to understand that the Russians' "rhetorical and political stance of principled revolutionary Marxism" was "designed to protect them from charges by the Chinese Communists that they were betraying the cause of Leninism-Marxism." (p. 687) "The Jackson-Vanik Amendment, and the subsequent demise of the trade pact, dealt a bitter blow to any hopes" for better Soviet-American relations. (p. 688)

If things are to improve, "American statesmanship will have to overcome some of the traits that have handicapped it in the past." (p. 689) We must overcome our subjectivity. We must control "the compulsion of the military-industrial complex." We must exercise unilateral restraint in the weapons race. We must see Soviet power as a natural accouterment of a great power and not as a military capability consciously acquired at great cost for the purpose of aggression. We must understand that the Soviet arms buildup reflects the Russian character and not Communist intentions. And "American politicians will have to learn to resist the urge to exploit, as a target for rhetorical demon-

strations of belligerent vigilance, the image of a formidable external rival in world affairs." (p. 698) Time is running out, Kennan concludes, and that is our fault too.

All of this is sufficiently familiar that the reader knows I have not overdrawn the picture. I have not summarized Kennan's article in order to rebut it. My concern is not with Kennan, but with the structure of a frame of mind and the challenge it presents to American foreign policy. Kennan's article does not convey the strident tone of moral denunciation of American foreign policy that similar accounts do. Nevertheless his scepticism is turned only against his own society. He expresses his desire for a better situation solely through his catalogue of American shortcomings, and he relies solely on criticisms of America to produce a better trend in US/USSR relations.

Simultaneously, he dismisses declared Soviet intentions with a claim that the obvious ideological hostility asserts "itself more as a rhetorical exercise than as a guide to policy." (p. 673). If Kennan believes this, one might imagine that he would criticize the Soviets for doing so much damage with meaningless rhetoric and ask them to drop it. Instead, threatening "Soviet rhetoric and Soviet behavior" are made into an American failure for allowing them "to feed and sustain the distorted image of Soviet Russia." (p. 683) The exaggerated reaction of the U.S. to intentions declared by the Soviet Union constituted "at all times a complication of the Soviet-American relationship." (p. 673) It is we who are responsible for the negative effect on international affairs of hostile Soviet statements and behavior. Kennan's account explains away any Soviet responsibility, right down to their rhetoric which is attributed to the necessity of fending off Chinese ideological attacks. Kennan's indignation is reserved for only his own country. His catalogue of alleged American failures even makes us responsible for the Cuban missile crisis.

The fact that Kennan suspends his scepticism in regard to the motives of the Soviets reflects the limitation of the critical attitude in the West to condemnation of one's own society. I am not suggesting that criticism of one's own society is unpatriotic or that mistakes (when they actually occur) should not be acknowledged as a way of doing better. That is not, however, Kennan's message. The thrust of his article is that America is at fault for acknowledging the existence of an enemy and preparing to resist him. The challenge this frame of mind presents to our foreign policy is formidable.

George W. Ball, in a stinging criticism of American diplomacy in the Middle East, also suspends his skepticism in regard to the motives of the Soviets and subjects only our own foreign policy to condemnation.[8] In his criticism he assumes that the Soviets desire peace and stability in the Middle East, and he does not even criticize the Soviets for complicity in the 1973 Arab-Israeli war. Instead, he gives them credit for the cease-fire, which was "negotiated under pressure from the Soviet Union." (p. 42) He blames the terrible situation that he sees in the Middle East today on the U.S. for turning its "back on a serious effort to solve the problem." (p. 44) The U.S. exploited "Sadat's strong desire for peace merely in order to separate Egypt from the rest of the Arab world." (p. 44) The U.S. forced Assad of Syria, who "would have preferred an overall settlement that would enable him to concentrate on the peaceful development of his country," instead to "accept increasing Soviet domination as the price of keeping pace with Israeli armaments." (p. 43) The United States also "exhausted the Israeli tolerance for further compromise." (p. 46) Even Kissinger's success in separating the hostile forces is turned into an American failure because "by rigorously excluding the Soviet Union from any part in the negotiations, we reduced Moscow to a humiliating position." (pp. 42–43)

Mr. Ball expresses confidence in the Soviet Union, while he impugns the motives of Kissinger's diplomacy. Instead of working for a final settlement, Kissinger used diplomacy to fulfill "his elemental need for power and glory." (p. 41) Mr. Ball does not find the Soviet role in the 1973 Arab-Israeli war hurtful to detente. The damage to detente was done by Kissinger who, even though he "was publicly committed to detente, saw advantages in excluding the Soviet Union from participating in the negotiations, thus preventing Moscow from gaining a more solid foothold in the area." (p. 44) In other words, the American Secretary of State is not attacked for allowing Soviet successes, but for preventing them.

My purpose is not to defend Kissinger's diplomacy or to attack Mr. Ball, but to call attention to how our frame of mind undermines our own confidence while protecting our opponents from our criticism. Since we are always the focus of our criticism, the very concept of an external enemy is receding. This poses a difficulty to the maintenance of a strong defense posture.

The same self-criticism that diminishes the Soviet threat finds the real threat in our own defense budget. Congressman Les Aspin, a member of the House Armed Services Committee, warns us that "we must learn to see the dangers where they are, not where they are not."[9] Aspin thinks that the main threat to peace is the Pentagon's "we want more" doctrine, which produces an arms race.[10] In other words, the threat is in the Pentagon, not in the Kremlin.

Aspin uses the press to continually challenge the Pentagon's effort to disclose the Soviet military buildup.[11] In place of a Soviet threat, Aspin sees the Pentagon's "stripped down version of reality."[12] His use of information to down play the Soviet threat has caused General Daniel Graham, former head of the Defense Intelligence Agency, to call him a prestidigitator. Since I believe the problem is a frame of mind and not personalities, it is not for the purpose of taking sides that I give one more example of that point of view which is adept at turning facts inside out in order to apply a critical scepticism only to the United States.

In June 1976 Aspin released a report that in the past ten years the United States has built 48 nuclear-powered attack submarines and the Soviets have built only 42. Aspin said these figures "are further evidence that the 'Russians are coming' claims have been grossly exaggerated." This is the way Aspin chose to describe the fact that the Soviets have switched their submarine production capability from attack submarines where their advantage over us is 3 to 1 nuclear missile submarines where their advantage over us is less.

The structure of this frame of mind causes cynicism to be suspended in regard to the motives of foreign opponents. By focusing scepticism only inward, it undermines the self-belief and will of Western civilization and disarms it morally.

III

The communists do not share our dilemma. In their doctrine the morality of Marxism is immanent in its historical inevitability. Marxism does not rely on self-scepticism as a means of achieving progress. The destruction of the West by Soviet communism poses no moral dilemma to them, because they see it as the inevitable consequence of historical progression. However, our own defense poses a considerable moral dilemma to us because of the frame of mind I have analyzed. In any realistic assessment of the strategic balance, this disadvantage must be included.

FOOTNOTES

[1] Michael Polanyi, *Personal Knowledge* (Chicago: University of Chicago Press, 1958); "On the Modern Mind," *Encounter*, Vol. XVII (May 1965), pp. 1–9; and "Beyond Nihilism," in *Knowing and Being*, edited by Marjorie Grene, University of Chicago Press, 1969.

[2] *Ibid.*

[3] ". . . we tend to blame ourselves for everything that goes wrong in the world, and to assume that other nations share our good intentions, and will follow our good example. We take pride in self-flagellation, and seize every opportunity for excusing or ignoring the faults and shortcomings of others." (Eugene V. Rostow, "The Safety of the Republic," *Strategic Review*, Spring 1976, p. 14).

[4] I am not suggesting that Kennan, Ball, and Aspin are alienated intellectuals. All idealists are not alienated intellectuals, although the frustrations they encounter tend to move them in that direction. But the frame of mind that Polanyi analyzes is independent of the dispositions of individuals. It is a paradigm that, to a greater or lesser extent, we all live in mentally, and some live in it emotionally as well.

[5] George F. Kennan, "The United States and the Soviet Union, 1917–1976" *Foreign Affairs*, July, 1976.

[6] Curiously, Kennan's article perpetuates the same unreal dream and the same encouragement that he criticizes.

[7] In his review in the 8 August 1976 *Washington Post* of *Energy and Conflict: The Life and Times of Edward Teller* by Stanley Blumberg and Gwinn Owens, Colin Norman states that the authors have "convincing evidence that the Soviet Union actually led the race to develop the hydrogen bomb," testing both the first thermonuclear device and the first deliverable hydrogen bomb ahead of the U.S. "Astonishingly, the Department of Defense seems to have kept knowledge of the Soviet tests from the Atomic Energy Commission, and even Teller and his team were not informed."

[8] George W. Ball, "Kissinger's Paper Peace," *Atlantic*, February, 1976.

[9] Les Aspin, "How Much is Enough?," *The Center Magazine*, March-April, 1976.

[10] "It seems that whatever strategic doctrine happens to be enunciated by the existing Secretary of Defense, the Armed Services have always recognized only one doctrine, the same one that Samuel Gompers had for labor unions, 'We want more.'" *Ibid.*

[11] Aspin's efforts have earned him *Pravdas'* appreciative recognition: "L. Aspin, a member of the House of Representatives, came out in the U.S. Congress with a detailed critical analysis of the methods being used by the Pentagon and the CIA in their desire to prove what cannot be proved—that the military spending of the USSR is greater than the U.S. military expenditure. He then published a special article on this topic in the weekly *Foreign Policy*. A number of other members of both houses of the U.S. Congress also criticized the CIA and the Pentagon in this connection." *Pravda* contrasts Aspin with "the so-called big press of the United States," which gives "over the front pages to the slanderous fabrications of the Pentagon and the CIA." (K. Georgiyev, "Who is Whipping up the Arms Race?," *Pravda*, August 4, 1976).

[12] Les Aspin, "Comparing Soviet and American Defense Efforts: A Fact Sheet From the Office of Rep. Les Aspin," April 1976.

THE BREADBASKET, ENERGY AND THE ENVIRONMENT

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, December 5, 1977

Mr. HANSEN. Mr. Speaker, 1977 has been a busy and controversial year in terms of agricultural programs and national policies concerning land, water, and energy. Considerable progress has been made but many challenges remain for 1978. Most significant of the national decisions and controversies which have special impact on my own State and congressional district are the issues described in the following articles.

CLINCH RIVER VETO—THE OSTRICH APPROACH

President Carter's veto of the Clinch River breeder reactor is a "symbolic gesture" that is years out of date. This closed-minded approach to America's energy needs could be disastrous to the Nation in the years to come.

This is like an ostrich burying his head in the sand because the President is ignoring the advancements made by the rest of the world. The increasing demand for new sources of energy has already forced other nations to proceed with the development of breeder reactors while the United States lags behind.

During the debates in Congress over the future of Clinch River, it was pointed out that the French are building a large breeder reactor in conjunction with the West Germans and Italians. The British have an even larger one on the drawing boards, while the Russians built a working fast breeder reactor years ago. Such a retarding approach to energy development as the Carter veto is not practical and will only force America to become even more dependent on foreign oil.

The continued research and development of breeder reactors, which produce more fuel than they consume, is vital to America's security. To say we will curtail our reactor development while the rest of the world proceeds, is indeed a dangerous and foolish fuel and foreign policy. Hopefully the Congress will finally prevail.

IRATE FARMERS AND THE 160-ACRE LIMITATION

A high priority in the next session of the 95th Congress will be legislation dealing with the proposed controversial regulations affecting the distribution of water from Bureau of Reclamation projects.

This issue has come to the forefront recently by court order and supporting Interior Department recommendations for very rigid new rates governing these procedures which have many farmers up in arms.

The Federal reclamation program grew out of efforts to distribute the vast public domain, beginning soon after the American Revolution. The initial proposals ranging from designated parcels of 100 acres to 5,760 acres.

The 160 concept was first formally adopted by Congress in the Preemption Act of 1841 and has basically been followed in all succeeding acts of Congress. The choice of this size parcel was at best arbitrary and certainly is in need of review based on modern farming techniques. In the words of Leo M. Krulitz, Solicitor of the Department of the Interior:

> Given advances in agricultural technology, it would be accidental if the 160-acre limitation imposed in 1902 was the "right" number today.

What has come to be a key question is what constitutes a family farm for the highly mechanized agriculture of 1977, as compared to the horse-and-plow days of 1902.

I sponsored legislation in the 94th Congress (H.R. 13101) and the 95th Congress (H.R. 1604) which would have created a variable acreage limit based upon, among other things the climate and growing season thus allowing an expanded land use base in States such as Idaho. Within the past month I also sponsored legislation (H.R. 9707) which would require a moratorium on implementation of current proposals for a year—until Jan. 1, 1979. This bill is currently in the Water and Power Subcommittee of the Interior Committee and scheduled for early consideration.

The Department of the Interior recently held public hearings regarding these regulations and the House Interior Committee will hold field hearings in January 1978—January 3, Spokane; January 4, Denver; January 5, Fresno; January 6, Palm Springs. I would encourage all who can attend one of the January meetings to do so, but if this is not possible, please contact my office and I will be pleased to take your prepared statement and have it entered into the hearing record just as if you had attended.

I will be working closely with other western Members of Congress in developing a responsible solution to this problem, which could have such devastating impact on farm operations and farm communities in general.

ORAL AUCTION FOR TIMBER STILL NEEDED

The House will consider early next year legislation aimed at protecting the stability of communities dependent on national forest timber for their economic base. The measure, already approved by the Senate, directs the Forest Service to use oral auction for timber sales in areas where that has been the traditional method over the years. The Forest Service has modified its regulations so that 75 percent of sales can be handled by oral auction, but that still leaves timber-dependent communities in a position of being threatened by the loss of log supply. Sealed bidding simply does not give local timber companies the opportunity to meet higher outside bids, as can be done at oral auction.

SUGAR—A SWEETER PRICE FOR FARMERS

The American farmer has won a key battle against the Latin American sugar lobby.

The White House acting under orders from Congress has finally announced duties on imported sugar—a move which has long been needed to save the domestic sugar industry.

This reluctant change in administration policy to protect U.S. producers and processors from excessive imports and depressed prices was forced on President Carter in November by a privileged resolution I introduced in the House and which was cosponsored in the Senate by Senator ROBERT DOLE, Republican of Kansas and others.

Congress rebuffed the President in September by including sugar in farm price support legislation, which set the stage for the big battle which was then won in negotiations with the administration when they agreed to voluntarily impose import curbs in lieu of the mandatory action my bill would have imposed.

My resolution would have forced President Carter to adopt import quotas recommended by the U.S. International Trade Commission which he earlier rejected.

The heavy grip of the Latin lobby on the U.S. economy which has been so obvious in pushing for more sugar imports, giveaway of the Panama Canal, and renewed trade relations with Cuba has been weakened by this concession, and it is a long overdue victory for American agriculture.

GRAZING FEES—AN OLD BEEF

After extensive hearings and public comment to develop reasonable grazing fee rate formulation as mandated by Congress, the recommendations recently released by the Departments of Interior and Agriculture were really the same old thing.

I joined with other Western Congressmen in sponsoring H.R. 9757 on October 26 which would keep the current rates in force 1 more year and hopefully allow Congress to correct the bureaucratic shortsight. This bill was given quick favorable passage by the House Interior Committee November 29 and is now awaiting full House action.

RARE II—THE ARGUMENT SIZZLES

Rare II is a review of roadless areas in the national forest for possible inclusion in the wilderness system. The Forest Service has stated this exercise consists of an inventory phase, a two-tiered evaluation phase, and a recommendation phase. The inventory phase with its 227 workshops last summer and the initial evaluation is just being concluded. The additional costs, economic, social, considerations will be reviewed this winter. In May or June of next year a draft environmental statement will be published on the findings. The final recommendations to Congress are expected in a final environmental statement late in 1978 or early 1979. Public comment will be allowed and encouraged in the various States.

This entire process has been conducted under recent more liberal wilderness criteria initiated by the new administration thus requiring inclusion of large acreages excluded from previous inventories.

This exercise is billed as a method of "rounding out the National Wilderness System" however, it may have the effect of putting a straitjacket on the already-limited resources of our Nation. Although the Department has stated this is simply a method for arriving at the recommendations for wilderness, experience should have taught us to be skeptical of assurances from the bureaucracy that they are protecting us.

FARMERS TAKE A LICKING BY FOOD STAMP

The 1977 farm bill is a violation of truth in labeling. I voted against final passage of the House-Senate conference report because this legislation is basically welfare oriented with farmers getting the scraps.

However I did support several amendments to strengthen farm income that passed during consideration of this legislation which will hopefully provide some immediate relief to beleaguered farmers. The general loss of freedom to farmers and the outlandish provisions for food stamps spending made it impossible to support the bill on final passage.

Sections beneficial and essential to the farming community at the same time provided many of the old familiar pitfalls of the past. Target prices high enough to help hard-pressed farmers are also high enough to make others overproduce, and acreage allotments to be administered by the Secretary of Agriculture may be handled in the wrong way. It will take extremely able administration to prevent prolonged buildup of surpluses as happened during the 1960's in the Government-administered market provided in this bill.

While this is titled a farm bill it could and should be considered a welfare bill. Estimates are that the food stamp title of the bill—only one of eight titles—would require approximately 75 percent of the total cost of the bill.

Several sections important to Idaho agriculture contain price protections for major crops such as wheat, corn, barley, oats, sugar beets, wool, and other commodities provided to offset the disastrously low prices farmers have been receiving.

WATER POLICY—STATE RIGHTS AND FEDERAL WRONGS

The National Water Policy Review Commission concluded public comment on recommendations to be sent to the President early next year regarding national water policy. As I stated in testimony to the Commission, this is a blatant attempt to usurp another long standing State prerogative.

"Selling water to the highest bidder," and "interbasin transfers and regional plans," were part of the proposals appearing in the Federal Register. They cannot be tolerated.

The overriding assumption of the water resource policy study is that there is not now a Federal water policy and yet legislative and legal history do not sanction Federal control of water. Rights to use water have traditionally been acquired and exercised under State law.

Fortunately, the proposals of the NWPRC ultimately require congressional approval before they can be implemented. This fight is not over and the Western States must continue to make it crystal clear to the administration that we will not roll over and play dead while the Federal bureaucrats confiscate our water.

EAST-WEST TRADE

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 5, 1977

Mr. FRENZEL. Mr. Speaker, on November 10, Deputy Assistant Secretary for East-West Trade, Alan A. Reich of the Department of Commerce, delivered the following speech at the World Trade Center in Baltimore. Secretary Reich heads the East-West trade operation at the Department of Commerce and is particularly sensitive to the problems and myths that inhibit greater development of our international trade.

I invite the attention of each Member to his fine speech.

IT IS GOOD FOR AMERICA

(By Alan A. Reich)

It is a pleasure to be with you at this conference on East-West trade and to help inaugurate this magnificant new trade center. It is fitting that we meet in Baltimore. I notice that from this building we can see Fort McHenry, whse "star-spangled banner" in 1814 inspired our national anthem.

I was interested to note two weeks ago that Romania, which figures prominently in today's program, had adopted its own "new" national anthem—actually a very old one resurrected—whose words honor the symbolism of the Romanian tricolor flag and the history of the brave Romanian people.

I wonder how many of you realize our American anthem has origins which lie as much in the tradition of enterprising international trade, including East-West trade, as in the heroics of the siege of Fort McHenry and the Battle of Baltimore. For Baltimore, which today is enjoying a resurgent position among the major ports of the eastern seaboard, already in the early history of our nation was one of America's leading ports.

In the early 19th century, Baltimore clipper ships not only were pioneering in East-West trade, but because of their swiftness and maneuverability often succeeded in outrunning British men-of-war. This success did not escape the notice of the leader of the British expeditionary force, who happened to be an Admiral, whose troops in 1814 were busy sacking Washington. Following the unfortunate events in the nation's capital, the British commandant proceeded to Baltimore for his next engagement, though there was no military purpose in his venture. Rather he wished to conduct a punitive operation which would teach those Baltimoreans and their clipper ships a lesson. Unfortunately for the British, the expedition resulted not only in the successful resistance at Fort McHenry, but in a military defeat on land only a few miles from where we meet today.

I recount this episode lest there be any doubt that Baltimore was, and is, a trading city of major commercial and historical importance. And if you don't believe me, you have only to look out the window at the bustling activity below, or at least it was bustling until recently!

I would like to commend the East-West Trade Council and our distinguished Baltimore hosts for organizing this meeting. The East-West Trade Council could almost be described as the "conscience" of East-West trade in this country. Under the indefatigable and skillful leadership of Max Berry, the Council, since its founding in 1973, has provided leadership in the American business and academic communities in support of East-West trade expansion.

The non-governmental sector, including those of you present today, of American society provides, after all, the dynamism and ongoing commitment to international commerce. We all recognize that government is not the most agile or effective organization when it comes to the business of promoting commerce. In the non-government sector there are far fewer limitations and far more opportunities for imaginative efforts free of bureaucratic constraints. You bring to bear the managerial skills, knowledge and talents of the private sector to resolve the myriad problems still surrounding East-West trade. We in government need your advice and support, and we welcome it.

The term East-West trade incidentally is often misunderstood. To many Americans East-West trade is trade between the United States and the Soviet Union. In fact it is much more than that. East-West trade includes the exchanges of goods and services between more than a dozen industrialized western countries and the communist countries of the world. This trade amounted to more than $54 billion last year. Despite our limited and relatively recent entry into East-West trade, the U.S. has already received significant benefits from it. In the last two years the U.S. exported $6.7 billion worth of goods to the communist countries, achieving a $4.7 billion surplus in the process. Over the long term, we expect U.S. trade with the communist countries to grow. Indeed, just last week, to take one example, the Joint American-Romanian Economic Commission concluded its session on a most positive note, predicting that U.S.-Romanian bilateral trade—currently running at about $550 million a year, would approach the $1 billion level by 1980.

While it is true that East-West trade embraces numerous countries of the East, our trade with the Soviet Union holds a preeminent place in this overall relationship, accounting for more than half of U.S. trade with the east and influencing the remainder. I should like, therefore, to limit my remarks today to trade between the United States and the Soviet Union.

When I became Director of the Bureau of East-West trade in June, I set as a priority goal increasing public understanding of the issues in trade with communist countries. For that reason I particularly welcome this conference sponsored by the Council which furthers this process.

My theme today is that trade with the Soviet Union is good for America. I shall explain why such trade is good for our nation, comment on the problems—both real and apparent—explore with you some of the opportunities in U.S.-Soviet trade, and conclude with suggestions for action.

ADVANTAGES OF UNITED STATES-SOVIET TRADE

There are three basic reasons why nonstrategic trade with the Soviet Union bene-

fits this country: (1) it is good business; (2) it is good for our economy; (3) and it furthers mutual understanding and respect between the Russian and American peoples. (By "non-strategic" trade I mean the sale of goods and technology which, in the hands of a potential adversary, would not jeopardize our national security.)

Proof that it is good business is that several hundred American firms already have profited from doing business with the Soviet Union. They include many of our largest corporations as well as smaller companies. They are not charitable organizations. They enter into business deals because they foresee the opportunity to make a profit.

The second reason for non-strategic trade between the U.S. and the U.S.S.R. is that it benefits the U.S. economy. This trade provides jobs and improves our balance of payments. Last year alone, the United States had a favorable trade balance with the U.S.S.R. exceeding $2 billion. We also benefits from the return flow of needed raw materials, including scarce metals and energy products.

The third advantage of U.S.-Soviet trade is its contribution to the climate for relations between our two countries. The American people may well be ahead of their government in appreciation of this contribution. They believe that expanded U.S. trade with the U.S.S.R. would be a good thing. A recent attitudinal survey, for example, showed that 66 percent of the American people favor expanding trade with the Soviet Union. Moreover, by a three-to-one majority, they want trade with the U.S.S.R. which does not discriminate through tariff barriers and other trade restrictions. It seems to me, in addition to the recognition of the economic benefits, there is an underlying feeling among the American people that active commerce contributes to more peaceful relations.

TRADE AND OVERALL UNITED STATES-U.S.S.R. RELATIONS

Person-to-person contacts developed in trade relations further mutual understanding between Americans and Russians. The exposure of Soviet officials through these business encounters to the values, beliefs, and perceptions of Americans helps overcome suspicion and reduces the chance of miscalculation. The more of us who know more of them and vice-versa, the better. We may not agree, but we will understand better where and why we disagree. Overcoming myths and false stereotypes about one another will enhance the likelihood of working out more rational solutions to problems.

These interactions between Americans and midlevel officials, many of whom will assume important leadership positions in the future, will help ensure that they have a more accurate view of the United States. Moreover, this exposure fosters appreciation of western management approaches characterized by rational decision-making, team effort, and open communications—all of which can lead to reduced rigidity and receptivity to new ideas.

The more deeply and intricately involved in world economic matters the communist nations become, the greater will be their stake in developing a stable international economic system. This is in our national interest because attitudes of tension and confrontation only mean trouble for the United States. Moreover, such involvement will help strengthen the hand of those within the Soviet system who have a stake in interdependent economic relationships with the rest of the world. It will foster more responsible participation in efforts to solve global problems through constructive, cooperative dialogue.

Because commercial relations lead to tangible and visible results, they can serve as a constructive model in other areas of the U.S.-Soviet relationship. Above all they demonstrate to all that persistence and patience can lead to beneficial results. Moreover, it is essential that both Soviets and Americans realize trade is mutually beneficial and that therefore both sides gain from facilitating it.

While these elements of our relationship with the Soviet Union are not measurable with any precision, common sense dictates they be developed and strengthened. We could lose much by not trying. As President Carter stated recently in a message to the U.S.-U.S.S.R. Trade and Economic Council Meeting in Washington, ". . . bringing together businessmen from both countries for discussions on ways to expand economic, industrial, and technical cooperation is important not only for its positive impact on the American and Soviet economies, but also because the expansion of bilateral trade helps maintain and strengthen the fabric of world peace." In addition, in his July speech in Charleston, President Carter urged identification and development of overlapping interests which are mutually beneficial, such as trade. The President spoke out in favor of expanded U.S.-Soviet commerce.

PROBLEMS IN UNITED STATES-SOVIET TRADE

The advantages of trade with the Soviet Union should not mask the fact that there are problems. These problems are of two kinds. Some are real; others are not. I believe it is important to distinguish between them. First, I shall describe what I consider to be several real problems in our trading relationship—problems which, nevertheless, can be overcome. Perspective is called for in viewing them, and we should recognize we already have overcome problems more severe than those which we now face. It was only with considerable difficulty that we have expanded our bilateral trade from $220 million in 1971 to $2½ billion last year.

The first major problem in U.S.-Soviet trade is the difficulty of meshing the Soviet centrally planned non-market economy with our own market economy. Foreign trade in communist countries is conducted by central government ministries through specialized foreign trade organizations. Sales potential depends generally on priorities set by the government—and not on market forces. Because of the different practices and structures, western businessmen encounted many frustrations in the communist countries.

While much progress has been made, there is a continuing need to develop mechanisms and methods which will enable the systems and individuals concerned to work together more effectively. Government on both sides must, as a matter of conscious policy, further this process by identifying and removing impediments to active commerce.

The second real problem is that the United States has been a late entrant in East-West trade. Western European countries and Japan entered this market long before we did, and we continue to lag behind. The businessmen of those nations have established personal relationships with their counterparts in Communist countries, thereby increasing their competitive advantage. Many American businessmen have said to me they only want to be allowed to compete on an equal basis. Our hesitation has cost us a great deal. The United States' share of western manufactured goods exports to the world as a whole is about 20%. However, largely because of our delayed entry into East-West trade, our share of western manufactured goods exports to the Soviet Union and Eastern Europe is less than one-fourth that—4.7 percent in 1976.

A third real problem is the imbalance in U.S.-Soviet trade reflected in the Soviet debt to the West, now estimated to have reached about $14 billion. Western bankers and government analysts do not consider the present size of the Soviet debt a major problem. However, they do see it as a fundamental limitation which must be addressed and corrected over the long term. At some point, U.S.-Soviet trade must become more balanced. The Communist countries must earn enough hard currency to finance their own imports from the West.

This leads to the next problem—current limitations on Soviet export capabilities. The Soviet economy is stretched so taut that it often is hard pressed to furnish products for export. The Soviet Union is a vast storehouse of material resources, waiting to be tapped, but many are located in remote areas and their development will take time and large investment.

A related problem is the western unwillingness to export from the eastern countries. To the extent that their imports consist of raw materials, problems will be minimal. However, manufactured goods offered for export often face style, quality, packaging, spare parts and servicing difficulties in western markets. These manufactured goods imports will have difficulty competing against domestic western production and the products of the less developed countries. In view of rising protectionism, many foresee that imports from the communist countries could encounter even more significant barriers.

Last, but by no means least in the list of problems, is America's inability to offer official export credits and non-discriminatory tariff treatment to the U.S.S.R. and some other communist countries. The inability to grant these normal trading privileges stems from U.S. legislation which I believe is based on misperception which I will discuss later.

Thus, there are real problems to be recognized and dealt with in expanding trade between the U.S. and the U.S.S.R. We must work cooperatively and imaginatively on new projects and mechanisms to bring our trade more into balance. We must pursue mutual opportunities more vigorously and exploit them jointly. We must look beyond the immediate and explore the long-range possibilities for commercial complementarity.

One possibility we should consider is a joint effort to increase total world energy supplies through the joint development of Soviet energy. New large-scale, cooperative projects must be considered. Another possibility worth exploring is greater cooperation in utilization of industrial research. Reverse technology flow—from the U.S.S.R. to the United States—is an area in which the Soviets have much to contribute. In addition we must work to adapt western import protection systems to give more equitable treatment to imports from non-market economies.

SOME MYTHS ABOUT UNITED STATES-SOVIET TRADE

There are also misperceptions about United States trade which must be corrected. Because the American people have an intensive interest in the subject, and because of the high stakes involved—both economic and political—these misperceptions must be understood.

One misperception involves the level of importance the Soviets attach to trade with the United States, and the degree of economic "pain" they suffer from being denied "most-favored-nation" status.

Repeated studies show that granting so-called "most-favored-nation" status to the Soviets would have a very small effect on increasing their exports to the United States—perhaps $20–$30 million a year in the Soviets' current situation. While some think MFN treatment is psychologically and politically very important to the Soviets, it is not very important from an economic point of view.

Furthermore, the Soviet economy would hardly be in trouble if its trade with the United States were to disappear completely. The fact is that foreign trade—especially trade with the United States—is a very small factor to the Soviet economy, which is self-sufficient in most respects. Their total imports from the West amount to only 1½ percent of the Soviet national product and their imports of manufactured goods from the United States last year were only about 8/100 of one percent of their GNP. Only 3.5 percent of their total imports of manufactured goods from the world came from the United States. Clearly the Soviet Union does not depend heavily for economic survival on trade with the West as a whole, much less with the United States.

Provisions in the Trade Act and the Export-Import Bank Bill restricting credit to the Soviets also mirrored, at least in part, public concern that the United States was going to subsidize the Soviet Union with billions of dollars of cheap export credits. I don't think there ever was a real possibility of this happening. Again, there was misunderstanding. U.S. government-backed credits are very limited in volume and their terms are always close to the going world market rates.

Another misconception about U.S.-Soviet trade surrounded the large Soviet grain purchases of the early 1970's. Not only were the Soviets blamed for driving up the price of American bread—despite the fact that larger export sales are made to other buyers—but some Americans gained the impression that the Soviet Union was desperate for our grain and that we could induce change in the communist system by withholding it. In fact, the Soviet Union normally produces twice as much wheat as the United States, and in the 1971–74 period, U.S. exports to the Soviet Union of grains amounted to less than 4 percent of Soviet production. While curtailing grain trade with the Soviets might cause them some rather serious short-term difficulties, they could both tighten their belts and turn to other sources, such as Canada, Australia or France; the American farmer would lose a major export market.

Perhaps the most serious myth surrounding this trade relationship is the notion that we sent strategic technology to the Soviet Union. It should be made very clear that exports to the communist countries of strategic items, and technology with strategic potential, are controlled by the U.S. and other western governments. Each application for an export license is screened painstakingly by the federal government before a license is issued. In compliance with the Export Administration Act, any export that would make a significant contribution to the military potential of a communist country is barred.

SALES OPPORTUNITIES IN THE U.S.S.R.

Many American businessmen want to do business with the Soviet Union. If we make it difficult for the communist countries to buy non-strategic goods from us they will buy from our western competitors who market almost identical equipment in most cases and are eager to sell it. Thus the Soviet buyers will obtain the goods anyway. Again, the consequence of our refusal to sell would be the loss of U.S. export opportunities to other western countries.

Regrettably, many Americans still assume that trade with communist countries is a one-way street with all the benefits going away from us and towards them. This simply is not true. As I have pointed out, American companies engage in trade with other countries—not as a favor to them—but because trade benefits these American companies. As long as we carefully monitor our exports to communist countries to assure that we do not enhance their military capability, we can obtain substantial benefits.

There are opportunities in U.S.-Soviet trade, as there are in East-West trade generally. In recent years, the growth rate of trade *between* the market and non-market economies has been greater than the growth *within* either of these two major world economic groupings. I believe it will continue to grow as new approaches are pursued. Our own share in this growing trade will depend not only on how we deal with recurrent legislative impediments to expansion, but also on how aggressively our businessmen pursue eastern market opportunities.

What are some of these opportunities specifically?

So far this year the top U.S. sales to the Soviet Union—following wheat, corn, and soybeans, of course, which are always high on the list—have been such diverse exports as plastic tape, anti-pollution equipment, heat exchangers, chemical catalysts, metallurgical molds, construction tractors, and gear-cutting machinery. Sales of oil field equipment of all types, including pumps, regulator valves, and seamless pipe—will amount to tens of millions of dollars this year.

With sales of $2.3 billion worth of goods to the Soviet Union last year, the United States captured 20 percent of all purchases by the Soviet Union from the industrialized west. But the shocking fact is that we are proportionately way behind in sales of manufactured goods. After all, as I said, our top exports to the U.S.S.R. are wheat, corn and soybeans. This in itself is fine. But while other western countries were selling them $950 million worth of chemicals, our sales came to only $37 million. And while other western countries sold them over $7 billion worth of machinery and semi-manufactures, our sales amounted to only $720 million.

Areas in which we could do much better relative to other western countries are, among others, metalworking machinery, machinery for the pulp and paper industries, heat treating equipment, gas pumps and compressors, mechanical handling equipment, and all kinds of electrical machinery and apparatus, including automatic and control equipment. These are just a few quick examples. The Bureau of East-West Trade can supply you with more detailed information about the market for your own particular products.

The programs of the Bureau of East-West Trade support the entry of U.S. firms into communist country markets. We help them deal more easily with and compete in these unfamiliar markets. We sponsor American business participation in exhibitions and trade missions in these nations. We work directly with communist country officials to enable our businessmen to exploit their opportunities as effectively as possible. We provide advice and technical assistance in publications and seminars to answer questions on how to do business with the communist nations. The commercial counselors in our embassies, our Moscow, Warsaw and Vienna offices, and the trade specialists at our 43 Department of Commerce field offices throughout the United States provide direct assistance to U.S. firms.

A FIVE-POINT PROGRAM FOR ACTION

If we are unable to understand and overcome existing obstacles to trade with the Soviet Union and the countries of Eastern Europe, our share could be even smaller than it is today and we could be deprived of significant economic benefits that our western competitors will gladly absorb. Conversely, if we succeed in smoothing out these trading relationships, American manufactured goods exports to the U.S.S.R. and Eastern Europe could become four or five times greater ten years from now than they are at present.

I have pointed out the benefits I see in U.S.-Soviet trade expansion, the real and apparent problems, and the opportunities that could lie ahead. President Carter wants increased trade. The American people want it. The American business community wants it.

What can be done? I offer the following five-point program:

1. Increase U.S. public understanding and dialogue on the important issues of U.S.-Soviet trade.
2. Identify carefully the business opportunities that exist for American firms.
3. Pursue these business opportunities vigorously with the help of the Department of Commerce's Bureau of East-West Trade.
4. Improve the bilateral and multilateral structures and mechanisms so necessary to develop a sound infrastructure for trade between these two super-powers, and
5. Adopt a national policy of commitment to strengthen this overlapping interest.

Those of you here today have a part to play in expanding commerce with the Soviet Union. You have a stake in it. I urge you to act now.

TOM McGINNIS—INNOCENT AND 18 MONTHS IN A BOLIVIAN JAIL

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, December 5, 1977

Mr. HANSEN. Mr Speaker, the fight to obtain a release for Tom McGinnis and the other Americans being held in Bolivian jails has been a long and complicated one. I have been encouraged by the progress we have made and the gradual release of some of the prisoners but unfortunately the wheels of justice in Bolivia turn painfully slow. To help "grease" those wheels I went to Bolivia in August of this year and met for long hours with several American and Bolivian officials at all levels as well as with the attorneys and the prisoners themselves. As a result of that visit I received the assurance by the Bolivian Government that immediate steps would be taken to release those who had completed their obligations and those who were being held with insufficient evidence of wrongdoing. Also, we succeeded in having some Bolivian laws modified and the judicial system streamlined by eliminating one of three review steps normally required. Still the process has been excruciatingly slow for the prisoners and their families in the States.

On the positive side, in Tom McGinnis' case the prosecuting attorneys have admitted that there is not sufficient evidence and they have recommended no prosecution. The Bolivian system is different from ours, unfortunately; and Tom's fate still rests with the judges who will review the case. Another positive note was the recent release on parole of 5 American prisoners including Ken McDonald of Coeur d'Alene.

I have also been coordinating a meeting between various Members of Congress and the President to discuss the Bolivian prisoner problem and hopefully bring

some executive pressure to further help obtain their release.

At the moment Tom's case is in the hands of the lower court which has promised a decision during the first part of December. His case will then go to the superior court, but thanks to our efforts last August that process will not take nearly as long. Hopefully Tom can be released very soon. Needless to say, I will continue to press for his release, as well as the other Americans being held in Bolivian jails wrongfully and at great personal hardship to their families back home.

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